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Sell (Maintain)

Closing Price(Bt) 182.00

COMPANY DATA

O/S Shares (mn) :	1,909
Market Cap. (Btmn) :	347,409
Market Cap. (USDmn) :	10,451
52-WK Hi/Lo (Bt) :	190/151
3M Average Daily T/O (mn) :	3.59
Par Value (Bt) :	10.00

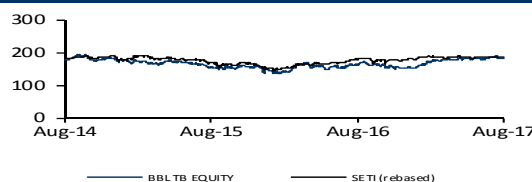
MAJOR SHAREHOLDERS (%) 25 April 2017

1. Thai NVDR	33.8
2. CHASE NOMINEES LIMITED	3.5
3. The Thailand Securities Depository Co., Ltd.	2.8

PRICE PERFORMANCE (%)

	1MTH	3MTH	1YR
ABS	-2%	1%	12%
REL TO SET INDEX	-2%	0%	7%

PRICE VS SET INDEX



Source: Bloomberg, PSR

KEY FINANCIALS

FYE Dec	FY15	FY16	FY17E	FY18E
Revenue(Btbn)	103	106	110	116
Net Profit(Btbn)	34	32	32	40
EPS (Bt)	17.91	16.67	16.85	20.71
P/E (X)	10.2	10.9	10.8	8.8
BVPS (Bt)	189.56	198.56	211.80	229.20
P/B (X)	1.0	0.9	0.9	0.8
DPS (Bt)	6.50	6.50	6.50	6.50
Dividend Yield (%)	3.6	3.6	3.6	3.6
ROE (%)	9.97	8.58	8.21	9.39
Debt/Equity (X)	7.83	7.76	7.60	7.46

Source: Company, PSR Est.

**Multiples and yields are based on latest closing price

VALUATION METHOD

P/B'17 (0.8x)

Adisorn Mungparnchon
 Securities Investment Analyst # 18577
 Tel: 66 2 635 1700 # 497

Bangkok Bank (BBL)

/ TP'17: 171.50 (-2.20%)



NPLs still likely to be a drag on earnings

- **More NPL formation seen ahead:** BBL saw its NPL ratio rise to 3.7% in 2QFY17 from 3.2% at end-FY16 and the figures are expected to rise further against the current backdrop of an anemic economic recovery. Management expects NPLs will reach their peak in 4QFY17.
- **Loan-loss provisioning levels likely to higher than previously guided:** The surge in NPLs pushed the bank's NPL coverage ratio lower to a mere 151% in 2QFY17 from 174% at end-FY16, causing it to lose its long-standing No 1 position in terms of the sector's highest NPL coverage ratio. Notwithstanding that the bank notes that NPL coverage ratio has not been set as one of its key business targets, we believe its previously guided loan-loss provisioning level of Bt15.7bn for this year similar to the year before may not be enough to cover rising NPLs.
- **FY17 profit cut, 'SELL' rating intact with downwardly revised FY17 target price of Bt171.50/share:** We cut our FY17 profit outlook for the bank to Bt32bn from Bt35bn to reflect an increase in full-year loan-loss provision assumption to Bt20bn from Bt15.5bn but the new profit target still implies a growth of 1.1% from a year earlier. However, our FY17 dividend forecast remains unchanged at Bt6.50/share. Following the profit cut, we nudge down our FY17 target price for the bank to Bt171.50/share from Bt174/share. Our 'SELL' rating also remains intact on BBL shares as current share prices have still far exceeded the new target. Even though BBL is likely to reap the benefits from the financing of mega investment projects in both public and private sectors, rising NPLs could still remain a drag on earnings.

Ref. No.: C02017_0630

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Corporate Governance - 2016



AMATA	AOT	BAPS	BAY	BCP
BIGC	BTS	BWG	CK	CPF
CPN	CSL	DELTA	DEMCO	DRT
DTAC	DTC	EASTW	EGCO	GFPT
GPSC	GRAMMY	HANA	HMPRO	INTUCH
IRPC	IVL	KBANK	KCE	KKP
KTB	KTC	LHBANK	LPN	MBK
MCOOT	MINT	MONO	NRK	NYT
OTO	PHOL	PPS	PS	PSL
PTT	PTEP	PTTGC	QH	QTC
RATCH	SAMART	SAMTEL	SAT	SC
SCB	SOC	SOC	SE-ED	SIM
SITHAI	SNC	SPALI	SSSC	STEC
SM	TCAP	THCOM	TISCO	TKT
TMB	TNDT	TOP	TSC	TTCL
TU	UV	VGI	WACOL	WAVE



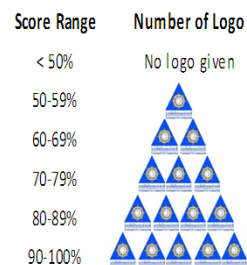
AEC	AEGNIS	AF	AIRA	AIT
AJ	AKR	AMARIN	AMATAV	AMC
APURE	AQUA	ARROW	AS	BA
BEAUTY	BEC	BH	BIG	BK
BICHI	BKD	BR	BROCK	BRR
BTNC	CBG	CGD	CHARAN	CTY
CMR	COLOR	COM7	CPL	CSC
CSP	CSR	COM7	CTW	DCON
DIMET	DNA	EARTH	EASON	ECL
EFORL	EPCO	EPG	ESSO	FE
FER	FOCUS	FSMART	FSS	FVC
GEL	GIFT	GLAND	GOLD	GSSTEL
GFT	HPT	HTC	HTECH	IFS
IHL	IUNK	INSURE	IRCP	IT
ITD	J	JMART	JMT	JUBILE
JWD	KASET	KBS	KCAR	KGI
KKC	KOOL	KWC	KYE	LALIN
LPH	MAJOR	MAKRO	MATCH	MATI



ZS	AAV	ACAP	ADVANC	AGE
AH	AHC	AKP	ALUCON	AMANAH
ANAN	AP	APCO	APCS	ARIP
ASIA	ASIMAR	ASK	ASP	AUCT
AYUD	BANPU	BBL	BOMS	BEM
BFT	BLA	BOL	BROOK	CEN
CENITEL	CFRESH	CGH	CHG	CHO
CHOW	CI	CIMBT	CKP	CM
CNS	CNT	COL	CPI	DCC
EA	ECF	EE	ERW	FORTH
FPI	GBX	GC	GCAP	GL
GLOBAL	GLOW	GUNKUL	HOTPOT	HYDRO
ICC	ICHI	IFEC	INET	IRC
JSP	K	KSL	KTIS	L&E
LANNA	LH	LHK	LT	LOXLEY
LRH	LST	M	MACO	MALEE
MBKET	MC	MEGA	MFC	MOONG
MSC	MTI	MTLS	NCH	NOBLE
NSI	NIV	OOC	OGC	OISHI
ORI	PAGE	PAP	PB	PCSGH
PDI	PE	PG	PJW	PLANB
PM	PPP	PR	PRAND	PREB
PRG	PRINC	PT	PTG	PYLON
Q-COM	RICHY	ROBINS	RS	RWI
S	S&J	SABINA	SALEE	SAMCO
SOG	SEAFCO	SFP	SIAM	SINGER
SIS	SMK	SMPC	SMT	SNP
SPI	SPPT	SPRC	SR	SSF
SST	STA	SUSCO	SUTHA	SWC
SYMC	SYNEX	SYNTEC	TAE	TAKUNI
TASCO	TBSP	TCC	TF	TFI
TGCI	THAI	THANA	THANI	THIP
THRE	THREL	TICON	TIPCO	TK
TKS	TMC	TMI	TMILL	TMT
TNTY	TNL	TOG	TPC	TPCORP
TRC	TRU	TRUE	TSE	TSR
TSTE	TSTH	TTA	TTW	TVD
TWO	TWPC	UAC	UP	UPF
VH	VNI	WINNER	YUASA	ZMICO

M-CHAI	MDX	MFEK	MUD	MK
MODERN	MPG	NC	NCL	NDR
NEP	NOK	NUSA	PAIO	PCA
PDG	PF	PICO	PIMO	PL
PLAT	PLE	PMTA	PPM	PRIN
PSTC	QLT	RCI	RCL	RICH
RML	RPC	SANKO	SAPPE	SAWAD
SCI	SCN	SCP	SEADIL	SENA
SIRI	SKR	SLP	SMG	SMIT
SORKON	SPA	SPC	SPOG	SPM
SSC	STANLY	STPI	SUC	TACC
TCCC	TCCM	TEAM	TFD	TFG
TIC	TIW	TKN	TLUKE	TMD
TNP	TOPP	TPA	TPAC	TPCH
TPIPL	TPOLY	TRITN	TRT	TTI
TVI	TWP	U	UBIS	UMI
UPOIC	UT	UWC	VIBHA	VPO

Results Presentation



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.

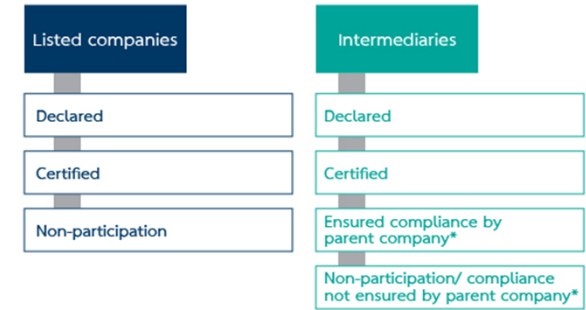
The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. Phillip Securities (Thailand) of securities company does not confirm nor certify the accuracy of such survey result.

Thai CAC (As of October 28, 2016)



Declared					Non-participation				
ZS	A	ABC	ABICO	ACAP	AAV	ACC	ADAM	AEONTS	AHC
AEC	AF	AGE	AH	AI	AFC	AIT	AJ	AJD	AKR
AIE	AIRA	ALUCON	AMARIN	AMATA	ALLA	ALT	AMATAV	AMC	APX
ANAN	AOT	AP	APCO	APCS	AQ	ARIP	ARROW	ASEFA	ASN
APURE	AQUA	AS	ASIA	ASIAN	ATP30	AUCT	BA	BAT-3K	BCPG
ASIMAR	ASK	BCH	BEAUTY	BFIT	BDMS	BEC	BEM	BGT	BIG
BH	BIGC	BJCHI	BKD	BLAND	BIZ	BIC	BLISS	BM	BOL
BROCK	BROOK	BRR	BSBM	BTNC	BPP	BR	BRC	BSM	BTC
CEN	CGH	CHARAN	CHO	CHOTI	BTW	BUI	CBG	CCET	CCN
CHOW	CI	CM	COL	CPALL	CCP	CGD	CHEWA	CHG	CHUO
CPF	CPL	CSC	CSR	CSS	CIG	CITY	CK	CKP	CMO
DELTA	DNA	EA	ECF	EE	CMR	CNT	COLOR	COM7	COMAN
EFORL	EPCO	ESTAR	EVER	FC	CPH	CPR	CRANE	CSP	CTW
FER	FNS	FPI	FSMART	FVC	CWT	DAII	DCON	DCORP	DRACO
GC	GEL	GFPT	GIFT	GLOBAL	DSGT	DTCI	EARTH	EASON	EIC
GPSC	GREEN	GUNKUL	HMPRO	HOTPOT	EKH	EMC	EPG	ESSO	F&D
ICHI	IEC	IFS	ILINK	INET	FANCY	FMT	FN	FOCUS	FORTH
INOX	INSURE	IRC	J	JAS	GENCO	GJS	GL	GLAND	GOLD
JMART	JMT	JTS	JUBILE	JUTHA	GRAMMY	GRAND	GSTEL	GTB	GYT
K	KASET	KBS	KC	KCAR	HARN	HFT	HPT	HTECH	HYDRO
KSL	KTECH	KYE	L&E	LALIN	IHL	IRCP	IT	ITD	ITEL
LPN	LRH	LTX	LVT	M	JCT	JSP	JWD	KAMART	KCM
MAKRO	MALEE	MBAX	MC	MCOT	KDH	KIAT	KKC	KOOL	KTIS
MEGA	MFEC	MIDA	MILL	MINT	KWC	KWG	LDC	LEE	LH
MJD	MK	ML	MPG	MTLS	LIT	LOXLEY	LPH	LST	MACO
NBC	NCH	NCL	NDR	NINE	MAJOR	MANRIN	MATCH	MATI	MAX
NMG	NNCL	NTV	NUSA	NUSA	M-CHAI	MCS	MDX		MODERN
OCC	OGC	PACE	PAF	PCA	MPIC	NC	NEP	NETBAY	NEW
PCSGH	PDG	PDI	PIMO	PK	NEWS	NFC	NOBLE	NOK	NPK
PLANB	PLAT	PRANDA	PREB	PRG	NWR	NYT	OHTL	OISHI	ORI
PRINC	PSTC	PYLON	QH	RML	OTO	PAE	PAP	PATO	PERM
ROBINS	ROCK	ROH	ROJNA	RP	PF	PICO	PJW	PL	PLE
RWI	SAMCO	SANKO	SAUCE	SC	PMTA	POLAR	POMPUI	POST	PPM
SCCC	SCN	SEAQIL	SE-ED	SENA	PRAKIT	PRECHA	PRIN	PRO	PSH
SGP	SITHAI	SKR	SMIT	SMK	PTL	QTC	RAM	RCI	RCL
SORKON	SPALI	SPCG	SPPT	SPRC	RICH	RICHY	RJH	RPC	RS
SR	SRICHA	STA	STANLY	SUPER	S	S11	SAFARI	SALEE	SAM
SUSCO	SYMC	SYNEX	SYNTEC	TAE	SAMART	SAMTEL	SAPPE	SAWAD	SAWANG
TAKUNI	TASCO	TBSP	TEAM	TFG	SCI	SCP	SEAFCO	SELIC	SF
TFI	THAI	TIC	TICON	TIP	SFP	SGF	SHANG	SIAM	SIM
TKT	TLUXE	TMC	TMILL	TRU	SIMAT	SIRI	SLP	SMART	SMM
TMT	TPA	TPP	TRT	TRU	SMT	SOLAR	SPA	SPG	SPORT
TRUE	TSE	TSI	TSTE	TTW	SPVI	SQ	SSC	SST	STAR
TU	TVD	TVO	TVT	TWPC	STEC	STHAI	STPI	SUC	SUTHA
U	UBIS	UKEM	UNIQ	UOBKH	SVH	SVOA	SWC	T	TACC
UREKA	UWC	VGI	VIBHA	VNG	TAPAC	TC	TCB	TCC	TCCC
VNT	WAVE	WHA	WICE		TCJ	TCOAT	TFD	TGPRO	TH
WIJK	WIN	XO	ZMICO		THANA	THE	THIP	THL	TIW
									TIW...
					TNDT	TNH	TNP	TNPC	TNR
					TOPP	TPAC	TPBI	TPCH	TPIPL
					TPOLY	TPROP	TR	TRC	TRITN
					TRUBB	TSF	TSR	TTA	TTI
					TTL	TTTTM	TUCC	TWP	TWZ
					TYCN	UAC	UEC	UMI	UMS
					UP	UPA	UPF	UPOIC	UT
					UTP	UV	UVAN	VARO	VI
					VIH	VPO	VTE	WV	WINNER
					WORK	WORLD	WP	WR	YCI
					YNP	YUASA			

Levels of Commitment



* Only parent companies subject to the Bribery Act or other similar laws that requires parent companies be accountable for bribery of its overseas subsidiaries. Parent companies' responsibilities include the establishment of policies and guidelines and the monitoring of their subsidiaries' regular compliance therewith.

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	HELTH
	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

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PHILLIP RESEARCH STOCK SELECTION SYSTEMS

Total Return	Recommendation	Rating	Remarks
> +20%	Buy	1	>20% upside from the current price
+5% to +20%	Accumulate	2	+5% to +20% upside from the current price
-5% to +5%	Neutral	3	Trade within +/- 5% from the current price
-5% to -20%	Reduce	4	-5% to -20% downside from the current price
< -20%	Sell	5	-20% downside from the current price

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