Buy

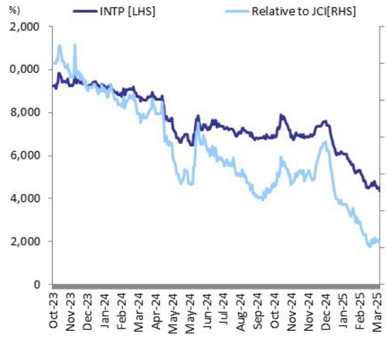
(Maintained)

Last Price (Rp)	4,800
Target Price (Rp)	8,500
Previous Target Price (Rp)	▼ 8,800
Upside/Downside	+77.1%
No. of Shares (mn)	3,681
Mkt Cap (Rpbn/US$mn)	17,670/1,065
Avg, Daily T/O (Rpbn/US$mn)	13.1/0.8
Free Float (%)	40.3
Major Shareholder (%)	
Birchwood Omnia Limited	51.0

EPS Consensus (Rp)

	2025F	2026F	2027F
BRIDS	591.1	636.1	689.7
Consensus	498.5	550.8	531.1
BRIDS/Cons (%)	**18.6**	**15.5**	**29.9**

INTP relative to JCI Index



Source: Bloomberg

Indocement Tunggal Prakarsa (INTP)

FY24 Earnings Beat, but Remain Cautiously Optimistic in FY25

- **INTP recorded net profit of Rp2tr in FY24 (+3% yoy, 125% of ours/cons, or above), due to strong EBIT and higher associate income.**
- **We reaffirm 1%-2% vol growth and ASP assumption for FY25F/FY26F, yet we expect higher RDF usage on Grobogan to lower energy cost.**
- **We lifted our FY25F/26F EPS by 17%/16% due to opex saving. Reiterate Buy rating with lower TP (Rp8,500) due to our lower LT growth assumption.**

Strong FY24 Result due to Good Opex Management

NTP recorded a net profit of Rp2tr in FY24 (+3% yoy, 125% of ours/cons, or above), with 4Q24 net profit expanding by 53% qoq. This was due to strong operating income and higher associate income (+467% yoy) in FY24 from land sales (~Rp117bn). Meanwhile, revenue grew by 3% yoy in FY24 (100%/99% from ours/cons, or inline), with 4Q24 revenue growing by 0.6% qoq. Using ASI data, ASP reached Rp969k/t (+2.5% yoy), with 4Q24 ASP at Rp866k/t (+0.3% qoq). The main driver of upbeat performance was derived from the EBIT level, which reached Rp2.4tr in FY24 (+5% yoy, 116%/118% of our/cons, above), with strong 4Q24 EBIT growth of 26% qoq. Cash cost per ton declined by 5% yoy to Rp843k/t in FY24, driven by lower energy cost (-7% yoy) and delivery cost (-8% yoy).

Stable pricing until Feb25. Cautiously optimistic in FY25F-FY26F

We reaffirm our 1.5%/2% vol growth and 1.3%/1.5% ASP growth for FY25F/FY26F, given: 1) declining infra budget; 2) lower vol growth vs GDP growth limits upside on ASP, as we expect occasional price cuts during certain months. As of Mar25, we observed relatively stable bag pricing, with Merdeka/Jempolan recording -1.5%/-2% ytd price reduction, yet their discount to the main brand is at 26%/28% (smaller than the peak at 29%/32% in Sep/Oct-24). However, we expect upside from Grobogan cost savings, especially from rising RDF usage from ~1% in FY24 to ~8% in 1H25F and ~20% in 2H25F. INTP stated that energy cost savings from RDF usage are quite significant vs coal, despite the currently low coal price. As a result, we expect energy cost per ton to decline by 4%/2% in FY25F/FY26F vs -7% in FY24.

Upgrading our EBIT assumption. Maintain Buy rating with TP of Rp8,500

Due to our cost savings assumption, we upgrade our FY25F/26F EBIT forecast by 14%/13% and net profit by 17%/16%, implying an EBIT margin of 14.2%/14.7% and EPS growth of 8.4%/7.6% yoy. We reiterate our **Buy** rating and our preference for the cement sector on INTP, yet with a slightly lower TP of **Rp8,500** (-3%) as we lowered our LT growth assumption to 1% (from 1.5%). INTP is currently trading at an EV/EBITDA of 4.5x and EV/t of US$56.3, which are respectively at -1 and -1.5 std dev of its 5-year mean. Downside risks to our view: 1) Price war; 2) Slower progress on private and under-construction projects.

Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	17,950	18,549	19,099	19,798	20,799
EBITDA (Rpbn)	3,278	3,599	3,932	4,154	4,415
EBITDA Growth (%)	1.2	9.8	9.3	5.6	6.3
Net Profit (Rpbn)	1,950	2,008	2,176	2,341	2,539
EPS (Rp)	529.8	545.5	591.1	636.1	689.7
EPS Growth (%)	5.9	3.0	8.4	7.6	8.4
BVPS (Rp)	5,696.3	6,007.3	6,512.2	7,054.7	7,643.9
DPS (Rp)	149.1	83.8	86.3	93.5	100.6
PER (x)	9.1	8.8	8.1	7.5	7.0
PBV (x)	0.8	0.8	0.7	0.7	0.6
Dividend yield (%)	3.1	1.7	1.8	1.9	2.1
EV/EBITDA	5.3	4.3	3.4	2.6	1.9

Source: INTP, BRIDS Estimates

BRI Danareksa Sekuritas Analysts

Richard Jerry, CFA
(62-21) 5091 4100 ext. 3511
Richard.jerry@brids.co.id

Sabela Nur Amalina
(62-21) 5091 4100 ext. 4202
sabela.amalina@brids.co.id

Exhibit 1. INTP's 4Q24/FY24 Earnings Summary

Profit & Loss, Rpbn

(Rpbn)	4Q23	3Q24	4Q24	QoQ, %	YoY, %	FY23	FY24	YoY, %	FY24E (BRIDS)	A/F, %	FY24E (Cons)	A/C, %
Revenue	5,022	5,196	5,228	*0.6*	*4.1*	17,950	18,549	*3.3*	18,516	100	18,651	99
Gross profit	1,758	1,785	1,978	*10.8*	*12.5*	5,847	6,061	*3.7*	5,849	104	5,833	104
Operating income	767	805	1,013	*25.9*	*32.0*	2,282	2,393	*4.9*	2,062	116	2,024	118
EBITDA	1,067	1,192	1,134	*(4.8)*	*6.3*	3,278	3,599	*9.8*	3,546	101	3,448	104
Net income	683	621	952	*53.2*	*39.4*	1,950	2,008	*3.0*	1,611	125	1,603	125
Margins, %												
Gross margin	35.0	34.3	37.8	*3.5*	*2.8*	32.6	32.7	*0.1*	31.6		31.3	
Operating margin	15.3	15.5	19.4	*3.9*	*4.1*	12.7	12.9	*0.2*	11.1		10.9	
EBITDA margin	21.2	22.9	21.7	*(1.2)*	*0.5*	18.3	19.4	*1.1*	19.1		18.5	
Net margin	13.6	12.0	18.2	*6.3*	*4.6*	10.9	10.8	*(0.0)*	8.7		8.6	

Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. INTP's Earnings Estimates Revision

Rpbn	Previous		New		Chg		Consensus		vs Cons	
	FY25F	FY26F	FY25F	FY26F	FY25F	FY26F	FY25F	FY26F	FY25F	FY26F
Revenue	19,067	19,764	19,099	19,798	0.2%	0.2%	19,205	19,893	-0.6%	-0.5%
Gross profit	6,160	6,469	6,483	6,794	5.2%	5.0%	6,084	6,342	6.6%	7.1%
Operating profit	2,384	2,577	2,707	2,905	13.6%	12.7%	2,131	2,256	27.0%	28.8%
EBITDA	3,915	4,154	3,932	4,154	0.4%	0.0%	3,620	3,772	8.6%	10.1%
Net profit	1,866	2,026	2,176	2,341	16.6%	15.6%	1,731	1,858	25.7%	26.0%
Gross Margin	32.3%	32.7%	33.9%	34.3%			31.7%	31.9%		
Operating Margin	12.5%	13.0%	14.2%	14.7%			11.1%	11.3%		
EBITDA Margin	20.5%	21.0%	20.6%	21.0%			18.8%	19.0%		

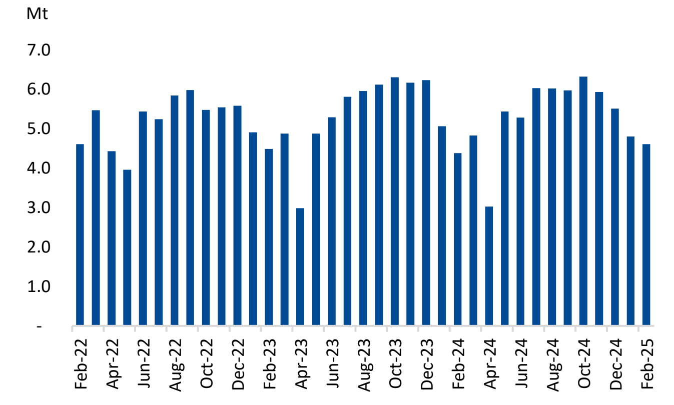
Source: BRIDS Estimates

Exhibit 3. SOTP Valuation of INTP

		2025	2026	2027	2028	2029	2030
EBIT * (1-tax)	+	2,112	2,266	2,450	2,620	2,792	2,972
Depreciation	+	1,224	1,249	1,274	1,299	1,324	1,349
Change in working capital	+	(7)	(22)	(60)	(64)	(67)	(71)
Capex	-	791	791	791	791	791	791
Minority interest	-	-	-	-	-	-	-
FCFF		**2,539**	**2,702**	**2,873**	**3,064**	**3,258**	**3,459**
Discount factor		1.00	1.14	1.29	1.47	1.67	1.90
Present value of FCFF		2,539	2,377	2,223	2,085	1,950	1,821
Terminal value		22,747	24,211	25,741	27,455	29,192	30,993
PV of terminal value		22,747	21,296	19,915	18,683	17,474	16,318
NPV		**IDR Bn**	**27,054**				
Net debt (as of end 2022)		IDR Bn	(4,325)				
Equity value		IDR Bn	31,379				
Outstanding share		Bn sh	3.68				
Equity value per share		IDR/sh	8,524				
Target price		**IDR/sh**	**8,500**				

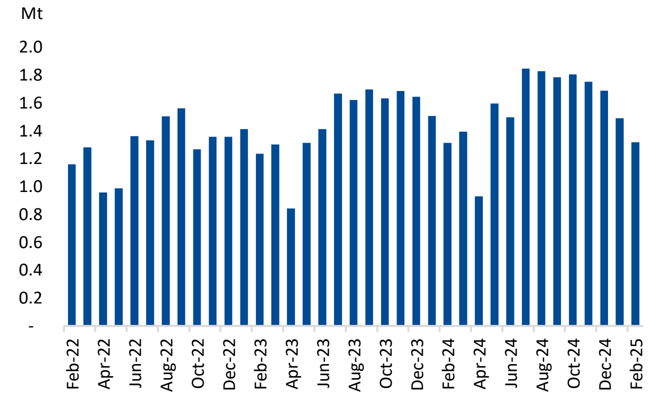
Source: BRIDS Estimates

Exhibit 4. Industry – Monthly Sales Volume



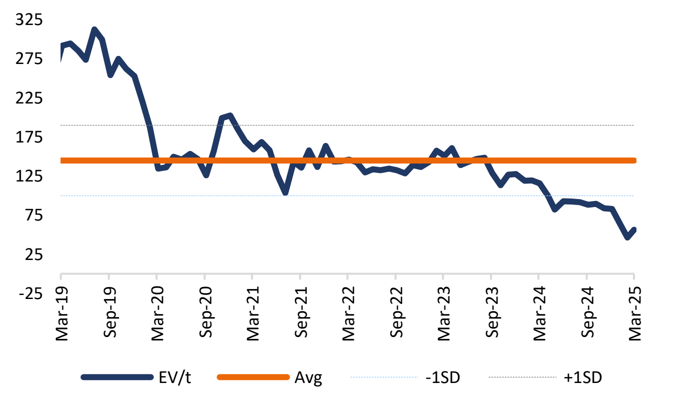
Source: Company, BRIDS

Exhibit 5. INTP – Monthly Sales Volume



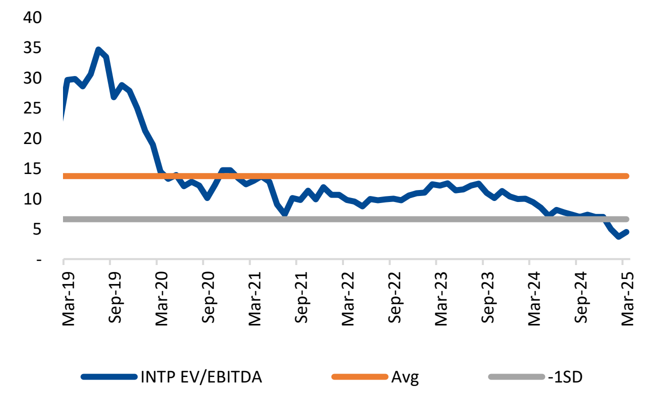
Source: Company, BRIDS

Exhibit 6. INTP EV/t Band



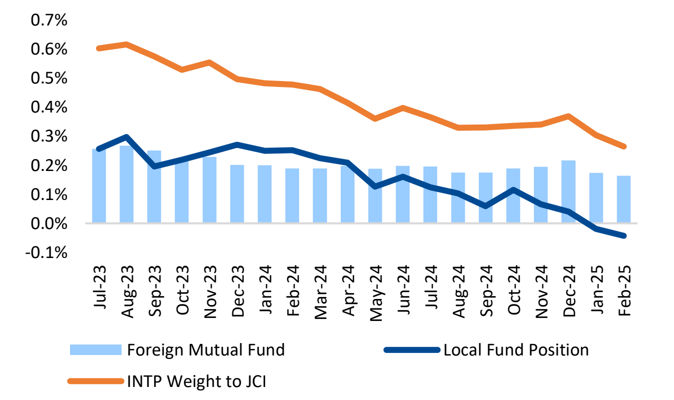
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 7. INTP EV/EBITDA Band



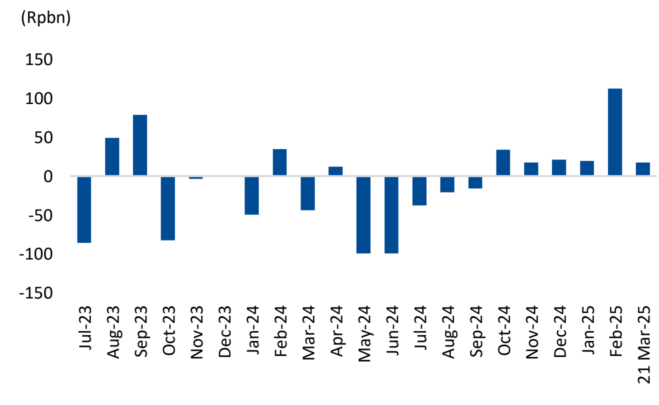
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 8. INTP's Weighting and Fund Position



Source: KSEI, BRIDS

Exhibit 9. INTP's Historical Foreign Flows (as of 21 Mar25)



Source: IDX, BRIDS

Exhibit 10. SMGR & INTP Historical Cement Price

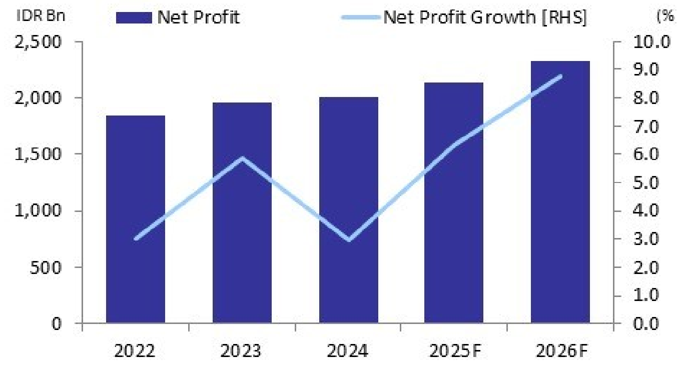
Brand (Avg price Rp/kg)	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	%, MoM
Semen Padang	1,374	1,409	1,409	1,431	1,431	1,409	1,404	1,404	-0.4%
Semen Gresik	1,477	1,500	1,511	1,491	1,489	1,500	1,539	1,533	2.2%
Semen Dynamix	1,505	1,505	1,505	1,507	1,533	1,505	1,533	1,533	1.8%
Semen Tonasa	1,525	1,525	1,525	1,550	1,550	1,525	1,550	1,650	8.2%
Semen Rajawali	1,213	1,231	1,257	1,265	1,270	1,231	1,270	1,270	3.2%
Semen Grobogan	1,263	1,281	1,281	1,281	1,281	1,281	1,281	1,281	0.0%
Semen Baturaja	1,290	1,310	1,310	1,310	1,320	1,310	1,320	1,320	0.8%
Semen Bosowa	1,461	1,461	1,461	1,461	1,461	1,461	1,461	1,461	0.0%
Semen Tiga Roda	1,457	1,496	1,496	1,496	1,473	1,496	1,487	1,487	-0.6%
Semen Merdeka	-	1,066	1,113	1,145	1,149	1,066	1,137	1,133	6.3%
Semen Jempolan	-	1,080	1,010	1,098	1,098	1,080	1,076	1,076	-0.4%

Source: BRIDS Survey

Exhibit 11. Revenue and Growth

Source: Company, BRIDS Estimates

Exhibit 12. Net Profit and Growth

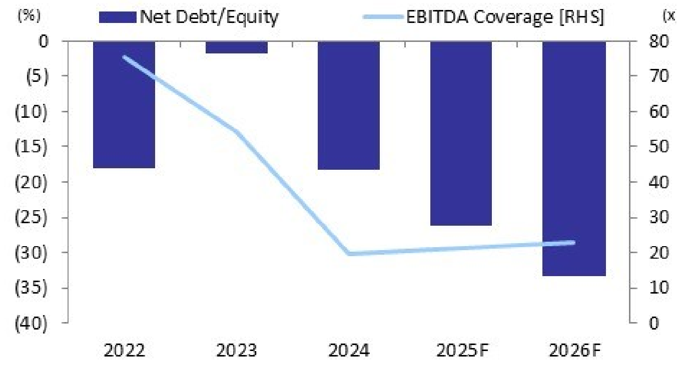


Source: Company, BRIDS Estimates

Exhibit 13. Margins

Source: Company, BRIDS Estimates

Exhibit 14. Gearing Level



Source: Company, BRIDS Estimates

Exhibit 15. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	**17,950**	**18,549**	**19,099**	**19,798**	**20,799**
COGS	(12,103)	(12,488)	(12,616)	(13,004)	(13,643)
Gross profit	**5,847**	**6,061**	**6,483**	**6,794**	**7,156**
EBITDA	**3,278**	**3,599**	**3,932**	**4,154**	**4,415**
Oper. profit	**2,282**	**2,393**	**2,707**	**2,905**	**3,141**
Interest income	182	133	140	147	154
Interest expense	(61)	(182)	(181)	(181)	(181)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	31	145	31	31	31
Other Income (Expenses)	0	0	0	0	0
Pre-tax profit	**2,434**	**2,491**	**2,698**	**2,902**	**3,146**
Income tax	(484)	(483)	(522)	(561)	(607)
Minority interest	0	0	0	0	0
Net profit	**1,950**	**2,008**	**2,176**	**2,341**	**2,539**
Core Net Profit	**1,950**	**2,008**	**2,176**	**2,341**	**2,539**

Exhibit 16. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	3,185	4,497	6,764	9,181	11,757
Receivables	2,786	2,880	2,964	3,071	3,225
Inventory	2,905	2,593	2,620	2,700	2,833
Other Curr. Asset	352	419	419	419	419
Fixed assets - Net	19,156	18,747	18,313	17,854	17,371
Other non-curr.asset	1,266	1,284	1,284	1,284	1,284
Total asset	**29,650**	**30,420**	**32,364**	**34,510**	**36,888**
ST Debt	2,416	2,333	2,333	2,333	2,333
Payables	2,712	2,790	2,818	2,905	3,048
Other Curr. Liabilities	2,240	2,052	2,128	2,207	2,290
Long Term Debt	389	106	106	106	106
Other LT. Liabilities	923	1,025	1,007	989	973
Total Liabilities	**8,680**	**8,306**	**8,392**	**8,540**	**8,749**
Shareholder'sFunds	20,970	22,114	23,973	25,970	28,139
Minority interests	0	0	0	0	0
Total Equity & Liabilities	**29,650**	**30,420**	**32,364**	**34,510**	**36,888**

Exhibit 17. Cash Flow

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	1,950	2,008	2,176	2,341	2,539
Depreciation and Amort.	996	1,205	1,224	1,249	1,274
Change in Working Capital	228	40	(7)	(22)	(60)
OtherOper. Cash Flow	105	184	23	17	10
Operating Cash Flow	**3,279**	**3,438**	**3,416**	**3,585**	**3,763**
Capex	791	791	791	791	791
Others Inv. Cash Flow	(572)	80	140	147	154
Investing Cash Flow	**219**	**871**	**930**	**937**	**945**
Net change in debt	(183)	(366)	0	0	0
New Capital	0	0	0	0	0
Dividend payment	(549)	(308)	(318)	(344)	(370)
Other Fin. Cash Flow	(61)	(748)	(181)	(181)	(181)
Financing Cash Flow	**(792)**	**(1,423)**	**(498)**	**(525)**	**(551)**
Net Change in Cash	**2,706**	**2,886**	**3,848**	**3,998**	**4,157**
Cash - begin of the year	4,526	3,185	4,497	6,764	9,181
Cash - end of the year	3,185	4,497	6,764	9,181	11,757

Exhibit 18. Key Ratio

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	9.9	3.3	3.0	3.7	5.1
EBITDA	1.2	9.8	9.3	5.6	6.3
Operating profit	2.5	4.9	13.1	7.3	8.1
Net profit	5.9	3.0	8.4	7.6	8.4
Profitability (%)					
Gross margin	32.6	32.7	33.9	34.3	34.4
EBITDA margin	18.3	19.4	20.6	21.0	21.2
Operating margin	12.7	12.9	14.2	14.7	15.1
Net margin	10.9	10.8	11.4	11.8	12.2
ROAA	7.0	6.7	6.9	7.0	7.1
ROAE	9.6	9.3	9.4	9.4	9.4
Leverage					
Net Gearing (x)	0.0	(0.1)	(0.2)	(0.3)	(0.3)
Interest Coverage (x)	37.7	13.2	15.0	16.1	17.4

Source: INTP, BRIDS Estimates

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of Equity Research, Strategy, Coal	erindra.krisnawan@brids.co.id
Natalia Sutanto	Consumer, Cigarettes, Pharmaceuticals, Retail	natalia.sutanto@brids.co.id
Niko Margaronis	Telco, Tower, Technology, Media	niko.margaronis@brids.co.id
Timothy Wijaya	Metal, Oil and Gas	timothy.wijaya@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Ismail Fakhri Suweleh	Healthcare, Property, Industrial Estate	ismail.suweleh@brids.co.id
Richard Jerry, CFA	Automotive, Cement, Infrastructure	richard.jerry@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Naura Reyhan Muchlis	Research Associate	naura.muchlis@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id
Kafi Ananta Azhari	Research Associate	kafi.azhari@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Dr. Telisa Aulia Falianty	Senior Advisor	telisa.falianty@brids.co.id
Kefas Sidauruk	Economist	kefas.sidauruk@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Yofi Lasini	Head of Institutional Sales and Dealing	yofi.lasini@brids.co.id
Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrliech Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Yunita Nababan	Institutional Sales Associate	yunita@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Christy Halim	Institutional Sales Associate	christy.halim@brids.co.id
Jason Joseph	Institutional Sales Associate	Jason.joseph@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

INVESTMENT RATING

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