

February 7, 2013

Globe Telecom Plaza
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1552 Mandaluyong City, Philippines

Philippine Stock Exchange
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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 : *philSTAR.com* news article

Dear Ms. Encarnacion,

We refer to your letter dated November 27, 2012 requesting our Company to comment on the news article entitled "Globe allots \$650M for capex" posted in *philSTAR.com* on February 7, 2013. The article reported in part that:

MANILA, Philippines – Ayala-owned Globe Telecom is spending about \$650 million for its capital expenditures this year despite booking a sharp drop in net income last year as part of its ambitious network modernization and transformation program.

Globe chief financial officer Albert de Larrazabal said in an interview with reporters that the company's budget for capital expenditures this year is higher than last year's \$600 million.

De Larrazabal said the company's budget for capital expenditures would start to normalize after spending \$700 million for its network modernization and transformation project and another \$90 million for its information technology (IT) upgrade.

To fund this year's capital expenditures, he pointed out that the company is looking at several fund raising activities to raise between \$320 million and \$350 million of the total amount.

These include the issuance of detailed peso bonds, bilateral peso loans, among others as several institutions has approached the company to act as book runners for the said fund raising activities.

According to him, Globe is looking at raising \$200 million within the first quarter of the year to fund its expansion program.

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We wish to clarify that the amount of \$650 million of capital expenditures budgeted for this year referred to in the above-quoted news article includes an additional amount to be carried over from 2012.

Also, we wish to confirm that the amount of spending for the network modernization and IT transformation program referred to in the above-quoted news article is part of the press release approved by our Board of Directors last November 8, 2011 which was disclosed to the PSE on the same date.

Very truly yours,
Globe Telecom, Inc.
By:



JOSE MARI S. FAJARDO
Head, Investor Relations