



SAN MIGUEL CORPORATION

November 8, 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 "San Miguel Sells J. Boag & Son to Australian Brewer," which we will release to the press today.

Despite the disclosure contain herein, we request that trading of SMC shares remain suspended, as earlier requested, because we still have another material disclosure to make within the day.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer



MEDIA AFFAIRS
TEL. : 632-3504/632-2318
632-3549/632-3162
FAX : 632-3531
REF :

SAN MIGUEL SELLS J. BOAG & SON TO AUSTRALIAN BREWER

SAN MIGUEL CORPORATION, Southeast Asia's largest beverage and food company, announced today that the Company has signed a definitive agreement to sell its premium Tasmanian brewer J. Boag & Son to Lion Nathan Ltd., an Australian alcoholic beverages company, for a total consideration of A\$325 million.

Flagship product James Boag's Premium Lager is Australia's second largest selling domestic premium beer brand. Other Boag's brands include James Boag's Premium Light, Boag's St George, Boag's Classic Blonde, Boag's Draught and Boag's Strongarm.

With annual sales revenue of A\$61 million in 1999, prior to San Miguel's acquisition, the company has grown revenue to A\$92 million in 2006. Among premium beer drinkers, Boag's has a strong reputation for superior quality.

San Miguel's sale of Boag's coincides with the company's divestment of Australian dairy and juice manufacturer National Foods.

Earlier this year, San Miguel announced the restructuring of its core businesses in the Philippines with the recent spin-off of its domestic beer operations and its intent to participate in emerging non-allied businesses such as power generation or transmission.

Said President and Chief Operating Officer Ramon S. Ang: "While Boag's is an excellent business with strong brands, San Miguel is in a process of redefining itself and injecting into our operations a higher return-on-investment focused discipline. We are reassessing our priorities and reshaping our portfolio to include new businesses that we feel will give us higher margin growth in the near- and medium-term."

"Proceeds from this and other previously announced divestitures could be used for a number of alternatives like San Miguel's entry into new businesses," Ang said.

Lion Nathan CEO Rob Murray said: "This is an acquisition offering strong strategic value. Boag's is a company with great brands and a reputation for brewing excellence and its market focus is highly complementary to Lion Nathan."

“We intend to invest to grow the business. As owner of the J. Boag & Son brands and the distribution channel, we intend to leverage our sales coverage and focus our distribution reach to make these great beers available to more Australians.

Pat Riley, managing director of Boag’s, enumerated the benefits related to the sale of Boag’s to Lion Nathan: “Lion Nathan’s regional perspective and distribution infrastructure would complement Boag’s strong brand equity in the mainstream segment and also the premium segment which is continuing to show strong growth. The acquisition of Boag’s would broaden Lion Nathan’s existing portfolio, adding a complementary brand with a strong identity and values.

For media inquiries, please contact:

Mary Jane Llanes /Jayson B. Brizuela/Dong Magcalen/Jon Hernandez

San Miguel Corporation

Corporate Affairs Office – Media Affairs

Tel. : 632-3504/6323541/632-3549/632-3126