

Corporate Presentation **1Q17 Results**

PT Telkom Indonesia (Persero) Tbk

May 2017



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

1Q17 Financial & Operational Results

Company Guidance 2017



Telkom and Subsidiaries



Government
52.1%

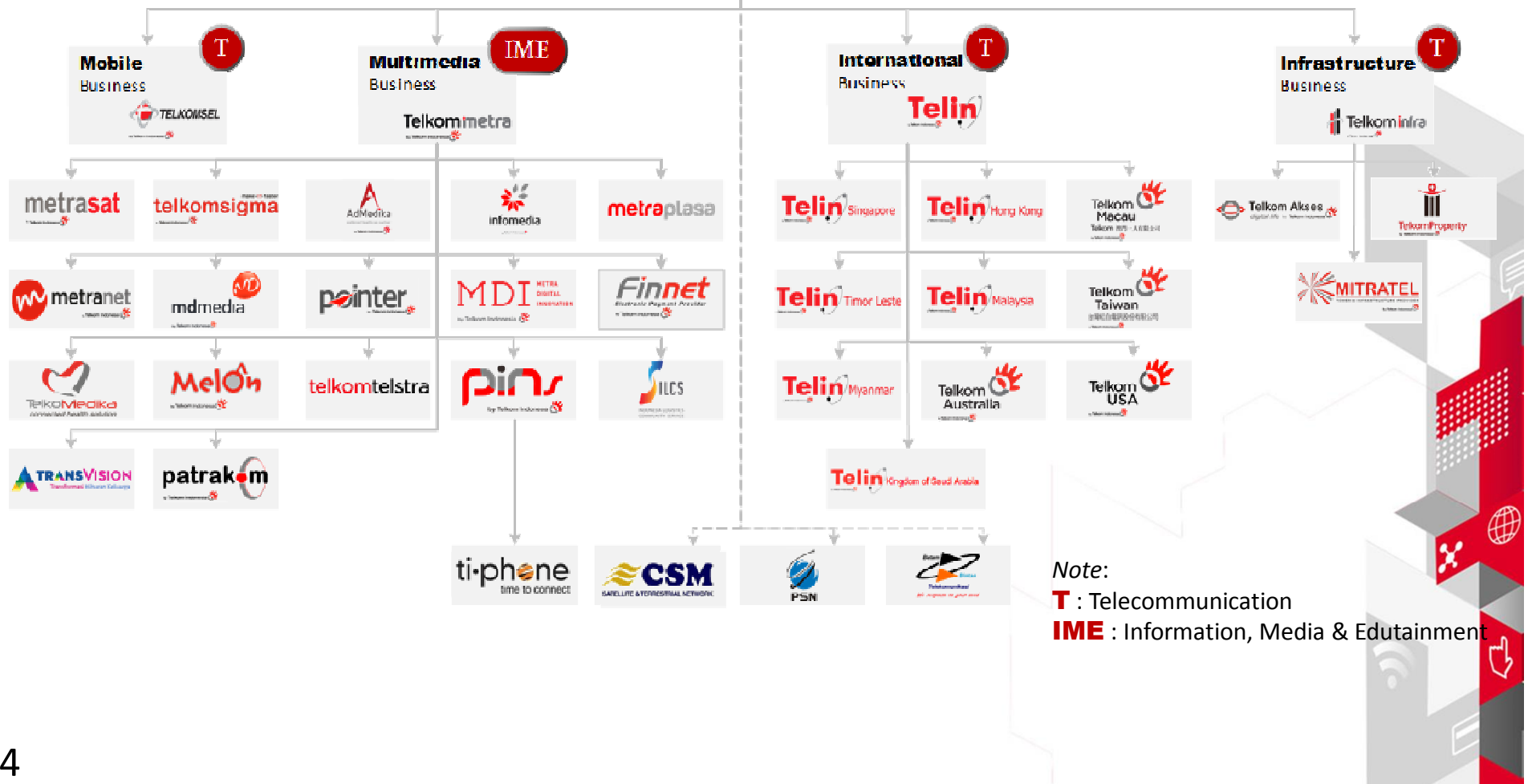
**Telkom
Indonesia**



Public
47.9%



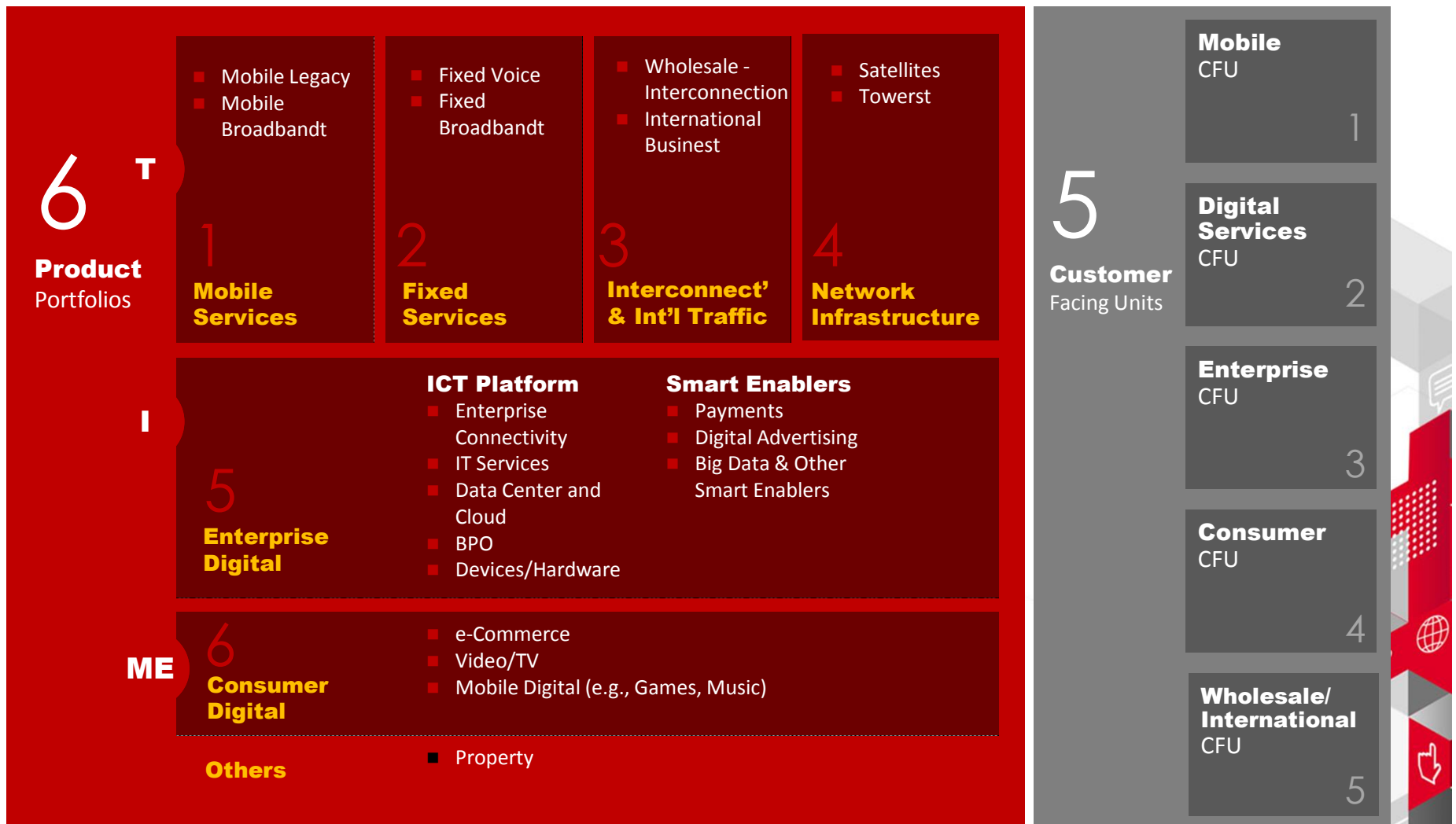
the world in your hand



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

Rp445.5 Tn (USD32.8 Bn)*

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



*as of April 21, 2017



Board of Directors



Telkom



PRESIDENT DIRECTOR
ALEX J. SINAGA



Director of Finance
HARRY M. ZEN



Director of HCM
HERDI R. HARMAN



Director of WINS
ABDUS SOMAD ARIEF



Director of EBIS
DIAN RACHMAWAN



Director of Consumer
MAS'UD KHAMID



Director of NITS
ZULHEFI ABIDIN



Director of DSP
DAVID BANGUN

Telkomsel



CEO Telkomsel
RIRIEK ADRIANSYAH



Director
HERI SUPRIADI



Director
EDWARD YING SIEW HENG



Director
ALISTAIR D JOHNSTON



Director
SUKARDI SILALAHI



Director
PRIYANTONO RUDITO



Director
MONTGOMERY HONG



TELKOM Introduction

1Q17 Financial & Operational Results

Company Guidance 2017



1Q17 Performance Highlights



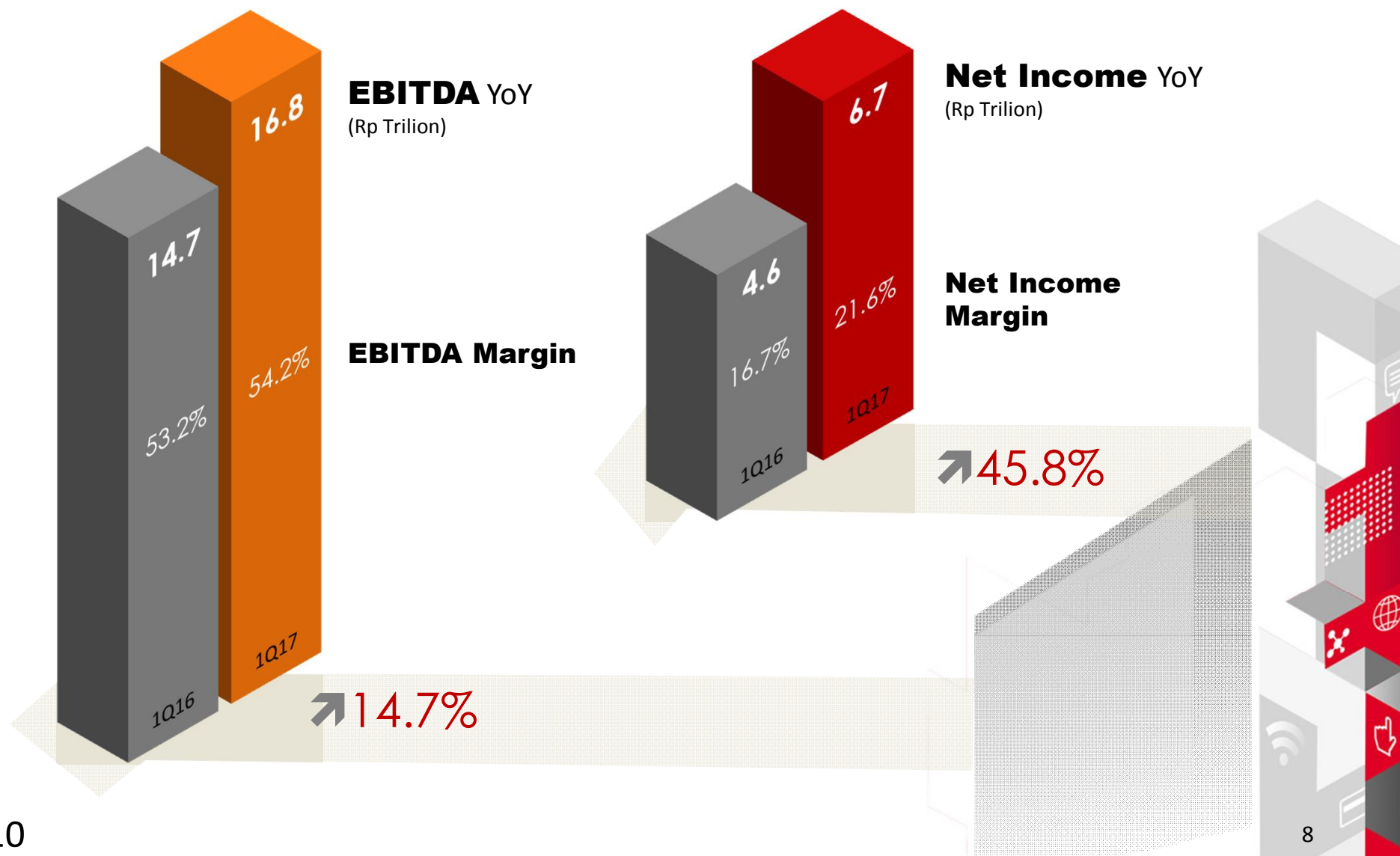
Telkom Indonesia delivered remarkable results in 1Q17, posting triple double-digit growth in **Revenue**, **EBITDA**, and **Net Income** of **12.6%**, **14.7%**, and **45.8%** YoY respectively.

Data, Internet & IT Services sharply increased by **25.4%** YoY. The segment contributed **41.6%** to total revenue.

Telkomsel recorded another triple double-digit with **Revenue** grew by **10.4%**, **EBITDA 13.0%**, and **Net Income 17.8%** respectively.

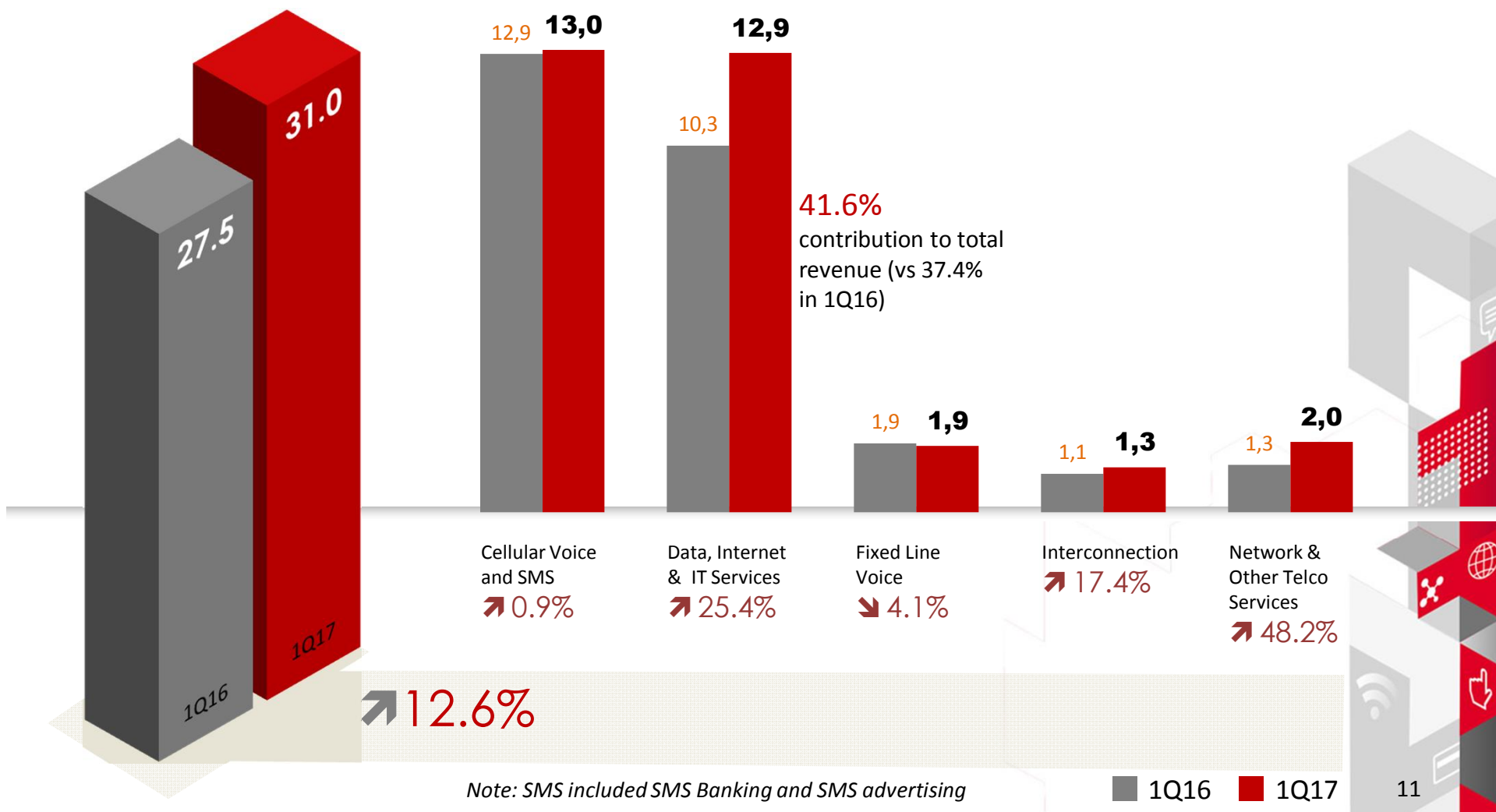
Telkomsel installed **7,060** new BTSs, all of which are 3G/4G BTSs to enhance mobile broadband experience.

Strong EBITDA & Net Income Growth with Healthy Margins



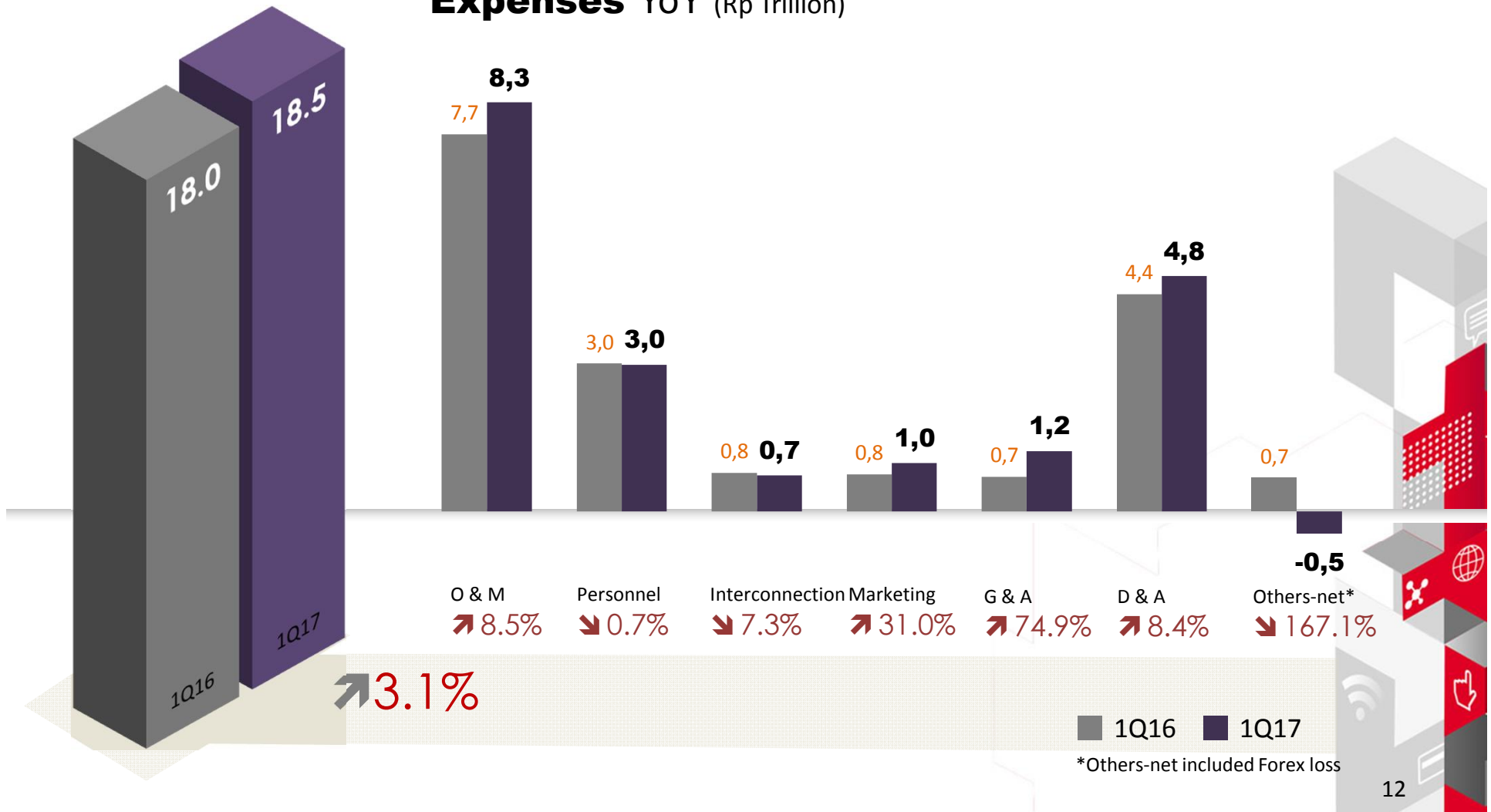
Strong Revenue Growth, Driven by Data Business

Revenue YOY (Rp Trillion)



Relatively Low Growth in Expenses

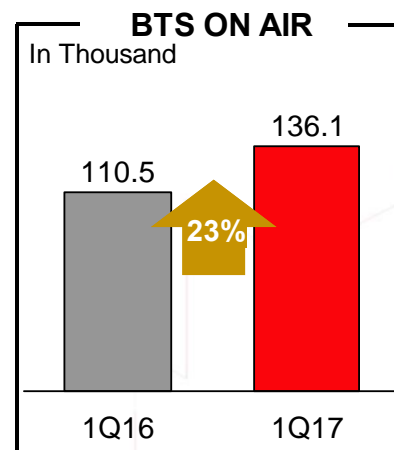
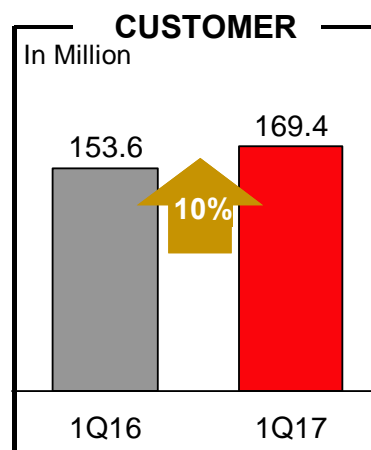
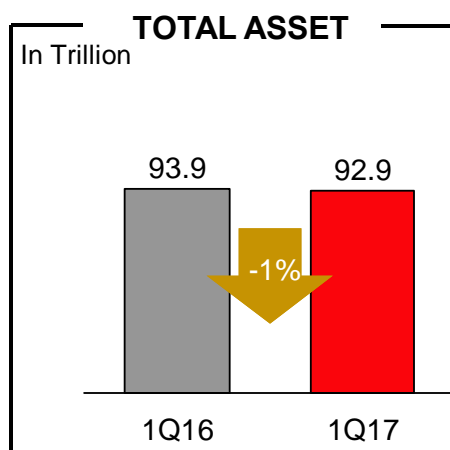
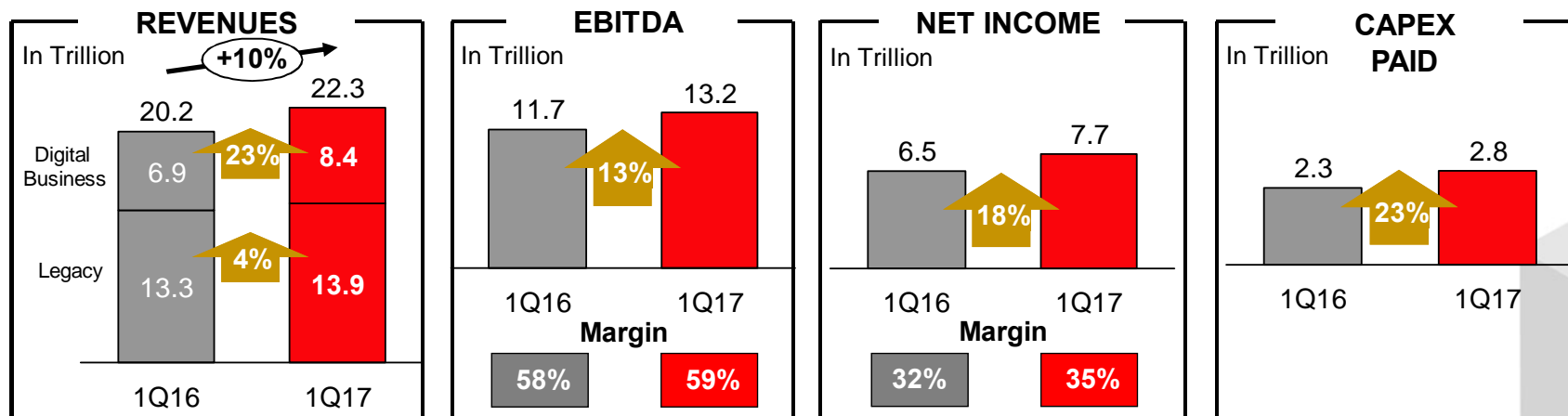
Expenses YoY (Rp Trillion)



Telkomsel: Performance Highlights

Maintained Strong Performance Momentum during 1Q17

YEAR-ON-YEAR ACHIEVEMENT

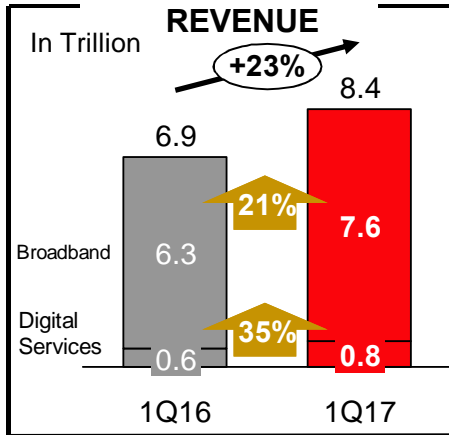


Telkomsel: Performance Highlights

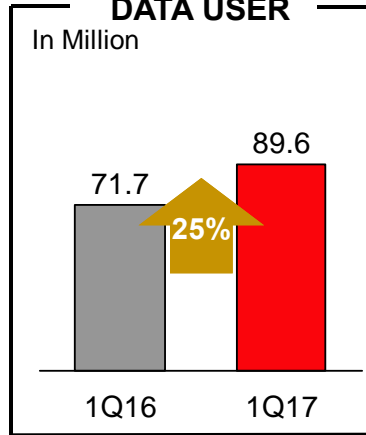
Continued to Focus on Digital Business

YEAR-ON-YEAR ACHIEVEMENT

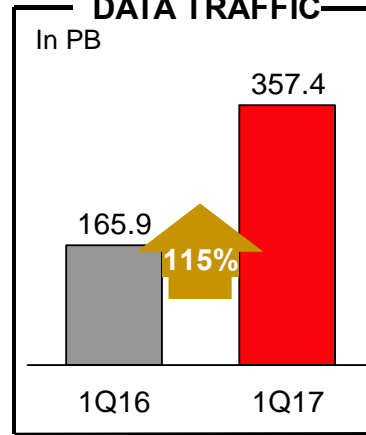
DIGITAL BUSINESS REVENUE



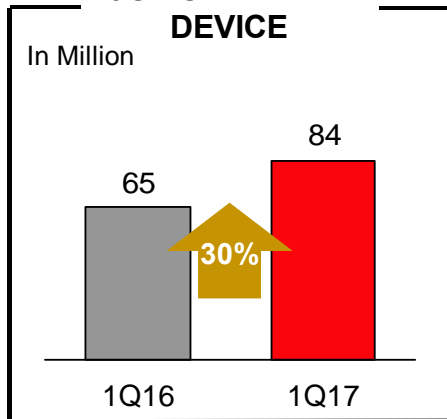
DATA USER



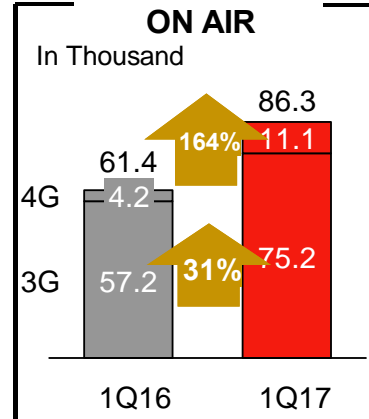
DATA TRAFFIC



3G/4G CAPABLE DEVICE



3G & 4G BTS ON AIR



Broadband:



Telkomsel
Flash



BlackBerry

Digital Services:

- Digital Lifestyle
- Digital Banking & Advertising
- Mobile Financial Services
- Enterprise Digital Services



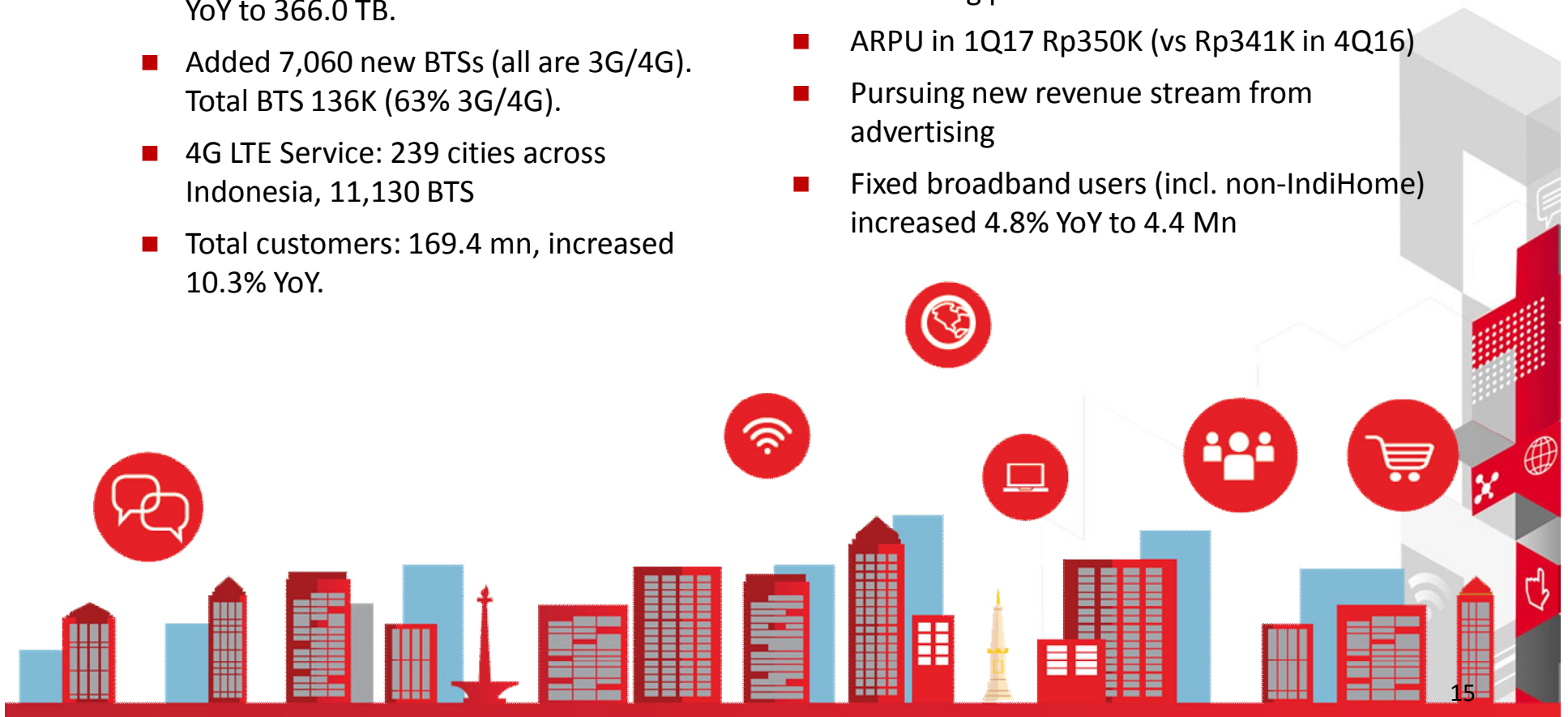
Excellent Operational Results

Telkomsel Operational

- 3G/4G-capable device users: 83.8 mn (+29.9% YoY). 22 Mn has enjoyed 4G.
- Mobile data payload jumped 115.5% YoY to 366.0 TB.
- Added 7,060 new BTSs (all are 3G/4G). Total BTS 136K (63% 3G/4G).
- 4G LTE Service: 239 cities across Indonesia, 11,130 BTS
- Total customers: 169.4 mn, increased 10.3% YoY.

TELKOM Operational

- IndiHome subs reached 1.78 Mn increased 31.7% YoY
- More content, added HOOQ video streaming platform.
- ARPU in 1Q17 Rp350K (vs Rp341K in 4Q16)
- Pursuing new revenue stream from advertising
- Fixed broadband users (incl. non-IndiHome) increased 4.8% YoY to 4.4 Mn



Satellite



After successfully launched on 15 February 2017, **Telkom 3S Satellite was officially operated**. The satellite is managed by Telkom Satellite Main Control Station in Cibinong Indonesia starting 17 April 2017.

Telkom-4 Satellite is planned to be **launched in 3Q18**.

It will carry 48 C-Band and 12 extended C-Band transponders and cover Southeast Asia and South Asia region.

Currently, the progress of this project is around 53%.



Recent Development

70% Dividend Payout

AGMS on April 21, 2017 approved total 70% of dividend payout, consists of 60% cash dividend or Rp11,611,211,188,567.60 (inclusive of interim dividend) and 10% special dividend or Rp1,935,200,213,724.32, represents total dividend per share of Rp136.7465.

Payment date is on 26 May 2017.



Recent Development

Change in Board of Directors and Board of Commissioners

AGMS on April 21, 2017 approved new composition of BoD & BoC:

Board of Directors

| | |
|---|----------------------------|
| President Director | : Alex J. Sinaga |
| Director of Finance | : Harry M. Zen |
| Director of Consumers Service | : Mas'ud Khamid |
| Director of Human Capital Management | : Herdy R. Harman |
| Director of Network & IT Solution | : Zulhelfi Abidin |
| Director of Digital & Strategic Portfolio | : David Bangun |
| Director of Wholesale & International Service | : Abdus Somad Arief |
| Director of Enterprise & Business Service | : Dian Rachmawan |

Board of Commissioners

| | |
|--------------------------|---|
| President Commissioner | : Hendri Saparini |
| Commissioner | : Hadiyanto |
| Commissioner | : Devy W. Suradji |
| Commissioner | : Rinaldi Firmansyah |
| Independent Commissioner | : Dolfie Othniel Fredric Palit |
| Independent Commissioner | : Margiyono Darsasumarja |
| Independent Commissioner | : Pamiyati Pamela Johanna Waluyo |
| Independent Commissioner | : Cahyana Ahmadjayadi |

TELKOM in Introduction

1Q17 Operational & Financial Results

Company Guidance 2017



2017 Guidance



Revenue Growth

To grow better than industry.
Telco industry is expected to grow at 8% to 9% in 2017.

EBITDA & Net Income Margins

To slightly decline as Telkom is shifting towards digital telco company with higher proportion of revenue from digital business and lower revenue portion from legacy (voice and SMS services)

CAPEX

Around 23%-25% of revenue with focus on broadband infrastructures, both mobile and fixed line

MAIN PROGRAM

Telkomsel

Leading Mobile Digital Business

Indonesia Digital Network

Drive Digital Home & Enterprise

International Expansion

Smart International Business Growth