

Astra International (ASII)

Earnings In Line With Our Forecasts, Beats Consensus

Astra International Tbk. (ASII) recorded a 0.6% YoY growth in net income to IDR 34.05 trillion, largely in line with our forecasts and exceeding the consensus (97%/102%). The agribusiness and financial segments are the main drivers behind this solid performance, their net incomes rising by 9% and 6% YoY respectively. They also help offset net income declines in the automotive (-2%) and HEMCE sectors (-5%).

ASII's top two segments declined due to prevailing macroeconomic conditions

- ASII sold 483k units of 4W automobiles in FY24, a 14% YoY decrease that is in line with the overall fall in the Indonesian wholesale 4W market.
- This decline can be attributed to weaker consumer purchasing power from high interest rates as well as increasing difficulty to secure financing. Despite this, ASII maintains their 58% market share as their brands, such as BMW and Toyota, enjoy strong market presence.
- Likewise, ASII's market share in the 2W automotive segment remains stable at 78% with overall sales volume increasing by 1%. The relative affordability of 2W automotive compared to their 4W cousins allowed the segment to remain resilient.
- The Indonesian central bank has so far cut rates by 25 basis points in 2025, with more cuts expected (subject to USDIDR rate stability). Should rate cuts proceed as expected, consumer purchasing power might recover & automotive sales stabilize.
- As for the HEMCE segment, net income fell by 5% YoY to IDR 12 trillion as Komatsu sales volume floundered while coal price continued to decline. This is despite solid growth in several volume metrics including gold mining volume (32%), coal mining volume (11%), and overburden removal (5%).
- Moving forward, ESDM's new requirement to use HBA for all coal exports is expected to provide more price stability. However, there seems to be significant pushback from international buyers as they doubt the impartiality and accuracy of HBA at determining market prices.

Financial service and agribusiness segments help balance out declines in auto & HEMCE

- ASII reported a 6% YoY increase in their financial services segment to IDR 8.4 trillion. This improvement can be seen across the board as multiple sub-segments including vehicle financing, heavy equipment financing, and life insurance experienced strong growth.
- This larger loan portfolio, along with low loss ratios and higher interest rates, are the main catalysts behind the financial service segment's solid performance.
- The company also reported revenue growth for the first time in a few years in the agribusiness segment, rising by 5% YoY driven by domestic demand.
- Recovering crude palm oil (CPO) prices enabled a 9% improvement in profit despite lower CPO productivity (-14%) and lower CPO & derivatives sales volume (-9%).

Recommend OVERWEIGHT with TP of IDR 5,475

- We give an OVERWEIGHT rating for ASII with a TP of IDR 5,475. This reflects a PE ratio of 6.23x, equivalent to the company's 3-Yr PE SD-1. We opted for a cautiously optimistic outlook on the company as interest rate cuts should stabilize the automotive market while the new HBA price regulation should offer a more stable coal price benchmark for producers
- Risks: 1) Continued weak consumer purchasing power 2) Push back and uncertainty surrounding HBA price regulation 3) Rising USD rates

Astra International Tbk | Summary

in IDR bn	2024A	2025F	2026F	2027F
Revenue	330,920	347,013	361,369	375,964
Revenue growth	4.5%	4.9%	4.1%	4.0%
Net profit	34,051	35,596	38,600	43,137
EPS (IDR)	841	879	953	1,066
Net Profit growth	0.6%	4.5%	8.4%	11.8%
NPM	10.3%	10.3%	10.7%	11.5%
ROE	13.3%	13.2%	13.4%	14.1%
ROA	7.5%	7.6%	7.8%	8.3%
P/E	5.8x	6.2x	5.7x	5.1x
P/BV	0.8x	0.8x	0.7x	0.7x
EV/EBITDA	5.4x	5.1x	4.9x	4.6x

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NIKSI Research

Please consider the rating criteria & important disclaimer

Company Update | Mar 10, 2025

OVERWEIGHT

Target Price (IDR)	5,475
Consensus Price (IDR)	5,905
TP to Consensus Price	-7.3%
Potential Upside	11.1%

Shares data

Last Price (IDR)	4,930
Price Date as of	Mar 07, 2025
52 wk Range (Hi/Lo)	5,425 / 4,290
Free Float (%)	42.3
Outstanding sh.(mn)	40,483
Market Cap (IDR bn)	199,583
Market Cap (USD mn)	12,226
Avg. Trd Vol - 3M (mn)	33.16

Industrials

Multi-sector Holdings

Bloomberg	ASII IJ
Reuters	ASII.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	0.6%	6.0%	-4.3%	-3.8%
Rel. Ret.	6.9%	7.6%	5.8%	6.2%

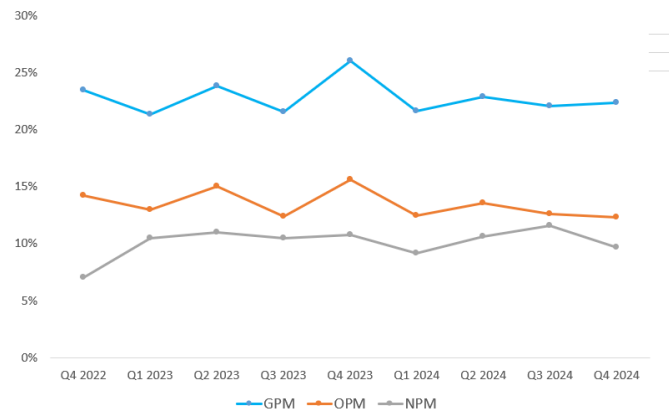
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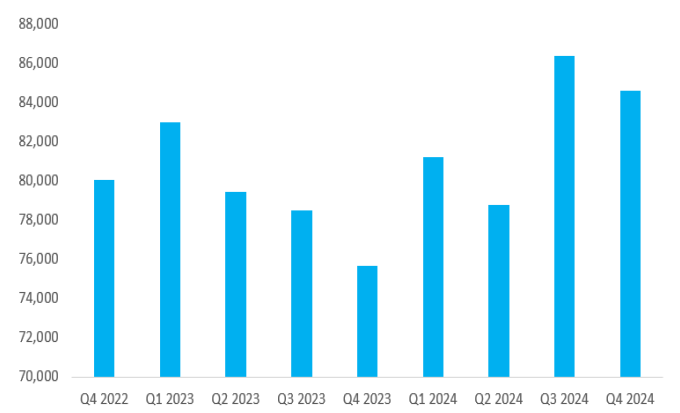
Performance Highlights in Charts

ASII Annual Profit Margins | 4Q22 - 4Q24



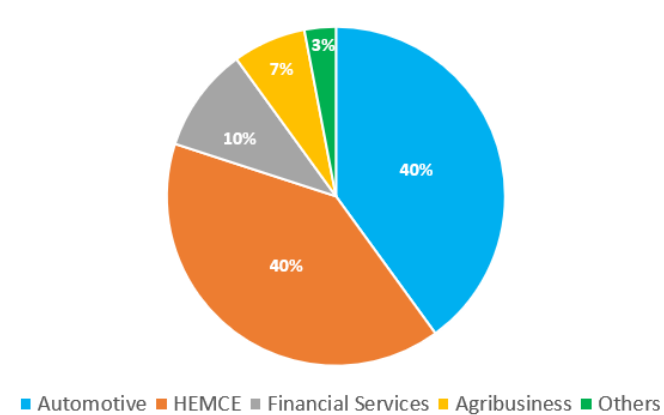
Source: Company Data, NHKSI Research

ASII Annual Revenue (IDR Bn) | 4Q22 - 4Q24



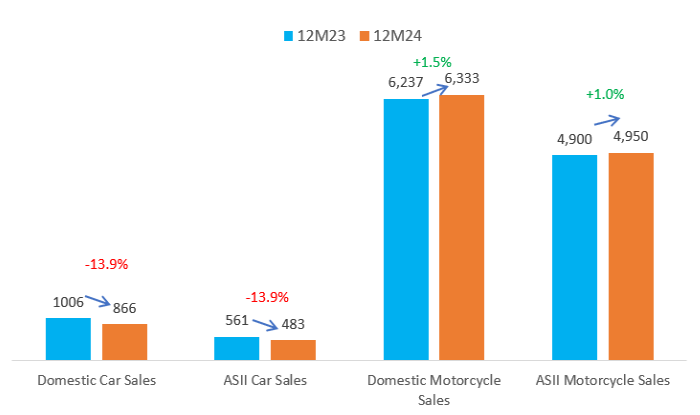
Source: Company Data, NHKSI Research

ASII Revenue Breakdown | 12M24



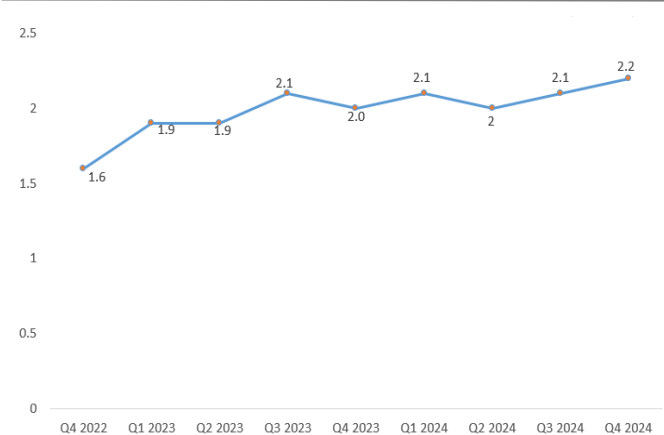
Source: Company Data, NHKSI Research

ASII Automotive Sales Volume (per 1,000 units) | 12M23 vs 12M24



Source: Company Data, NHKSI Research

ASII Financial Services Net Income (IDR Tn) | 4Q22 - 4Q24



Source: Company Data, NHKSI Research

ASII HEMCE Overview | 12M23 vs 12M24



Source: Company Data, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2024/12A	2025/12F	2026/12F	2027/12F
Revenue	330,920	347,013	361,369	375,964
Growth	4.5%	4.9%	4.1%	4.0%
COGS	257,363	271,011	280,980	290,439
Gross Profit	73,557	76,002	80,389	85,526
Gross Margin	22.2%	21.9%	22.2%	22.7%
Operating Expenses	(31,355)	(32,275)	(33,610)	(35,012)
EBIT	42,202	43,727	46,779	50,513
EBIT Margin	12.8%	12.6%	12.9%	13.4%
Depreciation	13,076	17,574	16,664	16,604
EBITDA	55,278	61,301	63,443	67,117
EBITDA Margin	16.7%	17.7%	17.6%	17.9%
EBT	53,159	55,574	59,387	64,039
Income Tax	9,735	9,994	10,117	10,377
Minority Interest	9,373	9,985	10,670	10,525
Net Profit	34,051	35,596	38,600	43,137
Growth	0.6%	4.5%	8.4%	11.8%
Net Profit Margin	10.3%	10.3%	10.7%	11.5%

BALANCE SHEET

(IDR bn)	2024/12A	2025/12F	2026/12F	2027/12F
Cash	49,247	56,941	64,948	75,204
Receivables	69,638	69,771	71,172	72,885
Inventories	37,771	36,106	40,570	40,620
Total Current Assets	176,931	189,203	201,485	214,910
Net Fixed Assets	99,464	103,763	109,856	114,027
Other Non Current Assets	184,914	189,574	194,354	199,258
Total Assets	460,025	482,540	505,695	528,195
Payables	62,381	63,245	69,574	68,108
ST Debt	44,890	47,958	44,300	46,417
LT Debt	49,704	51,208	53,832	53,972
Total Liabilities	198,445	204,247	209,828	213,550
Capital Stock	2,024	2,024	2,024	2,024
Retained Earnings	196,466	212,494	227,692	245,242
Shareholders' Equity	261,580	278,293	295,867	314,646

CASH FLOW STATEMENT

(IDR bn)	2024/12A	2025/12F	2026/12F	2027/12F
Operating Cash Flow	50,992	53,685	55,968	60,607
Investing Cash Flow	(22,895)	(24,215)	(25,017)	(23,773)
Financing Cash Flow	(21,079)	(21,285)	(23,134)	(26,439)
Net Changes in Cash	7,303	7,694	8,007	10,257

PROFITABILITY & STABILITY

	2024/12A	2025/12F	2026/12F	2027/12F
ROE	13.3%	13.2%	13.4%	14.1%
ROA	7.5%	7.6%	7.8%	8.3%
Inventory Turnover	8.8	9.6	8.9	9.3
Days Inventory Outstanding	41.7	38.0	41.0	39.4
Receivables Turnover	5.2	5.0	5.1	5.2
Account Receivable Days	70.3	73.4	71.9	70.8
Dividend Yield (%)	10.6%	8.8%	10.6%	11.5%
Payout Ratio (%)	61.7%	55.0%	60.6%	59.3%
DER	36.2%	35.6%	33.2%	31.9%
Current Ratio	1.3	1.4	1.4	1.5
Quick Ratio	0.7	0.7	0.8	0.8
DAR	20.6%	20.6%	19.4%	19.0%
Total Shares (mn)	40,484	40,484	40,484	40,484
Share Price (IDR)	4,900	5,475	5,475	5,475
Market Cap (IDR tn)	198.4	221.6	221.6	221.6

VALUATION INDEX

	2024/12A	2025/12F	2026/12F	2027/12F
Price/Earnings	5.8x	6.2x	5.7x	5.1x
Price/Book Value	0.8x	0.8x	0.7x	0.7x
EV/EBITDA	5.4x	5.1x	4.9x	4.6x
EV (IDR bn)	298,299	315,272	312,035	305,751
BVPS (IDR)	6,461	6,874	7,308	7,772
Basic EPS (IDR)	841	879	953	1,066

TOP OWNERSHIP

Shareholders

Jardine Cycle & Carriage Ltd	50.11
Public	49.89

By Geography*

Singapore	68.28
United States	12.03
Japan	6.95

*(based on publicly reported holdings, not shares outstanding)

Source: Company Data, NHKSI Research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to +15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

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