



# Corporate Presentation **PT Telekomunikasi Indonesia, Tbk**

**Conference Call** - The First Half of 2009  
Jakarta, August 7, 2009



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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.

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# Board of Directors



# Telco Industry - Environment Overview

Highlights on Telco Industry in Indonesia :

- Environment is very dynamic
- There are 11 Telco Operators
- Regulation Changes
- National Telephone Penetration already around 70%
- Price war on Cellular Business
- Tariff decreased significantly
- Traffic Pattern Changes
- Significantly increase in Data & Internet
- Global Crisis

## TELKOM's Strategies :

- ➔ Strengthen the core to deliver the fundamental
- ➔ Growing New Wave business to build momentum for new portfolio
- ➔ Empower business units to drive growth
- ➔ Transform the culture

# Recent Developments

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## METRA acquired 49% Infomedia share ownership

- METRA, 100% subsidiary owned by TELKOM
- To develop business T.I.M.E (Telecommunication, Information, Media and Edutainment)

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## TELKOM signed Vendor Financing with HUAWEI

- Agreement of Frame Supply and Deferred Payment Arrangement between TELKOM and HUAWEI Investment Tech.
- Amount facility = USD 300 Millions
- Purpose : all project that will be implemented by HUAWEI
- Tenor = 3 years since signing of agreement

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## TELKOM has WiMAX licenses in major area without spectrum overlap

- Has licenses in 12 out of 15 without any spectrum overlap : 7 zone licenses for 3.3 GHz and 5 zone licenses in 2.3 GHz
- 7 zones (3.3 GHz) : Jabodetabek and Banten, North Sumatra, Middle Sumatra, South Sumatra, West Java, East Kalimantan and West Kalimantan
- 5 zones (2.3 GHz) : Middle Java, East Java, North Sulawesi, Papua and Maluku

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# Operational Highlights H1/09

..in almost all business segments, **TELKOM** has a significant customer base growth story..

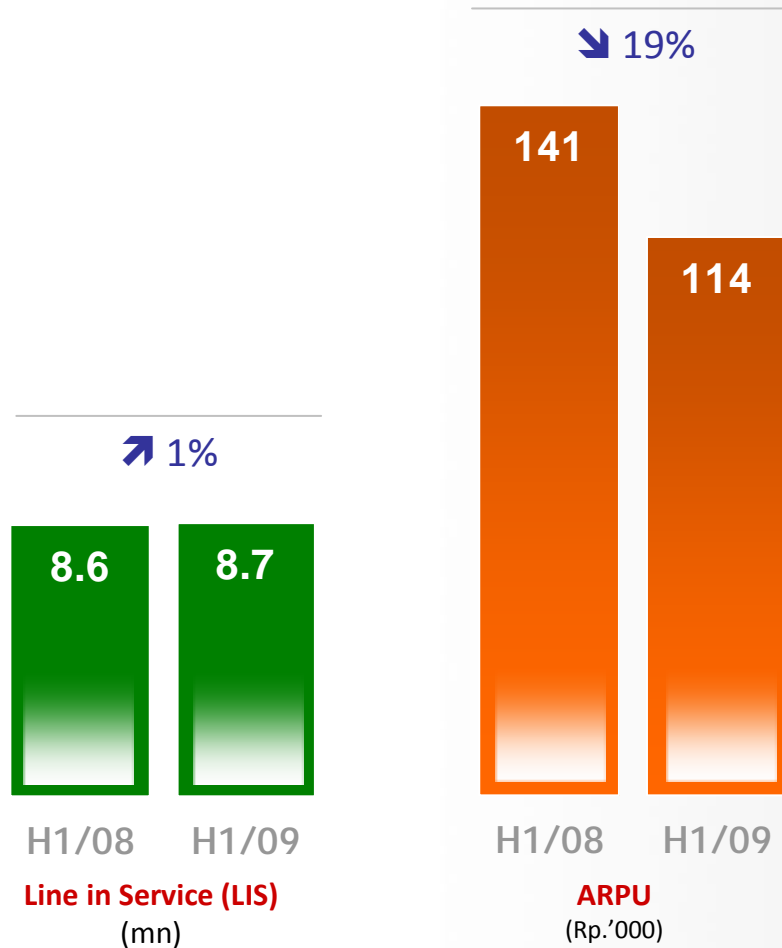
	H1/08	H1/09	Growth (%)
<b>Customer Base (LIS)</b>			
Fixed Line (mn)	16.1	22.2	↗ 38%
Cellular (mn)	52.4	76.0	↗ 45%
Broadband Internet ('000)	393	816	↗ 107%
<b>MoU (Bn minutes)</b>			
Fixed Wireless	6.1	8.6	↗ 42%
Cellular	32.1	68.1	↗ 112%
<b>BTS (Unit)</b>			
Fixed Wireless	2,677	4,943	↗ 85%
Cellular	23,056	28,481	↗ 24%



# Fixed Line Business (1/2)

## Fixed Wireline

as of June 30, 2008 & 2009

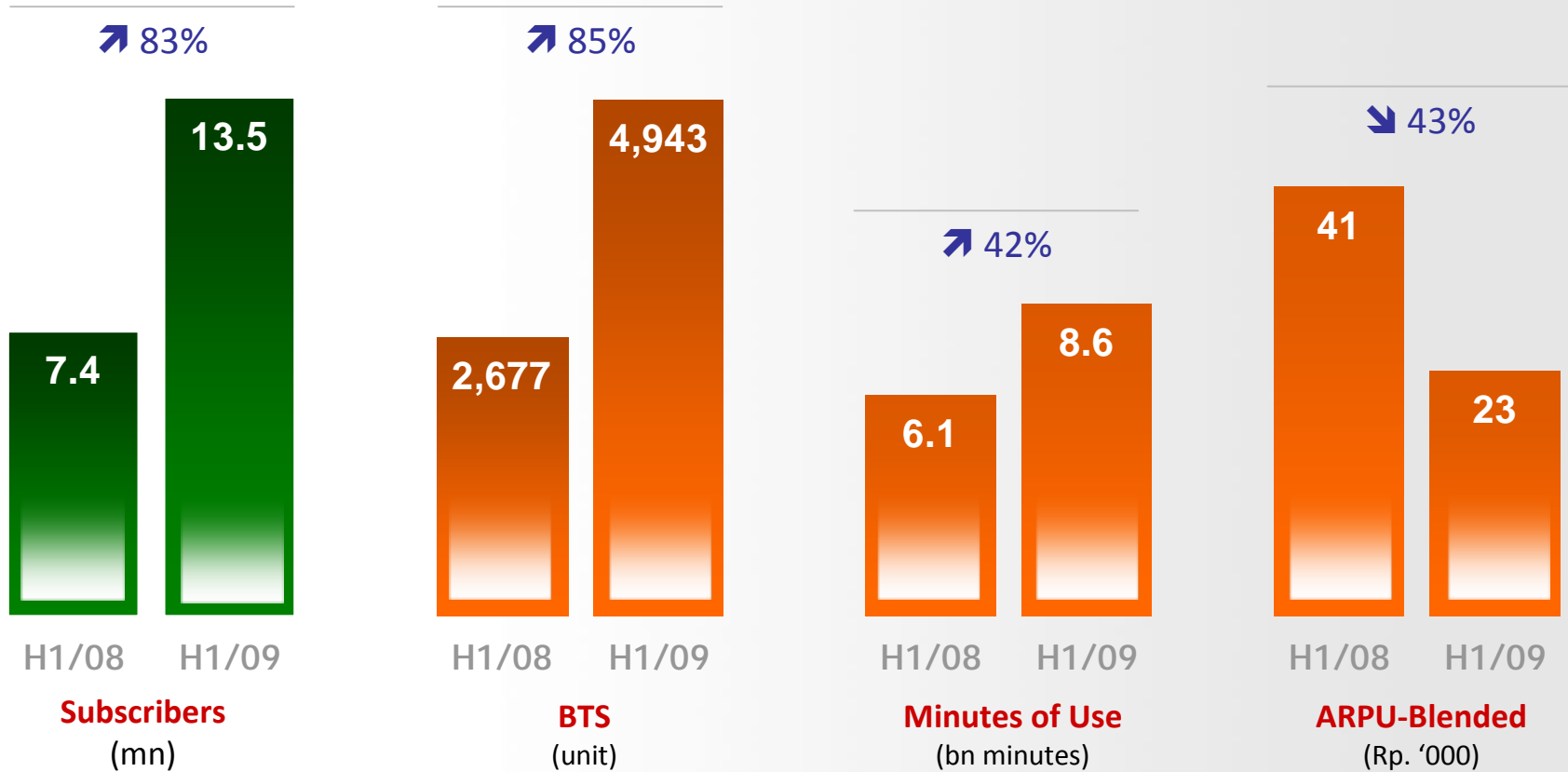


The fixed wireline business in Indonesia **still stamp declining** despite pressure on margins...

# Fixed Line Business (2/2)

## Fixed Wireless

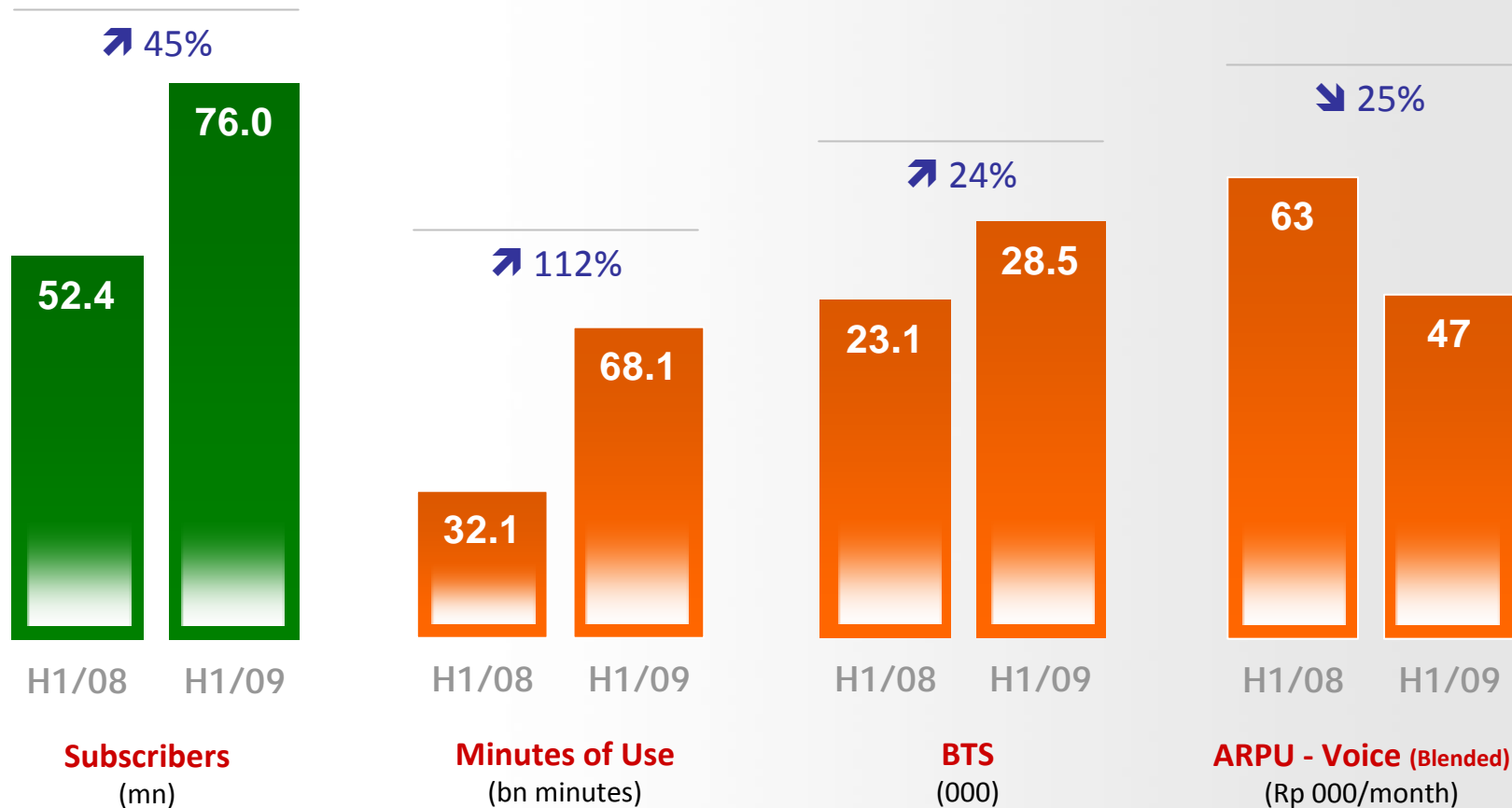
as of June 30, 2008 & 2009



# Cellular Business

Telkomsel is still the clear market leader in cellular GSM with **around 51% of market share...**

*as of June 30, 2008 & 2009*

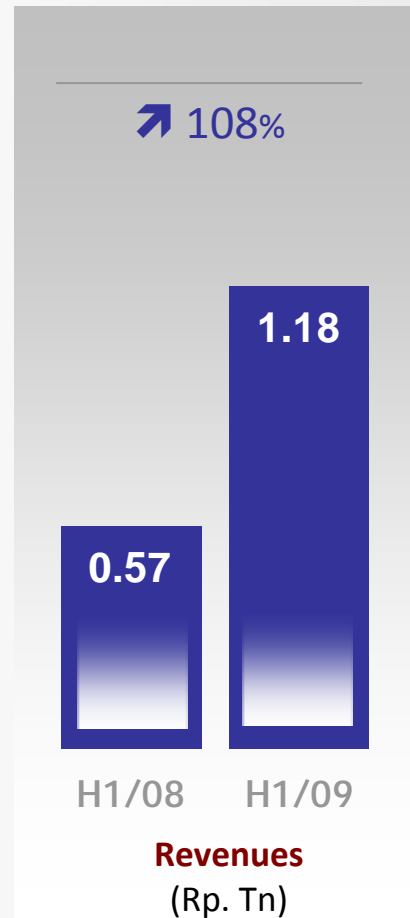
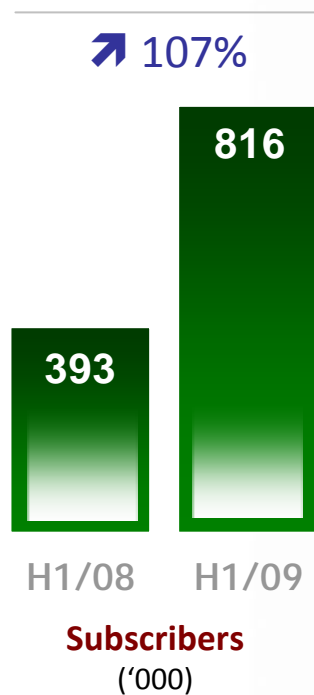


# Broadband Business (Speedy)

has **a strong opportunity** to continue growing in the new wave business...

....Speedy revenue grew significantly by **108%**

*as of June 30, 2008 & 2009*



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# Financial Highlights H1/09

In tight competition, **total revenues** has delivered positive result in H1/09 ...

(in Rp. Tn)	H1/08	H1/09	Growth (%)
Total Assets	85.9	94.2	↗ 9.6%
Total Liabilities	47.6	51.6	↗ 8.2%
Total Equity	30.4	34.1	↗ 12.3%
Operating Revenues	30.2	30.7	↗ 1.5%
Operating Expenses	17.7	19.1	↗ 7.6%
<b>EBITDA</b>	<b>18.2</b>	<b>18.3</b>	↗ 0.2%
EBITDA Margin (%)	60.3	59.5	↘ 0.8%
<b>Net Income</b>	<b>6.3</b>	<b>6.0</b>	↘ 4.0%
Net Income/Share (Rp.)	317.83	306.04	↘ 3.7%

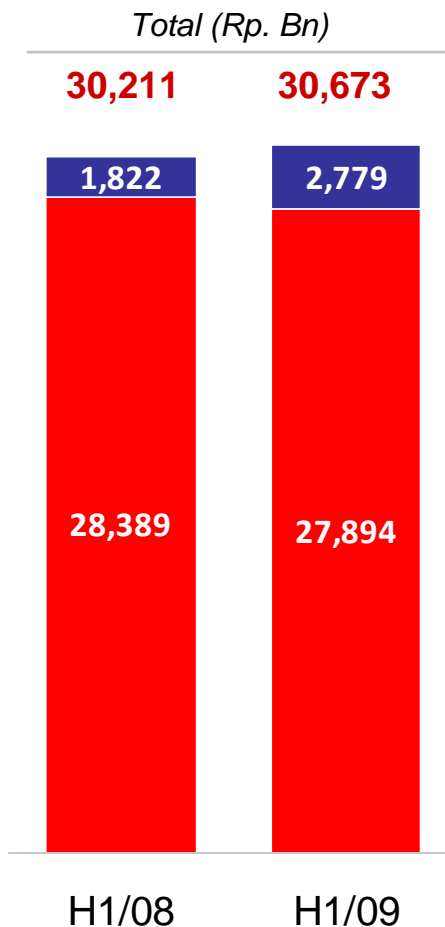
# QoQ Comparison - Q1/09 vs Q2/09

...during Q2/09, financial performance showed **positive results**

	Q1/09	Q2/09	Growth (%)
Operating Revenues (Rp. Tn)	14.7	16.0	↗ 8.6%
Operating Expenses (Rp. Tn)	9.4	9.7	↗ 2.8%
Operating Income (Rp. Tn)	5.3	6.3	↗ 18.9%
<b>EBITDA (Rp. Tn)</b>	<b>8.6</b>	<b>9.7</b>	<b>↗ 13.0%</b>
<b>Net Income (Rp. Tn)</b>	<b>2.5</b>	<b>3.6</b>	<b>↗ 45.9%</b>
<b>EBITDA Margin (%)</b>	<b>58.3</b>	<b>60.6</b>	<b>↗ 2.3%</b>

# Legacy and New Wave Revenues H1/09

as of June 30, 2008 & 2009



The decline of Legacy revenues **was partially offset by an increase of New Wave revenues...**

New Wave Business

↗ **52.5%**  
(Rp.957 bn)

Legacy Business

↘ **1.7%**  
(Rp. 495 bn)

Our New Wave business has **grown significantly (52.5%)...**

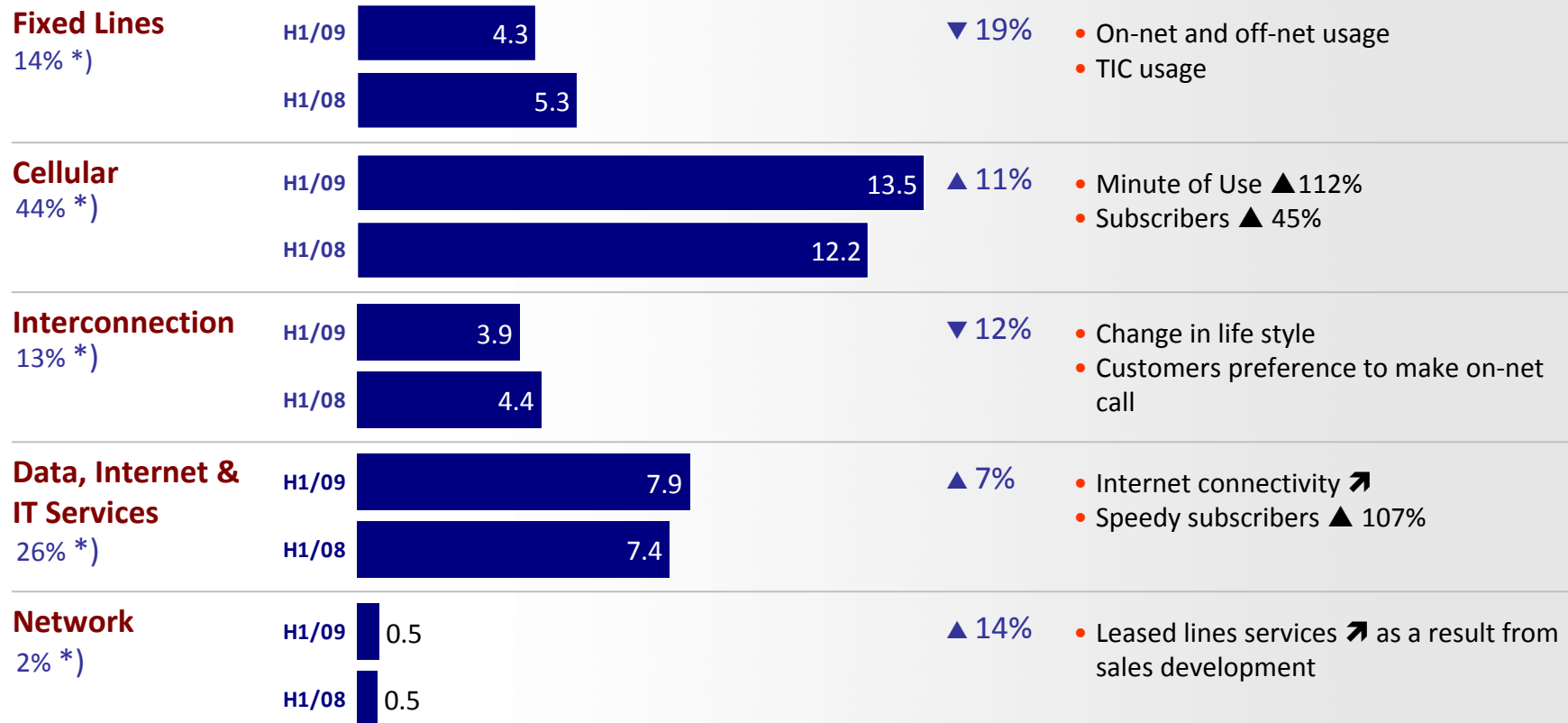
...and the contribution to total revenues reached **9% (2009) from 6% (2008)**



# Revenue Drivers H1/09

**Total Revenue increased by 1.5% to Rp. 30.7 Tn**

as of June 30, 2008 & 2009  
(In Rp. Tn)



Note : \*) contribution to total revenues

# Expense Drivers H1/09

Total expenses increased by 7.6% to Rp. 19.1. **However the personal expenses decreased by 12%...**

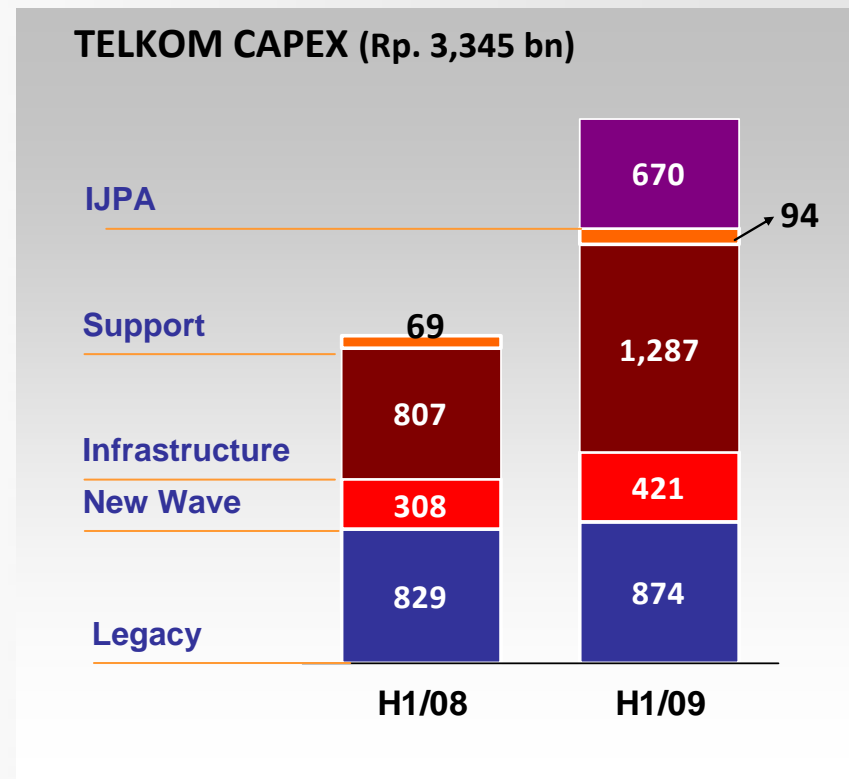
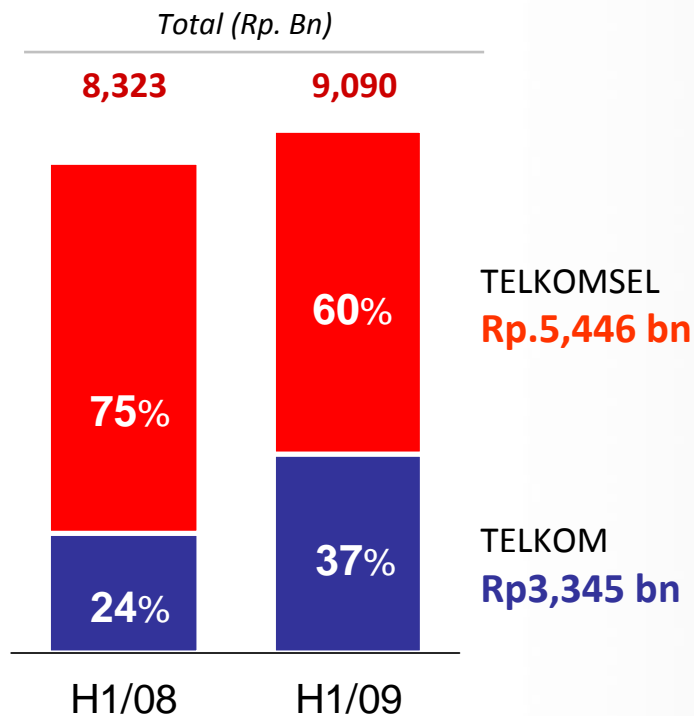
as of June 30, 2008 & 2009  
(In Rp. Tn)

<b>Depreciation</b>	H1/09	6.0	▲ 18%	<ul style="list-style-type: none"> <li>• Depreciation expenses of Telkomsel : ▲25%</li> <li>• In line with the expansion of network infrastructures</li> </ul>
	H1/08	5.1		
<b>Personnel</b>	H1/09	3.8	▼ 12%	<ul style="list-style-type: none"> <li>• Reducing of total employees by 7.1% caused by normal pension &amp; ERP</li> </ul>
	H1/08	4.3		
<b>Operation, Maint. &amp; Tel. Services</b>	H1/09	6.4	▲ 14%	<ul style="list-style-type: none"> <li>• Total BTS's : ▲ 24%</li> <li>• Overall network capacity : ▲ 44%</li> <li>• Affect: maintenance costs, frequency fees &amp; power supply costs</li> </ul>
	H1/08	5.6		
<b>General &amp; Administrative</b>	H1/09	1.9	▲ 6%	<ul style="list-style-type: none"> <li>• Amortization of goodwill &amp; intangible assets ↗</li> <li>• Collection expenses ↗</li> <li>• General and social contribution ↗</li> </ul>
	H1/08	1.8		
<b>Marketing</b>	H1/09	1.0	▲ 7%	<ul style="list-style-type: none"> <li>• Marketing and promotion program</li> <li>• Customer education program</li> </ul>
	H1/08	0.9		

# CAPEX in H1/09

as of June 30, 2008 & 2009

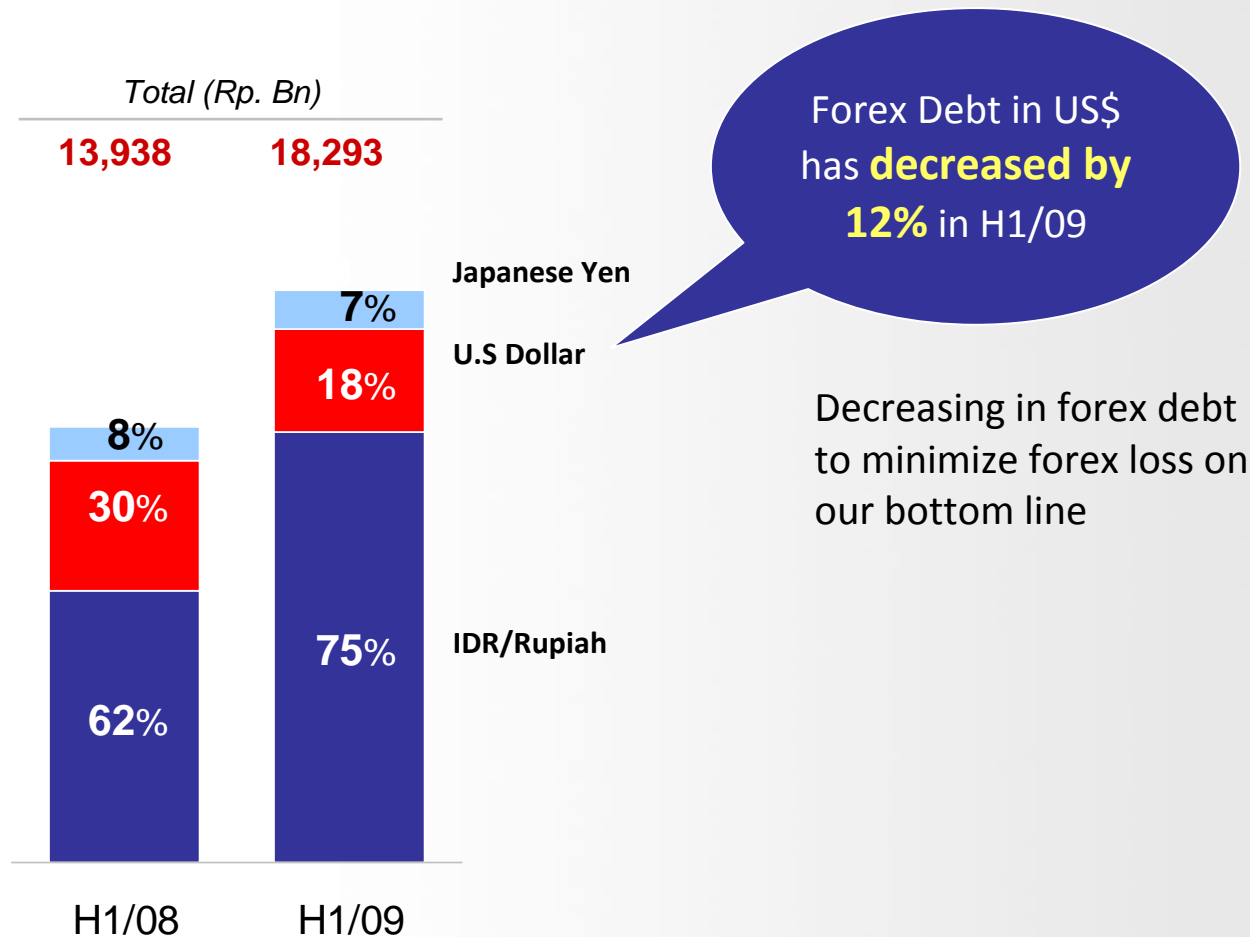
.....continuing to increase on capacity, coverage and improve quality of service **as well as to provide investment to develop our new wave businesses...**



# Consolidated Debt H1/09

To minimize effect of forex fluctuation, **company has reduced foreign debt mainly in US\$...**

as of June 30, 2008 & 2009



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# Thanks for your attention...

Any further  
questions?

**Contact Address :**

Investor Relations & Corporate Secretary Department  
Grha Citra Caraka 5<sup>th</sup> fl  
Jl. Jend. Gatot Subroto Kav. 52  
Jakarta, 12710  
Indonesia

Tel : +62-21-5215109

Fax : +62-21-5220500

Email : [investor@telkom.co.id](mailto:investor@telkom.co.id)

<http://telkom-indonesia.com>

A photograph of three cyclists in racing gear, including helmets and sunglasses, riding their bicycles on a road. The cyclist in the foreground is wearing a red and white jersey and a red helmet. The cyclist in the middle is wearing a blue and white jersey and a blue helmet. The cyclist in the background is wearing a green and white jersey and a red helmet. The background is a blurred green landscape.

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