

Inline 1H25 earnings amid prolonged uncertainty

6 August 2025



ASII IJ	BUY
Sector	Banks
Price at 5 Aug 2025 (IDR)	5,025
Price target (IDR)	5,850
Upside/Downside (%)	16.4

Stock Information

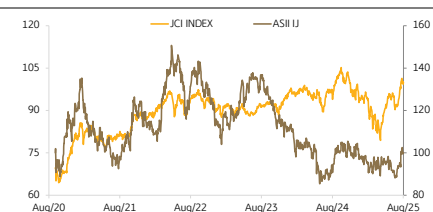
PT Bank Negara Indonesia (Persero) Tbk is a state-owned offering commercial and consumer banking services. The bank is positioned as one of 3 big SoE banks in Indonesia. Through its subsidiaries, the bank is also offering businesses in sharia banking, insurance, consumer financing and securities.

Market cap (IDR bn)	203,430
Shares outstanding (mn)	40,484
52-week range (IDR)	4,370–5,300
3M average daily vol. ('000)	50,015
3M average daily val. (IDR mn)	237,882

Shareholders (%)

Jardine Cycle & Carriage l	50.1
Public	49.9

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	8.8	5.1	10.2

Astra 1H25 PATMI arrives inline with ours and cons. '25F (48%/49% vs 47%). The Auto segment, despite facing market headwinds, maintained its leadership position. Strategic diversification into components and used cars, along with the resilience of its motorcycle segment, provided crucial support. The financial services division emerged as a key growth driver, propelled by a strategic expansion in its loan portfolio, particularly in heavy equipment financing. Meanwhile, the HEMCE division presented a mixed picture. Strong results in heavy equipment and gold sales were overshadowed by significant weaknesses in mining services and coal, which were impacted by external factors such as commodity price fluctuations and adverse weather. Maintain BUY, SOTP-TP of IDR 5,850 (7.3x P/E '25F), currently slightly above -1SD 6.0x.

Softer declining PATMI; QoQ basis saw a positive shift

Astra 1H25 (-2.2% yoy) net income arrive inline within ours and cons. '25F forecast (48%/49% vs 47%). Automotive & Mobility drop by 8% yoy, while HEMCE's -15% yoy. Strong earnings growth came in from Agri, Infra and IT as well as Property segment. Contribution from Auto & Mobility slightly drop (-1% yoy), while HEMCE recorded the lowest at -4% yoy and Agri is experiencing 2% higher contribution to consolidated net income. ASII's recent quarter showed a strong 23.8% qoq increase in earnings, fueled by a remarkable 54.8% qoq jump in its HEMCE segment. This growth was benefited from net finance and share of net profit of associates and JV, which drove UNTR's net income up by 55.1% qoq (worth to note revenue were flat qoq). We expect several catalysts for 2H25: (1) Uptick auto sales (2) more favorable weather conditions and higher coal prices (3) lower loan yields and higher loan demand (4) stable CPO prices.

Continuing pressure in auto segment

Astra's Automotive & Mobility division experienced an 8% yoy drop in net income to IDR 5.25tn, largely attributed to a weak national automotive market. Wholesale car sales declined 8.6% to 374,741 units in the 1H25. Despite a 2% yoy dip in the broader motorcycle market to 3.1 million units, Astra Honda Motor maintained a strong market share of 77%. Bright spots emerged from its components and used car businesses, Astra Otoparts saw an 11% increase in net income to IDR 751bn (higher contributions across the boards), while OLXmobbi reported a 26% rise in sales to 15,100 units.

Net income +6% yoy on strong consumer and heavy equipment financing

Astra's Financial Services division reported a 6% yoy increase in net income to IDR 4.37tn, buoyed by robust consumer financing (higher loan portfolios). New loans expanded by 6% yoy to IDR 56.2tn, propelled by growth in multipurpose financing. The division's car financing net income rose 2% yoy to IDR 1.2tn, while motorcycle financing through Federal International Finance climbed 4% yoy to IDR 2.3tn. Additionally, Heavy equipment financing was a standout performer, with new loans surging 29% yoy to IDR 8.0tn, leading to a 21% jump in PATMI to IDR 117bn.

HEMCE sees PATMI Drops despite strong gold and komatsu sales

United Tractors' HEMCE division saw a 15% yoy drop in net income to IDR 4.98tn. While gold mining and heavy equipment sales provided some offset, the decline was primarily due to lower results in the mining services and coal mining segments. Komatsu sales surged 27% to 2,778 units, driven by higher sales mainly from construction segment. Net revenue in parts and services as well as CM rose 2% and 34% to IDR5.5tn and IDR20.9tn, respectively. However, the mining services business saw a 9% yoy decrease in OB, partly due to heavy rainfall. In the coal segment, sales volumes rose to 7.8mn tonnes (+3% yoy), but revenue (-14% yoy) was negatively impacted by lower coal prices. The gold business performed strongly, with sales jumping 14% yoy to 125,000 oz, benefiting from a 37% increase in gold prices.

Astra bolsters portfolio with strategic acquisitions and partnerships

Toyota Motor Asia invested \$120 million for a 40% stake in ADMO's used car business, OLXmobbi. Astra maintains a 60% controlling interest, solidifying its partnership with Toyota. United Tractors paid \$30.8 million for a 30.6% stake in SES. This increases United Tractors' share in the Rantau Dedap geothermal plant to 40.4% (from 32.7%), expanding its renewable energy holdings. Astra signed a CSPA to acquire an 83.7% stake in MMP, a listed industrial and logistics property developer. The move aligns with Astra's strategy to tap into Indonesia's growing logistics sector.

Resilient group poised for steady performance despite headwinds

The ongoing prolonged cautious outlook, challenges from lower coal prices and a soft national car market, are expected to persist and may impact full-year results, in our view. However, the Group's inline net profit run-rate (1H15) suggests a potential for steady FY25 performance, aligning with ours and cons. '25F expectations. We are encouraged by the strength of its diversified portfolio, which continues to mitigate risks from sector-specific weaknesses. Management's focus on financial discipline and operational excellence positions the company to prudently pursue long-term growth opportunities, making it a compelling play despite near-term volatility.

Maintain BUY SOTP TP of IDR5,850.

Maintain BUY, SOTP-TP of IDR 5,850 (7.3x P/E '25F), currently (6.3x '25F P/E) slightly above its -1SD 6.0x. Downside risks: a) lower-than expected auto, financial and HEMCE segment, b) weakening agribusiness, c) softer consumer confidence and steady weakening purchasing power, e) mild economic activity; and f) prolonged domestic and global uncertainty.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	316,565	330,920	327,501	337,347	380,005
Operating profit	44,268	42,202	40,400	40,530	43,845
Net profit	33,839	34,051	32,230	33,319	34,628
EPS (Rp)	836	841	796	823	855
EPS growth (%)	11.0	0.6	(5.3)	3.4	3.9
ROA (%)	7.6	7.2	6.7	6.7	6.5
ROE (%)	13.5	12.5	11.8	12.2	12.6
PER (x)	6.0	6.0	6.3	6.1	5.9
PBV (x)	0.8	0.7	0.7	0.7	0.7
EV/EBITDA (x)	4.6	4.3	4.4	5.0	5.2
Div Yield (%)	10.3	13.0	10.3	10.4	10.8

Source: Company, KBVS Research

Analyst

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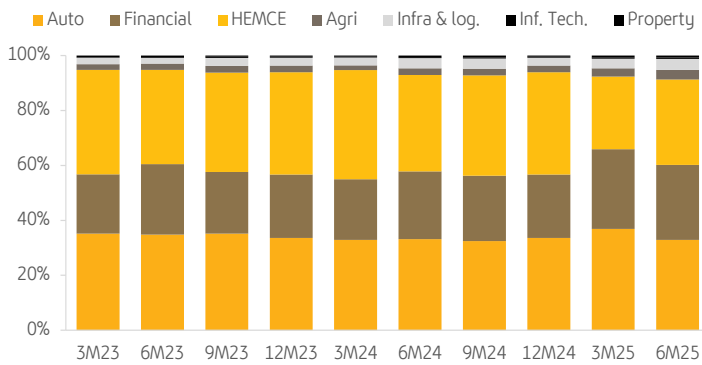
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Exhibit 2: ASII 1H25 Profit & Loss and selected consolidated margin

Selected P&L	6M24	6M25	YoY (%)	2Q24	2Q25	YoY (%)	1Q25	QoQ (%)	KBVS '25F	% to KBVS	Cons. '25F	% to Cons.
Revenue	159,967	162,857	1.8	78,758	79,496	0.9	83,361	-4.6	327,501	50%		
COGS	-124,367	-128,024	2.9	-60,743	-61,723	1.6	-66,301	-6.9				
Gross Profit	35,600	34,833	-2.2	18,015	17,773	-1.3	17,060	4.2				
Opex	-14,752	-15,666	6.2	-7,321	-7,824	6.9	-7,842	-0.2				
EBIT	20,848	19,167	-8.1	10,694	9,949	-7.0	9,218	7.9				
Gain sales inv & FV adjust.	-851	-498	-41.5	-175	-31	-82.3	-467	-93.4				
Share of JV & associates	5,009	3,789	-24.4	2,400	2,010	-16.3	1,779	13.0				
Net Income	15,856	15,515	-2.2	8,392	8,583	2.3	6,932	23.8	32,330	48%	31,727	49%
Margin (%)	6M24	6M25	YoY (%)	2Q24	2Q25	YoY (%)	1Q25	QoQ (%)				
Gross profit	22	21	-0.9	23	22	-0.5	20	1.9				
EBIT	13	12	-1.3	14	13	-1.1	11	1.5				
Net profit	10	10	-0.4	11	11	0.1	8	2.5				
Divisional revenue (IDRbn)	6M24	6M25	YoY (%)	2Q24	2Q25	YoY (%)	1Q25	QoQ (%)				
Automotive & Mobility	67,172	61,708	-8.1	31,830	28,615	-10.1	33,093	-13.5				
Financial services	15,912	16,010	0.6	8,136	8,015	-1.5	7,995	0.3				
HEMCE	64,514	68,525	6.2	32,102	34,264	6.7	34,261	0.0				
Agribusiness	10,313	14,447	40.1	5,513	7,423	34.6	7,024	5.7				
Infra & log.	1,369	1,547	13.0	780	804	3.1	743	8.2				
Inf. Tech.	1,288	1,526	18.5	677	805	18.9	721	11.7				
Property	520	474	-8.8	298	262	-12.1	212	23.6				
Consolidated	159,967	162,857	1.8	78,758	79,496	0.9	83,361	-4.6				
Divisional net income (IDRbn)	6M24	6M25	YoY (%)	2Q24	2Q25	YoY (%)	1Q25	QoQ (%)				
Automotive & Mobility	5,692	5,258	-7.6	2,860	2,531	-11.5	2,727	-7.2				
Financial services	4,116	4,372	6.2	2,030	2,230	9.9	2,142	4.1				
HEMCE	5,848	4,982	-14.8	3,057	3,027	-1.0	1,955	54.8				
Agribusiness	399	559	40.1	215	338	57.2	221	52.9				
Infra & log.	461	636	38.0	292	376	28.8	260	44.6				
Inf. Tech.	63	82	30.2	41	46	12.2	36	27.8				
Property	94	110	17.0	49	63	28.6	47	34.0				
Total	16,673	15,999	-4.0	8,544	8,611	0.8	7,388	16.6				
FV adjustments	-817	-484	-40.8	-152	-28	-81.6	-456	-93.9				
Net Income	15,856	15,515	-2.2	8,392	8,583	2.3	6,932	23.8				
Divisional revenue (%)	6M24	6M25	YoY (%)	2Q24	2Q25	YoY (%)	1Q25	QoQ (%)				
Automotive & Mobility	42	37	-5	40	36	-4	40	-4				
Financial services	10	10	0	10	10	0	10	0				
HEMCE	40	42	2	40	43	2	41	2				
Agribusiness	6	9	2	7	9	2	8	1				
Infra & log.	1	1	0	1	1	0	1	0				
Inf. Tech.	1	1	0	1	1	0	1	0				
Property	0	0	0	0	0	0	0	0				
Total revenue	159,967	162,857	2	78,758	79,496	1	83,361	-5				
Consolidated	100	100	-	100	100	-	100	-				
Divisional net income (%)	6M24	6M25	YoY (%)	2Q24	2Q25	YoY (%)	1Q25	QoQ (%)				
Automotive & Mobility	34	33	-1	33	29	-4	37	-20				
Financial services	25	27	3	24	26	2	29	-11				
HEMCE	35	31	-4	36	35	-1	26	33				
Agribusiness	2	4	2	3	4	1	3	31				
Infra & log.	3	4	1	3	4	1	4	24				
Inf. Tech.	0	1	0	0	1	0	0	10				
Property	1	1	0	1	1	0	1	15				
Total net income	16,673	15,999	-4	8,544	8,611	1	7,388	17				
Consolidated	100	100	-	100	100	-	100	-				

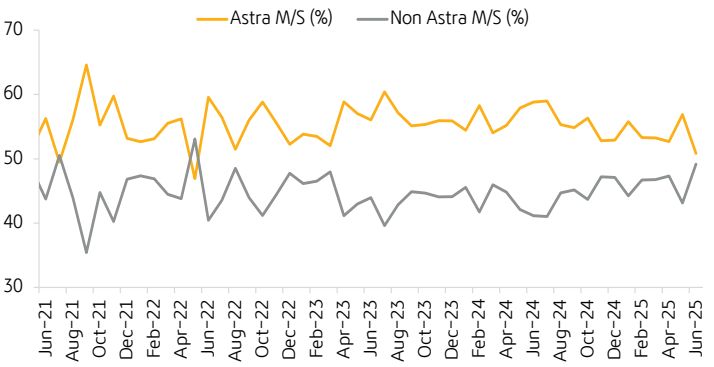
Source : Companies, KB Valbury Sekuritas

Exhibit 3: Astra divisional net income



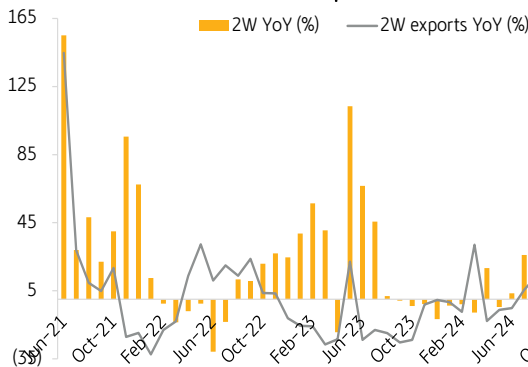
Source: Company, KBVS Research

Exhibit 4: 4W market share (%)



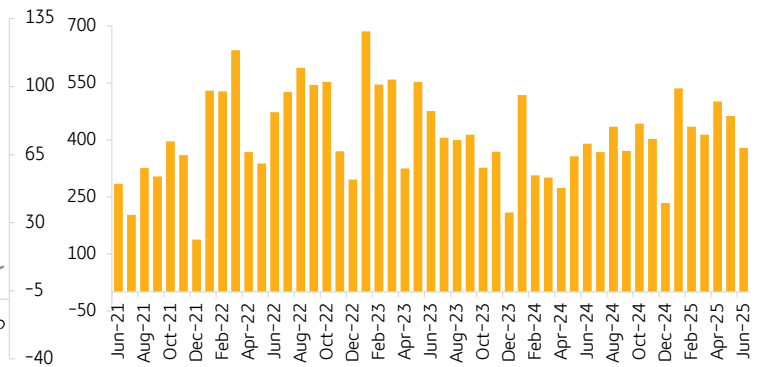
Source: Company, KBVS Research

Exhibit 5: 2W domestic and exports YoY (%)



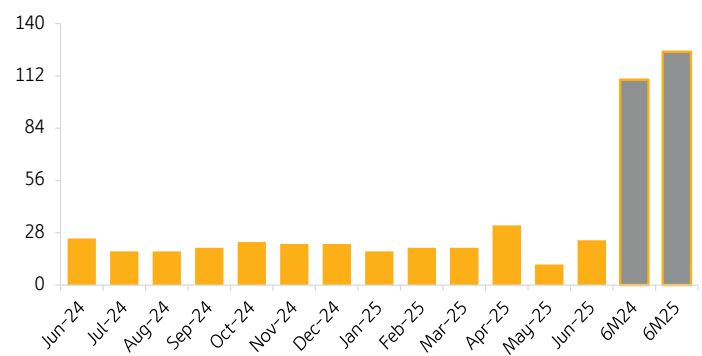
Source: Company, KBVS Research

Exhibit 6: Komatsu sales volume (unit)



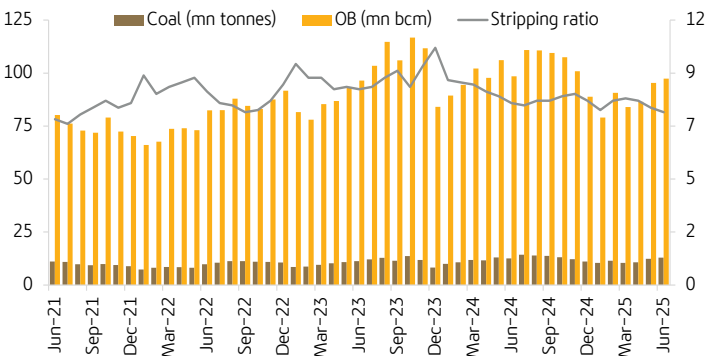
Source: Company, KBVS Research

Exhibit 7: Gold sales volume (000 ounces)



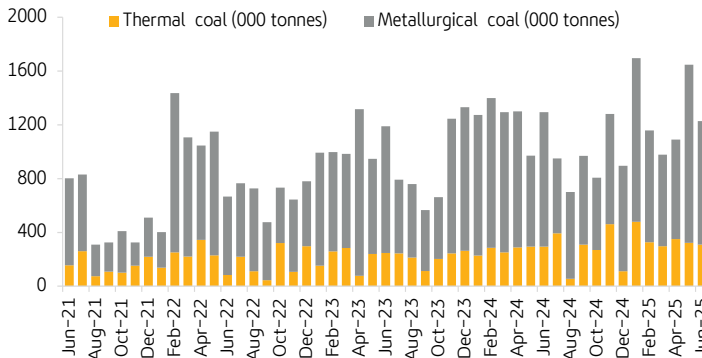
Source: Company, KBVS Research

Exhibit 8: Mining contracting (coal production, OB and SR)



Source: Company, KBVS Research

Exhibit 9: Coal sales volume (000 tonnes)



Source: Company, KBVS Research

Exhibit 10: Currently trading at 6.3x '25F P/E, slightly above its -1SD 6.0x.



Source: Bloomberg, KBVS Research

FINANCIAL TABLES
Exhibit 11: Profit & Loss

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenues	316,565	330,920	327,501	337,347	380,005
Cost of revenues	(243,255)	(257,363)	(255,185)	(264,285)	(302,230)
Gross profit	73,310	73,557	72,316	73,062	77,775
Operating expenses	(29,042)	(31,355)	(31,915)	(32,532)	(33,930)
Operating profit	44,268	42,202	40,400	40,530	43,845
EBITDA	59,824	58,535	54,583	55,199	58,598
Other income/(expenses)	(467)	(992)	(1,560)	(2,005)	(1,853)
Gain sales investment & FA adjustments	1,429	1,658	1,596	1,621	1,940
Share of results of JV & associates	9,499	10,291	12,742	13,483	13,911
Pretax profit	54,729	53,159	53,178	53,629	57,843
Net profit	33,839	34,051	32,230	33,319	34,628

Source: Company, KB Valbury Sekuritas

Exhibit 12: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Cash and other investments	41,984	49,247	55,030	60,383	65,647
Receivables	72,227	77,061	78,359	79,791	84,675
Inventories	39,138	37,771	41,625	45,281	47,643
Other current assets	12,837	12,852	12,719	13,102	10,958
Total current assets	166,186	176,931	187,733	198,557	208,922
Receivables	43,116	47,259	44,721	46,065	46,685
Inventories	6,399	6,228	6,260	6,483	3,274
Prepaid taxes	4,402	4,789	4,740	4,882	5,119
Investments	88,081	94,790	93,811	96,631	103,150
Plantations	7,410	7,465	7,388	7,610	8,572
Fixed assets	72,887	78,734	77,920	80,263	90,413
Mining properties	16,547	15,712	15,550	16,017	18,043
Concessions	9,070	9,289	9,193	9,469	10,667
Other non-current assets	31,307	31,728	31,400	32,344	36,434
Total non-current assets	279,219	295,994	290,982	299,765	322,356
Total assets	445,405	472,925	478,715	498,322	531,279
Current liabilities					
Short-term debts	39,061	49,581	50,698	57,772	68,967
Payables	40,529	40,047	39,863	41,052	46,233
Other current liabilities	45,432	43,675	39,949	37,776	38,753
Total current liabilities	125,022	133,303	130,510	136,600	153,953
Long-term debts	54,249	51,092	59,311	71,319	82,139
Other non-current liabilities	15,710	17,034	16,858	17,365	19,561
Total non-current liabilities	69,959	68,126	76,169	88,684	101,700
Shareholder's Equity	250,424	271,496	272,037	273,038	275,626
Total liabilities and equity	445,405	472,925	478,715	498,322	531,279

Source: Company, KB Valbury Sekuritas

Exhibit 13: Statement of Cash Flow

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net profit	33,839	34,051	32,230	33,319	34,628
Depreciation & amortization	15,556	16,333	14,183	13,929	14,669
Changes in working capital	(4,247)	(5,721)	(8,930)	(6,454)	1,056
CF from operating activities	45,148	44,663	37,483	40,794	50,352
Decr. (incr.) in fixed assets	(42,764)	(20,616)	(17)	(10,853)	(35,791)
Decr. (incr.) in non-current assets	(12,307)	(4,780)	2,884	(2,654)	(1,737)
CF from investing activities	(55,071)	(25,396)	2,867	(13,508)	(37,528)
Net change in gross debt	22,589	7,363	9,336	19,082	22,016
Dividends paid	(21,011)	(26,479)	(20,932)	(21,080)	(22,044)
Other financing activities	1,383	1,324	(176)	507	2,196
CF from financing activities	2,961	(17,792)	(11,772)	(1,491)	2,168
Net Changes in Cash	(6,962)	1,474	28,578	25,795	14,992
Cash at beginning of period	48,946	47,773	26,452	34,587	50,655
Cash at end of period	41,984	49,247	55,030	60,383	65,647

Source: Company, KB Valbury Sekuritas

Exhibit 14: Key performance metrics

Year End Dec (%)	2023A	2024A	2025F	2026F	2027F
Gross profit margin (%)	23.2	22.2	22.1	21.7	20.5
Operating profit margin (%)	14.0	12.8	12.3	12.0	11.5
EBITDA margin	18.9	17.7	16.7	16.4	15.4
Net profit margin (%)	10.7	10.3	9.8	9.9	9.1
ROA (%)	7.6	7.2	6.7	6.7	6.5
ROE (%)	13.5	12.5	11.8	12.2	12.6
DER (x)	37.3	37.1	40.4	47.3	54.8
Net (cash) gearing (x)	20.5	18.9	20.2	25.2	31.0
Interest coverage ratio (x)	14.2	11.1	9.2	8.4	9.4
EV/EBITDA (x)	4.6	4.3	4.4	5.0	5.2
PER (x)	6.0	6.0	6.3	6.1	5.9
PBV (x)	0.8	0.7	0.7	0.7	0.7
Dividend Yield (%)	10.3	13.0	10.3	10.4	10.8

Source: Company, KBVS Research

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