Buy

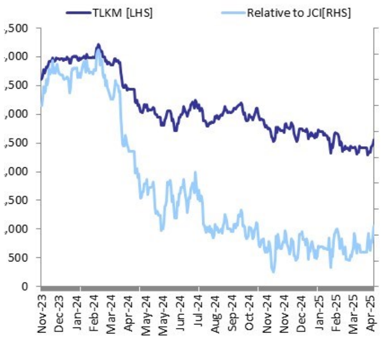
(Maintained)

Last Price (Rp)	2,550
Target Price (Rp)	3,900
Previous Target Price (Rp)	*3,680*
Upside/Downside	+37.8%
No. of Shares (mn)	100,800
Mkt Cap (Rpbn/US$mn)	257,040/15,277
Avg, Daily T/O (Rpbn/US$mn)	295.6/17.6
Free Float (%)	47.8
Major Shareholder (%)	
Indonesia Govr	52.1

EPS Consensus (Rp)

	2025F	2026F	2027F
BRIDS	246.0	250.3	257.3
Consensus	254.2	269.2	287.2
BRIDS/Cons (%)	**(3.2)**	**(7.0)**	**(10.4)**

TLKM relative to JCI Index



Source: Bloomberg

Telkom Indonesia (TLKM IJ)

In line FY24 Earnings; Navigating FMC Transition and Weak Macro with Capex Optimization

- **4Q24 earnings were supported by Enterprise/WIB revenue, despite a weaker EBITDA margin, while mobile posted a promising ARPU uplift.**
- **Lower-than-expected capex helped manage D&A, keeping FY24 core net profit inline amid TSEL's FMC transition and a weak macro backdrop.**
- **We maintain BUY rating with a higher TP of Rp3,900, assuming a lower capex and +5-6% FY25-26F net profit upgrade.**

Managing FY24 earnings amid transition to FMC and a weak macro
Telkom FY24 core net profit was Rp23.6tr (-4.1% yoy), well in-line with cons, despite flattish revenue of Rp149.97tr (+0.5% yoy, in-line) and a lower core EBITDA of Rp76.3tr (-1.7% yoy), well in-line with ours/cons. FY24 earnings outperformed compared to our forecast primarily due to significantly lower capex, which helped contain D&A charges and protect earnings.

Resilient earnings with revenue growth and significantly lower Capex
Telkom delivered 4Q24 core net profit of Rp5.5tr (-3.0% qoq, -0.7% yoy, supported by revenue growth to Rp37.7tr (+2.2% qoq, -0.6% yoy), with contributions from Mobile, Enterprise, and WIB segments. However, this was offset by a decline in EBITDA margin (-210bps qoq to 48.7%) as O&M and S&M OPEX significantly rose. **Capex intensity was significantly lower in 4Q24 and FY24 at 18.4%/16.3% capex-sales ratio (historically 21%+),** due to delivery delays in new data center capacity, helping manage D&A charges and supporting earnings.

A decent 4Q24 with mobile ARPU uplift; Indihome still a work in progress
TSEL's 4Q24 service revenue was Rp21.4tr, a slight -0.1% qoq decline despite a ~+2.1% qoq increase in ARPU and +0.6% qoq subscriber growth (+973k subs), suggesting a weak Oct–Nov24 period, while we think Dec24 monetization improved, pulling up quarterly ARPU. IndiHome added 200k subs in 4Q24, with ARPU down by -0.8% qoq, resulting in flattish revenue.

Maintain BUY rating with higher TP amid better cashflow outlook
Capex rollout delays may extend to the mobile and WIB segments, driven by soft macro, funding from a new investor in DCs, and group capex optimizations. We thus lower our capex-to-sales assumption to 19% (from 23% prev.), pending updates from the earnings call. Amid these catalysts, we also trim our revenue CAGR to +3%, being conservative across our DCF. Nonetheless, the lower capex leads to (a) lower D&A which raises our FY25–27 NP by +5.6%/+5.2%/+6.4%, and (b) better FCF prospects, supporting a higher valuation and a new TP of Rp3,900 (from Rp3,680), maintaining our BUY rating. Weaker macro and topline competitiveness are key risks.

Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	149,216	149,967	154,404	159,208	164,018
EBITDA (Rpbn)	77,579	75,029	78,693	81,299	84,408
EBITDA Growth (%)	(1.8)	(3.3)	4.9	3.3	3.8
Net Profit (Rpbn)	24,560	23,649	24,367	24,792	25,492
EPS (Rp)	247.9	238.7	246.0	250.3	257.3
EPS Growth (%)	18.3	(3.7)	3.0	1.7	2.8
BVPS (Rp)	1,370.3	1,434.4	1,491.6	1,545.8	1,596.1
DPS (Rp)	181.9	178.5	187.4	196.8	206.6
PER (x)	10.3	10.7	10.4	10.2	9.9
PBV (x)	1.9	1.8	1.7	1.6	1.6
Dividen yield (%)	7.1	7.0	7.4	7.7	8.1
EV/EBITDA	3.8	3.9	3.7	3.6	3.5

Source: TLKM, BRIDS Estimates

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Exhibit 1. Telkom Group P&L Statement 4Q/FY24 earnings

Rp bn	4Q23	3Q24	4Q24	QoQ, %	YoY, %	FY23	FY24	YoY, %	2024F BRIDS	BRIDS Achiev, %	2024F Cons	Cons. Achiev, %
Operating Revenue	**37,978**	**36,927**	**37,748**	***2.2***	***(0.6)***	**149,216**	**149,967**	***0.5***	**150,108**	**99.9%**	**151,405**	***99.1%***
Total Cash OPEX	***(19,462)***	***(18,168)***	***(19,346)***	***6.5***	***(0.6)***	***(71,637)***	***(74,938)***	***4.6***	***(76,123)***	**98.4%**		
Total Operating Expense	**(28,576)**	**(26,112)**	**(27,207)**	***4.2***	***(4.8)***	**(104,832)**	**(106,976)**	***2.0***	**(110,255)**	**97.0%**		
O&M	(10,854)	(10,513)	(11,225)	*6.8*	*3.4*	(39,718)	(41,202)	*3.7*	(41,665)	98.9%		
D&A	(8,582)	(8,121)	(8,393)	*3.3*	*(2.2)*	(32,663)	(32,643)	*(0.1)*	(35,374)	92.3%		
Personnel	(4,249)	(3,671)	(3,651)	*(0.5)*	*(14.1)*	(15,927)	(16,807)	*5.5*	(16,479)	102.0%		
Marketing	(942)	(956)	(1,297)	*35.7*	*37.7*	(3,530)	(3,824)	*8.3*	(3,758)	101.8%		
G&A	(1,579)	(1,566)	(1,301)	*(16.9)*	*(17.6)*	(6,099)	(6,225)	*2.1*	(6,220)	100.1%		
Interconnection	(1,838)	(1,462)	(1,872)	28.0	1.8	(6,363)	(6,880)	8.1	(6,759)	101.8%		
Others	(532)	177	532	*200.6*	*(200.0)*	(532)	605	*(213.7)*	-	n/a		
EBITDA	**18,516**	**18,759**	**18,402**	***(1.9)***	***(0.6)***	**77,579**	**75,029**	***(3.3)***	**74,119**	**101.2%**	**76,528**	***98.0%***
EBITDA margin (%)	*48.8*	*50.8*	*48.7*	*(2.1)*	*(0.0)*	*52.0*	*50.0*	*(2.0)*	*49.4*		*50.5*	
Core EBITDA	**18,516**	**18,699**	**19,115**	***2.2***	***n/a***	**77,579**	**75,029**	***(3.3)***	**75,359**	**99.6%**	**76,528**	***98.0%***
Normalized EBITDA margin (%)	*48.8*	*50.6*	*50.6*	*0.0*	*1.9*	*52.0*	*50.0*	*(2.0)*	*52.8*		*50.5*	
Operating Profit	**9,402**	**10,815**	**10,541**	***(2.5)***	***12.1***	**44,384**	**42,991**	***(3.1)***	**39,853**	**107.9%**		
Operating margin (%)	*24.8*	*29.3*	*27.9*	*(1.4)*	*3.2*	*29.7*	*28.7*	*(1.1)*	*26.5*			
Total non-operating income	**(890)**	**(1,121)**	**(1,005)**	***(10.3)***	***12.9***	**(3,590)**	**(3,838)**	***6.9***	**(2,983)**	**128.7%**		
Pre-tax profit	**8,512**	**9,694**	**9,536**	***(1.6)***	***12.0***	**40,794**	**39,153**	***(4.0)***	**36,870**	**106.2%**	**39,991**	***97.9%***
Net profit (GAAP)	**5,061**	**5,914**	**5,974**	***1.0***	***18.0***	**24,560**	**23,649**	***(3.7)***	**21,969**	**107.6%**	**23,770**	***99.5%***
Net profit margin (%)	*13.3*	*16.0*	*15.8*	*(0.2)*	*2.5*	*16.5*	*15.8*	*(0.7)*	*14.6*		*15.7*	
Core net profit	**5,506**	**5,637**	**5,470**	***(3.0)***	***(0.7)***	**25,150**	**24,113**	***(4.1)***	**22,507**	**107.1%**	**23,770**	***101.4%***
Core Net profit margin (%)	*14.5*	*15.3*	*14.5*	*(0.8)*	*(0.0)*	*16.9*	*16.1*	*(0.8)*	*16.0*		*15.7*	
Net debt/EBITDA (x)	*0.5*	*0.6*	*0.6*	*-7.9*	*6.4*	*0.5*		-				
Capex	10,884	5,739	6,966	-	-	32,968	24,449	-	34,525			
Capex intensity (%)	*28.6*	*15.7*	*18.4*	-	-	*22.1*	*16.3*	-	*23.0*			

Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. Telkom Group Revenue breakdown by type 4Q/FY24

(Rp bn)	4Q23	3Q24	4Q24	QoQ, %	YoY, %	FY23	FY24	YoY, %	FY24F BRIDS	Achiev, %
Operating Revenue	**37,978**	***36,927***	**37,748**	***2.2***	***(0.6)***	**149,216**	**149,967**	***0.5***	**152,019**	***98.7%***
Legacy business (voice, SMS)	1,658	2,667	2,652	*(0.6)*	*60.0*	12,473	10,544	*(15.5)*	9,193	*114.7%*
Voice	*781*	*1,680*	*1,496*	*(11.0)*	*91.5*	*9,093*	*6,739*	*(25.9)*	*6,084*	*110.8%*
SMS	*877*	*987*	*1,156*	*17.1*	*31.8*	*3,380*	*3,805*	*12.6*	*3,109*	*122.4%*
Interconnection	*2,440*	*2,029*	*2,312*	*13.9*	*(5.2)*	9,067	9,187	*1.3*	*9,520*	*96.5%*
Data, Internet & IT	24,073	22,453	22,625	*0.8*	*(6.0)*	87,440	90,533	*3.5*	92,770	*97.6%*
Cellular	*19,658*	*17,814*	*18,130*	*1.8*	*(7.8)*	*73,187*	*72,639*	*(0.7)*	*74,124*	*98.0%*
IT	*3,548*	*3,590*	*3,512*	*(2.2)*	*(1.0)*	*10,899*	*14,104*	*29.4*	*15,259*	*92.4%*
Other	*867*	*1,049*	*983*	*(6.3)*	*13.4*	*3,354*	*3,790*	*13.0*	*3,388*	*111.9%*
Indihome	*7,000*	*6,654*	*6,636*	(0.3)	*(5.2)*	28,785	26,262	*(8.8)*	*27,024*	*97.2%*
All other	2,807	3,124	3,523	*12.8*	*25.5*	11,451	13,441	*17.4*	13,512	*99.5%*
Network	*695*	*708*	*934*	*31.9*	*34.4*	*2,482*	*3,179*	*28.1*	*3,227*	*98.5%*
Other	1,414	1,701	1,837	*8.0*	*29.9*	6,183	7,233	*17.0*	7,081	*102.1%*
Manage service andTerminal	*312*	*172*	*328*	*90.7*	*5.1*	920	1,045	*13.6*	*1,040*	*100.5%*
Call center service	*262*	*242*	*304*	*25.6*	*16.0*	1,264	1,255	*(0.7)*	*1,365*	*91.9%*
E-Health	*207*	*193*	*212*	*9.8*	*2.4*	761	767	*0.8*	*799*	*96.0%*
E-payment	*51*	*334*	*403*	*20.7*	*690.2*	496	1,300	*162.1*	*998*	*130.2%*
Others	*582*	*760*	*590*	*(22.4)*	*1.4*	2,742	2,866	*4.5*	*2,879*	*99.5%*
Revenue from lease transactions (Mitratel external	698	715	752	*5.2*	*7.7*	2,786	3,029	*8.7*	3,204	*94.5%*

Source: Company, BRIDS

Exhibit 3. Telkom Group revenue by segment 4Q/FY24

(Rp bn)	4Q23	3Q24	4Q24	QoQ, %	YoY, %	FY23	FY24	YoY, %
Group Revenue	**37,978**	**36,927**	**37,748**	***2.2***	***0.6***	**149,216**	**149,967**	***0.5***
Mobile revenue	21,503	20,607	20,529	*(0.4)*	*(4.5)*	85,291	83,400	*(2.2)*
Consumer revenue	6,695	6,662	6,668	*0.1*	*(0.4)*	26,436	26,310	*(0.5)*
Enterprise revenue	4,910	4,990	5,440	*9.0*	*10.8*	19,497	20,584	*5.6*
Wholesale Int. (WIB) revenue	4,593	4,191	4,590	*9.5*	*(0.1)*	16,922	18,000	*6.4*
Other/eliminations revenue	277	477	521	*9.2*	*(46.8)*	1,070	1,673	*56.4*

Source: Company, BRIDS

Exhibit 4. Telkom Group capex by segment 4Q/FY24

(Rp bn)	4Q23	3Q24	4Q24	QoQ,%	YoY,%	FY23	FY24	YoY,%
Group Capex	**(10,884)**	**(5,739)**	**(6,966)**	***21.4***	***(36.0)***	**(32,968)**	**(24,359)**	***(26.1)***
Mobile Capex	*(3,743)*	*(2,888)*	*(2,614)*	*(9.5)*	*(30.2)*	*(12,370)*	*(11,679)*	*(5.6)*
Consumer Capex	*(2,350)*	*(1,118)*	*(1,746)*	*56.2*	*(25.7)*	*(6,434)*	*(5,413)*	*(15.9)*
Enterprise Capex	*(1,247)*	*(696)*	*(625)*	*(10.2)*	*(49.9)*	*(5,073)*	*(2,677)*	*(47.2)*
WIB Capex	*(3,512)*	*(1,099)*	*(1,848)*	*68.2*	*(47.4)*	*(8,964)*	*(4,450)*	*(50.4)*
Other Capex	*(32)*	*62*	*(133)*	*n/a*	*315.6*	*(127)*	*(140)*	*10.2*
Group Capex/sales	***-28.7%***	***-15.5%***	***-18.5%***	-		***-22.1%***	***-16.2%***	-
Mobile Capex/sales	*-17.4%*	*-14.4%*	*-12.7%*	-		*-14.5%*	*-14.0%*	-
Consumer Capex/sales	*-35.1%*	*-15.8%*	*-26.2%*	-		*-24.3%*	*-20.6%*	-
Enterprise Capex/sales	*-25.4%*	*-16.8%*	*-11.5%*	-		*-26.0%*	*-13.0%*	-
WIB Capex/sales	*-76.4%*	*-23.1%*	*-40.2%*	-		*-53.0%*	*-24.7%*	-
Other Capex/sales	*-11.7%*	*11.0%*	*-25.8%*	-		*-12.1%*	*-8.4%*	-

Source: Company, BRIDS

Exhibit 5. Telkomsel (TSEL) P&L statement 4Q/FY24

(Rp bn)	4Q23	3Q24	4Q24	QoQ, %	YoY, %	FY23	FY24	YoY, %
Revenues (Rp bn)	**29,179**	**28,042**	**28,131**	***0.3***	***(3.6)***	**102,371**	**113,339**	***10.7***
Mobile service	**22,554**	**21,404**	**21,374**	***(0.1)***	***(5.2)***	**89,144**	**86,733**	***(2.7)***
Legacy business	*1,409*	*2,172*	*1,856*	*(14.5)*	*31.7*	*10,671*	*8,447*	*(20.8)*
Digital business	*21,145*	*19,232*	*19,518*	*1.5*	*(7.7)*	*78,473*	*78,286*	*(0.2)*
Indihome B2C	**6,625**	**6,638**	**6,757**	**1.8**	**2.0**	**13,227**	**26,606**	**101.1**
Expenses	**(21,390)**	**(20,690)**	**(20,945)**	***1.2***	***(2.1)***	**(71,797)**	**(82,988)**	***15.6***
OPEX	*(15,708)*	*(15,710)*	*(15,880)*	*1.1*	*1.1*	*(50,292)*	*(62,003)*	*23.3*
D&A	*(5,816)*	*(5,501)*	*(5,556)*	*1.0*	*(4.5)*	*(21,712)*	*(21,880)*	*0.8*
Other - net	*134*	*521*	*491*	*(5.8)*	*n/a*	*207*	*895*	*332.4*
EBITDA	**13,470**	**12,332**	**12,251**	***(0.7)***	***(9.0)***	**52,079**	**51,336**	***(1.4)***
EBITDA margin (%)	*46.2*	*44.0*	*43.5*	*(0.4)*	*(2.6)*	*50.9*	*45.3*	*(5.6)*
Net income	***5,504***	**5,154**	**5,771**	***12.0***	***4.9***	**21,880**	**22,001**	***0.6***
Net income margin (%)	*18.9*	*18.4*	*20.5*	*2.1*	*1.7*	*21.4*	*19.4*	*(2.0)*
Core Net income	**5,478**	**4,773**	**5,680**	***19.0***	***3.7***	**21,996**	**21,920**	***(0.3)***
(%)	*18.8%*	*17.0%*	*20.2%*	*3.2*	*1.4*	*21.5%*	*19.3%*	*(2.1)*

Source: Company, BRIDS

Exhibit 6. Telkom Group Operational KPIs 4Q/FY24

Operating KPIs	4Q23	3Q24	4Q24	QoQ, %	YoY, %	FY23	FY24	YoY, %
Mobile segment (mn)								
Cellular Subscribers (mn)	159.3	158.4	159.4	*0.6*	*0.0*	159.3	159.4	*0.0*
TSEL Prepaid	*151.8*	*150.7*	*151.4*	0.5	(0.3)	151.8	151.4	(0.3)
TSEL Hallo	*7.5*	*7.7*	*8.0*	3.7	6.0	7.5	*8.0*	6.0
Data KPIs								
Data Traffic (Petabytes)	4,647	5,149	5,484	*6.5*	*18.0*	17,901	20,386	*13.9*
Data Yield Rp('000)	4.6	3.7	3.6	*(4.7)*	*(21.8)*	4.4	3.8	*(12.4)*
ARPU Blended (Rp'000/month)	**46.5**	**43.1**	**44.0**	***2.1***	***(5.4)***	**47.5**	**44.4**	***(6.5)***
Network KPIs ('000)								
5G BTS	0.7	0.9	1.0	*3.0*	*49.1*	0.7	1.0	*49.1*
4G BTS	197.8	219.3	221.3	*0.9*	*11.9*	197.8	221.3	*11.9*
3G BTS	0.0	0.0	0.0	*n/a*	*n/a*	0.0	0.0	*n/a*
2G BTS	49.0	48.8	49.1	*0.6*	*0.3*	49.0	49.1	*0.3*
Total BTS	247.5	269.1	271.4	0.9	9.7	247.5	271.4	9.7
Fixed broadband segment								
Indihome subs (mn)	10.0	10.7	10.8	*0.8*	*7.7*	10.0	10.8	*7.7*
Indihome B2C subs (mn)	8.7	9.4	9.6	*2.5*	*10.6*	8.7	9.6	*10.6*
Indihome B2C ARPU	249.0	234.7	232.9	*(0.8)*	*(6.5)*	252.7	237.6	*(6.0)*

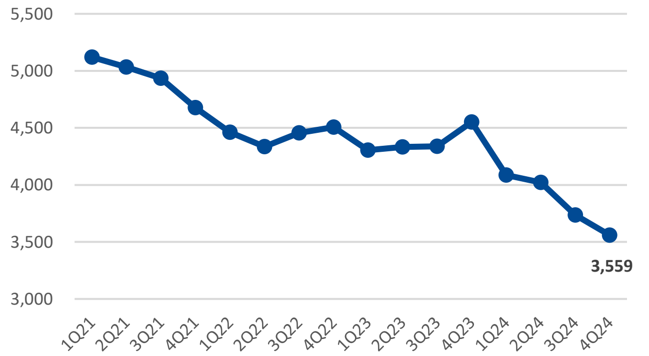
Source: Company, BRIDS

Exhibit 7. Telkom (TLKM) Reforecast Table

	Previous BRIDS				New BRIDS			Δ% of BRIDS		
(Rp bn)	2024	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Telkom Revenue	**149,967**	**155,430**	**163,129**	**170,411**	**154,404**	**159,208**	**164,018**	***-0.7***	***-2.4***	***-3.8***
growth (%)		*3.6*	*5.0*	*4.5*	*3.0*	*3.1*	*3.0*	*-0.7*	*-1.8*	*-1.4*
Telkomsel revenue	**113,339**	**115,588**	**120,454**	**124,441**	**115,712**	**117,921**	**119,591**	***0.1***	***-2.1***	***-3.9***
growth (%)		*2.0*	*4.2*	*3.3*	*2.1*	*1.9*	*1.4*	*0.1*	*-2.3*	*-1.9*
Telkomsel EBITDA	**51,336**	**54,390**	**57,884**	**61,045**	**54,565**	**56,786**	**58,786**	***0.3***	***-1.9***	***-3.7***
EBITDA margin (%)	45.3	47.1	48.1	49.1	47.2	48.2	49.2	*0.1*	*0.1*	*0.1*
Telkom EBITDA	**75,029**	**78,968**	**83,090**	**87,026**	**78,693**	**81,299**	**84,408**	***-0.3***	***-2.2***	***-3.0***
EBITDA margin (%)	*50.0*	*50.8*	*50.9*	*51.1*	*51.0*	*51.1*	*51.5*	*0.3*	*0.3*	*0.8*
Telkom Adj. EBITDA	**75,029**	**78,968**	**83,090**	**87,026**	**78,693**	**81,299**	**84,408**	***-0.3***	***-2.2***	***-3.0***
Adj. EBITDA margin (%)	*50.0*	*50.8*	*50.9*	*51.1*	*51.0*	*51.1*	*51.5*	*0.3*	*0.3*	*0.8*
Telkom PATMI	**23,649**	**23,223**	**24,150**	**24,886**	**24,367**	**24,792**	**25,492**	***4.9***	***2.7***	***2.4***
PATMI margin (%)	*15.8*	*14.9*	*14.8*	*14.6*	*15.8*	*15.6*	*15.5*	*5.6*	*5.2*	*6.4*
Telkom Core PATMI	**24,113**	**23,223**	**24,150**	**24,886**	**24,367**	**24,792**	**25,492**	***4.9***	***2.7***	***2.4***
Core PATMI margin (%)	*16.1*	*14.9*	*14.8*	*14.6*	*15.8*	*15.6*	*15.5*	*5.6*	*5.2*	*6.4*
Cellular Subscribers ('000)	**159,389**	**160,590**	**162,196**	**162,196**	**159,438**	**159,487**	**159,487**	***(0.72)***	***(1.67)***	***(1.67)***
growth (%)		0.8	1.0	-	0.0	0.0	-			
Mobile Data Subscribers ('000)	**130,191**	**131,797**	**133,115**	**134,447**	**131,494**	**132,809**	**134,137**	***(0.23)***	***(0.23)***	***(0.23)***
growth (%)		1.2	1.0	1.0	1.0	1.0	1.0			
Data Traffic (Petabytes)	**20,386**	**22,058**	**23,838**	**25,521**	**22,080**	**23,416**	**24,714**	***0.1***	***-1.8***	***-3.2***
growth (%)		8.2	8.1	7.1	8.3	6.1	5.5			
Avg. implied data yield (Rp/GB)	**3,840**	**3,670**	**3,596**	**3,524**	**3,686**	**3,576**	**3,469**	***0.5***	***-0.6***	***-1.6***
Mobile Blended ARPU	**44.4**	**45.3**	**46.6**	**48.0**	**45.9**	**46.3**	**46.8**	***1.4***	***-0.6***	***-2.6***
Indihome Subscribers	**10,818**	**10,844**	**11,844**	**12,644**	**10,812**	**11,812**	**12,612**	***-0.3***	***-0.3***	***-0.3***
Indihome ARPU	**237.6**	**233.3**	**221.7**	**210.6**	**227.1**	**215.8**	**205.0**	***-2.6***	***-2.6***	***-2.6***

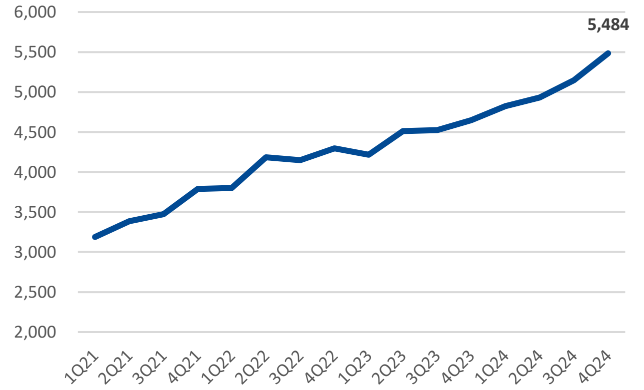
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 8. Data Yield (Rp/GB)



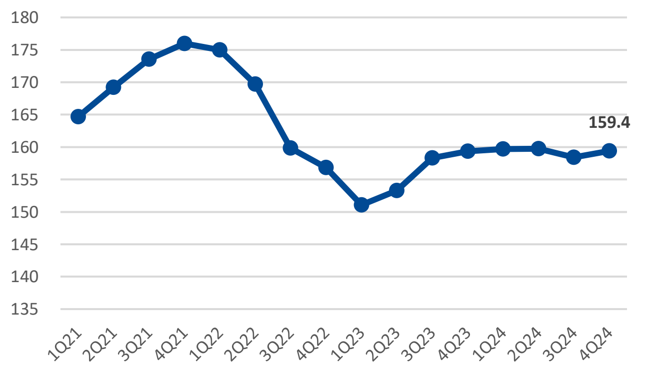
Source: Company, BRIDS

Exhibit 9. Data Traffic (Petabytes)



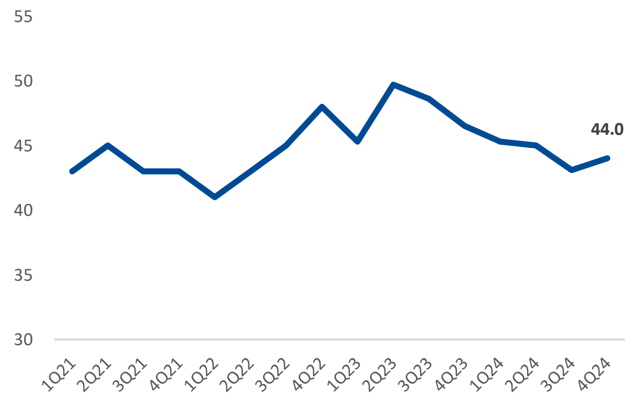
Source: Company, BRIDS

Exhibit 10. Cellular Subscribers (mn)



Source: Company, BRIDS

Exhibit 11. Blended ARPU ('000/month)



Source: Company, BRIDS

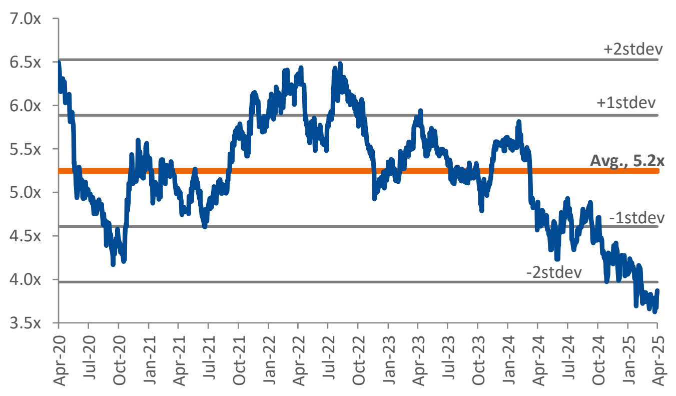
Exhibit 12. Telco Peers Valuation

Company	Ticker	Rec.	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		EV/ EBITDA (x)		P/BV (x)		ROE %		Dividend yield %	
					'25F	'26F	'25F	'26F	'25F	'26F	'25F	'26F	'24F	'25F
EXCL	EXCL IJ	BUY	2,800	28,497	15.3	13.0	4.2	4.0	1.1	1.0	7.1	8.1	3.9	4.6
ISAT	ISAT IJ	BUY	3,200	55,955	9.4	8.4	3.7	3.4	1.5	1.4	17.0	17.7	5.5	7.4
TLKM	TLKM IJ	BUY	3,900	252,609	10.4	10.2	3.7	3.6	1.7	1.6	16.8	16.5	7.4	7.7
Weighted average					**10.9**	**10.2**	**3.8**	**3.6**	**1.6**	**1.5**	**15.3**	**15.4**	**6.4**	**7.2**

**EXCL 24F div. yield based on the announced dividend post-cum date*

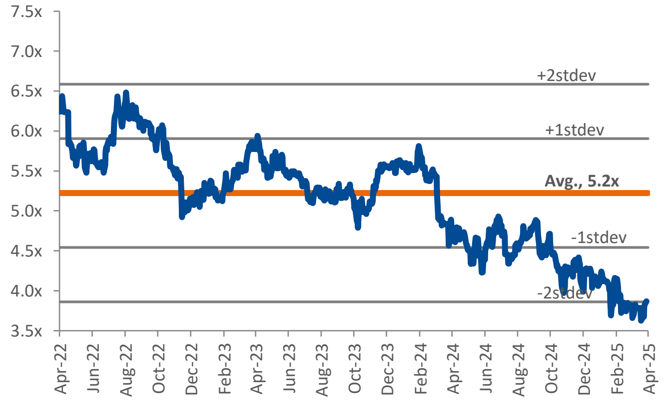
Source: Company, BRIDS Estimates

Exhibit 13. TLKM IJ forward 5-yr EV/EBITDA band



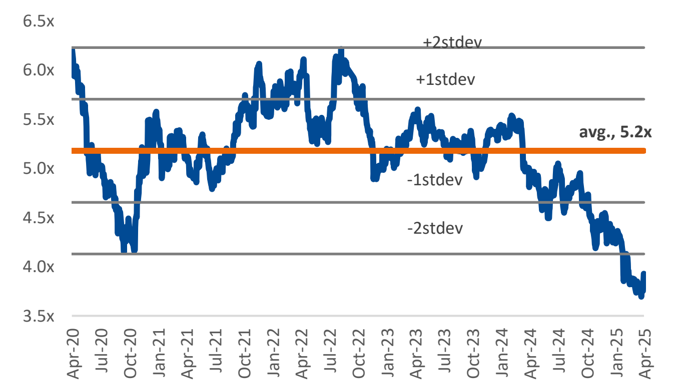
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 14. TLKM IJ forward 3-yr EV/EBITDA band



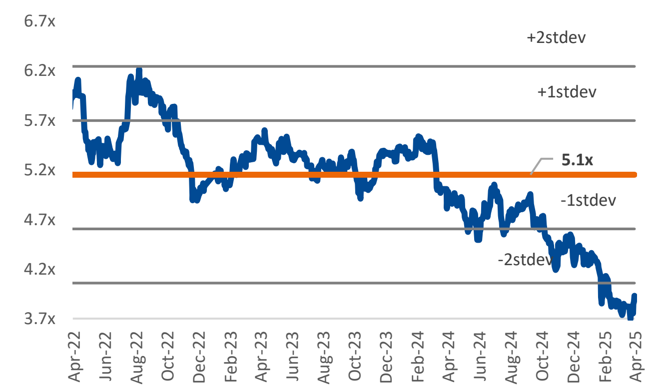
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 15. Sector forward 5-yr EV/EBITDA band



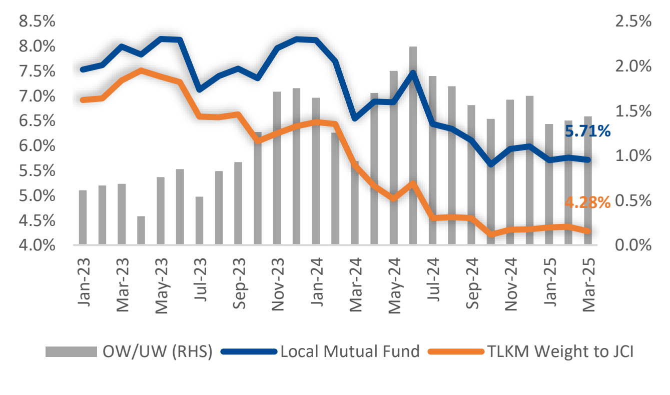
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 16. Sector forward 3-yr EV/EBITDA band



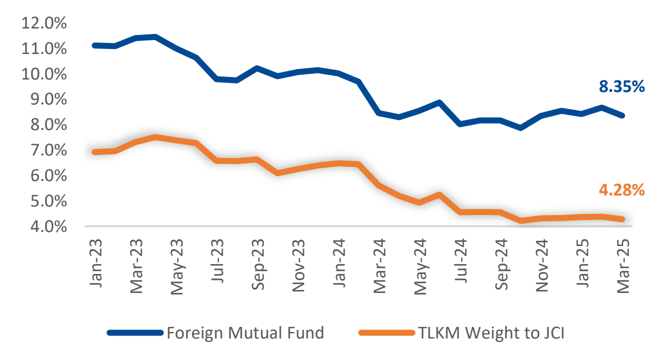
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 17. TLKM's Domestic Fund Positioning



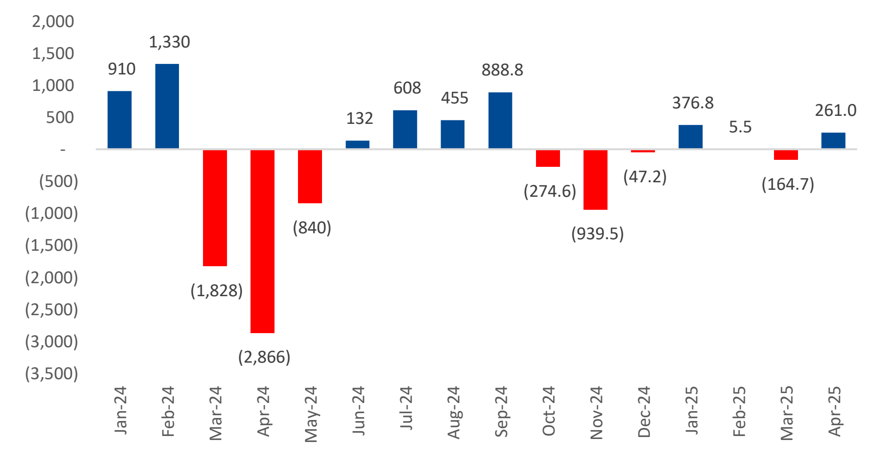
Source: KSEI, BRIDS

Exhibit 18. TLKM's Foreign Ownership



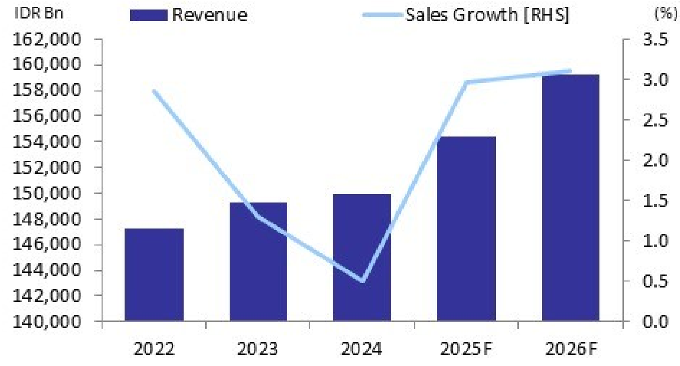
Source: KSEI, BRIDS

Exhibit 19. TLKM's Monthly Foreign Flow (Rpbn)



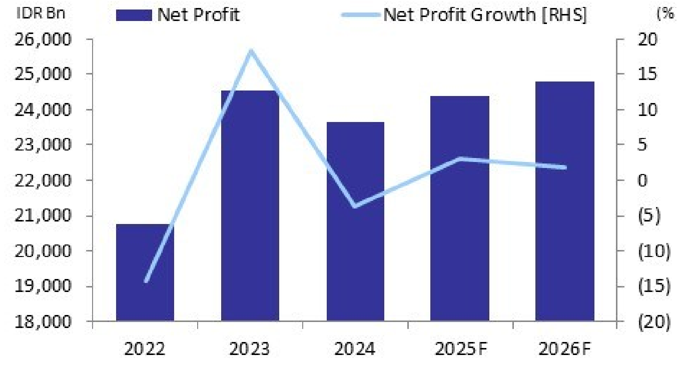
Source: IDX, Bloomberg, BRIDS

Exhibit 20. Revenue and Growth



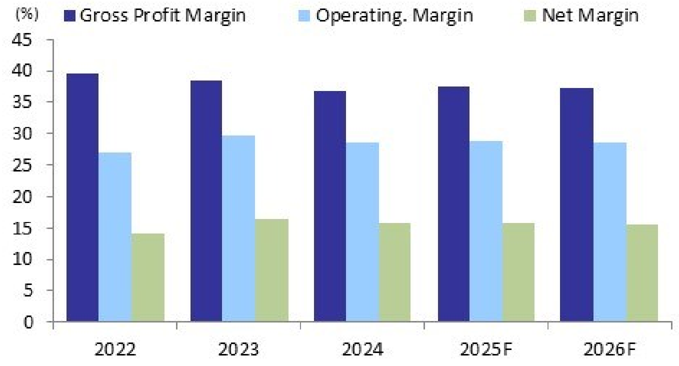
Source: Company, BRIDS Estimates

Exhibit 21. Net Profit and Growth



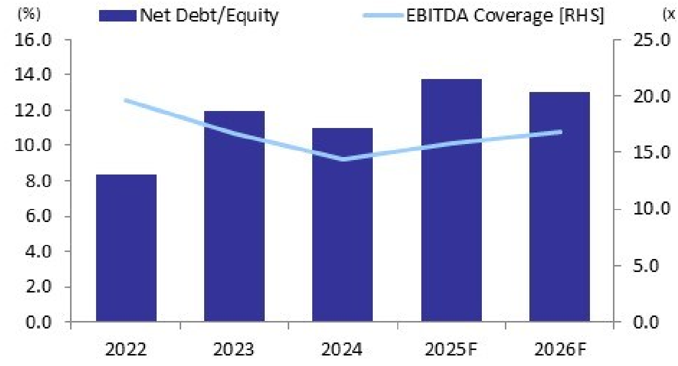
Source: Company, BRIDS Estimates

Exhibit 22. Margins



Source: Company, BRIDS Estimates

Exhibit 23. Gearing Level



Source: Company, BRIDS Estimates

Exhibit 24. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	**149,216**	**149,967**	**154,404**	**159,208**	**164,018**
COGS	(91,918)	(94,627)	(96,438)	(99,733)	(102,479)
Gross profit	**57,298**	**55,340**	**57,966**	**59,475**	**61,539**
EBITDA	**77,579**	**75,029**	**78,693**	**81,299**	**84,408**
Oper. profit	**44,384**	**42,991**	**44,587**	**45,464**	**46,782**
Interest income	1,061	1,367	1,309	1,272	1,317
Interest expense	(4,652)	(5,208)	(4,987)	(4,846)	(5,019)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	1	3	0	0	0
Other Income (Expenses)	0	0	0	0	0
Pre-tax profit	**40,794**	**39,153**	**40,909**	**41,890**	**43,081**
Income tax	(8,586)	(8,410)	(8,787)	(8,998)	(9,254)
Minority interest	(7,648)	(7,094)	(7,755)	(8,100)	(8,335)
Net profit	**24,560**	**23,649**	**24,367**	**24,792**	**25,492**
Core Net Profit	**24,560**	**23,649**	**24,367**	**24,792**	**25,492**

Exhibit 25. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	29,007	33,905	24,074	25,865	26,924
Receivables	10,667	12,193	11,768	12,134	12,501
Inventory	997	1,096	1,077	1,111	1,145
Other Curr. Asset	13,281	14,601	14,353	14,800	15,247
Fixed assets - Net	212,070	216,918	226,418	235,133	243,090
Other non-curr.asset	19,359	19,677	19,518	19,598	19,558
Total asset	**287,042**	**299,675**	**298,173**	**309,817**	**319,619**
ST Debt	19,926	27,391	22,947	23,707	24,613
Payables	24,871	15,336	15,790	16,281	16,773
Other Curr. Liabilities	26,771	34,040	31,305	32,279	33,254
Long Term Debt	27,773	24,392	24,450	25,259	26,225
Other LT. Liabilities	31,139	36,026	33,583	34,804	34,193
Total Liabilities	**130,480**	**137,185**	**128,074**	**132,330**	**135,059**
Shareholder'sFunds	135,744	142,094	147,765	153,127	158,117
Minority interests	20,818	20,396	22,335	24,360	26,443
Total Equity & Liabilities	**287,042**	**299,675**	**298,173**	**309,817**	**319,619**

Exhibit 26. Cash Flow

Year to 31 Dec (IDRbn)	2023A	2024A	2025F	2026F	2027F
Net income	24,560	23,649	24,367	24,792	25,492
Depreciation and Amort.	32,663	32,643	34,105	35,835	37,625
Change in Working Capital	(5,193)	(4,835)	(1,270)	408	641
OtherOper. Cash Flow	3,591	3,841	3,678	3,574	3,701
Operating Cash Flow	**55,621**	**55,298**	**60,881**	**64,609**	**67,460**
Capex	(28,977)	(18,388)	(43,605)	(44,551)	(45,582)
Others Inv. Cash Flow	(130)	1,049	1,468	1,192	1,357
Investing Cash Flow	**(29,107)**	**(17,339)**	**(42,137)**	**(43,358)**	**(44,225)**
Net change in debt	6,247	8,971	(6,830)	2,791	1,262
New Capital	0	(401)	0	0	0
Dividend payment	(18,016)	(17,683)	(18,567)	(19,495)	(20,470)
Other Fin. Cash Flow	(3,896)	(4,845)	(3,178)	(2,756)	(2,967)
Financing Cash Flow	**(15,665)**	**(13,958)**	**(28,575)**	**(19,460)**	**(22,176)**
Net Change in Cash	**10,849**	**24,001**	**(9,831)**	**1,791**	**1,060**
Cash - begin of the year	31,947	29,007	33,905	24,074	25,865
Cash - end of the year	29,007	33,905	24,074	25,865	26,924

Exhibit 27. Key Ratios

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	1.3	0.5	3.0	3.1	3.0
EBITDA	(1.8)	(3.3)	4.9	3.3	3.8
Operating profit	12.1	(3.1)	3.7	2.0	2.9
Net profit	18.3	(3.7)	3.0	1.7	2.8
Profitability (%)					
Gross margin	38.4	36.9	37.5	37.4	37.5
EBITDA margin	52.0	50.0	51.0	51.1	51.5
Operating margin	29.7	28.7	28.9	28.6	28.5
Net margin	16.5	15.8	15.8	15.6	15.5
ROAA	8.7	8.1	8.2	8.2	8.1
ROAE	18.5	17.0	16.8	16.5	16.4
Leverage					
Net Gearing (x)	0.1	0.1	0.1	0.1	0.1
Interest Coverage (x)	9.5	8.3	8.9	9.4	9.3

Source : TLKM, Danareksa Estimates

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INVESTMENT RATING	
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