

THAI AIRWAYS THAI TB

THAILAND / TRANSPORT & LOGISTICS

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FROM BUY

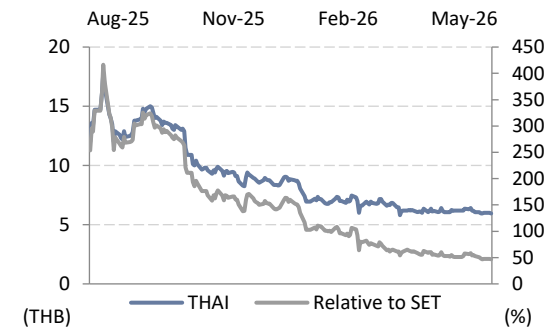
1Q earnings mixed; near-term headwinds

- คาดกำไรปกติ 1Q26 เติบโต 22% q-q ตาม passenger yield เพิ่มขึ้น และต้นทุนที่ลดลง แต่หดตัว 18% y-y จากภาษีจ่ายและค่าใช้จ่าย non-fuel ที่เพิ่มขึ้น
- อุปสงค์ชะลอตัวและต้นทุนน้ำมันที่สูงขึ้นอาจกดดันผลประกอบการ 2Q26
- ปรับลดคำแนะนำเป็น “ถือ” จากความผันผวนของกำไรและ valuation ที่ตึงตัว ขณะที่แนวโน้มระยะยาวยังคงแข็งแกร่ง

TARGET PRICE	THB6.10
CLOSE	THB5.95
UP/DOWNSIDE	+2.5%
PRIOR TP	THB8.80
CHANGE IN TP	-30.7%
TP vs CONSENSUS	-23.4%

KEY STOCK DATA

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	183,442	184,621	201,237	216,849
Net profit	30,910	18,108	23,589	26,415
EPS (THB)	1.09	0.64	0.83	0.93
vs Consensus (%)	-	(27.9)	(7.6)	11.4
EBITDA	47,994	38,247	46,542	52,215
Recurring net profit	29,213	17,208	23,589	26,415
Core EPS (THB)	1.03	0.61	0.83	0.93
Chg. In EPS est. (%)	-	(31.2)	(14.9)	(6.4)
EPS growth (%)	35.8	(41.1)	37.1	12.0
Core P/E (x)	5.8	9.8	7.1	6.4
Dividend yield (%)	3.5	2.6	3.5	3.9
EV/EBITDA (x)	4.3	5.6	4.8	4.5
Price/book (x)	2.2	1.9	1.6	1.3
Net debt/Equity (%)	51.5	50.2	50.6	50.5
ROE (%)	48.1	21.0	24.2	22.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.7)	(9.8)	79.2
Relative to country (%)	(4.0)	(18.6)	44.2
Mkt cap (USD m)	5,150		
3m avg. daily turnover (USD m)	12.6		
Free float (%)	43		
Major shareholder	Ministry of Finance (39%)		
12m high/low (THB)	19.40/3.32		
Issued shares (m)	28,303.29		

Sources: Bloomberg consensus; FSSIA estimates

คาดผลประกอบการ 1Q26 เติบโต q-q แต่ลดลง y-y

เรคาดกำไรสุทธิ 1Q26 ที่ 9.24 พัน ลบ. (+103% q-q, -6% y-y) หากไม่รวมกำไรพิเศษ 900 ลบ. โดยหลักได้แก่ ขาดทุนอัตราแลกเปลี่ยน 1.0 พัน ลบ. และกำไรจากการยกเลิกสัญญาเช่าเครื่องบิน 1.4 พัน ลบ. THAI จะมีกำไรปกติ 8.34 พันลบ. (+22% q-q, -18% y-y) การเติบโต q-q มาจากค่าโดยสารเฉลี่ยเพิ่มขึ้น 9% และรายได้จากผู้โดยสารเฉลี่ยต่อหน่วย (passenger yield) สูงขึ้น 5% ขณะที่ค่าใช้จ่ายพนักงานและค่าซ่อมบำรุงเครื่องบินลดลงจากฐานสูงใน 4Q25 อย่างไรก็ตาม กำไรก่อนตัว y-y จากอัตราภาษีจ่าย 13% และต้นทุนที่ไม่ใช่เชื้อเพลิง (non-fuel) เพิ่มขึ้น แม้คาดว่าต้นทุนเชื้อเพลิงลดลง 10% จากการใช้น้ำมันที่ลดลง 3% และเงินบาทแข็งค่าส่วนรายได้รวมและ passenger yield ค่อนข้างทรงตัว y-y

แนวโน้ม 2Q26 อ่อนแอจากอุปสงค์ที่ชะลอและต้นทุนน้ำมันที่สูงขึ้น

เรคาดว่าผลประกอบการ 2Q26 จะมีความผันผวนสูงและมีความไม่แน่นอน โดยมีปัจจัยกดดันจากราคาน้ำมันที่สูงขึ้นและอุปสงค์ที่อ่อนตัว THAI ได้ปรับลด ASK ในเดือน พ.ค. 2026 ลง 5% y-y สอดคล้องกับยอดจองบัตรโดยสารล่วงหน้าที่จะลดลง และยังมีพิจารณาปรับ capacity แบบเดือนต่อเดือน ซึ่งมีโอกาสลดปริมาณเที่ยวบินเพิ่มเติมในช่วง มิ.ย.-ก.ค. แม้บริษัทได้ปรับขึ้นค่าโดยสาร 15-20% ตั้งแต่กลางเดือน มี.ค. และเริ่มเก็บ fuel surcharge เพิ่มตั้งแต่ 1 พ.ค. เพื่อชดเชยต้นทุนค่าดำเนินงานและเชื้อเพลิง แต่เรามองมาตรการดังกล่าวไม่เพียงพอที่จะชดเชย load factor ที่คาดว่าจะต่ำกว่าเป้าหมายระดับ 80% ส่งผลให้รายได้และอัตรากำไรลดลง

ปรับลดประมาณการ คาดกำไรฟื้นตัวตั้งแต่ปี 2027

เราปรับลดประมาณการกำไรปกติลง 31% สำหรับปี 2026 และ 15% และ 6% ในปี 2027-2028 ตามลำดับ สะท้อนสมมติฐานใหม่ของปีนี้ ได้แก่ ราคาเฉลี่ยน้ำมันเครื่องบินที่เพิ่มขึ้นเป็น 136 เหรียญสหรัฐต่อบาร์เรล ขณะที่ ASK ทรงตัวและ load factor อยู่ที่ 79% ส่งผลให้การเติบโตของรายได้ผู้โดยสารถูกจำกัด โดยคาดว่ากำไรปกติจะลดลง 41% y-y ในปี 2026 ก่อนฟื้นตัว 37% และ 12% ในปี 2027-2028 จากอุปสงค์ที่ดีขึ้น การเพิ่ม capacity และต้นทุนน้ำมันที่ผ่อนคลาย

ปรับลดคำแนะนำเป็น “ถือ” ราคาเป้าหมายใหม่ 6.10 บาท

เราปรับลดราคาเป้าหมายลงเป็น 6.10 บาท (จาก 8.80 บาท) อิง P/E เป้าหมายปี 2026 ที่ 10x ซึ่งต่ำกว่าค่าเฉลี่ยการซื้อขายปัจจุบันของกลุ่มสายการบินพลูเชอร์วิสต์ที่ 13x เพื่อสะท้อนความไม่แน่นอนของผลประกอบการและความเสี่ยงเฉพาะของบริษัท เราปรับลดคำแนะนำเป็น “ถือ” จาก “ซื้อ” แม้แนวโน้มการดำเนินงานระยะยาวยังคงแข็งแกร่ง แต่ความน่าสนใจในระยะสั้นถูกจำกัดด้วยแนวโน้มผลประกอบการผันผวนใน 2Q-3Q26 และราคาหุ้นที่ตึงตัวในเชิงการประเมินมูลค่า อย่างไรก็ตาม หากราคาน้ำมันปรับลดลงและความตึงเครียดในตะวันออกกลางผ่อนคลายจะเป็นปัจจัยบวกต่อมุมมองการลงทุนในหุ้น



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Investment thesis

Post-rehab, THAI has enhanced operational efficiency via a leaner workforce and fleet optimization, driving sustainable margins. Its network and connectivity strategy, premium seat rollout, and direct sales push should support long-term yields and market share gains.

THAI's core profit may decline 41% in 2026, due to higher fuel costs and operating margin compression, before rebounding 37% in 2027, supported by improving traffic, stable load factor, and easing cost pressure.

An improved balance sheet (net D/E ratio of c0.5x) and solid free cash flow enables THB41-50b in annual capex for fleet growth.

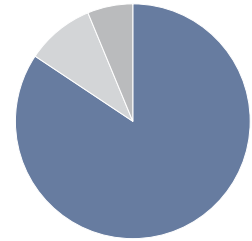
Company profile

THAI is Thailand's national full service carrier providing air transportation and freight services on domestic and international routes.

www.thaiairways.com

Principal activities (revenue, 2025)

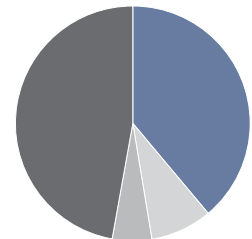
- Passengers - 84.4 %
- Freight and mail - 9.4 %
- Others - 6.2 %



Source: Thai Airways

Major shareholders

- Ministry of Finance - 38.9 %
- Bangkok Bank Public Company Limited - 8.5 %
- EGAT Saving and Credit Cooperative Limited - 5.4 %
- Others - 47.2 %



Source: Thai Airways

Catalysts

Key potential growth drivers include 1) a higher number of passengers carried following a tourism recovery; 2) lower jet fuel prices; and 3) operational efficiency and strategic business expansion plans that bear fruit.

Risks to our call

Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.

Event calendar

Date	Event
May 2026	1Q26 results announcement

Key assumptions

	2026E	2027E	2028E
Passenger carried (m)	16.6	18.4	20.2
Load Factor (%)	79%	79%	78%
Average fare (THB)	9,431	9,243	9,058
Brent spot prices (USD/bbl)	95	90	90
THB/USD	33.0	33.0	33.0

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in load factor, we project 2026 earnings to rise by 8%, and vice versa, all else being equal.
- For every USD1 increase in jet fuel price, we project 2026 earnings to decline by 1.4%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: THAI – 1Q26 results preview

P&L (THB m)	1Q25	2Q25	3Q25	4Q25	1Q26E	----- Change -----		2025	2026E	Chg.
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	50,274	43,312	42,923	46,933	49,528	6	(1)	183,442	184,621	1
- Passenger revenue	43,219	36,142	35,677	39,699	42,275	6	(2)	154,737	156,317	1
- Other revenue	7,054	7,169	7,246	7,235	7,253	0	3	28,704	28,304	(1)
Expense	(37,971)	(34,647)	(35,837)	(40,984)	(38,140)	(7)	0	(149,439)	(160,521)	7
- Fuel and oil	(12,703)	(11,278)	(11,505)	(11,889)	(11,433)	(4)	(10)	(47,376)	(58,139)	23
- Non-fuel operating expenses	(25,268)	(23,368)	(24,331)	(29,095)	(26,707)	(8)	6	(102,063)	(102,382)	0
Operating Profit	12,303	8,665	7,086	5,949	11,388	91	(7)	34,003	24,100	(29)
Net other income	317	309	363	439	333	(24)	5	1,428	1,456	2
Interest income	1,034	1,208	1,123	1,094	1,086	(1)	5	4,459	4,161	(7)
Interest expense	(3,481)	(3,392)	(3,137)	(3,144)	(3,100)	(1)	(11)	(13,154)	(12,514)	(5)
Pretax profit	10,172	6,789	5,435	4,338	9,706	124	(5)	26,735	17,203	(36)
Associates	32	(1)	(8)	10	20	96	(38)	34	35	3
Profit before tax	10,205	6,788	5,428	4,348	9,726	124	(5)	26,769	17,239	(36)
Income Tax	(1)	(1)	(6)	2,481	(1,379)	(156)	96,268	2,473	0	(100)
Minority interest	(8)	(10)	(8)	(5)	(8)	55	5	(30)	(31)	3
Core profit	10,196	6,778	5,415	6,824	8,339	22	(18)	29,213	17,208	(41)
Extraordinaries	(364)	5,346	(1,001)	(2,283)	900	na	na	1,697	900	na
- FX	137	1,191	(379)	(297)	(1,000)			653	(1,000)	
- Impairment	(273)	(85)	(509)	(773)	0			(1,641)	0	
- Termination benefit	0	4,980	0	(750)	1,400			4,230	1,400	
- Gain from change in ownership interest	0	0	0	0	0			0	0	
- Impairment in accordance with TFRS9	(117)	10	(32)	(15)	0			(153)	0	
- Hedging gain (loss)	0	0	0	0	0			0	0	
- Others	(112)	(749)	(82)	(449)	500			(1,391)	500	
Reported net profit	9,832	12,124	4,413	4,541	9,239	103	(6)	30,910	18,108	(41)
Shares out (end Q, m)	28,303	28,303	28,303	28,303	28,303	0	0	28,303	28,303	0
Pre-ex EPS	0.36	0.24	0.19	0.24	0.29	22	(18)	1.03	0.61	(41)
EPS	0.35	0.43	0.16	0.16	0.33	103	(6)	1.09	0.64	(41)
Depreciation	(3,076)	(3,227)	(3,835)	(3,853)	(3,865)	0	26	(13,991)	(14,146)	1
EBITDA	15,379	11,892	10,922	9,802	15,253	56	(1)	47,994	38,247	(20)

Key Ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Operating profit margin	24	20	17	13	23	10	(1)	19	13	(5)
EBITDA margin	31	27	25	21	31	10	0	26	21	(5)
Net profit margin	20	28	10	10	19	9	(1)	17	10	(7)

Operating stats										
Number of passengers (m)	4.3	4.0	3.9	4.3	4.2	(2)	(4)	16.5	16.6	1
RPK (m)	14,776	13,521	13,573	14,161	14,453	2	(2)	56,031	55,874	(0)
ASK (m)	17,729	17,552	17,673	17,772	17,389	(2)	(2)	70,726	70,726	0
Load factor (%)	83	77	77	80	83	3	(0)	79	79	(0)
Average fares (THB)	9,981	9,104	9,172	9,308	10,123	9	1	9,404	9,431	0
Freight carried ('000 tons)	113	117	122	113	114	0	0	466	463	(1)
Cargo load factor (%)	49	52	53	52	51	(2)	1	51	51	(0)
Average jet fuel price (USD/bbl)	100	91	96	99	102	4	2	96	136	41
USD/THB	34.0	33.1	32.3	32.2	32.0	(1)	(6)	32.9	33.0	0

Sources: THAI; FSSIA estimates

Exhibit 2: Earnings forecasts and key assumptions

	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Total revenue	180,280	47,716	21,572	103,867	157,446	183,113	183,442	184,621	201,237	216,849
Passenger	149,044	34,163	5,528	73,408	132,736	154,968	154,737	156,317	170,386	183,370
Freight	17,783	6,893	10,928	23,784	15,464	17,268	17,251	17,337	18,898	20,599
Other key activities	13,452	6,661	5,116	6,674	9,245	10,877	11,453	10,967	11,954	12,881
% Growth										
Total revenue	(8)	(74)	(55)	381	52	16	0	1	9	8
Passenger	(7)	(77)	(84)	1,228	81	17	(0)	1	9	8
Freight	(20)	(61)	59	118	(35)	12	(0)	0	9	9
Other key activities	1	(50)	(23)	30	39	18	5	(4)	9	8
Total operating costs	192,002	86,944	40,595	96,865	121,895	147,946	149,439	160,521	169,995	181,174
Fuel	54,675	12,386	5,926	38,378	47,765	50,474	47,376	58,139	59,175	61,642
Non-fuel	137,327	74,557	34,669	58,486	74,130	97,473	102,063	102,382	110,820	119,531
Operating profit	(11,723)	(39,227)	(19,023)	7,002	35,551	35,166	34,003	24,100	31,242	35,676
% Operating profit margin	(6.5)	(82.2)	(88.2)	6.7	22.6	19.2	18.5	13.1	15.5	16.5
EBITDA	5,065	(11,523)	(6,479)	16,883	46,940	48,193	47,994	38,247	46,542	52,215
% EBITDA margin	2.8	(24.1)	(30.0)	16.3	29.8	26.3	26.2	20.7	23.1	24.1
Core profit	(13,432)	(52,291)	(22,088)	(2,946)	25,389	21,507	29,213	17,208	23,589	26,415
% Core profit margin	(7.5)	(109.6)	(102.4)	(2.8)	16.1	11.7	15.9	9.3	11.7	12.2
Net profit	(12,042)	(141,171)	55,118	(272)	28,096	(26,934)	30,910	18,108	23,589	26,415
% Net profit margin	(6.7)	(295.9)	255.5	(0.3)	17.8	(14.7)	16.9	9.8	11.7	12.2
Key assumptions										
Number of passengers (m)	24,510	5,870	1,640	9,010	13,760	16,140	16,455	16,575	18,435	20,245
% Growth	1	(76)	(72)	449	53	17	2	1	11	10
RPK (m)	71,695	15,398	2,147	26,163	43,268	51,741	56,031	55,874	60,902	65,543
% Growth	(1)	(79)	(86)	1,119	65	20	8	(0)	9	8
ASK (m)	90,622	23,789	11,224	38,526	54,280	65,696	70,726	70,726	77,091	84,030
% Growth	(3)	(74)	(53)	243	41	21	8	0	9	9
Load factor (%)	79	65	19	68	80	79	79	79	79	78
Average fares (THB)	6,081	5,820	3,371	8,147	9,647	9,601	9,404	9,431	9,243	9,058
% Growth	(8)	(4)	(42)	142	18	(0)	(2)	0	(2)	(2)
Freight carried (tons)	587,953	167,531	132,347	340,390	340,825	436,510	466,168	463,090	504,768	550,198
% Growth	(14)	(72)	(21)	157	0	28	7	(1)	9	9
Cargo load factor (%)	54	59	94	63	52	52	51	51	51	51
Average jet fuel price (USD/bbl)	84	74	83	135	113	105	96	136	123	115
USD/THB	31.0	31.3	32.0	35.1	34.8	35.3	32.9	33.0	33.0	33.0

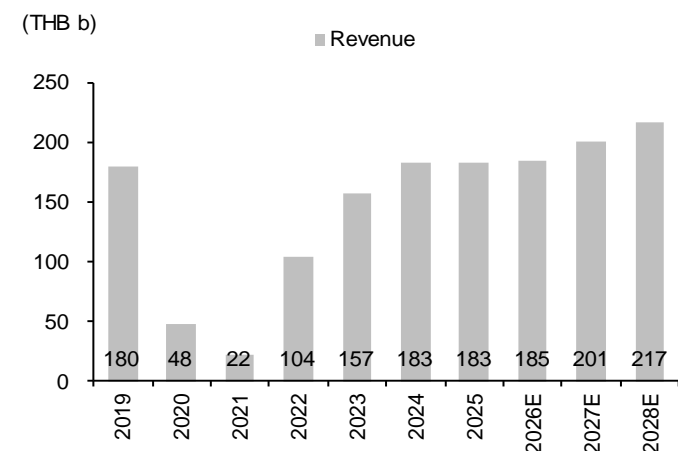
Sources: THAI; FSSIA estimates

Exhibit 3: Forecast revisions

	Current			Previous			% Chg		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Revenue (THB b)	184.6	201.2	216.8	196.2	211.4	227.8	(5.9)	(4.8)	(4.8)
Total operating costs (THB b)	160.5	170.0	181.2	164.3	176.3	190.9	(2.3)	(3.6)	(5.1)
Fuel cost (THB b)	58.1	59.2	61.6	56.5	59.9	65.3	2.8	(1.3)	(5.7)
Average jet fuel price (USD/bbl)	136	123	115	120	115	115.0	13.3	6.8	(0.4)
Non-fuel cost (THB b)	102.4	110.8	119.5	107.7	116.3	125.5	(5.0)	(4.8)	(4.8)
Operating profit (THB b)	24.1	31.2	35.7	31.9	35.1	36.9	(24.4)	(11.0)	(3.4)
Operating profit margin (%)	13.1	15.5	16.5	16.3	16.6	16.2	(3.2)	(1.1)	0.2
EBITDA margin (%)	20.7	23.1	24.1	23.5	23.8	23.5	(2.8)	(0.7)	0.6
Core profit (THB b)	17.2	23.6	26.4	25.0	27.7	28.2	(31.2)	(14.9)	(6.4)
Core profit margin (%)	9.3	11.7	12.2	12.7	13.1	12.4	(3.4)	(1.4)	(0.2)

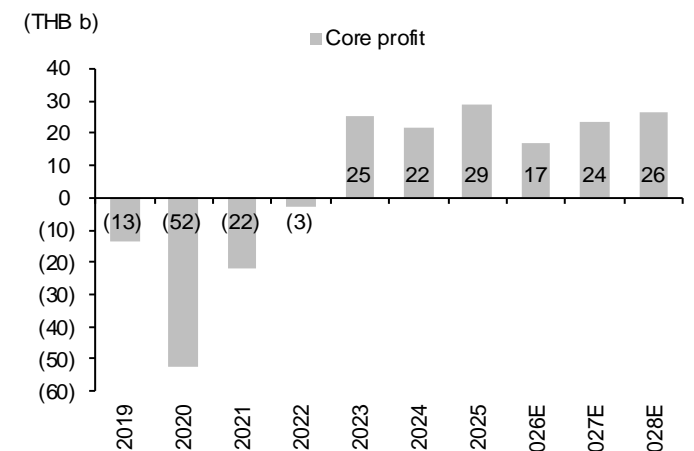
Source: FSSIA estimates

Exhibit 4: THAI's total revenue



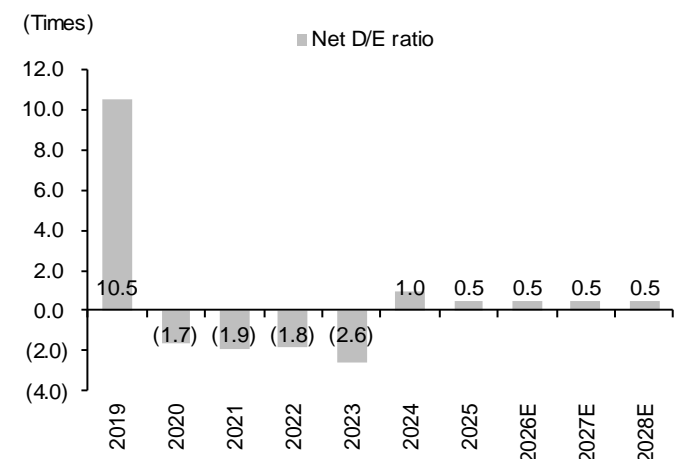
Sources: THAI; FSSIA estimates

Exhibit 5: THAI's core profit



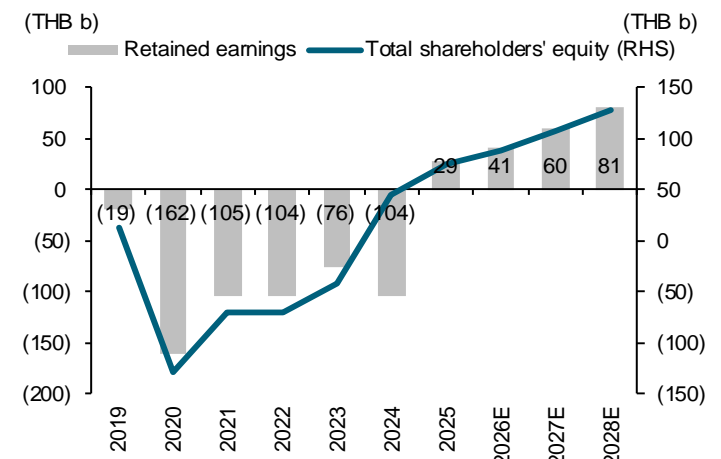
Sources: THAI; FSSIA estimates

Exhibit 6: Net D/E ratio



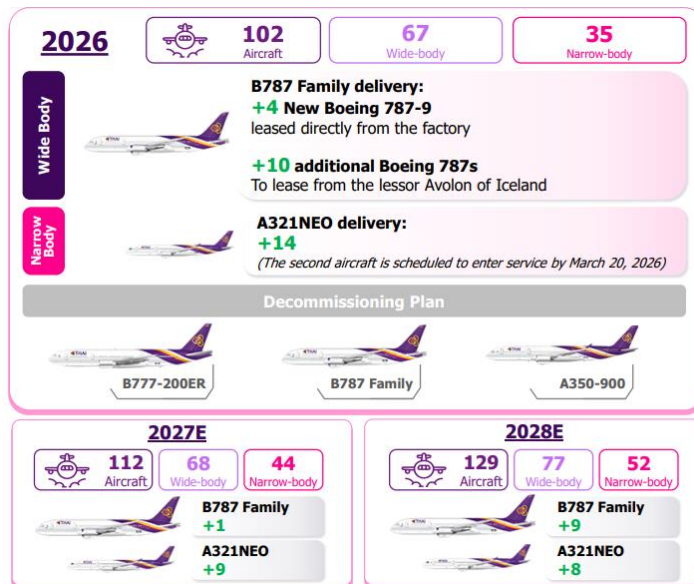
Sources: THAI; FSSIA estimates

Exhibit 7: Retained earnings and shareholder equity



Sources: THAI; FSSIA estimates

Exhibit 8: THAI's fleet expansion plan



Source: THAI

Exhibit 9: Peer comparisons as of 5 May 2026

Company	BBG	Share price (LCY)	Market Cap (USD m)	-- EPS growth --		----- PE -----		----- PBV -----		----- ROE -----		--- EV/ EBITDA ---	
				26E (%)	27E (%)	26E (x)	27E (x)	26E (x)	27E (x)	26E (x)	27E (x)	26E (x)	27E (x)
Thailand													
Bangkok Airways*	BA TB	13.40	850	6.6	8.8	6.7	6.2	1.5	1.4	23.5	23.3	5.0	4.5
Thai Airways International*	THAI TB	5.95	5,150	(41.1)	37.1	9.8	7.1	1.9	1.6	21.0	24.2	5.6	4.8
Thailand average			6,000	(10.3)	15.4	8.2	6.7	1.7	1.5	22.2	23.7	5.3	4.7
Regional													
Singapore Airlines	SIA SP	6.26	15,462	(57.3)	5.1	18.0	17.1	1.2	1.2	7.1	7.5	5.4	5.4
Cathay Pacific Airways	293 HK	11.73	9,266	(10.3)	21.8	9.0	7.4	1.2	1.1	14.7	16.7	4.7	4.5
Ana Holdings	9202 JP	2,709.50	8,316	3.0	(16.8)	8.5	10.3	1.0	0.9	12.0	8.1	3.4	3.6
Japan Airlines	9201 JP	2,527.00	7,001	14.5	(23.4)	8.8	11.7	1.0	0.9	12.3	8.3	3.4	3.7
China Southern Airlines	600029 CH	5.41	13,317	(998.3)	154.7	n/a	27.5	3.0	2.6	(8.4)	11.4	8.7	6.7
Eva Airways	2618 TT	34.00	5,810	(31.4)	28.3	10.1	7.9	1.2	1.2	13.6	15.9	3.2	2.9
Korea Air Lines	003490 KS	24,550	6,213	(77.8)	601.3	53.6	7.7	0.8	0.8	1.5	9.8	7.0	5.1
Regional average			65,386	(21.8)	27.2	18.0	12.8	1.3	1.2	7.5	11.1	5.1	4.6
Global													
Delta Air Lines	DAL US	70.86	46,555	(12.2)	43.2	13.0	9.1	2.0	1.6	14.8	20.1	7.2	5.5
United Airlines	UAL US	93.67	30,410	(9.4)	51.5	10.1	6.7	1.6	1.3	16.9	21.2	5.5	4.2
Qantas Airways	QAN AU	8.39	9,396	2.5	16.2	9.1	7.8	9.3	5.5	127.4	85.2	4.2	3.7
Lufthansa	LHA GY	7.73	10,865	1.9	30.5	7.4	5.7	0.7	0.7	10.3	12.3	3.8	3.2
Alaska Airlines	ALK US	38.51	4,288	(142.1)	717.7	n/a	6.1	1.1	0.9	(3.7)	15.7	9.4	3.9
Air Canada	AC CN	18.80	3,968	(55.9)	166.1	23.4	8.8	2.1	1.7	7.3	18.3	3.7	2.9
Air France-KLM	AF FP	9.41	2,896	(53.0)	57.3	3.6	2.3	1.6	0.9	91.3	59.0	2.9	2.5
Global average			108,379	(32.6)	92.0	11.1	6.6	2.6	1.8	37.8	33.1	5.2	3.7
Overall average			179,765	(29.1)	73.1	13.6	9.3	2.0	1.5	22.6	22.3	5.2	4.2

Sources: Bloomberg; *FSSIA estimates

Financial Statements

Thai Airways

Profit and Loss (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Revenue	183,113	183,442	184,621	201,237	216,849
Cost of goods sold	(147,946)	(149,439)	(160,521)	(169,995)	(181,174)
Gross profit	35,166	34,003	24,100	31,242	35,676
Other operating income	-	-	-	-	-
Operating costs	0	0	0	0	0
Operating EBITDA	48,193	47,994	38,247	46,542	52,215
Depreciation	(13,026)	(13,991)	(14,146)	(15,299)	(16,539)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	35,166	34,003	24,100	31,242	35,676
Net financing costs	(15,852)	(8,695)	(8,353)	(8,413)	(9,389)
Associates	63	34	35	36	38
Recurring non-operating income	2,600	1,462	1,492	1,522	1,553
Non-recurring items	(48,440)	1,697	900	0	0
Profit before tax	(26,526)	28,467	18,139	24,351	27,840
Tax	(374)	2,473	0	(731)	(1,392)
Profit after tax	(26,901)	30,940	18,139	23,620	26,448
Minority interests	(33)	(30)	(31)	(32)	(33)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	(26,934)	30,910	18,108	23,589	26,415
Non-recurring items & goodwill (net)	48,440	(1,697)	(900)	0	0
Recurring net profit	21,507	29,213	17,208	23,589	26,415
Per share (THB)					
Recurring EPS *	0.76	1.03	0.61	0.83	0.93
Reported EPS	(0.95)	1.09	0.64	0.83	0.93
DPS	0.00	0.21	0.15	0.21	0.23
Diluted shares (used to calculate per share data)	28,303	28,303	28,303	28,303	28,303
Growth					
Revenue (%)	16.3	0.2	0.6	9.0	7.8
Operating EBITDA (%)	2.7	(0.4)	(20.3)	21.7	12.2
Operating EBIT (%)	(1.1)	(3.3)	(29.1)	29.6	14.2
Recurring EPS (%)	(93.5)	35.8	(41.1)	37.1	12.0
Reported EPS (%)	nm	nm	(41.4)	30.3	12.0
Operating performance					
Gross margin inc. depreciation (%)	19.2	18.5	13.1	15.5	16.5
Gross margin exc. depreciation (%)	26.3	26.2	20.7	23.1	24.1
Operating EBITDA margin (%)	26.3	26.2	20.7	23.1	24.1
Operating EBIT margin (%)	19.2	18.5	13.1	15.5	16.5
Net margin (%)	11.7	15.9	9.3	11.7	12.2
Effective tax rate (%)	1.7	(9.2)	0.0	0.0	0.0
Dividend payout on recurring profit (%)	-	20.3	25.0	25.0	25.0
Interest cover (X)	2.4	4.1	3.1	3.9	4.0
Inventory days	12.5	12.2	13.1	13.3	13.2
Debtor days	33.1	26.1	22.6	17.6	13.1
Creditor days	76.9	77.7	76.2	77.1	76.8
Operating ROIC (%)	38.4	36.2	20.0	21.4	20.6
ROIC (%)	28.5	25.9	15.0	16.5	16.3
ROE (%)	1,873.3	48.1	21.0	24.2	22.5
ROA (%)	14.0	13.0	8.1	9.5	9.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Passengers	154,968	154,737	156,317	170,386	183,370
Freight and mail	17,268	17,251	17,337	18,898	20,599
Others	10,877	11,453	10,967	11,954	12,881

Sources: Thai Airways; FSSIA estimates

Financial Statements

Thai Airways

Cash Flow (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Recurring net profit	21,507	29,213	17,208	23,589	26,415
Depreciation	13,026	13,991	14,146	15,299	16,539
Associates & minorities	-	-	-	-	-
Other non-cash items	(58,141)	90,871	8,021	(2,460)	(2,565)
Change in working capital	(9,593)	(13,484)	3,594	2,500	2,984
Cash flow from operations	(33,201)	120,591	42,969	38,929	43,374
Capex - maintenance	(15,791)	(13,239)	(41,200)	(44,700)	(47,707)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(107)	(16)	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(15,898)	(13,255)	(41,200)	(44,700)	(47,707)
Dividends paid	0	0	(5,944)	(4,302)	(5,897)
Equity finance	117,020	(103,916)	0	0	0
Debt finance	(35,677)	(11,068)	(932)	(4,000)	21,500
Other financing cash flows	(972)	2,015	(1,000)	0	0
Cash flow from financing	80,371	(112,969)	(7,876)	(8,302)	15,603
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	31,273	(5,633)	(6,107)	(14,073)	11,270
Free cash flow to firm (FCFF)	(30,317.32)	120,490.32	14,282.55	6,478.89	8,851.42
Free cash flow to equity (FCFE)	(85,747.29)	98,283.49	(163.19)	(9,771.44)	17,166.90

Per share (THB)	2024	2025	2026E	2027E	2028E
FCFF per share	(1.07)	4.26	0.50	0.23	0.31
FCFE per share	(3.03)	3.47	(0.01)	(0.35)	0.61
Recurring cash flow per share	(0.83)	4.74	1.39	1.29	1.43

Balance Sheet (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Tangible fixed assets (gross)	302,457	275,708	316,908	361,608	409,315
Less: Accumulated depreciation	(190,065)	(164,069)	(178,215)	(193,515)	(210,054)
Tangible fixed assets (net)	112,392	111,639	138,693	168,093	199,261
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	682	698	698	698	698
Cash & equivalents	84,212	78,579	72,472	58,399	69,669
A/C receivable	13,973	12,294	10,603	8,761	6,775
Inventories	4,000	5,061	5,469	5,780	6,152
Other current assets	32,824	47,565	47,871	52,179	56,228
Current assets	135,009	143,499	136,416	125,119	138,823
Other assets	44,426	48,223	50,634	53,165	55,824
Total assets	292,508	304,059	326,441	347,076	394,606
Common equity	45,510	75,834	87,998	107,284	127,802
Minorities etc.	79	78	109	141	174
Total shareholders' equity	45,589	75,912	88,107	107,425	127,976
Long term debt	128,741	117,673	116,741	112,741	134,241
Other long-term liabilities	51,102	42,758	51,259	51,299	51,360
Long-term liabilities	179,843	160,431	168,000	164,040	185,601
A/C payable	28,311	29,393	31,764	33,570	35,726
Short term debt	0	0	0	0	0
Other current liabilities	38,766	38,323	38,570	42,041	45,303
Current liabilities	67,077	67,716	70,334	75,611	81,029
Total liabilities and shareholders' equity	292,508	304,059	326,441	347,076	394,606
Net working capital	(16,280)	(2,796)	(6,390)	(8,890)	(11,875)
Invested capital	141,219	157,764	183,634	213,067	243,908

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

Per share (THB)	2024	2025	2026E	2027E	2028E
Book value per share	1.61	2.68	3.11	3.79	4.52
Tangible book value per share	1.61	2.68	3.11	3.79	4.52

Financial strength	2024	2025	2026E	2027E	2028E
Net debt/equity (%)	97.7	51.5	50.2	50.6	50.5
Net debt/total assets (%)	15.2	12.9	13.6	15.7	16.4
Current ratio (x)	2.0	2.1	1.9	1.7	1.7
CF interest cover (x)	(4.4)	12.3	1.0	(0.2)	2.8

Valuation	2024	2025	2026E	2027E	2028E
Recurring P/E (x) *	7.8	5.8	9.8	7.1	6.4
Recurring P/E @ target price (x) *	8.0	5.9	10.0	7.3	6.5
Reported P/E (x)	(6.3)	5.4	9.3	7.1	6.4
Dividend yield (%)	-	3.5	2.6	3.5	3.9
Price/book (x)	3.7	2.2	1.9	1.6	1.3
Price/tangible book (x)	3.7	2.2	1.9	1.6	1.3
EV/EBITDA (x) **	4.4	4.3	5.6	4.8	4.5
EV/EBITDA @ target price (x) **	4.5	4.4	5.7	4.9	4.5
EV/invested capital (x)	1.5	1.3	1.2	1.0	1.0

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

Sources: Thai Airways; FSSIA estimates

Thai Airways International PCL (THAI TB)

FSSIA ESG rating
n/a

Exhibit 10: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 11: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
AAV	48.49	--	Y	AAA	5.00	4.00	--	High	60.97	--	--	40.98	--	5.33	66.44
AOT	69.08	Y	Y	AA	5.00	4.00	--	Medium	51.97	A	45.00	49.20	85.00	2.52	52.75
BA	34.38	--	Y	A	4.00	4.00	--	High	--	--	--	44.57	17.00	--	38.73
THAI	11.71	--	--	--	--	--	--	--	--	--	--	42.71	11.00	--	--

Sources: SETTRADE.com; * FSSIA estimate; FSSIA's compilation

Exhibit 12: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY 2024	FY ending Dec 31	FY 2023	FY 2024
Environmental			Governance		
Climate change policy	Yes	Yes	Board size / Independent directors (ID) / Female	3 / 3 / 0	3 / 1 / 0
Climate change opportunities discussed	--	--	No. of board meetings for the year / % attendance	--	--
GHG scope 2 location-based policy	Yes	Yes	Company conducts board evaluations	Yes	Yes
Biodiversity policy	--	--	Number of non-executive directors on board	0	2
Energy efficiency policy	Yes	Yes	Director share ownership guidelines	No	No
Electricity used	92.9	103.4	Board age limit	--	--
Fuel used - crude oil/diesel	--	--	Age of the youngest / oldest director	60 / 70	61 / 71
Waste reduction policy	Yes	Yes	Number of executives / female	11 / 4	11 / 4
Water policy	Yes	Yes	Executive share ownership guidelines	No	No
Water consumption	13.7	13.5	Size of audit committee / ID	--	--
Social			Audit committee meetings	--	--
Human rights policy	Yes	Yes	Audit committee meeting attendance (%)	--	--
Policy against child labor	--	--	Size of compensation committee / ID	--	--
Quality assurance and recall policy	--	--	Number of compensation committee meetings	--	--
Consumer data protection policy	Yes	Yes	Compensation committee meeting attendance (%)	--	--
Equal opportunity policy	Yes	Yes	Size of nomination committee / ID	--	--
Gender pay gap breakout	--	--	Number of nomination committee meetings	--	--
Pct women in workforce	42.4	44.5	Nomination committee meeting attendance (%)	--	--
Business ethics policy	Yes	Yes	Auditor fee (THB m)	13.4	12
Anti-bribery ethics policy	Yes	Yes	<i>(Deloitte Touche Tohmatsu Jaiyos Co., Ltd.)</i>		
Health and safety policy	Yes	Yes			
Lost time incident rate - employees	--	--			
Training policy	Yes	Yes			
Fair remuneration policy	Yes	Yes			
Number of employees - CSR	Yes	Yes			
Total hours spent by firm - employee training	--	--			
Social supply chain management	Yes	Yes			

Source: FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "CG Score"; 2) "AGM Level"; 3) "Thai CAC"; and 4) "SETESG". The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Vatcharut Vacharawongsith FSS International Investment Advisory Securities Co., Ltd

Finansia Syrus Securities Public Company Limited and FSS International Investment Advisory Securities Company Limited are subsidiaries of Finansia X Public Company Limited, with shared directors or executives.

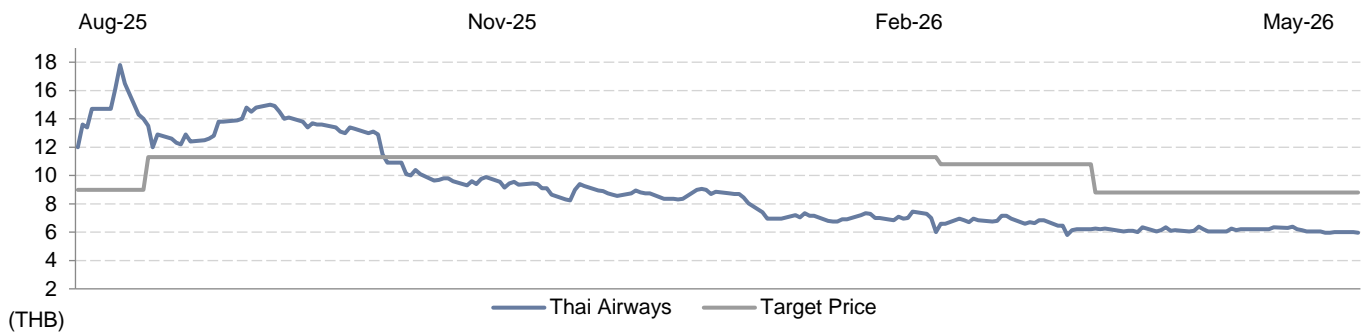
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History of change in investment rating and/or target price

Thai Airways (THAI TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
04-Aug-2025	BUY	9.00	19-Nov-2025	BUY	11.30	09-Mar-2026	BUY	8.80
19-Aug-2025	REDUCE	11.30	04-Feb-2026	BUY	10.80			

Vatcharut Vacharawongsith started covering this stock from 04-Aug-2025

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Thai Airways	THAI TB	THB 5.95	HOLD	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.

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.

All share prices are as at market close on 05-May-2026 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.