

EXIM Thailand Announces First Half 2014 Operating Results

Mr. Kanit Sukonthaman, President of Export-Import Bank of Thailand (EXIM Thailand), revealed that, in the first half of 2014, EXIM Thailand registered a net profit of 767 million baht, due to a rise in net interest income by 120 million baht and non-interest income by 155 million baht from the correspondent period of last year. At the end of June 2014, the Bank's total credit outstanding reached 75,511 million baht. The new loan disbursement increased by 17,078 million baht. At the end of June 2014, NPLs ratio stood at 3.88%, totaling 2,932 million baht. Provisions for doubtful accounts amounted to 4,260 million baht. Of this total, the provisions according to the Bank of Thailand's regulations accounted for 2,064 million baht or 206.38%.

In 2014, the Bank's key mandate lies in the promotion of SME business. In pursuing such policy, throughout 2014, EXIM Thailand enhanced its collaboration with relevant public and private agencies, especially Ministry of Finance, Ministry of Commerce, Ministry of Industry and various business associations. As a result, more new SME exporters were added to the Bank's SME customer base, which constituted 80% of its loan customer portfolio. SME loan approval increased by 3,026 million baht in the first half of 2014. SME loan outstanding at the end of June 2014 amounted to 18,376 million baht while the accumulated loan approval reached 50,257 million baht.

On maritime business promotion, merchant marine loan outstanding accounted for 10,488 million baht, increasing by 21.35% from 8,643 million baht in the same period of last year. In the first half of 2014, new loan approval for merchant marine facilities accounted for 3,734 million baht with the accumulated merchant maritime loan approval reaching 14,054 million baht.

In support of Thai investment overseas, particularly in the ASEAN Economic Community (AEC) and CLMV (Cambodia, Lao PDR, Myanmar and Vietnam) markets, EXIM Thailand approved a total of 51,991 million baht in international project finance. Out of this amount, 43,388 million baht or 83% was earmarked for Thai investment projects in the CLMV. As at end-June 2014, outstanding international project financing amounted to 26,911 million baht while new approval during the year reached 6,621 million baht. Further, EXIM Thailand provided risk mitigation facilities worth 14,911 million baht to facilitate continuous expansion of Thai businesses in the CLMV.

In regard to export credit insurance provision, another major role of EXIM Thailand, business turnover under EXIM Thailand's export credit insurance during the first half of 2014 amounted to 35,684 million baht. For SME clients, export value under insurance accounted for 4,111 million baht or a 11.52% of the Bank's overall insurance turnover. Moreover, EXIM Thailand recently approved investment insurance coverage worth 51 million US dollars to Thai investment in Myanmar.

EXIM Thailand President added that during the latter half of 2014 EXIM Thailand will continue to focus on financial support for SMEs, promotion of trade and investment in AEC, in particular, the CLMV as well as increased collaboration with relevant public and private sectors, in line with national strategies and government policies. The Bank will also seek to expand its export credit insurance reach with post-shipment coverage for both commercial and political risks of up to 180 days. Its aim is for Thai enterprises to take advantage of EXIM Thailand's full range of liquidity enhancement and risk mitigation facilities which include foreign exchange forward contracts, export credit and investment insurance services.

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