

BMRI posted 4Q25 net profit of IDR 18.6T (+34.9% YoY & +39.8% QoQ), bringing total FY25 net profit to IDR 56.3T (+0.92% YoY). BMRI's FY25 Net Interest Margin (NIM) contracted to 4.89% (FY24: 5.15% | Quarterly basis: 4Q24: 5.2%, 3Q25: 4.8%, 4Q25: 4.9%). Net profit performance was supported by Net Interest Income (NII), which grew +4.4% YoY to IDR 106.2T in FY25 (FY24: IDR 101.8T | Quarterly basis: +8.0% QoQ & +2.9% YoY | 4Q24: IDR 27.2T, 3Q25: IDR 25.9T, 4Q25: IDR 27.9T), alongside Non-Interest Income growth of +14.5% YoY to IDR 48.47T in FY25 (FY24: IDR 42.3T | Quarterly basis: +23.6% QoQ & +32.0% YoY | 4Q24: IDR 11.53T, 3Q25: IDR 12.31T, 4Q25: IDR 15.22T). The Non-Interest Income growth was largely driven by solid recurring fee income, both from digital and non-digital channels. Operating expenses increased +15.2% YoY to IDR 67.6T in FY25 (FY24: IDR 58.6T | Quarterly basis: +2.48% QoQ & -5.8% YoY | 4Q24: IDR 18.77T, 3Q25: IDR 17.25T, 4Q25: IDR 17.68T). Consequently, PPOP (Pre-Provision Operating Profit) declined slightly by -0.39% YoY to IDR 87.64T (FY24: IDR 87.98T | Quarterly basis: +21.6% QoQ & +21.8% YoY | 4Q24: IDR 21.13T, 3Q25: IDR 21.17T, 4Q25: IDR 25.74T).

### FY26 Performance Outlook: Moderating Loan Growth and NIM in Line with Easing Interest Rates

- FY26 Guidance – Normalized Loan Growth with Softer NIM Trajectory.** Management guides FY26 NIM at 4.6%–4.8%, more moderate compared to FY25 (4.8%–5.0%). The anticipated NIM compression aligns with lower benchmark interest rates and a more conservative loan growth target of 7%–9% in FY26 (FY25: 8%–10%), while maintaining LDR below 95%. In line with this guidance, we forecast loan growth of +7.1% in FY26, with LDR remaining within management's target range and net profit increasing +4.6% YoY to IDR 58.9T in FY26.

### Lending Side: FY25 Loan Growth Surpassed Upper-End of Management Guidance

- BMRI's loan disbursement grew +13.4% YoY and +7.4% QoQ to IDR 1,895T in FY25 (FY24: IDR 1,671T | 9M25: IDR 1,764T), exceeding the upper bound of management's FY25 guidance of 8%–10%.
- Corporate Loans Remained the Primary Growth Engine.** Loan expansion was predominantly driven by business banking, particularly the corporate segment, which surged +23.1% YoY & +14.6% QoQ to IDR 764T (FY24: IDR 620T | 9M25: IDR 667T), while the commercial segment grew +12.1% YoY & +4.3% QoQ to IDR 328T (FY24: IDR 293T | 9M25: IDR 315T). Meanwhile, the SME segment declined -2.09% YoY but rose +1.3% QoQ to IDR 85T (FY24: IDR 87T | 9M25: IDR 84T).
- Consumer Loans Grew Relatively Flat Throughout FY25.** The personal banking/consumer segment recorded modest growth of +1.3% YoY & +1.6% QoQ to IDR 124T in FY25 (FY24: IDR 122T | 9M25: IDR 123T). The softer growth reflects weaker consumption trends, dampened demand, and tighter, more selective underwriting standards. Despite near-term weakness, management expects a recovery trajectory in FY26 as domestic demand gradually improves.

### Funding Side: Strengthening Liquidity Throughout FY25 with Easing CoF and LDR Trends

- Liquidity Expansion Remained Solid.** On the funding side, BMRI continued to build strong deposit growth. Third-party funds (DPK) rose +23.9% YoY & +11.8% QoQ to IDR 2,106T in FY25 (FY24: IDR 1,699T | 9M25: IDR 1,884T). CASA increased +12.6% YoY & +9.69% QoQ to IDR 1,431T (FY24: IDR 1,271T | 9M25: IDR 1,304T), while time deposits surged +57.7% YoY & +16.4% QoQ to IDR 674.4T (FY24: IDR 579T), resulting in a decline in CASA ratio to 68% in FY25 (FY24: 74.8%).
- Easing CoF Helped Cushion Loan Yield Compression.** In line with the QoQ increase in time deposits, BMRI's Bank-only CoF rose to 2.33% in FY25 (FY24: 2.16%). However, on a quarterly basis, CoF declined to 2.15% in 4Q25 from 2.31% in 3Q25. The QoQ decline was mainly driven by lower CoF from time deposits and current accounts, down -36 bps and -40 bps QoQ, respectively. This improvement partially offset loan yield compression amid declining policy rates, helping maintain relatively stable NIM.

### BMRI Asset Quality: Healthy and Stable Asset Quality Maintained

- Asset Quality Remained Sound.** NPL ratio stayed manageable at 1.13% in FY25 (FY24: 1.12% | 9M25: 1.19%), with strong coverage at 231%. LAR declined to 6.51% in FY25 (FY24: 6.76% | 9M25: 6.48%).
- Provision Expenses Declined in 4Q25 and FY25.** Provision expenses declined -72.8% QoQ & -63.8% YoY to IDR 867B in 4Q25, while FY25 provisions fell -5.01% YoY to IDR 11.33T (FY24: IDR 11.93T). CoC stood at 0.58% in FY25, at the lower end of management guidance. For FY26, management targets CoC at 0.6%–0.8%, reflecting a measured normalization of provisioning costs, supported by an expected stabilization in LAR.

### “Overweight” Recommendation at Level IDR 5,600 / Share (Upside Potential +12.5%)

- NHKS Research maintains an “Overweight” call on BMRI with a revised TP of IDR 5,600, implying 1.45x 26F P/BV (-1 STD from the 3-year average). Potential catalysts include stronger-than-expected loan growth and profitability metrics, particularly NIM resilience. While NIM is likely to normalize amid easing rates, operational performance—supported by sustained non-interest income growth—should continue to underpin earnings stability. Key downside risks include macroeconomic and political uncertainties, intensifying competition within the banking sector, and weaker-than-expected loan growth or NIM realization.

## PT Bank Mandiri Tbk. | Summary (IDR Billions)

In IDR Bn	2025 A	2026 F	2027 F	2028 F
Interest Income	164,412	179,178	195,258	207,410
Interest Income Growth	8.7%	9.0%	9.0%	6.2%
Operating Revenue	155,226	163,864	173,478	178,456
Net Profit	56,294	58,890	63,174	69,271
EPS (IDR)	602	630	675	741
Growth	0.9%	4.6%	7.3%	9.7%
BVPS (IDR)	3,141	3,295	3,491	3,703
Net Interest Margin	4.9%	4.6%	4.3%	4.0%
Loan / Deposits	89.1%	87.2%	88.2%	89.8%
NPL	1.1%	1.2%	1.3%	1.4%
ROE	17.6%	17.5%	17.7%	18.3%
ROA	2.1%	2.0%	1.9%	1.9%
Non.Int. Inc. / Op. Rev	31.6%	31.9%	32.3%	33.4%
P/E	8.3x	8.9x	8.9x	8.8x
P/BV	1.6x	1.7x	1.7x	1.8x
DPS (IDR)	465	481	504	540
Dividend yield	9.3%	8.6%	8.4%	8.2%

Source : Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

## Update Report | 05<sup>th</sup> March 2026

# Overweight

Target Price (IDR)	5,600
Consensus Price	5,865
TP to Consensus Price	-1.5%
Potential Upside	+12.5%

### Shares Data

Last Price (IDR)	4,980
Price date as of	04 <sup>th</sup> March 2026
52 wk range (Hi/Lo)	5,575 / 4,010
Free Float (%)	39.83
Outstanding sh (mn)	93,333
Market Cap (IDR bn)	459,200
Market Cap (USD mn)	27,192
Avg. Trd Vol – 3M (mn)	166.4
Avg. Trd Val – 3M (IDR Bn)	818.5
Foreign Ownership	29.9%

### Sector

Financial

Sub-Sector

Bank

Bloomberg

BMRI IJ Equity

Reuters

BMRI JK

### Shares Price Performance



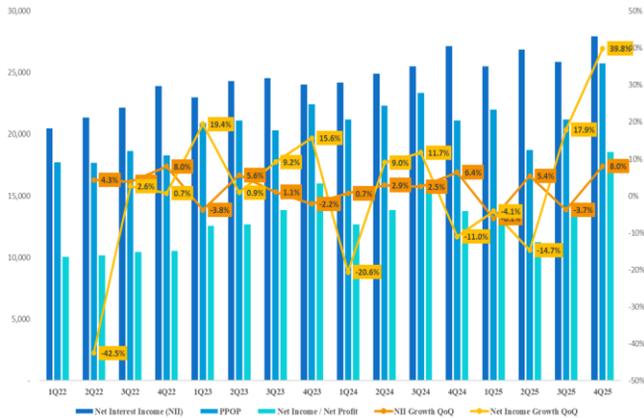
	YTD	1M	3M	12M
Abs.Ret	-1.9%	-1.4%	+1.6%	-9.9%
Rel.Ret	+11.4%	+5.1%	+13.9%	-17.7%

### Leonardo Lijuardi

leonardo.lijuwardi@nhsec.co.id

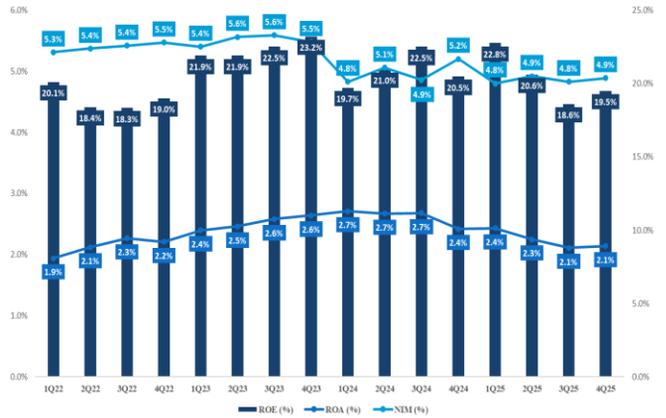
## Performance Highlight For BMRI

Exhibit 1. BMRI Quarterly Financial Performance (In IDR Billion)



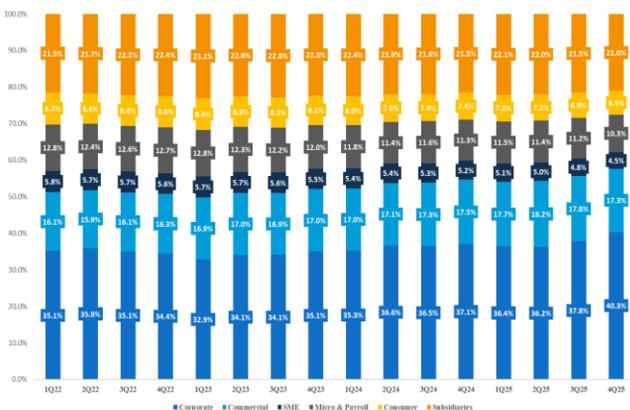
Source : BMRI, NHKSI Research

Exhibit 2. BMRI Profitability Ratio (In %)



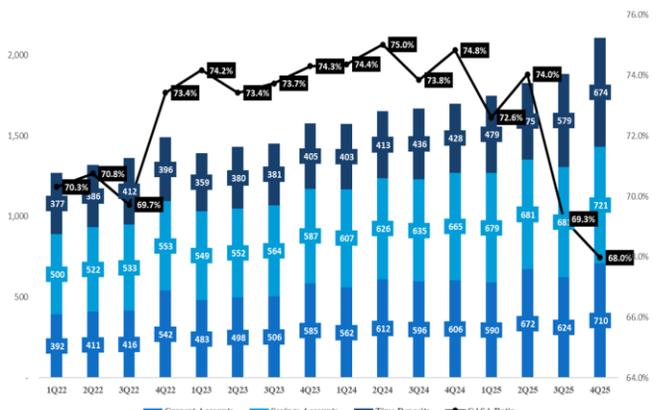
Source : BMRI, NHKSI Research

Exhibit 3. BMRI Loan Segmentation Breakdown



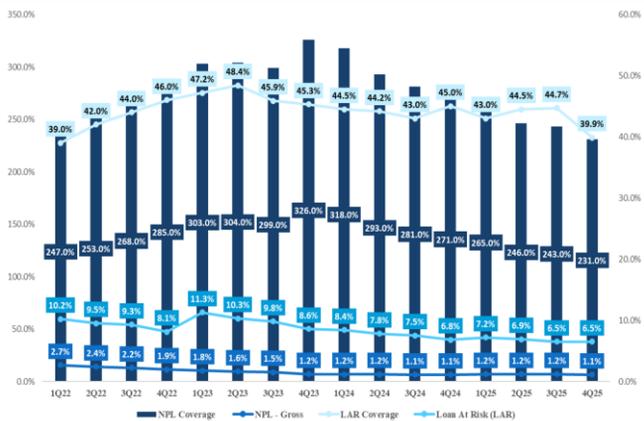
Source : BMRI, NHKSI Research

Exhibit 4. BMRI Third Party Fund Composition (IDR Tn) & CASA Ratio (In %)



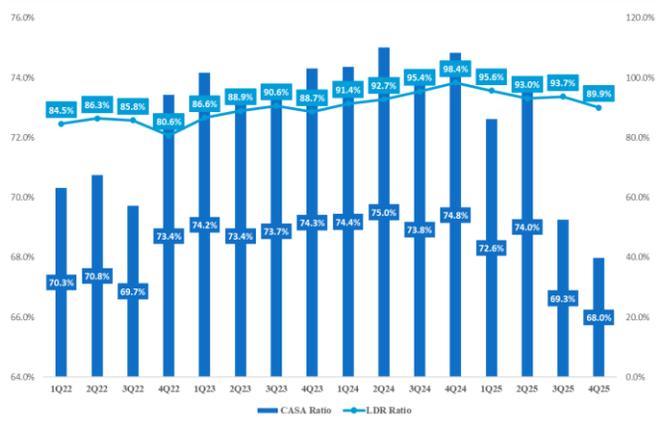
Source : BMRI, NHKSI Research

Exhibit 5. BMRI Asset Quality (In %)



Source : BMRI, NHKSI Research

Exhibit 6. CASA Ratio vs Loan to Deposit Ratio (LDR) (In % & Bank Only)

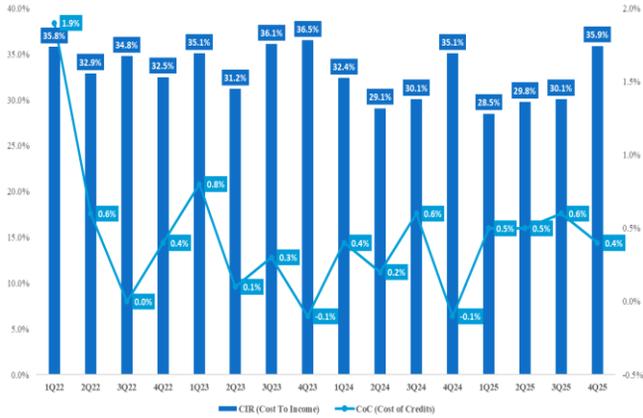


Source : BMRI, NHKSI Research

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**Performance Highlight For BMRI**

Exhibit 7. BMRI CIR & CoC



Source : BMRI, NHKSI Research

Exhibit 8. BMRI Forward PBV | (In x – Last 3 Years)



Source : BMRI, NHKSI Research

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## Summary of BMRI's Financials & Forecast

### INCOME STATEMENT

(IDR Billions)	2025/12A	2026/12F	2027/12F	2028/12F
<b>Interest Income</b>	<b>164,412</b>	<b>179,178</b>	<b>195,258</b>	<b>207,410</b>
Growth (% y/y)	8.7%	9.0%	9.0%	6.2%
Interest Expenses	(58,202)	(67,516)	(77,845)	(88,637)
<b>Net Interest Income (NII)</b>	<b>106,210</b>	<b>111,662</b>	<b>117,413</b>	<b>118,773</b>
Net Interest Margin (NIM)	4.9%	4.6%	4.3%	4.0%
Net Fee Income	28,143	30,707	32,582	34,147
Trading Income	6,807	7,537	8,219	8,611
Other Operating Income	14,066	13,958	15,264	16,925
<b>Operating Revenue</b>	<b>155,226</b>	<b>163,864</b>	<b>173,478</b>	<b>178,456</b>
Operating Expenses	(67,584)	(72,100)	(76,330)	(71,382)
<b>Pre-Provisioning O.P (PPOP)</b>	<b>87,642</b>	<b>91,764</b>	<b>97,147</b>	<b>107,074</b>
Provision for Impairment	(11,331)	(11,801)	(11,245)	(13,080)
<b>EBT</b>	<b>76,418</b>	<b>80,159</b>	<b>86,091</b>	<b>94,240</b>
Income Tax	(15,071)	(15,834)	(17,052)	(18,623)
Non Controlling Interest	(5,052)	(5,435)	(5,865)	(6,347)
<b>Net Profit</b>	<b>56,294</b>	<b>58,890</b>	<b>63,174</b>	<b>69,271</b>
Growth (% y/y)	0.9%	4.6%	7.3%	9.7%

### PROFITABILITY & STABILITY

	2025/12A	2026/12F	2027/12F	2028/12F
ROE	17.6%	17.5%	17.7%	18.3%
ROA	2.1%	2.0%	1.9%	1.9%
Non-Int. Inc/ Op. Rev.	31.6%	31.9%	32.3%	33.4%
Cost / Income	43.5%	44.0%	44.0%	40.0%
Cash Dividend (IDR Bn)	43,511	45,035	47,112	50,540
Dividend Yield	9.34%	8.60%	8.39%	8.25%
Dividend Payout Ratio	78.0%	80.0%	80.0%	80.0%
Loan / Deposits	89.1%	87.2%	88.2%	89.8%
Loan / Assets	67.0%	64.9%	65.7%	67.6%
NPL	1.12%	1.20%	1.29%	1.38%
Loan Loss Res. / Loan	2.6%	2.6%	2.7%	2.8%
CASA / Deposits	68.0%	68.6%	69.3%	70.0%
Time Deposits / Deposits	32.0%	31.4%	30.7%	30.0%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	93,533	93,533	93,533	93,533
Share Price (IDR)	4,980	5,600	6,000	6,550
Market Cap (IDR tn)	465.8	523.8	561.2	612.6

### BALANCE SHEET

(IDR Billions)	2025/12A	2026/12F	2027/12F	2028/12F
Cash	33,857	34,149	44,924	42,082
Placement In Banks	349,685	370,250	327,049	349,726
Net Loans	1,845,767	1,976,987	2,194,911	2,463,987
Investment	423,796	539,811	642,345	666,010
Fixed Asset	72,062	78,033	86,025	95,527
Other Assets	104,782	127,450	135,884	131,011
<b>Total Assets</b>	<b>2,829,948</b>	<b>3,126,680</b>	<b>3,431,138</b>	<b>3,748,343</b>
Deposits	2,127,274	2,328,749	2,556,812	2,821,818
Debt	217,267	235,582	266,783	289,367
Other Liabilities	158,005	217,138	240,342	245,986
<b>Total Liabilities</b>	<b>2,502,546</b>	<b>2,781,470</b>	<b>3,063,938</b>	<b>3,357,171</b>
Capital Stock + APIC	29,762	29,762	29,762	29,762
Retained Earnings	223,510	233,905	249,968	268,699
<b>Shareholders' Equity</b>	<b>327,402</b>	<b>345,210</b>	<b>367,200</b>	<b>391,172</b>

### VALUATION INDEX

	2025/12A	2026/12F	2027/12F	2028/12F
Price / Earnings	8.3x	8.9x	8.9x	8.8x
Price / Book Value	1.6x	1.7x	1.7x	1.8x
Price / Op. Revenue	3.0x	3.2x	3.2x	3.4x
PE / EPS Growth	9.0x	1.9x	1.2x	0.9x
EV / Operating Revenue	4.4x	4.7x	4.7x	5.1x
EV / PPOP	7.8x	8.3x	8.5x	8.4x
EV (IDR Billions)	682,858	762,237	823,777	904,718
Op. Rev. CAGS (3-Yr)	7.3%	5.7%	5.8%	4.8%
EPS CAGR (3-Yr)	11.0%	2.3%	4.2%	7.2%
Basic EPS (IDR)	602	630	675	741
Dilluted EPS (IDR)	602	630	675	741
BVPS (IDR)	3,141	3,295	3,491	3,703
Op. Rev. PS (IDR)	1,660	1,752	1,855	1,908
DPS (IDR)	465	481	504	540

### CASH FLOW STATEMENT

(IDR Billions)	2025/12A	2026/12F	2027/12F	2028/12F
Operating Cash Flow	31,450	39,040	49,910	63,432
Investing Cash Flow	(246,725)	(290,255)	(302,215)	(318,565)
Financing Cash Flow	302,973	251,506	263,080	252,291
<b>Net Changes in Cash</b>	<b>87,698</b>	<b>292</b>	<b>10,775</b>	<b>(2,842)</b>

### OWNERSHIP

By Geography	% Shareholders	%
Indonesia	70.12	Danantara Indonesia 52.00
United States	9.98	INA (Indonesian SWF) 8.00
United Kingdom	2.73	Vanguard Group Inc. 2.31
Others	17.17	Others 36.90

Source : BMRI, Bloomberg & NHKSI Research

Please consider the rating criteria & important disclaimer

## 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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