BINAARTHA SEKURITAS

Berizin dan Diawasi oleh Otoritas Jasa Keuangan

Equity Research

mandiri

PT Bank Mandiri (Persero),Tbk

BUY

March 16th, 2026
Banking, Equity

Price	IDR.	4,700
Target Price	IDR.	5,750
JKSE Index	IDR.	7,022.29



Stock Information	
Bloomberg code	BMRI IJ
Market Cap (IDR Bn)	438,666.7
52-Week High (IDR)	5,575
52-Week Low (IDR)	4,010
Free Float Ratio (%)	37.77

Major Shareholders	(%)
Danantara	51.48
INA	8.00
BP BUMN	0.52
Others inc BOD&BOC	40.00

USD/IDR-YE (JISDOR)	
2025A	16,720
2026F	16,712

Key Indicators (%)	
NPL Ratio	1.05
Net Interest Margin	4.76

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Investment Considerations

Limited PATMI Growth amid margin Pressure

In 2025, BMRI's consolidated Profit After Tax and Minority Interest (PATMI) grew 0.92% YoY to IDR 56.29 trillion. Net Interest Income (NII) increased 4.38% YoY, supported by 8.71% growth in interest income, although interest expenses rose faster at 17.63% YoY, resulting in a 26 bps decline in NIM to 4.89%. Other operating income (excluding insurance) rose 14.52% YoY, mainly driven by a 208.15% increase in recoveries of written-off assets, while operating expenses grew 15.31% YoY, below management's 25% projection, reflecting efficiency initiatives following post-audit adjustments. Looking ahead to 2026, we expect earnings growth to remain subdued, with PATMI projected to increase 1.68% YoY to IDR 57.24 trillion, mainly due to asset yield pressure that may reduce NIM to around 4.76%, within management's 4.6%–4.8% guidance range. In addition, BMRI has lost control over BRIS, despite retaining a 51% stake, as control has shifted to Danantara Indonesia. Following the deconsolidation, BMRI will apply the equity method and recognize its share of BRIS profit, which is expected to support 12.25% YoY growth in non-interest income.

Loan Growth Exceeded Target, Moderation Expected in 2026

BMRI exceeded its internal loan growth target in 2025, with consolidated loans rising 13.43% YoY to IDR 1,894.99 trillion (target: 8%–10%). Growth was mainly driven by the corporate segment, which expanded 23.23% YoY, supported by SOE-related financing and government strategic programs. Retail loans grew more modestly at 1.8% YoY, as the bank maintained a prudent stance amid softer economic conditions. Sustainable loans increased 7.85% YoY to IDR 316 trillion, accounting for 15.34% of total loans, with sustainable agriculture representing the largest share at 7.7%. Looking ahead to 2026, we expect loan growth to moderate to 8.46% YoY to IDR 2,055.32 trillion, broadly in line with management guidance of 7%–9%, supported by government spending and an accommodative monetary environment. Our projection also incorporates the deconsolidation of BRIS from BMRI's consolidated balance sheet starting in 2026.

Asset Quality Remains Healthy

As of December 2025, BMRI's consolidated gross NPL ratio stood at 1.13%, improving 1 bp YoY. The corporate segment remained the healthiest, with an NPL ratio of 0.28%, while the commercial segment showed the largest improvement, declining 41 bps YoY to 0.69%. In contrast, the micro segment weakened, with its NPL ratio rising 100 bps YoY to 2.94%. Looking ahead, the consolidated gross NPL ratio is projected at around 1.05% by end-2026, reflecting normalization following strong asset quality performance.

Robust Liquidity Supported by Strong Deposit Growth

BMRI's liquidity remained ample, with customer deposits rising 23.95% YoY, supported by strong time deposit growth of 23.95%, partly driven by government-related liquidity inflows. Current accounts and savings accounts grew 17.23% YoY and 8.38% YoY, respectively. As a result, the CASA ratio stood at 68%, declining 680 bps YoY due to faster growth in time deposits. Looking ahead to 2026, we expect deposit growth to moderate to around 2.65% YoY, mainly reflecting the deconsolidation of BRIS, while the CASA ratio is projected to improve to around 69.23%.

Valuation: 22.34% Upside, Buy

Based on FY2025 performance, forward macroeconomic assumptions, and our refined Multi-Stage Dividend Discount Model (DDM), we revise our 12-month target price to IDR 5,750, implying 1.71× PBV and 22.34% upside. We maintain our BUY recommendation.

Financial Highlight	2023A	2024A	2025A	2026 F
PATMI (IDR Bn)	55,060	55,783	56,294	57,237
EPS (IDR)	589.93	597.67	603.23	613.81
NIM (%)	5.48%	5.15%	4.89%	4.76%
ROE (%)	23.20%	21.20%	20.30%	19.23%
Gross NPL (bank-only)	1.19%	1.12%	1.13%	1.05%

Company Profile

PT Bank Mandiri (Persero) Tbk. was established on October 2, 1998, under Notarial Deed No. 10 by Sutjipto, S.H., pursuant to Government Regulation No. 75 of 1998. It was formed through the merger of:

- PT Bank Bumi Daya (Persero)
- PT Bank Dagang Negara (Persero)
- PT Bank Ekspor Impor Indonesia (Persero)
- PT Bank Pembangunan Indonesia (Persero)

The Bank commenced operations on August 1, 1999. On March 22, 2025, the Government of Indonesia transferred 48.53 billion Series B shares (52%) to PT Biro Klasifikasi Indonesia (BKI) as part of the SOE holding structure. Despite this, the Government remains the ultimate controlling shareholder through its special Series A Dwiwarna share.

Table 1: Company Ownership (As of 28 February 2026)

No	Shareholders	Number of Shares	%
1	PT Danantara Asset Management (Persero)	48,048,000,001	51.48%
2	Indonesia Investment Authority	7,466,666,666	8.00%
3	Badan Pengaturan Badan Usaha Milik Negara Republik Indonesia	485,333,333	0.52%
4	Local Institutions	5,406,147,793	5.79%
5	Local Retail	4,043,315,966	4.33%
6	Foreign	27,883,869,573	29.88%
Total		**93,333,333,332**	**100.00%**

Table 2: Subsidiaries

No	Subsidiaries	Ownership (%)
1	Bank Mandiri (Europe) Limited (BMEL)	100,00
2	PT Mandiri Sekuritas	99,99
3	PT Bank Mandiri Taspen (formerly PT Bank Mandiri Taspen Pos)	51,10
4	PT Mandiri Tunas Finance (MTF)	51,00
5	Mandiri International Remittance Sendirian Berhad (MIR)	100,00
6	PT AXA Mandiri Financial Services (AMFS)	51,00
7	PT Mandiri Utama Finance (MUF)	99,99
8	PT Mandiri Capital Indonesia (MCI)	99,99
9	PT Asuransi Jiwa Inhealth	20,00*

**Since 26 June 2024, Bank Mandiri's ownership became 20.00% and the Financial Statements of PT Asuransi Jiwa Inhealth Indonesia are no longer consolidated into Consolidated Financial Statements of Bank Mandiri.*

Source: Company

Chart: Gross Loan (IDR Bn) YoY

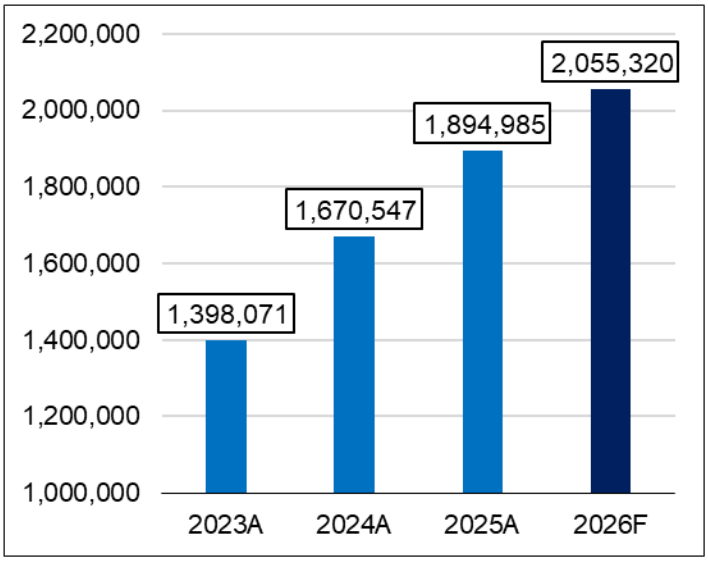


Chart: NPL Ratio (%) YoY

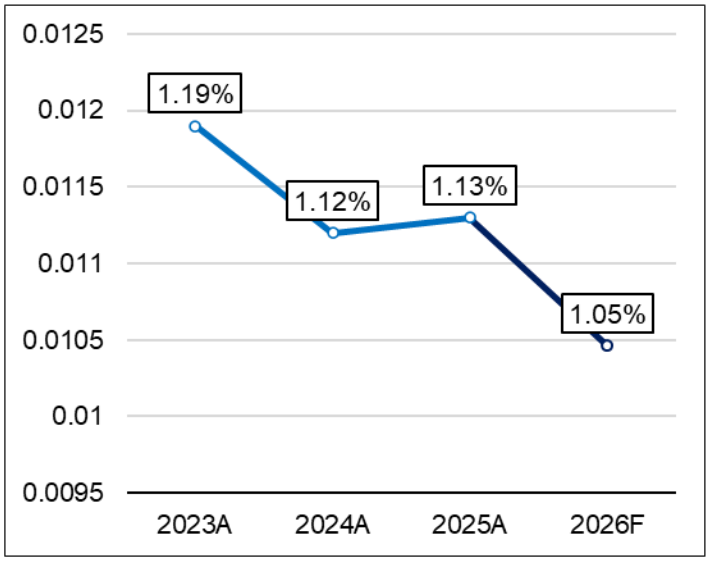


Chart: Profitability (IDR Bn and %) YoY

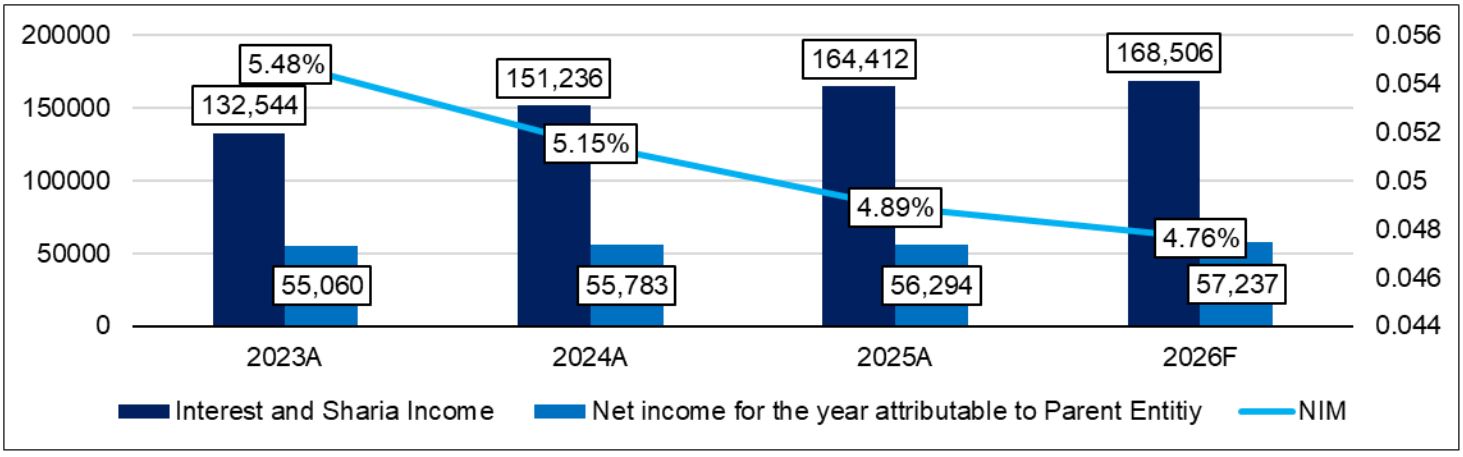


Chart: Liquidity (%) YoY

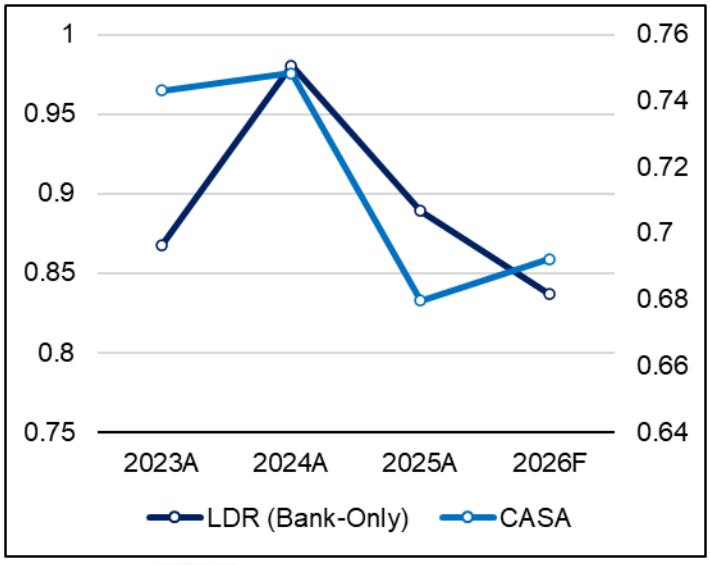
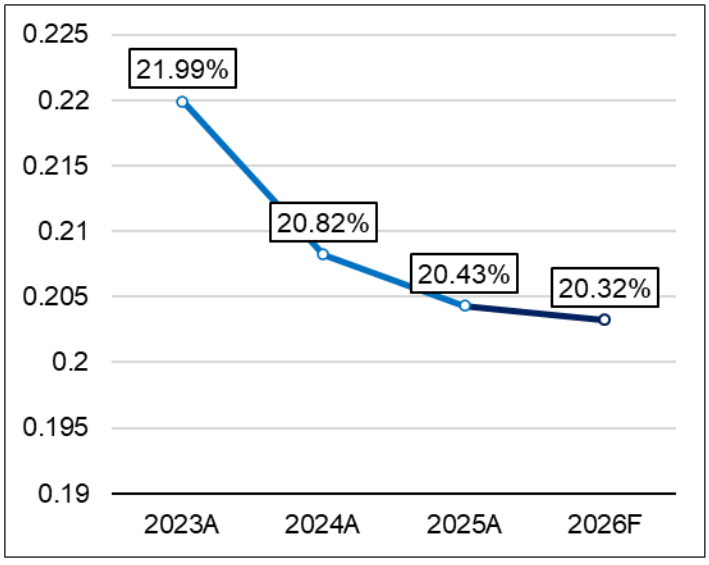


Chart: CAR (%) YoY



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Source: Binaartha & Company

Chart: Gross Loan (IDR Bn) QoQ

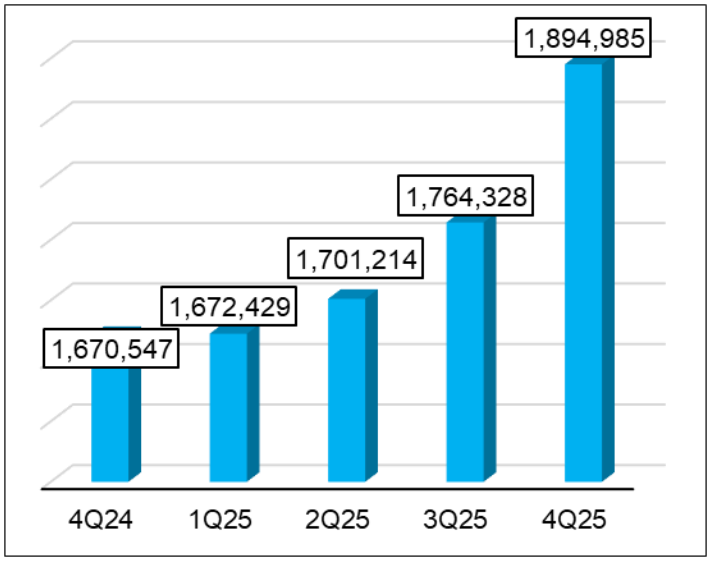


Chart: Customer Deposit (IDR Bn) QoQ

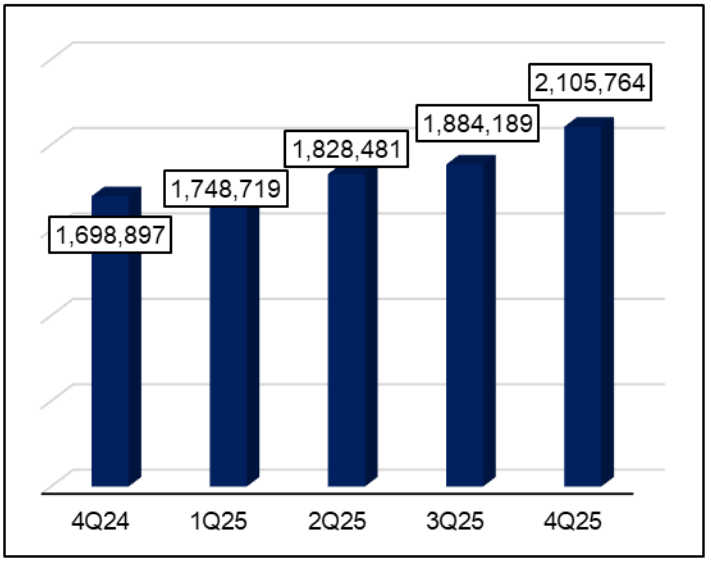


Chart: NIM Ratio (%) QoQ

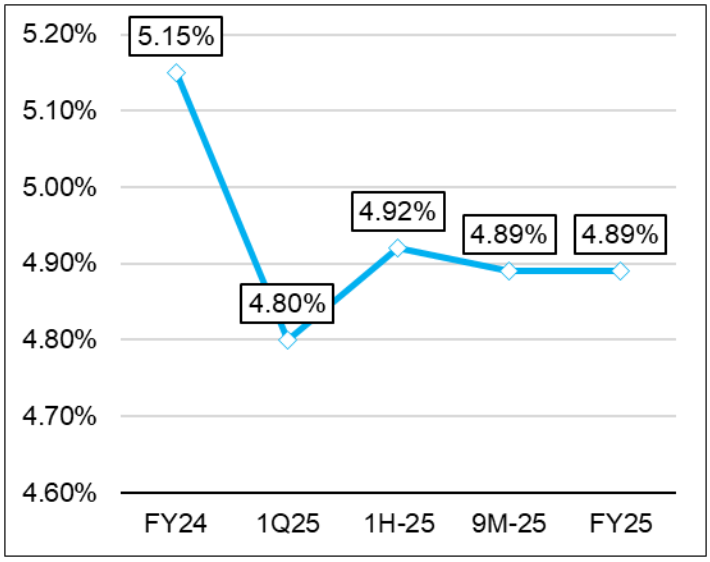
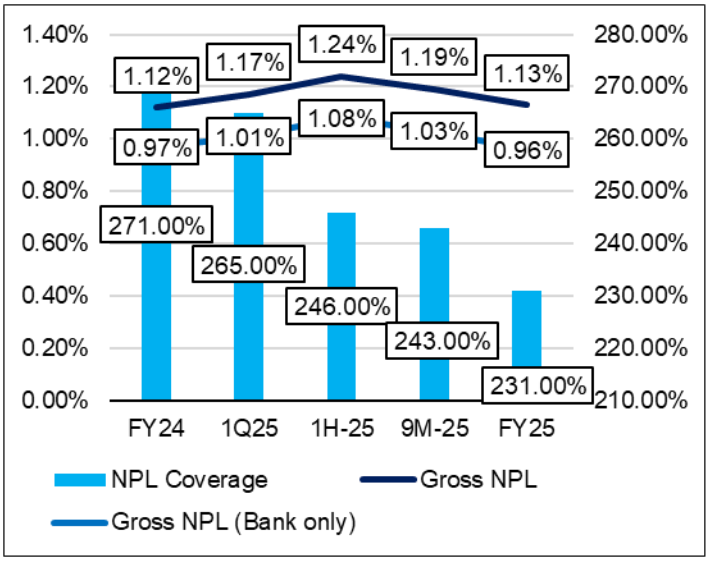


Chart: Asset Quality (%) QoQ



BINAARTHA SEKURITAS

Source: Binaartha & Company

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR bn)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR Bn)	2023A	2024A	2025A	2026F
Cash and CA with BI	135,037	134,811	272,147	209,267
Interbank Placement	73,887	63,228	50,470	45,479
Gross Loans and Financing	1,398,071	1,670,547	1,894,985	2,055,320
Allowance for impairment losses	(53,882)	(50,392)	(49,218)	(45,424)
Marketable Securities and Government Bonds – Net	403,729	382,751	417,546	383,555
Other Financial Assets	123,350	118,461	134,503	147,169
Fixed Assets and Intangible Assets - Net	63,852	70,076	79,581	82,672
Other Non Financial Asset	30,175	35,742	29,935	25,836
Total Assets	**2,174,219**	**2,427,223**	**2,829,948**	**2,903,874**
Current Account	584,713	605,765	710,147	748,930
Saving Account	586,992	665,446	721,232	747,432
Time Deposits	405,245	427,686	674,386	665,142
Wholesale Funding	182,508	279,717	257,223	266,110
Other Financial Liabilities	54,543	60,514	57,534	52,708
Non Financial Liabilities	72,723	74,621	82,025	80,058
Total Liabilities and Temporary Syirkah Funds	**1,886,724**	**2,113,749**	**2,502,546**	**2,560,381**
Share Capital	11,667	11,667	11,667	11,667
Additional Paid in Capital	17,643	18,095	18,095	18,095
Treasury Shares	0	0	(404)	(404)
Other Comprehensive Income	34,336	34,294	41,193	43,065
Other Equity	(97)	(310)	(310)	(310)
Retained Earnings	197,304	220,050	223,510	237,416
Total Equity Attributable to Parent Entity	**260,853**	**283,796**	**293,751**	**309,530**
Non-Controlling Interest	26,642	29,678	33,651	33,964
TOTAL EQUITY	**287,495**	**313,475**	**327,402**	**343,494**
TOTAL LIABILITIES, TEMPORARY SYIRKAH DEPOSITS & EQUITY	**2,174,219**	**2,427,223**	**2,829,948**	**2,903,874**

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (In IDR)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (In IDR Bn)	2023A	2024A	2025A	2026F
Interest and Sharia Income	132,544	151,236	164,412	168,506
Interest and Sharia Expense	(36,658)	(49,479)	(58,202)	(64,075)
Net Interest and Sharia Income	**95,887**	**101,757**	**106,210**	**104,431**
Non-Interest Income	42,771	44,842	49,016	55,023
Gross Operating Income	**138,658**	**146,599**	**155,226**	**159,454**
Operating Expense	(53,867)	(58,610)	(67,584)	(71,528)
PPOP	**84,790**	**87,989**	**87,642**	**87,926**
Provision Expense	(10,149)	(11,929)	(11,331)	(10,975)
Operating Profit	**74,642**	**76,060**	**76,311**	**76,951**
Non Operating Income - net	43	344	107	158
Profit Before Tax	**74,685**	**76,403**	**76,418**	**77,108**
Tax Expense	(14,633)	(15,238)	(15,071)	(15,228)
Earning After Tax	**60,052**	**61,165**	**61,346**	**61,880**
Income for The Year Attributable to - Non-controlling interest	4,992	5,382	5,052	4,643
Net income for the year attributable to Parent Entitiy	**55,060**	**55,783**	**56,294**	**57,237**
EPS (Rp/Share)	**589.93**	**597.67**	**603.23**	**613.81**

Source: Binaartha & Company

Ratio Highlights

Ratio Analysis (Consolidated)	2023A	2024A	2025A	2026F
Profitability & Efficiency				
NIM	5.48%	5.15%	4.89%	4.76%
Cost-to-Income Ratio	38.80%	40.00%	43.50%	44.86%
ROE	23.20%	21.20%	20.30%	19.23%
ROA	2.64%	2.42%	2.14%	2.00%
Cost of Credit	0.85%	0.79%	0.58%	0.53%
Liquidity				
LDR-Bank Only	86.75%	98.04%	88.92%	83.66%
CASA	74.30%	74.80%	67.97%	69.23%
Asset Quality				
Gross NPL	1.02%	1.12%	1.13%	1.05%
Gross NPL (Bank-Only)	1.19%	0.97%	0.96%	0.93%
NPL Coverage	326.00%	271.00%	231.00%	210.72%
Capital				
CAR	21.99%	20.82%	20.43%	20.32%
Growth				
Loan Growth	16.29%	19.49%	13.43%	8.46%
Deposit Growth	5.78%	7.73%	23.95%	2.65%
Net income for the year attributable to Parent Entity	33.74%	1.31%	0.92%	1.68%

Source: Binaartha & Company

QoQ Result

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR Bn)	4Q24	1Q25	2Q25	3Q25	4Q25	%QoQ	%YoY
Loan	1,670,547	1,672,429	1,701,214	1,764,328	1,894,985	7.41%	13.43%
Loan Loss Reserves	(50,392)	(51,439)	(51,296)	(51,002)	(49,218)	-3.50%	-2.33%
NPL Consolidated	18,710	19,567	21,095	20,996	21,413	1.99%	14.45%
Deposit							
Demand	605,765	590,295	672,166	623,725	710,147	13.86%	17.23%
Savings	665,446	679,416	681,484	681,213	721,232	5.87%	8.38%
Time Deposit	427,686	479,008	474,831	579,252	674,386	16.42%	57.68%
Total Asset	2,427,223	2,463,659	2,514,684	2,563,360	2,829,948	10.40%	16.59%
Total Equity (including NCI)	313,475	285,178	297,917	313,838	327,402	4.32%	4.44%

STATEMENTS OF PROFIT OR LOSS (In IDR Bn)	4Q24	1Q25	2Q25	3Q25	4Q25	%QoQ	%YoY
Interest Income	40,600	39,626	41,950	40,721	42,115	3.42%	3.73%
Interest Expense	(13,446)	(14,121)	(15,071)	(14,846)	(14,164)	-4.59%	5.34%
Net Interest Income	**27,154**	**25,505**	**26,879**	**25,875**	**27,951**	**8.02%**	**2.94%**
Fee Other Operating Income	12,748	11,673	9,321	12,551	15,471	23.26%	21.36%
Gross Operating Income	**39,902**	**37,178**	**36,199**	**38,426**	**43,422**	**13.00%**	**8.82%**
Operating Expense	(18,773)	(15,169)	(17,486)	(17,251)	(17,678)	2.48%	-5.83%
PPOP	**21,129**	**22,009**	**18,713**	**21,176**	**25,744**	**21.58%**	**21.84%**
Provision Expense	(2,395)	(3,895)	(3,384)	(3,185)	(867)	-72.77%	-63.79%
Operating Profit	**18,734**	**18,114**	**15,329**	**17,991**	**24,877**	**38.28%**	**32.79%**
Non-Operating Income – net	325	65	16	33	(7)	-120.19%	-102.04%
Profit Before Tax	**19,059**	**18,179**	**15,345**	**18,024**	**24,870**	**37.99%**	**30.49%**
Tax Expense	(3,977)	(3,649)	(3,025)	(3,501)	(4,897)	39.87%	23.14%
Earning After Tax	**15,082**	**14,530**	**12,320**	**14,523**	**19,973**	**37.53%**	**32.43%**
Income for The Year Attributable to - Non-controlling interest	1,316	1,333	1,062	1,248	1,409	12.97%	7.06%
Net Income	**13,765**	**13,197**	**11,258**	**13,275**	**18,564**	**39.84%**	**34.86%**
EPS (Rp/Share)	**147.49**	**141.40**	**241.24**	**284.47**	**397.85**	**39.86%**	**34.88%**

Financia Ratios	FY24	1Q25	1H-25	9M-25	FY25	%QoQ	%YoY
Profitability & Efficiency							
NIM	**5.27%**	**4.80%**	**4.92%**	**4.89%**	**4.89%**	**-**	**(0.26)**
Cost-to-Income Ratio	**47.90%**	**40.80%**	**44.50%**	**44.60%**	**43.50%**	**(1.10)**	**3.50**
ROE	**19.50%**	**18.90%**	**18.10%**	**18.40%**	**20.30%**	**1.90**	**(0.90)**
ROA	**2.23%**	**2.16%**	**1.98%**	**2.02%**	**2.14%**	**0.12**	**(0.28)**
Cost of Credit	**0.55%**	**0.88%**	**0.77%**	**0.73%**	**0.58%**	**(0.15)**	**(0.21)**
Liquidity							
LDR (Bank-Only)	**98.04%**	**93.45%**	**90.22%**	**92.60%**	**88.92%**	**(3.68)**	**(9.12)**
CASA	**74.80%**	**72.60%**	**74.00%**	**69.30%**	**68.00%**	**(1.30)**	**(6.80)**
Assets Quality							
Gross NPL	**1.12%**	**1.17%**	**1.24%**	**1.19%**	**1.13%**	**(0.06)**	**0.01**
Gross NPL (Bank only)	**0.97%**	**1.10%**	**1.08%**	**1.03%**	**0.96%**	**(0.07)**	**(0.01)**
NPL Coverage	**271.00%**	**265.00%**	**246.00%**	**243.00%**	**231.00%**	**(12.00)**	**(40.00)**
Capital							
CAR	**20.82%**	**18.50%**	**19.45%**	**20.07%**	**20.43%**	**0.36**	**(0.39)**

Stock Ratings:
Buy: a recommendation to purchase the security with upside potential of 9.00% or greater
Hold: a recommendation to neither buy nor sell a security with upside potential of 4.75%-8.99%.
Sell: a recommendation to close out a long position in a security with upside potential below 4.75% or negative.

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