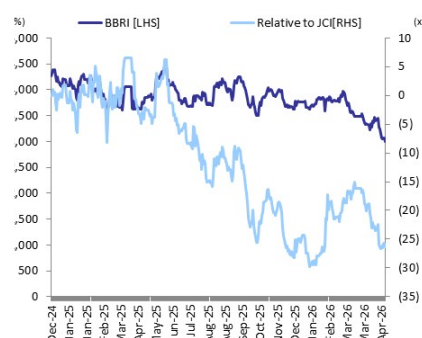


## Not Rated

Last Price (Rp)	2,990
Target Price (Rp)	n/a
Previous TP (Rp)	n/a
Upside/Downside	n/a
No. of Shares (mn)	151,559
Mkt Cap (Rpbn/US\$m)	453,161/26,114
Avg, Daily T/O (Rpbn/US\$m)	849.3/48.9
Free Float (%)	46.3
Major Shareholder (%)	
Danantara Asset Management	53.2
EPS Consensus (Rp)	
	2026F 2027F 2028F
BRIDS	n/a n/a n/a
Consensus	395.4 425.6 467.0
BRIDS/Cons (%)	n/a n/a n/a

### BBRI relative to JCI Index



Source: Bloomberg

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## Bank Rakyat Indonesia (BBRI IJ)

### 1Q26 Earnings: In line; Resilient NIM and lower CoC Supporting Bottom Line

- BBRI posted a net profit of Rp15.5tr in 1Q26 (-2% qoq, +14% yoy), forming 26% of FY26F consensus (in line).
- CoC softened to 3.2% (-44bps qoq, -29bps yoy), still within target of 2.9-3.2%, with broadly stable NPL and improved yoy LaR ratio.
- BBRI currently trades at 1.4x FY26C PBV, at -2.0SD of its 5-year mean, reflecting the challenging macro-economic conditions.

#### Solid earnings driven by NIM improvement and fee-based income

BBRI posted a net profit of Rp15.5tr in 1Q26 (-2% qoq, +14% yoy), forming 26% of FY26F and in line with expectations, supported by stronger operating profit and lower provisions. NII grew 2% qoq and 12% yoy to Rp40.2tr, driven by 14% yoy loan growth, while NIM remained relatively stable at 7.8% (-11bps qoq, +18bps yoy) as lower CoF partly offset the decline in EA yield. Other operating income declined 15% qoq but still grew 2% yoy to Rp14.2tr, reflecting strong gold business performance but a weaker recovery income due to claim process integration with insurance, which has been normalized. Opex rose 11% yoy, mainly driven by subsidiaries, particularly Pegadaian.

#### Wholesale driven loan and deposit growth

Loans grew 3% qoq and 14% yoy to Rp1,562tr, driven mainly by corporate (+42% yoy) and commercial (+60% yoy), while micro, SME, and consumer segments recorded relatively modest growth. Micro loan growth of 5% yoy was driven by Pegadaian (+62% yoy), while bank-only micro declined and PNM remained flat. Deposits rose 6% qoq and 9% yoy to Rp1,555tr, supported by strong wholesale deposit growth (+17%).

#### Moderating growth and gradual improvement in quality in FY26F

Provision expenses declined 4% qoq and 1% yoy, bringing CoC down to 3.2% (-44bps qoq, -29bps yoy), in line with guidance of 2.9-3.2%. Asset quality showed divergence, with improvements in corporate but pressure in micro, SME, and consumer segments. Under a stressed macro scenario, BBRI sees a scenario of NPL rising 2-3% and CoC to increase by 35-75bps.

#### Below-mean valuation amid challenging macro condition

BBRI's current PBV valuation stands at 1.4x, which is at -2.0SD below its 5-year avg, reflecting the challenging business conditions, macro-economic outlook, and uncertainties in the government's program. Management remains optimistic in resolving the Kupedes vintage loan but is cautious on the global economic uncertainty.

#### Key Financials

Year to 31 Dec	2021A	2022A	2023A	2024A	2025A
PPOP (Rpbn)	80,435	91,285	106,508	116,377	119,430
Net profit (Rpbn)	33,467	51,170	60,100	59,945	56,652
EPS (Rp)	220.8	337.6	396.5	395.5	373.8
EPS growth (%)	29.5	52.9	17.5	(0.3)	(5.5)
BVPS (Rp)	1,905.1	1,974.8	2,054.4	2,091.8	2,138.0
PER (x)	13.5	8.9	7.5	7.6	8.0
PBV (x)	1.6	1.5	1.5	1.4	1.4
Dividend yield (%)	5.8	9.6	10.7	11.5	11.5
ROAE (%)	13.0	17.4	19.7	19.1	17.7

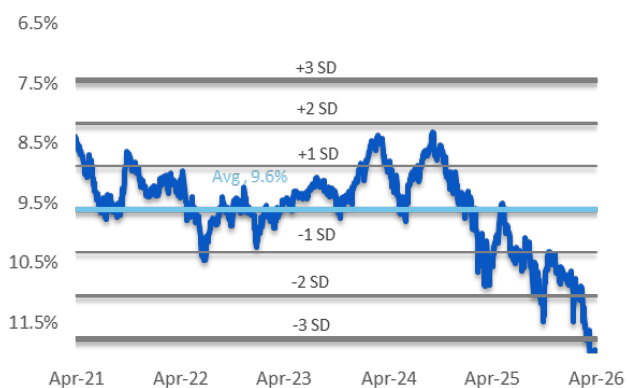
Source: BBRI, BRIDS Estimates

## Exhibit 1. BBRI 1Q26 Results

BBRI - Financial (Rpbn)	1Q25	4Q25	1Q26	qoq, %	yoy, %	1Q25	1Q26	yoy, %	FY26C	A/C
Interest income	49,871	52,623	52,838	0%	6%	49,871	52,838	6%	215,729	24%
Interest expense	13,986	13,116	12,683	-3%	-9%	13,986	12,683	-9%	55,894	23%
Net interest income	35,884	39,507	40,155	2%	12%	35,884	40,155	12%	159,835	25%
Other operating income	13,941	16,741	14,163	-15%	2%	13,941	14,163	2%	59,850	24%
Operating expenses	19,931	23,486	22,135	-6%	11%	19,931	22,135	11%	95,177	23%
PPOP	29,894	32,762	32,183	-2%	8%	29,894	32,183	8%	124,508	26%
Provision	12,275	12,585	12,123	-4%	-1%	12,275	12,123	-1%	47,611	25%
Operating Profit	17,619	20,177	20,060	-1%	14%	17,619	20,060	14%	76,897	26%
Net profit	13,622	15,874	15,493	-2%	14%	13,622	15,493	14%	59,951	26%
Loans	1,373,661	1,521,486	1,562,451	3%	14%	1,373,661	1,562,451	14%	1,543,840	101%
Customer deposits	1,421,600	1,466,844	1,555,124	6%	9%	1,421,600	1,555,124	9%	1,603,553	97%
<b>Key Ratio</b>				qoq, bps	yoy, bps			yoy, bps		
Loan yield (%) - ann	12.9	12.6	12.3	↓ (31)	↓ (57)	12.9	12.3	↓ (57)		
Cost of fund (%) - ann	3.4	3.1	2.9	↑ (20)	↑ (55)	3.4	2.9	↑ (55)		
NIM (%) - ann	7.6	7.9	7.8	↓ (11)	↑ 18	7.6	7.8	↑ 18		
CIR (%) - ann	40.0	41.8	40.8	↓ (100)	↓ 75	40.0	40.8	↓ 75		
Cost of credit (%) - ann	3.6	3.4	3.1	↑ (26)	↑ (45)	3.6	3.1	↑ (45)		
Cost of credit on loan (%) - ann	3.5	3.7	3.2	↑ (44)	↑ (29)	3.5	3.2	↑ (29)		
ROE (%) - ann	17.7	19.4	18.7	↓ (67)	↑ 104	17.7	18.7	↑ 104		
CASA ratio (%)	65.8	70.6	68.1	↓ (254)	↑ 231					
LDR (%)	96.6	103.7	100.5	↓ (325)	↓ 384					
NPL ratio (%)	3.0	3.1	3.0	↓ (6)	↓ 4					
LaR ratio (%)	11.1	9.6	9.7	↑ 6	↑ (145)					

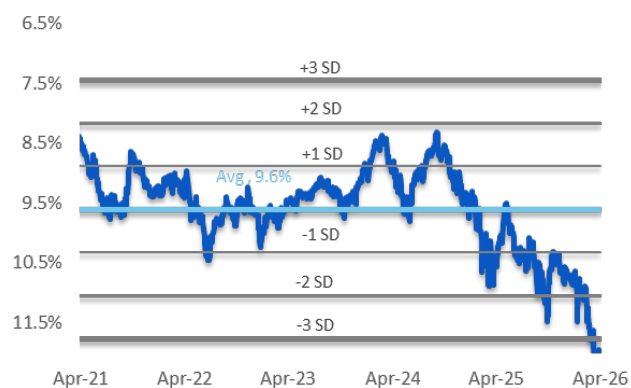
Source: Company, BRIDS Estimates, Bloomberg

## Exhibit 2. BBRI's Cost of Equity Band Chart (5-year)



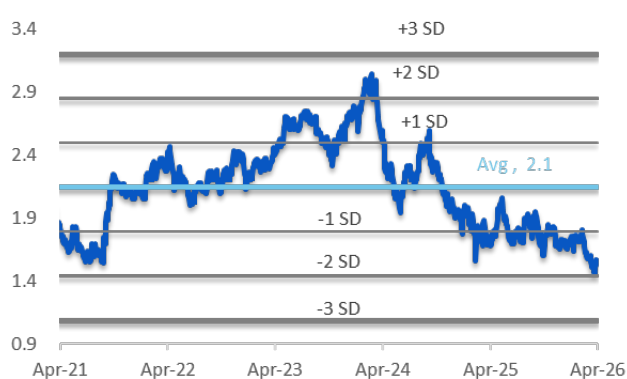
Source: Company, Bloomberg, BRIDS Estimates

## Exhibit 3. Sector's Cost of Equity Band Chart (5-year)



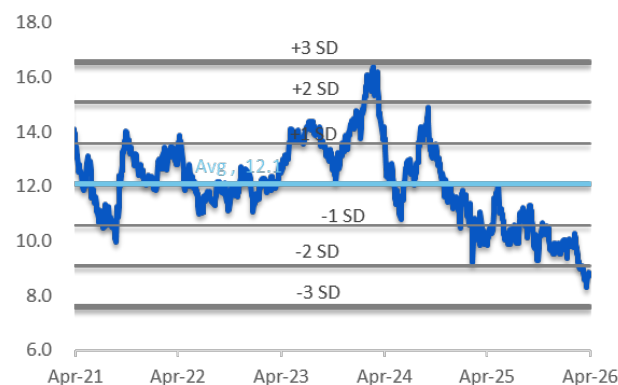
Source: Company, Bloomberg, BRIDS Estimates

## Exhibit 4. BBRI's P/BV Band Chart (5-year)



Source: Company, Bloomberg, BRIDS Estimates

## Exhibit 5. BBRI's P/E Band Chart (5-year)



Source: Company, Bloomberg, BRIDS Estimates

**Exhibit 6. Income Statement**

Year to 31 Dec (Rpbn)	2021A	2022A	2023A	2024A	2025A
Interest Income	143,523	151,875	181,215	199,266	207,783
Interest Expense	(29,429)	(27,278)	(43,813)	(56,608)	(57,285)
<b>Net Interest Income</b>	<b>114,094</b>	<b>124,597</b>	<b>137,402</b>	<b>142,659</b>	<b>150,498</b>
Non-Interest Income (NII)	38,686	47,216	43,775	53,609	53,845
<b>Oper. Income</b>	<b>152,780</b>	<b>171,813</b>	<b>181,177</b>	<b>196,268</b>	<b>204,344</b>
Oper. Expenses	(75,918)	(82,192)	(76,782)	(81,897)	(88,447)
<b>Pre-provisions profit</b>	<b>80,435</b>	<b>91,285</b>	<b>106,508</b>	<b>116,377</b>	<b>119,430</b>
Provisions & Allowances	(39,291)	(26,979)	(29,679)	(38,161)	(46,182)
<b>Operating Profits</b>	<b>41,144</b>	<b>64,306</b>	<b>76,829</b>	<b>78,216</b>	<b>73,248</b>
Non-Operating Income	(152)	291	(399)	(964)	(455)
Exceptionals	0	0	0	0	0
<b>Pre-tax Profit</b>	<b>40,992</b>	<b>64,597</b>	<b>76,430</b>	<b>77,252</b>	<b>72,793</b>
Income Tax	(7,836)	(13,188)	(16,005)	(16,946)	(15,660)
Minorities	311	(238)	(325)	(362)	(480)
<b>Net Profit</b>	<b>33,467</b>	<b>51,170</b>	<b>60,100</b>	<b>59,945</b>	<b>56,652</b>

**Exhibit 7. Balance Sheet**

Year to 31 Dec (Rpbn)	2021A	2022A	2023A	2024A	2025A
Gross Loans	994,417	1,079,275	1,212,578	1,298,318	1,460,729
Provisions	(84,834)	(88,324)	(81,924)	(76,903)	(79,329)
<b>Net Loans</b>	<b>909,583</b>	<b>990,951</b>	<b>1,130,654</b>	<b>1,221,415</b>	<b>1,381,401</b>
Govt. Bonds	0	0	0	0	0
Securities	371,738	330,242	331,010	326,477	372,643
Other Earnings Assets	45,455	55,038	50,274	52,162	57,026
<b>Total Earnings Assets</b>	<b>1,577,855</b>	<b>1,652,810</b>	<b>1,777,688</b>	<b>1,827,703</b>	<b>2,015,912</b>
Fixed Assets	65,038	73,951	81,464	88,480	94,045
Non-Earnings Assets	32,023	42,374	53,142	39,369	54,555
<b>Total Assets</b>	<b>1,678,098</b>	<b>1,865,639</b>	<b>1,965,007</b>	<b>1,992,187</b>	<b>2,135,371</b>
Customer Deposits	1,138,743	1,307,884	1,358,329	1,365,450	1,466,844
Banks Deposits	13,329	9,335	11,958	14,679	17,601
Int. Bearing Liab. - Others	0	0	0	0	0
<b>Total Liabilities</b>	<b>1,386,311</b>	<b>1,562,244</b>	<b>1,648,535</b>	<b>1,668,872</b>	<b>1,804,430</b>
Share capital & Reserves	101,967	98,124	97,652	98,996	101,370
Retained Earnings	186,768	201,170	213,711	218,032	222,663
<b>Shareholders' Funds</b>	<b>288,735</b>	<b>299,294</b>	<b>311,364</b>	<b>317,028</b>	<b>324,034</b>
Minority interests	3,052	4,101	5,109	6,287	6,908
<b>Total Equity &amp; Liabilities</b>	<b>1,678,098</b>	<b>1,865,639</b>	<b>1,965,007</b>	<b>1,992,187</b>	<b>2,135,371</b>

**Exhibit 8. Key Ratios**

Year to 31 Dec (Rpbn)	2021A	2022A	2023A	2024A	2025A
Yield on Earning Assets	9.3	9.4	10.6	11.1	10.8
Cost of funds	2.2	1.9	2.8	3.5	3.4
Interest Spread	7.1	7.5	7.7	7.5	7.4
Net Interest Margin	7.4	7.7	8.0	7.9	7.8
Cost/Income Ratio	48.6	47.4	41.9	41.3	42.5
Oper. Exp./Oper. Gross Inc.	77.9	68.0	66.2	69.3	72.4
Gross NPL Ratio	3.1	2.7	3.0	2.8	3.1
LLP/Gross NPL	277.0	306.5	223.6	208.9	172.9
Cost of Credit	4.1	2.6	2.6	3.0	3.3
Loan to Deposit Ratio	87.3	82.5	89.3	95.1	99.6
Loan to Funding Ratio	83.3	78.7	86.1	92.9	96.9
CASA Mix	62.3	66.2	63.8	66.6	69.8
ROAE	13.0	17.4	19.7	19.1	17.7
ROAA	2.0	2.9	3.1	3.0	2.7
CAR	25.3	23.3	20.2	18.3	16.8

**Exhibit 9. Key Ratio**

Year to 31 Dec	2021A	2022A	2023A	2024A	2025A
<b>Dupont</b>					
Pre-Tax ROAA	2.5	3.6	4.0	3.9	3.5
Tax Retention rate	80.9	79.6	79.1	78.1	78.5
Post-Tax ROAA	2.0	2.9	3.2	3.0	2.8
Goodwil, Assoc& Min	0.0	0.0	0.0	0.0	0.0
Leverage	6.4	6.0	6.3	6.3	6.4
ROAE	13.0	17.4	19.7	19.1	17.7
<b>Growth (%)</b>					
Interest income	5.7	5.8	19.3	10.0	4.3
Net Interest Income	21.9	9.2	10.3	3.8	5.5
Other Oper. Expenses	12.5	8.3	(6.6)	6.7	8.0
Fee Based Income	5.4	10.2	(1.5)	10.1	5.2
Pre-Provision Oper. Profit	23.6	13.5	16.7	9.3	2.6
Net Profit	59.1	52.9	17.5	(0.3)	(5.5)
Shareholders' Equity	27.2	3.7	4.0	1.8	2.2
Loan	5.4	8.5	12.4	7.1	12.5
Earnings Asset	4.9	4.8	7.6	2.8	10.3
Deposit	5.1	14.3	4.0	0.7	7.6
Int. Bearing Liab.	(0.4)	12.7	5.1	2.2	7.6
CASA	11.3	21.5	0.2	5.1	12.7
Total Asset	4.2	11.2	5.3	1.4	7.2

Source: BBRI, BRIDS Estimates

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## INVESTMENT RATING

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

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