QUICK REVIEW (BTPS)

BANK BTPN SYARIAH TBK.

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Recommendation

Recommendation : **BUY**

Fair Value : **IDR 4,700**

Current Price (27/10) : IDR 3,700

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Company Description

Bank BTPN Syariah Tbk PT operates as a bank. The Bank provides various types of financial services such as money transfer, currency exchange, insurance, loans, accounts, ATMs, cards, funds, and other related activities. Bank BTPN Syariah serves customers worldwide.

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Company Update

Earnings Estimate : 3Q 2020

In Billions of IDR except Per Share	Q3 2020 Est	Q3 2019	%YoY	Q3 2020 Est	Q2 2020	%QoQ
Net Revenue	**885**	**1,039**	**-14.9%**	**885**	**628**	**41.0%**
+ Net Interest Income	883	1,036	-14.8%	883	624	41.4%
+ Adjusted Total Non-Interest Income	2	3	-29.7%	2	3	-29.8%
- Provision for Loan Losses	72	75	-3.7%	72	289	-75.0%
Net Revenue after Provisions	**813**	**965**	**-15.7%**	**813**	**339**	**140.0%**
- Total Non-Interest Expense	408	474	-14.0%	408	334	22.0%
Operating Income (Loss)	**405**	**490**	**-17.4%**	**405**	**4**	**9311.2%**
Pretax Income (Loss), GAAP	**405**	**491**	**-17.5%**	**405**	**9**	**4372.7%**
- Income Tax Expense (Benefit)	103	124	-16.5%	103	5	2122.4%
Income (Loss) from Cont Ops	**301**	**367**	**-17.8%**	**301**	**4**	**6757.2%**
Net Income Avail to Common, GAAP	**301**	**367**	**-17.8%**	**301**	**4**	**6757.2%**

Source: Bloomberg, MCS Research

Company Update

Sharia BTPN Financing (BTPS) Grows 2.25 Percent to IDR 9.1 Trillion

PT Bank Tabungan Pensiun Nasional Syariah Tbk. (BTPN Syariah) recorded disbursement of financing amounting to Rp9.1 trillion by the end of September 2020. When compared with the distribution of financing in the same period of 2019 amounting to Rp.8.9 trillion, the realization of the third quarter of 2020 grew 2.25 percent or an increase of 4 percent compared to with the second quarter of 2020.

(Source: Bisnis Indonesia)

Balanced Sheet : Annual

In Billions of IDR except Per Share	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Assets					
+ Cash & Cash Equivalents	760	1,741	1,693	3,085	3,894
+ Interbanking Assets	425	34	1,023	317	38
+ ST And LT Investments	0	0	39	1,038	2,087
+ Total Loans	**3,720**	**5,055**	**6,128**	**7,359**	**9,089**
- Reserve for Loan Losses	62	114	158	216	292
+ Net Loans	3,658	4,941	5,971	7,143	8,797
+ Net Fixed Assets	175	186	190	177	210
+ Total Intangible Assets	22	36	38	46	67
+ Total Deferred Tax Assets	17	38	69	100	145
+ Customer Acceptances & Liab	0	0	0	0	0
+ Other Assets	139	347	133	134	147
Total Assets	**5,196**	**7,323**	**9,157**	**12,039**	**15,383**
Liabilities & Shareholders' Equity					
+ Demand Deposits	29	13	95	100	25
+ Interest Bearing Deposits	730	979	1,203	1,519	1,871
+ Other Deposits	0	0	0	0	0
+ Total Deposits	**759**	**993**	**1,298**	**1,619**	**1,896**
+ ST Borrowings & Repos	3,050	4,393	5,247	5,993	7,551
+ LT Debt	1	2	1	0	0
+ Pension Liabilities	44	93	133	146	211
+ Total Deferred Tax Liabilities	40	74	96	106	75
+ Other Liabilities	139	176	127	177	258
Total Liabilities	**4,033**	**5,731**	**6,902**	**8,042**	**9,990**
+ Preferred Equity and Hybrid Capital	0	0	0	0	0
+ Share Capital & APIC	882	882	882	1,617	1,617
- Treasury Stock	0	0	0	0	10
+ Retained Earnings	277	699	1,355	2,358	3,767
+ Other Equity	5	12	18	22	19
Equity before Minority Interest	1,163	1,593	2,255	3,997	5,393
+ Minority/Non Controlling Interest	0	0	0	0	0
Total Equity	**1,163**	**1,593**	**2,255**	**3,997**	**5,393**
Total Liabilities & Equity	**5,196**	**7,323**	**9,157**	**12,039**	**15,383**

Source: Bloomberg, MCS Research

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Balanced Sheet : Quarter

In Billions of IDR except Per Share	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
Total Assets									
+ Cash & Cash Equivalents	2,391	2,370	3,085	3,355	3,412	3,232	3,894	3,494	3,491
+ Interbanking Assets	120	157	317	52	73	52	38	94	87
+ ST And LT Investments	1,010	1,506	1,038	1,310	1,595	2,032	2,087	2,750	2,734
+ Total Loans	**6,979**	**7,047**	**7,359**	**7,600**	**8,649**	**9,007**	**9,089**	**9,261**	**8,741**
- Reserve for Loan Losses	181	199	216	235	255	273	292	302	548
+ Net Loans	6,798	6,848	7,143	7,365	8,394	8,734	8,797	8,959	8,192
+ Net Fixed Assets	172	160	177	180	180	181	210	370	361
+ Total Intangible Assets	40	38	46	48	43	65	67	80	87
+ Total Deferred Tax Assets	60	76	100	87	110	143	145	125	138
+ Customer Acceptances & Liab	0	0	0	0	0	0	0	0	0
+ Other Assets	136	150	134	140	135	147	147	131	182
Total Assets	**10,727**	**11,305**	**12,039**	**12,538**	**13,942**	**14,586**	**15,383**	**16,004**	**15,272**
Liabilities & Shareholders' Equity									
+ Demand Deposits	98	99	100	113	25	25	25	27	25
+ Interest Bearing Deposits	1,314	1,419	1,519	1,604	1,691	1,817	1,871	1,896	1,779
+ Other Deposits	0	0	0	0	0	0	0	0	0
+ Total Deposits	**1,412**	**1,518**	**1,619**	**1,717**	**1,716**	**1,842**	**1,896**	**1,923**	**1,804**
+ ST Borrowings & Repos	5,609	5,734	5,993	6,100	7,167	7,184	7,551	7,756	7,658
+ LT Debt	1	1	0	0	1	0	0	116	114
+ Pension Liabilities	60	87	146	110	131	197	211	189	60
+ Total Deferred Tax Liabilities	36	68	106	108	65	77	75	49	22
+ Other Liabilities	166	187	177	219	261	333	258	190	175
Total Liabilities	**7,283**	**7,595**	**8,042**	**8,255**	**9,341**	**9,632**	**9,990**	**10,223**	**9,833**
+ Preferred Equity and Hybrid Capital	0	0	0	0	0	0	0	0	0
+ Share Capital & APIC	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617
- Treasury Stock	0	0	0	0	0	0	10	10	10
+ Retained Earnings	1,808	2,073	2,358	2,645	2,966	3,319	3,767	4,154	3,813
+ Other Equity	19	20	22	22	18	19	19	20	19
Equity before Minority Interest	3,444	3,711	3,997	4,283	4,601	4,954	5,393	5,781	5,440
+ Minority/Non Controlling Interest	0	0	0	0	0	0	0	0	0
Total Equity	**3,444**	**3,711**	**3,997**	**4,283**	**4,601**	**4,954**	**5,393**	**5,781**	**5,440**
Total Liabilities & Equity	**10,727**	**11,305**	**12,039**	**12,538**	**13,942**	**14,586**	**15,383**	**16,004**	**15,272**

Source: Bloomberg, MCS Research

Profit & Loss : Annual

In Billions of IDR except Per Share	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Est	FY 2021 Est
Net Revenue	**1,318**	**1,938**	**2,564**	**3,086**	**3,941**	**3,800**	**4,680**
+ Net Interest Income	1,315	1,936	2,560	3,080	3,934	3,788	4,671
+ Adjusted Total Non-Interest Income	2	1	4	6	7	12	9
- Provision for Loan Losses	63	115	232	269	299	555	399
Net Revenue after Provisions	**1,255**	**1,823**	**2,332**	**2,817**	**3,642**	**3,245**	**4,281**
- Total Non-Interest Expense	1,005	1,268	1,424	1,517	1,762	1,653	1,977
Operating Income (Loss)	**250**	**555**	**909**	**1,301**	**1,880**	**1,592**	**2,304**
- Non-Operating (Income) Loss	0	1	0	4	3	3	1
Pretax Income (Loss), Adjusted	**251**	**556**	**908**	**1,297**	**1,878**	**1,595**	**2,303**
- Abnormal Losses (Gains)	0	0	0	2	1	4	1
Pretax Income (Loss), GAAP	**250**	**556**	**909**	**1,299**	**1,878**	**1,599**	**2,305**
- Income Tax Expense (Benefit)	62	143	239	334	479	408	590
Income (Loss) from Cont Ops	**188**	**412**	**670**	**965**	**1,400**	**1,191**	**1,715**
- Net Extraordinary Losses (Gains)	19	0	0	0	0	0	0
Income (Loss) Incl. MI	**169**	**412**	**670**	**965**	**1,400**	**1,191**	**1,715**
- Minority Interest	0	0	0	0	0	0	0
Net Income, GAAP	**169**	**412**	**670**	**965**	**1,400**	**1,191**	**1,715**
- Preferred Dividends	0	0	0	0	0	0	0
- Other Adjustments	0	0	0	0	0	0	0
Net Income Avail to Common, GAAP	**169**	**412**	**670**	**965**	**1,400**	**1,191**	**1,715**

Source: Bloomberg, MCS Research

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Profit & Loss : Quarter

In Billions of IDR except Per Share	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020 Est	Q4 2020 Est
Net Revenue	**836**	**859**	**951**	**1,039**	**1,091**	**1,052**	**628**	**885**	**1,236**
+ Net Interest Income	835	857	949	1,036	1,091	1,048	624	883	1,233
+ Adjusted Total Non-Interest Income	1	2	2	3	1	4	3	2	2
- Provision for Loan Losses	77	63	74	75	88	95	289	72	98
Net Revenue after Provisions	**759**	**796**	**877**	**965**	**1,004**	**956**	**339**	**813**	**1,137**
- Total Non-Interest Expense	401	406	448	474	433	420	334	408	490
Operating Income (Loss)	**358**	**390**	**429**	**490**	**571**	**536**	**4**	**405**	**647**
- Non-Operating (Income) Loss	1	1	1	0	1	1	2	0	0
Pretax Income (Loss), Adjusted	**356**	**389**	**428**	**490**	**569**	**537**	**6**	**405**	**647**
- Abnormal Losses (Gains)	4	0	0	0	0	1	3	0	0
Pretax Income (Loss), GAAP	**360**	**389**	**428**	**491**	**570**	**538**	**9**	**405**	**647**
- Income Tax Expense (Benefit)	93	101	107	124	147	136	5	103	164
Income (Loss) from Cont Ops	**267**	**288**	**321**	**367**	**423**	**402**	**4**	**301**	**483**
- Net Extraordinary Losses (Gains)	0	0	0	0	0	0	0	0	0
Income (Loss) Incl. MI	**267**	**288**	**321**	**367**	**423**	**402**	**4**	**301**	**483**
- Minority Interest	0	0	0	0	0	0	0	0	0
Net Income, GAAP	**267**	**288**	**321**	**367**	**423**	**402**	**4**	**301**	**483**
- Preferred Dividends	0	0	0	0	0	0	0	0	0
- Other Adjustments	0	0	0	0	0	0	0	0	0
Net Income Avail to Common, GAAP	**267**	**288**	**321**	**367**	**423**	**402**	**4**	**301**	**483**

Source: Bloomberg, MCS Research

Cash Flow : Annual

In Billions of IDR except Per Share	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Cash from Operating Activities					
+ Net Income	169	412	670	965	1,400
+ Depreciation & Amortization	74	93	107	104	101
+ Provision for Loan Losses	63	115	232	269	299
+ Non-Cash Items	43	38	137	111	225
+ Net Ch in Operating Capital	3	135	577	393	1,162
Cash from Operating Activities	**265**	**523**	**295**	**834**	**412**
Cash from Investing Activities					
+ Net Change in Fixed Assets	113	90	98	78	117
+ Net Change in Investments	0	0	39	301	1,330
+ Net Ch in Loans & Interbank	1,116	1,396	1,082	1,224	1,722
+ Net Cash from Acq & Div	0	0	0	0	0
+ Other Investing Activities	13	23	14	23	42
+ Net Cash From Disc Ops	0	0	0	0	0
Cash from Investing Activities	**1,242**	**1,509**	**1,233**	**1,627**	**3,211**
Cash from Financing Activities					
+ Dividends Paid	0	0	0	0	0
+ Cash From (Repayment) Debt	0	0	0	0	0
+ Cash (Repurchase) of Equity	160	0	0	735	0
+ Net Change In Deposits	1,096	1,578	1,158	1,066	1,834
+ Other Financing Activities	0	0	0	0	10
+ Net Cash From Disc Ops	0	0	0	0	0
Cash from Financing Activities	**1,256**	**1,578**	**1,158**	**1,801**	**1,825**
Net Changes in Cash	**279**	**592**	**220**	**1,009**	**974**

Source: Bloomberg, MCS Research

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Cash Flow : Quarter

In Billions of IDR except Per Share	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
Cash from Operating Activities									
+ Net Income	237	250	267	288	321	367	423	402	4
+ Depreciation & Amortization	28	25	23	23	22	22	34	52	40
+ Provision for Loan Losses	61	71	77	63	74	75	88	95	289
+ Non-Cash Items	167	48	81	78	119	16	45	82	413
+ Net Ch in Operating Capital	131	204	344	1,095	60	929	1,056	316	106
Cash from Operating Activities	**290**	**598**	**104**	**799**	**359**	**1,409**	**557**	**783**	**186**
Cash from Investing Activities									
+ Net Change in Fixed Assets	8	12	37	22	19	19	58	26	24
+ Net Change in Investments	99	58	40	99	42	203	986	95	55
+ Net Ch in Loans & Interbank	632	92	312	230	1,037	363	93	166	425
+ Net Cash from Acq & Div	0	0	0	0	0	0	0	0	0
+ Other Investing Activities	6	4	9	7	7	27	1	20	12
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0
Cash from Investing Activities	**730**	**165**	**398**	**357**	**1,104**	**611**	**1,139**	**307**	**444**
Cash from Financing Activities									
+ Dividends Paid	0	0	0	0	0	0	0	0	328
+ Cash From (Repayment) Debt	0	0	0	0	0	0	0	0	0
+ Cash (Repurchase) of Equity	735	0	0	0	0	0	0	0	0
+ Net Change In Deposits	326	232	359	205	1,066	142	421	233	217
+ Other Financing Activities	0	0	0	0	0	0	10	0	18
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0
Cash from Financing Activities	**1,061**	**232**	**359**	**205**	**1,066**	**142**	**411**	**233**	**564**
Net Changes in Cash	**622**	**664**	**65**	**951**	**321**	**940**	**1,284**	**709**	**306**

Source: Bloomberg, MCS Research

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Valuation

BTPS IJ Equity | Export ▾ | Settings ▾ | Equity Relative Valuation

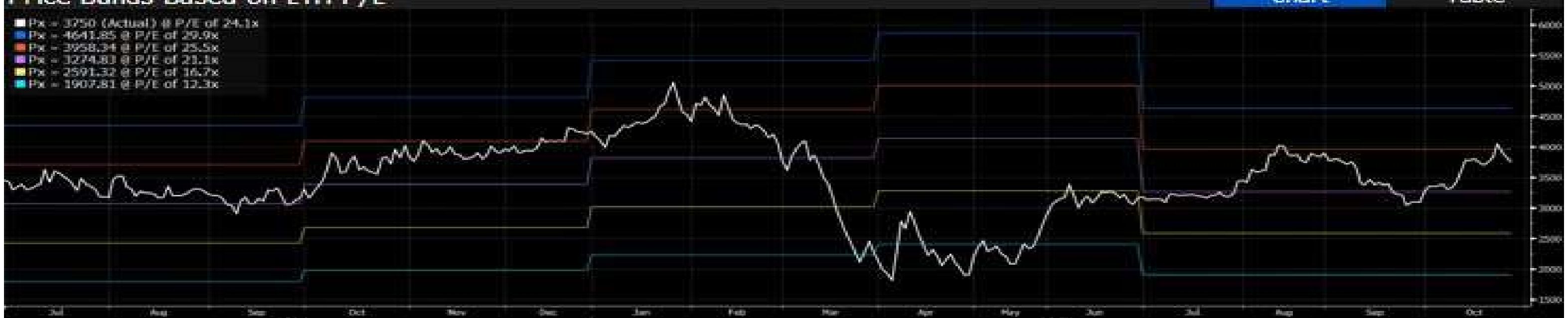
Comp Source BICS Best Fit (Algo) Region Global Mkt Cap > Curr IDR

vs Comps | Group Dynamics | vs Self | Price Bands

3M 6M 1Yr 2Yr 5Yr 10Yr

Valuation Metric Bands							12M Fwd Implied Price @		
Metric	Current	2Yr Avg	Band (x)	Avg+x	Avg-x	Est (IDR)	2Yr Avg	Avg+x	Avg-x
Current Price							3,750.00	3,750.00	3,750.00
LTM P/E	24.1x	21.1x	4.4	25.5x	16.7x	191.67	4,040.65	4,884.00	3,197.30
LTM P/BV	5.3x	4.9x	1.1	6.0x	3.8x	927.33	4,530.96	5,551.03	3,510.90
LTM P/CF	19.9x	45.1x	34.5	79.6x	10.6x	296.02	13,343	23,556	3,130.61
LTM P/S	6.6x	6.2x	1.2	7.4x	5.0x	586.75	3,655.84	4,359.94	2,951.75

Price Bands Based On LTM P/E | Chart | Table



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Source: Bloomberg

Valuation

PER	EPS	Value
21.1x	IDR 223	**IDR 4,700**

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