

SingTel Increases Investment in Telkomsel

4 April 2002



The Transaction

1

Telkomsel

2

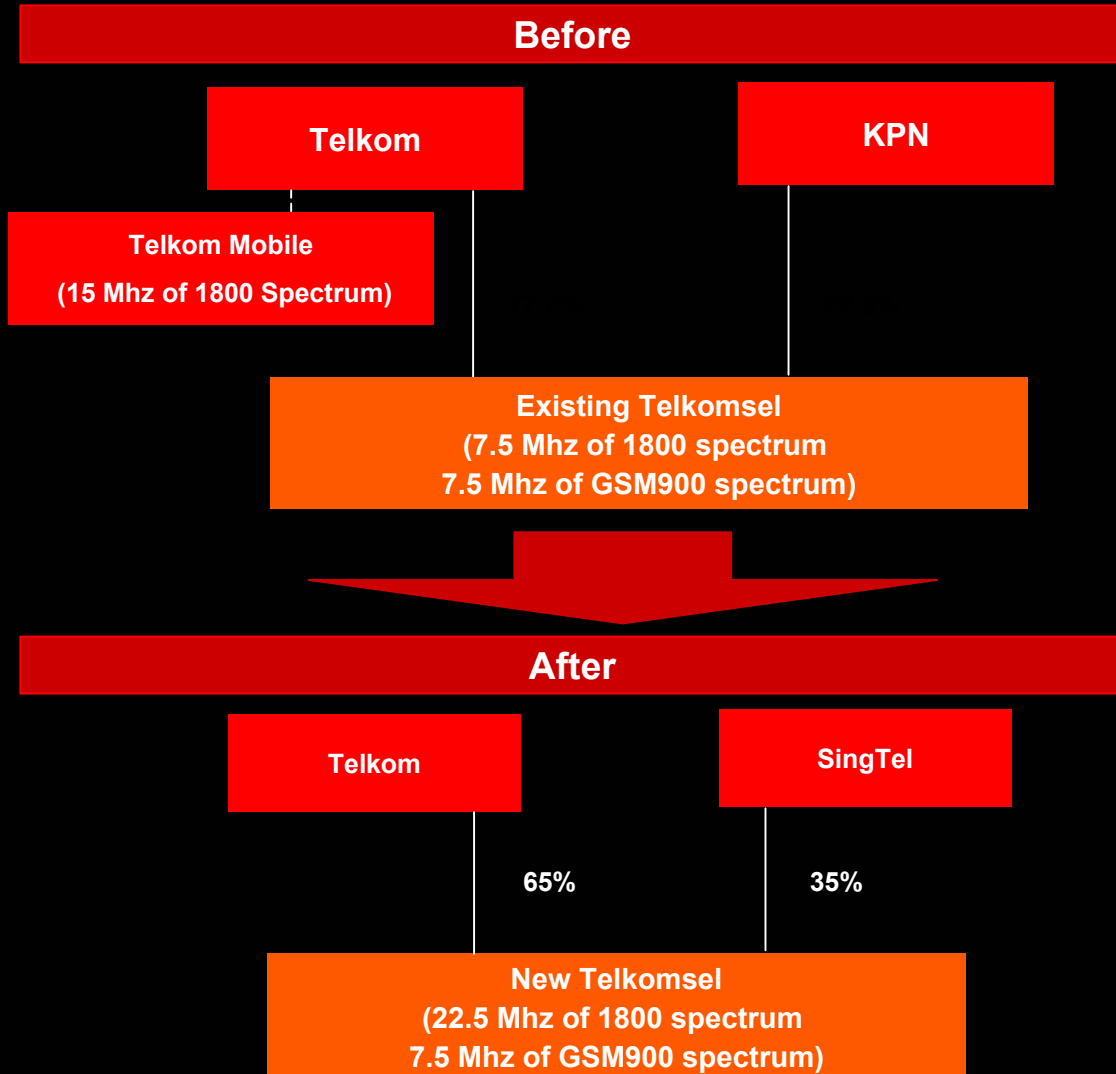
Valuation in Context

3

SingTel Increases Investment in Telkomsel

- Purchase of additional 12.7% stake in Telkomsel for US\$429 million (S\$789 million), increasing final stake to 35%
- Implied equity value for Telkomsel of US\$2.95 billion (S\$5.42 billion), a multiple of 8.5 times 2001 EBITDA
- PT Telkom to transfer assets and DCS 1800 licence from Telkom Mobile to Telkomsel
- Contingent on approvals from PT Telkom shareholders and regulatory authorities

The Transaction



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Telkomsel

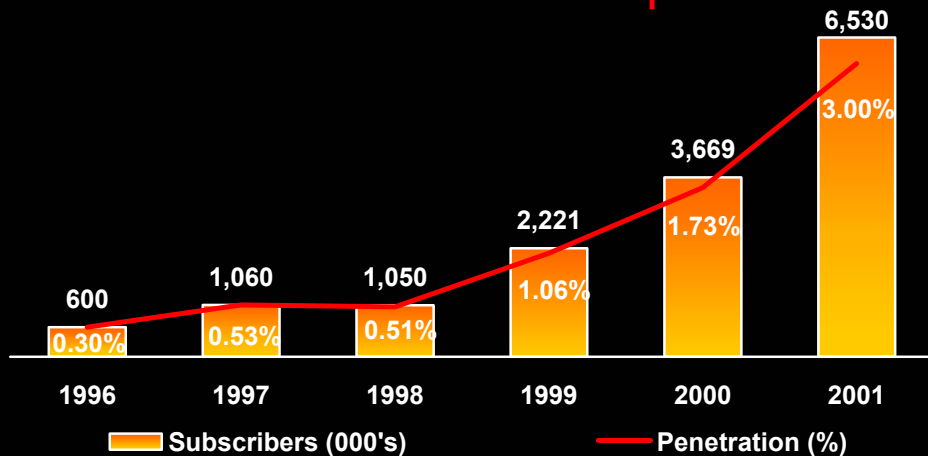
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Valuation in Context

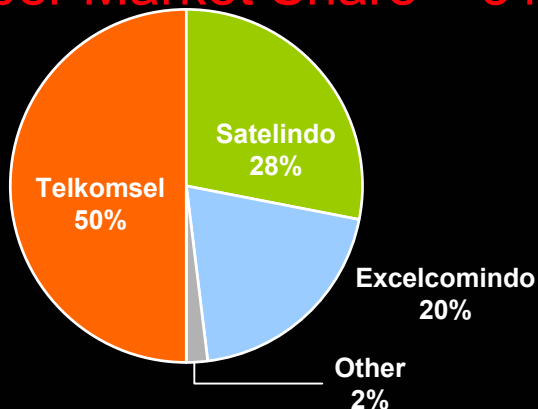
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The Indonesian Mobile Market

Market Subscriber Development



Subscriber Market Share – 31 Dec 2001



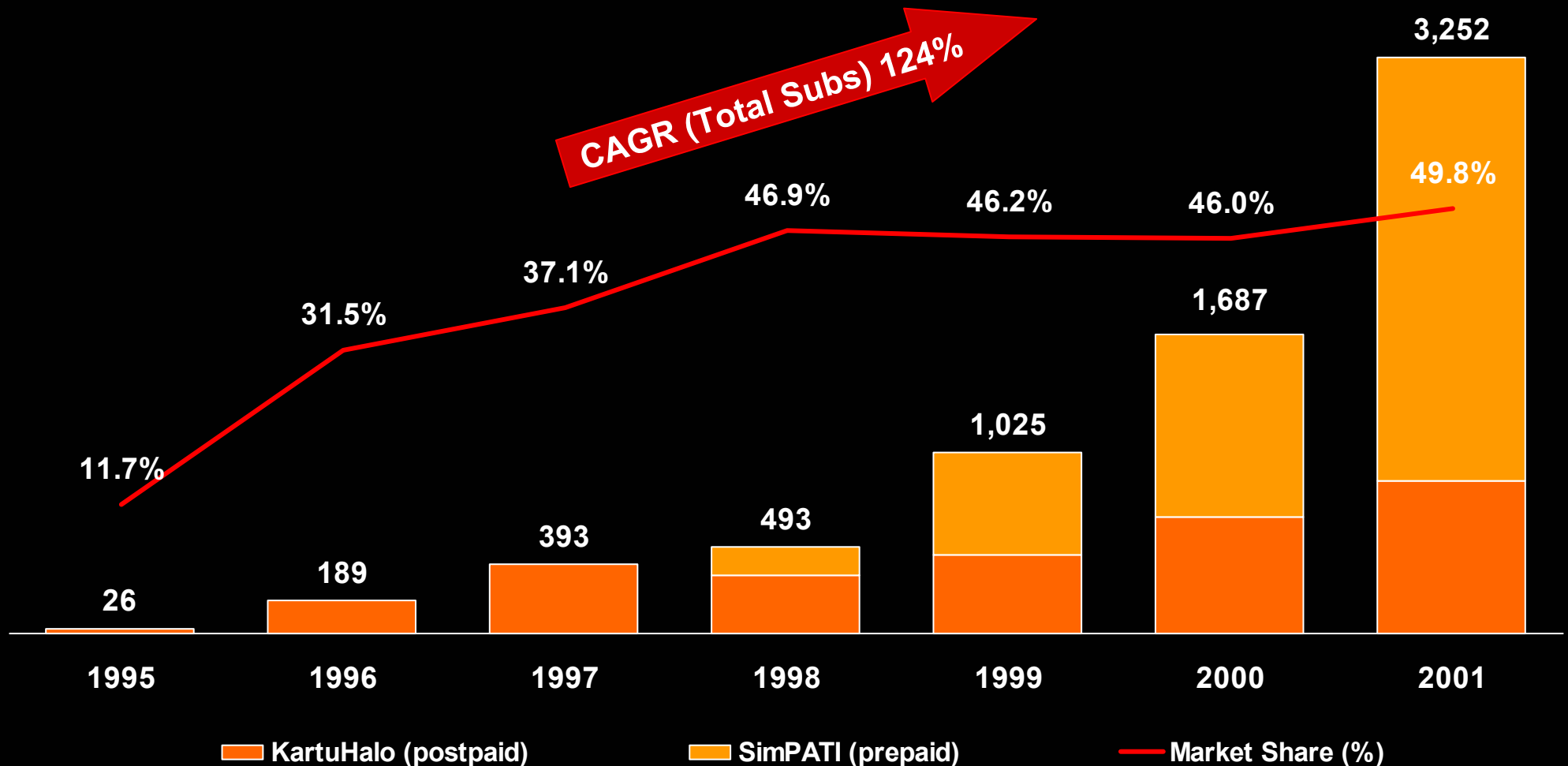
- YoY subscriber growth of 78% in 2001
- Market resilient despite economic environment
- Historic subscriber growth limited by capacity constraints of operators
- Penetration of 3.0% - significant growth potential
- Telkomsel positioned to benefit from market growth trends and increased investment in infrastructure

Telkomsel

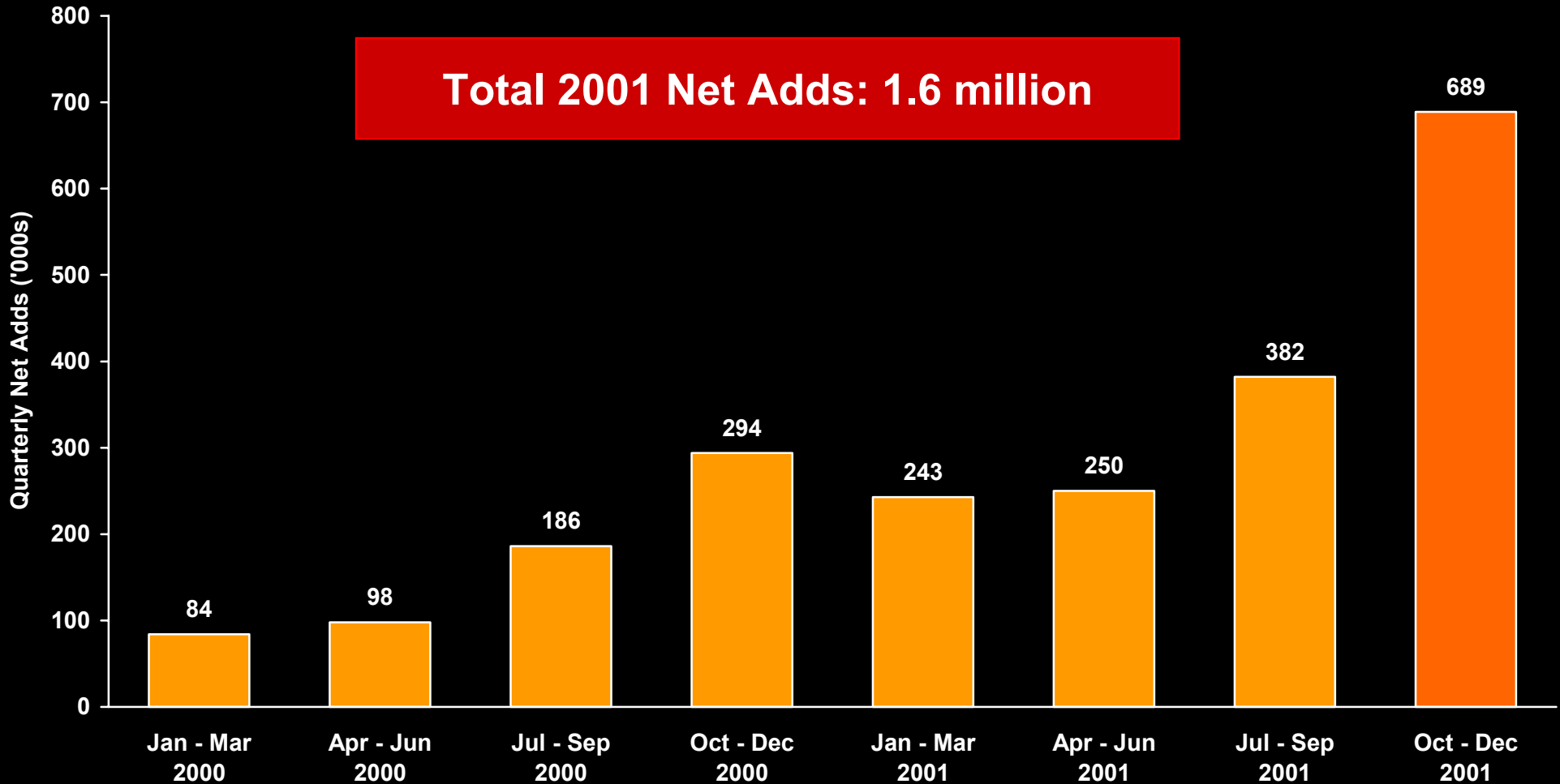
- Most comprehensive network – over 80% coverage of the population
- Only Indonesian operator with a total 30 Mhz of spectrum in the 900 and 1800 MHz ranges to support growth going forward
- Leading mobile operator – 3.25 million subscribers and a 50% market share*
- Highest quality subscriber base – 73:27 prepaid/postpaid split*
- Highly profitable operator

* as at 31 December 2001

Telkomsel: Consistent Subscriber Growth



Telkomsel: Healthy Net Adds Growth

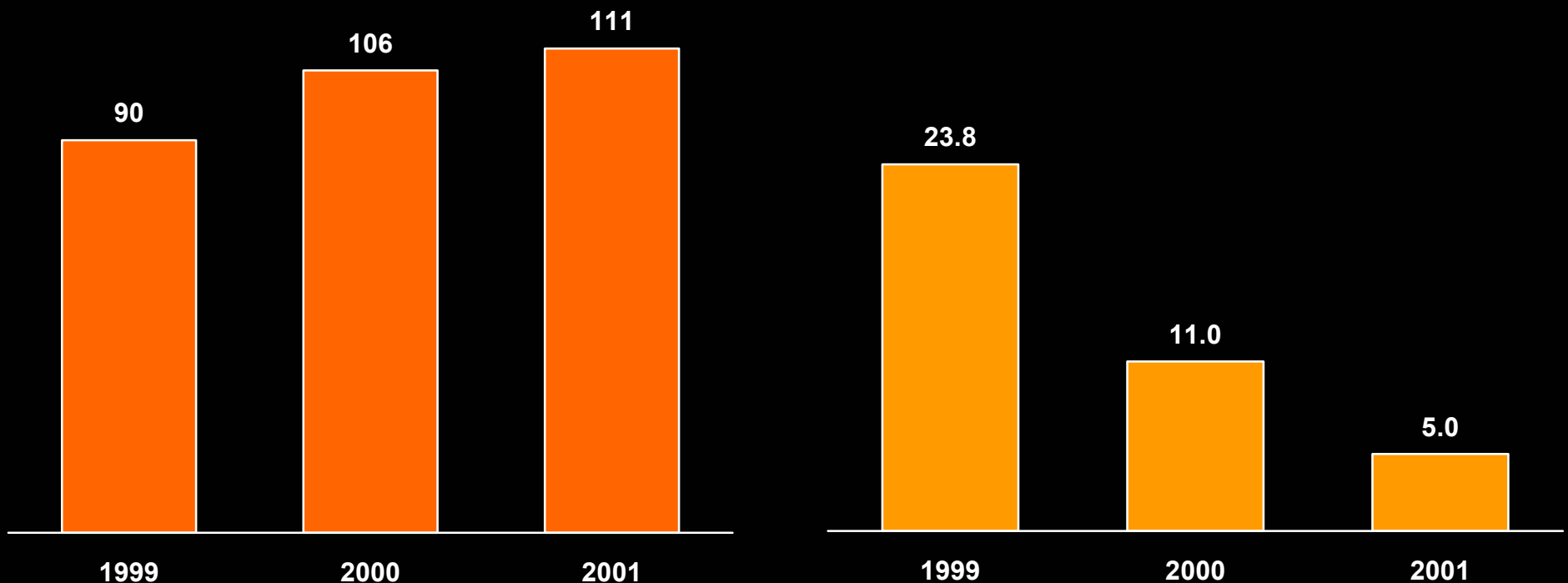


Telkomsel: Sound Operating Performance

SimPATI (Prepaid)

ARPU^(a) (Rp k)

Annual Churn^(b) (%)

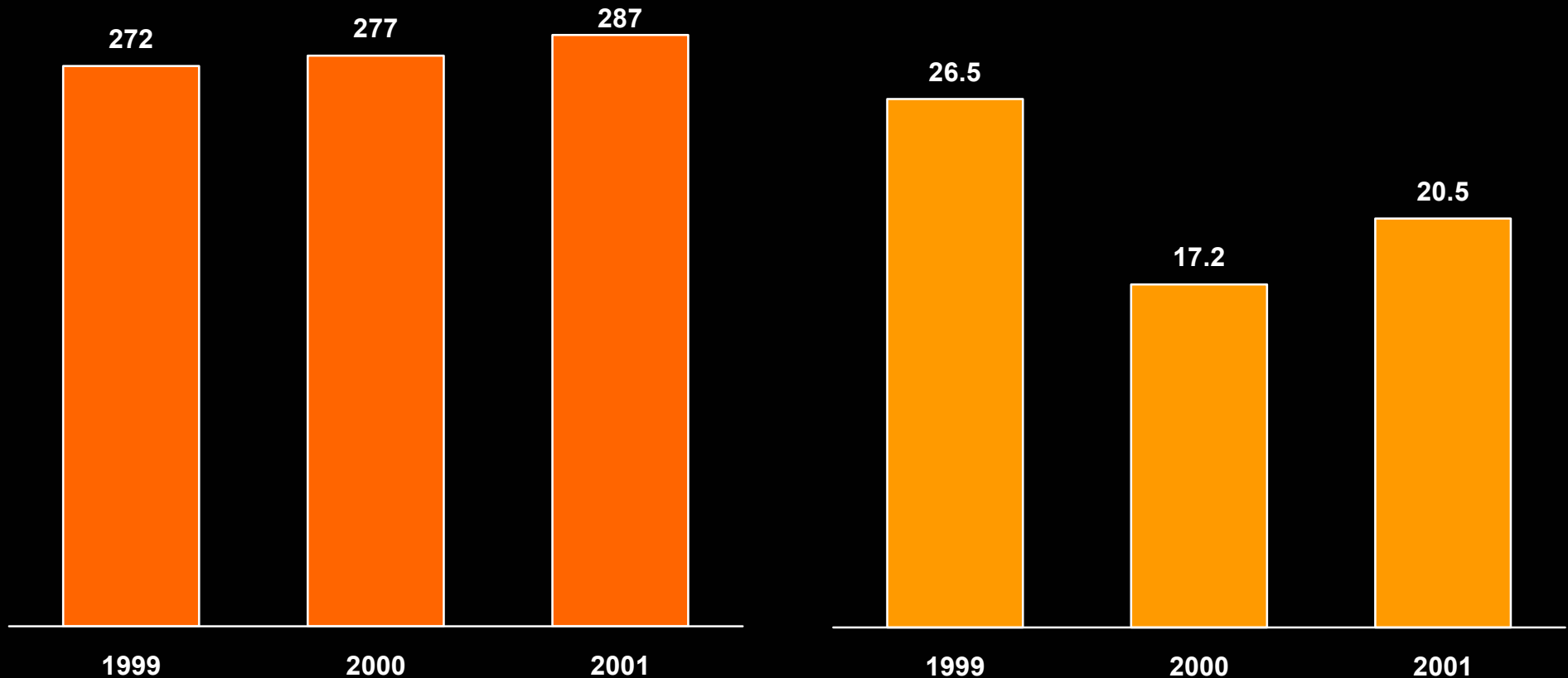


Telkomsel: Sound Operating Performance

KartuHALO (Postpaid)

ARPU^(a) (Rp k)

Annual Churn^(b) (%)



Telkomsel: Strong Financial Profile

(Rp bn)	Key Financials				
	1998	1999	2000	2001	2001 (US\$m)
Net Revenues ^(a)	990	1,596	2,801	4,918	479
<i>Growth</i>		61.2%	75.5%	75.6%	
EBITDA	474	1,045	1,970	3,499	341
<i>Margin</i>	47.9%	65.5%	70.2%	71.1%	
EBIT	169	782	1,637	2,986	291
Net Income	71	669	1,346	2,044	199
Total Assets	3,066	3,268	4,733	7,459	727
Net Cash/(Debt)	432	772	791	640	62
Subs (000's)	492	1,025	1,687	3,252	3,252
<i>Growth</i>		108.3%	64.6%	92.8%	

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Telkomsel

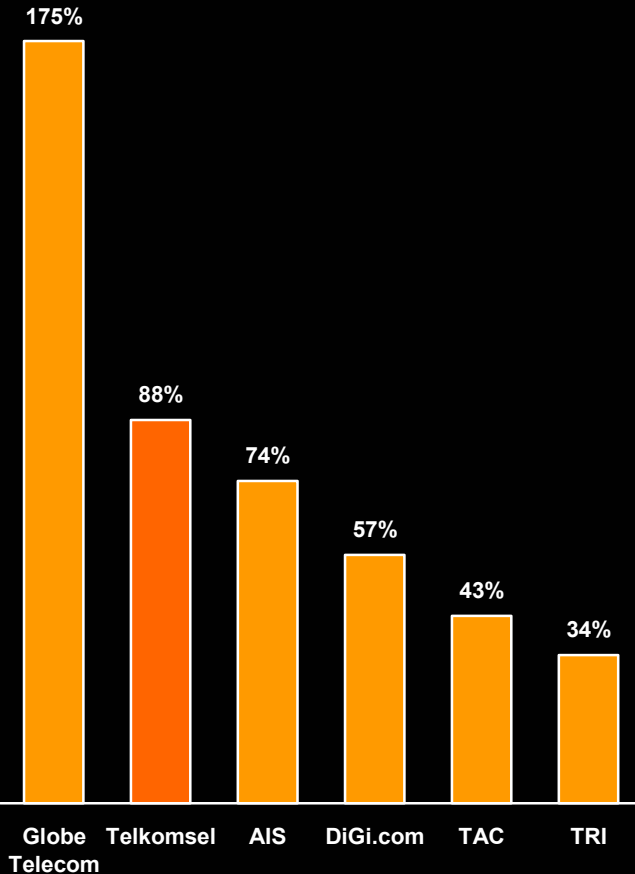
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Valuation in Context

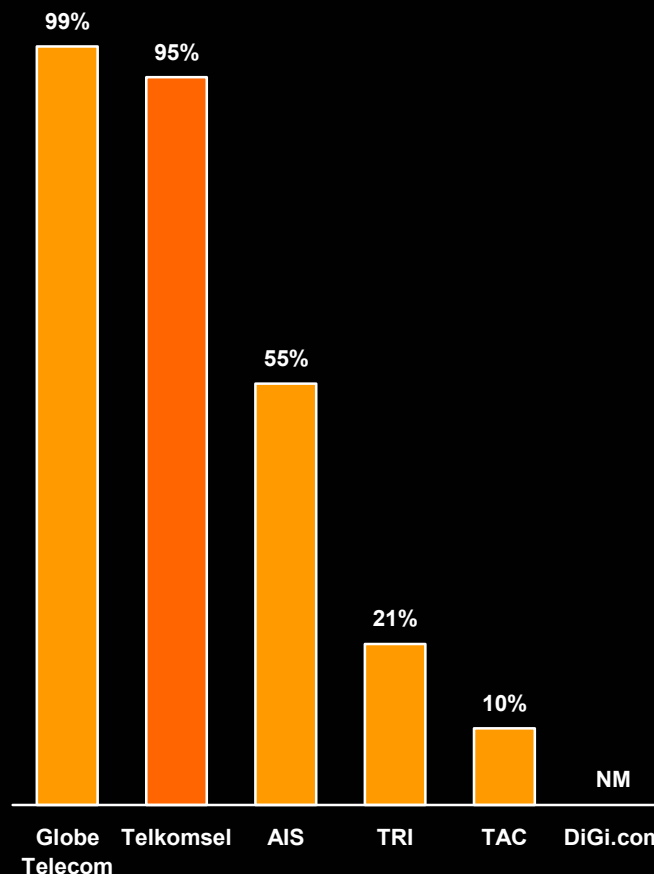
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Attractive Growth Profile Relative to Peers

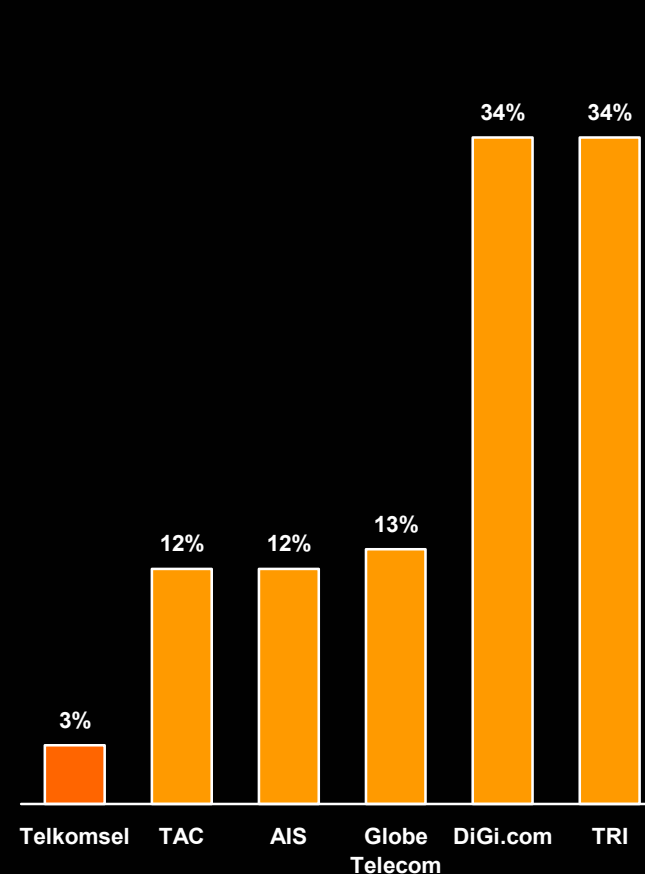
Subscriber Growth: 1998 – 2001 CAGR^(a)



EBITDA Growth: 1998 – 2001 CAGR^(a)



Penetration Rates^(b)



Peer Group Multiples

Company	Penetration ^(a)	2001 P/E	2001 EV/EBITDA	2001 EBITDA/Subs (US\$)	2001 EV/Sub (US\$)
AIS	11.5%	14.3x	8.0x	85	702
DiGi.com	34.0%	17.3x	10.9x	81	879
Globe	13.2%	22.0x	9.3x	66	615
TAC	11.5%	13.8x	7.3x	75	564
TRI	34.0%	NM	7.5x	118	885
Median		15.8x	8.0x	81	702
Mean		16.9x	8.7x	85	729
Telkomsel^(b)	3.0%	14.8x	8.5x	105	887

Transaction expected to be accretive to SingTel's earnings from date of acquisition



Notes: All multiples calendarised to December year end. Figures are actual 2001 numbers based on company reports and press releases.

(a) Source: Telkomsel estimate for Indonesia, otherwise Pyramid Research estimates.

(b) Assumes average Rp:US\$ forex rate of 10,260 for 2001, and 10,400 as at 31 December 2001.

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