

04 August 2017

**Mr. Jose Valeriano B. Zuño III**

OIC, Disclosure Department

3/F PSE Plaza

Ayala Ave., Makati City

Dear **Mr. Zuño:**

We would like to announce that the PCC has approved the acquisition by P-H-O-E-N-I-X Petroleum Philippines, Inc. (the Company) of the entire equity interest of PDB (Netherlands) B.V. (PDBN) in PETRONAS Energy Philippines, Inc. (PEPI), consisting of 100% of the total issued and outstanding capital stock of PEPI (the "Acquisition").

Upon completion of the Acquisition, the Company will acquire PDBN's entire liquefied petroleum gas ("LPG") business in the Philippines. The Company will also acquire 100% shareholdings in Duta, Inc. ("Duta"). Duta and its subsidiary manage and hold the various parcels of land used in relation to or is otherwise necessary for the business operations of PEPI.

In its Commission Decision No. 19-M-027/2017, the Commission stated:

"In view of the recommendation from the Mergers & Acquisitions Officer that, on the basis of information obtained from the parties and other sources to date, the acquisition by P-H-O-E-N-I-X Petroleum Philippines, Inc. of shares in Petronas Energy Philippines, Inc. and Duta, Inc. (the "Transaction") does not result in a substantial lessening of competition in the relevant market, for the following reasons:

1. There appears to be no ability for the merged firm to engaged in foreclosures; and
2. There appear (sic) to be sufficient competitive constraints on the merged firm post-acquisition;

X      x      x      x      x      x" (underscoring ours)

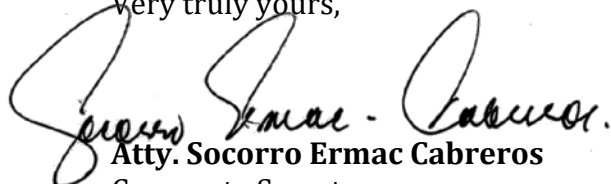
*To be an indispensable partner in the journey of everyone  
whose life we touch.*



This disclosure is made pursuant to the Securities Regulation Code (SRC) and the Disclosure Rules.

Thank you and warm regards.

Very truly yours,

  
Atty. Socorro Ermac Cabreros  
Corporate Secretary