

EXIM Thailand Announces 2014 Operating Results and 2015 Business Policy **Launching Five New Products to Promote SME Exporters,** **Border Trade and Business Expansion**

EXIM Thailand posted a net profit of 1,516 million baht in 2014, up 200 million baht from 2013, generating Thailand's trade and investment worth 149,939 million baht, an increase of 4,476 million baht from 2014. Focusing on SMEs, the Bank is prepared to provide loans and insurance coverage against non-payment loss arising from international trade as well as financial facilities to support cross border trade, business expansion or relocation, investment promotion in special economic zones and tailor-made financial packages for AEC buyers of Thai products and services.

Mr. Suthanai Prasertsan, Acting President of Export-Import Bank of Thailand (EXIM Thailand), said that EXIM Thailand's core business comprised of two main facilities: financing and insurance. Business turnover emerging from the Bank's financing activities amounted to 149,939 million baht, rising by 4,476 million baht from 145,463 million baht in 2013. Loan outstanding as of 2014 year-end accounted for 73,168 million baht, increasing year on year by 5,641 million baht or 8.35% from the 2013 year-end. New loan disbursement during the year 2014 totaled 27,482 million baht. Meanwhile, business turnover under EXIM Thailand's export credit insurance and investment insurance accounted for 86,395 million baht in 2014. Of this total, 9,714 million baht derived from SME business turnover or 11.46% of the overall insured amount. Insurance exposure as of the end of December 2014 amounted to 21,496 million baht.

EXIM Thailand's financing facilities include trade financing (20%) and medium- to long-term loan for investment projects (80%) while the Bank's insurance business consists of export credit insurance (88%) and investment insurance (12%). EXIM Thailand began its export credit insurance operation in 1995 and investment insurance in 2006.

In 2014, the Bank's operating income arising from financing facilities increased with a net interest income totaling 2,421 million baht, growing by 291 million baht, and a net non-interest income of 431 million baht, up by 224 million baht from a year earlier. Meanwhile, net insurance premiums and fees totaled 135 million baht, increasing by 27 million baht. This resulted in a profit before provision for bad debts, doubtful accounts and impairment loss of 2,539 million baht and a net profit of 1,516 million baht in 2014, rising by 200 million baht or 15.18% from 1,316 million baht in 2013.

As at end-2014, the Bank's non-performing loans (NPLs) accounted for 4,086 million baht or 5.58%. Allowance for doubtful accounts amounted to 4,727 million baht, comprising provision required by the Bank of Thailand of 2,633 million baht, representing reserve provisioning against legal reserve requirement of 179.49% while additional reserve provisioned during the year 2014 was 923 million baht.

Giving priority to SME exporter promotion, EXIM Thailand has fostered cooperation with related public and private agencies, resulting in an expansion of the Bank's SME customer base to reach 83.58% of EXIM Thailand's overall customer portfolio. The Bank's new SME loan approval during the year amounted to 10,774 million baht, with an aggregate SME loan amount of 56,354 million baht, and loan outstanding worth 22,930 million baht out of the Bank's total loan outstanding of 73,168 million baht.

On logistics front, as at end-December, 2014, EXIM Bank approved 4,150 million baht in new Merchant Marine loans with an aggregate maritime loan approval amount of 13,152 million baht and loans outstanding worth 11,769 million baht, up 24.90% from 9,423 million baht in 2013.

In sync with EXIM Thailand's vision to "be a bank that paves the way for new opportunities for Thai businesses in the global arena, particularly in the ASEAN Economic Community (AEC)," the Bank's aggregate amount of international project financing facilities stood at 59,020 million baht, 89 percent of which (or 52,347 million baht) was dedicated to investment projects in the CLMV (Cambodia, Lao PDR, Myanmar and Vietnam). New loan approval relating to the CLMV accounted for 11,942 million baht while loan outstanding as at the end of December, 2014 was 35,782 million baht. Risk mitigation facilities to promote investment in the CLMV expanded consistently, reaching 15,698 million baht at present.

According to EXIM Bank's Acting President, moving forward into 2015, EXIM Thailand will continue its role in offering integrated financial solutions to exporters, export related entrepreneurs as well as investors, particularly small enterprises wishing to commence or expand their export business. Five new products will be rolled out, namely, **1. SMEs Export Delight** - a 180-day working capital loan plus short-term export credit insurance to protect exporters from non-payment risk by foreign buyers, with attractive interest rates and a credit line up to sixfold the collateral value targeting non-EXIM Thailand customer SMEs **2. SMEs Border Trade** - a one- to two-year term loan providing up to 10 million baht per customer for Thai businesses engaging in cross border trade with neighboring countries, namely, Lao PDR, Myanmar, Cambodia, Malaysia and Vietnam **3. SMEs Relocation & Expansion** - a long-term loan featuring a credit line up to 30 million baht or baht equivalent with a maximum repayment period of 7 years catering for legal entities registered in Thailand or abroad, having business experience of 3 years and over aiming to relocate or expand their business in foreign countries **4. Financing Facility for Special Economic Development Zones** - a long-term loan with a repayment period of up to 15 years to finance investment projects in Special Economic Development Zones declared by the Committee on Special Economic Development Zone, industrial estates and border provinces **5. Buyer's PLUS Supplier's Credit** - a financial package arranged for Thai exporters to offer to their AEC counterparts interested in purchasing Thai goods and services.

"Relying on EXIM Thailand's strengths in export credit insurance and experience in Thai-AEC trade finance support, particularly, in the CLMV, EXIM Thailand new products aim to help stimulate the Thai economy in line with the government policy by providing Thai exporters and export-related enterprises with needed liquidity coupled with international trade insurance coverage to enable them to start up or expand their trade or investment activities with confidence with the advent of the AEC later this year," said Mr. Suthanai.

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