



KBANK cuts lending rates for SME customers by 0.75 – 1.0%

- KBANK has cut its Business & Professional Fixed Rate Loans to SME customers with annual sales turnover of less than Bt50 mn. The loans will be provided for use as working capital for construction, purchases, renovation, repairs or refinance of factories, buildings, offices, machinery, or equipment. This special campaign is offered until December 30, 2003.

The Business & Professional Fixed Rate Loans for SME businesses are as follows:

Minimum Credit Limit (Bt mn)	Fixed Rate on the first 2 years (%)		Minimum Floating Rate offered from year 3 (%)
	Old	New	
Less than 3	6.0	5.25	MRR + 2.00
3 – 6	6.0	5.00	MRR + 1.75
6 - 8	6.0	5.00	MRR + 1.50
8 -10	6.0	5.00	MRR + 1.25
10 - 16	6.0	5.00	MRR
16 and over	6.0	5.00	MRR – 0.50

Note: MRR is a Minimum Retail Rate and the Bank's MRR is currently 6%.

Credit Limit: Not more than Bt30 mn for individual customers
Unlimited for corporate customers, depending on their financial standing.

Repayment Term: Maximum 10 years. The Bank may consider granting a 6-month grace period as seen necessary.

- Presently, KBANK has outstanding Business & Professional loans (Small Business Lending) to SMEs totaling Bt152,700 mn with the target of Bt161,923 mn by year-end and channels through the Business and Professional Sales Force and KBANK branches nationwide.