

Bank Mandiri Tbk (BMRI)

Menjaga Performa Yang Solid dan Sehat

BMRI membukukan Net Profit 1Q23 sebesar IDR 12.560T, meningkat 25.2% secara YoY (1Q22 : IDR 10.032T) dan +19.4% secara QoQ (4Q22: IDR 10.518T). Adapun untuk NIM di 1Q23 berada pada posisi 5.40%, turun 7 Bps secara QoQ dan naik 9 Bps secara YoY. Secara kuartalan, Net Interest Income (NII) mengalami penurunan sejumlah -3.8% QoQ (4Q22: IDR 23.918T) namun secara YoY meningkat +12.4% (1Q22 : 20.478T) menjadi IDR 23.009T. PPOP juga meningkat baik secara kuartalan (+14.5% QoQ ; 4Q22: IDR 18.277T) dan tahunan (+18.3% YoY ; 1Q22 : IDR 17.699T) menjadi IDR 25.153T.

CASA Ratio Relatif Meningkat, Namun Sayangnya Disertai dengan Peningkatan CoF

- Total DPK meningkat 9,6% secara YoY, namun secara QoQ mengalami penurunan -6.7%. Secara QoQ, penurunan terbesar disumbang oleh penurunan dari simpanan giro menjadi IDR 433.5T (-13% QoQ; 4Q22: IDR 498T) dan deposito menurun -15.5% QoQ menjadi IDR 225.4T. Namun, CASA Ratio relatif mengalami kenaikan baik secara QoQ +0.75% dan YoY +3.86% menjadi 74.2%. Dalam menjaga likuiditas, peningkatan DPK ini juga menyebabkan adanya peningkatan nilai Cost of Fund (CoF) di kuartal ini sejumlah 44 Bps (Consolidated) dikarenakan adanya penawaran bunga special / khusus untuk simpanan deposito dan giro.

Pencapaian Kredit yang Disalurkan Bertumbuh dan Inline dengan Guidance dari Manajemen Untuk 2023

- Dari sisi Loan, secara nominal kredit yang disalurkan mengalami peningkatan di kuartal ini, baik secara YoY meningkat 12.4% dan QoQ +0.3% menjadi IDR 1,205.5T (4Q22: IDR 1202.2T ; 1Q22: IDR 1,072.9T). Adapun secara YoY, pertumbuhan kredit yang disalurkan hampir mengalami pertumbuhan di kisaran dua digit di semua segmen, kecuali segmen Corporate yang hanya bertumbuh 5.2%. Cost of Credit (CoC) cukup menurun baik secara kuartalan turun 26 Bps dan tahunan turun 39 Bps menjadi 1.18% (4Q22: 1.44% ; 1Q22: 1.57%). Dalam kinerja kuartal 1Q23 ini, cukup inline dengan guidance manajemen untuk tahun 2023, di mana pencapaian loan tercapai (10-12% loan growth; 1Q23: +12.4%) dan angka CoC yang bertengger di angka 1.2% untuk kuartal ini (Guidance FY23 CoC: 1.3-1.5%). Begitu pula dengan NIM, walaupun ada kenaikan CoF namun masih inline dengan guidance dari manajemen (Guidance FY23: 5.3-5.6%; 1Q23: 5.4%).

Kualitas Aset Yang Semakin Sehat Serta Kinerja Yang Efisien di Kuartal Ini

- Per periode 1Q23 ini, BMRI berhasil mencatatkan level Non-Performing Loan (NPL) Gross di angka 1.77% turun 89Bps secara tahunan dan turun 15 Bps secara kuartalan. Adapun nilai level Loan at Risk (LAR) turun sejumlah 0.43% secara kuartalan dan turun 5.32% secara tahunan ke angka 11.3%. Selain itu, kualitas aset didukung juga dengan kenaikan level NPL Coverage (LLR) yang naik sebesar 55,9% YoY dari 1Q22 sebesar 247% ke 1Q23 sebesar 302.8% (QoQ: +17.6% ; 4Q22: 285.3%).
- Efisiensi biaya ditunjukkan dengan tren dari Cost to Income Ratio (CIR) yang semakin melandai turun, turun sebesar 3.47% YoY dan 5.45% QoQ menjadi 37% di 1Q23 (1Q22: 40.4% ; 4Q22: 42.4%) di mana salah satunya diindikasikan oleh performa dari platform digital BMRI yaitu Livin' dan KOPRA yang semakin solid dan massif.

Rekomendasi Buy dengan TP IDR 6,300 (Upside +22.3%)

- NHKSI Research merekomendasikan Buy untuk BMRI dengan target price berada di level IDR 6,300 yang mencerminkan 23F P/BV sebesar 2.1x. Hal ini ditopang oleh kinerja pertumbuhan segmen wholesale-retail banking dan NIM yang semakin membaik. Adapun yang menjadi risiko untuk rekomendasi ini adalah kondisi situasi makro yang kurang pasti, ekspektasi growth loan dan kinerja yang kurang sesuai ekspektasi, dan NIM yang mengalami penurunan.

Bank Mandiri Tbk | Summary (IDR bn)

in IDR Bn	2022/12A	2023/12F	2024/12F	2025/12F
Interest Income	112,382	127,722	141,527	160,303
Interest Income growth	15.0%	13.6%	10.8%	13.3%
Operating Revenue	125,541	140,140	149,985	170,423
Net profit	41,171	46,501	54,941	61,323
EPS (IDR)	440	497	587	656
EPS growth	24.9%	13.0%	18.1%	11.6%
BVPS (IDR)	2,697	2,743	3,007	3,313
Net Interest Margin	5.5%	5.5%	5.3%	5.4%
Loan/Deposits	79.8%	75.0%	75.1%	77.1%
NPL	1.9%	1.9%	1.8%	1.6%
ROE	17.2%	18.3%	20.4%	20.7%
ROA	2.2%	2.2%	2.3%	2.3%
P/E	11.9x	12.4x	12.4x	12.4x
F P/BV	1.9x	2.4x	2.8x	2.9x
P/Op. Revenue	3.9x	4.1x	4.5x	4.5x
DPS (IDR)	264	282	348	411
Dividend yield	5.1%	4.6%	4.8%	5.1%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Buy

Target Price (IDR)	6,300
Consensus Price (IDR)	6,592
TP to Consensus Price	-4.4%
Potential Upside	+22.3%

Shares data

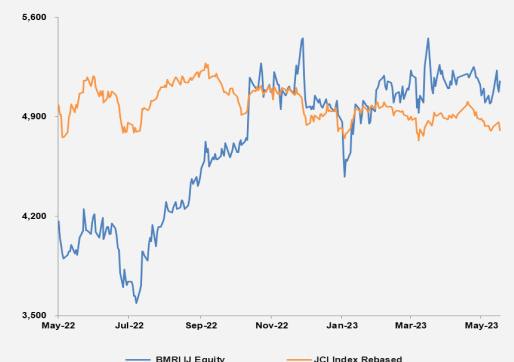
Last Price (IDR)	5,150
Price date as of	Mei 25, 2023
52 wk range (Hi/Lo)	5,500 / 3,587
Free float (%)	39.0
Outstanding sh.(mn)	93,333
Market Cap (IDR bn)	480,667
Market Cap (USD mn)	32,158
Avg. Trd Vol - 3M (mn)	98.15
Avg. Trd Val - 3M (bn)	503.86
Foreign Ownership	22.2%

Financial Services

Banking

Bloomberg	BMRI.IJ
Reuters	BMRI.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	4.3%	-1.0%	1.7%	31.2%
Rel. Ret.	7.0%	2.6%	4.5%	34.4%

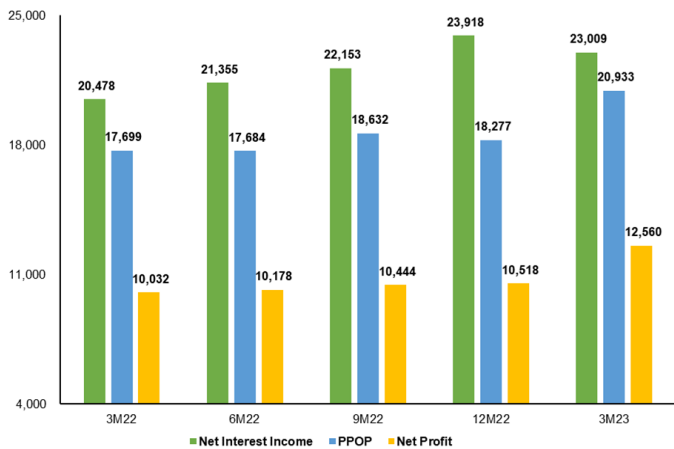
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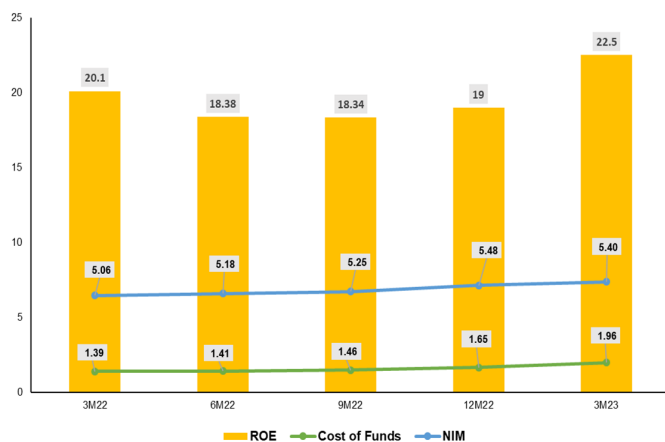
Performance Highlights

Financial Performance (IDR Billion)



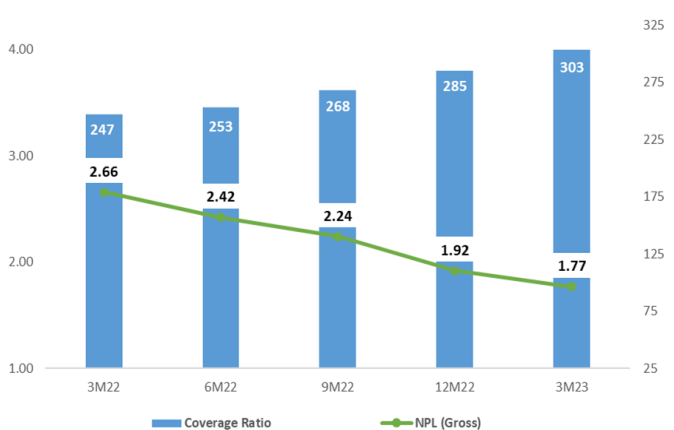
Source: Company, NHKSI Research

Profitability Ratios (%)



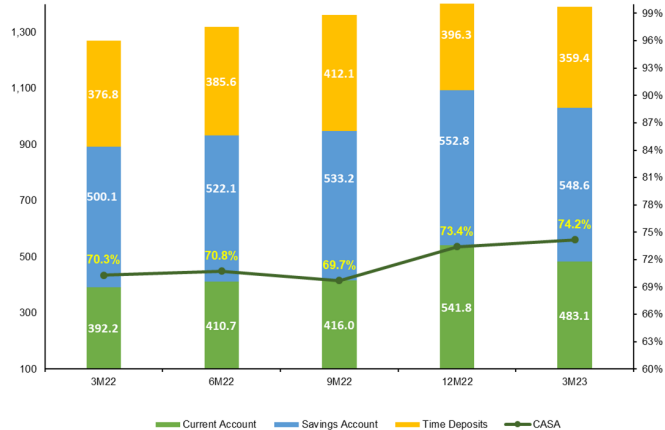
Source: Company, NHKSI Research

Asset Quality (%)



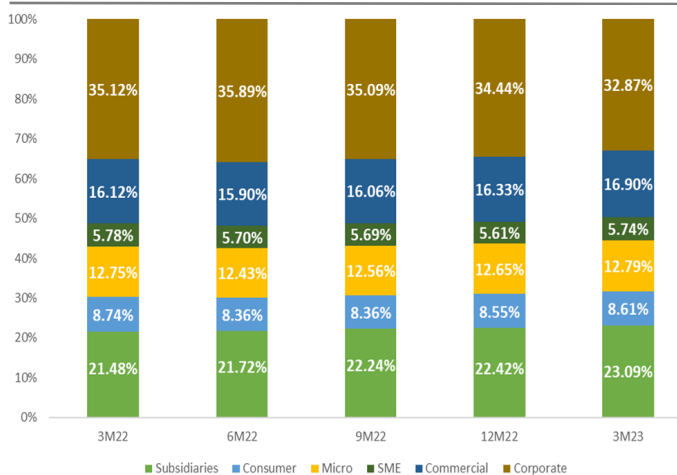
Source: Company, NHKSI Research

Third Party Fund (IDR Tn)



Source: Company, NHKSI Research

Loan Composition Breakdown



Source: Company, NHKSI Research

F-PBV | Last 3 Years



Source: Bloomberg, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Interest Income	112,382	127,722	141,527	160,303
<i>Growth (% y/y)</i>	<i>15.0%</i>	<i>13.6%</i>	<i>10.8%</i>	<i>13.3%</i>
Interest Expenses	(24,479)	(30,234)	(37,122)	(40,824)
Net Interest Income	87,903	97,488	104,405	119,480
<i>Net Interest Margin</i>	<i>5.5%</i>	<i>5.6%</i>	<i>5.7%</i>	<i>5.7%</i>
Net Fee Income	21,310	24,497	25,739	29,157
Trading Income	4,384	8,374	9,131	9,604
Other Operating Income	11,944	9,781	10,710	12,182
Operating Revenue	125,541	140,140	149,985	170,423
Operating Expenses	(53,260)	(61,870)	(64,923)	(74,505)
Pre-provisioning OP	72,281	78,270	85,062	95,918
Provision for Impairment	(16,123)	(18,965)	(15,321)	(18,363)
EBT	56,368	59,397	69,870	77,673
Income Tax	(11,425)	(12,058)	(14,173)	(15,762)
Non-controlling Interest	(3,782)	(838)	(756)	(589)
Net Profit	41,171	46,501	54,941	61,323
<i>Growth (% y/y)</i>	<i>24.9%</i>	<i>13.0%</i>	<i>18.1%</i>	<i>11.6%</i>

PROFITABILITY & STABILITY

	2022/12A	2023/12F	2024/12F	2025/12F
ROE	17.9%	20.4%	22.3%	22.9%
ROA	2.2%	2.2%	2.3%	2.3%
Non-Int. Inc. /Op. Rev	30.0%	30.4%	30.4%	29.9%
Cost/Income	42.4%	44.1%	43.3%	43.7%
Cash Dividend (IDR bn)	24,702	26,369	32,551	38,459
Dividend Yield (%)	5.1%	4.5%	4.7%	4.9%
Payout Ratio (%)	60.0%	56.7%	59.2%	62.7%
Loan/Deposits	79.8%	75.0%	75.1%	77.1%
Loan/Assets	60.4%	57.2%	57.5%	59.0%
NPL	1.9%	1.9%	1.8%	1.6%
Loan Loss Res./Loan	5.8%	4.6%	4.7%	4.5%
CASA/Deposits	73.4%	75.2%	75.9%	76.1%
Time Deposits/Deposits	26.6%	24.8%	24.1%	23.9%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	93,533	93,533	93,533	93,533
Share Price (IDR)	5,150	6,300	7,443	8,308
Market Cap (IDR tn)	481.7	589.3	696.2	777.1

BALANCE SHEET

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Cash	23,948	33,294	37,682	36,167
Placement in Banks	253,724	288,682	297,244	305,171
Net Loans	1,136,868	1,250,270	1,392,775	1,555,875
Investment	426,407	500,974	589,648	624,562
Fixed Asset	56,541	68,669	72,487	76,694
Other Assets	95,057	147,135	153,010	161,207
Total Assets	1,992,545	2,289,024	2,542,847	2,759,675
Deposits	1,506,626	1,746,854	1,947,097	2,113,748
Debt	109,248	138,516	148,252	155,287
Other liabilities	124,426	147,052	166,227	180,753
Total Liabilities	1,740,299	2,032,421	2,261,576	2,449,789
Capital Stock & APIC	29,310	29,241	29,241	29,241
Retained Earnings	166,995	157,157	179,548	202,412
Shareholders' Equity	252,245	256,603	281,271	309,886

VALUATION INDEX

	2022/12A	2023/12F	2024/12F	2025/12F
Price /Earnings	11.7x	12.7x	12.7x	12.7x
Price /Book Value	1.9x	2.3x	2.5x	2.5x
Price/Op. Revenue	3.8x	4.2x	4.6x	4.6x
PE/EPS Growth	0.5x	1.0x	0.7x	1.1x
EV/Operating Revenue	4.7x	5.3x	5.8x	5.7x
EV/PPOP	8.2x	9.4x	10.2x	10.1x
EV (IDR bn)	589,563	739,635	867,154	968,417
Op. Rev. CAGR (3-Yr)	12.3%	17.4%	11.9%	10.7%
EPS CAGR (3-Yr)	14.4%	39.5%	18.6%	14.2%
Basic EPS (IDR)	440	497	587	656
Diluted EPS (IDR)	440	497	587	656
BVPS (IDR)	2,697	2,743	3,007	3,313
Op. Revenue PS (IDR)	1,342	1,498	1,604	1,822
DPS (IDR)	264	282	348	411

CASH FLOW STATEMENT

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Operating Cash Flow	76,150	36,710	71,050	73,712
Investing Cash Flow	(220,282)	(242,649)	(275,273)	(301,732)
Financing Cash Flow	153,478	210,327	202,707	225,979
Net Changes in Cash	9,346	4,388	(1,516)	(2,041)

Source: Bloomberg, NHKSI research

OWNERSHIP

By Geography	% Shareholders		%
Indonesia	76.93	Republic of Indonesia	52.00
United States	9.19	INA (Indonesian SWF)	8.21
Luxembourg	5.41	Vanguard Group	2.11
Others	8.47	Others	37.68

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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