



May 20, 2014

PHILIPPINE STOCK EXCHANGE, INC.
Disclosure Department
3rd Floor, Philippine Stock Exchange Center
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

Please find attached the media release of the Company entitled
"PETRON'S US\$2-BILLION PROJECT NEARS COMPLETION".

Very truly yours,

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

JOEL ANGELO C. CRUZ
VP - General Counsel &
Corporate Secretary



May 20, 2014

**MEDIA RELEASE
FOR PUBLICATION & BROADCAST**

PETRON'S US\$2-BILLION PROJECT NEARS COMPLETION

The country's largest oil company Petron Corporation announced that the construction of its US\$ 2-billion Refinery Master Plan Phase 2 (RMP-2) project is now in its finishing stages and pre-commissioning activities are already ongoing. RMP-2 will be in full commercial operations by early 2015.

RMP-2 allows Petron's 180,000 barrels-per-day Bataan refinery to run at full capacity, converting current negative margin fuel oil into higher value fuels such as gasoline, diesel, and petrochemicals. This increase in local production helps ensure the country's supply security since it lessens dependence on imported fuels.

"RMP-2 underscores our commitment to nation-building. Once completed, Petron will be able to supply more premium fuels at a time when the Philippines is experiencing unprecedented economic growth," Chairman and CEO Ramon S. Ang said. "It further enhances supply security since it gives us the flexibility to refine crude oil from various sources."

Petron has been building up its retail and logistics network to complement this massive project – the single largest investment by a Filipino corporation. The Company currently has 2,200 service stations, bigger than its two closest competitors combined, and has dozens of stations in the pipeline.

The Company also has a Logistics Master Plan (LMP) that further integrates its extensive supply chain with the aim of serving customers' fuel needs in the fastest, safest, and most cost-effective means. This project includes the upgrade of existing facilities and the construction of new storage tanks in strategic locations, modernization of trucks, among others.

RMP-2 transforms the Petron Bataan Refinery (PBR) into one of the most advanced facilities in the region in terms of processing and energy efficiency, operational availability, and complexity.

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“We are keen to unlock the full potential of our entire value chain - from production to distribution to marketing. RMP-2 allows us to do just that and gives us a unique advantage over competition,” Mr. Ang said.

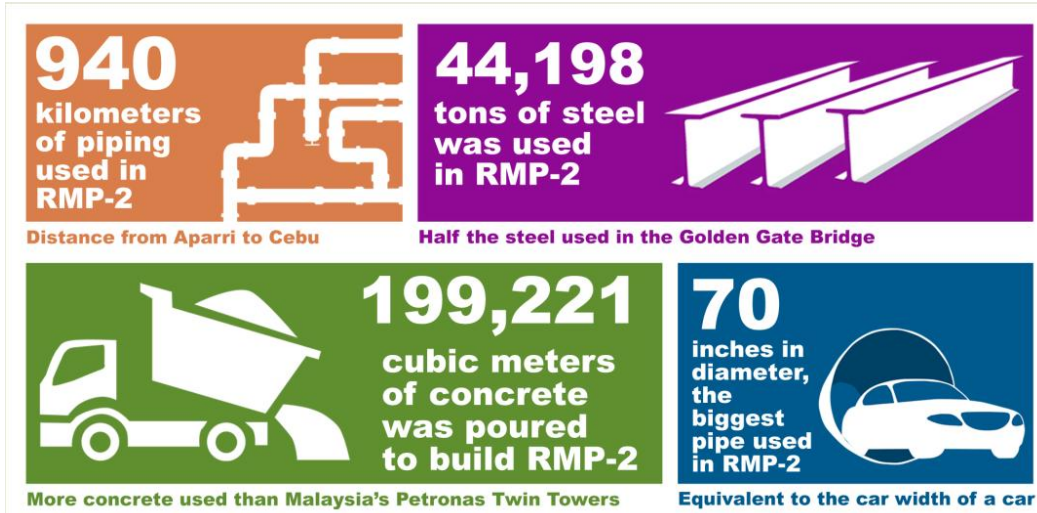
This investment will make Petron the only oil company in the country capable of locally producing more stringent and environment-friendly fuels under the Euro-4 standard. Compliance to the globally-accepted Euro-4 standard by 2016 is a mandate of the Department of Environment and Natural Resources (DENR).

The project is also creating hundreds of jobs for Filipino engineers and skilled professionals. Since the project began in 2010, manpower at Petron’s refinery has more than doubled from 485 to more than 1,000 last year. This number will continue to increase with RMP-2’s scheduled full operations in 2015.



Petron’s US\$ 2-billion Refinery Master Plan Phase 2 (RMP-2) consists of 19 units.

RMP-2 FACTS & FIGURES



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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 about 2,000 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.

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