

Globe Telecom, Inc.

Tel.: +632 7302000
Fax: +632 7392000
Web: www.globe.com.ph

September 15, 2011

Philippine Stock Exchange, Inc.
3/F Tower One Exchange Plaza
Ayala Triangle, Ayala Avenue,
Makati City

Globe Telecom Plaza
Pioneer corner Madison Streets,
1552 Mandaluyong City, Philippines

P.O. Box M-073 MPO
Mandaluyong Municipal Bldg.,
1501 Mandaluyong City, Philippines

For the attention of : Ms. Janet A. Encarnacion
Head, Disclosure Department

Subject : PLDT says foreigners control Globe

Dear Ms. Encarnacion:

We refer to your letter dated September 15, 2011 requesting our Company to comment on the news article entitled "PLDT says foreigners control Globe" published in the September 15, 2011 issue of The Manila Times. The article reported in part that:

PHILIPPINE Long Distance Telephone Co. (PLDT) on Wednesday accused Globe Telecom Inc. of violating the Constitutional limit on foreign ownership of public utilities.

Citing filings with the Securities and Exchange Commission, Ray Espinosa, PLDT head of regulatory affairs and policy, said Globe's single biggest common shareholder was Singapore Telecom, which owns approximately 47.3 percent of the second-ranked telco's total issued and outstanding common shares.

Citing SEC records, Espinosa said Globe common shares have been receiving tens of billions of pesos in cash dividends every year.

"This means that 63 percent of the huge amount of annual cash dividends of Globe common shares go—well, not to Filipinos—but to foreigners," the PLDT executive said.

....

"Unlike PLDT preferred shares which are owned by millions of Filipinos, the entire issued and outstanding Globe preferred shares—totaling 158,515,021 shares—are owned by one company, Asiacom Philippines Inc., which is 60-percent owned by Ayala Corp. and 40-percent owned by Singapore Telecom Int'l Pte. Ltd., a foreign corporation," Espinosa said. This means 40 percent of the Globe cash dividends received by Asiacom also go to a foreign company, he said.



We wish to inform you that consistent with the Supreme Court ruling in *Gamboa vs. Teves, et al.*, Globe's total issued preferred shares like its common shares, have voting rights and as such Globe's foreign ownership is 29.33% or well below the limit of forty percent foreign ownership for Philippine public utilities.

Should you have further questions, please let us know.

Very truly yours,

Globe Telecom, Inc.

By:

A handwritten signature in black ink, appearing to read 'A. L. T.', written in a cursive style.

ALBERTO M. DE LARRAZABAL
Chief Financial Officer