BINA ARTHA SEKURITAS

Equity Research

mandiri

PT Bank Mandiri (Persero),Tbk

BUY

September 29th, 2025
Banking, Equity

Price	IDR	4,400
Target Price	IDR	5,000
JKSE Index	IDR	8,123.24



Stock Information	
Bloomberg code	BMRI IJ
Market Cap (IDR Bn)	410.666.7
52-Week High (IDR)	7,300
52-Week Low (IDR)	4,250
Free Float Ratio (%)	38.33

Major Shareholders	(%)
Danantara	52.00
INA	8.00
Government	0.00
Others	40.00

USD/IDR-YE (JISDOR)	
2024A	16,157
2025F	16,384

Key Indicators (%)	
NPL Ratio	1.27
Net Interest Margin	4.81

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Investment Considerations

Modest PATMI Growth Amid Rising Interest Expenses

In June 2025, BMRI's profit attributable to the parent entity fell 7.89% YoY to IDR 24.46 trillion, mainly due to a one-off post-audit adjustment that pushed other operating expenses up 25.23% YoY (10–12% of total OpEx). Interest expenses also rose 26.14% YoY as tight liquidity pushed up deposit costs, causing the consolidated NIM to fall 17 bps YoY to 4.92%. Audit adjustments on mortgage revenue recognition under EIR added further pressure. On the positive side, interest income still grew 12.95% YoY, supported by loan growth, while bond income fell 7.84% YoY as the bank shifted toward higher-yielding assets. We forecast PATMI to decline another 11.63% YoY to IDR 49.30 trillion in FY2025, with NIM expected to stay within the 4.8–5.0% target range at 4.81%.

Solid Loan Expansion Across Segments

As of June 2025, BMRI's consolidated loans grew 11.02% YoY, exceeding its 10–12% target. Growth was led by the Micro segment (+11.49% YoY, supported by KUR +9.13% YoY), while the Corporate segment rose 9.80% YoY, driven by strong transportation financing (+141% YoY). Sustainable finance also rose 9.47% YoY to IDR 304.5 trillion, with sustainable agriculture contributing 8.3% of total loans (IDR 110.2 trillion). By December 2025, we forecast loan growth of 9.47% YoY, supported by BMRI's value-chain ecosystem and the government's IDR 200 trillion SOE bank funding program (BMRI allocated IDR 55 trillion), though clarity on segment allocation is still pending.

Asset Quality Maintained at Healthy Levels

As of June 2025, BMRI's asset quality remained manageable despite a slight downgrade in both consolidated and bank-only figures. The gross NPL ratio stood at 1.24% (+8 bps YoY) consolidated and 1.08% (+7 bps YoY) bank-only, driven mainly by Micro & Payroll NPL rising 87 bps YoY to 2.60%.This was partially offset by improvements in Commercial and SME NPLs, which declined 23 bps YoY to 1.02% and 0.95%, respectively. We expect the gross NPL ratio to remain healthy by year-end 2025 at 1.27% (consolidated) and 1.11% (bank-only).

Robust Liquidity Position

BMRI's liquidity remained ample in 1H25, with total deposits growing 10.75% YoY. Time deposits led the increase (+15.09% YoY), while current accounts and savings grew 9.82% and 8.80% YoY, respectively, bringing the CASA ratio to 74%.This was supported by strong digital adoption — Livin' transaction volume rose 16% YoY, and KOPRA transaction value grew 20.8% YoY. We forecast total deposits to grow 17.65% YoY by year-end 2025, with CASA expected to reach 74.45%.

Valuation: Buy TP IDR 5,000 (+13.64% Upside)

Based on 1H-2025 performance and a multi-stage Dividend Discount Model (DDM), we maintain our BUY recommendation with a target price of IDR 5,000, implying 1.59x PBV and a +13.64% upside.

Financial Highlight	2022A	2023A	2024A	2025 F
PATMI (IDR Bn)	41,171	55,060	55,783	49,297
EPS (IDR)	441.26	589.93	597.67	528.19
NIM (%)	5.47%	5.48%	5.15%	4.81%
ROE (%)	19.70%	23.20%	21.20%	16.80%
Gross NPL	1.92%	1.19%	1.12%	1.27%

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

No	Shareholder	Number of Shares	%
1	Government of RI*	48,533,333,334	52.00%
2	INA	7,466,666,666	8.00%
3	Local Institutions	4,907,063,120	5.26%
4	Local Retail	3,182,543,686	3.41%
5	Foreign	29,243,726,526	31.33%
Total		**93,333,333,332**	**100.00%**

**Majority of the shares had been transferred to PT Danantara Asset Management (Persero), with Ministry of SOE holds the 1 series A share.*

Table 2: Subsidiaries

No	Subsidiaries	Ownership (%)
1	PT Bank Syariah Indonesia Tbk (formerly PT Bank Syariah Mandiri)	51,47
2	Bank Mandiri (Europe) Limited (BMEL)	100,00
3	PT Mandiri Sekuritas	99,99
4	PT Bank Mandiri Taspen (formerly PT Bank Mandiri Taspen Pos)	51,10
5	PT Mandiri Tunas Finance (MTF)	51,00
6	Mandiri International Remittance Sendirian Berhad (MIR)	100,00
7	PT AXA Mandiri Financial Services (AMFS)	51,00
8	PT Mandiri Utama Finance (MUF)	99,99
9	PT Mandiri Capital Indonesia (MCI)	99,99
10	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 1: Gross Loan (IDR Bn) YoY

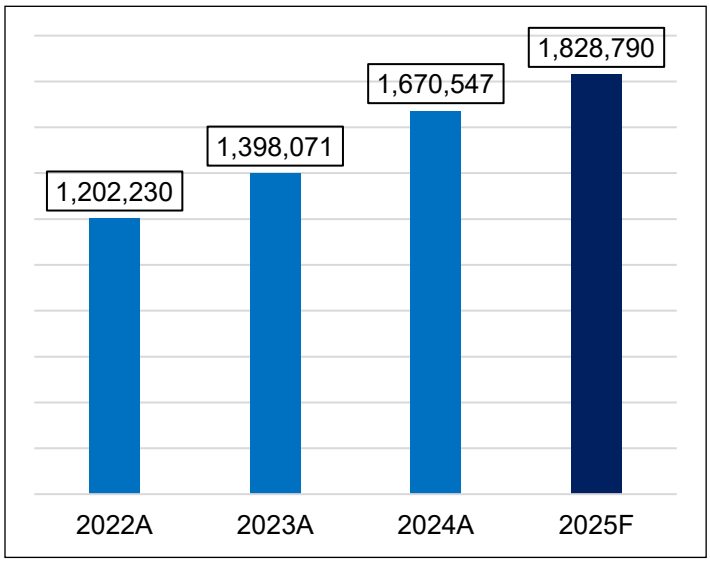


Chart 2: Gross NPL Ratio (%) YoY

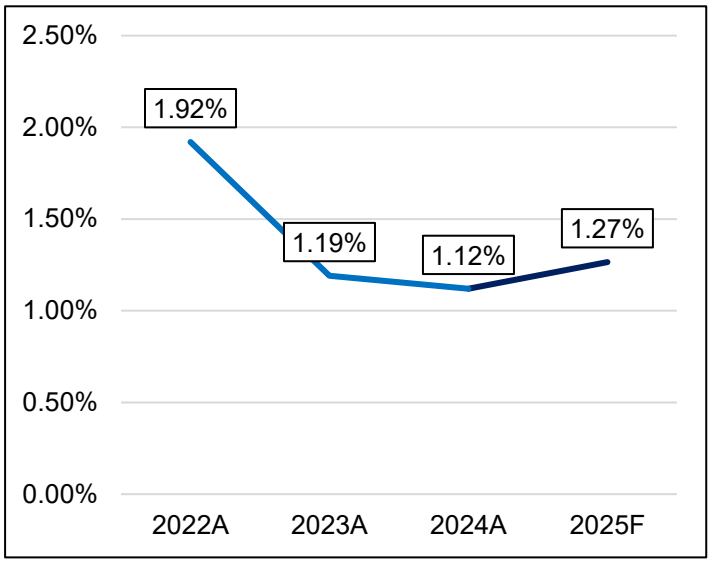


Chart 3: Profitability (IDR Bn and %) YoY

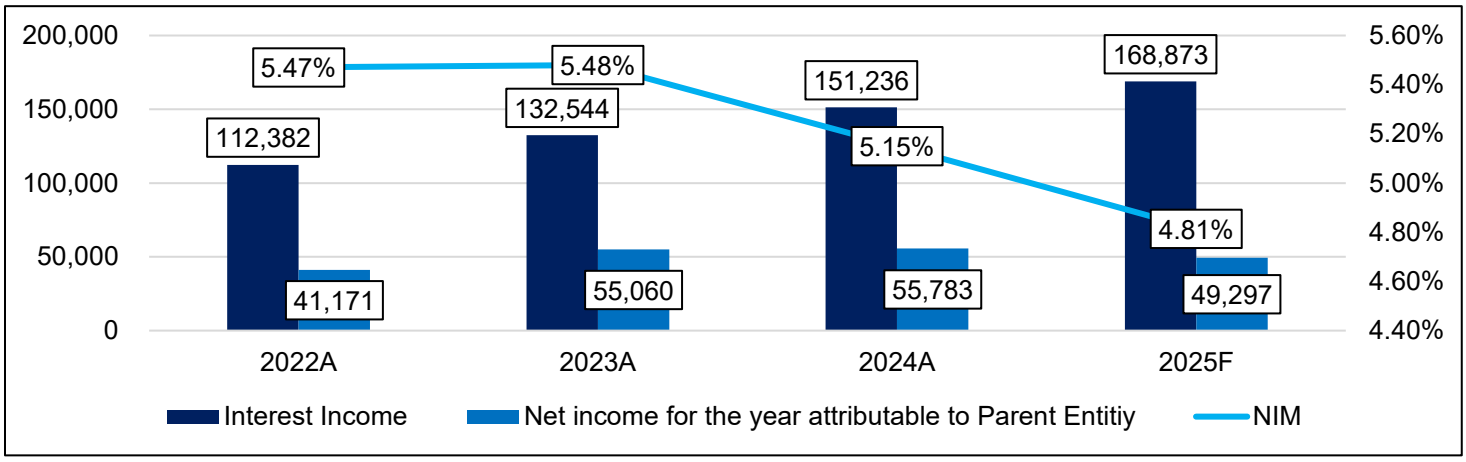


Chart 4: Liquidity (%) YoY

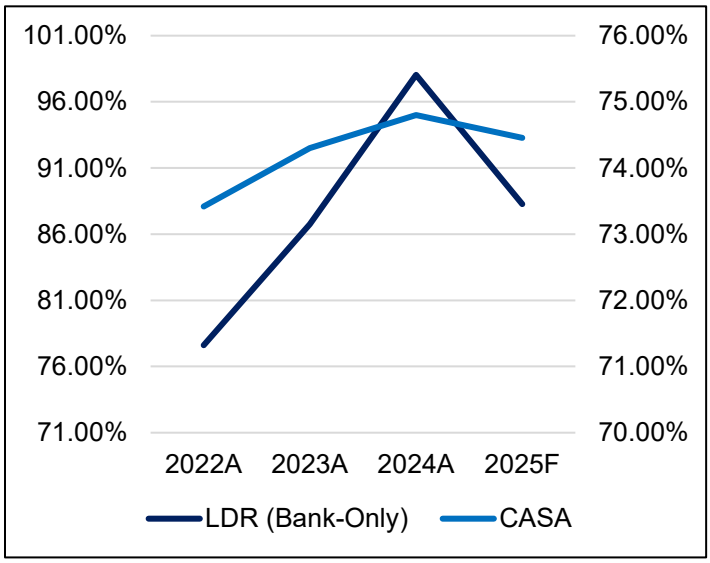
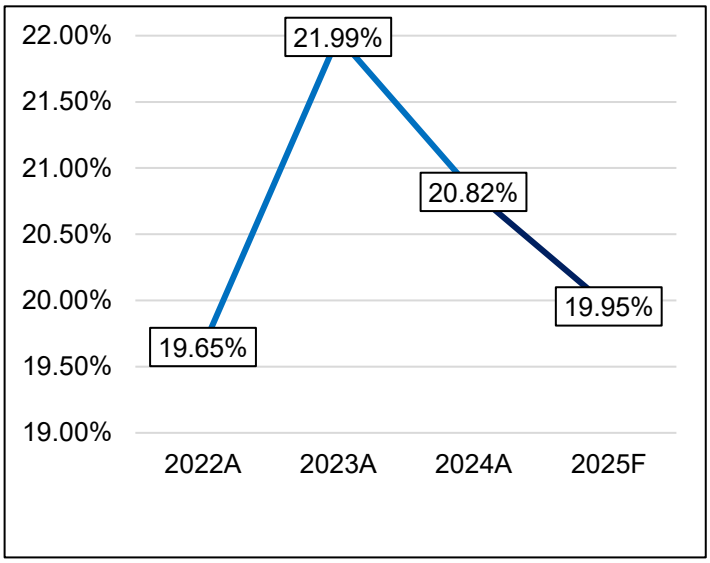


Chart 5: CAR (%) YoY



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Source: Binaartha & Company

Chart 4: Gross Loan (IDR Bn) QoQ

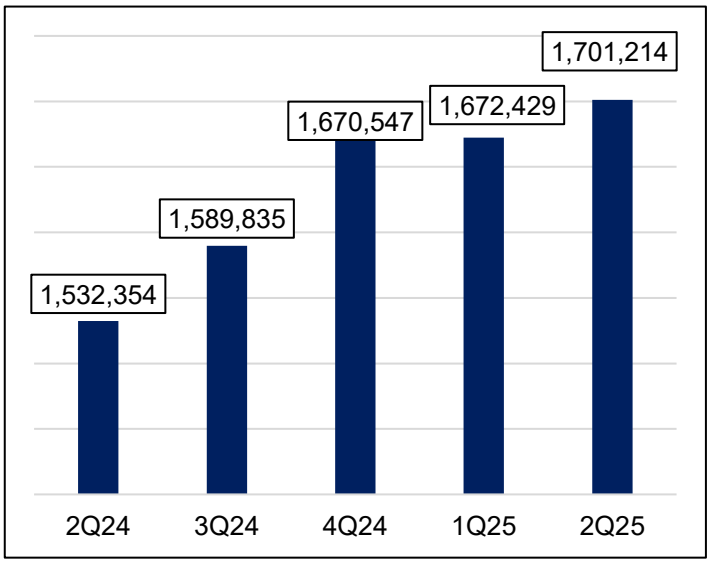


Chart 5: Customer Deposit (IDR Bn) QoQ

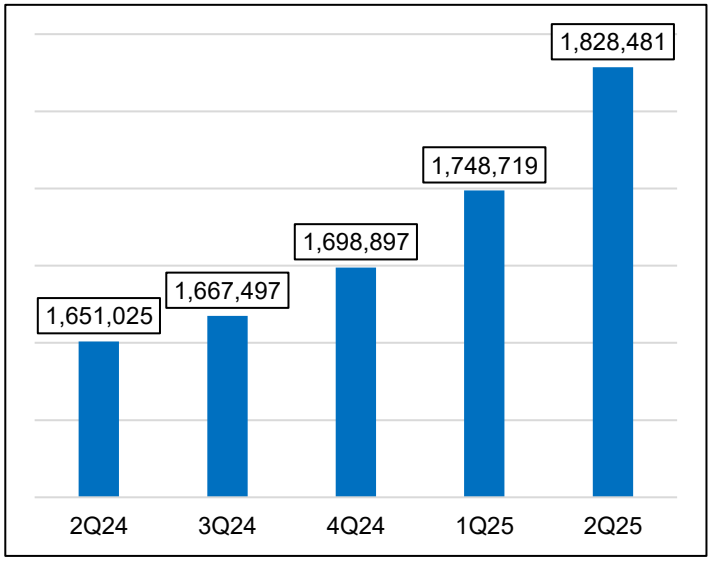


Chart 6: NIM Ratio (%) QoQ

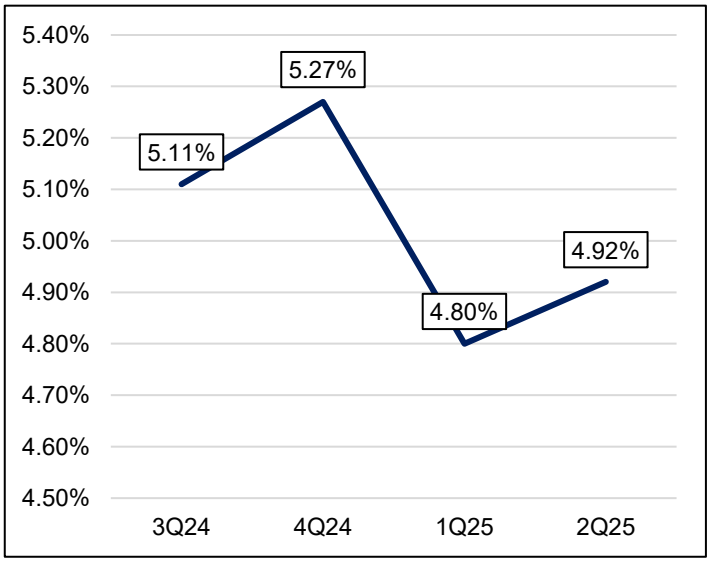
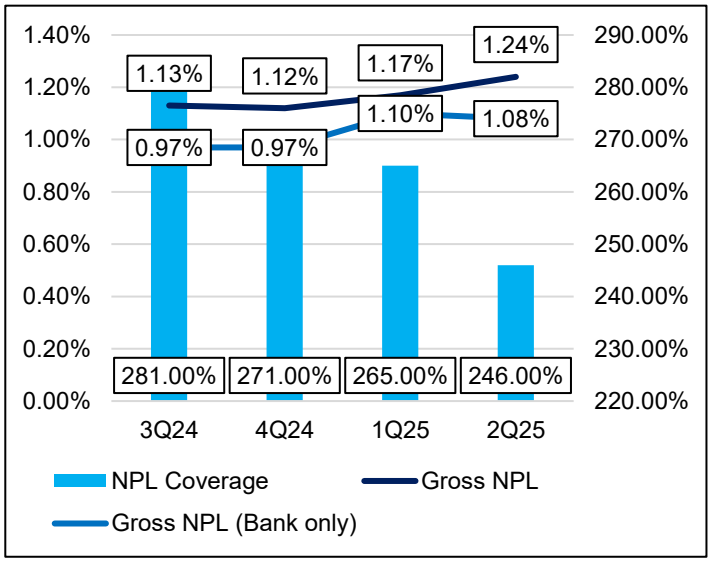


Chart 7: Asset Quality (%) QoQ



Source: Binaartha & Company

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR Bn)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR Bn)	2022A	2023A	2024A	2025F
Cash and CA with BI	134,562	135,037	136,811	156,132
Interbank Placement	95,324	73,888	63,230	87,245
Marketable Securities	82,841	94,696	95,530	116,471
Gross Loans	**1,202,230**	**1,398,071**	**1,670,547**	**1,828,790**
Provision	(65,362)	(53,882)	(50,392)	(49,266)
Net Loan	1,136,868	1,344,189	1,620,155	1,779,524
Other Earning Assets	615,677	579,927	548,919	664,000
Non-Earning Asset	105,438	115,066	121,339	148,099
TOTAL ASSETS	**1,992,545**	**2,174,219**	**2,427,223**	**2,747,754**
Deposit:				
Current Account	541,801	584,713	605,765	773,415
Saving Account	552,752	586,992	665,446	714,778
Time Deposit	396,291	405,245	427,686	510,630
Total Customer Deposit	**1,490,845**	**1,576,950**	**1,698,897**	**1,998,822**
Other Interest-Bearing Liabilities	123,071	144,897	212,202	206,101
Non-Interest-Bearing Liabilities	126,383	164,878	202,650	219,443
TOTAL LIABILITIES	**1,740,299**	**1,886,724**	**2,113,749**	**2,424,366**
TOTAL EQUITY	**252,245**	**287,495**	**313,475**	**323,388**
TOTAL LIABILITIES AND EQUITY	**1,992,545**	**2,174,219**	**2,427,223**	**2,747,754**

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (In IDR Bn)

STATEMENTS OF PROFIT OR LOSS (In IDR Bn)	2021A	2022A	2024A	2025F
Interest Income	97,749	112,382	151,236	168,873
Interest Expense	(24,687)	(24,479)	(49,479)	(56,508)
Net Interest Income	**73,062**	**87,903**	**101,757**	**112,364**
Fee Other Operating Income	34,061	37,648	44,842	46,149
Gross Operating Income	**107,124**	**125,551**	**146,599**	**158,513**
Operating Expense	(49,140)	(53,260)	(58,610)	(74,136)
PPOP	**57,984**	**72,291**	**87,989**	**84,377**
Provision Expense	(19,543)	(16,123)	(11,929)	(15,329)
Operating Profit	**38,440**	**56,168**	**76,060**	**69,048**
Non-Operating Income - net	(82)	210	344	154
Profit Before Tax	**38,358**	**56,378**	**76,403**	**69,202**
Tax Expense	(7,807)	(11,425)	(15,238)	(13,760)
Earning After Tax	**30,551**	**44,952**	**61,165**	**55,441**
Income for The Year Attributable to - Non-controlling interest	2,523	3,782	5,382	6,144
Net income for the year attributable to Parent Entity	**28,028**	**41,171**	**55,783**	**49,297**
EPS (Rp/Share)	**601.06**	**441.26**	**597.67**	**528.19**

Source: Binaartha & Company

Ratio Highlights

Ratio Analysis (Consolidated)	2022A	2023A	2024A	2025F
Profitability & Efficiency				
NIM	5.47%	5.48%	5.15%	4.81%
Cost-to-Income Ratio	42.40%	38.80%	40.00%	46.77%
ROE	19.00%	23.20%	21.20%	16.80%
ROA	2.21%	2.64%	2.42%	1.79%
Cost of Credit	1.44%	0.85%	0.79%	0.84%
Liquidity				
LDR-Bank Only	77.60%	86.75%	98.04%	88.28%
CASA	73.42%	74.30%	74.80%	74.45%
Asset Quality				
Gross NPL	1.88%	1.02%	1.12%	1.27%
Gross NPL (Bank-Only)	1.92%	1.19%	0.97%	1.11%
NPL Coverage	285.00%	326.00%	271.00%	212.92%
Capital				
CAR	19.65%	21.99%	20.82%	19.95%
Growth				
Loan Growth	14.48%	16.29%	19.49%	9.47%
Deposit Growth	15.46%	5.78%	7.73%	17.65%
Net income for the year attributable to Parent Entity	46.89%	33.74%	1.31%	-11.63%

Source: Binaartha & Company

QoQ Result

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR Bn)	2Q24	3Q24	4Q24	1Q25	2Q25	%QoQ	%YoY
Loan	1,532,354	1,589,835	1,670,547	1,672,429	1,701,214	1.72%	11.02%
Loan Loss Reserves	(51,755)	(50,357)	(50,392)	(51,439)	(51,296)	-0.28%	-0.89%
NPL Consolidated	17,775	17,965	18,710	19,567	21,095	7.81%	18.68%
Deposit							
Demand	612,071	596,388	605,765	590,295	672,166	13.87%	9.82%
Savings	626,379	634,981	665,446	679,416	681,484	0.30%	8.80%
Time Deposit	412,575	436,128	427,686	479,008	474,831	-0.87%	15.09%
Total Asset	2,257,801	2,323,991	2,427,223	2,463,659	2,514,684	2.07%	11.38%
Total Equity (including NCI)	282,333	301,337	313,475	285,178	297,917	4.47%	5.52%

STATEMENTS OF PROFIT OR LOSS (In IDR Bn)	2Q24	3Q24	4Q24	1Q25	2Q25	%QoQ	%YoY
Interest Income	36,689	38,413	40,600	39,626	41,950	5.86%	14.34%
Interest Expense	(11,793)	(12,891)	(13,446)	(14,121)	(15,071)	6.73%	27.79%
Net Interest Income	**24,895**	**25,522**	**27,154**	**25,505**	**26,879**	**5.39%**	**7.97%**
Fee Other Operating Income	10,387	11,579	12,748	11,673	9,321	-20.15%	-10.27%
Gross Operating Income	**35,283**	**37,101**	**39,902**	**37,178**	**36,199**	**-2.63%**	**2.60%**
Operating Expense	(12,964)	(13,761)	(18,773)	(15,169)	(17,486)	15.28%	34.88%
PPOP	**22,318**	**23,341**	**21,129**	**22,009**	**18,713**	**-14.98%**	**-16.15%**
Provision Expense	(3,318)	(2,621)	(2,395)	(3,895)	(3,384)	-13.12%	2.00%
Operating Profit	**19,000**	**20,720**	**18,734**	**18,114**	**15,329**	**-15.37%**	**-19.32%**
Non-Operating Income – net	2	19	325	65	16	-75.79%	674.93%
Profit Before Tax	**19,003**	**20,739**	**19,059**	**18,179**	**15,345**	**-15.59%**	**-19.25%**
Tax Expense	(3,853)	(3,927)	(3,977)	(3,649)	(3,025)	-17.10%	-21.51%
Earning After Tax	**15,149**	**16,813**	**15,082**	**14,530**	**12,320**	**-15.21%**	**-18.67%**
Income for The Year Attributable to - Non-controlling interest	1,301	1,346	1,316	1,333	1,062	-20.30%	-18.33%
Net Income	**13,848**	**15,467**	**13,765**	**13,197**	**11,258**	**-14.70%**	**-18.71%**
EPS (Rp/Share)	**148.38**	**165.71**	**147.49**	**141.40**	**241.24**	**-14.70%**	**-18.71%**

Financia Ratios	2Q24	3Q24	4Q24	1Q25	2Q25	%QoQ	%YoY
Profitability & Efficiency							
NIM	**5.09%**	**5.11%**	**5.27%**	**4.80%**	**4.92%**	**0.12**	**(0.17)**
Cost-to-Income Ratio	**37.50%**	**37.30%**	**47.90%**	**40.80%**	**44.50%**	**3.70**	**7.00**
ROE	**20.90%**	**21.70%**	**19.50%**	**18.90%**	**18.10%**	**(0.80)**	**(2.80)**
ROA	**2.40%**	**2.49%**	**2.23%**	**2.16%**	**1.98%**	**(0.18)**	**(0.42)**
Cost of Credit	**0.98%**	**0.87%**	**0.55%**	**0.88%**	**0.77%**	**(0.11)**	**(0.21)**
Liquidity							
LDR (Bank-Only)	**90.48%**	**93.15%**	**98.04%**	**93.45%**	**90.22%**	**(3.23)**	**(0.26)**
CASA	**75.00%**	**73.80%**	**74.80%**	**72.60%**	**74.00%**	**1.40**	**(1.00)**
Assets Quality							
Gross NPL	**1.16%**	**1.13%**	**1.12%**	**1.17%**	**1.24%**	**0.07**	**0.08**
Gross NPL (Bank only)	**1.01%**	**0.97%**	**0.97%**	**1.10%**	**1.08%**	**(0.02)**	**0.07**
NPL Coverage	**293.00%**	**281.00%**	**271.00%**	**265.00%**	**246.00%**	**(19.00)**	**(47.00)**
Capital							
CAR	**20.14%**	**20.71%**	**20.82%**	**18.50%**	**19.45%**	**0.95**	**(0.69)**

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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