



February 18, 2008

The Philippine Stock Exchange
PSE Centre, Exchange Road
Ortigas Center, Pasig City

Attention: **Atty. Pete M. Malabanan**
Head, Disclosure Department

Gentlemen:

In accordance with the Revised Rules of Disclosure of the Exchange, please find attached a Press Release issued by the company today regarding its 2007 unaudited financial results of operations.

Thank you very much.

Very truly yours,

A handwritten signature in black ink, appearing to read "Cliburn Anthony A. Orbe". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Atty. Cliburn Anthony A. Orbe
Corporate Information Officer

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PRESS RELEASE
February 18, 2008

PhilWeb Corporation, the Philippines' first listed internet gaming company, doubled its revenues to a total of Php 266.9 million in 2007 from Php 132.9 million the previous year, based on its unaudited financial statements for the year. Revenue growth was fueled by strong results from core gaming operations.

Operating income increased five-fold or by Php 100 million, from Php 23.1 million in 2006 to Php 123.1 million in 2007. Total Net Income for 2007 was Php 190 million, a 64% increase over the Php 116 million earned the previous year. PhilWeb president Dennis O. Valdes said that the key revenue driver was the strength of its Internet Casino Stations (ICS), which expanded from a network of 44 cafés in 2006 to a total of 76 cafés in 2007. "The expansion of the café network had a synergistic effect, as more players noticed the cafés and were attracted to play. As a result, bet volume and player growth were even higher than café growth," he explained.

Meanwhile, Premyo sa Resibo (PSR), PhilWeb's first text-based game, continues to generate large text volumes as its popularity grows, and more importantly, has started showing its effectiveness in tracking tax evasion and increasing tax revenue. The program, a cooperative effort between the Bureau of Internal Revenue (BIR), the Department of Finance (DOF), PAGCOR and PhilWeb, encourages consumers to ask for Official Receipts by offering a P1 million prize per week for receipt data texted in. Valdes said that PhilWeb's investment in PSR solidifies its role as a key supporter of government's revenue-increasing efforts.

The company also runs Internet Sports Betting Stations and has recently launched Txtingo, the country's first mobile lottery game.

Valdes added "We are even more strongly positioned for 2008, as we have shown that we can keep our costs low while rapidly increasing our top line revenues, thus exponentially increasing income. As we increase our ICS business and launch new products in 2008, we are forecasting an even brighter year for PhilWeb."

In addition to its strong business results, PhilWeb also reported strong gains on its investment in ISM Communications Corporation, which in turn now owns 67.49% of Eastern Telecommunications Philippines, Inc. (ETPI). The company's equity in the earnings of ISM was Php 38.2 million for 2007.