



BANK OF THAILAND NEWS

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Re: Progress in Debt Restructuring

The Bank of Thailand presents the following progress reports in debt restructuring by financial institutions and CDRAC target debtors.

1. Progress of Debt Restructuring by Financial Institutions

Financial institutions have reported that as at the end of September 2000 completed debt restructuring totaled 310,027 cases involving credits outstanding of 1,768,777 million baht, whereby the following progress was made in debt restructuring in September. (Tables 1-4)

1.1 A total of 15,511 debtors with credit outstanding of 61,432 million baht completed debt restructuring in September, representing increases of 5.27% and 3.60% from the number of completed cases and credits outstanding at end-August. Notably, about 70% of completed debt restructuring were carried out by private commercial banks. Business sectors with the largest number of cases restructured in September were the personal consumption sector, followed by the wholesale and retail sector, and the agricultural, fishery, and forestry sectors. Further, the majority of debt restructuring were from Bangkok and the Central Region.

1.2 Cases in process of restructuring fell by 3,797 cases involving credits outstanding of 291,630 million baht in September to 75,256 cases with credits outstanding of 471,075 million baht reflecting financial institutions' transfer of NPL debtors to asset management companies.

2. Progress in Debt Restructuring of Target Cases under the Corporate Debt Restructuring Advisory Committee (CDRAC)

As at 16th October 2000, target debtors under the Corporate Debt Restructuring Advisory Committee total 9,604 cases with credit outstanding of 2,584,929 million baht. Target cases

comprise of 2,775 large cases with credit outstanding of 2,298,362 million baht, and 6,829 small- and medium-sized cases involving 286,567 million baht in credit outstanding. The progress of target restructuring cases has been summarised as follows. (Table 5)

2.1 Successfully restructured cases total 5,402 cases involving credits outstanding of 1,119,270 million baht, about 77% of target cases under the DCA-ICA restructuring process which total 6,988 cases with credits outstanding of 1,587,931 million baht. Of these, 328 target debtors or about 70% of signatory debtors under Groups 1 and 2 with credits outstanding of 829,785 million baht have successfully completed restructuring. As for target debtors in Groups 3 and 4, 458 debtors have successfully completed restructuring involving credits outstanding of 188,100 million baht. It is expected that following the end of the debt restructuring process in line with the set timeframe, the rate of successful debt restructuring shall be similar to that of signatory debtors in Groups 1 and 2.

2.2 Target cases in process of restructuring negotiations total 647 cases with credit outstanding of 112,865 million baht of which 311 are large cases with credits outstanding totaling 79,214 million baht, and 336 small- and medium-sized cases with credits outstanding totaling 33,651 million baht.

As such, of the 1,074 target debtors under Group 3, 77 debtors are in process of debt restructuring involving credits outstanding of 37,032 million baht. And of the 999 debtors under Group 4, 230 debtors involving credits outstanding of 38,027 million baht are in process of debt restructuring.

Currently, a total of 3,468 target debtors not signatory to the DCA-ICA or which were unsuccessful in debt restructuring, are to be filed in court by financial institutions whereby the majority of cases are expected to be resolved in the civil courts.

Bank of Thailand

27 October 2000

[Attachment](#)