



SAN MIGUEL CORPORATION

March 17, 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 your letter dated March 17, 2010, with respect to the news article entitled "San Miguel turns down Kirin bid to control beer operation," published on the March 17, 2010 issue of the Manila Standard Today. The Article reported in part that:

"San Miguel Corp. has ruled out selling a controlling stake in its beer operations to Kirin Holdings Co. of Japan, even as it prepares to unload its food and packaging businesses to raise \$1 billion to finance expansion and acquisitions. The brewery was "not available" for sale, said Ramon Ang, San Miguel president, after Kirin, which owns 48-percent of San Miguel Brewery, said it was interested in taking majority control..."

We advise that the statement of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, appearing in the aforementioned article, is accurate. As previously disclosed, the Company has not received any offer or proposal for the sale of its equity interest in San Miguel Brewery, Inc.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer