



SAN MIGUEL CORPORATION

July 28, 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 28, 2011, with respect to the news article entitled: "San Miguel eyes energy projects in Indonesia, Australia, says Ang," posted in the Manila Bulletin (Internet Edition), on July 28, 2011. The article reported in part that:

"

The Company's profit in the first half rose "double digit" from a year earlier, boosted by energy investments led by Petron Corp., Ang said. Profit at Petron, the nation's biggest oil company, also increased double-digit, he said, without elaborating.

....."

We confirm that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, relating to: (i) the contemplated investments in energy-related projects, such as coal mines and natural gas, in the region (e.g., Indonesia and Australia), which have been the subject of prior disclosures to the Exchange, and (ii) the expected increase in the profits of the Company compared to last year, respectively, as reported in the aforementioned article, are accurate.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer