



SAN MIGUEL CORPORATION

July 7, 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 July 7, 2011, with respect to the news article entitled: "San Miguel energy plans listing this year," posted in the BusinessWorld Online on July 6, 2011. The article reported in part that:

"SAN MIGUEL Energy Corp., the power investment arm of diversifying conglomerate San Miguel Corp. (SMC), plans to list in the local bourse within the year, the group's top executive said yesterday."

"Ginagawa na, pine-prepare na (Preparations for the listing are under way), "San Miguel President and Chief Operating Officer Ramon S. Ang said in an interview yesterday when asked about San Miguel Energy planned initial public offering (IPO)."

"Yes," Mr. Ang replied, when asked if the IPO will be held this year.

Asked further if the company has already hired an underwriter, Mr. Ang said "Yes, it will be announced tomorrow (July 7)."

We confirm that the San Miguel Energy Corporation ("SMEnergy") contemplates to list its shares in the Philippine Stock Exchange and conduct an initial public offering within the year. As previously disclosed to the Exchange, preparations are being made to implement such listing and offering, inclusive of the engagement of the underwriter(s) for the said transaction. We shall apprise the Exchange of any further developments relating to this particular subject.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer