



April 22, 2009

MS. JANET A. ENCARNACION
Head, Disclosure Department
Philippine Stock Exchange, Inc. (PSE)
Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

Dear Ms. Encarnacion:

We refer to your request for an update on our disclosure last March 25, 2009 pertaining to the proposed debt-raising activity of Petron Corporation and to clarify the news article that came out today in *The Philippine Star*. The article reported in part, that:

Oil refiner Petron Corp. plans to start its P15 billion fund-raising activity as soon as it completes the necessary pre-requisites and obtains approval from regulatory agencies, a top company official said yesterday. Petron president Eric O. Recto said the company is now putting together all paperwork to comply with the requirements for its planned debt-raising activity which could either be a notes issue or a bond float . . . Recto said proceeds from the offering will be used to fund Petron's five-year expansion program estimated to cost from \$700 million to \$1 billion . . .

As mentioned in our disclosure last March 25, Petron intends to raise at least P10 billion this year for capital expenditures related to our expansion program. The plan is to raise the fund via a combination of fixed rate corporate notes and retail bonds. Details are still being finalized and we are in the process of preparing the requirements for the necessary regulatory approvals.

We trust that we have complied with your disclosure requirements.

Very truly yours,


VIRGINIA A. RUVIVAR
Public Affairs Manager