



March 9, 2010

JANET A. ENCARNACION

Head, Disclosure Department
Philippine Stock Exchange
PSE Center, Exchange Road
Ortigas, Pasig City

Madam:

This is with reference to the news article entitled “Phoenix Petroleum posts 27% growth in sales revenue” posted in Inquirer.net on 09 March 2010 at 10:24 a.m., which says in part:

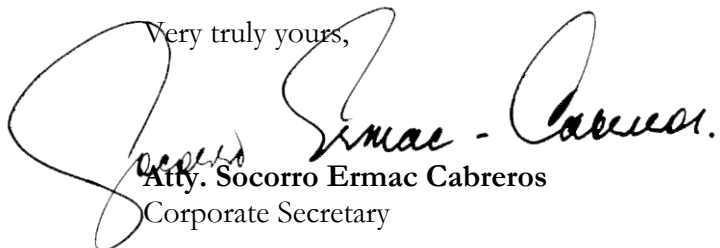
MANILA, Philippines – Publicly listed Phoenix Petroleum Philippines Inc. posted a 27-percent jump in sales revenue to P 5.883 billion in 2009 from the previous year’s P4.615 billion due to growth of its retail network, commercial accounts and lubricants business. In a statement, Phoenix Petroleum said it was also able to increase its market share based on volume to approximately 1.2 percent in 2009 from a year-ago level of 0.67 percent... “The growth in our sales and market share is a result of aggressive marketing and franchising, as well as enhanced operations supporting our retail network,” said Phoenix Petroleum president and CEO Dennis Uy...

In this regard, the Company would like to clarify that while the figures mentioned in the said news article concerning the increase in our sales revenue and the increase in market share are unaudited, the same were made in inadvertence and in good faith with no intention of misleading the public or manipulating or influencing the market activity. Please take notice that if the above-quoted paragraph is read and construed with the rest of the article, all the Company is saying is that Phoenix is growing fast and the growth of its sales and market shares are attributable to its aggressive marketing efforts and franchising as well as enhanced operations supporting its retail network. The main thrust of the whole article focuses on the Company’s extensive efforts in order to support its aggressive expansion.

We hope that this will be sufficient to clarify the matter and the stand of the Company in the issue at hand.

Thank you and best regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

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