

MCOT

4QFY15 losses deeper than expected, 1QFY16 outlook still gloomy

THAILAND | SET | MEDIA | COMPANY RESULTS

BLOOMBERG MCOT TB | REUTERS MCOT.BK

11 March 2016

4QFY15 losses deeper than expected on accounting change and bigger-than-expected SG&A expenses

MCOT reported its 4QFY15 losses widened 92.1% y-y to Bt72mn from Bt37mn in 4QFY14 and came in deeper than our forecast of Bt38mn as a result of accounting changes and bigger-than-expected SG&A expenses. In this period, operating revenue was in line with our estimate at Bt941mn, flat q-q but down 9.5% y-y due largely to (i) a 22.8% y-y drop in ad revenue from digital terrestrial TV operations after a dip in viewer ratings and (ii) a 32.4% y-y plunge in revenue from new media or satellite TV business despite a sharp rise of 155.6% y-y in revenue from broadcasting network operation service (BNO). Costs inched down a mere 1.5% y-y and SG&A expenses retreated 17.7% y-y but the pace of declines was however bigger than what we previously expected. The results in this period also included a Bt53mn provision for doubtful debt as three BNO clients failed to make fee payments on due dates. Interest expenses shot up 22.5% y-y on account of a change in accounting principle for finance costs of license fees for its two commercial digital terrestrial TV channels. For the whole of FY15, MCOT however turned in a net profit of Bt58mn, down 86% y-y as full-year operating revenue came in at Bt3,572mn in line with our forecast.

1QFY16 outlook still gloomy as much depends on whether content revamp would drive up viewer ratings while three BNO clients delay digital network rental payments

The outlook remains gloomy for MCOT in 1QFY16 as the industry data showed a further y-y decline in Jan ad spending, which possibly meant lower revenue and further losses for MCOT in Jan. In our view, much would largely depend on whether its content revamp in Feb and Mar under which more variety programs and sitcoms would be added to its programming lineup would drive up viewer ratings. To this end, MCOT has doubled its FY16 capex budget for TV program production to Bt760mn to roll out new TV programs in a bid to boost its viewer ratings. In BNO business, the delay in fee payments of three clients including *Thairath TV*, *Voice TV* and *Spring News* has caused MCOT to book doubtful debt provision for these three clients in tandem with rental income, making it impossible to reap the maximum benefit from its BNO services. However, there is scope for the above doubtful debt provision to be reversed in the future if both sides could negotiate a compromise.

NBTC's remedial measures less positive for digital TV operators because of legal limitations

The NBTC of late turned down the request of digital TV operators to (i) postpone the payments of the third instalments of the auction fees scheduled on May 24, (ii) extend the 15-year tenure of their licenses and (iii) exempt the operators of the payments of the remaining instalments in case they want to give up their operating licenses, citing that there was no legislation or law allowing it to make any change in the license contracts it made with digital TV operators. However, the NBTC said it would amend the law on frequency management to make possible the change of license operators or the transfer of digital TV licenses. To help digital TV operators weather their financial difficulties and facilitate a smooth digital transition, the NBTC would (i) speed up distribution of the digital TV subsidy coupons to 22.9mn household nationwide after 13.5mn subsidy coupons were handed out, (ii) impose a tougher punishment on digital TV operators failing to follow the channel numbering rule, (iii) beef up its public relations efforts to promote digital TV transition and (iv) slash the 2% USO fund fee to between 0.1%-2% of gross revenue per annum without retroactive fee collection after the implementation of the change. In our view, the above remedial measures are less positive for digital TV operators largely because of legal limitations.

Downgrade to 'SELL' with downwardly revised FY16 target price of Bt8.90/share

We trim our FY16 profit outlook for MCOT by more than half to Bt70mn from Bt182mn. The profit downgrade reflects (i) a slight cut in our operating revenue forecast to Bt3,936mn and (ii) an increase in our SG&A expense assumptions due to the above delay in fee payments of three BNO clients. However, we will place our earnings estimates for MCOT under review once there is strong possibility that MCOT will get paid for outstanding fees from the above three clients. Following the above profit cut, we slash our FY16 target price for MCOT to Bt8.90/share. The target is DCF-based. We also downgrade MCOT to 'SELL' from 'ACCUMULATE' as the stock looks too overvalued at current trading levels. There are two key issues to follow: (i) the possible reversal of the above doubtful debt provision and (ii) compensation for the return of its 2600MHz spectrum for future auctions.

Sell (Downgraded from Accumulate)

Closing Price(Bt) 9.25
Target Price(Bt) 8.90 (-2.92%)

COMPANY DATA

O/S Shares (mn) :	687
Market Cap. (Btmn) :	6,356
Market Cap. (USDmn) :	180
52-WK Hi/Lo (Bt) :	15.5/7.2
3M Average Daily T/O (mn) :	0.32
Par Value (Bt) :	5.00

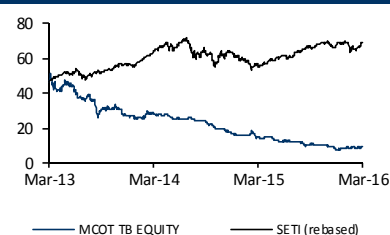
MAJOR SHAREHOLDERS (%) 09 October 2015

1. MOF	65.8
2. Government Savings Bank	11.5
3. Social Security Office	1.5

PRICE PERFORMANCE (%)

	1MTH	3MTH	1YR
ABS	4%	18%	-38%
REL TO SET INDEX	-2%	11%	-31%

PRICE VS SET INDEX



Source: Bloomberg, PSR

KEY FINANCIALS

FYE Dec	FY14	FY15	FY16E	FY17E
Sales(Btmn)	4,284	3,572	3,936	4,316
Net Profit(Btmn)	413	58	70	135
EPS (Bt)	0.60	0.08	0.10	0.20
P/E (X)	15.4	115.6	92.5	46.3
BVPS (Bt)	10.72	10.74	10.78	10.87
P/B (X)	0.9	0.9	0.9	0.9
DPS (Bt)	0.55	0.08	0.08	0.15
Dividend Yield (%)	5.9	0.9	0.9	1.6
ROE (%)	5.26	0.78	0.95	1.81

Source: Company, PSR Est.

**Multiples and yields are based on latest closing price

VALUATION METHOD

DCF (WACC: 10.38%, Terminal g: 2%)

Siam Tiyanont

Securities Investment Analyst #17970

Tel: 66 2 635 1700 #483

Ref. No.: CO2016_0229

MCOT COMPANY RESULTS

Income Statement

Btmn	4Q15	3Q15	4Q14	q-q+/-	y-y+/-	2015	2014	y-y+/-
Sales and services	941	937	1,040	0.5%	-9.5%	3,572	4,284	-16.6%
Costs of sales	708	709	718	-0.2%	-1.5%	2,666	2,668	-0.1%
Gross profit	233	227	322	2.7%	-27.4%	906	1,616	-43.9%
Selling expenses	72	64	71	12.7%	1.9%	257	265	-3.0%
Administrative expenses	225	173	290	29.7%	-22.6%	777	946	-17.9%
Operating profit	-64	-10	-39	-531.4%	-61.1%	-127	405	-131.5%
Other income	34	92	42	-62.7%	-19.2%	267	170	57.0%
Gain/loss from affiliates	0	0	0	n.m.	n.m.	0	0	n.m.
Other expense	0	0	0	-6.7%	-3.4%	1	1	-1.7%
EBIT	-30	81	3	-136.2%	n.m.	139	574	-75.8%
Interest expense	64	5	52	n.m.	22.5%	78	63	24.2%
EBT	-93	77	-50	-221.7%	-88.8%	61	511	-88.1%
Taxation	-18	17	-4	-207.9%	-381.0%	17	121	-85.7%
EAT	-75	60	-46	-225.6%	-64.7%	44	390	-88.8%
Minority	-4	-3	-8	-12.4%	56.1%	-14	-23	38.4%
Net profit before extra	-72	63	-37	-213.1%	-92.1%	58	413	-86.0%
Extraordinary items	0	0	0	n.m.	n.m.	0	0	n.m.
Net profit	-72	63	-37	-213.1%	-92.1%	58	413	-86.0%
EPS (Bt)	-0.10	0.09	-0.05	-211.1%	-100.0%	0.08	0.60	-86.7%

Key Financial Ratio

%	4Q15	3Q15	4Q14	q-q+/-	y-y+/-	2015	2014	y-y+/-
Cost of sales/sales	75.2%	75.7%	69.1%	-0.7%	8.9%	74.6%	62.3%	19.8%
SG&A exp/sales	31.5%	25.3%	34.7%	24.5%	-9.1%	28.9%	28.3%	2.3%
Gross margin	24.8%	24.3%	30.9%	2.2%	-19.8%	25.4%	37.7%	-32.8%
Operating profit margin	-6.7%	-1.1%	-3.8%	-528.1%	-78.0%	-3.6%	9.4%	-137.8%
Net profit margin	-7.6%	6.8%	-3.6%	-212.6%	-112.2%	1.6%	9.6%	-83.2%

Balance Sheet

Btmn	4Q15	3Q15	4Q14	q-q+/-	y-y+/-	2015	2014	y-y+/-
Assets	11,642	12,053	12,746	-3.4%	-8.7%	11,642	12,746	-8.7%
Liabilities	4,260	4,518	5,381	-5.7%	-20.8%	4,260	5,381	-20.8%
Paid-up (mn shrs) - Par Bt5	687	687	687	0.0%	0.0%	687	687	0.0%
Equities	7,382	7,353	7,364	0.4%	0.2%	7,382	7,364	0.2%
BVPS (Bt)	10.74	10.70	10.72	0.4%	0.2%	10.74	10.72	0.2%
Debt/equity (x)	0.58	0.61	0.73	-4.9%	-20.5%	0.6	0.7	-20.5%

Corporate Governance -2015



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	MIINT	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	BECL	BKI	BLA
BMCL	BOL	BROOK	BWG	CENDEL	CFRESH	CHO	CIMBT	CM	CNT
COL	CPF	CPI	CSL	DCC	DELTA	DEMCO	ECF	EE	ERW
GBX	GC	GFPT	GLOBAL	GUNKUL	HEMRAJ	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	TSYH	TTA	TTCL	TTW	TU	TVD	TVO	TWFP
TWS	UAC	UT	UV	VNT	WAVE	WINNER	YUASA	ZMICO	



2S	AEC	AEONTS	AF	AH	AIRA	AIT	AJ	AKR	AMANAH
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	LIVE	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	SEAOL	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	TPIPL	TRT	TSE	TSR	UMI
UP	UPF	UPOIC	UREKA	UWC	VIBHA	VIH	VPO	WHA	WIN
XO									

Results Presentation

Score Range

- < 50%
- 50-59%
- 60-69%
- 70-79%
- 80-89%
- 90-100%

Number of Logo

No logo given



The disclosure of the survey result of the Thai Institute of Directors Association (IOD) regarding corporate governance is made pursuant to 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 disclosure to the public and able to be accessed by a general public investor. The results, 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 result may be changed after that data. Phillip Securities (Thailand) of securities company does not confirm nor certify the accuracy of such survey result.

Anti-corruption indicators

Level 5 (Extended)

BCP	CPN	GYT	PE	PM	PPP	PT	PTT	PTTGC	SAT	scc
THANI	TOP									

Level 4 (Certified)

DCC	DTC	DRT	EASTW	ECL	EGCO	ERW	FSS	GCAP	HANA	HTC
INTUCH	IRPC	IVL	KBANK	KCE	KGI	KKP	KTB	LANNA	LHBANK	MTI
NKI	PSL	PTG	PTTEP	SABINA	SCB	SNC	SNP	SSF	SSSC	TCAP
THCOM	TISCO	TMB	TMD	TNITY	TOG					

Level 3 (Established)

Level 3A: Declaration to join CAC, etc

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

Level 3B: Organization's statement but no declaration to join CAC, etc

AAV	AHC	AIT	AKR	ARROW	ASK	BA	BDMS	BEC	BJCHI	BUI
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	SVI	T
TBSP	TAE	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 2 (Declared)

2S	ABICO	AF	AKP	AMARIN	AMATA	AOT	APCO	AYUD	BEAUTY	BFIT
BH	BKD	BLAND	BTNC	CCP	CI	CSR	CSS	EFORL	EPCO	FE
FNS	FVC	GEL	GLOBAL	HEMRAJ	IEC	IFS	INET	JUTHA	KASET	KCAR
KKC	KSL	L&E	LALIN	LTX	M	MALEE	MBK	MBKET	MEGA	MK
MPG	MTLS	NCH	NCL	NPP	OCC	OCEAN	PB	PCA	PRINC	QH
ROCK	RPC	S & J	SGP	SIAM	SIS	SKR	SMG	SMIT	SORKON	SUSCO
TAKUNI	TEAM	TF	TIC	TIP	TIPCO	TMC	TMI	TPP	TRT	TRU
TRUE	TSC	TSI	TTW	TVD	TVO	UKEM	UNIQ	UWC	VNG	WIIK
WIN	XO									

Level 1 (Committed)

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

Data not available/No policy

A	ACC	AJD	AQ	BCH	BGT	BROCK	BSM	BTC	CHUO	CRANE
CPR	EIC	FER	JMART	JMT	KAMART	KBS	KIAT	LDC	MCS	METCO
MBAX	NEW	NEWS	NYT	PAE	PDG	PERM	PMTA	RCL	RICHY	ROH
POST	S	SIMAT	TCB	TR	TSF	TVT				

Anti-corruption indicators

Level 5 : Extended

Anti-corruption policies extend to business partners, dealers, and distributors.

Level 4 : Certified

Anti-corruption policies can be engaged by audit committee and auditors approved by the SEC.

Anti-corruption policies are certified by CAC and independent assurance providers.

Level 3 : Established

Anti-corruption corruption policies cover anti-bribery, and communications and educating all employees anti-corruption policies.

Level 3A Public out statement to join CAC, etc.

Level 3B Declare statement and organization's anti-corruption policies but no intention to join CAC, etc.

Level 2 : Declared

Declare statement to participate CAC against corruption.

Level 1 : Committed

Organization and Board of Directors' statements against corruption and not getting involve in any malpractices.

Assessment

Anti-corruption progress indicator for listed companies is a part of SEC's commitment to create sustainability in anti-corruption and to become a role model to any

related business. The progress indicators comprise of five levels: 1) Committed, 2) Declared, 3) Established, 4) Certified, and 5) Extended. These indicators will

encourage listed firms to formulate anti-corruption policies to opt out of corruption, and investors can determine their investment based on anti-corruption indicator

or avoid investment in listed firms that could get involve in corruption.

Industry Group

Name	Sector Name	Sector Index
Agro & Food Industry[AGRO]	Agribusiness	AGRI
	Food & Beverage	FOOD
Consumer Products[CONSUMP]	Fashion	FASHION
	Home & Office Products	HOME
	Personal Products & Pharmaceuticals	PERSON
Financials [FINCIAL]	Banking	BANK
	Finance & Securities	FIN
	Insurance	INSUR
Industrials [INDUS]	Automotive	AUTO
	Industrial Materials & Machinery	IMM
	Packaging	PKG
	Paper & Printing Materials	PAPER
	Petrochemicals & Chemicals	PETRO
	Steel	STEEL
Property & Construction[PROPCON]	Construction Materials	CONMAT
	Construction Services	CONS
	Property Development	PROP
	Property Fund & REITs	PF&REIT
Resources [RESOURC]	Energy & Utilities	ENERG
	Mining	MINE
Services [SERVICE]	Commerce	COMM
	Media & Publishing	MEDIA
	Health Care Services	HEALTH
	Tourism & Leisure	TOURISM
	Professional Services	PROF
	Transportation & Logistics	TRANS
Technology [TECH]	Electronic Components	ETRON
	Information & Communication Technology	ICT

PSR Rating System

Capital Gain	Recommendation
> 15%	BUY
> 5% - 15%	ACCUMULATE / TRADING BUY
> 0% - 5%	NEUTRAL
0 <=	SELL

Remarks

We do not base our recommendations entirely on the above quantitative return bands. We consider qualitative factors like (but not limited to) a stock's risk reward profile, market sentiment, recent rate of share price appreciation, presence or absence of stock price catalysts, and speculative undertones surrounding the stock, before making our final recommendation

Research Team

Fundamental	Analyst Reg No.	Tel	Sector
Sasikorn Charoensuwan, CFA, CAIA	Capital Market Investment Analyst #9744	662 635 1700 Ext 480	Consumer, Commerce
Rutsada Tweesaengsakulthai	Securities Investment Analyst #17972	662 635 1700 Ext 482	ICT, Energy, Health Care
Danai Tunyaphisitchai, CFA	Capital Market Investment Analyst #2375	662 635 1700 Ext 481	Construction Materials, Property Development
Naree Apisawaittakan	Securities Investment Analyst #17971	662 635 1700 Ext 484	Agro & Food, Electronics
Siam Tiyanont	Securities Investment Analyst #17970	662 635 1700 Ext 483	Transportation, Media & Publishing
Ornmongkol Tantitanatorn	Capital Market Investment Analyst #34100	662 635 1700 Ext 491	Automotive, Energy, Packaging
Adisorn Muangparnchon	Securities Investment Analyst #18577	662 635 1700 Ext 497	Banking, Securities & Finance, Insurance
Vichuda Siriployprakray	Securities Investment Analyst #55956	662 635 1700 Ext 525	Commerce, Food & Beverages, Tourism
Hathaichanoke Moonwong	Assistant Analyst		
Kunanon Juntarapartsavorn	Assistant Analyst		
Thanatphat Suksrichavali	Assistant Analyst		

Strategy

Teerada Charnyingyong	Securities Investment Analyst #9501	662 635 1700 Ext 487
Chutikarn Santimetvirul	Derivatives Investment Analyst #37928	662 635 1700 Ext 494
Werajak Jungkiatkajorn	Capital Market Investment Analyst #28087	662 635 1700 Ext 495
Rittiporn Songsermsawad	Securities Investment Analyst #39756	662 635 1700 Ext 527
Phoobate Wiriyayuttama	Securities Investment Analyst #63404	662 635 1700 Ext 498

Technical

Sasima Hattakitnikorn	Securities Investment Analyst #8328	662 635 1700 Ext 490
Kanoksak Vutipan	Capital Market Investment Analyst #32423	662 635 1700 Ext 485

Database & Production

Manunpat Yuenyongwatanakorn
Sutiporn Oupkaew
Kanitha Sriwong

Translation

Chaiyot Ingkhasorarat
Naowarat Angurasuchon

Domestics Offices

Bangkok Offices

Head Office	15th Fl., Vorawat Bldg. Tel : 0 2635 1700 , 0 2268 0999
Srinakarindr	17th Fl., Modernform Tower Tel : 0 2722 8344-53
Viphavadi	15th Fl., Lao Peng Nguan Tower 1 Tel : 0 2618 8400
Yaowarat	19th Fl., Kanchanadhat Bldg. Tel : 0 2622 7833
Bangkapi 1	8th Fl., The Mall Office Tower-Bangkapi Tel : 0 2363 3263
Bangkapi 2	9th Fl., The Mall Office Tower-Bangkapi Tel : 0 2363 3269
Hua Lumphong	4th Fl., Tang Hua Pak Bldg., 320 Rama 4 Rd. Tel : 0 2639 1200
Rangsit	G Fl., Room#PLZ.G.SHP065A Future Park Rangsit Tel : 0 2958 5040
Sindhorn	19th Fl., Sindhorn Tower 3 Building, Tel : 0 2650 9717
Siam Discovery	11st Floor, Unit A2, Siam Tower,Tel : 02 658 0776
CentralWorld Branch	999/9 The Offices at CentralWorld, 17 FL. Unit ML 1707, Rama 1 Rd, Patumwan Bangkok 10330

Provincial Offices

Chaing Mai	313/15 Moo6 Chaing Mai – Lamphun Nong Hoi, Tel 053-141969
Khon Kaen	4th Fl., Kow Yoo Hah Bldg.Tel : 0 4332 5044-8
Phisanulok	2nd Fl., Thai Sivarat Bldg., Tel : 0 5524 3646
Had Yai	4th Fl., Southland Rubber Bldg., Tel : 0 7423 4095-99110
Had Yai - Petkasem	3rd Fl., Unit 3D, Redar Group Bldg., Tel : 0 7422 3044
Laemchabang	53/112, 53/114 Moo 9, Tungsukla, Sriracha, Chonburi 20230
Chumporn Investor Center	25/45 Krom Luang Chumporn Rd.,Tel : 0 7757 0652-3

Overseas Offices

SINGAPORE	Phillip Securities Pte Ltd Raffles City Tower Tel : (65) 6533 6001 www.poems.com.sg
HONG KONG	Phillip Securities (HK) Ltd 11/F United Centre 95 Queensway, Tel (852) 22776600 www.phillip.com.hk
MALAYSIA	Phillip Capital Management Sdn Bhd, Block B Level 3 Megan Avenue Tel (603) 21628841 www.poems.com.my
JAPAN	Phillip Securities Japan, Ltd 4-2 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo Tel (81-3) 36662101
INDONESIA	PT Phillip Securities Indonesia ANZ Tower Level 23B, Tel (62-21) 57900800 www.phillip.co.id
CHINA	Phillip Financial Advisory (Shanghai) Co. Ltd Ocean Tower Unit 2318 Tel (86-21) 51699200 www.phillip.com.cn
FRANCE	King & Shaxson Capital Limited 3rd Flr, 35 Rue de la Bienfaisance Tel (33-1) 45633100
UNITED KINGDOM	King & Shaxson Capital Limited 6th Flr, Candlewick House, Tel (44-20) 7426 5950 www.kingandshaxson.com
UNITED STATES	Phillip Futures Inc The Chicago Board of Trade Building Tel +1.312.356.9000
AUSTRALIA	PhillipCapital Australia Level 37, Collins Street, Melbourne, Tel (613) 96298380 www.phillipcapital.com.au
SRI LANKA	Asha Phillip Securities Ltd Level 4, Millennium House, Tel: (+94) 11 2429 100 apsl@ashaphillip.net
TURKEY	Hak Menkul Kıymetler A.Ş Dr.Cemil Bengü Cad. Tel: (+90) (212) 296 84 84 (pbx) akmenkul@hakmenkul.com.tr
INDIA	PhillipCapital (India) Private Limited No. 1, C- Block, 2nd Floor, Modern Center , Jacob Circle, K. K. Marg, Mahalaxmi Mumbai 400011 Tel: (9122) 2300 2999 Website: www.phillipcapital.in
DUBAI	PhillipCapital (India) Pvt Ltd.601, White Crown Building Dubai UAE. Mahalaxmi Mumbai 400011 Tel: (9122) 2300 2999 Website: www.phillipcapital.in
CAMBODIA	Building No71, St 163, Sangkat Toul Svay Prey I, Khan Chamkarmorn, Phnom Penh, Kingdom of Cambodia Tel: (855) 23 217 942 Website: www.kredit.com.kh

Disclosures and Disclaimers

This publication is prepared and issued by Phillip Securities (Thailand) PLC., which is regulated by SEC Thailand. References to "PST" in this report shall mean Phillip Securities (Thailand) PLC unless otherwise stated. By receiving or reading this report, you agree to be bound by the terms and limitations set out below.

This publication has been provided to you for personal use only. The copyright belongs exclusively to PST. All rights are reserved. Any unauthorized use or disclosure is prohibited. No reprinting or reproduction, in whole or in part, is permitted without the PST's prior consent, except that a recipient may reprint it for internal circulation only and only if it is reprinted in its entirety. If you have received this documentation by mistake, please delete or destroy it., and notify the sender immediately.

This report is prepared and distributed by PST for information purposes only and neither the information contained herein nor any opinion expressed should be construed or deemed to be construed as solicitation or as offering advice for the purposes of the purchase or sale of any security, investment or derivatives. The information and opinions contained in the Report were considered by PST to be valid when published. The report also contains information provided to PST by third parties. The source of such information will usually be disclosed in the report. Whilst PST has taken all reasonable steps to ensure that this information is correct, PST does not offer any warranty as to the accuracy or completeness of such information. Any person placing reliance on the report to undertake trading does so entirely at his or her own risk and PST does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication to future performance.

This report does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors must undertake independent analysis with their own legal, tax and financial advisors and reach their own decision regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized. In no circumstances it be used or considered as an offer to sell or a solicitation of any offer to buy or sell the Securities mentioned in it. The information contained in the research reports may have been taken from trade and statistical services and other sources, which we believe are reliable. Phillip Securities (Thailand) PCL or any of its group/associate/affiliate companies do not guarantee that such information is accurate or complete and it should not be relied upon as such. Any opinions, forecasts, assumptions, estimates, valuations and prices contained in this material are as of the date indicated and are subject to change at any time without prior notice.

Important: These disclosures and disclaimers must be read in conjunction with the research report of which it forms part. Receipt and use of the research report is subject to all aspects of these disclosures and disclaimers. Additional information about the issuers and securities discussed in this research report is available on request.

Certifications: The research analyst(s) who prepared this research report hereby certifies that the views expressed in this research report accurately reflect the research analyst's personal views about all of the subject issuers and/or securities, that the analyst have no known conflict of interest and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific views or recommendations contained in this research report.

Phillip Securities (Thailand) PCL, or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report, may provide an array of financial services to a large number of corporations in Thailand and worldwide, including but not limited to commercial / investment banking activities (including sponsorship, financial advisory or underwriting activities), brokerage or securities trading activities. PST, or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report, may have participated in or invested in transactions with the issuer(s) of the securities mentioned in this publication, and may have performed services for or solicited business from such issuers. Additionally, PST, or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report, may have provided advice or investment services to such companies and investments or related investments as may be mentioned in this publication.

PST or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report may, from time to time maintain a long or short position in securities referred to herein, or in related futures or options, purchase or sell, make a market in, or engage in any other transaction involving such securities, and earn brokerage or other compensation in respect of the foregoing. Investments will be denominated in various currencies including US dollars and Euro and thus will be subject to any fluctuation in exchange rates between US dollars and Euro or foreign currencies and the currency of your own jurisdiction. Such fluctuations may have an adverse effect on the value, price or income return of the investment.

To the extent permitted by law, PST, or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report, may at any time engage in any of the above activities as set out above or otherwise hold a interest, whether material or not, in respect of companies and investments or related investments which may be mentioned in this publication. Accordingly, information may be available to PST, or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report, which is not reflected in this material, and PST, or persons associated with or connected to PST, including but not limited to its officers, directors, employees or persons involved in the preparation or issuance of this report, may, to the extent permitted by law, have acted upon or used the information prior to or immediately following its publication. PST, or persons associated with or connected to PST, including but not limited its officers, directors, employees or persons involved in the preparation or issuance of this report, may have issued other material that is inconsistent with, or reach different conclusions from, the contents of this material.

Suitability and Risks: This research report is for informational purposes only and is not tailored to the specific investment objectives, financial situation or particular requirements of any individual recipient hereof. Certain securities may give rise to substantial risks and may not be suitable for certain investors. Each investor must make its own determination as to the appropriateness of any securities referred to in this research report based upon the legal, tax and accounting considerations applicable to such investor and its own investment objectives or strategy, its financial situation and its investing experience. The value of any security may be positively or adversely affected by changes in foreign exchange or interest rates, as well as by other financial, economic or political factors. Past performance is not necessarily indicative of future performance or results.

Sources, Completeness and Accuracy: The material herein is based upon information obtained from sources that PST and the research analyst believe to be reliable, but neither PST nor the research analyst represents or guarantees that the information contained herein is accurate or complete and it should not be relied upon as such. Opinions expressed herein are current opinions as of the date appearing on this material and are subject to change without notice. Furthermore, PST is under no obligation to update or keep the information current.

Caution: Risk of loss in trading in can be substantial. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

For U.S. persons only: This research report is a product of Phillip Securities (Thailand) PCL which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Phillip Securities (Thailand) PCL only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

Phillip Securities (Thailand) PCL

Registered office: 15^F/ Vorawat Building, 849 Silom Road, Bangrak, Bangkok 10500 Thailand