



19 August 2010

Philippine Stock Exchange, Inc.
3/F Philippine Stock Exchange Center
Ayala Avenue, Makati City

Attention: Ms. Janet A. Encarnacion
Head – Disclosure Department

Gentlemen:

In accordance with the Revised Disclosure Rules, we are furnishing the Exchange a copy of a press release issued by the company entitled: PhilWeb Declares First-ever Dividend.

The details of the cash dividend declared are as follows:

Cash Dividend

Cash	-	Php 0.10 per share
Record Date	-	September 3, 2010
Payment Date	-	September 20, 2010

We hope that you will find everything in order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Cliburn Anthony A. Orbe". The signature is stylized and includes a long horizontal flourish at the end.

Cliburn Anthony A. Orbe
Corporate Information Officer

PhilWeb Declares First-ever Dividend
For immediate release 19 August 2010
Ref: Cliburn Anthony A. Orbe, PhilWeb Corporation,
VP Corporate Support Division
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PhilWeb Corp., the country's first and largest listed online technology firm, announced today that its Board of Directors declared a cash dividend of ten centavos per share, payable on September 20, 2010, to shareholders of record as of September 3, 2010. The total dividend payment will amount to over P125 million, based on the total 1,257,922,603 outstanding shares of stock of the Company.

PhilWeb president Dennis Valdes noted that the dividend declaration was a first for PhilWeb, coming off the back of four years of growing profits dating back to 2006. "We are very proud to join the ranks of PSE-listed companies that can be classified as dividend-paying entities. This is just small measure of the thanks we have to our loyal stockholders who have supported us since our listing in 2001," said Valdes. "We fully expect to continue this trend of paying dividends on a regular basis from hereon."

PhilWeb recently released its earnings report for the first half of 2010, with Net Income growing 41% versus the previous year, to a total of P322 million. Revenues totaled P508 million, up 40% year on year, compared to P362 million in the same period last year.

Valdes also noted that the company's core businesses continue to do well, and that they are already closely coordinating with the new management of PAGCOR on how PhilWeb can continue to be a major contributor to PAGCOR's bottom line. "Last year, we contributed over one billion pesos to PAGCOR from our PEGS business alone. This amount flows directly to PAGCOR's net income, as they do not have any capital expenditures or operating costs associated with this revenue. As of June 2010, our PEGS business alone has remitted over P600 million to PAGCOR, a growth rate of 33%."

"Additionally, we have been focusing on our international expansion strategy," Valdes continued. "We are very close to obtaining a gaming license in Cambodia, and we are working on other countries as well."