



01 August 2011

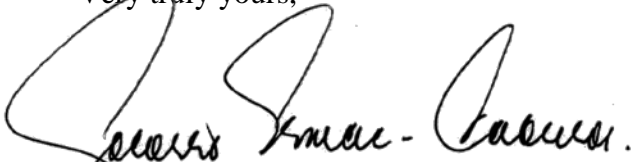
**Ms. Janet A. Encarnacion**  
Head, Disclosure Department  
Philippine Stock Exchange  
4<sup>th</sup> Floor, PSE Plaza, Ayala Triangle Plaza  
Ayala Ave., Makati City

Dear *Ms. Encarnacion*:

We would like to announce and submit the following press statement in relation to our second quarter results.

Thank you and warm regards.

Very truly yours,



**Atty. Socorro Ermac Cabreros**  
Corporate Secretary

**PHOENIX PETROLEUM PHILIPPINES, INC.**

Head Office: Phoenix Bulk Depot, Lanang, Davao City 8000, Philippines  
Davao Tel : 082-302-5998 Fax: 082- 235-8888

Manila Office: 25/F Fort Legend Towers, 3<sup>rd</sup> Ave. Corner 31<sup>st</sup> Street, Fort Bonifacio, Global City, 1634 Taguig City, Philippines  
Manila Telefax: 02-403-4013; 403-4025 to 27  
[www.phoenixphilippines.com](http://www.phoenixphilippines.com)

August 1, 2011



## **Phoenix Petroleum 2<sup>nd</sup> quarter net income down by 35%**

The sudden huge drop in crude oil prices in the world market during the second quarter pushed Phoenix Petroleum Philippines' second quarter net income down by 35%. The Company's 2<sup>nd</sup> quarter of 2011 net income decreased to P120 million from the P185 million net income reported in the 1<sup>st</sup> quarter of the year. The drop in crude oil prices in the world market affected the Company's profitability due to existing inventories purchased at higher prices.

The Company reported a June 2011 year-to-date income of P305.49 million, a growth of 126% compared to the P135.4 million net income posted in the same period last year. This was driven by the increase in revenue to P13.98 billion in the first two quarters of 2011 compared to P6.188 billion during the same period of 2010. Volume also increased 87% year-on-year.

The growth comes from the expansion of the independent oil company's retail network and increase in sales from its retail and commercial accounts. Phoenix Petroleum has a network 190 stations as of June 2011 from 161 stations at the end of 2010. Of the 190 stations, 141 are in Mindanao, 6 in Visayas, and 43 in Luzon.

In 2010, Phoenix Petroleum is estimated to have captured 2.5% market share in the petroleum industry based on volume. It is the leading independent oil company in Mindanao and is aggressively expanding in Luzon and Visayas.

Based on its 1<sup>st</sup> half performance, the company is confident of hitting its target of additional 80 stations for the year.

Phoenix Petroleum Philippines is the fastest growing independent oil company today with an expanding network of operations nationwide. It is engaged in the business of trading refined petroleum products and lubricants, operation of oil depots and storage facilities, and allied services.

### **PHOENIX PETROLEUM PHILIPPINES, INC.**

Head Office: Phoenix Bulk Depot, Barangay Pampanga, Lanang,  
8000 Davao City, Philippines  
Davao Trunkline 082-235-8888 Fax: 082-2330168

Manila Office: 25th Floor, FORT LEGEND TOWERS, 3rd Avenue corner 31st St., Bonifacio Global City  
Taguig City, 1634 Philippines  
Telephone: +63-2-4034013

[www.phoenixphilippines.com](http://www.phoenixphilippines.com)