



March 2, 2009

**Petron Corporation's
Disclosure dated February 27,
2009**

Philippine Stock Exchange, Inc. (PSE)
Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig, Metro Manila

Attention: **Atty. Pete M. Malabanan**
Head, Disclosure Department

Gentlemen:

We are writing in response to your letter dated February 27, 2009, requesting Petron Corporation ("Petron") for additional information in connection with our Board's approval of increase in capital stock from P10 billion to P25 billion through the issuance of preferred shares.

Petron's issuance of preferred shares is aimed at raising funds for capital expenditures related to our expansion programs as well as to possibly reduce some of the Company's debts. In connection with the other information you request, however, please be advised that the Board has yet to decide on the specific features of the preferred shares, including but not limited to the number, price, method and timetable for issuance. We will inform the PSE as soon as these are determined and provide the additional information you request as soon as the same are available.

The increase in capital stock through the issuance of preferred shares will be taken up at the Annual Stockholders Meeting for the stockholders' approval.

Thank you.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Joel", written over a light blue horizontal line.

Joel Angelo C. Cruz
Asst. Corporate Secretary