



PT Astra International Tbk (ASII)

Automotive Buffer Amidst Weakness in HEMCE

Softer earnings realization in 1H26. Total revenue reached IDR 157,913 bn (-3% y/y). Gross profit declined to IDR 32,452 bn (-7% y/y), bringing the gross profit margin to 20.55%. Operating efficiency faced headwinds, with operating profit at IDR 14,417 bn (-25% y/y) and EBITDA at IDR 23,229 bn (-15% y/y), resulting in an EBITDA margin of 14.71%. Consequently, reported net income contracted by 19% y/y to IDR 12,533 bn. This bottom-line contraction was heavily driven by lower contributions from the Heavy Equipment, Mining, Construction, and Energy (HEMCE) segment.

Mixed operational trajectory. The company's overall operational performance showcased resilience in core consumer segments, offset by commodity-related softness. The Automotive segment acted as a key growth driver, with revenue growing 6% y/y to IDR 66,053 bn. Four-wheeler (4W) cumulative sales volumes increased by 10% y/y, translating into 51.9% monthly market share as of June 2026. Financial Services also showed solid momentum, posting a 6% y/y revenue increase to IDR 17,147 bn, driven by a 10% rise in consumer finance new lending to IDR 61.8 trillion. Meanwhile, the HEMCE segment faced significant pressure, with net income plunging 88% y/y to IDR 607 bn. This was largely attributed to a 27% y/y drop in Komatsu heavy equipment sales to 1,994 units, a 10% y/y decline in own coal sales to 6.0 million tons, and notably lower gold sales of 23,000 ounces due to the temporary halt of the Martabe mine in early 2026.

KEY TAKEAWAYS:

- **Resilient Auto & Financial Services.** Both segments buffered profitability, with revenue expanding by 6% y/y each, driven by solid vehicle sales and consumer financing.
- **HEMCE Segment Contraction.** The segment faced substantial headwinds as lower national coal quotas and the temporary halt at the Martabe gold mine suppressed heavy equipment demand and commodity revenue. Additionally, overall consolidated net income was further dragged down by one-off expenses recorded in 1H26.
- **New Strategy Roadmap.** Management introduced a new corporate strategy focusing on three core businesses (Automotive, Financial Services, and HEMCE) aimed at driving sustainable, long-term shareholder returns.

RECOMMENDATION "BUY"

We maintain our **BUY** recommendation with a 12-month target price of IDR 6,400. Our target price is constructed using a Sum-of-the-Parts (SOTP) valuation approach. This represents a **34.17% upside potential from the last closing price of IDR 4,770** (as of 24 Sep 2026). This valuation implies the stock trading at a 2026F P/E of 9.34x and P/BV of 0.84x. Downside risks include: 1) Weak domestic purchasing power affecting 4W & 2W demand; 2) Lower global coal and gold prices; 3) Slower operational restart at the Martabe gold mine.

FINANCIAL HIGHLIGHTS

End 31 Dec	2023A	2024A	2025A	2026F	2027F	2028F
Revenue (IDR Bn)	316,565	330,920	323,392	304,136	332,637	351,298
Net profit (IDR Bn)	33,839	34,051	32,769	27,565	31,373	32,661
EBITDA margin (%)	16.87%	15.37%	14.27%	13.07%	14.19%	13.80%
NPM (%)	10.69%	10.29%	10.13%	9.06%	9.43%	9.30%
ROE (%)	13.51%	12.52%	11.27%	9.04%	9.58%	9.36%
P/E (x)	6.8	5.8	8.2	9.3	8.2	7.9
P/BV (x)	0.9	0.7	0.9	0.8	0.8	0.7
Dividend yield (%)	13.45%	10.66%	5.87%	5.36%	6.10%	6.35%

Source: Company, KSI Research estimates.

STOCK RATING

BUY

MAINTAINED

TP 12M (IDR)

6,400

vs. Last Price

+34.17%

Previous TP

IDR 6,400

Ticker

ASII

Sub-Sector

Holding company

Last Price (IDR)

4,770

Market Cap (IDR Tn)

191.82

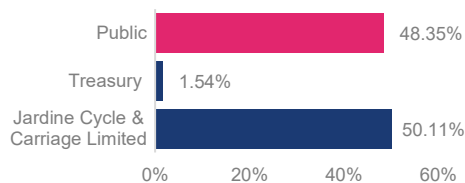
Shares Issued (Bn)

40.21

AVG 3M Turnover (Bn)

232.91

SHAREHOLDER STRUCTURE



Adrian Djie

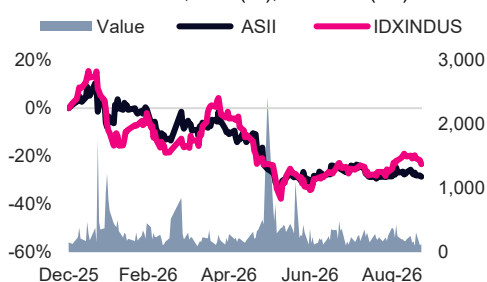
Equity Research Analyst

adrian@kiwoom.co.id

Price (IDR)



Price Performance, YTD(%), Turnover(Bn)



ESG Rating

Environmental

4.43

Social

2.99

Governance

5.00

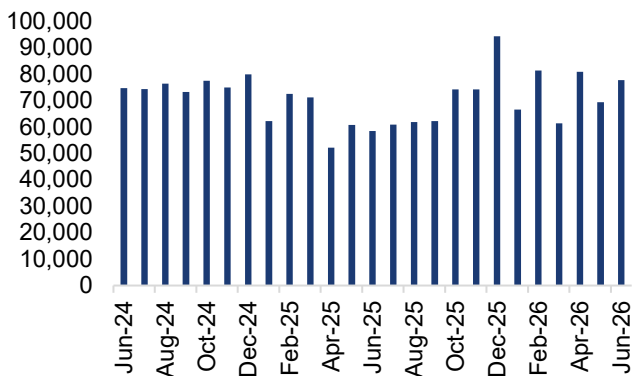
PERFORMANCE OVERVIEW

Top-Line Softness and Margin Compression

IDR Bn	6M25	6M26	yoy	2Q25	1Q26	Quarters 2Q26	qoq	yoy
Revenue segment								
Automotive & mobility	62,352	66,053	6%	29,259	32,958	33,095	0%	13%
Financial services	16,124	17,147	6%	8,129	8,537	8,610	1%	6%
HEMCE	68,525	58,289	-15%	34,264	28,554	29,735	4%	-13%
Others	18,095	18,914	5%	9,395	9,248	9,666	5%	3%
Revenue	162,857	157,913	-3%	79,496	78,668	79,245	1%	0%
Gross profit	34,833	32,452	-7%	17,773	15,494	16,958	9%	-5%
Operating profit	19,167	14,417	-25%	9,949	6,310	8,107	28%	-19%
EBITDA	27,297	23,229	-15%	13,924	10,584	12,645	19%	-9%
Net income	15,515	12,533	-19%	8,583	5,850	6,683	14%	-22%
EPS (Full IDR)	383	313	-18%	212	146	167	15%	-21%
Liabilities	209,040	224,673	7%	209,040	224,681	224,673	0%	7%
Equity	278,754	289,844	4%	278,754	293,123	289,844	-1%	4%
Asset	487,794	514,517	5%	487,794	517,804	514,517	-1%	5%
GPM %	21.39%	20.55%	-1%	22.36%	19.70%	21.40%	2%	-1%
OPM%	11.77%	9.13%	-3%	12.52%	8.02%	10.23%	2%	-2%
NPM %	9.53%	7.94%	-2%	10.80%	7.44%	8.43%	1%	-2%
EBITDA Margin %	16.76%	14.71%	-2%	17.52%	13.45%	15.96%	3%	-2%
ROE %	12%	10%	-2%	12%	11%	10%	-1%	-2%
ROA %	7%	6%	-1%	7%	6%	6%	0%	-1%

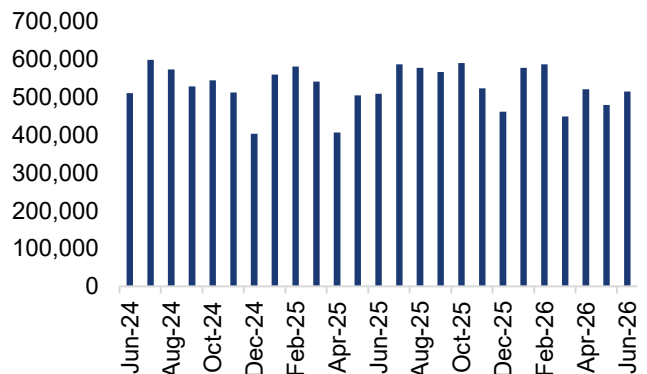
Source: Company, Bloomberg, KSI Research

Industry 4W Domestic Wholesales



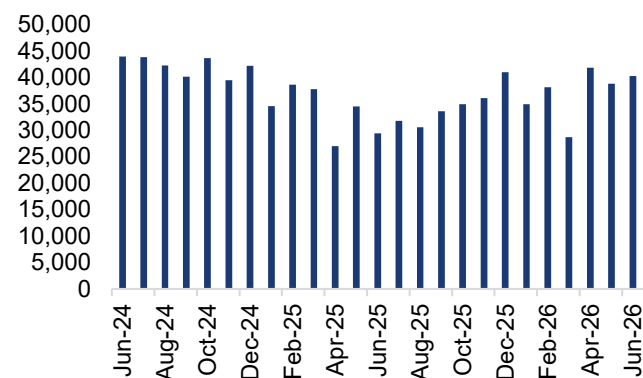
Source: GAIKINDO, KSI Research

Industry 2W Domestic Sales



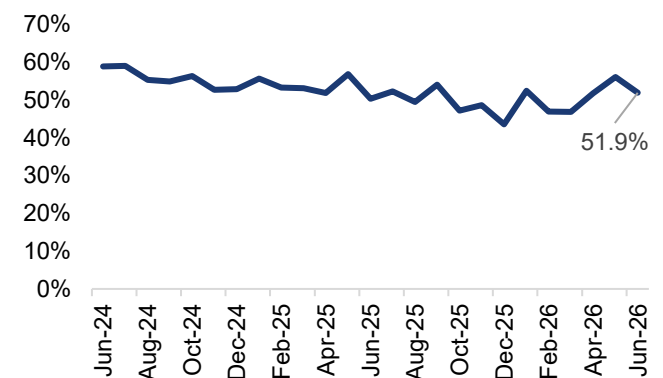
Source: AISI, KSI Research

ASII 4W Domestic Wholesales



Source: Company, KSI Research

ASII 4W Market Share



Source: Company, KSI Research

VALUATION

TP Maintained at IDR 6,400; Rated BUY

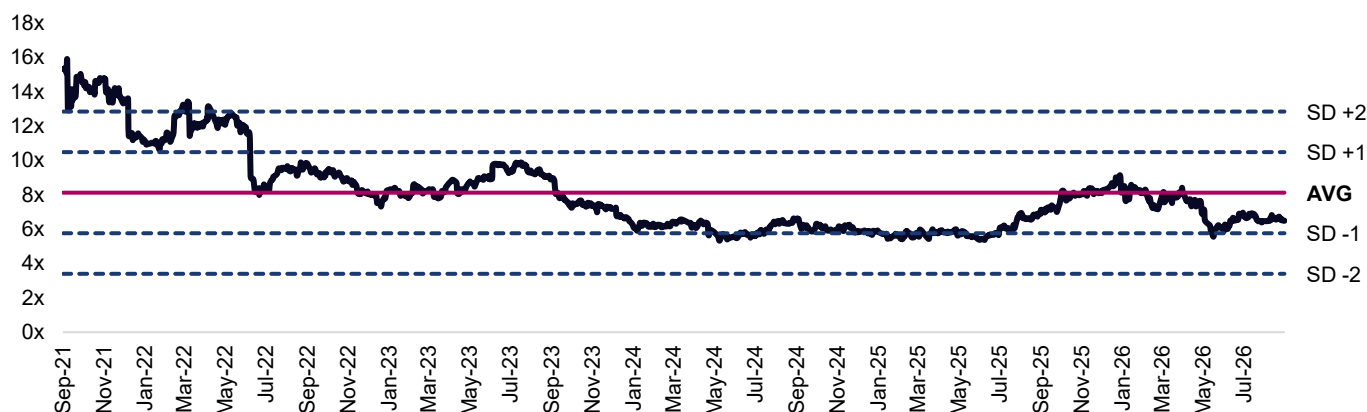
BUY TP 12M: IDR 6,400

vs. Last Price (IDR 4,770, 24 Sep 2026): +34.17 upside | Previous TP: IDR 6,400

SOTP VALUATION

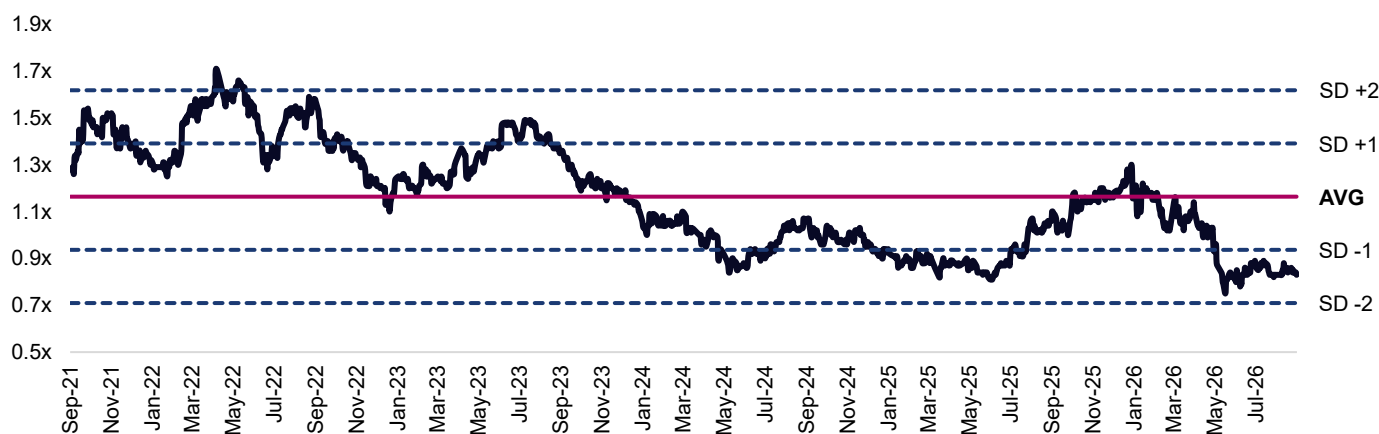
Segments	Methodology	Earnings / Book Value / Shares (Bn)	Multiple / TP	ASII's Stake	Valuation (Bn)
Automotive & Mobility	P/E Multiple	10,902	7.00	100%	76,317
Financial Services	P/BV Multiple	52,225	1.21	100%	63,192
HEMCE	Target Price	3.73	28,000	59.50%	62,144
Agribusiness	P/E Multiple	1,383	8.83	100%	12,214
Others	Book Value	43,762	-	100%	43,762
Total Value (Bn)					257,630
Shares (Bn)					40.21
Intrinsic Value (IDR)					6,407
Target Price (IDR)					6,400
Last Price (24 Sep 26)					4,770
Potential Upside					34.17%

HISTORICAL P/E 5Y



Source: Bloomberg, KSI Research

HISTORICAL P/BV 5Y



Source: Bloomberg, KSI Research

FINANCIAL EXHIBITS

Income Statement, Balance Sheet & Cash Flow

Income Statement

End 31 Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Revenue	316,565	330,920	323,392	304,136	332,637	351,298
Cost of revenue	243,255	257,363	251,948	243,235	261,655	277,095
Gross profit	73,310	73,557	71,444	60,901	70,983	74,203
Operating income	44,268	42,202	38,665	30,295	37,815	38,802
EBITDA	53,405	50,851	46,147	39,736	47,197	48,496
Income before tax	54,729	53,159	49,288	40,085	47,769	49,594
Tax expenses	10,228	9,735	9,083	6,885	8,526	8,899
Minority interest	10,662	9,373	7,436	5,635	7,871	8,035
Net income	33,839	34,051	32,769	27,565	31,373	32,661
EPS (IDR)	836	841	815	685	780	812

Balance Sheet

End 31 Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Cash and cash equivalents	41,136	48,439	52,621	39,091	61,531	67,498
Account receivables	72,227	74,414	82,058	81,314	85,253	88,959
Inventories	39,138	37,771	36,215	36,598	38,460	40,751
Fixed asset	72,911	78,734	83,766	89,963	95,324	101,223
Other assets	220,267	232,091	252,706	257,716	270,789	282,281
Total assets	445,679	471,449	507,366	504,682	551,357	580,712
S-T liabilities	39,061	49,581	69,325	59,695	70,903	72,853
Other S-T liabilities	85,961	80,916	82,753	81,707	86,739	90,847
L-T liabilities	54,249	51,092	40,976	35,284	41,908	43,062
Other L-T liabilities	15,990	17,856	23,500	22,981	24,443	25,021
Total liabilities	195,261	199,445	216,554	199,666	223,993	231,783
Total equity	250,418	272,004	290,812	305,016	327,364	348,929
BVPS (IDR)	6,186	6,719	7,232	7,585	8,141	8,677

Cash Flow Statement

End 31 Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Net income	33,839	34,051	32,769	27,565	31,373	32,661
Depreciation	9,137	8,649	7,482	9,441	9,382	9,694
Change in working capital	(12,978)	(10,216)	(1,389)	2,066	(4,468)	(3,497)
Others	(51)	590	(23)	-	-	-
Operating cash flow	29,947	33,074	38,839	39,072	36,287	38,858
Capital expenditure	(28,849)	(12,612)	(11,751)	(16,786)	(14,375)	(15,778)
Others	(16,756)	(7,467)	(18,596)	(7,133)	(8,280)	(9,120)
Investing cash flow	(45,605)	(20,079)	(30,347)	(23,919)	(22,654)	(24,899)
Dividend paid	(26,314)	(21,011)	(16,436)	(16,385)	(13,782)	(15,687)
Net change in debt	22,589	7,363	9,628	(15,323)	17,833	3,104
Others	(776)	7,956	2,498	3,024	4,757	4,591
Financing cash flow	(4,501)	(5,692)	(4,310)	(28,683)	8,807	(7,992)
Change in cash	(20,159)	7,303	4,182	(13,530)	22,440	5,967
Beginning cash balance	61,295	41,136	48,439	52,621	39,091	61,531
Ending cash balance	41,136	48,439	52,621	39,091	61,531	67,498

Source: Company, KSI Research estimates

FINANCIAL RATIOS

Growth, Margins & Multiples

Key Ratios	2023A	2024A	2025A	2026F	2027F	2028F
Revenue growth (%)	5%	5%	-2%	-6%	9%	6%
Gross profit growth (%)	5%	0%	-3%	-15%	17%	5%
Operating profit growth (%)	5%	-5%	-8%	-22%	25%	3%
EBITDA growth (%)	2%	-5%	-9%	-14%	19%	3%
Net income growth (%)	17%	1%	-4%	-16%	14%	4%
EPS growth (%)	17%	1%	-3%	-16%	14%	4%
Gross margin (%)	23%	22%	22%	20%	21%	21%
EBITDA margin (%)	17%	15%	14%	13%	14%	14%
EBIT margin (%)	14%	13%	12%	10%	11%	11%
Pretax margin (%)	17%	16%	15%	13%	14%	14%
Net margin (%)	11%	10%	10%	9%	9%	9%
ROE (%)	14%	13%	11%	9%	10%	9%
ROA (%)	8%	7%	6%	5%	6%	6%
Current ratio (x)	1.33x	1.35x	1.24x	1.22x	1.28x	1.31x
Cash ratio (%)	33%	37%	35%	28%	39%	41%
Payable days	61	55	57	58	57	57
Receivable days	32	30	31	31	31	31
Inventory days	59	54	52	55	54	54
Dividend yield (%)	13.45%	10.66%	5.87%	5.36%	6.10%	6.35%
DER (x)	0.37x	0.37x	0.38x	0.31x	0.34x	0.33x
P/E (x)	6.76x	5.83x	8.22x	9.34x	8.20x	7.88x
P/BV (x)	0.91x	0.73x	0.93x	0.84x	0.79x	0.74x
P/Sales (x)	0.72x	0.60x	0.83x	0.85x	0.77x	0.73x
EV/EBITDA (x)	5.26x	4.93x	7.09x	7.88x	6.54x	6.31x

Source: Company, KSI Research estimates

Rating Guide, Disclaimer & Contact

KIWOOM SEKURITAS GUIDE TO SECTOR / STOCK RATINGS

SECTOR / INDUSTRY

OVERWEIGHT	Sector & Industry outlook has potential and good condition
NEUTRAL	Sector & Industry outlook stable or tends to be stagnant
UNDERWEIGHT	Sector & Industry outlook has challenges and bad condition

STOCK

BUY	Performance > +15% over the next 12 months (ex-dividend)
TRADING BUY	Performance +5% to +15%, minor to medium term
HOLD	Performance -10% to +15% over the next 12 months (ex-dividend)
SELL	Performance < -15% over the next 12 months (ex-dividend)
TRADING SELL	Performance -5% to -15%, minor to medium term
NOT RATED	Stock not within regular research coverage

DISCLAIMER

This report has been prepared and issued by PT Kiwoom Sekuritas Indonesia. Information has been obtained from sources believed to be reliable, but Kiwoom Sekuritas does not warrant its completeness or accuracy. Forward-looking statements in this report are based on forecasts of future results and involve known and unknown risks and uncertainties that may cause actual results to differ materially from current expectations. To the fullest extent allowed by law, PT Kiwoom Sekuritas Indonesia shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses arising from reliance on this report. Nothing herein constitutes personalized advice or a recommendation to buy, sell or hold any security. This report may not be reproduced, further distributed or published in whole or in part by any other person.

OTHER DISCLOSURES

All KSI Research reports are simultaneously available at www.kiwoom.co.id. Not all research content is redistributed, emailed, or made available to third-party aggregators. Any data discrepancies in this report may result from differing calculation methods or subsequent adjustments.

HEAD OFFICE

Treasury Tower 27th Floor Unit A, District 8
Kawasan SCBD Lot 28, Jl. Jend. Sudirman Kav 52-53, Jakarta Selatan 12190

Tel: (021) 5010 5800 | Fax: (021) 5010 5820 | Email: cs@kiwoom.co.id



PT Kiwoom Sekuritas Indonesia is licensed and supervised by the Financial Services Authority (OJK).