

**“Dr. Narongchai” to Advance EXIM Thailand’s Development Role,
Collaboration between Public and Private Sectors and
Assistance to Exporters Facing Baht Volatility**

EXIM Thailand’s Board of Directors chaired by Dr. Narongchai Akrasanee advocates pro-active cooperation with government and private sectors to sharpen Thai exporters and overseas investors’ competitive edges, helping alleviate impacts from the baht appreciation by providing fully-integrated financial services as well as helping to reduce trade and overseas investment risks.

Effective on March 20, 2007, the cabinet approved the Minister of Finance’s appointment of Dr. Narongchai Akrasanee as Chairman of the Export-Import Bank of Thailand’s Board of Directors, replacing Dr. Virabongsa Ramangkura. Other directorship replacements include Ms. Orajit Singkalavanich and Dr. Wisarn Pupphavesa. Dr. Narongchai reveals that the Board of Directors will work closely with the Bank’s Management to accelerate the Bank’s development role in helping Thai exporters and investors overseas overcome obstacles associated with international business transactions. Such hindrances include the continued strengthening of Thai baht against US dollar, increased trade and overseas investment risks following the world economic slowdown, non-tariff barriers imposed by major trade counterparts, rising competition from other producer countries with comparative advantages in terms of labor wage, raw materials, and government’s trade and foreign direct investment promotional measures.

In addition, EXIM Thailand will earnestly collaborate between public and private agencies to provide Thai entrepreneurs with a better access to information on the Thai and global economic circumstances as well as international trade and investment regulations and opportunities. The Bank aims to equip them with the knowledge and capability to set competitive prices, acquire adequate funding, achieve quality standards and open up new marketing channels. To attain such goals, EXIM Thailand has devised pro-active marketing plans to serve Thai exporters particularly those having potential but lacking financial supports or liquidity. The Bank also undertakes organizational restructuring, separating marketing operation from credit analysis function to speed up and streamline credit analysis and approval. Moreover, EXIM Thailand plans to establish EXIM International focusing on Russia this year to act as a facilitator to help Thai exporters manage trade settlement issues and handle obstacles in other emerging markets with strong growth potential.

EXIM Thailand will further emphasize service differentiation and fully-integrated financial support for export and overseas investment activities ranging from pre-and post-shipment working capital loans to medium-and long-term loans for business expansion. In addition, financing facilities will also be made available to service providers for exports from the stage of laboratory quality inspection to storage and transport logistics such as warehouses, distribution centers and freight forwarders. Moreover, EXIM Thailand is streamlining its Export Credit Insurance Facility to offer better protection against non-payment risks incurred by overseas buyers, and Investment Insurance to indemnify losses from political risks that adversely affect project investments and investors' ability to repay loan.

According to the new Chairman, in order to bolster its role as a development bank, EXIM Thailand will require adequate capital to ensure smooth banking operations and make possible loan loss provision in compliance with the International Accounting Standard No. 39 (IAS 39). To this end, the Bank has requested the Ministry of Finance's consent to approve its 10-billion-baht capital raising plan, featuring a capital increase of 5 billion baht this year and another 5 billion baht during 2008-2009. The capital increase will be instrumental to achieving the Bank's anticipated lending expansion to serve the needs of Thai exporters and investors overseas as well as effectively supporting the government's economic policies in the long run.

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