Government Housing Bank

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Annual Report 2001 Government Housing Bank

Annual Report 2001

Uplifting the Standard of Living... Promoting the Quality of Life

Government Housing Bank

Contents

Willing to help, catering to your housing needs, for you and your family

Financial Highlight

As of December 31 *Amount : Million Baht*

Financial Status	2001	2000	1999
Total Assets	**307,342**	329,114	323,419
Total Liabilities	**292,059**	315,122	310,165
Government Capital	**17,320**	17,320	17,320
Equity	**15,283**	13,992	13,254

Operating Results			
Interest Income	**16,924**	20,613	24,151
Other Income	**640**	1,079	1,597
Total Income	**17,564**	21,692	25,748
Net Profit	**1,620**	529	(10,070)

Financial Ratios			*Percentage*
Net Profit per Total Income	**9.22**	2.44	(39.11)
Return on Equity (ROE)	**10.60**	3.78	(75.98)
Return on Assets (ROA)	**0.53**	0.16	(3.11)
Net Profit per Equity	**11.07**	3.88	(64.38)
Risk Based Capital	**10.30**	9.56	10.21

History of the Bank

Foundation of the Government Housing Bank

GHB was established in accordance with the Government Housing Bank Act B.E. 2496 (1953) during the tenure of Prime Minister Field Marshall Por. Pibulsongkram. The main purposes were to undertake land development, housing construction for sale, rent or hire purchase to the public as well as render financial assistance for homeownership. The bank was under the supervision of Ministry of Finance.

Later in 1972, the Administration under the Prime Minister, Field Marshall Thanom Kittikachorn realized that though there had been increasing assistance for homeownership, from the government units and many government and private organizations, a great number of low and middle-income people were still in need of housing. As a result, the **National Housing Authority** was founded to arrange for housing by way of rent or hire purchase in particular and to take over the administration in this area from the Bank. **Consequently, the Bank was left to arrange for housing loans with the aim of rendering financial assistance to low and middle-income customers for their homeownership.**

Similar to other commercial banks, at the very beginning the Bank mobilized its fund through deposits from the public together with a long-term loan from domestic and international financial institutions for its financing purpose. At that time, the Bank operated from its only premise in Ratchadamnoen Klang Avenue. Generally, the Bank only served small number of customers. However, through its extensive improvements in various areas of services enabling the Bank to complete effectively with the private sector and to offer financing with lower interest rate, the operation of the Bank had successfully expanded impressively with an increasing number of customers. **Subsequently, in 1986 GHB Head Office was established on Rama IX Road** establishing the premise on Ratchadamnoen Klang Avenue as the first branch. Furthermore, the Bank had expanded its financing services to provinces in response to the need of the public in general. In 1987, the first provincial branch was opened in Chiang Mai. Nowadays there are altogether 112 branches nationwide, breaking down into 29 branches in Bangkok Metropolis and the vicinity, 83 branches in the provinces and 6 financial counters in Bangkok. The expansion of the network all over the country has enabled GHB to service customers closely. Today – the Bank is proud to make the dream of Thai people come true by making it possible for more than 2 million families to own their home.

Activities in 2001

Apart from rendering housing financial services to the public, the Bank had organized various projects during 2001 in order to strengthen the society in parallel with the strengthening of the economy by focusing on giving information on housing, information technology, religion and culture to benefit the youth and the general public as follows:

1. **Organized a website on integrated housing information center**

Opening ceremony of the GHB integrated housing information center website on August 17, 2001 at Room 301, GHB Head Office.

The website www.ghbhomecenter.com is an integrated information center giving information on every aspect for prospective homebuyers and those involved in housing business. The main content consists of information and knowledge on home purchase, rental, loan application, home decoration, maintenance and home improvement, housing sales, etc. This was aimed to help people to own their homes and to improve the quality of life.

2. **Initiated the "Computer for Society" Project**

GHB's donation of computers to Rajabhat Institute at Ubon Ratchathani on April 18, 2001 at Room 302, GHB Head Office

"The GHB Old PC New Approach" was a new concept of donating computers to academic institutions. Not only did the Bank contribute computer hardware, but also added value in 3 areas. Firstly, appropriate software was included. Secondly, training was given to personnel, lecturers and students. Thirdly, the Project provided integrated support service in order to give advice, suggestion and problem solving for possible enquiries. This type of contribution would be absolutely more complete than previous ones whereby only

Donation of computers to 20 schools under the Bangkok Metropolitan Administration and 10 schools in Loei Province.

computer hardware was given thus thwarting invaluable tools to become scrap iron in a relatively short time. This would be a prototype for future donation from various organizations. In the same token, the Bank is prepared to welcome suggestions for future improvements. During 2001, the Bank donated a main frame computer to Rajabhat Institute at Ubon Ratchathani for the use in educational research and data collection. Futhermore, the Bank donated 22 computers to various schools.

3. Initiated the "Knowledge & Technology for Your Child" Project

GHB organized the first KT camp for children of GHB customers and staff on May 12, 2001 at GHB Head Office.

In 2001, GHB organized the first youth camp to promote knowledge and technology at the head office on May 12, 2001. The second one was organized at Rajabhat Institute at Ubon Ratchathani during October 15-19, 2001. The course aimed to promote understanding and skills in information technology in order for the youth to apply into their daily lives and education. This would be in line with the Bank's policy to establish itself as an organization participating in the country's development based on knowledge and technology.

GHB in cooperation with Rajabhat Institute at Ubon Ratchathani and Se-education Public Company Limited organized the 2nd KT camp for the youth in Ubon Ratchathani and neighbouring provinces during October 15-19, 2001 at Rajabhat Institute at Ubon Ratchathani.

4. Organized Technical Seminars on Housing

GHB and the Asset Management Association organized a seminar on "Real Estate Strategy in Thailand Today" on June 2, 2001.

GHB and the Ministry of Finance organized a seminar on "Measures to Promote Real Estate Business" on March 27, 2001 at Room 301, GHB Head Office.

The Bank took on the role as a leader in training and organizing seminars on housing information for the staff, proprietors and the general public:

1. The Bank in cooperation with the Ministry of Finance organized a seminar to mobilize the ideas on measures to promote real estate business on March 27, 2001.
2. The Bank together with the Asset Management Association organized a seminar on "Real Estate Strategy in Thailand Today" on June 2, 2001.
3. Organized a seminar on a survey on housing demand of government officials and state enterprise employees to the media and the general public on August 15, 2001.
4. Organized a conference to give an information on GHB - GPF Project to the members of the Government Pension Fund at the Central Comptroller Department on November 26, 2001.
5. Organized a seminar to give an information and promote homeownership for government officials in accordance with the government policy:
   - A lecture at the Office of the Civil Service Commission, Ministry of Finance
   - A lecture at the Agricultural Land Reform Office
   - A lecture at the Royal Thai Police Bureau

5. Colour Drawing Competition on "My Dream Home"

The project is to promote artistic skills and enable Thai youth to become conscious in collectively creating imagination on housing and to utilize their past time efficiently. The project was the first to organize and received a warm welcome from the youth. The Bank expects to organize this type of activity again in the future.

Some of the drawings from the youth
who participated in the activity

6. Activities on Religion and Cultural Promotion

The Bank had participated in organizing various projects and activities for society as a whole, such as:

- Donation towards the Royal Kathin, MOF at Rama IX Kanjanapisek Temple
- Donation towards Luang Ta Maha Bua's Bha Pa
- Donation towards the Royal Kathin at Manao Temple and Thamachart Forest Temple
- Donation towards the Royal Kathin, Social Security Office at Salapun Temple
- Donation towards the Royal Kathin, MCOT, Rajadapisek Temple
- Contribution of monk robes towards the Royal Kathin at Paramaiyikawas Temple
- Organization of the "Paying Respect to the Elders" ceremony during Songkran Festival

"Paying Respect to the Elders" event during
Songkran Festival on April 13, 2001
at Room 301, GHB Head Office

Contribution of monk robes towards
the Royal Kathin at Pak Kret, Nonthaburi
on October 26, 2001.

The Beginning of a New Life...

Ascertaining a Bright Future

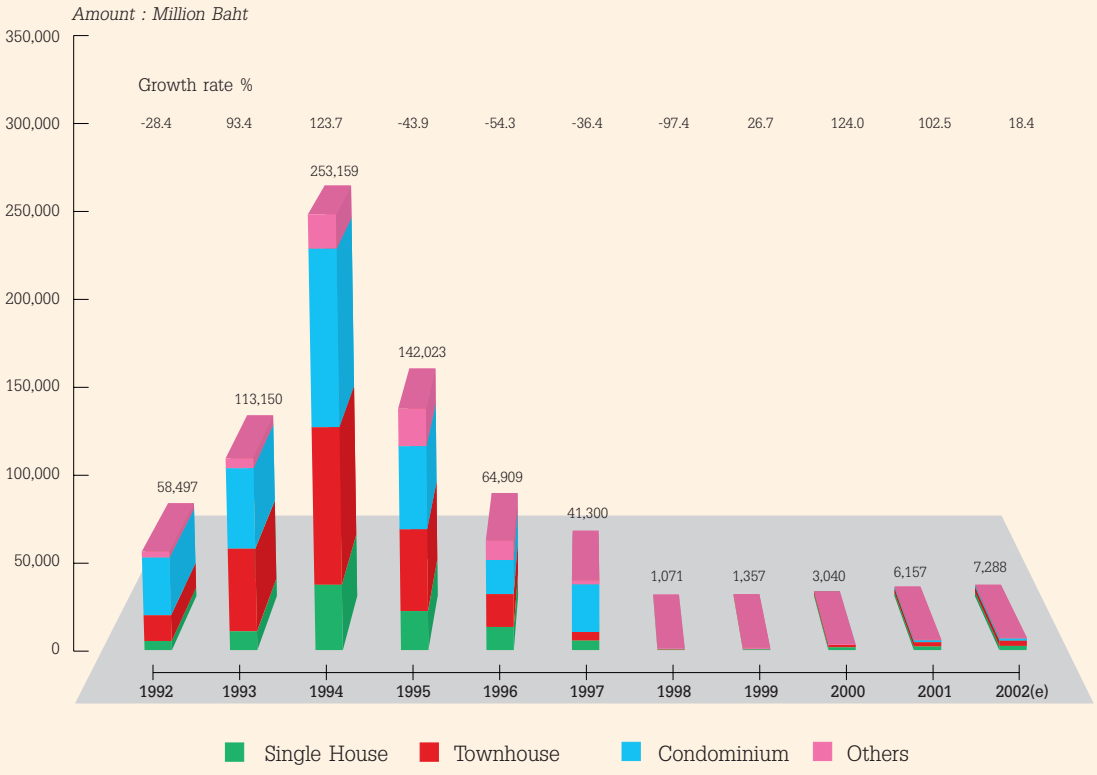
"Home" is the ultimate goal in a family, as such many people hope to begin their new lives in new homes.
We, at Government Housing Bank, are committed to stand beside you, in order to serve you, and provide you with full consultation services on housing issues. You can rest assured on the roads you have paved for your dreams.

Summary of the Housing and Housing Loan Market Situation in 2001 and Outlook for 2002

Summary of the Housing and Housing Loan Market Situation in 2001 and Outlook for 2002

Housing Units in the Newly Launched Projects Have Doubled: In 2001 the number of new housing projects (as advertised in printed media) throughout the country has doubled. Particularly in Bangkok Metropolitan and its vicinity, there were 6,157 housing units in 2001, increasing from 3,040 units in 2000 by 102.5%. It is anticipated that in 2002 the number of newly launched housing units will increase considerably. This increase can be attributed to many factors including the government measures in stimulating the real estate market, supportive measures for homeownership and the lowest interest rates for housing finance in recorded history.

Newly Launched Housing Units in Bangkok Metropolitan and Greater Bangkok Region



Source : 1992 - 1993 by 910 Management Co., Ltd.
1994 - 2002 by NHA
Gathered by : Housing Information Division, Housing Information and Research Department, GHB

A Slight Increase in the Completely Constructed Housing Units in 2001: The actual number of completely constructed and registered housing units in 2001 was 34,023 units, increasing from 32,028 units in 2000 by 6.2%. It is estimated that in 2002 the number of completely constructed housing units will follow the same trend as in the year 2001.

Number of Housing Units Registered in Bangkok Metropolitan Region 1991 - 2002

Notes : 1991 - 1993 = Bangkok and 3 adjacent provinces
1993 - Present = Bangkok and 5 adjacent provinces

Source : Housing Information Division, GHB

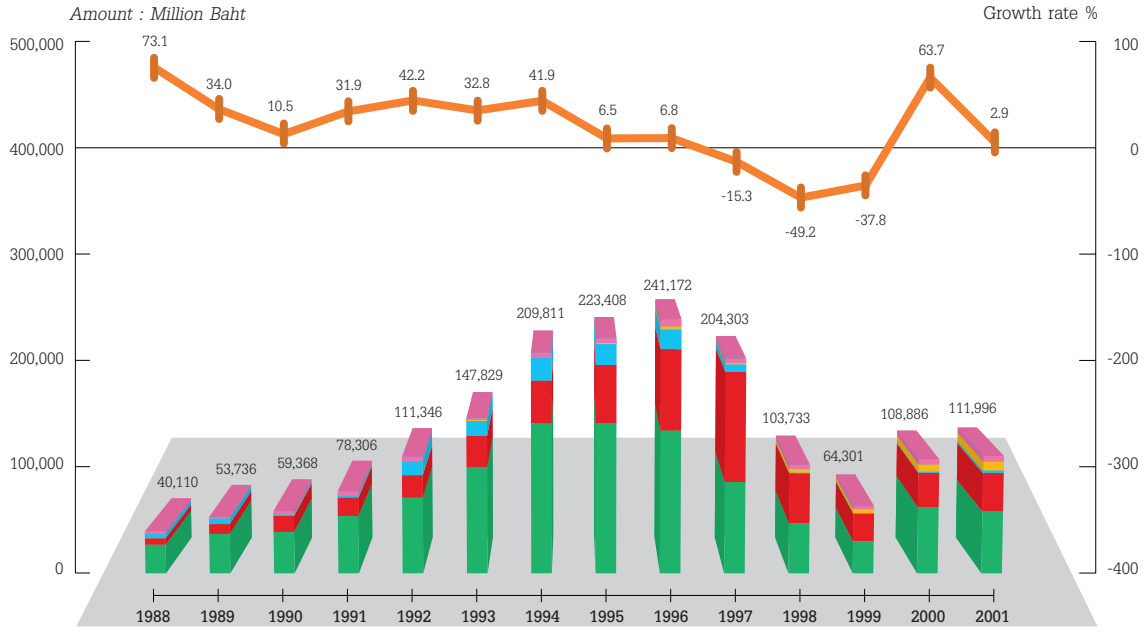
The Ratio of Developer-built Housing Has Increased: It is interesting to note that during the years 1994 - 1997 the ratio of developer-built housing was dramatically high, at approximately 80%. However, it has gradually decreased since 1998. In 2001, there was only 42% of developer-built housing whereas the self-built housing showed a steady increase, implying that the supply of new housing offered by developers has remarkably been shrunk. It is expected that in 2002, the ratio of developer-built housing will rise as the supply in the market has been decreased especially the single house, while the demand is still rising continuously.

Selling Prices of Housing in 2001 Remained Low: Selling prices of housing in 2001 still remained low, a reduction of around 20 - 50% from the highest prices in the past years. This was due to a surplus of supply particularly in the re-sale housing market, whereas the purchasing power of the public increased nominally. In 2002, it is anticipated that the selling prices of housing in the new projects will increase by 5 - 10%, due to the increase in construction material prices.

The Situation of Housing Loan Market in 2001 and Outlook for 2002

New Housing Loans for General Public: In 2001, the newly extended personal housing loans of the financial institutions reached 111,996 million baht (an increase of 2.9% from the year 2000), of which 36,705 million baht was provided by GHB (an increase of 11.6% over the year 2000). This represented a market share of 32.8% of the total housing loan market as against 30.2% in 2000. On the other hand, the commercial banks sector showed a decrease market share representing only 52.8%, a shrink from 57.9% in 2000.

New Housing Loans 1988 - 2001



	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Commercial Banks	27,333	37,741	39,650	54,728	72,328	101,624	143,030	143,327	136,107	87,293	47,857	30,593	63,053	59,123
GHB	6,092	9,366	15,272	17,681	21,424	29,442	40,248	54,869	76,936	104,382	47,655	26,336	32,898	36,705
Finance Companies	4,322	5,215	1,414	2,210	13,412	14,205	22,228	19,718	18,445	6,932	599	821	1,092	2,290
GSB	74	88	110	98	64	114	178	244	2,962	1,412	3,545	3,679*	6,794*	8,492*
Others	2,289	1,326	2,922	3,589	4,118	2,444	4,127	5,250	6,722	4,284	4,077	2,872	5,049	5,386

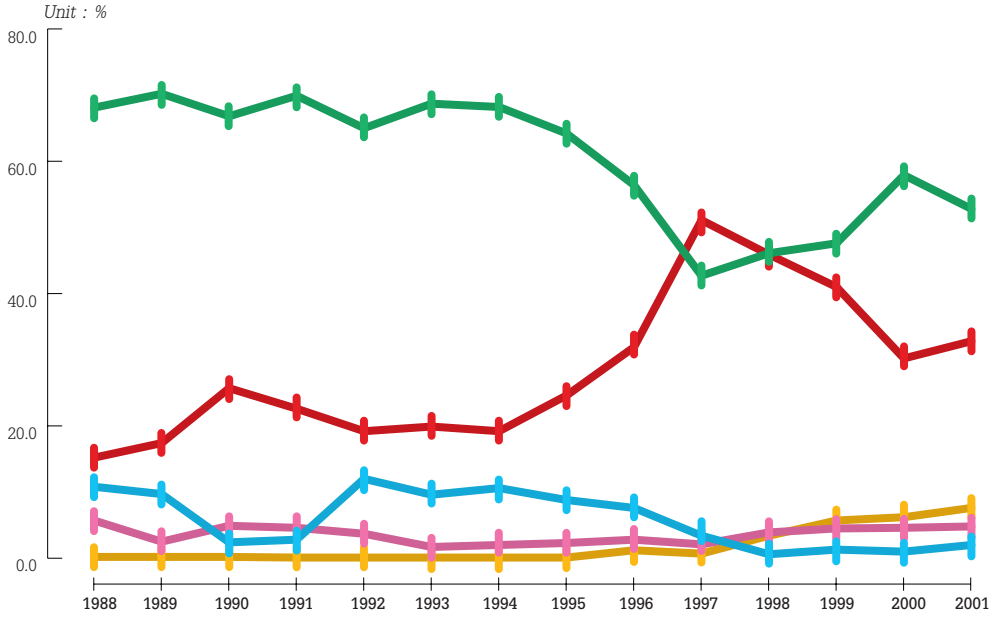
Notes : 1. * = Estimated

2. Others : National Housing Authority, credit foncier companies and life insurance companies

3. Recent figure of Government Savings Bank's new housing loan as of September 2001 = 6,370 million baht.

Source : Research and Foreign Affairs Division, Housing Information and Research Department, GHB

Market Share of New Mortgage Loans 1988 - 2001



	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Commercial Banks	68.1	70.2	66.8	69.9	65.0	68.7	68.2	64.2	56.4	42.7	46.1	47.6	57.9	52.8
GHB	15.2	17.4	25.7	22.6	19.2	19.9	19.2	24.6	31.9	51.1	45.9	41.0	30.2	32.8
Finance Companies	10.8	9.7	2.4	2.8	12.0	9.6	10.6	8.8	7.6	3.4	0.6	1.3	1.0	2.0
GSB	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	1.2	0.7	3.4	5.7*	6.2*	7.6*
Others	5.7	2.5	4.9	4.6	3.7	1.7	2.0	2.3	2.8	2.1	3.9	4.5	4.6	4.8

*Notes : 1. * = Estimated*

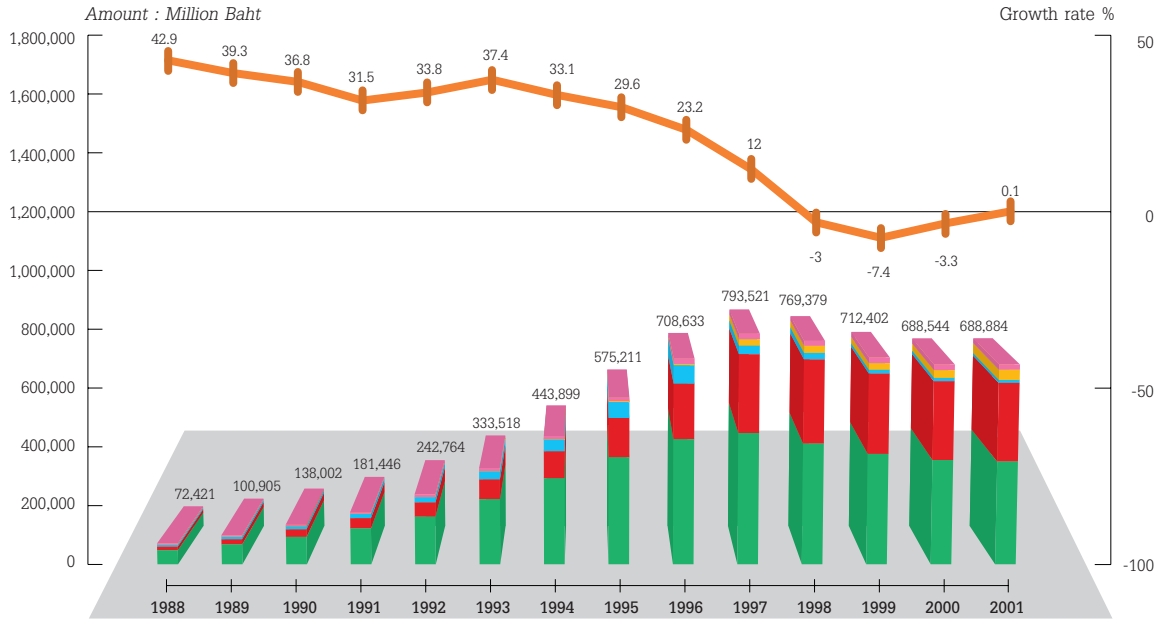
2. Others : National Housing Authority, credit foncier companies and life insurance companies

Source : Research and Foreign Affairs Division, Housing Information and Research Department, GHB

In 2002, it is anticipated that the value of new housing loans will slightly increase from the year 2001 by reaching approximately 120,000 million baht, equivalent to a growth rate of 7%. The new housing mortgage loans from GHB is anticipated to be approximately 39,000 million baht representing a market share of 32.5%.

Personal Mortgage Loans Outstanding: In 2001, the personal mortgage loans outstanding of the total market was 688,884 million baht, a slight increase from 2000 by 0.1%. Out of this, GHB mortgage loans outstanding amounted to 270,024 million baht representing a market share of 39.2%. At the same time, mortgage loans outstanding of commercial banks sector was 356,032 million baht or a market share of 51.7%.

Personal Mortgage Loans Outstanding 1988 - 2001

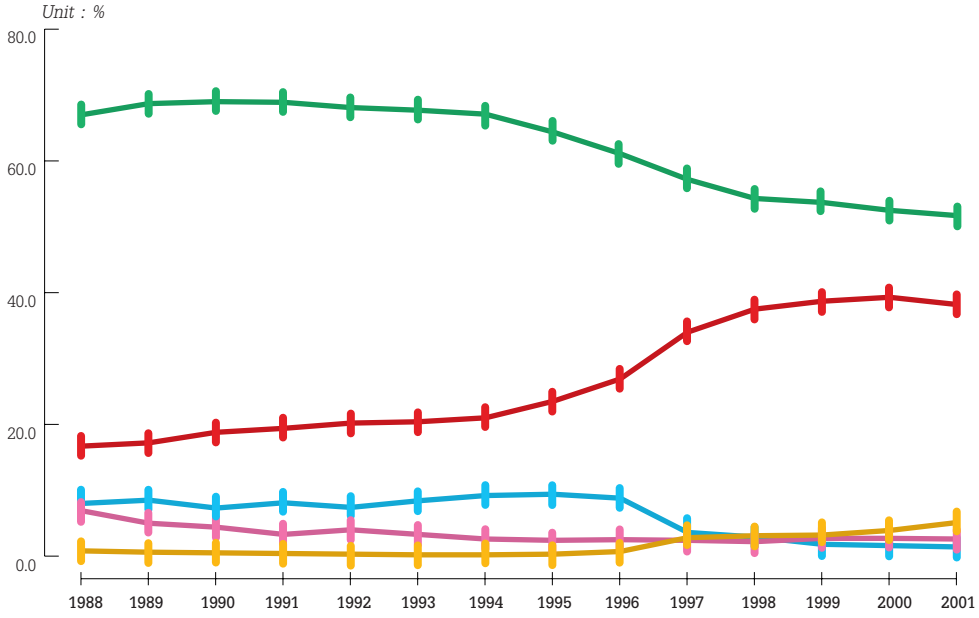


	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Commercial Banks	48,921	69,304	95,278	124,968	165,435	225,919	297,953	370,407	432,641	454,210	417,796	382,264	361,172	356,032
GHB	12,100	17,376	25,959	35,118	48,968	68,105	93,098	135,259	190,404	269,617	288,200	275,470	270,772	270,024
Finance Companies	5,816	8,542	10,035	14,641	17,918	27,930	40,671	54,196	62,617	28,696	22,177	12,648	10,887	9,672
GSB	587	590	627	654	628	648	768	1,486	4,987	22,088	24,224	23,066	26,844	35,040
Others	4,997	5,093	6,103	6,065	9,815	10,916	11,409	13,863	17,984	18,910	16,982	18,954	18,869	18,116

Notes : 1. Government Savings Bank's figures are from the Bank of Thailand.
2. Others : National Housing Authority, credit foncier companies and life insurance companies

Source : Research and Foreign Affairs Division, Housing Information and Research Department, GHB

Market Share of Personal Mortgage Loans Outstanding 1988 - 2001

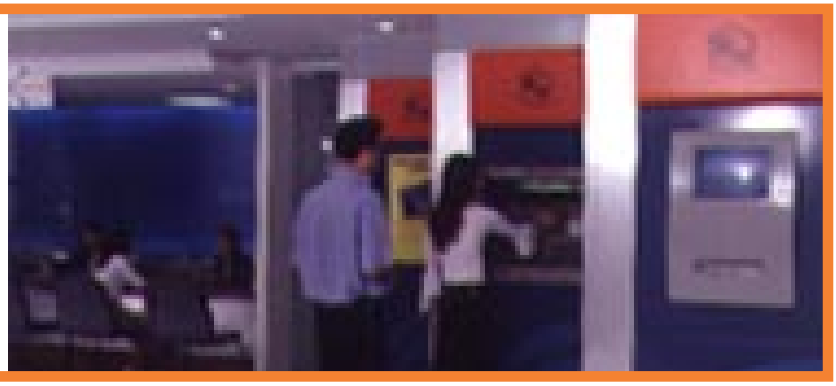


	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Commercial Banks	67.6	68.7	69.0	68.9	68.1	67.7	67.1	64.4	61.1	57.2	54.3	53.7	52.5	51.7
GHB	16.7	17.2	18.8	19.4	20.2	20.4	21.0	23.5	26.9	34.0	37.5	38.7	39.3	39.2
Finance Companies	8.0	8.5	7.3	8.1	7.4	8.4	9.2	9.4	8.8	3.6	2.9	1.8	1.6	1.4
GSB	0.8	0.6	0.5	0.4	0.3	0.2	0.2	0.3	0.7	2.8	3.1	3.2	3.9	5.1
Others	6.9	5.0	4.4	3.3	4.0	3.3	2.6	2.4	2.5	2.4	2.2	2.7	2.7	2.6

Notes : 1. Others : National Housing Authority, credit foncier companies and life insurance companies

Source : Research and Foreign Affairs Division, Housing Information and Research Department, GHB

In 2002, it is estimated that mortgage loans outstanding will either remain unchanged or slightly increase from 2001 to approximately 690,000 - 700,000 million baht. Although new mortgage loans may increase, a portion falls into refinancing among housing loan institutions. In addition, there was a large number of prepayment of loan accounts, as a result of the continuing wide spread of borrowing and depositing interest rates.

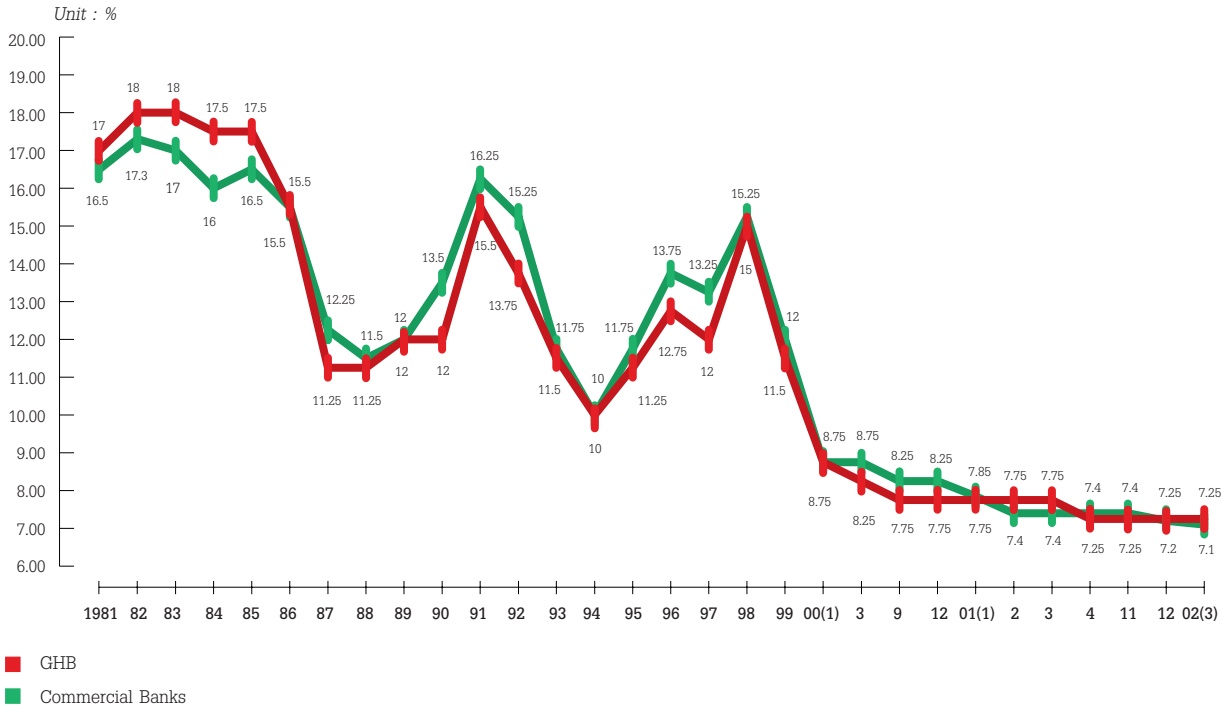


The Situation of Interest Rates for Personal Housing Loans in 2001 and its Outlook for 2002

In 2001, the competition in offering attractive interest rates for personal housing loans was tremendous. Several banks lowered their fixed interest rates from 1 - 3 years to approximately 3.5 - 6.5% such as Government Savings Bank, Bank of Ayudhya and Siam Commercial Bank. This was due to excessively high liquidity.

In 2002, the interest rates for housing loans are likely to stay low, as a result of government measures in stimulating the real estate market, coupled with the high liquidity in the whole system.

GHB's Floating Interest Rates
as against MLRs of Commercial Banks from 1981 to March 2002



Notes : 1. GHB = Interest rates for 200,000 - 750,000 baht (changed to 200,000 - 1,000,000 baht since June 23, 1999)
2. Commercial Banks = Average interest rates of 5 major banks

Source : GHB/BOT

Uplifting the Standard of Living...

Promoting the Quality of Life

For over 4 decades of providing housing loan services, Government Housing Bank (GHB) is proud to take part in reaching to the Thai people's dream to become reality by providing financial assistance to low and middle income families to be able to own homes and have better living standard.

GHB hopes to see that every house is filled with smiles and laughters with security, confidence and bright future by providing various types of services such as savings deposit and other banking services that are always convenient and ready to be served to all Thai citizens with the state-of-the-art technology.

Today, our success is... the appreciation and congratulations in seeing that every Thai has a better quality of life and happiness... "willing to help, catering to your housing needs, for you and your family".

Vision

The Bank is a leading institute in providing finance for homeownership with the world-class standard in accordance with the national quality award direction within the year 2007.

Mission

1. To provide housing services leading to homeownership
2. To become a government mechanism in carrying out the government's policies with particular focus on economy and housing
3. To be a leader in developing Home Financing System in Thailand

Objectives

1. Financial aspects
   - 1.1 To be a leader in housing loans
   - 1.2 To maintain stable with high level of profits in operating performance and capable of being self-reliant in the long run.
   - 1.3 To act as government's tool in implementing policies on economics, social values and environment



2. Customer aspects
   - 2.1 To increase the number of people with homeownership
   - 2.2 To improve quality of life in homeownership
   - 2.3 To keep customers most satisfied with services
   - 2.4 To improve services to be competitive with commercial banks
   - 2.5 To promote closer cooperation between the Bank and the clients
3. Internal operation aspects
   - 3.1 To provide customer services with quality and efficiency
   - 3.2 To ensure efficient internal administration
   - 3.3 To provide state-of-the-art technology to accommodate existing and future services
4. Learning and growth aspects
   - 4.1 To provide efficient administration
   - 4.2 To practice Good Corporate Governance
   - 4.3 To project an image of a leader in housing finance
   - 4.4 To be an organization with unity
   - 4.5 To manage human resources of high standard, acceptably satisfied by GHB staff

Message from the Chairman

In 2001 the Thai economy was still in recession. Unemployment was still high in key industries and businesses. The manufacturing sector, which depended primarily on export, was in decline. In particular the real estate sector, a key indicator of the general state of the national economy, was facing a downturn. To rehabilitate the national economy, the government realized that the housing industry would be playing a key role by stimulating the expansion of related industries. Thus, the government has taken the initiative to solve such problems by issuing continuous recovery and restructuring measures for the real estate sector. Responsible parties were assigned to work jointly in addressing and solving the problems in order to bring about economic recovery.

As a state-owned financial institution, Government Housing Bank (GHB) was designated to provide housing loans to the general public. It has played a key role in solving and revitalizing the real estate business, by implementing projects assigned by the government. GHB had devised new loan plans with a progressive repayment system, which better suited the consumers in the current economic situation. In addition, it offered lower interest rates on mortgage loans than the competitors; loan amount up to 100% of the collateral value; and 30 years loan term. These new loan plans were introduced and offered to civil servants who are Government Pension Fund members, and would further be extended to state enterprise employees. Furthermore, special programs were organized to provide homeownership counseling to the public, both in Bangkok and in the provinces. An information center was set up on the Website at **www.GHBHomeCenter.com**, to provide full-cycle homeownership news and information. As a result, the general public will be better equipped with knowledge and understanding when selecting a home and loan service, knowing what is available and which best suits their financial ability. All these efforts had helped stimulate the real estate market, and fasten buying decision of civil servants and the general public. Consequently, signs of recovery in the real estate business were evident by the end of 2001.

Besides lending measures, GHB's internal management has also been improved for better efficiency. Manuals and guidelines were issued for quality standard loan practices. Proactive marketing strategies were implemented, in order to respond to customers' demand and provide maximum client satisfaction. Furthermore, the Banks' Board of Directors has put great emphasis on Best Practice standard at all levels within the organization in order to create value added efficiency and enhance the Bank's security.

Wisudhi Srisuphan

Mr. Wisudhi Srisuphan

Chairman of the Board of Directors

To ensure implementation was in line with the government's policy, laws and regulations, close attention and supervision were given not only by the Management Committee and the Audit Committee, but also a Compensation Committee which was set up in 2001, to review and monitor incentives and benefits granted to the bank employees. This was to benchmark and ensure that they were appropriate and in line with those in the market, which would effect working efficiency of the employees. This is a key to the long-term success of the organization. Moreover, a Risk Management Department has been set up to study all risk factors which have impact on the organization and risk control system covering the entire organization with efficiency and suitability in the next phase.

The result of the efforts implemented in the year 2001 has enabled GHB to accomplish the set targets. GHB was able to help 86,142 families own their homes, accounting for 36,829 million baht in loans, which exceeded the Bank's set target of 26,000 million baht by 42%. This was equivalent to an increase of 11.61% over last year's performance. Of this total, 32,971 million baht was for normal service loans and 3,858 million baht was for loans based on the real estate sector recovery measures. Aided by the efforts to reconcile unpaid loans that have improved the quality of outstanding debts, the Bank was able to realize a profit of 1,620 million baht in the year 2001.

For the following year, GHB aims to develop innovation and new products to meet customers' demand, both in quantity and quality. This is to answer the government's call to stimulate and promote the real sector for a fast recovery. At the same time, it is a self-improvement measure, paving the way for its transition into privatization later on.

The Bank wishes to convey thanks to all the customers for placing their trust in the Bank's services, and all the employees for their dedication in performing their duties. As a result, the Bank has been able to achieve the goal as a leading bank in providing quality standard financial services for homeownership and raise the quality of living of the Thai people, which in turn would help enhance the development of the country in the years to come.

Report of the Audit Committee

The Board of Director of the Government Housing Bank has appointed three members of the Bank's Board to be an Audit Committee. This Committee consists of Mr. Thawee Butsuntorn as the Chairman, Mr. Piyabhan Nimmanhaemin and Miss Supa Piyajitti as members of the Committee and Director of the Internal Audit Department as the secretary. There were some changes in the Audit Committee during 2001. During the Board meeting No. 13/2544 on June 21, 2001, it appointed Mr. Somjate Moosirilert as a Committee member replacing Mr. Pakhawat Kovithvathanaphong who had resigned. In addition, at the Board meeting No. 17/2544 on August 16, 2001, Mr. Piyabhan Nimmanhaemin was appointed to replace Mr. Somjate Moosirilert who had become Director of the Board. The duties of this Audit Committee, in accordance with the Principles and Guidelines of Conduct for Audit Committee of State Enterprises, which was approved by the cabinet on April 25, 2000, are as follows:

1) To examine the reliability of the financial report and the management report
2) To report the efficiency and economical levels of the Bank's operation
3) To report transactions with conflict of interest and related reports
4) To report whether and how much the Bank complies with rules, regulations, by - law, cabinet's resolutions, and policies that are issued by the Board of the Bank

In 2001, the Audit Committee had organized 9 meetings to consider the followings:

- To review quarterly and annual balance sheets 2001
- To review and approve reports of independent auditors (State Audit Office, SAO) on the Bank's balance sheets before submitting them to the Bank's Board
- To review and appraise the internal control of the Bank's operation system
- To review the Bank's operations to ensure its compliance with laws, regulations, cabinet's resolutions, and policy set by the Bank's Board
- To monitor the Bank's performance in the field of credit extension
- To prevent and crack down on any misconduct that may arise in the Bank
- To monitor the Bank's management
- To monitor the Bank's operation as suggested by the Audit Committee

- To consider the report of the Internal Audit Department and provide further instruction as appropriate
- To consider the report in case of conflict of interest with the Bank
- To consider the Internal Audit Department's auditing plan for the year 2002

The Audit Committee had prepared and submitted quarterly advice notes to the Bank's Board for further consideration and improvement to ensure the Bank's efficient and effective operation. The essence of the advice is as follows:

- The process of annual balance sheet preparation should be improved to achieve more efficiency and effectiveness.
- The Bank should take into account the independent auditor's recommendations for further correction to meet the accounting standards.
- The Bank should rapidly complete legal actions against borrowers to reduce the Non Performing Loans (NPLs).
- The Bank should urge debt classification and set aside reserves for extended loans completely and properly.
- The Bank should revise and amend its rules and regulations to meet the current situation.
- The preventive and suppressive measures against misconduct and graft should be pursued in compliance with the government's policy.
- Investigation should be followed up and completed as soon as possible.
- The management of Non Performing Assets (NPAs) should be concretely implemented.
- The rules and regulations on credit extension should be strictly followed.
- The operation and contract-out terms and conditions should be closely followed up.
- The debt payments as awarded by court decision should be speeded up to the final stage.

The Audit Committee has already submitted the report to the Ministry of Finance in accordance with the Principles and Guidelines of Conduct for Audit Committee of State Enterprises.

(Tawee Butsuntorn)

Chairman of the Audit Committee

Board of Directors

1

2

3

4

5

6

7

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9

Board of Directors

1. Mr. Wisudhi Srisuphan	Chairman of the Board
2. Mr. Sukree Coompanthu	Director
3. Mr. Chaikasem Nitisiri	Director
4. Mr. Piyabhan Nimmanhaemin	Director
5. Miss Supa Piyajitti	Director
6. Mr. Chatchai Virameteekul	Director
7. Pol. Maj. Gen. Siripong Sanpatanont	Director
8. Mr. Somjate Moosirilert	Director
9. Mr. Bhichar Damrongpiwat	Director

Administration Committee

1. Mr. Chaikasem Nitisiri	Chairman of the Committee
2. Mr. Chatchai Virameteekul	Vice Chairman of the Committee
3. Mr. Sukree Coompanthu	Committee
4. Mr. Somjate Moosirilert	Committee
5. President of GHB	Committee

Audit Committee

1. Mr. Piyabhan Nimmanhaemin	Chairman of the Committee
2. Miss Supa Piyajitti	Committee
3. Pol. Maj. Gen. Siripong Sanpatanont	Committee

Compensation Committee

1. Mr. Chatchai Virameteekul	Chairman of the Committee
2. Mr. Sukree Coompanthu	Committee
3. Mr. Piyabhan Nimmanhaemin	Committee
4. Mr. Somjate Moosirilert	Committee

Senior Management

Mr. Bhichar Damrongpiwat

President

Nov. 1, 2000 - Feb. 28, 2002

1. Mr. Siriwat Phromburi
   Advisor (Organization Development)
2. Mr. Somsak Assavapokee
   Senior Executive Vice President
3. Mrs. Krongcin Kanitasut
   Senior Executive Vice President

1. Mr. Kawee Keereepart
   Senior Executive Vice President
2. Mr. Sakdapinit Narongchartsopon
   Advisor (Information Development)
3. Mrs. Angkana Chaimanat
   Senior Executive Vice President

Mr. Somjate Moosirilert

Director
Acting President
Mar. 1, 2002 - July 31, 2002

1. **Mrs. Nandharat Kullavanijaya**
Senior Executive Vice President

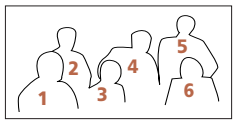
2. **Mr. Kwanchai Kanarat**
Senior Executive Vice President

3. **Mr. Chaitaawat Wongsawang**
Advisor and
Acting Senior Vice President,
Human Resources Department

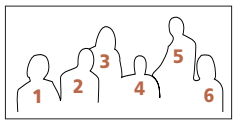
1 2 3

Management Committee

1.	Board of Director	Chairman
2.	Mrs. Krongcin Kanitasut	Director
3.	Mrs. Nandharat Kullavanijaya	Director
4.	Mr. Somsak Assavapokee	Director
5.	Mr. Kwanchai Kanarat	Director
6.	Mrs. Angkana Chaimanat	Director
7.	Mr. Kawee Keereepart	Director
8.	Mr. Chaitaawat Wongsawang	Director



1. Mr. Anusorn Thongsamran
   Senior Vice President,
   Office Administration Department
2. Mrs. Chinda Rojanasopondist
   Senior Vice President, Loan Supervision Department
3. Mrs. Laiwan Pongsangium
   Senior Vice President, Office of the President
   and Acting Senior Vice President,
   Risk Management Department
4. Mr. Vichai Promsithikul
   Senior Vice President, Regional Branch Department 2
5. Mr. Watana Manojaroen
   Senior Vice President,
   Property Management Department
6. Miss Rumpa Mahasaranond
   Senior Vice President, Regional Branch Department 1



1. Miss Chantana Chullamonthol
   Senior Vice President, Accounting Department
2. Mr. Orarn Gettuphan
   Senior Vice President, Banking Department
3. Miss Waree Towan
   Senior Vice President, Internal Audit Department
4. Mr. Siddhichai Binaree
   Senior Vice President
5. Mr. Thanakit Theerakarn
   Senior Vice President,
   Information Technology Development Department
6. Mrs. Ratana Ruengrong
   Senior Vice President, Quality Management Office

1. Mrs. Tasaporn Unkomol
Senior Vice President,
Individual Mortgage Department

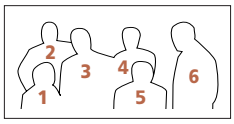
2. Mr. Thadha Chaiyacupt
Senior Vice President, Metropolitan Branch Department

3. Mr. Ballobh Kritayanavaj
Senior Vice President,
Housing Information and Research Department

4. Mrs. Prittha Tirasai
Senior Vice President, Collateral Appraisal Department

5. Mr. Chuta Israngkura Na Ayudhya
Senior Vice President,
Treasury and Funding Department

6. Mr. Luechai Chiravinijnandh
Senior Vice President



1. Miss Apirat Tantivejakul
Senior Vice President,
Information Technology Development Department

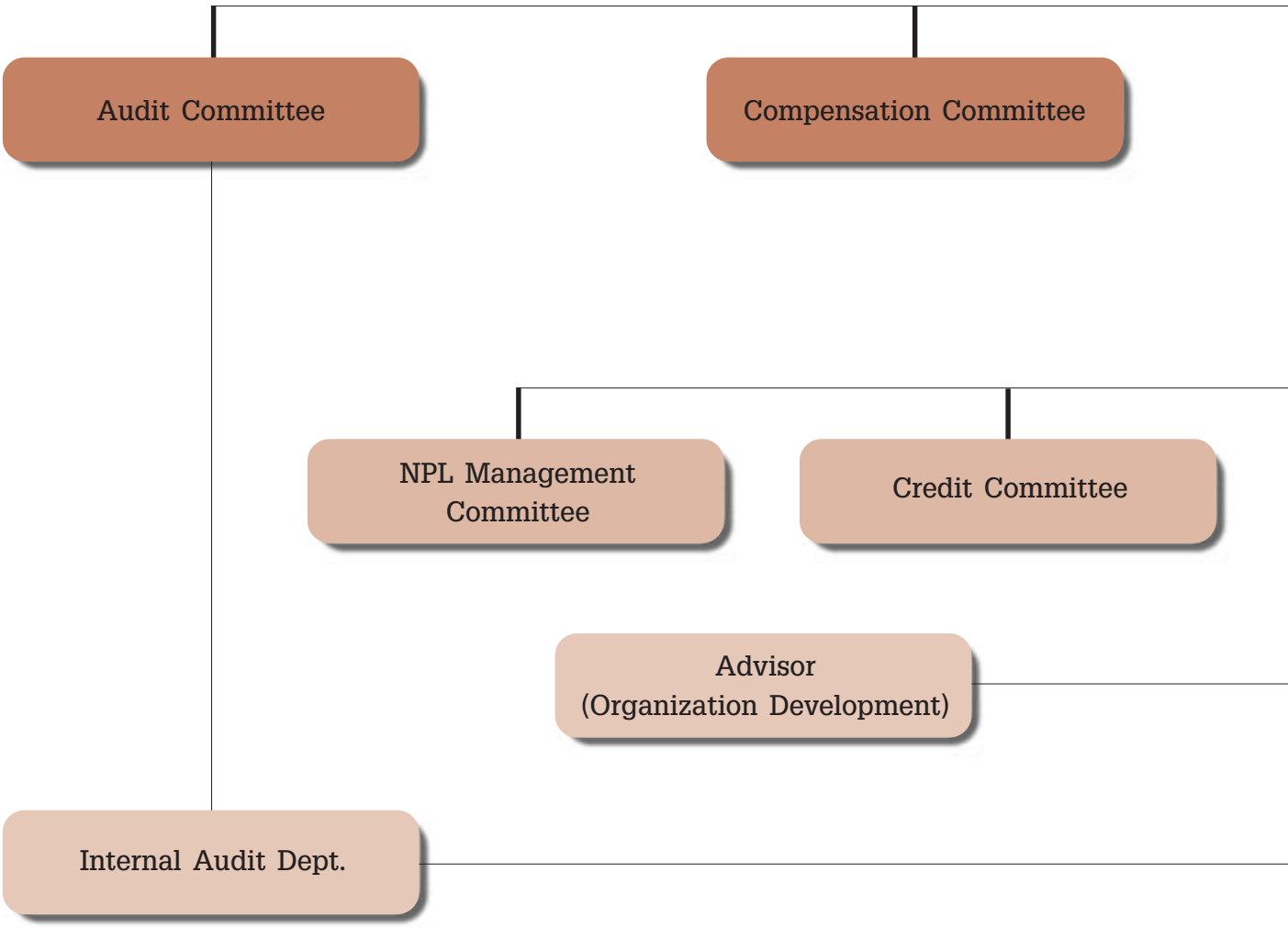
2. Mrs. Jamaree Savetajinda
Senior Vice President,
Credit Management Department

3. Mr. Chatri Sahavejjabhand
Senior Vice President,
Planning and Business Development Department

4. Mr. Amnuay Sripoonsuk
Senior Vice President, Legal Department

5. Mr. Chotchoung Piromya
Senior Vice President, Loan Document Department

Organization Chart of GHB



Senior Executive Vice President

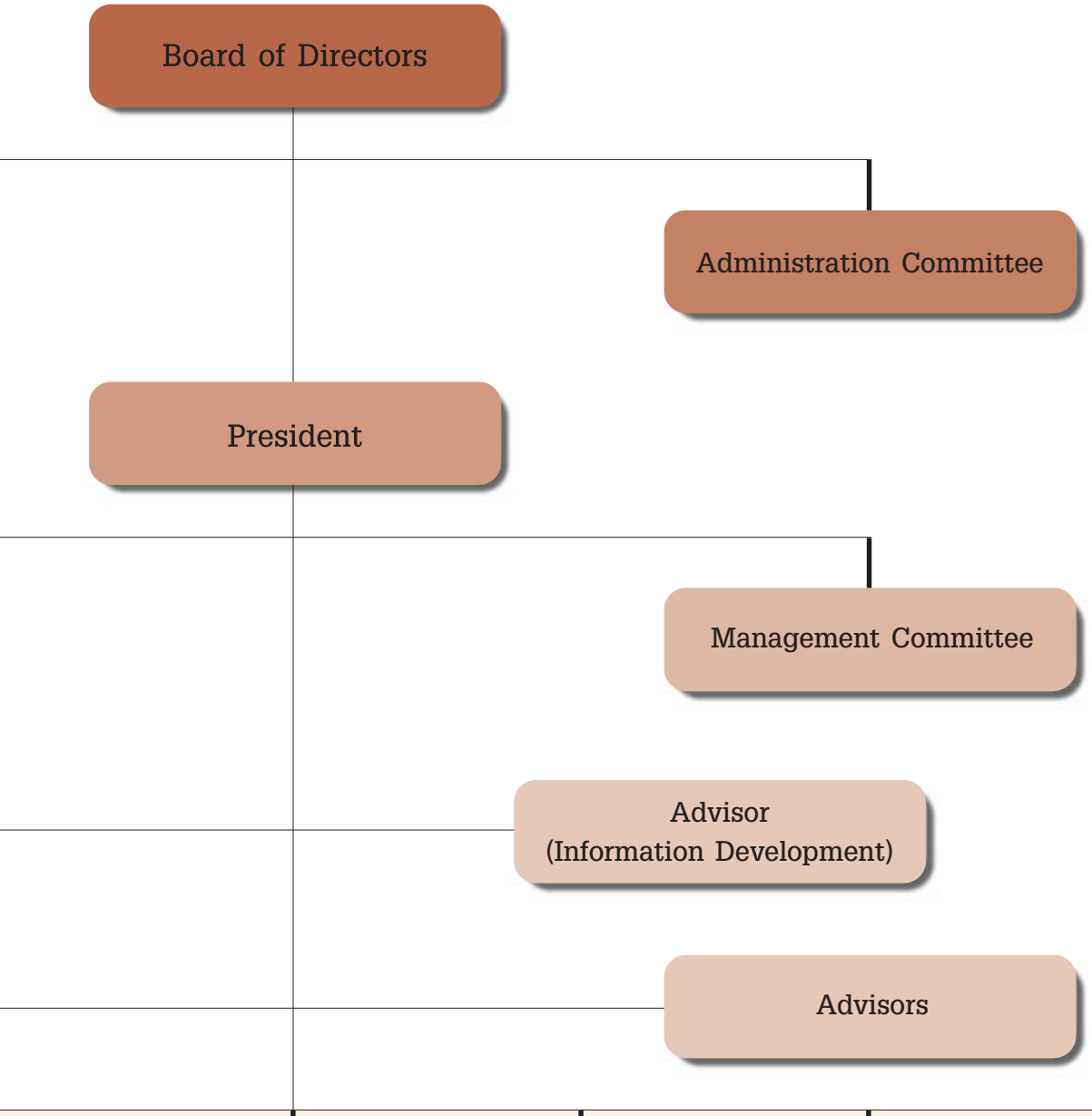
- Project Buyers Mortgage Dept.
- Individual Mortgage Dept.
- Credit Management Dept.
- Loan Document Dept.

Senior Executive Vice President

- Loan Supervision Dept.
- Legal Dept.
- Property Management Dept.
- Collateral Appraisal Dept.

Senior Executive Vice President

- Metropolitan Branch Dept.
- Regional Branch Dept. 1
- Regional Branch Dept. 2



Senior Executive Vice President

- Human Resources Dept.
- Banking Dept.
- Accounting Dept.
- Office Administration Dept.

Senior Executive Vice President

- Treasury and Funding Dept.
- Planning and Business Development Dept.

Senior Executive Vice President

- Information Technology Development Dept.
- Technology Planning and Operations Dept.

Senior Executive Vice President

- Office of the President
- Quality Management Office
- Risk Management Dept.
- Housing Information and Research Dept.

Providing Trustworthy Services...

For a Better Tomorrow

With Government Housing Bank's long experience in providing financial services, we . . . have been trusted for our reliable services. Success from both the current and the past projects has played the important part in helping the Thai people's dream of having their own **"Home"** become reality.

Report on Operating Results in 2001

In 2001, the overall Thai economy was still in recession, the government focused the attention in solving problems in the real estate sector seriously and concretely. GHB was assigned to become a vital mechanism in implementing real estate stimulating measures continuously in order to spur an increase in purchasing power and reduce the surplus of leftovers in the real estate market. Moreover, the Bank had improved internal administration to bring about utmost benefits to customers. The Bank had set clear operating strategy in order to proactively tackle the fierce competition in providing housing finance among commercial banks and financial institutions, during the time when housing loan interest continued at a low level. The significant operating results can be summarized as follows:

1. Lending services

In 2001, the Bank set the target for loans at 26,000 million baht. As for the operating results for the past year, the Bank was able to provide loans totaling 36,844 million baht, higher than the set target by 41.71% and increased by 11.65% growth rate compared with the year 2000. The loan was mainly extended to individual borrowers of low or middle-income categories, with an average loan amount of 450,000 baht each. The remaining 0.04% of total loan amount was allocated for the existing land developers, in an effort to complete housing projects and utility system for sales to the public.

From 36,829 million baht of the loan provided to individuals in 2001, the amount of 21,643 million baht was for customers in Bangkok Metropolitan area and the vicinity and 15,186 million baht for the provincial area at a ratio of 58.77% and 41.23% respectively. Most of the loans were used to acquire land and building, amounting to 13,901 million baht or 37.75% of total loans origination.

Loan Disbursement by Area

Unit : Million Baht

Area	1999		2000		2001	
	Account	Amount	Account	Amount	Account	Amount
1. Bangkok Metropolitan and Greater Bangkok Region	31,833	16,727.43	41,822	20,359.14	42,680	21,642.55
2. Provincial region	28,583	9,830.88	41,408	12,639.87	43,464	15,186.22
Total	**60,416**	**26,558.31**	**83,230**	**32,999.01**	**86,144**	**36,828.77**

Loan Disbursement by Purpose

Unit : Million Baht

Item	1999		2000		2001	
	Account	Amount	Account	Amount	Account	Amount
1. Construction & repair	6,225	2,280.46	7,708	3,302.36	8,878	4,142.99
2. Purchase of land & houses	24,616	15,648.23	26,478	16,956.82	30,544	19,301.00
3. Land acquisition	861	315.11	564	234.14	258	125.57
4. Condominium purchase	8,246	2,641.07	10,774	3,658.75	11,516	3,773.31
5. Refinancing loans	7,837	4,147.85	5,611	3,313.43	4,327	2,139.74
6. Additional loans	12,613	1,404.06	32,090	5,484.80	30,604	7,222.41
7. Constructing or refinancing flats	18	121.53	5	48.71	17	123.76
Total	**60,416**	**26,558.31**	**83,230**	**32,999.01**	**86,144**	**36,828.77**

The Bank's home loan origination in 2001 was higher than the set target by 10,828.77 million baht or 41.65%; increasing the market share from 30% in 2000 to 33% in 2001. This resulted from the loan interest rate having remained low, coupled with an increasing role of the Bank to stimulate public interest in homeownership for their secured future, as well as the commitment to improve the Bank's internal management for more efficiency. The operating results can be summarized as follows:

1.1 Homeownership Counseling Project: The purposes were to promote public knowledge on homeownership, to help stimulate housing and real estate sector as well as to participate in promoting growth in the overall economy. Consequently, the Bank had organized a project to provide knowledge and advice on homeownership to government officials, state enterprises employees and the general public, both before and after home acquisition. In Bangkok Metropolitan area, the services in the form of roadshow which included seminar, consulting booth and exhibition were provided to the Ministry of Finance (MOF), Royal Thai Police Bureau, the Office of the Civil Service Commission, Agricultural Land Reform Office and The Royal Irrigation Department. In the provincial areas the services were provided in Chon Buri, Pattaya City, Chiang Mai and Lampang.

1.2 Preprocess Workflow Image Project: It is a project in which modern technology has been incorporated into loan servicing process for faster results. It has extended from the head office to the branches to ensure shorter process and prompt services.

1.3 Website www.ghbhomecenter.com: It is a compilation of data on housing including advice on housing selection and loan services. The website aims to provide preliminary information and render better understanding on home buying, both before and after home acquisition.

1.4 Loan Interest Rate Adjustment: In 2001, the Bank lowered loan interest between 0.25 - 1.00% per annum on April 9, 2001 to be competitive with the market rate and to lessen installment burden for existing borrowers.

As a result of the above performance, at the end of the fiscal year 2001 there were 694,865 individual loan accounts amounting to 273,480 million baht of total loan outstanding, of which up to 91% were borrowers with less than 1 million baht.

Opening Ceremony "GHB : For Your Home and Your Family" at MOF, August 29 - 30, 2001

Number of applicants for the Bank's mortgage loans classified by characteristics and demand for loans

Unit : %

Descriptions	1999	2000	2001
1. Occupation			
1.1 Public sector employees	34.39	31.09	57.49
1.2 Private sector employees	64.47	67.85	38.16
1.3 Other occupations	1.14	1.06	4.35
2. Credit range			
2.1 10,000 - 100,000 baht	3.09	3.42	4.59
2.2 100,001 - 200,000 baht	11.91	11.20	8.53
2.3 200,001 - 750,000 baht	67.47	66.46	60.86
2.4 750,001 - 1,000,000 baht	8.04	9.68	16.83
2.5 1,000,001 - 3,000,000 baht	8.86	8.53	8.82
2.6 3,000,001 - 5,000,000 baht	0.49	0.53	0.28
2.7 5,000,001 - 8,000,000 baht	0.10	0.13	0.07
2.8 Over 8,000,000 baht	0.04	0.05	0.02
3. Repayment period			
3.1 0 - 5 years	5.67	6.59	2.10
3.2 6 - 10 years	16.01	17.87	8.85
3.3 11 - 15 years	24.32	22.88	16.74
3.4 16 - 20 years	26.19	24.06	25.85
3.5 21 - 25 years	15.65	12.54	19.62
3.6 Over 25 years	12.16	16.06	26.84
4. Sex			
4.1 Female	43.95	49.51	43.56
4.2 Male	56.05	50.49	56.44

Unit : %

Descriptions	1999	2000	2001
5. Age			
5.1 Under 30 years	21.86	22.75	17.56
5.2 31 - 40 years	43.94	43.33	39.38
5.3 41 - 50 years	25.94	25.07	31.97
5.4 51 - 60 years	7.41	7.83	9.91
5.5 Over 60 years	0.85	1.02	1.19
6. Lending characteristics			
6.1 Single borrowers	52.39	50.47	67.87
6.2 Co-borrowers	47.61	49.53	32.13
7. Marital status			
7.1 Single	27.41	27.85	22.83
7.2 Married	65.71	65.02	70.28
7.3 Widow/Widower & divorced	6.88	7.13	6.89
8. Household income/month			
8.1 Under 10,000 baht	23.68	21.12	53.12
8.2 10,001 - 20,000 baht	24.49	27.72	17.38
8.3 20,001 - 50,000 baht	39.54	40.31	24.15
8.4 50,001 - 500,000 baht	3.54	3.21	1.73
8.5 Over 500,000 baht	8.75	7.64	3.62

MOU Signing Ceremony on "Housing Welfare Loan Project" between GHB and The State Railway of Thailand, April 27, 2001

2. Projects in line with the government's policy

GHB has been established as a government's financial institution with the purpose of providing financial services to the public to own houses in order to improve the quality of life. In addition, GHB serves as a vital government tool in implementing projects to revive the economy and the real estate sector from the economic crisis. In 2001, the Bank implemented the following projects:

2.1 Government housing welfare loan project for civil servants and permanent employees: This was the continuation of the project implemented by the Bank in accordance with the government policy since 1991. It aimed to provide home loan services at low interest rate to civil servants and permanent employees. From 1991 - 1997, the budget had been allocated from the government totalling 7,600 million baht as well as a loan of 21,300 million baht. From 1998 up to the present, there has been no additional budget allocated from the government. However, the project has been further implemented, using the remaining budget and the principals recovered from borrowers' repayments, totalling 1,000 million baht, together with a sum of 2,000 million baht put in by the Bank, making total fund of 3,000 million baht available for lending, starting from April 1, 2001 to September 30, 2001. In 2001, the Bank provided housing loans to 3,087 civil servants and permanent employees amounting to 1,294 million baht. From the start of the project in 1991 to the end of 2001, the Bank had so far extended 25,989 million baht to 68,488 civil servants and permanent employees.

2.2 Kheha Ruamjai mortgage loan package: This was to boost up home buying in order to enable the general public to have their own homes and lesson the existing supply of housing. In addition, it was to restructure the housing loan system through long-term financing. The cabinet granted approval on August 10, 1999 determining the joint effort between GHB and Secondary Mortgage Corporation (SMC) to seek funding from the issuance of bonds in the amount of 46,000 and 4,000 million baht respectively. The bonds were secured by MOF with the maturity of the first 3 or 5 years. As for the following stages, MOF would decide on the guarantee terms as appropriate. The funds raised from the bonds were to be used for extending loans to customers by 21,000 million baht and the remaining amount of 25,000 million baht to be lent to other commercial banks and financial institutions, for re-lending purpose based on the same lending conditions.

From the start of the project on August 16, 1999 to the end of 2001, the Bank had issued bonds under the project totalling 15,000 million baht. From the start to the end of 2001, the Bank had financed 48,414 direct accounts amounting to 25,486 million baht, as well as 974 million baht through commercial banks.

2.3 One-hundred percent loan project to government officials, state enterprises employees and public organizations: According to the cabinet resolution on April 4, 2001, following the proposal by MOF on promoting real estate, the Bank had been assigned to implement the program rendering housing loans at 100% of appraised colleteral or market price. It aimed at boosting purchasing power among government officials and state enterprises employees and rehabilitating the real estate sector and the overall economy of the country. The services had been rendered since April 4, 2001. By the end of 2001, the Bank was able to service 3,877 accounts to government officials, state enterprises employees and public organization, totalling 2,524 million baht.

"The Housing Welfare Project for Policemen", September 4, 2001, at the Royal Thai Police Bureau

2.4 GHB - GPF project for the members of GPF: In order to support government policy in promoting homeownership among low-income officials and to stimulate the real estate sector and the overall economy of the country, the Bank, in cooperation with the Government Pension Fund (GPF), had implemented housing loan project to GPF members on special terms at a fixed rate of 4.50% per annum for the first 3 years. From the 4th year onward, the interest would be floated at the rate of 3-year fixed deposit plus 0.75% per annum. Installment period was favourably extended up to 30 years whereby the lending period in number of years plus the borrowers' age totalling not over 65 years. The project had been launched and opened for reservations from November 27 - December 14, 2001. There were altogether 84,077 government officials expressing interests totalling 62,049 million baht. The majority of them, 67,612 applicants or 80.42% were from the provincial area. The remaining 19.58% were from the Bangkok Metropolitan and Greater Bangkok areas. The applications could be submitted from December 11, 2001 onward.

2.5 Joint project between GHB and NHA: In response to the government policy in reviving the real estate business and taking part in solving crisis in the private real estate sector, following the government policy in stimulating the economy, the Bank, in joint business cooperation with the National Housing Authority (NHA), utilized the combined potentials and resources to the utmost benefits by implementing the followings:

(1) Project with cooperation among GHB, NHA, the Sukhumvit Asset Management Co. (SAM) and Krung Thai PCL.: a joint committee had been set up to analyze and select potential projects. Consequently, the committee selected 8 potential projects. Furthermore, a number of private housing projects had been processed and selected as projects for future implementation.

(2) Project to offer special loans to the NHA hire purchase customers: Under this project the Bank would offer loans to NHA customers who had paid down payments and their installments for over 3 years. They would be able to settle their debts and transfer their collateral rights and become the Bank's debtors instead. This would not only lessen their installment burden but also enable NHA to have sufficient fund for future projects.

3. Assistance to troubled borrowers under economic downturn

The Bank had set measures to help the borrowers who had trouble with debt settlement for both individual borrowers and housing developers, due to continuous economic downturn since 2000 up to the present. To enable these measures to be appropriate for implementation and facilitate debts to the utmost effect, the Bank had revised and improved on terms and conditions continuously. The measures on on-going debt rehabilitation are as follows:

3.1 Extend repayment period.

3.2 Apply for new housing loan for settlement of outstanding interest.

3.3 Request for installment payments of existing debt.

3.4 Request for payments of monthly due interest only.

3.5 Request for payments of lower installment amount.

3.6 Request for special lowering of interest.

3.7 Transfer collateral asset for debt settlement and rent asset.

3.8 Request rehabilitation for each stage of court jurisdiction from formal charge up to enforcement.

3.9 Request to transfer debt to new borrower, to form new contract, make additional loan or revise contract terms.

3.10 Suspend payment of overdue interest.

In 2000, there were 70,013 borrowers asking for relaxation and settlement, accounting for 99,857 million baht, classified as: 14,853 accounts of 6,865 million baht for those borrowers without overdue debts but requesting to lessen burden on monthly payments, 19,628 accounts amounting to 8,264 million baht for those who were under accelerated debt repayments and 35,532 accounts amounting to 18,728 million baht for those who were under legal process.

Altogether, there were 10.08% of total borrowers who asked for relaxation and settlement. As of the end of December 2001, 86.15% of the above mentioned borrowers were reclassified as normal accounts and 2.50% closed the accounts while only 11.35% became non-performing loans (NPLs) again. The Bank measures on debt relaxation and settlement resulted in the decline of NPLs from 20.03% in 2000 to 17.81% at the end of 2001.

The MOU ceremony carried out by government financial institutions for specific purposes at The Fiscal Policy Office

4. Mobilization of funding

In 2001, the Bank was assigned by the government to implement several projects aiming to stimulate the economy and rehabilitate the real estate sector. As a result, the Bank had mobilized funding via several sources of funds which can be summarized as follows:

4.1 Deposits from government units, state enterprises, private companies and the general public: The Bank was able to increase deposits to 2,618.27 million baht, making total deposits of 217,209.75 million baht by the end of 2001 or representing 75.06% of the Bank's total fund.

4.2 Borrowings from domestic financial institutions, classified as:

(1) Borrowings from the Bank of Thailand totaling 800.87 million baht at the interest rate of 0.1% per annum for a period of 30 years. This was in order to complement the available loans in accordance with the government's measures for real estate sector rehabilitation by the issuance of promissory notes secured by MOF.

(2) Borrowings from Government Savings Bank totaling 4,500 million baht, guaranteed by MOF.

4.3 Off-shore borrowings: The Bank had made repayment to Deutsche Bank on October 4, 2001. By the end of 2001, the outstanding balance of off-shore borrowings was only that of the MOF's Yankee Bond of US$ 200 million (8,871.94 million baht) with the maturity of 10 years, reaching the maturity date on April 15, 2007.

4.4 Domestic issuance of bonds, consisted of:

(1) Disignated bonds; an amount of 43,000 million baht with maturity from 5 - 10 years, paying interest every 6 months. The issued bonds were secured by MOF.

(2) Kheha Ruamjai bonds according to the government's real estate rehabilitation measures; an amount of 15,000 million baht with maturity from 3 - 5 years and secured by MOF.

Major sources of funds as of the end of the year

Amount : Million Baht

Item	1999		2000		2001	
	Amount	%	Amount	%	Amount	%
1. Deposit & promissory notes	190,112.36	62.12	214,591.48	69.27	217,209.75	75.06
2. Domestic loans	6,286.81	2.05	5,854.55	1.89	5,300.87	1.83
3. Off-shore loans	22,625.88	7.40	17,364.98	5.60	8,871.94	3.07
4. Bonds	87,000.00	28.43	72,000.00	23.24	58,000.00	20.04
Total	**306,025.05**	**100.00**	**309,811.01**	**100.00**	**289,382.56**	**100.00**

5. Expansion of new branches

For cost effectiveness purpose to cope with the economic situation while maintaining its services to make it convenient for the public, in 2001 the Bank opened one banking counter at Morchit BTS station to accommodate deposits, withdrawals and loan repayments. Concurrently two sub-branches had been closed down. At the end of 2001, the Bank had 112 branches and 6 banking counters as follows:

Item	1999	2000	2001
1. Branches in Bangkok Metropolitan and Greater Bangkok area	27	29	29
- Banking Counters outside the Bank	1	5	6
2. Branches in provincial area	85	85	83
- Main branch	40	40	40
- Sub-branch	45	45	43
Total branches	**112**	**114**	**112**
Total banking counters	**1**	**5**	**6**

The launch ceremomy of the "GHB for Housing, for You" project at Impact Convention and Exhibition Center, December 22, 2001

6. Financial status and performance

6.1 Assets: By the end of 2001, the Bank had accumated net assets of 307,342 million baht, a decrease from 2000 by 21,772 million baht or 6.62%. Total loans and accrued interest receivables constituted the main items with a highest ratio of 93.54% of total assets.

6.2 Profit from the operation: As of the end of 2001, the Bank showed the operating profit of 1,845.37 million baht, higher than the estimate of 1,016 million baht by 829 million baht or 81.59%. After deduction of loss from currency exchange, the Bank still accumulated net profit of 1,620 million baht, higher than the estimate by 59% and higher than the year 2000 by 206.42%.

6.3 Performing Loans (PLs): By the end of 2001, the Bank showed the performing loans of 224,479 million baht, increasing from 219,718 million baht in 2000 by 4,761 million baht or 2.17%. This increase was the result of improved efficiency in the Bank's new lending and resettlement measures.

6.4 Capital/Risk Weighted Assets ratio (BIS ratio): By the end of 2001, the Bank had capital/risk weighted assets ratio of 10.42%, an increase of 1.44% from 2000 and higher than the BOT criteria of 1.92%, as a result of the Bank's decreasing risk assets and higher operating profit.

Trust Your Life... With a Secured Shelter

Government Housing Bank is committed and will continue to develop its organization, tackling the crisis and obstacles together with the Thai people. The highest achievement for the Bank is to be able to participate and express its heartfelt congratulations to the better life quality of the **"Thai"** people.

Bank's Target in 2002

1. Credit extension

As it is anticipated that the public will continue to be affected by the economic situation, the Bank had set a policy to implement a project to generate public demand for homeownership continuously from 2001. Total goal set for 2002 was 54,000 million baht, classified as loans for individual borrowers of 24,000 million baht. The remaining 30,000 million baht was for "GHB - GPF Project", GHB Housing Loans for State Enterprises project and housing loans for private company's employees.

2. Sourcing of fund

In 2002, the Bank set a target to mobilize fund from deposits from the general public, government units and state enterprises. If there are other projects assigned by the government, the Bank will resort to domestic sources as deemed necessary.

3. Branches expansion

To be consistent with the economic situation and cost-saving policy, in 2002 the Bank set a target to expand the services by opening only 1 branch in Krabi. In addition, in order to provide the customers with more convenient, faster and better services, the Bank aims to open 2 additional banking counters in Bang Khae and Rangsit. The Bank also aims to install 10 more ATM machines, add more channels for debt repayments at various commercial banks, counter services and telephone banking service for both borrowers and depositor customers. At present, the process is under consideration for preliminary stage of implementation.

4. Support to troubled borrowers under economic downturn

The overall economic situation of the country has the tendency to stay unchanged for some time and a number of borrowers has not recovered from the impact. Therefore, in order to lessen the burden from unsettled debts resulting in lower NPLs, the Bank has decided to continue the relaxation and settlement measures in 2002 in order to render assistance to troubled borrowers.

5. Privatization and transformation to be a public company

The government has urged the Bank to be prepared for registration in The Stock Exchange of Thailand (SET) to become a public company. This is in an effort to improve the Bank's potentials and efficiency in administration, encourage the Bank's employees and the public to participate in the Bank's operation and administration as shareholders. In the long run, the Bank will also be in a better position to mobilize funds from various sources. At the beginning, the Bank will appoint a general coordinator to give advice and recommendation to the Bank on planning, preparation, integration and negotiation with other privatization-related consultants to pave way for effective operation towards privatization and registration at the SET.

To the Directors, Government Housing Bank

The State Audit Office has audited the balance sheet of GHB as at December 31, 2001 and 2000, income statement and retained earnings statement for each year end of the GHB whereby the Directors of the Bank are responsible for the correctness and completeness of information on these financial statements. The State Audit Office's responsibility is to express an opinion of these financial statements based on its audit.

The State Audit Office conducted its audit in accordance with generally accepted auditing standards. Those standards require that it plans and performs the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures of information in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. It is believed that the audit provides a reasonable basis for its opinion.

The State Audit Office is of the opinion that the above financial statements have presented its financial position as at December 31, 2001 and 2002, operating results and cash flows for each year end of the GHB and conform with generally accepted accounting principles.

(Mr. Thanet Srichan)
Assistant Auditor General
Acting Director, Auditing Office 1

(Miss Mukda Suansuwan)
Auditor 8

The State Audit Office
May 10, 2002

Balance Sheet

As of December 31, 2001 and 2000

Unit : Baht

	Notes	2001	2000 (adjusted)
Assets			
Cash	4.1	667,786,558.30	668,551,713.83
Interbank and monetary market items	4.2		
Domestic items			
Interest bearing		14,914,776.25	14,337,834.96
Non-interest bearing		649,191,763.85	184,542,587.02
Total interbank and monetary market items		664,106,540.10	198,880,421.98
Securities purchased under resale agreement	4.4	10,760,000,000.00	25,538,000,000.00
Investment			
Long-term investment, net	2.4, 4.5	10,093,316,881.79	12,736,288,372.69
Loans and accrued interest receivables			
Loans	2.5, 4.6	276,923,098,499.82	278,457,734,211.07
Accrued interest receivables		10,570,216,813.17	12,616,610,521.51
Total loans and accrued interest receivables		287,493,315,312.99	291,074,344,732.58
Less Allowance for doubtful accounts	2.6, 4.7	(17,355,919,620.65)	(19,845,829,123.82)
Total loans and net accrued interest receivables		270,137,395,692.34	271,228,515,608.76
Forward contract receivables		-	6,769,122,833.62
Properties foreclosed, net	2.7, 4.8	12,504,622,407.02	9,185,146,549.20
Customers' liability under acceptance		26,039,644.00	47,227,808.00
Premises and equipment, net	2.8, 4.9	2,053,089,235.09	2,168,621,113.46
Intangible assets	2.9, 4.10	75,075,799.19	81,320,387.12
Other assets, net	2.10, 4.11	360,765,122.56	492,016,752.25
Total assets		307,342,197,880.39	329,113,691,560.91

The Notes to the Financial Statement are parts of this statement.

Unit : Baht

	Notes	2001	2000 (adjusted)
Liability and Equity			
Deposits in Baht currency	4.12	217,209,751,301.27	214,591,480,161.57
Interbank and monetary market items	4.13		
Domestic items			
Interest bearing		-	-
Non-interest bearing		10,000.00	110,000.00
Total interbank and monetary market items		10,000.00	110,000.00
Liability payable on demand		154,715,698.59	86,483,255.89
Forward contract payable		-	1,995,180,950.00
Long-term borrowings	2.11, 4.14	72,172,805,087.50	95,219,528,517.73
Bank's liability under acceptance		26,039,644.00	47,227,808.00
Interest payable		1,980,676,517.30	2,582,677,125.11
Other liabilities	4.15	514,781,222.10	599,336,123.80
Total Liabilities		292,058,779,470.76	315,122,023,942.10
Equity			
Capital	4.16	17,320,328,767.12	17,320,328,767.12
Excess capital from donation	2.12	2,905,155.00	2,887,500.00
Excess capital from changes of value in investment	2.4.1	88,416,881.79	231,388,372.69
Retained earnings (loss)			
Appropriated			
Statutory reserves		3,791,056,010.14	3,682,984,001.00
General reserves		1,200,000,000.00	1,200,000,000.00
Unappropriated		(7,119,288,404.42)	(8,445,921,022.00)
		(2,128,232,394.28)	(3,562,937,021.00)
Total Equity		15,283,418,409.63	13,991,667,618.81
Total Liabilities and Equity		307,342,197,880.39	329,113,691,560.91

(Mr. Wisudhi Srisuphan)
Chairman of the Board of Directors

(Mr. Somjate Moosirilert)
Director
Acting President

The Notes to the Financial Statement are parts of this statement.

Income Statement

As of December 31, 2001 and 2000

Unit : Baht

	Notes	2001	2000 (adjusted)
Interest Income & Dividend	2.1		
Interest on loans		16,923,589,780.82	20,612,687,182.62
Interbank and money market items		6,992,613.55	24,978,954.74
Investment		633,543,813.29	1,054,549,242.35
Total interest income & dividend		17,564,126,207.66	21,692,215,379.71
Interest Expenses	2.2		
Interest on deposits		6,183,589,073.75	7,327,915,953.18
Interest on interbank and money market items		27,396,575.34	14,076,369.85
Short-term borrowings		31,156,917.80	-
Long-term borrowings		6,225,368,193.09	8,006,984,437.12
Total interest expenses		12,467,510,759.98	15,348,976,760.15
Net interest income & dividend		5,096,615,447.68	6,343,238,619.56
Bad debts & Doubtful accounts		2,069,834,307.66	3,006,594,962.17
Interest Income & dividend after bad debts & doubtful accounts		3,026,781,140.02	3,336,643,657.39
Non-Interest Income			
Fees and service income			
Certification of Aval & guarantee		1,266,572.50	1,128,411.96
Others		91,505,527.77	139,450,423.97
Gain (loss) on currency exchange		(225,304,385.51)	(1,472,219,946.21)
Gain from conversion of depreciated value of property		137,705,271.73	97,499.09
Discount receivable		181,662,536.32	413,228,277.41
Other income		230,193,322.55	231,010,081.11
Total non-interest income		417,028,845.36	(687,305,252.67)
Non-Interest Expenses	2.2		
Salaries, wages, and other employee benefits		827,374,117.31	739,261,275.49
Expenses on premises & equipment		557,909,868.55	583,798,381.78
Fees & servicing fees		86,713,612.00	115,866,253.45
Directors remuneration		2,158,625.00	1,418,245.00
Loss due to depreciation on property forclosed		188,052,783.69	522,911,410.98
Other expenses		161,528,105.00	157,370,688.86
Total non-interest expenses		1,823,737,111.55	2,120,626,255.56
Net Income		1,620,072,873.83	528,712,149.16

The Notes to the Financial Statement are parts of this statement.

Retained Earnings

As of December 31, 2001 and 2000

Unit : Baht

	Notes	2001	2000 (adjusted)
Unappropriated retained earnings before adjustment		(8,411,947,990.26)	(3,631,395,905.39)
Less Adjustment due to accumulated result from change of principle for acknowledgement of losses from managed float rate written-off		-	(5,292,629,458.95)
Losses from deferred exchange rate written-off		-	(28,205,588.28)
Adjustment due to accumulated result from correction on depreciation	3	(33,973,031.74)	(22,325,135.20)
Unappropriated retained earnings (loss) after adjustment		(8,445,921,022.00)	(8,974,556,087.82)
Add Adjustment of last period's figure in operating results		4,108,530.18	(77,083.34)
Acknowledgment of revenue from pension fund for the Bank's officer		2,483,363.02	-
Acknowledgement of 1998 bonus refund	4.21	18,049,859.69	-
		(8,421,279,269.11)	(8,974,633,171.16)
Less Appropriated net income from last period			
Statutory reserves		108,072,009.14	-
Dividend payment to the government		210,010,000.00	-
		(8,739,361,278.25)	(8,974,633,171.16)
Add Net income		1,620,072,873.83	528,712,149.16
Total unappropriated retained earning (loss)		(7,119,288,404.42)	(8,445,921,022.00)
Appropriated retained earnings			
Statutory reserves			
Beginning		3,682,984,001.00	3,682,984,001.00
Increase during the period		108,072,009.14	-
Ending		3,791,056,010.14	3,682,984,001.00
General reserves		1,200,000,000.00	1,200,000,000.00
Total appropriated retained earnings		4,991,056,010.14	4,882,984,001.00
Total retained earnings (loss)		(2,128,232,394.28)	(3,562,937,021.00)

The Notes to the Financial Statement are parts of this statement.

Cash Flow Statement

As of December 31, 2001 and 2000

Unit : Baht

	2001	2000 (adjusted)
Cash Flow from Operating Activities		
Net income	1,620,072,873.83	528,712,149.16
Items to reconcile income to net		
cash flow from operations		
Depreciation and written-off	197,897,668.04	231,222,904.71
Expenses written-off	86,410,749.33	116,819,727.26
Right of rental items written-off	6,244,587.93	5,895,750.72
Bad debt & doubtful accounts	2,069,831,780.76	3,006,587,847.27
Losses from depreciation on value of property foreclosed	188,052,783.69	522,911,410.98
Gain on sales of property foreclosed	(36,806,818.88)	(6,094,598.53)
Losses on sales of fixed assets	779,063.77	477,363.86
Losses from exchange rate	225,304,385.51	1,472,219,946.21
Gain from conversion of losses from		
depreciation on value of property foreclosed	(137,705,271.73)	(97,499.09)
Accrued interest expenses written-off	222,496,308.16	438,038,272.63
Accrued discount receivables increase written-off	(107,022,203.77)	(311,619,676.04)
Accrued revenue receivables (increase) decrease	(1,566,632.03)	97,806,489.09
Accrued interest receivable decrease	2,092,217,380.55	2,077,218,276.40
Accrued interest payable decrease	(602,000,607.81)	(760,042,019.58)
Accrued other expenses increase	63,470,172.05	183,307,246.40
Fixed assets written-off	-	7,616.51
Premium (discount) from investment written-off	-	10,764,859.91
Income from operations before changes		
in operating assets and liabilities	5,887,676,219.40	7,614,136,067.87
Operating assets (increase) decrease		
Interbank and money market items	(263,527.11)	(695,441.38)
Securities purchased with resale agreement	14,778,000,000.00	(14,238,000,000.00)
Loans	1,534,635,711.25	4,407,434,667.91
Property foreclosed	(3,534,782,887.45)	(3,459,897,674.40)
Other assets	(4,554,248,462.58)	(7,105,570,143.81)

The Notes to the Financial Statement are parts of this statement.

Unit : Baht

	2001	2000 (adjusted)
Operating liabilities increase (decrease)		
Deposits in Baht	2,618,271,139.70	24,479,116,864.93
Interbank and money market items	(100,000.00)	100,000.00
Liabilities payable on demand	78,232,442.70	(192,753,175.81)
Other liabilities	3,165,274.00	(66,761,477.34)
Net cash provided by operating activities	16,810,585,909.91	11,437,109,687.97
Cash Flow from Investment Activities		
Cash paid for land, premises and equipment	(57,424,627.33)	(121,269,972.08)
Cash paid for on-going construction	(10,475,298.42)	(13,620,598.34)
Cash from investment in securities	2,500,000,000.00	3,096,080,000.00
Cash from sales of property foreclosed	197,877,981.55	91,408,497.34
Cash received from sales of land, premises and equipment	3,681,500.00	-
Net cash provided by investment activities	2,633,659,555.80	3,052,597,926.92
Cash Flow from Financing Activities		
Cash paid for due long-term domestic borrowings	(553,683,330.23)	(432,266,686.21)
Cash paid for due long-term off-shore borrowings	(4,216,354,700.00)	(9,399,500.00)
Cash received from bond issuance	-	3,000,000,000.00
Cash paid for bond redemption	(14,000,000,000.00)	(18,000,000,000.00)
Deferred expense written-off	-	(15,000,000.00)
Dividend paid to the government	(210,010,000.00)	-
Net cash provided (used) by financing activities	(18,980,048,030.23)	(15,456,666,186.21)
Net increase (decrease) in cash and cash equivalents	464,197,435.48	(966,958,571.32)
Cash and cash equivalents as of the beginning of the period	855,308,734.34	1,822,267,305.66
Cash and cash equivalents at the end of the period	1,319,506,169.82	855,308,734.34
Additional disclosed cash flow		
Cash paid during the period-interest expense	13,069,511,367.69	16,109,018,779.75

The Notes to the Financial Statement are parts of this statement.

1. Criteria in Presenting Financial Statements

The Bank was established in accordance with the Government Housing Bank Act 1953, amended by the Revolutionary Announcement No. 317 dated December 13, 1972 and the Government Housing Bank Act (No. 2), 1992. Its objective is to promote and support investment in providing housing and/or land. The Bank's headquarters is at 63 Rama IX Road, Huay Khwang Sub-district, Huay Khwang District, Bangkok Metropolis. Its branches are located all over the country. As of December 31, 2001 and 2000 there were 2,056 and 2,106 staff members respectively.

The Bank's financial statements showed particulars in accordance with the Bank of Thailand's Announcement dated May 10, 2001 titled Balance Sheet and Income Statement of Commercial Banks and Ministerial Regulations No. 7 (1996) promulgated by Ministry of Commerce in accordance with the Public Company Act, 1992. The Financial Statements presented had incorporated accounting procedures of all branches following interbranch allowance.

2. Summary of Significant Accounting Policies

2.1 Recognition of Income

2.1.1 Interest income recognized under time ratio basis by taking into account a real rate of return with the exception of interest on mortgage due over 3 months will be recognized as cash according to the Bank of Thailand's criteria.

2.1.2 Income from rent of properties recognized as per receivables and will be discontinued upon overdue over 2 months following the terms of contract.

2.2 Recognition of Expense

Expense not specified as per receivables, interest payment will be recognized under time ratio basis by taking into account the real rate of return.

2.3 Cash and Cash Equivalents

Cash and cash equivalents in Cash Flow Statement signify as cash in hand and interbank particulars, including the recall on demand money market.

2.4 Investment

2.4.1 Criteria in classification and assessment of investment.

Investment in debt securities following market demand is properties for sales and classified as long-term investment shown at fair value. Gain or loss from the change in fair value will be shown as an excess from the change of investment value and will be recognized as profit or loss once the investment securities have been sold. Investment in equity securities not in market demand is general investment and will be classified as long-term investment shown as investment cost.

2.4.2 Calculation of the fair value of securities.

Debt securities of the government and state enterprise guaranteed by government employ straight line rate of return of the Thai Bond Dealing Center at the end of the fiscal year.

2.5 Loans

Loans will be shown as principals with the exception of overdraft which will be shown as principals plus accrued interests.

2.6 Allowance for Doubtful Accounts

2.6.1 Loans: The Bank set allowance for doubtful accounts and to be recognized as expenses by judging from individual debt analysis and taken into consideration the ability in debt repayment deducted by collateral value at appraisal. In addition, the Bank used the debt classification set up by the Bank in accordance with the Bank of Thailand's Announcement relating to assets with no commercial value and cannot be recalled and assets with doubtful commercial value and cannot be recalled.

2.6.2 Allowance for fees for long-term individual loans was set up as doubtful accounts and recognized as expenses similar to the loans without collateral deduction. They will be shown under other assets.

2.6.3 Allowance for other accounts with doubtful repayments was set up in full amount and also shown under other assets.

2.7 Foreclosed Assets

2.7.1 Foreclosed assets consist of properties acquired and transferred by the repossession for debt settlement stated at cost less depreciation and recognized loss from the depreciation of properties foreclosed as expenses. Gain or loss from sales was recognized as income or expenses once sales have been completed.

Properties acquired by auction were assets from which the Bank acquired by auction from the repossession of debt settlement of the borrowers. They were recorded at cost with the price brought from the Legal Department plus title of ownership transfer fee.

Properties transferred by the repossession of debt settlement were assets which the debtors request debt settlement by means of mortgage properties. They were stated at cost with the appraisal value but not over the principal and accrued interest recognized as income.

2.7.2 In the fiscal year 2001, the Bank set up allowance of the properties foreclosed by appraising only new properties foreclosed over 5 million baht and properties ready for sales. Other assets were based on the appraisal prices of 2000.

2.8 Land, Building and Equipment

Land, building and equipment were recognized at cost less cumulative depreciation.

The depreciation of building and equipment was calculated on the straight-line method based on their average in the following rate.

Buildings	5%	per annum
Equipment	10 - 25%	per annum

Equipment with unit cost not exceeding 5,000 baht was recognized as expense in the period the equipment was purchased.

2.9 Intangible Assets

Intangible asset was lease right signified as cost less cumulative amortization. The calculation of amortization was based on the straight-line method over the remaining validity of the contract.

2.10 Deferred Charges

Bond selling fee and foreign currencies borrowing expenses were amortized by means of straight-line method over the maturity of bond or debts. They were shown under other assets.

2.11 Foreign Currencies Exchange

Assets and liability in foreign currencies were recognized in baht using the exchange rates at each transaction day. The remaining amount of assets and liabilities in foreign currencies including forward contract at the end of fiscal year were translated into baht based on the reference exchange rate given by the Bank of Thailand.

Gain or loss in foreign currencies exchange was recognized as income or expense. The difference between the current exchange rates and the forward contracts was recognized as income or expense based on the straight-line method over maturity period.

2.12 Donated Assets

Donated assets were demonstrated at cost and entered into the account together with the excess amount over donation. Depreciation was calculated by straight-line method. Depreciation of unused assets was deducted from the excess amount over donation whereas depreciation of operating assets creating income was considered as operating costs.

2.13 Expenses in Developing or Upgrading Computers

Expenses in developing computer system enabling more capacity or significantly more efficient were shown under assets.

2.14 Pension Fund for the Government Housing Bank Staff

The financial statements of the pension fund were stated in the Bank's financial statements on item by item basis. The Bank made contributions to the fund at the end of each month and recognizes them as expense.

2.15 Provident Fund for the Government Housing Bank Staff

The Bank registered the Provident Fund in accordance with the Provident Fund Act 1987 on September 19, 1994. The staff who were members were required to contribute into the fund while the Bank made counterpayment at the rate set by the Fund's regulations.

2.16 Accounting Estimates

In preparing financial statements in accordance with generally accepted standards, it is necessary that the Bank set up estimates and hypotheses which affect income, expenses, assets and liabilities including disclosure of information on possible assets and liabilities. The results may be different from the estimates.

3. Corrections

The Bank has purchased automatic telling machine services system including the systems development since 1996 at the cost of 55.05 million baht. So far it has been inspected and put into operation since December 1997 totalling 49.80 million baht. There were still uninspected equipment totalling 5.25 million baht. The Bank did not record in cumulative depreciation the completely installed equipment totalling 49.80 million baht. As a result the Bank showed cumulative loss at the beginning of fiscal year 2001 and 2000 at 33.97 million baht and 22.32 million baht below the estimate respectively. Net profit of 11.65 million baht was shown over the estimate in 2000, the Bank decided to adjust financial statement for 2000 as shown.

4. Additional Data

4.1 Cash

Unit : Million Baht

	2001	2000
Cash	622.67	620.48
Petty Cash	0.69	1.08
Cash in ATM	40.59	45.80
Instruments on call	3.53	0.98
Returned Cheques	0.31	0.21
Total	667.79	668.55

4.2 Interbank and Money Market Items

Domestic

Unit : Million Baht

	2001			2000		
	On Demand	On Term	Total	On Demand	On Term	Total
Bank of Thailand	586.56	-	586.56	150.59	-	150.59
Commercial banks	65.16	12.39	77.55	36.17	12.12	48.29
Total	651.72	12.39	664.11	186.76	12.12	198.88

Deposits at commercial banks as of December 31, 2001 and 2000 were at 77.55 million baht and 48.29 million baht respectively. They have already included pension fund for GHB staff of 12.39 million baht and 12.12 million baht respectively.

4.3 Cash and Cash Equivalents

Unit : Million Baht

	2001		2000	
Cash		667.79		668.55
Interbank and Money Market items	664.11		198.88	
Less Fixed deposits over 3 months	(12.39)	651.72	(12.12)	186.76
Cash & Cash Equivalents		1,319.51		855.31

4.4 Securities Purchased under Resale Agreement

Unit : Million Baht

	2001	2000
Government Bonds & Bonds -		
Bank of Thailand	10,760.00	25,538.00

4.5 Investment

4.5.1 Long-term Investment

Unit : Million Baht

	2001		2000	
	Cost Price	Market Price	Cost Price	Market Price
Investment for sale				
Government Bonds	10,000.00	10,088.42	12,500.00	12,731.39
Plus Allowance for value adjustment	88.42	-	231.39	-
Total	10,088.42	10,088.42	12,731.39	12,731.39
General investment				
Equity investment not in market demand	4.90		4.90	
Net total long-term investment	10,093.32		12,736.29	

General investment is an investment in common shares of Thai Credit Bureau at 49% of paid-up capital.

4.5.2 Remaining Maturity of Debt Instruments

Unit : Million Baht

	2001				2000			
	Period due				Period due			
	1 year	1-5 yr.	Over 5 yr.	Total	1 year	1-5 yr.	Over 5 yr.	Total
Investment for future sale								
Government Bonds	10,000.00	-	-	10,000.00	2,500.00	10,000.00	-	12,500.00
Plus Allowance for value adjustment	88.42	-	-	88.42	(8.20)	239.59	-	231.39
Total	10,088.42	-	-	10,088.42	2,491.80	10,239.59	-	12,731.39

4.6 Loans and Accrued Interest Receivables

4.6.1 Classified by Loan Types

Unit : Million Baht

	2001	2000
Overdraft	2,462.70	2,712.34
Individual Loans	273,479.52	274,762.51
Loans to Kheha Ruamjai Mortgage Loan Package	974.00	974.00
Loans to Agriculture Groups	6.88	8.88
Total Loans	276,923.10	278,457.73
Plus Accrued interest receivables	10,570.22	12,616.61
Total loans plus accrued interest receivables	287,493.32	291,074.34
Less Allowance for doubtful accounts	(17,355.92)	(19,845.83)
Net loans plus accrued interest receivables	270,137.40	271,228.51

4.6.2 Classified as per the Remaining Validity of Loan Contracts

Unit : Million Baht

	2001	2000
Less than 1 year	906.28	1,920.34
Over 1 year	276,016.82	276,537.39
Total	276,923.10	278,457.73
Plus Accrued interest receivables	10,570.22	12,616.61
Total	287,493.32	291,074.34

4.6.3 Classified by Borrowers' Type and Debt Classification

Unit : Million Baht

	2001						2000
	Normal	Special Mention	Sub-standard	Doubtful Accounts	Doubtful of Loss	Total	Total
Overdraft	16.39	-	51.22	83.55	2,311.54	2,462.70	2,712.34
Individual Loans							
- General	167,279.09	7,253.63	3,812.26	4,007.69	27,625.17	209,977.84	150,157.29
- Project	42,678.87	2,421.29	1,397.29	1,541.78	10,336.78	58,376.01	62,327.51
- Welfare	3,835.19	286.18	109.15	75.49	819.66	5,125.67	62,277.71
Loans - Kheha Ruamjai Mortgage Loan Package	974.00	-	-	-	-	974.00	974.00
Loans - Agriculture Groups	6.88	-	-	-	-	6.88	8.88
Total	214,790.42	9,961.10	5,369.92	5,708.51	41,093.15	276,923.10	278,457.73
Plus Accrued interest receivables	2,394.85	434.35	108.43	189.75	7,442.84	10,570.22	12,616.61
Total	217,185.27	10,395.45	5,478.35	5,898.26	48,535.99	287,493.32	291,074.34

4.6.4 Classified by Debt Classification

Unit : Million Baht

	Loans and Accrued interest receivables	Loans deducted by collateral value	Allowance rate (%)	Value to be set	Value being set
Normal	217,185.27	17,738.42	1	177.38	177.38
Special Mention	10,395.45	1,413.49	2	28.27	28.27
Substandard	5,478.35	965.32	20	193.06	193.06
Doubtful	5,898.26	1,198.35	50	599.18	599.18
Doubtful of loss	48,535.99	16,358.03	100	16,358.03	16,358.03
Total	287,493.32	37,673.61		17,355.92	17,355.92

4.7 Allowance for Doubtful Accounts

Unit : Million Baht

	2001						2000
	Normal	Special Mention	Sub-standard	Doubtful	Doubtful of Loss	Total	Total
Beginning of the period	197.77	20.02	197.67	751.31	18,679.06	19,845.83	21,281.32
Doubtful accounts	(20.39)	8.25	(4.61)	(152.13)	(2,321.03)	(2,489.91)	(1,435.49)
Loss - recovered	-	-	-	-	-	-	-
Loss - written-off	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
End of the period	177.38	28.27	193.06	599.18	16,358.03	17,355.92	19,845.83

As of December 31, 2001 and 2000 the Bank set allowance for doubtful accounts at 17,355.92 million baht and 19,845.83 million baht respectively. Out of these amount there were allowance for loss accounts of individual borrowers at 16,489.96 million baht and 18,854.34 million baht respectively. Allowance for overdraft accounts were at 865.94 million baht and 991.46 million baht. The rest belonged to loans to agricultural groups at 0.02 million baht and 0.03 million baht respectively. The Bank has set allowance for doubtful accounts in full amount based on the Bank of Thailand's criteria.

4.8 Properties Foreclosed

Unit : Million Baht

	Beginning	Gain	Written-off	End of the Year
Properties acquired by auction	4,137.51	4,772.77	1,423.05	7,487.23
Properties transferred by the repossession for debt settlement	5,544.64	130.89	120.24	5,555.29
Other properties foreclosed	33.29	0.50	0.50	33.29
Total properties foreclosed	9,715.44	4,904.16	1,543.79	13,075.81
Less Allowance for depreciation	(530.29)	(188.05)	(147.15)	(571.19)
Net properties foreclosed	9,185.15	4,716.11	1,396.64	12,504.62

4.9 Land, Building and Equipment

Unit : Million Baht

	Cost Price				Cumulative Depreciation				Net Total
	Beginning	Gain	Written-off	Ending	Beginning	Gain	Written-off	Ending	Dec. 31, 01
Land	568.50	1.28	-	569.78	-	-	-	-	569.78
Building	1,819.51	35.03	23.57	1,830.97	545.72	91.24	-	636.96	1,194.01
Equipment	1,151.16	61.59	169.87	1,042.88	879.05	103.76	168.25	814.56	228.32
Properties under construction	12.89	17.78	8.13	22.54	-	-	-	-	22.54
Others	56.58	-	-	56.58	15.24	2.90	-	18.14	38.44
	3,608.64	115.68	201.57	3,522.75	1,440.01	197.90	168.25	1,469.66	2,053.09
Annual Depreciation									195.00

Out of total land worth 569.78 million baht, there was donated land at a value of 2.89 million baht and the submitted land to the Bangkok Metropolitan Electric Train Organization, the area of 2 rai and 142 square wah with book value of 7.21 million baht since 2000 at unlimited time period. The land area had been set aside for the Bank's parking space whereby the Organization will make use of the underground level. Compensation for such underground area was at 75.36 million baht recognized as income in full.

4.10 Intangible Assets

The Bank has acquired the right for its 9 branches with leasing period between 3 - 30 years. The lease will be terminated during 2004 and 2026 at a cost of 117.63 million baht. Cumulative written-off at December 31, 2001 and 2000 were at 42.55 million baht and 36.31 million baht. And for the years 2001 and 2000 written-off values were at 6.24 million baht and 5.89 million baht respectively.

4.11 Other Assets

Unit : Million Baht

	2001	2000
Other debtors	11,538.05	6,042.30
Less Allowance for doubtful accounts and interest income	(11,538.05)	(6,042.30)
	-	-
Fee from long-term individual loans	112.48	106.51
Less Allowance for doubtful accounts	(100.50)	(94.09)
	11.98	12.42
Deferred expenses	161.24	247.65
Income receivables	39.60	83.85
Guarantee and deposit	11.05	10.43
Others	136.90	137.66
Other assets (net)	360.77	492.01

The majority of other debtors were those recovered under legal proceedings at 11,518.09 million baht and 6,019.14 million baht respectively.

4.12 Deposit in Baht

4.12.1 Classified by type of deposit

Unit : Million Baht

	2001	2000
Demand deposit - current	493.90	784.51
Savings	46,954.63	47,645.10
Term deposit - fixed		
- Less than 6 months	45,982.01	58,780.54
- 6 months to 1 year	17,616.84	21,146.53
- Over 1 year	82,375.67	85,483.18
	145,974.52	165,410.25
Promissory notes		
- Less than 6 months	20,514.72	267.60
- 6 months to 1 year	93.34	481.06
- Over 1 year	3,178.64	2.96
	23,786.70	751.62
Total	217,209.75	214,591.48

4.12.2 Classified by the remaining validity of deposit contracts

Unit : Million Baht

	2001	2000
Less than 1 year	131,655.44	129,105.34
Over 1 year	85,554.31	85,486.14
Total	217,209.75	214,591.48

4.13 Interbank and Money Market Items

Domestic

Unit : Million Baht

	2001			2000		
	On Demand	On Term	Total	On Demand	On Term	Total
Commercial banks	0.01	-	0.01	0.11	-	0.11
Total	0.01	-	0.01	0.11	-	0.11

4.14 Long-term Borrowings

Unit : Million Baht

	2001			2000		
	Domestic	Off-shore	Total	Domestic	Off-shore	Total
Promissory notes	5,300.87	-	5,300.87	5,854.55	-	5,854.55
Bonds	58,000.00	-	58,000.00	72,000.00	-	72,000.00
Others	-	8,871.94	8,871.94	-	17,364.98	17,364.98
Total	63,300.87	8,871.94	72,172.81	77,854.55	17,364.98	95,219.53

Details of Long-term Borrowings

Type of Borrowings	Lenders	Loan Amount (Million Baht)	Period	Maturity Year	Interest Rate per Annum
Promissory notes	Bank of Thailand	2,247.29	Not over 30 years, each note not over 5 years	2002	0.1
	The Government Savings Bank	1,500.00	10 years	2002	equal to annual fixed deposit rate + 1%
	The Government Savings Bank	3,000.00	7 years	2003	8.82
Bonds - GHB	Commercial banks and Financial institutions	43,000.00	5 - 10 years	2002 - 2008	4.11 - 10.22
Bonds - Kheha Ruanjai Mortgage Loan	Commercial banks	15,000.00	3 - 5 years	2002 - 2004	4.87 - 6.6
Others	Ministry of Finance	200.00 (US$ million)	10 years	2007	7.75

The Ministry of Finance issued the 3rd Yankee Bond, an amount of US$ 600 million in accordance with the cabinet resolutions on March 4, 1997 and April 1, 1997. The Ministry of Finance allocated US$ 200 million to GHB on May 2, 1997 for mortgage loan project in accordance with the government's foreign loans project.

4.15 Other Liabilities

Unit : Million Baht

	2001	2000
Other creditors	66.35	35.56
Deposit and guarantee	36.71	23.32
Unearned revenue	0.41	138.53
Expenses payable	282.46	218.99
Deducted withholding income tax	67.09	87.64
Pension fund for GHB staff	7.50	9.84
Others	54.26	85.46
Total	514.78	599.34

Accrued expenses payable as of December 31, 2001 and 2000, at amount of 282.46 million baht and 218.99 million baht were accrued bonus payable to directors and GHB staff, the amount of 173.03 million baht and 159.65 million baht respectively.

4.16 Capital

Unit : Million Baht

	2001	2000
Primary Capital	20.00	20.00
Capital from government budget	1,990.00	1,990.00
Additional capital from MOF	15,310.33	15,310.33
Total	17,320.33	17,320.33

4.17 Mortgage Loans Risk

Mortgage loans risk is defined as risk arising from borrowers or debtors who failed to abide by the contracts causing financial loss to the Bank. The Bank had instituted preventive measure requiring sufficient collateral for each type of mortgage. Unfortunately due to economic recession in the past years, the ability of debtors to service their debts was seriously affected resulting in considerable bad debts. To enable debtors to settle their debts the Bank had set up restructuring process by debt rehabilitation. The mortgage risk reached its maximum value as shown under assets after an allowance for doubtful account.

There were several measures for debt rehabilitation such as decreasing repayment installments against the outstanding principal, entering into an agreement whereby the principal is higher, lowering interest rate on the payment date, making payment as usual, making payment lower than usual, paying only interest, applying for new loan to settle outstanding interest, extending payment period and lowering new installment to settle old debt, transferring asset for debt settlement, transferring debt to new borrower or suspending payment of over due interest. The Bank has carried out these measures from 1998 to 2001. It succeeded in rehabilitating 209,628 accounts at the end of 2001 comprising 47,757 bad debts, 131,668 normal debts and 30,203 closed accounts. During the year 2001 there were 70,013 accounts comprising 7,946 bad debts, 60,315 normal debts and 1,752 closed accounts.

4.18 Pension Fund for GHB Staff

The Bank had consolidated assets, fund and revenue from the Pension Fund for GHB staff together with the Bank's financial statements. During 2001 and 2000 the Pension Fund had earned interest from deposit of 0.08 million baht and 0.38 million baht with no expense. The balance of Fund was at 7.50 million baht and 12.18 million baht with related contingencies to pay pension fund to GHB staff at 1.04 million baht and 0.88 million baht respectively.

4.19 Operating Results

	2001	2000	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from interest and dividend	17,564.13	21,692.22	(4,128.09)	(19.03)
Less Expenses from interest	12,467.51	15,348.98	(2,881.47)	(18.77)
Net revenue from interest and dividend	5,096.62	6,343.24	(1,246.62)	(19.65)
Less Bad debts and doubtful accounts	2,069.84	3,006.60	(936.76)	(31.16)
Total revenue from interest & dividend after bad debts & doubtful accouns	3,026.78	3,336.64	(309.86)	(9.29)
Non-interest revenue	417.03	(687.30)	1,104.33	160.68
Less Non-interest expenses	1,823.74	2,120.63	(296.89)	(14.00)
Net Profit	1,620.07	528.71	1,091.36	206.42

During this financial year the Bank had earned a net profit of 1,620.02 million baht, an increase of 1,091.36 million baht over the previous year. Revenue from interest and net dividend decreased from the previous year of 1,246.62 million baht. Non-interest revenue increased 1,104.33 million baht mainly as a result of loss from exchange rate decreased by 1,246.92 million baht.

Expenses from interest decreased from the previous year at 2,881.47 million baht mainly from interest from deposit decreased by 1,144.32 million baht and interest from loan decreased by 1,750.46 million baht. Non-interest expense decreased by 296.89 million baht mainly as a result of loss from property foreclosed depreciation of 334.86 million baht.

4.20 Classification of Items in Financial Statements

During the financial year 2001 the Bank had amended classification of items in financial statements to be more appropriate. Financial statements for the year 2000 had been revised according to the new classification.

4.21 Payment of Bonus

In 1998 the Bank made bonus payment to the staff of 138.41 million baht. Following the review by Ministry of Finance, the Bank had received the "most urgent" letter, No. kor cor. 0209.2/11541 dated June 27, 2001 requesting the Bank to compensate for an excessive bonus amount of 18.05 million baht. The Bank had made adjustment of 10.00 million baht in 2001 and the remaining 8.05 will be accounted for during the next fiscal year.

Directory of GHB Branches

Head Office

63 Rama IX Road, Huay Khwang, Bangkok 10310 Tel. 0-2246-0303 Fax 0-2246-1789

Metropolitan Branch Department

No.	Branch	Office	Telephone
1	Ratchadamnoen	80 Mansion 2, Ratchadamnoen Klang Road, Bangkok 10200	0-2224-3223, 0-2224-3176, 0-2224-3156 0-2224-3244, 0-2224-3179, 0-2224-3120
2	Don Muang	174/10-12 Moo 9, Wiphawadi Rangsit Road, Bang Khen, Don Muang, Bangkok 10210	0-2533-6341, 0-2996-6960-2, 0-2533-5055
3	Sukhapibarn 1	30/435 Nawamin Road, Khlong Kum, Bung Kum, Bangkok 10230	0-2519-5000, 0-2509-3830 0-2947-8005-6, 0-2510-3617-8
4	Rama VI	1557 Phiboonnsongkram Road, Bang Sue, Bangkok 10800	0-2587-0474-6, 0-2585-8311 0-2585-9295, 0-2913-2261-3
5	Nong Khaem	89/4-5 Moo 2, Phetkasem Road, Nong Khangphu, Nong Khaem, Bangkok 10160	0-2420-7475-7, 0-2420-5793 0-2420-6583, 0-2420-6009, 0-2431-1340
6	Samrong	2222/3-4 Moo 4, Sukhumvit Road, Tambon Teparak, Amphoe Muang, Samut Prakan 10270	0-2384-3483-5, 0-2757-7429-31 0-2384-7636
7	Siam Square	240/1-2 Siam Square Soi 2, Rama I Road, Pathum Wan, Bangkok 10330	0-2250-1125, 0-2250-1121 0-2255-5161-4
8	Convent	38 Q House Building, 1st Floor, Convent Road, Bang Rak, Bangkok 10500	0-2237-8997-9, 0-2632-0592-4
9	Bangyai	52/63-64, Bangyai City, Talingchan-Suphan Buri Road, Tambon Sao Thong Hin, Amphoe Bangyai, Nonthaburi 11140	0-2595-0330-3, 0-2903-2022-4
10	Ha-Yaek Pak Kret	99/169 Tiwanon Road, Amphoe Pak Kret, Nonthaburi 11120	0-2584-0321-3, 0-2964-2201-3
11	Sukhumvit	1 Glass House Building, Soi Sukhumvit 25, Sukhumvit Road, Khlong Toei, Watthana, Bangkok 10110	0-2260-6345-8, 0-2661-6120-2
12	Phetchaburi-Tadmai	2445/2 Thararom Business Tower Building, New Phetchaburi Road, Bang Kapi, Huay Khwang, Bangkok 10310	0-2319-7310-1, 0-2318-1051 0-2318-9956, 0-2718-2247-9
13	Sri Nakarin	99/29-30 Sri Nakarin Road, Nong Bon, Prawet, Bangkok 10260	0-2748-1390-2, 0-2361-6555-6
14	Bang Khen	251/22-23 Phahonyothin Road, Bang Khen, Bangkok 10220	0-2552-7702, 0-2551-0522-4, 0-2551-2384
15	Sukhapibarn 3	58/75 Moo 4, Sukhapibarn 3 Road, Saphan Sung, Bangkok 10240	0-2373-0518-9, 0-2373-3348 0-2372-0551-2, 0-2728-0794-6
16	Chaeng Watthana	47/224 Usahakamkimbo Building, 8th Building, Popular 4 Road, Muangthongthanee-Chaeng Watthana, Amphoe Pak Kret, Nonthaburi 11140	0-2980-5501-5
17	Rama II	96/10-12 Chaiyakul Tower, Rama II Road, Bang Mot, Chom Thong, Bangkok 10150	0-2867-1351-6
18	Rangsit	37/1 Moo 4, Tambon Prachathipat, Amphoe Thanyaburi, Pathum Thani 12130	0-2996-1353-7
19	Buddhamonthon	9 Moo 6, Soi Pongsirichai, Boromratchachonnani Road, Salathamsop, Thawi Watthana, Bangkok 10170	0-2889-7070-6, 0-2441-2464
20	Lamlukka	11/44-45 Lamlukka Road, Tambon Kukot, Amphoe Lamlukka, Pathum Thani 12130	0-2531-5792, 0-2531-4843, 0-2531-1289 0-2531-6405, 0-2531-9563
21	Lat Krabang	125/2 Romklao Road, Khlong Sam Prawet, Lat Krabang, Bangkok 10520	0-2915-2631-5, 0-2915-2651-3
22	Pathum Thani	34/1, 34/3 Pathum Thani-Bangkok Road, Amphoe Muang, Pathum Thani 12000	0-2593-6044-49
23	Teparak	44/4 Moo 9, Teparak Road, Tambon Bang Pla, Amphoe Bang Phli, Samut Prakan 10540	0-2706-6113-21
24	Si-Yaek Ban Khaek	121 Isaraphab Road, Somdet Chao Phraya, Khlong San, Bangkok 10600	0-2861-4911-9

No.	Branch	Office	Telephone
25	Bunsiri	10/1-3 Bunsiri Road, San Chao Pho Suea, Phra Nakhon, Bangkok 10200	0-2622-1241-7
26	St. Louis 3	20/1 Soi Sathon 11, South Sathon Road, Sathon, Bangkok 10120	0-2212-6126-7, 0-2212-6678-9 0-2212-9646-7, 0-2211-0640-1
27	Maitreejit	60, 62, 64 Soi Phra Kaeo, Mitphan Road, Pom Prap Sattru Phai, Bangkok 10100	0-2623-3034-9
28	Suksawat	360/15-17 Moo 7, Suksawat Road, Rat Burana, Bangkok 10140	0-2818-1301-10
29	Lat Phrao	2326 Lat Phrao Road, Wang Thong Lang, Bang Kapi, Bangkok 10310	0-2934-1070-8

Regional Branch Department 1

No.	Branch	Sub-Branch	Office	Telephone
1	Chiang Mai		**Northern Region** 260 Super Highway Chiang Mai-Lampang Road, Tambon Wat Ket, Amphoe Muang, Chiang Mai 50000	0-5324-5276-8 0-5324-6469-71
		Fang	Fang District Hall, Chiang Mai 50110 (Open 3rd Thursday every month)	
		Mae Hong Son	The Primary Education Office, Mae Hong Son 58000 (Open 4th Thursday every month)	0-5361-1970
2	Phitsanulok		839, 839/1-2 Mitraphab Road, Tambon Naimuang, Amphoe Muang, Phitsanulok 65000	0-5522-0955-64
		Sukhothai	Sukhothai Provincial Hall, Sukhothai 64000 (Open every Wednesday other Wednesday)	0-5561-3557
		Uttaradit	Social Welfare Office, 2nd Floor, Uttaradit (Open every Tuesday)	0-5541-4439
		Phichit	Phichit Provincial Hall, Phichit (Open every Thursday other Thursday)	0-5661-3050
3	Chiang Rai		881, 881/1-3 Uttarakit Road, Tambon Wiang, Amphoe Muang, Chiang Rai 57000	0-5374-0741-7
		Phayao	Phayao Provincial Hall, Amphoe Muang, Phayao 56000 (Open every Wednesday-Thursday)	0-5448-2321
		Chiang Kham	190/3 Moo 5, Tambon Youn, Amphoe Chiang Kham, Phayao 56110 (Open 1st and 3rd Monday every month)	0-1992-4172
4	Lampang		435 Lampang-Ngao Super Highway Road, Tambon Huawiang, Amphoe Muang, Lampang 52000	0-5423-0035-42 0-5422-5150
		Phrae	2/7-8 Nam Kue Road, Tambon Naiwiang, Amphoe Muang, Phrae 54000 (Open every Thursday-Friday)	0-5452-2620
		Nan	37/16 Rob Muang Tidtawantok Road, Amphoe Muang, Nan 55000 (Open every Tuesday-Wednesday)	0-5471-0666
5	Lamphun		23/9 Lamphun-Pasang Road, Tambon Naimuang, Amphoe Muang, Lamphun 51000	0-5353-5178-82 0-5351-0433, 0-5351-0434
6	Kamphaeng Phet		418/41-2 Charoensuk Road, Tambon Naimuang, Amphoe Muang, Kamphaeng Phet 62000	0-5571-5951-7
		Tak	Tak Provincial Hall, Amphoe Muang, Tak 63000 (Open every Wednesday)	0-5551-1653

No.	Branch	Sub-Branch	Office	Telephone
		Mae Sot	Mae Sot District Hall, Amphoe Mae Sot, Tak 63110 (Open every the frist and the end of month on Tuesday)	0-5553-2754
7	Phetchabun		9/14 Saraburi-Lomsak Road, Tambon Sadiang, Amphoe Muang, Phetchabun 67000	0-5671-1655-9
8	Khon Kaen		**Northeastern Region** 632 Srichan Road, Tambon Naimuang, Amphoe Muang, Khon Kaen 40000	0-4322-3764-6, 0-4322-4763 0-4332-2631, 0-4322-4931
9	Nakhon Ratchasima		704/15-17 Chom Phon Road, Tambon Naimuang, Amphoe Muang, Nakhon Ratchasima 30000	0-4426-9205-6 0-4425-9683, 0-4424-5208
10	Udon Thani		596/7 Moo 1, Thahan Road, Tambon Mak Khaeng, Amphoe Muang, Udon Thani 41000	0-4224-9845-54
		Nong Khai	Land Office, Tambon Naimuang, Amphoe Muang, Nong Khai 43000 (Open 1st and 3rd Wednesday every month)	
		Loei	Loei District Hall, Tambon Kudpong, Amphoe Muang, Loei 42000 (Open 1st and 3rd Thursday every month)	0-4281-3219
		Nong Bua Lamphu	Nong Bua Lamphu Provincial Hall, Amphoe Muang, Nong Bua Lamphu 39000 (Open 2nd and 4th Wednesday every month)	
11	Ubon Ratchathani		263 Upaleesarn Road, Tambon Naimuang, Amphoe Muang, Ubon Ratchathani 34000	0-4526-5801-10
		Amnat Charoen	Amnat Charoen District Hall, Chayangkul Road, Amphoe Muang, Amnat Charoen 37000 (Open 1st Thursday every month)	
		Si Sa Ket	Si Sa Ket Municipal Hall, Tambon Naimuang, Amphoe Muang, Si Sa Ket 33000 (Open 1st Monday every month)	
12	Chaiyaphum		171/8-12 Airport Road, Tambon Naimuang, Amphoe Muang, Chaiyaphum 36000	0-4483-0959-64
13	Sakon Nakhon		389 Khu Muang-I T U Intersection, Tambon Tatchoengchum, Amphoe Muang, Sakon Nakhon 47000	0-4273-3600-5
		Nakhon Phanom	Nakhon Phanom Social Welfare Office, Tambon Naimuang, Amphoe Muang, Nakhon Phanom 48000 (Open 2nd and 4th Wednesday every month)	
		Mukdahan	Mukdahan Provincial Hall, Tambon Mukdahan, Amphoe Muang, Mukdahan 49000 (Open 2nd and 4th Thursday every month)	
14	Kalasin		20/10-11 Pradit Road, Tambon Kalasin, Amphoe Muang, Kalasin 46000	0-4382-1890-5
		Maha Sarakham	1227/22 Rim Khlong Thawin Rat Road, Tambon Talat, Amphoe Muang, Maha Sarakham 44000	0-4372-2300
15	Buri Ram		491/2-4 Jira Road, Tambon Naimuang, Amphoe Muang, Buri Ram 31000	0-4461-6972-5
		Surin	Surin District Hall, Amphoe Muang, Surin 32000 (Open every Wednesday)	
16	Roi Et		127/5-6 Jaengsanit Road, Tambon Naimuang, Amphoe Muang, Roi Et 45000	0-4352-4908-9, 0-4352-5481-8
		Yasothon	Yasothon Municipal Office, Yasothon 35000 (Open every Thursday)	0-4571-1740

Regional Branch Department 2

No.	Branch	Sub-Branch	Office	Telephone
			Center Region	
1	Nakhon Pathom		44/54-55 Moo 4, Phetkasem Road, Tambon Thatamnak (Pho Tia), Amphoe Nakhon Chaisi, Nakhon Pathom 73120	0-3433-2670-1 0-3433-3993-5, 0-3433-1670
2	Suphan Buri		38/10-12 Nenkaew Road, Tambon Thapeeliang, Amphoe Muang, Suphan Buri 72000	0-3552-2512-5, 0-3550-1339
3	Ratchaburi		7 Khathathonbodi Road, Tambon Namuang, Amphoe Muang, Ratchaburi 70000	0-3231-5462-7, 0-3232-5972
4	Phra Nakhon Si Ayutthaya		6/6-9 Naresoun Road, Tambon Pratuchai, Amphoe Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya 13000	0-3524-5167-72, 0-3524-5480
5	Saraburi		158/10 Pichaironnarong Songkhram Road, Tambon Pakprew, Amphoe Muang, Saraburi 18000	0-3631-5159-60, 0-3631-5524-7
		Lop Buri	Treasure Office, Lop Buri Provincial Hall, Lop Buri (Open every Wednesday)	0-3642-0600
6	Samut Sakhon		923/412-413 Seithakij Road, Tambon Mahachai, Amphoe Muang, Samut Sakhon 74000	0-3481-1260-5, 0-3481-1270
		Samut Songkhram	Samut Songkhram District Hall, Samut Songkhram 75000 (Open 1st and 3rd Thursday every month)	
7	Ang Thong		21/9-10 Moo 2, Ang Thong-Pho Thong Road, Tambon Saladaeng, Amphoe Muang, Ang Thong 14000	0-3561-3507-9, 0-3561-3488 0-3561-1845
		Sing Buri	Sing Buri Municipal Hall, Sing Buri (Open every Tuesday)	0-3652-1492
8	Kanchanaburi		20/26-29 Soi Thanakan Hospital, Saengchuto Road, Tambon Ban Tai, Amphoe Muang, Kanchanaburi 71000	0-3462-2815-7 0-3451-6758-60, 0-3462-2836
9	Nakhon Sawan		867/125 Moo 9, Sawanvithi Road, Tambon Nakhon Sawan Tok, Amphoe Muang, Nakhon Sawan 60000	0-5622-1415, 0-5622-4637 0-5622-9501, 0-5622-6182 0-5622-7017-8
		Uthai Thani	Uthai Thani District Hall, Uthai Thani 61000 (Open every Tuesday)	0-5651-3000
		Chai Nat	Sala Prachakhom, Amphoe Muang, Chai Nat 17000 (Open every Thursday)	0-5641-3038
			Southern Region	
10	Phetchaburi		2/85-7 Phetkasem Road, Tambon Raisom, Amphoe Muang, Phetchaburi 76000	0-3241-7024-5, 0-3241-0273 0-3242-4225-8
11	Prachuap Khiri Khan		49 Prachuap Khiri Khan Road, Amphoe Muang, Prachuap Khiri Khan 77000	0-3255-1115-20
		Hua-Hin	Hua-Hin Grand Hotel, Hua-Hin, Prachuap Khiri Khan 77110 (Open every Thursday-Saturday)	0-3251-3230, 0-3251-1499 ext. Government Housing Bank
12	Nakhon Si Thammarat		669-669/1-2 Ratchadamnoen Road, Amphoe Muang, Nakhon Si Thammarat 80000	0-7534-2214, 0-7534-6950-1
		Thung Song	Thung Song District Hall, Nakhon Si Thammarat (Open 1st and 3rd Thursday every month)	
13	Phuket		59/46-47 Bangkok Road, Tambon Talard Nea, Amphoe Muang, Phuket 83000	0-7621-4532, 0-7622-3601-3 0-7621-8191-3
		Phang Nga	Phang Nga Chamber of Commerce, Tambon Taichang, Amphoe Muang, Phang Nga 82000 (Open 1st and 3rd Tuesday every month)	
		Krabi	14-15 Krabi-Khao Thong Road, Tambon Paknam, Amphoe Muang, Krabi 81000 (Open every Wednesday-Thursday)	0-7561-1311
14	Hat Yai		843 Phetchakasem Road, Tambon Hat Yai, Amphoe Hat Yai, Songkhla 90110	0-7424-5161, 0-7424-5674 0-7424-5977, 0-7434-5526-30 0-7424-6246
		Satun	Satun Municipal Mechanical Department, Tambon Piman, Amphoe Muang, Satun 91000 (Open every Monday)	0-7471-1962

No.	Branch	Sub-Branch	Office	Telephone
15	Surat Thani		31/10 Surat-Punpin Road, Tambon Wat Pradoo, Amphoe Muang, Surat Thani 84000	0-7720-0286, 0-7720-0917-8 0-7720-0412, 0-7720-0350 0-7720-0047
16	Trang		59/16-18 Huay Yot Road, Tambon Tabtiang, Amphoe Muang, Trang 92000	0-7521-3079, 0-7522-2868-9 0-7522-2875-6
		Phatthalung	Phatthalung District Hall, 2nd Floor, Chuiturarat Road, Tambon Kuhasawan, Amphoe Muang, Phatthalung 93000 (Open every Tuesday)	0-7461-1087
17	Chumphon		7/2 Moo 5, Chumphon-Ranong Road, Tambon Wangphai, Amphoe Muang, Chumphon 86000	0-7757-6566-69
		Lang Suan	Lang Suan District Hall, Chumphon 85000 (Open every Thursday)	
		Ranong	400/21 Phetkasem Road, Amphoe Muang, Ranong 85000 (Open every Tuesday)	
18	Yala		102, 104, 106 Phumacheep Road, Tambon Sateng, Amphoe Muang, Yala 95000	0-7322-3551-5
		Narathiwat	Commerce Office, Amphoe Muang, Narathiwat 96000 (Open every Wednesday)	0-7351-4032
		Pattani	Pattani Provincial Hall, Tambon Sabarang, Amphoe Muang, Pattani 94000 (Open every Thursday)	0-7333-2333
19	Chachoengsao		**Eastern Region** 153 Bangpakong-Chachoengsao Road, Tambon Namuang, Amphoe Muang, Chachoengsao 24000	0-3881-2682-7, 0-3851-4765
20	Pattaya		8/51 Moo 6, North Pattaya Road, Tambon Naklua, Amphoe Bang Lamung, Chon Buri 20150	0-3837-0501-2 0-3842-7671-3, 0-3837-0518-9
		Sattahip	Sattahip Municipal Hall, Tambon Sattahip, Amphoe Sattahip, Chon Buri 20180 (Open every Tuesday)	0-3843-8345
21	Rayong		141/7-10 Sukhumvit Road, Tambon Choengnoen, Amphoe Muang, Rayong 21000	0-3861-2603, 0-3880-0464-8
22	Prachin Buri		147/1 Radsadorn-damri Road, Tambon Namuang, Amphoe Muang, Prachin Buri 25000	0-3720-0343-5 0-3721-4393, 0-3721-4840-4
		Nakhon Nayok	Nakhon Nayok District Hall, Amphoe Muang, Nakhon Nayok 26000 (Open every Wednesday)	
		Sa Kaeo	464 Moo 7, Amphoe Muang, Sa Kaeo 27000 (Open every Tuesday)	0-3724-2536
23	Chon Buri		51/6-8 Moo 2, Sukhumvit Road, Tambon Samed, Amphoe Muang, Chon Buri 20000	0-3826-1444-7, 0-3878-4605-6
24	Chanthaburi		1/71 Phrayatrung Road, Tambon Wat Mai, Amphoe Muang, Chanthaburi 22000	0-3935-1272-8, 0-3935-1210-11
		Trat	Trat Municipal Hall, Amphoe Muang, Trat 23000 (Open every Tuesday)	0-3952-0254

Banking Counter

- The Mall Department Store, Bang Kapi Branch, 1st Floor Plaza Section Tel. 0-2375-8365
- The Mall Department Store, Bang Khae Branch, 1st Floor Plaza Section Tel. 0-2454-9430
- The Mall Department Store, Ngam Wongwan Branch, 1st Floor Plaza Section Tel. 0-2550-0683
- Big C Department Store, Rat Burana Branch, 2nd Floor, near TelecomAsia Service Center Tel. 0-2428-7364
- Big C Department Store, Chaeng Watthana Branch, 1st Floor Tel. 0-2575-2259
- BTS Skytrain Station, Morchit Tel. 0-2617-9440-1 ext. 0
- Website : http://www.ghb.co.th
- Website : http://www.ghbhomecenter.com

Notice : Sub-branch is the branch that gives only credit for housing service. Sub-branch will coordinate with the main branch that gives credit for housing service and deposit service only.