# Airports of Thailand (AOT TB)

Passenger Arrivals Momentum To Support 1QFY27

## Highlights

- We attended AOT's 4QFY26 analyst meeting and the tone was neutral.
- We still see the passenger arrivals trending positively as we are approaching the peak festive period.
- We remain positive on AOT's outlook during the high travel season, with earnings continuing to benefit from the new PSC rates. AOT remains one of our top picks. Maintain BUY with a target price of Bt85.00.

## Analysis

- **Neutral tone from the analyst meeting.** We attended Airports of Thailand's (AOT) 4QFY26 analyst meeting and the tone was neutral.
- **Positive momentum in passenger arrivals continues.** Management currently targets FY27 total passengers at 128.5m which is +2% yoy from the total passengers in FY26. This target assumes that the jet fuel price remains elevated at a high level of Bt150-180 per barrel. We still see a possible upside to the target once the conflict subsides and the fuel price drops. The high ticket price caused by the fuel price has caused a drop in passenger volume which impacted AOT's earnings. However, now in Nov 26, we are starting to see a positive momentum in passenger volume. As of 21 Nov 26, the total passenger arrivals are only slightly down by 3.8% yoy, while foreign passengers are only 1.9% down yoy. We have seen a continuous improvement wow in every single week in Nov 26, with total passenger arrivals improving from -7.7% and -5.2% yoy from the first and second week respectively. We can see that demand remains strong in the high travel season. There are large events in 4Q26 to be hosted in Thailand such as Tomorrowland and the new year celebration, which will give a strong boost to tourist arrival traffic. Hence, we remain positive with AOT's earnings outlook in 4QFY26 to 1QFY27, supported by the new rate of passenger service charge (PSC).
- **Employee expenses remain under control.** Although employee expenses in 4QFY26 increased by 10% yoy, this is mainly due to new employment to AOT Aviation Services and AOT Aviation Security. Meanwhile, the employee expenses on a separate financial statement of AOT remain flattish yoy, signalling that AOT is controlling its employee costs well.

## Key Financials

| Year to 30 Sep (Btm) | 2025 | 2026 | 2027F | 2028F | 2029F |
|---|---|---|---|---|---|
| Net turnover | 66,679 | 67,674 | 84,825 | 89,853 | 93,695 |
| EBITDA | 40,286 | 40,301 | 55,140 | 58,229 | 61,094 |
| Operating profit | 28,244 | 28,488 | 43,501 | 45,870 | 48,480 |
| Net profit (rep./act.) | 18,125 | 18,422 | 28,956 | 31,263 | 34,188 |
| Net profit (adj.) | 18,125 | 18,422 | 28,956 | 31,263 | 34,188 |
| EPS (Bt) | 1.3 | 1.3 | 2.0 | 2.2 | 2.4 |
| PE (x) | 41.8 | 41.1 | 26.1 | 24.2 | 22.1 |
| P/B (x) | 5.8 | 5.5 | 4.8 | 4.4 | 4.1 |
| EV/EBITDA (x) | 21.8 | 21.8 | 15.9 | 15.1 | 14.4 |
| Dividend yield (%) | 1.5 | 1.5 | 2.3 | 2.5 | 2.7 |
| Net margin (%) | 27.2 | 27.2 | 34.1 | 34.8 | 36.5 |
| Net debt/(cash) to equity (%) | 20.5 | 17.4 | 11.0 | 9.1 | 5.2 |
| Interest cover (x) | 23.6 | 31.5 | 21.1 | 31.0 | 35.0 |
| ROE (%) | 14.2 | 13.7 | 19.6 | 19.0 | 19.1 |
| Consensus net profit (Btm) | - | - | 29,078 | 31,256 | - |
| UOBKH/Consensus (x) | - | - | 1.00 | 1.00 | - |

*Source: AOT, Bloomberg, UOB Kay Hian*

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**BUY (Maintained)**

| | |
|---|---|
| Share Price | Bt60.00 |
| Target Price | Bt85.00 |
| Upside | +41.7% |

## Stock Data

| | |
|---|---|
| Sector | Industrials |
| Bloomberg ticker | AOT TB |
| Shares issued (m) | 14,285.7 |
| Market cap (Btm) | 857,142.0 |
| Market cap (US$m) | 25,222.7 |
| 3-mth avg daily t'over (US$m) | 41.2 |

## Price Performance (%)

| 52-week high/low | | | | Bt67.25/Bt40.75 |
|---|---|---|---|---|
| 1mth | 3mth | 6mth | 1yr | YTD |
| 0.4 | (10.4) | 13.7 | 46.3 | 13.2 |

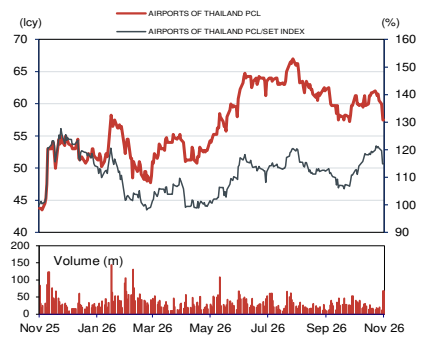
## Major Shareholders (%)

| | |
|---|---|
| Ministry of Finance | 70.0 |
| THAI NVDR Co Ltd | 4.1 |

## Balance Sheet Metrics

| | |
|---|---|
| FY27 NAV/Share (Bt) | 11.02 |
| FY27 Net Debt/ Share (Bt) | 1.21 |

## Price Chart




*Source: Bloomberg*

## Company Description

AOT operates 6 of the 38 airports in Thailand, but collectively these 6 airports account for 83% of the total pax throughput. As the leading airport operator in the country, AOT manages domestic and international services, providing the main aviation hub at Suvarnabhumi Airport.

- **Maintenance expenses will not be as high as in 4QFY26 going forward.** We saw a sharp increase in maintenance expense of 25% yoy and 43% qoq in 4QFY26. This increase is mainly due to AOT's scheduled repairment of several systems such as the baggage handling, communication and computer, automated people mover system, electricity, weapons detectors and load bridge. Management stated that we cannot regard the 4QFY26 maintenance expenses as a new base going forward as this quarter is extra heavy on maintenance. Moreover, the increase in depreciation of 8% qoq is mainly due to adjustments made in assets of the SAT-1 terminal at Suvarnabhumi Airport (BKK).
- **No PSC discounts for any low-cost airlines.** AOT insists that despite the difficult situation for low-cost airlines, it will not provide any discounts to the PSC rate. AOT states that if it was to provide a discount for some airlines, it would need to give discounts to all other full-service airlines as well which would be detrimental to AOT's earnings. Hence, AOT would still collect its PSC rate as per normal and views that low-cost airlines will eventually be replaced. The aircraft disposed by bankrupted airlines will change ownership and will eventually return as a new client to AOT.
- **Return of inbound duty-free shops still in progress.** AOT is now receiving requests from passengers to reinstate inbound duty-free shops. Currently, the cabinet will need to acknowledge the reinstatement of inbound duty-free ships before AOT can proceed. The concession revenue model is unlikely to revert to the previous structure, which was based on the area occupied by duty-free shops. Meanwhile, King Power Duty Free (KPD) continues to pay concession fees on schedule and look to completely repay in Jan 27 ahead of the scheduled deadline in Feb 27.
- **New business opportunities for AOT.** In addition to the interest in AOT's landbank from a logistic player, AOT has established a new subsidiary to focus on aircraft rescue to make use of the tools they have purchased to clear up plane accidents. AOT is also keen on adding premium services to its airports for VIPs and celebrities, similar to what foreign airports offer. AOT Ground Aviation Services (AOTGA) will start operations as the third ground operator at BKK in Jan 27, providing more revenue for AOT. Moreover, AOT is now providing more land area for lease to cargo operators such as Thai Airways, who is in need of a warehouse expansion. We see this as beneficial as it provides more sources of income.

## Valuation/Recommendation

- **Maintain BUY with a target price of Bt85.00.** Our valuation is based on FY27 EV/EBITDA of 22x, 1 SD above the five-year mean (excluding COVID years). We maintain AOT as our top pick in the tourism sector, supported by strong earnings momentum from the new PSC rates and an upward trend in passenger arrivals in 1QFY27.

## Environment, Social, Governance (ESG) Updates

### Environmental

- **Increased efficiency of energy consumption.** Design, construct, and operate airports and related facilities to maximise efficiency in resource utilisation.

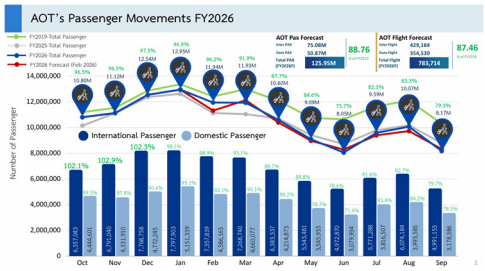
### Social

- **Established an Aerodrome Safety Policy.** Enhancing aerodrome safety management and operational standards while giving responsibility to management from all levels for airport safety.
- **Provides safety training.** Organises sessions to train and ensure that AOT personnel are equipped with the knowledge to comply with the Safety Policy.

### Governance

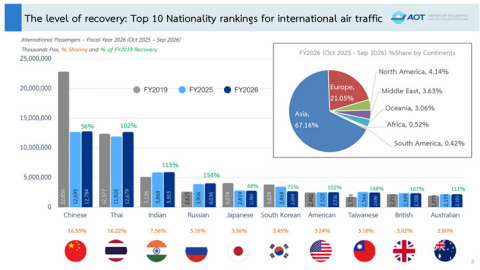
- **Board operates under corporate governance principles** and relevant laws, regulations and guidelines on good corporate governance.

## Passenger Arrivals In 2026




*Source: AOT*

## Recovery Level Of Foreign Passengers



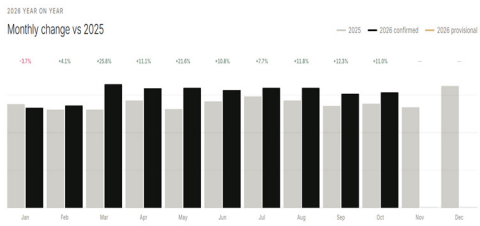

*Source: AOT*

## Mtd Nov 26 Operational Statistics

| 1 - 21 NOV 2026 | | | | | | |
|---|---|---|---|---|---|---|
| Airport | Flight (% YoY) | | | Passenger (% YoY) | | |
| | Inter | Dom | Total | Inter | Dom | Total |
| BKK | 5.4% | 6.2% | 5.6% | 5.5% | 3.9% | 5.2% |
| DMK | -29.3% | -7.8% | -16.2% | -36.9% | -12.7% | -21.9% |
| CNX | 13.6% | 12.7% | 13.0% | 9.2% | -3.4% | -0.1% |
| HDY | -20.8% | -4.6% | -6.7% | -27.9% | -9.4% | -11.0% |
| HKT | 5.2% | 2.4% | 4.0% | 0.3% | -8.5% | -2.9% |
| CEI | - | 7.0% | 12.0% | - | -5.0% | -3.5% |
| AOT | -0.9% | 0.6% | -0.3% | -1.9% | -6.6% | -3.8% |

*Source: AOT*

## Airfare Monthly Price 2025 vs 2026




*Source: Official Airline Guide (OAG)*

## Profit & Loss

| Year to 30 Sep (Btm) | 2026 | 2027F | 2028F | 2029F |
|---|---|---|---|---|
| Net turnover | **67,674** | **84,825** | **89,853** | **93,695** |
| EBITDA | 40,301 | 55,140 | 58,229 | 61,094 |
| Deprec. & amort. | 11,812 | 11,639 | 12,359 | 12,614 |
| EBIT | 28,488 | 43,501 | 45,870 | 48,480 |
| Total other non-op. income | (3,652) | (3,764) | (3,909) | (2,905) |
| Associate contributions | 0 | 0 | 0 | 0 |
| Net interest income/(expense) | (1,279) | (2,614) | (1,881) | (1,745) |
| **Pre-tax profit** | **23,558** | **37,123** | **40,080** | **43,830** |
| Tax | (4,808) | (7,425) | (8,016) | (8,766) |
| Minorities | (327) | (742) | (802) | (877) |
| Net profit | 18,422 | 28,956 | 31,263 | 34,188 |
| **Net profit (adj.)** | **18,422** | **28,956** | **31,263** | **34,188** |

## Balance Sheet

| Year to 30 Sep (Btm) | 2026 | 2027F | 2028F | 2029F |
|---|---|---|---|---|
| Fixed assets | 154,586 | 174,213 | 183,611 | 193,682 |
| Other LT assets | 11,673 | 18,965 | 19,670 | 20,314 |
| Cash/ST investment | 17,490 | 35,282 | 23,939 | 27,521 |
| Other current assets | 29,022 | 16,540 | 17,524 | 18,265 |
| **Total assets** | **212,771** | **245,000** | **244,745** | **259,781** |
| ST debt | 1,713 | 737 | 737 | 737 |
| Other current liabilities | 20,942 | 20,800 | 18,400 | 18,780 |
| LT debt | 39,915 | 51,869 | 38,774 | 36,547 |
| Other LT liabilities | 7,908 | 9,834 | 10,325 | 10,842 |
| Shareholders' equity | 138,662 | 157,386 | 171,333 | 186,824 |
| Minority interest | 2,275 | 3,017 | 3,819 | 4,695 |
| **Total liabilities & equity** | **211,415** | **243,644** | **243,389** | **258,425** |

## Cash Flow

| Year to 30 Sep (Btm) | 2026 | 2027F | 2028F | 2029F |
|---|---|---|---|---|
| **Operating** | **40,376** | **27,762** | **43,363** | **46,472** |
| Pre-tax profit | 23,558 | 37,123 | 40,080 | 43,830 |
| Tax | (4,808) | (7,425) | (8,016) | (8,766) |
| Deprec. & amort. | 11,812 | 11,639 | 12,359 | 12,614 |
| Working capital changes | 10,883 | (7,876) | (307) | (402) |
| Non-cash items | (1,069) | (5,700) | (754) | (804) |
| Other operating cashflows | 0 | 0 | 0 | 0 |
| **Investing** | **(30,522)** | **(4,334)** | **(21,758)** | **(22,684)** |
| Capex (growth) | (16,863) | (20,358) | (21,565) | (22,487) |
| Investment | 898 | 1,609 | 1,669 | 1,715 |
| Others | (14,558) | 14,415 | (1,862) | (1,912) |
| **Financing** | **(15,859)** | **1,489** | **(29,609)** | **(20,048)** |
| Dividend payments | (11,571) | (11,053) | (17,374) | (18,758) |
| Proceeds from borrowings | (4,632) | 10,979 | (13,095) | (2,227) |
| Loan repayment | 0 | 0 | 0 | 0 |
| Others/interest paid | 344 | 1,564 | 859 | 937 |
| Net cash inflow (outflow) | (6,005) | 24,917 | (8,004) | 3,740 |
| Beginning cash & cash equivalent | 19,401 | 17,490 | 35,282 | 23,939 |
| Changes due to forex impact | 4,095 | (7,125) | (3,339) | (159) |
| **Ending cash & cash equivalent** | **17,490** | **35,282** | **23,939** | **27,521** |

## Key Metric

| Year to 30 Sep (Btm) | 2026 | 2027F | 2028F | 2029F |
|---|---|---|---|---|
| Profitability | | | | |
| EBITDA margin | 59.6 | 65.0 | 64.8 | 65.2 |
| Pre-tax margin | 34.8 | 43.8 | 44.6 | 46.8 |
| Net margin | 27.2 | 34.1 | 34.8 | 36.5 |
| ROA | 8.7 | 12.7 | 12.8 | 13.6 |
| ROE | 13.7 | 19.6 | 19.0 | 19.1 |
| | | | | |
| Growth (% yoy) | | | | |
| Turnover | 1.5 | 25.3 | 5.9 | 4.3 |
| EBITDA | 0.0 | 36.8 | 5.6 | 4.9 |
| Pre-tax profit | 0.9 | 57.6 | 8.0 | 9.4 |
| Net profit | 1.6 | 57.2 | 8.0 | 9.4 |
| Net profit (adj.) | 1.6 | 57.2 | 8.0 | 9.4 |
| EPS | 1.6 | 57.2 | 8.0 | 9.4 |
| | | | | |
| Leverage | | | | |
| Debt to total capital | 22.8 | 24.7 | 18.4 | 16.3 |
| Debt to equity | 30.0 | 33.4 | 23.1 | 20.0 |
| Net debt/(cash) to equity | 17.4 | 11.0 | 9.1 | 5.2 |
| Interest cover (x) | 31.5 | 21.1 | 31.0 | 35.0 |

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