

Hold (from Buy)

Share price: Bt45.50
 Target price: Bt48.00 (from Bt38.00)

Suttatip Peerasub
 Suttatip.P@maybank-ke.co.th
 (02) 658 6300

Stock Information

Description: The Company operates various mass media businesses such as Modernine TV Station, MCOT radio stations and The Thai News Agency with subsidiaries involving in the business of television program, documentary production and all types of entertainment business.

Ticker :	MCOT
Shares Issued (mn) :	687
Market Cap (Btmn):	31,263
Market Cap (US\$m):	1,030
3-mth Avg. Daily Turnover (Btmn):	52.19
SET Index:	1,412.06
Free float (%):	22.72

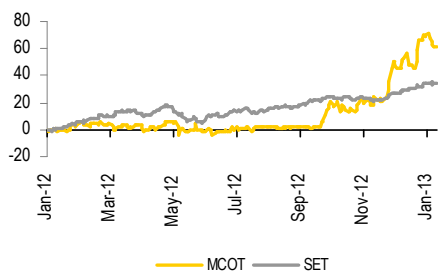
Major Shareholders :

	%
The Ministry of Finance	65.80
Government Savings Bank	11.48

Key Indicators

ROE – annualised (%)	24.6
Net cash (Btmn):	Net cash
NTA/shr (Btmn):	12.2
Interest cover (x):	256.3

Historical Chart



Performance

52-week High/Low	Bt48.50/Bt27.00				
	1-mth	3-mth	6-mth	1-yr	YTD
Absolute (%)	7.1	32.8	59.6	62.5	-3.2
Relative (%)	2.7	22.0	37.3	21.1	-4.6

MCOT PLC (MCOT)

Upgraded earnings to price in ad rates

We have revised our FY13-14 earnings projections up by 4-5% to price in the 5-25% ad rate hikes since the beginning of the year. Utilisation will remain high, driven by strong demand. MCOT is also expected to gain more revenue from the government/state enterprise marketing activities. With a share price rally closing in on our new TP of Bt48, we have downgraded this stock rating to Hold from Buy, to await the dividend with a yield of around 5%. However, we still like MCOT, with an upside potential from the improving operational efficiency, the higher ad rates and the upcoming digital TV business.

Ad rates climb 5-25%. Channel 9 has reshuffled programs from Jan with a hike in ad rates of 5-25% on both new and existing programs. The ad rate increase is applied to prime and non-prime programs, including sitcoms / weekend prime-time dramas (+5%) and prime-time news (+7%). The program reshuffle has helped increase the MCOT house produced programs to 51% from 47%, enhancing the ad minute sales. We have thus revised our 2013 earnings estimate by 7% to Bt2.011bn (Bt2.93/share), up 16% YoY.

Utilisation to remain strong. The ad rate hikes on Channel 7, Channel 3 and Channel 9 indicate a strong ad demand on free TV, even with fast growing satellite TV. We expect the Channel 9 utilisation to remain strong despite the ad rate increase.

More revenue from the public sector. MCOT has signed an MOU for public relations and marketing activities for the Government Savings bank for the bank 100th anniversary. The contract value is around Bt200mn. MCOT is also likely to organise a CRM event for the Mass Rapid Transit Authority of Thailand, the State Railways of Thailand and the Thai Healthcare Department. MCOT targets Bt800mn in revenue from the government and State-enterprises in 2013.

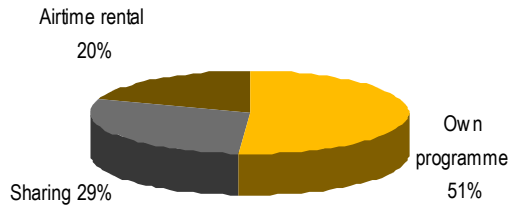
Downgrade to Hold with a still positive view. MCOT has a strong financial position with net cash and a dividend yield of 5%. Our DCF-based TP is revised up to Bt48 from Bt38. However, a share price rally has limited the upside and we thus have downgraded our rating to Hold from Buy. Risks could come from a lower-than-estimated utilisation and the income received from government projects. However, our positive view is maintained with additional upside from higher operational efficiency, ad rate hikes in the mid year (if programmes are reshuffled) and the start of Digital TV.

MCOT – Summary Earnings Table

FYE: Dec 31 (Btmn)	2010	2011	2012F	2013F	2014F
Revenue	5,263	5,142	5,802	6,578	7,132
EBITDA	2,556	2,598	2,842	3,153	3,441
Recurring Net Profit	1,423	1,356	1,730	2,011	2,219
Recurring Basic EPS (Bt)	2.07	1.97	2.52	2.93	3.23
EPS growth (%)	2.4	(4.7)	27.6	16.2	10.3
DPS (Bt)	1.90	2.00	2.20	2.40	2.60
PER	22.0	23.0	18.1	15.5	14.1
EV/EBITDA (x)	10.9	10.5	9.5	8.5	7.6
Div Yield (%)	4.2	4.4	4.8	5.3	5.7
P/BV(x)	4.1	4.1	3.9	3.7	3.5
Net Gearing (%)	Net cash	Net cash	Net cash	Net cash	Net cash
ROE (%)	18.8	17.8	22.3	24.6	25.7
ROA (%)	14.1	12.8	15.9	17.5	18.2
Consensus Net Profit (Btmn)	-	-	1,700	1,862	1,963

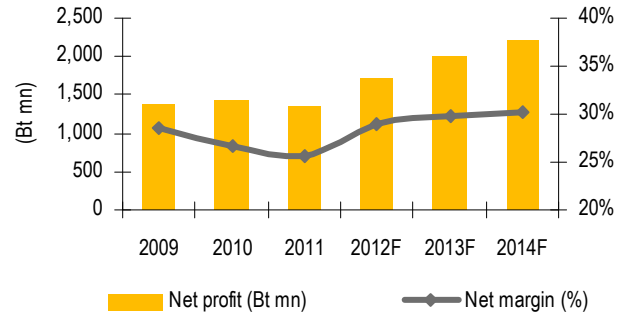
Source: Company reports and KELIVE Research estimates.

Chart 1: Programme – Target portion in 2013



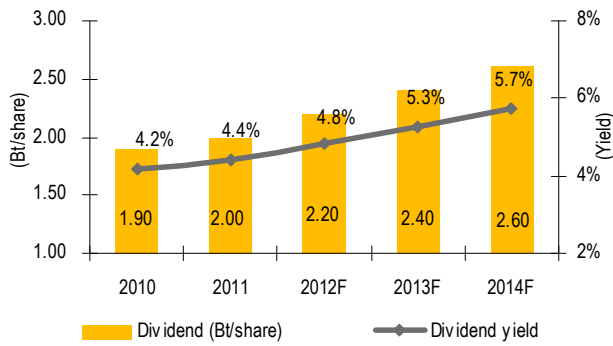
Source: Company reports..

Chart 2: Net profit and margin



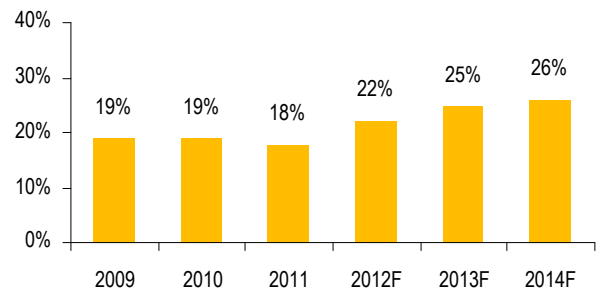
Source: Company reports and KELIVE Research estimates.

Chart 3: Dividend payment and yield



Source: Company reports and KELIVE Research estimates.

Chart 4: ROE



Source: Company reports and KELIVE Research estimates.

INCOME STATEMENT (Btmn)

FY December	2011	2012F	2013F	2014F
Revenue	5,142	5,802	6,578	7,132
EBITDA	2,598	2,842	3,153	3,441
Depreciation & Amortisation	541	557	603	631
Operating Profit (EBIT)	2,057	2,285	2,551	2,809
Interest (Exp) / Inc	10	12	10	6
Associates	0	0	0	0
One-offs	0	0	0	0
Pre-Tax Profit	2,047	2,273	2,541	2,803
Tax	671	534	521	575
Minority Interest	20	8	9	10
Net Profit	1,356	1,730	2,011	2,219
Recurring Net Profit	1,356	1,730	2,011	2,219
Revenue Growth %	(2.3)	12.8	13.4	8.4
EBITDA Growth (%)	1.6	9.4	11.0	9.1
EBIT Growth (%)	(0.1)	11.1	11.7	10.1
Net Profit Growth (%)	(4.7)	27.6	16.2	10.3
Recurring Net Profit Growth (%)	(4.7)	27.6	16.2	10.3
Tax Rate %	32.8	23.5	20.5	20.5

CASH FLOW (Btmn)

FY December	2011	2012F	2013F	2014F
Profit before taxation	2,047	2,273	2,541	2,803
Depreciation	541	557	603	631
Net interest receipts / (payments)	10	12	10	6
Working capital change	218	2	(52)	(28)
Cash tax paid	(671)	(534)	(521)	(575)
Others (inc. exceptional items)	(30)	(20)	(19)	(16)
Cash flow from operations	2,116	2,289	2,561	2,822
Capex	(409)	(676)	(647)	(547)
Disposals / (purchases)	0	0	0	0
Others	(1,097)	155	(540)	(460)
Cash flow from investing	(1,506)	(521)	(1,187)	(1,007)
Debt raised / (repaid)	820	(410)	205	(103)
Equity raised / (repaid)	9	8	9	10
Dividends (paid)	(1,443)	(1,374)	(1,580)	(1,718)
Interest payments	10	12	10	6
Others	(10)	(12)	(10)	(6)
Cash flow from financing	(614)	(1,776)	(1,366)	(1,811)
Change in cash	(5)	(8)	9	4

BALANCE SHEET (Btmn)

FY December	2011	2012F	2013F	2014F
Fixed Assets	4,303	4,423	4,467	4,383
Other LT Assets	200	200	200	200
Cash / ST Investments	4,108	4,151	4,592	5,101
Other Current Assets	2,040	2,320	2,627	2,812
Total Assets	10,652	11,094	11,886	12,496
ST Debt	7	11	6	5
Other Current Liabilities	1,571	1,853	2,107	2,263
LT Debt	6	10	6	4
Other LT Liabilities	1,410	1,198	1,304	1,251
Minority Interest	63	71	80	90
Shareholders' Equity	7,595	7,952	8,383	8,883
Total Liabilities-Capital	10,652	11,094	11,886	12,496
Share Capital (mn)	3,435	3,435	3,435	3,435
Gross Debt / (Cash)	13	21	12	9
Net Debt / (Cash)	Net cash	Net cash	Net cash	Net cash
Working Capital	469	467	520	548

RATES & RATIOS

FY December	2011	2012F	2013F	2014F
Gross Margin %	57.7	57.6	57.8	58.3
EBITDA Margin %	48.9	47.5	46.6	46.9
Op. Profit Margin %	38.7	38.2	37.7	38.3
Net Profit Margin %	25.5	28.9	29.7	30.2
ROE %	17.6	22.1	24.4	25.4
ROA %	12.8	15.9	17.5	18.2
Net Margin Ex. EI %	25.5	28.9	29.7	30.2
Dividend Cover (x)	1.0	1.1	1.2	1.2
Interest Cover (x)	208.2	193.1	256.3	437.2
Asset Turnover (x)	0.5	0.5	0.6	0.6
Asset / Debt (x)	3.6	3.6	3.5	3.5
Debtors Turn (days)	63.4	46.0	46.0	46.0
Creditors Turn (days)	24.9	20.0	22.0	22.0
Inventory Turn (days)	3.2	3.6	4.5	4.5
Net Gearing %	Net cash	Net cash	Net cash	Net cash
Debt / EBITDA (x)	Net cash	Net cash	Net cash	Net cash
Debt / Market Cap (x)	Net cash	Net cash	Net cash	Net cash

Source: Company reports and KELIVE Research estimates.

RESEARCH OFFICES

REGIONAL

P K BASU

Regional Head, Research & Economics
(65) 6432 1821 pk.basu@maybank-ke.com.sg

WONG Chew Hann, CA

Acting Regional Head of Institutional Research
(603) 2297 8686 wchewh@maybank-ib.com

ONG Seng Yeow

Regional Products & Planning
(852) 2268 0644 ongsengyeow@maybank-ke.com.sg

ECONOMICS

Suhaimi ILIAS

Chief Economist
Singapore | Malaysia
(603) 2297 8682 suhaimi_ilias@maybank-ib.com

Luz LORENZO

Economist
Philippines | Indonesia
(63) 2 849 8836 luz_lorenzo@maybank-atrke.com

Tim Leelahaphan

Economist
Thailand
(662) 658 1420 tim.l@maybank-ke.co.th

MALAYSIA

WONG Chew Hann, CA *Head of Research*

(603) 2297 8686 wchewh@maybank-ib.com

- Strategy
- Construction & Infrastructure

Desmond CH'NG, ACA

(603) 2297 8680 desmond.chng@maybank-ib.com

- Banking - Regional

LIAW Thong Jung

(603) 2297 8688 tjliaw@maybank-ib.com

- Oil & Gas
- Automotive
- Shipping

ONG Chee Ting, CA

(603) 2297 8678 ct.ong@maybank-ib.com

- Plantations

Mohshin Aziz

(603) 2297 8692 mohshin.aziz@maybank-ib.com

- Aviation
- Petrochem
- Power

YIN Shao Yang, CPA

(603) 2297 8916 samuel.y@maybank-ib.com

- Gaming - Regional
- Media
- Power

TAN CHI WEI, CFA

(603) 2297 8690 chiwei.t@maybank-ib.com

- Construction & Infrastructure
- Power

WONG Wei Sum, CFA

(603) 2297 8679 weisum@maybank-ib.com

- Property & REITs

LEE Yen Ling

(603) 2297 8691 lee.yl@maybank-ib.com

- Building Materials
- Manufacturing
- Technology

LEE Cheng Hooi *Head of Retail*

chenghooi.lee@maybank-ib.com

- Technicals

HONG KONG / CHINA

Edward FUNG *Head of Research*

(852) 2268 0632 edwardfung@kimeng.com.hk

- Construction

Ivan CHEUNG, CFA

(852) 2268 0634 ivancheung@kimeng.com.hk

- Property
- Industrial

Ivan LI, CFA

(852) 2268 0641 ivanli@kimeng.com.hk

- Banking & Finance

Jacqueline KO, CFA

(852) 2268 0633 jacquelineko@kimeng.com.hk

- Consumer Staples

Andy POON

(852) 2268 0645 andypoon@kimeng.com.hk

- Telecom & equipment

Alex YEUNG

(852) 2268 0636 alexyeung@kimeng.com.hk

- Industrial

Warren LAU

(852) 2268 0644 warrenlau@kimeng.com.hk

- Technology - Regional

Karen KWAN

(852) 2268 0640 karenkw@kimeng.com.hk

- China Property

INDIA

Jigar SHAH *Head of Research*

(91) 22 6623 2601 jigar@maybank-ke.co.in

- Oil & Gas
- Automobile
- Cement

Anubhav GUPTA

(91) 22 6623 2605 anubhav@maybank-ke.co.in

- Metal & Mining
- Capital goods
- Property

Ganesh RAM

(91) 226623 2607 ganeshram@maybank-ke.co.in

- Telecom
- Contractor

SINGAPORE

Gregory YAP *Head of Research*

(65) 6432 1450 gyap@maybank-ke.com.sg

- Technology & Manufacturing
- Telcos - Regional

Wilson LIEW

(65) 6432 1454 wilsonliw@maybank-ke.com.sg

- Hotel & Resort
- Property & Construction

James KOH

(65) 6432 1431 jameskoh@maybank-ke.com.sg

- Logistics
- Resources
- Consumer

YEAK Chee Keong, CFA

(65) 6432 1460 yeakcheekeong@maybank-ke.com.sg

- Healthcare
- Offshore & Marine

Alison FOK

(65) 6432 1447 alisonfok@maybank-ke.com.sg

- Services
- S-chips

Bernard CHIN

(65) 6432 1146 bernardchin@maybank-ke.com.sg

- Transport (Land, Shipping & Aviation)

ONG Kian Lin

(65) 6432 1470 ongkianlin@maybank-ke.com.sg

- REITs / Property

Wei Bin

(65) 6432 1455 weibin@maybank-ke.com.sg

- S-chips
- Small & Mid Caps

INDONESIA

Katarina SETIAWAN *Head of Research*

(62) 21 2557 1125 ksetiawan@maybank-ke.co.id

- Consumer
- Strategy
- Telcos

Lucky ARIESANDI, CFA

(62) 21 2557 1127 lariesandi@maybank-ke.co.id

- Base metals
- Coal
- Oil & Gas

Rahmi MARINA

(62) 21 2557 1128 rmarina@maybank-ke.co.id

- Banking
- Multifinance

Pandu ANUGRAH

(62) 21 2557 1137 panugrah@maybank-ke.co.id

- Auto
- Heavy equipment
- Plantation

Adi N. WICKAKSONO

(62) 21 2557 1130 anwicaksono@maybank-ke.co.id

- Generalist

Anthony YUNUS

(62) 21 2557 1134 ayunus@maybank-ke.co.id

- Cement
- Infrastructure
- Property

Arwani PRANADJAYA

(62) 21 2557 1129 apranadjaya@maybank-ke.co.id

- Technicals

PHILIPPINES

Luz LORENZO *Head of Research*

(63) 2 849 8836 luz_lorenzo@maybank-atrke.com

- Strategy

Laura DY-LIACCO

(63) 2 849 8840 laura_dyliacco@maybank-atrke.com

- Utilities
- Conglomerates
- Telcos

Lovell SARREAL

(63) 2 849 8841 lovell_sarreal@maybank-atrke.com

- Consumer
- Media
- Cement

Kenneth NERECINA

(63) 2 849 8839 kenneth_nerecina@maybank-atrke.com

- Conglomerates
- Property
- Ports/ Logistics

Katherine TAN

(63) 2 849 8843 kat_tan@maybank-atrke.com

- Banks
- Construction

Ramon ADVIENTO

(63) 2 849 8842 ramon_adviento@maybank-atrke.com

- Mining

THAILAND

Sukit UDOMSIRIKUL *Head of Research*

(66) 2658 6300 ext 5090
Sukit.u@maybank-ke.co.th

Maria LAPIZ *Head of Institutional Research*

Dir (66) 2257 0250 | (66) 2658 6300 ext 1399
Maria.L@maybank-ke.co.th

- Consumer/ Big Caps

Andrew STROTZ *Strategist*

(66) 2658 6300 ext 5091
Andrew@maybank-ke.co.th

Mayuree CHOWIKRAN

(66) 2658 6300 ext 1440 mayuree.c@maybank-ke.co.th

- Strategy

Suttatip PEERASUB

(66) 2658 6300 ext 1430 suttatip.p@maybank-ke.co.th

- Media
- Commerce

Sutthichai KUMWORACHAI

(66) 2658 6300 ext 1400 sutthichai.k@maybank-ke.co.th

- Energy
- Petrochem

Termporn TANTIVIVAT

(66) 2658 6300 ext 1520 termporn.t@maybank-ke.co.th

- Property

Woraphon WIROONSRI

(66) 2658 6300 ext 1560 woraphon.w@maybank-ke.co.th

- Banking & Finance

Jaroontan WATTANAWONG

(66) 2658 6300 ext 1404 jaroontan.w@maybank-ke.co.th

- Transportation
- Small cap.

Chatchai JINDARAT

(66) 2658 6300 ext 1401 chatchai.j@maybank-ke.co.th

- Electronics

Pongrat RATANATAVANANANDA

(66) 2658 6300 ext 1398 pongrat.R@maybank-ke.co.th

- Services/ Small Caps

VIETNAM

Michael KOKALARI, CFA *Head of Research*

(84) 838 38 66 47 michael.kokalari@maybank-kimeng.com.vn

- Strategy

Nguyen Thi Ngan TUYEN

(84) 844 55 58 88 x 8081 tuyen.nguyen@maybank-kimeng.com.vn

- Food and Beverage
- Oil and Gas

Ngo Bich Van

(84) 844 55 58 88 x 8084 van.ngo@maybank-kimeng.com.vn

- Banking

Trinh Thi Ngoc DIEP

(84) 844 55 58 88 x 8242 diep.trinh@maybank-kimeng.com.vn

- Technology
- Utilities

Dang Thi Kim THOA

(84) 844 55 58 88 x 8083 thoa.dang@maybank-kimeng.com.vn

- Consumer

Nguyen Trung HOA

+84 844 55 58 88 x 8088 hoa.nguyen@maybank-kimeng.com.vn

- Steel
- Sugar
- Resources

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "MKE") and consequently no representation is made as to the accuracy or completeness of this report by MKE and it should not be relied upon as such. Accordingly, MKE and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. MKE expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

MKE and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. MKE may, to the extent permitted by law, act upon or use the information presented herein, or the research or analysis on which they are based, before the material is published. One or more directors, officers and/or employees of MKE may be a director of the issuers of the securities mentioned in this report.

This report is prepared for the use of MKE clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of MKE and MKE and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Kim Eng Research Pte. Ltd. ("Maybank KERPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact Maybank KERPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), Maybank KERPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

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 evaluation 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 may be changed after that date. Maybank Kim Eng Securities (Thailand) Public Company Limited ("MBKET") does not confirm nor certify the accuracy of such survey result.

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of MBKET. MBKET accepts no liability whatsoever for the actions of third parties in this respect.

US

This research report prepared by MKE is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Kim Eng Securities USA Inc ("Maybank KESUSA"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by Maybank KESUSA in the US shall be borne by Maybank KESUSA. All resulting transactions by a US person or entity should be effected through a registered broker-dealer in the US. This report is not directed at you if MKE is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Maybank KESUSA is permitted to provide research material concerning investments to you under relevant legislation and regulations.

UK

This document is being distributed by Maybank Kim Eng Securities (London) Ltd ("Maybank KESL") which is authorized and regulated, by the Financial Services Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938-H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This material is issued and distributed in Singapore by Maybank KERPL (Co. Reg. No 197201256N) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Kim Eng Securities ("PTKES") (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the BAPEPAM LK. **Thailand:** MBKET (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank ATRKES (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Kim Eng Securities JSC (License Number: 71/UBCK-GP) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** KESHK (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** Kim Eng Securities India Private Limited ("KESI") is a participant of the National Stock Exchange of India Limited (Reg. No: INF/INB 231452435) and the Bombay Stock Exchange (Reg. No. INF/INB 011452431) and is regulated by Securities and Exchange Board of India. KESI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) **US:** Maybank KESUSA is a member of/ and is authorized and regulated by the FINRA – Broker ID 27861. **UK:** Maybank KESL (Reg. No 2377538) is authorized and regulated by the Financial Services Authority.

Disclosure of Interest

Malaysia: MKE and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 14 January 2013, Maybank KERPL and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MBKET may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MBKET, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: KESHK may have financial interests in relation to an issuer or a new listing applicant referred to as defined by the requirements under Paragraph 16.5(a) of the Hong Kong Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission.

As of 14 January 2013, KESHK and the authoring analyst do not have any interest in any companies recommended in this research report.

MKE may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of MKE.

Definition of Ratings

Maybank Kim Eng Research uses the following rating system:

BUY	Return is expected to be above 10% in the next 12 months (excluding dividends)
HOLD	Return is expected to be between - 10% to +10% in the next 12 months (excluding dividends)
SELL	Return is expected to be below -10% in the next 12 months (excluding dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

Some common terms abbreviated in this report (where they appear):

Adex = Advertising Expenditure	FCF = Free Cashflow	PE = Price Earnings
BV = Book Value	FV = Fair Value	PEG = PE Ratio To Growth
CAGR = Compounded Annual Growth Rate	FY = Financial Year	PER = PE Ratio
Capex = Capital Expenditure	FYE = Financial Year End	QoQ = Quarter-On-Quarter
CY = Calendar Year	MoM = Month-On-Month	ROA = Return On Asset
DCF = Discounted Cashflow	NAV = Net Asset Value	ROE = Return On Equity
DPS = Dividend Per Share	NTA = Net Tangible Asset	ROSF = Return On Shareholders' Funds
EBIT = Earnings Before Interest And Tax	P = Price	WACC = Weighted Average Cost Of Capital
EBITDA = EBIT, Depreciation And Amortisation	P.A. = Per Annum	YoY = Year-On-Year
EPS = Earnings Per Share	PAT = Profit After Tax	YTD = Year-To-Date
EV = Enterprise Value	PBT = Profit Before Tax	

 **Malaysia**

Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194

Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

 **Philippines**

**Maybank ATR Kim Eng Securities
Inc.**
17/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 849 8888
Fax: (63) 2 848 5738

 **South Asia Sales Trading**

Kevin Foy
kevinfoy@maybank-ke.com.sg
Tel: (65) 6336-5157
US Toll Free: 1-866-406-7447

 **Singapore**

**Maybank Kim Eng Securities Pte Ltd
Maybank Kim Eng Research Pte Ltd**
9 Temasek Boulevard
#39-00 Suntec Tower 2
Singapore 038989

Tel: (65) 6336 9090
Fax: (65) 6339 6003

 **Hong Kong**

Kim Eng Securities (HK) Ltd
Level 30,
Three Pacific Place,
1 Queen's Road East,
Hong Kong

Tel: (852) 2268 0800
Fax: (852) 2877 0104

 **Thailand**

**Maybank Kim Eng Securities
(Thailand) Public Company
Limited**
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)
Tel: (66) 2 658 6801 (research)

 **North Asia Sales Trading**

Eddie LAU
eddielau@kimeng.com.hk
Tel: (852) 2268 0800
US Toll Free: 1 866 598 2267

 **London**

**Maybank Kim Eng Securities
(London) Ltd**
6/F, 20 St. Dunstan's Hill
London EC3R 8HY, UK

Tel: (44) 20 7621 9298
Dealers' Tel: (44) 20 7626 2828
Fax: (44) 20 7283 6674

 **Indonesia**

PT Kim Eng Securities
Plaza Bapindo
Citibank Tower 17th Floor
Jl Jend. Sudirman Kav. 54-55
Jakarta 12190, Indonesia

Tel: (62) 21 2557 1188
Fax: (62) 21 2557 1189

 **Vietnam**

In association with
Maybank Kim Eng Securities JSC
1st Floor, 255 Tran Hung Dao St.
District 1
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888
Fax : (84) 838 38 66 39

 **New York**

**Maybank Kim Eng Securities
USA Inc**
777 Third Avenue, 21st Floor
New York, NY 10017, U.S.A.

Tel: (212) 688 8886
Fax: (212) 688 3500

 **India**

Kim Eng Securities India Pvt Ltd
2nd Floor, The International 16,
Maharishi Karve Road,
Churchgate Station,
Mumbai City - 400 020, India

Tel: (91).22.6623.2600
Fax: (91).22.6623.2604

 **Saudi Arabia**

In association with
Anfaal Capital
Villa 47, Tujjar Jeddah
Prince Mohammed bin Abdulaziz
Street P.O. Box 126575
Jeddah 21352

Tel: (966) 2 6068686
Fax: (966) 26068787

THAI INSTITUTE OF DIRECTORS ASSOCIATION (IOD) CORPORATE GOVERNANCE REPORT RATING 2012

						Score Range	Number of Logo	Description
▲▲▲▲▲	ADVANC	BKI	GRAMMY	NUBLE	KS	SNC		
	AOT	BMCL	HEMRAJ	PHOL	SAMART	SYMC	90-100	▲▲▲▲▲
	ASIMAR	BTS	ICC	PS	SAMTEL	THAI	80-89	▲▲▲▲▲
	BAFS	CPN	IRPC	PSL	SAT	TIP	70-79	▲▲▲▲
	BANPU	CSL	KBANK	PTT	SC	TIPCO	60-69	▲▲▲
	BAY	DRT	KK	PTTEP	SCB	TISCO	50-59	▲▲
	BBL	EASTW	KTB	PTTGC	SCC	TKT	Lower than 50	▲
	BCP	EGCO	LPN	QH	SE-ED	TMB	TTA	No logo given
	BECL	ERW	MCOT	RATCH	SIM	TOP		
			NKI	ROBINS	SIS	TSTE		
▲▲▲▲	2S	BWG	ECL	ITD	MINT	PM	SPCG	THCOM
	ACAP	CENDEL	EE	IVL	MODERN	PR	SPI	THIP
	AF	CFRESH	EIC	JAS	MTI	PRANDA	SPPT	THRE
	AIT	CGS	ESSO	KCE	NBC	PRG	SSF	TIC
	AKR	CHOW	FE	KGI	NCH	PT	SSSC	TICON
	AMATA	CIMBT	FORTH	KSL	NINE	PYLON	STANLY	TIW
	AP	CK	GBX	LSE	NMG	S&J	STEC	TK
	ASK	CM	LANNA	NSI	S&P	SUC	TLUXE	UP
	ASP	CPALL	GC	LANNA	NSI	S&P	SUC	TLUXE
	AYUD	CPF	GFPT	LH	OCC	SABINA	SUSCO	TMT
	BEC	CSC	GL	LRH	OFM	SAMCO	SM	TNITY
	BFIT	DCC	GLOW	LST	OGC	SCCC	SYNTEC	TNL
	BH	DELTA	GUNKUL	MACO	OISHI	SCG	TASCO	TOG
	BIGC	DEMCO	HANA	MAKRO	PAP	SCSMG	TCAP	TPC
	BJC	DTAC	HMPRO	MBK	PDI	SFP	TCP	TRC
	BROOK	DTC	HTC	MBKET	PE	SITHAI	TFD	TRT
			IFEC	MFC	PG	SMT	TFI	TRU
			INTUCH	MFEC	PJW	SPALI	THANA	TRUE
▲▲▲	AEONTS	BROCK	EASON	JMART	MAJOR	POST	SF	TEAM
	AFC	BSBM	BMC	JTS	MATCH	PPM	SGP	TF
	AGE	BTNC	EPCO	JUBILE	MATI	PREB	SIAM	TGCI
	AH	BUI	FNS	JUTHA	MBAX	PRECHA	SIMAT	THANI
	AHC	CCET	FOCUS	KASET	M-CHAI	PRIN	SINGER	TKS
	AI	CEN	FSS	KBS	MDX	PSAAP	SIRI	TMD
	AJ	CHUD	GENCO	KC	MJD	PTL	SKR	TMI
	ALUCON	CI	GFM	KDH	MK	Q-CON	SMIT	TNH
	AMANAH	CIG	GLOBAL	KIAT	MOONG	QLT	SMK	TNPC
	APCO	CITY	GOLD	KKC	MPIC	QTC	SOLAR	TOPP
	APCS	CMD	HFT	KTC	MSC	RASA	SPC	TPA
	APRINT	CNS	HTECH	KWC	NC	RCL	SPG	TPAC
	ARIP	CNT	HYDRO	KWH	NNCL	RICH	SSC	TPCORP
	AS	CPL	IFS	KYE	NTV	ROJNA	SST	TIPL
	ASIA	CRANE	IHL	LALIN	OSK	RPC	STA	TPP
	BGT	CSP	ILINK	LEE	PAE	SAM	SVDA	TR
	BLA	CSR	INET	LHBANK	PATO	SCBLIF	SWC	TTCL
	BNC	CTW	IRC	LHK	PB	SCP	SYNEX	TWFP
	BOL	DRACO	IRCP	LIVE	PICO	SEAFCD	TBSP	TYCN
			IT	LOXLEY	PL	SENA	TCB	UBIS

Source: Thai Institute of Directors (IOD)

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 evaluation 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 may be changed after that date. Maybank Kim Eng Securities (Thailand) does not confirm nor certify the accuracy of such survey result.