



**FIRST PACIFIC COMPANY LIMITED**  
**第一太平有限公司**

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## Press Release

**Thursday, 7 August 2014**

**PLDT and Rocket Internet announce a global strategic partnership  
for the development of innovative online payments solutions  
in emerging markets**

The attached press release was distributed today in Manila by Philippine Long Distance Telephone Company (“PLDT”), in which First Pacific Group holds an economic interest of approximately 25.6%.

PLDT is the leading telecommunications service provider in the Philippines. Its shares are listed on the Philippine Stock Exchange and its American Depositary Receipts are listed on the New York Stock Exchange. It has one of the largest market capitalizations among Philippine listed companies. Through its principal business groups, PLDT offers a wide range of telecommunications services: Wireless (principally through subsidiary companies, Smart Communications, Inc. and Digital Mobile Philippines, Inc. (“Sun”)) and Fixed Line (principally through PLDT, ePLDT and Digital Telecommunications Philippines, Inc. (“Digitel”)). PLDT has developed the Philippines’ most extensive fiber optic backbone, and cellular and fixed line networks.

Further information on PLDT can be found at [www.pldt.com](http://www.pldt.com)

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**PLDT AND ROCKET INTERNET ANNOUNCE A GLOBAL STRATEGIC PARTNERSHIP FOR THE DEVELOPMENT OF INNOVATIVE ONLINE PAYMENTS SOLUTIONS IN EMERGING MARKETS**

**MANILA, Philippines & BERLIN, Germany, 7<sup>th</sup> August 2014**– Philippine Long Distance Telephone Company (“PLDT”) (PSE:TEL) (NYSE:PHI), the leading telecoms operator in the Philippines, and Rocket Internet AG (“Rocket”), have entered into a global strategic partnership to drive the development of online and mobile payment solutions in emerging markets.

Under the terms of the partnership agreement PLDT will invest €333 million for a 10 per cent stake in Rocket. PLDT's investment terms reflect its long-term commitment to Rocket and its unique ability to combine PLDT's world-class mobile money expertise and resources with Rocket's global platform to drive future value enhancing growth opportunities.

Concurrent with the investment, PLDT and Rocket will jointly develop mobile and online payment technologies and services in emerging markets. The partnership will leverage PLDT's experience and intellectual property in mobile payments and remittance platforms, together with Rocket's global technology platform, to provide products and services for the “unbanked, uncarded and unconnected” population in emerging markets.

Rocket provides a platform for the rapid creation and scaling of consumer internet businesses outside the U.S. and China. Rocket has more than 20,000 employees in its network of companies across over 100 countries, with aggregated revenues in excess of €700 million in 2013. Its most prominent brands include leading Southeast Asian e-Commerce businesses Zalora and Lazada, as well as fast growing brands with strong positions in their markets such as Dafiti, Linio, Jumia, Namshi, Lamoda, Jabong, Westwing, Home24 and HelloFresh, in Latin America, Africa, Middle East, Russia, India and Europe. Alongside e-Commerce and marketplaces, financial technology and payments comprise Rocket's third sector where it anticipates numerous and significant growth opportunities.

PLDT's wireless subsidiary, Smart Communications Inc., is itself a global pioneer in mobile banking and mobile wallet services. It has introduced several world-first mobile payment innovations in domestic and global markets, including markets where up to 4 out of 5 people are “unbanked”. Its services include online money transfers, payments, disbursement, banking and security, and it has been recognised with awards from the United Nations, USAID and the GSMA.

Smart's mobile money system handled transactions valued at approximately €3.4 billion in 2013. Its mobile money subsidiary, Smart eMoney, co-developed and operates a global mobile payments platform of MasterCard, and, is now working with Citibank and VISA to develop new

innovative financial services. Its mobile banking platform is currently employed by the top three banks of the Philippines. Smart's mobile money services have also been used by United Nations and Philippine government agencies for widespread and efficient cash distribution and other relief and rehabilitation efforts in areas affected by recent natural disasters.

PLDT's investment in Rocket will be in new shares issued by the company, of the same class and bearing the same rights as shares held by current investors. As part of the investment, PLDT will hold the right to appoint one member of Rocket's nine person Supervisory Board. PLDT will fund the investment from available cash and new debt, with no significant impact on PLDT's leverage ratios and funding costs. PLDT joins Investment AB Kinnevik and Access Industries as the third external investor in Rocket, in addition to Global Founders GmbH (formerly: European Founders Fund GmbH).

**Napoleon L. Nazareno, President and CEO of PLDT, said:**

"We are very excited to embark on this journey with Rocket. Our investment demonstrates our commitment to the global Internet market and our belief in the powerful synergies between e-Commerce and mobile payments, particularly in developing economies. The strategic partnership will allow us to leverage our combined strengths in developing online and mobile payment solutions in emerging markets. Rocket has developed a unique platform for establishing new Internet companies and a proven track record in successfully rolling out these businesses in fast growing markets. We expect the partnership to have a pronounced positive impact on our organization."

**Oliver Samwer, Founder and CEO of Rocket Internet, commented:**

"Rocket and PLDT share a vision for the growth opportunity of Internet and mobile business models in emerging markets, as smartphone penetration increases exponentially. We believe in our ability to create significant value together, leveraging the Rocket platform and PLDT's expertise. Strategic partnerships are a core part of Rocket's strategy to provide great services to consumers and rapidly roll out new Internet based business models across diverse geographies. Financial technology is a key focus sector for Rocket and this partnership will allow us to build on PLDT's world-class innovations in mobile money and micro-payments and accelerate the delivery of those solutions around the world. We are very pleased to welcome PLDT into our core shareholder base."

**Manuel V. Pangilinan, Chairman of PLDT, commented:**

"This move is in line with PLDT's strategy of providing relevant and value-enhancing services to its customers. This new partnership marks a major step forward in the pursuit of our Live Digital! Vision, bringing us even closer to our clients and enhancing PLDT's innovation capabilities in the digital economy. We will continue to pursue further digital partnerships as one of our key strategic initiatives to drive growth and create value for our stakeholders, whilst leveraging on PLDT's unique combination of assets."

**ENDS**

## **About PLDT**

PLDT is the leading telecommunications provider in the Philippines. Through its principal business groups – fixed line and wireless– PLDT offers a wide range of telecommunications and multimedia services across the Philippines’ most extensive fiber optic backbone and fixed line, and cellular network. PLDT is listed on the Philippine Stock Exchange (PSE:TEL) and its American Depositary Shares are listed on the New York Stock Exchange (NYSE:PHI). PLDT has one of the largest market capitalizations among Philippine listed companies. Further information can be obtained by visiting the web at [www.pldt.com](http://www.pldt.com).

## **About Rocket Internet AG**

Rocket's mission is to become the world’s largest Internet platform outside of China and the United States. Rocket identifies and builds proven internet business models and transfers them to new, underserved or untapped markets where it seeks to scale them into market leading online companies.

Rocket is focused on online business models that satisfy basic consumer needs across three sectors: e-Commerce, marketplaces and financial technology.

Rocket started in 2007 and now has more than 20,000 employees across its network of companies, which operate in more than 100 countries on five continents.

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