PT Bank Negara Indonesia Tbk. (BBNI)

1Q26: Loan Growth Remains Strong & Outperformance, NIM Headwinds Emerging

BBNI recorded 1Q26 performance with net profit growing to IDR 5.66T (+5.2% YoY, +14.9% QoQ), equivalent to 27.4% of our FY26 estimate (NHKSI Est for FY26: IDR 20.66T). Net Interest Income recorded solid growth to IDR 11.02T (+12.1% YoY, -0.5% QoQ), as strong credit expansion successfully offset pressure on loan yields because of industry trend and lower rate environment. PPOP grew to IDR 9.32T (+12.2% YoY & -1.3% QoQ), supported by expansionary non-interest income to IDR 5.78T (+12.6% YoY). However, operating expenses rose to IDR 7.48T in 1Q26 (+12.4% YoY, -8.7%), driven by frontloaded personnel expenses (+15.3% YoY) and digitalization costs (+11.1% YoY). BBNI's FY26 guidance remains unchanged with opex growth up to 7%. The provisioning side jumped +37.4% YoY to IDR 2.42T due to a low base effect in yearly basis (1Q25: IDR 1.76T & QoQ Basis IDR 1.42T, 4Q25: IDR 2.42T) Net Interest Margin (NIM) was compressed to 3.6% (1Q25: 3.9% | FY25: 3.9%) as blended loan yield declined to 6.9% (1Q26) from 7.4% in 1Q25 which reflecting a structural pressure that needs to be monitored going forward.

Lending Side: Solid Loan Growth– Additional Growth from Kopdes – Agrinas Program

- **Resilient loan disbursement.** BBNI recorded loan growth +20.1% YoY and +2.2% QoQ to IDR 919.3T in 1Q26 (1Q25: IDR 765.5T | 4Q25: IDR 899.5T), above management guidance. Notably, even after excluding special loans extended to Agrinas, organic loan growth is estimated to remain solid at approximately +13% YoY, reflecting the reopening of expansion capacity following the previous liquidity tightening phase. While overall credit growth was impressive, pressure on loan yields inline with a lower interest rate environment, which fell to 6.9% (1Q25: 7.4%), needs to be monitored as a risk to future NIM.

- **The business banking segment remained the main driver of growth, supported by strong middle segment in 1Q26.** Corporate loans growing +23.5% YoY and +1.5% QoQ to IDR 525.9T, with large part of that came from Agrinas loan program. By industry, infrastructure, natural resources, transport, warehouse and communication are the top contributor to BBNI's corporate loan growth. The middle segment grew significantly +37.9% YoY and +8.1% QoQ to IDR 142.4T, both supporting more than 70% of BNI's total loan portfolio.

- Consumer segment grew moderately at +9.1% YoY and +1.2% QoQ to IDR 158T, while the small segment grew slightly at to IDR 75.3T (+1.0% YoY and +0.2% QoQ) due to the decline in KUR (-17.4% YoY) which was partially offset by the growth of non-KUR SMEs (+14.0% YoY).

Funding Side: Stronger Liquidity in 1Q26 – Lower CASA Ratio due to Stronger Time Deposit Growth

- **Third Party Funds still grew strong in quarterly basis.** BBNI's CASA grew solidly to IDR 731.6T (+26.6% YoY and +0.8% QoQ), driven by strong current account expansion to IDR 446.9T (+39.7% YoY and +1.7% QoQ), while savings account grew more moderately to IDR 284.7T (+10.4% YoY, -0.6% QoQ). Third party fund increased by +34.3% YoY and time deposits surged +52.6% YoY and +17.2% QoQ to IDR 369.0T , resulting CASA ratio declined to 66.5% (-4% YoY, -3.2% QoQ).

- Cost of deposits remained stable at 2.49% (-26 Bps YoY, +3 Bps QoQ). Digital ecosystem initiatives with Wondr and BNIdirect users each growing +28% YoY, ~90% of wholesale current account balances, and 77% of retail saving balances originating from mobile app users — demonstrating BNI's growing ability to acquire and retain low-cost transactional funding despite the near-term CASA ratio compression.

BBNI Asset Quality: Asset Quality Remain Stable

- **Stable NPL & LAR in quarterly basis.** NPL improved to 1.9% (1Q25: 2.0%) and followed by LAR down to 8.65% (1Q25: 10.89%, 4Q25: 8.6%), with overall remained stable on QoQ basis. On the coverage side, LAR coverage remained stable at 45.9%, while the NPL coverage fell to 204.7% (-58.4% YoY, -0.8% QoQ). Credit cost also remains stable at 1.1% (1Q25: 0.9% | 4Q25: 1.5%).

FY26 Outlook: Guidance Unchanged, Keep An Eye With Macro Condition

- **FY26 guidance remain unchanged.** Management is still targeting loan growth of 8-10% (1Q26 result: +20.1%), NIM of 3.5-3.8% (1Q26 result: 3.6%) and credit cost of 1-1.2% (1Q26 result: 1.1%) for FY26. However, macroeconomic condition needs to be monitored that would possibly affecting performance in the next coming quarters. As of 1Q26, BBNI's net profit has achieved 27.4% of our FY26 net profit estimate (NHKSI Estimate: IDR 20.66T). At this stage, we maintain our FY26 earnings forecast.

Recommendation "Buy" at Level IDR 4,400 / Share (Potential Upside +18.3%)

- **NHKSI Research gives "Buy" recommendation for BBNI but with a lower target price at IDR 4,400 / share, implying Forward 26F P/BV of 0.9x (-1 STD of 3-year historical average).** Potential catalysts include stronger operational recovery, sustained loan growth momentum, and a more supportive NIM trajectory than currently anticipated. Key downside risks include macroeconomic and political uncertainties, intensifying competition within the banking industry, and potential underperformance in loan growth or NIM relative to expectations.

PT Bank Negara Indonesia Tbk. | Summary (IDR Billions)

In IDR Bn	2025 A	2026 F	2027 F	2028 F
Interest Income	69,394	71,497	78,285	85,352
Interest Income Growth	*4.2%*	*7.4%*	*9.5%*	*9.0%*
Operating Revenue	64,976	65,397	65,791	68,554
Net Profit	20,041	20,662	21,899	23,689
EPS (IDR)	537	554	587	635
Growth	*-6.6%*	*3.1%*	*6.0%*	*8.2%*
BVPS (IDR)	4,728	4,832	5,028	5,245
Net Interest Margin	*3.4%*	*3.5%*	*2.9%*	*2.7%*
Loan / Deposits	*85.5%*	*82.4%*	*88.6%*	*92.6%*
NPL	*1.9%*	*2.1%*	*2.0%*	*1.9%*
ROE	*11.7%*	*11.6%*	*11.9%*	*12.4%*
ROA	*1.6%*	*1.4%*	*1.4%*	*1.5%*
Non.Int. Inc. / Op. Rev	*37.9%*	*37.1%*	*37.7%*	*38.2%*
P/E	6.9x	7.9x	7.9x	7.9x
P/BV	0.8x	0.9x	0.9x	1.0x
DPS (IDR)	370	410	440	470
Dividend yield	9.9%	9.3%	9.4%	9.4%

Source : Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Update Report | 04th May 2026

Buy

Target Price (IDR)	**4,400**
Consensus Price	4,916
TP to Consensus Price	-10.5%
Potential Upside	+18.3%

Shares Data

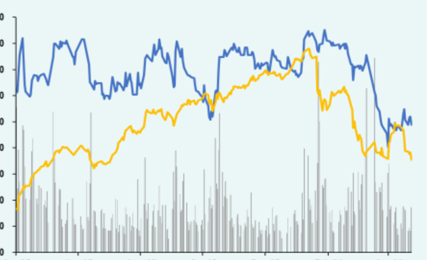
Last Price (IDR)	3,720
Price date as of	30th April 2026
52 wk range (Hi/Lo)	4,730 / 3,510
Free Float (%)	39.8
Outstanding sh (mn)	37,297
Market Cap (IDR bn)	141,730
Market Cap (USD mn)	8,175
Avg. Trd Vol – 3M (mn)	67.3
Avg. Trd Val – 3M (IDR Bn)	278.1
Foreign Ownership	21.8%

Sector
Financial

Sub-Sector
Bank

Bloomberg	BBNI IJ Equity
Reuters	BBNI JK

Shares Price Performance



	YTD	1M	3M	12M
Abs.Ret	-12.7%	-3.4%	-17.1%	-11.0%
Rel.Ret	+7.8%	-1.5%	-0.7%	-13.8%

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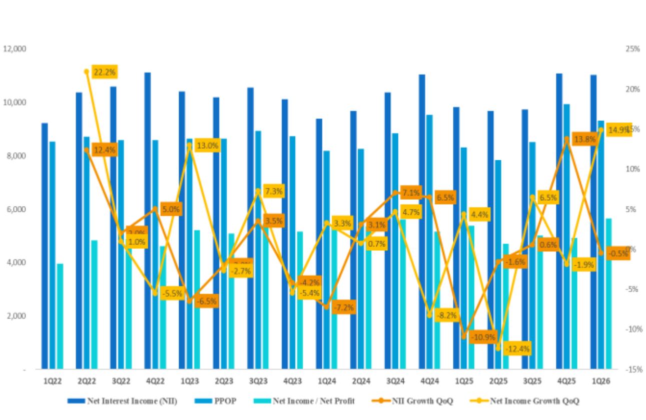
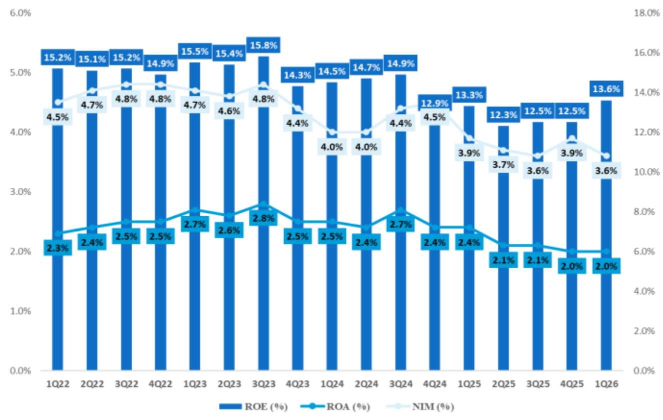
Performance Highlight For BBNI

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



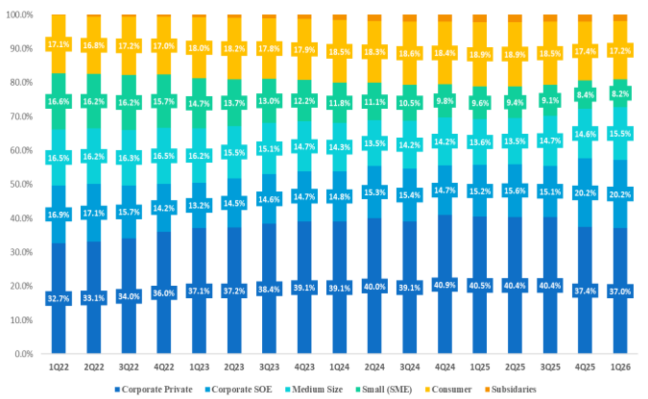
Source : BBNI, NHKSI Research

Exhibit 2. BBNI Profitability Ratio (In %)



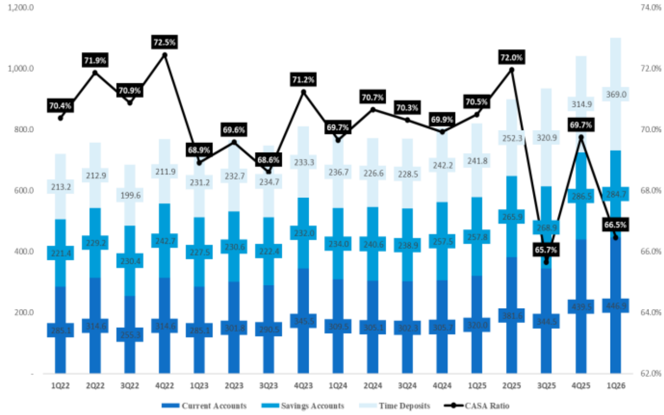
Source : BBNI, NHKSI Research

Exhibit 3. BBNI Loan Segmentation Breakdown



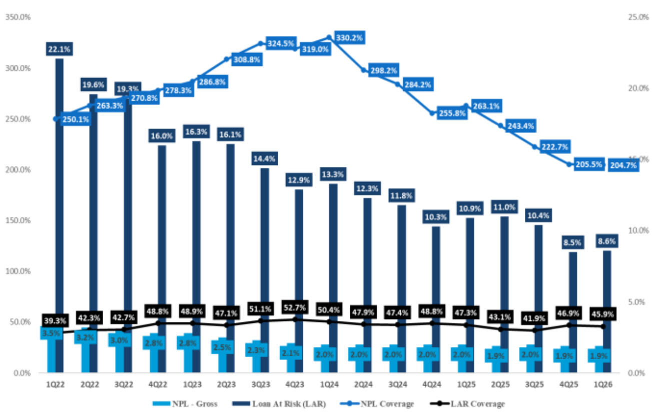
Source : BBNI, NHKSI Research

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



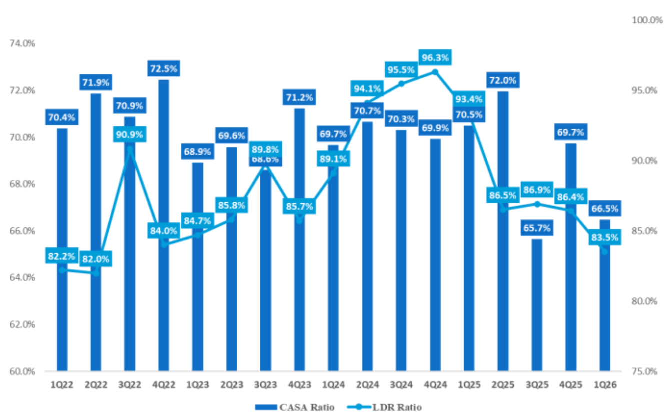
Source : BBNI, NHKSI Research

Exhibit 5. BBNI Asset Quality (In %)



Source : BBNI, NHKSI Research

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



Source : BBNI, NHKSI Research

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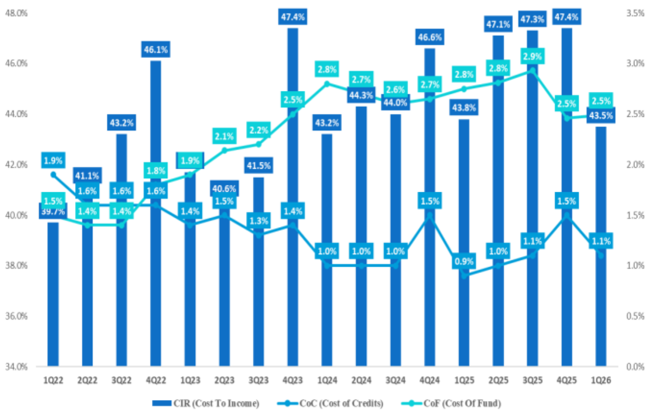
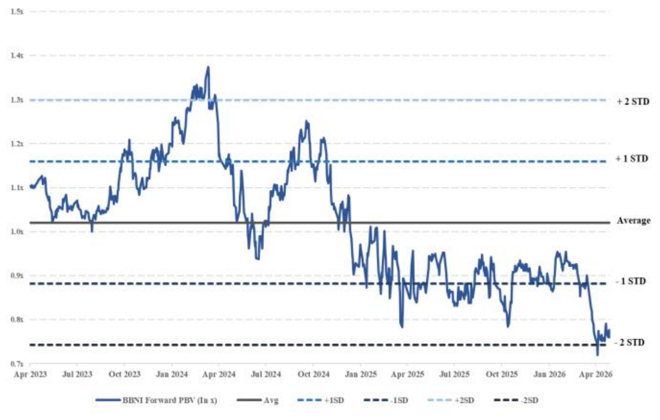
Performance Highlight For BBNI

Exhibit 7. BBNI CIR, CoC and CoF



Source : BBNI, NHKSI Research

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



Source : BBNI, NHKSI Research

Summary of BBNI's Financials & Forecast

INCOME STATEMENT

(IDR Billions)	2025/12A	2026/12F	2027/12F	2028/12F
Interest Income	**69,394**	**71,497**	**78,285**	**85,352**
Growth (% y/y)	*4.2%*	*7.4%*	*9.5%*	*9.0%*
Interest Expenses	(29,061)	(30,378)	(37,295)	(43,019)
Net Interest Income (NII)	**40,333**	**41,119**	**40,990**	**42,333**
Net Interest Margin (NIM)	*3.4%*	*3.5%*	*2.9%*	*2.7%*
Net Fee Income	11,168	11,925	11,990	12,594
Trading Income	4,065	3,141	3,184	3,527
Other Operating Income	9,411	9,212	9,627	10,100
Operating Revenue	**64,976**	**65,397**	**65,791**	**68,554**
Operating Expenses	(30,856)	(31,390)	(32,073)	(33,934)
Pre-Provisioning O.P (PPOP)	**34,120**	**34,006**	**33,718**	**34,620**
Provision for Impairment	(9,724)	(8,496)	(6,763)	(5,470)
EBT	**24,397**	**25,417**	**26,892**	**29,101**
Income Tax	(4,286)	(4,592)	(4,827)	(5,243)
Non Controlling Interest	(70)	(164)	(167)	(170)
Net Profit	**20,041**	**20,662**	**21,899**	**23,689**
Growth (% y/y)	*-6.6%*	*3.1%*	*6.0%*	*8.2%*

PROFITABILITY & STABILITY

	2025/12A	2026/12F	2027/12F	2028/12F
ROE	11.7%	11.6%	11.9%	12.4%
ROA	1.6%	1.4%	1.4%	1.5%
Non-Int. Inc/ Op. Rev.	37.9%	37.1%	37.7%	38.2%
Cost / Income	47.5%	48.0%	48.8%	49.5%
Cash Dividend (IDR Bn)	13,951	15,496	16,424	17,767
Dividend Yield	9.95%	9.32%	9.44%	9.35%
Dividend Payout Ratio	69.6%	75.0%	75.0%	75.0%
Loan / Deposits	85.5%	82.4%	88.6%	92.6%
Loan / Assets	66.0%	63.6%	68.1%	71.7%
NPL	1.93%	2.05%	1.98%	1.88%
Loan Loss Res. / Loan	4.7%	3.3%	2.4%	1.9%
CASA / Deposits	69.7%	70.9%	69.0%	67.6%
Time Deposits / Deposits	30.3%	29.1%	31.0%	32.4%
Par Value (IDR)	375	375	375	375
Total Shares (mn)	37,297	37,297	37,297	37,297
Share Price (IDR)	3,720	4,400	4,660	5,025
Market Cap (IDR tn)	167.1	188.4	199.5	215.6

BALANCE SHEET

(IDR Billions)	2025/12A	2026/12F	2027/12F	2028/12F
Cash	13,352	15,698	14,704	15,562
Placement In Banks	139,707	182,300	104,271	83,897
Net Loans	863,670	945,049	1,051,523	1,162,049
Investment	234,090	265,610	272,401	228,035
Fixed Asset	31,113	31,470	34,060	36,984
Other Assets	80,123	96,060	103,871	123,848
Total Assets	**1,362,055**	**1,536,186**	**1,580,831**	**1,650,374**
Deposits	1,052,397	1,186,755	1,215,999	1,277,940
Debt	71,634	87,637	93,726	93,286
Other Liabilities	61,685	81,555	83,562	83,515
Total Liabilities	**1,185,715**	**1,355,946**	**1,393,287**	**1,454,741**
Capital Stock + APIC	26,065	26,065	26,065	26,065
Retained Earnings	123,855	129,440	134,915	140,837
Shareholders' Equity	**176,339**	**180,239**	**187,543**	**195,633**

VALUATION INDEX

	2025/12A	2026/12F	2027/12F	2028/12F
Price / Earnings	6.9x	7.9x	7.9x	7.9x
Price / Book Value	0.8x	0.9x	0.9x	1.0x
Price / Op. Revenue	2.1x	2.5x	2.6x	2.7x
PE / EPS Growth	-1.0x	2.6x	1.3x	1.0x
EV / Operating Revenue	3.1x	3.7x	4.0x	4.0x
EV / PPOP	5.9x	7.1x	7.8x	8.0x
EV (IDR Billions)	201,637	242,484	261,320	275,690
Op. Rev. CAGS (3-Yr)	1.9%	1.4%	0.7%	1.8%
EPS CAGR (3-Yr)	3.1%	-0.4%	0.7%	5.7%
Basic EPS (IDR)	537	554	587	635
Dilluted EPS (IDR)	537	554	587	635
BVPS (IDR)	4,728	4,832	5,028	5,245
Op. Rev. PS (IDR)	1,742	1,753	1,764	1,838
DPS (IDR)	370	410	440	470

CASH FLOW STATEMENT

(IDR Billions)	2025/12A	2026/12F	2027/12F	2028/12F
Operating Cash Flow	(4,980)	(9,712)	(3,676)	(8,017)
Investing Cash Flow	(166,147)	(141,960)	(118,057)	(142,027)
Financing Cash Flow	200,782	154,018	120,739	150,902
Net Changes in Cash	**29,655**	**2,346**	**(994)**	**858**

OWNERSHIP

By Geography	%	Shareholders	%
Indonesia	78.21	Danantara Indonesia	59.40
United States	7.80	BPJS Ketenagakerjaan	3.51
Luxembourg	2.40	PT Taspen (Persero)	1.29
Others	11.59	Others	35.80

Source : BBNI, 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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