



SAN MIGUEL CORPORATION

October 15, 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:

Please be informed that the Board of Directors approved today, October 15, 2009, the issuance, through private placement, of up to 226.8 million Series 1 Preferred Shares. The proceeds from the issuance will be used to finance investments and acquisitions of the Company. The Board has authorized Management to determine the issue price and dividend rate of said preferred shares.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer