

PT Telkom Indonesia (Persero) Tbk

Credit Rating(s)

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

Rating Period

April 19, 2024 – April 1, 2025

Published Rating History

MAY 2023	idAAA/Stable
MAY 2022	idAAA/Stable
JUN 2021	idAAA/Stable
JUN 2020	idAAA/Stable
AUG 2019	idAAA/Stable

PEFINDO has affirmed its idAAA ratings for PT Telkom Indonesia (Persero) Tbk (TLKM) and its Shelf Registered Bond I Year 2015. Outlook for the corporate rating is stable. The corporate rating reflects TLKM's very strong likelihood of support from the government as the controlling shareholder. TLKM's standalone credit profile reflects its superior business position, diversified businesses and extensive networks, as well as very strong financial profile. The rating is constrained by the intense competition in the industry.

The rating may be lowered if PEFINDO views a significant reduction in linkage with or support from the government and at the same time TLKM suffers from a weakening business position, or if the Company exceeds debt projection, weakening its financial profile without being compensated by desirable revenue generation.

TLKM is the largest telecommunications and information service operator in Indonesia, offerings wide range of services that are mobile cellular through its 69.9%-owned subsidiary PT Telekomunikasi Selular (Telkomsel), data, internet, and information technology service, fixed line, interconnection, network, and others. As of December 31, 2023, it was 52.09% owned by the Indonesian government, while the public and others owned the rest of 47.91%.

Rating Definition

A debt security rated idAAA has the highest rating assigned by PEFINDO. The issuer's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian issuers, is superior.

Financial Highlights

As of/for the year ended	Dec-2023 (Audited)	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)
Total adjusted assets [IDR bn]	278,311.0	266,890.0	269,678.0	240,097.0
Total adjusted debt [IDR bn]	81,296.0	77,756.0	82,269.0	78,093.0
Total adjusted equity [IDR bn]	147,831.0	140,960.0	137,892.0	114,043.0
Total sales [IDR bn]	149,216.0	147,306.0	143,210.0	136,462.0
EBITDA [IDR bn]	77,579.0	78,992.0	75,723.0	72,080.0
Net income after MI [IDR bn]	24,560.0	20,753.0	24,760.0	20,804.0
EBITDA margin [%]	52.0	53.6	52.9	52.8
Adjusted debt/EBITDA [X]	1.0	1.0	1.1	1.1
Adjusted debt/adjusted equity [X]	0.5	0.6	0.6	0.7
FFO/adjusted debt [%]	80.0	85.5	75.7	74.8
EBITDA/IFCCI [X]	16.2	19.2	17.1	15.4
USD exchange rate [IDR/USD]	15,416	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

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.

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