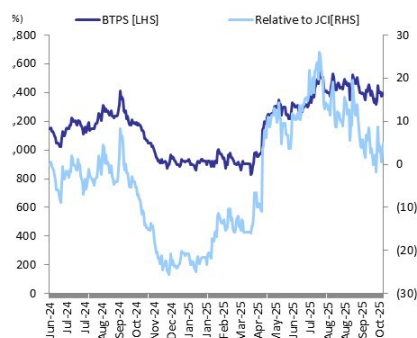


Hold

(Maintained)

Last Price (Rp)	1,400
Target Price (Rp)	1,500
Previous Target Price (Rp)	1,500
Upside/Downside	+7.1%
No. of Shares (mn)	7,7004
Mkt Cap (Rpbn/US\$mn)	10,785/650
Avg, Daily T/O (Rpbn/US\$mn)	19.3/1.2
Free Float (%)	30.0
Major Shareholder (%)	
PT. BTPN Tbk.	70.0
EPS Consensus (Rp)	
	2025F 2026F 2027F
BRIDS	163.7 185.5 198.5
Consensus	170.0 194.6 217.6
BRIDS/Cons (%)	(3.7) (4.7) (8.8)

BTPS relative to JCI Index



Source: Bloomberg

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Bank BTPN Syariah (BTPS IJ)

3Q25 Earnings Beat; Lower-than-expected CoC amid one-off provision in subsidiary's investment

- BTPS booked 3Q25 net profit of Rp302bn (-9% qoq, +38% yoy) bringing its 9M25 NP to Rp945bn (+23% yoy), above ours and in line with cons.
- CoC rose to 8.5% in 3Q25 as the bank was proactively provisioning for its start-up investment; excluding this, COC would have been flat qoq.
- We adjusted our FY25-27F net profit est. by 5.4-7.2%, but maintain our Hold rating with a TP of Rp1,500, as we view the stock as fairly valued.

9M25: Better-than-expected CoC drive earnings above estimate

In 9M25, BTPS recorded Rp945bn net profit (+23% yoy), above our estimate (79% of FY25F) but in line with consensus (75% of FY25F). The outperformance was mainly driven by a lower CoC of 8.2%, below our FY25F assumption of 9.2% (FY24: 12.5%), which cushioned a 12% yoy decline in PPOP. PPOP weakness reflected a 3% yoy drop in NII and 6% higher opex, pushing CIR up to 48.6% (from 44.2% in 9M24). The loan book contracted 3% qoq to Rp9.9tr, reversing Aug25's growth, as high run-offs followed heavy disbursements made last year. Coverage remained strong at 300%, though it could normalize to ~250% if the subsidiary's start-up turns non-performing.

3Q25: Down qoq on one-off provisions and higher opex

BTPS posted a resilient 3Q25 performance with net profit of Rp302bn, down 9% qoq due to higher costs but up 38% yoy on lower CoC. Opex rose 4% qoq, while CoC increased to 8.5% from 7.7%, mainly driven by one-off provisioning related to start-up investment of Rp54bn. NIM remained steady at around 24%, reflecting stable loan yields despite the smaller book. Loan balance declined 3% qoq to Rp9.9tr, while deposits grew 2%, bringing LDR down to 85%. Asset quality improved as NPL and LaR fell to 2.9% and 5.0%, respectively, with net write-offs steady at Rp215bn.

Outlook: Robust asset quality with better NIM and loan growth

Management guided for flattish loan growth in 4Q25. NIM is expected to improve next year, driven by the absence of the one-off program and by easing CoF. Treasury yield softness may partially offset this margin gain, but overall profitability should benefit from normalized provisions. We adjusted our net profit estimates by +5.4%/+7.5%/+7.2% for FY25F/26F/27F as we lowered our CoC forecasts to 8.2%/7.6%/7.4% (vs. 9.0%/8.8%/8.6% prev.).

Maintain Hold rating with an unchanged TP of Rp1,500

Despite raising our estimate, hence FY25F ROE increasing to 13.0% (12.3% prev.), we maintain our TP at Rp1,500 as updated 2-year avg. CoE is down to 11.9% (11.1% prev.). We maintain our HOLD call as the improving asset quality issue has been priced in. The key risk to our view is lower-than-expected CoC and higher-than-expected loan growth.

Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
PPOP (Rpbn)	3,277	2,710	2,471	2,654	2,803
Net profit (Rpbn)	1,081	1,061	1,261	1,429	1,529
EPS (Rp)	140.3	137.7	163.7	185.5	198.5
EPS growth (%)	(39.3)	(1.8)	18.9	13.3	7.1
BVPS (Rp)	1,138.9	1,209.0	1,315.9	1,436.5	1,565.7
PER (x)	10.0	10.2	8.6	7.5	7.1
PBV (x)	1.2	1.2	1.1	1.0	0.9
Dividend yield (%)	5.0	2.5	2.9	3.3	3.6
ROAE (%)	12.6	11.7	13.0	13.5	13.2

Source: BTPS, BRIDS Estimates

Exhibit 1. BTPS's 3Q25 earnings summary

BTPS - Financials (Rpbn)	3Q24	2Q25	3Q25	qoq, %	yoy, %	9M24	9M25	yoy, %	FY25F	FY25C	A/F	A/C
Interest income	1,330	1,307	1,320	1%	-1%	4,067	3,924	-4%	5,186	5,365	76%	73%
Interest expense	127	122	123	0%	-3%	383	367	-4%	473	479	78%	77%
Net interest income	1,204	1,185	1,197	1%	-1%	3,685	3,557	-3%	4,713	4,887	75%	73%
Other operating income	16	13	8	-40%	-51%	56	36	-36%	48		74%	n/a
Operating expenses	557	574	596	4%	7%	1,653	1,745	6%	2,290	2,386	76%	73%
PPOP	663	624	609	-2%	-8%	2,088	1,848	-12%	2,471		75%	n/a
Provision	386	200	213	7%	-45%	1,108	631	-43%	937	875	67%	72%
Operating Profit	278	425	396	-7%	43%	979	1,217	24%	1,534	1,669	79%	73%
Net profit	218	333	302	-9%	38%	771	945	23%	1,197	1,266	79%	75%
Loans	10,454	10,254	9,899	-3%	-5%	10,454	9,899	-5%	10,566	10,566	94%	94%
Customer deposits	11,838	11,461	11,640	2%	-2%	11,838	11,640	-2%	11,959	12,058	97%	97%
Key Ratio												
				qoq, bps	yoy, bps			yoy, bps				
Financing yield (%) - ann	45.1	44.8	46.1	↑ 131	↑ 100	44.6	45.2	↑ 65				
Cost of fund (%) - ann	4.3	4.2	4.2	→ 1	→ (4)	4.3	4.2	→ (8)				
NIM (%)	24.2	24.0	24.1	↑ 11	↓ (17)	24.5	23.9	↓ (54)				
CIR (%) - ann	45.6	47.9	49.5	↓ 156	↓ 384	44.2	48.6	↓ 438				
Cost of credit (%) - ann	14.7	7.7	8.5	↓ 72	↑ (621)	13.6	8.2	↑ (530)				
ROE (%) - ann	9.8	13.8	12.3	↓ (154)	↑ 243	11.7	13.1	↑ 133				
CASA ratio (%)	25.6	26.5	27.6	↑ 117	↑ 204							
LDR (%)	88.3	89.5	85.0	↑ (443)	↑ (326)							
NPL ratio (%)	3.6	3.1	2.9	↑ (21)	↑ (67)							
NPL coverage (%)	260.8	276.7	299.7	↑ 2,307	↑ 3,897							
LaR ratio (%)	7.7	5.3	5.0	↑ (30)	↑ (271)							
LaR coverage (%)	121.1	163.4	175.0	↑ 1,159	↑ 5,396							

Source: Company, BRIDS Estimates, Bloomberg

Exhibit 2. BTPS's Changes in Forecast

BTPS - Forecast Changes	2025F (Prev)	2025F (Curr)	Δ%	2025F (Prev)	2026F (Curr)	Δ%	2027F (Prev)	2027F (Curr)	Δ%
Net Interest Income (Rpbn)	4,713	4,713	-	5,029	5,029	-	5,281	5,281	-
PPOP (Rpbn)	2,471	2,471	-	2,654	2,654	-	2,803	2,803	-
Net profit (Rpbn)	1,197	1,261	5.36	1,329	1,429	7.51	1,427	1,529	7.16
BVPS (Rp)	1,311	1,316	0.41	1,423	1,436	0.97	1,543	1,566	1.46
Gross Loans (Rpbn)	10,566	10,566	-	11,068	11,068	-	11,595	11,595	-
Customer Deposits (Rpbn)	11,959	11,959	-	12,557	12,557	-	13,185	13,185	-
Ratios (%)	2025F (Prev)	2025F (Curr)	Δ bps	2025F (Prev)	2026F (Curr)	Δ bps	2027F (Prev)	2027F (Curr)	Δ bps
Net Interest Margin	23.6	23.6	-	24.2	24.2	-	24.2	24.2	-
Gross NPL Ratio	3.6	3.6	-	3.4	3.4	-	3.2	3.2	-
Cost/Income Ratio	48.1	48.1	-	47.8	47.8	-	47.5	47.5	-
Cost of Credit	9.0	8.2	(79)	8.8	7.6	(118)	8.6	7.4	(116)
ROAE	12.3	13.0	63	12.6	13.5	85	12.5	13.2	73

Source: Company, BRIDS Estimates

Exhibit 3. BTPS's Valuation

Gordon Growth Valuation with Inverse Cost of Equity	
Parameters:	Remarks:
Cost of equity (%) - Mean	11.9 2-year avg
Cost of equity (%) - SD	2.0
SD used	
Cost of equity (%) used	11.9
Long-term growth (%)	3.0 Long-term GDP growth
Forward ROE (%)	13.0 FY25F ROAE
Fair value P/BV (x)	1.1 (ROAE - g) / (COC - g)
BV/share (IDR)	1,316 FY25F Book value per share
Fair value (IDR)	1,500 Fair value P/BV multiple x BVPS

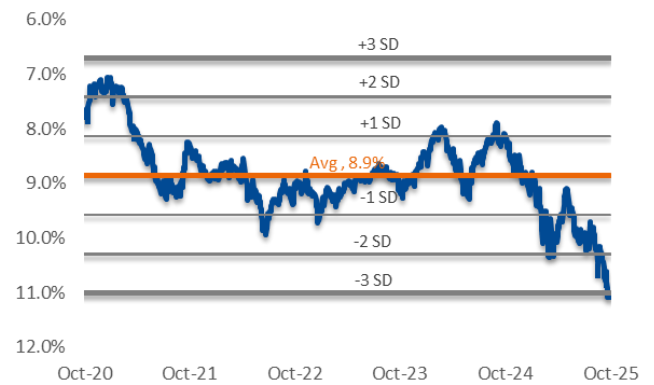
Source: Company, BRIDS Estimates

Exhibit 4. BTPS's cost of equity band chart (2-year)



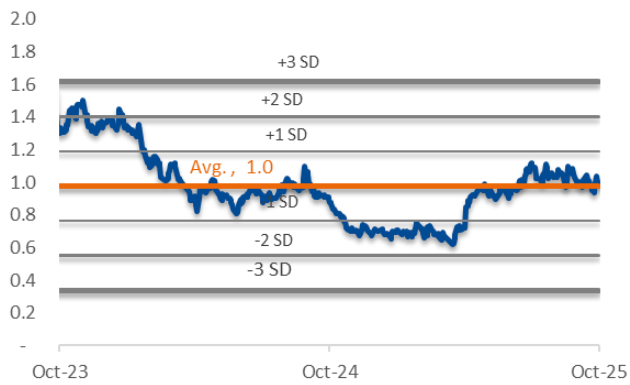
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 5. Sector's cost of equity band chart (5-year)



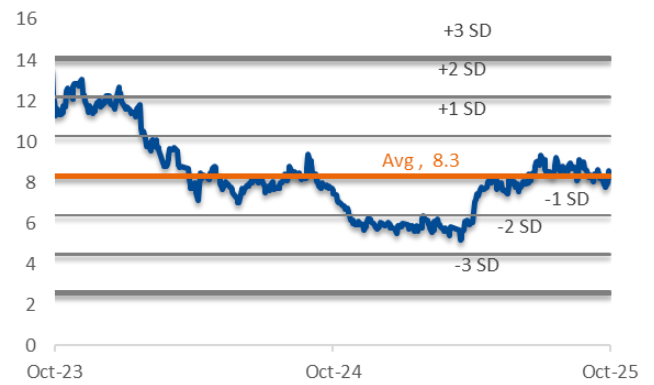
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 6. BTPS's P/BV band chart (2-year)



Source: Company, Bloomberg, BRIDS Estimates

Exhibit 7. BTPS's P/E band chart (2-year)



Source: Company, Bloomberg, BRIDS Estimates

Exhibit 8. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Interest Income	5,746	5,398	5,186	5,519	5,795
Interest Expense	(486)	(504)	(473)	(490)	(514)
Net Interest Income	5,260	4,894	4,713	5,029	5,281
Non-Interest Income (NII)	61	44	48	53	58
Oper. Income	5,321	4,938	4,761	5,082	5,339
Oper. Expenses	(2,044)	(2,228)	(2,290)	(2,429)	(2,536)
Pre-provisions profit	3,277	2,710	2,471	2,654	2,803
Provisions & Allowances	(1,898)	(1,360)	(855)	(823)	(842)
Operating Profits	1,379	1,351	1,616	1,831	1,961
Non-Operating Income	1	3	1	1	0
Exceptionals	0	0	0	0	0
Pre-tax Profit	1,380	1,353	1,617	1,832	1,961
Income Tax	(299)	(292)	(356)	(403)	(431)
Minorities	0	0	0	0	0
Net Profit	1,081	1,061	1,261	1,429	1,529

Exhibit 9. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Gross Loans	11,553	10,274	10,566	11,068	11,595
Provisions	(1,214)	(924)	(884)	(864)	(846)
Net Loans	10,339	9,350	9,682	10,204	10,749
Govt. Bonds	0	0	0	0	0
Securities	8,647	9,049	9,502	9,977	10,476
Other Earnings Assets	0	0	0	0	0
Total Earnings Assets	20,444	19,575	20,320	21,298	22,324
Fixed Assets	1,082	1,109	1,188	1,274	1,357
Non-Earnings Assets	294	273	379	436	543
Total Assets	21,435	21,748	22,586	24,139	25,788
Customer Deposits	12,143	11,724	11,959	12,557	13,185
Banks Deposits	0	0	0	0	0
Int. Bearing Liab. - Others	0	0	0	0	0
Total Liabilities	12,658	12,431	12,448	13,073	13,729
Share capital & Reserves	1,638	1,647	1,651	1,651	1,652
Retained Earnings	7,136	7,667	8,487	9,415	10,410
Shareholders' Funds	8,774	9,314	10,137	11,066	12,061
Minority interests	3	3	0	0	0
Total Equity & Liabilities	21,435	21,748	22,586	24,139	25,790

Exhibit 10. Key Ratios

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Yield on Earning Assets	28.7	27.0	26.0	26.5	26.6
Cost of funds	4.0	4.2	4.0	4.0	4.0
Interest Spread	24.7	22.8	22.0	22.5	22.6
Net Interest Margin	26.3	24.5	23.6	24.2	24.2
Cost/Income Ratio	38.4	45.1	48.1	47.8	47.5
Oper. Exp./Oper. Gross Inc.	76.3	75.2	69.1	67.1	66.5
Gross NPL Ratio	2.9	3.9	3.6	3.4	3.2
LLP/Gross NPL	363.2	242.3	242.2	242.1	242.1
Cost of Credit	16.3	12.5	8.2	7.6	7.4
Loan to Deposit Ratio	95.1	87.6	88.4	88.1	87.9
Loan to Funding Ratio	95.1	86.2	88.4	88.1	87.9
CASA Mix	25.6	26.5	26.5	26.5	26.5
ROAE	12.6	11.7	13.0	13.5	13.2
ROAA	5.1	4.9	5.7	6.1	6.1
CAR	56.6	48.6	43.3	44.8	46.4

Exhibit 11. Dupont and Growth

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Dupont					
Pre-Tax ROAA	6.5	6.3	7.3	7.8	7.9
Tax Retention rate	78.3	78.4	78.0	78.0	78.0
Post-Tax ROAA	5.1	4.9	5.7	6.1	6.1
Goodwil, Assoc& Min	0.0	0.0	0.0	0.0	0.0
Leverage	2.5	2.4	2.3	2.2	2.2
ROAE	12.6	11.7	13.0	13.5	13.2
Growth (%)					
Interest income	6.9	(6.1)	(3.9)	6.4	5.0
Net Interest Income	4.6	(6.9)	(3.7)	6.7	5.0
Other Oper. Expenses	9.3	9.0	2.8	6.1	4.4
Fee Based Income	0.0	0.0	0.0	0.0	0.0
Pre-Provision Oper. Profit	1.6	(17.3)	(8.8)	7.4	5.6
Net Profit	(39.3)	(1.8)	18.9	13.3	7.1
Shareholders' Equity	4.4	6.1	8.8	9.2	9.0
Loan	(1.0)	(11.1)	2.8	4.7	4.8
Earnings Asset	4.4	(4.3)	3.8	4.8	4.8
Deposit	0.8	(3.4)	2.0	5.0	5.0
Int. Bearing Liab.	(0.1)	(1.8)	0.1	5.0	5.0
CASA	4.8	(0.3)	2.0	5.0	5.0
Total Asset	1.3	1.5	3.9	6.9	6.8

Source: BTPS, BRIDS Estimates

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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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