



Stronger,
for Your Digital Experience



Corporate Presentation

FY18 & 1Q19 Results

PT Telkom Indonesia (Persero) Tbk

May 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

FY18 - 1Q19 Financial and Operational Results

Company Guidance 2019

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



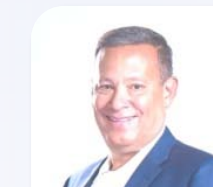
Director
EDWARD YING SIEW HENG



Director
ALISTAIR D JOHNSTON



Director
SUKARDI SILALAH



Director
MONTGOMERY HONG



Director
BOB APRIAWAN



Director
IRFAN TACHRIR

Share Ownership

Government **52.1%**

Public **47.9%**

Total Shares

99,062,216,600 shares

Market Capitalization

Rp380.4 Tn (USD26.6 Bn)*

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



*as of May 6, 2019

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FY18 and 1Q19 Performance Highlights

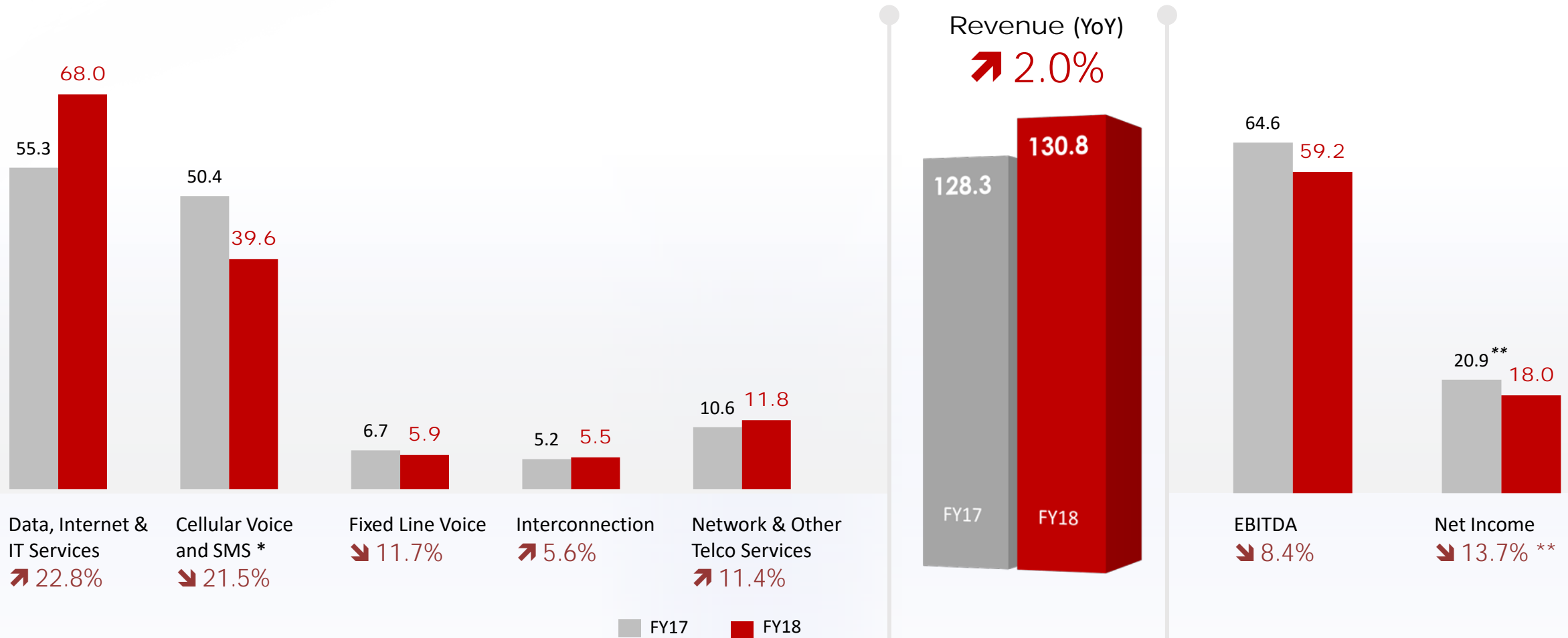
In **FY18**, Telkom Indonesia recorded positive growth of **2.0% YoY** in **revenue**, amidst fast decline of legacy and tight competition in data services during SIM card registration which led to intense price war. In **1Q19**, our revenue grew by **7.7% YoY**, significantly better than last year.

Data, Internet & IT Services segment remained the growth driver and largest revenue contributor. In **FY18**, it increased by **22.8% YoY**, accounted **52.0%** of total revenue, and became stronger in **1Q19** by growing **27.2% YoY** and representing **58.1%** of revenue.

We continued to enhance our digital infrastructures. Telkomsel installed **28,376** and **8,405** new 4G BTS in 2018 and 1Q19 respectively, and we also completed fiber-based submarine cable namely **Indonesia Global Gateway (IGG)**.

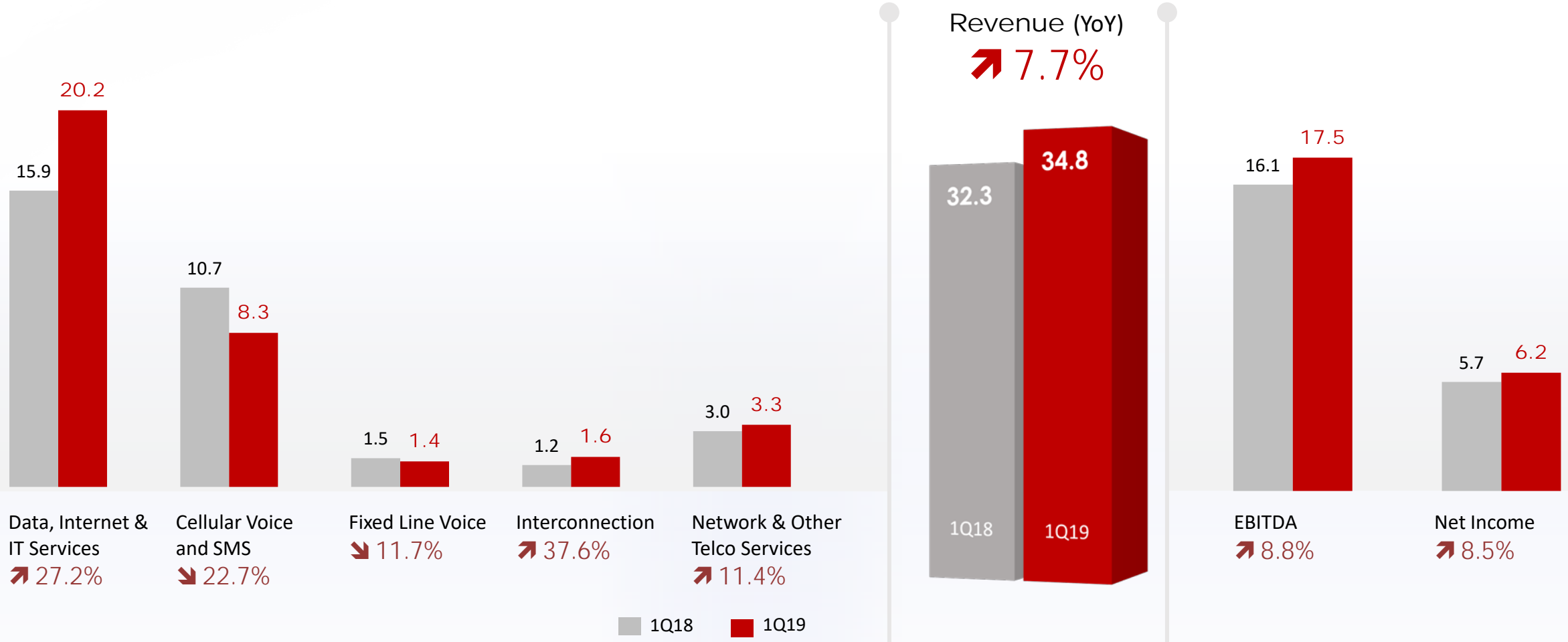
Data, Internet & IT Services as the Growth Driver

FY18 Revenue YoY (Rp Trillion)



Data, Internet & IT Services as the Growth Driver

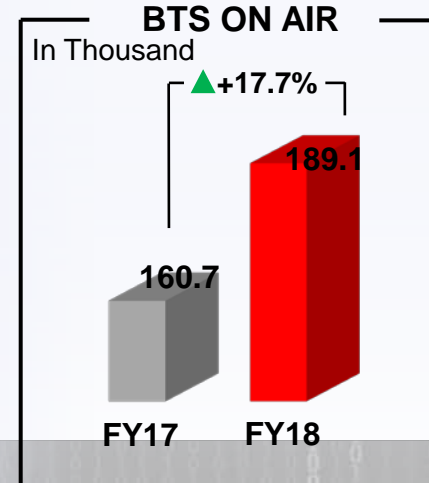
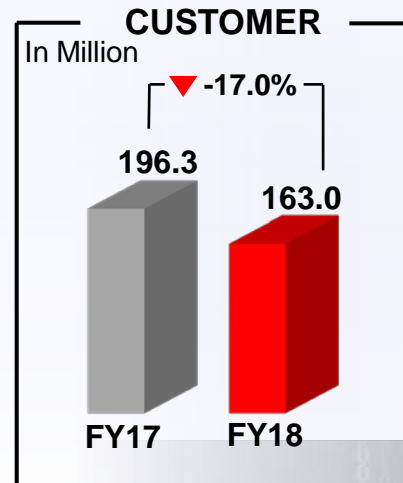
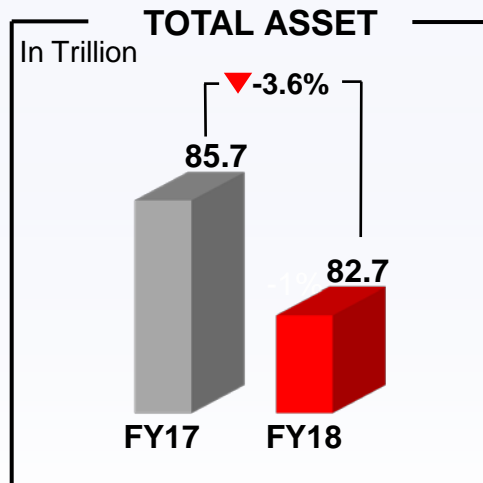
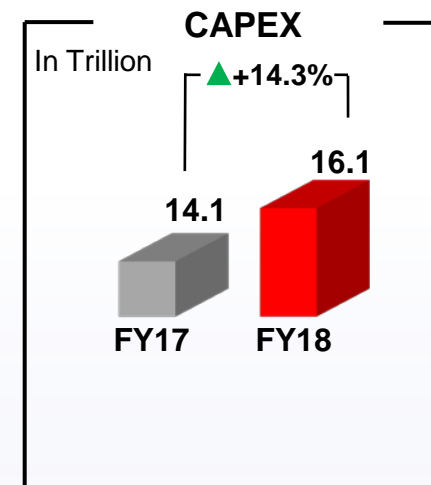
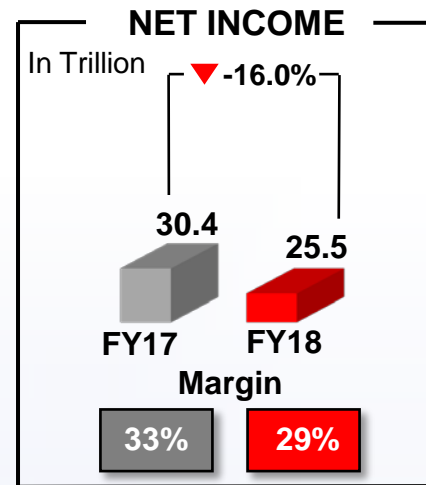
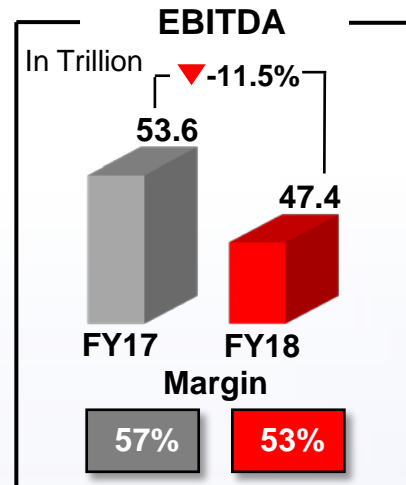
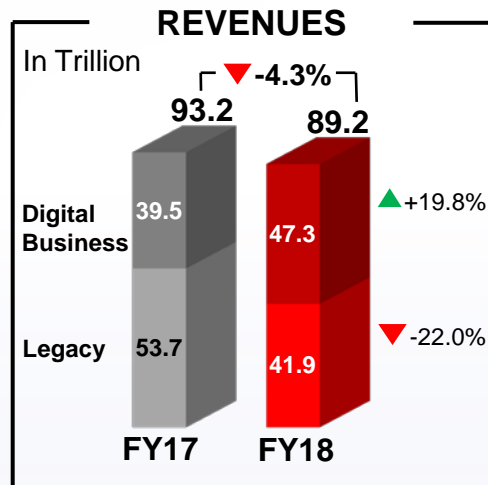
1Q19 Revenue YoY (Rp Trillion)



Telkomsel Performance FY18

Accelerated transition of Legacy to Data Services combined with highly dynamic telecommunications industry
TSEL was able to booked a solid amount of Revenues, EBITDA & Net Income

YEAR-ON-YEAR



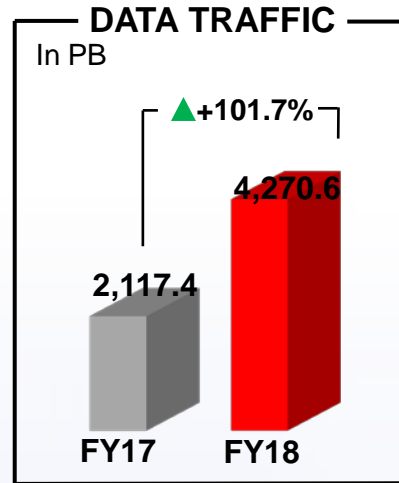
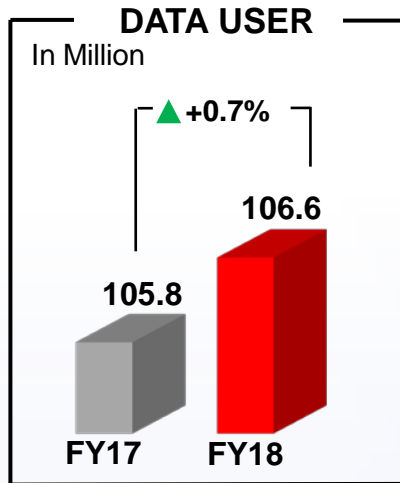
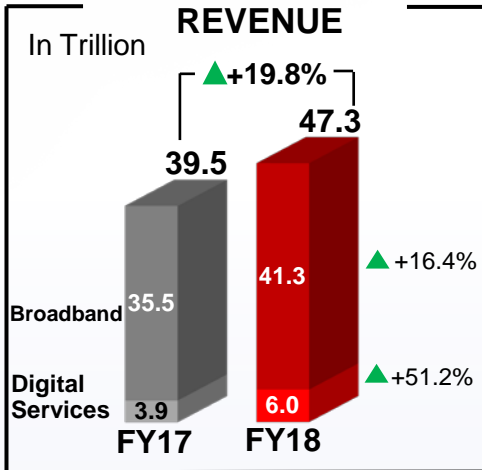
Telkomsel Performance FY18

Continue to Focus on Digital Business : Engine of growth and accounted for 53% of Total Revenues

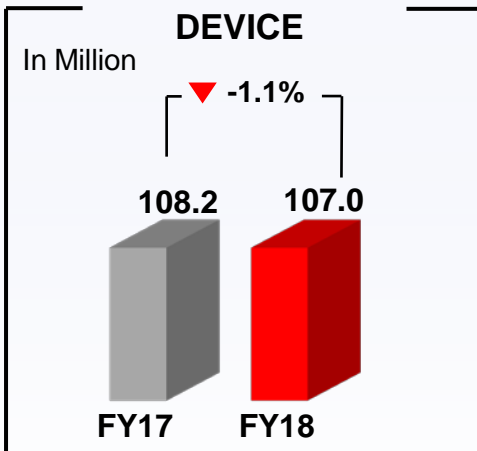
YEAR-ON-YEAR

DIGITAL BUSINESS

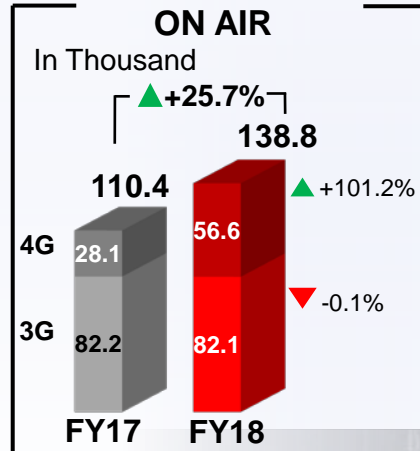
DIGITAL BUSINESS



3G/4G CAPABLE DEVICE



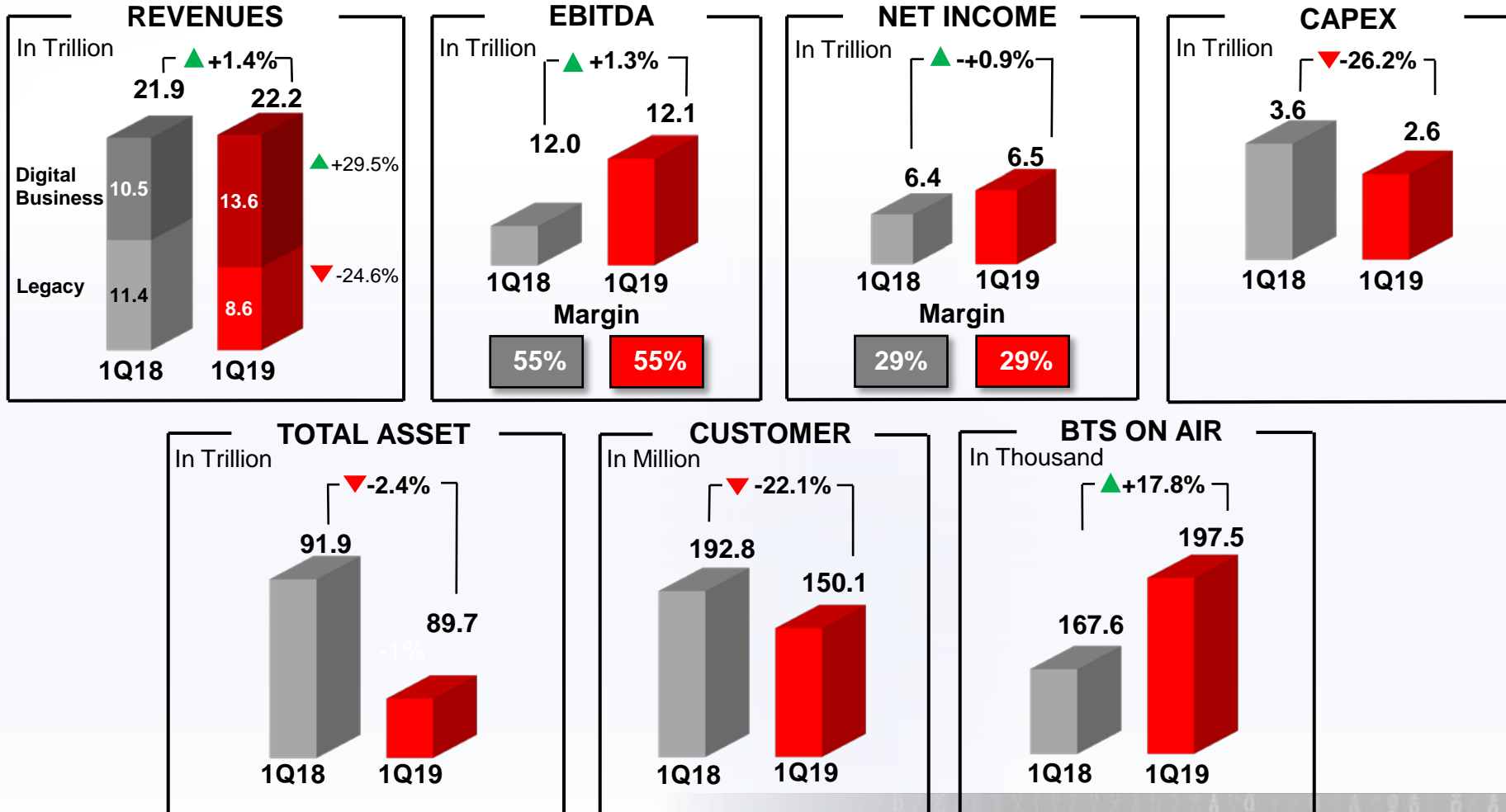
3G & 4G BTS ON AIR



Telkomsel Performance 1Q19

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 1Q-2019

YEAR-ON-YEAR



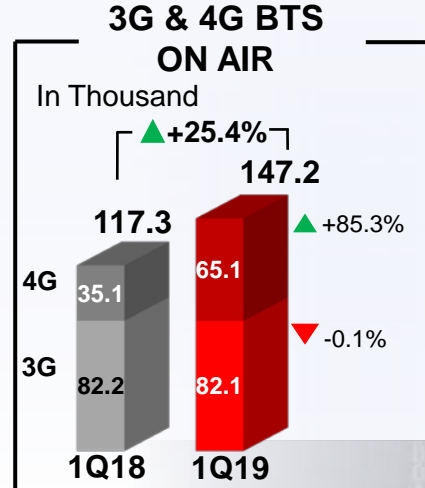
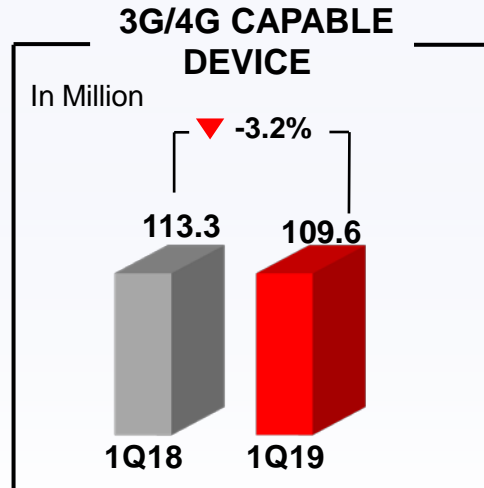
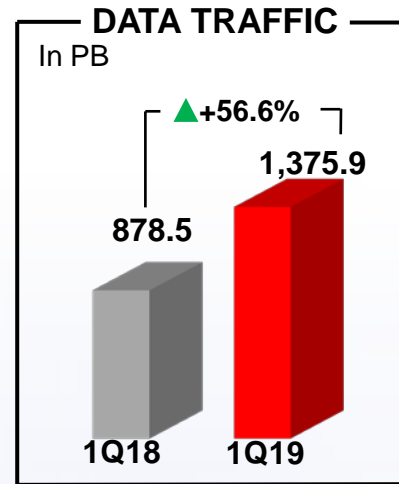
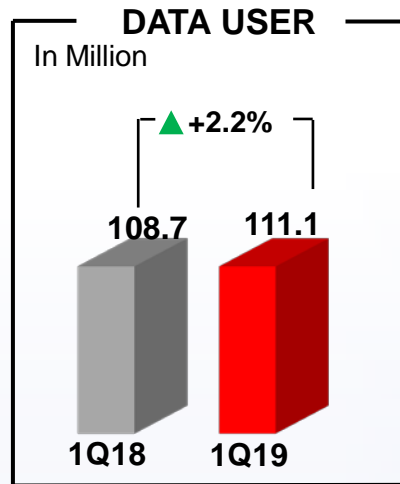
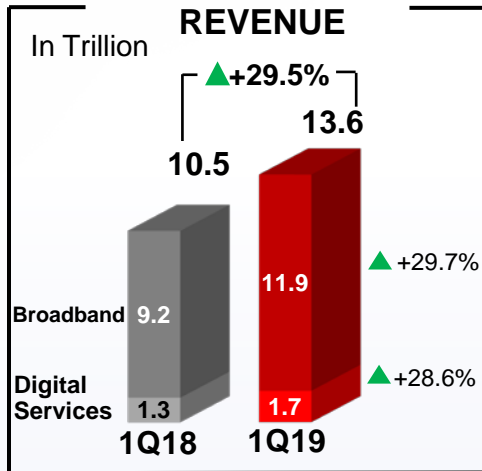
Telkomsel Performance 1Q19

Continue to Focus on Digital Business : Engine of growth and accounted for 61% of Total Revenues

YEAR-ON-YEAR

DIGITAL BUSINESS

DIGITAL BUSINESS



Fixed Broadband



IndiHome
FANTASTIC DEAL
 Internet Cepat Pilihan Tepat



SENSASI EXTRA AKHIR TAHUN

Internet cepat, telepon hemat, dan nonton TV jadi lebih seru

Gratis @wifi.id seamless

GRAND PRIZE

Nonton Tim Bola Favorit di Inggris Premier League

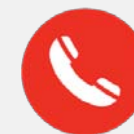
Pajak hadiah ditanggung pemenang.

www.indihome.co.id myIndiHome

Syarat dan ketentuan berlaku.

IndiHome FIBER

- Net additional subscribers:
 - 4Q18: 397K
 - 1Q19: 418K
- Total subscribers of Indihome:
 - FY18: 5.1 mn (+72.2% YoY)
 - 1Q19: 5.5 mn (+57.7% YoY)



- Triple Play (3P):
 - FY18: 50.2% of total subs
 - 1Q19: 51.0% of total subs
- ARPU:
 - Rp265K in 4Q18 and 1Q19

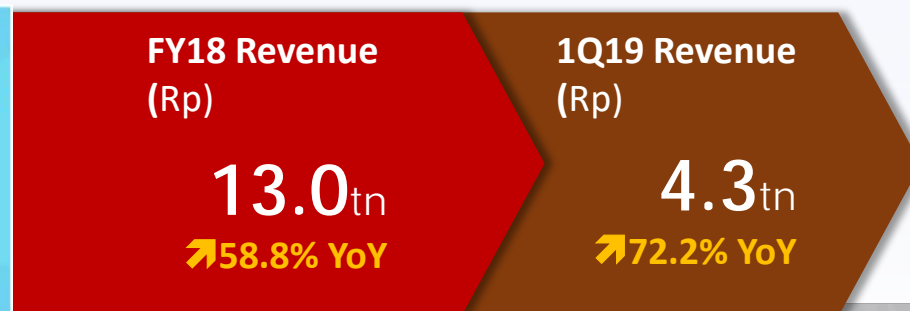


IndiHome Paket GAMER

PILIHAN SEMPURNA UNTUK JADI SANO JUARA!

Mulai dari **380.000** /bulan

Includes: Nonton, iFlix, HOOQ, CatchPlay, 300 menit, and various streaming services.



Enterprise Business



Provision of ICT solutions and smart enabler platforms contributed the biggest portion of Telkom's Enterprise business revenue.

FY18
Revenue (Rp)

21.1^{tn}
↗10.1% YoY

1Q19
Revenue (Rp)

6.3^{tn}
↗6.3% YoY

Corporate
Segment

1,900
corporate
clients

Revenue contribution:
FY18: **60%** 1Q19: **57%**

Government
Segment

979
government
institutions

Revenue contribution:
FY18: **26%** 1Q19: **30%**

SMB
Segment

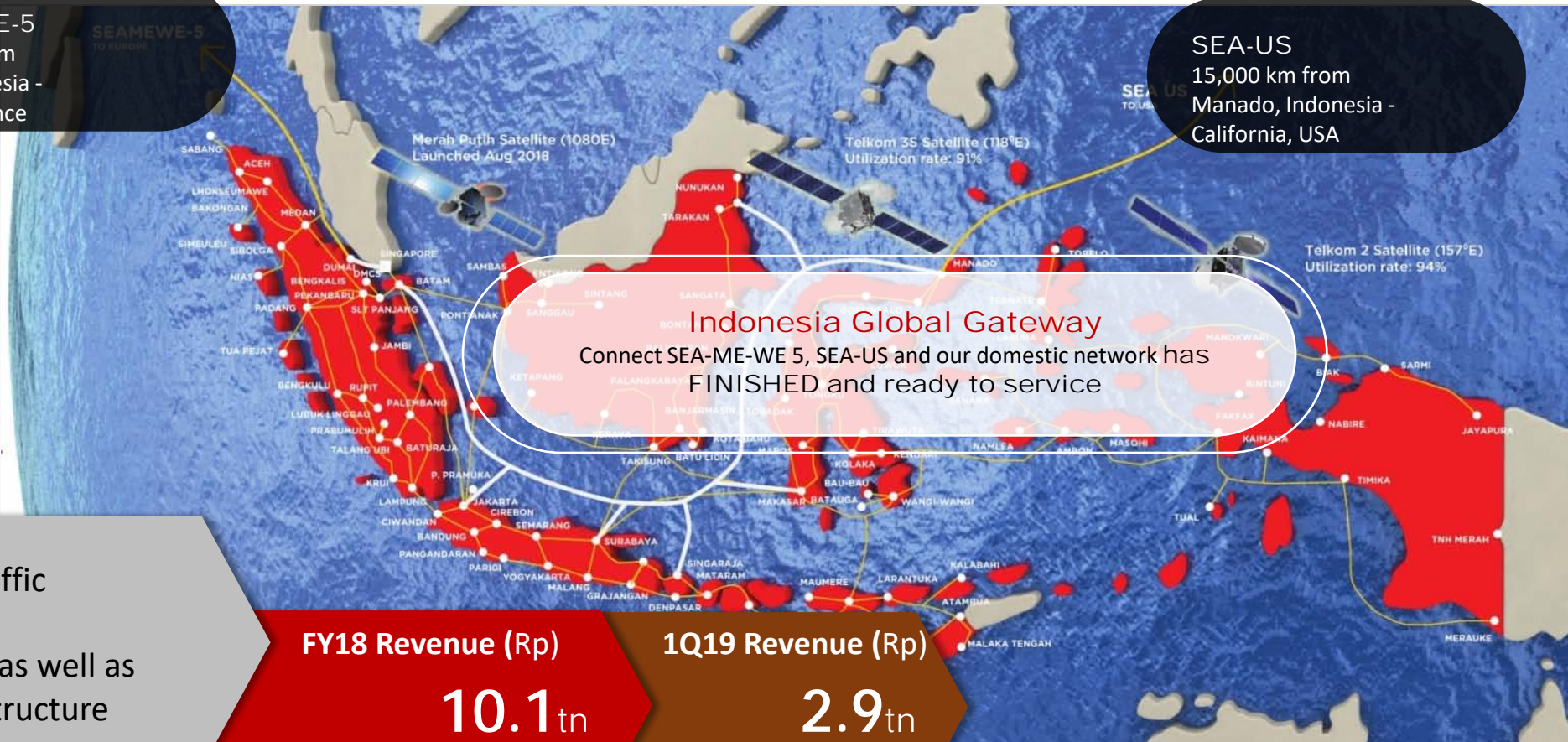
>300^{thousand}
SMB clients

Revenue contribution:
FY18: **14%** 1Q19: **13%**

Wholesale & International Business

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

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



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

FY18 Revenue (Rp)

10.1tn

↑35.6% YoY

1Q19 Revenue (Rp)

2.9tn

↑30.3% YoY

Capital Expenditure

FY18

Telkom Group spent **Rp33.6 Tn**
or 25.7% of revenue

1Q19

Telkom Group spent **Rp7.3 Tn**

We utilize capex mainly to enhance our digital capabilities to capture growth opportunities in the digital space

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

In fixed, capex was primarily utilized to develop **fiber-based access and backbone infrastructure**, including submarine cable systems and a satellite to support fixed as well as mobile broadband

Some portion also utilized for other project such as **tower and data center**



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2019 Guidance

Revenue Growth

We expect Telkomsel revenue to grow better or in-line with the cellular industry. Whilst overall Telkom Group is targeted to grow mid-to-high single digit.

EBITDA & Net Income Margins

EBITDA and Net Income margins are expected to decline in slower pace, in line with revenue shift towards Digital Business and continued infrastructure development.

CAPEX

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

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



Thank You

PT Telkom Indonesia (Persero) Tbk
May 2019