



## SMC GLOBAL POWER

14 May 2020

**Philippine Dealing & Exchange Corp.**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Avenue corner Paseo de Roxas  
Makati City

Attention: **Atty. Marie Rose M. Magallen-Lirio**  
Head - Issuer Compliance and Disclosure Department

Gentlemen:

Please find the attached disclosure of San Miguel Corporation (“SMC”), the parent company of SMC Global Power Holdings Corp. (the “Corporation”), to the Philippine Stock Exchange, Inc. This disclosure pertains to the first quarter consolidated net income for fiscal year 2020 of the Corporation referred to in the news article entitled “SMC Global posts 10% income drop” posted in manilastandard.net on 13 May 2020.

Very truly yours,

**SMC GLOBAL POWER HOLDINGS CORP.**

By:

**ELENITA D. GO**

Corporate Information Officer



**SAN MIGUEL CORPORATION**

May 14, 2020

**The Philippine Stock Exchange, Inc.**

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

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

Re: Clarification on News Report about  
SMC Global Power Holdings Corp.

Gentlemen:

We reply with respect to the attached news article entitled "SMC Global posts 10% income drop" posted in manilastandard.net on May 13, 2020. The article reported that:

"SMC Global Power Corp., the power arm of diversified San Miguel Corp., said posted a 10-percent decline in consolidated net income in the first quarter to P3.221 billion from P3.579 billion in the same period last year amid lower revenues and lower power costs.

Consolidated revenues reached P28.298 billion in the first quarter, or 18 percent lower than last year's P34.676 billion a year ago.

SMC Global attributed the revenue decrease to the decline in bilateral offtake volume of South Premiere Power Corp. due to lower Manila Electric Co. nominations and lower average sales prices under the new power supply agreements of SPPC and San Miguel Energy Corp. with Meralco effective Dec. 31, 2019.

Other factors were lower average sales prices of Masinloc Power Partners Co. Ltd. for its bilateral offtake volume and lower average spot prices for Luzon-based power plants moderated by higher revenues of San Miguel Consolidated Power Corp. on account of the increase in its bilateral offtake volume; and increase in spot sales volume of MPPCL and Strategic Power Devt. Corp."

By way of response to the Exchange, we advise that the decline in the first quarter consolidated net income of SMC Global Power Holdings Corp. for 2020 compared with the results in the first quarter of 2019, and the underlying reasons for such decline, as reported in the aforementioned news article, are accurate.

Very truly yours,

**MARY ROSE S. TAN**  
Assistant Corporate Secretary