EARNINGS BRIEF

บมจ. ธนาคารกรุงศรีอยุธยา

วันพฤหัสบดีที่ 22 ตุลาคม พ.ศ. 2558

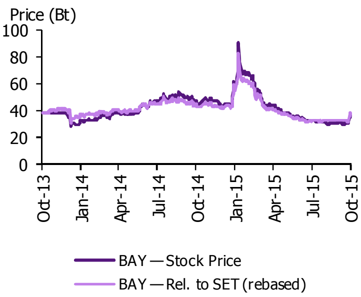
SCB หลักทรัพย์ไทยพาณิชย์

ขาย

Stock Data

Last close (Oct 21) (Bt)	36.25
12-m target price (Bt)	30.00
Upside (Downside) to TP (%)	(17.24)
Mkt cap (Btbn)	266.65
Mkt cap (US$mn)	7,505
Bloomberg code	BAY TB
Reuters code	BAY.BK
Risk rating	L
Mkt cap (%) SET	1.98
Sector % SET	15.15
Shares issued (mn)	7,356
Par value (Bt)	10.00
12-m high / low (Bt)	104 / 29.3
Avg. daily 6m (US$mn)	1.57
Foreign limit / actual (%)	25 / 25
Free float (%)	23.1
Dividend policy (%)	≥ 30

Price Performance



Source: SET, SCBS Investment Research

Share performance

	1M	3M	12M
Absolute	16.9	11.5	(19.9)
Relative to SET	13.9	14.1	(13.3)

Source: SET, SCBS Investment Research

กิตติมา สัตยพันธ์, CFA

นักวิเคราะห์การลงทุนปัจจัยพื้นฐาน

ด้านหลักทรัพย์

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กำไรไตรมาส 3/58 สูงกว่าคาดเพราะตั้งสำรองลดลงและรายได้ที่มิใช่ดอกเบี้ยดีกว่าคาด

กำไรสูงกว่าคาด เพราะตั้งสำรองต่ำกว่าคาดและรายได้ที่มิใช่ดอกเบี้ยดีกว่าคาด กำไรสุทธิไตรมาส 3/58 ของ BAY เพิ่มขึ้น 38% YoY และ 12% QoQ สู่ 4.85 พันล้านบาท สูงกว่าประมาณการของเราที่ 4.2 พันล้านบาท และประมาณการของตลาดที่ 4.5 พันล้านบาท กำไรสุทธิช่วง 9 เดือนแรกปี 58 คิดเป็น 76% ของประมาณการกำไรสุทธิทั้งปีของเรา แม้ NPL เพิ่มขึ้น 4% หรือ 1.1 พันล้านบาท QoQ (ส่วนใหญ่เกิดจากสินเชื่อ SME) แต่ BAY สร้างเซอร์ไพรส์ด้วยการตั้งสำรองลดลง 7% QoQ ส่งผลทำให้ LLR coverage ปรับลดลงจาก 141% ณ ไตรมาส 2/58 สู่ 138% ณ ไตรมาส 3/58 รายได้ที่มิใช่ดอกเบี้ยเพิ่มขึ้น 3% QoQ ดีกว่าคาด หลักๆ ได้รับปัจจัยกระตุ้นจากกำไรจากธุรกรรมเพื่อค้าและปริวรรตเงินตรา รายได้ดอกเบี้ยสุทธิเพิ่มขึ้น 2% QoQ โดยได้รับปัจจัยหนุนจาก NIM ที่เพิ่มขึ้น 0.07% QoQ ขณะที่สินเชื่อหดตัวลงเล็กน้อย (-0.65% QoQ)

Figure 1: Quarterly results

P & L (Bt mn)	3Q14	2Q15	3Q15	%YoY ch	%QoQ ch	9M14	9M15	% YoY ch	% full year
Interest income	18,937	20,401	20,084	6	(2)	55,564	61,261	10	76
Interest expense	6,730	6,606	6,023	(11)	(9)	19,984	19,549	(2)	78
Net interest income	12,207	13,794	14,061	15	2	35,580	41,712	17	75
Non-interest income	5,797	6,420	6,628	14	3	16,127	19,204	19	75
Operating expenses	8,559	9,554	9,788	14	2	25,341	28,663	13	74
Pre-provision profit	9,446	10,661	10,901	15	2	26,366	32,254	22	76
Less Provision	4,889	5,217	4,840	(1)	(7)	13,227	15,310	16	76
Pre-tax profit	4,557	5,444	6,061	33	11	13,139	16,944	29	77
Income tax	1,036	1,115	1,230	19	10	2,934	3,511	20	79
MI and equity	(14)	21	21	251	2	29	95	226	NA
Net profit	3,507	4,349	4,852	38	12	10,234	13,527	32	76
EPS (Bt)	0.58	0.59	0.66	14	12	1.68	1.84	9	76
B/S (Bt mn)	**3Q14**	**2Q15**	**3Q15**	**%YoY ch**	**%QoQ ch**	**9M14**	**9M15**	**%YoY ch**	**% full year**
Gross loans	974,898	1,244,870	1,236,743	27	(1)	974,898	1,236,743	27	NM
Deposits	806,182	1,007,315	1,012,541	26	1	806,182	1,012,541	26	NM
BVPS (Bt)	21.08	24.98	25.22	20	1	21.08	25.22	20	NM
Ratios (%)	**3Q14**	**2Q15**	**3Q15**	**%YoY ch***	**%QoQ ch***	**9M14**	**9M15**	**YoY ch***	**% full year**
Yield on earn. asset	6.52	5.27	5.20	(1.32)	(0.07)	6.48	5.63	(0.85)	NM
Cost of funds	2.64	1.94	1.76	(0.88)	(0.18)	2.65	2.03	(0.62)	NM
Net interest margin	4.20	3.57	3.64	(0.56)	0.07	4.15	3.83	(0.32)	NM
Cost to income	47.5	47.3	47.3	(0.23)	0.05	49.01	47.05	(1.96)	NM
NPLs/total loans	3.54	2.55	2.66	(0.88)	0.11	3.54	2.66	(0.88)	NM
LLR/NPLs	121.9	140.8	137.9	16.07	(2.84)	121.9	137.9	16.07	NM

Source: SCBS Investment Research

Note: * Percentage points

คงคำแนะนำ "ขาย" ปริมาณหุ้น free float ระดับต่ำเพียง 3% ทำให้ BAY เป็นหุ้นที่แพงที่สุดในกลุ่มธนาคาร ด้วย valuation แพงที่ PER 12.9 เท่า และ PBV 1.3 เท่า เทียบกับ ROE ระดับต่ำประมาณ 10%

Forecasts and valuation

FY Dec	Unit	2013	2014	2015F	2016F	2017F
Pre-provision profit	(Bt mn)	30,825	32,276	37,917	39,876	42,651
Net profit	(Bt mn)	11,867	14,170	17,827	20,891	23,611
PPP/Sh	(Bt)	5.07	5.31	5.15	5.42	5.80
EPS	(Bt)	1.95	2.33	2.42	2.84	3.21
BVPS	(Bt)	19.98	21.60	26.74	28.85	31.21
DPS	(Bt)	0.80	0.70	0.73	0.85	0.96
PER	(x)	18.56	15.54	14.96	12.76	11.29
P/PPP	(x)	7.14	6.82	7.03	6.69	6.25
EPS growth	(%)	(18.86)	19.41	3.89	17.19	13.02
PBV	(x)	1.81	1.68	1.36	1.26	1.16
ROE	(%)	10.11	11.22	10.87	10.22	10.69
Dividend yields	(%)	2.21	1.93	2.01	2.35	2.66

Source: SCBS Investment Research

Financial statement

Profit and Loss Statement (Btmn)

FY December 31	2013	2014	2015F	2016F	2017F
Interest & dividend income	71,381	74,609	80,459	87,718	95,111
Interest expense	26,442	26,665	25,195	28,441	31,607
Net interest income	**44,939**	**47,943**	**55,264**	**59,277**	**63,503**
Non-interest income	23,449	22,658	25,702	28,294	30,953
Non-interest expenses	33,614	34,300	38,780	42,747	46,283
Earnings before tax & provision	34,774	36,301	42,186	44,824	48,174
Tax	3,942	4,031	4,419	5,168	5,827
Equities & minority interest	7	(6)	(150)	(220)	(304)
Core pre-provision profit	30,825	32,276	37,917	39,876	42,651
Provision	18,959	18,107	20,091	18,986	19,040
Core net profit	**11,867**	**14,170**	**17,827**	**20,891**	**23,611**
Extra item	0	0	0	0	0
Net profit	**11,867**	**14,170**	**17,827**	**20,891**	**23,611**
EPS (Bt)	1.95	2.33	2.42	2.84	3.21
DPS (Bt)	0.80	0.70	0.73	0.85	0.96

Profit and Loss Statement (Btmn)

FY December 31	3Q14	4Q14	1Q15	2Q15	3Q15
Interest & dividend income	18,937	19,045	20,776	20,401	20,084
Interest expense	6,730	6,681	6,920	6,606	6,023
Net interest income	**12,207**	**12,364**	**13,857**	**13,794**	**14,061**
Non-interest income	5,797	6,530	6,156	6,420	6,628
Non-interest expenses	8,559	8,959	9,321	9,554	9,788
Earnings before tax & provision	9,446	9,935	10,692	10,661	10,901
Tax	1,036	1,097	1,166	1,115	1,230
Equities & minority interest	14	23	(53)	(21)	(21)
Core pre-provision profit	8,396	8,815	9,579	9,567	9,692
Provision	4,889	4,879	5,253	5,217	4,840
Core net profit	**3,507**	**3,936**	**4,326**	**4,349**	**4,852**
Extra item	0	0	0	0	0
Net profit	**3,507**	**3,936**	**4,326**	**4,349**	**4,852**
EPS (Bt)	0.58	0.65	0.59	0.59	0.66

Balance Sheet (Btmn)

FY December 31	2013	2014	2015F	2016F	2017F
Cash	28,216	31,155	32,595	33,477	34,100
Interbank assets	87,027	80,364	180,000	215,100	254,894
Investments	74,333	61,790	113,500	113,500	113,500
Gross loans	**943,502**	**1,012,761**	**1,255,660**	**1,356,113**	**1,464,602**
Accrued interest receivable	2,648	2,636	2,636	2,636	2,636
Loan loss reserve	38,986	39,776	47,310	52,734	57,128
Net loans	**907,164**	**975,621**	**1,210,987**	**1,306,015**	**1,410,111**
Total assets	**1,179,582**	**1,214,268**	**1,625,498**	**1,757,019**	**1,902,055**
Deposits	764,050	837,556	1,044,851	1,160,830	1,288,521
Interbank liabilities	55,497	46,612	240,000	240,000	240,000
Borrowings	174,605	151,805	80,000	80,000	80,000
Total liabilities	**1,057,934**	**1,082,598**	**1,428,359**	**1,544,338**	**1,672,029**
Minority interest	279	460	460	460	460
Paid-up capital	60,741	60,741	73,558	73,558	73,558
Total Equities	**121,369**	**131,210**	**196,679**	**212,221**	**229,566**
BVPS (Bt)	**19.98**	**21.60**	**26.74**	**28.85**	**31.21**

Balance Sheet (Btmn)

FY December 31	3Q14	4Q14	1Q15	2Q15	3Q15
Cash	24,288	31,155	26,916	27,667	28,915
Interbank assets	103,242	80,364	190,591	180,566	203,279
Investments	77,112	61,790	113,406	110,498	114,199
Gross loans	**974,898**	**1,012,761**	**1,234,762**	**1,244,870**	**1,236,743**
Accrued interest receivable	2,666	2,636	3,840	3,709	3,722
Loan loss reserve	42,049	39,776	44,212	44,728	45,381
Net loans	**935,515**	**975,621**	**1,194,390**	**1,203,851**	**1,195,083**
Total assets	**1,237,174**	**1,214,268**	**1,632,828**	**1,612,310**	**1,656,779**
Deposits	806,182	837,556	1,010,484	1,007,315	1,012,541
Interbank liabilities	75,590	46,612	213,948	270,056	275,322
Borrowings	151,412	151,805	138,074	81,297	92,953
Total liabilities	**1,108,705**	**1,082,598**	**1,450,061**	**1,428,002**	**1,470,947**
Minority interest	403	460	513	572	349
Paid-up capital	60,741	60,741	73,558	73,558	73,558
Total Equities	**128,066**	**131,210**	**182,254**	**183,736**	**185,482**
BVPS (Bt)	**21.08**	**21.60**	**24.78**	**24.98**	**25.22**

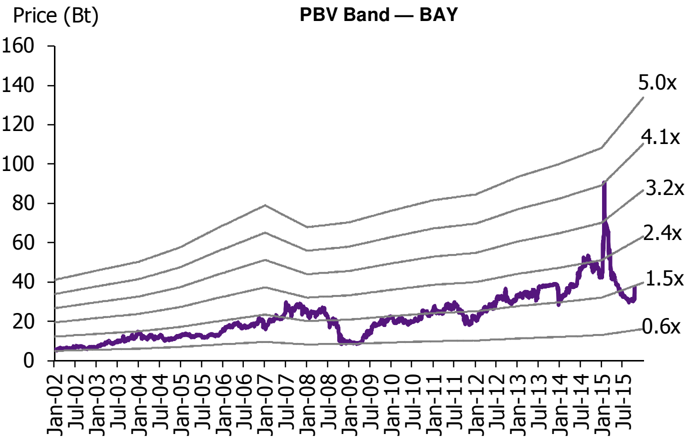
Key Assumptions and Financial Ratios

	2013	2014	2015F	2016F	2017F
Growth					
YoY loan growth	13.67	7.34	23.98	8.00	8.00
YoY fee & insurance income growth	14.26	1.50	16.00	10.00	12.00
Profitability					
Yield on earn'g assets (%)	6.73	6.57	5.95	5.42	5.41
Cost on int-bear'g liab (%)	2.81	2.63	2.10	2.00	2.05
Spread (%)	3.93	3.94	3.85	3.43	3.36
Net interest margin(%)	4.24	4.22	4.09	3.67	3.61
ROE (%)	10.11	11.22	10.87	10.22	10.69
Asset Quality					
NPLs/Total Loans(%)	2.86	2.96	2.58	2.58	2.58
LLR/NPLs(%)	144.32	132.64	146.06	150.74	151.21
Provision expense/Total loans (%)	2.01	1.79	1.60	1.40	1.30
Liquidity					
Loans/Deposits & borrowings (%)	100.52	102.37	111.63	109.29	107.02
Efficiency					
Cost to income ratio (%)	50.54	49.92	48.50	49.67	49.79
Capital Fund					
Capital adequacy ratio(%)	14.71	14.69	16.02	15.67	15.53
Tier-1(%)	10.19	10.98	13.39	13.23	13.26
Tier-2(%)	4.52	3.71	2.64	2.45	2.27

Financial Ratios

	3Q14	4Q14	1Q15	2Q15	3Q15
YoY loan growth	9.64	7.34	31.38	31.59	26.86
YoY fee & insurance income growth	4.94	7.31	24.49	17.43	14.09
Yield on earn'g assets (%)	6.52	6.51	6.12	5.27	5.20
Cost on int-bear'g liab (%)	2.64	2.58	2.31	1.94	1.76
Net interest margin(%)	4.20	4.22	4.08	3.57	3.64
Cost to income ratio (%)	47.54	47.42	46.58	47.26	47.31
NPLs/Total Loans(%)	3.54	2.96	2.60	2.55	2.66
LLR/NPLs(%)	121.86	132.64	137.93	140.77	137.93
Provision expense/Total loans (%)	2.01	1.93	1.70	1.68	1.57

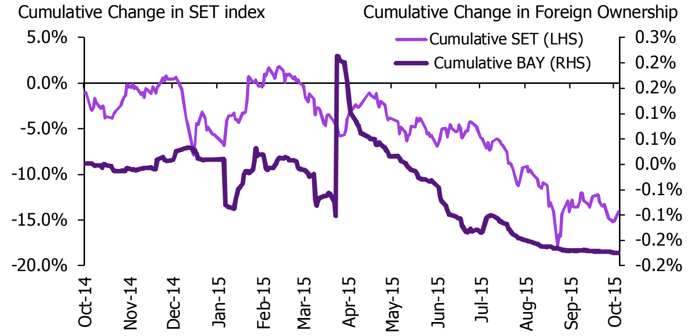
PBV Band Chart



12-Month Cumulative directors trade

NA

12 Month cumulative chg in foreign ownership versus cumulative chg in SET index



Source: SET, SCBS Investment Research

Figure 2: Valuation summary (Closing price as of Oct 21, 2015)

	Rating	Price	Target	ETR	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
		(Bt/Sh)	(Bt/Sh)	(%)	14A	15F	16F	14A	15F	16F	14A	15F	16F	14A	15F	16F	14A	15F	16F
BAY	Sell	36.25	30.0	(15.2)	15.5	15.0	12.8	19	4	17	1.7	1.4	1.3	11	11	10	1.9	2.0	2.4
BBL	Buy	169.50	190.0	15.9	8.9	9.2	9.0	1	(3)	3	1.0	0.9	0.8	12	10	10	3.8	3.8	4.0
KBANK	Buy	185.00	225.0	24.1	9.6	10.6	8.8	12	(10)	20	1.7	1.5	1.3	19	15	16	2.2	2.4	2.7
KKP	Neutral	33.25	34.0	8.0	10.6	8.7	8.2	(41)	23	6	0.8	0.7	0.7	7	9	9	4.7	5.8	6.1
KTB	Buy	17.60	21.0	23.7	7.2	8.4	7.4	0	(14)	13	1.1	1.0	0.9	16	12	13	5.1	4.4	5.0
LHBANK	Sell	1.69	1.4	(15.1)	18.6	14.3	13.4	30	29	7	1.4	1.3	1.2	8	9	9	0.2	2.1	2.2
TCAP	Buy	32.75	42.0	33.1	8.2	7.6	7.1	(45)	8	7	0.8	0.8	0.7	10	10	10	4.9	4.9	4.9
TISCO	Buy	37.25	45.0	25.8	7.0	7.1	6.3	0	(1)	12	1.2	1.1	0.9	17	16	16	5.4	5.0	5.4
TMB	Sell	2.64	2.4	(6.7)	12.1	12.7	11.1	66	(5)	15	1.7	1.5	1.4	15	12	13	2.5	2.4	2.7
Average					**10.7**	**10.4**	**9.3**	**4**	**(7)**	**14**	**1.3**	**1.2**	**1.1**	**14**	**12**	**12**	**3.5**	**3.7**	**4.0**

Source: SCBS Investment Research

CG Rating 2014	Companies with CG Rating
▲▲▲▲▲	BAFS, BCP, BTS, CPN, EGCO, GRAMMY, HANA, INTUCH, IRPC, IVL, KBANK, KKP, KTB, MINT, PSL, PTT, PTTEP, PTTGC, SAMART, SAMTEL, SAT, SC, SCB, SE-ED, SIM, SPALI, TISCO, TMB, TOP
▲▲▲▲	AAV, ACAP, ADVANC, ANAN, AOT, ASIMAR, ASK, ASP, BANPU, BAY, BBL, BECL, BIGC, BKI, BLA, BMCL, BROOK, CENTEL, CFRESH, CIMBT, CK, CNT, CPF, CSL, DELTA, DRT, DTAC, DTC, EASTW, EE, ERW, GBX, GC, GFPT, GUNKUL, HEMRAJ, HMPRO, ICC, KCE, KSL, LANNA, LH, LHBANK, LOXLEY, LPN, MACO, MC, MCOT, NBC, NCH, NINE, NKI, NMG, NSI, OCC, OFM, PAP, PE, PG, PHOL, PJW, PM, PPS, PR, PRANDA, PS, PT, QH, RATCH, ROBINS, RS, S & J, SAMCO, SCC, SINGER, SIS, SITHAI, SNC, SNP, SPI, SSF, SSI, SSSC, STA, SVI, TCAP, TF, THAI, THANI, THCOM, TIP, TIPCO, TK, TKT, TNITY, TNL, TOG, TRC, TRUE, TSTE, TSTH, TTA, TTW, TVO, UAC, VGI, VNT, WACOAL
▲▲▲	2S, AF, AH, AHC, AIT, AJ, AKP, AKR, AMANAH, AMARIN, AMATA, AP, APCO, APCS, AQUA, ARIP, AS, ASIA, AYUD, BEAUTY, BEC, BFIT, BH, BJC, BJCHI, BOL, BTNC, BWG, CCET, CGD, CGS, CHOW, CI, CKP, CM, CMR, CSC, CSP, CSS, DCC, DEMCO, DNA, EA, ESSO, FE, FORTH, FPI, GENCO, GL, GLOBAL, GLOW, GOLD, HOTPOT, HTC, HTECH, HYDRO, IFS, IHL, INET, IRC, IRCP, ITD, KBS, KGI, KKC, KTC, L&E, LRH, LST, MAJOR, MAKRO, MATCH, MBK, MBKET, MEGA, MFC, MFEC, MJD, MODERN, MONO, MOONG, MPG, MTI, NC, NTV, NUSA, NWR, NYT, OGC, OISHI, PACE, PATO, PB, PDI, PICO, PPM, PPP, PREB, PRG, PRIN, PTG, QLT, QTC, RCL, SABINA, SALEE, SCBLIF, SCCC, SCG, SEAFCO, SEAOIL, SFP, SIAM, SIRI, SKR, SMG, SMK, SMPC, SMT, SOLAR, SPC, SPCG, SPPT, SST, STANLY, STEC, STPI, SUC, SWC, SYMC, SYNEX, SYNTEC, TASCO, TBSP, TEAM, TFD, TFI, THANA, THIP, THREL, TIC, TICON, TIW, TKS, TLUXE, TMI, TMT, TNDT, TPC, TPCORP, TRT, TRU, TSC, TTCL, TUF, TVD, TWFP, UMI, UP, UPF, UPOIC, UT, UV, UWC, VIH, WAVE, WHA, WIN, WINNER, YUASA, ZMICO

Corporate Governance Report disclaimer

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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. SCB Securities Company Limited does not conform nor certify the accuracy of such survey result.