



September 01, 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:

Pursuant to PSE and SEC's disclosure requirements, attached is a short media statement on the incident at our Bataan refinery early this morning.

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

PETRON BATAAN REFINERY INCIDENT

On September 01 4:28 a.m., two process technicians, Anthony Jed Q. Reyes and Nicolo S. Balonzo, were found lying unconscious at the Sour Water Treating Facility at the Petron Bataan Refinery by responding personnel. They were immediately brought to St. Joseph Hospital in Balanga, Bataan.

The two technicians had been performing a maintenance task to address a high liquid level condition in a waste water collecting drum, and appear to have been inadvertently exposed to hydrogen sulfide (H₂S) gas. This is still to be confirmed.

Engineer Reyes was declared dead on arrival, while Engineer Balonzo is currently in critical, but stable condition at the intensive care unit (ICU) of the hospital. This accident was reported to DOLE provincial office and the local PNP, which conducted a site investigation. The refinery Management already formed a team to conduct a thorough investigation of the incident

“We truly regret this unfortunate incident and would like to extend our deepest sympathy to the families of the victims. We are doing everything we can to ensure that the needs of their families are being attended to at this time,” Petron Public Affairs Manager Virginia A. Ruivivar said.

“We are gravely concerned about this accident and we are currently investigating it together with concerned authorities. We wish to assure our stakeholders that we will do everything possible to ensure that this never happens again,” Ruivivar added.

The company said that contrary to earlier reports, there are no leaks or explosions and the incident was confined to a very small area involving the said personnel.

Operations at the Petron Bataan Refinery remain normal.