

Bank Rakyat Indonesia

BUY (unchanged)

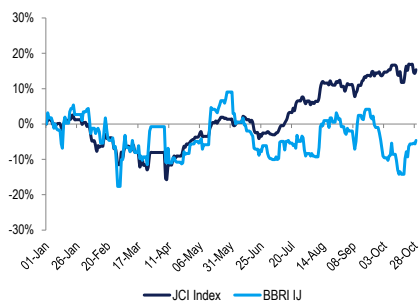
Company Update | Banks | BBRI IJ | 30 October 2025

Stock Data

Target price	Rp4,700
Prior TP	Rp4,700
Current price	Rp3,890
Upside/downside	+20.8%
Shares outstanding (mn)	151,559
Market cap (Rp bn)	589,565
Free float	46%
Avg. 6m daily T/O (Rp bn)	801

Price Performance

	3M	6M	12M
Absolute	-0.8%	1.0%	-17.2%
Relative to JCI	-8.0%	-20.0%	-24.6%
52w low/high (Rp)	3,360 – 4,800		



Major Shareholders

Republic of Indonesia	53.2%
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3Q25 results: broadly in-line; better loan/asset quality outlook in FY26F

- 9M25 net profit of Rp40.8tr (-10% yoy) broadly in-line amid weak PPOP (-1% yoy) from slower recovery. Provisions eased -6% qoq (CoC 3.2%).
- NIM was stable at 7.7% vs. 7.8% in 1H25 from flat asset yield and CoF. Deposits rose +8% yoy from impressive CA growth of +24% yoy.
- Loan grew +6% yoy from corporate (+16% yoy); LAR improved to 10.7% vs. 10.8% in 2Q25. Maintain Buy on better loan growth/CoC outlook.

9M25 results: below from miss in recovery despite improving provision

BBRI posted 9M25 net profit of Rp40.8tr (-10% yoy/+15% qoq in 3Q25), broadly in-line at 72% of ours/consensus FY25F. PPOP slipped -1% yoy from weaker non-II (-2% yoy – due to weak recovery at -14.4% yoy) while NII was modest (+3% yoy). Opex grew at +5% yoy, translating to steady CIR of 43% (vs. 42%/41% in 2Q25/3Q24). Provisions rose +14% yoy but eased -6% qoq, bringing CoC lower to 3.2% (vs. 3.4% in 2Q25/3Q24), trending back towards management's 3.0-3.2% guidance.

Relatively stable NIM while CASA improved from robust CA

Consolidated NIM stood at 7.7% in 9M25 (7.8%/7.7% in 1H25/9M24), in-line with guidance of 7.3-7.7% as asset yield was steady at 10.8% (flat qoq/yoy) along with stable CoF at 3.6% (flat qoq/-10bp yoy). LDR rose to 87% (vs. 85%/89% in 2Q25/3Q24). Deposit grew +8% yoy (flat qoq), driven by CASA at +14% yoy from robust CA at +24% yoy vs. SA at +7% yoy, while TD contracted -2% yoy; this led to higher CASA ratio of 68% vs. 66% in 2Q25.

Tepid loan growth as micro continue to remain weak

Loan grew +6% yoy (+2% qoq) in 3Q25, slightly below the 7-9% guidance. This was supported by corporate (+16% yoy) and consumer (+10% yoy), while micro remained weak (+1% yoy), dragged down by Kupedes (-10% yoy) and KUR (-0.3% yoy) as it still prioritizing asset quality over expansion.

Slight uptick on NPL but LAR/SML improved

NPL rose to 3.1% in 3Q25 (vs. 3.0%/2.9% in 2Q25/3Q24) from downgrade in micro & consumer. However, LAR improved to 10.7% (vs. 10.8%/11.7% in 2Q25/3Q24) while SML declined to 5.0% (vs. 5.2%/5.6% in 2Q25/3Q24) with steady LAR coverage of 52.6% vs. 53.2% in 2Q25. As of 3Q25, the remaining 2023 Kupedes accounted for Rp44tr/3.1% of total loans with NPL of c.13%, which is expected to be resolved by 1H26. Net micro downgrade (both NPL and SML) also continued to improve sequentially.

Maintain Buy on better growth and asset quality outlook

We maintain our Buy rating on the back of better growth (especially micro) and asset quality outlook (improving CoC and lower net downgrade). BBRI trades at 1.8x FY25F P/B and 10.4x P/E (vs. 10Y avg. of 2.4x P/B and 14.7x P/E). Risk is NIM compression.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net interest income	134,390	141,139	144,919	155,718	166,412
PPOP	106,508	116,752	114,807	124,284	135,166
Provision charges	(29,679)	(38,174)	(41,820)	(42,332)	(46,570)
Net profit	60,100	60,155	56,845	63,885	69,058
P/BV (x)	1.9	1.9	1.8	1.8	1.7
Dividend yield	8.1%	9.5%	8.7%	8.2%	9.2%
ROAE	19.8%	19.3%	17.9%	19.5%	20.1%
IPS vs. consensus			101%	102%	100%

Source: Company, Indo Premier

Share price closing as of: 29 October 2025

Fig. 1: BBRI 3Q25 results summary

BBRI 3Q25 results (Rp bn)	9M25	9M24	%YoY	3Q25	3Q24	%YoY	2Q25	%QoQ	IPS FY25F	% of IPS	Cons FY25F	% of Cons.
Interest income	155,160	150,637	3%	52,784	50,847	4%	52,538	0%	203,437	76%		
Interest expenses	(44,169)	(42,776)	3%	(15,067)	(14,264)	6%	(15,115)	0%	(58,519)	75%		
NII	110,991	107,861	3%	37,717	36,583	3%	37,423	1%	144,919	77%		
Non-interest income	40,637	41,482	-2%	13,533	15,877	-15%	12,514	8%	66,980	61%		
Total income	151,628	149,343	2%	51,250	52,460	-2%	49,937	3%	211,899	72%		
Opex	(64,961)	(61,834)	5%	(22,861)	(21,994)	4%	(21,556)	6%	(97,091)	67%		
PPOP	86,667	87,509	-1%	28,389	30,466	-7%	28,381	0%	114,807	75%		
Provisions	(33,597)	(29,464)	14%	(10,324)	(10,967)	-6%	(10,998)	-6%	(41,820)	80%		
Operating profit	53,070	58,045	-9%	18,065	19,499	-7%	17,383	4%	72,988	73%		
Non-operating	(207)	(57)	263%	54	39	38%	(21)	-357%	(1,068)	19%		
Pre-tax profit	52,863	57,988	-9%	18,119	19,538	-7%	17,362	4%	71,919	74%	72,565	73%
Tax	(11,631)	(12,626)	-8%	(3,420)	(4,072)	-16%	(4,633)	-26%	(14,598)	80%		
Minority interest	(453)	(297)	53%	(197)	(103)	91%	(125)	58%	(477)	95%		
Net profit	40,779	45,065	-10%	14,502	15,363	-6%	12,604	15%	56,845	72%	56,477	72%

Source: Company, Indo Premier

Fig. 2: BBRI 3Q25 balance sheet summary

Balance Sheet (Rp bn)	3Q25	3Q24	%YoY	2Q25	%QoQ
Gross loan	1,438,109	1,353,356	6%	1,416,619	2%
Provision	(80,949)	(84,504)	-4%	(81,357)	-1%
Other IEA	538,249	476,273	13%	556,309	-3%
Other assets	228,037	216,791	5%	214,800	6%
Total assets	2,123,447	1,961,916	8%	2,106,371	1%
Demand deposits	435,071	349,490	24%	414,483	5%
Saving deposits	562,551	524,741	7%	556,463	1%
CASA	997,622	874,231	14%	970,946	3%
Time deposits	477,161	488,188	-2%	511,174	-7%
Deposit from customer	1,474,783	1,362,419	8%	1,482,120	0%
Other IBL	210,675	179,105	18%	205,823	2%
Other liabilities	100,090	90,920	10%	96,356	4%
Total liabilities	1,785,549	1,632,443	9%	1,784,299	0%
Equity	337,898	329,473	3%	322,072	5%

Source: Company, Indo Premier

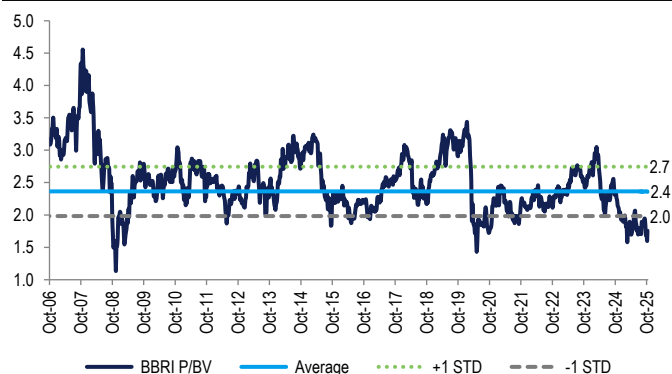
Fig. 3: BBRI 3Q25 key ratios

Key Ratios (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Asset yield (C)	10.1	10.3	10.5	10.5	11.1	10.8	10.8	10.9	10.7	10.8	10.8
CoF (C) - Consol	2.7	2.8	2.8	3.0	3.6	3.6	3.7	3.7	3.5	3.6	3.6
NIM (C) - Bank only	6.7	6.8	7.0	6.8	6.6	6.4	6.5	6.5	6.5	6.6	6.5
NIM (C) - Consol	7.8	7.9	8.1	8.0	7.8	7.6	7.7	7.7	7.7	7.8	7.7
CAR	25.0	26.7	27.5	27.3	24.0	25.1	26.8	26.6	24.0	25.0	25.4
LDR*	85	87	88	84	83	87	89	89	86	85	87
Gross NPL - Bank only	3.0	3.1	3.2	3.1	3.3	3.2	3.0	2.9	3.1	3.2	3.3
Gross NPL - Consol	2.9	3.0	3.1	3.0	3.1	3.1	2.9	2.8	3.0	3.0	3.1
Special mention	5.2	5.8	5.7	4.9	5.7	5.4	5.6	4.8	5.3	5.2	5.0
Loan at risk (incl Covid)	16.4	14.9	13.8	12.5	12.7	12.0	11.7	10.7	11.1	10.8	10.7
LAR coverage	49.2	49.1	50.9	54.1	52.5	53.9	53.6	55.9	53.5	53.2	52.6
CASA ratio	65	65	64	64	62	63	64	67	66	66	68
Coverage ratio	282	249	229	229	214	212	215	215	201	189	183
Credit costs (C) - Consol	2.4	2.3	2.4	2.4	3.8	3.5	3.4	3.2	3.5	3.4	3.2
CIR	42	42	41	42	37	41	41	42	41	42	43

*Only calculated BRI and Raya financial numbers

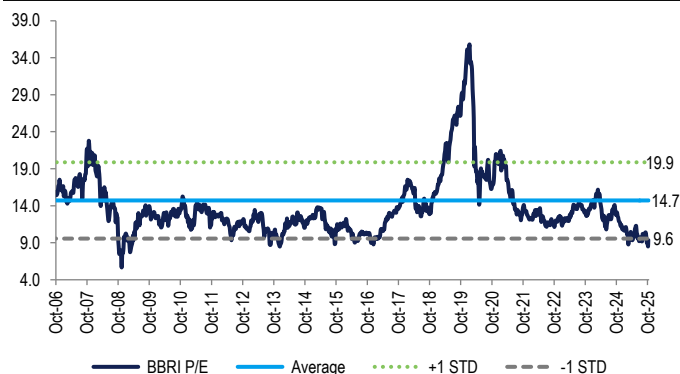
Source: Company, Indo Premier

Fig. 4: BBRI's P/BV – now trading at 1.8x FY25F P/BV vs. 10-year average of 2.4x P/BV



Source: Bloomberg, Company, Indo Premier

Fig. 5: BBRI's P/E – now trading at 10.4x FY25F P/E vs. 10-year average of 14.7x 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	8,600	10,400	4.3	21%	Buy	18.5	17.0	21.3	3.9	3.6	3.8
BBRI	3,890	4,700	2.1	21%	Buy	10.4	9.2	14.7	1.8	1.8	2.4
BMRI	4,650	6,000	1.7	29%	Buy	8.5	7.2	11.7	1.4	1.2	1.6
BBNI	4,440	4,800	0.9	8%	Buy	8.0	7.4	10.4	0.9	0.9	1.1
BBTN	1,235	1,450	0.6	17%	Buy	5.3	4.9	6.9	0.5	0.5	0.8
BRIS*	2,600	2,700	2.1	4%	Buy	16.0	14.2	16.0	2.3	2.0	2.2

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

Share price closing as of: 29 October 2025

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Interest income	178,202	198,348	203,437	217,259	231,624
Interest expense	(43,813)	(57,209)	(58,519)	(61,541)	(65,212)
Net interest income	134,390	141,139	144,919	155,718	166,412
Non-interest income	54,564	76,016	66,980	71,407	76,407
Total operating income	190,954	217,155	211,899	227,125	242,818
Opex	(84,446)	(100,402)	(97,091)	(102,841)	(107,653)
PPOP	106,508	116,752	114,807	124,284	135,166
Provisions	(29,679)	(38,174)	(41,820)	(42,332)	(46,570)
Operating profit	76,829	78,578	72,988	81,953	88,596
Non-operating profit	(399)	(979)	(1,068)	(1,166)	(1,272)
Pre-tax profit	76,430	77,599	71,920	80,787	87,324
Income tax	(16,005)	(16,955)	(14,598)	(16,391)	(17,719)
Minority interest	(325)	(489)	(477)	(511)	(547)
Net profit	60,100	60,155	56,845	63,885	69,058

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash + CA with BI	133,513	118,663	125,986	133,639	142,856
Secondary reserves	452,150	426,771	418,302	397,387	369,570
Gross loans	1,211,421	1,348,207	1,439,774	1,583,914	1,742,483
Loan provisions	(81,018)	(80,898)	(78,276)	(84,830)	(92,039)
Other assets	248,941	180,241	189,381	208,319	229,151
Total Assets	1,965,007	1,992,983	2,095,167	2,238,429	2,392,020
Total deposits	1,367,444	1,371,332	1,467,325	1,594,508	1,732,797
Securities and borrowings	151,332	169,180	169,180	169,180	169,180
Other liabilities	129,759	129,283	129,283	129,283	129,283
Total liabilities	1,648,535	1,669,794	1,765,788	1,892,971	2,031,260
Shareholders' equity	316,472	323,189	329,379	345,458	360,760
Total liabilities & equity	1,965,007	1,992,983	2,095,167	2,238,429	2,392,020

Growth YoY	2023A	2024A	2025F	2026F	2027F
Gross loans	11.2%	11.3%	6.8%	10.0%	10.0%
Total assets	5.3%	1.4%	5.1%	6.8%	6.9%
Total deposits	4.1%	0.3%	7.0%	8.7%	8.7%
Net interest income	8.1%	5.0%	2.7%	7.5%	6.9%
Non-interest income	15.2%	34.4%	-11.9%	6.6%	7.0%
Total operating income	10.1%	13.7%	-2.4%	7.2%	6.9%
Operating expense	2.7%	18.9%	-3.3%	5.9%	4.7%
PPOP	16.7%	9.6%	-1.7%	8.3%	8.8%
Net profit	17.5%	0.1%	-5.5%	12.4%	8.1%

Key Ratios	2023A	2024A	2025F	2026F	2027F
ROAA	3.1%	3.0%	2.8%	2.9%	3.0%
ROAE	19.5%	19.1%	17.7%	19.3%	19.9%
NIM	8.2%	8.2%	8.1%	8.2%	8.2%
Credit cost	2.6%	3.0%	3.0%	2.8%	2.8%
Cost/income	44.2%	46.2%	45.8%	45.3%	44.3%
LDR	88.6%	98.3%	98.1%	99.3%	100.6%
CAR	27.3%	26.6%	25.0%	24.6%	24.0%
NPL ratio	2.8%	2.4%	2.3%	2.2%	2.2%
Provisions/NPL	241.7%	254.4%	237.0%	238.4%	239.7%

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

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