BINA ARTHA SEKURITAS

Equity Research

PT Bank Mandiri (Persero),Tbk

BUY

November 14th, 2025
Banking, Equity

Price	IDR	4,750
Target Price	IDR	5,275
JKSE Index	IDR	8,370,44



Stock Information	
Bloomberg code	BMRI IJ
Market Cap (IDR Bn)	443,333.3
52-Week High (IDR)	6,600
52-Week Low (IDR)	4,010
Free Float Ratio (%)	37.96

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

USD/IDR-YE (JISDOR)	
2024A	16,157
2025F	16,838

Key Indicators (%)	
NPL Ratio	1.12
Net Interest Margin	4.83

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Investment Considerations

Profitability Declines Continue: BMRI's PATMI Down 10.2% YoY

In September 2025, BMRI's profit attributable to owners of the parent (PATMI) continued to weaken, falling 10.20% YoY to IDR 37.73 trillion, marking a deeper contraction than the 7.89% YoY decline recorded in 1H-2025. The decline was driven mainly by a one-off post-audit adjustment of other operating expenses—previously guided by management—which rose 25.28% YoY. Despite this pressure, net interest and sharia income still increased 4.90% YoY, supported by a 10.54% YoY surge in interest and sharia income, partially offsetting the 22.22% YoY rise in interest expenses. Non-interest income also improved, up 7.97% YoY, with FVTPL income posting strong +39.88% YoY growth. Provision expenses rose 9.75% YoY, reflecting BMRI's continued conservative risk management. We forecast BMRI's FY2025 PATMI to decline 12.07% YoY to IDR 49.05 trillion.

BMRI's Loan Growth Exceeds Target

As of September 2025, BMRI recorded consolidated loan growth of 10.98% YoY to IDR 1,764.33 trillion, surpassing its revised 8–10% target range. Growth was led by the Corporate segment, which rose 14.80% YoY, supported by strong financing to the energy and water sector, which expanded 39.3% YoY, adding IDR 17.3 trillion. Sustainable finance also grew 8.70% YoY to IDR 310 trillion, with sustainable agriculture accounting for 8.1% of total loans (IDR 112 trillion). Looking ahead, we expect loan growth to moderate to 8.32% YoY by December 2025, reaching IDR 1,809.49 trillion, in line with internal expectations. Growth should be supported by year-end loan demand, stronger deposit expansion, and the government's IDR 200 trillion SOE bank funding program, of which BMRI receives IDR 55 trillion targeted for ecosystem value-chain lending.

Asset Quality Remains Manageable Amid Micro Loans Pressure

As of September 2025, BMRI's asset quality remained under control. The consolidated gross NPL ratio stood at 1.19% (+6 bps YoY, -5 bps QoQ), while the bank-only figure was 1.03% (+6 bps YoY, -5 bps QoQ). The slight YoY increase was due mainly to higher Micro and Payroll NPLs, which rose 112 bps YoY to 2.90%. Meanwhile, the Corporate segment—BMRI's largest contributor—remained very healthy, with its NPL ratio improving 7 bps YoY to 0.32%. We expect BMRI's gross NPL ratio to remain manageable by FY2025, reaching 1.12% (consolidated) and 0.96% (bank-only), supported by ongoing improvements in underwriting and portfolio quality.

Robust Deposit Growth, Liquidity Injection Boosts Time Deposits

BMRI's liquidity position remained solid as of September 2025, with total deposits rising 13.00% YoY, driven primarily by time deposits that grew 32.82% YoY. The sharp increase was supported by the government's IDR 55 trillion liquidity injection, placed under deposit-on-call in the time-deposit bucket. Current accounts and savings also grew 4.58% YoY and 7.28% YoY, respectively, bringing the CASA ratio to 69.30%. By year-end, we forecast total deposits will increase 15.30% YoY, led by 27.14% YoY growth in time deposits, with the CASA ratio improving to 72.24%.

Valuation: Buy TP IDR 5,275 (+11.05% Upside)

Based on 9M-2025 performance and our multi-stage Dividend Discount Model (DDM), we maintain our BUY recommendation with a target price of IDR 5,275, implying 1.68× PBV and offering +11.05% upside.

Financial Highlight	2022A	2023A	2024A	2025 F
PATMI (IDR Bn)	41,171	55,060	55,783	49,051
EPS (IDR)	441.26	589.93	597.67	525.55
NIM (%)	5.47%	5.48%	5.15%	4.83%
ROE (%)	19.70%	23.20%	21.20%	17.59%
Gross NPL	1.92%	1.19%	1.12%	1.12%

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

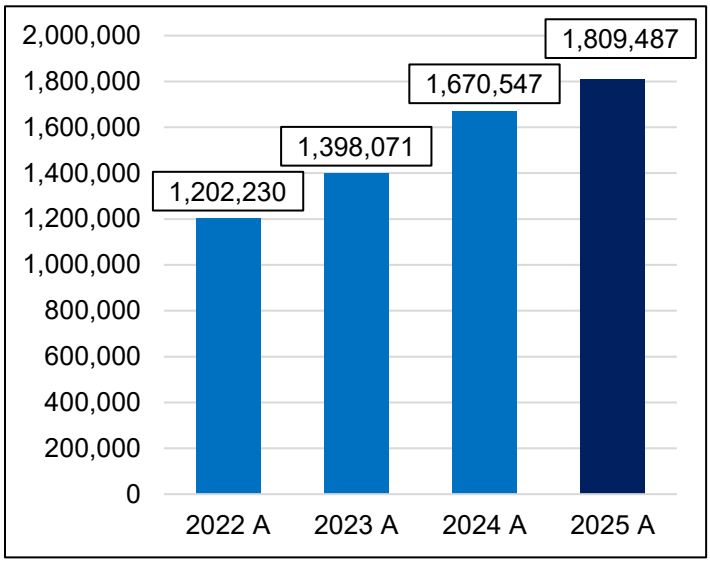


Chart 2: Gross NPL Ratio (%) YoY

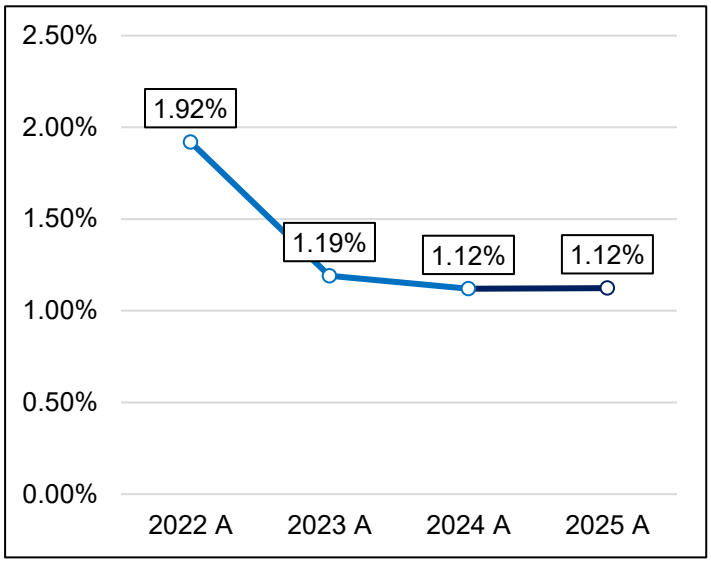


Chart 3: Profitability (IDR Bn and %) YoY

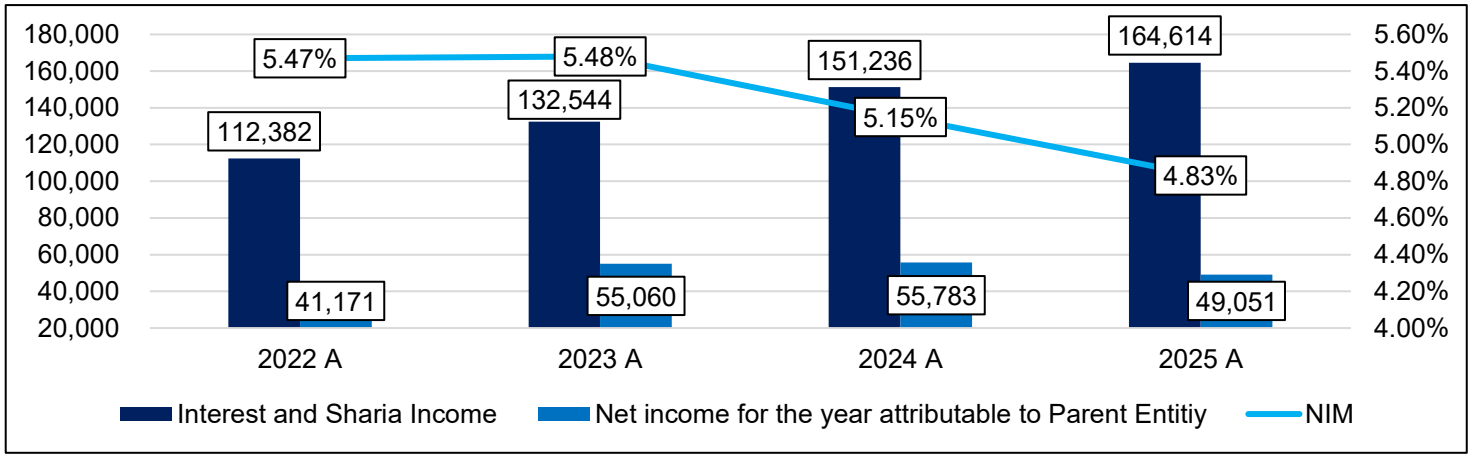


Chart 4: Liquidity (%) YoY

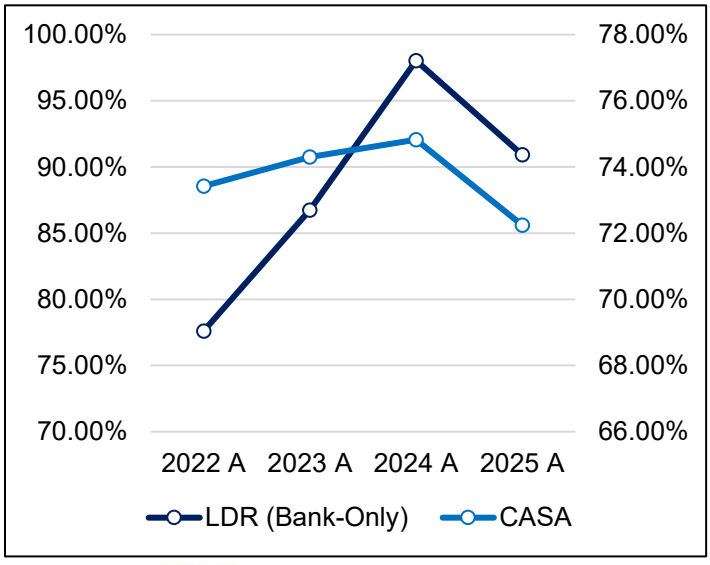
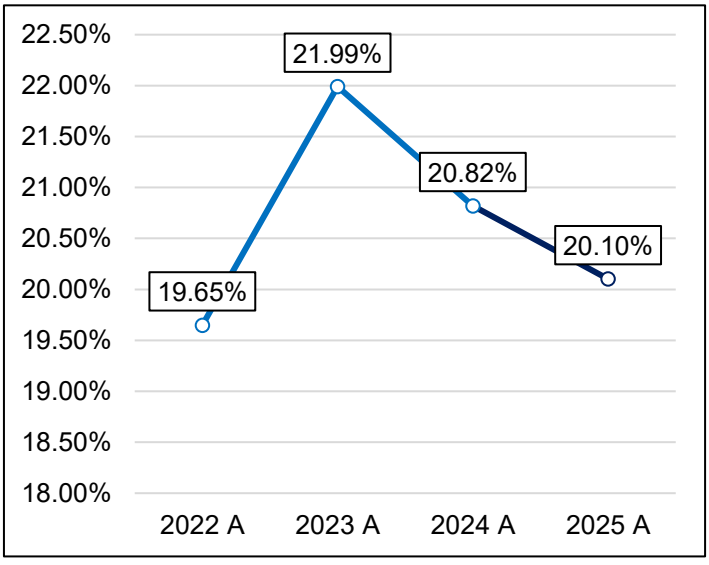


Chart 5: CAR (%) YoY



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Source: Binaartha & Company

Chart 4: Gross Loan (IDR Bn) QoQ

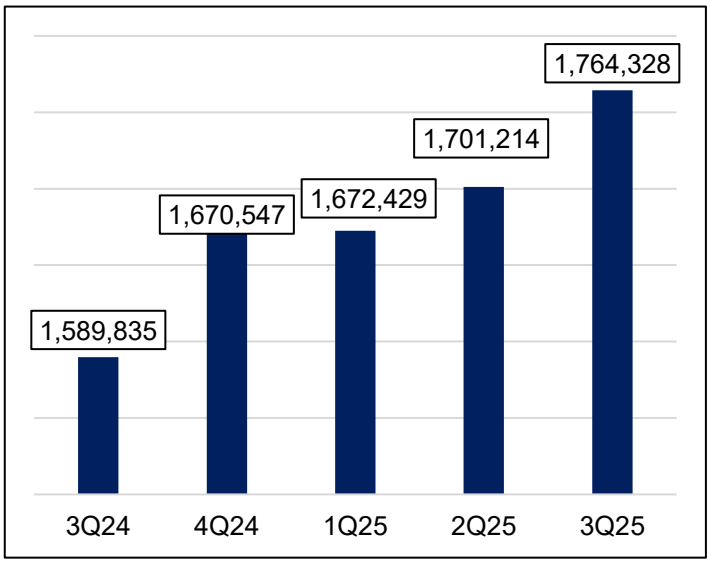


Chart 5: Customer Deposit (IDR Bn) QoQ

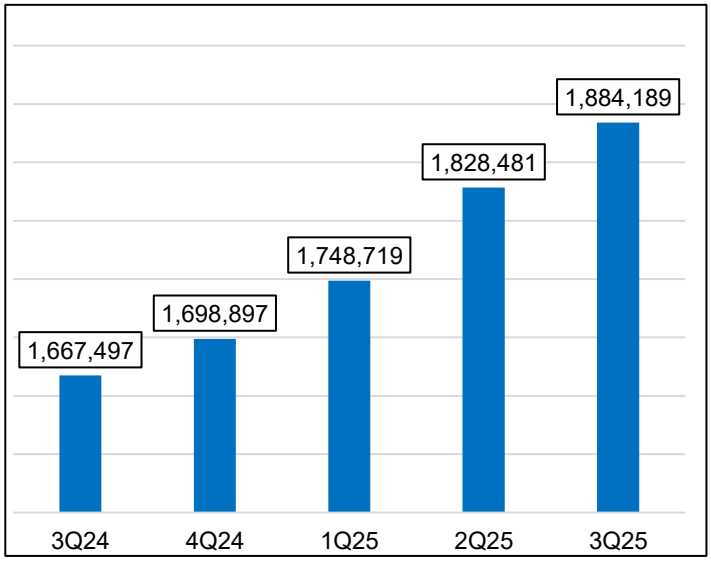


Chart 6: NIM Ratio (%) QoQ

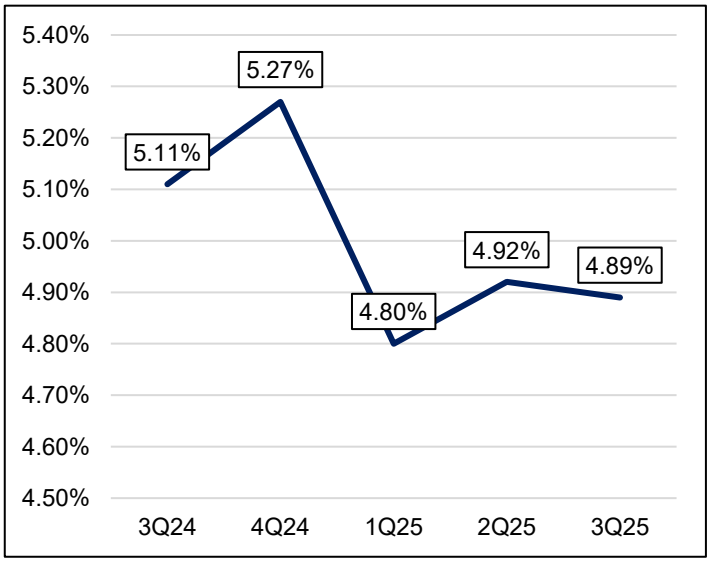
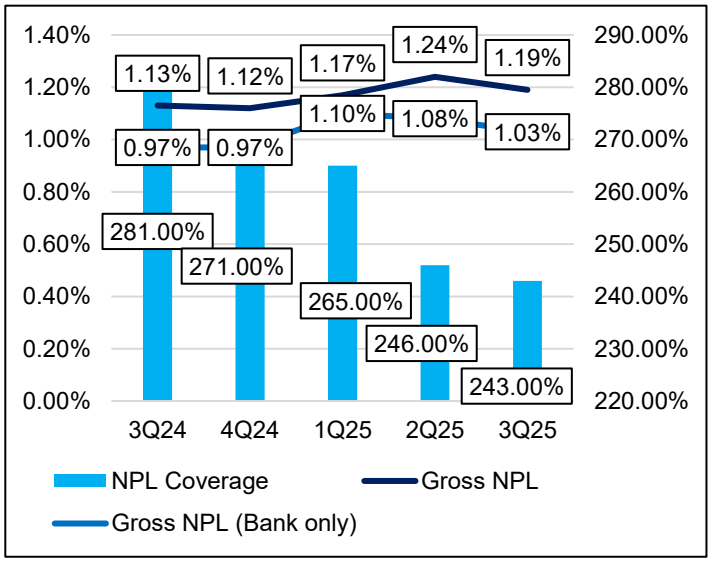


Chart 7: Asset Quality (%) QoQ



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	189,438
Interbank Placement	95,321	73,887	63,228	61,125
Gross Loans and Financing	1,202,230	1,398,071	1,670,547	1,809,487
Allowance for impairment losses	(65,362)	(53,882)	(50,392)	(49,920)
Marketable Securities and Government Bonds – Net	412,012	403,729	382,751	430,553
Other Financial Assets	123,826	123,350	118,461	117,552
Fixed Assets and Intangible Assets - Net	61,634	63,852	70,076	75,316
Other Non Financial Asset	28,322	30,175	35,742	39,756
Total Assets	**1,992,545**	**2,174,219**	**2,427,223**	**2,673,306**
Current Account	541,801	584,713	605,765	681,001
Saving Account	552,752	586,992	665,446	734,092
Time Deposits	396,291	405,245	427,686	543,760
Wholesale Funding	133,573	182,508	279,717	243,660
Other Financial Liabilities	45,722	54,543	60,514	60,098
Non Financial Liabilities	70,159	72,723	74,621	85,657
Total Liabilities and Temporary Syirkah Funds	**1,740,299**	**1,886,724**	**2,113,749**	**2,348,267**
Share Capital	11,667	11,667	11,667	11,667
Additional Paid in Capital	17,643	17,643	18,095	18,095
Treasury Shares	0	0	0	(24)
Other Comprehensive Income	33,480	34,336	34,294	38,442
Other Equity	(97)	(97)	(310)	(310)
Retained Earnings	166,986	197,304	220,050	225,591
Total Equity Attributable to Parent Entity	**229,679**	**260,853**	**283,796**	**293,461**
Non-Controlling Interest	22,567	26,642	29,678	31,578
TOTAL EQUITY	**252,245**	**287,495**	**313,475**	**325,039**
TOTAL LIABILITIES, TEMPORARY SYIRKAH DEPOSITS & EQUITY	**1,992,545**	**2,174,219**	**2,427,223**	**2,673,306**

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (In IDR)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (In IDR Bn)	2022A	2023A	2024A	2025F
Interest and Sharia Income	112,382	132,544	151,236	164,614
Interest and Sharia Expense	(24,479)	(36,658)	(49,479)	(58,655)
Net Interest and Sharia Income	**87,903**	**95,887**	**101,757**	**105,958**
Non-Interest Income	37,648	42,771	44,842	45,807
Gross Operating Income	**125,551**	**138,658**	**146,599**	**151,765**
Operating Expense	(53,260)	(53,867)	(58,610)	(69,064)
PPOP	**72,291**	**84,790**	**87,989**	**82,701**
Provision Expense	(16,123)	(10,149)	(11,929)	(14,947)
Operating Profit	**56,168**	**74,642**	**76,060**	**67,755**
Non Operating Income - net	210	43	344	141
Profit Before Tax	**56,378**	**74,685**	**76,403**	**67,896**
Tax Expense	(11,425)	(14,633)	(15,238)	(13,416)
Earning After Tax	**44,952**	**60,052**	**61,165**	**54,480**
Income for The Year Attributable to - Non-controlling interest	3,782	4,992	5,382	5,429
Net income for the year attributable to Parent Entitiy	**41,171**	**55,060**	**55,783**	**49,051**
EPS (Rp/Share)	**441.26**	**589.93**	**597.67**	**525.55**

Source: Binaartha & Company

Ratio Highlights

Ratio Analysis (Consolidated)	2022A	2023A	2024A	2025F
Profitability & Efficiency				
NIM	5.47%	5.48%	5.15%	4.83%
Cost-to-Income Ratio	42.40%	38.80%	40.00%	45.51%
ROE	19.00%	23.20%	21.20%	17.59%
ROA	2.21%	2.64%	2.42%	1.92%
Cost of Credit	1.44%	0.85%	0.79%	0.83%
Liquidity				
LDR-Bank Only	77.60%	86.75%	98.04%	90.94%
CASA	73.42%	74.30%	74.80%	72.24%
Asset Quality				
Gross NPL	1.88%	1.02%	1.12%	1.12%
Gross NPL (Bank-Only)	1.92%	1.19%	0.97%	0.96%
NPL Coverage	285.00%	326.00%	271.00%	245.59%
Capital				
CAR	19.65%	21.99%	20.82%	20.10%
Growth				
Loan Growth	14.48%	16.29%	19.49%	8.32%
Deposit Growth	15.46%	5.78%	7.73%	15.30%
Net income for the year attributable to Parent Entity	46.89%	33.74%	1.31%	-12.07%

Source: Binaartha & Company

QoQ Result

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (in IDR Bn)	3Q24	4Q24	1Q25	2Q25	3Q25	%QoQ	%YoY
Loan	1,589,835	1,670,547	1,672,429	1,701,214	1,764,328	3.71%	10.98%
Loan Loss Reserves	(50,357)	(50,392)	(51,439)	(51,296)	(51,002)	-0.57%	1.28%
NPL Consolidated	17,965	18,710	19,567	21,095	20,996	-0.47%	16.87%
Deposit							
Demand	596,388	605,765	590,295	672,166	623,725	-7.21%	4.58%
Savings	634,981	665,446	679,416	681,484	681,213	-0.04%	7.28%
Time Deposit	436,128	427,686	479,008	474,831	579,252	21.99%	32.82%
Total Asset	2,323,991	2,427,223	2,463,659	2,514,684	2,563,360	1.94%	10.30%
Total Equity (including NCI)	301,337	313,475	285,178	297,917	313,838	5.34%	4.15%

STATEMENTS OF PROFIT OR LOSS (In IDR Bn)	3Q24	4Q24	1Q25	2Q25	3Q25	%QoQ	%YoY
Interest Income	38,413	40,600	39,626	41,950	40,721	-2.93%	6.01%
Interest Expense	(12,891)	(13,446)	(14,121)	(15,071)	(14,846)	-1.50%	15.17%
Net Interest Income	**25,522**	**27,154**	**25,505**	**26,879**	**25,875**	**-3.73%**	**1.38%**
Fee Other Operating Income	11,579	12,748	11,673	9,321	12,551	34.66%	8.39%
Gross Operating Income	**37,101**	**39,902**	**37,178**	**36,199**	**38,426**	**6.15%**	**3.57%**
Operating Expense	(13,761)	(18,773)	(15,169)	(17,486)	(17,251)	-1.35%	25.36%
PPOP	**23,341**	**21,129**	**22,009**	**18,713**	**21,176**	**13.16%**	**-9.28%**
Provision Expense	(2,621)	(2,395)	(3,895)	(3,384)	(3,185)	-5.89%	21.52%
Operating Profit	**20,720**	**18,734**	**18,114**	**15,329**	**17,991**	**17.36%**	**-13.17%**
Non-Operating Income – net	19	325	65	16	33	109.77%	71.58%
Profit Before Tax	**20,739**	**19,059**	**18,179**	**15,345**	**18,024**	**17.46%**	**-13.09%**
Tax Expense	(3,927)	(3,977)	(3,649)	(3,025)	(3,501)	15.76%	-10.84%
Earning After Tax	**16,813**	**15,082**	**14,530**	**12,320**	**14,523**	**17.88%**	**-13.62%**
Income for The Year Attributable to - Non-controlling interest	1,346	1,316	1,333	1,062	1,248	17.43%	-7.30%
Net Income	**15,467**	**13,765**	**13,197**	**11,258**	**13,275**	**17.92%**	**-14.17%**
EPS (Rp/Share)	**165.71**	**147.49**	**141.40**	**241.24**	**284.47**	**17.92%**	**-14.17%**

Financia Ratios	3Q24	4Q24	1Q25	2Q25	3Q25	%QoQ	%YoY
Profitability & Efficiency							
NIM	**5.11%**	**5.27%**	**4.80%**	**4.92%**	**4.89%**	**(0.03)**	**(0.22)**
Cost-to-Income Ratio	**37.30%**	**47.90%**	**40.80%**	**44.50%**	**44.60%**	**0.10**	**7.30**
ROE	**21.70%**	**19.50%**	**18.90%**	**18.10%**	**18.40%**	**0.30**	**(3.30)**
ROA	**2.49%**	**2.23%**	**2.16%**	**1.98%**	**2.02%**	**0.04**	**(0.47)**
Cost of Credit	**0.87%**	**0.55%**	**0.88%**	**0.77%**	**0.73%**	**(0.04)**	**(0.14)**
Liquidity							
LDR (Bank-Only)	**93.15%**	**98.04%**	**93.45%**	**90.22%**	**92.60%**	**2.38**	**(0.55)**
CASA	**73.80%**	**74.80%**	**72.60%**	**74.00%**	**69.30%**	**(4.70)**	**(4.50)**
Assets Quality							
Gross NPL	**1.13%**	**1.12%**	**1.17%**	**1.24%**	**1.19%**	**(0.05)**	**0.06**
Gross NPL (Bank only)	**0.97%**	**0.97%**	**1.10%**	**1.08%**	**1.03%**	**(0.05)**	**0.06**
NPL Coverage	**281.00%**	**271.00%**	**265.00%**	**246.00%**	**243.00%**	**(3.00)**	**(38.00)**
Capital							
CAR	**20.71%**	**20.82%**	**18.50%**	**19.45%**	**20.07%**	**0.62**	**(0.64)**

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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