

Investment Consideration

Multiple Headwinds: Non-Interest Income, PSAK 117, and Provisioning

In 1H 2025, BBNI's net profit attributable to the parent declined -5.59% YoY to IDR 10.09 trillion, primarily due to a -2.91% YoY drop in other operating income. The most significant drag was a -37.22% YoY decline in foreign exchange gains. Net insurance and investment income also fell sharply, down -56.39% YoY, due to the implementation of PSAK 117 (aligned with IFRS 17), which defers premium recognition over the policy period. Provision expenses rose +7.88% YoY, reflecting BBNI's cautious risk posture. The bank-only NIM slipped to 3.7% in Q2 2025 and averaged 3.8% in 1H 2025, down from last year due to higher interest expenses (+9.11% YoY in Q2, +7.61% YoY in 1H). We project net profit to grow +6.51% YoY in 2025, reaching IDR 22.86 trillion, with NIM improving slightly to 3.85%, in line with management guidance.

Healthy Loan Growth, Though Below Target

As of June 2025, consolidated gross loans stood at IDR 778.68 trillion, growing +7.11% YoY, slightly below the 8.0–10.0% target. The shortfall was mainly due to an -8.50% decline in the Small segment, driven by reduced KUR disbursement (down -26.7%) amid stricter underwriting and higher repayments. Meanwhile, the Corporate segment showed stable growth, and Consumer loans rose +10.69% YoY, with BBNI prioritizing asset quality. Sustainable financing reached IDR 185.2 trillion, or 24.3% of the bank-only portfolio. We expect total loan growth to reach +8.17% YoY by year-end 2025.

Better Asset Quality

BBNI's bank-only gross NPL improved by 10 bps YoY to 1.9% in 1H 2025, driven by disciplined client selection and portfolio management. However, consumer NPLs rose +50 bps YoY to 2.1%, while corporate NPLs remained low at 1.1%, slightly down from last year. Medium and small segments had the highest NPLs at 3.8%, but improved by 70 bps and 40 bps, respectively. We expect the bank-only gross NPL to decline further to 1.74% by December 2025.

Strong CASA Growth Supported by 'wondr'

BBNI's digital push, including the 'wondr' platform, boosted customer acquisition via mobile banking by +46% YoY, driving CASA growth.

- Current Accounts: +25.07% YoY
- Savings Accounts: +10.54% YoY

As a result, CASA ratio rose +130 bps YoY to 72.00%. We forecast CASA growth of 17.52% in 2025, with the CASA ratio reaching 72.68%.

Valuation: BUY with 16% Upside

Using a multi-stage Dividend Discount Model (DDM), we set a target price of IDR 4,910, implying 1.05x PBV and offering +16% upside. We maintain our BUY recommendation, supported by robust CASA momentum, digital expansion, and improving profitability.

Financial Highlight	2022A	2023A	2024A	2025A
Net Income (IDR Bn)	18,312	20,909	21,464	22,860
NIM	4.81%	4.58%	4.24%	3.85%
EPS (IDR/Share)	982.49	561.23	575.59	613.09
Gross NPL – bank only	2.80%	2.10%	2.00%	1.74%
CAR (Consolidated)	20.57%	23.22%	21.67%	21.99%

August 5th, 2025
 Banking, Equity

Price IDR 4,220
 Target Price IDR 4,910
 JKSE Index IDR 7,515.18



Stock Code BBNI IJ
 Bloomberg code
 Market Cap (IDR Bn) 157,394.7
 52-Week High (IDR) 5,850
 52-Week Low (IDR) 3,610
 Free Float (%) 40.29

Shareholders (%)

PT DANANTARA ASSET MANAGEMENT (PERSERO) 60.00
 Public inc. BOD and BOC 40.00
 Republic Indonesia 0.00

USD/IDR-YE (JISDOR)

2024A 16,157
 2025F 16,228

Key Indicators

Non-Performing Loan(%) 1.74
 Net Interest Margin(%) 3.85

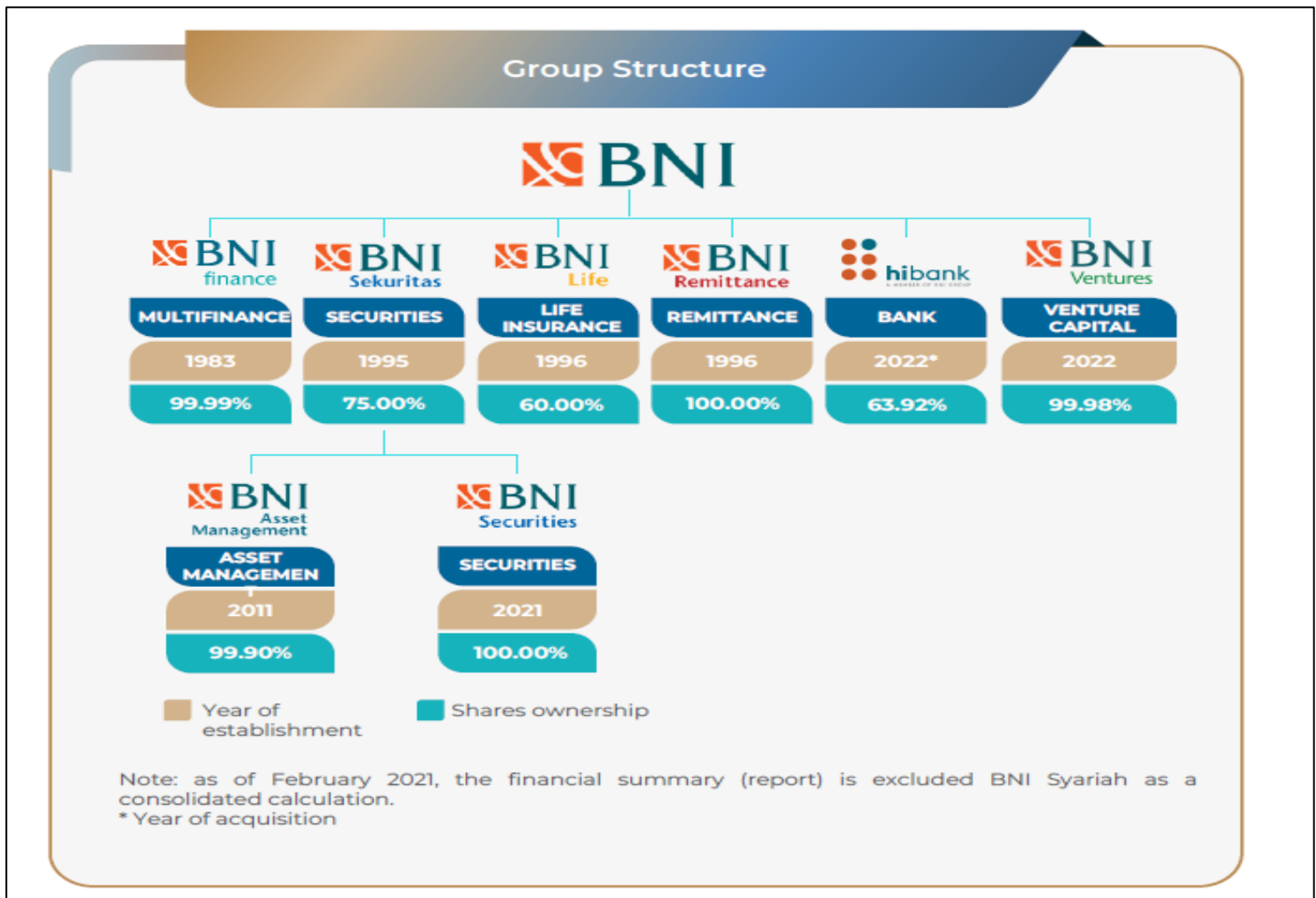
Company Profile

PT Bank Negara Indonesia (Persero) Tbk (BNI) was founded in 1946 as Indonesia’s first central bank before transitioning to a state-owned commercial bank in 1968. It became a limited liability company in 1992 and listed on the IDX in 1996. Today, the government holds a 60% stake, with 40% publicly owned. BNI is Indonesia’s fourth-largest bank, offering a full range of financial services through its subsidiaries:

- BNI Multifinance
- BNI Sekuritas
- BNI Life Insurance
- BNI Ventures
- BNI Remittance
- hibank

BNI serves customers across all life stages, reinforcing its central role in Indonesia’s financial ecosystem.

BNI Group Structure and Subsidiaries Companies



Source: Company

Chart: Gross Loan YoY

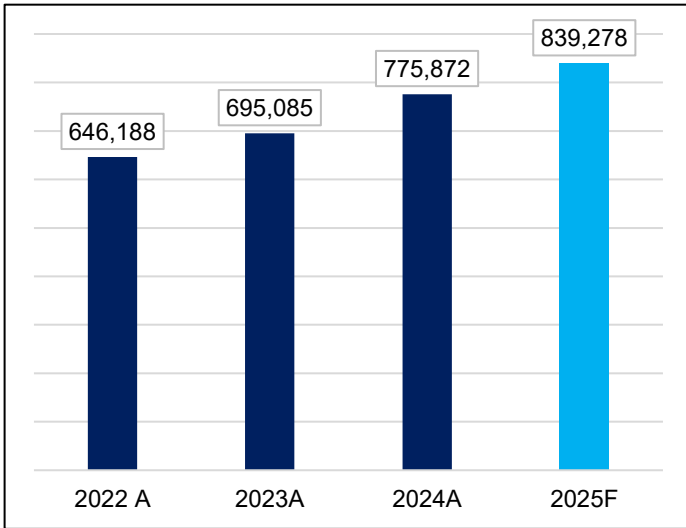


Chart: NPL Ratio – Bank Only (%) YoY

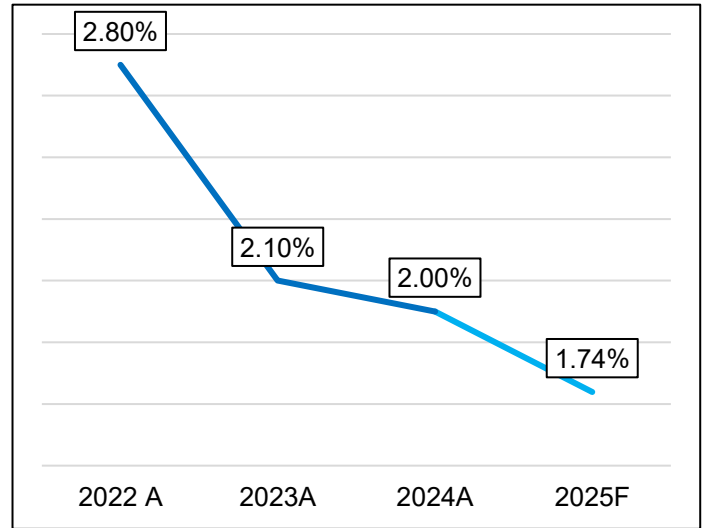


Chart: Profitability YoY

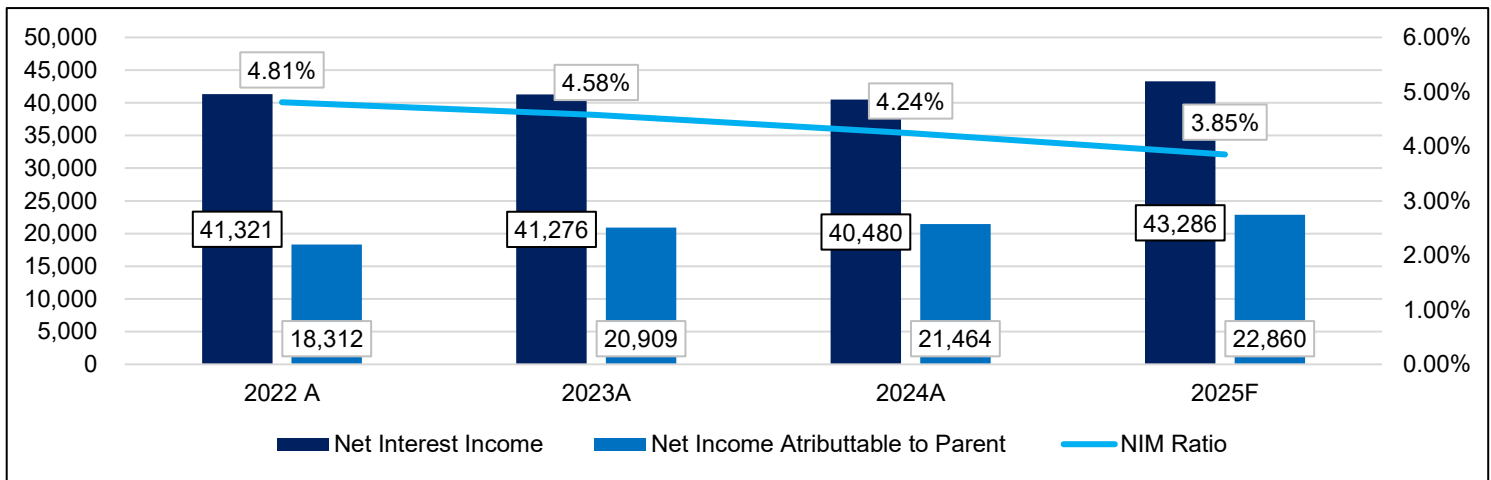


Chart: CASA Ratio (%) YoY

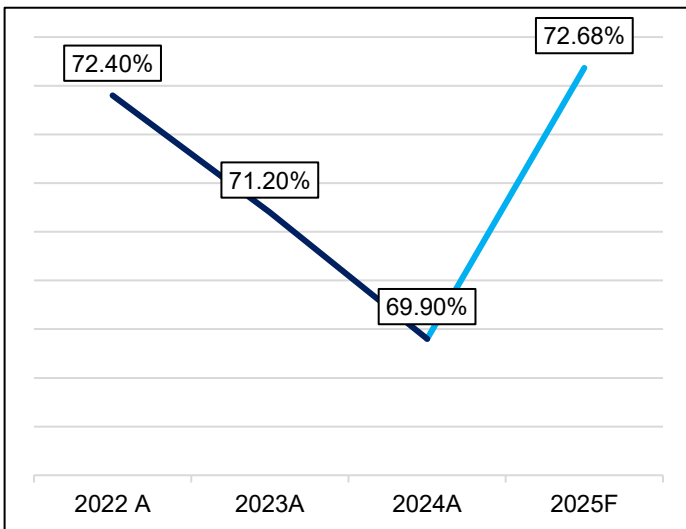


Chart: CAR (%) YoY

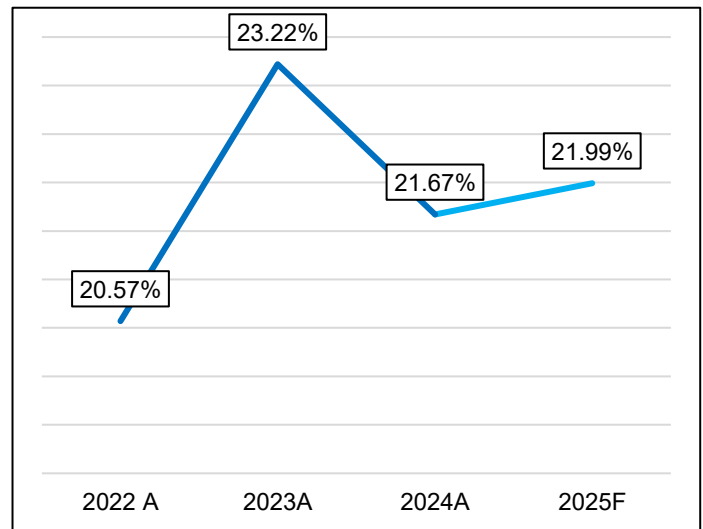


Chart: Net Income (IDR Bn) QoQ

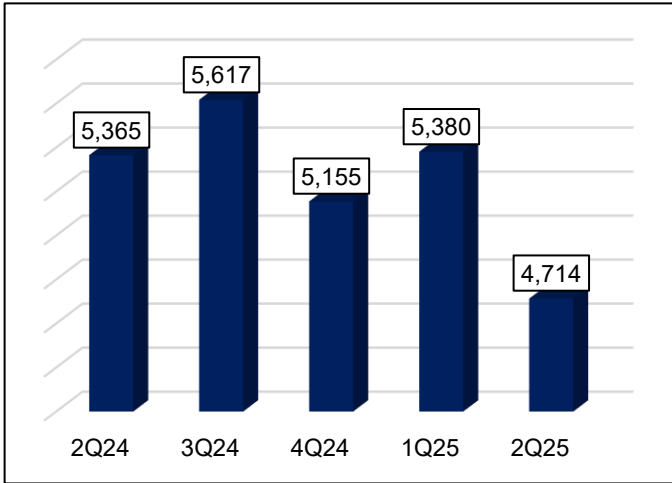


Chart: Gross Loan (IDR Bn) QoQ

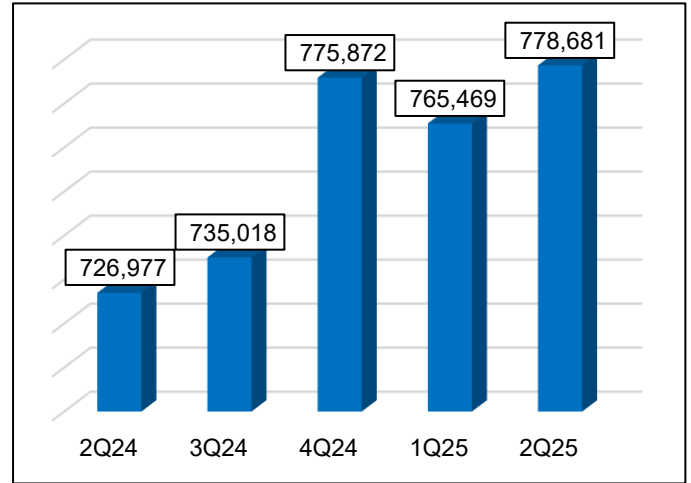


Chart: NPL Ratio (%) QoQ

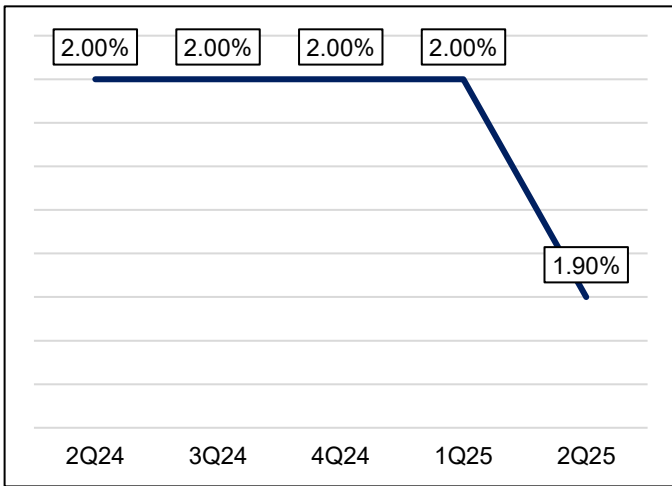
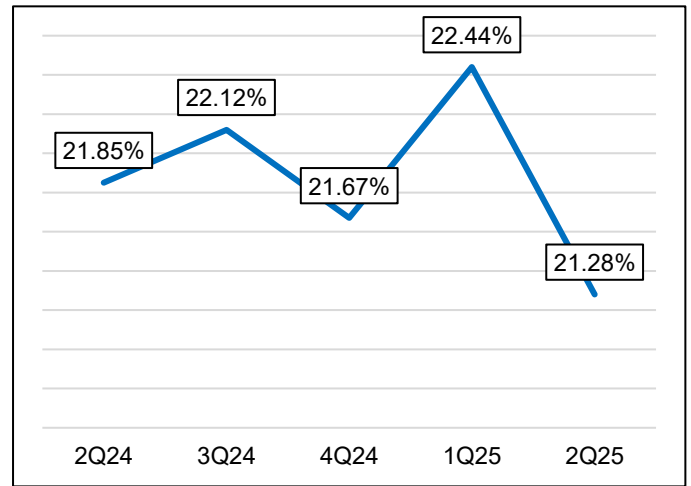


Chart: CAR (%) QoQ



Statements of Financial Position (IDR Bn)

Balance sheet (IDR Bn)	2022A	2023A	2024A	2025F
Cash and CA with BI	96,370	76,464	65,379	52,803
Interbank Placement	51,569	43,794	17,076	66,312
Marketable Securities	28,556	37,165	48,534	46,021
Gross Loan	646,188	695,085	775,872	839,278
Allowance for Loans	(50,334)	(47,158)	(38,685)	(39,211)
Loans-net	595,854	647,927	737,187	800,067
Other Earning Asset	284,953	305,965	272,071	360,597
Non-Earning Asset	52,659	56,309	55,168	66,803
Total Asset	1,029,837	1,086,664	1,129,806	1,280,269
Deposit:				
Current Account	314,625	345,496	305,734	413,208
Saving Account	242,695	231,981	257,544	277,198
Time Deposits	211,949	233,253	242,233	259,478
Other Interest-Bearing Liabilities	70,254	76,614	94,372	91,732
Non-Interest-Bearing Liabilities	50,116	44,587	62,736	60,239
Total Liabilities	889,639	931,931	962,619	1,101,854
Total Shareholder's Equity	140,198	154,733	167,187	178,416

Statements of Profit or Loss (IDR Bn)

Income Statement (IDR Bn)	2020A	2021A	2024A	2025F
Interest Income	56,173	50,026	66,583	71,012
Interest Expense	(19,021)	(11,779)	(26,103)	(27,726)
Net Interest Income	37,152	38,247	40,480	43,286
Other Operating Income	14,884	17,619	24,035	23,450
Operating Income	52,036	55,865	64,515	66,736
Operating Expense	(24,214)	(24,801)	(29,688)	(30,155)
PPOP	27,822	31,064	34,826	36,581
Provision Expense	(22,590)	(18,297)	(8,211)	(8,539)
Operating Profit	5,231	12,767	26,616	28,042
Non-Operating Income	(119)	(216)	(35)	(35)
Profit Before Tax	5,112	12,551	26,580	28,007
Tax Expense	(1,791)	(1,574)	(4,911)	(4,967)
Earning After Tax	3,321	10,977	21,669	23,041
Income for The Year Attributable to - NCI	41	79	206	180
Net Income	3,280	10,899	21,464	22,860
EPS (Rp/Share)	176.06	585.31	575.59	613.09

Ratio Highlights

Ratio Analysis	2022A	2023A	2024A	2025F
Profitability & Efficiency				
NIM	4.81%	4.58%	4.24%	3.85%
Cost-to-Income Ratio	42.60%	42.90%	44.60%	45.19%
ROAE	14.90%	15.20%	14.20%	13.60%
Pre-Tax ROAA	2.50%	2.60%	2.50%	2.32%
BOPO	68.60%	68.40%	70,05%	70.31%
Cost of Credit	1.90%	1.40%	1.10%	1.02%
Liquidity				
LDR	84.20%	85.80%	96.10%	85.02%
CASA (Consolidated)	72.40%	71.20%	69.90%	72.68%
Asset Quality				
Gross NPL	2.80%	2.10%	2.00%	1.74%
Provision Coverage	278.30%	319.00%	255.80%	264.47%
Capital				
CAR (Consolidated)	20.57%	23.22%	21.67%	21.99%
Growth				
Consolidated Loan Growth	10.95%	7.57%	11.62%	8.17%
Deposit Growth	5.50%	5.39%	-0.64%	17.92%
Net Income Growth	68.02%	14.18%	2.65%	6.51%

QoQ Result

Balance Sheet	2Q24	3Q24	4Q24	1Q25	2Q25	%QoQ	%YoY
Loan	726,977	735,018	775,872	765,469	778,681	1.73%	7.11%
Loan Loss Reserves	(42,503)	(40,820)	(38,685)	(39,065)	(36,556)	-6.42%	13.99%
NPL	14,302	14,042	14,928	14,452	14,668	1.49%	3.25%
Deposit							
Demand	305,133	302,260	305,734	319,983	381,639	19.27%	25.07%
Savings	240,558	238,934	257,544	257,824	265,915	3.14%	10.54%
Time Deposit	226,628	228,545	242,233	241,774	252,311	4.36%	11.33%
Total Asset	1,072,454	1,068,080	1,129,806	1,146,583	1,201,653	4.80%	12.05%
Shareholder Equity	149,470	157,396	162,458	168,281	160,369	-4.70%	7.29%
Income Statement	2Q24	3Q24	4Q24	1Q25	2Q25	%QoQ	%YoY
Interest Income	16,298	16,663	17,747	16,713	16,901	1.12%	3.70%
Interest Expense	(6,617)	(6,296)	(6,705)	(6,879)	(7,220)	-4.96%	-9.11%
Net Interest Income	9,681	10,367	11,042	9,834	9,681	-1.56%	0.00%
Other Operating Income	5,485	5,913	7,198	5,414	5,192	-4.09%	-5.33%
Operating Expense	(6,905)	(7,434)	(8,700)	(6,937)	(7,028)	1.31%	1.78%
PPOP	8,261	8,845	9,540	8,312	7,846	-5.60%	-5.02%
Provision Expense	(1,767)	(1,878)	(2,822)	(1,760)	(2,027)	15.19%	14.73%
Operating Profit	6,494	6,967	6,718	6,552	5,819	-11.18%	-10.40%
Non-Operating Income	(0)	(33)	(3)	(33)	(21)	37.18%	-9482.49%
Profit Before Tax	6,494	6,934	6,715	6,519	5,798	-11.05%	-10.72%
Tax Expense	(1,083)	(1,264)	(1,479)	(1,106)	(1,045)	-5.48%	-3.48%
Earning After Tax	5,411	5,670	5,236	5,413	4,753	-12.19%	-12.16%
Income for The Year Attributable to - NCI	46	53	81	32	40	21.70%	-14.25%
Net Income	5,365	5,617	5,155	5,380	4,714	-12.39%	-12.15%
EPS (Rp/Share)	144	151	138	144.26	126.38	-12.39%	-12.18%
Ratio	2Q24	3Q24	4Q24	1Q25	2Q25	%QoQ	%YoY
Profitability & Efficiency							
NIM	4.00%	4.40%	4.50%	3.90%	3.70%	(0.20)	(0.30)
Cost of Funds	2.70%	2.60%	2.70%	2.75%	2.81%	0.06	0.09
Pre-Tax ROAA	2.40%	2.70%	2.40%	2.40%	2.10%	(0.30)	(0.30)
ROE	14.70%	14.90%	12.90%	13.30%	12.30%	(1.00)	(2.40)
Liquidity							
LDR	94.00%	95.30%	96.10%	93.10%	86.20%	(6.90)	(7.80)
CASA (Consolidated)	70.70%	70.30%	69.90%	70.50%	72.00%	1.50	1.30
Asset Quality							
Gross NPL	2.00%	2.00%	2.00%	2.00%	1.90%	(0.10)	(0.10)
Coverage Ratio	298.20%	284.20%	255.80%	263.10%	243.40%	(19.70)	(54.80)
Capital							
CAR (Consolidated)	21.85%	22.12%	21.67%	22.44%	21.28%	(1.16)	(0.57)

Stock Ratings:

Buy: a recommendation to purchase the security with upside potential of 11.50% or greater

Hold: a recommendation to neither buy nor sell a security with upside potential of 5.25%-11.49%.

Sell: a recommendation to close out a long position in a security with upside potential below 5.25% or negative.

RESEARCH TEAM
(62-21) 520-6678 ext.612

Disclaimer: PT Binaartha Sekuritas has compiled this report in good faith, using information believed to be reliable. PT Binaartha and its analyst take no responsibility for the accuracy of the information contained in this report. This report has been produced for distribution to clients of PT Binaartha Sekuritas only. This report is not an invitation to buy or sell any security. PT Binaartha Sekuritas may have used the information in this report prior to publication. The company or its clients may have positions in or may from time to time buy or sell the securities mentioned in this report or other related securities.