



## CERTIFICATION

I, **Joel Angelo C. Cruz**, Corporate Secretary of PETRON CORPORATION with office address at Podium A, SMC Head Office Complex, 40 San Miguel Avenue, Mandaluyong City, hereby certify that the attached media release titled “PETRON INVESTS IN BATAAN PETROCHEMICAL PLANT, SIGNS TECHNICAL SERVICES AGREEMENT WITH PTT AFFILIATE” was read by me and that the contents are true and not intended to deceive or mislead the public.

A handwritten signature in black ink, appearing to read "Joel Cruz".

**JOEL ANGELO C. CRUZ**  
Corporate Secretary



July 12, 2010  
Petron Corporation's Disclosure

**PHILIPPINE STOCK EXCHANGE, INC. (PSE)**  
Philippine Stock Exchange Center  
Exchange Road, Ortigas Center  
Pasig, Metro Manila

Attention: **MS. JANET A. ENCARNACION**  
**Head - Disclosure Department**

Gentlemen/Mesdames:

Pursuant to PSE and SEC's disclosure requirements, attached is the media release titled "PETRON INVESTS IN BATAAN PETROCHEMICAL PLANT, SIGNS TECHNICAL SERVICES AGREEMENT WITH PTT AFFILIATE".

Very truly yours,

A handwritten signature in black ink, appearing to read "Joel", written over a light grey circular stamp.

**JOEL ANGELO C. CRUZ**  
Corporate Secretary



July 12, 2010  
**MEDIA RELEASE  
FOR PUBLICATION**

**PETRON INVESTS IN BATAAN PETROCHEMICAL PLANT,  
SIGNS TECHNICAL SERVICES AGREEMENT WITH PTT AFFILIATE**

As part of its strategy to further diversify into petrochemicals and add more revenue streams, the country's leading oil refining and marketing company Petron Corporation said that it has acquired a 40% stake in Petrochemical Asia (HK) Ltd. (PAHL), owner of Philippine Polypropylene Inc. (PPI), with an option to increase its stake up to 51%. PPI owns a polypropylene (PP) plant located in Mariveles, Bataan.

The PP plant has a capacity to produce up to 160,000 metric tons of polypropylene annually expandable to 225,000 MT. Its raw material will come from Petron's 180,000 barrel-per-day refinery a few kilometers away which can produce 140,000 metric tons of propylene yearly. With its acquisition of the PP plant, Petron will have its share of the incremental value derived from converting propylene into polypropylene resin.

Polypropylene is a thermoplastic polymer used in a wide variety of applications, including food packaging, rope, sacks, plastic parts and reusable containers. At current international prices, polypropylene is about \$200/MT more valuable than propylene.

"This strategic acquisition gives us a unique opportunity to further integrate our petrochemicals business and substantially add to our bottom line. It likewise gives us an excellent platform for future growth into this high-margin industry over the long-term," Petron Chairman and CEO Ramon S. Ang said.

In a related development, PPI has entered into a technical services agreement during the rehabilitation, commissioning and start-up of the PP plant with Integrated Refinery and Petrochemical Company Public Limited (IRPC), an affiliate of PTT Public Company Limited of Thailand. IRPC owns and operates the largest integrated petrochemical complex in Southeast Asia and has several downstream plants which produce olefins, aromatics, polymers and polyols. Among its many facilities, IRPC has a PP plant with the same configuration and process technology.

Among those present from the PTT Group during the contract signing were PTT Group and IRPC Chairman Dr. Norkun Sitthiphong, PTT Group and IRPC Director Pichai Chuhavajira, IRPC and PTTEP Director Sommai Khowkachaporn, and IRPC President Dr. Pailin Chuchottaworn. Petron was represented by Chairman and CEO Ramon S. Ang, President Eric O. Recto, SVP and General Manager Lubin B. Nepomuceno, and SVP and CFO Emmanuel E. Eraña.

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“With our extensive experience in the petrochemicals business, we can provide the necessary know-how to re-start the PP plant in a speedy manner. The petrochemicals sector is one of the pillars of an industrialized nation and we are more than willing to help Petron begin this strategic project,” Mr. Chuchottaworn said.

Petron started its foray into petrochemicals with its Mixed Xylene plant in 2000. Encouraged by the success of this project, the company commissioned a Petro Fluidized Catalytic Cracker (PetroFCC) and a Propylene Recovery Unit (PRU) in April 2008. These units have allowed the company to convert low-value fuel oil into higher value white products (LPG, gasoline, diesel) as well as produce propylene.

“From a national perspective, this investment will not only jumpstart the local petrochemical industry but will have exponential benefits for other vital downstream manufacturing sectors as well,” Mr. Ang concluded.

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Petron Corporation is the largest oil refining and marketing company in the Philippines. Its 180,000 barrel-per-day oil refinery produces a full range of petroleum products to supply nearly 40% of the country’s total fuel requirements. Through over 1,500 service stations nationwide—the largest service station network in the country—we retail gasoline, diesel and kerosene to motorists. Petron is dedicated and passionate about its vision to be the leading provider of total customer solutions in the energy sector and its derivative businesses. Please visit us at [www.petron.com](http://www.petron.com) for more information.

Refer to: Raffy Ledesma  
Contact: 884 - 9148  
Email: [rrledesma@petron.com](mailto:rrledesma@petron.com)