

Expand your global reach with EXIM Thailand.

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Institutional Mission

To provide financial services for the promotion of exports, imports as well as domestic and overseas investments for national development.

Vision

- To be financially sound
- To be well-versed in international trade and finance and
- To be earnest in supporting the government's policy to promote exports and Thai investments abroad.

Role and Duty

• Export-Import Bank of Thailand (EXIM Thailand) is a state-owned financial institution under the Ministry of Finance's supervision. The Bank was established by the Export-Import Bank of Thailand Act B.E. 2536, which became effective on September 7, 1993, and officially commenced operations in February 1994.

• Under the Export-Import Bank of Thailand Act B.E. 2536, the Bank has the objective of rendering financial facilities as well as other services to promote and support exports, imports as well as investments for national development.

• In November 1999, the Export-Import Bank of Thailand Act (No. 2) B.E. 2542 was enacted to amend and broaden the Bank's objectives and scope of operations with regard to investment promotion and support. The amendment was aimed at enabling the Bank to more fully support Thai investments abroad and expand financial support for local investors contributing to the country's increased foreign exchange earnings or savings.

• The Bank is protected under the Export-Import Bank of Thailand Act against high-risk financial transactions. Should there be loss incurred from business transactions implemented in conformity with the government's direction or the Cabinet's resolution, the Ministry of Finance is required to allocate funds from the government's annual budget to compensate for such loss. Likewise, for loss arising from export credit insurance, which may affect the Bank's operations or lead to the Bank's inability to maintain the required capital adequacy ratio, the Ministry of Finance is obligated to allocate funds from the annual budget or other sources to compensate for such loss or to increase the Bank's capital.

Highlights of Operating Results

Unit: million baht

| Items | Value | |
|---|---------------|---------------|
| | 2005 | 2004 |
| Operating results | | |
| Net interest and dividend income | 1,328 | 1,264 |
| Non-interest income | 855 | 827 |
| Non-interest expenses | 651 | 605 |
| Profit before allowance for bad debts and doubtful accounts and loss from debt restructuring | 1,532 | 1,486 |
| Bad debts and doubtful accounts and loss from debt restructuring | 1,075 | 1,009 |
| Net profit | 457 | 477 |
| Financial position | | |
| Total assets as of year-end | 70,499 | 52,806 |
| Outstanding as of year-end | | |
| Loans | 59,329 | 48,551 |
| Working capital | 29,784 | 24,588 |
| Term loans and others | 29,545 | 23,963 |
| Export credit insurance | 8,424 | 6,601 |
| Credit commitment as of year-end | | |
| Loans and guarantees | 113,186 | 95,972 |
| Working capital | 65,955 | 59,002 |
| Term loans | 47,231 | 36,970 |
| Export credit insurance liabilities | 14,363 | 11,500 |
| Business turnover during the year | | |
| Export bills | 120,468 | 109,621 |
| Export bills insured | 36,431 | 30,307 |
| Financial ratios (%) | | |
| Return on average assets | 0.7 | 1.0 |
| Return on average equity | 5.3 | 5.3 |
| Capital adequacy ratio | 15.1 | 17.9 |
| Asset quality | | |
| Non-performing loans (NPLs) | 6,420 | 4,905 |
| NPLs to total loans and accrued interest (%) | 10.6 | 9.9 |

Export-Import Bank of Thailand (EXIM Thailand) registered an impressive operating result for 2005, with a net profit of 457 million baht and credit growth of as high as 22.2% compared with 14.7% in 2004. Non-performing loans (NPLs) to loans and accrued interest receivable rose slightly from 9.9% at year-end 2004 to 10.6%, while loan loss reserves were at about the same level as in a year earlier.

EXIM Thailand is committed to realizing its key mission of promoting and supporting exports, imports, as well as domestic and overseas investments. To such end, the Bank has adopted an operational policy and guideline that generates benefit and value added to Thai exporters and business operators intending to make investments or provide services abroad. 2005 was another significant year as EXIM Thailand stepped up its role in transforming SME operators into new exporters under the government's policy that had produced a large number of new SMEs. This move is the Bank's expanded mission that gives priority to the development of SME exporters' potentials. Throughout the year, the Bank organized training courses and seminars on export-related topics attended by 5,775 participants. The Bank also signed Memoranda of Understanding (MOU) with six leading higher educational institutions to develop academic modules that are in sync with the current international economic condition to foster the development of Thai professionals for the export and international investment businesses. To accentuate the Bank's development role, the Small Business Development Department was established as a separate unit and center for rendering financial and advisory services to small businesses. Further, the Bank opened

new branches in Chiang Mai and Khon Kaen to serve local exporters and enhance the development of exporters in the North and Northeast.

The role of EXIM Thailand in supporting Thai investors and service providers overseas, including the promotion of commercially viable economic development projects in neighboring countries, has steadily expanded. In 2005, the Bank approved new credit and guarantee facilities totaling 8,958 million baht, rising from 7,302 million baht a year earlier and hitting an all-time high record. Also, this was aligned with the Bank's core strategy to promote Thai businesses overseas taking advantage of new business opportunities, more readily available labor and raw materials, and a direct market access.

The year 2005 demonstrated the Bank's strength, trustworthiness and the confidence placed in it by exporters, business operators and the general public. It was certified as a superbrand for state-owned financial institution by the Superbrands Thailand, a world-class brand certifier. The award reflected EXIM Thailand's success in brand-building according to international standards. Additionally, the Bank was rated AA+(tha) by Fitch Rating (Thailand) Company Limited for its bonds issued and offered for the first time to small investors, which received overwhelming response and were fully subscribed in just one day until the offer amount had to be topped up by another 1 billion baht to a total of 7 billion baht.

For 2006, the Bank will place emphasis on implementing the government's policy to enhance Thai exporters and investors' competitiveness in the global arena. High on the Bank's 2006 agenda will

be the introduction of Asian Bond as an alternative source of funds for the expansion of cross-borders trade and investment of the Asian countries and investors, with the first bond issues to be launched in Thailand's neighboring countries; the promotion of contract farming activities as a means to acquire lower-cost raw materials available in neighboring countries while contributing to their social and economic development; the establishment of trading companies, logistics centers and Thai restaurants abroad to create a more extensive market channel for Thai goods; the support for SME exporters to emerge and grow healthily; and the promotion of export expansion to emerging markets and Thailand's FTA counterparts.

Finally, the Board of Directors would like to convey our appreciation to Thai exporters, investors, government agencies, private agencies and higher educational institutions for their continued support. Our thanks also go to the management and staff members who have worked hard and been a key driving force for the Bank's success throughout 2005.



(Dr. Virabongsa Ramangkura)

Chairman of the Board of Directors

Thailand's Rising to the Challenges of Internationalization



Thailand's Rising to the Challenges of Internationalization

Over the past several years, the multilateral trade liberalization advocated by the World Trade Organization (WTO) has been disrupted by a number of obstacles such that the system grounded to a halt intermittently. Still, most of the member countries have pooled efforts to push for trade liberalization within the framework originally set for 2010 or the closest target thereabouts. At the same time, many countries, including Thailand, have implemented a proactive trading strategy in parallel through one-on-one negotiation towards bilateral trade liberalization. Most of the member countries agree that economic freedom will bring about optimum efficiency in overall resources allocation. This phenomenon seemingly is a signal to all nations that the liberalization of economic activities is, indeed, inevitable, along with the intense competition and other surrounding factors that are conducive to the free flow of goods and services, capital, technology and, eventually, labor.

Amidst the looming bilateral and multilateral trade liberalization, Thailand as an open economy, will continue to rely even more on international trade as crucial engine to drive its economy. As such, it must seek to cope with the forthcoming pressure by reviewing its strategy as to how the identification and fulfillment of the shortcomings in infrastructure and entrepreneurship can help to overcome the obstacles in forging ahead into the world arena.

It is gratifying to see that the government has laid down a number of fundamentals in preparation for the country's readiness for a fully-fledged global competition. The steps towards this success began with the creation of trade, investment and tourism networks as well as other economic, social and political activities with neighboring countries in the Mekong River Basin, Southeast Asia, Asia as a whole and other regions in its close proximity through cooperation under different frameworks such as the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) between Cambodia, Laos, Myanmar, Thailand and Vietnam; the Greater Mekong Subregion (GMS); the Association of Southeast Asian Nations (ASEAN), including ASEAN+3 which consists of ASEAN members, China, Japan and South Korea; the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) between Bangladesh, India, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan; and the Asia Cooperation Dialogue (ACD). Such trade initiatives are aimed at expanding trade and investment bases and forming alliances to build up bargaining powers on the global stage. All these cooperative efforts have begun to bear fruits while reflecting Thailand's leading role in some of the above trade allegiances.

Meanwhile, the government sector, relying on Thailand's competitive edges in terms of location as well as production and investment potentials, has taken proactive measures to transform Thailand into a regional hub for goods and services with Thai specialties under an array of programs or announced goals, namely the Kitchen of the World, Detroit of Asia, Asia Tropical Fashion, and Asia Tourism Capital schemes. The plan will also exploit the existing advantages to upgrade Thailand as a regional aviation hub, an Asia healthcare center, a motion picture production center in Asia, etc.

In addition to these fundamental roles of the government in charting a clearer direction for Thailand in the global arena, at the micro level, the corporate networks also need to be streamlined to further enhance Thai exports to the levels comparative to those goods and services offered in other global trading centers. One of the strategies gearing towards this objective is the acceleration of Thai corporate development, elevating them to the international standards, gradually fulfilling Thailand's aspiration to become a regional hub or even leader eventually. The essential steps to this **"internationalization"** of Thai corporate sector within this dynamic world economic and trading environment are outlined below:

- **Emphasis on Knowledge and Innovation Bases**

The world today is modeled around a knowledge-based society that exploits every possible advantage over competitors. Modern entrepreneurs, therefore, have to pay a lot of attention to research and development. This demands a continuous and systematic approach in production and marketing at the same time. Moreover, the proprietors will also have to learn to combine these innovations with **"Thainess"** filled with cultural values and indigenous wisdom passed down over the generations, as well as scientific and artistic prowess unique to Thai products and services distinguishing them from competitors who will find it hard to copy. This elevated production strategy will help to depart from the long-treaded techniques of mass production which is becoming increasingly harder to compete.

- **Production Reforms with Due Consideration to Global Trading Rules**

One of the problems facing a number of Thai export items preventing critical market penetration is the inability to comply with conditions imposed by importing countries e.g. health codes, vegetation quarantines,

environmental and labor standards as well as other “voluntary conditions” such as Corporate Social Responsibility (CSR) and Good Governance which emphasize corporate transparency. Nevertheless, exporters should view these rules as opportunities rather than obstacles to improve their production standards to internationally acceptable levels. Through this process, Thai exporters can expand smoothly into the global markets and stride to the next level subsequently. These continuous out-pouring of new international trading rules are inevitable and challenging for those participating in global competition that will only become fiercer every day.

- **Build up Trading Networks and Allies**

So far, Thailand has initiated a trading and investment network with neighboring countries including a number of FTAs aimed to facilitate mutual trading and economic activities. To succeed in the international arenas, Thailand will need to expand these networks to other regions to fully establish global partnership, making best uses of each other’s strength with networks spanning from the grass roots to global exports. Besides, Thai entrepreneurs must not limit their production bases to only a national boundary but also widen their views to become part of the single global market. Effort is needed in consolidating network relationships for exports to other regions while turning to global sourcing to lower their costs.

- **Elevate Thai Firms to Global Corporate Status**

Up to now, only a handful of Thai corporates have achieved the global company status with the ability to penetrate foreign markets using their own name brands and networks. From now on, however, for Thailand to take its root in the global market, corporate management needs to be developed, in particular, professionalism, rationality, accuracy of information, employing modern scientific methods. By becoming more international, these global companies will find regional markets more receptive paving ways for broader trading opportunities. At the same time, the images of Thai products still need to be lifted if they were to become global brands with deep and broad market bases to be realized at the international level.

- Balance between Existing and New Markets

The rapid and continuous changes in all regions of the world compel Thailand to review its conventional reliance on few major markets to lower risks. Increasing attention is devoted to new markets with potential as there remain marketing opportunities for Thai entrepreneurs and rivals are few. As for the major markets, Thai firms merely represent some of the vast OEM (Original Equipment Manufacturing) producers plagued by frequent price under-cuttings. Nevertheless, Thailand will remain dependent on these major markets with high purchasing powers with marketing strategy perhaps modified from wholesale to niche marketing focusing on consumers with specific tastes in each sub-region. The new emerging markets in Asia, in particular, are expected to become more prominent over the next 10 to 20 years.

- Improve Logistics Management Efficiency

While international trading is evolving and becoming more sophisticated, some infrastructure remains lagging especially logistics system (covering commodity flows from procurement, distribution, inventory and transport management). Realizing this, the government has instigated a number of mechanisms to enhance logistics efficiency. Nevertheless, logistics development probably cannot proceed without corporate cooperation which is the key element in the whole logistics development forces. Therefore, Thai firms will need to accelerate the development of their logistics system in parallel to enforcing Thai export competitiveness. A better transport and logistic system will reduce costs of Thai exports, while the products reach their consumers expediently and exactly as ordered. The boosted confidence of Thai exporters will also enable them to reach out to foreign markets even further.

- Be Well-informed

With information playing a critical role in determining success or failure of international businesses, Thai entrepreneurs need to be on top of world trade situation through the media, particularly in relation to competitors' movements and consumers' demands.

This is another important factor in heightening Thailand's degree of internationalization. This is important for both novice exporters entering global competition for the first time and veteran exporters in modifying their strategies. All in all, how far Thailand will succeed in the international arena will depend largely on exporters. While government does its best as a coach on the ring-side, plotting and scheming for the Thai exporter team's preparation for all possible scenarios, Thailand does not have much time left to enhance its ability to compete in the constantly shifting global trends. If Thailand chooses to stand still or even moves slower than its competitors, it will in fact be running backward letting rivals pass by. It is thus time Thailand, at the firm, industry or community levels, to transform itself in preparation for the full-fledged competition in international trade that is bound to arrive soon.

Operational Policy and Targets for 2006

Operational policy

EXIM Thailand takes a proactive role in the internationalization of Thai exporters and businessmen investing and rendering services abroad to reinforce their strength in moving firmly ahead into the increasingly liberalized and competitive international trade and investment arena. In the promotion of exports and investments overseas, the Bank gives special attention to three missions as follows:

- Create SME exporters and develop their ability to grow with strength.
- Maintain existing export markets and promote exports to emerging markets and Thailand's FTA counterparts.
- Promote value creation in replacement of contracted manufacturing of export products through several measures such as the government-initiated Kitchen of the World and Asian Fashion Hub schemes; support the emergence of trading companies and intertraders to increase distribution and marketing channels for SMEs and One Tambon One Product (OTOP) producers, which will help realize market deepening, paving the way for the promotion of distinctive Thai export items.

As regards the promotion of Thai businesses overseas, EXIM Thailand is looking to expand Thai investments into the member countries of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), comprising Cambodia, Laos, Myanmar, Thailand and Vietnam, in a bid to promote Thailand as an economic, trade and investment hub for neighboring countries. The Bank also provides credit facilities for Thai businesses intending to invest and render services in other countries. In 2006, the Bank will focus on financial innovation and credit enhancement products, as follows:

- Asian Bond to spur the concrete development of the Asian capital market, which will lead to investments for economic development in Asian countries, especially ACMECS members, and step up Thailand's role as a financial hub in this region.
- Contract Farming and Factory Relocation to neighboring countries to increase farm products of which Thailand still has insufficient output and to cash in on the more readily available labor and raw materials as well as the export-related tax and other privileges.

Operational targets

- **Social**

1. Support activities that respond to the government policy and mandate of relevant key government agencies and ministries.
2. Develop exporters' potential and capability to conduct export business.
3. Disseminate knowledge among exporters, investors and interested persons.

- **Financial**

1. Maintain the return on average total assets at a proper level.
2. Maintain the non-performing loans (NPLs) to loans and accrued interest receivable ratio at an appropriate level.
3. Increase the growth rate of accumulative business volume of revolving credits.
4. Increase new credit line approvals during the year.
5. Increase outstanding loans.

- **Market**

1. Increase the number of new customers.
2. Attend to customers' complaints seriously and effectively.
3. Develop a database on market and buyer demand in target countries.
4. Innovate new services.

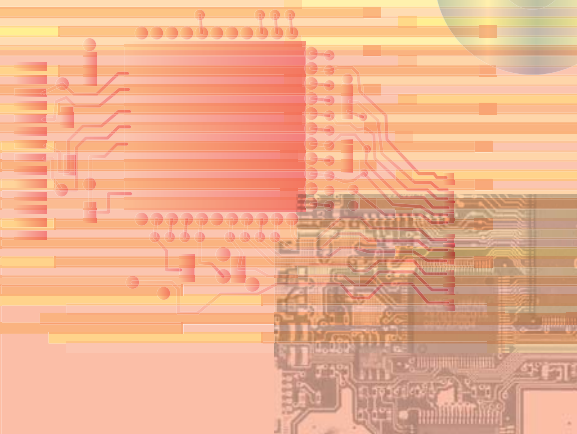
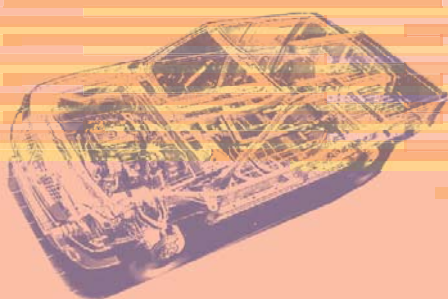
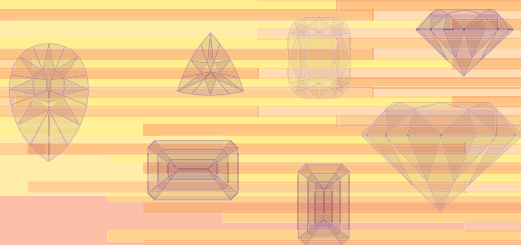
- **Internal process**

1. Develop and upgrade risk management.
2. Streamline business process to create value added for customers.

- **Human resources**

1. Maintain employee turnover at a proper level.
2. Execute job rotation in a more concrete manner.
3. Develop training modules or new training courses on management development.
4. Adopt the core competency approach.

Overview of Thai Exports in 2005

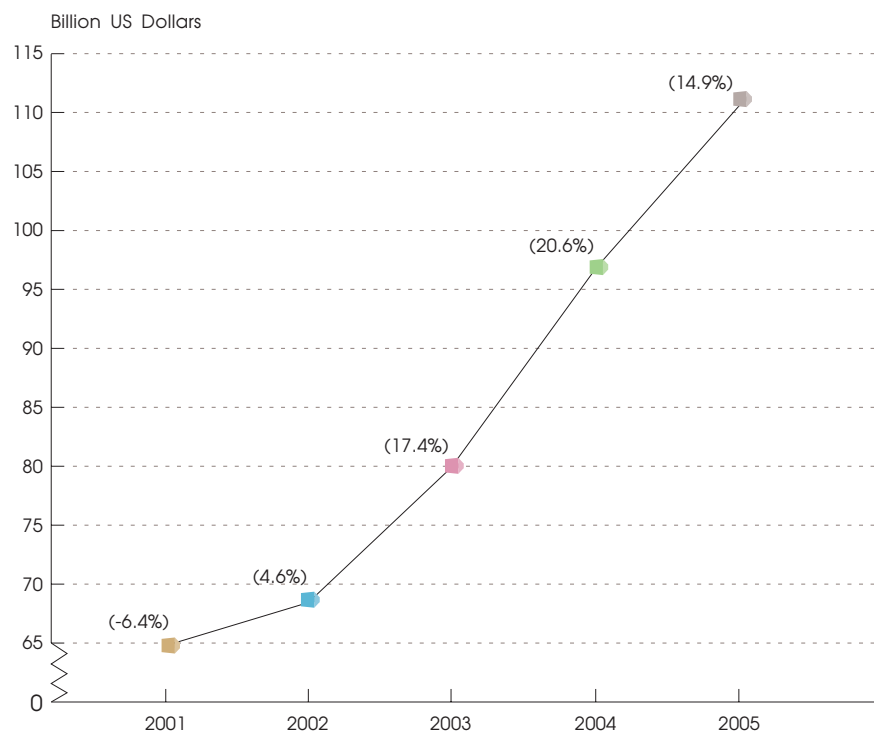


Overview of Thai Exports in 2005

Exports in 2005

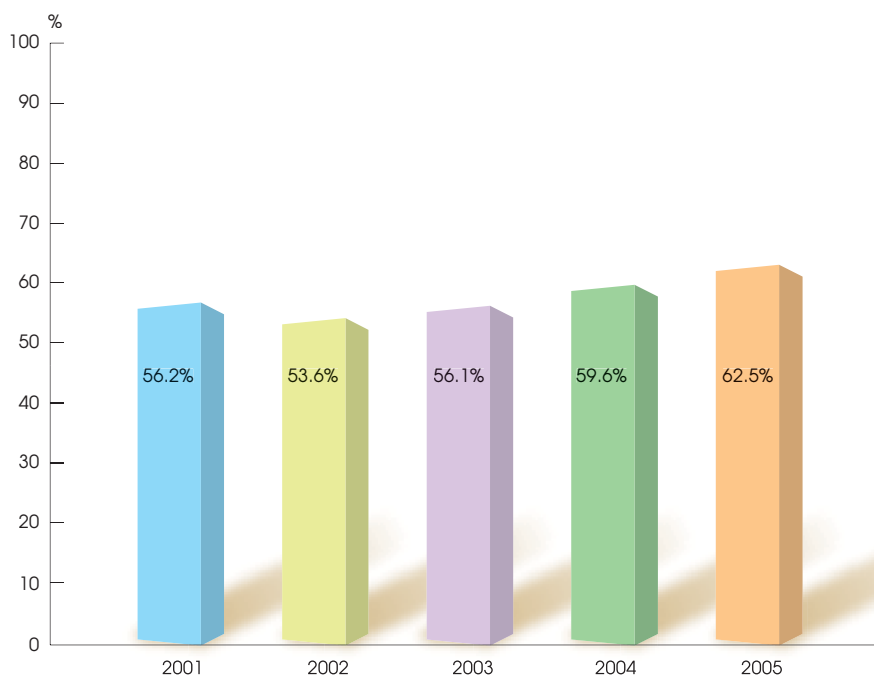
Exports remained a key driver of Thai economy along with other economic sectors, despite several discouraging factors such as the drought that had hurt agricultural and industrial production, world economic uncertainties, notably in the US and China, and a record-high surge in oil prices. Still, export value for the whole of 2005 grew at an impressive 14.9%, compared with 20.6% in 2004, to 110.8 billion US dollars or about 4.4 trillion baht, the first time it broke through the 100 billion US dollars level. As a result, the export value to gross domestic product (GDP) edged up above 60% for the first time to 62.5%, compared with 59.6% in 2004.

Thailand's Total Export



Note: Figures in parentheses represent growth rates.

Thailand's Exports to GDP

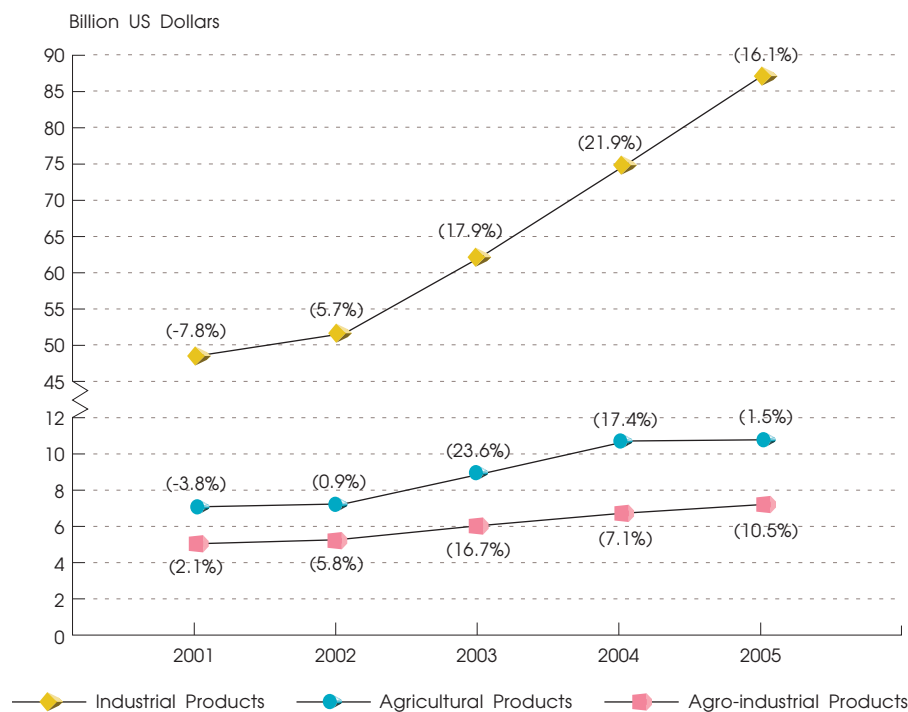


The export success, particularly in the latter half of 2005 with the export value growing by 16.6% compared with 12.9% in the first half, was bolstered partly by the government's stimulus measures, namely, **adjustment to a more elastic export strategy** and a close follow-up of export conditions. Under these measures, when there was any sign of the exports likely to miss the targets or of a risk factor that may jeopardize the export level, the government would adjust the strategy and set measures to timely cope with any such potential problems. Additionally, **the negotiation and conclusion of Free Trade Agreement (FTA) with many countries** was another contributing factor to the Thai export expansion, especially for promising export items which would benefit from the import tariff reduction and deregulation by Thailand's trade partners. As of end-2005, Thailand successfully concluded the FTAs with eight countries: China, India, Australia, New Zealand, the US, Japan, Bahrain and Peru; and two economic cooperations: the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC - comprising Bangladesh, India, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan) and the European Free Trade Association (EFTA - comprising Iceland, Liechtenstein, Norway and Switzerland).

Major Thai export products

In 2005, the value of almost all export categories continued to grow, though at a slower pace. Industrial goods expanded by 16.1%, against 21.9% in 2004, and agricultural produce increased by 1.5%, compared with 17.4% in 2004, except agro-based industrial products which grew at a faster rate of 10.5%, compared with 7.1% in 2004.

Thailand's Major Export Categories



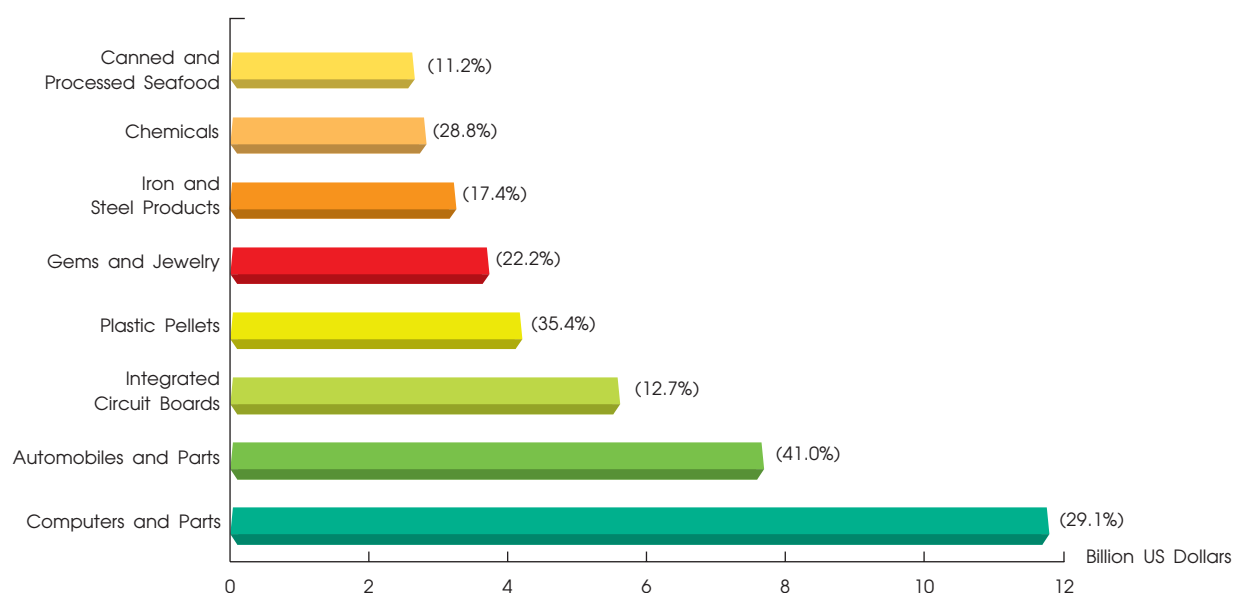
Note: Figures in parentheses represent growth rates.

The key factors hampering export expansion in **the industrial sector** were the drastic hikes in oil prices, steady rises in interest rates, and global trade uncertainties. In the latter half of the year, however, all these problems began to relieve, thus triggering growing world demand for industrial products, notably electronic products and electrical appliances that are the mainstay of Thai export goods such as computers and parts, integrated circuit boards, air-conditioners and parts, etc. Meantime, vehicles, equipment and parts have expanded continually and been key export performers that helped to build up name recognition for Thailand for the past several years, while their role is being stepped up so that Thailand could reach an ambitious goal of becoming a regional motor vehicle hub under the government-promoted Detroit of Asia scheme. Heavy

industries such as petrochemicals and products followed an upward trend, thanks to greater demand in forward linkage industries, whereas world market prices remained at a high level. Exports of steel and products grew consistently as well. As for labor-intensive industries such as textiles, furniture and parts, and gems and jewelry, Thai entrepreneurs are speedily upgrading and modifying their production process to better match the global market requirements by shifting more to premium quality products to avert the competition with lower-cost rivals.

Despite a healthy rise in average export prices of agricultural products, export value of **agricultural products** in 2005 grew at a sharply decelerating rate due to shrinkage in export volume caused by raw material shortage, which chiefly resulted from droughts broadly hitting several areas. The items with contracted export value were rice and tapioca products, while those with growing export value included rubber, frozen fruits and vegetables, frozen shrimps, and processed chicken. Exports of **agro-based industrial products** performed better than in 2004 in value terms, thanks principally to soaring export prices, although the overall export volume dropped. Good performers were canned and processed seafood, canned and processed fruits and vegetables, wheat products and other food products such as seasonings, milk, dairy products, and beverages. The major item with contracted value was sugar.

Thailand's Major Exports with High Growth Rates in 2005*



Notes: *Exports with growth rates higher than 10% and values of over 2.5 billion US Dollars in 2005

Figures in parentheses represent growth rates.

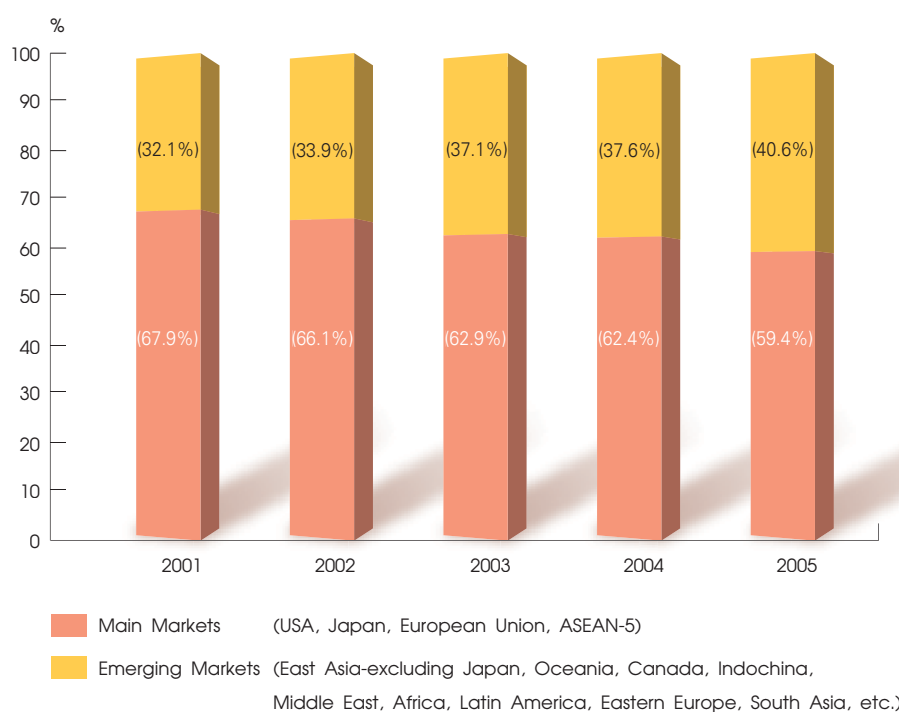
Thai export markets

In 2005, Thai export value to the **main markets** increased by 9.3%, compared with 19.7% in 2004. Export growth slowed down in every main market. Meanwhile, the exports to the **emerging markets** grew at a sharper rate of 24.1%, against 22.1% in 2004, with the details of export to each emerging market as tabulated below:

| Emerging Market | Growth Rate of Export Value (%) | Percentage of Thailand's Total Export | Remarks |
|-----------------------|---------------------------------|---------------------------------------|---|
| China | 29.1 | 8.3% (compared with 7.4% in 2004) | China relies on several import products from Thailand, notably computer parts and accessories, iron and steel products, rubber and products, and tapioca products. Thus, the export value of these products to China rose healthily. Meantime, the trade liberalization under the ASEAN-China Free Trade Agreement has spurred greater exports of several Thai products to China. |
| Indochina and Myanmar | 26.0 | 4.3% (compared with 3.9% in 2004) | Export value to Laos increased sharply by 33.0%, Cambodia by 27.2%, and Myanmar by 17.3%. |
| Middle East | 25.7 | 4.2% (compared with 3.9% in 2004) | Export value to Saudi Arabia jumped by 63.3%, Kuwait by 61.7%, and United Arab Emirates by 22.3%. |
| Africa | 14.7 | 2.6% (same as in 2004) | Export value to South Africa rose by 28.6%. |
| South Asia | 43.1 | 2.6% (compared with 2.1% in 2004) | Export value to India mounted by 67.7%, propelled by the Thailand-India Free Trade Agreement, which started to take effect on the Early Harvest Products (EHPs). |
| Latin America | 37.7 | 1.9% (compared with 1.6% in 2004) | Export value to Argentina rocketed by as high as 180.2%. |
| Eastern Europe | 23.5 | 1.0% (same rate as in 2004) | Export value to Czech Republic and Hungary grew by 70.8% and 6.5% respectively. |

It is noted that the public sector's strategy to diversify the export markets by penetrating the emerging markets has begun to materialize. This can be seen from a steady rise in the ratio of export value to the emerging markets to the total exports from 37.1% in 2003 to 37.6% in 2004 and 40.6% in 2005, attaining the government's target of 40%.

Thailand's Exports by Main and Emerging Markets



Note: Figures in parentheses represent Thailand's exports to main and emerging markets as a percentage of total export.

Export outlook for 2006

Thai exports are forecast to increase at a satisfactory rate in 2006 in spite of threats from various uncertainties. Encouraging factors include the public sector's export promotion policy, both defensive and proactive, which will be pursued more concretely. Prospects for Thai exports by product are seen as follows:

- **Food products: Shrimps, canned and processed seafood** are showing a bright prospect as the major export markets, i.e. the EU and Japan, have reinstated the Generalized System of Preferences (GSP) and special trade privileges to Thailand, whereas other exporting countries are confronting difficulties in production and export. Another positive factor is consumers' shift from poultry to seafood due to the recurring bird flu epidemic. Export of **rice products, wheat products, semi-finished foods, seasonings, spices and herbs** are favored by an expansion of Thai food outlets overseas, which has helped to promote Thai food products internationally. Export of **fruits and vegetables** is bolstered by the FTA concluded with several counterparties, thereby helping to reduce hindrances to exports, particularly non-tariff barriers. Export of **chicken** is likely to grow owing to producers' and exporters' ability to quickly adapt themselves to cushion the impacts from the avian flu outbreak by accelerating the production and export of cooked processed chicken in replacement of the frozen fresh chicken.

- **Other farm products: Tapioca products** will enjoy positive impacts from an expected rising output together with growing imports in main markets, especially China. Export of **orchids** will be propped by key trade partners expressing sustained interest in buying the products from Thailand, coupled with full support from the government sector.

- **Fashion: Textiles** are experiencing tougher competition, however, the export value will likely increase following the control over textile imports from China by the US and the EU, which are Thailand's key trade partners. In addition, Thailand has an edge over other major export countries, namely, China and Vietnam, in terms of quality and craftsmanship. **Gems and jewelry, footwear and parts** have exhibited a favorable growth potential, particularly in the main markets. The government's measure to promote Thailand as a regional fashion hub by initiating the Bangkok Fashion City scheme helps create a better prospect for fashion products.

- **Vehicles and parts** are supported by the foreign parent companies' policy to continually expand their production facilities in Thailand. Meantime, the Thai government has adopted a policy to earnestly promote and foster this industry in a bid to achieve the ultimate goal of making Thailand "Detroit of Asia."

- **Electrical appliances and electronic products** are following an upward trend on account of Thailand serving as a chief production base for world's large producers to supply the Asian market demand.

- **Furniture** export is propelled by Thai producers' ability to adapt and upgrade their products for the high-end market. Bright prospect is seen for furniture, especially in the emerging markets such as India and United Arab Emirates.

- **Rubber and products** export are boosted by the world rubber price that looks set to stabilize at a high level and an ongoing rise in natural rubber demand in main markets such as China and Japan in line with the expansion of their automotive industry.

- **Petrochemicals and forward linkage products** are fostered by an up-cycle of petrochemical industry, resulting in a relative increase in demand for petrochemical and forward linkage products, including plastic products.

- **Ceramics and other construction materials** are supported by continuously growing demand of major trade partners, especially Indochina and ASEAN.

Nonetheless, there are certain variables that will effect Thai exports and need to be closely watched in 2006. They are as follows:

- **The economic expansion of Thailand's key trade partners such as the US and China is slowing down.** The US currency is fluctuating and will likely falter, pressured by the high twin deficits in trade and current account along with the upward trend of interest rates, which signals a likely sluggish spending. As well, China's upbeat economy is cooling down in the face of hikes in oil and raw material prices and the government's policy to contain credit growth in the heating economic sectors, notably the real estate business.

- **Global economy remains vulnerable to many risk factors.** Although **oil prices** will likely drop in the latter half of 2006, the average petrol price will still be at a high level. Meanwhile, several countries may resort to gradual **interest rate** hikes to abate the economic overheat. Another threat is **world economic imbalance**, which is well mirrored by the US's persistent twin deficits in trade and current account, in contrast with the ongoing surpluses of China, Japan, South Korea and Taiwan, thereby eroding confidence in the US dollar and potentially leading to world economic slowdown.

- **Local production costs are surging**, triggered by an upward trend of interest rates and high oil prices, as well as a high price level of raw materials for certain industries such as aluminum, other metals, plastic, paper and chemical products.

- **Other factors** such as the **bird flu** epidemic, **non-tariff trade measures** implemented from time to time by trade partners, and **worldwide terrorist threats** have all combined to jeopardize global economic and trade stability.

Roles in Support of the Government Policy

In 2005, EXIM Thailand performed the following activities to address specific government policies.

1. SMEs Financial Support Program

The Bank has consistently given top priority to the promotion of SME exporters. As of the end of 2005, it approved credit lines of 47,172 million baht to 1,808 SME exporters, representing 41.7% of total loans and 87.7% of total clients, respectively. In 2005, the Bank extended new loans to 699 SME exporters totaling 9,571 million baht.

2. Overseas Thai Restaurant Promotion Program

The Bank's effort to promote Thai restaurants as "Kitchen of the World" has materialized in a more concrete manner. It has provided support for business expansion to new promising markets in parallel with upgrading existing Thai restaurants such as those in the US, Canada and the European Union to attain international standards. Apart from financial support to restaurant operators, the Bank has also provided credit and credit guarantee services for businesses related to the Kitchen of the World scheme such as export-oriented food manufacturing, distribution centers and owners of Thai food grocery stores, etc.

In 2005, the Bank extended a total of 143 million baht in loans to 19 Thai entrepreneurs running 20 restaurants in 10 countries. In addition, the Bank has arranged monthly training programs to enhance knowledge and understanding of business planning and other related topics for entrepreneurs interested in opening Thai restaurants abroad. A total of 334 participants joined the said training programs and seminars.

3. Bilateral Payment Arrangement or Account Trade Program

To help increase bilateral trade value between Thailand and its trade partners and enhance exporters' confidence in receiving payment, EXIM Thailand has concluded a number of agreements with representative banks of the trade partners under the Bilateral Payment Arrangement (BPA) program. Between 2002 and 2005, the Bank signed the BPA agreements with Malaysia, Myanmar, Bangladesh and Iran. The trade value under this program in 2005 was 3.8 million baht.

4. Merchant Marine Financing Facility

To promote infrastructure development for marine transport and increase foreign exchange saving, EXIM Thailand has up to the end of 2005 provided total credit lines of 5,951 million baht for merchant marine operators to procure 63 vessels. In 2005 alone, it approved new loans totaling 2,273 million baht to maritime businesses.

5. Intertrader Promotion and One Tambon One Product (OTOP) program

In 2005, EXIM Thailand approved new loans totaling 592 million baht to 128 intertraders and OTOP producers to help enhance the diversity of Thailand's export items which include OTOP products bound for export.

6. Revolving Trade Financing Facility (RTFF)

To promote trade volume with new markets, EXIM Thailand concluded an agreement to provide RTFF to Bank TuranAlem of Kazakhstan for re-lending to Thai goods importers. This will help facilitate and build up confidence of Thai exporters in doing businesses with their counterparts in Kazakhstan.

7. Collaboration with Small and Medium Enterprise Development Bank of Thailand (SME Bank)

To support SMEs exporters, EXIM Thailand and SME Bank entered into two memoranda of understanding (MOU) on international trade services provision. Under the first MOU, EXIM Thailand makes available the letter of credit (L/C) and letter of guarantee issuance service to importers who are SME Bank's customers. The second MOU provides EXIM Thailand's export credit insurance facility to SME Bank's customers to enhance their confidence in exporting to existing and new markets.

8. Training Courses and Seminars for Exporters, Investors and the General Public

In 2005, EXIM Thailand arranged a total of 79 training courses and seminars for 5,776 participants, comprising exporters, investors and other interested individuals. The training programs and seminars were aimed at enhancing the participants' knowledge in the areas of export documentation, risk hedging for export business, trade and investment opportunities in potential markets, trade regulations and cooperation between Thailand and its key trade partners, and promotion of Thai restaurants overseas.

9. International Trade and Investment Program in Cooperation with Universities

In cooperation with six leading higher educational institutions in Thailand, namely Thammasat University, Chulalongkorn University, Chiang Mai University, Khon Kaen University, University of the Thai Chamber of Commerce, and National Institute of Development Administration (NIDA), EXIM Thailand has engaged in the development of academic curricula on international trade and investment to be in sync with the current international economic circumstances. The Bank has also encouraged study and research, dissemination of academic works, personnel training, and other activities to promote practical learning on international business operation for students, teachers, other faculty members as well as the general public.

10. Special Financial Programs

In 2005, the Bank introduced three special financial programs to promote the export sector. Details are as follows:

- *New Export Destination Facility Program*

To enable exporters to expand their business in new markets, the Bank has offered several facilitation services ranging from provision of creditworthiness information of buyers or buyer banks in new prospective markets to **waiver** of export document examination fees. Apart from the exemption of examination fee on L/C and Bill for Collection (B/C) documents, exporters to new destinations are granted a **50% discount** on the Buyer/Bank Risk Assessment Service. Such credit information is useful for prudent decision-making and includes analysis of an appropriate amount of credit lines and lending conditions for the trade counterparts.

In 2005, 130 exporters applied for the export bill negotiation service under this program. For the Buyer/Bank Risk Assessment Service, EXIM Thailand performed data analysis of 267 overseas buyers and L/C opening banks for exporters.

- *Extra Value for Exports to FTA Markets Program*

To encourage exports to Thailand's Free Trade Agreement (FTA) counterparts, the Bank has provided privileges to exporters under this program by giving a **50% discount** on EXIM Thailand's overseas buyer or buyer bank analysis service to provide exporters with better access to foreign buyer information instrumental to making trade decision confidently. Also available is **free** information on Thailand's FTA counterparts covering general information and the salient points of the FTA agreement.

In 2005, the Bank performed analysis of information on 218 buyers and L/C opening banks for Thai exporters participating in this program.

- *Pre-trade Buyer Assessment Program*

The Bank has provided risk assessment service for exporters participating in overseas trade fairs sponsored by Department of Export Promotion, Ministry of Commerce, to identify risks of buyers/L/C opening banks and export credit insurance service, offering **free of charge** risk assessment service for 1 buyer or L/C opening bank/1 exporter/1 trade fair and a 50% discount of such service fee for the next buyers/L/C opening banks located in the country of trade exhibition. These special offers help increase exporters' confidence before making trading decision. The exporters may apply for the risk assessment service before or after their trade fair participation.

In 2005, the Bank performed analysis of information on 769 buyers and L/C opening banks for the exporters under this program.

11. Issuance of Standby L/C for Frozen Shrimp Exporters

In 2005, the Bank assisted Thai exporters of chilled and frozen shrimp in countering the US anti-dumping measure by issuing standby L/Cs as guarantee against the US Customs' continuous bonds in settlement of import tariff obligations. Exporters could apply for the standby L/C either directly with EXIM Thailand or through commercial banks whereby EXIM Thailand provided guarantee up to 50% of the amount of standby L/Cs issued by commercial banks.

2005 Performance VS Targets

Develop new exporters and fortify SME exporters.

| Plan | Target | Performance |
|---|-----------------|-----------------|
| 1. Give export-related financial advice to new exporters and SME exporters. | 2,000 exporters | 2,687 exporters |
| 2. Create new exporters and SME exporters. | 200 exporters | 335 exporters |
| 3. Provide credit facilities for export suppliers. | 100 suppliers | 112 suppliers |
| 4. Collaborate with higher educational institutions in creating high-potential exporters. | 5 institutions | 6 institutions |

Assist exporters with potential in expanding their exports.

| Plan | Target | Performance |
|--|-----------------|-------------------|
| 1. Provide credit and export credit insurance services for exporters with potential. | 25 billion baht | 31.9 billion baht |
| 2. Disseminate knowledge on export to exporters, investors and interested persons. | 5,000 persons | 5,776 persons |

Encourage major exporters or Thai business operators with potential to invest or expand businesses abroad.

| Plan | Target | Performance |
|---|---------------------------------|---------------------------------|
| 1. Render financing facilities to Thai business operators or investors overseas. <ul style="list-style-type: none"> • Total credit line approved during the year • Number of projects | 4.5 billion baht 12 projects | 8.9 billion baht 27 projects |
| 2. Provide financial support for Thai restaurant operators to promote the Kitchen of the World program. | 50 outlets | 20 outlets |

Perform efficient financial management.

| Plan | Target | Performance |
|---|--------|-------------|
| 1. Maintain an appropriate return on average assets ratio. | 1.05% | 0.74% |
| 2. Maintain an appropriate operating expenses to performing assets ratio. | 1.12% | 1.05% |



Operating Results

Description and analysis of operating results and financial position

Operating results

- Overall performance

In 2005, EXIM Thailand posted a net profit of 457 million baht, dropping by 20 million baht from that of 477 million baht earned a year earlier. Such decrease resulted from growth in net interest and dividend income of 64 million baht and non-interest income of 27 million baht against a rise of 65 million baht in allowances for bad debts and doubtful accounts and losses on debt restructuring and of 46 million baht in non-interest expenses.

- Net interest and dividend income

Net interest and dividend income was 1,328 million baht in 2005, up 64 million baht or 5.0% from 1,264 million baht in 2004. The increase was ascribed to credit expansion of as high as 22.2%, leading interest income from loans to soar by 44.8% from 1,695 million baht in 2004 to 2,453 million baht in 2005. Interest expenses in 2005 jumped by 178% from 599 million baht in 2004 to 1,665 million baht due to consistent growth of interest rates in the money market throughout the year.

- Non-interest income

Non-interest income was recorded at 855 million baht, rising by 27 million baht or 3.3% from 827 million baht in the foregoing year. This increase was due partly to growth of 97 million baht in fee and service income, most of which was front-end fee from overseas investment projects. Another factor leading to such increase was rises of 28 million baht in income from export credit insurance and 25 million baht in foreign exchange gains. However, gains on investment was in a small amount and income from written-down debts declined by 87 million baht due to successful resolution of most of the written-down debts in 2004 while some are under debt restructuring negotiation.

- Non-interest expenses

Non-interest expenses rose by 46 million baht or 7.6% from 605 million baht in 2004 to 651 million baht in 2005, owing mainly to a 48 million baht or 14.7% increase in staff expenses caused by the salary adjustment in line with rising inflation rate in 2005. In addition, EXIM Thailand incurred additional expenses on activities to support new exporters, potential development for SME exporters and Thai investors in response to the government policy, and opening of branch offices in Chiang Mai and Khon Kaen in the second half of the year.

EXIM Thailand has adopted a measure for cost control, thereby enabling it to maintain the average operating expenses to performing assets ratio at a satisfactory rate of 1.05% in 2005.

- **Bad debts and doubtful accounts and losses on debt restructuring**

The Bank set aside allowances for bad debts and doubtful accounts and losses on debt restructuring in an aggregate amount of 1,075 million baht in 2005, up by 65 million baht or 6.4% from 1,010 million baht in 2004. Of such total, 834 million baht was provided for bad debts and doubtful accounts and 241 million baht for losses on debt restructuring.

- **Net profit**

EXIM Thailand in 2005 registered a profit before bad debts and doubtful accounts and losses on debt restructuring of 1,532 million baht, growing by 45 million baht or 3.0% from 1,487 million baht in 2004. However, its net profit dropped by 20 million baht or 4.2% from 477 million baht a year earlier to 457 million baht in 2005.

Financial position

- **Assets**

As of the end of 2005, the Bank had total assets of 70,499 million baht, mounting by 17,693 million baht or 33.5% from 52,806 million baht in the preceding year. Such increase was attributed to a 10,778 million baht surge in loans, which grew significantly in the second half of the year as commercial banks gradually raised the loan interest rates in line with rising costs of deposits, hence prompting exporters to turn to credit facilities from EXIM Thailand. Another contributor was a pick-up in exports in the latter half of the year. Total assets increased with interbank and money market items recorded at 6,408 million baht due to higher-than-usual liquidity at year-end.

Under the Bank's investment policy and scope which is a part of its attempts to increase efficiency in the assets, liabilities and equity management, its net investments relatively surged by 43.2% or 981 million baht from 2,272 million baht at end-2004 to 3,253 million baht as of year-end 2005.

Allowance for doubtful accounts and revaluation allowance for debt restructuring totaled 5,378 million baht at year-end 2005, rising 22.1% or 974 million baht from 4,404 million baht at year-end 2004 and constituting 83.8% of the 6,420 million baht NPLs.

- **Liabilities**

Total liabilities as of year-end 2005 stood at 62,170 million baht, up by 41.2% or 18,143 million baht from 44,027 million baht at the end of 2004. In 2005, the Bank raised new funds by issuance of bonds overseas in the amount of 150 million US dollars or approximately 6 billion baht in the first half of the year and domestic bonds of 7 billion baht in the latter half to accommodate the business expansion and loan repayment.

- **Capital funds**

EXIM Thailand had total capital of 8,329 million baht at end-2005, down by 450 million baht from the end of 2004. This was because hedging reserve and revaluation surplus on investments decreased by 739 million baht. However, retained earnings, both appropriated and unappropriated, grew by 289 million baht to 2,520 million baht as of year-end 2005.

- **Asset quality**

Outstanding non-performing loans (NPLs) as of year-end 2005 stood at 6,420 million baht or 10.6% of loans and accrued interest receivables, up from 4,905 million baht or 9.9% of loans and accrued interest receivables at the end of 2004. The increase in NPLs of 2,007 million baht resulted chiefly from large customers. The Bank was successful in reducing its NPLs by 492 million baht. However, provision for NPLs was set aside at 1,075 million baht, representing 53.6% of total new and re-entry NPLs in 2005.

- **Structure of funding sources and uses**

EXIM Thailand's key funding sources were borrowings and interbank and money market items which constituted 54.2% and 18.9% of total liabilities and capital as of year-end 2005 respectively. The borrowings totaled 38,231 million baht, consisting of EXIM Thailand's bonds of 34,331 million baht and other borrowings of 3,900 million baht. Of such bonds, 82.1% were issued locally and 17.9% were issued abroad. The interbank and money market items accounted for 13,318 million baht, of which 38.5% were borrowings from local banks and 61.5% from foreign banks. The Bank also raised deposits from credit customers of 8,858 million baht, soaring by 3,998 million baht from the previous year. Such considerable increase was due mainly to temporary deposits of large customers at the end of the year.

Significant application of funds included loans and interbank and money market items that were investments and liquidity adjustment, representing 84.2% and 12.3% of total assets as of year-end 2005 respectively. Of the total loans, 78.1% were domestic and 21.9% were overseas. As for the interbank and money market items, 1.5% were loans to domestic commercial banks and financial institutions and 98.5% to foreign financial institutions.

- **Auditing**

The Bank has appointed the Office of the Auditor General of Thailand to be its certified auditor with an auditing fee of 880,000 baht, which included expenses on annual audit and quarterly review.

- **Adequacy of capital funds**

The Bank's capital adequacy ratio (CAR) as of year-end 2005 stood at 15.1%, which was above the minimum CAR requirement of 8% as stipulated in the Ministerial Regulation B.E. 2538 regarding the maintaining of capital funds of EXIM Thailand.

Credit Facilities

There are two main types of credit facilities offered by EXIM Thailand: facilities for exporters and businesses involved in exports and earning foreign exchange, and facilities for Thai investors or businesses abroad. In 2005, the Bank approved new credits and guarantees totaling 28,414 million baht, growing 8.8% year on year. Total credit and guarantee approvals as of year-end 2005 stood at 113,186 million baht, a 17.9% rise from 2004. At the end of 2005, EXIM Thailand had outstanding credit facilities of 59,329 million baht and guarantee obligations of 6,228 million baht, a year-on-year increase of 22.2% and 8.9% respectively.

Facilities for exporters and related businesses

EXIM Thailand's financial services are available in the form of short-term loans to meet working capital needs, long-term loans to finance the expansion or improvement of production, and guarantees. The Bank issues various types of export-related letters of guarantee to the counterparties of exporters; for instance, guarantee for payment of public utility bills, guarantee for payment of import duty on raw materials for export-oriented production, etc. The said guarantee service helps enhance liquidity for exporters in their business operations.

Business Volume of Facilities for Exporters and Export-related Businesses in 2005 against 2004's

Unit: million baht

| | Working Capital Loan | | | Term Loan for Business Expansion | | | Merchant Marine Financing | | |
|--|----------------------|---------|------------|----------------------------------|--------|------------|---------------------------|-------|------------|
| | 2005 | 2004 | Change (%) | 2005 | 2004 | Change (%) | 2005 | 2004 | Change (%) |
| • New approvals during the year | 12,570 | 12,374 | 1.6 | 4,613 | 4,362 | 5.7 | 2,273 | 2,089 | 8.8 |
| - Credit | 11,796 | 11,645 | 1.3 | 4,613 | 4,362 | 5.7 | 2,273 | 2,089 | 8.8 |
| - Guarantee | 774 | 729 | 6.2 | - | - | - | - | - | - |
| • Approvals as of year-end | 65,955 | 59,002 | 11.8 | 12,836 | 10,431 | 23.1 | 5,951 | 4,356 | 36.6 |
| - Credit | 62,961 | 56,661 | 11.1 | 12,836 | 10,431 | 23.1 | 5,951 | 4,356 | 36.6 |
| - Guarantee | 2,994 | 2,341 | 27.9 | - | - | - | - | - | - |
| • Outstanding credit facilities as of year-end | 29,784 | 24,588 | 21.1 | 9,487 | 7,684 | 23.5 | 6,015 | 4,210 | 42.9 |
| • Guarantee obligations as of year-end | 1,720 | 2,595 | (33.7) | | | | | | |
| • Business turnover during the year | 120,468 | 109,621 | 9.9 | | | | | | |

Facilities for Thai investors or businesses abroad

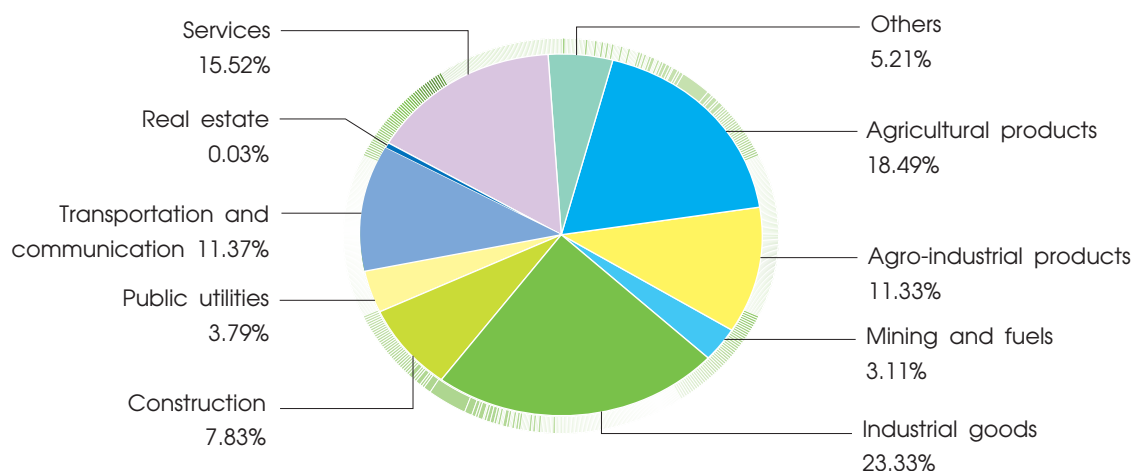
These facilities are available in short-term and long-term loans and letters of guarantee for overseas investments and Thai investors pursuing service contracts abroad in the areas of construction, building face-lift, machinery maintenance and modification, technical consulting, etc. The guarantee covers different stages of project from bidding to completion, in the form of bid bond, advance payment guarantee, retention bond, performance bond, etc. The Bank issues the letter of guarantee directly to the employers or counter-guarantee the partner banks.

Business Volume of Facilities for Overseas Projects in 2005 against 2004's

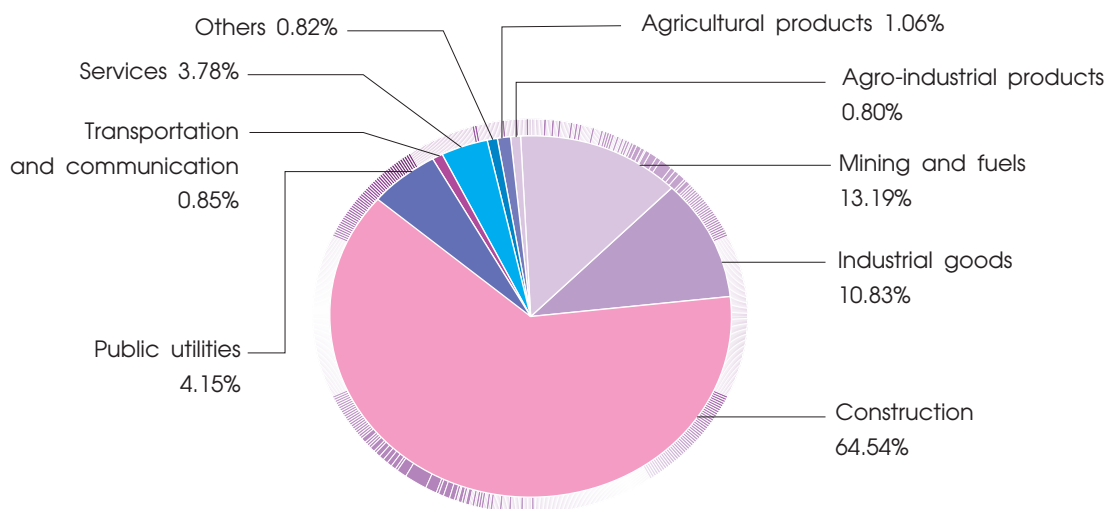
Unit: million baht

| | Credit for Overseas Projects | | |
|---|---|---|---|
| | 2005 | 2004 | Change (%) |
| <ul style="list-style-type: none"> ● New approvals during the year - Credit - Guarantee ● Approvals as of year-end - Credit - Guarantee ● Outstanding credit facilities as of year-end ● Guarantee obligations as of year-end | 8,958 4,993 3,965 28,444 19,314 9,130 13,883 4,508 | 7,301 6,123 1,178 22,183 16,927 5,256 11,910 3,122 | 22.7 (18.5) 236.5 28.2 14.1 73.7 16.6 44.4 |

Outstanding Credits Classified by Industry as of December 2005



Guarantee Obligations Classified by Industry as of December 2005



Overall Business Volume: Comparison of Credit and Guarantee Performance in 2005 and 2004

Unit: million baht

| | 2005 | 2004 |
|---|----------------|---------------|
| 1. Credit and guarantee lines | 113,186 | 95,972 |
| a. Classified by borrowers' business | | |
| Domestic | 84,742 | 73,789 |
| Credit | 81,748 | 71,448 |
| Guarantee | 2,994 | 2,341 |
| Overseas | 28,444 | 22,183 |
| Credit | 19,314 | 16,927 |
| Guarantee | 9,130 | 5,256 |
| b. Classified by credit term | | |
| Working capital loan | 65,955 | 59,002 |
| Term loan | 47,231 | 36,970 |
| 2. Outstanding credits | 59,329 | 48,551 |
| a. Classified by borrowers' business | | |
| Domestic | 45,446 | 36,641 |
| Overseas | 13,883 | 11,910 |
| b. Classified by credit term | | |
| Working capital loan | 29,784 | 24,588 |
| Term loan | 29,545 | 23,963 |
| 3. Guarantee obligations | 6,228 | 5,717 |
| Domestic | 1,720 | 2,595 |
| Overseas | 4,508 | 3,122 |

Export Credit Insurance

Nature and scope of service

EXIM Thailand's export credit insurance facility aims at increasing exporters' confidence in expanding their businesses in the existing and emerging markets, and enabling them to offer more favorable terms of payment to their customers. The facility is available for exports under various payment terms including documents against payment (D/P), documents against acceptance (D/A), open account (O/A) and letter of credit (L/C). In case exporters fail to receive payment from the buyers or the buyer banks, caused by either commercial or political risk, EXIM Thailand will indemnify them at the rate of 70-90% of the value of loss realized, depending on the nature of risk and the type of facility. At present, EXIM provides exporters with payment risk coverage for all kinds of export products to 201 countries in seven continents.

Exporters can choose from a selection of EXIM Thailand's export credit insurance facilities to match their business needs, as follows:

- Short-term export credit insurance
- Medium- and long-term export insurance

Short-term export credit insurance

This type of insurance is suitable for exporters with payment terms of not over 180 days. Exporters must insure the whole turnover of their exports to all buyers under the terms of D/P, D/A and/or O/A. However, for L/C insurance, exporters can select to insure the banks of their own choice since the whole turnover condition is not required.

Operating results

Export credit insurance amount

As of year-end 2005, EXIM Thailand approved export credit insurance in a total amount of 13,284 million baht, growing 16.9% from 11,365 million baht at the end of 2004. Of this total amount, 2,954 million baht was approved in 2005.

Volume of Short-term Export Credit Insurance in 2005 against 2004's

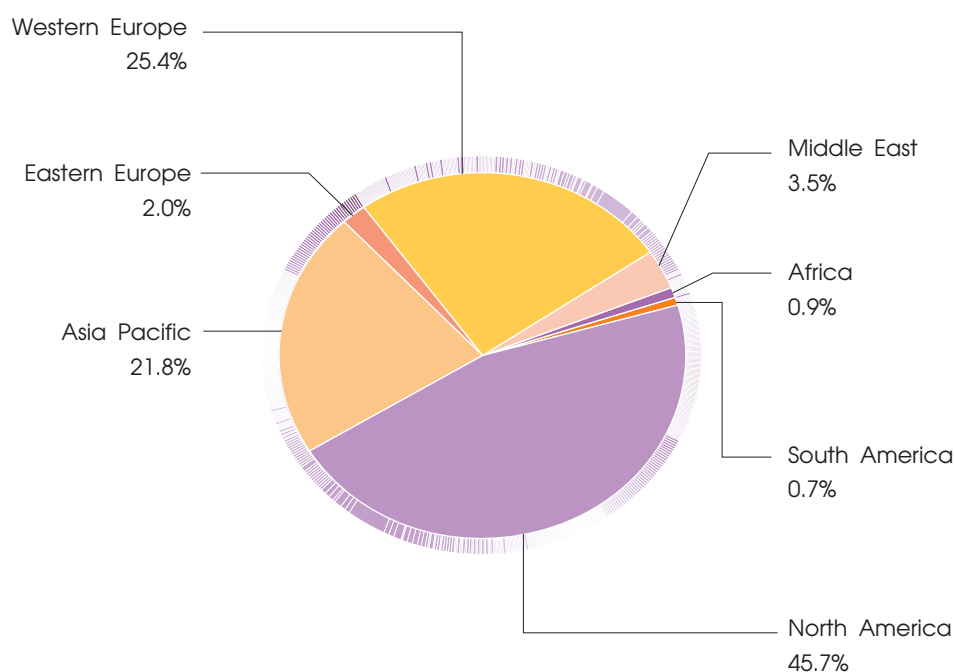
Unit: million baht

| | 2005 | 2004 | Change (%) |
|--|--------|--------|------------|
| Export credit insurance amount (as of end-December) | 13,284 | 11,365 | 16.9 |
| Value of insured exports | 35,015 | 30,169 | 16.1 |
| Insurance premium income | 145 | 128 | 13.3 |
| Claim value | 16 | 49 | (67.3) |

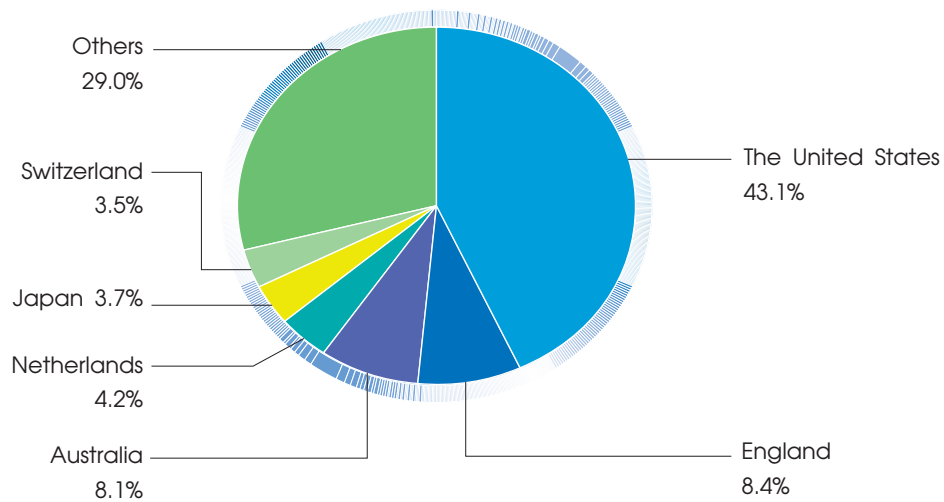
Export value under export credit insurance and insurance premium income

In 2005, EXIM Thailand's export credit insurance covered buyers in 81 countries with an increase in turnover of insured exports by 16.1% from 30,169 million baht in 2004 to 35,015 million baht in 2005, leading the insurance premiums collected from the insured exporters to rise from 128 million baht to 145 million baht over the same period. North America still occupied the largest share of the turnover, constituting 45.7% of total export value under insurance. However, Eastern Europe recorded the sharpest growth rate of 79.1% from the foregoing year. Classified by country, turnover in the US was the biggest, valued at 15,113 million baht, followed by England and Australia, at 2,942 million baht and 2,839 million baht, respectively.

Turnover of Exports under Insurance by Continent in 2005

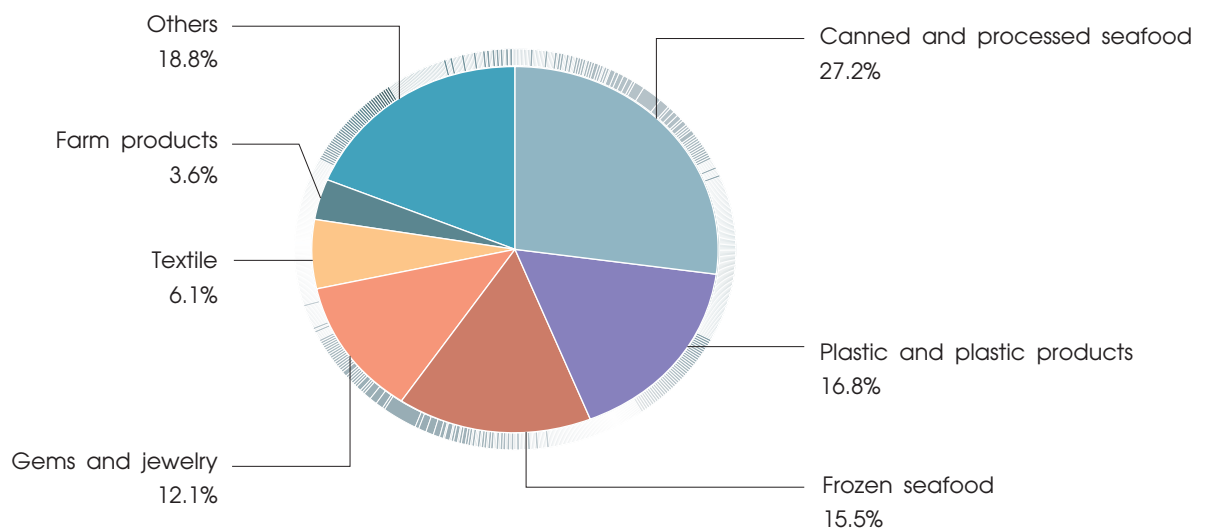


Turnover of Exports under Insurance by Country in 2005



Classified by product, canned and processed seafood ranked top with turnover value of 9,516 million baht, making up 27.2% of total value and growing by 37.4% from 2004. It was followed by plastic products which accounted for 16.8% of total turnover, surging by 53.8% from the previous year. Frozen seafood represented 15.5% of total value and dropped by 11.2% from 2004.

Turnover of Exports under Insurance by Product in 2005



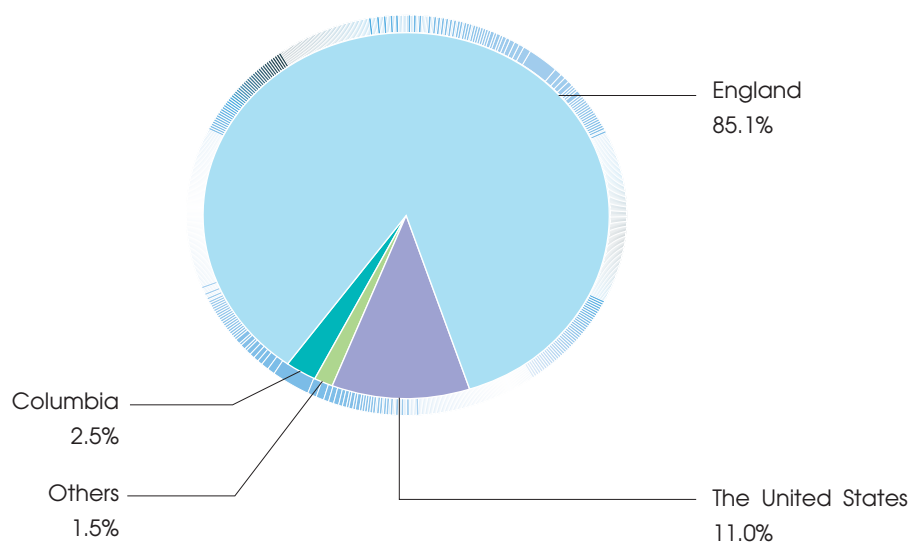
Claim value

In 2005, claims totaling 16 million baht was paid to the exporters, declining by 67.7% from 49 million baht in 2004. A large proportion of such claims came from buyers in furniture industry in England who had gone bankrupt.

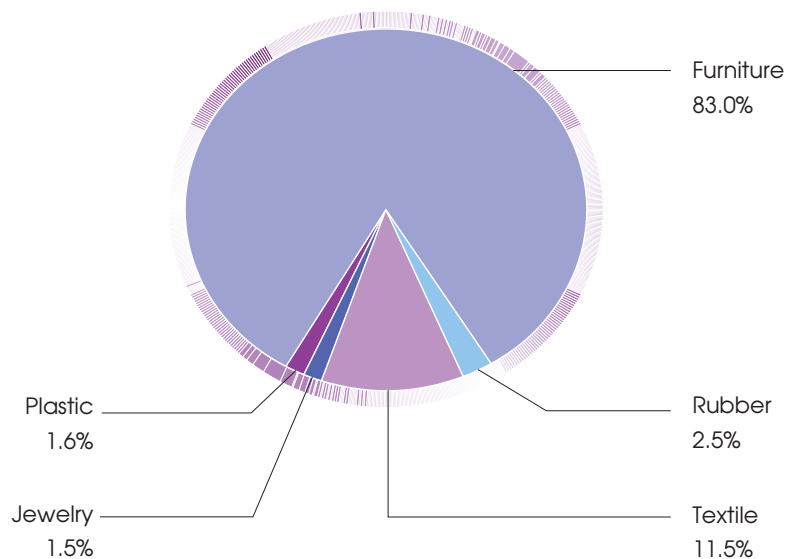
Claim Payments in 2005

| Reason of Payment | Value of Claim Payment (million baht) | Proportion (%) |
|------------------------------|---------------------------------------|----------------|
| Refusal of payment by buyers | 4 | 25 |
| Buyers bankruptcy | 12 | 75 |
| Total | 16 | 100 |

Claim Value by Country in 2005



Claim Value Classified by Product in 2005



Medium- and long-term export insurance

This type of insurance is provided against non-payment risk for Thai exporters of goods or services and financial institutions located in Thailand with contract or payment term of longer than 180 days. Exporters of goods and services as well as financial institutions will proportionally receive claim payment for damages under risk coverage including commercial risk, political risk and pre-credit risk.

Operating results

Export insurance amount

As of year-end 2005, EXIM Thailand approved medium- and long-term export insurance in the total amount of 1,583 million baht, growing by 1,072.6% from 135 million baht at year-end 2004, the year when the medium- and long-term export insurance was first launched by EXIM Thailand. Of this amount, 1,448 million baht was approved in 2005.

Export value under insurance and insurance premium income

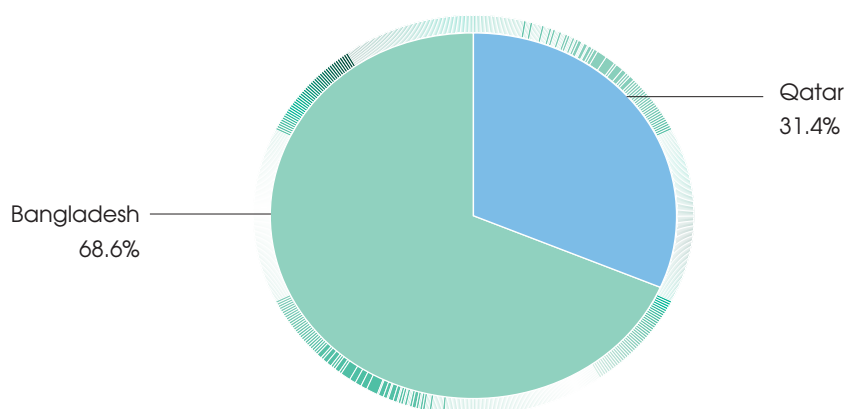
In 2005, the Bank's medium- and long-term export insurance covered buyers in two countries, namely Qatar and Bangladesh, with the value growing by 926.1% from 138 million baht in 2004 to 1,416 million baht in 2005. Premium income in 2005 was recorded at 11 million baht.

Volume of Medium- and Long-term Export Insurance in 2005 against 2004's

Unit: million baht

| | 2005 | 2004 | Change (%) |
|---|-------|------|------------|
| Export credit insurance amount (as of end-December) | 1,583 | 135 | 1,072.6 |
| Value of exports under insurance | 1,416 | 138 | 926.1 |

Value of Exports under Medium- and Long-term Export Insurance by Country in 2005



Social Activities

EXIM Thailand fully recognizes its corporate social responsibility and has consistently sponsored several social contribution activities. They included support for religious activities, arts and cultural conservation and educational promotion, assistance for disaster victims, healthcare promotion, and other public benefit activities.

Sponsorship of religious activities for social development

The Bank joined the Ministry of Finance in Kathin ceremony (presentation of robes to Buddhist monks) at Traimit Witthayaram Temple in Bangkok. It also hosted Kathin ceremony, in conjunction with the House of Representative's Economic Development Commission, at several temples in the three southernmost provinces to raise funds for the building, repair and renovation of these temples.

Moreover, to mark the auspicious occasion of Her Royal Highness Princess Maha Chakri Sirindhorn's 50th birthday anniversary in 2005, the Bank, in association with the Ministry of Finance, hosted the "Mahachati" sermon (a ceremonial chant recounting the Buddha's previous life) organized by the Office of National Buddhism.

Arts and cultural conservation and educational promotion

To honor and recognize His Majesty the King's grace and compassion for the Thai people and to instill into the Thai people the profound awareness of the importance of the "rice culture" and sustainable preservation of

rice planting areas, EXIM Thailand sponsored the publication of a book entitled “Rice of Our Father” initiated by the Thai Rice Foundation under Royal Patronage for distribution to schools in remote areas nationwide. The Bank also continued its support of the S.E.A. Write Award to promote contemporary literary works among Asean member countries, and published the “Fine Arts: The Heritage of Siam” book, which is about Thai craftsmen and their achievements in each era of the Thai history, for distribution to libraries and educational institutions throughout the country.

The year 2005 was the eighth consecutive year that the Bank has produced the “Export and Investment Focus” publications for free distribution to the exporters, investors and interested persons to enhance their knowledge and understanding of international trade and investments, trade regulations, and other trade or investment-related issues. Additionally, the Bank granted scholarships and donations to the Thai Blind People’s Foundation to help establish the Phare Santijintana School for the Blind. The Bank also sponsored distribution of the Green World Magazine, which is a supplementary textbook for secondary and tertiary students produced by the Green World Foundation, to 100 rural school libraries nationwide with a view to instilling the awareness of natural resource and environment conservation.

Assistance for disaster victims

2005 continued to witness hardship hitting the south of Thailand such as the protracted repercussions of the tsunami disaster, unrest in the three southernmost provinces, and floods. EXIM Thailand has consistently given aids in coordination with a number of agencies such as the Thai Journalists Association by donating funds to support the publication of a book titled “His Royal Highness Prince Devawongse Varoprakar” dedicated to the tsunami victims, and Khun Poom Foundation to support the well-being and development of juveniles, children with special needs or disability and other disaster victims.

Aside from the financial assistance to the tsunami victims in Thailand, the Bank in conjunction with the Thai-Indonesian Business Council donated antibiotic bio-products to Indonesia’s Ministry of Foreign Affairs to help the tsunami victims in Banda Aceh of Indonesia.

The Bank purchased the publication entitled “Our Queen: A Story Told from the Southern Land” produced in honor of Her Majesty the Queen’s birthday anniversary by the Ministry of Education, with the proceeds thereof to be donated to the fund for the people of the affected areas in the three southern provinces.

As a result of the inundation severely hitting the south, notably Hat Yai district of Songkhla province and nearby areas, the Bank donated money and necessities through its Hat Yai branch to Hat Yai Municipality for distribution to the flood victims.

Other public benefit activities

In addition to the activities mentioned above, EXIM Thailand donated raincoats to traffic policemen from five police stations in the Bank’s vicinity in the Lam Hin, Bang Sue, Phayathai, Suthisan and Sam Sen areas.

Overview

Risk management is instrumental to EXIM Thailand's business operations. The Board of Directors and the management, therefore, places substantial importance on the study, evaluation, follow-up and management of risk in all aspects to attain the ultimate goal of incorporating risk management into the corporate culture.

The Bank's risk management is aimed at hedging and containing risk at a level acceptable to the Bank and compatible with the size and complexity of its business as well as the corporate goals both in terms of commercial viability and national development, while aligning with good corporate governance practice and effective risk management principles.

There are five risk categories: strategic risk, credit risk, market risk, liquidity risk and operational risk. EXIM Thailand has mapped out an "overall risk management framework", endorsed by the Board of Directors to be a guideline for managing risk in all aspects.

In 2005, the Bank drew up a risk map to illustrate the correlation of all risks as a basis of integrated risk management and business operation. The Bank also prepared a yearly risk assessment report and determined risk appetite and risk tolerance as a guideline for monitoring risk management and containing risk at an acceptable level. It produced a manual for financial service development to comprehensively cover the process of product development and hedging against risk that might occur to concerned or affected units.

To attain the ultimate goal of incorporating risk management into the corporate culture, the Bank has consistently taken steps to integrate risk management into the day-to-day operational process. Bankwide training on risk management was also given to staff members at all levels to enhance their knowledge, understanding and appreciation of risk management and its significance to the Bank's overall operation.

Moreover, personnel development in the functions concerned with risk management has been undertaken continuously. The units with immediate responsibility have adequately acquired knowledge of risk hedging techniques and approaches as appropriate for a state-owned specialized financial institution such as EXIM Thailand.

Risk management structure

The Board of Directors has the duty to approve the policy and strategy on risk management and determine the guideline for risk management monitoring and supervision to be undertaken by directors and the top management. The Audit Committee is responsible for formulating risk management policy and operational guideline, whereas the top management, in its capacity as risk management committee, has the duty to articulate relevant strategies and policies and ensure risk management is undertaken in line with the policy approved by the Board of Directors. EXIM Thailand also set up other committees to oversee risk management in various aspects such as the Asset and Liability Management Committee and the Investment Committee, etc.

The Risk Management Office is an independent unit responsible for administering risk management at an operational level and reporting the result to the Board of Directors, relevant committees and the top management overseeing risk management.

Risk management

Strategic risk

The Bank has devised the “Strategic Risk Management Framework” as a guideline for strategic risk hedging and establishment of an efficient strategic risk management system.

Credit risk

EXIM Thailand has continually developed the credit risk management process, covering activities ranging from marketing and customer relations, credit analysis, credit approval, follow-up and reporting to troubled loan management. In this respect, the “Credit Risk Management Framework” was outlined to be adopted as a basis for credit risk hedging.

Lending policy and principles

The Bank formulated the “Credit Policy” as a guideline for extending loans for the promotion of export and overseas investments. It also established the “Lending Principle” to ensure all operations and goals are achieved in line with the Credit Policy, and communicated to as well as strictly adopted by all concerned units.

Additionally, the Bank set up the Risk Appetite and Risk Tolerance limits as a gauge for monitoring credit risk to make sure the risk is contained at an acceptable level.

Credit management

The Bank has developed tools related to credit management as follows:

- **Concentration Limit on the Bank's Lending** is used for managing portfolio concentration. The concentration limit is set on lending per customer, group of customers, industry and country.
- **Customer Risk Rating** consists of **Credit Rating**, which is adopted to all customers in general, and **Credit Scoring**, which is applied to SME customers and new entrepreneurs. These tools are used as a basis for credit consideration and will further be developed as credit risk indicators. The Bank has regularly reviewed and tested these tools for accuracy.
- **Credit Analysis Manual** is aimed at ensuring standardized credit operations.
- **Sectoral Credit Analysis Manual** is used as a guideline for credit analysis for exporters and investors in specific industries which are key to the Bank's portfolio.

- **Risk-based pricing** is a pricing mechanism whereby interest rates are determined by customer's credit rating. By incorporating risk management into day-to-day credit consideration, this practice helps to enhance the Bank's risk-awareness culture.

- **Review of all work regulations and processes associated with the credit process** is made regularly to keep pace with the changing business environment, while retaining a good risk hedging principle.

Loan follow-up

The Bank has adopted the following tools to keep track of the approved loans, as follows:

- **Credit Warning Sign** is a leading indicator that gives early warning of any credit risk to enable the Bank to timely seek remedial and preventive measures before the customers turn into NPLs.

- **Country Warning Sign** is another leading indicator giving early warning of the country risk to ensure the Bank can timely take actions to fend off and mitigate risk.

- **Credit process follow-up** is handled not only by the respective responsible departments, but also by the Bank's Office of Risk Management which periodically reports the results to the Corporate Credit Committee.

- **Loan restructuring follow-up** is handled by the Debt Collection Division and Problem Loan Management Division, and also by the Office of Risk Management which regularly reports the results to the Corporate Credit Committee.

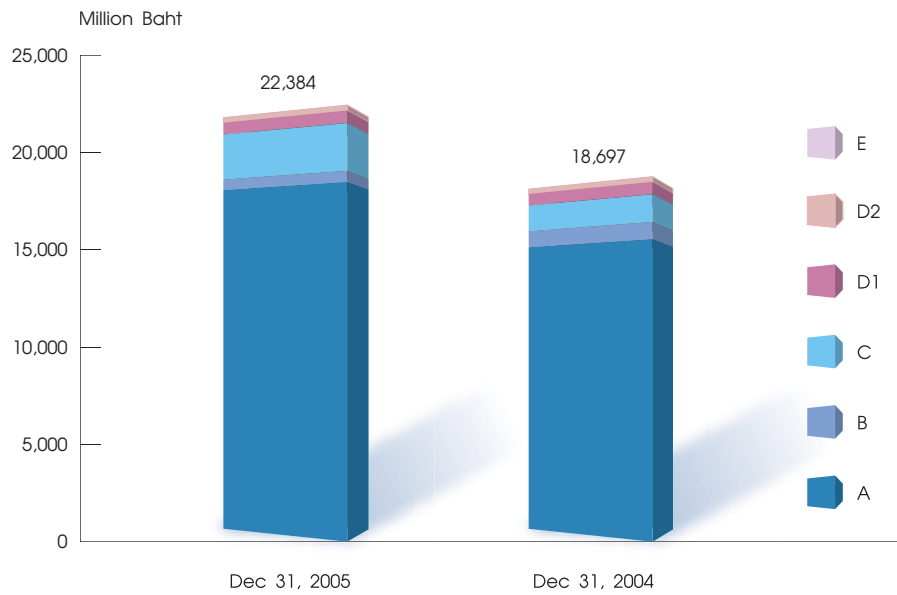
- **Annual review** is set to be made on all loans, with the Office of Risk Management responsible for reporting the loan review results to the Corporate Credit Committee.

Credit review

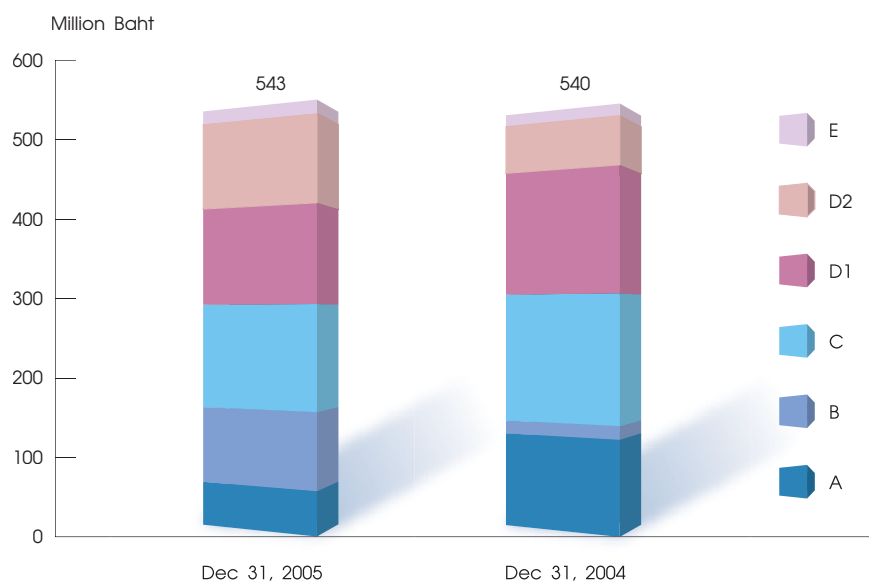
The Office of Risk Management was set up as an independent unit responsible for credit review. It provides opinions regarding risk factors as a basis for loan consideration and approval, performance follow-up, and credit utilization of medium- and large-scale customers and customers deemed to bear high risk.

With respect to export credit insurance, insurance coverage available for D/P, D/A and O/A payment terms totaled 22,384 million baht as of end-2005, whereas buyers' credit under L/C accounted for 543 million baht, covering groups of countries ranging from Group A countries, which carry the lowest risk, to Group E countries, which bear the highest risk, as illustrated below:

Buyers' Credit under D/P, D/A and O/A Classified by Group of Countries



Buyers' Credit under L/C Classified by Group of Countries



Market risk

EXIM Thailand has devised the “Market Risk Management Framework” as a guideline for mitigating market risk, which may impact the Bank’s income or the value of its assets, liabilities and relevant off-balance sheet items. Market risk comprises

- **Foreign exchange rate risk:** The Bank has a policy to hedge against foreign exchange risk so as to maintain the balance of its assets, liabilities and off-balance sheet items.
- **Interest rate risk:** The Bank has formulated the interest rate structure to match the nature of its assets, liabilities and relevant off-balance sheet items. It regularly evaluates the interest rate condition and trend and conducts interest rate sensitivity analysis in various scenarios for the purposes of identifying the impacts under the interest rate risk management policy which sets out risk limits approved by the Board of Directors and undertaking compatible management of assets, liabilities and off-balance sheet items.

Liquidity risk

The Bank has mapped out the “Liquidity Risk Management Framework” as a basis for managing liquidity risk and has determined risk limits for maintaining liquid assets. An independent unit has been set up to handle risk identification and management, separately from the Treasury Department, which is responsible for short- and long-term funding and liquidity management.

Operational risk

EXIM Thailand has formulated the “Operational Risk Management Framework” as a guideline for hedging against operational risk and set out the definitions and types of operational risk. The Bank has adopted the following tools for operational risk hedging:

- **Control Self Assessment:** All units are required to identify risks associated with their working process in order to evaluate the existing risk control and map out an improvement guideline. A review is made on a yearly basis.
- **Loss data collection:** This is a system to compile information on damage already occurring (loss data) or potential damage (near-misses data) of all units.

Additionally, EXIM Thailand is in the process of developing a risk index to keep track of potential risk and, thereby, enable timely control and prevention of any damage. It is also devising a contingency plan to cushion any damage or emergency arising from uncontrollable external factors so as to ensure the Bank’s uninterrupted business operations.

Report of the Audit Committee

The Audit Committee was appointed by the Board of Directors out of three board members who are independent directors, namely Mrs. Swangchit Chaiyawat, as Audit Committee Chairman, Mr. Rachane Potjanasuntorn and Mrs. Anchalee Ooraikul as committee members. It has the duties and responsibilities as prescribed in EXIM Thailand's Regulations pertaining to the Audit Committee to oversee that the Bank operates under good corporate governance principles and practices.

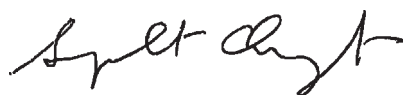
In 2005, the Audit Committee held six meetings and regularly reported the meeting results to the Board of Directors, which can be concluded as follows:

- The Audit Committee reviewed the Bank's quarterly and yearly financial statements before submission to the Board of Directors. It held meetings with the concerned executives, external and internal auditors to consider the appropriateness of accounting principles and policies being adopted, the adequacy of information disclosure, and the comments of the external auditors on the financial statements, as well as consider the independence of the internal and external auditors in performing their duties.

- The Audit Committee considered and reviewed the adequacy and effectiveness of risk management and internal control system through meetings with the concerned executives and internal auditors. In addition, it monitored the Bank's compliance with the regulations and laws relevant to its business operations.

- The Audit Committee considered and approved the audit plan and the review of the audit's charters and audit reports.

Having duly performed the above duties, the Audit Committee concluded that the Bank's financial statements are correct and conformed to the generally accepted accounting standards and information is accurately and completely disclosed in material essence. The Bank's risk management and internal control is adequate, has been improved continually and in compliance with the relevant regulations and laws.



(Mrs. Swangchit Chaiyawat)

Audit Committee Chairman

Financial Statements

and Notes to Financial Statements

| | | | |
|------------------|------------------|------------------|------------------|
| 87,098,196.07 | 452,313,355.95 | 85,988,250.39 | 2,992,682,781.82 |
| 457,008,383.79 | 2,453,271,229.80 | 1,063,713,220.42 | |
| | 1,327,979,851.60 | | |
| 240,969,323.58 | 309,845,119.56 | 854,637,603.66 | |
| 457,008,383.79 | 854,637,603.66 | 253,095,108.24 | |
| 1,664,702,930.22 | 174,441,737.88 | 89,290,352.09 | |
| 16,695,774.72 | 650,724,328.11 | 1,664,702,930.22 | |
| | 41,981,824.85 | | |

Auditor's Report

To: Minister of Finance

The Office of the Auditor General has audited the balance sheets of the Export-Import Bank of Thailand as at December 31, 2005 and 2004, and the related statements of income, changes in capital, and cash flows for the years then ended. 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 express an opinion on these financial statements based on our audits.

The Office of the Auditor General conducted the audits in accordance with generally accepted auditing standards. Those standards require that the Office of the Auditor General plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The Office of the Auditor General believes that the audits provide a reasonable basis for the opinion.

In the opinion of the Office of the Auditor General, the financial statements referred to above present fairly, in all material respects, the financial position of the Export-Import Bank of Thailand as at December 31, 2005 and 2004, and the results of operations, the changes in capital, and the cash flows for the years then ended in accordance with generally accepted accounting principles.

(Signed) *Vilailak Aunyamaneerat*

(Vilailak Aunyamaneerat)

Director of Audit Office

(Signed) *Chawewan Saisuwannakal*

(Chawewan Saisuwannakal)

Auditor-in-charge

Office of the Auditor General

February 14, 2006

Balance Sheets

As at December 31, 2005 and 2004

Unit: Baht

| | Notes | 2005 | 2004 |
|---|-------------|--------------------------|-------------------|
| Assets | | | |
| Cash | | 488,353,248.98 | 549,362,627.64 |
| Interbank and money market items | 4.1 | | |
| Domestic items | | | |
| Interest bearing | | 48,074,583.57 | 18,896,694.14 |
| Non-interest bearing | | 79,427,287.79 | 153,578,784.75 |
| Foreign items | | | |
| Interest bearing | | 8,306,089,986.23 | 1,794,422,110.75 |
| Non-interest bearing | | 246,766,373.05 | 305,555,151.50 |
| Total interbank and money market items - net | | 8,680,358,230.64 | 2,272,452,741.14 |
| Securities purchased under resale agreements | | 1,600,000,000.00 | 400,000,000.00 |
| Investments | 3.7 4.2 | | |
| Current investments - net | | 187,531,488.93 | 997,205,537.13 |
| Long-term investments - net | | 3,065,143,085.61 | 1,274,850,387.75 |
| Total investments - net | | 3,252,674,574.54 | 2,272,055,924.88 |
| Loans and accrued interest receivables | 4.3 | | |
| Loans | 3.1 3.2 3.5 | 59,328,724,280.16 | 48,550,533,293.26 |
| Accrued interest receivables | | 998,568,332.46 | 885,470,523.48 |
| Total loans and accrued interest receivables | | 60,327,292,612.62 | 49,436,003,816.74 |
| Less Allowance for doubtful accounts | 3.3 4.4 | 4,455,336,648.10 | 3,663,110,368.94 |
| Less Revaluation allowance for debt restructuring | 3.4 4.5 | 922,923,649.94 | 740,519,021.54 |
| Total loans and accrued interest receivable - net | | 54,949,032,314.58 | 45,032,374,426.26 |
| Properties foreclosed - net | 3.11 4.7 | 407,850,640.91 | 391,292,081.34 |
| Premises and equipment - net | 3.10 4.8 | 1,051,620,139.05 | 1,038,759,692.33 |
| Derivative Revaluation | 3.9 4.16 | - | 788,480,435.23 |
| Accrued interest receivable not related to loans | | 29,551,646.93 | 11,001,466.86 |
| Prepaid expense | | 9,093,898.26 | 10,137,431.35 |
| Leasehold premises and improvements | | 17,907,014.36 | 14,268,025.69 |
| Other assets - net | 4.9 | 12,446,764.77 | 25,569,787.06 |
| Total assets | | 70,498,888,473.02 | 52,805,754,639.78 |

The Notes to the Financial Statements are an integral part of these statements.

Balance Sheets

As at December 31, 2005 and 2004

Unit: Baht

| | Notes | 2005 | 2004 |
|--|-----------|--------------------------|-------------------|
| Liabilities and Capital | | | |
| Deposits | 4.10 | | |
| Deposits in baht | | 3,838,626,797.89 | 3,926,116,623.76 |
| Deposits in foreign currencies | | 5,019,249,465.58 | 933,579,225.73 |
| Total deposits | | 8,857,876,263.47 | 4,859,695,849.49 |
| Interbank and money market items | 4.11 | | |
| Domestic items | | | |
| Interest bearing | | 8,185,907,900.00 | 3,384,623,847.14 |
| Non-interest bearing | | 3,649,626.60 | 34,302,299.11 |
| Foreign items | | | |
| Interest bearing | | 5,128,131,325.80 | 5,261,873,177.75 |
| Total interbank and money market items | | 13,317,688,852.40 | 8,680,799,324.00 |
| Liability payable on demand | | 18,478,370.86 | 11,845,916.58 |
| Borrowings | 4.12 | | |
| Short-term borrowings | | 670,000,000.00 | 7,700,000,000.00 |
| Long-term borrowings | | 37,560,650,000.00 | 22,350,000,000.00 |
| Total borrowings | | 38,230,650,000.00 | 30,050,000,000.00 |
| Derivative Revaluation | 3.9 4.16 | 900,231,793.93 | - |
| Accrued interest payable | | 500,922,935.60 | 175,331,676.04 |
| Export credit insurance reserve | | 178,562,182.31 | 163,562,271.57 |
| Other liabilities | 4.13 | 165,973,486.78 | 85,689,418.05 |
| Total liabilities | | 62,170,383,885.35 | 44,026,924,455.73 |
| Capital | | | |
| Capital | 4.14 | 6,500,000,000.00 | 6,500,000,000.00 |
| Paid-up capital | | 6,500,000,000.00 | 6,500,000,000.00 |
| Hedging reserve | 3.9 | (686,711,095.83) | 41,965,234.95 |
| Revaluation surplus (deficit) on investments | 3.7 4.2.4 | (4,379,614.81) | 6,278,034.58 |
| Retained earnings | | | |
| Appropriated | | | |
| Legal reserve | | 1,993,353,886.85 | 1,647,000,000.00 |
| Unappropriated | | 526,241,411.46 | 583,586,914.52 |
| Total capital | | 8,328,504,587.67 | 8,778,830,184.05 |
| Total liabilities and capital | | 70,498,888,473.02 | 52,805,754,639.78 |

The Notes to the Financial Statements are an integral part of these statements.

Unit: Baht

| | Notes | 2005 | 2004 |
|--|-----------|--------------------------|-------------------|
| Off-Balance-Sheet Items - Contingencies | 3.12 4.15 | | |
| Liabilities under unmatured import bills | | 788,999,851.33 | 898,757,417.33 |
| Letters of credit | | 3,109,898,431.57 | 977,509,765.16 |
| Export bills insured | | 8,423,593,437.66 | 6,601,305,096.94 |
| Other contingencies | | 60,644,247,423.10 | 64,998,557,123.09 |



(Virabongsa Ramangkura)
Chairman of the Board of Directors



(Sataporn Jinachitra)
President

The Notes to the Financial Statements are an integral part of these statements.

Statements of Income

For the years ended December 31, 2005 and 2004

Unit: Baht

| | Notes | 2005 | 2004 |
|--|---------|-------------------------|------------------|
| Interest and dividend income | 3.1 | | |
| Loans | 3.6 4.6 | 2,453,271,229.80 | 1,694,824,137.98 |
| Interbank and money market items | | 452,313,355.95 | 122,446,380.72 |
| Investments | | 87,098,196.07 | 45,932,192.40 |
| Total interest and dividend income | | 2,992,682,781.82 | 1,863,202,711.10 |
| Interest expense | 3.1 | | |
| Deposits | | 85,988,250.39 | 31,510,258.99 |
| Interbank and money market items | | 424,515,604.91 | 163,515,348.53 |
| Short-term borrowings | | 90,485,854.50 | 77,715,062.53 |
| Long-term borrowings | | 1,063,713,220.42 | 326,080,825.30 |
| Total interest expenses | | 1,664,702,930.22 | 598,821,495.35 |
| Net income from interest and dividends | | 1,327,979,851.60 | 1,264,381,215.75 |
| Bad debt and doubtful accounts | 3.3 | 833,915,419.78 | 832,118,419.71 |
| Loss on debt restructuring | 3.4 | 240,969,323.58 | 177,581,328.51 |
| Net income from interest and dividends after bad debt and doubtful accounts and loss on debt restructuring | | 253,095,108.24 | 254,681,467.53 |
| Non-interest income | | | |
| Gains on investments | | 106,543.69 | 51,505,684.71 |
| Fees and service income | | 309,845,119.56 | 213,035,288.32 |
| Export insurance income | | 162,986,274.31 | 135,164,234.09 |
| Gains on exchanges | 3.8 3.9 | 174,441,737.88 | 149,337,446.52 |
| Gains on sale of properties foreclosed | | 13,059,265.25 | 4,858,180.41 |
| Written-off debt recovered | | 177,502,888.25 | 264,648,841.46 |
| Other income | | 16,695,774.72 | 8,760,226.91 |
| Total non-interest income | | 854,637,603.66 | 827,309,902.42 |
| Non-interest expenses | | | |
| Personnel expenses | | 370,259,465.90 | 322,713,469.18 |
| Premises and equipment expenses | | 89,290,352.09 | 82,737,384.38 |
| Taxes and duties | | 124,498.27 | 126,371.23 |
| Fees and service expenses | | 41,981,824.85 | 39,218,262.84 |
| Expenses on export insurance | | 50,432,035.51 | 44,008,262.72 |
| Directors' remuneration | | 3,151,795.52 | 2,795,908.05 |
| Loss on impairment of properties foreclosed | | 10,008,274.43 | 37,895,127.00 |
| Other expenses | | 85,476,081.54 | 75,263,556.88 |
| Total non-interest expenses | | 650,724,328.11 | 604,758,342.28 |
| Net income | | 457,008,383.79 | 477,233,027.67 |

The Notes to the Financial Statements are an integral part of these statements.

Statements of Changes in Capital

For the years ended December 31, 2005 and 2004

Unit: Baht

| | Capital | Hedging reserve | Revaluation surplus (deficit) on investments | Appropriated retained earnings | Unappropriated retained earnings | Total |
|---|------------------|--------------------|---|--------------------------------------|--|------------------|
| Beginning balance as at | | | | | | |
| January 1, 2004 | 6,500,000,000.00 | 770,103,352.40 | 73,839,442.05 | 1,216,000,000.00 | 789,353,886.85 | 9,349,296,681.30 |
| Hedging reserve | - | (728,138,117.45) | - | - | - | (728,138,117.45) |
| Revaluation deficit on investments | - | - | (67,561,407.47) | - | - | (67,561,407.47) |
| Un-recognized items in income statements | - | (728,138,117.45) | (67,561,407.47) | - | - | (795,699,524.92) |
| Legal reserve | - | - | - | 431,000,000.00 | (431,000,000.00) | - |
| Remittance to the Ministry of Finance | - | - | - | - | (252,000,000.00) | (252,000,000.00) |
| Net income | - | - | - | - | 477,233,027.67 | 477,233,027.67 |
| Ending balance as at | | | | | | |
| December 31, 2004 | 6,500,000,000.00 | 41,965,234.95 | 6,278,034.58 | 1,647,000,000.00 | 583,586,914.52 | 8,778,830,184.05 |
| Beginning balance as at | | | | | | |
| January 1, 2005 | 6,500,000,000.00 | 41,965,234.95 | 6,278,034.58 | 1,647,000,000.00 | 583,586,914.52 | 8,778,830,184.05 |
| Hedging reserve | - | (728,676,330.78) | - | - | - | (728,676,330.78) |
| Revaluation deficit on investments | - | - | (10,657,649.39) | - | - | (10,657,649.39) |
| Un-recognized items in income statements | - | (728,676,330.78) | (10,657,649.39) | - | - | (739,333,980.17) |
| Legal reserve | - | - | - | 346,353,886.85 | (346,353,886.85) | - |
| Remittance to the Ministry of Finance | - | - | - | - | (168,000,000.00) | (168,000,000.00) |
| Net income | - | - | - | - | 457,008,383.79 | 457,008,383.79 |
| Ending balance as at | | | | | | |
| December 31, 2005 | 6,500,000,000.00 | (686,711,095.83) | (4,379,614.81) | 1,993,353,886.85 | 526,241,411.46 | 8,328,504,587.67 |

The Notes to the Financial Statements are an integral part of these statements.

Statements of Cash Flows

For the years ended December 31, 2005 and 2004

Unit: Baht

| | 2005 | 2004 |
|--|----------------------------|--------------------|
| Cash flows from operating activities | | |
| Net income | 457,008,383.79 | 477,233,027.67 |
| Adjustments to reconcile net income (loss) to net cash from operating activities | | |
| Depreciation and amortization | 64,452,092.78 | 59,641,749.67 |
| Bad debt and doubtful accounts | 832,792,939.02 | 831,896,387.05 |
| Loss on debt restructuring | 240,969,323.58 | 177,518,260.05 |
| (Reverse) Interest income from restructured debt | (58,564,695.18) | (44,223,673.00) |
| Written-off debt recovered | (68,392,410.52) | (215,411,328.37) |
| (Gain) on disposal of assets | (2,437,671.33) | (2,047,685.87) |
| (Gain) on sale of properties foreclosed | (13,059,265.25) | (4,858,180.41) |
| Loss on impairment of properties foreclosed | 10,008,274.43 | 37,895,127.00 |
| (Gain) Loss on exchanges | (671,896,398.60) | 76,977,366.57 |
| Derivative revaluation | 27,262,149.59 | (198,109,296.96) |
| (Gain) on sale of investments in securities | (106,543.69) | (51,505,684.71) |
| Amortization of income - discount on bond value | 37,924,542.27 | 39,798,645.91 |
| Provision for contingent liabilities | 4,592,000.00 | (116,000.00) |
| Loss on claims and provision for claims against export credit insurance | 43,609,636.28 | 33,888,782.80 |
| (Increase) Decrease in accrued income | 188,743.22 | (63,353.09) |
| (Increase) in accrued interest and dividend receivable | (116,907,884.98) | (816,448.54) |
| (Increase) Decrease in prepaid expenses | 1,064,116.54 | (648,220.65) |
| Increase in advanced interest income | 15,396,672.10 | 194,381.63 |
| Increase in accrued interest payable | 321,638,611.84 | 73,346,594.62 |
| Increase (Decrease) in other accrued expenses | (2,607,907.16) | 1,867,593.63 |
| Net income from operations before changes in operating assets and liabilities | 1,122,934,708.73 | 1,292,458,045.00 |
| (Increase) Decrease in operating assets | | |
| Interbank and money market items | (6,359,745,721.80) | 1,011,671,149.95 |
| Securities purchased under resale agreements | (1,200,000,000.00) | (400,000,000.00) |
| Loans | (10,034,616,143.85) | (6,614,443,764.04) |
| Properties foreclosed | 103,715,702.52 | 18,158,375.40 |
| Other assets | (49,880,553.83) | (49,530,151.17) |

The Notes to the Financial Statements are an integral part of these statements.

Unit: Baht

| | 2005 | 2004 |
|--|---------------------|--------------------|
| Cash flows from operating activities (continued) | | |
| Increase (Decrease) in operating liabilities | | |
| Deposits | 4,000,282,571.69 | 1,570,529,350.73 |
| Interbank and money market items | 5,808,266,391.19 | (1,268,142,302.88) |
| Liability payable on demand | 6,632,454.28 | 4,421,798.70 |
| Short-term borrowings | (7,030,000,000.00) | 5,562,461,124.46 |
| Other liabilities | (13,166,219.40) | 14,851,784.81 |
| Net cash from operating activities | (13,645,576,810.47) | 1,142,435,410.96 |
| Cash flows from investing activities | | |
| (Increase) in investments in securities | (987,616,233.09) | (835,000,000.00) |
| Proceeds from sale of investments in securities | 356,543.69 | 76,380,402.84 |
| Purchase of premises and equipment | (81,203,970.14) | (91,508,226.68) |
| Proceeds from sale of premises and equipment | 4,204,932.00 | 2,746,388.00 |
| Net cash from investing activities | (1,064,258,727.54) | (847,381,435.84) |
| Cash flows from financing activities | | |
| Increase (Decrease) in long-term borrowings | 14,816,826,159.35 | (350,000,000.00) |
| Remittance to the Ministry of Finance | (168,000,000.00) | (252,000,000.00) |
| Net cash from financing activities | 14,648,826,159.35 | (602,000,000.00) |
| Net (decrease) in cash and cash equivalents | (61,009,378.66) | (306,946,024.88) |
| Cash and cash equivalents as of January 1 | 549,362,627.64 | 856,308,652.52 |
| Cash and cash equivalents as of December 31 | 488,353,248.98 | 549,362,627.64 |
| Supplemental disclosure of cash flows information | | |
| Cash paid during the year | | |
| Interest expense | 1,339,111,670.66 | 527,961,586.40 |

The Notes to the Financial Statements are an integral part of these statements.

Notes to Financial Statements

For the years ended December 31, 2005 and 2004

1. General Information

Export-Import Bank of Thailand (or “the Bank”) was established by the Export-Import Bank of Thailand Act B.E. 2536 (A.D. 1993), which became effective on September 7, 1993, and its amendment by the Export-Import Bank of Thailand Act (No. 2) B.E. 2542 (A.D. 1999), taking effect on December 6, 1999. The Bank’s objectives are 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 imports from Thailand;
- credit and equity financing to support Thai investments overseas;
- export credit insurance services to Thai exporters;
- credits for overseas projects yielding economic returns to Thailand; and
- investment insurance services for overseas investments of Thai investors who have received credits from the Bank.

The Bank’s Head Office is located at 1193 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok. As at December 31, 2005 and 2004, the Bank had a total staffing of 670 and 593 persons, respectively.

2. Basis of Preparation of Financial Statements

The financial statements are prepared in conformity with generally accepted accounting principles as prescribed in the Accounting Act. B.E. 2543 (A.D. 2000) and presented in accordance with the Notification issued by the Bank of Thailand prescribing the forms of balance sheets and statement of profit and loss for commercial banks dated May 10, 2001 and the relevant circular dated July 9, 2001. The financial statements have been prepared in the Thai language as required by Thai law and have been translated into English for the convenience of the readers.

3. Summary of Significant Accounting Policies

3.1 Recognition of Interest Income and Interest Expense

Interest income is recognized on a time proportion basis that reflects the effective yield, while interest income on loans overdue more than three months is recorded on a cash basis.

Interest expense is recognized on an accrual basis.

3.2 Loans

Loans, except bank overdrafts, are reported at the principal amount outstanding excluding accrued

interest receivables. The interest discounted in advance from unrealized loans is reported in other liabilities and recognized as revenue over the period of such loans.

3.3 Allowance for Doubtful Accounts

The Bank provides allowance for doubtful accounts and records it as expense in doubtful accounts. The allowance amount is determined based on the outstanding loan amount, financial status, collateral and repayment capability of the individual borrowers, including borrowers undergoing debt restructuring. The Bank's allowance for doubtful accounts, which is higher than the minimum provisioning requirement set out by the authority, is made based on the classification of loans and repayment capability as well as prudent banking as prescribed by the Bank's delinquency classification rules which are in line with the rules promulgated by the Bank of Thailand.

The Bank does not provide allowance for the unclassified loans which are the loans extended to corporate entities which are commercial banks and loans extended in accordance with the government policy or the cabinet resolution and the risk insurance which are covered against losses under Section 23 and 24 of the Export Import Bank of Thailand Act. B.E. 2536.

Bad debts written off and recovered are deducted from or added to the allowance amount for doubtful accounts, as the case may be.

3.4 Troubled Debt Restructuring

The Bank analyzes borrowers' financial and business status and cash flow projections based on reasonable criteria together with supporting evidence that borrowers are able to honor the debt restructuring agreements.

In the case of the Bank receiving debt repayment by a transfer of assets or ownership interests, the fair value is adopted.

In the case of adjustment to the repayment terms and conditions, the Bank recalculates the fair value of the debt by determining the present value of future expected cash flows in accordance with the adjusted repayment conditions using the Bank's regular interest rate prevailing on the debt restructuring date as the discount rate. The difference between the new fair value and the debt amount is recorded as allowances for revaluation adjustment from debt restructuring and is recognized in the statement of income based on the repayment and the remaining period of the debt restructuring agreement.

The Bank recognizes losses from debt restructuring as expenses in the relevant accounting period.

3.5 Debt Write-off

Since July 1, 2002, the Bank has dropped the policy to write off bad debt accounts that are fully provisioned so as to comply with the Notification issued by the Bank of Thailand regarding worthless or unrecoverable assets and assets that are doubtful of being worthless or unrecoverable. In this respect, no new bad debt accounts are written off while those already written off under aforesaid policy are kept unchanged and

classified as written-off accounts and will not be recognized as charged-off debt accounts. All efforts to recover written-off accounts are made until considered and approved to be charged off by the Board of Directors.

The written-off accounts are fully recognized as expense. The accounts recovered or approved to be upgraded are recognized as income.

3.6 Subsidy from Government

Regarding to the interest subsidized from the government, this interest income is recognized on an accrual basis, which interest income on loans is shown in the statement of income.

3.7 Investments in Securities

The Bank classifies investments in debt instruments and marketable equity securities in accordance with the Thai Accounting Standard No. 40, Accounting for Debt Instruments and Equity Securities.

- Available-for-sale investments are stated at fair value and gains or losses arising from their revaluation are separately stated in the Capital section and are charged to the statement of income when such investments are disposed of.

- Held-to-maturity debt instruments are stated at amortized cost. Amortization of premium/discount is computed by using the effective interest yield method.

- General investments are stated at cost.

3.8 Translation of Foreign Currencies

Assets and liabilities denominated in foreign currencies, including all forward foreign exchange contracts, are translated into Baht at quoted exchange rates prevailing on the date of the transaction which are in line with the domestic foreign exchange market. At the balance sheet date, all such outstanding are translated into Baht at the reference foreign exchange rates announced by the Bank of Thailand at the end of year. Recognition of gains or losses incurred by the translation is included into the total gains or losses on exchange for that year.

3.9 Financial Derivatives and Hedge Accounting

The Bank has adopted an accounting policy regarding financial derivatives in compliance with the International Accounting Standard No. 39, Financial Instruments: Recognition and Measurement.

Recognition:

As of the date of the agreements associated with the financial derivatives, the Bank records them as assets or liabilities at the fair value.

Financial risk management is divided into three hedging groups:

- a. Fair value hedge;
- b. Cash flow hedge;
- c. Net investment in foreign entity hedge.

After that, the Bank recognizes fair value revaluation changes of those financial instruments as gains or losses in the Bank's statement of income or as part of the capital account hedging reserve account shown in the Bank's balance sheet in conformity with the specified accounting principles.

For trading financial derivatives, the fair value revaluation changes are recognized as gains or losses in the statement of income.

Fair Value of the Financial Derivatives:

Net fair value is the net financial amount which the Bank anticipates to pay or receive in exchanging or settling the financial derivatives at any specified time. The Bank computes the net fair value by determining the present value, using various quoted market prices such as interest rates or currency exchange rates in the computation of discounted cash flows, except for the derivatives that are options which will be computed by the generally accepted option valuation methods.

3.10 Premises and Equipment-Net

Premises and equipment are reported at cost less accumulated depreciation and amortization with the exception of those cost not over Baht 3,000 which are charged to expenses in the statement of income for the accounting period that they are acquired.

Buildings and equipment are depreciated on a straight-line basis over their useful lives, which are as follows:

- | | | |
|-------------------------|----|-------|
| • Buildings | 30 | years |
| • Buildings improvement | 10 | years |
| • Equipment | 5 | years |

3.11 Properties Foreclosed

Properties foreclosed consist of movable and immovable assets acquired and are reported at fair value. Losses incurred from periodic valuation are recognized as losses on asset valuation.

When properties foreclosed are disposed of, the Bank recognizes such gains or losses as income or expenses.

3.12 Contingent Liabilities from Export Credit Insurance Services

The services related to export credit insurance are reported under the significant contingent liabilities caption of the balance sheet as export bills insured. Any payment of insurance claims is recorded as insurance claims receivable and will subsequently be recovered from foreign buyers.

The Bank would make provisioning rules for export credit insurance claims receivable as follows:

3.12.1 The Bank has set provisioning rules for the total export credit insurance claims receivable.

The Bank would make provisions quarterly as follows:

- 20% of the total insurance claims receivable aged under three months.
- 50% of the total insurance claims receivable aged between three and six months.

- 75% of the total insurance claims receivable aged between seven and nine months.
- 100% of the total insurance claims receivable aged between ten and twelve months.

In case of any losses under the export credit insurance services which may affect the Bank's operations and/or total required capital, the Bank will request a loss compensation from the Ministry of Finance as stated in Section 24 of the Export-Import Bank of Thailand Act B.E. 2536.

3.12.2 The Bank would make provisions for future claims against the Export Credit Insurance policies at the rate of at least 2% of the outstanding Export Credit Insurance policies at the end of every six-month period, that is end of June and end of December. If the computed target level of provisions for future claims of any period is lower than the book balance, the Bank will continue to strengthen the provisions at the rate of 0.1% of the outstanding Export Credit Insurance policies.

3.13 Leasehold Rights

Leasehold rights are recognized as expenses by amortized on a straight-line basis over the lease period.

3.14 Staff Provident Fund

Contributions to the employee provident fund are made under the provisions of "The Staff Provident Fund of Export-Import Bank of Thailand Already Registered", which has been registered as a legal entity and managed by Krungdhep Thanathon Asset Management Company Limited, the selected fund manager.

3.15 Appropriation of Annual Net Income

The Bank appropriates no less than half of the annual net profit as a reserve for its operations while the remainder of the net profit is appropriated to the capital fund and/or remitted to the Ministry of Finance.

4. Additional Information

4.1 Interbank and Money Market Items (Assets)

4.1.1 Domestic Items

Unit: Million Baht

| | 2005 | | | 2004 | | |
|------------------------------|---------|------|--------|---------|------|--------|
| | At call | Term | Total | At call | Term | Total |
| Commercial banks | 127.50 | - | 127.50 | 172.48 | - | 172.48 |
| Other banks | - | - | - | - | - | - |
| Other financial institutions | - | - | - | - | - | - |
| Total domestic items | 127.50 | - | 127.50 | 172.48 | - | 172.48 |
| <u>Add</u> Accrued interest | | | | | | |
| receivables | - | - | - | - | - | - |
| Total | 127.50 | - | 127.50 | 172.48 | - | 172.48 |

4.1.2 Foreign Items

Unit: Million Baht

| | 2005 | | | 2004 | | |
|----------------------------------|----------|----------|----------|----------|--------|----------|
| | At call | Term | Total | At call | Term | Total |
| US Dollars | 3,385.22 | 5,031.20 | 8,416.42 | 1,285.40 | 713.98 | 1,999.38 |
| Yen | 42.84 | - | 42.84 | 31.15 | - | 31.15 |
| Euro | 32.11 | - | 32.11 | 25.62 | - | 25.62 |
| Other currencies | 47.32 | - | 47.32 | 42.34 | - | 42.34 |
| Total foreign items | 3,507.49 | 5,031.20 | 8,538.69 | 1,384.51 | 713.98 | 2,098.49 |
| Add Accrued interest receivables | 11.35 | 2.82 | 14.17 | 1.45 | 0.03 | 1.48 |
| Total | 3,518.84 | 5,034.02 | 8,552.86 | 1,385.96 | 714.01 | 2,099.97 |
| Total domestic and foreign items | 3,646.34 | 5,034.02 | 8,680.36 | 1,558.44 | 714.01 | 2,272.45 |

As at December 31, 2005 and 2004, the interbank and money market items (assets) included unclassified loans of Baht 472.36 million and Baht 714.01 million respectively. Such loans are loans extended to corporate entities which are commercial banks, and loans extended in accordance with the government policy or the cabinet resolution and the risk insurance which are covered against losses under Sections 23 and 24 of the Export-Import Bank of Thailand Act B.E. 2536.

4.2 Investments

4.2.1 Current Investments

Unit: Million Baht

| | 2005 | | 2004 | |
|---|-------------------------------------|---------------|-------------------------------------|---------------|
| | Cost Value/ Amortized Cost Value | Fair Value | Cost Value/ Amortized Cost Value | Fair Value |
| (1) Available-for-sale investments | | | | |
| Government and state enterprises securities | - | - | 799.49 | 796.80 |
| Add Allowance for revaluation | - | - | (2.69) | - |
| Total | - | - | 796.80 | 796.80 |
| (2) Held-to-maturity debt instruments | | | | |
| Government and state enterprises securities | 185.86 | | 200.40 | |
| Add Allowance for revaluation | 1.67 | | 0.01 | |
| Total | 187.53 | | 200.41 | |
| Total current investments - net | 187.53 | | 997.21 | |

4.2.2 Long-term Investments

Unit: Million Baht

| | 2005 | | 2004 | |
|--|-------------------------------------|---------------|-------------------------------------|---------------|
| | Cost Value/ Amortized Cost Value | Fair Value | Cost Value/ Amortized Cost Value | Fair Value |
| (1) Available-for-sale investments | | | | |
| Government and state enterprises securities | 68.86 | 67.65 | 791.60 | 782.72 |
| Domestic marketable equity securities - listed securities | 1.07 | 1.07 | 1.32 | 1.37 |
| Total | 69.93 | 68.72 | 792.92 | 784.09 |
| <u>Add</u> Allowance for revaluation | (1.21) | - | (8.83) | - |
| Total | 68.72 | 68.72 | 784.09 | 784.09 |
| (2) Held-to-maturity debt instruments | | | | |
| Government and state enterprises securities | 2,889.94 | | 428.36 | |
| Private enterprises debt instruments | 110.84 | | 44.26 | |
| Total | 3,000.78 | | 472.62 | |
| <u>Add</u> Allowance for revaluation | (4.84) | | 17.79 | |
| Total | 2,995.94 | | 490.41 | |
| (3) General investments | | | | |
| Domestic non-marketable equity securities | 0.07 | | 0.07 | |
| Other | 0.41 | | 0.28 | |
| Total | 0.48 | | 0.35 | |
| Total long-term investments - net | 3,065.14 | | 1,274.85 | |

4.2.3 Time to Maturity of Debt Instruments

Unit: Million Baht

| | 2005 | | | 2004 | | |
|---|------------------|----------------|----------|------------------|----------------|----------|
| | Time to maturity | | Total | Time to maturity | | Total |
| | 1 year | Over 1-5 years | | 1 year | Over 1-5 years | |
| Available-for-sale investments | | | | | | |
| Government and state enterprises securities | - | 68.86 | 68.86 | 799.49 | 791.60 | 1,591.09 |
| Private enterprises debt instruments | - | - | - | - | - | - |
| Total | - | 68.86 | 68.86 | 799.49 | 791.60 | 1,591.09 |
| <u>Add</u> Allowance for revaluation | - | (1.21) | (1.21) | (2.69) | (8.88) | (11.57) |
| Total | - | 67.65 | 67.65 | 796.80 | 782.72 | 1,579.52 |
| Held-to-maturity debt instruments | | | | | | |
| Government and state enterprises securities | 185.86 | 2,889.94 | 3,075.80 | 200.40 | 428.36 | 628.76 |
| Private enterprises debt instruments | - | 110.84 | 110.84 | - | 44.26 | 44.26 |
| Total | 185.86 | 3,000.78 | 3,186.64 | 200.40 | 472.62 | 673.02 |
| <u>Add</u> Allowance for revaluation | 1.67 | (4.84) | (3.17) | 0.01 | 17.79 | 17.80 |
| Total | 187.53 | 2,995.94 | 3,183.47 | 200.41 | 490.41 | 690.82 |
| Total debt instruments | 187.53 | 3,063.59 | 3,251.12 | 997.21 | 1,273.13 | 2,270.34 |

4.2.4 Revaluation Surplus (Deficit) on Investments

Unit: Million Baht

| | 2005 | 2004 |
|--|--------|------|
| Revaluation surplus (deficit) on investments | | |
| Debt instruments | (4.38) | 6.23 |
| Equity securities | - | 0.05 |
| Total | (4.38) | 6.28 |

4.3 Loans and Accrued Interest Receivables

4.3.1 Classified by Type of Loan

Unit: Million Baht

| | 2005 | 2004 |
|--|-----------|-----------|
| Overdraft loans | 443.06 | 347.76 |
| Domestic loans - customers | 44,075.00 | 35,092.00 |
| - export bill negotiation | 1,638.19 | 1,475.86 |
| - staff loans | 159.65 | 158.84 |
| Foreign loans - foreign government agencies | 5,918.50 | 5,021.76 |
| - foreign investors | 7,094.32 | 6,454.31 |
| Total | 59,328.72 | 48,550.53 |
| Add Accrued interest receivables | 998.57 | 885.47 |
| Total loans and accrued interest receivables | 60,327.29 | 49,436.00 |
| Less Allowance for doubtful accounts | 4,455.34 | 3,663.11 |
| Revaluation allowance for debt restructuring | 922.92 | 740.52 |
| Total | 54,949.03 | 45,032.37 |

4.3.2 Classified by Maturity of Contracts (Excluding Accrued Interest Receivables)

Unit: Million Baht

| | 2005 | 2004 |
|----------------|-----------|-----------|
| Within 1 year* | 33,880.49 | 27,932.80 |
| Over 1 year | 25,448.23 | 20,617.73 |
| Total | 59,328.72 | 48,550.53 |

* Including loans without contract and those with contract expired.

4.3.3 Classified by Currencies and Residency of Borrowers (Excluding Accrued Interest Receivables)

Unit: Million Baht

| | 2005 | | | 2004 | | |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Domestic | Foreign | Total | Domestic | Foreign | Total |
| Baht | 36,412.93 | 2,809.45 | 39,222.38 | 29,952.81 | 1,252.82 | 31,205.63 |
| US Dollars | 9,297.81 | 10,174.19 | 19,472.00 | 6,774.59 | 10,223.26 | 16,997.85 |
| Other currencies | 605.16 | 29.18 | 634.34 | 347.05 | - | 347.05 |
| Total | 46,315.90 | 13,012.82 | 59,328.72 | 37,074.45 | 11,476.08 | 48,550.53 |

4.3.4 Classified by Loan Classification

Unit: Million Baht

| | 2005 | | | |
|--|--|--|----------------------------|---------------------------------|
| | Loans and accrued interest receivables | Outstanding debt after deduction of collateral value | Minimum provision rate (%) | Allowance for doubtful accounts |
| Pass | 45,865.74 | 45,160.58 | 1 | 451.61 |
| Special mention | 933.57 | 933.57 | 2 | 18.67 |
| Sub-Standard | 992.49 | 933.92 | 20 | 186.78 |
| Doubtful | 598.34 | 170.44 | 50 | 85.22 |
| Doubtful of Loss | 4,829.09 | 3,221.41 | 100 | 3,221.41 |
| Total | 53,219.23 | 50,419.92 | | 3,963.69 |
| Allowance for doubtful accounts based on restructured debt quality | | | | 97.50 |
| Excess allowance for doubtful accounts over minimum provision required | | | | 394.15 |
| Allowance for doubtful accounts based on debt service ability and debt quality | | | | |
| as at December 31, 2005 | | | | 4,455.34 |

| | 2004 | | | |
|--|--|--|----------------------------|---------------------------------|
| | Loans and accrued interest receivables | Outstanding debt after deduction of collateral value | Minimum provision rate (%) | Allowance for doubtful accounts |
| Pass | 38,390.71 | 37,784.88 | 1 | 377.85 |
| Special mention | 295.81 | 295.81 | 2 | 5.92 |
| Sub-Standard | 570.59 | 255.02 | 20 | 51.00 |
| Doubtful | 766.65 | 513.74 | 50 | 256.87 |
| Doubtful of Loss | 3,568.04 | 2,212.61 | 100 | 2,212.61 |
| Total | 43,591.80 | 41,062.06 | | 2,904.25 |
| Allowance for doubtful accounts based on restructured debt quality | | | | 166.70 |
| Excess allowance for doubtful accounts over minimum provision required | | | | 592.16 |
| Allowance for doubtful accounts based on debt service ability and debt quality | | | | |
| as at December 31, 2004 | | | | 3,663.11 |

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.

Unclassified loans are loans extended to corporate entities which are commercial banks and loans extended in accordance with the government policy or the cabinet resolution and the risk insurance which are covered against losses under Sections 23 and 24 of the Export-Import Bank of Thailand Act B.E. 2536.

Unit: Million Baht

| Loans | 2005 | | 2004 | |
|----------------------|--|--|--|--|
| | Loans and accrued interest receivables | As % of loans and accrued interest receivables | Loans and accrued interest receivables | As % of loans and accrued interest receivables |
| Non-performing loans | 6,419.92 | 10.64 | 4,905.27 | 9.92 |
| Unclassified loans | 7,108.06 | 11.78 | 5,844.20 | 11.82 |

In 2005 and 2004, 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. 34, as follows:

Unit: Million Baht

| Restructured debts | 2005 | | | 2004 | | |
|--------------------|-------|----------|--|-------|----------|--|
| | Cases | Amount | As % of loans and accrued interest receivables | Cases | Amount | As % of loans and accrued interest receivables |
| Succeeded | 86 | 855.59 | 1.42 | 75 | 2,198.73 | 4.45 |
| Underway | - | - | - | 13 | 227.12 | 0.46 |
| Outstanding | | | | | | |
| • Normal | 31 | 3,845.62 | 6.37 | 34 | 3,634.25 | 7.35 |
| • Underway | 103 | 1,679.36 | 2.78 | 55 | 1,504.84 | 3.05 |

In 2005 and 2004, the Bank restructured debts as follows:

Unit: Million Baht

| Types of Restructuring | 2005 | | | | | |
|-------------------------------------|-------|----------------------|---------------------|-------------------------|--------------------|------------|
| | Cases | The Outstanding Debt | | | Transferred Assets | |
| | | Before Restructuring | After Restructuring | As at December 31, 2005 | Types | Fair Value |
| Change of repayment conditions | | | | | | |
| Terms of debt restructuring | | | | | | |
| Agreements | | | | | | |
| • Less than 5 years | 75 | 546.10 | 546.10 | 439.46 | | |
| • 5 to 10 years | 9 | 285.08 | 285.08 | 312.32 | | |
| • Over 10 years | - | - | - | - | | |
| Debt restructuring in various forms | | | | | | |
| Terms of debt restructuring | | | | | | |
| Agreements | | | | | | |
| • Less than 5 years | 1 | 5.60 | 5.60 | 1.90 | Land, Premises | 8.03 |
| • 5 to 10 years | 1 | 18.81 | 18.81 | 9.37 | Land, Premises | 4.08 |
| • Over 10 years | - | - | - | - | | - |
| Total | 86 | 855.59 | 855.59 | 763.05 | | 12.11 |

Unit: Million Baht

| Types of Restructuring | 2004 | | | | | |
|-------------------------------------|-------|----------------------|---------------------|-------------------------|---------------------------|------------|
| | Cases | The Outstanding Debt | | | Transferred Assets | |
| | | Before Restructuring | After Restructuring | As at December 31, 2004 | Types | Fair Value |
| Change of repayment conditions | | | | | | |
| Terms of debt restructuring | | | | | | |
| Agreements | | | | | | |
| • Less than 5 years | 53 | 867.55 | 867.55 | 652.10 | | |
| • 5 to 10 years | 17 | 1,048.65 | 1,048.65 | 1,000.82 | | |
| • Over 10 years | - | - | - | - | | |
| Debt restructuring in various forms | | | | | | |
| Terms of debt restructuring | | | | | | |
| Agreements | | | | | | |
| • Less than 5 years | 2 | 216.34 | 216.34 | 89.87 | Land, Premises | 96.75 |
| • 5 to 10 years | 3 | 66.19 | 66.19 | 29.71 | Land, Premises, Machinery | 50.08 |
| • Over 10 years | - | - | - | - | | - |
| Total | 75 | 2,198.73 | 2,198.73 | 1,772.50 | | 146.83 |

The bank recognized interest income from debt restructuring as follow:

Unit: Million Baht

| | 2005 | 2004 |
|---|--------|--------|
| Interest income from debt restructuring | 197.85 | 243.37 |

As at December 31, 2005 and 2004, the Bank has commitments to extend additional loans to these borrowers for the amount of Baht 98.27 million and Baht 83.58 million, respectively.

In 2005 and 2004, the outstanding debt before the restructuring compared to the outstanding loans and accrued interest receivable are as follows:

Unit: Million Baht

| | 2005 | | 2004 | |
|--|-------|-----------|-------|-----------|
| | Cases | Amount | Cases | Amount |
| Restructured debt | 86 | 855.59 | 75 | 2,198.73 |
| Loans and accrued interest receivables | 1,467 | 60,327.29 | 1,321 | 49,436.00 |

In 2005 and 2004, the loss from the debt restructuring in the amount of Baht 240.97 million and Baht 177.58 million respectively, which was already recognized in full.

In 2005 and 2004, the Bank wrote off bad debts in the amount of Baht 477.94 million and Baht 97.34 million, of which Baht 433.90 million and Baht 4.52 million respectively were written-off accounts.

Based on the debt write-off policy and already dropped by the Bank, the outstanding balance of written-off accounts as of December 31, 2005 and 2004, which have not yet been recorded in the financial statements were Baht 1,798.45 million and Baht 2,360.84 million respectively.

4.4 Allowance for Doubtful Accounts

Unit: Million Baht

| | 2005 | | | | | | | |
|-----------------------|--------|--------------------|------------------|----------|---------------------|----------------------|---------------------|----------|
| | Pass | Special mention | Sub- Standard | Doubtful | Doubtful of loss | Restructured debt | Excess allowance | Total |
| Beginning balance | 377.85 | 5.92 | 51.00 | 256.87 | 2,212.61 | 166.70 | 592.16 | 3,663.11 |
| Doubtful accounts | 73.76 | 12.75 | 135.78 | (171.65) | 1,015.63 | (69.20) | (198.01) | 799.06 |
| Bad debts recovered | - | - | - | - | - | - | - | - |
| Bad debts written off | - | - | - | - | (6.83) | - | - | (6.83) |
| Others | - | - | - | - | - | - | - | - |
| Ending balance | 451.61 | 18.67 | 186.78 | 85.22 | 3,221.41 | 97.50 | 394.15 | 4,455.34 |

| | 2004 | | | | | | | |
|-----------------------|--------|--------------------|------------------|----------|---------------------|----------------------|---------------------|----------|
| | Pass | Special mention | Sub- Standard | Doubtful | Doubtful of loss | Restructured debt | Excess allowance | Total |
| Beginning balance | 327.72 | 3.18 | 24.77 | 96.09 | 1,819.44 | 289.27 | 355.83 | 2,916.30 |
| Doubtful accounts | 50.13 | 2.74 | 26.23 | 160.78 | 447.67 | (122.17) | 236.33 | 801.71 |
| Bad debts recovered | - | - | - | - | - | - | - | - |
| Bad debts written off | - | - | - | - | (54.50) | (0.40) | - | (54.90) |
| Others | - | - | - | - | - | - | - | - |
| Ending balance | 377.85 | 5.92 | 51.00 | 256.87 | 2,212.61 | 166.70 | 592.16 | 3,663.11 |

As at December 31, 2005 and 2004, the Bank's allowance for doubtful accounts on loans accounted for Baht 4,455.34 million and Baht 3,663.11 million, respectively, which was greater than the minimum provisioning requirement based on debt service ability and debt quality set out by the Bank of Thailand because the Bank considered the allowance on a prudent banking basis.

4.5 Revaluation Allowance for Debt Restructuring

Unit: Million Baht

| | 2005 | 2004 |
|-------------------|--------|--------|
| Beginning balance | 740.52 | 607.10 |
| Increase | 282.28 | 288.88 |
| Decrease | 99.88 | 155.46 |
| Ending balance | 922.92 | 740.52 |

4.6 Subsidy from Government

The government subsidized the Bank in order to compensate for the difference between the interest rate receiving from Myanmar government (3%) and cost of fund of the Bank. However, it does not cover the expenditure of the project. The project is funding for buying machine for the sake of developing Myanmar.

In 2005, such supporting from government is recognized as interest income amounting to Baht 17.32 million.

4.7 Properties Foreclosed

Unit: Million Baht

| Type of properties foreclosed | 2005 | | | |
|--|-------------------|----------|----------|----------------|
| | Beginning balance | Increase | Disposal | Ending balance |
| Properties obtained from debt settlement | | | | |
| • Immovable properties | 560.49 | 117.24 | 98.44 | 579.29 |
| • Movable properties | 3.60 | - | 3.60 | - |
| • Inventory | - | - | - | - |
| Others | - | - | - | - |
| Total properties foreclosed | 564.09 | 117.24 | 102.04 | 579.29 |
| <u>Less</u> Allowance for impairment | 172.80 | 10.00* | 11.36 | 171.44 |
| Total properties foreclosed-net | 391.29 | 107.24 | 90.68 | 407.85 |

* Allowance for impairment is derived from the beginning balance of the foreclosed properties and the increased portion.

| Type of properties foreclosed | 2004 | | | |
|--|-------------------|----------|----------|----------------|
| | Beginning balance | Increase | Disposal | Ending balance |
| Properties obtained from debt settlement | | | | |
| • Immovable properties | 404.25 | 190.45 | 34.21 | 560.49 |
| • Movable properties | - | 3.60 | - | 3.60 |
| • Inventory | - | - | - | - |
| Others | - | - | - | - |
| Total properties foreclosed | 404.25 | 194.05 | 34.21 | 564.09 |
| <u>Less</u> Allowance for impairment | 138.79 | 37.90* | 3.89 | 172.80 |
| Total properties foreclosed-net | 265.46 | 156.15 | 30.32 | 391.29 |

* Allowance for impairment is derived from the beginning balance of the foreclosed properties and the increased portion.

4.8 Premises and Equipment

Unit: Million Baht

| | 2005 | | | | | | | | |
|---------------------------------|-------------------|----------|----------|----------------|--------------------------|--------------|----------|----------------|----------------------------|
| | Cost | | | | Accumulated depreciation | | | | Net premises and equipment |
| | Beginning balance | Increase | Disposal | Ending balance | Beginning balance | Depreciation | Disposal | Ending balance | |
| Land | 381.27 | - | - | 381.27 | - | - | - | - | 381.27 |
| Buildings | | | | | | | | | |
| • Buildings | 662.07 | - | - | 662.07 | 174.47 | 22.07 | - | 196.54 | 465.53 |
| • Buildings improvement | 100.84 | 16.79 | 10.12 | 107.51 | 51.97 | 10.11 | 8.50 | 53.58 | 53.93 |
| Equipment | | | | | | | | | |
| • Office equipment and fixtures | 207.99 | 30.47 | 10.09 | 228.37 | 174.41 | 16.10 | 9.94 | 180.57 | 47.80 |
| • Vehicles | 60.45 | 23.75 | 14.36 | 69.84 | 35.22 | 11.22 | 14.36 | 32.08 | 37.76 |
| Assets under construction* | 62.21 | 23.30 | 20.18 | 65.33 | - | - | - | - | 65.33 |
| Total | 1,474.83 | 94.31 | 54.75 | 1,514.39 | 436.07 | 59.50 | 32.80 | 462.77 | 1,051.62 |

* Assets under construction-disposal are assets recognized during the year.

Unit: Million Baht

| | 2004 | | | | | | | | |
|---------------------------------|-------------------|----------|----------|----------------|--------------------------|--------------|----------|----------------|----------------------------|
| | Cost | | | | Accumulated depreciation | | | | Net premises and equipment |
| | Beginning balance | Increase | Disposal | Ending balance | Beginning balance | Depreciation | Disposal | Ending balance | |
| Land | 381.27 | - | - | 381.27 | - | - | - | - | 381.27 |
| Buildings | | | | | | | | | |
| • Buildings | 662.13 | - | 0.06 | 662.07 | 152.42 | 22.06 | 0.01 | 174.47 | 487.60 |
| • Buildings improvement | 96.23 | 5.76 | 1.15 | 100.84 | 42.89 | 9.72 | 0.64 | 51.97 | 48.87 |
| Equipment | | | | | | | | | |
| • Office equipment and fixtures | 204.97 | 12.60 | 9.58 | 207.99 | 168.49 | 15.37 | 9.45 | 174.41 | 33.58 |
| • Vehicles | 49.97 | 17.95 | 7.47 | 60.45 | 34.80 | 7.89 | 7.47 | 35.22 | 25.23 |
| Assets under construction* | - | 70.31 | 8.10 | 62.21 | - | - | - | - | 62.21 |
| Total | 1,394.57 | 106.62 | 26.36 | 1,474.83 | 398.60 | 55.04 | 17.57 | 436.07 | 1,038.76 |

* Assets under construction-disposal are assets recognized during the year.

4.9 Other Assets

Unit: Million Baht

| | 2005 | 2004 |
|---|---------|---------|
| Revenues receivables | 0.43 | 0.62 |
| Insurance claims receivables | 39.74 | 51.35 |
| Allowance for insurance claim receivables | (39.11) | (31.30) |
| Advance deposits | 3.59 | 3.45 |
| Others | 7.80 | 1.45 |
| Total | 12.45 | 25.57 |

4.10 Deposits

4.10.1 Classified by Type of Deposit

Unit: Million Baht

| | 2005 | 2004 |
|---------------------------------|----------|----------|
| Current | 5,497.70 | 1,523.94 |
| Savings | 37.78 | 330.73 |
| Term | | |
| • Less than 6 months | 393.77 | 498.54 |
| • 6 months and less than 1 year | 26.07 | 26.79 |
| • 1 year and over 1 year | 2,902.56 | 2,479.70 |
| Total | 8,857.88 | 4,859.70 |

4.10.2 Classified by Maturity of Contracts

Unit: Million Baht

| | 2005 | 2004 |
|----------------|----------|----------|
| Within 1 year* | 8,857.88 | 4,859.70 |
| Over 1 year | - | - |
| Total | 8,857.88 | 4,859.70 |

* Inclusive of expired contracts.

4.10.3 Classified by Currencies and Residency of Depositors

Unit: Million Baht

| | 2005 | | | 2004 | | |
|------------------|----------|---------|----------|----------|---------|----------|
| | Domestic | Foreign | Total | Domestic | Foreign | Total |
| Baht | 3,834.82 | 3.81 | 3,838.63 | 3,924.16 | 1.96 | 3,926.12 |
| US Dollars | 4,678.59 | 286.35 | 4,964.94 | 629.88 | 256.47 | 886.35 |
| Other currencies | 8.31 | 46.00 | 54.31 | 8.29 | 38.94 | 47.23 |
| Total | 8,521.72 | 336.16 | 8,857.88 | 4,562.33 | 297.37 | 4,859.70 |

4.11 Interbank and Money Market Items (Liabilities)

4.11.1 Domestic Items

Unit: Million Baht

| | 2005 | | |
|--|-------------|-----------------|-----------------|
| | At call | Term | Total |
| Bank of Thailand | - | 1,547.91 | 1,547.91 |
| Commercial banks | 3.64 | - | 3.64 |
| Other banks | - | 2,000.00 | 2,000.00 |
| Finance companies, finance and securities companies, securities companies and credit fonciers | 0.01 | - | 0.01 |
| Other financial institutions | - | 3,938.00 | 3,938.00 |
| Others | - | 700.00 | 700.00 |
| Total domestic items | 3.65 | 8,185.91 | 8,189.56 |

| | 2004 | | |
|--|--------------|-----------------|-----------------|
| | At call | Term | Total |
| Bank of Thailand | - | 944.62 | 944.62 |
| Commercial banks | 34.29 | 440.00 | 474.29 |
| Other banks | - | 2,000.00 | 2,000.00 |
| Finance companies, finance and securities companies, securities companies and credit fonciers | 0.02 | - | 0.02 |
| Other financial institutions | - | - | - |
| Others | - | - | - |
| Total domestic items | 34.31 | 3,384.62 | 3,418.93 |

4.11.2 Foreign Items

Unit: Million Baht

| | 2005 | | |
|---|---------------|------------------|------------------|
| | At call | Term | Total |
| US Dollars | 678.93 | 1,848.20 | 2,527.13 |
| Yen | - | 2,543.49 | 2,543.49 |
| Other currencies | 57.51 | - | 57.51 |
| Total foreign items | 736.44 | 4,391.69 | 5,128.13 |
| Total domestic and foreign items | 740.09 | 12,577.60 | 13,317.69 |

Unit: Million Baht

| | 2004 | | |
|----------------------------------|---------|----------|----------|
| | At call | Term | Total |
| US Dollars | 750.29 | 1,765.51 | 2,515.80 |
| Yen | - | 2,746.07 | 2,746.07 |
| Other currencies | - | - | - |
| Total foreign items | 750.29 | 4,511.58 | 5,261.87 |
| Total domestic and foreign items | 784.60 | 7,896.20 | 8,680.80 |

4.12 Borrowings

Unit: Million Baht

| | 2005 | | |
|--|-----------|----------|-----------|
| | Domestic | Foreign | Total |
| Short-term borrowings | | | |
| • Export-Import Bank of Thailand bonds | - | - | - |
| • Others | 670.00 | - | 670.00 |
| Total short-term borrowings | 670.00 | - | 670.00 |
| Long-term borrowings | | | |
| • Export-Import Bank of Thailand bonds | 27,500.00 | 6,160.65 | 33,660.65 |
| • Others | 3,900.00 | - | 3,900.00 |
| Total long-term borrowings | 31,400.00 | 6,160.65 | 37,560.65 |
| Total borrowings | 32,070.00 | 6,160.65 | 38,230.65 |

| | 2004 | | |
|--|-----------|---------|-----------|
| | Domestic | Foreign | Total |
| Short-term borrowings | | | |
| • Export-Import Bank of Thailand bonds | 5,000.00 | - | 5,000.00 |
| • Others | 2,700.00 | - | 2,700.00 |
| Total short-term borrowings | 7,700.00 | - | 7,700.00 |
| Long-term borrowings | | | |
| • Export-Import Bank of Thailand bonds | 20,500.00 | - | 20,500.00 |
| • Others | 1,850.00 | - | 1,850.00 |
| Total long-term borrowings | 22,350.00 | - | 22,350.00 |
| Total borrowings | 30,050.00 | - | 30,050.00 |

The details of the long-term borrowings of Baht 37,560.65 million and Baht 22,350 million are as follows:

Unit: Million Baht

| Lender | Tenor (years) | Maturity (year) | Interest rate (% per annum) | 2005 | 2004 |
|-----------------------|---------------|-----------------|--------------------------------|-----------|-----------|
| EXIM Thailand bonds | 3-5 | 2007-2010 | 2.43-5.50 | 27,500.00 | 20,500.00 |
| Debt Instrument (FRN) | 5 | 2010 | LIBOR+0.20 | 6,160.65 | - |
| Others | 2-7 | 2007-2010 | 2.45-4.55 | 3,900.00 | 1,850.00 |
| Total | | | | 37,560.65 | 22,350.00 |

4.13 Other Liabilities

Unit: Million Baht

| | 2005 | 2004 |
|---|--------|-------|
| Expenses payable | 10.74 | 14.92 |
| Accounts payable | 1.53 | 7.99 |
| Deferred revenues | 48.14 | 32.30 |
| Withholding tax payable | 4.36 | 3.06 |
| Loss provision for contingent liabilities | 6.83 | 2.24 |
| Deposits | 6.42 | 19.30 |
| Suspense liabilities | 87.94 | 5.87 |
| Others | 0.01 | 0.01 |
| Total | 165.97 | 85.69 |

4.14 Capital The Bank had an initial capital of Baht 2,500 million (of which Baht 843.47 million was supported by the Ministry of Finance and Baht 1,656.53 million by the Bank of Thailand). On July 31, 1998, it increased the capital by another Baht 4,000 million, which was contributed in full by the Ministry of Finance, thereby bringing the total registered capital to Baht 6,500 million.

4.15 Contingent Liabilities and Commitments

Unit: Million Baht

| | 2005 | | |
|--|-----------|--------------------|-----------|
| | Baht | Foreign currencies | Total |
| Liabilities under unmatured import bills | 27.29 | 761.71 | 789.00 |
| Letters of credit | 20.17 | 3,089.73 | 3,109.90 |
| Export bills insured | 7,295.17 | 1,128.42 | 8,423.59 |
| Other guarantees | 491.89 | 5,812.07 | 6,303.96 |
| Overdraft accounts not yet drawn | 532.45 | - | 532.45 |
| FX forward purchase/sales contracts | 5,003.48 | 5,303.95 | 10,307.43 |
| FX swaps | 5,007.58 | 663.77 | 5,671.35 |
| Foreign currency and interest swaps | 4,191.70 | 23,016.62 | 27,208.32 |
| Interest rate swaps | 9,250.00 | 1,370.74 | 10,620.74 |
| Total | 31,819.73 | 41,147.01 | 72,966.74 |

| | 2004 | | |
|--|-----------|--------------------|-----------|
| | Baht | Foreign currencies | Total |
| Liabilities under unmatured import bills | 35.44 | 863.32 | 898.76 |
| Letters of credit | 62.79 | 914.72 | 977.51 |
| Export bills insured | 6,469.46 | 131.85 | 6,601.31 |
| Other guarantees | 407.88 | 5,348.45 | 5,756.33 |
| Overdraft accounts not yet drawn | 478.99 | - | 478.99 |
| FX forward purchase/sales contracts | 4,533.65 | 4,888.07 | 9,421.72 |
| FX swaps | 9,198.02 | 366.45 | 9,564.47 |
| Foreign currency and interest swaps | 779.16 | 25,214.89 | 25,994.05 |
| Interest rate swaps | 12,479.16 | 1,303.83 | 13,782.99 |
| Total | 34,444.55 | 39,031.58 | 73,476.13 |

The Bank faced a civil suit in the normal course of its business operations. The Bank received the court's order to suspend the payment under the obligation from the advance payment guarantee issued for a client's construction project which now the court's result has the outcome that the client (plaintiff) could ask the guarantee' receiver to return the bank guarantee. Bank will follow up this matter.

4.16 Derivatives

Derivatives are financial instruments whose value varies 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 December 31, 2005 and 2004 were as follows:

Unit: Million Baht

| | 2005 | |
|-------------------------------------|----------------|---|
| | Contract value | Net fair value of the derivative's contract |
| FX forward purchase/sales contracts | 10,307.43 | 18.26 |
| FX swaps | 5,671.35 | 20.47 |
| Foreign currency and interest swaps | 27,208.32 | (758.25) |
| Interest rate swaps | 10,620.74 | (180.71) |
| Total | 53,807.84 | (900.23) |

Unit: Million Baht

| | 2004 | |
|-------------------------------------|----------------|---|
| | Contract value | Net fair value of the derivative's contract |
| FX forward purchase/sales contracts | 9,421.72 | (30.32) |
| FX swaps | 9,564.47 | (394.61) |
| Foreign currency and interest swaps | 25,994.05 | 1,304.55 |
| Interest rate swaps | 13,782.99 | (91.14) |
| Total | 58,763.23 | 788.48 |

4.17 Other Benefits to Directors and Executives

The Bank pays no benefits to its directors and executives other than normal remuneration such as meeting allowance and reward for directors (if any), salary, special monthly allowance (if any) and cost of living allowance for executives.

4.18 Long-term Leasing Contracts

| Branch offices | Contract term (year) | Year of contract expiry |
|---|----------------------|-------------------------|
| Laem Chabang | 20 | 2019 |
| Khon Kaen | 3 | 2008 |
| Chiang Mai | 3 | 2008 |
| Bangna-Trad Km. 3 | 3 | 2008 |
| Rama IV (2 leasing contracts) | 3 | 2008, 2006 |
| Rangsit | 3 | 2007 |
| Rama II | 2 | 2007 |
| Hat Yai | 3 | 2006 |
| Sathorn | 3 | 2006 |
| Business Promotion Office at Department of Export Promotion | 1 | 2006 |

Total deposits for all contracts are Baht 6.81 million.

4.19 Financial Position and Operational Performance Classified by Onshore and Offshore Transactions

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

4.20 Reclassification of Accounts

Some of the items in the statement of income for the year ended December 31, 2004 have been reclassified to conform to those presented in the statement of income for the year ended December 31, 2005.

Corporate governance policy

The Board of Directors and the top management of EXIM Thailand posted an optimum importance on the promotion of and compliance with good corporate governance practice. The Bank has strictly adhered to the international standards of good governance, comprising 1) accountability, 2) responsibility, 3) equitable treatment, 4) transparency, 5) vision to create long-term value, and 6) ethics.

The Board of Directors

As prescribed in the Export-Import Bank of Thailand Act, the Board of Directors consists of seven ex-officio directors from EXIM Thailand and relevant state agencies and five directors appointed by the Minister of Finance with the cabinet's approval, at least three of whom must be qualified professionals from the private sector. These directors shall be "independent directors" and must verify their independence and hold a meeting among themselves at least twice a year. The Board of Directors has appointed the Board of Executive Directors, the Audit Committee, the Compensation Sub-committee and other working committees to oversee the Bank's operations and ensure a sound risk management and internal control to enable the Bank to achieve its goals.

Management team

The management team administers and operates the Bank's business in accordance with policies given by the Board of Directors. Two management meetings, namely, Top Management Meeting and Department Heads Meeting are held at least twice a month. At these two meetings, the policies formulated by the Board of Directors are communicated to the Bank's executives for further implementation. The meetings are also a platform for the executive officers to efficiently and regularly communicate policies and operational guidelines and brainstorm for collaborative development and problem solutions.

Leadership and vision

The Board of Directors not only approves the vision, mission, strategy or general policy on the Bank's operation, but also actively joins with the management in determining the direction, mission, long-term strategic plan and annual business plan. The Board of Directors also follows up and oversees the operations by the management on a regular basis to ensure compliance with the Bank's business plans and the policies assigned by the government. In addition, the Board of Directors sees to it that the management puts in place the effective internal control and audit procedures, risk management, human resource and information technology management to fully support the Bank's role in promoting exports and overseas investment of Thai entrepreneurs.

Business ethics and prevention of conflict of interest

The Board of Directors, the management and staff members of EXIM Thailand are committed to conducting business with transparency, integrity and fairness. A code of ethics has been incorporated for the Board of Directors, the management and staff members to strictly follow in accordance with the principles and guidelines given by the Ministry of Finance and those practiced internationally. The Bank has also stipulated guidelines on conflict of interest prevention, duly screened by the Audit Committee for the management and staff to adhere to.

Internal control and internal audit systems

As another key responsibility, the Board of Directors ensures that the Bank has adequate and appropriate internal control systems that meet requirements of its business operation. The organization structure is set in line with the goals and mission of the Bank. Clear and measurable action plans are developed. Internal audit function is in place to plan and examine the operations and internal control. The internal audit report is submitted to the President and the Audit Committee who considers and reports the result to the Board of Directors at least on a quarterly basis. To oversee the Bank's operations, the Audit Committee considers the adequacy of the overall internal control system including risk-based audit planning, report of the internal auditor (Audit Division) and external auditor (Office of the Auditor General of Thailand), information technology management, human resources management, and management of credit risk, market risk, liquidity risk and operational risk. The Audit Committee also ensures that the operations of the Bank are in compliance with the laws, rules and regulations as well as business ethics. In addition, the Bank performs control self-assessment on a regular basis to promote cautious and prudent operational culture as well as awareness of appropriate risk management.

Self-assessment of the Board of Directors

Self-assessment is conducted yearly by the Board of Directors on a group and individual basis to enhance efficiency. The assessment forms and results are considered and approved at the Board of Directors' meeting. The result of the assessment is earnestly used to solve problems and obstacles in their performance. The Audit Committee also performs self-assessment and report the result as well as problems and obstacles to the Board of Directors at least twice a year.

Rights of stakeholders

The Bank has placed special emphasis on the right of all stakeholders by adopting in its strategic and annual business plans the stakeholders' expectations as its operational goals. The duties and obligations towards all groups of stakeholders are articulated in the code of ethics for the directors, top management and operating staff as well as in the rules and regulations of the Bank in order to ensure understanding and compliance of all levels of staff. This includes the right of customers to receive benefits and satisfaction from the Bank's overall services which are expected to be on par with those of commercial banks both in service availability and standard; the right of the government, as the Bank's owner, to expect full responsiveness to its policy directions through efficient and financially-independent operations; the right of creditors to expect the Bank's secure financial standing, as well as the right of employees to receive continuous training and opportunities for self-development and compensation which is fair and in line with market rates.

Moreover, the Bank ensures that the Board of Directors is aware of their rights and duties including the duty to attend to the rights and expectations of the stakeholders by including such details in the Directors' Handbook (Information Kit). The Bank also reports its performance in fulfilling the goals of meeting stakeholders' expectations to the Board of Directors on a regular basis. Moreover, the Bank also places importance on its social responsibilities by participating in various charitable activities which bring about improvement of living condition and environment of the communities it serves.

Information disclosure policy

As a specialized public financial institution, EXIM Thailand is duty-bound to disclose accurate, complete and up-to-date information to government agencies, investors, creditors, customers and the general public. The Bank has established and complied with the regulation on provision of its news and information for access and examination by the public since 1999 and has disclosed such information in the annual report and on its website (www.exim.go.th). The results of operations and major activities of the Bank are also announced in a press release or conference on a regular basis.

Remuneration for Board of Directors and Other Committees

EXIM Thailand Board of Directors and other committees are entitled to remuneration based on the regulations set by the Ministry of Finance as follows:

Board of Directors

1) Monthly meeting allowance based on the number of attendance: In 2005, 12 meetings were convened, with the total meeting allowance of 1,260,000 baht.

2) Bonus: Bonus is calculated under the Guideline on Remuneration for State Enterprise Board of Directors based on annual net profit, duration of directorship for the year, number of meeting attendance, and results of

the Bank's performance appraisal for the year of bonus calculation according to the Agreement on State Enterprise Performance Appraisal between the Bank and the Ministry of Finance. The bonus for 2004 amounted to 930,134.40 baht whereas that of 2005 is not yet available, pending the appraisal for the Bank's performance by the Ministry of Finance under the said agreement.

Board of Executive Directors

The Board of Executive Directors receives monthly meeting allowance based on the number of attendance. In 2005, 12 meetings were convened, with the total meeting allowance of 530,000 baht.

Audit Committee

The Audit Committee receives remuneration on a monthly payable lump sum basis. In 2005, 6 meetings were convened, with the total remuneration of 353,471.62 baht.

Compensation Sub-committee

The Compensation Sub-committee receives meeting allowance based on the number of attendance. In 2005, 2 meetings were convened, with the total meeting allowance of 22,500 baht.

Board of Directors Meeting Attendance in 2005

Board of Directors

In 2005, twelve meetings of the Board of Directors were convened. The meeting attendance of each director is shown below:

| Directors | No. of attendance | Duration of directorship for 2005 | Meeting allowance (Baht) |
|--|-------------------|-----------------------------------|--------------------------|
| 1. Mr. Pakorn Malakul na Ayudhya* (Chairman) | 10/10 | Jan - Oct | 125,000 |
| Mr. Virabongsa Ramangkura (Chairman) | 2/2 | Nov - Dec | 25,000 |
| 2. Director-General, Department of Foreign Trade, Ministry of Commerce | | | |
| Mr. Rachane Potjanasuntorn | 12/12 | Jan - Dec | 120,000 |
| 3. Director-General, Office of Industrial Economics, Ministry of Industry | | | |
| Mrs. Chutaporn Lambasara* | 9/9 | Jan - Sep | 90,000 |
| Mrs. Atchaka Brimble | 3/3 | Oct - Dec | 30,000 |
| 4. Secretary-General, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives | | | |
| Mrs. Anchalee Ooraikul | 11/12 | Jan - Dec | 110,000 |
| 5. Director-General, Department of International Economic Affairs, Ministry of Foreign Affairs | | | |
| Miss Vimont Kidchob | 8/12 | Jan - Dec | 80,000 |

| Directors | No. of attendance | Duration of directorship for 2005 | Meeting allowance (Baht) |
|---|-------------------|-----------------------------------|--------------------------|
| 6. <i>Deputy Governor, Bank of Thailand</i> | | | |
| Mr. Chetthavee Charoenpitaks* | 8/9 | Jan - Sep | 80,000 |
| Mrs. Swangchit Chaiyawat | 3/3 | Oct - Dec | 30,000 |
| 7. <i>Director-General, Fiscal Policy Office, Ministry of Finance</i> | | | |
| Lt. Nophadol Bhandhugravi* (representing Mr. Naris Chaiyasoot) | 8/10 | Jan - Oct | 80,000 |
| Miss Chularat Suteethorn (representing Mr. Naris Chaiyasoot) | 1/2 | Nov - Dec | 10,000 |
| 8. Mrs. Jantima Sirisaengtaksin* | 8/10 | Jan - Oct | 80,000 |
| Mr. Narongchai Akrasanee | 2/2 | Nov - Dec | 20,000 |
| 9. Mr. Praphad Phodhivorakhun | 7/12 | Jan - Dec | 70,000 |
| 10. Mr. Pichit Akraithit | 9/12 | Jan - Dec | 90,000 |
| 11. Mr. Kongkiat Opaswongkarn | 10/12 | Jan - Dec | 100,000 |
| 12. <i>President, Export-Import Bank of Thailand</i> | | | |
| Mr. Sataporn Jinachitra | 12/12 | Jan - Dec | 120,000 |

Remark * Director retiring in 2005

Board of Executive Directors

In 2005, twelve meetings of the Board of Executive Directors were convened. The meeting attendance of each director is shown below:

| Executive Directors | No. of attendance | Duration of directorship for 2005 | Meeting allowance (Baht) |
|---|-------------------|-----------------------------------|--------------------------|
| 1. Mr. Kongkiat Opaswongkarn** (Chairman) | 10/10 | Jan - Oct | 125,000 |
| Mr. Narongchai Akrasanee** (Chairman) | 2/2 | Nov - Dec | 25,000 |
| 2. Lt. Nophadol Bhandhugravi* | 7/10 | Jan - Oct | 70,000 |
| Miss Chularat Suteethorn | 1/2 | Nov - Dec | 10,000 |
| 3. Mr. Praphad Phodhivorakhun* | 5/10 | Jan - Oct | 50,000 |
| Mr. Kongkiat Opaswongkarn | 1/2 | Nov - Dec | 10,000 |
| 4. Mr. Pichit Akraithit | 12/12 | Jan - Dec | 120,000 |
| 5. Mr. Sataporn Jinachitra | 12/12 | Jan - Dec | 120,000 |

Remark * Director retiring in 2005

** Mr. Narongchai Akrasanee was appointed Chairman of the Board of Executive Directors as of November 19, 2005.

Audit Committee

In 2005, six meetings of the Audit Committee were convened. The meeting attendance of each member is shown below:

| Members | No. of attendance | Duration of membership for 2005 | Remuneration (Baht) |
|---|-------------------|---------------------------------|---------------------|
| 1. Mr. Chetthavee Charoenpitaks* (Chairman) | 4/4 | Jan - Sep | 108,125.00 |
| Mrs. Swangchit Chaiyawat (Chairman) | 2/2 | Oct - Dec | 22,765.80 |
| 2. Mr. Rachane Potjanasuntorn | 5/5 | Jan - Dec | 111,290.82 |
| 3. Mrs. Chutaporn Lambasara* | 3/4 | Jan - Sep | 90,000.00 |
| Mrs. Anchalee Ooraikul | 2/2 | Oct - Dec | 21,290.00 |

Remark * Member retiring in 2005

Compensation Sub-committee

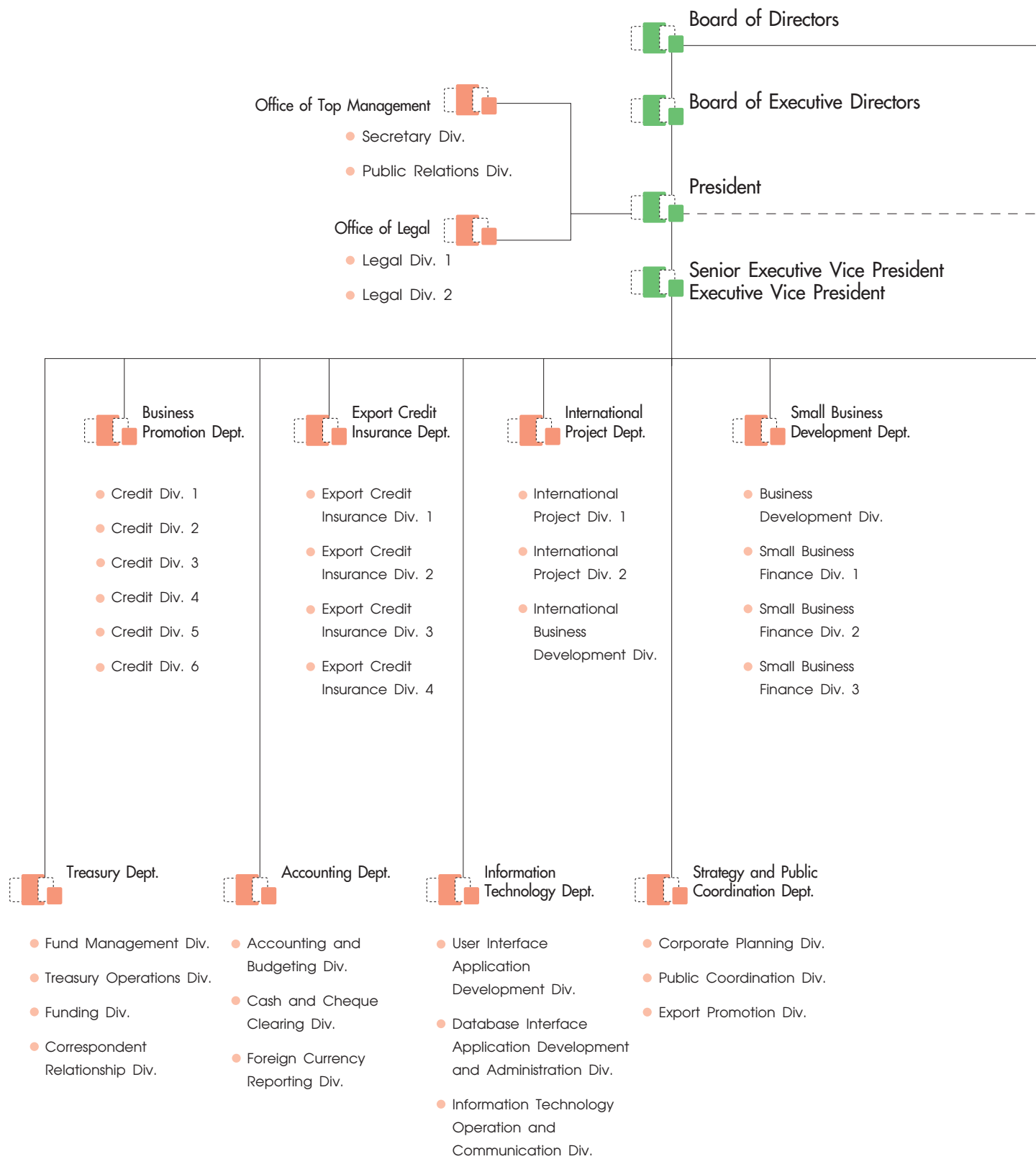
In 2005, two meetings** of the Compensation Sub-committee were convened. The meeting attendance of each member is shown below:

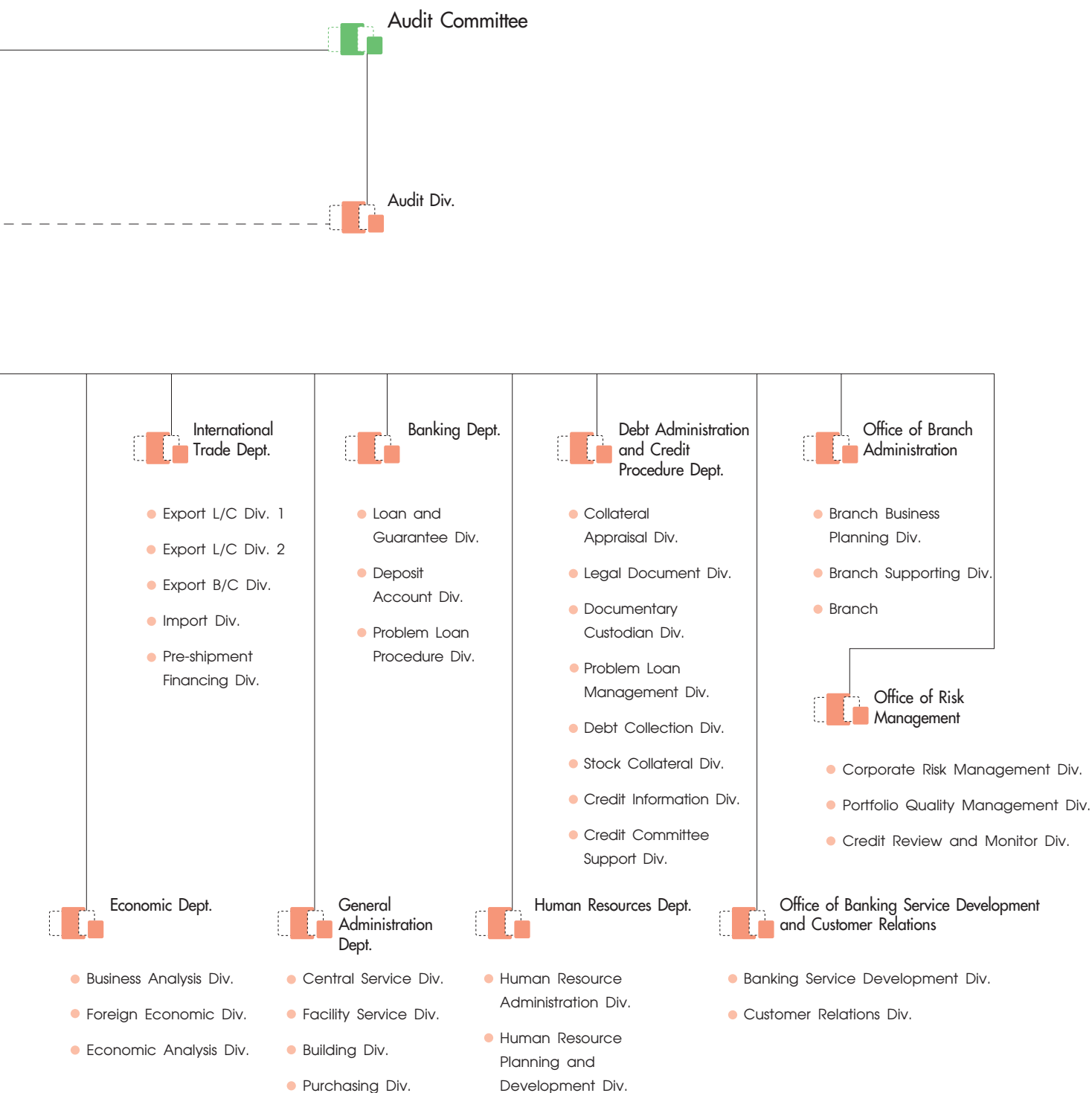
| Members | No. of attendance | Duration of membership for 2005 | Remuneration (Baht) |
|--|-------------------|---------------------------------|---------------------|
| 1. Mr. Pakorn Malakul na Ayudhya* (Chairman) | 2/2 | Jan - Oct | 12,500 |
| Mr. Virabongsa Ramangkura (Chairman) | -/- | Nov - Dec | - |
| 2. Mr. Praphad Phodhivorakhun* | 2/2 | Jan - Oct | 10,000 |
| Mr. Kongkiat Opaswongkarn | -/- | Nov - Dec | - |
| 3. Mr. Pichit Akrathit | 1/2 | Jan - Dec | - |

Remark * Member retiring in 2005

** Sub-committee's resolution for Meeting No.1/2005 was reached through unanimous approval of Sub-committee members without convening a meeting.

Organization Chart





November 1, 2005

Board of Directors

| | | |
|--|----------------|----------|
| Mr. Virabongsa | Ramangkura | Chairman |
| Mr. Rachane | Potjanasuntorn | Director |
| <i>Director-General, Department of Foreign Trade, Ministry of Commerce</i> | | |
| Mrs. Atchaka | Brimble | Director |
| <i>Director-General, Office of Industrial Economics, Ministry of Industry</i> | | |
| Mrs. Anchalee | Ooraikul | Director |
| <i>Secretary-General, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives</i> | | |
| Mr. Virachai | Plasai | Director |
| <i>Director-General, Department of International Economic Affairs, Ministry of Foreign Affairs</i> | | |
| Mrs. Swangchit | Chaiyawat | Director |
| <i>Deputy Governor, Bank of Thailand</i> | | |
| Miss Chularat | Suteethorn | Director |
| <i>Deputy Director-General, Fiscal Policy Office, Ministry of Finance</i> | | |
| Mr. Narongchai | Akrasanee | Director |
| Mr. Praphad | Phodhivorakhun | Director |
| Mr. Pichit | Akrathit | Director |
| Mr. Kongkiat | Opaswongkarn | Director |
| Mr. Sataporn | Jinachitra | Director |
| <i>President, Export-Import Bank of Thailand</i> | | |

March 3, 2006

Board of Executive Directors

| | | |
|----------------|--------------|--------------------|
| Mr. Narongchai | Akrasanee | Chairman |
| Miss Chularat | Suteethorn | Executive Director |
| Mr. Pichit | Akrathit | Executive Director |
| Mr. Kongkiat | Opaswongkarn | Executive Director |
| Mr. Sataporn | Jinachitra | Executive Director |

November 19, 2005

Audit Committee

| | | |
|----------------|----------------|----------|
| Mrs. Swangchit | Chaiyawat | Chairman |
| Mr. Rachane | Potjanasuntorn | Member |
| Mrs. Anchalee | Ooraikul | Member |

December 23, 2005

Compensation Sub-committee

| | | |
|----------------|--------------|----------|
| Mr. Virabongsa | Ramangkura | Chairman |
| Mr. Pichit | Akrathit | Member |
| Mr. Kongkiat | Opaswongkarn | Member |

November 19, 2005

Profiles

Mr. Virabongsa Ramangkura

Year of Birth : 1943

Position at EXIM Thailand : Chairman of the Board of Directors and Compensation Sub-committee

Education : Ph.D. (Economics), University of Pennsylvania, U.S.A.

Working Experience :

- Deputy Prime Minister
- Minister of Finance
- Chairman, Thai Airways Public Co., Ltd.

Other Positions :

- Chairman, Bangkok Expressway Public Co., Ltd.
- Chairman of Executive Board, Advance Agro Public Co., Ltd.
- Advisor to the Finance Minister

Mr. Rachane Potjanasuntorn

Year of Birth : 1952

Position at EXIM Thailand : Director and Audit Committee Member

Education : M.B.A., National Institute of Development Administration, Thailand

Working Experience :

- Inspector-General, Ministry of Commerce
- Deputy Director-General, Department of Export Promotion, Ministry of Commerce
- Deputy Director-General, Department of Business Economics, Ministry of Commerce

Other Positions : Director-General, Department of Foreign Trade, Ministry of Commerce

Mrs. Atchaka Brimble

Year of Birth : 1956

Position at EXIM Thailand : Director

Education : D. Phil (Economics), University of Sussex, UK

Working Experience :

- Senior Executive Investment Officer, Office of the Board of Investment
- Assistant Secretary General, Office of the Board of Investment

Other Positions : Director-General, Office of Industrial Economics, Ministry of Industry

Mrs. Anchalee Ooraikul

Year of Birth : 1945

Position at EXIM Thailand : Director and Audit Committee Member

Education : M.S. (Ag. Econ.), Iowa State University, U.S.A.

Working Experience : • Deputy Secretary-General, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives
• Inspector-General, Ministry of Agriculture and Cooperatives

Other Positions : Secretary-General, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives

Mr. Virachai Plasai

Year of Birth : 1960

Position at EXIM Thailand : Director

Education : Doctorat de 3ème Cycle, Université de Paris I (Panthéon-Sorbonne), France

Working Experience : • Deputy Director-General, Department of International Economic Affairs, Ministry of Foreign Affairs
• Director, Treaty Division, Department of Treaties and Legal Affairs, Ministry of Foreign Affairs
• Minister Counsellor, Permanent Mission of Thailand to the World Trade Organization (WTO), Geneva, Switzerland

Other Positions : Director-General, Department of International Economic Affairs, Ministry of Foreign Affairs

Mrs. Swangchit Chaiyawat

Year of Birth : 1947

Position at EXIM Thailand : Director and Chairman of Audit Committee

Education : B. Econs. (Business Administration), University of Tokyo, Japan

Working Experience : • Assistant Governor, Financial Institutions Policy Group, Bank of Thailand
• Manager, Financial Institutions Development Fund
• Director, Standard Chartered Nakornthon Bank PCL.

Other Positions : • Deputy Governor, Bank of Thailand
• Director, Bangkok Commercial Asset Management Co., Ltd.
• Director, Government Pension Fund

Miss Chularat Suteethorn

- Year of Birth** : 1954
- Position at EXIM Thailand** : Director and Executive Director
- Education** : Master of Development Studies (Economic Policy and Planning), Institute of Social Studies, the Netherlands
- Working Experience** :
- Director, Bureau of International and Macroeconomic Policy, Fiscal Policy Office, Ministry of Finance
 - Director, International Economic Policy Division, Ministry of Finance
- Other Positions** :
- Deputy Director-General, Fiscal Policy Office, Ministry of Finance
 - Director, The Bangchak Petroleum Public Co., Ltd.

Mr. Narongchai Akrasanee

- Year of Birth** : 1945
- Position at EXIM Thailand** : Director and Chairman of the Board of Executive Directors
- Education** : Ph.D. (Economics), Johns Hopkins University, U.S.A.
- Working Experience** :
- Senator
 - Minister of Commerce
 - Chairman of the Thai Government Working Group on FTA Implementation
- Other Positions** :
- Chairman, MFC Asset Management Public Co., Ltd.
 - Honorary Advisor, Fiscal Policy Research Institute Foundation
 - Member of the Board of Directors, Mekong Institute

Mr. Praphad Phodhivorakhun

- Year of Birth** : 1946
- Position at EXIM Thailand** : Director
- Education** : HND. (Business Administration), Sheffield College of Technology, Sheffield, UK
- Working Experience** :
- Vice Chairman, Federation of Thai Industries
 - Commissioner, Port Authority of Thailand
 - Director, The Bangchak Petroleum Public Co., Ltd.
- Other Positions** :
- Chairman, Federation of Thai Industries
 - Chairman, Thailand Institute of Scientific and Technological Research
 - Chairman of the Board of Directors, Kang Yong Electric Public Co., Ltd.

Mr. Pichit Akkrathit

Year of Birth : 1955

Position at EXIM Thailand : Director, Executive Director and Compensation Sub-committee Member

Education : Ph.D. (Economics), University of Texas at Austin, U.S.A.

Working Experience :

- Advisor to Deputy Prime Minister for Economic Affairs
- Committee Member and Secretary, Committee of Economic Advisors to the Prime Minister
- Director of Capital Market Development and Research Department, Office of the Securities and Exchange Commission

Other Positions :

- President, MFC Asset Management Public Co., Ltd.
- Disciplinary Committee on Economics, The National Research Council
- Director and Chairman of the Audit Committee, The Energy Fund Administration Institute "EFAI" (Public Organization), Ministry of Energy

Mr. Kongkiat Opaswongkarn

Year of Birth : 1956

Position at EXIM Thailand : Director, Executive Director and Compensation Sub-committee Member

Education : Ph.D. (Operations Research), Wharton School, University of Pennsylvania, U.S.A.

Working Experience :

- Chairman and CEO, Asset Plus Securities Public Co., Ltd.
- Managing Director, Baring Research Ltd. (Representative Office)
- Assistant Vice President, Banking Services Administration Department, Thai Farmers Bank PCL.

Other Positions :

- Chief Executive Officer, Asia Plus Securities Public Co., Ltd.
- Chairman, Federation of Thai Capital Market Organization
- Chairman, Securities Analysts Association

Mr. Sataporn Jinachitra

Year of Birth : 1948

Position at EXIM Thailand : Director, Executive Director and President

Education : M.Sc. (Econometrics), London School of Economics and Political Science, University of London, UK

Working Experience :

- Deputy Director, Department of Financial Institution Supervision and Examination, Bank of Thailand
- Senior Executive Vice President, Siam Commercial Bank PCL.

Other Positions :

- Director, Thai Institute of Directors Association
- Member, Electronic Transactions Commission

Executive Officers

| | | |
|-----------------|-------------------|---|
| Mr. Sataporn | Jinachitra | President |
| Mr. Somphan | Eamrungraj | Senior Executive Vice President |
| Mr. Sirichai | Sakornratanakul | Senior Executive Vice President |
| Mr. Tawatchai | Treewitya | Executive Vice President |
| Mr. Kittiporn | Limpisvasti | Executive Vice President |
| Mr. Somporn | Chitphentom | Executive Vice President |
| Mr. Punnop | Charasaiya | Executive Vice President |
| Mr. Weboon | Seetthaporn | Senior Vice President, Debt Administration and Credit Procedure Department and Acting First Vice President, Legal Office |
| Mrs. Sumalee | Poonyarith | First Vice President, Banking Department |
| Mr. Kiat | Tepintrapirak | First Vice President, Human Resources Department |
| Mrs. Chomsuda | Tuntariyanond | First Vice President, Treasury Department and Acting First Vice President, Economic Department |
| Mr. Kriengsak | Sa-nguansak | First Vice President, General Administration Department |
| Mrs. Kasina | Srisaan | First Vice President, Small Business Development Department and Acting First Vice President, Office of Banking Service Development and Customer Relations |
| Miss Waroonyupa | Buranarach | First Vice President, Information Technology Department |
| Mr. Charoon | Boonsanong | First Vice President, Accounting Department |
| Mr. Boonsom | Thaiking | First Vice President, International Trade Department |
| Mrs. Sutatip | Phataravimolphorn | First Vice President, Export Credit Insurance Department |
| Mr. Kematat | Saicheur | First Vice President, Office of Branch Administration |
| Mr. Chana | Boonyachai | First Vice President, Business Promotion Department |
| Mrs. Warangkana | Wongkhaluang | First Vice President, International Project Department |
| Mrs. Arunsri | Suppethyapisal | Vice President, Office of Top Management |
| Mrs. Piyarat | Suntornpong | Vice President, Strategy and Public Coordination Department |
| Mrs. Worarat | Wattanagool | Assistant Vice President, Office of Risk Management |

Addresses

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Telex : 20893 EXIMBK TH

SWIFT Code : EXTH TH BK

Website : www.exim.go.th

E-mail : info@exim.go.th

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Fax : 0 2511 5774

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Fax : 0 2895 9087

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Fax : 0 2367 3307-8

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44, 46, 48 Soi Phaholyothin 87, Phaholyothin Road, Prachathipat, Thanyaburi, Pathum Thani 12130

Tel : 0 2536 4677-82

Fax : 0 2536 4683-4

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Empire Tower, Ground Floor, 195 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

Tel : 0 2670 0300-8

Fax : 0 2670 0309

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Tel : 0 5322 0596-7, 0 5322 0541

Fax : 0 5322 0585

Hat Yai Branch

Sinbenjapol Building, 24 Soi P. Nataphol 2, Sripuwanart Road, Hat Yai, Songkhla 90110

Tel : 0 7442 8722-6, 0 7422 1131-2

Fax : 0 7422 1133-4

Khon Kaen Branch

381/44-45 Mittraphap Road, Nai Muang, Muang, Khon Kaen 40000

Tel : 0 4327 1535-7

Fax : 0 4327 1538

Laem Chabang Branch

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