



SAN MIGUEL CORPORATION

September 12, 2008

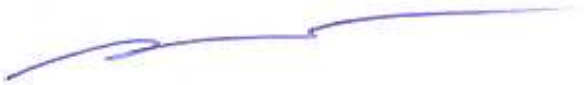
Philippine Stock Exchange
Disclosure Department
Listing and Disclosure Group
4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

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

Gentlemen:

Enclosed is a copy of our press statement entitled "SMC denies Meralco takeover bid," which we will release to the press today.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer



SAN MIGUEL CORPORATION

CORPORATE AFFAIRS OFFICE

Sept. 12, 2008

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SMC denies Meralco takeover bid

San Miguel Corporation (SMC) President and Chief Operating Officer Ramon S. Ang today categorically denied that the company is interested in buying into the Lopez-controlled Manila Electric Company (Meralco), now in the midst of a bitter row against the Government Service Insurance System (GSIS).

Early this week, several news stories reported rumors that GSIS President Winston Garcia may be engineering a takeover of Meralco on behalf of SMC.

“We officially deny these baseless rumors. We are not interested in buying into Meralco. While we have made public our intention of investing in utilities, infrastructure, mining and other ventures which may yield better margins, Meralco has not been an option,” Ang said.

GSIS and Meralco have been at odds since early this year when Garcia began questioning Meralco management on high electricity rates and lack of transparency.

For inquiries, please contact:

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