



SAN MIGUEL CORPORATION

July 19, 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 quote below the statement of the Company relating to the sale of shares in Manila Electric Company.

"NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES

**SAN MIGUEL CORPORATION ANNOUNCES SALE OF SHARES IN
MANILA ELECTRIC COMPANY**

Further to our previous disclosures to the Exchange, we advise San Miguel Corporation ("SMC") has placed 64,333,330 shares of common stock in Manila Electric Company ("Meralco") at P270 per share for total gross proceeds of P17,369,999,100. The transaction, which is subject to customary closing conditions and regulatory approvals, was structured as a placing of shares in the share capital of Meralco. An application for the block sale of the shares will be filed with the Philippine Stock Exchange today, July 19, 2013.

Deutsche Bank AG, Hong Kong Branch and Standard Chartered Securities (Singapore) Pte. Limited were the placing agents for the transaction.

This announcement is not an offer for sale of securities in the United States. The securities referred to herein (the "Securities") have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The seller of the Securities does not intend to register any part of the placement in the United States or to conduct a public offering of the Securities in the United States."

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer