

# Astra International

**HOLD** (unchanged)

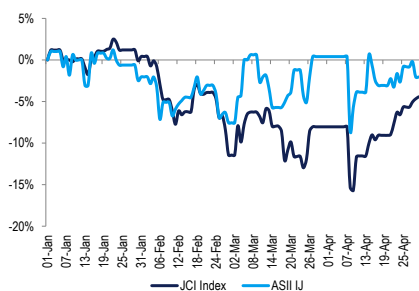
Company Update | Automotive | ASII IJ | 02 May 2025

## Stock Data

Target price	Rp5,150
Prior TP	Rp5,150
Current price	Rp4,800
Upside/downside	+7.3%
Shares outstanding (mn)	40,484
Market cap (Rp bn)	194,321
Free float	42%
Avg. 6m daily T/O (Rp bn)	187

## Price Performance

	3M	6M	12M
Absolute	-1.4%	-6.3%	-7.2%
Relative to JCI	4.1%	4.7%	-2.3%
52w low/high (Rp)	4,290 – 5,300		



## Major Shareholders

Jardine Cycle & Carriage Ltd	50.1%
------------------------------	-------

## Aurelia Barus

PT Indo Premier Sekuritas  
aurelia.barus@ipc.co.id  
+62 21 5088 7168 ext. 719

## Umar Aziz

PT Indo Premier Sekuritas  
umar.aziz@ipc.co.id  
+62 21 5088 7168 ext. 713

## 1Q25 results: in-line with ours but below consensus amid miss in UT

- ASII recorded soft NP of Rp7.3tr (-10% yoy). This was in line with our estimate, but below consensus estimates.
- We still expect ASII's core NP to decline by -5% yoy in FY25F, primarily due to declining auto and heavy equipment segments.
- Retain our HOLD call for ASII with unchanged TP.

### In-line 1Q25 core NP, though soft compared to the consensus estimates

In 1Q25, ASII recorded revenue/EBITDA of Rp83.4tr/Rp13.9tr (3% yoy/-5% yoy), in-line with our/consensus estimates. However, core NP of Rp7.3tr (-10% yoy) was slightly below the consensus estimate, while still in-line with our estimates. This was primarily supported by strong performances in auto and agribusiness segments, though a big miss in UNTR performance. Meanwhile, financial service performance came in line, supported by growing multipurpose loan despite weak domestic 4W/2W wholesale volume in 1Q25.

### Above auto bottom-line due to better-than-expected margin

In 1Q25, auto revenue came in-line at Rp31.4tr (-8% yoy). 4W revenue was slightly below, which declined by 16% yoy. 2W revenue also was in-line, and still improving by 2% yoy, despite declining wholesale volume by -2% yoy in 1Q25 (vs. our estimate of 2% yoy in FY25F). This is due to a better-than-expected ASP, which improved by 5% yoy, due to higher price product mix. ADM/AHM profits of -23% yoy/flat yoy were in-line, though NP margins declined to 4.5%/9.2% in 1Q25, respectively. Despite that, auto NP came above our estimate at Rp2.7tr (-4.5% yoy), which we deem was due to better-than-expected auto distribution and parts margin.

### Below UNTR while a beat in agribusiness performances

Below UNTR performance was primarily due to lower-than-expected mining contracting margin, affected by wetter weather conditions, disrupting production and resulted for higher cost. On the other hand, above agribusiness performance was due to beat in volume in 1Q25 at 430,000 tonnes (4% above estimate), with stronger-than-expected price at Rp14tk/tonne (4% above estimate).

### Retain HOLD call with unchanged TP

Following the in line 1Q25 results, we retain our HOLD call on ASII with an unchanged TP of Rp5,150. For now, we maintain our unchanged estimate that core NP growth in FY25F could decline by -5% yoy. More positively, ASII's dividend yield may remain attractive, providing 8% dividend yield.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	316,565	330,920	325,392	325,497	330,901
Operating profit	44,268	42,202	37,019	36,110	35,769
Core net profit	33,366	33,440	31,735	31,213	32,358
Core EPS growth	12.1%	0.2%	-5.1%	-1.6%	3.7%
ROE	16.8%	15.7%	13.9%	12.8%	12.4%
PER (x)	5.8	5.8	6.1	6.2	6.0
Dividend yield	13.5%	10.8%	8.3%	7.8%	7.8%
IPS vs. consensus			95%	91%	88%

Source: Company, Indo Premier

price closing as of: 30 April 2025

Fig. 1: ASII 1Q25 results summary

ASII 1Q25 results (Rp bn)	3M25	3M24	%YoY	1Q25	1Q24	%YoY	4Q24	%QoQ	% of IPS	% of Cons.
<b>Revenue</b>	83,361	81,209	3%	83,361	81,209	3%	84,591	-1%	26%	25%
COGS	(66,301)	(63,624)	4%	(66,301)	(63,624)	4%	(65,686)	1%		
<b>Gross profit</b>	17,060	17,585	-3%	17,060	17,585	-3%	18,905	-10%		
Operating expenses	(7,842)	(7,431)	6%	(7,842)	(7,431)	6%	(8,475)	-7%		
<b>EBIT</b>	9,218	10,154	-9%	9,218	10,154	-9%	10,430	-12%	25%	22%
<b>EBITDA</b>	13,931	14,716	-5%	13,931	14,716	-5%	15,408	-10%	25%	25%
Interest income	856	765	12%	856	765	12%	856	0%		
Interest expense	(921)	(978)	-6%	(921)	(978)	-6%	(868)	6%		
JV and Associate income	1,779	2,609	-32%	1,779	2,609	-32%	2,533	-30%		
<b>Pre-tax profit</b>	10,646	12,012	-11%	10,646	12,012	-11%	12,381	-14%		
Taxes	(2,091)	(2,253)	-7%	(2,091)	(2,253)	-7%	(2,361)	-11%		
Non-controlling interests	1,623	2,295	-29%	1,623	2,295	-29%	1,823	-11%		
<b>Net profit</b>	6,932	7,464	-7%	6,932	7,464	-7%	8,197	-15%		
<b>Core profit</b>	7,300	8,077	-10%	7,300	8,077	-10%	8,641	-16%	23%	22%
<b>Margin (%)</b>										
Gross margin	20%	22%		20%	22%		22%			
EBIT margin	11%	13%		11%	13%		12%			
Net margin	8%	9%		8%	9%		10%			
<b>Operational data</b>										
Industry's 4W sales volume (000' units)	205	215	-5%	205	215	-5%	232	-12%		
Astra's 4W sales volume (000' units)	111	120	-7%	111	120	-7%	125	-11%		
Astra's 4W market share (%)	54%	56%		54%	56%		54%			
Industry's 2W sales volume (000' units)	1,683	1,735	-3%	1,683	1,735	-3%	1,461	15%		
Astra's 2W sales volume (000' units)	1,292	1,324	-2%	1,292	1,324	-2%	1,164	11%		
Astra's 2W market share (%)	77%	76%		77%	76%		80%			

Source: Company, Indo Premier

Fig. 2: ASII – P/E band



Source: Indo Premier, Bloomberg

Fig. 3: ASII – P/BV band



Source: Indo Premier, Bloomberg

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	316,565	330,920	325,392	325,497	330,901
Cost of sales	(243,255)	(257,363)	(256,380)	(256,291)	(261,582)
<b>Gross profit</b>	<b>73,310</b>	<b>73,557</b>	<b>69,012</b>	<b>69,206</b>	<b>69,319</b>
SG&A Expenses	(29,042)	(31,355)	(31,993)	(33,096)	(33,550)
<b>Operating profit</b>	<b>44,268</b>	<b>42,202</b>	<b>37,019</b>	<b>36,110</b>	<b>35,769</b>
Net interest	(59)	(460)	1,538	988	1,753
Forex gain (loss)	(408)	(532)	0	0	0
Others	10,928	11,949	10,291	10,558	11,228
<b>Pre-tax income</b>	<b>54,729</b>	<b>53,159</b>	<b>48,849</b>	<b>47,657</b>	<b>48,751</b>
Income tax	(10,228)	(9,735)	(8,666)	(8,360)	(8,513)
Minority interest	(10,662)	(9,373)	(8,708)	(8,342)	(8,148)
<b>Net income</b>	<b>33,839</b>	<b>34,051</b>	<b>31,475</b>	<b>30,955</b>	<b>32,090</b>

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalents	41,138	48,439	60,340	70,706	96,399
Receivables	72,227	77,061	81,826	84,108	86,751
Other current assets	52,823	51,431	51,287	51,274	52,050
<b>Total current assets</b>	<b>166,188</b>	<b>176,931</b>	<b>193,452</b>	<b>206,087</b>	<b>235,200</b>
Fixed assets	72,911	78,734	79,926	78,565	72,659
Other non-current assets	206,582	217,260	230,400	238,479	245,853
<b>Total non-current assets</b>	<b>279,493</b>	<b>295,994</b>	<b>310,326</b>	<b>317,045</b>	<b>318,511</b>
<b>Total assets</b>	<b>445,681</b>	<b>472,925</b>	<b>503,778</b>	<b>523,132</b>	<b>553,712</b>
Payables	40,529	40,047	39,894	39,880	40,703
Other payables	53,082	56,454	56,076	55,967	56,021
Current portion of LT loans	31,411	36,802	39,954	38,030	40,007
<b>Total current liab.</b>	<b>125,022</b>	<b>133,303</b>	<b>135,924</b>	<b>133,877</b>	<b>136,732</b>
Long term loans	53,303	50,192	54,488	51,831	54,504
Other LT liab.	16,936	17,934	17,934	17,934	17,934
<b>Total liabilities</b>	<b>195,261</b>	<b>201,429</b>	<b>208,346</b>	<b>203,642</b>	<b>209,170</b>
Equity	9,643	11,049	11,049	11,049	11,049
Retained earnings	188,997	202,116	217,345	233,059	249,964
Minority interest	51,778	58,331	67,039	75,381	83,529
<b>Total SHE + minority int.</b>	<b>250,418</b>	<b>271,496</b>	<b>295,432</b>	<b>319,489</b>	<b>344,542</b>
<b>Total liabilities &amp; equity</b>	<b>445,679</b>	<b>472,925</b>	<b>503,778</b>	<b>523,132</b>	<b>553,712</b>

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net profit	44,501	43,424	40,182	39,297	40,238
Depr. & amortization	9,139	8,636	17,893	19,200	20,151
Changes in working capital	(6,796)	(5,620)	(5,152)	(2,392)	(2,542)
Others					
<b>Cash flow from operating</b>	<b>46,844</b>	<b>46,440</b>	<b>52,924</b>	<b>56,105</b>	<b>57,847</b>
Capital expenditure	(43,768)	(18,411)	(33,460)	(24,366)	(20,134)
Others	(11,385)	(6,726)	1,234	(1,553)	(1,484)
<b>Cash flow from investing</b>	<b>(55,153)</b>	<b>(25,137)</b>	<b>(32,225)</b>	<b>(25,918)</b>	<b>(21,618)</b>
Loans	25,953	8,346	7,448	(4,581)	4,650
Equity	(11,689)	(7,888)	(8,708)	(8,342)	(8,148)
Dividends	(26,314)	(21,011)	(16,246)	(15,240)	(15,186)
Others	200	6,553	8,708	8,342	8,148
<b>Cash flow from financing</b>	<b>(11,850)</b>	<b>(14,000)</b>	<b>(8,798)</b>	<b>(19,821)</b>	<b>(10,536)</b>
<b>Changes in cash</b>	<b>(20,159)</b>	<b>7,303</b>	<b>11,901</b>	<b>10,366</b>	<b>25,694</b>

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	23.2%	22.2%	21.2%	21.3%	20.9%
Operating margin	14.0%	12.8%	11.4%	11.1%	10.8%
Pre-tax margin	17.3%	16.1%	15.0%	14.6%	14.7%
Net margin	10.7%	10.3%	9.7%	9.5%	9.7%
ROA	7.5%	7.1%	6.3%	6.0%	5.8%
ROE	16.8%	15.7%	13.9%	12.8%	12.4%
ROIC	13.4%	12.7%	11.6%	11.3%	11.9%

Acct. receivables TO (days)	39	37	37	37	37
Acct. payables - other TO (days)	61	57	57	57	57

Gross debt-to-equity (x)	0.5	0.5	0.5	0.4	0.4
Net debt-to-equity (x)	0.3	0.2	0.2	0.1	0.0
Interest coverage (x)	19.1	16.1	15.7	16.8	21.4

Source: Company, Indo Premier

## INVESTMENT RATINGS

BUY	: Expected total return of 10% or more within a 12-month period
HOLD	: Expected total return between -10% and 10% within a 12-month period
SELL	: Expected total return of -10% or worse within a 12-month period

## ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

## DISCLAIMERS

This research is based on information obtained from sources believed to be reliable, but we do not make any representation or warranty nor accept any responsibility or liability as to its accuracy, completeness or correctness. Opinions expressed are subject to change without notice. This document is prepared for general circulation. Any recommendations contained in this document do not have any regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is not and should not be construed as an offer or a solicitation of an offer to purchase or subscribe or sell any securities. PT Indo Premier Sekuritas or its affiliates may seek or will seek investment banking or other business relationships with the companies in this report.