



SAN MIGUEL CORPORATION

March 31, 2011

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 March 31, 2011 with respect to the news articles entitled, "San Miguel sets up new unit for infrastructure ventures," posted in philStar.com. The article reported in part that:

"MANILA, Philippines—Diversifying conglomerate San Miguel Corp. has set up a new subsidiary to serve as its corporate vehicle for its infrastructure endeavors.

The new company, San Miguel Infrastructure Corp. obtained this week a corporate license from the Securities and Exchange Commission. It has been initially capitalized at P100 million divided into the same number of shares with a par value of P1.

Of the total capitalization, P24.999 million had been subscribed and paid for by parent firm San Miguel Corp.

....."

We confirm that the Securities and Exchange Commission approved the incorporation of San Miguel Infrastructure Corp. ("SMIC"), a wholly-owned subsidiary of the Company, and issued the certificate of registration of SMIC on March 29, 2011.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer