

# Corporate Presentation

## 9M19 **Results**

PT Telkom Indonesia (Persero) Tbk  
November 2019

# Disclaimer

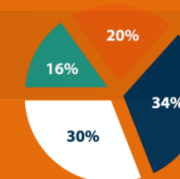
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# 9M19 Results

Telkom in Brief

9M19 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

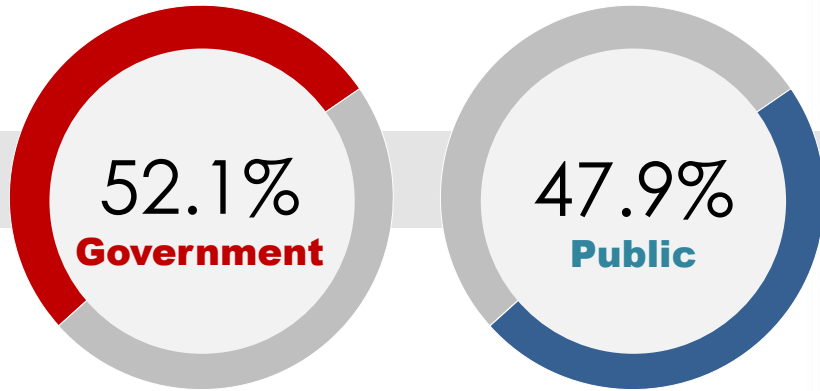


**HUMAN CAPITAL  
MANAGEMENT  
DIRECTOR**  
IRFAN  
TACHRIR



**IT  
DIRECTOR**  
BHARAT ALVA

# Share Ownership



## Total Shares

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

## Market Capitalization

**Rp423.0 Tn (USD30.1 Bn)\***

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



\*as of Oct 30, 2019

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# 9M19 Performance Highlights

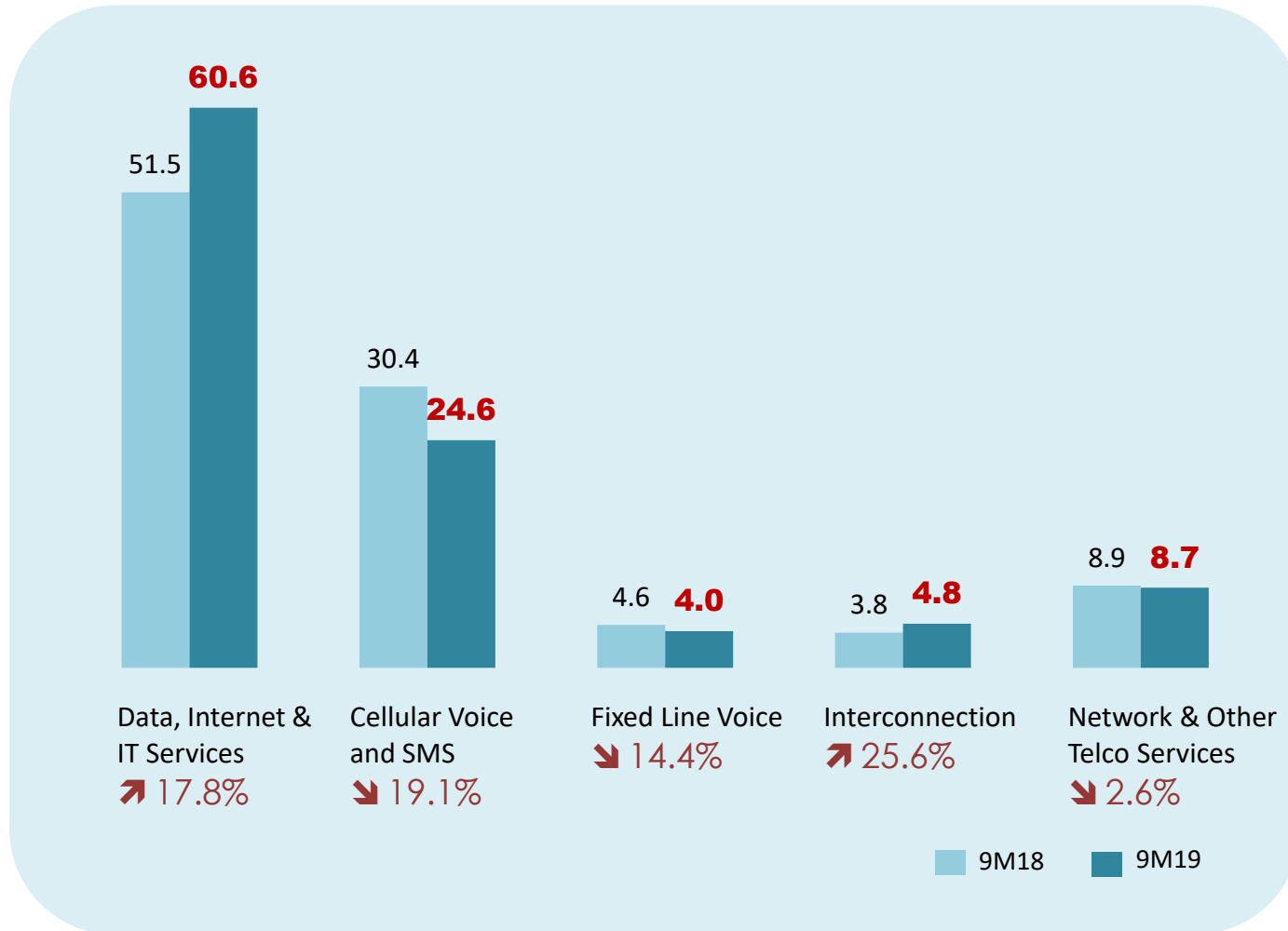
In **9M19**, IndiHome performed strongly with **6.5 million** customers with a **52.2% YoY** revenue growth; while mobile digital business grew by **27.9% YoY**.

Consolidated revenues **grew by 3.5% YoY**. Data, Internet & IT Services segment contribution to total revenues significant increased to **59.1%** compared to 51.9% last year. In the meantime, EBITDA Margin **increased 3.4ppt** to **48.7%** in 9M19.

We continued to strengthen our digital infrastructures. Telkomsel installed c. **20,800 new 4G BTS** in 9M19, bringing our total BTS to reach c. 210 thousand. While Telkom built additional **around 2,800 km** of fiber optic backbone to support both mobile and fixed digital businesses.

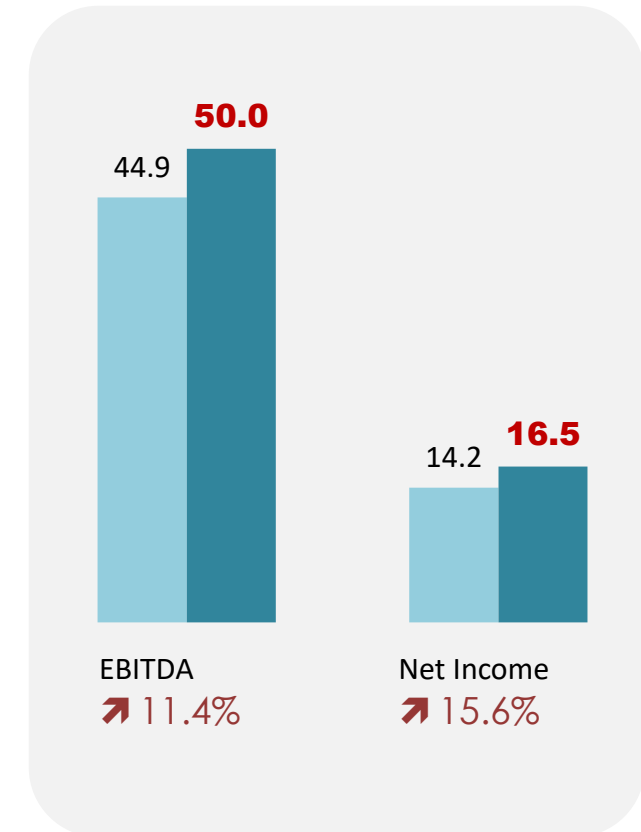
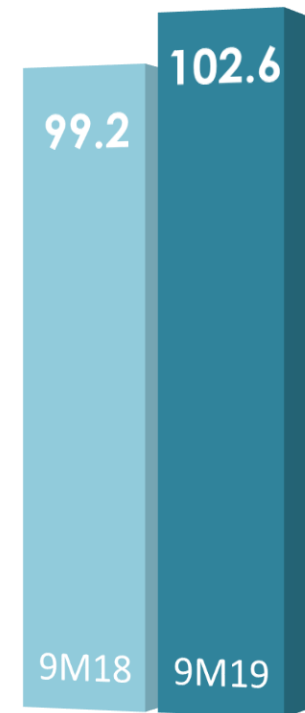
# Data, Internet & IT Services as the Growth Driver

## 9M19 Revenue YoY (Rp Trillion)



## Revenue (YoY)

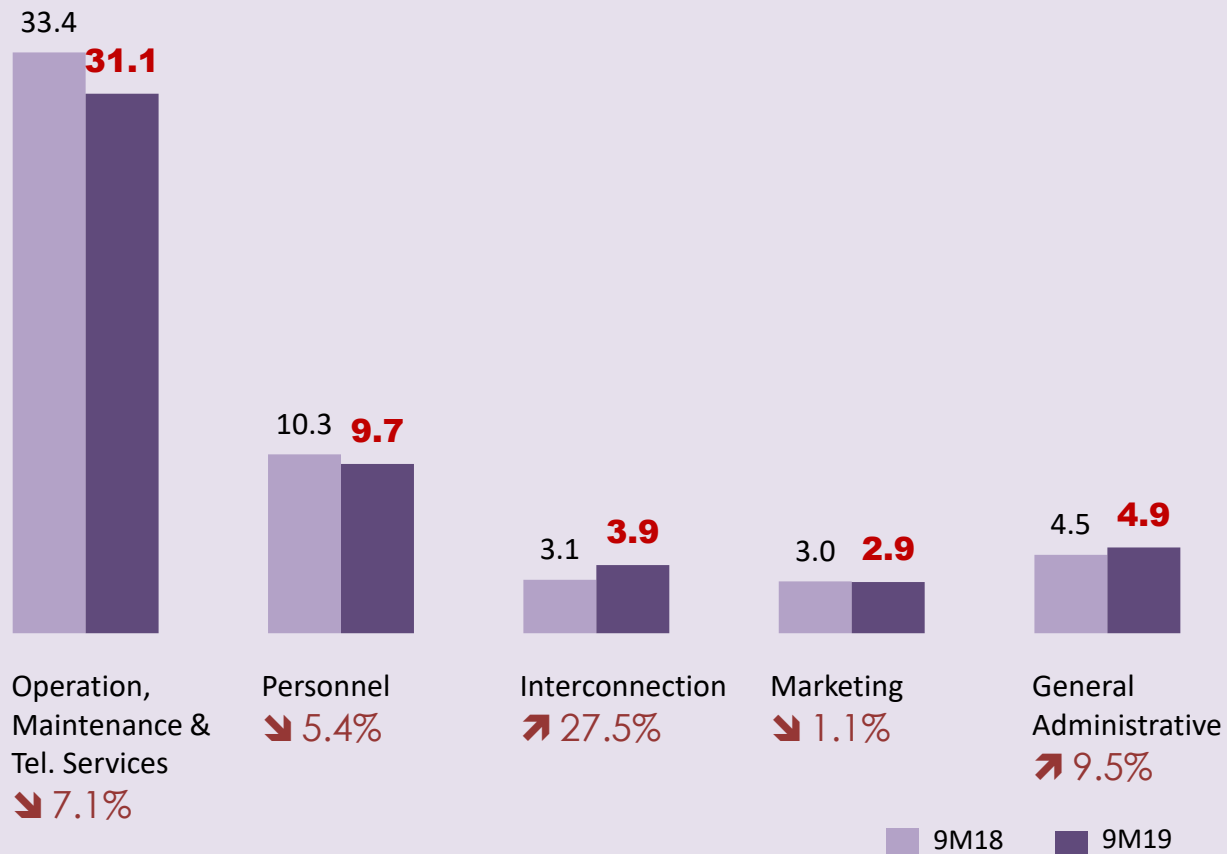
↑ 3.5%





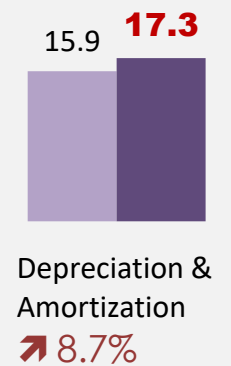
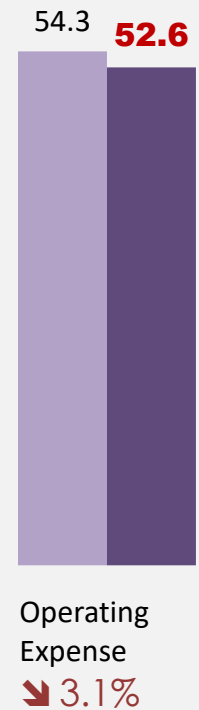
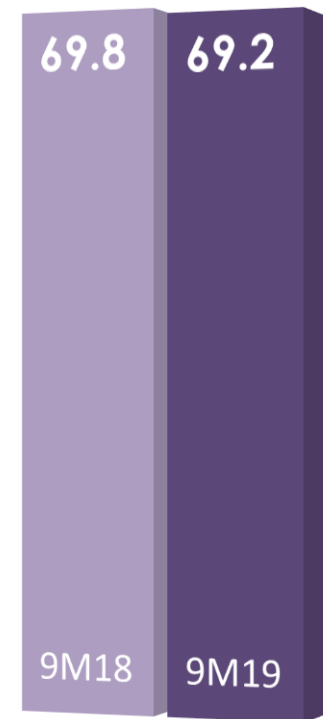
# Declining Expenses

## 9M19 Expense YOY (Rp Trillion)



## Expenses (YoY)

↓ 0.8%



# Fixed Broadband

Fixed Broadband  
Revenue (Rp)

**13.7**tn  
↗ 52.1% YoY

**IndiHome**  
FIBER»»

- Net additional subscribers 3Q19 **511K**
- Total IndiHome subscribers 9M19 **6.5 Mio** (+38.3%)
  - Dual-Play **53% of total subs**
  - Triple-Play **47% of total subs**
  - Residential Customer **87% of total subs**
- ARPU 3Q19 **Rp256K**
- Add-ons contributed to **12.1%** of IndiHome revenues



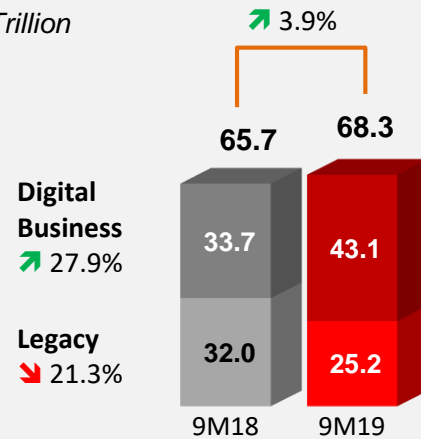
# Telkomsel Performance

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 9M-2019

YEAR ON YEAR

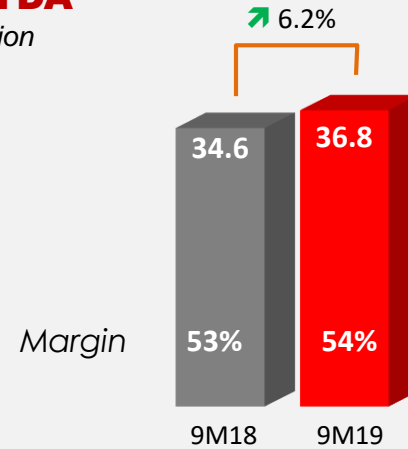
## REVENUES

In Trillion



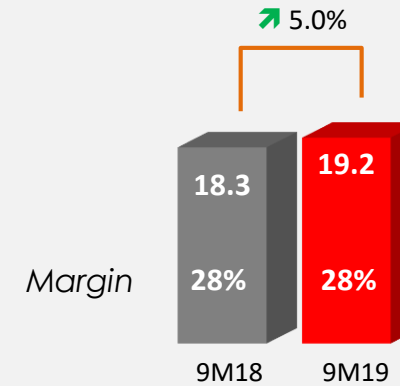
## EBITDA

In Trillion



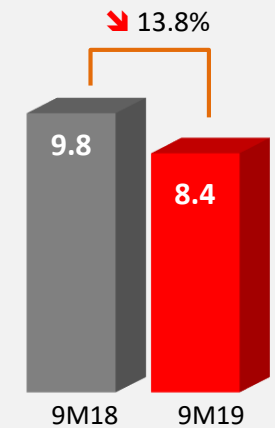
## NET INCOME

In Trillion



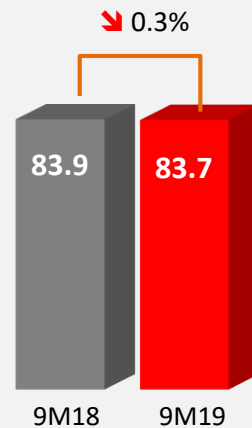
## CAPEX

In Trillion



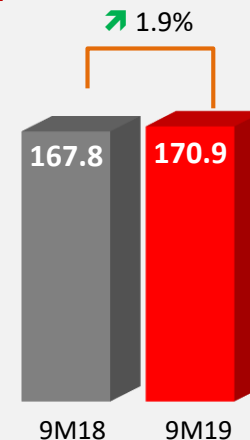
## TOTAL ASSET

In Trillion



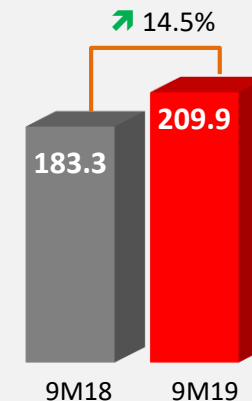
## CUSTOMER

In Million



## BTS

In Thousand



# Telkomsel Performance

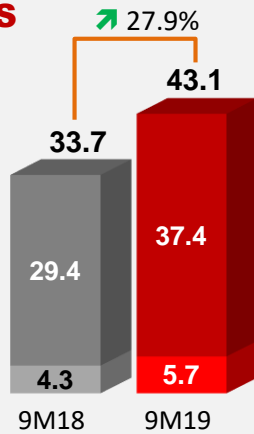
Continue to Focus on Digital Business : Engine of growth and accounted for 63% of Total Revenues

## YEAR ON YEAR

### DIGITAL BUSINESS REVENUES

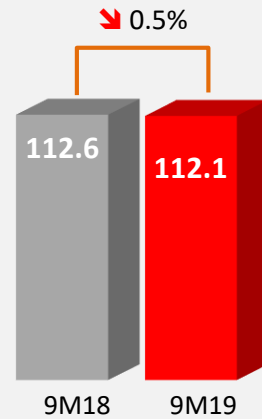
In Trillion

Data Connectivity  
↑ 27.9%  
Digital Services  
↑ 31.2%



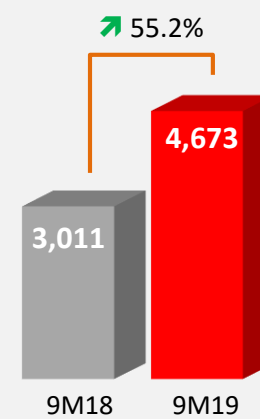
### DATA USER

In Million



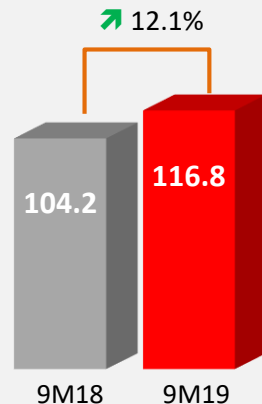
### DATA TRAFFIC

In PB



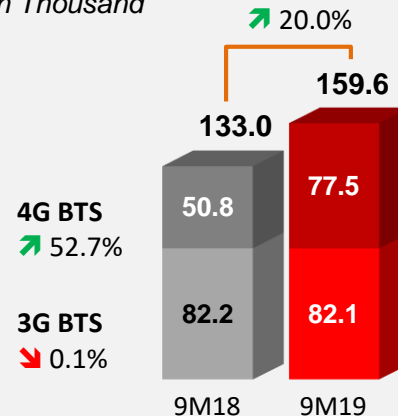
### 3G/4G CAPABLE DEVICE

In Million



### 3G & 4G BTS ON AIR

In Thousand



## Digital Business



# Enterprise Business

Enterprise Business  
Revenue (Rp)

**14.9**tn  
↘20.7% YoY

- **Reduced exposure in IT services** which mostly consist of hardware, and focus on more profitable products e.g. **Connectivity and Data Center & Cloud**
- Decline in Enterprise business was also **attributable to project-based revenue seasonality**
- **Hardware-related costs significantly declined.**

**Corporate**  
Segment

**57%**

contribution to  
Enterprise Revenue

**Government**  
Segment

**30%**

contribution to  
Enterprise Revenue

**SME**  
Segment

**13%**

contribution to  
Enterprise Revenue

# Wholesale & International Business

Wholesale & International Business Revenue (Rp)

8.2tn  
↑16.6% YoY

## Indonesia Global Gateway

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

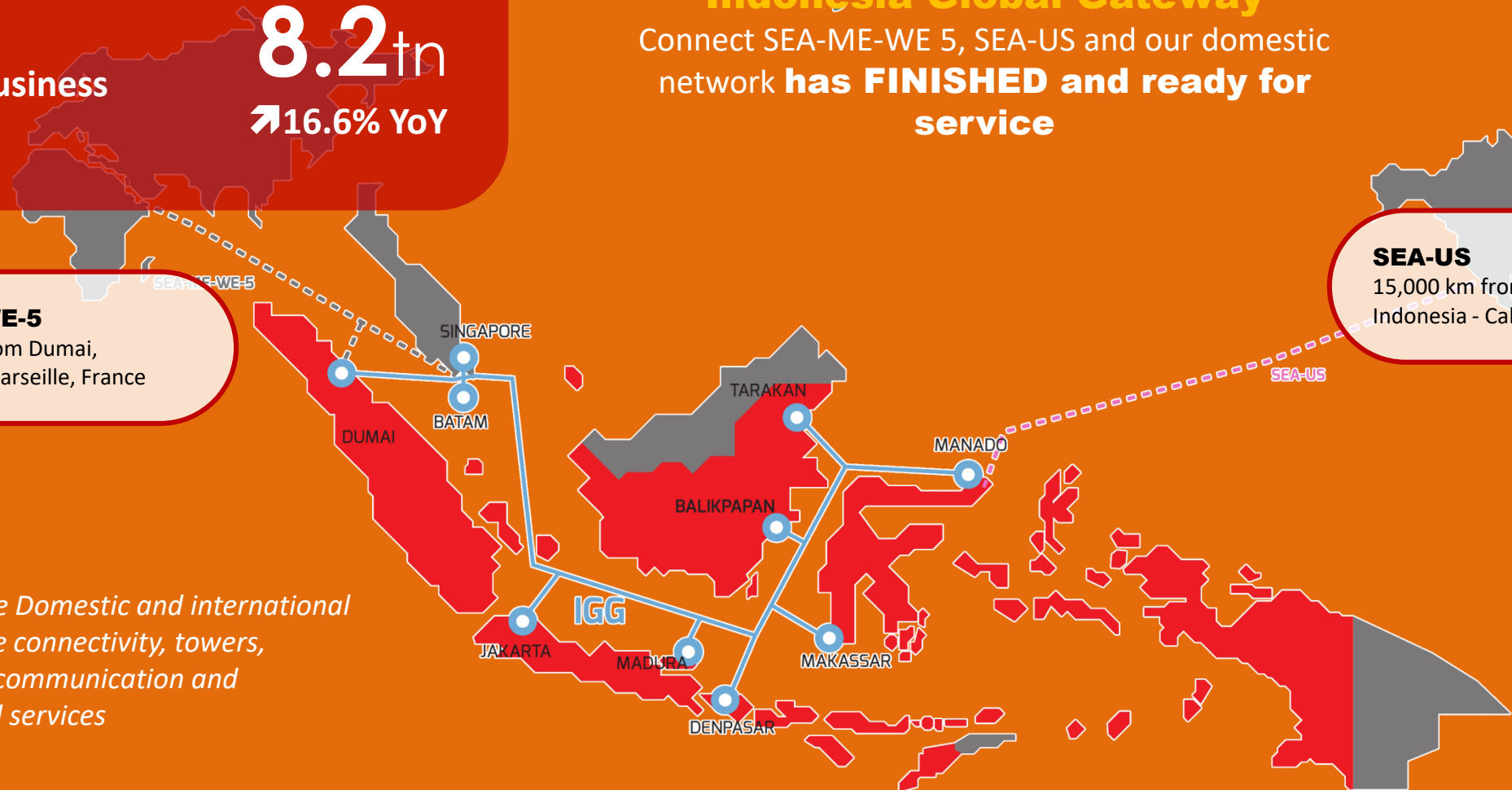
### SEA-ME-WE-5

20,000 km from Dumai, Indonesia - Marseille, France

### SEA-US

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

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





# Recent Activities

Signed an agreement to acquire **2,100 telecommunication tower** from **PT Indosat Tbk** by PT Telkom's subsidiary, **Mitratel**

Mitratel's tower will increase to more than 15,800

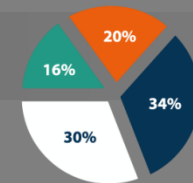


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# 2019 Guidance

## Revenue Growth and Margins

We expect consolidated revenue to grow by **low-to-mid single digit**, with **improving consolidated EBITDA margin**. Whilst Telkomsel's revenue to grow **low-to-mid single digit** with stable EBITDA margin.

## CAPEX

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

# Thank You

PT Telkom Indonesia (Persero) Tbk  
**November 2019**