

8M25 PATMI; above ours, inline vs cons.

21 September 2025



BBCA IJ	BUY
Sector	Banks
Price at 19 Sept 2025 (IDR)	7,800
Price target (IDR)	11,080
Upside/Downside (%)	42.1

Stock Information

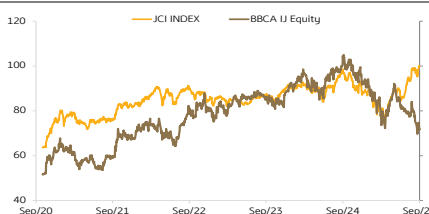
PT Bank Central Asia Tbk has positioned itself as one of the largest transaction banks in Indonesia. The bank provides custodianship, cash management, facilitation for exports and imports, as well as foreign exchange services. Through its subsidiaries, the bank also offers leasing and consumer financing services.

Market cap (IDR bn)	949,218
Shares outstanding (mn)	123,275
52-week range (IDR)	7,275–10,950
3M average daily vol. ('000)	139,940
3M average daily val. (IDR mn)	1,157,956

Shareholders (%)

PT Dwimuria Invest. Andalan	54.9
Public	45.1

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	(8.8)	(11.7)	(28.9)

BBKA 8M25 bank only earnings (8.5% yoy), surpassing our forecasts and inline vs consensus. The bank's intermediary function remains strong, with total loans growing by 9.3% yoy, exceeding management guidance, industry and our forecast. BBKA's strong transactional banking growth is expected to stabilize funding costs and underpin margins for the remainder of the year, keeping its NIM stable within management's '25F guidance. Concerns about undisbursed loans are unfounded, as historical data from the post-COVID-19 recovery shows that the bank's average net profit grew by 21.3% yoy even with higher levels of undisbursed loans. This track record demonstrates BBKA's proven ability to thrive in challenging conditions. Maintain BUY, GGM-based TP of IDR11,080 (4.8x '25F P/B). Currently (3.4x '25F P/B) attractively trading at below -2SD of 3.6x.

8M25 bank only earnings surpassing our '25F, inline vs cons expectation

BBKA continues to showcase exceptional resilience and strategic strength, with its latest bank-only results defying market headwinds. The bank's 8M25 earnings reached IDR 39.06tn (+8.5% yoy), a significant increase from IDR 35.99tn in 8M24. This impressive growth was fueled by robust performance across the entire P&L, even as provisions increased. A key highlight was the steady top-line growth coupled with non-interest income, which saw an impressive 18.9% YoY increase. This demonstrates the bank's success in diversifying its revenue streams. Strong earnings generation and a carefully managed cost-to-income propelled PPoP to double-digit growth, reaching IDR 48.06tn (+11.1% YoY). Overall, BBKA's 8M25 earnings came in above our '25F and in line with consensus expectations (68.6%/67.0% vs 64.4%). This solid performance reinforces our positive outlook on the bank, a testament to its strategic foresight and operational excellence.

Loan growth outperforms, solidifies market leadership

BBKA continues to demonstrate a robust intermediary function, with its total loan grew by 9.3% yoy despite prolonged market uncertainty. This performance not only surpasses the bank's '25F guidance but also outpaces the industry by 172bps and our '25F loan forecast for BBKA by 272bps. This growth is a testament to BBKA's effectiveness in capturing market share. On the liability side, total TPF are up a solid 5.2% yoy, driven by a 12.5% yoy jump in DD. This has propelled the bank's low-cost funding base, with the CASA ratio increasing by 7.2% yoy. We also expect to see a favorable trend in funding costs. With softer SRBI yields and a lower benchmark rate, BBKA's strong transactional banking growth is well-positioned to stabilize funding costs and underpin margins for the rest of the year.

Resilient performance defies headwinds

BBKA continues to show exceptional resilience, absorbing profit pressures while maintaining a steady performance. The bank's NIM remains stable, tracking within management's 2025 forecast guidance of 5.7%–5.8%. This performance surpasses our 2025 NIM projection of 5.5%. One of the key drivers of this profitability is BBKA's exceptional liquidity, highlighted by an impressive CASA ratio of 83.6%. This represents a 153bps increase from the 8M24 ratio of 82.0%, reinforcing the bank's low-cost funding advantage. While credit costs saw a modest uptick to 0.43%, a slight 8 basis point increase from the previous month and inched up by 20bps yoy, our cautious outlook for the 2H25 NPL has already been factored into our analysis. Our '25F CoC forecast for BBKA of 0.5% reflects a prudent approach to potential headwinds. Overall, BBKA's performance remains solid, reinforcing a positive outlook.

Dispelling doubts: proven growth trajectory defies undisbursed loan narrative

Concerns about undisbursed loans weighing on the banking sector and BBKA's share price are unfounded. BBKA's total undisbursed loan shows insignificant YTD changes, remaining well below previous years' levels of 40 bps and 274 bps, respectively. This argument is easily refuted by examining BBKA's post-COVID-19 recovery. During this period, the bank's net profit grew by an average of 21.3% yoy, while loan growth was 12.8% yoy. Undisbursed loans were actually 132 bps higher than the 8M25 figures. This historical performance serves as a powerful testament to BBKA's core strength and operational efficiency. The bank has a proven ability to not only navigate but thrive in challenging economic conditions, translating a favorable macro environment into substantial bottom-line gains. This track record effectively debunks any doubts about BBKA's capacity for sustained, steady, and acceptable earnings growth.

Share price dip is a seasonal trend, with a 3Q25 rebound expected

Various factors are currently pressuring BBKA's share price, but we expect this as a temporary, seasonal trend. Our analysis shows that stock prices for companies in our coverage group typically decline in Sept after a positive performance in Aug (see our previous report). For example, on Aug 25, our covered stocks had an average return of 6.3%, which then dropped to -3.5% in Sept 25. Despite a decrease in foreign ownership, BBKA remains the third-highest-held stock among its peers. We expect the stock to rebound, as the upcoming 3Q25 earnings report will likely show continued stable performance.

Maintain BUY: TP IDR11,080.

Our 12M GGM-based TP of IDR11,080 is pegged at 4.8x '25F P/B, while currently BBKA stock trades (3.4x) at below its -2SD. Key downside risks to our target price include: a) lower-than-expected loan growth; b) prolonged tight liquidity and higher SRBI high; c) NIM stagnation d) higher-than expected CoF and CoC; f) deteriorating asset quality; g) prolonged trade war uncertainty, mild economic activity, motionless wait & see stance, steady weakening purchasing power and household loan confidence. 10) weakening IDR/USD.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net Interest income	74,938	82,264	88,166	94,432	101,337
Non int. Income	23,579	26,042	27,858	30,324	33,307
Operating income	98,517	108,307	116,024	124,756	134,644
Pre-provision profit	61,236	70,252	75,729	82,022	88,386
Net income	48,639	54,836	56,952	62,280	67,591
EPS (IDR)	395	445	462	505	548
EPS growth (%)	19.4	12.7	3.9	9.4	8.5
PER (x)	19.8	17.5	16.9	15.4	14.2
PBV (x)	4.0	3.7	3.4	2.9	2.4
Div. Yield (%)	3.5	3.8	3.8	4.2	4.6
RoE (%)	23.5	24.6	23.8	24.1	24.9

Source: Company, KBVS Research

Analyst

Akhmad Nurcahyadi

akhmad.nurcahyadi@kbvalbury.com

Exhibit 2: BBKA 8M25 bank only results – selected profit and loss

Selected P&L (IDRbn)	8M24	8M25	YoY (%)	Aug-24	Jul-25	Aug-25	YoY (%)	MoM (%)	KBVS '25F	% to KBVS	Cons. '25F	% to Cons
Interest income	58,273	61,382	5.3	7,587	7,844	7,584	0.0	-3.3				
Interest expense	-7,726	-8,265	7.0	-994	-1,037	-1,019	2.4	-1.8				
Net interest income	50,547	53,117	5.1	6,592	6,806	6,565	-0.4	-3.5				
Non Int Inc & others	15,363	18,260	18.9	1,908	2,110	2,412	26.4	14.3				
Total Income	65,910	71,377	8.3	8,501	8,917	8,978	5.6	0.7				
Opex	-20,238	-20,653	2.0	-2,611	-2,387	-2,798	7.2	17.2				
PPOP	45,672	50,724	11.1	5,889	6,530	6,179	4.9	-5.4				
Provision	-1,288	-2,664	106.8	-126	-326	-750	496.4	130.5				
Net Profit	35,992	39,059	8.5	4,596	4,817	4,351	-5.3	-9.7	56,952	68.6	58,274	67.0

Source: Company, KBVS Research

Exhibit 3: BBKA 8M25 bank only results – selected profit and loss (monthly stand-alone)

Selected P&L monthly stand-alone (IDRbn)	Apr-25	May-25	Jun-25	Jul-25	Aug-25	MoM (%)	Aug-24	Aug-25	YoY (%)	Jan-25	Aug-25	YtD (%)
Interest income	7,630	7,950	7,659	7,844	7,584	-3.3	7,587	7,584	0.0	7,726	7,584	-1.8
Interest expense	-1,088	-1,095	-1,034	-1,037	-1,019	-1.8	-994	-1,019	2.4	-1,029	-1,019	-1.0
Net interest income	6,542	6,855	6,625	6,806	6,565	-3.5	6,592	6,565	-0.4	6,697	6,806	1.6
Non Int Inc & others	1,732	2,139	2,036	2,110	2,412	14.3	1,908	2,412	26.4	2,001	2,110	5.5
Total Income	8,274	8,995	8,661	8,917	8,978	0.7	8,501	8,978	5.6	8,698	8,917	2.5
Opex	-2,461	-2,561	-2,617	-2,387	-2,798	17.2	-2,611	-2,798	7.2	-2,303	-2,387	3.7
PPOP	5,812	6,433	6,044	6,530	6,179	-5.4	5,889	6,179	4.9	6,395	6,530	2.1
Provision	-251	-333	-177	-326	-750	130.5	-126	-750	496.4	-568	-326	-42.7
Net Profit	4,515	4,952	4,727	4,817	4,351	-9.7	4,596	4,351	-5.3	4,726	4,817	1.9

Source: Company, KBVS Research

Exhibit 4: BBKA 8M25 bank only results – selected balance sheet

Selected BS (IDRbn)	3M25	4M25	5M25	6M25	7M25	8M25	8M24	8M25	YoY (%)	1M25	8M25	YTD (%)
Total Loan	911,739	923,096	924,262	929,539	923,512	920,872	842,706	920,872	9.3	893,026	920,872	3.1
Total Assets	1,489,491	1,456,437	1,467,183	1,459,849	1,466,751	1,476,024	1,400,604	1,476,024	5.4	1,430,856	1,476,024	3.2
Total Liability	1,251,222	1,213,453	1,219,341	1,207,052	1,208,996	1,213,573	1,159,841	1,213,573	4.6	1,172,807	1,213,573	3.5
Total Equity	238,269	242,984	247,842	252,797	257,755	262,451	240,763	262,451	9.0	258,048	262,451	1.7
Total deposits	1,167,045	1,147,755	1,155,217	1,162,919	1,162,056	1,160,134	1,102,284	1,160,134	5.2	1,120,468	1,160,134	3.5
Demand deposits	380,168	365,399	380,484	382,514	381,964	390,069	346,657	390,069	12.5	361,773	390,069	7.8
Savings deposits	587,510	585,874	580,097	587,526	587,218	579,229	557,483	579,229	3.9	563,285	579,229	2.8
Time Deposits	199,367	196,483	194,636	192,879	192,874	190,836	198,145	190,836	-3.7	195,410	190,836	-2.3
CASA	967,678	951,272	960,581	970,040	969,182	969,298	904,140	969,298	7.2	925,058	969,298	4.8

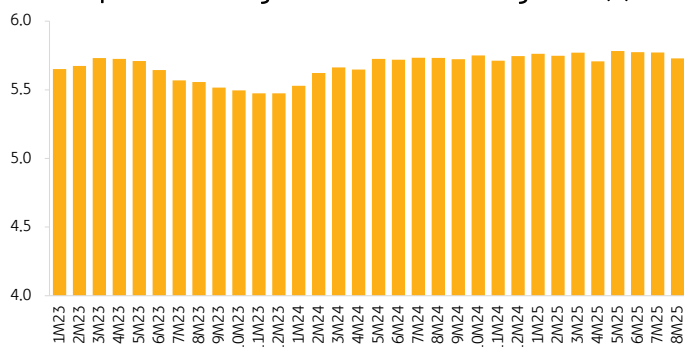
Source: Company, KBVS Research

Exhibit 5: Banking stock under our coverage foreign ownership (%)

Ticker	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	YTD 2024	YTD 2025	Incr / (Decr)	Aug-24	Jun-25	Jul-25	Aug-25	YoY (chg)	MoM (chg)
BBKA IJ	35.9%	35.5%	35.0%	35.0%	35.3%	34.9%	34.5%	34.3%	0.31%	-1.59%	-1.90%	36.4%	34.9%	34.5%	34.3%	-2.2%	-0.2%
BBRI IJ	31.0%	30.7%	30.3%	30.0%	30.4%	30.1%	30.1%	30.6%	-2.51%	-0.36%	2.16%	34.2%	30.1%	30.1%	30.6%	-3.5%	0.5%
BMRI IJ	33.5%	32.7%	32.0%	31.4%	31.6%	31.3%	30.7%	30.8%	0.27%	-2.75%	-3.03%	34.2%	31.3%	30.7%	30.8%	-3.4%	0.1%
BBNI IJ	26.1%	25.9%	24.5%	24.0%	24.0%	24.1%	24.0%	23.9%	-1.04%	-2.13%	-1.09%	26.1%	24.1%	24.0%	23.9%	-2.2%	-0.1%
BBTN IJ	10.7%	10.0%	10.5%	10.0%	10.1%	10.1%	9.9%	10.1%	0.65%	-0.62%	-1.26%	10.8%	10.1%	9.9%	10.1%	-0.7%	0.2%
BRIS IJ	4.6%	4.9%	4.7%	4.8%	5.3%	5.4%	5.8%	5.9%	0.89%	1.32%	0.44%	4.3%	5.4%	5.8%	5.9%	1.6%	0.1%
Average	23.6%	23.3%	22.8%	22.5%	22.8%	22.7%	22.5%	22.6%	-0.2%	-1.0%	-0.8%	24.3%	22.7%	22.5%	22.6%	-1.7%	0.1%

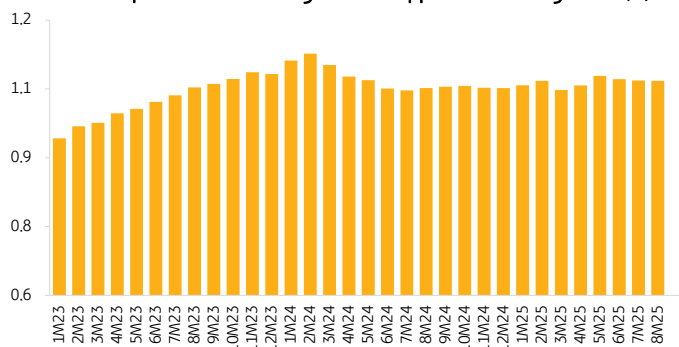
Source: KSEI, KBVS Research

Exhibit 6: Expect NIM to steady and continue arrive within guidance (%)



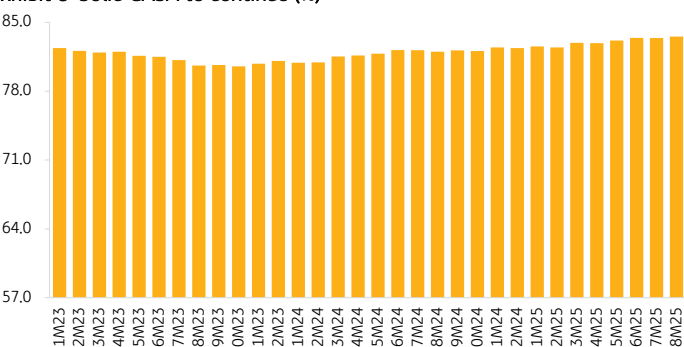
Source: Company, KBVS Research

Exhibit 7: Anticipated softer funding cost to support better NII growth (%)



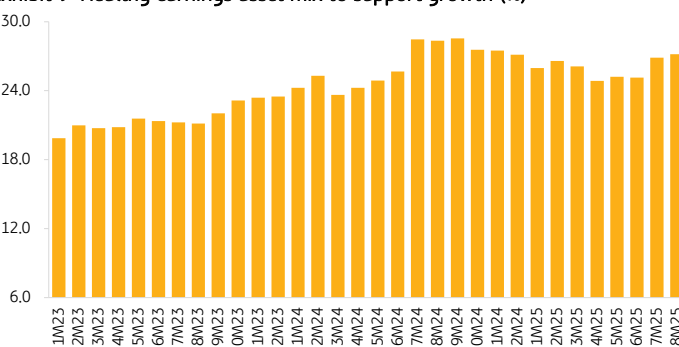
Source: Company, KBVS Research

Exhibit 8: Solid CASA to continue (%)



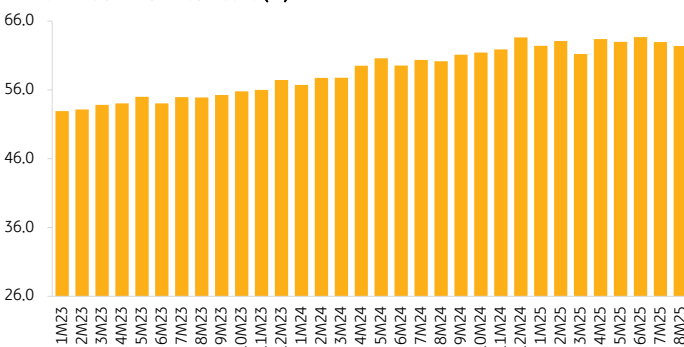
Source: Company, KBVS Research

Exhibit 9: Healthy earnings asset mix to support growth (%)



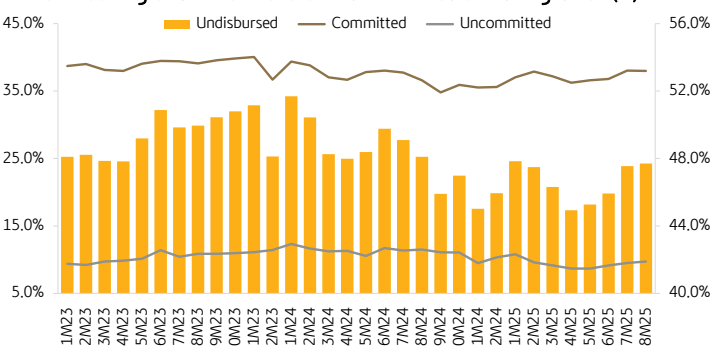
Source: Company, KBVS Research

Exhibit 10: Solid loan to asset (%)



Source: Company, KBVS Research

Exhibit11: Steady & lower undisbursed loan amid softer loan growth (%)



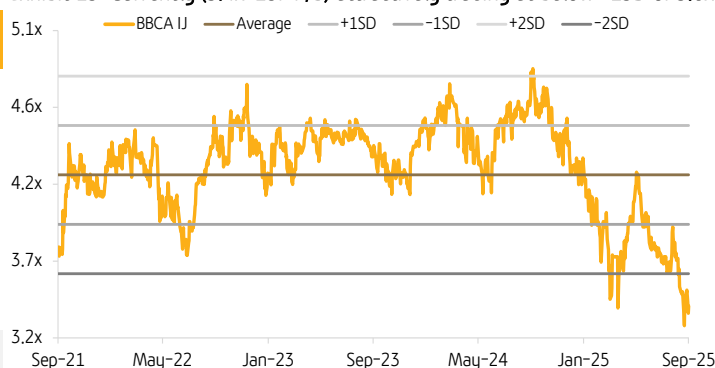
Source: Company, KBVS Research

Exhibit 12: Stocks under coverage foreign ownership (%)

Ticker	YTD 2024	YTD 2025	Incr / (Decr)	Aug-24	Jun-25	Jul-25	Aug-25	YoY (chg)	MoM (chg)
BBCA IJ	0.31%	-1.59%	-1.90%	36.4%	34.9%	34.5%	34.3%	-2.2%	-0.2%
BBRI IJ	-2.51%	-0.36%	2.16%	34.2%	30.1%	30.1%	30.6%	-3.5%	0.5%
BMRI IJ	0.27%	-2.75%	-3.03%	34.2%	31.3%	30.7%	30.8%	-3.4%	0.1%
BBNI IJ	-1.04%	-2.13%	-1.09%	26.1%	24.1%	24.0%	23.9%	-2.2%	-0.1%
BBTN IJ	0.65%	-0.62%	-1.26%	10.8%	10.1%	9.9%	10.1%	-0.7%	0.2%
BRIS IJ	0.89%	1.32%	0.44%	4.3%	5.4%	5.8%	5.9%	1.6%	0.1%
Average	-0.2%	-1.0%	-0.8%	24.3%	22.7%	22.5%	22.6%	-1.7%	0.1%

Source: KSE, KBVS Research

Exhibit 13: Currently (3.4x '25F P/B) attractively trading at below -2SD of 3.6x



Source: Company, Bloomberg, KBVS Research

FINANCIAL TABLES
Exhibit 14: Profit & Loss

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
wInterest income	87,207	94,796	100,334	106,989	114,258
Interest expenses	(12,269)	(12,532)	(12,167)	(12,557)	(12,921)
Net interest income	74,938	82,264	88,166	94,432	101,337
Non-interest income	23,579	26,042	27,858	30,324	33,307
Operating expenses	(37,281)	(38,054)	(40,295)	(42,734)	(46,258)
Pre-provision operating profit	61,236	70,252	75,729	82,022	88,386
Loan loss provision	(1,056)	(2,034)	(4,881)	(4,546)	(4,305)
Pretax Profit	60,180	68,218	70,849	77,476	84,081
Income Tax Expenses	(11,522)	(13,367)	(13,882)	(15,181)	(16,475)
Net profit	48,639	54,836	56,952	62,280	67,591

Exhibit 15: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Assets					
Cash	21,702	29,316	29,252	30,964	32,497
Current Account at BI	92,618	36,408	37,819	39,378	44,788
Interbank Loans	10,816	19,812	20,579	21,427	23,003
Govt Treas Bills & Sec	250,233	265,839	275,318	291,983	297,463
Investment Securities	76,662	126,617	132,816	139,666	147,257
Loans	776,331	888,379	945,764	1,011,355	1,098,671
Fixed Assets	26,825	28,251	29,748	31,320	32,970
Other assets	152,921	54,680	61,728	62,352	63,836
Total Asset	1,408,107	1,449,302	1,533,022	1,628,444	1,740,486
Liabilities					
Interbank Deposit	10,071	3,656	7,095	7,387	7,710
Customer Deposit	1,101,863	1,133,612	1,177,526	1,226,067	1,279,668
Debts Sec and Subordinates	500	500	500	500	500
Other Liabilities	53,136	48,698	64,590	58,022	57,740
Total liabilities	1,165,569	1,186,466	1,249,711	1,291,977	1,345,618
Equity					
Capital Stock	1,541	1,541	1,541	1,541	1,541
Additional Paid-in Capital	5,549	5,549	5,549	5,549	5,549
Retained Earnings	222,957	243,679	264,260	320,468	381,469
Other Equity	12,309	11,871	11,751	8,685	6,069
Shareholder's Equity	242,356	262,641	283,101	336,243	394,628
Non-controlling Interest	181	195	209	224	239
Total Equity	242,538	262,836	283,311	336,468	394,868

Exhibit 16: Key performance metrics

Year End Dec (%)	2023A	2024A	2025F	2026F	2027F
NIM (%)	5.5	5.8	5.5	5.6	5.7
LDR (%)	73.5	81.3	83.4	85.7	89.2
CASA (%)	80.3	81.5	81.9	82.4	82.8
NPL (%)	1.8	1.7	2.2	2.1	2.1
ROAE (%)	23.5	24.6	23.8	24.1	24.9
ROAA (%)	3.6	3.8	3.8	3.9	4.0
CAR (%)	29.4	31.0	31.5	35.3	0.0
BVPS (IDR)	1,966	2,131	2,296	2,728	3,201
PER (x)	19.8	17.5	16.9	15.4	14.2
PBV (x)	4.0	3.7	3.4	2.9	2.4
Div. Yield (%)	3.5	3.8	3.8	4.2	4.6

Source: Company, KBVS Research

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KB Valbury Sekuritas Head Office

Sahid Sudirman Center 41st Floor Unit A-C
Jalan Jenderal Sudirman No. 86 Kelurahan Karet Tengsin,
Kecamatan Tanah Abang, Jakarta Pusat 10220, Indonesia
T. +62 21 – 250 98 300
F. +62 21 – 255 33 778

Branch Office

Jakarta – Sudirman

Sahid Sudirman Center 41st Floor Unit A-C
Jalan Jenderal Sudirman No. 86 Karet Tengsin,
Tanah Abang, Jakarta Pusat 10220
T. (021) 25098300/301

Jakarta – Kelapa Gading

Rukan Plaza Pasifik
Jl. Raya Boulevard Barat Blok A1 No. 10
Jakarta Utara 11620
T. (021) 29451577

Jakarta – Puri Indah

Rukan Grand Aries Niaga Blok E1 No. IV
Jl. Taman Aries, Kembangan
Jakarta Barat 11620
T. (021) 22542390

Jakarta – Pluit

Jl. Pluit Putra Raya No. 2
Jakarta Utara 14450
T. (021) 6692119

Bandung

Jl. HOS Cokroaminoto No. 82
Bandung 40171
T. (022) 87255800

Malang

Jl. Pahlawan Trip No. 7
Malang 65112
T. (0341) 585888

Banjarmasin

Jl. Gatot Subroto No. 33
Banjarmasin 70235
T. (0511) – 3265918

Pekanbaru

Jl. Tuanku Tambusai, Komplek CNN
Blok A No. 3 Pekanbaru 28291
T. (0761) 839393

Palembang

Komplek PTC Mall Blok I No. 7
Jl. R. Sukanto
Palembang 30114
T. (0711) 5700281

Surabaya

Pakuwon Center Lt 21
Jl. Embong Malang No.1
Surabaya 60261
T. (031) 2955788

Padang

Jl. Kampung Nias II No. 10,
Padang 25211
T. (0751) 8955747

Yogyakarta

Jl. Magelang KM 5.5 No. 75
Yogyakarta 55000
T. (0274) 623111

Semarang

Candi Plaza Building Lt. Dasar
Jl. Sultan Agung No. 90-90A
Semarang 50252
T. (024) 8501122

Makassar

Komplek RUKO Citraland City Losari
Business Park, Blok B2 No. 09
Jl. Citraland Boulevard Makassar 90111
T. (0241) 16000818

Medan

Komplek Jati Junction No. P5-5A
Jl. Perintis Kemerdekaan
Medan 20218
T. (061) 88816222

Denpasar

Jl. Teuku Umar No. 177
Komplek Ibis Styles Hotel
Denpasar Bali 80114
T. (0361) 225229

Investment Gallery

Jakarta

Citra Garden 6 Ruko Sixth Avenue
Blok J.1 A/18, Cengkareng
Jakarta Barat 11820
T. (021) 522392181

Semarang

Jl. MT Haryono 637
Semarang 50242
T. (024) 8415195

Salatiga

Jl. Diponegoro No. 68
Salatiga 50711
T. (0298) 313007

Solo

Jl. Ronggowarsito No. 34
Surakarta 57118
T. (0271) 6726306