



SAN MIGUEL CORPORATION

August 1, 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, "Meralco, SMC-eye Albay power co-op" posted in the Inquirer.net on July 31, 2013. The article reported in part that:

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Energy Secretary Carlos Jericho L. Petilla told reporters in Manila that four companies including the Meralco group and San Miguel Corp., are interested in participating in a rehabilitation plan for the debt-ridden Albay Electric Cooperative, Inc. (Aleco).

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By way of response to the Exchange, we confirm that the Company, through SMC Global Power Corp., contemplates to participate in the proposed rehabilitation plan of the Albay Electric Cooperative, Inc., as reported in the aforementioned news article.

Very truly yours,

Virgilio S. Jacinto
Corporate Secretary