



SAN MIGUEL CORPORATION

October 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:

We refer to your letter dated October 5, 2011, with respect to the news article entitled "SMC ordered to pay ABI in bottle dispute," posted in the BusinessWorld Online on October 4, 2011. The article reported in part that:

"THE COURT of Appeals has ordered San Miguel Corp. (SMC) to pay rival liquor firm Asia Brewery, Inc. (ABI) over P70 million in damages in a bottle-swapping row that dates back nearly two decades ago.

In a decision promulgated September 22, a special division of five reversed a decision promulgated by the former 11th division on September 15, 2010 that ordered ABI to pay SMC P115 million in damages after ruling that ABI had unilaterally reneged on a bottle-swapping agreement in 1992.

....."

By way of clarification to the above-quoted news article, and as an update to the Company's November 20, 2008 disclosure to the Exchange, a copy of which is attached hereto for reference purposes, we confirm that the Court of Appeals promulgated on September 22, 2011 an Amended Decision granting the Motion for Reconsideration filed by Asia Brewery, Inc. (ABI) with respect to the earlier Decision of the 11th Division of the Court of Appeals, dated September 15, 2010, awarding actual, moral and exemplary damages and attorneys fees in favor of the Company. The Amended Decision is not final and executory and remains sub-judice. The Company shall avail of all available legal remedies to seek a reversal of the Amended Decision.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer



SAN MIGUEL CORPORATION

November 20, 2008

Philippine Stock Exchange

Disclosure Department
Listing and Disclosure Group
4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

Attention: **Atty. Pete M. Malabanan**
Head - Disclosure Department

Gentlemen:

We reply to your request for clarification of the news article entitled "Court orders SMC to pay ABI," published in the November 20, 2008 issue of The Manila Times (Internet Edition). The article reported in part that:

"... In a 47-page decision dated November 18, 2008, San Miguel was found guilty of unfair trade acts for hoarding and removing from circulation over a million bottles and thousands of its competitor's plastic crates. The decision, signed by Judge Alice Gutierrez of the Marikina Regional Trial Court (formerly of Pasig City) Branch 263, ordered San Miguel to pay Asia Brewery P130 million in damages..."

We confirm the court ruling on the damage suit filed by Asia Brewery Inc. against SMC in 1997. SMC will pursue all legal remedies available including an appeal. SMC believes that it has sufficiently established before Marikina RTC that the subject bottles, among others, were covered by a legitimate bottle swapping agreement between SMC and ABI. The Company already presented evidence that ABI violated the swapping agreement by refusing to retrieve its bottles and to return SMC's bottles with the intention to set SMC up with the filing of a baseless suit.

We trust that in the end the Company will be vindicated by the merit of its case.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer