SAN MIGUEL CORPORATION

July 9, 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, which we received on July 9, 2012, with respect to the news article entitled "MVP closer to deal: GMA 7 acquisition price seen at P52.5B" posted in the Inquirer.net on July 9, 2012. The article reported in part that:

> "....
>
> Meanwhile, conglomerate San Miguel Corp., which is also keen on getting into the broadcasting industry, has an alternative proposal to buy GMA 7 by paying a mix of cash and stocks in various subsidiaries, said a source familiar with the rival offer...."

We advise that the Company has not offered any proposal relating to the payment of cash and stocks for an investment in GMA 7.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer