Indofood CBP Sukses Makmur (ICBP) – 15 July 2025

- ICBP, the world's largest noodle maker, booked mixed 1Q25 total sales growth of +1.3 YoY from its four core segments: instant noodles (+1.6% YoY; 73.9% of revenues), dairy (-1.6% YoY; 13.5%), food seasonings (+5.4% YoY; 6.8%), and snacks (+3.8% YoY; 6.0%). In terms of earnings, ICBP managed to book 1Q25 net profit of nearly IDR 2.7tn, +13.0% YoY, helped by gains from associates/JV, while gross profit fell 4.0% YoY and EBIT dropped 8.2% YoY on cost pressures.
- Amid weakening economic conditions and declining purchasing power, demand for instant noodles is expected to remain resilient given its status as the cheapest full meal in Indonesia, reinforcing ICBP's defensive product positioning. ICBP maintains a dominant ~70% market share in instant noodles, allowing the company to capture consumer down-trading amid the current low purchasing power environment. On the cost side, ICBP experienced falling 1Q25 gross and EBIT margins mainly due to inability to increase prices and IDR depreciation, which adversely impacted prices of USD-linked raw materials such as CPO (also affected by rising Soybean Oil prices, +10.2% YoY).
- Looking ahead, ICBP may benefit from lower flour prices on wheat's 0% tariff from the US. On valuation, we find ICBP attractive trading on 2026F P/E of 10.6x, translating to 0.8x PEG. Our TP of IDR 14,000 is based on DCF, reflecting 34.6% upside potential. Risks to our call are further IDR depreciation coupled with higher raw materials prices amid continued current weak purchasing power.

Stock Data

Key Information		
Share Price (IDR)	:	10,400
12M High/Low; YTD High/Low (IDR)	:	12,875/9,450; 12,000/9,450
12M Change; YTD Change (%)	:	34.7/34.0
12M SSI/Consensus TPs (IDR)	:	14,000/14,065
3M Avg. Daily Turn. (IDRbn/USDmn)	:	51.5/3.2
Mkt. Cap. (IDRtn/USDmn)	:	120.4/7,400.0
Shares Outstanding (bn)/Free Float (%)	:	11.7/19.5
Majority Shareholder (%)	:	PT Indofood Sukses Makmur Tbk - 80.5

Major Drivers

Year to 31 Dec (%)	2023A	2024A	1Q24A	1Q25A	2025F	2026F	2027F
Revenue Growth	4.8	6.9	4.1	1.3	6.6	6.6	6.2
Gross Profit Margin	37.0	37.0	38.2	36.1	36.7	37.6	37.8
Gross Profit Growth	15.3	7.0	9.2	(4.0)	5.7	9.0	6.7
EBITDA Margin	24.3	24.8	26.3	24.1	25.6	26.2	26.4
EBITDA Growth	16.7	9.2	11.0	(7.2)	10.0	9.2	6.9
EBIT Margin	21.8	22.3	24.1	21.8	23.0	24.0	24.3
EBIT Growth	19.0	9.6	11.6	(8.2)	10.0	11.1	7.4
Net Profit Margin	10.3	9.8	11.8	13.2	13.0	13.9	14.0
Net Profit Growth	52.4	1.3	(40.5)	13.0	42.5	13.5	6.8

Source: Company, Bloomberg, SSI

Key Valuations & Ratios (@ IDR 10,400) (1Q24 & 1Q25 Annualized)

YE to Dec 31	2023A	2024A	1Q24A	1Q25A	2025F	2026F	2027F
EV/EBITDA (x)	8.9	7.9	5.7	6.4	6.8	6.1	5.3
EPS (IDR)	598	605	804	908	865	982	1,048
EPS Growth (%)	52.4	1.3	(40.5)	13.0	43.0	13.5	7.0
P/E (x)	17.4	17.2	12.9	11.5	12.0	10.6	9.9
BVPS (IDR)	5,308	5,730	5,520	5,967	6,151	6,460	6,760
P/BV (x)	2.0	1.8	1.9	1.7	1.7	1.6	1.5
DPS (IDR)	200	250	N/A	N/A	304	433	491
DPR (%)	33.4	41.2	N/A	N/A	50.0	50.0	50.0
Div. Yield (%)	1.9	2.4	N/A	N/A	2.9	4.2	4.7
ROE (%)	11.3	10.6	3.6	3.8	14.0	15.0	16.0
ROA (%)	5.9	5.6	7.6	8.1	8.0	9.0	9.0
DER (%)	70.5	67.7	69.4	66.6	64.0	57.0	54.0
Net Gearing (%)	39.3	30.0	37.8	29.7	19.0	19.0	12.0

Source: Company, Bloomberg, SSI

Financial Highlights

YE to Dec 31 (IDRtn)	2023A	2024A	1Q24A	1Q25A	2025F	2026F	2027F
Profit & Loss							
Revenues	67.9	72.6	19.9	20.2	77.4	82.5	89.4
Gross Profit	25.1	26.9	7.6	7.3	28.4	31.0	33.0
EBITDA	16.5	18.0	5.2	4.9	19.8	21.6	22.0
EBIT	14.8	16.2	4.8	4.4	17.8	19.8	20.1
Net Profit	7.0	7.1	2.4	2.7	10.1	11.5	12.5
Balance Sheet							
Cash	19.4	25.3	20.4	25.8	32.3	31.9	34.7
Fixed Assets	14.7	15.3	14.7	15.6	15.5	15.8	16.2
Total Assets	119.3	126.0	123.6	130.7	132.2	133.2	137.4
Debt	43.8	45.4	44.8	46.5	46.2	42.9	42.7
Total Liabilities	57.2	59.0	59.0	60.9	60.4	57.8	58.5
Shareholders' Equity	62.1	67.0	64.6	69.8	71.7	75.3	78.8

Source: Company, Bloomberg, SSI

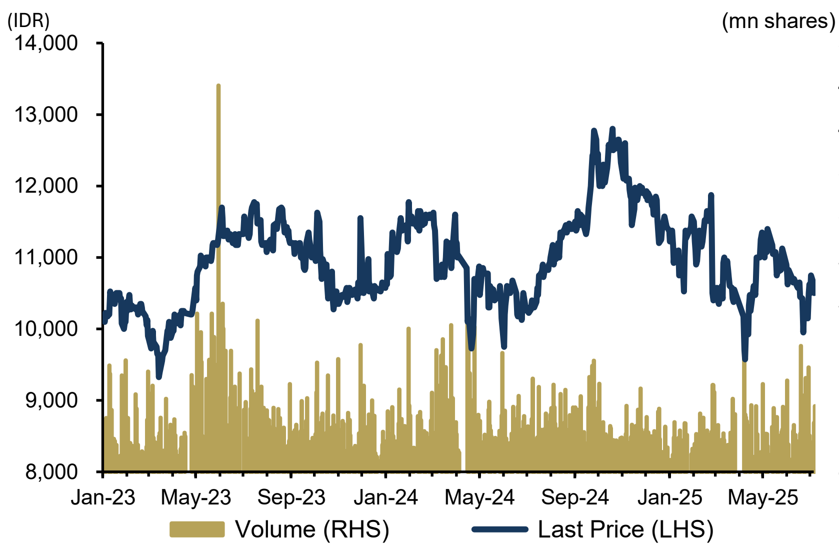
Indofood CBP Sukses Makmur (ICBP) – 15 July 2025

Peer Comparables, 2025F

Name	Ticker	Region	Last Price (Local Currency)	Market Cap (USDmn)	Revenue Growth (%)	Net Profit (USDmn)	Net Profit Growth (%)	EPS Growth (x)	PE (x)	PBV (x)	Div. Yield (%)	ROE (%)	ROA (%)	Net Gearing (%)
Uni-President Enterprises	1216 TT	Taiwan	84.6	16,343.5	15.9	810.5	25.9	28.3	20.1	3.4	3.6	17.9	4.0	72.4
Indofood CBP Sukses Makmur Tbk PT	**ICBP IJ**	**Indonesia**	**10,400**	**7,465.8**	**6.6**	**623.5**	**42.5**	**42.5**	**12.0**	**1.7**	**2.9**	**14.0**	**8.0**	**19.0**
Nissin Food Holdings Co Ltd	2897 JT	Japan	2,932	5,568.7	6.0	355.0	1.6	3.5	16.0	1.8	2.4	10.7	6.5	Net Cash
Indofood Sukses Makmur Tbk PT	INDF IJ	Indonesia	8,325	4,514.6	6.4	680.2	27.6	27.6	6.4	1.0	7.1	15.9	4.9	43.6
Mayora Indah Tbk PT	MYOR IJ	Indonesia	2,080	2,853.4	8.1	191.7	1.3	1.3	15.1	2.4	2.6	17.0	10.1	19.6
Nongshim Co Ltd	004370 KS	South Korea	417,500	1,839.5	5.6	136.4	18.2	14.0	13.5	0.9	1.2	6.7	5.0	Net Cash
Sector				***38,585.5***	***10.5***	***615.4***	***23.6***	***24.7***	***15.7***	***2.4***	***3.5***	***15.3***	***5.7***	***50.6***

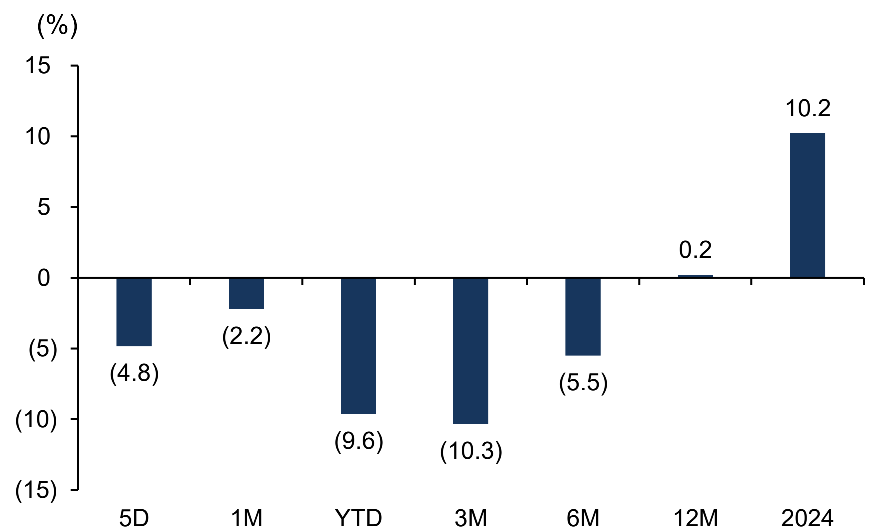
Source: Bloomberg, Company

Stock Price & Volumes, 12-months



Source: Bloomberg

ICBP Relative Performance to JCI (%)



Source: Bloomberg