



14 April 2009

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

Attention: **MR. NOEL B. DEL CASTILLO**  
OIC, Disclosure Department

Gentlemen:

In accordance with the Revised Disclosure Rules, please find the attached Press Release issued by Philweb Corporation entitled: PhilWeb 2008 net income increased by 31% to Php 292 million.

We hope you will find everything in order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Cliburn Anthony A. Orbe", with a long horizontal flourish extending to the right.

**Cliburn Anthony A. Orbe**  
Corporate Information Officer

## **PhilWeb 2008 net income increased by 31% to Php292 million**

For immediate release

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PhilWeb Corporation, the Philippines' first listed Internet company, released its KPMG audited 2008 financial statements, showing a Net Income of P292 million, an increase of 31% vs. the previous year's net of P223 million. Almost all significant financial figures showed marked improvements also. Revenues totaled P450 million vs. P267 million in 2007, a growth of 68%.

Dennis Valdes, president of PhilWeb, attributed the strong financial performance of the company to the excellent results posted by the PAGCOR e-Games Cafe network of the company. "We ended 2008 with 121 cafes, a growth of 45 new cafes for the year. Clearly consumers are gradually noticing our cafes as their number increases, and the almost 20,000 that play with us daily are pleased with the gaming and entertainment products we offer," said Valdes.

The company's Operating Income rose to P207 million, a 71% growth vs. the year before. Valdes pointed out that the growth rate on Operating Income was higher than the Revenue growth rate, which means the company did not grow expenses as fast as it did revenues.

"Our cash position is particularly noteworthy," continued Valdes, "as our total cash is now P702 million. Our businesses generated P206 million in positive cash flow last year, which shows the strength in the gaming market. We believe this is a recession-proof business, as our strongest month last year was December. During that month, despite all the holidays which normally dampen our volumes, our PEGS Cafe network broke all records. We set the record for total Gross Bets in one month, with a total of P5.5 billion. In one day alone, we set a record, with P239 million in Gross Bets. The Casino Win was also record-setting, with a record of P167 million for December, the best ever for the business."

The financial results for the first quarter of 2009 showed even more dramatic increases than in 2008. The financial statements are now being finalized and will be released by next week.