

# PTTEP TREASURY CENTER CO., LTD.

No. 41/2019  
13 June 2019

## CORPORATES

### Issue Rating:

Guaranteed

AAA

### Outlook:

Stable

Last Review Date: 24/05/19

### Issue Rating History:

Date	Rating	Outlook/Alert
24/05/19	AAA	Stable

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## RATIONALE

TRIS Rating assigns the rating of “AAA” to the proposed issue of up to Bt15,000 million in guaranteed debentures offered by PTTEP Treasury Center Co., Ltd. (PTTEPTC). The assigned issue rating replaces the rating on the proposed issue of up to Bt10,000 million in guaranteed debentures announced on 24 May 2019, as the company decided to increase the issue size.

The debentures are fully guaranteed by PTT Exploration and Production PLC (PTTEP). PTTEP is rated “AAA” by TRIS Rating. Therefore, the issue rating reflects the creditworthiness of PTTEP as the guarantor of the guaranteed debentures.

The rating on PTTEPTC’s guaranteed debentures is equal to the rating of PTTEP. Under the guarantee terms, PTTEP provides an irrevocable and unconditional guarantee to covers all amounts due under the terms of the debentures up to Bt16,875 million (112.5% of face value), including the principal, plus any accrued interest, and other related expenses.

The guaranteed debentures is ranked *pari passu* with all other present and future unsecured and unsubordinated indebtedness of PTTEP. The guarantee agreement is governed by the laws of the Kingdom of Thailand.

PTTEP’s creditworthiness reflects its leading position in the petroleum exploration and production (E&P) industry in Thailand, low market risk due to a long-term gas sale agreement with PTT PLC (PTT), low cost of production from legacy assets, conservative financial policies, and a strong financial profile.

PTTEP is a core subsidiary of PTT. PTT owns 65.3% shareholding of PTTEP. Both PTT and PTTEP are state-owned enterprises under the Thai law.

PTTEPTC is a financing subsidiary set up by PTTEP. PTTEPTC serves as the financing center for PTTEP and its subsidiaries/affiliates. PTTEPTC manages liquidity for the PTTEP group of companies through cash pooling and intercompany loans. PTTEPTC also seeks funding sources for PTTEP and its subsidiaries/affiliates.

## RATING OUTLOOK

The “stable” outlook reflects the creditworthiness of the guarantor, PTTEP. TRIS Rating expects that PTTEP will maintain its leading position in the E&P industry in Thailand and strong financial profile.

## RATING SENSITIVITIES

The rating of PTTEPTC’s guaranteed debentures may change if the rating of its guarantor changes.

## RELATED CRITERIA

- Key Financial Ratios and Adjustments, 5 September 2018
- Group Rating Methodology, 10 July 2015
- Rating Methodology – Corporate, 31 October 2007

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**PTTEP Treasury Center Co., Ltd. (PTTEPTC)**

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**Issue Rating:**

Up to Bt15,000 million guaranteed debentures due within 3 years

AAA

**Rating Outlook:**Stable

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**TRIS Rating Co., Ltd.**

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