

REVIEW REPORT OF THE AUDITOR AND FINANCIAL STATEMENTS
EXPORT – IMPORT BANK OF THAILAND
FOR THE THREE-MONTH PERIOD AND THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2011
(TRANSLATION)

(TRANSLATION)
AUDITOR'S REVIEW REPORT

TO : MINISTER OF FINANCE

The Office of the Auditor General has reviewed the statements of financial position, in which the equity method is applied to investment and the Bank's statements of financial position of the Export-Import Bank of Thailand as at September 30, 2011, and the statements of comprehensive income, in which the equity method is applied to investment and the Bank's statements of comprehensive income for the three-month periods and nine-month periods ended September 30, 2011 and 2010, and the related statements of changes in shareholders' equity and cash flows, in which the equity method is applied to investment and the Bank's statements of changes in shareholders' equity and cash flows for the nine-month periods ended September 30, 2011 and 2010. These financial statements are the responsibility of the Bank's management as to their correctness and completeness of the presentation. The responsibility of the Office of the Auditor General is to issue a report on these financial statements based on the reviews.

The Office of the Auditor General conducted the reviews in accordance with the auditing standard applicable to review engagements. This standard requires that the Office of the Auditor General plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Bank's personnel and analytical procedures applied to financial data thus provides less assurance than an audit in accordance with generally accepted auditing standards. The Office of the Auditor General, therefore, does not express an audit opinion, accordingly.

Based on these reviews, nothing has come to the attention that causes the Office of the Auditor General to believe that the financial statements, in which the equity method is applied to investment and the Bank's financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The Office of the Auditor General has previously audited the financial statements, in which the equity method is applied to investment and the Bank's financial statements for the year ended December 31, 2010 of the Export-Import Bank of Thailand in accordance with generally accepted auditing standards and expressed an unqualified opinion in the audit report dated February 21, 2011. The statements of financial position, in which the equity method is applied to investment and the Bank's statements of financial position as at December 31, 2010, as presented herein for comparative purposes, are part of the financial statements in which the equity method is applied to investment and the Bank's financial statements which the Office of the Auditor General has audited and issued a report thereon as stated above. The Office of the Auditor General has not performed any other audit procedures after the date of that report.

As described in Notes to the financial statements No.2.2 and No.5.21 for the three-month period and nine-month period ended September 30, 2011, the Bank adopted the new and revised accounting standards and financial reporting standards issued by the Federation of Accounting Professions as well as the Bank of Thailand's notification regarding "Preparation and Announcement of the Financial Statements of Commercial Banks and Holding Company as the Parent Company of the Business in the Financial Group" which are effective for the financial statements for the accounting period since January 1, 2011 onwards, and applied them in the preparation and presentation of the interim financial statements. The financial statements for the three-month period and nine-month period ended September 30, 2010 and the statement of financial position as at December 31, 2010 which are included herein for comparative purposes are presented in the new format to be consistent with the financial statements for the three-month period and nine-month period ended September 30, 2011.

(Signed) *Yupin Chalanonniwat*

(Ms. Yupin Chalanonniwat)

Director of Audit Office

(Signed) *Chitra Mekapongpanh*

(Ms. Chitra Mekapongpanh)

Director of Auditor Group

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2011 AND DECEMBER 31, 2010

Unit : Baht

	Notes	Financial Statements in which the equity method is applied to investment		The Bank's Financial Statements	
		September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
		"Revised"		"Revised"	
ASSETS					
Cash		165,257	2,711,230	165,257	2,711,230
Interbank and money market items, net		3,905,976,521	5,665,047,182	3,905,976,521	5,665,047,182
Derivative assets	5.10	476,645,355	243,095,913	476,645,355	243,095,913
Investments, net	5.1	3,137,914,039	5,616,321,833	3,137,914,039	5,616,321,833
Investments in associates, net	5.2	4,802,930	4,458,527	4,286,500	4,286,500
Loans and accrued interest receivables, net	5.3				
Loans to customers		63,870,310,467	56,481,141,491	63,870,310,467	56,481,141,491
Accrued interest receivables		524,337,755	438,202,867	524,337,755	438,202,867
Total loans to customers and accrued interest receivables		64,394,648,222	56,919,344,358	64,394,648,222	56,919,344,358
<u>Less</u> Deferred revenue		3,085,528	3,992,901	3,085,528	3,992,901
<u>Less</u> Allowance for doubtful accounts	5.4	2,709,772,868	2,212,772,706	2,709,772,868	2,212,772,706
<u>Less</u> Revaluation allowance for debt restructuring	5.5	228,485,994	220,661,356	228,485,994	220,661,356
Total loans and accrued interest receivables, net		61,453,303,832	54,481,917,395	61,453,303,832	54,481,917,395
Properties foreclosed, net		1,107,041,905	1,157,288,373	1,107,041,905	1,157,288,373
Premises and equipment, net		887,101,642	894,951,513	887,101,642	894,951,513
Intangible assets, net		30,339,479	18,313,654	30,339,479	18,313,654
Accrued interest receivables not related to loans		26,720,609	42,380,257	26,720,609	42,380,257
Other assets, net		29,691,745	30,665,704	29,691,745	30,665,704
Total Assets		71,059,703,314	68,157,151,581	71,059,186,884	68,156,979,554

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2011 AND DECEMBER 31, 2010

Unit : Baht

	Notes	Financial Statements in which the equity method is applied to investment		The Bank's Financial Statements	
		September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
		"Reviewed"		"Reviewed"	
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits		7,712,304,301	7,845,423,435	7,712,304,301	7,845,423,435
Interbank and money market items, net		2,308,249,543	8,215,544,314	2,308,249,543	8,215,544,314
Liabilities payable on demand		371,515,620	60,595,778	371,515,620	60,595,778
Derivative liabilities	5.10	516,149,850	386,655,751	516,149,850	386,655,751
Borrowings	5.6	44,227,135,909	36,011,392,730	44,227,135,909	36,011,392,730
Provisions	5.7	151,570,617	211,369,614	151,570,617	211,369,614
Accrued interest payables		251,211,247	253,769,917	251,211,247	253,769,917
Allowance for export credit insurance		149,827,422	164,616,678	149,827,422	164,616,678
Other liabilities		151,698,285	154,506,846	151,698,285	154,506,846
Total Liabilities		<u>55,839,662,794</u>	<u>53,303,875,063</u>	<u>55,839,662,794</u>	<u>53,303,875,063</u>
Shareholders' equity	5.8	<u>12,800,000,000</u>	<u>12,800,000,000</u>	<u>12,800,000,000</u>	<u>12,800,000,000</u>
Paid-up capital		12,800,000,000	12,800,000,000	12,800,000,000	12,800,000,000
Other components of equity		(244,985)	34,544,332	(244,985)	34,544,332
Retained earnings					
Appropriated					
Legal reserve		2,824,553,887	2,752,153,887	2,824,553,887	2,752,153,887
Unappropriated		(404,268,382)	(733,421,701)	(404,784,812)	(733,593,728)
Total shareholders' equity		<u>15,220,040,520</u>	<u>14,853,276,518</u>	<u>15,219,524,090</u>	<u>14,853,104,491</u>
Total Liabilities and Shareholders' Equity		<u>71,059,703,314</u>	<u>68,157,151,581</u>	<u>71,059,186,884</u>	<u>68,156,979,554</u>

The notes to the interim 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 PERIODS ENDED SEPTEMBER 30, 2011 AND 2010

	<u>Financial Statements in which</u>		<u>The Bank's Financial Statements</u>	
	<u>the equity method is applied to investment</u>			
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
	Unit : Baht			
Interest income	710,675,802	533,660,454	710,675,802	533,660,454
Interest expenses	280,012,563	217,313,537	280,012,563	217,313,537
Net interest income	<u>430,663,239</u>	<u>316,346,917</u>	<u>430,663,239</u>	<u>316,346,917</u>
Fees and service income	155,334,637	141,657,728	155,334,637	141,657,728
Fees and service expenses	33,154,784	28,760,896	33,154,784	28,760,896
Net fees and service income	<u>122,179,853</u>	<u>112,896,832</u>	<u>122,179,853</u>	<u>112,896,832</u>
Gain on trading and foreign exchange transactions	26,837,590	21,650,997	26,837,590	21,650,997
Gain (loss) on investments	(3,237,348)	(526,232)	(3,237,348)	(526,232)
Share of gain (loss) from investments on equity method	(10,280)	(1,116,542)	-	-
Written-down debt recovered	128,454,211	147,221,987	128,454,211	147,221,987
Gain (loss) on revaluation of derivatives	(23,613,261)	-	(23,613,261)	-
Other operating income	677,925	5,050,100	677,925	5,050,100
Total operating income	<u>129,108,837</u>	<u>172,280,310</u>	<u>129,119,117</u>	<u>173,396,852</u>
Other operating expenses				
Personnel expenses	133,937,899	136,208,863	133,937,899	136,208,863
Directors' remuneration	932,500	1,102,389	932,500	1,102,389
Premises and equipment expenses	22,773,693	24,400,049	22,773,693	24,400,049
Taxes and duties	39	42	39	42
Loss on claims and provision for insurance service	(75,923,620)	34,994,351	(75,923,620)	34,994,351
Loss on impairment of properties foreclosed	8,323,324	(10,184,460)	8,323,324	(10,184,460)
Others	14,518,943	(43,232)	14,518,943	(43,232)
Total operating expenses	<u>104,562,778</u>	<u>186,478,002</u>	<u>104,562,778</u>	<u>186,478,002</u>
Impairment loss of loans and debt securities	<u>425,963,407</u>	<u>259,532,701</u>	<u>425,963,407</u>	<u>259,532,701</u>
Net income	<u>151,425,744</u>	<u>155,513,356</u>	<u>151,436,024</u>	<u>156,629,898</u>
Other comprehensive income				
Hedging reserves	-	(149,709,393)	-	(149,709,393)
Gain (loss) on revaluation of available - for - sale investments	531,601	(2,574,601)	531,601	(2,574,601)
Total other comprehensive income	<u>531,601</u>	<u>(152,283,994)</u>	<u>531,601</u>	<u>(152,283,994)</u>
Total comprehensive income	<u>151,957,345</u>	<u>3,229,362</u>	<u>151,967,625</u>	<u>4,345,904</u>

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2011 AND 2010

	Notes	Financial Statements in which		The Bank's Financial Statements	
		the equity method is applied to investment			
		2011	2010	2011	2010
Interest income	5.15	2,033,079,668	1,709,680,807	2,033,079,668	1,709,680,807
Interest expenses	5.16	766,332,514	654,406,464	766,332,514	654,406,464
Net interest income		1,266,747,154	1,055,274,343	1,266,747,154	1,055,274,343
Fees and service income		484,833,529	424,458,803	484,833,529	424,458,803
Fees and service expenses		91,498,912	77,698,774	91,498,912	77,698,774
Net fees and service income	5.17	393,334,617	346,760,029	393,334,617	346,760,029
Gain on trading and foreign exchange transactions		75,270,029	81,734,654	75,270,029	81,734,654
Gain (loss) on investments	5.18	(15,464,309)	6,566,263	(15,464,309)	6,566,263
Share of gain (loss) from investments on equity method		344,402	2,004,760	-	-
Written-down debt recovered		226,383,824	239,927,448	226,383,824	239,927,448
Gain (loss) on revaluation of derivatives		6,686,108	-	6,686,108	-
Other operating income		5,341,651	12,854,182	5,341,651	12,854,182
Total operating income		298,561,705	343,087,307	298,217,303	341,082,547
Other operating expenses					
Personnel expenses		406,664,534	398,395,412	406,664,534	398,395,412
Directors' remuneration		2,507,500	2,780,155	2,507,500	2,780,155
Premises and equipment expenses		58,318,013	71,995,632	58,318,013	71,995,632
Taxes and duties		2,580	2,589	2,580	2,589
Loss on claims and provision for insurance service		(14,609,564)	(64,077,872)	(14,609,564)	(64,077,872)
Loss on impairment of properties foreclosed		39,342,746	24,227,386	39,342,746	24,227,386
Others		(19,314,234)	135,230,179	(19,314,234)	135,230,179
Total operating expenses		472,911,575	568,553,481	472,911,575	568,553,481
Impairment loss of loans and debt securities	5.19	1,033,028,582	872,323,218	1,033,028,582	872,323,218
Net income		452,703,319	304,244,980	452,358,917	302,240,220
Other comprehensive income					
Hedging reserves		-	28,148,266	-	28,148,266
Gain (loss) on revaluation of available - for - sale investments		5,847,900	59,926,099	5,847,900	59,926,099
Total other comprehensive income		5,847,900	88,074,365	5,847,900	88,074,365
Total comprehensive income		458,551,219	392,319,345	458,206,817	390,314,585

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2011 AND 2010
FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED TO INVESTMENT

Unit : Baht

Notes	Capital	Other Components of Equity		Appropriated	Unappropriated	Total
		Hedging Reserves	Revaluation Surplus (Deficit) on Investments	Retained Earnings	Retained Earnings	
Beginning balance as at January 1, 2010	12,800,000,000	103,498,945	(67,601,168)	2,579,053,887	(513,731,733)	14,901,219,931
Effect of change in accounting policies	-	-	-	-	-	-
Balance as at January 1, 2010 after adjustment	12,800,000,000	103,498,945	(67,601,168)	2,579,053,887	(513,731,733)	14,901,219,931
Legal reserve	-	-	-	173,100,000	(173,100,000)	-
Remittance to the Ministry of Finance	-	-	-	-	(191,590,000)	(191,590,000)
Total comprehensive income	-	28,148,266	59,926,099	-	304,244,980	392,319,345
Ending balance as at September 30, 2010	12,800,000,000	131,647,211	(7,675,069)	2,752,153,887	(574,176,753)	15,101,949,276
Beginning balance as at January 1, 2011	12,800,000,000	40,637,218	(6,092,885)	2,752,153,887	(733,421,701)	14,853,276,519
Effect of change in accounting policies	2.3.1	-	(40,637,218)	-	-	(40,637,218)
Balance as at January 1, 2011 after adjustment	12,800,000,000	-	(6,092,885)	2,752,153,887	(733,421,701)	14,812,639,301
Legal reserve	-	-	-	72,400,000	(72,400,000)	-
Remittance to the Ministry of Finance	-	-	-	-	(51,150,000)	(51,150,000)
Total comprehensive income	-	-	5,847,900	-	452,703,319	458,551,219
Ending balance as at September 30, 2011	12,800,000,000	-	(244,985)	2,824,553,887	(404,268,382)	15,220,040,520

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2011 AND 2010
THE BANK'S FINANCIAL STATEMENTS

Unit : Baht

Notes	Capital	Other Components of Equity		Appropriated	Unappropriated	Total
		Hedging Reserves	Revaluation Surplus (Deficit) on Investments	Retained Earnings	Retained Earnings	
Beginning balance as at January 1, 2010	12,800,000,000	103,498,945	(67,601,168)	2,579,053,887	(513,640,265)	14,901,311,399
Effect of change in accounting policies	-	-	-	-	-	-
Balance as at January 1, 2010 after adjustment	12,800,000,000	103,498,945	(67,601,168)	2,579,053,887	(513,640,265)	14,901,311,399
Legal reserve	-	-	-	173,100,000	(173,100,000)	-
Remittance to the Ministry of Finance	-	-	-	-	(191,590,000)	(191,590,000)
Total comprehensive income	-	28,148,266	59,926,099	-	302,240,220	390,314,585
Ending balance as at September 30, 2010	12,800,000,000	131,647,211	(7,675,069)	2,752,153,887	(576,090,045)	15,100,035,984
Beginning balance as at January 1, 2011	12,800,000,000	40,637,218	(6,092,885)	2,752,153,887	(733,593,729)	14,853,104,491
Effect of change in accounting policies	2.3.1	-	(40,637,218)	-	-	(40,637,218)
Balance as at January 1, 2011 after adjustment	12,800,000,000	-	(6,092,885)	2,752,153,887	(733,593,729)	14,812,467,273
Legal reserve	-	-	-	72,400,000	(72,400,000)	-
Remittance to the Ministry of Finance	-	-	-	-	(51,150,000)	(51,150,000)
Total comprehensive income	-	-	5,847,900	-	452,358,917	458,206,817
Ending balance as at September 30, 2011	12,800,000,000	-	(244,985)	2,824,553,887	(404,784,812)	15,219,524,090

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CASH FLOWS
FOR THE NINE- MONTH PERIODS ENDED SEPTEMBER 30, 2011 AND 2010

	<u>Financial Statements in which</u>		<u>The Bank's Financial Statements</u>	
	<u>the equity method is applied to investment</u>			
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Unit : Baht				
Cash flows from operating activities				
Net income	452,703,319	304,244,980	452,358,917	302,240,220
Adjustments to reconcile net income to net cash from operating activities				
Depreciation and amortization	39,320,707	52,929,127	39,320,707	52,929,127
Bad debt and doubtful accounts	1,012,124,439	1,028,835,971	1,012,124,439	1,028,835,971
Loss on debt restructuring (reversal)	16,865,611	(153,960,585)	16,865,611	(153,960,585)
Written-down debt recovered (reversal)	(40,314,594)	(188,912,942)	(40,314,594)	(188,912,942)
Gain on disposal of assets	(1,559,615)	(4,153,213)	(1,559,615)	(4,153,213)
Gain on sale of properties foreclosed	(8,771,722)	(12,409,223)	(8,771,722)	(12,409,223)
Loss on impairment of properties foreclosed	48,114,468	36,636,609	48,114,468	36,636,609
(Gain) Loss on foreign currency	152,557,449	(916,584,742)	152,557,449	(916,584,742)
Derivative revaluation	42,581,677	(182,846,794)	42,581,677	(182,846,794)
(Gain) Loss on sale of debt securities	1,943,058	(8,136,476)	1,943,058	(8,136,476)
Loss on impairment of debt securities (reversal)	13,521,251	1,570,214	13,521,251	1,570,214
Share of income from investments on equity method	(344,402)	(2,004,760)	-	-
Amortization of premium (discount) on debt instruments	5,007,326	(5,385,867)	5,007,326	(5,385,867)
Decrease in provisions	(60,408,626)	(5,406,478)	(60,408,626)	(5,406,478)
Bad debt and provision for other receivables	20,665,878	6,484,293	20,665,878	6,484,293
Decrease in loss on claims and provision for insurance service	(37,857,298)	(30,069,464)	(37,857,298)	(30,069,464)
(Increase) decrease in accrued income	(1,224,694)	2,487,395	(1,224,694)	2,487,395
(Increase) decrease in prepaid expenses	886,847	(550,750)	886,847	(550,750)
Increase in other accrued expenses	8,061,677	4,177,115	8,061,677	4,177,115
	<u>1,663,872,756</u>	<u>(73,055,590)</u>	<u>1,663,872,756</u>	<u>(73,055,590)</u>
Net interest income	(1,266,747,154)	(1,059,836,533)	(1,266,747,154)	(1,059,836,533)
Dividend income	-	(625,000)	-	(625,000)
Proceeds from interest income	1,950,494,778	1,758,597,652	1,950,494,778	1,758,597,652
Interest expense paid	(771,976,754)	(653,168,571)	(771,976,754)	(653,168,571)
Proceeds from dividend income	-	625,000	-	625,000
Income from operations before changes in operating assets and liabilities	<u>1,575,643,626</u>	<u>(27,463,042)</u>	<u>1,575,643,626</u>	<u>(27,463,042)</u>

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

EXPORT-IMPORT BANK OF THAILAND
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE NINE- MONTH PERIODS ENDED SEPTEMBER 30, 2011 AND 2010

	Unit : Baht			
	<u>Financial Statements in which</u>		<u>The Bank's Financial Statements</u>	
	<u>the equity method is applied to investment</u>			
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash flows from operating activities (continued)				
(Increase) decrease in operating assets				
Interbank and money market items	1,746,171,076	(3,106,468,617)	1,746,171,076	(3,106,468,617)
Loans	(6,902,454,405)	728,229,513	(6,902,454,405)	728,229,513
Properties foreclosed	18,553,722	73,564,535	18,553,722	73,564,535
Other assets	(339,924)	(16,567,500)	(339,924)	(16,567,500)
Increase (decrease) in operating liabilities				
Deposits	(145,040,018)	163,362,245	(145,040,018)	163,362,245
Interbank and money market items	(5,920,370,563)	(1,628,141,516)	(5,920,370,563)	(1,628,141,516)
Liabilities payable on demand	310,919,842	(3,843,870)	310,919,842	(3,843,870)
Short-term borrowings	965,542,679	10,000,000	965,542,679	10,000,000
Other liabilities	(1,228,816)	15,522,029	(1,228,816)	15,522,029
Net cash used in operating activities	<u>(8,352,602,781)</u>	<u>(3,791,806,223)</u>	<u>(8,352,602,781)</u>	<u>(3,791,806,223)</u>
Cash flows from investing activities				
Investments in security	(9,213,535,000)	(7,185,421,681)	(9,213,535,000)	(7,185,421,681)
Proceeds from sale of investments	11,726,831,257	10,149,982,603	11,726,831,257	10,149,982,603
Purchase of premises and equipment	(24,102,057)	(47,622,486)	(24,102,057)	(47,622,486)
Proceeds from sales of premises and equipment	2,556,309	4,291,216	2,556,309	4,291,216
Purchase of intangible assets	(17,542,164)	(9,217,961)	(17,542,164)	(9,217,961)
Net cash provided by investing activities	<u>2,474,208,345</u>	<u>2,912,011,691</u>	<u>2,474,208,345</u>	<u>2,912,011,691</u>
Cash flows from financing activities				
Proceeds from debt issued and long-term borrowings	14,411,630,435	11,080,329,484	14,411,630,435	11,080,329,484
Repayments of debt issued and long-term borrowings	(8,484,631,972)	(10,007,992,759)	(8,484,631,972)	(10,007,992,759)
Remittance to the Ministry of Finance	(51,150,000)	(191,590,000)	(51,150,000)	(191,590,000)
Net cash provided by financing activities	<u>5,875,848,463</u>	<u>880,746,725</u>	<u>5,875,848,463</u>	<u>880,746,725</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,545,973)</u>	<u>952,193</u>	<u>(2,545,973)</u>	<u>952,193</u>
Cash and cash equivalents at the beginning of the period	<u>2,711,230</u>	<u>193,786</u>	<u>2,711,230</u>	<u>193,786</u>
Cash and cash equivalents at the end of the period	<u>165,257</u>	<u>1,145,979</u>	<u>165,257</u>	<u>1,145,979</u>

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

EXPORT-IMPORT BANK OF THAILAND
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2011 AND 2010

Note	Contents	Page
1	General Information	12
2	Basis of Preparation of the Financial Statements and Summary of Significant Accounting Policies	12
3	Capital Adequacy	15
4	Estimates and Assumptions	16
5	Additional Information	
5.1	Investments	16
5.2	Investment in Associated Company	18
5.3	Loans and Accrued Interest Receivables	19
5.4	Allowance for Doubtful Accounts	24
5.5	Revaluation Allowance for Debt Restructuring	25
5.6	Borrowings	25
5.7	Provisions	26
5.8	Capital	27
5.9	Contingent Liabilities and Commitments	27
5.10	Derivatives	28
5.11	Related Party Transactions	29
5.12	Other Benefits to Directors and Executives	29
5.13	Long-Term Leasing Contracts	29
5.14	Financial Position and Operational Performance Classified by Domestic and Foreign Operations	30
5.15	Interest Income	30
5.16	Interest Expenses	30
5.17	Fee and Service Income, Net	31
5.18	Gain (Loss) on Investments	31
5.19	Impairment Loss of Loans and Debt Securities	31
5.20	Disclosure of Capital Adequacy Information in Accordance with the Notification of the Bank of Thailand regarding the Disclosure of Capital Adequacy for Commercial Banks	32
5.21	Reclassification of Accounts	32
5.22	Events After the Reporting Period	32
5.23	Approval of the Financial Statements	33

EXPORT-IMPORT BANK OF THAILAND
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD AND THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2011 AND 2010
(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 AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of the Financial Statements

The interim financial statements are prepared in accordance with the requirements of Accounting Standard No. 34 (Revised 2009): Interim Financial Reporting, covering the statements of financial position, statements of comprehensive income, changes in capital 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, 2010 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. SOR NOR SOR 11/2553 dated December 3, 2010 regarding the Preparation and Announcement of the Financial Statements of Commercial Banks and Holding Company as the Parent Company of the Business in the Financial Group.

2.2 Adoption of New and Revised Thai Accounting Standards

The Bank has adopted the new and revised Accounting Standards and Financial Reporting Standards which will affect its financial statements for fiscal periods beginning January 1, 2011 and thereafter. The details of Standards are as follows;

Accounting Standards

- TAS 1 Presentation of Financial Statements (Revised 2009)
- TAS 7 Statement of Cash Flows (Revised 2009)
- TAS 8 Accounting Policies, Changes in Accounting, Estimates and Errors (Revised 2009)
- TAS 10 Events after the Reporting Period (Revised 2009)
- TAS 16 Property, Plant and Equipment (Revised 2009)
- TAS 17 Leases (Revised 2009)
- TAS 18 Revenue (Revised 2009)
- TAS 19 Employee Benefits
- TAS 23 Borrowing Costs (Revised 2009)
- TAS 24 Related Party Disclosures (Revised 2009)
- TAS 26 Accounting and Reporting by Retirement Benefit Plans
- TAS 27 Consolidated and Separate Financial Statements (Revised 2009)
- TAS 28 Investments in Associates (Revised 2009)
- TAS 29 Financial Reporting in Hyperinflationary Economics
- TAS 34 Interim Financial Reporting (Revised 2009)
- TAS 36 Impairment of Assets (Revised 2009)
- TAS 37 Provisions, Contingent Liabilities and Contingent Assets (Revised 2009)
- TAS 38 Intangible Assets (Revised 2009)

Financial Reporting Standard

- TFRS 5 Non-current Assets Held for Sale and Discontinued Operations (Revised 2009)

In applying the abovementioned Standards, the subsequent effects are as follows;

1. TAS 1 Presentation of Financial Statements (Revised 2009), the requirements regarding the presentation in the financial statements have changed. In order to conform to the requirements, the Bank has reclassified its financial statements for the three-month period and nine-month period ended September 30, 2011 and for the year ended December 31, 2010. However, such reclassification has no material impact on the Bank's net income.

2. TAS 19 Employee Benefits, the estimated past service cost as at December 31, 2010 was Baht 95.80 million which the Bank records as expense spanning 5 years starting 2011. For the nine-month period ended September 30, 2011, the Bank has recognized service cost as personnel expense in the statement of comprehensive income of amount Baht 24.40 million which consisted of the past service cost of amount Baht 14.37 million and current service cost of amount Baht 10.03 million. The service cost of amount Baht 23.73 million was presented under provisions in the statement of financial position (Note 5.7).

TAS 20 Accounting for Government Grants and Disclosure of Government Assistance (Revised 2009) and TAS 21 The Effects of Changes in Foreign Exchange Rate (Revised 2009), the Bank has assessed the impact of such accounting standards that will be effective on January 1, 2013 and determined that they will have no material impact on the Bank's financial statements in the period of initial adoption.

2.3 Changes in Accounting Policies and Accounting Estimates

2.3.1 Changes in Accounting Policies

The Bank changes accounting policy for derivatives from Hedge Accounting by recording fair value changes in hedging reserve caption under capital in statement of financial position to Derivatives Accounting which records the fair value changes on derivatives in statement of comprehensive income effective on January 1, 2011. Under such change, the Bank had reversed hedging reserve as at December 31, 2010 of amount Baht 40.64 million and recognized as gains (losses) on revaluation of derivatives.

2.3.2 Changes in Accounting Estimates

The Bank had reappraised the useful life and reviewed the carrying amount of assets according to TAS 16 Property, Plant and Equipment as follows;

- The Bank had reappraised the useful life of building at head office. After reappraisal, the new useful life is now 50 years increasing from 30 years which affects the accumulated depreciation to decrease by the amount of Baht 12.29 million per year.

- The Bank had reviewed the carrying amount of vehicles with the expected proceed on disposal of vehicles and adjusted amount of salvage value to those related vehicles. Such revision will decrease the depreciation expense in 2011 by Baht 8.97 million.

2.4 Summary of Significant Accounting Policies

Employee Benefits

The Bank has adopted TAS 19 Employee Benefit. In estimating the provision of employee benefits, the Bank uses actuarial technique to determine cash flows of employee benefits to be paid in the future. Under this technique, statistical data is based on employee's salary, employee turnover, mortality turnover, years of experience, and etc. Then, such cash flows are discounted by using the yield at the reporting date on government bonds that published by ThaiBMA.

3. Capital Adequacy

The detail of Bank's capital are as follows;

- **Capital under the Ministerial Regulation.** At the end of September 2011, the Bank's capital adequacy ratio (CAR) stood at 21.72%, exceeding the minimum capital adequacy ratio stipulated in the Ministerial Regulation (not less than 8%) and the Bank's capital to insurance service contingent liabilities ratio stood at 49.21%, exceeding the minimum capital to insurance service contingent liabilities ratio stipulated in the Ministerial Regulation (not less than 20%).

Capital Adequacy Ratio Based on the Ministerial Regulation

	<u>Ministerial</u>	<u>September 30, 2011</u>	<u>December 31, 2010</u>
	<u>Regulation</u>		
1. Capital *		14,767.41	14,673.82
2. Risk assets **		67,992.11	63,071.62
3. Insurance service contingent liabilities		30,007.35	26,068.87
4. Capital to risk assets	Not less than 8%	21.72%	23.27%
5. Capital to insurance service contingent liabilities	Not less than 20%	49.21%	56.29%

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

** 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.

- **Capital under Basel II.** The Bank's capital adequacy ratio has been calculated according to the guidelines and approach of Bank of Thailand (The Notification of BOT No. SOR NOR SOR. 25/2552 dated December 14, 2009 regarding the Disclosure of Capital Adequacy for Commercial Banks). At the end of September 2011 the Bank's total capital to risk assets ratio stood at 15.78%, exceeding the minimum ratio stipulated in the BOT's regulation (not less than 8.5%), and the Bank's tier 1 capital to risk assets ratio stood at 14.53%, 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>September 30, 2011</u>	<u>December 31, 2010</u>
Total capital to risk assets,	15.78%	16.99%
Tier 1 capital to risk assets	14.53%	15.74%

3. Capital Adequacy (Continued)

Capital Structure Based on Basel II

	Unit : Million Baht	
	<u>September 30, 2011</u>	<u>December 31, 2010</u>
Tier 1 Capital		
Paid-up capital	12,800.00	12,800.00
Legal reserve	2,824.55	2,752.15
Cumulative loss	<u>(857.14)</u>	<u>(878.33)</u>
Total Tier 1 Capital	14,767.41	14,673.82
Tier 2 Capital		
Allowance for pass asset-classification	1,270.85	1,165.05
<u>Add</u> Revaluation surplus on investments in available-for-sale equity securities	0.04	0.07
<u>(Less)</u> Revaluation deficit on investments in available-for-sale equity securities	<u>-</u>	<u>(5.12)</u>
Total Tier 2 Capital	<u>1,270.89</u>	<u>1,160.00</u>
Total Capital Fund	<u>16,038.30</u>	<u>15,833.82</u>

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 and recognizes the effects of those changes in the same period and the following periods if the effects are longer than one period.

5. ADDITIONAL INFORMATION

5.1 Investments

5.1.1 Available-for-Sale Investments

	Unit : Million Baht	
	<u>September 30 2011</u>	<u>December 31, 2010</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Government and state enterprise securities	14.86	4,677.00
Domestic marketable equity securities	<u>1.16</u>	<u>21.11</u>
Total	<u>16.02</u>	<u>4,698.11</u>

5.1 Investments (Continued)

5.1.2 Held-to-Maturity Debt Instruments

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
	<u>Cost/Amortized Cost</u>	<u>Cost/Amortized Cost</u>
Government debt Instruments	2,351.14	-
Private enterprise debt instruments	70.00	70.00
Foreign debt instruments	<u>574.01</u>	<u>708.30</u>
	2,995.15	778.30
(Less) Allowance for revaluation	<u>(0.29)</u>	<u>(0.62)</u>
Total	<u>2,994.86</u>	<u>777.68</u>

5.1.3 General Investments

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
	<u>Cost</u>	<u>Cost</u>
Mutual funds	140.11	140.11
Others	<u>0.44</u>	<u>0.42</u>
	140.55	140.53
(Less) Allowance for impairment	<u>(13.52)</u>	<u>-</u>
Total	<u>127.03</u>	<u>140.53</u>
Total investments, net	<u>3,137.91</u>	<u>5,616.32</u>

General investments amounted Baht 140.11 million, consists of two open-ended funds as follows:

1. Mutual fund that mobilizes funds from institutional investors for investment in energy or alternative energy-related businesses. The Mutual Fund's redemption will start in the 6th year (2013) onwards in case the Fund has earned dividend income, income from sale of securities or its properties, or other income, which are not deployed for reinvestment. As at September 30, 2011, the Bank had 6.31 million investment units, which based on the par value of 10 Baht per unit, represented Baht 63.11 million of investments.

5.1 Investments (Continued)

2. Mutual fund for long-term investment in industries crucial to national development with a focus on investments in companies having high capacity in innovations and technologies for infrastructure development, manufacturing companies for import substitution, as well as companies expanding their businesses and investments overseas. In 2009, the Bank had 5,000 investment units, which based on the par value of 1,000 Baht per unit, represented Baht 5 million of investments. In 2010, the Bank purchased 31,951.10 investment units at 375.57 Baht per unit, represented Baht 12 million of investments, and 177,330.54 investment units at 338.35 Baht per unit, represented Baht 60 million of investments, thereby bringing the total investment to Baht 77 million.

5.2 Investment in Associated Company

On June 5, 2008, the Bank invested in the ordinary shares of Thai EXIM International Company Limited in the amount of Baht 4.29 million or 49% of the initial paid up capital which is Baht 8.75 million. The company, incorporated on May 27, 2008, with registered share capital of Baht 35 million, is located at EXIM Building 1193 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok. The company's main objectives are to provide advisory services related to import and export businesses, claims administration and investments.

As at September 30, 2011 and December 31, 2010, the investment in Thai EXIM International Company Limited (Associated Company) presented in financial statement in which the equity method is applied to investment are Baht 4.80 million and Baht 4.46 million, respectively.

The Bank's consolidated financial statements in which the equity method is applied to investment for the three-month and nine-month period ended September 30, 2011 included financial information of the Thai Exim International Company Limited's unreviewed financial statements.

As at December 22, 2010, the extraordinary meeting of shareholders of Thai EXIM International Company Limited has approved a resolution to terminate its foreign branch's business operations and further liquidation.

As at October 28, 2011, the extraordinary meeting of shareholders of Thai EXIM International Company Limited No.2/2554 has approved the filing for liquidation and appointing the liquidator. Thai EXIM International Company Limited had formally filed for the liquidation on November 8, 2011.

5.3 Loans and Accrued Interest Receivables

5.3.1 Classified by Type of Loan

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
		Unit : Million Baht
Overdrafts	305.42	272.87
Domestic loans - customers	48,563.20	39,843.27
- export bills negotiation	686.69	889.04
- staff loans	247.30	243.57
Overseas loans - foreign government agencies	4,370.28	4,968.57
- customers operating overseas	9,539.99	10,191.59
Others	<u>157.43</u>	<u>72.23</u>
Total loans	63,870.31	56,481.14
<u>(Less)</u> Deferred Revenue	<u>(3.09)</u>	<u>(3.99)</u>
Total loans net of deferred revenue	63,867.22	56,477.15
<u>Add</u> Accrued interest receivables	<u>524.34</u>	<u>438.20</u>
Total loans and accrued interest receivables net of deferred revenue	64,391.56	56,915.35
<u>(Less)</u> Allowance for doubtful accounts		
- Minimum allowance required by BOT	(1,540.77)	(1,602.77)
- Excess allowance	(1,169.00)	(610.00)
Revaluation allowance for debt restructuring	<u>(228.49)</u>	<u>(220.66)</u>
Total loans, net	<u>61,453.30</u>	<u>54,481.92</u>

Overseas loans extended to foreign government agencies of amount Baht 4,370.28 million were loans extended to foreign government agencies in accordance with the Thai government policy.

The Bank's overseas loans includes 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, in a certain project, the Bank also received an additional operating fee at 0.75% p.a. apart from the interest revenue subsidy.

5.3 Loans and Accrued Interest Receivables (continued)

The Bank provided loan facility of Baht 4,000 million to a foreign government agency in accordance with the cabinet resolution on June 8, 2004. In this regard, under Section 23 of Export-Import Bank of Thailand Act 1993 (B.E. 2536) and amended by Export-Import Bank of Thailand Act (No.2) 1999 (B.E. 2542), the Bank will receive fund from Ministry of Finance to compensate the Bank for any damage from this particular loan. However, the total drawdown amount was Baht 3,946.14 million, while, the loan outstanding as at September 30, 2011 was Baht 2,818.67 million. After having investigated the government's policy regarding such loan, the Asset Examination Committee (ACE) filed a lawsuit with the Supreme Court's Criminal Division for Person Holding Political Positions against a particular government officer. In addition, on July 30, 2008, the Supreme Court accepted the lawsuit and imposed a temporary dismissal on the case on September 16, 2008.

5.3.2 Classified by Loan Classification

	Unit : Million Baht			
	<u>September 30, 2011</u>			
	<u>Loans and</u>	<u>Outstanding Debt</u>	<u>Minimum</u>	<u>Allowance</u>
	<u>Accrued Interest</u>	<u>after Deduction of</u>	<u>Provision</u>	<u>for Doubtful</u>
	<u>Receivables</u>	<u>Collateral Value</u>	<u>Rate (%)</u>	<u>Accounts</u>
1. Minimum Allowance Required By BOT				
Pass	55,646.99	55,602.06	1,20,50	731.58
Special mentioned	387.11	30.78	2	0.61
Substandard	467.58	139.83	100	139.83
Doubtful	149.17	115.86	100	115.86
Doubtful of loss	<u>2,918.74</u>	<u>552.89</u>	100	<u>552.89</u>
Total Minimum Allowance Required By BOT	59,569.59	56,441.42		1,540.77
2. Excess Allowance				
	-	-		1,169.00
Total	<u>59,569.59</u>	<u>56,441.42</u>		<u>2,709.77</u>

5.3.2 Classified by Loan Classification (continued)

Unit : Million Baht

	<u>December 31, 2010</u>			
	<u>Loans and Accrued Interest Receivables</u>	<u>Outstanding Debt after Deduction of Collateral Value</u>	<u>Minimum Provision Rate (%)</u>	<u>Allowance for Doubtful Accounts</u>
1. Minimum Allowance Required By BOT				
Pass	47,912.77	47,688.43	1,20,50	647.51
Special mentioned	43.04	43.04	2	0.86
Substandard	495.97	390.36	100	390.36
Doubtful	818.45	530.10	100	530.10
Doubtful of loss	<u>2,224.88</u>	<u>33.94</u>	100	<u>33.94</u>
Total Minimum Allowance Required By BOT	51,495.11	48,685.87		1,602.77
2. Excess Allowance				
	-	-		<u>610.00</u>
Total	<u>51,495.11</u>	<u>48,685.87</u>		<u>2,212.77</u>

As at September 30, 2011 and December 31, 2010 the outstanding classified loans and loans which were not required to be classified (unclassified loans) were as follows:

Unit : Million Baht

	<u>September 30, 2011</u>		<u>December 31, 2010</u>	
	<u>Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>As % of Loans and Accrued Receivables Net of Deferred Revenue</u>	<u>Loans and Accrued Interest Receivables Net of Deferred Revenue</u>	<u>As % of Loans and Accrued Receivables Net of Deferred Revenue</u>
Classified loans	59,569.59	92.51	51,495.11	90.48
Unclassified loans	<u>4,821.97</u>	7.49	<u>5,420.24</u>	9.52
Total	<u>64,391.56</u>		<u>56,915.35</u>	

5.3.2 Classified by Loan Classification (continued)

Loans which are not required to be classified are loans extended to commercial banks, financial institutions or 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.

<u>Loans</u>	<u>September 30, 2011</u>		<u>December 31, 2010</u>	
	<u>Loans and</u> <u>Accrued Interest</u> <u>Receivables Net of</u> <u>Deferred Revenue</u>	<u>As % of Loans</u> <u>and Accrued</u> <u>Receivables Net of</u> <u>Deferred Revenue</u>	<u>Loans and</u> <u>Accrued Interest</u> <u>Receivables Net of</u> <u>Deferred Revenue</u>	<u>As % of Loans</u> <u>and Accrued</u> <u>Receivables Net of</u> <u>Deferred Revenue</u>
Non-performing loans	3,535.49	5.49	3,539.30	6.22

Unit : Million Baht

For the nine-month period ended September 30, 2011 and for the year ended December 31, 2010, the Bank wrote down debt accounts in the amount of Baht 484.87 million and Baht 1,732.92 million, respectively.

As at September 30, 2011 and December 31, 2010, the outstanding balance of written-down accounts, which was not included in the financial statements, was Baht 3,978.66 million and Baht 3,619.13 million, respectively. For the nine-month periods ended September 30, 2011 and 2010, the Bank recovered written-down debt in the amount of Baht 226.38 million and Baht 239.93 million, respectively.

For the nine-month periods ended September 30, 2011 and 2010, the Bank approved the write-off of bad debts in the amount of Baht 6.03 million and Baht 34.72 million, respectively.

5.3.3 Troubled Debt Restructuring

For the nine-month period ended September 30, 2011 and for the year ended December 31, 2010, the Bank had restructured debts applying the adjustment of repayment conditions and transfer of assets as restructuring method, in accordance with the Thai Accounting Standard No. 104 (Revised 2002) (formerly TAS 34), as follows:

<u>Restructured Debts</u>	<u>September 30, 2011</u>			<u>December 31, 2010</u>		
	<u>Cases</u>	<u>Amount</u>	<u>As % of Loans and Accrued Receivables Net of Deferred</u>	<u>Cases</u>	<u>Amount</u>	<u>As % of Loans and Accrued Receivables Net of Deferred Revenue</u>
Succeeded	4	7.17	0.01	6	92.14	0.16
In - process	41	791.84	1.23	59	1,321.23	2.32

As at September 30, 2011 and December 31, 2010, the Bank had outstanding restructured loan reclassified to normalcy for 23 cases amounting to Baht 1,514.28 and for 19 cases amounting to Baht 1,618.28 million, respectively.

For the nine-month periods ended September 30, 2011 and 2010, the Bank restructured the debt as follows:

<u>Types of Restructuring</u>	<u>Cases</u>	<u>September 30, 2011</u>		
		<u>Before Restructuring</u>	<u>After Restructuring</u>	<u>As at September 30, 2011</u>
Change of repayment conditions	4	7.17	7.17	11.12

<u>Types of Restructuring</u>	<u>Cases</u>	<u>September 30, 2010</u>		
		<u>Before Restructuring</u>	<u>After Restructuring</u>	<u>As at September 30, 2010</u>
Change of repayment conditions	6	92.14	92.14	229.55

For the nine-month periods ended September 30, 2011 and 2010, the outstanding debt before the restructuring compared to the outstanding loans and accrued interest receivable net of deferred revenue were as follows:

	<u>September 30, 2011</u>		<u>September 30, 2010</u>	
	<u>Cases</u>	<u>Amount</u>	<u>Cases</u>	<u>Amount</u>
Restructured debt	4	7.17	6	92.14
Loans and accrued interest receivables net of deferred revenue	842	64,391.56	764	51,420.17

5.3.3 Troubled Debt Restructuring (continued)

The Bank recognized interest income from debt restructuring as follows;

	Unit : Million Baht			
	<u>For Three-Month periods</u>		<u>For Nine-Month periods</u>	
	<u>Ended September 30,</u>		<u>Ended September 30,</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Interest Income from Debt Restructuring	37.31	62.89	114.86	146.45

As at September 30, 2011 and December 31, 2010, the Bank had commitments to extend additional loans to customers who had been restructured for the amount of Baht 123.76 and Baht 152.28 million, respectively.

5.4 Allowance for Doubtful Accounts

	Unit : Million Baht						
	<u>September 30, 2011</u>						
	<u>Pass</u>	<u>Special</u>	<u>Sub-</u>	<u>Doubtful</u>	<u>Doubtful of</u>	<u>Excess</u>	<u>Total</u>
		<u>Mentioned</u>	<u>Standard</u>		<u>Loss</u>	<u>Allowance</u>	
Beginning balance	647.51	0.86	390.36	530.10	33.94	610.00	2,212.77
Increase (Decrease) in allowance							
for doubtful accounts	84.07	(0.25)	(250.53)	(414.24)	1,003.82	559.00	981.87
Debts written down	-	-	-	-	(484.87)	-	(484.87)
Ending balance	<u>731.58</u>	<u>0.61</u>	<u>139.83</u>	<u>115.86</u>	<u>552.89</u>	<u>1,169.00</u>	<u>2,709.77</u>
	<u>December 31, 2010</u>						
	<u>Pass</u>	<u>Special</u>	<u>Sub-</u>	<u>Doubtful</u>	<u>Doubtful of</u>	<u>Excess</u>	<u>Total</u>
		<u>Mentioned</u>	<u>Standard</u>		<u>Loss</u>	<u>Allowance</u>	
Beginning balance	580.54	36.32	378.56	251.41	850.36	410.00	2,507.19
Increase (Decrease) in allowance							
for doubtful accounts	66.97	(35.46)	11.80	278.69	916.50	200.00	1,438.50
Debts written down	-	-	-	-	(1,732.92)	-	(1,732.92)
Ending balance	<u>647.51</u>	<u>0.86</u>	<u>390.36</u>	<u>530.10</u>	<u>33.94</u>	<u>610.00</u>	<u>2,212.77</u>

As at September 30, 2011 and December 31, 2010, the Bank's allowance for doubtful accounts on loans accounted for Baht 2,709.77 million and Baht 2,212.77 million, respectively, which exceeds the minimum provisioning requirement based on debt service ability and debt quality set out by the Bank of Thailand of amount Baht 1,169.00 million and Baht 610.00 million respectively (Note 5.3.2). The amount of allowance for doubtful accounts exceeds the minimum requirement due to the Bank considered setting the allowance base on a prudent banking principle.

5.5 Revaluation Allowance for Debt Restructuring

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
Beginning balance	220.66	398.24
Increase	64.22	152.14
Decrease	<u>(56.39)</u>	<u>(329.72)</u>
Ending balance	<u>228.49</u>	<u>220.66</u>

Unit : Million Baht

5.6 Borrowings

5.6.1 Classified by Type of Instrument and Source of Fund

	<u>September 30, 2011</u>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Borrowings			
- Bonds	-	27,115.60	27,115.60
- Bills of exchange	51.00	-	51.00
- Promissory notes	974.69	-	974.69
- Others	<u>16,085.85</u>	<u>-</u>	<u>16,085.85</u>
Total borrowings	<u>17,111.54</u>	<u>27,115.60</u>	<u>44,227.14</u>

	<u>December 31, 2010</u>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Borrowings			
- Bonds	3,200.00	21,708.94	24,908.94
- Bills of exchange	60.14	-	60.14
- Others	<u>11,042.31</u>	<u>-</u>	<u>11,042.31</u>
Total borrowings	<u>14,302.45</u>	<u>21,708.94</u>	<u>36,011.39</u>

Unit : Million Baht

5.6.2 Classified by Type of Instrument, Currencies, Maturity and Interest Rate

Unit : Million Baht

	<u>Currencies</u>	<u>Maturity</u> (year)	<u>Interest Rate /</u> <u>Interest Rate Index</u>	<u>September 30, 2011</u>	<u>December 31, 2010</u>
Borrowings					
- Bonds	THB	2011	5.95%	-	3,200.00
	USD	2011-2017	LIBOR	27,115.60	21,708.94
- Bills of exchange	THB	2011	1.60 - 3.15%	51.00	60.14
- Promissory notes	THB	2011	3.32 - 3.46%	974.69	-
- Others	THB	2011-2021	2.40 - 5.75%	12,435.85	7,392.31
		2011-2019	6M THBFIX	<u>3,650.00</u>	<u>3,650.00</u>
Total borrowings				<u>44,227.14</u>	<u>36,011.39</u>

5.7 Provisions

As at September 30, 2011 and December 31, 2010 the Bank had set up provisions as follows;

Unit : Million Baht

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
Employee benefits	23.73	-
Provisions for contingent liabilities	<u>127.84</u>	<u>211.37</u>
Total provisions	<u>151.57</u>	<u>211.37</u>

5.7.1 Employee benefits

It is the Bank's policy to provide employee benefits for past service cost. As at December 31, 2010, the present value of estimate for employee benefits for past service cost is Baht 95.80 million and the Bank had recorded as expense by straight-line method for 5 years which approximately account for Baht 19.16 million per year starting 2011.

For the nine-month period ended September 30, 2011, the Bank had set up provision for employee benefits for past service cost of amount Baht 14.37 million, for current period estimate of amount Baht 10.03 million, and the Bank paid employee benefits in the period of amount Baht 0.67 million.

The Bank has provision for employee benefits as at September 30, 2011 amounting to Baht 23.73 million. The provision for employee benefits which has not yet been recorded for past service cost is Baht 81.43 million.

Principle actuarial assumptions for the Bank's employee benefits are as follows;

Average salary increase	5% - 7.5%
Average turnover	5% - 19%
Discount rate	2.38% - 4.27%

5.7.2 Provisions for Contingent Liabilities

As at September 30, 2011 and December 31, 2010 the Bank had set up provisions for contingent liabilities of amount Baht 127.84 million and Baht 211.37 million, respectively.

5.8 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 of amount Baht 4,000 million, then, on December 30, 2008 received additional capital of amount Baht 1,300 million and on September 21, 2009 also received additional capital of amount Baht 5,000 million. Thereby, the Bank has total capital amounting to Baht 12,800 million.

5.9 Contingent Liabilities and Commitments

	Unit : Million Baht	
	<u>September 30, 2011</u>	<u>December 31, 2010</u>
Liabilities under immature import bills	1,820.56	231.46
Letters of credit	1,328.78	770.04
Export bills insured	29,302.34	25,401.44
Other contingencies		
Overdraft accounts not yet drawn	511.03	604.82
Other guarantees	3,933.32	3,875.11
Investment Insurance	872.69	844.24
Stand-by claims purchase agreement	<u>3,971.07</u>	<u>7,130.99</u>
Total other contingencies	<u>9,288.11</u>	<u>12,455.16</u>
Total	<u>41,739.79</u>	<u>38,858.10</u>

5.10 Derivatives

Derivatives are financial instruments whose values vary with the index or price of underlying securities such as interest rate or foreign exchange rate.

Asset and Liability Management

- Customer Hedging Service

The Bank, as a financial intermediary, buys market risk exposure from customers and resells those risks to the market using derivatives such as the foreign exchange forward contracts.

- Foreign Exchange and Interest Rate Risk Management

The Bank manages such risks to ensure effectiveness and maintain a balanced position. The derivatives are adopted as a tool in managing market risks associated with the Bank's assets and liabilities which may result from normal business transactions of the Bank at a certain period of time. The Bank has a policy to manage such risks by using suitable and effective derivatives.

Derivatives as at September 30, 2011 and December 31, 2010 were as follows:

Unit : Million Baht

	<u>September 30, 2011</u>		
	<u>Contract Value</u>	<u>Fair Value</u>	<u>Fair Value</u>
		<u>Assets</u>	<u>Liabilities</u>
FX forward purchase/sales contracts	18,221.84	246.19	266.50
FX swaps	514.62	0.01	0.92
Cross currency and interest rate swaps	4,231.65	54.08	152.23
Interest rate swaps	<u>13,453.55</u>	<u>176.37</u>	<u>96.50</u>
Total	<u>36,421.66</u>	<u>476.65</u>	<u>516.15</u>
	<u>December 31, 2010</u>		
	<u>Contract Value</u>	<u>Fair Value</u>	<u>Fair Value</u>
		<u>Assets</u>	<u>Liabilities</u>
FX forward purchase/sales contracts	24,539.35	102.71	172.44
FX swaps	661.59	4.57	0.71
Cross currency and interest rate swaps	2,453.36	54.41	183.58
Interest rate swaps	<u>8,879.90</u>	<u>81.41</u>	<u>29.93</u>
Total	<u>36,534.20</u>	<u>243.10</u>	<u>386.66</u>

5.11 Related Party Transactions

There were some transactions between with related business entities and the Bank. The Bank is related to these entities through equity participation and/or joint board directorship. Significant transactions between the Bank and related business entities were charged at market price as similarly as with other normal business or the price as stipulated in the agreement if market price was not available.

In the Bank's statements of comprehensive income for nine-month periods ended September 30, 2011 and 2010, revenue and expenses occurring between the Bank and its associated company being Thai EXIM International Company Limited were as follows:

	Unit : Million Baht	
	<u>2011</u>	<u>2010</u>
Office rent revenue	0.03	0.03
Consulting fee expense	2.50	11.69

In the Bank's statements of financial position for the year ended December 31, 2010, the Bank's total outstanding of advance amount for Thai EXIM International Company Limited was Baht 0.49 million.

5.12 Other Benefits to Directors and Executives

The Bank pay no benefits to its 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)

5.13 Long-Term Leasing Contracts

The Bank has commitment to the building lease agreements for its branches. The remaining rental expenses which are due according to the period of time are as follow:

	Unit : Million Baht	
<u>Remaining Period</u>	<u>Amount</u>	
Within 1 year	5.09	
1 - 5 years	10.75	
Over 5 years	1.91	

5.14 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.

5.15 Interest Income

The details of interest income as presented in the statement of comprehensive income for the nine-month periods ended September 30, 2011 and 2010 were as follows:

	Unit : Million Baht	
	<u>2011</u>	<u>2010</u>
Interbank and money market items	76.64	51.23
Investment in debt securities	71.51	90.02
Loans	<u>1,884.93</u>	<u>1,568.43</u>
Total interest income	<u>2,033.08</u>	<u>1,709.68</u>

5.16 Interest Expenses

The details of interest expenses as presented in the statement of comprehensive income for the nine-month periods ended September 30, 2011 and 2010 were as follows:

	Unit : Million Baht	
	<u>2011</u>	<u>2010</u>
Deposits	78.98	79.46
Interbank and money market items	100.07	125.84
Debt instruments		
- Domestic bonds	63.64	183.55
- Foreign bonds	202.18	93.30
- Bills of exchange	4.63	0.20
- Promissory notes	13.99	-
Borrowings	284.14	168.12
Borrowing fee	<u>18.70</u>	<u>3.94</u>
Total interest expenses	<u>766.33</u>	<u>654.41</u>

5.17 Fee and Service Income, Net

The details of fee and service income, net as presented in the statement of comprehensive income for the nine-month periods ended September 30, 2011 and 2010 were as follows:

	Unit : Million Baht	
	<u>2011</u>	<u>2010</u>
Fee and service income		
- Acceptance aval and guarantee	38.74	40.86
- Revenue from insurance	189.85	193.03
- Others	<u>256.24</u>	<u>190.57</u>
Total fee and service income	<u>484.83</u>	<u>424.46</u>
Fee and service expenses		
- Expense on insurance	88.16	71.53
- Others	<u>3.34</u>	<u>6.17</u>
Total fees and service expenses	<u>91.50</u>	<u>77.70</u>
Total fee and service income, net	<u>393.33</u>	<u>346.76</u>

5.18 Gain (Loss) on Investments

The details of gain (loss) on investment as presented in the statement of comprehensive income for the nine-month periods ended September 30, 2011 and 2010 were as follows:

	Unit : Million Baht	
	<u>2011</u>	<u>2010</u>
Gain (loss) on disposal of available-for-sale investment	(1.94)	8.14
Loss of impairment on general investment	<u>(13.52)</u>	<u>(1.57)</u>
Total	<u>(15.46)</u>	<u>6.57</u>

5.19 Impairment Loss of Loans and Debt Securities

The details of impairment loss of loans and debt securities as presented in the statement of comprehensive income for the nine-month periods ended September 30, 2011 and 2010 were as follows:

	Unit : Million Baht	
	<u>2011</u>	<u>2010</u>
Interbank and money market items	30.68	-
Loans		
- Bad debts and doubtful accounts	984.73	1,026.28
- Loss on restructuring	<u>17.62</u>	<u>(153.96)</u>
Total	<u>1,033.03</u>	<u>872.32</u>

5.20 Disclosure of Capital Adequacy Information in Accordance with the Notification of the Bank of Thailand regarding the Disclosure of Capital Adequacy for Commercial Banks

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 (Pillar III)
Date of disclosure	September 9, 2011
Information as at	June 30, 2011

5.21 Reclassification of Accounts

the Bank's financial statement for the three-month and nine-month period ended September 30, 2011 and the Bank's financial statements for the year ended December 31, 2010 have been reclassified to conform with the revised accounting standards (Note 2.2) and the Bank of Thailand (BOT) Notification number Sor Nor Sor 11/2553, directive dated December 3, 2010, regarding "Preparation and Announcement of the Financial Statements of Commercial Banks and Holding Company as the Parent Company of the Business in the Financial Group".

5.22 Events After the Reporting Period

1. Investment in Associated Company

According to the resolution of the extraordinary meeting of shareholders of Thai EXIM International Company Limited No.2/2554 held on October 28, 2011 has approved the filing for liquidation and appointing the liquidator. Thai EXIM International Company Limited had formally filed for the liquidation on November 8, 2011.

2. Flood Crisis

Due to flood crisis since October 2011, the Bank is in the process of assessing the impacts of flooding on its customers. The Bank has launched policies in assisting the affected customer as follows;

2.1 Working Capital

The Bank has policy on extending the repayment periods and decreasing the interest rate.

2.2 Long-term Loans

The Bank has policy on suspending the repayment of the principals and interests and decreasing the interest rate. The Bank also approves additional loans for customer in order to recovering their business.

The flooding has impacted on the Bank's operations and assets. For the Bank's operations, the Bank has announced the temporary closure of its one branch and one sub-branch which are in the flooding areas. Meanwhile, the head office provides service instead of those branches. For the Bank's assets, which have been damaged by flooding, the Bank has insured for amounts of such damages.

5.23 Approval of the Financial Statements

These financial statements were approved by the Chairman of the Board of Directors and President on
December 16, 2011
