Buy

(Maintained)

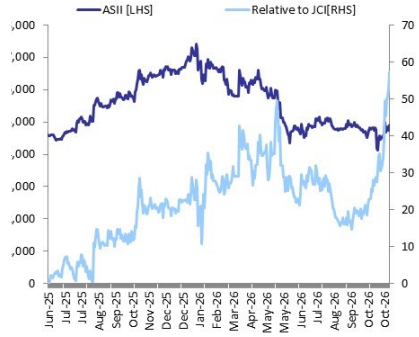
Tactical (3M): **N**

Last Price (Rp)	4,930
Target Price (Rp)	6,950
Previous TP (Rp)	***6,850***
Upside/Downside	+41.0%
No. of Shares (mn)	40,484
Mkt Cap (Rpbn/US$mn)	199,584/11,038
Avg, Daily T/O (Rpbn/US$mn)	287.9/15.9
Free Float (%)	41.3
Major Shareholder (%)	
Jardine Cycle & Carriage	50.1

EPS Consensus (Rp)

	2026F	2027F	2028F
BRIDS	719.7	816.7	832.4
Consensus	740.5	801.6	855.5
BRIDS/Cons (%)	**(2.8)**	**1.9**	**(2.7)**

ASII relative to JCI Index



Source: Bloomberg

Astra International (ASII IJ)

Earnings Resilience Backed by Capital Discipline

- **We raise FY26F earnings by 5.3% but lowering FY27/28F forecasts by 2.1%/5.2% mainly driven by revision in UNTR earnings.**
- **Automotive profitability improved in 3Q26, led by stronger 2W and AUTO, despite continued 4W market share erosion.**
- **We maintain Buy rating and modestly raise our SOTP-based TP; earnings recovery and capital discipline support our positive view.**

UNTR drives FY26 earnings upgrade

We raise our ASII FY26F earnings forecast by 5.3% to Rp29.1tr, but lower FY27/28F earnings by 2.1%/5.2% to Rp33.1/33.7tr mainly incorporating our earnings revision on UNTR. Our Automotive revisions remain relatively modest, although we raise FY26F operating profit by 16.5% following better-than-expected 3Q26 profitability. We expect UNTR to remain an important earnings driver in 4Q26 and FY27, alongside resilient Automotive and Financial Services contributions.

Automotive profitability improves despite 4W competitive pressure

Automotive earnings recovered in 3Q26, led by stronger 2W earnings (+18% yoy) while component earnings rose 34% yoy. Meanwhile, 4W distribution operating margin improved to 2.4% in 3Q26 from 1.6% in 2Q26, supported by better discount management and revenue from parts/ services. Management now expects FY26 4W market share to fall below 50%, reflecting intensifying competition from Chinese manufacturers. Astra's market share declined to 46.5% in 3Q26 from 50.9% in 1H26, bringing 9M26 share to 49.3%. Despite 13% yoy growth in Astra's 9M26 wholesales, non-Astra brands grew 30%, supported by the rapid expansion of Chinese EVs and stronger commercial vehicle demand. Management targets a market share recovery over the next 3-4 years, supported by broader ICE, hybrid and BEV offerings. Our market analysis (see p. 3) affirms mgmt.'s view that regaining a 50% share in the near term will be challenging, given the continued introduction of competitive EVs in the mass-market segment.

Maintain Buy rating; slight uplift on our SOTP-based TP to Rp6,950

We maintain our Buy rating and modestly raise our SOTP-based TP to Rp6,950, reflecting updated valuations for key subsidiaries and earnings revisions. While we remain cautious on 4Q26 market share amid intensifying competition, UNTR's improving outlook supports FY26-27F earnings while 2W and Financial Services also remain resilient despite broader industry asset-quality pressures. We view management's emphasis on profitability, healthy cash flow and capital discipline positively, while relatively resilient foreign holdings also offers support. Key risks include further 4W market share losses and foreign selling amid potential MSCI market downgrade.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	328,480	323,392	308,122	324,054	340,184
EBITDA (Rpbn)	59,096	44,792	49,454	57,017	59,023
EBITDA Growth (%)	(0.8)	(24.2)	10.4	15.3	3.5
Net Profit (Rpbn)	33,901	21,025	29,136	33,062	33,698
EPS (Rp)	837.4	519.3	719.7	816.7	832.4
EPS Growth (%)	0.2	(38.0)	38.6	13.5	1.9
BVPS (Rp)	5,278.1	5,654.3	5,952.1	6,300.9	6,602.5
DPS (Rp)	621.8	506.6	485.7	467.8	530.8
PER (x)	5.9	9.5	6.9	6.0	5.9
PBV (x)	0.9	0.9	0.8	0.8	0.7
Dividen yield (%)	12.6	10.3	9.9	9.5	10.8
EV/EBITDA	4.3	5.7	5.2	4.5	4.3

Source: ASII, BRIDS Estimates

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Earnings Resilience Backed by Capital Discipline

Automotive Market Outlook

4W market share erosion continues

Indonesia's 4W wholesales grew 21% yoy to 679k units in 9M26, while Astra's sales increased by a slower 13% to approximately 335k units. As a result, Astra's market share declined to 49.3% from 53.0% in 9M25. The deterioration became more pronounced in 3Q26, when share fell to 46.5% from 50.9% in 1H26, reaching 45.0% in Aug26 before recovering modestly to 46.2% in Sep26. Importantly, September's improvement was largely driven by weaker non-Astra sales rather than a meaningful recovery in Astra's own volumes.

We believe management's guidance for sub-50% market share in FY26 is realistic rather than conservative. Based on 9M26 volumes, Astra would need approximately 52% market share in 4Q26 to regain a 50% full-year share, assuming industry sales reach 850-900k units. In our view, this appears challenging against the latest quarterly run rate.

Chinese EVs expansion into the mass market continues

The rapid expansion of Chinese EVs has continued to be the driver of market share changes. Chinese brands accounted for 19.4% of industry wholesales in 9M26, compared with approximately 12% in 9M25, with sales nearly doubling yoy. BEV penetration rose to 19.6% in 3Q26 from 8.8% a year earlier, with BEV volumes increasing 192% yoy. More than half of the industry's incremental sales growth in 3Q26 came from BEVs.

Competition is also moving further into the mass market. The BYD Atto 1, Jaecoo J5 EV and Geely EX2 recorded combined wholesales of approximately 63k units in 9M26, accounting for more than half of BEV sales. Their pricing, largely within the Rp200-330mn range, increasingly overlaps with Astra's mainstream passenger-car offerings. New entrants such as Wuling's Aira EV and Chery Q are further expanding consumer choices below Rp300mn.

Commercial vehicles were another important source of industry growth, with wholesales rising 42% yoy in 9M26, partly supported by government-related demand. This benefited both Astra, notably Daihatsu's light commercial vehicles, and non-Astra brands, particularly in the truck segment. Hence, while changes in industry sales mix contributed to market share movements, we believe the rapid growth of Chinese EV brands remains a key driver of Astra's overall market share erosion.

Hybrid strength and margin discipline provide some protection

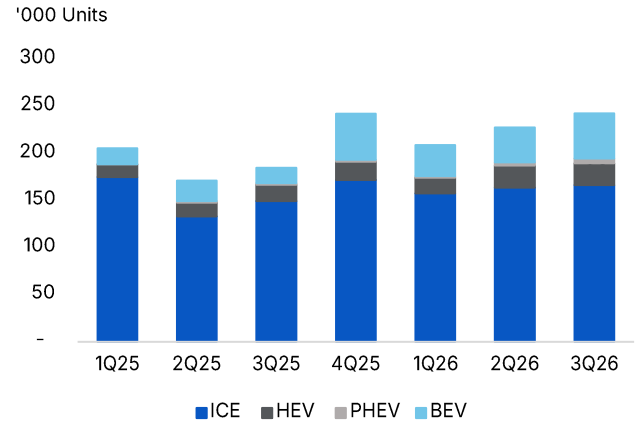
Astra remains competitive in hybrids, with Toyota's Veloz HEV and Innova Zenix HEV among the leading models. We view management's decision to prioritize profitability over market share positively in the near term. Despite weaker 4W volumes, distribution operating margin recovered to 2.4% in 3Q26 from 1.6% in 2Q26, though partly supported by parts sales, also reflected disciplined pricing.

Further model launches could sustain competitive pressure into FY27

Chinese manufacturers continue to broaden their offerings across affordable hatchbacks, compact SUVs and family vehicles. The upcoming Nov26 GAIKINDO Auto Week is expected to feature additional models from GAC, LEPAS and BAW. We therefore see limited prospects for a rapid recovery in Astra's market share without a more competitive product response in the high-growth electrified segments.

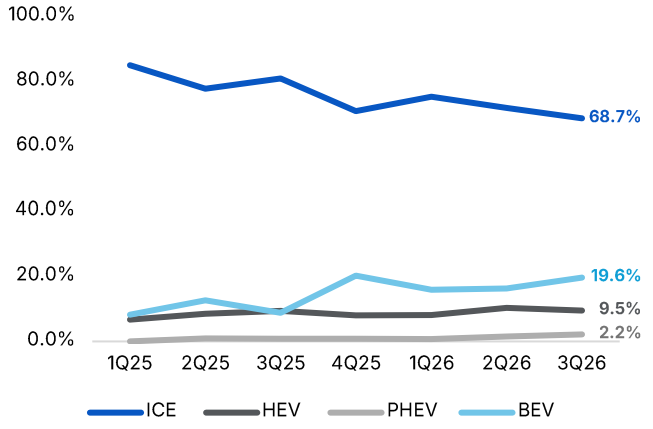
Our base case remains one of resilient Automotive profitability despite lower market share, supported by Astra's established distribution network, hybrid franchise and manufacturing operations. However, a sustained loss of share would represent a longer-term risk to growth and potentially to profitability if pricing competition intensifies.

Exhibit 1. Quarterly Wholesale by Power Train



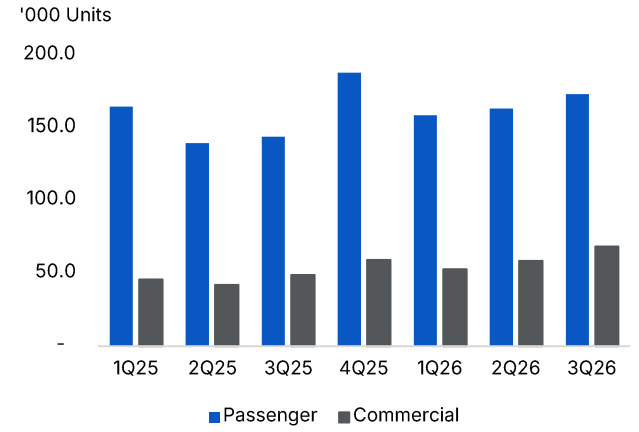
Source: GAIKINDO, BRIDS

Exhibit 2. Quarterly Market Share by Power Train



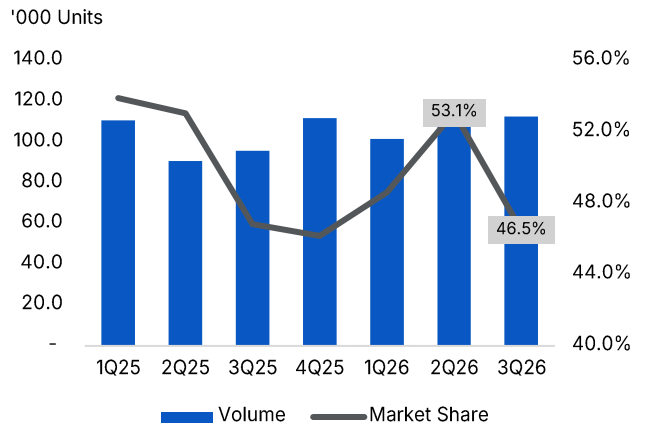
Source: GAIKINDO, BRIDS

Exhibit 3. Quarterly Wholesale Commercial vs. Passenger



Source: GAIKINDO, BRIDS

Exhibit 4. ASII Quarterly Wholesale Volume and Market Share



Source: GAIKINDO, BRIDS

Exhibit 5. Forecast Revision Summary

ASII IJ (Rpbn)	Previous			New			Changes			New Estimate vs Cons		
	FY26F	FY27F	FY28F	FY26F	FY27F	FY28F	FY26F	FY27F	FY28F	FY26F	FY27F	FY28F
Consolidated												
Revenue	304,052	320,012	336,266	308,122	324,054	340,184	1.3%	1.3%	1.2%	-1.8%	-1.6%	-1.0%
Gross profit	64,334	71,391	75,811	64,884	70,086	72,328	0.9%	-1.8%	-4.6%	-4.4%	-2.1%	-4.5%
EBIT	31,631	40,410	43,246	32,331	38,605	39,220	2.2%	-4.5%	-9.3%	-2.4%	6.3%	-0.2%
EBITDA	48,740	58,784	62,985	49,454	57,017	59,023	1.5%	-3.0%	-6.3%	-2.8%	5.2%	1.4%
Net profit	27,682	33,766	35,534	29,136	33,062	33,698	5.3%	-2.1%	-5.2%	-1.0%	3.3%	-0.8%
By Segment												
Revenue												
Automotive	132,113	138,260	145,500	131,465	138,181	146,054	-0.5%	-0.1%	0.4%			
Financial services	34,510	35,781	37,516	34,567	35,928	37,694	0.2%	0.4%	0.5%			
Mining solutions & heavy equipment	110,582	119,611	126,877	115,282	123,624	130,099	4.2%	3.4%	2.5%			
Wider businesses	29,641	29,301	29,464	29,641	29,301	29,464	0.0%	0.0%	0.0%			
Operating Profit												
Automotive	1,538	2,278	2,692	1,792	2,217	2,671	16.5%	-2.7%	-0.8%			
Financial services	11,010	11,999	12,078	11,022	12,121	12,176	0.1%	1.0%	0.8%			
Mining solutions & heavy equipment	15,148	21,907	24,178	15,589	20,046	20,082	2.9%	-8.5%	-16.9%			
Wider businesses	3,739	4,026	4,105	3,758	4,041	4,103	0.5%	0.4%	-0.1%			
Margins, %												
Gross margin	21.2%	22.3%	22.5%	21.1%	21.6%	21.3%						
EBIT margin	10.4%	12.6%	12.9%	10.5%	11.9%	11.5%						
EBITDA margin	16.0%	18.4%	18.7%	16.1%	17.6%	17.4%						
Auto margin	1.2%	1.6%	1.9%	1.4%	1.6%	1.8%						

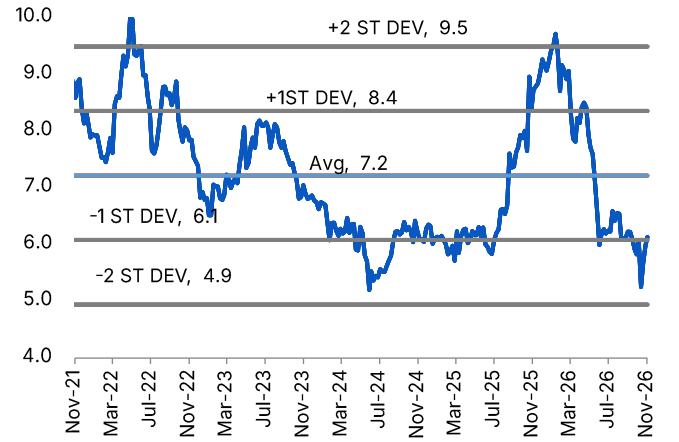
Source: Bloomberg, BRIDS Estimates

Exhibit 6. SOTP Valuation Summary

	Earnings/BV (Rpbn)	TP / Multiplier	Market Cap (Rpmn)	ASII's stake	Value (Rpmn)	Rp/share	Contribution to ASII
Automotive (P/E)							
ASII 4W + 2W + AUTO	11,730	7.0	82,109,899	100.0%	82,109,899	2,028	29.2%
Heavy Equipment (Target Price)							
UNTR	4,931	33,000	162,723,000	59.5%	96,820,185	2,392	34.5%
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	10.3%
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	16.2%
Total equity value (Rpmn)	**281,026,820**						
Shares (mn)	40,484						
NAV/share, Rp	**6,950**					6,942	
Implied FY27F P/E	**9.6**						

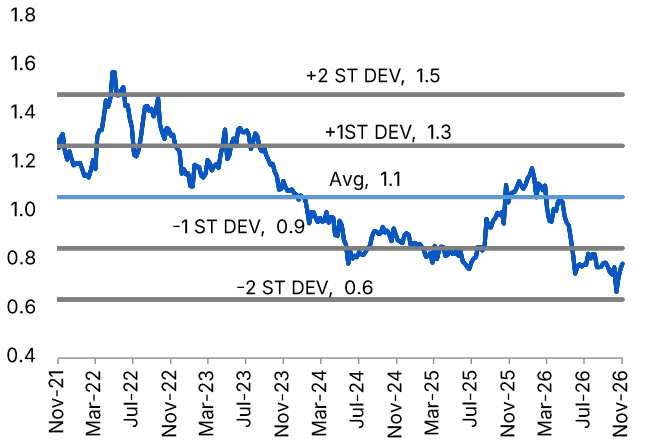
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 7. ASII PE Band (5-Years)



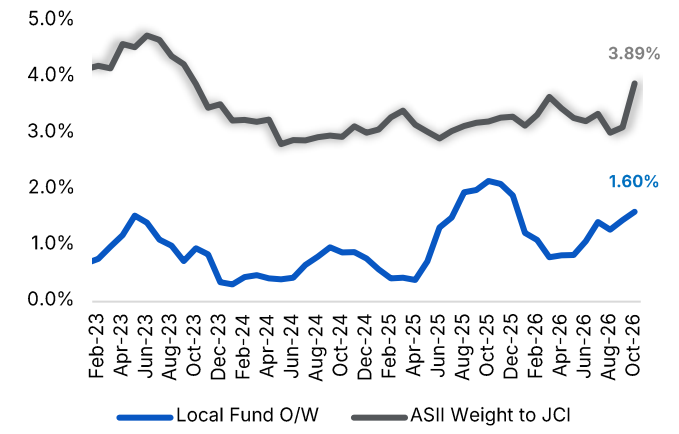
Source: Company, Blooomberg, BRIDS Estimates

Exhibit 8. ASII PBV Band (5-Years)



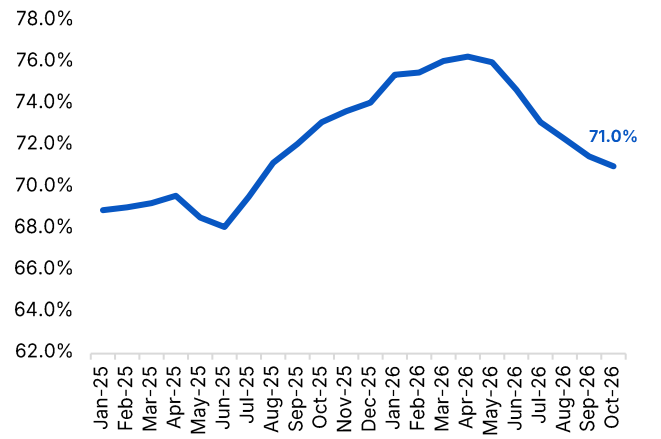
Source: Company, Blooomberg, BRIDS Estimates

Exhibit 9. ASII Domestic Fund Ownership



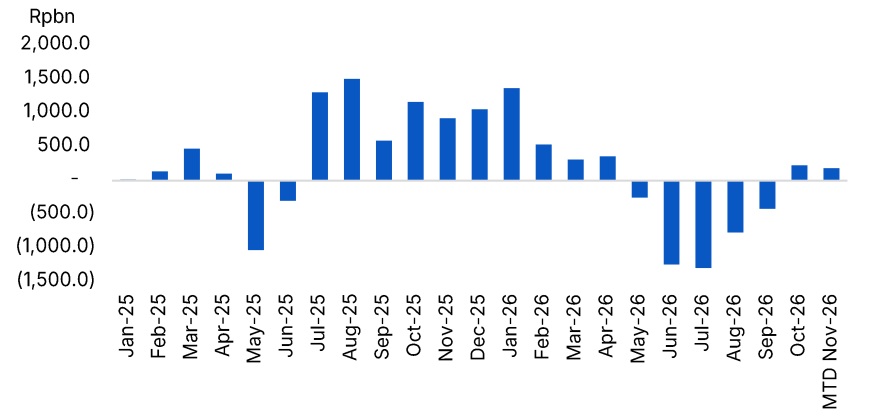
Source: KSEI,, BRIDS

Exhibit 10. ASII Foreign Ownership (Ex-Corporate)



Source: KSEI, BRIDS

Exhibit 11. ASII Foreign Flows



*Source: IDX, BRIDS *As of 5 November 26*

Exhibit 12. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	**328,480**	**323,392**	**308,122**	**324,054**	**340,184**
COGS	(255,421)	(251,948)	(243,238)	(253,968)	(267,856)
Gross profit	**73,059**	**71,444**	**64,884**	**70,086**	**72,328**
EBITDA	**59,096**	**44,792**	**49,454**	**57,017**	**59,023**
Oper. profit	**42,400**	**26,921**	**32,331**	**38,605**	**39,220**
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)	0	0	0
Income From Assoc. Co's	10,291	9,618	9,023	9,371	9,744
Other Income (Expenses)	1,361	1,154	1,039	935	935
Pre-tax profit	**53,001**	**37,544**	**42,203**	**49,303**	**50,237**
Income tax	(9,728)	(9,083)	(7,994)	(9,339)	(9,516)
Minority interest	(9,372)	(7,436)	(5,073)	(6,902)	(7,023)
Net profit	**33,901**	**21,025**	**29,136**	**33,062**	**33,698**
Core Net Profit	**34,433**	**21,095**	**29,136**	**33,062**	**33,698**

Exhibit 13. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	48,439	52,621	16,371	22,275	25,350
Receivables	74,414	82,058	82,853	86,487	90,759
Inventory	37,771	36,215	36,620	38,236	40,327
Other Curr. Asset	14,829	16,296	13,910	14,629	15,357
Fixed assets - Net	118,622	130,185	136,784	143,380	149,890
Other non-curr.asset	176,566	188,626	195,534	202,043	209,297
Total asset	**471,449**	**507,366**	**483,438**	**508,416**	**532,346**
ST Debt	49,581	69,325	37,375	38,122	38,885
Payables	58,199	59,253	55,190	57,624	60,775
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**	**178,079**	**182,031**	**186,730**
Shareholder'sFunds	213,676	228,906	240,960	255,084	267,291
Minority interests	58,328	61,906	66,979	73,881	80,904
Total Equity & Liabilities	**471,449**	**507,366**	**486,018**	**510,996**	**534,926**

Exhibit 14. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	33,901	21,025	29,136	33,062	33,698
Depreciation and Amort.	8,647	8,509	9,801	11,090	12,482
Change in Working Capital	(7,817)	(6,275)	(2,878)	(3,534)	(3,940)
OtherOper. Cash Flow	1,259	(1,141)	(3,832)	(3,913)	(4,489)
Operating Cash Flow	**35,990**	**22,118**	**32,226**	**36,704**	**37,751**
Capex	(18,949)	(20,072)	(16,399)	(17,687)	(18,991)
Others Inv. Cash Flow	(3,118)	(7,185)	219	118	2
Investing Cash Flow	**(22,067)**	**(27,257)**	**(16,180)**	**(17,569)**	**(18,989)**
Net change in debt	7,363	9,628	(34,412)	1,518	1,548
New Capital	0	0	0	0	0
Dividend payment	(25,173)	(20,508)	(19,661)	(18,938)	(21,490)
Other Fin. Cash Flow	11,190	11,037	1,777	4,189	4,256
Financing Cash Flow	**(6,620)**	**157**	**(52,296)**	**(13,231)**	**(15,686)**
Net Change in Cash	**7,303**	**(4,982)**	**(36,250)**	**5,904**	**3,075**
Cash - begin of the year	41,136	48,439	52,621	16,371	22,275
Cash - end of the year	48,439	52,621	16,371	22,275	25,350

Exhibit 15. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	3.8	(1.5)	(4.7)	5.2	5.0
EBITDA	(0.8)	(24.2)	10.4	15.3	3.5
Operating profit	(4.2)	(36.5)	20.1	19.4	1.6
Net profit	0.2	(38.0)	38.6	13.5	1.9
Profitability (%)					
Gross margin	22.2	22.1	21.1	21.6	21.3
EBITDA margin	18.0	13.9	16.1	17.6	17.4
Operating margin	12.9	8.3	10.5	11.9	11.5
Net margin	10.3	6.5	9.5	10.2	9.9
ROAA	7.4	4.3	5.9	6.7	6.5
ROAE	16.4	9.5	12.4	13.3	12.9
Leverage					
Net Gearing (x)	0.2	0.2	0.2	0.2	0.2
Interest Coverage (x)	11.1	7.2	9.8	14.2	14.2

Source: ASII, BRIDS Estimates

Equity Research – Company Update

Friday, 06 November 2026

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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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