



SAN MIGUEL CORPORATION

November 19, 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 November 19, 2010, with respect to the news articles posted in the INQUIRER.NET entitled, as follows:

1. "San Miguel to bid for \$1.2-B BatMan pipeline," which reported in part that:

"MANILA, Philippines –Diversifying conglomerate San Miguel Corp. plans to bid for the \$1.2-billion Batangas-Manila (BatMan 1) natural gas pipeline, as soon as the government puts in on the auction block early next year. On the sidelines of infrastructure Philippines 2010, San Miguel president Ramon S. Ang confirmed the company's interest in what could become the largest natural gas development project in the country..."

We confirm that the Company shall participate in the public bidding that shall be conducted by the Government for the \$1.2-billion Batangas-Manila (BatMan 1) natural gas pipeline. Such participation shall compliment the investments made by the Company in power and energy sector.

We further advise that the Company intends to participate in other public biddings conducted by the government for infrastructure, power and tourism projects, taking into account the revenue potential of such projects as presented by Government.

2. "San Miguel to sell \$3B in shares in 2011," which reported in part that:

"MANILA, Philippines—Publicly listed San Miguel Corp. will raise up to \$3 billion from the equities market early next year by selling existing shares currently held from the diversified conglomerate. In an interview, San Miguel president Ramon S. Ang said these "re-issued" shares would likely be priced between P150 and P200 a piece, given the company's existing and future business prospects...."

As we have previously disclosed to the Exchange, the Company contemplates to offer to the public additional shares to raise up to \$3B, as approved by the Board of Directors during its meeting last July 27, 2010. The projected issue price for such shares shall range between P150.00 to P200.00 per share, after taking into account the aggregate enterprise value of the existing core businesses, new investments and future business prospects of the Company, respectively.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer