

Corporate Presentation 1Q16 **Results**

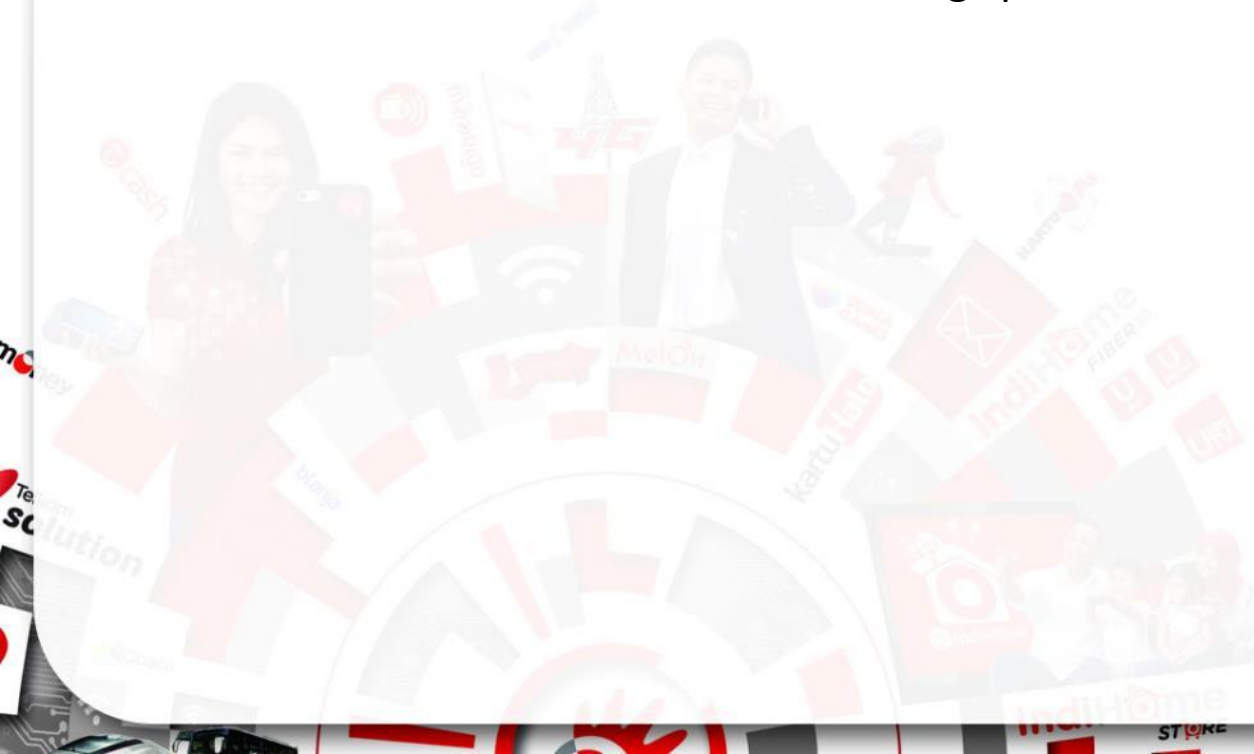
PT Telkom Indonesia (Persero) Tbk

May 2016



Disclaimer

This document may contain forward-looking statements within the meaning of safe-harbor. Actual results could differ materially from projections, estimations or expectations. These may involve risks and uncertainties, and may cause actual results and development to differ substantially from those expressed or implied in the statements. The company does not guarantee that any action, which may have been taken in reliance of this document will bring specific results as expected.



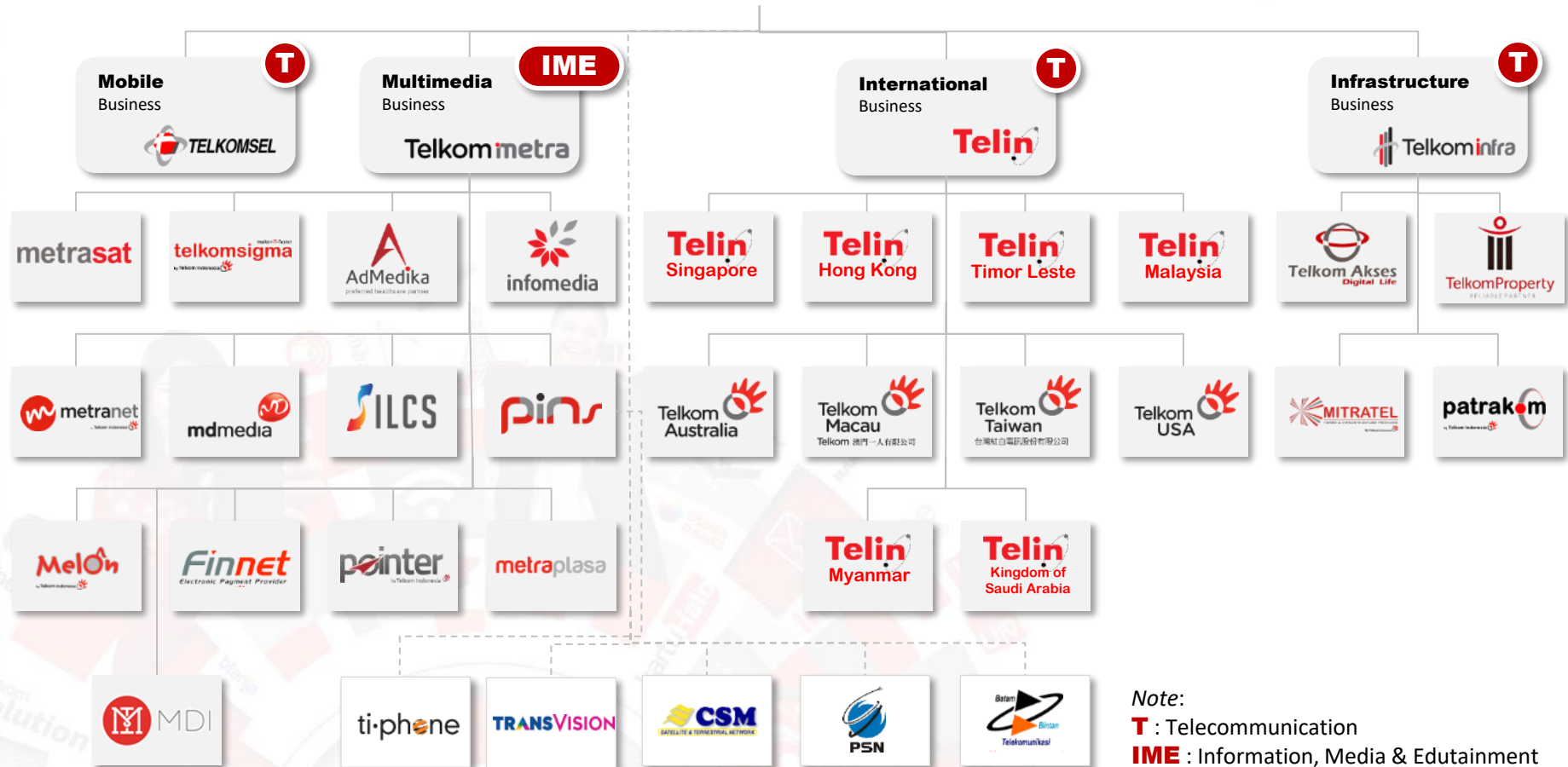
TELKOM in Brief

1Q16 Operational & Financial Results

Company Guidance 2016



Telkom and Subsidiaries



Affiliation

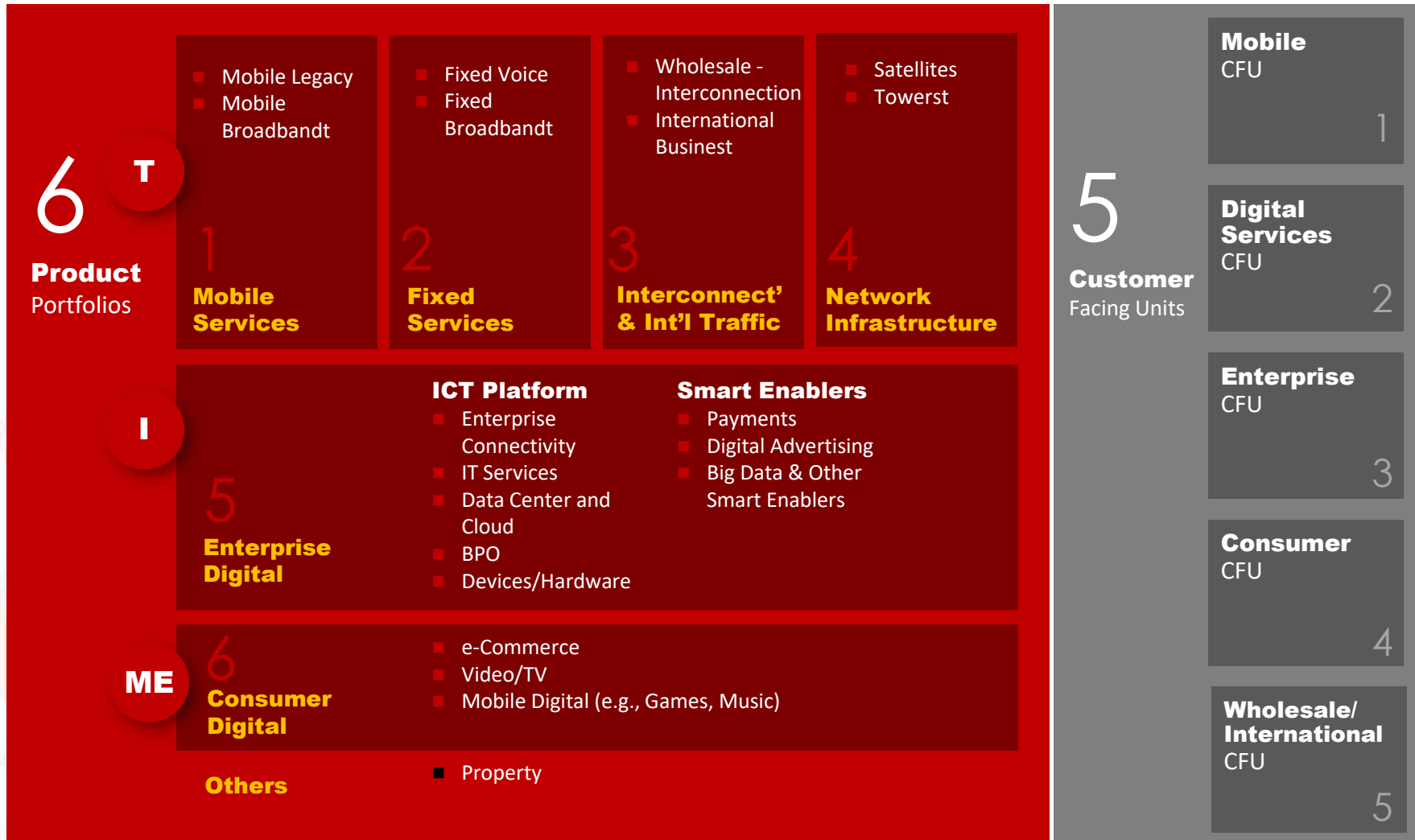
Note:

T : Telecommunication

IME : Information, Media & Edutainment

Telkom Group Portfolios

6 product portfolios with **5 Customer Facing Units (CFU)**



Share Ownership

Government **52.6%**

Public **47.4%**

Treasury Stock
2.6 Bn shares

Total Shares

100,799,996,400 shares

Market Capitalization

Rp358 Tn (USD27.2 Bn)*

Telkom Indonesia is listed at
Indonesia Stock Exchange (*Bloomberg: TLKM IJ*)
and New York Stock Exchange (*TLK US*)



IDX

Indonesia Stock Exchange
Bursa Efek Indonesia



*as of April 29, 2016

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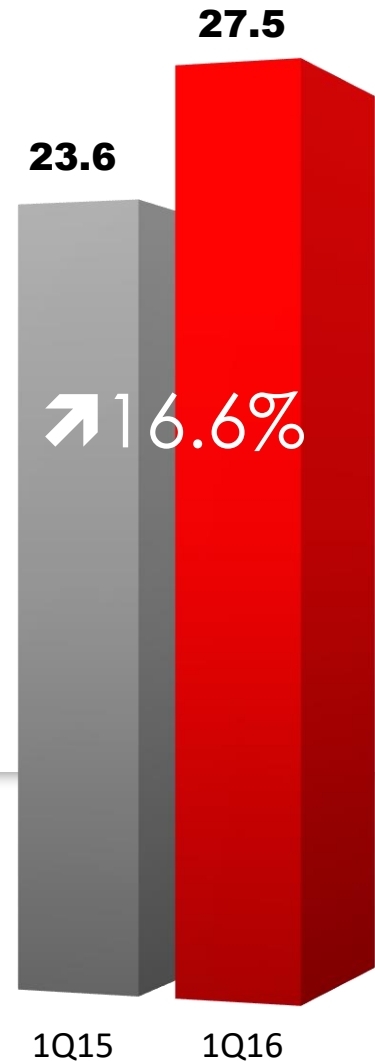
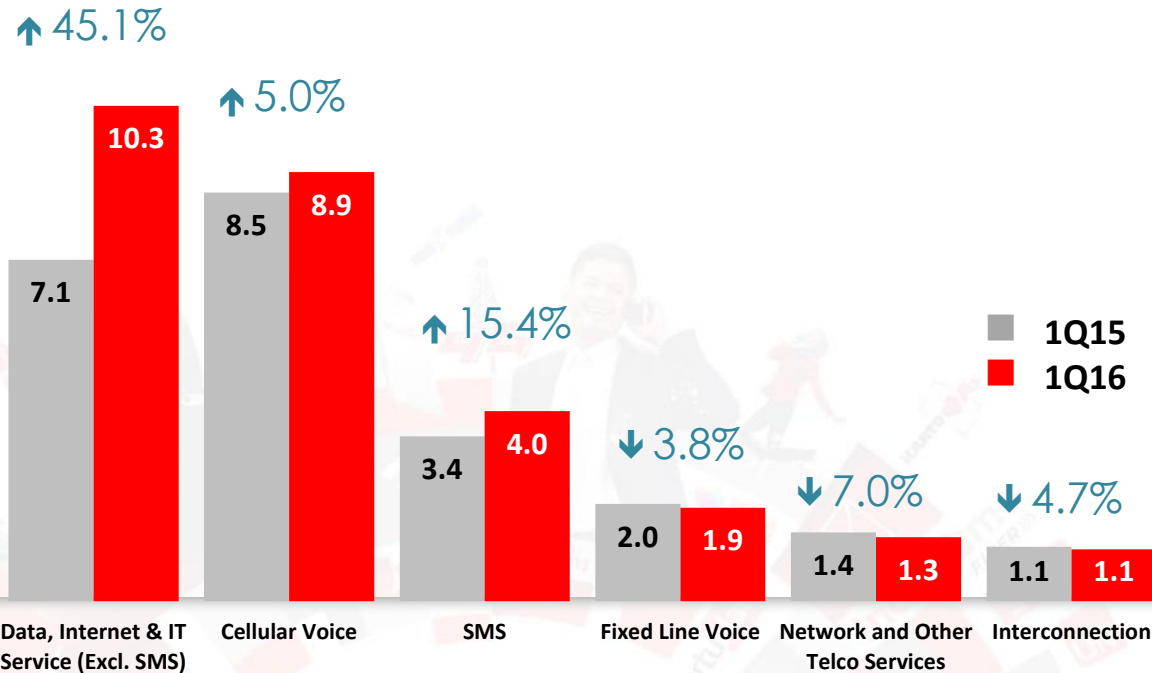


1Q16 Performance Highlights

- TLKM recorded a remarkable results in 1Q16. Triple-double-digit growth in **Revenue, EBITDA, and Net Income** of **16.6%, 18.8%, and 20.3%** YoY respectively.
- Healthy profitability with **EBITDA Margin** of **53.2%** and **Net Income Margin** of **16.7%**
- **Data, Internet, & IT Service (exclude SMS)** remained the biggest contributor with **37.4%** of revenue, increased **45.1%** YoY.
- **Telkomsel** built **over 7,000** new BTSs during 1Q16.
- Around **90%** of new BTSs are 3G/4G BTS to enhance mobile broadband experience.

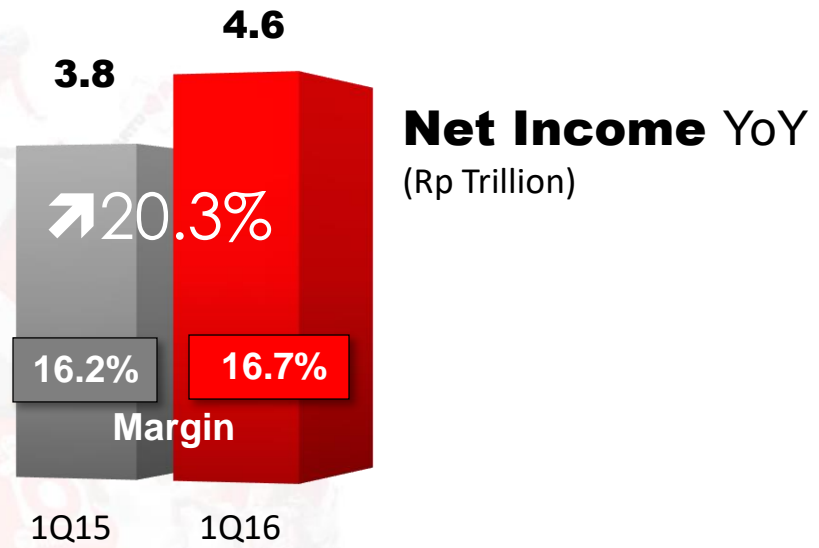
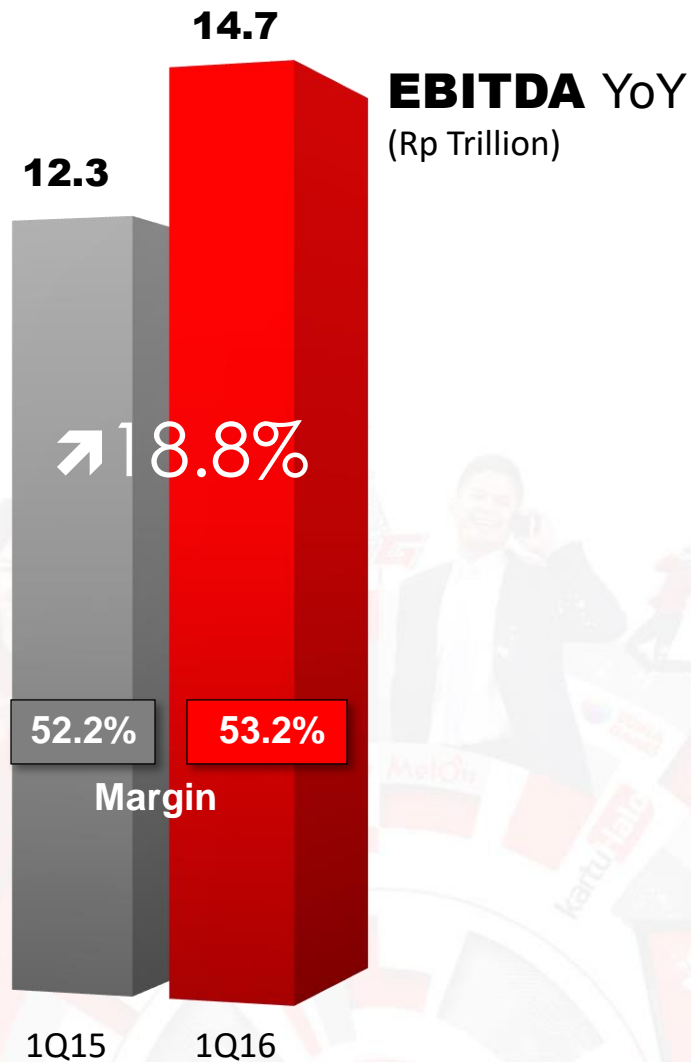
Strong Revenue Growth, Driven by Data Business

Revenue YoY (Rp Trillion)



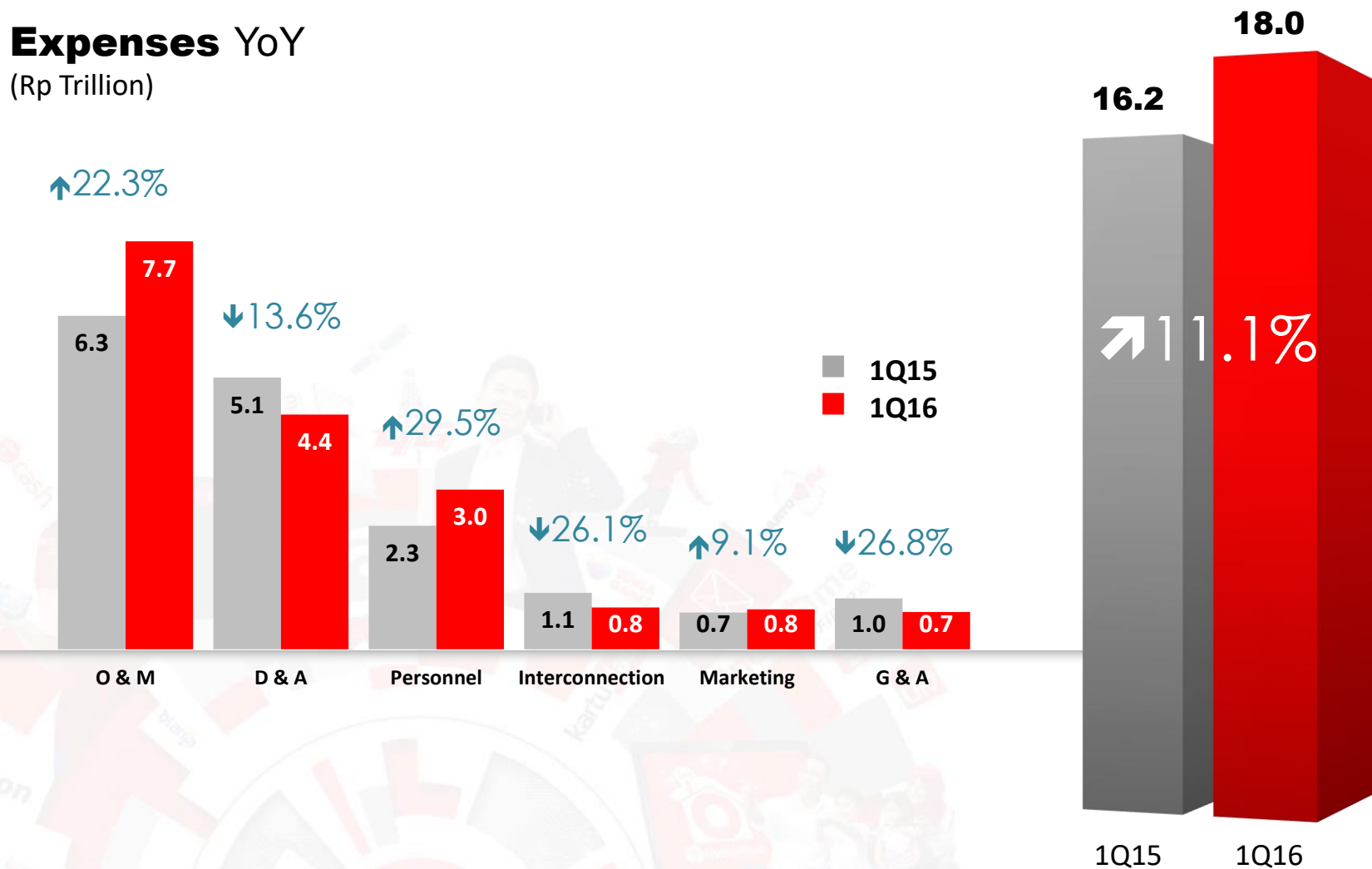
Note: SMS included SMS Banking and SMS advertising

Strong EBITDA & Net Income Growth with Healthy Margins



Increased Operating Expenses in line with Infrastructure Development

Expenses YoY (Rp Trillion)



Excellent Operational Results

Telkomsel Operational

- Total customers: 153.6 mn, increased 8.6% YoY.
- 3G/4G-capable device users: 64.5 mn (+47.5%).
- Mobile data payload jumped 89.6% YoY to 169,845 TB.
- 3.1 mn customers changed to USIM to enjoy 4G LTE.
- Added 7,223 new BTS in 1Q16, 90% are 3G/4G BTS.



TELKOM Operational

- IndiHome subs reached 1.35 Million in 1Q16
- Fixed broadband users (incl. non-IndiHome) increased 20.7 % YoY to 4.2 million

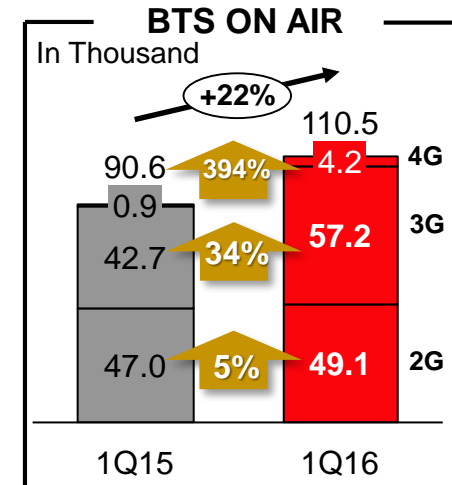
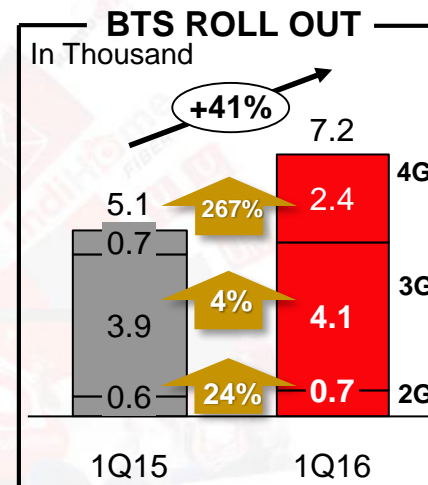
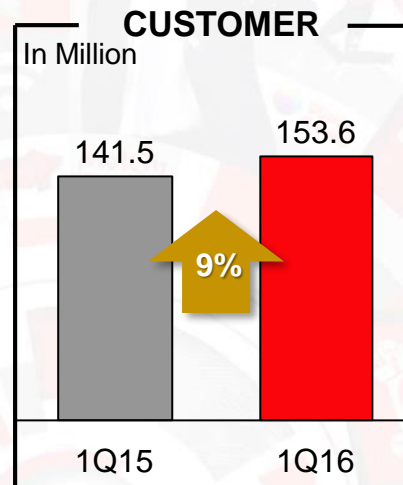
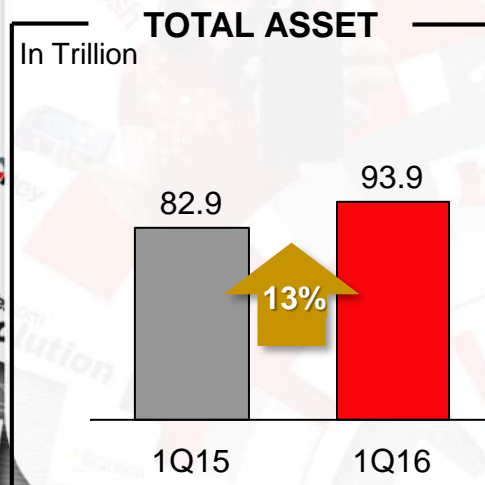
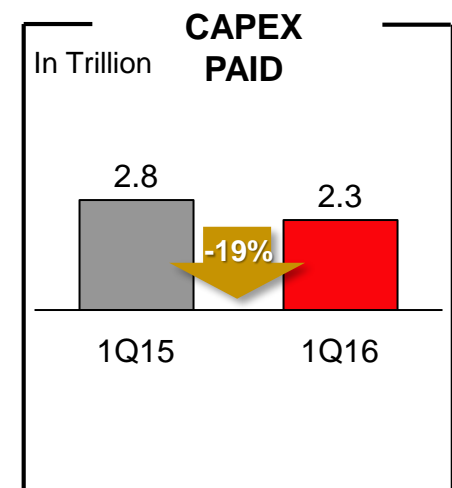
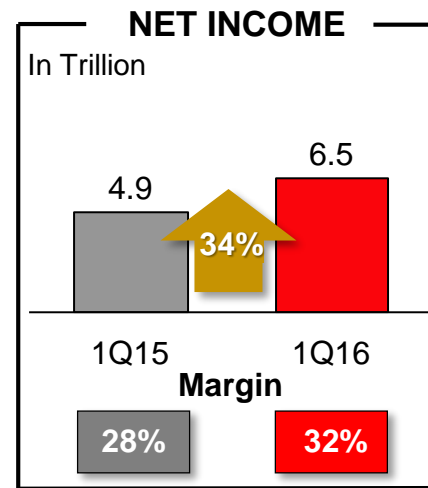
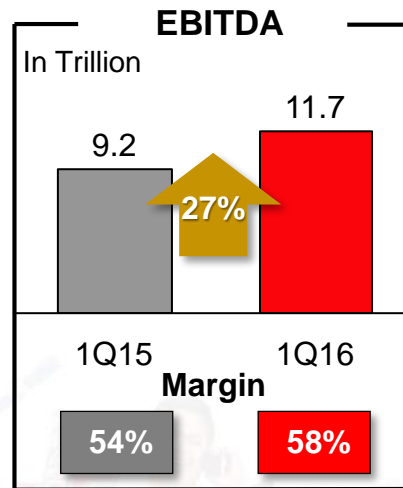
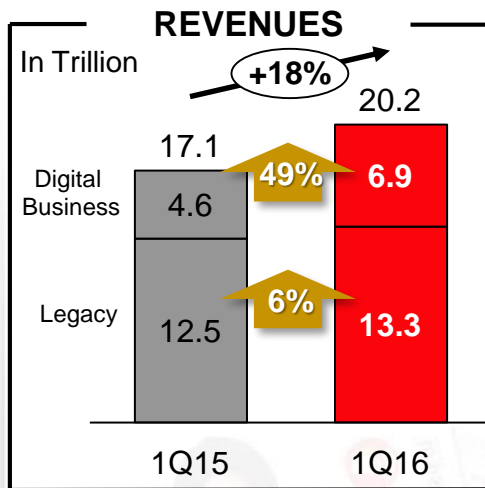


Telkomsel: Sustained Strong Performance



Another triple double-digit growth in Revenues, EBITDA and Net Income

YEAR-ON-YEAR ACHIEVEMENT

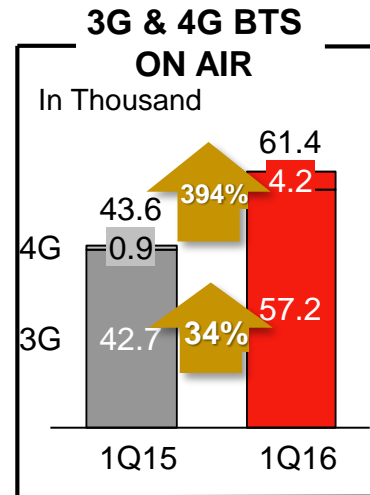
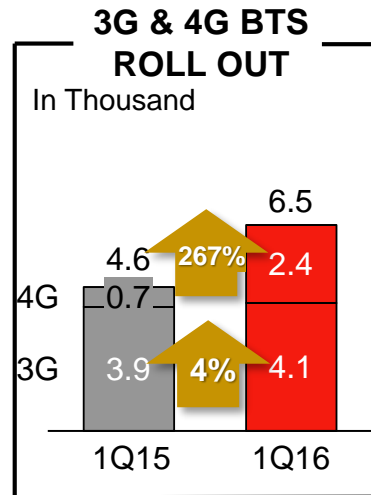
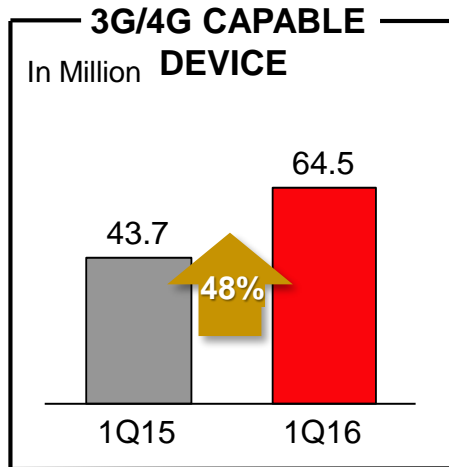
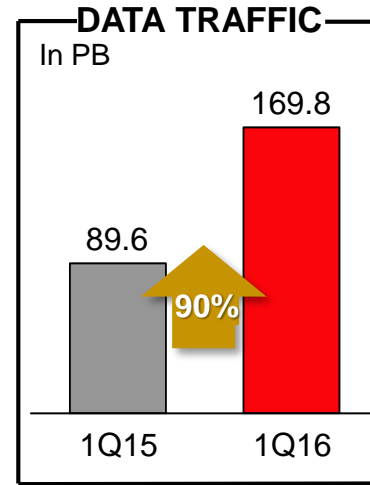
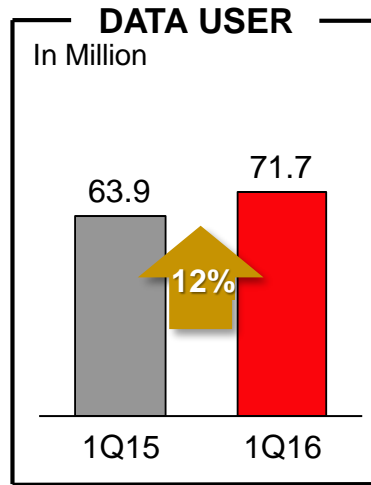
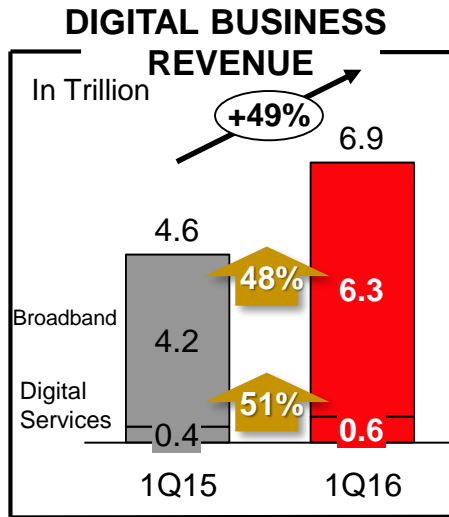


Telkomsel: Continued to Focus on Digital Business



Engine of growth with increased contribution that already accounted 34% of Total Revenues

YEAR-ON-YEAR ACHIEVEMENT



Broadband:



Telkomsel
Flash

BlackBerry

Digital Services:

- Digital Lifestyle
- Digital Advertising
- Digital Payment & Mobile Banking
- M2M



Progress in 1Q16

id-Access

True
Broadband
Access

- 10 Mn fiber-based homes passed
- 1.35 Mn IndiHome 3P customers

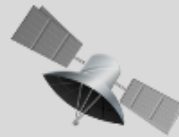
id-Ring

Nationwide
Broadband
Backbone

- 82,200 km nationwide fiber-based backbone network

TELKOM's Satellite

- To launch TELKOM-3 satellite
- To prepare TELKOM-4 satellite.



TELKOM-3
4Q- 2016

TELKOM-4
2Q-2018

AGMS keypoints:

- Dividend:
 - 60% pay out (50% Regular + 10% Special).
 - Recording date May 4, 2016.
 - Payment date May 26, 2016.
- New CFO Mr Harry M. Zen replacing Mr Heri Sunaryadi

International Business

- Acquisition of GTA Teleguam still under evaluation of US Authorities



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2016 Guidance

Revenue Growth

To grow better than market rate in FY16 by continued effort in growing digital business

EBITDA & Net Income Margins

To slightly decline in line with continued broadband infrastructure development both in mobile and fixed line businesses

CAPEX

- 22% to 25% of revenue with focus on broadband infrastructure
- 60% - 65% for mobile-related business
 - +/- 25% for fixed broadband-related business
 - The balance for other businesses

M&A Aspiration

To Enhance and increase digital business. Guidelines: 80% is digital / new wave portion of inorganic programs.

Main Programs

Telkomsel

Leading Mobile Digital Business

Indonesia Digital Network

Drive Digital Home & Enterprise

International Expansion

Smart International Business Growth

Thank You

PT Telkom Indonesia (Persero) Tbk

May 2016

