Inline 9M25 results, FTTT to drive growth ahead

30 October 2025

Mitratel by Telkom Indonesia

MTEL IJ	BUY
Sector	TowerCo
Price at 29 October 2025 (IDR)	570
Price target (IDR)	750
Upside/Downside (%)	31.6

Stock Information

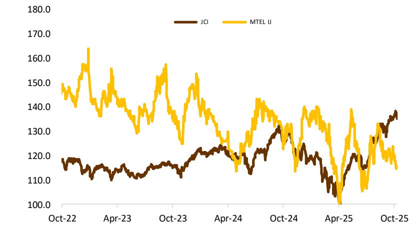
Dayamitra Telekomunikasi is one of the SEA's largest tower telecommunication companies by assets and Indonesia's largest market share of telco tower provider. The company offers an array of telco-related infrastructure service including fiber and power-to-the-tower.

Market cap (IDR bn)	47,629
Shares outstanding (mn)	83,560
52-week range (IDR)	488-695
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	-4.20	-1.72	-9.52

Analyst

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MTEL's 9M25 performance largely met our and consensus expectations, arriving within a range of 73.1% to 74.4%. EBITDA rose 1.8% yoy to IDR5.8 tn, supported by lower cash costs and improved efficiency. Maintain our BUY call with a target price of IDR750, based on 7.9x '25F EV/EBITDA (-1.0SD of 3yrs EV/EBITDA mean), while currently trading at 6.8x EV/EBITDA, representing 25.0% disc. to its 3yrs mean.

9M25 EBITDA hits IDR5.8 tn, inline with estimates

MTEL's 9M25 EBITDA rose 1.8% yoy to IDR5.8 tn, inline with our estimate at 74.4% of the full-year forecast. The growth was supported by a 3.9% yoy decline in cash-costs to IDR1.1 tn, mainly driven by a 2.0% reduction in opex to IDR425.8 bn from efficiency gains and economies of scale. On a qoq basis, EBITDA fell 3.5% to IDR1.9 tn, following a 2.1% qoq decline in revenue to IDR2.3 tn. Although CoR rose 3.5% qoq to IDR1.1 tn, this was offset by an 8.6% drop in opex to IDR134.2 bn, reflecting improved efficiency from higher MNO co-location rates.

FTTT and efficiency to drive '25F margins

Given the inline 9M25 results, we maintain our '25F forecasts. We project FTTT revenue to grow 20.8% yoy to IDR587.3 bn, supported by the rollout of 10,000 km of fiber, bringing total deployment to 61,039 km, aligned with management's target and driven by accelerated inorganic expansion. FTTT growth continues to outpace the 1.0% increase in tower-leasing revenue in 9M25. Although FTTT contributed only 6.3% of total revenue, it is poised to be a key growth driver amid ongoing MNO consolidation.

For '25F, we expect an additional 2,333 tenants, slightly below guidance, lifting the tenancy ratio to 1.53x (from 1.52x in '24A) and supporting stable tower-leasing revenue of IDR7.6 tn. In 9M25, tower-leasing revenue reached IDR6.4 tn, or 73.8% of our full-year estimate.

Higher MNO co-location deployments helped reduce O&M costs by 6.8% yoy in 9M25 to IDR320.5 bn, compared to a 1.1% decline in 6M25. For the full year, CoR growth is expected to moderate to 3.2% (vs. a 7.3% three-year average), while cash-costs are projected to fall 6.2% to IDR1.5 tn. These efficiencies should lift '25F EBITDA margin to 83.2%, up 51.7bps from 82.7% in '24A. EBITDA performance remains on track, reaching 74.4% of our FY target, implying full-year EBITDA of IDR7.8 tn. Interest expenses remain manageable and consistent with our forecast of IDR1.2 tn. Net profit is also tracking our full-year estimate of IDR2.1 tn, with a projected net margin of 22.6% in '25F, slightly higher than 22.4% in 9M25.

Reiterate BUY with TP of IDR750

Maintain our BUY call with a target price of IDR750, based on 7.9x '25F EV/EBITDA (-1.0SD of 3yrs EV/EBITDA mean). MTEL is currently trading at 6.8x EV/EBITDA, representing a 25.0% discount to its 3yrs mean. We see upside potential from reduced exposure to tenant losses following the EXCL-FREN merger and continued growth in the FTTT segment. However, risks remain from MNOs' cost-efficiency measures and network rollout challenges amid ongoing industry consolidation.

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	2,020	2,463
EPS	24.1	25.2	25.3	24.2	29.5
ROA (%)	3.6	3.7	3.6	3.3	3.9
ROAE (%)	5.9	6.3	6.3	5.9	7.1
PER (x)	23.7	22.6	22.6	23.6	19.3
PBV (x)	1.4	1.4	1.4	1.4	1.4
EV/EBITDA (x)	9.4	8.7	8.6	8.4	8.3
Div. yield (%)	3.7	3.2	3.1	3.0	3.6

Source: Company, KBVS Research

Exhibit 2: Financial Summary

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				

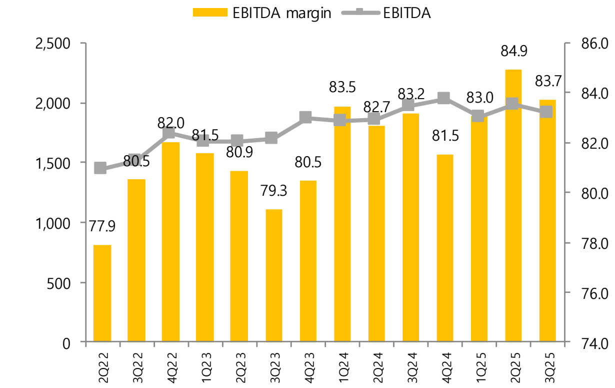
Source: Company, KBVS Research

Exhibit 3: Forecast revisions

	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

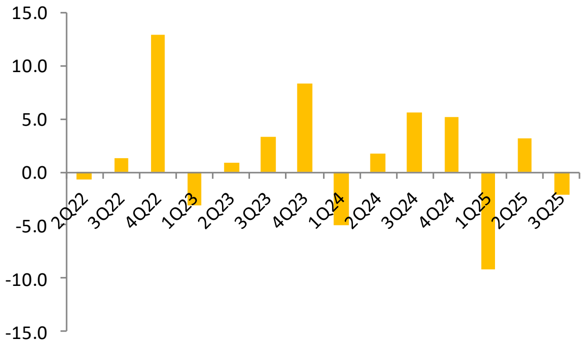
Source: Company, Bloomberg, KBVS Research

Exhibit 4: MTEL EBITDA margin (%)



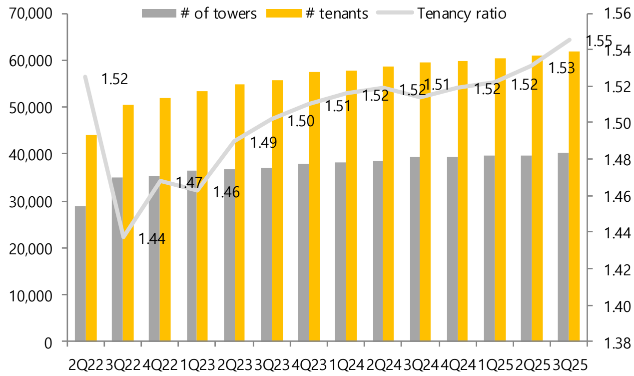
Source: Company, KBVS Research

Exhibit 5: MTEL revenue growth (%)



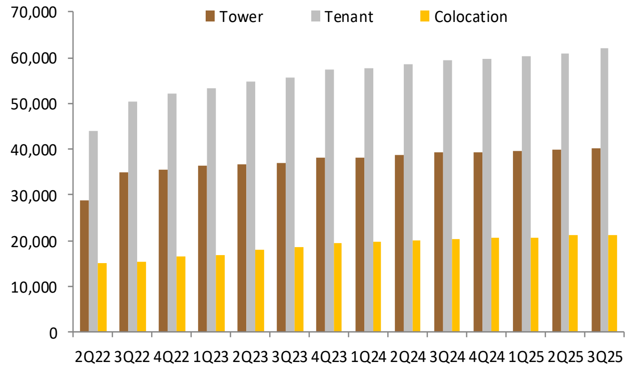
Source: Company, KBVS Research

Exhibit 6: Tenancy ratio



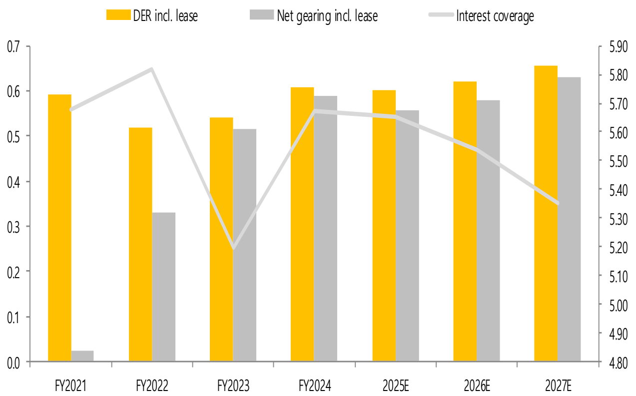
Source: Company, KBVS Research

Exhibit 7: Tower, tenant and colocation



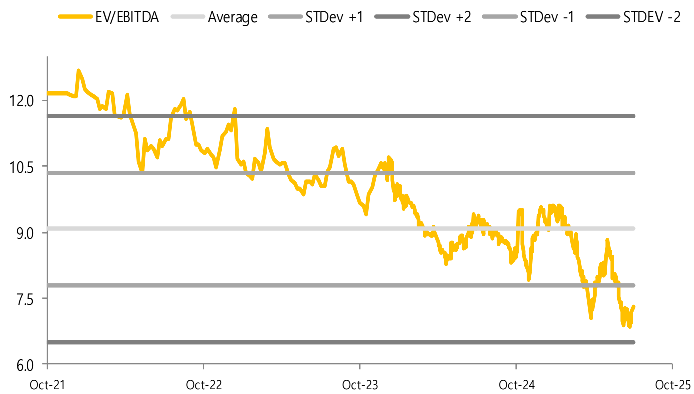
Source: Company, KBVS Research

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)	(1,429)	(1,543)
Pretax profit	2,739	2,958	2,906	2,799	3,436
Income tax	(729)	(850)	(797)	(779)	(973)
After tax profit	2,010	2,108	2,109	2,020	2,463

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	1,375	933
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**	**3,836**	**4,082**
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**	**62,358**	**64,859**
Current liabilities					
Trade payables	2,079	1,977	1,426	1,535	1,440
Taxes payable	73	86	199	389	486
Accrued expenses	1,101	1,332	1,473	1,585	1,486
Short term debts	6,732	8,082	8,816	8,459	9,463
Other current liabilities	1,086	808	794	837	877
Total current liabilities	**11,071**	**12,286**	**12,708**	**12,805**	**13,753**
Non current liabilities					
Long term debts	11,660	12,214	13,422	14,525	15,174
Other non current liabilities (*)	241	253	476	482	689
Total non-current liabilities	**11,901**	**12,467**	**13,899**	**15,007**	**15,863**
Shareholder equity	**34,038**	**33,387**	**33,979**	**34,545**	**35,244**
Total liabilities and equity	**57,010**	**58,140**	**60,586**	**62,358**	**64,859**

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	2,020	2,463
Depreciation	3,282	3,517	3,600	3,900	3,498
Changes in working capital	(947)	(445)	97	435	(745)
CF from operating activities	**4,346**	**5,180**	**5,805**	**6,355**	**5,216**
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)	(1,414)	(1,724)
Debt raised/ repaid	882	1,904	1,942	745	1,653
Others	(233)	(1,242)	183	(34)	166
CF from financing activities	**(1,118)**	**(843)**	**649**	**(703)**	**95**
Change in cash flow	**(5,460)**	**(282)**	**867**	**(89)**	**(442)**
Cash and cash equivalent, beginning	**6,339**	**879**	**597**	**1,464**	**1,375**
Cash and cash equivalent, ending	**879**	**597**	**1,464**	**1,375**	**933**

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	20.5	23.9
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	3.3	3.9
ROE	5.9	6.3	6.3	5.9	7.1
ROIC	3.9	4.0	3.9	3.6	4.2
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	2.5	2.6
Interest coverage (x)	5.2	5.7	5.7	5.5	5.4
BV/Share (Rp)	407.3	399.6	406.6	413.4	421.8
Dividend yield	3.7	3.2	3.1	3.0	3.6

Source: Company, KBVS Research

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