

Ref. TS.030/2006

December 29, 2006

To President
 The Stock Exchange of Thailand

Subject : Information concerning Connected Transaction on sale of common shares in Phatra Leasing PCL

The Board of Directors' Meeting of KASIKORNBANK PCL ("KBank") No.12/2549 held on December 21, 2006 has resolved the selling procedure of common shares in Phatra Leasing PCL ("PL") by negotiating the selling price with Muang Thai Life Assurance Co.,Ltd. ("MTL"), and selling PL's shares at the price of not lower than 2.90 Baht per share. KBank has already negotiated the selling price with MTL. The details of the deal are as follows:

1. Date, month, year of transaction, and relevant parties:

Agreement date: December 29, 2006

Transaction date: January 4, 2007

Relevant parties: Muang Thai Life Assurance Co.,Ltd. ("MTL")

2. General explanation regarding nature of an asset:

Type of asset: Common share

Name of issuer: Phatra Leasing PCL ("PL")

Type of business: PL operates the business of leasing assets to juristic entities under the scheme of "Operating Lease" with main focus on vehicle leasing. Operating lease also includes such assets as machine, computers and other appliances with the lease term of more than 3 years.

Financial status and financial statement:

unit : million Baht

As of	30/09/2006	30/09/2005	30/09/2004	30/09/2003	30/09/2002
Assets	4,677.99	5,077.12	4,356.61	3,637.95	2,338.01
Liabilities	3,189.24	3,662.53	3,357.10	2,754.98	1,550.05
Equity	1,488.75	1,414.59	999.51	882.98	787.96
Paid-up Capital	447.37	447.37	300.00	300.00	300.00
Revenue	1,691.67	1,567.98	1,412.52	1,086.68	886.06
Net Profit	172.58	181.84	199.03	155.02	115.66
EPS (Baht)	0.39	0.59	6.63	5.17	3.86

3. General characteristics of transaction, type and size of transaction:**3.1 General characteristics of transaction:**

KBank has conducted the selling procedure by using bidding process and appointing the independent law company to manage the sale of PL's common shares to PL first 28 major shareholders. KBank has negotiated the selling price with the bidder.

3.2 Type and size of transaction:

The transaction size shall be deemed a transaction involving asset or service with value of connected transaction more than 0.03% but lower than 3% of KBank's net tangible asset value as at September 30, 2006. The transaction value equals to 0.13% of KBank's net tangible asset value as at September 30, 2006.

4. Total value of transaction:

Number of shares held before the transaction: 35,627,900 shares, corresponding to 7.9639%

Number of shares held after the transaction: 0 shares, corresponding to 0.00 %

Pricing: Not lower than 2.90 Baht per share, 3-month average market price (during September 7, 2006 – December 6, 2006).

Total value of transaction: Phatra Leasing PCL's common share in the amount of 35,627,900 shares at the price of 2.95 Baht each or in the total amount of 105,102,305 Baht.

Mode of payment: Cash

Profit from the transaction: 40,627,139.39 Baht

Accounting: KBank shall record the revenue in quarter 1/2007.

5. **Objective of transaction:** To comply with KBank policy of reducing investment in non-core businesses.

6. **Comments of the Board of Directors:**

To comply with KBank policy of reducing investment in non-core businesses, and consider to the most shareholders' benefit, the Board of Directors has resolved the divestment in PL. The Audit Committee's Meeting, held on December 14, 2006, did not have any different opinions.

KBank's directors who have interest and are connected persons:

Muang Thai Life Assurance Co.,Ltd. is the connected person with KBank because KBank management officers and their close relatives hold MTL's shares through Muang Thai Fortis Holdings Co.,Ltd. more than 10% of its registered capital. KBank's directors who have interest and are connected persons in this transaction are Mr. Banyong Lamsam, Pol.Gen. Pow Sarasin, Mr. Banthoon Lamsam, and Ms. Sujitpan Lamsam, who, during the considering this Agenda, did not attend the meeting and did not vote on the approval for this transaction.

Please be informed accordingly.

Yours Sincerely,