

# IR News

March 20, 2008

## Product and Service Update: January – February 2008

### KASIKORNBANKGROUP:

#### Business direction of KASIKORN SECURITIES in 2008

- ❑ KASIKORN SECURITIES PCL announced that its average market share was 1.06% in 2007, up from 0.51% in 2006. This was due in part to the success of its financial advisory services which are seamlessly integrated with KBank. In 2007, KSecurities was the fund raising advisory leader for three deals, MBAX, Gold and DTAC. In 2007, KSecurities had a total income of Bt350mn, significantly higher than the target of Bt72mn. Thus, the company could generate a profit one year earlier than expected. The ratio of retail investors to institutional investors was 70 to 30.
- ❑ In 2008, KSecurities will continue to cooperate with KASIKORNBANKGROUP and plans to raise the average market share to 1.9%. The factors making KSecurities succeed for retail investors is an increasing Efficiency Ratio of Marketing Officers and rising Active Ratio.

#### KASIKORNBANKGROUP joined Money EXPO, Korat 2008

- ❑ From 22-24 February 2008, KASIKORNBANKGROUP participated in Money EXPO, Korat 2008 by introducing KASIKORNBANKGROUP financial products with special conditions and privileges to customers who applied for the products/services at the event. The Bank offered K-Home loans with 0% interest for the first four months, and six special interest rate packages thereafter. Customers can borrow up to a maximum of 90% of appraisal value and can get approval within three days. The Bank also offered K-SME Credit with a maximum credit line of Bt10mn, receipt of cash within ten days and a Bt500 gas card for every Bt500,000 loan approved.

### KBank news:

#### KBank issued Fixed Deposit Flexible 4 Months with an interest rate of 2.75% p.a.

- ❑ KBank issued Fixed Deposit Flexible 4 Months with an interest rate of 2.75% p.a., to provide more choices for both retail and corporate customers seeking deposits with a higher return than regular fixed deposits. This deposit also offered the flexibility of allowing depositors to withdraw their deposit before the due date.
- ❑ Customers who deposit for four months receive an interest rate of 2.75% p.a. (paid monthly), customers who deposit for more than three months but less than four months receive an interest rate of 2% p.a., and customers who deposit for less than three months receive an interest rate of 0.75% p.a. Customers withdrawing part of the deposit before the due date still receive 2.75% p.a. for the remaining amount of deposits with the Bank.
- ❑ Interested customers could deposit into this account, with a minimum of Bt100,000 per account, from 22 January to 29 February 2008.



## KBank offered K-B/E Investment

- KBank introduced K-B/E Investment to retail and corporate customers residing in Thailand. K-B/E is held in the investor's name and pays interest at maturity. Interested investors were able to purchase K-B/E, with a minimum of Bt1mn, and in multiples of Bt100,000, with no maximum limit. From 16 January to 29 February 2008, the Bank offered four types of B/E, as presented in the table below.

Tenor	Credit line	Interest rate
6 Month	Bt1-10mn	2.80%
	> Bt10mn	2.85%
12 Month	Bt1-10mn	2.85%
	> Bt10mn	2.90%

- In 2007, around 6,000 people were interested in buying K-B/E Investment with total K-B/E issued worth around Bt20bn, reflecting customer satisfaction with the interest rate and confidence in the B/E issued by KBank.

## KBank received the Best Trade Finance Provider Award 2008 from Global Finance magazine

- KBank received the Best Trade Finance Provider Award 2008 from Global Finance magazine. The Bank was commended for the development of an innovative international trade service in Thailand through the Trade Innovation Project. The innovation blends expertise services with updated technology to provide more convenience to customers.
- The Bank expects to increase market share in international trade services to 25% by 2010.

## Corporate and SME Business:

### Thai AirAsia has chosen KBank payment systems (K-Payment Gateway)

- Thai AirAsia, a leading low-cost regional air carrier, has selected KBank payment systems (K-Payment Gateway) as the company's online payment system for customers booking their ticket via the airline's website, www.airasia.com. K-Payment Gateway accepts payment using VISA and MasterCard credit cards 24 hours a day worldwide, with data security systems at international standards. Thai AirAsia is confident that this cooperation with KBank will enhance its online customer service potential.
- Thai AirAsia has also chosen K-Cash Management for other financial management solutions, including three other payment services provided by KBank: Electronic Data Capture (EDC), card-swipe transaction terminals which will be installed at Thai AirAsia ticket sales points; K-Cash Connect, for checking the date and time of online cash payments; and Payroll K-Cash Connect, for the payment of Thai AirAsia employee salaries and allowances.
- At present, KBank has around 1,000 corporate customers using K-Payment Gateway. In 2007, there was a total of Bt5.6bn in transactions through this system - primarily in tourism and air travel. In 2008, the Bank plans to grow the transaction turnover from this system by at least 50%.

## KBank extended Bt30bn syndicated loans to ESSO



- KBank and six other banks (Krung Thai Bank, Bank of Ayudhya, Siam City Bank, Sumitomo Mitsui Banking Corporation, Mitsuho Bank and the Bank of Tokyo-Mitsubishi UFJ) extended Bt30bn in syndicated loans to ESSO. The package consisted of a Bt19bn short-term (one-year) loan and an Bt11bn long-term (five-year) loan. ESSO will use these loans to refinance all outstanding ESSO (Thailand) promissory notes (P/N). KBank and KTB acted as arranger and facility agent for this event.

## KBank presented a seminar to provide logistics knowledge to SMEs

- From 11-14 February 2008, KBank presented a seminar entitled "No secret on logistics with K SME Care" to provide logistics knowledge to 800 SME entrepreneurs. Presentations included an overall look at the Thai logistics for each industry, case studies of successful and efficient logistics, a logistics clinic providing in-person advisory services to SMEs and visits to leading companies successful logistics management. The Bank also expected the seminar to provide business interaction and business matching for the attendees.
- Formerly, the Bank had cooperated with KIASIA to develop a project to improve logistics for SME businesses nationwide. The project has helped SME businesses save costs and increase production efficiency by 15%.

## KBank introduces a new long-term lending service for SMEs called K-SME Extend

- KBank has recently introduced a new long-term lending service for SMEs called K-SME Extend, providing long term lending, Overdraft (O/D) and Promissory Notes (P/N) to help boost liquidity for SMEs and provide funds for business expansion. The Bank offers a maximum tenor of ten years, the longest period available from any bank. Customers can apply for a maximum credit line of Bt12mn, receive approval within three days and receive cash within ten working days. This product is for SME entrepreneurs who have an annual sales turnover of less than Bt50mn. Land with a building that is used for the main office or factory, can be used as collateral.
- In 2008, the Bank expects to grow loans from K-SME Extend by Bt5bn and increase market share in SME business lending to 30% from 25-27% in 2007.

## Retail Business:

### KBank offers housing loans with 0% interest for the first three months

- To promote K-Home Loan, boost KBank Y2008 mortgage loan volume and reduce the installment payment burden for customers, KBank offers six special mortgage rate packages for customers who submit a mortgage loan application before March 31, 2008.

The packages are:

Type 1	Interest rate at 0% for the first three months	Interest rate at 3.50% in the 4 <sup>th</sup> – 12 <sup>th</sup> month	Interest rate at MLR – 0.25% thereafter (MLR is currently at 6.85%)
Type 2		Interest rate at 5.25% in the 4 <sup>th</sup> – 24 <sup>th</sup> month	
Type 3		Interest rate at 5.75% in the 4 <sup>th</sup> – 36 <sup>th</sup> month	
Type 4		Interest rate at MLR – 3.50% in the 4 <sup>th</sup> – 12 <sup>th</sup> month	
Type 5		Interest rate at MLR – 1.75% in the 4 <sup>th</sup> – 24 <sup>th</sup> month	
Type 6		Interest rate at MLR – 1.00% in the 4 <sup>th</sup> – 36 <sup>th</sup> month	

- The maximum credit line is 90% of market price or appraisal value. If the market price is more than Bt10mn, the maximum credit line is 70% of market price, according to the BOT regulation. The maximum tenor is 30 years.
- In 2008, KBank expects to lend an additional Bt30bn in mortgage loans, a 16-17% increase from last year. The outstanding mortgage loan last year was Bt92bn. The outstanding mortgage loan for 2008 is expected to be more than Bt100bn.

For more information, please contact  
**Investor Relations Unit**  
Office of Corporate Secretary  
Corporate Secretariat Division  
KASIKORNBANK PCL  
Tel. 0-2470-6900 to 1, 0-2470-2659 to 62  
Fax 0-2470-2690  
Email: [IR@kasikornbank.com](mailto:IR@kasikornbank.com)

Disclaimer: Any opinions contained in this message are those of the author and are not given or endorsed by the KASIKORNBANK (KBank) or office through which this message is sent unless otherwise clearly indicated in this message and the authority of the author to so bind the KBank entity referred to is duly verified.  
This message and any attachments are confidential to the ordinary user of the e-mail address to which it was addressed and may also be privileged. If you are not the addressee you may not read, copy, forward, disclose or use any part of the message or its attachments and if you have received this message in error, please notify the sender immediately by return e-mail and delete it from your system.  
Internet communications cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, arrive late or contain viruses. The sender therefore does not accept liability for any errors or omissions in the context of this message which arise as a result of Internet transmission.