

10 May 2019

Securities & Exchange Commission

Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Philippine Dealing & Exchange Corp.

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave. corner Paseo de Roxas
Makati, 1226 Metro Manila, Philippines

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market and Securities Regulation Department
Securities & Exchange Commission

Mr. Jose Valeriano B. Zuño III

OIC - Disclosure Department
Philippine Stock Exchange

Ms. Kathlene Anne F. Famadico

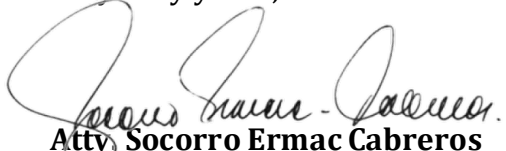
OIC-Issuer Compliance and Disclosure Department (ICDD)
Philippine Dealing & Exchange Corp.

Gentlemen and Madam:

We would like to submit the attached Press Release in relation to the Company's performance for the period ended 31 March 2019.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

Phoenix Petroleum Reports 27% Growth in Operating Income in First Quarter 2019

Phoenix Petroleum delivered an operating income of ₱1.021 billion in the first quarter of 2019, representing a 27% growth year-on-year. This was on the back of the sustained strength of its retail and commercial fuels business, the accelerating momentum of its LPG business, and a strong expense discipline.

While the year was off to a turbulent start amidst the transition to TRAIN 2, which brought further increases in excise taxes, coupled with a higher product cost environment, Phoenix pulled in higher revenues by 33% at ₱24.093 billion, while overall sales volume, which includes PNX Singapore, grew 33% year-on-year, an all-time quarterly high. Meanwhile, the Company focused on effectively managing costs, which lowered operating expenses by 4%. Overall, these tempered the decline in reported net income to 5% year-on-year at ₱414.671 million.

Demonstrating the underlying strength of its domestic business (excluding PNX Singapore), sales volume grew by 10%, outperforming the industry. Gains were led by LPG, which saw volume increase by 30%, fueled by higher household sales on the heels of the successful launch of the Phoenix SUPER LPG brand campaign.

Retail, meanwhile, posted 5% growth during the period as higher throughput resulted in improved network efficiencies. As of the first quarter, 615 stations have been opened nationwide. Commercial also sustained double-digit growth, with key wins in manufacturing, mining, and road transport.

Philippine FamilyMart posted total chain sales growth of 9% from the prior period. Delivering against its pivot-to-food strategy, the rollout of Gen 2 stores has continuously enhanced the mix of food sales and expanded overall margins.

Getting back on its path to growth, FamilyMart is set to complete the asset purchase of the Circle K network in the Philippines. The acquisition, which will see the conversion of the former Circle K sites to FamilyMart stores over the coming months, the launch of FamilyMart stores at Phoenix retail stations, as well as greenfield sites, are set to expand FamilyMart's presence and establish its position as a destination for food for now/food for later.

“In spite of a tough environment, our performance in core areas, namely LPG, retail, and commercial, has shown remarkable strength, and we continue to improve our competitive position in these segments. As we close a challenging quarter, we remain confident in the sound fundamentals of our businesses, at the same time, focused on, and excited by, the tremendous

*To be an indispensable partner in the journey of everyone
whose life we touch.*



opportunities across our portfolio,” said Phoenix Petroleum Chief Operating Officer Henry Albert R. Fadullon.

About Phoenix Petroleum

Phoenix Petroleum is engaged in the nationwide trading and marketing of refined petroleum products, including LPG and lubricants, operation of oil depots and storage facilities, hauling and into-plane services; convenience store retailing; and trading and supply.

With a vision to be an indispensable partner in the journey of everyone whose life it touches, Phoenix Petroleum is committed to deliver world-class services, empower people, and inspire every Filipino’s entrepreneurial spirit.
