



SAN MIGUEL CORPORATION

March 21, 2013

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 taps 5 banks for \$1.3-B term loan" posted in the BusinessMirror (*Internet Edition*) on March 20, 2013. The article reported in part that:

FIVE banks have so far joined San Miguel Corp.'s (SMC) \$1.3-billion five-year bullet term loan as mandated lead arrangers and bookrunners (MLAB), sources said.

DBS Bank and Maybank have joined, besides the previously reported ANZ, Bank of America Merrill Lynch and Standard Chartered Bank. ANZ and StanChart are coordinating.

Another bank is expected as early as Wednesday, sources said.

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SMC recently mandated a \$650-million one-year bridge loan to Deutsche Bank and Standard Chartered Chart which funds a tender offer for exchangeable notes due in 2014.

The \$650-million bridge has an opening margin of 165 basis points over Libor, stepping up to 200 basis points after six months, according to sources.

Sources expect \$1 billion of the five-year loan to refinance a five-year bullet loan the borrower signed in August 2010, while the remainder would be used for general corporate purposes.

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We confirm that the financial institutions identified in the afore-mentioned news article have agreed to participate in the US\$1.3 Billion term loan which the Company intends to avail of in line with its refinancing and debt management program we previously disclosed to the Exchange.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer