



SAN MIGUEL CORPORATION

July 27, 2015

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 request for submission and compliance by the Exchange, dated July 23, 2015, in connection with the investments to be made by San Miguel Corporation (the "Company"), through its wholly-owned subsidiary, Vega Telecom, Inc. ("Vega"), subject of the Company's disclosures dated July 14, 2015 and July 15, 2015, respectively.

By way of response to the Exchange, we advise that the contemplated investment of Vega in Express Telecommunications Company, Inc. ("Extelcom"), through the acquisition of 100% equity interest in Trans Digital Excel, Inc. ("TDE") (the "TDE Sale Shares"), which holds 78.45% equity interest in the total outstanding capital stock of Extelcom, was authorized and confirmed by the Board of Directors of the Company in its Regular Meeting held on July 14, 2015. The acquisition of the TDE Sale Shares by Vega shall be subject to the execution of definitive agreements which shall, in turn, contain closing conditions as may be appropriate.

The Company shall make further disclosures upon the execution of the definitive agreements relating to the aforementioned transaction.

Very truly yours,

MARY ROSE S. TAN
Assistant Corporate Secretary