

PT Jasa Marga (Persero), Tbk

BUY

14 March 2024
Infrastructure, Toll Road

Price	IDR	5,250
Target Price	IDR	7,200
JKSE Index		7,421.207



Investment Consideration Boosted by Tariff Adjustment

- JSMR saw a 27.9% increase in toll road revenue during Q4 2023, thanks to tariff adjustments for six additional toll roads and higher traffic volume transactions in Q4 2023.
- For the full year 2023, JSMR's consolidated toll and operating revenue reached IDR 15.56 trillion, reflecting a year-over-year (YoY) growth of 12.9%. The total number of JSMR toll roads with tariff adjustments in 2023 reached 21 with various tariff increases.
- In terms of traffic volume transactions, subsidiary toll road transaction volumes rose by 13.3% YoY, while parent-level transaction volumes grew by 3.8% YoY.
- In Q4 2023, revenue growth continued with a YoY increase of 27.9% or 13.5% quarter-over-quarter (QoQ), reaching IDR 4.56 trillion, the highest revenue in 2023.
- After adjusting tariffs for 21 toll roads, as of March 2024, JSMR will further adjust tariffs on the Jakarta – Cikampek toll road, including the Mohammed bin Zayed toll road. In January and February 2024, JSMR had already adjusted tariffs for the Kunciran – Cengkareng and Cinere – Serpong toll roads.
- Traffic volume transactions in January were not much different compared to last year, but there was an increase in February due to the long weekend. We expect more spikes in traffic volume transactions to continue in April in line with the Eid holiday.
- Based on sustained volume increases and tariff adjustments, our target for JSMR's toll and operating revenues is IDR 17.5 trillion in 2024F.

Triple-digit growth in core profit

- JSMR recorded triple-digit growth in core profit of 198.7% YoY to IDR 2.69 trillion in 2023. Meanwhile, bottom-line profit reached IDR 6.79 trillion with a 147% YoY increase due to the implementation of tariff adjustments on 21 toll roads, re-consolidation of the Semarang – Batang, Solo – Ngawi, and Ngawi – Kertosono toll roads, and a decrease in financial expenses due to deconsolidation in the MBZ toll road and partial repayment of bonds in September 2023.
- As a result, the core net profit margin (NPM) grew to 17.3% in 2023 from last year's 6.5%.
- For Q4 2023, JSMR's profit also recorded a double-digit growth of 12.8% QoQ to IDR 819 billion, the highest in 2023, with an NPM of 17.9%.

Valuation: TP 7,200, Maintain BUY

- Our target share price for JSMR stands at IDR 7,200, resulting in a projected 2024F price-to-earnings (PE) ratio of 7.6x. This offers investors a potential return of 37%. Considering these factors, we maintain our recommendation to BUY JSMR shares.

Financial Highlights	2020A	2021A	2022A	2023A	2024F	2025F
Toll and other operating revenue (IDR Mn)	9.587.720	11.776.401	13.782.558	15.565.981	17.579.116	19.727.198
Operating Income (IDR Mn)	4.465.992	6.719.673	7.383.007	11.318.319	9.660.968	10.843.640
EBITDA (IDR Mn)	5.976.747	7.869.243	10.039.389	13.491.216	12.368.857	12.472.136
Net Income (IDR Mn)	501.047	1.615.249	2.746.884	6.793.550	4.157.003	4.592.524
EPS (IDR)	69	223	378	936	573	633
EBITDA Margin (%)	62%	67%	73%	87%	70%	63%
NPM (%)	5%	14%	20%	44%	24%	23%
PBV (x)	1,8	1,4	1,1	1,2	1,8	1,5
PER (x)	67	17	9	5	13	11
Tot. Deb / Equity (X)	4,2	3,7	3,0	3,2	3,3	2,7
Int. Coverage (x)	(0,0)	0,2	0,6	1,9	0,7	0,8

Stock Information

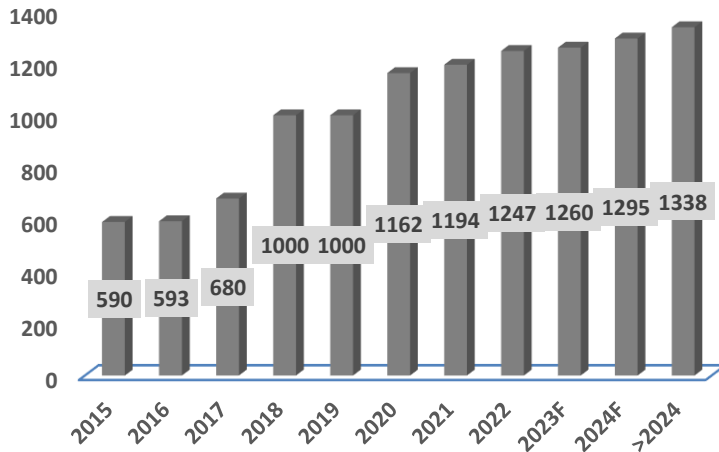
Bloomberg Code	JSMR IJ
Market Cap (IDR bn)	38,103.8
52-week high (IDR)	5,525
52-week low (IDR)	3,030
Shares issued (mn)	7,257.9
Free float (%)	30%

Major share holders	(%)
Government RI	70%
Public	30%

USD/ IDR – YE (IDR)	
2023	15,439
2024F (6m-avg)	15,493

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Operated Toll Road in KM



Sources: Company

New Projects to be completed

Section	Length (km)	
1	Jakarta - Cikampek II South	62,00
2	Johja - Bawen	75,82
3	Jogja - Solo	96,57
4	Probolinggo - Banyuwangi (I - III)	171,50
5	Akses Patimban	37,05

Sources: Company

JSMR Tariff Adjustment Realization

No	Year	Toll Road	Implementation	Tariff Increase (%)
1	2023	Pandaan-Malang	Tuesday, January 3, 2023	3.20
2		Semarang ABC	Tuesday, January 31, 2023	5.56
3		Bogor Outer Ring Road	Sunday, March 12, 2023	7.14
4		Kunciran-Serpong	Sunday, March 19, 2023	5.24
5		Balikpapan-Samarinda	Wednesday, April 26, 2023	16.70
6		Cipularang	Monday, June 5, 2023	6.28
7		Padaleunyi	Monday, June 5, 2023	6.49
8		Palikanci	Friday, July 28, 2023	7.21
9		Jagorawi	Sunday, August 20, 2023	7.14
10		Sedyatmo	Sunday, August 20, 2023	5.90
11		Ngawi-Kertosono	Sunday, August 20, 2023	7.69
12		Gempol-Pasuruan	Sunday, September 3, 2023	16.80
13		Solo-Ngawi	Sunday, September 17, 2023	24.98
14		Belawan-Medan-Tanjung Morawa	Sunday, September 17, 2023	7.09
15	Surabaya-Gempol	Saturday, September 30, 2023	Dupak-Porong: 12.30 Porong-Gempol: 5.91	
16	2024	Semarang-Batang	Monday, October 9, 2023	29.50
17		Medan-Kualanamu-Tebing Tinggi	Saturday, November 11, 2023	9.60
18		Semarang-Solo	Monday, November 27, 2023	23.0
19		JORR Section Non S	Monday, December 4, 2023	6.26
20		Pondok Aren -Bintaro Viaduct -Ulujami	Monday, December 4, 2023	6.26
21		Kebon Jeruk-Ulujami	Monday, December 4, 2023	6.26
22		Kunciran-Cengkareng	Saturday, January 13, 2024	6.80
23		Cinere-Serpong	Wednesday, February 21, 2024	7.55
24		Jakarta-Cikampek	Saturday, March 9, 2024	30
25		MBZ	Saturday, March 9, 2025	30

Sources: Company

Income Statement In IDR Million

Income Statement (IDR. Mn)	1Q2023	2Q2023	3Q2023	4Q2023	QoQ	4Q2022	YoY	2022A	2023A	YoY
Toll and other operating revenues	3.388.134	3.591.616	4.022.102	4.564.129	13,5%	3.568.993	27,9%	13.782.558	15.565.981	12,9%
Construction revenue	1.057.351	886.668	1.134.636	2.673.968	135,7%	1.292.970	106,8%	2.800.291	5.752.623	105,4%
Total Revenue	4.445.485	4.478.284	5.156.738	7.238.097	40,4%	4.861.963	48,9%	16.582.849	21.318.604	28,6%
Toll and other operating expenses	-1.466.738	-1.888.923	-1.545.141	-1.742.454	12,8%	-1.717.138	1,5%	-6.391.616	-6.643.256	3,9%
Construction expenses	-1.049.067	-881.695	-1.129.998	-2.656.063	135,1%	-1.283.593	106,9%	-2.773.136	-5.716.823	106,2%
Total Cost of revenue	-2.515.805	-2.770.618	-2.675.139	-4.398.517	64,4%	-3.000.731	46,6%	-9.164.752	-12.360.079	34,9%
Gross Profit	1.929.680	1.707.666	2.481.599	2.839.580	14,4%	1.861.232	52,6%	7.418.097	8.958.525	20,8%
Operating Expense	-344.569	-332.136	3.620.426	-583.927		1.339.869	-143,6%	-35.090	2.359.794	
Operating Income	1.585.111	1.375.530	6.102.025	2.255.653	-63,0%	3.201.101	-29,5%	7.383.007	11.318.319	53,3%
Other Income	-770.480	-561.739	-935.080	-1.124.596	20,3%	-975.983	15,2%	-3.657.212	-3.391.895	-7,3%
Profit Before Tax	814.631	813.791	5.166.945	1.131.057	-78,1%	2.225.118	-49,2%	3.725.795	7.926.424	112,7%
Taxes	-388.661	-224.111	-335.582	-228.582	-31,9%	-619.490	-63,1%	-1.402.087	-1.176.936	-16,1%
NIAT	425.970	589.680	4.831.363	902.475	-81,3%	1.605.628	-43,8%	2.323.708	6.749.488	190,5%
Non-controlling Interest	71.590	61.438	-5.551	-83.415	1402,7%	135.091	-161,7%	423.176	44.062	-89,6%
Net Income	497.560	651.118	4.825.812	819.060	-83,0%	1.740.719	-52,9%	2.746.884	6.793.550	147,3%
Core Profit	497.560	651.118	725.812	819.060	12,8%	-104.326		901.839	2.693.550	198,7%
EPS (in IDR)	69	90	665	113	-83,0%	240	-52,9%	378	936	147,3%
GPM	57,0%	47,5%	61,7%	62,2%		52,2%		53,8%	57,6%	
OPM	46,8%	38,3%	151,7%	49,4%		89,7%		53,6%	72,7%	
Core NPM	14,7%	18,1%	18,0%	17,9%		-2,9%		6,5%	17,3%	
NPM	14,7%	18,1%	120,0%	17,9%		48,8%		19,9%	43,6%	

Income Statement In IDR Million

Income Statement (IDR. Mn)	2020A	2021A	2022A	2023A	2024F	2025F
Toll and other operating revenues	9.587.720	11.776.401	13.782.558	15.565.981	17.579.116	19.727.198
Construction revenue	4.116.301	3.393.151	2.800.291	5.752.623	6.903.148	8.283.777
Total Revenue	13.704.021	15.169.552	16.582.849	21.318.604	24.482.263	28.010.975
Toll and other operating expenses	-4.274.949	-5.305.620	-6.391.616	-6.643.256	-7.910.602	-8.877.239
Construction expenses	-4.074.539	-3.361.823	-2.773.136	-5.716.823	-6.861.729	-8.234.074
Total Cost of revenue	-8.349.488	-8.667.443	-9.164.752	-12.360.079	-14.772.331	-17.111.314
Gross Profit	5.354.533	6.502.109	7.418.097	8.958.525	9.709.933	10.899.662
Operating Expense	-888.541	217.564	-35.090	2.359.794	-48.965	-56.022
Operating Income	4.465.992	6.719.673	7.383.007	11.318.319	9.660.968	10.843.640
Other Income	-3.769.541	-4.647.220	-3.657.212	-3.391.895	-4.896.453	-5.602.195
Profit Before Tax	696.451	2.072.453	3.725.795	7.926.424	4.764.515	5.241.445
Taxes	-738.080	-1.201.217	-1.402.087	-1.176.936	-1.048.193	-1.153.118
NIAT	-41.629	871.236	2.323.708	6.749.488	3.716.322	4.088.327
Non-controlling Interest	542.676	744.013	423.176	44.062	440.681	504.198
Net Income	501.047	1.615.249	2.746.884	6.793.550	4.157.003	4.592.524
EPS (in IDR)	69,0	222,6	378,5	936,0	572,8	632,8
EBITDA	5.976.747	7.869.243	10.039.389	13.491.216	12.368.857	12.472.136

Sources: Company and Binaartha

Statement of Financial Position In IDR Million

Statement of Financial Position (In IDR Mn)	2019A	2020A	2021A	2022A	2023A	2024F	2025F
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	4.341.601	4.597.204	6.279.089	8.429.118	4.438.951	4.194.191	5.008.465
Trade Accounts Receivable	6.270.361	4.418.103	2.032.306	1.339.992	1.266.347	1.716.291	1.813.774
Inventories	61.136	137.744	139.402	98.627	119.490	145.609	157.000
Others Current Assets	939.468	1.552.944	1.911.079	2.619.475	2.149.987	2.448.226	2.801.098
Total Current Assets	11.612.566	10.705.995	10.361.876	12.487.212	7.974.775	8.504.318	9.780.337
NONCURRENT ASSETS							
Fixed Assets	714.262	746.237	833.394	360.716	474.401	599.377	757.277
Intangible Assets	78.620.143	83.443.064	79.256.534	66.979.662	111.246.294	113.093.758	114.971.903
Other Noncurrent Assets	8.732.599	9.191.350	10.791.080	11.311.592	9.616.519	9.670.494	10.784.225
Total Noncurrent Assets	88.067.004	93.380.651	90.881.008	78.651.970	121.337.214	123.363.629	126.513.405
TOTAL ASSETS	99.679.570	104.086.647	101.242.884	91.139.182	129.311.989	131.867.947	136.293.741
LIABILITIES AND EQUITY							
LIABILITIES							
CURRENT LIABILITIES							
Bank Loans	5.245.935	3.694.263	1.057.861	1.853.174	4.499.415	6.499.415	6.599.415
Contractors Payable	551.612	1.883.433	1.290.243	457.783	560.316	643.466	736.211
Account Payable	404.235	325.160	433.025	134.728	179.230	205.828	235.494
Current maturities of long term liabilities	11.885.400	1.976.842	2.781.255	1.460.527	5.072.042	5.572.042	6.072.042
Others Current Liabilities	23.439.235	7.048.989	6.452.199	8.236.776	12.510.160	13.220.422	14.088.234
Total Current Liabilities	41.526.417	14.928.687	12.014.583	12.142.988	22.821.163	26.141.173	27.731.397
NONCURRENT LIABILITIES							
Long-term contractors payable	568.239	754.833	362.814	213.454	488.130	560.568	641.365
Long-term liabilities - net of current liabilities	29.389.974	56.270.386	56.451.902	47.583.513	57.943.798	57.943.798	51.871.756
Others Noncurrent Liabilities	5.009.203	7.357.125	6.913.270	5.577.838	9.147.692	9.370.050	11.369.969
Total Noncurrent Liabilities	34.967.416	64.382.344	63.727.986	53.374.805	67.579.620	67.874.416	63.883.089
TOTAL LIABILITIES	76.493.833	79.311.031	75.742.569	65.517.793	90.400.783	94.015.589	91.614.486
Non-controlling interest	4.503.057	5.701.126	4.894.464	3.795.786	11.019.769	9.129.520	10.445.389
EQUITY	18.682.680	19.074.489	20.605.851	21.825.603	27.891.437	28.722.838	34.233.867
TOTAL LIABILITIES & EQUITY	99.679.570	104.086.646	101.242.884	91.139.182	129.311.989	131.867.947	136.293.742

Cash Flow In IDR Million

Cash Flow (In IDR Mn)	2020A	2021A	2022A	2023A	2024F	2025F
Net Income	501.047	1.615.249	2.746.884	6.793.550	4.157.003	4.592.524
Depreciation	145.665	129.188	179.629	124.976	124.976	157.900
Change in WC	-25.435.556	-888.100	153.098	11.200.445	2.545.707	1.128.479
Cash From Operating Activities	-24.788.844	856.337	3.079.611	18.118.971	6.827.686	5.878.903
Change in Non-Current Asset	-5.459.312	2.370.455	12.049.409	-42.810.220	-2.151.391	-3.307.675
Cash From Investing Activities	-5.459.312	2.370.455	12.049.409	-42.810.220	-2.151.391	-3.307.675
Long-term contractors payable	186.594	-392.019	-149.360	274.676	72.438	80.797
Long-term liabilities - net of current liabilities	26.880.412	181.516	-8.868.389	10.360.285	0	-6.072.042
Others Noncurrent Liabilities	2.347.922	-443.855	-1.335.432	3.569.854	222.358	1.999.919
Equity	1.088.831	-890.549	-2.625.810	6.496.267	-5.215.851	2.234.374
Cash From Financing Activities	30.503.759	-1.544.907	-12.978.991	20.701.082	-4.921.055	-1.756.953
Net Changes in Cash	255.603	1.681.885	2.150.029	-3.990.167	-244.760	814.274
Beginning Balance	4.341.601	4.597.204	6.279.089	8.429.118	4.438.951	4.194.191
Ending Balance	4.597.204	6.279.089	8.429.118	4.438.951	4.194.191	5.008.465

Ratio Highlights YoY

Growth (% YoY)	2020A	2021A	2022A	2023A	2024F	2025F
Revenue	-48%	11%	9%	29%	15%	14%
GP	-17%	21%	14%	21%	8%	12%
OP	-24%	50%	10%	53%	-15%	12%
EBITDA	-13%	32%	28%	34%	-8%	1%
NP	-77%	222%	70%	147%	-39%	10%
EPS	-13%	32%	28%	34%	-8%	1%
Profitability						
Operating Margin(%)	47%	57%	54%	73%	55%	55%
EBITDA margin(%)	62%	67%	73%	87%	70%	63%
NET Profit margin(%)	5%	14%	20%	44%	24%	23%
ROA(%)	0%	2%	3%	5%	3%	3%
ROE(%)	3%	8%	13%	24%	14%	13%
Stability						
Tot debt/ equity (x)	4,2	3,7	3,0	3,2	3,3	2,7
Int. Coverage (x)	(0,0)	0,2	0,6	1,9	0,7	0,8
Current Ratio (X)	0,7	0,9	1,0	0,3	0,3	0,4
Per Share data						
EPS (IDR)	69	223	378	936	573	633
PBV (x)	1,8	1,4	1,1	1,2	1,8	1,5
PER (x)	67	17	9	5	13	11
EBITDA/share	823	1.084	1.383	1.859	1.704	1.718

Stock Ratings:

Buy : a recommendation to purchase the security with upside potential of **20% or greater**

Hold : a recommendation to neither buy nor sell a security with upside potential of **0-19%**.

Sel : a recommendation to close out a long position in a security with upside potential **below 0% or negative**.

RESEARCH TEAM
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