

Corporate Presentation

Conference Call:
Nine Month 2010 Results

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.

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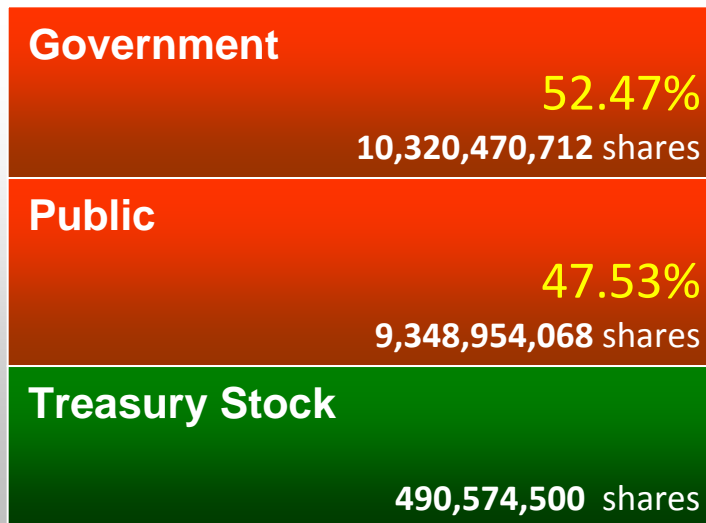
Telkom Ownership



Telkom is the largest telecommunication company and network provider in Indonesia, majority owned by the Government of Indonesia

(Total shares = 20,159,999,280, including 1 Dwiwarna share series A)

as of September 30, 2010



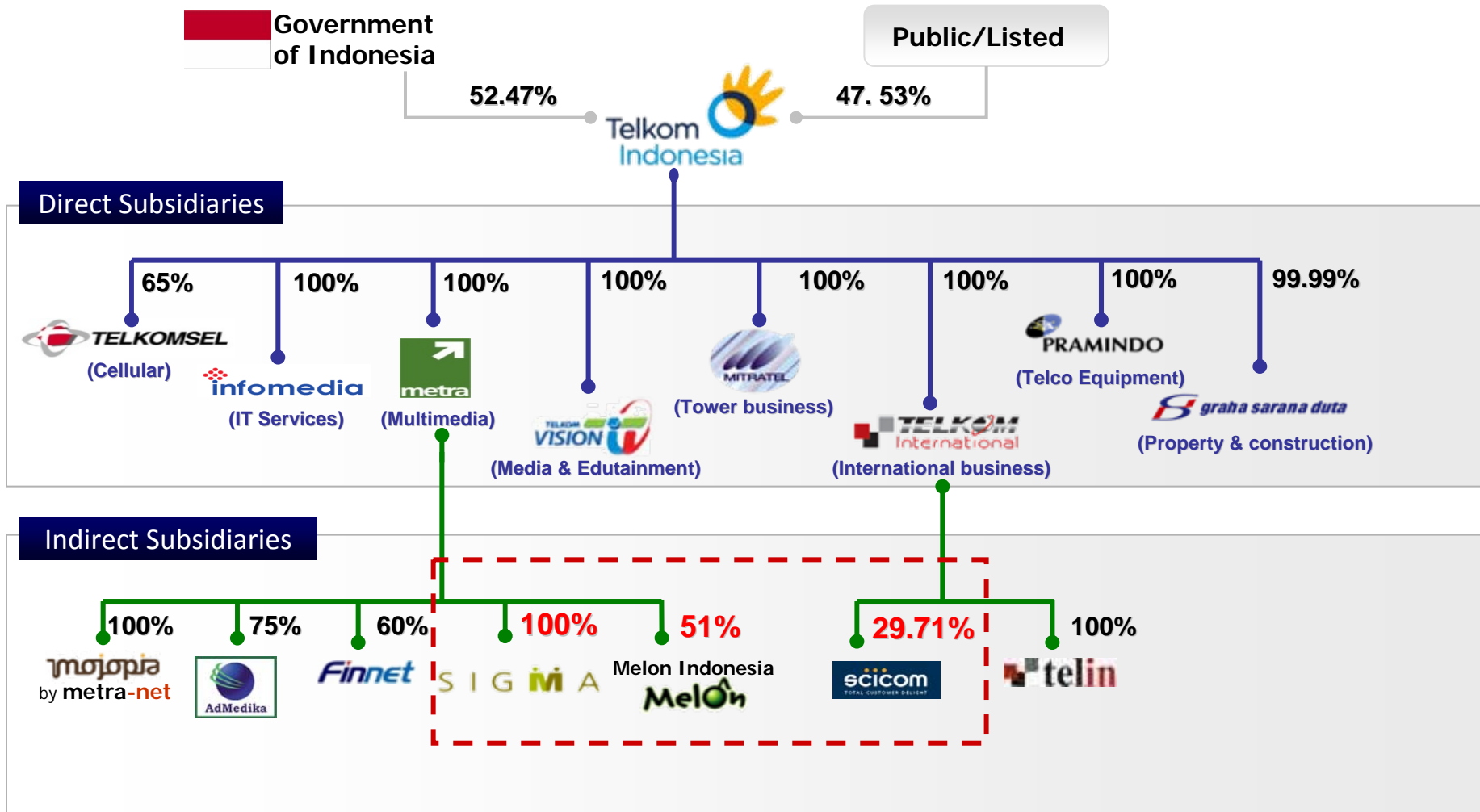
Market cap : **Rp185.5Tn**, or **6.35%** of total market cap.
at IDX Indonesia

TELKOM is listed at Indonesia Stock Exchange (IDX), New York Stock Exchange (NYSE), London Stock Exchange (LSE) and also Publicly Offering Without Listing (POWL) at Tokyo Stock Exchange (TSE)



Telkom and Subsidiaries

(ownership)



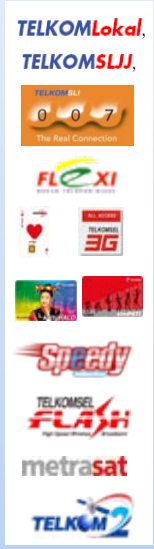
Telkom's Business Portfolio – T.I.M.E

(Telecommunication, Information, Media, Edutainment)



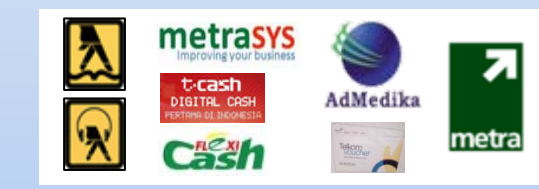
Telecommunication

- 1 POTS
- 2 FWA
- 3 Mobile/Cellular
- 4 International Services
- 5 Broadband
- 6 Network Services
- 7 Tower



Information

- 8 Premise Integration Services
- 9 VAS, Managed App & Performance/ITO
- 10 E-Payment
- 11 ITes (BPO, KPO)



Media & Edutainment

- 12 Media: PayTV & FTA
- 13 Content/Portal



Highlights of Nine Month 2010 Results

- **TELKOM consolidated operating revenue** for 9M10 increased to Rp52.1 trillion or 3.9%.
- **Cellular subscribers base grew strongly** by 17% year on year (YoY) to 93.1 million subscribers during 9M10 with a total net add of 11.5 million subscribers .
- **Broadband subscribers rose by 155% to 6,381K** with Data, Internet and IT services consolidated revenue increasing by 15%.
- **The decline in fixed line revenue slowed to 8.8%** in 9M10.

Cellular Business

As of September 30, 2010, we are still the leading provider in the cellular/full mobility market with **an around 47% market share.**

	9M09	9M10	Growth (%)
Cellular			
Subscribers (mn)	79.8	93.1	↗ 17%
BTS (unit)	29,781	35,316	↗ 19%
MoU (Bn minutes)	101	93	↘ 8%
ARPU – blended (Rp'000)	48	43	↘ 10%
Revenue (Rp Bn) *)	21,504	22,057	↗ 3%

Note: *) Cellular revenue including monthly charge, voice and features revenues.

Broadband Services

Our broadband service **also showed strong growth**, with total 1.5 Mn sub. in fixed broadband and 4.3 Mn sub. in mobile broadband.

	9M09	9M10	Growth (%)
Fixed broadband/Speedy:			
Subscribers ('000)	979	1,530	↗ 56%
Revenue (Rp Bn)	1,850	2,662	↗ 44%
Mobile broadband/Flash:			
User ('000)	1,375	4,278	↗ 211%
Revenue (Rp Bn)	341	684	↗ 101%

Speedy and Flash remained the market leader in broadband businesses with total market share of approximately **80%** and **64%**

Fixed Line Business

We continue **defending the decline in voice revenue through flat tariff program**
(Fixed Business Improvement Program – FBIP)

	9M09	9M10	Growth (%)
Fixed Wireline			
Line in Service/LIS (mn)	8.7	8.3	↘ 4%
ARPU ('000)	112	105	↘ 6%
Fixed Wireless / Flexi			
Subscribers (mn)	14.9	16.8	↗ 13%
BTS (unit)	5,296	5,580	↗ 5%
MoU (Bn minutes)	12	9	↘ 26%
ARPU – blended (Rp'000)	23	17	↘ 26%
Fixed Line Revenues (Rp Bn) *)	10,806	9,854	↘ 9%

Note: *) Fixed Line revenue including monthly charge, voice and features revenues.

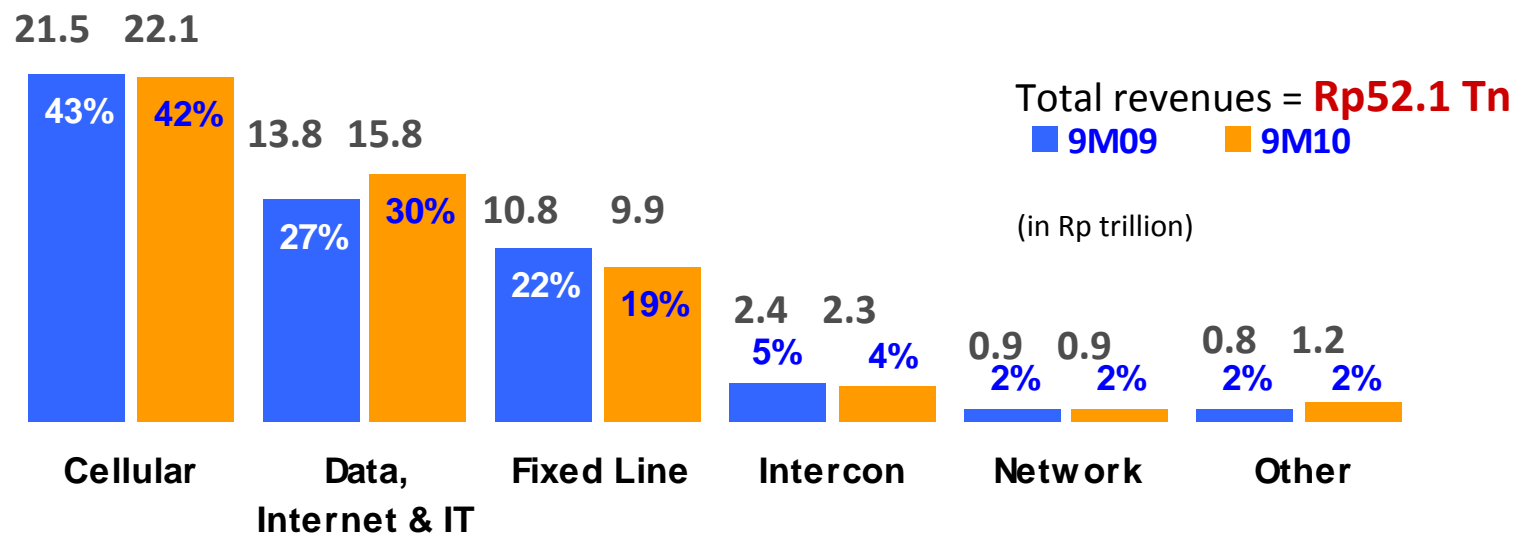
Financial Highlights

(in Tn Rp)	9M09	9M10	Growth YoY (%)
Balance Sheet			
Total Assets	95.3	100.1	↗ 5%
Total Liabilities	48.0	46.4	↘ 3%
Minority Interest	9.8	10.9	↗ 12%
Total Equity	37.5	42.7	↗ 14%
Profit & Loss Statement *)			
Operating Revenues	50.2	52.1	↗ 3.9%
Operating Expenses	32.2	34.9	↗ 8.4%
EBITDA	28.2	28.2	↗ 0.3%
EBITDA Margin (%)	56.1	54.2	↘ 1.9%
Net Income	9.3	8.9	↘ 3.9%
Net Income/Share (Rp)	473	454	↘ 3.9%

Note: *) The 2009 figures are reclassified to conform to the current presentation

Income Statement (1/2)

Revenue contribution to total revenues

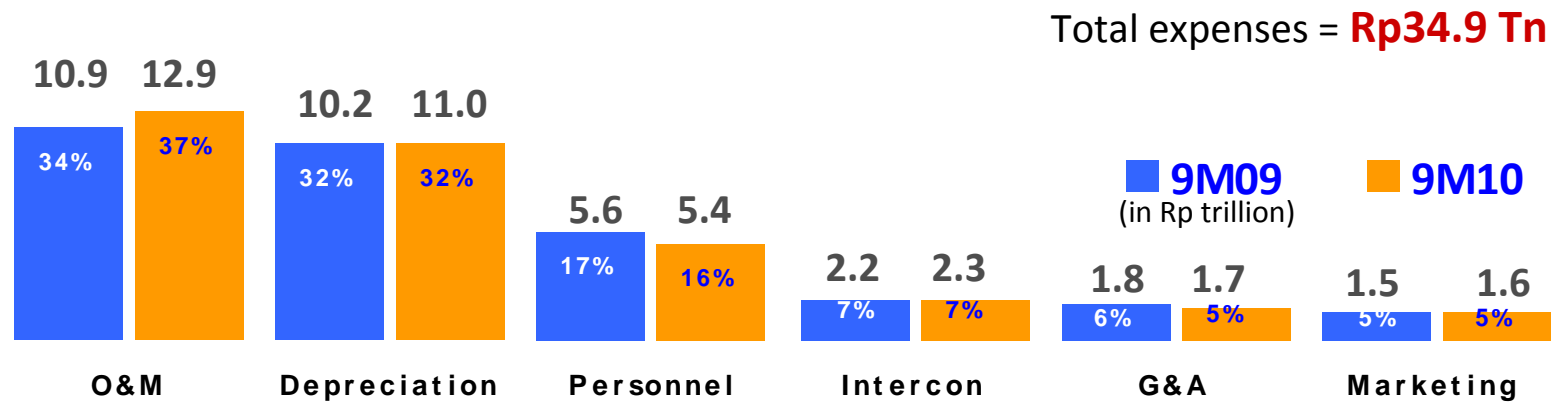


In 9M10, Data, Internet & IT services revenues contributed **30%** to total revenues (increased by 3%)

Note: *) In accordance with the change in accounting treatment from net to gross (PPSAK No.1) in 2010, we present outgoing interconnection revenue on gross basis as part of operating revenues. The 2009 presentation is reclassified to conform with the current standard.

Income Statement (2/2)

Expense contribution to total expenses



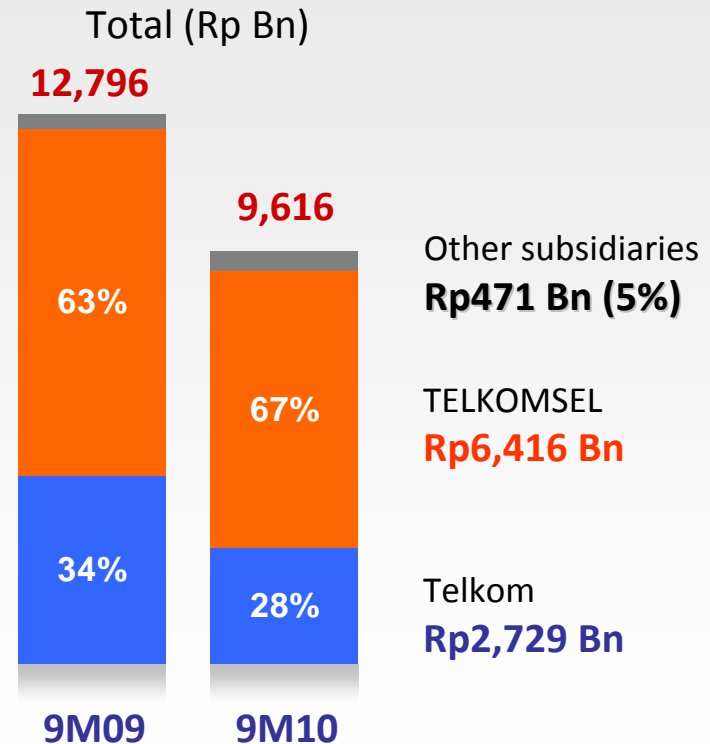
Expense was manageable, G&A and personnel expenses has decreased each by **1%**

Additional Information

Total Capex Allocation

Telkom capex utilized to enhance backbone infrastructure

Telkomsel capex utilized to acquisition of network infrastructure





Q & A Session...



Any further questions?



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