

1Q25 PATMI of 13% yoy on forex net gains

7 May 2025



ICBP IJ	BUY
Sector	Consumer
Price at 6 May 2025 (IDR)	11,275
Price target (IDR)	13,990
Upside/Downside (%)	24.1

Stock Information

Indofood CBP Sukses Makmur (ICBP) is leading consumer company, engaged in diverse business categories, including noodles, dairy, snack foods, food seasonings, nutrition and special foods, and beverages. It also operates a packaging business, producing flexible and corrugated packaging for its products.

Market cap (IDR bn)	130,613
Shares outstanding (mn)	11,662
52-week range (IDR)	9,450-12,875
3M average daily vol. ('000)	4,603
3M average daily val. (IDR mn)	49,175

Shareholders (%)

Indofood Sukses Makmur	80.5
Public	19.5

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	12.7	4.8	5.8

Analyst

Akhmad Nurcahyadi  
akhmad.nurcahyadi@kbvalbury.com

Strong 1Q25 net profit growth (13% yoy) backed by foreign exchange net gains. EBIT margin of 25.5% vs 24.7% in 3M24 surpassing company guidance. We expect stronger top line (1Q25: 1% yoy) in the coming quarters mainly on better volume growth and ASP adjustment, while potential stability of soft cost input; (3) manageable opex and stable net finance income (expenses) should become as a strong catalyst for earnings. Maintain BUY with a blended TP of IDR 13,990 (20.6x '25F P/E), while currently trading at 16.5x '24F P/E, slightly below its -1SD of 16.6x '24F P/E.

Solid 1Q25 net income growth on foreign exchange net gains

Amid the weak top line and lower gross profit (-4.0% yoy), ICBP recorded a double-digit net income growth of 13% yoy, mainly driven by softer opex and a frog leaped operating income by 234% yoy, prompted by net gains on foreign exchange different from IDR 51.2bn to IDR 640.9bn in 3M25. triggered by. Steady finance expenses also overall help the income for the period growth of 11% yoy to IDR 3.03tn. Excluding the one-time gain, the 1Q25 core profit arrive at 5% yoy lower to IDR3.07tn. In all, ICBP 1Q25 came below street estimates and above our '25F projection for ICBP (33.6/24.9%).

Acceptable noodles segment growth

The net revenue growth of 1.6% yoy were still supported by ICBP's main growth driver. Across the segment, nutrition saw the highest growth of 7.7% yoy, while beverages recorded a sharp drop in sales by 12.7% yoy to IDR 372bn due to declining volume sales. Dairy also saw an inched down revenue on the back of lower volume growth. On the flip of coin, noodles as the main backbone sales driver saw an increasing volume growth by around 4% yoy, impacting to higher revenue to IDR 14.9tn (1.6% yoy). Amid contributing only a small portion to total consolidated sales, nutrition seing the highest growth across the revenue segmentation (7.7% yoy), while Snacks (3.8% yoy) and Food Seasonings (5.4% yoy) also posted a much better volume growth.

Slightly higher EBIT margin, in-line with guidance

Gross profit margins came under pressure (2.02% yoy), while on EBIT margin level it slightly improving (0.84% yoy) and were much stronger on quarterly basis of 3.4% qoq as well as surpassing company expectation range of 20%-22%. On segmentation, pressure on noodle business remains with GPM came in at 36.1% (-2.02% yoy, 0.39% qoq) on the back of higher CPO prices. Among the segment boards, food seasonings and nutrition noted a better EBIT margin at 2.54% and 0,60%, respectively. Additionally, bottom line margin came in at 1.36% higher.

Expecting much stronger result in the coming quarters

Worth to note that despite the single digit top line growth and PATMI growth driver, the 1Q25 net income is considerably came in at strong figure compared to a net loss of IDR 1.07tn in 4Q24. On this backdrop we maintain our positive outlook on ICBP. We expect '25F ICBP's top line growth at IDR76.78tn or grew by 5.8% yoy ('25F guidance 7%-9% yoy) on better volume growth and ASP adjustment. On EBIT level, our '25F operating income for ICBP likely to arrive at IDR16.7tn, translating into EBIT margin of around 21.8% or in-line with ICBP '25F expectation at around 22%.

Maintain BUY TP of IDR13,990.

Our blended TP of IDR13,990 implies 20.6x '25F P/E, while it is currently trading at 16.5x '25F P/E, or slightly below its -1SD of 16.6x '25F P/E. Risks to our call: a) lower-than-expected purchasing power, volume, asp growth, and EBIT achievement; b) higher than expected input costs, which could pressure and drag down margin further; c) intensifying competition from substitute brands; and d) softened than expected spending.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	67,910	72,597	76,787	82,851	88,779
Operating profit	14,388	16,321	16,747	18,129	19,226
Net profit	6,991	7,079	7,906	8,887	10,082
EPS (Rp)	599	607	678	762	865
EPS growth (%)	52.4	1.3	11.7	12.4	13.5
ROE (%)	18.1	14.0	16.5	16.7	17.3
ROA (%)	6.0	5.8	6.1	6.4	6.9
PER (x)	18.7	18.4	16.5	14.7	13.0
PBV (x)	3.7	3.2	2.9	2.6	2.3
EV/EBITDA (x)	9.6	8.3	8.2	7.2	7.0
Div Yield (%)	2.0	2.1	1.9	2.1	2.4

Source: Company, KBVS Research

**Indofood CBP Sukses Makmur (ICBP)**
**Exhibit 2: ICBP 1Q25 financial and key performance metrics results**

Profit and Loss (IDRbn)	3M24	3M25	YoY (%)	1Q24	1Q25	YoY (%)	4Q24	QoQ (%)	KBVS '25F	% to KBVS '25F	Cons. 25F	% to Cons. '25F
Net revenue	19,922	20,186	1.3	19,922	20,186	1.3	17,111	(15.2)	76,787	26.3%	78,846	25.6%
COGS	(12,321)	(12,891)	4.6	(12,321)	(12,891)	4.6	(10,862)	(15.7)				
Gross Profit	7,601	7,294	(4.0)	7,601	7,294	(4.0)	6,249	(14.3)	28,460	25.6%	29,173	25.0%
Opex	(2,800)	(2,822)	0.8	(2,800)	(2,822)	0.8	(2,464)	(12.7)				
Other operating income	225	749	233.1	225	749	233.1	81	(89.2)				
Other operating expenses	(108)	(68)	(36.7)	(108)	(68)	(36.7)	459	(771.8)				
EBIT	4,918	5,153	4.8	4,918	5,153	4.8	4,325	(16.1)	16,747	30.8%	17,572	29.3%
EBITDA	5,348	5,599	4.7	5,348	5,599	4.7	4,153	(25.8)				
Finance income	211	211	(0.2)	211	211	(0.2)	(548)	n/a				
Finance expenses	(1,703)	(1,678)	(1.4)	(1,703)	(1,678)	(1.4)	(2,713)	61.7				
Other income (exp.)	(29)	44	(250.5)	(29)	44	(250.5)	(983)	n/a				
Pre-tax income	3,398	3,730	9.8	3,398	3,730	9.8	(459)	n/a	12,856	29.0%	15,635	23.9%
Taxes	(675)	(695)	3.0	(675)	(695)	3.0	(101)	(85.5)				
Minority interest	(371)	(378)	1.8	(371)	(378)	1.8	(510)	35.1				
Profit for the period	2,723	3,035	11.5	2,723	3,035	11.5	(559)	n/a				
Net Income	2,352	2,657	13.0	2,352	2,657	13.0	(1,070)	n/a	7,906	33.6%	10,674	24.9%

Segmentation sales (IDRbn)	3M24	3M25	YoY (%)	1Q24	1Q25	YoY (%)	4Q24	QoQ (%)
Noodles	14,678	14,910	1.6	14,678	14,910	1.6	12,548	(15.8)
Dairy	2,765	2,720	(1.6)	2,765	2,720	(1.6)	2,419	(11.1)
Snacks	1,164	1,208	3.8	1,164	1,208	3.8	1,072	(11.2)
Food Seasonings	1,302	1,372	5.4	1,302	1,372	5.4	998	(27.3)
Nutrition foods	335	361	7.7	335	361	7.7	333	(7.8)
Beverages	426	372	(12.7)	426	372	(12.7)	404	8.4
Total	20,670	20,943	1.3	20,670	20,943	1.3	17,773	(15.1)
Elimination	(748)	(757)	1.2	(748)	(757)	1.2	(662)	(12.5)
Net	19,922	20,186	1.3	19,922	20,186	1.3	17,111	(15.2)

Segmentation EBIT (IDRbn)	3M24	3M25	YoY (%)	1Q24	1Q25	YoY (%)	4Q24	QoQ (%)
Noodles	4,093	3,851	(5.9)	4,093	3,851	(5.9)	3,261	(15.3)
Dairy	361	292	(19.1)	361	292	(19.1)	235	(19.4)
Snacks	89	44	(50.7)	89	44	(50.7)	105	139.3
Food Seasonings	153	196	28.2	153	196	28.2	68	(65.4)
Nutrition foods	33	38	14.3	33	38	14.3	24	(36.4)
Beverages	70	51	(27.5)	70	51	(27.5)	91	79.3
Total	4,799	4,472	(6.8)	4,799	4,472	(6.8)	3,784	(15.4)
Elimination * unallocated inco	119	682	472.7	119	682	472.7	541	(20.6)
Total	4,918	5,153	4.8	4,918	5,153	4.8	4,325	(16.1)

Margins (%)	3M24	3M25	YoY (%)	1Q24	1Q25	YoY (%)	4Q24	QoQ (%)
Gross Profit	38.2	36.1	(2.02)	38.15	36.14	(2.02)	36.5	(0.39)
EBIT	24.7	25.5	0.84	24.69	25.53	0.84	25.3	0.25
EBITDA	26.8	27.7	0.89	26.84	27.74	0.89	24.3	3.46
Pretax	17.1	18.5	1.42	17.06	18.48	1.42	(2.7)	21.16
Net Profit	11.8	13.2	1.36	11.80	13.16	1.36	(6.3)	19.41

Segmentation margin (%)	3M24	3M25	YoY (%)	1Q24	1Q25	YoY (%)	4Q24	QoQ (%)
Noodles	27.9	25.8	(2.06)	27.9	25.8	(2.06)	26.0	(0.2)
Dairy	13.1	10.7	(2.32)	13.1	10.7	(2.32)	9.7	1.0
Snacks	7.6	3.6	(4.02)	7.6	3.6	(4.02)	9.8	(6.2)
Food Seasonings	11.8	14.3	2.54	11.8	14.3	2.54	6.8	7.5
Nutrition foods	9.9	10.4	0.60	9.9	10.4	0.60	7.2	3.2
Beverages	16.4	13.6	(2.80)	16.4	13.6	(2.80)	22.5	(8.9)
Total	24.7	25.5	0.84	24.69	25.53	0.84	25.3	0.25

Source: Company, KBVS Research

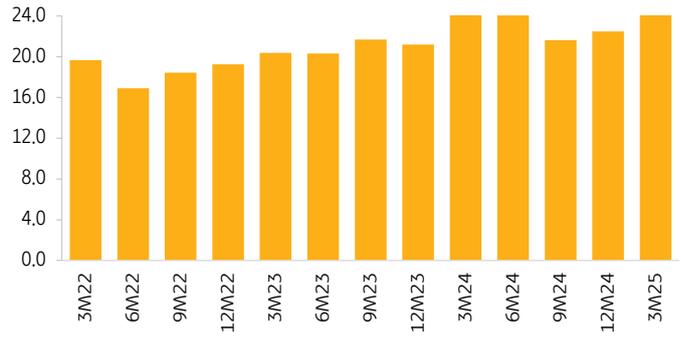
Indofood CBP Sukses Makmur (ICBP)

Exhibit 3: Improving GPM on steady low cost input (%)...



Source: Company, KBVS Research

Exhibit 4: ..coupled with stronger EBIT margin (%)



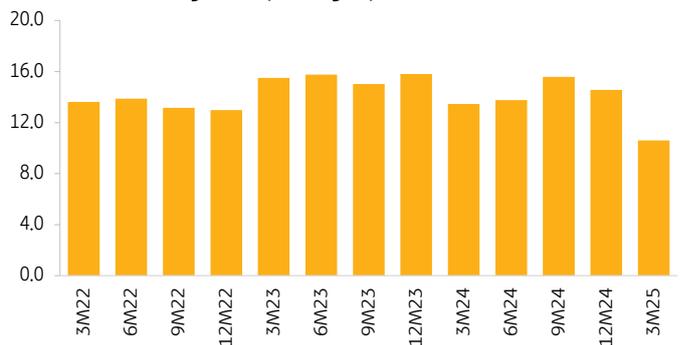
Source: Company, KBVS Research

Exhibit 5: % to sales cost input likely to remain soft (%)...



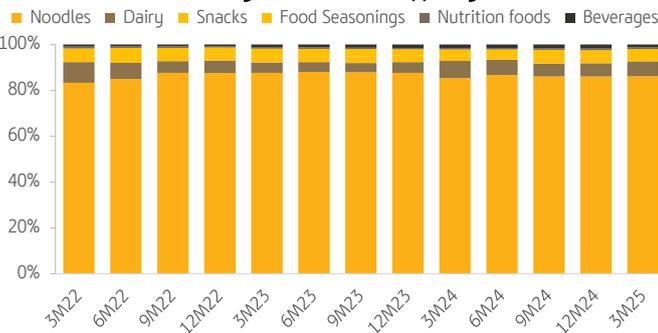
Source: Company, KBVS Research

Exhibit 6: ..with manageable operating expenses to sales (%)...



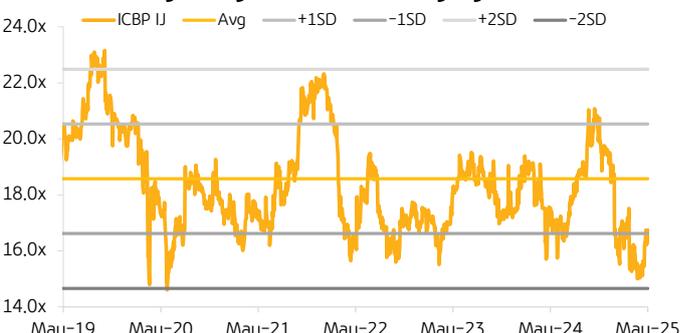
Source: Company, KBVS Research

Exhibit 7: Noodles continuing crucial role to support growth (%)



Source: Company, KBVS Research

Exhibit 8: Currently trading at 16.5x '24F P/E, slightly below -1SD of 16.6x P/E



Source: Company, KBVS Research

FINANCIAL TABLES

Exhibit 9: Profit & Loss

Year End Dec (IDR bn)	2022A	2023A	2024F	2025F	2026F
<b>Revenues</b>	<b>67,910</b>	<b>72,597</b>	<b>76,787</b>	<b>82,851</b>	<b>88,779</b>
Cost of revenues	(42,784)	(45,704)	(48,326)	(52,419)	(56,541)
<b>Gross profit</b>	<b>25,126</b>	<b>26,893</b>	<b>28,460</b>	<b>30,432</b>	<b>32,238</b>
Operating expenses	(10,739)	(10,572)	(11,713)	(12,303)	(13,012)
<b>EBIT</b>	<b>14,388</b>	<b>16,321</b>	<b>16,747</b>	<b>18,129</b>	<b>19,226</b>
EBITDA	16,082	18,096	18,415	19,894	21,258
Net finance income (expenses)	(531)	(3,292)	(3,094)	(2,584)	(1,517)
Other income/(expenses)	(2,412)	(1,529)	(797)	(917)	(1,113)
<b>Pretax profit</b>	<b>11,445</b>	<b>11,499</b>	<b>12,856</b>	<b>14,628</b>	<b>16,596</b>
Tax expenses	(2,980)	(2,686)	(3,214)	(3,657)	(4,149)
<b>Net profit</b>	<b>6,991</b>	<b>7,079</b>	<b>7,906</b>	<b>8,887</b>	<b>10,082</b>

Source: Company, KBVS Research

**Exhibit 10: Balance Sheet**

Year End Dec (IDR bn)	2022A	2023A	2024F	2025F	2026F
Cash and other investments	21,687	27,710	26,731	37,053	38,737
Receivables	7,524	8,792	8,192	8,042	8,206
Inventories	6,329	7,060	7,163	7,821	8,506
Other current assets	1,232	1,106	1,041	1,145	1,239
<b>Total current assets</b>	<b>36,773</b>	<b>44,668</b>	<b>43,126</b>	<b>54,062</b>	<b>56,688</b>
Deferred tax assets	320	270	488	452	448
Long term investments	8,369	6,419	11,737	12,614	12,827
Fixed assets	14,711	15,266	15,800	16,333	16,880
Rights of use assets	238	237	227	234	233
Deferred charges – net	54	53	88	80	79
Goodwill	54,006	54,006	57,123	53,853	57,706
Intangible assets	1,446	1,313	2,150	2,097	2,136
Other non current assets	3,351	3,809	3,361	3,531	3,824
<b>Total non-current assets</b>	<b>82,495</b>	<b>81,373</b>	<b>90,974</b>	<b>89,194</b>	<b>94,132</b>
<b>Total assets</b>	<b>119,269</b>	<b>126,041</b>	<b>134,100</b>	<b>143,256</b>	<b>150,821</b>
Current liabilities					
Short-term debts	113	185	195	204	215
Payables	4,952	5,167	5,587	5,961	6,343
Curr matt LT Loans	456	352	0	0	0
Other current liabilities	4,944	5,220	5,425	5,740	6,000
<b>Total current liabilities</b>	<b>10,464</b>	<b>10,925</b>	<b>11,206</b>	<b>11,905</b>	<b>12,558</b>
Non-current liabilities					
Long-term debts	1,059	663	696	731	767
Bonds payable	42,125	44,211	46,422	49,671	52,155
Other non-current liabilities	3,514	3,198	3,888	3,250	3,507
<b>Total non-current liabilities</b>	<b>46,699</b>	<b>48,072</b>	<b>51,006</b>	<b>53,652</b>	<b>56,429</b>
<b>Shareholder's Equity</b>	<b>40,752</b>	<b>45,217</b>	<b>50,350</b>	<b>56,176</b>	<b>60,284</b>
<b>Total liabilities and equity</b>	<b>119,269</b>	<b>126,041</b>	<b>134,100</b>	<b>143,256</b>	<b>150,821</b>

Source: Company, KBVS Research

**Exhibit 11: Cash Flow**

Year End Dec (IDR bn)	2022A	2023A	2024F	2025F	2026F
Net profit	6,991	7,079	7,906	8,887	10,082
Depreciation & amortization	1,229	1,275	1,388	1,485	1,572
Changes in working capital	1,261	(1,380)	1,186	75	(300)
<b>CF from operating activities</b>	<b>9,480</b>	<b>6,974</b>	<b>10,480</b>	<b>10,447</b>	<b>11,354</b>
Decr. (incr.) in fixed assets	(1,419)	(1,830)	(1,922)	(2,018)	(2,119)
Decr. (incr.) in non-current assets	1,930	1,677	(9,066)	2,312	(4,391)
Other investing activities	381	337	969	337	337
<b>CF from investing activities</b>	<b>892</b>	<b>184</b>	<b>(10,019)</b>	<b>631</b>	<b>(6,173)</b>
Net change in gross debt	(2,076)	1,659	1,901	3,294	2,530
Dividends paid	(2,739)	(2,478)	(2,767)	(3,110)	(5,041)
Other financing activities	232	(316)	(574)	(940)	(986)
<b>CF from financing activities</b>	<b>(4,583)</b>	<b>(1,136)</b>	<b>(1,440)</b>	<b>(756)</b>	<b>(3,497)</b>
<b>Cash at end of period</b>	<b>21,687</b>	<b>27,710</b>	<b>26,731</b>	<b>37,053</b>	<b>38,737</b>

Source: Company, KBVS Research

**Exhibit 12: Key performance metrics**

Year End Dec (%)	2022A	2023A	2024F	2025F	2026F
Gross profit margin (%)	37.0	37.0	37.1	36.7	36.3
Operating profit margin (%)	21.2	22.5	21.8	21.9	21.7
EBITDA margin	23.7	24.9	24.0	24.0	23.9
Net profit margin (%)	10.3	9.8	10.3	10.7	11.4
ROAE (%)	18.1	14.0	16.5	16.7	17.3
ROAA (%)	6.0	5.8	6.1	6.4	6.9
Net gearing (x)	59.9	44.5	40.9	24.1	23.9
Interest coverage ratio (x)	7.1	3.8	4.0	4.3	5.6
PER (x)	18.7	18.4	16.5	14.7	13.0
PBV (x)	3.2	2.9	2.6	2.3	2.2
EV/EBITDA (x)	9.6	8.3	8.2	7.2	7.0
Dividend Yield (%)	2.1	1.9	2.1	2.4	3.9

*Source: Company, KBVS Research*

## Disclaimer

This report is prepared by PT KB Valbury Sekuritas, a member of the Indonesia Stock Exchange, or its subsidiaries or its affiliates ("KBVS"). All the material presented in this report is under copyright to KBVS. None of the parts of this material, nor its contents, may be copied, photocopied, or duplicated in any form or by any means or altered in any way, or transmitted to, or distributed to any other party without the prior written consent of KBVS.

The research presented in this report is based on the information obtained by KBVS from sources believed to be reliable, however KBVS do not make representations as to their accuracy, completeness or correctness. KBVS accepts no liability for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from the use of the material presented in this report and further communication given or relied in relation to this document. The material in this report is not to be construed as an offer or a solicitation of an offer to buy or sell any securities or financial products. This report is not to be relied upon in substitution for the exercise of independent judgement. Past performance and no representation or warranty, express or implied, is made regarding future performance. Information, valuations, opinions, forecasts and estimates contained in this report reflects a judgement at its original date of publication by KBVS and are subject to change without notice, its accuracy is not guaranteed or it may be incomplete.

The Research Analyst(s) primarily responsible for the content of this research report, in part or as a whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The Analyst also certifies that no part of his/her compensation was, is or will be related to specific recommendation views expressed in this report. It also certifies that the views and recommendations expressed in this report do not and will not take into account client circumstances, objectives, needs and no intentions involved as a use for recommendations for sale or buy any securities or financial instruments.

## KB Valbury Sekuritas Head Office

Sahid Sudirman Center 41<sup>st</sup> Floor Unit A-C  
Jalan Jenderal Sudirman No. 86 Kelurahan Karet Tengsin,  
Kecamatan Tanah Abang, Jakarta Pusat 10220, Indonesia  
T. +62 21 – 250 98 300  
F. +62 21 – 255 33 778

## Branch Office

### Jakarta – Sudirman

Sahid Sudirman Center 41<sup>st</sup> Floor Unit A-C  
Jalan Jenderal Sudirman No. 86 Karet Tengsin,  
Tanah Abang, Jakarta Pusat 10220  
T. (021) 25098300/301

### Jakarta – Kelapa Gading

Rukan Plaza Pasifik  
Jl. Raya Boulevard Barat Blok A1 No. 10  
Jakarta Utara 11620  
T. (021) 29451577

### Jakarta – Puri Indah

Rukan Grand Aries Niaga Blok E1 No. IV  
Jl. Taman Aries, Kembangan  
Jakarta Barat 11620  
T. (021) 22542390

### Jakarta – Pluit

Jl. Pluit Putra Raya No. 2  
Jakarta Utara 14450  
T. (021) 6692119

### Bandung

Jl. HOS Cokroaminoto No. 82  
Bandung 40171  
T. (022) 87255800

### Malang

Jl. Pahlawan Trip No. 7  
Malang 65112  
T. (0341) 585888

### Banjarmasin

Jl. Gatot Subroto No. 33  
Banjarmasin 70235  
T. (0511) – 3265918

### Pekanbaru

Jl. Tuanku Tambusai, Komplek CNN  
Blok A No. 3 Pekanbaru 28291  
T. (0761) 839393

### Palembang

Komplek PTC Mall Blok I No. 7  
Jl. R. Sukanto  
Palembang 30114  
T. (0711) 5700281

### Surabaya

Pakuwon Center Lt 21  
Jl. Embong Malang No.1  
Surabaya 60261  
T. (031) 2955788

### Padang

Jl. Kampung Nias II No. 10,  
Padang 25211  
T. (0751) 8955747

### Yogyakarta

Jl. Magelang KM 5.5 No. 75  
Yogyakarta 55000  
T. (0274) 623111

### Semarang

Candi Plaza Building Lt. Dasar  
Jl. Sultan Agung No. 90-90A  
Semarang 50252  
T. (024) 8501122

### Makassar

Komplek RUKO Citraland City Losari  
Business Park, Blok B2 No. 09  
Jl. Citraland Boulevard Makassar 90111  
T. (0241) 16000818

### Medan

Komplek Jati Junction No. P5-5A  
Jl. Perintis Kemerdekaan  
Medan 20218  
T. (061) 88816222

### Denpasar

Jl. Teuku Umar No. 177  
Komplek Ibis Styles Hotel  
Denpasar Bali 80114  
T. (0361) 225229

## Investment Gallery

### Jakarta

Citra Garden 6 Ruko Sixth Avenue  
Blok J.1 A/18, Cengkareng  
Jakarta Barat 11820  
T. (021) 522392181

### Semarang

Jl. MT Haryono 637  
Semarang 50242  
T. (024) 8415195

### Salatiga

Jl. Diponegoro No. 68  
Salatiga 50711  
T. (0298) 313007

### Solo

Jl. Ronggowarsito No. 34  
Surakarta 57118  
T. (0271) 6726306