Bank Rakyat Indonesia Tbk (BBRI)

Beban Bunga Lebih Rendah Dorong Profitabilitas

BBRI mencatatkan laba bersih FY21 sebesar Rp 32,2 T (bank-only) melonjak 75,5% YoY dibandingkan 2020. Net Interest Income tumbuh 27,5% yoy menjadi Rp 95,8 T, seiring Beban Bunga menurun 31% YoY. Segmen mikro terus menjadi pendorong, dengan pinjaman mikro naik 13%. Di tahun 2022, BBRI menetapkan target pertumbuhan pinjaman sekitar 9%-11%.

Beban Bunga Lebih Rendah, Kinerja FY21 Kuat

- BBRI mencatatkan kinerja FY21 yang kuat, ditandai dengan Pendapatan Bunga Bersih yang tumbuh 27,5% ke Rp 95,8 T. Hal ini didukung beban bunga yang jauh lebih rendah, sebesar Rp 24 T (-31,0% YoY vs Rp 34,8 T di FY20).
- PPOP berhasil naik 28,4% YoY menjadi Rp 73,4 T, dengan Biaya Operasional (+18,1%) tumbuh lebih rendah dibandingkan pendapatan. Namun, BBRI masih mencatatkan beban provisi yang lebih tinggi sebesar Rp 34 T (9,8% yoy dari Rp 31 T di 2020).
- Dengan itu, laba bersih bank melonjak ke Rp 32,2 T (+75,5% YoY). Namun, pendapatan bersih konsolidasian tercatat lebih rendah di Rp 30,8 T; dikarenakan kerugian anak perusahaan, Bank Raya Tbk (AGRO), yang sedang dalam tahap transformasi menjadi bank digital.

Segmen Mikro Memimpin Pertumbuhan Pinjaman

- Total Kredit naik 7,2% menjadi Rp 943,7 T; dengan segmen Mikro mencatatkan pertumbuhan tertinggi (13,0% YoY), sementara segmen lain mencatatkan pertumbuhan single digit. Lebih detil, pinjaman mikro membentuk 42,1% dari total kredit FY21 BBRI.
- Di sisi lain, gross NPL tercatat sedikit lebih tinggi di 3,08%; dibandingkan posisi FY20 (2,94%). Namun, kami melihat angka ini masih lebih baik secara kuartalan dari 9M21 yang 3,29%.
- Dari sisi pendanaan, rasio CASA juga membaik menjadi 63,3% (vs 61,0% di FY20). Ini merupakan hasil pertumbuhan Demand Deposits (+6,8%), dan Tabungan(+5,7%), sedangkan Deposito Berjangka turun 7,6%.

Rekomendasi

- Kami mempertahankan rekomendasi Overweight untuk BBRI, dengan target harga sebesar Rp 4.800/saham. TP kami mencerminkan 22F P/BV sebesar 2,4.x., sekitar rata-rata 3 tahunannya.
- Sebagai grup, pada 2022 BBRI menargetkan pertumbuhan pinjaman sebesar 9%-11%. Kami melihat resiko utama dari target ini adalah kenaikan suku bunga yang diprediksi akan terjadi tahun ini, yang dapat menghambat pertumbuhan pinjaman.

Bank Rakyat Indonesia Tbk | Summary (IDR bn)

	2021/12A	2022/12E	2023/12E	2024/12E
Interest Income	143,523	144,526	157,479	162,887
Interest Income growth	*22.7%*	*0.7%*	*9.0%*	*3.4%*
Operating Revenue	156,353	157,627	174,075	180,819
Net profit	32,846	34,216	40,291	43,219
EPS (IDR)	217	226	266	286
EPS growth	*76.1%*	*4.2%*	*17.8%*	*7.3%*
BVPS (IDR)	1,929	2,027	2,149	2,266
Net Interest Margin	*7.6%*	*7.0%*	*7.4%*	*7.3%*
Loan/Deposits	*91.6%*	*91.2%*	*91.7%*	*91.2%*
NPL	*3.1%*	*3.0%*	*3.0%*	*3.0%*
ROE	*13.4%*	*11.4%*	*12.8%*	*12.9%*
ROA	*2.1%*	*2.0%*	*2.2%*	*2.3%*
Non-Int. Inc. /Op. Rev	*27.0%*	*28.4%*	*27.7%*	*28.0%*
P/E	18.7x	21.2x	18.0x	16.8x
P/BV	2.1x	2.4x	2.2x	2.1x
DPS (IDR)	80	128	144	168
Dividend yield	*2.0%*	*2.7%*	*3.0%*	*3.5%*

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH KORINDO SEKURITAS INDONESIA

Company Report | Feb. 11, 2022

Overweight

Target Price (IDR)	**4,800**
Consensus Price (IDR)	4,919
TP to Consensus Price	-2.4%
Potential Upside	+7.4%

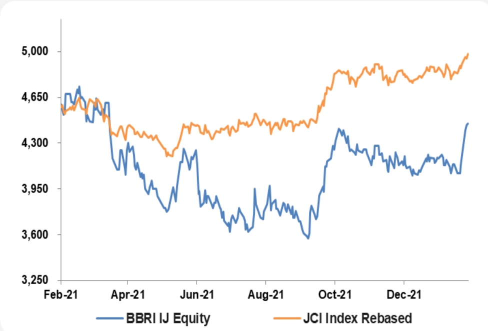
Shares data

Last Price (IDR)	4,470
Price date as of	Feb. 10, 2022
52 wk range (Hi/Lo)	4,761 / 3,500
Free float (%)	46.8
Outstanding sh.(mn)	151,559
Market Cap (IDR bn)	677,469
Market Cap (USD mn)	47,227
Avg. Trd Vol - 3M (mn)	126.93
Avg. Trd Val - 3M (bn)	531.64
Foreign Ownership	25.5%

Finance
Bank

Bloomberg	**BBRI IJ**
Reuters	**BBRI.JK**

Share Price Performance



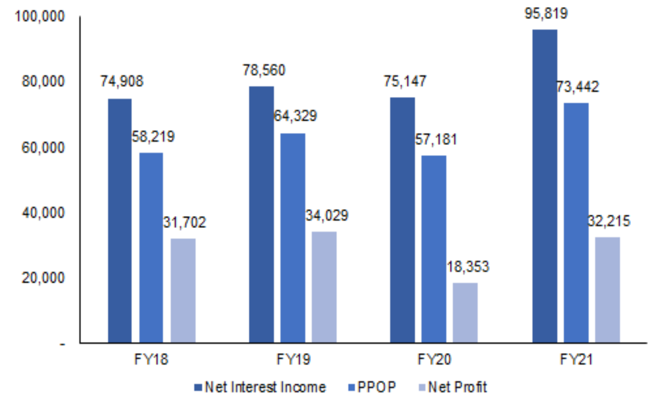
	YTD	1M	3M	12M
Abs. Ret.	8.3%	6.5%	4.7%	-1.3%
Rel. Ret.	4.4%	4.3%	2.2%	-11.8%

Arief Machrus
(021) 5088 9127
arief.machrus@nhsec.co.id

Anggaraksa Arismunandar
(021) 5088 9134
anggaraksa@nhsec.co.id

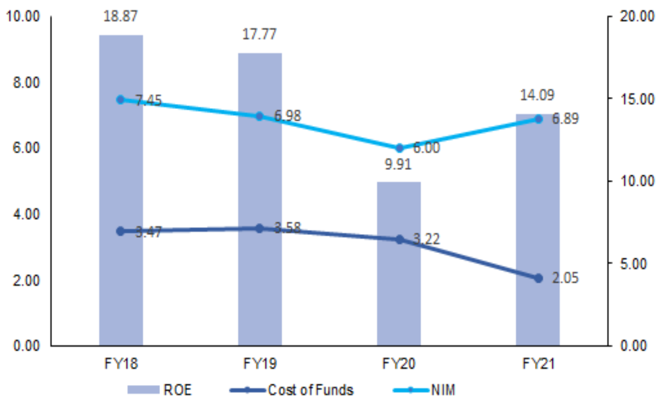
Performance Highlights

Financial Performance (IDR Bn)



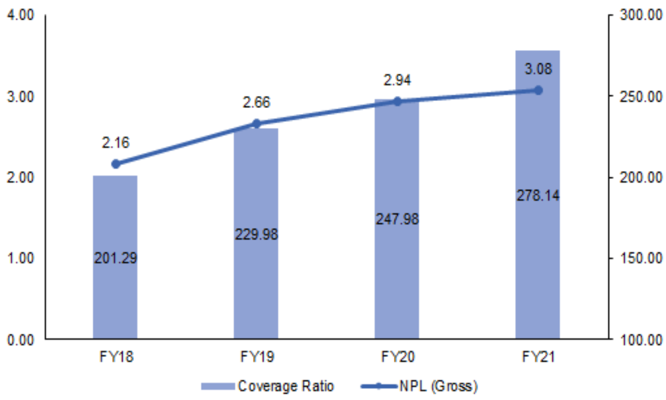
Source: Company, NHKSI Research

Profitability Ratios (%)



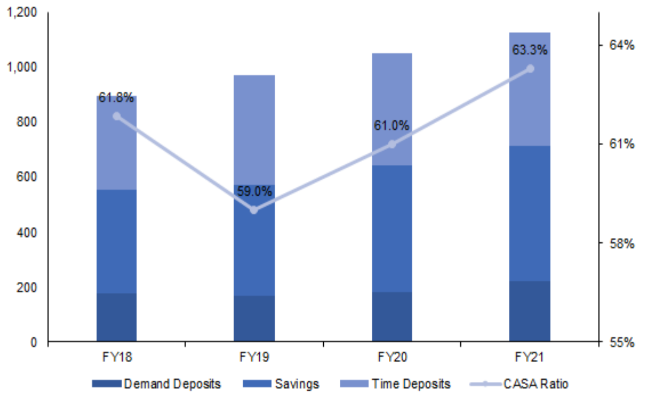
Source: Company, NHKSI Research

Asset Quality (%)



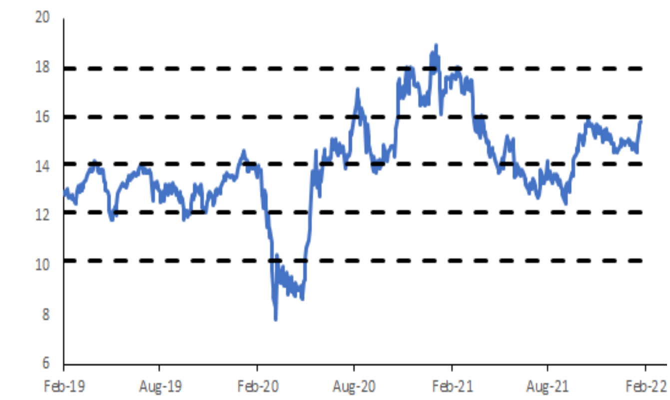
Source: Company, NHKSI Research

Third Party Funds Composition (IDR Trn)



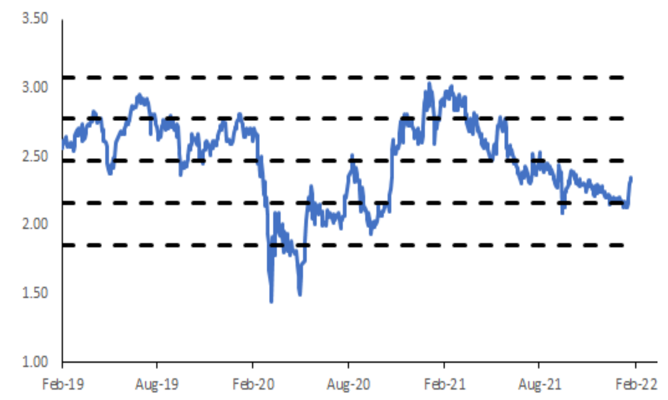
Source: Company, NHKSI Research

PER



Source: Company, NHKSI Research

PBV



Source: Company, NHKSI Research

Summary of Financials

INCOME STATEMENT				
(IDR bn)	**2021/12A**	**2022/12F**	**2023/12F**	**2024/12F**
Interest Income	**143,523**	**144,526**	**157,479**	**162,887**
Growth (% y/y)	*22.7%*	*0.7%*	*9.0%*	*3.4%*
Interest Expenses	(29,429)	(31,618)	(31,632)	(32,768)
Net Interest Income	**114,094**	**112,908**	**125,847**	**130,119**
Net Interest Margin	*7.6%*	*7.0%*	*7.4%*	*7.3%*
Net Fee Income	17,062	19,221	20,121	21,477
Trading Income	5,286	5,795	6,145	6,516
Other Operating Income	19,910	19,703	21,961	22,707
Operating Revenue	**156,353**	**157,627**	**174,075**	**180,819**
Operating Expenses	(76,081)	(74,325)	(83,393)	(85,942)
Pre-provisioning OP	**80,272**	**83,302**	**90,682**	**94,877**
Provision for Impairment	(39,128)	(39,467)	(39,657)	(39,837)
EBT	**40,992**	**43,722**	**50,877**	**54,898**
Income Tax	(7,836)	(9,182)	(10,205)	(11,270)
Non-controlling Interest	(311)	(324)	(381)	(409)
Net Profit	**32,846**	**34,216**	**40,291**	**43,219**
Growth (% y/y)	*76.1%*	*4.2%*	*17.8%*	*7.3%*

PROFITABILITY & STABILITY				
	2021/12A	**2022/12F**	**2023/12F**	**2024/12F**
ROE	13.4%	11.4%	12.8%	12.9%
ROA	2.1%	2.0%	2.2%	2.3%
Non-Int. Inc. /Op. Rev	27.0%	28.4%	27.7%	28.0%
Cost/Income	48.7%	47.2%	47.9%	47.5%
Cash Dividend (IDR bn)	12,126	19,417	21,813	25,434
Dividend Yield (%)	2.0%	2.7%	3.0%	3.5%
Payout Ratio (%)	36.9%	56.7%	54.1%	58.8%
Loan/Deposits	91.6%	91.2%	91.7%	91.2%
Loan/Assets	62.1%	63.0%	62.7%	62.7%
NPL	3.1%	3.0%	3.0%	3.0%
Loan Loss Res./Loan	8.4%	9.3%	10.7%	11.9%
CASA/Deposits	63.1%	65.6%	68.5%	71.0%
Time Deposits/Deposits	36.9%	34.4%	31.5%	29.0%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	151,277	151,277	151,277	151,277
Share Price (IDR)	4,068	4,800	4,800	4,800
Market Cap (IDR tn)	615.4	726.1	726.1	726.1

BALANCE SHEET				
(IDR bn)	**2021/12A**	**2022/12F**	**2023/12F**	**2024/12F**
Cash	26,300	34,956	45,455	56,344
Placement in Banks	129,439	142,806	147,069	156,569
Net Loans	955,038	993,174	1,029,809	1,070,374
Investment	432,725	432,735	458,068	480,491
Fixed Asset	47,970	60,140	75,299	88,388
Other Assets	86,626	86,521	93,665	97,262
Total Assets	**1,678,098**	**1,750,331**	**1,849,364**	**1,949,428**
Deposits	1,138,743	1,209,376	1,264,350	1,339,154
Debt	167,005	162,137	177,467	183,751
Other liabilities	80,563	72,231	82,482	83,672
Total Liabilities	**1,386,311**	**1,443,745**	**1,524,299**	**1,606,578**
Capital Stock & APIC	83,821	83,821	83,821	83,821
Retained Earnings	185,009	199,809	218,287	236,072
Shareholders' Equity	**291,787**	**306,587**	**325,065**	**342,850**

VALUATION INDEX				
	2021/12A	**2022/12F**	**2023/12F**	**2024/12F**
Price /Earnings	18.7x	21.2x	18.0x	16.8x
Price /Book Value	2.1x	2.4x	2.2x	2.1x
Price/Op. Revenue	3.9x	4.6x	4.2x	4.0x
PE/EPS Growth	0.2x	5.1x	1.0x	2.3x
EV/Operating Revenue	4.9x	5.4x	4.9x	4.7x
EV/PPOP	9.5x	10.3x	9.5x	9.0x
EV (IDR bn)	759,151	856,363	861,193	856,588
Op. Rev. CAGR (3-Yr)	19.1%	15.6%	16.1%	18.2%
EPS CAGR (3-Yr)	4.2%	1.9%	5.4%	32.3%
Basic EPS (IDR)	217	226	266	286
Diluted EPS (IDR)	217	226	266	286
BVPS (IDR)	1,929	2,027	2,149	2,266
Op. Revenue PS (IDR)	1,034	1,042	1,151	1,195
DPS (IDR)	80	128	144	168

CASH FLOW STATEMENT				
(IDR bn)	**2021/12A**	**2022/12F**	**2023/12F**	**2024/12F**
Operating Cash Flow	67,742	33,184	60,503	54,209
Investing Cash Flow	(115,614)	(70,876)	(98,493)	(98,973)
Financing Cash Flow	30,009	46,349	48,491	55,655
Net Changes in Cash	**(17,863)**	**8,657**	**10,500**	**10,891**

OWNERSHIP			
By Geography	**%**	**Shareholders**	**%**
Indonesia	74.5	Republic of Indonesia	53.2
United States	11.8	JP Morgan Chase	2.2
Luxembourg	4.6	Vanguard Group	1.7
Others	9.1	Others	43.0

Source: NHKSI Research, Bloomberg

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%

DISCLAIMER

This document is strictly confidential and is being supplied to you solely for your information. The recipients of this report must make their own independent decisions regarding any securities or financial instruments mentioned herein. This document may not be quoted, reproduced, exhibited, redistributed, transmitted, edited, translated, or published, in whole or in part, for any purpose without notice. Any failure to comply with this restriction may constitute a violation of civil or criminal laws.

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.