

June 05, 2009

PHILIPPINE STOCK EXCHANGE

Disclosure Department
4th Floor, PSE Center,
Exchange Road, Ortigas Center,
Pasig City

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

Dear Ms. Encarnacion,

We reply to your request for clarification with respect to the news article entitled "San Miguel says First Pacific made offer for Meralco" published in the June 05, 2009 issue of The Manila Times. The article reported, in part that:


....SAN Miguel Corp. (SMC) said the local unit of Hong Kong-based First Pacific Co. Ltd. has offered to buy out the Philippine food and beverage firm's stake in the country's biggest electricity distributor....Ramon Ang, SMC president, told reporters that Pangilinan had offered to swap MPIC's interest in Maynilad Water Services Inc. and Metro Pacific Tollways Corp. (MPTC) for SMC's Meralco stake. MPTC operates the North Luzon Expressway (NLEX).

We wish to inform the Exchange that Metro Pacific Investments Corporation ("MPIC") denies offering to swap MPIC's interests in Maynilad and NLEX in exchange for the Meralco shares owned by San Miguel.

We hope to have clarified the quoted news articles in the interest of the trading participants and investing public.

Sincerely,

Very truly yours,



ANDREW G. SHEPHERD
Chief Finance Officer