SAN MIGUEL BREWERY
HONG KONG LTD.
香港生力啤酒廠有限公司

PRESS RELEASE

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San Miguel Brewery Hong Kong Limited Announced Year 2010 Interim Results

San Miguel Brewery Hong Kong Limited (the "Company") today announced its financial results for the first six months of 2010. While South China volumes continued to be weak, volumes in Hong Kong, including exports, grew by 19.5%. Consolidated loss attributable to equity shareholders for the first semester of 2010 was HK$33.1 million, from HK$29.3 million posted last year.

Following the resumption of our brewing operations in Yuen Long Brewery last year, production efficiency continued to improve over the first half of 2010. Chairman, Ramon S. Ang said, "Improved efficiencies contributed to lower variable cost of locally produced products. Moreover, sales volumes posted a 19.5% improvement over the same period in 2009 with both the export business and the imported premium brands showing double-digit growth rates."

The Company continued to defend its leading position in the local market. This period saw the launch of a lower calorie San Mig Light in the new long neck bottle and initial consumer response has been very favorable. To leverage on the popularity of the 2010 World Cup, the Company launched the "San Miguel Soccer Union" in bars where consumers can view soccer matches with other soccer enthusiast and be part of live feeds from these viewing venues aired during a Hong Kong sports channel's broadcast of the games. Ang said, "By building our brand portfolio through strategic marketing and distribution, we manage to not only keep our current clientele, but also draw new consumers to our brands."

Trading conditions in South China for the first six months of 2010 were extremely difficult. Domestic volumes of both San Miguel (Guangdong) Brewery Company Limited ("SMGB") and Guangzhou San Miguel Brewery Company Limited ("GSMB") continued to be affected by aggressive competition vying for market share amidst tough market conditions. Ang however noted, "We are nevertheless encouraged by the improving trend of our GSMB volumes in the second quarter and our growth in more developed markets such as Shenzhen and the retail chains."

"While the Group continues to compete in a difficult market, our outlook for the rest of the year remains optimistic. Our continuing re-engineering efforts should help create a solid foundation for the Company's future growth. We are aware that there are still improvements that need to be made in

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order to drive the Company toward profitability. Nevertheless, the Company is confident that we are moving in the right direction," concluded Ang.

The Group's balance sheet and cash position continued to be healthy with total net assets maintained at HK$1,132.5 million, along with a low debt-to-equity ratio of 0.22 and current ratio of 1.1 times.

The Board has resolved that no dividends will be declared for the first six months of 2010.

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