Buy

(Maintained)

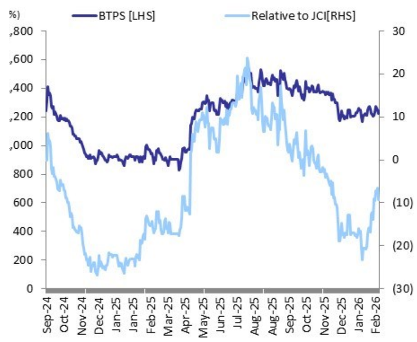
Tactical (3M): N

Last Price (Rp)	1,225
Target Price (Rp)	1,400
Previous Target Price (Rp)	▼ *1,600*
Upside/Downside	+14.3%
No. of Shares (mn)	7,704
Mkt Cap (Rpbn/US$mn)	9,553/569
Avg, Daily T/O (Rpbn/US$mn)	13.8/0.8
Free Float (%)	30.0
Major Shareholder (%)	
PT. BTPN Tbk.	70.0

EPS Consensus (Rp)

	2026F	2027F	2028F
BRIDS	175.6	189.7	204.7
Consensus	192.1	215.9	n/a
BRIDS/Cons (%)	**(8.6)**	**(12.1)**	**n/a**

BTPS relative to JCI Index



Source: Bloomberg

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FY25 Results: Missing Estimates on Elevated CoC Due to One-off

- **BTPS posted 4Q25 net profit of Rp255bn, bringing FY25 NP to Rp1.2tr (+13% yoy), below our/cons ests. on higher opex and 4Q25 CoC.**
- **Mgmt guides for positive loan growth in FY26F and net profit to grow in high single digit, supported by lower CoC despite a higher CIR.**
- **Maintain a Buy rating with a lower TP of Rp1,400 based on 2-year avg. CoE of 12.9% and FY26F RoE of 13.2%, implying FV PBV of 1.0x.**

Below-expectation FY25 on higher opex and credit costs

BTPS booked FY25 net profit of Rp1.2tr (+13% yoy), below our and consensus estimates (95/ 96% of FY25F) due to higher opex and higher 4Q25 CoC. In FY25, CoC improved to 8.6% (8.1% excluding start-up provisions) from 12.6% in FY24, reflecting better BAU asset quality. NIM declined 85bps to 23.7% as LDR fell by ~200bps despite stable EA yield and CoF. PPOP dropped 11% yoy, driven by lower NII and higher opex, with CIR rising ~400bps to ~49%. NPL improved to 2.6% with 328% coverage, but LaR increased to 7.1% due to ~Rp300bn of restructured loans related to the Sumatera flooding impact.

Weaker 4Q25 on provisioning and restructuring impact

BTPS posted net profit of Rp255bn in 4Q25 (-15% qoq, -12% yoy), mainly due to provisions for the Sumatera impact and start-up investment. Excluding these, CoC would have been 5.1% versus the reported 9.7%, with part of 9M25 buffers utilized. NIM fell to 23.0% as EA yield weakened, driven by Rp302bn of restructured loans in Sumatera. Management expects ~40% of this portfolio to be resolved within three months and the remainder within 12 months, implying yield pressure into 1Q26. NPL improved to 2.6%, while LaR rose to 7.1% and write-offs declined to Rp189bn.

FY26 guidance points to gradual normalization

Management guides for a positive loan growth, supported by the launch of a soft-collateral product in 2H26. Net profit is expected to grow in the high single digits, driven by lower CoC despite slightly higher CIR. Fee-based income is projected to increase through Sukuk, bancassurance, and cash waqf deposits. Liquid assets will be allocated into NBFI financing to enhance yields with manageable CoC. Overall, easing one-offs and improving BAU asset quality should support a more normalized earnings profile in FY26.

Maintain BUY rating with a lower TP of Rp1,400

We maintain our Buy rating and a lower TP of Rp1,400 (from Rp1,600 prev.) based on 2-year avg. CoE of 12.9% and FY26F RoE of 13.2%, implying an FV PBV of 1.0x, post tweaking FY26/27F by -2/0%. Risks to our view is deteriorating asset quality. **Tactical (3M) view: N**. Short-term risk on restructured loan to fall into non-performing loan.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
PPOP (Rpbn)	2,741	2,443	2,443	2,593	2,753
Net profit (Rpbn)	1,061	1,201	1,353	1,461	1,577
EPS (Rp)	137.7	155.9	175.6	189.7	204.7
EPS growth (%)	(1.8)	13.2	12.7	8.0	7.9
BVPS (Rp)	1,209.0	1,292.8	1,374.8	1,459.2	1,550.2
PER (x)	8.9	7.9	7.0	6.5	6.0
PBV (x)	1.0	1.0	0.9	0.8	0.8
Dividend yield (%)	2.8	7.6	8.6	9.3	10.0
ROAE (%)	11.7	12.5	13.2	13.4	13.6

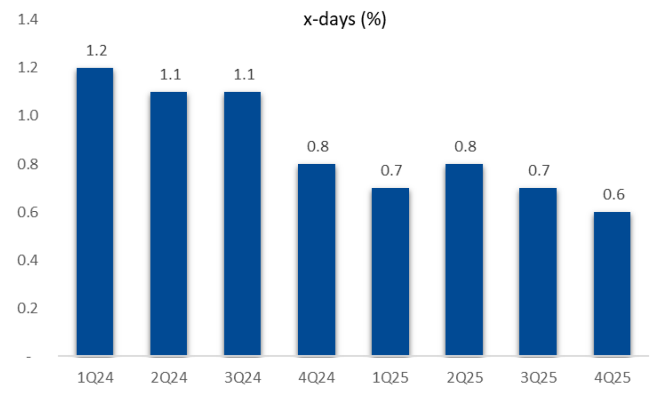
Source: BTPS, BRIDS Estimates

Exhibit 1. BTPS FY25 results

BTPS - Financials (Rpbn)	4Q24	3Q25	4Q25	qoq, %	yoy, %	2024	2025	yoy, %	FY25F	FY25C	A/F	A/C
Interest income	1,331	1,320	1,295	*-2%*	*-3%*	5,398	5,219	*-3%*	5,228	5,268	*100%*	*99%*
Interest expense	122	123	122	*-1%*	*0%*	504	489	*-3%*	497	493	*98%*	*99%*
Net interest income	1,210	1,197	1,174	*-2%*	*-3%*	4,894	4,730	*-3%*	4,732	4,775	*100%*	*99%*
Other operating income	18	8	6	*-27%*	*-69%*	75	42	*-44%*	48		*86%*	*n/a*
Operating expenses	575	596	584	*-2%*	*2%*	2,228	2,329	*5%*	2,299	2,350	*101%*	*99%*
PPOP	654	609	595	*-2%*	*-9%*	2,741	2,443	*-11%*	2,481		*98%*	*n/a*
Provision	251	213	246	*15%*	*-2%*	1,360	877	*-36%*	861	893	*102%*	*98%*
Operating Profit	402	396	349	*-12%*	*-13%*	1,382	1,566	*13%*	1,620	1,592	*97%*	*98%*
Net profit	291	302	255	*-15%*	*-12%*	1,061	1,201	*13%*	1,265	1,244	*95%*	*96%*
Loans	10,274	9,899	10,435	*5%*	*2%*	10,274	10,435	*2%*	10,274	10,211	*102%*	*102%*
Customer deposits	11,724	11,640	12,209	*5%*	*4%*	11,724	12,209	*4%*	11,959	11,786	*102%*	*104%*
Key Ratio				qoq, bps	yoy, bps			yoy, bps				
Financing yield (%) - ann	45.6	46.1	44.6	(146)	(102)	44.8	44.8	3				
Cost of fund (%) - ann	4.1	4.2	4.1	(17)	(5)	4.3	4.2	(9)				
NIM (%)	24.5	24.1	23.0	(105)	(153)	24.5	23.7	(85)				
CIR (%) - ann	46.8	49.5	49.5	6	274	44.8	48.8	397				
Cost of credit (%) - ann	9.7	8.5	9.7	121	(3)	12.6	8.6	(406)				
ROE (%) - ann	12.7	12.3	10.2	(202)	(245)	12.0	12.4	40				
CASA ratio (%)	26.5	27.6	25.9	(169)	(52)							
LDR (%)	87.6	85.0	85.5	42	(216)							
NPL ratio (%)	3.7	2.9	2.6	(33)	(114)							
NPL coverage (%)	242.3	299.7	328.4	2,867	8,611							
LaR ratio (%)	6.6	5.0	7.1	210	49							
LaR coverage (%)	136.7	175.0	119.5	(5,548)	(1,720)							

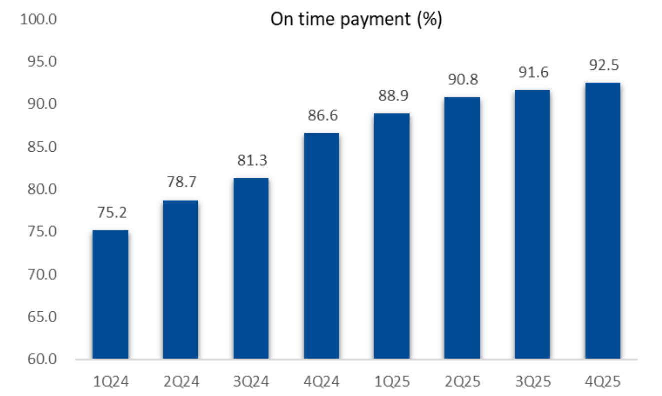
Source: Company, BRIDS Estimates, Bloomberg

Exhibit 2. Trend of x-days (1-30 days past due)



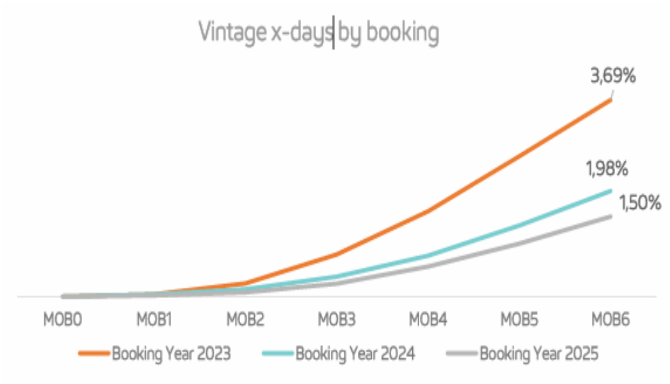
Source: Company

Exhibit 3. Trend on time payment at the customer meeting



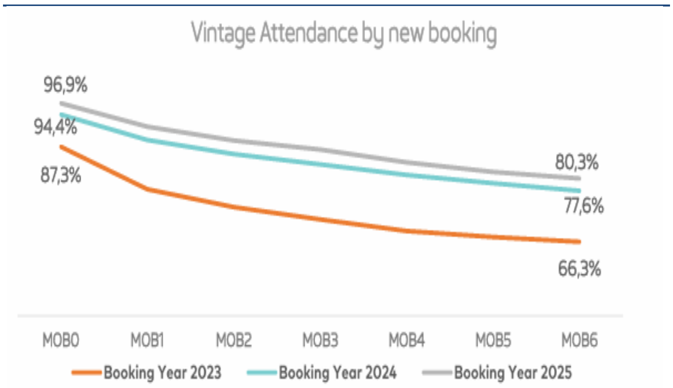
Source: Company

Exhibit 4. Vintage of x-days by new booking (up to MOB-6)



Source: Company

Exhibit 5. Vintage of attendance rate by new booking (up to MOB-6)



Source: Company

Exhibit 6. BTPS's Changes in Forecast

BTPS - Forecast Changes	2025F (Prev)	2026F (Curr)	Δ%	2027F (Prev)	2027F (Curr)	Δ%	2028F (Prev)	2028F (Curr)	Δ%
Net Interest Income (Rpbn)	4,932	4,846	(1.75)	5,179	5,181	0.04	5,438	5,539	1.86
PPOP (Rpbn)	2,585	2,443	(5.52)	2,714	2,593	(4.43)	2,848	2,753	(3.31)
Net profit (Rpbn)	1,380	1,353	(2.00)	1,465	1,461	(0.26)	1,554	1,577	1.47
BVPS (Rp)	1,433	1,375	(4.04)	1,556	1,459	(6.24)	1,688	1,550	(8.14)
Gross Loans (Rpbn)	10,761	11,084	3.00	11,273	11,778	4.48	11,810	12,521	6.02
Customer Deposits (Rpbn)	12,557	12,820	2.09	13,185	13,461	2.09	13,844	14,134	2.09
Ratios (%)	**2025F (Prev)**	**2026F (Curr)**	**Δ bps**	**2027F (Prev)**	**2027F (Curr)**	**Δ bps**	**2028F (Prev)**	**2028F (Curr)**	**Δ bps**
Net Interest Margin	24.0	22.7	(130)	24.1	23.0	(106)	24.1	23.3	(81)
Gross NPL Ratio	3.4	2.7	(68)	3.2	2.5	(63)	3.0	2.4	(58)
Cost/Income Ratio	48.1	50.1	193	48.2	50.4	224	48.2	50.8	254
Cost of Credit	7.8	6.6	(118)	7.6	6.3	(129)	7.4	6.0	(139)
ROAE	13.0	13.2	13	12.7	13.4	66	12.4	13.6	117

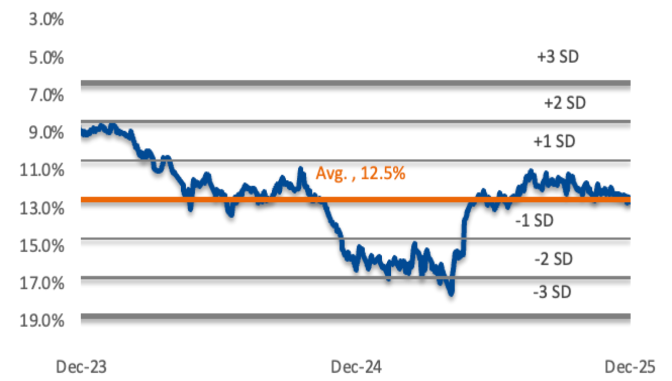
Source: Company, BRIDS Estimates

Exhibit 7. BTPS's Valuation

Gordon Growth Valuation with Inverse Cost of Equity		
Parameters:		**Remarks:**
Cost of equity (%) - Mean	12.9	2-year avg
Cost of equity (%) - SD	1.8	
SD used		
Cost of equity (%) used	12.9	
Long-term growth (%)	3.0	Long-term GDP growth
Forward ROE (%)	13.2	FY26F ROAE
Fair value P/BV (x)	1.0	**(ROAE - g) / (COC - g)**
BV/share (IDR)	1,375	FY26F Book value per share
Fair value (IDR)	**1,400**	Fair value P/BV multiple x BVPS

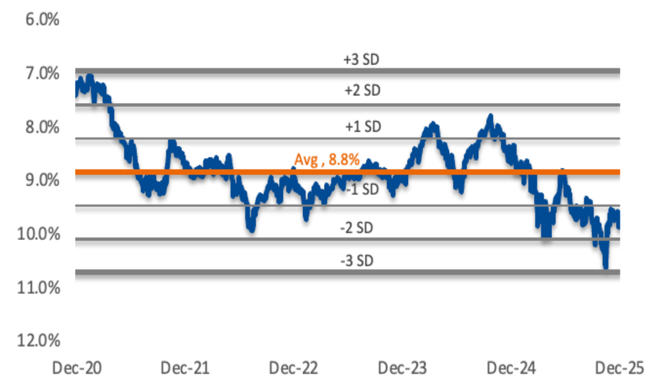
Source: Company, BRIDS Estimates

Exhibit 8. BTPS's cost of equity band chart (2-year)



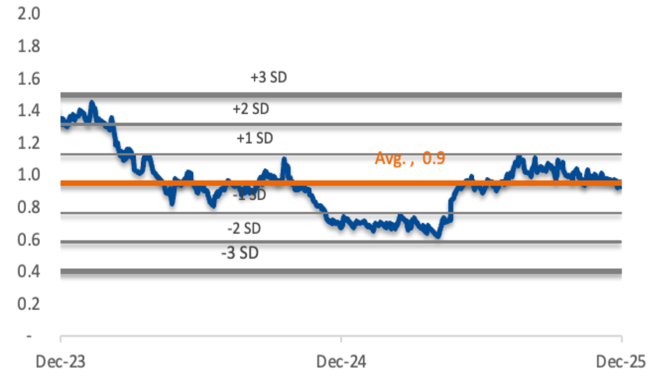
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 9. Sector's cost of equity band chart (5-year)



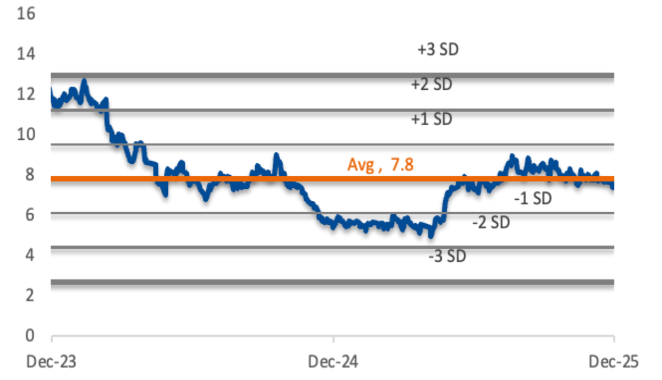
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 10. BTPS's P/BV band chart (2-year)



Source: Company, Bloomberg, BRIDS Estimates

Exhibit 11. BTPS's P/E band chart (2-year)



Source: Company, Bloomberg, BRIDS Estimates

Exhibit 12. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Interest Income	5,398	5,219	5,331	5,691	6,075
Interest Expense	(504)	(489)	(486)	(510)	(535)
Net Interest Income	**4,894**	**4,730**	**4,846**	**5,181**	**5,539**
Non-Interest Income (NII)	75	42	46	50	55
Oper. Income	**4,969**	**4,772**	**4,892**	**5,231**	**5,595**
Oper. Expenses	(2,228)	(2,329)	(2,449)	(2,638)	(2,841)
Pre-provisions profit	**2,741**	**2,443**	**2,443**	**2,593**	**2,753**
Provisions & Allowances	(1,360)	(877)	(708)	(720)	(732)
Operating Profits	**1,382**	**1,566**	**1,734**	**1,873**	**2,021**
Non-Operating Income	(28)	0	0	0	0
Exceptionals	0	0	0	0	0
Pre-tax Profit	**1,353**	**1,566**	**1,734**	**1,873**	**2,021**
Income Tax	(292)	(366)	(382)	(412)	(445)
Minorities	0	0	0	0	0
Net Profit	**1,061**	**1,201**	**1,353**	**1,461**	**1,577**

Exhibit 13. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Gross Loans	10,274	10,435	11,084	11,778	12,521
Provisions	(924)	(881)	(635)	(635)	(636)
Net Loans	**9,350**	**9,553**	**10,449**	**11,143**	**11,885**
Govt. Bonds	0	0	0	0	0
Securities	9,049	10,029	10,531	11,057	11,610
Other Earnings Assets	0	0	0	0	0
Total Earnings Assets	**19,575**	**20,728**	**21,879**	**23,101**	**24,397**
Fixed Assets	1,109	1,183	1,275	1,363	1,444
Non-Earnings Assets	273	248	351	404	508
Total Assets	**21,748**	**22,751**	**23,986**	**25,308**	**26,715**
Customer Deposits	11,724	12,209	12,820	13,461	14,134
Banks Deposits	0	0	0	0	0
Int. Bearing Liab. - Others	0	0	0	0	0
Total Liabilities	**12,431**	**12,790**	**13,395**	**14,069**	**14,776**
Share capital & Reserves	1,647	1,647	1,647	1,648	1,649
Retained Earnings	7,667	8,312	8,944	9,593	10,293
Shareholders' Funds	**9,314**	**9,959**	**10,591**	**11,242**	**11,942**
Minority interests	3	3	0	0	0
Total Equity & Liabilities	**21,748**	**22,751**	**23,986**	**25,310**	**26,719**

Exhibit 14. Key Ratios

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Yield on Earning Assets	27.0	25.9	25.0	25.3	25.6
Cost of funds	4.2	4.0	3.9	3.9	3.9
Interest Spread	22.8	21.9	21.1	21.4	21.7
Net Interest Margin	24.5	23.5	22.7	23.0	23.3
Cost/Income Ratio	44.8	48.8	50.1	50.4	50.8
Oper. Exp./Oper. Gross Inc.	74.8	70.2	67.7	67.4	67.0
Gross NPL Ratio	3.9	2.9	2.7	2.5	2.4
LLP/Gross NPL	242.3	328.5	236.8	236.5	235.6
Cost of Credit	12.5	8.5	6.6	6.3	6.0
Loan to Deposit Ratio	87.6	85.5	86.5	87.5	88.6
Loan to Funding Ratio	86.2	85.5	86.5	87.5	88.6
CASA Mix	26.5	25.9	25.9	25.9	25.9
ROAE	11.7	12.5	13.2	13.4	13.6
ROAA	4.9	5.4	5.8	5.9	6.1
CAR	48.6	42.7	38.2	38.8	38.9

Exhibit 15. Dupont and Growth

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Dupont					
Pre-Tax ROAA	6.3	7.0	7.4	7.6	7.8
Tax Retention rate	78.4	76.7	78.0	78.0	78.0
Post-Tax ROAA	4.9	5.4	5.8	5.9	6.1
Goodwil, Assoc& Min	0.0	0.0	0.0	0.0	0.0
Leverage	2.4	2.3	2.3	2.3	2.2
ROAE	11.7	12.5	13.2	13.4	13.6
Growth (%)					
Interest income	(6.1)	(3.3)	2.1	6.7	6.7
Net Interest Income	(6.9)	(3.4)	2.4	6.9	6.9
Other Oper. Expenses	9.0	4.5	5.2	7.7	7.7
Pre-Provision Oper. Profit	(16.4)	(10.9)	0.0	6.2	6.2
Net Profit	(1.8)	13.2	12.7	8.0	7.9
Shareholders' Equity	6.1	6.9	6.3	6.1	6.2
Loan	(11.1)	1.6	6.2	6.3	6.3
Earnings Asset	(4.3)	5.9	5.6	5.6	5.6
Deposit	(3.4)	4.1	5.0	5.0	5.0
Int. Bearing Liab.	(1.8)	2.3	4.9	5.0	5.0
CASA	(0.3)	2.1	5.0	5.0	5.0
Total Asset	1.5	4.6	5.4	5.5	5.6

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