

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported)

Mar 1, 2016

2. SEC Identification Number

31171

3. BIR Tax Identification No.

000-168-801

4. Exact name of issuer as specified in its charter

PETRON CORPORATION

5. Province, country or other jurisdiction of incorporation

Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

San Miguel Head Office Complex, 40 San Miguel Avenue, Mandaluyong City

Postal Code

1550

8. Issuer's telephone number, including area code

(63 2) 886-388, 884-9200

9. Former name or former address, if changed since last report

N/A

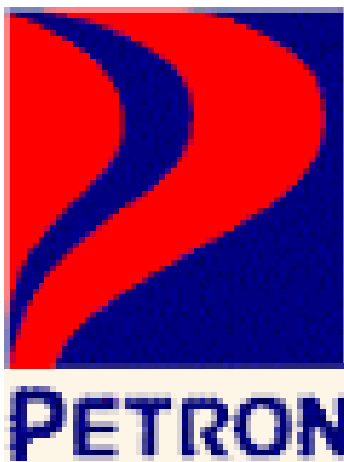
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON (PCOR)	9,375,104,497
PREFERRED SERIES 2A (PRF2A)	7,122,320
PREFERRED SERIES 2B (PRF2B)	2,877,680
TOTAL DEBT AS OF SEPTEMBER 30, 2015 (IN MILLIONS)	212,329

11. Indicate the item numbers reported herein

Item 9.

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Petron Corporation
PCOR

PSE Disclosure Form 4-32 - Reply to Exchange's Query

Subject of the Disclosure

Petron Corporation's Interest in Manila North Harbour Port, Inc.

Description of the Disclosure

Reply to the Exchange's correspondence dated February 26, 2016 requesting for comments and/or clarifications by Petron Corporation (the "Company") on the issues raised by Villanueva Gabionza & Dy Law Offices, counsel of Harbour Centre Port Terminal, Inc. regarding the interest of the Company in Manila North Harbour Port, Inc.

Information Requested

Comments and/or clarifications of the Company on the issues raised by Villanueva Gabionza & Dy Law Offices, counsel of Harbour Centre Port Terminal, Inc., regarding the interest of the Company in Manila North Harbour Port, Inc.

Filed on behalf by:

Name	Joel Angelo Cruz
Designation	Vice President - General Counsel and Corp. Sec.



March 1, 2016

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Center
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

We refer to your correspondence dated February 26, 2016 requesting for comments and/or clarifications by Petron Corporation (the "Company") on the issues raised by Villanueva Gabionza & Dy Law Offices, alleged counsel of Harbour Centre Port Terminal, Inc. ("HCPTI"), regarding the interest of the Company in Manila North Harbour Port, Inc. ("MNHPI"). The letter states, in part, that:

....

We take strong exception to the various news reports circulating that Petron Corporation ("Petron") or San Miguel Holdings Corporation ("SMHC"), both subsidiaries of San Miguel Corporation, has collectively acquired "nearly 80 percent" of Manila North Harbour Port, Inc. ("MNHPI") by an "acquisition of an additional 43.44-percent stake".

The aforesaid statements referred to in the various news reports pertaining to purported "acquisitions" of "nearly 80 percent" of the shares of MNHPI by Petron Corporation or SMHC are misleading and of doubtful validity. As early as 15 December 2014, HCPTI, chaired by Mr. Reghis M. Romero II, had been clear and categorical that it had not been notified or consulted of any proposed increase in the Authorized Capital Stock (ACS) of MNHPI. Nor had it approved any proposed increase in the ACS of MNHPI. As such, any claimed increase in capital stock of MNHPI is unauthorized and illegal.

It is a matter of record that HCPTI, chaired by Mr. Reghis M. Romero II, tried to forestall the unauthorized and illegal increase in capital stock of MNHPI as its majority stockholder. However, it appears that, on 30 March 2015 MNHPI surreptitiously increased its ACS from One Billion

Pesos (P1,000,000,000.00) divided into Ten Million (10,000,000) shares, with a par value of One Hundred Pesos (P100.00) per share to Three Billion Pesos (P3,000,000,000.00) divided into Thirty Million (30,000,000) shares with a par value of One Hundred Pesos (P100.00). Out of the Two Billion Pesos (P2,000,000,000.00) increase, Petron purportedly subscribed to Seven Hundred Million Pesos (P700,000,000.00) to the utter prejudice of HCPTI's pre-emptive rights as a stockholder of MNHPI, therefore, the said increase of ACS subscribed to by Petron was illegal acquired...

....

We reply as follows.

As of January 2011, Petron had a 35% equity interest in MNHPI together with the other shareholders namely Harbour Centre Port Terminal, Inc. ("HCPTI") and Harbour Centre Port Holdings, Inc. ("HCPHI"). Pursuant to the port development requirements under its Concession Agreement with the Philippine Ports Authority, MNHPI needed to make additional investments and required additional capital. Thus, MNHPI, with the approval of its Board of Directors and stockholders, increased its authorized capital stock from Php1 billion to Php3 billion, which was approved by the Securities and Exchange Commission ("SEC") on February 18, 2015. The Company subscribed to 7 million shares.

Considering no other stockholder of MNHPI subscribed to the remainder of the unissued shares, MNHPI accepted the investment of San Miguel Holdings Corporation ("SMHC") which subscribed to the 13 Million unissued shares. Said subscription was approved by the Board of Directors and stockholders of MNHPI. The Company, HCPTI, and HCPHI had expressly waived their pre-emptive rights to the 13 Million unissued shares.

Thus, the allegations contained in the subject letter of the law firm of Villanueva, Gabionza & Dy are without basis. The changes in the beneficial interest of the shareholders in MNHPI were made in accordance with the Articles of Incorporation and By-laws of MNHPI, the rules of the SEC and the Corporation Code of the Philippines. Moreover, all the requirements needed for the valid holding of the relevant stockholders meetings were met, and the requirements for the increase in the authorized capital stock of MNHPI were likewise met, as determined by the SEC when it approved the same. There was nothing "surreptitious" about the process undertaken by MNHPI. All parties entitled to notice were notified, and their approval was secured.

Finally, this Office should be aware that the author of the subject letter, the law firm of Villanueva Gabionza & Dy, represents that its client is HCPTI, "chaired by Mr. Reghis M. Romero II." However, HCPTI is no longer owned, controlled or chaired by Mr. Reghis M. Romero II, who had already assigned his interest therein, as reflected in the records of the SEC, HCPTI, as well as in the financial statements of the companies of

Mr. Reghis M. Romero II himself. In fact, in a related case filed by Mr. Reghis M. Romero II representing HCPTI entitled “*Harbour Centre Port Terminal, Inc. vs. Manalo, et al.,*” docketed as Civil Case No. 15-133164, the Regional Trial Court dismissed the case for lack of jurisdiction over the person of HCPTI, the trial court having determined that Mr. Reghis M. Romero II was never authorized by HCPTI. Similarly, in the case now pending in the RTC of Manila (SEC Case No. 15134194) mentioned in the subject letter, which case was also initiated by Mr. Reghis M. Romero II, HCPTI itself filed a motion to withdraw complaint, stating that HCPTI never authorized the filing of that action.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Joel', with a stylized flourish at the end.

JOEL ANGELO C. CRUZ
VP - General Counsel &
Corporate Secretary