

(TRANSLATION)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO : MINISTER OF FINANCE

The Office of the Auditor General of Thailand has reviewed the statements of financial position of the Export-Import Bank of Thailand, as at March 31, 2013, and statements of comprehensive income, changes in shareholders' equity and cash flows for the three month period ended, and the condensed notes to the financial. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting. The responsibility of the Office of the Auditor General of Thailand is to express a conclusion on this interim financial information based on the reviews.

Scope of review

The Office of the Auditor General of Thailand conducted the reviews in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable to obtain assurance that the Office of the Auditor General of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

Conclusion

Based on the reviews, nothing has come to the attention that causes the Office of the Auditor General of Thailand to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting.

(Signed) *Janya Pengpreecha*

(Miss Janya Pengpreecha)

Director of Audit Office No.1

(Signed) *Atinuch Thienchaiwattana*

(Mrs. Atinuch Thienchaiwattana)

Auditor in Charge

Office of the Auditor General of Thailand

June 5, 2013

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2013

			Unit : Baht
	<u>Notes</u>	<u>March 31, 2013</u>	<u>December 31, 2012</u>
		<u>"Unaudited"</u>	<u>"Audited"</u>
		<u>"Reviewed"</u>	
<u>Assets</u>			
Cash		197,532	312,144
Interbank and money market items, net		7,144,119,626	5,088,579,539
Derivative assets	5.2	256,590,459	339,262,450
Investments, net	5.3	3,113,471,807	3,721,515,314
Loans to customers and accrued interest receivables, net	5.4		
Loans to customers		65,933,151,642	66,676,345,788
Accrued interest receivables		1,009,143,797	1,024,604,277
Total loans to customers and accrued interest receivables		<u>66,942,295,439</u>	<u>67,700,950,065</u>
<u>Less</u> Deferred revenue		5,920,055	4,034,488
<u>Less</u> Allowance for doubtful accounts	5.5	3,224,115,512	3,206,907,882
<u>Less</u> Revaluation allowance for debt restructuring	5.6	933,968,240	920,037,535
Total loans to customers and accrued interest receivables, net		<u>62,778,291,632</u>	<u>63,569,970,160</u>
Properties foreclosed, net		847,474,123	875,103,428
Premises and equipment, net		837,938,366	844,314,926
Intangible assets, net		48,793,498	47,037,771
Accrued interest receivables not related to loans		3,789,869	3,067,746
Revenue receivables		141,446	176,180
Prepaid expenses		24,546,193	16,293,987
Other assets, net		16,417,936	16,404,806
Total assets		<u><u>75,071,772,487</u></u>	<u><u>74,522,038,451</u></u>

The notes to the financial statements are an integral part of these statements.

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF FINANCIAL POSITION

As at March 31, 2013

		Unit : Baht	
	Notes	March 31, 2013	December 31, 2012
		<u>"Unaudited"</u>	<u>"Audited"</u>
		<u>"Reviewed"</u>	
<u>Liabilities and Shareholders' Equity</u>			
Deposits		8,946,850,553	7,103,230,710
Interbank and money market items, net		7,010,927,448	7,573,455,563
Liabilities payable on demand		268,655,547	145,909,283
Derivative liabilities	5.2	193,364,395	88,536,835
Debt issued and borrowings	5.7	41,037,384,782	42,294,277,532
Provisions	5.8	163,689,669	155,734,752
Accrued interest payables		275,456,732	283,461,506
Allowance for export credit insurance		148,874,734	128,315,111
Other liabilities		461,232,045	581,733,950
Total liabilities		<u>58,506,435,905</u>	<u>58,354,655,242</u>
Shareholders' equity			
Capital	5.9	12,800,000,000	12,800,000,000
Paid-up capital		12,800,000,000	12,800,000,000
Other components of equity		3,094,145	3,209,817
Retained earnings			
Appropriated			
Legal reserve		3,677,853,887	3,126,853,887
Unappropriated		84,388,550	237,319,505
Total shareholders' equity		<u>16,565,336,582</u>	<u>16,167,383,209</u>
Total liabilities and shareholders' equity		<u>75,071,772,487</u>	<u>74,522,038,451</u>

The notes to the financial statements are an integral part of these statements.

(Mr. Prasong Poontaneat)

Chairman of the Board of Directors

(Mr. Kanit Sukonthaman)

President

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
			Unit : Baht
Interest revenue	5.14	792,740,807	935,971,293
Interest expenses	5.15	274,016,600	293,094,685
Net interest income		<u>518,724,207</u>	<u>642,876,608</u>
Fees and service revenue		137,954,880	172,129,797
Fees and service expenses		32,006,511	41,384,857
Net fees and service income	5.16	<u>105,948,369</u>	<u>130,744,940</u>
Gain (Loss) on trading and foreign exchange transactions	5.17	18,264,591	(16,166,947)
Gain on investments	5.18	3,788,538	4,044,082
Written-down debt recovered		30,341,808	82,400,235
Other operating revenue		17,366,382	2,497,632
Total operating revenue		<u>69,761,319</u>	<u>72,775,002</u>
Other operating expenses			
Personnel expenses		136,118,710	133,443,350
Directors' remuneration		1,061,903	747,100
Premises and equipment expenses		9,568,495	13,654,893
Taxes and duties		2,493	2,496
Loss on claims and provision for insurance service		22,419,259	31,216,281
Loss on impairment of properties foreclosed		22,704,917	73,665,333
Others		49,885,041	3,734,911
Total operating expenses		<u>241,760,818</u>	<u>256,464,364</u>
Impairment loss of loans and debt securities	5.19	<u>54,604,032</u>	<u>430,989,310</u>
Net income		<u>398,069,045</u>	<u>158,942,876</u>
Other comprehensive loss			
Loss on revaluation of available-for-sale investments		(115,672)	(375,863)
Total comprehensive income		<u><u>397,953,373</u></u>	<u><u>158,567,013</u></u>

The notes to the financial statements are an integral part of these statements.

(Mr. Prasong Poontaneat)
Chairman of the Board of Directors

(Mr. Kanit Sukonthaman)
President

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013

	Capital	Other Components of Equity	Appropriated Retained Earnings	Unappropriated Retained Earnings	Unit : Baht Total
		Revaluation Surplus (Deficit) on Investments			
Beginning balance as at January 1, 2012	12,800,000,000	1,700,281	2,824,553,887	(348,370,062)	15,277,884,106
Legal reserve	-	-	302,300,000	(302,300,000)	-
Total comprehensive income	-	(375,863)	-	158,942,876	158,567,013
Ending balance as at March 31, 2012	<u>12,800,000,000</u>	<u>1,324,418</u>	<u>3,126,853,887</u>	<u>(491,727,186)</u>	<u>15,436,451,119</u>
Beginning balance as at January 1, 2013	12,800,000,000	3,209,817	3,126,853,887	237,319,505	16,167,383,209
Legal reserve	-	-	551,000,000	(551,000,000)	-
Total comprehensive income	-	(115,672)	-	398,069,045	397,953,373
Ending balance as at March 31, 2013	<u>12,800,000,000</u>	<u>3,094,145</u>	<u>3,677,853,887</u>	<u>84,388,550</u>	<u>16,565,336,582</u>

The notes to the financial statements are an integral part of these statements.

(Mr. Prasong Poontaneat)
Chairman of the Board of Directors

(Mr. Kanit Sukonthaman)
President

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
		Unit : Baht
Cash flows from operating activities		
Net income	398,069,045	158,942,876
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization expenses	12,716,739	13,323,448
Bad debt and doubtful accounts	35,104,500	250,801,393
Loss on debt restructuring	19,361,452	180,125,463
Reversal of written-down debt recovered	(1,300,282)	(74,219,794)
Gain on disposal of assets	(73,102)	(127,832)
Gain on sale of properties foreclosed	(15,415,328)	(1,470,000)
Loss on impairment of properties foreclosed	22,704,917	75,135,333
Loss on revaluation of foreign currencies	113,117,795	27,499,031
Derivative revaluation	(40,113,456)	14,960,627
Reversal on impairment of investments	(3,788,538)	(4,044,082)
Amortization of premium on debt securities	(3,693,452)	(6,932,202)
Increase in provisions	8,748,807	1,359,272
Reversal of Bad debt and provision for other receivables	(3,049,592)	(38,998,254)
Loss on claims and provision for insurance service	49,611,579	59,669,161
Decrease (Increase) in revenue receivables	15,366	(27,457,664)
Increase in prepaid expenses	(8,696,288)	(1,444,722)
Increase in other accrued expenses	7,197,476	12,190,580
	590,517,638	639,312,634
Net interest income	(518,724,207)	(642,876,608)
Proceeds from interest income	801,025,674	734,765,001
Interest expenses paid	(279,054,933)	(336,137,506)
Income from operations before changes in operating assets and liabilities	593,764,172	395,063,521
(Increase) decrease in operating assets		
Interbank and money market items	(2,109,301,761)	(1,892,682,857)
Loans, net	(196,718,584)	567,498,771
Properties foreclosed, net	20,465,328	1,740,000
Other assets, net	(1,039,805)	(43,020,489)

The notes to the financial statements are an integral part of these statements.

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
		Unit : Baht
Cash flows from operating activities		
Increase (decrease) in operating liabilities		
Deposits	1,855,603,002	(1,116,383)
Interbank and money market items	(331,329,587)	623,648,454
Liabilities payable on demand	122,746,263	(26,260,154)
Short-term debt issued and borrowings	1,460,000,000	327,529,456
Other liabilities	(155,179,964)	(78,412,976)
Net cash provided by (used in) operating activities	<u>1,259,009,064</u>	<u>(126,012,657)</u>
Cash flows from investing activities		
Purchases of held-to-maturity debt securities	(1,000,000,000)	(1,400,000,000)
Proceeds from disposal of held-to-maturity debt securities	1,600,000,000	1,541,000,000
Purchases of premises and equipment	(3,214,607)	(6,716,783)
Proceeds from disposal of premises and equipment	480,000	226,793
Purchases of intangible assets	(1,497,254)	(4,190,675)
Net cash provided by investing activities	<u>595,768,139</u>	<u>130,319,335</u>
Cash flows from financing activities		
Proceeds from long-term debt issued and borrowings	3,665,275,369	-
Repayments of long-term debt issued and borrowings	(5,520,167,184)	(1,324,468)
Net cash used in financing activities	<u>(1,854,891,815)</u>	<u>(1,324,468)</u>
Net increase (decrease) in cash and cash equivalents	(114,612)	2,982,210
Cash and cash equivalents at the beginning of the period	312,144	216,866
Cash and cash equivalents at the end of the period	<u>197,532</u>	<u>3,199,076</u>

The notes to the financial statements are an integral part of these statements.

(Mr. Prasong Poontaneat)
Chairman of the Board of Directors

(Mr. Kanit Sukonthaman)
President

EXPORT-IMPORT BANK OF THAILAND
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013
(UNAUDITED/REVIEWED)

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EXPORT-IMPORT BANK OF THAILAND
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013
(UNAUDITED/REVIEWED)

1. GENERAL INFORMATION

Export-Import Bank of Thailand (or “the Bank”) was established by the Export-Import Bank of Thailand Act, 1993 (B.E. 2536), which was amended by the Export-Import Bank of Thailand Act (No.2), 1999 (B.E. 2542), with the objective to provide financial supports for exports, imports and investments related to the development of the Thai economy. Its services include:

- export financing services provided through commercial banks;
- short-term and long-term credits provided directly to exporters;
- medium-term credits for export business expansion;
- short-term and medium-term credits to foreign banks to finance goods imported from Thailand;
- credit and equity financing to support Thai investments overseas that are beneficial to the country;
- export credit insurance services to Thai exporters;
- credits for overseas projects yielding economic returns to Thailand;
- investment insurance services for overseas investments of Thai investors who have been granted credit lines from the Bank; and
- stand-by claims purchase agreement services.

The Bank’s Head Office is located at 1193 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2009): Interim Financial Reporting, covering the statements of financial position, statements of comprehensive income, changes in shareholders’ equity and cash flows as those of annual financial statements and notes on only material item.

An interim financial report provides details of recent events and changes to the annual financial statements on a year-to-date basis. As a result, a reader would need to access the Bank’s most recent annual report ended December 31, 2012 to gain a full understanding of the Bank’s financial position.

The financial statements are prepared in conformity with Generally Accepted Accounting Principles as prescribed in the Accounting Act, 2000 (B.E. 2543) and presented in accordance with the Notification, issued by the Bank of Thailand, No. SorNorSor. 11/2553 dated December 3, 2010 regarding the Preparation and Announcement of the Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups.

3. CAPITAL ADEQUACY UNDER THE MINISTERIAL REGULATIONS AND BASEL II STANDARD

3.1 Capital under the Ministerial Regulations

At the end of March 31, 2013, the Bank's capital adequacy ratio (CAR) stood at 20.00 %, exceeding the minimum capital adequacy ratio stipulated in the Ministerial Regulations (not less than 8.00%) and the Bank's capital to insurance service contingent liabilities ratio stood at 46.33%, exceeding the minimum capital to insurance service contingent liabilities ratio stipulated in the Ministerial Regulation (not less than 20.00%).

Capital Adequacy Ratio Based on the Ministerial Regulations

Unit: Million Baht

	<u>Ministerial Regulations</u>	<u>March 31, 2013</u>	<u>December 31, 2012</u>
1. Capital *		15,615.08	15,064.08
2. Risk assets **		78,074.34	71,421.91
3. Insurance service contingent liabilities		33,702.18	27,648.20
4. Capital to risk assets (1)/(2)	Not less than 8.00%	20.00%	21.09%
5. Capital to insurance service contingent liabilities (1)/(3)	Not less than 20.00%	46.33%	54.48%

Remarks : * Capital includes only capital under the Ministerial Regulations.

** Risk assets have been calculated from credit risk assets, which excluded insurance service contingent liabilities, and the risk weight used in calculation is different from Basel II approach.

3.2 Capital under Basel II Standard

The Bank's capital adequacy ratio has been calculated according to the guidelines and approach of Bank of Thailand. As at March 31, 2013, the Bank's total capital to risk assets ratio stood at 15.41%, exceeding the minimum ratio stipulated in the BOT's regulation (not less than 8.50%), and the Bank's tier 1 capital to risk assets ratio stood at 14.16%, exceeding the minimum tier 1 capital to risk asset ratio stipulated in the BOT's regulation (not less than 4.25%).

Capital Adequacy Ratio Based on Basel II

	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Total capital to risk assets	15.41%	16.21%
Tier 1 capital to risk assets	14.16%	14.96%

3.2 Capital under Basel II Standard (Continued)

Capital Structure Based on Basel II

Unit: Million Baht

	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Tier 1 Capital		
Paid-up capital	12,800.00	12,800.00
Legal reserve	3,677.85	3,126.85
Cumulative loss	<u>(862.77)</u>	<u>(862.77)</u>
Total Tier 1 Capital	15,615.08	15,064.08
Tier 2 Capital		
Allowance for pass asset-classification	1,378.92	1,258.57
<u>Add</u> Revaluation surplus on investments in available-for-sale equity securities	1.03	0.88
<u>(Less)</u> Revaluation deficit on investments in available-for-sale equity securities	<u>-</u>	<u>-</u>
Total Tier 2 Capital	<u>1,379.95</u>	<u>1,259.45</u>
Total Capital Fund	<u>16,995.03</u>	<u>16,323.53</u>

The Bank adheres to the disclosure rule pertaining to Basel II capital requirement according to the Bank of Thailand's Notification No. SorNorSor. 25/2552 Re: Information Disclosures regarding Capital Fund Maintenance for Commercial Banks. In this respect, the Bank has drawn up a policy on disclosure of information regarding the capital adequacy under Basel II and has posted this information on the Bank's website as follows:

Location of disclosure : www.exim.go.th > About Exim Thailand > Disclosure of Capital Adequacy Information > Disclosure of Capital Adequacy Information calculated according to Basel II

Date of disclosure : April 30, 2013

Information as at : December 31, 2012

4. ESTIMATES AND ASSUMPTIONS

In preparation of the financial statements in conformity to Generally Accepted Accounting Principles (GAAP), the Bank has to set up estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. The consideration for such estimates and assumptions is based on the experience and reliable information that is available at the time that the financial statements are being prepared. However, the actual results may differ from the estimates.

The Bank reviews the estimates and assumptions on a regular basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future period affected.

5. ADDITIONAL INFORMATION

5.1 Supplementary Information of Cash Flow

Significant non-cash items for the three-month periods ended March 31, 2013 and 2012 are as follows:

	<u>March 31, 2013</u>	<u>March 31, 2012</u>
Increase (Decrease) in revaluation surplus on investments in shareholders' equity	(0.12)	(0.38)

Unit : Million Baht

5.2 Derivatives

As at March 31, 2013 and December 31, 2012, the fair value and notional amount classified by type of risk are as follows:

<u>Type of Risk</u>	<u>March 31, 2013</u>		<u>Notional Amount</u>
	<u>Fair Value</u>		
	<u>Assets</u>	<u>Liabilities</u>	
Exchange rate	62.00	142.32	13,419.10
Interest rate	<u>194.59</u>	<u>51.04</u>	<u>9,930.16</u>
Total	<u>256.59</u>	<u>193.36</u>	<u>23,349.26</u>

<u>Type of Risk</u>	<u>December 31, 2012</u>		<u>Notional Amount</u>
	<u>Fair Value</u>		
	<u>Assets</u>	<u>Liabilities</u>	
Exchange rate	137.08	30.34	17,032.31
Interest rate	<u>202.18</u>	<u>58.20</u>	<u>11,739.42</u>
Total	<u>339.26</u>	<u>88.54</u>	<u>28,771.73</u>

Unit : Million Baht

As at March 31, 2013 and December 31, 2012, the proportion of derivatives transactions classified by type of counterparty based on the notional amount are as follows:

<u>Counterparty</u>	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Financial institutions	84.03%	83.80%
Third parties	<u>15.97%</u>	<u>16.20%</u>
Total	<u>100.00%</u>	<u>100.00%</u>

5.3 Investments, Net

5.3.1 Available-for-Sale Investments

	Unit: Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Government and state enterprise securities	199.84	199.80
Domestic marketable equity securities	<u>3.35</u>	<u>3.03</u>
Total	<u>203.19</u>	<u>202.83</u>

5.3.2 Held-to-Maturity Debt Securities

	Unit: Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
	<u>Cost/Amortized Cost</u>	<u>Cost/Amortized Cost</u>
Government and state enterprise securities	2,406.51	3,003.02
Foreign debt securities	<u>340.68</u>	<u>356.33</u>
Total	2,747.19	3,359.35
(Less) Allowance for revaluation	<u>-</u>	<u>-</u>
Total	<u>2,747.19</u>	<u>3,359.35</u>

5.3.3 General Investments

	Unit: Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
	<u>Cost</u>	<u>Cost</u>
Domestic non-marketable equity securities	26.31	26.31
Mutual funds		
- MFC Energy Fund	63.11	63.11
- Thailand Prosperity Fund 2 (TTPF II)	77.00	77.00
Others	<u>0.39</u>	<u>0.42</u>
Total	166.81	166.84
(Less) Allowance for impairment	<u>(3.72)</u>	<u>(7.51)</u>
Total	<u>163.09</u>	<u>159.33</u>
Total investments, net	<u>3,113.47</u>	<u>3,721.51</u>

As at March 31, 2013, domestic non-marketable equity securities amounted Baht 26.31 million is the equity securities received from debt restructuring.

5.4 Loans and Accrued Interest Receivables, Net

5.4.1 Classified by Type of Loan

	Unit : Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Overdrafts	325.11	267.86
Domestic loans - customers	50,405.26	51,106.78
- export bills negotiation	612.37	430.17
- staff loans	253.23	261.66
Overseas loans - foreign government agencies	3,373.27	3,663.07
- customers operating overseas	10,918.52	10,899.17
Others	<u>45.39</u>	<u>47.64</u>
Total loans	65,933.15	66,676.35
<u>(Less)</u> Deferred revenue	<u>(5.92)</u>	<u>(4.03)</u>
Total loans, net of deferred revenue	65,927.23	66,672.32
<u>Add</u> Accrued interest receivables	<u>1,009.14</u>	<u>1,024.60</u>
Total loans and accrued interest receivables, net of deferred revenue	66,936.37	67,696.92
<u>(Less)</u> Allowance for doubtful accounts		
- Minimum allowance by BOT's regulation	(1,788.80)	(1,269.83)
- Excess allowance	(1,435.31)	(1,937.08)
Revaluation allowance for debt restructuring	<u>(933.97)</u>	<u>(920.04)</u>
Total loans, net	<u>62,778.29</u>	<u>63,569.97</u>

Overseas loans extended to foreign government agencies in the amount of Baht 3,373.27 million were loans extended to foreign government agencies in accordance with the Thai government policy, with interest charged from those borrowers at the rate of 1.50% p.a. and 3.00% p.a. The differences between such interest rates and the cost of fund of the Bank were subsidized by the Thai government or concerned state agencies. Moreover, for certain projects, the Bank also earned an additional operating fee at 0.75% p.a. apart from the interest revenue subsidy.

5.4.2 Classified by Loan Classification

		Unit : Million Baht			
		<u>March 31, 2013</u>			
	<u>Loans and</u>	<u>Net Amount</u>	<u>Minimum</u>	<u>Allowance</u>	
	<u>Accrued</u>	<u>Subject to</u>	<u>Provision</u>	<u>for</u>	
	<u>Interest</u>	<u>Allowance for</u>	<u>Rate (%)</u>	<u>Doubtful</u>	
	<u>Receivables</u>	<u>Doubtful Accounts</u>		<u>Accounts</u>	
		<u>Provisioning</u>			
1. Minimum allowance by BOT's regulation					
Pass	59,770.15	58,483.05	1,20,50,100	807.43	
Special mentioned	28.83	28.56	2	0.57	
Substandard	854.53	544.19	100	544.19	
Doubtful	163.78	101.80	100	101.80	
Doubtful of loss	<u>2,580.00</u>	<u>334.81</u>	100	<u>334.81</u>	
Total minimum allowance by BOT's regulation	63,397.29	59,492.41		1,788.80	
2. Excess allowance	<u>-</u>	<u>-</u>		<u>1,435.31</u>	
Total	<u>63,397.29</u>	<u>59,492.41</u>		<u>3,224.11</u>	
		<u>December 31, 2012</u>			
	<u>Loans and</u>	<u>Net Amount</u>	<u>Minimum</u>	<u>Allowance</u>	
	<u>Accrued</u>	<u>Subject to</u>	<u>Provision</u>	<u>for</u>	
	<u>Interest</u>	<u>Allowance for</u>	<u>Rate (%)</u>	<u>Doubtful</u>	
	<u>Receivables</u>	<u>Doubtful Accounts</u>		<u>Accounts</u>	
		<u>Provisioning</u>			
1. Minimum allowance by BOT's regulation					
Pass	61,092.02	59,809.64	1,20,50,100	821.08	
Special mentioned	9.76	8.86	2	0.18	
Substandard	8.14	6.07	100	6.07	
Doubtful	508.40	418.06	100	418.06	
Doubtful of loss	<u>2,295.76</u>	<u>24.44</u>	100	<u>24.44</u>	
Total minimum allowance by BOT's regulation	63,914.08	60,267.07		1,269.83	
2. Excess allowance	<u>-</u>	<u>-</u>		<u>1,937.08</u>	
Total	<u>63,914.08</u>	<u>60,267.07</u>		<u>3,206.91</u>	

5.4.2 Classified by Loan Classification (Continued)

As at March 31, 2013 and December 31, 2012, the outstanding classified loans and loans which were not required to be classified (unclassified loans) are as follows:

Unit : Million Baht

	<u>March 31, 2013</u>		<u>December 31, 2012</u>	
	<u>Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>As % of Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>As % of Loans and Accrued Interest Receivables Net of Deferred Revenue</u>
Classified loans	63,397.29	94.71	63,914.08	94.41
Unclassified loans	<u>3,539.08</u>	5.29	<u>3,782.84</u>	5.59
Total	<u>66,936.37</u>		<u>67,696.92</u>	

Loans which are not required to be classified are loans extended to individual persons or corporate entities in accordance with the government's policy or directive or the cabinet resolution which are covered against losses under Section 23 of the Export-Import Bank of Thailand Act, 1993 (B.E. 2536), and loans which are covered by the export credit insurance.

Non-performing loans are loans on which principal repayments and/or interest payments are in arrears for over three months from the due date, or loans on which principal repayments or interest payments are in arrears for not over three months from the due date, but the principal repayment or interest payment capabilities are deemed uncertain, except there are reasonable grounds that loans could be performing based on the following:

- (1) Borrowers being analyzed for repayment capabilities and approved to extend the restructuring of the interest receivable as the loan principal or to relax or restructure the loan repayment terms and conditions.
- (2) Borrowers supported by the additional agreements or contracts of the new debt repayment terms and conditions under the debt restructuring agreements.

Unit : Million Baht

<u>Loans</u>	<u>March 31, 2013</u>		<u>December 31, 2012</u>	
	<u>Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>As % of Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>As % of Loans and Accrued Interest Receivables Net of Deferred Revenue</u>
Non-performing loans	3,598.31	5.38	2,812.30	4.15

5.4.2 Classified by Loan Classification (Continued)

As at March 31, 2013 and December 31, 2012, the outstanding balance of written-down accounts, which was not included in the financial statements, was Baht 4,027.49 million and Baht 4,058.78 million, respectively. For the three-month periods ended March 31, 2013 and 2012, the Bank recovered written-down debt accounts in the amount of Baht 30.34 million and Baht 82.40 million, respectively, from which accounts the Bank received cash in the amount of Baht 29.04 million and Baht 8.18 million, respectively.

For the three-month periods ended March 31, 2013 and 2012, the Bank wrote-off bad debts in the amount of Baht 1.79 million and Baht 13.25 million, respectively.

5.4.3 Troubled Debt Restructuring

For the three-month periods ended March 31, 2013 and for the year ended December 31, 2012, the Bank had restructured debts applying the adjustment of repayment conditions as follows:

Unit : Million Baht

<u>Restructured</u> <u>Debts</u>	<u>Cases</u>	<u>March 31, 2013</u>		<u>December 31, 2012</u>		
		<u>Amount</u>	<u>As % of Loans</u> <u>and Accrued</u> <u>Interest</u> <u>Receivables Net of</u> <u>Deferred Revenue</u>	<u>Cases</u>	<u>Amount</u>	<u>As % of Loans</u> <u>and Accrued</u> <u>Interest</u> <u>Receivables Net of</u> <u>Deferred Revenue</u>
Succeeded	2	17.46	0.03	13	600.72	0.89
In - process	9	120.86	0.18	25	445.94	0.66

As at March 31, 2013 and December 31, 2012, the Bank had outstanding restructured loan reclassified as normal for 26 cases amounting to Baht 2,498.13 million and for 27 cases amounting to Baht 2,448.67 million, respectively.

5.4.3 Troubled Debt Restructuring (Continued)

For the three-month periods ended March 31, 2013 and 2012, the Bank restructured debts as follows:

Unit : Million Baht				
<u>March 31, 2013</u>				
<u>Outstanding Debt</u>				
<u>Types of Restructuring</u>	<u>Cases</u>	<u>Before Restructuring</u>	<u>After Restructuring</u>	<u>As at March 31, 2013</u>
Change of repayment conditions	2	17.46	17.46	25.57
<u>March 31, 2012</u>				
<u>Outstanding Debt</u>				
<u>Types of Restructuring</u>	<u>Cases</u>	<u>Before Restructuring</u>	<u>After Restructuring</u>	<u>As at March 31, 2012</u>
Change of repayment conditions	3	1.02	1.02	216.54

For the three-month periods ended March 31, 2013 and 2012, outstanding debts before restructuring compared to outstanding loans and accrued interest receivable net of deferred revenue are as follows:

Unit : Million Baht					
		<u>March 31, 2013</u>		<u>March 31, 2012</u>	
		<u>Cases</u>	<u>Amount</u>	<u>Cases</u>	<u>Amount</u>
Restructured debt		2	17.46	3	1.02
Loans and accrued interest receivables net of deferred revenue		1,002	66,936.37	993	65,070.97

For the three-month periods ended March 31, 2013 and 2012, the Bank recognized interest income from debt restructuring in the amount of Baht 35.22 million and Baht 167.90 million, respectively.

As at March 31, 2013 and December 31, 2012, the Bank had commitments to extend additional loans to customers who had been restructured for the amount of Baht 100.00 million and Baht 100.02 million, respectively.

5.5 Allowance for Doubtful Accounts

	March 31, 2013						Unit : Million Baht
	<u>Pass</u>	<u>Special Mention</u>	<u>Sub- Standard</u>	<u>Doubtful</u>	<u>Doubtful of Loss</u>	<u>Excess Allowance</u>	<u>Total</u>
Beginning balance	821.08	0.18	6.07	418.06	24.44	1,937.08	3,206.91
Increase (decrease) in allowance							
for doubtful accounts	<u>(13.65)</u>	<u>0.39</u>	<u>538.12</u>	<u>(316.26)</u>	<u>310.37</u>	<u>(501.77)</u>	<u>17.20</u>
Ending balance	<u>807.43</u>	<u>0.57</u>	<u>544.19</u>	<u>101.80</u>	<u>334.81</u>	<u>1,435.31</u>	<u>3,224.11</u>

	December 31, 2012						Unit : Million Baht
	<u>Pass</u>	<u>Special Mention</u>	<u>Sub- Standard</u>	<u>Doubtful</u>	<u>Doubtful of Loss</u>	<u>Excess Allowance</u>	
Beginning balance	758.09	0.51	3.87	54.26	489.96	1,458.00	2,764.69
Increase (decrease) in allowance							
for doubtful accounts	62.99	(0.33)	2.20	363.80	(47.65)	479.08	860.09
Debts written down	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(417.87)</u>	<u>-</u>	<u>(417.87)</u>
Ending balance	<u>821.08</u>	<u>0.18</u>	<u>6.07</u>	<u>418.06</u>	<u>24.44</u>	<u>1,937.08</u>	<u>3,206.91</u>

As at March 31, 2013 and December 31, 2012, the Bank's allowance for doubtful accounts on loans accounted for Baht 3,224.11 million and Baht 3,206.91 million, respectively, which exceeds the minimum provisioning requirement based on debt service ability and debt quality set out by the Bank of Thailand in the amount of Baht 1,435.31 million and Baht 1,937.08 million, respectively (Note 5.4.2). The amount of allowance for doubtful accounts in excess of the minimum requirement was based on prudent banking principles.

5.6 Revaluation Allowance for Debt Restructuring

	Unit : Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Beginning balance	920.04	238.73
Increase	21.40	789.66
Decrease	<u>(7.47)</u>	<u>(108.35)</u>
Ending balance	<u>933.97</u>	<u>920.04</u>

5.7 Debt Issued and Borrowings

5.7.1 Classified by Type of Instrument and Source of Fund

		Unit : Million Baht		
		<u>March 31, 2013</u>		
		<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Bonds		-	27,696.48	27,696.48
Promissory notes		13,335.00	-	13,335.00
Others		<u>5.90</u>	<u>-</u>	<u>5.90</u>
Total debt issued and borrowings		<u>13,340.90</u>	<u>27,696.48</u>	<u>41,037.38</u>
		<u>December 31, 2012</u>		
		<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Bonds		-	29,712.65	29,712.65
Promissory notes		12,575.00	-	12,575.00
Others		<u>6.63</u>	<u>-</u>	<u>6.63</u>
Total debt issued and borrowings		<u>12,581.63</u>	<u>29,712.65</u>	<u>42,294.28</u>

5.7.2 Classified by Type of Instrument, Currency, Maturity and Interest Rate

		Unit : Million Baht			
<u>Currency</u>	<u>Maturity</u>	<u>Interest Rate /</u>	<u>March 31, 2013</u>	<u>December 31, 2012</u>	
	<u>(year)</u>	<u>Interest Rate</u>			
		<u>Index</u>			
Bonds	USD	2013 - 2018	LIBOR	27,696.48	29,712.65
Promissory notes	THB	2013 - 2021	1.75 - 4.75%	11,085.00	10,325.00
		2019	6M THBFIX	2,250.00	2,250.00
Others	THB	2015	-	<u>5.90</u>	<u>6.63</u>
Total debt issued and borrowings				<u>41,037.38</u>	<u>42,294.28</u>

5.8 Provisions

As at March 31, 2013 and December 31, 2012, the Bank had set up provisions as follows:

	Unit : Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Employee benefits	124.71	120.57
Provisions for contingent liabilities	<u>38.98</u>	<u>35.16</u>
Total provisions	<u>163.69</u>	<u>155.73</u>

The Bank assesses the provision for employee benefits by using the Projected Unit Credit method. The details of the Bank's employee benefits for the period are as follows:

	Unit : Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Beginning Balance	120.57	107.46
Current service cost*	3.04	12.59
Interest cost*	1.10	3.97
Employees benefit paid in the period	<u>-</u>	<u>(3.45)</u>
Ending Balance	<u>124.71</u>	<u>120.57</u>

*These items present as expenses in the statement of comprehensive income.

5.9 Capital

The Bank had an initial capital of Baht 2,500 million (of which Baht 843.47 million was provided by the Ministry of Finance and Baht 1,656.53 million by the Bank of Thailand).

The Bank received additional capital from the Ministry of Finance on July 31, 1998 in the amount of Baht 4,000 million and subsequently on December 30, 2008 and September 21, 2009 in the amount of Baht 1,300 million and Baht 5,000 million, respectively. Thereby, the Bank has total capital amounting to Baht 12,800 million.

5.10 Contingent Liabilities and Commitments

	Unit : Million Baht	
	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Liabilities under immature import bills	187.14	1,795.43
Letters of credit	1,910.28	399.55
Export bills insured	33,059.37	26,945.93
Other contingencies		
Overdraft accounts not yet drawn	490.45	510.11
Other guarantees	2,101.58	2,167.05
Investment insurance	820.64	857.68
Stand-by claims purchase agreement	<u>13,034.73</u>	<u>6,220.28</u>
Total other contingencies	<u>16,447.40</u>	<u>9,755.12</u>
Total	<u>51,604.19</u>	<u>38,896.03</u>

5.11 Other Benefits to Directors and Executives

The Bank pays no further benefits to directors and executives other than normal remuneration such as meeting allowance and bonus for director (if any), salary for executives, special monthly allowance for executives (if any).

5.12 Long-Term Leasing Contracts

The Bank has commitment arising from lease agreements of the Bank's branch offices. The remaining periods of the lease agreements subsequently due after the statement of financial position date are as follows:

	Unit : Million Baht	
<u>Remaining Period</u>	<u>March 31, 2013</u>	<u>December 31, 2012</u>
Within 1 year	3.83	4.05
Over 1 - 5 years	6.60	7.33
Over 5 years	-	0.33

5.13 Financial Position and Operational Performance Classified by Domestic and Foreign Operations

As the Bank has no foreign branches, its financial position and operational performance are totally related to local branches.

5.14 Interest Revenue

Interest revenue for the three-month periods ended March 31, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Interbank and money market items	18.25	23.96
Investment in debt securities	21.97	23.62
Loans	<u>752.52</u>	<u>888.39</u>
Total interest revenue	<u>792.74</u>	<u>935.97</u>

5.15 Interest Expenses

Interest expenses for the three-month periods ended March 31, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Deposits	27.73	33.02
Interbank and money market items	44.63	28.50
Debt issued		
- Domestic bonds	99.06	122.15
- Bills of exchange	-	0.39
- Promissory notes	101.40	108.83
- Borrowing fee	<u>1.20</u>	<u>0.20</u>
Total interest expenses	<u>274.02</u>	<u>293.09</u>

5.16 Fee and Service Revenue, Net

Net fee and service revenue for the three-month periods ended March 31, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Fee and service revenue		
- Acceptance aval and guarantee	4.51	12.30
- Revenue from insurance	52.71	71.01
- Others	<u>80.73</u>	<u>88.82</u>
Total fee and service revenue	<u>137.95</u>	<u>172.13</u>
Fee and service expenses		
- Expense on insurance	31.40	40.50
- Others	<u>0.60</u>	<u>0.89</u>
Total fees and service expenses	<u>32.00</u>	<u>41.39</u>
Total fee and service revenue, net	<u>105.95</u>	<u>130.74</u>

5.17 Gain (Loss) on Trading and Foreign Exchange Transactions

Gain (loss) on trading and foreign exchange transactions for the three-month periods ended March 31, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Gain (loss) on trading and foreign exchange transactions		
- Foreign exchanges and derivatives	19.51	105.00
- Interest rate derivatives	<u>(1.25)</u>	<u>(121.17)</u>
Total gain (loss) on trading and foreign exchange transactions	<u>18.26</u>	<u>(16.17)</u>

5.18 Gain on Investments

Gain on investments for the three-month periods ended March 31, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Reversal on impairment of general investment	<u>3.79</u>	<u>4.04</u>
Total gain on investments	<u>3.79</u>	<u>4.04</u>

5.19 Impairment Loss of Loans and Debt Securities

Impairment loss of loans and debt securities for the three-month periods ended March 31, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Interbank and money market items	17.89	11.41
Loans		
- Bad debts and doubtful accounts	17.35	239.40
- Loss on restructuring	<u>19.36</u>	<u>180.18</u>
Total impairment loss of loans and debt securities	<u>54.60</u>	<u>430.99</u>

5.20 Approval of the Financial Statements

These financial statements were approved by the Chairman of the Board of Directors and President on June 5, 2013.
