

Not Rated

Last Price (Rp)	4,170
Target Price (Rp)	n/a
Upside/Downside	n/a
No. of Shares (mn)	151,559
Mkt Cap (Rpbn/US\$mn)	632,001/38,785
Avg, Daily T/O (Rpbn/US\$mn)	949.2/58.3

Key Financials:

	2022A	2023A	2024A
EPS (Rp)	337.6	396.5	396.9
PER (x)	12.4	10.5	10.5
PBV (x)	2.1	2.0	2.0
CoE (x)	9.8	11.2	11.1
Div. yield (%)	6.9	7.6	8.2
ROAE (%)	17.4	19.7	19.1

Bank Rakyat Indonesia (BBRI IJ)

Jul25 Bank-Only Earnings: NIM Pressure and Lower Recovery Offset Lower Opex and CoC (In Line)

- BBRI reported net profit of Rp3.8tr (-38% mom, +20% yoy) in Jul25, dragged by NIM compression despite CoC easing below 3%.
- BBRI's net profit reached Rp28.6tr (-9% yoy) in 7M25, 50% of cons. ests., remaining in line given the prospect of strong subsidiary contribution.
- We view the Jul25 results as neutral, as NIM pressure and lower recovery offset the positives from lower opex and improved CoC.

Jul25 Insights:

- **Soft earnings on pressured NIM:** Net profit came in at Rp3.8tr (-38% mom, +20% yoy), dragged by NIM compression despite CoC dropping below 3%.
- **NIM pressure from lower asset yields:** NIM declined to 6.4% (-33bps yoy) as EA yield fell to 9.6% (-30bps yoy), while CoF stayed flat at 3.4%.
- **CoC improved but write-offs stayed high:** CoC dropped to 2.8% (-37bps mom, -94bps yoy), though monthly net write-offs remained high at Rp3.1tr.
- **Other income weakness offset opex savings:** Other operating income fell 23% yoy, likely due to lower recovery income, offsetting the 3% mom / 28% yoy drop in opex.
- **Efficiency gains:** Opex dropped to Rp5.1tr (-17% yoy), lowering CIR to 40.4% (Jul24: 44.9%).
- **Stable Liquidity:** LDR rose slightly to 87% as deposits fell 1% mom while loans remained flat.

7M25 Insights:

- **Earnings decline narrowed:** Net profit reached Rp28.6tr (-9% yoy; vs. -12% in 1H25), achieving 50% of consensus FY25F (7M24: 52%). We believe this is still in line due to the potentially higher contribution from subsidiaries in FY25.
- **PPOP decline amid controlled CoC:** PPOP fell 4% yoy on higher opex (+10%) and softer other income (-1%), lifting CIR to 37.6% (7M24: 34.4%).
- **NIM and CoC steady:** NIM held at 6.7%, as a 9bps drop in EA yield was offset by a 9% lower CoF. CoC was steady at 3.3% yoy.
- **Healthy liquidity:** Loans and deposits both grew 5% yoy, keeping LDR stable at 87%.

Summary:

- **Overall performance:** We view BBRI's Jul25 results as Neutral. NIM pressure and lower recovery income tempered the benefits from lower opex and improved CoC, while elevated write-offs remain a concern.

BRI Danareksa Sekuritas Analysts

Victor Stefano

(62-21) 5091 4100 ext. 3503
victor.stefano@brids.co.id

Naura Reyhan Muchlis

(62-21) 5091 4100 ext. 3507
naura.muchlis@brids.co.id

Exhibit 1. BBRI Jul25 bank-only results

BBRI - Bank Only (Rpbn)	Jul-24	Jun-25	Jul-25	mom, %	yoy, %	7M24	7M25	yoy, %	FY24	7M24/FY24	FY25C	7M25/FY25C
Interest income	13,582	15,035	13,731	-9%	1%	94,608	95,580	1%	162,229	58%	203,267	47%
Interest expense	(4,301)	(4,360)	(4,522)	4%	5%	(30,237)	(30,211)	0%	(51,180)	59%	(58,091)	52%
Net interest income	9,282	10,675	9,209	-14%	-1%	64,370	65,369	2%	111,049	58%	145,176	45%
Other operating income	4,587	7,334	3,512	-52%	-23%	30,950	30,598	-1%	53,511	58%	63,382	48%
Operating expenses	(6,221)	(6,970)	(5,145)	-26%	-17%	(32,817)	(36,058)	10%	(57,660)	57%		
PPOP	7,648	11,039	7,577	-31%	-1%	62,503	59,909	-4%	106,900	58%		
Provision	(3,762)	(3,351)	(2,961)	-12%	-21%	(23,023)	(24,042)	4%	(36,733)	63%	(45,115)	53%
Pre-tax profit	3,890	7,664	4,591	-40%	18%	39,372	35,568	-10%	69,110	57%	72,653	49%
Net profit	3,171	6,149	3,793	-38%	20%	31,419	28,588	-9%	54,841	57%	56,842	50%
										YTD, %		
Loans	1,203,851	1,262,330	1,267,123	0%	5%	1,203,851	1,267,123	5%	1,215,847	4%	1,387,430	91%
Customer deposits	1,383,057	1,476,030	1,457,000	-1%	5%	1,383,057	1,457,000	5%	1,360,134	7%	1,472,029	99%
Key Ratio				mom, bps	yoy, bps			yoy, bps		7M25 vs FY24, bps		
Earning Asset yield (%) - ann	9.9	10.6	9.6	↓ (97)	↓ (30)	9.9	9.8	↓ (9)	9.9	↓ (13)		
Cost of fund (%) - ann	3.5	3.3	3.4	↓ 11	↓ (3)	3.5	3.4	↓ (9)	3.4	↓ (7)		
NIM (%) - ann	6.8	7.5	6.4	↓ (107)	↓ (33)	6.7	6.7	↓ (3)	6.8	↓ (9)		
CIR (%) - ann	44.9	38.7	40.4	↓ 174	↓ (442)	34.4	37.6	↓ 315	35.0	↓ 253		
Cost of credit (%) - ann	3.7	3.2	2.8	↓ (37)	↓ (94)	3.3	3.3	↓ (1)	3.1	↓ 25		
CASA Ratio (%)	63.4	65.7	65.7	↓ 3	↓ 238	63.4	65.7	↓ 238	67.5	↓ (179)		
LDR (%)	87.0	85.5	87.0	↓ 145	↓ (7)	87.0	87.0	↓ (7)	89.4	↓ (242)		

Source: Company, BRIDS Estimates, Bloomberg

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Telco, Technology	erindra.krisnawan@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Ismail Fakhri Suweleh	Healthcare, Property, Cement, Tollroad	ismail.suweleh@brids.co.id
Christy Halim	Consumer, Retailers	christy.halim@brids.co.id
Kafi Ananta Azhari	Research Associate, Co-coverage (Telco, Technology)	kafi.azhari@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Naura Reyhan Muchlis	Research Associate	naura.muchlis@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Dr. Telisa Aulia Falianty	Senior Advisor	telisa.falianty@brids.co.id
Kefas Sidauruk	Economist	kefas.sidauruk@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Yofi Lasini	Head of Institutional Sales and Dealing	yofi.lasini@brids.co.id
Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrlicch Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Jason Joseph	Institutional Sales Associate	jason.joseph@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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