

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATIONS CODE (SRC)
AND SRC RULE 17(a)-1(b)(3) THEREUNDER



- 1. 30 May 2016
Date of Report (Date of earliest event reported)
- 2. 1177
SEC Identification Number
- 3. 000-768-480-000
BIR Tax Identification Number
- 4. GLOBE TELECOM, INC.
Exact Name of registrant as specified in its charter
- 5. PHILIPPINES
Province, country or other jurisdiction of incorporation
- 6. [REDACTED] (SEC Use Only)
Industry Classification Code
- 7. 27/F, The Globe Tower, 32nd Street corner 7th Avenue,
Bonifacio Global City, Taguig
Address of principal office
- 8. (02) 797-2000
Registrant's telephone number, including area code
- 9. _____
Former name or former address, if changed since last report
- 10. Securities registered pursuant to Sections 4 and 8 of the SRC

1634
Postal code

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of March 31, 2016)
COMMON SHARES	132,756,410
TOTAL DEBT (in Millions of Pesos)	70,219

Indicate the item numbers reported herein : Please refer to attached

Re: Press Release

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date : 30 May 2016

GLOBE TELECOM, INC.
Registrant
[Signature]
ROSEMARIE MANIEGO-EALA
Acting Chief Finance Officer

**GLOBE ANNOUNCES THE PARTIAL ACQUISITION OF
SAN MIGUEL CORPORATION'S TELECOMMUNICATIONS ASSETS**

MANILA, Philippines: 30th May 2016 – In a meeting held earlier today, the Board of Directors of Globe Telecom, Inc. (“Globe”) (PSE: GLO), through its Executive Committee, approved the acquisition and signing of a sale and share purchase agreement and other related definitive agreements for the following entities:

- 50% of the issued and outstanding capital stock of Vega Telecom, Inc. (“VTI”) from San Miguel Corporation (“SMC”) (PSE: SMC);
- 50% of the issued and outstanding capital stock of Bow Arken Holdings Company Inc. (“BAHC”); and,
- 50% of the issued and outstanding capital stock of Brightshare Holdings Corporation (“BHC”).

VTI owns an equity stake in Liberty Telecom Holdings, Inc., a publicly listed company in the Philippine Stock Exchange (PSE: LIB). It also owns, directly and indirectly, equity stakes in various enfranchised companies, including Bell Telecommunication Philippines, Inc., Eastern Telecom Philippines, Inc., Express Telecom, Inc., and Tori Spectrum Telecom, Inc., among others.

The transactions are intended to be completed immediately after the fulfillment of closing conditions specified in the definitive agreements.

The remaining 50% equity stake in VTI, BAHC and BHC shall be acquired by Philippine Long Distance Telephone Company (“PLDT”) (PSE: TEL) under similar definitive agreements.

The total enterprise valuation of VTI, BAHC and BHC was estimated at ₱70.0 billion, including total liabilities of ₱17.2 billion. Equity value amounts to ₱52.8 billion, which translated to an agreed consideration of ₱26.4 billion for Globe’s 50% equity stakes in the companies. This will be settled in cash payments on a pre-defined payment timeline; of the said amount, fifty percent (50%) shall be payable upon closing of the transaction. Thereafter, two payments, each for 25% of the agreed consideration, shall be made six and twelve months after closing, respectively.

Moreover, the transaction preserves the government’s option to enable a future player to offer telecommunication services because a significant amount of unused spectrum assets covering a complete set of 2G, 3G, 4G, and potential 5G frequencies will be returned to the NTC.

“We entered into this transaction as a solution to harmonize the spectrum assets in the country and immediately unlock the benefits of the underutilized frequencies. Ultimately, our goal is to provide our customers with a better experience on our mobile data and home broadband services progressively over the next twelve months,” said Ernest L. Cu, President and Chief Executive Officer of Globe. “Coupled with our execution excellence as the preferred brand for Filipinos’ digital lifestyle choices, the additional frequencies will provide the much needed capacity to improve mobile browsing speeds that our customers would enjoy.”

Currently, the Philippine telcos are having difficulty improving the quality of mobile data services because of continued challenges with site acquisition for cell sites and the intensely bureaucratic permitting process of many local government units. At present, it takes about 25 permits spanning a period of eight months to get an approval to build one cell site. Also, the inconsistent and at times prohibitive fees across various LGUs are added challenges that increase the cost of ownership of these cell sites. These hurdles are some of the primary reasons behind the country's current state of low site density, contributing to capacity issues and slow mobile internet. These challenges result to a relatively low number of cell sites serving the growing base of mobile data users. Notwithstanding the need to build more cell sites, having additional spectrum will provide some relief as it will immediately add new capacity with the existing number of sites.

The transaction is expected to provide benefits to mobile internet customers, given the added capacities and greater geographic coverage that additional spectrum, particularly that of the 700MHz frequency, can provide. This exemplifies Globe's continuous commitment and investments in improving the network and quality of service. These investments will help us support the data needs of existing and new customers and allow them to enjoy their digital lifestyles.

In addition, Globe stands by its commitment to improve internet speeds in its home broadband and its corporate data networks. The company is set to deploy fiber optic cables in 20,000 barangays all over the country to provide faster and more reliable internet access in about 2 million homes nationwide. The infrastructure build is expected to take five years and will extend network coverage to more areas that currently have no connection or spotty service.

For 2016, Globe has committed to a program of capital expenditures ("capex") of at least \$750 million, which is slightly higher than the actual capex recorded in 2015. With the growing demand for data and internet connectivity, the Company anticipates that majority of said CAPEX would be related to data, including spend for deployments of LTE mobile and LTE @Home, capacity and coverage augmentation of the 3G-HSPA+, VDSL, and GPON networks, as well as requirements for domestic transmission and international cable capacities.

We intend to brief the financial community and the general public on the transaction immediately.

For questions, please contact:

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About Globe

Globe Telecom, Inc. is a major provider of telecommunications services in the Philippines. The Company operates one of the largest and most technologically-advanced mobile, fixed line and home broadband networks in the country, providing reliable, superior communications services to individual customers, small and medium-sized businesses, and corporate and enterprise clients.

It is listed on the Philippine Stock Exchange under the ticker symbol GLO and had a market capitalization of US\$6.4 billion as of the end of March 2016.

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