

PT. Indonusa Telemedia

TELKOMVision Business Prospects

Workshop Koperasi TELKOM

29 Juni 2009

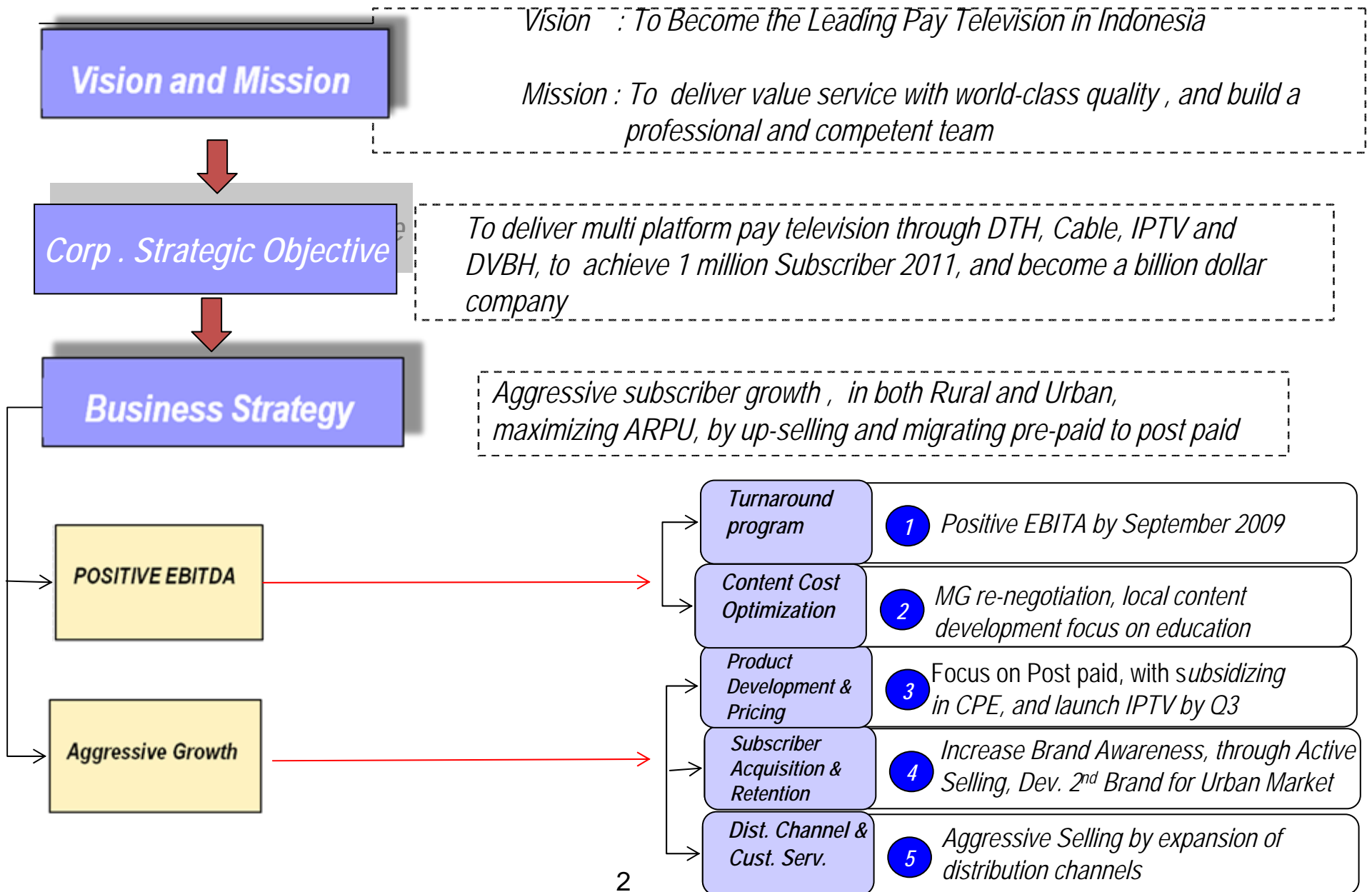
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CORPORATE OBJECTIVE 2009 - 2012



Product Profiles

| NO. | PLATFORM | SEGMENT | PROFILE |
|-----|---|--|--|
| 1. | DTH (Direct-to-Home) | Rural | <ol style="list-style-type: none"> 1. Parabola ukuran 16 ft./1,4 m 2. Pelanggan membeli putus perangkat (parabola+decoder) 3. Sistem Prabayar dengan voucher isi ulang fisik & elektronik (in progress) |
| | | Urban | <ol style="list-style-type: none"> 1. Parabola ukuran ± 1 m 2. Perangkat (parabola+decoder) dipinjamkan kepada pelanggan 3. Sistem pasca bayar dengan berbagai paket pilihan |
| 2. | HFC (Hybrid Fiber Coax)/ Cable TV | <ul style="list-style-type: none"> • Retail • Hotel | |
| 3. | SMATV (Satellite Master Antenna Television) | <ul style="list-style-type: none"> • Hotel • Kawasan | |

DTH Prepaid Packages

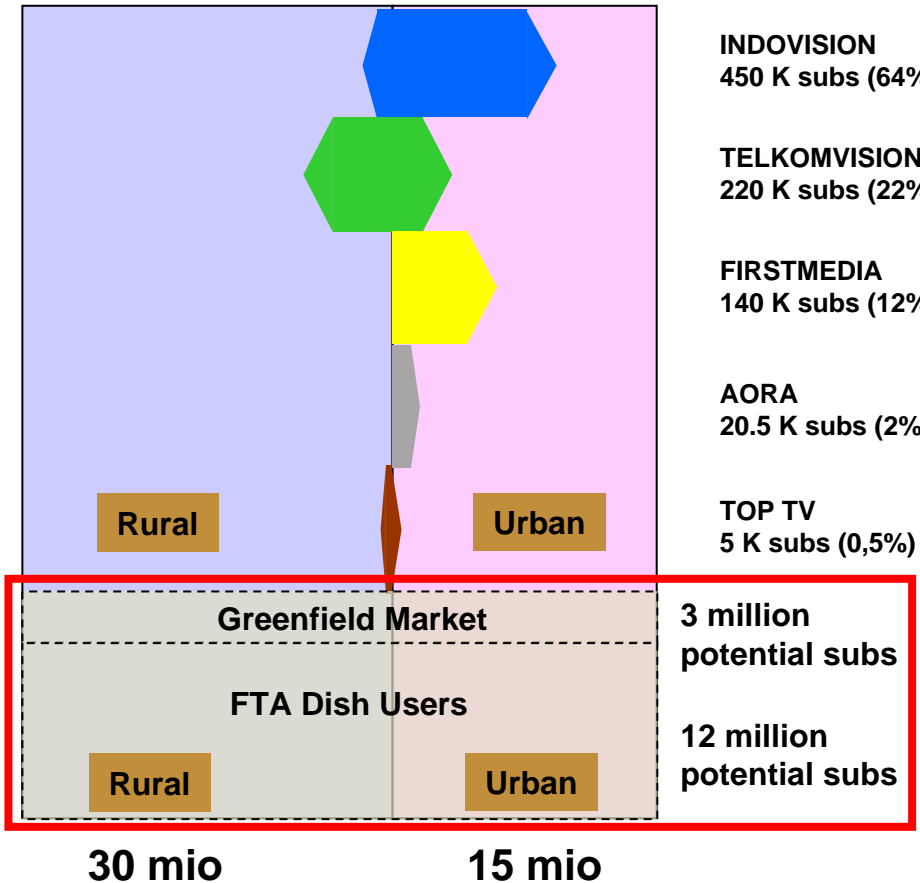
| NO. | BRAND | PACKAGES | PUBLISHED PRICES |
|-----|----------------------|--|--|
| 1. | Prepaid TELKOMVision | <ul style="list-style-type: none"> • Berita • Dunia Anak • Exclusive • Film Laris • Keluarga • Kombo • Metropolitan • Music • Keluarga Harmoni • Keluarga Sportif • Popular • Special Hiburan • Special Riang • Special Seru • Olah Raga • Laga • Pelangi • Pendidikan | <ul style="list-style-type: none"> • Rp 30.000 • Rp 50.000 • Rp150.000 • Rp 65.000 • Rp175.000 • Rp300.000 • Rp 50.000 • Rp 30.000 • Rp150.000 • Rp170.000 • Rp 50.000 • Rp120.000 • Rp 99.000 • Rp120.000 • Rp 90.000 • Rp 50.000 • Rp 65.000 • Rp 50.000 |
| 2. | Prepaid YES TV | <ul style="list-style-type: none"> • Dunia Sinema • Dunia Arena • Dunia Fantasi • Dunia Gaya • Dunia Ceria • Dunia Bahagia | <ul style="list-style-type: none"> • Rp 99.000 • Rp 99.000 • Rp 65.000 • Rp 65.000 • Rp175.000 • Rp300.000 |

DTH Postpaid Packages

| NO. | BRAND | PACKAGES | PUBLISHED PRICES |
|-----|-----------------|--|--|
| 1. | Postpaid YES TV | Paket Reguler: <ul style="list-style-type: none">• Emas• Perak• Perunggu Paket Ala Carte: <ul style="list-style-type: none">• Paket Sinema 1 (HBO & HBO Signature)• Paket Sinema 2 (HBO, HBO Signature & Cinemax)• NHK Premium | <ul style="list-style-type: none">• Rp275.000• Rp199.000• Rp125.000 • Rp 60.000• Rp 80.000• Rp 50.000 |

Terdapat potensi pasar hingga 15 juta pelanggan di Indonesia, dimana 12 juta di antaranya merupakan pengguna parabola FTA (Free-to-air) yang merupakan keuntungan terbesar TELKOMVision

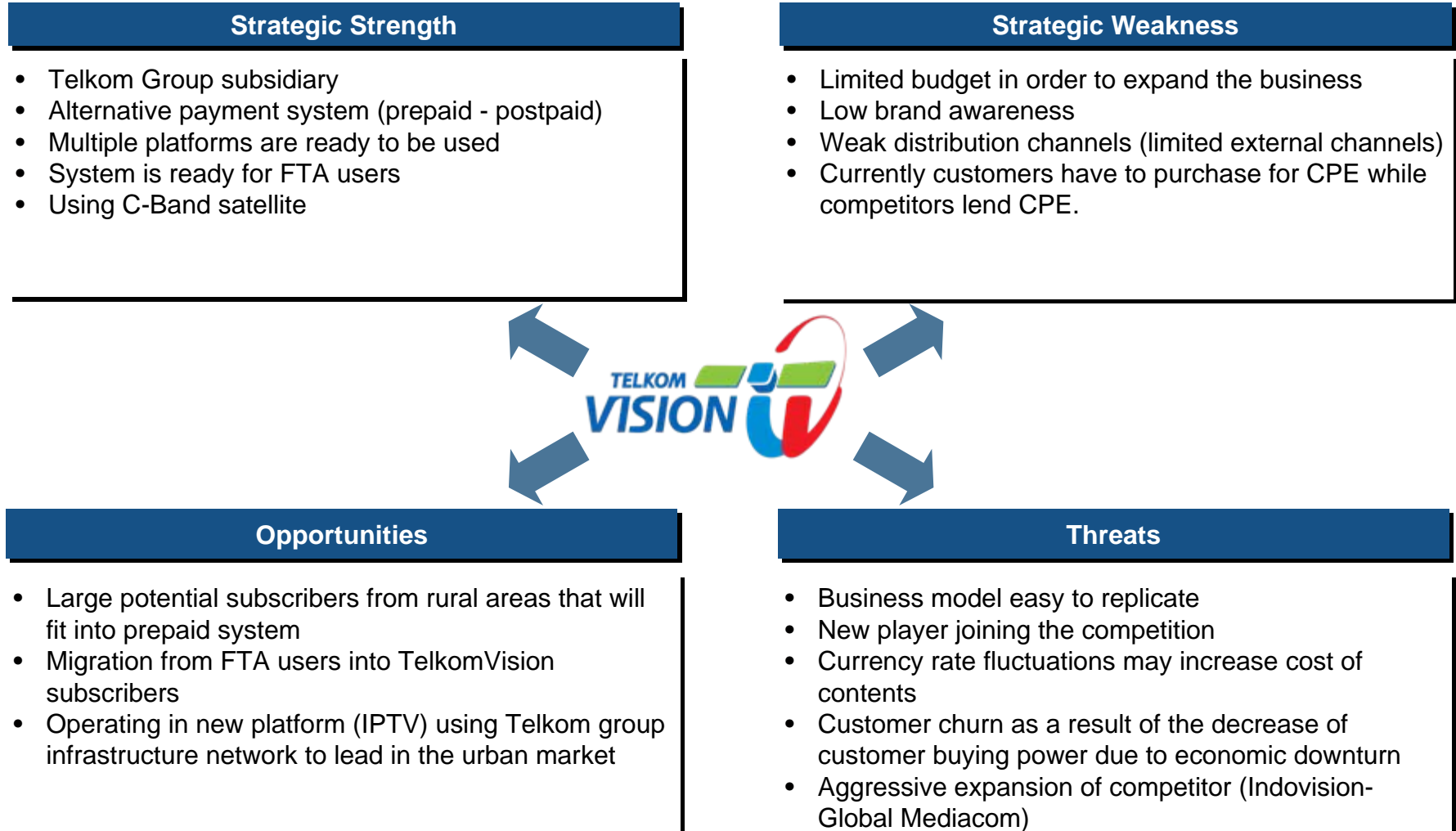
Total TV Households in Indonesia



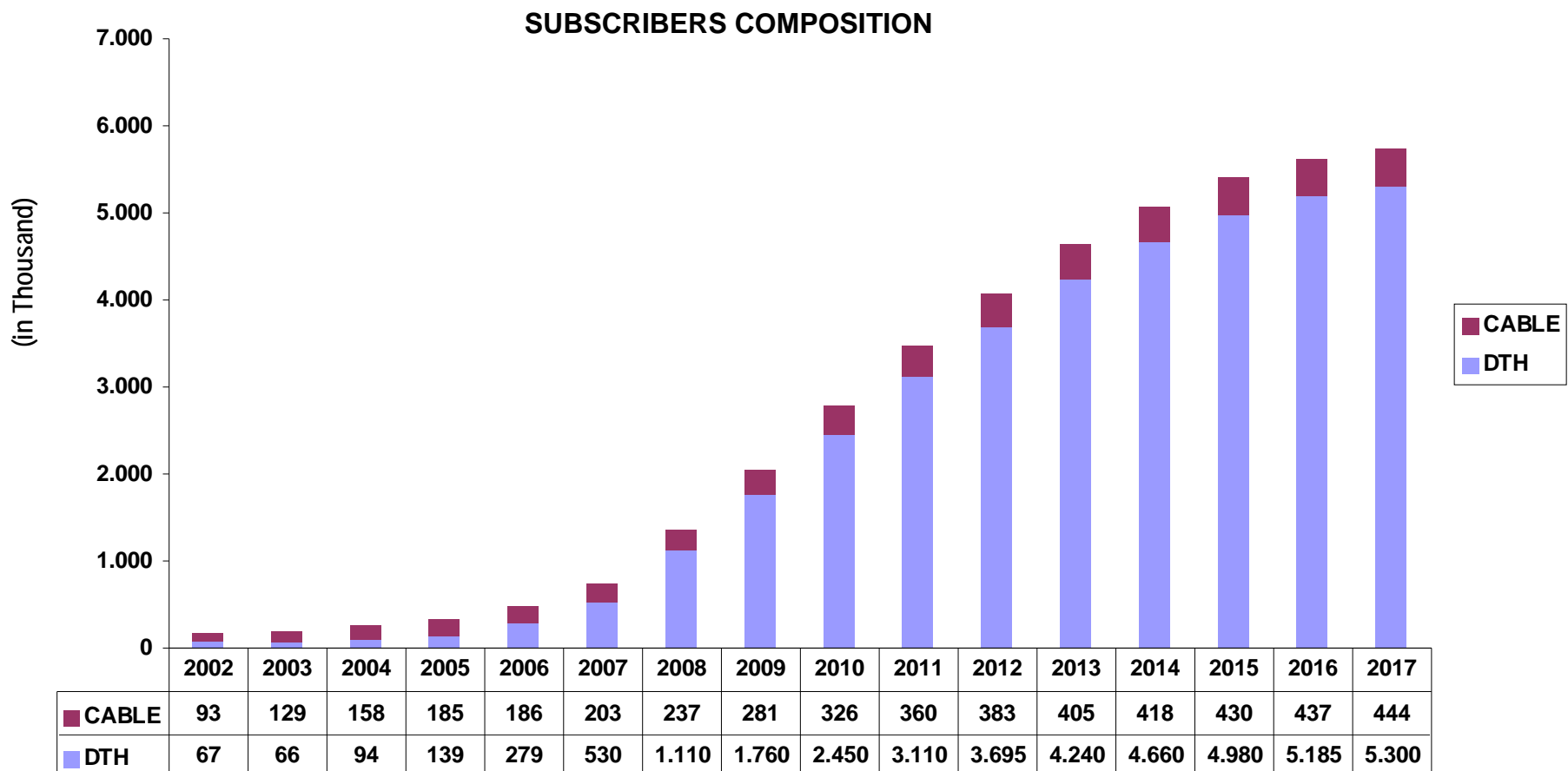
- There are a total of **45 million TV households**, is **still less than 1 million total payTV subscribers (penetration less than 2%)**
- There is a **potential market capture of 15 million subscribers**, which lies in the “Greenfield Market” (potential non-PayTV users) and FTA Dish Users
- TELKOMVision has the greatest advantage of capturing the **potential 12 million FTA dish users**, since these users also operate on C-band. By only trading-in their current set-top boxes and with minimum configuration changes, these users can subscribe to TELKOMVision products.
- TELKOMVision is the only payTV operator in Indonesia which provides pre-paid services, resulting in a strong customer base in rural areas

Source: AC Nielsen

TELKOMVision's critical strategic weakness is in its *cashflow*, which has limited TELKOMVision to act upon its competitive advantages and strategic opportunities



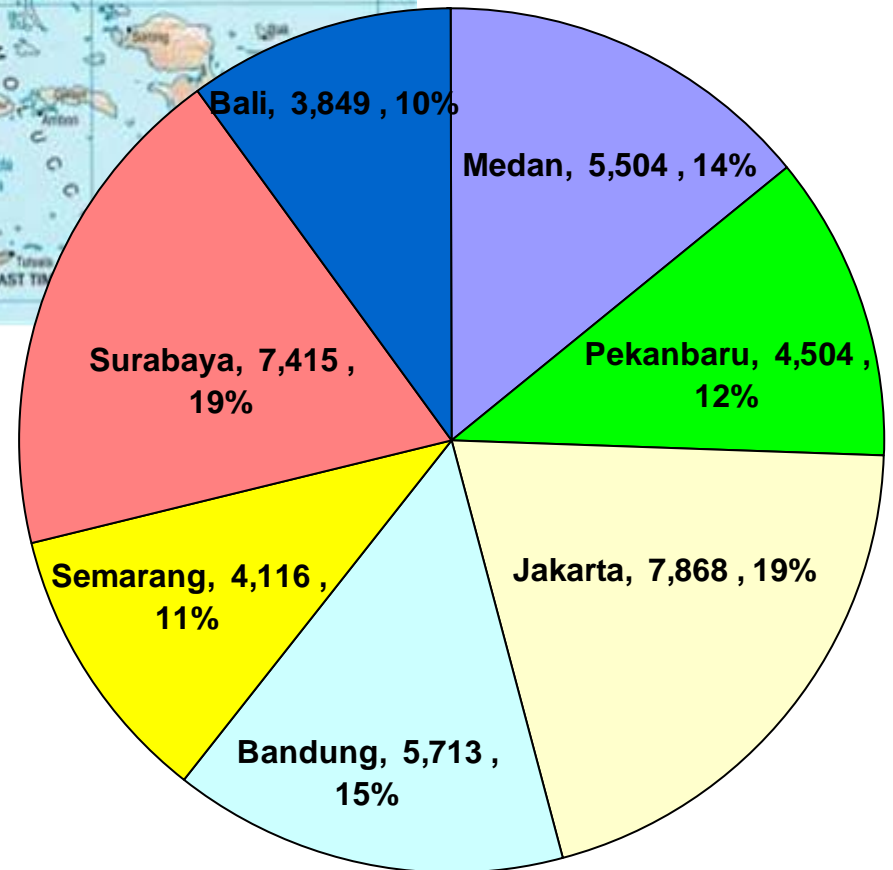
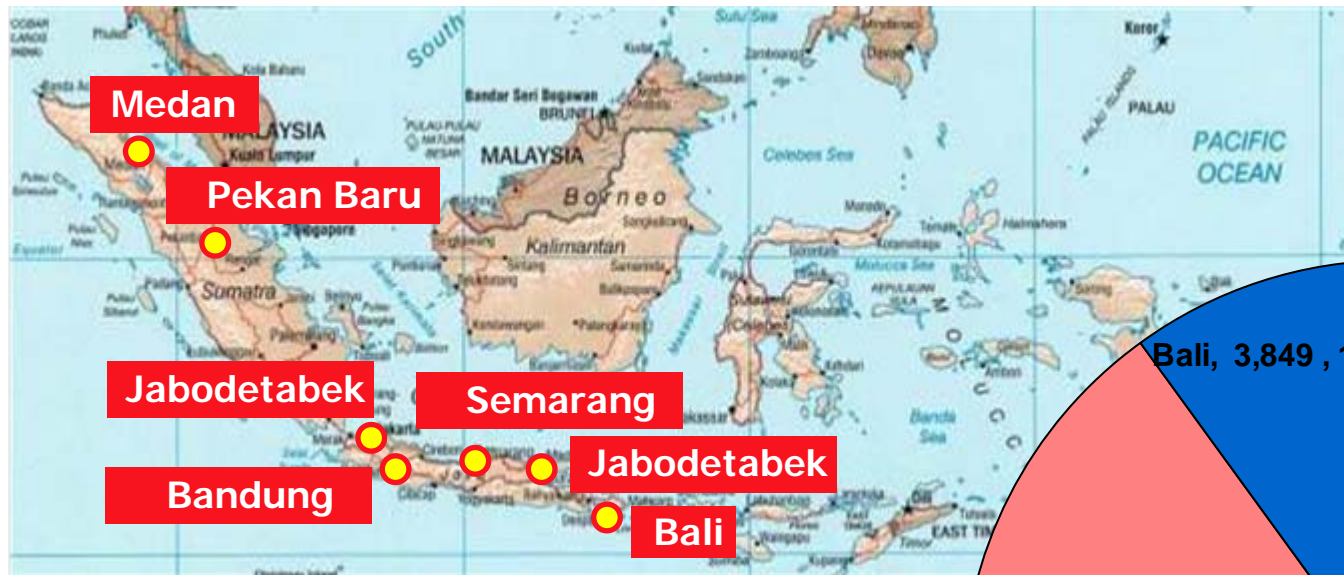
Pay TV Subscribers Growth and Projection 2002 - 2017



Target Sales Projection

| | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|----------------|----------------|----------------|----------------|----------------|
| PayTV subscribers | | | | | |
| DTH Prepaid | 32,516 | 70,242 | 131,041 | 196,235 | 273,359 |
| DTH Postpaid | 3,116 | 41,911 | 129,208 | 223,649 | 321,151 |
| CATV | 39,217 | 46,894 | 53,705 | 60,176 | 66,324 |
| SMATV | 41,955 | 47,945 | 56,992 | 65,585 | 73,750 |
| Local Operator | 93,496 | 126,387 | 162,111 | 196,048 | 228,288 |
| Total | 210,300 | 333,379 | 533,056 | 741,694 | 962,871 |
| New target bundling Speedy-YES TV | | 100,000 | | | |

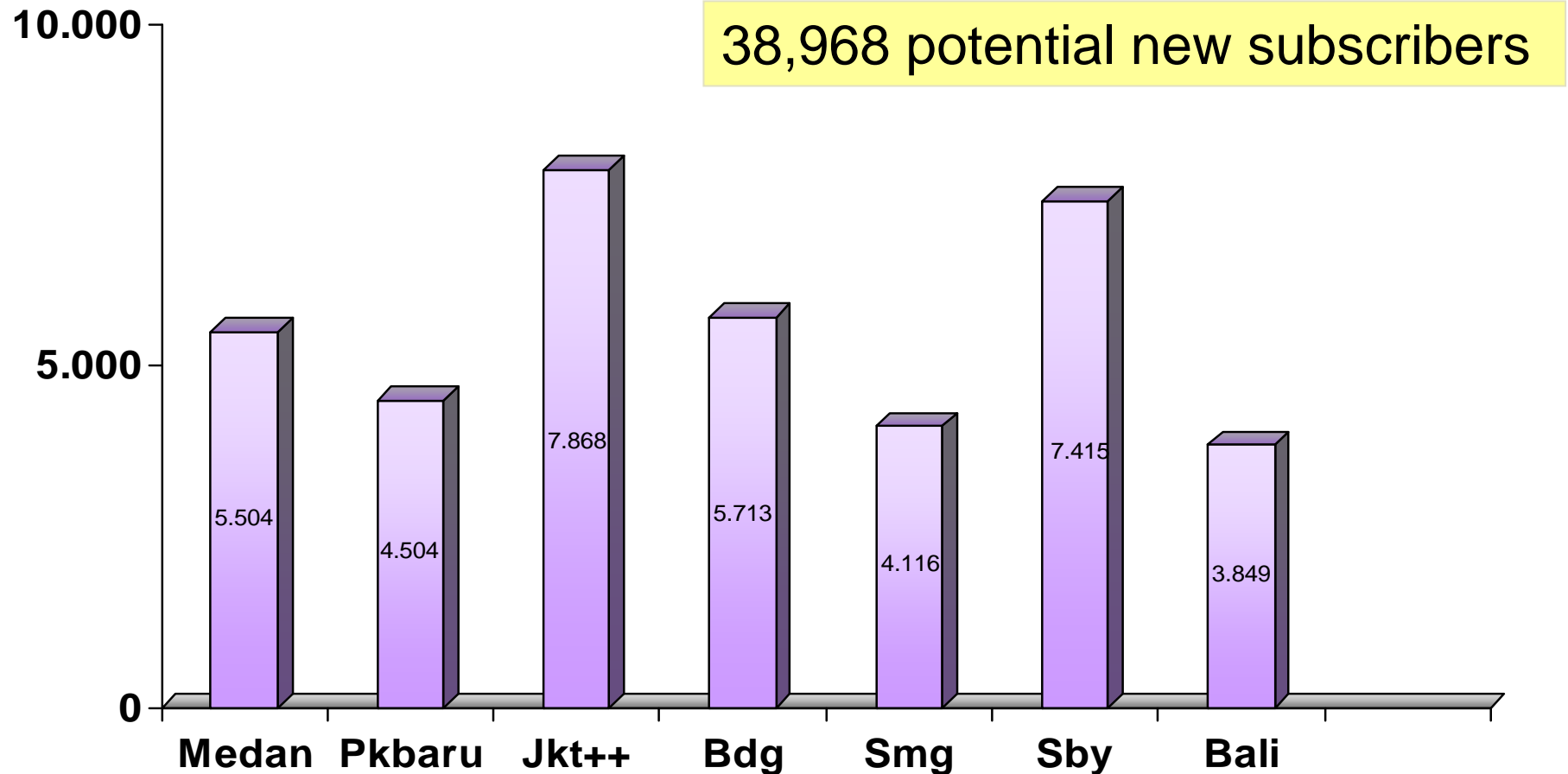
Sales Postpaid Target 2009 in 7 cities



- 54% sales contribution derived from Jakarta, Surabaya & Bandung.
- These 3 cities becomes flag carrier for rest of cities.

Sales Postpaid Target 2009

Subscribers



Targeting 7 (seven) key cities based on rapid market development and lifestyle needs toward entertainment.

2009 Strategic Plan (1)

| | Urban | Rural |
|---|---|---|
| Accelerate Subscriber Growth | <ul style="list-style-type: none"> Focus on post-paid segmented market Increase sales to high ARPU segment, focusing on DTH subscribers, with “mini-dish” | <ul style="list-style-type: none"> Focus on DTH pre-paid segmented market Grab FTA dish users market |
| | <ul style="list-style-type: none"> Allocate more budget to build company brand awareness Develop more aggressive distribution channels (active selling: modern market & door-to-door) Develop second brand to differentiate big dish for rural and small dish for urban - to be launched February 2009 | |
| | <p><i>Cashflow is needed to build company brand awareness and develop aggressive distribution channels in order to accelerate subscriber growth</i></p> | |
| Change Business Model & Product Development | <ul style="list-style-type: none"> CPE lending strategy and periodically eliminate installation fee Roll-out IPTV by primarily targeting Speedy customer base in order to accelerate IPTV sales | <ul style="list-style-type: none"> Develop higher-priced prepaid vouchers with killer content to increase ARPU Seek lower priced CPE to match FTA box |
| | <ul style="list-style-type: none"> Develop differentiated local content (partnership with local production house). Develop product bundling with other Telkom Group products. | |
| | <ul style="list-style-type: none"> <i>CPE lending and installation fee elimination strategy needs to be put into effect</i> <i>IPTV roll-out needs to be completed in order to establish TelkomVision’s position as a multi-platform payTV provider</i> | |

2009 Strategic Plan (2)

| | Urban | Rural |
|--|---|---|
| Content Cost Optimization | <ul style="list-style-type: none"> • Renegotiate with content provider to reduce MG (Minimum Guarantee) • Assess the possibility for terminating or adding contents rights (through ratings) • Look for fresh alternative channels to change current channels with high MG • Explore the possibility for revenue sharing scheme • Enrich local Indonesian educational channels | |
| | <p><i>Escalated content cost is due to rate fluctuation and high MG on several contents. Therefore, content cost optimization strategy needs to be put into effect, which includes MG renegotiation with content providers</i></p> | |
| Distribution Channel & Customer Service | <ul style="list-style-type: none"> • Engage with top 5 banks such as BCA, Bank Mandiri, Niaga, Mega Syariah, BII, RBS for joint promo & sales • Engage with Visa and Mastercard | <ul style="list-style-type: none"> • Engage with BRI & PT POS for it's massive branch in rural area for e-voucher distribution |
| | <ul style="list-style-type: none"> • Expand distribution channel into: Direct sales, Modern market, Telemarketing and CUG • E-Vouchers collaborate with Flexi, Speedy, Telkomsel • Develop and upgrade SMS system, in-house installer, SLG system • Expand Walk in Center & payment points • Expand cooperation with Direct Sales Agency for sales and installation • Develop HR competency development program | |
| <p><i>Targeted subscriber growth will be achieved through aggressive selling by the expansion of distribution channels</i></p> | | |

Business Opportunity

- ▶ Sales Agency
- ▶ Importir CPE
- ▶ Investor jaringan CATV
- ▶ Collecting Agent
- ▶ Dealer Voucher prepaid (fisik & electric)

Promo Activities YES TV



Giant Banner Surabaya



Billboard dikota Semarang



Billboard dikota Semarang



Detik.com



Roadshow YES TV



CARREFOUR being the largest modern is selected as entry point for YES TV

| | |
|-------------------------------------|-------------|
| Outlet Carrefour Jogjakarta | Open |
| Ambarukmo Mall | Maret |
| Outlet Carrefour Surabaya | Open |
| Golden City | April |
| Outlet Carrefour Jabodetabek | Open |
| Lebak Bulus | April |
| MT Haryono | Mei |
| Ambasador | Mei |
| Puri Indah | Mei |
| BSD | June |
| Permata Hijau | June |
| Cempaka Mas | June |



Display Carrefour Lebak Bulus



Carrefour in Puri Indah



Opening New Outlet Golden city mall



Terima Kasih

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