

Another inline earnings in 9M25

31 October 2025



BRIS IJ	
Sector	Banking
Price at 30 Oct 2025 (IDR)	2,570
Price target (IDR)	3,670
Upside/Downside (%)	42.8

Stock Information

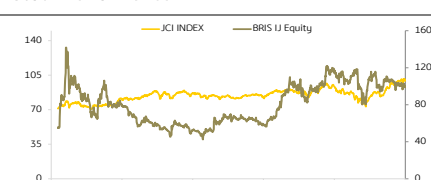
PT Bank Syariah Indonesia, Tbk. is Indonesia's largest Islamic bank. BRIS is formed by a merger of BRI syariah, BNI Syariah and Bank Syariah Mandiri. The bank offers financing in a segment of commercial, corporate, SME, Micro, consumer, pawning, and others. The bank also offers services such as credit and debit cards, phone banking, fund transfer and many more.

Market cap (IDR bn)	118,091
Shares outstanding (mn)	46,129
52-week range (IDR)	2,000 - 3,130
3M average daily vol. ('000)	17,178
3M average daily val. (IDR mn)	45,766

Shareholders (%)

PT Bank Mandiri	51.5
PT Bank Negara Indonesia	23.2
PT Bank Rakyat Indonesia	15.4
Public	9.9

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	(0.8)	(8.8)	(12.2)

Analyst

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BRIS delivered a healthy earnings performance for 9M25 amid the sector pressure (inline run-rate: 71.2%/71.9%). Financing portfolio outpaced the industry with a robust 12.7% yoy expansion, consumer segment remains as the core engine, surging 15.0% yoy, thanks to notable standout from its gold business, growing by 72.8% yoy with a high yield of 12.9%. Defying liquidity headwinds, BRIS TPF grew by 15.6% yoy (CASA: 11.4% yoy). Despite its peers struggling to record a steady margin, the bank continue standout with NIM expanded to 5.64%, staying within '25F guidance (5.5%-5.9%). Gross NPF consistently compressed to 1.84% (1.97% in Sept24), while CoC is exceptionally contained at 0.86% (0.97% in Sept24), underscoring rigorous risk management. Valuation is rolled over to '26F. We expect to see a steady solid CASA and continued robust loan growth fueled by high-yield segments, leading to stable PPOp growth. Maintain BUY GGM-based TP of IDR 3,670 (3.3x '25F P/B), currently at its avg. hist. mean of 2.3x '25F P/B.

Operational strength defies market headwinds: 9M25 earnings inline

BRIS navigated a climate of pervasive market uncertainty to deliver a robust financial performance, logging a high single-digit ascent in net income and firmly defying market gravity. While the bank's top line expanded by a respectable 13.9 yoy, and NII still advanced by 11.9% yoy, momentum was noticeably tempered by a significant 18.1% yoy surge in funding costs to IDR 6.89tn. Crucially, this substantial cost headwind was more than effectively neutralised by a healthy 8.5% yoy in PPOp. The primary engine for this ascent was a dynamic 20.8% yoy boost in fee-based income, underscoring successful revenue diversification. In all, BRIS's 9M25 net income performance landed in-line with both our '25F and cons. estimates (71.2%/71.9%), unequivocally affirming the institution's operational resilience against a challenging macro backdrop.

Financing growth outpacing the industry in a challenging environment

BRIS's financing portfolio continues to impressively defy macro slowdowns, expanding by a robust 12.7% yoy this year, thereby unequivocally outpacing the broader industry's loan growth trajectory (as of Sept '25). The core engine of this expansion remains the consumer segment, which surged ahead by 15.0% yoy. A notable standout was the high-growth gold business, demonstrating an extraordinary 72.8% yoy growth with a compelling high yield of 12.9%. Crucially, the staple payroll-based financing segment (constituting 21.8% of the total portfolio) delivered a strong 13.8% yoy growth at a commendable 10.0% yield. In the institutional sphere, wholesale financing rose a solid 11.7% yoy, primarily fuelled by an impressive 22.8% yoy expansion within the commercial portfolio, signaling effective penetration into corporate segments.

Resilience deposits: 15.6% TPF growth fueled by low-cost funding Dominance

Defying headwinds posed by prevailing tight liquidity and a relentlessly fierce banking landscape, BRIS has powerfully demonstrated its structural resilience. The firm successfully engineered a healthy TPF expansion, scaling 15.6% yoy, an outcome fundamentally driven by sustained CASA accretion of 11.4% yoy. This superior asset gathering is primarily tethered to the savings account segment, which continues to assert its dominance with a robust 12.4% YoY climb. Notably, the velocity of growth was accelerated by a vigorous, double-digit surge in Wadiah saving accounts, alongside steady momentum from Mudharabah funding categories. This material shift toward low-cost CASA deposits strategically fortifies BRIS's funding base, securing a crucial structural advantage to optimize its CoF and sustain margin strength throughout the '25F.

Margin expansion remains, despite mild; risk metrics continue solid

Amidst a landscape where industry peers struggle to sustain margin expansion, BRIS's key performance indicators (KPIs) remain firmly anchored and strategically robust. Despite mild, the bank's NIM for 9M25 remain expanded in the middle of challenging year from 5.55% to 5.64%, arriving within '25F guidance of 5.5%-5.9% (in line with '25F KBVS). Crucially, the trajectory of risk metrics continues its positive inclination, signaling enhanced AQ control. The gross NPF has been consistently compressed, retreating to 1.84% vs 1.97% in Sept24 and 1.90% in 4Q24. Moreover, the CoC remains exceptionally contained (0.97% to 0.86% in Sept25). This rigorous risk management is in perfect alignment with the bank's stringent '25F expectations, collectively underpinning the sustainability of earnings quality.

Expect steady '26F performance

We are initiating the forward valuation roll-over to '26F. Year-to-date earnings tracking suggests a likely '25F KBVS and cons-matching 4Q25 run-rate and cumulative '25F. The primary catalysts for the '26F thesis remain the persistently strong CASA ratio, driven overwhelmingly by superior low-cost funding, and the softened competitive environment within the liquidity landscape. On the demand front, we anticipate robust loan book expansion to continue as a key performance indicator. Furthermore, the bank is poised to sustain stable growth momentum from its high-yield credit segments. The confluence of these factors, coupled with a steady trajectory in fee-based income, underpins our view for sustained PPOp and PATMI growth in '26F.

Maintain BUY, GGM TP of IDR3,670

Our GGM-based TP of IDR3,670 is pegged at 3.3x '25F P/B, while currently the stock is trades at 2.3x '25F P/B, at its historical average mean. Key downside risks to our target price include: a) lower-than-expected loan growth; b) faster than expected loan yield adjustment, c) NIM stagnation, d) softer-than anticipated BI rate cut transmission, higher than expected CoC, f) prolonged wait and see stance, g) stagnation and weakening debtor confidence, h) weakening IDR/USD.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net margin income	16,259	17,409	20,002	23,584	26,676
Non int. income	4,204	5,556	6,251	6,876	7,564
Operating income	20,463	22,966	26,253	30,460	34,239
PPOP	10,214	11,172	13,136	15,527	18,152
Net income	5,704	7,006	7,819	9,389	11,054
EPS (IDR)	124	152	170	204	240
EPS growth (%)	20.6	22.8	11.6	20.1	17.7
PER (x)	21.5	17.5	15.7	13.1	11.1
PBV (x)	3.2	2.7	2.4	2.1	1.8
Div. Yield (%)	0.3	0.7	0.6	0.6	0.8
RoE (%)	16.9	17.5	16.2	16.8	18.1

Source: Company, KBVS Research

Exhibit 2: BRIS 9M25 selected key financial and key ratio metrics

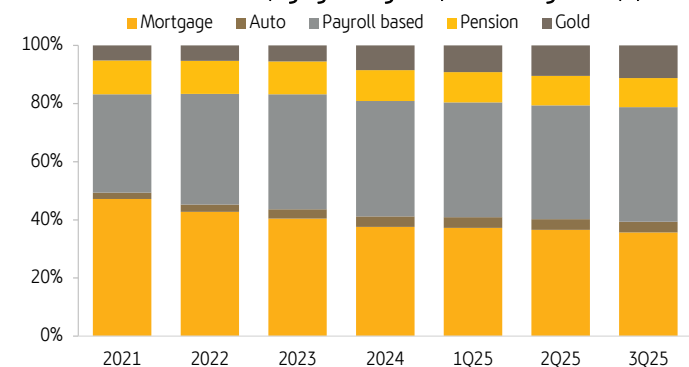
Profit & Loss (IDR bn)	9M24	9M25	YoY (%)	3Q24	3Q25	YoY (%)	2Q25	QoQ (%)	KBVS '25F	% to KBVS.	Cons. '25F	% to Cons.
Margin income	18,414	20,974	13.9	6,332	6,884	8.7	7,392	(6.9)				
Profit sharing expenses	(5,840)	(6,898)	18.1	(1,979)	(2,284)	15.4	(2,296)	(0.5)				
Net margin income	12,574	14,076	11.9	4,353	4,600	5.7	5,096	(9.7)				
Fee based income	3,939	4,758	20.8	1,454	1,817	25.0	1,230	47.7				
Operating income	16,479	18,833	14.3	5,807	6,417	10.5	6,326	1.4				
Overhead cost	(7,994)	(9,593)	20.0	(2,920)	(3,477)	19.1	(3,156)	10.2				
PPOP	8,519	9,240	8.5	2,887	2,940	1.8	3,170	(7.3)				
Provisions	(1,746)	(1,873)	7.3	(617)	(524)	(15.1)	(703)	(25.5)				
Net profit	5,107	5,569	9.0	1,713	1,828	6.7	1,862	(1.8)	7,819	71.2	7,747	71.9

Balance Sheet (IDR bn)	9M24	9M25	YoY (%)	3Q24	3Q25	YoY (%)	2Q25	QoQ (%)
Financing	267,067	300,851	12.7	267,067	300,851	12.7	293,237	2.6
Current accounts	55,642	60,639	9.0	55,642	60,639	9.0	58,204	4.2
Saving accounts	130,185	146,358	12.4	130,185	146,358	12.4	141,276	3.6
Time deposits	115,394	141,383	22.5	115,394	141,383	22.5	123,425	14.5
TPF (IDRbn)	301,221	348,380	15.7	301,221	348,380	15.7	322,905	7.9
CASA (IDRbn)	185,827	206,997	11.4	185,827	206,997	11.4	199,480	3.8
Total equity	43,491	49,844	14.6	43,491	49,844	14.6	47,823	4.2

Key metrics	9M24	9M25	YoY (%)	3Q24	3Q25	YoY (%)	2Q25	QoQ (%)
ROA	2.47	2.39	(0.1)	2.47	2.39	(0.1)	2.4	(0.0)
RoE	17.59	16.85	(0.7)	17.59	16.85	(0.7)	17.3	(0.4)
NI	5.55	5.64	0.09	5.55	5.64	0.1	5.7	(0.1)
CIR	48.99	51.08	2.1	48.99	51.08	2.1	49.4	1.7
Loan yield	8.88	9.12	0.2	8.88	9.12	0.2	9.3	(0.2)
Cost of Fund (CoF)	2.48	2.66	0.2	2.48	2.66	0.2	2.7	(0.0)
NPF gross	1.97	1.84	(0.1)	1.97	1.84	(0.1)	1.9	(0.0)
CoC	0.97	0.86	(0.1)	0.97	0.86	(0.1)	1.0	(0.1)
FDR	88.59	86.29	(2.3)	88.59	86.29	(2.3)	90.8	(4.5)

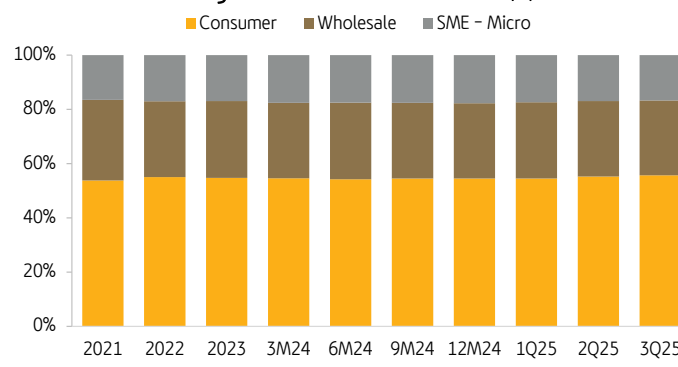
Source: Company, KBVS Research

Exhibit 3: Consumer finance (high yield segment) to benefit growth (%)



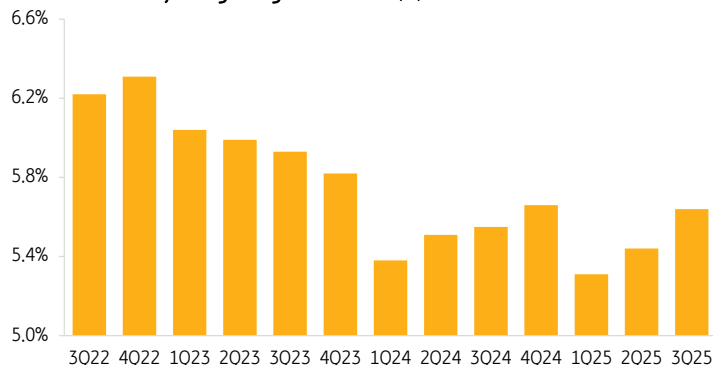
Source: Company, KBVS Research

Exhibit 4: Consumer segment remains as the backbone (%)



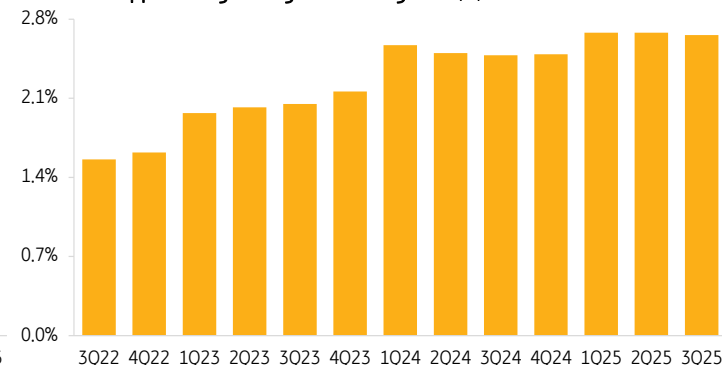
Source: Company, KBVS Research

Exhibit 5: NIM trajectory likely to continue (%)...



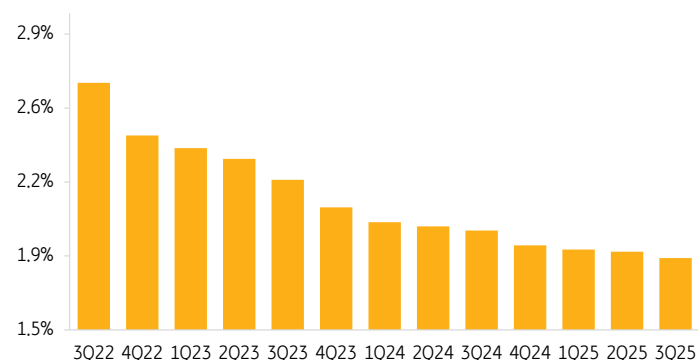
Source: Company, KBVS Research

Exhibit 6: ..supported by steady low funding cost (%)



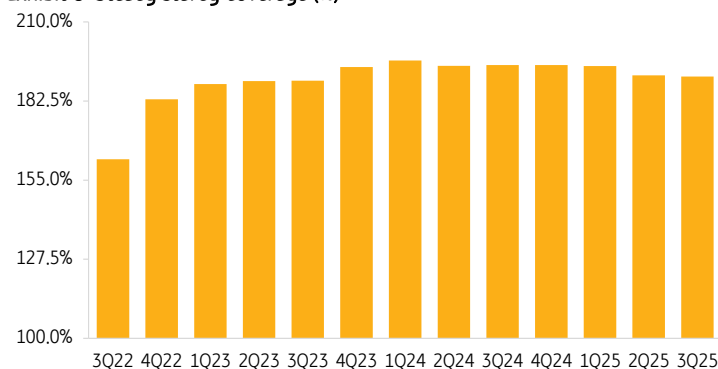
Source: Company, KBVS Research

Exhibit 7: NPF continuing improvement (%)



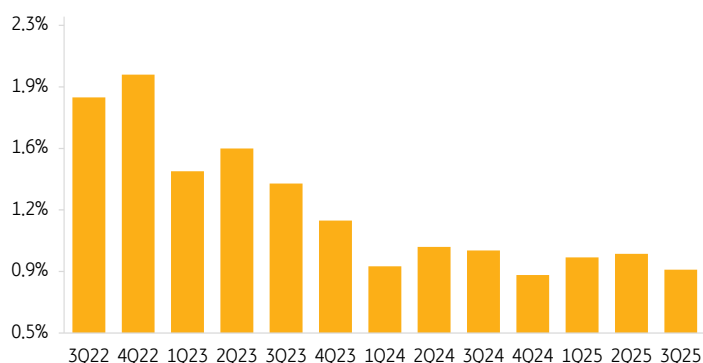
Source: Company, KBVS Research

Exhibit 8: Steady sturdy coverage (%)



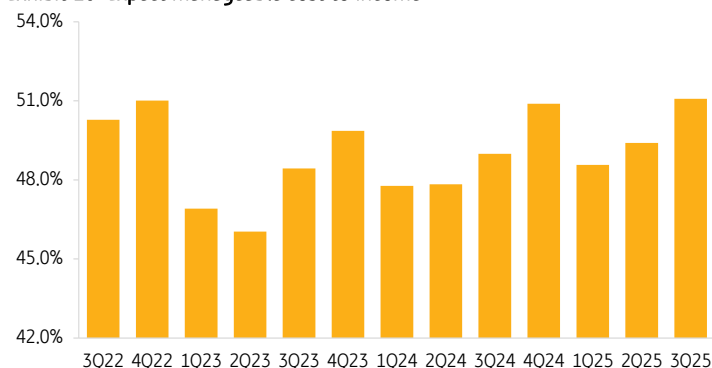
Source: Company, KBVS Research

Exhibit 9: CoC remain at low level (%)



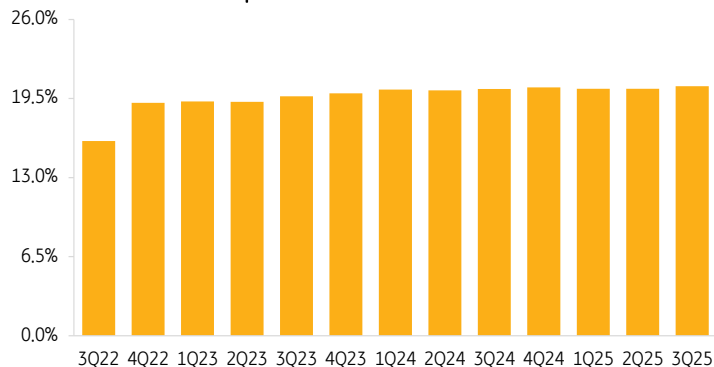
Source: Company, KBVS Research

Exhibit 10: Expect manageable cost to income



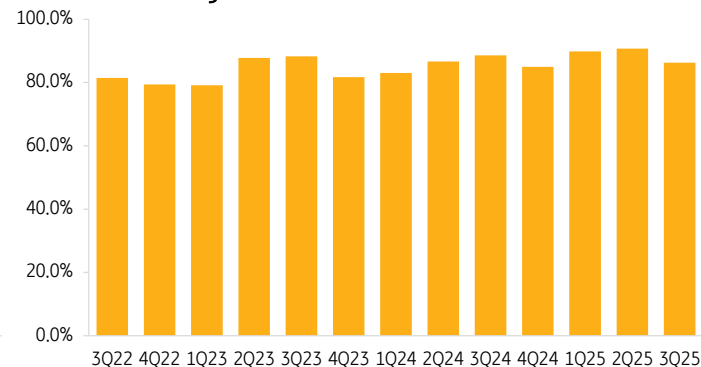
Source: Company, Bloomberg, KBVS Research

Exhibit 11: Solid Tier-1 Capital



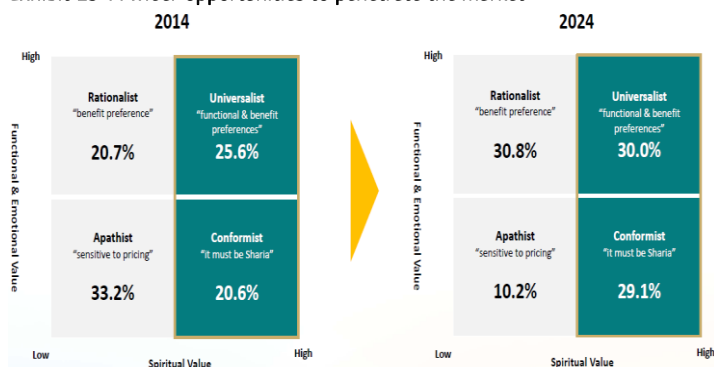
Source: Company, KBVS Research

Exhibit 12: Well-managed FDR



Source: Company, KBVS Research

Exhibit 13: A wider opportunities to penetrate the market



Source: Company, KBVS Research

Exhibit 14: Traded at 2.3x '25F P/B, at its avg hist. average mean



Source: Company, Bloomberg, KBVS Research

FINANCIAL TABLES
Exhibit 15: Profit & Loss

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Margin income	22,252	25,298	28,683	32,277	36,316
Profit sharing expense	(5,993)	(7,889)	(8,680)	(8,693)	(9,640)
Net margin income	16,259	17,409	20,002	23,584	26,676
Non-interest income	4,204	5,556	6,251	6,876	7,564
Operating expenses	(10,249)	(11,794)	(13,117)	(14,933)	(16,088)
Pre-provision operating profit	10,214	11,172	13,136	15,527	18,152
Loan loss provision	(2,622)	(1,894)	(2,355)	(2,577)	(2,906)
Pretax profit	7,589	9,282	10,785	12,951	15,247
Net profit	5,704	7,006	7,819	9,389	11,054

Exhibit 16: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Assets					
Cash	5,256	8,081	9,111	10,016	11,060
Current Account at BI	32,441	49,966	47,452	53,747	59,828
Interbank Loans	2,304	3,866	4,064	4,271	4,486
Marketable securities	71,169	62,217	62,217	57,202	45,489
Loan (Consolidated)	240,316	278,481	320,118	369,836	428,586
Fixed Assets	5,353	7,724	9,655	12,551	14,434
Other assets	6,473	8,570	8,348	10,859	12,491
Total Asset	353,624	408,613	450,041	506,680	563,466
Liabilities					
Interbank Deposit	1,761	4,151	4,420	4,727	5,084
Customer Deposit	293,776	327,454	360,827	408,697	454,939
Other Liabilities	18,568	31,288	33,328	33,453	33,802
Total liabilities & syirkah funds	314,885	363,572	398,575	446,877	493,825
Equity					
Capital Stock	23,065	23,065	23,065	23,065	23,065
Additional Paid-in Capital	(3,929)	(3,929)	(3,929)	(3,929)	(3,929)
Retained Earnings	18,911	25,062	31,562	39,861	49,719
Other Equity	692	844	768	806	787
Shareholder's Equity	38,739	45,042	51,466	59,803	69,641
Total Equity	38,739	45,042	51,466	59,803	69,641

Exhibit 17: Key performance metrics

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
NIM	5.8	5.5	5.7	6.0	6.1
FDR	81.8	85.0	88.7	90.5	94.2
CASA	60.6	60.1	61.3	62.5	62.7
Cost/income	50.1	51.4	50.0	49.0	47.0
NPF	2.11	2.00	1.8	1.5	1.3
ROE	16.9	17.5	16.2	16.8	14.3
ROA	2.3	2.4	2.5	2.7	2.8
CAR	21.0	19.6	20.4	21.0	22.0
BVPS (IDR)	840	976	1,116	1,296	1,510
PER (x)	21.5	17.5	15.7	13.1	11.1
PBV (x)	3.2	2.7	2.4	2.1	1.8
Div. Yield	0.3	0.7	0.6	0.6	0.8

Source: Company, KBVS Research

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