

COVER SHEET

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(Company's Full Name)

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3	2	N	D		S	T	R	E	E	T			C	O	R	N	E	R		7	T	H		A	V	E	N	U	E			
B	O	N	I	F	A	C	I	O			G	L	O	B	A	L			C	I	T	Y			T	A	G	U	I	G		

(Business Address: No. Street City / Town / Province)

ROSEMARIE MANIEGO-EALA

Contact Person

797-2000

Company Telephone Number

1	2	3	1
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Month Day Fiscal Year

	1	7	C	
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FORM TYPE

0	4
1	3

Month Day
Annual Meeting

Secondary License Type, if Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

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Total No. Of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

LCU

[illegible]

Document I.D.

Options

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

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. **5 February 2018**
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
- 1634**
Postal code
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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of December 31, 2017)
COMMON SHARES	132,916,585
TOTAL DEBT (in Millions of Pesos)	131,529

Indicate the item numbers reported herein : **Please refer to attached**

Re: Briefing Presentation Materials

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.

GLOBE TELECOM, INC.
Registrant

Date : **5 February 2018**



ROSEMARIE MANIEGO-EALA
Chief Finance Officer



4Q17 ANALYSTS' BRIEFING

6 February 2018

The Globe Tower BGC

CREATE. WONDERFUL.



Globe

Performance highlights: Solid FY17 revenues and EBITDA on the continued strength of data services and active cost management

12M17

SERVICE REVENUES

+6%
YoY

127.9

PHP BILLION

EBITDA

+7%
YoY

53.3

PHP BILLION

NET INCOME

-5%
YoY

15.1

PHP BILLION

- Strong revenues again powered by data services

- Solid EBITDA driven by increase in revenues
- FY17 EBITDA margin at 42%, up 1ppt YoY

- NIAT down due to depreciation, interest and SMC-related charges despite the Mynt gain

4Q17

SERVICE REVENUES

+5%
vs. 4Q16

32.8

PHP BILLION

EBITDA

+2%
vs. 4Q16

12.7

PHP BILLION

NET INCOME

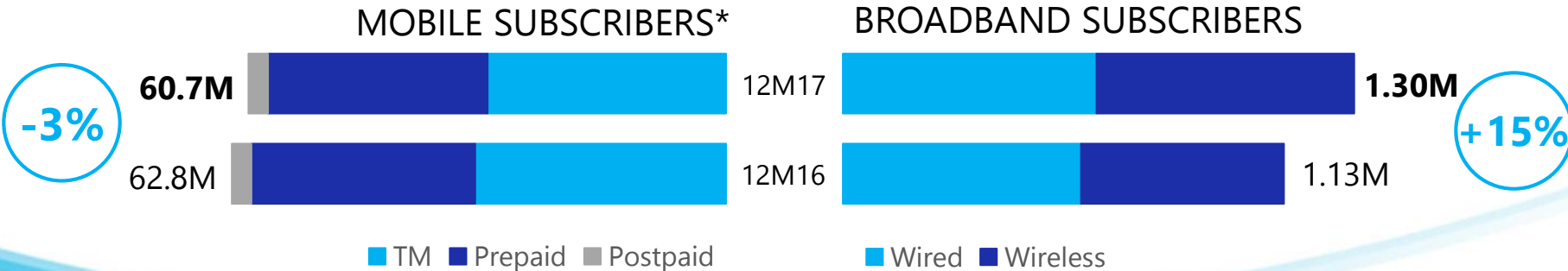
-50%
vs. 4Q16

2.1

PHP BILLION

Revenue growth led by strong full year performance of mobile, and home broadband, complemented by the sustained performance of corporate data

MOBILE	HOME BROADBAND	CORPORATE DATA	FIXED LINE VOICE	TOTAL
12M17 vs. 12M16				
+7%	+7%	+4%	-8%	+6%
4Q17 vs. 4Q16				
+7%	+4%	+4%	-16%	+5%

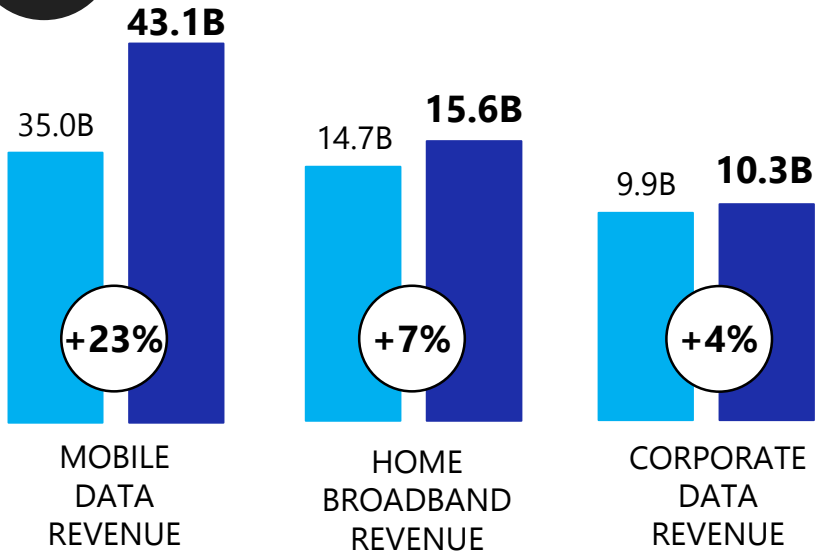


* Beginning 2017, Globe reported prepaid subscribers which exclude those who do not reload within 90 days of the second expiry period versus the previous cut-off of 120 days.

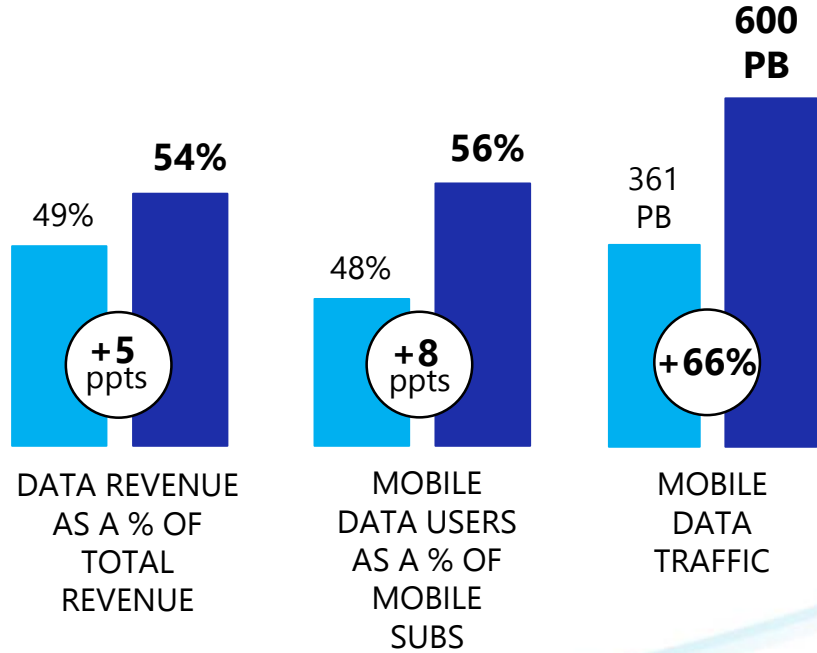
Data-related revenues grew to ~Php69bn, up 16% YoY and now comprises 54% of total service revenues in 2017

+30%*

* Normalized Mobile Data Revenues growth after adjusting for the impact of the Free Facebook promotion



■ 12M16 ■ 12M17



■ 12M16 ■ 12M17

New products and services launched to enable the Filipino digital lifestyle

Globe myBusiness now offers KonsultaMD, AdSpark's DigiAds and Mynt's Fuse Loans as part of its solutions portfolio



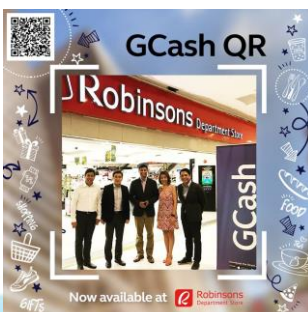
GoWiFi now available in 34 SM malls nationwide



New Globe at Home Go Unli Plans



Rollout of GCash QR Scan-to-Pay System in malls, major retailers and convenience stores



FINANCIAL HIGHLIGHTS

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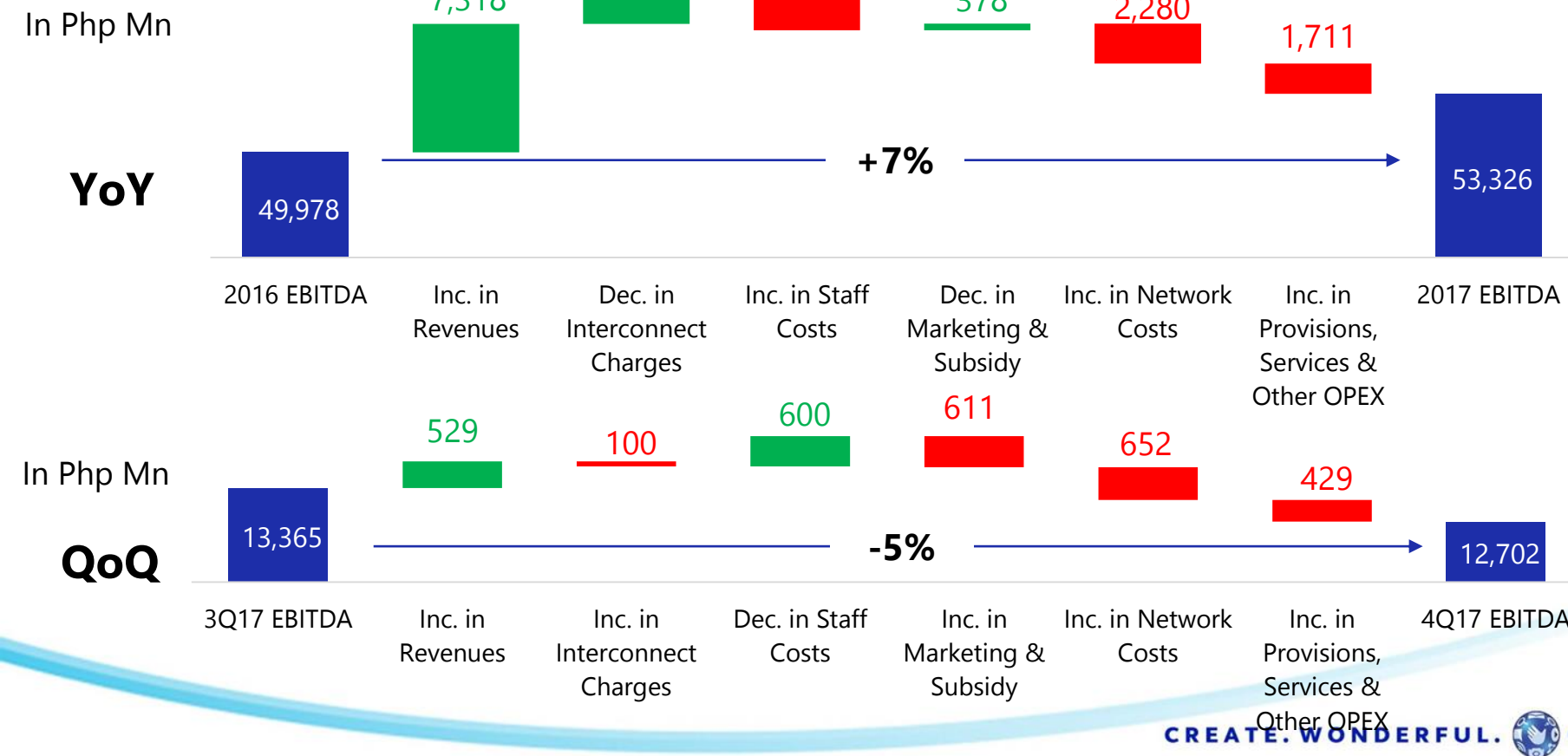
Solid results, with revenue growth and EBITDA margin in line with FY2017 guidance

	12M17	12M16	YoY %	SMC Impact	Mynt Impact	12M17 normalized	YoY %	4Q17	3Q17	QoQ %
Gross Service Revenues	127,906	120,588	6%			127,906	6%	32,767	32,238	2%
OPEX and Subsidy	(74,580)	(70,610)	6%			(74,580)	6%	(20,065)	(18,873)	6%
EBITDA	53,326	49,978	7%			53,326	7%	12,702	13,365	-5%
EBITDA Margin	42%	41%				42%		39%	41%	
Depreciation	(27,513)	(23,849)	15%			(27,513)	15%	(7,396)	(7,050)	5%
EBIT	25,813	26,129	-1%			25,813	-1%	5,306	6,315	-16%
Non-Op Charges	(4,271)	(4,192)	2%	(1,685)	1,890	(4,066)	-3%	(2,027)	233	-971%
Net Income	15,084	15,888	-5%	(1,333)	1,794	14,623	-8%	2,104	4,893	-57%
Core Net Income	13,546	16,014	-15%	(1,333)		14,879	-7%	2,339	3,233	-28%

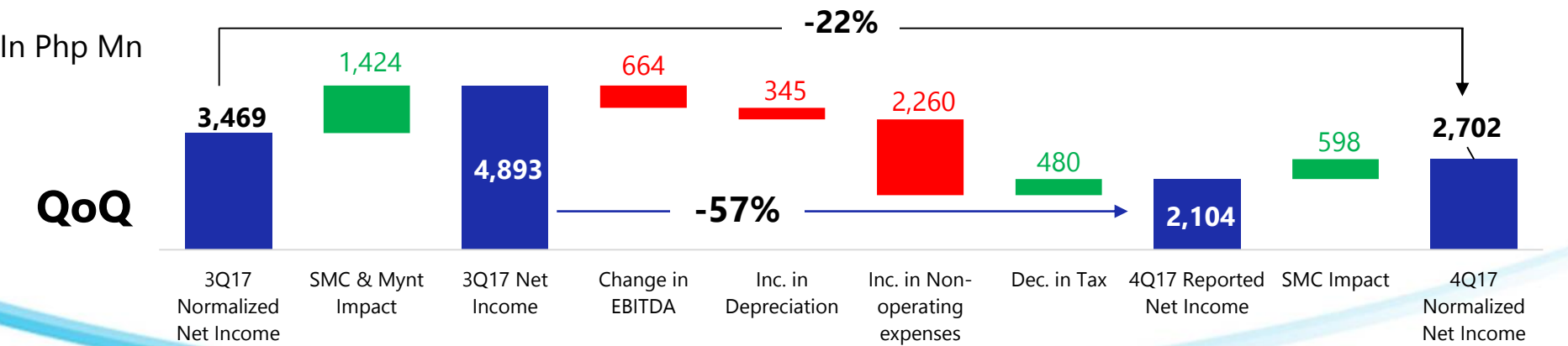
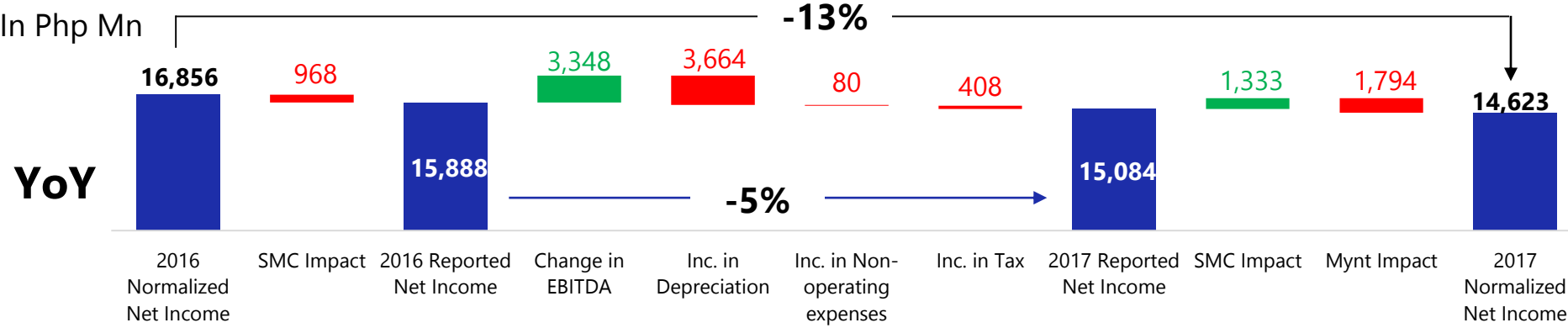
* OPEX & Subsidy includes interconnect charges.

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

Higher full year EBITDA level driven by increased revenues, despite higher operating expenses

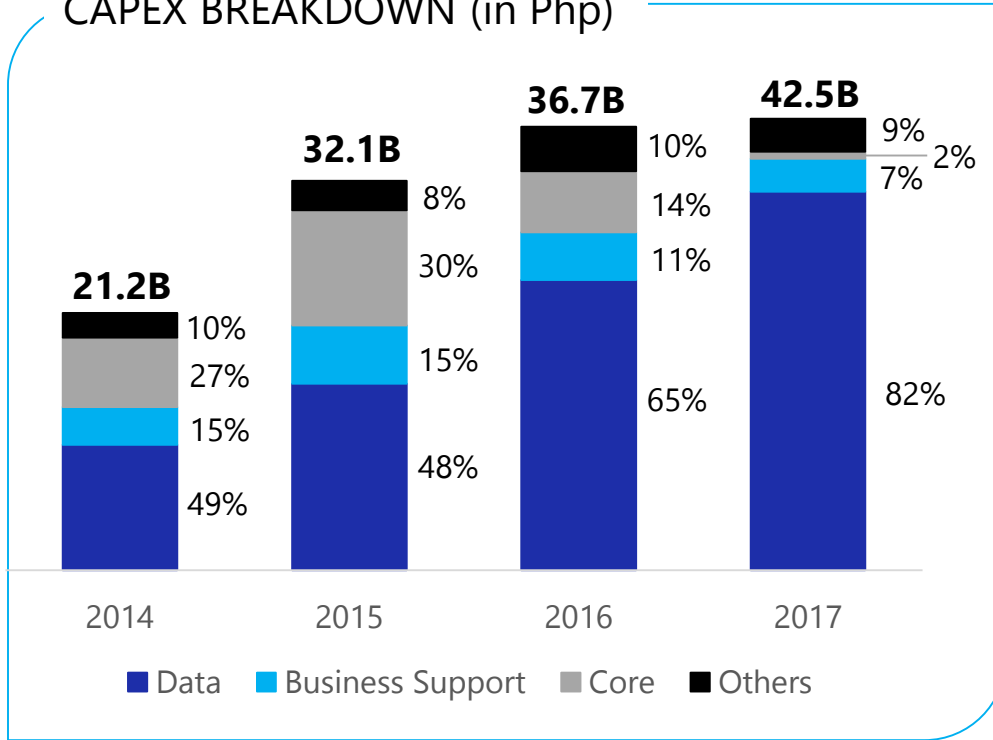


Reported NIAT decreased by 5%, due to increases in depreciation and taxes; on a normalized basis, NIAT also decreased by 13%



Capex for FY17 at PHP42.5B or USD844M*, with 82% allocated for data-related requirements

CAPEX BREAKDOWN (in Php)



* Based on FX rate of Php50.404

4Q17 ROLLOUT UPDATE

+595

LTE SITES

+175K

HOME BROADBAND
SUBSCRIBER LINES*

* Composed of wired and wireless

- Globe Board approved additional capex of USD100M, bringing 2017 capex to USD850M.

Key gearing ratios remain within covenant levels

Gross Debt

PHP **131.5**
BILLION

Gross D/E

1.98x
Covenant = 2.5:1

Gross Debt/EBITDA

2.43x
Covenant = 3:1

1Q18 DIVIDENDS

PHP **22.75**
PER SHARE

RECORD DATE:

February 20, 2018

PAYMENT DATE:

March 5, 2018

2018 Consolidated Outlook

Revenues

Up by
low single digit
from 2017 level

EBITDA Margin

Maintained at
~40%

CAPEX

Capex cashflow
~US\$850M
majority for data

Gearing

Remain under
**covenant
levels**

Cost Considerations

Increased interest expenses from additional debt to satisfy cash requirement for the sustained capex-related spending

Depreciation charges to continue upswing, on the back of the elevated historical capex spending and continued investment in the network for 2018

Globe's share in equity losses and spectrum amortization related to the SMC transaction would be up to Php35 Million per month

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Appendix 1

Historical Consolidated Gross / Net Service Revenues and EBITDA Margin

	2015				2016				2017			
(In Million Pesos)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
CONSOLIDATED SERVICE REVENUES												
Mobile	21,635	22,826	23,052	23,730	23,148	22,778	22,577	23,752	23,799	24,520	24,794	25,370
Mobile Voice	9,191	9,556	9,315	9,065	8,181	8,470	8,752	8,662	7,901	8,322	8,188	7,864
Mobile SMS	6,807	6,757	6,641	6,192	5,763	5,577	5,704	6,154	5,930	5,860	5,601	5,758
Mobile Data	5,636	6,513	7,096	8,472	9,203	8,731	8,121	8,936	9,968	10,338	11,005	11,748
Fixed Line & Broadband	4,585	4,784	6,475	6,593	6,856	7,089	7,080	7,308	7,323	7,259	7,444	7,398
Home Broadband	2,300	2,419	3,127	3,474	3,534	3,615	3,738	3,793	3,844	3,882	3,988	3,931
Corporate Data	1,543	1,603	2,349	2,204	2,367	2,496	2,443	2,567	2,541	2,481	2,600	2,666
Fixed Line Voice	742	762	999	916	955	978	899	949	938	896	856	800
Total	26,220	27,610	29,527	30,323	30,004	29,867	29,656	31,061	31,122	31,779	32,238	32,767
EBITDA	11,043	11,672	12,073	11,174	13,067	12,531	11,913	12,467	13,315	13,944	13,365	12,702
EBITDA Margin	42%	42%	41%	37%	44%	42%	40%	40%	43%	44%	41%	39%

	2015				2016				2017			
(In Million Pesos)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Service Revenues	24,162	25,438	27,565	28,084	27,689	27,537	27,423	28,932	29,065	29,662	30,449	30,878
Interconnection Settlement Costs	2,057	2,173	1,962	2,238	2,316	2,330	2,233	2,129	2,057	2,117	1,789	1,889

Appendix 2

Mobile Subscribers, Net Adds, Churn Rates and Gross ARPUs

Subscribers	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Globe Postpaid	2,458,045	2,517,215	2,561,290	2,597,027	2,564,148	2,521,218	2,508,800	2,489,719	2,467,069	2,460,671	2,473,374	2,484,788
Globe Prepaid	22,214,373	23,287,012	24,391,990	25,915,096	25,452,193	27,381,884	29,409,827	28,433,793	26,678,674	27,696,014	27,706,128	27,909,102
TM	23,745,018	25,195,520	26,130,002	27,670,555	29,249,341	31,408,346	33,444,153	31,875,346	29,434,517	29,565,407	29,151,864	30,292,265
Total	48,417,436	50,999,747	53,083,282	56,182,678	57,265,682	61,311,448	65,362,780	62,798,858	58,580,260	59,722,092	59,331,366	60,686,155
Net Adds	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Globe Postpaid	9,361	59,170	44,075	35,737	(32,879)	(42,930)	(12,418)	(19,081)	(22,650)	(6,398)	12,703	11,414
Globe Prepaid	1,071,443	1,072,639	1,104,978	1,523,106	(462,903)	1,929,691	2,027,943	(976,034)	(1,755,119)	1,017,340	10,114	202,974
TM	1,248,151	1,450,502	934,482	1,540,553	1,578,786	2,159,005	2,035,807	(1,568,807)	(2,440,829)	130,890	(413,543)	1,140,401
Total	2,328,955	2,582,311	2,083,535	3,099,396	1,083,004	4,045,766	4,051,332	(2,563,922)	(4,218,598)	1,141,832	(390,726)	1,354,789
Churn Rate	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Globe Postpaid	3.5%	2.9%	3.3%	3.2%	3.7%	3.7%	3.1%	2.8%	2.8%	2.5%	2.6%	2.2%
Globe Prepaid	5.9%	6.2%	6.1%	5.2%	7.7%	5.7%	5.3%	8.2%	10.0%	6.8%	7.1%	7.5%
TM	6.7%	6.6%	6.8%	6.1%	6.1%	6.0%	5.2%	8.8%	10.5%	7.5%	7.9%	7.2%
Blended	6.1%	6.2%	6.3%	5.5%	6.7%	5.8%	5.2%	8.3%	9.9%	7.0%	7.3%	7.1%
Gross ARPU	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Globe Postpaid	1,116	1,130	1,088	1,122	1,105	1,123	1,143	1,168	1,158	1,177	1,209	1,177
Globe Prepaid	128	130	124	117	116	109	99	104	111	119	116	123
TM	74	76	73	70	65	61	57	60	64	68	69	71
Blended	153	154	146	141	136	128	119	123	130	138	138	141
HOME BROADBAND	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Revenues	2,300	2,420	3,126	3,474	3,534	3,615	3,738	3,793	3,844	3,881	3,988	3,931
Subscribers	779,590	826,001	1,026,466	1,068,920	1,101,189	1,136,608	1,147,951	1,130,750	1,191,261	1,229,573	1,255,253	1,301,161
Gross Adds	100,387	111,152	139,094	137,417	144,543	158,130	159,041	144,515	157,401	156,396	161,328	161,368
Churn Rate	2.7%	2.7%	3.6%	3.5%	3.4%	3.6%	4.2%	4.7%	2.9%	3.3%	3.6%	3.0%

Appendix 3

Reconciliation of Net Income to Core Net Income

(in Million Pesos)	4Q17	4Q16	% Change	3Q17	% Change
Reported Net Income After Tax	2,104	4,173	-50%	4,893	-57%
Deferred Tax on Unexercised Stock Options	31	47	-33%	26	20%
Add (deduct) Forex loss (gain)	(117)	9	-1391%	155	-176%
Other Adjustments – (including acc. depreciation)	321	36	786%	(1,841)	-117%
Core Net Income	2,339	4,265	-45%	3,233	-28%