

Bank Mandiri Tbk (BMRI)

Pertumbuhan Solid di Setiap Lini



Company Report | 18 August 2021

BUY

Target Price (IDR)	7,450
Consensus Price (IDR)	7,902
TP to Consensus Price	-5.7%
Potential Upside	+24.7%

Shares data

Last Price (IDR)	5,975
Price date as of	Aug 16, 2021
52 wk range (Hi/Lo)	7,450 / 4,860
Free float (%)	37.9
Outstanding sh.(mn)	46,667
Market Cap (IDR bn)	278,833
Market Cap (USD mn)	19,388
Avg. Trd Vol - 3M (mn)	41.39
Avg. Trd Val - 3M (bn)	245.7
Foreign Ownership	26.3%

Financial Services

Banking

Bloomberg	BMRI IJ
Reuters	BMRI.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-5.5%	1.7%	0.8%	-2.8%
Rel. Ret.	-7.4%	1.4%	-3.5%	-17.8%

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Bank Mandiri Tbk (BMRI) berhasil membukukan laba bersih sebesar Rp 12,5 triliun pada 1H21, atau naik 21,5% secara yoy. Kenaikan ini didukung oleh pertumbuhan solid pada Pendapatan Bunga Bersih serta Pendapatan non-Bunga. Perseroan masih optimis penyaluran kredit dapat meningkat dua digit hingga akhir 2021, dengan tingkat NIM sesuai estimasi. BMRI juga berencana untuk meluncurkan *superapp* Livin 2.0 pada kuartal 4 nanti.

Pendapatan Tumbuh Dua Digit, Beban Provisi Terkendali

- BMRI mampu meraih pencapaian top-line secara konsolidasi yang kuat pada 1H21, ditandai dengan Pendapatan Bunga Bersih yang tumbuh 21,5%; sementara Pendapatan non-Bunga juga berhasil naik 17.3% yoy. Hal ini juga mendukung *Pre-Provision Operating Profit (PPOP)* untuk naik 20% menjadi Rp 29 triliun.
- Perseroan juga mampu untuk mengendalikan beban provisi yang tercatat hanya naik moderat sebesar 6,9% yoy menjadi Rp 11 triliun (vs Rp 10,3 triliun pada 1H20).
- Dengan pencapaian yang baik pada hampir semua lini, BMRI mampu mencatatkan pencapaian laba bersih 1H21 sebesar Rp 12,5 triliun; atau tumbuh 21,5% dibandingkan laba 1H20 sebesar Rp 10,2 triliun

Segmen Korporasi mendongkrak Pertumbuhan Kredit

- BMRI membukukan pertumbuhan kredit sebesar 5,4% (bank-only) dan 16,4% (konsolidasi), dengan penyaluran kredit difokuskan pada sektor-sektor yang dianggap prospektif. Sektor telekomunikasi mencatat pertumbuhan kredit tertinggi sebesar 57% ytd, dengan kenaikan outstanding loan sebesar Rp 12,6 triliun.
- Secara Bank-only, segmen korporasi masih menjadi penopang kinerja dengan pertumbuhan 8,2% ytd; yang berkontribusi terhadap 42% dari total kredit BMRI.
- Biaya Dana kembali turun ke level 1,8% pada 2Q21, ditopang oleh meningkatnya segmen dana murah dengan CASA ratio mencapai 73,2%. Di sisi lain, tingkat NIM masih terjaga di kisaran 5,1% atau sesuai dengan estimasi pada rentang 4,8%-5,1%.

Peluncuran *Super App* Livin 2.0 memperkuat Layanan Digital

- BMRI berencana untuk meluncurkan aplikasi Livin 2.0 pada bulan Oktober 2021, yang diharapkan menjadi sumber penyaluran baru untuk kredit ritel. Hingga saat ini aplikasi Livin telah memiliki 7,1 pengguna aktif dengan total nilai transaksi Rp 388 triliun pada 2Q21.
- Hingga FY21, perseroan masih menargetkan pertumbuhan kredit sebesar dua digit.

Rekomendasi BUY dengan Target Harga di 7.450

- Kami melanjutkan rekomendasi Buy untuk saham BMRI dengan menyesuaikan target harga Rp 7.450/lembar. Target harga kami mencerminkan 22F P/B sebesar 1,5x atau berada pada level -0.5 SD dari rata-rata 3 tahun.

Bank Mandiri Tbk | Summary (IDR bn)

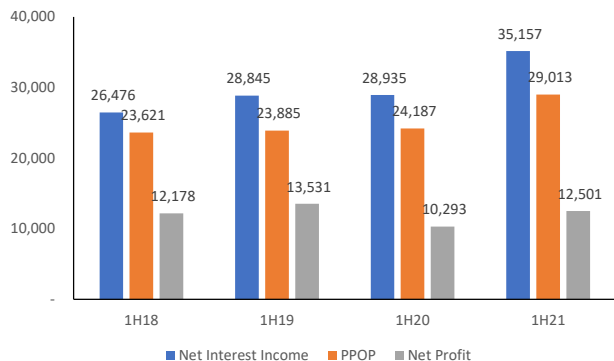
in IDR bn	2019/12A	2020/12A	2021/12F	2022/12F
Interest Income	91,525	87,321	97,416	106,606
<i>Interest Income growth</i>	13.0%	-4.6%	11.6%	9.4%
Operating Revenue	88,600	86,718	91,581	101,658
Net profit	27,482	17,119	23,671	31,650
EPS (IDR)	589	367	507	678
<i>EPS growth</i>	9.1%	-37.7%	38.3%	33.7%
BVPS (IDR)	4,479	4,153	4,517	4,967
Net Interest Margin	5.2%	4.5%	4.5%	4.6%
Loan/Deposits	95.8%	84.7%	86.1%	86.5%
NPL	2.3%	3.1%	2.8%	2.7%
ROE	14.0%	8.5%	11.7%	14.3%
ROA	2.2%	1.2%	1.6%	2.0%
P/E	13.0x	17.2x	14.7x	11.0x
P/BV	1.7x	1.5x	1.6x	1.5x
P/Op. Revenue	4.0x	3.4x	3.8x	3.4x
DPS (IDR)	353	220	304	407
<i>Dividend yield</i>	4.6%	3.5%	4.1%	5.5%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

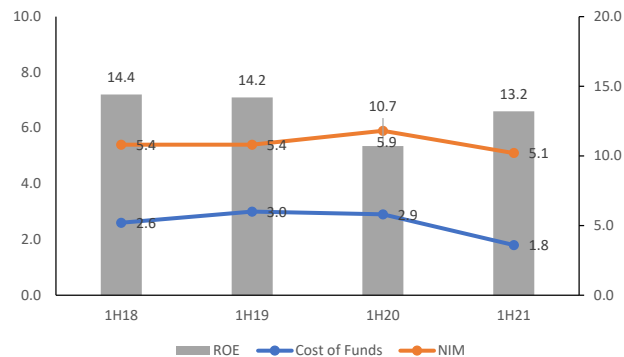
Performance Highlights

Financial Performance (IDR Billion)



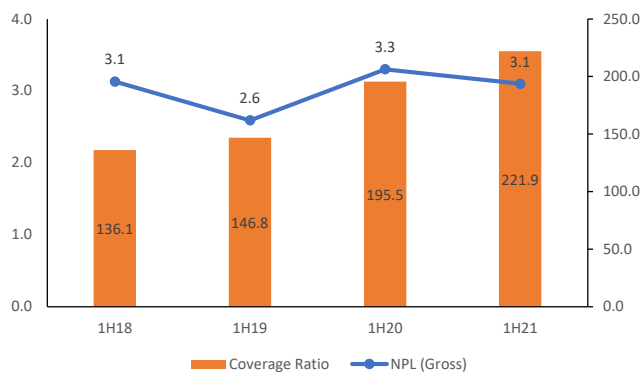
Source: Company, NHKSI Research

Profitability Ratios (%)



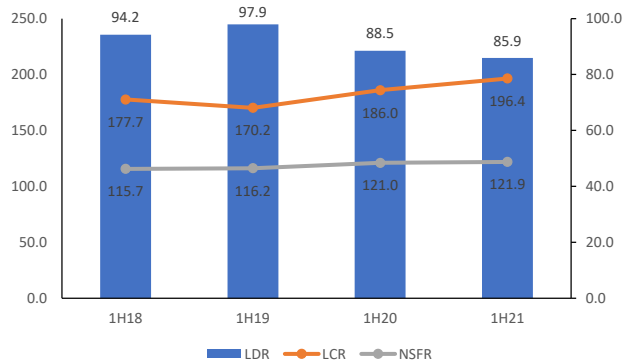
Source: Company, NHKSI Research

Asset Quality (%)



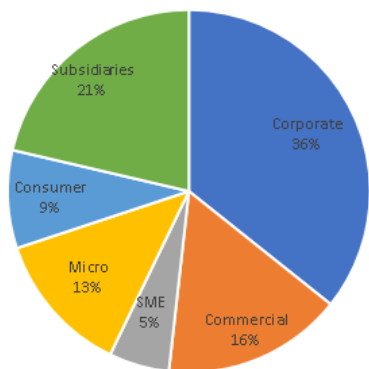
Source: Company, NHKSI Research

Liquidity (%)



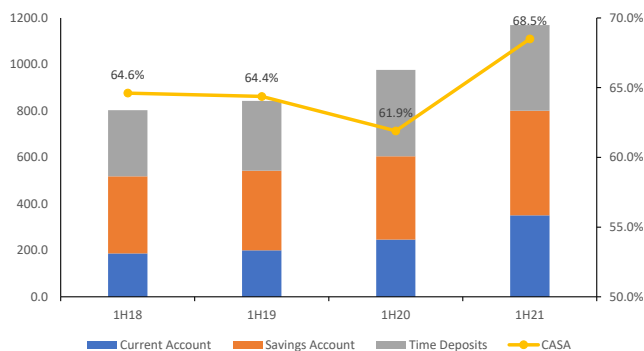
Source: Company, NHKSI Research

Loan Composition by Segment



Source: Company, NHKSI Research

Third Party Funds Composition (IDR Trillion)



Source: Company, NHKSI Research

Company Overview



PT. Bank Mandiri (Persero) Tbk (BMRI) merupakan sebuah perusahaan milik negara yang berdiri pada tanggal 2 Oktober 1998. Pendirian bank ini merupakan bagian dari program restrukturisasi perbankan, dengan menggabungkan 4 bank milik pemerintah, yaitu: Bank Bumi Daya, Bank Dagang Negara, Bank Ekspor Impor Indonesia dan Bank Pembangunan Indonesia. Produk dan layanan Bank Mandiri mencakup: Wholesale Banking, export and import advisory dan retail banking. Perseroan memiliki layanan jaringan yang tersebar di seluruh Indonesia dengan jumlah cabang 2.312, jumlah ATM 15.444 dan jumlah ATM link 47.323. Selain itu, perseroan juga memiliki 8 kantor cabang luar negeri/perwakilan.

Pada tahun 2003, perseroan resmi menyanggah status sebagai perusahaan terbuka setelah melaksanakan penawaran umum saham perdana (IPO) sebesar 20% atau setara dengan 4 miliar lembar saham. Pemerintah Republik Indonesia masih merupakan pemegang saham terbesar di BMRI dengan porsi kepemilikan sebesar 60%. Perseroan juga memiliki sejumlah anak usaha yang bergerak di bidang jasa keuangan, antara lain: Bank Syariah Indonesia (Perbankan Syariah); Bank Mandiri Taspen (Perbankan); Mandiri Sekuritas (Investment Banking); AXA Mandiri dan Mandiri InHealth (Asuransi); Mandiri Tunas Finance dan Mandiri Utama Finance (Pembiayaan).

ASEAN Banking Peers (as of 16 August 2021)

Company	Ticker	Market Cap (USD Mn)	Total Assets (USD Mn)	Total Assets (USD Mn)	Net Income LTM (USD Mn)	ROE (%)	P/E (x)	P/B (x)	Dividend Yield LTM (%)
INDONESIA									
BANK MANDIRI PERSERO TBK PT	BMRI IJ	19,386	108,582,529,225	108,583	1,341	10.5	14.4	1.5	3.7
BANK CENTRAL ASIA TBK PT	BBCA IJ	55,025	77,596,647,962	77,597	2,036	16.5	27.0	4.2	1.7
BANK RAKYAT INDONESIA PERSER	BBRI IJ	33,697	99,677,594,219	99,678	1,451	10.9	23.0	2.5	2.5
BANK NEGARA INDONESIA PERSER	BBNI IJ	6,677	60,122,170,127	60,122	267	3.4	2.3	0.1	0.9
SINGAPORE									
DBS GROUP HOLDINGS LTD	DBS SP	57,602	499,287,301,784	499,287	4,515	11.0	12.9	1.4	2.9
UNITED OVERSEAS BANK LTD	UOB SP	32,057	331,826,700,785	331,827	2,256	7.6	13.2	1.1	3.8
OVERSEA-CHINESE BANKING CORP	OCBC SP	39,039	387,285,225,779	387,285	3,492	9.4	11.0	1.0	3.5
MALAYSIA									
CIMB GROUP HOLDINGS BHD	CIMB MK	10,889	146,783,947,763	146,784	539	4.0	14.6	0.8	1.0
THAILAND									
BANGKOK BANK PUBLIC CO LTD	BBL TB	5,884	128,646,441,890	128,646	624	4.3	10.0	0.4	2.4
SIAM COMMERCIAL BANK PUB CO	SCB TB	9,907	99,934,838,233	99,935	930	7.0	11.6	0.8	2.4

Source: Bloomberg, NHKSI Research

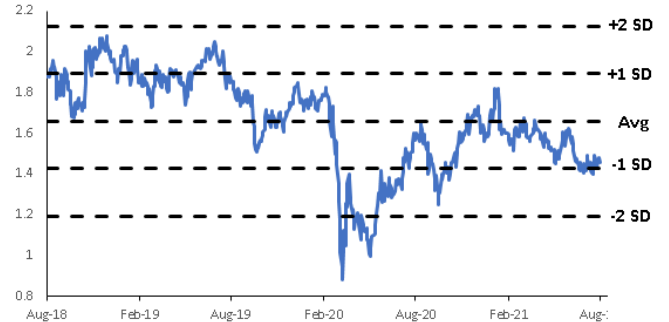
Multiple Valuation

Blended Forward P/E | Last 3 years



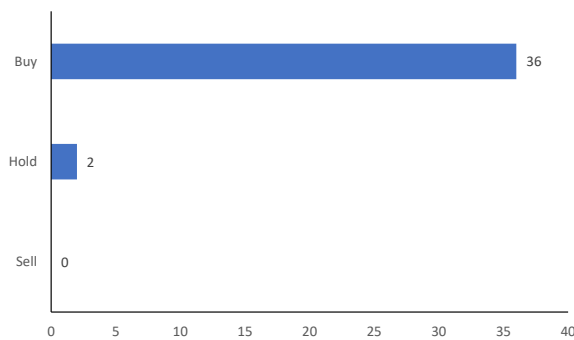
Source: NHKSI research

P/BV Ratio | Last 3 years



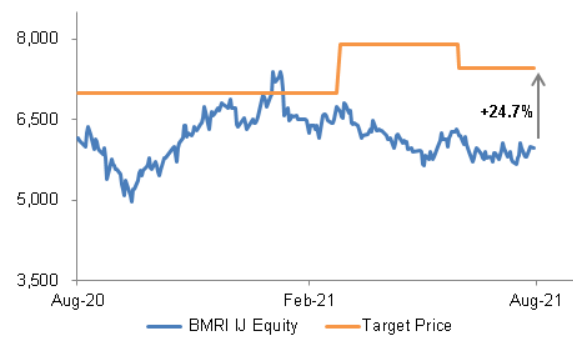
Source: NHKSI research

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKSI research

Rating and Target Price Update

Date	Rating	Target Price	Last Price	Consensus	Potential Upside	vs Consensus
07/24/2020	Buy	6,400	5,275	6,000	+21.3%	+6.7%
09/22/2020	Buy	7,000	5,575	6,790	+25.6%	+3.1%
11/06/2020	Buy	7,000	5,775	6,992	+21.2%	+0.1%
15/03/2021	Buy	7,900	6,725	7,996	+17.5%	-1.2%
18/08/2021	Buy	7,450	5,975	7,902	+24.7%	-5.7%

Source: NHKSI Research, Bloomberg

Summary of Financials

INCOME STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12F	2022/12F
Interest Income	91,525	87,321	97,416	106,606
Growth (% y/y)	13.0%	-4.6%	11.6%	9.4%
Interest Expenses	(32,085)	(30,812)	(35,074)	(37,404)
Net Interest Income	59,440	56,509	62,342	69,202
Net Interest Margin	5.2%	4.5%	4.5%	4.6%
Net Fee Income	16,066	14,495	17,456	19,377
Trading Income	4,734	6,541	6,546	7,266
Other Operating Income	8,361	9,173	5,237	5,813
Operating Revenue	88,600	86,718	91,581	101,658
Operating Expenses	(40,076)	(40,646)	(40,520)	(45,218)
Pre-provisioning OP	48,524	46,072	51,061	56,440
Provision for Impairment	(12,072)	(22,896)	(18,664)	(13,092)
EBT	36,441	23,298	32,531	43,496
Income Tax	(7,986)	(5,652)	(8,133)	(10,874)
Non-controlling Interest	(973)	(526)	(727)	(972)
Net Profit	27,482	17,119	23,671	31,650
Growth (% y/y)	9.1%	-37.7%	38.3%	33.7%

PROFITABILITY & STABILITY

	2019/12A	2020/12E	2021/12F	2022/12F
ROE	14.0%	8.5%	11.7%	14.3%
ROA	2.2%	1.2%	1.6%	2.0%
Non-Int. Inc. /Op. Rev	32.9%	34.8%	31.9%	31.9%
Cost/Income	45.2%	46.9%	44.2%	44.5%
Cash Dividend (IDR bn)	16,489	10,272	14,203	18,990
Dividend Yield (%)	4.6%	3.5%	4.1%	5.5%
Payout Ratio (%)	60.0%	60.0%	60.0%	60.0%
Loan/Deposits	95.8%	84.7%	86.1%	86.5%
Loan/Assets	68.8%	62.5%	65.0%	65.7%
NPL	2.3%	3.1%	2.8%	2.7%
Loan Loss Res./Loan	3.3%	7.0%	5.0%	4.9%
CASA/Deposits	65.3%	66.5%	66.6%	67.0%
Time Deposits/Deposits	34.7%	33.5%	33.4%	33.0%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	46,667	46,667	46,667	46,667
Share Price (IDR)	7,675	6,325	7,450	7,450
Market Cap (IDR tn)	358.2	295.2	347.7	347.7

BALANCE SHEET

(IDR bn)	2019/12A	2020/12A	2021/12F	2022/12F
Cash	28,094	24,683	22,289	20,666
Placement in Banks	96,618	153,383	148,050	142,712
Net Loans	877,105	830,047	957,527	1,043,902
Investment	202,825	296,935	301,944	340,090
Fixed Asset	44,612	46,728	48,238	50,501
Other Assets	68,992	77,558	72,499	74,573
Total Assets	1,318,246	1,429,334	1,550,547	1,672,443
Deposits	946,968	1,054,533	1,170,110	1,269,293
Debt	87,038	91,573	93,609	88,851
Other liabilities	75,205	89,431	76,057	82,504
Total Liabilities	1,109,211	1,235,538	1,339,775	1,440,648
Capital Stock & APIC	29,143	28,983	28,983	28,983
Retained Earnings	143,310	124,656	138,056	155,503
Shareholders' Equity	209,035	193,796	210,772	231,795

VALUATION INDEX

	2019/12A	2020/12E	2021/12F	2022/12F
Price /Earnings	13.0x	17.2x	14.7x	11.0x
Price /Book Value	1.7x	1.5x	1.6x	1.5x
Price/Op. Revenue	4.0x	3.4x	3.8x	3.4x
PE/EPS Growth	1.4x	-0.5x	0.4x	0.3x
EV/Operating Revenue	4.8x	4.2x	4.6x	4.1x
EV/PPOP	8.7x	8.0x	8.3x	7.5x
EV (IDR bn)	421,544	366,710	423,860	420,943
Op. Rev. CAGR (3-Yr)	15.9%	8.9%	7.1%	9.2%
EPS CAGR (3-Yr)	11.4%	-5.6%	19.7%	15.3%
Basic EPS (IDR)	589	367	507	678
Diluted EPS (IDR)	589	367	507	678
BVPS (IDR)	4,479	4,153	4,517	4,967
Op. Revenue PS (IDR)	1,899	1,858	1,962	2,178
DPS (IDR)	353	220	304	407

CASH FLOW STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12F	2022/12F
Operating Cash Flow	27,295	28,238	6,105	43,587
Investing Cash Flow	(116,959)	2,168	(119,958)	(129,009)
Financing Cash Flow	90,508	52,921	110,917	83,797
Net Changes in Cash	844	83,326	(2,936)	(1,624)

OWNERSHIP

By Geography	% Shareholders	%	
Indonesia	73.7	Republic of Indonesia	60.0
United States	9.1	DJS Ketenagakerjaan	1.8
Luxembourg	3.3	Vanguard Group	1.6
Others	13.9	Capital Group Cos Inc	1.5

Source: Bloomberg, NHKSI research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to 15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

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