



SAN MIGUEL CORPORATION

April 14, 2008

Philippine Stock Exchange, Inc.

Disclosure Department
4th Floor, Philippine Stock Exchange Center
PSE Center, Exchange Road
Ortigas Center, Pasig City

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

Gentlemen:

We refer to the news article entitled "SMC eyes 3 major geothermal assets" published in the April 14, 2008 issue of The Philippine Star. The article reported in part that:

"Southeast Asia's largest food and beverage conglomerate San Miguel Corp. (SMC) does not give up easily... San Miguel president Ramon S. Ang said the Company is looking at three major geothermal assets to be put on the auction block by the government, which include the 192.5-megawatt Palinpinon geothermal plant..."

The Company confirms that it is studying major geothermal assets intended for auction by the Government. The studies are continuing and no decisions have been made. As stated in the full news article, the Company will only pay the right and reasonable price for an acquisition.

Very truly yours,


FRANCIS H. JARDELEZA
Senior Vice President –General Counsel
& Corporate Secretary