



SAN MIGUEL CORPORATION

April 14, 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:

Enclosed is a copy of our press statement entitled **“SMC TO SEEK STOCKHOLDER APPROVAL TO WAIVE PRE-EMPTIVE RIGHTS AND REDUCE HOLDINGS IN CORE BUSINESSES,”** which we will release to the press today.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer



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PRESS RELEASE

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SMC TO SEEK STOCKHOLDER APPROVAL TO WAIVE PRE-EMPTIVE RIGHTS AND REDUCE HOLDINGS IN CORE BUSINESSES

San Miguel Corporation today announced that the company is seeking approval from shareholders holding common shares to waive their preemptive rights. In the event that new common shares are issued at a future date, stockholders are being asked to approve a proposed amendment that will effectively allow SMC management to issue new shares without attendant preemptive rights. This amendment to the company's articles of incorporation was approved by the Board today and will be presented for stockholders' approval at SMC's annual stockholders meeting on 31 May 2010.

Said SMC President Ramon S. Ang, "With our diversification plans now gathering pace, we want to be able to bolster our company's capital base and gain flexibility when it comes to financing our own growth—whether this involves future acquisitions or investments. We are asking our stockholders to help us grow their company and their investment."

At the same meeting, the Board also endorsed for approval by the shareholders authority for the sell down of more than 51% of the company's stake in its core businesses. This is in line with SMC's strategy of diversifying further into heavy industries.

"Partnering with world class leaders in our beer, food and packaging industries will improve our ability to focus on our new portfolio of energy, power, infrastructure, and mining assets, while at the same time helping fund expansion in our core businesses," said Ang.

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"San Miguel's strategy to significantly enhance and create long-term shareholder value by looking at new drivers of growth may require the further sell down of our stake in existing core businesses. We want to be able to act with speed when an opportunity to divest at an attractive price materializes," he added.

On a separate matter, the Board also approved to declassify San Miguel's outstanding capital stock from class "A" and class "B" common shares to common shares without distinction. The company is seeking stockholder approval at the forthcoming meeting in May. "Given that both sets of shares have essentially the same rights and privileges, and are, at present, trading at the same level, the board believes it is an opportune time to declassify. Declassification would facilitate the entry of foreign investment," said Ang.