

# PT Telekomunikasi Indonesia, Tbk.

## 9M14 Results

October, 2014





# Disclaimer

This document may contain forward-looking statement within the meaning of safe-harbor. Actual results could differ materially from projections, estimations or expectations. These may involve risk and uncertainty, 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.





# Content

1. Telkom in Brief
2. Financial and Operational Results
































# Telkom **1** in Brief



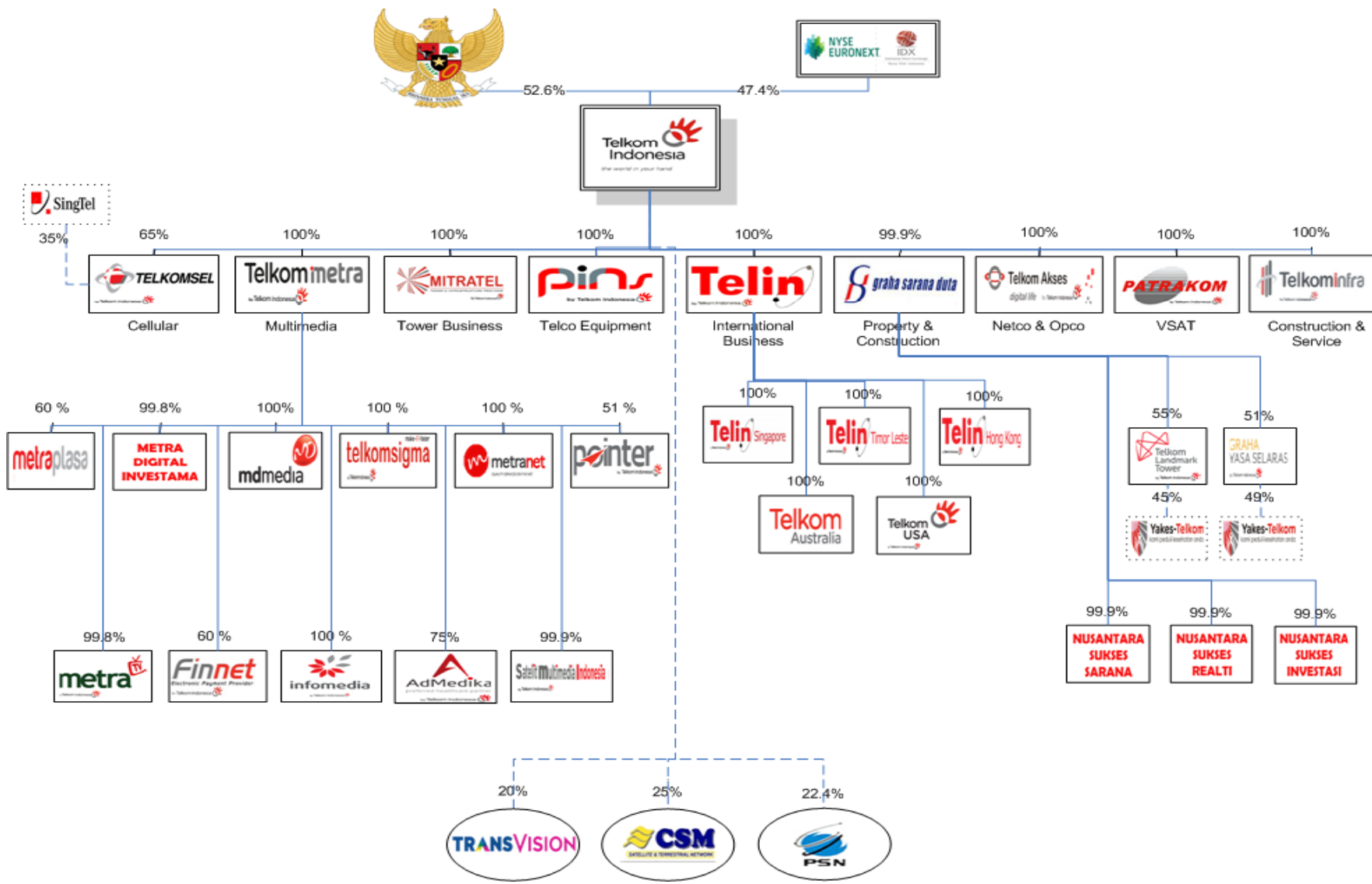


# Business and Customer Portfolio

	Telecommunication		Information		Media & Edutainment	
	POTS FWA Mobile / Cellular International Services Broadband  Network Services  Tower       		Premise Integration Services VA, Managed App & Performance/ITO E-Payment ITeS (BPO, KPO)       		Media : Pay TV & FTA Content / Portal          	
<b>Service</b>	<b>Retail</b>	<b>Personal</b>	<b>Consumer/Home</b>		<b>SME</b>	<b>Enterprise</b>
	<b>Wholesale</b>	<b>OLO ( Other Licensed Operators )</b>				
	<b>International</b>					

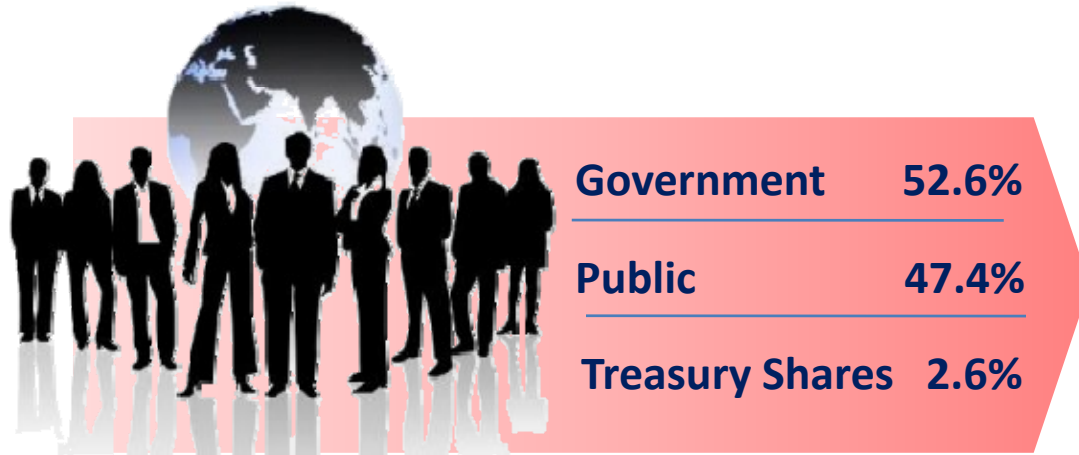


# Telkom and Subsidiaries





# Current Ownership



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



Total Shares

**100,799,996,400 shares**

Market Capitalization at IDX

**TOP 3** **Rp293.8Tn**

\*) as of September 30, 2014





# Financial and Operational Results







# Highlights

## Well maintained strong financial results

Consol Revenue grew 7.1% YoY to Rp65.8tn

Tsel Revenue grew by 10.0% YoY to Rp48.4tn

## Gaining remarkable subscribers growth

Broadband users grew 31.8% YoY to more than 29.8mn<sup>\*)</sup>

Cellular subscribers grew 8.9% YoY to 139.3mn

<sup>\*)</sup> exclude PAYU

## Telkomsel continues the leadership in network quality and coverage

**Total BTS 83,346** units, a 26.9% YoY growth

**3G BTS 37,082** units, a 58.2% YoY growth.

**New BTS 9M14 13,482** units, a 18.7% YoY growth, average  $\pm 1,500$  BTS/month

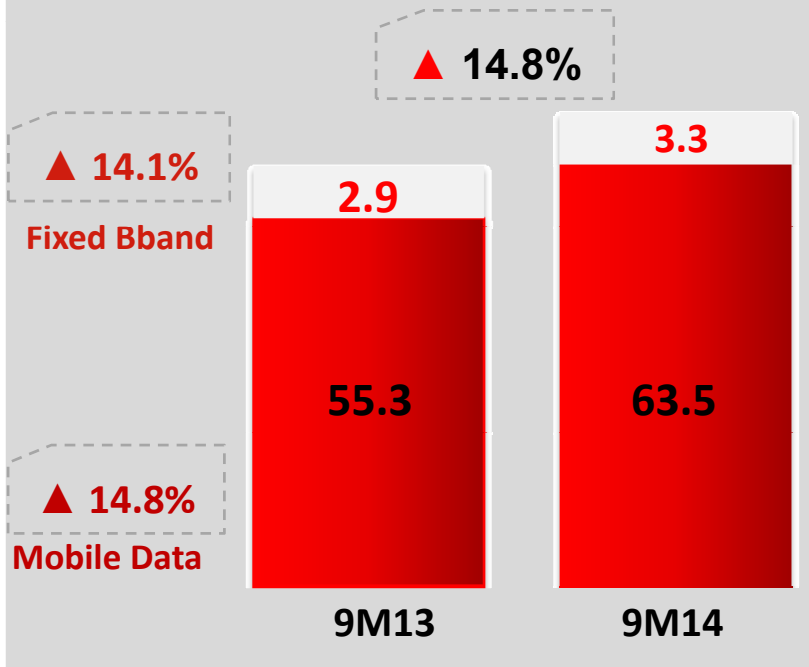
*Telkom recorded a strong operational and financial results in 9M14*



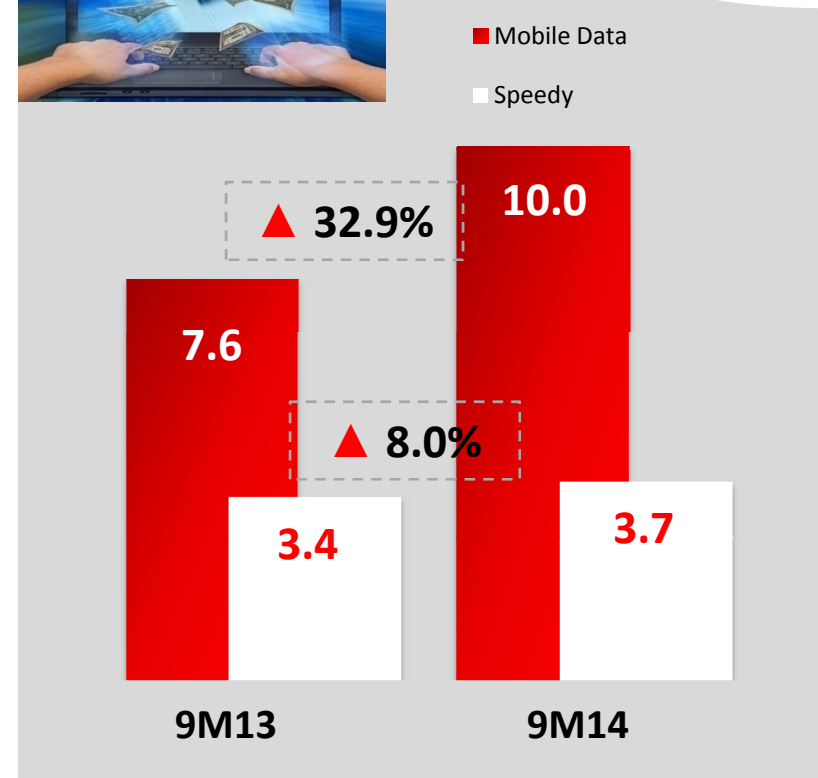


# Data Services

## Users (Million)



## Revenues (Rp Tn)

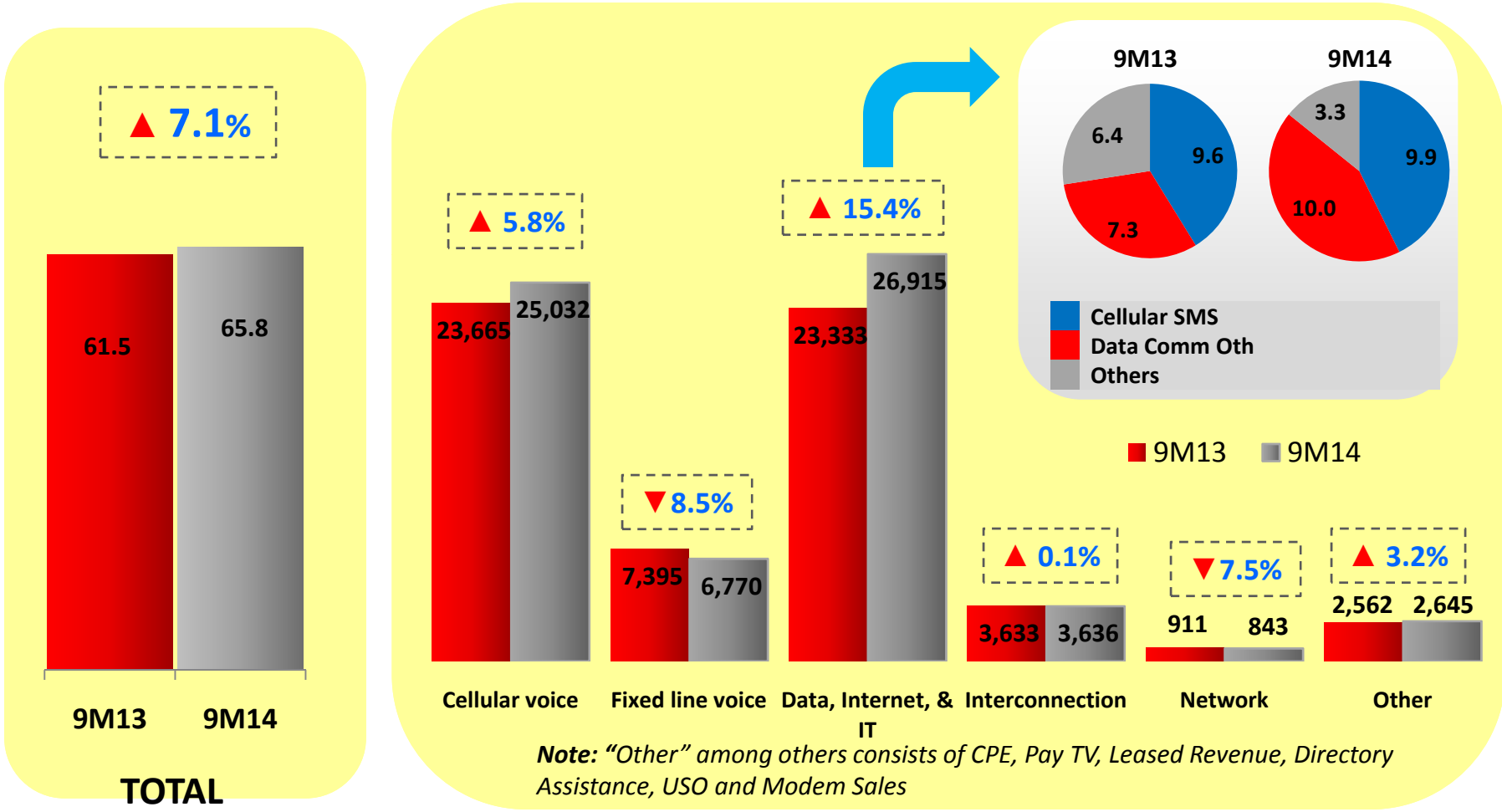


*Data services, especially mobile data, is being the growth driver*



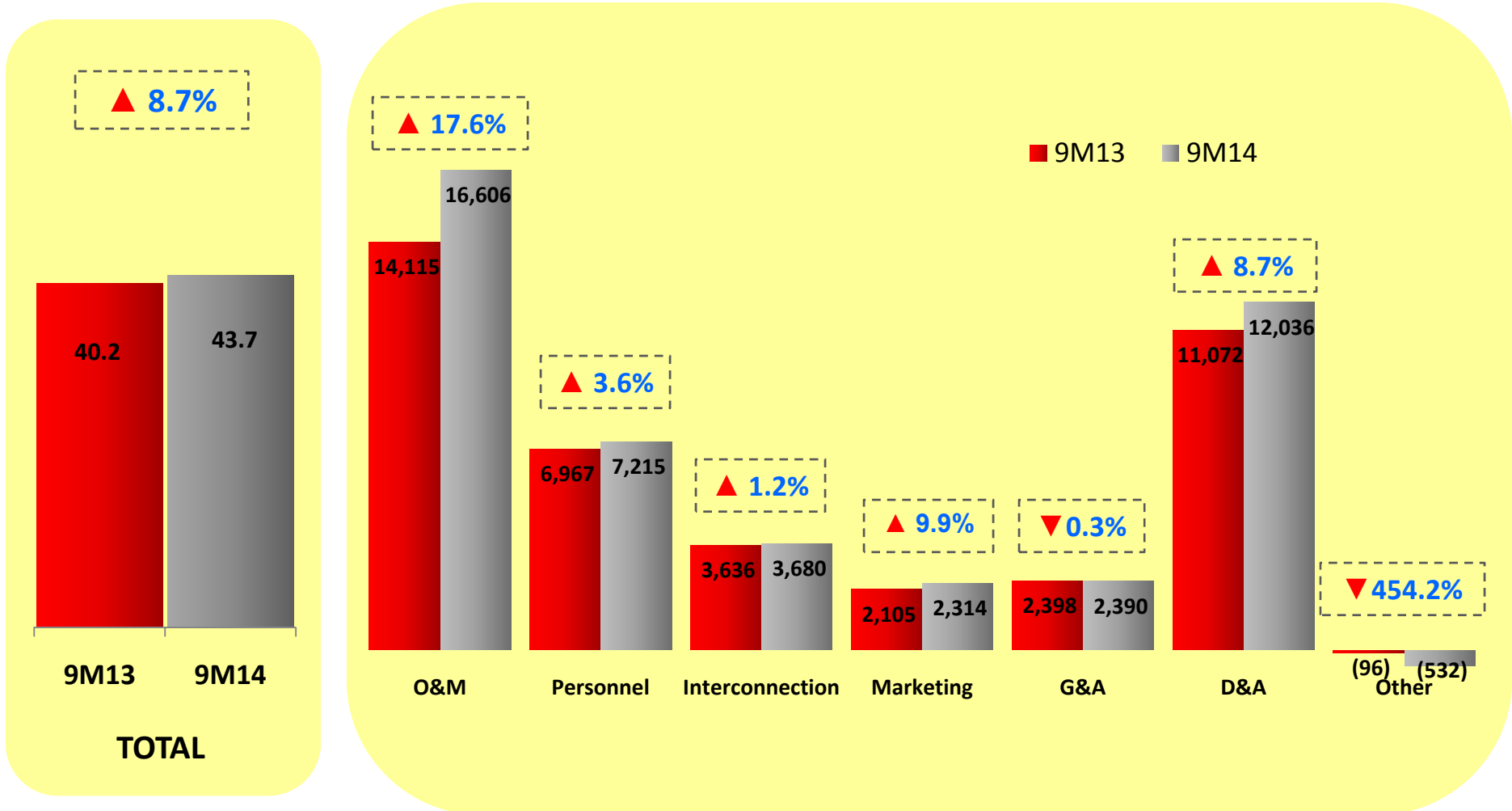


# Revenues YoY (Rp Tn)

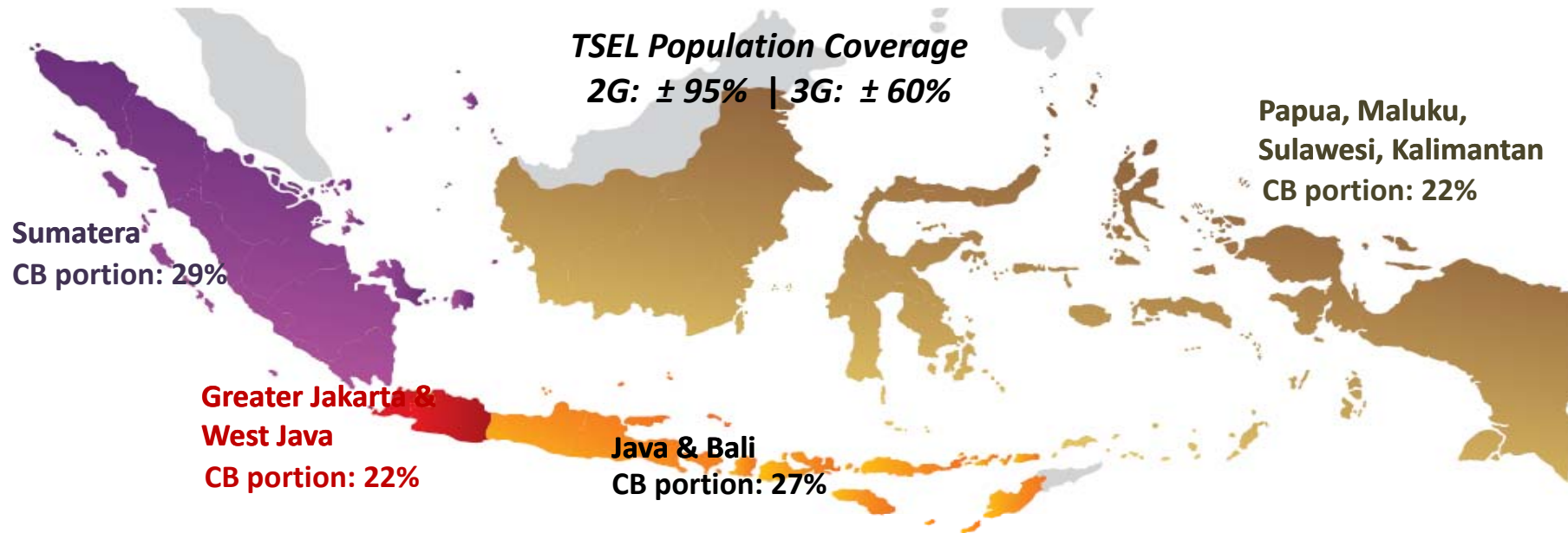




# Expenses YoY (Rp Tn)



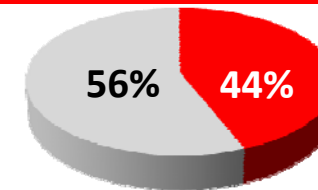
# Cellular Industry : TSEL Profile



## Industry Overview

1. Occupied by 9 players (4 GSM+5 CDMA), telco industry is mature with estimated 130% SIM penetration ( $\pm$  75% population-based penetration). Relatively stable competition in legacy businesses.
2. Early stage in data business with around 50% data users and 25% smartphone penetration.
3. Tremendous growth in digital business; data traffic grew by 146% YoY and data revenue grew by 32% in 9M-14.

## Subscriber Market Share (Estimated)



■ TSEL ■ Others

	9M13	9M14	Diff.
<b>TSEL</b>	40%	44%	4ppt
<b>Others</b>	60%	56%	-4ppt

Source: Company's Data & Market Intelligence

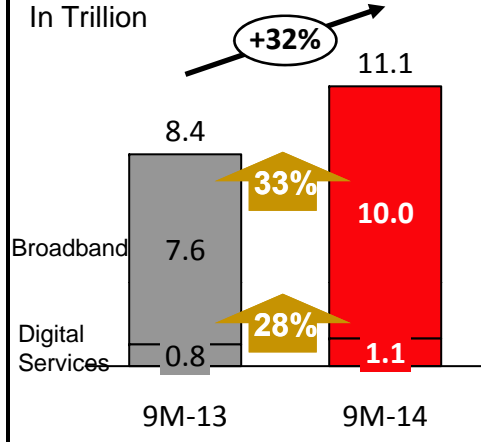
# Cellular: 9M14 Digital Business



## YEAR-ON-YEAR ACHIEVEMENT

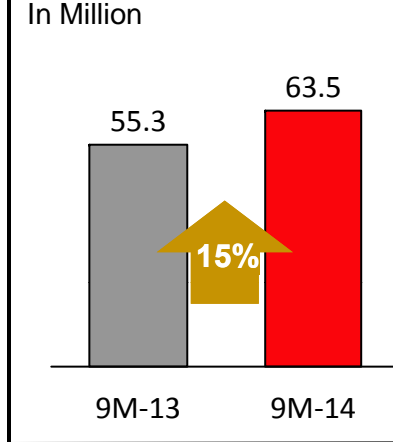
### DIGITAL BUSINESS

#### REVENUE

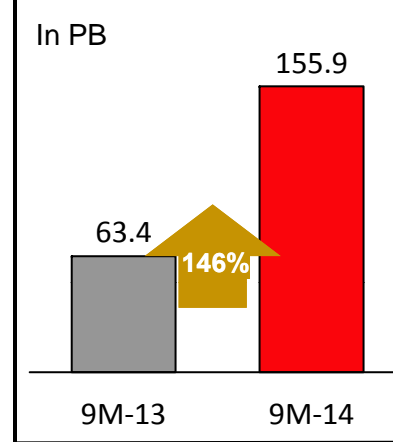


### DATA ENABLED

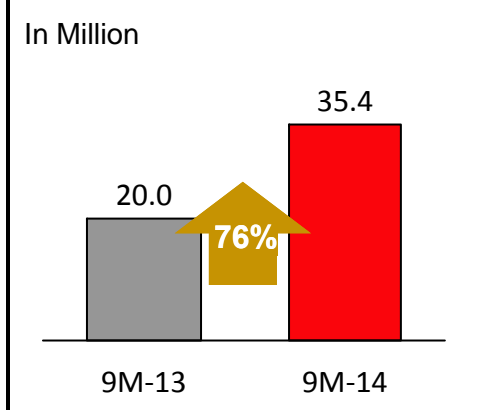
#### CUSTOMER



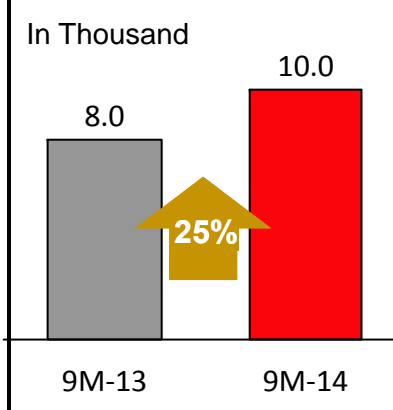
### DATA TRAFFIC



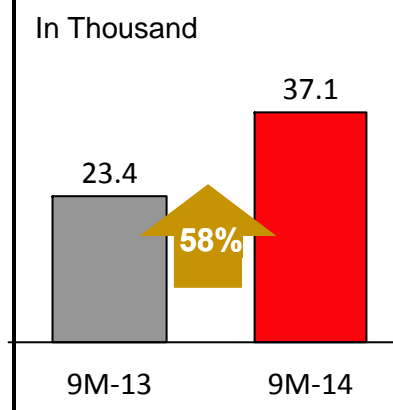
### 3G DEVICE CAPABLE



### 3G BTS ROLL OUT



### 3G BTS ON AIR



### Broadband:



Telkom  
Flash



BlackBerry

### Digital Services:

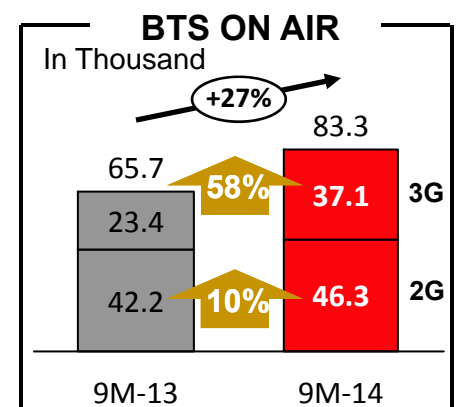
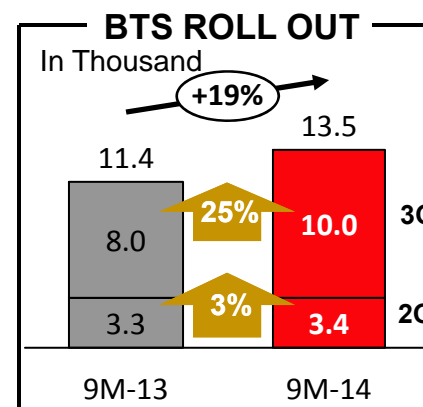
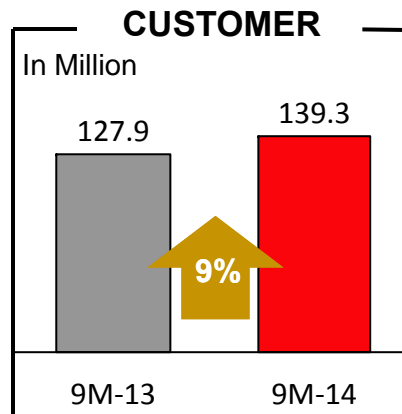
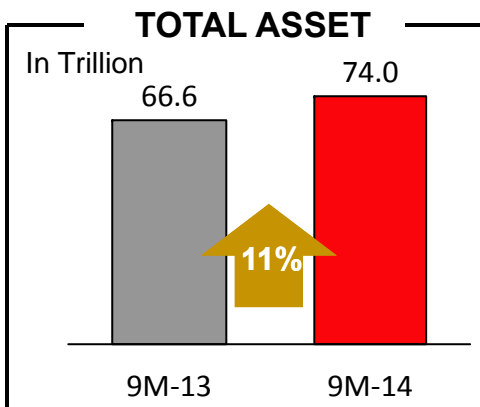
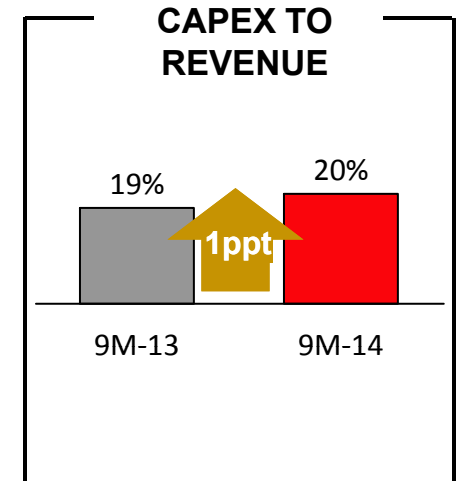
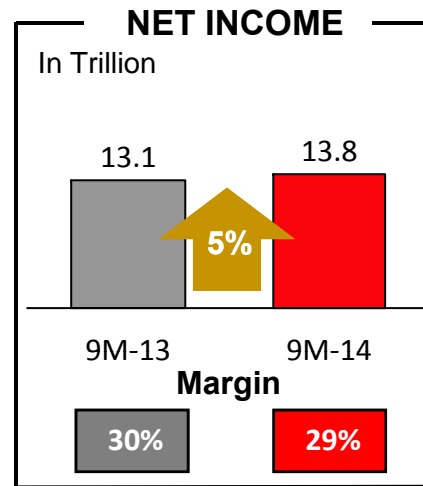
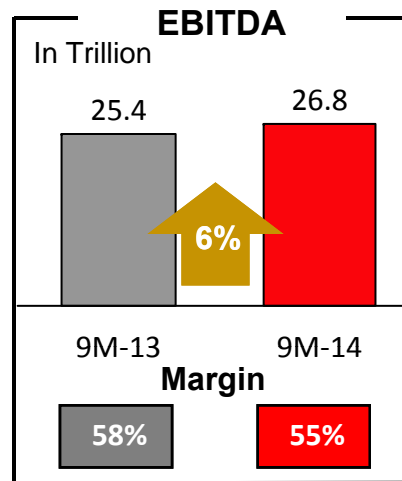
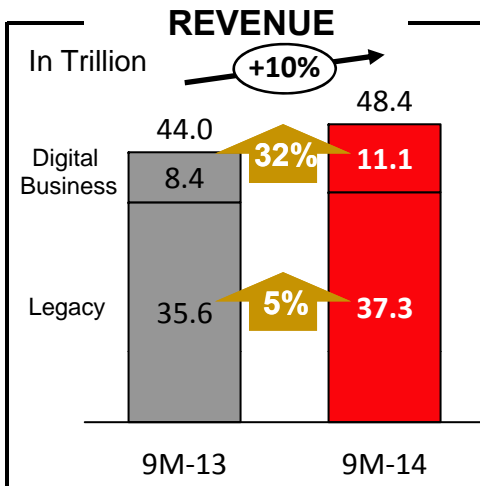
- Digital Lifestyle
- Digital Advertising
- Digital Payment & Mobile Banking



# Cellular: 9M14 Solid Revenue



## YEAR-ON-YEAR ACHIEVEMENT



### Debt to Equity Ratio (DER)\*:

Sep-14: 7% (Sep-13: 5%)

\*) excluding obligation under finance lease

### Free Cash Flow

Sep-14: Rp14.0tn (Sep-13: Rp14.4tn)



# Corporate Actions in 9M14

- PINS Indonesia Acquire 25% of Tiphone Shares
- Telkom Redirecting Flexi's Customers to Telkomsel
- Telkom and Telstra formed a JV for Network Application Services (NAS)
- Acquisition of Majority Shareholding in Contact Centre Australia (CCA)





# 2014 Company Outlook



## Continue to Deliver Value to Shareholders

### Revenue Growth

- In line with or slightly above the market for both TLKM Consolidated and Telkomsel

### EBITDA Margin

- Slight decline for both TLKM Consolidated and for Telkomsel

### Capex

- Group (Consolidated): 20-25% over Revenue
- Allocation:
  - Telkomsel: 70%
  - TLKM & Others: 30%







Thank You

