

Fiber Acceleration Drives FY26F Growth

3 March 2026



by Telkom Indonesia

MTEL IJ	BUY
Sector	TowerCo
Price at 3 March 2026 (IDR)	520
Price target (IDR)	750
Upside/Downside (%)	44.2

Stock Information

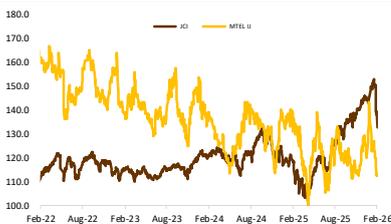
Dayamitra Telekomunikasi is one of the SEA's largest tower telecommunication companies by assets and Indonesia's largest market share of telco tower provider. The company offers an array of telco-related infrastructure service including fiber and power-to-the-tower.

Market cap (IDR bn)	43,451
Shares outstanding (mn)	83,560
52-week range (IDR)	488-705
3M average daily vol. ('000)	15,630
3M average daily val. (IDR mn)	9,436

Shareholders (%)

Telkom Indonesia	71.8
Maleo Investasi Indonesia	6.0
Public	22.2

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	-4.55	-12.50	-19.23

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MTEL's earnings inflection remains intact, led by accelerating FTTT monetisation while the tower core stays resilient on sustained co-location demand and improving pricing (notably ex-Java). 4Q25F should deliver another step-up in fiber contribution alongside steady tower leasing, setting up FY26F for continued growth and margin expansion on operating leverage and lower funding costs. Maintain our BUY call with a target price of IDR750, based on 8.1x FY26F EV/EBITDA (-0.5SD of 3yrs EV/EBITDA mean).

4Q25F: FTTT accelerates; tower core resilient

MTEL's fiber-led strategy continues to drive a clear earnings inflection, with FTTT emerging as the key incremental growth lever while the tower core remains supported by strong co-location intensity. We expect 4Q25F FTTT revenue to rise 8.6% qoq to IDR156.3 bn, driven by stronger monetization as revenue-generating fiber length expands to 61.0k km (+9.8% qoq) and the billable utilization ratio improves to 1.22x (vs. 1.20x in 4Q24). This keeps MTEL on track with management's FY25F targets (increasingly supported by inorganic expansion), lifting FTTT contribution to 6.4% (vs. 5.2% in 4Q24), and supporting our FY25F FTTT revenue forecast of IDR587.3 bn (+20.8% yoy).

The tower segment remains steady, underpinned by sustained MNO co-location demand, particularly outside Java where MTEL maintains a strong footprint and pricing power. We forecast 4Q25F tower-leasing revenue +2.4% qoq, supported by tenants +0.3% qoq to 62,201 and tower sites +1.4% qoq to 40,654, with EXCL and ISAT relying on MTEL for ~65% and ~60% of their co-location needs, respectively. Pricing is also improving, with avg. lease rate per tenant/month +6.5% qoq to IDR13.1 mn, reflecting MTEL's bargaining leverage in ex-Java expansion corridors.

FY26F: Fiber scaling; margins expand

Into FY26F, we expect FTTT to remain the fastest-growing segment, with FTTT revenue +25.2% yoy to IDR735.5 bn on ~15.0k km incremental rollout (total ~76.0k km). Tower leasing should expand +2.9% yoy to IDR7.8 tn, supported by continued co-location deployment and ~75% ex-Java co-location take-up, driving FY26F revenue +5.5% yoy to IDR9.8 tn.

Margin profile should improve as operating leverage kicks in: we forecast O&M costs -1.0% yoy (vs. +10.9% in FY25F), supporting EBITDA +4.4% yoy to IDR8.1 tn. Below EBITDA, funding-cost initiatives should lower interest expense to IDR1.1 tn (-6.1% yoy), resulting in FY26F net profit of IDR2.1 tn (+1.1% yoy) and 21.7% margin. FY25F EBITDA remains on-track vs. guidance (LQA ~IDR7.7 tn).

Reiterate BUY with TP of IDR750

Maintain our BUY call with a target price of IDR750, based on 8.1x FY26F EV/EBITDA (-0.5SD of 3yrs EV/EBITDA mean). MTEL trades at 7.8x EV/EBITDA, implying a 10.7% discount to its 3yrs mean (8.7x). Analysts expect positive catalysts to stem from: a) faster fiber monetization and higher utilization rates; and b) stronger pricing driven by increasing co-location intensity outside Java. Meanwhile, key risks include a slower pace of MNO network deployment and potential pricing pressure arising from competitive dynamics.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025E	2026E	2027E
Revenue (Rp)	8,595	9,308	9,321	9,836	10,299
EBITDA (Rp)	6,922	7,696	7,755	8,095	8,442
Operating profit (Rp)	3,651	4,179	4,029	4,195	4,944
Net profit (Rp)	2,010	2,108	2,109	2,132	2,542
EPS	24.1	25.2	25.3	25.5	30.4
ROA (%)	3.6	3.7	3.6	3.5	4.0
ROAE (%)	5.9	6.3	6.3	6.2	7.3
PER (x)	21.8	20.8	20.8	20.6	17.3
PBV (x)	1.3	1.3	1.3	1.3	1.2
EV/EBITDA (x)	8.9	8.3	8.1	7.8	7.8
Div. yield (%)	4.0	3.4	3.4	3.4	4.1

Source: Company, KBVS Research

Exhibit 2: Summary of MTEL's latest results

MTEL's 9M25 Results (IDR bn)	9M25	9M24	YoY (%)	3Q25	3Q24	YoY (%)	2Q25	QoQ (%)	2025F	% to '25F	Cons'	% of Cons'
Revenue	6,881	6,818	0.9	2,284	2,368	-3.5	2,334	(2.1)	9,321	73.8%	9,676	71.1%
Tower leasing	0	5,666	-100.0	-3,809	1,962	-294.1	1,962	(294.1)				
Reseller	0	426	-100.0	-240	159	-250.9	112	(314.3)				
Other tower related biz	0	452	-100.0	-260	148	-275.7	113	(330.1)				
Cost of revenue	-3,356	-3,326	0.9	-1,147	-1,179	-2.7	-1,109	3.5				
Gross profit	3,525	3,492	0.9	1,137	1,189	-4.4	1,226	(7.2)				
Operating expenses	-426	-434	-2.0	-134	-152	-11.6	-147	(8.6)				
EBIT	3,099	3,057	1.4	1,003	1,037	-3.3	1,079	(7.0)				
EBITDA	5,769	5,666	1.8	1,912	1,970	-2.9	1,982	(3.5)	7,755	74.4%	7,978	72.3%
Other income/expenses	47	45		0	-4		33					
Net finance cost/income	-953	-949		-339	-352		-301					
Pre-tax income	2,188	2,150		664	684		812					
Taxes	-646	-618		-213	-216		-244					
Attributable net profit	1,542	1,532	0.6	451	468	-3.7	568	(20.6)	2,109	73.1%	2,174	70.9%
Margins (%)												
EBIT Margin	45.0	44.8		43.9	43.8		46.2					
EBITDA margin	83.8	83.1		83.7	83.2		84.9					
Net Margin	22.4	22.5		19.7	19.8		24.3					
Operational metrics												
Tower	40,102	39,259	2.1	40,102	39,259	2.1	39,782	0.8				
Tenant	61,987	59,431	4.3	61,987	59,431	4.3	60,907	1.8				
Tenancy ratio (x)	1.55	1.51	2.1	1.55	1.51	2.1	1.53	1.0				
Avg. monthly leasing fee/tenant	12.3	12.2	1.3	12.3	12.7	-3.2	12.2	0.4				

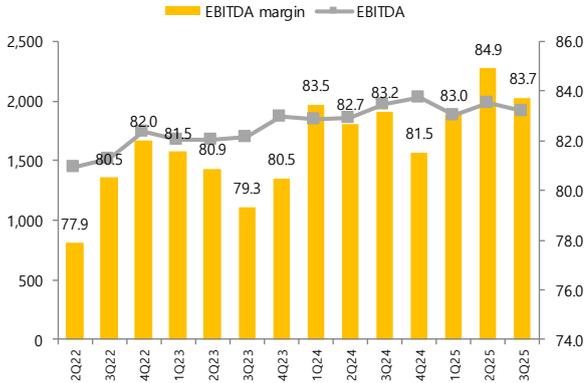
Source: Company, KBVS Research

Exhibit 3: Forecast for 2025F-2026F (unchanged from our latest reports)

	New		Old		Changes		Consensus		New vs. consensus	
	2025F	2026F	2025F	2026F	2025F	2026F	2025F	2026F	2025F	2026F
Revenue	9,321	9,836	9,359	9,855	-0.4	-0.2	9,676	10,086	-3.7	-2.5
EBITDA	7,755	8,095	7,683	8,111	0.9	-0.2	7,978	8,308	-2.8	-2.6
Net profit	2,109	2,020	2,049	2,307	2.9	-12.4	2,174	2,287	-3.0	-11.7

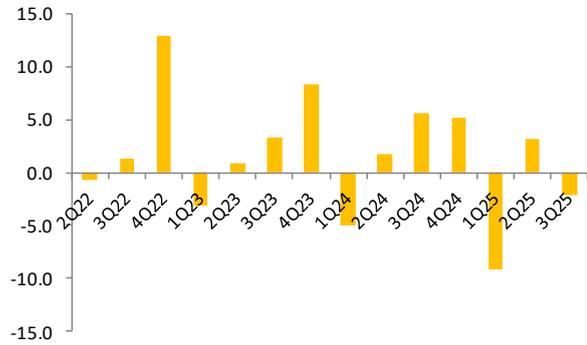
Source: Company, Bloomberg, KBVS Research

Exhibit 4: MTEL EBITDA margin (%)



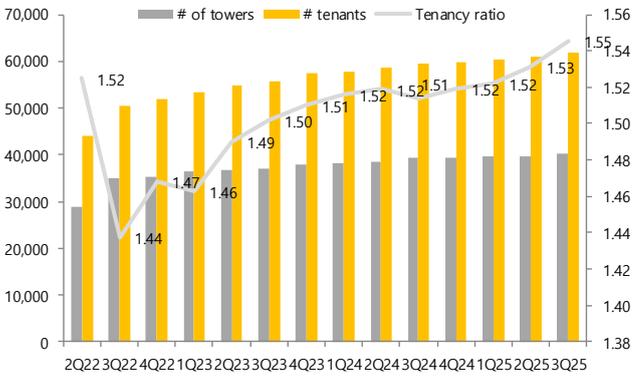
Source: Company, KBVS Research

Exhibit 5: MTEL revenue growth (%)



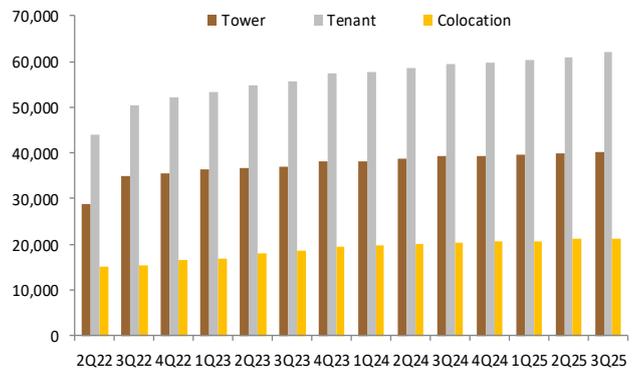
Source: Company, KBVS Research

Exhibit 6: Tenancy ratio



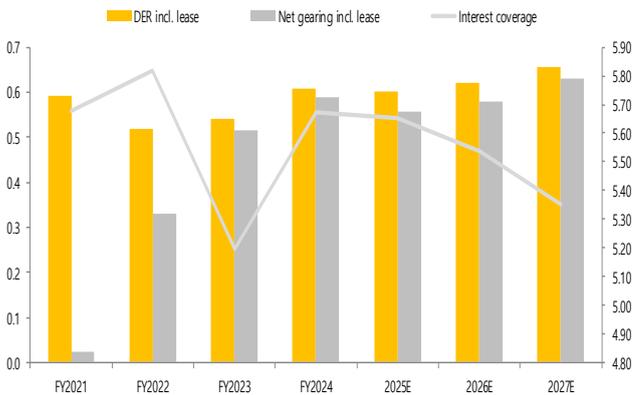
Source: Company, KBVS Research

Exhibit 7: Tower, tenant and colocation



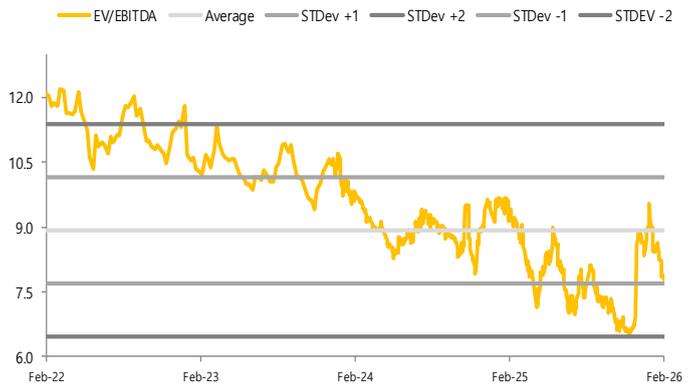
Source: Company, KBVS Research

Exhibit 8: MTEL leverage metrics (%)



Source: Company, KBVS Research

Exhibit 9: EV/EBITDA valuation



Source: Company, Bloomberg, KBVS Research

FINANCIAL TABLES

Exhibit 10: Profit & Loss summary

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	8,595	9,308	9,321	9,836	10,299
Cost of revenue	(4,379)	(4,507)	(4,651)	(5,005)	(4,694)
Gross profit	4,216	4,801	4,670	4,831	5,605
Operating expenses	(577)	(622)	(515)	(637)	(661)
Operating profit	3,651	4,179	4,029	4,195	4,944
EBITDA	6,922	7,696	7,755	8,095	8,442
Other income/net	278	100	214	33	34
Finance income/costs net	(1,190)	(1,321)	(1,336)	(1,274)	(1,433)
Pretax profit	2,739	2,958	2,906	2,954	3,546
Income tax	(729)	(850)	(797)	(822)	(1,004)
After tax profit	2,010	2,108	2,109	2,132	2,542

Source: Company, KBVS Research

Exhibit 11: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Current assets					
Cash and cash equivalents	879	597	1,464	1,499	1,421
Trade receivables	1,607	2,004	1,581	733	1,690
Other current assets	933	846	861	1,728	1,459
Total current assets	3,420	3,447	3,906	3,960	4,570
Non current assets					
Fixed assets	43,772	45,240	47,235	49,233	51,148
Other non current assets (*)	9,818	9,453	9,445	9,288	9,629
Total non current assets	53,590	54,693	56,681	58,522	60,777
Total assets	57,010	58,140	60,586	62,482	65,347
Current liabilities					
Trade payables	2,079	1,977	1,426	1,535	1,440
Taxes payable	73	86	199	411	502
Accrued expenses	1,101	1,332	1,473	1,585	1,486
Short term debts	6,732	8,082	8,816	9,016	10,287
Other current liabilities	1,086	808	794	837	877
Total current liabilities	11,071	12,286	12,708	13,384	14,592
Non current liabilities					
Long term debts	11,660	12,214	13,422	14,033	14,762
Other non current liabilities (*)	241	253	476	486	691
Total non-current liabilities	11,901	12,467	13,899	14,519	15,453
Shareholder equity	34,038	33,387	33,979	34,579	35,301
Total liabilities and equity	57,010	58,140	60,586	62,482	65,347

Source: Company, KBVS Research

Exhibit 12: Cash flow

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net profit	2,010	2,108	2,109	2,132	2,542
Depreciation	3,282	3,517	3,600	3,900	3,498
Changes in working capital	(947)	(445)	97	456	(751)
CF from operating activities	4,346	5,180	5,805	6,489	5,289
Investment in fixed assets	(6,118)	(3,316)	(4,050)	(4,213)	(3,807)
Others	(2,569)	(1,304)	(1,537)	(1,528)	(1,946)
CF from investing activities	(8,687)	(4,619)	(5,587)	(5,741)	(5,753)
Dividends paid	(1,767)	(1,504)	(1,476)	(1,493)	(1,779)
Debt raised/ repaid	882	1,904	1,942	811	2,000
Others	(233)	(1,242)	183	(30)	165
CF from financing activities	(1,118)	(843)	649	(712)	385
Change in cash flow	(5,460)	(282)	867	36	(79)
Cash and cash equivalent, beginning	6,339	879	597	1,464	1,499
Cash and cash equivalent, ending	879	597	1,464	1,499	1,421

Source: Company, KBVS Research

Exhibit 13: Ratio analysis

Year End Dec	2023A	2024A	2025F	2026F	2027F
Gross profit	49.1	51.6	50.1	49.1	54.4
Operating profit margin	42.5	44.9	43.2	42.6	48.0
EBITDA margin	80.5	82.7	83.2	82.3	82.0
Net profit margin	23.4	22.6	22.6	21.7	24.7
Receivables turnover (x)	6.47	5.16	5.20	8.50	8.50
Sales/Assets turnover (x)	0.15	0.16	0.15	0.16	0.16
Payable turnover (x)	14.2	13.2	9.2	9.2	9.2
ROA	3.6	3.7	3.6	3.5	4.0
ROE	5.9	6.3	6.3	6.2	7.3
ROIC	3.9	4.0	3.9	3.8	4.3
Debt/Equity	0.5	0.6	0.6	0.6	0.7
Net debt/Equity	0.5	0.6	0.6	0.6	0.6
Net debt/EBITDA	2.5	2.6	2.4	2.4	2.6
Interest coverage (x)	5.2	5.7	5.7	6.2	5.8
BV/Share (Rp)	407.3	399.6	406.6	413.8	422.5
Dividend yield	3.8	3.3	3.2	3.2	3.9

Source: Company, KBVS Research

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