

Singtel Investor Day

9 June 2017 | The St. Regis Singapore

CREATE. WONDERFUL.



Globe



Key Investment Thesis

Superior execution and focus on a differentiated customer experience reinforce Globe as the preferred brand for the Filipinos' digital lifestyle choices, spearheading the growth in data adoption

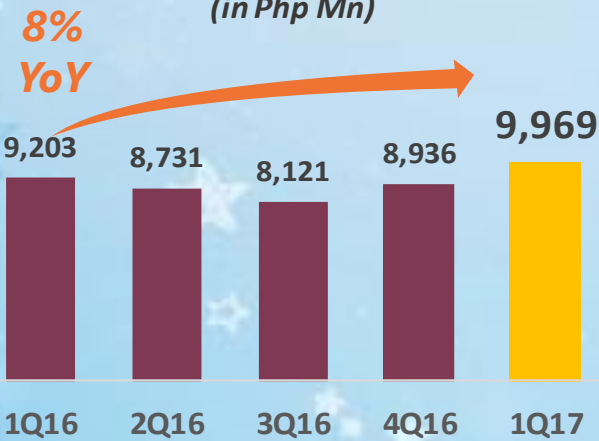
With an eye towards making life easier for Filipinos via innovation, Globe continues to expand prudently into various adjacencies in the digital space

Globe is focused on strong capital management and commitment to improve shareholder value

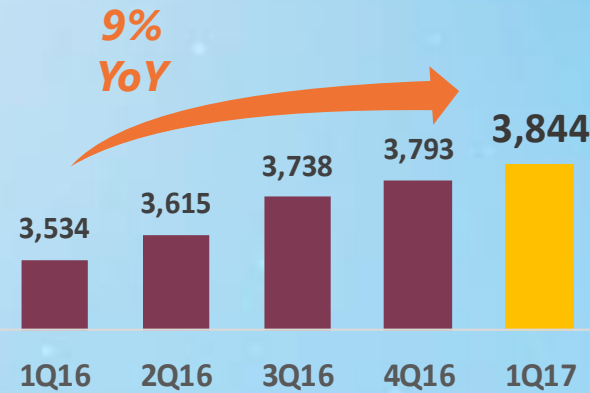
Superior execution and focus on a differentiated customer experience reinforce Globe as the preferred brand for the Filipinos' digital lifestyle choices, spearheading the growth in data adoption

Globe has transitioned as the preferred brand for the Filipino's digital lifestyle choices, recording strong growth in all data-related categories

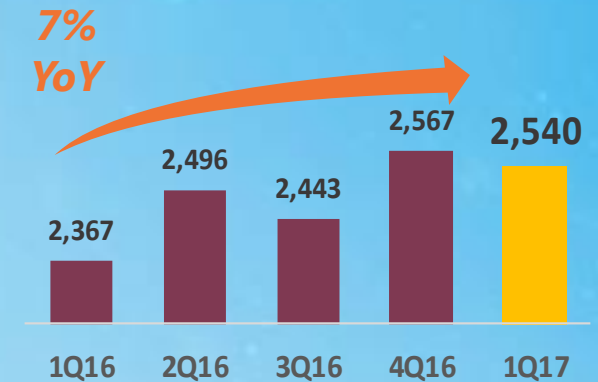
Mobile Data Revenues
(in Php Mn)



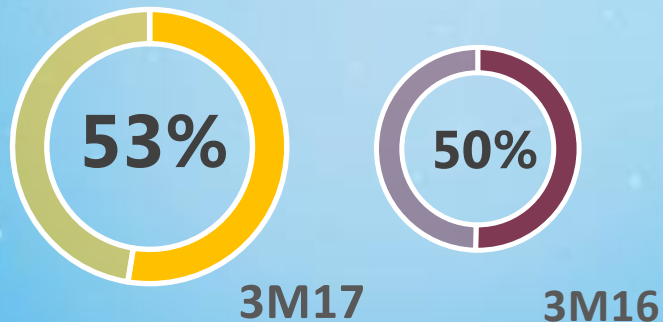
Home Broadband Revenues
(in Php Mn)



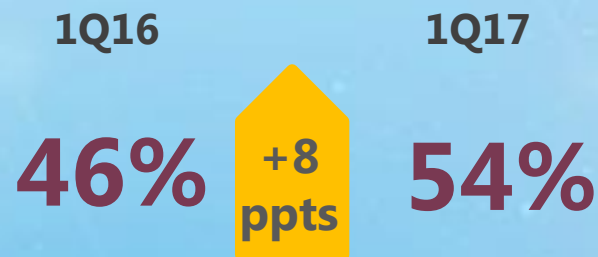
Corporate Data Revenues
(in Php Mn)



Total Data Revenues as a Percentage of Total Service Revenues

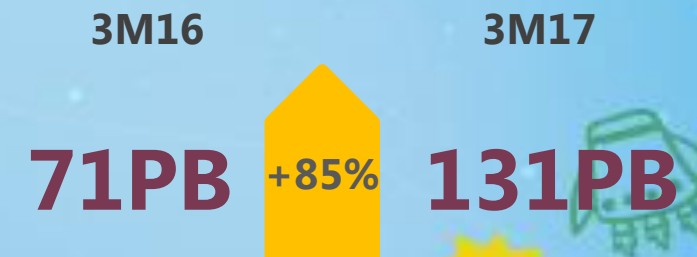


MDS Users as a % of Mobile Subscribers



Wireless Data Traffic

(1PB = 1,024TB)



Superior execution and focus on a differentiated customer experience reinforce Globe as the preferred brand for the Filipinos' digital lifestyle choices, spearheading the growth in data adoption

We bring new innovations and partnerships to remain relevant to data users, being the preferred mobile brand for data services

ENTERTAINMENT



Tattoo On-The-Go with HOOQ

With Tattoo Postpaid Plans, stream or download movies and TV shows on your mobile device.

Globe-Disney Partnership
Globe customers have access to an array of Disney content offerings



Disney mobile

Content Partnerships



NETFLIX smule

Sports Illustrated



YouTube

astro TURNER

MUSIC



Spotify

Get 30 days of Spotify Premium for only P129, 7 days for P99, or 1 day for P20!



- Filipino Spotify subscribers spend an average of 86 minutes per day
- Over 2.7 billion songs streamed

SPORTS

NBA League Pass

Watch NBA games by subscribing to
NBA50 (1 pass)
NBA299 (7 passes)
NBA499 (30-day access)



SOCIAL NETWORKING



UNLICHAT

Enjoy all-day use of major chat apps with no need for a WIFI connection!



- Filipino FB MAUs of 60 million; 42% are daily users
- 90% of users access FB via mobile

GAMES



Games Bundle

Get all-day access to your favorite mobile games



Superior execution and focus on a differentiated customer experience reinforce Globe as the preferred brand for the Filipinos' digital lifestyle choices, spearheading the growth in data adoption

We provide superior data experience to our customers through continuous investments in our data network

Globe - Huawei network partnership



Globe, League of Vice Governors sign agreement on ICT delivery



Globe signs pact with government agencies to fast-track delivery of public services



Globe launches WiFi service in MRT and LRT Stations



Fast-tracking the roll-out of L700 and L2600 service using frequencies from SMC deal

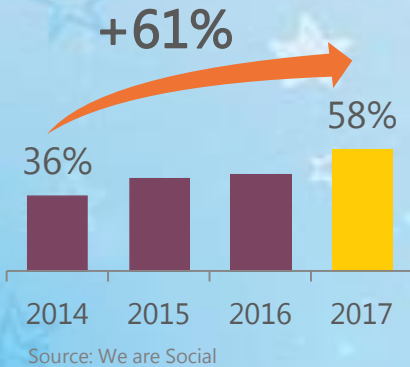


Superior execution and focus on a differentiated customer experience reinforce Globe as the preferred brand for the Filipinos' digital lifestyle choices, spearheading the growth in data adoption

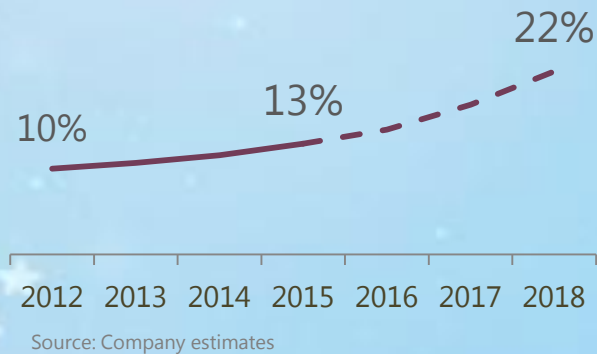
To meet sustained demand for connectivity, broadband presents a unique opportunity for near-term growth, to be enabled by further CAPEX investments

Low penetration rates present opportunities for significant growth in home broadband

Internet Penetration Rate



Household Penetration Rate

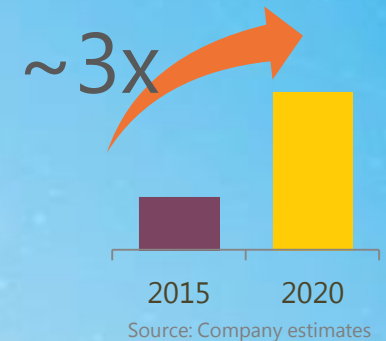


Continued broadband market expansion, particularly in @home segment, is expected in the next 5 years

Source: Company estimates



Broadband Revenue Growth



Increasing online video consumption is indicative of increasing demand for faster and better home internet connection

Philippine averages exceed SEA when it comes to internet users who access videos on demand on multiple screens

	Laptops	Smartphones	Tablets
PH	80%	76%	51%
SEA	74%	74%	47%

Source: Nielsen

With an eye towards making life easier for Filipinos via innovation, Globe continues to expand prudently into various adjacencies in the digital space

Evolving from traditional telco services, we are establishing the building blocks in adjacent spaces to ensure continued growth in the world of data

Financial Services

- Mynt is Globe's Fintech service that addresses financial inclusion through mobile money, micro-loans and technology
- In Feb 2017, Ant Financial and Ayala Corporation entered into a strategic partnership with Globe to invest in Mynt via subscription of new shares



- Three million customers with monthly transaction value of Php 4 Billion
- Implementation of the automated fare collection system of the MRT/LRT systems (AFCS) driving mass market adoption of GCash.



Telehealth

Immediate medical attention is now just a call away



- 24/7 health hotline service available nation-wide for all mobile customers.
- Call anytime, anywhere in the Philippines
- Connect with licensed doctors
- Flexible, affordable plans
- Partnered with Mexican telephone medical assistance firm Salud Interactiva, a leader in the health hotline space

Education



Text2teach has reached over 1,400 public elementary schools around the country, and helping more than 315,000 students and 3,800 teachers

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Mobile Advertising



- AdSpark's mission: To accelerate digital and mobile advertising in the Philippines.
- AdSpark works closely with both top brands and advertising agencies, providing expert and customized digital and mobile advertising solutions for the SME market.
- Market opportunity: AdSpark intends to capitalize on the emerging digital lifestyle of a predominantly young Filipino population where mobile advertising only accounts for a meager share of total industry ad spend (approximately USD200-Million)

Business Incubation



- Kickstart's mandate is to (1) source innovation; (2) nurture early-stage startups to scale; and (3) invest for portfolio return.
- Fund 1 = Php150M; Fund 2 = up to USD50M
- Investment portfolio focused on delivering solutions for e-lifestyle, e-commerce, B2B, software-as-a-service (SaaS), and social impact

#startupPH #area55 #raidthefridge



Globe is focused on strong capital management and commitment to improve shareholder value

Consolidated Financial Highlights

(in Php Mn)	3M17	3M16	YoY %	1Q17	4Q16	QoQ%
Gross Service Revenues	31,122	30,004	4%	31,122	31,062	0%
OPEX & Subsidy*	(17,807)	(16,938)	5%	(17,807)	(18,593)	-4%
EBITDA	13,315	13,066	2%	13,315	12,469	7%
<i>EBITDA Margin</i>	43%	44%	0%	43%	40%	0%
Depreciation	(6,437)	(6,215)	4%	(6,437)	(6,448)	0%
EBIT	6,878	6,851	0%	6,878	6,021	14%
Non-Operating Charges	(1,320)	(577)	129%	(1,320)	(1,171)	13%
Net Income	3,760	4,335	-13%	3,760	4,174	-10%
Core Net Income**	3,680	4,185	-12%	3,680	4,266	-14%

* OPEX & Subsidy includes interconnect expenses

** Core NIAT excludes forex, mark-to-market gains and losses, and non-recurring items

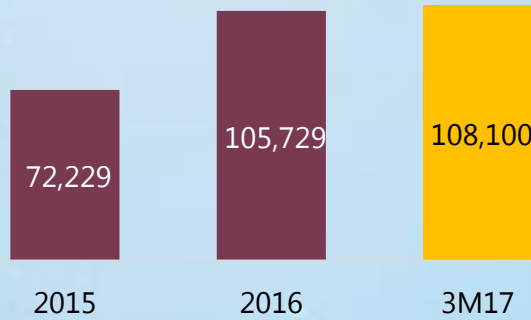
Consolidated Financial Highlights

(in Php Mn)	FY16 Reported	FY15 Reported	YoY %	VTI Impact (12M16)	Yondu and Bayan Impact (12M15)	FY16 Normalized	FY15 Normalized	YoY%
Gross Service Revenues	119,990	113,679	6%			119,990	113,679	6%
OPEX & Subsidy*	(70,012)	(67,718)	3%			(70,012)	(67,718)	3%
EBITDA	49,978	45,961	9%			49,978	45,961	9%
<i>EBITDA Margin</i>	42%	40%				42%	40%	
Depreciation	(23,849)	(21,133)	13%			(23,849)	(21,133)	13%
EBIT	26,129	24,828	5%			26,129	24,828	-
Non-Operating Charges	(4,192)	(1,361)	208%	(1,073)	1,938	(3,119)	(3,299)	-5%
Provision for Income Tax	(6,049)	(6,983)	-13%	105	(452)	(6,154)	(6,531)	-
Net Income	15,888	16,484	-4%	(968)	1,486	16,856	14,998	12%
Core Net Income**	16,014	15,126	6%			16,983	15,126	12%

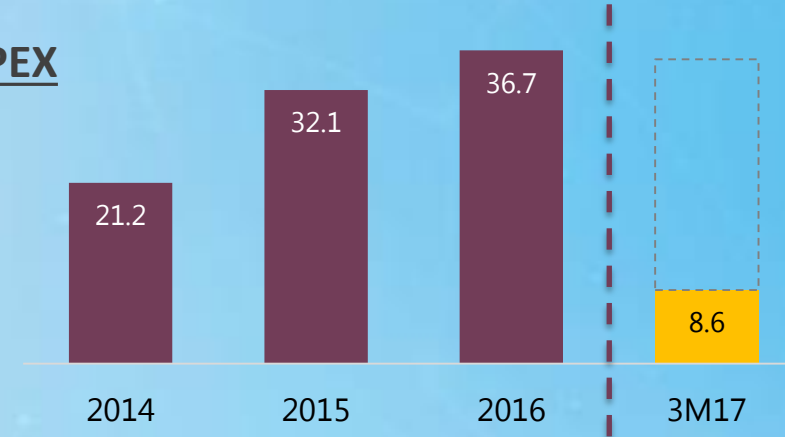
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Gross debt at Php108.1 Billion, comfortably within covenant ratios

Gross Debt

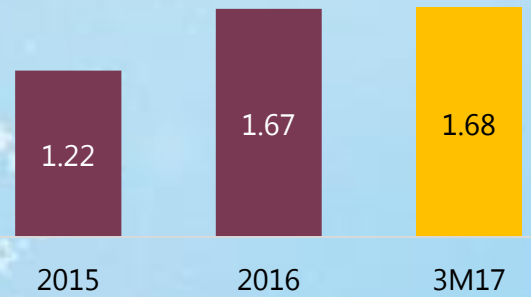


CAPEX

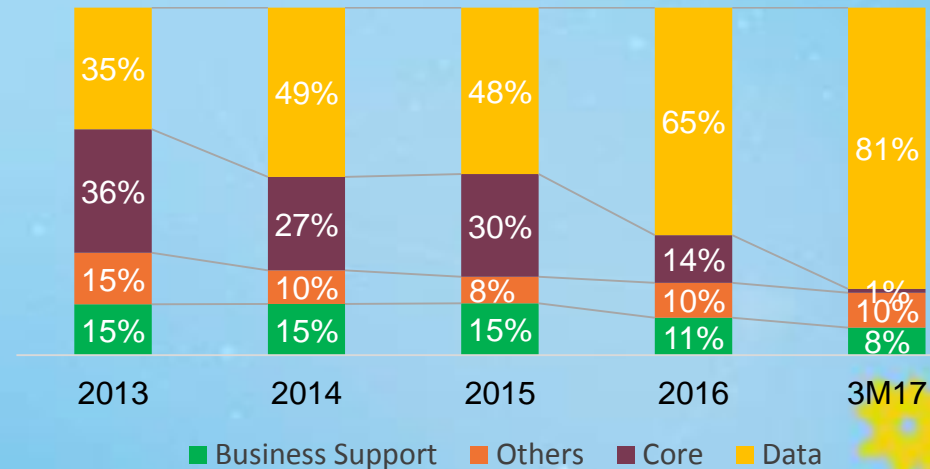


Gross Debt/Equity

Covenant = 2.5:1

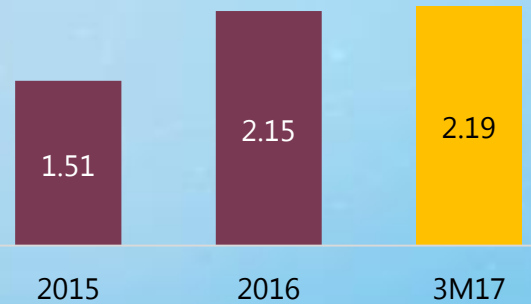


Historical CAPEX Breakdown



Gross Debt/EBITDA

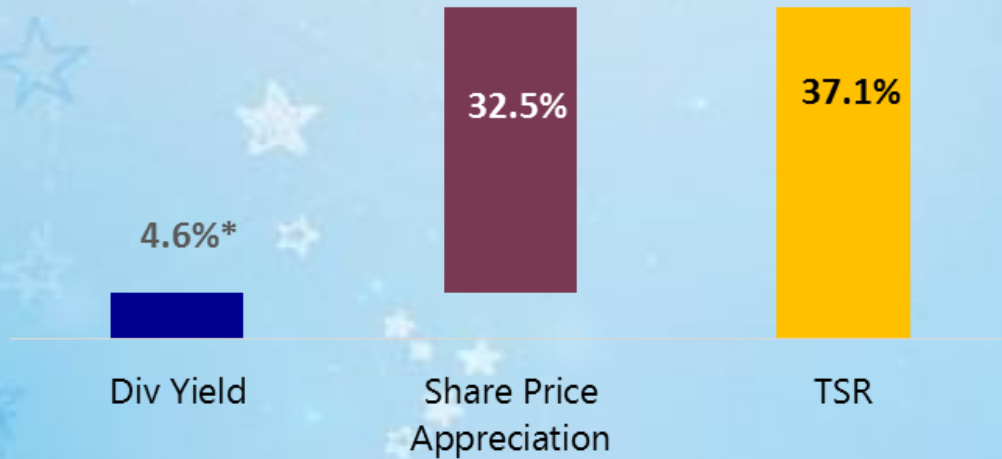
Covenant = 3:1



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Cash Dividends: Sustained commitment to delivering value to our shareholders

2017 YTD Total Shareholder Return



* Based on closing share price of Php2,000 as of May 22, 2017

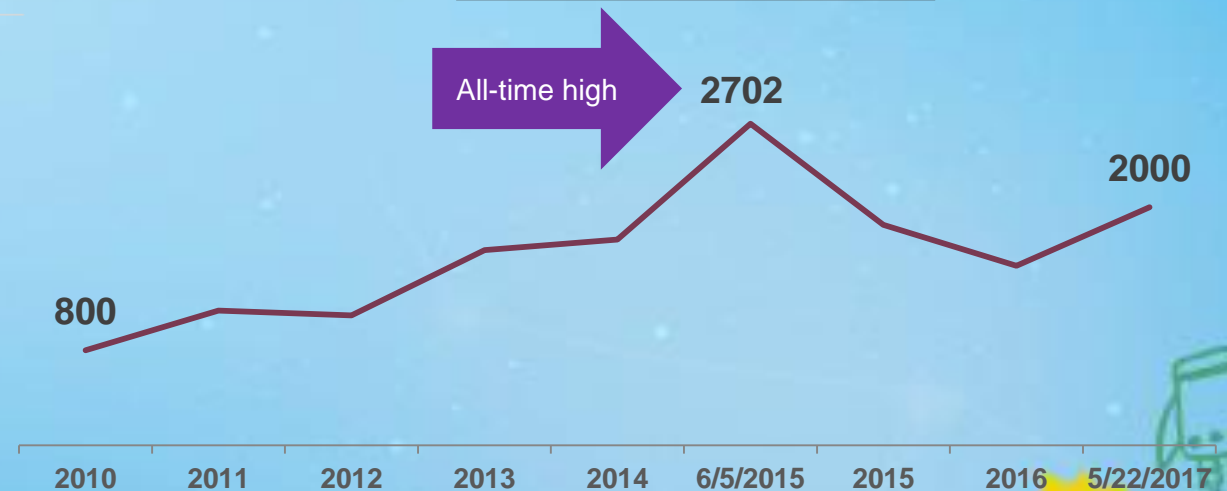
2Q17 Dividend: Key Information

Cash Dividend per Common Share: *Php 22.75*

Record Date: *May 23, 2017*

Payment Date: *June 7, 2017*

Historical Share Price





Disclaimer

This presentation contains certain forward-looking statements. These forward-looking statements generally can be identified by the use of statements that include words or phrases such as Globe or its management “believes,” “expects,” “anticipates,” “intends,” “plans,” “foresees,” or other words or phrases of similar import. Similarly, statements that describe Globe’s objectives, plans or goals are also forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements.

