

## PSC uplift + concession upsides

- 1QFY26 NP is still resilient despite a weak concession revenue
- 39% PSC uplift and the rise in concession revenue are key catalysts in 2026 onwards
- Maintain BUY and a SoTP TP of THB

### As good as it gets in 1QFY26

1QFY26 net profit (NP) was THB4.7b, up 20% q-q and 9% y-y, driven by the strong Aeronautical revenue to offset the weaker non-Aeronautical revenue as the concession revenue dropped from King Power. EBITDA margin improved to 62.4% in 1QFY26, up from 54% in 4QFY25 and 53.8% in 1QFY25 thanks to the effective cost control and rising high-margin revenues of Landing and parking charges and Departure passenger service charge (PSC).

### Highly resilient traffics of flights and passengers

In 1QFY26, the number of flights rose by 1.8% y-y to 208,281 flights, comprising 116,594 international flights and 91,687 domestic flights. The number of passengers also improved to 34.47m, up 2.5% y-y, comprising 20.9m international passengers and 13.5m domestic passengers. These figures indicated AOT's healthy traffics in terms of both number flights and number of passengers despite the decline in Thailand's overall number of tourists.

### PSC uplift is the key catalyst

Revenue from Aeronautical segment remained resilient at THB8.9b, flat y-y but up 20% q-q. Revenues from Landing and parking charges was THB1.6b (+15% q-q, +3% y-y) while revenue from Departure PSC stayed solid at THB7.0b (+21% q-q, flat y-y) despite the declining number of tourists into Thailand. In 3QFY26 (Apr-Jun 2026), we project Departure PSC revenue to jump markedly, driven by the projected increase of PSC from THB730/departure passenger to THB1,120. This alone could boost revenue by THB14b annually, based on our estimate.

### Concession revenue likely to improve, though at slow pace

In 1QFY26 concession revenue dropped to THB4.8b, down 11% q-q and 16% y-y, due to the weaker revenue from King Power. However, we expect concession revenue to gradually improve in 2026-27 given the rising number of Chinese tourists that has already begun to show signs of relief, if not shout of joy for Thailand and AOT.

### One of best play on Thailand's tourism resiliency

We maintain BUY and a SoTP of THB63. We think AOT's share price will rerate further in 2026 on the back of the visible earnings upsides from the soon-to-commence PSC increase to THB1,120/departure passenger and the piecemeal rise in concession revenue as the number of Chinese tourists will likely return to Thailand.

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**ESG Rating : AA**

**CG Rating :** 

### BUY

|                               |              |
|-------------------------------|--------------|
| <b>Target Price 12M (THB)</b> | <b>63.00</b> |
| VS. BB Consensus TP (%)       | +13.5%       |
| Share Price (THB)             | 57.00        |
| Upside/Downside               | +10.5%       |

#### Share Data

|                          |            |
|--------------------------|------------|
| Market Cap (THB m)       | 814,284.90 |
| Par (THB)                | 1.00       |
| Free Float (%)           | 30.00      |
| Issued shares (m shares) | 14,286     |

#### Financial forecast

| YE Dec (THB m)             | FY25   | FY26E  | FY27E  | FY28E  |
|----------------------------|--------|--------|--------|--------|
| Revenue                    | 66,679 | 77,119 | 87,044 | 89,923 |
| Net profit                 | 18,125 | 26,710 | 32,834 | 33,347 |
| Core net profit            | 18,722 | 26,710 | 32,834 | 33,347 |
| vs Consensus (%)           |        | 25.2   | 8.7    | 2.2    |
| Net profit growth (%)      | (5.5)  | 47.4   | 22.9   | 1.6    |
| Core net profit growth (%) | (4.5)  | 42.7   | 22.9   | 1.6    |
| EPS (THB)                  | 1.27   | 1.87   | 2.30   | 2.33   |
| Core EPS (THB)             | 1.31   | 1.87   | 2.30   | 2.33   |
| Chg from previous (%)      | 0.00   | 0.00   | 0.00   | 0.00   |
| DPS (THB)                  | 0.50   | 0.47   | 0.57   | 0.58   |
| P/E (x)                    | 31.92  | 30.49  | 24.80  | 24.42  |
| P/BV (x)                   | 4.42   | 5.41   | 4.61   | 4.04   |
| ROE (%)                    | 14.68  | 18.99  | 20.08  | 17.63  |
| Dividend yield (%)         | 1.23   | 0.82   | 1.01   | 1.02   |

Source: Financial Statement and Globlex securities

#### Share Price Performance (%)

|                    | 1M     | 3M    | 6M            | YTD    |
|--------------------|--------|-------|---------------|--------|
| Stock              | 11.76  | 36.53 | 43.40         | 7.55   |
| Market             | (3.69) | 21.68 | 25.25         | (6.02) |
| 12M High/Low (THB) |        |       | 59.00 / 26.75 |        |



#### Major Shareholders (%) as of 6 Dec 2024

|                     |       |
|---------------------|-------|
| Ministry of Finance | 70.00 |
|---------------------|-------|

#### Company Profile

AOT is the operator of airport business in Thailand, the core tasks of which are airport management and development of country's 6 international airports, namely Suvarnabhumi, Don Mueang, Phuket, Chiang Mai, Hat Yai and Mae Fah Luang-Chiang Rai. All 6 serve both domestic and international flights with Suvarnabhumi designated as the country's main airport.

Source: SETSMART, SET

**Exhibit 1: Summary of 1QFY26 operations**

|                        | 1QFY25<br>(THB m) | 4QFY25<br>(THB m) | 1QFY26        |             |            | FY25<br>(THB m) | FY26E<br>(THB m) | chg.<br>(y-y%) |
|------------------------|-------------------|-------------------|---------------|-------------|------------|-----------------|------------------|----------------|
|                        |                   |                   | (THB m)       | (q-q%)      | (y-y%)     |                 |                  |                |
| <b>Revenue</b>         | <b>16,774</b>     | <b>15,766</b>     | <b>16,852</b> | <b>6.9</b>  | <b>0.5</b> | <b>66,679</b>   | <b>77,119</b>    | <b>15.7</b>    |
| Operating costs        | 10,883            | 10,679            | 10,802        | 1.2         | (0.7)      | (30,087)        | (31,069)         | (3.3)          |
| <b>EBITDA</b>          | <b>9,022</b>      | <b>8,589</b>      | <b>9,498</b>  | <b>10.6</b> | <b>5.3</b> | <b>36,593</b>   | <b>46,051</b>    | <b>25.8</b>    |
| EBITDA margin (%)      | 53.8              | 54                | 56.4          | na          | na         | 54.9            | 60               | na             |
| Depn & amort.          | (2,903)           | (3,065)           | (2,967)       | 3.2         | (2.2)      | (12,042)        | (11,627)         | 3.5            |
| EBIT                   | 5,892             | 5,087             | 6,050         | 18.9        | 2.7        | 24,550          | 34,424           | 40.2           |
| Interest expense       | (672)             | (627)             | (577)         | 7.9         | 14.2       | (2,515)         | (2,423)          | 3.7            |
| Interest & invt inc    | 285               | 491               | 421           | (14.2)      | 47.7       | 812             | 852              | 4.9            |
| Associates' contrib    | (0)               | (2)               | 4             | 361.4       | 27,077.7   | 1,091           | 1,124            | 3.0            |
| Exceptionals           | (58)              | (54)              | 59            | 210.5       | 201.8      | (597)           | 0                | 100.0          |
| <b>Pretax profit</b>   | <b>5,446</b>      | <b>4,896</b>      | <b>5,958</b>  | <b>21.7</b> | <b>9.4</b> | <b>23,938</b>   | <b>33,977</b>    | <b>41.9</b>    |
| Tax                    | (1,076)           | (974)             | (1,189)       | (22.0)      | (10.5)     | (4,787)         | (6,795)          | (42.0)         |
| Tax rate (%)           | 19.8              | 19.9              | 20.0          | na          | na         | 20.0            | 20.0             | na             |
| Minority interests     | (98)              | (59)              | (116)         | (97.4)      | (18.8)     | (429)           | (472)            | (10.0)         |
| <b>Net profit</b>      | <b>4,272</b>      | <b>3,863</b>      | <b>4,653</b>  | <b>20.4</b> | <b>8.9</b> | <b>18,125</b>   | <b>26,710</b>    | <b>47.4</b>    |
| Non-recurring          | (42)              | (12)              | 120           | 1,112.1     | 385.3      | (597)           | 0                | 100.0          |
| <b>Core net profit</b> | <b>4,314</b>      | <b>3,875</b>      | <b>4,533</b>  | <b>17.0</b> | <b>5.1</b> | <b>18,722</b>   | <b>26,710</b>    | <b>42.7</b>    |
| EPS (THB)              | 0.30              | 0.27              | 0.33          | 20.4        | 8.9        | 1.27            | 1.87             | 47.4           |
| Core EPS (THB)         | 0.30              | 0.27              | 0.32          | 17.0        | 5.1        | 1.31            | 1.87             | 42.7           |

Sources: AOT, Globlex Research

**Exhibit 2: 1QFY26 key performance**

|                                    | 1QFY25       | 4QFY25       | 1QFY26       | (q-q%)       | (y-y%)       |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|
|                                    | Dec-24       | Sep-25       | Dec-25       |              |              |
| Aeronautical revenue               | 8,804        | 7,402        | 8,863        | 19.7         | 0.7          |
| Landing and parking charges        | 1,563        | 1,405        | 1,613        | 14.8         | 3.2          |
| Departure passenger service charge | 7,025        | 5,795        | 7,026        | 21.2         | 0.0          |
| Aircraft service charges           | 217          | 202          | 225          | 11.3         | 3.7          |
| <b>Non-Aeronautical Revenue</b>    | <b>8,859</b> | <b>8,364</b> | <b>7,989</b> | <b>(4.5)</b> | <b>(9.8)</b> |
| Office and state property rents    | 623          | 666          | 667          | 0.1          | 7.1          |
| Service revenues                   | 2,595        | 2,350        | 2,567        | 9.2          | (1.1)        |
| Concession revenues                | 5,641        | 5,348        | 4,754        | (11.1)       | (15.7)       |

\* Note: Change in margin % is represented in ppt change

Sources: AOT, Globlex Research

**Exhibit 3: SoTP valuation**

| Cost of equity assumptions (%)                           | Cost of debt assumptions (%) |                      |   |
|--|------------------------------|----------------------|---|
| Risk free rate   | 2.3                          | Pretax cost of debt  | 3.5   |
| Market risk premium                                      | 8.5                          | Marginal tax rate    | 20.0  |
| Stock beta   | 1.0                          |                      |   |
| Cost of equity, Ke                                       | 10.8                         | Net cost of debt, Kd | 2.8   |
| Weight applied   | 45.7                         | Weight applied       | 54.3  |
| WACC   | 6.5                          |                      |   |
| DCF valuation estimate                                   | THBb                         | THB/share            | Comments  |
| NPV  | 931.2                        | 65.2                 | WACC 6.5%, RF 3%, Risk premium 8.5%, terminal growth 2.3% |
| - Duty free and commercial activity concession contracts | 621.8                        | 43.5                 | WACC 6.5%, RF 3%, Risk premium 8.5%, terminal growth 2.3% |
| - Core business  | 309.4                        | 21.7                 | WACC 6.5%, RF 3%, Risk premium 8.5%, terminal growth 2.3% |
| Cash & liquid assets                                     | 19.4                         | 1.4                  | At end-2026E  |
| Investments  | 1.9                          | 0.1                  | At end-2026E  |
| Debt   | (50.2)                       | (3.5)                | At end-2026E  |
| Minorities   | (1.9)                        | (0.1)                | At end-2026E  |
| <b>Residual ordinary equity</b>                          | <b>900.4</b>                 | <b>63.0</b>          |   |

Sources: AOT; Globlex Research

| Balance sheet (THB m)        |                |                |                |                |                | Profit & loss (THB m)        |                 |                 |                 |                 |                 |
|------------------------------|----------------|----------------|----------------|----------------|----------------|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Year ending Sep              | FY24           | FY25           | FY26E          | FY27E          | FY28E          | Year ending Sep              | FY24            | FY25            | FY26E           | FY27E           | FY28E           |
| <b>Current assets</b>        |                |                |                |                |                | <b>Revenue</b>               | <b>67,121</b>   | <b>66,679</b>   | <b>77,119</b>   | <b>87,044</b>   | <b>89,923</b>   |
| Cash & ST investment         | 18,487         | 19,401         | 55,808         | 53,242         | 25,612         | Cost of goods sold           | (28,694)        | (30,087)        | (31,069)        | (32,474)        | (34,605)        |
| Account receivable           | 10,767         | 16,594         | 23,333         | 30,940         | 30,940         | <b>Gross profit</b>          | <b>38,427</b>   | <b>36,593</b>   | <b>46,051</b>   | <b>54,570</b>   | <b>55,318</b>   |
| Inventories                  | 399            | 714            | 737            | 771            | 821            | Operating expenses           | 0               | 0               | 0               | 0               | 0               |
| Others                       | 572            | 621            | 718            | 811            | 838            | <b>EBIT</b>                  | <b>27,023</b>   | <b>24,550</b>   | <b>34,424</b>   | <b>40,361</b>   | <b>41,000</b>   |
| <b>Non-current assets</b>    |                |                |                |                |                | Depreciation                 | (11,404)        | (12,042)        | (11,627)        | (14,209)        | (14,318)        |
| Net fixed assets             | 137,272        | 137,411        | 159,701        | 177,023        | 225,273        | <b>EBITDA</b>                | <b>38,427</b>   | <b>36,593</b>   | <b>46,051</b>   | <b>54,570</b>   | <b>55,318</b>   |
| Others                       | 38,654         | 35,191         | 35,191         | 35,191         | 35,191         | <b>Non-operating income</b>  | <b>697</b>      | <b>1,906</b>    | <b>1,979</b>    | <b>3,611</b>    | <b>3,533</b>    |
| <b>Total Assets</b>          | <b>206,150</b> | <b>209,932</b> | <b>275,489</b> | <b>297,977</b> | <b>318,675</b> | Other incomes                | 597             | 1,094           | 1,127           | 1,161           | 1,195           |
| <b>Current liabilities</b>   |                |                |                |                |                | Other non-op income          | 100             | 812             | 852             | 2,451           | 2,338           |
| Account payable              | 1,767          | 8,072          | 8,335          | 8,712          | 9,284          | <b>Non-operating expense</b> | <b>(2,757)</b>  | <b>(2,515)</b>  | <b>(2,423)</b>  | <b>(2,278)</b>  | <b>(2,133)</b>  |
| ST borrowing                 | 6,836          | 6,866          | 4,100          | 4,100          | 4,100          | Interest expense             | (2,757)         | (2,515)         | (2,423)         | (2,278)         | (2,133)         |
| Others                       | 14,759         | 9,649          | 11,159         | 12,595         | 13,012         | Other non-op expense         | 0               | 0               | 0               | 0               | 0               |
| <b>Long-term liabilities</b> |                |                |                |                |                | <b>Equity income/(loss)</b>  | <b>(1)</b>      | <b>(3)</b>      | <b>(3)</b>      | <b>(3)</b>      | <b>(4)</b>      |
| Long-term debts              | 47,393         | 43,362         | 89,872         | 83,872         | 77,872         | <b>Pre-tax Profit</b>        | <b>24,963</b>   | <b>23,938</b>   | <b>33,977</b>   | <b>41,691</b>   | <b>42,397</b>   |
| Others                       | 8,995          | 9,144          | 9,144          | 9,144          | 9,144          | Extraordinary items          | (418)           | (597)           | 0               | 0               | 0               |
| <b>Total liabilities</b>     | <b>79,751</b>  | <b>77,091</b>  | <b>122,610</b> | <b>118,423</b> | <b>113,411</b> | Current taxation             | (4,903)         | (4,787)         | (6,795)         | (8,338)         | (8,479)         |
| Paid-up capital              | 14,286         | 14,286         | 14,286         | 14,286         | 14,286         | Minorities                   | (460)           | (429)           | (472)           | (519)           | (571)           |
| Retained earnings            | 96,881         | 103,722        | 123,289        | 149,445        | 174,584        | <b>Net Profit</b>            | <b>19,182</b>   | <b>18,125</b>   | <b>26,710</b>   | <b>32,834</b>   | <b>33,347</b>   |
| Others                       | 13,066         | 12,891         | 12,891         | 12,891         | 12,891         | <b>Core net profit</b>       | <b>19,600</b>   | <b>18,722</b>   | <b>26,710</b>   | <b>32,834</b>   | <b>33,347</b>   |
| Minority interest            | 2,166          | 1,943          | 2,414          | 2,933          | 3,504          | <b>EPS (THB)</b>             | <b>1.34</b>     | <b>1.27</b>     | <b>1.87</b>     | <b>2.30</b>     | <b>2.33</b>     |
| <b>Shareholders' equity</b>  | <b>126,399</b> | <b>132,841</b> | <b>152,879</b> | <b>179,554</b> | <b>205,264</b> | <b>Core EPS (THB)</b>        | <b>1.37</b>     | <b>1.31</b>     | <b>1.87</b>     | <b>2.30</b>     | <b>2.33</b>     |
| <b>Key ratios</b>            |                |                |                |                |                |                              |                 |                 |                 |                 |                 |
| Year ending Sep              | FY24           | FY25           | FY26E          | FY27E          | FY28E          | <b>Cash flow (THB m)</b>     |                 |                 |                 |                 |                 |
| <b>Growth (%YoY)</b>         |                |                |                |                |                | Year ending Sep              | FY24            | FY25            | FY26E           | FY27E           | FY28E           |
| Sales                        | 39.4           | (0.7)          | 15.7           | 12.9           | 3.3            | <b>Operating cash flow</b>   | <b>35,017</b>   | <b>25,170</b>   | <b>33,251</b>   | <b>41,124</b>   | <b>48,575</b>   |
| Operating profit             | 65.4           | (4.8)          | 25.8           | 18.5           | 1.4            | Net profit                   | 19,182          | 18,125          | 26,710          | 32,834          | 33,347          |
| EBITDA                       | 65.4           | (4.8)          | 25.8           | 18.5           | 1.4            | Depre.& amortization         | 11,404          | 12,042          | 11,627          | 14,209          | 14,318          |
| Net profit                   | 118.2          | (5.5)          | 47.4           | 22.9           | 1.6            | Change in working capital    | 4,431           | (4,998)         | (5,086)         | (5,919)         | 911             |
| Core net profit              | 112.0          | (4.5)          | 42.7           | 22.9           | 1.6            | Others                       | 0               | 0               | 0               | 0               | 0               |
| EPS                          | 118.2          | (5.5)          | 47.4           | 22.9           | 1.6            | <b>Investment cash flow</b>  | <b>(17,256)</b> | <b>(11,958)</b> | <b>(33,917)</b> | <b>(31,531)</b> | <b>(62,567)</b> |
| Core EPS                     | 112.0          | (4.5)          | 42.7           | 22.9           | 1.6            | Net CAPEX                    | (16,062)        | (12,181)        | (33,917)        | (31,531)        | (62,567)        |
| <b>Profitability (%)</b>     |                |                |                |                |                |                              |                 |                 |                 |                 |                 |
| Gross margin                 | 57.3           | 54.9           | 59.7           | 62.7           | 61.5           | Change in LT investment      | 0               | 0               | 0               | 0               | 0               |
| Operation margin             | 57.3           | 54.9           | 59.7           | 62.7           | 61.5           | Change in other assets       | (1,194)         | 224             | 0               | 0               | 0               |
| EBITDA margin                | 57.3           | 54.9           | 59.7           | 62.7           | 61.5           | <b>Free cash flow</b>        | <b>17,761</b>   | <b>13,212</b>   | <b>(666)</b>    | <b>9,593</b>    | <b>(13,992)</b> |
| Net margin                   | 28.6           | 27.2           | 34.6           | 37.7           | 37.1           | <b>Financing cash flow</b>   | <b>(5,365)</b>  | <b>(12,298)</b> | <b>37,073</b>   | <b>(12,159)</b> | <b>(13,638)</b> |
| ROE                          | 16.7           | 14.7           | 19.0           | 20.1           | 17.6           | Change in share capital      | 0               | 0               | 0               | 0               | 0               |
| ROA                          | 9.5            | 8.7            | 11.0           | 11.5           | 10.8           | Net change in debt           | (7,246)         | (4,002)         | 43,744          | (6,000)         | (6,000)         |
| Net debt (THB m)             | 35,742.4       | 30,826.5       | 38,163.9       | 34,730.1       | 56,359.9       | Dividend paid                | (6)             | (5)             | (7,143)         | (6,677)         | (8,208)         |
| <b>Activity</b>              |                |                |                |                |                | Others                       | 1,887           | (8,291)         | 472             | 519             | 571             |
| Asset turnover (X)           | 0.3            | 0.3            | 0.3            | 0.3            | 0.3            | <b>Net cash flow</b>         | <b>12,396</b>   | <b>914</b>      | <b>36,407</b>   | <b>(2,566)</b>  | <b>(27,630)</b> |
| Days receivables             | 62.4           | 74.9           | 94.5           | 113.8          | 125.6          | <b>Per share (THB)</b>       |                 |                 |                 |                 |                 |
| Days inventory               | 4.3            | 6.7            | 8.5            | 8.5            | 8.4            | EPS                          | 1.34            | 1.27            | 1.87            | 2.30            | 2.33            |
| Days payable                 | 24.5           | 59.7           | 96.4           | 95.8           | 94.9           | Core EPS                     | 1.37            | 1.31            | 1.87            | 2.30            | 2.33            |
| Cash cycle days              | 42.2           | 22.0           | 6.6            | 26.5           | 39.1           | CFPS                         | 2.20            | 2.18            | 2.72            | 3.33            | 3.38            |
|                              |                |                |                |                |                | BVPS                         | 8.70            | 9.16            | 10.53           | 12.36           | 0.00            |
|                              |                |                |                |                |                | Sales/share                  | 4.70            | 4.67            | 5.40            | 6.09            | 6.29            |
|                              |                |                |                |                |                | EBITDA/share                 | 2.69            | 2.56            | 3.22            | 3.82            | 3.87            |
|                              |                |                |                |                |                | DPS                          | 0.50            | 0.50            | 0.47            | 0.57            | 0.58            |
| <b>Valuation</b>             |                |                |                |                |                |                              |                 |                 |                 |                 |                 |
| P/E (x)                      |                |                |                |                |                | P/E (x)                      | 47.66           | 31.92           | 30.49           | 24.80           | 24.42           |
| P/BV (x)                     |                |                |                |                |                | P/BV (x)                     | 7.36            | 4.42            | 5.41            | 4.61            | 4.04            |
| Dividend yield (%)           |                |                |                |                |                | Dividend yield (%)           | 0.78            | 1.23            | 0.82            | 1.01            | 1.02            |
| Dividend payout ratio (%)    |                |                |                |                |                | Dividend payout ratio (%)    | 37.24           | 39.41           | 25.00           | 25.00           | 25.00           |

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### Analyst Certification

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## RECOMMENDATION STRUCTURE

### Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

**BUY:** Expected return of 10% or more over the next 12 months.

**HOLD:** Expected return between -10% and 10% over the next 12 months.

**REDUCE:** Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Sector Recommendations

**Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.

**Neutral:** The industry is expected to perform in line with the relevant primary market index over the next 12 months.

**Underweight:** The industry is expected to underperform the relevant primary market index over the next 12 months.

### Country (Strategy) Recommendations

**Overweight:** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral:** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight:** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.