

Fiber and Co-Location Support FY26F Growth

9 April 2026



by Telkom Indonesia

MTEL IJ	BUY
Sector	TowerCo
Price at 8 April 2026 (IDR)	530
Price target (IDR)	680
Upside/Downside (%)	28.3

Stock Information

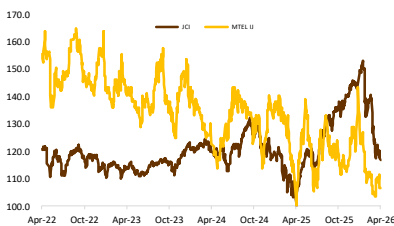
Dayamitra Telekomunikasi is one of the SEA's largest tower telecommunication companies by assets and Indonesia's largest market share of telco tower provider. The company offers an array of telco-related infrastructure service including fiber and power-to-the-tower.

Market cap (IDR bn)	44,287
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	1.96	-17.46	4.84

Analyst

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MTEL delivered a solid FY25 with improving quarterly momentum, while FY26F outlook is underpinned by accelerating fiber monetization and sustained co-location demand. Earnings growth remains supported by efficiency gains, stable tower economics, and disciplined funding costs. Maintain our BUY call with a target price of IDR680, based on 7.1x FY26F EV/EBITDA (-0.8SD of 3yrs EV/EBITDA mean).

FY25: Inline, with profit resilience

MTEL reported FY25 EBITDA of IDR7.8 tn (+1.8% YoY), broadly inline (101.0% of ours, 98.2% of consensus), on revenue of IDR9.5 tn (+2.4% YoY). Higher CoR (+4.9% YoY) was offset by lower opex (-0.5% YoY), reflecting improved operating efficiency from rising co-location. Momentum strengthened in 4Q25, with EBITDA up 8.0% QoQ to IDR2.1 tn on revenue growth of 16.2% QoQ to IDR2.7 tn. Net profit rose 28.1% QoQ to IDR577.6 bn, driven by lower interest expense (-10.0% QoQ) as funding costs declined to 6.0% (vs. 6.7% in FY24). Despite higher cash-costs (+5.9% YoY), FY25 earnings met expectations (100.5%), highlighting scale benefits and cost-discipline.

FY26F: Fiber scales up, co-location sustains growth

MTEL's fiber strategy continues to gain traction, with FTTT revenue expected to grow 18.0% YoY to IDR677.0 bn, supported by expansion in revenue-generating fiber to 67.2k km (+17.5% YoY). This lifts fiber contribution to 6.9% (vs. 6.0% in FY25), reinforcing its role as the primary growth driver. The tower segment remains stable, supported by strong co-location demand, particularly outside Java. We forecast tower-leasing revenue at IDR7.9 tn (+1.5% YoY), with tenants +1.7% YoY (64,134) and sites +1.9% YoY (40,980). Key customers continue to rely on MTEL for co-location (~65% for EXCL, ~60% for ISAT), supporting pricing resilience, with lease rates +1.0% YoY to IDR12.7 mn/month. Overall, FY26F revenue is projected at IDR9.8 tn (+2.7% YoY).

Margins: operating leverage improves with scale and co-location intensity

Margin expansion should remain intact as higher co-location intensity drives scale efficiency. We expect O&M costs to rise only +1.0% yoy to IDR399.6 bn, keeping CoR growth contained at +2.7% yoy to IDR4.9 tn, vs. +4.9% in FY25. This should support EBITDA growth of +3.0% yoy to IDR8.1 tn and improve operating margin to 44.1% from 43.9% in FY25. Below EBITDA, continued funding-cost discipline and debt optimization should lift net profit +3.3% yoy to IDR2.2 tn, with margin expanding to 22.4%.

Reiterate BUY with TP of IDR680

Maintain our BUY call with a TP of IDR680, based on 7.1x FY26F EV/EBITDA (-0.8SD of 3yrs EV/EBITDA mean). MTEL currently trades at 7.7x EV/EBITDA, a 13.3% discount to its 3yrs avg. of 8.8x, which we see as unjustified given improving fiber monetization and rising co-location intensity. Key risks include higher-than-expected expansion and operating costs, and a hawkish stance could potentially drive an increase in funding costs.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2024A	2025A	2026E	2027E	2028E
Revenue (IDR)	9,308	9,534	9,791	10,085	10,423
EBITDA (IDR)	7,696	7,835	8,068	8,297	8,575
Operating profit (IDR)	4,179	4,188	4,316	4,686	4,858
Net profit (IDR)	2,108	2,119	2,189	2,366	2,441
EPS	25.2	25.4	26.2	28.3	29.2
ROA (%)	3.7	3.6	3.7	3.9	4.0
ROAE (%)	6.3	6.4	6.6	7.0	7.2
PER (x)	20.8	20.7	20.0	18.5	18.0
PBV (x)	1.3	1.3	1.3	1.3	1.3
EV/EBITDA (x)	8.3	8.3	8.1	8.0	7.9
Div. yield (%)	3.4	4.7	4.6	5.0	4.8

Source: Company, KBVS Research

Exhibit 2: MTEL's FY25 result

MTEL's FY25 Results (IDR bn)	FY25	FY24	YoY (%)	4Q25	4Q24	YoY (%)	3Q25	QoQ (%)	2025F	% to '25F	Cons'	% of Cons'
Revenue	9,534	9,308	2.4	2,653	2,490	6.6	2,284	16.2	9,321	102.3%	9,676	98.5%
Tower leasing	7,795	7,629	2.2	2,106	1,963	7.3	1,880	12.0	7,613	102.4%		
Reseller	490	559	-12.3	120	133	-9.8	130	(7.7)				
Other tower related biz	675	634	6.5	284	182	56.0	131	116.8				
Cost of revenue	-4,728	-4,507	4.9	-1,372	-1,180	16.2	-1,147	19.6				
Gross profit	4,806	4,801	0.1	1,281	1,309	-2.1	1,137	12.7				
Operating expenses	-619	-622	-0.5	-193	-187	2.8	-134	43.6				
EBIT	4,188	4,179	0.2	1,089	1,122	-3.0	1,003	8.6				
EBITDA	7,835	7,696	1.8	2,066	2,030	1.8	1,912	8.0	7,755	101.0%	7,978	98.2%
Other income/expenses	91	100		44	55		0					
Net finance cost/income	-1,263	-1,321		-311	-372		-339					
Pre-tax income	2,981	2,958		792	808		664					
Taxes	-861	-850		-215	-232		-213					
Attributable net profit	2,119	2,108	0.5	578	576	0.3	451	28.1	2,109	100.5%	2,174	97.5%
Margins (%)												
EBIT Margin	43.9	44.9		41.0	45.1		43.9					
EBITDA margin	82.2	82.7		77.9	81.5		83.7					
Net Margin	22.2	22.6		21.8	23.1		19.7					
Operational metrics												
Tower	40,230	39,404	2.1	40,230	39,404	2.1	40,102	0.3				
Tenant	63,084	59,868	5.4	63,084	59,868	5.4	61,987	1.8				
Tenancy ratio (x)	1.57	1.52	3.2	1.57	1.52	3.2	1.55	1.4				
Avg. monthly leasing fee/tenant	12.1	12.4	(2.4)	13.5	13.3	1.5	11.8	14.2				

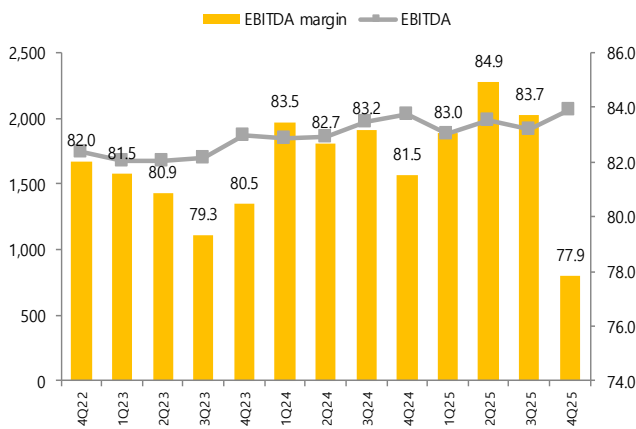
Source: Company, KBVS Research

Exhibit 3: Forecast revisions

	New		Old		Changes		Consensus		New vs. consensus	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
Revenue	9,791	10,085	9,836	10,299	-0.5	-2.1	9,880	10,236	-0.9	-1.5
EBITDA	8,068	8,297	8,095	8,442	-0.3	-1.7	8,203	8,507	-1.6	-2.5
Net profit	4,316	4,686	4,195	4,944	2.9	-5.2	2,237	2,342	93.0	100.1

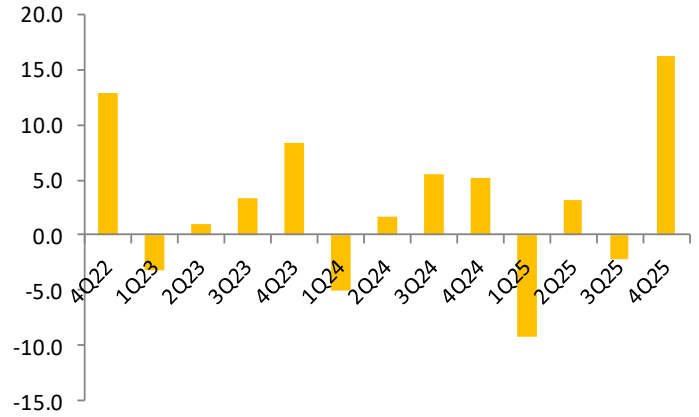
Source: Company, Bloomberg, KBVS Research

Exhibit 4: MTEL EBITDA margin (%)



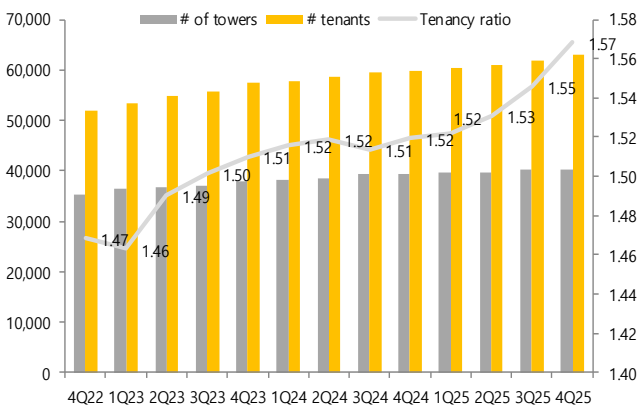
Source: Company, KBVS Research

Exhibit 5: MTEL revenue growth (%)



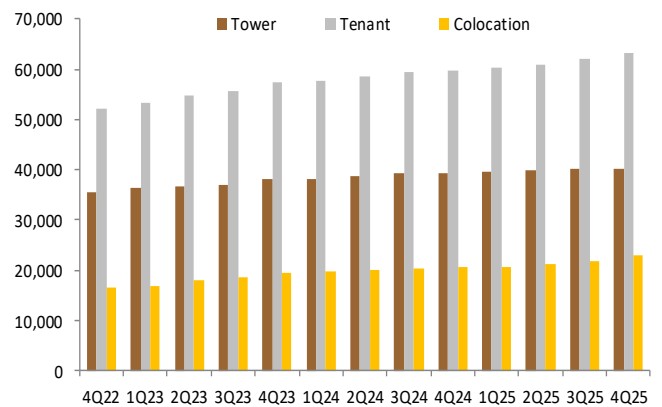
Source: Company, KBVS Research

Exhibit 6: Tenancy ratio



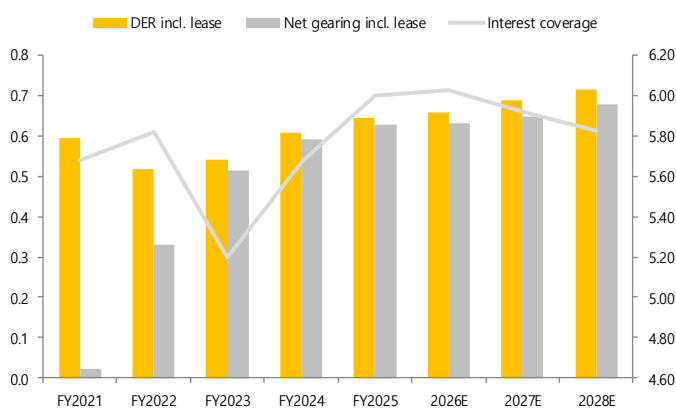
Source: Company, KBVS Research

Exhibit 7: Tower, tenant and colocation



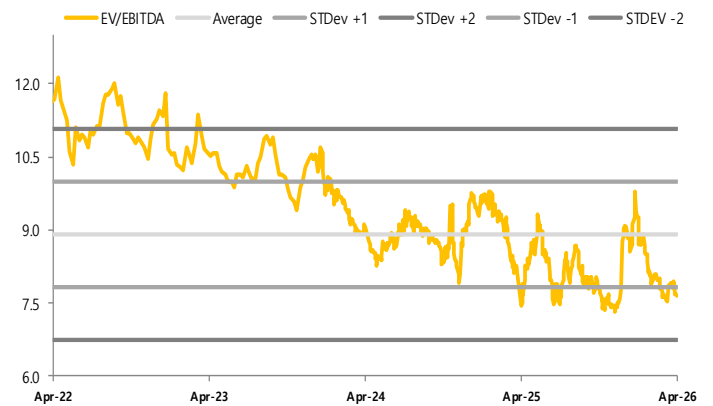
Source: Company, KBVS Research

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)	2024A	2025A	2026F	2027F	2028F
Revenue	9,308	9,534	9,791	10,085	10,423
Cost of revenue	(4,507)	(4,728)	(4,858)	(4,758)	(4,900)
Gross profit	4,801	4,806	4,933	5,327	5,523
Operating expenses	(622)	(653)	(651)	(676)	(699)
Operating profit	4,179	4,188	4,316	4,686	4,858
EBITDA	7,696	7,835	8,068	8,297	8,575
Other income/net	100	56	59	(1)	0
Finance income/costs net	(1,321)	(1,263)	(1,296)	(1,358)	(1,425)
Pretax profit	2,958	2,981	3,079	3,327	3,433
Income tax	(850)	(861)	(890)	(961)	(992)
After tax profit	2,108	2,119	2,189	2,366	2,441

Source: Company, KBVS Research

Exhibit 11: Balance sheet

Year End Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Current assets					
Cash and cash equivalents	597	609	906	1,284	1,216
Trade receivables	2,004	2,212	2,117	2,342	2,267
Other current assets	846	231	237	244	252
Total current assets	3,447	3,052	3,260	3,870	3,735
Non current assets					
Fixed assets	45,240	45,384	46,692	48,080	49,490
Other non current assets (*)	9,453	9,915	10,167	9,007	9,258
Total non current assets	54,693	55,299	56,860	57,087	58,749
Total assets	58,140	58,350	60,120	60,957	62,484
Current liabilities					
Trade payables	1,977	1,369	1,406	1,377	1,419
Taxes payable	86	107	111	120	123
Accrued expenses	1,332	1,128	1,159	1,135	1,169
Short term debts	8,082	4,254	4,358	4,877	5,413
Other current liabilities	808	642	652	673	696
Total current liabilities	12,286	7,500	7,686	8,182	8,821
Non current liabilities					
Long term debts	12,214	17,224	17,687	18,219	18,830
Other non current liabilities (*)	253	275	1,262	925	902
Total non-current liabilities	12,467	17,499	18,949	19,143	19,732
Shareholder equity	33,387	33,351	33,484	33,632	33,931
Total liabilities and equity	58,140	58,350	60,120	60,957	62,484

Source: Company, KBVS Research

Exhibit 12: Cash flow

Year End Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Net profit	2,108	2,119	2,189	2,366	2,441
Depreciation	3,517	3,682	3,786	3,646	3,751
Changes in working capital	(445)	(550)	170	(255)	169
CF from operating activities	5,180	5,251	6,146	5,757	6,361
Investment in fixed assets	(3,316)	(2,103)	(3,322)	(3,460)	(3,542)
Others	(1,304)	(2,184)	(2,024)	(414)	(1,871)
CF from investing activities	(4,619)	(4,287)	(5,347)	(3,873)	(5,413)
Dividends paid	(1,504)	(2,066)	(2,014)	(2,176)	(2,100)
Debt raised/ repaid	1,904	1,182	567	1,050	1,148
Others	(1,242)	(68)	945	(379)	(65)
CF from financing activities	(843)	(952)	(502)	(1,505)	(1,017)
Change in cash flow	(282)	12	297	378	(68)
Cash and cash equivalent, beginning	879	597	609	906	1,284
Cash and cash equivalent, ending	597	609	906	1,284	1,216

Source: Company, KBVS Research

Exhibit 13: Ratio analysis

Year End Dec	2024A	2025A	2026F	2027F	2028F
Gross profit	51.6	50.4	50.4	52.8	53.0
Operating profit margin	44.9	43.9	44.1	46.5	46.6
EBITDA margin	82.7	82.2	82.4	82.3	82.3
Net profit margin	22.6	22.2	22.4	23.5	23.4
Receivables turnover (x)	5.16	4.52	4.52	4.52	4.52
Sales/Assets turnover (x)	0.16	0.16	0.16	0.17	0.17
Payable turnover (x)	13.2	8.7	8.7	8.7	8.7
ROA	3.7	3.6	3.7	3.9	4.0
ROE	6.3	6.4	6.6	7.0	7.2
ROIC	4.0	3.9	4.0	4.3	4.3
Debt/Equity	0.6	0.6	0.7	0.7	0.7
Net debt/Equity	0.6	0.6	0.6	0.6	0.7
Net debt/EBITDA	2.6	2.7	2.6	2.6	2.7
Interest coverage (x)	5.7	6.0	6.0	5.9	5.8
BV/Share (Rp)	399.6	399.1	400.7	402.5	406.1
Dividend yield	3.4	4.7	4.6	5.0	4.8

Source: Company, KBVS Research

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