

AIRPORTS OF THAILAND
THAILAND / TRANSPORT & LOGISTICS

AOT TB

BUY

UNCHANGED

พร้อมสำหรับการขยาย

- ผลจากการเยี่ยมชมสถานที่ของ AOT เป็นบวก; อาคารเทียบเครื่องบิน (Satellite terminal) จะเปิดในเดือน ก.ย. 23 เมื่อผู้โดยสารต่างประเทศจะฟื้นตัวสู่ระดับก่อนโควิด
- ทางวิ่งที่ 3, การขยายอาคารผู้โดยสารฝั่งตะวันออกและด้านทิศเหนือจะเพิ่มขีดความสามารถในการรองรับผู้โดยสารเป็น 90-105 MAP (จาก 45 MAP ในปัจจุบัน)
- คงแนะนำซื้อที่ราคาเป้าหมายปี FY23 ที่ 85 บาท (DCF)

TARGET PRICE	THB85.00
CLOSE	THB73.50
UP/DOWNSIDE	+15.6%
PRIOR TP	THB85.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+11.5%

KEY STOCK DATA

YE Sep (THB m)	2021	2022E	2023E	2024E
Revenue	7,086	15,724	48,747	76,203
Net profit	(16,322)	(10,051)	13,187	33,250
EPS (THB)	(1.14)	(0.70)	0.92	2.33
vs Consensus (%)	-	nm	22.3	20.8
EBITDA	(8,172)	(796)	28,015	53,398
Core net profit	(15,319)	(10,051)	13,187	33,250
Core EPS (THB)	(1.07)	(0.70)	0.92	2.33
Chg. In EPS est. (%)	nm	nm	(21.1)	0.0
EPS growth (%)	nm	nm	nm	152.1
Core P/E (x)	(68.5)	(104.5)	79.6	31.6
Dividend yield (%)	-	-	0.5	1.5
EV/EBITDA (x)	(135.4)	(1,406.0)	39.4	20.5
Price/book (x)	9.3	10.3	9.1	7.3
Net debt/Equity (%)	49.0	65.5	44.2	29.9
ROE (%)	(12.0)	(9.4)	12.1	25.7

การก่อสร้าง SAT-1 เกือบแล้วเสร็จ; มีแผนเปิดในเดือน ก.ย. 23

AOT จัดงานเยี่ยมชมสถานที่ ณ สนามบินสุวรรณภูมิเพื่อแสดงความก้าวหน้าของ Satellite terminal (SAT-1) การก่อสร้างแล้วเสร็จอยู่ที่ 98% โดยอยู่ระหว่างรอกทดสอบระบบขนส่งผู้โดยสารอัตโนมัติและสายพานลำเลียงสัมภาระ AOT คาดว่าจะเปิดให้บริการ SAT-1 ในเดือน ก.ย. 23 วันเปิดถูกเลื่อนจากกำหนดเดิมในเดือน เม.ย. 23 เนื่องจาก AOT คาดว่าตัวเลขผู้โดยสารต่างประเทศจะฟื้นตัวสู่ระดับก่อนโควิดในฤดูหนาวของปี 2023 (ต.ค. 23 ถึง มี.ค. 24) SAT-1 จะเพิ่มขีดความสามารถของเขตการบินในการรองรับผู้โดยสารจาก 45 ล้านคนต่อปี (MAP) ในปัจจุบันเป็น 60 MAP พร้อมเพิ่มหลุมจอดอีก 28 หลุม (จาก 51 หลุมในปัจจุบัน)

3 โครงการที่จะเพิ่มขีดความสามารถของสนามบินสุวรรณภูมิ

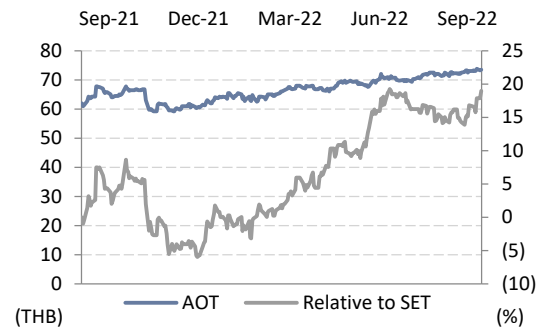
นอกจากนี้ AOT ยังรายงานความก้าวหน้าเกี่ยวกับโครงการขยายสนามบินสุวรรณภูมิอื่น ๆ อีกด้วย ข้อแรกโครงการก่อสร้างทางวิ่งแห่งที่ 3 ปัจจุบันสร้างเสร็จไปแล้ว 40% และคาดว่าจะเริ่มใช้ได้ในปี 2024 ทางวิ่งดังกล่าวจะช่วยเพิ่ม Airspace และขีดความสามารถของเขตการบินในการรองรับเที่ยวบินจาก 68 เที่ยวบินชั่วโมงในปัจจุบันเป็น 94 คิดเป็นความสามารถสูงสุดที่ 90 MAP ข้อสองการประมูลงานก่อสร้างโครงการขยายอาคารผู้โดยสารฝั่งตะวันออกซึ่งจะเพิ่มขีดความสามารถของเขตการบินได้ 15 MAP น่าจะเริ่มได้ในปีหน้าและเริ่มดำเนินงานได้ในปี 2026 ข้อสุดท้ายโครงการขยายอาคารผู้โดยสารด้านทิศเหนือ ซึ่งจะเป็นอาคารผู้โดยสารในประเทศแห่งใหม่ จะช่วยเพิ่มขีดความสามารถของเขตการบินในการรองรับผู้โดยสารได้ 30 MAP ปัจจุบัน IATA และ ICAO กำลังศึกษาความเป็นไปได้ของโครงการดังกล่าว

คาดผลประกอบการจะพลิกฟื้นใน 1QFY23

เราคาดว่าผลขาดทุนปกติจะลดลงเหลือ 1.4 พัน ลบ. ใน 4QFY22 จาก 2.4 พัน ลบ. ใน 3QFY22 ในขณะที่ปริมาณผู้โดยสารต่างประเทศจะฟื้นตัวเป็น 38% ของระดับก่อนโควิดใน 4QFY22 (เทียบกับ 21% ใน 3QFY22) เราคาดว่า AOT จะพลิกมารายงานกำไรใน 1QFY23 เมื่อนักท่องเที่ยวต่างชาติแตะ 50% ของระดับก่อนโควิด กระแสกำไรน่าจะดีขึ้นต่อเนื่องและกระโดดเพิ่มใน 3QFY23 เมื่อมาตรการช่วยเหลือสายการบินและผู้ประกอบการรายย่อยสิ้นสุดลงและ AOT เริ่มเก็บรายได้ขึ้นต่ำจาก King Power ในเดือน เม.ย. 23

ปรับลดประมาณการกำไรปกติปี FY23 แต่คงประมาณการปี FY24

เราปรับลดประมาณการกำไรปกติปี FY23 ลง 21% เพื่อสะท้อนประมาณการตัวเลขนักท่องเที่ยวขาเข้าในปัจจุบันที่ 34 ล้านในปี 2023 อย่างไรก็ตามเรายังคงประมาณการปี FY24 และราคาเป้าหมายปี FY23 ที่ 85 บาท (DCF) AOT มีการซื้อขายในระดับการประเมินมูลค่าที่ น่าสนใจที่ 32x ของค่า FY24E P/E (ปีปกติปีแรก) ซึ่งยังต่ำกว่าค่าเฉลี่ยในอดีตที่ 46x



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	1.7	4.6	18.1
Relative to country (%)	3.9	2.7	18.8
Mkt cap (USD m)			27,652
3m avg. daily turnover (USD m)			42.2
Free float (%)			30
Major shareholder		Ministry of Finance (70%)	
12m high/low (THB)			75.25/58.50
Issued shares (m)			14,285.70

Sources: Bloomberg consensus; FSSIA estimates



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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 28 กันยายน 2022

Investment thesis

We think AOT has passed the bottom and is now in a recovery mode. Domestic passenger volumes were at 68% of pre-Covid-19 levels in Aug-22 and international passenger volumes were at 38% of pre-Covid-19 levels in Aug-22. The momentum should continue in 2023.

Despite waiving the minimum guarantee (MG) until Mar-23, and changing its calculation scheme to a sharing per head basis for concession contracts, we forecast AOT to collect an MG amount equivalent to the amount that King Power proposed by 2025, under our baseline case.

AOT has a healthy balance sheet with an IBD/E ratio of only 0.1x as of 3QFY22, sufficient to support project expansions over the next three years, including a third runway, the East Expansion, and North Expansion of BKK Airport.

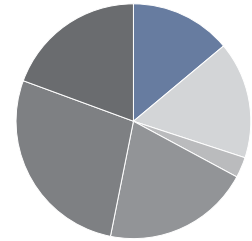
Company profile

AOT is the operator and developer of the six international airports in Thailand (BKK, DMK, HKT, CNX, HDY and CEI)

www.airportthai.co.th

Principal activities (revenue, 2021)

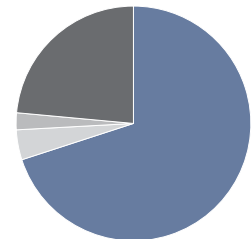
- Landing & parking - 13.9 %
- Passenger service - 16.1 %
- Aircraft service - 2.8 %
- Property rents - 20.3 %
- Service revenue - 27.5 %
- Concession revenue - 19.4 %



Source: Airports of Thailand

Major shareholders

- Ministry of Finance - 70.0 %
- Thai NVDR - 4.1 %
- South East Asia UK - 2.3 %
- Others - 23.5 %



Source: Airports of Thailand

Catalysts

Key growth drivers include 1) higher international passenger volumes; 2) BKK's North Expansion project; and 3) the transferal of new airports from the Department of Airports.

Risks to our call

Downside risks to our DCF-based target price include 1) a slowdown in the recovery of international passengers; 2) delays in the Suvarnabhumi Airport expansions (satellite terminal and northern expansion); and 3) the termination of the duty-free concession contracts from King Power.

Event calendar

Date	Event
Nov 2022	4QFY22 results announcement

Key assumptions

	FY22E	FY23E	FY24E
	(%)	(%)	(%)
Flight traffic growth - international	215.6	62.8	35.3
Flight traffic growth - domestic	52.5	21.7	10.2
Passenger growth - international	1,265.9	365.5	40.3
Passenger growth - domestic	83.6	40.4	15.2
PSC revenue growth	358.4	275.2	37.7
Concession revenue growth	185.2	346.1	76.0

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in international passenger volume, we project FY23 earnings to rise by 16%, and vice versa, all else being equal.
- For every 5% increase in domestic passenger volume, we project FY23 earnings to rise by 2%, and vice versa, all else being equal.

Source: FSSIA estimates

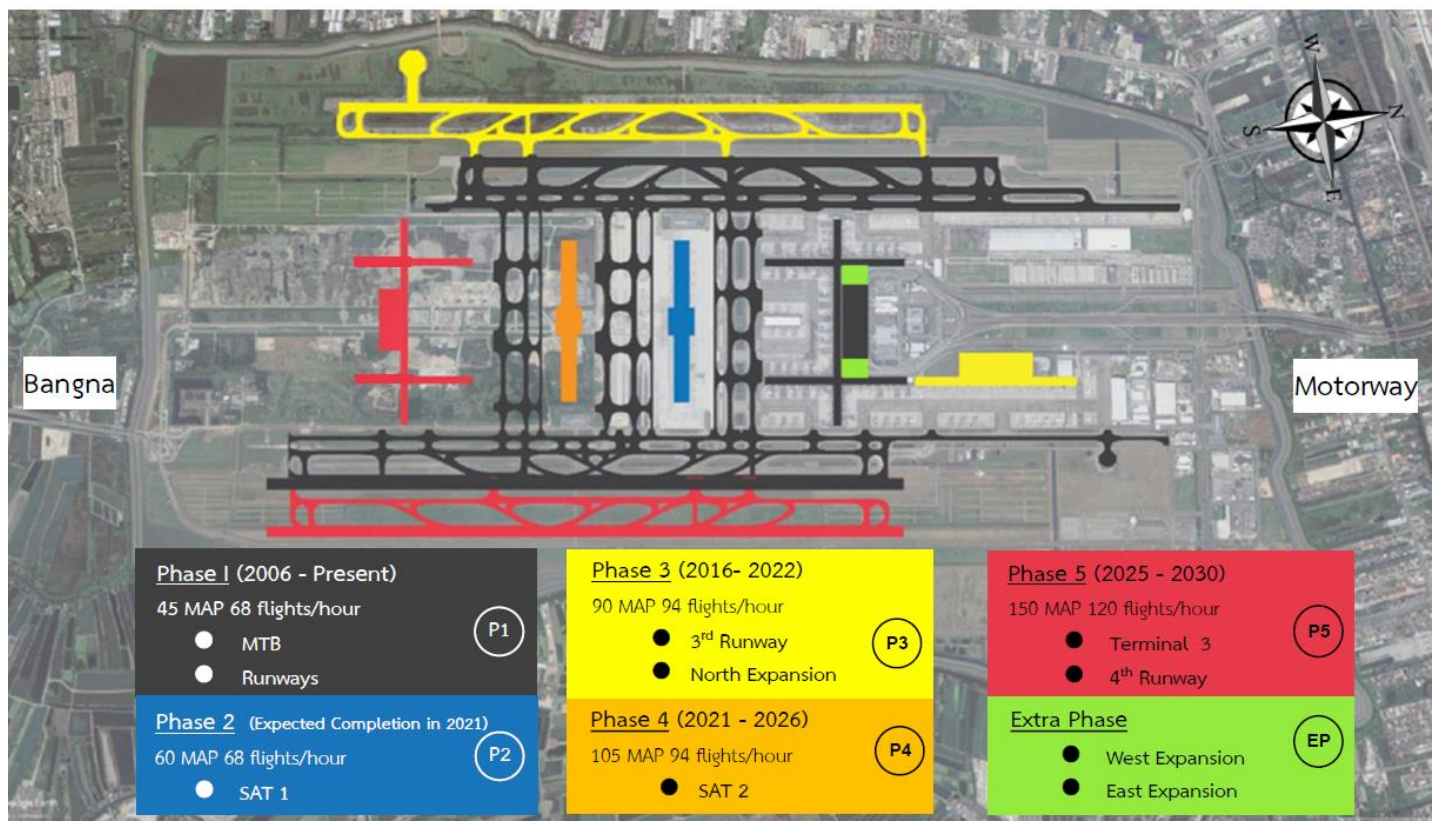
Exhibit 1: Key takeaways of Suvarnabhumi Airport expansion project from the site visit

	SAT-1	East expansion	North expansion	Third runway
Additional capacity	- 15 MAP airside (currently 45 MAP) - 28 aprons (51 existing aprons)	-15 MAP landside (currently 45 MAP)	-30 MAP landside (currently 45 MAP)	- 26 flights/hour (currently 68 flights/hour) - 30 MAP (currently two runways implying a 60 MAP capacity)
Opening schedule	Sep 2023	2026	N/A	2024
Development status	98% completed	Submit plan to the cabinet and open bidding for construction in 2023	- Feasibility study by IATA and ICAO - Plan to start construction in 2025	40% completion
Other notes	- Adding 1,000 car park slots (existing 3,000) - Increase area by 200k sqm (existing 400-500k sqm)	- Increase area by 66k sqm (existing 400-500k sqm) - Capex THB7.8b	- Plan to be a domestic terminal - Adding 4,000 car park slots (existing 3,000) - Capex THB42b (may reduce to cTHB30b)	- Capex THB20b

Source: FSSIA compilation

Exhibit 2: Suvarnabhumi Airport expansion project

Suvarnabhumi Airport



Source: AOT

4QFY22E results preview

We expect AOT to post a smaller core loss q-q in 4QFY22 (July-Sep 2022). The domestic passenger volume should recover to 72% of the pre-Covid level (vs 69% in 3QFY22) and the international passenger volume should recover to 38% of the pre-Covid level (vs 21% in 3QFY22). Thus, we estimate that passenger service charges should improve to 42% of the pre-Covid level (vs 24% in 3QFY22). Concession revenue should also improve thanks to the recovery of international passenger numbers.

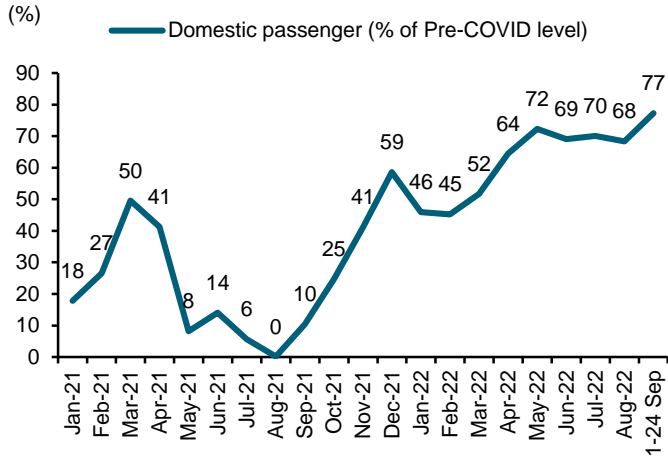
Overall, we expect revenue to grow by 39% q-q in 4QFY22. Meanwhile, we estimate expenses to increase by 9% q-q due to higher staff costs and utilities expenses. As a result, EBITDA should turn positive for the first quarter since the Covid pandemic began. We forecast AOT's core loss to narrow to THB1.4b in 4QFY22 from THB2.4b in 3QFY22.

Exhibit 3: 4QFY22E results preview

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22E	----- Change -----		FY22E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)
Sales	1,465	2,327	3,017	4,666	6,465	39	341	15,724	122
Expense (Incl. depreciation)	(6,524)	(6,154)	(6,383)	(6,907)	(7,518)	9	15	(25,405)	5
Operating Profit	(5,059)	(3,827)	(3,366)	(2,241)	(1,053)	(53)	(79)	(9,681)	(44)
Net other income	145	52	117	27	82	203	(44)	346	(13)
Interest income	31	21	12	9	9	0	(72)	45	(81)
Interest expense	(742)	(739)	(734)	(730)	(737)	1	(1)	(3,024)	2
Pretax profit	(5,624)	(4,492)	(3,972)	(2,935)	(1,700)	(42)	(70)	(12,313)	(37)
Income Tax	1,421	1,090	749	549	323	(41)	(77)	2,463	(41)
Minority interest	2	32	(130)	(6)	(30)	411	(1,573)	(200)	(501)
Core profit	(4,201)	(3,370)	(3,353)	(2,392)	(1,407)	(41)	(67)	(10,051)	(34)
Extraordinaries	(904)	(961)	(9)	(13)				0	n/a
Forex gain/(loss)	(459)	359	390	283				0	n/a
Derivative gain/(loss)	407	(300)	(304)	(85)					
Reported net profit	(5,157)	(4,272)	(3,276)	(2,207)	(1,407)	(36)	(73)	(10,051)	(38)
Shares (end Q, m)	14,286	14,286	14,286	14,286	14,286	0	0	14,286	0
Core EPS (THB)	(0.29)	(0.24)	(0.23)	(0.17)	(0.10)	(41)	(67)	(0.70)	(34)
EPS (THB)	(0.36)	(0.30)	(0.23)	(0.15)	(0.10)	(36)	(73)	(0.70)	(38)
Expenses (excl depreciation)	(3,846)	(3,861)	(4,200)	(4,723)	(5,312)	12	38	(16,520)	8
Depreciation	(2,678)	(2,293)	(2,184)	(2,184)	(2,206)	1	(18)	(8,885)	(2)
EBITDA	(2,381)	(1,534)	(1,183)	(57)	1,153	(2,105)	(148)	(796)	(90)
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)
Operating profit margin	(345)	(164)	(112)	(48)	(16)	32	329	(62)	181
EBITDA margin	(162)	(66)	(39)	(1)	18	19	180	(5)	110
Net profit margin	(352)	(184)	(109)	(47)	(22)	26	330	(64)	166
Operating stat	(y-y %)	(y-y %)	(y-y %)						
International pax growth	(99)	331	659						
Domestic pax growth	(91)	(43)	53						
Total pax growth	(96)	(36)	77						

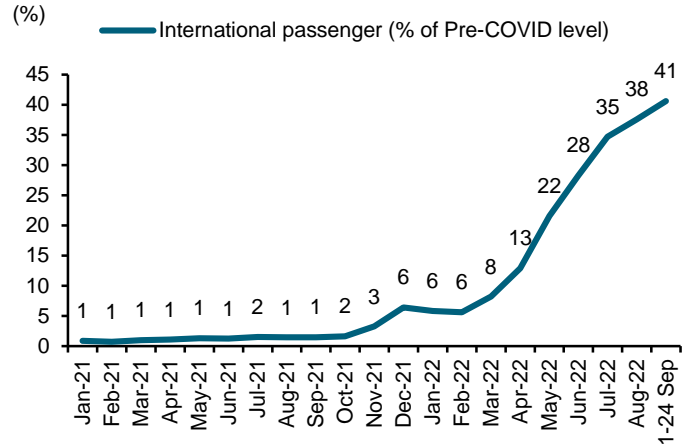
Sources: AOT; FSSIA estimates

Exhibit 4: Percentage of domestic passengers to pre-Covid level



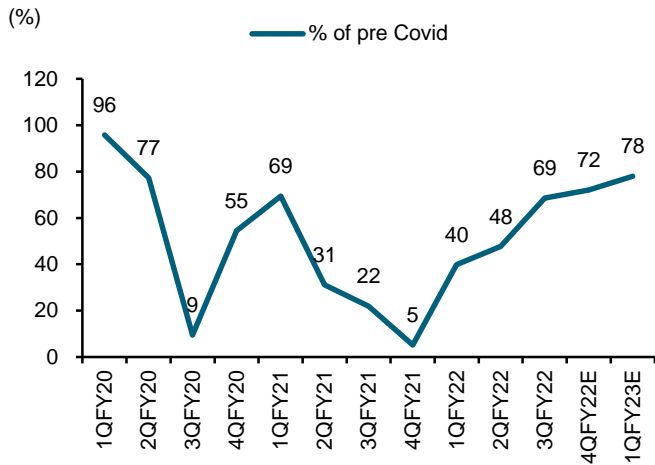
Source: AOT

Exhibit 5: Percentage of international passengers to pre-Covid level



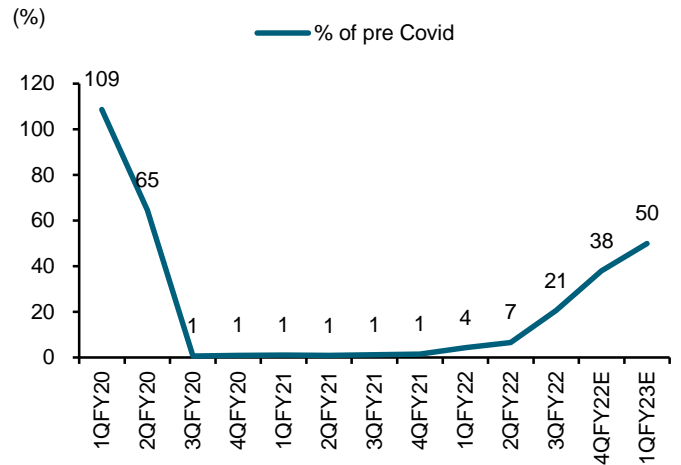
Source: AOT

Exhibit 6: Domestic passenger volume, quarterly



Sources: AOT; FSSIA estimates

Exhibit 7: International passenger volume, quarterly

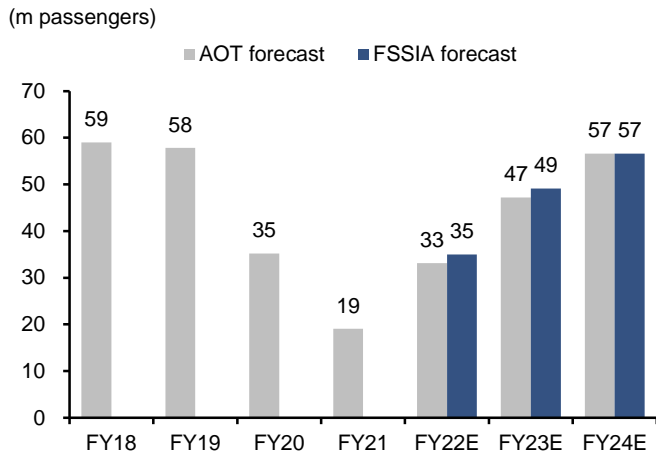


Source: FSSIA estimates

Forecast and TP revisions

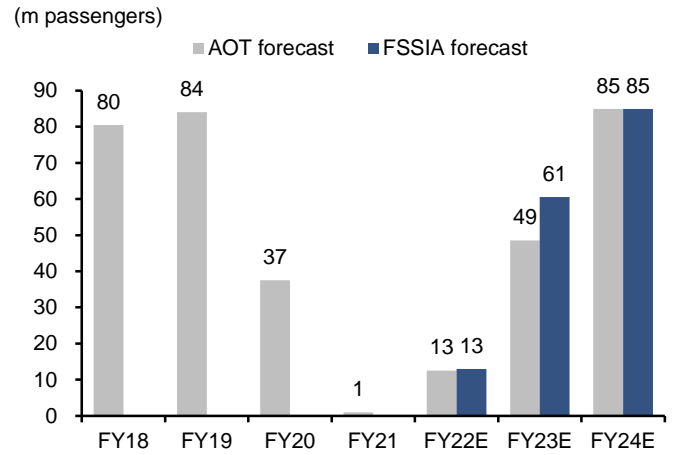
We revise down our FY23E earnings by 21% to reflect FSSIA's tourist arrival forecast of 34m in 2023, but maintain our FY24 earnings forecast. Our FY23E domestic passenger volume is slightly higher than AOT's forecast by 4% and accounts for 85% of the pre-Covid level. Meanwhile, our international passenger volume is higher than AOT's forecast by 25% for FY23 and accounts for 72% of the pre-Covid level. We maintain our FY23 DCF-based TP of THB85/shr.

Exhibit 8: Domestic passenger volume



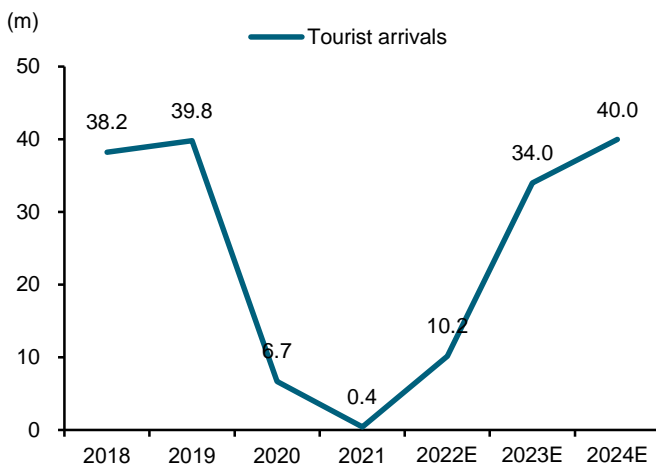
Source: AOT; FSSIA estimates

Exhibit 9: International passenger volume



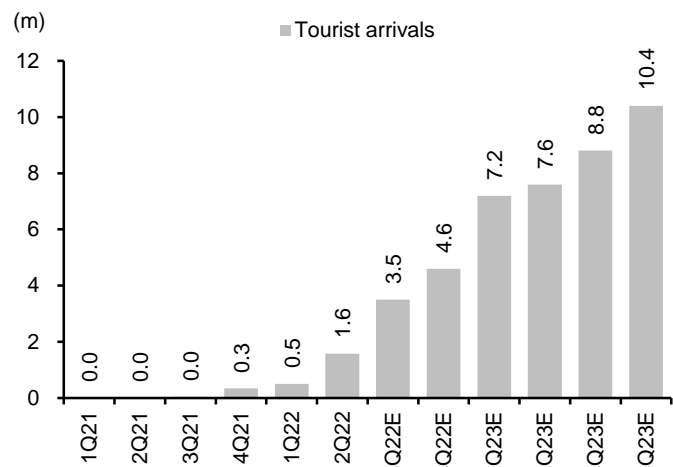
Source: AOT; FSSIA estimates

Exhibit 10: Tourist arrival forecast



Source: FSSIA estimates

Exhibit 11: Tourist arrival forecast, quarterly



Source: FSSIA estimates

Exhibit 12: Forecast revisions

	----- Previous -----			----- Current -----			----- Change (%) -----		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
International Pax (m)	13.0	67.2	84.9	13.0	60.5	84.9	0.0	(10.0)	0.0
Domestic Pax (m)	35.0	50.2	56.6	35.0	49.1	56.6	0.0	(2.1)	0.0
Total Pax (m)	48.0	117.4	141.5	48.0	109.7	141.5	0.0	(6.6)	0.0
Revenue (THB b)	15.7	52.7	76.2	15.7	48.7	76.2	0.0	(7.5)	0.0
Operating profit margin (%)	(61.6)	44.0	55.6	(61.6)	36.6	55.6	0.0	(7.4)	0.0
Core profit (THB b)	(10.1)	16.7	33.2	(10.1)	13.2	33.2	0.0	(21.1)	0.0

Note: Change of items in percentage terms are represented in ppt change

Source: FSSIA estimates

Exhibit 13: DCF/SOTP valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0		Pre-tax cost of debt	3.5
Market risk premium		8.0		Marginal tax rate	20.0
Stock beta		0.9			
Cost of equity, Ke		10.2		Net cost of debt, Kd	2.8
Weight applied		70.0		Weight applied	30.0
WACC		8.0			
SOTP valuation		(THB b)	(THB/share)	Comments	
Duty-free and commercial activity concession contracts		614.5	43.0	WACC 8%, risk-free rate 3%, risk premium 8%, terminal growth 3%	
Core business		652.1	45.6	WACC 8%, risk-free rate 3%, risk premium 8%, terminal growth 3%	
Cash & liquid assets		68.6	4.8	At end-FY23E	
Investments		0.7	0.0	At end-FY23E	
Debt		(120.2)	(8.4)	At end-FY23E	
Minorities		(1.3)	(0.1)	At end-FY23E	
Residual ordinary equity		1,214.4	85.0		

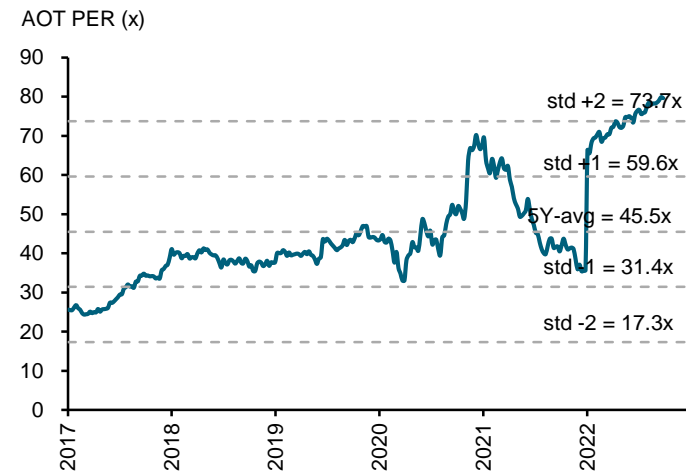
Source: FSSIA estimates

Exhibit 14: Airport stocks – share price comparison as of 27 September 2022

Ticker	Stocks	Price performance			
		2020	2021	2022 YTD	Since 2020
		(%)	(%)	(%)	(%)
AOT TB	Airports of Thailand	(16.2)	(2.0)	20.5	(1.0)
AENA SM	Aena S.M.E.S.A	(16.9)	(3.5)	(20.7)	(36.4)
ADP FP	Aeroports de Paris	(41.0)	7.4	8.8	(31.1)
AIA AU	Auckland Int. Airport	(13.8)	0.0	(10.2)	(22.6)
FRA GR	Fraport AG	(34.9)	19.9	(34.8)	(49.1)
GAPB MM	Grupo Aeroportuario del Pacifico SAB de CV	(1.1)	26.2	(4.3)	19.4
FHZN SW	Flughafen Zurich AG	(11.7)	5.1	(9.1)	(15.6)
ASR US	Grupo Aeroportuario dl Srst SAB CV	(12.5)	25.5	(5.7)	3.6
9706 JP	Japan Airport Terminal	2.6	(23.2)	24.2	(2.1)
FLU AV	Fluhafen Wien AG	(19.3)	(12.6)	25.4	(11.7)
694 HK	Beijing Capital Int. Airport	(15.7)	(23.6)	(1.0)	(36.2)
OMAB MF	Grupo Aeroportuario Centro Norte	(8.0)	5.7	(2.3)	(5.0)
TAVHL TI	TAV Havalimanlari	(28.6)	46.9	111.4	121.7
CAAP US	Corporacion America Airports	(33.5)	43.9	11.0	6.2
ADB IM	Bologna Guglielmo Marconi Airport	(30.0)	3.8	(17.5)	(40.1)
TYA IM	Toscana Aeropoti	(21.3)	(6.2)	(8.6)	(32.5)
	Average	(18.86)	7.08	5.42	(8.29)

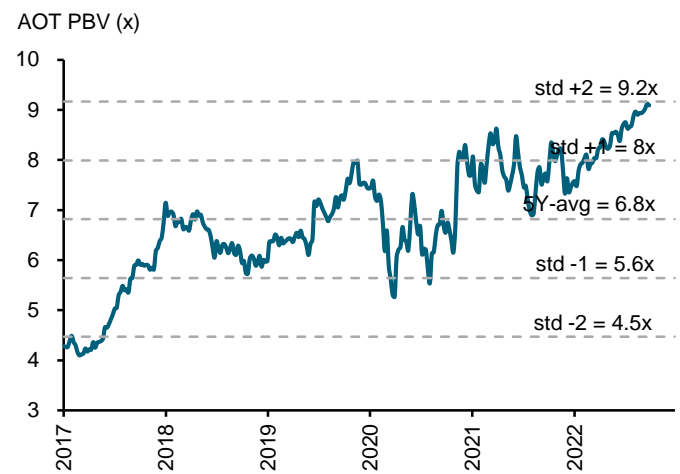
Source: Bloomberg

Exhibit 15: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 16: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 17: Peer comparisons as of 27 September 2022

Company	BBG	Rec	-- Share price -		Market Cap	3Y EPS CAGR	----- PE -----			--- ROE ---		--- PBV ---		----- EV/ EBITDA -----		
			Current (THB)	Target (THB)			22E (x)	23E (x)	24E (x)	22E (%)	23E (%)	22E (x)	23E (x)	22E (x)	23E (x)	24E (x)
Thailand																
Airports of Thailand*+	AOT TB	BUY	73.50	85.00	27,652	(229.6)	(104.5)	79.6	31.6	(9.4)	12.1	10.3	9.1	(1,406.0)	39.4	20.5
Malaysia																
Malaysia Airports	MAHB MK	NR	5.82	NR	2,065	(186.2)	n/a	25	16	(2.2)	5.2	1.4	1.4	12.1	7.3	6.3
China																
Beijing Capital Intl A	694 HK	NR	4.75	NR	2,748	(173.0)	n/a	n/a	22	(11.4)	(0.9)	1.1	1.1	n/a	20.9	8.2
Hainan Meilan Intl	357 HK	NR	18.26	NR	1,116	4.4	164.4	13.5	8.2	1.0	11.9	1.8	1.6	14.7	6.6	5.0
Shanghai Intl Airport-A	600009 CH	NR	62.43	NR	21,119	(222.3)	n/a	72.7	34.1	(6.6)	5.4	4.3	4.1	n/a	33.4	23.6
Guangzhou Baiyun Intl	600004 CH	NR	14.99	NR	4,894	(241.4)	n/a	61.1	27.2	(2.9)	3.1	2.0	1.9	38.8	14.2	11.1
Shenzhen Airport -A	000089 CH	NR	7.18	NR	2,046	(365.4)	n/a	159.1	33.8	(5.2)	0.7	1.3	1.3	117.5	21.4	15.4
Xiamen Int Airport -A	600897 CH	NR	14.78	NR	613	66	17.9	10.5	10.6	4.3	9.8	1.1	1.0	6.1	4.0	4.4
Australia																
Auckland Intl Airport**	AIA AU	NR	6.50	NR	6,063	n/a	n/a	95.0	41.5	(0.4)	1.3	1.4	1.3	84.1	33.4	20.9
Japan																
Japan Airport Termi***	9706 JP	NR	5,960	NR	3,743	(152.0)	n/a	(4.0)	119.7	3.6	(4.0)	3.6	3.6	n/a	49.1	17.9
Average					78,909	(200.4)	25.9	56.9	34.5	(2.9)	4.5	2.8	2.6	(161.8)	23.0	13.3

*Fiscal year-end is 30 September; ** Fiscal year-end is 30 June; *** Fiscal year-end is 31 March

Sources: Bloomberg consensus; +FSSIA estimates

Financial Statements

Airports of Thailand

Profit and Loss (THB m) Year Ending Sep	2020	2021	2022E	2023E	2024E
Revenue	31,179	7,086	15,724	48,747	76,203
Cost of goods sold	(22,267)	(15,257)	(16,520)	(20,732)	(22,805)
Gross profit	8,912	(8,172)	(796)	28,015	53,398
Other operating income	-	-	-	-	-
Operating costs	0	0	0	0	0
Operating EBITDA	8,912	(8,172)	(796)	28,015	53,398
Depreciation	(5,441)	(9,027)	(8,885)	(10,185)	(11,052)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	3,470	(17,199)	(9,681)	17,830	42,346
Net financing costs	345	(2,740)	(2,979)	(2,690)	(2,490)
Associates	0	0	0	(1)	(1)
Recurring non-operating income	437	397	346	432	445
Non-recurring items	1,085	(1,003)	0	0	0
Profit before tax	5,337	(20,545)	(12,313)	15,572	40,301
Tax	(1,038)	4,173	2,463	(2,336)	(6,851)
Profit after tax	4,299	(16,372)	(9,851)	13,237	33,450
Minority interests	22	50	(200)	(50)	(200)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	4,321	(16,322)	(10,051)	13,187	33,250
Non-recurring items & goodwill (net)	(1,085)	1,003	0	0	0
Recurring net profit	3,236	(15,319)	(10,051)	13,187	33,250
Per share (THB)					
Recurring EPS *	0.23	(1.07)	(0.70)	0.92	2.33
Reported EPS	0.30	(1.14)	(0.70)	0.92	2.33
DPS	0.19	0.00	0.00	0.40	1.10
Diluted shares (used to calculate per share data)	14,286	14,286	14,286	14,286	14,286
Growth					
Revenue (%)	(50.3)	(77.3)	121.9	210.0	56.3
Operating EBITDA (%)	(75.2)	nm	nm	nm	90.6
Operating EBIT (%)	(88.5)	nm	nm	nm	137.5
Recurring EPS (%)	(86.7)	nm	nm	nm	152.1
Reported EPS (%)	(82.7)	nm	nm	nm	152.1
Operating performance					
Gross margin inc. depreciation (%)	11.1	(242.7)	(61.6)	36.6	55.6
Gross margin of key business (%)	11.1	(242.7)	(61.6)	36.6	55.6
Operating EBITDA margin (%)	28.6	(115.3)	(5.1)	57.5	70.1
Operating EBIT margin (%)	11.1	(242.7)	(61.6)	36.6	55.6
Net margin (%)	10.4	(216.2)	(63.9)	27.1	43.6
Effective tax rate (%)	24.4	21.4	20.0	15.0	17.0
Dividend payout on recurring profit (%)	83.9	-	-	43.3	47.3
Interest cover (X)	(11.3)	(6.1)	(3.1)	6.8	17.2
Inventory days	5.5	7.7	7.1	6.6	7.0
Debtor days	39.8	176.7	88.1	29.6	18.9
Creditor days	27.2	32.8	21.4	20.0	21.2
Operating ROIC (%)	2.5	(9.9)	(4.8)	9.4	20.7
ROIC (%)	2.7	(9.0)	(4.2)	8.8	19.2
ROE (%)	2.2	(12.0)	(9.4)	12.1	25.7
ROA (%)	1.6	(7.2)	(3.4)	6.1	12.8
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Landing & parking	3,789	987	2,004	3,920	7,426
Passenger service	12,351	1,141	5,230	19,624	27,019
Aircraft service	486	201	409	603	842
Property rents	1,838	1,437	1,437	1,939	2,288

Sources: Airports of Thailand; FSSIA estimates

Financial Statements

Airports of Thailand

Cash Flow (THB m) Year Ending Sep	2020	2021	2022E	2023E	2024E
Recurring net profit	3,236	(15,319)	(10,051)	13,187	33,250
Depreciation	5,441	9,027	8,885	10,185	11,052
Associates & minorities	-	-	-	-	-
Other non-cash items	570	(23,885)	200	50	200
Change in working capital	(12,572)	(8,147)	2,040	6,638	5,259
Cash flow from operations	(3,325)	(38,323)	1,075	30,060	49,761
Capex - maintenance	(11,875)	(47,631)	(13,364)	(13,800)	(35,698)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	440	33	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(11,435)	(47,598)	(13,364)	(13,800)	(35,698)
Dividends paid	(14,999)	(2,714)	0	0	(5,714)
Equity finance	0	0	0	0	0
Debt finance	(2,604)	52,941	62,168	(6,000)	(6,000)
Other financing cash flows	11	616	0	0	0
Cash flow from financing	(17,591)	50,843	62,168	(6,000)	(11,714)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(32,352)	(35,079)	49,879	10,260	2,349
Free cash flow to firm (FCFF)	(14,114.34)	(82,948.56)	(9,265.14)	19,262.53	16,920.89
Free cash flow to equity (FCFE)	(17,352.98)	(32,364.70)	49,879.05	10,259.67	8,063.13

Per share (THB)

FCFF per share	(0.99)	(5.81)	(0.65)	1.35	1.18
FCFE per share	(1.21)	(2.27)	3.49	0.72	0.56
Recurring cash flow per share	0.65	(2.11)	(0.07)	1.64	3.12

Balance Sheet (THB m) Year Ending Sep	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	222,734	282,931	296,295	310,095	345,793
Less: Accumulated depreciation	(103,591)	(125,184)	(134,069)	(144,254)	(155,306)
Tangible fixed assets (net)	119,143	157,747	162,226	165,841	190,487
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	722	689	689	689	689
Cash & equivalents	43,558	8,479	58,358	68,617	70,966
A/C receivable	3,225	3,637	3,951	3,951	3,951
Inventories	340	307	332	417	459
Other current assets	3,368	9,077	6,350	7,500	11,724
Current assets	50,491	21,499	68,991	80,485	87,100
Other assets	3,202	15,150	15,150	15,150	15,150
Total assets	173,559	195,086	247,057	262,166	293,427
Common equity	142,236	112,344	102,293	115,480	143,015
Minorities etc.	796	1,078	1,278	1,328	1,528
Total shareholders' equity	143,032	113,421	103,571	116,807	144,543
Long term debt	8,245	60,848	122,675	116,675	110,675
Other long-term liabilities	6,949	7,206	7,206	7,206	7,206
Long-term liabilities	15,194	68,054	129,881	123,881	117,881
A/C payable	1,809	930	1,007	1,263	1,390
Short term debt	2,848	3,186	3,527	3,527	3,527
Other current liabilities	10,677	9,495	9,071	16,687	26,086
Current liabilities	15,333	13,610	13,605	21,478	31,003
Total liabilities and shareholders' equity	173,559	195,086	247,057	262,166	293,427
Net working capital	(5,551)	2,596	555	(6,083)	(11,342)
Invested capital	117,516	176,183	178,621	175,598	194,985

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	9.96	7.86	7.16	8.08	10.01
Tangible book value per share	9.96	7.86	7.16	8.08	10.01

Financial strength

Net debt/equity (%)	(22.7)	49.0	65.5	44.2	29.9
Net debt/total assets (%)	(18.7)	28.5	27.5	19.7	14.7
Current ratio (x)	3.3	1.6	5.1	3.7	2.8
CF interest cover (x)	51.3	(10.8)	17.7	4.8	4.2

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	324.5	(68.5)	(104.5)	79.6	31.6
Recurring P/E @ target price (x) *	375.3	(79.3)	(120.8)	92.1	36.5
Reported P/E (x)	243.0	(64.3)	(104.5)	79.6	31.6
Dividend yield (%)	0.3	-	-	0.5	1.5
Price/book (x)	7.4	9.3	10.3	9.1	7.3
Price/tangible book (x)	7.4	9.3	10.3	9.1	7.3
EV/EBITDA (x) **	114.3	(135.4)	(1,406.0)	39.4	20.5
EV/EBITDA @ target price (x) **	132.7	(155.5)	(1,612.4)	45.2	23.6
EV/invested capital (x)	8.7	6.3	6.3	6.3	5.6

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Airports of Thailand; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPPM	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

Disclaimer:

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

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Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

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ANALYST(S) CERTIFICATION

Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

Airports of Thailand (AOT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Sep-2020	BUY	70.00	09-Jun-2021	BUY	82.00	26-Nov-2021	BUY	79.00
11-Feb-2021	BUY	85.00	13-Aug-2021	BUY	80.00	02-Jun-2022	BUY	85.00

Teerapol Udomvej, CFA started covering this stock from 10-Sep-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Airports of Thailand	AOT TB	THB 73.50	BUY	Downside risks to our DCF-based target price include 1) a slowdown in the recovery of international passengers; 2) delays in the Suvarnabhumi Airport expansions (satellite terminal and northern expansion); and 3) the termination of the duty-free concession contracts from King Power.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

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All share prices are as at market close on 27-Sep-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.