



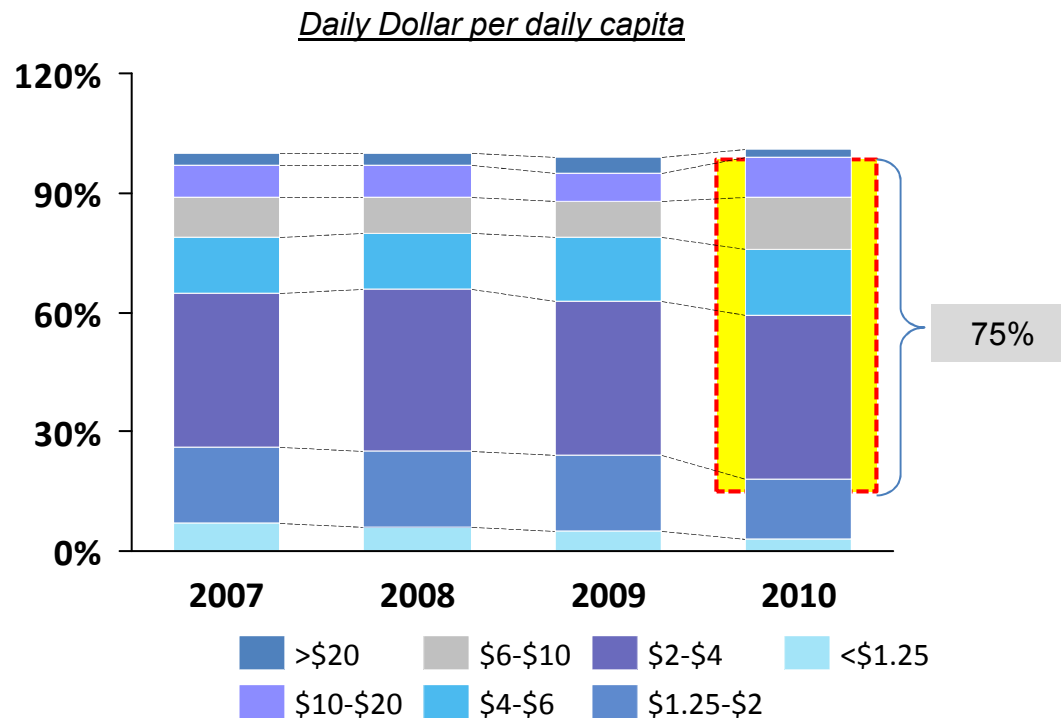
PT XL AXIATA TBK. (XL)

CORPORATE PRESENTATION *1Q 2012*



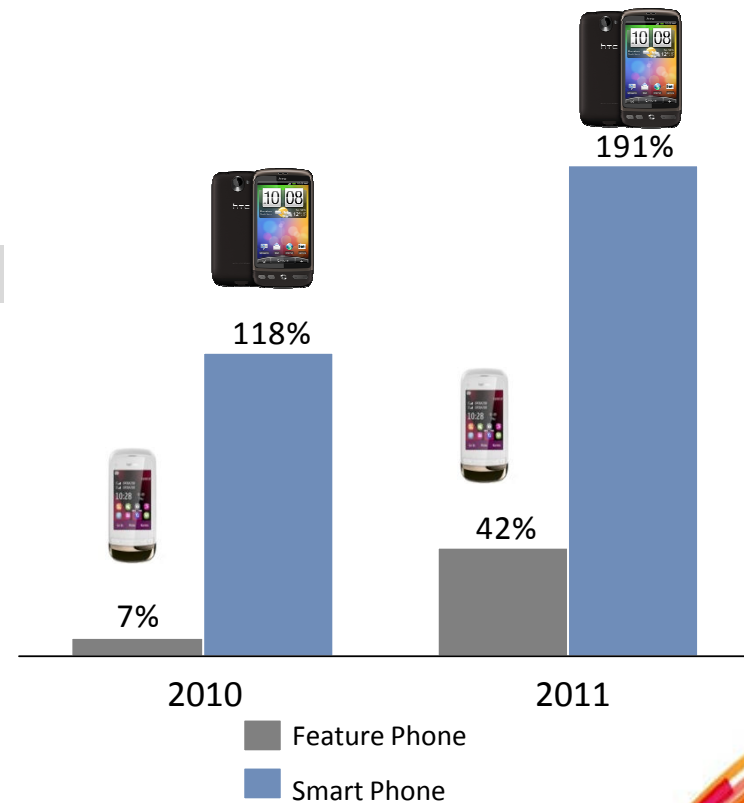
Increasing middle class accelerates Indonesia's market buying power and leads to greater opportunities for business growth

Middle income class accounts for 75% of total expenditures



Significant smart phone growth

Growth of device unit sold in Indonesia



- Source:
1. National Statistic Agency (BPS)
 2. OECD economic outlook
 3. ADB

Indonesia's upper middle class has grown more than double in the past decade and is growing faster than Philippines, Thailand, and Malaysia
 ADB, *The Rise of Asia's Middle Class*, Feb 2011

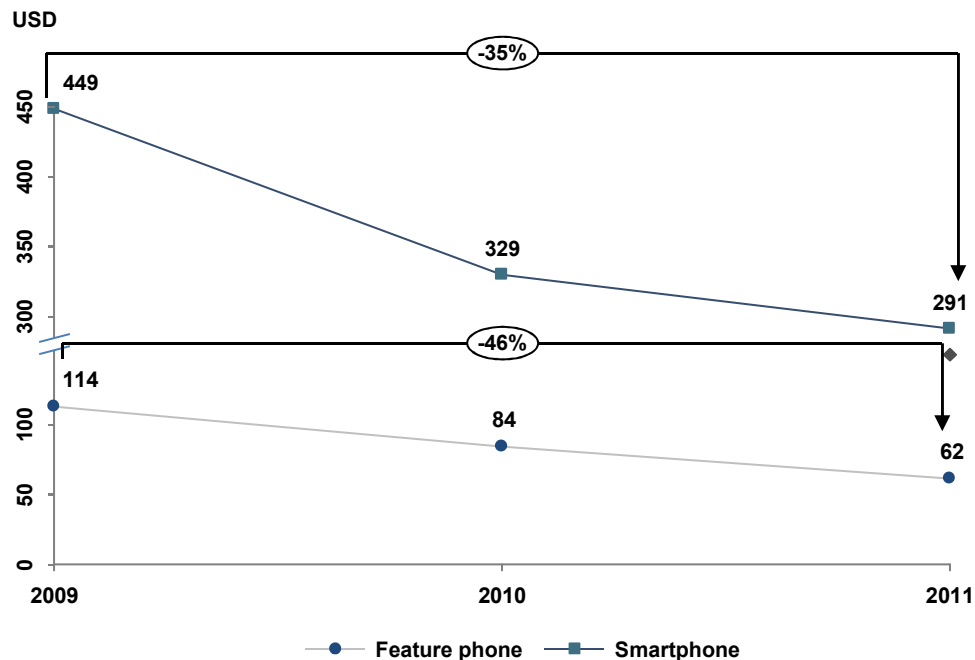
Source:
GFK quarterly presentation



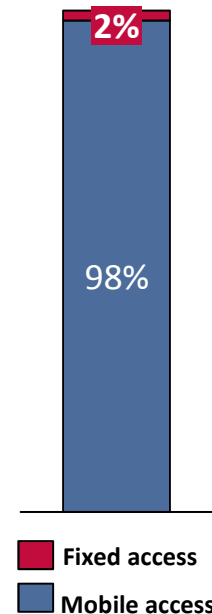
Mobile Internet is dominant in Indonesia

Driven by low PC and Fix Line penetration and affordability of handset

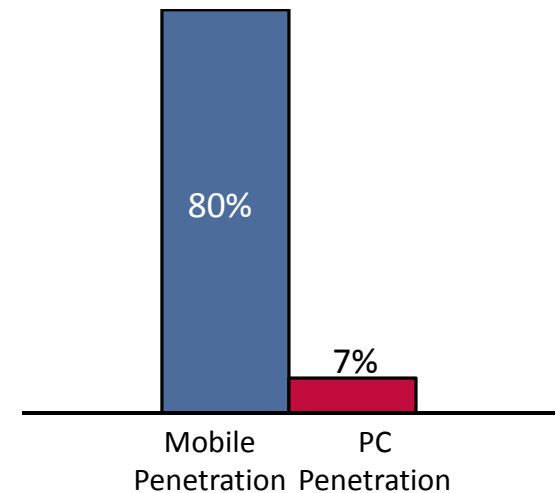
Smart phones have become more affordable ¹⁾



98% access to internet through Mobile ²⁾



Low PC penetration ³⁾



Surging demand for mobile internet presents a huge opportunity for XL

Source: 1. GFK presentation

2. Euromonitor International

3. ITU & Internal analysis

Notes: penetration as % of population; mobile internet defined as accessing the internet through handset



Video demand will strongly drive Data even further

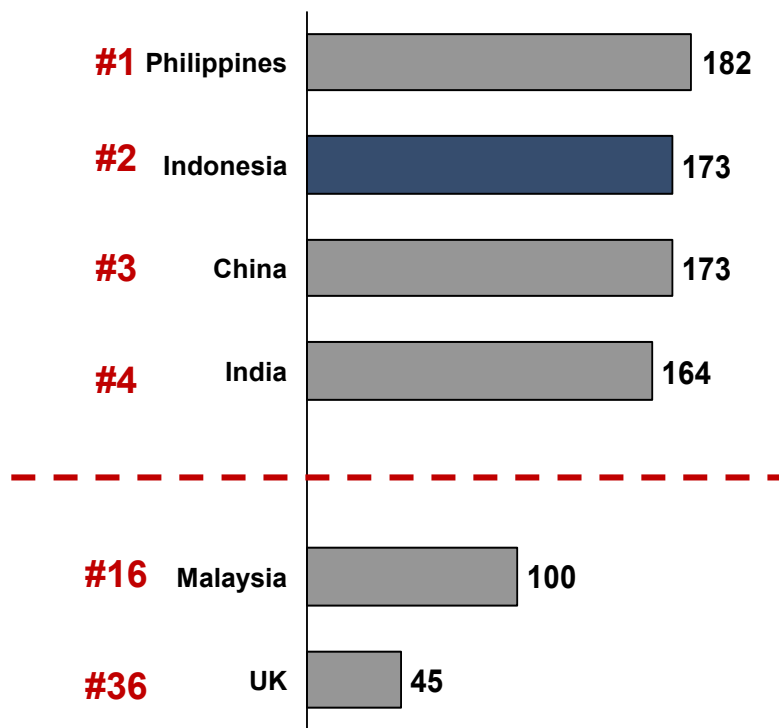
Indonesian love video: YouTube is #5

Top internet sites in Indonesia¹



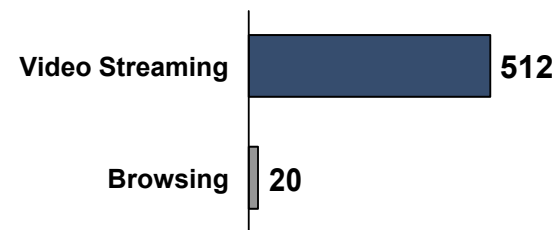
Given the supply Indonesian *mobile* users among the highest likeliness to watch video

Index of online mobile video usage by market²



Bandwidth requirements much higher with Video

Bandwidth requirement (Kbps)³



We need to prepare for even bigger data explosion

Source:

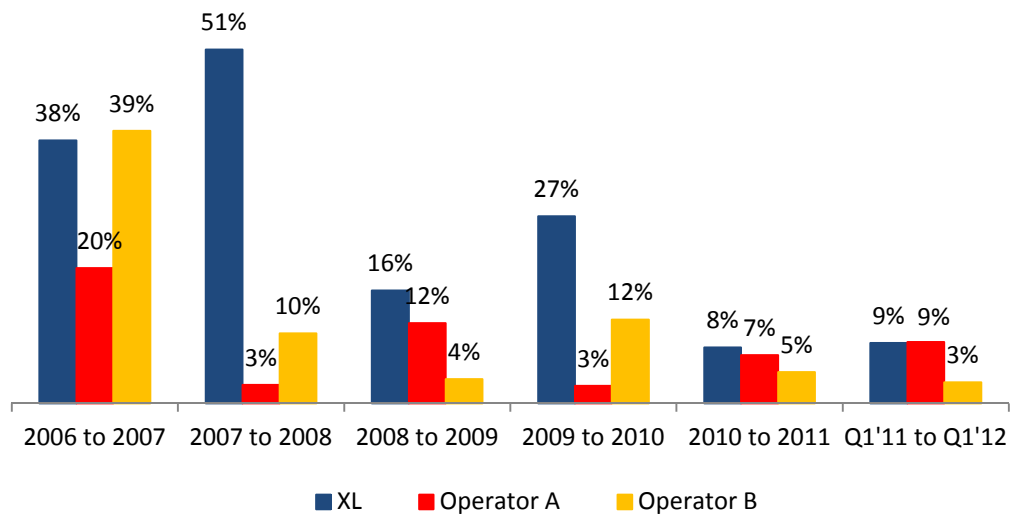
1. www.alexacom
2. Nielsen survey report (September 2010), <http://www.pluggd.in/online-video-consumption-market-research-297/>
3. Web search



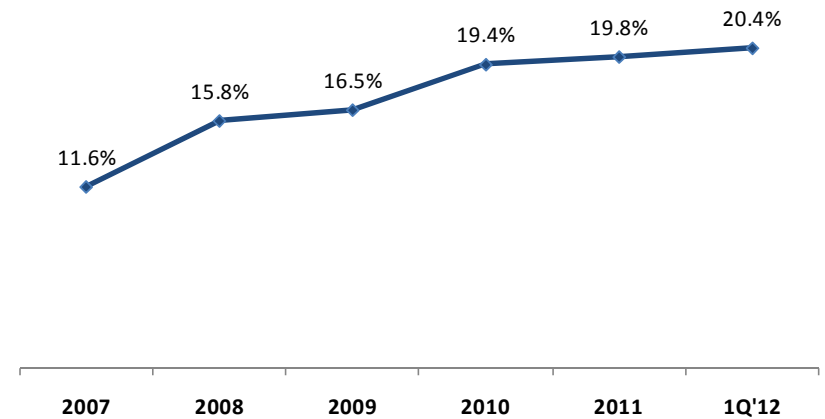


For the past 4 years, XL has continuously outperformed the competitors

YoY revenue growth outperformed competitors since 2008



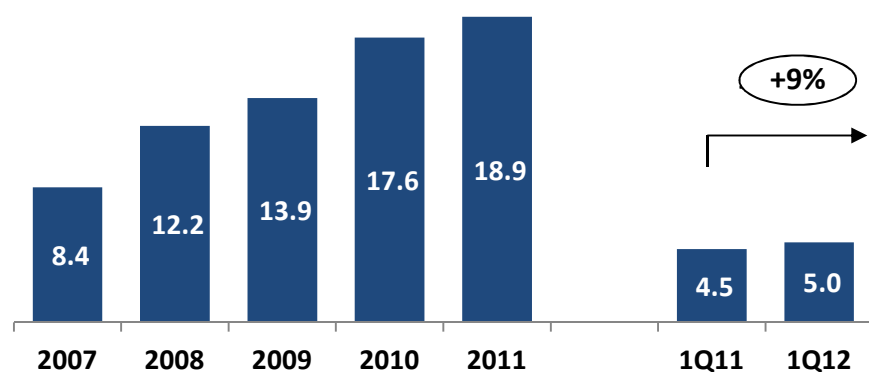
Improvement in Revenue Market Share



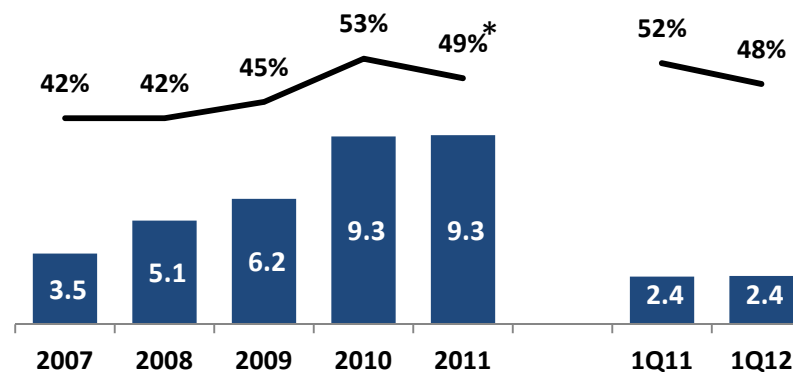


Strong Financial Performance driven by data since 2011

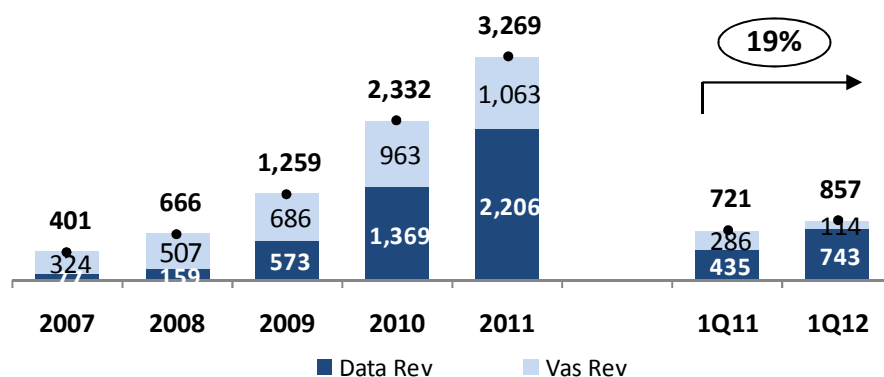
Revenue (in IDR Tn)



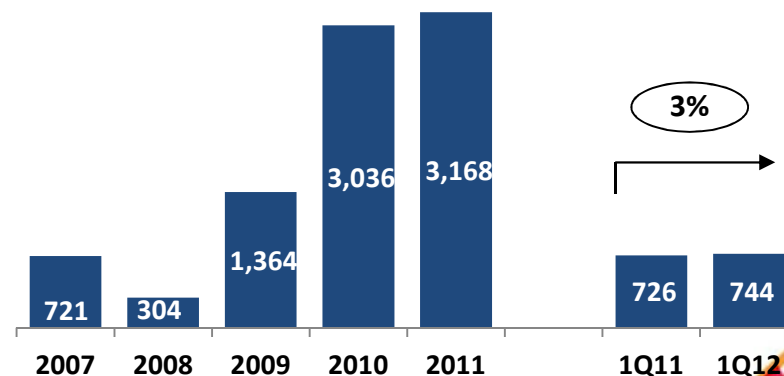
EBITDA (in IDR Tn) & EBITDA margin (%)



Data & Vas Revenue (in IDR Bn)

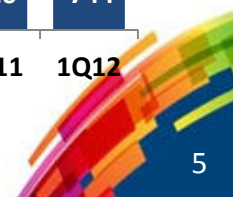


Net Income (in IDR Bn)**



*Normalized EBITDA margin due to provision of severance payment FY11 Rp 269 bn is 51%

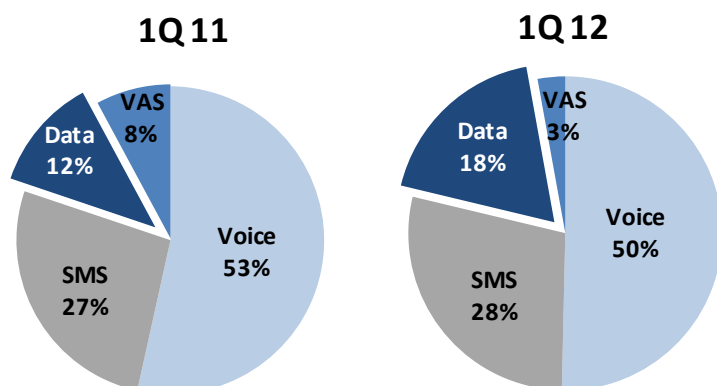
**Net income excluding unrealised forex loss/gain, accelerated depreciation and provision for severance payment



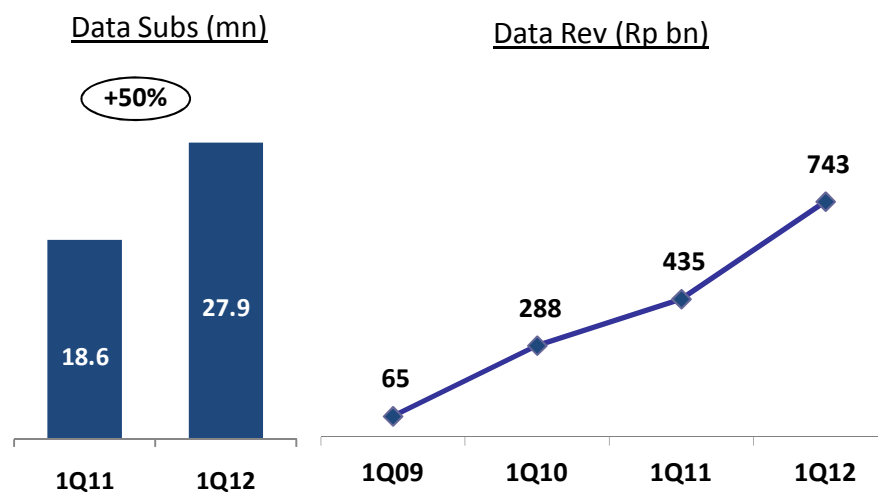


In 1Q12, XL continues to focus on Data

Shift in revenue composition



... With momentum on Data Adoption



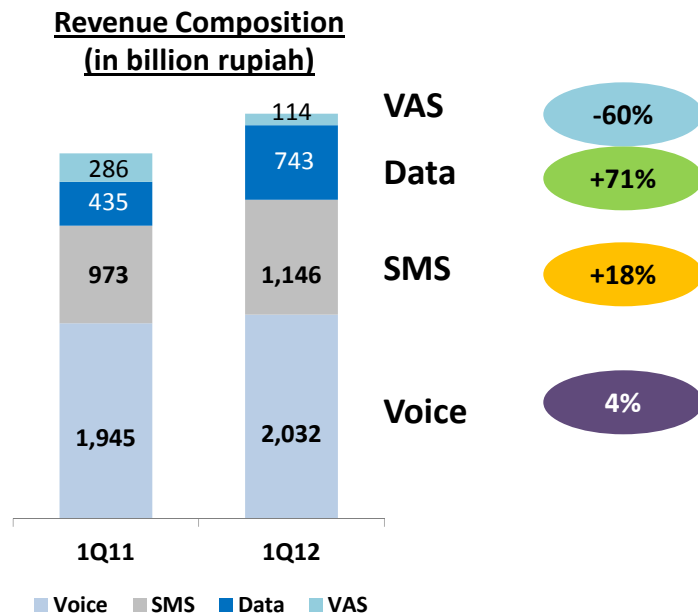
Increased data adoption with 60% of XL's subscribers are data users and quadruple data traffic



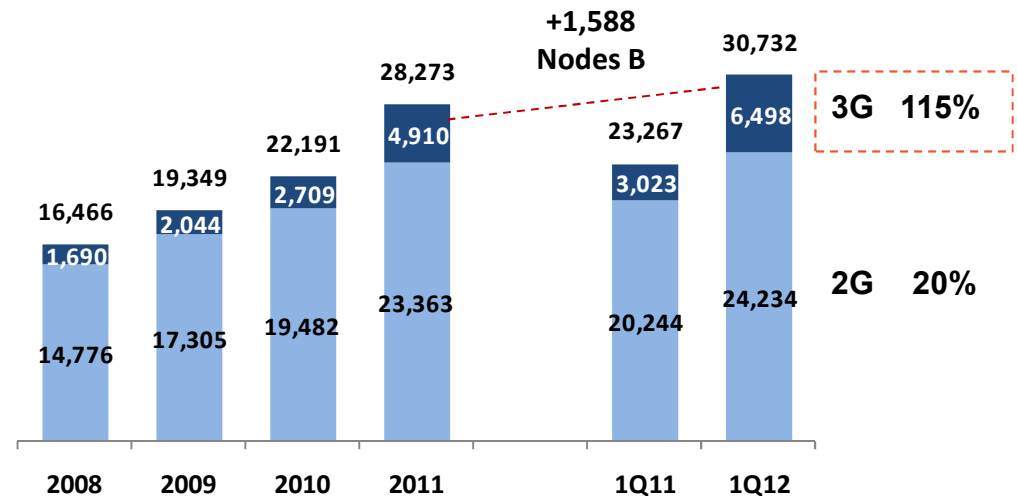


Data is the fastest growing segment, supported by infrastructure expansion

... Driven by strong growth in data



... Supported by Focus on Infrastructure



Investing for growth with highest 3G rollout





Right Infrastructure is a Key enabler

Backbone

- Nationwide backbone network linking all regions in Indonesia
- More than 22,000 km of Fiber Optic Transmission

Core

- Advanced Core Network with NGN capabilities and LTE ready
- Better capacity & operation management through latest IP Core transmission

Backhaul

- All RNC on fiber
- By mid 2012, 100% of Node B will be full IP and/or fiberized
- IP capacity upgradable to ~155 Mbps

Access

- Strongly positioned as one of the leaders in data with 6,498 Nodes B
- Providing superior and reliable experience in data
- Total BTS has reached more than 30,000 BTS (2G & 3G)



Focusing on Pay per Use with reliable service



- XL Launched a new tagline, XLangkah Lebih Maju as a commitment to customer to provide Fast, Clear and reliable service.
- This is supported by Hot Rod 3G+ program in major cities to build awareness of 3G by upgrading end-to end transmission for greater capacity and network performance.
- It is now available in 8 big cities: Jakarta, Surabaya, Medan, Denpasar, Bandung, Semarang, Yogyakarta and Palembang.
- Discontinue unlimited package and promoting Pay As You Use charging method.

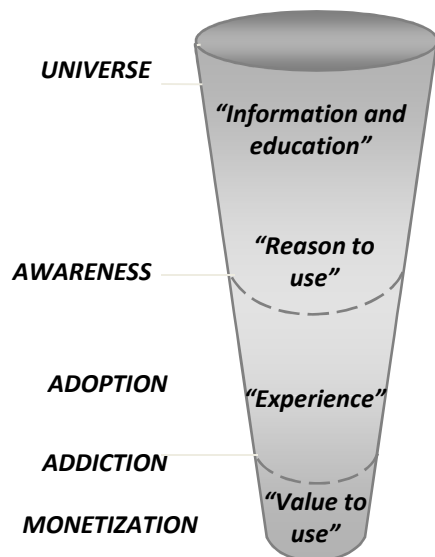
We saw:

	1Q 12 vs. 4Q 11	1Q 12 vs. 1Q 11
Data Revenue	8% ↑	71% ↑
Data Subscribers	9% ↑	50% ↑
GPRS Traffic	40% ↑	305% ↑

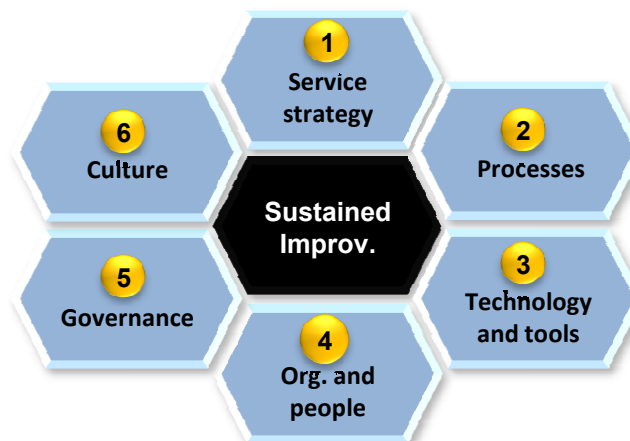


XL focus on Customer Experience

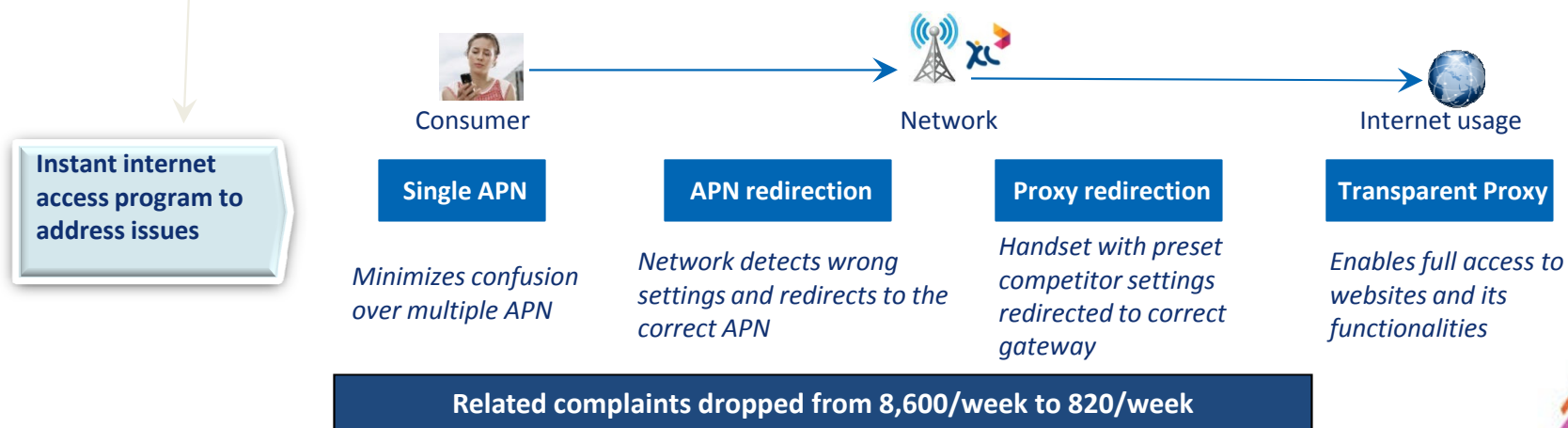
- Establish a service-centric organization by forming Service Management Department in Q3'11 as guardian to drive customer experience agenda, with proper governance and processes



Six -pronged program was undertaken...



Example: Instant internet access FTR projects to enable seamless, plug-and-play internet





XL strengthens its position as a leading Data service provider







Leading
On par

Functional brand attributes		Operator 1			Operator 2					
		Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
Fast	Reliable 3G Network	38	42	41	40	36	36	23	28	27
	Fast data transmission	40	42	37	43	37	35	26	26	25
	Stable data transmit	41	36	39	42	36	36	28	25	29
	Supported by advanced technology	43	43	47	43	40	39	31	32	33
Simple	Easy access to Facebook	42	45	42	33	34	35	34	32	32
	Easy access to Email	36	39	40	34	33	34	27	30	30
	Easy access to Twitter	35	39	40	34	33	31	28	29	30
Value	Quality BB service	42	43	48	41	39	41	23	24	28
	Value for money	43	43	47	42	40	44	30	33	35
	Affordable brand	51	46	46	38	40	35	36	38	35
	Flexible tariff plan	34	42	43	29	34	36	24	32	32
	Cheap internet rates	42	45	43	27	32	31	29	34	31



Expand to adjacent Data business

	Opportunities	Initial Incubation	Product/Partner
Financial Service	<ul style="list-style-type: none"> ~90% of population has no access to financial services (un-banked) No leading ecosystem exists 	<ul style="list-style-type: none"> Obtained e-Money license from Central Bank Mobile Payment and Remittance platform 	
Commerce	<ul style="list-style-type: none"> High mobile penetration (~70%) will stimulate growth in m-commerce No leading ecosystem exists 	Online payment with multiply	
Entertainment	<ul style="list-style-type: none"> Exponential growth in mobile video traffic High quality handsets enable rich entertainment contents 	Content and Application	
Advertising	<ul style="list-style-type: none"> To capture total Ad spending; benefits from interactivity and location-based Leverage strong customer analytics to offer personalized content 	M-Ads: Launched interstitial page with various advertisers	





Robust growth in Voice revenue due to strategic offerings



- Focus on customer's share of wallet to mitigate the decline in Voice revenue
- Introduced bucket plan of Voice and SMS starting 3Q11 with Tariff Ampuh package until recent offer, Pay 1 Minute get 1 Hour, we saw :
- Increase voice revenue **4% YoY in 1Q 12**
- SMS revenue **18% YoY and 2% QoQ in 1Q 12**
- Increase total subscribers by **7.2 mn YoY in 1Q 12** bringing total subscribers to **46.4mn**
- Increase in minutes of usage by **61% YoY in 1Q 12**





Dividend Policy

XL's shareholders through the AGMS have approved dividend payment of Rp1,107.4 billion or 35% of 2011 normalized net income.

XL's dividend policy is at least 30% of prior year normalized net income. XL targets to progressively increase the payout ratio in the future





Guidance

2012 Guidance

Revenue growth

In line with or better than the market

EBITDA Margin

Higher 40's

Cash out CAPEX

**Between IDR 7-8 Tn, of which around 60% is
for data/3G service**



A stylized graphic of a globe on the left side of the slide. The globe is composed of various colored segments (blue, green, yellow, orange, red, purple) arranged in a circular pattern. In the top-left corner of the globe, there is a white icon of a person with arms raised, next to a small cluster of colorful geometric shapes (orange, yellow, green, blue).

Thank you