BINA ARTHA SEKURITAS

Equity Research

PT Bank CIMB Niaga Tbk

BUY

May 27th, 2025
Banking, Equity

Price	**IDR 1,785**
Target Price	**IDR 2,290**
JKSE Index	**IDR 7,198.97**



Stock Code	
Bloomberg code	**BNGA IJ**
Market Cap (IDR Bn)	**44,430.0**
52-Week High (IDR)	**2,020**
52-Week Low (IDR)	**1,550**
Float Shares (%)	**7.51**

Major Shareholders	
CIMB Group	**91.445%**
PT Commerce Kapital	**1.016%**
Public (inc. BOD and BOC)	**7.539%**

USD/IDR-YE (JISDOR)	
2024A	**16,201**
2025F	**16,292**

Key Indicators		
Non-Performing Loan	**(%)**	**1.64**
Net Interest Margin	**(%)**	**4.03**

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Investment Considerations

Stronger Annual Growth Than Previous Quarter

In Q1 2025, BNGA's net income attributable to the parent entity rose 7.37% YoY to IDR 1.80 trillion, higher than Q4 2024. This was supported by a 6.65% YoY increase in interest and sharia income, despite a 21 bps YoY drop in NIM to 3.99%. However, the NIM improved 11 bps compared to Q4 2024, showing positive quarterly momentum. Provision expenses decreased 35.52% YoY, reflecting improving asset quality. We forecast net income to grow by 7.62% YoY to IDR 7.35 trillion by year-end 2025, with NIM increasing to 4.03%.

Robust Loan Expansion Supported by ESG Initiatives

As of March 2025, BNGA's consolidated loans grew 9.22% YoY, exceeding its 2025 internal target of 5%–7%.

- Corporate segment led growth at +13.96% YoY
- Sustainable financing rose 3.36% YoY, with MSME loans making up 44% of the portfolio

We forecast loan growth of 6.05% YoY by the end of 2025, in line with the bank's target and supported by a balanced lending mix.

CASA Ratio Remains Strong Despite Slower Funding Growth

Third-party funds rose modestly by 2.50% YoY, but BNGA maintained a healthy CASA ratio of 67.41%, up 286 bps YoY.

- Time deposits declined 5.57% YoY
- Current accounts grew 11.95%, and savings accounts rose 2.25%
- The consumer segment remains the largest CASA contributor, at 45.2% of total CASA

We expect third-party funds to grow another 2.48% YoY in 2025, with the CASA ratio holding steady at 67.40%.

Continued Improvement in Asset Quality

BNGA's gross NPL ratio improved by 25 bps YoY to 1.85% in Q1 2025, although slightly up 5 bps QoQ. The Special Mention Loan (SML) ratio improved to 4.3%, from 4.8% in March 2024.We project further improvement by year-end 2025, with gross NPL declining to 1.64%.

Buyback Program to Support Long-Term Incentive Plan

BNGA plans to conduct a share buyback within 12 months after its AGMS on April 12, 2025, allocating a maximum of IDR 450 million for up to 202,000 shares. The shares will be used for variable remuneration, with full transfer to be completed within three years.

Valuation: 28.29% Upside, Buy.

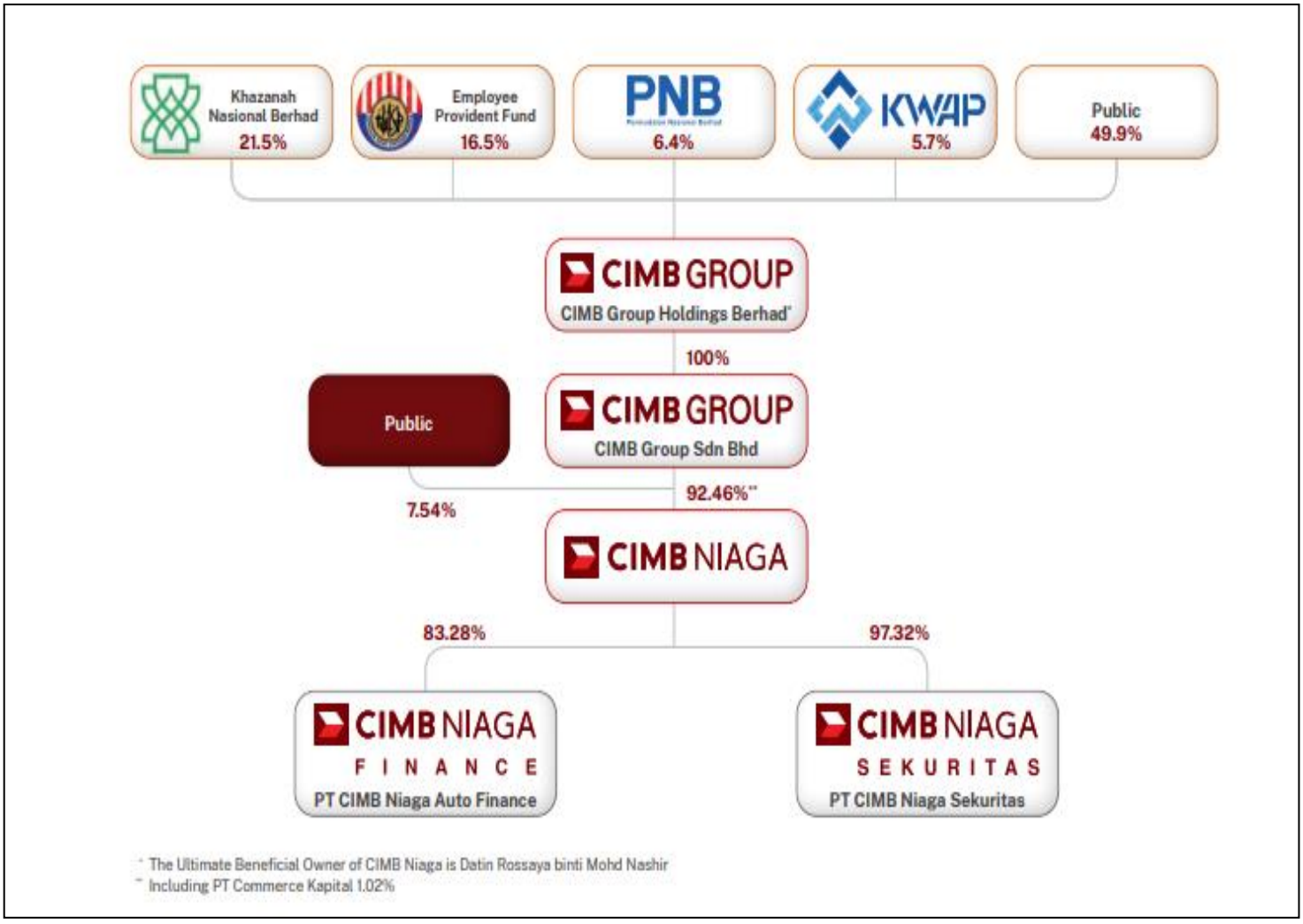
Based on a multi-stage Dividend Discount Model (DDM), we revise our target price to IDR 2,290, implying a 1,02x PBV and offering 28,29% upside potential. We maintain our Buy recommendation, supported by steady earnings growth, a strong CASA base, and improving asset quality.

Financial Highlight	2021 A	2022 A	2023 A	2024 A	2025 F
Net Interest Income (IDR Bn)	13,089	13,476	13,352	13,267	13,971
Net Income (IDR Bn)	4,100	5,042	6,474	6,826	7,346
EPS (IDR)	164.48	202.21	259.45	271.59	292.21
NIM (%)	4.86%	4.69%	4.40%	4.09%	4.03%
Cost of Credit (%)	2.42%	1.85%	1.03%	0.84%	0.52%
Gross NPL (%)	3.46%	2.80%	1.96%	1.76%	1.64%
CAR (%)	22.68%	22.19%	24.02%	23.34%	23.48%

Company Profile

PT Bank CIMB Niaga Tbk was founded on September 26, 1955, through Notarial Deed No. 90 by Raden Meester Soewandi. In accordance with Article 3 of its Articles of Association, the bank provides general and Sharia-compliant banking services in compliance with Indonesian regulations.Sharia banking operations were officially launched on September 27, 2004.

Corporate Group Structure (As of December 31st, 2024)



Source: Company

Chart: Gross Loan (IDR Bn) YoY

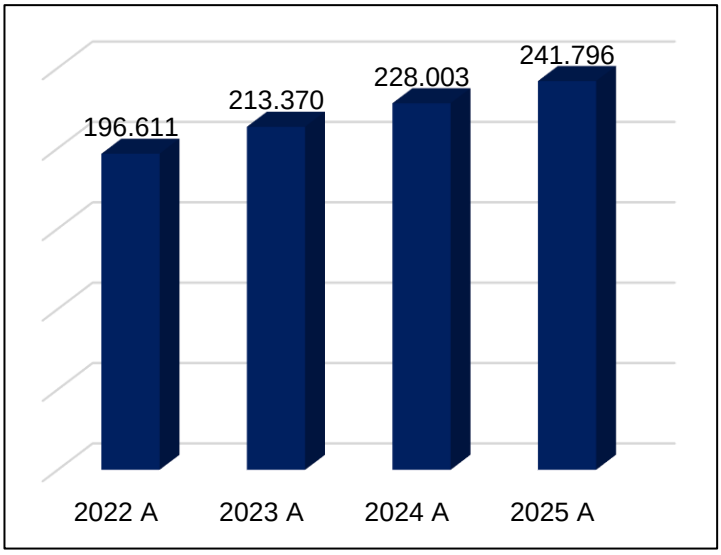


Chart: Customer Deposit (IDR Bn) YoY

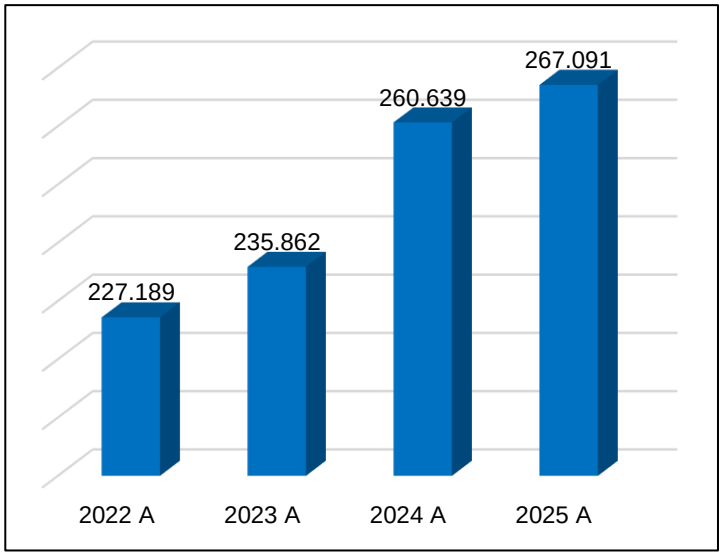


Chart: Profitability YoY

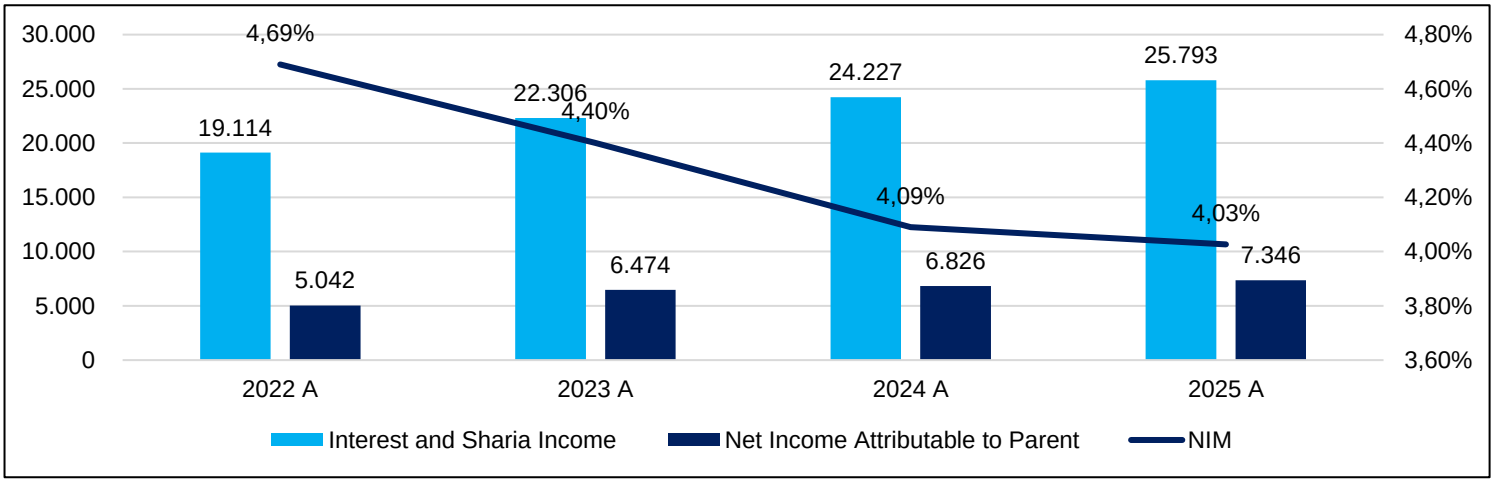


Chart: CAR (%) YoY

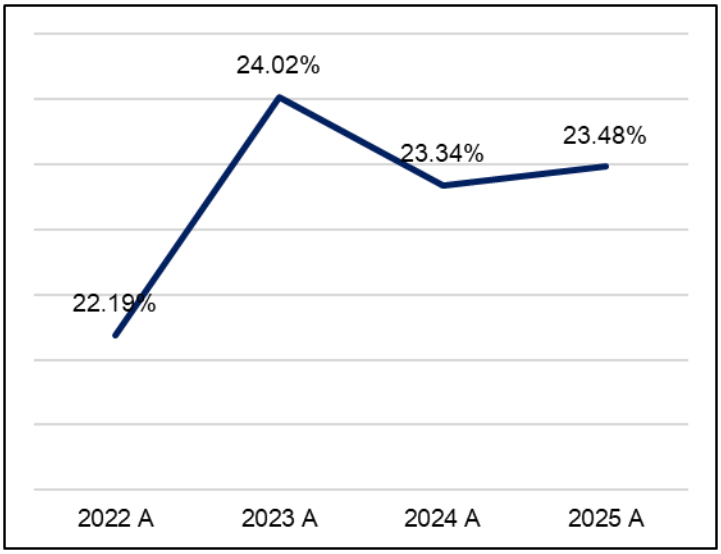
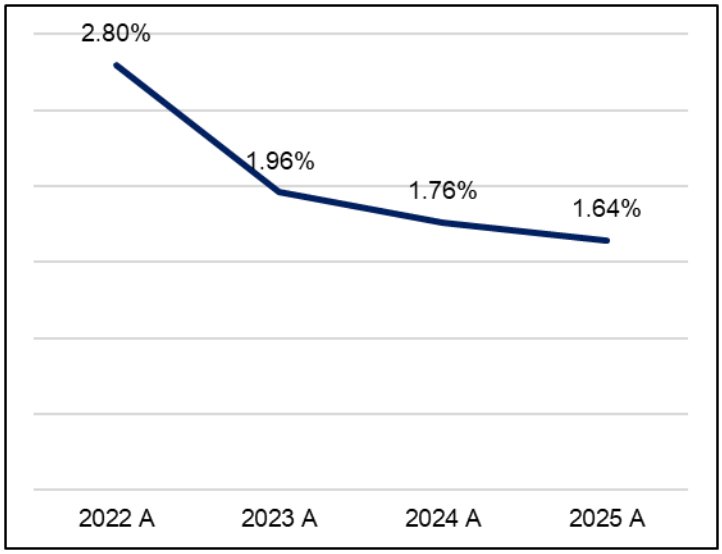


Chart: NPL (%) YoY



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Source: Binaartha & Company

Chart: Gross Loan (IDR Bn) QoQ

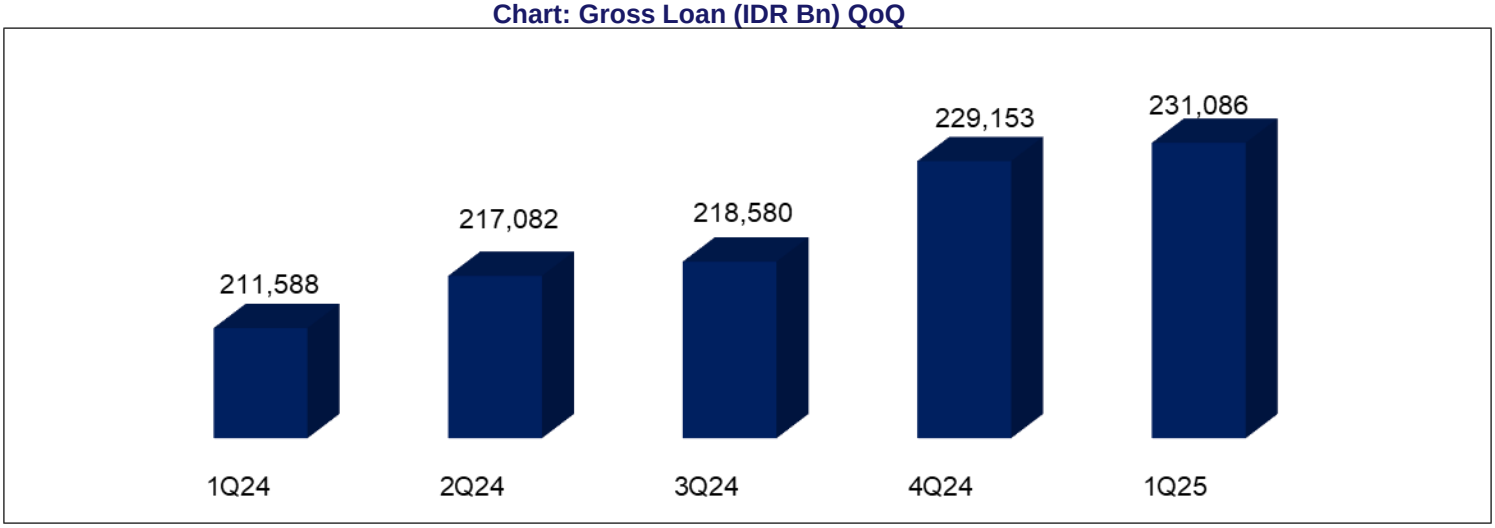


Chart: Net Income (IDR Bn) QoQ

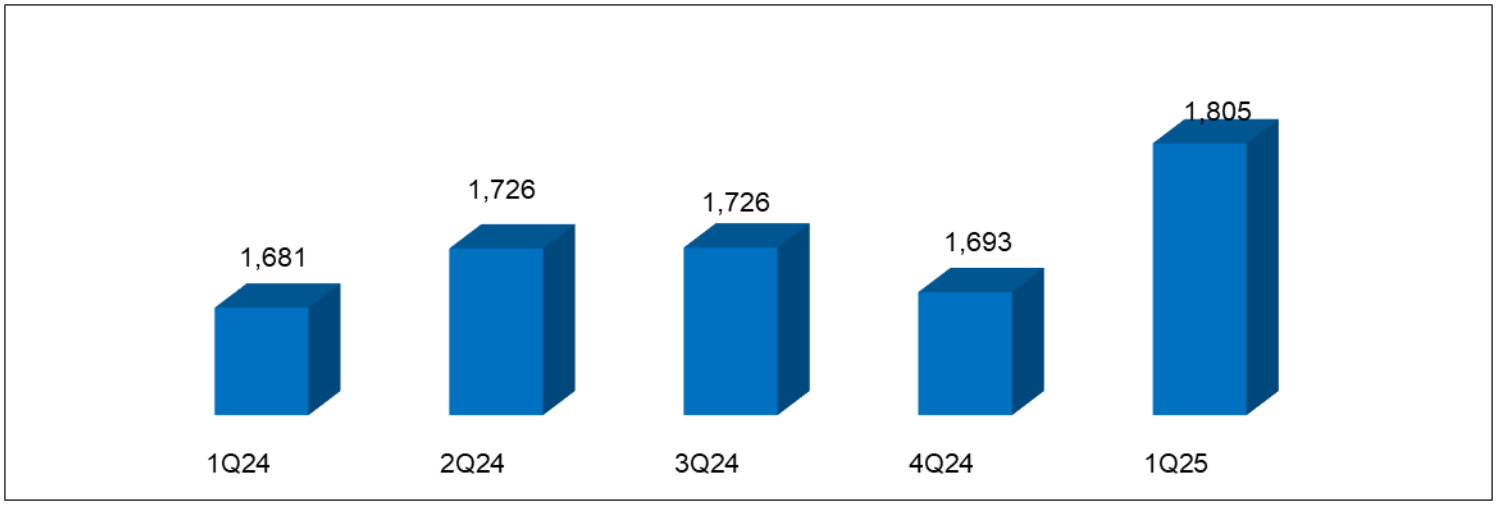
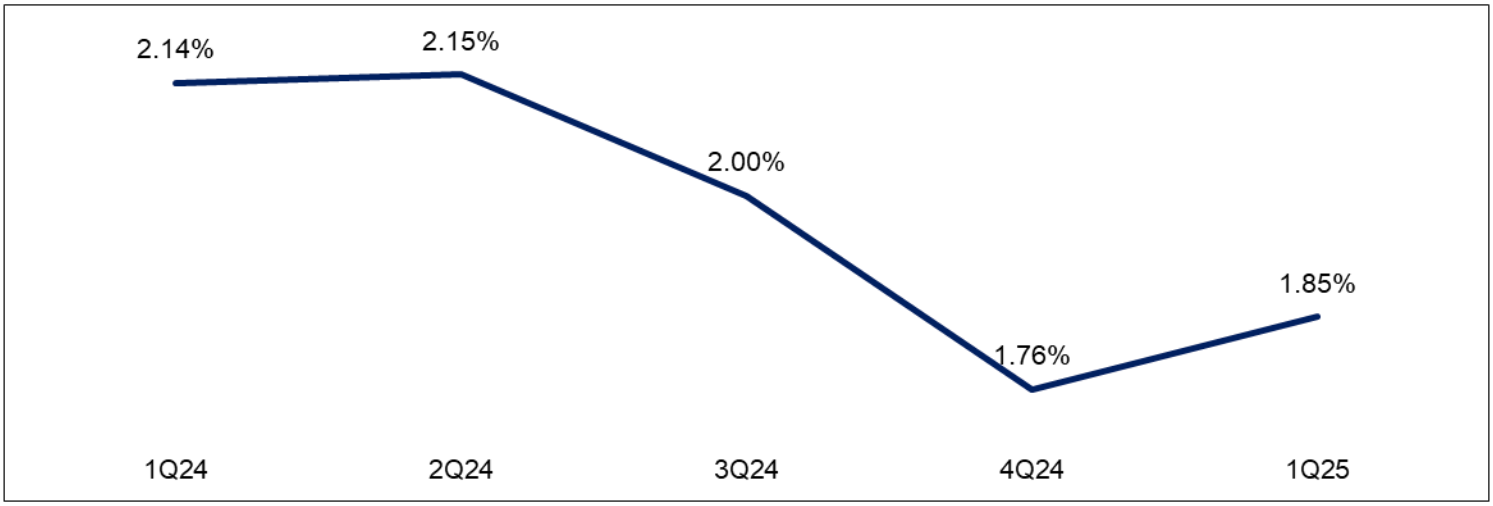


Chart: Non-Performing Loan (%) QoQ



BINAARTHA SEKURITAS

Source: Binaartha & Company

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IDR Bn)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IDR Bn)	2022A	2023A	2024A	2025F
Cash and CA with BI	14,425	17,109	13,641	22,047
Interbank Placement	14,870	4,533	5,048	9,165
Marketable Securities	5,810	9,364	23,455	10,949
Gross Loan	198,749	213,370	228,003	241,796
Allowance for Loans	(13,197)	(12,047)	(10,653)	(9,126)
Loans-net	185,551	201,322	217,350	232,670
Other Earning Asset	89,121	97,716	109,967	113,932
Non-Earning Asset	17,658	18,222	19,263	19,704
Total Asset	**306,754**	**334,369**	**360,221**	**388,353**
Deposit:				
Current Account	70,340	73,202	91,788	94,360
Saving Account	74,086	77,431	80,279	85,668
Time Deposits	82,763	85,229	88,572	87,063
Other-Interest Bearing Liabilities	17,260	36,153	35,641	52,179
Non-Interest-Bearing Liabilities	17,030	13,017	10,745	12,325
Total Liabilities	**261,478**	**285,032**	**307,024**	**331,596**
Total Shareholder's Equity	**45,276**	**49,337**	**53,196**	**56,757**

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (IDR Bn)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (IDR Bn)	2022A	2023A	2024A	2025F
Interest Income	19,114	22,306	24,227	25,793
Interest Expense	(5,638)	(8,954)	(10,961)	(11,822)
Net Interest Income	**13,476**	**13,352**	**13,267**	**13,971**
Fee Other Income	5,390	5,433	5,651	6,243
Gross Operating Income	**18,866**	**18,786**	**18,918**	**20,214**
Operating Expense	(8,484)	(8,584)	(8,749)	(9,817)
PPOP	**10,382**	**10,202**	**10,168**	**10,397**
Provision Expense	(3,814)	(2,007)	(1,805)	(1,268)
Operating Profit	**6,568**	**8,195**	**8,363**	**9,129**
Non-Operating Income – Net	11	162	366	185
Profit Before Tax	**6,579**	**8,357**	**8,729**	**9,314**
Tax Expense	(1,483)	(1,806)	(1,830)	(1,845)
Earning After Tax	**5,097**	**6,551**	**6,899**	**7,469**
Income for The Year Attributable to NCI	55	77	**73**	**123**
Net Income	**5,042**	**6,474**	**6,826**	**7,346**
EPS (Rp/Share)	**202.21**	**259.45**	**271.59**	**292.21**

Source: Binaartha & Company

Ratio Highlights

Ratio Analysis (Consolidated)	2021A	2022A	2023A	2024A	2025F
Profitability & Efficiency					
NIM	4.86%	4.69%	4.40%	4.09%	4.03%
ROE	10.21%	11.71%	14.03%	13.54%	13.37%
ROA	1.88%	2.16%	2.59%	2.53%	1.96%
BOPO	78.37%	74.10%	71.47%	74.02%	71.50%
Cost of Credit	2.42%	1.85%	1.03%	0.84%	0.52%
Liquidity					
LDR	74.35%	85.63%	89.30%	86.30%	90.53%
CASA	61.34%	63.57%	63.86%	66.02%	67.40%
Asset Quality					
Gross NPL	3.46%	2.80%	1.96%	1.76%	1.64%
Loan Loss Coverage	212.10%	242.70%	292.10%	270.00%	229.59%
Capital					
CAR	22.68%	22.19%	24.02%	23.34%	23.48%
Growth					
Loan Growth	3.92%	8.26%	8.52%	6.86%	6.05%
Deposit Growth	16.30%	-5.87%	3.82%	10.51%	2.48%
Net Income Growth	103.75%	22.96%	28.41%	5.43%	7.62%

Source: Binaartha & Company

QoQ Result

PT Bank CIMB Niaga Tbk
Key Ratios

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IDR Bn)	1Q24	2Q24	3Q24	4Q24	1Q54	%QoQ	%YoY
Loan	211,588	217,082	218,580	228,003	231,086	0.84%	9.22%
Loan Loss Reserves	(11,465)	(11,635)	(11,192)	(10,653)	(10,485)	-1.58%	-8.55%
NPL	4,443	4,558	4,372	4,013	4,257	6.08%	-5.99%
Deposit							
Demand	79,084	83,011	88,700	91,788	88,532	-3.55%	11.95%
Savings	81,027	79,874	82,032	80,279	82,847	3.20%	2.25%
Time Deposit	87,918	86,959	85,239	88,572	82,845	-6.47%	-5.77%
Total Asset	332,994	346,694	354,296	360,221	370,992	2.99%	11.41%
Shareholder Equity	51,215	49,568	52,037	52,999	55,327	4.39%	8.03%

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (IDR Bn)	1Q24	2Q24	3Q24	4Q24	1Q25	%QoQ	%YoY
Interest Income	5,845	6,006	6,173	6,204	6,233	0.47%	6.65%
Interest Expense	(2,560)	(2,635)	(2,820)	(2,946)	(2,915)	-1.05%	13.86%
Net Interest Income	**3,285**	**3,371**	**3,352**	**3,259**	**3,319**	**1.84%**	**1.03%**
Fee Other Income	1,882	1,375	1,120	1,275	1,680	31.82%	-10.71%
Gross Operating Income	**5,167**	**4,745**	**4,472**	**4,533**	**4,999**	**10.27%**	**-3.24%**
Operating Expense	(2,524)	(2,045)	(1,930)	(2,251)	(2,525)	12.20%	0.07%
PPOP	**2,643**	**2,700**	**2,542**	**2,283**	**2,474**	**8.37%**	**-6.41%**
Provision Expense	(490)	(492)	(492)	(330)	(316)	-4.16%	-35.52%
Operating Profit	**2,153**	**2,208**	**2,050**	**1,953**	**2,158**	**10.49%**	**0.22%**
Non-Operating Income – Net	21	10	192	142	85	-40.07%	297.80%
Profit Before Tax	**2,174**	**2,218**	**2,241**	**2,095**	**2,243**	**7.06%**	**3.16%**
Tax Expense	(479)	(468)	(505)	(378)	(399)	5.50%	-16.64%
Earning After Tax	**1,695**	**1,750**	**1,736**	**1,717**	**1,844**	**7.40%**	**8.75%**
Income for The Year Attributable to NCI	14	25	10	24	39	61.77%	169.98%
Net Income	**1,681**	**1,726**	**1,726**	**1,693**	**1,805**	**6.63%**	**7.37%**

Ratio Consolidated	1Q24	2Q24	3Q24	4Q24	1Q25	%QoQ	%YoY
Profitability & Efficiency							
NIM	**4.20%**	**4.22%**	**4.07%**	**3.88%**	**3.99%**	**0.11**	**(0.21)**
Cost-to-Income Ratio	**44.50%**	**43.30%**	**43.00%**	**46.50%**	**46.03%**	**(0.47)**	**1.53**
ROE	**14.40%**	**15.20%**	**14.30%**	**13.60%**	**13.97%**	**0.37**	**(0.43)**
ROA	**2.60%**	**2.60%**	**2.60%**	**2.30%**	**2.52%**	**0.22**	**(0.08)**
Liquidity							
LDR	**84.20%**	**85.70%**	**84.30%**	**86.30%**	**89.28%**	**2.98**	**5.08**
CASA	**64.60%**	**65.20%**	**66.70%**	**66.00%**	**67.40%**	**1.40**	**2.80**
Asset Quality							
Gross NPL	**2.10%**	**2.10%**	**2.00%**	**1.80%**	**1.85%**	**0.05**	**(0.25)**
Loan Loss Coverage	**257.40%**	**253.10%**	**260.10%**	**270.00%**	**249.70%**	**(20.30)**	**(7.70)**
Cost of Credit	**0.82%**	**0.96%**	**0.99%**	**0.80%**	**0.46%**	**(0.34)**	**(0.36)**
Capital							
CAR	**24.46%**	**22.70%**	**23.44%**	**23.34%**	**24.85%**	**1.51**	**0.39**

Source: Binaartha & Company

Stock Ratings:
Buy: a recommendation to purchase the security with upside potential of 11.00% or greater
Hold: a recommendation to neither buy nor sell a security with upside potential of 5.75%-10.99%.
Sell: a recommendation to close out a long position in a security with upside potential below 5.50% or negative

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