

NPL definition: Old vs. New

The Bank of Thailand (BoT) has redefined NPL definition, effective from 4Q2002. Under ***the old definition***, NPL refers to principal outstanding of loans which have been delinquent on principal and/or interest for 90 days or more. Nonetheless, it excludes restructured loans which are not yet eligible for reclassification as normal, and unsecured portion of loans classified as doubtful loss which has been fully provisioned. Conversely, NPL, under ***the revised definition***, represents principal outstanding of loans classified as sub-standard, doubtful, doubtful-loss, and loss in accordance with the BoT's guideline on loan classification, including the aforementioned exceptions under the old definition.

As a result, the bank's NPL are adjusted according to the new NPL definition as follows:

Bank only (2002)	March		June		September		December	
	Old	New	Old	New	Old	New	Old	New
NPL (Bt mn)	60,410	94,305	62,281	100,757	60,379	99,342	54,464	92,482
% of total loans	12.89	18.77	13.43	20.20	13.14	20.08	11.63	18.46

Consolidated (2002)	March		June		September		December	
	Old	New	Old	New	Old	New	Old	New
NPL (Bt mn)	95,219	129,114	94,855	133,330	92,376	131,338	86,045	124,063
% of total loans	19.27	24.46	19.46	25.52	19.14	25.37	17.55	23.72

Consolidated NPL means NPL of Bank + Thonburi Asset Management Company

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