

Disclaimer



These materials have been prepared by PT Solusi Tunas Pratama, Tbk ("STP" or the "Company") and have not been independently verified. No representation or warranty, expressed or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in these materials. Neither the Company nor any of its affiliates, financial and legal advisers or their respective directors, officers, employees and representatives accepts any liability whatsoever for any loss arising from any information presented or contained in these materials. The information presented or contained in these materials is as of the date hereof and is subject to change without notice and its accuracy is not guaranteed.

These materials contain statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its officers with respect to the consolidated results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects," "plan," "will," "estimates," "projects," "intends," "outlook" or words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors and assumptions. The Company has no obligation and does not undertake to revise forward-looking statements to reflect future events or circumstances.

THESE MATERIALS ARE FOR INFORMATION PURPOSES ONLY AND DO NOT CONSTITUTE OR FORM PART OF AN OFFER, SOLICITATION OR INVITATION TO BUY OR SUBSCRIBE FOR ANY SECURITIES OF THE COMPANY IN ANY JURISDICTION, NOR SHOULD THESE MATERIALS OR ANY PART OF THEM FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH, ANY CONTRACT, COMMITMENT OR INVESTMENT DECISION WHATSOEVER.

These materials or any part of it may not be reproduced, distributed or published without the prior written consent of the Company, and may not be distributed in any jurisdiction where it is unlawful to do so.

We are Indonesia's premier wireless data network infrastructure provider STP



STP at a glance

Assets

Top-tier and **differentiated** asset portfolio:

- 6,343 macro towers and
 504 microcell poles with
 11,547 tenants
- 2,601km fiber optic network
- 39 indoor DAS sites with80 tenants

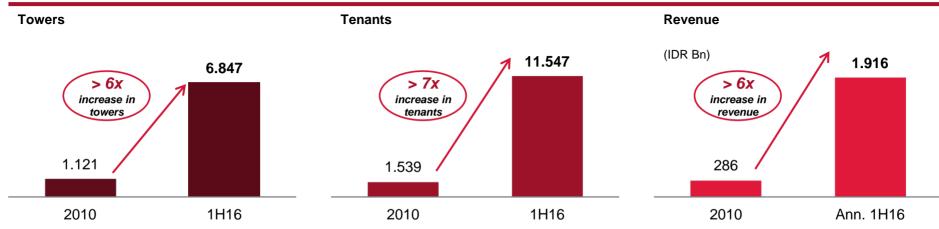
Profitability

Atractive
EBITDA margin of
85%

Customers



Our execution scorecard



Our key financial and operational highlights for 1H16



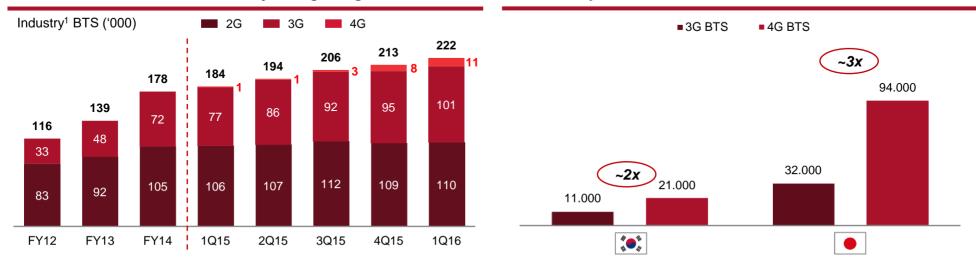
- 9.0% year-on-year increase in 1H'16 revenue to IDR 958 billion
 - Attractive EBITDA margin maintained at <u>85.4%</u> for the period, with 1H'16 EBITDA of <u>IDR 818 billion</u>
 - 3 Maintain tenancy ratio at 1.69x
 - De-levered to <u>4.2x</u> net debt / LQA EBITDA ratio as of June 30, 2016 from 4.5x as of March 31, 2016
- Maintained **strong customer base with** ~88% **revenue contribution** from Indonesia's four largest and most creditworthy mobile telecommunication operators

Indonesia's telecom sector is transitioning from 3G to 4G...

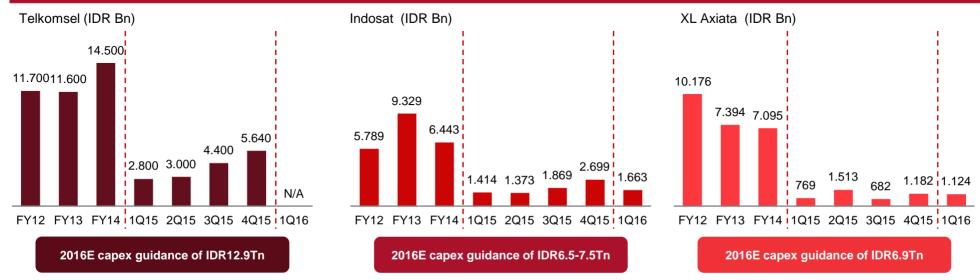


Indonesia's 4G network build out is just beginning

Based on experience from other countries, 4G rollout will require substantially more base stations than 3G



Capex continues to remain high as telcos invest into microcell poles and fiber in preparation for 4G

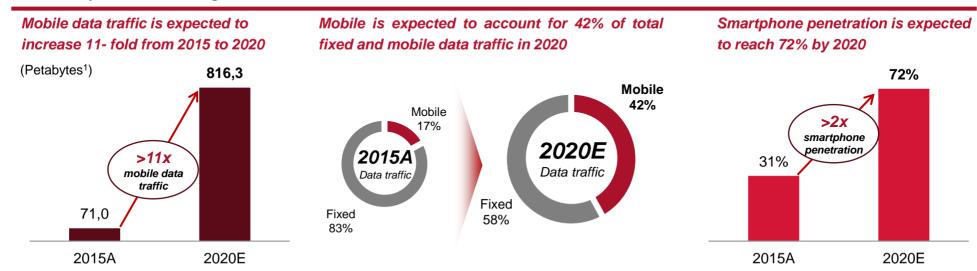


Source: Company filings, Analysys Mason Note: ¹ Includes Telkomsel, Indosat and XL Axiata

...as demand for mobile data continues to boom



We are only in the first inning of Indonesia's mobile data revolution...



...Driven by an increasingly literate mobile digerati

Emergence of content and apps is transforming the way we live

tumblr. Social Media



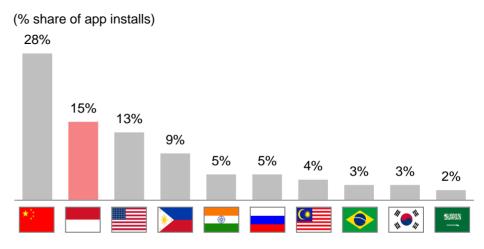








Indonesia was the 2nd most active installer of apps in 2015



Microcell poles and fiber are required to cater to network densification needs

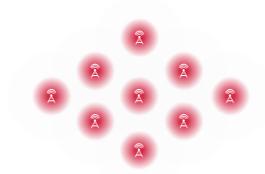


Initial 3G rollout

Â Â Â Â Â Â Â Â

 In the initial stages of 3G rollout, mobile telecommunication operators focused on expansion of geographic coverage

Increase in data usage narrowing transmission radius of existing towers

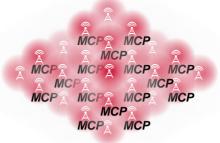


- Increasing smartphone penetration and OTT services / app usage strain existing infrastructure
- Impact is greater in highly-populated urban areas where data usage is more concentrated
- More infrastructure is required

Densification of network

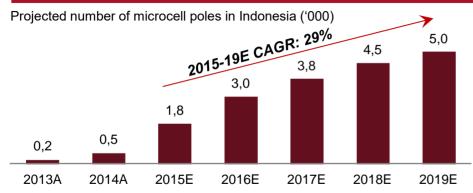
"MCP" = Microcell pole and supporting fiber backhaul

6



- Mobile telecommunication operators invest to densify network coverage to cater to demand and maintain quality of services
- Network densification will require specialized assets apart from macro towers: microcell poles and fiber

Microcell poles and fiber have the first derivative exposure to mobile data demand growth in Indonesia



- Key challenges of macro network in an urban setting include:
 - Dense locations limiting the transmission radius of macro towers
 - Difficulty in securing real estate to deploy macro towers
- Microcell poles represent a space-efficient, easily-deployable and low cost solution to cover high-demand areas where macro tower coverage is insufficient
- Fiber provides needed backhaul for microcell poles

Source: Analysys Mason

Well positioned at the crossroads of a rapidly evolving Indonesian telecommunications industry

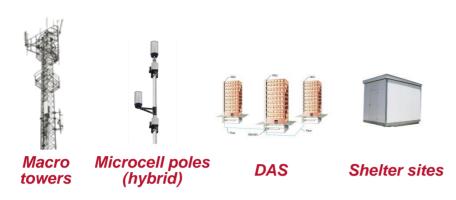


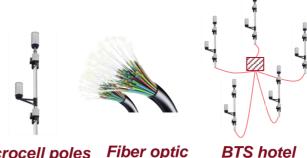
Our product and service offerings

Business model

"Space-based"

"Capacity-based and services"







Microcell poles Fiber optic E (hybrid) backhaul

tel network

- Conventional real-estate-like business
 - Most representative of tower operators today, requires scale
- Long-term leasing of space at a fixed rent regardless of technology, coverage or minutes of use (save for escalators) – provides long-term revenue visibility
- Limited by physical constraints of space; e.g. size and number of equipment that can be accommodated per site

- "Pay-as-you-go" business based on capacity utilized
 - Nascent model with strong upside potential
 - Demand for capacity driven by substantial increases in mobile data usage and increasing low latency requirements
- Highly-scalable and not limited by physical space

Are we approaching a "capacity-based" model tipping point?



• Indosat and XL Axiata have established a joint venture to explore future partnership initiatives

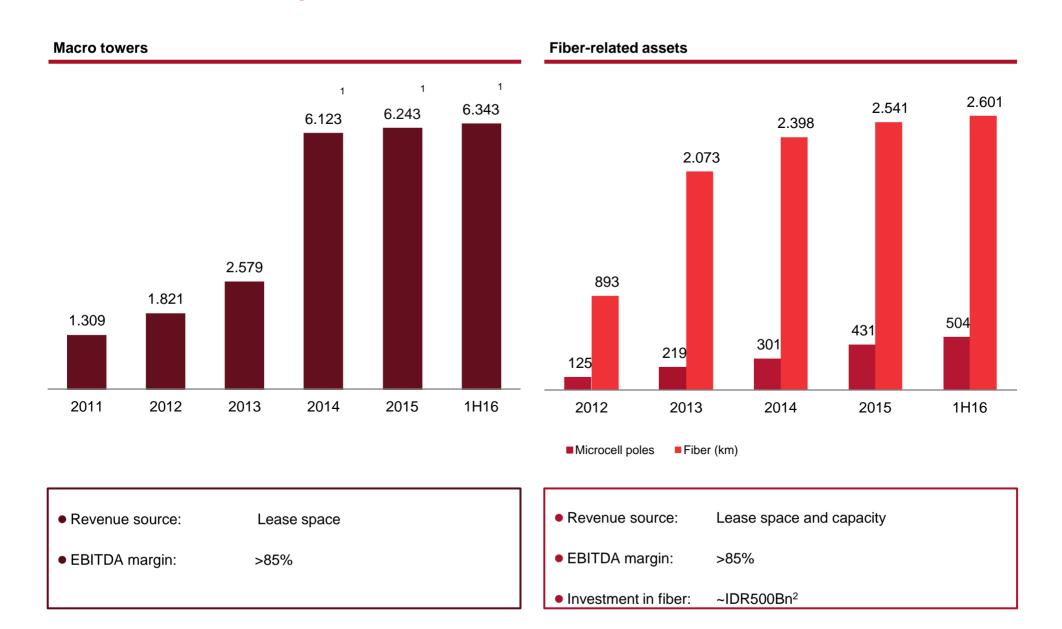


- Both telcos are considering sharing 4G network infrastructure using a multi operator radio access network
- Push towards allowing active infrastructure sharing

We are well-prepared for the future, regardless of where the industry converges to

We are the most LTE ready tower operator with a consistently growing and diverse asset portfolio



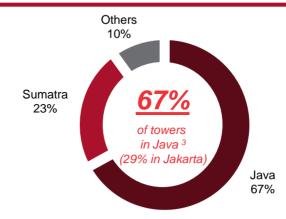


Our unique asset base and infrastructure concentration in densely populated areas provide us with a competitive edge

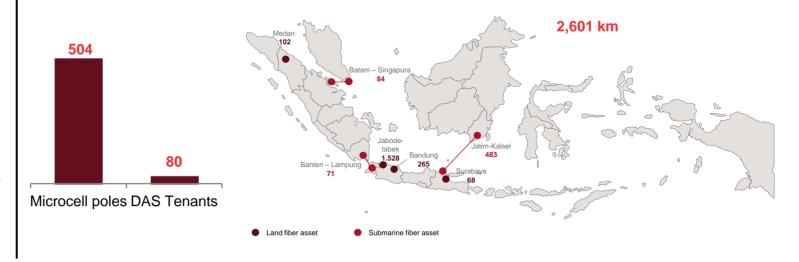


- First listed TowerCo in Indonesia to:
 - Obtain license to lease out space on microcell poles (20year contract)
 - Possess fiber optics backbone to connect microcell poles (~1,500km in Greater Jakarta area alone) to support aggressive urban 3G / LTE rollout by mobile telecommunication operators
- Highly concentrated fiber optics coverage that reaches across 6 million premises in Jakarta, able to support growing data traffic demand
- 9.8% of 1H16A revenues currently generated by the premium pricing charged on the rental of microcell poles, DAS, and fiber optic network, with magnitude and proportion expected to increase going forward
- Potential new business opportunities for providing wholesale fiber connection to broadband and pay TV operators to reach commercial and residential end-users

Geographic breakdown of towers



Our unique asset base: Microcell poles, DAS tenants and fiber optic network



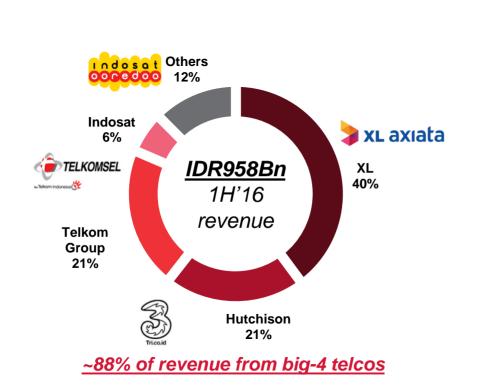
Note: 1 N/A denotes data not available; 2 Assumes all DAS are Repeaters with single tenant; 3 Java includes both Java and Bali Island as well as Greater Jakarta

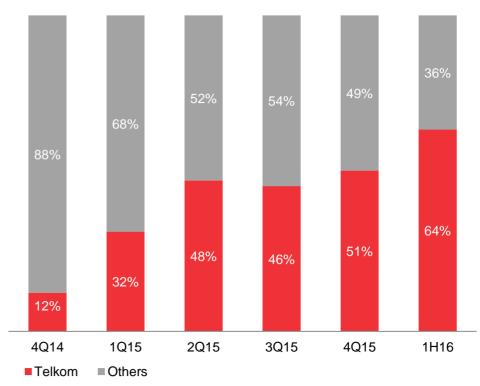
We have entrenched our relationships with the big-4 telecom operators



Breakdown of 1H16 revenue contribution by operator

We continue to grow our Telkom tenancies quickly



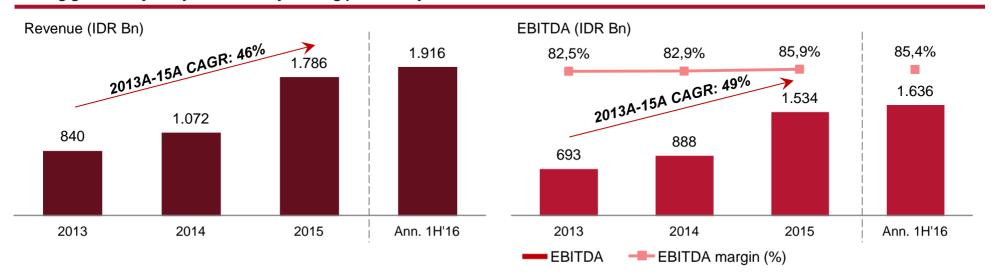


- Principal customers consist of Indonesia's four largest and most creditworthy mobile telecommunication operators which accounted for ~88% of 1H'16 revenue
- Tenancy orders growing quickly from Telkom Group
- Our lease rates are fully reflective of current market conditions and approx. 100% of our leases are IDR-denominated1
- >88% of total tenancies are due for renewal from 2020 and beyond

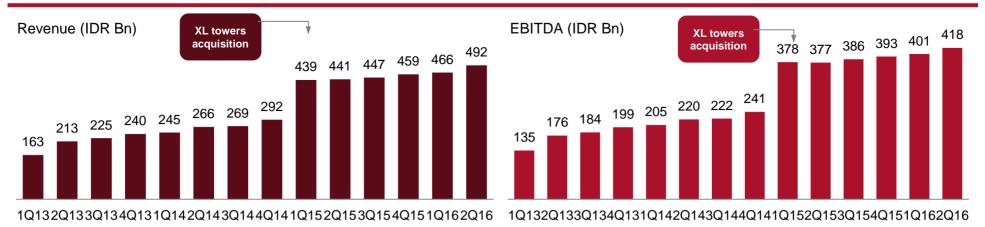
We have delivered consistent growth with industry-leading profitability metrics



Strong growth trajectory with industry-leading profitability metrics

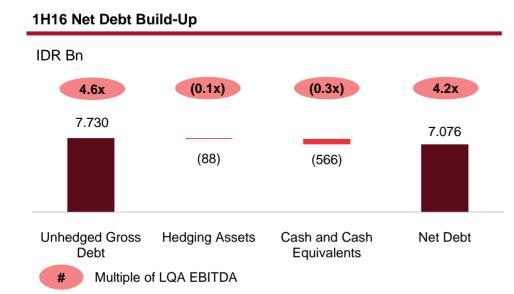


Consistently delivering increasing revenue and EBITDA each quarter over the last three years



Commitment to deleveraging with no near term debt maturities



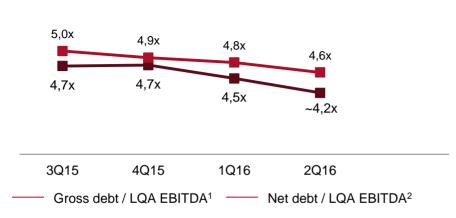


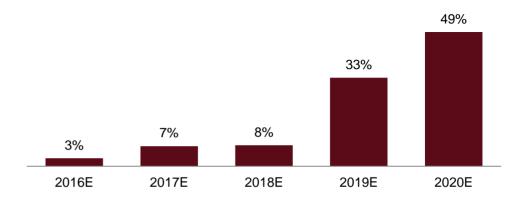
We have disciplined risk management policy

- Hedging policy in place to safeguard against FX and interest rate risk
- 100% of all outstanding debt hedged against the interest rate fluctuation risk
- 100% of all outstanding debt hedged against the FX risk for principal
- 63% of all outstanding debt hedged against the FX risk for interest

De-leveraging profile

Debt maturity profile (as % of total outstanding)



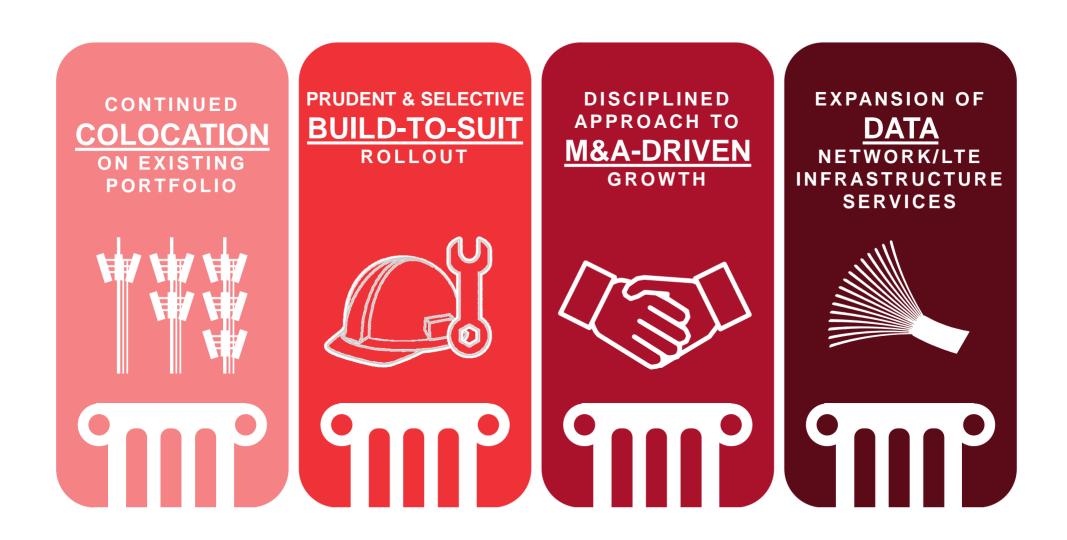


Note: ¹ Gross debt refers to total borrowings (non-current and current loans including bond payable and excluding shareholder loans) before deducting amortized transaction costs calculated at the hedged rate; ² Net debt refers to gross debt less cash

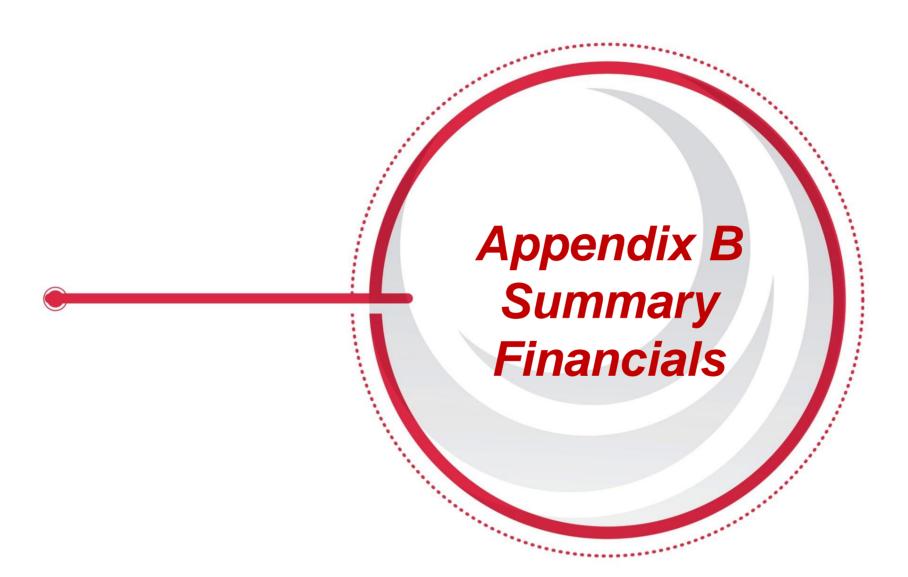












Income statement



Income statement (in IDR millions, unless otherwise specified)

			!		
	2013	2014	2015	1H2015	1H2016
(in IDR millions)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Revenue	840,097	1,071,929	1,785,853	879,564	957,830
Cost of Revenue					
Depreciation and Amortization	(103,818)	(117,791)	(186,766)	(85,432)	(111,222)
Other Cost of Revenues	(70,809)	(90,841)	(137,331)	(62,789)	(66,351)
Total	(174,627)	(208,632)	(324,097)	(148,221)	(177,573)
Gross Profit	665,469	863,297	1,461,756	731,343	780,257
Gross Profit Margin (%)	79.2%	80.5%	81.9%	83.1%	81.4%
Operating Expenses					
Depreciation and Amortization	(7,634)	(10,217)	(16,279)	(7,576)	(10,922)
Other Operating Expenses	(76,146)	(92,930)	(114,782)	(62,092)	(73,448)
Total	(83,780)	(103,147)	(131,061)	(69,668)	(84,370)
Operating Profit	581,689	760,150	1,330,695	661,675	695,887
Operating Profit Margin (%)	69.2%	70.9%	74.5%	75.2%	72.7%
Increase (Decrease) in Fair Value of Investment Property	91,665	(383,566)	3,610	43,693	-
Interest Income	12,401	15,784	31,342	19,775	9,567
Financial Charges	(285,456)	(440,086)	(1,035,031)	(512,035)	(500,538)
Others – Net	(132,170)	(460,166)	(88,601)	(76,247)	64,552
Profit (Loss) Before Tax	268,128	(507,884)	242,015	136,832	269,468
Income Tax Benefits (Expenses)	(70,519)	127,840	(105,140)	(39,201)	(80,494)
Profit (Loss) for the Period	197,609	(380,044)	136,875	97,631	188,974
Attributable to:					
- Owners of the Parent	197,596	(380,044)	136,875	97,631	188,974
- Non-controlling Interest	14	-	4	-	-

Statements of financial position (Assets)



Statements of financial position (Assets, in IDR millions, unless otherwise specified)

(* IDD 'III')	2013	2014	2015	1H2016
(in IDR millions)	(Audited)	(Audited)	(Audited)	(Unaudited)
Current Assets				
Cash and Cash Equivalents	525,226	1,318,888	229,325	566,172
Trade Receivables – Third Parties	193,888	100,415	279,237	265,195
Other Current Financial Assets	240,593	132,796	246,478	391,317
Inventory	51,095	70,458	54,644	46,141
Prepaid Taxes	224,302	742,199	730,279	704,439
Advances and Prepaid Expenses	134,366	144,938	277,609	286,777
Total Current Assets	1,369,470	2,509,694	1,817,572	2,260,041
Non-Current Assets				
Prepaid Expenses – Net of Current Portion	303,097	476,320	503,945	574,926
Investment Property	3,783,891	9,304,749	9,542,252	9,718,363
Property and Equipment	345,319	479,036	525,836	540,148
Intangible Assets	129,303	124,417	119,532	124,793
Other Non-Current Financial Assets	379,793	484	1,229,610	667,695
Total Non-Current Assets	4,941,403	10,385,006	11,921,175	11,625,925
T (c) A (c) (c)	0010000	40.001.700	40	40.00=
Total Assets	6,310,873	12,894,700	13,738,747	13,885,966

Statements of financial position (Liabilities)



Statements of financial position (Liabilities, in IDR millions, unless otherwise specified)

	2013	2014	2015	1H2016
(in IDR millions)	(Audited)	(Audited)	(Audited)	(Unaudited)
Current Liabilities				
Trade Payables				
- Related Party	18,007	3,562	293	12,650
- Third Parties	17,120	29,012	31,684	59,722
Other Current Financial Liabilities	209	8,450	523	7,837
Taxes Payable	5,306	11,343	32,857	26,016
Accruals	102,672	116,339	211,919	234,483
Deferred Income	110,215	565,129	250,459	646,843
Short-Term Bank Loan	-	1,741,600	4	-
Current Portion of Long-Term Bank Loan	308,485	3,732,000	304,180	498,204
Total Current Liabilities	562,014	6,207,435	831,915	1,485,755
Non-Current Liabilities				
Long-Term Loan	2,656,440	4,153,169	3,754,404	3,349,788
Long-Term Notes	-	-	4,056,000	3,882,506
Due to Related Party – Non-Trade	471,243	471,243	4	-
Deferred Tax Liabilities	318,876	187,384	264,041	328,087
Long-Term Employment Benefit Liabilities	7,826	12,792	17,851	18,770
Total Non-Current Liabilities	3,454,385	4,824,588	8,092,296	7,579,150
Total Liabilities	4,016,399	11,032,023	8,924,211	9,064,905

Statements of financial position (Equity)

•••••••••••



Statements of financial position (Equity, in IDR millions, unless otherwise specified)

	2013	2014	2015	1H2016
(in IDR millions)	(Audited)	(Audited)	(Audited)	(Unaudited)
Equity				
Issued and Paid-Up Capital	79,429	79,436	113,758	113,758
Additional Paid-in Capital – Net	1,229,780	1,230,128	3,589,495	3,589,495
Retained Earnings	933,803	553,131	690,484	879,458
Other Comprehensive Income	51,462	(18)	420,799	238,350
Total Equity Attributable To:				
- Owners of the Parent	2,294,474	1,862,677	4,814,536	4,821,061
- Non-controlling Interest	-	-		-
Total Equity	2,294,474	1,862,677	4,814,536	4,821,061
Total Liabilities And Equity	6,310,873	12,894,700	13,738,747	13,885,966

Statements of Cash Flows

••••••••••••••••••••••••••••••



Statements of Cash Flows (in IDR millions)

2013 (Audited) 603,107	2014 (Audited)	2015 (Audited)	1H2016 (Unaudited)
	(Mailed)	(Flucinou)	(Orladalioa)
603,107			
	1,432,225	1,201,587	1,230,893
(371,175)	(740,265)	(215,098)	(148,257)
12,401	15,784	31,342	9,567
(58,660)	(33,731)	(50,418)	2,658
185,673	674,013	967,413	1,094,861
(181,791)	(161,375)	(92,682)	(44,250)
(168,616)	(247,332)	(209,993)	(125,045)
(1,402,830)	(5,884,799)	(292,856)	(89,622)
	(8,681)	(48,388)	(14,363)
(13)		(20,000)	25,094
(1,753,250)	(6,302,187)	(663,919)	(248,186)
		1,931,016	
284,590	355	172	
1,836,130	6,906,903	(6,107,864)	(49,551)
		3,859,800	
(336,037)	(498,368)	(1,072,118)	(459,763)
44,858	11,404		
1,829,541	6,420,294	(1,388,994)	(509,314)
261,964	792,120	(1,085,500)	337,361
(64)	1,542	(4,063)	(514)
263,326	525,226	1,318,888	229,325
525,226	1,318,888	229,325	566,172
	(371,175) 12,401 (58,660) 185,673 (181,791) (168,616) (1,402,830) (13) (1,753,250) 284,590 1,836,130 (336,037) 44,858 1,829,541 261,964 (64) 263,326	(371,175) (740,265) 12,401 15,784 (58,660) (33,731) 185,673 674,013 (181,791) (161,375) (168,616) (247,332) (1,402,830) (5,884,799) (8,681) (13) (1,753,250) (6,302,187) 284,590 355 1,836,130 6,906,903 (336,037) (498,368) 44,858 11,404 1,829,541 6,420,294 261,964 792,120 (64) 1,542 263,326 525,226	(371,175) (740,265) (215,098) 12,401 15,784 31,342 (58,660) (33,731) (50,418) 185,673 674,013 967,413 (181,791) (161,375) (92,682) (168,616) (247,332) (209,993) (1,402,830) (5,884,799) (292,856) (8,681) (48,388) (13) (20,000) (1,753,250) (6,302,187) (663,919) 1,931,016 284,590 355 172 1,836,130 6,906,903 (6,107,864) 3,859,800 (336,037) (498,368) (1,072,118) 44,858 11,404 1,829,541 6,420,294 (1,388,994) 261,964 792,120 (1,085,500) (64) 1,542 (4,063) 263,326 525,226 1,318,888