



BANK OF THAILAND NEWS

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Supervision of Asset Management Company (AMC)

The Bank of Thailand announces its policy of supervising AMC as follows

1. Since the end of 1999, the Bank of Thailand has approved the establishment of eight AMCs; seven of which were set up by commercial banks and the rest was set up by a finance company. Currently four applications are being reviewed. As of March 31, 2000, the outstanding amount of non-performing assets transferred to the five AMCs were 304,746 million baht, 22,713 million baht of which were restructured.

2. Bank of Thailand has issued the following policies and regulations to ensure that AMCs operate with transparency, are efficient and able to achieve their objectives in a reasonable timeframe:

2.1 An AMC shall submit to the Bank of Thailand three reports on a quarterly basis: its statement of assets and liabilities, income statement, and a report on the status of its non-performing assets. Certified balance sheet and profit and loss account shall also be announced within four months after the accounting year ends. The Bank of Thailand will hold bilateral meetings with AMCs within 45 days after the end of each quarter to discuss problems and monitor progress. Needed measures to expedite the resolution of non-performing assets will then be mapped out.

2.2 The Bank of Thailand will conduct on-site examinations at AMCs twice a year starting 2543-2544 B.E. The examination will focus on AMCs' management of non-performing assets and their control systems.

Bank of Thailand

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