



SAN MIGUEL CORPORATION

March 26, 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 26, 2010, with respect to the following news articles entitled:

1. "SMC trains eyes on Clark," in BusinessMirror Online Space on March 26, 2010, which reported in part that:

"DIVERSIFYING conglomerate San Miguel Corp (SMC) may buy into a consortium composed of local and foreign partners which submitted an unsolicited proposal to develop the multibillion peso Diosdado Macapagal International Airport (DMIA) Terminal Two in the Clark Free Port, Angeles City, Pampanga..."

2. "San Miguel mulls bullet train project," in the philstar.com on March 26, 2010, which reported in part that:

"MANILA, Philippines—San Miguel Corp. (SMC) has set its sights on what could probably be its most ambitious and expensive project to date as it spearheads the Philippines' bid to become the first country in Southeast Asia to build and operate a bullet train. SMC president and CEO Ramon Ang told The STAR that they have commissioned a group that includes international companies with experience in bullet trains to study the possibility of building a bullet train railway that will run from the north to the south end of Luzon. As planned, the bullet train railway will run the Laoag-Manila-Bicol route. As for the right-of-way acquisitions, Ang said this will be up to the government. He revealed that they hope to submit their unsolicited proposal to government by the end of the year..."

We confirm that the Company is evaluating the viability of investing in a consortium which has submitted an unsolicited proposal to develop the Diosdado Macapagal International Airport Terminal Two in the Clark Free Port, Angeles City, Pampanga. We further advise that the Company commissioned a group that includes international experts to prepare an in-depth study relating to the construction and operation of bullet train facilities that will run the Laoag-Manila-Bicol route. Appropriate disclosures relating to the projects referred to herein shall be made accordingly.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer