



30 April 2013

Hon. Justina F. Callangan

Director, Corporate Finance Department
Securities and Exchange Commission
EDSA, Greenhills
Mandaluyong City

Ms. Janet A. Encarnacion

Head, Disclosure Department
4/F, The Philippine Stock Exchange, Inc.
PSE Center, Exchange Road, Ortigas Center
Pasig City, Metro Manila

Dear *Mmes*:

Pursuant to our earlier disclosure, please find attached our letter or message to our stakeholders in connection with the reversal by the Department of Justice of its earlier Resolution dated 16 November 2012, which dismissed the charges filed by the Bureau of Customs against our President, Dennis A. Uy, for your information. This will likewise be published in the newspapers.

This disclosure is made in compliance with the Securities Regulations Code and the Revised Disclosure Rules.

Very truly yours,

A handwritten signature in black ink, appearing to read "Socorro Ermac Cabreros".

Atty. Socorro Ermac Cabreros
Corporate Secretary



PHOENIX PETROLEUM PHILIPPINES, INC.

To Our Stakeholders:

As you well know, this has been a challenging past week for all of us in the Phoenix Family.

We received news reports that the Department of Justice (DOJ) has recommended the indictment of our President, Dennis Uy, for alleged violation of the Tariff and Customs Code, reversing its earlier Resolution dated 16 November 2012, which dismissed the charges against the respondents. In the dismissal of these false charges just six months ago, the Department of Justice declared unequivocally that the charges against us were without merit and that the Company has fully paid the duties, taxes and fees on the subject importation as clearly established by evidence.

Why and by what circumstances the highly unusual Resolution was made to reverse this dismissal of charges is unclear. When reports came out on the alleged reversal of the earlier Resolution absolving us of any liability, we had yet to file our Rejoinder to the highly questionable action of the Bureau of Customs in introducing allegations and issues in their Reply to our Comment/Opposition to the BOC's Motion for Reconsideration that were not raised in the earlier proceedings.

Sadly, these allegations somehow may have succeeded in misleading the DOJ in reversing its earlier dismissal of the case. Such introduction of new matters clearly violated our right to due process and fair play when we were denied our inherent right to defend ourselves against false and malicious imputations.



What is absolutely clear and unequivocal is the innocence of Phoenix Petroleum, the Phoenix Family and our President of these false and unsubstantiated allegations.

We assure you that we are taking action to ensure that we will be exonerated from these false and malicious accusations.

These unsubstantiated charges are particularly troubling to us as Phoenix has been regularly honored as one of the Philippines' highest taxpayers by the Bureau of Internal Revenue and the Bureau of Customs themselves. Most recently during the celebration of the 111th Anniversary of the Bureau of Customs last 06 February 2013, Phoenix was awarded by no less than the Secretary of Finance and the Commissioner of Customs as the country's Top 7 Importer after having paid P4.733 Billion in taxes to the National Government. This was in fact the second consecutive year we were awarded as the Top 7 Importer in the country.

In fact, while Phoenix's sales account for less than 5% of total imported petroleum products sold nationally, we are paying an estimated 8% of all duties and taxes collected on imported petroleum products from oil companies.

Today, we are confronted as a company and as a family, with what may be the biggest challenge in our young existence.

Over the years, as we have built our provincial-based corporation providing jobs and livelihood to thousands of our fellow Filipinos, we have encountered and triumphed over many of the problems that all companies have experienced in the process of growth. We have triumphed because each of us was willing and able to focus our efforts on each challenge as it arose and concentrated on it until it was resolved. We kept our eye on the prize and remained disciplined, confident, loyal and indispensable to each other.



We are committed to defending the Phoenix family and our hard won reputation for integrity, competence, loyalty and success.

We will be united in all our actions and in our resolve.

We will continue to do what we have always done and continue to be an indispensable partner in the lives of everyone we touch.

We will always act with a sense of urgency, confidence, dignity and loyalty as we move towards a positive and favorable solution to this present problem. Our ambitious plans for the future growth, expansion and success of the Phoenix family will move forward without hesitation.

We remain thankful to all who support us as we meet today's challenge head on.

To our friends, shareholders, business partners, employees, and most of all to our customers, we are deeply moved and indebted by your loyalty and confidence. We will reward that loyalty and confidence with the refutation of these false charges and the commitment to fly even higher in the years to come.

Thank you to our shareholders, customers, supporters, and the Phoenix Family. You are the wind in our sails.