SAN MIGUEL CORPORATION

January 14, 2014

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 "SMC profit may hit P57b — Ang" posted in Manila Standard Today.com on January 14, 2014. The article reported in part that:

> "Conglomerate San Miguel Corp. said Monday its 2013 net income may have reached P57 billion following the recent sale of a 27-percent interest in power retailer Manila Electric Co.
>
> San Miguel president and chief operating officer Ramon Ang said in an interview at the sidelines of the listing ceremony for Top Frontier Investments Holdings Inc. the profit could have reached P57 billion, higher than the initial estimate of P39 billion, if the company could book the entire proceeds from the sale of the Meralco shares in 2013.
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> 'Earnings of San Miguel group had always been on the uptrend over the last 15 years. Initially, we expected 2013 net income to be at P39 billion but it may reach P57 billion because of sale of Meralco shares,' Ang said.
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> . . . .
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> Ang said the earnings this year might even surpass P57 billion, if the company could sell some assets.
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> . . . ."

By way of response to the Exchange, we advise that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, relating to the projected consolidated net income of the San Miguel Group for 2014, in the event the sale of the shares of Manila Electric Company is booked and recognized as of December 31, 2013, as reported in the aforequoted article, are accurate.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer