Corporate Presentation
PT Telekomunikasi Indonesia, Tbk
presented by Sudiro Asno (CFO)

Investor Day
Indonesia Stock Exchange Building - Jakarta, May 11, 2009
Disclaimer

This document contains financial conditions and result of operation, and may also contain certain projections, plans, strategies, and objectives of the Company, which would be treated as forward-looking statements within the meaning of applicable law.

Forward-looking statements, by their nature, involve risk and uncertainty that could cause actual results and development to differ materially from those expressed or implied in these statements.

TELKOM does not guarantee that any action, which should have been taken in reliance on this document will bring specific results as expected.
Content

TELKOM in Brief
Telco Industry in Indonesia
Business Result (Operational & Financial)
Entering the Year 2009
Business Development
TELKOM is the largest full service and network provider in Indonesia, owned by the Government of Indonesia and Others.
(Total shares = 20,159,999,280)

As of Dec 31, 2008

**Government**
- 52.47% excluded Treasury Stock

**Others**
- 47.53% excluded Treasury Stock
  - Public: 30.74%
  - The Bank of New York: 10.39%
  - JPMCB US Resident (Norbax Inc.): 6.40%

**Treasury Stock**
- 490.6 mn

**The biggest publicly listed company in Indonesia**
(+13 % market cap. at IDX)

**Market Capitalization**
- USD 14.8 bn
  (May 8, 2009)

TELKOM listed at Indonesia Stock Exchange (IDX), New York Stock Exchange (NYSE) and London Stock Exchange (LSE) on November 14, 1995.
**TELKOM Core Business**

**Fixed Phone**
- Market leader with more ± 90% market share

*Operated by Division:*
- Reg. Div 1-7; FWN Div; Infratel Div; CISC Div; Enterprise Div; and Subsidiaries:
  - CONSOL
  - PRAMINDO
  - TEKIN
  - PATRAKOM
  - Batam
  - Bintan
  - CSM

**Cellular**
- No.1 cellular operator, market share (± 47%) December, 2008

*Operated by:*
- TELKOMSEL

**Multimedia**
- New Wave Business with significant growth

*Operated by:*
- INDOME
- SIGMA
- Finnet

**Other Business**
- AWI Finance B.V
- Balebat
TELKOM’s Map of Operations

Covers all over Indonesia: **33 provinces and 440 districts**

**Subscribers Java (70%)**
- 7 Regional Division
- 913 Customer Service Point / PlasaTELKOM (11 shared with GraPARI)
- More than 317 K Warung Telkom

**Subscribers Java (70%)**
- 4 Areas
- 11 Regional Sales
- 71 GraPARI (51 shared with PlasaTELKOM)
- 271 Gerai HALO
Board of Directors

- **Rinaldi Firmansyah**
  - President Director

- **Sudiro Asno**
  - Director of Finance

- **Faisal Syam**
  - Director of Human Capital & General Affair

- **Indra Utoyo**
  - Director of Information Technology & Supply

- **I Nyoman G Wiryanata**
  - Director of Consumers

- **Ermady Dahlan**
  - Director of Network & Solution

- **Arief Yahya**
  - Director of Enterprise & Wholesale

- **Prasetio**
  - Director of Compliance & Risk Management
Telco Industry - Environment Overview

Year 2008 was indicated by severe price war & untamed economy situation

- Environment is very dynamic
- There are 11 Telco Operators
- Regulation Changes
- National Telephone Penetration already around 70%
- Price war on Cellular Business
- Tariff decreased significantly
- Traffic Pattern Changes
- Significantly increase in Data & Internet
- Global Crisis

TELKOM’s Strategies:

- Strengthen the core to deliver the fundamental
- Expand into adjacent to build momentum for new portfolio
- Empower business units to drive growth
- Transform the legacy & culture
There are 11 operators for more than 227 Mn population with 56 % young dynamic population...
Penetration in Telco Industry

As of March, 2009

Amid intensifying competition, TELKOM continues to be a market leader in all product line businesses...

<table>
<thead>
<tr>
<th>Product Line</th>
<th>Total Industry</th>
<th>Penetration</th>
<th>Rev. Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Wireline</td>
<td>± 8.7 mn</td>
<td>13%</td>
<td>52%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TELKOM 90%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BBT</td>
<td></td>
</tr>
<tr>
<td>Fixed Wireless</td>
<td>± 23 mn</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TELKOM 59%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indosat</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bakrie</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Smart</td>
<td></td>
</tr>
<tr>
<td>Cellular</td>
<td>± 147 mn</td>
<td>&lt;1%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telkomsel 47%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indosat</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Excel</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hutchinson (3)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Axis</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sampoerna</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mobile-8</td>
<td></td>
</tr>
<tr>
<td>Broadband</td>
<td>± 1.1 mn</td>
<td>~850 K</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wireless (HSDPA)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>~150K (Telkomsel)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others: Cable etc.</td>
<td></td>
</tr>
<tr>
<td>Data Comm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TELKOM 52%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ISAT Group</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indosat</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IM2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lintas Arta</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Excel</td>
<td></td>
</tr>
</tbody>
</table>
## Content

<table>
<thead>
<tr>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>TELKOM in Brief</td>
</tr>
<tr>
<td>Telco Industry in Indonesia</td>
</tr>
<tr>
<td><strong>Business Result (Operational &amp; Financial)</strong></td>
</tr>
<tr>
<td>Entering the Year 2009</td>
</tr>
<tr>
<td>Business Development</td>
</tr>
</tbody>
</table>
TELKOM has to transform its business to **TIME (Telecommunication, Information, Media, and Edutainment based services)** to maintain its competitive sustainable growth...

**Defend Traditional**
1. Optimizing FWL Legacy
2. Align Cellular-FWA & separate FWA as buss. unit
8. Streamline subsidiary portfolio

**Superior Value Creation**
- Delivering exceptional value our customers
- Competitive Sustainable Growth

**Grow New Wave**
3. Invest in Broadband
4. Integrated Enterprise Solutions
6. Expand into IT Services
7. Expand into Portal Business

**Align Business Structure and Portfolio Management**

**Transforming Culture**
Strategic Initiatives in 2008 (1)

Optimizing, synergizing & streamlining is a must not a choice and already implemented...

Defend Traditional

**Optimizing FWL Legacy**
- Deploy 0.4 Mn Wireline lines (total 9.8 Mn lines)
- Optimize existing network (Speedy / broadband enable)
- Flat rate bill trial in Manado
- FBIP – Fixed Business Improvement Program

**Align Cellular – FWA & Separate FWA as buss. unit**
- Deploy 6K Cellular BTS (total around 27K BTS)
- Tower collocation Telkomsel & FWA around 1.5K
- Join facilities point of sales (GraPARI & Plasa TELKOM)
- Establishing Flexi Mandiri

**Streamline subsidiary portfolio**
- Consolidate VSAT business
- Re-define subsidiaries portfolio
  - Establish Tower Business in Daya Mitra
  - TII as vehicle for international services and strategic investment in overseas
  - Metra as a vehicle for multimedia, content and portal business
  - PIN for distribution and remote access
Strategic Initiatives in 2008 (2)

New wave investments and initiatives begin to deliver value for the company and compensate decreasing in legacy businesses...

Grow New Wave

Invest in Broadband
- Speedy’s capacity installed : 2 mn
- Metro Ethernet 800 - 900 nodes
- Backbone & IP Backbone expansion

Integrated Enterprise Solution
- Content & Application business thru Sigma
- Strengthening banking & financial solution (Himbara)
- TELKOM as a single IT provider super block Plasa Indonesia

Expand into IT Services
- Joint Marketing with NCS
- Acquisition Sigma through Metra

Expand into PORTAL Business
- Establishing subsidiaries focusing in PORTAL
- INDIGO

In 2008, declining of legacy business were compensated by increasing of new wave businesses, in which contribution to overall operating revenues were around 9%.
Human Capital

TELKOM has been continuing in improving of employees competencies and decreasing the number of employees continuously to meet the competition era...

Total TELKOM Group Employees (Dec 31, 08) more than 30 K (TELKOM only 25K)

Average employees growth annually = - 6%

(Over the next few year, we will be resigning more people from our Legacy Division to the New Wave Division)

Early Retirement Programs

- ERP in 2008 :
  - Total employees = 1.156
  - Total cost = Rp. 788 Bn
- Total employees (2002 – 2007) = more than 10 K
- Total ERP Cost (2002 – 2007) = Rp. 4.2 T
CAPEX Deployment in 2008

Continuous investments is aimed to increase capacities / coverage and quality of service as well as to provide fundamental for new wave businesses...

<table>
<thead>
<tr>
<th></th>
<th>Add</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexi BTS</td>
<td>2,143</td>
<td>4,054</td>
</tr>
<tr>
<td>Cellular BTS</td>
<td>6,014</td>
<td>26,872</td>
</tr>
<tr>
<td>Fixed Wireline</td>
<td>0.4 Mn</td>
<td>11 Mn</td>
</tr>
<tr>
<td>(Exchange Cap)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Speedy Lines Cap</td>
<td>1.6 Mn</td>
<td>2.0 Mn</td>
</tr>
<tr>
<td>Metronet</td>
<td></td>
<td>800-900 nodes</td>
</tr>
</tbody>
</table>

Add Total

2007 2008

TELKOMSEL

TELKOM

Rp.15,915 bn

Rp.6,087 bn

2007 2008

80% 72%

20% 28%

Flexi BTS

Cellular BTS

Fixed Wireline (Exchange Cap)

Speedy Lines Cap

Metronet

Backbone & IP Backbone Expansion
Operational Highlights FY/08

..in almost all business segments, TELKOM has a significant growth story

Subscribers as of December 31, 2007 & 2008

<table>
<thead>
<tr>
<th>Business Segment</th>
<th>FY/07</th>
<th>FY/08</th>
<th>FY/07</th>
<th>FY/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cellular (mn)</td>
<td>47.9</td>
<td>65.3</td>
<td>36.4%</td>
<td></td>
</tr>
<tr>
<td>Fixed Wireline (mn)</td>
<td>8.7</td>
<td>8.6</td>
<td>0.6%</td>
<td></td>
</tr>
<tr>
<td>Fixed Wireless (mn)</td>
<td>6.4</td>
<td>12.7</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Broadband Internet (000)</td>
<td>241</td>
<td>645</td>
<td>167.6%</td>
<td></td>
</tr>
</tbody>
</table>

~47% ~99% ~59% ~46%

*) Exclude for education & trial=205K
Fixed Wireless Business

Flexi subscribers has increased significantly...

<table>
<thead>
<tr>
<th></th>
<th>FY/07</th>
<th>FY/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscribers (mn)</td>
<td>6.4</td>
<td>12.7</td>
</tr>
<tr>
<td>Sales (mn)</td>
<td>5.3</td>
<td>13.6</td>
</tr>
<tr>
<td>BTS (Unit)</td>
<td></td>
<td>1,911</td>
</tr>
<tr>
<td>Revenues (Rp. Tn)</td>
<td>3.65</td>
<td>3.70</td>
</tr>
</tbody>
</table>

↑ 100%  
↑ 157%  
↑ 112%  
↑ 1.2%
Subscribers as of December 31, 2007 & 2008

- Subscribers (mn)
  - FY/07: 47.9
  - FY/08: 65.3
  - Growth: 36.4%

- ARPU (Voice) (Rp 000/month)
  - FY/07: 80
  - FY/08: 59
  - Decline: 26.9%

- Minute of Used (bn minutes)
  - FY/07: 25.2
  - FY/08: 90.2
  - Growth: 257%

- BTS (000)
  - FY/07: 20.9
  - FY/08: 26.9
  - Growth: 28.8%
Speedy triggered our New Wave business with strong growth on revenues ...

<table>
<thead>
<tr>
<th></th>
<th>FY/07</th>
<th>FY/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriber ('000)</td>
<td>241</td>
<td>645 (*)</td>
</tr>
<tr>
<td>ARPU (Rp '000)</td>
<td>298</td>
<td>278</td>
</tr>
<tr>
<td>Revenues (Rp. Tn)</td>
<td>0.59</td>
<td>1.44</td>
</tr>
</tbody>
</table>

*) Exclude for education & trial=205K

\[ \text{Speedy triggered our New Wave business with strong growth on revenues ...} \]
International Call (TIC-007 & TG-017)

Revenues from IDD Services has increased by 22.5%...

- **Incoming Traffic (bn minutes)**
  - FY/07: 1.12
  - FY/08: 1.41
  - Increase: 13.4%

- **Outgoing Traffic (mn minutes)**
  - FY/07: 0.14
  - FY/08: 0.31
  - Increase: 47.8%

- **Revenues (Rp. Tn)**
  - FY/07: 1.49
  - FY/08: 1.83
  - Increase: 22.5%
In tight competition, total revenues has delivered positive results...

Operating Revenues

FY/07: 59.4
FY/08: 60.7

Operating Expenses

FY/07: 33.0
FY/08: 38.4

EBITDA

FY/07: 37.0
FY/08: 34.6

Net Income

as of December 31, 2007 & 2008 (in Rp. Tn)

FY/07: 12.9
FY/08: 10.6

NI / Share = Rp.537.7

2.1%

16.4%

6.6%

17.4%
### Revenue Drivers FY/08

**Revenue Drivers FY/08 as of December 31, 2007 & 2008 (in Rp. Tn)**

<table>
<thead>
<tr>
<th>Service Type</th>
<th>FY/08</th>
<th>FY/07</th>
<th>Change</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Lines</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY/08</td>
<td>9.7</td>
<td>11.0</td>
<td>▼ 12%</td>
<td>• Customers preference to make on net call</td>
</tr>
<tr>
<td>FY/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cellular</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY/08</td>
<td>25.3</td>
<td>22.6</td>
<td>▲ 12%</td>
<td>• MoU ▲ 257.3%</td>
</tr>
<tr>
<td>FY/07</td>
<td></td>
<td></td>
<td></td>
<td>• Subscribers ▲ 36.4%</td>
</tr>
<tr>
<td><strong>Interconnection</strong></td>
<td></td>
<td></td>
<td>▼ 9%</td>
<td>• Customers preference to make on net call</td>
</tr>
<tr>
<td>FY/08</td>
<td>8.8</td>
<td>9.7</td>
<td></td>
<td>• Most of operators offered low tariff with various features</td>
</tr>
<tr>
<td>FY/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Data, Internet &amp; IT Services</strong></td>
<td></td>
<td></td>
<td>▲ 0.2%</td>
<td>• Internet connectivity Ệ</td>
</tr>
<tr>
<td>FY/08</td>
<td>14.7</td>
<td>14.7</td>
<td></td>
<td>• Speedy sales Ệ</td>
</tr>
<tr>
<td>FY/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Network</strong></td>
<td></td>
<td></td>
<td>▲ 53%</td>
<td>• Satellite transponder Ệ</td>
</tr>
<tr>
<td>FY/08</td>
<td>1.1</td>
<td>0.7</td>
<td></td>
<td>• Leased lines services Ệ</td>
</tr>
<tr>
<td>FY/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other Tel. Services</strong></td>
<td></td>
<td></td>
<td>▲ 118%</td>
<td>• Flexi terminal bundling program</td>
</tr>
<tr>
<td>FY/08</td>
<td>0.7</td>
<td>0.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Legacy and New Wave Revenues

**New Wave** revenues contribution increasing caused by a **42.9%** growth on revenues...

<table>
<thead>
<tr>
<th>Total (Rp. Bn)</th>
<th>FY/07</th>
<th>FY/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>59,440</td>
<td>60,690</td>
<td></td>
</tr>
</tbody>
</table>

**New Wave Business**

- **42.9%**
- (Rp.1,669 bn)

- Contribute to total revenue from **6.6%** (2007) to **9.2%** in (2008)

**Legacy Business**

- **0.8%**
- (Rp.419 bn)

- Declined on interconnection tariff
- Pressure on cellular price war
- Change in lifestyle affect customer behavior on wireline usage

Increasing on New Wave revenues **compensated** decreasing on Legacy revenues
## Expense Drivers FY/08

*as of December 31, 2007 & 2008 (in Rp. Tn)*

<table>
<thead>
<tr>
<th>Category</th>
<th>Q1/09</th>
<th>Q1/08</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Assets</td>
<td></td>
<td></td>
<td>▲ 17%</td>
</tr>
<tr>
<td>• Cellular BTS deployment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Flexi BTS deployment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Personnel</strong></td>
<td></td>
<td></td>
<td>▲ 7%</td>
</tr>
<tr>
<td>• ERP cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Participants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operation, Maint. &amp; Tel. Services</strong></td>
<td></td>
<td></td>
<td>▲ 27%</td>
</tr>
<tr>
<td>• Telkomsel BTS’s</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Flexi’s BTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Affect: operation and maintenance costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• radio frequency usage charges, and also terminal costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General &amp; Administrative</strong></td>
<td></td>
<td></td>
<td>▼ 1.2%</td>
</tr>
<tr>
<td>• Provision for doubtful accounts and social contribution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td></td>
<td></td>
<td>▲ 33%</td>
</tr>
<tr>
<td>• Advertising and promotion program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Customer education program</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
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*Committed 2 U*

**BRINGING YOU EXCELLENCE**
Telkom has been able to reduce the US$ portion of its debt, and some debts will be fully paid in 2024.

<table>
<thead>
<tr>
<th>Total (Rp. Bn)</th>
<th>FY/07</th>
<th>FY/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,771</td>
<td>31%</td>
<td>61%</td>
</tr>
<tr>
<td>Euro (1%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19,752</td>
<td>21%</td>
<td>71%</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Dollar</td>
<td>8%</td>
<td>21%</td>
</tr>
<tr>
<td>IDR/Rupiah</td>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>71%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Forex Debt in US$ has decreased by 10% in 2008.

Decreasing in forex debt to minimize forex loss on our bottom line.
<table>
<thead>
<tr>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>TELKOM in Brief</td>
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<td>Telco Industry in Indonesia</td>
</tr>
<tr>
<td>Business Result (Operational &amp; Financial)</td>
</tr>
<tr>
<td><strong>Entering the Year 2009</strong></td>
</tr>
<tr>
<td>Business Development</td>
</tr>
</tbody>
</table>
Entering the Year 2009

CAPEX and Infrastructure Deployment

We focused on CAPEX deployment in new wave business to **continue growing** contribution of these business to TELKOM total revenues...

Deployment Plan:

**Legacy**
- Flexi BTS = 1.1 – 1.3 K
- Wireline lines = 200 – 250 K
- Capacity to meet demand & selected coverage for Cellular BTS

**New Wave**
- TELKOM-3 Satellite Contract
- AAG (Asian American Gateway)
- Speedy lines = 300-500 K
- Metro Ethernet = 150-200 nodes
- Backbone Sulawesi – Kalimantan and Jasuka expansion
- Tera Router IP backbone and IPTV
- GPON, WiMax and SDP (Service Delivery Platform)

Net Add Target:
- Flexi 50-60% of total Net Add FWA Industry
- Cellular 50% of total Net Add 3 biggest players
- Speedy 700-900K subscribers
Operational Highlights

- Cellular (mn):
  - Q1/08: 51.3
  - Q1/09: 72.1
  - Increase: 40.5%

- Fixed Wireline (mn):
  - Q1/08: 8.7
  - Q1/09: 8.7
  - Change: 0.1%

- Fixed Wireless (mn):
  - Q1/08: 6.7
  - Q1/09: 13.4
  - Increase: 99.4%

- Broadband Internet (‘000):
  - Q1/08: 292
  - Q1/09: 716
  - Increase: 144.8%

As of March 31, 2008 & 2009.
## Financial Highlights

as of March 31, 2008 & 2009 (in Rp. Tn)

<table>
<thead>
<tr>
<th></th>
<th>Q1/08</th>
<th>Q1/09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td>15.0</td>
<td>14.7</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>8.5</td>
<td>9.4</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>9.3</td>
<td>8.6</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>3.2</td>
<td>2.5</td>
</tr>
</tbody>
</table>

- Operating Revenues: **↑ 2.2%**
- Operating Expenses: **↑ 10.9%**
- EBITDA: **↓ 8.2%**
- Net Income: **↓ 23.4%**

NI / Share = Rp. 124.46
## Revenue Drivers

**as of March 31, 2008 & 2009 (in Rp. Tn)**

<table>
<thead>
<tr>
<th></th>
<th>Q1/09</th>
<th>Q1/08</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Lines</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.1</td>
<td>2.5</td>
<td>-17%</td>
</tr>
</tbody>
</table>
|                      |       |       | • Change in life style  
|                      |       |       | • Customers preference to make on net call |
| **Cellular**         |       |       |        |
|                      | 6.5   | 6.0   | 9%     |
|                      |       |       | • Minute of Use ▲ 59.9% 
|                      |       |       | • Subscribers ▲ 40.5% |
| **Interconnection**  |       |       |        |
|                      | 1.9   | 2.3   | -15%   |
|                      |       |       | • Change in life style  
|                      |       |       | • Customers preference to make on net call |
| **Data, Internet & IT Services** |       |       |        |
|                      | 3.7   | 3.9   | -6%    |
|                      |       |       | • SMS traffic ▼ |
| **Network**          | 0.3   | 0.2   | 20%    |
|                      |       |       | • Satellite transponder ▲ 
|                      |       |       | • Leased lines services ▲ |
New Wave business has positive signal for our business...

### Legacy and New Wave Revenues

<table>
<thead>
<tr>
<th></th>
<th>Q1/08</th>
<th>Q1/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (Rp. Bn)</td>
<td>15,032</td>
<td>14,702</td>
</tr>
</tbody>
</table>

**New Wave Business**

- **74.4%** (Rp. 562 bn)

**Legacy Business**

- **6.2%** (Rp. 892 bn)

Our New Wave business has grown significantly (74.4%)....

...and the contribution to total revenues reached 9% (2008) from 5% (2007)
## Expense Drivers

### as of March 31, 2008 & 2009 (in Rp. Tn)

<table>
<thead>
<tr>
<th>Category</th>
<th>Q1/08</th>
<th>Q1/09</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation</strong></td>
<td>2.5</td>
<td>3.0</td>
<td>▲ 19%</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>· Cellular BTS deployment (6,048 unit)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>· Flexi BTS deployment (2,387 unit)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Personnel</strong></td>
<td>2.2</td>
<td>1.9</td>
<td>▼ 15%</td>
</tr>
<tr>
<td>ERP cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee’s benefit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operation, Maint. &amp; Tel. Services</strong></td>
<td>2.5</td>
<td>3.3</td>
<td>▲ 31%</td>
</tr>
<tr>
<td>Telkomsel BTS’s : ▲ 6,048</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flexi’s BTS : ▲ 2,387</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affect: operation and maintenance costs, radio frequency usage charges, and also terminal costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General &amp; Administrative</strong></td>
<td>0.9</td>
<td>0.8</td>
<td>▼ 2%</td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td>0.4</td>
<td>0.4</td>
<td>▲ 10%</td>
</tr>
<tr>
<td>Advertising and promotion program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer education program</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Consolidated Debt

as of March 31, 2008 & 2009

<table>
<thead>
<tr>
<th>Total (Rp. Bn)</th>
<th>Q1/08</th>
<th>Q1/09</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14,384</td>
<td>18,234</td>
</tr>
</tbody>
</table>

- Euro (1%)
- Japanese Yen: 8%
- U.S. Dollar: 22%
- IDR/Rupiah: 59%

Decreasing in forex debt to **minimize** forex loss on our **bottom line**...
Content

- TELKOM in Brief
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- Business Development
## Business Development (1)

### Reshetnev to build TELKOM-3 satellite
- Contracts: US$ 200 million for the supply of new TELKOM satellite
- Launching on August 2011
- Will offer new transponders in Ku-band
- Coverages: over South East Asia

### TELKOM – Orange in network services partners agreement
- TELKOM and France Telecom’s Orange Business Services Unit signed a contract
- To provide advanced network services to Indonesia

### TELKOM recorded on 675 of the Forbes Global 2000
- In 2009, was the 3rd times
  - 2008: rank 729
  - 2007: rank 835
- Based on the amount of income, profit, assets and market value
## Business Development (2)

### Mitratel (DMT) Transformation & Tower Business Consolidation
- DMT to be the main vehicle for tower business in the group
- DMT to be the number one Tower Company in Indonesia through tower (Flexi, Telkomsel) business consolidation.

### Metra
- Will launch TelkomGroup Portal Business by 2009
- Initiate a Partnership to develop e-commerce business in Indonesia

### Marketing
- Low cost handset bundling launched on April 2008
- Low On Net Call for National wide and SMS On Net
- Free On Net Flexi in area Jakarta, Banten & West Java
- Speedy unlimited in Jakarta area
- Speedy prepaid
Due to global financial crisis, Telkomsel has improve fundamental company thru network reconfiguration and accelerate network development and to improve network quality for optimizing business portfolio (T-Cash, Telkomsel Merah Putih, KartuAs Fress)

Set up BTS hydro fuel cell due to deficit of energy

Implemented Near Real Time Roaming Data Exchange (NRTRDE) to minimize fraud risk on Telkomsel international roaming

As the selected bidder of USO I, II, III, VI and VII Project

Blackberry bundling program

Seamless roaming by Telkomsel to some countries

Partnership for distribution IPhone from Apple
Thanks for your attention...

Any further questions?

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