



SAN MIGUEL CORPORATION

September 11, 2014

The Philippine Stock Exchange, Inc.
Disclosure Department
3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet A. Encarnacion**
Head - Disclosure Department

Gentlemen:

We reply with respect to the news article entitled "SMC bids for United Biscuits" posted in manilastandardtoday.com on September 10, 2014. The article reported in part that:

"Diversified conglomerate San Miguel Corp. plans to bid for British snacks maker United Biscuits, which is reportedly worth 2 billion pounds or \$3.22 billion.

'SMC is evaluating a bid for United Biscuits,' San Miguel president and chief operating officer Ramon Ang said in a text message.

The conglomerate's move to consider bidding for United Biscuits, which owns snack brands Sultana, Jacob's, Jaffa Cakes and Twiglets, came a few days after it agreed to sell its 49-percent interest in flag carrier Philippine Airlines for \$1 billion.

United Biscuits' private equity owners, Blackstone Group and PAI Partners, are reportedly preparing to either sell United Biscuits or launch an initial public offering.

The auction for United Biscuits is reported to be worth 2 billion pounds.

San Miguel will compete with other bidders including breakfast cereal maker Kellogg and Chinese private equity firm Hony Capital, both of which have expressed interest in buying into the UK-based biscuit maker.

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By way of response to the Exchange, we advise that the statement of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, relating to the evaluation by the Company of submitting a bid for the contemplated auction of United Biscuits Luxco S. C. A., as reported in the aforementioned article, is accurate.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer