EQUITY RESEARCH · INDONESIA TELECOMMUNICATIONS

# PT Telkom Indonesia (Persero) Tbk. (TLKM IJ)

1H26 Earnings Flash · Consolidated · 4 August 2026

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## TLKM 1H26 Results · In-Line; 2Q Mobile-Led Rebound

## 2Q mobile-led rebound offsets a soft, restructuring-hit 1Q; 1H tracks consensus

1H26 · Revenue +3.9% yoy to IDR 75.9Tn | EBITDA +3.4% yoy to IDR 37.3Tn | Operating Profit +4.4% yoy to IDR 20.1Tn | Net Profit +1.4% yoy to IDR 10.6Tn | Mobile ARPU IDR 45.6k (+9% yoy)

| Revenue (1H26) | Operating Profit (1H26) | EBITDA (1H26) | Net Profit (1H26) |
|---|---|---|---|
| IDR 75.9Tn | IDR 20.1Tn | IDR 37.3Tn | IDR 10.6Tn |
| +3.9% YoY | +4.4% YoY | +3.4% YoY | +1.4% YoY |

## KEY TAKEAWAYS

- 1H26 revenue rose 3.9% YoY to IDR 75.9tn, tracking 51% of FY26F consensus and in line with the half-year pace. The story is sequential: after a soft 1Q26, **2Q26 revenue rebounded 4.0% QoQ and 6.4% YoY to IDR 38.7tn**, led by mobile. **Data, internet & IT services — 64% of revenue — grew 11.2% YoY to IDR 48.2tn** on Telkomsel's digital-business monetization, while legacy lines shrank: IndiHome fell 3.4%, interconnection 10.4% and SMS/fixed/cellular voice 29.0% as usage migrates to OTT. B2C external revenue rose 4.8% YoY, with mobile revenue up 12.6%. The mix shift toward data more than offset the structural legacy decline.
- EBITDA rose 3.4% YoY to IDR 37.3tn with margin broadly stable near 49%, but the sequential swing is the headline: **2Q26 EBITDA jumped 11.8% QoQ to IDR 19.7tn (50.9% margin) and operating profit surged 25.5% QoQ to IDR 11.2tn** as the 1Q restructuring drag faded and cost discipline took hold — interconnection expense fell 9.7% YoY and employee costs 4.4%. The quality-led strategy lifted **mobile ARPU to IDR 46.0k in 2Q26 (+9% YoY)** and held data yield at IDR 3.1/MB, even as the subscriber base was deliberately trimmed to 153.5mn (-3.1% YoY); marketing spend rose 15.3% YoY, a deliberate 1Q investment in FBB repositioning.
- 2Q26 net profit to owners rebounded 44.6% QoQ and 27.5% YoY to IDR 6.3tn, yet **1H26 PATMI rose just 1.4% YoY to IDR 10.6tn**. The muted half reflects the weak 1Q and a **higher minority share: non-controlling interests rose ~14% YoY** as the profit recovery concentrated in Telkomsel. Lower finance costs (-21% YoY) and higher other income cushioned the below-operating line, while the group tax rate stayed near 24%.
- The 2Q26 rebound validates the mobile-monetization thesis; durability is the question. Watch (1) whether **ARPU gains hold as the subscriber base keeps shrinking**; (2) IndiHome/FBB calibration — subscribers pruned for a healthier ARPU mix, convergence now 65%; (3) the pace of the **group restructuring (ICT-subsidiary merger into Telkom Enterprise, InfraCo/ServeCo)**; and (4) capital allocation and dividend policy against a soft consumer backdrop and BI's recent rate hike. On valuation, TLKM trades near the low end of its five-year EV/EBITDA band.

## INCOME STATEMENT · IDR Tn, Consolidated

| (IDR Tn) | 2Q25 | 1Q26 | 2Q26 | QoQ% | YoY% | 1H25 | 1H26 | YoY% |
|---|---|---|---|---|---|---|---|---|
| Revenue | 36.4 | 37.2 | 38.7 | +4.0% | +6.4% | 73.0 | 75.9 | +3.9% |
| EBITDA | 17.6 | 17.6 | 19.7 | +11.8% | +12.3% | 36.1 | 37.3 | +3.4% |
| Operating Profit | 9.1 | 8.9 | 11.2 | +25.5% | +22.9% | 19.3 | 20.1 | +4.4% |
| Net Profit | 4.9 | 4.3 | 6.3 | *+44.6%* | *+27.5%* | 10.5 | 10.6 | *+1.4%* |

## MARGIN

| (Ratio %) | 2Q25 | 1Q26 | 2Q26 | QoQ pp | YoY pp | 1H25 | 1H26 | YoY pp |
|---|---|---|---|---|---|---|---|---|
| EBITDA Margin | 48.3% | 47.4% | 50.9% | +3.5pp | +2.7pp | 49.4% | 49.2% | -0.2pp |
| Operating Margin | 25.1% | 24.0% | 29.0% | +5.0pp | +3.9pp | 26.4% | 26.5% | +0.1pp |
| Net Profit Margin | 13.5% | 11.7% | 16.2% | +4.5pp | +2.7pp | 14.3% | 14.0% | -0.3pp |

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## REVENUE SEGMENTATION · IDR Tn, By Product

| (IDR Tn) | 2Q25 | 1Q26 | 2Q26 | QoQ% | YoY% | 1H25 | 1H26 | YoY% |
|---|---|---|---|---|---|---|---|---|
| Data, Internet & IT | 22.0 | 23.6 | 24.5 | +3.8% | +11.5% | 43.3 | 48.2 | +11.2% |
| IndiHome | 6.6 | 6.4 | 6.4 | +0.7% | -2.5% | 13.3 | 12.8 | -3.4% |
| Interconnection | 2.6 | 2.2 | 2.2 | +0.5% | -13.2% | 5.0 | 4.4 | -10.4% |
| SMS, Fixed & Voice | 2.3 | 1.5 | 1.9 | +28.6% | -14.9% | 4.8 | 3.4 | -29.0% |
| Network & Others | 2.9 | 3.4 | 3.6 | +3.6% | +21.5% | 6.6 | 7.0 | +6.0% |
| **Total** | **36.4** | **37.2** | **38.7** | **+4.0%** | **+6.4%** | **73.0** | **75.9** | **+3.9%** |

## OPERATIONAL PERFORMANCE · Telkomsel & IndiHome

| Key Metric | Unit | 1Q26 | 2Q26 | QoQ % | 1H25 | 1H26 | YoY % |
|---|---|---|---|---|---|---|---|
| Mobile ARPU | IDR '000 | 45.1 | 46.0 | +2.0% | 41.8 | 45.6 | +9.1% |
| Mobile subscribers | mn | 153.7 | 153.5 | -0.1% | 158.4 | 153.5 | -3.1% |
| Fixed broadband subs | mn | 6.37 | 6.41 | +0.6% | 6.37 | 6.41 | +0.6% |

## 1H26 ACTUAL vs. BLOOMBERG CONSENSUS · % OF FY26F

| Metric (IDR Tn) | 1H26 | FY26F Cons. | % of FY26F | Assessment |
|---|---|---|---|---|
| Revenue | 75.9 | 150.0 | 51% | In-Line |
| Operating Income | 20.1 | 38.1 | 53% | In-Line |
| EBITDA | 37.3 | 74.3 | 50% | In-Line |
| Net Profit | 10.6 | 20.7 | 51% | In-Line |

*1H26 tracks in line with the FY26F straight-line pace (~50%) on all four lines, as a soft 1Q26 restructuring drag was offset by a mobile-led 2Q26 rebound. Net Income benchmarked on the parent-attributable (PATMI) basis. Source: Bloomberg consensus (FY26F).*

Source: PT Telkom Indonesia (Persero) Tbk Interim Financial Statements 30 June 2026 (2Q derived from 1Q & 1H filings); 1H26 Info Memo & Earnings Call; Bloomberg consensus (FY26F).

## VALUATION · TLKM 5-YEAR EV/EBITDA BAND


Current EV/EBITDA 4.1x as of 31 Jul 2026 vs. 5-year mean 5.0x (+1 SD 5.7x / -1 SD 4.3x / +2 SD 6.3x / -2 SD 3.7x). Blended-forward multiple. Source: Bloomberg.

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