

2019 FACTSHEET

BACB is an international wholesale bank. We provide tailored trade solutions to clients, with a focus on facilitating trade to and from developing markets in Africa and the Middle East.

Established in 1972, BACB is a UK-registered public limited company. We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

With a solid yet unaudited performance in the first half of 2019, today we are focused on strengthening the Bank by reviewing our core business, our risk appetite and leveraging our new core banking system. Our growth strategy is focused on providing excellent service and value-add solutions to our clients. BACB is well placed to build on our client-centric approach, extensive network and the expertise of our multi-cultural and diverse, talented team in facilitating value-add trade solutions.

We are firmly focused on delivering sustainable profitable growth. We continue to monitor the impact of BREXIT on the Bank, which we currently assess to be limited.

2018 was a year of two stories for the Bank. We made strong progress in our core trade finance strategy and at the operating level before credit losses we had our best year ever. However, we suffered some significant challenges in our commodity based lending activity and the 2018 Result reflects an elevated, and frankly unacceptable, level of credit provisioning.

The significant year on year growth in operating profit before credit losses shows just what our business is capable of. We have revised our risk appetite in order to improve the quality of the business we undertake so that we continue to close the gap and deliver 'sustainable profitable growth'.

FINANCIAL HIGHLIGHTS

The performance as at June 2019 indicates a profit of up to c. £14 million currently unaudited. An interim profits review is planned.

	2018	2017	2016	2015
FINANCIAL POSITION £m				
Operating Income before Loan impairments	64.8	53.4	42.7	38.5
Profit/(Loss) before income tax	(35.4)	7.3	2.6	(15.1)
Profit/(Loss) for the year	(35.3)	6.8	2.7	(14.5)
Total Assets	3,894	2,953	2,939	3,021
Total Loans	2,079	2,086	1,624	1,596
Total Equity	168	217	208	210
Tier 1 & 2 Capital (Eligible Capital)	233	281	278	271
RATIOS %				
Capital Adequacy ¹	14.3%	16.3%	19.7%	19.9%
Cost Income Ratio ²	59%	67%	77%	90%
Return on Tier 1 Capital	-22%	3%	1%	-7%
Return on Tier 1 & 2 (Total Eligible Capital)	-15%	2%	1%	-6%
Non Performing Loans %	10%	4%	3%	3%

¹Tier 1 and 2 capital divided by Risk Weighted Assets

²Based on Administrative Expenses divided by Operating Income before allowances for credit losses

SWITCHBOARD: +44 (0)20 7648 7777

British Arab Commercial Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority



SUSIE ALIKER
CEO

2018 KEY FACTS

£3.89bn
total assets

21%
increase in
operating income
to £64.8m

14%
total capital ratio

160%
liquidity
coverage ratio