



SAN MIGUEL CORPORATION

November 27, 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 articles entitled as follows:

1. "SMC coal partner" published in the Manila Standard Today on November 27, 2012. The article reported in part that:

CONGLOMERATE San Miguel Corp. has renewed its interest to team up with PNOC Exploration Corp., the oil and gas unit of Philippine National Oil Co., for two mine-mouth power projects, a company official confirmed Monday.

"Yes, we are interested," San Miguel president Ramon Ang said when asked for comment.

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San Miguel initiated talks with PNOC Exploration a few years ago on the possibility of a partnership in the mine-mouth projects but no formal agreement was reached.

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We advise that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, relating to the continuing interest of the Company to team up with PNOC Exploration Corp., for the development of mine-mouth power projects in the provinces of Zamboanga and Isabela, respectively, as reported to the aforementioned article, are accurate.

2. "SMC-Padma Consortium Eyes More Toll Road Projects Here, Indonesia" posted in the November 26, 2012 issue of the Manila Bulletin (Internet Edition). The article reported in part that:

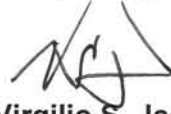
The partnership between San Miguel Corporation (SMC and Padma Funds, L.P. (Padma) is poised to be the biggest toll road consortium in

Southeast Asia as it gears up to expand further Indonesia and build \$1.54 billion worth of projects in the Philippines.

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By way of clarification, we advise that the amount of \$1.54 billion referred to in the aforementioned article, represents the projected investment by the Company, jointly with the Padma Funds, L.P., representing the Citra Group, in the on-going and contemplated infrastructure and toll roads projects in the Philippines.

Very truly yours,

A handwritten signature in black ink, appearing to be 'V. Jacinto', written over a faint, stylized line graphic that resembles a signature or a set of initials.

Virgilio S. Jacinto
Corporate Secretary