

C01907-2015

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 4-29 - Disbursement of Proceeds and Progress Report
References: Memorandum No. 626 - 2007 dated December 20, 2007
Section 4.4 of the Revised Disclosure Rules

- Annual Report
 Quarterly Report
 Others N/A

Subject of the Disclosure

SMPFC Quarterly Progress Report on the Application of Proceeds of Perpetual Series 2 Preferred Shares Offer for the Quarter Ended March 31, 2015.

Background/Description of the Disclosure

Please see attached.

Other Relevant Information

None.

Filed on behalf by:

Name	Alexandra Trillana
Designation	AVP & Corporate Secretary

April 13, 2015

THE 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

Re: Quarterly Progress Report on the Application of Proceeds of Perpetual Series 2 Preferred Shares Offer for the Quarter Ended March 31, 2015

Ladies and Gentlemen:

Please be advised that as at March 31, 2015, San Miguel Pure Foods Company Inc. ("SMPFC" or the "Company") has fully disbursed the proceeds from the offering of the Company's Perpetual Series 2 Preferred Shares (the "PFP2 Shares") amounting to FIFTEEN BILLION PESOS (P15,000,000,000.00) (the "PFP2 Offering Proceeds"). The details of the disbursements made from the PFP2 Offering Proceeds are as follows:

PFP2 Offering Proceeds		Php 15,000,000,000.00
Less: Disbursements Relating to the PFP2 Shares		
Underwriting fees	Php 104,838,709.67	
PSE listing fee	15,000,000.00	
PSE processing fee	50,000.00	
SEC filing and legal research fees	4,358,150.00	
Legal and other fees	5,314,352.73	
DST	750,000.00	
Other expenses	1,320,679.18	131,631,891.58
Less: Disbursements Relating to the Redemption of the Preferred Shares issued on March 3, 2011 (the "PFP Shares")		
Payment of short-term loan plus interest, proceeds from which loan was used to redeem the Company's then outstanding PFP Shares		5,003,472,222.22
Recovery of the amount advanced by SMPFC for the redemption of PFP Shares		9,864,895,886.20
Balance of PFP2 Offering Proceeds as at March 31, 2015		Php 0.00


ZENAIDA M. POSTRADO
Treasurer and Chief Finance Officer

San Miguel Pure Foods Company, Inc.
23rd Fl., The JMT Corporate Condominium, ADB Avenue
Ortigas Center, Pasig City, Metro Manila, Philippines 1605
Tel.: (632) 702-5000 Fax No.: (632) 634-1801
Website: www.sanmiguelpurefoods.com.ph

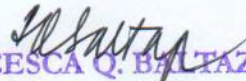
ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG CITY) S.S.

At the City of Pasig this _____ day of APR 15 2015 2015, personally appeared before me ZENAIDA M. POSTRADO, with Philippine Passport No. EC-0671128 issued in Manila and expiring on March 25, 2019, in her capacity as Treasurer and Chief Finance Officer of SAN MIGUEL PURE FOODS COMPANY INC., personally known to me and avowed under penalty of law to the whole truth of the contents of the foregoing certificate.

WITNESS MY HAND AND SEAL at the place and date first above written.

Doc. No. 08 :
Page No. 103 ;
Book No. VI ;
Series of 2015.


MA. FRANCESCA Q. BALTAZAR
Notary Public for Pasig City
Commission until 31 December 2016
22nd Floor, JMT Corporate Condominium,
ADB Ave., Ortigas Center, Pasig City
APPT No. 94 (2015-2016)/Roll No. 57174
PTR No. 0396440; 1/13/2015; Pasig City
IBP No. 0990397; 1/12/2015; Makati City

SAN MIGUEL PURE FOODS COMPANY INC.
NOTES TO QUARTERLY SUMMARY OF APPLICATION OF PROCEEDS
FOR THE QUARTER ENDED MARCH 31, 2015

1) BACKGROUND

On November 3, 2010, the Company's stockholders approved, among others, the (i) reclassification of 40,000,000 authorized and unissued common shares of the Company into non-voting, cumulative and non-participating preferred shares with par value of P10.00 per share, (ii) issuance of such preferred shares and the listing thereof at the appropriate exchanges, and (iii) amendment of the Company's Articles of Incorporation to reflect the reclassification of 40,000,000 common shares to preferred shares and the denial of pre-emptive rights of shareholders for the proposed issuance of said preferred shares ("the Amendment").

On December 23, 2010, the Securities and Exchange Commission (SEC) approved the Amendment to the Articles of Incorporation of the Company.

On January 20, 2011, the SEC favorably considered the Company's Registration Statement covering the registration of 15,000,000 preferred shares with a par value of P10.00 per share (the "PFP Shares").

On January 26, 2011, the Philippine Stock Exchange, Inc. (PSE) approved, subject to certain conditions set out in its Notice of Approval, the application of the Company to list the PFP Shares to cover the Company's follow-on preferred shares offering at an offer price of P1,000.00 per share and with a dividend rate determined by management on the dividend rate setting date.

On February 9, 2011, the Prospectus for the preferred shares offer was submitted to the SEC and the PSE.

On February 10, 2011, the SEC issued the order for the registration of the Company's PFP Shares and released the Certificate of Permit to Offer Securities for Sale.

On February 11, 2011, the Board approved the terms of the PFP Shares offer as set out in the Prospectus for the offer.

On March 3, 2011, the Company's PFP Shares were issued and listed with the PSE.

On November 5, 2014, SMPFC's Board of Directors (BOD) approved, among others, the: (i) public offer of up to 25 million preferred shares at an issue price of P1,000.00 per share from the Company's unissued capital stock as covered by the previous approval of the stockholders in its Special Stockholders' meeting held on November 3, 2010; and (ii) registration and listing of such preferred shares at the appropriate exchanges.

On January 20, 2015, the BOD of the PSE approved, subject to SEC approval and certain conditions, the application of the Company to list up to 15,000,000 perpetual series "2" preferred shares with a par value of P10.00 per share (the "PFP2 Shares") to cover the Company's preferred shares offering at an offer price of P1,000.00 per share and with a dividend rate to be determined by management.

On February 3, 2015, the Company's BOD approved the redemption on March 3, 2015 of the 15,000,000 outstanding PFP Shares at the redemption price of P1,000.00 per share.

The redemption price and all accumulated unpaid cash dividends were paid on March 3, 2015 to relevant stockholders of record as at February 17, 2015. The redeemed preferred shares thereafter became part of the Company's treasury shares.

On February 5, 2015, the SEC favorably considered the Company's Registration Statement covering the registration of up to 15,000,000 PFP2 Shares at an offer price of P1,000.00 per share (the "PFP2 Shares Offering"), subject to the conditions set forth in the pre-effective letter issued by the SEC on the same date.

On February 9, 2015, the PSE issued, subject to certain conditions, the Notice of Approval on the Company's application to list up to 15,000,000 PFP2 Shares to cover the PFP2 Shares Offering at an offer price of P1,000.00 per share and with a dividend rate still to be determined by management on February 11, 2015, the dividend rate setting date.

On February 11, 2015, further to the authority granted by the Company's BOD to management during the BOD meetings on November 5, 2014 and February 3, 2015 to fix the terms of the PFP2 Shares Offering, management determined the terms of the PFP2 Shares, including the initial dividend rate for the PFP2 Shares at 5.6569% per annum.

On February 12, 2015, the SEC rendered effective the Registration Statement and other papers and documents attached thereto filed by the Company, and issued the Order of Registration of up to 15,000,000 PFP2 Shares at an offer price of P1,000.00 per share. The Certificate of Permit to Offer Securities for Sale was issued by the SEC on the same date.

On March 12, 2015, the Company's 15,000,000 PFP2 Shares were issued and listed with the PSE.

In view of the foregoing and in compliance with the PSE Notice of Approval, the Company is hereby submitting through the PSE EDGE this quarterly progress report on the application of the proceeds from the PFP2 Shares Offering ("the PFP2 Offering Proceeds"), on or before the first fifteen (15) days following the first quarter of 2015.

2) RELEVANT INFORMATION

Expenditures from the PFP2 Offering Proceeds are discussed below:

Nature of the Expenditures

i. Disbursements Relating to the PFP2 Shares

These are actual payments made in connection with the registration, offer, listing and issuance of the PFP2 Shares.

ii. Disbursements Relating to the Redemption of the PFP Shares

The proceeds from the offering of the PFP2 Shares were used to refinance the Company's P15.0 billion outstanding PFP Shares issued on March 3, 2011, which were redeemed on March 3, 2015. Since the redemption of the outstanding PFP Shares took place prior to the listing and settlement date of the PFP2 Shares, SMPFC advanced the redemption price from a combination of the available cash balance of the Company and short-term borrowing out of its credit facilities.



R.G. Manabat & Co.
The KPMG Center, 9/F
6787 Ayala Avenue
Makati City 1226, Metro Manila, Philippines

Telephone: +63 (2) 885 7000
Fax: +63 (2) 894 1985
Website: www.kpmg.com.ph
E-mail: ph-inquiry@kpmg.com

Branches - Subic - Cebu - Bacolod - Iloilo

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
San Miguel Pure Foods Company Inc.
23rd Floor, The JMT Corporate Condominium
ADB Avenue, Ortigas Center, Pasig City

We have reviewed the accompanying Quarterly Progress Report of San Miguel Pure Foods Company Inc. ("the Company") for the quarter ended March 31, 2015 with respect to the Company's use of the proceeds from its public offering of perpetual series "2" preferred shares ("PFP2 Offering"). Management is responsible for the preparation and the fair presentation of the Quarterly Progress Report in accordance with the planned use of the proceeds from the PFP2 Offering as presented in the Offering Prospectus of the Company. Our responsibility is to express a conclusion on the basis of work performed.

We conducted our review in accordance with the applicable Philippine Standard on Assurance Engagements. A review of the Quarterly Progress Report consists of making inquiries, primarily of persons responsible and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Quarterly Progress Report of the Company for the quarter ended March 31, 2015 does not present fairly, in all material respects, the information on the use of proceeds from the PFP2 Offering as summarized in the Offering Prospectus.

R.G. MANABAT & CO.

JOHN MOLINA

Partner

CPA License No. 0092632

SEC Accreditation No. 1101-AR-1, Group A, valid until March 25, 2017

Tax Identification No. 109-916-107

BIR Accreditation No. 08-001987-23-2014

Issued January 22, 2014; valid until January 21, 2017

PTR No. 4748118MC

Issued January 5, 2015 at Makati City

April 14, 2015
Makati City, Metro Manila