

KTB's footprint in ASEAN & Cambodia



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Education

- Master of Business Administration (Finance & Banking),
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Potential of ASEAN



Krung Thai Bank and AEC



Business Opportunities

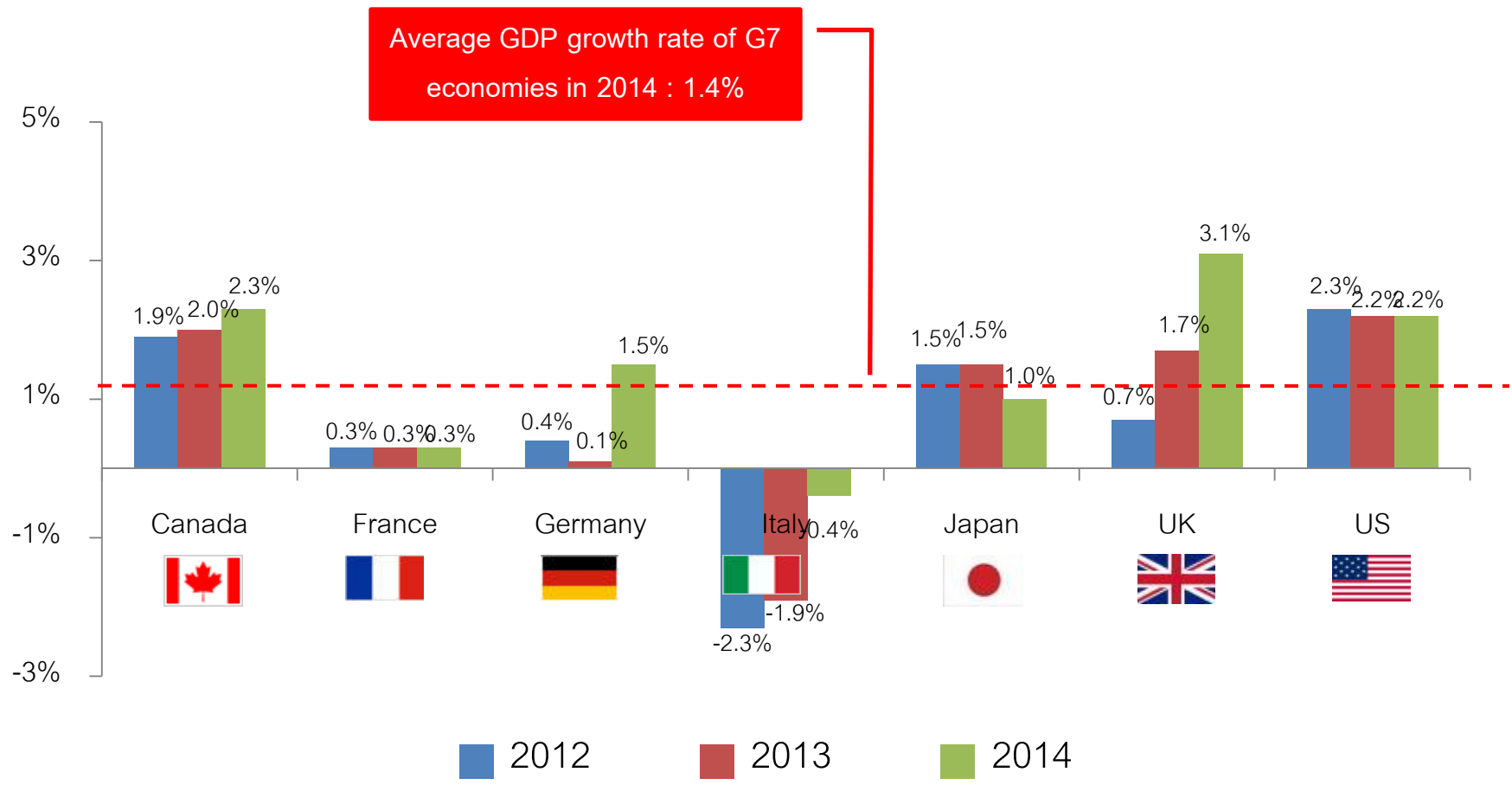


Cambodia



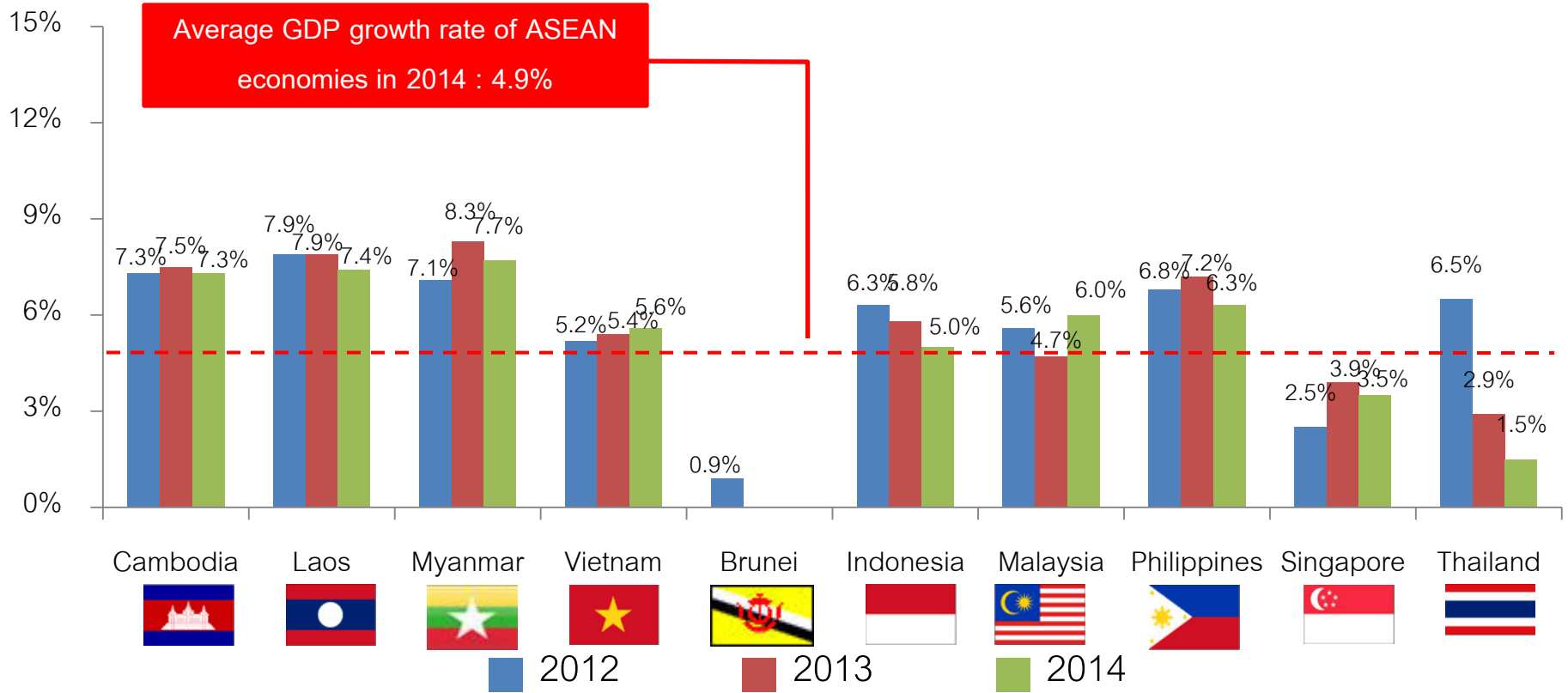
Potential of ASEAN

Advanced economies are facing relatively low GDP growth



Source: Moody's

ASEAN economies have shown resilient growth performance










Source: Moody's

Income per capita of advanced economies shows a weak trend

GDP Per Capita of advanced economies

Unit : USD

Country	2012	2013	2014	% Gth (13/12)	% Gth (14/13)
 Canada	52,813	52,385	50,298	-0.8%	-4.0%
 France	42,416	44,098	44,423	4.0%	0.7%
 Germany	43,903	46,181	47,662	5.2%	3.2%
 Italy	35,239	36,025	35,959	2.2%	-0.2%
 Japan	46,531	38,468	34,500	-17.3%	-10.3%
 UK	41,048	41,794	46,115	1.8%	10.3%
 US	51,450	53,001	54,586	3.0%	3.0%

Source: Moody's











"GDP Per Capita of G7 increased 0.05% between 2012-2014"

The continued growth of ASEAN is reflected in the improved GDP per capita

GDP Per Capita of ASEAN countries

Source: Moody's

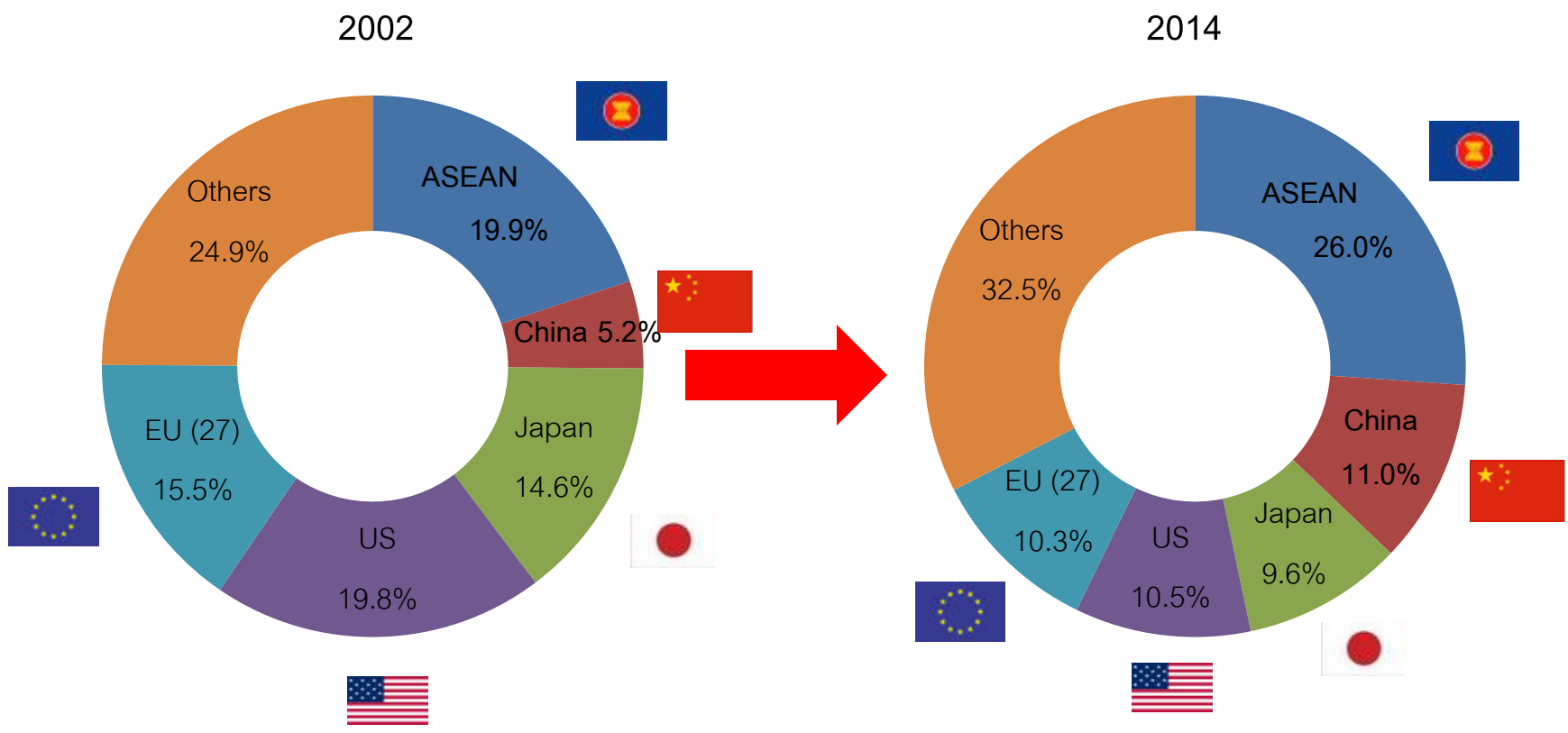
Unit : USD

Country	2012	2013	2014	% Gth (13/12)	% Gth (14/13)
 Cambodia	944	1,010	1,092	7.0%	8.1%
 Laos	1,415	1,594	1,697	12.7%	6.5%
 Myanmar	1,103	1,113	1,270	0.9%	14.1%
 Vietnam	1,755	1,909	2,055	8.8%	7.6%
 Brunei	42,402	39,659	42,239	-6.5%	6.5%
 Indonesia	3,755	3,672	3,533	-2.2%	-3.8%
 Malaysia	10,331	10,457	10,803	1.2%	3.3%
 Philippines	2,612	2,791	2,846	6.9%	2.0%
 Singapore	54,582	55,982	56,284	2.6%	0.5%
 Thailand	5,385	5,670	5,445	5.3%	-4.0%

"GDP Per Capita of ASEAN increased 2.4% between 2012-2014"

Trading partners are changing significantly











ASEAN became Thailand's top export destination with 26.0% market share



Source: Ministry of Commerce

The population of ASEAN

Unit : ล้านคน

Country	2014 (Est.)	% Urban Population*
 Cambodia	15.5	20.5
 Laos	6.8	37.6
 Myanmar	55.8	33.6
 Vietnam	93.4	33.0
 Brunei	0.4	76.9
 Indonesia	253.6	53.0
 Malaysia	30.1	74.0
 Philippines	107.7	44.5
 Singapore	5.6	100.0
 Thailand	67.7	49.2

Enormous room for development

Source: CIA, World Fact Book

*Data as of 2014

ASEAN Connectivity



Source: กระทรวงคมนาคม

R1: Southern Economic Corridor (SEC)

Bangkok-Aranyaprathet-polyped-Pratabong-Phnom Phen-Hochi Minh-Vong Tao

R2: East-West Economic Corridor (EWEC) 1,320 km

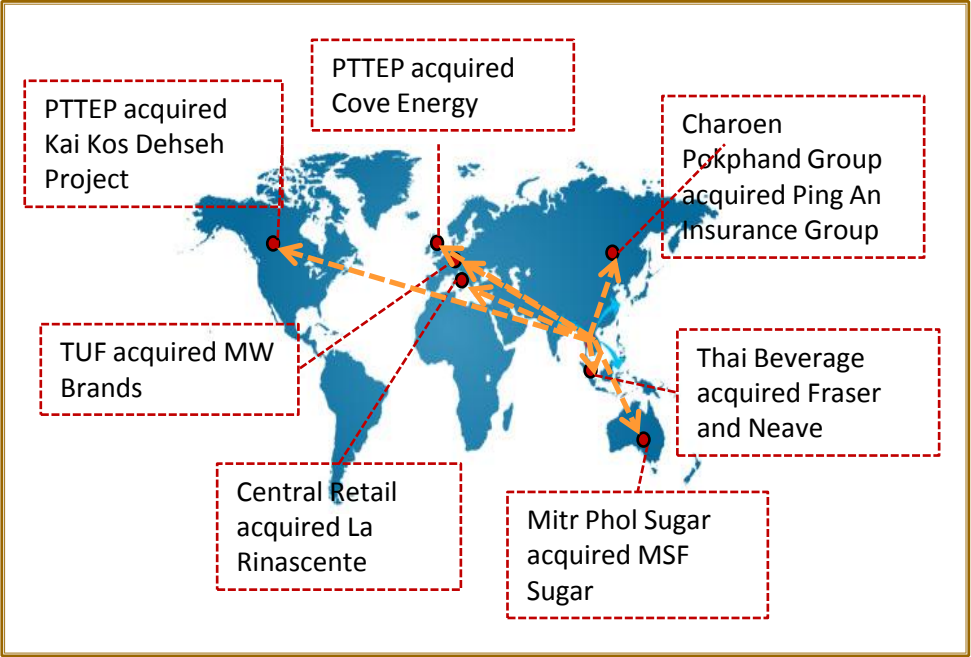
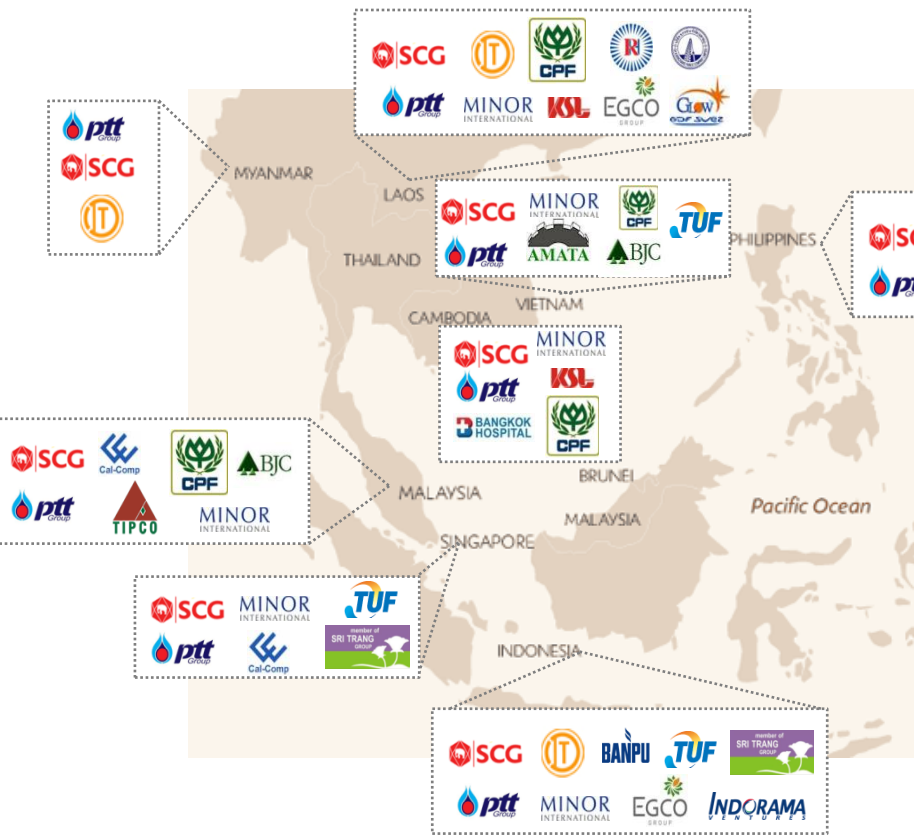
Malamang-Mae Sod -Tak -Sukothai -Phisanulok- Khon Kaen- Mukdahan-savannakhet-Lao bao-Dong Ha- Danung

R3: North-South Economic Corridor (NSEC)

R3A: Via Lao: Chiang Rai-Chiang Kong-Huay xai-Luang Namtha- Bohan - Chiang Rung - Kunming

R3B: Via Myanmar: Chiang Rai- Mae Sai - Takelek - Chiang Tung- Chiang Rung - Kunming

Thai companies continued invest abroad



Source: SET



KTB Mobility for AEC

KTB Overseas branches

 **Phnom Penh**

 **Siem Reap**

 **Vientiane**

 **Yangon Rep.**

 **Singapore**

 **Kunming**

 **Mumbai**

 **Los Angeles**

 **Cayman**

8 Overseas Branches and 1 Representative Office





Business Opportunities

- 1. Growth in CLMV is still very imminent both in GDP and countries' infrastructure.**
- 2. Thai operators have comparative advantages in experience, capital and know-how.**
- 3. Thai banks are very well prepared and ready to serve Thai corporates expanding overseas.**

1. **Industries are still premature**
2. **Rules and Regulations are still subject to change**
3. **Local banking service/network are still very limited**
4. **Skilled labors are still scarce**
5. **Thai operators still have limited knowledge and understanding on local environments**

Opportunities for bank

Agricultural Based Industry

Retail Business

SMEs



Main Industry

Agricultural Based Industry

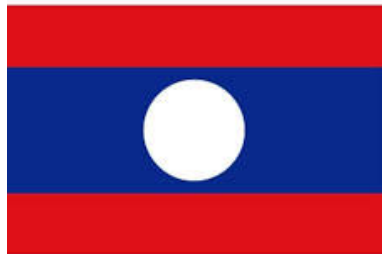
Tourism



Opportunities for bank

Wholesale Customers

Project Finance



Main Industry

Energy and Mining





Opportunities for bank

Trading

Retail

Infrastructure



Opportunities for bank

Trading

Export

Considerations:

- **Business fundamental/opportunities**
- **Partner**
- **Localized Knowledge**
- **Taxation**
- **Regulations**
- **Investment Privileges**
- **Cultural difference**



Cambodia

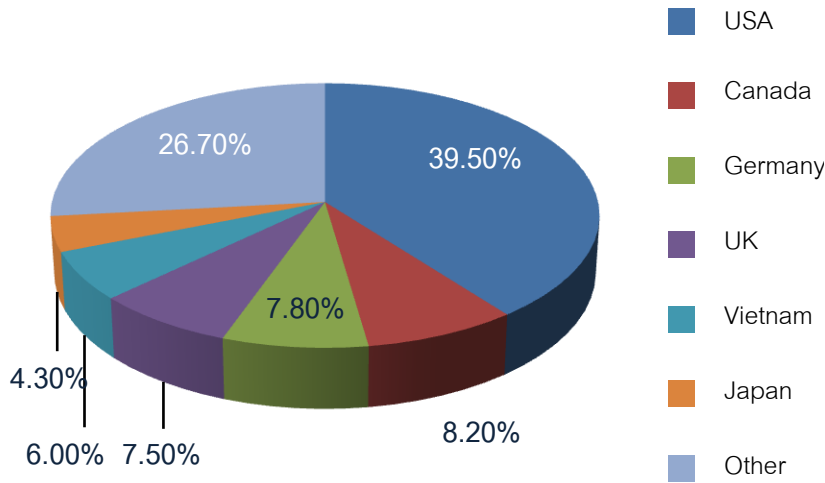
Economic Highlight

	2014	2015
GDP Growth	7.3%	7.3%
Inflation	3.5%	3.5%
Current Account Balance (Share of GDP)	-11.3%	-10.9%

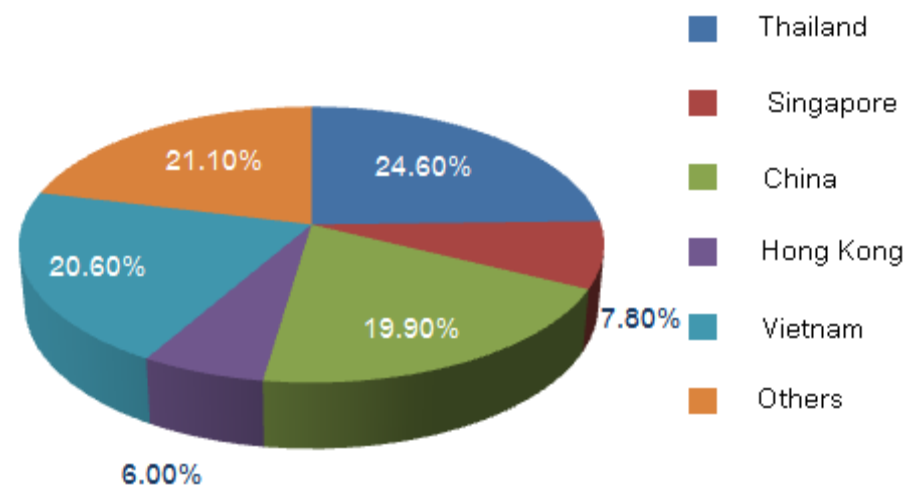
- GDP: GDP growth expected to be 7.30% in 2015 due to expansion of tourism and real estate sector
- Inflation: Average inflation rate decreased from 4.60% in 2013 to 3.50% in 2014 as a result of tightening custom tax which impact on import.
- Current Account Balance: Current Account deficit of Cambodia increased from 2013 as the problems in garment, shoes and global rice market which impact exporters. However, it is expected that Current Account Deficit will be decreased in 2015.

Source: Asian development outlook 2014

Main Exporters



Main Importers



Top 5 Products exported by Cambodia

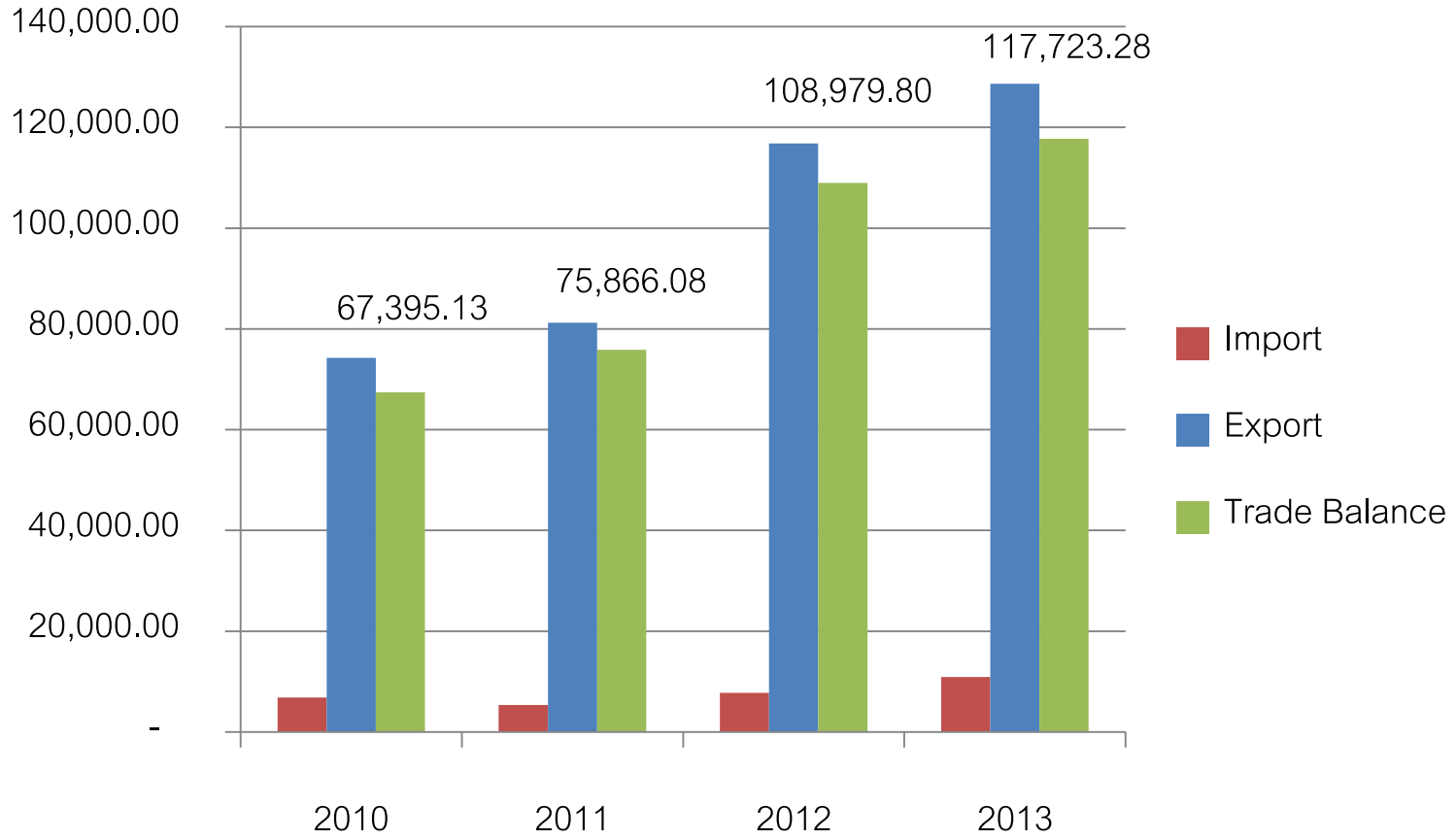
Postage Stamps (14%) Knit Sweaters (12%) Knit Women's Suits (7.7%) Non-Knit Women's Suits (5.5%) and Non-Knit Men's Suits 5.3%)

Top 5 Products imported by Cambodia

Refined Petroleum (10%) Light Rubberized Knitted Fabric (10%) Other Synthetic Fabrics (3.6%) Raw Sugar (2.1%) and Gold (2.0%)

Trade Volume between Thailand and Cambodia

Unit : Mio.Baht



Source: Department of Foreign Trade

Border Trade Volume : Thailand - Cambodia

- Surin –Oddar Meanchey 1,996.95 Mio.Baht
- Ubon – Preah Vihear 424.79 Mio.Baht
- Sa Kaeo - Banteay Meanchey 59,651.59 Mio.Baht
- Chanthaburi – Pailin 4,935.38 Mio.Baht
- Trat -Battambang 26,825.81 Mio.Baht

Total 93,834.52 Mio.Baht



Why Cambodia ?

Reasons to Invest

- Open economy
- Sound Macroeconomic Environment
- Competitive Investment Incentives
- Government's strong support for private sector
- One Stop Service – Fast Track Investment Approval Process (28 days)
- Low Labour Cost
- Strategic Location

Best Prospects

- Tourism Infrastructure and Resorts
- Education
- Architecture, Construction, and Engineering Services
- Household Goods and Appliances
- Agribusiness and Food Processing
- Used Cars and Automotive Parts
- Power Generation Equipment
- Fast Food and Beverage Franchises
- Pharmaceuticals, Medical Supplies, and Medical Equipment
- Banking

Priorities and Restrictions



Priorities	General Restrictions	Restrictions for Foreign Investor
Agricultural and agro-processing	Manufacture of cultural items	Manufacture of cigarettes
Environmental protection	Wood-based products utilizing local log	Alcohol
Export-oriented industries	Toxic chemicals	Movie production
Industries that create employment	Psychotropic substances	Exploitation of gemstones
Special Promotion Zone	Narcotic drugs	Tiles and bricks made of clay
Physical infrastructure and energy	Weapon and ammunition	Rice mills
High-technology industries		Wood and stone carving
Provincial and rural development		Silk weaving
Tourism and related industries		

Interesting Area for Investment



Cambodia

1. Phnom Penh : Center of Investment and Trade
2. Sihanoukville : Tourism and service
3. Sawairiang : Textile
4. Battambang : Agricultural and agro-processing
5. Koh Kong : Service, Energy, Transportation
6. Siem Reap : Tourism and service

Potential Special Economic Zone (SEZ)



Cambodia

1. Phnom Penh
2. Kandal
3. Sihanoukville
4. Koh Kong
5. Poipet
6. Sri Sophon

Investment Incentives in SEZ



- Up to 9 years tax holiday
- 0% rate on Value-Added Tax
- Full Import Duty Exemption: raw materials, machinery, equipment
- No Export Tax
- Employment of foreign expatriate authorized up to 10% of all employees, staff and workers
- Permanent visa for families and investors
- Long term lease up to 99 year
- Free repatriation of profit

Infrastructure/Utilities in SEZ



- Internal roads in connection to public roads
- Dry port/bonded warehouse
- Telecommunications
- Electricity
- Industrial water supply
- Waste water treatment plant
- Dormitory and canteen

Banking System





Cambodia

1. Commercial Banks : 37 Banks
 - 1) Local Bank : 14 Banks
 - 2) Subsidiary Bank : 10 Banks
 - 3) Foreign bank Branch : 13 Banks

2. Specialized Banks) : 7 Banks

3. Representative Offices : 4 offices

Payment Channel



Cambodia

Card Services

- ✓ ATM (681 ATMs nationwide)
- ✓ Debit Card
- ✓ Credit Card

Bill Payments

- ✓ Bank counters
- ✓ ATM
- ✓ Electronic Banking
- ✓ Mobile Banking

International Remittance

- ✓ Inward Remittance
- ✓ Outward Remittance



KTB's Product / Service

Phnom
Penh
Branch

Siem Reap
Province
Sub-Branch

Product	License	Available	Potential
Credit	√	√	√
FX Service	√	√	√
Trade Finance	√	√	
Remittance	√	√	√
Deposit	√	√	√



Contact Person



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Thank You