



SAN MIGUEL CORPORATION

January 29, 2009

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:

We refer to your letter dated January 28, 2009, requesting for additional information regarding San Miguel Corporation's ("SMC") disclosure on January 27, 2009.

We reply as follows:

1. The sale of its domestic beer brands and lands is pursuant to the SMC's corporate restructuring program, as approved by the stockholders last July 24, 2008, that would allow the Company's major subsidiaries to pursue a public listing, secondary offering and strategic partnerships following the successful public offering of SMC's domestic beer operations.
2. The proceeds will be used to pay down debts and fund acquisitions.
3. SMC engaged a financial advisor, FortmanCline, to advise SMC on the valuation of the brands. The consideration for the lands will be based on appraised value.
4. The transactions are expected to be completed by April 2009.

We shall provide you a copy of the Secretary's Certificate on the approval of the transactions as soon as the minutes have been reviewed and approved by the members of the board of directors.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer