

# ORI: Product differentiation on strategic locations is a main key success



**Positive view on ORI after 2Q19 analyst meeting at Park Origin Chula-Samyan, given significant achievement in 70% presales of Bt3.2bn after launch in 2Q19. We maintain our BUY rating with a target price of Bt10.2 based on 7xPE'19E, which represents a 20% discount to the average valuation of the top 10 stocks in the Thai Real Estate sector.**

## Key takeaway:

- Little impact from LTV policy. ORI has focused more on budget condominiums and low-rise projects which have competitive price and high turnover rate. These segments are also less attractive for target homebuyers with speculative purpose.
- No concern on unsold inventory of "Park Origin 24" of Bt6bn. This project is already completed construction with no interest expense burden.

## Valuation table

Year end Dec	17A	18A	19E	20E	21E
PE (x)	9.7	5.9	5.5	4.9	4.3
Recurring net profit growth (%)	217	65.2	7.6	12.5	14.9
Recurring EPS (Bt)	0.83	1.36	1.46	1.65	1.89
Recurring EPS growth (%)	203	63.3	7.4	12.5	14.9
PBV (x)	3.9	2.7	2.1	1.6	1.3
BVPS (Bt)	2.10	3.04	3.92	4.91	6.05
ROE (%)	55.2	53.2	42.2	37.4	34.6
DPS (Bt)	0.40	0.38	0.59	0.66	0.76
Dividend yield (%)	4.9	4.7	7.2	8.1	9.3
Enterprise value (Bt m)	28,123	30,594	33,238	34,194	34,092
EV-to-EBITDA (x)	13.4	7.4	7.0	6.1	5.2

Sittidath Praserttrunguang  
Registration No. 17618  
sittidath.pr@countrygroup.co.th  
+66 2 205 7000 ext 4400

Thanawich Boonchuwong  
Assistant analyst

## Origin Property PCL

**Recommendation: BUY**

**Current price\*: Bt8.3**

**Target price: Bt10.2**

**Up/(downside): 23%**

**IOD: 4 out of 5**

**CAC: Declared**

## Stock data

RIC code	ORI.BK
Index	.SETI
SET Index (16/08/2019)	1,631.40
Market cap (Bt m)	19,883
Shares outstanding (million)	2,455
Par (Bt)	0.50

