

KASIKORNBANK Pcl (KBANK TB) - HOLD

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News update

Special dividends of Bt2.5 per share

- KBANK declared special dividends of Bt2.5 per share
- Total Bt12 dividend payment on 2024's EPS
- This shows increased flexibility of the bank
- We see upsides to our forecasted dividends

KBANK has called an EGM to discuss a special dividend payment and an amendment to its Articles of Association, reducing the number of directors from a range of 7–18 to 7–15. These measures are seen as part of the bank’s strategy to enhance capital management, improve agility, and align its governance framework with international standards.

- KBANK announced a special dividend of Bt2.5 per share last night, with the record date set for 16 May and the payment date on 6 June 2025.
- Including the interim dividend of Bt1.5 and the final dividend of Bt8, the total dividend for the year amounts to Bt12 per share.
- This translates to a dividend payout ratio of 58.5% and a dividend yield of 7% for a holding period of approximately two months.
- While the announcement was unexpected, it is a positive development. KBANK’s Tier 1 capital remains strong at 18% in 2024, ensuring that the additional payout does not strain its balance sheet. At the same time, the move enhances capital efficiency and supports ROE.
- We also see this as an indication of KBANK’s increased flexibility in its dividend payout policy, with potential upside to our 50% dividend payout ratio estimate for 2025.
- We currently assign a HOLD rating on KBANK, but with the recent pullback in share prices, there is now more than 10% upside to our Bt168 target price.

Key Valuations

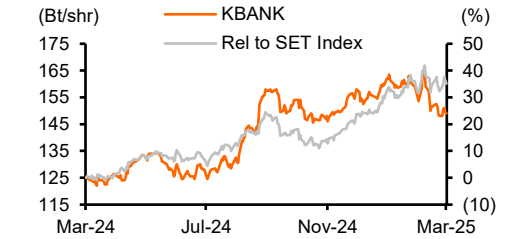
Y/E Dec (Bt m)	2024A	2025F	2026F	2027F
Pre Prov. Profit	109,691	107,952	111,140	114,893
Net profit	48,598	52,612	55,946	59,546
Norm net profit	48,598	52,612	55,946	59,546
Norm EPS (Bt)	20.5	22.2	23.6	25.1
Norm EPS gr (%)	14.6	8.3	6.3	6.4
Norm PE (x)	7.3	6.7	6.3	5.9
P/BV (x)	0.6	0.6	0.6	0.5
Div. yield (%)	5.7	7.0	7.7	8.4
ROE (%)	8.9	9.1	9.2	9.3
ROA (%)	1.1	1.2	1.3	1.3

Source: Thanachart estimates

Stock Data

Closing price (Bt)	149.0
Target price (Bt)	168.0
Market cap (US\$ m)	2,369.3
Avg daily turnover (US\$ m)	46.4
12M H/L price (Bt)	164.0/122.0

Price Performance



Source: Bloomberg

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