

SMPC: 25% sales growth causes a stable 2017 net profit



SMPC had 4Q17 EPS of Bt0.32 (+47% YoY and +14% QoQ). The FY2017 EPS was Bt1.00 and 7% better than our forecast.

- SMPC reported flat earnings in 2017 at Bt532m.
- 2H17 gross margin recovered to normalized level.
- Demand grew ahead in Asia-Pacific and Africa and spurred sales to grow 25%YoY.

We rate SMPC as a BUY with 31% upside to our target price of Bt18*.

Result

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Valuation table

Year end Dec	15A	16A	17A	18E	19E
PE (x)	16.1	13.6	13.5	9.9	8.7
Recurring net profit growth (%)	62.4	19.3	0.8	36.0	13.8
Recurring EPS (Bt)	0.8	1.0	1.0	1.4	1.6
Recurring EPS growth (%)	62.2	18.7	0.8	35.7	14.3
PBV (x)	6.7	5.5	7.4	4.1	3.3
BVPS (Bt)	2.0	2.4	1.8	3.3	4.1
ROE (%)	49.2	45.9	47.2	53.7	42.4
DPS (Bt)	0.4	0.6	0.6	0.9	0.8
Dividend yield (%)	3.3	4.7	4.4	6.5	5.8
Enterprise value (Bt m)	7,477.0	7,387.1	7,177.9	7,695.3	7,285.1
EV-to-EBITDA (x)	16.1	10.4	10.0	8.3	7.0

Sahamitr Pressure Container PCL

Recommendation: BUY

Current price*: Bt13.7

Target price 2018: Bt18.0

Up/(downside): 33%

IOD: 4 out of 5

CAC: Certified

Stock data

RIC code	SMPC.BK
Index	.SETI
SET Index (09/02/2018)	1,786.45
Market cap (Bt m)	6,965
Shares outstanding (million)	532
Par (Bt)	1.00

