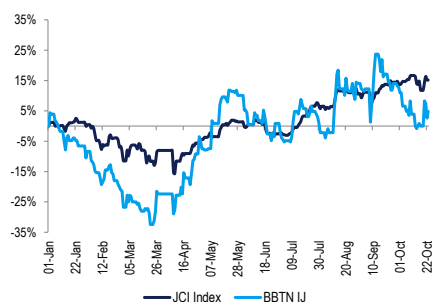


Stock Data

Target price	Rp1,450
Prior TP	Rp1,450
Current price	Rp1,195
Upside/downside	+21.3%
Shares outstanding (mn)	14,034
Market cap (Rp bn)	16,771
Free float	40%
Avg. 6m daily T/O (Rp bn)	52

Price Performance

	3M	6M	12M
Absolute	0.4%	18.3%	-19.3%
Relative to JCI	-10.4%	-6.4%	-25.5%
52w low/high (Rp)	770 – 1,495		



Major Shareholders

Republic of Indonesia	60%
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3Q25 results: miss from smaller qoq effective interest rate adjustment

- 9M25 net profit of Rp2.3tr (+11% yoy/-26% qoq in 3Q25) was below. PPOP rose +81% yoy but fell -58% qoq due to miss in interest income.
- NIM expanded +100bp yoy but fell -50bp qoq amid smaller impact from EIR adjustment; LDR fell to 89% vs. 93% in 2Q25 from liquidity injection.
- Loan grew modest at +7% yoy but LAR rose by +50bp qoq. We expect earnings to catch up in 4Q25, hence our unchanged Buy rating.

9M25 results: miss from lacklustre interest income

BBTN recorded net profit of Rp2.3tr in 9M25 (+11% yoy/-26% qoq in 3Q25), below at 71%/69% of ours/consensus FY25F. PPOP was robust at +84% yoy in 9M but dropped -58% qoq, driven by drop in interest income at -22% qoq amid smaller impact from effective interest rate (EIR) adjustment that was made in 1H25. Non-IL grew at +10% yoy (+44% qoq) while opex grew at +10% yoy (+13% qoq). Provisions surged +230% yoy (-69% qoq) as management continued its strategy to increase NPL coverage to 115-120%. This bring higher CoC of 1.6% (+110bp yoy/-39bp qoq), in-line with its guidance of >1.5%.

Drop on qoq NIM was also attributed to smaller adjustment in EIR

Overall NIM improved +100bp yoy (-50bp qoq) to 3.9% in 3Q25, above its FY25F guidance of 3.2-3.4%. This was primarily driven by higher asset yield which rose +75bp yoy, though declined by -55bp qoq amid smaller EIR adjustment impact; CoF was relatively stable. LDR declined to 89% (93% in 2Q25) as deposits grew +16% yoy from MoF's Rp25tr liquidity injection to BBTN (without the incentive, deposit grew at +9% yoy).

Non-housing loan was the main driver for loan growth

Loan grew +7% yoy (+1% qoq), in-line with its FY25F guidance of 7-9%. It was led by non-housing loans at +10.7% yoy, mainly by expansion in corporate (+27.5% yoy). Housing grew modest at +6.4% yoy, with subsidized mortgages up by +8% yoy vs. non-subsidized at +7.3% yoy.

Slight qoq uptick in NPL/LAR from the non-subsidized segments

NPL rose +10bp qoq to 3.4%, along with higher LAR at +50bp qoq to 20.7% in 3Q25. This was driven by non-subsidized mortgage segment in East Jakarta, though it expects NPL to trend back towards its guidance of <3.1% by year-end from improving collection activity. Meanwhile, both NPL and LAR coverage declined to 111%/18.5% in 3Q25 vs. 115%/19% in 2Q25.

Maintain Buy as we expect earnings to catch up in 4Q25

Despite the miss on the results, we maintain our Buy rating as we expect earnings to catch up in 4Q25 largely from lower CoF, along with attractive valuation (0.5x FY25F P/B and 5.2x P/E vs. 10Y avg of 0.8x and 6.9x). Risk is asset quality deterioration.

Financial summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net interest income	13,430	11,730	13,593	15,361	16,830
Total revenue	17,316	16,342	18,391	20,509	22,362
PPOP	8,304	5,902	7,768	8,855	10,082
Provision charges	(3,764)	(2,051)	(3,723)	(4,423)	(5,211)
Net profit	3,501	3,007	3,236	3,546	3,897
P/BV (x)	0.6	0.5	0.5	0.4	0.4
Dividend yield	3.6%	4.2%	3.6%	3.9%	4.2%
ROAE	13.0%	9.7%	9.5%	9.7%	9.8%
IPS vs. consensus			97%	101%	105%

Source: Company, Indo Premier

Share price closing as of: 23 October 2025

Fig. 1: BBTN 3Q25 results summary

BBTN 3Q25 result (in Rp bn)	9M25	9M24	%YoY	3Q25	3Q24	%YoY	2Q25	%QoQ	IPS FY25F	% of IPS	Cons FY25F	% of Cons
Interest income	26,579	22,366	19%	8,078	7,391	9%	10,291	-22%	32,669	81%		
Interest expenses	(13,817)	(13,475)	3%	(4,663)	(4,526)	3%	(4,722)	-1%	(19,076)	72%		
Net interest income	12,762	8,891	44%	3,415	2,865	19%	5,569	-39%	13,593	94%		
Non-interest income	3,147	2,860	10%	1,244	851	46%	864	44%	4,798	66%		
Total Income	15,909	11,751	35%	4,659	3,716	25%	6,433	-28%	18,391	87%		
Overhead expenses	(8,528)	(7,736)	10%	(3,102)	(2,605)	19%	(2,734)	13%	(10,623)	80%		
Pre-provision profit	7,381	4,015	84%	1,557	1,111	40%	3,699	-58%	7,768	95%		
Loan loss provision	(4,476)	(1,355)	230%	(819)	(379)	116%	(2,678)	-69%	(3,723)	120%		
Pretax profit	2,905	2,660	9%	738	732	1%	1,021	-28%	4,045	72%	4,199	69%
Non Operating	(43)	(44)	-2%	(6)	6	-200%	(23)	-74%				
Tax	(559)	(534)	5%	(135)	(158)	-15%	(196)	-31%	(809)	69%		
Net Profit	2,303	2,082	11%	597	580	3%	802	-26%	3,236	71%	3,339	69%

Source: Company, Indo Premier

Fig. 2: BBTN 3Q25 balance sheet summary

Balance sheet (Rp bn)	3Q25	3Q24	%YoY	2Q25	%QoQ
Secondary reserves	72,253	71,271	1%	74,330	-3%
Loans & financing	381,030	356,064	7%	376,110	1%
Provision	(14,536)	(14,576)	0%	(14,359)	1%
Other assets	72,110	42,348	70%	48,881	48%
Total Assets	510,857	455,107	12%	484,962	5%
Current Account (CA)	160,072	148,645	8%	155,287	3%
Savings Account (SA)	42,755	40,344	6%	44,437	-4%
CASA	202,827	188,989	7%	199,724	2%
Time Deposits (TD)	227,099	181,763	25%	206,658	10%
Total Deposits	429,926	370,752	16%	406,382	6%
Deposit from other banks	113	1,066	-89%	95	19%
Securities issued	3,730	5,280	-29%	4,766	-22%
Borrowings	35,044	38,008	-8%	33,642	4%
Other liabilities	7,362	7,994	-8%	6,151	20%
Total liabilities	476,175	423,100	13%	451,036	6%
Equity	34,682	32,007	8%	33,926	2%

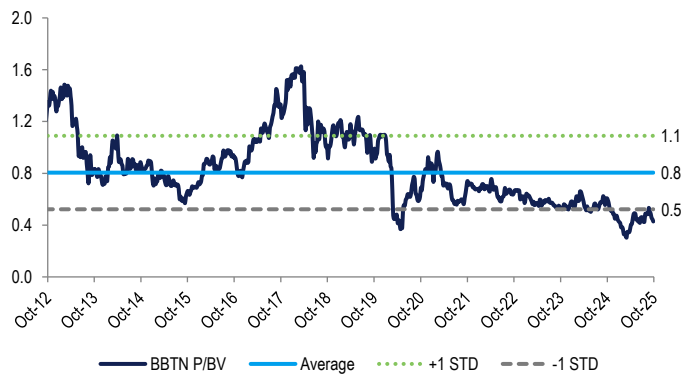
Source: Company, Indo Premier

Fig. 3: BBTN 3Q25 key ratios summary

Key ratios	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Asset yield	8.0	7.7	7.8	7.7	8.2	7.8	7.5	7.3	8.0	8.8	8.3
Cost of funds (reported)	3.6	3.6	3.6	3.7	4.2	4.1	4.1	4.1	4.1	4.1	4.1
NIM (C)	3.5	3.6	3.8	3.8	3.3	3.0	2.9	2.9	3.6	4.4	3.9
CIR	47.4	47.8	46.7	45.3	54.6	58.8	60.2	57.1	53.6	43.8	47.8
Credit Costs (C)	104	131	129	119	77	56	52	57	106	201	162
Credit Costs (Q)	104	161	131	105	77	38	45	78	106	298	89
LDR	93.8	98.2	98.3	95.4	96.2	96.4	96.0	93.8	94.4	92.6	88.6
CASA ratio	52.2	54.3	49.5	53.7	49.9	51.8	51.0	54.1	51.1	49.1	47.2
SML	8.8	9.5	9.4	7.9	9.1	9.4	9.7	9.5	10.4	10.6	10.4
NPL	3.5	3.7	3.5	3.0	3.0	3.1	3.2	3.2	3.3	3.3	3.4
Coverage ratio	145.9	139.1	142.0	155.2	152.8	135.7	126.5	115.4	104.6	115.0	110.5
LAR	24.2	23.2	22.8	21.1	21.6	21.2	20.8	19.7	20.3	20.2	20.7
LAR coverage	21.3	22.0	22.1	22.1	21.3	20.1	19.6	18.6	17.0	19.0	18.5
CAR	21.2	20.4	19.6	20.1	19.0	16.6	18.7	18.5	17.7	17.5	17.3

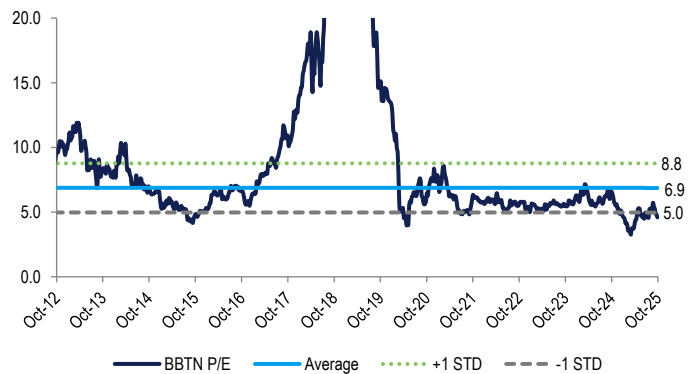
Source: Company, Indo Premier

Fig. 4: BBTN's P/BV – now trading at 0.5x FY25F P/BV vs. 10 year average of 0.8x P/BV



Source: Bloomberg, Company, Indo Premier

Fig. 5: BBTN's P/E – now trading at 5.2x FY25F P/E vs. 10 year average of 6.9x 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	8.325	10.400	4,3	25%	Buy	17,9	16,5	21,3	3,7	3,5	3,8
BBRI	3.820	4.700	2,1	23%	Buy	10,2	9,1	14,7	1,8	1,7	2,4
BMRI	4.430	6.000	1,7	35%	Buy	8,1	6,9	11,7	1,3	1,2	1,6
BBNI	4.240	4.800	0,9	13%	Buy	7,7	7,0	10,4	0,9	0,8	1,1
BBTN	1.195	1.450	0,6	21%	Buy	5,2	4,7	6,9	0,5	0,4	0,8
BRIS*	2.640	3.500	2,7	33%	Buy	15,0	13,3	15,8	2,3	2,0	2,2

Source: Bloomberg, Company, Indo Premier
*4Y avg

Share price closing as of: 23 October 2025

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Interest income	28,281	29,578	32,669	36,012	38,883
Interest expense	(14,851)	(17,848)	(19,076)	(20,651)	(22,053)
Net interest income	13,430	11,730	13,593	15,361	16,830
Non-interest income	3,885	4,612	4,798	5,148	5,532
Total operating income	17,316	16,342	18,391	20,509	22,362
Opex	(9,012)	(10,440)	(10,623)	(11,654)	(12,280)
PPOP	8,304	5,902	7,768	8,855	10,082
Provisions	(3,764)	(2,051)	(3,723)	(4,423)	(5,211)
Operating profit	4,540	3,851	4,045	4,433	4,871
Non-operating profit	(160)	(78)	-	-	-
Pre-tax profit	4,380	3,773	4,045	4,433	4,871
Income tax	(879)	(766)	(809)	(887)	(974)
Minority interest	-	-	-	-	-
Net profit	3,501	3,007	3,236	3,546	3,897

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash + CA with BI	20,273	22,382	23,986	25,594	27,468
Secondary reserves	73,940	76,107	80,293	85,512	91,498
Gross loans	333,698	357,973	386,611	417,540	450,943
Loan provisions	(15,592)	(13,063)	(14,323)	(16,504)	(19,310)
Other assets	26,431	26,431	26,431	26,431	26,431
Total Assets	438,750	469,829	502,997	538,573	577,030
Total deposits	349,699	381,667	412,200	444,877	480,147
Securities and borrowings	8,920	6,197	6,197	6,197	6,197
Other liabilities	49,652	49,179	49,179	49,179	49,179
Total liabilities	408,271	437,043	467,576	500,253	535,523
Shareholders' equity	30,479	32,786	35,421	38,319	41,507
Total liabilities & equity	438,750	469,829	502,997	538,573	577,030

Growth YoY	2023A	2024A	2025F	2026F	2027F
Gross loans	11.9%	7.3%	8.0%	8.0%	8.0%
Total assets	9.1%	7.1%	7.1%	7.1%	7.1%
Total deposits	8.6%	9.1%	8.0%	7.9%	7.9%
Net interest income	-10.4%	-12.7%	15.9%	13.0%	9.6%
Non-interest income	127.3%	18.7%	4.0%	7.3%	7.5%
Total operating income	3.6%	-5.6%	12.5%	11.5%	9.0%
Operating expense	1.6%	15.8%	1.8%	9.7%	5.4%
PPOP	6.0%	-28.9%	31.6%	14.0%	13.8%
Net profit	15.0%	-14.1%	7.6%	9.6%	9.9%

Key Ratios	2023A	2024A	2025F	2026F	2027F
ROAA	0.8%	0.7%	0.7%	0.7%	0.7%
ROAE	12.4%	9.5%	9.5%	9.6%	9.8%
NIM	3.6%	2.9%	3.1%	3.3%	3.3%
Credit cost	1.2%	0.6%	1.0%	1.1%	1.2%
Cost/income	52.0%	63.9%	57.8%	56.8%	54.9%
LDR	95.4%	93.8%	93.8%	93.9%	93.9%
CAR	20.1%	18.5%	18.6%	18.7%	18.8%
NPL ratio	3.0%	3.2%	2.9%	2.9%	2.8%
Provisions/NPL	155.2%	115.4%	126.9%	137.9%	152.0%

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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