



March 14, 2008

**ATTY. PETE M. MALABANAN**  
Head, Disclosure Department  
Philippine Stock Exchange, Inc. (PSE)  
Philippine Stock Exchange Center  
Exchange Road, Ortigas Center  
Pasig City

Dear Atty. Malabanan:

We refer to your letter requesting for clarification on the article that came out in today's issue of the Philippine Daily Inquirer titled "*Saudi oil firm selling 40% stake in Petron*" which reported in part that:

*"MANILA, Philippines - Saudi Arabia's leading oil producer Aramco is selling its 40-percent stake in the country's largest oil refiner, Petron Corp., to the London-based Ashmore investment group for about P22.6 billion . . . The sources, who sought anonymity because they were not authorized to speak, said the respective parties signed an agreement over Petron in Malacañang Thursday and an official announcement would be made very soon. The transaction shall be crossed through the Philippine Stock Exchange..."*

We wish to clarify that the agreement being referred to is the share purchase agreement (SPA) between Ashmore and Aramco Overseas Company, which was not even signed in the Philippines and certainly not in Malacañang.

With the foregoing, we hope we have complied with your disclosure requirements.

Thank you.

Very truly yours,

A handwritten signature in black ink that reads "V. A. Ruivivar".

Virginia A. Ruivivar  
Public Affairs Manager

# Saudi oil firm selling 40% stake in Petron

By Doris C. Dumlao

SAUDI ARABIA'S LEADING OIL producer Aramco is selling its 40-percent stake in the country's largest oil refiner, Petron Corp., to the London-based Ashmore investment group for about P22.5 billion.

INQUIRER sources yesterday said Aramco Overseas Co. BV was getting out of the local oil refiner at a price close to P6 per share because it was not part of its core

business. The price agreed upon was slightly lower than the P6.10 at which Petron shares were last traded on the local stock market.

The sources, who sought anonymity because they were not authorized to speak, said the respective parties signed an agreement over Petron in Malacañang yesterday and an official announcement would be made very soon. The transaction shall be crossed through the Philippine Stock Exchange.

Ashmore is a reputable investment company that has been actively investing in emerging market assets. It had \$36.5 billion worth of assets managed as of end-De-

ember. In the Philippines, Ashmore has been investing in government bonds and blue chip companies.

Petron is the largest oil refining and marketing company in the Philippines, supplying more than a third of the country's oil requirements. It has an existing market capitalization of P56.2 billion.

Saudi Aramco bought into Petron in 1994 in tandem with the Philippine National Oil Co. which also acquired 40 percent of the company. The remaining 20 percent is held by individual investors.

The INQUIRER tried to call top PNOC and Petron officials but they were unavailable for comment as of press time.