SAN MIGUEL CORPORATION

November 25, 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 November 25, 2011 with respect to the news article entitled "SMC Seeks Power Subsidiary Partners," posted in The Manila Bulletin Newspaper Online on November 25, 2011. The article reported in part that:

> "……. SMC group president Ramon S. Ang confirmed that they have "ongoing talks with third parties who have expressed interest to acquire an equity stake in SMC Global Power Holdings Corporation."
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> …
>
> The scale of shareholdings it may sell to interested parties will be up to 49 percent. This will still leave SMC with a majority stake of 51 percent.
>
> …….

By way of response to the Exchange, we advise that to date the extent of the equity participation that may be acquired by third parties who have expressed an interest in investing in SMC Global Power Holdings Corporation has not been determined. As we previously conveyed to the Exchange, discussions with such third parties are only at the initial stage. An appropriate disclosure shall be made in the event a definitive agreement is concluded with any of such parties.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer