

January 22, 2018

NEUTRAL

Kasikornbank

(KBANK TB)

Share Price: Bt227.0

Target Price: Bt230.0 (+1.3%)

Non-NII still facing headwind

- Maintain FY18 financial targets but have concerns over non-NII growth; credit cost should peak in 2017 and drop in 2018
- 4Q17 net profit fell 44% yoy to Bt5.7bn on higher OPEX and credit cost; cut FY18-19F earnings by 2-4% after reflecting weaker than expected non-NII
- NEUTRAL, cut TP to Bt230, implying 13.3x FY18F P/E and 1.5x P/BV; expect ROE to remain low at 11-12% in FY17-19

Expect weak revenue growth but improving asset quality in 2018

We had mixed feedback from the meeting with management on Friday. They assured credit cost had peaked at 239bp in 2017 and are targeting not more than 185bp in 2018. Based on its NPL resolution plan, NPL coverage and ratio should stay be stable yoy in 2018. On a less positive note, NIM should slip as corporate loans would grow faster than SME and retail loans this year. We remain cautious of top line growth, especially non-NII given weaker insurance income and transactional fees. The bank guided *PromptPay* adoption is much faster than expected; *PromptPay* fees account for about 7% of non-NII. Cost-to-income ratio should be stable yoy at c.42% with good cost control.

Cut FY18-19F profit by 2-4% after reflecting weaker non-NII in 4Q17

4Q17 net profit fell 44% yoy and 40% qoq to Bt5.7bn due to rising OPEX (+8% yoy) and credit cost (+69% yoy). Non-NII also fell 3% yoy and 10% qoq on lower net insurance income. The weak 4Q17 results led FY17 EPS to shrink 15% yoy to Bt14.3/sh. Net insurance income should continue to drop given more intense competition and tighter regulations. A weak top line growth should lead to a disappoint PPop growth of 2% yoy in FY18F. However, lower credit cost should more than offset weaker NIM and flat non-NII. Hence, we expect EPS to grow 21% in FY18F and 14% in FY19F.

NEUTRAL, lowered TP to Bt230; prefer BBL, SCB and TMB

We expect ROE to remain weak at 11-12% in FY18-19F given flat non-NII. We recommend to accumulate KBANK at below Bt220. For now, we prefer SCB because it is trading at 16% discount to KBANK on FY18F PE. BBL and TMB remain our top picks given stronger earnings and non-NII growth than peers.

Financial Summary (Btm)

Year to Dec	2015	2016	2017	2018F	2019F
Operating Income	147,515	153,403	156,856	161,173	171,423
Pre-provisioning Profit	80,859	89,548	90,484	92,146	99,635
Net Profit	39,474	40,174	34,339	41,510	47,323
Basic EPS (Bt)	16.49	16.79	14.35	17.34	19.77
EPS growth (%)	(14.47)	1.77	(14.53)	20.89	14.00
DPS (Bt)	4.00	4.00	4.00	4.50	5.00
PER (x)	13.8	13.5	15.8	13.1	11.5
Div Yield (%)	1.76	1.76	1.76	1.98	2.20
P/BV (x)	1.90	1.69	1.56	1.43	1.30
Book Value (Bt)	119.42	134.44	145.67	159.01	174.28
ROAE (%)	14.54	13.23	10.24	11.39	11.87
ROAA (%)	1.78	1.68	1.38	1.57	1.66



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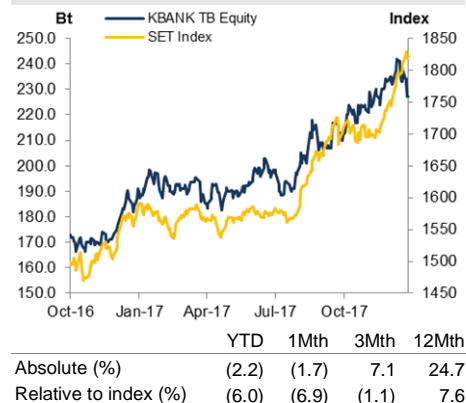
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Remark: KSS is a subsidiary of Bank of Ayudhya Plc. and is therefore unable to issue a report on Bank of Ayudhya Plc.

Key Data

12-mth high/low (Bt)	245 / 181
Market capital (Btm/US\$m)	543,270 / 17,022
3m avg. turnover (Btm/US\$m)	1,321 / 41.4
Free float (%)	67.9
Issued shares (m shares)	2,393
Major shareholders:	
- THAI NVDR CO LTD	28.3
- STATE STREET CORP	17.1
- VANGUARD GROUP INC	3.0

Share Price Performance



Krungsri Securities vs Market

	Positive	Neutral	Negative
Market Recommend	21	7	3
	Krungsri	Market	% +/-
Target Price (Bt)	230.0	238.4	(3.5)
'18 Net Profit (Btm)	41,510	43,000	(3.5)
'19 Net Profit (Btm)	47,323	50,248	(5.8)

Krungsri's earnings revision

	2018F	2019F
Earnings revision (%)	(3.8)	(2.3)

Source: Bloomberg, Krungsri Securities

KBANK: 4Q17 and FY17 results review

Financial statement (Btm)	4Q16	3Q17	4Q17	Chg YoY	Chg QoQ	4Q17F	Diff	2016	2017	Chg YoY
Balance sheet										
Loans	1,697,581	1,752,249	1,802,783	6.2%	2.9%	1,787,294	1%	1,697,581	1,701,675	0.2%
Deposits	1,794,835	1,844,427	1,878,672	4.7%	1.9%	1,872,093	0%	1,794,835	1,795,072	0.0%
Income statement										
Interest income	29,533	29,957	30,283	3%	1%	30,542	-1%	115,873	119,337	3%
Interest expenses	-6,529	-6,246	-6,263	(4%)	0%	-6,392	-2%	-26,195	-25,176	(4%)
Net interest income	23,004	23,710	24,020	4%	1%	24,151	-1%	89,678	94,161	5%
Net fee income	9,887	10,643	10,364	5%	(3%)	10,085	3%	38,943	41,306	6%
Non-interest income	15,153	16,437	14,773	(3%)	(10%)	15,880	-7%	63,725	62,695	(2%)
Operating income	38,158	40,147	38,793	2%	(3%)	40,031	-3%	153,403	156,856	2%
Operating expenses	-17,606	-16,338	-18,959	8%	16%	-18,310	4%	-63,854	-66,372	4%
Operating profit	20,551	23,810	19,835	(3%)	(17%)	21,720	-9%	89,548	90,484	1%
Loan loss provisions	-6,871	-10,405	-11,646	69%	12%	-11,504	1%	-33,753	-41,810	24%
Pre-tax profit	13,680	13,405	8,188	(40%)	(39%)	10,217	-20%	55,796	48,674	(13%)
Tax	-2,342	-2,581	-1,275	(46%)	(51%)	-2,043	-38%	-10,456	-9,028	(14%)
Minority interest	-1,094	-1,349	-1,208	10%	(10%)	-1,350	-11%	-5,166	-5,308	3%
Net profit	10,245	9,475	5,705	(44%)	(40%)	6,823	-16%	40,174	34,339	(15%)
EPS	4.28	3.96	2.38	(44%)	(40%)	2.85	-16%	16.79	14.35	(15%)
Key ratios										
Loans to deposits	94.6%	95.0%	96.0%			95.5%		94.6%	96.0%	
Net interest margin	3.46%	3.47%	3.49%			3.48%		3.52%	3.44%	
Cost to income	46.1%	40.7%	48.9%			45.7%		41.63%	42.31%	
Gross NPL (Btm)	65,265	68,873	69,674			68,373		65,265	69,674	
NPL/ Gross loans	3.84%	3.93%	3.86%			3.83%		3.84%	3.86%	
LLR/NPL	131%	141%	148%			145%		130.6%	148%	
Credit cost	1.63%	2.38%	2.62%			2.60%		2.04%	2.40%	
ROA	1.62%	1.51%	0.96%			1.14%		1.68%	1.38%	
ROE	13.0%	11.2%	6.6%			8.0%		13.2%	10.2%	

Source: Company data, Krungsri Securities

KBANK: FY18 financial targets

	2017 Actual	2017 Targets	2018 Targets
NIM	3.44%	3.3-3.5%	3.2-3.4%
Loan Growth	6.2% YoY	4-6%	5-7%
Non-nii Growth	-1.6%	Up to 5%	Flat
Non-nii Ratio	40.0%	About 40%	About 40%
Cost to Income Ratio	42.3%	Mid-40s	Mid-40s
Credit Cost (bps)	239	200-225 bps	Up to 185bps
NPL Ratio (gross)	3.30%	3.3-3.4%	3.3-3.4%

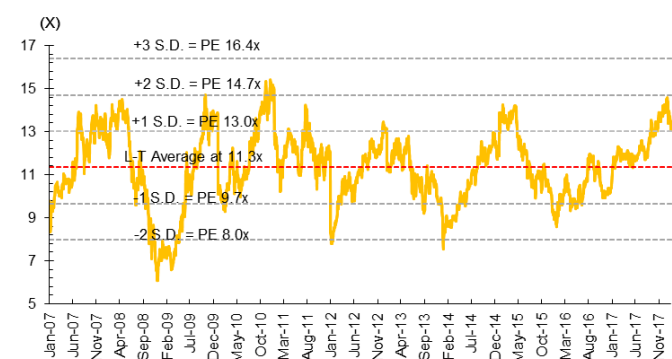
Source: Company data, Krungsri Securities

Cut FY18-19F profit by 2-4% after reflecting lower non-NII in 4Q17

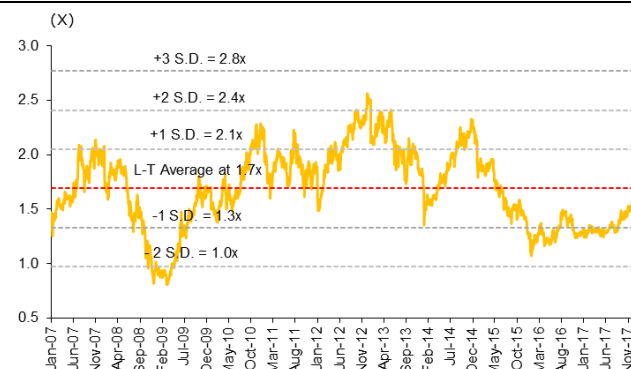
Key assumptions	New		Previous	
	2018F	2019F	2018F	2019F
Loan growth	6.0%	6.0%	6.0%	6.0%
NIM	3.42%	3.42%	3.35%	3.34%
Non-NII growth	0.6%	6.1%	-0.1%	6.0%
OPEX growth	4.0%	4.0%	4.0%	4.0%
Credit cost	1.85%	1.75%	1.90%	1.80%
NPL ratio	3.80%	3.75%	3.80%	3.75%
Net profit (Btm)	41,510	47,323	43,138	48,415
% Chg in net profit	-3.8%	-2.3%		
ROE (%)	11.4%	11.9%	11.8%	12.1%

Source: Company data, Krungsri Securities

P/E Band



P/BV Band



Source: Bloomberg, Krungsri Securities

Source: Bloomberg, Krungsri Securities

Peer comparison

BB Ticker	Name	Market Cap US\$	PE (x)		P/BV (x)		Div Yield (%)	ROE (%)	Share Price Performance			
			17F	18F	17F	18F			1M	3M	6M	YTD
Thailand												
BAY TB	BANK OF AYUDHYA PCL	10,832	13.3	11.6	1.4	1.3	2.30	11.2	16.8	22.1	30.6	18.2
BBL TB	BANGKOK BANK PUBLIC CO LTD	12,679	12.3	10.8	1.0	1.0	3.07	8.4	2.9	11.9	14.9	5.0
KBANK TB	KASIKORNBANK PCL	17,022	15.8	13.1	1.6	1.4	1.76	11.4	(1.7)	7.1	14.4	(2.2)
KTB TB	KRUNG THAI BANK PUB CO LTD	8,933	11.7	9.0	1.0	0.9	3.24	10.6	5.7	9.1	10.3	6.2
KKP TB	KIATNAKIN BANK PCL	2,169	11.7	11.3	1.7	1.6	7.34	14.7	3.5	12.0	10.5	3.2
SCB TB	SIAM COMMERCIAL BANK PUB CO	16,330	12.0	10.9	1.5	1.3	3.58	12.6	1.7	3.4	0.0	2.3
TCAP TB	THANACHART CAPITAL PCL	2,117	9.6	9.8	1.1	1.0	3.79	10.9	1.8	13.2	24.1	3.1
TISCO TB	TISCO FINANCIAL GROUP PCL	2,245	11.8	9.9	2.1	1.9	5.03	19.8	1.7	7.5	20.5	1.1
TMB TB	TMB BANK PCL	4,286	15.5	12.7	1.5	1.4	1.94	11.5	4.0	23.8	34.5	3.3
	Average		12.6	11.0	1.4	1.3	3.6	12.3				
Malaysia												
MAY MK	MALAYAN BANKING BHD	27,049	14.2	13.6	1.4	1.4	5.47	10.1	4.0	5.6	2.4	0.7
CIMB MK	CIMB GROUP HOLDINGS BHD	15,997	13.7	12.2	1.3	1.2	3.46	9.6	9.3	10.5	6.4	4.4
PBK MK	PUBLIC BANK BERHAD	20,490	15.3	14.5	2.2	2.0	2.87	14.9	2.0	2.1	2.7	0.6
	Average		14.4	13.5	1.6	1.5	3.9	11.6				
Indonesia												
BBCA IJ	BANK CENTRAL ASIA TBK PT	41,567	24.0	21.4	4.2	3.7	0.97	18.9	6.4	10.5	21.5	2.5
BBRI IJ	BANK RAKYAT INDONESIA PERSER	33,532	15.8	13.8	2.7	2.4	2.29	18.2	5.2	16.8	22.9	(0.5)
BMRI IJ	BANK MANDIRI PERSERO TBK PT	28,299	18.5	14.6	2.3	2.0	1.93	12.8	8.0	15.8	21.2	0.9
	Average		19.4	16.6	3.1	2.7	1.7	16.7				
Singapore												
DBS SP	DBS GROUP HOLDINGS LTD	51,002	15.4	12.1	1.4	1.3	2.50	9.8	6.6	21.3	20.4	6.0
UOB SP	UNITED OVERSEAS BANK LTD	35,304	13.8	12.3	1.4	1.3	2.64	10.2	7.7	15.2	15.6	6.0
OCBC SP	OVERSEA-CHINESE BANKING CORP	41,841	13.7	12.4	1.4	1.3	2.82	10.9	7.8	15.4	17.9	6.5
	Average		14.3	12.3	1.4	1.3	2.7	10.3				
Philippines												
BPI PM	BANK OF THE PHILIPPINE ISLAN	9,565	21.3	18.2	2.7	2.4	1.48	13.2	17.8	26.0	18.1	14.2
MBT PM	METROPOLITAN BANK & TRUST	6,281	16.8	13.3	1.5	1.3	1.00	9.3	1.2	8.9	9.3	(1.2)
BDO PM	BDO UNIBANK INC	13,737	24.1	20.4	2.3	2.1	0.84	10.9	6.1	8.5	30.5	(2.7)
PNB PM	PHILIPPINE NATIONAL BANK	1,395	11.9	10.0	0.7	0.6	0.88	5.5	(1.0)	(2.5)	(16.9)	(0.1)
SECB PM	SECURITY BANK CORP	3,713	18.9	16.5	1.8	1.6	0.95	9.8	(1.6)	(5.5)	12.8	(0.6)
UBP PM	UNION BANK OF PHILIPPINES	1,859	11.5	9.7	1.3	1.2	2.09	12.2	2.6	2.9	3.2	2.8
RCB PM	RIZAL COMMERCIAL BANKING	1,536	17.9	15.8	1.2	1.1	1.41	6.8	(0.2)	(8.0)	(5.2)	0.5
	Average		17.5	14.8	1.6	1.5	1.2	9.7				
	Average (Simple)		15.2	13.2	1.7	1.6	2.6	11.8				

Source: Company data, Bloomberg, Krungsri Securities

Financial statement - Quarter (Btm)	4Q16	1Q17	2Q17	3Q17	4Q17
Balance sheet					
Loans	1,697,581	1,701,675	1,752,227	1,752,249	1,802,783
Deposits	1,794,835	1,795,072	1,839,067	1,844,427	1,878,672
Income statement					
Interest income	29,533	29,371	29,727	29,957	30,283
Interest expense	(6,529)	(6,283)	(6,383)	(6,246)	(6,263)
Net interest income	23,004	23,088	23,343	23,710	24,020
Net fee and service income	9,887	10,085	10,215	10,643	10,364
Non-interest income	15,153	15,518	15,967	16,437	14,773
Total operating income	38,158	38,605	39,310	40,147	38,793
Operating expense	(17,606)	(15,224)	(15,851)	(16,338)	(18,959)
Operating profit	20,551	23,381	23,459	23,810	19,835
Loan loss provisions	(6,871)	(9,132)	(10,626)	(10,405)	(11,646)
Pre-tax profit	13,680	14,249	12,833	13,405	8,188
Tax	(2,342)	(2,717)	(2,455)	(2,581)	(1,275)
Minority interest	(1,094)	(1,360)	(1,392)	(1,349)	(1,208)
Net profit	10,245	10,172	8,986	9,475	5,705
EPS	4.28	4.25	3.75	3.96	2.38
Key ratios					
Loans to deposits	94.6%	94.8%	95.3%	95.0%	96.0%
Net interest margin	3.46%	3.41%	3.43%	3.47%	3.49%
Cost to income	46.14%	39.43%	40.32%	40.69%	48.9%
Gross NPL (Btm)	65,265	65,393	66,843	68,873	69,674
NPL/ Gross loans	3.84%	3.84%	3.81%	3.93%	3.86%
Credit cost	1.63%	2.15%	2.46%	2.38%	2.62%

INCOME STATEMENT (Btm)	2015	2016	2017	2018F	2019F
Interest income	114,354	115,873	119,337	123,929	132,215
Interest expenses	(29,341)	(26,195)	(25,176)	(25,805)	(27,664)
Net interest income	85,012	89,678	94,161	98,123	104,551
Net fee income	37,526	38,943	41,306	43,371	46,407
Non-interest income	62,503	63,725	62,695	63,049	66,872
Total operating income	147,515	153,403	156,856	161,173	171,423
Operating expense	(66,656)	(63,854)	(66,372)	(69,027)	(71,788)
Operating profit	80,859	89,548	90,484	92,146	99,635
Loan loss provisions	(26,377)	(33,753)	(41,810)	(34,352)	(34,445)
Pretax profit	54,482	55,796	48,674	57,794	65,191
Taxation	(10,527)	(10,456)	(9,028)	(10,981)	(12,386)
Minority interest	(4,481)	(5,166)	(5,308)	(5,303)	(5,481)
Net profit	39,474	40,174	34,339	41,510	47,323
Recurring net profit	39,474	40,174	34,339	41,510	47,323
Basic EPS (Bt)	16.49	16.79	14.35	17.34	19.77
DPS (Bt)	4.00	4.00	4.00	4.50	5.00
BVPS (Bt)	119.42	134.44	145.67	159.01	174.28
BALANCE SHEET (Btm)	2015	2016	2017	2018F	2019F
Cash	56,226	60,589	67,825	50,818	57,954
Interbank & Money market	308,745	349,206	426,092	464,440	496,951
Investment securities	477,200	649,598	535,561	583,761	624,624
Investment in associates	662	781	846	896	968
Net loans	1,548,658	1,615,861	1,702,740	1,800,805	1,901,899
Customer liabilities under acceptances	131	2,583	0	0	0
Properties foreclosed - net	14,197	15,444	17,444	18,491	19,970
Premises and equipment - net	45,284	49,728	50,137	53,145	57,397
Intangible asset	24,234	23,970	24,589	26,064	28,149
Other assets	79,969	78,109	75,609	80,146	86,557
Total assets	2,555,306	2,845,868	2,900,841	3,078,566	3,274,470
Deposits	1,705,379	1,794,835	1,878,672	1,972,606	2,090,962
Interbank & Money market	71,466	160,052	69,289	72,753	77,118
Liabilities payable on demand	23,545	19,456	21,248	22,948	24,095
Borrowings	85,578	96,376	70,575	74,104	78,550
Bank liabilities under acceptances	131	2,583	0	0	0
Other liabilities	356,994	418,655	473,234	511,093	536,647
Total liabilities	2,243,092	2,491,956	2,513,018	2,653,503	2,807,373
Share capital	23,933	23,933	23,933	23,933	23,933
Share premium	18,103	18,103	18,103	18,103	18,103
Other reserves	14,843	19,786	22,273	22,273	22,273
Retained earnings	228,921	259,924	284,317	316,254	352,807
Total equity	285,800	321,746	348,626	380,563	417,116
Minority interests	26,413	32,166	39,197	44,500	49,981
Total equity & liabilities	2,555,305	2,845,868	2,900,840	3,078,566	3,274,470

FINANCIAL RATIOS	2015	2016	2017	2018F	2019F
Profitability ratios					
Net int. inc./ total op. inc	57.6%	58.5%	60.0%	60.9%	61.0%
Net fee inc./ total op. inc	25.4%	25.4%	26.3%	26.9%	27.1%
Non-interest inc./ total op. inc	42.4%	41.5%	40.0%	39.1%	39.0%
Net interest margin	3.67%	3.52%	3.44%	3.42%	3.42%
Cost-to-income	45.2%	41.6%	42.3%	42.8%	41.9%
Liquidity ratios					
Net L/D ratio	94.4%	94.6%	96.0%	96.9%	96.9%
Net L/D ratio (inc. B/E)	89.9%	89.8%	92.5%	93.4%	93.4%
Capital adequacy ratios					
Tier 1 Ratio	13.8%	14.3%	14.5%	15.0%	15.6%
CAR	17.4%	18.2%	17.2%	17.7%	18.3%
Asset quality ratios					
NPL ratio	3.08%	3.84%	3.86%	3.80%	3.75%
Loan loss coverage ratio	129.6%	130.6%	148.5%	156.4%	167.7%
Returns ratios					
ROAE	14.5%	13.2%	10.2%	11.4%	11.9%
ROAA	1.8%	1.7%	1.4%	1.6%	1.7%
GROWTH RATES	2015	2016	2017	2018F	2019F
Total assets	7.0%	11.4%	1.9%	6.1%	6.4%
Shareholders' equity	11.2%	12.6%	8.4%	9.2%	9.6%
Net loans	5.4%	5.4%	6.2%	6.0%	6.0%
Deposits	4.6%	5.2%	4.7%	5.0%	6.0%
Interest income	0.7%	1.3%	3.0%	3.8%	6.7%
Interest expense	(3.6%)	(10.7%)	-3.9%	2.5%	7.2%
Net interest income	2.3%	5.5%	5.0%	4.2%	6.6%
Net fee income	10.6%	3.8%	6.1%	5.0%	7.0%
Non-interest income	12.6%	2.0%	-1.6%	0.6%	6.1%
Operating income	6.4%	4.0%	2.3%	2.8%	6.4%
Operating expense	8.5%	(4.2%)	3.9%	4.0%	4.0%
Operating profit	4.7%	10.7%	1.0%	1.8%	8.1%
Pre-tax profit	(13.5%)	2.4%	(12.8%)	18.7%	12.8%
Net profit	(14.5%)	1.8%	(14.5%)	20.9%	14.0%
Recurring net profit	(14.5%)	1.8%	(14.5%)	20.9%	14.0%

CG Rating 2016 Companies with CG Rating



AMATA	AOT	BAFS	BAY	BCP	BIGC	BTS	BWG	CK	CPF	CPN	CSL	DELTA	DEMCO
DRT	DTAC	DTC	EASTW	EGCO	GFPT	GPSC	GRAMMY	HANA	HMPRO	INTUCH	IRPC	IVL	KBANK
KCE	KKP	KTB	KTC	LHBANK	LPN	MBK	MCOT	MINT	MONO	NKI	NYT	OTO	PHOL
PPS	PS	PSL	PTT	PTTEP	PTTGC	QH	QTC	RATCH	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SE-ED	SIM	SITHAI	SNC	SPALI	SSSC	STEC	SVI	TCAP	THCOM	TISCO	TKT
TMB	TNDT	TOP	TSC	TTCL	TU	UV	VGI	WACOAL	WAVE				



2S	AAV	ACAP	ADVANC	AGE	AH	AHC	AKP	ALUCON	AMANAHA	ANAN	AP	APCO	APCS
ARIP	ASIA	ASIMAR	ASK	ASP	AUCT	AYUD	BANPU	BBL	BDMS	BEM	BFIT	BLA	BOL
BROOK	CEN	CENTEL	CFRESH	CGH	CHG	CHO	CHOW	CI	CIMBT	CKP	CM	CNS	CNT
COL	CPI	DCC	EA	ECF	EE	ERW	FORTH	FPI	GCAP	GLOBAL	GBX	GC	GL
GLOW	GUNKUL	HOTPOT	HYDRO	ICC	ICHI	IFEC	INET	IRC	JSP	K	KSL	KTIS	L&E
LANNA	LH	LHK	LIT	LOXLEY	LRH	LST	M	MACO	MALEE	MBKET	MC	MEGA	MFC
MOONG	MSC	MTI	MTLS	NCH	NOBLE	NSI	NTV	OCC	OGC	OISHI	ORI	PACE	PAP
PCSGH	PDI	PE	PG	PJW	PLANB	PM	PPP	PR	PRANDA	PREM	PRG	PRINC	PT
PTG	PYLON	Q-CON	RICHY	ROBINS	RS	RWI	S	SAMCO	SABINA	SALEE	S&J	SCG	SEAFO
SIAM	SINGER	SIS	SMK	SMPC	SMT	SNP	SPI	SPPT	SPRC	SR	SSF	SST	STA
SUSCO	SUTHA	SWC	SYMC	SYNEX	SYTNEC	TAE	TAKUNI	TASCO	TBSC	TCC	TF	TFI	TGCI



AEC	AEONTS	AF	AIRA	AIT	AJ	AKR	AMARIN	AMATAV	ARROW	APURE	AQUA	AMC	AS
BA	BEAUTY	BEC	BH	BIG	BJC	BJCHI	BKD	BR	BROCK	BRR	BTNC	CBG	CGD
CHARAN	CITY	CMR	COLOR	COM7	CPL	CSC	CSP	CSR	CSS	CTW	DCON	DIMET	DNA
EARTH	EASON	ECL	EFORL	EPCO	EPG	ESSO	FE	FER	FOCUS	FSMART	FSS	FVC	GEL
GIFT	GLAND	GOLD	GSTEL	GYT	HPT	HTC	HTECH	IFS	IHL	ILINK	INSURE	IRPC	IT
ITD	J	JMART	JMT	JUBILE	JWD	KASET	KBS	KCAR	KGI	KKC	KOOL	KWC	KYE
LALIN	LPH	MAJOR	MAKRO	MATCH	MATI	M-CHAI	MDX	MFEC	MJD	MK	MODERN	MPG	NC
NCL	NDR	NEP	NOK	NUSA	PATO	PCA	PDG	PF	PICO	PIMO	PL	PLAT	PLE
PMTA	PPM	PRIN	PSTC	QLT	RCI	RCL	RICH	RML	RPC	SANKO	SAPPE	SAWAD	SCI
SCN	SCP	SEAOIL	SENA	SIRI	SKR	SLP	SMG	SMIT	SORKON	SPA	SPC	SPCG	SPVI
SSC	STANLY	STPI	SUC	TACC	TCCC	TCMC	TEAM	TFD	TFG	TIC	TIW	TKN	TLUXE
TMD	TNP	TOPP	TPA	TPAC	TPCH	TPIPL	TPOLY	TRITN	TRT	TTI	TVI	TWP	U
UBIS	UMI	UPOIC	UT	UWC	VIBHA	VPO	VTE	WICE	WIIK	WIN	XO		

Disclaimer

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, Krungsri Securities Public Company Limited does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator 2016

Companies that have declared their intention to join CAC

A	AI	AIE	AIR	AJ	ALUCON	AMATAV	AOT	APCO	AQUA	ARROW	ASIA	ASK	AU
BCH	BJC	BJCHI	BLAND	BR	BROCK	BRR	CEN	CGH	CHEWA	CHG	CHOTI	CHOW	CIG
COL	COM7	CPALL	CPF	CPR	CSC	EKH	EPCO	FC	FER	FPI	FSMART	GEL	GFPT
GGC	GIFT	GJS	GLOBAL	GOLD	GPSC	GREEN	GSTEL	GUNKUL	HARN	IFS	ILINK	INET	IRC
J	JMART	JMT	JUBILE	JUTHA	KASET	KBS	KCAR	KTECH	KWC	KYE	L&E	LEE	LIT
LVT	MAKRO	MATCH	MATI	MBAX	MC	MFEC	MIDA	MILL	ML	MTLS	NBC	NCL	NEP
NINE	NMG	NNCL	NTV	NUSA	NWR	OGC	PACE	PAF	PAP	PATO	PCSGH	PIMO	PK
PL	PLANB	POST	PRINC	PRO	PSTC	PYLON	QTC	ROH	ROJNA	RWI	SANKO	SAUCE	SC
SCCC	SCN	SEAOIL	SE-ED	SENA	SIRI	SMART	SPACK	SPPT	SPRC	SR	SRICHA	SST	STA
SUPER	SUSCO	SWC	SYMC	TAKUNI	TBSP	TFI	THE	TICON	TIP	TKN	TLUXE	TMILL	TMT
TNP	TPA	TRUE	TSE	TTI	TU	TVD	TVO	TVT	TWPC	U	UPA	UREKA	UWC
VGI	VIBHA	VIH	VNT	WAVE	WHA	WICE	WIIK						

Companies certified by CAC

ADVANC	AKP	AMANAH	AP	ASP	AYUD	BAFS	BANPU	BAY	BBL	BCP	BKI	BLA	BROOK
BTS	BWG	CENTEL	CFRESH	CIMBT	CM	CNS	CPI	CPN	CSL	DCC	DEMCO	DIMET	DRT
DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FSS	GBX	GCAP	GLOW	HANA	HMPRO	HTC
ICC	IFEC	INTUCH	IRPC	IVL	K	KBANK	KCE	KGI	KKP	KSL	KTB	KTC	LANNA
LHBANK	LHK	LPN	MBK	MBKET	MCOT	MFC	MINT	MONO	MOONG	MSC	MTI	NKI	NSI
OCC	OCEAN	PB	PDI	PE	PG	PHOL	PLAT	PM	PPP	PPS	PRANDA	PREB	PRG
PSH	PSL	PT	PTG	PTT	PTTEP	PTTGC	Q-CON	QH	QLT	RATCH	RML	ROBINS	S & J
SABINA	SAT	SCB	SCC	SCG	SGP	SINGER	SIS	SITHAI	SMIT	SMPC	SNC	SNP	SORKON
SPC	SPI	SSF	SSI	SSSC	SVI	SYNTEC	TAE	TCAP	TCMC	TFG	TGCI	THANI	THCOM
THRE	THREL	TIPCO	TISCO	TKT	TMB	TMD	TNITY	TNL	TOG	TOP	TPCORP	TRU	TSC
TSTH	TTCL	TVI	UOBKH	WACOAL									

N/A

2S	AAV	ABICO	ACAP	ACC	ADAM	AEC	AEONTS	AF	AFC	AGE	AH	AHC	AIT
AJA	AKR	ALLA	ALT	AMA	AMARIN	AMATA	AMC	ANAN	APCS	APEX	APURE	AQ	ARIP
AS	ASAP	ASEFA	ASIAN	ASIMAR	ASN	ATP30	AUCT	BA	BAT-3K	BCPG	BDMS	BEAUTY	BEC
BEM	BFIT	BGRIM	BGT	BH	BIG	BIZ	BKD	BLISS	BM	BOL	BPP	BSBM	BSM
BTC	BTNC	BTW	BUI	CBG	CCET	CCP	CGD	CHARAN	CHO	CHUO	CI	CITY	CK
CKP	CMO	CMR	CNT	COLOR	COMAN	CPH	CPL	CRANE	CRD	CSP	CSR	CSS	CTW
CWT	D	DCON	DCORP	DELTA	DIGI	DNA	DTCI	EA	EARTH	EASON	ECF	EE	EFORL
EIC	EMC	EPG	ERW	ESSO	ESTAR	ETE	EVER	F&D	FANCY	FMT	FN	FOCUS	FORTH
FTE	FVC	GC	GENCO	GL	GLAND	GRAMMY	GRAND	GTB	GYT	HFT	HOTPOT	HPT	HTECH
HYDRO	ICHI	ICN	IEC	IHL	III	INGRS	INOX	INSURE	IRCP	IT	ITD	ITEL	JAS
JCT	JSP	JTS	JWD	KAMART	KC	KCM	KDH	KIAT	KKC	KOOL	KTIS	KWG	LALIN
LDC	LH	LOXLEY	LPH	LRH	LST	LTX	M	MACO	MAJOR	MALEE	MANRIN	MAX	M-CHAI
MCS	MDX	MEGA	METCO	MGT	MJD	MK	MM	MODERN	MPG	MPIC	NC	NCH	NDR
NETBAY	NEW	NEWS	NFC	NOBLE	NOK	NPK	NPP	NVD	NYT	OHTL	OISHI	ORI	OTO
PAE	PDG	PERM	PF	PICO	PJW	PLANET	PRECHA	PMTA	POLAR	POMPUI	PPM	PRAKIT	PLE
PRIN	PRM	PTL	RAM	RCI	RCL	RICH	RICHY	RJH	ROCK	RP	RPC	RPH	RS
S	S11	SAFARI	SALEE	SAM	SAMART	SAMCO	SAMTEL	SAPPE	SAWAD	SAWANG	SCI	SCP	SDC
SE	SEAFCO	SELIC	SF	SFP	SGF	SHANG	SIAM	SIMAT	SKN	SKR	SKY	SLP	SMK
SMM	SMT	SOLAR	SPA	SPALI	SPCG	SPG	SPORT	SPVI	SQ	SSC	SSP	STANLY	STAR
STEC	STHAI	STPI	SUC	SUTHA	SVH	SVOA	SYNEX	T	TACC	TAPAC	TASCO	TC	TCB
TCC	TCCC	TCJ	TCOAT	TEAM	TFD	TFMAMA	TGPRO	TH	THAI	THANA	THIP	THL	TIC
TIW	TK	TKS	TM	TMC	TMI	TMW	TNDT	TNH	TNPC	TNR	TOA	TOPP	TPAC
TPBI	TPCH	TPIPL	TPIPP	TPOLY	TPP	TR	TRC	TRITN	TRT	TRUBB	TSF	TSI	TSR
TSTE	TTA	TTL	TTTM	TTW	TUCC	TWP	TWZ	TYCN	UAC	UBIS	UEC	UKEM	UMI
UMS	UNIQ	UP	UPF	UPOIC	UT	UTP	UV	UVAN	VARO	VI	VNG	VPO	VTE
WG	WHAUP	WIN	WINNER	WORK	WORLD	WP	WPH	WR	XO	YCI	YNP	YUASA	ZIGA
ZMICO													

Disclaimer

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, Krungsri Securities Public Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment result."

Reference

Disclosure: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of July 31, 2017) are categorised into:

- Companies that have declared their intention to join CAC
- Companies certified by CAC.



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a global financial group

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Definition of Ratings

- OUTPERFORM** - Stocks with an expected capital gain above 10% in the next 12 months for small-caps, above 5% for big-caps
- NEUTRAL** - Stocks with an expected capital gain between -10% and +10% in the next 12 months for small-caps, -5% to +5% for big-caps
- UNDERPERFORM** - Stocks with an expected capital gain below 10% in the next 12 months for small-caps, below 5% for big-caps