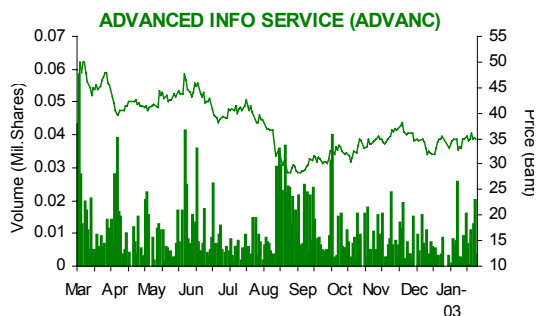


Advanced Info Service Plc. (ADVANC)

Recommendation : BUY
Share Price : Bt34.75
Fair Value : Bt40.00



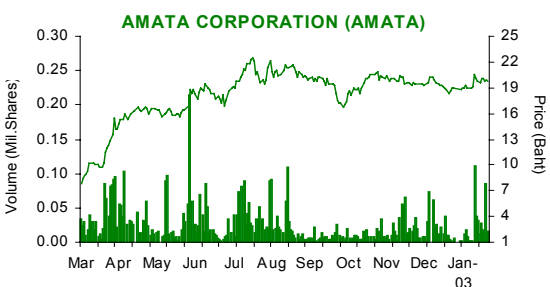
Earnings summary

	2000	2001	2002F	2003F	2004F
Revenue (Bt mn)	59,257	95,009	109,749	122,091	118,151
EBITDA (Bt mn)	14,984	22,121	31,316	37,507	43,737
Net profit (Bt mn)	6,599	3,851	9,797	11,769	14,767
EPS (Bt)	2.44	1.31	3.34	4.01	5.03
EBITDA margin (%)	40.54%	37.33%	32.83%	34.13%	35.78%
P/E (x)	14.22	26.48	10.41	8.67	6.91
EV/EBITDA (x)	8.13	5.88	4.72	3.86	3.24
CF/share (Bt)	1.96	0.06	-0.99	5.76	6.49
BV per share (Bt)	10.42	13.56	16.70	20.71	25.74
P/BV (x)	3.34	2.56	2.08	1.68	1.35
Net debt/equity (x)	0.70	0.68	0.93	0.70	0.53
DPS (Bt)	0.40	0.40	0.67	0.80	1.45
Div Yield (%)	1.15%	1.15%	1.92%	2.31%	4.17%

- An increase in November's ARPU from Bt518 to Bt524 has partly alleviated market concerns about the more competitive environment ADVANC is now facing. The rise in ARPU reflects the company's shift on boosting profitability rather than concentrating on subscriber growth.
- We expect further improvements in ARPU in December following ADVANC's decision to halve the time period for its pre-paid cards to 30 days and eliminate free airtime promotions. As a result, we expect ADVANC's average monthly ARPU to rise to Bt550, 10% higher than its monthly low of Bt500 in 2002. The trade-off is that subscriber growth is estimated to slow to 23% last year versus 116% in 2001.
- ADVANC is expected to make substantial tax savings by transferring its mobile handset trading unit (AWM) to loss-making DPC. We expect further savings on costs once the company implements its migration plan from the DPC system to ADVANC's network.
- Although its best days of growth are behind it, ADVANC is turning more profitable as capex spending slows. Shareholders can not only benefit from the company's share buy-back programme but are likely to receive higher dividend payouts than last year.
- ADVANC is currently trading at an attractive 2003 EV/EBITDA of 3.86x and is at a 13% discount to our fair value estimate of Bt40.

Amata Corporation Plc. (AMATA)

Recommendation : BUY
Share Price : Bt19.70
Fair Value : Bt27.00



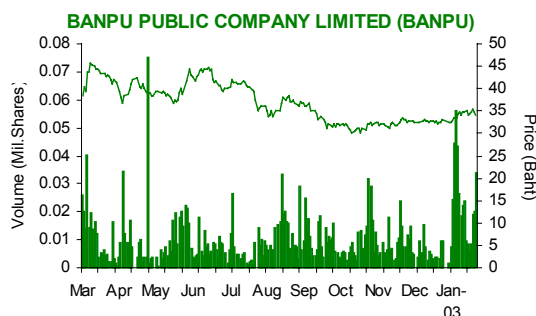
Earnings Summary

	2000	2001	2002F	2003F
Sales (Btmn)	946	1,211	2,155	2,406
EBITDA (Btmn)	138	335	627	753
Normalised earnings (Btmn)	36	216	554	669
Earnings (Btmn)	63	336	842	669
EPS (Bt)	0.29	1.57	3.95	3.13
PER (x)	66.81	12.52	4.99	6.29
EV/EBITDA (x)	36.46	13.29	6.30	4.54
Free cash flow (Btmn)	413	1,381	653	872
CF/share (Bt)	0.71	0.88	2.90	3.49
Book value per share (Bt)	8.41	9.13	10.92	12.50
Price/BV (x)	2.34	2.16	1.80	1.58
DPS (Bt)	-	1.00	1.58	1.57
Dividend yield (%)	0.00%	5.08%	8.02%	7.95%
Net debt/equity (X)	0.5	0.1	Cash	Cash

- AMATA is a major beneficiary of the rapid expansion of Thailand's auto manufacturing industry. Vehicle assemblers and auto parts suppliers currently account for 39% and 30% of total tenants at Amata Nakorn and Amata City Rayong, respectively.
- AMATA's revenue is forecast to surge 77% in 2002 to Bt2,155mn due to increase in sales of both land and services. Net profit, meanwhile, is estimated to soar 150% to Bt842mn.
- We expect AMATA to pay a full-year dividend from 2002 earnings of Bt1.50 per share, representing a generous yield of 7.6%. We find the stock attractive on other valuation techniques, as well, with a 2003 PER of 6.3x and EV/EBITDA of 4.5x. AMATA is currently trading at a 27% discount to our fair value estimate of Bt27.

Banpu Plc. (BANPU)

Recommendation : BUY
Share Price : Bt34.25
Fair Value : Bt45.00



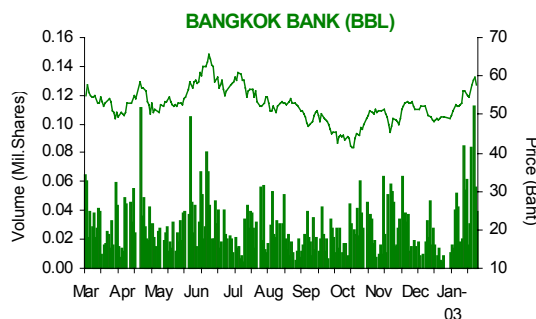
Earnings Summary

	2000	2001	2002F	2003F
Sales (Bt mn)	4,439	5,734	11,475	12,460
EBITDA (Bt mn)	885	1,170	3,210	3,605
Normalised earnings (Btmn)	(1,141)	(1,475)	953	1,520
Earnings (Btmn)	(814)	2,314	1,678	1,520
EPS (Bt)	(3.9)	11.0	6.3	5.7
PER (x)	N.A.	3.1	5.4	6.0
EV/EBITDA (X)	19.2	16.0	6.6	5.4
Free cash flow (Btmn)	240	(321)	(809)	2,018
CF/share (Bt)	5.9	1.0	3.3	10.2
Book value per share (Bt)	31.0	31.9	30.6	33.8
DPS (Bt)	1.0	3.0	2.0	2.5
Dividend yield (%)	2.9%	8.8%	5.9%	7.3%

- Recently, BANPU reported that only 46% of its Banpu-W2 warrants exercised at the last conversion period on January 14. The 48.3mn warrant units were converted into 50mn new common shares, resulting in EPS dilution of only around 16%.
- The proceeds of the warrant conversion of about Bt1,634mn will be used to refinance part of the debts of BANPU's Indonesia mining company, Indominco. Indominco currently has long-term loans totaling \$85mn (Bt3,655mn). BANPU will refinance the remaining portion through the issue of Bt3bn worth of five-year debentures carrying a coupon rate of 2.95-3.2%. By reducing Indominco's interest rate from LIBOR +1.9% to only around 3%, we believe the company would be save interest costs of around Bt145mn along the period.
- We expect BANPU's 4Q02 earnings will improve from the last quarter due to a rebound in spot coal prices and the recognition of a Bt188mn dividend from Tri Energy (TECO). Excluding forex adjustments, we believe BANPU will report 4Q02 normalised earnings of Bt373mn and full-year 2002 earnings of Bt953mn.
- Additionally, we forecast BANPU will pay 2H02 dividend of Bt1, after paying an interim dividend of Bt1.50 from 1H02 operations. Adding these together, BANPU's shares are currently trading on an attractive annual dividend yield of 7.3%.

Bangkok Bank Plc. (BBL)

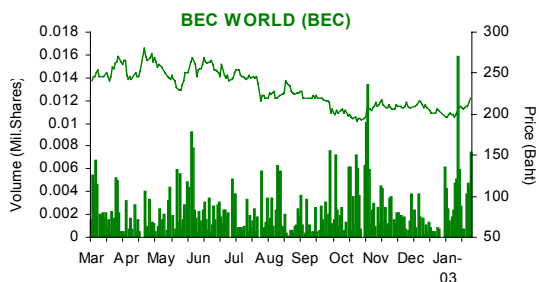
Recommendation : BUY
Share Price : Bt57.50
Fair Value : Bt78.00



Earnings Summary

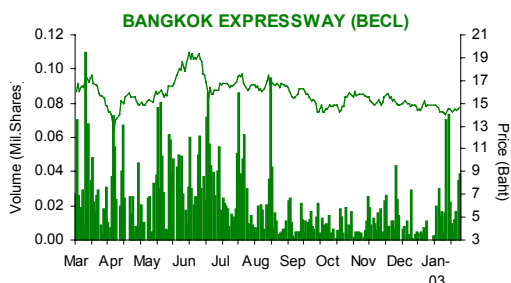
Bt mn	2001	2002	2003F	2004F
Pre-provisioning profit	11,939	10,502	11,557	13,650
Net profit	6,484	6,271	7,398	9,423
PPPps (Bt)	8.14	7.16	7.88	9.31
EPS (Bt)	4.42	4.28	5.04	6.42
BVPS (Bt)	29.45	37.84	42.88	49.31
P/PPP (x)	7.06	8.03	7.30	6.18
P/E (x)	13.01	13.45	11.40	8.95
P/B (x)	1.95	1.52	1.34	1.17
ROE (%)	16.81	12.71	12.50	13.94

- Bangkok Bank (BBL) has produced quite stable earnings over the past two years. BBL announced 4Q02 pre-provisioning profit (PPP) of Bt2.6bn and quarterly provisioning of Bt1bn. As a result, the bank was able to maintain full-year earnings of Bt6.27bn last year, close to the Bt6.49bn made a year earlier.
- Based on the new definition of classifying NPLs by client instead of by account, BBL's NPLs increased from Bt113bn in November last year to Bt216bn at year end. However, this does not impact either the bank's provisioning policy or its capital base. Currently, BBL's loan-loss reserve represents 145% of the BOT's minimum requirement or 70% of classified problem loans. In the banking sector, we believe that BBL has the highest coverage ratio.
- We believe the major concern for BBL is its need to raise capital if the bank intends to redeem its Bt46bn CAPS after April next year. Based on our calculations, if BBL has to maintain Tier 1 of at least 6% after CAPS redemption, BBL needs to increase capital by at least Bt28bn. However, BBL may instead decide to buy back all its CAPS at the expiration date on April 2006, allowing the bank to rebuild its equity base internally for the three years before expiration. Even if BBL decides to raise fresh capital and redeem its CAPS early, we don't see it as unduly negative. BBL would immediately save annual interest expenses of Bt5.18bn, or approximately 18.5% return on new capital employed.
- Based on 1.5x adjusted book value, BBL shares are worth Bt78, representing an upside of 36% from the current share price.

BEC World Plc. (BEC)**Recommendation : BUY****Share Price : Bt220.00****Fair Value : Bt268.00****Earnings Summary**

	2000	2001	2002F	2003F
Sales (Btmn)	5,039	5,249	5,382	5,802
EBITDA (Btmn)	3,696	3,770	3,957	4,235
Norm profit (Btmn)	1,545	1,543	1,718	1,894
Net profit (Btmn)	1,545	1,543	1,718	1,894
EPS (Bt)	7.73	7.71	8.59	9.47
PER (x)	28.47	28.52	25.61	23.23
EV/EBITDA (x)	10.83	10.44	9.98	9.27
Free cash flow(Btmn)	2,946	2,920	3,108	3,526
CF/share (Bt)	14.73	14.60	15.54	17.63
BV/share (Bt)	36.81	37.01	37.63	38.59
Price/BV (x)	5.98	5.94	5.85	5.70
DPS (Bt)	7.50	8.00	8.50	9.47
Dividend yield (%)	3.4%	3.6%	3.9%	4.3%
Net Debt/Equity (x)	cash	cash	cash	cash

- BEC's earnings will be boosted by an 8-33% ad rate hike for its TV Channel 3 that took effect in October 2002. As the company has a relatively fixed cost structure, any increase in income flows through to its bottom line.
- For FY02 TV ad spending grew 13%, according to AC Nielsen Research. BEC is a direct beneficiary of ad spending growth as it one of Thailand's biggest TV stations, with more than 90% of the company's income derived from advertising.
- BEC is projected to generate strong cash flow of Bt3,108mn in 2002, with 11% growth in net profit to Bt1,718mn. We expect the company to reward shareholders with a dividend of Bt8.50/share, representing a 4% yield.
- Based on DCF analysis, our fair value estimate of BEC is Bt268, 22% higher than the current share price.

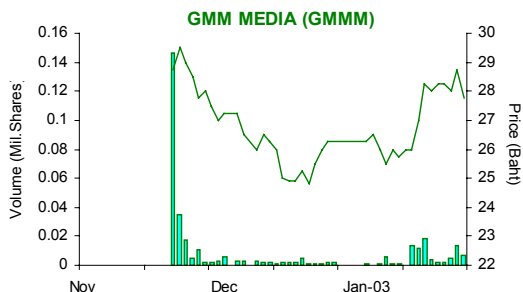
Bangkok Expressway Plc. (BECL)**Recommendation : BUY****Share Price : Bt14.60****Fair Value : Bt25.40****Earnings Summary**

	2000	2001	2002F	2003F
Sales (Btmn)	5,531	5,945	6,428	6,726
EBITDA (Btmn)	4,858	5,208	5,430	5,346
Normalised earnings (Btmn)	172	874	1,057	1,130
Earnings (Btmn)	172	874	795	1,130
EPS (Bt)	0.22	1.14	1.03	1.47
PER (x)	65.4	12.9	14.1	9.9
EV/EBITDA (x)	10.4	9.3	8.6	8.4
Free cash flow (Btmn)	736	2,543	2,252	2,877
CF/share (Bt)	3.39	3.22	3.72	4.97
Book value per share (Bt)	17.8	17.6	18.2	21.2
Price/BV (x)	0.8	0.8	0.8	0.7
Dividend yield (%)	5.1%	5.1%	6.8%	10.2%
Net debt/equity (X)	2.98	2.68	2.50	2.30

- After falling 25% from its 2002 peak of Bt19.40 last June, BECL is now trading on an attractive 2003 PER of 10x and a 43% discount to our revised down NPV estimate of Bt25.4/share.
- BECL's 2002 earnings are projected to fall 9% following a decline in its revenue-sharing from 60% to 50% last September, penalty charges for debt restructuring and higher tax payments. However, earnings should rebound 42% to Bt1.13bn this year due to resilient traffic volumes, lower interest expenses and an expected 12.5% hike in toll fees on the central system next September.
- BECL will be a major beneficiary of an expected drop in interest rates in 1Q03 as interest on 50% of its Bt35.8bn debt is linked to MLR. BECL retired Bt1.81bn of debt last year and is expected to repay about Bt2bn in loans in 2003.
- We expect BECL to pay a Bt0.75/share dividend for its 2002 operations representing a 5% yield. For 2003-2004, its dividend is projected to rise to Bt1 and Bt1.5, representing yields of 7% and 10% respectively.

GMM Media Plc. (GMMM)

Recommendation : BUY
Share Price : Bt27.75
Fair Value : Bt36.30



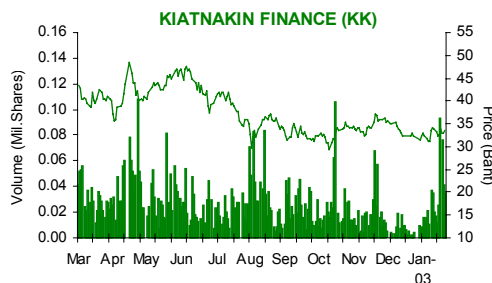
Earnings Summary

	2000	2001	2002F	2003F
Sales (Btmn)	434	510	1,898	2,047
EBITDA (Btmn)	229	233	570	630
Norm profit (Btmn)	154	158	403	441
Net profit (Btmn)	154	158	403	441
EPS (Bt)	5.93	6.06	2.02	2.21
PER (x)	4.68	4.58	13.76	12.58
EV/EBITDA (x)	2.21	1.95	6.31	5.53
Free cash flow(Btmn)	137	174	599	346
CF/share (Bt)	5.25	6.70	2.99	1.73
BV/share (Bt)	10.03	12.66	9.50	10.90
Price/BV (x)	2.77	2.19	2.92	2.55
DPS (Bt)	2.28	3.43	0.81	0.88
Dividend yield (%)	8.2%	12.4%	2.9%	3.2%
Net Debt/Equity (x)	cash	cash	cash	cash

- All five stations of GMMM are ranked in the top ten of Thailand's most popular radio stations, with a combined listener and radio ad spending share of about 56% and 32%, respectively. Rising radio ad spending of 19% to Bt5,531mn in 11M02 should be positive to GMMM given its advertising-base revenues.
- We expect GMMM to achieve 2002 revenue of Bt1,898mn, of which 65% will come from the radio unit. Its major sales and earnings driver this year is the growing popularity of its five radio stations.
- With radio sales rising, gross margins should further improve to a projected 58%. We are forecasting net profit for this year of Bt403mn with fully diluted EPS of Bt2.02. Given the company's 40% dividend payment policy, we believe that GMM Media can pay a full-year dividend of Bt0.81/share.
- The company has a net cash position and strong cash flow of Bt599mn or Bt3.0/share. The stock offers a theoretical 31% upside to our target price of Bt36.70.

Kiatnakin Finance Plc.(KK)

Recommendation : BUY
Share Price : Bt33.50
Fair Value : Bt49.00



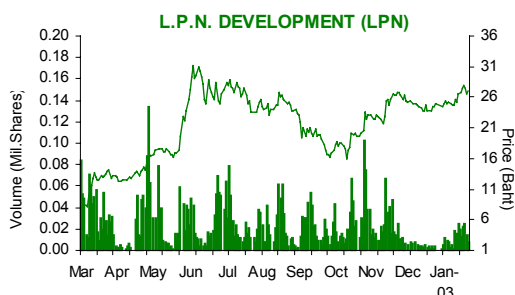
Earnings Summary

Bt mn	2001	2002	2003F	2004F
Pre-provisioning profit	1,915	1,452	2,179	2,435
Net profit	1,389	1,406	1,998	2,242
PPPps (Bt)	6.33	4.16	6.24	6.97
Eps (Bt)	4.59	4.03	5.72	6.42
BVps (Bt)	32.06	28.46	31.32	34.53
Dps (Bt)	2.00	2.00	2.86	3.21
P/PPP (x)	5.29	8.06	5.37	4.80
P/E (x)	7.30	8.32	5.85	5.22
P/B (x)	1.04	1.18	1.07	0.97
Dividend yield (%)	5.97	5.98	8.54	9.58
ROE (%)	15.00	14.32	19.14	19.50

- KK has been one of the first finance companies to reward shareholders with sizeable dividends. Based on 2002 earnings of Bt1.4bn (Bt4.03/share), we expect KK to pay 50% or Bt2/share dividend, similar to the previous year. The stock should go XD in early April, which means that investors will likely get a 6% dividend yield within the next three months.
- KK has been able to capture windfall profits from FRA loan restructuring. Although these profits are not recurrent, we like the company's strategy and ability to seek high risk-high return businesses such as used car-financing, loan restructuring deals and acquiring and managing bad debts. As a result, KK enjoys relatively higher NIM of 7-8%, versus 3-4% for its rivals.
- We have adjusted our forecast and target price following the announcement of KK's 2002 results. Due to 46.5mn new shares created from warrant conversions, we have cut our target price to Bt49/share for this year-end. However, in case of full dilution from all remaining warrants of both KK-W3 & KK-W4 being exercised, our target price would be Bt39.25, which still offers upside from the current market price of Bt33.50.

LPN Development Plc. (LPN)

Recommendation : BUY
Share Price : Bt27.00
Fair Value : Bt36.00



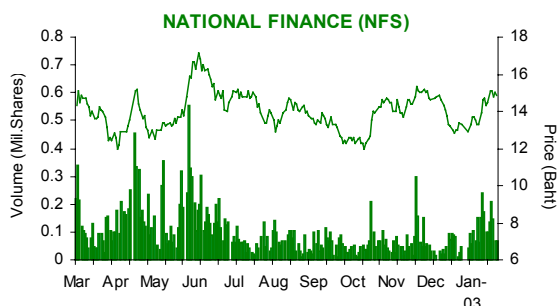
Earnings Summary

	2000	2001	2002F	2003F
Sales (Btmn)	449	473	1,028	1,520
EBITDA (Btmn)	(60)	(34)	78	261
Normalised earnings (Btmn)	(88)	(33)	117	348
Earnings (Btmn)	(55)	301	174	348
EPS (Bt)	(1.20)	2.49	2.06	3.82
PER (x)	-	4.3	13.8	7.5
EV/EBITDA (x)	(65.9)	(95.5)	31.3	8.5
Free cash flow (Btmn)	(66)	529	406	220
CF/share (Bt)	(1.60)	(0.49)	2.18	3.95
Book value per share (Bt)	12.7	12.7	13.3	15.6
Price/BV (x)	2.3	2.2	2.1	1.8
Dividend yield (%)	0.0%	0.0%	0.0%	2.6%
Net debt/equity (X)	2.34	1.17	Cash	Cash

- LPN is the leader in the market for inner city condominiums – a segment enjoying strong demand amid tight supply. With LPN just one of a handful of players in developing lower-priced condos affordable to the mass market, it is relatively insulated from the growing competition seen in the single-detached housing market.
- Net profit is forecast to double to Bt348mn due to a sharp improvement in sales and margins as a result of new projects, lower land acquisition costs and a 10-20% rise in condo prices.
- Earnings and cash flow fluctuations should begin to smooth out after 2Q03 as LPN begins to realise revenues from several new projects launched in 2H02.
- LPN is trading on 2003-2004 PERs of 7.5x and 7.1x respectively versus average PERs of 10-15x for property stocks under our coverage. Based on our NPV estimate of Bt36 a share, the stock offers potential upside of 33%.

National Finance Plc.(NFS)

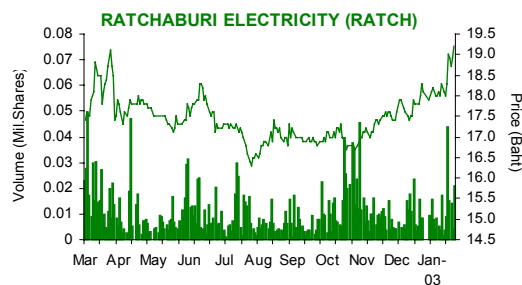
Recommendation : BUY
Share Price : Bt14.90
Fair Value : Bt21.00



Earnings Summary

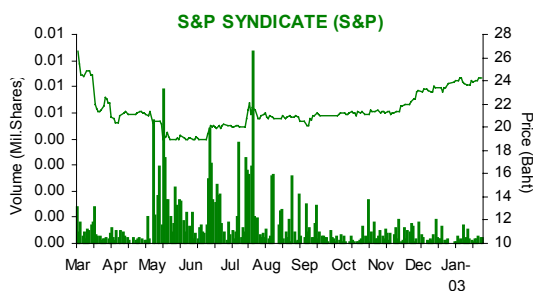
Bt mn	2001	2002	2003F	2004F
Pre-provisioning profit	1,427	2,504	2,055	2,313
Net profit	585	1,723	1,655	1,863
PPPps (Bt)	1.07	1.88	1.54	1.74
Eps (Bt)	0.44	1.29	1.24	1.40
BVps (Bt)	11.92	13.57	14.81	16.21
Dps (Bt)	-	0.26	0.62	0.70
P/PPP (x)	13.92	7.93	9.66	8.59
P/E (x)	33.95	11.53	12.00	10.66
P/B (x)	1.25	1.10	1.01	0.92
Dividend yield (%)	-	1.72	4.17	4.69
ROE (%)	3.76	10.14	8.75	9.01

- NFS's 4Q02 earnings jumped 48.4% from the previous quarter to Bt407mn. This was due mainly to capital gains of Bt721mn versus the Bt211mn recorded in 3Q02. NFS is one of big players in the debt market. The finance company has, therefore, been a major beneficiary of the rally in bond prices as interest rates fall.
- Following the group restructuring, NFS has become a pure leasing company. NFS has clearly benefited from the strong growth in domestic car sales and financing. The company has achieved loan growth of 52% over the last two years, the highest in the industry. NFS also enjoyed a 35 basis point increase in its net interest margin (NIM) to 2.37% due mainly to falling cost of funds. With competition in the hire-purchase industry further intensifying, we are assuming a slight reduction in NIM this year to 2.20%. This could be partially offset if NFS is successful in switching its focus more from new car to used car financing.
- Since NFS has already eliminated its retained loss, we expect the company to pay a dividend of around Bt0.26/share from its 2H02 results. Next year, NFS is expected to pay a Bt0.62 dividend, translating into a dividend yield of 4.3%. We have year-end target price of Bt21/share and a BUY recommendation on the stock.

Ratchaburi Electricity Generating Holding Plc. (RATCH)**Recommendation : BUY****Share Price : Bt19.20****Fair Value : Bt22.00****Earnings Summary**

	2000	2001	2002	2003F
Sales (Bt mn)	2,764	17,423	27,486	34,971
EBITDA (Bt mn)	591	5,616	8,313	10,461
Normalised earnings (Btmn)	145	2,706	4,268	5,438
Earnings (Btmn)	145	3,060	4,722	5,438
EPS (Bt)	0.3	2.1	3.3	3.8
PER (x)	69.9	9.1	5.9	5.1
EV/EBITDA (X)	43.6	6.9	7.5	5.5
Free cash flow (Btmn)	181	4,344	4,018	4,097
CF/share (Bt)	0.1	3.0	2.8	2.8
Book value per share (Bt)	11.2	13.3	15.6	18.0
DPS (Bt)	-	1.0	1.3	1.3
Dividend yield (%)	0.0%	5.2%	6.8%	6.8%

- RATCH reported better-than-expected 2002 net profit of Bt4,722mn (Bt3.26 per share), up 54% yoy. This was mainly due to an increase in the electricity dispatch hours after transferring combined-cycle gas turbine blocks 1, 2 and 3 (CCGT 1,2 & 3), which resulting in higher availability payments (AP).
- Also, RATCH benefited from interest savings of Bt280mn after the company successfully reduced interest rates from MLR to MLR-1.50% for the first three years starting July 2002, MLR-1.125% for the next three years and MLR flat for the remaining period. We expect the company can save interest expenses of around Bt600mn this year.
- With its impressive earnings results, we expect the company can increase its dividend to around Bt1.30, compared to last year's Bt1. At the current share price, this would represent a dividend yield of 6.8%.
- With 2002 earnings coming in higher than expected, we have revised our target price from Bt20 to Bt22 based on our discount cash flow (DCF) model. The current share price offers both 16% upside to our new fair value.

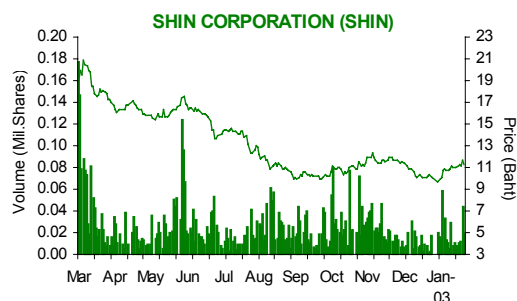
S&P Syndicate Plc.(S&P)**Recommendation : BUY****Share Price : Bt24.20****Fair Value : Bt30.00****Earnings Summary**

	2000	2001	2002F	2003F
Sales (Btmn)	1,913	2,142	2,322	2,536
EBITDA (Btmn)	308	319	349	378
Normalised earnings (Btmn)	154	172	206	229
Earnings (Btmn)	154	172	206	229
EPS (Bt)	2.56	2.87	2.95	3.28
PER (x)	9.45	8.45	8.21	7.39
EV/EBITDA (x)	4.85	5.01	3.88	3.35
Free cash flow (Btmn)	132	(25)	175	223
CF/share (Bt)	4.28	4.59	4.57	5.03
Book value per share (Bt)	10.42	11.45	13.77	14.88
Price/BV (x)	2.32	2.11	1.76	1.63
Price/SalesPS (x)	0.76	0.68	0.73	0.67
Dividend yield (%)	6.20%	3.72%	7.31%	8.12%
Net debt/equity (X)	Cash	Cash	Cash	Cash

- We are expecting 2002 net profit to grow 19% due to the opening of new shops and the launch of new bakery products under the "Delio" brandname.
- Sales are projected to grow 9% this year to Bt2.54bn due to expansion of frozen meal and bakery products. Net profit for 2003, however, is expected to rise at a slightly faster rate of 11% to Bt238mn as a result of a marginal improvement in gross margins.
- Although the stock is hampered by low trading liquidity, the current share price is attractive given a 2003 PER of 7.1x and a EV/EBITDA of 3.2x. The stock is also trading at a 19% discount to our NPV estimate of Bt30/share and offers a 7.3% dividend yield.

Shin Corporation Plc.(SHIN)

Recommendation : BUY
Share Price : Bt11.30
Fair Value : Bt18.00



Earnings summary

	2000	2001	2002F	2003F
Oper rev (Bt,mn)	396	604	515	324
Gain from sub (Bt,mn)	1,693	1,229	4,512	5,343
NI (Bt,mn)	2,384	2,820	4,782	5,355
EPS (Bt)	0.81	0.96	1.63	1.82
PER (x)	13.92	11.77	6.94	6.20
BV (Bt)	6.12	7.08	8.96	10.79
P/BV (x)	1.85	1.60	1.26	1.05
D/E (x)	0.31	0.31	0.27	0.24

- Despite rising 16% since end-2002, SHIN is still trading at a deep 37% discount to our NAV price of Bt18 per share. At current levels, SHIN is on very attractive 2002 and 2003 PERs of 6.82x and 6.09x, respectively.
- As ADVANC slows down capex spending, ADVANC will turn to be a large cash cow. SHIN will benefit both through a share buyback programme and higher dividend payouts. If ADVANC completes its Bt3.5bn treasury stock plan, SHIN's holding in ADVANC will increase from 43.1% to 44.4%.
- SHIN's actual cash flow will be primarily from dividend payments of its major subsidiaries, ADVANC and SATTEL, as it has no real operations of its own. We are expecting SHIN's total dividend income to increase to Bt873mn this year and Bt1,069mn next year. However, we are not forecasting SHIN to resume dividend payments itself over these next two years.

Yuasa Battery (Thailand) Plc. (YUASA)

Recommendation : BUY
Share Price : Bt26.75
Fair Value : Bt35.00



Earnings Summary

	2000	2001	2002F	2003F
Sales (Btmn)	854	887	1,047	1,204
EBITDA (Btmn)	122	137	178	208
Norm Profit (Btmn)	64	73	81	96
Net Profit (Btmn)	64	73	81	96
EPS (Bt)	4.02	4.35	3.78	4.45
PER (x)	6.66	6.15	7.07	6.01
EV/EBITDA (x)	1.55	2.89	3.85	4.01
Free cash flow (Btmn)	45.22	(2.05)	152.33	59.84
CF/share (Bt)	2.82	(0.12)	7.08	2.78
BV/Share (Bt)	40.90	39.09	39.50	42.43
Price/BV (x)	0.65	0.68	0.68	0.63
DPS (Bt)	4.80	1.74	1.51	1.78
Dividend yield (%)	17.94%	6.50%	5.66%	6.65%
Net Debt/Equity	Cash	Cash	0.13	0.28

- Sales and earnings are expected to rise 15% and 18% respectively this year, with demand driven by robust growth in the vehicle and motorcycle industries. This in turn is being fuelled by historically-low interest rates, the launch of new models and the establishment or expansion of vehicle assembly plants in Thailand by multinationals such as General Motors, Chevrolet, Ford, Toyota and Isuzu.
- YUASA is very well connected with Japanese auto producers, particularly Honda, Hino, Isuzu, Toyota and Suzuki. Since Honda only uses YUASA batteries for its motorcycles, the company has captured more than an 80% share of the OEM motorcycle market
- YUASA is trading at a 2003 PER of 6.0x, P/BV of 0.6x and 24% discount to our fair value estimate of Bt35. Its financial position is also strong, with a debt/equity ratio of 0.13x.

Sector recommendations

Stock	Rec	24/1/03 Price(Bt)	Fair Value	Net Profit (Bt mn)			EPS (Bt)			PER		
				2001	2002F	2003F	2001	2002F	2003F	2001	2002F	2003F
Agribusiness												
CPF	BUY ON WEAK	4.40	6.60	3,587	3,006	3,417	0.93	0.62	0.45	4.73	7.10	9.78
CFRESH	BUY ON WEAK	6.55	7.35	576	228	297	1.28	0.53	0.69	5.12	12.36	9.49
GFPT	SELL	46.75	32.00	734	659	5	11.96	10.52	8.16	3.91	4.44	5.73
SSF	SELL	7.00	4.90	147	33	89	1.64	0.37	0.99	4.27	18.92	7.07
T-RUBB	BUY	17.90	22.00	83	138	145	3.17	5.13	5.43	5.65	3.49	3.30
Bank												
BAY	SPEC. BUY	7.70	9.14	(2,667)	2,119	3,223	(1.44)	1.15	1.74	Na	6.72	4.42
BBL	BUY	57.50	78.00	6,484	6,271	7,398	4.42	4.28	5.04	13.01	13.45	11.40
BOA	SPEC. BUY	5.15	5.32	(3,811)	(3,236)	305	(0.10)	(0.71)	0.06	Na	Na	86.08
BT	LT BUY	9.30	12.31	1,071	1,945	2,225	0.72	1.30	1.49	12.97	7.14	6.24
DTDB	SELL	5.45	4.91	170	263	700	0.10	0.16	0.41	54.08	34.97	13.15
IFCT	SELL	5.25	7.45	(465)	78	1,059	(0.40)	0.07	0.91	Na	78.02	5.76
SCB	HOLD	34.00	40.62	405	(12,488)	9,940	0.13	(3.99)	3.17	263.00	Na	10.71
TFB	HOLD	31.25	35.16	1,008	6,684	8,561	0.43	2.84	3.64	72.90	11.00	8.59
TMB	SELL	3.90	3.36	655	(160)	128	0.16	(0.04)	0.03	23.82	Na	121.66
Building Material												
KWH	TAKE PROFIT	2.50	2.70	69	60	86	0.23	0.20	0.29	10.87	12.50	8.77
SCC	HOLD	1358.00	1440.00	7,634	14,676	13,605	63.62	122.30	113.38	21.35	11.10	11.98
SCCC	HOLD	230.00	202.00	2,249	2,684	2,620	9.00	10.74	10.48	25.56	21.42	21.95
STPI	BUY	2.12	3.00	329	175	218	1.31	0.70	0.87	1.61	3.03	2.43
SSI	SPEC. BUY	9.00	10.00	(544)	3,434	1,489	(0.64)	4.03	1.75	Na	2.23	5.14
TASCO	L-T BUY	23.50	44.00	116	221	329	1.02	1.93	2.88	23.04	12.18	8.16
TCMC	HOLD	5.05	8.00	4	16	20	0.08	0.30	0.36	63.13	16.83	14.03
TGP	BUY	3.48	6.00	191	279	359	0.19	0.28	0.36	18.32	12.43	9.67
Chemical												
ATC	BUY	7.55	8.00	(3,269)	(499)	547	(7.97)	(0.50)	0.60	Na	Na	12.58
NPC	BUY	50.50	72.00	1,323	1,354	1,886	4.30	4.37	6.08	11.74	11.56	8.30
VNT	BUY	11.10	12.00	88	852	953	0.10	0.94	1.06	111.00	11.81	10.47
Commerce												
BIGC	BUY	16.90	27.00	1,003	1,169	1,323	1.29	1.50	1.70	13.10	11.27	9.94
BJC	SELL > 40	41.00	44.00	301	766	746	1.89	4.82	4.70	21.69	8.51	8.72
HMPRO	SELL	2.22	2.20	86	81	86	0.32	0.12	0.11	6.94	18.50	20.18
MAKRO	SELL	34.50	36.00	985	983	862	4.11	4.10	3.59	8.39	8.41	9.61
Commun												
ADVANC	BUY	34.75	40.00	3,851	9,797	11,769	1.31	3.34	4.01	26.53	10.40	8.67
IEC	SELL	5.70	9.00	181	(505)	122	2.50	(6.90)	1.70	2.28	Na	3.35
INET	BUY	4.24	5.50	73	102	110	0.29	0.41	0.44	14.62	10.34	9.64
MLINK	SHORT-TERM BUY	36.50	26.50	84	332	217	1.56	6.15	4.02	23.40	5.94	9.09
SAMART	ACCUMULATE	4.60	17.00	221	102	232	2.35	1.76	2.67	1.96	2.61	1.72
SATTEL	BUY	15.10	33.00	1,563	1,737	2,531	3.57	3.97	5.78	4.23	3.80	2.61
SHIN	BUY	11.30	18.00	2,820	4,782	5,355	0.96	1.63	1.82	11.77	6.93	6.21
TA	ACCUMULATE	4.60	14.00	(3,425)	(6,452)	(938)	(1.17)	(2.21)	(0.32)	Na	Na	Na
TT&T	HOLD	2.80	4.00	(424)	357	(646)	(0.15)	0.13	(0.23)	Na	21.54	Na
UCOM	ACCUMULATE	12.40	24.00	795	887	1,066	1.83	2.04	2.45	6.78	6.08	5.06
Electric												
CEI	HOLD	26.00	32.00	753	810	838	40.00	42.99	44.53	0.65	0.60	0.58
METCO	BUY	147.00	180.00	518	582	727	23.53	26.43	33.02	6.25	5.56	4.45
Energy												
BAFS	ACCUMULATE	8.00	10.50	(76)	330	372	(3.10)	1.04	1.10	Na	7.69	7.27
BANPU	BUY	34.25	45.00	2,314	1,678	1,520	11.00	6.35	5.75	3.11	5.40	5.96
BCP	AVOID	4.06	3.00	(2,987)	384	(204)	(5.72)	0.70	(0.40)	Na	5.80	Na
EGCOMP	HOLD	37.50	59.00	2,939	3,348	4,051	5.60	6.40	7.70	6.70	5.86	4.87
LANNA	HOLD	37.00	53.00	534	119	185	15.25	3.39	5.29	2.43	10.91	6.99
PTT	BUY	42.25	45.00	21,565	23,662	23,921	7.70	8.50	8.60	5.49	4.97	4.91
PTTEP	BUY	132.00	162.00	10,895	12,175	12,986	16.71	18.67	19.92	7.90	7.07	6.63
RATCH	BUY	19.20	22.00	3,060	4,722	5,438	2.11	3.30	3.80	9.10	5.82	5.05
SUSCO	ACCUMULATE	0.69	0.96	(62)	135	41	(0.07)	0.15	0.05	Na	4.54	15.05
Entertainment												
BEC	BUY	220.00	268.00	1,543	1,718	1,894	7.71	8.59	9.47	28.53	25.61	23.23
CVD	BUY	9.70	11.30	(216)	(70)	27	(5.99)	(1.94)	0.76	Na	Na	12.76
GMMM	BUY	27.75	36.30	n.a.	403	441	n.a.	2.02	2.21	n.a.	13.74	12.56
GRAMMY	BUY	18.60	26.00	200	614	723	0.40	1.23	1.45	46.50	15.12	12.83
ITV	BUY ON WEAK	4.12	6.00	(979)	(622)	(663)	(1.15)	(0.58)	(0.58)	Na	Na	Na
MAJOR	BUY	73.50	88.00	141	327	515	1.61	3.11	4.39	45.65	23.63	16.74
TRAF	BUY	5.55	7.20	21	81	130	1.40	0.40	0.43	3.96	13.88	12.91
UBC	BUY	16.00	20.30	(1,420)	(337)	(91)	(1.92)	(0.46)	(0.12)	Na	Na	Na

Sector recommendations (continued)

Stock	Rec	24/1/03 Price	Fair Value	Net Profit (Bt mn)			EPS (Bt)			PER		
				2001	2002F	2003F	2001	2002F	2003F	2001	2002F	2003F
Electronics												
CCET	HOLD	34.25	42.00	1,614	1,755	2,000	5.35	5.81	6.62	6.41	5.90	5.17
DELTA	BUY	29.50	40.00	3,865	3,709	4,428	3.31	3.17	3.78	8.90	9.31	7.80
HANA	BUY	68.50	85.00	452	846	1,321	2.94	5.49	8.57	23.33	12.48	7.99
KCE	BUY	49.00	80.00	2.44	214	561	0.08	7.14	18.70	602.23	6.86	2.62
Finance												
AEONTS	BUY	113.00	165.95	292	452	553	6.87	9.03	11.06	16.44	12.51	10.21
ASL	SELL	9.85	11.73	(45)	(40)	46	(0.35)	(0.20)	0.12	Na	Na	85.60
AST	HOLD	35.25	35.69	51	269	260	0.39	2.07	2.00	90.38	17.03	17.64
ASSET	BUY	26.75	34.67	12	104	139	0.26	1.74	2.31	103.44	15.37	11.57
CNS	SWITCH	35.75	37.34	(27)	91	101	(0.38)	1.26	1.41	Na	28.28	25.32
FNS	BUY	21.80	33.52	147	175	223	2.29	1.75	2.23	9.50	12.49	9.76
KGI	SELL	4.04	2.53	22	505	292	0.02	0.29	0.17	202.00	13.88	23.99
KK	BUY	33.50	49.00	1,389	1,406	1,998	4.59	4.03	5.72	7.30	8.32	5.85
KTC	HOLD	16.80	22.71	120	161	189	26.75	1.61	1.89	0.63	10.44	8.88
NFS	BUY	14.90	21.37	585	1,723	1,655	0.44	1.29	1.24	33.95	11.53	12.00
NVL	SELL	5.35	5.22	60	43	57	0.83	0.43	0.57	6.46	12.31	9.41
PL	BUY	25.25	31.86	91	102	110	3.05	3.42	3.65	8.29	7.39	6.91
SICCO	BUY	7.25	10.79	193	402	374	0.39	0.80	0.75	18.42	9.01	9.68
SPL	BUY	38.00	52.67	696	787	699	3.50	3.95	3.51	10.87	9.61	10.82
SSEC	SELL	13.80	11.04	(27)	51	25	(0.54)	0.81	0.39	Na	17.03	35.09
THANI	N.A.	11.00	9.32	(18)	50	37	(0.53)	0.84	0.62	Na	13.07	17.69
TISCO	ACCUMULATE	22.20	28.46	839	1,154	1,030	1.19	1.63	1.46	18.58	13.59	15.24
TNITY	N.A.	6.95	-3.13	(62)	71	(29)	(2.06)	0.51	(0.21)	Na	13.65	Na
US	AVOID	12.80	26.77	(9)	114	118	(0.16)	0.66	0.68	Na	19.29	18.72
ZMICO	BUY	28.50	43.62	(186)	228	195	(4.00)	3.39	2.91	Na	8.42	9.80
Food												
MFG	BUY	59.50	53.00	(224)	99	128	(6.93)	3.05	3.95	Na	19.51	15.06
S&P	BUY	24.20	30.00	172	206	229	2.87	2.95	3.28	8.45	8.21	7.39
TIPCO	BUY	25.75	37.50	151	286	292	4.30	8.20	8.40	5.99	3.14	3.07
TUF	SELL	18.40	15.00	1,506	1,591	1,677	2.03	1.87	1.98	9.05	9.84	9.32
Hotel												
CENDEL	BUY	24.00	32.80	255	289	378	2.83	3.20	4.20	8.47	7.50	5.71
Household												
SITHAI	BUY	8.00	10.70	125	292	345	0.44	1.02	1.21	18.18	7.84	6.61
Mining												
PDI	SELL	11.30	12.50	335	105	188	1.48	0.47	0.83	7.64	24.04	13.61
Printing												
NMG	BUY	12.30	17.10	100	(210)	234	0.63	(1.20)	1.14	19.52	Na	10.79
Property												
AMATA	BUY	19.70	27.00	336	842	669	1.57	3.95	3.13	12.52	4.99	6.29
CPN	BUY	25.50	135.00	629	918	1,364	6.29	9.18	13.64	4.05	2.78	1.87
GOLD	BUY	9.15	15.00	253	309	626	0.53	0.53	1.06	17.37	17.33	8.63
LH	BUY	89.00	95.10	1,551	3,987	4,554	2.49	5.22	5.73	35.78	17.05	15.52
LPN	BUY	27.00	36.20	301	124	348	2.49	2.06	3.82	4.30	13.80	7.50
NOBLE	BUY	9.25	12.20	(131)	267	641	(0.44)	0.73	1.40	Na	12.67	6.61
PERFEC	BUY	10.00	17.20	4,351	530	638	55.91	0.69	0.83	0.18	14.51	12.05
QH	BUY	7.10	13.30	208	637	799	0.26	0.71	0.65	27.17	9.97	10.88
SIRI	SELL	5.70	5.30	(89)	26	183	(0.11)	0.03	0.21	Na	190.00	27.14
SUPALI	SELL	2.90	2.30	415	907	308	0.64	1.40	0.47	4.54	2.08	6.12
Pulp & Paper												
AA	SELL	14.00	12.00	199	222	1,163	0.37	0.42	2.18	37.84	33.33	6.42
PPPC	SPEC. BUY	63.00	64.00	1,249	1,586	1,743	11.24	14.40	15.80	5.60	4.38	3.99
Textile												
BRC	SELL	5.10	5.00	333	(942)	309	3.40	(9.66)	3.20	1.50	Na	1.59
PAF	SELL	5.00	5.00	501	384	441	5.54	1.60	1.84	0.90	3.13	2.72
SUC	BUY	18.00	20.00	921	1,062	1,160	3.07	3.54	3.87	5.86	5.08	4.65
Trans												
BECL	BUY	14.60	25.40	874	795	1,130	1.14	1.03	1.47	12.86	14.10	9.90
THAI	ACCUMULATE	32.50	42.00	1,929	10,240	12,904	1.40	7.30	9.20	23.21	4.45	3.53
Vehicle												
BAT-3K	L-T BUY	35.50	50.00	101	121	153	5.07	6.05	7.65	7.00	5.87	4.64
IRC	BUY	55.50	66.00	40	130	154	2.00	6.50	7.69	27.75	8.54	7.22
SMC	SELL	2.38	2.80	26	41	44	0.11	0.18	0.19	21.64	13.22	12.53
SPSU	BUY	14.80	15.00	35	147	236	0.44	1.86	2.99	33.64	7.96	4.95
STANLY	BUY	137.00	150.00	338	534	603	8.83	13.95	15.74	15.52	9.82	8.70
TRU	HOLD	7.85	14.00	563	480	680	1.41	0.96	1.36	5.57	8.18	5.77
YUASA	BUY	26.75	35.00	73	81	96	4.35	3.78	4.45	6.15	7.08	6.01

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