

# PT TELEKOMUNIKASI INDONESIA TBK | TLKM

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## ANALYSTS

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## BUY/BUY 3M/12M RATING

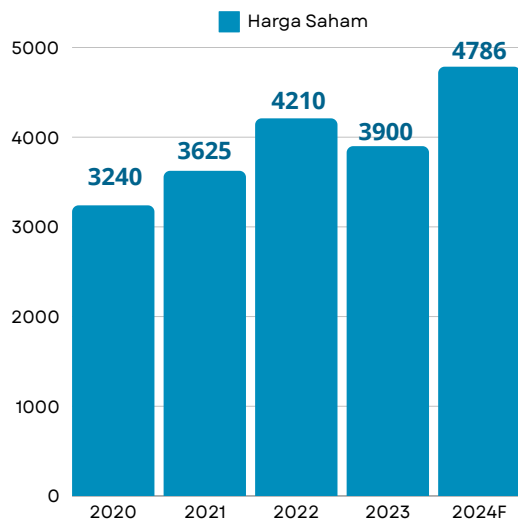
**12M Target Price:** **Rp4.786**  
Upside/Downside 22,74%

## Share Info and Key Metrics

Market Cap. Rp391,30 T  
Shares Outstanding 99,06 B

## Major Shareholders

Government of Indonesia 52,09%  
Public 47,91%



The Average Stock Price of TLKM from 2020-2023 and Forecast for 2024.

# TLKM

## HIGHLIGHTS

Investing in TLKM offers promising potential alongside continuously **increasing revenue and sustained positive performance**. The government's focus on infrastructure development, including the IKN and the telecommunications sector, takes center stage in 2024, marked by an infrastructure budget increase ranking third largest among other sectors. This increase amounts to IDR 31.4 trillion, rising from IDR 392 trillion in 2023 to IDR 423.59 trillion in 2024.

Other positive factors include projected interest rate decreases by The Fed and the ongoing infrastructure development. Historically, telecommunications sector stocks tend to rise before elections due to increased telecommunications data consumption, and **TLKM stands as the market leader** in the Indonesian telecommunications industry.

## FINANCIALS

Year to 31 December	20	21	22	23A	24F
Revenue (Rpbn)	136.462	143.210	147.306	148.317	152.978,19
Net Profit (Rpbn)	20.804	24.600	20.753	33.852	35.913,32
EPS (Rp)	210,01	249,94	209,49	262,45	260,25
EPS growth (% YoY)	11,50%	19,01%	-16,18%	25,28%	-0,84%
Price to Earning or P/E (x)	15,4	14,5	20,1	14,85	17,71
Dividend Yield (%)	5,19%	4,14%	3,98%	4,17%	3,37%
PB (x)	2,7	2,5	2,8	2,21	2,53
ROE (%)	24,45%	23,35%	18,54%	19,43%	18,39%
Net Debt/Equity (%)	104,3%	90,6%	84,4%	97,0%	93,8%

# Exploring TLKM's Stock: Contributions to IKN and Synergy with Starlink

## Review of 2023 and Projections for 2024

- Telkom achieved a revenue of IDR 111.2 trillion in the third quarter of 2023, showing a 2.2 percent year-on-year (YoY) growth compared to the same period the previous year. TLKM's revenue was driven by a 4.8% YoY growth in data, internet, and IT services, reaching IDR 63.4 trillion.
- The increasing revenue from Indihome and the ongoing transition from legacy business to data business contributed to TLKM's overall growth. The size of the Indonesian Telecommunications Market is estimated to reach USD 13.66 billion in 2024, with an expected increase to USD 14.36 billion by 2029, growing at a Compound Annual Growth Rate (CAGR) of 1.01% during the projection period (2024-2029).
- For 2024, TLKM predicted achieving revenue growth in the low to mid-single-digit range with profit margin will remain at the 53 percent level in 2024.
- PT Telkom Indonesia (Persero) has been officially selected as the provider of shared telecommunication infrastructure in IKN alongside PT Indonesia Comnets Plus (PLN Icon Plus). PT Telkom Indonesia Tbk. (TLKM) will invest IDR 280 billion to support the development of IKN.

## Competitor Analysis and Strategies



Regarding the merger actions involving Indosat Ooredoo with Tri Indonesia, and discourse Smartfren with XL Axiata, Telkom remains the market leader with positive prospect performance.



**Telkom** will enhance infrastructure development, particularly in IKN, by introducing the best digital solutions through the establishment of an Intelligent Data Center with Smart & Intelligent Network Security. Telkom Indonesia will also deploy fiber optic networks and telecommunication towers in KIPP 1A.



Telkom Satellite Indonesia (Telkomsat) will collaborate with **Starlink**, a global satellite internet service provider owned by American entrepreneur Elon Musk, to optimize the utilization of satellite-based telecommunication services in the 3T regions.

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