SAN MIGUEL CORPORATION

March 14, 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 14, 2012 with respect to the news article entitled "SMC acquires $500-M loan to finance Slex stake," posted in the BusinessMirror (Internet Edition) on March 13, 2012. The article reported in part that:

> "A consortium led by conglomerate San Miguel Corp. (SMC) has completed a $500-million (P21.34 billion at current rates) loan to help finance the acquisition of a controlling stake in the 36-kilometer South Luzon Expressway (Slex).
>
> Bloomberg News, citing an unnamed source, said the loan was arranged by Standard Chartered Bank Plc., which had underwritten and prefunded the facility last year.
>
> ....."

We advise that the Company, together with the Citra Group of Indonesia, are in talks with a consortium of banks who have offered to arrange and extend financing arrangements for the tollway projects jointly undertaken by the Company and the Citra Group.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer