



Fundamental Analysis of Banking Financial Performance: A Longitudinal Study of PT Bank BNI (Persero)

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Abstract: Banking is a strategic sector in supporting the national economy through its financial intermediation function. Bank financial performance can be evaluated using financial ratios sourced from financial statements. This study aims to examine the liquidity, solvency, and profitability of PT Bank Negara Indonesia (Persero) Tbk during the 2021–2025 period, and analyse their implications for the stability and sustainability of the bank's financial performance. The novelty of this study lies in its single-bank longitudinal approach covering a complete five-year economic cycle from post COVID 19 pandemic recovery through credit expansion to the correction phase a scope not addressed in any prior study on BNI or comparable Indonesian state-owned banks. Unlike previous multi-bank studies that produce industry-average conclusions (Putra & Wibowo, 2021; Sari & Idrus, 2023), this study offers deeper institution-specific trend analysis and contextualizes performance dynamics with BNI's distinct management policies. The method used is descriptive quantitative with secondary data in the form of consolidated annual financial statements published by BNI and the Indonesian Stock Exchange. The ratios analysed include the Loan to Deposit Ratio (LDR), Quick Ratio, Capital Adequacy Ratio (CAR), Debt to Asset Ratio (DAR), Debt to Equity Ratio (DER), Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin (NPM). All profitability ratios are calculated consistently using consolidated financial statement data, except for CAR, which refers to Bank Only data as published by the Financial Services Authority (OJK). The results show that the LDR experienced a significant increase until 2024 (96.32%) before improving to 86.42% in 2025. BNI's solvency is very strong with a CAR ranging from 19.3%–22.0%, far exceeding the OJK minimum requirements. Profitability shows a recovery trend from ROA of 1.14% (2021) to 1.94% (2023), before being corrected to 1.48% (2025) due to increases in the cost of funds and operating expenses. Overall, BNI's financial performance is considered stable and healthy, but requires strengthening operational efficiency and credit management to maintain long-term competitiveness.

Keywords: Bank Financial Performance, Fundamental Analysis, BNI

INTRODUCTION

The banking sector plays a highly strategic role in supporting national economic growth. As financial intermediaries, banks collect funds from the public and redistribute them in the form of credit to various productive sectors. This role makes banking health and stability a fundamental prerequisite for sustainable national development (Financial Services Authority, 2023). In the context of increasingly fierce industrial competition and the rapidly changing dynamics of the



global economic environment, including the post-COVID-19 pandemic, inflationary pressures, and global interest rate uncertainty, bank management's ability to maintain a balance between liquidity, solvency, and profitability has become increasingly crucial. Fundamental analysis through financial ratios is an appropriate instrument for systematically and measurably evaluating these conditions (Kasmir, 2019; Brigham & Houston, 2019). Financial ratios provide an objective picture of a bank's operational efficiency, ability to meet obligations, and profit-generating capacity. Fahmi (2020) emphasised that financial ratios are the primary analytical tools used by management, investors, regulators, and other stakeholders in data-driven decision-making. In the banking industry, the three most frequently used ratio groups are liquidity, solvency, and profitability ratios.

PT Bank Negara Indonesia (Persero) Tbk, or BNI, is the third-largest state-owned bank in Indonesia by total assets and one of the four largest national banks (the "big four"). BNI recorded total assets growing from Rp964.8 trillion in 2021 to Rp1,362.1 trillion in 2025, a growth of approximately 41.2% over five years. As a systemic bank with a significant impact on the stability of the national financial system, BNI's financial performance is a highly relevant object for comprehensive analysis. A systematic literature review of published studies on banking financial performance reveals several research gaps that have not been adequately addressed. First, a review of available journals shows that almost all of them cover a 2 to 3 year period (Handayani & Handayani, 2022; Prasinta, 2022; Nurhayati et al., 2022; Putra & Wibowo, 2021; Sari & Idrus, 2023). This short period fails to capture the full banking cycle, from pandemic pressures through recovery, credit expansion, and the correction phase, which can only be fully observed through longitudinal data from 2021 to 2025.

Second, most existing studies use a multi-bank approach or a panel data approach across state-owned banks, without delving into the internal dynamics and specific policies of individual banks (Putra & Wibowo, 2021; Sari & Idrus, 2023). This approach produces industry-average conclusions and fails to capture the unique management strategies of each institution. Third, this period is highly significant because it encompasses the impact of Bank Indonesia's tight monetary policy (high BI Rate), increased provisioning requirements (CKPN), and the impact of the consolidation of BNI Life's insurance subsidiary, which is beginning to be fully reflected in the



consolidated financial statements. These conditions create new challenges to profitability that have not been previously explored in the existing literature. Thus, this study aims to analyse the development of BNI's liquidity, solvency, and profitability ratios during 2021–2025, identify the factors driving changes in these ratios, and formulate strategic implications for strengthening BNI's financial performance in the future. Systematically, the research gaps addressed by this study can be classified into three dimensions. First, a temporal gap: existing studies cover a maximum period up to 2023 (Sari & Idrus, 2023), leaving the 2024–2025 period characterized by Bank Indonesia's tightening monetary cycle and post-pandemic financial consolidation analytically unaddressed. Second, a methodological gap: the dominant multi-bank panel approach in the literature produces averaged-out conclusions that mask institution-specific dynamics, an issue this longitudinal single-bank study resolves. Third, a contextual gap: recent international literature highlights the growing relevance of macroeconomic sensitivity in evaluating bank performance, including interest rate environment effects on net interest margin and cost of funds (Tan & Anchor, 2023; Le & Nguyen, 2024), yet this dimension remains underexplored in Indonesian banking studies. This study addresses all three gaps, thereby contributing an analytically richer and more contextually relevant examination of BNI's performance trajectory.

THEORETICAL FRAMEWORK

Bank Financial Performance

Financial performance reflects management's ability to effectively and efficiently manage company resources to achieve established financial goals. According to Fahmi (2020), financial performance is an evaluation process used to assess whether a company has implemented financial regulations correctly. Financial performance assessment is crucial because it serves as the basis for decision-making for management, investors, creditors, and regulators.

In the banking context, financial performance has more complex dimensions than in non-financial companies. Taswan (2023) stated that good bank performance reflects the bank's ability to manage credit, liquidity, and market risk simultaneously. Compliance with Bank Indonesia (BI) and Financial Services Authority (OJK) regulations is an integral part of bank performance evaluation, as these supervisory bodies establish various minimum ratios as soundness standards that must be met (Taswan, 2023).



Hermanto & Agung (2022), in their research on state-owned banks in Indonesia, found that bank financial performance was positively correlated with customer trust and the stability of third-party funds (TPF). This confirms that financial performance evaluation is not simply an internal reporting activity but also a public signal that influences depositor and investor behaviour.

Financial Reports as a Basis for Analysis

Financial statements are the final output of the accounting process, presenting a company's financial information in a systematic and standardized manner. Harahap (2018) defines financial statements as documents that contain a company's financial position and operating results over a period, demonstrating management accountability. The main components of banking financial statements include the balance sheet (financial position), comprehensive income statement, statement of changes in equity, cash flow statement, and notes to the financial statements.

Bank financial reports must meet the qualitative, relevant, reliable, comparable, and understandable characteristics stipulated in PSAK 1 (Indonesian Institute of Accountants, 2022), which sets the standard for presenting financial reports for publicly accountable entities, including banks. This standard is crucial because bank financial reports are used by various parties with different interests, from investors assessing returns, creditors assessing repayment capacity, to regulators ensuring the health of the national financial system. Lesmana & Iskandar (2020) added that financial statement analysis using a ratio approach allows for comparison of performance across time (time-series) and across companies (cross-sectional), thus providing a richer context in the interpretation of financial figures.

Liquidity Ratio

Liquidity ratios measure a bank's ability to meet its short-term obligations using available assets. Kasmir (2019) states that banking liquidity is not just about cash availability, but also the bank's ability to maintain customer trust by ensuring that all withdrawals are processed on time. In the banking industry, two primary measures of liquidity are the Loan-to-Deposit Ratio (LDR) and the Quick Ratio.

Loan to Deposit Ratio (LDR) Measures the proportion of disbursed credit to collected Third Party Funds. Bank Indonesia sets a safe LDR limit of 78%–92% (PBI No. 15/7/PBI/2013).



An LDR that is too low indicates idle funds, while an LDR that is too high indicates potential liquidity pressure. The LDR formula = $(\text{Total Credit} / \text{Total Third Party Funds}) \times 100\%$.

Quick Ratio. This ratio indicates a bank's ability to meet short-term obligations with its most liquid assets (cash and cash equivalents). Large banks tend to have a low ratio because liquid assets are largely allocated to financial instruments such as Government Securities (SBN) and placements with Bank Indonesia. The Quick Ratio formula is $(\text{Cash} / \text{Total Third Party Funds}) \times 100\%$. Research by Putra & Wibowo (2021) found that optimal LDR management significantly contributes to bank profitability. Meanwhile, Nurhayati et al. (2022) concluded that banks with LDRs close to the upper limit tend to show higher interest income growth but also face greater liquidity risks during times of economic stress.

Solvency Ratio

The solvency ratio, or leverage ratio, measures a company's ability to meet all its obligations, both short-term and long-term, in the event of liquidation. Hery (2020) states that this ratio reflects a company's dependence on external funding and the capacity of its capital structure to absorb the risk of loss.

In the Indonesian banking industry, three commonly used solvency indicators are the Capital Adequacy Ratio (CAR), the Debt-to-Asset Ratio (DAR), and the Debt-to-Equity Ratio (DER). The Financial Services Authority (OJK) requires commercial banks to maintain a minimum CAR of 8%–12%, depending on their risk profile (POJK No. 11/POJK.03/2016). Banks with a high CAR have a stronger capital cushion to absorb unexpected losses. Sari & Idrus's (2023) research on state-owned banks found that a high CAR correlates positively with the bank's credit rating and institutional investor confidence. Conversely, a high DER indicates an overreliance on short-term third-party funds, which can create mismatch risks (Taswan, 2023).

Formula: $\text{CAR} = (\text{Capital} / \text{RWA}) \times 100\%$; $\text{DAR} = (\text{Total Liabilities} / \text{Total Assets}) \times 100\%$; $\text{DER} = \text{Total Liabilities} / \text{Total Equity}$.

Profitability Ratio

Profitability ratios measure a company's ability to generate profits from operations and the utilization of its assets. Brigham & Houston (2019) explain that profitability is the end result of a series of management decisions regarding liquidity, funding, investment, and operational



efficiency. In banking, the three most relevant profitability ratios are Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin (NPM).

The Financial Services Authority (OJK) sets a minimum ROA of 1.5% as an indicator of a healthy bank (SE OJK No. 14/SEOJK.03/2017). A high ROA reflects the efficient use of total assets to generate net income. ROE measures shareholder returns and serves as a primary reference for investors in assessing a bank's investment attractiveness. NPM reflects the proportion of operating income successfully converted into net income after deducting all expenses. Prasinta's (2022) research on Indonesian state-owned banks shows that ROA is positively correlated with productive asset quality (measured by non-performing loans) and cost efficiency (BOPO). Meanwhile, Hermanto & Agung (2022) found that ROE of large Indonesian banks tends to fluctuate in line with the credit cycle and macroeconomic conditions, so its interpretation needs to be contextualized with the overall industry conditions. In a comparative study of Southeast Asian state-owned banks, Syahputra et al. (2023) found that Indonesian banks, on average, have competitive ROA compared to their regional peers, but still have room for improvement in cost efficiency (BOPO), which is on average higher than that of Malaysian and Thai banks.

Empirical Review

Several relevant previous studies provide important comparative foundations. Handayani & Handayani (2022) analyzed bank financial performance using liquidity and profitability ratios and found a strong correlation between the ability to manage third-party funds and bank profitability, covering the 2019–2021 analysis period. Nurhayati et al. (2022), in a study of large-capitalization banks listed on the Indonesia Stock Exchange (IDX) (2018–2021), concluded that an increase in the LDR without a corresponding increase in deposits would depress the Net Interest Margin (NIM) in the medium term.

Prasinta (2022) analyzed the financial ratios of Indonesian state-owned banks for the 2017–2021 period and found that ROA was strongly correlated with a decrease in NPLs and an improvement in BOPO. Sari & Idrus (2023) examined CAR in relation to the performance of state-owned banks post-pandemic (2018–2022) and found that banks with CARs above 20% were able to maintain more aggressive credit growth without compromising stability. Putra & Wibowo (2021) examined the effect of LDR and CAR on ROA of commercial banks in Indonesia and



concluded that both ratios together contribute significantly to profitability, with data covering 2015–2020. Based on the mapping above, all relevant previous studies covered a maximum of 2022–2023, with none covering 2024–2025. Furthermore, all used a multi-bank approach, unlike this study, which employs a single-bank longitudinal approach over five years (2021–2025). This approach allows for deeper trend analysis and a more contextual interpretation of BNI's specific management policies.

A critical synthesis of the existing empirical studies reveals several recurring limitations. First, they predominantly use static cross-sectional snapshots rather than longitudinal trend analysis, limiting the capacity to capture performance cycles across different economic phases. Second, most studies rely exclusively on domestic references, neglecting international empirical evidence that could benchmark Indonesian banking performance within the broader ASEAN context. Recent international scholarship by Tan and Anchor (2023) demonstrates that profitability in emerging market banks is significantly shaped by macroeconomic conditions, particularly interest rate cycles a finding directly relevant to BNI's 2025 performance correction. Similarly, Le and Nguyen (2024) found that liquidity management strategies in state-owned banks differ substantially from private banks in Southeast Asia, reinforcing the rationale for studying BNI as a distinct institutional type. Third, none of the existing studies integrates the effect of monetary policy transmission on individual bank performance, leaving a critical analytical gap. This study therefore builds on and extends the existing empirical base by incorporating a five-year longitudinal perspective, an institution-specific methodology, and a theoretically grounded framework that bridges domestic findings with international evidence.

METHOD

This study uses a quantitative descriptive approach that aims to describe and interpret the development of PT Bank BNI (Persero) Tbk's financial performance during the 2021–2025 period through financial ratio analysis. The quantitative descriptive approach was chosen because it aligns with the research objectives, namely analyzing financial performance conditions and trends based on numerical data without establishing statistical causality (Sugiyono, 2022). Financial ratio analysis is a descriptive diagnostic tool that describes the actual financial condition of an entity



based on audited financial statements. The data used are secondary data sourced from the annual consolidated financial statements of PT Bank BNI (Persero) Tbk, which have been audited by an independent auditor and officially published through BNI's Annual Reports for 2021, 2022, 2023, 2024, and 2025, the official publication of the Indonesia Stock Exchange (IDX).www.idx.co.id), the official website of PT Bank BNI (Persero) Tbk (www.bni.co.id), and the publication of Indonesian Banking Statistics and Bank Only Financial Ratios by the Financial Services Authority (OJK). The selection of the 2021–2025 period is based on the consideration that this period encompasses a complete economic cycle, namely the post-COVID-19 pandemic recovery phase (2021–2022), the aggressive expansion and growth phase (2022–2023), and the consolidation and correction phase (2024–2025). Thus, trend analysis can produce more representative conclusions regarding the dynamics of BNI's performance. The selection of specific financial ratios in this study is guided by three criteria. First, relevance to banking supervision standards: all ratios selected are referenced in OJK and Bank Indonesia regulatory frameworks (POJK No. 11/POJK.03/2016; SE OJK No. 14/SEOJK.03/2017). Second, analytical complementarity: the combination of liquidity (LDR, Quick Ratio), solvency (CAR, DAR, DER), and profitability (ROA, ROE, NPM) ratios provides a holistic picture of financial health across three critical performance dimensions. Third, data availability and comparability: all selected ratios can be calculated consistently from publicly available audited financial statements across the full five-year period. To ensure data validity, a cross-verification procedure was applied: all ratio calculations were independently verified against OJK-published banking statistics and BNI's official investor relations disclosures. Discrepancies between consolidated and Bank Only data (particularly for CAR) are explicitly noted throughout the analysis. It is also important to acknowledge the inherent limitations of ratio analysis: financial ratios are backward-looking, reflect only quantitative dimensions of performance, and do not capture qualitative factors such as management quality, regulatory compliance culture, or strategic positioning. These limitations are addressed by contextualizing ratio trends with qualitative disclosures from BNI's annual reports and supplementing the analysis with macroeconomic context.

The financial ratios analyzed are divided into three groups, all of which are calculated consistently from BNI's consolidated financial statement data, except for the Capital Adequacy



Ratio (CAR) which refers to Bank Only data published by the OJK because CAR is a capital ratio calculated and reported separately by the parent bank entity:

a) Liquidity Ratio

(1) $LDR = (Total\ Credit\ Given / Total\ Third\ Party\ Funds) \times 100\%$

(2) $Quick\ Ratio = (Cash / Total\ Third\ Party\ Funds) \times 100\%$

b) Solvency Ratio

(1) $CAR = (Capital / ATMR) \times 100\%$

(2) $DAR = (Total\ Liabilities / Total\ Assets) \times 100\%$

(3) $DER = Total\ Liabilities / Total\ Equity$

c) Profitability Ratios

(1) $ROA = (Current\ Year\ Profit / Total\ Assets) \times 100\%$

(2) $ROE = (Current\ Year\ Profit / Total\ Equity) \times 100\%$

(3) $NPM = (Current\ Year\ Profit / Total\ Operating\ Income) \times 100\%$.

RESULT AND DISCUSSION

Liquidity Ratio Analysis

Year	LDR (%)	Quick Ratio (%)	Information
2021	79.88	1.88	Optimal LDR, below BI limit
2022	84	1.75	LDR increases, liquidity is maintained
2023	85.73	1.38	Quick Ratio decreases, credit expansion
2024	96.32	1.70	Peak LDR, liquidity pressure increases
2025	86.42	1.28	LDR improves, DPK grows rapidly

Table 1. Development of the Liquidity Ratio of PT Bank BNI (Persero) Tbk for the Period 2021–2025

Source: BNI Consolidated Financial Report 2021–2025

BNI's liquidity level is analyzed using two main indicators: the LDR and the Quick Ratio. The analysis results show a dynamic trend, but overall, it remains within manageable limits.

a. Loan to Deposit Ratio (LDR)



BNI's LDR shows a consistent upward trend from 79.88% in 2021 to 96.32% in 2024, before experiencing a significant decline to 86.42% in 2025. The increase in LDR during 2021–2024 reflects an aggressive credit expansion strategy in response to post-pandemic economic recovery. BNI's total credit grew from IDR 582.4 trillion (2021) to IDR 775.9 trillion (2024) and IDR 899.5 trillion (2025), representing a 54.4% increase over five years.

The peak LDR of 96.1% in 2024 is a sign of liquidity pressure that warrants close attention, as this figure exceeds the upper limit of Bank Indonesia's safe range (78%–92%). This condition reflects that credit growth outpaced deposit growth during that period. A similar finding was found by Nurhayati et al. (2022) in a study of large banks listed on the IDX, where LDRs approaching the upper limit correlated with increased short-term liquidity risk.

The decline in the LDR to 86.42% in 2025 indicates that BNI's management has successfully rebalanced credit growth and third-party funds (DPK). BNI's total third-party funds (DPK) will increase significantly to IDR 1,040.8 trillion in 2025 (a 29.2% year-on-year growth), far exceeding credit growth in the same period. This is in line with the strategy of strengthening low-cost funds (CASA), supported by the acceleration of BNI Mobile Banking digital services, with BNI's CASA ratio reaching 70.4% in 2025.

b. Quick Ratio

The Quick Ratio is calculated as a comparison of cash to total Third Party Funds. The results show unstable movement from 1.88% (2021) down to 1.38% (2023), then strengthening to 1.70% (2024), and correcting to 1.28% (2025). The decline in the Quick Ratio in 2025 was due to very significant growth in Third Party Funds (DPK) (+29.2% YoY) which exceeded the increase in cash balances, so the ratio mathematically narrowed. This does not necessarily reflect weak liquidity, considering that BNI had large liquid asset reserves in the form of Government Bonds worth IDR 163.5 trillion and Current Accounts with Bank Indonesia worth IDR 79.9 trillion at the end of 2025.

Kasmir (2019) emphasized that the interpretation of the Quick Ratio in banking must consider the overall composition of liquid assets, not solely the cash balance. BNI's liquidity is confirmed by its Cash Flow from Operating Activities, which reversed from negative IDR 63.2



trillion (2024) to positive IDR 103.1 trillion (2025), indicating a substantial recovery in its operational cash generation capacity. Contrary to the findings of Handayani & Handayani (2022), who found a dominant influence of the quick ratio on profitability, in BNI's case, the LDR is more decisive due to the sheer scale of its lending business.

Solvency Ratio Analysis

Year	CAR (%)	DAR (%)	DER (x)	Information
2021	19.7	86.89	6.63	Solid capital structure
2022	19.3	86.39	6.35	DAR & DER decreased
2023	22.0	85.76	6.02	Peak CAR, strengthening capital
2024	21.4	85.26	5.79	Positive trend continues
2025	20.7	87.05	6.72	DAR rose slightly due to asset expansion

Table 2. Development of the Solvency Ratio of PT Bank BNI (Persero) Tbk for the Period 2021–2025

Source: BNI Consolidated Financial Report & OJK Bank Only Ratio 2021–2025.

a. Capital Adequacy Ratio (CAR)

BNI's CAR (CAR) showed a very positive trend, increasing from 19.7% (2021) to a peak of 22.0% (2023), before slightly declining to 20.7% (2025). All these figures far exceed the OJK minimum threshold of 8%–12% for systemic banks, indicating that BNI has a very strong capital buffer. Sari & Idrus (2023) found that a CAR above 20% instills greater confidence among institutional investors and supports a better credit rating.

The strengthening of CAR in 2022–2023 was driven by significant growth in retained earnings. BNI's retained earnings increased from IDR 78.3 trillion (2021) to IDR 107.2 trillion (2023) and IDR 123.9 trillion (2025). This reflects a measured dividend policy, whereby a significant portion of profits is retained to strengthen the capital base.

b. Debt to Asset Ratio (DAR) and Debt to Equity Ratio (DER)

BNI's DAR experienced a consistent decline from 86.89% (2021) to 85.26% (2024), before slightly increasing to 87.05% (2025) due to significant asset expansion (+20.5% YoY or IDR 231.9



trillion) that exceeded equity growth (+5.9% YoY). Meanwhile, DER decreased from 6.63 (2021) to 5.79 (2024), but then rebounded to 6.72 (2025).

The increase in DAR and DER in 2025 does not necessarily indicate a weakening of solvency, given that BNI's asset expansion is the highest in the bank's history and is offset by improving asset quality (Gross NPL decreased from 3.7% in 2021 to 1.9% in 2025). This condition reflects the typical nature of banking, where high leverage ratios are normal because banks inherently rely on third-party funds as their primary source of financing. Hery (2020) emphasized that for financial institutions, a DAR in the range of 85%–90% is still considered healthy as long as asset quality is maintained. Taswan (2023) noted that the average DAR for large Indonesian state-owned banks ranges from 84%–88%, placing BNI within a reasonable range.

Profitability Ratio Analysis

Year	ROA (%)	ROE (%)	NPM (%)	EPS (Rp)
2021	1.14	8.68	19.65	585
2022	1.79	13.18	30.07	983
2023	1.94	13.64	33.64	561
2024	1.92	13.01	33.59	576
2025	1.48	11.40	30.95	537

Table 3. Development of Profitability Ratios of PT Bank BNI (Persero) Tbk for the Period 2021–2025

Source: BNI Consolidated Financial Report 2021–2025.

a. Return on Assets (ROA)

BNI's ROA showed a strong recovery trajectory, rising from 1.14% in 2021 to 1.94% in 2023, before declining to 1.92% in 2024 and 1.48% in 2025. The relatively low ROA in 2021 was the result of the massive post-pandemic provision for possible losses (CKPN) of IDR 18.3 trillion. As credit quality improved, the CKPN decreased to IDR 9.7 trillion in 2025, directly boosting net profit in 2022–2023.

The ROA correction in 2025 to 1.48% occurred because, despite the decline in the Allowance for Impairment Losses (CKPN), Interest Expenses increased by 11.3% YoY due to the



high interest rate environment, while operating income growth was only 1.7% YoY. Nevertheless, 1.48% is still within the reasonable range for a large bank with total assets exceeding IDR 1,000 trillion. Prasinta (2022) found that ROA of state-owned banks is strongly correlated with a decrease in NPLs, which was also confirmed in the case of BNI, where Gross NPLs fell from 3.7% (2021) to 1.9% (2025).

b. Return on Equity (ROE)

BNI's ROE increased from 8.68% (2021) to a peak of 13.64% (2023), then slightly declined to 13.01% (2024), and weakened to 11.40% (2025). The decline in ROE in 2025 was influenced by two factors: first, consolidated net profit decreased from IDR 21,669 billion (2024) to IDR 20,111 billion (2025) due to interest expense pressure. Second, total equity actually increased from IDR 166,548 billion to IDR 176,339 billion, thereby putting double pressure on ROE.

Hermanto & Agung (2022) found that the ROE of Indonesian state-owned banks fluctuates depending on the economic cycle and dividend policy. BNI's ROE, which is in the 11%–14% range, demonstrates its ability to generate competitive returns for shareholders, despite short-term pressures from a high interest rate environment.

c. Net Profit Margin (NPM)

NPM is calculated by dividing Current Year Profit by Total Operating Income. The result increased from 19.65% (2021) to a peak of 33.64% (2023), before slightly correcting to 33.59% (2024) and 30.95% (2025). The surge in NPM from 2021 to 2022 (from 19.65% to 30.07%) reflects extraordinary efficiency as the economy recovered. Net profit surged 68.4% YoY while operating income grew only 10.0% YoY, due to a drastic decrease in the provision for impairment losses (CKPN) from IDR 18.3 trillion (2021) to IDR 11.5 trillion (2022).

The NPM correction in 2024–2025 was due to increases in Other Operating Expenses (+6.0% YoY) and Interest Expenses (+11.3% YoY), which exceeded operating income growth (+1.7% YoY). This reflects cost of funds pressures amidst a higher interest rate environment. Syahputra et al. (2023) found that the average NPM of large ASEAN banks is in the range of 25%–35%, so BNI's position at 30%–34% is still regionally competitive.



The differences between this research's findings and previous studies include identifying a stronger profitability recovery pattern in 2022–2023 compared to the industry average projection, driven by an aggressive reduction in impairment losses (CKPN). Furthermore, the 2025 profitability correction stems primarily from cost of funds pressures, rather than rising NPLs, unlike the pattern found by Prasinta (2022).

Regarding external factors influencing the observed financial ratios, three macro-level drivers are particularly significant. First, Bank Indonesia's interest rate cycle: BI Rate increases from 3.50% (2021) to 6.00% (2024) directly raised BNI's cost of funds, compressing NIM and contributing to the 2025 profitability correction. This aligns with Tan and Anchor (2023), who found that rising benchmark rates in emerging markets exert measurable downward pressure on bank ROA within one to two years. Second, post-pandemic credit demand dynamics: the economic recovery in 2022–2023 drove strong credit growth, supported by government infrastructure spending and consumer demand rebound. The moderation in 2024–2025 reflects both tighter monetary conditions and BNI's deliberate LDR risk management. Third, the regulatory environment: OJK's elevated provisioning requirements (CKPN) post-pandemic created a significant headwind in 2021, but their normalization from 2022 onward was a key driver of profitability recovery a dynamic absent in studies covering pre-2021 periods.

From a managerial and strategic perspective, these findings carry important implications for banking management. First, BNI's LDR trajectory underscores the importance of maintaining a diversified, low-cost deposit base (CASA strategy) as a structural buffer against liquidity risk during credit expansion phases. Second, the strong CAR performance demonstrates that maintaining capital adequacy well above regulatory minimums provides strategic flexibility for growth while preserving institutional confidence. Third, the 2025 ROA and ROE correction signals the need to accelerate operational efficiency improvements, particularly in managing interest expense growth relative to operating income. Fourth, this study contributes to the banking and financial management literature by demonstrating that single-bank longitudinal analysis offers superior diagnostic depth compared to multi-bank panel approaches, producing institution-specific insights that support more targeted strategic recommendations (Le & Nguyen, 2024).



CONCLUSION

Based on the analysis of the liquidity, solvency, and profitability ratios of PT Bank BNI (Persero) Tbk during the 2021–2025 period, the following conclusions can be drawn.

1. In terms of liquidity ratios, BNI's LDR shows an upward trend from 79.88% (2021) to a peak of 96.32% (2024) due to aggressive credit expansion that outpaced third party fund growth. In 2025, the LDR was successfully reduced to 86.42%, as third-party fund collection grew 29.2% year on year. The Quick Ratio fluctuated and fell to 1.28% in 2025 due to third-party fund growth outpacing cash balances. However, overall liquidity remained healthy, confirmed by a positive Operating Cash Flow of IDR 103.1 trillion.
2. In terms of solvency ratios, BNI's capital structure is very strong, with a CAR ranging from 19.3% to 22.0%, far exceeding the OJK minimum threshold. The DAR and DER show an improving trend through 2024, although they increase slightly in 2025 due to asset expansion of IDR 231.9 trillion. Overall, BNI's solvency capacity is solid and does not indicate structural concerns.
3. In terms of profitability ratios, BNI demonstrated a strong recovery from pandemic pressures. ROA rose from 1.14% (2021) to a peak of 1.94% (2023), ROE rose from 8.68% to a peak of 13.64% (2023), and NPM rose from 19.65% to a peak of 33.64% (2023). The decline in 2024–2025 was driven by increases in funding costs and operating expenses, not a decline in business fundamentals, so BNI's performance remains healthy and competitive regionally. From a theoretical standpoint, this study contributes to the banking and financial management literature in three ways. First, it provides the first comprehensive five-year longitudinal empirical analysis of BNI's financial performance covering the full post-pandemic economic cycle, addressing a temporal gap in the existing literature. Second, it demonstrates the analytical superiority of a single-bank longitudinal approach over multi-bank panels for capturing institution-specific performance dynamics. Third, it establishes empirical linkages between macroeconomic variables (monetary policy transmission, regulatory changes) and individual bank ratio trajectories, bridging domestic findings with international benchmarks



from the ASEAN banking context (Syahputra et al., 2023; Tan & Anchor, 2023). For banking management practitioners, the findings suggest three strategic priorities: (1) maintaining a CASA-focused deposit strategy to ensure structural liquidity resilience during credit growth phases; (2) sustaining capital adequacy above regulatory minimums to preserve strategic flexibility and institutional confidence; and (3) prioritizing cost-to-income ratio improvement to protect profitability in a high interest rate environment. For future research, it is recommended to: (1) expand the analysis to other large Indonesian state-owned banks (BRI, BCA, Mandiri) for cross-institutional comparison; (2) incorporate non-performing loan (NPL) and BOPO ratios to extend the performance measurement framework; and (3) apply econometric methods such as time-series regression or VAR models to formally quantify the impact of macroeconomic variables on BNI's financial ratios, enabling more rigorous causal inference.

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