

PT Telekomunikasi Indonesia (Persero) Tbk

BUY

Telecommunication
28 August 2025

Price IDR 3,170
Target IDR 4,050
JKSE Index 7,951.86



Stock code

Bloomberg code TLKM IJ
Market cap (in Bn) 314,030
52-week high 3,490
52-week low 2,050
Free Float (%) 30.00%

Major Share Holders (%)

PT Biro Klasifikasi Indonesia 52.09%
Public 47.91%

USD/IDR-YE

2024 16,193
2025F (6m-avg) 16,421

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Investment Considerations

Expecting flattish top line

- Telkom Indonesia (TLKM) reported revenue of IDR 36.36 trillion in Q2-2025, down -4.0% YoY and -0.7% QoQ. For 1H-2025, total revenue declined -3.0% YoY to IDR 73 trillion, reflecting weaker consumer spending and challenging macroeconomic conditions.
- The Data, Internet & IT Services segment fell -9.2% YoY to IDR 21.15 trillion, primarily due to a -7.1% YoY drop in digital business. Despite data traffic rising +20% YoY to 5,937 PB, mobile ARPU declined to IDR 41,200 (vs. IDR 45,000 in Q2-2024), pressured by competition, downtrading, and spending cuts. Mobile subscribers also contracted slightly (-0.9% YoY) to 158.4 million.
- IndiHome remained a bright spot, with revenue up +7.8% YoY to IDR 6.58 trillion. Subscribers grew +10.0% YoY to 10.06 million, though ARPU fell to IDR 216,900 (vs. IDR 240,000 last year).
- Given these trends, management revised its 2025 revenue growth guidance from low single-digit to flattish, while maintaining the EBITDA margin target at 50% (previously 50%–52%).

Q2 2025 Results: Margin contracted

- Net profit in Q2-2025 was IDR 5.13 trillion, down -10.0% YoY and -11.6% QoQ, with Net Profit Margin (NPM) contracting to 14.1%.
- Operating expenses decreased -4% YoY to IDR 26.9 trillion, aided by lower personnel costs (-26.9% YoY) following a retirement program, and a -16.5% YoY reduction in general & administrative expenses.
- TLKM also booked an unrealized gain of IDR 110 billion from changes in fair value of its GOTO investment. Excluding unrealized items, core net income declined -4.9% YoY to IDR 5.61 trillion.

Valuation: Maintain BUY with TP of IDR 4,050

- We maintain our BUY recommendation with a revised target price of IDR 4,050, representing a +28% upside, based on a 17x forward P/E multiple. Despite near-term weakness in consumer spending and competition, TLKM's resilient IndiHome growth, data-driven strategy, and margin discipline underpin our positive view.

Financial Highlights	2021A	2022A	2023A	2024A	2025F	2026F
Revenue (IDR Bn)	143.210	147.306	149.216	149.967	151.391	155.492
EBITDA (IDR Bn)	79.301	72.749	77.579	75.027	77.221	78.859
Net Income (IDR Bn)	24.760	20.753	24.561	23.649	23.222	24.093
EPS (IDR)	250	209	248	239	234	243
PBV (x)	3	3	3	2	3	3
PER (x)	16	18	16	11	17	17
ROE (%)	20%	16%	18%	17%	17%	17%
ROA (%)	9%	8%	9%	8%	8%	8%
Tot. Debt / Equity (x)	1,1	1,0	1,0	1,0	1,1	1,0
Current Ratio (X)	0,9	0,8	0,8	0,8	0,7	0,7

Revenue Breakdown YoY

Revenue Breakdown (IDR Bn)	1Q2025	2Q2025	% QoQ	2Q2024	% YoY	1H2024	1H2025	% YoY
Data, Internet & IT Services	21.331	21.152	-0,8%	23.307	-9,2%	45.455	42.483	-6,5%
SMS, Fixed and Cellular Voice	2.570	2.276	-11,4%	2.716	-16,2%	5.225	4.846	-7,3%
IndiHome	6.663	6.588	-1,1%	6.109	7,8%	12.972	13.251	2,2%
Interconnection	2.396	2.566	7,1%	2.271	13,0%	4.846	4.962	2,4%
Network and Other Telco Services	3.679	3.783	2,8%	3.460	9,3%	6.794	7.462	9,8%
Total Revenue	36.639	36.365	-0,7%	37.863	-4,0%	75.292	73.004	-3,0%

Source: Company

TLKM Operation Performance

Key Indicators	YoY			QoQ				
	1H2024	1H2025	%	1Q2025	2Q2025	QoQ %	2Q2024	YoY %
Mobile Customer Base (000)	159.882	158.428	-0,9%	158.811	158.428	-0,2%	159.882	-0,9%
IndiHome B2C (000)	9.143	10.061	10,0%	9.842	10.061	2,2%	9.143	10,0%
ARPU Mobile (000)	45,2	41,8	-7,5%	42,4	41,2	-2,8%	45,0	-8,4%
ARPU IndiHome B2C (000)	241,5	220,3	-8,8%	223,8	216,9	-3,1%	240,0	-9,6%
BTS on Air (Units)	265.904	280.434	5,5%	278.100	280.434	0,8%	265.904	5,5%
Data Payload (TB)	9.753.659	11.715.570	20,1%	5.778.048	5.937.521	2,8%	4.929.850	20,4%

Source: Company

Income Statement in IDR. Billion QoQ

Income Statement (IDR. Bn)	1Q2025	2Q2025	QoQ	2Q2024	YoY	1H2024	1H2025	YoY
Revenue	36.639	36.365	-0,7%	37.863	-4,0%	75.292	73.004	-3,0%
Cost of revenue	-26.151	-26.948	3,0%	-27.236	-1,1%	-53.657	-53.099	-1,0%
Operating Profit	10.488	9.417	-10,2%	10.627	-11,4%	21.635	19.905	-8,0%
Others income/ (Expense)	-898	-866	-3,6%	-847	2,2%	-1.712	-1.764	3,0%
Profit Before Tax	9.590	8.551	-10,8%	9.780	-12,6%	19.923	18.141	-8,9%
Taxes	-1.993	-2.051	2,9%	-2.176	-5,7%	-4.499	-4.044	-10,1%
NIAT	7.597	6.500	-14,4%	7.604	-14,5%	15.424	14.097	-8,6%
Non-controlling Interest	-1.787	-1.364	-23,7%	-1.896	-28,1%	-3.663	-3.151	-14,0%
Net Income	5.810	5.136	-11,6%	5.708	-10,0%	11.761	10.946	-6,9%
EPS (in IDR)	59	52	-11,6%	58	-10,0%	119	110	-6,9%
Core Net Income	6.533	5.610	-14,1%	5.896	-4,9%	12.429	11.191	-10,0%
OPM	28,6%	25,9%		28,1%		28,7%	27,3%	
NPM	15,9%	14,1%		15,1%		15,6%	15,0%	
Core NPM	17,8%	15,4%		15,6%		16,5%	15,3%	

Source: Company & Binaartha

Income Statement in IDR Billion YoY

Income Statement (IDR. Bn)	2021A	2022A	2023A	2024A	2025F	2026F
Revenue	143.210	147.306	149.216	149.967	151.391	155.492
Cost of revenue	-95.647	-107.725	-104.832	-106.976	-109.305	-111.954
Operating Profit	47.563	39.581	44.384	42.991	42.087	43.538
Others income/ (Expense)	-3.885	-3.242	-3.590	-3.838	-3.482	-3.576
Profit Before Tax	43.678	36.339	40.794	39.153	38.605	39.961
Taxes	-9.730	-8.659	-8.585	-8.410	-8.570	-8.871
NIAT	33.948	27.680	32.209	30.743	30.035	31.090
Non-controlling Interest	-9.188	-6.927	-7.648	-7.094	-6.813	-6.997
Net Income	24.760	20.753	24.561	23.649	23.222	24.093
EPS (in IDR)	249,9	209,5	247,9	238,7	234,4	243,2
EBITDA	79.301	72.749	77.579	75.027	77.221	78.859

Source: Company & Binaartha

Cash Flow in IDR. Billion YoY

Cash Flow (In IDR Bn)	2021A	2022A	2023A	2024A	2025F	2026F
Net Income	24.760	20.753	24.561	23.649	23.222	24.093
Depreciation	24.718	25.576	24.838	24.231	24.231	24.926
Change in WC	2.986	1.113	-2.316	2.630	13.269	-6.023
Cash From Operating Activities	52.464	47.442	47.083	50.510	60.722	42.996
Change in Non-current Asset	-40.185	-29.804	-36.132	-29.397	-28.333	-31.745
Cash From Investing Activities	-40.185	-29.804	-36.132	-29.397	-28.333	-31.745
Long-term Debts	5.758	-8.988	442	-2.255	219	697
Others Noncurrent Liabilities	-65	1.876	2.928	3.761	-2.961	2.269
Equity	-250	-16.890	-17.261	-17.721	-27.235	-18.261
Cash From Financing Activities	5.443	-24.002	-13.891	-16.215	-29.977	-15.295
Net Changes in Cash	17.722	-6.364	-2.940	4.898	2.412	-4.044
Beginning Balance	20.589	38.311	31.947	29.007	33.905	36.317
Ending Balance	38.311	31.947	29.007	33.905	36.317	32.273

Source: Company & Binaartha

Statement of Financial Position in IDR Billion YoY

Statement of Financial Position (In IDR Bn)	2021A	2022A	2023A	2024A	2025F	2026F
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	38.311	31.947	29.007	33.905	36.317	32.273
Trade Accounts Receivable	8.510	8.634	10.667	12.190	12.306	12.639
Others Current Assets	14.456	14.476	15.939	16.985	14.382	14.772
Total Current Assets	61.277	55.057	55.613	63.080	63.005	59.684
NONCURRENT ASSETS						
Fixed Assets	165.026	173.329	180.755	180.566	185.748	191.078
Intangible Assets	7.506	8.302	8.731	9.442	9.532	9.790
Other Noncurrent Assets	43.375	38.504	41.943	46.587	45.417	46.648
Total Noncurrent Assets	215.907	220.135	231.429	236.595	240.697	247.516
TOTAL ASSETS	277.184	275.192	287.042	299.675	303.702	307.200
LIABILITIES AND EQUITY						
LIABILITIES						
CURRENT LIABILITIES						
Short-term Bank Loans	20.248	17.049	19.926	27.391	35.196	29.917
Trade Payables	17.170	24.321	18.608	15.336	19.039	18.116
Accruals	15.885	15.445	13.079	14.192	13.277	13.637
Others Current Liabilities	15.828	13.573	19.955	19.848	20.037	20.579
Total Current Liabilities	69.131	70.388	71.568	76.767	87.549	82.249
NONCURRENT LIABILITIES						
Long-term bank	36.319	27.331	27.773	25.518	25.737	26.434
Others Noncurrent Liabilities	26.335	28.211	31.139	34.900	31.939	34.208
Total Noncurrent Liabilities	62.654	55.542	58.912	60.418	57.676	60.642
TOTAL LIABILITIES	131.785	125.930	130.480	137.185	145.225	142.891
Non-controlling interest	23.753	20.004	20.818	20.396	20.757	21.769
EQUITY	121.646	129.258	135.744	142.094	137.720	142.540
TOTAL LIABILITIES & EQUITY	277.184	275.192	287.042	299.675	303.702	307.200

Source: Company & Binaartha

Ratio Highlights YoY

Growth (% YoY)	2021A	2022A	2023A	2024A	2025F	2026F
Revenue	5%	3%	1%	1%	1%	3%
OP	9%	-17%	12%	-3%	-2%	3%
EBITDA	10%	-8%	7%	-3%	3%	2%
NP	19%	-16%	18%	-4%	-2%	4%
EPS	19%	-16%	18%	-4%	-2%	4%

Profitability

Operating Margin(%)	33%	27%	30%	29%	28%	28%
EBITDA margin(%)	55%	49%	52%	50%	51%	51%
NET Profit margin(%)	17%	14%	16%	16%	15%	15%
ROA(%)	9%	8%	9%	8%	8%	8%
ROE(%)	20%	16%	18%	17%	17%	17%

Stability

Tot debt/ equity (x)	1,1	1,0	1,0	1,0	1,1	1,0
Current Ratio (x)	0,9	0,8	0,8	0,8	0,7	0,7
Cash Ratio (x)	0,6	0,5	0,4	0,4	0,4	0,4

Per Share data

EPS (IDR)	250	209	248	239	234	243
PBV (x)	3	3	3	2	3	3
PER (x)	16	18	16	11	17	17
EBITDA/share	801	734	783	757	780	796

Source: Company & Binaartha

Stock Ratings:

- Buy : a recommendation to purchase the security with upside potential of **10,00% or greater**
Hold : a recommendation to neither buy nor sell a security with upside potential of **5,00%- 9,99%**.
Sell : a recommendation to close out a long position in a security with upside potential **below 4,99%**.

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