

Airports of Thailand Pcl (AOT TB) - BUY

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Analyst Meeting**Disappointing passenger outlook**

- **The PSC hike has been approved by the Transport Minister.**
 - **But the negative surprise is from a weaker pax. outlook.**
 - **Flight slot bookings from Chinese airlines fell by 20% y-y.**
 - **We see a downside risk to our earnings forecast.**
- The key takeaways from the analyst meeting look negative in our view.
- Even though AOT updated that the Transport Minister has approved the PSC hike (from Bt730 per international passenger to Bt1,120) and expects to announce it this month with the new PSC taking effect four months later, we believe this positive news is priced in by the market.
 - The negative surprise is that AOT plans to lower its total passenger growth forecast this year (October 2025 - September 2026) from 7% y-y previously (8% y-y growth in international passengers and 7% y-y growth in domestic passengers) to zero at the worst.
 - Besides a 2.5% y-y growth in total passengers in 4MFY26 (flat international passengers and 7% y-y growth in domestic passengers), AOT has seen a 6% y-y decline in total flight slot bookings from airlines for the summer schedule (late March–late October 2026). The decline is largely driven by Chinese airlines, whose flight slot bookings fell by 20% y-y. AOT attributes this to 1) the Chinese government's policy to promote domestic tourism, including measures such as seizing passports for its citizens, 2) the baht's appreciation against other Asian currencies, 3) continued safety concerns, and 4) the rise of alternative destinations such as Vietnam.
 - In the next few years, AOT plans to collect noise charges from airlines exceeding noise limits, increase landing and parking fees, and charge transit/transfer passengers. However, we believe these initiatives will take time to implement.
 - We currently assume the PSC hike in April this year and passenger growth of 5.5% y-y p.a. in FY26-28F. We thus see a downside risk to our earnings forecast. A 1% drop in passenger number will impact our earnings forecast by around 2%. Also as the recent sharp share price has increased to near our TP, we put our BUY recommendation on AOT under review.

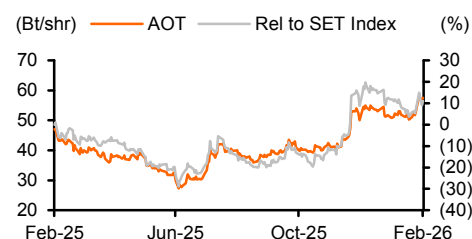
Key Valuations

Y/E Sep (Bt m)	2025A	2026F	2027F	2028F
Revenue	67,136	73,650	86,210	91,860
Net profit	18,125	23,115	32,224	35,923
Norm net profit	18,705	23,115	32,224	35,923
Norm EPS (Bt)	1.3	1.6	2.3	2.5
Norm EPS gr (%)	(4.2)	23.6	39.4	11.5
Norm PE (x)	43.9	35.5	25.5	22.9
EV/EBITDA (x)	21.7	18.4	14.3	13.0
P/BV (x)	6.3	5.8	5.2	4.8
Div. yield (%)	1.4	1.7	2.4	2.6
ROE (%)	14.7	17.0	21.6	21.8
Net D/E (%)	(13.9)	(27.9)	(36.4)	(39.1)

Source: Thanachart estimates

Stock Data

Closing price (Bt)	57.50
Target price (Bt)	57.00
Market cap (US\$ m)	26,412
Avg daily turnover (US\$ m)	42.9
12M H/L price (Bt)	58.25/27.25

Price Performance

Source: Bloomberg

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