



February 15, 2008

PHILIPPINE STOCK EXCHANGE

Issuer Regulation Division
4th Floor, PSE Centre
Exchange Road, Ortigas Center
Pasig City, Metro Manila

Attention: **ATTY. ROY JOSEPH M. RAFOLS**

Subject: **REPORT ON DISBURSEMENTS MADE FROM THE PROCEEDS OF THE
SPLASH CORPORATION IPO**

Gentlemen:

Please be advised that the net proceeds from the primary offering of Splash Corporation amounting to ONE BILLION SIX HUNDRED EIGHT MILLION ONE HUNDRED EIGHTY TWO THOUSAND THREE HUNDRED FORTY SEVEN and 67/100 PHP (P1,608,182,347.67) remain intact. No disbursements from the said proceeds have been made thus far.

We expect, however, to make disbursements from the IPO proceeds in March and in the second quarter of this year to cover the cost of one brand acquisition, R&D on a new line of health and wellness products, brand building of newly-introduced products, and consumer and market research covering both domestic and international markets.

Thank you very much.

Very truly yours,

A handwritten signature in black ink, appearing to be "E. Manucom", written over a horizontal line.

EMMANUEL P. MANUCOM

Senior Vice-President / Chief Financial Officer

