Buy

(Maintained)

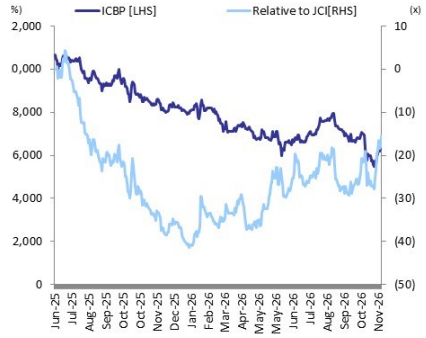
Tactical (3M): **N**

Last Price (Rp)	6,475
Target Price (Rp)	9,200
Previous TP (Rp)	*10,600*
Upside/Downside	+42.1%
No. of Shares (mn)	11,662
Mkt Cap (Rpbn/US$mn)	75,511/4,162
Avg, Daily T/O (Rpbn/US$mn)	39.6/2.2
Free Float (%)	19.5
Major Shareholder (%)	
Indofood Sukses Makmur Tbk	80.5

EPS Consensus (Rp)

	2026F	2027F	2028F
BRIDS	756.6	846.6	949.4
Consensus	774.8	908.9	997.5
BRIDS/Cons (%)	**(2.3)**	**(6.9)**	**(4.8)**

ICBP relative to JCI Index



Source: Bloomberg

Indofood CBP (ICBP IJ)

Robust Volume Growth Outweighs Cost Pressures

- **ICBP's strong 3Q26 volume-led growth and ongoing premiumization momentum drove a stronger FY26-27F revenue growth outlook.**
- **Higher input costs pressured margins but partly offset by selective ASP hikes and disciplined A&P spending going forward.**
- **Reiterate Buy rating with new TP of Rp9,200.**

Robust volume growth underpins stronger revenue outlook

ICBP delivered solid 9M26/ 3Q26 revenue growth of +14.5/ 21.0% yoy respectively, outpacing Indo's FMCG and F&B industry YTD-Aug26growth of mid-single digit (based on Nielsen's data). Growth in 3Q26 was driven by volume across segments, led by sustained momentum in noodles (+12% yoy) and dairy (+27%). Domestic noodles vol grew 10% yoy, while overseas rose 15%, exceeding mgmt's 10% expectation, partly benefiting from competitor's supply disruption amid Iran conflict. Other segments, including snacks, beverages, NSF and seasonings also posted double-digit volume growth. Mgmt. highlighted an ongoing premiumization trend, with Indomie and cup noodles outperforming lower-priced brands, while the newly launched, higher-priced baby snacks also gained positive traction. Reflecting the strong performance, mgmt. raised its FY26 revenue growth guidance to 12-14% (from 5-7%), while maintaining its 20-22% EBIT margin and is aiming for the upper end of its initial EBIT guidance of Rp15.8-17.6tr.

Balancing cost pressures with pricing and A&P discipline

ICBP's gross margin contracted to 34.1% in 9M26 on higher input and packaging costs, with 3Q26 margin normalizing to 33.7% in 3Q26 (-10bps qoq). While cost pressures are expected to persist beyond FY26, mgmt. implemented a ~3% domestic noodles price hike in mid-Oct26, following a two-week pre-buy period, alongside selective increases in other segments. A&P spending remains prudent at up to 4% of sales, with marketing focused more on higher-income consumers with more resilient purchasing power.

Topline resilience; maintain Buy rating with TP of Rp9,200

We upgraded our FY26-27F revenue growth by 2.7-1.7%, reflecting expected growth of 11.5/ 7.1% yoy respectively. We expect the noodles price hike to take full effect in 4Q26, partly mitigating margin pressure. Nevertheless, we still expect FY26F gross margin to decline 110bps yoy to 34.1%, with EBIT margin at 20.5%, within mgmt's 20-22% guidance. We trimmed FY26-27F net profit est. by 4.4/4.6%, as we adjusted forex losses and financing charges. ICBP also announced a Rp750bn share buyback through year-end. Overall, we maintain our Buy rating with new TP of Rp9,200 as we roll over our valuation to FY27F, based on 10.9x FY27F PE (-0.5std of 3yr mean). Key risks include input costs volatility, further IDR depreciation and supply disruptions to Pinehill's Middle East operations.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	72,597	74,851	83,432	89,320	95,411
EBITDA (Rpbn)	17,656	17,191	18,703	19,749	21,065
EBITDA Growth (%)	9.3	(2.6)	8.8	5.6	6.7
Net Profit (Rpbn)	7,079	9,225	8,824	9,873	11,072
EPS (Rp)	607.1	791.0	756.6	846.6	949.4
EPS Growth (%)	1.3	30.3	(4.3)	11.9	12.1
BVPS (Rp)	3,877.4	4,417.8	4,713.8	5,111.2	5,558.0
DPS (Rp)	317.7	360.4	469.6	449.2	502.6
PER (x)	10.7	8.2	8.6	7.6	6.8
PBV (x)	1.7	1.5	1.4	1.3	1.2
Dividend yield (%)	4.9	5.6	7.3	6.9	7.8
EV/EBITDA	5.4	5.5	4.9	4.5	4.0

Source: ICBP, BRIDS Estimates

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Exhibit 1. ICBP 3Q26/9M26 Earnings Summary

ICBP IJ (Rpbn)	9M25	9M26	YoY	3Q25	2Q26	3Q26	YoY	QoQ	FY26F	A/F	A/C
Revenue	56,267	64,446	14.5%	18,666	20,148	22,582	21.0%	12.1%	81,251	79%	80%
COGS	36,362	42,464	16.8%	11,884	13,330	14,968	26.0%	12.3%	53,409		
Gross profit	19,905	21,982	10.4%	6,782	6,818	7,614	12.3%	11.7%	27,842	79%	80%
Opex	7,962	9,324	17.1%	2,769	3,050	3,239	17.0%	6.2%	11,194		
Operating profit	11,943	12,657	6.0%	4,013	3,768	4,376	9.0%	16.1%	16,647	76%	78%
Pretax profit	10,531	9,636	-8.5%	2,789	1,887	3,993	43.2%	111.6%	13,857		
Net profit	7,108	6,166	-13.3%	1,572	1,129	2,463	56.7%	118.2%	9,079	68%	67%
Core profit	7,689	8,038	4.5%	2,322	2,364	2,694	16.0%	14.0%	10,640	76%	89%
Gross margin	35.4%	34.1%		36.3%	33.8%	33.7%			34.3%		
Opex to revenue	14.1%	14.5%		14.8%	15.1%	14.3%			13.8%		
Operating margin	21.2%	19.6%		21.5%	18.7%	19.4%			20.5%		
Pretax margin	18.7%	15.0%		14.9%	9.4%	17.7%			17.1%		
Net margin	12.6%	9.6%		8.4%	5.6%	10.9%			11.2%		
Core margin	13.7%	12.5%		12.4%	11.7%	11.9%			13.1%		

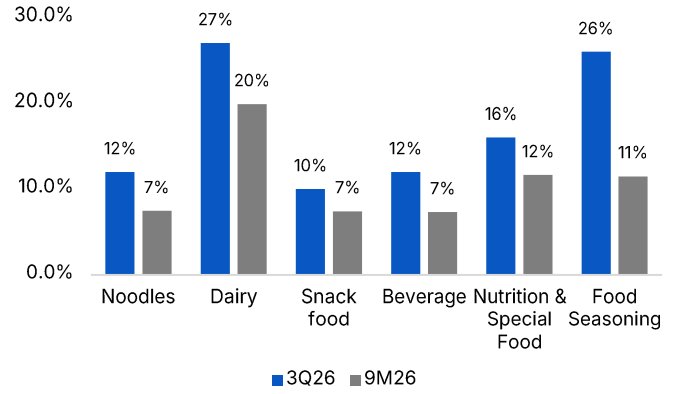
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. ICBP Earnings Estimate Revision

ICBP IJ	Previous		New		Changes	
(Rpbn)	2026F	2027F	2026F	2027F	2026	2027
Revenue	81,251	87,826	83,432	89,320	2.7%	1.7%
Gross profit	27,842	30,599	28,447	30,577	2.2%	-0.1%
Operating profit	16,647	18,257	17,123	18,206	2.9%	-0.3%
Net profit	9,079	10,664	8,824	9,873	-2.8%	-7.4%
Core profit	10,640	11,508	10,170	10,980	-4.4%	-4.6%
Gross margin	34.3%	34.8%	34.1%	34.2%		
Operating margin	20.5%	20.8%	20.5%	20.4%		
Net margin	11.2%	12.1%	10.6%	11.1%		
Changes in assumption						
USD IDR	18,359	18,910	18,359	18,910		
Sales volume						
Noodles	8.5%	7.7%	8.3%	6.4%		
Dairy	17.0%	7.0%	18.0%	7.0%		
Snack	5.0%	4.5%	6.0%	3.5%		
Beverages	5.5%	5.0%	6.0%	5.0%		
Nutritional	7.0%	4.0%	10.0%	4.0%		
Seasoning	5.0%	4.0%	10.0%	4.0%		

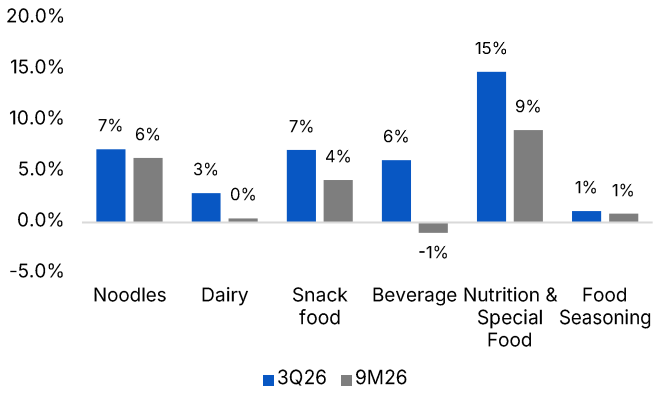
Source: BRIDS Estimates

Exhibit 3. Volume Growth by Product Segment



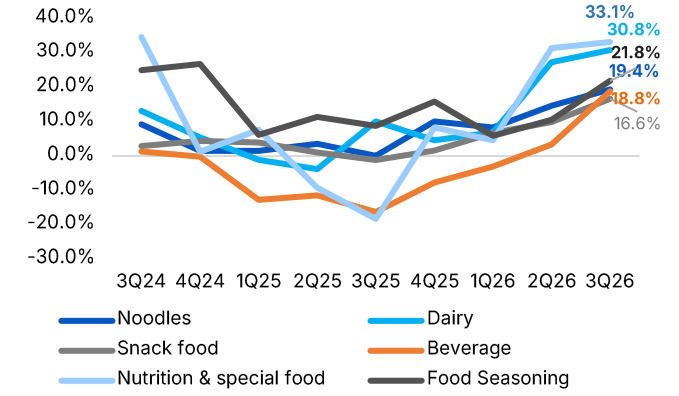
Source: Company, BRIDS

Exhibit 4. ASP Growth by Product Segment



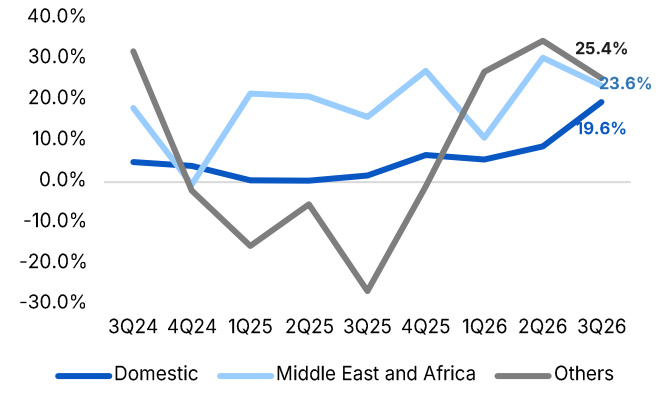
Source: Company, BRIDS

Exhibit 5. Quarterly Revenue Growth by Product Segment



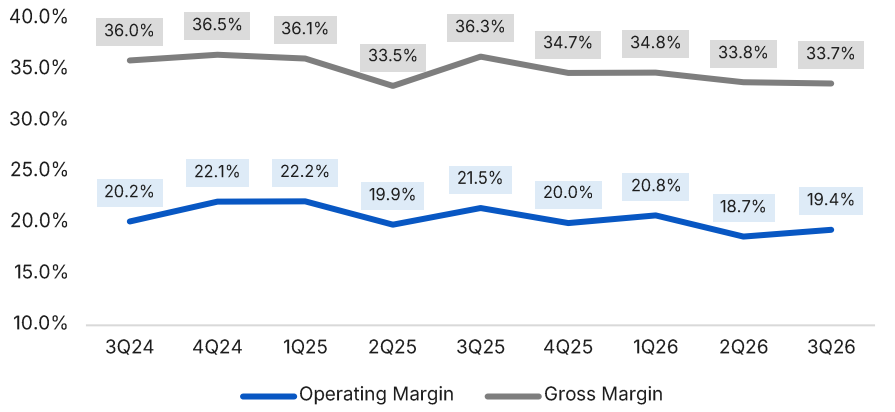
Source: Company, BRIDS

Exhibit 6. Quarterly Revenue Growth by Geographical



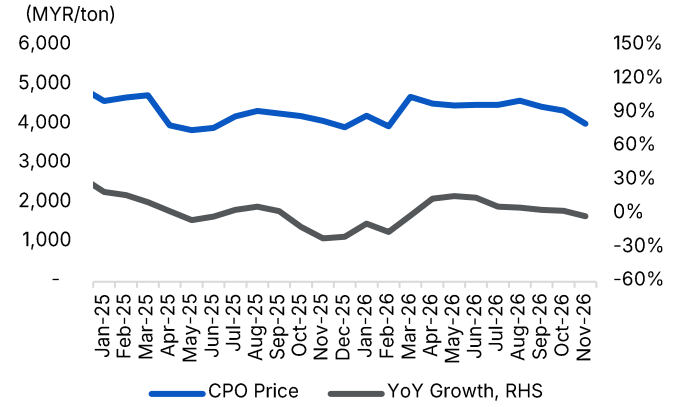
Source: Company, BRIDS

Exhibit 7. Quarterly Gross Margin and Operating Margin



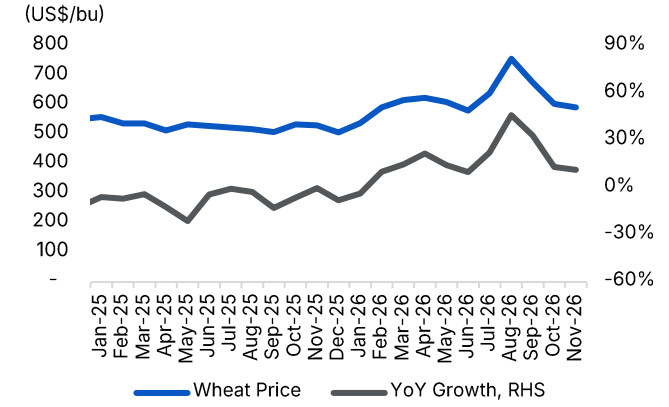
Source: Company, BRIDS

Exhibit 8. Monthly CPO Price



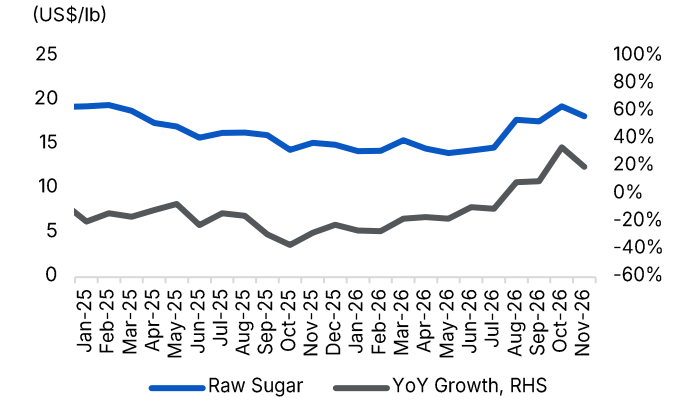
Source: Bloomberg

Exhibit 9. Monthly Wheat Price



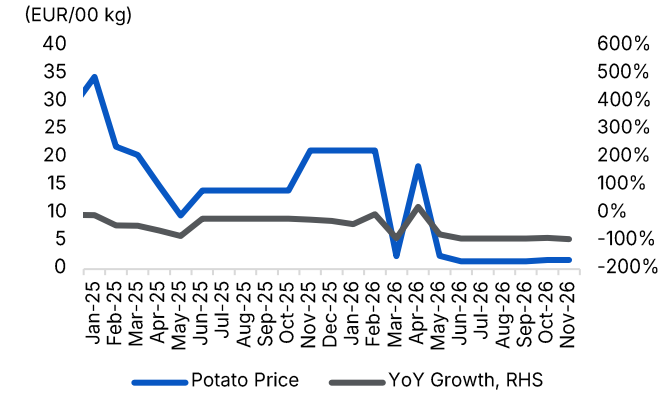
Source: Bloomberg

Exhibit 10. Monthly Sugar Price



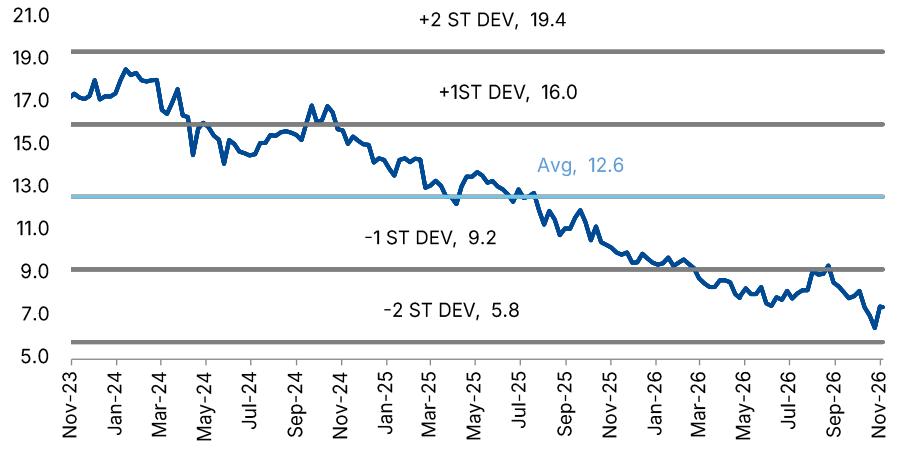
Source: Bloomberg

Exhibit 11. Monthly Potato Price



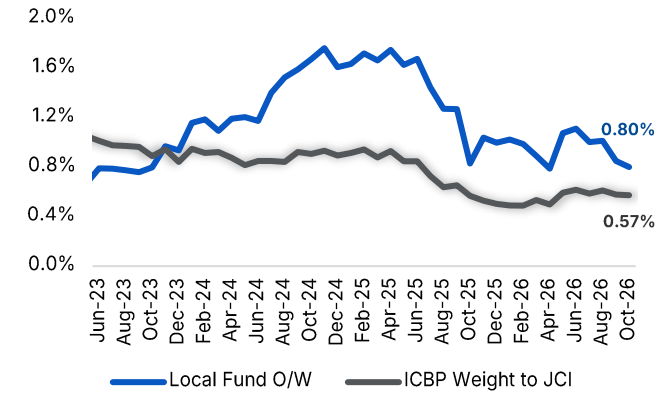
Source: Bloomberg

Exhibit 12. ICBP PE Band



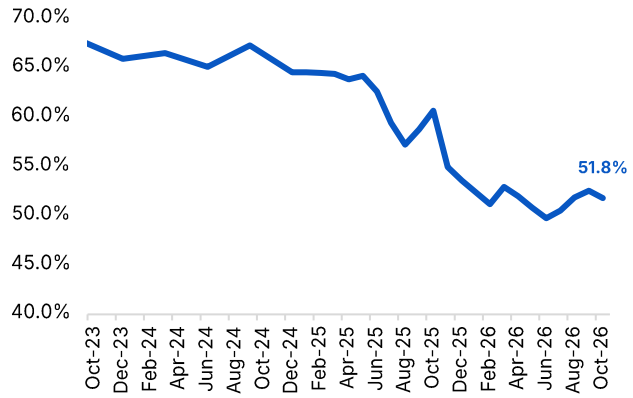
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 13. ICBP's Weighting and Local Fund Position



Source: KSEI, BRIDS

Exhibit 14. ICBP's Foreign Ownership (Ex-Corporate)



Source: KSEI, BRIDS

Exhibit 15. Consumer Peers Valuation

Ticker	Rec	Target Price	Market Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend Yield (%)	Sales Growth (%)		Core Profit Growth (%)	
		(Rp)	(Rpbn)	2026F	2027F	2026F	2027F	2026F	2026F	2026F	2027F	2026F	2027F
ICBP IJ	Buy	9,200	75,510.9	8.6	7.6	1.4	1.3	16.6	7.3	11.5	7.1	1.9	8.0
MYOR IJ	Buy	2,500	32,196.5	12.6	12.0	39.6	34.0	291.5	8.3	4.3	6.3	11.3	21.2
UNVR IJ	Buy	1,900	58,560.3	13.9	13.4	36.5	42.3	138.4	12.6	7.2	4.3	23.2	7.7
INDF IJ	Buy	9,200	60,584.9	5.4	4.9	0.7	0.7	14.6	5.0	6.1	6.3	(10.1)	9.0
Sector - weighted				**9.7**	**9.0**	**15.7**	**16.3**	**86.5**	**8.2**	**7.9**	**6.0**	**5.5**	**10.1**

Source: Bloomberg, BRIDS Estimates

Exhibit 16. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	**72,597**	**74,851**	**83,432**	**89,320**	**95,411**
COGS	(45,704)	(48,491)	(54,985)	(58,743)	(62,295)
Gross profit	**26,893**	**26,360**	**28,447**	**30,577**	**33,116**
EBITDA	**17,656**	**17,191**	**18,703**	**19,749**	**21,065**
Oper. profit	**16,191**	**15,666**	**17,123**	**18,206**	**19,634**
Interest income	824	694	365	372	331
Interest expense	(2,142)	(2,153)	(2,466)	(2,276)	(2,087)
Forex Gain/(Loss)	(2,113)	(1,711)	(1,939)	(1,735)	(1,461)
Income From Assoc. Co's	(1,390)	236	263	282	301
Other Income (Expenses)	130	990	330	345	386
Pre-tax profit	**11,499**	**13,721**	**13,676**	**15,195**	**17,105**
Income tax	(2,686)	(2,965)	(3,146)	(3,495)	(3,934)
Minority interest	(1,734)	(1,531)	(1,707)	(1,827)	(2,099)
Net profit	**7,079**	**9,225**	**8,824**	**9,873**	**11,072**
Core Net Profit	**10,412**	**9,980**	**10,170**	**10,980**	**12,146**

Exhibit 17. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	25,293	29,216	31,564	34,909	38,592
Receivables	8,792	10,291	11,470	12,280	13,117
Inventory	7,060	7,999	9,070	9,690	10,276
Other Curr. Asset	1,106	1,241	1,384	1,481	1,582
Fixed assets - Net	15,504	17,660	19,159	20,703	22,474
Other non-curr.asset	65,870	66,730	66,504	66,393	66,286
Total asset	**126,041**	**135,544**	**141,558**	**147,863**	**154,734**
ST Debt	185	577	577	577	577
Payables	5,167	5,635	6,390	6,826	7,239
Other Curr. Liabilities	4,646	5,400	6,019	6,444	6,883
Long Term Debt	45,439	46,855	47,112	47,155	47,196
Other LT. Liabilities	3,559	3,395	3,835	4,099	4,354
Total Liabilities	**58,997**	**61,861**	**63,932**	**65,101**	**66,249**
Shareholder'sFunds	45,217	51,520	54,972	59,607	64,817
Minority interests	21,827	22,163	22,654	23,155	23,668
Total Equity & Liabilities	**126,041**	**135,544**	**141,558**	**147,863**	**154,734**

Exhibit 18. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	7,079	9,225	8,824	9,873	11,072
Depreciation and Amort.	1,465	1,525	1,580	1,543	1,431
Change in Working Capital	(1,493)	(1,269)	(1,044)	(682)	(689)
OtherOper. Cash Flow	730	1,230	2,525	2,162	2,001
Operating Cash Flow	**7,781**	**10,711**	**11,885**	**12,895**	**13,814**
Capex	(1,802)	(3,435)	(2,974)	(3,086)	(3,202)
Others Inv. Cash Flow	2,825	(269)	631	505	464
Investing Cash Flow	**1,023**	**(3,705)**	**(2,343)**	**(2,580)**	**(2,738)**
Net change in debt	1,634	1,807	257	43	41
New Capital	(43)	1,466	491	501	513
Dividend payment	(3,705)	(4,203)	(5,476)	(5,238)	(5,861)
Other Fin. Cash Flow	(2,142)	(2,153)	(2,466)	(2,276)	(2,087)
Financing Cash Flow	**(4,256)**	**(3,083)**	**(7,195)**	**(6,970)**	**(7,394)**
Net Change in Cash	**4,549**	**3,924**	**2,348**	**3,345**	**3,682**
Cash - begin of the year	19,353	25,293	29,216	31,564	34,909
Cash - end of the year	25,293	29,216	31,564	34,909	38,592

Exhibit 19. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	6.9	3.1	11.5	7.1	6.8
EBITDA	9.3	(2.6)	8.8	5.6	6.7
Operating profit	9.6	(3.2)	9.3	6.3	7.8
Net profit	1.3	30.3	(4.3)	11.9	12.1
Core profit	12.3	(4.1)	1.9	8.0	10.6
Profitability (%)					
Gross margin	37.0	35.2	34.1	34.2	34.7
EBITDA margin	24.3	23.0	22.4	22.1	22.1
Operating margin	22.3	20.9	20.5	20.4	20.6
Net margin	9.8	12.3	10.6	11.1	11.6
ROAA	5.8	7.1	6.4	6.8	7.3
ROAE	16.5	19.1	16.6	17.2	17.8
Leverage					
Net Gearing (x)	0.3	0.2	0.2	0.2	0.1
Interest Coverage (x)	7.6	7.3	6.9	8.0	9.4

Source: ICBP, BRIDS Estimates

Equity Research – Company Update

Thursday, 12 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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