

June 3, 2016

NEUTRAL

# Buriram Sugar

(BRR TB)

Share Price: Bt12.70

Target Price: Bt13.50 (+6%)

## Take the bitter with the sweet

- Expect FY16F normalized earnings to grow 12% yoy; 50% increase in power business profit to offset weak sugar earnings
- Higher sugar price and new power plant PPA in 2017 would be an upside to FY17F-18F earnings
- NEUTRAL, Bt13.50/sh TP; strong earnings turnaround has been priced in at 32% premium to peers' FY16F PE

### Power business to save FY16F bottom line

BRR runs an integrated sugar, biomass power plant, and organic fertilizer operation with 23,000 tons/day of cane crushing capacity. Its key strength is in managing raw material. Sugar cane input rose 6% yoy in the 2015/16 crushing season despite the country's cane output falling 11%. Sugar yield edged down 1% yoy to 117 kg per ton of cane, resulting in 241,000 tons (+4% yoy) of sugar. However, we expect sugar earnings could be hurt by weak global sugar prices and BRR's average export price to drop 6% yoy to 16 cents/pound in FY16F, which the latter would crimp gross margin by 150bps to 18%. Revenue from power business should rise 50% yoy from full year operation at BPC power plant (COD in July 2015) and a greater number of operating days. We expect FY16F normalized earnings to grow 12% yoy to Bt287m.

### More upside from new catalysts in 2017

BRR expects sugar cane input to increase by 16.5% yoy to 2.4m tons in the 2016/17 season due to higher rainfall in Buriram. Global sugar price will continue to rise to test 20 cents/pound due to the global deficit; we expect sugar price for FY17 crop to rise by 25% yoy. These should lift FY17F EPS by 38% to Bt0.60. BRR's new power plant (9.9MW) is scheduled to be completed in 3Q16, only waiting for the license from the PEA, and this will expand power plant capacity by 50%. BRR also has licenses to expand its sugar processing capacity by 20,000 tons/day for each plant and double total capacity to 63,000 tons/day. COD for the new plants is scheduled for 2019. It is currently negotiating with JV partners to finance capex amounting to Bt10bn.

### Wait for new sugar cane crop and catalysts in 2017

We are NEUTRAL on BRR with a TP of Bt13.50/sh, which comprises Bt9/sh for BRR's sugar business and Bt4.50/sh for the power business. Current valuation at 32% premium to the food sector average of 23x FY16F PE has priced in expectations of strong earnings turnaround ahead. We will wait to see the quantity/quality of the latest sugar cane crop, sugar price, and biomass bidding for 400-600 MW power plants in 2017 to support earnings growth, before an upgrade.

### Financial Summary (Btm)

Year to Dec	2014	2015	2016F	2017F	2018F
Sales (Btm)	3,920	4,227	4,729	6,137	7,488
Growth (%)	(1.5)	7.8	11.9	29.8	22.0
EBITDA (Btm)	463	476	594	788	996
Growth (%)	14.9	2.9	24.8	32.5	26.5
Recurring profit (Btm)	228	256	287	396	550
Growth (%)	11.0	12.2	12.3	38.1	38.9
Net profit (Btm)	236	272	287	396	550
Normalized EPS (Bt)	0.34	0.38	0.42	0.59	0.81
Growth (%)	(16.8)	12.2	12.3	38.1	38.9
Normalized PE (x)	22.4	35.0	30.0	21.7	15.6
DPS (Bt)	0.20	0.22	0.21	0.29	0.41
Yield (%)	2.6	1.7	1.7	2.3	3.2
BVPS (Bt)	2.9	3.1	3.4	3.6	4.1
P/BV (x)	2.57	4.20	3.79	3.48	3.13



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### Key Data

12-mth high/low (Bt)	14.8 / 10.7
Market capital (Btm/US\$m)	8,594.7 / 240.8
3m avg. turnover (Btm/US\$m)	17.6 / 0.5
Free float (%)	13.7
Issued shares (m shares)	677
Major shareholders:	
- BURIRAM CAPITAL LIMI	50.0
- TANGTONGWECHAKIT ANA	4.1
- TANGTRONGWECHAKIT CH	4.1

### Share Price Performance



	YTD	1Mth	3Mth	12Mth
Absolute (%)	(3.8)	(1.6)	4.1	4.1
Relative to index (%)	(14.4)	(3.0)	(2.8)	8.9

### Krungsri Securities vs Market

	Positive	Neutral	Negative
Market Recommend	0	0	0
	<b>Krungsri</b>	<b>Market</b>	<b>% +/-</b>
Target Price (Bt)	13.5	14.5	(6.9)
'16 Net Profit (Btm)	287	463	(38.0)
'17 Net Profit (Btm)	396	552	(28.3)

### Krungsri's earnings revision

	2016F	2017F
Earnings revision (%)	-	-

Source: Bloomberg, Krungsri Securities

## Highlights

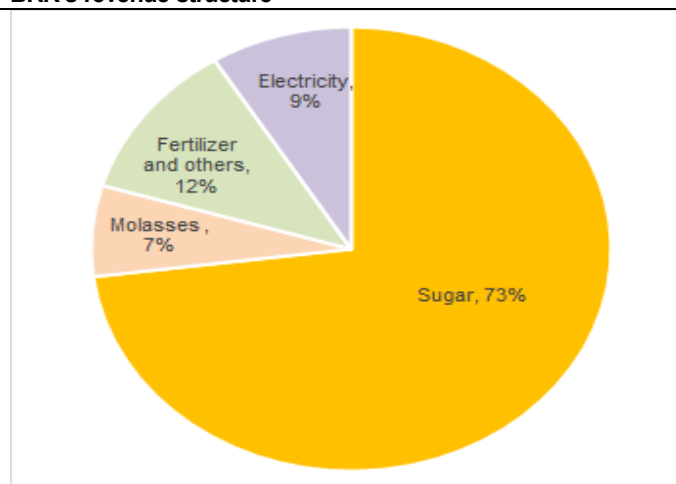
Buriram Sugar Public Co., Ltd. (BRR) runs an integrated sugar, biomass power plant, and organic fertilizer operation with 23,000 tons/day of cane crushing capacity.

**Sugar business** accounts for 73% of FY16F revenue. The main products are brown sugar for the domestic market and raw sugar for international customers. The company will decide soon whether to build another 1,000 sugar tons/day refinery to process raw sugar into white refined sugar. This will add value to the raw sugar of c.US\$80/ton. Capex for the refinery would be Bt1bn.

**Power business** accounts for 9% of FY16F revenue. BRR sells 16 MW of power capacity to the Provincial Electricity Authority (PEA) under the VSPP scheme. The first power plant (BEC, 8 MW) started commercial operation in 2012 and the second (BPC) started in 2015. The company is building a 9.9MW power plant and is awaiting the license from the PEA in 2017.

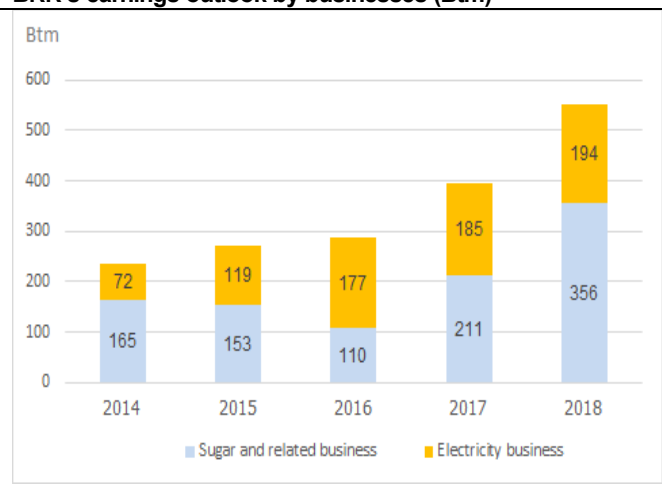
**Fertilizer business** accounts for 9% of FY16F revenue. BRR produces both organic fertilizer and bio-fertilizer using filter cakes, a by-product of its sugar production process which reaches 30,000 tons/year.

BRR's revenue structure



Source: Company data

BRR's earnings outlook by businesses (Btm)



Source: Company data

## Upside risks for BRR

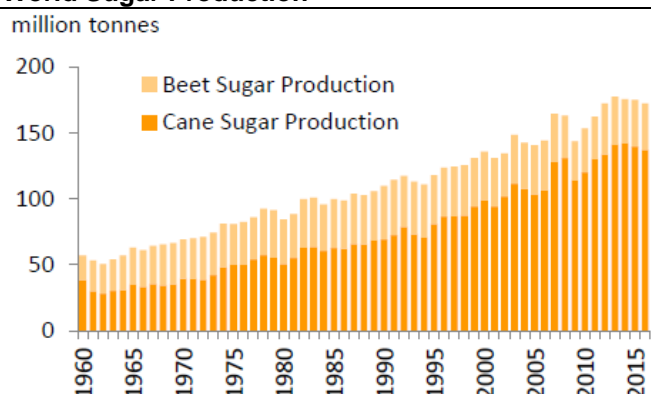
We initiate coverage of BRR with a NEUTRAL rating and a TP of Bt13.50/sh, which comprises Bt9/sh for the sugar and fertilizer business and Bt4.50/sh for the power business. Current valuation at 32% premium to the food sector average of 23x FY16F PE has priced in expectations of strong earnings turnaround ahead. We will wait for the following catalysts before upgrading earnings estimates and TP:

### 1) Global sugar price rises above our FY17F estimate of 20 cents/pound

According to Krungsri Research, world sugar prices could rise in the next two years as demand for sugar is increasing faster than production as a result of the following:

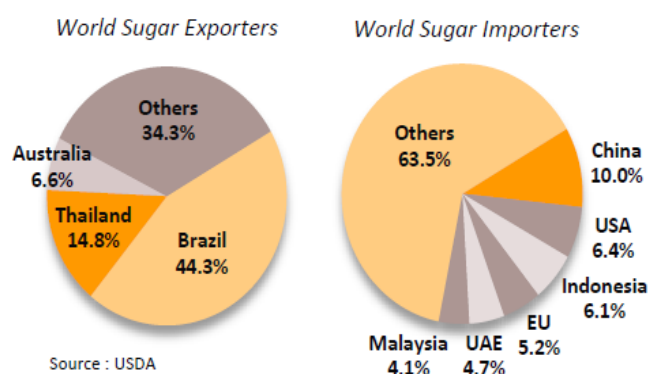
**1.1 Recovering world demand** – especially in India (top sugar consumer) which economy has been growing consistently, and also in ASEAN countries where demand has increased along with economic development. According to Reuters, India is likely to become a net importer of sugar in 2016/17 as two years of drought has dried up irrigation channels and ravaged cane fields, and reduced output of the country's biggest producing state by over 40%.

### World Sugar Production



Source: USDA and Krungsri

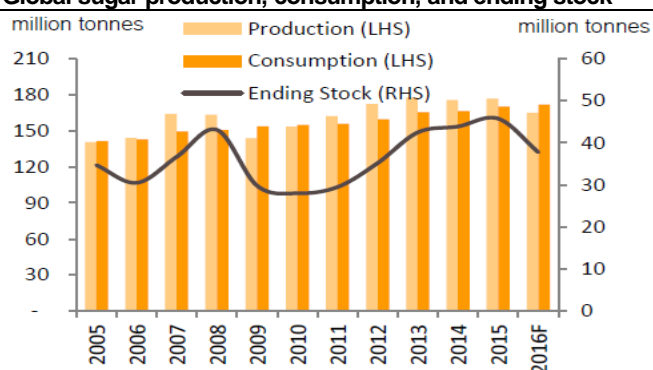
### World Sugar Market (2014/15)



Source: USDA and Krungsri

**1.2 Rising imports:** Global imports of sugar has increased as major consumers like China and the EU would increase import of sugar by 10% per year after the closure of their domestic sugar mills. Concerns over a reduction in world sugar output have also induced many countries to raise sugar imports.

### Global sugar production, consumption, and ending stock



Source: USDA and Krungsri

### Global sugar production, consumption, and ending stock

(million tonnes)	2011	2012	2013	2014	2015	2016F
Production	162	172	178	176	177	165
% YoY	5.19	6.17	3.49	-1.12	0.69	-6.95
Consumption	156	160	166	167	170	172
% YoY	0.65	2.56	3.75	0.60	2.06	0.80
Surplus/Deficit	6	12	12	9	7	-7
Ending Stock	30	35	43	44	46	38
% YoY	5.36	19.32	20.74	3.29	4.24	-17.48
Stock to Use Ratio	0.19	0.22	0.26	0.26	0.27	0.22

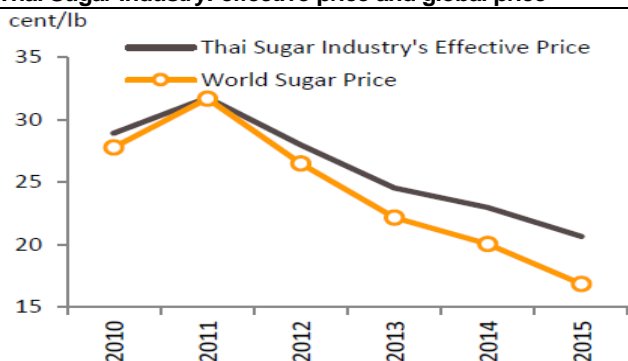
Source: USDA and Krungsri

**1.3 Slowdown in supply:** Global sugar supply is expected to shrink gradually as declining world sugar prices in the past few years has discouraged the expansion of sugarcane plantation areas amid volatile weather conditions. Krungsri Research estimates world sugar output would drop by an average of 3-5% per year

**1.4 Ethanol production in Brazil:** The stable ethanol production capacity has helped to maintain demand for sugarcane, which is in turn keeping sugarcane prices (and cost of sugar production) relatively high. This has also reduced worries of an increase in Brazil's sugar production and exports.

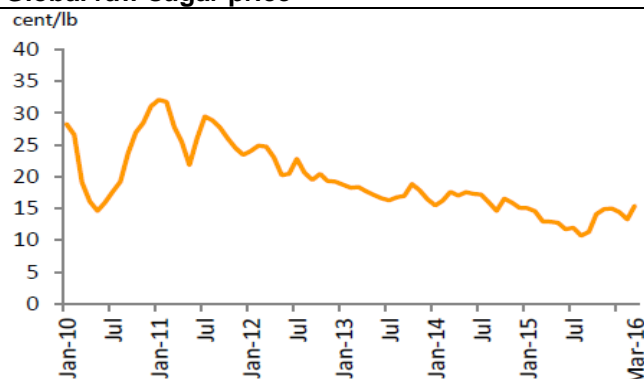
Based on the above demand and supply dynamics, world sugar stockpiles in the next 2-3 years are likely to decrease further and put upside pressure on prices. However, when combined with downward pressure from the existing high sugar stock, extended depressed oil prices, and low speculative demand in the commodity markets, world sugar prices are not expected to increase markedly.

**Thai Sugar Industry: effective price and global price**



Source: OCSB and Krungsri

**Global raw sugar price**

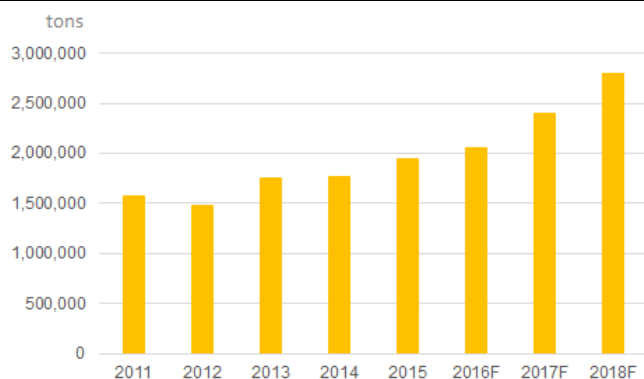


Source: OCSB and Krungsri

**2) BRR's sugar production could beat our 280,800 tons assumption for 2017**

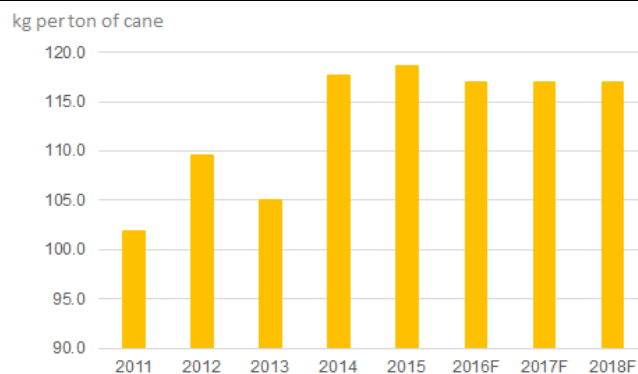
BRR's key strength is in managing raw material. Its contract farming cane production has expanded at 6% CAGR over the past five years to 2.06m tons in 2016. Sugar yield has also improved by 3% CAGR since 2011 to 117 kg per ton of cane, resulting in 241,000 tons of total sugar production in 2016. BRR's sugar yield is the third highest in the country this year. The company expects 2016/17 sugar cane production to increase by 16.5% yoy to 2.4m tons as a result of higher rainfall in Burirum. The situation there is far better than for crops around the Chao Praya River which are suffering from severe drought. We expect BRR to produce 280,800 tons of sugar based on 117 kg per ton yield. BRR aims to raise crushing capacity by 17% yoy to 2.8m tons of sugar cane in 2018.

**BRR's sugar cane material (m tons)**



Source: Company data

**BRR's sugar yield (kg per ton of cane)**



Source: Company data

**3) New projects kick off**

BRR is building a 9.9MW power plant and is awaiting the license from the PEA in 2017. This will expand power plant capacity by 50%. BRR has two licenses to expand its sugar processing capacity by 20,000 sugar cane tons/day for each plant, which would increase total capacity by 200% to 63,000 tons/day. COD for the new plants is scheduled for 2019. It is currently negotiating with JV partners to finance capex for these plants amounting to Bt10bn.

**BRR: Valuation**

	Capacity			COD in	Ownership	Net Present Value	
						Btm	Bt/sh
<b>BRR Sugar businesses</b>							
Sugar cane mill	23,000	tons	of canes		100%	3,588	5.30
Sugar cane mill	20,000	tons	of canes	2021	50%	1,260	1.86
Sugar cane mill	20,000	tons	of canes	2021	50%	1,260	1.86
<b>BRR power businesses</b>							
Power plant (BEC) #1	8	MW		2014	100%	1,396	2.06
Power plant (BPC) #2	8	MW		2015	100%	1,618	2.39
<b>Total</b>						<b>9,122</b>	<b>13.48</b>

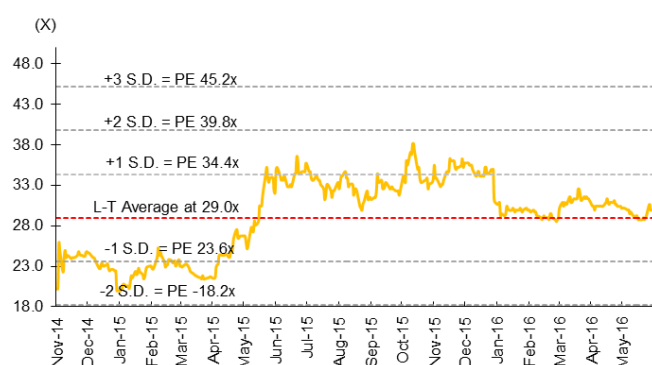
**BRR: Upside risks**

Sugar refinery	1,000	tons	of sugar	wait for board decision by 2H16	100%	1,211	1.79
Power plant (BPP) #3	8	MW		wait for PPA in 2017	100%	1,560	2.31
New power plants #4-8	32-48	MW		wait for new sugar cane mills and PPA			

**Assumption**

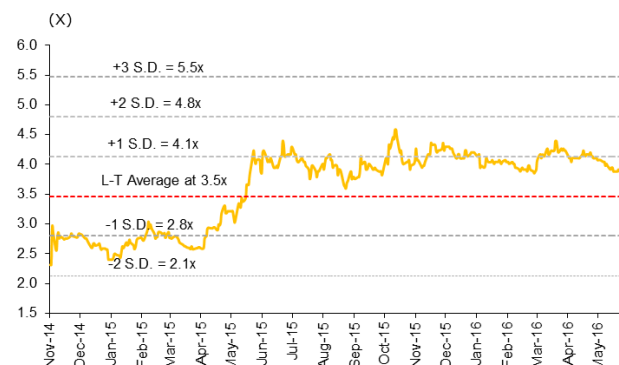
	FY14	FY15	FY16F	FY17F	FY18F
<b>Sugar cane business</b>					
Sugar cane (tons)	1,770,000	1,950,000	2,060,000	2,400,000	2,800,000
Yield	117.7	118.6	117.00	117.00	117.00
<b>Raw Sugar (tons)</b>	<b>208,258</b>	<b>231,270</b>	<b>241,020</b>	<b>280,800</b>	<b>327,600</b>
<b>Growth</b>	<b>13.3%</b>	<b>11.0%</b>	<b>4.2%</b>	<b>16.5%</b>	<b>16.7%</b>
<b>Sugar business</b>					
Raw sugar (tons)	201,212	218,415	241,020	280,800	327,600
Brown sugar (tons)	152,947	167,499	180,765	210,600	245,700
Brown sugar (tons)	48,265	50,916	60,255	70,200	81,900
Raw sugar price (cent/lb)	19.51	16.96	16.00	20.00	22.00
Brown sugar price (Bt/kg)	18.82	18.89	18.89	18.89	18.89
<b>Revenue (Btm)</b>					
Sugar	3,920	4,227	4,729	6,137	7,488
Molasses (domestic)	3,038	3,072	3,453	4,715	5,897
Fertilizer and other agribusiness	290	358	313	365	426
Electricity	410	517	546	637	743
	183	279	417	420	423
<b>Gross margin (%)</b>					
Sugar cane and Molasses	21%	21%	21%	22%	23%
Fertilizer and other agribusiness	20.1%	19.5%	18.0%	20.0%	21.5%
Electricity	12.7%	17.0%	16.0%	16.0%	16.0%
	59.7%	52.7%	55.6%	55.4%	55.5%

**P/E Band**



Source: Bloomberg, Krungsri Securities

**P/BV Band**



Source: Bloomberg, Krungsri Securities

**Peer Comparison**

BB Ticker	Name	Market Cap US\$	PE (x)		P/BV (x)		EPS G%		Div (%)	ROE (%)	Share Price Performance			
			16F	17F	16F	17F	16F	17F			16F	16F	1M	3M
BRR TB	BURIRAM SUGAR PCL	241	30.0	21.7	3.8	3.5	12.3	38.1	1.7	12.6	(1.6)	4.1	(4.5)	(3.8)
KSL TB	KHON KAEN SUGAR INDUSTRY PCL	495	13.2	12.8	1.1	1.1	63.6	N/A	2.8	8.8	(1.5)	10.0	4.3	7.3
KTIS TB	KASET THAI INTERNATIONAL SUG	780	10.0	9.4	N/A	N/A	278.9	6.9	N/A	28.4	2.1	2.9	(10.0)	(10.0)
KBS TB	KHONBURI SUGAR PCL	131	78.0	19.5	1.2	1.2	(225.0)	300.0	N/A	1.5	7.6	16.4	13.9	20.0
TU TB	THAI UNION GROUP PCL	2,868	16.2	14.6	2.0	1.9	18.5	11.4	3.2	13.2	3.4	7.0	15.7	24.4
CPF TB	CHAROEN POKPHAND FOODS PUB	6,251	20.9	17.9	1.6	1.5	(8.4)	16.7	2.7	NA	20.8	43.8	45.9	57.1
BR TB	BANGKOK RANCH PCL	158	10.7	9.1	1.1	1.1	(16.7)	17.4	4.7	10.9	(2.4)	(16.9)	0.0	4.2
TVO TB	THAI VEGETABLE OIL PCL	727	14.8	14.0	3.2	3.1	(8.3)	5.8	5.6	22.2	24.3	37.9	16.4	42.9
TFG TB	THAIFOODS GROUP PCL	285	10.8	8.0	1.8	1.4	(150.0)	35.1	4.5	18.3	13.7	44.2	25.2	29.2
<b>Average (simple)</b>			<b>22.7</b>	<b>14.1</b>	<b>2.0</b>	<b>1.8</b>	<b>(3.9)</b>	<b>53.9</b>	<b>3.6</b>	<b>14.5</b>				

Source: Bloomberg, Krungsri Securities

**1Q16 earnings review**

Unit: (Btm)	1Q15	2Q15	3Q15	4Q15	1Q16
Sales	1,388	1,311	784	744	1,481
Cost of sales	1,035	957	680	650	1,146
<b>Gross profit</b>	<b>353</b>	<b>353</b>	<b>104</b>	<b>95</b>	<b>335</b>
SG&A	181	129	104	109	169
<b>Operating profit</b>	<b>172</b>	<b>224</b>	<b>(0)</b>	<b>(14)</b>	<b>167</b>
Other income	17	7	15	10	16
Other expense	-	-	-	-	-
Equity income	-	-	-	-	-
<b>EBIT</b>	<b>189</b>	<b>231</b>	<b>15</b>	<b>(4)</b>	<b>182</b>
Interest expense	33	52	28	12	35
<b>EBT</b>	<b>157</b>	<b>179</b>	<b>(14)</b>	<b>(16)</b>	<b>147</b>
Income tax	30	31	(4)	(4)	27
Minority interests	-	0	-	(0)	0
<b>Core profit</b>	<b>127</b>	<b>147</b>	<b>(9)</b>	<b>(12)</b>	<b>120</b>
Extra items	14	(1)	2	5	4
<b>Net income</b>	<b>141</b>	<b>146</b>	<b>(7)</b>	<b>(7)</b>	<b>124</b>
<b>EPS (THB)</b>	<b>0.2</b>	<b>0.2</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.2</b>

**Ratio analysis**

Gross margin (%)	25.4	27.0	13.3	12.7	22.6
SGA/Total revenue (%)	13.0	9.8	13.3	14.6	11.4
Operating profit margin (%)	12.4	17.1	(0.0)	(1.9)	11.3
Net profit margin (%)	9.1	11.2	(1.2)	(1.7)	8.1

Source: Company data, Bloomberg, Krungsri Securities

<b>INCOME STATEMENT (Btm)</b>	<b>2014</b>	<b>2015</b>	<b>2016F</b>	<b>2017F</b>	<b>2018F</b>
Turnover	3,920	4,227	4,729	6,137	7,488
Cost of sales (COGS)	(2,997)	(3,228)	(3,591)	(4,643)	(5,631)
Depreciation & amortisation	(93)	(94)	(141)	(143)	(145)
Gross profit	831	905	997	1,351	1,713
S&A expenses	(461)	(523)	(544)	(706)	(861)
<b>Operating profit</b>	<b>370</b>	<b>382</b>	<b>453</b>	<b>645</b>	<b>852</b>
Other operating income	4	25	27	30	33
<b>EBIT</b>	<b>374</b>	<b>407</b>	<b>481</b>	<b>675</b>	<b>885</b>
Interest expense	(117)	(125)	(147)	(206)	(224)
Interest income	0	0	0	0	0
Other income	19	24	25	26	27
Goodwill amortisation	0	0	0	0	0
<b>Pre-tax profit</b>	<b>276</b>	<b>306</b>	<b>359</b>	<b>495</b>	<b>688</b>
Income tax on company & subsidiaries	(50)	(54)	(72)	(99)	(138)
<b>Profit after tax</b>	<b>226</b>	<b>252</b>	<b>287</b>	<b>396</b>	<b>550</b>
Minority interests	0	0	0	0	0
Share of associate net income	0	0	0	0	0
Preferred dividends	0	0	0	0	0
<b>Recurring attributable net profit</b>	<b>226</b>	<b>252</b>	<b>287</b>	<b>396</b>	<b>550</b>
Extraordinary items	11	20	0	0	0
<b>Reported net profit</b>	<b>236</b>	<b>272</b>	<b>287</b>	<b>396</b>	<b>550</b>
Shares in issue (Y/E, m)	677	677	677	677	677
Shares in issue (weighted avg, m)	677	677	677	677	677
EPS (before extraordinary items, Bt)	0.34	0.38	0.42	0.59	0.81
DPS (Bt)	0.20	0.22	0.21	0.29	0.41
DPS/EPS (%)	57	55	50	50	50

<b>CASHFLOW (Btm)</b>	<b>2014</b>	<b>2015</b>	<b>2016F</b>	<b>2017F</b>	<b>2018F</b>
Cash flows from operations before WC	334	367	428	539	695
Net change in working capital	(339)	(113)	(202)	(512)	(554)
<b>Cash flow from Operations</b>	<b>(5)</b>	<b>254</b>	<b>226</b>	<b>27</b>	<b>140</b>
Capex	(1,345)	(1,307)	(500)	(200)	(200)
Other	12	(156)	(57)	(84)	(82)
<b>Cash flow from Investment</b>	<b>(1,333)</b>	<b>(1,462)</b>	<b>(557)</b>	<b>(284)</b>	<b>(282)</b>
Net borrowings	540	1,209	713	400	450
Equity capital raised	1,113	0	0	0	0
Others	0	(135)	(143)	(198)	(275)
Dividends paid	(0)	0	0	0	0
<b>Cashflow from financing</b>	<b>1,652</b>	<b>1,074</b>	<b>570</b>	<b>202</b>	<b>175</b>
<b>Net change in cash</b>	<b>314</b>	<b>(135)</b>	<b>239</b>	<b>(56)</b>	<b>33</b>

<b>BALANCE SHEET (Btm)</b>	<b>2014</b>	<b>2015</b>	<b>2016F</b>	<b>2017F</b>	<b>2018F</b>
Cash & equivalents	349	214	453	397	430
A/C receivable	771	908	985	1,193	1,456
Inventory	611	715	788	1,023	1,248
Others	376	277	344	446	544
<b>Total Current Assets</b>	<b>2,106</b>	<b>2,114</b>	<b>2,570</b>	<b>3,059</b>	<b>3,678</b>
Property and equipment	3,052	4,265	4,624	4,681	4,736
Investments & associates	2	158	166	174	182
Goodwill	214	208	258	334	408
Other assets	12	17	17	16	16
<b>Total Assets</b>	<b>5,386</b>	<b>6,762</b>	<b>7,633</b>	<b>8,264</b>	<b>9,020</b>
Short-term debt	2,369	1,786	2,100	2,950	2,500
A/C payable	0	0	0	0	0
Other current liabilities	535	563	573	594	616
<b>Total Current Liabilities</b>	<b>2,904</b>	<b>2,349</b>	<b>2,673</b>	<b>3,544</b>	<b>3,116</b>
Long-term debt	463	2,254	2,654	2,203	3,103
Other liabilities	31	33	37	48	59
<b>Total Liabilities</b>	<b>3,397</b>	<b>4,636</b>	<b>5,364</b>	<b>5,796</b>	<b>6,277</b>
Share capital	677	677	677	677	677
Share premium	955	955	955	955	955
Treasury	0	0	0	0	1
Translation adjustment	(0)	(0)	(0)	(0)	(0)
Retained earnings	357	495	638	836	1,111
<b>Total ordinary equity</b>	<b>1,988</b>	<b>2,126</b>	<b>2,269</b>	<b>2,467</b>	<b>2,743</b>
Preferred equity	0	0	0	0	1
Minorities	0	1	1	1	1
<b>Total equity &amp; minorities</b>	<b>1,988</b>	<b>2,126</b>	<b>2,270</b>	<b>2,468</b>	<b>2,743</b>
BV per ordinary share (Y/E, Bt)	2.94	3.14	3.35	3.65	4.05
Adjusted book value ps (Y/E, Bt)	2.94	3.14	3.35	3.65	4.05
<b>RATIOS (%)</b>	<b>2014</b>	<b>2015</b>	<b>2016F</b>	<b>2017F</b>	<b>2018F</b>
<b>Growth</b>					
Turnover	(1.5)	7.8	11.9	29.8	22.0
EBITDA	14.7	9.8	18.6	30.4	25.2
EBIT	9.8	11.9	12.0	38.6	30.0
Net profit	15.1	15.3	5.3	38.1	38.9
EPS pre extraordinary items	(16.8)	12.2	12.3	38.1	38.9
EPS (diluted)	(16.8)	12.2	12.3	38.1	38.9
DPS	#DIV/0!	10.0	(3.6)	38.1	38.9
<b>Accounting ratios</b>					
Gross profit margin	21.2	21.4	21.1	22.0	22.9
Operating profit margin	10.3	10.7	10.7	11.4	12.2
EBITDA margin	11.8	11.3	12.6	12.8	13.3
EBIT margin	10.3	10.7	10.7	11.4	12.2
Net profit margin	6.0	6.4	6.1	6.5	7.3
ROA	4.4	4.0	3.8	4.8	6.1
ROE	11.9	12.8	12.6	16.1	20.1
<b>Stability</b>					
D/E (x)	1.7	2.2	2.4	2.0	2.3
Net D/E (x)	1.4	1.9	2.1	1.7	2.0
Interest Coverage Ratio	3.4	3.6	3.4	3.4	4.1
Current ratio (x)	0.7	0.9	1.0	1.1	1.2
Quick ratio (x)	0.5	0.6	0.7	0.8	0.8
<b>Valuation (x)</b>					
PER	21.6	32.8	30.0	21.7	15.6
Normalized PER	22.4	35.0	30.0	21.7	15.6
P/BV	2.6	4.2	3.8	3.5	3.1
EV/EBTDA	11.4	23.1	18.2	10.4	8.3
Dividend yield (%)	2.6	1.7	1.7	2.3	3.2



## CG Rating 2015 Companies with CG Rating



ADVANC	BAFS	BCP	BIGC	BTS	CK	CPN	DRT	DTAC	DTC	EASTW	EGCO	GRAMMY	HANA
HMPRO	INTUCH	IRPC	IVL	KBANK	KCE	KKP	KTB	LHBANK	LPN	MCOT	MINT	MONO	NKI
PHOL	PPS	PS	PSL	PTT	PTTEP	PTTGC	QTC	RATCH	ROBINS	SAMART	SAMTEL	SAT	SC
SCB	SCC	SE-ED	SIM	SNC	SPALI	THCOM	TISCO	TKT	TMB	TOP	VGI	WACOAL	



AAV	ACAP	AGE	AHC	AKP	AMATA	ANAN	AOT	APCS	ARIP	ASIMAR	ASK	ASP	BANPU
BAY	BBL	BDMS	BKI	BLA	BOL	BROOK	BWG	CENTEL	CFRESH	CHO	CIMBT	CM	CNT
COL	CPF	CPI	CSL	DCC	DELTA	DEMCO	ECF	EE	ERW	GBX	GC	GFPT	GLOBAL
GUNKUL	HOTPOT	HYDRO	ICC	ICHI	INET	IRC	KSL	KTC	LANNA	LH	LOXLEY	LRH	MACO
MBK	MC	MEGA	MFEC	NBC	NCH	NINE	NSI	NTV	OCC	OGC	OISHI	OTO	PAP
PDI	PE	PG	PJW	PM	PPP	PR	PRANDA	PREB	PT	PTG	Q-CON	QH	RS
S & J	SABINA	SAMCO	SCG	SEAFCO	SFP	SIAM	SINGER	SIS	SITHAI	SMK	SMPC	SMT	SNP
SPI	SSF	SSI	SSSC	SST	STA	STEC	SVI	SWC	SYMC	SYNTEC	TASCO	TBSP	TCAP
TF	TGCI	THAI	THANA	THANI	THIP	THRE	THREL	TICON	TIP	TIPCO	TK	TKS	TMI
TMILL	TMT	TNDT	TNITY	TNL	TOG	TPC	TPCORP	TRC	TRU	TRUE	TSC	TSTE	TSTH
TTA	TTCL	TTW	TU	TVD	TVO	UAC	UT	UV	VNT	WAVE	WINNER	YUASA	ZMICO



2S	AEC	AEONTS	AF	AH	AIRA	AIT	AJ	AKR	AMANAHA	AMARIN	AP	APCO	AQUA
AS	ASIA	AUCT	AYUD	BA	BEAUTY	BEC	BFIT	BH	BIG	BJC	BJCHI	BKD	BTNC
CBG	CGD	CHG	CHOW	CI	CITY	CKP	CNS	CPALL	CPL	CSC	CSP	CSS	CTW
DNA	EARTH	EASON	ECL	EFORL	ESSO	FE	FIRE	FOCUS	FORTH	FPI	FSMART	FSS	FVC
GCAP	GENCO	GL	GLAND	GLOW	GOLD	GYT	HTC	HTECH	IEC	IFEC	IFS	IHL	IRCP
ITD	JSP	JTS	JUBILE	KASET	KBS	KCAR	KGI	KKC	KTIS	KWC	KYE	L&E	LALIN
LHK	LIT	LST	M	MAJOR	MAKRO	MATCH	MATI	MBKET	M-CHAI	MFC	MILL	MJD	MK
MODERN	MOONG	MPG	MSC	MTI	MTLS	NC	NOK	NUSA	NWR	NYT	OCEAN	PACE	PATO
PB	PCA	PCSGH	PDG	PF	PICO	PL	PLANB	PLAT	PPM	PRG	PRIN	PSTC	PTL
PYLON	QLT	RCI	RCL	RICHY	RML	RPC	S	SALEE	SAPPE	SAWAD	SCCC	SCN	SCP
SEA OIL	SIRI	SKR	SMG	SOLAR	SORKON	SPA	SPC	SPCG	SPPT	SPVI	SRICHA	SSC	STANLY
STPI	SUC	SUSCO	SUTHA	SYNEX	TAE	TAKUNI	TCC	TCCC	TCJ	TEAM	TFD	TFI	TIC
TIW	TLUXE	TMC	TMD	TOPP	TPCH	TIPL	TRT	TSE	TSR	TT	UMI	UP	UPF
UPOIC	UREKA	UWC	VIBHA	VIH	VPO	WHA	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 2015

### Level 5: Extended

BCP	CPN	GYT	PE	PM	PPP	PT	PTT	PTTGC	SAT	SCC	THANI	TOP
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### Level 4: Certified

ADVANC	AMANAH	ASP	AYUD	BAFS	BANPU	BAY	BBL	BKI	BLA	BTS	CFRESH	CIMBT	CNS
CSL	DCC	DRT	DTC	EASTW	ECL	EGCO	ERW	FSS	GCAP	HANA	HTC	IFEC	INTUCH
IRPC	IVL	KBANK	KCE	KGI	KKP	KTB	LANNA	LHBANK	MBKET	MFC	MINT	MTI	NKI
PPS	PSL	PTG	PTTEP	SABINA	SCB	SINGER	SIS	SNC	SNP	SSF	SSI	SSSC	SVI
TCAP	THCOM	THRE	THREL	TISCO	TMB	TMD	TNITY	TOG	TSTH				

### Level 3B: Established by Commitment and Policy

AAV	AHC	AIT	AKR	ARROW	ASK	BA	BDMS	BEC	BJCHI	CGH	CHG	CHOW	CIG
CITY	CK	CKP	COLOR	CWT	EARTH	EASON	EPG	F&D	FANCY	FIRE	FMT	FORTH	GENCO
GL	GOLD	GPSC	GRAMMY	HYDRO	IRCP	IT	JCT	KCM	KWC	LH	LIT	LOXLEY	MACO
MANRIN	MATI	MODERN	MSC	NOBLE	NOK	NPK	NUSA	OISHI	OTO	PAF	PAP	PATO	PF
PJW	PLANB	PLE	POLAR	PRG	PTL	Q-CON	QTC	RCI	S11	SALEE	SAM	SAMART	SAMTEL
SAPPE	SC	SCP	SFP	SIM	SLP	SMT	SPA	SPORT	SSC	SST	STEC	STPI	SUC
SUTHA	T	TAE	TBSP	TCC	TFD	TGCI	TGPRO	THANA	THIP	TIW	TK	TMW	TNDT
TOPP	TPC	TPCH	TPIPL	TSR	TT	TYCN	UAC	UBIS	UEC	UMI	UP	UPF	UT
UV	VPO	WAVE	WINNER	YUASA									

### Level 3A: Established by declaration of intent

ABC	ACAP	AGE	AH	ANAN	AP	APCS	APURE	AS	ASIA	ASIAN	ASIMAR	BIGC	BROOK
BWG	CEN	CENTEL	CHARAN	CHO	CHOTI	CM	CNT	COL	CPF	CPI	CPL	DELTA	DEMCO
DIMET	DNA	DTAC	EA	ECF	EE	EVER	FPI	GBX	GC	GFPT	GLOW	HMPRO	HOTPO
ICC	ICHI	INOX	INSURE	IRC	JAS	JTS	JUBILE	KC	KTC	KYE	LHK	LPN	LRH
MAKRO	MC	MCOT	MFC	MJD	MONO	MOONG	NBC	NDR	NINE	NMG	NSI	NTV	OGC
PACE	PCSGH	PDI	PG	PHOL	PLAT	PR	PRANDA	PREB	PS	QLT	RATCH	RML	ROBINS
ROJNA	RWI	SAMCO	SCCC	SCG	SEAOIL	SE-ED	SENA	SITHAI	SMK	SMPC	SPALI	SPC	SPCG
SPI	SRICHA	STANLY	SUPER	SYMC	SYNEX	SYNTEC	TASCO	TCMC	TFI	THAI	TICON	TKT	TLUXE
TMILL	TMT	TNL	TPCORP	TSTE	TTCL	TU	TVI	UOBKH	UREKA	VGI	VNT	WACOAL	WHA
ZMICO													

### Level 2: Declared

2S	ABICO	AF	AIRA	AKP	ALUCON	AMARIN	AMATA	AOT	APCO	BEAUTY	BFIT	BH	BKD
BLAND	BROCK	BRR	BSBM	BTNC	CCP	CI	CSC	CSR	CSS	EFORL	EPCO	ESTAR	FE
FER	FNS	FVC	GEL	GLOBAL	GUNKUL	IEC	IFS	ILINK	INET	J	JMT	JUTHA	K
KASET	KBS	KCAR	KKC	KSL	KTECH	L&E	LALIN	LTX	M	MALEE	MBAX	MBK	MEGA
MILL	MK	MPG	MTLS	NCH	NCL	NNCL	NPP	OCC	OCEAN	PB	PCA	PDG	PRINC
PSTC	PYLON	QH	ROCK	ROH	RP	RPC	S & J	SGP	SIAM	SKR	SMG	SMIT	SORKON
SPACK	SPPT	SR	SUSCO	TAKUNI	TEAM	TF	TIC	TIP	TIPCO	TMC	TMI	TPA	TPP
TRU	TRU	TRUE	TSC	TSI	TTW	TVD	TVO	TVT	U	UKEM	UNIQU	UWC	VIBHA
VNG	WIIK	WIN	XO										

### Level 1: Committed

AEONTS	AFC	AJ	AMC	AQUA	ARIP	AUCT	BAT-3K	BIG	BJC	BOL	CBG	CCET	CCN
CGD	CMR	CPH	CSP	CTW	DCON	DRACO	DSGT	DTCI	E	EMC	ESSO	FOCUS	FSMART
GIFT	GLAND	GRAND	GREEN	HFT	HTECH	IHL	ITD	JSP	KDH	KTIS	KTP	LEE	LST
MAJOR	MATCH	MAX	M-CHAI	MDX	MIDA	ML	MPIC	NC	NEP	NWR	OHTL	PICO	PK
PL	PPM	PRAKIT	PRECHA	PRIN	RAM	RICH	RS	SANKO	SAUCE	SAWAD	SAWANG	SCN	SEAFCO
SF	SHANG	SIRI	SMART	SMM	SOLAR	SPG	SPVI	STA	STAR	SVH	SVOA	SWC	TAPAC
TC	TCCC	TCJ	TCOAT	TH	TKS	TNH	TNPC	TPAC	TPOLY	TRC	TRUBB	TSE	TTA
TTI	TTL	TTTM	TWP	TWZ	UMS	UPA	UPOIC	UTP	UVAN	VARO	VI	VIH	VTE
WG													

## 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

**Level 5:** Extended – Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases

**Level 4:** Certified – Audit engagement by audit committee or auditors approved by the office of SEC, and receiving certification or assurance by independent external assurance providers (CAC etc.)

**Level 3:** Established – Carrying out preventive measures, risk assessment, communication and training for all employees, including consistent monitoring and review processes

**Level 3A:** Established by declaration of intent, **Level 3B:** Established by Commitment and Policy

**Level 2:** Declared – Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives

**Level 1:** Committed – Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws



A member of MUFG  
a global financial group

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## Definition of Ratings

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