

PLDT WELCOMES ROCKET INTERNET'S ANNOUNCEMENT OF INTENTION TO FLOAT

MANILA, Philippines, 10th September 2014 - Philippine Long Distance Telephone Company ("PLDT") (PSE:TEL) (NYSE:PHI), the leading telecoms operator in the Philippines, welcomed the announcement of Rocket Internet AG ("Rocket") of its intention to proceed with an initial public offering (the "IPO" or "Offer") on the Frankfurt Stock Exchange in 2014.

On 7 August 2014, PLDT and Rocket announced a global strategic partnership to drive the development of innovative online payments solutions in emerging markets. Under the terms of the partnership agreement, PLDT would invest €333 million in Rocket. Of this amount, 50% has already been paid. Following the announcement of Rocket's intention to proceed with the IPO, PLDT will now pay in full the remaining 50% of its investment in Rocket.

The Rocket IPO is intended to take place later in 2014. The Offer, if pursued, is expected to consist solely of new shares from a capital increase. The new shares will be of the same class and bearing the same rights as shares held by current Rocket shareholders.

Currently, the shareholders consist of Global Founders GmbH ("Global Founders", which is the investment vehicle of Oliver Samwer, the founder and CEO of Rocket, and his brothers), Investment AB Kinnevik ("Kinnevik"), Access Industries ("Access"), Philippine Long Distance Telephone Company ("PLDT"), United Internet ("UI") and HV Holtzbrinck Ventures ("HV"). All existing shareholders of Rocket Internet will remain invested and will not sell any shares as part of the offering. All six shareholders have signed lock up commitments not to sell or otherwise dispose of their shares for at least twelve months.

Rocket intends to use the proceeds from the IPO to finance its future growth through the launch of new businesses and providing further equity capital to its network of companies.

A copy of the Rocket Internet Press Release is attached for additional reference.

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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.

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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Rocket Internet Announces Intention to Float

- Rocket Internet plans an initial public offering on the Frankfurt Stock Exchange in 2014
- Leading emerging markets e-commerce platform, with the mission to become the largest Internet platform outside of the United States and China
- IPO to raise approximately €750 million in gross proceeds to fund future growth opportunities
- Offer to consist of only primary capital; no current shareholders will sell any shares

Berlin, Germany, 10 September 2014 – Rocket Internet AG (“Rocket”), today announces its intention to proceed with an initial public offering (the “IPO” or “Offer”) on the Frankfurt Stock Exchange in 2014.

Rocket’s mission is to become the world’s largest Internet platform outside of the United States and China. Rocket is an operating company that aims to meet the growing demand for a wide range of consumer Internet services in countries all around the world. Rocket studies Internet consumption trends and uses its unique operating platform to identify and build proven Internet business models in new, underserved or untapped markets, where it seeks to scale them into market leading companies.

Rocket is focused on building online businesses across three sectors: e-commerce, marketplaces and financial technology. It is active in highly attractive markets, with a particular focus on emerging and fast growing economies such as Latin America, South East Asia, India and Africa. Since its founding in 2007 Rocket has grown significantly, expanding to over 100 countries, with more than 20,000 persons working across its network of companies today. This highlights the ability of Rocket’s scalable operating platform to rapidly establish market leading positions in many different markets.

Oliver Samwer, Founder and CEO of Rocket, said:

“We believe the Internet will play a transformational role in people’s lives everywhere, particularly in emerging markets. We have built a unique platform that has allowed us to take Internet business models to over 100 countries today, bringing basic goods and services to our diverse customer base. We have developed our own proprietary technology, a unique geographic footprint and infrastructure, and best/in/class processes, all supported by outstanding people on the ground all over the world. Taking our company public is the next step in our journey to build the world’s leading Internet platform outside of the United States and China.”

Lorenzo Grabau, Chairman of the Supervisory Board of Rocket Internet, said:

“Rocket Internet has shown tremendous growth over the past years and has proven that its operating platform is a unique basis to consistently create and scale market leading franchises across the five continents. The IPO is a natural next step in Rocket’s development as it establishes an even stronger foundation to support the acceleration of its international growth strategy.”

Rocket’s Business & Opportunity

Rocket has a successful track record of executing its business models across a wide range of markets and creating significant value for investors.

Exposure to High Growth Markets

- Rocket targets an enormous market with a population of 5.4 billion people in the countries it serves. These countries are home to 75% of the world’s population and about 75% of all global mobile phone users.
- Rocket is well positioned to capitalize on four global megatrends: booming smartphone penetration, younger populations of “digital natives” in emerging markets, a growing middle class driving consumption, and the ability of Internet technology to leapfrog the development of traditional physical retail infrastructure in developing countries.
- Rocket’s markets have outperformed global GDP growth over the past few years. E-commerce in these markets has been growing even faster, driven by rising mobile Internet adoption.

- Despite the recent growth of e-commerce in emerging markets, Internet penetration and online purchasing habits are still nascent relative to developed markets, highlighting the significant opportunity for further growth.

Market leading positions in e-commerce and marketplaces

- Rocket has established a number of online fashion retailers in Latin America (*Dafiti*), Russia & CIS (*Lamoda*), Asia Pacific (*Zalora*), India (*Jabong*) and the Middle East (*Namshi*). Many of these companies occupy leading positions. They will be combined into the Global Fashion Group later in 2014.
- Rocket has further established general merchandise e-commerce companies in Africa (*Jumia*), South East Asia (*Lazada*) and Latin America (*Linio*); an online international home food delivery company (*HelloFresh*); and home and living companies (*Home24* and *Westwing*). Many of them are among the leaders in their markets.
- Rocket's online marketplace companies facilitate the disintermediation and substitution of traditional supply chains by creating venues where buyers and sellers can transact directly. They operate based on a large number of business concepts, including real estate and car classified listings (*Lamudi* and *Carmudi*), travel and transport (*Easytaxi*), food delivery companies (*foodpanda*), consumer-to-consumer marketplaces (*Kaymu*), and home services (*Helpling*).

Competitive advantages

- Rocket's unique operating platform combines an established infrastructure, standardized proven business processes and proprietary scalable technology solutions, including leading mobile applications, as well as a global network of companies with over 20,000 employees.
- Rocket benefits from the network effect of market leadership across a large number of business models and geographic regions. Every new company accelerates the virtuous circle of synergy creation. As the size of the network of companies increases, more significant opportunities are created to benefit from synergies and network effects with respect to our suppliers, solution providers, customers and employees.
- Rocket has established key strategic partnerships in particular with regional telecommunication operators such as Millicom, MTN and Ooredoo, who provide local know-how and access to a large client base, further enhancing Rocket's ability to build and scale businesses in high growth markets.

Track record of significant value creation for investors

- Since its foundation in 2007, Rocket's highly attractive founder economics have delivered a return of 25 times invested capital.
- The performance has been largely consistent across companies, different business models and geographies.

Proven management team

- Rocket's management team has a proven track record of identifying, building and scaling proven Internet models across many sectors and geographies.
- Supported by a strong Supervisory Board under the chairmanship of Lorenzo Grabau (CEO of Kinnevik).

Overview of the Offer

The IPO is intended to take place later in 2014. The offer, if pursued, is expected to consist solely of new shares from a capital increase. All existing shareholders of Rocket Internet will remain invested and will not sell any shares as part of the offering. Currently, the shareholders consist of Global Founders (the investment vehicle of Oliver Samwer, the founder and CEO of Rocket, and his brothers), Investment AB Kinnevik, Access Industries, Philippine Long Distance Telephone Company, United Internet and HV Holtzbrinck Ventures and some of their affiliates. The new shares will be of the same class and bearing the same rights as shares held by current Rocket shareholders. All six shareholders will sign lock up commitments not to sell or otherwise dispose of their shares for at least twelve months. Rocket intends to use the proceeds from the IPO to finance its future growth through the launch of new businesses and providing further equity capital to its network of companies.

Rocket plans to apply for inclusion of its shares for trading on the Frankfurt Stock Exchange via the Entry Standard. Rocket intends to move to the General or Prime Standard of the Frankfurt Stock Exchange in the next 18-24 months.

Berenberg, J.P. Morgan and Morgan Stanley are acting as Joint Global Coordinators of the Offer, and together with BofA Merrill Lynch, Citigroup and UBS Investment Bank, act as Joint Bookrunners.

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A conference call for journalists will take place at 10.00am GMT on 10th September 2014:

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Conference ID: 98789658#

Cautionary note regarding forward-looking statements:

This document contains forward-looking statements. These statements are based on the current views, expectations and assumptions of the management of Rocket Internet AG ("Rocket") and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations and competition from other companies, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, affecting Rocket, and other factors. Rocket does not assume any obligations to update any forward-looking statements.

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This publication constitutes neither an offer to sell nor a solicitation to buy securities. The offer will be made solely by means of, and on the basis of, a securities prospectus which is to be published. An investment decision regarding the publicly offered securities of Rocket should only be made on the basis of the securities prospectus. The securities prospectus will be published promptly upon approval by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and will be available free of charge from Rocket Internet AG, Johannisstraße 20, 10117 Berlin, Germany, or on the Rocket Internet website.

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