

Another inline earnings in FY25

11 February 2024



BRIS IJ	
Sector	Banking
Price at 10 Feb 2024 (IDR)	2,450
Price target (IDR)	3,670
Upside/Downside (%)	49.8

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)	110,710
Shares outstanding (mn)	46,129
52-week range (IDR)	1,790 - 3,130
3M average daily vol. ('000)	24,997
3M average daily val. (IDR mn)	56,934

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	10.7	(4.4)	(17.4)

Analyst

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BRIS continue delivering a healthy earnings performance amid the 2025 challenging year. Solid high loan yield coupled with enjoying softer funding cost has brought its net margin income grew by 9.92% yoy to IDR 19.04tn. Robust fee-based income and well managed provisions has overall help bottom line grew by 8.02% yoy to IDR 7.56tn, arriving in line with our and consensus forecast at 97%/98%. Sturdy financing remains, grew by 14.49% yoy to IDR 318.84tn, thanks to a persistent solid growth driver from consumer, payroll-based and with a significant help from gold business and wholesale segment. Total TPF continue standout, grew by 16.20% yoy to IDR 380.48tn, driven by vigorous CASA growth (19.09% yoy). Key risk performance also landed within '25F forecast. BRIS has officially announced '26F guidance: (1) loan growth: 14-16% yoy, (2) NIM: >5.50%, and (3) CoC: <1.00%. Maintain BUY GGM-based TP of IDR 3,670 (2.8x '26F P/B), currently traded at 1.9x '26F P/B or slightly above -1SD.

Inline FY25 earnings

BRIS FY25 top line grew by 11.75% yoy to IDR 28.17tn driven by strong loan demand coupled with solid loan yield. The acceptable double-digit profit-sharing expenses (15.73% yoy) in the transition of high-interest rate environment has dragged down net margin income growth to 9.92% yoy. On PPOP level, fee-based income which reaches record high acted as the ultimate stabilizer. A stellar 25.06% yoy jump which driven by steady robust gold business and with the help of strong treasury activity, also play crucial buffer to the overhead cost growth of 16.37% yoy. At bottom line level, the high-single digit growth of 8.02% yoy was caused by 24.45% higher provisions build throughout FY25. In all, 12M25 earnings came in line with our and consensus '25F forecast at a run-rate of 97%/98%.

Resilience strong financing growth

Two thumbs-up for BRIS BRIS's total financing double-digit growth of 14.49% yoy to IDR 318.84tn amid the 2025 challenging year. Consumer and payroll-based financing remain as the two core engine growth. Grew by 15.74% yoy to IDR175.78tn and by 14.09% yoy to IDR68.43tn, accounted around 55.13% and 21.46% of the total portfolio. Gold business also consistently recorded a superb growth of 78.60% yoy in the same period to IDR22.90tn. Worth noting that the business has contributed more than doubled since the start introduced of only 2.74% to 7.18% in FY25. Meanwhile, wholesale segment also noted a robust growth of 17.59% yoy to IDR 90.8tn and contributed meaningfully to the total financing (28.48%), thanks to the solid growth from corporate and commercial.

Total TPF continue standout driven by sturdy CASA growth

Throughout the tight liquidity and a persistently sifter banking landscape competition last year, BRIS continue demonstrated its funding structural resilience. Total third-party funds grew by 16.20% yoy to IDR 380.48tn, supported by vigorous CASA growth of 19.09% yoy, thanks to solid Wadiah and Mudharabah strong contribution.

Solid key metrics persist, landed within guidance

Despite the industry is struggling to maintain margin, BRIS NIM is considerably well managed, landed slightly lower yoy to 5.59% and still arrive within its '25F range guidance of 5.5-5.9%. On the funding cost side, BRIS continue to enjoy a declining CoF trend throughout the year, or significantly 53bps lower from 2.76% in 1Q25 to 2.23% in Dec25 and 34bps lower fro, 2.57% in 3Q25. The bank also continues signalling enhanced AQ control. The gross NPF has been constantly compressed, retreating to 1.81% in FYM25 compared to 1.90% in FY24. On top of that, BRIS credit cost also remains well controlled throughout the year, came in at 0.84% from 0.93% in the first quarter 2025.

Expect stable '26F performance

The high yield business from gold segment will continue to play crucial role in '26F. While entering the low-interest rate environment will impacting to softer topline, we still expect the significant contribution of BRIS's solid payroll-based (high yield) and wholesale could become a significant cushion. Our conviction on the banks '26F steady earnings will be supported by significant softening funding cost, stable robust fee-based income and a consistent well-managed key risk metrics. The bank has officially announced its '26F guidance. The total financing is anticipated to hover at 14-16% yoy, while net interest margin is projected to arrive at > 5.50%. Cost of Credit also forecasted to continue arrive at a low level (<1.00%).

Maintain BUY, GGM TP of IDR3,670

Our GGM-based TP of IDR3,670 is pegged at 2.8x '26F P/B, currently at 1.9x '26F P/B or slightly above -1SD. Key downside risks to our TP include: a) lower-than-expected loan growth; b) slower-than-anticipated benchmark rate transmission to CoF; c) faster and stronger than expected loan yield adjustment, d) NIM stagnation, e) higher than expected CoC, f) prolonged domestic cautious business activity outlook; g) sustained boiling global geopolitical tension uncertainty; h) weakening debtor confidence and market stance, i) worse-than-expected impact from KDMP disbursement, j) 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

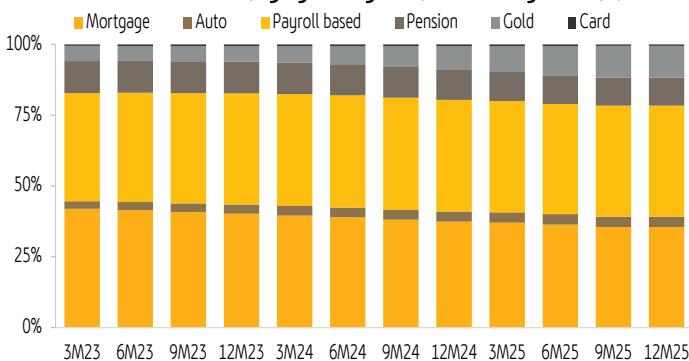
Source: Company, KBVS Research

Exhibit 2: BRIS FY25 selected key financial and key ratio metrics

Profit & Loss (IDR bn)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)	KBVS '25F	% to KBVS.	Cons. '25F	% to Cons.
Margin income	25,216	28,178	11.7	6,695	7,204	7.6	6,884	4.6				
Profit sharing expenses	(7,896)	(9,138)	15.7	(2,056)	(2,240)	8.9	(2,284)	(1.9)				
Net margin income	17,320	19,040	9.9	4,639	4,964	7.0	4,600	7.9				
Fee based income	5,515	6,897	25.1	1,684	2,139	27.0	1,817	17.7				
Operating income	22,835	25,279	10.7	6,323	7,103	12.3	6,417	10.7				
Overhead cost	(11,663)	(13,572)	16.4	(3,664)	(3,979)	8.6	(3,477)	14.4				
PPOP	11,172	12,365	10.7	2,659	3,124	17.5	2,940	6.3				
Provisions	(1,894)	(2,357)	24.4	(157)	(484)	208.3	(524)	(7.6)				
Net profit	7,006	7,568	8.0	1,896	1,999	5.4	1,828	9.4	7,819	97	7,747	98
Balance Sheet (IDR bn)	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)				
Financing	278,481	318,844	14.5	278,481	318,844	14.5	300,851	6.0				
Current accounts	56,336	71,828	27.5	56,336	71,828	27.5	60,639	18.5				
Saving accounts	140,534	162,628	15.7	140,534	162,628	15.7	146,358	11.1				
Time deposits	130,584	146,033	11.8	130,584	146,033	11.8	141,383	3.3				
TPF (IDRbn)	327,454	380,489	16.2	327,454	380,489	16.2	348,380	9.2				
CASA (IDRbn)	196,870	234,456	19.1	196,870	234,456	19.1	206,997	13.3				
Total equity	45,042	51,953	15.3	45,042	51,953	15.3	49,844	4.2				
Key metrics	12M24	12M25	YoY (%)	4Q24	4Q25	YoY (%)	3Q25	QoQ (%)				
RoE	17.77	16.85	-0.92	17.77	16.85	-0.92	16.85	0.00				
NI	5.66	5.59	-0.07	5.66	5.59	-0.07	5.64	-0.05				
CIR	50.89	52.09	1.20	50.89	52.09	1.20	51.08	1.01				
Loan yield	8.95	9.05	0.10	8.95	9.05	0.10	9.12	-0.07				
Cost of Fund (CoF)	2.49	2.58	0.09	2.49	2.58	0.09	2.66	-0.08				
NPF gross	1.90	1.80	-0.10	1.90	1.80	-0.10	1.84	-0.04				
CoC	0.83	0.84	0.01	0.83	0.84	0.01	0.86	-0.02				
FDR	84.97	83.74	-1.23	84.97	83.74	-1.23	86.29	-2.55				

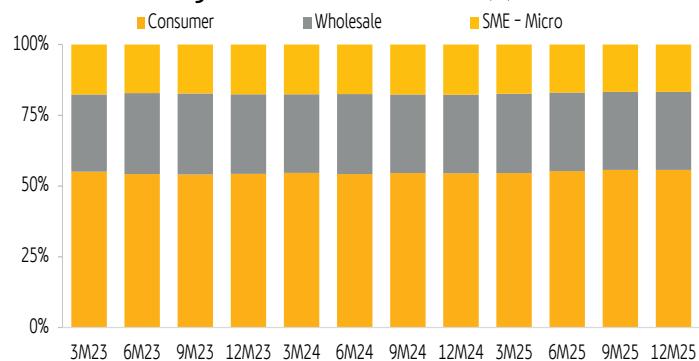
Source: Company, KBVS Research

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



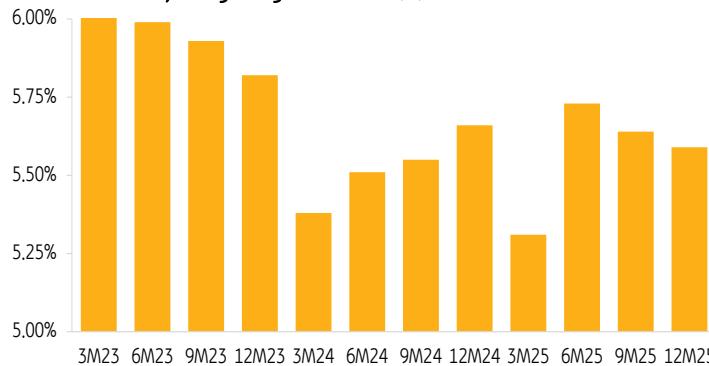
Source: Company, KBVS Research

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



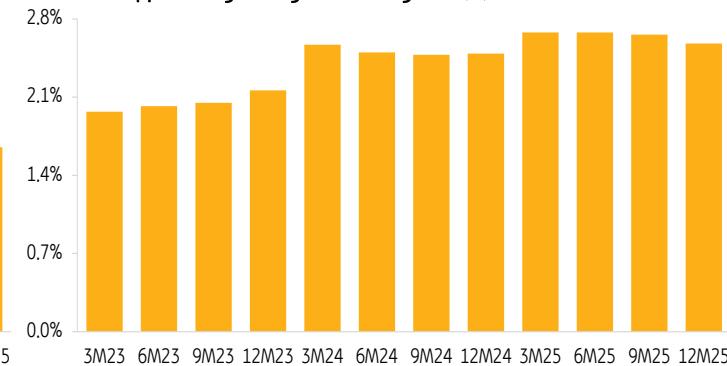
Source: Company, KBVS Research

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



Source: Company, KBVS Research

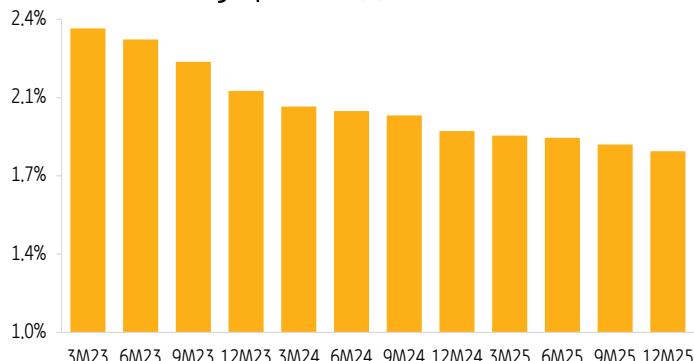
Exhibit 6: ..supported by steady low funding cost (%)



Source: Company, KBVS Research

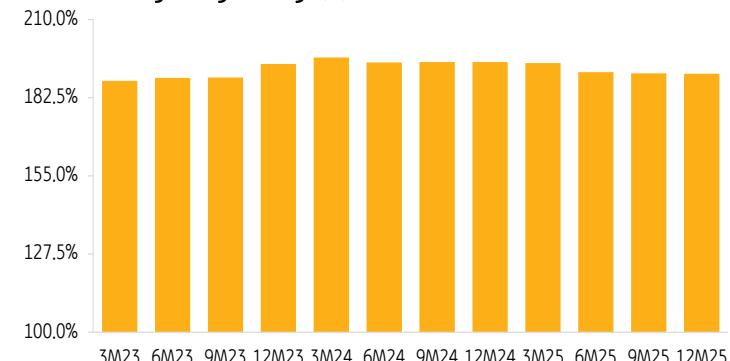


Exhibit 7: NPF continuing improvement (%)



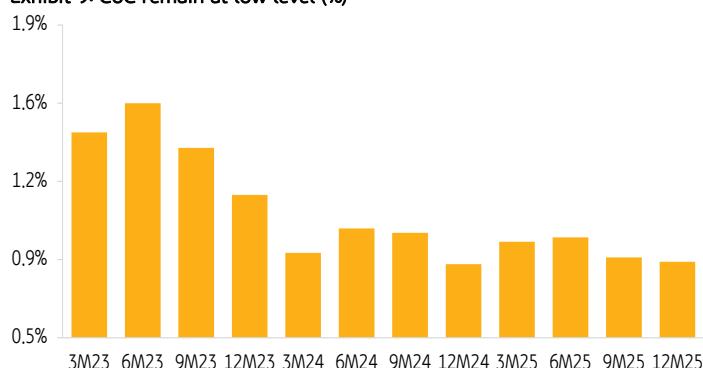
Source: Company, KBVS Research

Exhibit 8: Steady sturdy coverage (%)



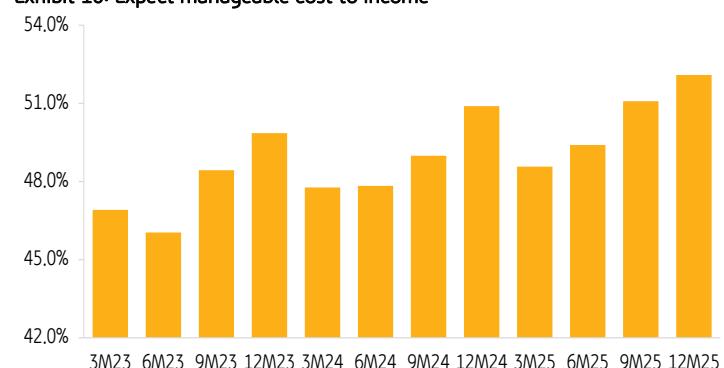
Source: Company, KBVS Research

Exhibit 9: CoC remain at low level (%)



Source: Company, KBVS Research

Exhibit 10: Expect manageable cost to income



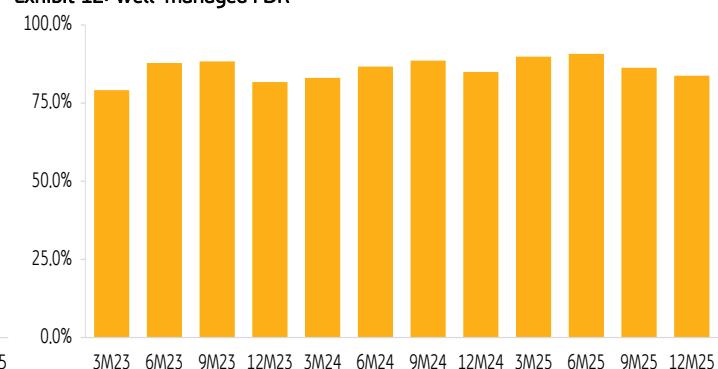
Source: Company, Bloomberg, KBVS Research

Exhibit 11: Solid Tier-1 Capital



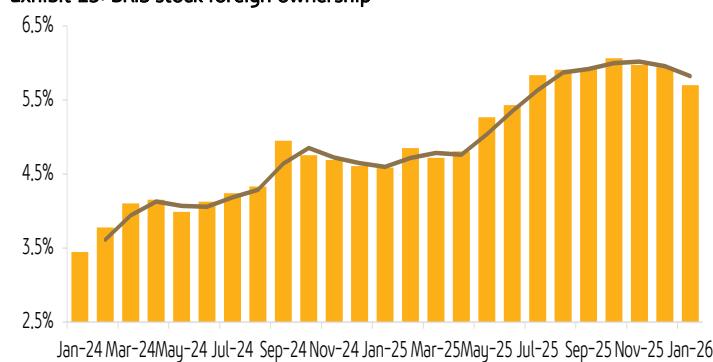
Source: Company, KBVS Research

Exhibit 12: Well-managed FDR



Source: Company, KBVS Research

Exhibit 13: BRIS stock foreign ownership



Source: Company, KBVS Research

Exhibit 14: Traded at 1.9x '26F P/B, slightly above -1SD



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

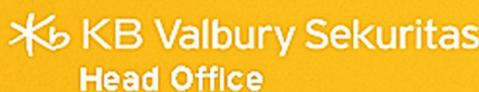
Source: Company, KBVS Research

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