



SAN MIGUEL CORPORATION

October 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 reply to your request for clarification of the news article entitled "San Miguel postpones power unit's IPO" posted in the Manila Standard Today (Internet Edition) on October 1, 2012. The article reported in part that:

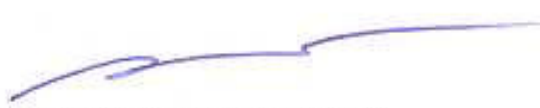
San Miguel Corp. has deferred the planned P36.6-billion initial public offering for power unit SMC Global Power Holdings to next year because of poor market conditions, president and chief operating officer Ramon Ang said.

SMC Global Power president Alan Ortiz said in a separate interview the stock market was not conducive to raising funds because of developments in Europe.

"We will see if we can do it [IPO] next year," Ortiz said

We confirm that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, relating to the deferment of the contemplated public offering of the shares of SMC Global Power Holdings Corp., as reported in the aforementioned article, are accurate. Such deferment was previously conveyed to the Exchange in our prior disclosures.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer