

# Bank Negara Indonesia Tbk (BBNI)

## Di tengah Pertumbuhan Kredit dan Biaya Dana Rendah

Laba BBNI anjlok sebesar -78,7% menjadi Rp 3,28 Trilyun pada tahun 2020 lalu. Provisi Kerugian Kredit yang naik tajam menjadi Rp 22,59 Trilyun (vs Rp 8,84 Trilyun pada FY19) memberikan tekanan berat pada profitabilitas perusahaan. Namun BBNI masih mampu membukukan pertumbuhan kredit sebesar 5.5% yoy dengan laba sebelum provisi hanya turun tipis -1,8%. Untuk tahun ini perseroan menargetkan pertumbuhan kredit single digit di kisaran 6%-9%.

### Provisi Menggerus Laba 2020, namun PPOP relatif solid

- BBNI mencatatkan penurunan kinerja signifikan pada tahun 2020 dengan laba bersih turun 78,7% yoy menjadi Rp 3,28 Trilyun (vs Rp 15,38 Trilyun FY19). Namun, *Pre-provision Operating Profit* (PPOP) hanya turun tipis sebesar 1,8% menjadi Rp 27,82 Trilyun.
- Loan loss Provisions* naik tajam dari Rp 8,84 Trilyun pada FY19 menjadi Rp 22,59 Trilyun di tahun 2020.
- Perseroan masih mampu mencatat pertumbuhan kredit sebesar 5,3% (Rp 586,2 Trilyun FY20 vs Rp 556,7 Trilyun FY19). Sementara itu, likuiditas BBNI melonggar dengan level LDR di 87,3%
- Net Interest Margin* tertekan menjadi 4,5% (dari 4,9% di akhir tahun 2019). Namun, perseroan juga berhasil menurunkan beban dana sebesar 60 bps ke 2,6%.

### Segmen Korporasi menopang Kredit, Savings Account tumbuh paling tinggi

- Pertumbuhan kredit BBNI tahun lalu ditopang oleh segmen korporasi swasta dengan kenaikan 10,3% YoY. Adapun, segmen korporasi masih menyumbang 52,8% dari total kredit. Secara jenis, Kredit Modal Kerja (KMK) masih menjadi kontributor terbesar dengan pertumbuhan 10,1% yoy.
- Dari sisi dana pihak ketiga (DPK), segmen tabungan (*Savings Account*) menjadi penyumbang kenaikan tertinggi sebesar 17% yoy (Rp 236,7 T vs Rp 202,3 T pada FY19). Hal ini menyebabkan rasio dana murah (CASA) naik menjadi 68,4% (vs 66,8% FY 2020).

### Target pertumbuhan kredit single digit di 2021

- BBNI menargetkan pertumbuhan kredit yang cenderung konservatif sebesar 6%-9% di tahun 2021, seiring dengan masih tingginya tantangan pemulihan ekonomi. Sementara pertumbuhan Dana Pihak Ketiga (DPK) diproyeksikan sebesar 7,9%.
- Perbaikan kualitas kredit akan menjadi fokus utama tahun ini dengan target NPL di 3,7%.
- Pengembangan digitalisasi perbankan akan dilakukan antara lain dengan inisiatif menjadikan *mobile banking* menjadi *super apps*, serta memfasilitasi pihak ketiga dengan layanan *Application Programming Interface*.

### Menaikkan Rating BUY dengan TP di Rp 7,950

- Kami menaikkan rating terhadap BBNI dari *Overweight* menjadi *BUY* dengan target harga di Rp 7,950. Target harga kami mencerminkan forward P/B sebesar 1,24x (rata-rata 3 tahun terakhir). Saat ini, BBNI diperdagangkan di level P/B 1,05x.

### Bank Negara Indonesia Tbk | Summary (IDR bn)

in IDR bn	2019	2020	2021F	2022F
Interest Income	58,532	56,173	64,026	68,080
<i>Interest Income growth</i>	8.1%	-4.0%	14.0%	6.3%
Operating Revenue	52,012	52,036	61,818	63,747
Net profit	15,384	3,280	9,259	14,863
EPS (IDR)	825	176	496	797
<i>EPS growth</i>	5.1%	-78.7%	182.3%	60.5%
BVPS (IDR)	6,703	6,053	6,425	7,134
Net Interest Margin	4.1%	4.2%	5.0%	4.7%
Loan/Deposits	88.9%	85.1%	82.5%	82.9%
NPL	2.3%	4.2%	3.7%	3.7%
ROE	13.1%	2.8%	8.0%	11.8%
ROA	1.9%	0.4%	1.0%	1.5%
P/E	9.5x	35.1x	16.0x	10.0x
P/BV	1.2x	1.0x	1.2x	1.1x
P/Op. Revenue	2.8x	2.2x	2.4x	2.3x
DPS (IDR)	206	50	140	225
<i>Dividend yield</i>	2.6%	0.8%	1.8%	2.8%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

## BUY

Target Price (IDR)	7,950
Consensus Price (IDR)	7,112
TP to Consensus Price	+11.8%
vs. Last Price	+27.2%

### Shares data

Last Price (IDR)	6,225
Price date as of	Feb 9, 2021
52 wk range (Hi/Lo)	7,950 / 2,970
Free float (%)	40.0
Outstanding sh.(mn)	18,649
Market Cap (IDR bn)	116,088
Market Cap (USD mn)	8,223
Avg. Trd Vol - 3M (mn)	57.712
Avg. Trd Val - 3M (bn)	351.2
Foreign Ownership	15.2%

### Finance

#### Banking

Bloomberg	BBNI IJ
Reuters	BBNI.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-9.4%	21.7%	21.7%	-16.3%
Rel. Ret.	1.8%	13.3%	16.7%	-7.0%

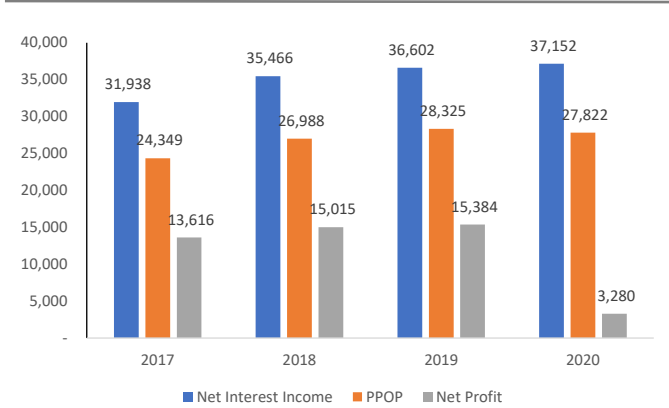
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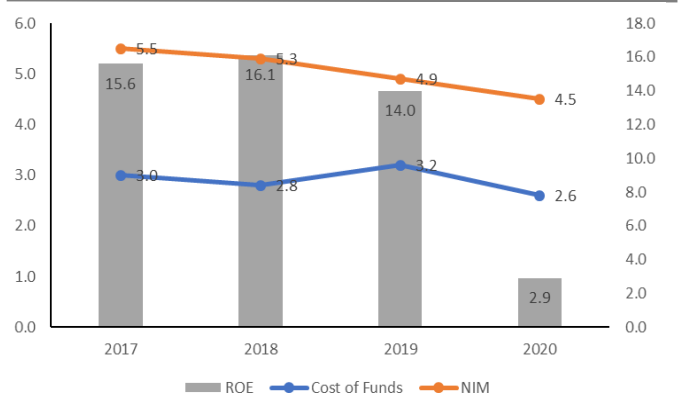
## Performance Highlights

### Financial Performance (IDR Billion)



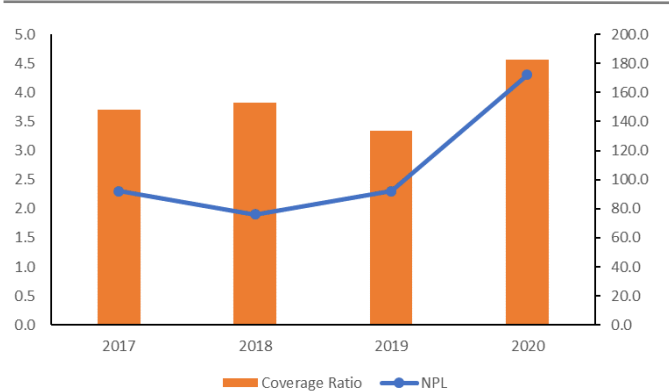
Source: Company, NHKSI Research

### Profitability Ratios (%)



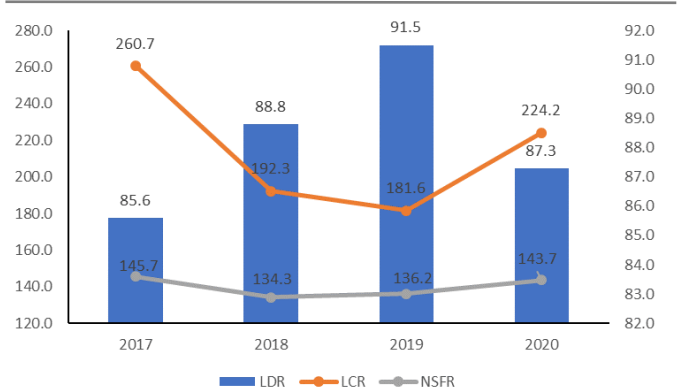
Source: Company, NHKSI Research

### Asset Quality (%)



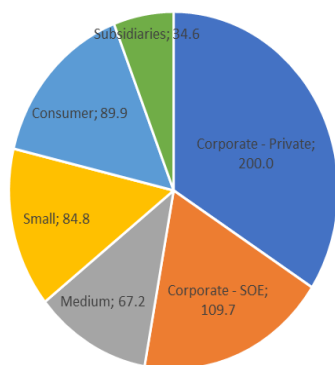
Source: Company, NHKSI Research

### Liquidity (%)



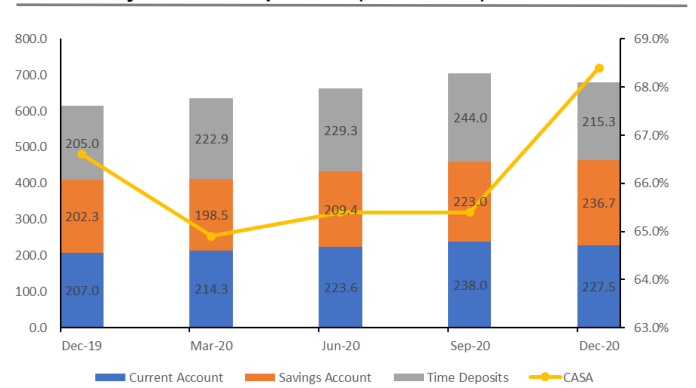
Source: Company, NHKSI Research

### Loan Composition by Segment (IDR Trillion)



Source: Company, NHKSI Research

### Third Party Funds Composition (IDR Trillion)



Source: Company, NHKSI Research

## Company Overview



PT. Bank Negara Indonesia (Persero), Tbk didirikan pada tanggal 5 Juli 1946 sebagai Bank sentral dengan nama "Bank Negara Indonesia" berdasarkan Peraturan Pemerintah Pengganti Undang-Undang No. 2 tahun 1946. BBNi merupakan Bank BUMN (Badan Usaha Milik Negara) pertama yang menjadi perusahaan publik setelah mencatatkan sahamnya di Bursa Efek Jakarta dan Bursa Efek Surabaya pada tahun 1996.

Sebanyak 60% saham BBNi dimiliki oleh Pemerintah Republik Indonesia, sedangkan 40% sisanya dimiliki oleh masyarakat, baik individu maupun institusi, domestik dan asing. Perseroan memiliki beberapa anak perusahaan yang memberikan layanan finansial secara terpadu, yakni Bank BNI Syariah, BNI Multifinance, BNI Sekuritas, BNI Life Insurance, dan BNI Remittance.

BBNi menawarkan layanan penyimpanan dana maupun fasilitas pinjaman baik pada segmen korporasi, menengah, maupun kecil. Saat ini, BBNi merupakan salah satu bank terbesar di Indonesia yang termasuk pada kategori bank BUKU IV (memiliki modal inti di atas Rp 30 Trilyun).

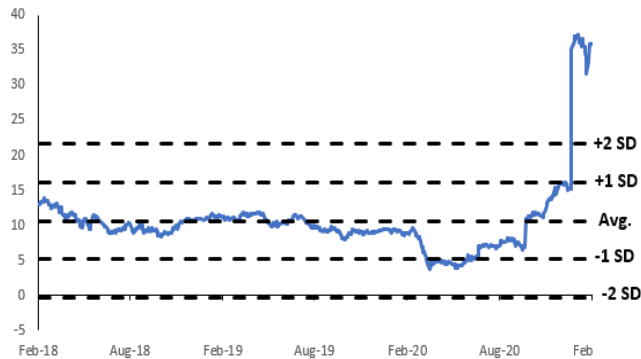
### ASEAN Banking Peers

Company	Ticker	Market Cap (USD Mn)	Total Assets (USD Mn)	Net Income LTM (USD Mn)	ROE (x)	P/E (x)	P/B (x)	Dividend Yield LTM (%)
<b>INDONESIA</b>								
BANK NEGARA INDONESIA PERSER	BBNI IJ	8,298	64,010	225	2.82	35.44	1.05	3.31
BANK MANDIRI PERSERO TBK PT	BMRI IJ	21,932	102,645	1,176	8.7	17.92	1.62	5.37
BANK CENTRAL ASIA TBK PT	BBCA IJ	62,122	77,240	1,865	15.13	32.03	4.71	1.57
BANK RAKYAT INDONESIA PERSER	BBRI IJ	40,814	108,568	1,280	9.24	30.58	2.89	3.63
<b>SINGAPORE</b>								
DBS GROUP HOLDINGS LTD	DBS SP	50,090	467,564	3,448	9.99	14.02	1.22	3.92
UNITED OVERSEAS BANK LTD	UOB SP	30,172	309,261	2,222	8.41	12.44	1	4.77
OVERSEA-CHINESE BANKING CORP	OCBC SP	35,455	372,904	2,550	7.96	12.52	0.98	4.18
<b>MALAYSIA</b>								
CIMB GROUP HOLDINGS BHD	CIMB MK	10,029	144,524	430	3.29	22.19	0.74	2.93
BANGKOK BANK PUBLIC CO LTD	BBL TB	8,166	127,453	543	3.92	14.22	0.54	3.91
<b>THAILAND</b>								
SIAM COMMERCIAL BANK PUB CO	SCB TB	11,973	109,298	877	6.71	13.17	0.87	3.79

Source: Bloomberg

## Multiple Valuation

P/E Band | Last 3 years



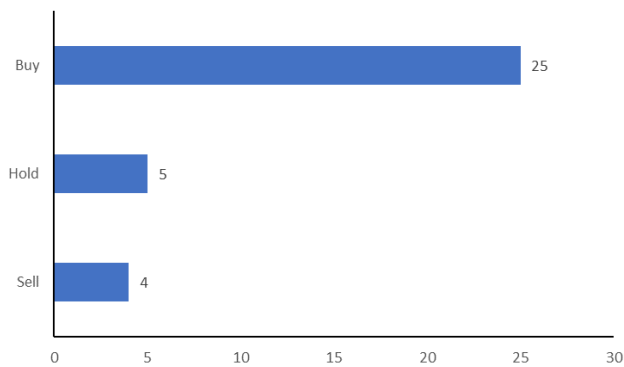
Source: NHKSI Research

P/B band | Last 3 years



Source: NHKSI Research

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKSI Research

## Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
31/01/2020	Buy	6,000	5,075	5,509	+18.2%	+8.9%
13/11/2020	Overweight	6,000	5,650	5,732	+6.2%	+4.7%
10/02/2020	Buy	7,950	6,225	7,112	+27.2%	+11.8%

Source: NHKSI Research, Bloomberg

## Summary of Financials

### INCOME STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12F	2022/12F
<b>Interest Income</b>	<b>58,532</b>	<b>56,173</b>	<b>64,026</b>	<b>68,080</b>
<i>Growth (% y/y)</i>	8.1%	-4.0%	14.0%	6.3%
Interest Expenses	(21,930)	(19,021)	(19,498)	(22,365)
<b>Net Interest Income</b>	<b>36,602</b>	<b>37,152</b>	<b>44,528</b>	<b>45,715</b>
<i>Net Interest Margin</i>	4.1%	4.2%	5.0%	4.7%
Net Fee Income	8,851	8,309	9,959	10,224
Trading Income	1,604	2,544	2,501	2,849
Other Operating Income	4,954	4,031	4,831	4,960
<b>Operating Revenue</b>	<b>52,012</b>	<b>52,036</b>	<b>61,818</b>	<b>63,747</b>
Operating Expenses	(23,687)	(24,214)	(26,582)	(27,411)
<b>Pre-provisioning OP</b>	<b>28,325</b>	<b>27,822</b>	<b>35,236</b>	<b>36,336</b>
Provision for Impairment	(8,838)	(22,590)	(22,767)	(16,893)
<b>EBT</b>	<b>19,369</b>	<b>5,112</b>	<b>12,318</b>	<b>19,287</b>
Income Tax	(3,861)	(1,791)	(2,956)	(4,243)
Non-controlling Interest	(124)	(41)	(103)	(181)
<b>Net Profit</b>	<b>15,384</b>	<b>3,280</b>	<b>9,259</b>	<b>14,863</b>
<i>Growth (% y/y)</i>	5.1%	-78.7%	182.3%	60.5%

### PROFITABILITY & STABILITY

	2019/12A	2020/12A	2021/12F	2022/12F
ROE	13.1%	2.8%	8.0%	11.8%
ROA	1.9%	0.4%	1.0%	1.5%
Non-Int. Inc. /Op. Rev	29.6%	28.6%	28.0%	28.3%
Cost/Income	45.5%	46.5%	43.0%	43.0%
Cash Dividend (IDR bn)	3,846	927	2,615	4,198
Dividend Yield (%)	2.6%	0.8%	1.8%	2.8%
Payout Ratio (%)	25.0%	28.2%	28.2%	28.2%
Loan/Deposits	88.9%	85.1%	82.5%	82.9%
NPL	2.3%	4.2%	3.7%	3.7%
Loan Loss Res./Loan	3.0%	7.5%	6.5%	6.7%
CASA/Deposits	66.6%	68.3%	70.1%	70.6%
Time Deposits/Deposits	33.4%	31.7%	29.9%	29.4%
Par Value (IDR)	375	375	375	375
Total Shares (mn)	18,649	18,649	18,649	18,649
Share Price (IDR)	7,850	6,175	7,950	7,950
Market Cap (IDR tn)	146.4	115.2	148.3	148.3

### BALANCE SHEET

(IDR bn)	2019/12A	2020/12A	2021/12F	2022/12F
Cash	15,362	17,324	25,066	28,233
Placement in Banks	99,844	112,503	137,092	130,411
Net Loans	539,862	541,979	588,348	623,251
Investment	109,125	129,825	145,651	168,783
Fixed Asset	26,525	27,362	28,216	29,040
Other Assets	54,888	62,344	65,965	67,271
<b>Total Assets</b>	<b>845,605</b>	<b>891,337</b>	<b>990,338</b>	<b>1,046,989</b>
Deposits	626,237	688,824	763,341	805,043
Debt	60,321	47,199	62,916	60,758
Other liabilities	34,044	42,442	44,265	48,143
<b>Total Liabilities</b>	<b>720,601</b>	<b>778,465</b>	<b>870,522</b>	<b>913,943</b>
Capital Stock & APIC	23,623	23,623	23,623	23,623
Retained Earnings	82,464	66,981	75,313	87,561
<b>Shareholders' Equity</b>	<b>125,004</b>	<b>112,872</b>	<b>119,816</b>	<b>133,045</b>

### VALUATION INDEX

	2019/12A	2020/12A	2021/12F	2022/12F
Price /Earnings	9.5x	35.1x	16.0x	10.0x
Price /Book Value	1.2x	1.0x	1.2x	1.1x
Price/Op. Revenue	2.8x	2.2x	2.4x	2.3x
PE/EPS Growth	1.9x	-0.4x	0.1x	0.2x
EV/Operating Revenue	3.7x	2.8x	3.1x	2.9x
EV/PPOP	6.8x	5.3x	5.4x	5.1x
EV (IDR bn)	193,839	147,710	188,978	183,844
Op. Rev. CAGR (3-Yr)	12.5%	13.9%	14.4%	12.1%
EPS CAGR (3-Yr)	8.1%	-28.7%	-6.5%	3.0%
Basic EPS (IDR)	825	176	496	797
Diluted EPS (IDR)	825	176	496	797
BVPS (IDR)	6,703	6,053	6,425	7,134
Op. Revenue PS (IDR)	2,789	2,790	3,315	3,418
DPS (IDR)	206	50	140	225

### CASH FLOW STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12F	2022/12F
Operating Cash Flow	(1,222)	49,825	(18,439)	14,367
Investing Cash Flow	(31,135)	(50,341)	(61,737)	(64,110)
Financing Cash Flow	14,738	45,639	87,918	52,909
<b>Net Changes in Cash</b>	<b>(17,618)</b>	<b>45,123</b>	<b>7,742</b>	<b>3,166</b>

### OWNERSHIP

By Geography	% Shareholders	%	
Indonesia	84.8	Republic of Indonesia	60.0
United States	5.3	Vanguard Group	1.5
Luxembourg	2.9	Norges Bank	1.4
Norway	2.0	Others	37.1

Source: Company Data, Bloomberg, NHKSI Research

## NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
  - Buy : Greater than +15%
  - Overweight : +5% to 15%
  - Hold : -5% to +5%
  - Underweight : -5% to -15%
  - Sell : Less than -15%

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