

# Frasers Property REIT (FTREIT TB)

## Thailand's largest industrial REIT

# BUY

Share Price THB 13.80  
12m Price Target THB 16.25 (+18%)

### Initiate BUY

FTREIT is Thailand's largest industrial REIT in strategic locations with 2m sq.m. of rental space (636 units) valued at THB44b as at end Mar-21. It should be able to maintain its leadership with asset injection from FPT, its main sponsor, third parties and other companies under TCC group (Fig 17). Initiate with BUY given strong market position, well-diversified portfolio, solid cashflow and sustainable high dividend yield. Our TP of THB16.25 is based on DDM (COE 7%, terminal 2%).

### Well-diversified investment portfolio

FTREIT's investment portfolio is well diversified nationwide and in terms of tenant types. Based on leasable areas, FTREIT's assets are 57% warehouses and 43% factories. The properties are strategically located in three key industrial and logistics areas in Thailand, namely the eastern economic corridor (59%), northern Bangkok (23%) and eastern Bangkok (18%). The current occupancy rate (OR) is 88% for warehouses and 83.5% for factories. Based on occupied areas, FTREIT's tenants are in various industries: logistics (34%), automotive (22%), electronics (19%) and retail (6%).

### Solid financial position

Despite the pandemic, FTREIT managed to raise its occupancy rate over the past two quarters. Hence, total income and distribution income grew by 8-9% YoY in FY20 and another 9-10% in 1HFY9/21. Net-interest-bearing debts to total assets declined to 23.8% as at end-Mar-21 (from 26.8% at end Sep-20), lower than its policy of 30%, while net debt-to-EBITDA ratio can be kept at below 5x. Capex budget is set at THB4.8b for FY21F and at least THB2b pa during FY22-23. Asset acquisitions worth around +/-THB1b will happen at end-FY9/21F.

### Valuations

Potential upside to our forecasts includes acquisitions of additional assets, rise in OR and rental rates. FTREIT is trading at 0.8x FY9/21E P/B (-1SD below 5-year mean) with DPU yield of 5% (above +1SD to 5-year mean).

FYE Sep (THB m)	FY19A	FY20A	FY21E	FY22E	FY23E
Revenue	2,745	2,884	3,235	3,367	3,504
Net property income	2,032	2,290	2,556	2,651	2,751
Core net profit	1,749	2,099	2,281	2,410	2,527
Core EPU (THB)	0.67	0.77	0.74	0.79	0.82
Core EPU growth (%)	na	15.1	(3.8)	5.7	4.8
DPU (THB)	0.67	0.67	0.69	0.76	0.79
DPU growth (%)	na	0.1	3.0	9.7	4.8
P/NTA (x)	1.7	1.3	1.2	1.3	1.2
DPU yield (%)	3.8	4.7	5.0	5.5	5.7
ROAA (%)	na	5.2	5.0	5.0	5.2
Debt/Assets (x)	0.25	0.27	0.25	0.24	0.23
Consensus DPU	-	-	0.68	0.68	na
MKE vs. Consensus (%)	-	-	1.8	11.4	na

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### Company Description

FTREIT invests in the freehold and leasehold right of warehouses and factories of Frasers Property Thailand.

### Statistics

52w high/low (THB)	15.10/10.40
3m avg turnover (USDm)	0.3
Free float (%)	59.7
Issued shares (m)	3,063
Market capitalisation	THB42.3B USD1.3B

### Major shareholders:

Frasers Property Thailand (Internationa	21.5%
Social Security Office	11.1%
Bangkok Life Assurance	5.5%

### Price Performance



	-1M	-3M	-12M
Absolute (%)	1	9	(3)
Relative to index (%)	5	7	(17)

Source: FactSet

### Stocks mentioned in the note

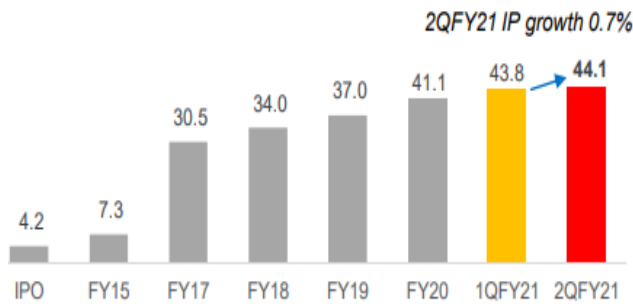
[Frasers Property Thailand](#)  
(FPT, CP:THB11.9, HOLD, TP:THB13.7)

ESG@MKE  
Tear Sheet Insert

## Value Proposition

- FTREIT, previously known as TREIT, was established in Dec-14 and listed in Jan-15.
- Investment portfolio worth THB44b as at end-Mar-21 comprising 636 rental factories (43%) and warehouses (57%) with a combined rental space of 2m sq.m.
- Assets located in Thailand’s key industrial areas in northern Bangkok (23%), eastern Bangkok (18%) and the Eastern Economic Corridor (EEC) (59%).
- Multi-national tenants from Japan (41%), the EU (23%), Asia-non Japan (16%), the US (3%) and Thai (17%).
- Top three tenants are in the logistics (30%), automotive (23%) and electronics (20%) industries.

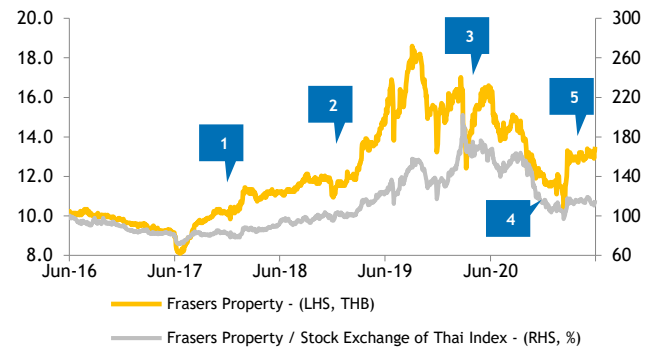
### Value of investment portfolio



Source: Company

## Price Drivers

### Historical share price trend



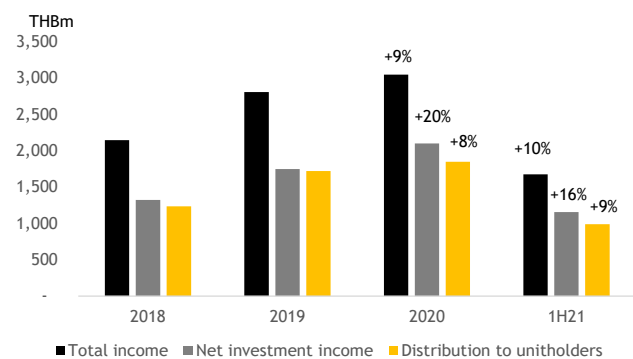
Source: Company, Maybank Kim Eng

1. Conversion of three property funds TFUND, TLOGIS and TGROWTH into TREIT in Dec-17
2. Changed name to FTREIT from TREIT in Jan-19.
3. Briefly hit by the full lockdown in 2Q20.
4. Acquisition of FPT’s rental assets worth THB2.86b in FY9/20.
5. Another two rounds of small asset acquisitions in 1HFY9/21.

## Financial Metrics

- Despite the pandemic, FTREIT was able to increase total income and distribution income by 8-9% YoY for FY9/20 and by another 9-10% for 1HFY9/21.
- Net-interest-bearing debts to total assets declined to 23.8% as at end Mar-21 from 26.8% as at end Sep-20.
- Four distributions of returns per year, implying consistent DPU yield of >5% pa.

### Total income, net investment income, distribution income



Source: Company

## Swing Factors

### Upside

- Recovery of macro outlook and investors’ confidence should help to spur demand and boost market sentiment.
- Asset acquisitions from FPT.
- Better-than-expected rental revisions.

### Downside

- Political instability.
- Regulatory changes.
- FDI showing signs of slowing down.



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<b>Risk Rating &amp; Score<sup>1</sup></b>	Not Rated
<b>Score Momentum<sup>2</sup></b>	na
<b>Last Updated</b>	na
<b>Controversy Score<sup>3</sup></b>	na

## Business Model & Industry Issues

- All property projects need to secure environment impact assessment (EIA) and health environmental impact assessment (HEIA) from the Office of Natural Resources and Environmental Policy and Planning, under the Ministry of Natural Resources and Environment before they can be launched. This helps to ensure the impact on the environment and nearby communities is properly addressed.
- Its property projects focus on using energy saving and environmentally friendly construction processes as well as on building designs that emphasize on safety and high health standards.
- FTREIT has been included in the ESG 100 index provided by the Thaipat Institute since 2019.

### Material E issues

- Industrial estates in Thailand need to conduct EIA and HEIA to secure operating licence to reduce environmental impact.
- FPT’s factories and warehouses are accredited with LEED (Leadership in Energy and Environmental Design) certification by the US Green Building Council.
- Focuses on preserving the environment around its factories and warehouses so that people who live nearby are not affected.
- FPT designs and develops utility systems, such as wastewater treatment, in all large projects to reduce environmental impact.

### Material S issues

- FTREIT has adopted the Sustainable Development Goals in accordance with the United Nations’ framework as a guideline and objectives for sustainable development.
- Assisting tenants by reducing rental and extending rent-due dates on a case-by-case basis based on the impact on each particular tenant to help them overcome the pandemic and economic crisis.
- Conduct business with fairness to all stake holders, respect for human rights, fair treatment of employees, and responsibilities to consumers.

### Key G metrics and issues

- FTREIT is managed by FIRM (Frasers Property Industrial REIT Management), which is wholly-owned by FPT. Property managers are FPT and FPIT (Frasers Property Industrial Thailand).
- The six-member board of directors (BOD) are all males. Of the total, two are independent and 4 are executives.
- Fees for the REIT manager include management fee (0.25% p.a. of total assets), performance fee (3% p.a. of net income), incentive fee (5% of net operating income) and commission fee (not more than 3% of the value of buying / selling / transferring leasehold / receiving leasehold). For FY9/2020, FTREIT paid THB374.6m (+11% YoY) to the manager.
- Its policy states two distributions of returns per year to unitholders at a rate of not less than 90% of adjusted net profit. But FTREIT generally makes four distributions of returns per year.
- No legal case involving anti-competitive behaviour, anti-trust or monopoly legislation.
- Auditor is KPMG Phoomchai Audit. For FY9/20, the audit fee was THB1.77m, up from THB1.52m in FY9/19.
- No member of the BOD or the executive team has committed a criminal act or faced bankrupt or receivership.

## Earnings estimates and valuations

**Fig 1: Main assumptions**

		2020	2021F	2022F	2023F
Leasable area-factories	sqm	847,235	847,235	847,235	847,235
Leasable area-warehouses	sqm	1,023,777	1,166,511	1,166,511	1,166,511
Occupancy rate-factories	average	83.2%	85.0%	86.3%	87.6%
Occupancy rate-warehouses	average	83.9%	85.6%	87.3%	89.0%
Average rental rate-factories	THB/sqm/mth	172	175	179	183
Average rental rate-warehouses	THB/sqm/mth	140	144	147	151
Property income	THBm	2,884	3,235	3,367	3,504
Earnings	THBm	2,099	2,281	2,410	2,527
Net margins		73%	71%	72%	72%
DPU	THBm	1,849	2,110	2,314	2,426
Payout		88%	93%	96%	96%

Source: Company, MKE-ISR

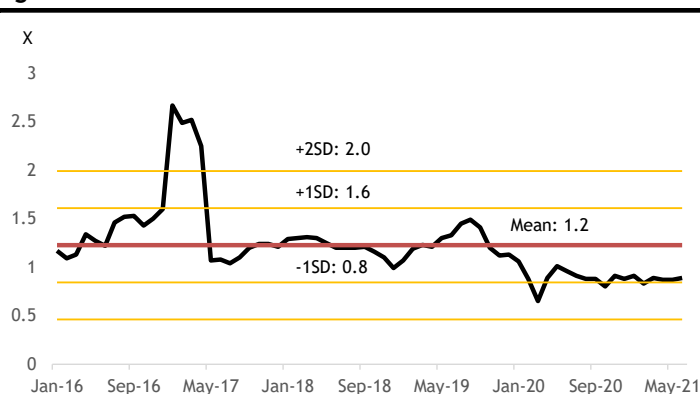
**Fig 2: Valuations**

THBm	2021F	2022F	2023F	2024F	2025F
DPU	2,110	2,314	2,426	2,629	2,791
Terminal value	-	-	-	-	55,821
Total	2,110	2,314	2,426	2,629	58,612
COE=7%	DDM	49,769			
Terminal growth=2%	Per share	16.25			
<b>TP: THB16.25 is equivalent to:</b>					
THB (DPU yield)	2021F		THB (P/B )		2021F
DPU per share	0.69		BV per share		11.3
Yield (+1SD above 5-year mean)	4.2%		P/B (+0.5x above 5-year mean)		1.4x

Source: Company, MKE-ISR

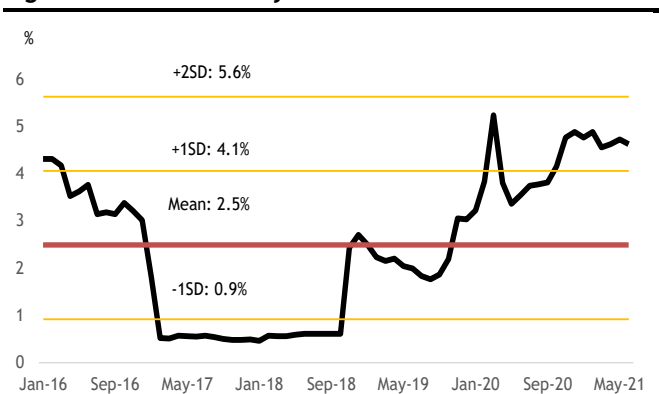
By end-FY9/21, we expect FTREIT to acquire additional assets worth +/-THB1b from FPT. Given its low interest-bearing debt to total asset ratio of 24%, FTREIT can comfortably use debt financing for this deal. This should help to drive 2022F DPU by 2-3% from our forecast. Our DDM-based TP should also increase to THB16.6.

**Fig 3: FTREIT: P/B and SD**



Source: Setsmart, MKE-ISR

**Fig 4: FTREIT: dividend yield and SD**



Source: Setsmart, MKE-ISR

## Investment Highlights

Fig 5: SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• <b>High-quality properties in strategic locations:</b> As at end-Mar-21, FTREIT had 636 rental assets (57% warehouse and 43% factories) worth a combined THB44b. It has 2m sq.m of rental space located in northern Bangkok (23%), eastern Bangkok (18%) and the EEC (59%).</li> <li>• <b>Diversified tenant base:</b> In terms of tenants, the top three by nationality are Japanese (41%), from the EU (23%) and Thai (17%). By industries, 30% are from logistics, 23% from auto and 20% from electronics.</li> <li>• <b>Healthy OR:</b> Overall OR was 86% as at end-Mar-21 (northern Bangkok 79%, eastern Bangkok 99%, EEC 86%), up from 76%/95%/82% at end-FY9/20.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Slight increase in annual rental rates</b> of less than 2%.</li> <li>• <b>Slow FDI inflow into Thailand.</b></li> <li>• <b>Decline in renewal rate</b> to 60% in FY20, from above 75% over the past few years. However, it improved to 67% in 1H21.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• <b>Recovery of macro outlook</b> and consumer confidence should help to spur demand and boost market sentiment.</li> <li>• <b>Strong sponsor.</b> FPT is a sponsor that provides the first right of refusal to FTREIT. This implies FPT will offer to sell high-quality warehouses and factories to FTREIT first before offering it to a third party. As at Sep-20, the fair value of industrial properties held by FPT/FTREIT was THB86.8b with a total net leasable area of around 3m sq.m.</li> <li>• <b>Massive land reserve for future developments.</b> It owns 3,000 rai under FPT. This includes 300 rai of land in Binh Duong Vietnam, 2000 rai of land under a JV with TRA in Bangna-Trad Eastern Bangkok, two JVs with Mitsui Fudosan and one JV with PROSPECT (1 rai=1600 sq.m.).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Political instability and regulatory changes.</b></li> <li>• <b>Interest rate outlook.</b></li> <li>• <b>Competition from neighbouring countries</b> i.e. Vietnam, Malaysia and Indonesia.</li> </ul>

Source: Company, MKE-ISR

## Growth potential

Factors that can impact the trust's performance include the level of OR, ability to raise rental rates, amount of asset injection, capital structure for upcoming asset acquisitions and interest rate outlook. Note FPT is looking to inject additional assets worth +/-THB1b into FTREIT within this fiscal year.

FPT, its main sponsor, currently has 1m sqm of rental assets on hand. In addition, it has a massive 3,000 rai (1 rai=1600 sqm) of land reserve for future developments, including 300 rai of land in Binh Duong Vietnam, 2,000 rai of land under a JV with TRA in Bangna-Trad Eastern Bangkok, a JV with Mitsui Fudosan and a JV with Prospect Development. As at Sep-20, the fair value of industrial properties held by FPT/FTREIT was THB86.8b with total net leasable area of around 3m sq.m.

FPT also allows FTREIT to enter into sale and leaseback contracts for rental assets with third parties. Over the past few years, there were two deals; one from a company under CP group and another from non-listed Sahathai Property Development. We see potential asset enhancement from companies related to FPT and shareholders of TCC group (Figure 17), which is one of the country's largest conglomerates and landlords. Also, FTREIT in the future is capable of buying new types of assets such as data centres and rooftop space for solar power business etc.

Fig 6: Overview of FTREIT

As of 31 March 2021	Factory	Warehouse	Overall Portfolio
No of Properties (Units)	337	299	636
Portfolio Value (THB million)	21,237.8	22,899.7	44,137.5
Net Leasable Area (Sq.m)	863,885	1,166,511	2,030,396
WALE <sup>(2)</sup>	1.8 years	2.4 years	2.1 years
Occupancy rate (With/without guarantee)			
Average 2QFY21 (3 Months)	83.5% / 83.5%	88.4% / 83.2%	86.3% / 83.3%
As of 31 March 2021	82.9% / 82.9%	88.2% / 82.9%	85.9% / 82.9%
Property Ages	14.0 years	8.2 years	10.6 years

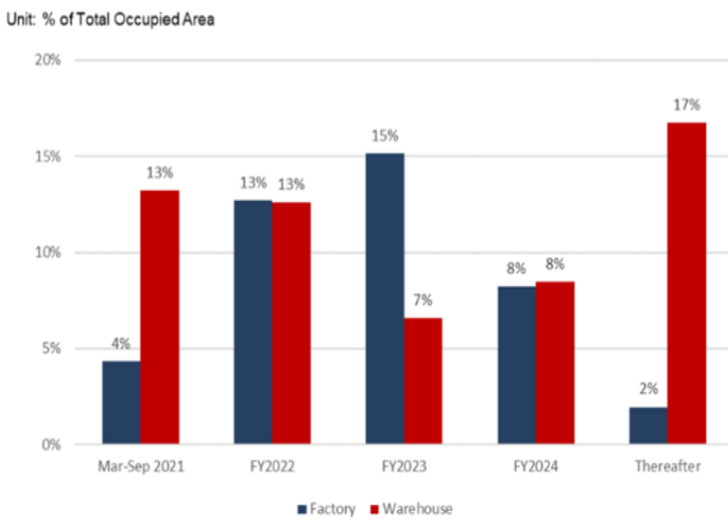
Source: Company

Fig 7: Location of assets



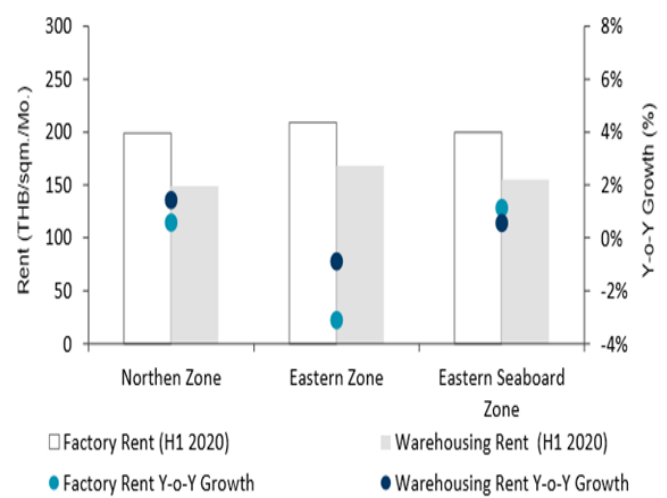
Source: Company

Fig 8: Lease expiry



Source: Company

Fig 9: Rental rates by location



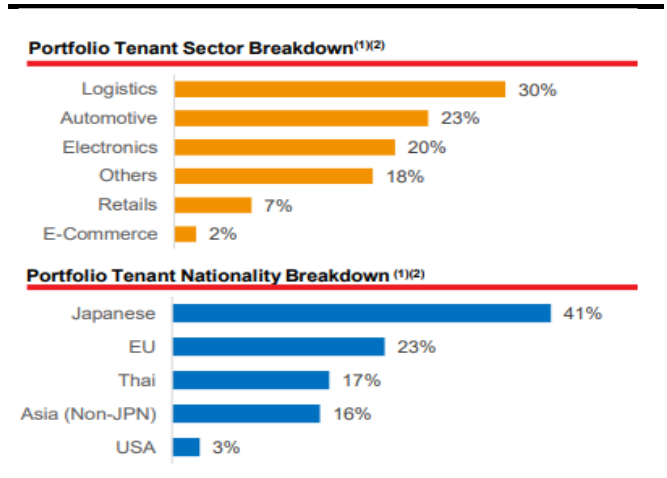
Source: Nexus

Fig 10: Breakdown of tenants by gross rental income (GRI)

Top-10 Portfolio Tenants <sup>(1)</sup>	Industry	Nationality	% of GRI
DHL	Logistics	German	7.46%
Siam Makro	Retail	Thai	4.20%
Samsung	Electronics	Korean	2.72%
Kintetsu Logistics	Logistics	Japanese	1.79%
Berli Jucker Logistics	Logistics	Thai	1.66%
CTD	Logistics	Thai	1.61%
Hi-P	Electronics	Singaporean	1.54%
DTS	Automotive	German	1.40%
Lazada	Electronics	Chinese	1.35%
Leschaco	Logistics	German	1.29%
<b>Total:</b>			<b>25.0%</b>
<b>WALE:</b>			<b>3.13Yrs</b>

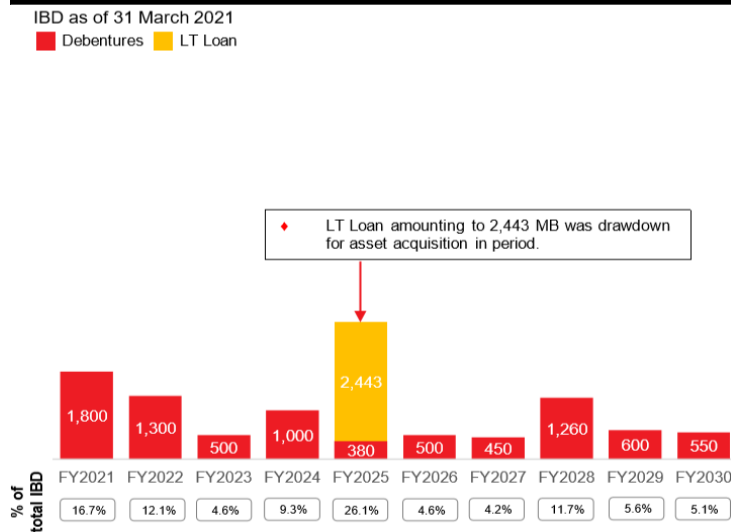
Source: Company

Fig 11: Tenants mix - highly diversified



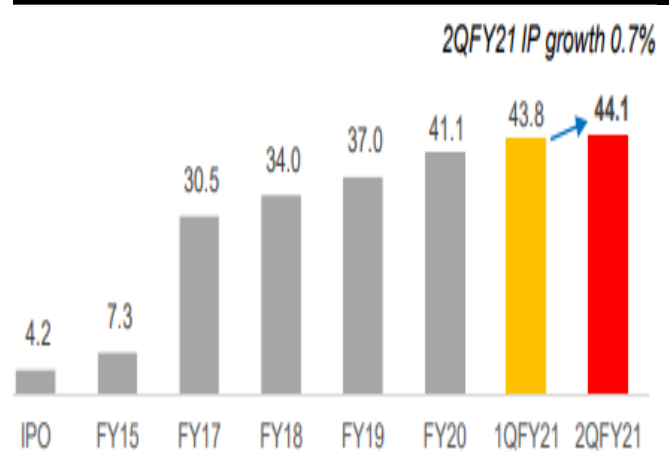
Source: Company

Fig 12: Debt maturity profile (THBm)



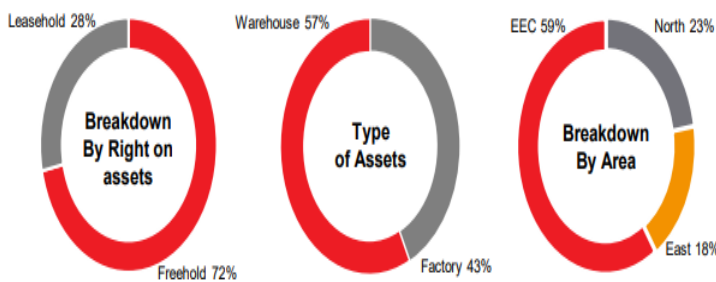
Source: Company

Fig 13: Assets enhancement (THB b)



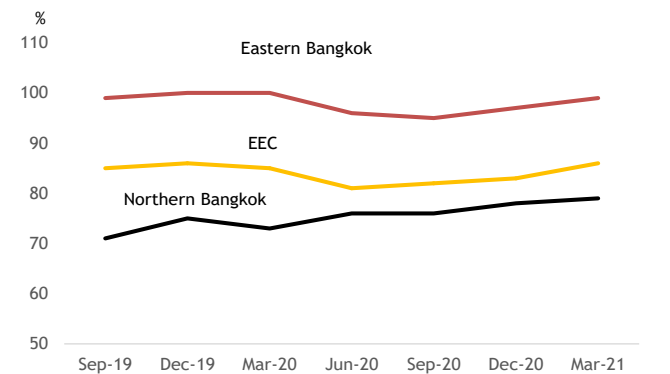
Source: Company

Fig 14: Breakdown of asset profile



Source: Company

Fig 15: Occupancy rate in each area



Source: Company

Fig16: Peer comparison

No.	REITs	Market Cap (M. Bt)	Freehold / Leasehold	Dividend Pay	Average Dividend Yield	Dividend (Bt/unit)			NAV (Bt/unit)	Prem/Disc NAV	Closed Price	% Chg YTD
						3Q20	4Q20	1Q21				
1	AIMCG	1,670.4	2032 / 2040 / 2049	Quarterly	6.11%	0.1273	0.1273	-	10.50	-4.8%	5.80	1.7%
2	AIMIRT	5,157.6	Freehold	Quarterly	7.13%	0.2150	0.2175	0.2200	12.22	-1.0%	12.10	-5.4%
3	ALLY	6,162.4	Leasehold	Semi-annual	2.91%	-	0.0550	0.1500	9.63	-26.8%	7.05	21.7%
4	AMATAR	3,364.2	Freehold/leasehold	Quarterly	5.32%	0.1700	-	0.1600	10.08	-6.7%	9.40	-6.4%
5	BOFFICE	6,972.9	2044	Quarterly	6.05%	0.1512	0.1704	-	10.57	-10.6%	9.45	-14.0%
6	B-WORK	3,688.0	2048	Quarterly	7.79%	0.1923	0.1912	0.2029	10.47	-4.5%	10.00	-10.7%
7	CPNREIT	55,469.5	2024/2025/2044/2095	Quarterly	0.00%	-	-	-	13.40	61.2%	21.60	24.7%
8	DREIT	3,543.3	Freehold / 2040	Semi-annual	7.79%	-	0.2130	-	7.66	-34.9%	4.98	25.0%
9	FTREIT	41,049.4	Freehold/leasehold	Semi-annual	3.75%	-	0.1680	0.1680	10.75	24.6%	13.40	18.8%
10	GAHREIT	1,456.7	Freehold	Quarterly	7.23%	-	0.3000	-	10.42	-20.4%	8.30	4.5%
11	GVREIT	8,636.9	Leasehold / (2040-2041)	Quarterly	7.28%	0.2000	0.2037	0.1915	11.07	-4.3%	10.60	-16.3%
12	HREIT	7,393.2	Leasehold	Quarterly	7.83%	0.1715	0.1718	0.1738	9.03	-2.6%	8.80	13.7%
13	IMPACT	28,760.5	Freehold	Quarterly	1.65%	0.1200	0.2000	-	10.80	79.7%	19.40	2.0%
14	LHOTEL	5,325.4	2040	Semi-annual	0.00%	-	-	-	11.37	-12.9%	9.90	0.0%
15	LHSC	5,563.9	2040	Semi-annual	2.63%	0.1000	0.1500	0.0500	11.99	-4.9%	11.40	0.9%
16	MIT	296.4	Freehold	Annual	0.00%	-	-	-	7.82	-61.1%	3.04	-8.2%
17	PROSPECT	2,315.3	2039	Semi-annual	4.27%	0.1227	0.2805	-	9.72	-2.8%	9.45	8.7%
18	SHREIT	980.9	Freehold / 2043	Quarterly	0.00%	-	-	-	6.61	-57.9%	2.78	-8.3%
19	SPRIME	3,171.9	2049	Quarterly	6.35%	0.1600	0.1600	0.1310	9.86	-28.0%	7.10	-17.0%
20	SRIPANWA	2,176.7	Leasehold	Annual	0.00%	-	-	-	12.29	-36.5%	7.80	2.5%
21	SSTRT	914.1	Freehold	Annual	9.13%	-	0.3150	-	7.96	-26.5%	5.85	10.5%
22	TPRIME	5,475.0	Freehold/leasehold	Quarterly	5.55%	0.1418	0.1968	0.0885	12.41	-19.4%	10.00	-21.0%
23	WHABT	1,828.1	Freehold/leasehold	Quarterly	7.12%	0.1710	0.1710	0.1660	10.87	-16.8%	9.05	4.7%
24	WHART	37,211.8	Freehold/leasehold	Quarterly	5.55%	0.1915	0.1833	0.1915	10.97	22.1%	13.40	3.8%

Source: SET, MKE, \* Price as of Jun 29, 2021

Fig 17: TCC group



Source: TCC group's website: [www.tcc.co.th](http://www.tcc.co.th)

TCC group was founded in 1960 and it's now one of Thailand's leading conglomerates and largest landlords. The group has: 1) F&B unit, under Singapore-listed Thai Beverage Plc (SGX Symbol: Y92); 2) industrial and trading business unit under Berli Jucker's group (BJC, CP: THB34, Buy, TP:THB44); 3) finance and insurance unit under a non-listed southeast Asia financial and insurance group; 4) property and real estate under TCC Assets, FPT and TCC Land; as well as: 5) agricultural and agro industrial business.

Note that every business unit is the top and largest in their class. Thai Beverage is a leading beverage company in Southeast Asia and the largest in Thailand. Its business consists of four segments: 1) spirits; 2) beer; 3) non-alcoholic beverages; and 4) food. BJC is one of the leading marketing, sales, distribution systems and service providers in Thailand. Its businesses comprise of packaging, consumer, healthcare/technical, modern retail (BIGC supercentre), and others. The property and real estate business under several leading developers engages in all types of properties and the group is also one of Thailand's largest landlords.

We see perfect synergy among the group with FTREIT as a vehicle for FPT, other companies under the TCC group as well as the third parties to monetize their assets to improve cashflow and profitability ratios.

Out of all of FPT/FTREIT's industrial properties, around 5% of 3m sq.m are leased by companies under the TCC group. We see room to increase this proportion. For new rental space (+100k-150k sq.m. per year), around 30-40% are offered to companies under the group and the rest are for third parties. The latest deal was a 33,000 sqm built-to-suit warehouse rental contract to Thai Beverage.



FYE 30 Sep	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Key Metrics</b>					
Price/DPU(x)	26.6	21.4	20.0	18.3	17.4
P/BV (x)	1.7	1.3	1.2	1.3	1.2
P/NTA (x)	1.7	1.3	1.2	1.3	1.2
DPU yield (%)	3.8	4.7	5.0	5.5	5.7
FCF yield (%)	10.2	18.5	18.1	6.6	6.9
<b>INCOME STATEMENT (THB m)</b>					
Revenue	2,745.5	2,883.8	3,235.1	3,366.9	3,504.1
<b>Net property income</b>	<b>2,032.3</b>	<b>2,290.2</b>	<b>2,555.8</b>	<b>2,651.4</b>	<b>2,750.7</b>
Management and trustee fees	0.0	0.0	0.0	0.0	0.0
Net financing costs	(271.3)	(314.7)	(360.0)	(345.0)	(330.0)
Associates & JV	0.0	0.0	0.0	0.0	0.0
Exceptionals	0.0	0.0	0.0	0.0	0.0
Other pretax income/expenses	0.0	0.0	0.0	0.0	0.0
<b>Pretax profit</b>	<b>1,749.4</b>	<b>2,099.0</b>	<b>2,281.1</b>	<b>2,410.4</b>	<b>2,527.3</b>
Income tax	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0
<b>Total return avail to unitholders</b>	<b>1,749.4</b>	<b>2,099.0</b>	<b>2,281.1</b>	<b>2,410.4</b>	<b>2,527.3</b>
Core net profit	1,749.4	2,099.0	2,281.1	2,410.4	2,527.3
<b>BALANCE SHEET (THB m)</b>					
Cash & Short Term Investments	305.2	554.2	1,350.3	956.2	394.3
Accounts receivable	225.3	176.5	185.3	194.6	204.3
Property, Plant & Equip (net)	0.0	0.0	0.0	0.0	0.0
Investment properties	37,049.4	41,143.6	46,145.9	46,445.9	46,745.9
Intangible assets	0.0	0.0	0.0	0.0	0.0
Investment in Associates & JVs	0.0	0.0	0.0	0.0	0.0
Other assets	915.1	995.5	1,020.7	1,044.9	1,069.5
<b>Total assets</b>	<b>38,494.9</b>	<b>42,869.8</b>	<b>48,702.2</b>	<b>48,641.5</b>	<b>48,413.9</b>
ST interest bearing debt	1,302.0	2,856.2	3,500.0	3,000.0	2,500.0
Accounts payable	0.0	0.0	0.0	0.0	0.0
LT interest bearing debt	8,438.2	8,638.3	8,500.0	8,500.0	8,500.0
Other liabilities	1,265.5	1,400.7	3,453.5	3,509.4	3,568.6
<b>Total Liabilities</b>	<b>11,005.8</b>	<b>12,895.1</b>	<b>15,453.5</b>	<b>15,009.4</b>	<b>14,568.6</b>
Shareholders Equity	27,489.2	29,974.7	33,248.6	33,632.1	33,845.3
Minority Interest	0.0	0.0	0.0	0.0	0.0
<b>Total shareholder equity</b>	<b>27,489.2</b>	<b>29,974.7</b>	<b>33,248.6</b>	<b>33,632.1</b>	<b>33,845.3</b>
<b>Total liabilities and equity</b>	<b>38,494.9</b>	<b>42,869.8</b>	<b>48,702.2</b>	<b>48,641.5</b>	<b>48,413.9</b>
<b>CASH FLOW (THB m)</b>					
<b>Cash flow from operations</b>	<b>1,779.9</b>	<b>2,077.1</b>	<b>2,315.8</b>	<b>2,448.5</b>	<b>2,568.4</b>
Capex	(2,963.9)	(4,999.0)	(5,002.3)	(300.0)	(300.0)
Acquisitions & investments	0.0	0.0	0.0	0.0	0.0
Disposal of FA & investments	0.0	0.0	0.0	0.0	0.0
Dividend income from associates	0.0	0.0	0.0	0.0	0.0
Other investing cash flow	68.0	37.4	1,952.6	(47.6)	(49.2)
<b>CF from investing activities</b>	<b>(2,896.0)</b>	<b>(4,961.5)</b>	<b>(3,049.7)</b>	<b>(347.6)</b>	<b>(349.2)</b>
Dividends paid	(1,720.2)	(1,848.6)	(1,814.6)	(2,027.0)	(2,314.0)
Interest expense	0.0	0.0	0.0	0.0	0.0
Change in debt	2,807.2	1,754.2	505.6	(500.0)	(500.0)
Equity raised / (purchased)	0.0	3,139.8	2,808.0	0.0	0.0
Other financial activities	100.8	88.2	31.0	31.9	32.9
<b>CF from financing activities</b>	<b>1,187.8</b>	<b>3,133.5</b>	<b>1,530.0</b>	<b>(2,495.1)</b>	<b>(2,781.1)</b>
<b>Effect of exchange rate changes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net cash flow</b>	<b>71.7</b>	<b>249.1</b>	<b>796.1</b>	<b>(394.2)</b>	<b>(561.9)</b>

FYE 30 Sep	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Key Ratios</b>					
<b>Growth ratios (%)</b>					
Revenue growth	na	5.0	12.2	4.1	4.1
Net property income growth	na	12.7	11.6	3.7	3.7
Core net profit growth	na	20.0	8.7	5.7	4.8
Distributable income growth	na	na	na	na	na
<b>Profitability ratios (%)</b>					
Net property income margin	74.0	79.4	79.0	78.7	78.5
Core net profit margin	63.7	72.8	70.5	71.6	72.1
Payout ratio	99.4	90.0	92.5	96.0	96.0
<b>DuPont analysis</b>					
Total return margin (%)	63.7	72.8	70.5	71.6	72.1
Gross revenue/Assets (x)	0.1	0.1	0.1	0.1	0.1
Assets/Equity (x)	1.4	1.4	1.5	1.4	1.4
ROAE (%)	na	na	na	na	na
ROAA (%)	na	5.2	5.0	5.0	5.2
<b>Leverage &amp; Expense Analysis</b>					
Asset/Liability (x)	3.5	3.3	3.2	3.2	3.3
Net gearing (%) (excl. perps)	34.3	36.5	32.0	31.4	31.3
Net interest cover (x)	7.4	7.7	7.3	8.0	8.7
Debt/EBITDA (x)	4.8	4.8	4.5	4.2	3.8
Capex/revenue (%)	108.0	173.3	154.6	8.9	8.6
Net debt/ (net cash)	9,435.1	10,940.2	10,649.7	10,543.8	10,605.7
Debt/Assets (x)	0.25	0.27	0.25	0.24	0.23

Source: Company; Maybank



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