

PS host analyst meeting in this morning to unveil performance target for 2011.

--The aggressive plan for 2011 will continue to maintain market leader, 78 new project launches (74 local and 4 international projects) versus 72 projects in 2010 (70 local and 2 offshore). FY11 revenue target is 37% growth to bt32bn and presales target growth of 8% to bt42bn. All performances are record high.

--Low-rises presales (SDH and TH) are the key drivers for record high presales for 2011. While, condo presales for this year will contract YoY.

--The earnings visibility is high as backlogs end 2010 (bt31bn in total which bt18bn are available to book in 2011) secure 57% of PS' revenue target for 2011. Thus, new presales in 1H11 are likely to fully secure its target revenue for 2011. Note that we estimate PS will post the best profits growth this year.

--The TH construction delay, which was dampen 3Q10' results, eased in 4Q10. The problem will be solved by 1Q11 as mngt will match the transferring to its strong presales equally. The new capacity is now test-run and expected to fully run in May 2011.

--The leverage will unlikely to decline regarding to PS's condo backlogs which have longer product life cycle than low-rises. Debt to equity ratio is forecast at 1.35x end 2011 versus 1.30x end 2010. Gearing ratio will steady at 0.8-0.9x.

--For international projects, PS will start to realize revenue in 2011 with revenue target of bt2.4bn. Offshore presales target is expected to jump from bt699m for 2010 to bt4.5bn for 2011. The actives projects are in Maldives, India and Vietnam.

--Despite higher tax rate (PS resumes 30% corporate tax for 2011 after the end of tax privilege post 5-years listed), NM is expected to sustain YoY thanked to economy of scales (lower % of SG&A to sales).

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