

The background is a composite image. The top half shows a low-angle view of modern glass skyscrapers under a bright sun, with a network of white lines and dots overlaid. A hand holding a smartphone is visible on the left. The bottom half is a red gradient with white wavy lines and silhouettes of communication towers against a cloudy sky.

Investor Presentation PT Solusi Tunas Pratama Tbk

October 2016

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.

STP at a glance

Assets

Top-tier and differentiated asset portfolio:

- **6,404** macro towers and **534** microcell poles with **11,674** tenants
- **2,604 km** fiber optic network
- **39** indoor DAS sites with **80** tenants

Profitability

Attractive
EBITDA margin of **85%**

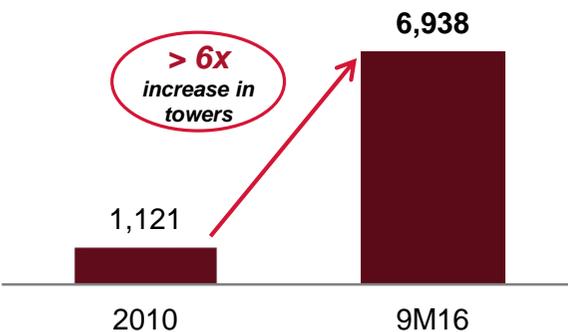
Customers

~88% of revenue from the top-4 telcos¹

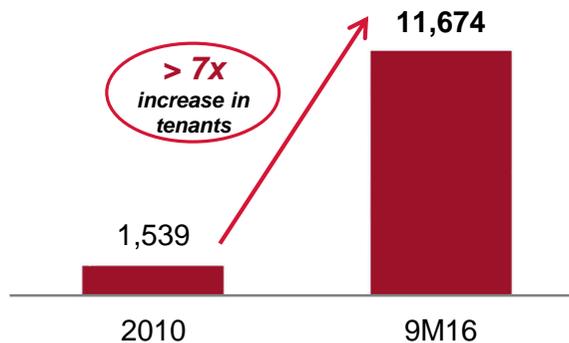


Our execution scorecard

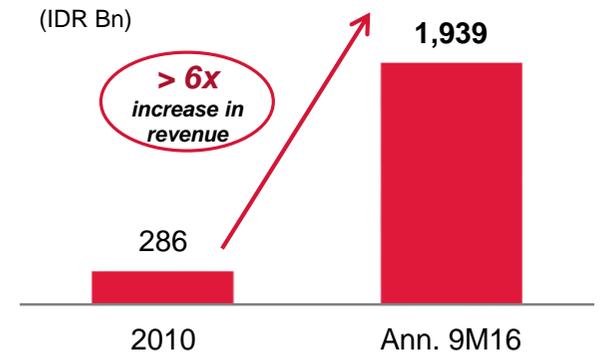
Towers



Tenants



Revenue



Note: ¹Revenues from Telkom Group includes Telkomsel, Mitratel, and resellers with Telkomsel as the end customer

Our key financial and operational highlights for 9M16



1 **9.6% year-on-year increase in 9M16 revenue to IDR 1,454 billion**

2 **Attractive EBITDA margin maintained at 85.4% for the period, with 9M16 EBITDA of IDR 1,241 billion**

3 **Maintain tenancy ratio at 1.68x**

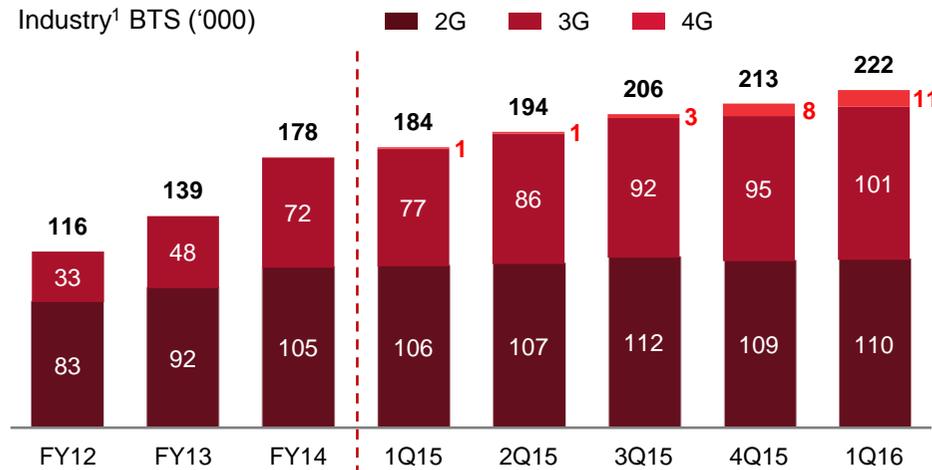
4 **Net debt / LQA EBITDA ratio as of September 30, 2016 decreased to 4.4x from 4.7x as of December 31, 2015**

5 **Maintained strong customer base with ~88% revenue contribution from Indonesia's four largest and most creditworthy mobile telecommunication operators**

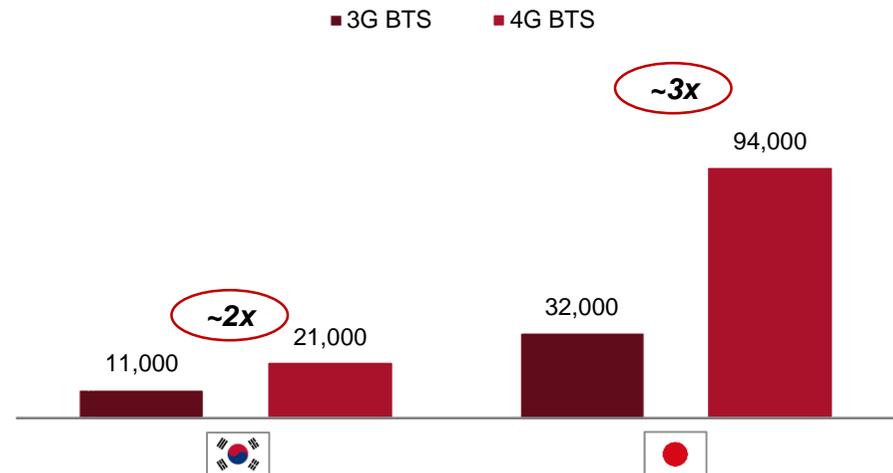
Indonesia's telecom sector is transitioning from 3G to 4G...



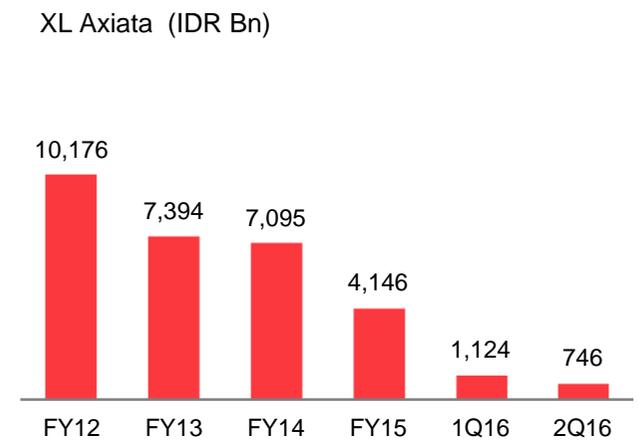
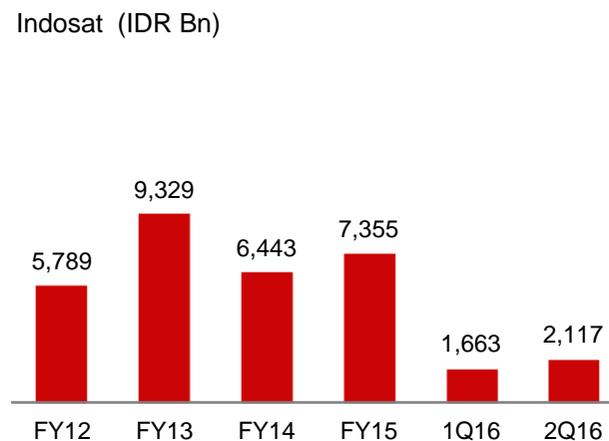
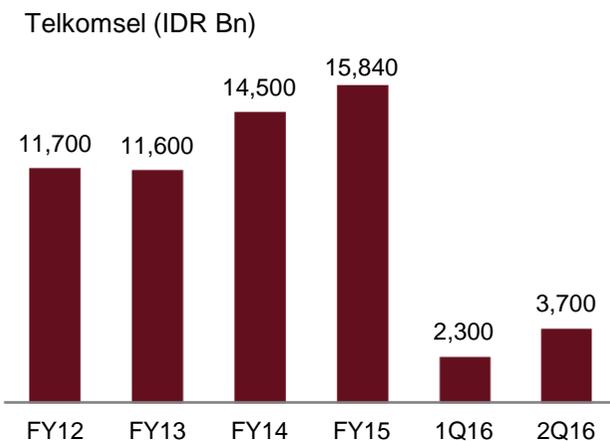
Indonesia's 4G network build out is just beginning



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



2016E capex guidance of IDR12.9Tn

2016E capex guidance of IDR6.5-7.5Tn

2016E capex guidance of IDR6.9Tn

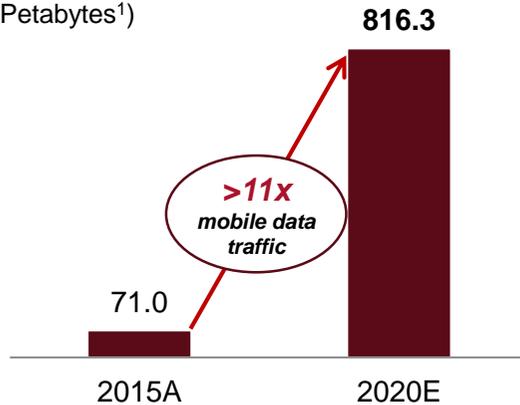
Source: Company filings, Analysys Mason
 Note: ¹ Includes Telkomsel, Indosat and XL Axiata

...as demand for mobile data continues to boom

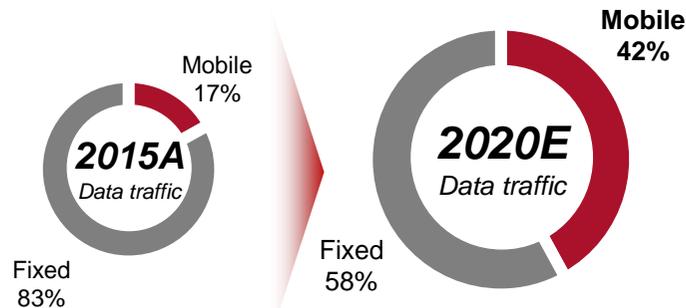
We are only in the first inning of Indonesia's mobile data revolution...

Mobile data traffic is expected to increase 11-fold from 2015 to 2020

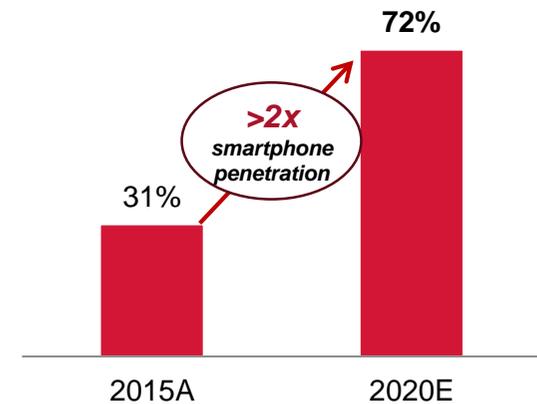
(Petabytes¹)



Mobile is expected to account for 42% of total fixed and mobile data traffic in 2020

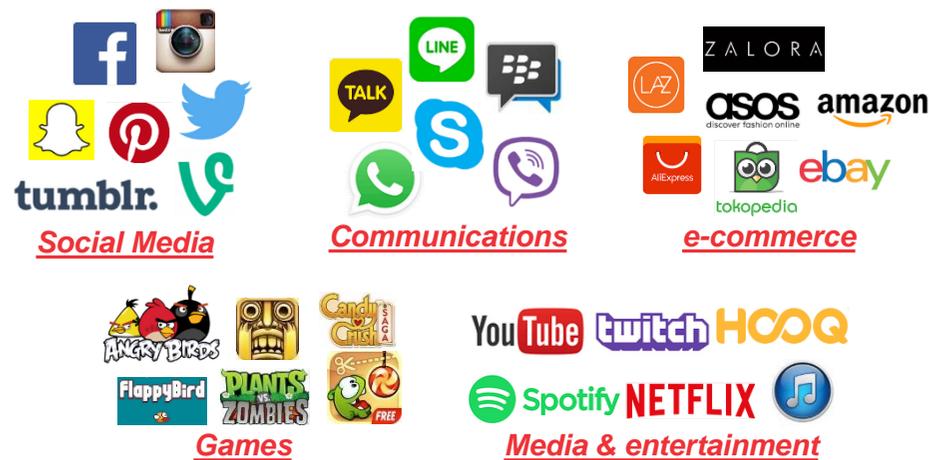


Smartphone penetration is expected to reach 72% by 2020

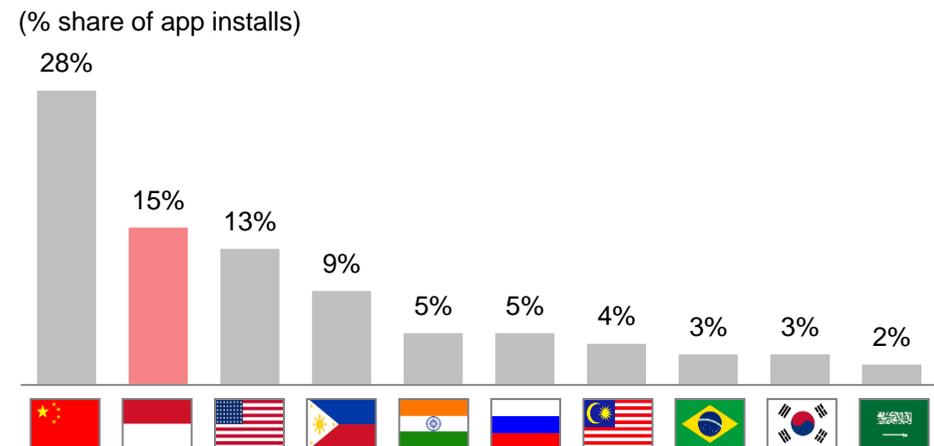


...Driven by an increasingly literate mobile digerati

Emergence of content and apps is transforming the way we live



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

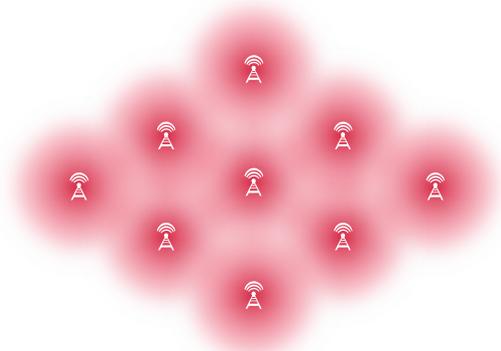


Source: CISCO VNI Mobile Forecast Highlights, 2015-2020, IDC, InMobi – The State of App Downloads and Monetization Report: Global 2015, BMI Research – Indonesia Telecommunications Report Q3 2016
 Note: ¹ A petabyte (PB) is 10¹⁵ bytes of data, 1,000 terabytes (TB) or 1,000,000 gigabytes (GB)

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

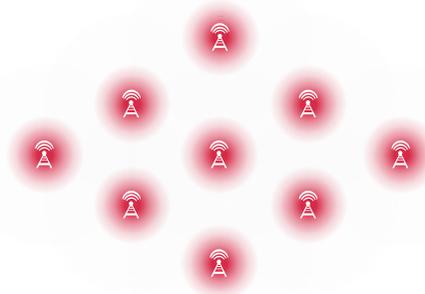


Initial 3G rollout



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

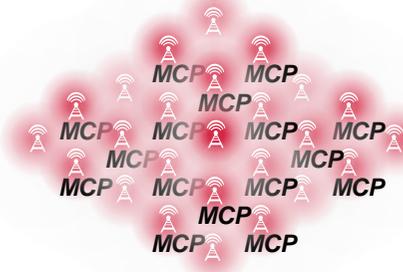
Increase in data usage narrowing transmission radius of existing towers



- 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

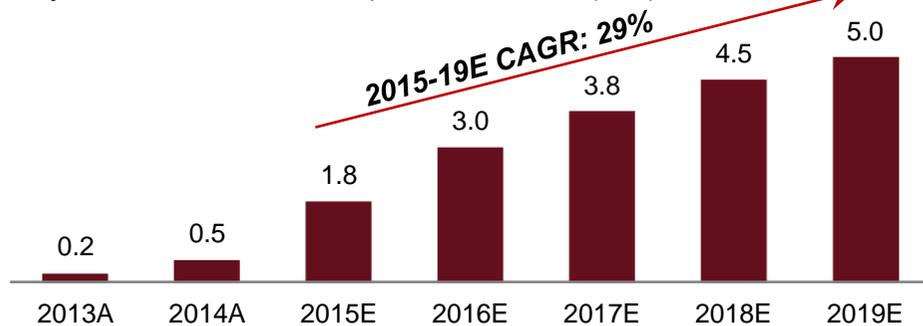
"MCP" = Microcell pole and supporting fiber backhaul



- 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

Projected number of microcell poles in Indonesia ('000)



Source: Analysys Mason

- 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

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



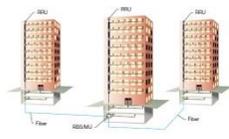
Our product and service offerings



Macro towers



Microcell poles (hybrid)



DAS



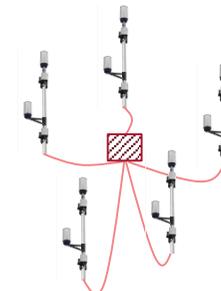
Shelter sites



Microcell poles (hybrid)



Fiber optic backhaul



BTS hotel



Data network services

Business model

- 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



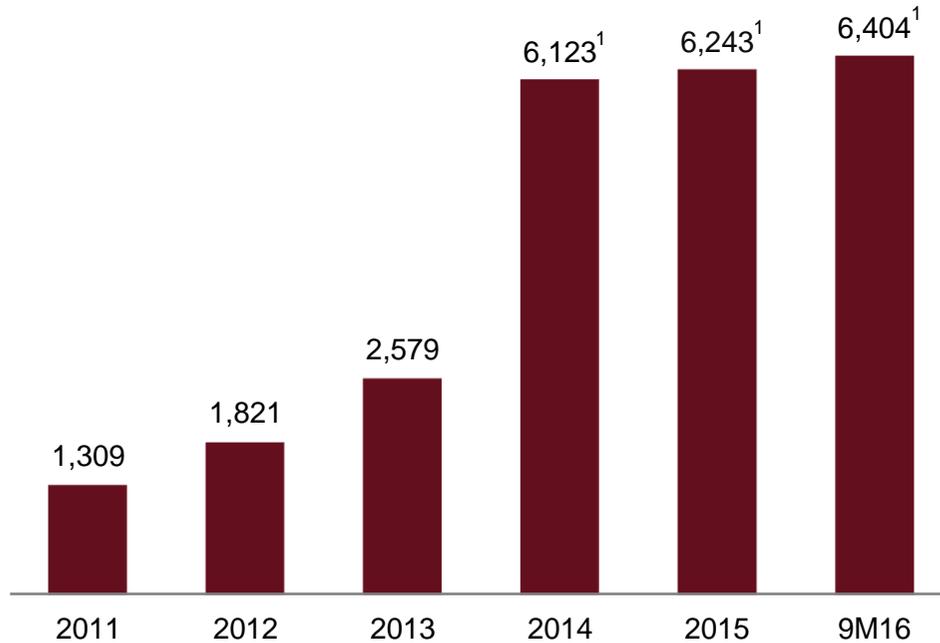
- Push towards allowing active infrastructure sharing

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

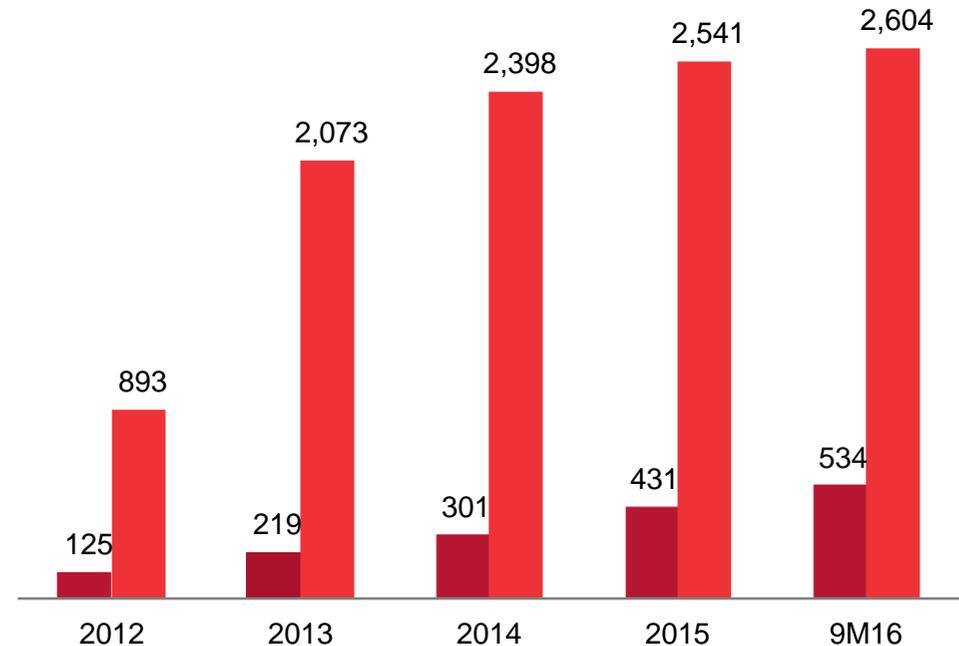
We are the most LTE ready tower operator with a consistently growing and diverse asset portfolio



Macro towers



Fiber-related assets



■ Microcell poles ■ Fiber (km)

- Revenue source: Lease space
- EBITDA margin: >85%

- Revenue source: Lease space and capacity
- EBITDA margin: >85%
- Investment in fiber: ~IDR500Bn²

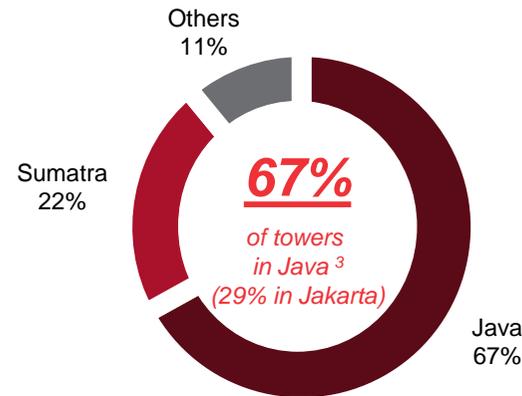
Note: ¹ Excluding towers with Bakrie Telecom as the single tenant; ² Excluding microcell

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

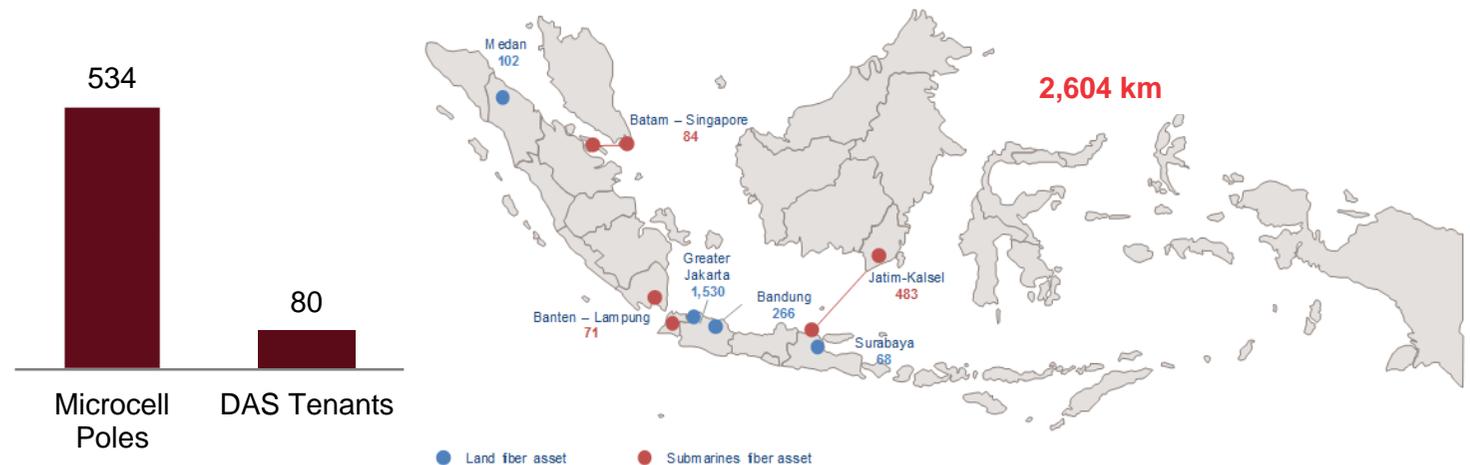


- First listed TowerCo in Indonesia to:
 - Obtain license to lease out space on microcell poles (20-year contract)
 - Possess fiber optics backbone to connect microcell poles (~1,500km in Greater Jakarta area alone) to support aggressive urban 3G / LTE rollout by mobile telecommunication operators
- Highly concentrated fiber optics coverage that reaches across 6 million premises in Jakarta, able to support growing data traffic demand
- 9.7% of 9M16 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

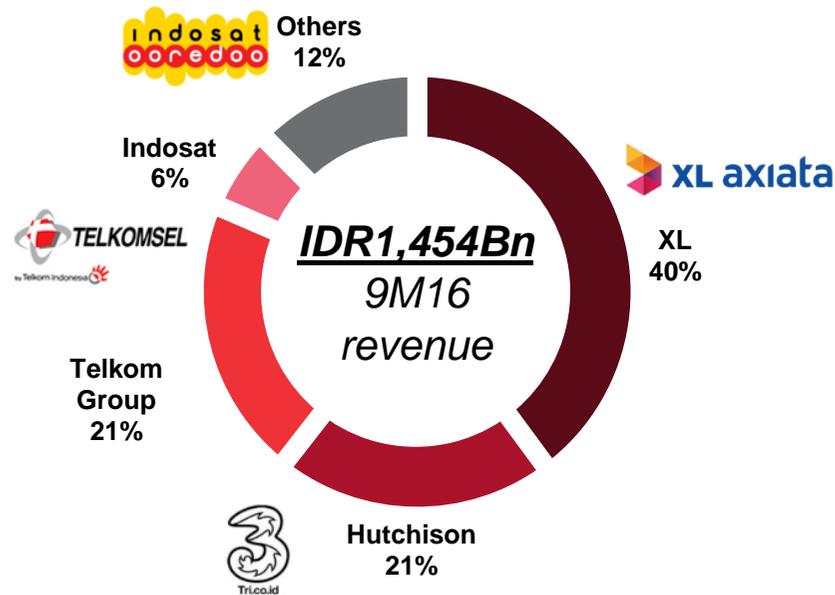


Note: ¹ N/A denotes data not available; ² Assumes all DAS are Repeaters with single tenant; ³ Java includes both Java and Bali Island as well as Greater Jakarta

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

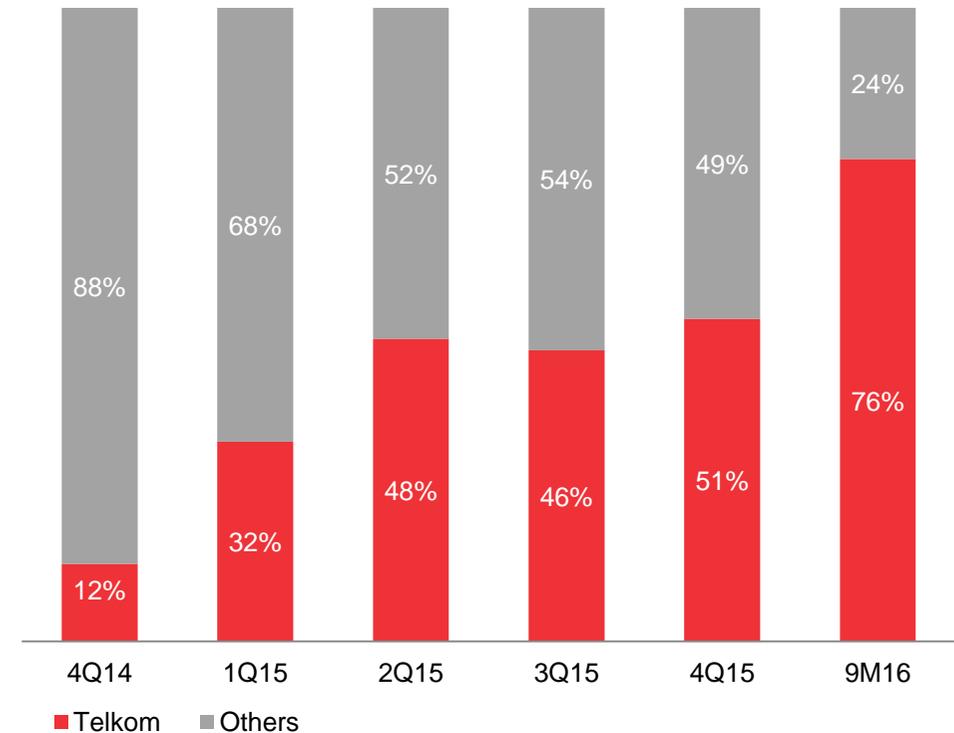


Breakdown of 9M16 revenue contribution by operator



~88% of revenue from big-4 telcos

We continue to grow our Telkom tenancies quickly



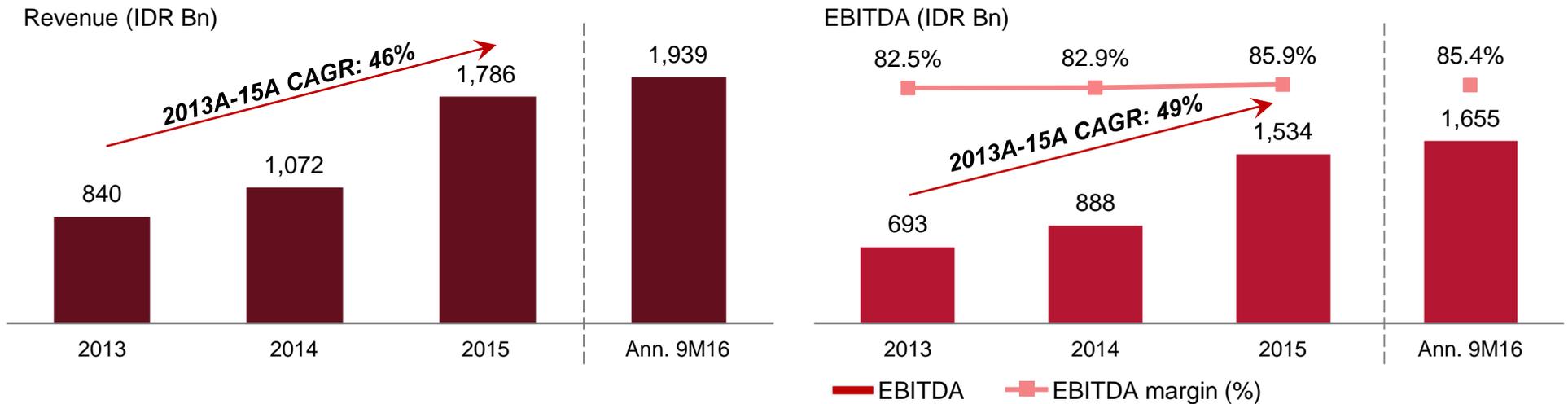
- Principal customers consist of Indonesia's four largest and most creditworthy mobile telecommunication operators which accounted for ~88% of 9M16 revenue
- Tenancy orders growing quickly from Telkom Group
- Our lease rates are fully reflective of current market conditions and approx. 100% of our leases are IDR-denominated¹
- 88% of total tenancies are due for renewal from 2020 and beyond

Note: ¹ Approx. US\$3MM of annual revenues are USD-denominated

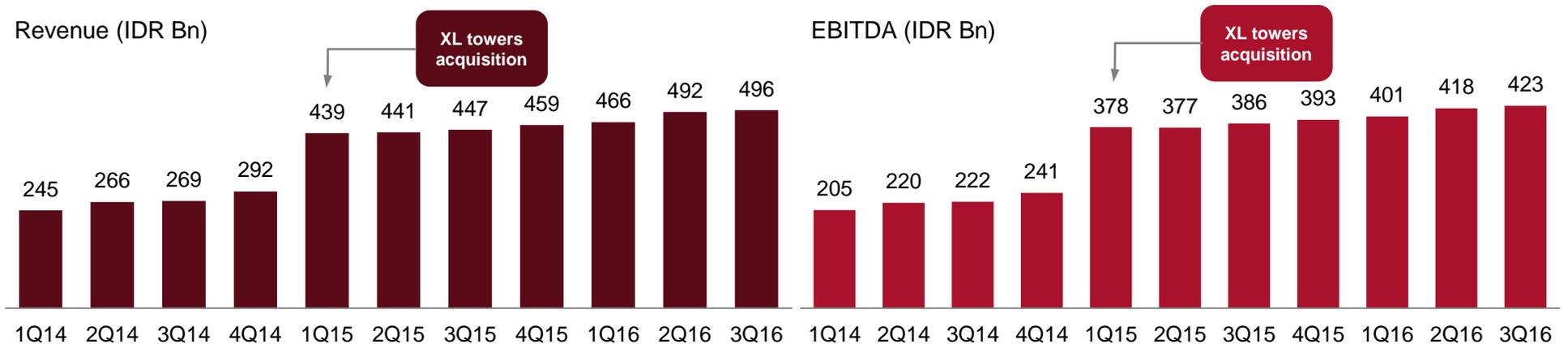
We have delivered consistent growth with industry-leading profitability metrics



Strong growth trajectory with industry-leading profitability metrics



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

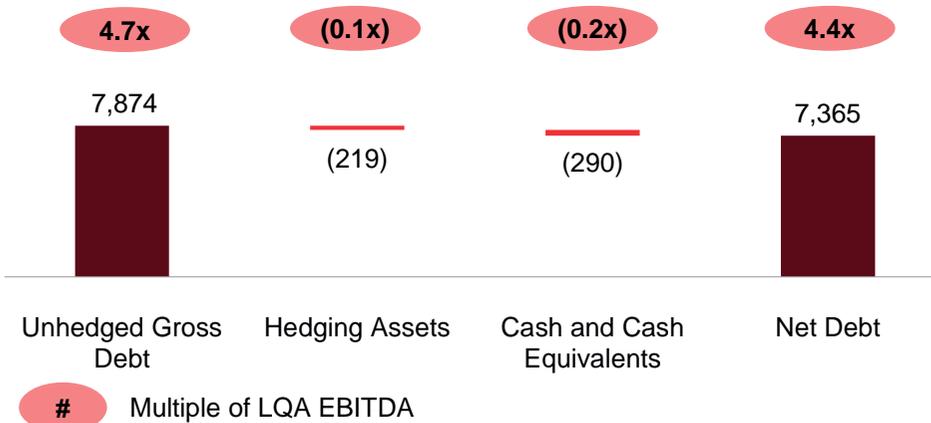


Commitment to deleveraging with no near term debt maturities

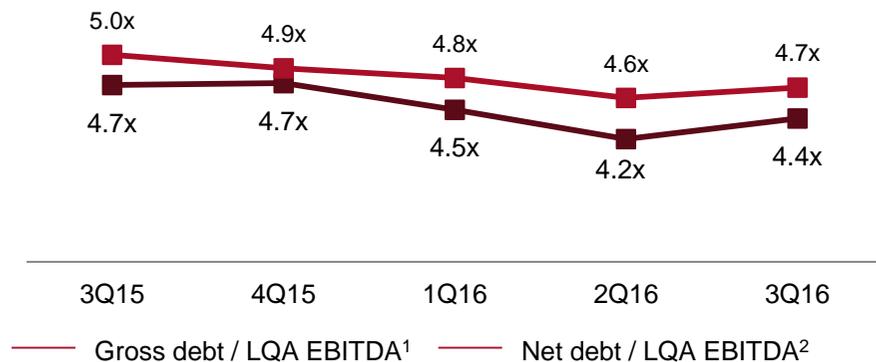


3Q16 Net Debt Build-Up

IDR Bn



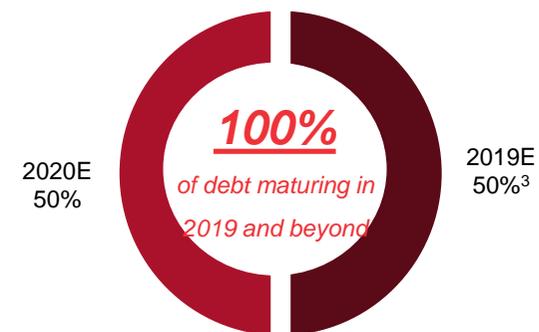
De-leveraging profile



We have disciplined risk management policy

- Hedging policy in place to safeguard against FX and interest rate risk
- 89% of all outstanding debt hedged against the interest rate fluctuation risk
- 87% of all outstanding debt is USD denominated, of which:
 - 100% is hedged against FX risk for principal
 - 57% is hedged against FX risk for interest

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; ³ Fully refinanced 2015 syndicated loan which consists of USD 225 million term loan, IDR 1,050 billion term loan and IDR 580 billion revolving facilities



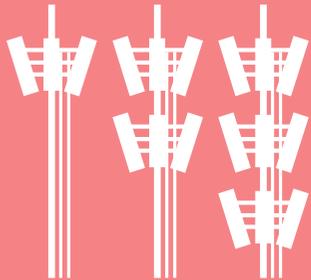
***Appendix A
Growth
Strategy***



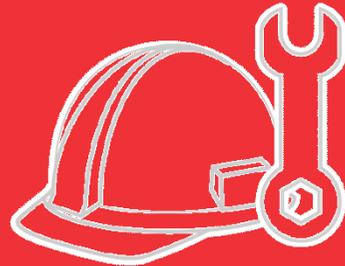
We execute our strategy by executing our 4 pillars of growth



CONTINUED
COLOCATION
ON EXISTING
PORTFOLIO



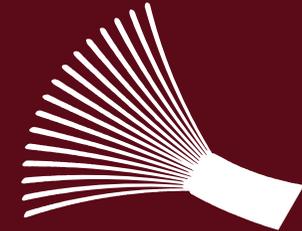
PRUDENT & SELECTIVE
BUILD-TO-SUIT
ROLLOUT



DISCIPLINED
APPROACH TO
M&A-DRIVEN
GROWTH



EXPANSION OF
DATA
NETWORK/LTE
INFRASTRUCTURE
SERVICES



A large, central graphic consisting of a solid red circle with a dotted red border. Inside the solid circle are several overlapping, curved grey bands that create a dynamic, swirling effect. A horizontal red line with a small circle at its left end extends from the left edge of the solid red circle.

***Appendix B
Summary
Financials***



Income statement



Income statement (in IDR millions, unless otherwise specified)

(in IDR millions)	2013 (Audited)	2014 (Audited)	2015 (Audited)	9M2015 (Unaudited)	9M2016 (Unaudited)
Revenue	840,097	1,071,929	1,785,853	1,326,716	1,453,931
Cost of Revenue					
Depreciation and Amortization	(103,818)	(117,791)	(186,766)	(137,025)	(167,246)
Other Cost of Revenues	(70,809)	(90,841)	(137,331)	(91,700)	(102,190)
Total	(174,627)	(208,632)	(324,097)	(228,725)	(269,436)
Gross Profit	665,469	863,297	1,461,756	1,097,991	1,184,495
<i>Gross Profit Margin (%)</i>	79.2%	80.5%	81.9%	82.8%	81.5%
Operating Expenses					
Depreciation and Amortization	(7,634)	(10,217)	(16,279)	(11,726)	(16,749)
Other Operating Expenses	(76,146)	(92,930)	(114,782)	(94,569)	(110,523)
Total	(83,780)	(103,147)	(131,061)	(106,295)	(127,272)
Operating Profit	581,689	760,150	1,330,695	991,696	1,057,223
<i>Operating Profit Margin (%)</i>	69.2%	70.9%	74.5%	74.7%	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	26,927	14,115
Financial Charges	(285,456)	(440,086)	(1,035,031)	(738,401)	(749,138)
Others – Net	(132,170)	(460,166)	(88,601)	(122,289)	58,885
Profit (Loss) Before Tax	268,128	(507,884)	242,015	201,626	381,085
Income Tax Benefits (Expenses)	(70,519)	127,840	(105,140)	(61,244)	(111,927)
Profit (Loss) for the Period	197,609	(380,044)	136,875	140,382	269,158
Attributable to:					
- Owners of the Parent	197,596	(380,044)	136,875	140,382	269,158
- Non-controlling Interest	14	-	-	-	-

Source: Company filings

Statements of financial position (Assets)



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

(in IDR millions)	2013 (Audited)	2014 (Audited)	2015 (Audited)	9M2016 (Unaudited)
Current Assets				
Cash and Cash Equivalents	525,226	1,318,888	229,325	289,466
Trade Receivables – Third Parties	193,888	100,415	279,237	233,350
Other Current Financial Assets	240,593	132,796	246,478	432,099
Inventory	51,095	70,458	54,644	44,311
Prepaid Taxes	224,302	742,199	730,279	691,602
Advances and Prepaid Expenses	134,366	144,938	277,609	267,652
Total Current Assets	1,369,470	2,509,694	1,817,572	1,958,480
Non-Current Assets				
Prepaid Expenses – Net of Current Portion	303,097	476,320	503,945	573,583
Investment Property	3,783,891	9,304,749	9,542,252	9,782,400
Property and Equipment	345,319	479,036	525,836	544,335
Intangible Assets	129,303	124,417	119,532	123,144
Deferred Tax Assets	-	-	-	242
Other Non-Current Financial Assets	379,793	484	1,229,610	106,091
Total Non-Current Assets	4,941,403	10,385,006	11,921,175	11,129,795
Total Assets	6,310,873	12,894,700	13,738,747	13,088,275

Source: Company filings

Statements of financial position (Liabilities)



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

(in IDR millions)	2013 (Audited)	2014 (Audited)	2015 (Audited)	9M2016 (Unaudited)
Current Liabilities				
Trade Payables				
- Related Party	18,007	3,562	293	5,365
- Third Parties	17,120	29,012	31,684	18,158
Other Current Financial Liabilities	209	8,450	523	295
Taxes Payable	5,306	11,343	32,857	7,938
Accruals	102,672	116,339	211,919	199,010
Deferred Income	110,215	565,129	250,459	410,638
Short-Term Bank Loan	-	1,741,600	-	-
Current Portion of Long-Term Bank Loan	308,485	3,732,000	304,180	-
Total Current Liabilities	562,014	6,207,435	831,915	641,404
Non-Current Liabilities				
Long-Term Loan	2,656,440	4,153,169	3,754,404	3,730,653
Long-Term Notes	-	-	4,056,000	3,832,875
Due to Related Party – Non-Trade	471,243	471,243	-	-
Deferred Tax Liabilities	318,876	187,384	264,041	351,598
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	7,933,896
Total Liabilities	4,016,399	11,032,023	8,924,211	8,575,300

Source: Company filings

Statements of financial position (Equity)



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

(in IDR millions)	2013 (Audited)	2014 (Audited)	2015 (Audited)	9M2016 (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	959,642
Other Comprehensive Income	51,462	(18)	420,799	(149,920)
Total Equity Attributable To:				
- Owners of the Parent	2,294,474	1,862,677	4,814,536	4,512,975
- Non-controlling Interest	-	-	-	-
Total Equity	2,294,474	1,862,677	4,814,536	4,512,975
Total Liabilities And Equity	6,310,873	12,894,700	13,738,747	13,088,275

Source: Company filings

Statements of Cash Flows



Statements of Cash Flows (in IDR millions)

(in IDR millions)	2013 (Audited)	2014 (Audited)	2015 (Audited)	9M2016 (Unaudited)
Cash Flows from Operating activities				
Cash Received from Customers	603,107	1,432,225	1,201,587	1,462,101
Payment to Suppliers and Opex	(371,175)	(740,265)	(215,098)	(215,761)
Interest Received	12,401	15,784	31,342	14,115
Tax Payment	(58,660)	(33,731)	(50,418)	2,894
Net Cash provided by operating	185,673	674,013	967,413	1,263,349
Cash Flows from Investing activities				
Property and Equipment acquisition-net	(181,791)	(161,375)	(92,682)	(65,946)
Prepayment for Ground lease	(168,616)	(247,332)	(209,993)	(156,677)
Investment property – net	(1,402,830)	(5,884,799)	(292,856)	(199,457)
Advances for construction	--	(8,681)	(48,388)	(6,422)
Others	(13)	--	(20,000)	25,094
Net Cash used in investing	(1,753,250)	(6,302,187)	(663,919)	(403,408)
Cash Flows from Financing activities				
Net Proceeds from exercise of Limited Public offering II	--	--	1,931,016	--
Proceeds from Exercise of Warrant serie I	284,590	355	172	--
Financing transactions	1,836,130	6,906,903	(6,107,864)	(14,018)
Proceeds from Bond issuance	--	--	3,859,800	--
Payment of financial charges	(336,037)	(498,368)	(1,072,118)	(784,604)
Others	44,858	11,404	--	--
Net cash flows from financing	1,829,541	6,420,294	(1,388,994)	(798,622)
Net (decrease) increase in cash	261,964	792,120	(1,085,500)	61,319
Effect of forex difference on cash	(64)	1,542	(4,063)	(1,178)
Cash and cash equivalent at beginning of year	263,326	525,226	1,318,888	229,325
Cash and cash equivalent at end of year	525,226	1,318,888	229,325	289,466