

BTS Rail Mass Transit (BTSGIF TB) - HOLD, Price Bt2.62, TP Bt2.60 | Results Comment

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Weak 4QFY26 earnings in line

- BTSGIF reported a normalized profit of Bt1.1bn in 4QFY26 (Jan–Mar 2026), down 8% y-y and 8% q-q, in line with our expectation. The y-y decline was mainly due to higher maintenance expenses, while the q-q drop reflected lower ridership and higher maintenance costs. With the Bt2.9bn decrease in the non-cash fair value of investments in the “net revenue purchase and transfer agreement” (NRTA), BTSGIF reported a net loss of Bt1.8bn in 4QFY26.
- We forecast a 7% y-y decline in normalized earnings in FY27F, driven by higher maintenance expenses following the rolling stock refurbishment schedule.
- Despite its amortizing bond feature where the value will fall to zero upon concession expiry in December 2029, we maintain our HOLD call. We project total capital returns to unitholders of Bt3.0/unit in FY27-30F for investors who buy BTSGIF and hold until maturity, implying a yield of around 3.5% p.a.
- Income from investment in the NRTA fell by 8% y-y in 4QFY26.
 - Farebox revenue from the Core Green Line rose 1% y-y, as a 3% y-y decline in ridership was offset by a 4% y-y increase in average fare.
 - Operating and maintenance costs rose 23% y-y, mainly driven by 1) a 60% y-y increase in maintenance expenses from higher rolling stock refurbishment costs, and 2) a 58% y-y rise in capital expenditures due to AFC system upgrades.
- As the fund had retained deficits, distributable payout for 4QFY26 of Bt0.2/unit will be paid in form of capital return.
- The shortening concession period caused its NAV to fall to Bt18.3bn as of 31 March 2026, equivalent to Bt3.1655 per unit.

Income Statement						Income Statement					
Yr-end Mar (Bt m)	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	(Bt m)	q-q%	y-y%	12M as % 2026F	FY26A	FY27F
NET SALES	1,245	1,081	1,213	1,247	1,146	Revenue	(8)	(8)	100	4,686	4,377
GROSS PROFIT	1,245	1,081	1,213	1,247	1,146	Gross profit	(8)	(8)	100	4,686	4,377
SG&A	10	11	9	8	12	SG&A	54	24	86	40	44
Operating profit	1,235	1,069	1,203	1,239	1,134	Operating profit	(8)	(8)	100	4,646	4,333
EBITDA	1,235	1,069	1,203	1,239	1,134	EBITDA	(8)	(8)	100	4,646	4,333
Other income	6	8	5	5	5	Other income	(3)	(27)	71	21	20
Other expense	(4)	(1)	(4)	(2)	(2)	Other expense	na	na	81	(10)	(11)
Interest expense						Interest expense					
Profit before tax	1,237	1,076	1,205	1,241	1,136	Profit before tax	(8)	(8)	100	4,658	4,342
Income tax						Income tax					
Equity & invest. income						Equity & invest. income					
Minority interests						Minority interests					
Extraordinary items	(3,600)	(600)	(1,590)	(1,300)	(2,930)	Extraordinary items	na	na	122	(6,420)	(4,888)
Net Investment Income	(2,363)	476	(385)	(59)	(1,793)	Net profit	na	na	292	(1,762)	(545)
Norm Net Invest. Income	1,237	1,076	1,205	1,241	1,136	Normalized profit	(8)	(8)	100	4,658	4,342
EPS (Bt)	(0.41)	0.08	(0.07)	(0.01)	(0.31)	EPS (Bt)	na	na	292	(0.30)	(0.09)
Normalized EPS (Bt)	0.21	0.19	0.21	0.21	0.20	Normalized EPS (Bt)	(8)	(8)	100	0.80	0.75

Balance Sheet						Financial Ratios					
Yr-end Mar (Bt m)	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	(%)	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Cash & equivalent	81	121	180	108	111	Sales grow th	5.1	11.8	13.5	0.9	(7.9)
S-T investments						EBITDA grow th	5.7	12.1	13.7	1.1	(8.2)
A/C receivable	186	342	151	201	0	Net income grow th	na	15.9	na	na	na
Other						Norm income grow th	5.6	12.0	13.5	0.7	(8.2)
Investment & Loans	24,574	23,623	22,377	20,973	18,357	Norm EPS grow th	5.6	12.0	13.5	0.7	(8.2)
Fixed assets						Gross margin	100.0	100.0	100.0	100.0	100.0
Other assets						Operating margin	99.2	99.0	99.2	99.4	98.9
Total assets	24,847	24,091	22,709	21,282	18,474	EBITDA margin	99.2	99.0	99.2	99.4	98.9
S-T debt						Norm net margin	99.4	99.6	99.3	99.6	99.1
A/C payable					48	D/E (x)	-	-	-	-	-
Other current liabilities	2	2	2	2	2	Net D/E (x)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
L-T debt						Interest coverage (x)	na	na	na	na	na
Other liabilities						Effective tax rate	-	-	-	-	-
Minority interest						ROA	18.6	17.6	20.6	22.6	22.9
Net Assets	24,836	24,079	22,536	21,273	18,322	ROE	18.6	17.6	20.7	22.7	23.0
Net debt	(81)	(121)	(180)	(108)	(111)						
Avg outstanding units (shrs)	5,788	5,788	5,788	5,788	5,788						

Sources: Company data, ttb wealth estimates

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