

January 23, 2018

OUTPERFORM

Krung Thai Bank

(KTB TB)

Share Price: Bt20.2

Target Price: Bt22.0 (+8.9%)

Starting the year with a cleaner slate

- Targets 6-7% loan and fee income growth; plans to cut staff count by 30% within 5 years to offset rising IT investment cost
- 4Q17 net profit fell 35% yoy to Bt4.8bn on higher provisions; expect provisions to drop on improving asset quality this year
- OUTPERFORM, Bt22 TP implies 10x FY18F P/E and 1x P/BV; cut FY18F earnings by 3% on higher credit cost

Expect loan demand to recover this year

CEO targets 6-7% loan growth (1.8% in 2017) and 7% fee income growth in 2018. Loan growth would be driven by government, retail and SME segments, while fee income would be led by bancassurance and mutual fund products. On the cost side, the bank plans to spend Bt10bn on IT this year vs Bt5bn in 2017. It also plans to reduce headcount by 30% over the next five years and number of branches to control OPEX. However, we expect amortization of expenses would push up cost-to-income ratio in the next three years.

4Q17/FY17 results missed expectations due to high credit cost

FY17 net profit fell 30% yoy due to larger provisions for EARTH, and rice mill and cassava segments. Loans grew 1.8% yoy and 3.3% qoq led by lending to the government, which reduced NIM to 3.20% from 3.33% in 3Q17. On a positive note, rising fee income and good cost control led PPop to beat our forecast by 8%. NPL ratio fell 20bp qoq to 5.3%, thanks to Bt23.7bn NPL write-off in 2017. NPL coverage improved to 122% from 115% in 3Q17, as the bank booked Bt13.5bn provision or 285bp credit cost in 4Q17. Looking forward, asset quality should start to improve as KTB cleans up its loan book. The bank targets 140bp (bank only) credit cost for FY18 vs 138bp in 2017 (excluding provision for EARTH). We assumed 190bp total credit cost (Bt38bn). Of this, Bt28bn is for KTB, Bt7bn for KTC, and the rest to comply with IFRS 9.

OUTPERFORM, TP Bt22; positive on strong EPS recovery

We cut FY18F earnings by 3% after raising credit cost assumption by 20bp. We are positive on its strategy to clean up its loan portfolio and expect KTB to report the strongest EPS growth in FY18F (+36% yoy), which could be a re-rating catalyst.

Financial Summary (Btm)

Year to Dec	2015	2016	2017	2018F	2019F
Operating Income	116,609	124,668	123,153	129,990	139,614
Pre-provisioning Profit	65,689	74,030	73,745	77,124	83,047
Net Profit	28,492	32,279	22,445	30,554	35,254
Basic EPS (Bt)	2.04	2.31	1.61	2.19	2.52
EPS growth (%)	(14.2)	13.3	(30.5)	36.1	15.4
DPS (Bt)	0.76	0.86	0.61	0.83	0.95
PER (x)	9.9	8.7	12.6	9.2	8.0
Div Yield (%)	3.8	4.3	3.0	4.1	4.7
P/BV (x)	1.15	1.03	0.98	0.91	0.85
Book Value (Bt)	17.59	19.59	20.59	22.16	23.86
ROAE (%)	11.9	12.4	8.0	10.2	11.0
ROAA (%)	1.1	1.2	0.9	1.1	1.2



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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)	21.1 / 17.5
Market Cap (Btm/US\$m)	282,316.4 / 8,845
3m Avg. Turnover (Btm/US\$m)	779.4 / 24.4
Free Float (%)	44.9
Issued Shares (m shares)	13,976
Major Shareholders:	
- FINANCIAL INSTITUTIO	55.1
- THAI NVDR CO LTD	6.8
- STATE STREET CORP	3.2

Share Price Performance



	YTD	1Mth	3Mth	12Mth
Absolute (%)	5.2	6.3	9.8	7.4
Relative to index (%)	1.2	1.6	2.0	(9.3)

Krungsri Securities vs Market

	Positive	Neutral	Negative
Market Recommend	16	11	4
	Krungsri	Market	% +/-
Target Price (Bt)	22.0	20.6	6.8
'18 Net Profit (Btm)	30,554	30,358	0.6
'19 Net Profit (Btm)	35,254	35,414	(0.5)

Krungsri's earnings revision

	2018F	2019F
Earnings revision (%)	(3.3)	(0.9)

Source: Bloomberg, Krungsri Securities

KTB: 4Q17 and FY17 results review

Financial statement (Btm)	4Q16	3Q17	4Q17	Chg YoY	Chg QoQ	4Q17F	Diff	2016	2017	Chg YoY
Balance sheet										
Loans	1,904,089	1,875,807	1,938,082	1.8%	3.3%	1,913,323	1%	1,904,089	1,938,082	2%
Deposits	1,972,404	1,950,086	2,070,875	5.0%	6.2%	2,047,590	1%	1,972,404	2,070,875	5%
Income statement										
Interest income	31,648	30,370	30,281	-4%	0%	30,920	-2%	129,230	122,507	-5%
Interest expenses	-9,795	-9,112	-9,186	-6%	1%	-9,201	0%	-42,264	-36,730	-13%
Net interest income	21,853	21,259	21,095	-3%	-1%	21,719	-3%	86,966	85,778	-1%
Net fee income	5,910	5,808	6,737	14%	16%	6,323	7%	22,042	24,021	9%
Non-nii	9,657	8,873	11,025	14%	24%	9,480	16%	37,702	37,375	-1%
Operating income	31,509	30,132	32,120	2%	7%	31,199	3%	124,668	123,153	-1%
OPEX	-12,850	-12,475	-12,646	-2%	1%	-13,235	-4%	-50,638	-49,408	-2%
Pre provision profit	18,660	17,657	19,475	4%	10%	17,964	8%	74,030	73,745	0%
Provisions	-9,429	-9,918	-13,577	44%	37%	-8,052	69%	-33,429	-44,833	34%
Pre-tax profit	9,231	7,739	5,898	-36%	-24%	9,912	-41%	40,601	28,912	-29%
Tax	-1,474	-1,440	-603	-59%	-58%	-1,933	-69%	-7,062	-4,797	-32%
Minority interest	-323	-428	-475	47%	11%	-350	36%	-1,260	-1,670	33%
Net profit	7,433	5,872	4,820	-35%	-18%	7,629	-37%	32,279	22,445	-30%
EPS	0.53	0.42	0.34	-35%	-18%	0.55	-37%	2.31	1.61	-30%
Key ratios										
Loans to deposits	96.5%	96.2%	93.6%			93.4%		96.5%	93.6%	
LDR & borrowings	91.0%	90.8%	88.8%			88.5%		91.0%	88.8%	
Net interest margin	3.40%	3.33%	3.20%			3.34%		3.32%	3.25%	
Cost to income	40.78%	41.40%	39.37%			42.42%		40.62%	40.12%	
Gross NPL	91,128	103,709	103,020			102,209		91,128	103,020	
NPL/ Gross loans	4.79%	5.53%	5.32%			5.34%		4.8%	5.3%	
LLR/NPL	121.6%	115.4%	121.7%			119.4%		121.6%	121.7%	
Credit cost	1.98%	2.09%	2.85%			1.70%		1.7%	2.3%	
ROA	1.15%	0.94%	0.77%			1.20%		1.22%	0.87%	
ROE	10.91%	8.42%	6.75%			10.75%		12.42%	7.99%	

Source: Company data, Krungsri Securities

Cut FY18F earnings by 3% on higher credit cost

	New		Previous	
	2018F	2019F	2018F	2019F
Loan growth	6.0%	6.0%	4.0%	4.0%
NIM	3.24%	3.26%	3.33%	3.35%
Fee income growth	7.0%	9.0%	7.0%	7.0%
Non-nii growth	5.9%	9.0%	6.3%	7.0%
OPEX growth	7.0%	7.0%	5.0%	5.0%
Credit cost	1.90%	1.80%	1.70%	1.60%
Provisions (Btbn)	38.0	38.2	33.0	32.4
Earnings (Btbn)	30.6	35.3	31.6	35.6
% Change in earnings	-3.3%	-0.9%		

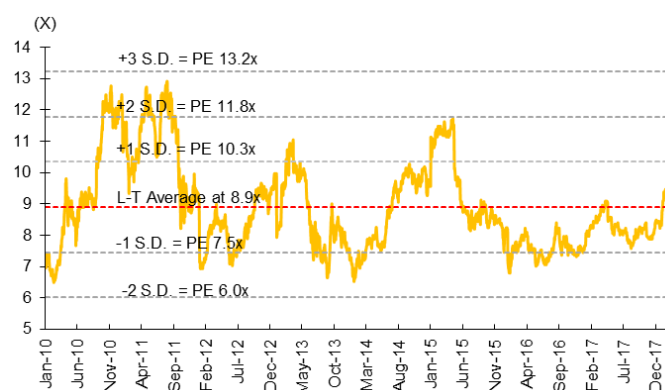
Source: Company data, Krungsri Securities

KTB: FY18 financial targets

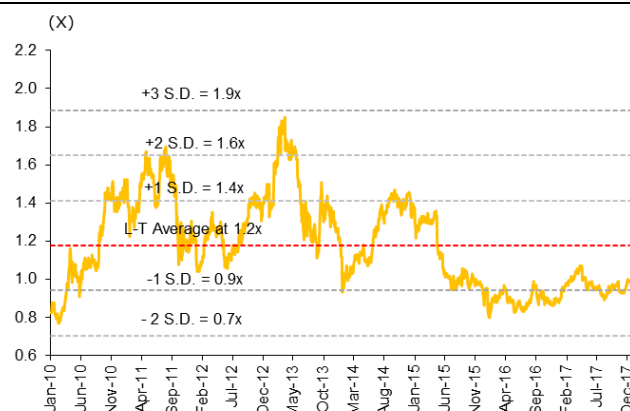
	2017	2018	2018
	Actual	Our forecast	Bank target
Loan Growth	1.79%	6.00%	6-7%
Fee Income Growth	8.98%	7.00%	7.0%
Cost to income	40.1%	40.7%	43-45%
NPLs Ratio	5.32%	5.30%	Maintain
ROA	0.87%	1.10%	Maintain
ROE	7.99%	10.22%	Maintain

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	10,717	13.2	11.4	1.4	1.3	2.32	11.2	16.3	17.7	28.3	17.0
BBL TB	BANGKOK BANK PUBLIC CO LTD	12,620	12.3	10.8	1.0	0.9	3.08	8.4	2.9	9.6	16.9	4.5
KBANK TB	KASIKORNBANK PCL	16,572	15.4	12.7	1.5	1.4	1.81	11.4	(5.2)	3.8	12.2	(4.7)
KTB TB	KRUNG THAI BANK PUB CO LTD	8,846	12.6	9.2	1.0	0.9	3.02	10.2	6.3	9.8	11.0	5.2
KKP TB	KIATNAKIN BANK PCL	2,215	11.9	11.6	1.7	1.7	7.19	14.7	5.7	10.6	18.9	5.4
SCB TB	SIAM COMMERCIAL BANK PUB CO	16,383	12.1	10.9	1.4	1.3	3.57	12.4	2.3	4.8	2.0	2.7
TCAP TB	THANACHART CAPITAL PCL	2,154	9.8	9.9	1.1	1.1	3.73	10.9	4.4	14.6	25.5	4.9
TISCO TB	TISCO FINANCIAL GROUP PCL	2,264	11.9	10.0	2.1	1.9	4.99	19.8	2.6	7.1	22.0	2.0
TMB TB	TMB BANK PCL	4,176	15.1	12.3	1.5	1.4	1.99	11.5	2.0	17.8	27.7	0.7
	Average		12.7	11.0	1.4	1.3	3.5	12.3				
Malaysia												
MAY MK	MALAYAN BANKING BHD	27,090	14.2	13.6	1.4	1.4	5.47	10.1	4.1	6.2	2.5	0.7
CIMB MK	CIMB GROUP HOLDINGS BHD	16,160	13.9	12.3	1.3	1.2	3.43	9.6	6.2	11.3	8.5	5.4
PBK MK	PUBLIC BANK BERHAD	20,576	15.3	14.6	2.2	2.0	2.86	14.9	1.3	2.4	2.9	0.9
	Average		14.5	13.5	1.6	1.5	3.9	11.6				
Indonesia												
BBCA IJ	BANK CENTRAL ASIA TBK PT	41,507	24.0	21.4	4.2	3.7	0.97	18.9	4.5	10.4	23.3	2.6
BBRI IJ	BANK RAKYAT INDONESIA PERSER	33,724	16.3	14.0	2.7	2.4	2.27	18.2	5.5	16.8	24.4	0.3
BMRI IJ	BANK MANDIRI PERSERO TBK PT	28,227	18.5	14.6	2.3	2.0	1.93	12.8	5.2	13.7	23.8	0.9
	Average		19.6	16.7	3.1	2.7	1.7	16.7				
Singapore												
DBS SP	DBS GROUP HOLDINGS LTD	51,250	15.5	12.1	1.5	1.3	2.49	9.8	7.0	21.1	23.1	6.4
UOB SP	UNITED OVERSEAS BANK LTD	35,215	13.8	12.3	1.4	1.3	2.65	10.2	8.6	15.0	16.5	5.6
OCBC SP	OVERSEA-CHINESE BANKING CORP	41,744	13.7	12.3	1.4	1.3	2.83	10.9	7.1	14.5	18.7	6.2
	Average		14.3	12.2	1.4	1.3	2.7	10.3				
Philippines												
BPI PM	BANK OF THE PHILIPPINE ISLAN	9,531	21.2	18.2	2.7	2.4	1.48	13.2	16.4	25.9	15.3	14.2
MBT PM	METROPOLITAN BANK & TRUST	6,252	16.8	13.2	1.5	1.3	1.00	9.3	2.0	7.8	15.1	(1.4)
BDO PM	BDO UNIBANK INC	13,656	24.1	20.3	2.3	2.1	0.84	10.9	3.5	11.2	28.3	(3.0)
PNB PM	PHILIPPINE NATIONAL BANK	1,390	11.9	10.0	0.7	0.6	0.88	5.5	(0.6)	(3.4)	(16.2)	(0.2)
SECB PM	SECURITY BANK CORP	3,712	18.9	16.5	1.8	1.6	0.94	9.8	(0.6)	(4.6)	10.2	(0.3)
UBP PM	UNION BANK OF PHILIPPINES	1,893	11.8	9.9	1.3	1.2	2.04	12.2	4.6	4.8	5.4	5.0
RCB PM	RIZAL COMMERCIAL BANKING	1,536	17.9	15.8	1.2	1.1	1.41	6.8	0.7	(6.7)	(3.8)	0.8
	Average		17.5	14.9	1.6	1.5	1.2	9.7				
	Average (Simple)		15.3	13.2	1.7	1.6	2.6	11.7				

Source: Company data, Bloomberg, Krungsri Securities

Financial statement - Quarter (Btm)	4Q16	1Q17	2Q17	3Q17	4Q17
Balance sheet					
Loans	1,904,089	1,913,387	1,918,010	1,875,807	1,938,082
Deposits	1,972,404	1,991,444	1,962,422	1,950,086	2,070,875
Income statement					
Interest income	31,648	31,158	30,698	30,370	30,281
Interest expense	(9,795)	(9,338)	(9,093)	(9,112)	(9,186)
Net interest income	21,853	21,820	21,604	21,259	21,095
Net fee income	5,910	5,716	5,761	5,808	6,737
Non-interest income	9,850	9,184	8,292	8,873	11,025
Total operating income	31,702	31,004	29,897	30,132	32,120
Operating expense	(13,036)	(12,601)	(11,687)	(12,475)	(12,646)
Operating profit	18,666	18,403	18,210	17,657	19,475
Loan loss provisions	(9,429)	(7,460)	(13,878)	(9,918)	(13,577)
Pre-tax profit	9,237	10,943	4,332	7,739	5,898
Tax	(1,474)	(2,041)	(713)	(1,440)	(603)
Minority interest	(323)	(370)	(398)	(428)	(475)
Net profit	7,440	8,532	3,222	5,872	4,820
EPS	0.53	0.61	0.23	0.42	0.34
Key ratios					
Loans to deposits	96.5%	96.1%	97.7%	96.2%	93.6%
Net interest margin	91.0%	3.39%	3.36%	3.33%	3.20%
Cost to income	41.12%	40.64%	39.09%	41.40%	39.37%
Gross NPL (Btm)	91,128	100,382	99,078	103,709	103,020
NPL/ Gross loans	4.79%	5.25%	5.17%	5.53%	5.32%
Credit cost	1.98%	1.56%	2.90%	2.09%	2.85%

INCOME STATEMENT (Btm)	2015	2016	2017	2018F	2019F
Interest income	132,525	129,230	122,507	129,919	139,195
Interest expenses	(51,657)	(42,264)	(36,730)	(39,520)	(42,735)
Net interest income	80,868	86,966	85,778	90,399	96,460
Net fee income	21,343	22,042	24,021	25,703	28,016
Non-interest income	35,741	37,702	37,375	39,591	43,154
Total operating income	116,609	124,668	123,153	129,990	139,614
Operating expense	(50,920)	(50,638)	(49,408)	(52,866)	(56,567)
Operating profit	65,689	74,030	73,745	77,124	83,047
Loan loss provisions	(30,542)	(33,429)	(44,833)	(38,003)	(38,167)
Pretax profit	35,148	40,601	28,912	39,121	44,880
Taxation	(5,609)	(7,062)	(4,797)	(6,846)	(7,854)
Minority interest	(1,048)	(1,260)	(1,670)	(1,720)	(1,772)
Net profit	28,492	32,279	22,445	30,554	35,254
Recurring net profit	28,492	32,279	22,445	30,554	35,254
Basic EPS (Bt)	2.04	2.31	1.61	2.19	2.52
DPS (Bt)	0.76	0.86	0.61	0.83	0.95
BVPS (Bt)	17.59	19.59	20.59	22.16	23.86
No. of shares - Weighted Avg. (mn)	13,982	13,982	13,982	13,982	13,982
No. of shares - YE (mn)	13,982	13,982	13,982	13,982	13,982

BALANCE SHEET (Btm)	2015	2016	2017	2018F	2019F
Cash	71,470	72,106	73,573	66,855	58,683
Interbank & Money market	397,358	431,638	559,827	593,417	629,022
Investment securities	247,082	226,955	209,514	222,085	235,410
Investment in associates	14,650	15,311	18,731	19,855	21,046
Net loans	1,947,256	1,798,575	1,817,912	1,923,109	2,035,253
Customer liabilities under acceptances	1,568	46	153	162	172
Properties foreclosed - net	30,008	35,747	35,510	37,640	39,899
Premises and equipment - net	26,355	27,313	26,019	27,581	29,235
Intangible asset	4,572	4,211	3,907	4,141	4,389
Other assets	75,014	77,546	119,227	126,381	133,963
Total assets	2,815,332	2,689,447	2,864,373	3,021,225	3,187,072
Deposits	2,135,499	1,972,404	2,070,875	2,174,418	2,283,139
Interbank & Money market	194,243	203,166	228,691	237,839	247,353
Liabilities payable on demand	6,121	5,082	5,292	5,821	6,403
Borrowings	116,240	120,691	110,626	115,051	119,654
Bank liabilities under acceptances	1,568	46	153	162	172
Other liabilities	111,363	108,916	154,512	169,963	186,960
Total liabilities	2,565,034	2,410,305	2,570,149	2,703,255	2,843,680
Share capital	72,005	72,005	72,005	72,005	72,005
Share premium	20,834	20,834	20,834	20,834	20,834
Other reserves	10,643	17,749	21,919	21,919	21,919
Retained earnings	142,402	163,337	173,109	195,135	218,785
Total equity	245,884	273,924	287,867	309,892	333,542
Minority interests	4,415	5,218	6,358	8,078	9,850
Total equity & liabilities	2,815,332	2,689,447	2,864,373	3,021,225	3,187,072

FINANCIAL RATIOS	2015	2016	2017	2018F	2019F
Profitability ratios					
Net int. inc./ total op. inc	69.3%	69.8%	69.7%	69.5%	69.1%
Net fee inc./ total op. inc	18.3%	17.7%	19.5%	19.8%	20.1%
Non-interest inc./ total op. inc	30.7%	30.2%	30.3%	30.5%	30.9%
Net interest margin	3.03%	3.32%	3.25%	3.24%	3.26%
Cost-to-income	43.7%	40.6%	40.1%	40.7%	40.5%
Liquidity ratios					
Net L/D ratio	94.9%	96.5%	93.6%	94.5%	95.4%
Net L/D ratio (inc. B/E)	90.0%	91.0%	88.8%	89.7%	90.6%
Capital adequacy ratios					
Tier 1 Ratio	11.4%	13.0%	13.2%	13.5%	13.8%
CAR	15.2%	16.9%	16.8%	17.0%	17.2%
NPL ratio	3.8%	4.8%	5.3%	5.3%	5.2%
Loan loss coverage ratio	112.5%	121.6%	121.7%	125.7%	129.8%
Returns ratios					
ROAE	11.9%	12.4%	8.0%	10.2%	11.0%
ROAA	1.1%	1.2%	0.9%	1.1%	1.2%
GROWTH RATES					
Total assets	0.9%	(4.5%)	6.5%	5.5%	5.5%
Shareholders' equity	5.9%	11.4%	5.1%	7.7%	7.6%
Net loans	3.8%	(6.1%)	1.8%	6.0%	6.0%
Deposits	(0.7%)	(7.6%)	5.0%	5.0%	5.0%
Interest income	3.4%	(2.5%)	(5.2%)	6.1%	7.1%
Interest expense	1.1%	(18.2%)	(13.1%)	7.6%	8.1%
Net interest income	4.8%	7.5%	(1.4%)	5.4%	6.7%
Net fee income	14.6%	3.3%	9.0%	7.0%	9.0%
Non-interest income	15.7%	5.5%	(0.9%)	5.9%	9.0%
Operating income	7.9%	6.9%	(1.2%)	5.6%	7.4%
Operating expense	5.8%	(0.6%)	(2.4%)	7.0%	7.0%
Operating profit	9.7%	12.7%	(0.4%)	4.6%	7.7%
Pre-tax profit	(14.8%)	15.5%	(28.8%)	35.3%	14.7%
Net profit	(14.2%)	13.3%	(30.5%)	36.1%	15.4%
Recurring net profit	(14.2%)	13.3%	(30.5%)	36.1%	15.4%

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