



SAN MIGUEL CORPORATION

January 19, 2010

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 refer to the letter dated January 18, 2010, requesting for additional information on the approval by the Board of Directors of San Miguel ("SMC" or the "Corporation") of the acquisition of a 49% stake in Top Frontier Holdings, Inc. ("Top Frontier").

As we have committed in our previous responses, an appropriate disclosure of the value of the investment of the Company in Top Frontier Holdings, Inc. ("Top Frontier"), inclusive of the subscription price per common and preferred shares, shall be made upon approval by the Securities and Exchange Commission ("SEC") of the amendments to the constitutive documents of Top Frontier. Such approval shall be mandatorily required for the issuance of the corresponding shares by Top Frontier to the Company.

There will be no impact in the financial condition of the Company since the investment by the Company in the shares of Top Frontier, when paid, will result in a reduction of the cash balance and an addition to investments of the Company, both accounts being reflected in the balance sheet.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer