

IR News

December 6, 2007

Product and Service Update: September – October 2007

KASIKORNBANKGROUP:

KASIKORNBANKGROUP participated in Money Expo Chiangmai 2007

- From 19-21 October 2007, KASIKORNBANKGROUP participated in Money Expo Chiangmai 2007. At the exhibition, KBank and its subsidiaries offered financial products under the theme “A People to Simplify Your Life”, with exclusive promotions and free gifts to corporate, SME and retail customers. Via K-SME credit, SME customers receive a maximum credit line of Bt10mn and get money within 10 days. Individuals can borrow mortgage loans through K-Home loan with special interest rates (0% in the first three-months), a three-day approval process, 50% fee reduction and 90% maximum credit line.

KASIKORNBANKGROUP set up a venture capital firm (Khao Kla) to support SMEs

- In order to provide funds to SMEs for their business expansion, KASIKORNBANKGROUP set up a new venture capital firm called Khao Kla that is wholly owned (100%) by Kasikorn Asset Management Co., Ltd.
- Khao Kla will invest in SME businesses through the K-SME Venture Capital fund, with initial capital of Bt200mn. In the first year, the plan is to invest about Bt100-150mn spread in 10 companies.
- Khao Kla's investment policy is to invest in 10-50% of a company's registered capital for an average of five years. Khao Kla will also invest in companies that are in their expansion phase and will act as a passive investor. To diversify risks, Khao Kla investments will not exceed 33% in each sector.
- K-SME Venture Capital Fund is a part of the K SME Care project which aims to help SME businesses in Thailand grow strong, confident and prosperous.

KASIKORNBANKGROUP introduced a new service perspective, K Now



- Mr. Banthoon Lamsam, KBank CEO, has introduced K Now, a new dimension of services going beyond today's financial boundaries, under the new philosophy “KASIKORNBANKGROUP: A People to Simplify Your Life”. This new dimension of service will offer 360 degree solutions, ensuring our customers greater access to every service be it personal or business finance. K Now will help create a leisurely lifestyle for individuals and boundless business for SME and corporate customers.



KBank News:

KBank issued K-B/E Investment

- ❑ To provide our customers with more choices in this low interest rate environment, KBank has issued K-B/E Investment to retail and corporate customers residing in Thailand.
- ❑ K-B/E Investment is held in the investor's name and pays interest at maturity. K-B/E offerings are presented in the table below.

Issue Date	Tenor	Interest rate	Credit line
24 October – 30 November 2007	3 and 6 month	2.60%	Bt1 – 10mn
		2.80%	> Bt10mn
12 – 28 September 2007	6 month	2.60%	Bt1 – 10mn
		2.80%	> Bt10mn

- ❑ Interested investors are able to purchase K-B/E, with a minimum of Bt1mn, and in multiples of Bt100,000, with no maximum limit.

KBank signed a contract to purchase Chengwathana office building



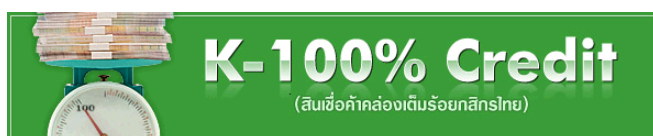
- ❑ Dr. Prasarn Trairatvorakul, the president of KASIKORNBANK, and Mr. Anan Kanjanapas, a director of Bangkok Airport Industry Company Limited, signed on a 10-level office-building contract. The Bank plans to use this Chengwathana office building to support the business expansion and to be a computer back-up center for KASIKORNBANKGROUP.

Corporate and SME Business:

KBank joins JBIC to extend Bt7bn in long-term loans to SMEs in Thailand

- ❑ KBank is cooperating with the Japan Bank of International Cooperation (JBIC) to provide K-J Related Credit, lending loans totaling Bt7bn with tenor up to 14 years, to SME businesses in Thailand that have business ties with Japan.
- ❑ JBIC together with eight Japanese banks set up funds to extend loans via KBank, which is the first Thai commercial bank to be selected for this kind of cooperation. (JBIC had previously joined EXIM Bank and IFCT.) The loans will be given to SMEs having an annual sales turnover between Bt50mn and Bt5bn. Each borrower can receive their maximum credit line, up to Bt525mn or USD15mn. The borrower can also select the loan currency between the THB, USD or JPY without a SWAP fee. The regular term is 1-7 years and can be extended up to 14 years. In addition, the borrowers can choose their desired type of lending rate, either a fixed or floating rate, where the interest rate is based on the creditworthiness of each customer.

KBank offers K-100% Credit to SMEs with a maximum credit line of Bt3mn



- ❑ KBank launches K-100% Credit to help Micro Businesses (SMEs with an annual sales turnover less than Bt10mn and in operation for at least 3 years) to expand or increase liquidity. The maximum credit line is 100% of the collateral value or Bt3mn, whichever is higher.

- ❑ Through K-100% Credit, KBank provides long-term loans with a maximum lending period of five years. Overdraft (O/D) and promissory notes (P/N) are also available. Borrowers can receive money within 10 days.
- ❑ The Bank expects to be able to lend Bt10bn through K-100% credit this year.



KBank launches K-Flexible Term Loan

- ❑ KBank offers K-Flexible Term Loan to Small Businesses (SMEs with an annual sale turnover of Bt10 – 50mn). It is a long-term loan with a lending period of 3-5 years with a maximum credit line of Bt10mn.
- ❑ Due to its flexible nature, the loan can be repaid before maturity, when customers have excess liquidity. On the other hand, when customers need more working capital, they can ask for overdraft (O/D) or Promissory Notes (P/N) from the Bank, not exceeding 30% of their credit limit, and are entitled to additional revolving credit in an amount equal to the loans repaid to the Bank.
- ❑ The Bank expects to extend K-Flexible Term Loan by Bt700mn this year.

National Innovation Agency cooperates with KBank to launch Good Innovation...Zero Interest project

- ❑ The National Innovation Agency (NIA), Ministry of Science and Technology, is cooperating with KBank to launch the Good Innovation... Zero Interest project to support Thai entrepreneurs in technological discovery and R&D. This project will help SMEs to invest in business by using technological innovation that is beneficial to society and the economy.
- ❑ The NIA will be responsible for interest payments up to Bt5mn per project in the first 3 years, with a maximum credit line of Bt100mn. This project will help motivate Thai SMEs to develop new innovations, which will make their products unique and also help reduce the costs of competition.

Retail Business:

KBank offered special promotions (0% for three months) in the 17th Housing & Condo Expo

- ❑ During 11-14 October, KBank participated in the 17th Housing & Condo Expo at the Queen Sirikit National Convention Center. At the exhibition, KBank offered special housing promotions to customers who purchased properties at the event. The Bank offered a 0% mortgage rate for the first three months, and provided six types of interest rates, thereafter. The maximum credit line was 90% of the market value or 90% of the appraisal value, whichever was lower. For customers who purchased properties from one of the 50 projects presented by KBank's partners at the event will be exempted from fees.

KBank joined hands with Naiin to offer the first bookstore credit card in Thailand

- ❑ KBank joined hands with Naiin, a leading bookstore in Thailand, to offer the Naiin-KBank Credit Card, which is the first bookstore credit card in Thailand. Issuing these credit cards will help expand the customer base for both KBank and Naiin, and help booklovers to more easily read books. The cardholders will receive many privileges such as book discounts, 0% interest on their book purchases and convenient collection points.
- ❑ KBank has set a target of issuing 10,000 Naiin-KBank Credit Cards by the end of 2008. As of September 2007, KBank has issued a total of about 1,050,000 credit cards. Naiin is the 19th partner with whom KBank has issued credit cards.

For more information, please contact

Investor Relations Unit

Office of Corporate Secretary
 Corporate Secretariat Division
 KASIKORNBANK PCL
 Tel. 0-2470-2659-2662
 Fax 0-2470-2690
 Email: IR@kasikornbank.com

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