

Rating Symbols and Definitions

TRIS Rating uses eight letter rating symbols indicating the issuer rating and the issue rating with the medium to long term tenor which is mostly more than one year. The ratings range from AAA, the highest rating, to D, the lowest rating. The definitions are:

- AAA* The highest rating indicates a company or a debt instrument with smallest degree of credit risk. The company has an extremely strong capacity to pay interest and repay principal on time, and is unlikely to be affected by adverse changes in business, economic or other external conditions.
- AA* The rating indicates a company or a debt instrument with a very low degree of credit risk. The company has very strong capacity to pay interest and repay principal on time, but is somewhat more susceptible to the adverse changes in business, economic, or other external conditions than AAA rating.
- A* The rating indicates a company or a debt instrument with a low credit risk. The company has a strong capacity to pay interest and repay principal on time, but is more susceptible to adverse changes in business, economic or other external conditions than higher-rated categories.
- BBB* The rating indicates a company or a debt instrument with moderate credit risk. The company has an adequate capacity to pay interest and repay principal on time, but is more vulnerable to adverse changes in business, economic or other external conditions and is more likely to have a weakened capacity to pay interest and repay principal than higher-rated categories.
- BB* The rating indicates a company or a debt instrument with a high credit risk. The company has a less than moderate capacity to pay interest and repay principal on time, and can be significantly affected by adverse changes in business, economic or other external conditions, leading to an inadequate capacity to pay interest and repay principal.
- B* The rating indicates a company or a debt instrument with a very high credit risk. The company has a low capacity to pay interest and repay principal on time. Adverse changes in business, economic or other external conditions could lead to inability or unwillingness to pay interest and repay principal.
- C* The rating indicates a company or a debt instrument with the highest risk of default. The company has a significant inability to pay interest and repay principal on time, and is dependent upon favourable business, economic or other external conditions to meet its obligations.
- D* The rating for a company or a debt instrument for which payment is in default.

The ratings from AA to C may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within a rating category.

TRIS Rating's short-term ratings focus entirely on the likelihood of default and do not focus on recovery in the event of default. Each of TRIS Rating's short-term debt instrument covers the period of not more than 270 days. The symbols and definitions for short-term ratings are as follows:

- T1* Issuer has a strong market position, a wide margin of financial protection, appropriate liquidity and other measures of superior investor protection. An issuer designated with a "+" has a higher degree of these protections.
- T2* Issuer has a secure market position, sound financial fundamentals and a satisfactory ability to repay short-term obligations.
- T3* Issuer has an acceptable capacity for meeting its short-term obligations.
- T4* Issuer has a weak capacity for meeting its short-term obligations.
- D* The rating for an issuer for which payment is in default.

All ratings assigned by TRIS Rating reflect the Thai issuers' ability to service their debt obligations, excluding the risk of convertibility of the Thai baht payments into foreign currencies.

TRIS Rating differentiates a "structured finance product" from other debt instruments by attaching the "(sf)" identifier next to the original letter rating symbol. The "(sf)" identifier is assigned to all debt instruments that are deemed to meet the definition of a "structured finance product" defined by the Securities and Exchange Commission (SEC). The addition of this subscript to the rating symbol does not change the definition of the letter rating symbols mentioned above.

TRIS Rating also assigns a "**Rating Outlook**" that reflects the potential direction of a credit rating over the medium to long term. In formulating the outlook, TRIS Rating will consider the prospects for the rated company's industry, as well as business conditions that might have an impact on its fundamental creditworthiness. The rating outlook will be announced in conjunction with the credit rating. In most cases, the outlook of each debt obligation is equal to the outlook assigned to the issuer or the obligor. The categories for "Rating Outlook" are as follows:

Positive The rating may be raised.
Stable The rating is not likely to change.
Negative The rating may be lowered.
Developing The rating may be raised, lowered or remain unchanged.

TRIS Rating may announce a “**CreditAlert**” as a part of its monitoring process of a publicly announced credit rating when there is a significant event that TRIS Rating considers to potentially exerting a substantial impact on business or financial profiles of the rated entity. Due to an insufficient data or incomplete developments of the event, such as merger, new investment, capital restructuring, and etc., current credit rating remains unchanged. The announcement aims to forewarn investors to take a more cautious stance in investment decision against debt instruments of the rated entity. CreditAlert report consists of a “Rationale” indicating warning reasons, a “CreditAlert Designation”, and a current credit rating. Rating Outlook is withheld in the announcement.

CreditAlert Designation illustrates a short-term indicative of the impacts on the credit rating in one of the three directions (1) Positive (2) Negative and (3) Developing.

If significant events have taken place that affect its current rating and there are sufficient data to revise the current rating, or the company issues a new debt instrument, or the current rating is cancelled, the “**CreditUpdate**” will be announced as “Upgraded”, “Downgraded”, “Affirmed”, or “Cancelled”.
