BINA ARTHA SEKURITAS

Berizin dan Diawasi oleh **Otoritas Jasa Keuangan**

Equity Research

PT. Indocement Tunggal Prakarsa Tbk.

BUY

13 August 2026
Basic Industry – Cement

Price	**IDR**	**5,325**
Target Price	**IDR**	**6,880**
JKSE Index		**6,373.85**



Stock Information

Bloomberg Code	INTP IJ
Market Cap (IDR bn)	18,270
52-week high (IDR)	7,475
52-week low (IDR)	3,880
Shares issued (mn)	3,681.2

Major share holders

Heidelberg Materials AG	53.40%
Public	46.60%

USD/ IDR – YE (IDR)

2025	16,720
2026F (6m-avg)	17,469

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Source: company & Binaartha

Investment Consideration

Double Digit Growth in Domestic Cement Demand

- Indonesia's cement industry recorded strong growth in 1H26, with domestic demand increasing 10.2% YoY to 29.9 million tons (mt), supported by improving construction activity during the dry season. Growth was broad-based across product segments, with bag cement demand increasing 10.0% YoY to 21.52 mt and bulk cement demand rising 10.6% YoY to 8.4 mt.
- INTP also recorded a solid recovery in 1H26, with total domestic cement sales volume increasing 4.9% YoY to 8.39 mt. Growth was mainly driven by bulk cement sales, which rose 8.6% YoY to 2.44 mt, supported by stronger demand in both Java and outside Java. Bag cement sales also increased 3.5% YoY to 5.96 mt. Drier weather conditions helped accelerate construction activity across several regions.
- Export volume nearly doubled, increasing 99.7% YoY to 473 thousand tons, primarily supported by higher clinker shipments. Management highlighted Australia as an attractive export market due to more favorable pricing.
- INTP's sales growth outpaced the industry in June, supported by earlier bag cement price adjustments, while several competitors implemented increases later. Indocement progressively raised prices during April, May, and June to pass through higher logistics costs and the impact of rupiah depreciation. Meanwhile, INTP's domestic market share remained broadly stable at around 28.1%.
- Looking ahead, management remains cautiously optimistic on the industry outlook, supported by seasonally stronger construction activity and infrastructure-related demand from toll road projects, MRT and LRT development, and coastal and sea wall projects.
- Demand is expected to remain relatively strong through August, partly supported by increased activity ahead of Independence Day. However, September to November are typically seasonally weaker months, which could result in softer sequential volumes toward year-end.
- Management currently targets FY2026 sales volume growth of around 4%–6% YoY. Key risks include persistently high foreign exchange rates and elevated energy prices, which could affect both construction activity and input costs. Regulatory uncertainty surrounding the coal Domestic Market Obligation (DMO) also remains a concern, as management indicated that Indocement may not receive a DMO coal allocation until January 2027.

Q2 2026 Results: Margins improve on Higher ASP and Volumes

- INTP reported revenue of IDR4.60 trillion in 2Q26, increasing 13.6% YoY and 19.8% QoQ, supported by progressive selling-price increases during the quarter and a sharp increase in export volumes.
- Net profit increased 22.0% YoY and 61.1% QoQ to IDR374 billion, resulting in an improved net profit margin of 8.1%. Gross profit rose 15.2% YoY to IDR1.41 trillion, while gross profit margin expanded to 30.6%, reflecting stronger pricing and improved operating leverage.
- Cost of revenue increased 12.8% YoY, reflecting higher raw material costs (+17.1% YoY), logistics costs (+25.9% YoY), packaging costs (+8.3% YoY), and fuel and power expenses (+6.5% YoY). Despite these cost pressures, progressive selling-price adjustments helped protect profitability and support margin expansion.
- Looking ahead, we expect stronger volumes and higher average selling prices to remain the principal earnings drivers. INTP is well positioned to benefit from the recovery in domestic cement demand, supported by its strong market position, disciplined pricing strategy, and healthy balance sheet.

Valuation: Maintain BUY TP 6,880 (+29% Upside)

- We maintain our BUY recommendation on INTP with a 12-month target price of IDR6,880, implying 29% upside potential.
- Our valuation is based on a 2027F P/E multiple of 10.0x. We believe INTP's improving margins, stronger pricing, recovering sales volumes, healthy balance sheet, and ongoing cost-efficiency initiatives should support earnings growth and position the company to benefit from a broader cement industry recovery.

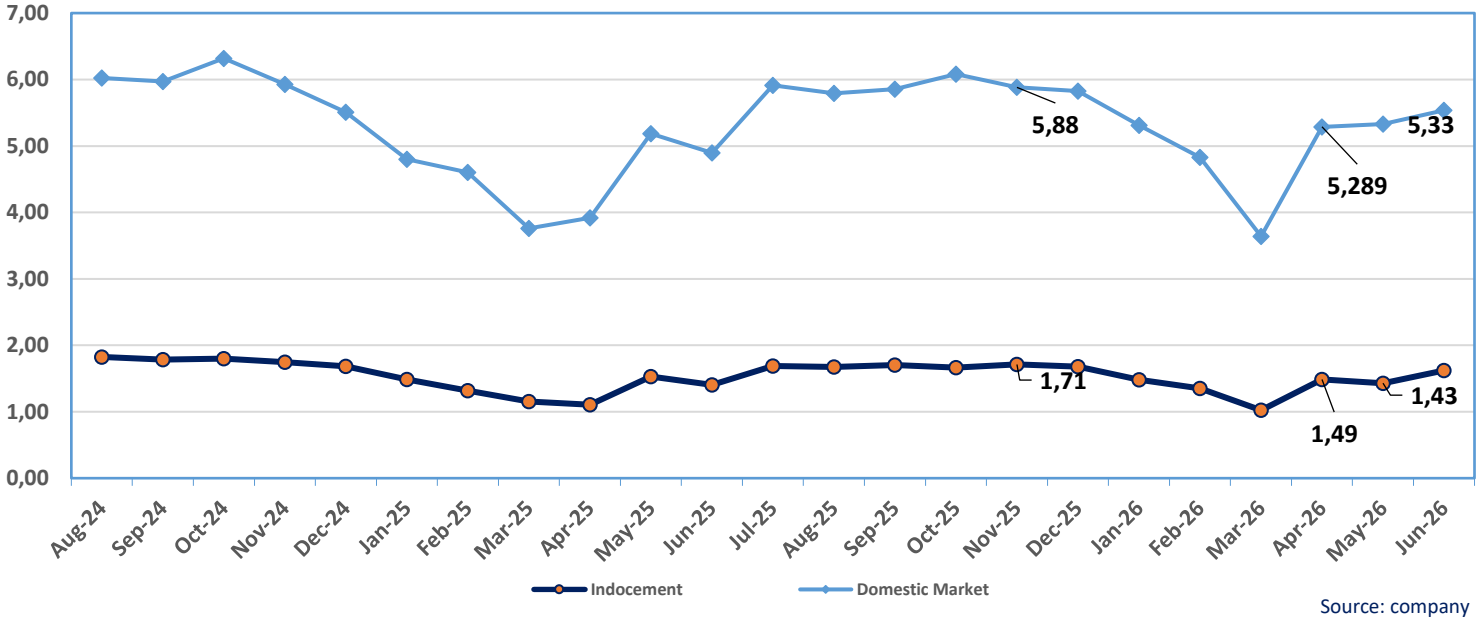
Financial Highlights	2022A	2023A	2024A	2025A	2026F	2027F
Revenue (IDR Bn)	16.328	17.950	18.549	17.731	18.892	19.976
EBITDA (IDR Bn)	3.449	3.634	4.321	4.618	4.619	4.873
Net Profit (IDR Bn)	1.843	1.950	2.008	2.249	2.276	2.406
GPM (%)	31,5%	32,6%	32,7%	32,5%	33,0%	33,0%
NPM (%)	11,3%	10,9%	10,8%	12,7%	12,0%	12,0%
EPS (IDR)	501	568	585	655	663	701
PBV (x)	1,9	1,5	1,1	1,1	0,9	0,9
PER (x)	19,8	16,5	12,3	11,1	10,1	9,6
EV/EBITDA	9,3	8,5	5,2	4,4	4,3	4,1
ROE (%)	7,17%	6,58%	6,60%	7,09%	7,03%	7,11%
ROA (%)	9,42%	9,30%	9,08%	9,69%	9,35%	9,45%

Income Statement QoQ & YoY in IDR Billion

Income Statement (In IDR Bn)	1Q2026	2Q2026	QoQ	2Q2025	YoY	1H2025	1H2026	YoY
Revenue	**3.844**	**4.607**	**19,8%**	**4.057**	**13,6%**	**8.033**	**8.451**	**5,2%**
Cost of revenue	-2.743	-3.199	16,6%	-2.835	12,8%	-5.691	-5.942	4,4%
Gross Profit	**1.101**	**1.408**	**27,9%**	**1.222**	**15,2%**	**2.342**	**2.509**	**7,1%**
Operating Expense	-864	-966	11,8%	-873	10,6%	-1.740	-1.830	5,2%
Operating Profit	**237**	**442**	**86,7%**	**349**	**26,8%**	**602**	**679**	**12,7%**
Other Income	24	24	-1,0%	8	184,7%	15	48	228,0%
Profit Before Tax	**261**	**466**	**78,6%**	**357**	**30,5%**	**617**	**727**	**17,8%**
Taxes	-46	-92	100,2%	-73	25,3%	-122	-137	12,5%
NIAT	**215**	**374**	**74,0%**	**284**	**31,8%**	**495**	**590**	**19,2%**
Non-controlling Interest	0	0		0		0	0	
Net Income	**215**	**374**	**74,0%**	**284**	**31,8%**	**495**	**590**	**19,2%**
EPS (In IDR)	**64**	**103**	**61,1%**	**85**	**22,0%**	**148**	**168**	**13,6%**
GPM	**28,6%**	**30,6%**		**30,1%**		**29,2%**	**29,7%**	
OPM	**6,2%**	**9,6%**		**8,6%**		**7,5%**	**8,0%**	
NPM	**5,6%**	**8,1%**		**7,0%**		**6,2%**	**7,0%**	
Sales/ton (IDR)	**865.058,1**	**899.778**	**4,0%**	**929.672**	**-3,2%**	**928.220**	**883.645**	**-4,8%**
COGS/ton (IDR)	**617.320**	**624.734**	**1,2%**	**649.604**	**-3,8%**	**657.607**	**621.289**	**-5,5%**
Sales Volume (Mn Ton)	**4,44**	**5,12**	**15,2%**	**4,36**	**17,3%**	**8,65**	**9,56**	**10,5%**

Source: company

Domestic cement sales Vs INTP cement 2024 – June 2026 in Million Tons



Source: company

Income Statement YoY in IDR Billion

Income Statement (In IDR Bn)	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Revenue	**14.772**	**16.328**	**17.950**	**18.549**	**17.731**	**18.892**	**19.976**
Cost of revenue	- 9.646	- 11.185	- 12.103	- 12.488	- 11.961	- 12.657	- 13.384
Gross Profit	**5.126**	**5.143**	**5.847**	**6.061**	**5.770**	**6.234**	**6.592**
Operating Expense	- 3.055	- 2.917	- 3.565	- 3.668	- 3.733	- 3.589	- 3.795
Operating Profit	**2.071**	**2.226**	**2.282**	**2.393**	**2.037**	**2.645**	**2.797**
Other Income	163	63	114	70	699	113	120
Profit Before Tax	**2.234**	**2.289**	**2.396**	**2.463**	**2.736**	**2.758**	**2.917**
Taxes	- 446	- 447	- 446	- 455	- 488	- 483	- 510
NIAT	**1.788**	**1.843**	**1.950**	**2.008**	**2.249**	**2.276**	**2.406**
Non-controlling Interest	-	-	-	-	-	-	-
Net Income	**1.788**	**1.843**	**1.950**	**2.008**	**2.249**	**2.276**	**2.406**
EPS (In IDR)	486	501	568	585	655	663	701
EBITDA	**3.339**	**3.449**	**3.634**	**4.321**	**4.618**	**4.619**	**4.873**

Source: company & Binaartha

Cash Flow YoY in IDR Billion

Cash Flow (In IDR Bn)	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Net Income	1.788	1.843	1.950	2.008	2.249	2.276	2.406
Depreciation	1.073	1.012	996	1.543	1.563	1.563	1.628
Change in WC	- 163	- 415	2.290	- 43	- 521	386	- 635
Cash From Operating Activities	**2.698**	**2.439**	**5.236**	**3.508**	**3.290**	**4.224**	**3.399**
Change in Non-Current Asset	- 827	- 1.607	- 6.023	- 1.153	- 2.042	- 2.452	- 2.542
Cash From Investing Activities	**- 827**	**- 1.607**	**- 6.023**	**- 1.153**	**- 2.042**	**- 2.452**	**- 2.542**
Long-term liabilities	- 61	- 125	- 7	- 13	0	14	22
Long-term loan bank	-	-	-	-	1.000	- 1.000	-
Others Noncurrent Liabilities	- 23	574	2	- 168	287	- 106	54
Equity	- 3.344	- 2.897	- 548	- 863	- 1.160	- 1.151	- 1.268
Cash From Financing Activities	**- 3.428**	**- 2.448**	**- 553**	**- 1.045**	**127**	**- 2.243**	**- 1.192**
Net Changes in Cash	**- 1.556**	**- 1.616**	**- 1.340**	**1.311**	**1.376**	**- 471**	**- 336**
Beginning Balance	**7.698**	**6.141**	**4.526**	**3.185**	**4.497**	**5.873**	**5.402**
Ending Balance	**6.141**	**4.526**	**3.185**	**4.497**	**5.873**	**5.402**	**5.067**

Source: company & Binaartha

Statement of Financial Position YoY in IDR Billion

Statement of Financial Position (In IDR Bn)	2021A	2022A	2023A	2024A	2025A	2026F	2027F
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	6.141	4.526	3.185	4.497	5.873	5.402	5.067
Trade Accounts Receivable	2.587	2.686	2.786	2.838	2.751	2.834	3.196
Inventories	2.267	2.831	2.905	2.593	2.177	2.267	2.797
Others Current Assets	341	270	352	461	415	456	475
Total Current Assets	**11.337**	**10.312**	**9.228**	**10.389**	**11.215**	**10.959**	**11.534**
NONCURRENT ASSETS							
Fixed Assets	14.342	14.895	19.156	18.747	18.862	19.644	20.457
Other Noncurrent Assets	457	499	1.266	1.284	1.648	1.756	1.857
Total Noncurrent Assets	**14.799**	**15.394**	**20.422**	**20.031**	**20.510**	**21.399**	**22.314**
TOTAL ASSETS	**26.136**	**25.706**	**29.650**	**30.420**	**31.725**	**32.358**	**33.848**
LIABILITIES AND EQUITY							
LIABILITIES							
CURRENT LIABILITIES							
Short-term bank loan	-	-	2.000	2.000	1.000	2.000	2.000
Short-term liability	319	416	415	407	413	436	467
Trade Account Payable	2.955	2.583	1.747	1.791	1.609	1.700	1.798
Others Current Liabilities	1.373	1.824	3.206	2.977	3.083	2.568	2.715
Total Current Liabilities	**4.647**	**4.822**	**7.368**	**7.175**	**6.104**	**6.704**	**6.980**
NONCURRENT LIABILITIES							
Long-term liability	509	384	376	364	364	378	400
Long-term bank loan	-	-	-	-	1.000	-	-
Others Noncurrent Liabilities	359	933	936	767	1.054	949	1.003
Total Noncurrent Liabilities	**869**	**1.317**	**1.312**	**1.131**	**2.418**	**1.326**	**1.402**
TOTAL LIABILITIES	**5.515**	**6.139**	**8.680**	**8.306**	**8.522**	**8.031**	**8.383**
Non-controlling interest	-	-	-	-	-	-	-
EQUITY	**20.621**	**19.567**	**20.970**	**22.114**	**23.203**	**24.327**	**25.465**
TOTAL LIABILITIES & EQUITY	**26.136**	**25.706**	**29.650**	**30.420**	**31.725**	**32.358**	**33.848**

Source: company & Binaartha

Ratio Highlights YoY

Growth (% YoY)	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Revenue	4,14%	10,54%	9,93%	3,34%	-4,41%	6,55%	5,74%
OP	10,39%	7,51%	2,50%	4,88%	-14,89%	29,84%	5,74%
EBITDA	0,65%	3,29%	5,38%	18,89%	6,88%	0,01%	5,51%
NP	-0,99%	3,02%	5,85%	2,96%	11,99%	1,19%	5,74%
EPS	-0,99%	3,02%	13,57%	5,45%	11,99%	1,19%	5,74%
Profitability							
GPM(%)	34,70%	31,50%	32,57%	32,68%	32,54%	33,00%	33,00%
Operating Margin(%)	14,02%	13,64%	12,71%	12,90%	11,49%	14,00%	14,00%
EBITDA margin(%)	22,60%	21,12%	20,25%	23,29%	26,05%	24,45%	24,39%
NET Profit margin(%)	12,11%	11,28%	10,87%	10,83%	12,68%	12,05%	12,05%
ROA(%)	6,84%	7,17%	6,58%	6,60%	7,09%	7,03%	7,11%
ROE(%)	8,67%	9,42%	9,30%	9,08%	9,69%	9,35%	9,45%
Stability							
Tot debt/ equity (x)	0,267	0,314	0,414	0,376	0,367	0,330	0,329
Int. Coverage (x)	57	43	32	11	19	18	15
Current Ratio (X)	2,44	2,14	1,25	1,45	1,84	1,63	1,65
Per Share data							
EPS (IDR)	486	501	568	599	671	679	718
PBV (x)	2,2	1,9	1,5	1,1	1,1	0,9	0,9
PER (x)	24,9	19,8	16,5	12,3	11,1	10,1	9,6
EV/EBITDA	11,5	9,3	8,5	5,2	4,4	4,3	4,1
EBITDA/share	907	937	1.059	1.290	1.379	1.379	1.455

Source: company & Binaartha

Stock Ratings:
Buy : a recommendation to purchase the security with upside potential of **11.50% or greater**
Hold : a recommendation to neither buy nor sell a security with upside potential of **5.75%- 11.49%.**
Sel : a recommendation to close out a long position in a security with upside potential **below 5.74% or negative.**

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