



SAN MIGUEL CORPORATION

October 28, 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 advise that the Company, through its wholly-owned subsidiary, San Miguel Holdings Corp. ("SMHC"), executed today, October 28, 2010, a share sale and purchase agreement (the "Agreement") with Universal LRT Corporation Limited ("ULC"), a company owned by the group of Mr. Salvador B. Zamora II, pursuant to the authority granted by the Board of Directors of the Company on March 15, 2010. Under the terms of the Agreement, SMHC shall acquire up to 51% equity interest in Universal LRT Corporation (BVI) Limited ("ULC BVI") which holds the exclusive right, obligation and privilege to finance, design, construct, supply, complete and commission the Metro Rail Transit Phase 7 Project by virtue of the Concession Agreement dated 18 June 2008 with the Republic of the Philippines, through the Department of Transportation and Communications. Closing of the Agreement is subject to certain conditions and an appropriate disclosure shall be made upon satisfaction of such conditions.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer