

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## Disclaimer

This document contains certain financial information and results of operations, and may also contain certain projections, plans, strategies and objectives of XL Axiata, 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 Axiata'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 Axiata, or indicated by any such forward looking statements, will be achieved.

## KEY MESSAGES

- **GROWTH:** Consistent strategy execution led to revenue growth of 0.4% YoY at XL Axiata and market share gain in FY 18 as overall industry revenue growth declined.
- **DATA:** Most-data centric operator with 80% smartphone penetration and Data revenue at 82% of service revenue in 4Q 18
- **BRANDS:** Dual-brand strategy performing well with both XL and Axis brands recording all-time highs in net promoter scores (NPS) in 2018 with both resonating well within respective target segments.
- **COVERAGE:** Continued network investment across Indonesia, in particular ex-Java, with 4G service now available in around 400 cities and areas in Indonesia covered by almost 30,000 4G BTS.

Financials (in Rp Billion)	3Q18	4Q18	QoQ	FY17	FY18	YoY
Revenue	5,874	6,061	3%	22,901	23,001	0%
EBITDA	2,176	2,351	8%	8,321	8,512	2%
EBITDA Margin	37%	39%	2%	36%	37%	1%
Net Income	(63)	(3,152)	-4898%	375	(3,297)	-979%
Normalized Net Income	(18)	58	N/A	740	(9)	-101%

### Strong performance driven by Data

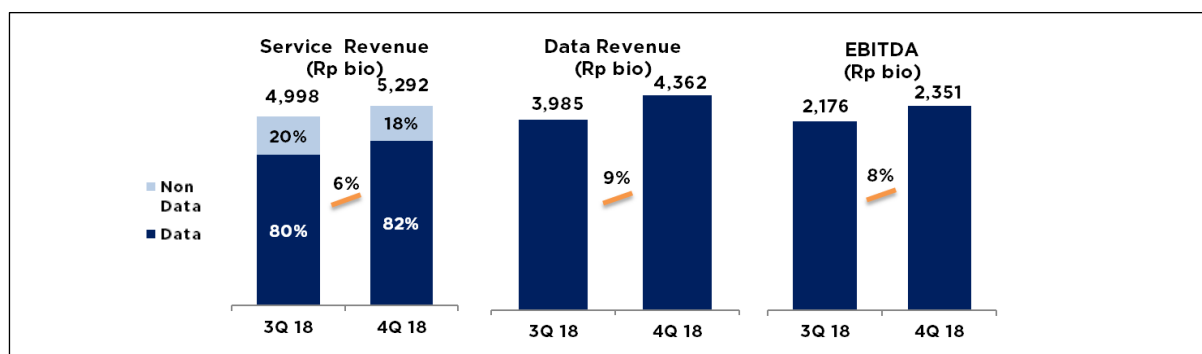
The strong performance in 2018 was driven by XL Axiata's continued focus and consistent execution of its Data-led strategy. Revenue growth was driven by growth in Data revenue in 2018 due to a combination of increased usage through successful upselling of customers coupled with Data monetization in the 2H of 2018. EBITDA grew at a faster rate than revenue resulting in improved EBITDA margins.

### Continued capacity expansion

Continued focus on capacity expansion has led to XL Axiata's BTS count rising to more than 118,000 total BTS with more than 51,000 3G BTS and almost 30,000 4G BTS. XL Axiata's 4G service now available in around 400 cities and areas nationwide as a result of the increased focus in ex-Java investment.

### Data-centric business remains resilient

This network investment coupled with XL Axiata's dual-brand strategy has raised XL Axiata's position as a leading Data-centric operator attracting more Data-savvy smartphone customers. As a result, XL Axiata is leading the industry with 80% smartphone penetration and 82% of service revenue coming from Data in the latest quarter, putting the company in a more resilient position versus peers to weather the effects of declining Legacy Revenues.



# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## Business Updates

In 2018, the Indonesian mobile market was impacted by a landmark change in the regulatory environment with the implementation of the prepaid sim registration. While beneficial for the industry in the long-term, it led to a period of competitive pressure in 1H 18 which has resulted in the industry seeing negative revenue growth in 2018.

In 2H of 2018, following the prepaid sim registration deadline in May, the industry started to monetize data and roll-back some of the competitive aggression in the market. XL Axiata continued to outgrow the market and supported the push for price increases.

## XL Axiata Grew Faster Than the Market in 2018

In 2018, XL Axiata continued to focus on executing its Data-centric strategy in pursuit of being the preferred Mobile Internet provider in Indonesia. This was through the implementation of the company's dual-brand strategy coupled with continued network investment and capacity expansion, especially ex-Java. As a result, XL Axiata outperformed the market in terms of both revenue and EBITDA growth. In the first 9M of 2018, XL Axiata gained 1.6 percentage points of market share.

A core tenet of XL Axiata's strong performance was the dual-brand strategy utilizing both XL and Axis brands to address different market segments with differentiated Data-led offerings. The consistent implementation of the dual brand strategy was a key pillar of XL Axiata's success during the year. During the year, both XL and Axis brands focused on expanding their respective product offerings which resonated well within their target segments. The success of these offerings was evidenced by the improvement in the net promoter score (NPS) for which both brands saw the highest ever score recorded during 2018, of 15 for XL and 11 for Axis which was double the highest score achieved in 2017.

During the year, to drive smartphone adoption and penetration across its base, XL Axiata embarked on a unique handset bundling proposition in partnership with YouTube. This offering proved successful in driving market traction due to its attractive bundling proposition and affordable price point.

XL Axiata's postpaid brand, XL Prioritas continued to grow mainly through attractive smartphone bundling offers with popular brands such as Samsung. Postpaid customers grew to more than 1 million.

## Customer and Traffic Trends

XL Axiata's smartphone penetration rose 8 percentage points to 80% as of the end of FY 18. A significant factor driving this gain in smartphone customers was due to XL's affordable Xstream 4G smartphone in partnership with YouTube. This resulted in XL Axiata increasing smartphone subscribers to 43.9 million by the end of FY 18, a 15% YoY increase from the same period a year ago.

Total traffic across XL Axiata's network saw a 76% YoY increase in FY 18 compared to the same period in 2017. The growth was mainly driven by Data traffic. The majority of XL Axiata's data traffic is now on 4G and at the end of FY 18, the company recorded total Data users at 82% of the total subscriber base.

*Competitive pressure stimulated by prepaid sim registration*

*XL Axiata outperformed the market*

*Dual-brand strategy working well*

*New handset bundling proposition successful in the market*

*Encouraging growth from postpaid segment*

*Market leader in smartphone penetration*

*Data traffic responsible for increased network usage*

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

**Significant  
new  
products  
launched**

## **Innovative Products Drive Customer Traction**

During the year, XL Axiata launched multiple innovative products for its customers. Its highlights were as follows:

- XL launched several smartphones including both the **Xtream** and the **Xtream Ultima** through a partnership with YouTube which did well in the market due to its affordable price points and attractive bundling propositions.
- In line with its strategy to increase content related partnerships, XL announced a partnership with **iflix**. The offering included subscription free video streaming
- Targeting the gamers and music lovers, Axis launched the **Bronet 4G OWSEM** package.
- In conjunction with the Hajj season, XL launched the **Umroh** and **Haji Packets** providing customers with connectivity while roaming in Saudi Arabia.
- XL Prioritas, XL Axiata's postpaid brand continued to offer smartphone bundling with the latest high-end handsets. During the year **XL Shopping Points** and **XL Shopping Points Booster** offerings were launched providing customers rebates on smartphone purchases.
- XL launched **Biz Packets** offering business solutions for SMEs with Office 365 from Microsoft at no additional cost. This was part of the Enterprise business strategy.

## **One-off accelerated depreciation due to lower 2G traffic, part of Transformation Strategy**

Since 2015, the transformation strategy was implemented to reshape XL Axiata's business to be more Data-centric as the leading mobile internet provider in Indonesia. This has proven to be successful with 80% of XL Axiata's customers now smartphone users of which 4G accounts for a majority of customers and more than 75% of the traffic on XL Axiata's network today. Over the last 12 months, there continued to be a significant decline in 2G traffic which now accounts for less than 5% of overall traffic as of end of 2018.

**Spectrum  
refarming  
for better  
customer  
experience**

In 2018, XL Axiata in certain areas commenced switching off the 2G network while continuously reducing the capacity in other areas where 2G usage declined. This allowed XL Axiata to refarm a majority of the spectrum previously used for 2G for 4G usage. This initiative was in-line with XL Axiata's business strategy of continuous network modernization and service quality improvement ensuring the best customer experience.

The financial impact of the refarming policy was an acceleration in depreciation of some 2G assets. In addition to the lower depreciation charges going forward, improvement in electricity and rental charges will result in improved margins and profitability.

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## FINANCIAL OVERVIEW

Financial Overview (in Rp Billion)	3Q18	4Q18	QoQ	FY17	FY18	YoY
Revenue	5,874	6,061	3%	22,901	23,001	0%
Expenses	3,671	3,696	1%	14,554	14,427	-1%
EBITDA	2,176	2,351	8%	8,321	8,512	2%
EBITDA Margin	37%	39%	2%	36%	37%	1%
Net Income	(63)	(3,152)	-4898%	375	(3,297)	-979%
Normalized Net Income	(18)	58	N/A	740	(9)	-101%
Capitalized Capex	1,669	1,852	11%	7,190	6,792	-6%
Cash-out Capex	1,696	2,546	50%	6,697	6,274	-6%

## REVENUE

- Gross revenue increased 3% QoQ in 4Q 18 driven by an increase in cellular telecommunication service revenue mainly through the increase in Service Revenue of 6% QoQ
- Driving the increase in Service Revenue was Data which increased 9% QoQ due to the increase in usage by customers driven by successful upselling coupled with increased monetization of Data
- Non-Data revenue decreased 8% QoQ driven by declines in Legacy Service Revenues
- Revenue from Other Cellular Telecommunication Revenue was down 13% QoQ driven by a decline in Interconnect Revenue
- Revenue from Other Telecommunication Services was down 10% QoQ mainly driven by a decline in other revenue

**Service revenue increased by 6% QoQ**

Revenue (in Rp Billion)	3Q18	4Q18	QoQ	FY17	FY18	YoY
Gross Revenues	5,874	6,061	3%	22,901	23,001	0%
Cellular Telecommunication Service	5,614	5,826	4%	21,921	21,932	0%
Service Revenue	4,998	5,292	6%	20,260	19,883	-2%
Data	3,985	4,362	9%	14,058	15,818	13%
Non Data	1,014	930	-8%	6,202	4,065	-34%
Others	615	534	-13%	1,661	2,049	23%
Other Telecommunications Services	260	235	-10%	980	1,069	9%

## OPERATING METRICS

- XL Axiata's subscriber base increased by 1 million in Q4 increasing total subs to 54.9m as of end FY 18. This increase was driven by the company's success in attracting smartphone customers as well as customer growth outside of Java.
- Smartphone Penetration increased 2 percentage points in Q4 to 80%
- Evidence of XL Axiata's success in upselling customers and data monetization was demonstrated in the increase in blended ARPU in Q4 from Rp32k to Rp33k
- For FY 18, XL Axiata's subscriber base increased from 53.5m to 54.9m though blended ARPU reduced as a result of competitive behavior in 1H of 2018

**Increased subscribers and smartphone penetration**

Operating Metrics	3Q18	4Q18	QoQ	FY17	FY18	YoY
Subscribers (million)	53.9	54.9	2%	53.5	54.9	3%
Prepaid (million)	52.9	53.9	2%	52.8	53.9	2%
Postpaid (000)	954	1,024	7%	703	1,024	46%
ARPU (Rp 000)	32	33	3%	34	32	-6%
Prepaid	30	31	3%	33	30	-9%
Postpaid	103	103	0%	114	103	-10%
Total Traffic (PB)	596.7	668.7	12%	1,249.5	2,200.7	76%
Smartphone Penetration	78%	80%	2%	72%	80%	8%

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## Decline in expenses

### EXPENSES

- In FY18, XL Axiata's total operating expenses declined by 1% YoY due to savings realization from the on-going cost efficiencies programme
- Interconnect and other direct expenses reduced by 9% QoQ in Q4 due to the decline in interconnect costs
- Sales and Marketing Expenses increased 3% in Q4 due to higher year-end spend but as a percentage of revenue, remained flat
- Infrastructure Expenses were flat QoQ in Q4 as increases in number of new tower rentals were offset by savings in existing tower renewals

Expenses (in Rp Billion)	3Q18	4Q18	QoQ	FY17	FY18	YoY
Interconnection and other direct expenses	694	629	-9%	2,459	2,421	-2%
Salaries & Employee Benefits	234	276	18%	1,351	1,037	-23%
Sales and Marketing Expense	438	453	3%	1,616	2,039	26%
Infrastructure Expenses	2,195	2,191	0%	8,576	8,453	-1%
Supplies and Overhead expenses	110	146	33%	552	476	-14%
<b>Total OPEX</b>	<b>3,671</b>	<b>3,696</b>	<b>1%</b>	<b>14,554</b>	<b>14,427</b>	<b>-1%</b>

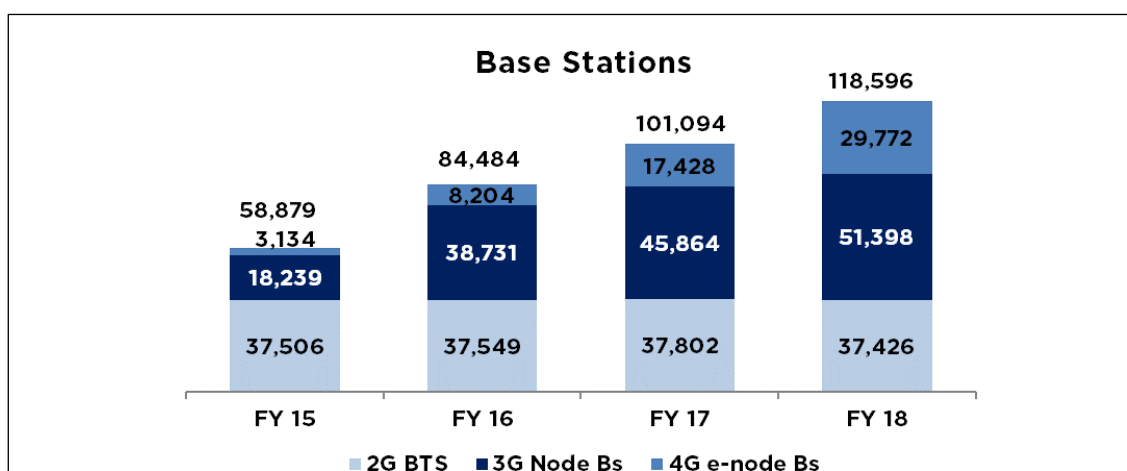
## XL Axiata continued to invest

### CAPEX INVESTMENT

Establishing XL Axiata as the choice for high-value customers requires reliable high-speed data services and network quality is essential. Through its network upgrades XL Axiata continues to ensure the highest quality of data experience to its customers. XL Axiata's total BTS count increased to above 118,000 BTS with 3G totaling more than 51,000. XL Axiata's 4G-LTE service is now available in 400 cities and areas across Indonesia.

## Focus on expanding coverage outside of Java is delivering results

Since 2016, Ex-Java remains a focus for network and coverage expansion. XL Axiata, as a result of its ex-Java strategy, has realized an increase in customer awareness to its products and services. This has translated to a growth in ex-Java revenues significantly ahead of Java growth rates.



## Implementation of innovative technologies has been a focus

Along with network expansion, XL Axiata has improved quality of the network by implementing a range of innovative technologies in 2018. This innovation has delivered improvement in service quality and some of the innovations include Network Function Virtualization Core, 4G Spectrum Wideband, and 4.5G technology through LAA Spectral Efficiency, Carrier Aggregation 256 QAM, as well as 4T4R 4x4 MIMO. All these initiatives have improved the stability of the internet service on XL Axiata's data network and has delivered internet speeds of up to 100Mbps.

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

To solidify XL Axiata's position as the leader in data innovation, 2018 saw the first outdoor 5G and WiGig live trial in Kota Tua, Jakarta. 5G and WiGig have the potential to enable a variety of services including enhanced mobile broadband, smart cities, smart home broadband, and digital transformation for vertical industries. The 5G pilot delivered more than 10 Gbps while the WiGig provided an alternative for fixed broadband access with speeds of up to 1 Gbps in the home.

XL Axiata also continued to invest in transmission, backhaul, network modernization and upgrades to support the rising data traffic across its network and to deliver stability, expand network capacity and improve quality of its data services.

Capital Expenditure (In Rp Billion)	FY17	FY18	Growth
Capitalized capex	7,190	6,792	-6%
Paid capex	6,697	6,274	-6%
Commitments entered into*	8,685	7,702	-11%

\* The USD portion was converted to IDR using closing rate of December 2017 and 2018. The Rupiah exchange rate against the USD as of December 2017 and 2018 were Rp13,548/USD and Rp14,481/USD, respectively.

## CONCLUSION & CONSOLIDATED GUIDANCE

In 2019, XL Axiata will continue with its growth strategy focusing on expanding its product portfolio through both brands, supported by network expansion outside of Java and technology upgrades. Growth will be recorded through a combination of increased usage and monetization of data which will drive data-based revenue. This growth will be supported through programs to stimulate further smartphone penetration.

Consolidated guidance for 2019 is as follows:

<b>Revenue growth</b>	• In-line or better than market
<b>EBITDA margin</b>	• High 30's
<b>Cash-out capex</b>	• Around Rp 7.5 trillion

**Current strategy will continue to deliver growth**

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## APPENDICES

### APPENDIX I: Income Statement

Financial Statement (in Rp Billion)	FY17	FY18	Growth
<b>Gross Revenue</b>			
Service Revenue	20,260	19,883	-2%
Others*	1,661	2,049	23%
<b>Cellular Telecommunication Service</b>	<b>21,921</b>	<b>21,932</b>	<b>0%</b>
<b>Other Telecommunications Services</b>	<b>980</b>	<b>1,069</b>	<b>9%</b>
<b>Gross Revenues</b>	<b>22,901</b>	<b>23,001</b>	<b>0%</b>
Less: Discount	(26)	(62)	143%
<b>Gross Revenue Net of Discount</b>	<b>22,876</b>	<b>22,939</b>	<b>0%</b>
Interconnection and other direct expenses	2,459	2,421	-2%
Salaries & Employee Benefits (Permanent & Temporary)	1,351	1,037	-23%
Sales and Marketing Expense	1,616	2,039	26%
Infrastructure Expenses	8,576	8,453	-1%
Supplies and Overhead expenses	552	476	-14%
<b>Total OPEX</b>	<b>14,554</b>	<b>14,427</b>	<b>-1%</b>
<b>EBITDA</b>	<b>8,321</b>	<b>8,512</b>	<b>2%</b>
<b>EBITDA Margin</b>	<b>36%</b>	<b>37%</b>	<b>1%</b>
Depreciation & Amortization	6,951	11,621	67%
<b>EBIT</b>	<b>1,370</b>	<b>(3,109)</b>	<b>-327%</b>
Other Expenses			
Finance income/(cost) - net	(1,395)	(1,626)	17%
Forex gain/(loss) - net**	70	(100)	-243%
Share of results from jointly controlled entity	(103)	-	-100%
Others	279	439	58%
<b>Total Other Income/(Expenses)</b>	<b>(1,149)</b>	<b>(1,287)</b>	<b>12%</b>
<b>Income (Loss) before income tax</b>	<b>221</b>	<b>(4,396)</b>	<b>-2089%</b>
Income Tax (Expense) Benefit	154	1,099	613%
<b>Profit (Loss) for the period</b>	<b>375</b>	<b>(3,297)</b>	<b>-979%</b>
<b>Earnings (Loss) Per Share (full amount) (Rp)</b>	<b>35</b>	<b>(308)</b>	<b>-979%</b>

Normalized Profit (Loss) (In Rp Billion)	FY17	FY18	Growth
Profit (Loss) for the year	375	(3,297)	-979%
Forex (gain)/loss	(86)	100	N/A
Accelerated depreciation & write-off	-	4,190	N/A
Write Off of Elevenia Investment	133	-	-100%
Severance Payment	400	-	-100%
Tax Impact	(82)	(1,002)	1128%
<b>Normalized Profit (Loss) for the year</b>	<b>740</b>	<b>(9)</b>	<b>-101%</b>
<b>Normalized Earnings (Loss) Per Share (full amount) (Rp)</b>	<b>69</b>	<b>(1)</b>	<b>-101%</b>

\*Others mainly comprises Cellular Interconnect

\*\*Hedging gain/ (loss) will be accounted under Forex gain/ (loss) – net

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## APPENDIX II: Balance Sheet

Balance Sheet (In Rp Billion)	FY17	FY18	Growth
<b><u>Current Assets</u></b>			
Cash and cash equivalents	2,455	1,047	-57%
Others	4,725	6,012	27%
<b>Total Current Assets</b>	<b>7,181</b>	<b>7,059</b>	<b>-2%</b>
<b><u>Non-Current Assets</u></b>			
Fixed assets - net of accumulated depreciation	34,934	36,760	5%
Intangible asset	5,915	5,767	-2%
Goodwill	6,681	6,681	0%
Others	1,611	1,347	-16%
<b>Total Non-Current Assets</b>	<b>49,141</b>	<b>50,555</b>	<b>3%</b>
<b>Total Assets</b>	<b>56,321</b>	<b>57,614</b>	<b>2%</b>
<b><u>Current Liabilities</u></b>			
Current maturity of long term loans and bonds	3,771	1,329	-65%
Others	11,455	14,404	26%
<b>Total Current Liabilities</b>	<b>15,227</b>	<b>15,733</b>	<b>3%</b>
<b><u>Non-Current Liabilities</u></b>			
Long term loans and bonds	10,980	11,235	2%
Others	8,484	12,303	45%
<b>Total Non-Current Liabilities</b>	<b>19,464</b>	<b>23,538</b>	<b>21%</b>
<b>Total Liabilities</b>	<b>34,691</b>	<b>39,271</b>	<b>13%</b>
<b><u>Equity attributable to owners of the parent entity</u></b>			
Share capital & additional paid-in capital	13,226	13,218	0%
Retained earnings	8,405	5,125	-39%
<b>Total Equity</b>	<b>21,631</b>	<b>18,343</b>	<b>-15%</b>
<b>Total Liabilities and Equity</b>	<b>56,321</b>	<b>57,614</b>	<b>2%</b>

In FY 18, total assets were Rp 57.6 trillion, 2% YoY higher compared to the previous year due to higher non-current assets.

- Current assets were down 2% YoY as of end of FY 18 due to a 57% YoY decrease in cash balances offset by a 27% increase in other assets.
- Non-current assets increased 3% YoY due to a 5% YoY increase in fixed assets.

Total liabilities increased by 13% YoY due to an increase in other non-current liabilities.

- Current liabilities increased 3% YoY as of end FY 18 due to an increase in trade payables offset by a decrease in loans and bonds.
- Non-current liabilities increased by 21% YoY due to a 45% YoY increase in other non-current liabilities mainly relating to capital leases.



# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## APPENDIX III: Cash Flow

Cash Flow (In Rp Billion)	FY17	FY18	Growth
Net cash flow generated from operating activities	9,612	9,358	-3%
Net cash flow used in investing activities	(6,635)	(6,203)	-7%
<b>Free cash flow</b>	<b>2,977</b>	<b>3,154</b>	<b>6%</b>
Net cash flow used in financing activities	(1,926)	(4,588)	138%
Net increase/(decrease) in cash and cash equivalents	1,051	(1,433)	-236%
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,400</b>	<b>2,455</b>	<b>75%</b>
Effect of exchange rate changes on cash and cash equivalents	4	25	488%
<b>Cash and cash equivalents at the end of the period</b>	<b>2,455</b>	<b>1,047</b>	<b>-57%</b>

Net cash flow generated from operating activities decreased by 3% to Rp 9.4 trillion mainly due to an increase in cash payments.

Net cash flow used in investing activities decreased by 7% to Rp 6.2 trillion due to lower cash capex spent in FY 18 compared to the prior year's period.

Net cash flow used in financing activities increased 138% to Rp 4.6 trillion due to higher net loan repayments in FY 18.

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## APPENDIX IV: Description of Debts

The detail of debts as of 31 December 2017 and 2018 are as follows:

Description	(in Original Amount)		Year of Maturity
	FY 17	FY 18	
USD Loan (mn)	US\$ 50	US\$ -	Bullet repayment in 2018
	US\$ 300	US\$ -	Bullet repayment in 2019
	<b>US\$ 350</b>	<b>US\$ 0</b>	
IDR Bank Loan (bn)	Rp 1,500	Rp -	Amortizing annually, final repayment is in 2018
	Rp 3,850	Rp 3,550	Amortizing annually, final repayment is in 2020
	Rp 1,500	Rp 5,000	Amortizing annually, final repayment is in 2023
	<b>Rp 6,850</b>	<b>Rp 8,700</b>	
IDR Sukuk Facility 1 Tranche 1 (bn)	Rp 258	Rp -	Series B - Due in 2018
	Rp 323	Rp 323	Series C - Due in 2020
	Rp 425	Rp 425	Series D - Due in 2022
	<b>Rp 1,006</b>	<b>Rp 748</b>	
IDR Sukuk Facility 1 Tranche 2 (bn)	Rp 1,040	Rp -	Series A - Due in 2018
	Rp 402	Rp 402	Series B - Due in 2020
	Rp 142	Rp 142	Series C - Due in 2022
	Rp 260	Rp 260	Series D - Due in 2024
	Rp 336	Rp 336	Series E - Due in 2027
	<b>Rp 2,180</b>	<b>Rp 1,140</b>	
IDR Sukuk Facility 2 Tranche 1 (bn)	Rp -	Rp 358	Series A - Due in 2019
	Rp -	Rp 399	Series B - Due in 2021
	Rp -	Rp 149	Series C - Due in 2023
	Rp -	Rp 34	Series D - Due in 2025
	Rp -	Rp 60	Series E - Due in 2028
	<b>Rp -</b>	<b>Rp 1,000</b>	
IDR Bond Facility 1 Tranche 1 (bn)	Rp -	Rp 328	Series A - Due in 2019
	Rp -	Rp 450	Series B - Due in 2021
	Rp -	Rp 131	Series C - Due in 2023
	Rp -	Rp 19	Series D - Due in 2025
	Rp -	Rp 72	Series E - Due in 2028
	<b>Rp -</b>	<b>Rp 1,000</b>	
Unamortized Loan Issuance Cost (bn)	<b>Rp (26)</b>	<b>Rp (24)</b>	
<b>TOTAL INTEREST BEARING DEBT (in Rp. Bn)*</b>	<b>Rp 14,751</b>	<b>Rp 12,564</b>	

\* The USD portion was converted to IDR using closing rate of December 2017. The Rupiah exchange rate against the USD as of December 2017 was Rp13,548/USD.

Gearing Ratios (x)	FY17	FY18	Growth
Debt/Equity	0.7	0.7	0.0
Net Debt/Equity	0.6	0.6	0.1
Debt/EBITDA	1.8	1.5	(0.3)
Net Debt/EBITDA	1.5	1.4	(0.1)

During FY 18, XL Axiata made repayment of bank loans amounting to Rp 1.65tn, USD loans amounting to USD350mn and Rp1,298bn of sukuk through a combination of refinancing and internal funds.

As of 31 December 2018, XL Axiata has no outstanding USD loan facility.

# PT XL AXIATA TBK. FULL YEAR 2018 RESULTS

## APPENDIX V: OPERATING MEASURES

	FY17	FY18	Growth
Total Traffic (Petabyte)	1,249.5	2,200.7	76%
Total BTS	101,094	118,596	17%
2G	37,802	37,426	-1%
3G	45,864	51,398	12%
4G	17,428	29,772	71%
Number of Employees (permanent & contract with permanent position)	1,652	1,677	2%
Postpaid users (000)	703	1,024	46%
Prepaid sim cards (active and grace / million)	52.8	53.9	2%
Total user base (million)	53.5	54.9	3%
ARPU blended (Rp 000)	34	32	-6%
Postpaid revenue/sub (Rp 000)	114	103	-10%
Prepaid revenue/sim card (Rp 000)	33	30	-9%

## APPENDIX VI: ACHIEVEMENT

- XL Axiata won several awards at the Frost & Sullivan 2018 Asia Pacific ICT Awards including the *2018 Asia-Pacific Mobile Data Service Provider of the Year*, the *2018 Indonesia Mobile Data Service Provider of the Year* and the *2018 Indonesia Mobile Service Provider of the Year*.
- XL Axiata won recognition as the *Best Employer Brand Award* at the Indonesia Best Employer Brand Awards 2018.
- XL Axiata was recognized as the Winner of *Indonesia Most Innovative Award 2017* for the Telecommunication category in the Indonesia Most Innovative Business Awards 2017 event.
- XL Axiata won several awards at the Selular Award 2018 including *Best 4G Network Deployment*, *Best Experience Center* for XL Center & *Best Community Development Program* for Sisternet.

## ABOUT XL

PT XL Axiata Tbk. is one of the major cellular providers in Indonesia. PT XL Axiata Tbk. is (66.4%) owned by Axiata Group Berhad ("Axiata" or "the Group") through Axiata Investments (Indonesia) Sdn Bhd and public (33.6%), and is part of Axiata. The Group's mobile subsidiaries and associates operate under the brand name 'Celcom' in Malaysia, 'Dialog' in Sri Lanka, 'Robi' in Bangladesh, 'Smart' in Cambodia, 'Ncell' in Nepal, 'Idea' in India and 'M1' in Singapore.

Date: 15 February 2019