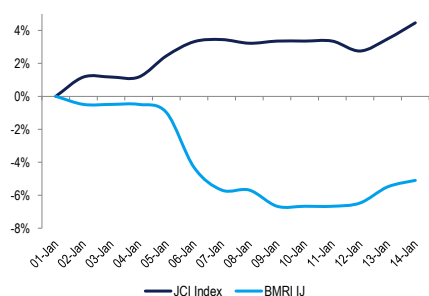


Stock Data

Target price	Rp6,400
Prior TP	Rp6,000
Current price	4,840
Upside/downside	32.2%
Shares outstanding (mn)	93,333
Market cap (Rp bn)	451,733
Free float	40%
Avg. 6m daily T/O (Rp bn)	683

Price Performance

	3M	6M	12M
Absolute	18.3%	3.0%	-10.4%
Relative to JCI	6.4%	-23.5%	-40.2%
52w low/high (Rp)	4,050 – 6,175		



Major Shareholders

Republic of Indonesia	52%
Indonesia Investment Authority	8%

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Potential surprise on FY25F earnings

- We expect BMRI FY25 earnings to reach Rp54-55tr and shall beat consensus estimate amid pick-up in recovery income and lower CoC.
- For 2026, we project a c.6% earnings growth driven by normalizing opex and higher non-II. This despite higher CoC and lower NIM estimates.
- As such, we upgrade our EPS by 8% for FY25F and TP to Rp6,400; BMRI shall be our top pick along with BBNI.

Nov25 results suggest CoC may be on the lower end of the guidance

BMRI bank-only profit in 11M25 came at Rp44tr (-6% yoy); for consol we estimate at Rp47.7tr, in-line with consensus at 93%. PPOP dropped by -9% yoy still due to elevated opex (+37% yoy) while NII and non-II grew by +4% and +6% yoy. Bank-only CoC came at 40bps (-30bp yoy) in 11M25 while on consol basis, CoC stood at c.60bps and far below its guidance of 80-100bps.

Potential beat for FY25F results

Based on our conversation with the bank recently, it suggested that FY CoC will be lower than guidance and akin to 11M25 level while NIM remained within the guidance of 4.8-5%. At the same time, recovery may pick-up significantly in 4Q and in-line with previous years seasonality; note that recovery stood at Rp4.7tr in 9M25 vs. its FY25F target of Rp7tr. Incorporating these factors, we project that FY earnings may reach Rp54-55tr, 5-7% above consensus estimates of Rp51.3tr. We expect BMRI is one of the few banks that can beat consensus estimate for FY25 earnings.

Does this imply a subdued FY26F earnings?

The short is answer no but the earnings driver will be different from FY25 of lower CoC and higher recovery. We expect FY26F earnings to be driven by non-II from higher fees especially from digital platform as it plans to monetize Livin significantly this year. Separately, opex is expected to be flat or even dropping post one-off adjustment in FY25. We conservatively expect opex to grow by 3% yoy which shall result in CIR of 44% in FY26F (vs. 46% in FY25). We currently expecting CoC to normalize to 90bp in FY26F while NIM to drop by 20bp as we expect tighter liquidity especially in 1H. Overall we expect c.6% earnings growth for BMRI in FY26F (Rp58.7tr or 6.3% higher than consensus of Rp55.2tr).

BMRI is our top pick along with BBNI

While we think the current CoC of 60bp is too low, we believe it shall be only a one-off event in 2025 given the one-off adjustment in opex. Separately, BMRI gross NPL formation (net new NPL + write off) of 0.9% in 9M25, is far lower vs. the rest of SOE banks of 3.0-5.2% which justify the lower CoC. Lastly, we believe that current valuation of 1.4x P/B and 8.1x P/E (vs. 10Y avg of 1.6x and 11.6x) is too attractive. These factors underpin our decision to reinstate BMRI as our top pick along with BBNI. Risk is sudden deterioration in asset quality/CoC.

Financial summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net interest income	95,887	101,757	107,466	114,378	126,113
PPOP	84,790	87,988	84,048	93,545	104,981
Provision charges	(10,149)	(11,929)	(12,259)	(18,002)	(21,500)
Net profit	55,060	55,783	55,502	58,735	65,333
P/BV (x)	1.6	1.5	1.4	1.4	1.3
Dividend yield	5.5%	7.3%	9.6%	7.4%	7.8%
ROAE	22.4%	20.5%	19.2%	19.0%	19.4%
IPS vs. consensus			108%	106%	109%

Source: Company, Indo Premier

Share price closing as of: 14 January 2026

Fig. 1: BMRI 11M25 results summary

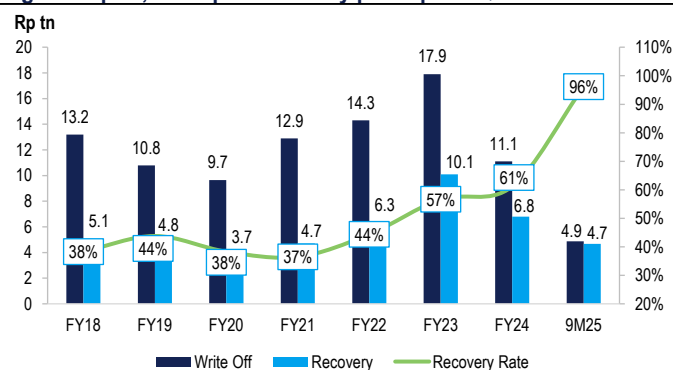
Income Statement (Rp bn)	11M25	11M24	YoY%	Nov-25	Nov-24	YoY%	Oct-25	MoM%	IPS FY25F	% of IPS	Cons FY25F	% of Cons
Interest Income	111,316	101,698	9%	10,155	9,607	6%	10,325	-2%	160,694	69%		
Interest Expense	(40,322)	(33,147)	22%	(3,592)	(3,279)	10%	(3,522)	2%	(53,188)	76%		
Net Interest Income	70,994	68,551	4%	6,563	6,328	4%	6,803	-4%	107,506	66%		
Non Interest Income	27,057	25,477	6%	2,650	2,207	20%	2,596	2%	48,402	56%		
Gains (Loss) on Fin Inst.	5,065	3,169	60%	485	320	51%	551	-12%				
Total Income	103,116	97,197	6%	9,698	8,855	10%	9,951	-3%	155,908	66%		
Operating Expense	(44,339)	(32,278)	37%	(3,731)	(3,422)	9%	(4,676)	-20%	(70,174)	63%		
PPOP	58,777	64,918	-9%	5,966	5,433	10%	5,275	13%	85,734	69%		
Provisions	(4,584)	(7,167)	-36%	540	(328)	-265%	(194)	-378%	(19,262)	24%		
Operating Income	54,194	57,752	-6%	6,507	5,105	27%	5,081	28%	66,472	82%	69,445	78%
Non Operating Inc. (Exp.)	119	344	-65%	2	(3)	-193%	5	-48%	2,112	6%		
Tax Expense	(10,165)	(10,922)	-7%	(1,246)	(991)	26%	(996)	25%	(13,294)	76%		
Net Income	44,148	47,173	-6%	5,263	4,111	28%	4,089	29%	51,246	86%	51,269	86%

Balance Sheet (Rp bn)	Nov-25	Nov-24	YoY%	Oct-25	MoM%
Loan	1,451,625	1,283,445	13%	1,403,794	3%
Deposit	1,586,018	1,369,026	16%	1,533,066	3%
CASA	1,126,382	1,088,469	3%	1,097,619	3%
CA	586,087	583,439	0%	571,045	3%
SA	540,295	505,030	7%	526,574	3%
TD	459,636	280,557	64%	435,447	6%

Key Ratios	11M25	11M24	YoY (bp)	11M25	Chg (bp)	Nov-25	Nov-24	YoY (bp)	Oct-25	MoM (bp)
LDR	91.5%	93.7%	(222)	91.6%	(4)	91.5%	93.7%	(222)	91.6%	(4)
Credit Costs	0.4%	0.7%	(31)	0.5%	(10)	-0.5%	0.3%	(81)	0.2%	(65)
Asset Yield	6.5%	6.8%	(31)	6.7%	(20)	6.5%	7.1%	(55)	6.9%	(31)
CoF	2.6%	2.5%	12	2.7%	(8)	2.6%	2.7%	(15)	2.6%	(2)
Net Interest Margin	4.2%	4.6%	(44)	4.3%	(12)	4.2%	4.7%	(44)	4.5%	(29)
CASA Ratio	71.0%	79.5%	(849)	71.6%	(58)	71.0%	79.5%	(849)	71.6%	(58)
Cost to Income	45.2%	34.3%	1,089	45.7%	(49)	28.8%	25.9%	291	27.6%	114

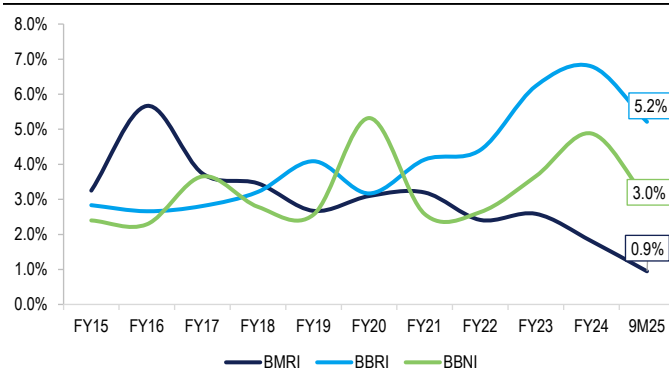
Source: Company, Indo Premier

Fig. 2: BMRI recovery income stood at Rp4.7tr in 9M25 vs. FY25F target of Rp7tr; we expect recovery pick-up in 4Q25F



Source: Company, Indo Premier

Fig. 3: BMRI gross NPL formation (as % of loan) stood lower than other SOE banks at 0.9% vs. BBRI of 5.2% and BBNI of 3.0%



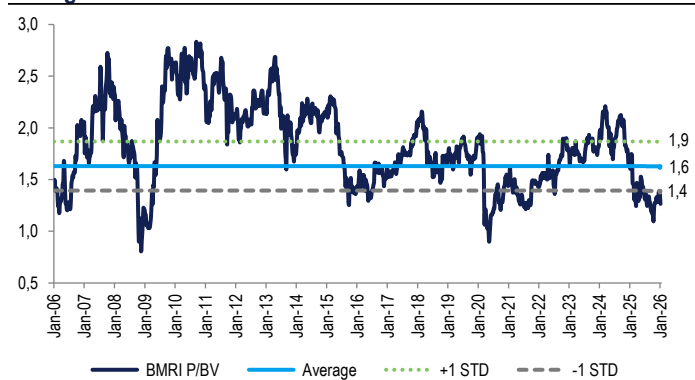
Source: Company, Indo Premier

Fig. 4: Forecast changes summary

Income Statement (Rp bn)	New			Previous			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Interest income	160,653	173,088	189,360	160,694	175,170	194,306	0%	-1%	-3%
Interest expense	(53,188)	(58,711)	(63,247)	(53,188)	(54,189)	(59,566)	0%	8%	6%
Net interest income	107,466	114,378	126,113	107,506	120,981	134,739	0%	-5%	-6%
Non-interest income	47,948	52,999	57,734	48,402	54,791	62,110	-1%	-3%	-7%
Total operating income	155,414	167,377	183,847	155,908	175,772	196,849	0%	-5%	-7%
Opex	(71,365)	(73,832)	(78,866)	(70,174)	(75,216)	(83,147)	2%	-2%	-5%
PPOP	84,048	93,545	104,981	85,734	100,556	113,702	-2%	-7%	-8%
Provisions	(12,259)	(18,002)	(21,500)	(19,262)	(23,229)	(23,650)	-36%	-23%	-9%
Operating profit	71,790	75,542	83,481	66,472	77,327	90,052	8%	-2%	-7%
Non-operating profit	2,114	2,345	2,592	2,112	2,350	2,609	0%	0%	-1%
Pre-tax profit	73,904	77,887	86,073	68,584	79,677	92,661	8%	-2%	-7%
Income tax	(14,358)	(15,108)	(16,696)	(13,294)	(15,465)	(18,010)	8%	-2%	-7%
Minority interests	(4,044)	(4,044)	(4,044)	(4,044)	(4,044)	(4,044)	0%	0%	0%
Net profit	55,502	58,735	65,333	51,246	60,168	70,607	8%	-2%	-7%

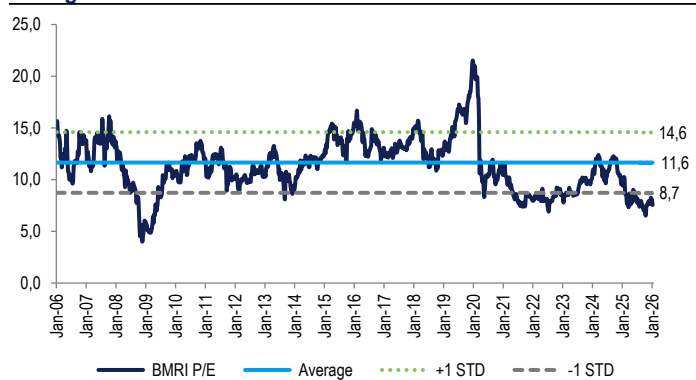
Source: Company, Indo Premier

Fig. 5: BMRI's P/BV – now trading at 1.4x FY25F P/BV vs. 10-year average of 1.6x P/BV



Source: Bloomberg, Company, Indo Premier

Fig. 6: BMRI's P/E – now trading at 8.1x FY25F P/E vs. 10-year average of 11.6x P/E



Source: Bloomberg, Company, Indo Premier

Fig. 7: 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	8.000	10.400	4,3	30%	Buy	17,2	15,8	21,3	3,6	3,3	3,8
BBRI	3.720	4.700	2,1	26%	Buy	9,9	8,8	14,7	1,8	1,7	2,4
BMRI	4.840	6.400	1,7	32%	Buy	8,1	7,7	11,7	1,4	1,3	1,6
BBNI	4.360	4.800	0,9	10%	Buy	7,9	7,2	10,4	0,9	0,8	1,1
BBTN	1.200	1.450	0,6	21%	Buy	5,2	4,7	6,9	0,5	0,4	0,8
BRIS*	2.250	2.700	2,1	20%	Buy	13,8	12,3	16,0	2,0	1,8	2,2

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

Share price closing as of: 14 January 2026

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Interest income	132,544	151,236	160,653	173,088	189,360
Interest expense	(36,658)	(49,479)	(53,188)	(58,711)	(63,247)
Net interest income	95,887	101,757	107,466	114,378	126,113
Non-interest income	42,771	44,842	47,948	52,999	57,734
Total operating income	138,658	146,599	155,414	167,377	183,847
Opex	(53,867)	(58,611)	(71,365)	(73,832)	(78,866)
PPOP	84,790	87,988	84,048	93,545	104,981
Provisions	(10,149)	(11,929)	(12,259)	(18,002)	(21,500)
Operating profit	74,642	76,059	71,790	75,542	83,481
Non-operating profit	43	344	2,114	2,345	2,592
Pre-tax profit	74,685	76,403	73,904	77,887	86,073
Income tax	(14,633)	(15,238)	(14,358)	(15,108)	(16,696)
Minority interest	(4,992)	(5,382)	(4,044)	(4,044)	(4,044)
Net profit	55,060	55,783	55,502	58,735	65,333

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash + CA with BI	135,037	148,721	146,908	160,184	178,285
Secondary reserves	536,883	489,637	553,502	595,015	648,566
Gross loans	1,398,071	1,670,695	1,831,894	2,039,567	2,260,436
Loan provisions	(53,099)	(49,533)	(47,174)	(50,656)	(53,910)
Other assets	157,327	167,702	180,978	194,908	210,241
Total Assets	2,174,219	2,427,223	2,666,108	2,939,017	3,243,618
Total deposits	1,588,133	1,710,908	1,935,850	2,175,346	2,441,567
Securities and borrowings	189,575	280,306	289,275	289,275	289,275
Other liabilities	109,017	122,535	115,517	123,496	131,784
Total liabilities	1,886,724	2,113,749	2,340,642	2,588,117	2,862,626
Shareholders' equity	287,495	313,474	325,467	350,900	380,992
Total liabilities & equity	2,174,219	2,427,223	2,666,108	2,939,017	3,243,618

Growth YoY	2023A	2024A	2025F	2026F	2027F
Gross loans	16.3%	19.5%	9.7%	11.3%	10.8%
Total assets	9.1%	11.6%	9.8%	10.2%	10.4%
Total deposits	5.7%	7.7%	12.8%	12.4%	12.2%
Net interest income	9.1%	6.1%	5.6%	6.4%	10.3%
Non-interest income	13.6%	4.8%	6.9%	10.5%	8.9%
Total operating income	10.4%	5.7%	6.0%	7.7%	9.8%
Operating expense	1.1%	8.8%	21.8%	3.5%	6.8%
PPOP	17.3%	3.8%	-4.5%	11.3%	12.2%
Net profit	33.7%	1.3%	-0.5%	5.8%	11.2%

Key Ratios	2023A	2024A	2025F	2026F	2027F
ROAA	2.6%	2.4%	2.1%	2.0%	2.0%
ROAE	22.4%	20.5%	19.2%	19.0%	19.4%
NIM	5.3%	5.1%	4.8%	4.6%	4.6%
Credit cost	0.8%	0.8%	0.7%	0.9%	1.0%
Cost/income	38.8%	40.0%	45.9%	44.1%	42.9%
LDR	88.0%	97.6%	94.6%	93.8%	92.6%
CAR	22.0%	20.8%	19.5%	19.2%	18.9%
NPL ratio	1.2%	1.1%	1.3%	1.5%	1.6%
Provisions/NPL	329.1%	265.1%	200.6%	164.1%	150.5%

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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