

C00648-2015

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported)
Feb 12, 2015
2. SEC Identification Number
11840
3. BIR Tax Identification No.
000-100-341-000
4. Exact name of issuer as specified in its charter
SAN MIGUEL PURE FOODS COMPANY INC.
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
23/F The JMT Corporate Condominium, ADB Avenue, Ortigas Center, Pasig City
Postal Code
1605
8. Issuer's telephone number, including area code
(632) 702-5000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	166,667,096
Preferred	15,000,000

11. Indicate the item numbers reported herein
Item 9. Other Events

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



San Miguel Pure Foods Company, Inc.
PF

**PSE Disclosure Form 16-1- Update on Corporate Actions/
Material Transactions/Agreements**
*References: SRC Rule 17 (SEC Form 17-C) and
Section 16 of the Revised Disclosure Rules*

Subject of the Disclosure

Further to the disclosures dated November 5, 2014 and February 3, 2015 on the public offer of up to 15 million Series "2" preferred shares of the Company, the Company has determined the dividend rate and other terms of the offer.

Background/Description of the Disclosure

Please see attached letter stating that the preferred shares will be issued as Series 2 Preferred Shares (PFP2), instead of Subseries 2A Preferred Shares (PFP2A) and Subseries 2B Preferred Shares (PFP2B). The change in nomenclature is still subject to the approval of the PSE.

Other Relevant Information

None.

Filed on behalf by:

Name	Alexandra Trillana
Designation	AVP & Corporate Secretary

February 11, 2015

Philippine Stock Exchange, Inc.
Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Marsha M. Resurreccion**
Head, Listings Department

Ms. Janet A. Encarnacion
Head, Disclosure Department

Ladies and Gentlemen:

Further to our disclosures dated November 5, 2014 and February 3, 2015 on the perpetual preferred shares offering (the "Offer") of San Miguel Pure Foods Company Inc. (the "Issuer"), we disclose that:

- (a) The preferred shares will be issued as **Series 2 Preferred Shares (PFP2)**¹, please refer to the attached Offer Term Sheet for a summary of the terms of the Offer.
- (b) **Initial Dividend Rate for Series 2 Preferred Shares: 5.6569%** per annum
- (c) **Step Up Rate for Series 2 Preferred Shares: 3.7500%** per annum + the simple average of the closing per annum rates of the 7-year PDST-R2, or if the 7-year PDST-R2 is not available or cannot be determined, any such successor rate that is generally accepted by the market or a self-regulatory organization, for three consecutive days ending on (and including) the fifth anniversary from the Listing Date, as shown on the PDEX page (or such successor page) of Bloomberg (or such successor electronic service provider)

Capitalized terms used but not defined herein shall have the meanings given to such term in the Prospectus dated February 11, 2015 issued by the Issuer in relation to the Offer.

Very truly yours,

SAN MIGUEL PURE FOODS COMPANY INC.

By:


ALEXANDRA B. TRILLANA
Corporate Secretary

¹The change in nomenclature of the Preferred Shares to Series 2 Preferred Shares and the stock symbol to PFP2 is still subject to the approval of the Philippine Stock Exchange.



**SAN MIGUEL PURE FOODS COMPANY INC.
PERPETUAL SERIES 2 PREFERRED SHARES
Offer Term Sheet**

San Miguel Pure Foods Company Inc. - Perpetual Series 2 Preferred Shares	
Issuer	San Miguel Pure Foods Company Inc. (the "Company" or the "Issuer").
Offer Size	₱10 billion base offer size, with an oversubscription option of up to ₱5 billion.
Instrument	Cumulative, non-voting, non-participating, non-convertible Peso-denominated Perpetual Preferred Shares ("Preferred Shares"). The Preferred Shares will be issued as Series 2 Preferred Shares (PFP2).
Oversubscription Option	In the event of an oversubscription, the Joint Issue Managers, in consultation with the Issuer, reserve the right to increase the Offer Size by up to ₱5 billion, subject to the registration requirements of the SEC.
Registration and Listing	To be registered with the SEC and listed on the PSE, subject to compliance with SEC regulations and PSE listing rules.
Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners	BPI Capital Corporation China Banking Corporation RCBC Capital Corporation SB Capital Investment Corporation Standard Chartered Bank
Other Underwriters	The syndicate of Co-Lead Underwriters and Participating Underwriters formed by the Joint Issue Managers in consultation with the Issuer.
Use of Proceeds	To refinance the Issuer's ₱15 billion Outstanding Preferred Shares which are callable on March 3, 2014 or on any

dividend payment date thereafter.

Par Value The Preferred Shares shall have a par value of ₱10.00 per share.

Offer Price The Preferred Shares shall be offered at a price of ₱1,000.00 per share.

Dividend Rate As and if cash dividends are declared by the Board of Directors, cash dividends on the Preferred Shares shall be at the fixed rate of:

Series 2 Preferred Shares: 5.6569% per annum;

in all cases calculated by reference to the Offer Price thereof in respect of each Dividend Period (each, the "Initial Dividend Rate" for the relevant Series).

Dividend Rate means (a) from the Listing Date up to the Step Up Date, the Initial Dividend Rate, and (b) from the Step Up Date, the higher of the Initial Dividend Rate and the Step Up Rate. (Please see below relevant definitions.)

Dividend Rate Step Up Unless the Series 2 Preferred Shares shall have been redeemed by the Company on the 5th anniversary of the Listing Date (the "Series 2 Step Up Date"), the Initial Dividend Rate shall be adjusted, for Series 2 Preferred Shares, on the Series 2 Step Up Date, the simple average of the closing per annum rates of the 7-year PDST-R2, or if the 7-year PDST-R2 is not available or cannot be determined, any successor rate that is generally accepted by the market or a self-regulatory organization, for three (3) consecutive days ending on (and including) the fifth anniversary from the Listing Date as shown on the PDEX page (or such successor page) of Bloomberg (or such successor electronic service provider), in each case, plus 3.75%.

(The date of the listing of Series 2 Preferred Shares is referred to as the "Listing Date". The Series 2 Step Up Date is referred to as a "Step Up Date". The adjusted rate referred to is referred to as a "Step Up Rate".)

However, if the Initial Dividend Rate is higher than the applicable Step Up Rate, there shall be no adjustment on the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.

Dividend Payment Dates Cash dividends on the Preferred Shares will be payable once for every Dividend Period on such date set by the

Board of Directors at the time of declaration of such dividends (each a "Dividend Payment Date") in accordance with the terms and conditions of the Preferred Shares, which date shall be any day within the period commencing on (and including) the last day of a Dividend Period and 15 calendar days from the end of the relevant Dividend Period. A "Dividend Period" shall refer to (i) March 12 to June 11, (ii) June 12 to September 11, (iii) September 12 to December 11, or (iv) December 12 to March 11 of each year. If a Dividend Payment Date occurs after the end of a Dividend Period, there shall be no adjustment as to the amounts of dividends to be paid.

The dividends on the Preferred Shares will be calculated on a 30/360-day basis.

If the Dividend Payment Date is not a Banking Day, dividends will be paid on the next succeeding Banking Day, without adjustment as to the amount of dividends to be paid.

Conditions on Declaration and Payment of Cash Dividends

The declaration and payment of cash dividends for each Dividend Period will be subject to the sole and absolute discretion of the Board of Directors to the extent permitted by applicable laws and regulations, and the covenants (financial or otherwise) in the agreements to which the Company is a party. The Board of Directors will not declare and pay dividends for any Dividend Period where payment of the Dividend would cause the Company to breach any of its financial covenants.

If the profits available to distribute as dividends are, in the Board's opinion, not sufficient to enable the Company to pay in full on the same date both dividends on the Preferred Shares and the dividends on other shares that are scheduled to be paid on or before the same date as the dividends on the Preferred Shares and have an equal right to dividends as the Preferred Shares, the Company is required first, to pay in full, or to set aside an amount equal to, all dividends scheduled to be paid on or before that dividend payment date on any shares with a right to dividends ranking in priority to that of the Preferred Shares, and second, to pay dividends on the Preferred Shares and any other shares ranking equally with the Preferred Shares as to participation in profits pro rata to the amount of the cash dividends scheduled to be paid to them. The amount scheduled to be paid will include the amount of any dividend payable on that date and any arrears on past cumulative dividends on any shares ranking equal in the right to dividends with the Preferred Shares.

The profits available for distribution are, in general and with some adjustments, equal to the Company's accumulated

realized profits less accumulated realized loss.

Dividends on the Preferred Shares will be cumulative. If for any reason the Company's Board does not declare a dividend on the Shares for a Dividend Period, the Company will not pay a dividend for that Dividend Period. However, on any future Dividend Payment Date on which dividends are declared, holders of the Shares must receive the dividends due them on such Dividend Payment Date as well as all dividends accrued and unpaid to the holders of the Shares prior to such Dividend Period.

Holders of Shares shall not be entitled to participate in any other or further dividends beyond the dividends specifically payable on the Shares.

The Issuer will covenant that, in the event (a) any dividends due with respect to any Preferred Shares then outstanding for any period are not declared and paid in full when due, or (b) any other amounts payable under the Preferred Share terms and conditions are not paid in full when due for any reason:

It will not declare or pay any dividends or other distributions in respect of, or repurchase or redeem, securities ranking junior to Preferred Shares (or contribute any moneys to a sinking fund for the redemption of any securities ranking junior to Preferred Shares);

Subject to legal requirements, the Issuer will procure that no subsidiary over which the Issuer has a Controlling Participation will pay any discretionary dividends or other discretionary distributions on, or at the Issuer's discretion repurchase or redeem, any security ranking senior to the respective subsidiary's common shares other than those senior securities held by the Issuer or a wholly-owned subsidiary thereof (or contribute any moneys to a sinking fund for the purposes of any such redemption).

"Controlling Participation" shall refer to the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of the corporation, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the Board of Directors or similar body governing the affairs of the corporation.

Optional Redemption

As and if approved by the Board of Directors (or the Executive Committee), the Company may redeem in cash, in whole (not in part), the Series 2 Preferred Shares on the 3rd anniversary of the Listing Date or on any Dividend Period thereafter, (each of the dates when the Series 2 Preferred Shares may be redeemed pursuant to this paragraph, an "Optional Redemption Date"), after giving

not less than 30 nor more than 60 days' written notice prior to the intended date of redemption, at a redemption price (the "Redemption Price") equal to the Offer Price of the Preferred Shares plus all dividends due them on the actual date of redemption as well as all accumulated dividends due and payable, or dividends in which the declaration and/or payment have been deferred, in respect of prior Dividend Periods. Such notice to redeem shall be deemed irrevocable upon issuance thereof.

For the avoidance of doubt, on the applicable Optional Redemption Date, the Company has the option to redeem, without preference or priority, in whole (not in part), the Series 2 Preferred Shares.

Redemption Due to an Accounting Event, Tax Event or Change of Control

The Company may also redeem the Preferred Shares, in whole (not in part), at any time if an Accounting Event, Tax Event or Change of Control (each as defined below) has occurred and is continuing, having given not less than 30 nor more than 60 days' written notice prior to the intended date of redemption, such notice to be deemed irrevocable upon issuance thereof.

Accounting Event

An accounting event ("Accounting Event") shall occur if an opinion of a recognized accountancy firm authorized to perform auditing services in the Republic of the Philippines has been delivered to the Company stating that the Preferred Shares may no longer be recorded as equity in the audited consolidated financial statements of the Company prepared in accordance with PFRS, or such other accounting standards which succeed PFRS as adopted by the Company for the preparation of its audited consolidated financial statements for the relevant financial year and such event cannot be avoided by the Company taking reasonable measures available to it.

Tax Event

A tax event ("Tax Event") shall occur if payments on the Preferred Shares become subject to additional or higher withholding tax or any new tax (including a higher rate of an existing tax) as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Company.

Change of Control ("CoC Event")

Change in Control shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a Controlling Participation in the Company pursuant to the Philippine laws.

The Dividend Rate will be increased by 400 basis points commencing and including the day falling 180 days after

the day on which a CoC Event has occurred. If a Change of Control has occurred, the Issuer may at any time redeem the Preferred Shares (in whole, not in part) at the Redemption Price, which shall include dividends computed on the applicable Dividend Rate plus the additional 400 basis points commencing and including on the day on which a CoC Event has occurred.

No Sinking Fund

The Company is not legally required, has not established, and currently has no plans to establish, a sinking fund for the redemption of the Preferred Shares.

Purchase of the Preferred Shares

Upon listing on the PSE, the Company may purchase the Preferred Shares at any time in the open market or by public tender or by private contract at any price through the PSE without any obligation to purchase or redeem the other Preferred Shares. The Preferred Shares so purchased may either be redeemed (pursuant to the terms and conditions of the Preferred Shares) and cancelled or kept as Treasury Shares, as applicable.

Taxation

All payments in respect of the Preferred Shares are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of the Republic of the Philippines, including, but not limited to, stamp, issue, registration, documentary, value-added or any similar tax or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, the Company will pay additional amounts so that holders of the Preferred Shares will receive the full amount of the relevant payment which otherwise would have been due and payable. Provided, however, that the Company shall not be liable for, and the foregoing payment undertaking of the Company shall not apply to:

(a) the final withholding tax applicable on dividends earned on the Preferred Shares as prescribed under the National Internal Revenue Code of 1997;

(b) as applicable, any income tax (whether or not subject to withholding), percentage tax, stock transaction tax and documentary stamp tax on the redemption of the Preferred Shares or on the liquidating distributions as may be received by a holder of Preferred Shares;

(c) any expanded value-added tax which may be payable by any holder of the Preferred Shares on any amount to be received from the Company under the terms and conditions of the Preferred Shares;

(d) any withholding tax on any amount payable to any holder of Preferred Shares or any entity which is a

non-resident foreign corporation; and

(e) any applicable taxes on any subsequent sale or transfer of the Preferred Shares by any holder of the Preferred Shares which shall be for the account of the said holder (or the buyer in case such buyer shall have agreed to be responsible for the payment of such taxes).

All sums payable by the Company to tax-exempt entities shall be paid in full without deductions for taxes, duties, assessments or governmental charges provided said entities present sufficient proof of such tax-exempt status from the tax authorities.

Documentary stamp tax for the primary issue of the Preferred Shares and the documentation, if any, shall be for the account of the Company.

Form, Title and Registration of the Preferred Shares

The Preferred Shares will be issued in scripless form through the electronic book-entry system of SMC Stock Transfer Service Corporation as Registrar for the Offer, and lodged with Philippine Depository and Trust Corporation as Depository Agent on Listing Date through PSE Trading Participants nominated by the accepted Applicants. For this purpose, Applicants shall indicate in the proper space provided for in the Application form ("Application to Purchase") the name of a PSE trading participant under whose name their Shares will be registered.

After Listing Date, shareholders may request the Registrar, through their nominated PSE trading participant, to (a) open a scripless registry account and have their holdings of the Preferred Shares registered under their name, or (b) issue stock certificates evidencing their investment in the Preferred Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting shareholder.

Legal title to the Preferred Shares will be shown in an electronic register of shareholders (the "Registry of Shareholders") which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Preferred Shares that is effected in the Registry of Shareholders (at the cost of the requesting shareholder). The Registrar shall send (at the cost of the Company) at least once every year a statement of account to all shareholders named in the Registry of Shareholders confirming the number of Shares held by each shareholder on record in the Registry of Shareholders. Such statement of account shall serve as evidence of ownership of the relevant shareholder as of the given date thereof. Any request by shareholders for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the

account of the requesting shareholder.

Selling and Transfer Restrictions

Initial placement and subsequent transfers of interests in the Preferred Shares shall be subject to normal selling restrictions for listed securities that may prevail in the Philippines from time to time.

Eligible Investors

The Preferred Shares may be owned or subscribed to by any person, partnership, association or corporation regardless of nationality, provided that the Preferred Shares shall not be sold to persons classified as U.S. Persons under the Foreign Account Tax Compliance Act of the United States (FATCA), as this may be amended from time to time. "U.S. Persons" means any of the following: (i) a U.S. citizen (including dual citizen); (ii) a U.S. resident alien for U.S. tax purposes; (iii) a U.S. partnership; (iv) a U.S. corporation; (v) any U.S. estate; (vi) any U.S. trust if: (y) a court within the United States is able to exercise primary supervision over the administration of the trust; or, (z) one or more U.S. persons have the authority to control all substantial decisions of the trust; and (vii) any other person that is not a non-US person.

The Company may reject an Application or reduce the number of Shares applied for subscription or purchase for purposes of complying with any applicable constitutional or statutory minimum Filipino ownership requirement. In determining compliance with such nationality requirement, the required percentage of Filipino ownership shall be applied to both (a) the total number of Outstanding Shares of Stock entitled to vote in the election of directors, and (b) the total number of Outstanding Shares of Stock, whether or not entitled to vote in the election of directors, as set out in applicable regulations.

Law may restrict subscription to the Preferred Shares in certain jurisdictions. Foreign investors interested in subscribing for or purchasing the Preferred Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, shall warrant that their purchase of the Preferred Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Preferred Shares.

Governing Law

The Preferred Shares will be issued pursuant to the laws of the Republic of the Philippines.

Procedure for Application

Applications to Purchase may be obtained from any of the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners, Other Underwriters or Selling Agents. All

Applications shall be evidenced by the Application to Purchase, duly executed in each case by the Applicant or an authorized signatory of the Applicant and accompanied by two completed signature cards, the corresponding payment for the Preferred Shares covered by the Application to Purchase and all other required documents including documents required for registry with the Registrar and Depository Agent ("Application"). The duly executed Application to Purchase and required documents should be submitted to the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners (which may be through the Other Underwriters) or Selling Agents on or prior to set deadlines for submission of Applications to Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners and Selling Agents, respectively. If the Applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents:

- a. a certified true copy of the Applicant's latest articles of incorporation and by-laws, general information sheet or equivalent constitutive documents, each as amended to date, duly certified by the corporate secretary (or equivalent officer);
- b. a certified true copy of the Applicant's SEC certificate of registration, duly certified by the corporate secretary (or equivalent officer); and
- c. a duly notarized corporate secretary's certificate setting forth the resolution of the Applicant's board of directors or equivalent body authorizing (i) the purchase of the Preferred Shares indicated in the Application and (ii) the designated signatories authorized for the purpose, including their respective specimen signatures.

Individual Applicants must also submit a photocopy of any one of the following identification cards ("ID"): passport/driver's license, company ID, Social Security System/Government Service and Insurance System ID and/or Senior Citizen's ID or such other ID and documents as may be required by or acceptable to the selling bank.

An Applicant who is exempt from or is not subject to withholding tax or who claims reduced tax treaty rates must also submit the documents described in the Section on "Taxation" in pages 148 to 151 of the Prospectus.

Payment for the Preferred Shares

The Preferred Shares must be paid for in full upon submission of the Application. The purchase price must be paid in full in Pesos upon the submission of the duly completed and signed Application to Purchase and signature card together with the requisite attachments. Payment for the Preferred Shares shall be made either by: (i) a personal or corporate check drawn against an account with a BSP authorized bank at any of its branches located

in Metro Manila; or (ii) a manager's or cashier's check issued by an authorized bank. All checks should be made payable to "**San Miguel Pure Foods Preferred Shares Offer**", crossed "Payee's Account Only," and dated on or before the date as the Application. The Applications and the related payments will be received at any of the offices of the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners (which may be through the Other Underwriters) or Selling Agents. Applicants submitting their Application to a Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner may also remit payment for their Preferred Shares through the Real Time Gross Settlement ("RTGS") facility of the BSP to the Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner to whom such Application was submitted or via direct debit to their deposit account maintained with such Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner. Cash payments shall not be accepted.

Should the Applicant elect to pay through RTGS, the Application should be accompanied by an instruction issued by the Applicant to effect payment through RTGS in an amount equal to the total Offer Price of the Offer Shares applied for, to be effected and fully funded not later than 5:00 p.m. on March 5, 2015.

Should the Applicant elect to pay by a debit memo or instruction, the Application should be accompanied by a debit memo or instruction issued by the Applicant in an amount equal to the total Offer Price applied for in favor of the Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner to whom the Application is submitted, to be effected no later than 5:00 p.m. on March 5, 2015.

Acceptance/Rejection of Application

The actual number of Preferred Shares that an Applicant will be allowed to subscribe for is subject to the confirmation of the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners. The Company reserves the right to accept or reject, in whole or in part, or to reduce any Application due to any grounds specified in the Underwriting Agreement to be entered into by the Company and the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected. Moreover, any acceptance or receipt of payment pursuant to the Application does not constitute approval or acceptance by the Company of the Application.

An Application, when accepted, shall constitute an agreement between the Applicant and the Company for the subscription to the Preferred Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and those described in the Prospectus. Notwithstanding the acceptance of any

Application by the Company, the actual subscription by the Applicant for the Preferred Shares will become effective only upon listing of the Preferred Shares on the PSE and upon the obligations of the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the Applicants without interest.

Refunds for Rejected Applications

In the event that the number of Preferred Shares to be allotted to an Applicant, as confirmed by a Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner or Selling Agent, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Company, then the Company shall refund, without interest, within five Banking Days from the end of the Offer Period, all or the portion of the payment corresponding to the number of Preferred Shares wholly or partially rejected. All refunds shall be made through the Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner or Selling Agent with whom the Applicant has filed the Application at the Applicant's risk.

Features of the Preferred Shares

No Voting Rights

Holders of the Preferred Shares shall not be entitled to vote at the Company's stockholders' meetings, except as otherwise provided by law.

Non-Participating

Holders of the Preferred Shares shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Preferred Shares.

Non-Convertible

Holders of the Preferred Shares shall have no right to convert the Preferred Shares to any other preferred shares or Common Shares of the Company.

No Pre-emptive Rights

Holders of the Preferred Shares shall have no pre-emptive rights to subscribe to any shares (including, without limitation, Treasury Shares) that will be issued or sold by the Company.

Liquidation Rights

In the event of liquidation, dissolution, bankruptcy, or winding up of the affairs of the Company, the holders of the Preferred Shares shall enjoy preference in the payment, in full or, if the remaining assets of the Company are

insufficient, on a pro-rata basis as among all holders of Outstanding Preferred Shares, of the issue price of their Shares plus any previously declared and unpaid dividends, before any asset of the Company is paid or distributed to the holders of Common Shares.

Other Terms of the Offer

Offer Period

The Offer Period shall commence at 9:00 a.m. on February 16, 2015 and end at 5:00 p.m. on March 5, 2015. The Company and the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners reserve the right to extend or terminate the Offer Period with the approval of the SEC and the PSE.

Minimum Subscription to the Preferred Shares

Each application shall be for a minimum of fifty (50) Preferred Shares, and thereafter, in multiples of ten (10) Preferred Shares. No application for multiples of any other number of Preferred Shares will be considered.

Expected Timetable

The timetable of the Offer is expected to be as follows:

Dividend Rate Setting..... February 11, 2015

Dividend Rate
Announcement and
Allocation of the
Preferred Shares..... February 12, 2015

Offer Period..... February 16 to
March 5, 2015

PSE Trading Participants'
Commitment Period..... February 18, 2015

PSE Trading Participants'
Allocation..... February 19, 2015

Settlement Date,
Listing Date, and
Commencement of
Trading on the PSE..... March 12, 2015

The dates included above are subject to the approval of the PSE and the SEC, market and other conditions, and may be changed.

Selling Agents

Trading Participants of the Philippine Stock Exchange

Depository Agent

Philippine Depository and Trust Corporation.

Registrar and Paying Agent

SMC Stock Transfer Service Corporation

Counsel to the Issuer

Picazo Buyco Tan Fider & Santos

Counsel to the Joint Issue Managers,
Joint Lead Underwriters and Joint
Bookrunners

SyCip Salazar Hernandez & Gatmaitan