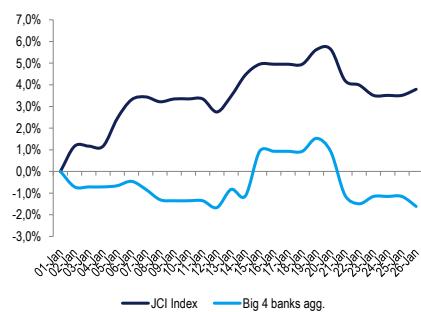


Sector Update | 26 January 2026

Sector Index Performance

	3M	6M	12M
Absolute	-1.7%	-3.0%	-14.9%
Relative to JCI	-10.2%	-22.0%	-40.2%



Summary Valuation Metrics

P/E (x)	2025F	2026F	2027F
BMRI IJ	8.3	7.8	7.0
BBRI IJ	10.3	9.8	9.0
BBNI IJ	8.2	7.8	7.2
P/BV (x)	2025F	2026F	2027F
BMRI IJ	1.4	1.3	1.2
BBRI IJ	1.8	1.8	1.7
BBNI IJ	0.9	0.9	0.8
Div. Yield	2025F	2026F	2027F
BMRI IJ	9.5%	7.3%	7.7%
BBRI IJ	8.8%	8.3%	8.6%
BBNI IJ	5.1%	4.9%	5.1%

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2026 outlook: inflection point on earnings; maintain OW

- We expect banks' loan growth to recover to high single digit to low double digit amid rebound in M2 growth and Government program i.e. KDMP.
- At the same time, falling benchmark rate (SoFR/IndoNIA) and sticky CoF may adversely impact margin. CoC is expected to be relatively flattish.
- As such, we expect big 4 to post around 5-6% earnings growth for FY26F, an inflection point post -ve earnings growth in FY25F. Maintain OW.

Loan recovery in 2026 to be supported by public sector

We expect big banks under our coverage to book c.9-11% loan growth in FY26F. This was due to rebound in M2 growth (8.3% in Nov25 and average of 6.6% in FY25), strong demand from government program i.e. village cooperative (KDMP) – that will require Rp240tr or additional 6/3% of loan from big 3 SOE banks/industry total loan. However, this may be offset by tepid CPI growth (2.9% in Dec25/2.8% in FY26F), resulting in minimal working capital loan growth (2.5% in Nov25); and drop in capex (lower investment loan) as companies under our coverage may allocate Rp226.5tr in capex in FY26F (vs. 274.3tr/231.7tr in FY25F/24; strong capex in 2025 has reflected in robust investment loan at +18% yoy in Nov25).

Margin outlook may be challenging from falling benchmark rate

BI/Fed has cut its benchmark rate by 125/75bp in FY25, and Fed is projected to deliver another 50bp cut in FY26F; however we expect BI to maintain the benchmark rate amid weakening Rupiah. We expect both IndoNIA and SoFR to continue to trend down – IndoNIA/SoFR have dropped by -205/-62bp in FY25 (+30/-89bp in FY24). This shall adversely impact banks margin especially those with low fixed rate loan proportion i.e. BMRI/BBNI at c.31/25%; however, we also remain cautious on BBRI's fixed rate loan portfolio especially on micro segment shall there any adverse changes on KUR subsidy/insurance rate. At the same time, we foresee CoF to remain elevated from tighter liquidity condition. In sum, we project NIM to contract by 10-20bp in FY26F across big banks.

CoC is expected to remain flattish; corporate asset quality is more resilient than consumer/MSME

We expect CoC to be relatively flattish in FY26F except for Mandiri i.e. consol CoC stood at 60bp in 11M25 (vs. its FY25F target of 80-100bp). We are more confident with corporate asset quality, given that as of 3Q25 BBNI/BMRI/BCBA % corporate NPL stood much lower at 1.2/0.3/1.5% vs. small/micro of 3.6%/2.3%/2.7% and consumer of 2.6/2.6/2.2%. However, we remain concerned on low-end loan segment amid slow recovery in purchasing power i.e. Kupedes's 2024 vintage hasn't showed meaningful recovery vs. 2023 despite all the improvement in underwriting and monitoring since 2024 (fig. 16).

Inflection point on earnings; maintain OW with BBNI/BMRI as our picks

In sum, we project big banks under our coverage to book c.5-6% earnings growth for FY26F, tad lower vs. consensus of 7-10%, suggesting minimal earnings revision. At the same time, the sector currently trades at 1.9x P/B and 10.9x P/E or at -1 S.D. from its 10Y mean of 2.2x P/B and 14.5x P/E. Our top picks are BBNI and BMRI. Main risk is Rupiah depreciation which may result in higher benchmark rate/bond yield.

Fig. 1: M2 has rebounded to 8.3% yoy in Nov25 (FY25 average at 6.6% yoy) while CPI remained manageable at 2.9% yoy in Dec25

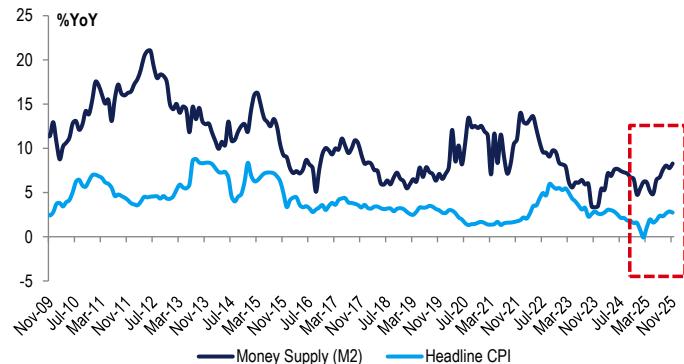
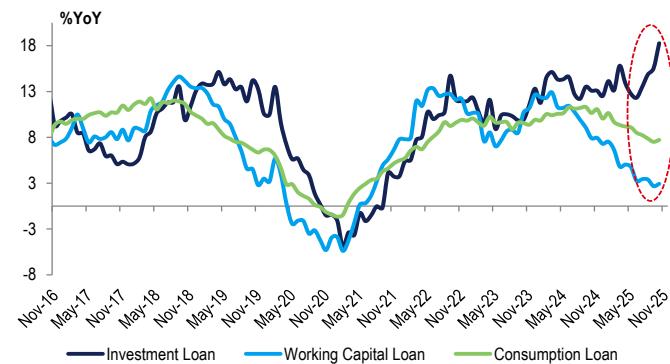


Fig. 2: Soft working capital loan growth at 2.5% yoy in Nov25 vs. 10Y average of 6.8% yoy



Loan recovery in 2026 to be supported by public sector

We expect big banks under our coverage to book c.9–11% loan growth in FY26F, led by BMRI at 11.3% and BBNI at 10%, while BBCA/BBRI stood at 9%. We base this on several reasons:

- 1) Rebound in M2 growth, which grew at 8.3% in Nov25 (vs. 7.7% in Oct25 and 6.5% in Nov24), translating to 6.6% average M2 growth in FY25 (vs. 6.7%/5.7 in FY24/FY23).
- 2) Strong demand from government program i.e. village cooperative (KDMP) – that will require Rp240tr or additional 6/3% of loan from big 3 SOE banks/industry total loan.

However, downside risk to loan growth may appear due to:

- 1) Tepid CPI growth at 2.9% yoy in Dec25. We expect CPI to remain stable at 2.8% in FY26F, underpinned by normalizing food supply conditions and more moderate upside from gold prices. This shall result in soft working capital loan growth at 2.5% yoy in Nov25 (vs. 10Y average of 6.8%).
- 2) Drop in capex (lower investment loan) - companies under our coverage may allocate Rp226.5tr in capex in FY26F (vs. 274.3tr/231.7tr in FY25F/24 – strong capex in 2025 has reflected in robust investment loan at +18% yoy in Nov25). Most of the decline in capex were coming from telco (Rp 64.3tr in FY26F from Rp83.4tr in FY25F), auto/ASII (Rp22.2tr in FY26F from Rp35.9tr in FY25F), and staples (Rp8.6tr in FY26F from Rp14.5tr in FY25F).

Fig. 3: Companies under our coverage may allocate lower capex at Rp226.5tr in FY26F vs. Rp274.3tr in FY25F – mostly from telco, auto, and staples

Capex of companies under IPS coverage	FY24	FY25F	FY26F	9M25	% of FY25F
Staples	9,745	14,522	8,630	9,697	66.8%
<i>% yoy growth</i>		49.0%	-40.6%		
Retailers	11,903	12,085	12,883	8,301	68.7%
<i>% yoy growth</i>		1.5%	6.6%		
Poultry	2,752	3,160	3,160	2,845	90.1%
<i>% yoy growth</i>		14.8%	0.0%		
Tobacco	2,957	2,460	2,482	1,796	73.0%
<i>% yoy growth</i>		-16.8%	0.9%		
Health Care	6,096	4,500	4,800	3,509	78.0%
<i>% yoy growth</i>		-26.2%	6.7%		
Coal	33,957	33,210	31,013	31,831	95.8%
<i>% yoy growth</i>		-2.2%	-6.6%		
Metals	43,069	52,862	46,727	39,644	75.0%
<i>% yoy growth</i>		22.7%	-11.6%		
Oil & Gas	15,565	19,149	15,725	16,682	87.1%
<i>% yoy growth</i>		23.0%	-17.9%		
Telco	63,512	83,404	64,323	62,450	74.9%
<i>% yoy growth</i>		31.3%	-22.9%		
Towers	19,719	10,176	11,181	7,603	74.7%
<i>% yoy growth</i>		-48.4%	9.9%		
Auto	19,492	35,939	22,204	21,354	59.4%
<i>% yoy growth</i>		84.4%	-38.2%		
Plantation	2,890	2,841	3,302	2,004	70.5%
<i>% yoy growth</i>		-1.7%	16.2%		
Total Capex (Rp bn)	231,656	274,310	226,429	207,717	75.7%
<i>% yoy growth</i>		18.4%	-17.5%		

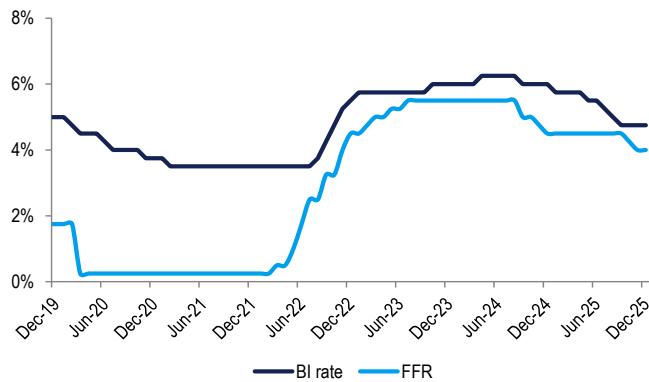
Source: Bank Indonesia, Indo Premier

Margin outlook may be challenging from falling benchmark rate

With BI/Fed having lowered policy rates by 125/75bp in FY25 and the Fed is projected to deliver another 50bp cut in FY26F, though we expect BI to maintain the benchmark rate amid weakening Rupiah. We expect both IndoNIA and SoFR to remain on a downward trajectory – with IndoNIA/SoFR already declining by -205/-62bp in FY25 (+30/-89bp in FY24, see fig. 4).

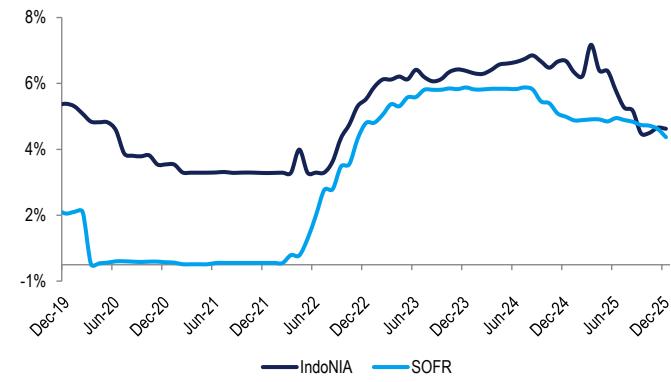
This shall adversely impact banks with low fixed rate loan proportion i.e. BMRI/BBNI at c.31/25% vs. BBCA/BBRI level of c.49%/56% (see fig. 6). Nevertheless, we also remain cautious on BBRI's fixed rate loan portfolio, particularly in the micro segment, shall there any adverse changes on KUR subsidy/insurance rate.

Fig. 4: Both BI/Fed has cut its benchmark rate by 125/75bp in FY25; we expect the Fed to deliver another 50bp cut in FY26F



Source: Bank Indonesia, Indo Premier

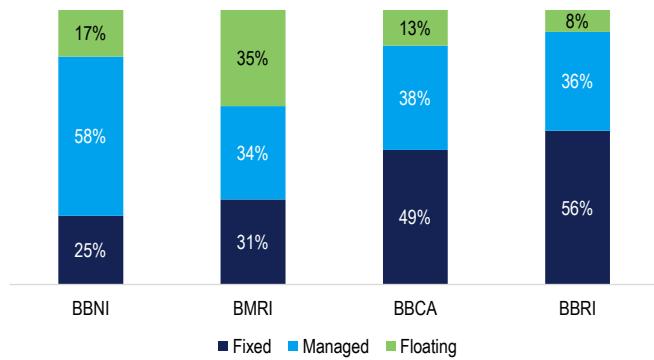
Fig. 5: Concurrently, IndoNIA/SOFR have dropped by -205/-62bp in FY25; we expect continuous decline onwards in FY26F



Source: Bloomberg, Indo Premier

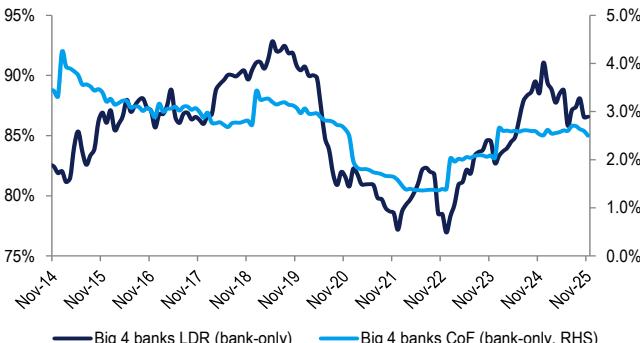
Meanwhile, we expect CoF to stay elevated amid tighter liquidity conditions from pick-up in loan growth. In 11M25, cumulative CoF (bank-only) for the big 4 banks showed only a marginal improvement of -3bp yoy, while asset yields fell more sharply by -34bp yoy. CoF improvement was mainly driven by BBRI (-21bp yoy) and BBNI (-5bp yoy), while BBCA was flat and BMRI still increased by +12bp yoy. As such, we project NIM to contract by 10-20bp in FY26F across big 4 banks.

Fig. 6: Loan proportion as of 3Q25 – BBNI and BMRI has the lowest fixed rate share at 25%/31% vs. BBCA/BBRI of 49%/56%



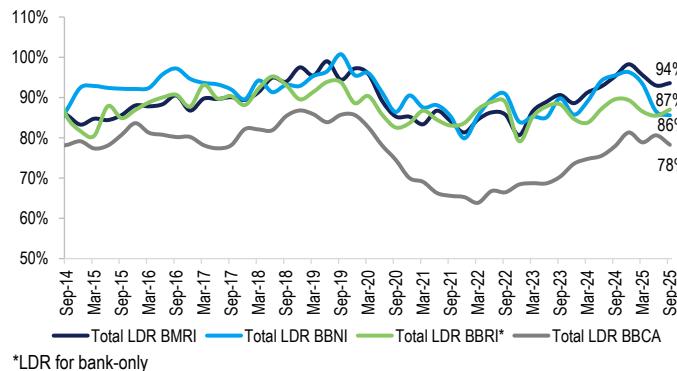
Source: Company, Indo Premier

Fig. 7: Big 4 banks CoF stood at 2.5% (-3bp yoy) in 11M25; we expect CoF to remain elevated amid tighter liquidity



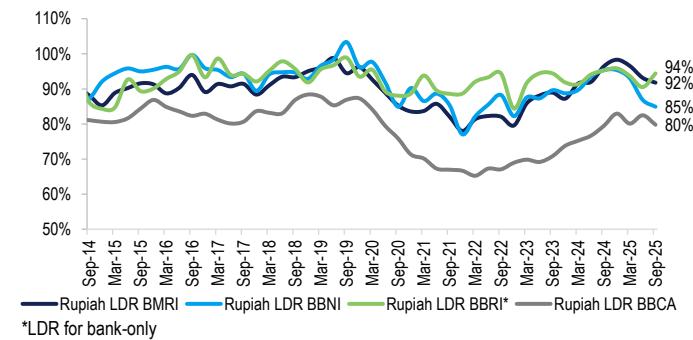
Source: Company, Indo Premier

Fig. 8: Big 4 banks calculated LDR – BBCA/BBNI have the lowest LDR overall at 78%/86%



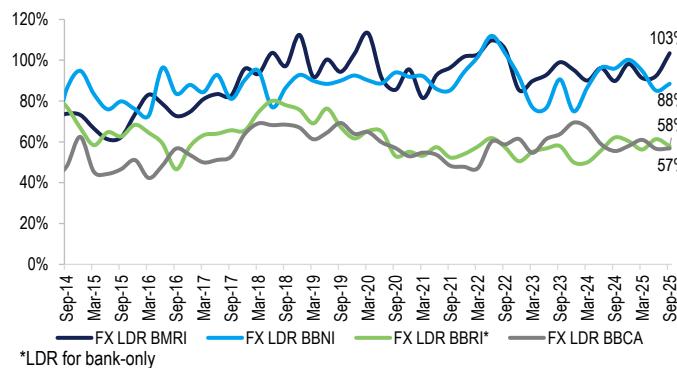
Source: Company, Indo Premier

Fig. 9: Big 4 banks calculated Rupiah LDR – accordingly, BBCA/BBNI have the lowest Rupiah LDR at 80%/85%



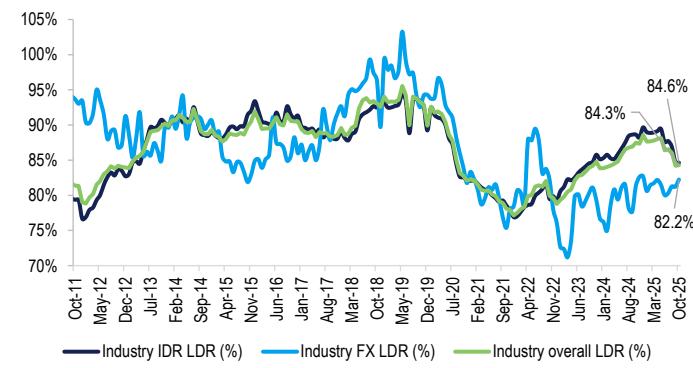
Source: Company, Indo Premier

Fig. 10: Big 4 banks calculated FX LDR – BMRI FX LDR has reached 103%, while BBCA was the lowest at 57%



Source: Company, Indo Premier

Fig. 11: Industry IDR LDR stands at 84.6% vs. FX LDR of 82.2%, this led to overall industry LDR of 84.3%

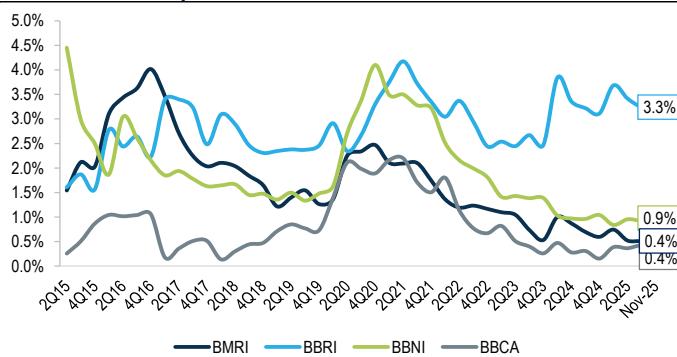


Source: OJK, Indo Premier

CoC is expected to remain flattish; corporate asset quality is more resilient than consumer/MSME

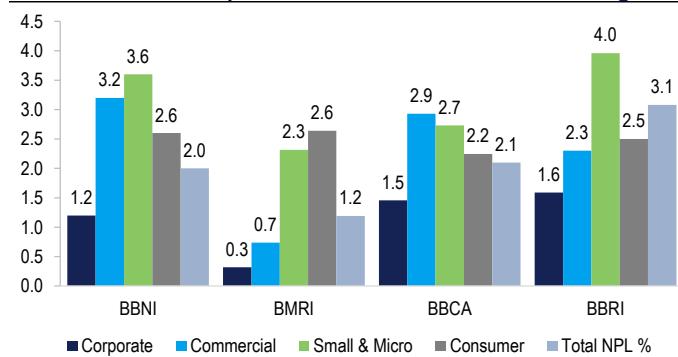
We expect CoC to be relatively flattish in FY26F across all big 4 banks, except for Mandiri, i.e. consol CoC stood at 60bp in 11M25 (vs. its FY25F target of 80-100bp). We are more confident with corporate asset quality, given that as of 3Q25, BBNI/BMRI/BBCA corporate NPL stood much lower at 1.2/0.3/1.5% vs. small/micro of 3.6%/2.3%/2.7% and consumer of 2.6/2.6/2.2%.

Fig. 12: Cumulative bank-only CoC trend – we expect big banks CoC to be flattish except for BMRI



Source: Company, Indo Premier

Fig. 13: NPL % by loan segments – across all big 4 banks, corporate NPL stood lower compared to small/micro and consumer segments

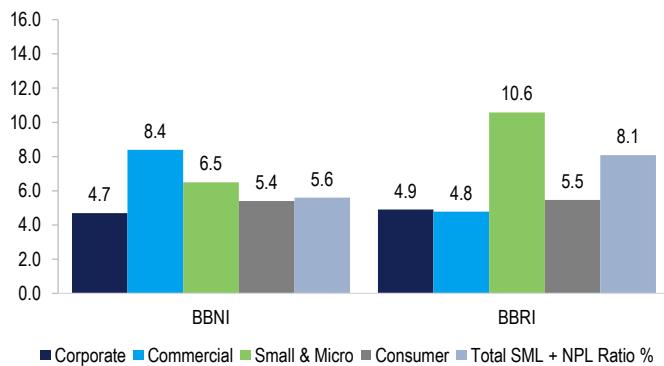


Source: Company, Indo Premier

However, we remain concerned on low-end loan segment amid slow recovery in purchasing power. For example, for BBRI, Kupedes's 2024 vintage hasn't showed meaningful recovery vs. 2023 despite all the improvement in underwriting and monitoring that was done in 2024 (fig. 16).

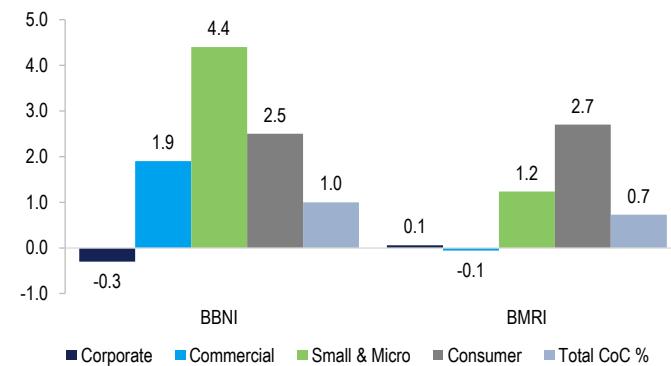
Kupedes that was being disbursed in 2024's NPL rose to 6.7% in 3Q25 from 1.6% in 1Q25 and currently accounts for 4.1/9.3% of total BBRI/micro loans. Meanwhile, the rise in 2023 Kupedes NPL has been inevitable at 12.9% in 3Q25 vs. 8.8% in 1Q25, but current loan outstanding representing 3.1/7% of total BBRI/micro loans.

Fig. 14: LAR % by loan segments (excluding restructured) – corporate LAR remained relatively lower vs. other segments



Source: Company, Indo Premier

Fig. 15: CoC % by loan segments – accordingly, corporate CoC stood much lower vs. small/micro and consumer segments



Source: Company, Indo Premier

Fig. 16: 2024 Kupedes NPL rose to 6.7% in 3Q25 vs. 1.6% in 1Q25, whereas 2023 Kupedes NPL stood at 12.9% in 3Q25 vs. 8.8% in 1Q25

2023 Kupedes Vintage Trend	1Q25	2Q25	3Q25
SML % to 2023 Kupedes OS	18.2%	18.9%	19.9%
NPL % to 2023 Kupedes OS	8.8%	11.6%	12.9%
Restructured % to 2023 Kupedes OS*	13.7%	16.7%	19.8%
<i>2023 Kupedes OS as % to BBRI gross loan</i>	<i>4.7%</i>	<i>3.8%</i>	<i>3.1%</i>
2024 Kupedes Vintage Trend	1Q25	2Q25	3Q25
SML % to 2024 Kupedes OS	7.3%	10.7%	13.4%
NPL % to 2024 Kupedes OS	1.6%	4.0%	6.7%
Restructured % to 2024 Kupedes OS*	2.0%	4.1%	7.6%
<i>2024 Kupedes OS as % to BBRI gross loan</i>	<i>6.1%</i>	<i>5.0%</i>	<i>4.1%</i>

*include Current, SML, & NPL under restructured

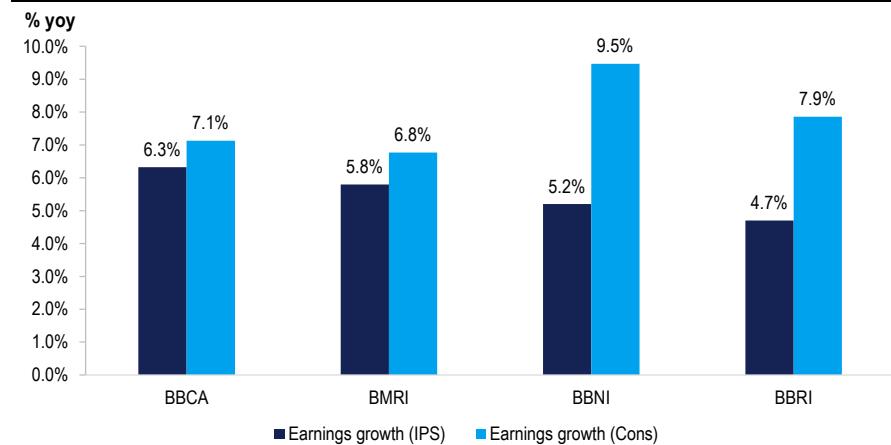
Source: Company, Indo Premier

Inflection point in earnings; maintain OW with BBNI/BMRI as our picks

In sum, we project big banks under our coverage to book c.5-6% earnings growth for FY26F, tad lower vs. consensus of 7-10%, suggesting minimal earnings revision. This was led by BBCA at 6.3%, while we project BMRI/BBNI/BBRI earnings at 5.8/5.2/4.7% in FY26F (see fig. 17). Accordingly, we maintained our Buy call for the big 4 banks while raised our target price: 1) BBNI to Rp5,200 (from Rp4,800); 2) BMRI to Rp6,400 (from Rp6,000, published previously on 14 January 2026, [link to report](#)); 3) BBRI to Rp5,000 (from Rp4,700); and 4) BBCA to Rp10,600 (from Rp10,400).

At the same time, the sector currently trades at an attractive valuation of 1.9x P/B and 10.9x P/E are already at -1 S.D. from its 10Y mean of 2.2x P/B and 14.5x P/E. Our top picks are BBNI and BMRI. Main risk is Rupiah depreciation which may result in higher benchmark rate/bond yield.

Fig. 17: We expect c.5-6% earnings growth for FY26F, only a tad lower vs. consensus of 7-10% which suggests limited earnings revision



Source: Company, Indo Premier

Fig. 18: BBCA forecast changes summary

Income Statement (Rp bn)	New			Previous			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Interest income	99,489	104,804	115,444	100,843	108,835	117,662	-1%	-4%	-2%
Interest expense	(13,586)	(14,632)	(15,762)	(13,586)	(14,454)	(15,584)	0%	1%	1%
Net interest income	85,903	90,172	99,683	87,258	94,381	102,078	-2%	-4%	-2%
% NII growth YoY	4.4%	5.0%	10.5%	6.1%	8.2%	8.2%	(168)	(323)	235
Non-interest income	27,948	30,079	32,419	27,227	29,127	31,201	3%	3%	4%
Total operating income	113,852	120,250	132,102	114,485	123,508	133,279	-1%	-3%	-1%
Opex	(39,171)	(40,280)	(45,217)	(40,549)	(42,601)	(45,264)	-3%	-5%	0%
PPOP	74,680	79,970	86,885	73,936	80,906	88,015	1%	-1%	-1%
% PPOP growth YoY	6.3%	7.1%	8.6%	5.2%	9.4%	8.8%	110	(232)	(15)
Provisions	(3,304)	(4,079)	(4,446)	(3,304)	(4,079)	(4,446)	0%	0%	0%
Operating profit	71,377	75,891	82,438	70,632	76,827	83,569	1%	-1%	-1%
Pre-tax profit	71,377	75,891	82,438	70,632	76,827	83,569	1%	-1%	-1%
Income tax	(13,562)	(14,419)	(15,663)	(13,420)	(14,597)	(15,878)	1%	-1%	-1%
Minority interests	(16)	(17)	(18)	(16)	(17)	(18)	-1%	-3%	-1%
Net profit	57,799	61,455	66,757	57,196	62,213	67,673	1%	-1.2%	-1%
% Net profit growth YoY	5.4%	6.3%	8.6%	4.3%	8.8%	8.8%	110	(247)	(17)

Source: Company, Indo Premier

Fig. 19: BMRI forecast changes summary (already published on 14 Jan 2026, [link to report](#))

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%
% NII growth YoY	5.6%	6.4%	10.3%	5.7%	12.5%	11.4%	(4)	(610)	(111)
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%
% PPOP growth YoY	-4.5%	11.3%	12.2%	-2.6%	17.3%	13.1%	(192)	(599)	(85)
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%
% Net profit growth YoY	-0.5%	5.8%	11.2%	-8.1%	17.4%	17.4%	763	(1,159)	(612)

Source: Company, Indo Premier

Fig. 20: BBRI forecast changes summary

Income Statement (Rp bn)	New			Previous			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Interest income	203,950	213,563	228,116	203,437	217,259	231,624	0%	-2%	-2%
Interest expense	(58,903)	(63,744)	(66,665)	(58,519)	(61,541)	(65,212)	1%	4%	2%
Net interest income	145,047	149,819	161,451	144,919	155,718	166,412	0%	-4%	-3%
% NII growth YoY	2.8%	3.3%	7.8%	2.7%	7.5%	6.9%	9	(416)	90
Non-interest income	67,350	72,041	76,841	66,980	71,407	76,407	1%	1%	1%
Total operating income	212,397	221,860	238,292	211,899	227,125	242,818	0%	-2%	-2%
Opex	(97,783)	(101,997)	(107,073)	(97,091)	(102,841)	(107,653)	1%	-1%	-1%
PPOP	114,614	119,863	131,219	114,807	124,284	135,166	0%	-4%	-3%
% PPOP growth YoY	-1.8%	4.6%	9.5%	-1.7%	8.3%	8.8%	(17)	(367)	72
Provisions	(41,820)	(43,611)	(47,515)	(41,820)	(42,332)	(46,570)	0%	3%	2%
Operating profit	72,794	76,252	83,704	72,988	81,953	88,596	0%	-7%	-6%
Non-operating profit	(1,068)	(1,166)	(1,272)	(1,068)	(1,166)	(1,272)	0%	0%	0%
Pre-tax profit	71,726	75,086	82,432	71,920	80,787	87,324	0%	-7%	-6%
Income tax	(14,559)	(15,250)	(16,741)	(14,598)	(16,391)	(17,719)	0%	-7%	-6%
Minority interests	(478)	(500)	(537)	(477)	(511)	(547)	0%	-2%	-2%
Net profit	56,689	59,337	65,155	56,845	63,885	69,058	0%	-7%	-6%
% Net profit growth YoY	-5.8%	4.7%	9.8%	-5.5%	12.4%	8.1%	(26)	(771)	171

Source: Company, Indo Premier

Fig. 21: BBNI forecast changes summary

Income Statement (Rp bn)	New			Previous			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Interest income	69,671	73,700	81,072	69,671	75,226	82,430	0%	-2%	-2%
Interest expense	(29,684)	(32,576)	(33,400)	(29,684)	(30,247)	(32,394)	0%	8%	3%
Net interest income	39,986	41,124	47,672	39,986	44,979	50,036	0%	-9%	-5%
% NII growth YoY	-1.2%	2.8%	15.9%	-1.2%	12.5%	11.2%	0	(964)	468
Non-interest income	25,171	25,445	27,111	22,883	24,395	25,873	10%	4%	5%
Total operating income	65,157	66,569	74,783	62,870	69,374	75,909	4%	-4%	-1%
Opex	(32,102)	(31,921)	(35,858)	(29,702)	(31,938)	(35,044)	8%	0%	2%
PPOP	33,055	34,648	38,925	33,167	37,436	40,865	0%	-7%	-5%
% PPOP growth YoY	-5.1%	4.8%	12.3%	-4.8%	12.9%	9.2%	(32)	(805)	319
Provisions	(7,710)	(8,007)	(9,787)	(7,710)	(9,750)	(10,649)	0%	-18%	-8%
Operating profit	25,345	26,640	29,138	25,457	27,686	30,216	0%	-4%	-4%
Non-operating profit	(35)	(35)	(35)	(35)	(35)	(35)	0%	0%	0%
Pre-tax profit	25,309	26,605	29,103	25,422	27,650	30,181	0%	-4%	-4%
Income tax	(4,562)	(4,795)	(5,245)	(4,582)	(4,983)	(5,439)	0%	-4%	-4%
Minority interests	(208)	(212)	(239)	(201)	(221)	(242)	4%	-4%	-1%
Net profit	20,539	21,597	23,619	20,639	22,445	24,500	0%	-4%	-4%
% Net profit growth YoY	-4.3%	5.2%	9.4%	-3.8%	8.8%	9.2%	(46)	(360)	21

Source: Company, Indo Premier

Fig. 22: Big 4 banks target price and valuation change

BBCA		Before	After
Target Price		10,400	10,600
Implied P/BV		4.3	4.4
Risk-free rate (Rf)		7.0%	6.5%
Cost of equity (Ke)		13.1%	12.6%
Sustainable ROAE		23.1%	21.3%
BMR		Before	After
Target Price		6,000	6,400
Implied P/BV		1.7	1.7
Risk-free rate (Rf)		7.0%	7.0%
Cost of equity (Ke)		13.8%	13.8%
Sustainable ROAE		16.5%	16.5%
BBRI		Before	After
Target Price		4,700	5,000
Implied P/BV		2.1	2.3
Risk-free rate (Rf)		7.0%	6.5%
Cost of equity (Ke)		13.8%	13.5%
Sustainable ROAE		18.0%	18.0%
BBNI		Before	After
Target Price		4,800	5,200
Implied P/BV		0.9	1.0
Risk-free rate (Rf)		6.8%	6.5%
Cost of equity (Ke)		13.3%	13.0%
Sustainable ROAE		13.0%	13.0%

Source: Company, Indo Premier

Fig. 23: Banks' forward P/BV – now trading at 1.9x FY25F P/BV vs. 10-year average of 2.2x P/B

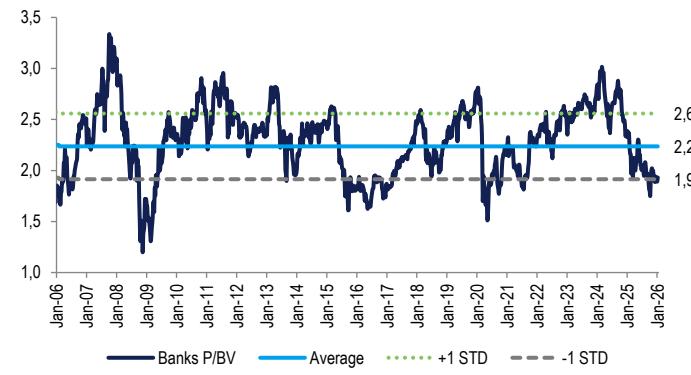


Fig. 24: Banks' forward P/E – now trading at 10.9x FY25F P/E vs. 10-year average of 14.5x P/E

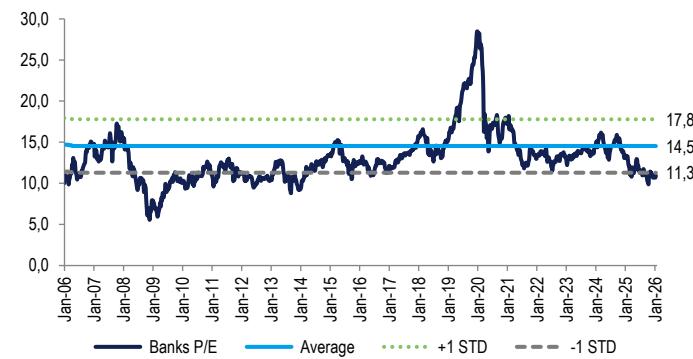


Fig. 25: Peer comparison table

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	7.650	10.600	4,4	39%	Buy	16,3	15,3	21,3	3,4	3,2	3,8
BBRI	3.850	5.000	2,3	30%	Buy	10,3	9,8	14,7	1,8	1,8	2,4
BMRI	4.910	6.400	1,7	30%	Buy	8,3	7,8	11,7	1,4	1,3	1,6
BBNI	4.530	5.200	1,0	15%	Buy	8,2	7,8	10,4	0,9	0,9	1,1
BBTN	1.230	1.450	0,6	18%	Buy	5,3	4,9	6,9	0,5	0,5	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
*3Y avg

Share price closing as of: 26 January 2026

SECTOR RATINGS

OVERWEIGHT : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation

NEUTRAL : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation

UNDERWEIGHT : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

COMPANY 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

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