



 **Globe Telecom, Inc.**  
The Globe Tower  
32nd Street corner 7th Avenue,  
Bonifacio Global City,  
Taguig, Philippines 1634

 +632.7972000

 [www.globe.com.ph](http://www.globe.com.ph)

October 19, 2016

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

For the attention of : **Mr. Jose Valeriano B. Zuño III**  
*OIC - Head, Disclosure Department*

**Philippine Dealing & Exchange Corp.**  
37/F, Tower 1, The Enterprise Centre  
6766 Ayala Ave. cor. Paseo de Roxas  
Makati City

For the attention of : **Ms. Vina Vanessa S. Salonga**  
*Head, Issuer Compliance & Disclosure Department*

Sir/Madam:

This is in reply to the Philippine Stock Exchange (PSE) letter dated October 19, 2016 seeking clarification and/or confirmation on the attached news article entitled "Globe Telecom hikes capex to \$1B" published in the October 19, 2016 issue of Malaya Business Insight. The article reported in part that:

"GLOBE Telecom, Inc. is increasing its capital expenditure this year to over \$1 billion to match its rival network's capex, with the large part to be spent for its network expansion to meet the demand for faster internet services.

Globe – with a market share of 47 percent and considered the leading mobile brand in the country – initially allocated \$750 million in capex for this year, of which \$350 million was spent during the first half of the year.

Following the acquisition of San Miguel Corp.'s telecommunication business with PLDT Inc. last May, Globe is raising its capex to over \$1 billion to finance the rollout of San Miguel's frequencies nationwide.

'For this year, we have authority to spend over a billion dollars. It will be (spent) for the balance of the year,' Alberto de Larrazabal, Globe chief commercial officer, said in an interview with Malaya Business Insight at the sidelines of the Globe Enterprise Innovation Forum at SMX in Pasay.

.....

The higher capex was approved by Globe's executive committee.

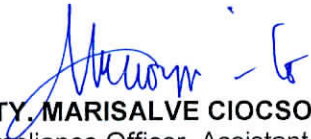
'We got it approved by the excom (executive committee) then we go to the board for final approval,' said De Larrazabal.

The capex would be used to rollout San Miguel's frequencies including 700 megahertz, 1800 MHz, 2300 MHz and 2600 MHz.

....”

We wish to confirm that Globe management is seeking approval from its Board of Directors for an additional US\$300 Million to be invested for network expansion. The Company will be issuing a formal disclosure as soon as Board approval is obtained.

Very truly yours,



**ATTY. MARISALVE CIOCON-CO**  
Compliance Officer, Assistant Corporate Secretary, and  
Vice President – Law and Compliance