



November 9, 2007

Petron Corporation's
Disclosure

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:

Pursuant to SEC and PSE's disclosure requirements, we report to your good office that Petron Corporation's Board of Directors, during its Regular Board Meeting held this morning, approved the following:

1. Ratification of the Expansion of Management's Hedging Authority to address inventory loss due to abrupt and significant downward swings in crude and product prices;
2. Confirmation of the Election of Messrs. Kamal M. Al-Yahya and Michael T. Defensor as Directors and Kamal M. Al-Yahya as President;
3. Endorsement of the 2008-2012 Business Plan and 2008 Capital Program in the amount of P3,187 million;
4. 2008 Operating Expense Budget in the amount of P12,570 million;
5. Miscellaneous Capital Budget of P666 million;
6. Revision of Appropriation of Retained Earnings level to P21.1 billion from P17 billion for 2007 considering upcoming major projects and financial obligations;

7. Funding requests for the Service Station Funds Pool; Ethanol receiving storage and blending facilities; Replacement of Refinery Fire Truck; Steam Generator Boiler Tube Replacement; Instrument Power Supply Upgrade Phase 2; Power Sourcing Modification; and Refinery Electrical Power System Reliability Improvement Phase 2;
8. 3rd Quarter 2007 Financial Statements posting a net income of P4.1 billion.

We trust that we have sufficiently complied with your disclosure requirements.

Very truly yours,



Luis A. Maglaya
Corporate Secretary