



SAN MIGUEL CORPORATION

August 6, 2009

Philippine Stock Exchange

Disclosure Department

Listing and Disclosure Group

4th Floor, Philippine Stock Exchange Center

Exchange Road, Ortigas Center

Pasig City

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

Gentlemen:

We reply with respect to the news article entitled "SMC seeks investors in food, liquor units," posted in the August 6, 2009 issue of the Philippine Daily Inquirer (Internet Edition). The article reported in part that:

"DIVERSIFYING FOOD AND BEVERAGE CONglomerate San Miguel Corp. is in talks with Minnesota-based Hormel Foods Corp. for the potential sale to the latter of up to 49 percent of food unit San Miguel Pure Foods Co. San Miguel is also in the thick of negotiations with other potential foreign partners for a strategic investment in its hard liquor unit Ginebra San Miguel, Inc., company president Ramon Ang said in an interview Tuesday night. He said the sale of a sizeable minority stake in Ginebra could be completed ahead of a six-month target to close a deal on SMPFC. When asked who will likely buy into the food unit, Ang said: "Hormel is interested. We're still doing the valuation. We're also talking to three others"...

We confirm that the Company is in discussions with potential investors for its food and liquor subsidiaries, San Miguel Purefoods Company, Inc. and Ginebra San Miguel, Inc., respectively. The Company will make appropriate disclosures when definitive agreements have been reached.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer