

IR News

April 23, 2007

Product and Service Update: March 2007

KASIKORNBANKGROUP:

KAsset received an award from Asia Asset Management Magazine for the second consecutive year



- ❑ KAsset was honored with a Best of the Best Country Award for 2006 for most improved fund house. The award was presented by Asia Asset Management, the Hong Kong journal of investments and pensions, in recognition of the high growth experienced in mutual funds under management in the year 2006. This is the second consecutive year that KAsset has received this award.
- ❑ As of December 2006, KAsset had total assets under management of Bt241bn, of which Bt173bn were in mutual funds.

KAsset has launched a new Open-end Fixed Income Fund, Ruang Khao Government Bond 03 Fund

- ❑ During 9-15 March, KAsset launched a new Open-end Fixed Income Fund, the Ruang Khao Government Bond 03 (RG03), offering an alternative investment for investors amid the current trend of declining interest rates.
- ❑ Ruang Khao Government Bond 03 Fund is an Open-end Fixed Income Fund with a one-year interval. The registered capital of the fund is Bt10bn. The fund has low risk, as it will mainly invest (averaging at least 80% of NAV) in government bonds - fixed income securities issued or guaranteed by the Government, Ministry of Finance or the Bank of Thailand. The rest of the fund will be invested in fixed income securities and/or money deposits with financial institutions or banks established by a specific law. Interested investors can buy into the fund at Bt10 per unit, for a minimum purchase of Bt10,000.

KBank:

KBank issued K-B/E Investment with an interest rate of 3.875% p.a.

- ❑ To provide our customers with more choices, KBank has issued K-B/E Investment with the tenor of three and six months. K-B/E is nontransferable and held in the investor's name. Interest is paid at maturity at a rate of 3.875% p.a., which is higher than the fixed three and six months deposit rates.
- ❑ These B/E were offered from 7 March to 12 April to retail and corporate customers residing in Thailand. Interested investors were able to purchase the B/E with a minimum of Bt1mn and in multiples of Bt100,000 with no maximum limit.

Corporate and SME Business:

KBank joins hands with Chula to give strong tuition to SMEs

- ❑ KBank and the Incubation SMEs Business, Faculty of Commerce and Accountancy, Chulalongkorn University, signed a memorandum of understanding to undertake a project promoting sustainable management for SME entrepreneurs. This six-week training course, for which the Bank will develop three seminars this year, is designed to equip SME entrepreneurs with business management skills. The course will be free of charge. About 3,500 people are expected to take the training course this year.
- ❑ This event is a part of the K SME Care Project, which aims to help SME businesses grow strong, confident and prosperous.
- ❑ The prospective customers are Thai SME entrepreneurs having an annual sales turnover of Bt10-400mn, with businesses established at least three years. For more information, please visit www.SMEChula.com.
- ❑ The Bank currently has about 200,000 SME customers and about 21% of the SME market share for 2006. KBank expects to raise market share to 30 percent within 2008, which will make KBank the number one lender for SME businesses.

KBank cooperated with three Thai banks in supporting Golden Land's office building development

- ❑ KBank, BAY, SCIB and TMB signed an agreement with Golden Land Property Development PLC to provide financial support to the Sathorn Square project for Bt1.86bn. Sathorn Square is a 38-storey office building located on Sathorn Road.

KBank and BBL were named the sole sales agents for Mega International Commercial Bank PCL bonds worth Bt3bn

- ❑ KBank and BBL were named the sole sales agents for Bt3bn in short-term bonds (maturation less than 270 days) issued by Mega International Commercial Bank PCL. The bonds are rated A+ by Tris Rating.
- ❑ The first set of bonds is 90-day-short-term (6 March to 4 June) with an interest rate of 4.58% p.a., equal to the return on three-month government bonds plus 0.11% p.a.

Retail Business:

KBank joined the Home Buyer's Guide Fair 2007 and offered a special promotion to customers

- ❑ From 16-18 March, KBank joined the Home Buyer's Guide Fair 2007 at Muang Thong Thani. At this event, the Bank offered a special campaign, approved credit lines prior to home purchase, and helped customers better understand their borrowing ability before deciding to buy a home. This campaign also helped bring customers to the Bank's alliance developers and helped them provide better after service to customers.
- ❑ KBank also offered special mortgage rates with K-Home Loan, offering six comfortable payment options, as shown below.

Effective from 1 April 2007 to 31 March 2008

Fixed Rate	Type I	Interest rate at 4.00% in the first year and MLR thereafter
	Type II	Interest rate at 5.75% in the first two years and MLR thereafter
	Type III	Interest rate at 6.75% in the first three years and MLR thereafter
Floating Rate	Type IV	Interest rate at MLR – 3.00% in the first year and MLR thereafter
	Type V	Interest rate at MLR – 1.50% in the first two years and MLR thereafter
	Type VI	Interest rate at MLR – 1.00% in the first three years and MLR thereafter

- ❑ As of December 2006, the Bank had net mortgage loans outstanding at Bt73.5bn. In the first three months of 2007, the Bank has already lent Bt4.5bn in new mortgage loans (before loan repayment). The current level of MLR is 7.50 percent.

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