

CERTIFICATION

I, Virginia A. Ruivivar, Public Affairs Manager of PETRON CORPORATION with office address at 39th floor, Petron MegaPlaza, 358 Sen. Gil Puyat Ave. Makati City, hereby certify that the attached media release titled "PETRON UNVEILS FUTURE PLANS TO SUSTAIN GROWTH MOMENTUM, POSTS £874-M INCOME FOR 1st Q 2009" with related financial statements was read by me and that the contents are true and not intended to deceive or mislead the public.

V· A. Acceptantal

Virginia A. Ruivivar

Public Affairs Manager



May 12, 2009 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

Dear Ms. Encarnacion:

Pursuant to PSE and SEC's disclosure requirements, attached is the media release titled "PETRON UNVEILS FUTURE PLANS TO SUSTAIN GROWTH MOMENTUM, POSTS ₽874-M INCOME FOR 1st Q 2009" with the YTD-March 2009 financial statements.

Very truly yours,

Virginia A. RuivivarPublic Affairs Manager

V. A. Rumay



May 12, 2009
MEDIA RELEASE
FOR PUBLICATION

PETRON UNVEILS FUTURE PLANS TO SUSTAIN GROWTH MOMENTUM, POSTS #2874-M INCOME FOR 1st Q 2009

The country's largest oil refining and marketing company Petron Corporation unveiled future plans that include an aggressive retail network expansion program and additional investments at its Bataan refinery during its 15th Stockholders Meeting today. The expansion program includes the establishment of 200 new Petron service stations over the next twelve months to strengthen the company's core business.

The refinery upgrade, meanwhile, will include additional units (PetroFCC 2) that will enable the company to fully convert its residual products to higher-value gasoline, LPG, diesel and propylene. At present, even with the newly-commissioned PetroFCC 1, Petron can only convert 75% of every barrel of crude oil to "white" products. Using the latest technologies, the PetroFCC 2 will give the company full conversion capabilities. This investment may cost as much as \$1 billion.

In the same meeting, Petron reported a first quarter 2009 net income of £874 million. This is a significant improvement compared to the company's net income for the same period in 2008, despite the lower revenues for the same period.

From \$\mathbb{P}59.6\$ billion in 1st quarter 2008, revenues declined to \$\mathbb{P}34.65\$ billion in 2009. Slowing oil demand and lower prices contributed to the decline in revenues. Petron's domestic sales volume for the quarter fell to 9.75 million barrels compared to 10.48 million barrels last year. Nevertheless, Petron has remained the industry leader, with a market share of 46.1% among the oil majors as of the end of March.

Petron also reported that it has started the commercial operation of its BTX unit early this month. On an annual basis, the BTX unit can produce 22,800 MT of Benzene and 150,000 MT of Toluene, as well as increase Mixed Xylene production to 220,000 MT. These petrochemical feedstocks are used as raw material in the manufacture of various products including home electrical appliances, food containers, machine housings and solvents.

Just 12 months ago, Petron also inaugurated a PetroFCC and Propylene Recovery unit that produces high-value white products and the petrochemical feedstock propylene. With the commissioning of the BTX unit, the first phase of the company's Refinery Masterplan is now complete.

(continued)

"These investments will give us new revenue streams and position the company for the recovery that is sure to happen in the demand for petroleum and petrochemical products," Mr. Ang added.

"In 2008, many refiners reported reduced if not negative margins. With oil prices now more stable, we are seeing a return to profitability," Petron Chairman and CEO Ramon S. Ang said. "We are confident of sustaining this performance and even improving on it with the new business initiatives in the pipeline," he ended.

(end)

About Petron Corporation

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 nearly 1,300 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 for more information.

Contact: Raffy Ledesma Number: 886-3022

886-3888 loc 3917 E-mail: rrledesma@petron.com

Unaudited



PETRON CORPORATION & SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Amounts in Millions of Pesos)

| ASSETS Jaylay (1908) Current Assets 7,501 12,827 Financial assets at fair value through profit or loss 163 161 Available-for-sale investments 9 331 Receivables 18,529 16,875 Inventories 24,696 30,792 Other current Assets 9,642 11,977 Total Current Assets 60,540 72,963 Non-Current Assets 9,642 11,977 Total Current Assets 36,331 36,428 Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 52 885 Other noncurrent Assets 915 925 Total Noncurrent Assets 915 925 Total Noncurrent Assets 41,136 53,379 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 In | PETRON | (Amounts in willions of 1 csos) | _ | |
|---|--|--------------------------------------|-----------|------------|
| A SS ET S Curent Assets Cash and cash equivalents 7,501 12,827 Financial assets at fair value through profit or loss 163 161 Available-for-sale investments 9 331 Receivables 18,529 16,875 Inventories 24,696 30,792 Other current assets 9,642 11,977 Total Current Assets 9,642 11,977 Total Current Assets 9,642 11,977 Mon-Current Assets 40,533 36,428 Investment properties 243 246 Available-for-sale investments 483 351 Investment properties 483 351 Investment properties 483 351 Investment properties 483 351 Other noncurrent Assets 915 925 Total Noncurrent Assets 915 925 Total Noncurrent Assets 915 99,94 Liabilities 41,136 53,979 Liabilities for crude oil and petro | FEIROR | | As at | |
| Current Assets 7,501 12,827 Financial assets at fair value through profit or loss 163 161 Available-for-sale investments 9 331 Receivables 18,529 16,875 Inventories 24,696 30,792 Other current assets 9,642 11,977 Total Current Assets 60,540 72,963 Non-Current Assets 36,331 36,428 Investment properties 343 246 Available-for-sale investments 483 351 Deferred tax assets - net 522 885 Other noncurrent assets 915 925 Total Noncurrent Assets 38,54 38,835 Total Noncurrent Assets 38,54 38,835 Total Noncurrent Assets 41,136 53,979 LiABILITIES AND STOCKHOLDERS' EQUITY 41,136 53,979 LiAbilities 41,22 4,562 Current Liabilities 41,22 4,562 Current portion of long-term debt 1,26 1,263 Income tax pa | | | 3/31/2009 | 12/31/2008 |
| Cash and cash equivalents 7,501 12,827 Financial assets at fair value through profit or loss 163 161 Available-for-sale investments 9 331 Receivables 18,529 16,875 Inventories 24,696 30,792 Other current assets 60,540 72,963 Non-Current Assets 60,540 72,963 Non-Current Assets 483 351 Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 532 885 Other noncurrent Assets 915 925 Total Noncurrent Assets 99,044 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY 8,904 11,1798 LIABILITIES AND STOCKHOLDERS' EQUITY 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrude expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable <t< td=""><td></td><td></td><td></td><td></td></t<> | | | | |
| Financial assets at fair value through profit or loss 163 161 Available-for-sale investments 9 331 Receivables 18,529 16,875 Inventories 24,696 30,792 Other current assets 9,642 11,977 Total Current Assets 60,540 72,963 Non-Current Assets 86331 36,428 Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 915 925 Other noncurrent assets 915 925 Other noncurrent Assets 38,504 38,385 Total Noncurrent Assets 38,504 38,385 Total Noncurrent Assets 41,136 53,979 Liabilities 41,136 53,979 Liabilities or crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 8,97 8,988 | | | | |
| Available-for-sale investments 9 331 Receivables 18,529 16,875 Inventories 24,696 30,792 Other current assets 9,642 11,977 Total Current Assets 60,540 72,963 Non-Current Assets 8 32,246 Property, plant and equipment 36,331 36,428 Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 532 885 Other noncurrent assets 915 925 Total Noncurrent Assets 38,504 38,835 Other noncurrent Assets 38,504 38,835 Total Noncurrent Assets 38,504 38,835 Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 5,359 68,733 | _ | | 7,501 | 12,827 |
| Receivables 18,529 16,85 Inventories 24,696 30,792 Other current assets 9,642 11,977 Total Current Assets 9,642 11,978 Non-Current Assets 8 66,540 72,963 Non-Current Assets 36,331 36,428 8 Investment properties 243 246 36,341 36,428 Available-for-sale investments 483 35,131 36,428 36,351 36,428 Available-for-sale investments 483 35,131 36,428 36,351 36,628 Other noncurrent assets 915 925 38,50 38,50 38,53 36,835 36,927 36,927 36,927 36,935 | | h profit or loss | 163 | 161 |
| Inventories 24,696 30,792 Other current assets 9,642 11,977 Total Current Assets 60,540 72,963 Non-Current Assets Property, plant and equipment 36,331 36,428 Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 53 95 Other noncurrent Assets 915 925 Total Noncurrent Assets 99,044 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 36,73 22 Non-Current Liabilities Deferred income tax liabilities 8,72 8,98 Deferred income tax liabilities 1,23 1,16 Total Noncurrent Liabilities 9,87 < | Available-for-sale investments | | 9 | 331 |
| Other current assets 9,642 11,977 Total Current Assets 60,540 72,963 Non-Current Assets 80,231 36,428 Property, plant and equipment 36,331 36,428 Investment properties 243 244 Available-for-sale investments 483 351 Deferred tax assets - net 532 885 Other noncurrent assets 915 925 Total Noncurrent Assets 38,504 38,835 Other noncurrent assets 99,044 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY 111,798 111,798 Current Isabilities 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,997 Accounts payable and accrued expenses 4,229 4,564 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 1,213 1,166 Total Noncurrent Liabilities< | Receivables | | 18,529 | 16,875 |
| Total Current Assets 72,963 Non-Current Assets 86,331 36,428 Property, plant and equipment 36,331 36,428 Investment properties 48 351 Available-for-sale investments 485 351 Deferred tax assets - net 532 885 Other noncurrent Assets 915 925 Total Noncurrent Assets 99,044 111,798 Total Noncurrent Assets 99,044 111,798 LiABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,997 Liacilities for crude oil and petroleum product importation 4,262 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Deferred income tax liabilities 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent Liabilities 1,213 1,166 Total Noncur | Inventories | | 24,696 | 30,792 |
| Non-Current Assets 71 7 3 3 3 6 4 3 8 1 3 6 4 3 8 1 3 6 4 3 8 1 1 4 3 6 4 3 6 3 1 3 6 4 3 8 1 3 6 3 3 1 3 6 4 3 8 1 3 6 3 1 3 6 3 3 1 3 6 4 3 8 1 3 6 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 3 1 3 6 3 1 3 1 | Other current assets | | 9,642 | 11,977 |
| Property, plant and equipment 36,331 36,428 Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 532 885 Other noncurrent assets 915 925 Total Noncurrent Assets 38,594 38,835 Total Noncurrent Assets 38,594 38,835 BLABILITIES AND STOCKHOLDERS' EQUITY 89,004 111,798 LIABILITIES OF CRUDES' EQUITY 8,007 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Current portion of long-term debt 1,263 1,263 Income tax payable 8,672 8,988 Deferred income tax liabilities 1,21 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,897 9,375 8,985 Capital stock 9,375 9,375 8,975 8,976 | Total Current Assets | | 60,540 | 72,963 |
| Investment properties 243 246 Available-for-sale investments 483 351 Deferred tax assets - net 532 885 Other noncurrent assets 915 925 Total Noncurrent Assets 38,504 38,835 May 10 38,504 31,835 50 99,044 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 1,263 1,263 Income tax payable 8,672 8,988 Deferred income tax liabilities 11 8 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity | Non-Current Assets | | _ | · |
| Available-for-sale investments 483 351 Deferred tax assets - net 532 885 Other noncurrent assets 915 925 Total Noncurrent Assets 99,044 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,552 Current portion of long-term debt 1,263 1,263 1,263 Income tax payable 29 22 22 Current Liabilities 29 22 Non-Current Liabilities 12 8,988 Deferred income tax liabilities 12 8 Other noncurrent Liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders Of the Parent 24,643 23,776 Capital stock 9,375 9,375 9,375 Retained earnings 4,622 4,773 | Property, plant and equipment | | 36,331 | 36,428 |
| Deferred tax assets - net 532 885 Other noncurrent assets 915 925 Total Noncurrent Assets 38,504 38,835 99,044 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Current portion of long-term debt 8,672 8,988 Deferred income tax liabilities 12 8 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders Gapital stock 9,375 9,375 Retained earnings 4,622 3,776 Other reserves (462) <td>Investment properties</td> <td></td> <td>243</td> <td>246</td> | Investment properties | | 243 | 246 |
| Other noncurrent assets 915 925 Total Noncurrent Assets 38,504 38,355 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders of the Parent 4,623 23,776 Capital stock 9,375 9,375 Retained earnings 4,629 4,673 Stockholders' Equity Attributable to Equity Holders of the Parent | Available-for-sale investments | | 483 | 351 |
| Total Noncurrent Assets 38.504 38.835 111,798 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders of the Parent 9,375 9,375 Retained earnings 24,643 23,776 Other reserves 462 4,73 Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 23 2,25 Total Stockholders' Equity 33,788 <td>Deferred tax assets - net</td> <td></td> <td>532</td> <td>885</td> | Deferred tax assets - net | | 532 | 885 |
| LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Income tax payable 8,672 8,988 Non-Current Liabilities 12 8 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders of the Parent 24,643 23,776 Cher reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 23 225 Total Stockholders' Equity 33,788 32,903 | Other noncurrent assets | | 915 | 925 |
| LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders of the Parent 9,375 9,375 Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 33,788 32,903 | Total Noncurrent Assets | • | 38,504 | 38,835 |
| Current Liabilities Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Income tax payable 29 22 Non-Current Liabilities 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | | • | 99,044 | 111,798 |
| Short-term loans 41,136 53,979 Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Income tax payable 35,359 68,733 Non-Current Liabilities 4,622 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,375 9,375 Retained earnings 24,643 23,776 Other reserves 462 473 Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | LIABILITIES AND STOCKHOLDERS' E | QUITY | | |
| Liabilities for crude oil and petroleum product importation 8,702 8,907 Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 Non-Current Liabilities 55,359 68,733 Nong-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 232 Total Stockholders' Equity 33,788 32,903 | Current Liabilities | | | |
| Accounts payable and accrued expenses 4,229 4,562 Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 55,359 68,733 Non-Current Liabilities Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Short-term loans | | 41,136 | 53,979 |
| Current portion of long-term debt 1,263 1,263 Income tax payable 29 22 55,359 68,733 Non-Current Liabilities Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders of the Parent 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Liabilities for crude oil and petroleu | ım product importation | 8,702 | 8,907 |
| Income tax payable 29 22 Non-Current Liabilities 55,359 68,733 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 9,375 9,375 Retained earnings 24,643 23,776 Other reserves 462) 473 Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Accounts payable and accrued expe | nses | 4,229 | 4,562 |
| Non-Current Liabilities 55,359 68,733 Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 5,375 9,375 Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves 462) 4,73 Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Current portion of long-term debt | | 1,263 | 1,263 |
| Non-Current Liabilities Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 5 5 Of the Parent 24,643 23,776 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Income tax payable | | 29 | 22 |
| Non-Current Liabilities Long-term debt - net of current portion 8,672 8,988 Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders 5 5 Of the Parent 24,643 23,776 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | | • | 55,359 | 68,733 |
| Deferred income tax liabilities 12 8 Other noncurrent liabilities 1,213 1,166 Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Non-Current Liabilities | • | | |
| Other noncurrent liabilities1,2131,166Total Noncurrent Liabilities9,89710,162Stockholders' Equity Attributable to Equity HoldersOf the Parent9,3759,375Retained earnings24,64323,776Other reserves(462)(473)Stockholders' Equity Attributable to Equity Holders of the Parent33,55632,678Minority Interest232225Total Stockholders' Equity33,78832,903 | Long-term debt - net of current porti | ion | 8,672 | 8,988 |
| Total Noncurrent Liabilities 9,897 10,162 Stockholders' Equity Attributable to Equity Holders Of the Parent Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Deferred income tax liabilities | | 12 | 8 |
| Stockholders' Equity Attributable to Equity Holders of the Parent Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Other noncurrent liabilities | | 1,213 | 1,166 |
| Stockholders' Equity Attributable to Equity Holders of the Parent Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Total Noncurrent Liabilities | • | 9,897 | 10,162 |
| of the Parent Capital stock 9,375 9,375 Retained earnings 24,643 23,776 Other reserves (462) (473) Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Stockholders' Equity Attributable to I | Equity Holders | | |
| Retained earnings24,64323,776Other reserves(462)(473)Stockholders' Equity Attributable to Equity Holders of the Parent33,55632,678Minority Interest232225Total Stockholders' Equity33,78832,903 | | | | |
| Retained earnings24,64323,776Other reserves(462)(473)Stockholders' Equity Attributable to Equity Holders of the Parent33,55632,678Minority Interest232225Total Stockholders' Equity33,78832,903 | Capital stock | | 9,375 | 9,375 |
| Other reserves(462)(473)Stockholders' Equity Attributable to Equity Holders of the Parent33,55632,678Minority Interest232225Total Stockholders' Equity33,78832,903 | Retained earnings | | | |
| Stockholders' Equity Attributable to Equity Holders of the Parent 33,556 32,678 Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Other reserves | | | |
| Minority Interest 232 225 Total Stockholders' Equity 33,788 32,903 | Stockholders' Equity Attributa | able to Equity Holders of the Parent | | |
| Total Stockholders' Equity 33,788 32,903 | | | | |
| | • | • | | |
| | • • | • | 99,044 | 111,798 |



PETRON CORPORATION AND SUBSIDIARIES STATEMENT OF INCOME

For the Three Month Periods Ended March 31, 2009 and 2008 (Amounts in Millions of Pesos, Except Per Share Amounts)

| | January to | March |
|---|------------|----------|
| | 2009 | 2008 |
| SALES | 34,649 | 59,598 |
| COST OF GOODS SOLD | (30,990) | (56,748) |
| GROSS PROFIT | 3,659 | 2,850 |
| SELLING AND ADMINISTRATIVE EXPENSES | (1,249) | (1,132) |
| INTEREST INCOME | 48 | 76 |
| INTEREST EXPENSE | (1,186) | (636) |
| OTHERS | (25) | (463) |
| INCOME BEFORE INCOME TAX | 1,247 | 695 |
| PROVISION FOR INCOME TAX | (373) | (37) |
| NET INCOME | 874 | 658 |
| Attributable to: | | |
| Equity holders of the parent | 867 | 655 |
| Minority interest | 7 | 3 |
| | 874 | 658 |
| EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY | | |
| HOLDERS OF THE PARENT - BASIC AND DILUTED | 0.09 | 0.07 |



PETRON CORPORATION & SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (Amounts in Millions of Pesos)

| | March 2009 | March 2008 |
|---|---------------|---------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | 2000 |
| Income before income tax | 1,247 | 695 |
| Adjustments for: | • | |
| Depreciation and amortization | 855 | 652 |
| Interest expense | 1,182 | 635 |
| Interest income | (48) | (76) |
| Net unrealized foreign exchange loss (gain) | - | 302 |
| Others | 11 | 16 |
| Operating income before working capital changes | 3,247 | 2,224 |
| Changes in operating assets and liabilities | | |
| Decrease (increase) in assets: | | |
| Receivables | 605 | (3,143) |
| Inventories | 8,430 | (6,634) |
| Other current assets | 2,298 | 2,306 |
| Increase (decrease) in liabilities: | | |
| Liabilities for crude oil and petroleum | | |
| product importation | (180) | 6,638 |
| Accounts payable and accrued expenses | (87) | 691 |
| Provisions for doubtful accounts, inventory obsolescence and others | (2,320) | 48 |
| Interest paid | (1,414) | (713) |
| Income taxes paid | (10) | (562) |
| Interest received | 63 | 78 |
| Net cash provided by (used in) operating activities | 10,632 | 933 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to: | | |
| Property, plant and equipment | (755) | (1,448) |
| Investment properties | - | (6) |
| Decrease (increase) in: | | |
| Other receivables | (2,273) | (389) |
| Other noncurrent assets | 11 | (222) |
| Reductions from (additions to): | | |
| Financial assets at fair value through profit or loss | - | - |
| Available-for-sale investments | 189 | (16) |
| Investments | | |
| Net cash provided by (used in) investing activities | (2,828) | (2,081) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Availment of loans | 31,844 | 21,694 |
| Payments of: | | |
| Loans | (45,016) | (18,322) |
| Cash dividends | (2) | (2) |
| Others | 34 | 23 |
| Net cash provided by (used in) financing activities | (13,140) | 3,393 |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | 10 | 8 |
| | | |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (5,326) | 2,253 |
| - · · · · · · · · · · · · · · · · · · · | (3/3/ | -,-,5 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 12,827 | 9,732 |
| | | 2.1.2- |
| CASH AND CASH EQUIVALENTS AT END OF | | -0 - |
| PERIOD | 7,501 | 11,985 |