SAN MIGUEL CORPORATION

April 15, 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 "Ayala, MVP Firms Unite, Vie For P1.72-B LRT Fare Project" published in the April 12, 2013 issue of The Manila Bulletin. The article reported in part that:

> "Automatic fare collection system (AFCS) providers and radio frequency identification card (RFID) suppliers in Asian and Middle Eastern countries joined Philippine banks, even telecommunication rivals Smart Communications and Globe Telecoms, in forming consortia that submitted credentials to vie for the P1.72-billion contract to install a contactless AFCS at Light and Metro Rail Transit (LRT-MRT).
>
> At least nine consortia have made it to yesterday's deadline for submission of pre-qualification documents for the AFCS project, being bided (sic) out by the Department of Transportation and Communications (DOTC) and the Public-Private Partnership (PPP) Center.
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> The Korea Railroad Corp. and Korail Networks Co, Ltd. joined the San Miguel Transport Solutions Consortium with Optimal Infrastructure Development Inc; Catchweight Holdings Inc.; Deltacrest Holdings Inc.; Allcard Plastic Philippines Inc.; Petron Corp.; Singapore Technologies Electronics Limited; Philippine National Bank; VIX Technology (East Asia) Limited; San Miguel Corp."

We advise that the Company, through Optimal Infrastructure Development, Inc., a wholly-owned subsidiary ("Optimal"), participated and submitted a bid for the Automated Fare Collection System Project of the Department of Transportation and Communications/Light and Metro Rail Transit. Optimal is the lead company under the San Miguel Transport Solutions Consortium. The other members of the Consortium are Catchweight Holdings, Inc., Deltacrest Holdings, Inc. and AllCard Plastics Philippines, Inc., respectively.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer