



**Stronger,**  
for Your Digital Experience



# Corporate Presentation **1H19 Results**

PT Telkom Indonesia (Persero) Tbk

August 2019

## 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**

**1H19 Financial and Operational Results**

**Company Guidance 2019**

# Board of Directors

TELKOM Group



**CEO  
TELKOM GROUP**  
RIRIEK  
ADRIANSYAH



**FINANCE  
DIRECTOR**  
HARRY  
M. ZEN



**NETWORK &  
IT SOLUTION  
DIRECTOR**  
ZULHELFI  
ABIDIN



**WHOLESALE &  
INTERNATIONAL  
SERVICE DIRECTOR**  
EDWIN  
ARISTIAWAN



**STRATEGIC  
PORTFOLIO  
DIRECTOR**  
ACHMAD  
SUGIARTO



**ENTERPRISE &  
BUSINESS SERVICE  
DIRECTOR**  
BOGI  
WITJAKSONO



**CONSUMER  
SERVICE  
DIRECTOR**  
SITI  
CHOIRIANA



**DIGITAL  
BUSINESS  
DIRECTOR**  
FAIZAL R.  
DJOEMADI



**HUMAN CAPITAL  
MANAGEMENT  
DIRECTOR**  
EDI WITJARA

Telkomsel



**CEO  
TELKOMSEL**  
EMMA  
SRI MARTINI



**FINANCE  
DIRECTOR**  
HERI SUPRIADI



**PLANNING &  
TRANSFORMATION  
DIRECTOR**  
EDWARD  
SIEW YING



**MARKETING  
DIRECTOR**  
RACHEL GOH



**SALES  
DIRECTOR**  
RIRIN  
WIDARYANI



**NETWORK  
DIRECTOR**  
ISKRIONO  
WINDIARJANTO

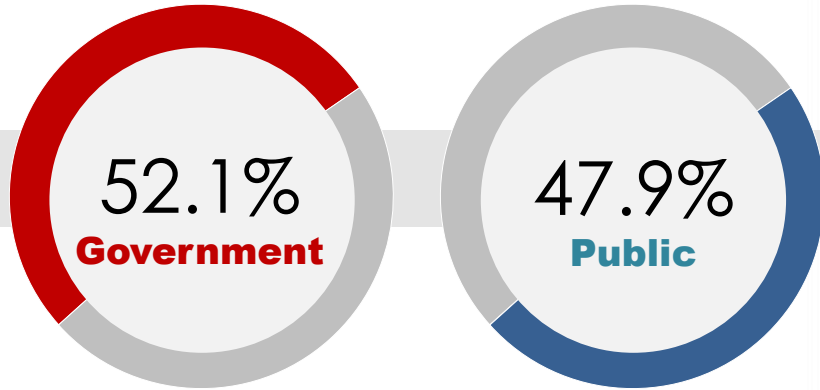


**HUMAN CAPITAL  
MANAGEMENT  
DIRECTOR**  
IRFAN  
TACHRIR



**IT  
DIRECTOR**  
BHARAT ALVA

## Share Ownership



### Total Shares

**99,062,216,600** shares

### Market Capitalization

**Rp423.0 Tn (USD29.6 Bn)\***

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



\*as of July 30, 2019

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# 1H19 Performance Highlights

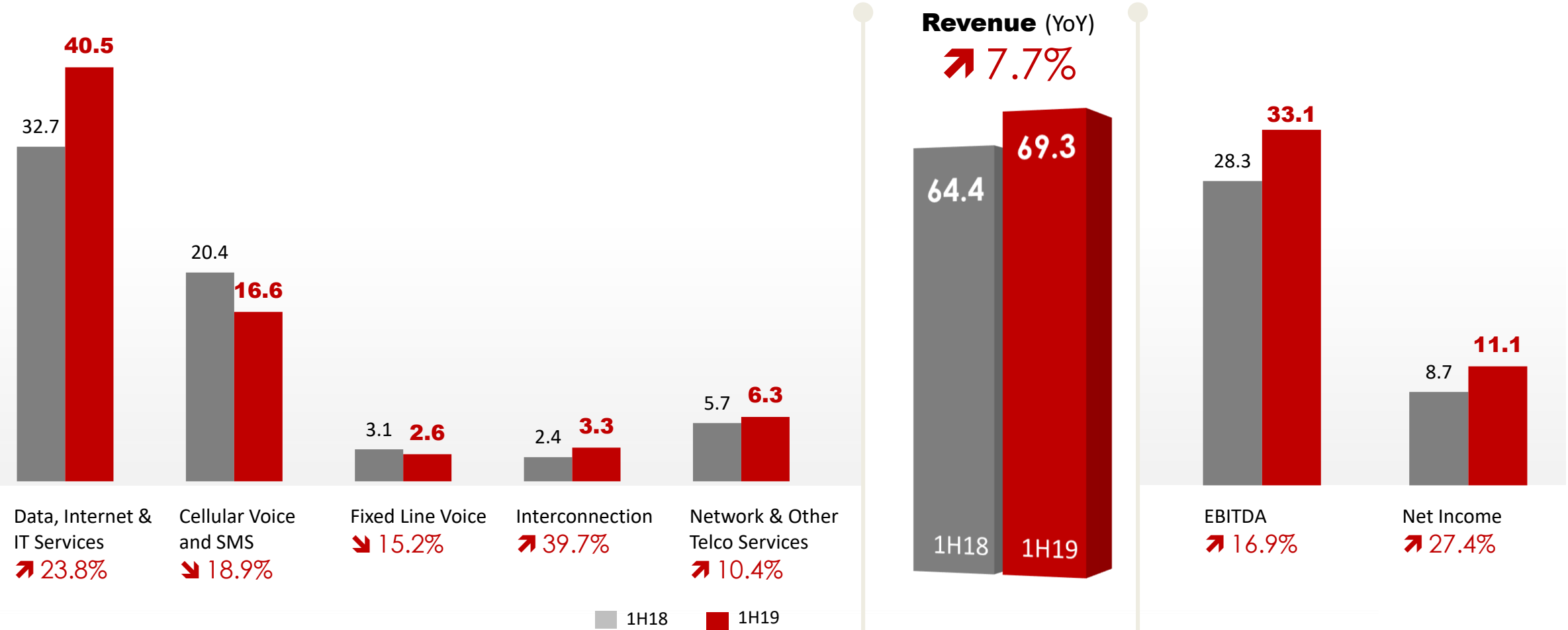
In **1H19**, Telkom Indonesia recorded **7.7% of YoY** revenue growth. **Mobile business** showed an encouraging upturn with **5.5%YoY** revenue growth.

**Data, Internet & IT Services** segment remained the growth driver and largest revenue contributor. In **1H19**, the segment increased by **23.8% YoY**, accounted for **58.4% of total revenue**, significantly improved from **50.9%** last year.

We continued to enhance our digital infrastructures. Telkomsel installed **around 15,100 new 4G BTS** in 1H19, thus made our total BTS to reach around 204,100 BTS. While Telkom built additional **around 2,600 km of fiber optic backbone** to support both mobile and fixed digital businesses.

# Data, Internet & IT Services as the Growth Driver

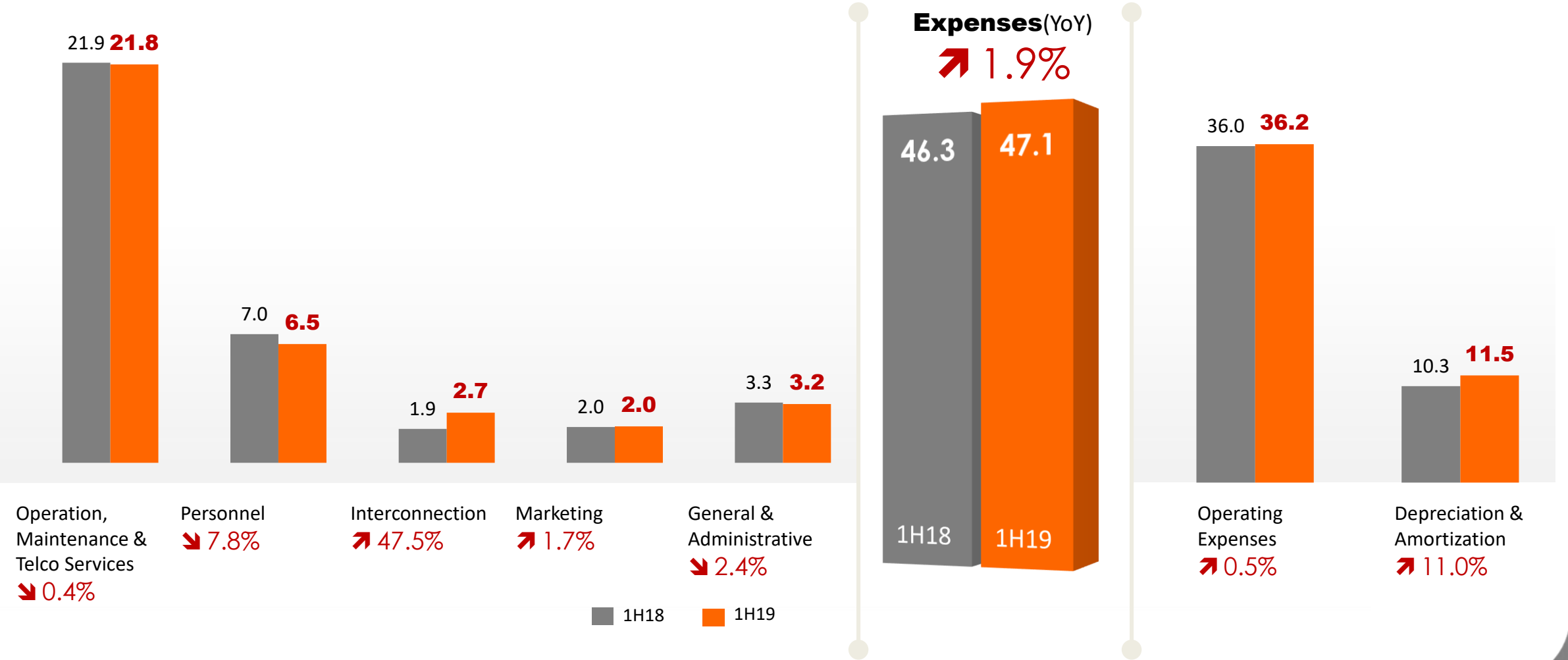
**1H19 Revenue** YoY (Rp Trillion)





# Manageable Expenses

1H19 Expense YOY (Rp Trillion)



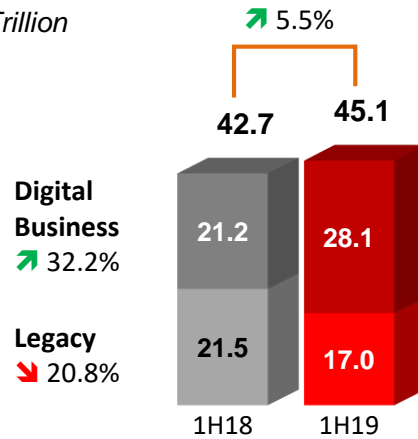
# Telkomsel Performance

Industry is going toward a healthier and rational condition for the overall telecommunications industry  
TSEL recorded a positive performance of Revenues, EBITDA & Net Income in 1H-2019

## YEAR ON YEAR

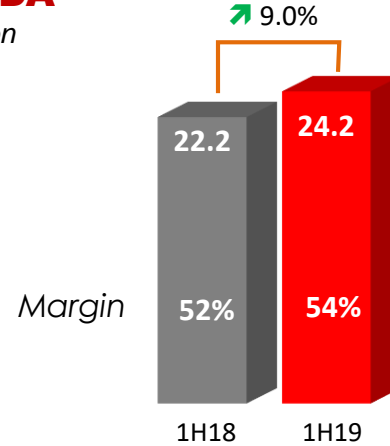
### REVENUES

In Trillion



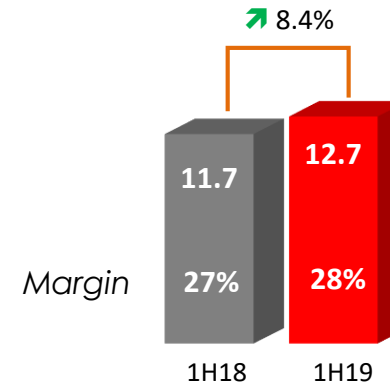
### EBITDA

In Trillion



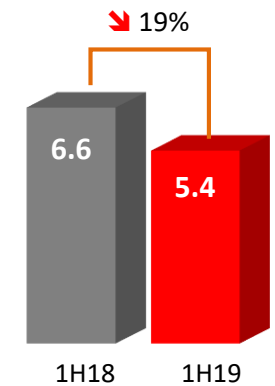
### NET INCOME

In Trillion



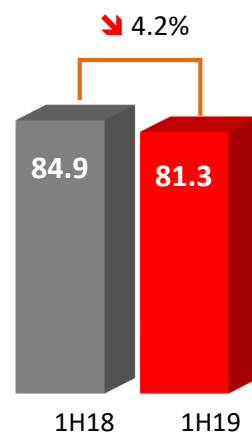
### CAPEX

In Trillion



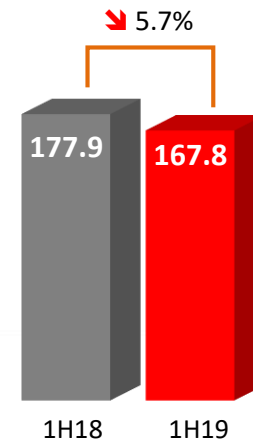
### TOTAL ASSET

In Trillion



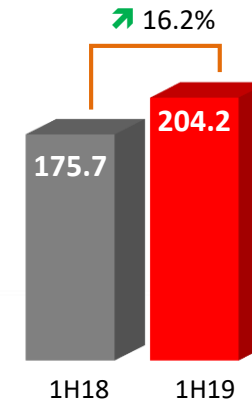
### CUSTOMER

In Million



### BTS

In Thousand



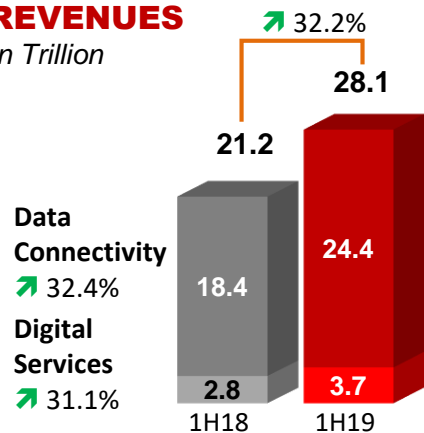
# Telkomsel Performance

Continue to Focus on Digital Business : Engine of growth and accounted for 62% of Total Revenues

## YEAR ON YEAR

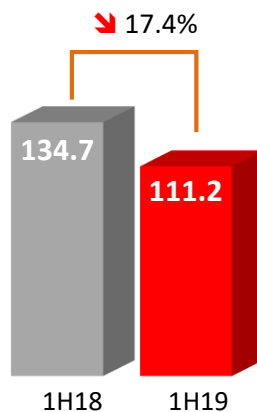
### DIGITAL BUSINESS REVENUES

In Trillion



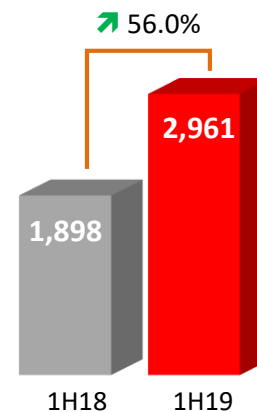
### DATA USER

In Million



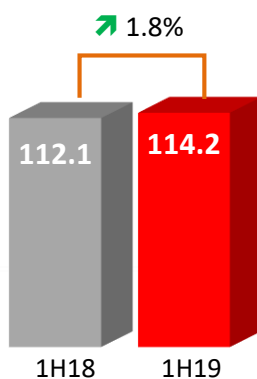
### DATA TRAFFIC

In PB



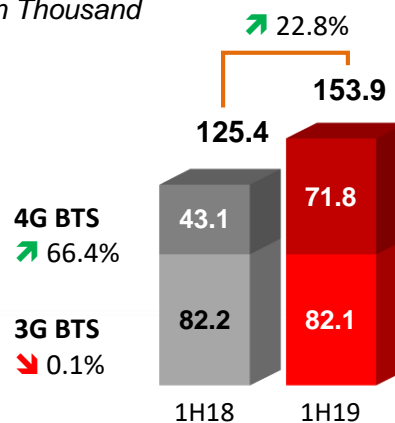
### 3G/4G CAPABLE DEVICE

In Million



### 3G & 4G BTS ON AIR

In Thousand



## DIGITAL BUSINESS



# Fixed Broadband: IndiHome Continued Strong Momentum

IndiHome Revenue (Rp)

**8.8tn**  
↑ 61.5% YoY

**IndiHome**  
FIBER»»

- Net additional subscribers 2Q19 **479K**
- Total IndiHome subscribers 1H19 **6.0 Million** (+45.1%)
  - Dual Play **52% of total subscribers**
  - Triple Play **48% of total subscribers**
  - Residential Customer **87% of total subscribers**
- ARPU 2Q19 **Rp260K**



# Enterprise Business

*We revisit strategy to focus on more profitable products and services.*

## Corporate Segment

**Various industries  
(consumer goods,  
insurance,  
pharmaceutical,  
banking)**

**57%** contribution to  
Enterprise Revenue

## Government Segment

**Government  
institutions (central  
government, local  
government, and  
government agencies)**

**30%** contribution to  
Enterprise Revenue

## SMB Segment

**Small  
Medium-sized  
Business  
(SMB)**

**13%** contribution to  
Enterprise Revenue

Enterprise Business  
Revenue (Rp)

**11.9**tn  
↘3.0% YoY

## Enterprise Broadband Connectivity & IT Services

contributed the biggest portion  
of Telkom's Enterprise Business revenue.

# Wholesale & International Business

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

**Indonesia Global Gateway**  
Connect SEA-ME-WE 5, SEA-US and our domestic network **has FINISHED and ready for service**

**SEA-ME-WE-5**  
20,000 km from Dumai, Indonesia - Marseille, France

**SEA-US**  
15,000 km from Manado, Indonesia - California, USA

**Wholesale & International Business Revenue (Rp)**

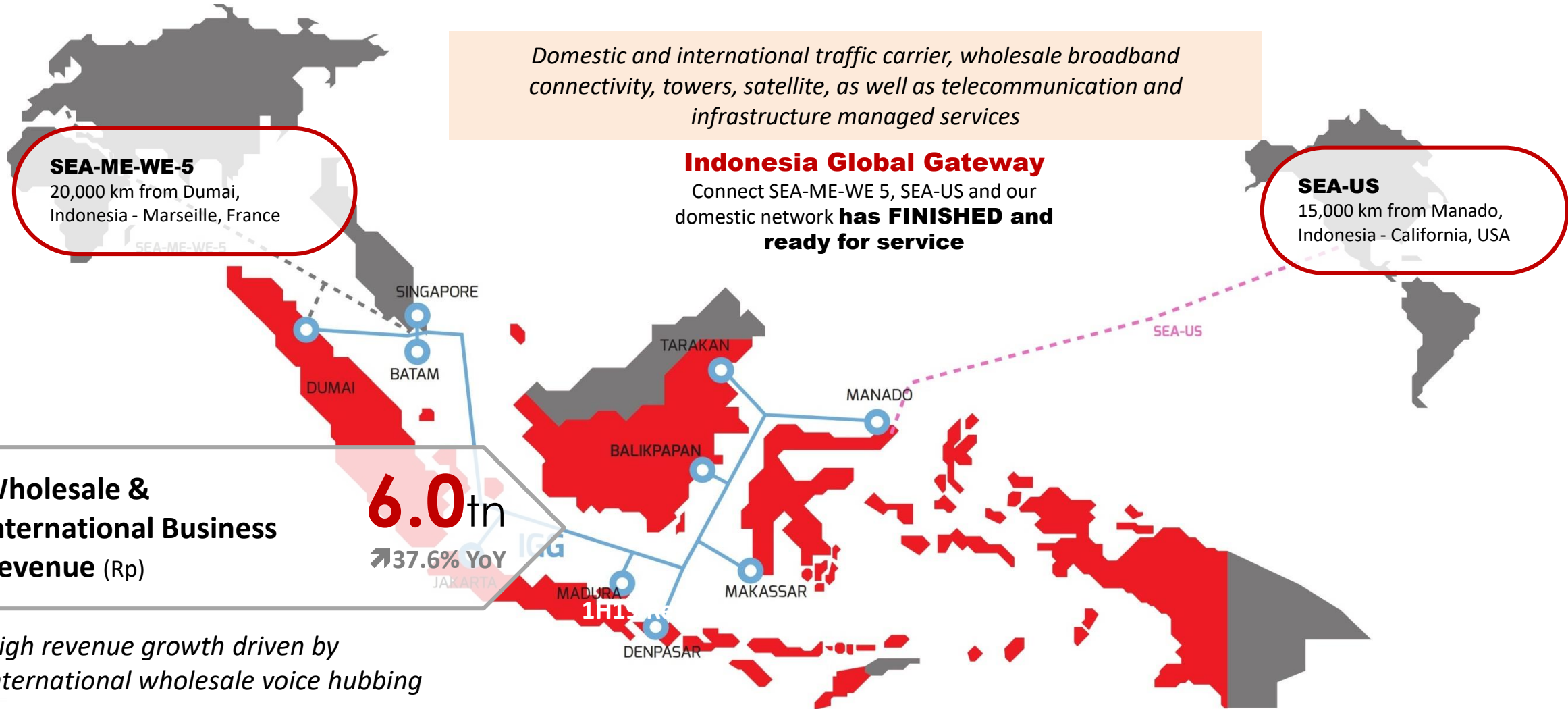
**6.0tn**

↑37.6% YoY

IGG

1H1

High revenue growth driven by international wholesale voice hubbing



# Capital Expenditure

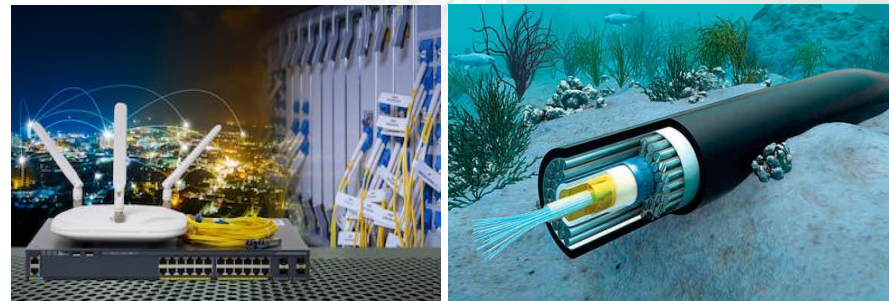
Telkom Group spent **Rp15.1 Tn**  
or 21.8% of revenue

*We utilized capex mainly to enhance our network infrastructures both in mobile and fixed line business*

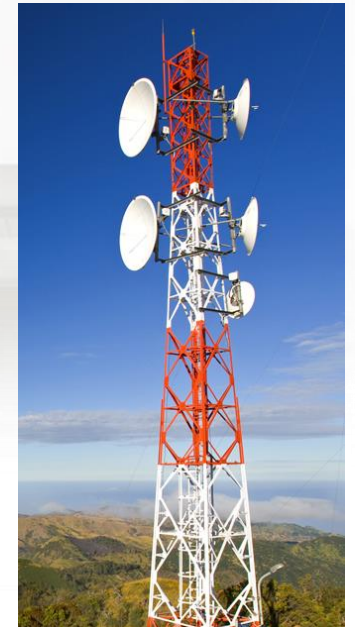
In **mobile services**, capex was mainly utilized for **Radio Access Network (4G BTS)** deployment and IT system enhancement.



In **fixed line services**, capex was primarily utilized to develop **fiber-based access and backbone infrastructure** to support fixed as well as mobile broadband businesses.



Some portion also utilized for other project such as **towers**.



## Recent Activities

### **The Sale of Jalin shares owned by the Company to Danareksa**

Telkom sold 67% of its total shares in Jalin (subsidiary in switching platform) to Danareksa (the planned future holding company of the SOE). Expected to create added value for both by way of cooperation.



### **The Signed of CSSA by Telkomsel and Investors with Finarya**

The aimed of the issuance is expanding the Finarya Business.



### **The Grand Launching of LinkAja**

Telkomsel through subsidiary Finarya has officially launched LinkAja on 30 June 2019 as e-wallet and digital payment transaction tools with 26 million users.



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# 2019 Guidance

## Revenue Growth

Overall Telkom Group's revenue is targeted to grow mid-to-high single digit. Whilst Telkomsel's revenue to grow low-to-mid single digit.

## EBITDA & Net Income Margins

EBITDA and Net Income margins are expected to slightly better than last year.

## CAPEX

Capital Expenditure for the Group is expected at around 27% of revenue. On top regular investment, we plan to build data centers and network & IT enhancement this year.

## MAIN PROGRAM

### Embracing Best in Class Digital Customer Experience

Transform customer experience towards digital – first customer journey & redesign the way of working through enabling system, process and people

### Intensifying Digital Business

Expand the broadband connectivity and boost digital services & solutions to secure market dominance

### Driving Smart Initiatives on Cost Effectiveness

Execute impactful smart initiatives by reinforcing lean process, compliance, system & organization advantage of scale, and Group capabilities to improve profitability



**Stronger,**  
for Your Digital Experience

Telkom  
Indonesia  
*the world in your hand*

**Thank You**

PT Telkom Indonesia (Persero) Tbk  
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