

Resilient growth with strong innovation pipeline

6 April 2026



ICBP IJ	BUY
Sector	Consumer
Price at 3 April 2026 (IDR)	7,375
Price target (IDR)	10,360
Upside/Downside (%)	30.1

Stock Information

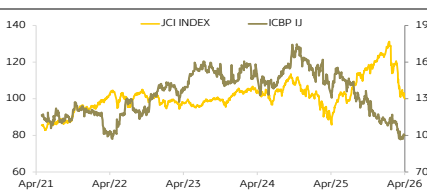
Indofood CBP Sukses Makmur (ICBP) is leading consumer company, engaged in diverse business categories, including noodles, dairy, snack foods, food seasonings, nutrition and special foods, and beverages. It also operates a packaging business, producing flexible and corrugated packaging for its products.

Market cap (IDR bn)	86,007
Shares outstanding (mn)	11,662
52-week range (IDR)	7,075-11,600
3M average daily vol. ('000)	8,509
3M average daily val. (IDR mn)	67,389

Shareholders (%)

Indofood Sukses Makmur	80.5
Public	19.5

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	(1.7)	(9.6)	(28.0)

Analyst

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ICBP really held its ground in 2025. While ICBP's 30% jump in earnings was partly thanks to some one-off gains, the core of the business is still looking solid. Even with the high raw material costs squeezing margins and various headwinds last year, the company managed to grow revenue by about 3.1% yoy. It is no surprise that the noodle business is still doing the heavy lifting, but we also saw a nice result in dairy and seasonings toward the 2H25 as sales volumes picked up. We like ICBP's strategy in managing costs and nudging prices, which kept profitability healthy even when things got tight. Looking ahead, ICBP's focus on refreshing the brand and launching new products should keep the company competitive. These initiatives are key to maintaining ICBP's competitive edge in a shifting macro environment. With strong fundamentals and an adaptive strategy, we see an attractive valuation at current price. Maintain BUY with blended-based TP of IDR10,360 (11.3x '26F P/E), while currently trading at 8.2x '26F P/E, below its -2SD.

A one-time gain boosted earnings growth to 30.3% yoy

ICBP's latest numbers are a bit of a mixed bag. Total revenue edged up by a small -single digit only of 3.1% yoy to IDR74.85 tn. The business is feeling the heat on high raw material costs, causing gross profit declined by -2.0% yoy to IDR26.36 tn and resulting to a 180bps lower GPM to 35.2% in FY25. The headline-grabbing 30.3% yoy surge in earnings requires more background explanation. This jump was fueled almost entirely by a one-time gain from income on foreign exchange difference from operating activities amounting IDR745.85bn resulting to other operating income spike (171.0% yoy) to IDR1.31 tn in FY25 and a significant change of the group's share in net income of associates and JV amounting IDR236 bn vs -IDR1.39 tn on impairment losses on investment in associates recorded last year. In all, FY25 earnings surpassing our '25F PATMI forecast for ICBP by 5.4%. However, came in around 4.93% below '25F consensus expectation.

Noodles remain as the backbone; seasonings and nutrition shine

Noodles continue to be the primary engine, with revenue (3.7% yoy) reaching IDR13.62 tn contributed around 46bps higher to total revenue from 71.44% to 71.91% in FY25. Growth was well-balanced, supported by a healthy mix of volume and steady international market. Dairy saw higher volume momentum, helping sales to reach IDR9.82 tn, despite softer contribution to total sales. Worth noting that this positive growth was driven by robust 10% yoy volume growth in 2H25 compared to a decline -3.0% yoy in 1H25. Snacks food segment supported by almost all products categories. Top line reached IDR4.61 tn from IDR4.53 tn. Food seasonings saw a 6.9% yoy growth to IDR4.6 tn on higher volume coupled with average selling price increase for certain product, accounted around 5.92% to ICBP's total sales, an increase of 22bps. Nutrition's division noted a 3.3% yoy lower to IDR1.31 tn, while beverages growth sharply weakened by 12.1% yoy to IDR1.47 tn, on the back of lower out of home consumption.

Key segment margin pressure continue on higher raw material

ICBP faced significant margin compression in FY25 on the back of higher cost input. Gross profit margin contracted to 35.2% (down from 37.0% in FY24), creating a downstream effect that saw the EBIT margin soften from 22.5% to 22.3%, yet considerably still healthy and solid amid the challenging year. On segmentation basis, noodles ebit margin was 24.4%, down from 25.9%. Dairy saw softer EBIT by 15.9% yoy on higher raw material cost on pushed margin to 8.0% from 9.6% in FY24. Likewise, snack foods noted a higher cooking oil and potatoes and made margin drop to 4.2%. On the other hand, food seasonings recorded a robust EBIT, grew by 52.2% yoy and bringing margin 456bps stronger on higher volume growth and average selling price increases. Nutrition also saw higher margin from 8.4% to 10.0% in FY25 supported by enhance product mixed dan lower opex. Meanwhile beverages was under pressure on weakening out of home consumption, prssuring volumes and bringing EBIT margin declined by 175bps to 15.3%.

Innovation-Led Agility to outpace macro headwinds

We remain positive on ICBP. The company's ability to balance volume growth with tactical ASP adjustments remains the primary catalyst for defending margins against a weakening Rupiah and elevated debt expenses. We believe key performance drivers such as product momentum through continuous new launches and line extensions (flavors, packaging) will ensure brand saliency. Relaunching core products will also keeps the portfolio relevant to shifting consumer tastes, in our view. In all, ICBP's aggressive product development strategy provides a solid buffer, positioning the company to outpace peers despite macro headwinds.

Maintain BUY

Our blended TP of IDR10,360 implies 11.3x '26F P/E, while it is currently trading at 8.2x '26F P/E, or below its -2SD. Risks to our call: a) lower-than-expected purchasing power, volume, asp growth, and EBIT achievement; b) higher than expected input costs, which could pressure and drag down margin further; c) intensifying competition from substitute brands. Potential upside catalysts: a) softer-than-expected raw material, b) stronger-than-expected volume growth and asp adjustment, c) softer-than-expected usd/idr currency and operating expenses, d) higher-than-expected out of home consumption.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Revenue	72,597	74,851	78,222	82,508	86,471
Operating profit	16,321	16,656	16,106	17,719	17,882
Net profit	7,079	9,225	9,737	10,390	11,189
EPS (Rp)	607	791	835	891	959
EPS growth (%)	1.3	30.3	5.6	6.7	7.7
ROE (%)	14.0	19.1	18.1	17.5	16.6
ROA (%)	5.8	7.1	6.9	7.0	7.3
PER (x)	12.1	9.3	8.8	8.3	7.7
PBV (x)	1.9	1.9	1.7	1.5	1.4
EV/EBITDA (x)	5.6	5.7	6.1	5.2	5.0
Div Yield (%)	2.9	3.7	3.9	3.0	3.2

Source: Company, KBVS Research

Indofood CBP Sukses Makmur (ICBP)

Exhibit 2: ICBP FY25 result – selected financial and key performance metrics

Profit and Loss (IDRbn)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)	KBVS '25F	% to KBVS '25F	Cons. '25F	% to Cons. '25F
Net revenue	72,597	74,851	3.1	17,111	18,584	8.6	18,666	(0)	76,787	97.5	78,846	94.9
COGS	(45,704)	(48,491)	6.1	(10,862)	(12,129)	11.7	(11,884)	2	(48,326)	100.3	(49,673)	97.6
Gross Profit	26,893	26,360	(2.0)	6,249	6,455	3.3	6,782	(5)	28,461	92.6	29,173	90.4
Opex	(10,702)	(10,695)	(0.1)	(2,464)	(2,733)	10.9	(2,769)	(1)				
Selling and distribution expenses	(7,800)	(7,897)	1.2	(1,761)	(2,012)	14.2	(2,008)	0				
G&A expenses	(2,902)	(2,798)	(3.6)	(702)	(721)	2.6	(761)	(5)				
Other operating income	485	1,316	171.2	81	234	188.2	396	(41)				
Other operating expenses	(355)	(327)	(8.1)	459	(45)	n/a	(142)	(69)				
EBIT	16,321	16,656	2.0	4,326	3,912	(9.6)	4,267	(8)	16,747	99.5	17,572	94.8
EBITDA	18,107	18,515	2.3	4,779	4,414	(7.6)	4,727	(7)				
Net finance income (expenses)	(3,292)	(3,056)	(7.2)	(3,261)	(733)	(77.5)	(1,515)	(52)				
Share in net income of associates & JV	(1,390)	236	n/a	(1,494)	30	n/a	59	(48)				
Pre-tax income	11,499	13,721	19.3	(459)	3,190	n/a	2,789	14				
Taxes	(2,686)	(2,965)	10.4	(101)	(623)	n/a	(806)	(23)				
Net Income	7,079	9,225	30.3	(1,070)	2,116	n/a	1,572	35	8,752	105.4	9,703	95.1

Geographic sales (IDRbn)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)
Indonesia	50,026	51,084	2.1	11,299	12,049	6.6	12,454	(3.3)
Middle east and Africa	19,455	21,070	8.3	5,103	5,834	14.3	5,535	5.4
Other Asia	3,116	2,697	(13.5)	709	701	(1.1)	677	3.5
Total	72,597	74,851	3.1	17,111	18,584	8.6	18,666	(0.4)

Segmentation sales (IDRbn)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)
Noodles	53,870	55,849	3.7	12,548	13,828	10.2	14,039	(1.5)
Dairy	9,662	9,820	1.6	2,419	2,522	4.3	2,406	4.8
Snacks	4,539	4,617	1.7	1,072	1,094	2.0	1,184	(7.7)
Food Seasonings	4,301	4,600	6.9	998	1,115	11.7	1,067	4.5
Nutrition foods	1,358	1,313	(3.3)	333	360	8.3	308	16.9
Beverages	1,674	1,472	(12.1)	404	372	(7.7)	358	4.1
Total	75,404	77,671	3.0	17,773	19,291	8.5	19,361	(0.4)

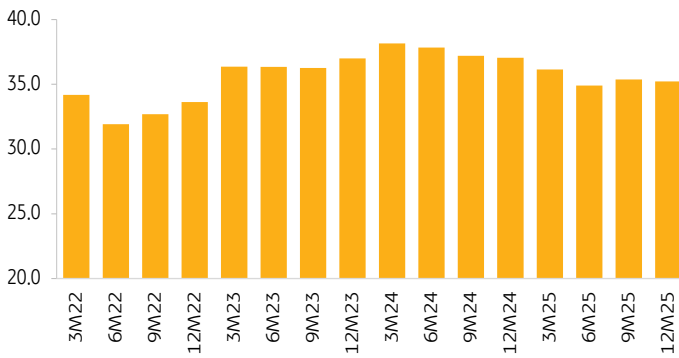
Segmentation EBIT (IDRbn)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)
Noodles	13,936	13,621	(2.3)	3,261	3,211	(1.5)	3,514	(8.6)
Dairy	928	781	(15.9)	235	229	(2.7)	191	19.7
Snacks	457	194	(57.6)	105	12	(88.9)	62	(81.2)
Food Seasonings	464	706	52.2	68	159	135.0	159	(0.1)
Nutrition foods	114	131	14.5	24	35	43.8	35	(1.6)
Beverages	285	225	(21.1)	91	76	(16.7)	48	58.4
EBIT	16,321	16,656	2.0	4,326	3,913	(9.5)	4,267	(8.3)

Margins (%)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)
Gross Profit	37.0	35.2	(1.8)	36.5	34.7	(1.8)	36.3	(1.6)
EBIT	22.5	22.3	(0.2)	25.3	21.1	(4.2)	22.9	(1.8)
EBITDA	24.9	24.7	(0.2)	27.9	23.8	(4.2)	25.3	(1.6)
Pretax	15.8	18.3	2.5	(2.7)	17.2	19.8	14.9	2.2
Net Profit	9.8	12.3	2.6	(6.3)	11.4	17.6	8.4	3.0

Segmentation margin (%)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)
Noodles	25.9	24.4	(1.5)	26.0	23.2	(2.8)	25.0	(1.8)
Dairy	9.6	8.0	(1.7)	9.7	9.1	(0.7)	8.0	1.1
Snacks	10.1	4.2	(5.9)	9.8	1.1	(8.8)	5.3	(4.2)
Food Seasonings	10.8	15.3	4.56	6.8	14.2	7.5	14.9	(0.7)
Nutrition foods	8.4	10.0	1.55	7.3	9.7	2.4	11.5	(1.8)
Beverages	17.0	15.3	(1.75)	22.6	20.4	(2.2)	13.4	7.0
EBIT	22.5	22.3	(0.2)	25.3	21.1	(4.2)	22.9	(1.8)

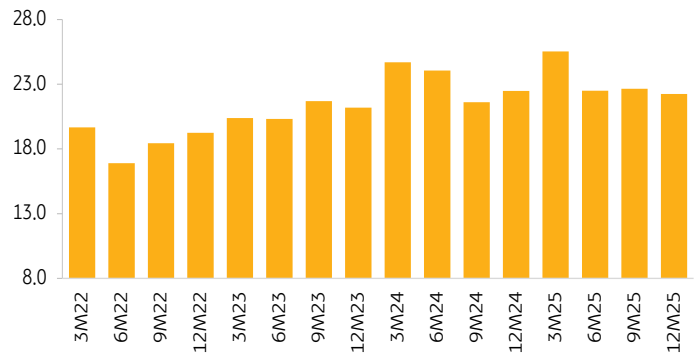
Source: Company, KBVS Research

Exhibit 3: Expect better GPM on softer raw material cost increase (%)



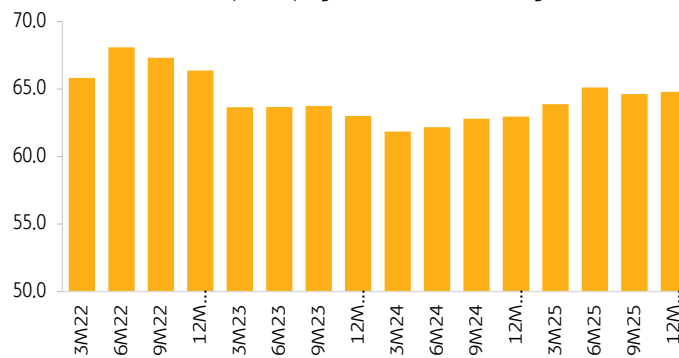
Source: Company, KBVS Research

Exhibit 4: With much stronger EBIT margin (%)



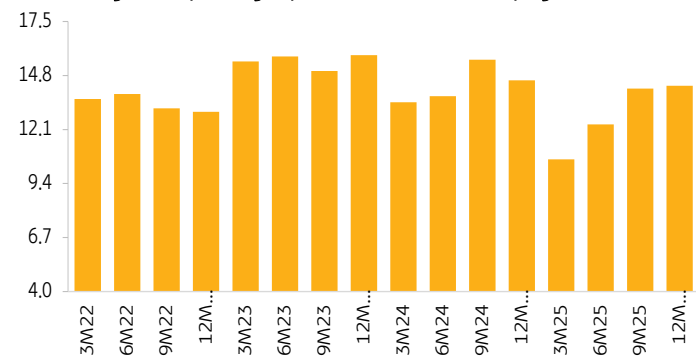
Source: Company, KBVS Research

Exhibit 5: % to sales cost input to play vital role for '26F margin (%)



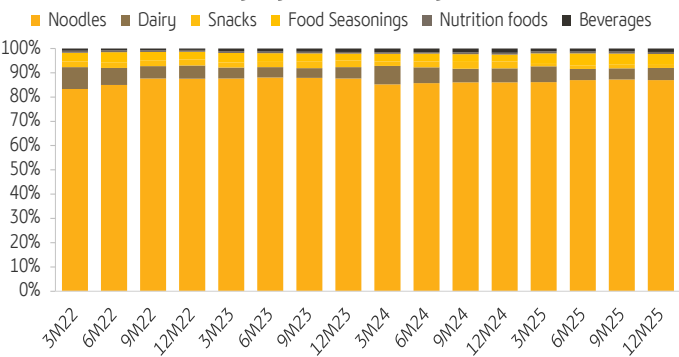
Source: Company, KBVS Research

Exhibit 6: Manageable operating expenses to sales will also play crucial role (%)



Source: Company, KBVS Research

Exhibit 7: Noodles continuing key role to support growth (%)



Source: Company, KBVS Research

Exhibit 8: Currently attractively trading at 8.2x '26F P/E, below its -2SD



Source: Company, KBVS Research

FINANCIAL TABLES

Exhibit 9: Profit & Loss

Year End Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Revenues	72,597	74,851	78,222	82,508	86,471
Cost of revenues	(45,704)	(48,491)	(50,358)	(53,355)	(55,624)
Gross profit	26,893	26,360	27,864	29,152	30,847
Operating expenses	(10,572)	(9,705)	(11,758)	(11,433)	(12,965)
EBIT	16,321	16,656	16,106	17,719	17,882
EBITDA	19,061	18,181	17,818	19,589	19,939
Net finance income (expenses)	(3,292)	(3,056)	(1,172)	(1,875)	(1,839)
Other income/(expenses)	(4,822)	(2,934)	(706)	(1,469)	(945)
Pretax profit	11,499	13,721	15,400	16,250	16,937
Tax expenses	(2,686)	(2,965)	(3,597)	(3,656)	(3,657)
Net profit	7,079	9,225	9,737	10,390	11,189

Source: Company, KBVS Research

Exhibit 10: Balance Sheet

Year End Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Cash and other investments	25,293	29,216	29,590	30,092	31,337
Receivables	8,792	10,291	8,235	8,569	8,789
Inventories	7,060	7,999	6,895	7,241	7,378
Other current assets	3,524	3,648	1,123	1,196	1,317
Total current assets	44,668	51,154	45,844	47,097	48,821
Deferred tax assets	270	259	383	360	367
Long term investments	6,419	7,431	10,966	10,726	10,522
Fixed assets	15,266	17,328	19,322	21,339	23,358
Rights of use assets	237	333	270	280	294
Deferred charges – net	53	55	68	65	67
Goodwill	54,006	54,006	63,280	64,408	66,588
Intangible assets	1,313	1,180	1,802	1,760	1,771
Other non current assets	3,809	3,800	3,445	3,694	4,003
Total non-current assets	81,373	84,391	99,534	102,632	106,969
Total assets	126,041	135,544	145,378	149,729	155,790
Current liabilities					
Short-term debts	185	577	635	698	768
Payables	5,167	5,635	6,261	7,465	7,937
Curr matt LT Loans	352	196	0	0	0
Other current liabilities	5,220	5,908	7,122	7,575	6,787
Total current liabilities	10,925	12,316	14,018	15,738	15,492
Non-current liabilities					
Long-term debts	663	468	492	516	542
Bonds payable	44,211	45,936	50,530	45,477	43,203
Other non-current liabilities	3,198	3,141	3,034	3,203	3,331
Total non-current liabilities	48,072	49,545	54,056	49,196	47,076
Shareholder's Equity	45,217	51,520	55,781	63,271	71,698
Total liabilities and equity	126,041	135,544	145,378	149,729	155,790

Source: Company, KBVS Research

Exhibit 11: Cash Flow

Year End Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Net profit	7,079	9,225	9,737	10,390	11,189
Depreciation & amortization	1,275	1,373	1,612	1,769	1,957
Changes in working capital	(1,380)	(1,418)	5,118	905	(795)
CF from operating activities	6,974	9,180	16,468	13,064	12,351
Decr. (incr.) in fixed assets	(1,830)	(3,434)	(3,606)	(3,787)	(3,976)
Decr. (incr.) in non-current assets	1,677	(956)	(13,150)	(1,080)	(2,318)
Other investing activities	253	1,918	0	0	337
CF from investing activities	101	(2,473)	(16,756)	(4,867)	(5,957)
Net change in gross debt	1,659	1,766	4,478	(4,965)	(2,178)
Dividends paid	(2,478)	(3,229)	(3,408)	(2,598)	(2,797)
Other financing activities	(316)	(1,321)	(408)	(134)	(173)
CF from financing activities	(1,136)	(2,783)	662	(7,696)	(5,149)
Cash at end of period	25,293	29,216	29,590	30,092	31,337

Source: Company, KBVS Research

Exhibit 12: Key performance metrics

Year End Dec (%)	2024A	2025A	2026F	2027F	2028F
Gross profit margin (%)	37.0	35.2	35.6	35.3	35.7
Operating profit margin (%)	22.5	22.3	20.6	21.5	20.7
EBITDA margin	26.3	24.3	22.8	23.7	23.1
Net profit margin (%)	9.8	12.3	12.4	12.6	12.9
ROAE (%)	14.0	19.1	18.1	17.5	16.6
ROAA (%)	5.8	7.1	6.9	7.0	7.3
Net gearing (x)	44.5	34.9	39.6	26.2	18.4
Interest coverage ratio (x)	3.8	4.3	8.4	5.9	5.5
PER (x)	12.1	9.3	8.8	8.3	7.7
PBV (x)	1.9	1.7	1.5	1.4	1.2
EV/EBITDA (x)	5.6	5.7	6.1	5.2	5.0
Dividend Yield (%)	2.9	3.7	3.9	3.0	3.2

Source: Company, KBVS Research

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