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16 July 2013

PHILIPPINE STOCK EXCHANGE, INC.
Disclosure Department,
Issuer Regulation Division
3/F Philippine Stock Exchange, Inc.
Ayala Triangle, Ayala Avenue
Makati City 1226

Attention: MS. JANET A. ENCARNACION
Head, Disclosure Department

Gentlemen:

We are submitting the Company's Press Statement in connection with the recommendation of the National Biofuels Board to increase the mandated biodiesel blend to 5% from 2%.

Thank You.

Very truly yours,



Alvin D. Lao
EVP & Chief Finance Officer

Chemrez Technologies strongly supports National Biofuel Board's approval of higher biofuel blend

- ***Recommended increase in the mandated biodiesel blend from 2% to 5%***
- ***Higher biodiesel blend to boost local coconut industry***
- ***Chemrez Technologies ready to meet additional B5 demand***

July 16, 2013 - Chemrez Technologies today announced the Company's support for the recommendation of the National Biofuels Board (NBB) to increase the mandated biodiesel blend from two per cent (2%) to five per cent (5%) under the Biofuels Act of 2006.

The NBB is chaired by the Secretary of the Department of Energy and comprised by the heads of the Department of Trade and Industry, Department of Science and Technology, Department of Agriculture, Department of Finance, Department of Labor and Employment, Philippine Coconut Authority, and the Sugar Regulatory Administration.

Under the Biofuels Act of 2006, the blend may be increased taking into account considerations such as domestic supply and availability of locally sourced biodiesel. Since 2009, biodiesel has been blended at 2% with diesel fuel.

The local coconut industry is currently challenged by cheaper palm oil competition, which has depressed prices. In the past two years, prices have been halved, taking a bite out of profits of traders and producers, and almost wiping out earnings of the even smaller coconut farm workers. With the move to B5, the NBB aims to address the local coconut industry's plight.

In particular, the Department of Agriculture, with Secretary Proceso Alcala's leadership, always had in mind the struggles of coconut farm workers as it advocated tirelessly and diligently for higher biodiesel blend. It envisions bringing economic growth directly to farmers – a goal now attainable, given the new business opportunities that will be created through increased biodiesel consumption.

Likewise, the blending of coco biodiesel into diesel will reduce the country's dependence on imported oil, supportive of Philippine Energy Plan that aims to achieve energy independence within the next decade. In fact, simply blending 5% coco biodiesel into diesel can save the Philippines an estimated P13 billion worth of imported crude oil every year.

This move by the NBB is a significant step in accomplishing the goal Chemrez Technologies set out to accomplish a few years ago – to develop and market sustainable products that benefit the Philippines and the environment.

"We hope that with commitment and urgency, the increase to B5 will be immediately implemented. We at Chemrez will not only fully support NBB, but as an active product innovator and advocate of Green Chemistry, we will constantly work on innovations that will help us continue to take steps towards cleaner energy, at the same time, uplift the lives of our fellow Filipinos," said Chemrez Managing Director Dean Lao Jr.

The B5 implementation will be set for public consultations. Once approved, given existing capacity in the industry, local production can adequately meet the demand of the B5 mandate. At present, Chemrez Technologies has the largest biodiesel capacity in the market.

Chemrez Technologies is a leading manufacturer of resins, oleochemicals, and specialty products in the Philippines. It is 34%-owned by D&L Industries. As part of a diversified group, it has vast resources and experiences in various technologies including: colorants, polymers, biopetroleum, oleochemicals, powder coating, food, oil & gas, and water treatment among others. The company implements an Integrated Management System (IMS) to ensure highest standard for product quality and care customers, employees, and the environment. Furthermore, it implements the guidelines of Responsible Care® and espouses the principles of Green Chemistry. Chemrez is listed in the Philippine Stock Exchange. For more information, please visit www.chemrez.com

D&L Industries is a Filipino company engaged in product customization and specialization for the food, plastics, and aerosol industries. The company's principal business activities include manufacturing of customized food ingredients, specialty raw materials for plastics, and oleochemicals for personal and home care use. Established in 1963, D&L has the largest market share in each of the industries it serves, as well as longstanding customer relationships with the Philippines' leading consumer and chemical companies. It was listed in the Philippine Stock Exchange on December 2012. For more information, please visit www.dnl.com.ph