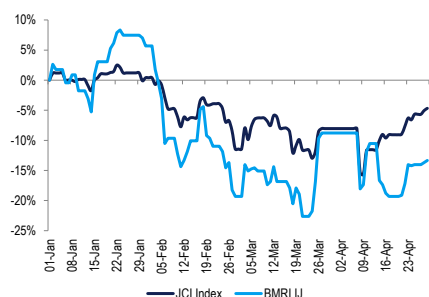


Stock Data

Target price	Rp7,100
Prior TP	Rp7,100
Current price	Rp4,940
Upside/downside	+43.7%
Shares outstanding (mn)	93,333
Market cap (Rp bn)	461,067
Free float	39%
Avg. 6m daily T/O (Rp bn)	1,224

Price Performance

	3M	6M	12M
Absolute	-19.3%	-27.6%	-28.7%
Relative to JCI	-13.5%	-16.0%	-23.0%
52w low/high (Rp)	4,410 – 7,450		



Major Shareholders

Republic of Indonesia	52%
Indonesia Investment Authority	8%

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1Q25 results: broadly in-line amid opex frontloading; big improvement in w/o

- 1Q25 net profit of Rp13.2tr (+4% yoy) was broadly in-line at 22/23% of our/consensus' forecasts. NII/PPOP growth was decent at +5/4% yoy.
- NIM contracted to 4.8% (-27bp yoy/-47bp qoq) due to rising CoF and lower loan yield. However, it maintains its NIM guidance of 5.0-5.2%.
- Slight uptick in LAR due to temporary restructuring (nickel corporate loan). Recovery/write-off ratio reached 104%. Maintain Buy.

1Q25 results: broadly in-line despite opex frontloading

BMRI posted net profit of Rp13.2tr in 1Q25 (+4% yoy), broadly in-line at 22/23% of our/consensus FY25F estimates. PPOP grew by +4% yoy, supported by NII and non-II growth of +5% and 15% yoy, respectively, although offset by higher opex (+16% yoy) as it frontloaded its incentives for expanding in SME CASA (vs. wholesale previously). Provision rose +8% yoy, bringing CoC to 0.9%, in-line with FY25F CoC guidance of 1.0-1.2%.

Expecting NIM to recover in subsequent quarters

Consolidated NIM contracted by -27bp yoy/-47bp qoq to 4.8%, slightly below its guidance of 5.0-5.2%. The decline was attributed to rising CoF (+31bp yoy/+7bp qoq) and lower loan yield (-9bp yoy/-21bp qoq), particularly in the corporate segment (-13bp yoy/-29bp qoq) amid rate cut as around 40% of corporate loan book is linked to benchmark rates. LDR improved to 93% from 98% in 4Q24 (90% in 1Q24). Deposit growth remained strong at +11% yoy/+3% qoq, mainly from SA (+12% yoy/+2% qoq) and TD (+19% yoy/+12% qoq), while CA was muted (+5% yoy/-3% qoq). We expect NIM to gradually improve in 2H (FY25 target of 5-5.2%), in-line with liquidity condition.

Loan growth remains robust but shall normalize in subsequent quarters

Overall loan growth reached +17% yoy, exceeding its 10-12% guidance amid low-base effect. However, qoq growth was flat, reflecting the bank's effort to manage LDR between 90-95% range. Growth was driven by commercial (+1% qoq) and micro & payroll (+2% qoq), while corporate loans declined -2% yoy as BMRI shift focus toward expanding the retail ecosystem within its value chain to enhance yield and support CASA generation.

LAR slightly increased due to one corporate debtor; NPL and SML remain stable

LAR rose +45bp qoq to 7.2%, mainly due to a temporary restructuring of a corporate client in the nickel sector which shall normalize in 2Q. NPL and SML remained stable qoq at 1.2/3.2% in 1Q25. On a more positive note, recovery/write-off ratio reached 104%, indicating improvement in asset quality from lesser write-off (write off target at Rp6-7tr or c.0.4% of FY25F loan).

Maintain Buy

We maintain our Buy rating. BMRI currently trades at FY25F 1.4x P/B and 7.9x P/E (vs. 10Y avg. of 1.7x P/B and 11.7x P/E). Risk is tight liquidity.

Financial summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net interest income	95,887	101,757	112,684	121,981	135,887
PPOP	84,790	87,988	95,050	103,420	115,061
Provision charges	(10,149)	(11,929)	(19,262)	(21,292)	(23,650)
Net profit	55,060	55,783	58,706	64,010	71,679
P/BV (x)	1.6	1.5	1.4	1.4	1.3
Dividend yield	5.4%	7.2%	9.4%	7.6%	8.3%
ROAE	22.4%	20.5%	20.1%	20.4%	20.8%
IPS vs. consensus			102%	103%	106%

Source: Company, Indo Premier

Share price closing as of: 29 April 2025

Fig. 1: BMRI 1Q25 results summary

BMRI 1Q25 result (Rp bn)	1Q25	1Q24	yoy%	4Q24	%QoQ	IPS FY25F	% of IPS	Cons FY25F	% of Cons.
Interest Income	39,626	35,535	12%	40,600	-2%	162,648	24%		
Interest Expenses	(14,121)	(11,349)	24%	(13,446)	5%	(49,964)	28%		
Net interest income	25,505	24,186	5%	27,154	-6%	112,684	23%		
Non interest income	11,673	10,127	15%	12,749	-8%	48,469	24%		
Total Income	37,178	34,313	8%	39,903	-7%	161,152	23%		
Overhead Expenses	(15,169)	(13,112)	16%	(18,774)	-19%	(66,102)	23%		
Pre-provision profit	22,009	21,201	4%	21,129	4%	95,050	23%		
Loan loss provision	(3,895)	(3,596)	8%	(2,396)	63%	(19,262)	20%		
Non Operating	65	(3)	-2267%	325	-80%	2,119	3%		
Pretax Profit	18,179	17,602	3%	19,058	-5%	77,907	23%	79,160	23%
Taxes	(3,649)	(3,481)	5%	(3,976)	-8%	(15,158)	24%		
Minority interest	(1,333)	(1,419)	-6%	(1,316)	1%	(4,044)	33%		
Net Profit	13,197	12,702	4%	13,766	-4%	58,706	22%	57,423	23%

Source: Company, Indo Premier

Fig. 2: BMRI 1Q25 balance sheet summary

Balance Sheet (Rp bn)	1Q25	1Q24	%YoY	4Q24	%QoQ
Cash + CA with BI	255,192	214,833	19%	246,710	3%
Secondary Reserves	403,673	396,708	2%	391,041	3%
Gross Loan	1,672,429	1,435,487	17%	1,670,547	0%
Loan loss provisions	(51,439)	(53,018)	-3%	(50,392)	2%
Other assets	183,804	169,775	8%	169,317	9%
Total Assets	2,463,659	2,163,785	14%	2,427,223	2%
Demand Deposits	590,295	562,103	5%	605,765	-3%
Saving deposits	679,417	606,832	12%	665,446	2%
CASA	1,269,712	1,168,935	9%	1,271,211	0%
Time Deposits & CD	479,007	402,956	19%	427,686	12%
Deposit from Customer	1,748,719	1,571,891	11%	1,698,897	3%
Wholesale funding	282,375	222,797	27%	316,574	-11%
Other liabilities&accrued	147,387	100,311	47%	98,278	50%
Total Liabilities	2,178,481	1,894,999	15%	2,113,749	3%
Equity	285,178	268,787	6%	313,474	-9%

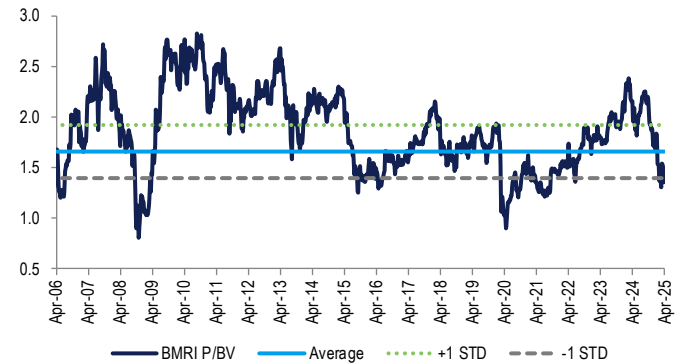
Source: Company, Indo Premier

Fig. 3: BMRI 1Q25 key ratios

Key Ratios (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Loan yield - reported, bank	7.7	7.9	8.1	7.7	7.7	7.8	7.7	7.9	7.6
NIM (Q) - reported, bank or	5.1	5.4	5.5	5.0	4.8	5.1	4.9	5.0	4.6
NIM (C) - reported	5.4	5.6	5.6	5.5	5.1	5.1	5.1	5.2	4.8
Credit costs (C) - reported	1.2	1.2	1.0	0.9	1.1	1.0	0.9	0.8	0.9
Cost to income ratio	37.0	36.8	38.1	38.8	38.2	37.5	37.3	40.0	40.8
CASA ratio	74	73	74	74	74	75	74	75	73
LDR	86	86	88	86	88	90	92	95	93
CAR	20.3	20.7	21.3	22.0	19.9	20.1	20.7	20.9	18.5
Gross NPL	1.8	1.6	1.5	1.2	1.2	1.2	1.1	1.1	1.2
Special mention	4.1	4.4	4.3	3.9	4.0	3.6	3.4	3.2	3.2
Loan at risk (incl. Covid)	11.3	10.3	9.8	8.6	8.4	7.8	7.5	6.8	7.2
Coverage ratio	303	304	299	326	318	293	281	271	265
LAR coverage	47	48	46	45	45	44	43	45	43

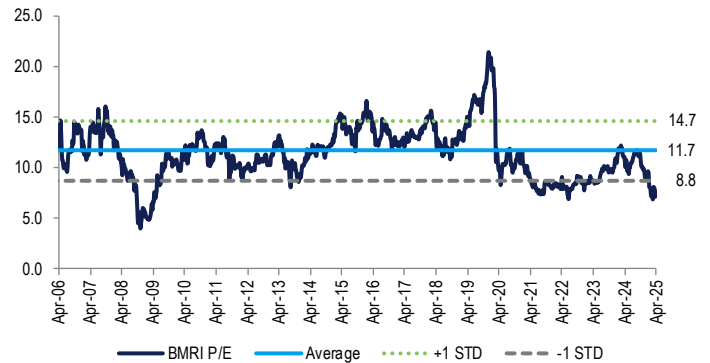
Source: Company, Indo Premier

Fig. 4: BMRI's P/BV – now trading at 1.4x FY25F P/BV vs. 10-year average of 1.7x P/BV



Source: Bloomberg, Company, Indo Premier

Fig. 5: BMRI's P/E – now trading at 7.9x FY25F P/E vs. 10-year average of 11.7x P/E



Source: Bloomberg, Company, Indo Premier

Fig. 6: Peer comparison table

Ticker	Closing Price	Target Price	P/BV multiple target (x)	Upside	Recommendation	P/E (x)			P/BV (x)		
						FY25F	FY26F	10Y Avg	FY25F	FY26F	10Y Avg
BBCA	8,725	10,400	4.3	19%	Buy	18.8	17.3	21.2	3.8	3.5	3.8
BBRI	3,850	4,700	2.1	22%	Buy	10.3	9.1	14.6	1.8	1.7	2.4
BMRI	4,940	7,100	2.0	44%	Buy	7.9	7.2	11.8	1.4	1.3	1.7
BBNI	4,140	4,500	0.9	9%	Hold	7.2	6.6	10.4	0.9	0.8	1.1
BBTN	1,085	1,450	0.6	34%	Buy	4.7	4.3	6.9	0.4	0.4	0.8
BRIS*	2,850	3,500	2.7	23%	Buy	16.2	14.3	16.0	2.5	2.2	2.2

Source: Bloomberg, Company, Indo Premier

*4Y avg

Share price closing as of: 29 April 2025

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Interest income	132,544	151,236	162,648	175,965	194,981
Interest expense	(36,658)	(49,479)	(49,964)	(53,983)	(59,094)
Net interest income	95,887	101,757	112,684	121,981	135,887
Non-interest income	42,771	44,842	48,469	54,764	61,873
Total operating income	138,658	146,599	161,152	176,745	197,761
Opex	(53,867)	(58,611)	(66,102)	(73,326)	(82,700)
PPOP	84,790	87,988	95,050	103,420	115,061
Provisions	(10,149)	(11,929)	(19,262)	(21,292)	(23,650)
Operating profit	74,642	76,059	75,788	82,127	91,410
Non-operating profit	43	344	2,119	2,352	2,595
Pre-tax profit	74,685	76,403	77,907	84,479	94,005
Income tax	(14,633)	(15,238)	(15,158)	(16,425)	(18,282)
Minority interest	(4,992)	(5,382)	(4,044)	(4,044)	(4,044)
Net profit	55,060	55,783	58,706	64,010	71,679

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash + CA with BI	135,037	148,721	160,533	177,652	195,564
Secondary reserves	536,883	489,637	553,204	580,864	627,333
Gross loans	1,398,071	1,670,695	1,831,572	2,039,733	2,260,325
Loan provisions	(53,099)	(49,533)	(46,915)	(44,189)	(41,102)
Other assets	157,327	167,702	180,379	194,331	209,696
Total Assets	2,174,219	2,427,223	2,678,773	2,948,391	3,251,817
Total deposits	1,588,133	1,710,908	1,929,506	2,162,359	2,424,223
Securities and borrowings	189,575	280,306	280,306	280,306	280,306
Other liabilities	109,017	122,535	130,234	138,214	146,501
Total liabilities	1,886,724	2,113,749	2,340,047	2,580,879	2,851,031
Shareholders' equity	287,495	313,474	338,726	367,512	400,786
Total liabilities & equity	2,174,219	2,427,223	2,678,773	2,948,391	3,251,817

Growth YoY	2023A	2024A	2025F	2026F	2027F
Gross loans	16.3%	19.5%	9.6%	11.4%	10.8%
Total assets	9.1%	11.6%	10.4%	10.1%	10.3%
Total deposits	5.7%	7.7%	12.8%	12.1%	12.1%
Net interest income	9.1%	6.1%	10.6%	8.3%	11.4%
Non-interest income	13.6%	4.8%	8.0%	13.0%	13.0%
Total operating income	10.4%	5.7%	9.8%	9.7%	11.9%
Operating expense	1.1%	8.8%	12.7%	10.9%	12.8%
PPOP	17.3%	3.8%	8.0%	8.8%	11.3%
Net profit	33.7%	1.3%	5.2%	9.0%	12.0%

Key Ratios	2023A	2024A	2025F	2026F	2027F
ROAA	2.6%	2.4%	2.2%	2.2%	2.2%
ROAE	22.4%	20.5%	19.8%	19.8%	20.2%
NIM	5.3%	5.1%	5.1%	5.0%	5.0%
Credit cost	0.8%	0.8%	1.1%	1.1%	1.1%
Cost/income	38.8%	40.0%	41.0%	41.5%	41.8%
LDR	88.0%	97.6%	94.9%	94.3%	93.2%
CAR	22.0%	20.8%	20.2%	20.0%	19.8%
NPL ratio	1.2%	1.1%	0.7%	0.6%	0.3%
Provisions/NPL	329.1%	265.1%	344.6%	389.4%	536.4%

Source: Company, Indo Premier

INVESTMENT RATINGS

BUY	: Expected total return of 10% or more within a 12-month period
HOLD	: Expected total return between -10% and 10% within a 12-month period
SELL	: Expected total return of -10% or worse within a 12-month period

ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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