



Chairman's Message

Sales to overseas customers are no longer optional for U.S. businesses, large or small. To compete and succeed, you have to play on the global stage. Trade now accounts for about one-quarter of the U.S. economy – twice the share of just 15 years ago. Global trade has been growing at a rate twice as fast as the rate of growth of the world's economy overall. And with emerging markets expected to account for much of the world's economic growth in the decades ahead, that's where the money is.

The Export-Import Bank of the United States stands at the confluence of these powerful forces. Not only is global commerce growing rapidly, but American exporters face increased competition for overseas sales. They must also surmount a strong U.S. dollar, increased use of tied aid by other industrialized nations, new forms of official export credit support for foreign competitors, and environmental standards that their competitors do not face. At the same time, private sector lenders are reluctant to provide financing in emerging markets because of greater risks.



That's where Ex-Im Bank comes in. Founded in 1934, Ex-Im Bank is an independent federal agency charged with promoting and financing the export of American products and services and contributing to the promotion and maintenance of U.S. jobs. In our 67-year history, Ex-Im Bank has supported over \$400 billion of U.S. exports, thereby sustaining millions of jobs here at home. In fiscal year 2001, we added another \$12.5 billion to that total.

Ex-Im Bank's impact is felt throughout America and affects every size of company and every type of industry. By providing financing for U.S. exports to emerging markets, the Bank helps U.S. companies expand exports and keep growing. We have helped to create and sustain American jobs in every state and congressional district.

We aim to make sure that U.S. taxpayer dollars are committed with care. Ex-Im Bank achieves an eye-popping "bang-for-the-buck" – returning to the U.S. economy an average of \$18 of export value for every \$1 appropriated by the U.S. Congress. Following the congressional mandate in our charter, Ex-Im Bank also ensures that for every transaction there is "reasonable assurance of repayment." The Bank has an excellent repayment record, and our loan-loss ratio is remarkably low, given the higher-risk markets in which the Bank operates.

Ex-Im Bank's charter directs that we not compete with private sector lenders and financing sources. So we play the role of the "first Marines" to hit the beach for U.S. companies in riskier emerging markets. We go where the commercial lenders won't. We lead the way into new markets. We take risks that the private sector won't. And we step in where the competition is toughest for U.S. exporters facing competition backed by foreign governments.

The record of Ex-Im Bank's achievements on behalf of U.S. exporters in fiscal year 2001 is in the pages that follow. In this annual report, you will also find portraits of five diverse companies located across the country that have succeeded in foreign markets with the help of our financing.

In light of the terrorist attacks of September 11, 2001, Ex-Im Bank is serving a vital mission in helping to keep trade financing flowing for U.S. companies involved in commercial aviation and many other industries.

The Bush Administration is firmly committed to free and fair trade, and to keeping U.S. companies and their workers competitive in the international marketplace. Ex-Im Bank plays an important role in this process. With the Administration's support, we are well positioned to continue our vital work on behalf of U.S. exporters in fiscal year 2002 and beyond. Thank you.

John E. Robson
Chairman and President

NOVEMBER 2001

BOARD OF DIRECTORS

John E. Robson
Chairman and President

Dan Renberg
Director

D. Vanessa Weaver
Director

Donald L. Evans
U.S. Secretary of Commerce
Director, ex officio

Robert B. Zoellick
U.S. Trade Representative
Director, ex officio

OFFICERS

David Chavern
Vice President
Credit Review and Operations

Cheryl Crispen
Vice President
Public Affairs

James C. Cruse
Group Vice President
Policy

Michael Cushing
Group Vice President
Resource Management

James K. Hess
Chief Financial Officer

Sarah McCray Hildebrand
Vice President
Congressional and
External Affairs

James A. Mahoney, Jr.
Vice President
Engineering and Environment

Jeffrey L. Miller
Group Vice President
Structured Export and
Trade Finance

Robert Morin
Vice President
Transportation

Barbara O'Boyle
Vice President
Structured Finance

Patrick O'Hare
Chief Information Officer

Michael J. Petrucelli
Vice President and Executive
Assistant to the Chairman

William Redway
Group Vice President
New and Small Business

Peter B. Saba
General Counsel

Piper Starr
Vice President
Insurance

Kenneth M. Tinsley
Vice President
Trade Finance

Sam Zytcer
Vice President
Business Credit

2001 ADVISORY COMMITTEE

Hector E. Retta
Chairman
Senior Vice President
Bank One
Dallas, Texas
Representing Finance

Jeffrey B. Adams
Director of Operations
Lamb-Grays Harbor Co.
Hoquiam, Wash.
*Representing Production/
Small Business*

Peter Derrick
Assistant Treasurer
Lucent Technologies Inc.
Murray Hill, N.J.
Representing Production

Dean R. Dort, II
Vice President, International
Deere and Co.
Washington, D.C.
Representing Agriculture

Owen E. Herrstadt
Director, International Affairs
International Association of
Machinists and Aerospace Workers
Upper Marlboro, Md.
Representing Labor

David Ickert
Vice President, Finance
Air Tractor
Olney, Texas
*Representing Production/
Small Business*

Mike Johanns
Governor of Nebraska
Office of the Governor
Lincoln, Neb.
Representing State Government

Peter O. Lehman, Esq.
Director, Planning and Business
Development
South Carolina State Ports
Authority
Charleston, S.C.
*Representing Commerce/
State Government*

Rebecca A. McDonald
Chairman and Chief Executive
Officer
Enron Global Assets
Houston, Texas
Representing Production

James D. Price
Senior Managing Director
Price & Marshall Inc.
New York, N.Y.
Representing Finance

John J. Salinger
President
AIG Global Trade & Political Risk
Insurance Co.
Houston, Texas
Representing Services/Finance

Ian M. Watson McLaughlin
President
Watson Machinery, International
Paterson, N.J.
*Representing Production/
Small Business*

Kenneth A. Oye
Director
Center for International Studies
Massachusetts Institute of
Technology
Cambridge, Mass.
Representing Academia

David A. Smith
Director of Public Policy
AFL-CIO
Washington, D.C.
Representing Labor

Terrence D. Straub
Vice President, Government
Affairs
USX Corp.
Washington, D.C.
Representing Production

2001 SUB-SAHARAN AFRICA ADVISORY COMMITTEE

David B. Cooke
Chairman
Senior Vice President
Allfirst Bank
Baltimore, Md.
*Representing Banking/Trade
Finance*

Susan W. Adam
Chief Executive Officer
Adam & Associates International
Inc.
Brookline, Mass.
Representing Commerce

Patricia A. Bagnell
President
Africa ONE Ltd.
Needham, Mass.
Representing Commerce

Don H. Barden
Chairman and Chief Executive
Officer
Barden Companies Inc.
Detroit, Mich.
Representing Commerce

John T. Bolden
Manager, International Marketing
Caterpillar Inc.
Washington, D.C.
Representing Commerce

Anthony J. Carroll
Managing Director
Manchester Trade Ltd.
Washington, D.C.
Representing Trade Finance

Ambassador Mustafa Salim Nyang' Anyi
Ambassador of Tanzania
Embassy of Tanzania
Washington, D.C.

Charles Oshunremi
Vice President, International
Relations
QUALCOMM Inc.
Washington, D.C.
Representing Commerce

Ambassador Mamadou Mansour Seck
Ambassador of Senegal
Embassy of Senegal
Washington, D.C.

Janice Van Dyke Walden
Director, Public Relations
Vanco Energy Co.
Houston, Texas
Representing Commerce



FINANCIAL REPORT FY 2001
Export-Import Bank of the United States

FY 2001 Authorizations Summary

(in millions)

Program	Number of Authorizations		Amount Authorized		Export Value		Subsidy	
	2001	2000	2001	2000	2001	2000	2001	2000
LOANS								
Long-Term Loans	11	7	\$857.8	\$930.9	\$1,045.8	\$1,125.1	\$90.6	\$11.4
Medium-Term Loans	5	1	13.4	1.7	16.0	2.0	1.5	0.3
Tied Aid	1	0	Incl. Above	0.0	Incl. Above	0.0	1.7	0.0
Total Loans	17	8	871.2	932.6	1,061.8	1,127.1	93.8	11.7
GUARANTEES								
Long-Term Guarantees	46	65	4,736.3	6,911.0	5,233.3	7,261.0	573.4	700.1
Medium-Term Guarantees	164	194	704.5	914.1	813.7	1,067.2	80.8	89.5
Working Capital Guarantees	374	361	660.2	588.3	3,067.4	2,653.6	21.1	17.3
Total Guarantees	584	620	6,101.0	8,413.4	9,114.4	10,981.8	675.3	806.9
EXPORT CREDIT INSURANCE								
Short-Term	1,475	1,528	1,793.9	2,410.7	1,793.9	2,410.7	0.1	0.0
Medium-Term	282	373	475.4	880.4	555.6	1,028.5	54.3	83.5
Total Insurance	1,757	1,901	2,269.3	3,291.1	2,349.5	3,439.2	54.4	83.5
Modifications							4.2	35.7
Grand Total	2,358	2,529	\$9,241.5	\$12,637.1	\$12,525.7	\$15,548.1	\$827.7	\$937.8

Small Business Authorizations

(in millions)

	Number		Amount	
	2001	2000	2001	2000
Export Credit Insurance	1,723	1,762	\$902	\$1,513
Working Capital Guarantees	337	339	518	517
Guarantees	60	73	225	296
Total Guarantees and Insurance	2,120	2,174	1,645	2,326
Loans	4	2	13	7
Grand Total	2,124	2,176	\$1,658	\$2,333

Note: A total of 383 small businesses receiving Ex-Im Bank's assistance during the year had not previously participated in the Bank's programs.

FY 2001 Authorizations by Market

	Loans	Guarantees	Medium-Term Insurance	Total Actual Authorizations	Exposure
AFRICA MULTINATIONAL					201,285,888
ALGERIA	211,884,169	291,107,241	389,643	503,381,053	1,996,146,199
AMERICAS MULTINATIONAL FINANCIAL INST.					8,714,193
ANGOLA					141,232,855
ANGUILLAR					9,684
ANTIGUA					472,090
ARGENTINA		3,999,470	31,668,008	35,667,478	761,728,579
ARUBA					7,804,982
AUSTRALIA			90,000	90,000	317,299,578
AUSTRIA		137,410,406		137,410,406	171,870,060
AZERBAIJAN					62,136,620
BAHAMAS			90,000	90,000	7,387,536
BAHRAIN					16,222,703
BANGLADESH	8,001,333			8,001,333	8,324,229
BARBADOS			340,169	340,169	1,037,268
BELGIUM					3,087,390
BELIZE		7,165,921		7,165,921	42,005,963
BENIN			10,662,497	10,662,497	10,812,497
BERMUDA					254,388
BOLIVIA		938,478	1,036,153	1,974,631	15,464,768
BOSNIA					25,706,215
BRAZIL	623,668,599	69,032,639	36,107,130	728,808,368	3,671,044,383
BRUNEI					9,479
BULGARIA					76,590,360
CAMEROON			1,310,930	1,310,930	47,628,784
CANADA			1,371,844	1,371,844	23,009,129
CANARY ISLANDS					13,119
CAYMAN ISLANDS					171,734
CENTRAL AFRICAN REPUBLIC					8,710,457
CHILE		157,792,094	913,401	158,705,495	553,691,655
CHINA					26,386,019
CHINA (MAINLAND)		331,828,650	8,346,379	340,175,029	5,937,651,338
CHINA (TAIWAN)			741,400	741,400	918,050,165
COLOMBIA	14,220,735	9,227,405	3,084,329	26,532,469	440,243,066
CONGO					22,864,759
COSTA RICA		1,346,749	6,487,297	7,834,046	21,965,111
COTE D'IVOIRE					164,649,554
CROATIA			51,331	51,331	459,215,831
CUBA					36,266,581
CYPRUS					77,978
CZECH REPUBLIC			60,000	60,000	437,771,252

FY 2001 Authorizations by Market

	Loans	Guarantees	Medium-Term Insurance	Total Actual Authorizations	Exposure
DEMOCRATIC REPUBLIC OF CONGO					921,830,192
DENMARK					1,026,518
DOMINICA					32,760
DOMINICAN REPUBLIC		29,728,201	68,401,068	98,129,269	307,682,683
ECUADOR					50,073,250
EGYPT		1,431,725	11,769,385	13,201,110	50,471,602
EL SALVADOR			1,448,331	1,448,331	18,083,868
ESTONIA					2,450
FIJI ISLANDS					90,214,188
FINLAND					1,360,406
FRANCE					10,099,902
FRENCH POLYNESIA					3,214
GABON					61,203,980
GAMBIA		210,350		210,350	184,056
GEORGIA					12,718,097
GERMANY, FEDERAL REPUBLIC OF					9,307,726
GHANA	5,430,935	8,831,176	744,037	15,006,148	157,800,151
GREECE			270,000	270,000	41,744,330
GRENADA			3,776,791	3,776,791	9,434,915
GUATEMALA		1,207,196	5,793,172	7,000,368	44,048,752
GUINEA					7,761,977
GUYANA			3,072,200	3,072,200	6,256,104
HAITI					3,911,016
HONDURAS			13,972,331	13,972,331	47,697,560
HONG KONG			3,600,000	3,600,000	307,875,218
HUNGARY					43,601,499
ICELAND					279,465
INDIA	2,219,243	350,337,978	5,097,797	357,655,018	1,441,525,639
INDONESIA	3,217,108			3,217,108	2,799,224,438
IRELAND		140,113,495	110,700	140,224,195	373,323,931
ISRAEL					371,217,561
ITALY			751,968	751,968	205,114,391
JAMAICA			5,043,267	5,043,267	37,887,888
JAPAN			358,200	358,200	196,587,915
JORDAN					7,895,029
KAZAKHSTAN		7,337,101		7,337,101	41,517,442
KENYA			2,731,304	2,731,304	113,041,466
KOREA, REPUBLIC OF		655,070,596	3,042,465	658,113,061	2,799,376,481
KUWAIT					783,489
LATVIA					8,942,631
LEBANON		14,709,252		14,709,252	21,528,325
LIBERIA					5,980,110
LITHUANIA			90,000	90,000	26,093,006
LUXEMBOURG			57,629	57,629	82,760,563

FY 2001 Authorizations by Market

	Loans	Guarantees	Medium-Term Insurance	Total Actual Authorizations	Exposure
MACAU					147,069
MACEDONIA					92,694,744
MADAGASCAR					38,318,462
MALAWI					1,271
MALAYSIA, FEDERATION OF		210,201,600		210,201,600	1,204,959,949
MALI		2,716,474		2,716,474	2,716,474
MALTA					9,919,790
MAURITANIA					6,598,057
MAURITIUS					28,276,955
MEXICO		822,123,826	173,250,539	995,374,365	4,641,335,442
MICRONESIA, FEDERATED STATES OF					8,693
MONACO					136,198
MONTSERRAT					11,135
MOROCCO					551,117,007
MOZAMBIQUE					48,156,266
NAMIBIA					89,528,788
NAURU					29,361,945
NETHERLANDS			2,118,151	2,118,151	18,006,480
NETHERLANDS ANTILLES					338,870
NEW CALEDONIA					770
NEW ZEALAND					1,184,475
NICARAGUA		2,511,555	16,937,395	19,448,950	100,384,807
NIGER					7,002,759
NIGERIA			13,958,002	13,958,002	601,636,742
NORWAY			225,000	225,000	43,799,724
OMAN					168,573,771
PAKISTAN					400,234,469
PANAMA			67,541	67,541	133,242,066
PAPUA NEW GUINEA					1,839,123
PARAGUAY					724,088
PERU			5,499,196	5,499,196	155,877,132
PHILIPPINES		38,358,552	11,526,203	49,884,755	1,446,682,352
POLAND			4,422,559	4,422,559	497,662,420
PORTUGAL					490,190
PUERTO RICO					533
QATAR					243,428,965
REUNION ISLAND					14,987
ROMANIA		129,211,155	14,813,507	144,024,662	424,142,373
RUSSIA		150,365,262	6,317,249	156,682,511	1,803,846,733
RWANDA					559,569
SAUDI ARABIA		2,233,256	4,528,895	6,762,151	2,082,844,074
SENEGAL		3,010,584		3,010,584	7,819,754

FY 2001 Authorizations by Market

	Loans	Guarantees	Medium-Term Insurance	Total Actual Authorizations	Exposure
SEYCHELLES					70,834
SIERRA LEONE					1,740,984
SINGAPORE					91,992,723
SLOVAK REPUBLIC					2,875,572
SLOVENIA					12,845
SOUTH AFRICA		257,736,289	499,500	258,235,789	445,300,018
SOUTHWEST AFRICA					3,298
SPAIN					3,469,347
SRI LANKA					3,618,118
ST KITTS-NEVIS					38,667
ST LUCIA					378,912
ST VINCENT					197,133
SUDAN					28,246,331
SWEDEN					1,912,435
SWITZERLAND					2,482,601
TANZANIA		326,824		326,824	21,868,528
THAILAND		209,299,081		209,299,081	879,204,176
TOGO					2,820
TRINIDAD AND TOBAGO		345,639	1,485,272	1,830,911	469,493,338
TUNISIA			5,637,443	5,637,443	276,943,291
TURKEY		94,757,840	20,400,678	115,158,518	3,326,425,659
TURKMENISTAN					79,529,258
TURKS AND CAICOS ISLANDS					106,603
UGANDA		1,665,133		1,665,133	2,407,512
UNITED ARAB EMIRATES			58,800	58,800	11,652,077
UNITED KINGDOM			3,300,983	3,300,983	24,537,251
UNITED STATES OF AMERICA		906,544,527		906,544,527	1,964,960,100
URUGUAY			90,000	90,000	4,453,640
UZBEKISTAN		138,249,432		138,249,432	877,053,387
VENEZUELA	2,605,789	912,521,353	44,917,114	960,044,256	2,377,121,620
VIRGIN ISLANDS – BRITISH			8,833,200	8,833,200	13,200,640
WEST INDIES – FRENCH					75,619
YUGOSLAVIA, FEDERAL REPUBLIC OF					107,334,380
ZAMBIA					147,156,683
ZIMBABWE			1,904,204	1,904,204	65,959,481
Total	871,247,911	6,101,004,505	573,672,587	7,545,925,003	53,497,971,975
INTERMEDIARY LOANS					3,981,483
MULTIBUYER INSURANCE – SHORT-TERM			1,695,615,000	1,695,615,000	2,839,219,815
OTHER					2,084,306,842
Total Authorizations	871,247,911	6,101,004,505	2,269,287,587	9,241,540,003	58,425,480,115

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
ALGERIA						
22-Nov-00	Ministry of Finance None Raytheon Aircraft Co.	075744	Air Surveillance System	7.050%	\$195,527,880	
15-Mar-01	Air Algerie Ministry of Finance Boeing Co.	076616	(1) B737-800 Aircraft	6.300%	\$16,356,289	\$16,516,645
28-Sep-01	Air Algerie None Boeing Co.	077386	(2) B737-800 and (5) B737-600 Aircraft			\$191,065,000
28-Sep-01	SONATRACH None Halliburton Energy Services	077618	Oil Field Services			\$51,395,596
Total for	ALGERIA				\$211,884,169	\$258,977,241
AUSTRIA						
28-Sep-01	Austrian Airlines None Boeing Co.	077361	(1) B767-300ER and (2) B737-700 Aircraft			\$137,410,406
Total for	AUSTRIA					\$137,410,406
BANGLADESH						
24-Oct-00	United Summit Power Co. Ltd. None Caterpillar Inc.	076452	Gas Reciprocating Engine Sets (power project)	6.930%	\$2,667,111	
24-Oct-00	United Summit Power Co. Ltd. None Caterpillar Inc.	076457	Gas Reciprocating Engine Sets (power project)	6.930%	\$2,667,111	
24-Oct-00	United Summit Power Co. Ltd. None Caterpillar Inc.	076458	Gas Reciprocating Engine Sets (power project)	6.930%	\$2,667,111	
Total for	BANGLADESH				\$8,001,333	

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
BRAZIL						
12-Oct-00	Tele Norte Leste Participacoes S.A. None Lucent Technologies Inc.	075912	Telecommunications Equipment	7.190%	\$74,010,112	
08-Nov-00	Telesp Celular S.A. Telesp Celular Participacoes S.A. Lucent Technologies Inc.	074785	Telecommunications Equipment			\$17,045,724
25-Jan-01	Petroleo Brasileiro S.A. None General Electric Co.	076707	Gas Turbines and Generators	6.280%	\$97,423,375	
25-Jan-01	Petroleo Brasileiro S.A. None General Electric Co.	076708	Gas Turbines and Generators	6.280%	\$97,632,372	
10-May-01	Usina Termoeletrica de Juiz de Fora S.A. Cia de Forca e Luz Cataguazes Leopoldona S.A. General Electric Co.	077117	Gas Turbines and Generators			\$35,712,247
25-Jun-01	Sao Paulo Evangelical Lutheran Congregation None Magna Medical Systems Inc.	075819	Hospital Equipment			\$3,218,197
28-Jun-01	Rio Polimeros S.A. Ltda. None ABB Lummus Global Inc.	076658	Design, Engineering and Construction of Petrochemical Plant	6.080%	\$176,453,578	
28-Sep-01	UEG Araucaria Ltda. None Bechtel International Inc.	075617	Gas Turbines (power project)	6.140%	\$178,149,162	
Total for	BRAZIL				\$623,668,599	\$55,976,168
CHILE						
19-Jul-01	Ladeco S.A. Lan Chile S.A. Boeing Co.	077173	(2) B767-300F Aircraft			\$153,212,500
Total for	CHILE					\$153,212,500

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
CHINA (Mainland)						
19-Dec-00	Industrial and Commercial Bank of China None General Electric Co.	074774	Main Drive Power Supply			\$18,015,126
26-Jul-01	China Construction Bank None Boeing Co.	077475	(1) B767-300 Aircraft			\$66,619,814
28-Sep-01	Hainan Airlines Co. Ltd. China Construction Bank Boeing Co.	077713	(5) B737-800 Aircraft			\$247,193,710
Total for	CHINA (Mainland)					\$331,828,650
COLOMBIA						
06-Dec-00	Petroquimica Colombiana S.A. None Engineering America Inc.	076082	Technical Services	6.780%	\$14,220,735	
Total for	COLOMBIA				\$14,220,735	
DOMINICAN REPUBLIC						
01-Jun-01	The Dominican Republic None Krofta Technologies Inc.	077342	Wastewater Treatment Plant Equipment			\$1,570,712
01-Jun-01	The Dominican Republic None Krofta Technologies Inc.	077345	Wastewater Treatment Plant Equipment			\$5,911,538
Total for	DOMINICAN REPUBLIC					\$7,482,250
GHANA						
07-May-01	Ministry of Mines and Energy Ministry of Finance Solar Outdoor Lighting Inc.	075408	Engineering and Procurement Services	5.770%	\$5,430,935	
Total for	GHANA				\$5,430,935	
INDIA						
14-Nov-00	M.B. Inno-Tech (India) Ltd. Baid Brothers International Thermoforming Systems Inc.	076301	Foam Cup Manufacturing Equipment	7.020%	\$2,219,243	

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
08-Feb-01	Jet Airways Ltd. None Boeing Co.	076029	(10) B737-700/800 Aircraft			\$345,822,500
Total for	INDIA				\$2,219,243	\$345,822,500
INDONESIA						
17-May-01	Ministry of Finance None Process Analyzers LLC	076310	Fingerprint Kits, Forensic Equipment	5.640%	\$3,217,108	
Total for	INDONESIA				\$3,217,108	
IRELAND						
04-Jan-01	Ryanair Ltd. None Boeing Co.	072813	(5) B737-800 Aircraft			\$140,113,495
Total for	IRELAND					\$140,113,495
KOREA, REPUBLIC OF						
20-Sep-01	Korean Air Lines Co. Ltd. None Boeing Co.	077531	(1) B777-200ER, (1) B747-400 and (3) B747-400F Aircraft			\$655,070,596
Total for	KOREA, REPUBLIC OF					\$655,070,596
LEBANON						
08-Mar-01	The Lebanese Co. for the Development and Reconstruction of Beirut Central District s.a.l. None Radian International LLC	073269	Engineering, Design, Construction, Management and Procurement Services			\$14,709,252
Total for	LEBANON					\$14,709,252
MALAYSIA, FEDERATION OF						
28-Sep-01	1st Silicon (Malaysia) SDB BHD Ministry of Finance Varian Semiconductor Equipment Assoc.	076664	Semiconductor Manufacturing Equipment			\$210,201,600
Total for	MALAYSIA, FEDERATION OF					\$210,201,600

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
MEXICO						
01-Oct-00	Samsung Ingenieria Mexico S.A. de C.V. None Samsung Engineering America Inc.	075760	Mechanical Equipment (Salamanca Refinery Upgrade)			\$1,352,094
01-Oct-00	Samsung Ingenieria Mexico S.A. de C.V. None Samsung Engineering America Inc.	075761	Mechanical Equipment and Instruments (Tula Refinery Upgrade)			\$494,353
01-Nov-00	Grupo Minero Mexico S.A. de C.V. Mexicana de Cananea S.A. de C.V. Atlas Copco Wagner Inc.	076364	Mining Machinery and Equipment			\$21,445,054
25-Jan-01	Kimberly-Clark de Mexico S.A. de C.V. None Kimberly Clark Corp.	076651	Engineering and Design Services			\$14,880,509
02-Aug-01	Comision Federal de Electricidad None Siemens Westinghouse Power Corp.	076371	(2) Gas Turbine and Spare Parts			\$103,904,672
28-Sep-01	Pemex Project Funding Master Trust Petroleos Mexicanos Kellogg Brown and Root Inc.	077513	Oil Field Equipment and Engineering Services (Cantarrel Oil Field)			\$300,000,000
28-Sep-01	Pemex Project Funding Master Trust Petroleos Mexicanos M-I LLC	077625	Drilling Fluid Services and Chemicals (Burgos Gas Field)			\$130,000,000
Total for	MEXICO					\$572,076,682
ROMANIA						
04-Jan-01	Ministry of Health Ministry of Finance Simed International Inc.	076633	Patient Monitors and Medical Equipment			\$32,822,197
04-Jan-01	Ministry of Health Ministry of Finance Steris Corp.	076921	Sterilization Modules			\$21,149,937
15-Mar-01	Tarom Romanian Air Transport S.A. Ministry of Finance Boeing Co.	077057	(2) B737-700 Aircraft			\$70,158,667
Total for	ROMANIA					\$124,130,801

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
RUSSIA						
08-Nov-00	Vnesheconombank None American Capital Systems	075061	Sewing Equipment and Technical Services			\$12,739,313
19-Dec-00	Tyumen Oil Co. Samotlorneftegaz ABB Lummus Global Inc.	070202	Engineering Services and Equipment (Ryazan Refinery Upgrade)			\$33,910,506
12-Apr-01	Vnesheconombank None Fata Engineering Inc.	073707	Mechanical Equipment			\$44,037,659
21-Jun-01	Vnesheconombank None Ohio Medical Instrument Co.	076319	Hospital and Medical Equipment			\$44,132,250
Total for	RUSSIA					\$134,819,728
SAUDI ARABIA						
09-Nov-00	Saudi Oger Ltd. None Boeing Co.	073621	Additional Financing Requirements			\$2,233,256
Total for	SAUDI ARABIA					\$2,233,256
SOUTH AFRICA						
25-Jan-01	South African Airways None Boeing Co.	076774	(8) B737-800 Aircraft			\$257,736,289
Total for	SOUTH AFRICA					\$257,736,289
THAILAND						
11-Jan-01	Thai Airways International Ltd. None Boeing Co.	076833	(2) B777-300 Aircraft			\$208,385,014
Total for	THAILAND					\$208,385,014

FY 2001 Loans and Long-Term Guarantees

Auth. Date	Obligor Guarantor Principal Supplier	Credit	Product	Interest Rate	Loans	Guarantees
TURKEY						
08-Feb-01	Turk Hava Yollari Undersecretariat of the Treasury Boeing Co.	073136	(2) B737-800 Aircraft			\$67,662,977
Total for	TURKEY					\$67,662,977
UZBEKISTAN						
22-Nov-00	Uzbekneftegas Ministry of Finance Bateman Engineering Inc.	076191	Turbine Compressors			\$102,941,545
10-May-01	National Bank for Foreign Economic Activity Ministry of Finance Case Corp.	077271	Powerguide Axle – Combines			\$30,462,561
Total for	UZBEKISTAN					\$133,404,106
VENEZUELA						
11-Dec-00	Accroven SRL None Enron Development Corp.	075663	Gas Processing and Engineering Services (Upgrade)	7.220%	\$2,605,789	
15-Mar-01	Ministry of Finance None Sir William Halcrow Partners	075588	Engineering and Construction Services			\$11,800,000
17-May-01	Ministry of Finance None Gauff GMBH Co. Engineering KG L.P.	076173	Engineering and Procurement Services			\$13,000,000
21-Jun-01	Hamaca Holding LLC None Fluor Daniel Corp.	076050	Engineering and Procurement Services (Hamaca Heavy Crude Refinery)			\$627,600,198
06-Jul-01	Ministry of Finance None General Electric Co.	077373	Gas Turbines and Control System			\$26,333,000
Total for	VENEZUELA				\$2,605,789	\$678,733,198
MISCELLANEOUS						
23-Jan-01	Private Export Funding Corp. (PEFCO)	003048	Interest on PEFCO's Own Debt			\$246,300,000
Total for	MISCELLANEOUS					\$246,300,000
Grand Total:					\$871,247,911	\$4,736,286,709

Management Report on Financial Statement and Internal Accounting Controls

Ex-Im Bank's management is responsible for the content and integrity of the financial data included in the Bank's annual report and for ascertaining that this data fairly presents the financial position, results of operations and cash flows of the Bank.

The Bank's operations fall under the provisions of the Federal Credit Reform Act of 1990. This law provides that subsidy calculations must be performed (on a present value basis) for all new loan, guarantee and insurance commitments, and the resulting cost, if any, must be covered by funds appropriated by Congress. Credits may not be approved if the cost has not been appropriated in advance.

The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. As explained in more detail in the notes, the financial statements recognize the impact of credit reform legislation on the Bank's commitments. Other financial information related to the Bank included elsewhere in this report is presented on a basis consistent with the financial statements.

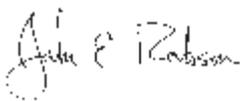
The Bank maintains a system of internal accounting controls that is designed to provide reasonable assurance at reasonable cost that assets are safeguarded and that transactions are processed and properly recorded in accordance with management's

authorization, and that the financial statements are accurately prepared. The Bank believes that its system of internal accounting controls appropriately balances the cost/benefit relationship.

Ex-Im Bank's board of directors pursues its responsibility for the Bank's financial statements through its audit committee. The audit committee meets regularly with management and the independent accountants. The independent accountants have direct access to the audit committee to discuss the scope and results of their audit work and their comments on the adequacy of internal accounting controls and the quality of financial reporting.

The Bank believes that its policies and procedures, including its system of internal accounting controls, provide reasonable assurance that the financial statements are prepared in accordance with provisions of applicable laws and regulations.

The Bank's financial statements were audited by independent accountants. Their opinion is printed in this annual report immediately following the notes to the financial statements.



John E. Robson
Chairman and President



James K. Hess
Chief Financial Officer

October 12, 2001

Statement of Financial Position

(in millions)	September 30, 2001	September 30, 2000
ASSETS		
Cash and Cash Equivalents	\$7,132.5	\$9,086.6
Loans Receivable, Net	5,855.3	5,725.8
Receivables from Subrogated Claims, Net	2,140.7	2,107.0
Accrued Interest, Fees Receivable and Other Assets	184.4	164.9
Total Assets	\$15,312.9	\$17,084.3
LIABILITIES AND STOCKHOLDER'S DEFICIENCY		
Borrowings	\$7,975.9	\$7,751.9
Allowance for Off-Balance Sheet Risk	6,411.5	7,030.0
Claims Payable	33.2	51.1
Amounts Payable to the U.S. Treasury	557.0	1,574.9
Other Liabilities	977.7	849.1
Total Liabilities	15,955.3	17,257.0
Capital Stock held by the U.S. Treasury	1,000.0	1,000.0
Tied Aid Appropriations	397.3	410.4
Credit Appropriations	190.6	38.8
Accumulated Deficit	(2,230.3)	(1,621.9)
Total Stockholder's Deficiency	(642.4)	(172.7)
Total Liabilities and Stockholder's Deficiency	\$15,312.9	\$17,084.3

The accompanying notes are an integral part of this financial statement.

Statement of Operations

(in millions)	For the Year Ended September 30, 2001	For the Year Ended September 30, 2000
INTEREST INCOME		
Interest on Loans	\$740.1	\$838.8
Interest on Cash and Cash Equivalents	416.3	582.6
Total Interest Income	1,156.4	1,421.4
INTEREST EXPENSE		
Interest on Borrowings	544.7	609.6
Other Interest Expense	2.8	26.9
Total Interest Expense	547.5	636.5
Net Interest Income	608.9	784.9
Provision for Credit and Claim Losses	(195.1)	701.0
Net Income after Provision for Losses	804.0	83.9
NON-INTEREST INCOME		
Commitment Fees	34.4	32.9
Exposure Fees	240.3	224.0
Guarantee Fees and Insurance Premiums	28.0	29.9
Other Income	15.8	42.6
Total Non-Interest Income	318.5	329.4
NON-INTEREST EXPENSE		
Administrative Expense	53.5	55.1
Other Expense	7.7	12.4
Total Non-Interest Expense	61.2	67.5
Net Income	\$1,061.3	\$345.8

The accompanying notes are an integral part of this financial statement.

Statement of Changes in Capital and Accumulated Deficit

(in millions)	Capital Stock	Tied Aid	Appropriated Capital		Accumulated Deficit	Total
			Pre-Fiscal 1992 Credits	Post-Fiscal 1991 Credits		
BALANCE AT SEPTEMBER 30, 1999	\$1,000.0	\$412.2	\$0.0	\$176.1	(\$1,404.2)	\$184.1
Appropriations Received			20.6	811.2		831.8
Appropriations Obligated Excluding Tied Aid			(20.6)	(992.7)	1,013.3	0.0
Net Income					345.8	345.8
Appropriations Deobligated and Reavailable, Net				63.4	(63.4)	0.0
Transferred (to)/from the U.S. Treasury, Net				(11.2)	53.5	42.3
Tied Aid Appropriations Disbursed		(1.8)				(1.8)
Amounts Payable to the U.S. Treasury				(8.0)	(1,566.9)	(1,574.9)
BALANCE AT SEPTEMBER 30, 2000	\$1,000.0	\$410.4	\$0.0	\$38.8	(\$1,621.9)	(\$172.7)
Appropriations Received			31.9	925.8		957.7
Appropriations Obligated Excluding Tied Aid			(31.9)	(887.9)	919.8	(0.0)
Net Income					1,061.3	1,061.3
Appropriations Deobligated and Reavailable, Net				114.3	(114.3)	0.0
Transferred to the U.S. Treasury, Net					(2,060.1)	(2,060.1)
Tied Aid Appropriations Disbursed		(13.1)				(13.1)
Amounts Payable to the U.S. Treasury				(0.4)	(415.1)	(415.5)
BALANCE AT SEPTEMBER 30, 2001	\$1,000.0	\$397.3	\$0.0	\$190.6	\$(2,230.3)	(\$642.4)

The accompanying notes are an integral part of this financial statement.

Statement of Cash Flows

(in millions)	For the Year Ended September 30, 2001	For the Year Ended September 30, 2000
CASH FLOWS FROM OPERATIONS		
Net Income	\$1,061.3	\$345.8
Adjustments To Reconcile Net Income to Net Cash from Operations:		
Amortization of Discount on Loan Disbursements, Net	(8.6)	16.7
Amortization of Loan Exposure Fees, Net	52.3	(1.5)
Provision for Credit and Claim Losses	(195.1)	701.0
Claim Payments	(405.5)	(289.3)
Claim Recoveries	417.9	524.8
Increase in Accrued Interest, Fees Receivable and Other Assets	(19.6)	(0.5)
Increase/(Decrease) in Accrued Interest Payable	0.8	(426.9)
Increase in Other Liabilities	155.0	40.9
Net Cash Provided by Operations	1,058.5	911.0
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan Disbursements	(1,559.2)	(947.0)
Repayment of Loans Receivable	898.8	992.9
Net Cash (Used in)/Provided by Investing Activities	(660.4)	45.9
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings from the U.S. Treasury	1,789.6	2,275.0
Repayment of Borrowings from the U.S. Treasury	(1,427.8)	(2,194.7)
Credit Appropriations Received	957.7	831.8
Amounts Returned to the U.S. Treasury	(3,493.5)	(1,985.2)
Claim Payment Certificates Paid	(165.1)	(180.9)
Tied Aid Disbursements	(13.1)	(1.8)
Net Cash Used in Financing Activities	(2,352.2)	(1,255.8)
Net Decrease in Cash and Cash Equivalents	(1,954.1)	(298.9)
Cash and Cash Equivalents – Beginning of Year	9,086.6	9,385.5
Cash and Cash Equivalents – End of Year	\$7,132.5	\$9,086.6
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year for Interest	\$546.7	\$1,063.4

The accompanying notes are an integral part of this financial statement.

Export-Import Bank of the United States

Notes to Financial Statements

1. Impact of September 11, 2001, Terrorist Actions

The events in New York City and Washington, D.C., on September 11, 2001, and the consequences of those events may affect the risk profile of both specific transactions of the Export-Import Bank of the United States (Ex-Im Bank) and its overall credit portfolio. As of the date of these statements, there is insufficient time and information to adequately assess the impact (direct or indirect) of these events on Ex-Im Bank's financial position. Therefore, these statements do not contain any provisions to reflect the potential impact of the September 11, 2001, terrorist actions.

2. Summary of Significant Accounting and Reporting Policies

Enabling Legislation and Mission

Ex-Im Bank is an independent corporate agency of the United States that was first organized as a District of Columbia banking corporation in 1934. Ex-Im Bank's operations subsequent to September 30, 1991, are subject to the provisions of the Federal Credit Reform Act of 1990 (P.L. 101-508).

Ex-Im Bank's mission is to facilitate U.S. exports by providing financing in order to level the playing field for American exporters facing unfair foreign financing competition and bridge export financing shortfalls caused by market failures.

Use of Estimates

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalent balances as of September 30, 2001 and 2000 were as follows (in millions):

Cash Accounts	2001	2000
RESTRICTED:		
Credit Reform Financing Accounts	\$5,062.0	\$6,245.6
Unexpended Appropriations	1,927.2	1,750.1
UNRESTRICTED:		
Pre-Credit Reform Accounts	94.1	1,064.7
Other Cash	49.2	26.2
Total	\$7,132.5	\$9,086.6

Ex-Im Bank is restricted in its use of certain cash and cash equivalent balances. Unexpended appropriations are appropriated funds received that are deposited in a non-interest-bearing account at the U.S. Treasury. These funds are available to Ex-Im Bank when the credit activity to which they relate takes place or to finance administrative expenses. Upon occurrence of the credit activity, disbursement of the related loans or shipment of goods under guarantee or insurance policies written by Ex-Im Bank, the funds become available either to subsidize the related loan disbursement or to be invested in the credit reform financing accounts to fund the credit costs of the guarantee and insurance policies.

Unrestricted funds include funds resulting from pre-credit reform activities and represent highly liquid investments with original maturities of three months or less, and cash balances at the U.S. Treasury.

Accrued Interest on Loans and Claims Receivable

Interest is accrued on loans and claims as it is earned. Generally, loans and claims receivable delinquent 90 days or more are placed in a non-accrual status unless they are well secured and significant collections have been received during the past year. At the time that a loan or claim is placed in non-accrual status, any accrued but unpaid interest previously recorded is reversed against current period interest income.

Accounting for Capitalized Interest on Rescheduled Loans and Claims

Rescheduling agreements frequently allow Ex-Im Bank to add uncollected interest to the principal balance of rescheduled loans and claims receivable (i.e., capitalized interest). In such circumstances,

interest income resulting from capitalized interest is recorded only when, in management's judgment, borrowers have demonstrated the ability to repay the debt in the normal course of business.

Allowance for Credit and Claim Losses

The allowance for credit and claim losses provides for possible losses inherent in the loan, claim, guarantee and insurance portfolios. Providing for such losses recognizes that collection of some loans and claims are doubtful and their value, including claims to be filed under Ex-Im Bank's guarantee and insurance programs, is impaired. The allowance is available to absorb credit losses related to the total credit portfolio. The allowance is increased by provisions charged to expense and decreased by write-offs, net of recoveries. The provision for credit and claim losses of (\$195.1) million for fiscal year 2001 is comprised of a charge of \$487.3 million for estimated loan losses, and credits of (\$63.9) million and (\$618.5) million, that reflect a reduction in estimated losses from claims and off-balance sheet risk, respectively.

Commitment and Exposure Fees

Commitment fees on direct loans and guarantees, which are generally non-refundable, are recognized on a straight-line basis over the term of the commitment.

Ex-Im Bank charges a risk-related exposure fee under both the loan and guarantee programs that is based on each loan disbursement or shipment of goods under the guarantee policy. Exposure fees for loans are recognized as interest income over the life of the loan using the effective yield method. Exposure fees for guarantees are recognized as other income on a straight-line basis over the term of the guarantee.

Insurance Fees

Fees charged under insurance policies are recognized as income on the straight-line basis over the life of the insurance policies.

Claims Payable

Liabilities for claims arising from Ex-Im Bank's guarantee and insurance activities, and the related estimated losses and loss adjustment expenses, are accrued upon approval of a claim filing.

Discount on Loans Receivable

In fulfilling its mission to aid in financing and facilitating exports of U.S. goods and services to foreign countries and to provide U.S. exporters with financing that is competitive with that provided by foreign governments to their exporters, Ex-Im Bank, at times, lends money at interest rates lower than its cost of borrowing. When this occurs, Ex-Im Bank records a charge to income equivalent to the discount at inception of the loan and amortizes the discount over the life of the loan as interest income.

Appropriated Capital

Appropriations received by Ex-Im Bank pursuant to the Credit Reform Act are recorded, in effect, as paid-in-capital. Such appropriations are applied to Ex-Im Bank's retained earnings in accordance with directions on the use of credit reform appropriations issued by the Office of Management and Budget (OMB). Appropriations not required to finance credit activities are returned to the U.S. Treasury when the period of availability ends.

3. Credit Reform

The Federal Credit Reform Act of 1990, which became effective on October 1, 1991, significantly affected the manner in which Ex-Im Bank finances its credit activities. The primary purpose of this Act is to measure more accurately the cost of federal credit programs and to place the cost of such credit programs on a basis equivalent with other federal spending.

Ex-Im Bank received appropriations aggregating \$925.8 million in fiscal year 2001 and \$811.2 million in fiscal year 2000, which represented the annual appropriation to cover the estimated subsidy cost of providing new direct loans, guarantees and insurance, and the associated administrative costs of these programs.

The following table summarizes appropriations received and used during fiscal years 2001 and 2000 (in millions):

	2001	2000
RECEIVED AND AVAILABLE:		
For Credit Subsidies	\$863.1	\$756.1
For Credit-related Administrative Costs	62.7	55.1
Total Received	925.8	811.2
Unobligated Balance Carried Over from Prior Year	363.2	480.4
Cancellations of Prior Year Obligations	114.3	71.6
Total Available	1,403.3	1,363.2
OBLIGATED:		
For Credit Subsidies Excluding Tied Aid	826.1	937.8
For Credit-related Administrative Costs	61.8	54.9
Subtotal	887.9	992.7
For Tied Aid	0.6	0.0
Total Obligated	888.5	992.7
UNOBLIGATED BALANCE:		
Unobligated Balance	514.8	370.5
Unobligated Balance Lapsed	0.4	7.3
Remaining Balance	\$514.4	\$363.2

Of the remaining balance of \$514.4 million at September 30, 2001, \$7.3 million is available until September 30, 2002, \$4.6 million is available until September 30, 2003, \$178.6 million is available until September 30, 2004, and \$323.9 million is available until expended and may be used for tied aid.

The cost of credit risk (credit subsidy) shown above, is the net present value of expected cash receipts and cash disbursements associated with loans, guarantees and insurance. Cash receipts typically include fees or premiums and loan principal and interest, and cash disbursements typically include claim payments and loan disbursements.

When the present value of expected cash receipts exceeds the present value of expected cash disbursements, a "negative" credit subsidy arises. Negative subsidies are remitted to the U.S. Treasury upon disbursement of the underlying credits. Ex-Im Bank transferred \$21.1 million and \$11.9 million of negative subsidies to the U.S. Treasury in fiscal years 2001 and 2000, respectively.

The appropriation for administrative costs is based on an annual estimate of the costs to administer and service Ex-Im Bank's entire credit portfolio. It is obligated at the time administrative expenses are accrued. The credit subsidy appropriations are obligated to cover the estimated subsidy costs at the time loans, guarantees and insurance are committed. As the loans are disbursed or when the insured or guaranteed event has taken place (generally when the related goods are shipped), the obligated amounts are used to cover the estimated costs of the subsidies related to the disbursements and shipments. The portion of the appropriation related to Ex-Im Bank's lending programs is used to partially finance the loan disbursements while the portions related to Ex-Im Bank's guarantee and insurance programs are invested in an interest-bearing account with the U.S. Treasury. Prior to this use, all of the appropriated funds are held in a non-interest-bearing U.S. Treasury account.

OMB Circular A-11 requires that unobligated funds relating to credits authorized prior to October 1, 1991, are to be returned to the U.S. Treasury. At the end of fiscal year 2001, Ex-Im Bank returned \$1,477.8 million of these funds. In fiscal year 2000, \$1,000 million was returned.

Because financial and economic factors affecting the repayment prospects change over time, the net estimated subsidy cost of the outstanding balance of loans, guarantees and insurance financed by the subsidies is re-estimated periodically in accordance with OMB guidelines. Re-estimates that result in increases in subsidy costs are covered by additional appropriations, which become automatically available, while decreases in estimated subsidy costs result in excess funds returned to the U.S. Treasury. As of September 30, 2000, a re-estimate indicated that \$1,414.1 million was no longer needed to cover commitments and was due to the U.S. Treasury. Subsequent to September 30, 2000, using updated risk premia the subsidy re-estimate was increased by an additional \$561.3 million, for a total of \$1,975.4 million, which was transferred to the U.S. Treasury in March 2001. As of September

30, 2001, a re-estimate of the subsidy costs of the outstanding balances of fiscal year 1992 through 2000 commitments indicated that of the fees, interest and appropriations in the financing accounts, the net amount of \$367.0 million was no longer needed to cover commitments and is due to the U.S. Treasury. These amounts are included in the Amounts Payable to the U.S. Treasury on the Statement of Financial Position.

The manner in which Ex-Im Bank uses its credit appropriations differs from the way in which it calculates its credit-related loss allowances and net income under GAAP. Both GAAP and the credit appropriation calculation similarly factor into the loss allowance individual credit risks. Both recognize the cost to Ex-Im Bank of issuing loans at interest rates below Ex-Im Bank's borrowing rate. However, the GAAP loss allowances do not recognize the present value of future fees and premiums as an offset to the allowance since to do so would effectively record revenue prior to realization. As discussed in Note 12, Ex-Im Bank calculates the fair value of its credit instruments using the Credit Reform methodology.

Effective for fiscal year 2002, OMB has issued new risk premia to calculate estimated subsidy costs for new loans, guarantees and insurance obligated in fiscal year 2002. The new risk premia were also used to calculate the credit-related loss allowances as of September 30, 2001. The net impact of using the new risk premia, as opposed to the old risk premia, in the loss reserve calculation was a decrease in the loss reserves of approximately \$1.3 billion.

4. Loans Receivable

Ex-Im Bank extends medium-term and long-term direct loans to foreign buyers of U.S. exports. Loans extended under the medium-term loan programs have repayment terms of one to seven years, while loans extended under the long-term loan programs have repayment terms in excess of seven years. Generally, both the medium-term and long-term loan programs cover up to 85 percent of the U.S. export value of shipped goods. Ex-Im Bank's direct loans carry the lowest fixed interest rate permitted for the importing country and term under the "Arrangement on Guidelines for Officially Supported Export Credits" negotiated among members of the Organization for Economic Cooperation and Development (OECD).

Ex-Im Bank's loans receivable, as shown in the Statement of Financial Position, are net of uncollected interest capitalized upon rescheduling, unamortized exposure fees, unamortized discounts and an allowance for loan losses. At September 30, 2001 and 2000, the allowance for loan losses equaled 31.0 percent and 27.3 percent, respectively, of the outstanding loans receivable balance, excluding uncollected capitalized interest and unamortized exposure fees and discounts. The net balance of loans receivable at September 30, 2001 and 2000 consists of the following (in millions):

	2001	2000
Asia	\$5,294.4	\$4,928.6
Latin America	2,919.2	2,711.3
Africa/Middle East	1,803.7	1,672.6
Eastern Europe—Non-NIS	414.1	424.5
United States/Other	0.2	0.7
Western Europe/Canada	183.0	210.8
	10,614.6	9,948.5
Less: Capitalized Interest	1,830.9	1,823.5
Unamortized Discount and Exposure Fees	292.9	249.3
	8,490.8	7,875.7
Less: Allowance for Loan Losses	2,635.5	2,149.9
Net Balance	\$5,855.3	\$5,725.8

Changes in the allowance for loan losses for fiscal years 2001 and 2000 are as follows (in millions):

	2001	2000
Balance at Beginning of Year	\$2,149.9	\$2,135.0
Net Write-offs	(1.7)	(28.9)
Provision Charged to Operations	487.3	43.8
Balance at End of Year	\$2,635.5	\$2,149.9

The allowance for loan losses is based on Ex-Im Bank's evaluation of the loan portfolio taking into consideration a variety of factors, including repayment status of the loans, assessment of future risks, and worldwide, regional and local economic and political conditions.

Although Ex-Im Bank has a diversified loan portfolio, some of its loans are more heavily concentrated in certain countries or industries. At September 30, 2001, the largest concentrations of gross loans outstanding were in the following countries and industries (in millions):

Country		Industry	
Indonesia	\$1,586.6	Power Projects	\$3,253.6
Brazil	1,580.9	Manufacturing	1,256.0
China	1,528.2	Infrastructure Projects	1,049.4
Philippines	677.7	Telecommunications	561.4

From time to time, Ex-Im Bank extends the repayment date and modifies the interest terms of some or all principal installments of a loan because the obligor or country has encountered financial difficulty and Ex-Im Bank's board of directors has determined that providing relief in this manner will enhance the ability to collect the loan. The outstanding balances related to rescheduled installments included in loans receivable at September 30, 2001 and 2000 were \$2,707.4 million and \$2,749.2 million, respectively. Rescheduled loan installments of principal and interest were \$99.4 million and \$79.5 million, respectively, in fiscal year 2001, and \$192.3 million and \$87.6 million, respectively, in fiscal year 2000. The interest rate on rescheduled loans is generally a floating rate of interest which is 37.5 to 62.5 basis points over Ex-Im Bank's cost of borrowing.

5. Receivables from Subrogated Claims

Receivables from subrogated claims represent the outstanding balance of claims that were submitted to Ex-Im Bank in its capacity as guarantor or insurer under Ex-Im Bank's export guarantee or insurance programs. Under the subrogation clauses in its insurance contracts,

Ex-Im Bank receives all rights, title and interest in all amounts relating to claims paid under insurance policies and therefore establishes an asset to reflect such rights.

Ex-Im Bank's receivables from subrogated claims, as shown in the Statement of Financial Position, are net of uncollected capitalized interest for rescheduled claims and an allowance for claim losses.

The net balance of receivables from subrogated claims at September 30, 2001 and 2000 consists of the following (in millions):

	2001	2000
Claims Previously Paid and Unrecovered:		
Rescheduled	\$2,097.1	\$2,104.1
Non-rescheduled	2,051.1	2,078.2
Claims Filed Pending Payment	33.2	51.0
	4,181.4	4,233.3
Less: Capitalized Interest	432.5	434.6
	3,748.9	3,798.7
Less: Allowance for Claim Losses	1,608.2	1,691.7
Net Balance	\$2,140.7	\$2,107.0

Changes in the allowance for claim losses for fiscal years 2001 and 2000 are as follows (in millions):

	2001	2000
Balance at Beginning of Year	\$1,691.7	\$1,760.7
Net Write-offs	(19.6)	(31.3)
Provision Credited to Operations	(63.9)	(37.7)
Balance at End of Year	\$1,608.2	\$1,691.7

The allowance for claim losses is based on Ex-Im Bank's evaluation of the receivables from the subrogated claims portfolio taking into consideration a variety of factors, including repayment status of the claims, assessment of future risks, and worldwide, regional and local economic and political conditions. Write-offs are net of recoveries of

funds received on claims that were previously written-off. At September 30, 2001 and 2000, the allowance for claim losses equaled 42.9 percent and 44.5 percent, respectively, of the outstanding balance, excluding uncollected capitalized interest.

6. Non-Accrual of Interest

The weighted average interest rate on Ex-Im Bank's loan and rescheduled claim portfolio at September 30, 2001, equaled 4.80 percent (6.83 percent on performing loans and rescheduled claims). Interest income is recognized when collected on non-rescheduled claims paid and unrecovered or on claims filed pending payment.

Generally, the accrual of interest on loans and rescheduled claims is discontinued when the credit is delinquent for 90 days. Ex-Im Bank had a total of \$2,721.6 million and \$1,057.9 million of loans and rescheduled claims, respectively, in non-accrual status at September 30, 2001, and \$2,836.1 million and \$1,086.7 million respectively at September 30, 2000. Had these credits been in accrual status, interest income would have been \$171.2 million higher in fiscal year 2001 (amount is net of interest received of \$87.0 million) and \$132.1 million higher in fiscal year 2000 (amount is net of interest received of \$107.4 million).

7. Borrowings

Ex-Im Bank's outstanding borrowings come from two sources: direct borrowings from the U.S. Treasury and the assumption of repayment obligations of defaulted guarantees under the Bank's guarantee program via Claim Payment Certificates. Claim Payment Certificates are, in effect, marketable securities issued by Ex-Im Bank under the same terms as the original obligation.

Under provisions of Ex-Im Bank's guarantee program, the insured party has the option of accepting payment via a Claim Payment Certificate.

At September 30, 2001, \$931.1 million was outstanding under Claim Payment Certificates. Maturities of Claim Payment Certificates are as follows (in millions):

Fiscal Year	Amount
2002	\$187.2
2003	177.6
2004	169.2
2005	129.2
2006	92.1
2007-2017	175.8
	\$931.1

The weighted average interest rate on Ex-Im Bank's outstanding Claim Payment Certificates at September 30, 2001 equaled 6.04 percent.

Payments due on Claim Payment Certificates, for which the underlying commitment was authorized prior to October 1, 1991, are funded through net cash receipts related to loans, guarantees and insurance committed prior to October 1, 1991. To the extent the net receipts are not sufficient to repay the debt as it becomes due, Ex-Im Bank has available a permanent and indefinite appropriation for this purpose.

Direct borrowings from the U.S. Treasury are primarily used to finance the Bank's medium- and long-term loans committed on or after October 1, 1991. At September 30, 2001, Ex-Im Bank had \$7,044.8 million of borrowings outstanding with the U.S. Treasury at a weighted average interest rate of 6.07 percent.

The U.S. Treasury borrowings are repaid, primarily, with the repayments of the medium- and long-term loans they financed. To the extent the repayments on the underlying loans, combined with the commitment and exposure fees and interest earnings received on the loans, are not sufficient to repay the borrowings, appropriated funds are available to Ex-Im Bank through the re-estimation process for this purpose. Accordingly, the U.S. Treasury borrowings do not have a set repayment schedule; however, the full amount of the borrowings are expected to be repaid by fiscal year 2033.

8. Related Party Transactions

The financial statements reflect the results of contractual agreements with the Private Export Funding Corporation (PEFCO). PEFCO, which is owned by a consortium of private sector banks, industrial companies and financial services institutions, makes medium- and long-term fixed and variable rate loans to foreign borrowers to purchase U.S.-made equipment when such loans are not available from traditional private sector lenders on competitive terms. PEFCO has agreements with Ex-Im Bank which, for fees totaling \$29.7 million in fiscal year 2001 and \$14.4 million in fiscal year 2000, provide that Ex-Im Bank will (1) guarantee the due and punctual payment of principal and interest on export loans made by PEFCO, (2) guarantee the due and punctual payment of interest on PEFCO's long-term secured debt obligations when requested by PEFCO, and (3) guarantee certain fees paid by borrowers on behalf of PEFCO. Such guarantees, aggregating \$5,465.8 million at September 30, 2001 and \$4,418.4 million at September 30, 2000, are reported by Ex-Im Bank as off-balance sheet risk and the exposure is included in its allowance for off-balance sheet risk calculation.

Ex-Im Bank's credit and guarantee agreement with PEFCO extends through December 31, 2020. Through its contractual agreements with PEFCO, Ex-Im Bank exercises a broad measure of supervision over PEFCO's major financial management decisions including approval of both the terms of individual loan commitments and the terms of PEFCO's long-term debt issues, and is entitled to representation at all meetings of PEFCO's board of directors, advisory board and exporters' council.

As discussed in Note 7, Ex-Im Bank has significant transactions with the U.S. Treasury. The U.S. Treasury, although not exercising control over Ex-Im Bank, holds the common stock of Ex-Im Bank creating a related-party relationship between Ex-Im Bank and the U.S. Treasury.

9. Pensions and Accrued Annual Leave

Virtually all of Ex-Im Bank's employees are covered by either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). For CSRS employees, Ex-Im Bank withholds a portion of their base earnings. The employees' contributions are then matched by Ex-Im Bank and the sum is transferred to the Civil Service Retirement Fund, from which the CSRS employees will receive retirement benefits. For FERS employees, Ex-Im Bank withholds, in addition to Social Security withholdings, a portion of their base earnings. Ex-Im Bank contributes an amount proportional to the employees' base earnings towards retirement, and an additional scaled amount towards each individual FERS employee's Thrift Savings Plan, depending upon the employee's level of savings. The FERS employees will receive retirement benefits from the Federal Employees Retirement System, the Social Security System, and Thrift Savings Plan deposits that have accumulated in their accounts.

Total Ex-Im Bank (employer) matching contributions to the Thrift Savings Plan, CSRS and FERS for all employees, included in administrative expenses, were approximately \$3.6 million and \$3.4 million for the fiscal years ended September 30, 2001 and 2000, respectively.

Although Ex-Im Bank funds a portion of pension benefits under the CSRS and FERS relating to its employees and makes the necessary payroll withholdings for them, it has no liability for future payments to employees under these programs and does not account for the assets of the CSRS and FERS, nor does it have actuarial data with respect to accumulated plan benefits or the unfunded pension liability relative to its employees. These amounts are reported by the Office of Personnel Management (OPM) for the Retirement Systems and are not allocated to the individual employers. OPM also accounts for the health and life insurance programs for current and retired civilian federal employees. Similar to the accounting treatment afforded the retirement programs, the actuarial data related to the health and life insurance programs is maintained by OPM and is not available on an individual employer basis.

Ex-Im Bank's liability to employees for accrued annual leave, included in other liabilities, was \$2.2 million and \$2.4 million for the fiscal years ended September 30, 2001 and 2000, respectively.

10. Statutory Limitations

Under provisions of the Export-Import Bank Act, as amended in fiscal year 1997, Ex-Im Bank's statutory authority is limited to \$75.0 billion of loans, guarantees and insurance outstanding at any one time. At September 30, 2001 and 2000, Ex-Im Bank's statutory authority used was as follows (in millions):

	2001	2000
Outstanding Loans	\$10,614.6	\$9,948.5
Undisbursed Loans	1,858.8	2,612.2
Outstanding Claims	4,181.4	4,233.3
Guarantees	36,948.2	36,944.2
Insurance	4,822.5	7,857.5
Total	\$58,425.5	\$61,595.7

Congress provides an appropriation to cover the subsidy cost of the transactions committed. Transactions can be committed only to the extent that appropriated funding is available to cover such costs. In fiscal years 2001 and 2000, Congress placed no limit on the total amount of loans, guarantees and insurance that could be committed in those years, provided that the \$75.0 billion limit established by the Export-Import Bank Act was not exceeded.

During fiscal year 2001, Ex-Im Bank entered into commitments for loans of \$871.2 million using \$93.8 million of the appropriation (\$1.7 million for tied aid) and commitments for guarantees and insurance of \$8,370.3 million using \$733.9 million of the appropriation. During fiscal year 2000, Ex-Im Bank entered into commitments for loans of \$932.6 million using \$11.7 million of the appropriation (none for tied aid) and commitments for guarantees and insurance of \$11,704.5 million using \$926.1 million of the appropriation.

11. Commitments and Contingencies

Enabling Legislation

In accordance with its enabling legislation, continuation of Ex-Im Bank as an independent corporate agency of the United States is subject to periodic extensions granted by Congress. Congressional authorization has been temporarily extended through October 31, 2001. Management believes that Ex-Im Bank's authorization will be further extended during the first quarter of fiscal year 2002.

Financial Instruments with Off-Balance Sheet Risk

In addition to the risks associated with its loans and claims receivable, Ex-Im Bank is subject to credit risk for financial instruments not reflected in its Statement of Financial Position. These financial instruments consist of (1) guarantees and insurance that provide repayment protection against political and commercial risks and (2) guarantees of letters of credit underlying future loan disbursements. Political risks covered by Ex-Im Bank involve nonpayment as a result of war, cancellation of an existing export or import license, expropriation, confiscation of or intervention in a buyer's business, or transfer risk (failure of foreign government authorities to transfer foreign deposits into dollars). However, losses due to currency devaluation are not considered a political risk by Ex-Im Bank. Commercial risks involve nonpayment for reasons such as deterioration of markets, unanticipated competition and buyer insolvency. Ex-Im Bank generally does not hold collateral or other security to support its medium- and short-term financial instruments with off-balance sheet risk, except for credits supporting export of aircraft and a variety of security arrangements made in the case of project finance transactions. When issuing working capital guarantees, Ex-Im Bank frequently requires the guaranteed party to obtain collateral or a third-party guarantee from the debtor. The amount of collateral is based on management's credit evaluation. All Ex-Im Bank guarantees and insurance benefits carry the full faith and credit of the United States Government.

The risks associated with the overall portfolio of off-balance sheet financial instruments differ from those associated with the loan portfolio. Loans are spread more evenly than guarantees over the entire risk spectrum, while off-balance sheet financial instruments are concentrated in relatively lower risk countries. Also, exporters and financial intermediaries who use Ex-Im Bank short-term insurance bear a portion of losses resulting from nonpayment.

Following is a summary of Ex-Im Bank's off-balance sheet risk at September 30, 2001 and 2000 (in millions):

FY 2001			
	Total	Commitments Unused	Outstanding*
Guarantees	\$36,948.2	\$ 7,584.4	\$29,363.8
Insurance	4,822.5	3,660.3	1,162.2
Undisbursed Loans	1,858.8	1,858.8	-
Total	\$43,629.5	\$13,103.5	\$30,526.0

* *Shipment of goods has taken place.*

FY 2000			
	Total	Commitments Unused	Outstanding*
Guarantees	\$36,944.2	\$8,342.5	\$28,601.7
Insurance	7,857.5	6,676.8	1,180.7
Undisbursed Loans	2,612.2	2,612.2	-
Total	\$47,413.9	\$17,631.5	\$29,782.4

* *Shipment of goods has taken place.*

Ex-Im Bank is exposed to credit loss with respect to the amount at risk in the event of nonpayment by other parties in the agreements. The commitments shown above are agreements to lend monies and issue guarantees and insurance so long as there is no violation of any condition established in the credit agreement.

Substantially all of Ex-Im Bank's off-balance sheet financial instruments involve credits located outside of the United States. Following is a breakdown of such total commitments at September 30, 2001, by major geographic area (in millions):

	Guarantees	Insurance	Undisbursed Loans	Total
Asia	\$12,113.9	\$176.8	\$626.4	\$12,917.1
Latin America	8,836.8	1,397.5	1,036.4	11,270.7
New Independent States (NIS)	2,863.7	13.1	-	2,876.8
Africa/Middle East	5,546.8	105.3	189.5	5,841.6
United States/Other	1,965.0	-	3.7	1,968.7
Eastern Europe—Non-NIS	1,690.3	53.9	-	1,744.2
Western Europe/Canada	3,931.7	236.7	2.8	4,171.2
S/T Insurance (unshipped)	-	2,839.2	-	2,839.2
Total	\$36,948.2	\$4,822.5	\$1,858.8	\$43,629.5

At September 30, 2001, Ex-Im Bank's largest commitments at risk were in the following countries and industries (in millions):

<u>Country</u>		<u>Industry</u>	
China	\$4,435.8	Air Transportation	\$17,187.5
Mexico	4,324.0	Oil and Gas	6,106.5
Turkey	3,143.5	Power Projects	5,210.5
Venezuela	2,526.8	Financial Services	3,541.8

Changes in the allowance for off-balance sheet risk for fiscal years 2001 and 2000 are as follows (in millions):

	2001	2000
Balance at Beginning of Year	\$7,030.0	\$6,335.1
Provision (Credited)/Charged to Operations	(618.5)	694.9
Balance at End of Year	\$6,411.5	\$7,030.0

Leasing Activities

Ex-Im Bank has no capital leases. Operating lease arrangements are renewable annually. These leases consist primarily of rental of office space. Office space is leased primarily from the General Services Administration (GSA) through the Public Buildings Fund. The annual lease amount is determined each year at the discretion of GSA. Lease expenses, included in administrative expenses, were \$3.8 million for fiscal years 2001 and 2000.

Pending Litigation

As of the end of fiscal year 2001, Ex-Im Bank was named in several legal actions, virtually all of which involved claims under the guarantee and insurance programs. It is not possible to predict the eventual outcome

of the various actions; however, it is management's opinion that these claims will not result in liabilities to such an extent they would materially affect the financial position or results of operations of Ex-Im Bank.

Project Finance

In certain project finance cases, Ex-Im Bank's assistance during the construction period generally is in the form of a political risk guarantee to the private lender. At the end of the construction period, the borrower has the option of converting the private guaranteed financing to an Ex-Im Bank direct loan or to a comprehensive guarantee. As of September 30, 2001, Ex-Im Bank had \$2,118.5 million of such contingent loan commitments outstanding.

12. Fair Value of Financial Instruments

The fair value of financial instruments to which Ex-Im Bank has a contractual obligation to deliver cash or a contractual right to receive cash from another entity were estimated based on the methods and assumptions identified with each class of financial instrument listed below.

Cash and Cash Equivalents

The carrying value approximates fair value because of the short maturities of such investments.

Loans and Subrogated Claims Receivable and Financial Instruments with Off-Balance Sheet Risk

Substantially all of these instruments involve credit risks that private lenders or guarantors would not accept. However, as discussed in Note 3, the Credit Reform Act requires Ex-Im Bank to calculate the net present value of the cost of its credit programs based on management's assumptions with respect to future economic conditions, the amount and timing of future cash flows, and estimated discount rates. Ex-Im Bank believes that the values derived by applying these assumptions to Ex-Im Bank's loans, claims and financial instruments with off-balance sheet risk approximate their fair values.

Borrowings and Claims Payable

The fair values of these instruments were estimated based on discounting the future cash flows using interest rates currently available to Ex-Im Bank for U.S. Treasury debt with comparable maturities. The U.S. Treasury interest rate plus one percent was used for claims payable as this is the rate available in the claim document.

(in millions)	2001		2000	
	Carrying Value	Fair Value	Carrying Value	Fair Value
FINANCIAL ASSETS:				
Cash and Cash Equivalents	\$7,132.5	\$7,132.5	\$9,086.6	\$9,086.6
Loans Receivable, Net	5,855.3	7,374.4	5,725.8	7,173.9
Receivable From Subrogated Claims, Net	2,140.7	2,356.4	2,107.0	2,320.4
FINANCIAL LIABILITIES:				
Off-balance Sheet Financial Instruments	6,411.5	6,411.5	7,030.0	7,030.0
Borrowings From the U.S. Treasury	7,044.8	7,925.3	6,683.1	6,796.0
Claim Payment Certificates	931.1	939.9	1,068.8	1,032.6
Claims Payable	33.2	32.3	51.1	47.0

Use of different methods and assumptions could significantly affect these estimates. Accordingly, the net realizable value could be materially different. In addition, settlement at the reported fair value may not be possible due to contractual constraints or other reasons unique to federally backed credits.

13. PRIVATE SECTOR GAAP TO GOVERNMENT GAAP RECONCILIATION (UNAUDITED)

Ex-Im Bank prepares its financial statements in accordance with GAAP. In January 2000, the American Institute for Certified Public Accountants (AICPA) recognized the Federal Accounting Standards Advisory Board (FASAB) as the standard setting body for federal entities. FASAB established generally accepted accounting principles for the preparation of federal agencies' financial statements (government GAAP) which differ in some respects from private sector GAAP.

The manner in which loss reserves are calculated under private sector GAAP differs from the way they are calculated under government GAAP. As detailed in Note 3, Ex-Im Bank's operations are subject to the Credit Reform Act of 1990. Under the Credit Reform Act, the cost of credit risk is defined as the net present value of cash disbursements offset by the net present value of cash receipts, such as fees, premiums, and loan principal and interest. This definition of cost of credit risk is used to determine the level of credit related loss reserves under government GAAP. However, private sector GAAP does not recognize future fees and premiums as an offset to the allowance since to do so would recognize income before it is earned. The difference in treatment of the

level of loss reserves between government and private sector GAAP is reflected in the Government/Private Sector GAAP Statement of Financial Position. Under government GAAP guidance, there is a higher level of loans and claims receivable, a smaller reserve for off-balance sheet risk and more equity.

The amount of net income reported under government GAAP is also different than net income reported under private sector GAAP accounting. Depending on the level of activity, net income reported on

a government GAAP basis may be more or less than net income reported on a private sector GAAP basis.

Ex-Im Bank's audited Statement of Financial Position is presented in accordance with private sector GAAP for financial reporting purposes. Ex-Im Bank's Statement of Financial Position prepared in accordance with government GAAP and the reconciliation of net income from the accompanying private sector GAAP Statement of Operations to net income in accordance with government GAAP follow:

Government/Private Sector GAAP Statement of Financial Position Supplemental Reconciliation

(in millions)	2001		2000	
	Private Sector GAAP	Government GAAP	Private Sector GAAP	Government GAAP
ASSETS				
Cash and Cash Equivalents	\$7,132.5	\$7,132.5	\$9,086.6	\$9,086.6
Loans Receivable, Net	5,855.3	6,695.8	5,725.8	6,055.9
Receivables from Subrogated Claims	2,140.7	2,171.7	2,107.0	2,136.8
Subsidy Receivable from Program Account	N/A	1,828.4	N/A	2,221.7
Accrued Interest, Fees Received and Other Assets	184.4	184.4	164.9	164.9
Total Assets	\$15,312.9	\$18,012.8	\$17,084.3	\$19,665.9
LIABILITIES & EQUITY				
Borrowings	\$7,975.9	\$7,975.9	\$ 7,751.9	\$ 7,751.9
Allowance for Off-Balance Sheet Risk	6,411.5	N/A	7,030.0	N/A
Claims Payable	33.2	33.2	51.1	51.1
Guarantee Loan Liability	N/A	3,327.3	N/A	3,531.3
Liability for Subsidy Related to Undisbursed Loans/Guarantees	N/A	1,387.6	N/A	1,224.8
Subsidy Payable to Financing Account, Net	N/A	440.8	N/A	996.9
Amounts Payable to the U.S. Treasury	557.0	1,560.8	1,574.9	3,654.2
Other Liabilities	977.7	977.7	849.1	849.1
Total Liabilities	15,955.3	15,703.3	17,257.0	18,059.3
Capital Stock held by the U.S. Treasury	1,000.0	1,000.0	1,000.0	1,000.0
Tied Aid Appropriations	397.3	N/A	410.4	N/A
Credit Appropriations	190.6	N/A	38.8	N/A
Unexpended Appropriations	N/A	1,750.3	N/A	1,603.5
Accumulated Deficit	(2,230.3)	(440.8)	(1,621.9)	(996.9)
Total Stockholder's (Deficiency)/Equity	(642.4)	2,309.5	(172.7)	1,606.6
Total Liabilities and Stockholder's Equity	\$15,312.9	\$18,012.8	\$17,084.3	\$19,665.9

The following are the differences between government GAAP and private sector GAAP in the statements above:

Loans Receivable, Net under government GAAP is higher by \$840.5 million in FY 2001 and \$330.1 million in FY 2000. Loan interest and fee income is credited to the loan loss reserve under government GAAP, which results in a smaller loss reserve and a larger receivable.

Receivables from Subrogated Claims under government GAAP is higher by \$31.0 million in FY 2001 and \$29.8 million in FY 2000. Interest income on rescheduled claims is credited to the loan loss reserve under government GAAP, which results in a smaller loss reserve and a larger receivable.

Under government GAAP, the Subsidy Receivable from the Program Account of \$1,828.4 million for FY 2001 and \$2,221.7 million for FY 2000 is fully offset by the Liability for Subsidy Related to Undisbursed Loans and Guarantees and the Subsidy Payable to the Financing Account, Net. These amounts are payable to and receivable from different Ex-Im Bank accounts at the U.S. Treasury and net to zero. They are not broken out separately under private sector GAAP.

The Allowance for Off-Balance Sheet Risk shown under private sector GAAP is the equivalent of the Guarantee Loan Liability under government GAAP. The government GAAP figure is lower by \$3,084.2 million in FY 2001 and \$3,498.7 million in FY 2000 because fee income is taken into account in government GAAP before it is earned.

Amounts Payable to the U.S. Treasury are higher by \$1,003.8 million in FY 2001 and \$2,079.3 million in FY 2000 under government GAAP. The annual subsidy re-estimate calculation is made up of two components, an amount due from the U.S. Treasury for cohorts of loans and guarantees that have increased in risk and an amount payable to the U.S. Treasury for cohorts of loans and guarantees that have decreased in risk. Under private sector GAAP, the two components are netted and shown as Amounts Payable to the U.S. Treasury. Under government GAAP, the amount due to the U.S. Treasury is shown as a payable and the amount due from the U.S. Treasury is recorded as an increase to subsidy expense, which is reflected in the Accumulated Deficit. In addition, the net value of credits authorized prior to October 1, 1991, is recorded as a payable to the U.S. Treasury under government GAAP but is reflected in the Accumulated Deficit under private sector GAAP.

Under government GAAP, Stockholder's Deficiency is lower by \$2,951.9 million in FY 2001 and \$1,779.3 in FY 2000 than under private sector GAAP. Smaller loss reserves under government GAAP result in less loss expense, which results in higher equity. Also, under government GAAP, Unexpended Appropriations of \$1,750.3 million in FY 2001 and \$1,603.5 million in FY 2000 includes both obligated and unobligated balances. Under private sector GAAP, only the obligated portion of unexpended appropriations is reflected in the Accumulated Deficit.

Government/Private Sector GAAP Statement of Operations Supplemental Reconciliation

(in millions)	2001	2000
Reported Net Income, Private Sector GAAP Basis	\$1,061.3	\$345.8
ADJUSTMENTS TO INCOME:		
Subsidy Appropriation Used	675.3	826.3
Appropriation from Prior Year Re-estimate	918.7	1,663.2
Administrative Expense Appropriation Used	53.5	55.1
Total Adjustments to Income	1,647.5	2,544.6
ADJUSTMENTS TO EXPENSE:		
Subsidy Expense	(1,417.9)	(678.0)
Financing Resources Transferred Out	(1,290.9)	(2,212.4)
Future Funded Expense	556.1	(169.5)
Total Adjustments to Expense	(2,152.7)	(3,059.9)
Net Income/(Loss) and Change in Accumulated Deficit, Government GAAP Basis	\$556.1	\$(169.5)

All of the differences in the schedule above result from differences in the treatment of appropriations and re-estimates between government and private sector GAAP. Under government GAAP, the receipt and use of appropriations for credit activity, administrative expense and re-estimates is reflected in the Statement of Operations. Under private sector GAAP, this activity is shown as part of the Statement of Changes in Capital and Accumulated Deficit.

Report of Independent Accountants

To the Board of Directors
Export-Import Bank of the United States

In our opinion, the accompanying statement of financial position and the related statements of operations, changes in capital and accumulated deficit, and cash flows present fairly, in all material respects, the financial position of the Export-Import Bank of the United States (Ex-Im Bank) at September 30, 2001 and 2000, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of Ex-Im Bank's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller general of the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing

the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2001, on our consideration of Ex-Im Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants for the year ended September 30, 2001. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The private sector GAAP to government GAAP reconciliation appearing in Note 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

PERKINS & WATSON LLP

Washington, D.C.
October 12, 2001

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under *Government Auditing Standards*.

To the Board of Directors
Export-Import Bank of the United States

We have audited the financial statements of the Export-Import Bank of the United States (Ex-Im Bank) as of and for the year ended September 30, 2001, and have issued our report thereon dated October 12, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller general of the United States.

Compliance

As part of obtaining reasonable assurance about whether Ex-Im Bank's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. For purposes of this report, we have categorized the provisions of laws, regulations, contracts and grants we tested as part of obtaining such reasonable assurance into the following categories:

- Personnel engagement, maintenance and separation
- Budget preparation and execution
- Debt authorization and restrictions
- Deposits and investments restrictions
- Procurement policies and procedures
- Enabling legislation authorizations and restrictions

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ex-Im Bank's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of Ex-Im Bank in a separate letter dated October 12, 2001.

This report is intended solely for the information and use of the board of directors, management of Ex-Im Bank, and the Congress, and should not be used by anyone other than these specified parties.

PRICEWATERHOUSECOOPERS LLP

Washington, D.C.
October 12, 2001

FY 2001 at a Glance

Total Financing

- Ex-Im Bank's financing assisted 2,358 U.S. export transactions in FY 2001.
- In FY 2001, Ex-Im Bank authorized \$9.2 billion in loans, guarantees and export credit insurance, supporting \$12.5 billion of U.S. exports to markets around the world.

Small Business

- Ex-Im Bank authorized more than \$1.6 billion in support of U.S. small businesses in FY 2001 – nearly 18 percent of total authorizations.
- Ex-Im Bank approved 2,124 small business transactions that represented 90 percent of the total number of transactions in FY 2001.
- In FY 2001, Ex-Im Bank approved financing in amounts under \$500,000 for 1,185 small business transactions.

Working Capital

- Ex-Im Bank's working capital guarantees for pre-export financing increased by 12 percent in FY 2001 to a record \$660 million – \$518 million of which benefited small businesses.
- Of the 374 working capital guarantee transactions authorized, 337 were for small businesses, representing about 90 percent of the transaction volume.

Export Credit Insurance

- Ex-Im Bank authorized more than \$2.2 billion in export credit insurance in FY 2001.
- Small businesses were issued 1,723 export credit insurance policies representing 98 percent of the total number

of Ex-Im Bank's policies in FY 2001. Small business insurance authorizations totaled more than \$900 million.

Project and Structured Finance

- In FY 2001, Ex-Im Bank's authorizations of limited recourse project financing were \$1 billion for exports to projects in the energy and petrochemical sectors.
- Over \$1.1 billion of structured finance transactions were authorized for telecommunications and energy sector exports to projects in Latin America and Asia.

Aircraft

- In FY 2001, Ex-Im Bank authorized more than \$2.5 billion to finance exports of 53 U.S.-manufactured, large commercial aircraft to 12 airlines located in 11 different countries.

Environmental

- Ex-Im Bank financing supported nearly \$394 million of exports of environmentally beneficial U.S. goods and services in FY 2001.
- In addition, Ex-Im Bank provided working capital guarantees that assisted more than \$68 million of environmental exports from U.S. small businesses.

Energy

- Ex-Im Bank supported 23 transactions involving U.S. exports to foreign energy production and transmission projects in FY 2001, including electric power generation and transmission, and oil and gas exploration and refineries. The export value of these transactions totaled nearly \$2 billion.

- In FY 2001, Ex-Im Bank provided support for \$1.37 billion of U.S. exports in the petroleum sector. The Bank estimates that the aggregate annual peak amount of carbon dioxide emissions produced directly by these projects will total approximately 11 million metric tons.
- In FY 2001, Ex-Im Bank provided support for \$470 million of U.S. exports for new fossil fuel power plants. The Bank estimates that the aggregate amount of carbon dioxide emissions produced by these power plants will total approximately nine million metric tons per year.

High Technology

- In FY 2001, Ex-Im Bank authorized financing to support nearly \$900 million of U.S. high technology exports, including electronics, telecommunications and medical equipment. Hundreds of U.S. suppliers of high tech products will benefit from these transactions.

Services

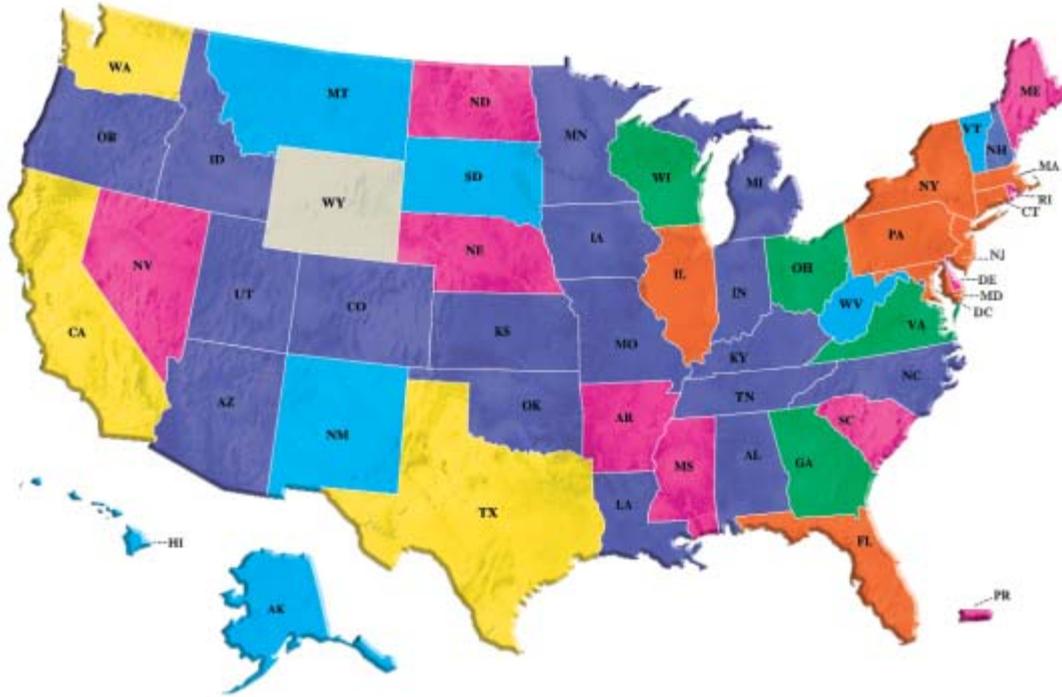
- Ex-Im Bank financing in FY 2001 assisted in the export of a wide range of U.S. services (such as engineering, design, consulting and training) of which the total export value was more than \$695 million.

Agriculture

- In FY 2001, Ex-Im Bank helped to finance the export of \$83 million of U.S. agricultural commodities, livestock, foodstuffs and related products, and more than \$34 million of U.S. agricultural equipment, supplies and services.

Export-Import Bank of the United States

Five-Year Period (October 1, 1996 – September 30, 2001)



Value of Exports Supported

OVER \$5 BILLION

California (\$8.5 billion)
Washington (\$18.1 billion)
Texas (\$5.2 billion)

\$1 BILLION AND UP

Connecticut (\$1.5 billion)
Florida (\$2.7 billion)
Illinois (\$2.2 billion)
Maryland (\$1 billion)
Massachusetts (\$2.2 billion)
New Jersey (\$2.3 billion)
New York (\$3.3 billion)
Pennsylvania (\$2.1 billion)

OVER \$500 MILLION

Georgia (\$642 million)
Ohio (\$723 million)
Virginia (\$706 million)
Wisconsin (\$582 million)

OVER \$100 MILLION

Alabama (\$121 million)
Arizona (\$234 million)
Colorado (\$485 million)
District of Columbia (\$181 million)
Idaho (\$153 million)
Indiana (\$126 million)
Iowa (\$116 million)
Kansas (\$285 million)
Kentucky (\$130 million)
Louisiana (\$326 million)
Michigan (\$479 million)
Minnesota (\$378 million)
Missouri (\$326 million)
New Hampshire (\$230 million)
North Carolina (\$303 million)
Oklahoma (\$388 million)
Oregon (\$196 million)
Tennessee (\$451 million)
Utah (\$145 million)

OVER \$10 MILLION

Arkansas (\$98 million)
Delaware (\$21 million)
Maine (\$26 million)
Mississippi (\$26 million)
Nebraska (\$74 million)
Nevada (\$71 million)
North Dakota (\$25 million)
Puerto Rico (\$24 million)
Rhode Island (\$33 million)
South Carolina (\$96 million)

OVER \$300,000 TO \$9 MILLION

Alaska (\$350,000)
Hawaii (\$781,600)
Montana (\$9 million)
New Mexico (\$8 million)
South Dakota (\$6 million)
Vermont (\$9 million)
West Virginia (\$8 million)



BP Solar, Linthicum, Maryland

“About 1.5 billion people in the world currently without electrical power are ideally situated for solar energy applications. Ex-Im Bank’s financing is helping us develop this important market where we are



Todd Foley
Director, External Affairs
and Business Development

The rural area of Jujuy Province in Argentina is the kind of place where conventional distribution of electricity just isn’t feasible. The population is widely disbursed and the heavily forested terrain makes it difficult to install power lines. But with the help of Ex-Im Bank’s financing, BP Solar, the world’s largest solar electric company, is exporting a solution – U.S.-made solar energy panels that will generate electricity for individual homes and businesses.

In FY 2001, Ex-Im Bank guaranteed a medium-term loan from Allfirst Bank in Baltimore, Md., that is enabling BP Solar to sell 1,500 photovoltaic energy panel systems to Empresa Jujena de Sistemas Energeticos Dispensos S.A., a private utility in Argentina. The utility is being subsidized by the Argentine government to distribute electrical energy to the sparsely populated Puna Jujena region of Jujuy Province where currently there are 50,000 residents without electricity.

BP Solar manufactures, designs, markets and installs a wide range of crystalline silicon and new generation

thin film solar electric products and systems. The company is headquartered near Baltimore, Md., and has U.S. manufacturing facilities in Maryland, Virginia and California.

Allfirst Bank is an active partner with Ex-Im Bank in providing medium-term financing and has done approximately \$200 million in export financing with Ex-Im Bank in the past several years. Allfirst has worked with Ex-Im Bank in financing sales of U.S. capital goods and services to other emerging markets such as Mexico, Guatemala, Nigeria and Turkey.

Financing for this export transaction was provided under Ex-Im Bank’s Environmental Exports Program, which assists U.S. exporters of environmentally beneficial goods and services, and U.S. exporters participating in foreign projects that benefit the environment. In FY 2001, Ex-Im Bank authorized financing that supported more than \$390 million of environmentally beneficial exports.



Environmental Dynamics Inc. (edi), Columbia, Missouri

“Ex-Im Bank’s export credit insurance has enabled EDI to offer competitive credit terms to a larger foreign customer base while minimizing

According to the United Nations, more than a third of the world’s population is without safe drinking water. Given such a tremendous need, the global marketplace for technologies to clean and restore water resources is huge and growing. One small business in Columbia, Mo., Environmental Dynamics Inc. (EDI), has been so successful in using Ex-Im Bank’s export credit insurance to sell its water and wastewater treatment technologies to developing markets that the company was named Ex-Im Bank’s Small Business Exporter of the Year in 2001.

Once primarily focused on the domestic market, EDI began using Ex-Im Bank’s environmental export insurance policy in 1997 to expand into new markets in Latin America and Asia. In the past four years, EDI’s export growth has averaged more than 80 percent each year and has enabled the company to increase its workforce from 38 to 63 employees. Last year alone, EDI’s foreign sales skyrocketed more than 200 percent and created 20 new jobs at the company, which also helped local small business vendors increase their

employment. Since 1997, the company has exported \$7 million of its products with Ex-Im Bank’s insurance.

Offered under Ex-Im Bank’s Environmental Exports Program, the environmental export insurance policy provides enhanced short-term, single and multi-buyer insurance coverage for small business environmental exporters. The policy offers exporters several features that provide risk coverage and ability to assign insured receivables.

EDI specializes in designing, developing, testing, manufacturing, selling and servicing advanced aeration technology and mixing systems used in municipal and industrial water and wastewater treatment facilities. The company’s advanced membrane diffuser technology works by putting fine air bubbles into wastewater to supply the oxygen that supports the breakdown of waste in the water by aerobic bacteria. EDI has established sales and distribution networks in 30 countries and has installed its equipment in more than 3,000 wastewater treatment systems worldwide.

In the water treatment and supply sector alone, Ex-Im Bank has authorized more than \$400 million in financing to support U.S. exports for water projects over the past six years.



Charles E. Tharp
President,
Margaret W. Tharp
Corporate Secretary



Weather Modification Inc., Fargo, North Dakota

"Ex-Im Bank's working capital guarantees have allowed us to expand our existing foreign business and move into new countries."



Vice President

The weather has always been a farmer's most formidable challenge. Today, changing global climate patterns are creating conditions that require sophisticated technology to predict and manage.

Weather Modification Inc., a small business based in Fargo, N.D., is a world leader in atmospheric research and cloud seeding and is using Ex-Im Bank's working capital guarantees to serve clients in countries throughout the world, including Canada, Mexico, Argentina, the United Arab Emirates. Exports make up over 60 percent of the company's business.

In FY 2001, Weather Modification obtained from U.S. Bank in Minneapolis, Minn., a \$1.5 million working capital loan, \$1.35 million of which was backed by Ex-Im Bank. Previously, in 1999 and in 1998, the company had received \$2 million in Ex-Im Bank-anteed working capital from Wells Fargo Bank in Minneapolis. In total, these working capital loans have supported more than \$20 million of the company's exports.

Weather Modification uses innovative cloud-seeding technology to enhance the natural efficiency of clouds by increasing snow or rain, significantly decreasing hail, or dispersing super-cooled fog. The company provides its public and private sector clients with customized programs that offer a complete package of cloud modification and weather research technology, as well as technology transfer programs.

Weather Modification employs a 60-person staff of meteorologists, pilots, mechanics and technicians. Since 1998, the company has increased its workforce, adding 20 employees.

Ex-Im Bank's working capital guarantees help small and medium-sized U.S. companies obtain pre-export financing from private sector lenders by covering 90 percent of the principal and interest on working capital loans. U.S. Bank and Wells Fargo Bank are Ex-Im Bank delegated authority lenders that have authority to commit Ex-Im Bank's working capital guarantee when they make the credit decision without further Ex-Im Bank approval.

In FY 2001, Ex-Im Bank authorized a record \$660 million in working capital guarantees. Ninety percent of these transactions benefited small businesses. More than 90 percent of the financing was provided through delegated authority lenders.



Adept Technology Inc., San Jose, California

“Ex-Im Bank’s loan facility demonstrates to our customers and suppliers that Adept Technology has the financial resources to deliver on its strategic objectives.”



John W. Schwartz
Treasurer, Director of Finance
and Chief Accounting Officer

Intelligent automation is an emerging technology that is still only beginning to be applied in the many industries where it can lead to new advances and increases in productivity. The worldwide market for this kind of technology is growing rapidly – along with the need for working capital to meet the demand.

In FY 2001, Adept Technology Inc., a leading manufacturer of intelligent automation, began using Ex-Im Bank’s working capital guarantee. Through the Business Credit unit of Tyco Capital, Adept Technology obtained a \$25 million working capital line of credit, 10 million of which is guaranteed by Ex-Im Bank.

Adept Technology, headquartered in San Jose, Calif., designs, manufactures and markets intelligent automation components and solutions used, among others, in the telecommunications, fiber optic and semiconductor industries throughout the world. The company’s robots, controllers and software products are used for small-parts assembly, material handling and ultra-precise process applications.

The company is using its increased working capital to build capacity in the area of sub-micron intelligent and flexible automation solutions for the photonics industry. In October 2001, Adept Technology acquired Chad Industries, located in Orange County, Calif., a company with extensive experience in developing and building standardized precision workcells based on Adept’s products.

Founded in 1983, Adept’s manufacturing facilities are located in the United States in San Jose, Livermore and Santa Barbara, Calif., and in Tucson, Ariz. The company has approximately 450 U.S. employees.

Tyco Capital, formerly known as The CIT Group, is a leading global source of financing and leasing capital. Tyco Capital, headquartered in Livingston, N.J., is an adviser for companies in more than 30 industries and manages more than \$50 billion in assets across a diversified portfolio. The Tyco Capital companies are subsidiaries of Tyco International Ltd.

Tyco Capital is also an Ex-Im Bank delegated authority lender and was among the top 10 lenders providing Ex-Im Bank-guaranteed working capital loans in FY 2001.



Jo-Jo'z Enterprises (ZMG Inc.), Walnut, California

“With the financial support and backing of Ex-Im Bank, our export sales have no limit or boundaries.”

Demand for U.S. consumer goods in emerging markets remains high, but U.S. exporters often find that financing is hard to obtain without insurance. Export credit insurance is an important financing tool. ZMG Inc., which does business as Jo-Jo'z Enterprises, is a small, family-run business in Walnut, Calif., that is using Ex-Im Bank's short-term multi-buyer policy to sell U.S. food products, primarily to Mexico. Nearly 70 percent of the company's exports are insured by Ex-Im Bank.

Jo-Jo'z Enterprises exports canned vegetables, fruits and table sauces from 20 U.S. suppliers that otherwise would have limited access to the Mexican market. The company uses Ex-Im Bank's multi-buyer policy to protect against the risk of buyer default on its sales to numerous customers in Mexico. The policy also protects the company against currency devaluations in the market.

Jo-Jo'z Enterprises began using Ex-Im Bank's insurance in 1994, and at the same time, used Ex-Im Bank's working capital guarantee to secure a \$1.25 million foreign line of credit from Mercantile National Bank in Los Angeles. The company currently has a

\$1.75 million line of credit from Imperial Bank in Inglewood, which is an Ex-Im Bank delegated authority lender.

The company arranges its insurance through a local broker, International Insurance in Downey, Calif., and also works with Ex-Im Bank's West Regional Office, located in Long Beach. Since 1994, Jo-Jo'z Enterprises has insured and financed more than \$43 million of its export sales through Ex-Im Bank.

Ex-Im Bank's export credit insurance helps U.S. exporters, especially small businesses, to develop and expand foreign sales by protecting against the risk of buyer default for either political or commercial reasons. Exporters also can obtain financing more easily because the proceeds of the policy can be assigned to a financial institution as collateral. The Bank's multi-buyer policy provides comprehensive credit risk protection on short-term sales to many buyers and can be tailored to meet the exporter's export receivables insurance needs.

In FY 2001, Ex-Im Bank authorized more than \$900 million in export credit insurance for small businesses. The 1,723 export credit insurance policies issued to small businesses represented 98 percent of the total number of Ex-Im Bank policies issued in FY 2001.



Joseph Gomez
CEO and President,
Ron, Steve and Rick Gomez
Executive Vice Presidents