

REVIEW REPORT OF THE AUDITOR AND FINANCIAL STATEMENTS
EXPORT – IMPORT BANK OF THAILAND
FOR THE THREE – MONTH PERIOD AND THE SIX – MONTH PERIOD ENDED JUNE 30, 2013
(TRANSLATION)

(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 June 30, 2013, and statements of comprehensive income for the three month and six month period ended, changes in shareholders' equity and cash flows for the six 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) *Jurairat Thipsatien*

(Miss Jurairat Thipsatien)

Director of Audit Office No.1

(Signed) *Ladda Palakawong*

(Mrs. Ladda Palakawong)

Auditor, Professional Level

Acting for Division Director

Office of the Auditor General of Thailand

August 28, 2013

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2013

			Unit : Baht
	<u>Notes</u>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
		<u>"Unaudited"</u>	<u>"Audited"</u>
		<u>"Reviewed"</u>	
<u>Assets</u>			
Cash		540,848	312,144
Interbank and money market items, net		6,958,665,943	5,088,579,539
Derivative assets	5.2	582,521,011	339,262,450
Investments, net	5.3	2,577,729,657	3,721,515,314
Loans to customers and accrued interest receivables, net	5.4		
Loans to customers		67,710,479,322	66,676,345,788
Accrued interest receivables		1,040,788,279	1,024,604,277
Total loans to customers and accrued interest receivables		68,751,267,601	67,700,950,065
<u>Less</u> Deferred revenue		4,811,421	4,034,488
<u>Less</u> Allowance for doubtful accounts	5.5	3,176,798,407	3,206,907,882
<u>Less</u> Revaluation allowance for debt restructuring	5.6	941,676,502	920,037,535
Total loans to customers and accrued interest receivables, net		64,627,981,271	63,569,970,160
Properties foreclosed, net		719,307,572	875,103,428
Premises and equipment, net		830,914,009	844,314,926
Intangible assets, net		46,925,621	47,037,771
Accrued interest receivables not related to loans		3,001,342	3,067,746
Prepaid expenses		23,474,975	16,293,987
Other assets, net		16,155,053	16,580,986
Total assets		76,387,217,302	74,522,038,451

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2013

		June 30, 2013	December 31, 2012
	Notes	<u>"Unaudited"</u> <u>"Reviewed"</u>	<u>"Audited"</u>
Unit : Baht			
<u>Liabilities and Shareholders' Equity</u>			
Deposits		7,861,193,715	7,103,230,710
Interbank and money market items, net		9,123,336,186	7,573,455,563
Liabilities payable on demand		157,262,271	145,909,283
Derivative liabilities	5.2	176,361,656	88,536,835
Debt issued and borrowings	5.7	41,145,283,032	42,294,277,532
Provisions	5.8	163,034,962	155,734,752
Accrued interest payables		247,241,022	283,461,506
Allowance for export credit insurance		146,476,989	128,315,111
Other liabilities		548,878,450	581,733,950
Total liabilities		<u>59,569,068,283</u>	<u>58,354,655,242</u>
Shareholders' equity			
Capital	5.9	<u>12,800,000,000</u>	<u>12,800,000,000</u>
Paid-up capital		12,800,000,000	12,800,000,000
Other components of equity		2,152,005	3,209,817
Retained earnings			
Appropriated			
Legal reserve		3,677,853,887	3,126,853,887
Unappropriated		338,143,127	237,319,505
Total shareholders' equity		<u>16,818,149,019</u>	<u>16,167,383,209</u>
Total liabilities and shareholders' equity		<u>76,387,217,302</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 JUNE 30, 2013

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
			Unit : Baht
Interest revenue		781,455,522	724,049,914
Interest expenses		253,173,546	301,760,075
Net interest income		<u>528,281,976</u>	<u>422,289,839</u>
Fees and service revenue		96,926,039	153,965,313
Fees and service expenses		26,538,039	27,582,106
Net fees and service income		<u>70,388,000</u>	<u>126,383,207</u>
Gain (Loss) on trading and foreign exchange transactions		(13,514,722)	133,288,071
Loss on investments		(18,344,729)	(5,129,925)
Written-down debt recovered		78,921,805	19,589,103
Other operating revenue		40,141,831	5,282,284
Total operating revenue		<u>87,204,185</u>	<u>153,029,533</u>
Other operating expenses			
Personnel expenses		134,830,751	132,544,257
Directors' remuneration		1,094,000	932,500
Premises and equipment expenses		11,199,223	13,522,166
Taxes and duties		27	42
Loss on claims and provision for insurance service		837,657	(8,645,793)
Loss on impairment of properties foreclosed		16,767,961	(20,631,552)
Others		(22,703,833)	138,598,402
Total operating expenses		<u>142,025,786</u>	<u>256,320,022</u>
Impairment loss of loans and debt securities		290,093,797	94,748,244
Net income		<u>253,754,578</u>	<u>350,634,313</u>
Other comprehensive income (loss)			
Gain (Loss) on revaluation of available-for-sale investments		(942,140)	197,028
Total other comprehensive income (loss)		<u>(942,140)</u>	<u>197,028</u>
Total comprehensive income		<u><u>252,812,438</u></u>	<u><u>350,831,341</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 COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
			Unit : Baht
Interest revenue	5.14	1,574,196,329	1,660,021,207
Interest expenses	5.15	527,190,146	594,854,760
Net interest income		<u>1,047,006,183</u>	<u>1,065,166,447</u>
Fees and service revenue		234,880,919	326,095,110
Fees and service expenses		58,544,549	68,966,963
Net fees and service income	5.16	<u>176,336,370</u>	<u>257,128,147</u>
Gain on trading and foreign exchange transactions	5.17	4,749,869	117,121,124
Loss on investments		(14,556,191)	(1,085,843)
Written-down debt recovered		109,263,614	101,989,338
Other operating revenue		57,508,211	9,249,916
Total operating revenue		<u>156,965,503</u>	<u>227,274,535</u>
Other operating expenses			
Personnel expenses		270,949,461	265,987,607
Directors' remuneration		2,155,903	1,679,600
Premises and equipment expenses		20,767,719	27,177,059
Taxes and duties		2,520	2,538
Loss on claims and provision for insurance service		23,256,916	22,570,488
Loss on impairment of properties foreclosed		39,472,877	54,503,781
Others		27,181,208	142,333,313
Total operating expenses		<u>383,786,604</u>	<u>514,254,386</u>
Impairment loss of loans and debt securities	5.18	344,697,830	525,737,554
Net income		<u>651,823,622</u>	<u>509,577,189</u>
Other comprehensive income (loss)			
Gain (Loss) on revaluation of available-for-sale investments		(1,057,812)	(178,835)
Total other comprehensive income (loss)		<u>(1,057,812)</u>	<u>(178,835)</u>
Total comprehensive income		<u><u>650,765,810</u></u>	<u><u>509,398,354</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 SIX-MONTH PERIOD ENDED JUNE 30, 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)	-
Remittance to the Ministry of Finance	-	-	-	(212,100,000)	(212,100,000)
Total comprehensive income	-	(178,835)	-	509,577,189	509,398,354
Ending balance as at June 30, 2012	<u>12,800,000,000</u>	<u>1,521,446</u>	<u>3,126,853,887</u>	<u>(353,192,873)</u>	<u>15,575,182,460</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	-	(1,057,812)	-	651,823,622	650,765,810
Ending balance as at June 30, 2013	<u>12,800,000,000</u>	<u>2,152,005</u>	<u>3,677,853,887</u>	<u>338,143,127</u>	<u>16,818,149,019</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 SIX-MONTH PERIOD ENDED JUNE 30, 2013

	<u>2013</u>	<u>2012</u>
		Unit : Baht
Cash flows from operating activities		
Net income	651,823,622	509,577,189
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization expenses	25,749,360	27,079,119
Bad debt and doubtful accounts	297,372,553	302,799,415
Loss on debt restructuring	47,072,184	222,938,249
Reversal of written-down debt recovered	(40,855,480)	(77,054,336)
Gain on disposal of assets	(450,774)	(132,833)
Gain on sale of properties foreclosed	(54,819,099)	(6,221,659)
Loss on impairment of properties foreclosed	39,472,877	54,503,781
Loss on revaluation of foreign currencies	22,841,889	221,634,981
Derivative revaluation	45,918,542	(112,723,844)
Gain on liquidation of invested company - Associated Company	-	(226,047)
Loss on impairment of investments	14,556,191	1,085,843
Amortization of discount on debt securities	(8,069,391)	(3,025,864)
Decrease in provisions	7,002,911	3,184,745
Bad debt and provision for other receivables (reversal)	(36,970,969)	83,418,483
Loss on claims and provision for insurance service	44,400,715	48,873,666
Decrease (Increase) in revenue receivables	100,781	(4,523,710)
Decrease (Increase) in prepaid expenses	(6,592,086)	387,970
Increase (Decrease) in other accrued expenses	(2,416,451)	345,031
	1,046,137,375	1,271,920,179
Net interest income	(1,047,006,183)	(1,065,166,447)
Proceeds from interest income	1,549,627,278	1,584,598,908
Interest expenses paid	(567,231,306)	(575,855,488)
Income from operations before changes in operating assets and liabilities	981,527,164	1,215,497,152
(Increase) decrease in operating assets		
Interbank and money market items	(1,845,599,140)	(3,106,345,971)
Loans, net	(629,989,990)	71,009,121
Properties foreclosed, net	173,338,622	20,382,659
Other assets, net	(3,815,024)	(13,390,437)

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 SIX-MONTH PERIOD ENDED JUNE 30, 2013

	Unit : Baht	
	<u>2013</u>	<u>2012</u>
Cash flows from operating activities		
Increase (decrease) in operating liabilities		
Deposits	734,173,708	1,135,098,809
Interbank and money market items	1,470,665,781	1,253,393,495
Liabilities payable on demand	10,813,830	127,962,207
Short-term debt issued and borrowings	350,000,000	(566,607,919)
Other liabilities	(17,106,865)	287,501,003
Net cash provided by operating activities	1,224,008,086	424,500,119
Cash flows from investing activities		
Proceeds from disposal of available-for-sale securities	-	15,000,000
Purchases of held-to-maturity debt securities	(1,880,000,000)	(4,700,000,000)
Proceeds from disposal of held-to-maturity debt securities	3,022,000,000	4,502,740,445
Proceeds from liquidation of investments in associated company	-	4,512,547
Purchases of premises and equipment	(7,729,316)	(16,328,419)
Proceeds from sales of premises and equipment	2,881,977	259,319
Purchases of intangible assets	(5,314,228)	(16,515,650)
Net cash provided by (used in) investing activities	1,131,838,433	(210,331,758)
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	(6,020,893,184)	(2,050,468)
Remittance to the Ministry of Finance	-	(212,100,000)
Net cash used in financing activities	(2,355,617,815)	(214,150,468)
Net increase in cash and cash equivalents	228,704	17,893
Cash and cash equivalents at the beginning of the period	312,144	216,866
Cash and cash equivalents at the end of the period	540,848	234,759

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 THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD AND SIX-MONTH PERIOD ENDED JUNE 30, 2013
(UNAUDITED/REVIEWED)

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EXPORT-IMPORT BANK OF THAILAND
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD AND SIX-MONTH PERIOD ENDED JUNE 30, 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

At the end of June 30, 2013, the Bank's capital adequacy ratio (CAR) stood at 19.85 %, 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 46.43%, 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>June 30, 2013</u>	<u>December 31, 2012</u>
1. Capital *		15,615.08	15,064.08
2. Risk assets **		78,679.02	71,421.91
3. Insurance service contingent liabilities		33,633.03	27,648.20
4. Capital to risk assets (1)/(2)	Not less than 8.00%	19.85%	21.09%
5. Capital to insurance service contingent liabilities (1)/(3)	Not less than 20.00%	46.43%	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.

4. ESTIMATES AND ASSUMPTIONS

In preparation of the financial statements in conformity to Thai Financial Reporting Standards (TFRS), 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 six-month periods ended June 30, 2013 and 2012 are as follows:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Decrease in revaluation surplus on investments in shareholders' equity	(1.06)	(0.18)
Increase in properties foreclosed from loan payment	2.20	4.00

Unit : Million Baht

5.2 Derivatives

As at June 30, 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>June 30, 2013</u>		<u>Notional Amount</u>
	<u>Fair Value</u>		
	<u>Assets</u>	<u>Liabilities</u>	
Exchange rate	410.36	134.23	18,888.96
Interest rate	172.16	42.13	9,942.89
Total	<u>582.52</u>	<u>176.36</u>	<u>28,831.85</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	202.18	58.20	11,739.42
Total	<u>339.26</u>	<u>88.54</u>	<u>28,771.73</u>

Unit : Million Baht

As at June 30, 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>June 30, 2013</u>	<u>December 31, 2012</u>
Financial institutions	81.17%	83.80%
Third parties	18.83%	16.20%
Total	<u>100.00%</u>	<u>100.00%</u>

5.3 Investments, Net

5.3.1 Available-for-Sale Investments

	Unit: Million Baht	
	<u>June 30, 2013</u>	<u>December 31, 2012</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Government and state enterprise securities	199.99	199.80
Domestic marketable equity securities	<u>2.76</u>	<u>3.03</u>
Total	<u>202.75</u>	<u>202.83</u>

5.3.2 Held-to-Maturity Debt Securities

	Unit: Million Baht	
	<u>June 30, 2013</u>	<u>December 31, 2012</u>
	<u>Cost/Amortized Cost</u>	<u>Cost/Amortized Cost</u>
Government and state enterprise securities	1,868.63	3,003.02
Foreign debt securities	<u>361.57</u>	<u>356.33</u>
Total	<u>2,230.20</u>	<u>3,359.35</u>

5.3.3 General Investments

	Unit: Million Baht	
	<u>June 30, 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 2)	77.00	77.00
Others	<u>0.43</u>	<u>0.42</u>
Total	166.85	166.84
(Less) Allowance for impairment	<u>(22.07)</u>	<u>(7.51)</u>
Total	<u>144.78</u>	<u>159.33</u>
Total investments, net	<u>2,577.73</u>	<u>3,721.51</u>

As at June 30, 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>June 30, 2013</u>	<u>December 31, 2012</u>
Overdrafts	304.32	267.86
Domestic loans - customers	51,400.95	51,106.78
- export bills negotiation	544.30	430.17
- staff loans	257.15	261.66
Overseas loans - foreign government agencies	3,337.49	3,663.07
- customers operating overseas	11,824.79	10,899.17
Others	<u>41.48</u>	<u>47.64</u>
Total loans	67,710.48	66,676.35
<u>(Less)</u> Deferred revenue	<u>(4.81)</u>	<u>(4.03)</u>
Total loans, net of deferred revenue	67,705.67	66,672.32
<u>Add</u> Accrued interest receivables	<u>1,040.79</u>	<u>1,024.60</u>
Total loans and accrued interest receivables, net of deferred revenue	68,746.46	67,696.92
<u>(Less)</u> Allowance for doubtful accounts		
- Minimum allowance by BOT's regulation	(1,541.82)	(1,269.83)
- Excess allowance	(1,634.98)	(1,937.08)
Revaluation allowance for debt restructuring	<u>(941.68)</u>	<u>(920.04)</u>
Total loans, net	<u>64,627.98</u>	<u>63,569.97</u>

Overseas loans extended to foreign government agencies in the amount of Baht 3,337.49 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

June 30, 2013

	<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	61,955.36	60,650.88	1,20,50,100	860.36
Special mentioned	50.19	49.49	2	0.99
Substandard	842.40	540.13	100	540.13
Doubtful	9.70	7.58	100	7.58
Doubtful of loss	<u>2,408.18</u>	<u>132.76</u>	100	<u>132.76</u>
Total minimum allowance by BOT's regulation	65,265.83	61,380.84		1,541.82
2. Excess allowance	<u>-</u>	<u>-</u>		<u>1,634.98</u>
Total	<u>65,265.83</u>	<u>61,380.84</u>		<u>3,176.80</u>

December 31, 2012

	<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 June 30, 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>June 30, 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	65,265.83	94.94	63,914.08	94.41
Unclassified loans	<u>3,480.63</u>	5.06	<u>3,782.84</u>	5.59
Total	<u>68,746.46</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>June 30, 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	3,260.28	4.74	2,812.30	4.15

5.4.2 Classified by Loan Classification (Continued)

For the six-month period ended June 30, 2013 and for the year ended December 31, 2012, the Bank wrote down debt accounts in the amount of Baht 330.88 million and Baht 417.87 million, respectively. As at June 30, 2013 and December 31, 2012, the outstanding balance of written-down accounts, which was not included in the financial statements, was Baht 4,317.92 million and Baht 4,058.78 million, respectively. For the six-month periods ended June 30, 2013 and 2012, the Bank recovered written-down debt accounts in the amount of Baht 109.26 million and Baht 101.99 million, respectively, from which accounts the Bank received cash in the amount of Baht 68.41 million and Baht 24.94 million, respectively.

For the six-month periods ended June 30, 2013 and 2012, the Bank wrote off bad debts in the amount of Baht 16.90 million and Baht 9.12 million, respectively.

5.4.3 Troubled Debt Restructuring

For the six-month period ended June 30, 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>June 30, 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	5	43.97	0.06	13	600.72	0.89
In - process	20	261.42	0.38	25	445.94	0.66

As at June 30, 2013 and December 31, 2012, the Bank had outstanding restructured loan reclassified as normal for 26 cases amounting to Baht 2,454.59 million and for 27 cases amounting to Baht 2,448.67 million, respectively.

5.4.3 Troubled Debt Restructuring (Continued)

For the six-month periods ended June 30, 2013 and 2012, the Bank restructured debts as follows:

Unit : Million Baht

<u>Types of Restructuring</u>	<u>Cases</u>	<u>June 30, 2013</u>		
		<u>Outstanding Debt</u>		
		<u>Before</u>	<u>After</u>	<u>As at</u>
		<u>Restructuring</u>	<u>Restructuring</u>	<u>June 30, 2013</u>
Change of repayment conditions	5	43.97	43.97	91.99

<u>Types of Restructuring</u>	<u>Cases</u>	<u>June 30, 2012</u>		
		<u>Outstanding Debt</u>		
		<u>Before</u>	<u>After</u>	<u>As at</u>
		<u>Restructuring</u>	<u>Restructuring</u>	<u>June 30, 2012</u>
Change of repayment conditions	9	476.69	476.69	756.90

For the six-month periods ended June 30, 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>June 30, 2013</u>		<u>June 30, 2012</u>	
	<u>Cases</u>	<u>Amount</u>	<u>Cases</u>	<u>Amount</u>
Restructured debt	5	43.97	9	476.69
Loans and accrued interest receivables net of deferred revenue	1,020	68,746.46	1,003	65,746.52

The Bank recognized interest income from debt restructuring as follows:

Unit : Million Baht

	<u>For Three-Month Periods</u>		<u>For Six-Month Periods</u>	
	<u>Ended June 30,</u>		<u>Ended June 30,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Interest income from debt restructuring	41.68	109.25	76.90	277.15

As at June 30, 2013 and December 31, 2012, the Bank had commitments to extend additional loans to customers who had been restructured for the amount of Baht 104.55 million and Baht 100.02 million, respectively.

5.5 Allowance for Doubtful Accounts

	Unit : Million Baht						
	<u>June 30, 2013</u>						
	<u>Pass</u>	<u>Special</u>	<u>Sub-</u>	<u>Doubtful</u>	<u>Doubtful</u>	<u>Excess</u>	<u>Total</u>
		<u>Mention</u>	<u>Standard</u>		<u>of Loss</u>	<u>Allowance</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	39.28	0.81	534.06	(410.48)	439.20	(302.10)	300.77
Debts written down	-	-	-	-	(330.88)	-	(330.88)
Ending balance	<u>860.36</u>	<u>0.99</u>	<u>540.13</u>	<u>7.58</u>	<u>132.76</u>	<u>1,634.98</u>	<u>3,176.80</u>

	<u>December 31, 2012</u>						
	<u>Pass</u>	<u>Special</u>	<u>Sub-</u>	<u>Doubtful</u>	<u>Doubtful</u>	<u>Excess</u>	<u>Total</u>
		<u>Mention</u>	<u>Standard</u>		<u>of Loss</u>	<u>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	-	-	-	-	(417.87)	-	(417.87)
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 June 30, 2013 and December 31, 2012, the Bank's allowance for doubtful accounts on loans accounted for Baht 3,176.80 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 1,634.98 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>June 30, 2013</u>	<u>December 31, 2012</u>
Beginning balance	920.04	238.73
Increase	53.16	789.66
Decrease	(31.52)	(108.35)
Ending balance	<u>941.68</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>June 30, 2013</u>		
		<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Bonds		-	29,415.11	29,415.11
Promissory notes		11,725.00	-	11,725.00
Others		<u>5.17</u>	<u>-</u>	<u>5.17</u>
Total debt issued and borrowings		<u>11,730.17</u>	<u>29,415.11</u>	<u>41,145.28</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>June 30, 2013</u>	<u>December 31, 2012</u>
		<u>(year)</u>	<u>Interest Rate</u>		
			<u>Index</u>		
Bonds	USD	2014 - 2018	LIBOR	29,415.11	29,712.65
Promissory notes	THB	2013 - 2021	2.45 - 4.75%	9,475.00	10,325.00
		2019	6M THBFIX	2,250.00	2,250.00
Others	THB	2015	-	<u>5.17</u>	<u>6.63</u>
Total debt issued and borrowings				<u>41,145.28</u>	<u>42,294.28</u>

5.8 Provisions

As at June 30, 2013 and December 31, 2012, the Bank had set up provisions as follows:

	Unit : Million Baht	
	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Employee benefits	128.85	120.57
Provisions for contingent liabilities	<u>34.18</u>	<u>35.16</u>
Total provisions	<u>163.03</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>June 30, 2013</u>	<u>December 31, 2012</u>
Beginning Balance	120.57	107.46
Current service cost*	6.07	12.59
Interest cost*	2.21	3.97
Employees benefit paid in the period	<u>-</u>	<u>(3.45)</u>
Ending Balance	<u>128.85</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>June 30, 2013</u>	<u>December 31, 2012</u>
Liabilities under immature import bills	295.81	1,795.43
Letters of credit	2,217.07	399.55
Export bills insured	32,938.78	26,945.93
Other contingencies		
Overdraft accounts not yet drawn	510.42	510.11
Other guarantees	2,340.62	2,167.05
Investment insurance	871.56	857.68
Stand-by claims purchase agreement	<u>11,744.22</u>	<u>6,220.28</u>
Total other contingencies	<u>15,466.82</u>	<u>9,755.12</u>
Total	<u>50,918.48</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>June 30, 2013</u>	<u>December 31, 2012</u>
Within 1 year	3.59	4.05
Over 1 - 5 years	5.78	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 six-month periods ended June 30, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Interbank and money market items	31.46	47.88
Investment in debt securities	39.63	52.16
Loans	<u>1,503.11</u>	<u>1,559.98</u>
Total interest revenue	<u>1,574.20</u>	<u>1,660.02</u>

5.15 Interest Expenses

Interest expenses for the six-month periods ended June 30, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Deposits	44.91	65.83
Interbank and money market items	79.77	55.75
Debt issued		
- Foreign bonds	197.36	173.63
- Bills of exchange	-	0.76
- Promissory notes	202.20	298.44
- Borrowing fee	<u>2.95</u>	<u>0.44</u>
Total interest expenses	<u>527.19</u>	<u>594.85</u>

5.16 Fee and Service Revenue, Net

Net fee and service revenue for the six-month periods ended June 30, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Fee and service revenue		
- Acceptance aval and guarantee	8.72	23.25
- Revenue from insurance	90.23	117.57
- Others	<u>135.93</u>	<u>185.28</u>
Total fee and service revenue	<u>234.88</u>	<u>326.10</u>
Fee and service expenses		
- Expense on insurance	49.89	66.39
- Others	<u>8.65</u>	<u>2.58</u>
Total fees and service expenses	<u>58.54</u>	<u>68.97</u>
Total fee and service revenue, net	<u>176.34</u>	<u>257.13</u>

5.17 Gain on Trading and Foreign Exchange Transactions

Gain on trading and foreign exchange transactions for the six-month periods ended June 30, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Foreign exchanges and derivatives	18.44	59.03
Interest rate derivatives	<u>(13.69)</u>	<u>58.09</u>
Total gain on trading and foreign exchange transactions	<u>4.75</u>	<u>117.12</u>

5.18 Impairment Loss of Loans and Debt Securities

Impairment loss of loans and debt securities for the six-month periods ended June 30, 2013 and 2012 are as follows:

	Unit : Million Baht	
	<u>2013</u>	<u>2012</u>
Interbank and money market items	(3.08)	19.24
Loans		
- Bad debts and doubtful accounts	300.71	283.56
- Loss on debt restructuring	<u>47.07</u>	<u>222.94</u>
Total impairment loss of loans and debt securities	<u>344.70</u>	<u>525.74</u>

5.19 Events After the Reporting Period

In accordance with the State Enterprise Entity Policy Office's letter No. Kor Khor 0806.3/3775 directive dated July 30, 2013 regarding the Appropriation of the EXIM Bank's Net Income for the Year 2012, which required the Bank to remit a part of the net income for the year 2012 of amount Baht 100 million in July 2013 and Baht 286 million in November 2013, totaling Baht 386 million or 35% of net income, to the Ministry of Finance. In this regard, the Bank remitted Baht 100 million in July.

5.20 Approval of the Financial Statements

These financial statements were approved by the Chairman of the Board of Directors and President on August 28, 2013.
