SAN MIGUEL CORPORATION

May 5, 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:

Enclosed is a copy of our press statement entitled "San Miguel widens public float, completes landmark deal" which we will release to the press today.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer

SAN MIGUEL CORPORATION

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NEWS RELEASE

San Miguel widens public float, completes landmark deal

San Miguel Corporation resumes trading of its shares following a successful concurrent equity and equity-linked offering which raised almost $1 billion for the diversifying conglomerate widened its public float to 14 percent.

The company's combined common shares and exchangeable bonds sale is the largest equity deal in the country and the biggest concurrent offering in South East Asia in more than a decade.

A total of 145,780,000 common shares worth $370 million were crossed at the Philippine Stock Exchange while $600 million worth of exchangeable bonds were simultaneously listed at the Singapore Stock Exchange.

The deal also marks the possible re-entry of heavyweight San Miguel, which boasts of a total market capitalization of P469 billion by the end of 2010, in the Phillippine Stock Exchange Index. The company's wider public ownership is expected to boost investor appetite for equities in a currently sluggish equities market.

The company sought suspension of its trading to deter any speculative transactions and allow the public the opportunity to carefully analyze and consider investing in the offered shares.

"The positive response to this landmark deal is proof of the investing public's confidence in San Miguel's diversification strategy, the strength of its key businesses and a recognition of management team's excellent execution track record. This is an important milestone in our long history and will allow us to build on the solid platform for growth that we have already established," Ramon S. Ang, President and Chief Operating Officer of San Miguel reiterated.

He added that with the offer, the investing public can now have a direct and comprehensive participation in the Philippine growth story of which San Miguel is an active partner. San Miguel will use bulk of the proceeds to fund investments in its high-growth infrastructure business.

Earlier, San Miguel said its common shares were priced at Php 110 per share to provide an opportunity for investors to participate in a potential upside in a generally weak market.

The exchangeable bonds, which were sold to overseas investors, have a maturity of three years, a coupon of 2.0%per annum and a conversion premium of 25% to the offer price. The transaction marks the largest ever equity-linked issuance out of the Philippines as well as San

Miguel's re-entry into the equity capital markets after its rights issue offer in 2005.

Goldman Sachs, joint bookrunner for the offer, said the issuance of San Miguel's exchangeable bonds, which generated over $2.8 billion in demand from over 150 investors, were almost five times oversubscribed.

The equity tranche of the deal, on the other hand, was likewise oversubscribed "with strong demand from quality investors. The equity placement was met by strong response from investors in Asia," UBS Capital, joint bookrunner for the offer, added.