SAN MIGUEL CORPORATION

December 22, 2009

Philippine Stock Exchange
Disclosure Department
Listing and Disclosure Group
4thFloor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

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

Gentlemen:

Further to the Company's disclosure dated October 15, 2009 on the approval of the Company's Board of Directors to issue Series "1" Preferred Shares through private placement, please be informed that the Company issued today 97,333,000 Series "1" Preferred Shares to Qualified Buyers and by way of private placement to not more than 19 non-Qualified Buyers (as defined under Securities Regulation Code) at the issue price of Php75.00 per Series "1" Preferred Share.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer