SAN MIGUEL CORPORATION

April 6, 2010

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:

We refer to your letter dated April 6, 2010, with respect to the following news articles posted in the April 6, 2010 issue of The Philippine Star (Internet Edition) entitled:

1. "San Miguel eyes higher stake in 2 North Luzon tollway projects," which reported in part that:

> "MANILA Philippines – As part of its bid to be one of the biggest players in the tollway business diversifying conglomerate San Miguel Corp. (SMC) is pursuing plans to increase its stake in two expressway projects in Northern Luzon. SMC president Ramon Ang told The STAR that they have an agreement with Private Infrastructure Development Corp., which is constructing the 88-kilometer, four-lane Tarlac-Pangasinan-La Union Toll Expressway (TPLUEP) project, to increase SMC's take in the company from the current 35 percent to 51 percent…. Meanwhile, Ang also revealed that SMC is in talks to acquire up to 67 stake in Ausphil Tollways Corp., a Filipino-Australian consortium that is the main project proponent for the North Luzon East Expressway (NLEE) project. At present, SMC has a minority stake in Ausphil…"

2. "SMC acquires majority stake in MRT-7 project," which reported in part that:

> "MANILA, Philippines—Diversifying conglomerate San Miguel Corp. (SMC) has signed a memorandum of understanding (MOU) with the controlling owner of Metro Rail Transit Phase 7 (MRT-7) for the acquisition by SMC of a majority stake in the railway project. SMC president Ramon Ang told The STAR that they have entered into an agreement with businessman Salvador "Buddy" Zamora III, who owns 63 percent of Universal LRT Corp. (ULC), which in turn wholly owns the MRT-7 project. The agreement provides that Zamora will sell his majority interest in ULC to SMC."

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. As previously disclosed, under the terms of the agreement executed by the Company, through its wholly-owned subsidiary Rapid Thoroughfares Inc. with the other stakeholders of the Private Infrastructure Development Corp. ("PIDC"), the Company has the continuing option to increase its equity stake in PIDC from 35% up to 51%.

In addition, we further advise that the Company is in talks with Ausphil Tollways Corp. ("ATC"), the main proponent for the North Luzon East Expressway Project, for the acquisition by the Company of up to 67% of ATC. Finally, the Company has signed a memorandum of understanding with Mr. Salvador Zamora III for the purchase of a majority stake in the Metro Rail Transit Phase 7 Project (MRT Project). Appropriate disclosures relating to the contemplated equity participation of the Company in ATC and the MRT Project, respectively, shall be made upon conclusion of the relevant definitive agreements.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer