

# Corporate Presentation **1Q18 Results**

PT Telkom Indonesia (Persero) Tbk

May 2018



# 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**

**1Q18 Financial & Operational Results**

**Company Guidance 2018**



# Board of Directors

## Telkom



**CEO TELKOM GROUP**  
ALEX J. SINAGA



**Director**  
HARRY M. ZEN



**Director**  
HERDY R. HARMAN



**Director**  
DIAN RACHMAWAN



**Director**  
ZULHELFI ABIDIN



**Director**  
DAVID BANGUN



**Director**  
ABDUS SOMAD ARIEF



**Director**  
SITI CHOIRIANA

## Telkomsel



**CEO Telkomsel**  
RIRIEK ADRIANSYAH



**Director**  
HERI SUPRIADI



**Director**  
EDWARD YING SIEW HENG



**Director**  
ALISTAIR D JOHNSTON



**Director**  
SUKARDI SILAHLAHI



**Director**  
MONTGOMERY HONG



**Director**  
BOB APRIAWAN



**Director**  
IRFAN TACHRIR



# Share Ownership

Government **52.1%**

Public **47.9%**

Treasury Stock 1.7 Bn shares

## Total Shares

**100,799,996,400** shares

## Market Capitalization

**Rp386.1 Tn (USD27.4 Bn)\***

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



\*as of April 30, 2018

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# 1Q18 Performance Highlights

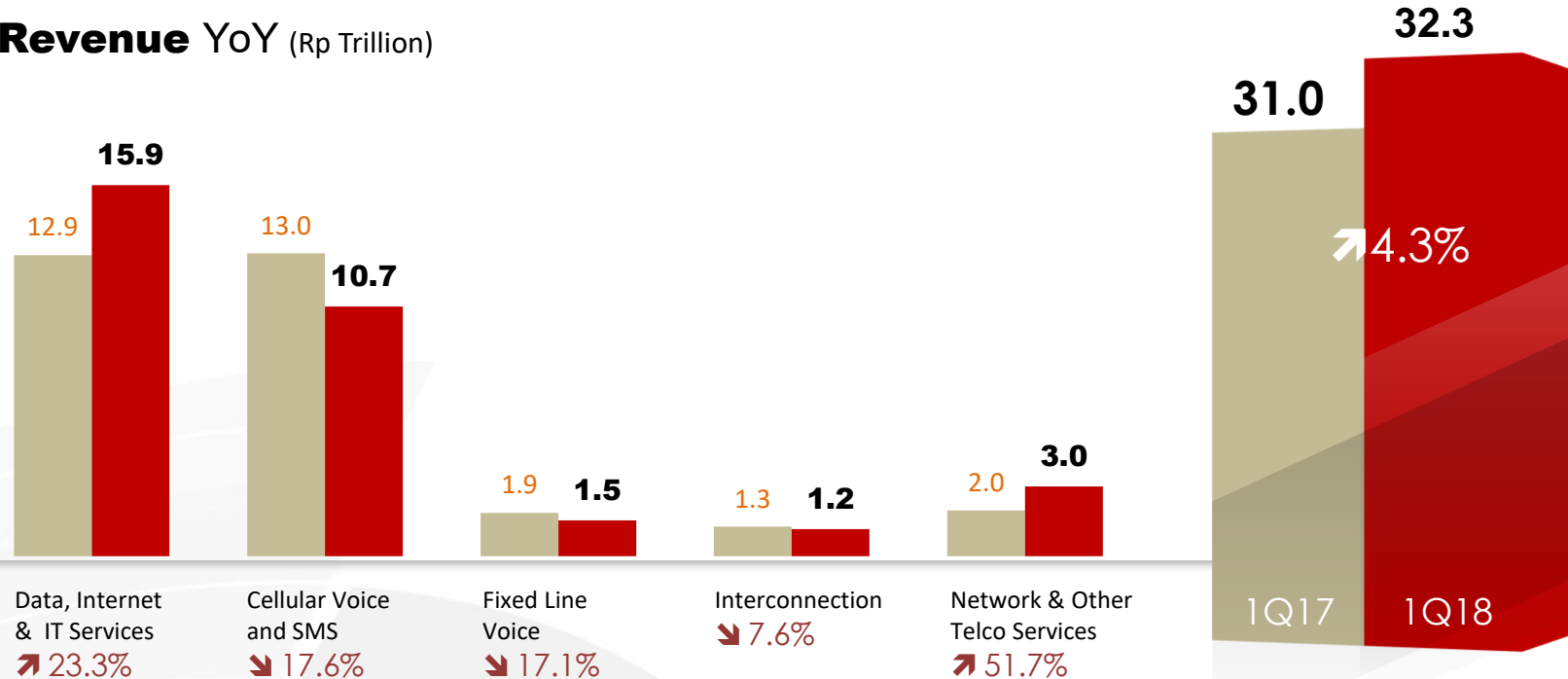
**Telkom Indonesia** recorded **4.3% growth in revenue** amidst tight competition in telco industry.

**Data, Internet & IT Services** segment remained the growth driver and largest revenue contributor, increasing by **23.3% YoY** and representing **49.2% of total revenue**.

**Telkomsel** remained focus on growing its digital business and providing excellent customer experience, installing **6,944 new BTSs** during 1Q18, all of which were 4G BTS.

# Data, Internet & IT Services as the Growth Driver

## Revenue YOY (Rp Trillion)

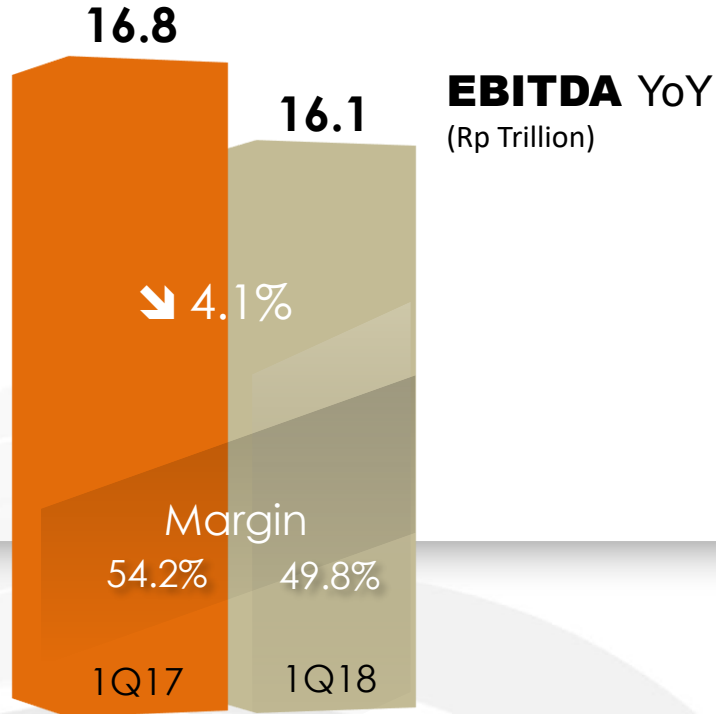


Note: SMS included SMS Banking and SMS advertising

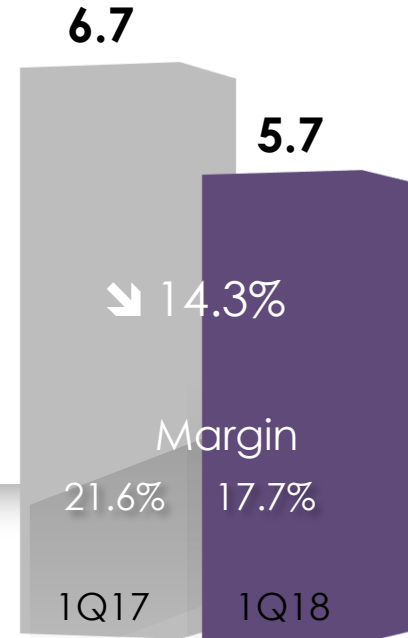
■ 1Q17 ■ 1Q18



# EBITDA and Net Income

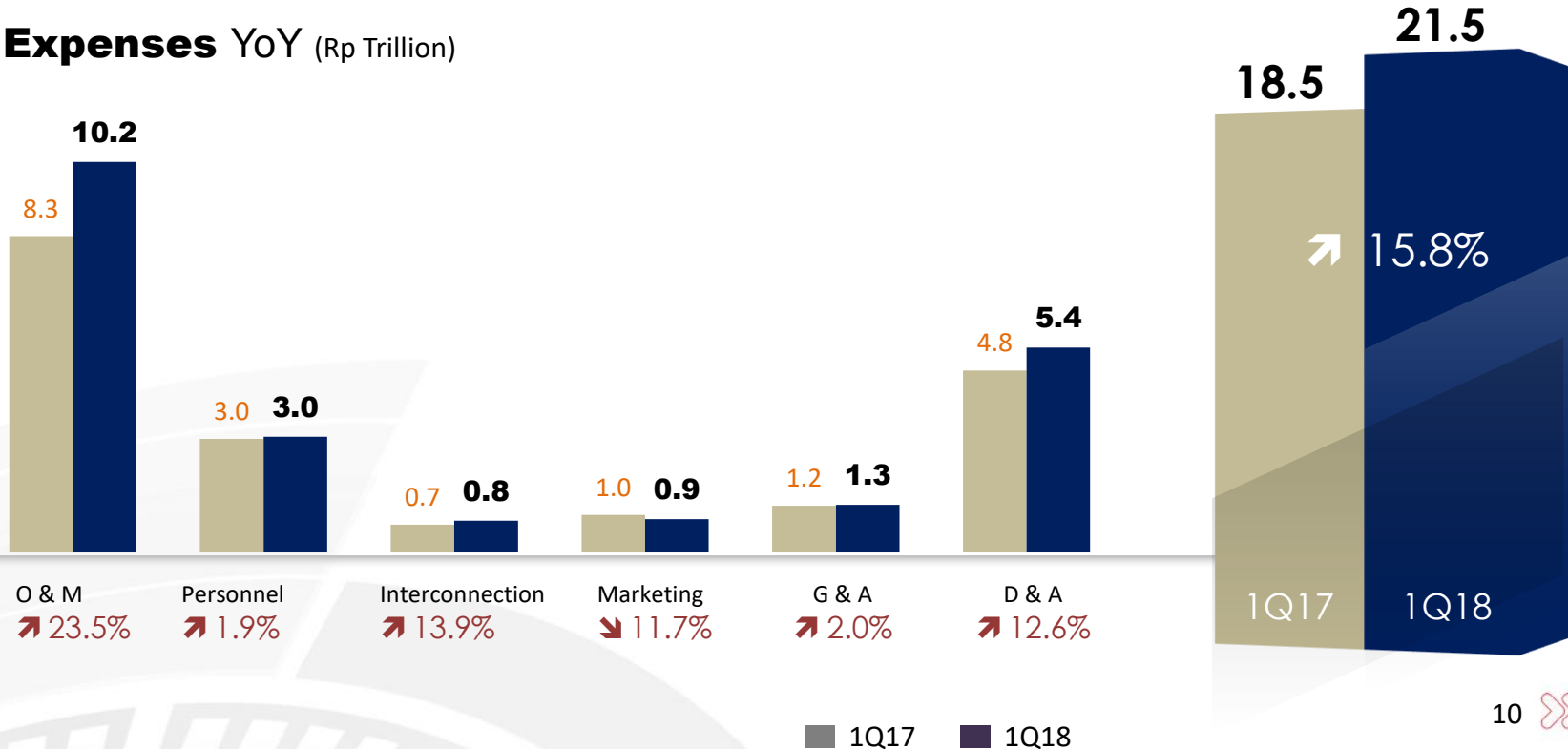


**Net Income YoY**  
(Rp Trillion)



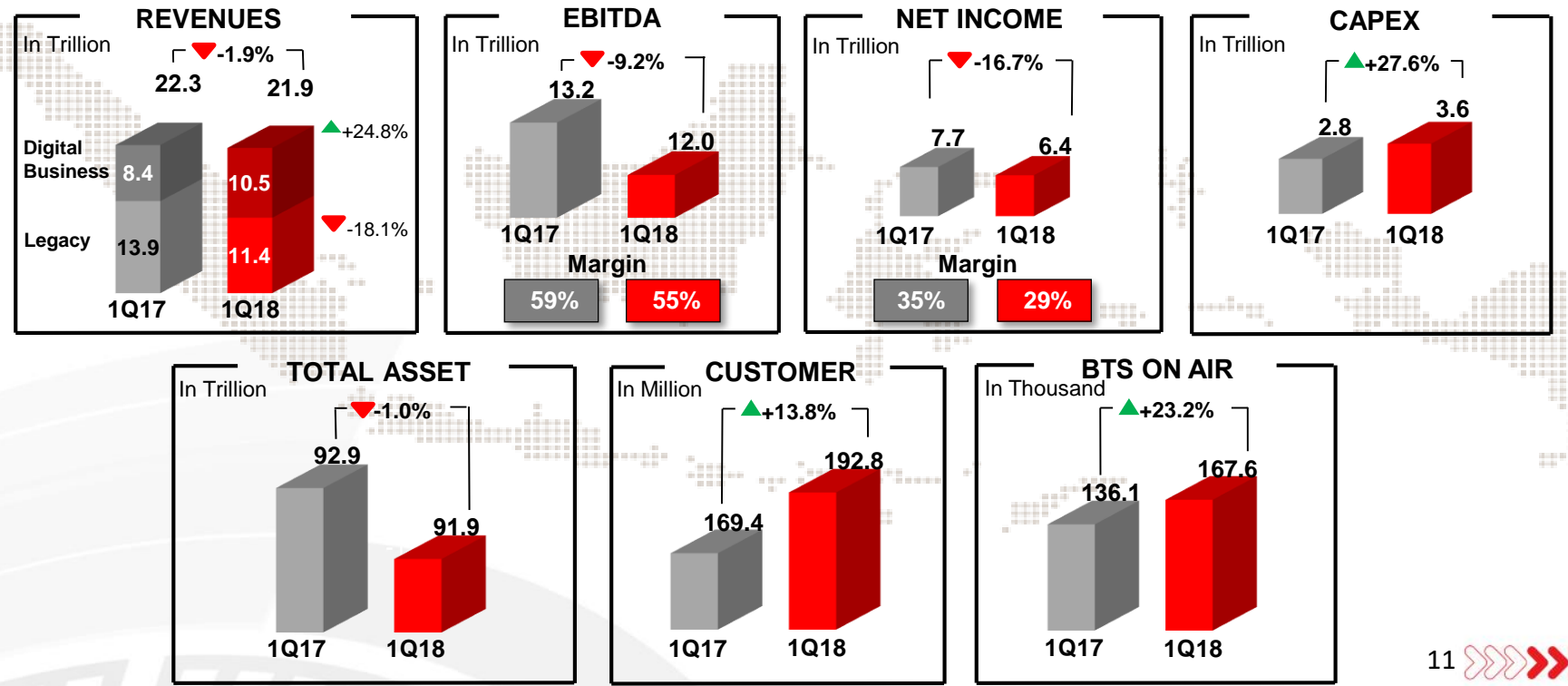
# Expenses Grew Inline with Infrastructure Development

## Expenses YOY (Rp Trillion)



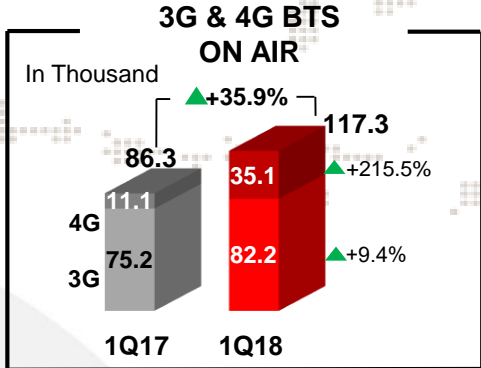
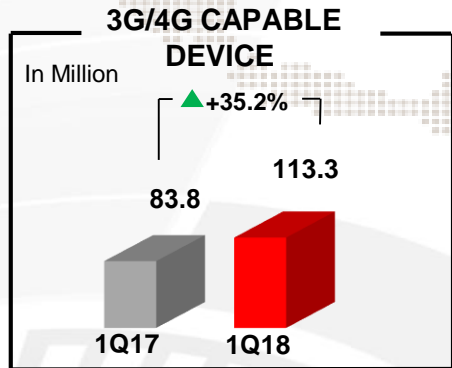
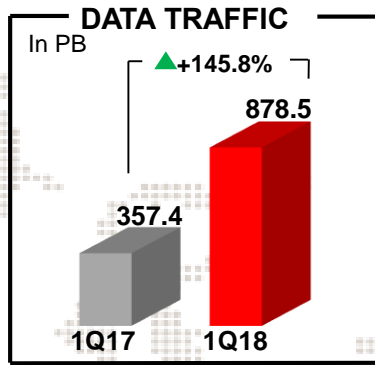
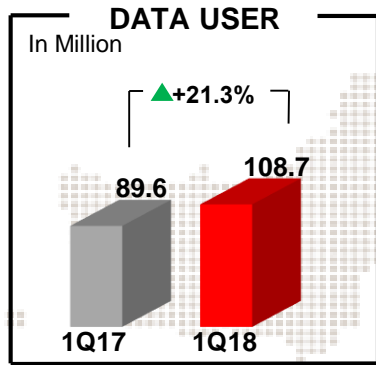
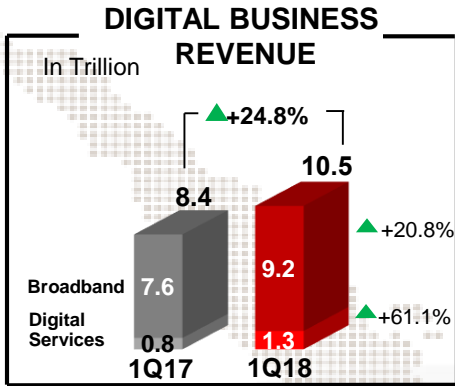
# Telkomsel Performance

## YEAR-ON-YEAR



# Telkomsel Performance

## YEAR-ON-YEAR



### Digital Business:



# Excellent Operational Results

## Telkomsel Operational



- 3G/4G-capable device users: 113.3 Mn (+35.2% YoY). 55.1 Mn has enjoyed 4G
- Mobile data payload jumped 145.8% YoY to 899,600 TB
- Added 6,944 new BTSs (all were 4G). Total BTS 167.6K (117.3K 3G/4G)
- 4G LTE Service: 490 municipal cities across Indonesia, 35K BTS

## TELKOM Operational



- IndiHome subs reached 3.5 Mn increased 97.0% YoY
- IndiHome revenue grew 48.4% YoY to Rp2.3Tn
- ARPU in 1Q18 Rp251K
- More contents and attractive features

# Enterprise Business

Trend for Indonesian corporations to focus on their core businesses and outsource their ICT solution needs to reliable third-party providers

## TELKOM Enterprise Business

5.9 trillion  
Revenues (Rp)  17.7%

### Corporate

#### Demand

- smart enablers
- data center and cloud
- platforms and application
- business process outsourcing

1,453

corporate clients

60%  
to rev.

### Government

Indonesia government IT-related spending is around Rp15 trillion annually,

944

institutions

25%  
to rev.

### SME

3.7 million identified SMEs in our database and very low ICT adoption rate among Indonesia SMEs

300,416

SME Clients

15%  
to rev.

# Wholesale & International Business

Domestic and international traffic carrier, wholesale connectivity, towers, satellite, as well as telecommunication and infrastructure managed services

2.2 trillion  
Revenues (Rp) **↑32.3%**

Map of Indonesia Backbone Network



**Merah Putih Satellite**  
81% progress  
Est. Launch August 2018

**SEA-ME-WE-5**

20,000 km from Dumai, Indonesia -  
Marseille, France  
**has started to operate in January 2017**

**IGG**

Indonesia Global Gateway  
Connect SEA-ME-WE 5, SEA-US and our domestic network **has reached 85% progress and is expected to commence operation in 3Q18**

**SEA-US**

15,000 km from Manado, Indonesia -  
California, USA  
**Commenced operation by August 8, 2017**

# Annual General Meeting of Shareholders

**75%**

**PAYOUT RATIO**

## **New BoD & BoC**

Siti Choiriana as Consumer Service Director  
Edwin Hidayat Abdullah and  
Isa Rachmatarwata as Commissioners

## **Cancellation of Treasury Shares**

**1.7 Bn shares**

## **M&A**

**Cellum Global  
Zrt**

Mobile payment and  
commerce services

To enhance our back-end in  
digital payment businesses



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# 2018 Guidance

## Revenue Growth

Telkom Group to grow around high single digit.  
Telkomsel to grow better than cellular industry.

## EBITDA & Net Income Margins

To slightly decline in line with revenue shift towards digital business and continued infrastructure development

## CAPEX

Around 23%-25% of revenue with focus on mobile and fixed broadband infrastructure

## MAIN PROGRAM

### Delivering Best Customer Experience

Delighting Customer Journey by Delivering Superior Digital Experience

### Expanding Digital Business

Defend and Expand Digital Connectivity and Boosting Digital Services and Solutions

### Intensifying Smart Inorganic

Optimizing Smart Inorganic to Strengthen Digital Capabilities and Enhance Enterprise Value

Thank You

PT Telkom Indonesia (Persero) Tbk  
May, 2018

