

Buy

(Maintained)

Tactical (3M): N

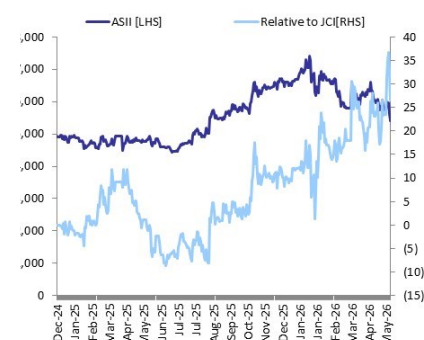
Last Price (Rp)	5,600
Target Price (Rp)	6,850
Previous TP (Rp)	6,850
Upside/Downside	+22.3%

No. of Shares (mn)	40,484
Mkt Cap (Rpbn/US\$m)	226,708/12,777
Avg, Daily T/O (Rpbn/US\$m)	288.6/16.3
Free Float (%)	41.3

Major Shareholder (%)	
Jardine Cycle & Carriage	50.1

EPS Consensus (Rp)			
	2026F	2027F	2028F
BRIDS	683.8	834.1	877.7
Consensus	778.8	845.5	887.3
BRIDS/Cons (%)	(12.2)	(1.4)	(1.1)

ASII relative to JCI Index



Source: Bloomberg

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Astra International (ASII IJ)

Sharper Return Focus, Preserving Diversification

- ASII aims to focus on Auto, Financial Services and HEMCE, although healthcare and infrastructure remain part of the wider growth portfolio.
- We see near-term growth expansion on auto parts/ components, and UNTR's diversification toward metallurgical coal.
- ASII targets low-teens TSR, supported by 45-50% DPR and next 12 months Rp8tr buyback. We maintain our Buy rating and TP of Rp6,850.

Refocusing on three growth engines

We see the key message from ASII's Strategic Review as a shift from a broadly diversified holding-company mindset toward a more focused, return-driven portfolio approach. Management highlighted three core engines, namely Automotive, Financial Services and HEMCE, which together account for c.90% of group profit. We view this as a sensible direction, as it reinforces ASII's core strengths while still preserving the benefit of diversification, particularly in the current uncertain macro and commodity environment.

Potential near-term growth investments into auto parts and coking coal

That said, we do not see the Strategic Review as a major departure from ASII's previous direction, as the more relevant near-term growth focus remains in businesses where ASII already has clear advantages. In Automotive, the target is to grow beyond new vehicle sales, including aftersales, parts, used cars and trade-in platforms. Management highlighted potential bolt-on acquisitions in parts/components, which we think could be positive for Astra Otoparts (AUTO – Not Rated). In HEMCE, mgmt. highlighted diversification aims toward metallurgical coal and gold.

Portfolio discipline beyond core assets

ASII also aims to maintain growth investment in its wider portfolio, including healthcare and infrastructure. Separately, management indicated plans to accelerate replanting at AAL to 8k ha, from 4k ha in FY25, while also looking to monetize underperforming areas. We view this as broadly consistent with ASII's more active portfolio management framework.

Maintain Buy rating and TP of Rp6,850 on higher TSR ambition

ASII's low-teens TSR ambition is a positive signal for shareholders (vs. past 10-year annualized return of c.6%). However, we note that the key levers remain familiar, namely dividend payout 45-50%, more balanced capital deployment and a Rp8tr buyback over the next 12 months. Overall, the Strategic Review does not change our FY26-28F EPS growth forecast of 28.4%, as key initiatives remain medium-term in nature. We maintain Buy rating and our SOTP-based TP of Rp6,850, amid attractive 7.2x forward PE and diversified earnings. Key risks are weaker IDR and purchasing power.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	328,480	323,392	304,052	320,012	336,266
EBITDA (Rpbn)	59,096	44,792	48,740	58,784	62,985
EBITDA Growth (%)	(0.8)	(24.2)	8.8	20.6	7.1
Net Profit (Rpbn)	33,901	21,025	27,682	33,766	35,534
EPS (Rp)	837.4	519.3	683.8	834.1	877.7
EPS Growth (%)	0.2	(38.0)	31.7	22.0	5.2
BVPS (Rp)	5,278.1	5,654.3	5,916.2	6,305.7	6,641.4
DPS (Rp)	621.8	506.6	485.7	444.5	542.1
PER (x)	6.7	10.8	8.2	6.7	6.4
PBV (x)	1.1	1.0	0.9	0.9	0.8
Dividen yield (%)	11.1	9.0	8.7	7.9	9.7
EV/EBITDA	4.7	6.3	5.9	4.7	4.4

Source: ASII, BRIDS Estimates

Exhibit 1. ASII SOTP Valuation

	Earnings/BV (Rpbn)	TP / Multiplier	Market Cap (Rpmm)	ASII's stake	Value (Rpmm)	Rp/share	Contribution to ASII
Automotive (P/E)							
ASII 4W + 2W + AUTO	11,275	7.0	78,924,178	100.0%	78,924,178	1,950	28.4%
Heavy Equipment (Target Price)							
UNTR	4,931	33,000	162,723,000	59.5%	96,820,185	2,392	34.8%
Agribusiness (P/E)							
AALI	1,471	7.4	10,833,793	79.7%	8,632,366	213	3.1%
Financial Services (P/BV)							
ASDF, FIF, Insuracne	11,334	1.8	20,401,200	86.1%	17,573,594	434	6.3%
FIF	14,438	2.0	28,876,144	100.0%	28,876,144	713	10.4%
Others (P/E)							
ASGR	271	7.0	1,894,326	76.9%	1,456,168	36	0.5%
Others			45,558,464	100.0%	45,558,464	1,125	16.4%
Total equity value (Rpmm)	277,841,099						
Shares (mn)	40,484						
NAV/share, Rp	6,850					6,863	
Implied FY27F P/E	10.0						

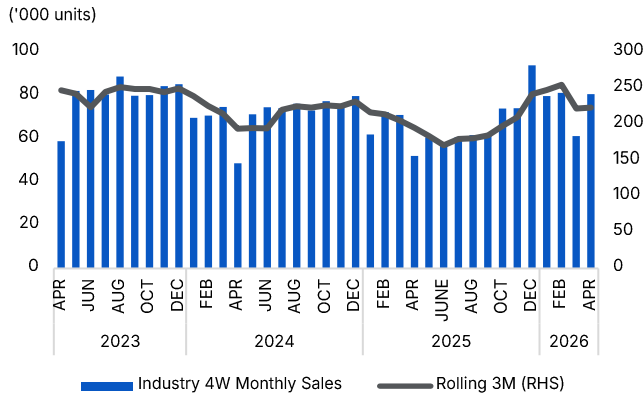
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. ASII 4M26 4W Wholesales Volume Summary

Units	Apr-25	Mar-26	Apr-26	MoM	YoY	4M25	4M26	YoY
Astra								
Daihatsu	8,884	8,916	13,399	50.3%	50.8%	43,883	48,280	10.0%
Isuzu	1,635	1,657	2,469	49.0%	51.0%	7,546	8,250	9.3%
UD Trucks	189	72	80	11.1%	-57.7%	795	261	-67.2%
Toyota + Lexus	16,268	18,021	25,804	43.2%	58.6%	85,564	86,574	1.2%
Total Astra	26,976	28,666	41,752	45.6%	54.8%	137,788	143,365	4.0%
Total Astra LCGC	7,382	5,325	7,470	40.3%	1.2%	35,676	28,375	-20.5%
Non Astra								
Honda	3,000	4,129	2,363	-42.8%	-21.2%	25,336	15,893	-37.3%
Mitsubishi	5,195	7,871	8,752	11.2%	68.5%	28,491	35,367	24.1%
Suzuki	4,145	4,552	7,160	57.3%	72.7%	18,319	24,154	31.9%
BYD + Denza	4,307	3,396	5,657	66.6%	31.3%	12,549	19,247	53.4%
Hyundai	1,607	1,608	1,534	-4.6%	-4.5%	8,565	6,308	-26.4%
Wuling	1,240	1,020	1,584	55.3%	27.7%	6,035	5,178	-14.2%
Chery	1,620	995	1,137	14.3%	-29.8%	6,019	4,348	-27.8%
Others	4,018	9,031	10,837	20.0%	169.7%	14,545	35,927	147.0%
Total Non ASII	25,132	32,602	39,024	19.7%	55.3%	119,859	146,422	22.2%
Total Domestic 4W Wholesales Volume	52,108	61,268	80,776	31.8%	55.0%	257,647	289,787	12.5%
Total LCGC	9,305	6,725	8,992	33.7%	-3.4%	50,409	37,823	-25.0%
ASII Market Share	51.8%	46.8%	51.7%			53.5%	49.5%	
ASII LCGC Market Share	79.3%	79.2%	83.1%			70.8%	75.0%	

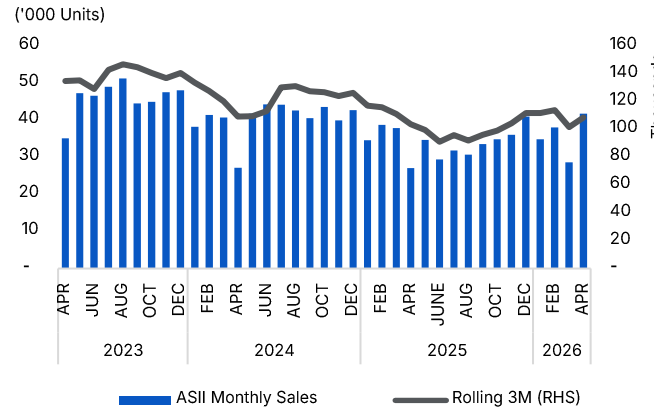
Source: GAIKINDO, Company, BRIDS

Exhibit 3. Industry 4W Monthly Wholesales



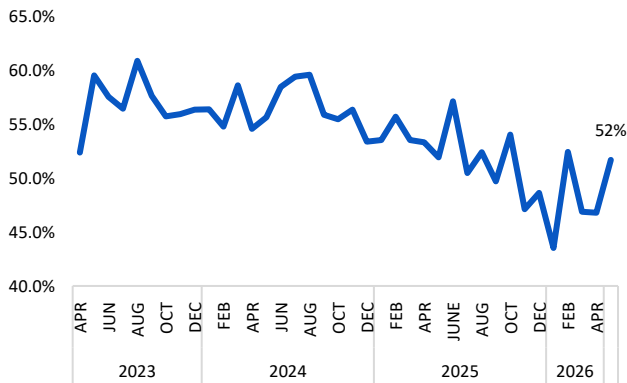
Source: GAIKINDO, BRIDS

Exhibit 4. ASII 4W Monthly Wholesales



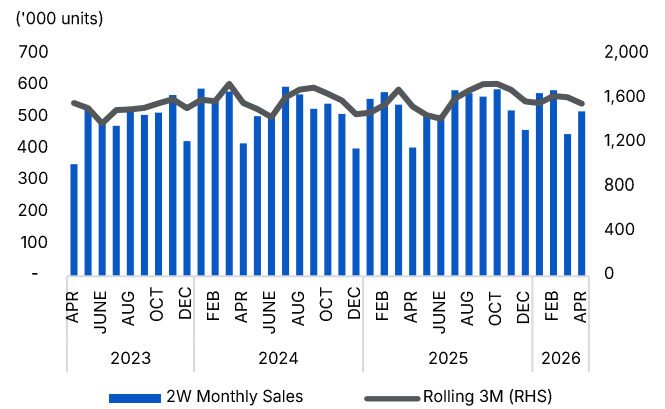
Source: GAIKINDO, BRIDS

Exhibit 5. ASII Market Share



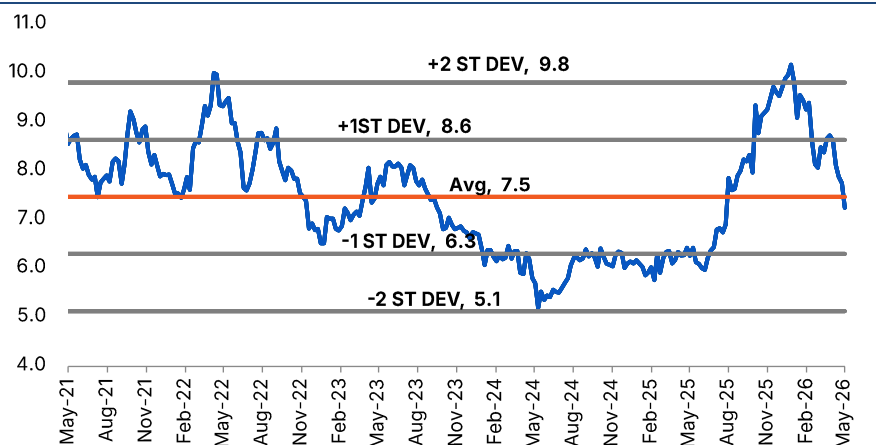
Source: GAIKINDO, BRIDS

Exhibit 6. Industry 2W Monthly Sales



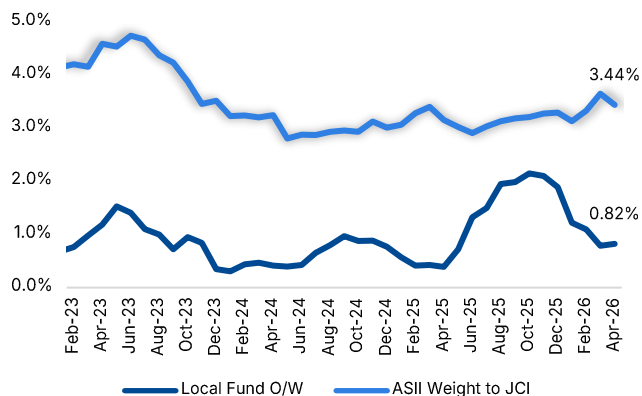
Source: AISI, BRIDS

Exhibit 7. ASII PE Band (5-Years)



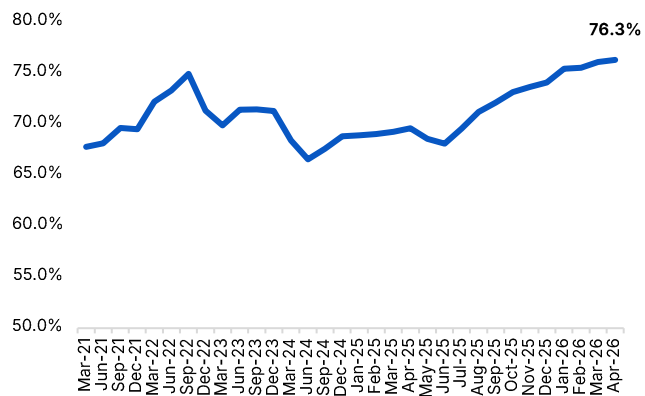
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 8. ASII's Weighting and Local Fund Position



Source: KSEI, BRIDS

Exhibit 9. ASII's Foreign Ownership (Ex-Corporate)



Source: KSEI, BRIDS

Exhibit 10. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	328,480	323,392	304,052	320,012	336,266
COGS	(255,421)	(251,948)	(239,718)	(248,621)	(260,454)
Gross profit	73,059	71,444	64,334	71,391	75,811
EBITDA	59,096	44,792	48,740	58,784	62,985
Oper. profit	42,400	26,921	31,631	40,410	43,246
Interest income	3,289	3,655	3,106	3,106	3,106
Interest expense	(3,808)	(3,734)	(3,295)	(2,713)	(2,767)
Forex Gain/(Loss)	(532)	(70)	-	-	-
Income From Assoc. Co's	10,291	9,618	8,838	9,179	9,544
Other Income (Expenses)	1,361	1,154	1,039	935	935
Pre-tax profit	53,001	37,544	41,318	50,917	54,063
Income tax	(9,728)	(9,083)	(7,827)	(9,645)	(10,241)
Minority interest	(9,372)	(7,436)	(5,809)	(7,506)	(8,288)
Net profit	33,901	21,025	27,682	33,766	35,534
Core Net Profit	34,433	21,095	27,682	33,766	35,534

Exhibit 11. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	48,439	52,621	16,507	25,072	30,964
Receivables	74,414	82,058	82,368	85,868	90,104
Inventory	37,771	36,215	36,090	37,431	39,212
Other Curr. Asset	14,829	16,296	15,091	15,812	16,545
Fixed assets - Net	118,622	130,185	136,471	142,783	149,043
Other non-curr.asset	176,566	188,626	195,394	201,772	208,976
Total asset	471,449	507,366	481,922	508,738	534,845
ST Debt	49,581	69,325	37,375	38,122	38,885
Payables	58,199	59,253	54,391	56,411	59,096
Other Curr. Liabilities	22,717	23,500	23,500	23,500	23,500
Long Term Debt	51,092	40,976	38,514	39,284	40,070
Other LT. Liabilities	17,856	23,500	23,500	23,500	23,500
Total Liabilities	199,445	216,554	177,280	180,818	185,051
Shareholder's Funds	213,676	228,906	239,507	255,279	268,866
Minority interests	58,328	61,906	67,715	75,221	83,508
Total Equity & Liabilities	471,449	507,366	484,502	511,318	537,425

Exhibit 12. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	33,901	21,025	27,682	33,766	35,534
Depreciation and Amort.	8,647	8,509	9,788	11,051	12,418
Change in Working Capital	(7,817)	(6,275)	(2,477)	(3,541)	(4,066)
Other Oper. Cash Flow	1,259	(1,141)	(3,699)	(3,791)	(4,447)
Operating Cash Flow	35,990	22,118	31,294	37,485	39,438
Capex	(18,949)	(20,072)	(16,074)	(17,364)	(18,677)
Others Inv. Cash Flow	(3,118)	(7,185)	226	126	10
Investing Cash Flow	(22,067)	(27,257)	(15,847)	(17,238)	(18,667)
Net change in debt	7,363	9,628	(34,412)	1,518	1,548
New Capital	0	0	-	-	-
Dividend payment	(25,173)	(20,508)	(19,661)	(17,993)	(21,948)
Other Fin. Cash Flow	11,190	11,037	2,514	4,793	5,520
Financing Cash Flow	(6,620)	157	(51,560)	(11,683)	(14,880)
Net Change in Cash	7,303	(4,982)	(36,114)	8,564	5,892
Cash - begin of the year	41,136	48,439	52,621	16,507	25,072
Cash - end of the year	48,439	52,621	16,507	25,072	30,964

Exhibit 13. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	3.8	(1.5)	(6.0)	5.2	5.1
EBITDA	(0.8)	(24.2)	8.8	20.6	7.1
Operating profit	(4.2)	(36.5)	17.5	27.8	7.0
Net profit	0.2	(38.0)	31.7	22.0	5.2
Profitability (%)					
Gross margin	22.2	22.1	21.2	22.3	22.5
EBITDA margin	18.0	13.9	16.0	18.4	18.7
Operating margin	12.9	8.3	10.4	12.6	12.9
Net margin	10.3	6.5	9.1	10.6	10.6
ROAA	7.4	4.3	5.6	6.8	6.8
ROAE	16.4	9.5	11.8	13.6	13.6
Leverage					
Net Gearing (x)	0.2	0.2	19.3	15.8	13.6
Interest Coverage (x)	11.1	7.2	9.6	14.9	15.6

Source: ASII, BRIDS Estimates

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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

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