



SAN MIGUEL CORPORATION

May 4, 2009

THE PHILIPPINE STOCK EXCHANGE, INC.

Philippine Stock Exchange Center,
Exchange Road, Ortigas Center
Pasig City

Attention: **Ms. Janet A. Encarnacion**
Head - Disclosure Department

Gentlemen:

We reply to your request for clarification of the news article entitled "San Miguel in talks to buy stake in Indon coal producer," published in the May 1, 2009 issue of the BusinessWorld. The article reported in part, that:

"SAN MIGUEL Corp, is in talks to buy a stake worth about \$500 million in Adaro Energy, Indonesia's largest coal producer by market value, the Philippine conglomerate's president said yesterday... "Yes, in talks with Goldman, "San Miguel president Ramon S. Ang said when asked if Southeast Asia's biggest food and beverage firm was among possible buyers of the stake up for sale in Adaro. Mr. Ang declined to say how big a stake San Miguel plans to buy. Goldman Sachs, Citigroup and hedge fund Farallon were looking to sell around 17% of Adaro Energy to strategic investors, sources told Reuters earlier this month..."

We confirm that the Company has been offered by Goldman Sachs to consider a potential investment in Adaro Energy. An appropriate disclosure will be made once a definitive agreement has been reached.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer