



SAN MIGUEL BREWERY INC.

A subsidiary of San Miguel Corporation

April 10, 2012

The Philippine Stock Exchange, Inc.
Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet A. Encarnacion**
Head – Disclosure Department

Gentlemen:

We reply to your letter dated April 10, 2012 requesting clarification/confirmation with respect to the news article entitled “San Miguel Brewery sees better earnings in 2012” posted in the *The Manila Times.net* on April 10, 2012, which reported in part that:

...

SMB has set its capital expenditure at over P1 billion to finance mainly “capitalizable repairs” that will lengthen the life of its plants, said Mercy Marie Amador, SMB chief finance officer.

This year’s capex is lower than the more than P2 billion spent in 2011 for the establishment of a bottling plant in Santa Rosa, Laguna.

....

The Company confirms that its planned capital expenditures for 2012 is over ₱1 billion, mainly for replacement and maintenance of the Company’s existing plant facilities and equipment. This amount is lower than the approximately ₱2 billion spent in 2011 primarily for the establishment of the Sta. Rosa plant.

Very truly yours,


Ferdinand K. Constantino
Chief Information Officer