

# PROTELINDO

**PT. SARANA MENARA NUSANTARA, Tbk. (TOWR)**



**Indonesia's Premier Tower Company**  
**1Q 2015 Results Presentation**



**PROTELINDO**

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# Agenda

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**Financial Results**

**Operational Performance**

**Summary**

**2015 Outlook**

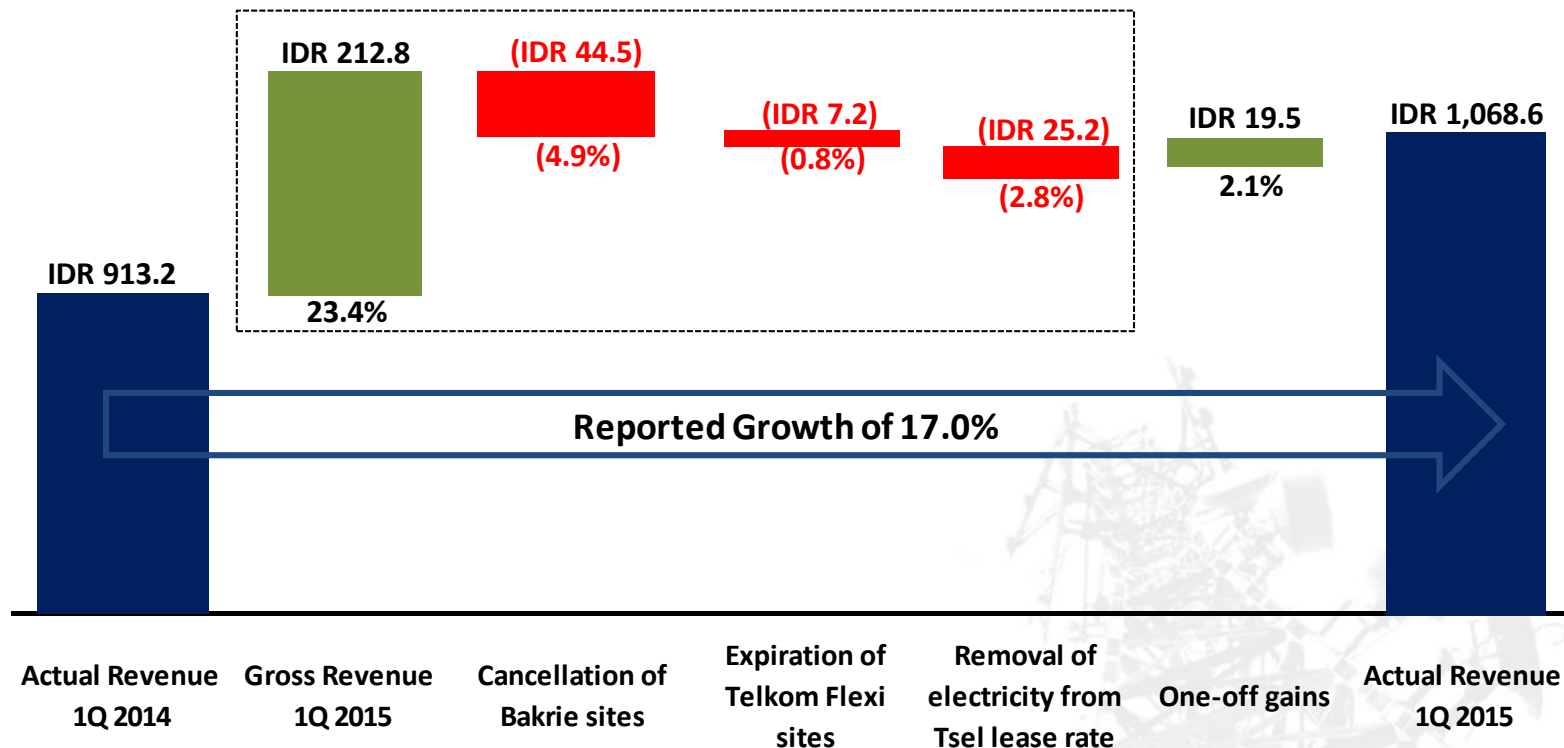
**Q&A**



# 1Q 2015 Financial Results

## Revenue

(in IDR Billions)



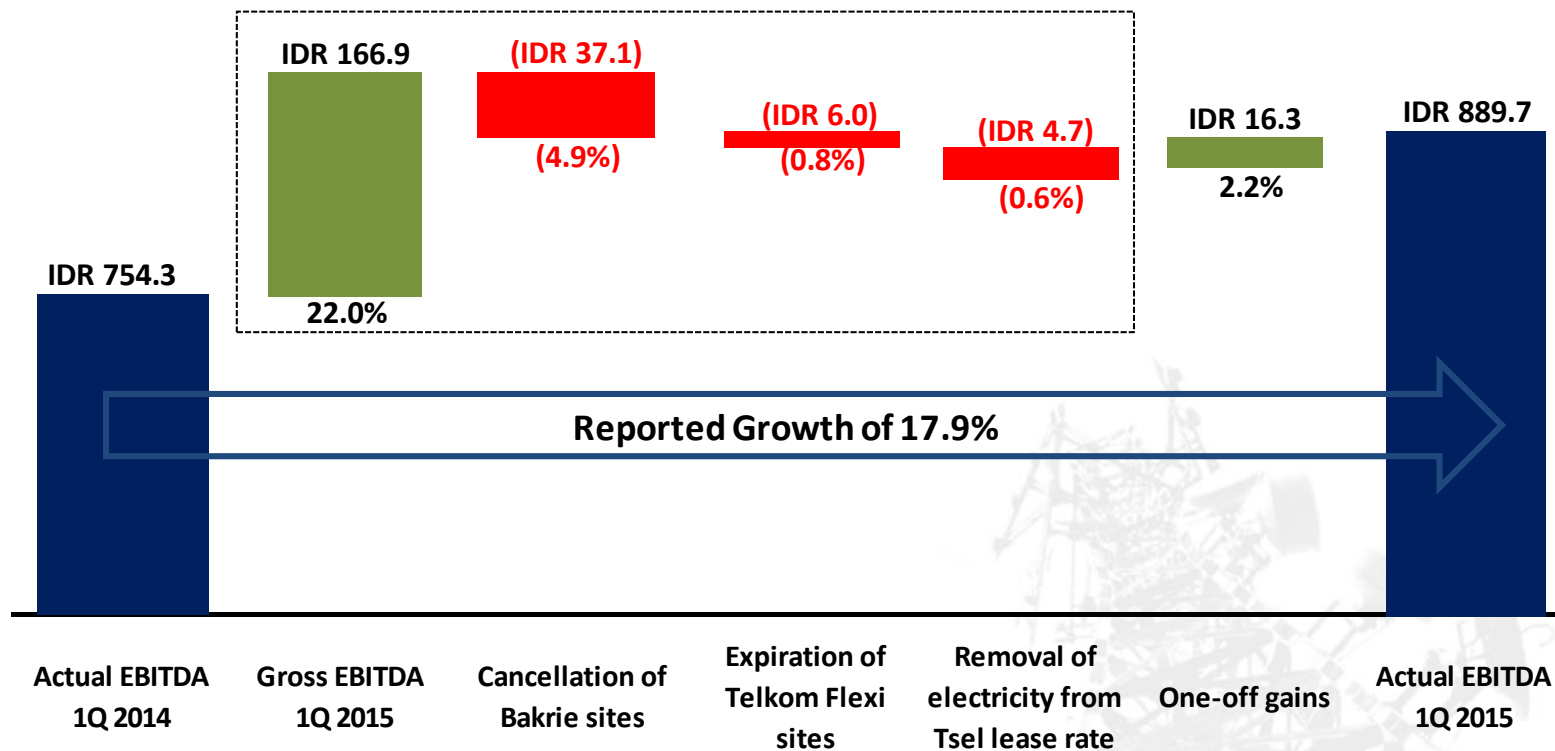
- Gross revenue grew over 23%, actual revenue 17% due to one-off items



# 1Q 2015 Financial Results

## EBITDA

(in IDR Billions)

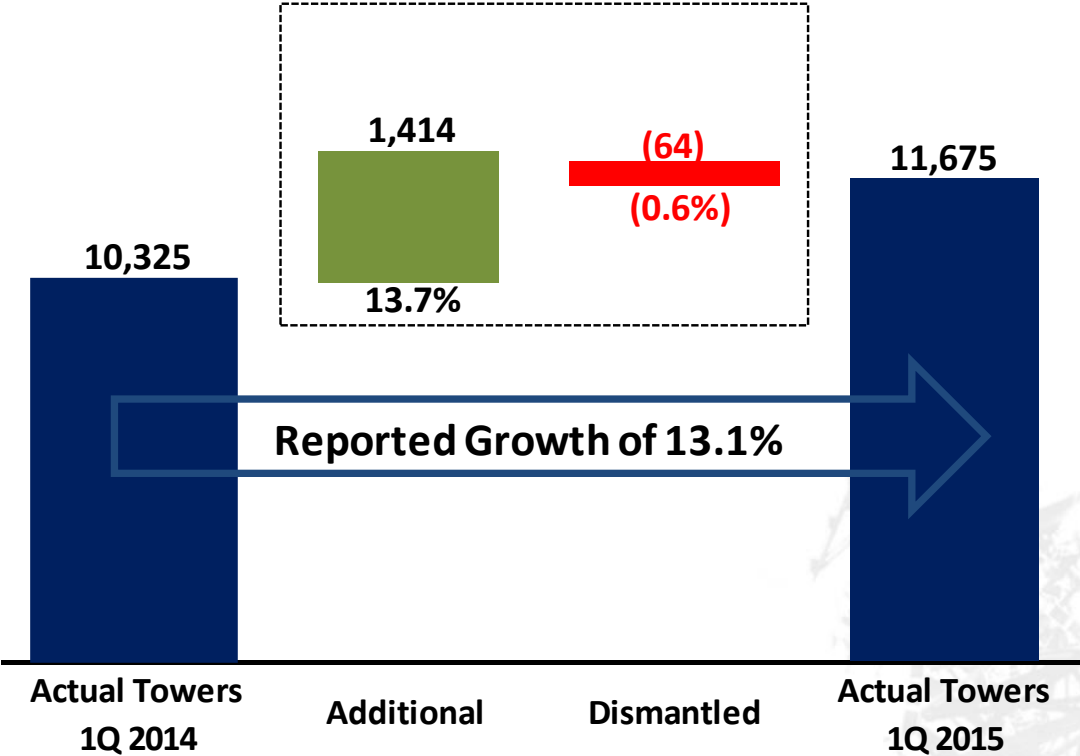


- Gross EBITDA grew 22%, actual EBITDA nearly 18%



# Strong Tower and Tenant Growth

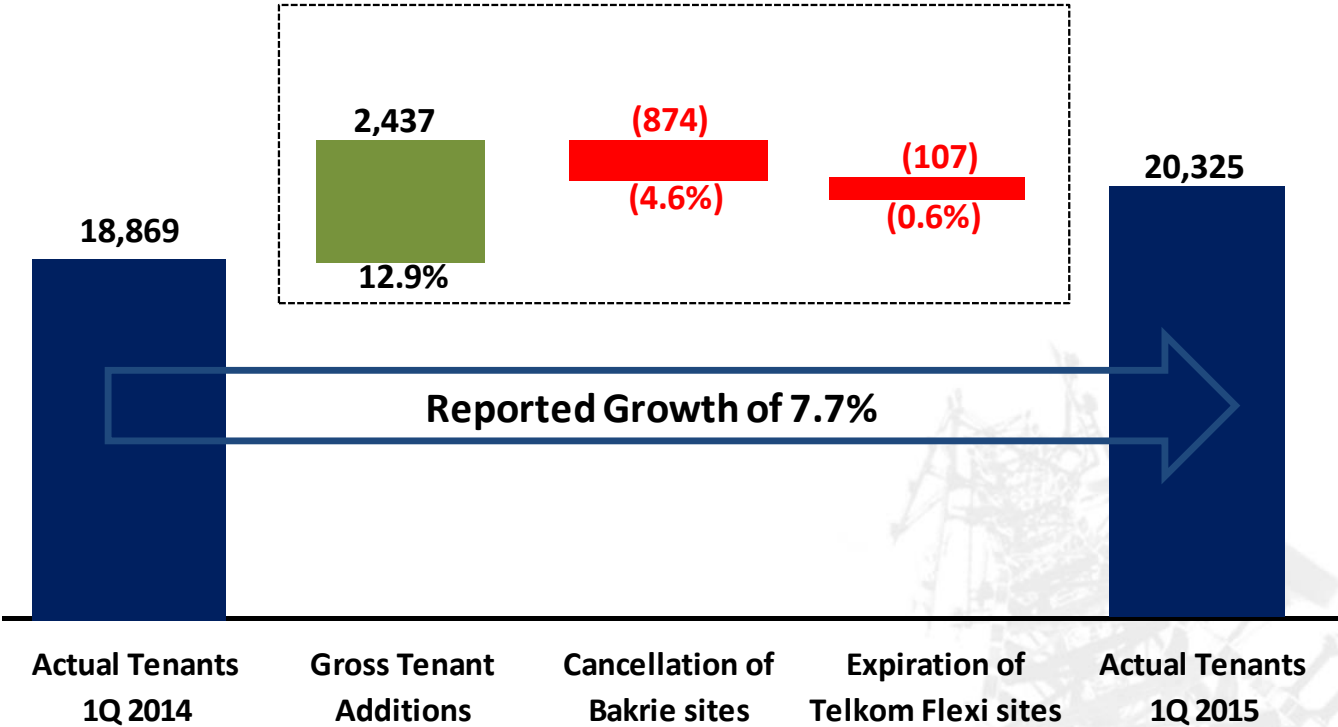
## Towers



- Strong tower growth with over 1,400 new tower additions

# Strong Tower and Tenant Growth

## Tenants



- YoY tenancy comparisons affected by one-time cancellation of 981 site leases



# Post-Refinancing Debt Structure: Longer Tenors, Lower Margins

Structure	Maturity Date	Currency <sup>(1)</sup>	Amount Outstanding (in Original Currency)	Amount Outstanding (In USD Millions)
7-Yr Amortizing	Dec 2018	IDR	792.2	60.6
7-Yr Amortizing	Dec 2019	IDR	1,001.0	76.5
3-Yr Bonds	Feb 2017	IDR	1,000.0	76.4
10-Yr Bonds	Nov 2024	USD	138.3	138.3
5-Yr Bullet	Nov 2019	USD	340.0	340.0
5-Yr Bullet	Nov 2019	EUR	40.0	43.3
10-Yr Bullet	Nov 2022	EUR	14.7	15.9
<b>TOTAL</b>				<b>751.0</b>

- **Average interest rate decreased 1.01% or 17.1% from 5.89% in 1Q 2014 to 4.88% at the end of 1Q 2015**

<sup>(1)</sup> IDR in billions;  
EUR/USD in millions



# 1Q 2015 Achievements

- Improved financial ratios despite an increase of towers of over 13.7% and tenancies of 12.9%
  - Increased LQA EBITDA interest coverage ratio by 34.5% to 7.4x, up from 5.5x at 1Q 2014
  - Decreased Net Debt to LQA EBITDA ratio by 15.4% to 2.2x, down from 2.6x at 1Q 2014
- Received one-notch international rating upgrade from Fitch (BB to BB+, Stable) in May 2015
- Received two-notch domestic rating upgrade from Fitch Indonesia (AA- to AA+, Stable)
- Maintained BB+ and Ba1 rating from S&P and Moody's, respectively

- We have the longest average life debt among TowerCos in Indonesia
- We are one of the strongest companies financially in Indonesia in any sector
- We have some of the best financial ratios in the local tower industry

# 1Q 2015 Summary

- **Increased Revenue and EBITDA in excess of 17% year over year**
- **Added over 1,300 towers (net) year over year, an increase of 13.1%**
- **Added over 1,400 tenants (net) year over year, an increase of 7.7%**
- **Approaching 11,700 towers and 20,400 tenants**

# Overview of iForte Acquisition

- **iForte is a bolt-on acquisition**
  - ❖ Enhances our ability to support operators as they expand 3G and invest in 4G in dense urban areas
  - ❖ One of only 2 active companies with a microcell license
- **Three business lines**
  - ❖ **Towers, fiber, BTS hotels: main attraction**
    - ✓ exclusive rights in the 12 Transjakarta busways (through densest part of Jakarta), built out in 11
    - ✓ 700 km of fiber
    - ✓ 7 BTS hotels
    - ✓ currently 450 towers, expect 550-600 towers, 700-750 tenancies at YE
    - ✓ current tower EBITDA margin is 62% before synergies
  - ❖ **Wifo: provides WiFi services as part of agreement with Transjakarta**
  - ❖ **VSAT**
- **Enterprise value: IDR 1.010 trillion, equity value IDR 864 billion**
  - ❖ Assume bank debt at iForte, cash out for equity only
- **Transaction requires MOCI approval, expected by end of August**

# 2015 Outlook

## Outlook

**Revenue**

**IDR 4,311 – 4,599 Billion**

**EBITDA**

**IDR 3,589 – 3,829 Billion**

