

19 March 2020

ATTY. MARIE ROSE M. MAGALLEN-LIRIO

Head

ISSUER COMPLIANCE AND DISCLOSURE DEPARTMENT (ICDD)

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor, BDO Equitable Tower

8751 Paseo de Roxas, Makati City 1226

RE: DISCLOSURE ON COVID-19 PANDEMIC

Gentlemen:

In compliance with your requirement, we attach the disclosure of the publicly-listed companies in the San Miguel group in compliance with the Notice of the Securities and Exchange Commission dated 12 March 2020 to publicly-listed companies on the COVID-19 pandemic.

Thank you.

Sincerely,



VIRGILIO S. DE GUZMAN
Deputy Corporate Information Officer



SAN MIGUEL CORPORATION

March 13, 2020

The Philippine Stock Exchange, Inc.

Disclosure Department
6th Floor, Philippine Stock Exchange Tower
28th Street, corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **Janet A. Encarnacion**
Head, Disclosure Department

Re: **Filing of Current Report Under Section 17 of the Securities Regulation Code amid COVID-19 Pandemic**

Gentlemen:

Further to the requirement of the Securities and Exchange Commission to make a disclosure to the investing public of the risks and impact of the COVID-19 on the business operations of publicly-listed companies (PLCs) that will materially affect the decision of investors to buy or sell or hold the securities of the PLCs, we disclose as follows:

The Company anticipates that there will be a lower demand for our food and beverage products from on-premise consumption such as restaurant, bars, hotels and similar establishments due to the directives to minimize public gatherings and tourism-related activities. However, we expect that there will be a corresponding increase in in-house consumption of our food and beverage products.

There is also a likelihood for a lower demand for fuel due to the decrease in the use of private and public transportation. Such decrease will likely occur for all kinds fuel such as gasoline, diesel and aviation fuel. The decrease in the number of travelers will likely also impact the volume of vehicles making use of our toll roads.

The Company does not expect that the present situation will cause delays in the delivery of the supply of raw materials for use in our products. Neither do we expect delays in the progress of the construction of our infrastructure projects, unless there is a restriction in the free movement of workers and the delivery of supplies and raw materials.

We do not foresee any adverse impact on the operations of our power business. Although there is a possibility of lower demand for electricity arising from the possible closure of schools, offices, malls and other establishments, the portfolio of customers of the power business consists mostly of distribution utilities and electric cooperatives, which represent mostly residential and small-scale industrial demand.

Very truly yours


FERDINAND K. CONSTANTINO
Corporate Information Officer