

KBANK Revising up Housing Loan Target to Bt 20bn

KASIKORNBANK has been implementing its aggressive housing loan strategy since the beginning of 2003 through an on-going improvement of credit approval process, the introduction of 8 special loan rate schemes for the housing loans and the reduction of lending rates to match other players in the housing loan market. The 8 schemes include:

| Housing loan rates | Type |
|---|-------------|
| 1) 3% - first year | Fixed rates |
| 2) 4% - first 2 years | |
| 3) 5% - first 3 years | |
| 4) 5.5% - first 5 years | |
| 5) MLR - 3.5% - first year | Float rates |
| 6) MLR - 2.5% - first 2 years | |
| 7) MLR - 1.5% - first 3 years | |
| 8) MLR - 0.75% throughout the loan period | |

*After the above period, the bank will charge MLR -0.5% for the remaining period.
MLR is currently 5.5% (effective July 4, 2003).*

KBANK also launched the “Housing Loans Lucky Draw” (called in Thai: “Koo Ban Loon Dai Ban”) campaign in which customers signing housing loan contracts with the Bank within May-July 2003 were eligible for lucky draws to win prizes. During the three-month period, 3,500 customers signed contracts with the Bank with a total outstanding credit of Bt 5.58 bn.

For the first half of 2003, the Bank approved total **gross new** housing loans of about Bt 9bn, which almost exceeded the Bank’s full-year target. The Bank is revising up its 2003 housing loan target to Bt 20bn from Bt 12bn.

KBANK continues to build the strength in relationship and after-sales services with the housing loan customers in order to differentiate itself and prevent refinancing by organizing the Home Smile Club events to stay in touch with customers.