



SAN MIGUEL CORPORATION

March 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 your letter dated March 19, 2010, with respect to the following news articles entitled:

1. "San Miguel Energy mulls over Negros coal plant," published on March 19, 2010 issue of the Manila Standard Today, which reported in part that:

"SAN Miguel Energy Corp., a unit of food and beverage giant San Miguel Corp. is looking at constructing a 300-megawatt coal-fired power plant in the Visayas as part of continued aggressive expansion plans. San Miguel president Ramon Ang told reporters that the energy unit was reviewing Negros island as the site of the new power plant to address the power shortage in Visayas. The planned Visayas power plant is separate from a similar coal station that San Miguel plans to put up in Mindanao..."

2. "SMC set to take control of Petron" in the INQUIRER.net on March 19, 2010, which reported in part that:

"MANILA, Philippines—Diversifying conglomerate San Miguel Corp. said it plans to exercise its option with the year to buy a majority stake in Petron Corp., the country's biggest oil refiner and retailer, according to a top company official. "We might exercise the option this year to buy 51 percent and do a tender offer," said San Miguel president Ramon S. Ang..."

We confirm that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, appearing in the aforementioned articles are accurate. The Company plans to construct a 300-megawatt coal fired power plant in the Visayas, and to exercise its option within the year to buy a majority stake in Petron Corp.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer