



PT EXCELCOMINDO PRATAMA Tbk. (XL)
3Q09 Corporate Presentation
Nov 2009

an **axiata** company





Update on Indonesia macro situation

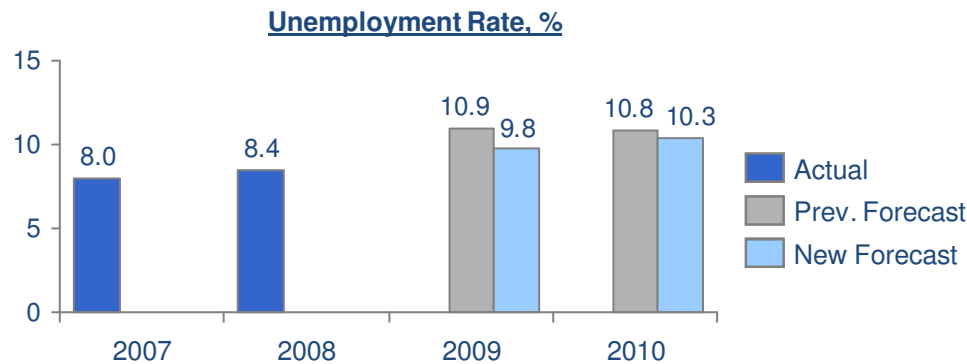
Progress update on strategy execution

Q3 2009 results: strong results from well executed strategy

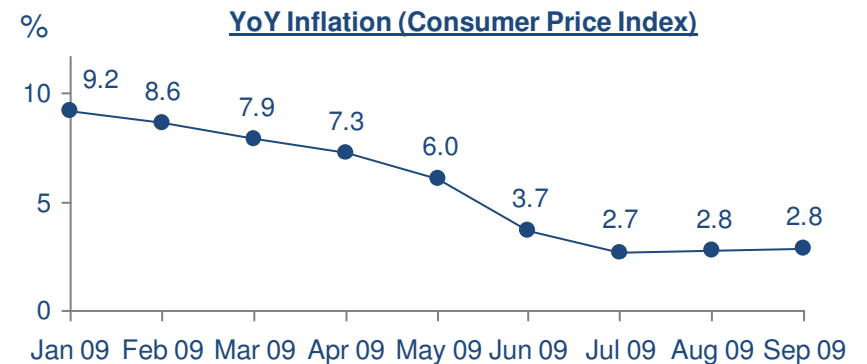


Indonesian economy on positive momentum

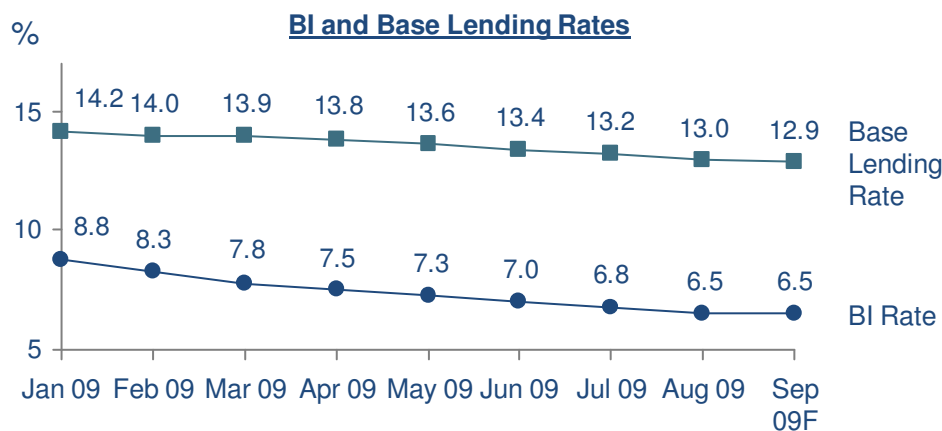
Improvement in forecasted target unemployment rate in the midst of positive recovery path



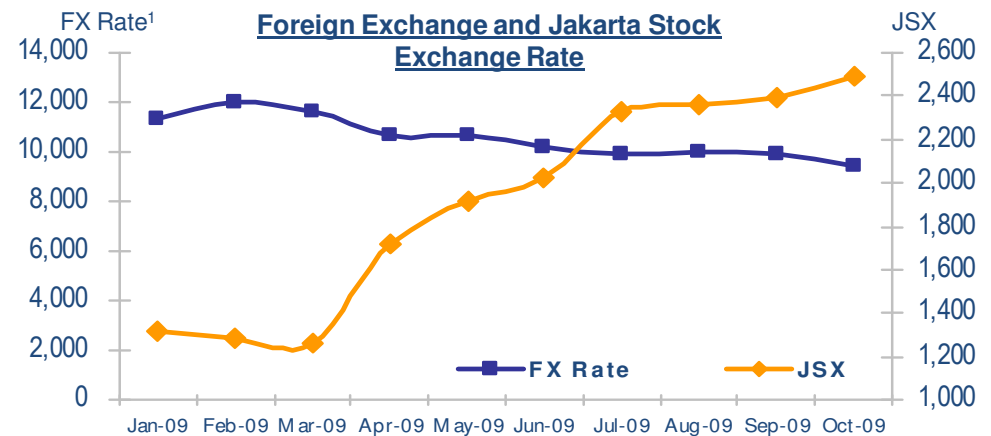
Inflation is under control, projected to be lower than Central Bank '09 forecast of 5-7% by year end



Continued decline of base lending rate expected to stimulate the economy



Market maintains optimism and expects further strengthening of the economy





XL has gone through a successful transformation

	“Old XL” Pre - 2007	Transformation 2007 - 2009	Sustained advantage 2010 - onwards
Strategy & market positioning	<ul style="list-style-type: none">• Lack of focus• Unclear market positioning and differentiation	<ul style="list-style-type: none">• Clear focus and positioning according to market development stages<ul style="list-style-type: none">– Offer value, build volume	<ul style="list-style-type: none">• Maximize return by monetizing volumes• Build on growth drivers<ul style="list-style-type: none">– Focus on customer experience– Prudent investment in data
Capabilities	<ul style="list-style-type: none">• Limited network capacity and coverage• Lack of confidence, ambition	<ul style="list-style-type: none">• Adequate capacity, coverage• Relevant competency & ambition while prudently managing cost	<ul style="list-style-type: none">• Strengthen organization• Continuous improvements in business fundamentals• Increased focus on next strategic moves
Results	<ul style="list-style-type: none">• Weak #3 operator<ul style="list-style-type: none">– Revenue share ~11%– Limited brand awareness	<ul style="list-style-type: none">• Strong, confident, and ambitious contender<ul style="list-style-type: none">– Revenue share ~18%• Strong business fundamentals• 50+ awards received	<ul style="list-style-type: none">• Continued increase of revenue share• Focused on driving ROIC



XL has effectively built brand preference in innovating for affordability and beyond

First mover on pricing driving affordable voice benefits



Driving Blackberry and internet products



Solidifying image as fun & exciting brand – Fun book, XL Smile portal



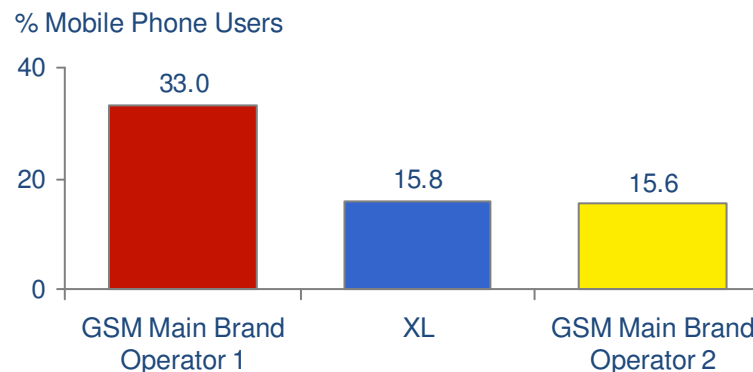
While maintaining lead in innovating for affordability



Subscribers rated XL brand favorably on key dimensions¹

- **Ranked first** on “Fun Companion”, “Passionate”, “Youthful”
- **Ranked second** in “Innovative”, “Creative”, “Simple”, “Transparent”, “Trustworthy / Dependable”, “Good Customer Service”

Strong brand share as shown by independent third party survey²



1. TNS Survey July 2009

2. Roy Morgan Single Source Indonesia Jun 2009 (National)

Source: Company data; July'09 TNS survey results; Roy Morgan Single Source

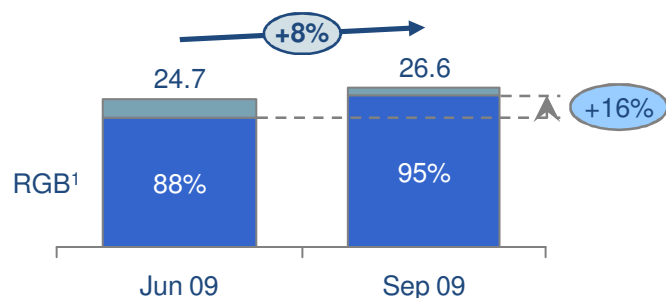


Continued growth of high quality subscriber base

High quality subscriber base is being built...

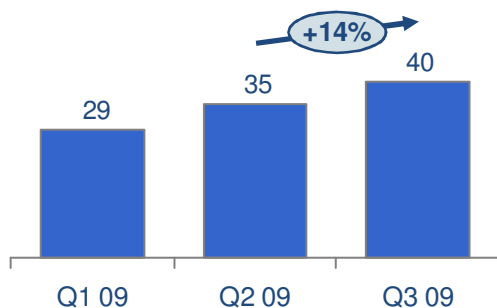
RGB¹ growing faster than overall subscriber growth

Total subs, Mn



ARPU trending positively

Blended, Rp '000



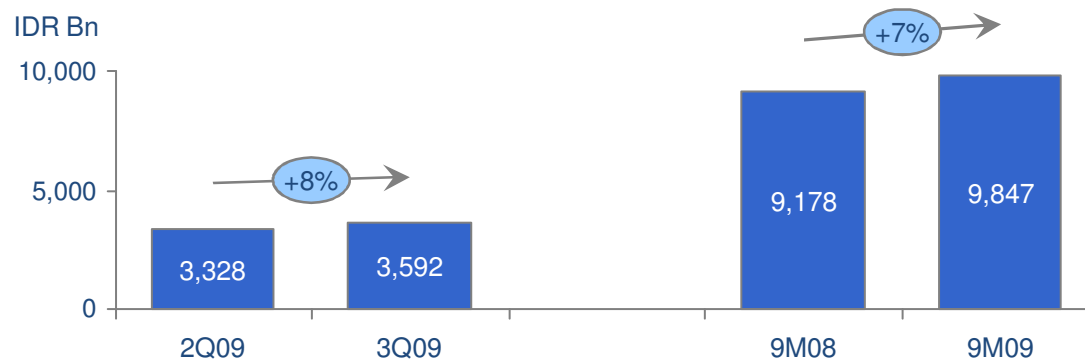
...due to specific actions taken

1. Promoting VAS, product bundling, and region-specific product strategies
2. Focus on meeting the needs of existing subs
3. Distribution control through clustering the distributors' territories
4. Monitoring and management of starter packs and reloads to match supply with demand
5. Reduce grace period

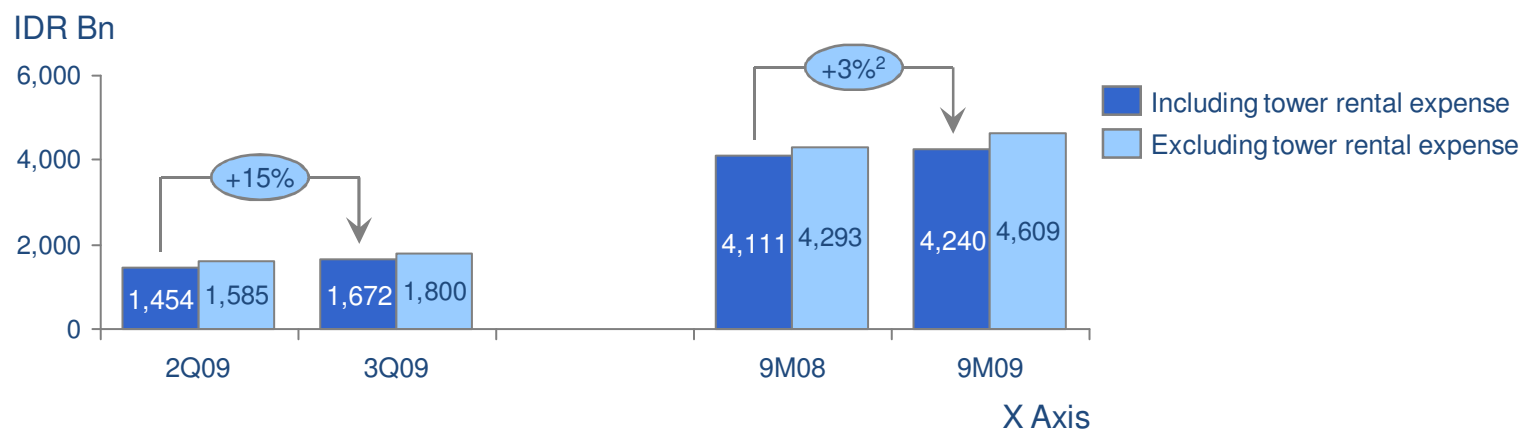


Strong results driven by a well executed strategy

Revenue¹



EBITDA

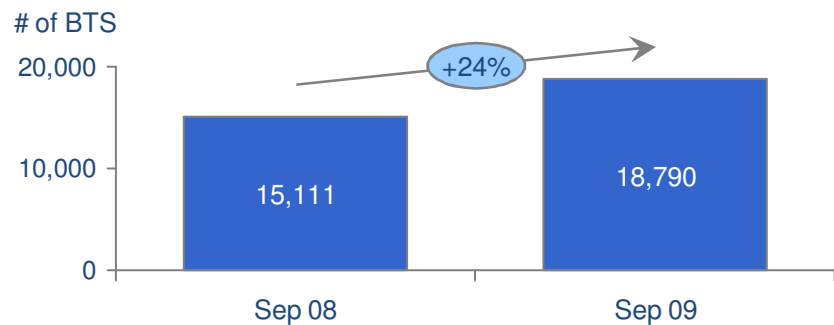


1. Gross revenue before discount
2. EBITDA growth excluding tower expenses is +4%
Source: Company data

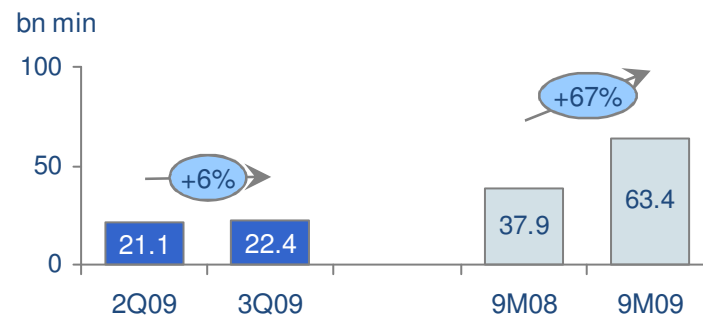


Continued growth of capacity and usage by quality subs

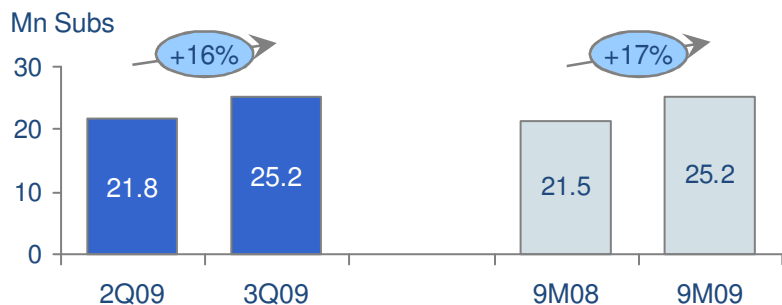
Total BTS (2G, 3G)



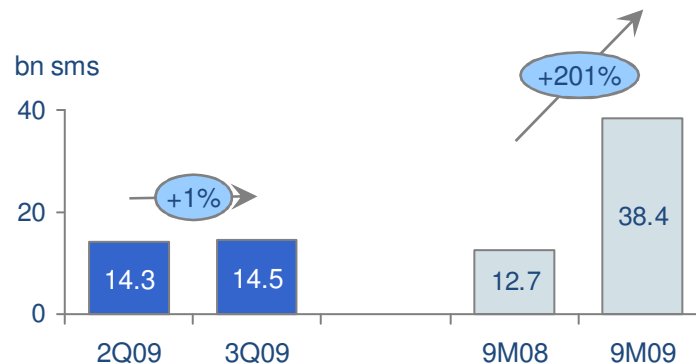
Total Outgoing Mou



Prepaid RGB subscribers



Total Outgoing SMS



Growth resulting from a well executed strategy



Stronger financial and balance sheet position

Achieved positive Free Cash Flow

- Healthy cash flow generation combined with prudent capex spending led to positive Free Cash Flow of Rp 462 Bn by 9M09

Stronger current ratio

- Current asset increased 76% YoY from Rp 1.8 Tn to 3.2 Tn due to higher cash and cash equivalents
- Current ratio strengthened from 0.3 to 0.5

De-leverage balance sheet

- Paid US\$ 75 Mn debt in Oct 09 using internal cash flow
- Rp 2.8 Tn rights issue in process, proceed to be fully used for early debt repayment

Productivity of balance sheet

- Significantly reduced Assets under Construction and Inventory



	2009	2010
<i>Revenue</i>	10% - 12% growth	Slightly above market revenue growth
<i>EBITDA margin</i>	Stable	Stable
<i>Cash out capex</i>	USD 550 – 600 mn	USD 400 – 450 mn
<i>FCF</i>	Neutral to positive	Positive



Appendix



XL 9M09 Performance

	9M09	9M08	YoY Growth
Revenue	Rp 9,847 bn	Rp 9,178 bn	7%
EBITDA	Rp 4,240 bn	Rp 4,111 bn	3%
Profit After Tax	Rp 1,202 bn	Rp 891 bn	35%
# Total Subscriber *	26.6 mn	25.1 mn	6%
# Prepaid Subs - RGB	25.2 mn	21.5 mn	17%
Total BTS	18,790	15,111	24%