

### PT Jasa Marga (Persero), Tbk

# BUY

3<sup>rd</sup> October 2022  
Infrastructure, Toll Road

Price	IDR	3,240
Target Price	IDR	5,230
JKSE Index		7,040.789



#### Investment Consideration

##### Traffic Returned to Normal

- Mobility has returned to normal without any restrictions, leading to an increase in toll transaction volume and revenue.
- JSMR consolidated toll revenue reached IDR 6.65 trillion, up +17.8% YoY in 1H2022 due to tariff adjustments for three toll roads this year and higher transaction volume.
- JSMR's subsidiaries booked +25% YoY growth to IDR 1.66 trillion and the parent company booked +13.1% YoY growth to IDR 4.41 trillion.
- JSMR transaction volume increased +15.6% YoY in 1H2022 with JSMR's subsidiary toll road transaction volume increasing +33.2% YoY and JSMR's parent level transaction volume increasing +11.2% YoY.
- For 2Q2022, the volume of transactions was higher by +6% QoQ and +13% YoY due to the high traffic during the Lebaran holiday with Jakarta – Cikampek toll road having the highest volume traffic compared to the others toll roads. In 2Q2022, JSMR booked toll road revenue of IDR 3.46 trillion, higher by +8.2% QoQ and +19.7% YoY.
- We expect the higher volume of transactions will continue in 2022F and JSMR toll and other operating revenue will grow +15% YoY to IDR 13.55 trillion.

##### Triple digit profit Growth

- If we exclude gains from divestments of IDR 788.7 billion in 1H2021, JSMR's bottom line profit in 1H2022 had triple digit growth of +998% YoY to IDR 734.7 billion. In the 2Q2022, JSMR profit reached IDR 341.9 billion from a loss in 2Q2021.
- Operating profit also grew +9.4% YoY to IDR 2.93 trillion in 1H2022, and profit before tax also grew +295.7% YoY due to a decrease in interest expenses of -17%.
- EBITDA increased +21.3% YoY to IDR 4.39 trillion and the EBITDA margin increased to 66.9%.
- We expect better 2022 traffic volume and revenue, which gives a net profit target of IDR 1.89 trillion which is growth of +17% YoY.

##### Valuation: TP 5,230, Maintain BUY

- Our target for JSMR share price is IDR 5,230, offering investors a potential return of 61%, we maintain our recommendation to BUY. This would translate to a 2023F PE of 17x.

Financial Highlights	2018A	2019A	2020A	2021A	2022F	2023F
Toll and other operating revenue (IDR Mn)	9.784.488	10.984.104	9.587.720	11.776.401	13.553.181	15.003.926
Operating Income (IDR Mn)	5.415.226	5.857.262	4.465.992	6.719.673	6.632.608	7.592.447
EBITDA (IDR Mn)	6.105.462	6.906.932	5.976.747	7.869.243	9.369.082	10.117.314
Net Income (IDR Mn)	2.202.600	2.207.117	501.047	1.615.249	1.895.683	2.204.694
EPS (IDR)	303	304	69	223	261	304
Operating Margin (%)	55%	53%	47%	57%	49%	51%
EBITDA Margin (%)	62%	63%	62%	67%	69%	67%
NPM (%)	23%	20%	5%	14%	14%	15%
Tot. Deb / Equity (X)	3,7	4,1	4,2	3,7	3,2	2,5
Int. Coverage (x)	1,1	0,9	(0,0)	0,2	0,3	0,3

Sources: Company and Binaartha

#### Stock Information

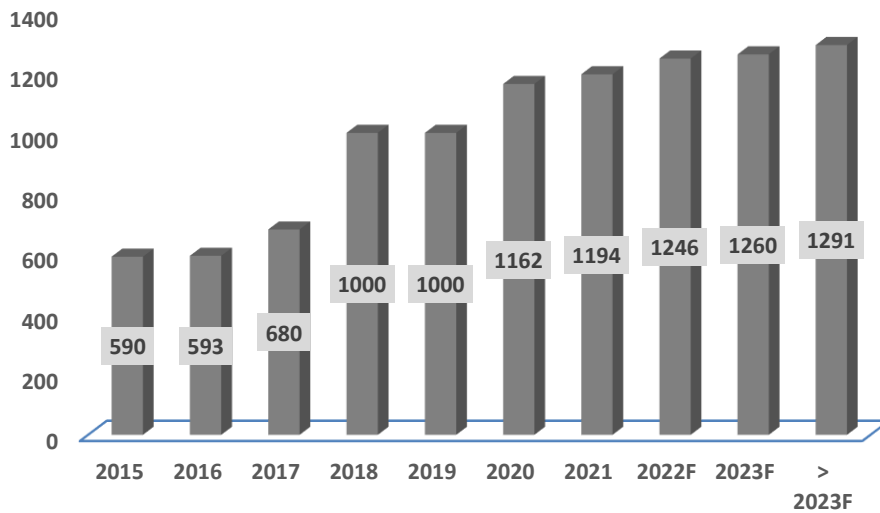
Bloomberg Code	JSMR IJ
Market Cap (IDR bn)	23,660
52-week high (IDR)	4,550
52-week low (IDR)	3,220
Shares issued (mn)	7,257.9
6-m avg. daily Val (IDR)	3,637
Free float (%)	30%

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

USD/ IDR – YE (IDR)	
2021	14,310
2022F (6m-avg)	14,500

Analyst: Eka Rahmawati R  
eka.rahmah@binaartha.com

**Chart: Operated Toll Road (in KM)**



Sources: Company

**Table: Additional Operated Toll Road in 2022 (13 km)**

Section	Length (km)
1 Danowudu - Bitung	13,40

Sources: Company

**Table: Additional Operated Toll Road 2023 (32 km)**

Section	Length (km)
1 Jakarta - Cikampek II South (Section III)	27,85
2 JORR2: Cinere - Serpong Section II	3,64

Sources: Company

**Table: Additional Operated Toll Road >2023 (517 km)**

Section	Length (km)
1 Bogor Ring Road (Section IIIB)	1,01
2 Jakarta - Cikampek II South (Section II-III)	34,15
3 Probolinggo - Banyuwangi (Section I-III)	171,50
4 Gedebage - Cilacap	206,65
5 Ngawi - Kertosono (Section V)	27,90
6 Jogja - Bawen	75,83

**Table: Income Statement in IDR Million QoQ & YoY**

Income Statement (IDR. Mn)	1Q2022	2Q2022	QoQ	2Q2021	YoY	1H2021	1H2022	YoY
Toll and other operating revenues	3.195.969	3.458.119	8,2%	2.888.561	19,7%	5.644.748	6.654.088	17,9%
Construction revenue	472.905	413.334	-12,6%	501.309	-17,5%	1.238.044	886.239	-28,4%
<b>Total Revenue</b>	<b>3.668.874</b>	<b>3.871.453</b>	<b>5,5%</b>	<b>3.389.870</b>	<b>14,2%</b>	<b>6.882.792</b>	<b>7.540.327</b>	<b>9,6%</b>
Toll and other operating expenses	-1.388.368	-1.650.403	18,9%	-1.454.087	13,5%	-2.562.316	-3.038.771	18,6%
Construction expenses	-467.260	-408.151	-12,7%	-497.127	-17,9%	-1.227.408	-875.411	-28,7%
<b>Total Cost of revenue</b>	<b>-1.855.628</b>	<b>-2.058.554</b>	<b>10,9%</b>	<b>-1.951.214</b>	<b>5,5%</b>	<b>-3.789.724</b>	<b>-3.914.182</b>	<b>3,3%</b>
<b>Gross Profit</b>	<b>1.813.246</b>	<b>1.812.899</b>	<b>0,0%</b>	<b>1.438.656</b>	<b>26,0%</b>	<b>3.093.068</b>	<b>3.626.145</b>	<b>17,2%</b>
Operating Expense	-267.132	-427.072	59,9%	498.525	-185,7%	374.535	-694.204	-285,4%
<b>Operating Income</b>	<b>1.546.114</b>	<b>1.385.827</b>	<b>-10,4%</b>	<b>1.937.181</b>	<b>-28,5%</b>	<b>3.467.603</b>	<b>2.931.941</b>	<b>-15,4%</b>
Other Income	-908.467	-858.434	-5,5%	-1.141.031	-24,8%	-2.384.435	-1.766.901	-25,9%
<b>Profit Before Tax</b>	<b>637.647</b>	<b>527.393</b>	<b>-17,3%</b>	<b>796.150</b>	<b>-33,8%</b>	<b>1.083.168</b>	<b>1.165.040</b>	<b>7,6%</b>
Taxes	-358.390	-277.567	-22,6%	-271.686	2,2%	-575.734	-635.957	10,5%
<b>NIAT</b>	<b>279.257</b>	<b>249.826</b>	<b>-10,5%</b>	<b>524.464</b>	<b>-52,4%</b>	<b>507.434</b>	<b>529.083</b>	<b>4,3%</b>
Non-controlling Interest	113.547	92.129	-18,9%	169.251	-45,6%	348.198	205.676	-40,9%
<b>Net Income</b>	<b>392.804</b>	<b>341.955</b>	<b>-12,9%</b>	<b>693.715</b>	<b>-50,7%</b>	<b>855.632</b>	<b>734.759</b>	<b>-14,1%</b>
<b>EPS (in IDR)</b>	<b>54</b>	<b>47</b>	<b>-12,9%</b>	<b>96</b>	<b>-50,7%</b>	<b>118</b>	<b>101</b>	<b>-14,1%</b>

**If excluding gain on divestment in 1H2021**

<b>Gross Profit</b>	<b>1.813.246</b>	<b>1.812.899</b>	<b>0,0%</b>	<b>1.438.656</b>	<b>26,0%</b>	<b>3.093.068</b>	<b>3.626.145</b>	<b>17,2%</b>
Operating Expense	-267.132	-427.072	59,9%	-290.216	47,2%	-414.206	-694.204	67,6%
<b>Operating Income</b>	<b>1.546.114</b>	<b>1.385.827</b>	<b>-10,4%</b>	<b>1.148.440</b>	<b>20,7%</b>	<b>2.678.862</b>	<b>2.931.941</b>	<b>9,4%</b>
Other Income	-908.467	-858.434	-5,5%	-1.141.031	-24,8%	-2.384.435	-1.766.901	-25,9%
<b>Profit Before Tax</b>	<b>637.647</b>	<b>527.393</b>	<b>-17,3%</b>	<b>7.409</b>	<b>7018,3%</b>	<b>294.427</b>	<b>1.165.040</b>	<b>295,7%</b>
Taxes	-358.390	-277.567	-22,6%	-271.686		-575.734	-635.957	10,5%
<b>NIAT</b>	<b>279.257</b>	<b>249.826</b>	<b>-10,5%</b>	<b>-264.277</b>		<b>-281.307</b>	<b>529.083</b>	<b>-288,1%</b>
Non-controlling Interest	113.547	92.129	-18,9%	169.251		348.198	205.676	-40,9%
<b>Net Income</b>	<b>392.804</b>	<b>341.955</b>	<b>-12,9%</b>	<b>-95.026</b>		<b>66.891</b>	<b>734.759</b>	<b>998,4%</b>
<b>EPS (in IDR)</b>	<b>54</b>	<b>47</b>	<b>-12,9%</b>	<b>-13</b>		<b>9</b>	<b>101</b>	<b>998,4%</b>

Sources: Company and Binaartha

**Chart: JSMR EBITDA Margin YoY**

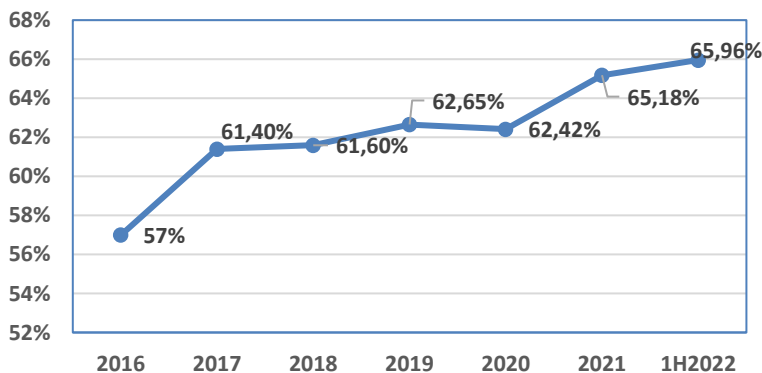


Table: Income Statement in IDR Million YoY

Income Statement (IDR. Mn)	2018A	2019A	2020A	2021A	2022F	2023F
Toll and other operating revenues	9.784.488	10.984.104	9.587.720	11.776.401	13.553.181	15.003.926
Construction revenue	27.189.585	15.361.156	4.116.301	3.393.151	1.772.478	2.126.974
<b>Total Revenue</b>	<b>36.974.074</b>	<b>26.345.260</b>	<b>13.704.021</b>	<b>15.169.552</b>	<b>15.325.659</b>	<b>17.130.900</b>
Toll and other operating expenses	-4.052.643	-4.634.241	-4.274.949	-5.305.620	-6.098.932	-6.751.767
Construction expenses	-27.003.921	-15.266.376	-4.074.539	-3.361.823	-1.751.208	-2.101.450
<b>Total Cost of revenue</b>	<b>-31.056.564</b>	<b>-19.900.617</b>	<b>-8.349.488</b>	<b>-8.667.443</b>	<b>-7.850.140</b>	<b>-8.853.217</b>
<b>Gross Profit</b>	<b>5.917.510</b>	<b>6.444.643</b>	<b>5.354.533</b>	<b>6.502.109</b>	<b>7.475.519</b>	<b>8.277.683</b>
Operating Expense	-502.284	-587.381	-888.541	217.564	-842.911	-685.236
<b>Operating Income</b>	<b>5.415.226</b>	<b>5.857.262</b>	<b>4.465.992</b>	<b>6.719.673</b>	<b>6.632.608</b>	<b>7.592.447</b>
Other Income	-2.204.919	-2.759.659	-3.769.541	-4.647.220	-3.800.763	-4.248.463
<b>Profit Before Tax</b>	<b>3.210.306</b>	<b>3.097.603</b>	<b>696.451</b>	<b>2.072.453</b>	<b>2.831.845</b>	<b>3.343.984</b>
Taxes	-1.173.815	-1.023.715	-738.080	-1.201.217	-1.472.559	-1.738.872
<b>NIAT</b>	<b>2.036.491</b>	<b>2.073.888</b>	<b>-41.629</b>	<b>871.236</b>	<b>1.359.285</b>	<b>1.605.112</b>
Non-controlling Interest	166.109	133.229	542.676	744.013	536.398	599.581
<b>Net Income</b>	<b>2.202.600</b>	<b>2.207.117</b>	<b>501.047</b>	<b>1.615.249</b>	<b>1.895.683</b>	<b>2.204.694</b>
EPS (in IDR)	303,5	304,1	69,0	222,6	261,2	303,8
<b>EBITDA</b>	<b>6.105.462</b>	<b>6.906.932</b>	<b>5.976.747</b>	<b>7.869.243</b>	<b>9.369.082</b>	<b>10.117.314</b>

Sources: Company and Binaartha

Table: Statement of Financial Position of JSMR in IDR Million YoY

Statement of Financial Position (In IDR Mn)	2018A	2019A	2020A	2021A	2022F	2023F
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and Cash Equivalents	5.942.954	4.341.601	4.597.204	6.279.089	4.934.175	4.328.357
Trade Accounts Receivable	5.550.282	6.270.361	4.418.103	2.032.306	2.298.849	2.569.635
Inventories	40.949	61.136	137.744	139.402	153.257	171.309
Others Current Assets	279.671	939.468	1.552.944	1.911.079	1.839.079	2.055.708
<b>Total Current Assets</b>	<b>11.813.857</b>	<b>11.612.566</b>	<b>10.705.995</b>	<b>10.361.876</b>	<b>9.225.359</b>	<b>9.125.009</b>
<b>NONCURRENT ASSETS</b>						
Fixed Assets	754.806	714.262	746.237	833.394	431.366	498.234
Intangible Assets	63.453.029	78.620.143	83.443.064	79.256.534	80.403.777	81.851.045
Other Noncurrent Assets	6.396.909	8.732.599	9.191.350	10.791.080	10.590.560	11.838.043
<b>Total Noncurrent Assets</b>	<b>70.604.744</b>	<b>88.067.004</b>	<b>93.380.651</b>	<b>90.881.008</b>	<b>91.425.703</b>	<b>94.187.322</b>
<b>TOTAL ASSETS</b>	<b>82.418.601</b>	<b>99.679.570</b>	<b>104.086.647</b>	<b>101.242.884</b>	<b>100.651.062</b>	<b>103.312.331</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES</b>						
Bank Loans	2.347.571	5.245.935	3.694.263	1.057.861	557.861	757.861
Contractors Payable	1.098.460	551.612	1.883.433	1.290.243	1.046.505	1.079.705
Account Payable	321.811	404.235	325.160	433.025	264.584	363.521
Current maturities of long term liabilities	6.430.596	11.885.400	1.976.842	2.781.255	8.914.865	9.914.865
Others Current Liabilities	20.883.037	23.439.235	7.048.989	6.452.199	5.363.981	5.139.270
<b>Total Current Liabilities</b>	<b>31.081.475</b>	<b>41.526.417</b>	<b>14.928.687</b>	<b>12.014.583</b>	<b>16.147.796</b>	<b>17.255.222</b>
<b>NONCURRENT LIABILITIES</b>						
Long-term contractors payable	266.024	568.239	754.833	362.814	513.753	642.528
Long-term liabilities - net of current liabilities	28.804.315	29.389.974	56.270.386	56.451.902	52.537.037	47.579.605
Others Noncurrent Liabilities	2.067.801	5.009.203	7.357.125	6.913.270	4.745.800	5.139.270
<b>Total Noncurrent Liabilities</b>	<b>31.138.140</b>	<b>34.967.416</b>	<b>64.382.344</b>	<b>63.727.986</b>	<b>57.796.590</b>	<b>53.361.402</b>
<b>TOTAL LIABILITIES</b>	<b>62.219.615</b>	<b>76.493.833</b>	<b>79.311.031</b>	<b>75.742.569</b>	<b>73.944.386</b>	<b>70.616.624</b>
Non-controlling interest	3.290.481	4.503.057	5.701.126	4.894.464	3.826.005	4.964.709
<b>EQUITY</b>	<b>16.908.505</b>	<b>18.682.680</b>	<b>19.074.489</b>	<b>20.605.851</b>	<b>22.880.671</b>	<b>27.730.998</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>82.418.601</b>	<b>99.679.570</b>	<b>104.086.646</b>	<b>101.242.884</b>	<b>100.651.062</b>	<b>103.312.331</b>

**Table: Cash Flow in IDR Million YoY**

Cash Flow (In IDR Mn)	2018A	2019A	2020A	2021A	2022F	2023F
Net Income	2.202.600	2.207.117	501.047	1.615.249	1.895.683	2.204.694
Depreciation	84.104	96.833	145.665	129.188	129.188	66.868
Change in WC	12.326.677	9.044.879	-25.435.556	-888.100	3.924.815	601.959
<b>Cash From Operating Activities</b>	<b>14.613.381</b>	<b>11.348.829</b>	<b>-24.788.844</b>	<b>856.337</b>	<b>5.949.687</b>	<b>2.873.521</b>
Change in Non-Current Asset	-10.483.141	-17.559.093	-5.459.312	2.370.455	-673.883	-2.828.487
<b>Cash From Investing Activities</b>	<b>-10.483.141</b>	<b>-17.559.093</b>	<b>-5.459.312</b>	<b>2.370.455</b>	<b>-673.883</b>	<b>-2.828.487</b>
Long-term contractors payable	-230.676	302.215	186.594	-392.019	150.939	128.774
Long-term liabilities - net of current liabilities	-2.258.770	585.659	26.880.412	181.516	-3.914.865	-4.957.433
Others Noncurrent Liabilities	-2.207.807	2.941.402	2.347.922	-443.855	-2.167.470	393.470
Equity	-363.054	779.634	1.088.831	-890.549	-689.322	3.784.337
<b>Cash From Financing Activities</b>	<b>-5.060.307</b>	<b>4.608.911</b>	<b>30.503.759</b>	<b>-1.544.907</b>	<b>-6.620.718</b>	<b>-650.851</b>
<b>Net Changes in Cash</b>	<b>-930.067</b>	<b>-1.601.353</b>	<b>255.603</b>	<b>1.681.885</b>	<b>-1.344.914</b>	<b>-605.818</b>
<b>Beginning Balance</b>	<b>6.873.021</b>	<b>5.942.954</b>	<b>4.341.601</b>	<b>4.597.204</b>	<b>6.279.089</b>	<b>4.934.175</b>
<b>Ending Balance</b>	<b>5.942.954</b>	<b>4.341.601</b>	<b>4.597.204</b>	<b>6.279.089</b>	<b>4.934.175</b>	<b>4.328.357</b>

**Table: Ratio Highlights YoY**

<b>Growth (% YoY)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021A</b>	<b>2022F</b>	<b>2023F</b>
Revenue	5%	-29%	-48%	11%	1%	12%
GP	11%	9%	-17%	21%	15%	11%
OP	17%	8%	-24%	50%	-1%	14%
EBITDA	11%	13%	-13%	32%	19%	8%
NP	0%	0%	-77%	222%	17%	16%
EPS	11%	13%	-13%	32%	19%	8%
<b>Profitability</b>						
Operating Margin(%)	55%	53%	47%	57%	49%	51%
EBITDA margin(%)	62%	63%	62%	67%	69%	67%
NET Profit margin(%)	23%	20%	5%	14%	14%	15%
ROA(%)	3%	2%	0%	2%	2%	2%
ROE(%)	13%	12%	3%	8%	8%	8%
<b>Stability</b>						
Tot debt/ equity (x)	3,7	4,1	4,2	3,7	3,2	2,5
Int. Coverage (x)	1,1	0,9	(0,0)	0,2	0,3	0,3
Current Ratio (X)	0,4	0,3	0,7	0,9	0,6	0,5
<b>Per Share data (IDR)</b>						
EPS	303	304	69	223	261	304
BV	2.330	2.574	2.628	2.839	3.153	3.821
EBITDA/share	841	952	823	1.084	1.291	1.394

---

**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**  
**(62 21) 520 6678 ext. 611**

*Disclaimer; PT Binaartha Sekuritas has compiled this report in good faith, using information believed to be reliable. PT Binaartha Sekuritas and its analysts take no responsibility for the accuracy of the information contained in this report. This report has been produced for distribution to clients of PT Binaartha Sekuritas only. This report is not an invitation to buy or sell any security. PT Binaartha Sekuritas may have used the information in this report prior to publication. The company or its clients may have positions in or may from time to time buy or sell the securities mentioned in this report or other related securities.*