



## THE BCC GROUP - A Profile

### HISTORICAL BACKGROUND

The BCC Group was conceived by a management team of professional bankers with the objective of establishing an international banking organisation to provide commercial banking services worldwide. The first bank to be established within the Group was Bank of Credit and Commerce International SA, incorporated in Luxembourg in 1972. In 1975, under a restructuring programme, BCCI Holdings (Luxembourg) SA was established as a Bank Holding Company in Luxembourg and Bank of Credit and Commerce International SA became its wholly owned subsidiary.

### NETWORK

Since its inception, the BCC Group has achieved a balanced and multi-dimensional growth and established a worldwide presence through the network of subsidiaries/affiliates/branches as per the annexure. The primary subsidiaries of the Group are:

- Bank of Credit and Commerce International SA, Luxembourg
- Bank of Credit and Commerce International (Overseas) Ltd, Grand Cayman

The operations of the BCC Group as at 31 December 1983 cover 67 countries, comprising of 363 branches and representative offices.

### OWNERSHIP

Following is an approximate breakdown of the shareholding of the BCC Group's parent organisation, BCCI Holdings (Luxembourg) SA.

80% (approximately) held by institutional and eminent investors from Middle East.

10% held by ICIC Foundation (established for providing aid and services for deserving causes).

10% held by ICIC Staff Benefit Fund (established to support benefit schemes for BCC group staff).

List of shareholders is publicly available.

### MANAGEMENT

#### Personnel

The personnel strength of BCC Group is currently over 10000, coming from over 70 nationalities. Most of this number is made up of trained

bankers, experienced in commercial and other specialised banking fields. The senior executive staff of BCC Group consists of personnel with distinguished background in positions of high responsibility in banking and finance.

#### Board of Directors

The Board of Directors of BCCI Holdings (Luxembourg) SA is composed of the following:

Mr Yves C Lamarche	-	American
Mr J D Van Oenen	-	Dutch
Mr P C Twitchin	-	British
Mr Ghanim Faris Al-Mazrui	-	UAE national
Dr Alfred Hartmann	-	Swiss
Mr Agha Hasan Abedi	-	Pakistani

#### F I N A N C I A L   S T A T U R E

The growth of the BCC Group in financial terms has been just as balanced as the global expansion of its international network. As at 31 December 1983, BCCI Holdings (Luxembourg) SA, had total Capital Funds of US\$808 million and consolidated total assets of the BCC Group (excluding non consolidated affiliates) stood at US\$12.3 billion. The historical record for the increasing strength of the financial base for the last 3 years has been as follows:

(US\$ 000)

	<u>TOTAL</u> <u>ASSETS</u>	<u>DEPOSITS AND</u> <u>OTHER FUNDS</u>	<u>CAPITAL FUND</u>	<u>PROFIT BEFORE</u> <u>TAX &amp;</u> <u>PROVISIONS</u>	<u>PROFIT AFTER</u> <u>PROVISIONS</u> <u>BEFORE TAX</u>
1981	7,345,115	6,740,567	462,312	157,027	124,729
1982	9,650,051	8,715,973	640,527	285,462	223,103
1983	12,309,349	11,192,609	807,693	361,577	278,333

#### RATIOS:

The financial trends are reflected by the following balance sheet ratios:

	<u>1983</u>	<u>1982</u>
Ratio of total Loans and Advances to total Deposits	53.1%	55.6%
Ratio of total Loans and Advances to total Funds (Deposits and other Funds)	43.4%	47.1%

Ratio of liquid assets (cash, banks balances, investments in securities) to total Assets	56.9%	54.1%
Return on Average Assets (Pre-tax Profit to Average Assets)	2.6%	2.6%
Ratio of Loan Loss Reserves to total Net Loans and Advances	4.3%	2.8%
Ratio of Capital Funds to Total Assets	6.6%	6.6%

## SCOPE OF ACTIVITIES

### Commercial Banking

The BCC Group of banks and financial institutions extend a full range of retail, commercial and wholesale banking and financial services. Some of the principal services are described below:

- Checking Accounts
- Savings Accounts
- All other types of Deposit Accounts
- Cash Management
- Payroll Management
- Standing Instructions and Payment Orders
- Money Transfers
- Safe Deposit Facilities
- Collections
- Personal Loans
- Commercial Loans
- Corporate Financing
- Real Estate Development Financing
- Financing of International Trade
- Pre-Export Financing
- Leasing
- Bonds and Guarantee
- Documentary Letters of Credit
- Foreign Exchange Trading

### Merchant Banking

The BCC Group's merchant banking operations are based in Hong Kong, Grand Cayman and Kuwait. Some of the services provided by the Merchant Banking Division are as under:

- Investments & Portfolio Management
- Trust Services
- Loan Syndication
- Guarantee Syndication
- Project Financing
- Financial Packaging
- Feasibility Studies

### BCC Travellers Cheques

The BCC Travellers Cheques are issued under the charter of Visa and therefore their acceptability is ensured in 146 countries by the 15,000 financial institutions which comprise the Visa membership, supported by the 3,000,000 merchant outlets who have contracted to accept the Visa Card.

For the first time in the history of Travellers Cheque sales, BCC has introduced a new and unique insurance scheme for the purchasers of BCC VISA Travellers Cheques free of cost.

#### Foreign Exchange Dealing

BCC has a network of foreign exchange dealing rooms throughout Europe, South Asia, the Middle East, USA, the Americas and the Far East. Dealers are principally based in:

London	Bombay	Abu Dhabi	Miami	Panama	Hong Kong
Paris	Colombo	Dubai	Los Angeles		Seoul
Luxembourg		Bahrain	New York		Manila
Geneva		Cairo	Toronto		
Zurich		Oman			
Frankfurt					
Madrid					

#### Wholesale Banking

Although emphasis in the Group is on commercial banking of all kinds, the bank does handle a substantial amount of wholesale banking. This is in the shape of varied services provided by the Group unique to the needs of large customers such as multinational corporations, Governments and Government Agencies and central banks etc of various countries.

#### Correspondent Banking

Despite its own comprehensive network, the Group has correspondent relationships with a very large number of banks in 111 countries.

#### Economic Evaluation Wing

BCC'S Economic Evaluation Wing is an integral part of the bank's structure and serves the needs of both the bank and its customers.

#### Management Services

BCC has a large, well-equipped and well-staffed Management Services Division in London for researching, developing and supporting computer-based banking systems.

All branches of the bank are mechanised. Centres like UAE and UK which have a large number of branches, are equipped with an advanced computer system and the branches are connected to a central computer on an on-line basis.

#### Other Services

The Insurance Division of BCC keeps in close touch with the Insurance market generally. Advice is willingly given to clients on any insurance matter and insurance is obtained whenever required.

## ANNEXURE

## NETWORK OF SUBSIDIARIES/AFFILIATES/BRANCHES

	% Holding	No of Branches
Bank of Credit & Commerce International SA Luxembourg	100	67
Bank of Credit & Commerce International (Overseas) Ltd, Grand Cayman	100	60
Bank of Credit & Commerce (Botswana) Ltd	100	3
Bank of Credit & Commerce Cameroon SA	65	2
Bank of Credit & Commerce Canada	100	6
Banco de Descuento, Spain	99	26
Bank of Credit & Commerce (Emirates), Abu Dhabi	40	12
Bank of Credit & Commerce Gibraltar Ltd, Gibraltar	100	1
Bank of Credit & Commerce Hong Kong Ltd	96	25
Bank of Credit & Commerce International (Lebanon) SAL	100	5
Banco Mercantil, Colombia	49	24
Bank of Credit & Commerce (Misr) SAE	49	19
Bank of Credit & Commerce Niger	100	1
Bank of Credit & Commerce International (Nigeria) Ltd	40	17
Bank of Credit & Commerce International (Swaziland) Ltd	55	2
Bank of Credit & Commerce (Zambia) Ltd	100	5
Bank of Credit & Commerce Zimbabwe Ltd	53	4
Banque de Commerce et de Placements SA, Geneva	20	3
National Bank of Oman Ltd (SAO)	29	48
Premier Bank Ltd, Ghana	45	1
BCC Credit & Finance (Uruguay) SA	100	1
BCC Finance & Securities Ltd, Bangkok	10	1
BCC Finance International Ltd, Hong Kong	98	4
BCCI Finance (Kenya) Limited, Nairobi	100	1
BCCI Leasing (Malaysia) Sdn Bhd	49	1
Credit & Finance Corporation Ltd, Grand Cayman	100	1
Italfinance International SpA, Rome, Italy	85	2
Kuwait International Finance Company SAK	49	1
P T BCC Pratama Leasing, Jakarta, Indonesia	70	1
Representative Offices	-	18