COVER SHEET

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S. E. C. Registration Number

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(Company's Full Name)

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M	a	n	d	a	l	u	y	o	n	g		C	i	t	Y				

(Business Address: No. Street City/Town/Province)

Contact Person

(632) 632-3000

Company Telephone Number

SEC FORM

1	2		3	1			1	9	-	1									

Month Day FORM TYPE Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I. D.

Cashier

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SAN MIGUEL CORPORATION

April 30, 2010

PHILIPPINE STOCK EXCHANGE
Disclosure Department
Listing and Disclosure Group
4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

Attention: **MS. JANET A. ENCARNACION**
Head – Disclosure Department

Gentlemen:

Further to our disclosure dated April 23, 2010, and by way of compliance with the provisions of SRC Rule 19, Item 6, we advise that the Company filed with the Securities and Exchange Commission ("SEC") the Tender Offer Report (SEC Form 19-1) covering Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three (4,678,218,933) common shares of Petron Corporation, constituting approximately 49.9% of its outstanding common stock. A copy of the report is attached hereto.

Very truly yours,
SAN MIGUEL CORPORATION

By:

FERDINAND K. CONSTANTINO
Senior Vice President, Chief Finance Officer
and Treasurer

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 19-1
TENDER OFFER REPORT

Check the appropriate box:

[√] Initial Filing

[ ] Amendment

Amendment No. .....

Items Amended by the Filing .....

1. Exact Name of Subject Company as Specified in its Charter **PETRON CORPORATION**

(a) **Petron Mega Plaza, 358 Sen. Gil J. Puyat Ave., Makati City** **1200**
Address of Principal Offices Postal Code

(b) SEC Identification Number **31171** (c) [ ] (SEC Use Only)
Industry Classification Code

(d) BIR Tax Identification Number **000-168-801**

2. **SAN MIGUEL CORPORATION**
Name of Bidder

(a) **40 San Miguel Avenue, Mandaluyong City** **1550**
Address of Bidder Postal Code

3. **Common Shares**
Title or Class of Securities Subject to Tender Offer

Item 1. Subject Company and Class of Security Subject to the Tender Offer

(a) The subject company is Petron Corporation ("Petron"), a corporation organized and existing under the laws of the Republic of the Philippines with principal executive offices at Petron Mega Plaza, 358 Sen. Gil J. Puyat Ave., Makati City.

(b) As of April 15, 2010, Petron has Nine Billion Four Hundred Seventy Five Million One Hundred Four Thousand Four Hundred Ninety Seven (9,475,104,497) outstanding shares of stock, consisting of Nine Billion Three Hundred Seventy Five Million One Hundred Four Thousand Four Hundred Ninety Seven (9,375,104,497) common shares and One Hundred Million (100,000,000) preferred shares.

Under the Option Agreement dated December 24, 2008 between San Miguel Corporation ("SMC") and SEA Refinery Holdings B.V. ("SEA BV"), a corporation organized under the laws of Netherlands, as amended on March 4, 2010 (the "Option Agreement"), SMC currently has the option to purchase from SEA BV a total of 100% of the outstanding capital stock of SEA Refinery Corporation ("SRC"), a corporation organized and existing under Philippine laws, with principal office address at 19th Floor, Liberty Center, 104 H.V. dela Costa Street, Makati City, Metro Manila, Philippines. SRC owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron, approximately 50.1% of the outstanding common shares of Petron (the salient terms and conditions of the Option Agreement are summarized in Annex "A"). Pursuant to the Option Agreement, SMC has up to April 30, 2010 to purchase Sixteen Million (16,000,000) shares of stock of SRC which represent 40% of the outstanding capital stock of SRC, and up to December 23, 2010 to purchase Twenty Four Million (24,000,000) shares of stock of SRC which represent 60% of the outstanding capital stock of SRC, respectively. The Option Agreement provides that in the event of the exercise by SMC of the option, which would entail a mandatory tender offer by SMC for the remaining common shares of Petron, SEA BV shall not participate in any such mandatory tender offer with respect to its shares in Petron. SEA BV owns Three Billion Seven Hundred Ninety Four Million Ninety Three Thousand Four Hundred Ninety Five (3,794,093,495) common shares of Petron, approximately 40.5% of the outstanding common shares of Petron. SMC intends to exercise the option in full on or before the latter mentioned deadline. Upon the full exercise of the option, SMC would own 100% of the outstanding capital stock of SRC.

Subject to the Terms of the Tender Offer, attached and made an integral part of this Tender Offer Report as Annex "B", SMC intends to acquire all the remaining Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three (4,678,218,933) common shares, approximately 49.9% of the outstanding common shares of Petron ("Tender Offer Shares"), at the price of Six Pesos & 85/100 (₱6.85) per common share for a total purchase price of Thirty Two Billion Forty Five Million Seven Hundred Ninety Nine Thousand Six Hundred Ninety One Pesos & 05/100 (₱32,045,799,691.05), payable during the Settlement Period from June 8, 2010 up to July 8, 2010. All Tender Offer Shares validly tendered by shareholders of record of Petron under this Tender Offer shall be accepted for payment by SMC.

(c) The shares are currently traded at the Philippine Stock Exchange at the prices indicated below:

Common

2010 January to March	High – Php 6.20	Low – Php 5.00
2009 October to December	High – Php 5.90	Low – Php 4.95
2009 July to September	High – Php 5.90	Low – Php 5.00
2009 April to June	High – Php 6.00	Low – Php 5.10
2009 January to March	High – Php 5.90	Low – Php 4.65
2008 October to December	High – Php 6.10	Low – Php 4.15
2008 July to September	High – Php 6.50	Low – Php 5.60
2008 April to June	High – Php 6.50	Low – Php 5.10

Item 2. Identity and Background

SMC is a corporation organized and existing under the laws of the Republic of the Philippines with principal office at 40 San Miguel Avenue, Mandaluyong City. SMC, together with its subsidiaries, is the largest publicly listed food, beverage and packaging company in Southeast Asia. Following the shareholders' approval it has obtained in 2007, SMC has diversified from its traditional core businesses and has since made investments in industries such as power, energy, telecommunications, mining and infrastructure. During the last five years, SMC has not been a party to any criminal or civil proceeding before a judicial or administrative body of competent jurisdiction, whether domestic or foreign, and has not been subjected, as a result of such proceeding, to any order, judgment or decree, not subsequently reversed, suspended or vacated, permanently or temporarily enjoining, barring, suspending it or otherwise limiting its involvement in any type of business, securities, commodities or banking.

The following are the directors and key executive officers of SMC and the persons in control of SMC:

(a) Names

Eduardo M. Cojuangco, Jr.	Chairman of the Board and Chief Executive Officer
Ramon S. Ang	Vice Chairman, President and Chief Operating Officer
Estelito P. Mendoza	Director
Iñigo Zobel	Director
Winston F. Garcia	Independent Director
Menardo R. Jimenez	Director
Pacifico M. Fajardo	Director
Leo S. Alvez	Director
Egmidio de Silva Jose	Director
Hector L. Hofileña	Director
Carmelo L. Santiago	Independent Director
Jesusa Victoria H. Bautista	Director
Roberto V. Ongpin	Director
Alexander J. Poblador	Director
Ferdinand K. Constantino	Senior Vice President, Chief Finance Officer and Treasurer
Francis H. Jardeleza	Corporate Secretary, Senior Vice President and General Counsel
Francisco S. Alejo III	President and Director, San Miguel Pure Foods Company, Inc.
Ferdinand A. Tumpalan	President, San Miguel Yamamura Packaging Corporation
Roberto N. Huang	President, San Miguel Brewery Inc.
Gerardo C. Payumo	President, Ginebra San Miguel, Inc.
Carlos Antonio M. Berba	Managing Director, San Miguel Brewing International
Top Frontier Investment Holdings, Inc.	Stockholder of 38.6% of the outstanding capital stock of SMC
CIIF Companies[1]	Stockholder of 23% of the outstanding capital stock of SMC
ECJ Companies[2]	Stockholder of 15% of the outstanding capital stock of SMC
Q-Tech Alliance Holdings, Inc.	Stockholder of 9.2% of the outstanding capital stock of SMC

[1] *ASC Investors, Inc., ARC Investors, Inc., Anglo Ventures Corporation, AP Holdings, Inc., Fernandez Holdings, Inc., First Meridian Development, Inc., Randy Allied Ventures, Inc., Rock Steel Resources, Inc., Roxas Shares, Inc., San Miguel Officers Corps., Inc., Soriano Shares, Inc., Te Deum Resources, Inc., Toda Holdings, Inc. and Valhalla Properties Limited, Inc. The administrator of the CIIF Companies is the United Coconut Planters Bank.*

[2] *Primavera Farms, Inc., Misty Mountains Agricultural Corporation, Black Stallion Ranch, Inc., Pastoral Farms, Inc., Meadow-Lark Plantations, Inc., Silver-Leaf Plantations, Inc., Agricultural Consultancy Services, Inc., Archipelago Realty Corporation, Balete Ranch, Inc., Christensen Plantation Corporation, Discovery Realty Corporation, Dream Pastures, Inc., Echo Ranch, Inc., Far East Ranch, Inc., First United Transport, Inc., Habagat Realty Development Corporation, Kalawakan Resorts, Inc., Kaunlaran Agricultural Corporation, Labayug Air Terminals, Inc., Land Air International Marketing Corporation, LHL Cattle Corporation, Lucena Oil Factory, Inc., Metroplex Commodities, Inc., Northeast Contract Traders, Inc., Northern Carriers Services Management Corporation, Oceanside Maritime Enterprises, Inc., Oro Verde Services, Inc., PCY Oil Manufacturing Corporation, Philippine Technologies, Inc., Punong Bayan Housing Development Corporation, Pura Electric Co., Inc., Radio Audience Developers Integrated Org., Inc., Radyo Pilipino Corporation, Rancho Grande, Inc., Reddee Developers, Inc., San Esteban Development Corporation, Southern Service Traders, Inc., Southern Star Cattle Corporation, Spade One Resorts Corporation, Unexplored Land Developers, Inc., Verdant Plantations, Inc., Vesta Agricultural Corporation and Wings Resort Corporation.*

(b) Affiliation with Petron

Eduardo M. Cojuangco, Jr.	Director and stockholder of 1,000 Petron common shares
Ramon S. Ang	Chairman and Chief Executive Officer, and stockholder of 1,000 Petron common shares
Estelito P. Mendoza	Director and stockholder of 1,000 Petron common shares
Iñigo Zobel	None
Winston F. Garcia	None
Menardo R. Jimenez	None
Pacifico M. Fajardo	None
Leo S. Alvez	Stockholder of 3,000 Petron common shares
Egmidio de Silva Jose	None
Hector L. Hofileña	None
Carmelo L. Santiago	None
Jesusa Victoria H. Bautista	None
Roberto V. Ongpin	Director and stockholder of 1 Petron common share
Alexander J. Poblador	None
Ferdinand K. Constantino	None
Francis H. Jardeleza	Stockholder of 4,500 Petron common shares
Francisco S. Alejo III	None
Ferdinand A. Tumpalan	Stockholder of 3,000 Petron common shares
Roberto N. Huang	Stockholder of 20,000 Petron preferred shares
Gerardo C. Payumo	None
Carlos Antonio M. Berba	None
Top Frontier Investment Holdings, Inc.	None
CIIF Companies	None
ECJ Companies	None
Q-Tech Alliance Holdings, Inc.	None

(c) Residence or business address

Eduardo M. Cojuangco, Jr.	40 San Miguel Avenue, Mandaluyong City
Ramon S. Ang	40 San Miguel Avenue, Mandaluyong City
Estelito P. Mendoza	4th Floor, Dynavision Building, 108 Rada St., Legaspi Village, Makati City
Iñigo Zobel	5th Floor, ENZO Bldg., No. 339 Sen. Gil Puyat, Makati City
Winston F. Garcia	7th Floor, GSIS Bldg., Financial Center, Roxas Blvd., Pasay City
Menardo R. Jimenez	2nd floor, Sagittarius Bldg., H. V. de la Costa St. corner Leviste St., Salcedo Village, Makati City
Pacifico M. Fajardo	Room 2404 - A-West Tektite Tower, Pasig City
Leo S. Alvez	No. 1-49 Corner Evangelista, A. Bonifacio Sts., Phase IV, AFPOVAI, Western Bicutan
Egmidio de Silva Jose	No. 11 E. O. Building, United corner 2nd Sts., Bo. Kapitolyo, Pasig City
Hector L. Hofileña	Room 208 Ermita Center Building, 350 Roxas Blvd., Ermita, Manila
Carmelo L. Santiago	1730 Banyan Street, Ayala Alabang Village, Makati City
Jesusa Victoria H. Bautista	Ground Floor, Cavite Coliseum Building, Aguinaldo Highway, Bacoor, Cavite
Roberto V. Ongpin	The Penthouse, Alphaland Southgate Tower, Pasong Tamo cor. EDSA, Makati City
Alexander J. Poblador	5th Floor, SEDCCO 1 Bldg., Rada corner Legaspi Streets, Legaspi Village, Makati City
Ferdinand K. Constantino	40 San Miguel Avenue, Mandaluyong City
Francis H. Jardeleza	40 San Miguel Avenue, Mandaluyong City
Francisco S. Alejo III	JMT Corporate Condominium, ADB Avenue, Ortigas Center, Pasig City
Ferdinand A. Tumpalan	San Miguel Properties Centre, No. 7 St. Francis St., Mandaluyong City
Roberto N. Huang	40 San Miguel Avenue, Mandaluyong City
Gerardo C. Payumo	San Miguel Properties Centre, No. 7 St. Francis St., Mandaluyong City
Carlos Antonio M. Berba	40 San Miguel Avenue, Mandaluyong City
Top Frontier Investment Holdings, Inc.	5th Floor, ENZO Bldg., No. 339 Sen. Gil Puyat, Makati City
CIIF Companies	c/o 16/F, UCPB Building, Makati City
ECJ Companies	5th Floor, Universal-Reinsurance Bldg., Paseo de Roxas, Makati City
Q-Tech Alliance Holdings, Inc.	The Penthouse, Alphaland Southgate Tower, Pasong Tamo cor. EDSA, Makati City

(d) Principal occupation/business or employment and address of such business/employment

Eduardo M. Cojuangco, Jr.	Chairman of the Board and Chief Executive Officer, SMC 40 San Miguel Avenue, Mandaluyong City
Ramon S. Ang	Vice Chairman, President and Chief Operating Officer, SMC 40 San Miguel Avenue, Mandaluyong City
Estelito P. Mendoza	E.P. Mendoza Law Office 4th Floor, Dynavision Building, 108 Rada St., Legaspi Village, Makati City
Iñigo Zobel	President and CEO, E. Zobel, Inc. 5th Floor, ENZO Bldg., No. 339 Sen. Gil Puyat, Makati City
Winston F. Garcia	President and General Manager, Government Service Insurance System 7th Floor, GSIS Bldg., Financial Center, Roxas Blvd., Pasay City
Menardo R. Jimenez	Businessman 2nd floor, Sagittarius Bldg., H. V. de la Costa St. corner Leviste St., Salcedo Village, Makati City
Pacifico M. Fajardo	Businessman Room 2404 - A-West Tektite Tower, Pasig City
Leo S. Alvez	Retired Major General, Armed Forces of the PHilippines No. 1-49 Corner Evangelista, A. Bonifacio Sts., Phase IV, AFPOVAI, Western Bicutan
Egmidio de Silva Jose	Businessman No. 11 E. O. Building, United corner 2nd Sts., Bo. Kapitolyo, Pasig City
Hector L. Hofileña	Hector L. Hofileña Law Firm Room 208 Ermita Center Building, 350 Roxas Blvd., Ermita, Manila
Carmelo L. Santiago	Businessman 1730 Banyan Street, Ayala Alabang Village, Makati City
Jesusa Victoria H. Bautista	Businesswoman Ground Floor, Cavite Coliseum Building, Aguinaldo Highway, Bacoor, Cavite
Roberto V. Ongpin	Chairman, PhilWeb Corporation, ISM Communications Corporation and Eastern Telecommunications Philippines, Inc. The Penthouse, Alphaland Southgate Tower, Pasong Tamo cor. EDSA, Makati City
Alexander J. Poblador	Founding Partner and Chairman, Poblador Bautista & Reyes Law Office 5th Floor, SEDCCO 1 Bldg., Rada corner Legaspi Streets, Legaspi Village, Makati City
Ferdinand K. Constantino	Senior Vice President, Chief Finance Officer and Treasurer, SMC 40 San Miguel Avenue, Mandaluyong City
Francis H. Jardeleza	Corporate Secretary, Senior Vice President and General Counsel, SMC 40 San Miguel Avenue, Mandaluyong City
Francisco S. Alejo III	President and Director, San Miguel Pure Foods Company, Inc. JMT Corporate Condominium, ADB Avenue, Ortigas Center, Pasig City
Ferdinand A. Tumpalan	President, San Miguel Yamamura Packaging Corporation San Miguel Properties Centre, No. 7 St. Francis St., Mandaluyong City
Roberto N. Huang	President, San Miguel Brewery Inc. 40 San Miguel Avenue, Mandaluyong City
Gerardo C. Payumo	President, Ginebra San Miguel, Inc. San Miguel Properties Centre, No. 7 St. Francis St., Mandaluyong City
Carlos Antonio M. Berba	Managing Director, San Miguel Brewing International 40 San Miguel Avenue, Mandaluyong City
Top Frontier Investment Holdings, Inc.	Holding Company 5th Floor, ENZO Bldg., No. 339 Sen. Gil Puyat, Makati City
CIIF Companies	Holding Companies

	c/o 16/F, UCPB Building, Makati City
ECJ Companies	Various Businesses 5th Floor, Universal-Reinsurance Bldg., Paseo de Roxas, Makati City
Q-Tech Alliance Holdings, Inc.	Holding Company The Penthouse, Alphaland Southgate Tower, Pasong Tamo cor. EDSA, Makati City

(e) During the last five (5) years, none of the persons enumerated in Item 2 (a) above has been convicted in a criminal proceeding.

(f) During the last five (5) years, none of the persons enumerated in Item 2 (a) above has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction, domestic or foreign, and as a result of such proceeding was or is subject to any other, judgment or decree, not subsequently reversed, suspended or vacated, permanently or temporarily enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities, commodities or banking.

(g) Citizenship

Eduardo M. Cojuangco, Jr.	Filipino
Ramon S. Ang	Filipino
Estelito P. Mendoza	Filipino
Iñigo Zobel	Filipino
Winston F. Garcia	Filipino
Menardo R. Jimenez	Filipino
Pacifico M. Fajardo	Filipino
Leo S. Alvez	Filipino
Egmidio de Silva Jose	Filipino
Hector L. Hofileña	Filipino
Carmelo L. Santiago	Filipino
Jesusa Victoria H. Bautista	Filipino
Roberto V. Ongpin	Filipino
Alexander J. Poblador	Filipino
Ferdinand K. Constantino	Filipino
Francis H. Jardeleza	Filipino
Francisco S. Alejo III	Filipino
Ferdinand A. Tumpalan	Filipino
Roberto N. Huang	Filipino
Gerardo C. Payumo	Filipino
Carlos Antonio M. Berba	Filipino
Top Frontier Investment Holdings, Inc.	Filipino
CIIF Companies	Filipino
ECJ Companies	Filipino
Q-Tech Alliance Holdings, Inc.	Filipino

Item 3. Purpose of the Tender Offer and Plans or Proposals of the Bidder

As previously stated, SMC currently has the option to purchase from SEA BV a total of 100% of the outstanding capital stock of SRC which owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron, approximately 50.1% of the outstanding common shares of Petron. The full exercise of the option and the resulting ownership of approximately 50.1% of the outstanding common capital of Petron require the mandatory tender offer to acquire all the remaining outstanding common shares of Petron.

To date, SMC has no plans or proposals which relate to or would result in:

(a) An extraordinary corporate transaction, such as merger, reorganization or liquidation, involving Petron or any of its subsidiaries. In fact, SMC intends to pursue and fully support the vision and programs of the current management of Petron.

(b) A sale or transfer of a material amount of assets of Petron or any of its subsidiaries.

(c) Any change in the present Board of Directors or management of Petron including, but not limited to, any plan or proposal to change the number or term of directors, to fill any existing vacancy on the Board or to change any material term of the employment contract of any executive officer.

SEA BV has agreed to allow SMC to participate in the management of Petron through the election of representatives in the Board of Directors and appointment of key officers in Petron. Also, in its disclosure dated April 29, 2010, the Board of Directors of Petron approved the increase in the number of the members of the Board from ten (10) to fifteen (15), subject to stockholders' approval.

(d) Any material change in the present dividend rate or policy or indebtedness or capitalization of Petron.

(e) Any material change in the corporate structure or business of Petron.

(f) Causing any class of equity securities of the issuer which is listed in the exchange to be no longer listed.

(g) Causing Petron to no longer be subject to the reporting requirements of SRC Rule 17 unless otherwise provided under the SRC and its implementing rules.

Item 4. Interest in Securities of the Issuer

(a) The Tender Offer Shares consist of common shares. There are an aggregate of Nine Billion Three Hundred Seventy Five Million One Hundred Four Thousand Four Hundred Ninety Seven (9,375,104,497) outstanding common shares of Petron. Approximately 49.9% of the total outstanding common shares of Petron or Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three (4,678,218,933) common shares are the Tender Offer Shares. As mentioned in Item 3 above, upon the full exercise of the option, SMC would own approximately 50.1% of the outstanding common shares of Petron. The following persons (enumerated in Item 2 above) and their associates and majority-owned subsidiaries beneficially own common shares of Petron in the following percentages:

Name	No. of Petron common shares	% of Common
Eduardo M. Cojuangco, Jr.	1,000	0
Ramon S. Ang	1,000	0
Estelito P. Mendoza	1,000	0
Iñigo Zobel	None	0
Winston F. Garcia	None	0
Menardo R. Jimenez	None	0
Pacifico M. Fajardo	None	0
Leo S. Alvez	3,000	0
Egmidio de Silva Jose	None	0
Hector L. Hofileña	None	0
Carmelo L. Santiago	None	0
Jesusa Victoria H. Bautista	None	0
Roberto V. Ongpin	1	0
Alexander J. Poblador	None	0
Ferdinand K. Constantino	None	0
Francis H. Jardeleza	4,500	0
Top Frontier Investment Holdings, Inc.	None	0
Francisco S. Alejo III	None	0
Ferdinand A. Tumpalan	3,000	0
Roberto N. Huang	None	0
Gerardo C. Payumo	None	0
Carlos Antonio M. Berba	None	0
CIIF Companies	None	0
ECJ Companies	None	0
Q-Tech Alliance Holdings, Inc.	None	0

(b) Except for the transactions mentioned in Item 5 below, no transaction during the past sixty (60) days has been effected by SMC or any of its directors, officers, or the persons enumerated in Item 4 (a) above in relation to any of the securities of Petron.

Item 5. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Other than the Option Agreement, there are no contracts, arrangements, understandings, or relationships between SMC (or the persons enumerated in Item 2 above) and any other person with respect to any of the securities of Petron, including but not limited to transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. SMC is not aware of any security of Petron that is pledged or otherwise subject to a contingency the occurrence of which would give another person voting power or investment power over such security.

Upon completion of the Tender Offer, SMC may enter into an agreement with SEA BV in respect of their respective ownership of shares in Petron.

Item 6. Materials to be Filed as Exhibits

The following tender offer materials will be published or sent or made available to security holders of Petron by SMC:

(a) Tender Offer Report (SEC Form 19-1);

(b) The salient terms and conditions of the Option Agreement between SMC and SEA BV (Annex "A");

(c) Terms of the Tender Offer for the Common Shares of Petron (Annex "B");

(d) Announcement of intention of SMC to make a tender offer of Petron common shares (Annexes "C", "C-1" & "C-2");

(e) Letter to Petron Shareholders and Application to Tender Shares of Petron (Annexes "D" and "D-1");

(f) Instructions to Brokers (Annex "E"); and

(f) Certification from Standard Chartered Bank that SMC has available funds with the Bank sufficient to satisfy full acceptance of the tender offer (Annex "F").

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Mandaluyong on April 30, 2010.

SAN MIGUEL CORPORATION

By:

RAMON S. ANG
President and Chief Operating Officer

ANNEX "A"

SALIENT TERMS AND CONDITIONS OF THE OPTION AGREEMENT

PARTIES	San Miguel Corporation ("SMC") SEA Refinery Holdings B.V. ("SEA BV")
SUBJECT OF THE AGREEMENT	Option of SMC to purchase from SEA BV a total of 40,000,000 common shares of Sea Refinery Corporation ("SRC"), representing 100% of the outstanding capital stock of SRC (the "Option Shares"). SRC owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron Corporation ("Petron"), approximately 50.1% of the outstanding common shares of Petron (collectively, the "Petron Shares").
EXERCISE OF THE OPTION	SMC has up to April 30, 2010 to purchase Sixteen Million (16,000,000) shares of stock of SRC which represent 40% of the outstanding capital stock of SRC. SMC has up to December 23, 2010 to purchase Twenty Four Million (24,000,000) shares of stock of SRC which represent 60% of the outstanding capital stock of SRC.
EXERCISE PRICE	The full exercise price for the Option Shares is the paid-up capital of SEA BV in SRC amounting to Forty Million Pesos (₱40,000,000.00) and, with the 100% ownership in SRC, effectively, the value of the Petron Shares acquired by SRC, inclusive of any liability or obligation and expenses incurred by SRC for the acquisition of the Petron Shares.
OTHER TERMS	1. SMC shall comply with all the requirements of any statue, law, rules, regulations or ordinances applicable in respect of its acquisition of any of the Option Shares, including the making of any mandatory tender offer for the remaining common shares of stock of Petron. 2. In the event of the exercise by SMC of the option which would entail a mandatory tender offer by SMC for the remaining common shares of Petron, SEA BV shall not participate in any such mandatory tender offer with respect to its shares in Petron.

ANNEX "B"

TERMS OF THE TENDER OFFER
FOR THE COMMON SHARES OF PETRON CORPORATION

PARTY MAKING THE TENDER OFFER: San Miguel Corporation (the "SMC")

SUBJECT COMPANY: Petron Corporation ("Petron")

SUBJECT SHARES:

SMC intends to acquire under the terms of this Tender Offer, Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three (4,678,218,933) common shares of Petron, approximately 49.9% of the outstanding common shares of Petron (the "Shares").

Under an Option Agreement dated December 24, 2008 between SMC and SEA Refinery Holdings B.V. ("SEA BV"), a corporation organized under the laws of Netherlands, as amended on March 4, 2010 (the "Option Agreement"), SMC currently has the option to purchase from SEA BV a total of 100% of the outstanding capital stock of SEA Refinery Corporation ("SRC"), a corporation organized and existing under Philippine laws, with principal office address at 19th Floor, Liberty Center, 104 H.V. dela Costa Street, Makati City, Metro Manila, Philippines. SRC owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron, approximately 50.1% of the outstanding common shares of Petron. Pursuant to the Option Agreement, SMC has up to April 30, 2010 to purchase Sixteen Million (16,000,000) shares of stock of SRC which represent 40% of the outstanding capital stock of SRC and up to December 23, 2010 to purchase Twenty Four Million (24,000,000) shares of stock of SRC which represent 60% of the outstanding capital stock of SRC. The Option Agreement provides that in the event of the exercise by SMC of the option which would entail a mandatory tender offer by SMC for the remaining common shares of Petron, SEA BV shall not participate in any such mandatory tender offer with respect to its shares in Petron. SEA BV owns Three Billion Seven Hundred Ninety Four Million Ninety Three Thousand Four Hundred Ninety Five (3,794,093,495) common shares of Petron, approximately 40.5% of the outstanding common shares of Petron. SMC intends to fully exercise the option on or before the latter mentioned deadline. Upon the full exercise of the option, SMC would own 100% of the outstanding capital stock of SRC which in turn owns approximately 50.1% of the outstanding common shares of Petron. The subject of this Tender Offer are the remaining Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three

(4,678,218,933) common shares, approximately 49.9% of the outstanding common shares of Petron ("Tender Offer Shares").

TENDER OFFER PRICE:

Six Pesos & 85/100 (₱6.85) per common share, or a total purchase price of Thirty Two Billion Forty Five Million Seven Hundred Ninety Nine Thousand Six Hundred Ninety One Pesos & 05/100 (₱32,045,799,691.05) (the "Consideration"), subject to the terms of payment below.

TENDER OFFER PERIOD:

The Tender Offer Period shall commence on May 5, 2010 at 9:00 a.m. and end on June 2, 2010 at 12:00 noon, unless extended by SMC upon approval by the Securities and Exchange Commission (the "SEC"). The following is the schedule of the tender offer for the Tender Offer Shares:

April 28, 2010	- Publish announcement of intention to make a tender offer
April 30, 2010	- File SEC Form 19-1 with SEC
May 1, 2010	- Publish amended announcement of intention to make a tender offer
May 5, 2010 (9:00 am)	- Commencement of the Tender Offer Period
June 2, 2010 (12 noon)	- End of Tender Offer Period
June 8 to July 8, 2010	- Settlement Period
Not later than June 11, 2010	- Report on Tender Offer Results (Final Amended SEC Form 19-1)

The Tender Offer Shares to be tendered for sale to SMC must be received by the Tender Offer Agent by the surrender of the corresponding stock certificates duly endorsed not later than 12:00 noon of June 2, 2010. In cases where the stock certificates have been lost, the tendering shareholder shall (a) execute the corresponding affidavit of loss, (b) cause the publication of the same as required by law, and (c) procure a bond from an acceptable bonding company in favor of SMC for the total value of the shares to be tendered. Such tendering shareholder shall, in lieu of surrendering the stock certificates, present an original of the affidavit of loss, a copy of such affidavit as published, the corresponding affidavit of publication from the newspaper, and the bond to the Tender Offer Agent within the Tender Offer Period. All tendering shareholders shall, likewise, present proof of identification acceptable to the Tender Offer Agent. Shares received after the end of the Tender Offer Period shall be rejected. The Tender Offer Agent shall act as custodian for such Tender Offer Shares, as well as the other documents presented in the course of the tender offer, until such

time that the transfer of the Tender Offer Shares to SMC is completed or the tendered Shares are withdrawn in accordance with the Terms of the Tender Offer.

RECEIVING AGENTS:

SMC Stock Transfer Service Corporation
2nd Floor, SMC Head Office Complex
40 San Miguel Avenue
Mandaluyong City
Telephone No: (632) 632 3450
Contact Person: Ms. Yvette Gomes / Ms. Abigail Mungcal

ATR KimEng Capital Partners Inc. (Tender Offer Agent)
17th Floor Tower One and Exchange Plaza
Ayala Avenue, Makati City
Telephone No. (632) 849 8988
Contact Person: Mr. Denis Du / Ms. Denise Zayco

In Cebu: (until May 28, 2010 only)
ATR KimEng Securities, Inc.
Cebu Branch
Room 206, Cebu Holdings Center
Cebu Business Park, Cebu City
Telephone No. (63 32) 231 1324
Contact Person: Ms. Cheryl Lim-Go

In Davao: (until May 28, 2010 only)
ATR KimEng Securities, Inc.
Davao Branch
Dr. #7 M.T. Aquino Building
Cabaguio Avenue Cor. Bolcan Street
Davao City
Telephone No.: (63 82) 224-2860
Contact Person: Mr. Miguel Luis R. Aquino

APPLICATION TO TENDER SHARES:

Shareholders who wish to offer all or a portion of their Tender Offer Shares for sale to SMC may do so by securing an Application to Tender Shares form (the "Application Form") from the Tender Offer Agent and submitting a duly accomplished Application Form together with the following documentary requirements to the Tender Offer Agent:

a) The original stock certificates of Petron duly endorsed OR original affidavit of loss, a copy of the affidavit as published, affidavit of publication, and bond.

b) For corporate and juridical shareholders, resolutions adopted by the corporate shareholder's board of directors or its governing body authorizing the corporate shareholder to tender and sell its Petron Shares pursuant to this Tender Offer, designating authorized signatories for the purpose and bearing the specimen signatures of said signatories. The resolutions shall be embodied in a certification under oath by the corporate secretary of the tendering shareholder, in substantially the same form as that attached to the Application Form.

c) For individual shareholders, photocopies of two (2) valid identification cards containing the tendering shareholder's photograph and specimen signature. If the tendering shareholder is acting through an attorney-in-fact, a duly notarized special power of attorney, in substantially the same form as that attached to the Application Form.

ACCEPTANCE OF SHARES:

All Tender Offer Shares validly tendered by shareholders of record of Petron under this Tender Offer shall be accepted for payment by SMC. Unless otherwise communicated to the tendering shareholder, such Tender Offer Shares accepted by SMC shall be paid by June 8, 2010 ("Closing Date"), subject to the condition that SMC shall have obtained all corporate, contractual and regulatory approvals, consents, and authorizations for its purchase of the Tender Offer Shares.

WITHDRAWAL OF SECURITIES AND MANNER OF PAYMENT:

The Tender Offer Shares tendered may be withdrawn by the shareholder of record at any time during the Tender Offer Period by submitting a written request for the tendered Shares to the Tender Offer Agent and surrendering the original Securities Receipt issued by the Tender Offer Agent. The last day to withdraw tendered Shares shall be on June 2, 2010 at 12 noon unless SMC extends the Tender Offer Period and such extension is approved by the SEC. In the event of such extension, the notice of extension shall be published prior to the original expiration date of the Tender Offer Period.

Shares shall be returned in the same form it was received to the tendering shareholder within ten (10) business days from the end of the Tender Offer Period. The cost of returning the Shares shall be borne by the shareholder making the withdrawal.

CONDITION PRECEDENT TO CLOSING:

All necessary corporate and regulatory approvals should be obtained by SMC prior to Closing Date.

TERMS OF PAYMENT:

The Consideration shall be payable starting June 8, 2010 by check through the offices of the Stock Transfer Agent, SMC Stock Transfer Service Corporation, 2nd Floor, SMC Head Office Complex, 40 San Miguel Avenue, Mandaluyong City, telephone no. (632) 632 3450. Checks not claimed after 30 calendar days will be mailed to the tendering shareholders at their own risk, at the address indicated in the Application Form. Payment to tendering shareholders shall be subject to deduction and withholding of the appropriate taxes and other customary charges, all of which shall be for the account of the tendering shareholder.

TAXES AND OTHER EXPENSES:

The tendering shareholder shall shoulder all taxes, expenses and fees customarily charged to sellers of shares of stock, which shall be deducted from the consideration as stated above. SMC shall shoulder and pay all taxes, expenses and fees customarily charged to buyers of shares of stock.

REPRESENTATIONS AND WARRANTIES OF THE TENDERING SHAREHOLDER:

Each tendering shareholder represents and warrants to SMC, by accepting the Tender Offer, that:

(i) The tendered Tender Offer Shares have been validly issued, fully paid and non-assessable; and

(ii) The tendering shareholder is the registered and absolute legal and beneficial owner of, and has good and marketable title, to the tendered Tender Offer Shares and the Tender Offer Shares are not subject to any charge, lien or encumbrance, whether statutory or contractual.

REPRESENTATIONS AND WARRANTIES OF SMC:

SMC hereby represents and warrants that the payment of the Consideration shall be made not later than the Closing Date.

CONFIRMATION OF FINANCIAL RESOURCES:

Standard Chartered Bank has certified that SMC has available funds with the Bank sufficient for SMC to satisfy full acceptance of the tender offer.

MATERIAL CHANGE:

If any material change occurs in the information previously disclosed to the shareholders of Petron, SMC shall promptly disclose the change in a manner reasonably calculated to inform the shareholders of such change.

TENDER OFFER REPORT:

Further information regarding the tender offer is included in the Tender Offer Report (SEC Form 19-1), copies of which are available at the office of the Tender Offer Agent. Copies of the Tender Offer Report have also been filed with Petron and the SEC.

All questions relating to this Tender Offer by SMC for the Shares of SMC may be directed to:

SMC Stock Transfer Service Corporation
2nd Floor, SMC Head Office Complex
40 San Miguel Avenue
Mandaluyong City
Telephone No: (632) 632 3450
Contact Person: Mr. Enrique LL. Yusingco

ATR KimEng Capital Partners Inc. (Tender Offer Agent)
17th Floor Tower One and Exchange Plaza
Ayala Avenue, Makati City
Telephone No. (632) 849 8988
Contact Person: Mr. Denis Du / Ms. Denise Zayco

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) s.s.

AFFIDAVIT OF PUBLICATION

I, **PERLITA R. DE LARA**, of legal age, married, Filipino and with office address at c/o **PhilSTAR Daily, Inc.,** 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila, after being duly sworn to in accordance with law depose.

That I am the **ACCOUNTING SUPERVISOR** of the **PhilSTAR Daily, Inc.** a domestic corporation duly organized and existing under by virtue of Philippine laws with office and business address at 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila.

That the said corporation publishes **THE PHILIPPINE STAR**, a daily broadsheet newspaper published in English and of general circulation.

TO THE SHAREHOLDERS OF PETRON CORPORATION

April 28, 2010

This is to advise you that **SAN MIGUEL CORPORATION** ("SMC") was granted by SEA Refinery Holdings B.V. the option to acquire a total of 100% of the issued and outstanding capital stock of SEA Refinery Corporation ("SRC") no later than December 31, 2010. Such option may be exercised partially and, pursuant thereto, SMC intends to acquire 40% of SRC on April 30, 2010 (the "Acquisition"). SRC owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron Corporation ("Petron"), representing approximately 50.1% of the issued and outstanding common stock of Petron.

The Acquisition, together with the intention of SMC to fully exercise the option, will be subject to the mandatory tender offer rules of the Securities and Exchange Commission and accordingly, SMC will be making a Tender Offer for the remaining Eight Hundred Eighty Four Million One Hundred Twenty Five Thousand Four Hundred Thirty Eight (884,125,438) common shares of Petron, constituting approximately 9.4% of its outstanding common stock. The terms of the Tender Offer shall be announced separately.

SAN MIGUEL CORPORATION

That the order of San Miguel Corporation

captioned as follows: To the Shareholders of Petron Corporation

(Please see attached printed text) had been published In **The Philippine STAR** in its issues of: April 28, 2010

PERLITA R. DE LARA
Affiant

SUBSCRIBED AND SWORN to before me this 28th day of April 20 10 affiant exhibited to me her Community Tax Certificate No. 22090509 issued at Manila on January 04, 2010

Doc. No. 361
Page No. 73
Book No. II
Series of 2010

ATTY. RONALD SEGUNDINO E. CHINA
NOTARY PUBLIC - CITY OF MANILA
ADMIN. NO. 2009-195-UNTIL DEC. 31, 2010
ROLL NO. 54899
NO. 945 BENAVIDEZ ST. BNDO. MANILA
IBP NO. 794111/01-04-2010 MANILA IV
PTR NO. MLA. 8237440/01-04-2010/MANILA

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) s.s.

AFFIDAVIT OF PUBLICATION

I, **PERLITA R. DE LARA**, of legal age, married, Filipino and with office address at c/o **PhilSTAR Daily, Inc.,** 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila, after being duly sworn to in accordance with law depose.

That I am the **ACCOUNTING SUPERVISOR** of the **PhilSTAR Daily, Inc.** a domestic corporation duly organized and existing under by virtue of Philippine laws with office and business address at 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila.

That the said corporation publishes **THE PHILIPPINE STAR**, a daily broadsheet newspaper published in English and of general circulation.

That the order of San Miguel Corporation

captioned as follows: To the Shareholders of Petron Corporation

(Please see attached printed text) had been published In **The Philippine STAR** in its issues of: April 28, 2010

FURTHER AFFIANT SAYETH NAUGHT.
Manila, Philippines

PERLITA R. DE LARA
Affiant

SUBSCRIBED AND SWORN to before me this 28th day of April 20 10 affiant exhibited to me her Community Tax Certificate No. 22090509 issued at Manila on January 04, 2010

Doc. No. 361
Page No. 73
Book No. I
Series of 2010

ATTY. RONALD SEGUNDINO C. CHING
NOTARY PUBLIC – CITY OF MANILA
ADMIN. NO. 2009-199-UNTIL DEC. 31, 2010
ROLL NO. 54089
NO. 945 BENAVIDEZ ST. BNDO. MANILA
IBP NO. 794111/01-04-2010 MANILA IV
PTR NO. MLA. 8237440/01-04-2010/MANILA

Malaya
Business Insight

People's Independent Media, Inc.
Leyland Bldg. Railroad St. cor. 20th St.,
Port Area, Manila
Tel. Nos. 527-1841 * 527-7242

AFFIDAVIT OF PUBLICATION

I, **Luzviminda T. Bugaoisan,** Filipino of legal age, single and residing at No. 34 Waling-Waling St., Roxas, Quezon City after having been duly sworn to in accordance with law, depose and say:

That I am the Advertising Supervisor of Malaya Business Insight, a daily newspaper published, edited and printed in Metro Manila and circulated nationwide, with editorial and business offices at Leyland Bldg. Railroad St. cor. 20th St., Port Area, Manila.

That the attached notice to the Shareholders of Petron Corporation,

was published in Malaya Business Insight in its issue/s * April 28, 2010

In witness whereof, I signed this affidavit in Manila Philippines, this 28th day of Apr.'2010.

LUZVIMINDA T. BUGAOISAN
Advertising Supervisor

Subscribed and Sworn to before me this 28th day of Apr.,2010. in Q.C. Philippines, affiant exhibiting to me her Res. Cert. No. *25715647 issued at Mla. on *1-25-2010.

ATTY. VICENTE C. CRUZ
Notary Public
Until 12-31-2011
PTR No. 3185976
Issued at Q.C., 1-5-10
Roll No. 33952/NC-NP No. 075
IBP. Lifetime Member No. 02322

Doc. No. 117
Page No. 23
III

TO THE SHAREHOLDERS OF PETRON CORPORATION

April 28, 2010

This is to advise you that **SAN MIGUEL CORPORATION** ("SMC") was granted by SEA Refinery Holdings B.V. the option to acquire a total of 100% of the issued and outstanding capital stock of SEA Refinery Corporation ("SRC") no later than December 31, 2010. Such option may be exercised partially and, pursuant thereto, SMC intends to acquire 40% of SRC on April 30, 2010 (the "Acquisition"). SRC owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron Corporation ("Petron"), representing approximately 50.1% of the issued and outstanding common stock of Petron.

The Acquisition, together with the intention of SMC to fully exercise the option, will be subject to the mandatory tender offer rules of the Securities and Exchange Commission and accordingly, SMC will be making a Tender Offer for the remaining Eight Hundred Eighty Four Million One Hundred Twenty Five Thousand Four Hundred Thirty Eight (884,125,438) common shares of Petron, constituting approximately 9.4% of its outstanding common stock. The terms of the Tender Offer shall be announced separately.

SAN MIGUEL CORPORATION

Malaya – April 28, 2010

Malaya
Business Insight

People's Independent Media, Inc.
Leyland Bldg. Railroad St. cor. 20th St.,
Port Area, Manila
Tel. Nos. 527-1841 * 527-7242

AFFIDAVIT OF PUBLICATION

I, **Luzviminda T. Bugaoisan,** Filipino of legal age, single and residing at No. 34 Waling-Waling St., Roxas, Quezon City after having been duly sworn to in accordance with law, depose and say:

That I am the Advertising Supervisor of Malaya Business Insight, a daily newspaper published, edited and printed in Metro Manila and circulated nationwide, with editorial and business offices at Leyland Bldg. Railroad St. cor. 20th St., Port Area, Manila.

That the attached notice to the Shareholders of Petron Corporation;

was published in Malaya Business Insight in its issue/s * April 28, 2010

In witness whereof, I signed this affidavit in Manila Philippines, this 28th day of Apr.'2010.

LUZVIMINDA T. BUGAOISAN
Advertising Supervisor

Subscribed and Sworn to before me this 28th day of Apr.,2010. in Q.C. Philippines, affiant exhibiting to me her Res. Cert. No. 23715647 issued at Mla. on *1-25-2010.

ATTY. VICENTE C. CRUZ
Notary Public
Until 12-31-2011
PTR No. 3185976
Issued at Q.C., 1-5-10
Roll No. 33952/NC-NP No. 075
IBP. Lifetime Member No. 02322

Doc. No. 117
Page No. 23
Book No. III
Series of 2010

AMENDED NOTICE
TO THE SHAREHOLDERS OF PETRON CORPORATION

May 1, 2010

This is to advise you that **SAN MIGUEL CORPORATION** ("SMC") was granted by SEA Refinery Holdings B.V. the option to acquire a total of 100% of the issued and outstanding capital stock of SEA Refinery Corporation ("SRC") no later than December 31, 2010. Such option may be exercised partially and, pursuant thereto, SMC intends to acquire 40% of SRC on April 30, 2010 (the "Acquisition"). SRC owns Four Billion Six Hundred Ninety Six Million Eight Hundred Eighty Five Thousand Five Hundred Sixty Four (4,696,885,564) common shares of Petron Corporation ("Petron"), representing approximately 50.1% of the issued and outstanding common stock of Petron.

The Acquisition, together with the intention of SMC to fully exercise the option, will be subject to the mandatory tender offer rules of the Securities and Exchange Commission ("SEC") and accordingly, SMC will be making a Tender Offer for **all** the remaining Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three (4,678,218,933) common shares of Petron, constituting approximately 49.9% of its outstanding common stock. The terms of the Tender Offer shall be announced separately.

The amendments contained above have been made to comply with the requirements of the SEC.

SAN MIGUEL CORPORATION

NOTICE TO SHAREHOLDERS OF PETRON CORPORATION

All holders of shares of common stock of Petron Corporation (respectively, the "Shareholders" and "Petron") are hereby notified that on April 30, 2010, San Miguel Corporation ("SMC") filed a Tender Offer Report (SEC Form 19-1) with the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") pursuant to Section 19 of the Securities Regulation Code. SMC, which is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, intends to acquire 4,678,218,933 common shares approximately 49.9% of the outstanding common shares of Petron.

The Tender Offer shall commence at 9:00 a.m. on May 5, 2010 and end at 12:00 p.m. on June 2, 2010 (the "Tender Offer Period"). Common shares of Petron to be tendered (the "Subject Shares"), if any, are intended to be crossed on the PSE on June 8, 2010 (the "Cross Date") subject to PSE approval.

Should any of the business days during the period from May 5, 2010, the commencement of the Tender Offer Period to June 8, 2010, the Cross Date, inclusive, be officially declared a non-working holiday after the filing of the Tender Offer Report on April 30, 2010, the period shall be extended by the number of business days corresponding to those which were declared as non-working holidays.

The purchase price for the acquisition of the Subject Shares is ₱6.85 for each share (the "Tender Offer Price"). Payments for the tendered and accepted Subject Shares shall be in Philippine Pesos, in the form of a corporate check, and will be available from the SMC Stock Transfer Service Corporation, 2nd Floor SMC Head Office Complex, 40 San Miguel Avenue, Mandaluyong City (tel. no. (632) 6323450) from June 8 to July 8, 2010. Checks unclaimed after 30 calendar days from June 8, 2010 will be mailed to the tendering shareholder at the address indicated in the application form, at the tendering shareholder's own risk.

Standard Chartered Bank has certified that SMC has available funds with the Bank sufficient for SMC to satisfy full acceptance of the tender offer.

Every Shareholder of Petron who holds stock certificates ("Scrip Shareholders") should submit within the Tender Offer Period their duly endorsed stock certificates and the duly accomplished Application to Tender Shares together with the following requirements to the Receiving Agents at the addresses indicated below:

SMC Stock Transfer Service Corporation
SMC Head Office Complex
40 San Miguel Avenue
Mandaluyong City
Telephone no. (632) 6323450
Contact person: Ms. Yvette Gomez
Ms. Abigail Mungcal

ATR KimEng Capital Partners Inc. (Tender Offer Agent)
17th Floor Tower One and Exchange Plaza
Ayala Avenue, Makati City
Telephone no. (632) 8498988
Contact persons: Mr. Denis G. Du
Ms. Denise Zayco

If you are a CORPORATE SHAREHOLDER, please submit the following:

1. The original Stock Certificates of the Subject Company OR original affidavit of loss, a copy of the affidavit as published, affidavit of publication, and bond.

2. Certified true copies of the Articles of Incorporation and By-laws of the shareholder and latest amendment/s thereof.

3. Resolutions adopted by the corporate shareholder's board of directors or its governing body authorizing the corporate shareholder to tender and sell its shares in the Subject Company, designating authorized signatories for the purpose and bearing the specimen signatures of the said signatories. The resolutions shall be embodied in a certification made under oath by the corporate secretary of the tendering shareholder, in substantially the same form as that attached to the Application To Tender Shares.

4. A duly accomplished signature card containing the specimen signatures of its authorized signatories.

If you are an INDIVIDUAL SHAREHOLDER, please submit the following:

1. The original Stock Certificates of the Subject Company OR original affidavit of loss, a copy of the affidavit as published, affidavit of publication, and bond.

2. Photocopies of two (2) valid identification cards containing the tendering shareholder's photograph and specimen signature.

3. For shareholders acting through an attorney-in-fact, a duly notarized Special Power of Attorney in substantially the same form as that attached to the Application to Tender Shares (*N.B.* Endorsement of stock certificate/s must be made by the shareholder himself).

4. A duly accomplished signature card containing the specimen signature of the shareholder.

For the convenience of Scrip Shareholders based in Visayas and Mindanao, the Subject Shares may be tendered by submitting the foregoing requirements at the Cebu and Davao branch offices of the Receiving Agent not later than **May 28, 2010.**

ATR-KimEng Securities, Inc.
Cebu Branch
Room 206, Cebu Holdings Center
Cebu Business Park
Cebu City
Telephone No.: (032) 231-1324

ATR-KimEng Securities, Inc.
Davao Branch
Dr. #7 M.T. Aquino Building
Cabaguio Avenue Corner
Bolcan Street, Davao City
Telephone No.: (082) 224-2860

Contact Person: Cheryl M. Lim-Go Contact Person: Miguel Luis R. Aquino

After said dates, Scrip Shareholders in Visayas and Mindanao may tender their respective Subject Shares only with the Receiving Agents' offices in Metro Manila.

The Receiving Agent will submit the share certificates for validation to SMC's Stock Transfer Agent (SMC Stock Transfer Service Corporation, SMC Head Office Complex, 40 San Miguel Avenue, Mandaluyong City). Defective applications (*e.g.*, with discrepancy between the specimen signatures on file and the endorsement) must be corrected within the Tender Offer Period to avoid being rejected by SMC. Hence, Shareholders are strongly urged against tendering at the last minute to allow sufficient time to correct any deficiency in their application. Shareholders are also urged to indicate their telephone numbers in their respective application forms to allow the Receiving Agents to inform them immediately of any deficiency in their applications.

Tendering Shareholders whose shares are lodged with the Philippine Central Depository Nominee Corporation ("PCD") ("Scripless Shareholders") should instruct their brokers to electronically transfer their shares to ATR KimEng Securities, Inc. (the "Broker") for receipt by the Broker prior to 12:00 p.m. of **June 2, 2010**. The Broker shall hold the tendered common shares only as custodian for said shares. Tendering Shareholders shall have the right to withdraw any tendered Subject Shares at any time during the Tender Offer Period. For a withdrawal to be effective, a written notice of withdrawal must be received by the Receiving Agent (for Scrip Shareholders) or by the Broker (for Scripless Shareholders) before 12:00 p.m. of **June 2, 2010**.

Information packages covering the Tender Offer have been mailed to the Shareholders. Additional copies of SEC Form 19-1 may be obtained by Shareholders from the offices of the Tender Offer Agent and the Receiving Agents at their addresses stated above.

Included in this publication is a copy of the application which Tendering Shareholders may use, together with the required attachments, in submitting their Subject Shares.

ANNEX "D"

LETTER TO PETRON SHAREHOLDERS

May 5, 2010

Dear Sir/Madam:

This is to advise you that San Miguel Corporation ("SMC") was granted by SEA Refinery Holdings B.V. the option to acquire a total of 100% of the issued and outstanding capital stock of SEA Refinery Corporation ("SRC") no later than December 31, 2010. Such option may be exercised partially and, pursuant thereto, SMC intends to acquire 40% of SRC on April 30, 2010 (the "Acquisition"). SRC owns 4,696,885,564 common shares of Petron Corporation ("Petron"), representing approximately 50.1% of the issued and outstanding common stock of Petron.

The Acquisition, together with the intention of SMC to fully exercise the option, will be subject to the mandatory tender offer rules of the Securities and Exchange Commission and accordingly, SMC will be making a Tender Offer for all the remaining 4,678,218,933 common shares (the "Subject Shares") of Petron, constituting approximately 49.9% of its outstanding common stock.

Subsequently, SMC has filed a Tender Offer Report (SEC Form 19-1) with the Securities and Exchange Commission pursuant to Section 19 of the SRC in connection with SMC's intention to conduct this tender offer. As of date, the outstanding common stock of Petron consists of 9,375,104,497 common shares.

The aggregate purchase price for the acquisition of the Subject Shares is ₱32,045,799,691.05 or ₱6.85 for each common share.

The Tender Offer shall commence at 9:00 a.m. on May 5, 2010 and end at 12:00 p.m. of June 2, 2010 (the "Tender Offer Period"). The Shares are intended to be crossed on the Philippine Stock Exchange ("PSE") on June 8, 2010, subject to approval by the PSE.

SMC intends to pay the tendered and accepted Subject Shares on June 8, 2010, assuming the shares are crossed on the PSE on June 8, 2010.

All Shareholders are entitled to tender all or a portion of his/her/its Subject Shares for acceptance and purchase by SMC, subject further to the Terms of the Tender Offer attached to the enclosed Application to Tender Shares (the "Application Form") and which forms an integral part of such Application Form.

Tendering Shareholders who hold stock certificates ("Scrip Shareholders") should submit within the Tender Offer Period their duly endorsed stock certificates and the duly accomplished Application Form together with the following requirements to the following Receiving Agents:

SMC Stock Transfer Service Corporation
Podium Level, SMC Head Office Complex
40 San Miguel Avenue
Mandaluyong City, Philippines
Tel. No. (02) 6323450
(Contact person: Mr. Enrique LL. Yusingco)

ATR KimEng Capital Partners Inc. (Tender Offer Agent)
17th Floor, Tower One & Exchange Plaza
Ayala Avenue, Makati City
Telephone No. (02) 849-8988
(Contact Person: Mr. Denis Du / Ms Denise Zayco):

If you are a CORPORATE SHAREHOLDER, please submit the following:

1. The original Stock Certificates of Petron OR original affidavit of loss, a copy of the affidavit as published, affidavit of publication, and bond.
2. Certified true copies of the Articles of Incorporation and By-laws of the shareholder and latest amendment/s thereof.
3. Resolutions adopted by the corporate shareholder's board of directors or its governing body authorizing the corporate shareholder to tender and sell its shares in Petron, designating authorized signatories for the purpose and bearing the specimen signatures of the said signatories. The resolutions shall be embodied in a certification made under oath by the corporate secretary of the tendering shareholder, in substantially the same form as that attached to the Application Form.
4. A duly accomplished signature card containing the specimen signatures of its authorized signatories.

If you are an INDIVIDUAL SHAREHOLDER, please submit the following:

1. The original Stock Certificates of Petron OR original affidavit of loss, a copy of the affidavit as published, affidavit of publication, and bond.
2. Photocopies of two (2) valid identification cards containing the tendering shareholder's photograph and specimen signature.
3. For shareholders acting through an attorney-in-fact, a duly notarized Special Power of Attorney in substantially the same form as that attached to the Application Form (*N.B.* Endorsement of stock certificate/s must be made by the shareholder himself).
4. A duly accomplished signature card containing the specimen signature of the shareholder.

For the convenience of Scrip Shareholders based in Visayas and Mindanao, the Subject Shares may be tendered by submitting the foregoing requirements at the Cebu and Davao branch offices of the Receiving Agents no later than May 28, 2010.

ATR-KimEng Securities, Inc.
Cebu Branch
Room 206, Cebu Holdings Center
Cebu Business Park
Cebu City
Telephone No.: (63)(32) 231-1324
Contact Person: Cheryl Lim-Go

ATR-KimEng Securities, Inc.
Davao Branch
Dr. #7 M.T. Aquino Building
Cabaguio Avenue Corner
Bolcan Street, Davao City
Telephone No.: (63)(82) 224-2860
Contact Person: Miguel Luis R. Aquino

After said date, Scrip Shareholders in Visayas and Mindanao may tender their respective Subject Shares only with the Tender Offer Agents' head office in Metro Manila.

The Receiving Agents will submit the share certificates for validation to Petron's Stock Transfer Agent [SMC Stock Transfer Service Corporation, 2nd Floor, SMC Head Office Complex, San Miguel Avenue, Mandaluyong City]. Defective applications must be corrected within the Tender Offer Period to avoid being rejected by SMC. Hence, Shareholders are strongly urged against tendering at the last minute to allow sufficient time to correct any deficiency in their application. Shareholders are also urged to indicate their telephone numbers in their respective Application Forms to allow the Receiving Agents to inform them immediately of any deficiency in their applications.

Tendering Shareholders whose shares are lodged with the Philippine Central Depository Nominee Corporation ("PCD") ("Scripless Shareholders") should instruct their brokers to electronically transfer their shares to ATR-KimEng Securities, Inc. (the "Broker") for receipt by the Broker prior to 12:00 p.m. of June 2, 2010. The Broker shall hold the tendered common shares only as custodian for said shares.

Tendering Shareholders shall have the right to withdraw any tendered shares at any time during the Tender Offer Period. For a withdrawal to be effective, a written notice of withdrawal must be received by the Receiving Agents (for Scrip Shareholders) or by the Broker (for Scripless Shareholders) before 12:00 p.m. of June 2, 2010.

Copies of SEC Form 19-1 and the tender offer application kit may be obtained by Shareholders from the Tender Offer Agent and Receiving Centers at their addresses stated above. Copies of this letter, along with the Application Form and the attachments, have been sent to the shareholders by personal delivery or registered mail.

Thank you.

Respectfully yours,

SAN MIGUEL CORPORATION

By:

RAMON S. ANG
President and Chief Operating Officer

ANNEX "D-1"

APPLICATION TO TENDER SHARES

THIS FORM MUST BE PREPARED IN TRIPLICATE AND COMPLETED IN ALL PARTS

Application to Tender Common Shares of Petron Corporation ("Petron") with Par Value of ₱1.00 per share at an Offer Price of ₱6.85 per common share

This Application to Tender Shares form (the "Application"), together with the required documentary requirements must be received by the Tender Offer Agent during the Tender Offer Period from May 5, 2010 (9:00 a.m.) to June 2, 2010 (12:00 noon).

The Shares being tendered for sale to San Miguel Corporation (the "SMC") must be received by the Tender Offer Agent by the surrender of the corresponding stock certificates duly endorsed OR the submission of the corresponding affidavit of loss (original and as published in a newspaper of general circulation), affidavit of publication and the bond not later than 12:00 noon of June 2, 2010. Shares received after the end of the Tender Offer Period shall be rejected, unless the Tender Offer Period is extended by SMC upon approval by the Securities and Exchange Commission (the "Commission").

The Shares tendered may be withdrawn by the shareholder of record at any time during the tender offer period by submitting a written request for the tendered Shares to the Tender Offer Agent and surrendering the original Securities Receipt issued by the Tender Offer Agent. The last day to withdraw tendered Shares shall be on June 2, 2010 at 12 noon.

Before deciding to tender their Shares, shareholders are advised to read the Terms of the Tender Offer, and the SEC Form 19-1 filed by SMC with the Commission, copies of which may be obtained from the Tender Offer Agent, ATR KimEng Capital Partners Inc., and SMC Stock Transfer Service Corporation, at the addresses indicated below.

I/We represent and warrant that all information contained herein and in the attached documents are true and correct and that the signatures thereon are genuine, properly authorized and obtained without use of fraud, coercion or any other vice of consent. I/We represent and warrant that: (i) the Shares tendered herein have been validly issued, fully paid and are non-assessable; (ii) I/We am/are the registered and absolute legal and beneficial owner/s of, with good and marketable title to the Shares being tendered and the Shares are not subject to any lien, charge or encumbrance, whether statutory or contractual; and (iii) SMC will obtain full and valid title to such Shares, free and clear from any warrants, interests, options, liens, claims, and encumbrances and will be able to freely and fully exercise all rights and privileges arising from ownership of such Shares, including, but not limited to, the right to vote and receive dividends. I/We warrant having read and understood and relied solely upon the provisions of SEC Form 19-1 and the terms and conditions stated herein, and unconditionally accept said terms and conditions. I/We understand that no person has been authorized to give information or to make any representation with respect to the Tender Offer other than those specified and made in the SEC Form 19-1.

SHAREHOLDER'S FULL NAME (IN PRINT): _____ DATE: _____
SHAREHOLDER'S SIGNATURE: _____ TIN: _____
TELEPHONE NUMBER: _____ NATIONALITY: _____
SHAREHOLDER'S MAILING ADDRESS: _____ _____

I/We hereby tender our Shares to SMC under the Terms of the Tender Offer and the terms and conditions stated herein, as follows:
NUMBER OF SHARES: _____
PRICE PER COMMON SHARE: ₱ 6.85
TOTAL PURCHASE PRICE (Number of Shares x Price per Share): ₱ _____

I/We attach the following duly endorsed common stock certificate(s) of Petron:

Stock Certificate No.	No. of Common Shares	Stock Certificate No.	No. of Common Shares
Total No. of Shares Tendered			

[In case of lost stock certificate(s)]
I/We attach the following documents:
(i) one (1) original copy of a duly notarized affidavit of loss;
(ii) copy of the affidavit of loss as published in a newspaper of general circulation;
(iii) affidavit of publication; and
(iv) bond.

TO BE FILLED UP BY TENDER OFFER AGENT:
We received this Application Form with all the required attachments indicated herein:
Name of Tender Offer Agent:_____
Date Received:_____
Name and Signature of Authorized Signatory:_____

REQUIRED ATTACHMENTS TO THIS APPLICATION FORM:
a) Duly endorsed original stock certificates of Petron;
b) For those with lost stock certificates, one (1) original copy of a duly notarized affidavit of loss; copy of the affidavit of loss as published in a newspaper of general circulation; affidavit of publication; and bond;
c) For corporate and juridical shareholders, secretary's certificate embodying the resolution adopted by the shareholder's board of directors or its governing body authorizing the shareholder to tender and sell Shares pursuant to the Tender Offer, designating signatories for the purpose and bearing the specimen signatures of those signatories, in substantially the same form as that attached to this Application Form;
d) For individual shareholders, photocopies of two (2) valid identification cards containing the tendering shareholder's photograph and specimen signature and if the tendering shareholder is acting through an attorney-in-fact, a duly notarized special power of attorney, in substantially the same form as that attached to this Application.

The Tender Offer Agent reserves the right to require the tendering shareholder to present additional documents for purposes of determining the validity, eligibility and acceptability of the Shares being tendered by the shareholder pursuant to the Tender Offer.

Shareholders are advised to read the Terms of the Tender Offer, and SEC Form 19-1 filed by SMC with the Commission. For queries, please call the Tender Offer Agent at contact details set forth below. Copies of the Application and the SEC Form 19-1 may be obtained by the shareholders of Petron, free of charge, from the following:

SMC Stock Transfer Service Corporation
2nd Floor, SMC Head Office Complex
40 San Miguel Avenue
Mandaluyong City
Telephone No: (632) 632 3450
Contact Person: Mr. Enrique LL. Yusingco

ATR KimEng Capital Partners Inc. (Tender Offer Agent)
17th Floor Tower One and Exchange Plaza
Ayala Avenue, Makati City
Telephone No. (632) 849 8988
Contact Person: Mr. Denis Du / Ms. Denise Zayco

SAMPLE SECRETARY'S CERTIFICATE
FOR CORPORATE SHAREHOLDERS

REPUBLIC OF THE PHILIPPINES)
) S.S.

SECRETARY'S CERTIFICATE
[of selling corporate shareholder]

I, _____, of legal age, Filipino, and with business address at _____, after having been duly sworn in accordance with law, hereby depose and state that:

1. I am the duly elected Corporate Secretary of _____ (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at _____.

2. As Corporate Secretary, I have in my custody the books and records and other papers of the Corporation, including but not limited to the minutes of the meetings of the Board of Directors and stockholders of the Corporation.

3. At the special meeting of the Board of Directors of the Corporation held on _____ at _____, where a quorum was present, the Board of Directors approved the following resolutions:

> "RESOLVED, that [name of corporate shareholder] (the "Corporation") be authorized, as it is hereby authorized, to sell its _____ (____) common shares in Petron Corporation (the "Subject Petron Shares") registered in the name of the Corporation to San Miguel Corporation ("SMC") for the consideration of Six Pesos & 85/100 (P6.85) per share under and in accordance with the terms and conditions of the tender offer covering the common shares of Petron Corporation as set by SMC (the "Tender Offer");
>
> "RESOLVED, FURTHER, that the Corporation authorizes, as it hereby authorizes, any [one/_____] of the following:
>
> | Name | Signature |
> | --- | --- |
> | _____ | _____ |
> | _____ | _____ |
> | _____ | _____ |
>
> (a) to do any and all acts necessary to implement the foregoing resolutions, including to endorse the stock certificates covering the Subject Petron Shares and to sign any application form relating to SMC's Tender Offer (which contains, among others, representations and warranties that the Subject Petron Shares are solely, legally and beneficially owned by the Corporation, fully paid and non-assessable and free from all charges, liens, encumbrances and third party claims whatsoever) and any other documents necessary to implement the foregoing resolutions and to ensure that any such sale is effected, in the stock and transfer book of Petron Corporation, or in the system of the Philippine Central Depository; and
>
> (b) to receive payment for the Subject Petron Shares from the paying agent of SMC net of taxes and reasonable expenses and fees.

HEREBY CONFIRMING AND RATIFYING everything which said signatory/ies shall do or purport to do under the foregoing authority;

"RESOLVED, FINALLY, that the Corporation shall hold, as it hereby holds, SMC and any of its directors, officers, advisers, employees and agents free and harmless from any and all claims, damages or losses arising from or relating to its reliance on the authority given by these resolutions, which authority is given in consideration of the signatory/ies effecting the transfer of the Subject Petron Shares to SMC."

4. The foregoing resolutions have not been revoked, amended, or in any manner modified, and accordingly, the same may be relied upon until written notice to the contrary is issued by the Corporation.

IN WITNESS WHEREOF, I have signed this Secretary's Certificate on _____ 2010 at _____.

[NAME]
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this _____ 2010 at _____, affiant exhibiting to me his/her _____ with No. _____ issued on _____ at _____.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2010.

SAMPLE SPECIAL POWER OF ATTORNEY
FOR INDIVIDUAL SHAREHOLDERS
ACTING THROUGH THEIR ATTORNEYS-IN-FACT

REPUBLIC OF THE PHILIPPINES)
) S.S.

SPECIAL POWER OF ATTORNEY
[of tendering shareholder]

KNOW ALL MEN BY THESE PRESENTS:

I, _____, of legal age, single/married, with residence at _____, hereby name, constitute and appoint _____, of legal age, single/married, to be my true and lawful attorney, in my name and stead, to do any of the following acts:

(a) To sell _____ (_____) common shares of stock in Petron Corporation ("Petron") registered in my name (the "Subject Petron Shares") to San Miguel Corporation ("SMC") for the consideration of Six Pesos & 85/100 (₱6.85) per share, under and in accordance with the terms and conditions of the tender offer covering the common shares of Petron as set by SMC (the "Tender Offer");

(b) To do any and all acts necessary to implement the foregoing (other than to endorse the stock certificates covering the Subject Petron Shares, which endorsement shall be made by myself as the stockholder of record), including to sign any application form relating to the Tender Offer (which contains among others, representations and warranties that the Subject Petron Shares are solely, legally and beneficially owned by me, fully paid and non-assessable and free from all charges, liens, encumbrances and third party claims whatsoever) and any other documents necessary to implement the foregoing and to ensure that any such sale is effected, in the stock and transfer book of Petron Corporation, or in the system of the Philippine Central Depository; and

(c) To receive payment for the Subject Petron Shares from the paying agent of SMC net of taxes and reasonable expenses and fees, and issue a receipt for any money so received.

HEREBY CONFIRMING AND RATIFYING everything which the attorney or his/her duly authorized substitutes, shall do or purport to do under this Special Power of Attorney and hold SMC and any of its directors, officers, advisers, employees and agents free and harmless from any and all claims, damages or losses arising from or relating to its/their reliance on the authority given by this Special Power of Attorney.

This Special Power of Attorney is given in consideration of the attorney effecting the transfer of the Subject Petron Shares to SMC.

This Special Power of Attorney shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

Designated Attorney-in-Fact

[Name]

Signature

_____

IN WITNESS WHEREOF, I have executed this Special Power of Attorney on _____ 2010 at _____.

_____
Tendering Shareholder

Conforme:

_____
[NAME]
Attorney-in-Fact

BEFORE ME, a Notary Public for and in _____, on _____ 2010 at _____, personally appeared _____, personally known to me, or has exhibited to me his/her _____ with No. _____ issued on _____ at _____ known to me to be the same person who executed the foregoing Special Power of Attorney and who acknowledged to me that the same is his/her free will and voluntary act and deed.

IN WITNESS MY HAND AND NOTARIAL SEAL on the date and place first above written.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2010.

Annex "E"

INSTRUCTIONS TO BROKERS

In connection with the tender offer by San Miguel Corporation ("SMC") to acquire up to Four Billion Six Hundred Seventy Eight Million Two Hundred Eighteen Thousand Nine Hundred Thirty Three (4,678,218,933) common shares of Petron Corporation ("Petron"), the following are the stock transfer guidelines for brokers who hold common shares of their clients in Petron under their respective Philippine Central Depository ("PCD") accounts (the "Participating Brokers").

Participating Brokers should inform their clients that all shareholders of Petron common shares are eligible to participate in the Tender Offer. The Tender Offer period shall begin at 9:00 a.m. of May 5, 2010 and shall end at 12:00 p.m. of June 2, 2010. Only those shares electronically transferred to ATR KimEng Securities, Inc. ("ATR KimEng") as at 12:00 p.m. on June 2, 2010 are eligible for the Tender Offer. The shares tendered and covered by the Application to Tender Shares may be withdrawn by the shareholder of record at any time during the tender offer period by submitting a written request for the tendered shares to the Receiving Agents and surrendering the original Securities Receipt issued by the Tender Offer Agent. The last day to withdraw tendered shares shall be on 12:00 noon of Wednesday, June 2, 2010.

Should their clients wish to participate in the Tender Offer, the Participating Brokers should request such clients to issue a formal instruction for said Participating Brokers to electronically transfer their common shares in Petron to ATR KimEng PCD Account No. B220. ATR KimEng will act as custodian for such Petron common shares. For each Participating Broker, ATR KimEng will reimburse the PCD charges for only one share transfer. However, all charges for subsequent retrieval and/or transfer will be for the Participating Broker's account. Therefore, each Participating Broker is encouraged to effect only one share transfer for all his clients.

For orderly transfer and accurate tracking, the Participating Brokers should fax and then deliver in original a letter to ATR KimEng (in substantially the form of the following attachment) citing the exact number of Petron common shares being transferred under the Tender Offer. Please fax the letter to ATR KimEng to the attention of Ms. Nilaida Enriquez at (02) 848-5285. ATR KimEng will fax the Participating Brokers a notice of receipt and conforme.

Sample Form of Letter from the Broker to ATR KimEng Securities, Inc.

[Date]

ATR KimEng Securities, Inc.
17th Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue,
Makati City

Attention: Ms. Nilaida S. Enriquez

Gentlemen:

We are delivering _____ (_____) common shares of Petron Corporation ("Petron") from our clients who wish to participate in the Tender Offer by San Miguel Corporation. ("SMC") under the Terms of the Tender Offer contained in the letter to the shareholders of Petron Corporation dated [•] May 2010 which we have read and understood. Our clients commit to sell and authorize ATR KimEng Securities, Inc. to sell these Petron common shares for the purchase price indicated in the Terms of the Tender Offer. These Petron common shares will be held in custodianship by ATR KimEng Securities, Inc. until such time that the transfer of these shares to SMC has been effected by ATR KimEng Securities, Inc.

Thank you.

Very truly yours,

_____ _____
Broker's Name PCD Account No.

By:

_____
Authorized Signatory

Telephone Number:
Fax Number:

ACCEPTANCE AND CONFORME

ATR KimEng Securities, Inc. hereby accepts _____ (_____)Petron common shares from the foregoing broker and shall hold these shares in custody under the terms and conditions of the Terms of the Tender Offer.

Accepting and with our conformity:

_____ _____
Authorized Signatory Date

Standard Chartered

27 April 2010

Securities and Exchange Commission
SEC Building
EDSA
Mandaluyong City

Dear Sirs,

We refer to SEC Form 19-1 submitted by San Miguel Corporation (the "Bidder") for a tender offer concerning common shares issued by Petron Corporation.

The Bidder and/or its shareholders have available funds with Standard Chartered Bank under which they can satisfy the full acceptance of the tender offer at the tender offer price of PHP6.85 per share, by those shareholders capable of accepting the tender offer during the tender offer period.

This confirmation imposes no obligations on us and any recourse under this letter is limited to the Bidder and its assets.

Yours faithfully,

for and on behalf of
Standard Chartered Bank

Ma. Cristina L. Bautista
Head, Global Corporates
Origination and Client Coverage

Standard Chartered Bank
Origination & Client Coverage
Standard Chartered Bank Building
6788 Ayala Avenue, Makati City, Philippines
P.O. Box No. 1220 Makati Central Post Office
Makati City

Tel (632) 886-7888
Fax (632) 886-7162