

TICKERS:

IDX : TLKM
NYSE : TLK
LSE : TKID

ISSUED SHARES:

100,799,996,400 shares

SHAREHOLDER COMPOSITION:

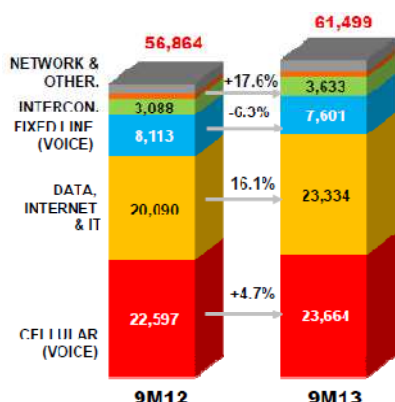
Govt. of Indonesia : 53.1%
Public : 46.9%
Excl. Treasury stock : 3,699,142,800 shares.

CONVERSION RATES (US\$ 1.00):

September 30, 2013 = Rp11,580,0
September 30, 2012 = Rp9,570,0

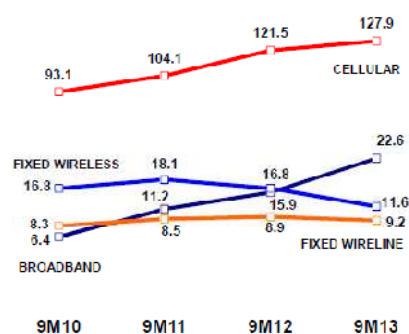
FINANCIAL PERFORMANCE

Revenue
(in Rp. Bn)



OPERATIONAL PERFORMANCE

Subscribers (million)



Highlight

- Our consolidated revenue in 9M13 grew by 8.2 % YoY to Rp 61.5 trillion and our cellular subsidiary recorded a 10.4% YoY revenue growth to Rp 43.9 trillion.
- Our broadband users grew by 41.8% YoY, meanwhile cellular subscribers increased 5.3% YoY to 127.9 million.
- Fixed line business maintained its positive revenue growth at the level of 1.2% YoY.
- Telkomsel kept enhancing its network with more than 1,000 new BTS per month deployed during 9M13 and almost 71% of it was 3G Node B.

Financial Highlights

Key Indicators (Rp. Bn)	YoY			QoQ				Growth (%)
	9M12	9M13	Growth (%)	4Q12	1Q13	2Q13	3Q13	
Revenues	56,864	61,499	8.2	20,279	19,547	20,613	21,339	3.5
Expenses	37,557	40,197	7.0	13,888	12,797	13,517	13,883	2.7
Operating Profit	19,307	21,302	10.3	6,391	6,750	7,096	7,456	5.1
EBITDA	29,920	32,278	7.9	9,837	10,049	10,426	11,803	13.2
EBITDA Margin (%)	52.6	52.5	(0.1)	48.5	51.4	50.6	55.3	4.7
Net Income	10,001	11,057	10.6	2,849	3,477	3,648	3,932	7.8

Operational Highlights

Subscribers (000)	YoY			QoQ				Growth (%)
	9M12	9M13	Growth (%)	4Q12	1Q13	2Q13	3Q13	
Broadband								
Fixed Broadband/Speedy	2,131	2,894	35.8	2,341	2,652	2,781	2,894	4.1
Mobile Broadband/Flash	8,662	12,665	46.2	11,039	8,767	11,113	12,665	14.0
BlackBerry	5,126	7,021	37.0	5,764	5,557	6,332	7,021	10.9
Total	15,919	22,580	41.8	19,144	16,976	20,226	22,580	11.6
Cellular								
Postpaid	2,155	2,412	11.9	2,149	2,219	2,326	2,412	3.7
Prepaid	119,322	125,492	5.2	122,997	118,392	122,765	125,492	2.2
Total	121,477	127,904	5.3	125,146	120,611	125,091	127,904	2.2
Fixed Line								
LIS Wireline	8,854	9,245	4.4	8,946	9,044	9,151	9,245	1.0
LIS Wireless	16,782	11,551	-31.2	17,870	18,384	15,550	11,551	(25.7)
Total	25,636	20,796	-18.9	26,816	27,428	24,701	20,796	(15.8)

Investor Relations

PT Telekomunikasi Indonesia Tbk
Graha Merah Putih, 5th Floor
Jl. Gatot Subroto No. 52, Jakarta 12710
Phone : 62 21 5215109
Fax : 62 21 5220500
Email : investor@telkom.co.id
Website : www.telkom.co.id

DISCLAIMER

This document contains financial conditions and result of operation, and may also contain certain projections, plans, strategies, and objectives of the Company, which would be treated as forward looking statements within the meaning of applicable law. Forward looking statements, by their nature, involve risk and uncertainty that could cause actual results and development to differ materially from those expressed or implied in these statements. Telkom Indonesia does not guarantee that any action, which may have been taken in reliance on this document, will bring specific results as expected.

PT TELEKOMUNIKASI INDONESIA, Tbk. THE NINE MONTHS OF 2013 RESULTS (UNAUDITED)

The following analysis and discussion is based on our Indonesian GAAP financial statements for the nine months ended September 30, 2012 and 2013. The reports have been submitted to Indonesia Financial Services Authority (OJK).

FINANCIAL RESULTS

Revenues

Key Indicators (Rp. Bn)	YoY			QoQ				
	9M12	9M13	Growth (%)	4Q12	1Q13	2Q13	3Q13	Growth (%)
Cellular Voice	22,597	23,665	4.7	8,134	7,578	7,820	8,267	5.7
Fixed Line Voice	8,113	7,395	(8.8)	2,549	2,494	2,519	2,382	(5.4)
Data, Internet & IT Service (Incl.SMS)	20,090	23,333	16.1	7,534	7,347	7,692	8,294	7.8
Interconnection	3,088	3,633	17.6	1,185	1,145	1,210	1,278	5.6
Network	930	911	(2.0)	278	332	323	256	(20.7)
Other Telco Services	2,046	2,562	25.2	599	651	1,049	862	(17.8)
Total	56,864	61,499	8.2	20,279	19,547	20,613	21,339	3.5

Total revenue for 9M13 is Rp61.5 trillion, an increase of 8.2% YoY, Cellular revenues is still the largest contributor followed slightly by Data, Internet, and IT Services as the second contributor.

While for the 3Q13; Data, Internet, and IT Services revenue being the first contributor and followed slightly by Cellular revenue. Total revenue increased by 3.5% QoQ with the details as follows:

- **Cellular revenues** increased by 5.7% QoQ resulting from the increase of Monthly Commitment and Long-distance Usage revenues.
- **Fixed line revenues** consist of Fixed Wireline and Fixed Wireless Voice revenues, decreased by 5.4% QoQ.
 - **Fixed wireline revenue** decreased by 5.6% QoQ as a result of the decrease from Local Usage.
 - **Fixed wireless revenue** decreased by 3.5% QoQ as results of the decrease from Prepaid Long-distance Usage.
- **Data, Internet & IT Services revenues** increased by 7.8% QoQ. The increase was contributed by Internet revenues that increased by 8.9% QoQ or amounting to Rp396 billion, mostly derived from Cellular Data Communication revenue. SMS revenues also increased by 5.3% QoQ that increase solely from Cellular SMS revenue.
- **Interconnection revenues** increased by 5.6% QoQ or amounting to Rp67 billion mostly derived from Interconnection of Incoming International to Fixed Line amounting to Rp56.6 billion.
- **Network revenues** decreased by 20.7% QoQ resulting from the decrease in Transponder and Colocation Leased Line revenues amounting to Rp74 billion and Rp6 billion respectively.
- **Other telecommunication services revenues** decreased by 17.8% QoQ as a results of the decrease in Modem Selling revenue and CPE Lease revenue.

Expenses

Key Indicators (Rp. Bn)	YoY			QoQ				
	9M12	9M13	Growth (%)	4Q12	1Q13	2Q13	3Q13	Growth (%)
Operation, Maintenance & Telecommunication Service	12,845	14,115	9.9	3,958	4,698	5,034	4,383	(12.9)
Personnel	6,299	6,967	10.6	3,487	2,331	2,274	2,362	3.9
Interconnection	3,375	3,636	7.7	1,292	1,175	1,196	1,265	5.8
Marketing	2,209	2,105	(4.7)	885	651	688	766	11.3
General Administrative	2,216	2,398	8.2	820	643	995	760	(23.6)
Depreciation & Amortization	10,601	11,072	4.4	3,855	3,462	3,478	4,132	18.8
(Gain)/Loss on forex – net & others – net	12	(96)	(900.0)	(409)	(163)	(148)	215	(245.3)
Total	37,557	40,197	7.0	13,888	12,797	13,517	13,883	2.7

Compared to last quarter results, total expenses increased by 2.7% with the following details:

- **Operation & Maintenance (“O&M”) expenses** decreased by 12.9% QoQ mostly due to the decrease in Modem Selling expense and O&M Antenna and Tower expense.
- **Personnel expenses** increased by 3.9% QoQ mostly due to Incentive expense.
- **Interconnection expenses** increased by 5.8% QoQ due to increase in Interconnection to Mobile Network expense.
- **Marketing expenses** increased by 11.3% QoQ mostly due to increase in Advertising and Promotions expense.
- **General & Administrative expenses** decreased by 23.6% QoQ. The decrease contributed by decrease in Management Remuneration expenses and Provision for Doubtful Accounts Trade Receivables.
- **Depreciation & Amortization expenses** increased by 18.8% QoQ as a result of the increase in Depreciation of Transmission Installation and Equipment for both Leased Assets and Direct Acquisition Assets.

EBITDA, EBITDA Margin, and Net Income

Nine months 2013 EBITDA increased by 7.9% YoY to Rp32.3 trillion and represents an increase of 13.2% QoQ to Rp11.8 trillion. While EBITDA margin decreased a bit lower 0.1% YoY to 52.5% and increased 4.7% QoQ to 55.3%

Net Income for 9M13 increased by 10.6% YoY to Rp11.1 trillion and increase 7.8% QoQ to Rp3.9 trillion.

The basis to calculate the EBITDA is the expenses without Depreciation and Amortization expenses, Forex Exchange Gain or Loss, and Others-Net.

Financial Position

Key Indicators (Rp. Bn)	YoY			QoQ				
	9M12	9M13	Growth (%)	4Q12	1Q13	2Q13	3Q13	Growth (%)
Assets	105,402	120,795	14.6	111,369	116,104	111,472	120,795	8.4
Liabilities	42,637	48,055	12.7	44,391	44,137	46,723	48,055	2.9
Non-controlling Interests	14,037	15,385	9.6	15,437	16,935	13,783	15,385	11.6
Equity attributable to owners of the company	48,728	57,355	17.7	51,541	55,032	50,966	57,355	12.5

Our total assets increased by 14.6% YoY and Total Liabilities by 12.7% YoY with the following details:

- Increase in assets by 8.4% QoQ or Rp9,324 billion was a result from the increase from both Current and Non-Current Assets, respectively by the increase in Short Term Deposit by 56.6% QoQ and Fixed Assets by 3.2% QoQ.
- Increase in Liabilities by 2.9% QoQ amounting to Rp1,332 billion was a result of increase in both Short Term-Account Payable by 10.7% QoQ and Long Term-Loan by 4.4% QoQ.
- Increase in non-controlling interest of 11.6% QoQ was due to increase in Net Income for Telkomsel.
- Increase in Equity of 12.5% QoQ was due to increase in Retained Earnings, however, compensated by decrease in Treasury Stock.

Cash Flows

Key Indicators (Rp. Bn)	YoY		
	9M12	9M13	Growth (%)
Cash Flow from Operating Activities	25,134	22,121	(12.0)
Cash Flow from / (used in) Investing Activities	(9,185)	(5,809)	(36.8)
Cash Flow from Financing Activities	(13,748)	(12,533)	(8.8)
Net Increase (Decrease) in Cash & Cash Equivalent	2,201	3,779	71.7
Effect of Foreign Rate Changes	90	765	750.0
Cash & Cash Equivalents at Beginning of Periods	9,634	13,118	36.2
Cash & Cash Equivalents at End of Periods	11,925	17,662	48.1

- Net cash generated from operations decreased by 12.0% YoY due to higher cash out for expense, employees, and tax payment compared to the same period last year.
- Net cash used in investment decreased by 36.8% YoY due to cash generated from Short-Term Investment realization which increased by Rp3,877 billion YoY.
- Net cash used in financing activities decreased by 8.8% YoY due to cash generated from private placement for Share Buy Back Phase 1 Program.

Debts

Currencies (Rp. Bn)	YoY			QoQ			Portion (%)		
	9M12	9M13	Growth (%)	2Q13	3Q13	Growth (%)	9M12	2Q13	3Q13
IDR/Rupiah	12,972	12,761	(1.6)	14,014	12,761	(8.9)	79.1	81.39	84.6
USD/US Dollar	2,244	1,871	(16.6)	1,659	1,871	12.8	13.7	11.93	10.0
JPY/Japanese Yen	1,185	1,046	(11.7)	885	1,046	18.2	7.2	6.67	5.3
Total	16,401	15,678	(4.4)	16,559	15,678	(5.3)	100.0	100.0	100.0

Our debts consisted of Two-Step Loans (“TSL”), Bonds, Notes and Bank’s Loans. During third quarter 2013, we made repayment of Bank’s Loans amounting to Rp1,409 billion; TSL amounting to Rp3 billion and USD 2 million; and Notes of USD5 million. We made new debts for working capital purposes in the form of Bank’s loans amounting to Rp152 billion and USD 1 million.

Gearing

Key Indicators	YoY		
	9M12	9M13	Growth
Net Debt to Equity (%)	8.5	(4.1)	(12.6)
Debt to Equity (%)	33.7	27.4	(6.3)
Debt to EBITDA (%)	54.8	48.7	(6.2)
Debt Service Ratio (Times)	5.3	5.7	0.4

Financial Ratios

Ratios (%)	YoY			QoQ				
	9M12	9M13	Growth (%)	4Q12	1Q13	2Q13	3Q13	Growth (%)
Profit Margin	34.0	34.6	0.7	31.5	34.5	34.4	34.9	0.5
Profit for the year attributable to owners Margin	17.6	18.0	0.4	14.0	17.8	17.7	18.4	0.7
EBITDA Margin	52.6	52.5	(0.1)	48.5	51.4	50.6	55.3	4.7
Current Ratio	104.2	118.3	14.1	116.0	133.9	95.4	118.3	22.9
Return on Assets	9.5	9.2	(0.3)	2.6	3.0	3.3	3.3	0.0
Return on Equity	20.5	19.3	(1.3)	5.5	6.3	7.2	6.9	(0.3)
Total Liabilities to Equity	87.5	83.8	(3.8)	86.1	80.2	91.7	83.8	(7.9)

Telkomsel Financial Result

Telkomsel sustained its **strong performance in 9M-13** with strong result year-on-year (YoY) for both financial and operational performance. We recorded a double digit growth in revenue, EBITDA and net income. Revenue grew 10.4% YoY, driven by continued strong growth in data broadband (+36.5% YoY), voice (+4.6% YoY) and SMS (+5.0% YoY) services. EBITDA and Net Income grew by 11.1% and 11.9% YoY respectively.

Income Statement

Statement of Income (Rp. Bn)	YoY			QoQ		
	9M12	9M13	Growth (%)	2Q13	3Q13	Growth (%)
Revenues	39,858	43,994	10.4	14,543	15,523	6.7
Expenses (incl. Depreciation)	24,207	26,400	9.1	8,813	9,308	5.6
EBITDA	22,694	25,212	11.1	8,118	9,256	14.0
EBITDA Margin (%)	56.9%	57.3%	0.4	55.8	59.6	3.8
Net Income	11,720	13,109	11.9	4,280	4,535	5.9

Operating revenues for 9M13 was Rp43,994 billion, an increase of 10.4% YoY (+6.7% QoQ).

- *Postpaid revenue* increased 7.2% YoY to Rp3.421 billion (+4.6% QoQ) due to additional postpaid customer base and contribution of postpaid customers on data broadband.
- *Prepaid revenue* increased 10.0% YoY to Rp36,442 billion (+7.7% QoQ) due to additional prepaid customer base and contribution of prepaid customers on data broadband. Revenue for *simPATI* and *Kartu As* increased 3.5% YoY (+6.4% QoQ) and 20.5% YoY (+9.3% QoQ) respectively.
- *Interconnection and international roaming revenues* increased 11.3% YoY (-1.4% QoQ) to Rp3,538 billion due to holiday season impact to increase traffic of outbound users.

For 9M13, **expenses** increased by 9.4% YoY, lower than revenue growth of 10.4%.

- *Personnel expenses* increased 14.0% YoY (+10.8% QoQ) to Rp1,759 billion, due to additional employee and incentive impact of better financial performance in 9M-13 compared to 9M-12.
- *Operation & maintenance expenses* grew 13.3% YoY (-9.0% QoQ) to Rp9,282 billion, due to increase of network deployment and repair & maintenance of new billing system.
- *General & administration expenses* increased 33.6% YoY (-6.0% QoQ) to Rp900 billion due to increase cost of office rental and professional fees.
- *Marketing expenses* increased 8.7% YoY (+18.2% QoQ) to Rp1,578 billion due to Lebaran season of sales activity, marketing research and sales support.
- *Interconnection charges* slightly decreased 0.2% YoY (-1.0% QoQ) to Rp2,373 billion, due to better business-to-business scheme with international roaming partners.
- *Cost of Services* was decreased 1.2% YoY (+1.0% QoQ) at Rp2,890 billion due to better managed of bad debt and e-billing implementation.
- *Depreciation expenses* increased 2.2% YoY (+13.5% QoQ) to Rp7,301 billion in line with infrastructure roll out.

Nine months 2013 **EBITDA** grew by 11.1% YoY to Rp25,212 billion and 14.0% QoQ to Rp9,256 billion. **Net income** for 9M-13 increased by 11.9% YoY to Rp13,109 billion and 5.9% QoQ to Rp4,535 billion. Net income margin was increased 0.4 ppt YoY to 29.8% and declined -0.2 ppt QoQ to 29.2% mainly due to forex loss in Q3-2013 along with Rupiah depreciation.

Financial Position

Total Assets increased 13.0% to Rp66,590 billion. Total liabilities increased 20.5% to Rp23,007 billion and total equity increased 9.4% to Rp43,584 billion.

- *Current assets* increased 23.8% to Rp13,313 billion, mainly due to increase in cash and cash equivalent.
- *Fixed assets* increased 11.8% to Rp50,631 billion came from infrastructure, business support system and leased asset growth. The leased asset were amounting of Rp4,284 billion.
- Current liabilities increased 8.1% to Rp15,313 billion due to increased account payable & accrued liabilities and obligation under finance leased amounting of Rp351 billion.
- Non-current liabilities increased 55.8% to Rp7,694 billion due to obligation under finance leased amounting of Rp3,645 billion.

As of September 30, 2013 Telkomsel had Rp2,165 billion loans outstanding, of which Rp1,098 billion was presented as current liabilities and Rp1,067 billion as non-current liabilities.

Cash Flows

We recorded a 6.8% YoY increase in net cash generated from operations in 9M-13 to Rp22,685 billion. Cash flow from investment activities decreased 36.1% YoY to Rp4,284 billion due to receipt from maturity of short-term investment amounting to Rp 4,000 billion. For the nine months of 2013, paid infrastructure investment of Telkomsel was amounting to Rp8,330 billion compared to last year of Rp6,663 billion. Net cash used in financing activities fell 22.2% YoY to Rp1,650 billion due to lower loans payment.

STATEMENT OF CASH FLOWS FOR NINE MONTHS ENDED SEPT 30, 2012 AND 2013 (In Billions of Rupiah)

	9M12	9M13
Cash Flow from Operating Activities	21,248	22,685
Cash Flow from Investing Activities	(6,698)	(4,284)
Cash Flow from Financing Activities	(2,119)	(1,650)
Dividend	(9,900)	(12,890)
Net Increase in Cash & Cash Equivalents	2,530	3,861
Effect of Foreign Exchange Rate Changes	46	309
Cash and Cash Equivalents at Beginning of Periods	4,223	4,787
Cash and Cash Equivalents at End of Periods	6,800	8,957
Addition to Fixed Assets (incl. CIP)	7,000	11,784

Loan/ Debt

Telkomsel has to observe certain agreed financial covenants related to its loans/debts. As of September 30, 2013 these covenants were as follows:

	Covenant t/b maintained	Required	Actual
Bank Loans	EBITDA to Debt Service	≥ 1.25	16.14
	Debt to Tangible Net Worth	≤ 2.00	0.05

OPERATIONAL RESULTS

Broadband Services

Customer Base

- **Fixed Broadband**
2.9 million users, grew 35.8% YoY and 4.0% QoQ.
- **Mobile Data & Broadband**
12.7 million Flash users, grew 46.2% YoY. Telkomsel's BlackBerry customers reached 7.0 million, a 37.0% YoY growth. Total number of data users including of pay-as-you-use reached 55.3 million, grew 9.4% from the same period last year.

ARPU & Traffic Production

- **Fixed Broadband**
3Q13 ARPU was Rp137 thousand, decreased of 1.8% QoQ while ARPU 9M13 was Rp141 thousand, decreased 22.8% YoY as impact of increasing Speedy Instant users, prepaid service of fixed broadband with lower ARPU.
- **Mobile Data & Broadband**
Data traffic/payload continued to show a significant growth in 9M13 reached 63,356 terabytes, grew by 74.9% YoY.

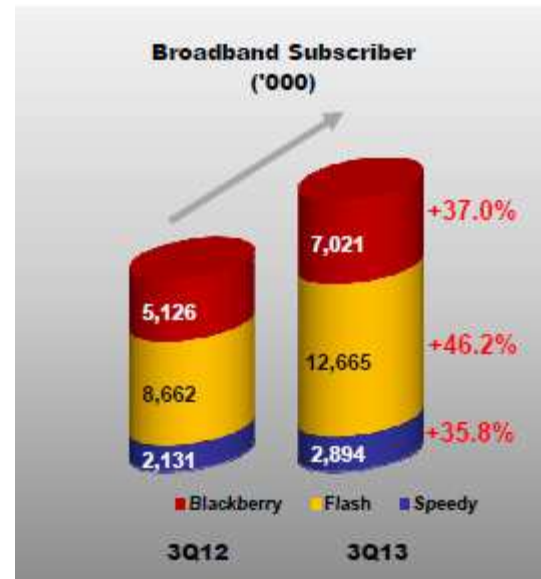
New Products & Programs

- **Mobile Broadband**
 - Retention and data penetration program: *Kartu AS THR (Terus Hepi selama Ramadhan)* was launched by giving *Sahur* and *Ngabuburit* package selection for bonuses on voice, SMS and data. *Kartu As Mister Super Tau* was also introduced with attractive data package. *Smartphone bundling package of BlackBerry Q5* was also introduced in this quarter.
 - Image for the best 3G-network quality: *Nekad Traveler campaign* was launched to show how two travelers are able to have journey from Jakarta to Komodo Island (East Nusa Tenggara) for around one month by only using 180GB internet quota of Telkomsel Flash with Telkomsel 3G network quality and its widest coverage support (more than 23K of 3G Node-B).
 - Acceleration on 3G-device adoption: We intensify collaboration with device principle and distributor especially during Lebaran season by introducing affordable 3G device bundling (starting from Rp499,000) with local and global brands, such as Venera, Gosco, Nokia, Samsung, LG and Blackberry.

Cellular Services

Customer Base

Customer Base indicated positive trend during third quarter 2013 with 2.8 million new subscribers, lead to 127.9 million total customer by end of September 2013.



Traffic Production & ARPU

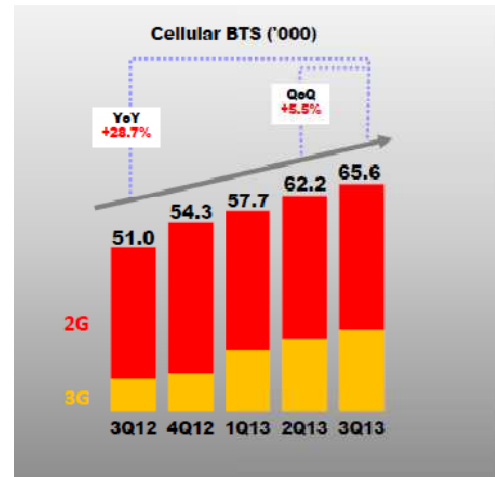
Total MOU production for 9M13 reached 142.7 billion minutes, an increase of 4.4% YoY. Average RPM of 9M13 was relatively stable at Rp158.

Total SMS production for 9M13 was 0.6% increase at 191.2 billion units compared to 9M12. For 9M13 average RPS reached Rp49, which was 4.3% higher than 9M12.

Blended ARPU for 9M13 was stable compared to previous year at Rp37K and increased by 3.7% compared to previous quarter, the contribution mainly came from data broadband and digital services.

New Products & Program

- Segmented acquisition program:** for Postpaid product, *HaloFit Travelers* was launched with free data roaming for several days and bonuses on domestic voice, SMS and data. New international roaming zone package & domestic tariff simplification also introduced in this quarter. For prepaid product, *simPATI starter pack* was refreshed with more benefits on voice, SMS and data (additional preload bonus of 1.2GB/year), targeting for data users and high value customers acquisition.
- Youth and Community:** In order to capture Ramadhan season momentum, **some enrichment offers** on data package of *simPATI Loop* was introduced with additional lifestyle contents for movie, music and magazine.
- Telkomsel keeps focus on zone marking activities,** through enhancing regional pricing implementation in smarter and more precise way.



The following table presents a comparison of our cellular business performance:

Key Indicators	Unit	YoY			QoQ					
		9M12	9M13	Growth	4Q12	1Q13	2Q13	3Q13	Growth	
CUSTOMER BASE										
Total Customer										
Postpaid (kartuHALO)	Subs (000)	2,155	2,412	11.9%	2,149	2,219	2,326	2,412	3.7%	
Prepaid (<i>simPATI</i> + Kartu As)	Subs (000)	119,322	125,492	5.2%	122,997	118,392	122,765	125,492	2.2%	
Total	Subs (000)	121,477	127,904	5.3%	125,146	120,611	125,091	127,904	2.2%	
Net Add										
Postpaid (kartuHALO)	Subs (000)	(32)	263	917.9%	(7)	70	107	86	-19.1%	
Prepaid (<i>simPATI</i> + Kartu As)	Subs (000)	14,493	2,494	-82.8%	3,676	(4,606)	4,374	2,727	-37.7%	
Total	Subs (000)	14,461	2,758	-80.9%	3,669	(4,536)	4,481	2,813	-37.2%	
TRAFFIC										
MoU (Total)	Bn Minutes	137	143	4.4%	48	46	49	48	-1.2%	
MoU (Chargable)	Bn Minutes	105	103	-1.9%	36	33	35	35	1.0%	
SMS (Total)	Bn Units	190	191	0.6%	63	62	65	64	-2.9%	
SMS (Chargable)	Bn Units	86	105	22.4%	30	29	39	37	-4.5%	
ARPU										
Postpaid (kartuHALO)	Rp.'000/month	186	185	-0.3%	199	187	185	183	-0.9%	
Prepaid (<i>simPATI</i> + Kartu As)	Rp.'000/month	34	34	1.3%	35	33	34	36	4.1%	
Blended	Rp.'000/month	37	37	0.9%	38	36	37	39	3.7%	
NETWORK DATA										
BTS	Unit	51,005	65,653	28.7%	54,297	57,664	62,225	65,653	5.5%	
EMPLOYEE DATA										
Total employees	Person	4,454	4,673	4.9%	4,557	4,603	4,671	4,673	0.0%	
Efficiency ratio	'000 Subs/employee	27	27	0.4%	27	26	27	27	2.2%	

Network Development

Telkomsel kept enhancing its network with 3,428 new BTSs during third quarter of 2013. By the end of September 2013 total new BTSs reached 11,356 BTSs which was 35.5% higher than BTS deployed in 9M-12 with 71% was 3G BTS. At the end of September 2013, total number of BTS on-air reached 65,653 units (+28.7% YoY) which 35.7% was 3G BTS, compared to last year at 26.3%.

Fixed Line Services

Customer Base

■ Fixed Wireline

9.2 million subscribers, 4.4% increased from last year and 1.0% from last quarter.

■ Fixed Wireless

11.55 million subscribers at the end of 9M13, decrease both YoY and QoQ respectively by 31.2% and 25.7%

ARPU

■ Fixed Wireline

9M13 ARPU was at Rp78 thousand, a decrease 12.0% YoY.

■ Fixed Wireless

9M13 ARPU was at Rp7.0 thousand, a 23.6% decrease YoY.

ADDITIONAL INFORMATION

Capital Expenditure

For the nine months of 2013, Capex of Telkom, Telkomsel and other subsidiaries were amounting to Rp2.6trillion, Rp6.8trillion and Rp2.6trillion respectively. Telkom's Capex was mainly utilized for deploying access and backbone infrastructure to support the broadband services, Telkomsel's Capex was utilized for radio access network. Other Subsidiaries' Capex was utilized among others for erecting towerland developing infrastructure.

Recent Development

Sale of Telkom's Shares Acquired Through Share Buy Back Program. On 29 July 2013 Telkom successfully sold its 211,290,500 shares which are part of the treasury stocks of the Company. The Purchaser are PT Bahana Securities, PT Danareksa Sekuritas, PT Mandiri Sekuritas, and Credit Suisse (Hong Kong) Limited. The selling price was Rp11,400 per share, which is not lower than Rp8,600 per share which is the average repurchase price of treasury stock.

Telkom conducted stock split of its shares. In regard with the decision of the AGMS of the Company which was held on 19 April 2013, which has approved the implementation of stock split of its original Rp250,- (two hundred and fifty Rupiah) per share to Rp50 (fifty Rupiah) per share (1 to 5), effective on August 28, 2013.

Sales Purchase Agreement signing for the shares of PT Patra Telekomunikasi Indonesia (Patrakom). Telkom and PT Elnusa Tbk ("Elnusa") have signed a Sale and Purchase Agreement of Patrakom shares in which Telkom bought Elnusa's shareholding of 40% of shares issued by Patrakom at a sales price of Rp45.6billion. Since the transaction Telkom became the majority shareholder in Patrakom with the shareholding of up to 80%.

Sales Purchase Agreement for shares of Telkom-Vision. On October 3, 2013 Telkom has transferred 80% ownership of its subsidiary PT Indonusa (well known as Telkom-Vision) to PT Trans Corpora for Rp926.5 billion and it has been fully received on October 8, 2013. Telkom remain holds 20% of ownership (includes 0.46% of Metra's ownership).

Awards & Recognition

During 3Q13, we have been awarded by several institution for our achievements, among others:

- Telkom CEO Arief Yahya was awarded as The Best CEO of the Year in the Business Review 2013, held by the Business Review Magazines.
- In the same event Telkom also was awarded as the Best Corporate of the Year 2013, The Best Corporation for Risk Management of The Year 2013, The Best Operations Management of The Year 2013, The Best Marketing Management of the Year 2013, The Best Finance Performance of the Year 2013, The 2nd Best Corporate Communication, The 2nd Best Corporation for Learning Organization of the Year in 2013, and the 2nd Best GCG Implementation of The Year 2013.
- Telkom won 4 awards in the event of State Owned Enterprise (SOE) Marketing Day 2013: The Best State Owned Enterprise on Marketing 2013, The Best Chief Marketing Officer 2013 for Director M. Awaluddin, Gold Winner 2013 Strategic Marketing and Gold Winner of the Tactical Gold Winner 2013. The event was hosted by MarkPlus Inc. and SOE Marketeers Club.
- Various awards were won by Telkom in the Finance Asia Best Companies Awards 2013, among others: the Most Committed to a Strong Dividend Policy (rank-1), the Best CEO for Arief Yahya (2), the Best CFO for Honesti Basyir (2), the Best Managed Company (3), the Best Corporate Governance (3), The Best Investor Relations (3), The Best Corporate Social Responsibility (3).
- Telkom was awarded as the Best of The Best Service Provider of The Year while Telkomsel as the Best Wireless Service Provider of the Year in the Asia Pacific ICT Award 2013 by Frost & Sullivan, in Singapore.
- Annual Recognition Award 2013: Best of Asia category Asia's Icon on Corporate Governance from Corporate Governance Asia Magazine.
- Frost & Sullivan Asia Pacific ICT Awards 2013 for Telkomsel as Wireless Service Provider of the year from Frost & Sullivan (international award).
- Distinctive Achievement Award on AMIC's 22nd International Conference 2013 for Communication Technology Infrastructure Development category from Asian Media Information and Communication Center (AMIC)
- *Soegeng Sarjadi Award 2013 for Telkomsel as Best Good Corporate Governance from Soegeng Sarjadi School of Government.*
- MURI (Museum Rekor Dunia Indonesia) for the highest number of Mobile GraPARI Indonesia (public service vehicle) by Telkomsel operating simultaneously in Indonesia.
- Women's Choice Brand Award 2013 for simPATI and Telkomsel Blackberry service from Kartini Magazine and Woman Insight Center (WIC).
- Word of Mouth Marketing (WOMM) Award 2013 for Telkomsel Flash as the Best Broadband service from SWA Magazine, Buzz&Co and Onbee Marketing Research.
- Indonesia Best Brand Award 2013 for simPATI as the Best Brand for GSM SIM Card from SWA Magazine.

Table 1
PERUSAHAAN PERSEROAN (PERSERO)
PT. TELEKOMUNIKASI INDONESIA Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2013 (UNAUDITED) WITH COMPARATIVE FIGURES AS OF DECEMBER 31, 2012 (AUDITED)
 (figures are presented in billions of Rupiah)

ASSETS	DEC 31, 2012	SEPT 30, 2013	Growth (%)
CURRENT ASSETS			
Cash and cash equivalents	13,118	17,662	35
Other current financial assets	4,338	411	(91)
Trade receivables – net of provision for impairment of receivables			
Related parties	701	1,052	50
Third parties	4,522	6,382	41
Other receivables – net of provision for impairment of receivables	186	241	30
Inventories – net of provision for impairment obsolescence	579	910	57
Advances and prepaid expenses	3,721	3,225	(13)
Claims for tax refund	436	423	(3)
Prepaid taxes	372	713	92
Asset held-for-sale	-	73	-
Total Current Assets	27,973	31,092	11
NON-CURRENT ASSETS			
Long-term investments - net	275	142	(48)
Property, plant and equipment – net of accumulated depreciation	77,047	83,208	8
Prepaid pension benefit cost	1,032	955	(7)
Advances and other non-current assets	3,510	3,685	5
Intangible assets – net of accumulated amortization	1,443	1,575	9
Deferred tax assets - net	89	138	55
Total Non-current Assets	83,396	89,703	8
TOTAL ASSETS	111,369	120,795	8

Table 1 (Continued)
PERUSAHAAN PERSEROAN (PERSERO)
PT. TELEKOMUNIKASI INDONESIA Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2013 (UNAUDITED) WITH COMPARATIVE FIGURES AS OF DECEMBER 31, 2012 (AUDITED)
 (figures are presented in billions of Rupiah)

	<u>DEC 31, 2012</u>	<u>SEPT 30, 2013</u>	<u>Growth (%)</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade payables			
Related parties	432	275	(36)
Third parties	6,848	8,927	30
Other payables	176	350	99
Taxes payables	1,844	2,259	23
Accrued expenses	6,163	5,656	(8)
Unearned income	2,729	3,377	24
Advances from customers and suppliers	257	352	37
Short-term bank loans	37	353	854
Current maturities of long-term liabilities	5,621	4,734	(16)
Total Current Liabilities	24,107	26,283	9
NON-CURRENT LIABILITIES			
Deferred tax liabilities	3,059	2,914	(5)
Other liabilities	334	317	(5)
Long service awards provisions	347	365	5
Post-retirement health care benefit provisions	679	689	1
Retirement benefits obligation and other post retirement benefits	2,248	2,655	18
Long-term liabilities - net of current maturities			
Obligations under finance leases	1,814	3,625	100
Two-step loans - related party	1,791	1,782	(1)
Bonds and Notes	3,229	3,108	(4)
Bank loans	6,783	6,317	(7)
Total Non-current Liabilities	20,284	21,772	7
TOTAL LIABILITIES	44,391	48,055	8
EQUITY			
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Capital stock - Rp50 par value per Series A			
Dwiwarna share and Series B share			
Authorized - 1 Series A Dwiwarna share and			
399,999,999,999 Series B shares			
Issued and fully paid - 1 Series A Dwiwarna share			
and 100,799,996,399 Series B shares	5,040	5,040	0
Additional paid-in capital	1,551	2,303	49
Treasury stock	(8,067)	(5,805)	(28)
Difference in value arising from restructuring transactions and other			
transactions between entities under common control			
Effect of change in equity of associated companies	386	386	0
Unrealized holding gain from available-for-sale securities	42	42	0
Translation adjustment	271	371	37
Difference due to acquisition of non-controlling interest in subsidiaries	(508)	(508)	0
Other reserves	49	49	0
Retained earnings			
Appropriated	15,337	15,337	0
Inappropriate	37,440	40,140	7
Total Equity Attributable To Owners Of The Parent Company	51,541	57,355	11
Non-Controlling Interest	15,437	15,385	0
TOTAL EQUITY	66,978	72,740	9
TOTAL LIABILITIES AND EQUITY	111,369	120,795	8

Table 2
PERUSAHAAN PERSEROAN (PERSERO)
PT. TELEKOMUNIKASI INDONESIA Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2013(UNAUDITED) WITH COMPARATIVE FIGURES FOR 2012 (UNAUDITED)
 (in billions of Rupiah, except per share and per ADS data)

	<u>2012</u>	<u>2013</u>	<u>Growth (%)</u>
REVENUES	56,864	61,499	8.2
EXPENSES			
Operations, maintenance and telecommunication services	(12,845)	(14,115)	9.9
Depreciation and amortization	(10,601)	(11,072)	4.4
Personnel	(6,299)	(6,967)	10.6
Interconnection	(3,375)	(3,636)	7.7
Marketing	(2,209)	(2,105)	(4.7)
General and Administrative	(2,216)	(2,398)	8.2
Loss on foreign exchange – net	(297)	(265)	(10.8)
Other income	549	671	22.2
Other expense	(264)	(310)	17.4
OPERATING PROFIT	19,307	21,302	10.3
Finance income	364	571	56.9
Finance costs	(847)	(1,116)	31.8
Share of loss of associated companies	(4)	(9)	125.0
PROFIT BEFORE INCOME TAX	18,820	20,748	10.2
INCOME TAX (EXPENSE) BENEFIT			
Current	(5,071)	(5,321)	4.9
Deferred	369	201	(45.5)
	<u>(4,702)</u>	<u>(5,120)</u>	8.9
PROFIT FOR THE YEAR	14,118	15,628	10.7
OTHER COMPREHENSIVE INCOME			
Foreign currency translation	4	96	2300.0
Change in fair value of available-for-sale financial assets	8	1	(87.5)
Total Other Comprehensive Income – net	12	97	708.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	14,130	15,725	11.3
Profit for the period attributable to:			
Owners of the parent company	10,001	11,057	10.6
Non-controlling interests	4,117	4,571	11.0
	<u>14,118</u>	<u>15,628</u>	10.7
Total comprehensive income for the period attributable to:			
Owners of the parent company	10,013	11,154	11.4
Non-controlling interests	4,117	4,571	11.0
	<u>14,130</u>	<u>15,725</u>	11.3
BASIC AND DILUTED EARNINGS PER SHARE			
Income per share	104.07	115.05	10.55
Income per ADS (200 Series B shares per ADS)	20,813.60	23,010.00	10.55

Table 3
PT. TELEKOMUNIKASI SELULAR (TELKOMSEL) AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS OF SEPT 30, 2013 (UNAUDITED) WITH COMPARATIVE FIGURES AS OF DECEMBER 31, 2012 (AUDITED)
 (figures are presented in billions of Rupiah)

	<u>DEC 31, 2012</u>	<u>SEPT 30, 2013</u>	<u>Growth (%)</u>
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents	4,787	8,957	0.9
Short-term Investments	4,000	-	
Accounts receivables including Unbilled revenues	1,045	1,482	0.4
Current portion of long-term prepayments	3,081	2,103	(0.3)
Others	669	771	0.2
Total Current Assets	<u>13,582</u>	<u>13,313</u>	(0.0)
NON-CURRENT ASSETS			
Long-term investment	20	20	0.0
Fixed assets-net	46,480	50,631	0.1
Advances for fixed assets	558	402	(0.3)
Intangible assets-net	680	694	0.0
Prepayments – Non Current Portion	1,327	1,277	(0.0)
Others	270	253	(0.1)
Total Non-Current Assets	<u>49,335</u>	<u>53,278</u>	0.1
TOTAL ASSETS	<u>62,917</u>	<u>66,590</u>	0.1
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts payable & Accrued Liabilities	8,071	9,668	0.2
Taxes payable	1,075	1,375	0.3
Unearned revenue	2,323	2,821	0.2
Current maturities of medium-term & long-term loans	1,472	1,098	(0.3)
Current portion of obligations under finance lease	98	351	2.6
Total Current Liabilities	<u>13,039</u>	<u>15,313</u>	0.2
NON-CURRENT LIABILITIES			
Medium-term & long-term loans - net of current maturities	2,013	1,067	(0.5)
Obligations under finance lease – net of current maturities	1,057	3,645	2.4
Deferred tax liabilities	2,099	1,939	(0.1)
Others	877	1,043	0.2
Total Non-current Liabilities	<u>6,046</u>	<u>7,694</u>	0.3
EQUITY			
Capital Stock - Rp1,000,000 par value			
Authorized - 650,000 shares			
Issued and fully paid - 182,570 shares	183	183	0.0
Additional paid-in capital	1,505	1,505	0.0
Retained earnings	42,144	41,896	(0.0)
Total Equity	<u>43,832</u>	<u>43,584</u>	(0.0)
TOTAL LIABILITIES AND EQUITY	<u>62,917</u>	<u>66,590</u>	0.1

Table 4
PT. TELEKOMUNIKASI SELULAR (TELKOMSEL) AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPT 30, 2013 (UNAUDITED) WITH COMPARATIVE FIGURES FOR 2012 (UNAUDITED)
 (figures in tables are presented in billions of Rupiah, otherwise stated)

	<u>2012</u>	<u>2013</u>	<u>Growth (%)</u>
REVENUES			
Postpaid	3,190	3,421	7.2
Prepaid	33,121	36,442	10.0
Interconnection & International roaming	3,178	3,538	11.3
Other	369	594	61.2
Total Revenues	<u>39,858</u>	<u>43,994</u>	10.4
EXPENSES			
Personnel	1,543	1,759	14.0
Operation & maintenance	8,193	9,282	13.3
General & administrative	674	900	33.6
Marketing	1,451	1,578	8.7
Interconnection	2,378	2,373	(0.2)
Cost of services	2,925	2,890	(1.2)
Depreciation	7,141	7,301	2.2
Others - net	(98)	317	423.8
Total Expenses	<u>24,207</u>	<u>26,400</u>	9.1
Interest income & financing charges	-	(138)	-
INCOME BEFORE TAX	15,651	17,456	11.5
INCOME TAX EXPENSE	3,931	4,347	10.6
NET INCOME	<u>11,720</u>	<u>13,109</u>	11.9
EBITDA	22,694	25,212	11.1
EBITDA Margin- over revenues	56.9%	57.3%	0.4
ROA	25.7%	27.3%	1.5
ROE	40.1%	41.0%	0.9