

Globe open to sharing cell towers with PLDT

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Globe Telecom Inc. is open to working with rival PLDT Inc. for the proposed independent company that build cellular towers in the country.

In a briefing Monday, Globe president and chief executive officer Ernest Cu said the Ayala-led telco has always been open to working with PLDT on sharing towers.

“We’ve always been open to sharing. We are not into that, exclusivity. We like the open market. We think it benefits both of us. Costs will be lower,” Cu said.

Globe chief financial officer Rizza Maniego-Eala said in the same event, the telco has been trying to convince PLDT to form a tower sharing venture to save on capex.

Earlier, Globe announced it is in talks with independent third parties to establish a tower company for faster deployment of cellular towers in the country.

It is looking to divest all or part of its tower assets to independent tower companies as part of its network expansion and optimization plan.

Eala said Globe has appointed UBS as financial adviser for the project’s preparatory phase.

“At the moment, we are analyzing our options from structure and the process,” Eala said.

While there are no specifics yet, she said the telco has obtained approval from the board to divest all or apportion a bit of its towers.

At present, Globe has 8,000 cell towers.

Following the appointment of UBS, Globe said the telco would release either a request for information or request for proposal to start the bid process.

“But again, that would depend on different structures and whatever option we will choose. So, we are looking for maybe something towards the end of the year, completing a transaction, pending any regulatory requirements,” she said.

As of the first quarter, Globe’s net income reached P4.7 billion, up 24 percent from P3.8 billion in the same period last year.

Globe attributed the increase mainly to earnings before interest, taxes, depreciation and amortization offsetting depreciation charges and non-operating expenses for the period.

Consolidated service revenue reached P33.2 billion in the first quarter, seven percent higher than the P31.1 billion a year ago amid strong demand for data-related products.

In terms of capital expenditures, Globe has spent P6.6 billion to support the growing subscriber base and its demand for data.

Globe had 63.3 million mobile subscribers as of endMarch, an eight percent increase from the 58.6 million subscribers in the same period last year.

It also had 1.40 million home broadband subscribers from January to March, 17 percent higher than the 1.19 million subscribers a year ago.