SAMUEL SNAPSHOT

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COMPANY CORNER — Fri, 7 August 2026

BMRI IJ

Bank Mandiri (Persero) Tbk

Best of the Big Banks

SSI SUMMARY – 2H26 earnings normalization as NIM troughs in 3Q26 and opex tailwind fades have priced in BMRI's cheap 1.2x 26F P/BV valuation, equivalent to its 2015-16 lows despite current NPL formation of 30bps versus 4% then. Fee income is now the engine (recurring fees +24% YoY, Livin' users 40.9mn) with opex guidance flat to low-single-digit in 2026 and c.5% from 2027, while c.9% dividend yield pays the wait. BUY.

SSI RATING

BUY

TARGET PRICE: **IDR 5,800** — UPSIDE ▲ 38.1%

(Based on 1.7x 2026F P/B)

Cons. TP (IDR)	5,282
Last Price (IDR)	4,200
52-Week High/Low (IDR)	5,375/3,650
3M avg daily value (IDRbn)	920.0
Market cap (IDRtn)	392.0
Indonesian Government (%)	59.5
Public (%)	40.5

2Q26 Top-line

2Q26 operating income fell 5.5% QoQ to IDR34.7tn (-4.3% YoY) as NII dropped 9.0% QoQ to IDR22.8tn on BSI deconsolidation and a NIM slide to 4.4%. Non-interest income was the offset, up 2.1% QoQ and 26.8% YoY on recurring fee growth.

2Q26 Bottom-line

2Q26 net profit fell 2.3% QoQ but increased 33.5% YoY to IDR15.0tn, with 1H26 of IDR30.4tn (+24.4% YoY) coming in-line (SSI: 52.4%; Cons: 53.0%), caused by lower opex of 7.6% QoQ (-9.1% YoY) which lifted 2Q26 PPOP 31.8% YoY.

Operational Data

Loans expanded 19% YoY/6.4% YTD, led by wholesale (+8% YTD) versus retail at just +1%; LDR rose to 94.9% and CASA slipped to 69.2%. Asset quality held with NPL at 1.0% and coverage 235%; however, bank-only CAR decreased to 17.5%.

3Q26/26F Preview

Management cut FY26 NIM guidance to 4.3-4.5% on BSI deconsolidation, tighter liquidity and loan-yield pressure, and expects NIM to bottom in 3Q26 before stabilising in 4Q26. Loan growth of 7-9% and credit cost of 60-80bps are unchanged.

Positive Catalysts

Fee income is now the earnings engine, with recurring fees +24% YoY and Livin' users at 40.9mn (+24.3%), while opex is guided flat to low-single-digit in 2026 and c.5% from 2027.

Negative Sentiments

Bank-only loan yields fell 20bps QoQ to 6.91% with new pricing 100-200bps below normal. Bank-only CAR of 17.5% sits below the 18-20% target and could constrain growth or the dividends.

Share-Price Relative

Stock Performance (%)	YTD	1M	3M	12M
Absolute	(17.6)	4.2	(6.9)	(10.6)
JCI Return	(26.6)	6.0	(11.6)	(15.3)
Relative	9.0	(1.7)	4.7	4.7

Company Background

Indonesia's largest bank by assets, PT Bank Mandiri (Persero) Tbk is a state-owned, wholesale-led franchise majority held via Danantara alongside INA, with a growing consumer and digital business anchored on its Livin' and KOPRA platforms.

SOURCES BBCA 2Q26 results & company filings; SSI Research. Analysts: Prasetya Gunadi

Figure 1. BMRI's 2Q26 Results

(IDRbn)	2Q26	QoQ (%)	YoY (%)	6M25	6M26	YoY (%)	6M26/ SSI(%)	6M26/ Cons. (%)
Net interest income	**22,790**	**(9.0)**	**(15.2)**	**52,384**	**47,839**	**(8.7)**	**-**	-
Non-interest income	11,935	2.1	26.8	21,134	23,628	11.8	-	-
Total operating income	**34,724**	**(5.5)**	**(4.3)**	**73,517**	**71,467**	**(2.8)**	**42.7**	**45.8**
Provisions	2,872	11.9	8.6	6,281	5,439	(13.4)	-	-
Operating profit	**19,141**	**(3.9)**	**24.9**	**33,443**	**39,063**	**16.8**	**-**	**-**
Net profit	**15,028**	**(2.3)**	**33.5**	**24,455**	**30,412**	**24.4**	**52.4**	**53.0**
Key ratios (%)								
NIM	-	-	-	4.6	4.3	-	-	-
LDR	-	-	-	92.8	94.9	-	-	-
Capital adequacy	-	-	-	18.4	17.5	-	-	-
Gross NPL	-	-	-	1.1	1.0	-	-	-
ROE	-	-	-	18.8	22.1	-	-	-

Sources: Company, SSI Research

Figure 2. Peer Comparables

Company Ticker	Rating	Market Cap. (IDR tn)	Last Price (IDR)	TP (IDR)	YTD Net Buy/(Sell) (IDR bn)	Upside Potential (%)	2026F NIM (%)	2026F EPS Growth (%)	2026F PBV (x)	2026F ROE (%)	2026F Div. Yield (%)
BBCA	BUY	783	6,350	7,150	(31,309)	12.6	5.3	1.2	2.5	19.7	3.9
BBRI	BUY	461	3,040	3,500	(13,668)	15.1	7.5	2.1	1.4	17.6	11.2
BMRI	**BUY**	**392**	**4,200**	**5,800**	**(12,891)**	**38.1**	**4.5**	**3.0**	**1.2**	**19.0**	**8.9**
BBNI	BUY	135	3,620	4,700	(3,136)	29.8	3.2	(0.5)	0.7	11.3	7.4
BRIS	BUY	83	1,795	2,200	(859)	22.6	4.9	2.8	1.4	15.5	1.9
BBTN	BUY	17	1,220	1,450	471	18.9	3.6	1.4	0.3	9.4	5.5
	NEUTRAL	**1,870**			**(61,391)**	**20.3**	**5.5**	**1.8**	**1.8**	**18.1**	**6.9**

Sources: Company, SSI Research

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