CORPORATE RATING 2025

Rating Agency	Ratings	Validity
Moody's (23 October 2025)		
Outlook	STABLE	1 year
LT Counterparty Risk Rating	Baa1	
LT Debt	Baa2	
LT Deposit	Baa2	
Pefindo (22 September 2025)		
Corporate Rating	STABLE	1 year
LT General Obligation	idAAA	
Fitch Rating (20 November 2025)		
Outlook	STABLE	1 year
International LT Rating	BBB	
International ST Rating	F2	
National LT Rating	AAA(idn)	
National ST Rating	F1+(idn)	
Viability Rating	bbb-	
Government Support Rating	bbb	
Standard & Poor (8 January 2025)		
Issuer Credit Rating	BBB/STABLE/A-2	1 year

ANALYST REPORT

No.	Securities	Recommendations	Target	Resume	Date
1.	J.P. Morgan	Underweight	3,600	J.P. Morgan maintains an Underweight rating on Bank Mandiri following its post–2Q25 model update, citing weaker non-interest income and elevated operating costs. The bank lowered its FY25–FY27 EPS estimates by 1–3%, with FY25–27 earnings now 3–7% below consensus. While 2026 EPS remains broadly unchanged, J.P. Morgan expects profitability pressure from margin compression and higher credit costs, with ROE forecast at 17.4% in FY25, gradually improving to 18.3% by FY27. The price target is kept at Rp3,600 (Dec-26), based on a Dividend Discount Model with a normalized ROE of 17% and cost of equity of 16.8%. From a fundamental perspective, J.P. Morgan highlights growing risks related to liquidity tightness, slowing loan growth, and emerging asset quality pressures, particularly among MSME borrowers. Loan growth is expected to decelerate sharply in 2025, while NIM is projected to compress by 29 bps to 4.86% before a modest recovery in 2026. Although Bank Mandiri benefits from its scale and strong payments franchise, rising funding costs, higher NPLs, and elevated credit costs are expected to weigh on earnings and valuation. Upside risks include a meaningful improvement in system liquidity, better-than-expected asset quality, and stronger fee or trading income recovery.	24 October 2025
2.	Macquire	Outperform	4,950	Macquarie upgrades Bank Mandiri to Outperform from Neutral, citing its strong positioning as a wholesale-focused lender amid deteriorating consumer credit trends. With consumer loan NPLs rising sharply (+25% YoY in 3Q25), Macquarie prefers banks with higher exposure to corporate, SOE, and medium-commercial segments, where credit stress remains contained. Bank Mandiri has the highest wholesale loan mix among major Indonesian banks, which Macquarie views as a key buffer against prolonged weakness in retail lending. While near-term pressures on NIM and costs persist in 2025, these are expected to stabilise in 2026, allowing loan growth to re-emerge as the main earnings driver. From a valuation perspective, Macquarie raises Bank Mandiri's target price by 13% to Rp4,950, based on an adjusted price-to-book approach that assumes a sustainable ROE of ~18%. Although Mandiri carries relatively lower loan loss allowances compared to peers, its improving corporate asset quality and declining legacy loan exposure mitigate this risk. The bank's earnings estimates are broadly in line with consensus, and Macquarie sees limited downside risk relative to other state-owned peers, aside from potential policy-driven lending and higher cost of capital sensitivity to sovereign yield movements. Overall, Mandiri is viewed as one of the better-positioned SOE banks into 2026.	17 November 2025
3.	Verdhana	BUY	6,000	Verdhana highlights the potential deconsolidation of Bank Syariah Indonesia (BRIS) from Bank Mandiri's financial statements following the planned transfer of BRIS's golden share from BMRI back to Danantara by end-2025. If deconsolidation occurs, BRIS would be accounted for as an associate rather than fully consolidated, resulting in broadly unchanged headline net profit for BMRI but lower reported NIM, given BRIS's higher margin profile. The impact on capital adequacy is expected to be limited and manageable. Verdhana views this move as a simpler and cleaner resolution that allows Danantara to exercise full control over BRIS, while improving transparency of BMRI's core banking metrics.	28 November 2025

No.	Securities	Recommendations	Target	Resume	Date
				Beyond the technical accounting change, Verdhana has turned more constructive on Bank Mandiri's medium-term outlook. The firm expects government programs to be more effectively executed in 2026, supporting stronger loan growth, while margin pressures that have persisted since 2022 are seen as largely priced in, with 4Q25 likely marking the NIM trough. Verdhana reiterates its Buy rating on Bank Mandiri with a target price of Rp6,000, based on a DuPont valuation assuming a CAR-adjusted ROAE of 18.5%. Key risks include macroeconomic deterioration, tighter liquidity competition, and higher-than-expected credit costs or operating expenses.	
4.	CGS International	ADD	5,600	CGSI views Bank Mandiri as one of the key beneficiaries of Indonesia's improving banking cycle into 2026, supported by stronger wholesale loan growth, easing funding costs, and potential foreign fund inflows. BMRI is positioned to benefit from the government's liquidity injections into SOE banks, which have allowed it to reduce reliance on high-cost special deposits and improve its cost of funds. Loan growth is expected to rebound to around 9–10% in 2026, driven mainly by corporate and commercial segments, while management remains cautious on consumer lending amid still-elevated system retail NPLs. CGSI also highlights Bank Mandiri's focus on fee-based income and transactional banking as an additional earnings lever. From a valuation perspective, CGSI believes Bank Mandiri is well placed for a re-rating once foreign investors rotate back into Indonesian banks. Foreign ownership in BMRI has declined significantly from peak levels in 2023–24, leaving room for renewed inflows as policy clarity improves and earnings growth recovers. CGSI maintains an Add rating on Bank Mandiri with a target price of Rp5,600, supported by an attractive FY26 dividend yield of around 8% and a forecast ROE recovery to ~18%. Asset quality is expected to remain stable, with NPLs around 1.0–1.1% and manageable credit costs, reinforcing BMRI's status as one of CGSI's top sector picks.	9 December 2025
5.	BRI Danareksa	BUY	5,500	BRI Danareksa expects Bank Mandiri's earnings to rebound in FY26, with net profit projected to rise 5.6% yoy to Rp52.3 trillion after a weak FY25 base. The recovery is driven by stronger loan growth of around 12% yoy, primarily from the wholesale segment, and a meaningful reduction in operating expenses as one-off costs in FY25 roll off. However, competition in wholesale lending is expected to keep pressure on net interest margins, with FY26 NIM guided at 4.8–5.0%, as lower asset yields may only be partially offset by easing funding costs. As a result, earnings growth is volume-led rather than margin-driven. Despite margin headwinds, BRI Danareksa sees cost efficiency as a key earnings buffer, with opex forecast to decline 7% yoy in FY26 and the cost-to-income ratio improving sharply to 41.9% from 46.5% in FY25. Asset quality in the corporate segment is expected to remain resilient, given exposure to large corporates and export-oriented sectors, while credit costs are projected to normalize. BRI Danareksa maintains a Buy rating with a higher target price of Rp5,500, reflecting a GGM-based valuation with FY26 ROE of 16.6% and a lower cost of equity assumption of 11.6%. Key risks include potential asset quality deterioration and a resurgence in operating expenses.	11 December 2025

No.	Securities	Recommendations	Target	Resume	Date
6.	Citi	Neutral	5,150	Bank Mandiri delivered a strong 4Q25 performance, with net profit of Rp18.6 trillion (+40% qoq, +35% yoy), bringing FY2025 net profit to Rp56.3 trillion (+1% yoy), exceeding Citi's and consensus estimates by 7–11%. The beat was mainly driven by robust non-interest income growth (+23% qoq / +21% yoy) and sharply lower provisions (-73% qoq / -64% yoy), partly due to a revision in ECL methodology that reduced credit costs by 20–30bps. Loan growth accelerated to +13% yoy (or +9% yoy excluding KDMP loans), led by strong corporate lending, while retail remained soft. NIM expanded slightly to 4.89% (+6bps qoq), supported by improved cost of funds (2.49%, -27bps qoq) following better liquidity and Ministry of Finance deposit injections. Asset quality remained benign, with NPL at 1.13% and credit costs at 58bps for FY2025. Looking ahead to 2026, management guides for 7–9% loan growth, NIM of 4.6–4.8% (implying 10–30bps compression), and normalized credit costs of 60–80bps. Opex growth is expected to remain in low- to mid-single digits, targeting a cost-to-income ratio of 42–43%, while capital remains strong with Tier 1 at ~17% and CAR at ~19%, supporting a 65–70% dividend payout ratio. Citi maintains a Neutral rating with a target price of Rp5,150, noting that BMRI's relatively lighter provisioning stance in 2025 versus peers may limit upside in a still-uncertain macro environment. The stock is valued at around 1.6x PBV with ~19% ROE.	5 February 2026
7	CLSA	OUTPERFORM	6,000	CLSA highlights that Bank Mandiri delivered stronger-than-expected 4Q25 and FY2025 results, but enters 2026 with less margin for execution errors due to a high earnings base. FY2025 net profit grew 0.9% yoy, beating both CLSA and consensus estimates by 8–12%, supported by solid loan growth (+13.4% yoy including Agrinas), lower opex growth, and sharply reduced provision expenses following a change in provisioning methodology. NIM for FY2025 came in at 4.89%, in line with guidance, as improvements in funding costs were offset by pressure on loan yields, particularly in the competitive wholesale segment. The strong end to 2025 leaves headline metrics healthy, but also sets a tougher comparison for 2026. For 2026, management guides for more moderate loan growth of 7–9%, NIM compression to 4.6–4.8%, and normalized credit costs of 60–80bps. CLSA cautions that continued yield competition, especially in wholesale lending, alongside potential policy rate cuts, could weigh on profitability, even as cost discipline improves with opex growth guided at low- to mid-single digits. While asset quality remains stable and capital ratios strong, supporting dividend payouts of 65–70%, CLSA notes that upside to earnings is more limited compared with prior years. Nevertheless, CLSA maintains an Outperform rating with a target price of Rp6,000, viewing current valuation as attractive at around 1.5x FY26F P/B, despite near-term execution risks.	5 February 2026
8	BNI Securities	HOLD	5,100	Bank Mandiri delivered a solid FY2025 performance, with PATMI growing 1% yoy and beating both BNI Sekuritas' and consensus estimates by around 10%, driven by stronger-than-expected loan growth and significantly lower credit costs. The standout quarter was 4Q25, where net profit surged 40% qoq and 35% yoy to a record Rp18.6 trillion. Full-year net interest income rose 4.5% yoy, supported by robust loan expansion, while NIM of 4.9% was in line with management guidance. Although PPOP declined 2% yoy, it still exceeded expectations, with 4Q25 PPOP reaching a record high of Rp26 trillion. Credit costs were exceptionally low at 60bps for FY2025 (20bps in 4Q25), well below guidance, aided by provision write-backs. Loan growth reached 13% yoy (or 10% yoy excluding Agrinas), broadly in line with guidance. Improvements in commercial loan yields helped partially offset weaker corporate yields, though blended loan yields declined 21bps yoy. Looking ahead, management guides for softer loan growth of 7–9% in 2026, NIM compression of 10–30bps, and normalization of credit costs to 60–80bps, which is expected to moderate earnings momentum. BNI Sekuritas forecasts muted profit growth of 4% yoy in 2026 and maintains a 3M Buy / 12M Hold rating, while raising its target price to Rp5,100 and revising up 2026 earnings forecasts by 5%.	5 February 2026

No.	Securities	Recommendations	Target	Resume	Date
9	Goldman Sachs	Neutral	5,450	Bank Mandiri delivered a strong 4Q25 performance with net profit of Rp18.6 trillion, up 35% yoy and 40% qoq, beating Goldman Sachs' estimates by 43%. The earnings surprise was driven by better-than-expected cost control, despite earlier guidance for elevated opex due to one-off audit-related expenses, and lower credit costs following enhancements to the ECL collateral model, which reduced credit costs by an estimated 20–30bps. Net interest income also exceeded expectations by 5%, supported by a sharp decline in funding costs after government deposit injections, which more than offset continued pressure on loan yields. Loan growth accelerated to 14% yoy, boosted by government-related project lending, while asset quality remained benign with the NPL ratio improving to 1.13%. Looking ahead to 2026, Bank Mandiri guides for loan growth of 7–9%, NIM of 4.6–4.8%, and credit costs of 60–80bps, reflecting persistent yield competition but still-solid asset quality. However, Goldman Sachs flags higher operating expense growth as a key watch point, as management's opex guidance implies mid-to-high teens underlying cost growth despite headline mid-to-low single-digit guidance. Incorporating higher costs and lower credit costs, Goldman Sachs revised up its 2026–28 earnings forecasts and raised its 12-month target price to Rp5,450, while maintaining a Neutral rating given balanced upside from earnings recovery and risks from funding, asset quality, and expense discipline.	6 February 2026
10	Indo Premier	BUY	6,400	Bank Mandiri delivered a strong FY2025 performance with net profit of Rp56.3 trillion (+1% yoy), in line with Indo Premier's estimates but beating market consensus by around 10%. The earnings outperformance was driven by robust loan growth of 13% yoy,led by corporate and commercial segments, and significantly lower credit costs of 58bps, well below FY25 guidance. Net interest income rose 4% yoy, while NIM declined 26bps yoy to 4.9% due to lower loan yields, partly offset by improved cost of funds. Asset quality remained resilient, with NPL stable at 1.1%, improving loan-at-risk metrics, and a strong recovery/write-off ratio of 114%, indicating improving underlying credit trends. Looking ahead, management guides for more moderate loan growth of 7–9% in FY26, NIM compression to 4.6–4.8%, and normalized credit costs of 60–80bps as provisioning returns to more normal levels. Operating efficiency is expected to improve, with the cost-to-income ratio guided to normalize at 42–43% in FY26. Indo Premier maintains a Buy rating on Bank Mandiri with an unchanged target price of Rp6,400, citing attractive valuation at around 1.5x FY26F P/B and 7.9x FY26F P/E, supported by solid ROE near 19–20% and a healthy dividend outlook. Key risks remain a sudden deterioration in asset quality and higher-than-expected credit costs.x	6 February 2026