



SAN MIGUEL CORPORATION

December 30, 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 Vega Telecom, Inc. ("Vega"), executed a Share Purchase Agreement (the "Agreement") with ISM Communications Corporation ("ISMCorp.") this afternoon, December 30, 2010, for the purchase by Vega of 100% of the outstanding and issued shares of stock of A. G. N. Philippines, Inc. ("AGNP"). AGNP is the registered and beneficial owner of approximately 40% of Eastern Telecommunications Philippines, Inc. The acquisition of AGNP was authorized by the Board of Directors of the Company during the meeting held on December 16, 2010.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer