

Disclaimer

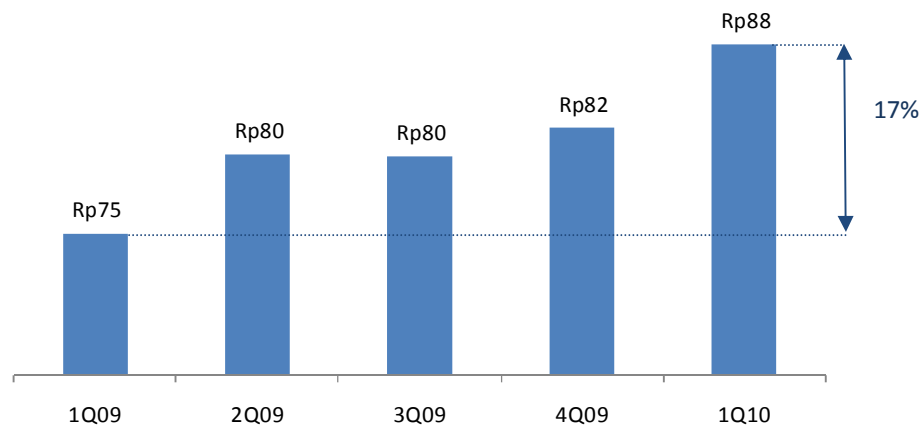
This document contains certain financial information and results of operations, and may also contain certain projections, plans, strategies and objectives of XL, that are not statements of historical fact which would be treated as forward looking statements within the meaning of applicable law. Forward looking statements are subject to risks and uncertainties that may cause actual events and XL's future results to be materially different than expected or indicated by such statements. No assurance can be given that the results anticipated by XL, or indicated by any such forward looking statements, will be achieved.

OVERVIEW

XL closed 1Q10 with a revenue growth of 3% QoQ and 42% YoY, EBITDA growth of 9% QoQ and 92% YoY, and an expansion of EBITDA margin to 51%. Innovative products and tightly managed OpEx and CapEx were key drivers.

Innovative Products to Monetize Usage and Provide Relevant Choices

Voice Revenue/Total Outgoing Minutes



XL continued to monetize the minutes, as reflected by a 17% increase in effective Revenue per Minute (RPM). XL also continues the strategy of providing choice to its subscribers by launching innovative products:

- In early February, XL pioneered the launch of the “Combo” package which allows subscribers to enjoy free limited SMS and data access after certain usage of voice or SMS. This will also help stimulate usage in fast growing data services.
- XL introduced voice bundle pricing through "TalkMania Xtra", in which subscribers can enjoy free minutes in a certain period of the day after certain voice usage. This was a competitive package, further improved to provide greater flexibility and convenience to subscribers.
- In March, XL launched “Nelpon Gilaaa” package which offers a bundle of free minutes for on-net calls, free SMS, and free data after certain usage. In this scheme, the tariff for voice service is higher than other “Combo” packages. XL is the first operator that offers minutes, SMS, and data access in a single bundle.

The above packages, as well as other packages introduced earlier such as "Berkali-Kali", "Sampai Puas", and "XL-CDMA" can be enjoyed by selecting them through XL's customer portal *123# with no recurring registration required. With XL's unique billing system capability, XL can offer different pricing variants - such as tariffs and time bands - across different cities and regions.



Data Services Development

XL sees rapid growth in data service revenue driven by the popularity of social networking applications such as Facebook and instant messaging as well as a further drop in price points of smart phones. XL's data services revenue, particularly GPRS, continued to grow and contributed 7% of total revenue by the end of March 2010 with 12.4 million subscribers, which is a 58% increase since the end of 2009.

XL continues to offer attractive products to encourage further adoption of data service and stimulating usage. For BlackBerry users, XL introduced another choice to enjoy BlackBerry service i.e. "BB Gaul" on top of the existing BlackBerry full services. Through "BB Gaul", subscribers can enjoy unlimited access to most popular chatting and social network applications such as BlackBerry Messenger, Yahoo! Messenger, Facebook, etc., with an affordable price of one-third of the full service price. This service excludes the push mail and web browser. For Nexian smart phone users, XL was the first to introduce Nexian chatting, an instant messaging service similar to BlackBerry Messenger, but targeted to the already large base of Nexian users.

As social networking applications continue to become mainstream even for low-end users, XL introduced "SMS Facebook" for non-smart phones users. By subscribing to this affordable service, users can do the most popular activities in Facebook such as status updates and comments through SMS, which would also automatically update their profile. In addition, they can receive unlimited update information from their Facebook friends through incoming SMS.

XL's own social network application, Funbook, also continues to gain popularity. XL launched this service in 3Q09, and the number of registered users increased by around 63% to more than 260,000 subscribers compared to the end of 2009.

To support the growth of data usage, XL has set aside 25% of its CapEx for data services this year. This will mainly be spent to cater for the explosive growth of mobile internet. XL also continued to selectively expand its wireless broadband service (internet accessed through PC using dongle or in-device SIM) in 1Q10.

FINANCIAL MEASURES

Income Statement (Audited)

Financial Statement (in Rp. Billion)	1Q09*	1Q10	Growth
Voice	1,503	2,074	38%
SMS	501	776	55%
Data, VAS, and others	280	552	97%
Cellular Interconnection and International Roaming Service	373	420	13%
Cellular Telecommunication Service	2,657	3,822	44%
Infrastructure Revenue	269	344	28%
Total Revenues	2,926	4,166	42%
Less: Discount	(24)	(60)	153%
Revenue Net of Discount	2,902	4,106	41%
COGS and Interconnection Charges	498	548	10%
Labor Cost (Permanent & Temporary)	178	203	14%
Sales & Marketing Expenses	237	262	10%
Network Cost	740	833	13%
Support & Overhead Expenses	135	119	-12%
Total OPEX	1,789	1,964	10%
EBITDA	1,113	2,142	92%
EBITDA Margin	38%	51%	N/A
Depreciation & Amortization	888	973	10%
EBIT	225	1,169	419%
Other (Expenses) / Income			
Interest expense - net	(362)	(211)	-42%
Forex (loss) / gain - net	(643)	(60)	-91%
Gain on lease transaction	448	-	N/A
Others	50	(78)	N/A
Total Other (Expenses)/Income	(508)	(350)	-31%
(Loss) / Profit Before Tax	(282)	820	N/A
Income Tax (Expense) / Benefit	65	(221)	N/A
Net (Loss) / Income	(217)	598	N/A

Normalized Net Income (In Rp Billion)	1Q09*	1Q10	Growth
Net Income	(217)	598	N/A
Less: unrealized forex (gain), net of tax	320	(21)	N/A
Normalized Net Income	103	578	460%

* The 1Q09 figures were restated to reflect the adjustments to the accounting for the finance lease transactions

Operational Results

XL recorded gross revenue of Rp. 4.2 trillion, a 42% YoY increase.

- Revenue from Cellular Telecommunication Services consisting of voice, SMS, other (data, VAS, etc.), and interconnection and international roaming revenues, grew by 44% to Rp. 3.8 trillion and contributed 92% to total revenue. Voice revenue grew 38% to Rp. 2.1 trillion, a 50% contribution to total revenue. The growth was driven by various voice promotional plans launched in 1Q10. Revenue from SMS services rose by 55% YoY to Rp. 776 billion and contributed 19% to the total revenue. The lower SMS price stimulated usage that drove the revenue growth. Revenue from Data, Value Added Services, and others grew 97% and contributed 13% total revenue. The rapid growth is driven by the popularity of social networking application such as Facebook and instant



messaging as well as availability of affordable smart phones. Revenue from cellular interconnection and international roaming services increased 13% to Rp. 420 billion and contributed 10% to the total revenue.

- Infrastructure revenue, which consists of leased lines, leased towers, national roaming, and ISP revenues increased by 28% to Rp. 344 billion, and contributed 8% to the total revenue. Revenue from towers leased was the main contributor with 29% growth to Rp. 183 billion.

Operating Expenses

Total operating expenses increased 10% YoY to Rp. 2.0 trillion, a modest increase compared to the revenue growth of 42%.

- COGS and Interconnection Charges increased by 10% YoY.
Mainly due to increase in the licensing fee paid out to Research In Motion associated with 487% YoY increase of XL BlackBerry subscribers. This was partially offset by reduced interconnection and starter pack costs. XL managed interconnection cost payout through proper offer structuring and interconnection routing. Furthermore, in order to lower starter pack costs, XL redesigned the starter pack and reduced the starter pack supply.
- Labor Cost increased by 14% YoY.
The increase in labor cost was mainly due to annual salary increase, Long Term Incentives, and higher performance bonuses.
- Sales and Marketing Expenses increased by 10% YoY.
The main contributor of this cost element was Sales Commission that increased just 18% to Rp. 160 billion led by higher revenue and restructuring distribution channel. In addition, XL also continued to implement strategic advertising that led to slight increase in Advertising and Promotion expenses
- Network Cost increased by 13% YoY.
Frequency fee, which was the main contributor of this element with 41% contribution, increased 32% YoY. In addition, rental site and tower increased 33% YoY to Rp. 149 billion and contributed 18% to this cost element.
- Support and Overhead Expenses decreased by 12% YoY.
This cost element decreased due to tight cost management across all components.

EBITDA

XL delivered a 92% YoY EBITDA increase to Rp. 2.1 trillion resulting from the 42% YoY revenue growth and lean cost management. The EBITDA margin improved to 51%.

Depreciation and Amortization Expenses

The depreciation and amortization expenses had a 10% YoY growth due to increased number of BTS.

Other (Expenses)/Income

Other expenses dropped 31% YoY to Rp. 350 billion in 1Q10. Interest expenses were lower because of major debt reduction compared to previous year. In addition, Rupiah value appreciated against US dollar and with the majority of US dollar debts repaid, the forex loss fell significantly.

Profit/ (Loss) After Tax

For this first quarter result, XL recorded a Rp. 598 billion of net profits compared to a net loss in 1Q09.



Balance Sheet (Audited)

Balance Sheet (In Rp Billion)	1Q09*	1Q10	Growth
Current Assets			
Cash and cash equivalents	592	1,383	134%
Others	2,257	1,940	-14%
Total Current Assets	2,849	3,323	17%
Non-Current Assets	26,481	25,017	-6%
Total Assets	29,330	28,341	-3%
Current Liabilities			
Short term loan and current maturity of long term loan	1,529	3,082	102%
Others	4,270	4,164	-2%
Total current liabilities	5,798	7,246	25%
Non-Current Liabilities			
Long term loan and bond	18,395	10,024	-46%
Others	1,046	1,669	60%
Total Non-Current Liabilities	19,441	11,693	-40%
Total Liabilities	25,239	18,939	-25%
Equity			
Share capital & additional paid-in capital	3,401	6,186	82%
Retained earnings	690	3,215	366%
Total Equity	4,091	9,402	130%
Total Liabilities and Equity	29,330	28,341	-3%

* The 1Q09 figures were restated to reflect the adjustments to the accounting for the finance lease transactions

In1Q10, total assets decreased 3% to Rp. 28.3 trillion which improved ROA from -2.2% in 1Q09 to 8.8% in 1Q10.

- Current assets increased by 17% YoY due to Cash and Cash Equivalents that increased by more than double and partially compensated by 57% less prepaid taxes.
- Non-current assets decreased slightly by 6% YoY due to prudent CapEx spending in order to improve asset productivity.
- Total current liabilities increased by 25% caused by increase in current maturity of long term loan.
- Total non-current liabilities decreased by 40% due to the paid off remaining USD bonds as well as significant debts repayments made in 2009.

Capital Expenditure

Capital Expenditure (In Rp Billion)	1Q09	1Q10	Growth
Capitalized capex	1,767	734	-58%
Paid capex	2,173	902	-58%
Commitments entered into*	912	1,023	12%

* The original amount is in IDR and USD. The USD portion was converted to IDR using closing rate 31 March 2009 and 2010. The exchange rate Rupiah against USD as of 31 March 2009 and 2010 were Rp 11,575/USD and Rp 9,115/USD, respectively.

Prudent CapEx spending continued to be implemented as XL has completed its coverage and capacity expansion. This year, around 25% of the CapEx will be allocated to data services and the remaining for improving quality experience, regular maintenance, and upgrading software and hardware.

Cash Flow (Audited)

Cash Flow (In Rp Billion)	1Q09	1Q10	Growth
Net cash flow provided from operating activities	1,297	2,077	60%
Net cash flow used in investing activities	(2,215)	(891)	-60%
Free cash flow	(918)	1,186	N/A
Net cash flow provided from (used in) financing activities	341	(538)	-257%
Net decrease in cash and cash equivalents	(577)	649	N/A
Cash and cash equivalents at the beginning of the period	1,170	748	-36%
Effect of exchange rate changes on cash and cash equivalents	(1)	(13)	802%
Cash and cash equivalents at the end of the period	592	1,383	134%

- Net Cash Flow from Operating Activities increased by 60% YoY mainly from cash received from customers' payments and other operators, which was offset by payments made to suppliers and employees.
- Net Cash Flow Used in Investing Activities decreased by more than half due to significantly less investment made this year as XL started to improve asset productivity.
- XL continued to generate positive Free Cash Flow with the total amount of Rp 1.2 trillion by end of March.
- Net Cash Flow Used in Financing Activities was Rp 538 billion due to the combination of prepayments of debts and new borrowings amounting to Rp. 1 trillion in 1Q10.

Description of Debts

The detail of debts as of 31 March 2009 and 2010 are as follows:

Description	Original Principal			(in Rp. Bn)		Year of Maturity
				1Q09	1Q10	
USD Bank Loan	USD	190	mn	2,176	-	Paid
	USD	280	mn	3,240	228	2010
	USD	392.6*	mn	3,701	2,943	Amortizing semi annually, final repayment is in 2016
USD Bond	USD	250	mn	1,465	-	Paid
IDR Bank Loan	IDR	250	bn	249	249	2010
	IDR	4,000	bn	3,997	3,998	2011
	IDR	4,000	bn	3,600	3,200	Amortizing annually, final repayment is in 2012
	IDR	500	bn	-	494	2012
	IDR	500	bn	-	497	2013
IDR Bond	IDR	1,500	bn	1,495	1,497	2012
TOTAL INTEREST BEARING DEBT (in Rp. Bn)				19,924	13,105	

* USD 428.3 mn original principal less USD 35.7 mn cancelled loan facility in April 2010

Ratios	1Q09	1Q10
Debt/Equity	4.7 x	1.4 x
Net Debt/Equity	4.6 x	1.2 x
Debt/EBITDA	3.8 x	1.8 x
Net Debt/EBITDA	3.7 x	1.6 x

During 1Q10, XL prepaid USD 114.4 million of debts which consisted of USD 55 million bank loans due in 2010 and the remaining USD 59.4 million bond due in 2013.

In 1Q10, XL drewdown bank loans amounting to Rp. 1 trillion which will be due in 2012 and 2013.



As of 31 March 2010, XL had hedged about 96% of USD debt.

XL latest credit ratings issued are as follows:

	Local Currency	Outlook
Fitch Ratings	AA-(idn)	Stable
Pefindo	id AA-	Stable

OPERATING MEASURES

	1Q09	1Q10	Growth
Total O/G Minutes of Usage (billion minutes)	19.9	23.3	17%
Total Minutes (billion minutes)	39.9	46.7	17%
Total O/G SMS (billion SMS)	9.6	32.2	235%
Total BTS (2G/3G)	17,232	19,904	16%
Number of Employees (permanent)	2,044	2,051	0.3%
Postpaid subscribers (000)	392	324	-17%
Prepaid sim cards (active and grace / million)	24.5	32.2	32%
Total subscribers base (million)	24.9	32.6	31%
Total RGB subscribers (million)	21.6	32.9	52%
ARPU blended (Rp 000)	29	35	21%
Postpaid revenue/sub (Rp 000)	148	179	21%
Prepaid revenue/sim card (Rp 000)	27	33	22%

RECENT DEVELOPMENT

Annual General Meeting of Shareholders

XL held an EGMS on 19 March 2010 in which the following was resolved:

1. Approved the Company's financial statements for the year ended 31 December 2009.
2. Approved the use of 2009 net income of Rp 1.7 trillion with the following composition:
 - General appropriation as required by Law of Rp 100 mn or 0.01% of 2009 net income.
 - The remaining Rp 1.7 trillion of 2009 net income will be retained as Retained Earnings.
 - Therefore the above profit would be used to support the Company's business development.
3. Appointed the member firm of PricewaterhouseCoopers International in Indonesia as XL Independent Public Accountant to audit the Company's financial statements for the year ended 31 December 2010.
4. Accepted the resignation of Mr. Joris de Fretes as a member of the Board of Directors of the Company. Upon the conclusion of the AGMS, the composition of BoC and BoD are as follows:

- President Commissioners: - YBhg Tan Sri Dato' Insinyur Muhammad Radzi bin Haji Mansor
- Commissioners: - YBhg Dato' Sri Jamaludin bin Ibrahim
 - YBhg Dato' Yusof Annuar bin Yaacob
 - Ahmad Abdulkarim Mohd Julfar
- Independent Commissioners: - Peter J. Chambers
 - Dr. Ir. Giri Suseno Hadihardjono
 - Elisa Lumbantoruan



- President Director: - Hasnul Suhaimi
Directors: - Willem Lucas Timmermans
- Dian Siswarini
- Joy Wahjudi
- P. Nicanor V. Santiago III

5. Granted the rights and authorization to the Nominating and Remuneration of the Company to determine the remuneration, bonus and other compensation and benefits payable to the Company's Board of Directors and Board of Commissioners for the financial year ended 31 December 2010.

Free Float Increase

XL assisted Axiata in the offering of 19.8% of Axiata's shares in XL with the sale of 1,684,548,000 shares at the price of Rp. 3,300 per share, which increased XL's free float to 20%. This result has been publicly announced on 28 March 2010.

GUIDANCE

	2010
Revenue growth	At least higher teens
EBITDA margin	At least higher 40's
Cash out capex	Approximately Rp 4.5 - 5 trillion, of which about 25% for data service, internally funded

ABOUT XL



XL is a major cellular provider in Indonesia which is majority owned by Axiata Group through Indocel Holding Sdn Bhd (66.7%), the remaining stakes are held by Emirates Telecommunications Corporation (Etisalat) International Indonesia Ltd., a wholly owned subsidiary of Etisalat (13.3%), and the public (20%).

Date: 29 April 2010