



SAN MIGUEL CORPORATION

April 27, 2007

Philippine Stock Exchange
Disclosure Department
Listing and Disclosure Group
4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

Attention: **Atty. Pete M. Malabanan**
Head - Disclosure Department

Gentlemen:

Enclosed is a copy of our press statement entitled "Japanese Joint Venture Partner Buys into SMC Packaging Business," which we will release to the press today.

Very truly yours,


ROSABEL T. BALAN
Vice President &
Assistant Corporate Secretary



SAN MIGUEL CORPORATION

JAPANESE JOINT VENTURE PARTNER BUYS INTO SMC PACKAGING BUSINESS

San Miguel Corporation (SMC) and Nihon Yamamura Glass (NYG), a leading Japanese manufacturer of glass and plastics packaging today announced that the two companies have reached an agreement under which NYG would gain a minority interest as a strategic equity partner in SMC's domestic and international packaging businesses.

NYG is a long-time joint venture partner of San Miguel in the Philippines. Together, the companies own and operate the country's largest glass plant, San Miguel Yamamura Asia Corp., and San Miguel Yamamura Fuso Molds Corporation, as well as a glass plant in Vietnam. Apart from Vietnam and the Philippines, NYG also has presence in China and Taiwan. The agreement would allow NYG to participate in other packaging formats already being produced by San Miguel such as metal, metal closure, carton, plastics and composites.

NYG's equity infusion would give it a 35% stake in San Miguel's total packaging businesses represented by its domestic and regional operations under San Miguel Packaging Specialists, Inc. and San Miguel Packaging International, Ltd respectively. The expanded partnership will bring together the strengths of the two companies in the manufacture and marketing of innovative packaging solutions and products for regional customers.

Ramon S. Ang, SMC president and chief operating officer said that San Miguel was excited to expand its partnership with NYG, "The resulting joint venture will combine the potentials of San Miguel's diversified packaging business with NYG's cutting-edge research and technology. NYG is a very strong partner, with exemplary business philosophy, and a highly professional team.

"This partnership will enhance our respective companies' competitive positions and ensure our continued success of the regional packaging industry."

Koji Yamamura, President, CEO & COO of NYG said, "This is a significant investment that creates a strong foundation for our joint ambition to become a leading packaging business in Asia, providing us access to countries in the region where San Miguel already has presence. It also underpins our commitment to San Miguel's growth and our long-term strategy for the development of our business in this country.

"Following several successful joint ventures with San Miguel, we are keen to take our investment in the company and the Philippines to the next stage," he said.

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