



SAN MIGUEL CORPORATION

July 18, 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 with respect to the news article entitled, "San Miguel offers to buy back shares" posted in the Inquirer.net on July 18, 2013. The article reported in part that:

MANILA, Philippines – Diversifying San Miguel Corp. announced Wednesday a share buyback program ...

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Following a slump in shares caused by the commentary on the IMF report, Ang said in a text message: "SMC can buy back to help small shareholders."

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By way of response to the Exchange, we advise that the Company, with the relevant approvals and consents, may consider implementing a repurchase of its outstanding capital stock, under conditions favorable to the Company, its shareholders and stakeholders. The response made herein confirms the statements of Mr. Ramon S. Ang, President and Chief Operating Officer, as reported in the aforequoted article. The Exchange has likewise been provided with the statement of the Company relating to the IMF report yesterday afternoon, July 17, 2013.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer