



San Miguel Properties, Inc.

September 30, 2008

The Philippine Stock Exchange, Inc.

Disclosure Department
Listings and Disclosure Group
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 your memo sent to us via ODiSy on September 29, 2008, requesting us to confirm or deny the veracity of the news article entitled "San Miguel takes over BoC" published in the September 27, 2008 issue of the *Manila Standard Today*, and to provide an update in relation to San Miguel Properties, Inc.'s disclosure on May 19, 2008.

San Miguel Properties, Inc. and San Miguel Corporation Retirement Plan (collectively, the "Investor") have yet to infuse additional equity of Php2 Billion into the Bank of Commerce (the "Bank") to formally take majority control of the Bank. While the Investor subscribed to an additional ten million (10,000,000) shares (the "Sale Shares") out of the unissued and unsubscribed common shares of the Bank, which together with the Investor's current shareholdings in the Bank, represents 51% of the expanded capital base of the Bank, the closing of the transaction and payment of the subscription price for the Sale Shares are subject to the satisfaction of certain conditions, including the issuance of applicable government approvals. These conditions are still in the process of being complied with, and are targeted to be completed not later than November 15, 2009, unless extended by the parties in writing.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer