

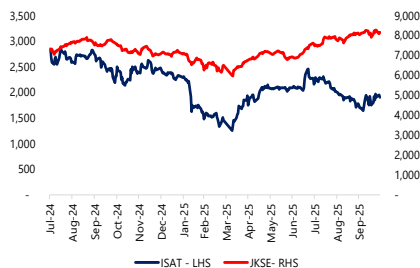


BUY

Price (Oct 30 th , 25)	1,905
Target Price	2.200
Potential Upside	15.49%
Market Cap	73.53 T
Number of Share	61.44 B
52w Lo/Hi	1,240 /

Source : IDX | Phintraco Sekuritas Research
| as of Oct 30th, 2025

IHSG vs ISAT



Source : IDX

Shareholder	%
Government (A)	0.00
Ooredoo Hutchison Asia Pte. Ltd (B)	65.64
PT Perusahaan Pengelola Aset (B)	9.63
TTI (B)	8.33
Muhammad Buldiansyah (B)	0.00
Public (B)	16.38

Source : Bloomberg

EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2025F	170.58	181.22	-5.87
2026F	202.85	200.77	1.04

Source : *Bloomberg | as of Oct 30th, 2025

Research Analyst

Aditya Prayoga

+62 21 255 6138 Ext. 8302

adit@phintracosekuritas.com

PT Indosat Tbk (ISAT.JK / ISAT.IJ)

IDX-30, LQ-45, KOMPAS 100, JII

Gradual Recovery with Strengthening Revenue Quality

ISAT recorded an improved performance in 3Q25, with several operating indicators showing signs of recovery. The company posted revenue of Rp14.05 trillion (+3.84% QoQ; +1.56% YoY), bringing 9M25 revenue to Rp41.16 trillion (-1.56% YoY). This achievement is relatively in line with both our expectations and the street (Phintas: 71% vs. Cons: 70%). The cellular segment, which contributes more than 80% of total revenue, booked a solid +4.23% QoQ (+1.49% YoY) increase to Rp11.81 trillion in 3Q25. Despite a slight decline in the subscriber base to 95 million (-2.36% YoY), monetization trends continued to improve. Blended ARPU rose to Rp39.20k in 3Q25 (+0.77% QoQ; +5.38% YoY), supported by sustained growth in data usage, reflected in total data traffic reaching 4,532 PB (+4.74% QoQ; +10.94% YoY). We see the ARPU improvement as a result of more targeted monetization efforts, particularly through AI-driven hyper-personalization initiatives that enable more relevant package offerings aligned with customer behavior and preferences. In addition, starter pack rationalization and more disciplined use of promotions, bonuses, and discounts have also contributed to improving revenue quality.

ISAT's operating expenses in 3Q25 reached Rp11.47 trillion (+3.02% QoQ; +3.16% YoY), with the increase primarily driven by higher spending across most cost components. Cost of Service rose to Rp6.06 trillion (+4.06% QoQ; +8.31% YoY), mainly due to higher partnership costs, network maintenance, and frequency fees. The rise in operating costs aligns with ISAT's ongoing strategy to enhance network capacity and quality. Consistent with this, the company continued to expand its network infrastructure aggressively. On a YTD basis, total BTS increased by 7.66% to 266k sites, supported by 4G BTS growth of 7.81% YTD and a significant expansion of 5G BTS, which surged by +1,212% YTD. On the bottom line, ISAT delivered stronger profitability, booking net profit of Rp1.25 trillion in 3Q25 (+22.25% QoQ; +9.50% YoY), with net profit margin improving to 18.36% (vs 17.71% in 2Q25).

Several ISAT initiatives have begun to deliver results in 3Q25, reflected in improving financial performance. The company's transformation toward becoming a technology-focused operator is also progressing well. ISAT is currently operating IOH GB200 servers, which are fully contracted, indicating early monetization traction and a sizable runway for AI-driven revenue opportunities ahead. Growth momentum is also visible in the Home Broadband (HBB) segment, with the subscriber base rising to 369k in 3Q25 (+4.90% QoQ). With fixed broadband penetration in Indonesia still relatively low, the expansion runway remains wide, making Fixed-Mobile Convergence (FMC) a strategic priority for ISAT. A more integrated ecosystem is expected to strengthen customer stickiness and enhance household monetization, supported by deeper bundling penetration across services.

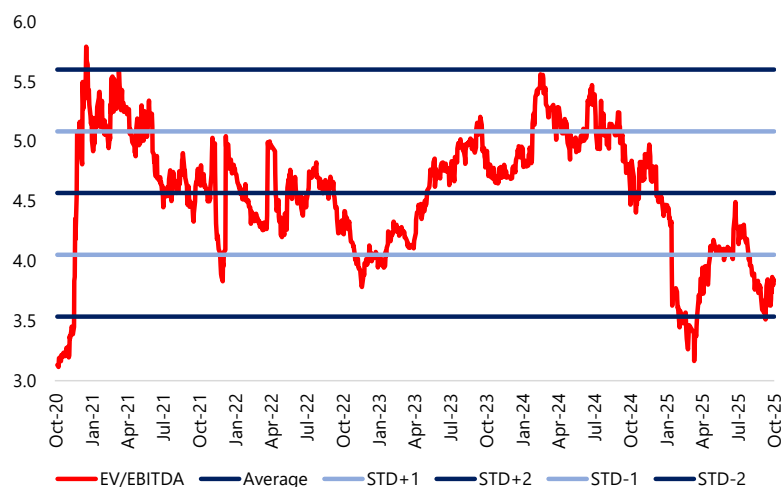
We maintain our BUY recommendation on ISAT with a target price of Rp2,200 ([See to our previous report](#)), as the company's performance remains broadly in line with our expectations. We retain a positive view on ISAT, supported by the on-track progress of its AI-driven initiatives, improving ARPU with potential to sustain at healthier levels, and building traction across monetization levers. In addition, the Home Broadband segment could serve as the next key catalyst, given Indonesia's still-low FBB penetration, which provides ample room for further growth. Downside risks to our call include: (1) slower-than-expected convergence monetization, and (2) higher-than-expected network capex requirements.

Table 1. ISAT's Financial & Operational Performance 9M25

PT Indosat Tbk - ISAT												
(in Billion IDR)	9M24	9M25	YoY	3Q24	2Q25	3Q25	QoQ	YoY	Phintas Estimate	%Phintas	Cons	%Cons
Revenue	41,812	41,162	-1.56%	13,836	13,532	14,052	3.84%	1.56%	58,061	70.9%	58,741	70.1%
<i>Celular</i>	35,235	34,557	-1.92%	11,634	11,328	11,808	4.23%	1.49%				
<i>MIDI</i>	5,907	6,000	1.58%	1,991	2,000	2,039	1.93%	2.41%				
<i>Fixed Telecommunications</i>	670	604	-9.86%	211	204	206	1.07%	-2.60%				
Operating Expenses	(33,425)	(33,698)	0.82%	(11,120)	(11,136)	(11,472)	3.02%	3.16%	(46,660)	72.2%	(46,734)	72.1%
<i>Cost of Service</i>	(16,747)	(17,602)	5.11%	(5,596)	(5,824)	(6,061)	4.06%	8.31%				
<i>Depreciation and Ammortization</i>	(11,613)	(11,885)	2.34%	(3,872)	(4,044)	(3,913)	-3.26%	1.04%				
<i>Personnel</i>	(2,940)	(2,318)	-21.17%	(980)	(695)	(814)	17.16%	-16.93%				
<i>Marketing</i>	(1,458)	(1,207)	-17.24%	(472)	(380)	(404)	6.32%	-14.39%				
<i>G&A Expenses</i>	(667)	(687)	2.98%	(199)	(192)	(280)	45.50%	40.36%				
Operating Profit	8,387	7,463	-11.01%	2,716	2,396	2,580	7.70%	-4.99%	11,401	65.5%	12,007	62.2%
EBITDA	20,000	19,348	-3.26%	6,588	6,440	6,493	0.82%	-1.44%	27,224	71.1%	28,190	68.6%
Net Profit	3,878	3,587	-7.50%	1,143	1,024	1,252	22.25%	9.50%	5,501	65.2%	5,604	64.0%
Profitability Ratio												
Operating Profit Margin (OPM)	20.06%	18.13%		19.63%	17.71%	18.36%			19.64%		20.44%	
EBITDA Margin	47.83%	47.01%		47.62%	47.59%	46.21%			46.89%		47.99%	
Net Profit Margin (NPM)	9.28%	8.72%		8.26%	7.57%	8.91%			9.48%		9.54%	
Operational Data												
Subscriber Postpaid (In Million)	1.40	2.00	42.86%									
Subscriber Prepaid (In Million)	97.30	93.00	-4.42%									
Total Subscriber (In Million)	97.30	95.00	-2.36%									
ARPU Postpaid (In Thousand)	98.90	94.00	-4.95%	97.10	102.80	91.00	-11.48%	-6.28%				
ARPU Prepaid (In Thousand)	36.90	38.00	2.98%	36.40	37.40	39.00	4.28%	7.14%				
ARPU Blended (In Thousand)	37.70	39.00	3.45%	37.20	38.90	39.20	0.77%	5.38%				
Data Consumption (In Petabytes)	12,050	12,781	6.07%	4,085	4,327	4,532	4.74%	10.94%				
Base Transceiver Units (Units)												
2G	58,389	56,419	-3.37%									
4G	193,562	208,449	7.69%									
5G	103	1,404	1263.11%									

Source : Company | Phintraco Sekuritas Research

Figure 1. EV EBITDA Forward 12-M



Source : Bloomberg | Phintraco Sekuritas Research



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Rating for Stocks :

- Buy : The stock is expected to give return of more than 10% over the next 12 months.
- Hold : The stock is expected to give return of between -10% and 10% over the next 12 months.
- Sell : The stock is expected to give total return of $< -10\%$ over the next 12 months.
- Outperform : The stock is expected to do slightly better than the market return. Equal to "moderate buy"
- Underperform : The stock is expected to do slightly worse than the market return. Equal to "moderate sell"

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Kantor Cabang & Mitra GI BEI



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