

# Bank Mandiri Tbk (BMRI)

## Performa Yang Semakin Solid dan Impresif

BMRI mencetak kinerja berkilau di periode 9M23, dimana Net Profit 9M23 sebesar IDR 39.064T, meningkat 27.4% secara YoY (9M22 : IDR 30.653T) dan 9.15% secara QoQ (2Q23: IDR 12.672T & 3Q23: IDR 13.832T). Performa solid dari BMRI ditunjukkan dari Net Interest Income (NII) mengalami kenaikan solid di 9M23 menjadi IDR 71.863T (9M22: IDR 63.985T, YoY +12.3% & QoQ +1.1%). PPOP secara kuartalan mengalami penurunan -3.93% QoQ dan secara tahunan mengalami kenaikan +15.4% YoY menjadi IDR 62.355T di 9M23. Performa Impresif dari BMRI juga terlihat dari kualitas aset yang membaik, sekaligus pendapatan Non Interest Income yang bertumbuh. Level NIM berada di level 5.59% di 9M23 (YoY +17 Bps & QoQ +3 Bps).

### Pencapaian Kredit yang Disalurkan Bertumbuh Melampaui Guidance dari Manajemen Untuk 2023

- Dari sisi Loan, secara nominal kredit yang disalurkan mengalami peningkatan di periode ini, baik secara YoY meningkat 12.7% dan QoQ +3.45% menjadi IDR 1,315.9 (9M22: IDR 1,167.5T ; 6M23: IDR 1,272.1T ). Kinerja pertumbuhan penyaluran kredit tersebut cukup impresif dimana melampaui batas atas berdasarkan guidance dari manajemen BMRI (FY2023: Loan growth 10-12%). Adapun secara YoY, pertumbuhan kredit yang disalurkan hampir berada di kisaran dua digit di semua segmen, kecuali segmen Corporate yang hanya bertumbuh 9.55%. Segmen korporasi masih menjadi basis penyaluran terbesar dan kontributor loan utama dari BMRI. Selain Segmen korporasi, driver lain adalah Segmen Commercial Banking mencetak pertumbuhan penyaluran yang kuat di periode ini dimana secara QoQ +3.08% dan YoY +18.6%.

### CASA Ratio Stabil dan Cost of Fund (CoF) Cukup Meningkat akibat Likuiditas Mengetat

- Total Dana Pihak Ketiga (DPK) meningkat 1.5% QoQ dan 6.6% secara YoY. Pertumbuhan DPK ini khususnya ditopang oleh kekuatan fokus BMRI di segmen korporasi sekaligus platform KOPRA yang semakin solid, dimana CASA khususnya simpanan giro di 9M23 menjadi IDR 506.2T (+21.7% YoY; 9M22 : IDR 416T dan +1.7% QoQ; 6M23: IDR 497.6T). Selain itu lonjakan Saving Account juga berperan dalam pertumbuhan DPK dimana bertumbuh menjadi IDR 564.1T (+5.8% YoY; 9M22 : IDR 533.1T dan +2.1% QoQ; 6M23 IDR 552.4T). Adapun Deposito (*High Cost Fund*) hanya bertumbuh 0.35% QoQ dan mengalami penurunan -7.46% YoY menjadi IDR 381.4T di 9M23. CASA Ratio cukup stabil berada di level 73-74%. Yang menjadi problem dari periode ini adalah menjaga likuiditas yang mengetat akibat era suku bunga tinggi, sehingga level CoF mengalami peningkatan (CoF bank Only 3Q23: 2.17% ; 2Q23: 1.96%).

### Efisiensi Performa yang Semakin Mantap dan Kualitas Aset Semakin Sehat

- Hal yang menjadi highlight menarik di periode ini adalah Cost of Credit (CoC) turun signifikan -50 YoY dan -23 Bps QoQ menjadi 0.96% (9M22: 1.46% ; 6M23: 1.19%). Realisasi CoC per 9M23 melebihi dari guidance untuk FY2023 dimana CoC berada level 1.1%-1.3%. Untuk sisa tahun 2023, revisi guidance yang baru dari manajemen BMRI terkait CoC adalah CoC berada di level <1.1%. Berbicara mengenai efisiensi walaupun di era suku bunga tinggi dan Cost to Income Ratio mengalami sedikit kenaikan yaitu +12 Bps QoQ menjadi 38.1% namun optimalisasi cabang dan efisiensi yang dilakukan BMRI membuahkan hasil. Sebagai contoh berbicara mengenai akuisisi nasabah, pertumbuhan nasabah NTB (New To Bank) Livin' mengalami peningkatan ke angka 21k perhari (2Q23: 19.7k). Hal ini juga terlihat dari tren naiknya nilai revenue per karyawan dan aset per cabang.
- Kualitas aset semakin sehat, dimana per periode 9M23 ini, BMRI berhasil mencatatkan level Non-Performing Loan (NPL) Gross di angka 1.49% turun 75 Bps secara tahunan dan turun 15 Bps secara kuartalan. Kualitas aset didukung dengan kestabilan level NPL Coverage (LLR) yang berada di level 299% untuk 9M23 (YoY: +31% ; 9M22: 268% & QoQ: +1% ; 6M23: 304%).

### Rekomendasi Buy dengan TP IDR 6,900 (Upside +20.0%)

- NHKSI Research merekomendasikan Buy untuk BMRI dengan *target price* berada di level IDR 6,900 yang mencerminkan 23F P/BV sebesar 2.3x. Hal ini ditopang oleh kinerja pertumbuhan segmen *wholesale-retail banking* dan pencapaian NIM yang solid. Adapun yang menjadi risiko untuk rekomendasi ini adalah kondisi situasi makro yang kurang pasti, persaingan antar bank yang semakin kompetitif, 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
<i>Interest Income growth</i>	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
<i>EPS growth</i>	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	13.1x	13.9x	13.9x	13.9x
F P/BV	2.1x	2.7x	3.1x	3.2x
P/Op. Revenue	4.3x	4.6x	5.1x	5.0x
DPS (IDR)	264	282	348	411
<i>Dividend yield</i>	4.6%	4.1%	4.3%	4.5%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

Company Report | Nov. 1 2023

## Buy

Target Price (IDR)	6,900
Consensus Price (IDR)	6,701
TP to Consensus Price	+3.0%
Potential Upside	+20.0%

### Shares data

Last Price (IDR)	5,750
Price date as of	October 31, 2023
52 wk range (Hi/Lo)	6,200 / 4,450
Free float (%)	39.2
Outstanding sh.(mn)	93,333
Market Cap (IDR bn)	529,666
Market Cap (USD mn)	33,361
Avg. Trd Vol - 3M (mn)	78.28
Avg. Trd Val - 3M (bn)	460.90
Foreign Ownership	23.20%

### Financial Services

#### Banking

Bloomberg	BMRI IJ
Reuters	BMRI.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	16.5%	-4.6%	0.4%	9.0%
Rel. Ret.	17.9%	-1.9%	2.5%	13.9%

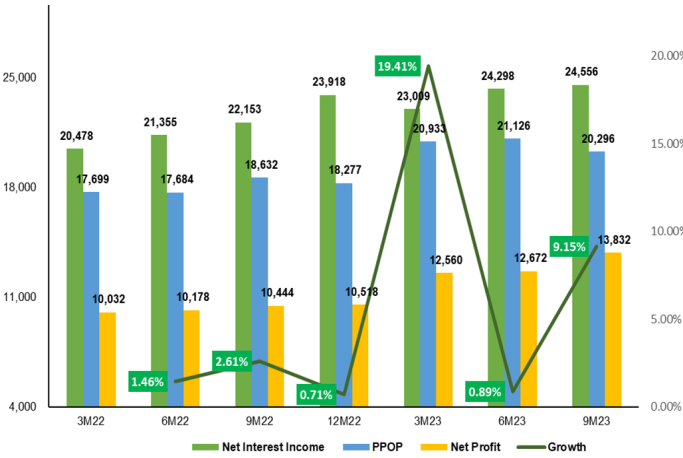
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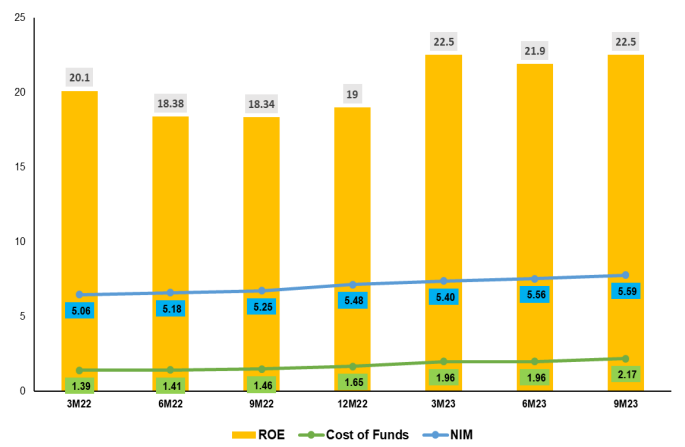
# Performance Highlights

## Financial Performance (IDR Billion)



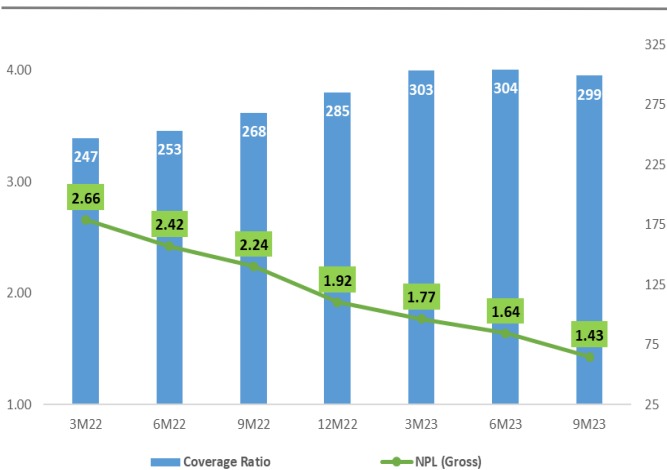
Source: Company, NHKSI Research

## Profitability Ratios (%)



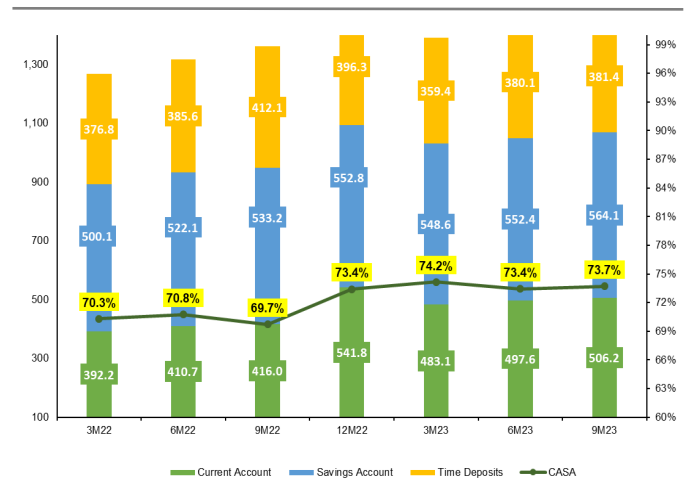
Source: Company, NHKSI Research

## Asset Quality (%)



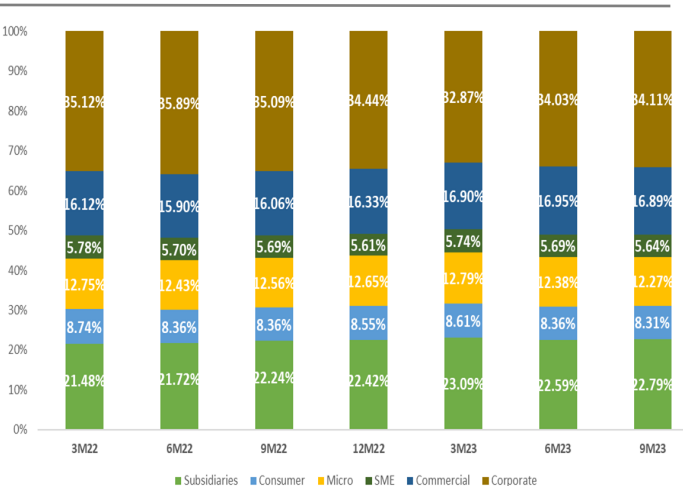
Source: Company, NHKSI Research

## 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
<b>Interest Income</b>	<b>112,382</b>	<b>127,722</b>	<b>141,527</b>	<b>160,303</b>
<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)
<b>Net Interest Income</b>	<b>87,903</b>	<b>97,488</b>	<b>104,405</b>	<b>119,480</b>
<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
<b>Operating Revenue</b>	<b>125,541</b>	<b>140,140</b>	<b>149,985</b>	<b>170,423</b>
Operating Expenses	(53,260)	(61,870)	(64,923)	(74,505)
<b>Pre-provisioning OP</b>	<b>72,281</b>	<b>78,270</b>	<b>85,062</b>	<b>95,918</b>
Provision for Impairment	(16,123)	(18,965)	(15,321)	(18,363)
<b>EBT</b>	<b>56,368</b>	<b>59,397</b>	<b>69,870</b>	<b>77,673</b>
Income Tax	(11,425)	(12,058)	(14,173)	(15,762)
Non-controlling Interest	(3,782)	(838)	(756)	(589)
<b>Net Profit</b>	<b>41,171</b>	<b>46,501</b>	<b>54,941</b>	<b>61,323</b>
<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 (%)	4.6%	4.1%	4.3%	4.5%
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)	5,750	6,900	8,152	9,099
Market Cap (IDR tn)	537.8	645.4	762.5	851.1

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
<b>Total Assets</b>	<b>1,992,545</b>	<b>2,289,024</b>	<b>2,542,847</b>	<b>2,759,675</b>
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
<b>Total Liabilities</b>	<b>1,740,299</b>	<b>2,032,421</b>	<b>2,261,576</b>	<b>2,449,789</b>
Capital Stock & APIC	29,310	29,241	29,241	29,241
Retained Earnings	166,995	157,157	179,548	202,412
<b>Shareholders' Equity</b>	<b>252,245</b>	<b>256,603</b>	<b>281,271</b>	<b>309,886</b>

VALUATION INDEX				
	2022/12A	2023/12F	2024/12F	2025/12F
Price /Earnings	13.1x	13.9x	13.9x	13.9x
Price /Book Value	2.1x	2.5x	2.7x	2.7x
Price/Op. Revenue	4.3x	4.6x	5.1x	5.0x
PE/EPS Growth	0.5x	1.1x	0.8x	1.2x
EV/Operating Revenue	5.1x	5.7x	6.2x	6.1x
EV/PPOP	8.9x	10.2x	11.0x	10.9x
EV (IDR bn)	645,683	795,755	933,460	1,042,424
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
<b>Net Changes in Cash</b>	<b>9,346</b>	<b>4,388</b>	<b>(1,516)</b>	<b>(2,041)</b>

OWNERSHIP		
By Geography	% Shareholders	%
Indonesia	76.80	Republic of Indonesia 52.00
United States	10.26	INA (Indonesian SWF) 8.00
Luxembourg	4.82	Schroeders PLC 2.20
Others	8.12	Others 37.80

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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