



SAN MIGUEL CORPORATION

June 8, 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 June 8, 2011 with respect to the news article entitled: "SMC to buy new foreign firm," posted in the BusinessMirror (Internet Edition) on June 7, 2011. The article reported in part that:

"Conglomerate San Miguel Corp. (SMC) may seal next month an overseas acquisition, which it did not identify, putting to use part of the funds raised during its recent common-share and convertible bond offering worth \$970 million.

SMC president Ramon S. Ang also declined to give details when he made the announcement after the company's shareholders' meeting on Tuesday. He merely said the target is an operating company in Asia and that SMC is eyeing a controlling stake. "We will sign in July," Ang told reporters. "It is an opportunity that is very profitable and [has growth] potential."

Ang also did not specify if the acquisition was the same target that the company last year said it planned to acquire to complement subsidiary Petron Corp. At the time, Ang said the acquisition talks involved an overseas "oil and gas" company and that the deal was valued at \$2 billion."

By way of clarification to the aforementioned article, we advise that the Company is in talks with parties for potential investments in operating businesses in the Asian region. An appropriate disclosure shall be made to the Exchange in the event definitive agreements are executed and concluded for such investments.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer