

BANGCHAK CORPORATION PLC

No. 79/2018

6 December 2018

CORPORATES

Company Rating:	A
Issue Ratings:	
Senior unsecured	A
Outlook:	Stable

Last Review Date :

Date	Rating	Outlook/Alert
14/11/18	A	Stable

Company Rating History:

Date	Rating	Outlook/Alert
04/11/15	A	Stable
26/12/12	A-	Stable
06/07/12	A-	Alert Negative
12/10/10	A-	Stable
05/11/09	BBB+	Positive
05/11/08	BBB+	Stable

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RATIONALE

TRIS Rating affirms the company rating of Bangchak Corporation PLC (BCP) and the ratings of BCP's existing senior unsecured debentures at "A". At the same time, TRIS Rating assigns the rating of "A" to BCP's proposed issue of up to Bt5,000 million in senior unsecured debentures. The proceeds from the new debentures will be used for refinancing, working capital, and business expansion.

The ratings continue to reflect BCP's long track record in oil refining and marketing businesses, its leading market position in the oil retailing business, and its diversification into green energy businesses. The ratings are partially offset by increasing leverage due to the company's investment plan for the upgrade of its refinery and the expansion into new businesses.

RATING OUTLOOK

The "stable" outlook reflects the expectation that BCP will retain its strong market position in the marketing segment. The investments in the power projects are expected to generate sustainable streams of cash and will offset the impact from fluctuations in the oil refining and marketing businesses for BCP.

RATING SENSITIVITIES

An upside for BCP's ratings may occur if the company generates sizable and recurring cash flow from its diversification efforts, while not materially deteriorating its capital structure. A rating downside may occur if BCP's capital structure significantly deteriorates due to aggressive debt-funded investments or if the company incurs substantial losses from its investments.

RELATED CRITERIA

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

Bangchak Corporation PLC (BCP)

Company Rating:	A
Issue Ratings:	
BCP194A: Bt2,000 million senior unsecured debentures due 2019	A
BCP194B: Bt2,000 million senior unsecured debentures due 2019	A
BCP208A: Bt3,000 million senior unsecured debentures due 2020	A
BCP214A: Bt2,500 million senior unsecured debentures due 2021	A
BCP224A: Bt1,000 million senior unsecured debentures due 2022	A
BCP238A: Bt400 million senior unsecured debentures due 2023	A
BCP244A: Bt3,500 million senior unsecured debentures due 2024	A
BCP258A: Bt600 million senior unsecured debentures due 2025	A
BCP273A: Bt2,000 million senior unsecured debentures due 2027	A
BCP303A: Bt1,000 million senior unsecured debentures due 2030	A
Up to Bt5,000 million senior unsecured debentures due within 10 years	A
Rating Outlook:	Stable

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