

# Public Expose



PT Excelcomindo Pratama Tbk.

## Initial Public Offering

**5 September 2005**

**Lead Underwriters**



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## Section 1 : Corporate Profile

# Vision and Mission



## Vision and Mission



### Vision

To become the preferred provider in the information and telecommunication industry for the corporate and retail sector in Indonesia

### Mission

To provide the best service to customers including products, customer service, technology and value for money

## Values



### *Service*

Committed to providing the best service to customers by delivering quality products, superior infrastructure, effective technology and knowledge sharing



### *Integrity*

Integrity is always the basis of all decision making

### *Respect*

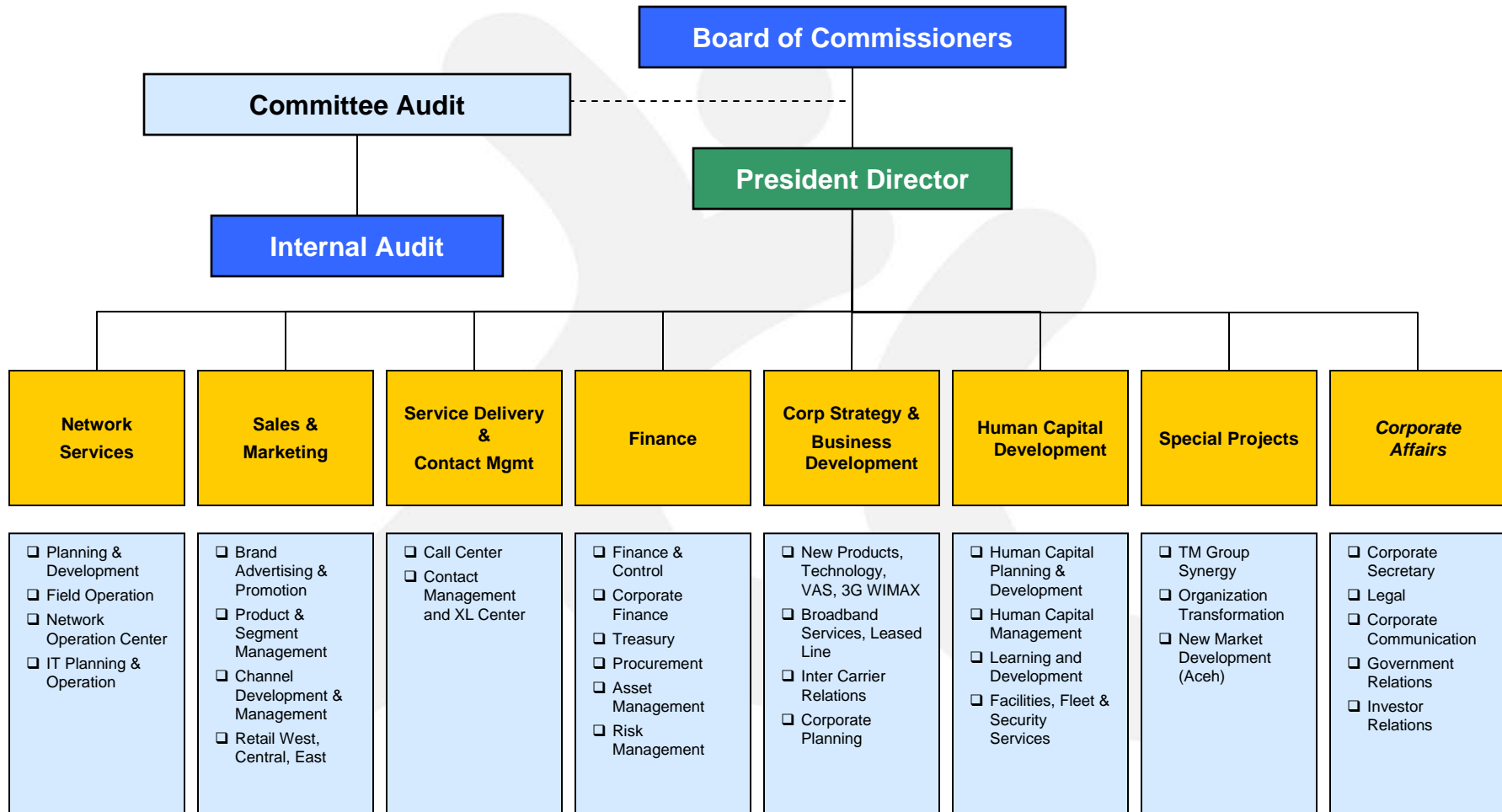
Respect each other and therefore we can truly respect customers, business partners, vendors and our competitors



### *Care*

Care for the quality of our human capital, products, services and infrastructure, ensure our consistency to be always better than our competitors

# Organizational Structure



# Dewan Komisaris XL



**Peter Sondakh**  
President Commissioner

- Since 1996
- Rajawali Group



**Ybhg Dato' Abdul Wahid bin Omar**  
Commissioner

- Since January 2005
- President Director Telekom Malaysia Berhad



**Bazlan bin Osman**  
Commissioner

- Since January 2005
- CFO Telekom Malaysia Group



**Gerald Francis Rossi**  
Commissioner

- Since January 2005
- President Director Excelcomindo (1998 - 2005)



**YB Dato' Nur Jazlan bin Tan Sri Mohamed**  
Commissioner

- Since January 2005
- Director Telekom Malaysia Bhd



**Rosli bin Man**  
Commissioner

- Since January 2005
- Director Telekom Malaysia Bhd.



**Lim Lek Suan**  
Commissioner

- Since February 1999
- Managing Director, AIF Capital



**Gen. (Ret) Wismoyo Arismunandar**  
Commissioner

- Since May 2005
- Chief of Army (1993)

**Tjahjono Soerjodibroto**  
Commissioner

- Since September 2005
- President Director PT Indosat Tbk (1991 - 1999)

**Dato' Mohamad Norza Bin Haji Zakaria**  
Commissioner

- Since August 2005
- Political Secretary, Minister of Finance Malaysia



# Dewan Direksi XL



**Christian De Faria**

President Director

- Since January 2005
- CEO TM International (2003 – 2004)



**Jaffa Sany Bin Md Ariffin**

Director (Finance)

- Since May 2005
- CFO Telekom Malaysia Group (2003 – 2005)



**Rudiantara**

Director (Corporate Affairs)

- Since March 2005
- Director Sales & Marketing, Business Solutions (2003 – 2005)



**Joris de Fretes**

Director (Human Capital Development)

- Since November 2003
- General Manager, Human Capital Development (1999 - 2003)



**Mohamad Idris bin Ahmad**

Director (Special Projects)

- Since March 2005
- Head of Corporate Operations (Jan 2005 - Mar 2005)



**Muhammad Buldansyah**

Director (Network Services)

- Since June 2005
- VP - Field Operation Constructions & Logistics (2003 - 2005)



**Md Nasir Ahmad**

Director (Corporate Strategy dan Business Development)

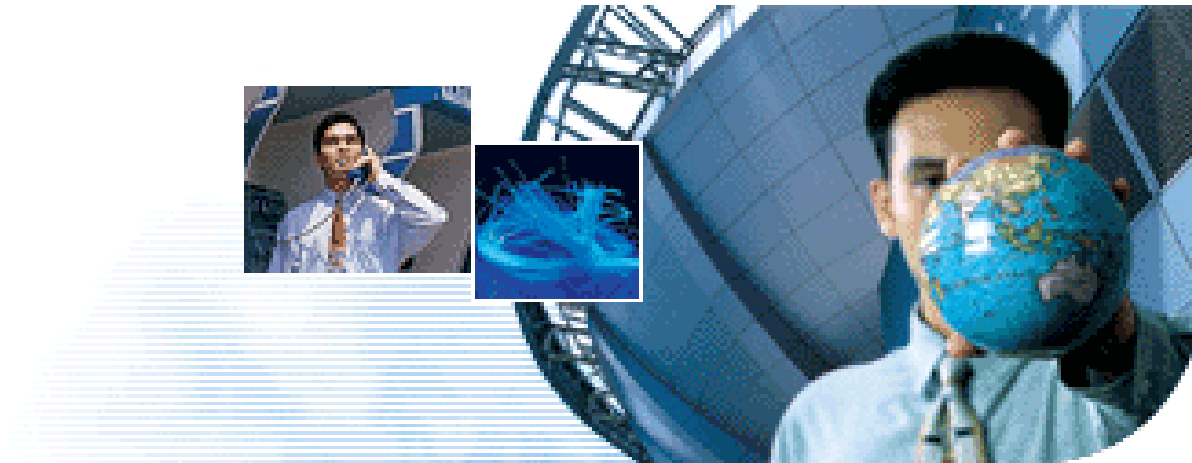
- Since April 2005
- General Manager at Telekom Malaysia (2001 – 2005)



**Paul Nicanor Vijungco Santiago III**

Director (Marketing)

- Since June 2005
- VP at Globe Telecom Inc., Filipina (2002 - 2005)



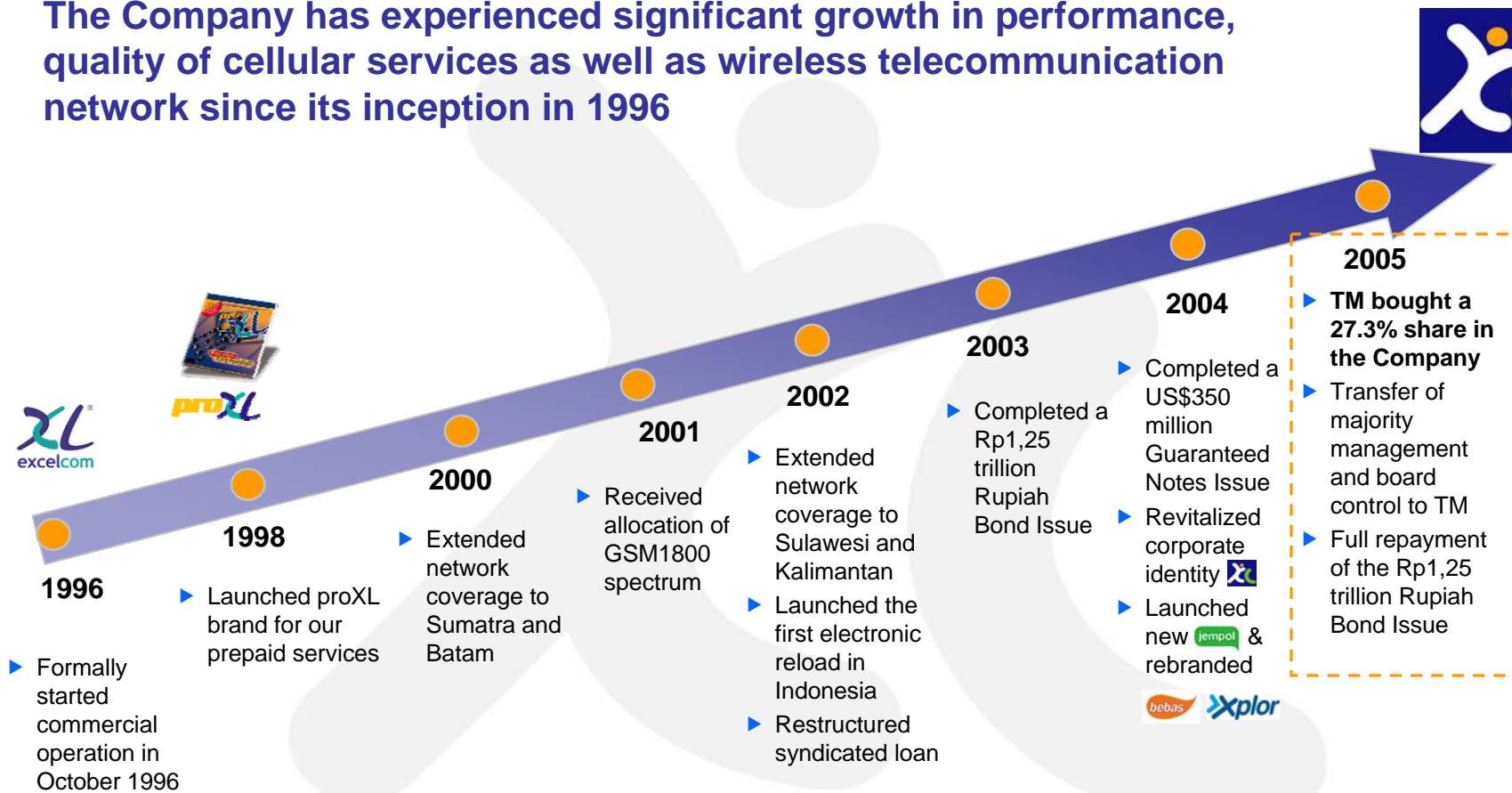
## Section 2 : XL Positioning



# Brief History of XL



The Company has experienced significant growth in performance, quality of cellular services as well as wireless telecommunication network since its inception in 1996

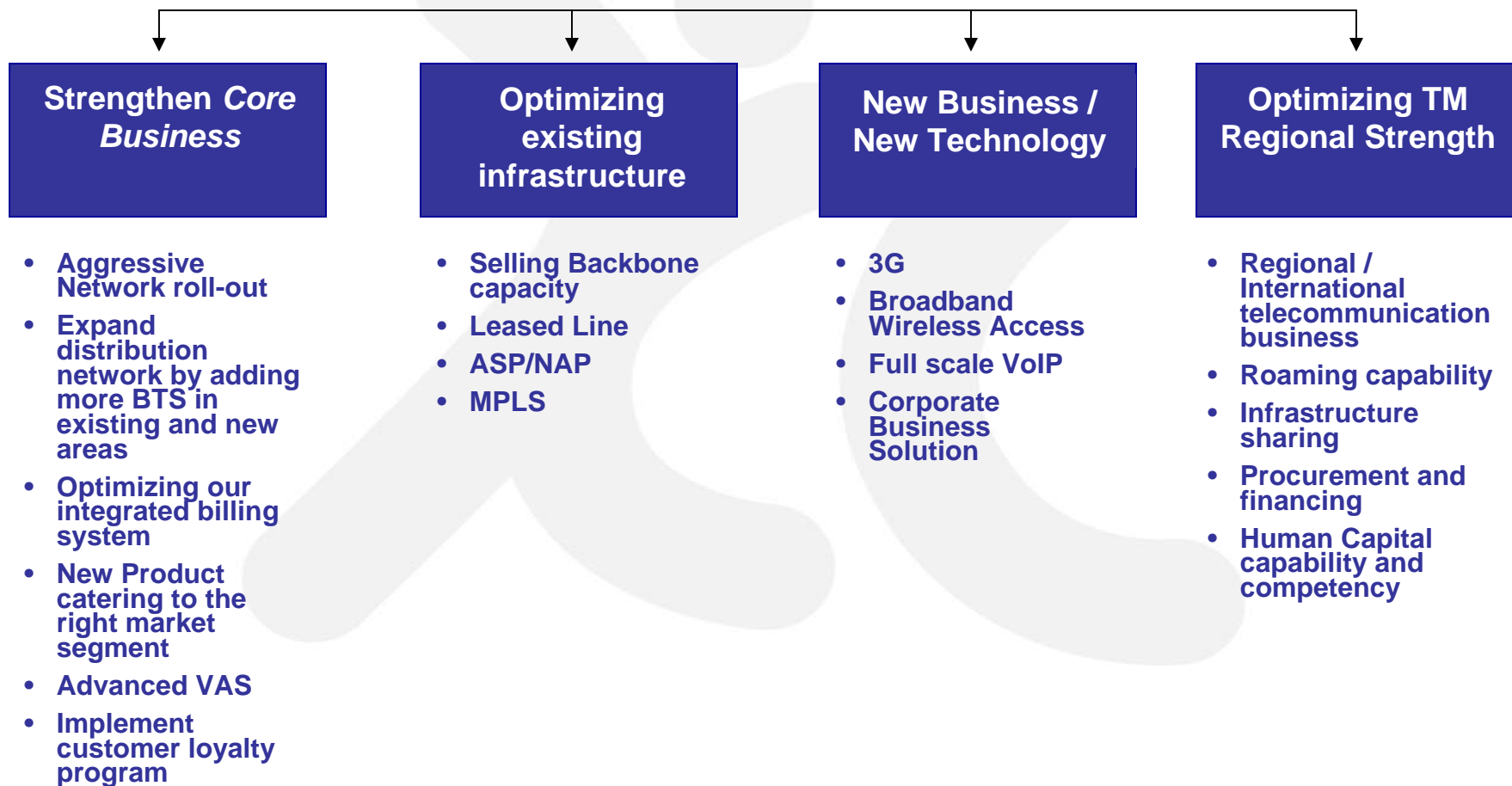




# Business Strategic Initiatives



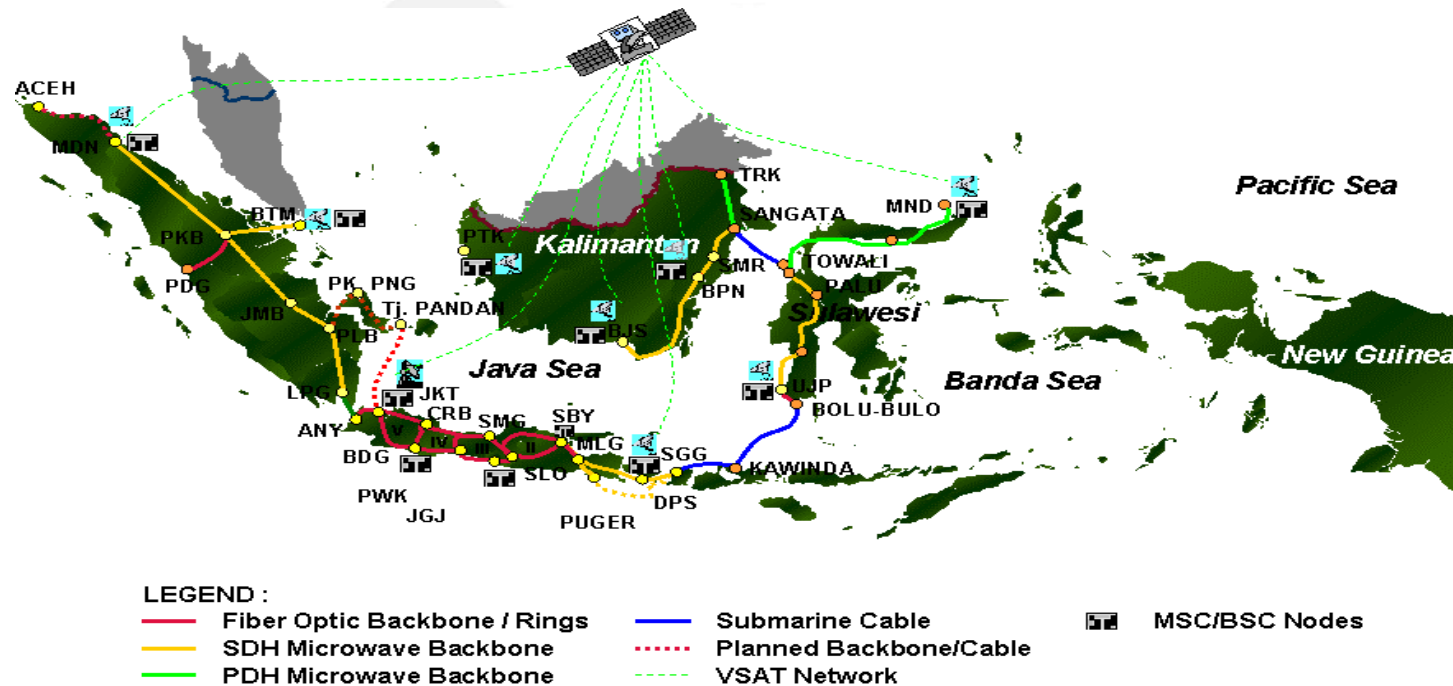
## *Brand Positioning as Common Denominator*



# Company's National Network



The Company owns an extensive national Backbone network



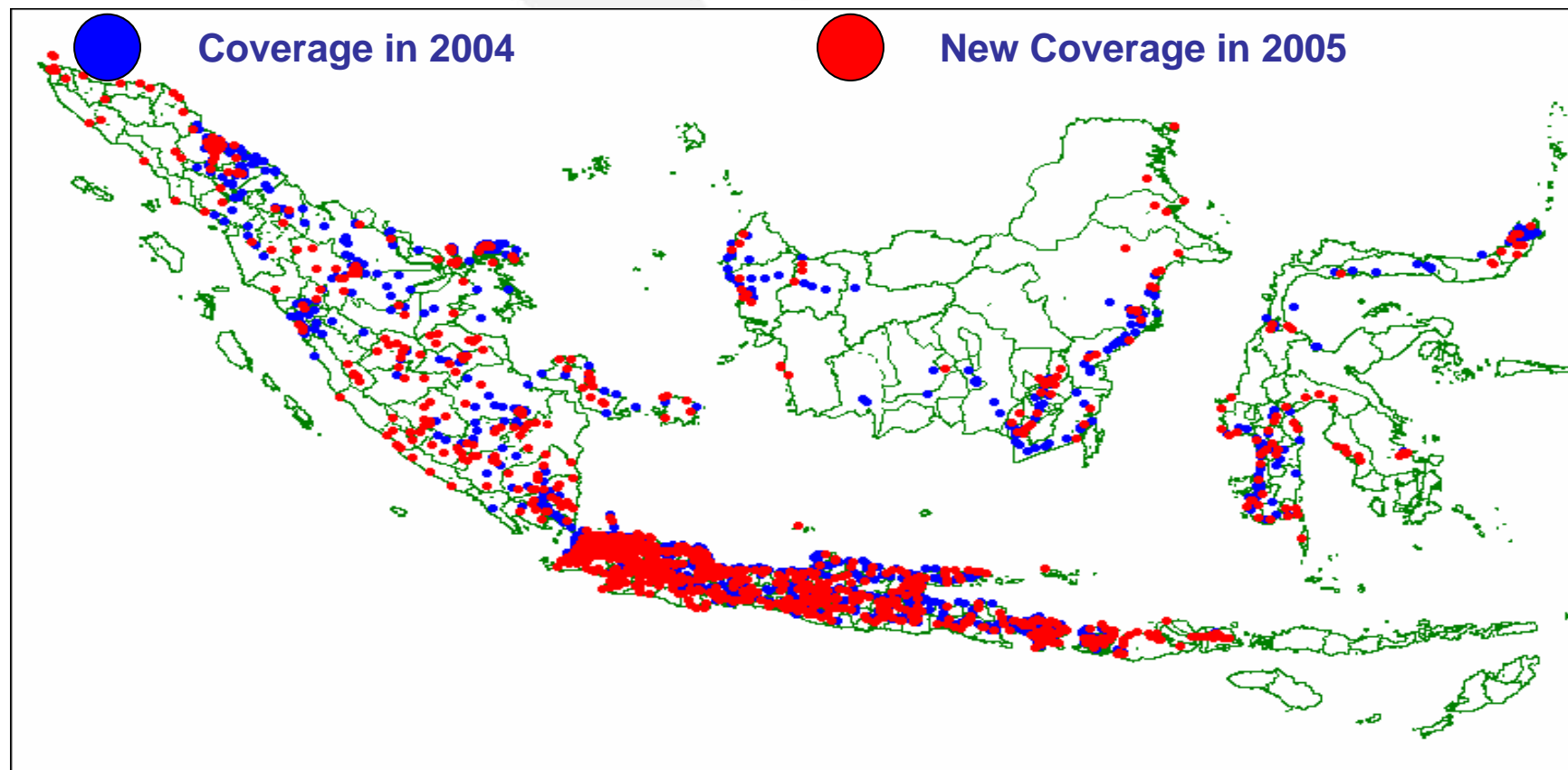
- ▶ The Company owns an extensive national backbone network which covers the East Indonesian region using submarine fiber optic cable as well as high capacity microwave
- ▶ Since 2002, the Company consistently expand its coverage to new regions including Sumatra, Batam, Bintan, Kalimantan and Sulawesi

# Planned National Coverage



Expanding the Company's network coverage is the key success factor in capturing the potential of the fast growing Indonesian cellular market

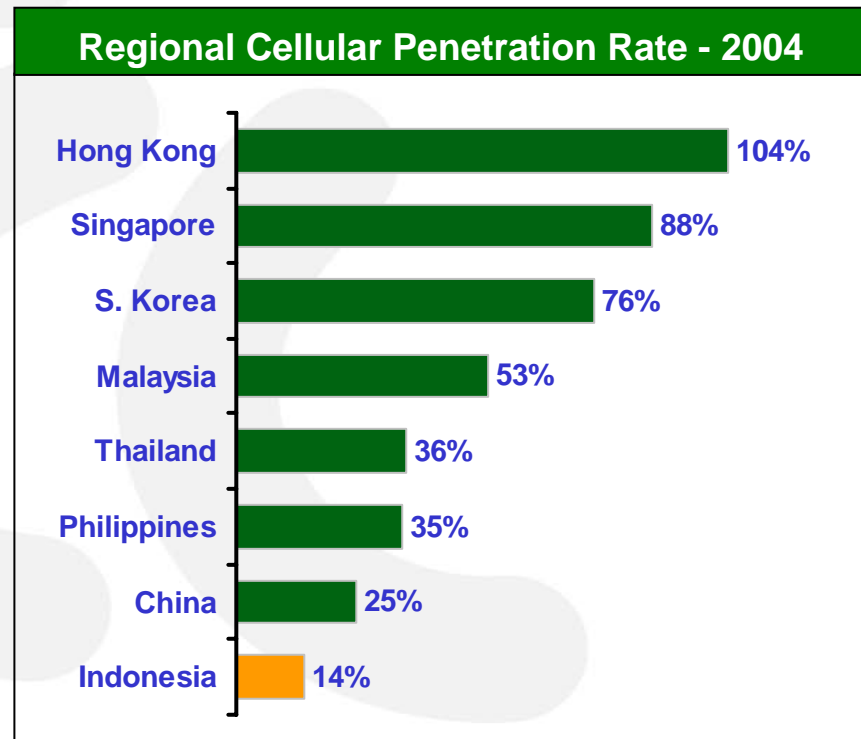
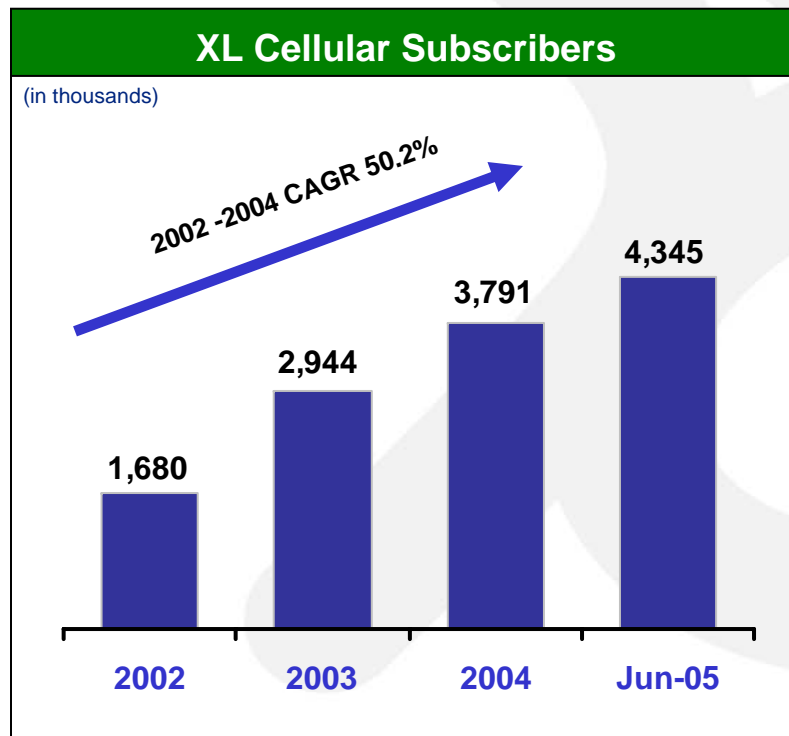
- ▶ XL will increase the number of in-building coverage especially in high cellular usage public area such as office buildings and shopping centers



# Growing Number of Subscribers



- ▶ Strong growth of XL subscribers (CAGR of around 50%)
- ▶ As of June 2005, XL has around 4.3 million cellular subscribers (up 24.4% from June 2004)
- ▶ The cellular penetration rate is still the lowest in the region



Source: XL

# TM as Partner / Experienced Shareholder



- ❑ **TM International (“TMI”) is an investment company under TM which is responsible for strategic international investment of TM**
  - The Company is the largest international investment of TMI to date
  - Indonesia is TM’s priority target market and TM has committed to grow the Company for long term
- ❑ **TM has Management and Board control of XL**
- ❑ **Key Advantages of TM’s support**
  - Valuable synergy in voice and data traffic between Indonesia and Malaysia
  - Optimize capital expenditures by sharing network and infrastructure
  - Optimize procurement by taking advantage of TM’s large size spending
  - Increase operational performance

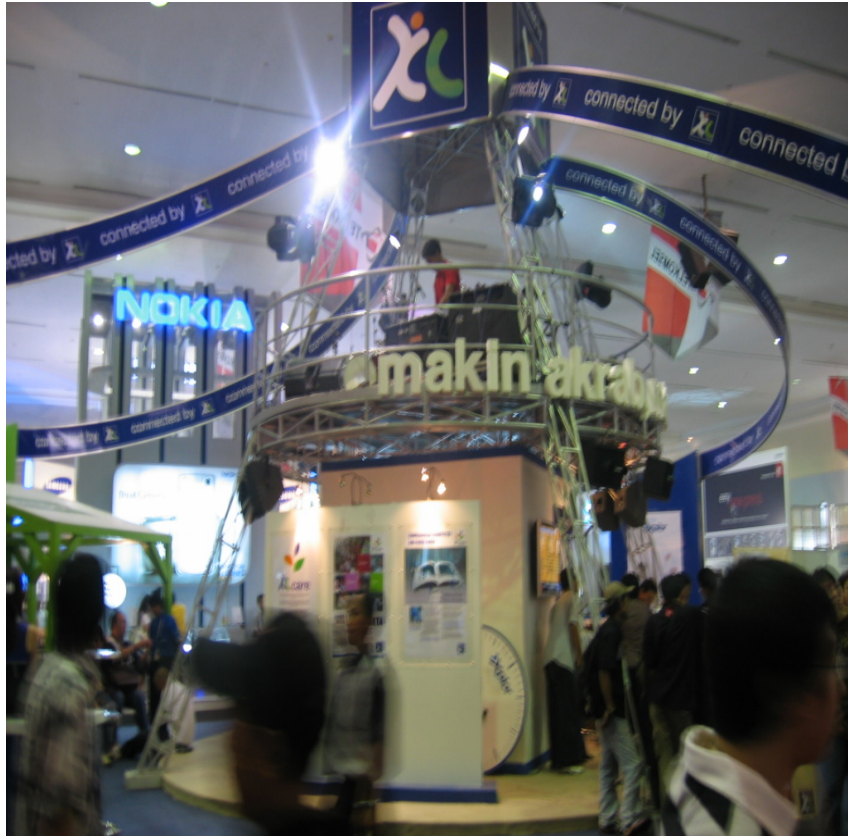


## TM financial highlights



(RM millions)	2004
Gross Revenue	13.251
EBITDA	5.558
EBITDA margin	41,9%
Operating Profit	3.009
Net Profit	2.613
Total Loan / Total Market Capitalization	55,4%
Total Loan / EBITDA	0,36x
EBITDA / Interest	8,9x
<b>Credit Rating</b>	
S&P	A-
Moody's	A3
Fitch	BBB+



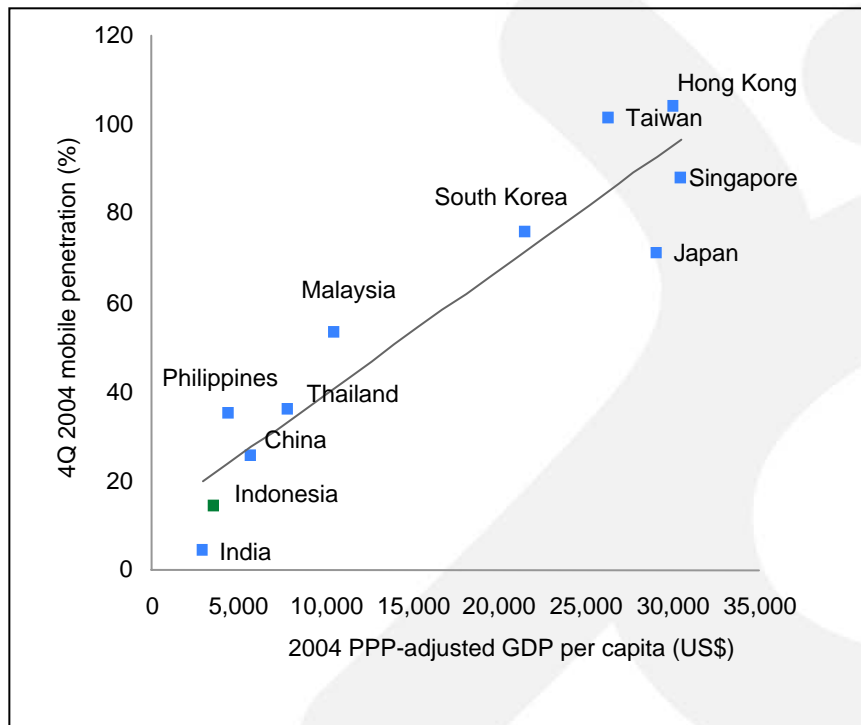


## Section 3 : Telecommunication Industry

# Indonesian Cellular Industry Highlights

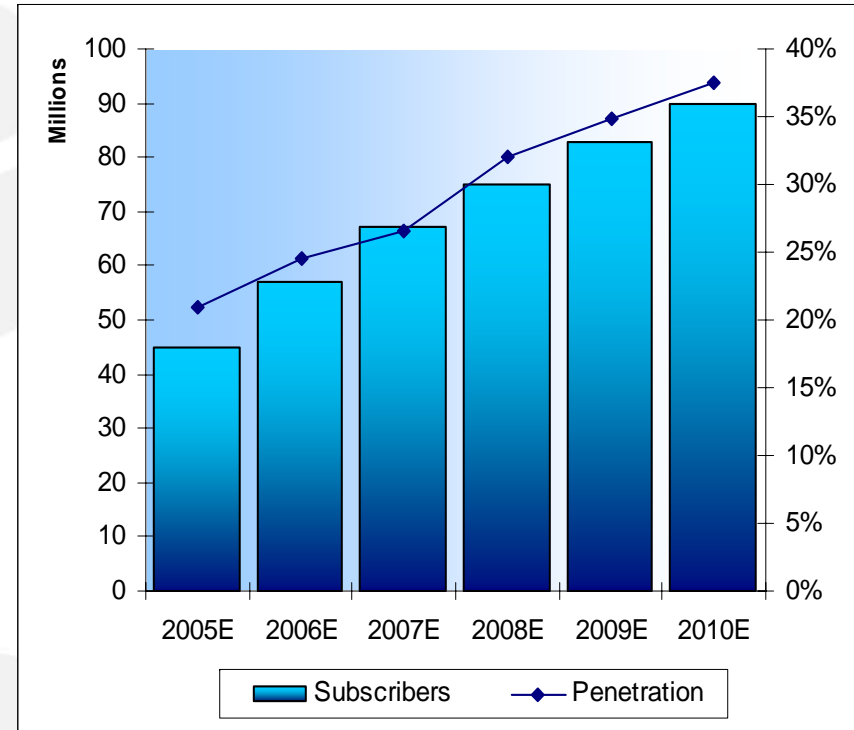


## Asian cellular penetration rate



Source : EIU

## Projected number of subscribers and penetration rate in Indonesia



Source : Pyramid Research

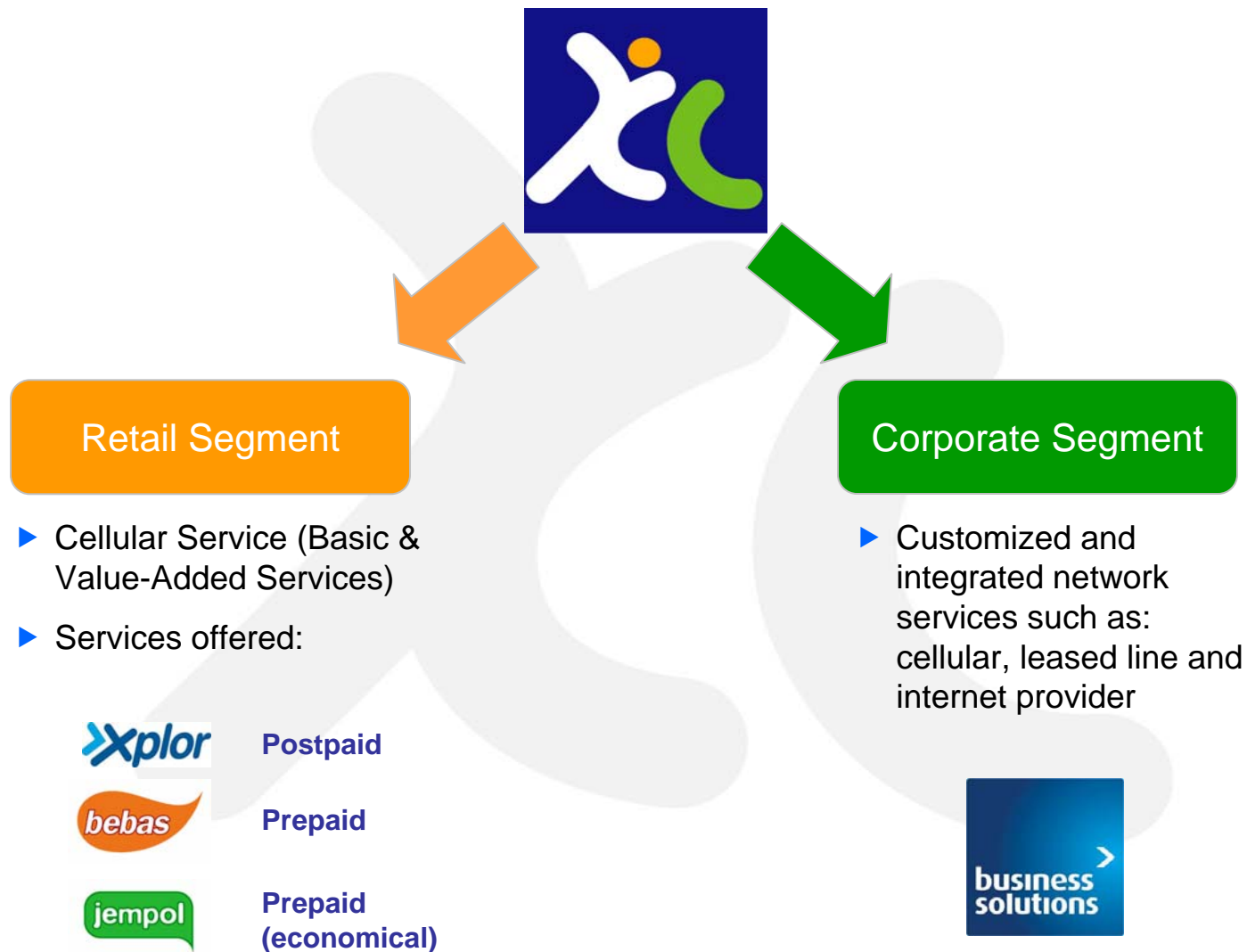
**The cellular penetration rate in Indonesia is amongst the lowest in the Asian region, therefore still offering huge potential growth of subscribers**



## Section 4 : Line of Business






# Line of Business



# Products and Services for Retail Segment



## Retail Segment

Product	Description
	<ul style="list-style-type: none"><li>▶ <b>Postpaid</b> service</li><li>▶ Rebranded and realigned on 1 October 2004</li><li>▶ Most comprehensive cellular service offering various features and targeted to corporate and high ARPU users. Lower conversation tariff, calculated by second, no monthly subscription fee</li></ul>
	<ul style="list-style-type: none"><li>▶ <b>Prepaid</b> service</li><li>▶ Rebranded on 18 August 2004</li><li>▶ Replacement of ProXL card</li><li>▶ Complete prepaid services to reach customers who require value added services in addition to basic voice and SMS services including MMS, GPRS and various type and amount of reload</li></ul>
	<ul style="list-style-type: none"><li>▶ <b>Basic Prepaid</b> service</li><li>▶ Launched on 2 August 2004</li><li>▶ Basic prepaid service to reach the more price sensitive income segment of the market which requires basic voice and SMS services at competitive prices without any value added services</li></ul>

# Products and Services for Corporate Segment



Corporate Segment

In addition to providing cellular services, the Company also offers a customized and integrated services through Business Solutions to fulfill the communication need of our corporate customers, such as:

## Standard Solutions

- ▶ Leased Line – domestic and international
- ▶ Broadband Internet Access
- ▶ Multi Protocol Label Switching (MPLS)
- ▶ Corporate User Group
- ▶ Corporate Postpaid
- ▶ Wireless Email



## Customized Solutions

- ▶ VoIP
- ▶ Office Zone
- ▶ PABX GSM
- ▶ SMS Corporate Information
- ▶ Other Solutions





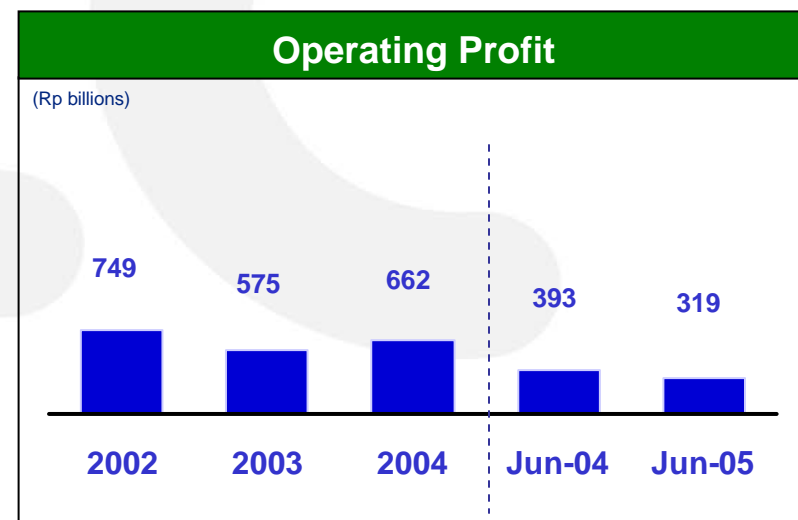
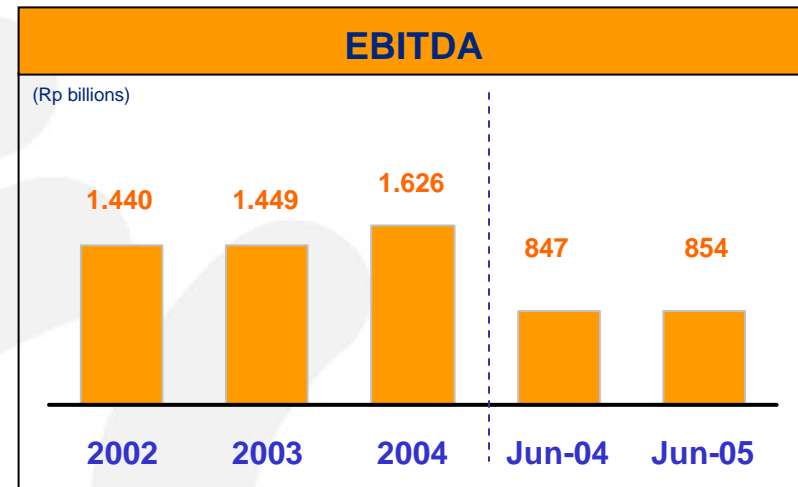
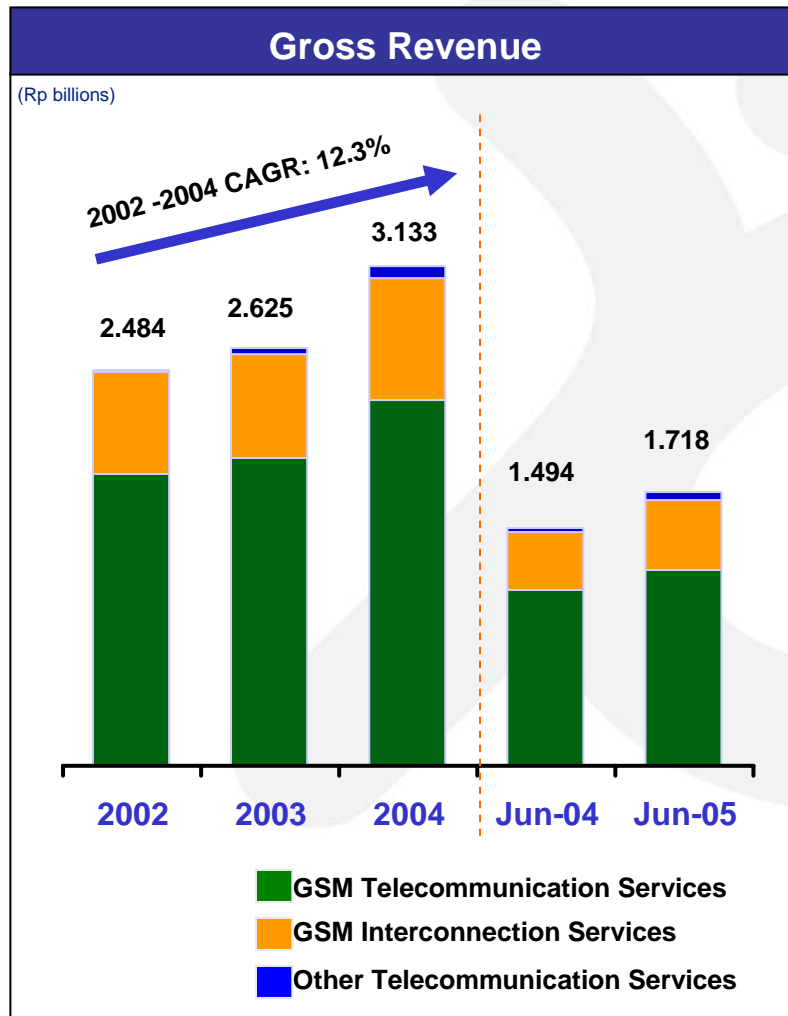
## Section 5 : Financial Highlights



# Strong Cash Flow Generation



The Company registered strong gross revenue and EBITDA growth



# Consolidated Balanced Sheets - Highlights



In Rp Million	31 December			30 June	
	2002	2003	2004	2004	2005
Current assets	401,124	888,114	802,780	1,330,734	623,092
Fixed assets - net	4,173,128	4,413,353	5,273,120	4,728,132	5,796,280
Other assets	172,323	212,672	398,559	337,066	514,072
<b>Total Assets</b>	<b>4,746,575</b>	<b>5,514,139</b>	<b>6,474,459</b>	<b>6,395,932</b>	<b>6,933,444</b>
Current liabilities	879,951	1,089,236	895,864	863,673	2,509,010
Non current liabilities	3,183,828	3,348,901	4,547,897	4,550,369	3,446,577
<b>Total Liabilities</b>	<b>4,063,779</b>	<b>4,438,138</b>	<b>5,443,761</b>	<b>5,414,042</b>	<b>5,955,587</b>
Share capital - authorised, issued & fully paid	566,250	566,250	566,250	566,250	566,250
Capital surplus	11,730	11,730	11,730	11,730	11,730
Retained earnings	104,816	498,021	452,718	403,910	399,877
<b>Total Equity</b>	<b>682,796</b>	<b>1,076,001</b>	<b>1,030,698</b>	<b>981,890</b>	<b>977,857</b>
<b>Total Liability &amp; Equity</b>	<b>4,746,575</b>	<b>5,514,139</b>	<b>6,474,459</b>	<b>6,395,932</b>	<b>6,933,444</b>

# Consolidated Cash Flow - Highlights



In Rp Million	Year ended on 31 December			Six month period ended on 30 June	
	2002	2003	2004	2004	2005
Cash & cash equivalent - beginning of period	35,082	198,646	608,145	608,145	426,887
Cash flow from operation	1,407,811	1,174,956	1,583,167	883,643	877,430
Cash flow from investing activities	(983,779)	(1,129,849)	(1,887,369)	(841,458)	(892,095)
Cash flow from Financing activities	(260,025)	367,157	118,639	330,515	(217,584)
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>164,007</b>	<b>412,264</b>	<b>(185,563)</b>	<b>372,701</b>	<b>(232,250)</b>
Effect of exchange rate changes to cash & cash equivalents	(443)	(2,764)	4,305	10,600	2,028
<b>Cash &amp; cash equivalents - end of period</b>	<b>198,646</b>	<b>608,145</b>	<b>426,887</b>	<b>991,446</b>	<b>196,665</b>



## Section 6 : Use of Proceeds and Dividend Policy

# Planned Use of Proceeds



## Planned Use of Proceeds

- ▶ Net proceeds (after deducting issuance cost) received by the Company from the Initial Public Offering of new shares, originating from subscribed shares, will be used for:
  - Repayment of short term loan facilities from banks; and
  - Financing business development by expanding network and coverage through building more transmission stations, BTS, radio and switching
  
- ▶ The Company will report the realization of use of proceeds from the IPO periodically to BAPEPAM according to BAPEPAM Regulation No. X.K.4 as attached in BAPEPAM Decision No. Kep 27/PM/2003 dated 17 July 2003 regarding the Report on Realization of Use of Proceeds from a Public Offering



## Dividend Policy

- ▶ The Company's Management intends to propose cash dividend payout ratio for 2005 ranging between **15%** to **20%** of net profit after tax and after adjusting for gain / (loss) from unrealized foreign exchange translation
- ▶ The Company intends to pay dividend to shareholders at least once every year. The amount of dividend will depend on the Company's profit for that particular year



## Section 7 : Structure of IPO



# IPO Structure



<b>Issuer</b>	<b>PT Excelcomindo Pratama Tbk</b>
<b>Total Shares Offered</b>	<b>maximum of 1,427,500,000 new shares, representing a 20% shareholding in the enlarged capital</b>
<b>Nominal Price</b>	<b>Rp 100 per share</b>
<b>Offering Price</b>	<b>Rp 1.600 – 2.100</b>
<b>Listing</b>	<b>Jakarta Stock Exchange</b>

# IPO Timetable



**Submission to BAPEPAM**

**8 August 2005**

**Abridged Prospectus**

**9 August 2005**

**Public Expose**

**5 September 2005**

**Tentative Bapepam Effective**

**13 September 2005**

**Tentative Offering Period**

**15 – 19 September 2005**

**Tentative Allocation / Refund**

**20 / 21 September 2005**

**Tentative Listing on JSX**

**23 September 2005**

# Capital Market Supporting Professionals



**CIMB NIAGA**  
Securities



Lead Underwriter

**Public  
Accountant**

**KAP Haryanto  
Sahari dan Rekan  
(Pricewaterhouse  
Coopers)**

**Legal  
Consultant**

**Hadiputranto,  
Hadinoto &  
Partners**

**Notary**

**Sutjipto, SH**

**Appraisal**

**PT Ujatek  
Baru**

**Share Registrar**

**PT Datindo  
Entrycom**