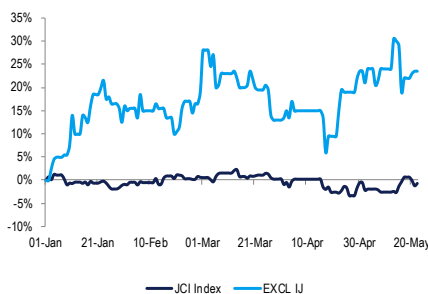


Stock Data

Target price	Rp3,100
Prior TP	Rp3,400
Current price	Rp2,470
Upside/downside	26%
Shares outstanding (mn)	13,128
Market cap (Rp bn)	32,427
Free float	33%
Avg. 6m daily T/O (Rp bn)	72

Price Performance

	3M	6M	12M
Absolute	11.8%	19.3%	27.3%
Relative to JCI	13.5%	15.6%	20.1%
52w low/high (Rp)	1,895 – 2,610		



Major Shareholders

Axiata Investments	66.3%
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Subscriber acquisition from LINK is net accretive; reiterate Buy

- EXCL to acquire 750k subs from LINK for Rp1.9tr, which implies transaction valuation of about Rp2.5mn/sub.
- A wholesale service agreement will concurrently be established, whereby EXCL will pay LINK for the infra needed to support the B2C business.
- The impact from this transaction is net accretive for EXCL (c.3-5% FY24-25F EBITDA accretion) and the industry. Reaffirm buy.

EXCL will acquire 750k FTTH B2C subs from LINK for Rp1.9tr

EXCL announced the signing of an agreement with Link Net (LINK; not rated) for the acquisition of 750k subs of LINK's B2C FTTH business (2nd largest in the country) for Rp1.9tr, which implies transaction valuation of about Rp2.5mn/sub (vs. ISAT-MNC Play/Tsel-IndiHome at Rp2.7/6.1mn/sub). Assuming: 1) FY23 revenue of Rp2.9tr for the B2C business; and 2) EBITDA margin of 32% (vs. EBITDA margin of global fiberco's: 30-40%); we estimate transaction valuation of around 2.0x EV/EBITDA, lower than the implied EV/EBITDA valuation of ISAT-MNC play at 2.3x EV/EBITDA and IndiHome pre-carve out at 4.2x. LINK's B2C implied ARPU is about Rp323k/month, on our estimates, which is relatively higher than the industry (c.Rp250-300k).

EXCL to focus on B2C; infrastructure assets to remain under LINK

As part of the agreement, a wholesale service agreement will be established, whereby EXCL will pay LINK for the network infrastructure needed to support the carved-out B2C business. This leaseback agreement will cost about Rp120k/sub or about Rp1.1tr/year, but could decline to Rp80k/sub if penetration increase to >25% (c.23% in FY23). Of note, LINK currently has c.3.5mn homes-passed in total (or c.3.3mn residential) and plans to reach 4.4/6.4/8.4mn in FY24/25/26F (see our previous [note](#)).

Generally positive for EXCL; about 3-5% FY24-25F EBITDA accretion

Overall, we continue to believe that this transaction shall bode well for EXCL, as: 1) it is likely to be EBITDA and earnings accretive; 2) the asset-light model means EXCL can rollout homes-passed with limited capex burden and risk, as LINK assumes the infraco role and lease payments depend on homes-connected (and not homes-passed); and 3) an instant access to about 3.3mn homes-passed and 750k subs should help EXCL to jump-start its FTTH business (i.e. XL Home; c.8% market share post-transaction, on our estimates) and unlock FMC synergies. We estimate revenue/EBITDA accretion of 4-9%/3-5% in FY24-25F. Further, EXCL's net debt/EBITDA would increase marginally from 2.5x to 2.6x. We also believe that this transaction could potentially be earnings accretive by 14-31% (see fig. 4).

Reiterate Buy on EXCL, with an unchanged TP of Rp3,100

EXCL's fundamentals remain intact, in our view, and this transaction shall bode well for the company and could also help to support a healthier FTTH/FMC competition in the long-run. EXCL's potential merger with FREN is another long-term growth driver, given the potential cost savings that it could introduce (see our previous [note](#)). Note that we have yet to adjust our model, pending the closing of EXCL-LINK transaction (LINK's EGMS is scheduled to be on 28June24). For now, reiterate BUY with TP of Rp3,100. Risks: unfavorable deal terms and competition.

Financial Summary (Rp bn)	2022A	2023A	2024F	2025F	2026F
Revenue	29,142	32,323	34,981	37,119	39,326
EBITDA	14,235	15,885	17,714	18,965	20,176
EBITDA growth	7.1%	11.6%	11.5%	7.1%	6.4%
Net profit	1,109	1,271	1,970	2,305	2,709
EPS (Rp)	84	97	150	176	206
EPS growth	-13.9%	14.6%	55.0%	17.0%	17.5%
ROE	4.3%	4.8%	7.1%	7.9%	8.9%
PER (x)	28.9	25.2	16.3	13.9	11.8
EV/EBITDA (x)	5.4	4.9	4.4	4.1	3.8
Dividend yield	1.7%	1.7%	2.0%	3.4%	4.7%
Forecast change			N/A	N/A	N/A
IPS vs. consensus			121%	119%	112%

Source: Company, Indo Premier

Share price closing as of: 23 May 2024

Fig. 1: Homes-passed and # of subscribers

in k user	Homes passed	Subscribers
IndiHome	30,000	10,309
FirstMedia	3,400	750
Indosat Hifi	1,900	339
MyRepublic	1,740	304
Biznet	2,200	500
XL Home	1,200	252
Market share	Homes passed	Subscribers
IndiHome	74%	83%
FirstMedia	8%	6%
Indosat Hifi	5%	3%
MyRepublic	4%	2%
Biznet	5%	4%
XL Home	3%	2%

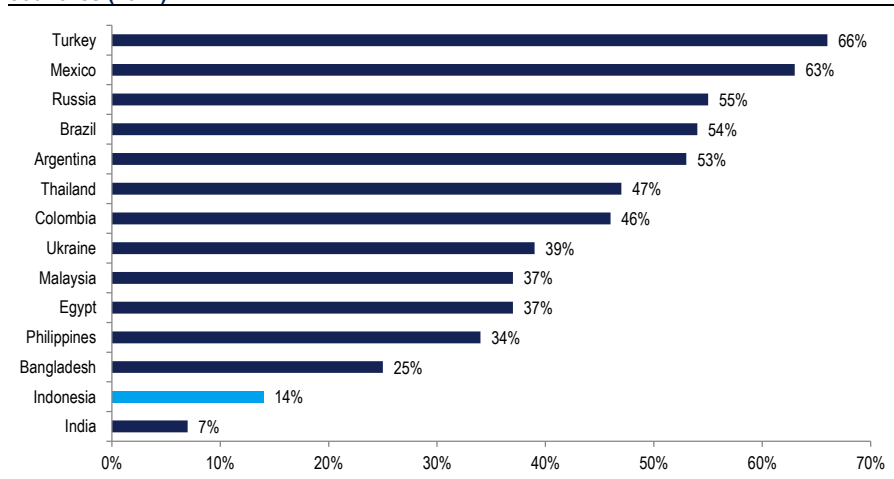
Source: Various News, Company, Indo Premier

Fig. 2: FTTH providers' current coverage

Home-passed locations		
Provinces	Cities	
XL Home	Bali, Central Java, East Java, Jabodetabek, Kalimantan, Sulawesi, West Java	102 cities
Link Net	Bali, Central Java, East Java, Jabodetabek, Sumatra, West Java	Bali, Bandung, Batam, Cikampek, Cilegon, Cirebon, Gresik, Jabodetabek, Jogja, Kediri, Malang, Medan, Purwakarta, Semarang, Serang, Sidoarjo, Solo, Surabaya, Tegal
IndiHome	34 provinces	496 cities
MNC Play	Jabodetabek, West Java, Central Java, East Java, Sumatra	Jakarta, Bandung, Semarang, Surabaya, Malang, Medan and others

Source: Various News, Company, Indo Premier

Fig. 3: Indonesia has one of the lowest fixed broadband penetration rates among ASEAN countries (2021)



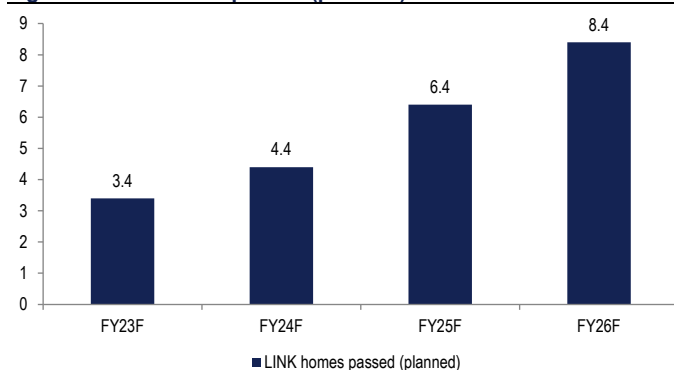
Source: McKinsey Analysis, Oxford Economics, Analysis Mason, Indo Premier

Fig. 4: EXCL-LINK pro forma

(Rp bn)	Projection period		Assumptions
	FY24F	FY25F	
EXCL standalone revenue	34,981	37,119	
LINK's B2C standalone revenue	3,050	3,203	+5% yoy in FY24-25F
Proforma combined revenue	36,506	40,322	Half a year impact in FY24F (transaction completed at end-2Q24F)
EXCL standalone EBITDA	17,714	18,965	
EBITDA margin (%)	50.6%	51.1%	
LINK's B2C standalone EBITDA	971	1,019	+5% yoy in FY24-25F; EXCL pays fixed lease fee per sub (Rp120k/home-connect for up to 25% penetration rate and Rp80k/home-connect for >25% penetration rate); similar cost composition as LINK for other opex items
EBITDA margin (%)	31.8%	31.8%	
Proforma combined EBITDA	18,199	19,984	Half a year impact in FY24F
EBITDA margin (%)	49.9%	49.6%	
EXCL standalone net profit	1,970	2,305	
Net margin (%)	5.6%	6.2%	
LINK's B2C standalone net profit	776	815	+5% yoy in FY24-25F
Net margin (%)	25.5%	25.5%	
Incremental net interest expense (after tax shield)	(105)	(105)	100% debt-funding at 7% cost of debt; tax rate of 20%
Proforma combined net profit	2,253	3,015	Half a year impact in FY24F; yet to factor-in the impact from non-controlling interests
Net margin (%)	6.2%	7.5%	
Revenue accretion/(dilution)	4.4%	8.6%	
EBITDA accretion/(dilution)	2.7%	5.4%	
Earnings accretion/(dilution)	14.4%	30.8%	

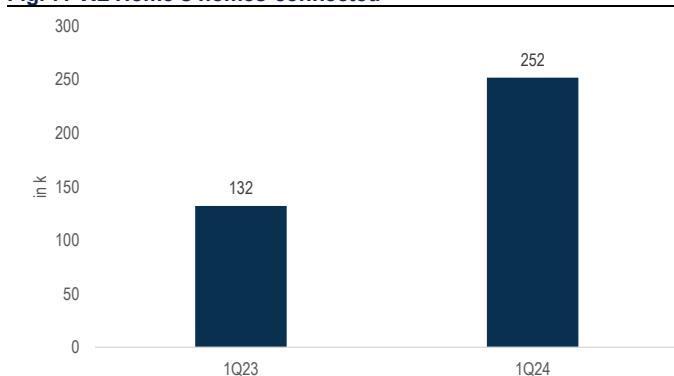
Source: Company, Indo Premier

Fig. 5: LINK's homes-passed (planned)



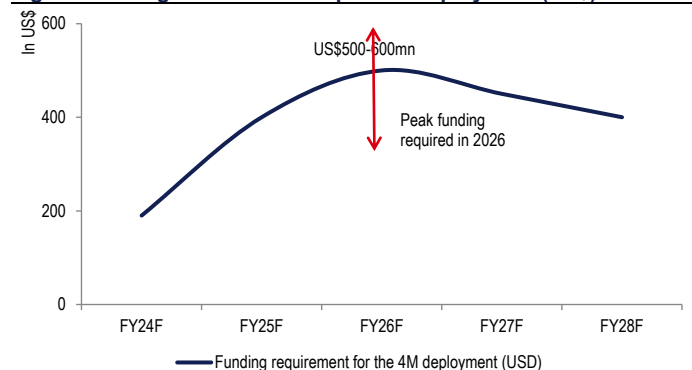
Source: Company, Indo Premier

Fig. 7: XL Home's homes-connected



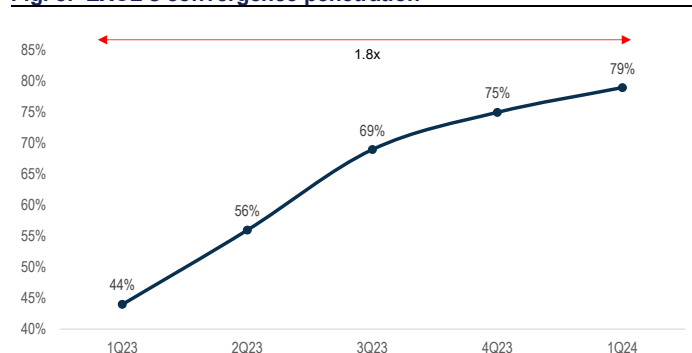
Source: Various News, Company, Indo Premier

Fig. 6: Funding for 4mn homes-passed deployment (US\$)



Source: Company, Indo Premier

Fig. 8: EXCL's convergence penetration



Source: Various News, Company, Indo Premier

Fig. 9: LINK IJ – FY23 results summary

LINK FY23 results								
(Rp bn)	FY23	FY22	yoy%	4Q23	4Q22	yoy%	3Q23	qoq%
Revenue	3,926	4,371	-10%	994	1,181	-16%	968	3%
Expenses								
Depreciation expenses	(1,624)	(1,427)	14%	(417)	(371)	12%	(413)	1%
Network & other direct expenses	(826)	(980)	-16%	(233)	(396)	-41%	(192)	22%
G&A expenses	(420)	(271)	55%	(157)	(70)	125%	(3)	4476%
Salaries & employee benefits expenses	(437)	(423)	3%	(105)	(106)	-2%	(104)	1%
Sales & marketing expenses	(347)	(301)	15%	(99)	(69)	44%	(88)	13%
Impairment of trade receivables	(284)	(286)	-1%	(98)	(75)	29%	(186)	-48%
Amortisation expenses	(68)	(63)	7%	(17)	(18)	-6%	(17)	-2%
Other income/expenses	2	(8)	-126%	(2)	(3)	-30%	(3)	-45%
Operating profit	(78)	611	-113%	(132)	74	-278%	(38)	246%
EBITDA	1,613	2,102	-23%	301	462	-35%	392	-23%
Finance income	6	5	25%	1	1	35%	1	-20%
Finance expenses	(514)	(287)	79%	(148)	(80)	85%	(132)	12%
PBT	(586)	329	-278%	(280)	(6)	4984%	(169)	65%
Income tax expenses	53	(89)	-160%	21	(1)	-2664%	24	-13%
Profit for the year	(533)	240	-322%	(259)	(6)	4006%	(146)	78%
Non-controlling interests	-	-	NA	-	-	NA	-	NA
Net profit	(533)	240	-322%	(259)	(6)	4006%	(146)	78%
Operating margin	-2.0%	14.0%		-13.3%	6.3%		-3.9%	
EBITDA margin	41.1%	48.1%		30.3%	39.2%		40.5%	
Net margin	-13.6%	5.5%		-26.1%	-0.5%		-15.0%	

Source: Company, Indo Premier

Fig. 10: Fixed broadband package comparisons

Packages	Link Net	IndiHome	MNC Play	MyRepublic	Biznet	XL Home
Price for 20-30 Mbps equivalent product	N/A	Rp280k (30Mbps) Access to Disney+	Rp279k (20 Mbps)	Rp205k	Rp250k	N/A
		Rp295k (30Mbps) Access to Disney+	Rp339k (30 Mbps)	Rp222k		
				Rp316k (30Mbps) Vidio Platinum, WeTV VIP		
Price for 30-40 Mbps equivalent product	N/A	Rp310k (40Mbps) Access to Disney+				N/A
Price for 40-50 Mbps equivalent product	N/A	Rp350k (50Mbps) Access to Disney+	Rp459k (50 Mbps)	Rp333k		N/A
		Rp370k (50Mbps) Access to Disney+		Rp400k (50Mbps) Vidio Platinum, WeTV VIP		
		Rp405k (50Mbps) Access to Disney+				
Price for 50-100 Mbps equivalent product	N/A	Rp425k (100Mbps) Access to IndihomeTV, Disney+	Rp709k (100 Mbps)	Rp416k	Rp575k (100Mbps) 56 channels IPTV	Rp259k (75Mbps)
				Rp482k (100Mbps) Vidio Platinum, WeTV VIP	Rp775k (200Mbps) 56 channels IPTV	Rp318k (100 Mbps)
						Rp369k (150 Mbps)

Source: Company, Indo Premier

Fig. 11: Telcos with significant fixed broadband business comps

	P/E			EV/EBITDA			Div' Yield		
	24F	25F	26F	24F	25F	26F	24F	25F	26F
Asia Average	17.0	16.3	15.4	7.1	6.8	6.5	5.1	3.5	4.1
Converge Information and Communactions	7.1	6.6	6.1	4.1	3.8	3.5	0.0	2.0	4.1
China Telecom Corp Ltd	14.4	13.0	11.8	3.2	3.0	2.9	0.7	0.9	0.9
TIME dotCom Bhd	20.8	18.7	17.1	10.3	9.3	8.5	14.5	4.6	4.7
Telekom Malaysia Bhd	12.2	12.9	13.1	5.2	5.1	5.0	3.8	3.9	4.0
NETLINK NBN TRUST	30.3	30.2	28.8	13.0	12.9	12.7	6.3	6.3	6.7
Middle East Average	14.2	14.1	13.1	6.9	6.6	6.4	2.3	2.5	2.9
Saudi Telecom Co	14.2	14.1	13.1	7.7	7.3	7.0	4.3	4.5	5.0
Telecom Italia SpA/Milano	n.a	n.a	n.a	6.1	5.9	5.7	0.3	0.5	0.8
Europe Average	6.7	12.0	3.2	4.6	4.3	4.1	4.3	4.7	4.9
BT Group PLC	7.2	18.1	1.0	4.1	4.1	4.0	5.7	5.4	5.5
Telecom Egypt Co	6.2	5.8	5.4	5.0	4.6	4.1	2.9	4.0	4.3
Global Average	14.1	14.9	12.0	6.5	6.2	5.9	4.3	3.6	4.0

Source: Bloomberg, Indo Premier

Fig. 12: Fixed broadband comps

	P/E			EV/EBITDA			Div' Yield		
	23F	24F	25F	23F	24F	25F	23F	24F	25F
Indonesia Average									
Link Net Tbk PT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Asia Pacific Average	20.0	12.7	11.4	7.0	6.8	6.6	3.3	3.6	3.9
Converge Information and Commu	8.3	7.8	7.0	4.5	4.2	3.9	0.5	1.6	1.1
Globe Telecom Inc	14.0	13.2	11.0	7.4	7.1	6.7	5.0	5.5	5.9
GTPL Hathw ay Ltd	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Information & Communication Netw orks PCL	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Nippon Telegraph & Telephone Corp	11.1	10.6	10.2	6.9	6.7	6.5	3.5	3.7	4.0
SKY Netw ork Television Ltd	6.9	6.6	6.2	2.2	2.1	2.0	7.0	7.9	10.1
TIME dotCom Bhd	21.3	19.4	19.2	10.4	9.6	9.2	4.2	4.7	5.1
True Corp PCL	127.1	35.9	23.5	7.7	7.3	7.0	0.4	0.9	2.2
Europe Average	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Euskaltel SA	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Telenet Group Holding NV	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Europe Average	8.7	8.9	8.2	6.4	6.3	6.1	2.4	2.6	2.7
Cable One Inc	8.7	23.5	1.2	6.3	6.5	6.3	3.3	3.4	3.5
Charter Communications Inc	8.7	8.6	8.0	6.4	6.3	6.1	0.0	0.0	0.0
Cogeco Communications Inc	6.4	6.6	6.6	5.4	5.4	5.4	4.4	4.8	n.a
Comcast Corp	9.4	9.2	8.7	6.4	6.3	6.0	3.2	3.4	3.7
Liberty Global PLC	(9.1)	n.a	n.a	8.8	8.7	8.8	0.0	0.0	0.0
Liberty Latin America Ltd	13.8	7.5	5.6	5.8	5.3	5.1	n.a	n.a	n.a
Global Average	18.9	13.5	9.8	6.5	6.3	6.1	2.9	3.3	3.6

Source: Bloomberg, Indo Premier

Fig. 13: Telco comps

	P/E			EV/EBITDA			Div' Yield		
	24F	25F	26F	24F	25F	26F	24F	25F	26F
Indonesia Average	14.8	13.5	12.2	4.6	4.4	4.2	5.2	5.5	5.9
Telkom Indonesia Persero Tbk	11.5	11.1	10.4	4.4	4.3	4.2	6.5	7.0	7.2
XL Axiata Tbk	24.6	19.2	15.9	4.8	4.4	4.1	1.8	2.0	2.9
Indosat Tbk	22.9	20.0	17.0	5.3	4.8	4.4	2.0	1.7	2.5
Asia Average	28.1	20.2	17.1	8.2	7.4	6.9	2.3	2.6	3.0
China United Network Communication Co Ltd	16.0	14.4	13.0	3.7	3.6	3.4	4.2	5.0	5.8
Shanghai Airtel Co Ltd	50.7	41.6	37.1	9.6	8.9	8.3	0.3	0.4	0.6
HKBN Ltd	44.3	10.8	8.4	6.1	5.8	5.7	11.7	13.2	15.0
China Telecom Corp Ltd	15.6	14.4	13.3	3.5	3.4	3.2	0.7	0.8	0.9
Vodafone Idea Ltd	n.a	n.a	n.a	16.5	13.6	11.6	0.0	0.0	0.0
Bharti Airtel Ltd	39.7	27.6	22.4	11.4	9.9	8.8	0.7	1.0	1.4
Tata Communications Ltd	33.4	22.8	19.4	11.9	10.0	8.9	1.0	1.2	1.7
SK Telecom Co Ltd	9.8	9.5	8.9	3.8	3.8	3.7	6.9	6.9	7.1
LG Uplus Corp	6.9	6.5	6.1	2.8	2.8	2.8	6.7	6.9	7.0
KT Corp	7.6	7.0	6.7	3.2	3.2	3.2	5.5	5.8	6.0
Axiata Group Bhd	39.0	28.3	22.4	6.3	6.0	5.7	3.4	3.4	3.8
Maxis Bhd	22.0	20.8	19.6	9.4	9.2	9.1	4.4	4.6	4.8
PLDT Inc	8.6	8.0	7.5	5.7	5.4	5.2	6.9	7.3	7.8
Singapore Telecommunications Ltd	15.0	13.2	11.9	12.0	11.4	11.3	5.7	6.3	7.0
StarHub Ltd	13.4	12.1	11.1	6.9	6.5	6.3	5.7	6.2	6.1
Omani Qatari Telecommunication	n.a	n.a	n.a	n.a	n.a	n.a	5.0	5.0	6.0
Telekom Malaysia Bhd	15.7	16.0	15.4	5.9	5.7	5.7	3.4	3.5	3.7
Advanced Info Service PCL	19.4	17.5	16.2	7.8	7.5	7.2	4.5	5.0	5.5
True Corp PCL	127.1	35.9	23.5	7.7	7.3	7.0	0.4	0.9	2.2
Jasmine International PCL	747.1	567.3	443.9	42.7	39.9	37.3	n.a	n.a	n.a
Globe Telecom Inc	14.0	13.2	11.0	7.4	7.1	6.7	5.0	5.5	5.9
Europe Average	12.5	29.4	2.1	6.0	5.7	5.6	5.4	5.6	5.9
Orange SA	9.7	8.8	7.9	5.5	5.4	5.4	7.1	7.3	7.6
Deutsche Telekom AG	12.3	28.1	0.7	6.2	5.9	5.7	3.9	4.4	4.8
Telefonica Deutschland Holding	22.6	136.4	(2.5)	4.0	4.4	4.7	3.6	4.5	6.2
Vodafone Group PLC	10.8	28.3	4.3	5.8	5.8	5.6	6.7	6.1	6.1
Telenor ASA	13.2	23.0	4.0	7.3	7.1	7.0	7.7	7.7	7.8
Telia Co AB	17.9	28.6	(2.0)	6.5	6.3	6.2	7.4	7.5	7.6
Telefonica SA	13.2	34.8	1.0	5.0	4.9	4.9	7.2	7.3	7.0
North America Average	12.3	16.7	6.0	7.8	7.5	7.3	4.6	4.8	4.9
T-Mobile US Inc	18.5	16.1	14.6	9.5	9.0	8.5	1.6	1.8	2.0
Verizon Communications Inc	8.7	17.3	1.0	7.0	6.9	6.7	6.8	6.9	7.0
AT&T Inc	7.7	17.0	(0.5)	6.4	6.3	6.2	6.4	6.5	6.5
Global Average	45.0	39.8	24.7	7.9	7.5	7.1	4.6	4.8	5.3

Source: Bloomberg, Indo Premier

Income Statement (Rp bn)	2022A	2023A	2024F	2025F	2026F
Net revenue	29,142	32,323	34,981	37,119	39,326
Cost of sales	-	-	-	-	-
Gross profit	29,142	32,323	34,981	37,119	39,326
SG&A Expenses	(25,484)	(27,943)	(29,333)	(30,985)	(32,527)
Operating profit	3,658	4,380	5,648	6,134	6,799
EBITDA	14,235	15,885	17,714	18,965	20,176
Net interest	(2,666)	(2,840)	(2,859)	(2,900)	(3,031)
Forex gain (loss)	(61)	13	(35)	(37)	(39)
Others	422	152	(210)	(223)	(236)
Pre-tax income	1,353	1,705	2,544	2,974	3,493
Income tax	(232)	(420)	(560)	(654)	(768)
Minority interest	(12)	(13)	(14)	(15)	(16)
Net income	1,109	1,271	1,970	2,305	2,709

Balance Sheet (Rp bn)	2022A	2023A	2024F	2025F	2026F
Cash & equivalent	5,184	966	901	907	955
Receivable	852	1,435	1,342	1,424	1,508
Other current assets	4,372	4,773	4,848	5,002	5,159
Total current assets	10,408	7,174	7,091	7,333	7,622
Fixed assets	60,474	63,890	61,220	59,384	58,042
Goodwill	16,396	16,624	19,949	23,939	28,726
Total non-current assets	76,869	80,515	81,169	83,322	86,768
Total assets	87,278	87,688	88,260	90,656	94,390
Payable	11,491	9,570	10,447	11,036	11,585
Other payables	3,941	3,696	3,733	3,695	3,658
Current portion of LT loans	10,919	6,877	7,968	8,082	8,446
Total current liab.	26,351	20,142	22,148	22,813	23,689
Long term loans	33,041	39,041	36,297	36,817	38,475
Other LT liab.	2,112	2,000	1,975	1,965	1,955
Total liabilities	61,504	61,183	60,420	61,595	64,119
Equity	18,093	18,093	18,093	18,093	18,093
Retained earnings	7,550	8,267	9,602	10,824	12,034
Minority interest	131	144	144	144	144
Total SHE + minority int.	25,774	26,505	27,840	29,061	30,272
Total liabilities & equity	87,278	87,688	88,260	90,656	94,390

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2022A	2023A	2024F	2025F	2026F
Net income	1,109	1,271	1,970	2,305	2,709
Depr. & amortization	12,180	11,146	12,066	12,830	13,377
Changes in working capital	599	(3,150)	932	315	271
Others	(3,503)	(327)	(3,336)	(3,985)	(4,782)
Cash flow from operating	10,386	8,940	11,633	11,465	11,574
Capital expenditure	(19,139)	(14,922)	(9,395)	(10,994)	(12,035)
Others	(1,603)	359	-	-	-
Cash flow from investing	(20,741)	(14,563)	(9,395)	(10,994)	(12,035)
Loans	8,311	1,958	(1,653)	634	2,022
Equity	5,058	(0)	(14)	(15)	(16)
Dividends	(544)	(549)	(636)	(1,084)	(1,498)
Others	-	-	-	-	-
Cash flow from financing	12,825	1,409	(2,303)	(464)	508
Changes in cash	2,520	(4,218)	(65)	6	47

Key Ratios	2022A	2023A	2024F	2025F	2026F
Gross margin	100.0%	100.0%	100.0%	100.0%	100.0%
EBITDA margin	48.8%	49.1%	50.6%	51.1%	51.3%
Pre-tax margin	4.6%	5.3%	7.3%	8.0%	8.9%
Net margin	3.8%	3.9%	5.6%	6.2%	6.9%
ROA	1.3%	1.4%	2.2%	2.5%	2.9%
ROE	4.3%	4.8%	7.1%	7.9%	8.9%
ROIC	6.2%	6.4%	7.9%	8.5%	9.1%
Acct. receivables TO (days)	9	13	14	14	14
Acct. payables - other TO (days)	141	141	141	141	141
Net debt/EBITDA (inc.leases) (x)	2.7	2.8	2.4	2.3	2.3
Net debt/EBITDA (ex. leases) (x)	0.5	0.6	0.2	0.1	0.0
Interest coverage (x)	1.3	1.5	2.0	2.1	2.2

Source: Company, Indo Premier

INVESTMENT RATINGS

BUY	: Expected total return of 10% or more within a 12-month period
HOLD	: Expected total return between -10% and 10% within a 12-month period
SELL	: Expected total return of -10% or worse within a 12-month period

ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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