

BUY (Maintained)

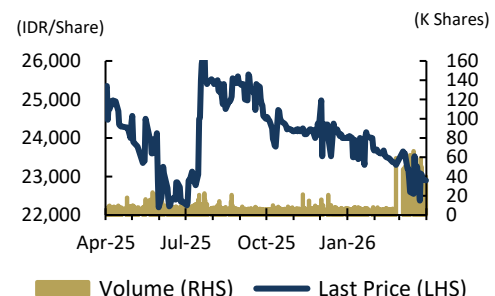
Target Price (IDR) **32,000**
Potential Upside (%) **42.4**

Company Data	
Cons. Target Price (IDR)	-
SSI vs. Cons (%)	-

Stock Information	
Last Price (IDR)	22,475
Market Cap. (IDR tn)	21,311
52-Weeks High/Low (IDR)	27,125/21,300
3M Avg. Daily Value (IDR bn)	0.5
Free Float (%)	21.7
Shareholders (%):	
Karuna Paramita Propertindo	47.5
Others	30.8

Stock Performance					
(%)	YTD	1M	3M	12M	
Absolute	(6.4)	(3.5)	(6.4)	(11.3)	
JCI Return	(12.8)	6.1	(16.1)	15.3	
Relative	6.4	(9.7)	9.8	(26.7)	

Stock Price & Volumes, 12M



Company Background

With land bank mostly located in South Jakarta and well-known for its up-market Pondok Indah developments, PT Metropolitan Kentjana Tbk (MKPI), established in 1972 and went public in 2009, has the third largest market cap within our property coverage. As one of Indonesia's leading real estate developers and owned by the Murdaya family (47.5%) under PT Karuna Paramita Propertindo, MKPI is known for its stable recurring incomes (77% of FY25 top-line).

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Staying Resilient

1Q26 preview: growth from higher mall ASPs and PIM 5 partial contribution. Despite weaker seasonality in 1H, we still expect 1Q26 top line to reach IDR 646bn (+1.8% YoY; -14.7% QoQ) with net profit of IDR 269bn (+7.7% YoY; -23.2% QoQ), supported by resilient portfolio structure and contribution from the newly commissioned PIM 5, which came on stream in Mar-26. In 4Q25, revenue came in at IDR 757bn (+11.5% YoY; +24.3% QoQ), bringing FY25 revenue to IDR 2.6tn (+4.9% YoY), in line with our estimate (SSI: 95.0%). The strong 4Q25 top-line was mainly supported by increased contributions from the following segments (64.5% of total FY25 sales): IDR 325bn (+2.5% YoY; +1.3% QoQ) shopping malls, solid hotel performance of IDR 73bn (+13.4% YoY; +7.8% QoQ) on higher occupancy rates, and land & building sales of IDR 90bn (+9.8% YoY; +350.3% QoQ) due to handover timing and low base in 3Q25. Consequently, 4Q25 net profit rose to IDR 349bn (+16.7% YoY; +19.4% QoQ), with NPM rising to 46.1% YoY (3Q25: 46.1%; 4Q24: 44.1%), bringing 12M25 net profit to IDR 1.1tn (+13.9% YoY), in line with our estimate (SSI: 98.0%).

Recurring rental income to remain core earnings driver in FY26F and beyond. We expect recurring rental income to remain as primary earnings contributor ([figure 3](#)), reaching 78.3% in FY26F, before further rising to 79.5% in FY27F and 80.0% by FY28F. In FY26F, this is underpinned by the shopping mall segment as key driver of recurring earnings (65.4% of total rental sales), supported by contributions from Pondok Indah Mall 5 (PIM 5), which added ~6,000 sqm of NLA (+3.5% of total mall NLA) following its opening in Mar-26. Meanwhile, the remaining contribution will be supported by resilient recurring income from office (13.7%), hotel (13.3%), and apartment (7.6%) segments on improving occupancy rates and sustained demand in prime locations despite ongoing challenging macroeconomic backdrop. As a result, we forecast FY26F revenue to reach IDR 2.8tn (+7.8% YoY), with net profit of IDR 1.2tn (+10.8% YoY).

BUY with IDR 32,000 TP on proactive management to grow key developments.

We like MKPI for its proactive management on continuation to advance its key developments in 2026F, including Pondok Indah Townhouse and Pondok Indah City Walk, to capture sustained demand within its integrated township. Management has also emphasized efforts to enhance accessibility, particularly through the development of a connecting bridge between PIM 3 and PIM 5. In parallel, the company is exploring brownfield expansion at PIM 1 and potential greenfield developments such as Pondok Indah Residence 2. Thus, we reiterate our BUY rating with target price of IDR 32,000, implying 42.4% upside. Our valuation is supported by MKPI's highest recurring income in the sector of 76.9% and superior ROAA of 12.4% (sector: 4.1%), justifying targeted 50% discount to RNAV. This is further supported by MKPI's resilient balance sheet, given its net cash position that limits exposure to interest rate volatility. Additionally, MKPI's relatively low dependence on development revenue provides greater earnings stability amid uncertain macroeconomic environment. Key risks to our call are slower-than-expected rental rate growth and weaker occupancy levels.

Forecasts and Valuations (at closing price IDR 22,475 per share)					
Y/E Dec	24A	25A	26F	27F	28F
Revenue (IDR Bn)	2,483	2,603	2,807	3,063	3,282
Operating Profit (IDR Bn)	1,112	1,240	1,368	1,517	1,635
Net Profit (IDR Bn)	986	1,122	1,243	1,395	1,517
EPS (IDR)	1,040	1,183	1,311	1,471	1,600
EPS Growth (%)	16.7	13.9	10.8	12.2	8.8
P/E (x)	21.6	19.0	17.1	15.3	14.0
P/BV (x)	2.9	2.7	2.6	2.5	2.4
DPS	535	728	918	1,030	1,121
Dividend Yield (%)	2.4	3.2	4.1	4.6	5.0
ROA (%)	11.0	11.9	12.4	13.2	13.6
ROE (%)	13.4	14.5	15.3	16.3	16.8
Net Gearing (%)	NC	NC	NC	NC	NC
Interest Coverage (x)	N/A	N/A	N/A	N/A	N/A

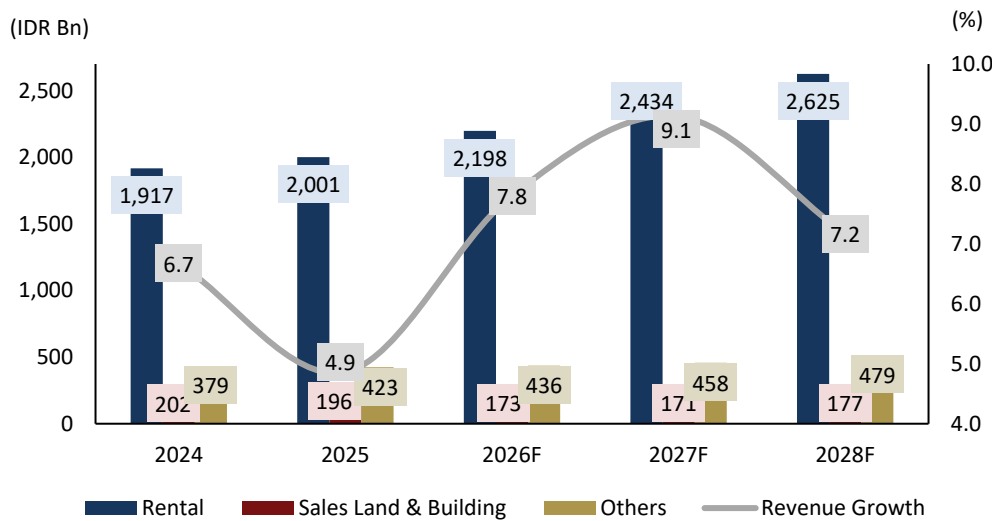
Figure 1. 4Q25 Results

MKPI Results: (IDRbn)	4Q25	3Q25	4Q24	QoQ (%)	YoY (%)	12M25	12M24	YoY (%)	12M25/ SSI (%)	12M25/ Cons. (%)
Revenues	757	609	679	24.3	11.5	2,603	2,483	4.9	95.0	68.8
Gross Profit	418	336	340	24.4	23.1	1,409	1,277	10.3	102.0	68.1
Operating Profit	375	301	294	24.6	27.8	1,240	1,112	11.5	102.2	67.9
Net Profit	349	293	300	19.4	16.7	1,122	986	13.9	98.0	71.8
Key Ratios										
GPM (%)	55.2	55.2	50.0	-	-	54.1	51.4	-	-	-
OPM (%)	49.6	49.4	43.2	-	-	47.6	44.8	-	-	-
NPM (%)	46.1	48.0	44.1	-	-	43.1	39.7	-	-	-

Sources: Company, SSI Research

4Q25 revenues were broadly in line with our estimates on the back of solid recurring income from shopping malls, hotels, & offices

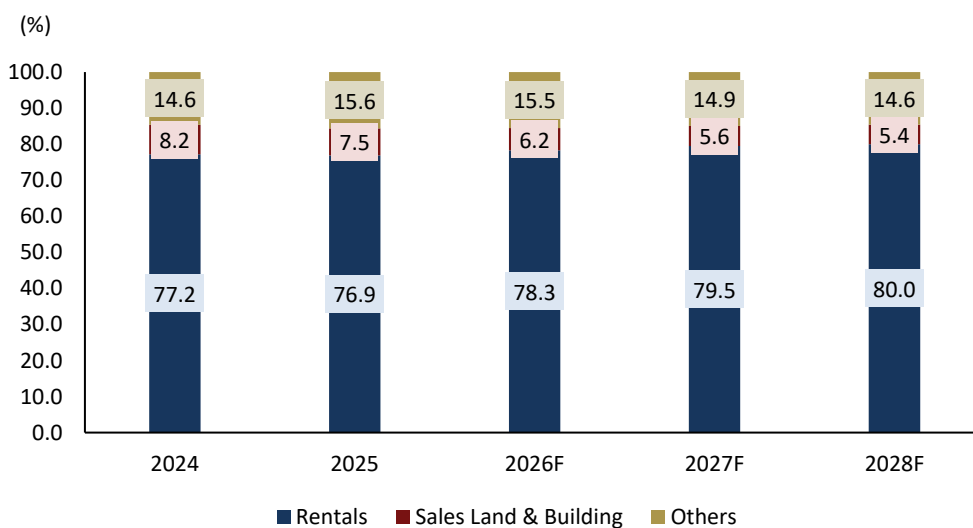
Figure 2. Revenue Trends



Sources: Company, SSI Research

Following the commissioning of PIM 5 in February,...

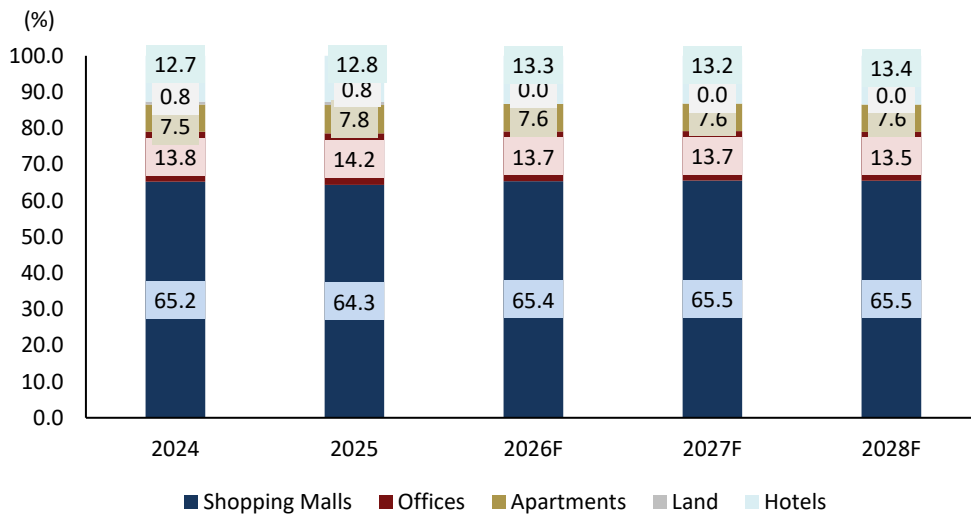
Figure 3. Revenue Mix



Sources: Company, SSI Research

...we expect recurring contributions from the rental segment to increase,...

Figure 4. Rental Segment Breakdown



...underpinned by shopping malls

Sources: Company, SSI Research

Figure 5. Peer Comparables

Ticker	Market Cap. (IDR Tn)	Rating	Last Price (IDR)		2026F								
			Price	Target Price	% of Recurring	Disc. To NAV (%)	P/B (x)	P/E (x)	EPS Gwt (%)	Div. Yield (%)	ROAA (%)	ROAE (%)	Net Gearing (%)
*PANI IJ	167.1	BUY	9,225	17,500	0.8	55.1	5.7	110.5	0.5	0.1	2.8	5.4	NC
BUVA IJ	33.5	BUY	1,360	3,000	61.0	(101.5)	15.3	256.9	16.9	0.0	4.7	6.1	8.7
MKPI IJ	21.3	BUY	22,475	32,000	76.9	50.0	2.6	17.1	10.8	4.1	12.4	15.3	NC
BSDE IJ	16.9	BUY	800	1,120	9.7	84.8	0.4	5.2	(11.6)	3.0	5.1	8.8	NC
PWON IJ	16.7	BUY	346	535	52.1	64.7	0.7	6.4	12.5	2.2	6.6	10.7	NC
CTRA IJ	13.8	BUY	745	1,200	11.3	75.9	0.6	6.0	14.2	2.0	4.8	10.1	NC
BKSL IJ	19.5	BUY	116	200	6.5	84.0	1.2	22.6	27.2	0.0	2.1	2.9	7.8
SMRA IJ	5.4	BUY	328	500	26.0	92.7	0.4	5.7	(19.7)	2.4	3.0	8.1	8.6
Sector	294.2	Neutral			30.5	42.8	5.3	95.8	5.1	0.8	4.1	6.8	NC
Sector (excl. PANI & BUVA)	93.6	Neutral			30.4	72.3	1.2	11.9	9.2	2.3	6.2	9.6	NC

Sources: SSI Research, Companies

MKPI boasts the highest recurring portion, ROA and ROE in the property sector under our coverage

Figure 6. Company Ownership

MKPI Shareholders	(%)
PT. Karuna Paramita Propertindo (Murdaya)	47.45
PT. Dwitunggal Permata (Subagdja)	7.90
PT. Apratima Sejahtera (Ciputra)	7.90
PT. Penta Cosmopolitan (Sofyan)	7.50
PT. Buditama Nirwana (Brasali)	7.16
Iwan Putra Brasali	0.36
Public	21.73

Sources: Bloomberg, SSI Research

Murdaya family is MKPI's largest shareholder, holding 47.45% stake through PT Karuna Paramita Propertindo

Financial Highlights

Figure 7. Income Statement

Y/E Dec (IDR Bn)	2024	2025	2026F	2027F	2028F
Revenue	2,483	2,603	2,807	3,063	3,282
Gross Profit	1,277	1,409	1,544	1,705	1,834
EBITDA	1,430	1,540	1,691	1,852	1,983
Depreciation	318	300	323	335	348
EBIT	1,112	1,240	1,368	1,517	1,635
Net Interest Income/(Expenses)	85	113	128	146	165
Forex Gain/Losses	20	18	20	22	24
Other Income/Expenses	23	9	13	21	26
Pre-Tax Profit	1,240	1,380	1,529	1,705	1,851
Taxes	(254)	(258)	(286)	(310)	(333)
Minority Interest	(0)	(0)	(0)	(0)	(0)
Net Profit	986	1,122	1,243	1,395	1,517

Sources: MKPI, SSI Research

We project 2024–28F revenue CAGR of 7.2% supported by improving occupancy rates and continued expansion plans

Figure 8. Balance Sheet

Y/E Dec (IDR Bn)	2024	2025	2026F	2027F	2028F
Cash and Equivalents	2,172	2,789	3,180	3,606	4,072
Trade Receivables	240	223	240	262	281
Inventories	21	16	17	19	20
Fixed Assets	4,602	4,551	4,609	4,672	4,741
Real Estate Asset	1,520	1,528	1,591	1,645	1,664
Other Assets	385	356	372	391	408
Total Assets	8,940	9,464	10,009	10,595	11,187
Interest Bearing Liabilities	3	2	3	3	4
Trade Payables	69	78	97	105	111
Other Liabilities	1,535	1,622	1,775	1,934	2,065
Total Liabilities	1,607	1,702	1,874	2,042	2,180
Minority Interest	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)
Shareholders' Equity	7,333	7,763	8,135	8,553	9,008

Sources: MKPI, SSI Research

Building up cash with minimal debt, translating to healthy net cash position

Figure 9. Cash Flow Statement

Y/E Dec (IDR Bn)	2024	2025	2026F	2027F	2028F
EBIT	1,112	1,240	1,368	1,517	1,635
Depreciation	318	300	323	335	348
Working Capital	35	126	110	99	80
Other Operating Items	(126)	(118)	(125)	(122)	(118)
Operating Cash Flow	1,338	1,548	1,676	1,829	1,945
Net Capex	(131)	(258)	(449)	(457)	(442)
Free Cash Flow	1,208	1,290	1,227	1,372	1,503
Equity Raised /(Bought)	-	-	-	-	-
Net Borrowings	3	(1)	1	0	1
Other Financing	794	618	389	426	466
Net Cash Flow	796	618	390	426	466
Cash Flow at Beginning	1,375	2,172	2,789	3,180	3,606
Cash Flow at End	2,172	2,789	3,180	3,606	4,072

Sources: MKPI, SSI Research

Solid operating cash flow to support capex for developments of Pondok Indah Townhouse, Pondok Indah City Walk, and connecting bridge of PIM 3 to PIM 5

Figure 10. Key Ratios

Y/E Dec	2024	2025	2026F	2027F	2028F
ROAE (%)	13.4	14.5	15.3	16.3	16.8
ROAA (%)	11.0	11.9	12.4	13.2	13.6
Gross Margin (%)	51.4	54.1	55.0	55.7	55.9
EBITDA Margin (%)	57.6	59.2	60.2	60.5	60.4
EBIT Margin (%)	44.8	47.6	48.7	49.5	49.8
Net Margin (%)	39.7	43.1	44.3	45.5	46.2
Current Ratio (x)	5.6	5.6	5.3	5.2	5.1
Interest Coverage (x)	na	na	na	na	na
Net Gearing (%)	NC	NC	NC	NC	NC

Sources: MKPI, SSI Research

Supported by its ability to command higher rental rates, we expect margins to continue rising in 2026-27F

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