

GLOBE ANNOUNCES FIRST HALF 2017 RESULTS

TOPLINE GROWTH TRAJECTORY SUSTAINED WITH RECORD-BREAKING QUARTERLY AND FIRST SEMESTER PERFORMANCE

**RECORD-LEVEL CONSOLIDATED SERVICE REVENUES
AT ₱62.9 BILLION, UP 5% YoY;
ALL-TIME HIGH EBITDA AT ₱27.3 BILLION; UP 6% YoY;
NORMALIZED NIAT AT ₱8.7 BILLION, DOWN 4% YoY;
CORE NIAT AT ₱8.0 BILLION, DOWN 10% YoY;
MOBILE SUBSCRIBERS AT 59.7 MILLION, DOWN 3% YoY
HOME BROADBAND SUBSCRIBERS AT 1.2 MILLION, UP 8% YoY**

GLOBE BOARD APPROVES 3rd QUARTERLY DISTRIBUTION OF COMMON CASH DIVIDENDS OF ₱22.75 PER SHARE

Globe Telecom, Inc. soared to new all-time high levels, with consolidated service revenues reaching ₱62.9 billion as of the first half of 2017, or 5% higher than the ₱59.9 billion reported in the same period of 2016. Revenues posted record highs for two consecutive quarters this year with the second quarter ending at ₱31.8 billion, outpacing the prior quarter's record-level revenues and the same quarter last year by 2% and 6%, respectively. The robust performance remained broad-based with both the mobile data and home broadband segments posting outstanding results, spurred by the continuous expansion of the broadband customer base, and the excellent market execution of the Company's game-changing initiatives. This result was likewise boosted by Globe's reliable network that supports the enhanced digital lifestyle of its customers.

Mobile revenues stood at ₱48.3 billion as of end-June 2017, up 5% year-on-year, led by the sustained solid growth in mobile data. Both *Globe Prepaid* and *TM*, the Company's mass-market brand, registered 8% revenue growth from same period last year, while *Globe Postpaid* posted a 1% increase year-on-year. Globe's mobile subscriber base reached 59.7 million for the first semester of the year, down 3% from the 61.3 million subscribers reported in the same period of 2016. The decline in the cumulative mobile subscriber base was due to the change in reporting of the Company's prepaid subscribers. Beginning the first quarter of 2017, the Company excluded in their reporting the prepaid subscribers who do not reload within 90 days of the second expiry period, versus the previous cut-off of 120 days.

On a product perspective, mobile data contributed about 42% of total mobile revenues for first half of 2017, versus 39% a year ago. Mobile data service revenues reached ₱20.3 billion as of end-June 2017, or 13% higher than the ₱18.0 billion reported in the same period last year. This was due to the steady rise in smartphone penetration, which increased to 67% for the period, and the growth in data usage. Mobile data traffic for the period grew 85% from 151 petabytes (PB) in 2016 to 280 PB this year. Despite the double digit growth, the Company believes the reported increase in mobile data revenues is not representative of the true growth of the business, due to the application of certain accounting standards on bundled promotions. In particular, the Free Facebook offer, which we began to bundle in our lower denominated prepaid promos in 2015 and subsequently ended in June 2016 for TM and May 2017 for Globe Prepaid, mutes the performance of the mobile data business

due to the change in the assignment of revenues in the different periods. The Free Facebook offer was an initiative that allowed Globe to transform its customers' behavior and successfully allowed the Company to increase its mobile data traffic and improve its yields, leading to the revenue levels we see today. It is for this reason that the Company believes it is appropriate to provide a normalized view to show the true impact of the initiative and provide a more accurate picture of the momentum of the Mobile Data business. On a normalized basis, adjusting for the impact of the Free Facebook promotion, mobile data revenues would have increased by 24% against the same period last year.

Meanwhile, Globe home broadband business continued its solid growth year-on-year, delivering a total of ₱7.7 billion revenues as of end-June this year, up a strong 8% from the same period last year. This was mainly driven by the continued customer base expansion, which now reached a total of 1.2 million as of the first half of 2017, with fixed wireless growing by 22% year-on-year. With the Company's aim to give its customers a better connected experience, Globe At Home recently launched its new and improved *Go BIG plans*, which provide bigger data allocations at affordable rates alongside fast and reliable speeds. This only proves how Globe leads in broadband adoption through the continuous deployment of its leading edge network technology – targeting two million homes with reliable internet access by 2020.

Complementing the growth in mobile and home broadband, Globe's corporate data business registered a 3% increase year-on-year to ₱5.0 billion as of the first half of 2017, from the ₱4.9 billion posted in the same period of 2016. The increasing demand for data connectivity, managed service solutions, and cloud-based services were the main drivers behind this revenue performance. This resulted to growth in terms of customer base and circuit count, as well as increased usage year-on-year. Traditional fixed line voice revenues however, posted a decline of 5% from a year ago.

Globe's new record-level consolidated EBITDA stood at ₱27.3 billion, up 6% from same period of 2016. Total operating expenses and subsidy grew by 4% year-on-year to reach ₱35.6 billion from ₱34.3 billion last year, largely coming from higher network related costs, and subscriber-driven expenses. EBITDA margin held steady year-on-year at 43% while quarterly EBITDA margin showed significant improvement (44% 2Q17 vs. 42% 2Q16).

Notwithstanding the sustained record highs in terms of revenues and EBITDA as of end-June this year, Globe's net income was weighed down by the impact of increased interest expenses, depreciation charges and Globe's share in equity losses and spectrum amortization related to the SMC telco asset acquisition. Net income as of the first half of 2017 dropped 10% to only ₱8.1 billion from the ₱9.0 billion posted in the first half of 2016, as the charges related to the SMC transaction were only reflected in Globe's financials starting the third quarter of 2016. Excluding the impact of the SMC transaction, net income would have just declined by 4% at ₱8.7 billion versus the first half of 2016.

Globe's core net income, which excludes the impact of non-recurring charges, and foreign exchange and mark-to-market charges, likewise declined by 10% from ₱8.8 billion a year ago.

“We are happy with our achievements in the first half of the year, with record-breaking Gross Service Revenues and EBITDA,” Globe President and CEO Ernest L. Cu, said. “This affirms our confidence in delivering consistent business growth that is sustainable moving forward, leveraging on our continued aggressive network upgrades, customer-focused products and service offerings, as well as our continued attention to cost management.” Mr. Cu added.

Globe spent around ₱27.5 billion in capital expenditures as of end-June of 2017 to support the growing subscriber base and its demand for data. Of the total capital expenditures spent this year, about 87% was for the data service needs of its customers. To date, Globe has a total of 37,009 base stations, with over 22,800 base stations for 4G¹, to support the service requirements of its customers.

Recent Developments:

The Board of Directors approved in its meeting today the third quarterly distribution of cash dividends of ₱22.75 per common share, payable on September 6, 2017 to stockholders on record as of August 22, 2017. The total third quarter cash dividend payment total is about ₱3.0 billion.

2017 FINANCIAL SUMMARY

<i>In Million Pesos</i>	Globe Group		
	Year on Year		
	30 Jun	30 Jun	YoY
	2017	2016	Change (%)
Service Revenues*	62,901	59,872	5%
Mobile	48,319	45,927	5%
Home Broadband	7,726	7,149	8%
Corporate Data	5,022	4,863	3%
Fixed line Voice	1,834	1,933	-5%
Operating Expenses and Subsidy	35,642	34,274	4%
EBITDA	27,259	25,598	6%
EBITDA Margin	43%	43%	
Depreciation	13,067	11,458	14%
Net Income After Tax (NIAT)	8,088	8,974	-10%
Normalized Net Income After Tax**	8,655	8,997	-4%
Core Net Income	7,974	8,837	-10%

*Beginning 2017, revenues from premium content services (where Globe is acting as principal to the contract) will be reported gross of the licensors' fees. Revenues for similar services reported in 2016 have also been restated for purposes of comparison. Licensors' fees will be reflected as part of maintenance expense.

**Normalized Net Income After Tax excludes the impact of the SMC transaction

- On a consolidated view, Globe closed the first half of 2017 with a new record-level gross service revenues of ₱62.9 billion, 5% higher than the ₱59.9 billion reported a year ago. The robust revenue performance was driven by the strong contribution of data-related products and services.

¹ Includes HSPA+, WiMax and LTE

Mobile revenues posted a 5% increase year-on-year with improvements coming from the prepaid brands due to the sustained growth in mobile data and higher top-ups. Home broadband and corporate data business segments delivered solid performances growing by 8% and 3%, respectively against the same period last year. This was due to the rising demand for faster internet connectivity and managed service solutions translating to robust subscriber and circuit base expansion year-on-year. However, fixed line voice revenues declined year-on-year.

- Globe's operating expenses and subsidy for the first six months of the year stood at ₱35.6 billion, 4% higher from the ₱34.3 billion posted in the same period last year. This was mainly driven by higher maintenance, provisions, staff costs, leases, services and utilities but partly offset by lower subsidies, interconnection fees and marketing expenses.
- Depreciation expenses as of end-June 2017 increased to ₱13.1 billion or 14% from ₱11.5 billion a year ago. The increase in depreciation expenses resulted from the depreciation costs of incremental asset builds related to Globe's 2016 and 2017 capital expenditure programs.
- Overall, Globe's total cost and expenses including depreciation charges for the first six months of the year, rose to ₱48.7 billion or 7% higher than the ₱45.7 billion reported in the same period of 2016.
- Consolidated EBITDA for the first semester of 2017 hit a new record high at ₱27.3 billion, up a strong 6% from the ₱25.6 billion reported in same period of 2016. The sustained growth in EBITDA was driven by robust top-line growth which mitigated the 4% increase in operating expenses. This resulted to a 43% EBITDA margin, steady vis-a-vis the first half of 2016. However this quarter's EBITDA margin of 44% was up compared to the 42% reported in the second quarter of 2016.
- Globe's consolidated net income as of end-June of 2017 reached ₱8.1 billion, lower than the ₱9.0 billion net income reported in the same period last year due to higher interest expense and depreciation expenses, coupled with Globe's share in equity losses and spectrum amortization related to the SMC telco asset acquisition. Excluding the impact of the SMC transaction, normalized net income would have just declined by 4% at ₱8.7 billion versus the first half of 2016.
- Globe's core net income, which excludes the impact of non-recurring charges, foreign exchange gains and mark-to-market charges, stood at ₱8.0 billion, or lower by 10% year-on-year.
- Globe spent around ₱27.5 billion in capital expenditures as of end-June of 2017 to support the growing subscriber base and its demand for data. 87% of the total capital expenditures for the period was spent for data-related initiatives. To date, Globe has a total of 37,009 base stations, with over 22,800 base stations for 4G², to support the service requirements of its customers.

² Includes HSPA+, WiMax and LTE

Mobile Business

<i>In Million Pesos</i>	Year on Year		
	30-Jun	30-Jun	YoY
	2017	2016	Change (%)
Service Revenues*			
Mobile Voice	16,223	16,652	-3%
Mobile SMS	11,790	11,340	4%
Mobile Data	20,306	17,935	13%
Mobile Service Revenues	48,319	45,927	5%

** Beginning 2017, revenues from premium content services (where Globe is acting as principal to the contract) will be reported gross of the licensors' fees. Revenues for similar services reported in 2016 have also been restated for purposes of comparison.. Licensors' fees will be reflected as part of maintenance expense.*

Mobile service revenues, which accounted for 77% of Globe's consolidated service revenues during the first six months of 2017, rose to ₱48.3 billion, up by 5% from last year's level of ₱45.9 billion. The growth in mobile service revenues was driven by the sustained revenue growth in mobile data (+13%) and higher SMS revenues (+4%), while voice declined by 3%.

Mobile voice revenues, which accounted for 34% of total mobile service revenues posted a decline of 3% year-on-year from the ₱16.7 billion reported last year.

Mobile SMS, which accounted for 24% of total mobile service revenues, closed the first semester of the year at ₱11.8 billion, 4% higher than the ₱11.3 billion recorded in the same period of 2016.

Mobile data which accounted for 42% of total mobile service revenues for first half of 2017 grew to ₱20.3 billion as of end-June 2017, or 13% higher than the ₱18.0 billion reported in the first half of 2016 given the continued increase in smartphone penetration and data traffic complimented by the value for money data plans which provide access to premium content, and free apps/games. Despite mobile data's topline growing double digits year-on-year, the Company believes the result was muted by the application of certain accounting standards on bundled promotions related to its Free Facebook Promotion. The Free Facebook offer was an initiative that allowed Globe to transform its customers' behavior and increase its mobile data traffic to the levels we see today. It is for this reason that the Company believes it is appropriate to provide a normalized view to show the true impact of the initiative and give a more accurate picture of the momentum of the mobile data business. On a normalized basis, adjusting for the impact of the Free Facebook promotion, mobile data revenues would have increased by 24% against the same period last year.

Key Drivers for the Mobile Business

	Year on Year		
	30-Jun	30-Jun	YoY
	2017	2016	Change (%)
Cumulative Subscribers (or SIMs) – Net End of Period			
	59,722,092	61,311,448	-3%
Globe Postpaid	2,460,671	2,521,218	-2%
Prepaid*	57,261,421	58,790,230	-3%
Globe Prepaid	27,696,014	27,381,884	1%
TM	29,565,407	31,408,346	-6%
<u>Ave. Revenue Per Subscriber (ARPU)¹</u>			
Globe Postpaid	1,165	1,114	5%
Prepaid*			
Globe Prepaid	113	110	3%
TM	65	63	3%
<u>Subscriber Acquisition Cost (SAC)</u>			
Globe Postpaid	8,949	7,257	23%
Prepaid*			
Globe Prepaid	33	13	154%
TM	8	11	-27%
<u>Ave. Monthly Churn Rate (%)</u>			
Globe Postpaid	2.7%	3.7%	
Prepaid			
Globe Prepaid	8.2%	6.5%	
TM	8.9%	6.0%	

¹ ARPU is computed by dividing recurring gross service revenues (gross of interconnect expenses) segment by the average number of the segment's subscribers and then dividing the quotient by the number of months in the period.

* Beginning first quarter of 2017, Globe management changed how it reports the number of prepaid subscribers, which now exclude those who do not reload within 90 days of the second expiry period. This is a change from the previous period of 120 days. However, the Company's billing system will continue to exclude prepaid subscribers who do not reload within 120 days of the second expiry period.

- Globe closed the first six months of the year with a total mobile subscriber base of 59.7 million, down 3% from 61.3 million subscribers reported in the same period last year. Due to the elevated level of prepaid churn rates caused by the change in the basis for reporting subscribers beginning first quarter of 2017, this period showed a net reduction of 3.1 million subscribers versus the 5.1 million net incremental subscribers in the same period of 2016.
- As of the end of June 2017, *Globe Postpaid* had 2.5 million subscribers, down by 2% from the same period last year. *Globe Postpaid's* gross acquisitions for the first semester of 2017 stood at

366,673 or 25% lower than the new acquisitions in the first half of 2016. Total net reduction in postpaid subscribers as of end-June this year resulted from the declining acquisitions despite the improvement in churn from 3.7% last year to only 2.7% this period.

- *Globe Prepaid* gross acquisitions grew by 10% year-on-year reaching 13.0 million acquisitions from the 11.9 million gross additions in the same period in 2016. The year-on-year increase in gross additions was driven by the brand's continued acquisition efforts, the strong take-up of data bundles and other value-for-money promotions. Due to shift in subscriber recognition excluding those who do not reload within 90 days of the second expiry period which started in the first quarter of 2017, churn rate for the first six months of the year further increased to 8.2% from 6.5% a year ago. This resulted to a net reduction of 738 thousand subscribers as compared to last year's net addition 1.5 million subs. Total cumulative *Globe Prepaid* subscribers reached 27.7 million as of the end June 2017, up 1% year-on-year.
- *TM's* gross acquisitions as of end-June 2017, stood at 14.0 million or 3% lower than previous year's 14.4 million gross additions. *TM* churn for the first half of 2017 remained at its elevated level of 8.9%, higher than same period last year's 6.0%, mainly due to the change in the basis for reporting subscribers (as stated above). This resulted to a net reduction of 2.3 million subscribers as compared to the 3.7 million net incremental subscribers in the same period of 2016. However, compared to the previous quarter, churn level improved from 10.5% to 7.5% this quarter. *TM* cumulative subscriber base stood at 29.6 million subscribers at the end of June 2017, down 6% from the 31.4 million subscribers a year ago.
- *Globe Postpaid* ARPU registered at ₱1,165, which increased by 5% from a year ago due to the continued retention efforts for quality subscribers. *Globe Prepaid* ARPU was up year-on-year to reach ₱113 this period from ₱110 in the first half of 2016. *TM* ARPU likewise followed the same trajectory as *Globe Prepaid*, ending the first half of the year with an ARPU of ₱65 pesos, up by 3% against the first half of 2016.
- *Globe Postpaid* subscriber acquisition cost (SAC) was up year-on-year by 23% to reach ₱8,849 this period from ₱7,257 in the same period last year. *Globe Postpaid* SAC remains recoverable well within the 24-month contract of the postpaid plans. *Globe Prepaid* SAC likewise was up year-on-year at ₱33 in the first six months of 2017 from ₱13 a year ago. *TM* SAC was down year-on-year at ₱8 against the ₱11 reported in the same period last year. *Globe Prepaid* and *TM* SAC remained recoverable within a month's ARPU.

Fixed Line and Home Broadband Business

	Globe Group		
	Year on Year		
	30 Jun	30 Jun	YoY
	2017	2016	Change (%)
<i>In Million Pesos</i>			
Service Revenues			
Home Broadband	7,726	7,149	8%
Corporate Data	5,022	4,863	3%
Fixed line Voice	1,834	1,933	-5%
Fixed Line & Home Broadband Service Revenues	14,582	13,945	5%

Globe Group's fixed line and home broadband revenues posted a 5% improvement year-on-year to reach ₱14.6 billion this period from ₱13.9 billion reported in the same period last year. The growth was driven by solid contributions of both home broadband (+8%) and corporate data (+3%) segments.

Globe home broadband posted ₱7.7 billion of revenues as of end-June 2017, 8% higher than the ₱7.1 billion reported a year ago due mainly on subscriber base growth (+8%) year-on-year. The robust revenue growth was complimented by the various competitive home broadband products bundles with exclusive access to entertainment content boosted by the newest *GoBIG* plans launched this period which provide bigger data allocations and faster speeds at affordable prices. Home broadband's subscriber base now reached 1.2 million customers for the six months period just ended from 1.1 million in the same period of 2016.

	Globe Group		
	Year on Year		
	30 Jun	30 Jun	YoY
	2017	2016	Change (%)
Cumulative Home Broadband Subscribers			
Fixed Wireless	599,045	491,606	22%
Wired	630,528	645,002	-2%
Total (end of period)	1,229,573	1,136,608	8%

On a consolidated basis, Globe's corporate data likewise delivered consistent growth at ₱5.0 billion revenues as of the first semester of 2017, up 3% against the same period of 2016. This was mainly driven by the broader circuit base and increased usage as demand for corporate connectivity, domestic and international leased line services, managed service solutions and cloud-based services continue to rise. However, Globe's total fixed line voice revenues declined year-on-year by 5%.

ANNEX

Products & Services:

Globe continues to evolve the digital lifestyle and give its customers a more enriched connected experience with the various suite of products and services launched as well as new partnerships forged during the period.

Mobile Business

In the second quarter of 2017, Globe revolutionizes mobile video viewing with the launch of another game-changing offer “*GoWatch*” at a very affordable price. This offer provides for as much as 2GB for video streaming per day starting only at ₱29 as an add-on to any GoSurf promo starting with GoSurf50. *GoWatch* allows its users to watch hours of content without worrying about using up their data allowance through a separate data allocation dedicated for streaming on popular platforms: Netflix, YouTube, Tribe, HOOQ, NBA, Cartoon Network, and Disney Channel Apps. For bigger data options and longer validity, Globe customers may also avail *GoWatch99* to get 2.5GB for three days at ₱99 or *GoWatch399* for 10GB valid for 30 days at ₱399, as an add-on to GoSurf299 and up.

Moreover, subscription to any Globe Duo-USA variant of all U.S. based customers from March 1, 2017 to February 28, 2018 entitles them to join the “Globe Duo Fly PAL for Free raffle promo”. One round trip ticket will be given away quarterly. Four lucky winners may choose from any of the following routes : New York (JFK) – Manila – New York; San Francisco (SFO) – Manila – San Francisco; Los Angeles (LAX) – Manila – Los Angeles; Hawaii (HNL) – Manila – Hawaii.

Home Broadband

Globe continues to lead in broadband adoption as the Company launched its new and improved Globe At Home *GoBIG plans*. The new *GoBIG plans* have bigger data allocations at affordable rates alongside fast and reliable speeds. Access to free content apps also remain a major part of the broadband bundle, which was made even better with the addition of 100GB data for free YouTube. For Plan 1299, customers can enjoy 300GB of data allocation per month, with speeds of up to 5Mbps. Those who want to stream more can avail of Plan 1599, which has a data allowance of 400GB and speeds of up to 10Mbps; or Plan 1899, which has 500GB of data and speeds of up to 50Mbps. On top of the free YouTube access, customers can also enjoy free 6 months of access to Netflix and Disney Channel apps for award-winning original content and children’s shows, and a two-month subscription to HOOQ for a diverse selection of local and foreign titles.

Globe Business

Globe has taken steps to ensure future growth by undergoing the kind of digital transformation that all telecom carriers are going to have to address as the industry itself undergoes a massive upheaval. One of the most progressive and best managed companies in the Philippines, Globe turned to Canvas³ to become the platform that integrates service functionalities. Currently, that means Canvas has helped Globe automate its office processes. This move will reduce costs, increase operational

³ *Canvas is a mobile platform that makes it simple for business to automate how work is done, replacing outdated processes and expensive paperwork.*

efficiency, and further enhance the organization's commitment to environmental protection and conservation. As part of their partnership agreement, Globe also intends to make Canvas more widely available to its business customer base, building on the early high adoption among some of the Philippines leading companies. Globe's business customers are already using Canvas to realize benefits for their own customers such as an increased level of customer care and reduced costs for services.

Globe also launched during the period, its newly operationalized Advanced Security Operations Center (ASOC) powered by Trustwave. It is a state-of-the-art facility that houses the infrastructure and teams that deliver services such as customer service platform management, threat detection, threat hunting, and incident response for both Globe's network and the network of its customers. It is linked to Trustwave's global network of nine federated ASOCs and is supported by a worldwide team of more than 1,600 security-minded professionals. This primarily aims to provide businesses, specifically those in the IT-BPM industry, with a roster of Managed Security Services that will ensure coverage in areas such as Vulnerability Assessment, Network Security, Application Security and Content Security, Endpoint Security and Access Control, and Security Management. These solutions help enable Philippine enterprises to fight cybercrime, protect data, and reduce security risks.

Partnerships

In the second quarter of 2017, Globe continues to rollout more *GoWiFi*⁴ hotspots, as part of the network's goal to elevate the state of internet connectivity in the country. This developed as Globe partnered with the Department of Information and Communications Technology (DICT) for the EDSA WiFi project which aims to provide high-speed internet connectivity throughout the 24-kilometer stretch of EDSA. DICT is targeting to reach over 13,000 public places across 145 cities and 1,489 municipalities nationwide. *GoWiFi* has expanded to 1,000 more new locations and 10,000 access points in the Philippines to give more customers access to fast and reliable hotspots in high-traffic locations. Aside from MRT-3, it is also available in other major transportation hubs such as select stations of the Light Rail Transit (LRT) system and key airports around the country as well as in top tourist destinations like Boracay and Lio, El Nido, Palawan. The service is also available in selected hospitals; local government units; and some of the schools and universities. *GoWiFi* may be accessed in major malls (Ayala Malls, Megaworld Lifestyle Malls, Robinsons Malls, and Gaisano Malls); convenience stores (7-Eleven, Ministop, Family Mart, and AlfaMart); coffee chains (Starbucks, The Coffee Bean and Tea Leaf, Seattle's Best Coffee, and UCC); and restaurants (KFC, Burger King, Kenny Rogers Roasters, and Wendy's). New *GoWiFi* users who are Globe, TM, or other telco customers may also avail the free trial promo that will give them access to *GoWiFi Auto* for 3 days. This special trial is valid until August 31, 2017.

Moreover, as part of Globe's environmental sustainability program, Nestlé Philippines has joined Globe's *Project 1 Phone (PIP)*. The electronic waste recycling initiative promotes the proper disposal of broken and discarded electrical and electronic devices such as mobile phones, tablets, computers, and printers, among others. Nestlé and Globe signed a Memorandum of Agreement recently, in response to the *PIP* campaign spearheaded by Globe Business among its corporate clients to encourage donations of individual and company e-waste. Initially, Nestlé agreed to distribute the Globe e-waste bins to each of its 20 sites across the Philippines, which include corporate offices factories, distribution centers, sales, and service offices.

⁴ *GoWiFi* is Globe Telecom's premium public WiFi service

Subsidiaries & Affiliates

The City Government of Makati, in collaboration with Globe, its subsidiary G-Xchange, Inc. (GXI), and iBayad Online Ventures Inc., launched the *Makatizen Card* that will be made available to Makati's residents and employees. The *Makatizen Card* will allow the city's 500,000 residents to transact with and avail the services of the city government (receive cash allowances, stipends, and other cash benefits). They can also use their cards to pay fees and taxes, as well as for personal remittances and other financial transactions. The *Makatizen Card* also functions as an Automated Teller Machine (ATM) Card and is a valid government ID. GXI will serve as the financial service provider for the *Makatizen Card* while *iBayad* will deploy the mPOS terminals and build the merchant network where the cards will be accepted.

In addition, digital marketing solutions firm AdSpark⁵ has entered into strategic partnerships with globally-renowned digital companies - Wootag and Tracx to help change the landscape of digital advertising in the Philippines. Through this partnership, AdSpark will be able to offer the Philippine advertising market a more immersive experience and highly-intensive analytics. Under the partnership, AdSpark will be the exclusive reseller of both Wootag and Tracx in the Philippines. The Wootag platform allows video content that supports exciting experiences where customers can interact directly with the product within the video so that viewers can simply Tap, Discover, and Engage. AdSpark's collaboration with Tracx, a social intelligence platform, on the other hand, will help reveal insights, build relationships, and eventually drive revenue in the social economy.

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About Globe

Globe Telecom is a leading full service telecommunications company in the Philippines, serving the needs of consumers and businesses across an entire suite of products and services including mobile, fixed, and broadband, data connections, internet, and managed services. Its principals are Ayala Corporation and SingTel who are acknowledged industry leaders in their respective countries and in the region.

It is listed on the Philippine Stock Exchange under the ticker symbol GLO and had a market capitalization of US\$5.4 billion as of the end of June 2017.

Further information can be obtained by visiting the web at <http://www.globe.com.ph>

⁵ AdSpark is a mobile-first and innovative data-driven digital marketing solutions firm wholly-owned by leading telecommunications company Globe Telecom