

# Astra International (ASII): IDR 5,050 – BUY, SSI TP: IDR 5,900; Cons. TP: IDR 5,869



Results: (IDR Bn)	3Q24	2Q24	3Q23	QoQ (%)	YoY (%)	9M24	9M23	YoY (%)	SSI (%)	Cons (%)
Revenue	86,362	78,758	78,520	9.7	10.0	246,329	240,329	2.2	82.7	78.8
Automotive	34,525	30,811	33,438	12.1	3.3	99,529	99,162	0.4	87.6	-
Financing	8,592	8,136	7,730	5.6	11.2	24,504	21,983	11.5	77.3	-
HEMCE	35,044	32,102	28,921	9.2	21.2	99,558	97,558	2.0	83.7	-
Others	8,201	7,709	8,431	6.4	-2.7	22,738	22,170	2.6	67.7	-
Gross Profit	19,052	18,015	16,954	5.8	12.4	54,652	53,587	2.0	80.8	78.9
Operating Profit	10,924	10,694	9,713	2.2	12.5	31,772	32,439	-2.1	81.7	80.4
Net Profit	9,998	8,392	8,242	19.1	21.3	25,854	25,691	0.6	78.6	84.1
<b>Key Ratios</b>										
GPM (%)	22.1	22.9	21.6	-	-	22.2	22.2	-	-	-
OPM (%)	12.6	13.6	12.4	-	-	12.9	13.5	-	-	-
NPM (%)	11.6	10.7	10.5	-	-	10.5	10.7	-	-	-

## SWOT Analysis of the Results (Above ours and cons)

### Strength

3Q24 bottom line jumped +19.1% QoQ/+21.3% YoY, driven mainly by forex gain thanks to stronger IDR; automotive revenue grew +12.1% QoQ/+3.3% YoY in 3Q24, supported by seasonality and GIAS; UNTR and financing segment booked solid 3Q24 results, fueled by strong heavy equipment sales and robust demand for used car and 2W financing

### Weakness

3Q24 automotive gross margin declined to 11.0% (vs. 11.4% in 3Q23), primarily due to aggressive discounts and promotional efforts aimed at bolstering weakening 4W demand amid economic uncertainty

### Opportunity

Upcoming BI rate cut(s) are expected to reduce the interest on auto loans, potentially boosting 4W demand; low BEV penetration rate in Indonesia, mainly due to limited number of charging stations, should benefit ASII and its HEV line-up; earnings upgrades may improve sentiment and result in market underperformance reversal

### Threat

Weak consumer spending may hinder 4W sales recovery, adversely affecting ASII's future growth; competition from Chinese EV players could place pressure on ASII's market share; current IDR depreciation may spell further bad news for ASII's auto segment which has high USD-linked COGS of around 80-85% (our assumption)

## Peer Comparables

Company Ticker	Market Cap. (IDR Tn)	Last Price (IDR)	Target Price (IDR)	2024F				
				P/E (x)	EPS Gwt (%)	P/B (x)	DY (%)	ROE (%)
Toyota Motor	4,520	n.a.	-	8.8	-13.2	1.0	3.1	12.3
General Motors	956	n.a.	-	5.4	38.4	1.0	0.8	17.6
Honda Motor	767	n.a.	-	6.3	-0.4	0.5	4.9	8.4
BMW	732	n.a.	-	5.1	-25.1	0.5	7.1	9.4
Hyundai Motor	489	n.a.	-	3.8	18.6	0.5	6.2	13.6
ASII IJ	204	5,050	5,900	6.6	-8.6	1.0	8.4	14.8
Isuzu Motors	151	n.a.	-	8.9	-3.5	1.0	4.7	11.0
Mitsubishi Motors	70	n.a.	-	5.3	-16.0	0.6	3.4	12.4
<b>Sector</b>	<b>7,889</b>	-	-	<b>7.3</b>	<b>-4.8</b>	<b>0.8</b>	<b>3.8</b>	<b>12.3</b>

## Relative Performance vs JCI

