BINA ARTHA SEKURITAS

Berizin dan Diawasi oleh **Otoritas Jasa Keuangan**

Equity Research

PT Unilever Indonesia Tbk.

28 October 2026
Consumer Goods

Price	**IDR**	**1,395**
Target Price	**IDR**	**1,620**
JKSE Index		**5,266.130**



Stock Information

Bloomberg Code	**UNVR IJ**
Market Cap (IDR bn)	53,030.0
52-week high (IDR)	2,840
52-week low (IDR)	1,295
Shares issued (mn)	38,150
Free float	15.01%

Major share holders

Unilever Indonesia Holding B.V	84.99%
Public	15.01%

USD/ IDR – YE (IDR)

2025	16,720
2026F (6m-avg)	17,824

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Investment Consideration

BUY

Fifth Consecutive Quarter of Volume-Led Growth

- PT Unilever Indonesia Tbk (UNVR) booked 3Q26 net sales from continuing operations (excluding the divested Sariwangi tea business) of IDR8.85 trillion, up 7.4% YoY and 4.7% QoQ. For 9M26, sales grew 7.2% YoY to IDR25.75 trillion, accelerating from 4.3% growth in FY25.
- Domestic Underlying Volume Growth (UVG) reached 6.4% in 3Q26 (9M26: 7.0%), marking the fifth consecutive quarter of positive volume. Underlying Price Growth (UPG) turned positive at 0.9% (9M26: 0.2%) as the company began calibrated price adjustments to offset input-cost inflation.
- Domestic sales rose 7.3% YoY to IDR8.60 trillion and exports 10.3% to IDR250.2 billion. Growth was broad-based across General Trade, Modern Trade and e-commerce/Health & Beauty, which grew high double digit.

Segment Performance: HPC Leads, F&R Growth Turns Price-Led

- Home & Personal Care (HPC) revenue increased 8.5% YoY to IDR6.60 trillion in 3Q26 (9M26: +8.2% to IDR18.97 trillion), driven by 8.6% UVG with flat pricing (UPG -0.2%). Sunsilk and Rinso delivered double-digit growth YTD. Segment gross margin eased to 43.2% (3Q25: 51.8%), while operating margin held at 22.8% (3Q25: 23.9%).
- Foods & Refreshment (F&R) revenue grew 4.1% YoY to IDR2.25 trillion, now mainly price-driven (UPG 3.9%, UVG 0.2%). Gross margin declined to 39.9% from 45.0% and operating margin to 17.6% from 25.0%. Management aims to share a further update on the Foods business before year-end.

3Q26 Results: Earnings Ahead of Sales Despite Margin Pressure

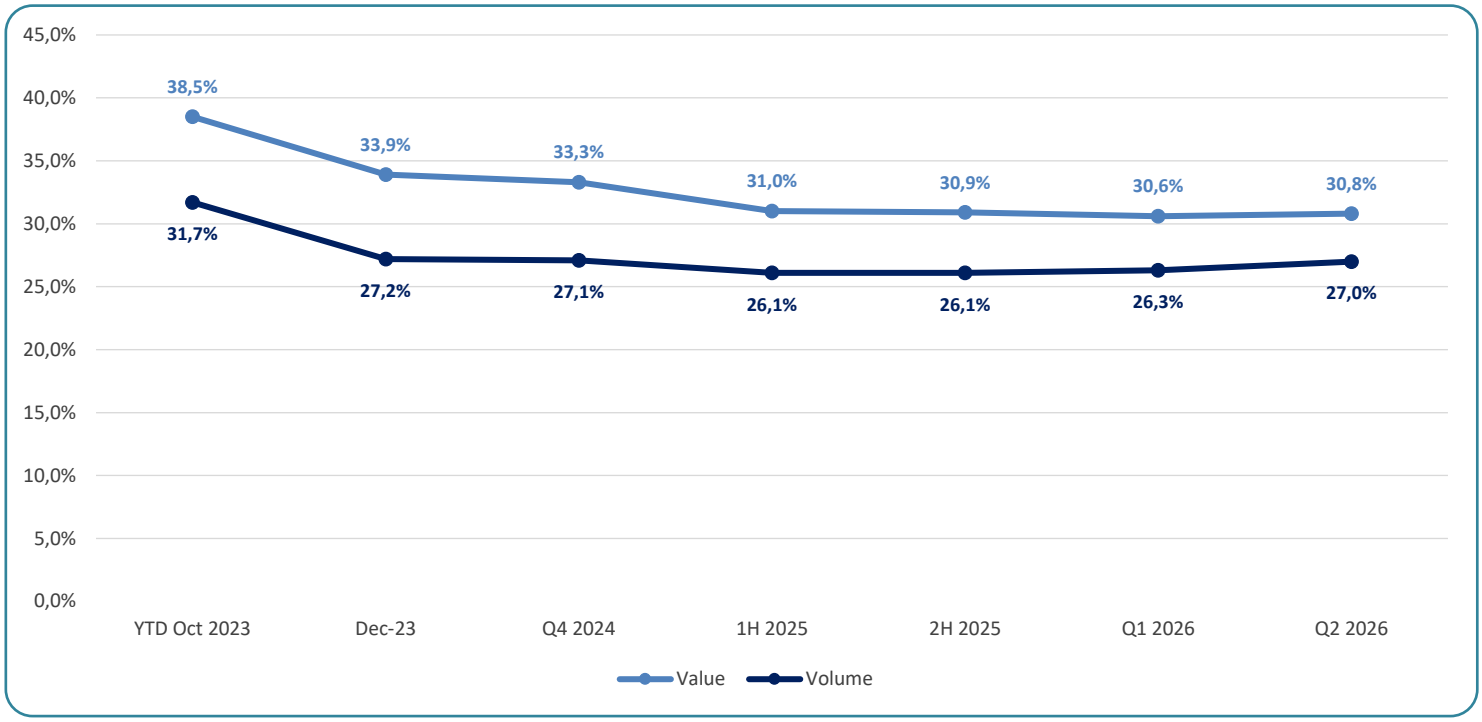
- Core profit from continuing operations rose 11.1% YoY and 48.5% QoQ to IDR1.23 trillion in 3Q26. 9M26 core profit grew 10.6% YoY to IDR3.31 trillion, ahead of sales growth and equal to 82.6% of our FY26F estimate. Including the IDR870.3 billion gain on the Sariwangi divestment, 9M26 total net profit reached IDR4.20 trillion.
- Cost of sales increased 23.8% YoY to IDR5.10 trillion on Middle East-related commodity inflation, a weaker rupiah and higher outer-island logistics costs. Gross profit fell 9.1% YoY to IDR3.75 trillion, with gross margin at 42.3% (3Q25: 50.0%). 9M26 gross margin stood at 45.1% (-373bps YoY), or 46.1% excluding transformation costs.
- Operating expenses fell 15.6% YoY to IDR2.25 trillion as A&P was rightsized (advertising -35.0%, promotion -27.6%); the 9M26 A&P-to-sales ratio improved to 10.1% from 13.2%. Operating profit rose 2.8% YoY to IDR1.50 trillion (OPM 16.9% vs 17.7%), helped further by a lower effective tax rate (18.8% vs 22.5%).

Valuation: Maintain BUY, TP IDR1,620 (+16% Upside)

- We targeting a new 12-month TP of IDR1,620 (previously IDR2,135), implying 15.4x 2026F and 14.4x 2027F P/E and 16% upside after October's sharp share-price correction. Volume momentum, cost savings and strong cash generation support our BUY call.
- Key risks: prolonged commodity inflation into 2027, further rupiah depreciation, weaker consumer purchasing power and execution risk around the Foods portfolio decision.

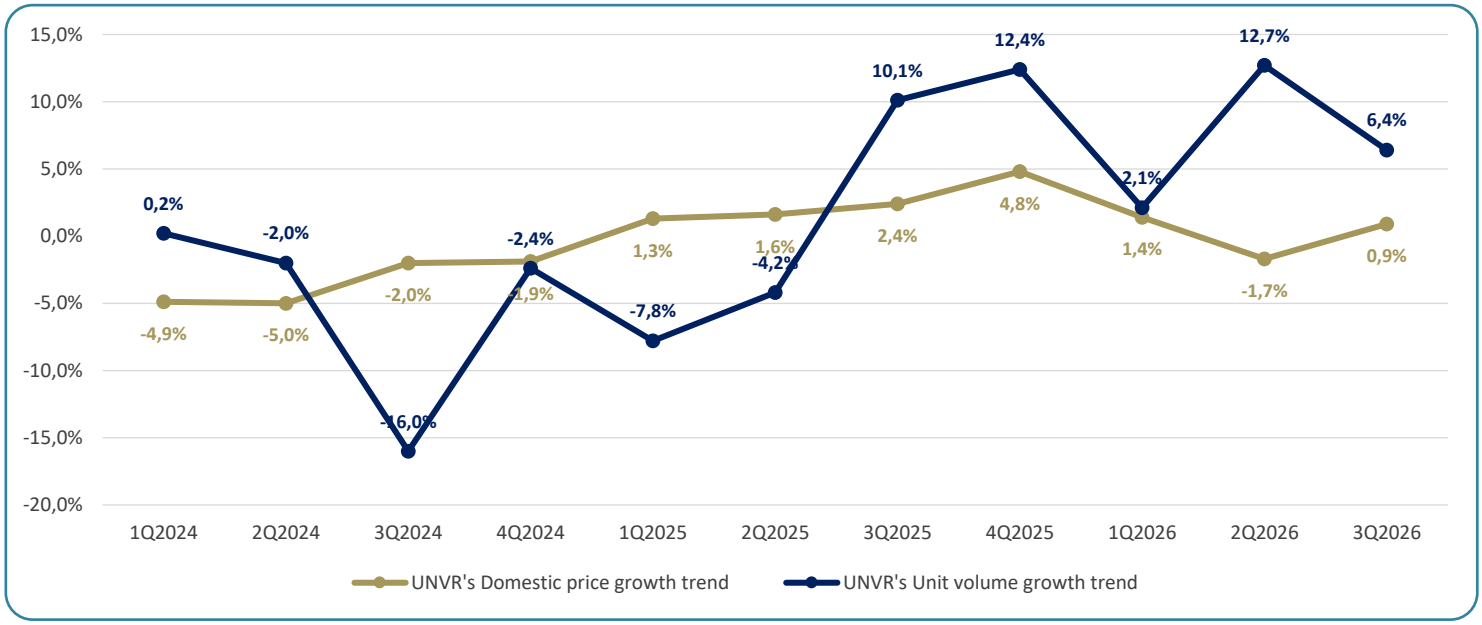
Financial Highlights	2022A	2023A	2024A	2025A	2026F	2027F
Revenue (IDR Bn)	41.219	38.611	30.623	31.943	34.156	36.531
EBITDA (IDR Bn)	8.123	7.233	5.292	5.080	5.596	5.989
Core Profit (IDR Bn)	5.365	4.801	2.905	3.537	4.011	4.290
Net Profit (IDR Bn)	5.365	4.801	3.369	7.641	4.011	4.290
EPS (IDR)	141	126	76	93	105	112
GPM (%)	46,3%	49,7%	47,5%	46,9%	45,0%	45,0%
NPM (%)	13,0%	12,4%	9,5%	11,1%	11,7%	11,7%
Ebitda Margin (%)	19,7%	18,7%	17,3%	15,9%	16,4%	16,4%
PER (x)	33,4	28,2	24,8	28,0	15,4	14,4
PBV (x)	44,9	40,1	33,5	22,2	13,0	11,4

Chart: UNVR's Value and Volume Market Share



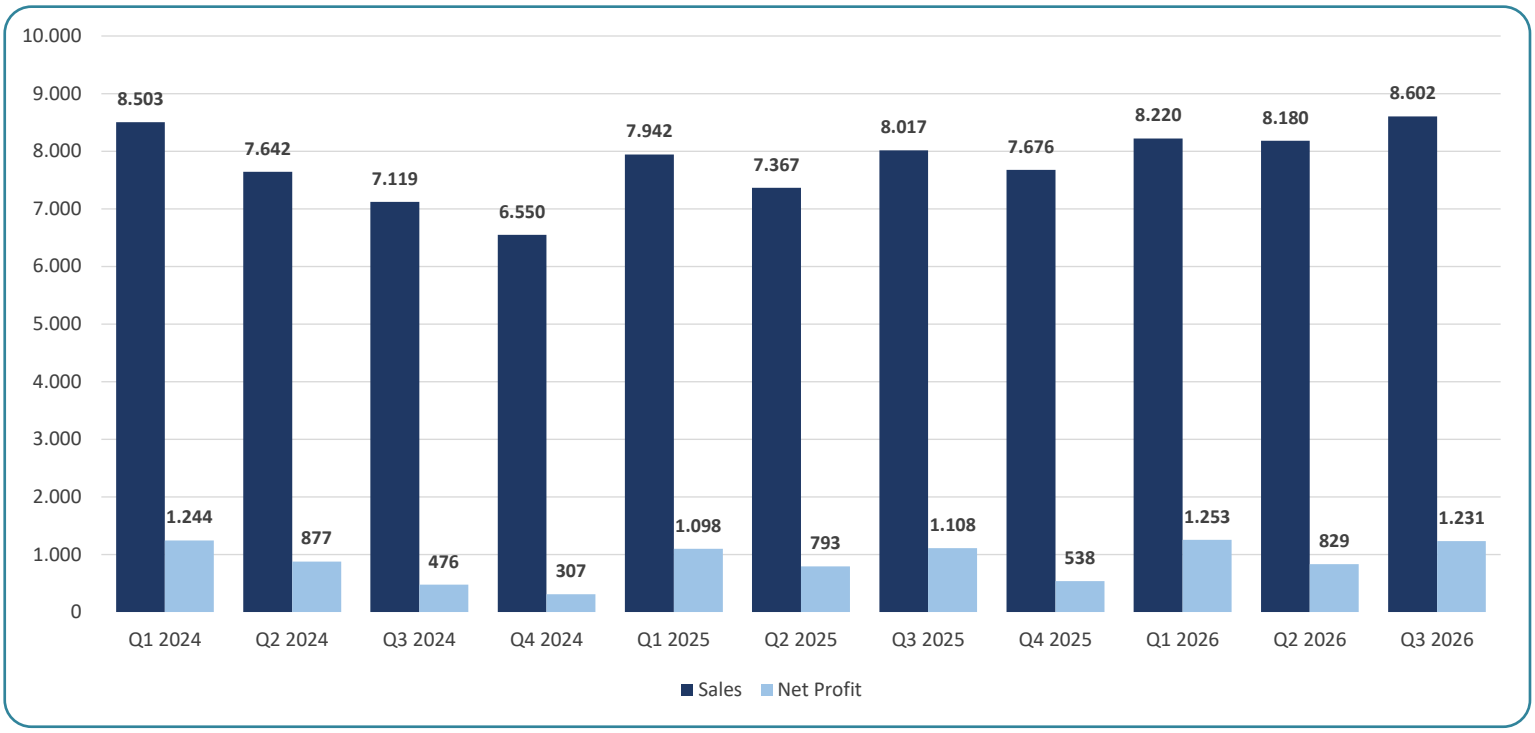
Source: Company

Chart: UNVR's Domestic price growth and Unit volume growth trend



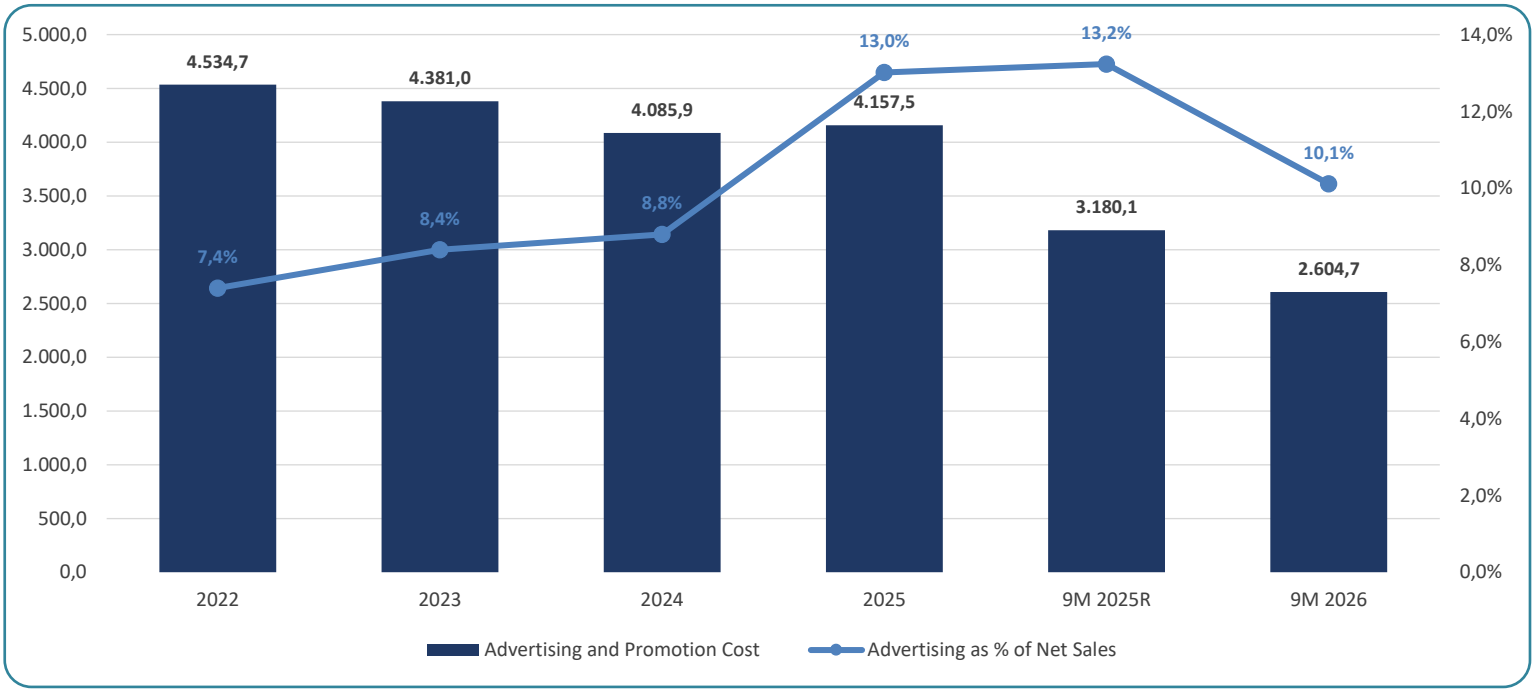
Source: Company

Chart: Domestic Sales and Net Profit Continuing Operation in IDR Billion QoQ



Source: Company and Binaartha

Chart: Advertising & Promotion Cost (IDR Billion) and as % of Net Sales



Source: Company and Binaartha

Chart: Gross Margin – Reported vs Excl. Transformation

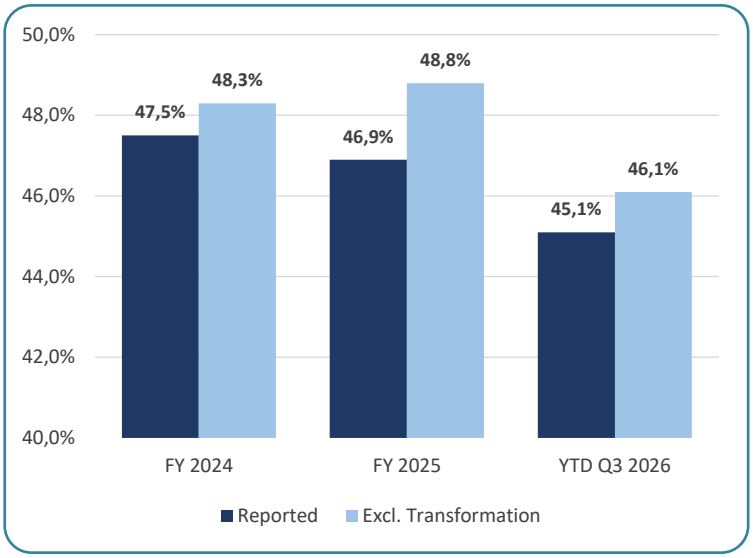


Table: Premiumisation – Market Mix vs UNVR

Segment	Market mix	Growth index	% UL winning
Premium	32%	1.9x	71%
Mainstream	53%	1.0x	48%
Economy	15%	2.1x	32%

Table: SASSY Brand KPIs

KPI	Sunsilk	Rinso
Brand growth, YTD Q3'26	Double digit	High double digit
Volume growth, YTD Q3'26	Double digit	High double digit
Market share, MAT'26	+30 bps	+70 bps
Penetration, MAT'26	+150 bps	+200 bps

Table: Execution, Cost Transformation and Capital Allocation KPIs

Direct coverage	Assortment	Perfect stores	Production cost/ton	SG&A overhead/sales	Capex for savings & capacity
+32%	+19%	+600 bps	-25%	-240 bps	62%

Source: Company (3Q26 earnings call, press release), Nielsen, Binaartha

Table: Income Statement in IDR Million QoQ

Income Statement (In IDR Mn)	2Q2026	3Q2026	QoQ	3Q2025	YoY	9M2025	9M2026	YoY
Sales	**8.456.935**	**8.851.936**	**4,7%**	**8.243.979**	**7,4%**	**24.030.435**	**25.751.517**	**7,2%**
Cost of Sales	-4.652.055	-5.104.782	9,7%	-4.122.883	23,8%	-12.288.547	-14.129.716	15,0%
Gross Profit	**3.804.880**	**3.747.154**	**-1,5%**	**4.121.096**	**-9,1%**	**11.741.888**	**11.621.801**	**-1,0%**
Operating Expenses	-2.784.222	-2.247.613	-19,3%	-2.661.750	-15,6%	-7.742.573	-7.534.223	-2,7%
Operating Profit	**1.020.658**	**1.499.541**	**46,9%**	**1.459.346**	**2,8%**	**3.999.315**	**4.087.578**	**2,2%**
Other Income (Expenses)	32.763	17.145	-47,7%	-29.298		-92.518	77.062	
PBT	**1.053.421**	**1.516.686**	**44,0%**	**1.430.048**	**6,1%**	**3.906.797**	**4.164.640**	**6,6%**
Tax	-224.325	-285.321	27,2%	-322.160	-11,4%	-910.259	-851.406	-6,5%
NIAT	**829.096**	**1.231.365**	**48,5%**	**1.107.888**	**11,1%**	**2.996.538**	**3.313.234**	**10,6%**
Non-controlling Interest	-	-		-		-	-	
Profit for the year from discontinued operation	-	-		71.786		338.711	17.585	**-94,8%**
Gain on sale of discountinued operation	-	-		-		-	870.270	
Net Income	**829.096**	**1.231.365**	**48,5%**	**1.179.674**	**4,4%**	**3.335.249**	**4.201.089**	**26,0%**
Core Income	**829.096**	**1.231.365**	**48,5%**	**1.107.888**	**11,1%**	**2.996.538**	**3.313.234**	**10,6%**
EPS	**22**	**33**	**50,3%**	**29**	**12,5%**	**79**	**87**	**11,1%**
GPM	**45,0%**	**42,3%**		**50,0%**		**48,9%**	**45,1%**	
OPM	**12,1%**	**16,9%**		**17,7%**		**16,6%**	**15,9%**	
NPM	**9,8%**	**13,9%**		**14,3%**		**13,9%**	**16,3%**	
Sales by Area								
Domestic	**8.177.848**	**8.601.755**	**5,2%**	**8.017.170**	**7,3%**	**23.325.782**	**24.999.561**	**7,2%**
UVG	**12,7%**	**6,4%**		**10,1%**			**7,0%**	
UPG	**-1,7%**	**0,9%**		**2,4%**			**0,2%**	
Export	**279.087**	**250.181**	**-10,4%**	**226.809**	**10,3%**	**704.653**	**751.956**	**6,7%**
Sales by Segment								
Home and Personal Care	**6.320.523**	**6.604.242**	**4,5%**	**6.085.287**	**8,5%**	**17.529.573**	**18.973.096**	**8,2%**
UVG	**14,2%**	**8,6%**		**11,4%**			**8,3%**	
UPG	**-1,8%**	**-0,2%**		**3,3%**			**0,0%**	
GPM	**45%**	**43%**		**52%**		**50%**	**46%**	
OPM	**15%**	**23%**		**24%**		**22%**	**22%**	
Foods and Refreshments	**2.136.412**	**2.247.694**	**5,2%**	**2.158.692**	**4,1%**	**6.500.862**	**6.778.421**	**4,3%**
UVG	**8,7%**	**0,2%**		**7,6%**			**3,5%**	
UPG	**-1,4%**	**3,9%**					**0,7%**	
GPM	**44%**	**40%**		**45%**		**45%**	**44%**	
OPM	**21%**	**18%**		**25%**		**22%**	**18%**	

Source: Company and Binaartha

Table: Income Statement in IDR Million YoY

Income Statement (In IDR Mn)	2022A	2023A	2024A	2025A	2026F	2027F
Sales	**41.218.881**	**38.611.401**	**30.622.614**	**31.943.461**	**34.155.565**	**36.530.903**
Cost of Sales	-22.153.944	-19.416.887	-16.062.942	-16.946.367	-18.785.561	-20.091.997
Gross Profit	**19.064.937**	**19.194.514**	**14.559.672**	**14.997.094**	**15.370.004**	**16.438.906**
Operating Expenses	-11.996.129	-12.915.231	-10.752.355	-10.405.073	-10.246.670	-10.959.271
Operating Profit	**7.068.808**	**6.279.283**	**3.807.317**	**4.592.021**	**5.123.335**	**5.479.635**
Other Income (Expenses)	-75.005	-77.407	-56.173	-93.741	-109.298	-116.899
PBT	**6.993.803**	**6.201.876**	**3.751.144**	**4.498.280**	**5.014.037**	**5.362.737**
Tax	-1.629.042	-1.400.936	-846.496	-960.983	-1.002.807	-1.072.547
NIAT	**5.364.761**	**4.800.940**	**2.904.648**	**3.537.297**	**4.011.230**	**4.290.189**
Non-controlling Interest	-	-	-	-	-	-
Core Income	**5.364.761**	**4.800.940**	**2.904.648**	**3.537.297**	**4.011.230**	**4.290.189**
Profit for the year from discontinued operation	**-**	**-**	**464.045**	**309.460**	**-**	**-**
Gain on sale of discountinued operation	**-**	**-**	**-**	**3.794.404**	**-**	**-**
Net Income	**5.364.761**	**4.800.940**	**3.368.693**	**7.641.161**	**4.011.230**	**4.290.189**
EPS	**141**	**126**	**76**	**93**	**105**	**112**
EPS discontinued operations	**-**	**-**	**12**	**108**	**-**	**-**
EBITDA	**8.122.793**	**7.232.830**	**5.292.454**	**5.080.103**	**5.596.484**	**5.988.780**

Source: Company and Binaartha

Table: Cash Flow in IDR Million YoY

Cash Flow (In IDR Mn)	2022A	2023A	2024A	2025A	2026F	2027F
Net Income	5.364.761	4.800.940	2.904.648	3.537.297	4.011.230	4.290.189
Depreciation	1.271.163	1.049.022	708.484	463.635	463.635	493.716
Change in WC	249.196	675.390	1.168.106	2.162.837	-2.984.051	1.687.157
Cash From Operating Activities	**6.885.120**	**6.525.352**	**4.781.238**	**6.163.769**	**1.490.814**	**6.471.062**
Change on Non-current Asset	-595.185	-770.923	-1.001.884	829.296	-1.332.888	-151.237
Cash From Investing Activities	**-595.185**	**-770.923**	**-1.001.884**	**829.296**	**-1.332.888**	**-151.237**
Others Noncurrent Liabilities	-160.249	-195.140	-597.894	247.970	257.858	42.756
Long-term Liabilities	-263.227	375.385	605.741	-995.095	62.007	71.260
Equity	-5.688.774	-5.416.958	-4.136.619	-1.211.446	-3.726.185	-3.646.661
Cash From Financing Activities	**-6.112.250**	**-5.236.713**	**-4.128.772**	**-1.958.571**	**-3.406.319**	**-3.532.645**
Net Changes in Cash	**177.685**	**517.716**	**-349.418**	**5.034.494**	**-3.248.394**	**2.787.180**
Beginning Balance	**325.197**	**502.882**	**1.020.598**	**671.180**	**5.705.674**	**2.457.280**
Ending Balance	**502.882**	**1.020.598**	**671.180**	**5.705.674**	**2.457.280**	**5.244.461**

Source: Company and Binaartha

Table: Statement of Financial Position in IDR Million YoY

IDR mn.	2022A	2023A	2024A	2025A	2026F	2027F
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	502.882	1.020.598	671.180	5.705.674	2.457.280	5.244.461
Trade Accounts Receivable	3.924.499	2.104.729	1.880.942	1.677.683	1.909.350	2.042.135
Inventories	2.625.116	2.422.044	2.505.852	2.453.106	2.641.509	2.723.531
Others Current Assets	515.271	644.468	222.574	708.160	1.707.778	1.318.202
Total Current Assets	**7.567.768**	**6.191.839**	**5.280.548**	**10.544.623**	**8.715.917**	**11.328.328**
NONCURRENT ASSETS						
Fixed Assets	9.536.027	9.310.734	9.321.605	7.145.889	7.609.524	8.103.240
Other Noncurrent Assets	1.214.319	1.161.513	1.444.042	2.326.827	2.732.445	1.896.250
Total Noncurrent Assets	**10.750.346**	**10.472.247**	**10.765.647**	**9.472.716**	**10.341.969**	**9.999.490**
TOTAL ASSETS	**18.318.114**	**16.664.086**	**16.046.195**	**20.017.339**	**19.057.886**	**21.327.818**
LIABILITIES AND EQUITY						
LIABILITIES						
CURRENT LIABILITIES						
Short-term Bank Loans	600.000	-	1.450.000	-	1.195.445	1.278.582
Trade Account Payable	4.699.974	4.063.637	3.983.297	4.695.329	4.714.039	5.673.949
Accruals	3.998.399	3.892.014	3.797.590	4.106.034	3.845.549	4.112.986
Others Current Liabilities	3.143.850	3.268.317	2.599.314	5.421.256	2.903.223	3.105.127
Total Current Liabilities	**12.442.223**	**11.223.968**	**11.830.201**	**14.222.619**	**12.658.256**	**14.170.644**
NONCURRENT LIABILITIES						
Others Noncurrent Liabilities	902.006	706.866	108.972	356.942	614.800	657.556
Long-term Liabilities	976.629	1.352.014	1.957.755	962.660	1.024.667	1.095.927
Total Noncurrent Liabilities	**1.878.635**	**2.058.880**	**2.066.727**	**1.319.602**	**1.639.467**	**1.753.483**
TOTAL LIABILITIES	**14.320.858**	**13.282.848**	**13.896.928**	**15.542.221**	**14.297.723**	**15.924.127**
EQUITY	**3.997.256**	**3.381.238**	**2.149.267**	**4.475.118**	**4.760.163**	**5.403.691**
TOTAL LIABILITIES & EQUITY	**18.318.114**	**16.664.086**	**16.046.195**	**20.017.339**	**19.057.886**	**21.327.818**

Source: Company and Binaartha

Table: Ratio Highlights YoY

	2022A	2023A	2024A	2025A	2026F	2027F
Growth (% YoY)						
Sales	4,2%	-6,3%	-20,7%	4,3%	6,9%	7,0%
OP	-8,0%	-11,2%	-39,4%	20,6%	11,6%	7,0%
EBITDA	-23,0%	-11,0%	-26,8%	-4,0%	10,2%	7,0%
NP	-6,8%	-10,5%	-39,5%	21,8%	13,4%	7,0%
EPS	-6,8%	-10,5%	-39,5%	21,8%	13,4%	7,0%
Profitability (%)						
Gross Margin	46,3%	49,7%	47,5%	46,9%	45,0%	45,0%
Operating Margin	17,1%	16,3%	12,4%	14,4%	15,0%	15,0%
EBITDA margin	19,7%	18,7%	17,3%	15,9%	16,4%	16,4%
NET Profit margin	13,0%	12,4%	9,5%	11,1%	11,7%	11,7%
ROA	29,3%	28,8%	18,1%	17,7%	21,0%	20,1%
ROE	134,2%	142,0%	135,1%	79,0%	84,3%	79,4%
Solvability (x)						
Net debt/ equity	3,2	3,5	4,9	3,3	2,5	2,5
Tot. debt/ Tot.equity	3,6	3,9	6,5	3,5	3,0	2,9
Debt Ratio	0,8	0,8	0,9	0,8	0,8	0,7
Liquidity (x)						
Current Ratio	0,6	0,6	0,4	0,7	0,7	0,8
Cash Ratio	0,0	0,1	0,1	0,4	0,2	0,4
Per Share data						
EPS (IDR)	141	126	76	93	105	112
BV	105	89	56	117	125	142
Price (IDR)	4.700	3.550	1.885	2.600	1.620	1.620
PBV	45	40	33	22	13	11
PER	33	28	25	28	15	14
EBITDA/share	213	190	139	133	147	157

Source: Company and 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%.**
Sell : a recommendation to close out a long position in a security with upside potential **below 5.74%.**

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