SAN MIGUEL CORPORATION

July 29, 2010

The Philippine Stock Exchange, Inc.
Disclosure Department
3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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

Gentlemen:

We refer to your letter dated July 29, 2010, with respect to the news article entitled "San Miguel mulls over nuke plant," posted on The Manila Times.net on July 29, 2010, which reported in part that:

> "San Miguel Corp. (SMC) is keen on investing in nuclear power through a possible partnership with a foreign firm. Ramon Ang, SMC president, said the company may tap an expert should the food and beverage giant pursue nuclear power projects in the country. "[We are] willing to partner with any expert in nuclear," he said, adding that this includes Korea Electric Power Corp. (Kepco). Kepco already "agreed in principle" to pursue a possible joint venture with SMC in various power projects in the future…"

We advise that the Company may participate in nuclear power projects and join the bidding for the Bataan Nuclear Power Plant if the same is privatized by the Government.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer