



SAN MIGUEL CORPORATION

June 4, 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 June 4, 2010, with respect to the news article entitled "SMC buys grain terminal," published in the June 4, 2010 of the Manila Standard Today, which reported in part that:

"... San Miguel Corp. president Ramon Ang confirmed in a text message that his company was buying Mariveles Grain... A source said San Miguel could tap an unlisted unit, San Miguel Logistics Asia Corp., as the corporate vehicle that would purchase Mariveles Grain... San Miguel earlier said it was teaming up with Toyota Tsusho Corp. of Japan to acquire the grains terminal from Asian Terminals. Ang earlier said a 60-40 joint venture will be formed in favor of San Miguel to buy the terminal..."

We confirm that the Company has been in talks with Asian Terminals, Inc. for the purchase of an equity stake in Mariveles Grains Corporation, the operator of the Mariveles Grain Terminal, as reported in the aforementioned article.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer