

## PT Telkom Indonesia (Persero) Tbk

### Credit Rating(s)

General Obligation (GO) idAAA/Stable  
SR Bond I/2015 idAAA

### Rating Period

May 9, 2023 – May 1, 2024

### Published Rating History

MAY 2022 idAAA/Stable  
DEC 2021 idAAA/Stable  
SEP 2021 idAAA/CWN  
DEC 2020 idAAA/Stable  
DEC 2019 idAAA/Stable

PEFINDO has affirmed its “idAAA” ratings for PT Telkom Indonesia (Persero) Tbk (TLKM) and its Shelf Registered Bond I Year 2015. The outlook for the corporate rating is **stable**. The rating reflects TLKM’s superior position with its diversified businesses and extensive networks, very strong financial profile, and very strong profit margin. However, the rating is offset by the intense competition in the telecommunications industry.

TLKM’s business position should remain superior in the near to medium term despite the intense competition, given its well-established infrastructure and networks, which are the most important factors contributing to the telecommunications business’ competitive advantage. However, the rating may be lowered if more intense competition or future investments adversely affect its business and financial profiles. The rating may also be under pressure if TLKM exceeds debt projection, weakening its financial profile without being compensated by desirable revenue generation.

TLKM is the biggest telecommunications and information service operator in Indonesia, offerings wide range of services that are mobile cellular through its 65%-owned subsidiary PT Telekomunikasi Selular (Telkomsel), data, internet, and information technology service, fixed line, interconnection, network, and others. As of March 31, 2022, it was 52.09% owned by the Indonesian government, while the public and others owned the rest of 47.91%.

### Rating Definition

An obligor rated idAAA has the highest rating assigned by PEFINDO. Its capacity to meet its long-term financial commitments, relative to that of other Indonesian obligors, is superior.

### Financial Highlights

As of/for the year ended	Mar-2023 (Unaudited)	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)
Total adjusted assets [IDR bn]	270,278.0	266,890.0	269,678.0	240,097.0
Total adjusted debt [IDR bn]	70,225.0	77,756.0	82,269.0	78,093.0
Total adjusted equity [IDR bn]	149,447.0	140,960.0	137,892.0	114,043.0
Total sales [IDR bn]	36,090.0	147,306.0	143,210.0	136,462.0
EBITDA [IDR bn]	18,994.0	78,992.0	75,723.0	72,080.0
Net income after MI [IDR bn]	6,424.0	20,753.0	24,760.0	20,804.0
EBITDA margin [%]	52.6	53.6	52.9	52.8
Adjusted debt/EBITDA [X]	*0.9	1.0	1.1	1.1
Adjusted debt/adjusted equity [X]	0.5	0.6	0.6	0.7
FFO/adjusted debt [%]	*93.3	85.5	75.7	74.8
EBITDA/IFCCI [X]	16.9	19.2	17.1	15.4
USD exchange rate [IDR/USD]	15,062	15,731	14,269	14,105

FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense

EBITDA = Operating Profit + Depreciation Expense + Amortization Expense

IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)

MI= Minority Interest

\*Annualized

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO’s definitions.

### Contact Analysts:

[ayuningtyas.nur@pefindo.co.id](mailto:ayuningtyas.nur@pefindo.co.id)

[martin.pandiangan@pefindo.co.id](mailto:martin.pandiangan@pefindo.co.id)

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