



BANK OF THAILAND NEWS

Communications and Relations Office, Management Assistance Department
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Re: Progress of Debt Restructuring

The Bank of Thailand (BOT) reports the progress of debt restructuring by financial institutions as at May 2001 and CDRAC target debtors as at June 2001. Mr. Pisit Samahito, Director of the Corporate Debt Restructuring Office 1, Corporate Debt Restructuring Group, discloses details of the progress in debt restructuring as follows.

1. Progress of Debt Restructuring by Financial Institutions as at May 2001 (Tables 1-4)

During May 2001, financial institutions have completed debt restructuring of 11,196 cases, involving 29,353 million baht. This resulted in a total of 402,557 cases successfully restructured with credits outstanding of 2,162,635 million baht at the end of May 2001. This reflects an increase by 30% of the number of successfully restructured cases from April but a decrease in credits outstanding by 26.85 %. The average credits outstanding per case is lower than that in the previous month since the majority of debtors are small- and medium-sized debtors. Most of the debtors are in personal consumption sector (4,959 cases), followed by wholesale and retail trade sector (2,315 cases), and the agriculture and fishery sector (1,827 cases), respectively. Most debtors are based in Bangkok and the Central Region.

A total of 73,273 cases involving credits outstanding of 332,363 million baht are in the restructuring process during May 2001. This reflects an increase from the previous month by 1,703 cases with credits outstanding of 21,573 million baht .

As at the end of May 2001, financial institutions have brought in 475,830 cases involving credits outstanding of 2,494,998 million baht into the debt restructuring process. Most of debtors represent the personal consumption sector (211,387 cases), followed by wholesale and retail trade sector (94,304 cases). Approximately 82.92 % of debtors in the personal consumption sector and 88.10 % of debtors in the wholesale and retail trade sector have been successfully restructured.

2. Progress of Debt Restructuring for the Target Cases under the Corporate Debt Restructuring Advisory Committee (CDRAC) as at June 2001 (Tables 5-6)

As at the end of June 2001, target debtors under the Corporate Debt Restructuring Advisory Committee totaled 14,916 cases with credits outstanding of 2,625,783 million baht. Details of the developments are as follows:

1. A total of 2,858 cases are large target debtors with combined credits outstanding of 2,317,263 million baht. Of these, 1,587 cases with credits outstanding of 1,461,305 million baht entered into the CDRAC process. To date, most large target debtors have successfully restructured their debts. A total of 1,003 cases (63% of the total number of large target debtors that entered into the CDRAC process) with credits outstanding of 1,129,549 million baht have succeeded in debt restructuring while 559 cases with credits outstanding of 320,803 million baht have been unsuccessful.

Currently, there remain only 25 large debtors with credits outstanding of 10,953 million baht under the DCA/ICA. Of these, 5 debtors with credits outstanding of 6,089 million baht are under the Executive Decision Panel process.

2. A total of 12,058 cases are small- and medium-sized target debtors with combined credits outstanding of 308,520 million baht. Of these, 9,297 cases with credits outstanding of 199,689 million baht have entered into the CDRAC process. To date, a total of 8,016 cases (86% of the total number of small- and medium-sized target debtors that entered into the CDRAC process) with credits outstanding of 125,606 million baht have succeeded in debt restructuring while 799 cases with credits outstanding of 71,347 million baht have been unsuccessful.

CDRAC continues to manage 1,314 small- and medium-sized debtors with credits outstanding of 5,378 million baht. Of these, 482 cases with credits outstanding of 2,736 million baht are currently being restructured under the Simplified Agreement (SA) while 832 cases with credits outstanding of 2,642 million baht are in the signing stage under the CDRAC process.

3. When both the large and the small- and medium-sized target debtors are taken into consideration, the combined developments can be summarized as follows:

3.1 A total of 9,019 debtors (83% of debtors in the CDRAC process) with credits outstanding of 1,255,155 million baht have successfully restructured their debts. For June 2001 alone, 541 debtors with credits outstanding of 3,500 million baht successfully restructured their debts. Most of the above mentioned 9,019 debtors are in the commerce and personal consumption sectors, respectively.

3.2 A total of only 507 debtors (5% of all debtors that entered into the CDRAC process) with credits outstanding of 13,689 million baht are currently negotiating their debt restructuring under the DCA/ICA and the SA.

3.3 A total of 4,498 debtors with credits outstanding of 1,194,635 million baht are either in the process of being filed in court or have already been filed in court by their creditors. Of these, 1,358 debtors (12% of the total number of target debtors that have entered into the CDRAC process) with credits outstanding of 392,150 million baht have been unable to successfully restructure their debts under the process. An additional 3,140 debtors with credits outstanding of 802,486 million baht refused to enter into the process in the first place and have been filed in court.

Bank of Thailand

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[Attachment](#)