

April 19, 2018

**NEUTRAL**  
(from OUTPERFORM)

# TISCO Financial Group

(TISCO TB)

Share Price: Bt93.25

Target Price: Bt98.0 (+5.1%)

## Still spring-cleaning

- Expect better NPL coverage and lower OPEX after TISCO sells personal and credit card loan portfolios in 2Q-3Q 2018
- 1Q18 profit grew 18% yoy due to strong NIM and non-NII growth; operations should return to normal from 2Q18
- Downgrade to NEUTRAL, Bt98 TP implies 2.0x P/BV, 11x FY18F P/E and 6.4% dividend yield; prefer KKP for HP-focused banks

### Plans to transfer unsecured loans to Citibank in 2Q-3Q18

At the analyst briefing yesterday, TISCO revealed plans to sell personal and credit card loans in 2Q-3Q at zero gain/loss. However, NPL coverage would improve slightly due to lower gross NPLs and stable LLR. At end 1Q18, its credit card and personal loan portfolios accounted for 2.3% of loan book. Following the transfer, we expect slower top line growth but lower OPEX and credit cost should help TISCO to maintain strong earnings momentum. TISCO would have to pay Bt60m per quarter to hire SCBT to operate its credit card business this year. Meanwhile, to reflect one-off items in 1Q18, we cut FY18F loan growth (to -1% from +1%) and revised up non-NII growth and NIM on good cost control, which should offset lower loan yield. We also revised up credit cost and OPEX. After fine-tuning assumptions, we nudged down FY18F/19F earnings by 1% each.

### Growing auto cash loan to offset shrinking mortgage loans

TISCO reported Bt1.8bn net profit for 1Q18, up 18% yoy, in line with our estimate. There were one-off items in 1Q18: Bt250m gain on investment and Bt150m increase in associate contribution. On the cost side, the bank booked Bt200m refinancing cost and Bt300m provision for NPL write-off. Excluding these, core earnings grew 24% yoy to Bt1.85bn. Looking forward, TISCO will focus on growing auto cash loan (+4% YTD-Mar) to keep NIM high. Given 13-15% loan yield and 2% credit cost, TISCO would generate the highest risk-adjusted return from auto cash loans compared to other loans. After writing-off NPL for unsecured loans in 1Q18, credit cost should return to normal (1.0%) from 2Q18 onwards.

### Downgrade to Neutral, switch to KKP for better risk-reward profile

We like TISCO for offering strong NIM and asset quality. However, the recent strong share price performance suggests the good news has been priced in. Key risk is intense competition in HP and mortgage business, which would derail its loan growth. We recommend switching to KKP for offering better risk-reward profile.

#### Financial Summary (Btm)

Year to Dec	2016	2017	2018E	2019E	2020E
Operating Income	16,757	18,530	20,350	20,830	21,754
Pre-provisioning Profit	10,216	10,774	11,819	12,128	12,704
Net Profit	5,005	6,090	7,122	7,637	7,995
Basic EPS (Bt)	6.25	7.61	8.89	9.54	9.99
EPS growth (%)	17.8	21.7	16.9	7.2	4.7
DPS (Bt)	3.50	5.00	6.00	6.00	6.00
PER (x)	14.9	12.3	10.5	9.8	9.3
Div Yield (%)	3.8	5.4	6.4	6.4	6.4
P/BV (x)	2.39	2.16	1.98	1.84	1.71
Book Value (Bt)	39.0	43.2	47.1	50.7	54.6
ROAE (%)	16.9	18.5	19.7	19.5	19.0
ROAA (%)	1.8	2.1	2.4	2.5	2.5



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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)	95 / 69.5
Market capital (Btm/US\$m)	74,660 / 2389.6
3m avg. turnover (Btm/US\$m)	431.3 / 13.8
Free float (%)	86.6
Issued shares (m shares)	801
Major shareholders:	
-STOCK EXCHANGE OF TH	16.3
-CDIB & PARTNERS INVE	10.0
-FIL LIMITED	4.9

#### Share Price Performance



#### Krungsri Securities vs Market

	Positive	Neutral	Negative
Market Recommend	15	9	2
	Krungsri	Market	% +/-
Target Price (Bt)	98.0	95.7	2.4
'18 Net Profit (Btm)	7,122	7,077	0.6
'19 Net Profit (Btm)	7,637	7,575	0.8

#### Krungsri's earnings revision

	2018F	2019F
Earnings revision (%)	(1.3)	(1.3)

Source: Bloomberg, Krungsri Securities

**TISCO: 1Q18 results review**

Financial statements	1Q17	4Q17	1Q18	Chg YoY	Chg QoQ	1Q18F	Diff
<b>Balance sheet</b>							
Loan	220,523	251,396	246,530	11.8%	-1.9%	248,882	-1%
Deposit	155,999	180,804	176,146	12.9%	-2.6%	178,996	-2%
<b>Income statement</b>							
Interest income	3,925	4,636	4,568	16%	-1%	4,607	-1%
Interest expenses	(1,161)	(1,278)	(1,244)	7%	-3%	-1,350	-8%
Net interest income	2,764	3,358	3,325	20%	-1%	3,257	2%
Net fee income	1,451	1,928	1,726	19%	-10%	1,495	15%
Non-interest income	1,636	2,065	2,194	34%	6%	1,689	30%
Total operating income	4,400	5,423	5,518	25%	2%	4,946	12%
Operating expenses	(1,798)	(2,232)	(2,377)	32%	7%	-2,068	15%
Operating profit	2,602	3,192	3,141	21%	-2%	2,878	9%
Loan loss provisions	(753)	(1,234)	(950)	26%	-23%	-688	38%
Pre-tax profit	1,850	1,957	2,192	18%	12%	2,190	0%
Tax	(351)	(424)	(412)	18%	-3%	-438	-6%
Minority interest	(8)	(12)	(13)	67%	8%	-15	-12%
<b>Net profit</b>	<b>1,491</b>	<b>1,521</b>	<b>1,766</b>	<b>18%</b>	<b>16%</b>	<b>1,737</b>	<b>2%</b>
<b>EPS</b>	<b>1.86</b>	<b>1.90</b>	<b>2.21</b>	<b>18%</b>	<b>16%</b>	<b>2.17</b>	<b>2%</b>
<b>Key ratios</b>							
LTD + borrowings	101.0%	99.8%	101.1%			100.7%	
Net interest margin	4.12%	4.68%	4.41%			4.31%	
Cost to income	40.9%	41.1%	43.1%			41.8%	
Gross NPL (Btm)	5,221	5,829	5,712			5,771	
NPL/ Gross loans	2.37%	2.32%	2.32%			2.32%	
LLR/NPL	164%	197%	204%			202%	
Credit cost	1.35%	2.12%	1.53%			1.10%	
ROA	2.23%	2.14%	2.37%			2.31%	
ROE	18.64%	17.99%	19.91%			20.08%	

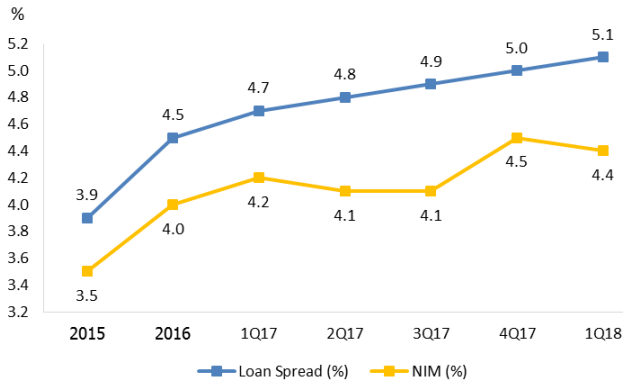
Source: Company data, Krungsri Securities

**TISCO: Cut FY18-19F earnings on higher NIM and lower credit cost**

Key assumptions	New		Previous		Notes
	2018F	2018F	2018F	2019F	
Loan growth	-1.0%	4.0%	1.0%	6.0%	Sells personal and credit card loans
NIM	4.31%	4.24%	4.24%	4.16%	Lower funding cost more than offset weaker loan yield
Non-NII growth	6.2%	7.5%	1.0%	11.0%	Bt350m one off-gain in 1Q18
Credit cost	1.15%	1.00%	1.05%	1.00%	Bt300m provision for NPL write-off in 1Q18
OPEX growth	10.0%	2.0%	6.0%	4.0%	Bt200m remortgage expense in 1Q18
<b>Net profit (Bt m)</b>	<b>7,122</b>	<b>7,637</b>	<b>7,217</b>	<b>7,738</b>	
<b>% Chg in net profit</b>	<b>-1.3%</b>	<b>-1.3%</b>			
ROE (%)	19.7%	19.5%	19.9%	19.5%	

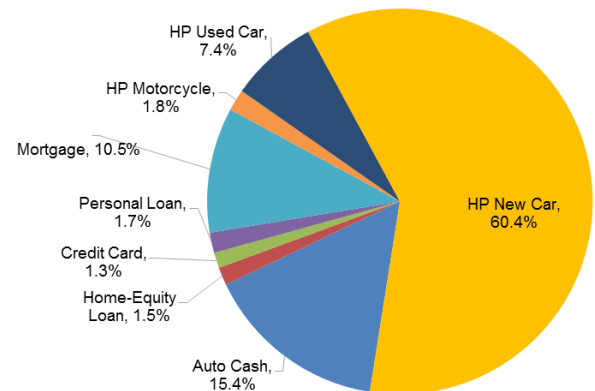
Source: Company, Krungsri Securities

### TISCO: Loan spread and NIM



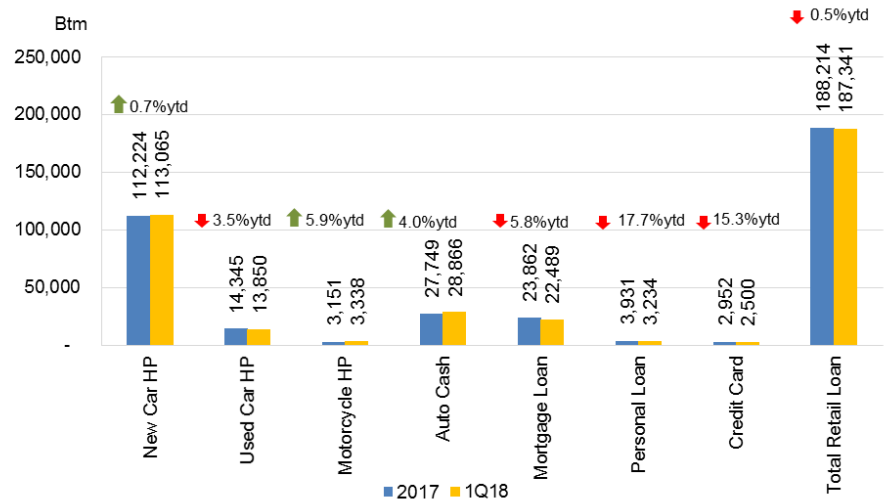
Source: Company data, Krungsri Securities

### TISCO: Loan breakdown incl. SCBT portfolio (1Q18)



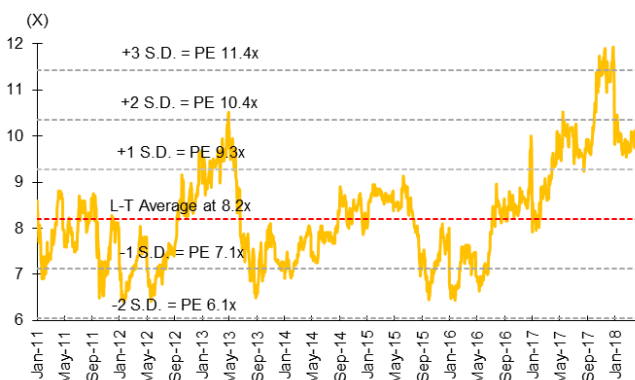
Source: Company data, Krungsri Securities

### TISCO: Retail loan breakdown



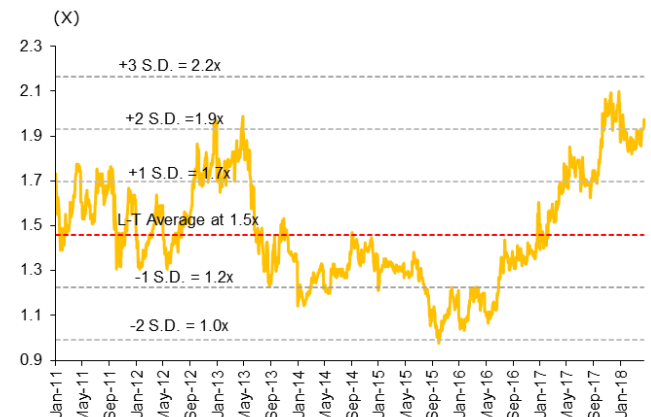
Source: Company data, Krungsri Securities

### P/E Band



Source: Bloomberg, Krungsri Securities

### P/BV Band



Source: Bloomberg, Krungsri Securities

## Peer comparison

		Market	PE		P/BV		Div Yield	ROE	Share Price			
BB Ticker	Name	Cap US\$	18F	19F	18F	19F	(%)	(%)	1M	3M	6M	YTD
Thailand												
BAY TB	BANK OF AYUDHYA PCL	9,535	11.4	10.1	1.2	1.1	2.62	11.1	(5.8)	(13.8)	2.5	1.9
BBL TB	BANGKOK BANK PUBLIC CO LTD	12,524	10.7	9.6	0.9	0.9	3.41	8.8	(1.9)	(3.8)	5.9	1.5
KBANK TB	KASIKORNBANK PCL	15,473	13.3	11.9	1.3	1.2	2.23	10.1	(9.4)	(11.0)	(6.0)	(12.9)
KTB TB	KRUNG THAI BANK PUB CO LTD	8,410	9.6	8.5	0.9	0.8	3.94	9.2	(6.5)	(8.3)	(1.1)	(2.1)
KKP TB	KIATNAKIN BANK PCL	2,012	10.3	9.6	1.5	1.4	7.53	14.6	(3.6)	(9.5)	(1.7)	(6.3)
SCB TB	SIAM COMMERCIAL BANK PUB CO	14,997	10.4	9.5	1.2	1.1	3.99	12.0	(6.8)	(12.1)	(6.8)	(8.0)
TCAP TB	THANACHART CAPITAL PCL	2,032	9.1	9.3	1.0	0.9	4.40	10.9	(3.5)	(7.2)	4.8	(3.1)
TISCO TB	TISCO FINANCIAL GROUP PCL	2,390	10.5	9.8	2.0	1.8	6.43	19.7	2.5	4.8	10.4	5.4
TMB TB	TMB BANK PCL	3,593	11.9	10.5	1.2	1.1	2.53	10.2	(7.2)	(16.9)	(0.8)	(15.2)
	Average		10.8	9.9	1.2	1.1	4.1	11.8				
Malaysia												
MAY MK	MALAYAN BANKING BHD	29,726	14.0	13.2	1.5	1.5	5.48	10.9	2.7	7.5	12.5	8.2
CIMB MK	CIMB GROUP HOLDINGS BHD	17,315	12.9	11.7	1.3	1.2	3.90	10.8	1.1	7.4	18.7	11.6
PBK MK	PUBLIC BANK BERHAD	23,827	15.9	14.9	2.3	2.2	2.68	15.1	4.3	14.9	17.3	15.5
	Average		14.3	13.3	1.7	1.6	4.0	12.3				
Indonesia												
BBCA IJ	BANK CENTRAL ASIA TBK PT	41,119	21.8	19.2	3.8	3.3	1.15	18.3	(1.6)	1.8	13.7	4.9
BBRI IJ	BANK RAKYAT INDONESIA PERSER	32,770	13.7	12.1	2.4	2.1	2.67	18.7	(0.5)	1.1	18.8	0.5
BMRI IJ	BANK MANDIRI PERSERO TBK PT	27,270	15.1	12.5	2.0	1.9	2.45	14.2	1.6	(0.9)	13.8	0.6
	Average		16.8	14.6	2.7	2.5	2.1	17.1				
Singapore												
DBS SP	DBS GROUP HOLDINGS LTD	57,431	13.1	11.6	1.6	1.5	4.09	12.1	3.9	12.9	36.5	18.1
UOB SP	UNITED OVERSEAS BANK LTD	37,039	12.5	11.3	1.3	1.2	3.39	10.7	3.8	4.9	21.4	10.5
OCBC SP	OVERSEA-CHINESE BANKING CORP	43,143	12.2	11.0	1.4	1.3	3.15	11.9	1.7	3.8	17.6	9.1
	Average		12.6	11.3	1.4	1.3	3.5	11.6				
Philippines												
BPI PM	BANK OF THE PHILIPPINE ISLAN	8,987	16.3	13.5	2.1	1.9	1.80	13.6	(6.8)	(7.0)	9.7	(1.1)
MBT PM	METROPOLITAN BANK & TRUST	6,298	12.3	10.2	1.2	1.1	1.24	10.4	(6.8)	(12.2)	(3.9)	(14.9)
BDO PM	BDO UNIBANK INC	11,489	17.4	14.3	1.8	1.7	0.99	11.1	(6.5)	(12.7)	(5.4)	(16.5)
PNB PM	PHILIPPINE NATIONAL BANK	1,262	8.8	7.5	0.6	0.5	0.00	6.4	(6.6)	(6.6)	(9.4)	(7.1)
SECB PM	SECURITY BANK CORP	3,254	15.1	12.9	1.5	1.3	1.16	10.2	(10.2)	(10.4)	(13.4)	(10.3)
UBP PM	UNION BANK OF PHILIPPINES	1,830	9.9	8.7	1.2	1.1	2.00	12.7	0.1	0.2	4.2	4.0
RCB PM	RIZAL COMMERCIAL BANKING	1,188	11.9	10.6	0.9	0.9	1.90	7.7	(4.3)	(19.2)	(22.9)	(20.1)
	Average		13.1	11.1	1.3	1.2	1.3	10.3				
	Average (Simple)		12.8	11.4	1.5	1.4	3.0	12.1				

Source: Company data, Bloomberg, Krungsri Securities

<b>Financial statements - Quarterly (Btm)</b>	<b>1Q17</b>	<b>2Q17</b>	<b>3Q17</b>	<b>4Q17</b>	<b>1Q18</b>
<b>Balance sheet</b>					
Loan	220,523	216,149	215,038	251,396	246,530
Deposit	155,999	155,862	154,965	180,804	176,146
<b>Income statement</b>					
Interest income	3,925	3,928	3,981	4,636	4,568
Interest expenses	(1,161)	(1,167)	(1,208)	(1,278)	(1,244)
Net interest income	2,764	2,761	2,772	3,358	3,325
Net fee income	1,451	1,296	1,481	1,928	1,726
Non-interest income	1,636	1,468	1,706	2,065	2,194
Total operating income	4,400	4,229	4,478	5,423	5,518
Operating expenses	(1,798)	(1,808)	(1,918)	(2,232)	(2,377)
Operating profit	2,602	2,420	2,560	3,192	3,141
Loan loss provisions	(753)	(542)	(612)	(1,234)	(950)
Pre-tax profit	1,850	1,878	1,948	1,957	2,192
Tax	(351)	(370)	(372)	(424)	(412)
Minority interest	(8)	(3)	(4)	(12)	(13)
<b>Net profit</b>	<b>1,491</b>	<b>1,505</b>	<b>1,572</b>	<b>1,521</b>	<b>1,766</b>
<b>EPS</b>	<b>1.86</b>	<b>1.88</b>	<b>1.96</b>	<b>1.90</b>	<b>2.21</b>

INCOME STATEMENT (Btm)	2016	2017	2018E	2019E	2020E
Interest income	16,012	16,469	18,178	18,217	18,787
Interest expenses	(5,091)	(4,815)	(5,129)	(5,237)	(5,529)
Net interest income	10,920	11,655	13,049	12,981	13,258
Net fee income	5,167	6,156	6,402	6,915	7,468
Non-interest income	5,837	6,875	7,301	7,850	8,496
Total operating income	16,757	18,530	20,350	20,830	21,754
Operating expense	(6,541)	(7,756)	(8,531)	(8,702)	(9,050)
Operating profit	10,216	10,774	11,819	12,128	12,704
Loan loss provisions	(3,972)	(3,140)	(2,877)	(2,539)	(2,666)
<b>Pretax profit</b>	6,244	7,634	8,942	9,589	10,038
Taxation	(1,221)	(1,517)	(1,788)	(1,918)	(2,008)
Minority interest	(18)	(27)	(32)	(34)	(36)
<b>Net profit</b>	5,005	6,090	7,122	7,637	7,995
<b>Recurring net profit</b>	5,005	6,090	7,122	7,637	7,995
Basic EPS (Bt)	6.25	7.61	8.89	9.54	9.99
DPS (Bt)	3.50	5.00	6.00	6.00	6.00
BVPS (Bt)	38.96	43.22	47.12	50.65	54.64
BALANCE SHEET (Btm)	2016	2017	2018E	2019E	2020E
Cash	1,149	1,325	1,779	798	329
Interbank & Money market	38,067	44,647	44,647	43,754	43,754
Investment securities	7,189	7,547	7,547	7,396	7,396
Investment in associates	443	590	608	632	670
Net loans	217,471	240,628	237,244	246,720	261,761
Customer liabilities under acceptances	0	0	0	0	0
Properties foreclosed - net	7	5	5	6	6
Premises and equipment - net	2,653	2,653	2,733	2,842	3,013
Intangible asset	567	538	554	576	611
Other assets	3,733	5,502	5,667	5,893	6,247
<b>Total assets</b>	<b>271,279</b>	<b>303,436</b>	<b>300,784</b>	<b>308,618</b>	<b>323,787</b>
Deposits	155,068	180,804	178,996	185,261	196,376
Interbank & Money market	5,197	4,018	3,776	3,682	3,682
Liabilities payable on demand	180	431	449	464	492
Borrowings	70,329	71,079	66,814	65,144	65,144
Bank liabilities under acceptances	0	0	0	0	0
Other liabilities	9,211	12,373	12,867	13,318	14,117
<b>Total liabilities</b>	<b>239,984</b>	<b>268,704</b>	<b>262,902</b>	<b>267,868</b>	<b>279,811</b>
Share capital	8,007	8,007	8,007	8,007	8,007
Share premium	1,018	1,018	1,018	1,018	1,018
Other reserves	1,447	1,653	1,653	1,653	1,653
Retained earnings	20,723	23,926	27,045	29,878	33,069
<b>Total equity</b>	<b>31,195</b>	<b>34,605</b>	<b>37,723</b>	<b>40,556</b>	<b>43,747</b>
Minority interests	101	127	159	193	229
<b>Total equity &amp; liabilities</b>	<b>271,280</b>	<b>303,436</b>	<b>300,784</b>	<b>308,618</b>	<b>323,787</b>

FINANCIAL RATIOS	2016	2017	2018E	2019E	2020E
<b>Profitability ratios</b>					
Net int. inc./ total op. inc	65.2%	62.9%	64.1%	62.3%	60.9%
Net fee inc./ total op. inc	30.8%	33.2%	31.5%	33.2%	34.3%
Non-interest inc./ total op. inc	34.8%	37.1%	35.9%	37.7%	39.1%
Net interest margin	3.98%	4.05%	4.31%	4.24%	4.16%
Cost-to-income	39.0%	41.9%	41.9%	41.8%	41.6%
<b>Liquidity ratios</b>					
Net L/D ratio	145.1%	139.0%	139.0%	139.7%	139.7%
Net L/D ratio (inc. B/E)	99.8%	99.8%	101.2%	103.4%	104.9%
<b>Capital adequacy ratios</b>					
Tier 1 Ratio	14.9%	17.1%	18.9%	19.6%	20.0%
CAR	19.8%	27.9%	29.2%	29.2%	29.1%
<b>Asset quality ratios</b>					
NPL ratio	2.5%	2.3%	2.3%	2.4%	2.4%
Loan loss coverage ratio	139.8%	197.0%	213.9%	209.7%	201.7%
<b>Returns ratios</b>					
ROAE	16.9%	18.5%	19.7%	19.5%	19.0%
ROAA	1.8%	2.1%	2.4%	2.5%	2.5%
GROWTH RATES	2016	2017	2018E	2019E	2020E
Total assets	(3.2%)	11.9%	(0.9%)	2.6%	4.9%
Shareholders equity	11.0%	10.9%	9.0%	7.5%	7.9%
Net loans	(5.6%)	11.8%	(1.0%)	4.0%	6.0%
Deposits	(1.9%)	16.6%	(1.0%)	3.5%	6.0%
Interest income	(5.2%)	2.9%	10.4%	0.2%	3.1%
Interest expense	(24.7%)	(5.4%)	6.5%	2.1%	5.6%
Net interest income	7.8%	6.7%	12.0%	(0.5%)	2.1%
Net fee income	2.2%	19.1%	4.0%	8.0%	8.0%
Non-interest income	(2.1%)	17.8%	6.2%	7.5%	8.2%
Operating income	4.1%	10.6%	9.8%	2.4%	4.4%
Operating expense	18.3%	18.6%	10.0%	2.0%	4.0%
Operating profit	(3.3%)	5.5%	9.7%	2.6%	4.8%
Pre-tax profit	18.1%	22.3%	17.1%	7.2%	4.7%
Net profit	17.8%	21.7%	16.9%	7.2%	4.7%
Recurring net profit	17.8%	21.7%	16.9%	7.2%	4.7%

## 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	AMANA	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	SEAOL	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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## 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