



SAN MIGUEL CORPORATION

March 1, 2012

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 March 1, 2012 with respect to the news column entitled: "Acquisition rumors rife again," posted in the Manila Standard Today (Internet Edition) on March 1, 2012. The column reported in part that:

".... San Miguel, in the meantime, is in the midst of other major corporate deals that will require equal attention because of huge financial packages involved. For one, it is finalizing a series of corporate maneuvers that will solidify its expansion plans in Malaysia.

It needs nearly \$2 billion to complete the acquisition of 65 percent of Esso Malaysia Berhad and two other units of ExxonMobil International Holdings Inc. in Malaysia and the ambitious upgrade of the Port Dickenson oil refinery and the expansion of Esso retail stations.

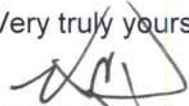
Critical to the fund-raising activity is the participation of Malaysian banks, which can provide cheap ringgit financing to San Miguel. It is seeking the help of the CIMB Group Holdings Bhd. To raise the funds, as soon as it finalizes a deal to sell majority of Bank of Commerce, the Philippines' 16th-largest bank with assets of over P90 billion."

By way of response to the Exchange, we confirm as follows:

- a) the Company thru Petron Corporation, is finalizing the completion of the acquisition of the downstream oil business of Exxon Mobil in Malaysia; and
- b) the Company is in talks with the CIMB Group for the contemplated sale to the latter of a controlling interest in the Bank of Commerce.

The aforementioned transactions are independent of each other.

Very truly yours,


Virgilio S. Jacinto
Corporate Secretary