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PRESS STATEMENT

Ayala Corp. and Globe turn over full ownership of BPI Globe BankO to BPI

Ayala Corporation (AC), Globe Telecom, Inc. (Globe), and Bank of the Philippine Islands (BPI) today have inked an agreement to turn over full ownership of BPI Globe BankO (BankO) to BPI, one of the majority owners of the joint venture.

Pending completion of regulatory and business requirements (including the issuance of a fairness opinion on the share valuation), the agreement will result in the country's first mobile phone-based savings bank becoming a wholly-owned and managed subsidiary of BPI. It is expected that BPI will assume full ownership in BankO by year-end. Despite the change in shareholder structure, BankO will continue to provide broader and more competitive access to funds and critical financial services to the underbanked, as it has done in its five years of operation.

AC and Globe will sell their respective 20% and 40% stakes in BankO to BPI, which already owns 40% of BankO.

AC will continue to pursue its commitment to inclusive growth through both BPI and Globe's traditional and non-traditional ventures in the microfinance space. Further, with the transfer of ownership, BankO will be better placed to perform its microfinance activities within existing regulations.

"We take this opportunity to thank our partners for giving us yet another opportunity to give access to funds and other banking services to clients who, otherwise, would not have been able to bridge their personal financial needs and jumpstart their ventures," said Cezar P. Consing, BPI President and CEO.

"Globe and Ayala have helped lay the groundwork for the very important task of engaging and serving more Filipinos. Over the next few months, we will be in the process of transitioning BankO within the BPI group and it is our goal to continue providing the highest level of service during this time."

Globe, on the other hand, will continue to explore non-traditional avenues in microfinance by leveraging its telecommunications infrastructure and mobile money platform.

"We welcome this development that would support BPI's commitment to financial inclusion, especially to the underserved and unbanked sectors. At the same time, Globe remains committed to further stimulate grassroots financial services development through affordable, innovative and non-traditional avenues towards microfinance, complementing the efforts of BPI and BankO," said Ernest L. Cu, Globe President and CEO.

AC CEO and Chairman Jaime Augusto Zobel de Ayala added, "We believe that BPI's assumption of full control and ownership of BankO is an important step in the continued effort of the Ayala group to provide access to essential financial services to the unbanked segments of our population. BPI and BankO will now be properly positioned to

pursue traditional microfinance lending within existing regulatory frameworks. With this transaction and Globe's separate, but complementary, efforts to develop and provide innovative microfinance solutions, the Ayala group will continue to deliver extensive and innovative microfinance solutions to a broader segment of the Philippine population."

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