



SAN MIGUEL CORPORATION

May 25, 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 following news articles:

1. "Power business to boost SMC bottomline" posted in the Manila Bulletin (Internet Edition) on May 22, 2015, which reported in part that:

"Upturn in the financial performance of San Miguel Corporation (SMC) is anticipated after the commercial commissioning of its string of power plant projects.

San Miguel president Ramon S. Ang said their revenues would definitely turn 'better' once their new power plants start operating.

He added that an increased target of P1.5 trillion in revenues could be achieved for the whole conglomerate, and that their power generation portfolio will significantly contribute to that.

The company earlier targeted to each P1.0 trillion worth of revenues, but on the chain of their widening base of business interests, Ang noted that their power business could improve both their top line and net earnings.

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2. "SMC bidding for gas pipeline" posted in The Standard (Internet Edition) on May 24, 2015, which reported in part that:

"Diversified conglomerate San Miguel Corp. has expressed interest to participate in the bidding for both the Batangas-Manila natural gas pipeline and the Malampaya banked gas as part of efforts to strengthen its position in the energy sector.

San Miguel president Ramon Ang confirmed the company would join the auction for the banked gas of the Malampaya gas project in northwest Palawan.

The Malampaya consortium composed of Shell Philippines Exploration B.V., Chevron Malampaya LLC and PNOC Exploration Corp. and state-owned Philippine National Oil Co. is jointly offering the banked gas, which can fuel a power plant with a capacity of 400 megawatts.

'For the banked gas, we will bid, for the pipeline, we will also bid. That pipeline... goes all the way to Palawan. Let's say there is no more gas from the Malampaya gas field, there are other fields out there, so that asset is very important for the government to sell,' Ang said.

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By way of response to the Exchange, we confirm that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company relating, respectively, to: (i) the expected upturn of the revenues of the Company thru the operation of the additional power plants being constructed, together with the revenues from the contracted capacities of the 1,000 mw Sual coal-fired power plant, the 345 mw San Roque multipurpose dam and the 1,200 mw Ilijan natural gas and (ii) the participation in the Company to the bidding for both the Batangas-Manila natural gas pipeline and the Malampaya banked gas project, as reported in the aforementioned articles, are accurate.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer