



SAN MIGUEL CORPORATION

June 28, 2010

Philippine Stock Exchange Plaza
Disclosure Department
3rd Floor, Philippine Stock Exchange Center
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet A. Encarnacion**
Head - Disclosure Department

Gentlemen:

We refer to your letter dated June 28, 2010, with respect to the news article entitled "Harbour Centre, San Miguel told to finish post modernization plan," published in the June 28, 2010 issue of the BusinessWorld, which reported in part that:

"Mr. Sevilla said San Miguel Corp. will own the 35% stake worth P350 million previously held by Metro Pacific... In a statement last Saturday, San Miguel Corp. said it was in the final stages of negotiations for its investment in the Manila North Harbor. "San Miguel's interest in the project gathered momentum when its plan to acquire the Mariveles Grains Terminal did not materialize. Instead, San Miguel now plans to construct a brand-new grains terminal in the Manila North Harbor. This grains terminal will service the needs of San Miguel's food and beverage businesses," the company said..."

We confirm that the Company is in the final stages of negotiation for its equity investment in the Manila North Harbor Project (the "Project"). The Company contemplates to utilize the Project for the construction of a grains terminal (in lieu of the Mariveles Grains Terminal which did not materialize) to service the needs of the food and beverage businesses of the Company.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer