

Corporate Presentation

1H16 Results

PT Telkom Indonesia (Persero) Tbk

August 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.

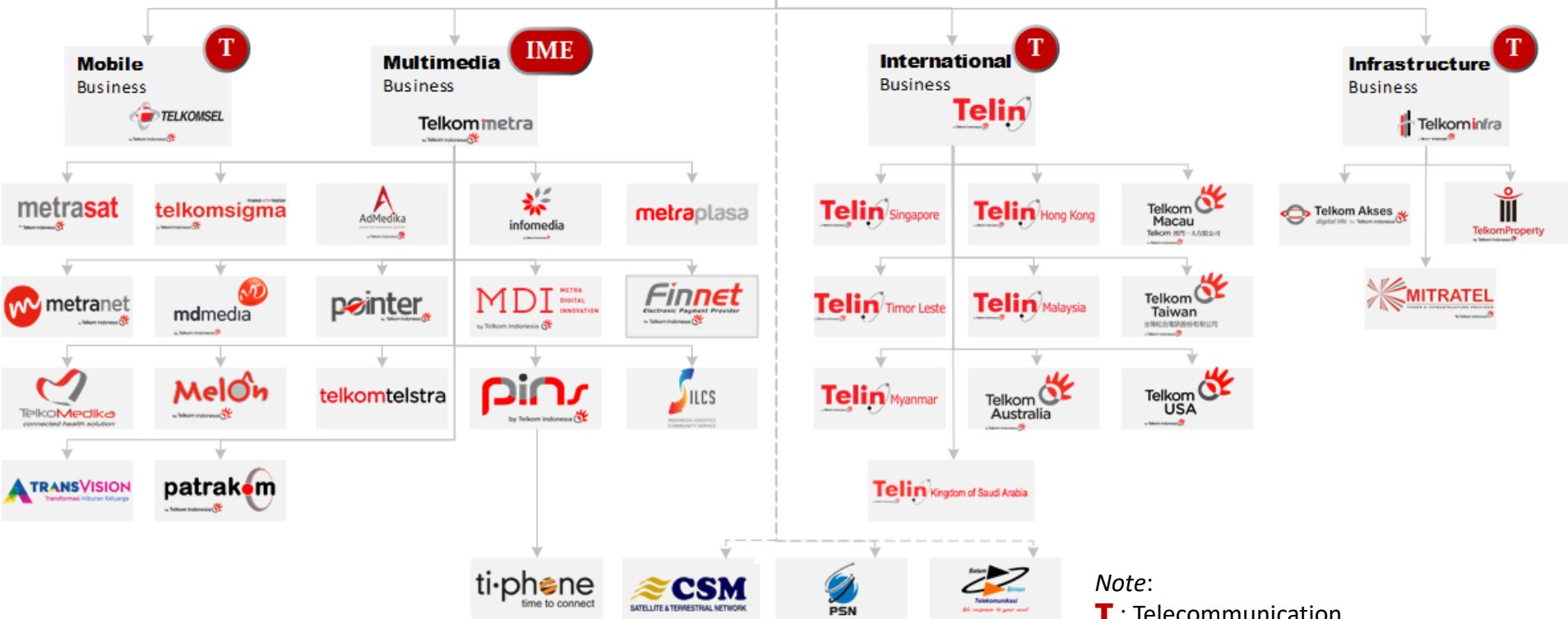
TELKOM in Brief

1H16 Financial & Operational Results

Company Guidance 2016



Telkom and Subsidiaries



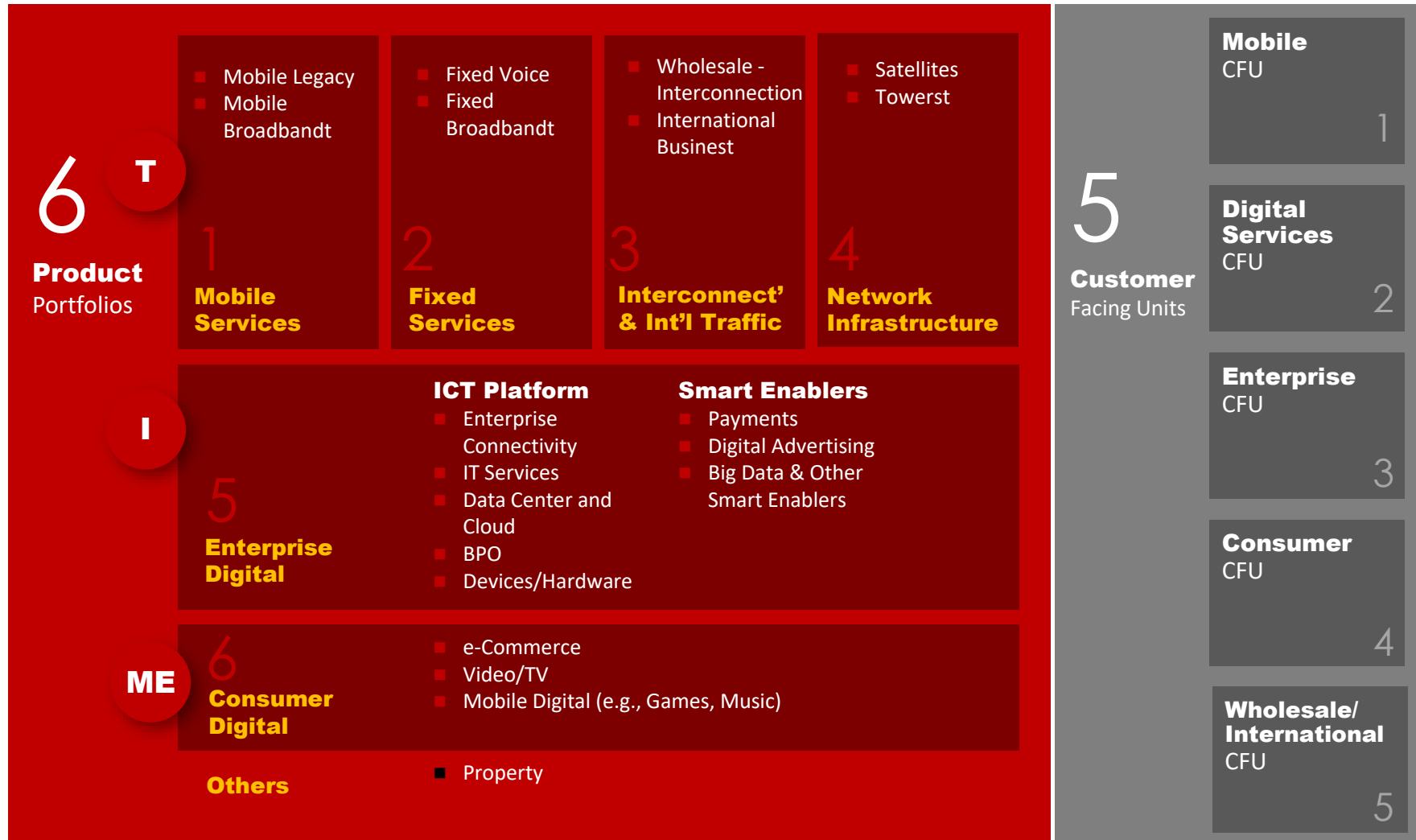
Note:

T : Telecommunication

IME : Information, Media & Edutainment

Telkom Group Portfolios

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



Share Ownership

Government **52.1%**

Public **47.9%**

Treasury Stock
1.7 Bn shares

Total Shares

100,799,996,400 shares

Market Capitalization

Rp**426** Tn (USD**32.5** 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 July 29, 2016

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1H16 Performance Highlights

Telkom Indonesia continued strong momentum with triple double-digit growth in **Revenue, EBITDA, and Net Income** of **15.6%, 22.8%, and 33.3%** YoY respectively.

Data, Internet & IT Services sharply increased by **50.7%** YoY

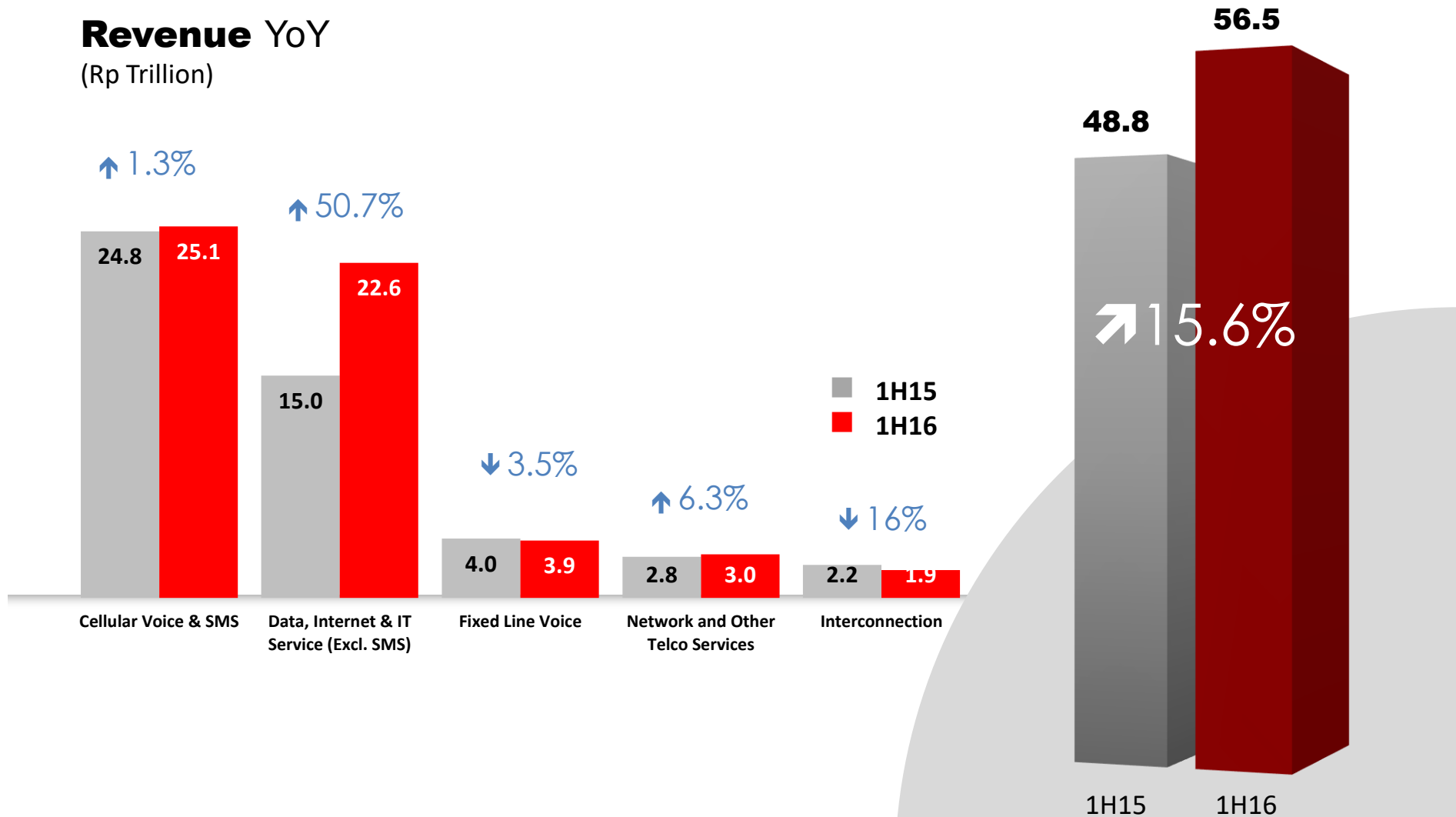
Data, Internet & IT Services contributed **40.1%** to total Revenue

Telkomsel installed **15,384** new BTSs during 1H16

Around **90%** of new BTSs are 3G/4G BTS to enhance mobile broadband experience

Strong Revenue Growth, Driven by Digital Business

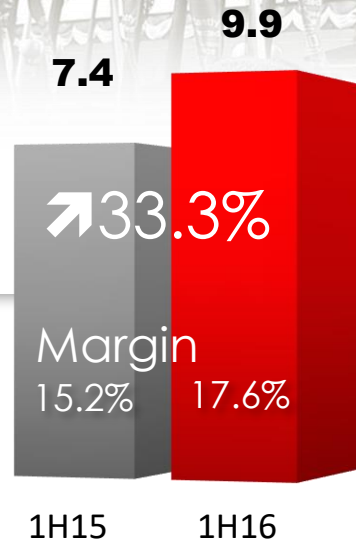
Revenue YoY (Rp Trillion)



Strong EBITDA & Net Income Growth with Healthy Margins



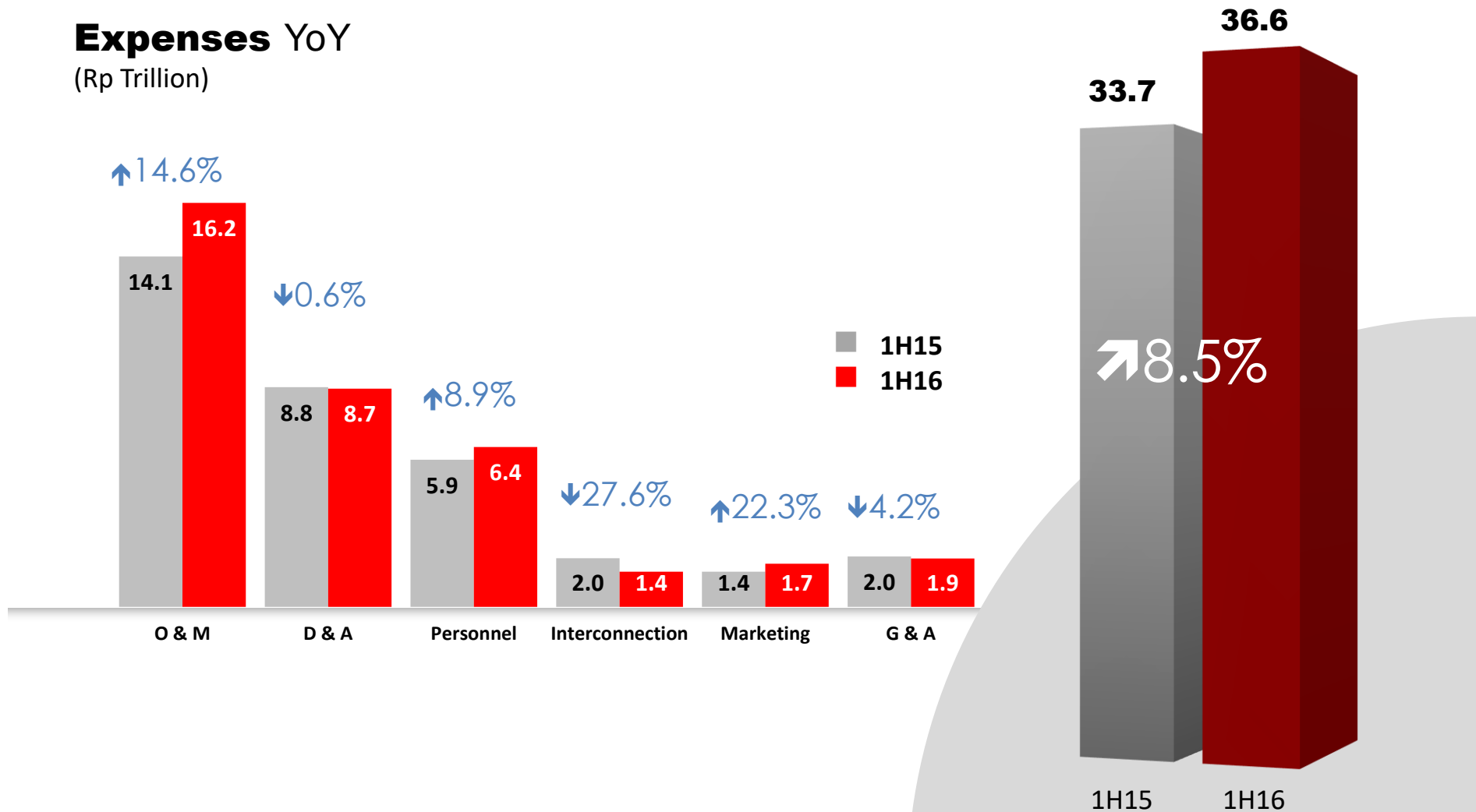
EBITDA YoY
(Rp Trillion)



Net Income YoY
(Rp Trillion)

Increased Operating Expenses in line with Infrastructure Development

Expenses YoY (Rp Trillion)



Excellent Operational Results

Telkomsel Operational

- Total customers: 157.4 mn (+9.2% YoY).
- 3G/4G-capable device users: 70.1 mn (+45.7% YoY).
- Mobile data payload jumped 82.7% YoY to 378,583 TB.
- 5.9 mn customers swapped to USIM to enjoy 4G LTE.
- Added 15,384 new BTS in 1H16, 90.5% were 3G/4G BTS.



IndiHome
FIBER



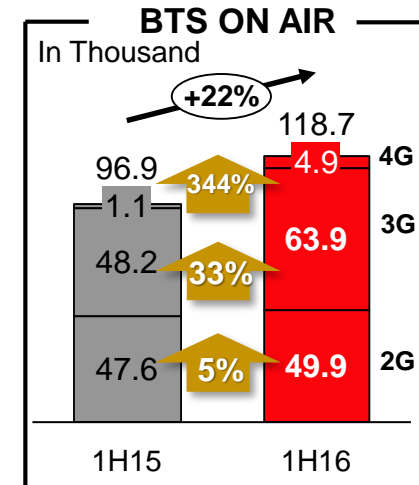
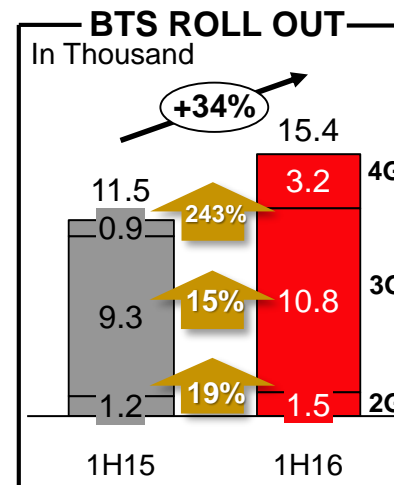
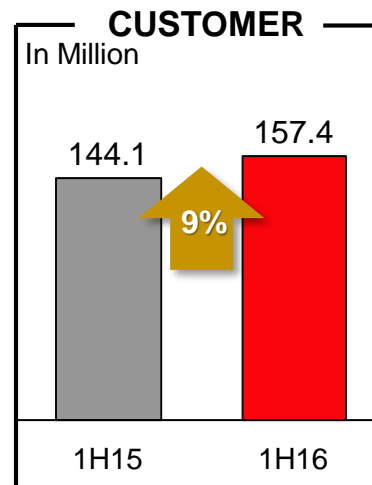
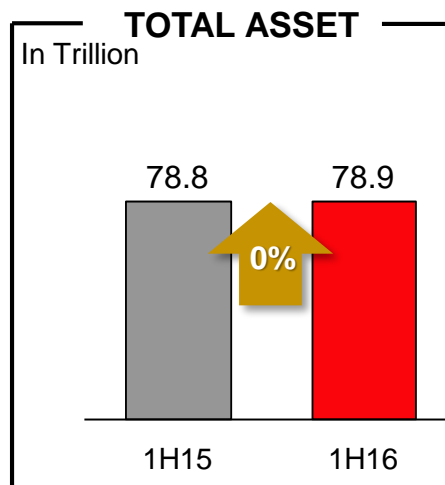
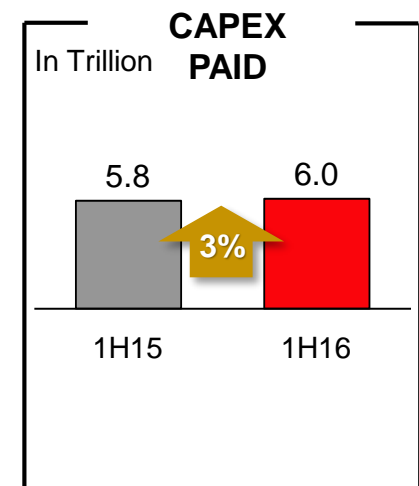
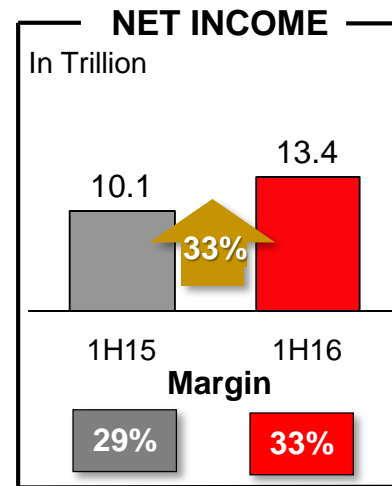
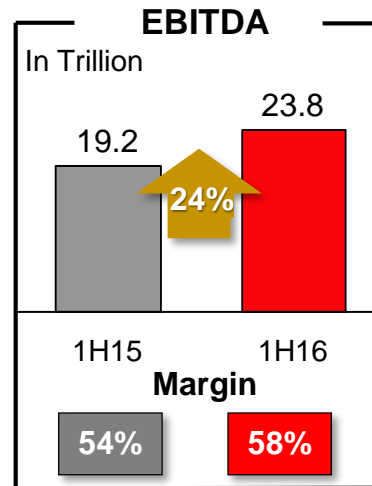
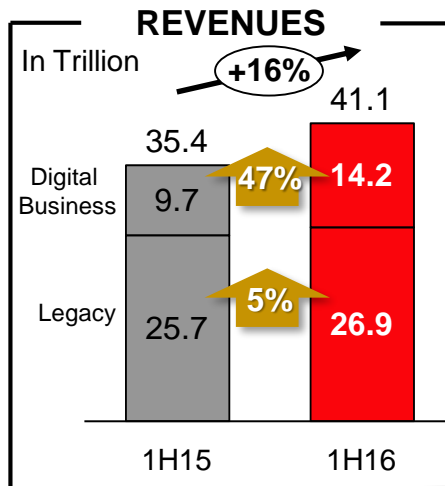
TELKOM Operational

- IndiHome subs reached 1.5 Million in 1H16
- Fixed broadband users (incl. non-IndiHome) increased 15.7% YoY to 4.3 Million

Telkomsel : Maintained Strong Performance Momentum during 1H16

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

YEAR-ON-YEAR ACHIEVEMENT



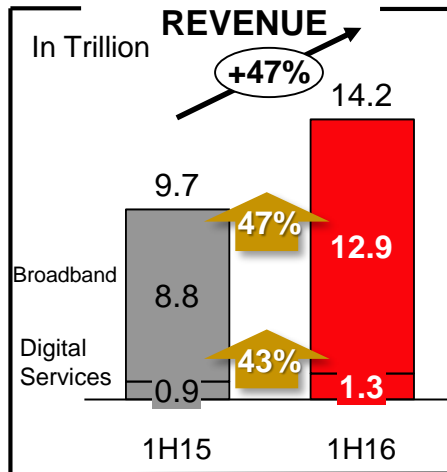
Telkomsel : Continued to Focus on Digital Business



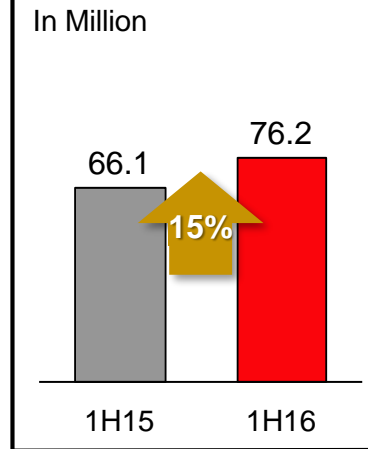
Engine of growth and accounted for 35% of Total Revenues

YEAR-ON-YEAR ACHIEVEMENT

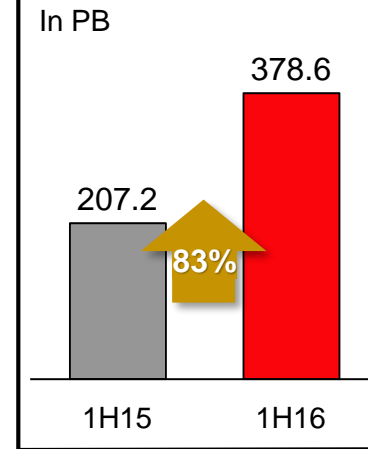
DIGITAL BUSINESS REVENUE



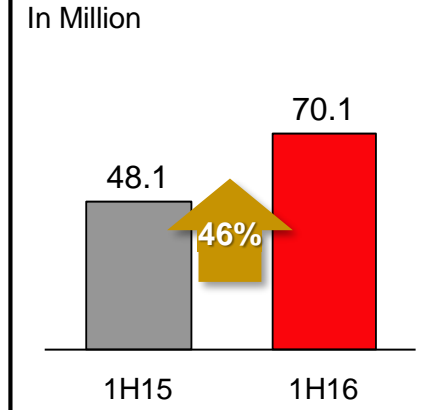
DATA USER



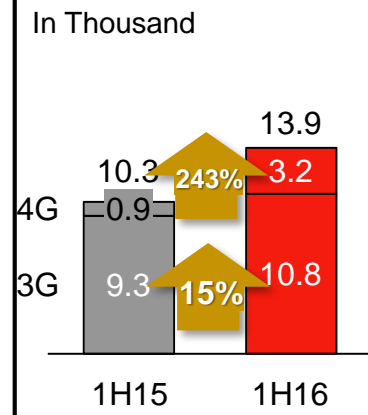
DATA TRAFFIC



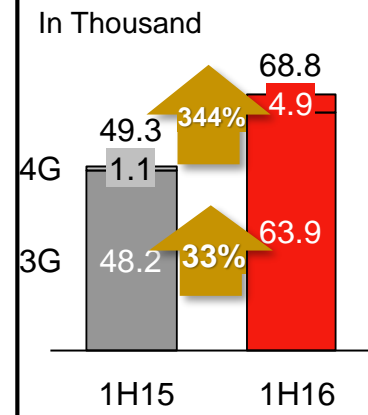
3G/4G CAPABLE DEVICE



3G & 4G BTS ROLL OUT



3G & 4G BTS ON AIR



Broadband:



Telkomsel
Flash



BlackBerry

Digital Services:

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



Progress in 1H16

id-Access
True
Broadband
Access

>10Mn
fiber-based
homes passed

1.5Mn
IndiHome 3P
customers

id-Ring
Nationwide
Broadband
Backbone

>83,000 km
nationwide fiber-based
backbone network

id-Con
Indonesia
Digital
Convergence

>70,000 m²
data center

Recent Development:

Treasury shares:

On June 29, 864 mn treasury shares were placed out with net proceeds of Rp3.25 tn to support capital expenditure and subsidiaries recapitalization.

Asset leveraging

Developing 1,200 ha unutilized landbank into investment property to enhance operational efficiency.

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1H16 Operational & Financial Results

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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 and revenue shift towards digital business

CAPEX

Around 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 prioritize synergy creation with Telkom Group.

MAIN PROGRAM

Telkomsel

Leading Mobile Digital Business

Indonesia Digital Network

Drive Digital Home & Enterprise

International Expansion

Smart International Business Growth

Thank You

Investor Relations

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