



**Link Net**

**PT Link Net Tbk**

**Full Year 2014 Earnings Slide**

**March 2015**

**Link Net**

## Key highlights – FY 2014

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### **Strong growth and profitability in 2014 compared to 2013:**

- Revenue of Rp2,136.0 billion up 28.3%
- Adjusted EBITDA of Rp1,230.7 billion up 36.6%
- NPAT of Rp557.9 billion up 54.0%



### **Continued network expansion which at 31 December 2014 comprised:**

- 1.4 million homes passed, an additional of 238k homes passed in 2014
- 392,134 broadband RGUs
- 362,643 Cable TV RGUs



### **Maintained high bundling rates:**

- 93% of customers subscribe to both NGBB and Cable TV Services, up from 91% from the prior year

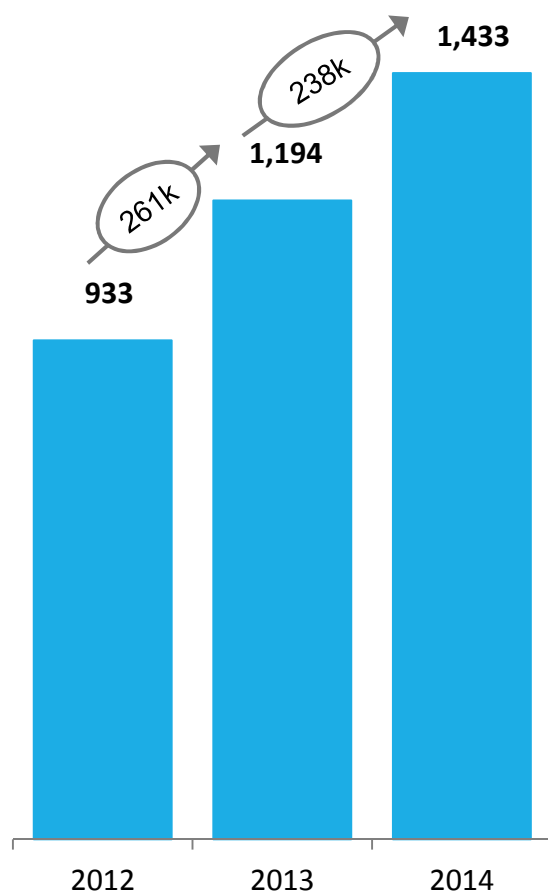


### **Shareholding structure as of December 2014:**

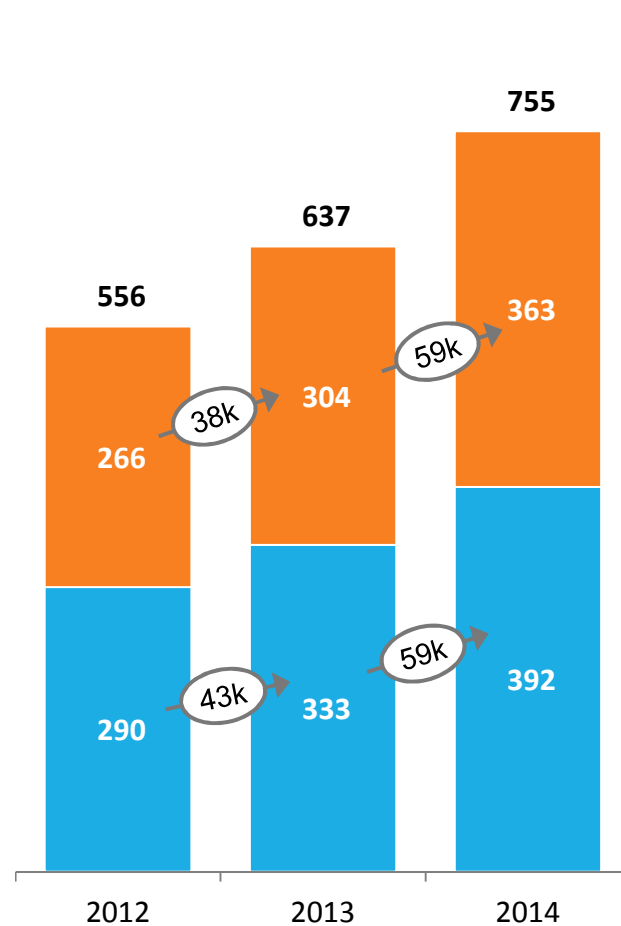
- First Media - 33.82%
- ALD - 33.45%
- Public - 32.73%

# Link Net's key performance indicators

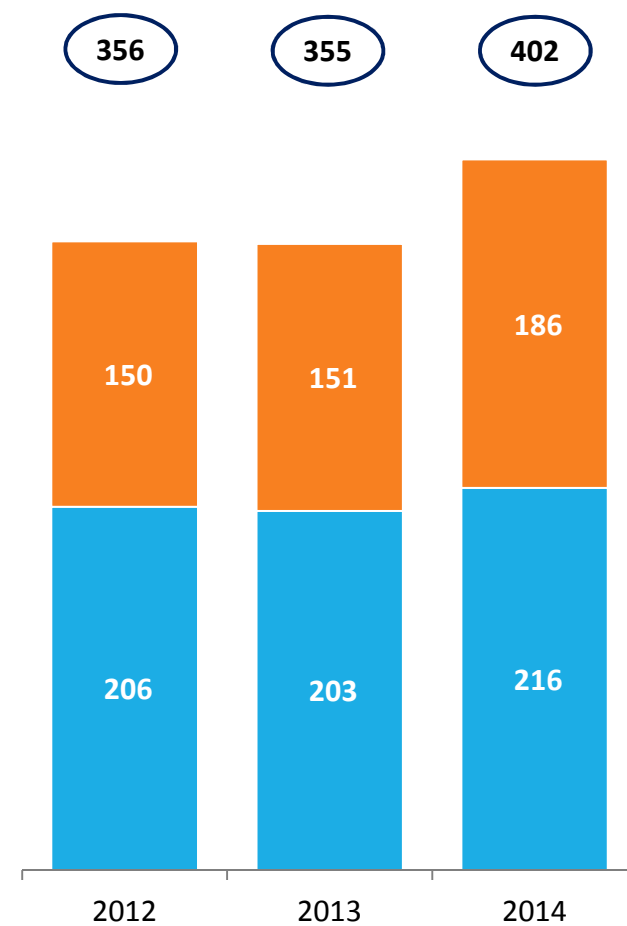
Homes Passed ('000)



RGUs ('000)



ARPU (IDR '000)

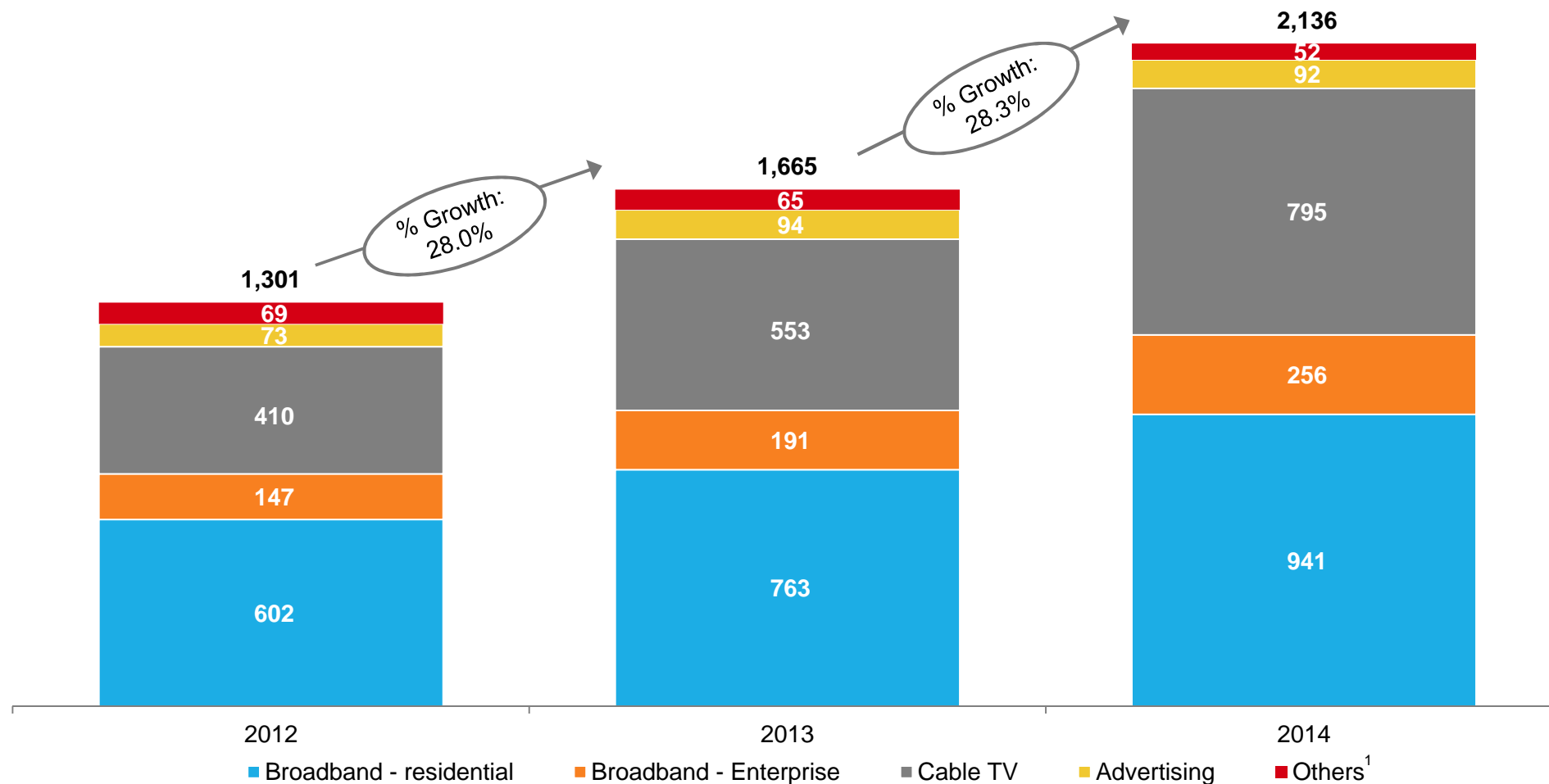


■ Broadband ■ Cable TV

■ Broadband ■ Cable TV

# Strong revenue growth continues in FY 2014

Revenue (IDR bn)

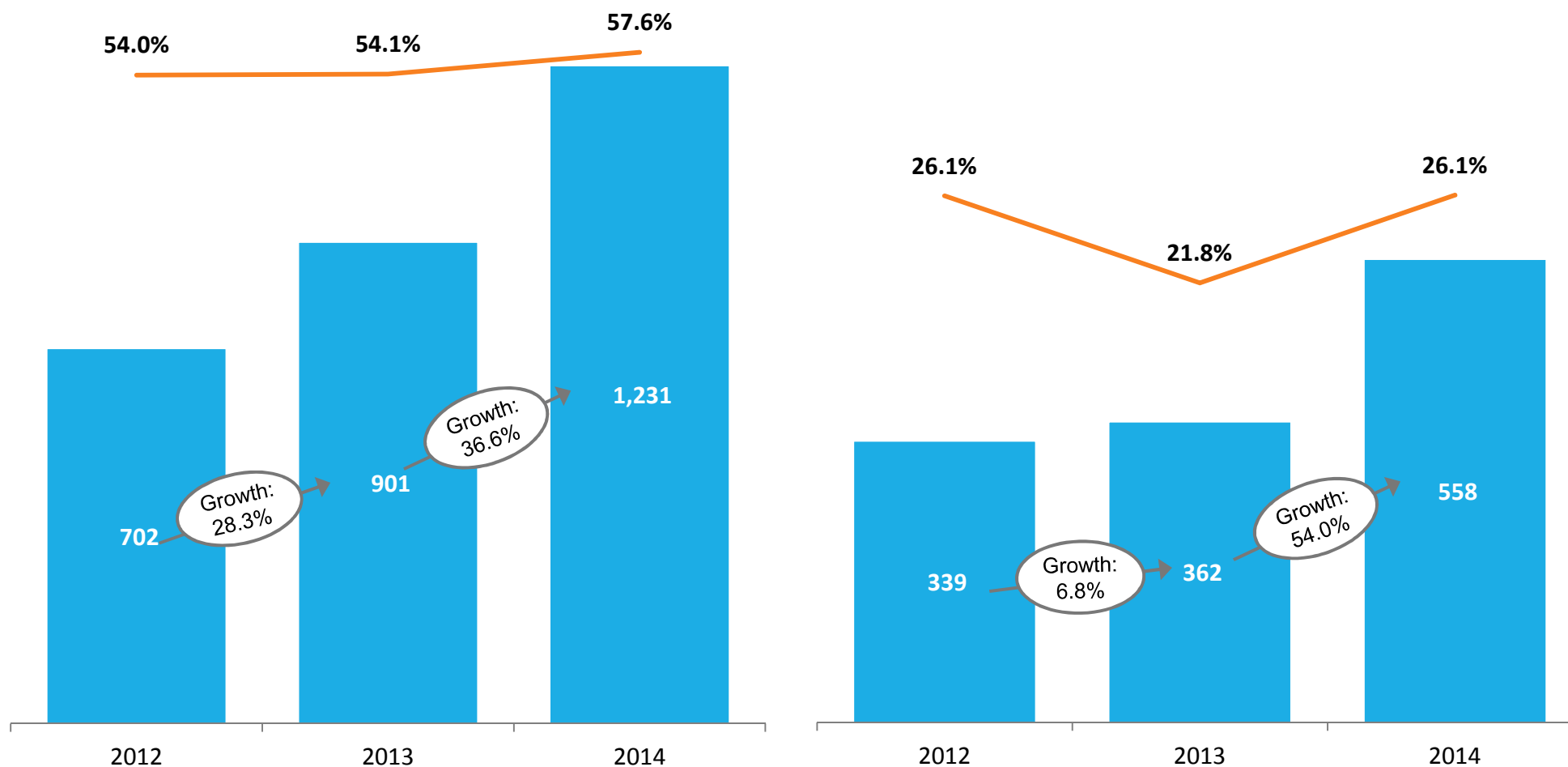


<sup>1</sup> "Others" primarily includes revenue from installation charges, sales of cable modems and promotional items

# Continued margins improvement and profitability

Adjusted EBITDA<sup>(1)</sup> (IDR bn)

Net income (IDR bn)



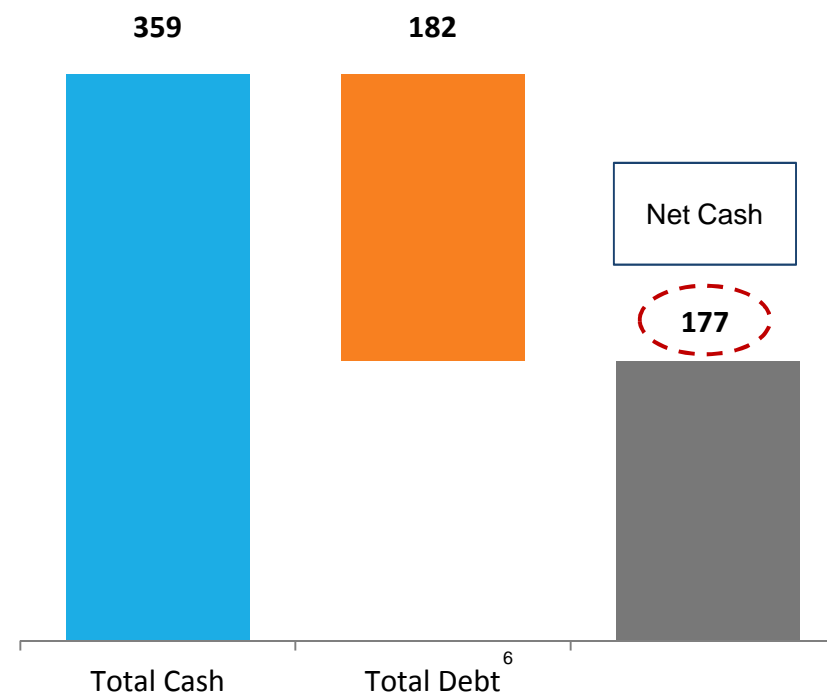
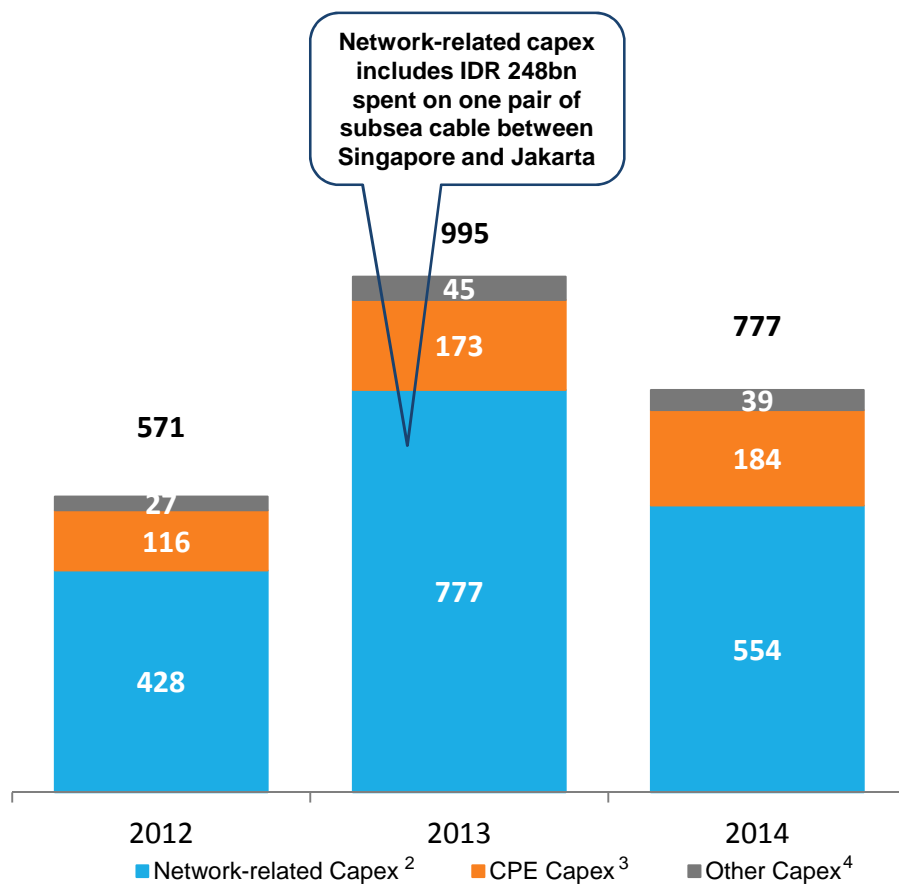
Adjusted EBITDA and Net income margins

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure and is defined as the Company's profit for the year before finance costs, finance income, share of loss in associate, income tax expenses, depreciation and amortisation and is adjusted by adding back certain non-recurring expenses to the Company's profit for the year. The non-recurring expenses during the period under review comprise: (1) impairment charges related to a one time policy change of IDR 13.1 bn which reflected charges taken in connection with the change in the calculation of chum and the discontinuation of the Selected Promotional Package and (2) fees related to corporate action of the Company amounting to IDR 13.3bn for 2013

# Continued expansion funded by cash

Capex breakdown<sup>1</sup> (IDR bn)

Net Cash with large leverage capacity<sup>5</sup> (IDR bn)



<sup>1</sup> Capital expenditure represents additions to property, plant and equipment (PPE)

<sup>2</sup> Network-related capital expenditure is the sum of additions to head-end electronics and network service control points

<sup>3</sup> CPE capital expenditure is the sum of additions to converters, decoders, cable modem and set-top boxes

<sup>4</sup> Other capital expenditure is the sum of additions to land, buildings, leasehold improvements, furniture and fixtures, office equipment and vehicles

<sup>5</sup> Total debt and cash position as of December 2014

<sup>6</sup> Total debt includes vendor financing



The background features a dynamic, abstract composition of glowing blue fiber optic cables and data streams. The cables are bundled and curve across the frame, creating a sense of motion and connectivity. Interspersed among the cables are various alphanumeric characters, including letters (A, B, C, D, E, F) and numbers (0-9), which appear to be floating or moving through the space. The overall color palette is dominated by deep blues and bright cyan highlights, giving it a high-tech, digital feel.

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Appendix

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## Profit and loss summary

| (IDR bn)                   | Year ending December 31, |                |                | 3M ending December, |              |
|----------------------------|--------------------------|----------------|----------------|---------------------|--------------|
|                            | 2012                     | 2013           | 2014           | 4Q 2013             | 4Q 2014      |
| <b>Revenue</b>             | <b>1,300.6</b>           | <b>1,664.6</b> | <b>2,136.0</b> | <b>455.5</b>        | <b>585.7</b> |
| <b>Adjusted EBITDA</b>     | <b>701.8</b>             | <b>900.6</b>   | <b>1,230.7</b> | <b>237.7</b>        | <b>338.2</b> |
| D&A                        | (207.5)                  | (280.5)        | (393.4)        | (81.2)              | (114.8)      |
| <b>Operating Profit</b>    | <b>494.3</b>             | <b>593.8</b>   | <b>837.3</b>   | <b>145.3</b>        | <b>223.4</b> |
| <i>Margin %</i>            | <i>38.0%</i>             | <i>35.7%</i>   | <i>39.2%</i>   | <i>31.9%</i>        | <i>38.1%</i> |
| Finance Income             | 38.4                     | 24.3           | 17.6           | 4.1                 | 4.4          |
| Finance Cost               | (72.1)                   | (120.8)        | (55.7)         | (26.2)              | (17.8)       |
| Share of Loss in Associate | (0.9)                    | (10.0)         | (43.2)         | (6.0)               | (19.1)       |
| <b>Profit Before Tax</b>   | <b>459.7</b>             | <b>487.3</b>   | <b>755.9</b>   | <b>117.3</b>        | <b>190.9</b> |
| Tax Expense                | (120.7)                  | (125.1)        | (198.0)        | (31.1)              | (53.6)       |
| <b>Net Income</b>          | <b>339.0</b>             | <b>362.2</b>   | <b>557.9</b>   | <b>86.1</b>         | <b>137.3</b> |
| <i>Margin %</i>            | <i>26.1%</i>             | <i>21.8%</i>   | <i>26.1%</i>   | <i>18.9%</i>        | <i>23.4%</i> |



# Balance sheet summary

|  | As at Dec 31   | As at Dec 31,  | As at Dec 31,  |
|--|----------------|----------------|----------------|
| (IDR bn)                                   | 2012           | 2013           | 2014           |
| <b>Current Assets</b>                      |                |                |                |
| Cash and Cash Equivalents                  | 817.9          | 370.0          | 358.7          |
| Trade Receivables <sup>1</sup>             | 98.6           | 108.9          | 176.8          |
| <b>Total Current Assets</b>                | <b>1,023.1</b> | <b>562.4</b>   | <b>574.9</b>   |
| <b>Non-Current Assets</b>                  |                |                |                |
| Property, Plant and Equipment - Net        | 1,577.0        | 2,295.0        | 2,693.6        |
| <b>Total Non-Current Assets</b>            | <b>1,997.0</b> | <b>2,662.8</b> | <b>3,167.1</b> |
| <b>Total Assets</b>                        | <b>3,020.2</b> | <b>3,225.2</b> | <b>3,742.0</b> |
| <b>Current Liabilities</b>                 |                |                |                |
| Payables <sup>1</sup>                      | 90.1           | 178.8          | 112.7          |
| Current Maturities of Long-Term Debt       | 16.1           | 81.4           | 90.7           |
| <b>Total Current Liabilities</b>           | <b>306.2</b>   | <b>460.4</b>   | <b>551.4</b>   |
| <b>Non-Current Liabilities</b>             |                |                |                |
| Long-Term Debt – Net of Current Maturities | 523.7          | 195.1          | 91.3           |
| <b>Total Non-Curent Liabilities</b>        | <b>557.0</b>   | <b>245.7</b>   | <b>155.9</b>   |
| <b>Total Liabilities</b>                   | <b>863.3</b>   | <b>706.1</b>   | <b>707.2</b>   |
| <b>Total Equity</b>                        | <b>2,156.9</b> | <b>2,519.1</b> | <b>3,034.8</b> |
| <b>Total Liabilities and Equity</b>        | <b>3,020.2</b> | <b>3,225.2</b> | <b>3,742.0</b> |

Net Cash of  
IDR 177 bn

<sup>1</sup> Trade receivables include receivables from both third-parties and related parties. Payables includes payables to both third parties and related parties