

They Still Got the Power: The Enduring Connections between Lebanon's Banking Sector and the Ruling Class

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and Sami Halabi

THEY STILL GOT THE POWER: THE ENDURING CONNECTIONS BETWEEN LEBANON'S BANKING SECTOR AND THE RULING CLASS¹

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Abstract

This paper updates the findings of *Chaaban (2016)*, “*I’ve Got the Power: Mapping Connections between Lebanon’s Banking Sector and the Ruling Class*”, *Working Papers 1059, Economic Research Forum*, by analyzing recent data on Lebanese commercial banks covering 23 main banks which concentrate 99% of the sector’s total assets. The findings confirm that the Lebanese banking sector is still controlled by crony capital, with individuals linked to the country’s political elites still exercising major influence over the sector. The new data (2022) has revealed that 34% of commercial banks’ assets could be attributed to political control. More than a third of banks’ boards of directors are occupied by individuals close to politicians, and most interestingly there has been a major increase between 2013 and 2022 in the number of bank shareholders having a holding legal structure. Currently holding companies control 42% of the banks in Lebanon, most of them registered in tax havens outside the country, a finding that has major implications for the potential restructuring and accountability of these banks in light of the financial crisis hitting the country.

Keywords: Banking Sector, Ruling Class, Commercial Banks, Lebanon

JEL Classification: G2, P1

ملخص

تستكمل هذه الورقة نتائج الورقة البحثية «لدي القوة: رسم خرائط للاتصالات بين القطاع المصرفي اللبناني والطبقة الحاكمة»، شعبان (2016)، ورقة عمل رقم 1059 لمنتدى الأبحاث الاقتصادية، من خلال تحليل البيانات الأخيرة عن البنوك التجارية اللبنانية التي تغطي 23 مصرفاً رئيسياً والتي تركز 99% من إجمالي أصول القطاع. تؤكد النتائج أن القطاع المصرفي اللبناني لا يزال يسيطر عليه رأس المال المحبوب، حيث لا يزال الأفراد المرتبطون بالنخب السياسية في البلاد يمارسون نفوذاً كبيراً على القطاع. كشفت البيانات الجديدة (2022) أن 34% من أصول البنوك التجارية يمكن أن تُعزى إلى السيطرة السياسية. أكثر من ثلث مجالس إدارة البنوك يشغلها أفراد مقربون من السياسيين، والأهم من ذلك أنه كانت هناك زيادة كبيرة بين عامي 2013 و 2022 في عدد مساهمي البنوك الذين لديهم هيكل قانوني قائم. تسيطر الشركات القابضة حالياً على 42% من البنوك في لبنان، معظمها مسجل في سجلات ضريبية خارج البلاد، وهو اكتشاف له آثار كبيرة على إعادة الهيكلة والمساءلة المحتملة لهذه البنوك في ضوء الأزمة المالية التي تضرب البلاد.

1. Introduction

This paper updates the findings of *Chaaban (2016)*, “*I’ve Got the Power: Mapping Connections between Lebanon’s Banking Sector and the Ruling Class*”, *Working Papers 1059, Economic Research Forum*, by analyzing recent data on Lebanese commercial banks covering 23 main banks which concentrate 99% of the sector’s total assets. The paper further contributes to evidence-based empirical research on the extent to which Lebanon’s banks are dominated by a crony form of capital, especially after the banking sector and Lebanon in general have been undergoing one of the worst financial and economic crises in decades.

2. Research methodology and data sources

This paper applies the same methodology as *Chaaban (2016)* by analyzing the ultimate ownership characteristics of the main commercial banks in Lebanon. Out of the 46 commercial banks operating in the country, those who have assets exceeding USD 1 billion were selected, totaling 23 banks. These constituted in 2020 99% of the commercial banking sector’s consolidated assets.

As in *Chaaban (2016)*, the first part of the empirical research work consists in drawing up a comprehensive list of each bank’s ultimate owners, who are defined as state organs or biological persons. A threshold of 5% shareholder voting block (as per Lebanese Law) is assumed throughout the process to identify controlling shareholders. Once ultimate owners are identified by backward iteration (examining each corporation’s owners), a linkage between these owners and political powers is established. Kinship with politicians, membership in same political party, and other classifications are used to establish the degree of control exercised by politicians over bank assets. The composition of the banks’ Board of Directors is also explored to construct an additional variable for political influence via the bank’s management.

Linkages to politicians are ranked in five levels according to the following scale (from highest to lowest):

5. Direct: Person is currently a Member of Parliament (MP) or the Government
4. Indirect1: Person was MP/minister/public official
3. Indirect2: Person’s family member is a current or former politician
2. Indirect3: Person has close ties to local or foreign political elites
1. No link: No linkages with politicians

Data Sources

The main sources of ownership data are the Bankscope⁶ database, Orbis⁷, the Association of Banks in Lebanon (2022), and individual banks' websites. The sources of information on political linkages and affiliations are drawn from Lebanese Government and local media websites, through online systematic searches. As for financial data, Bilanbanques (2021) provides the main source of information, as it contains extensive information on banking performance, management and the general ownership structure for each bank.

3. Key Findings

Assets

A first observation when examining the banks data is that several major banks, especially BankMed and SGBL, stopped publishing their annual reports on their website after 2019 and did not communicate their main financial statements to Bilanbanques, one of the main industry-wide publications specializing in reporting on the performance of all banks in the country. For this reason, we had to estimate the total assets of both banks, respectively the sixth and seventh largest banks in the country, based on triangulations with consolidated figures published by the Association of Banks and the Central Bank.

Looking at the evolution of banks' total assets between 2013 and 2020 (date for which the latest banking financials are available), we notice that the largest banks in 2013 experienced a decline in their assets more than the average for the other banks (Table 1). Consolidated assets for the main 23 banks fell by 6%, despite the creation of two additional commercial banks in the last decade (Sardar and Cedrus bank). Estimated total assets for BankMed and SGBL fell by more than 60%, most probably due to these banks high exposure to sovereign and BDL deposits risks. In fact in February 2020 Société Générale France valued at 0 its shares in SGBL (which stood at 16.78%, equivalent to 158 million euros at the time)⁸, which indirectly confirms the strong decline in SGBL's financials. The past few years had been marked by the significant withdrawal of major Lebanese banks from foreign markets they had entered, in an effort to liquidate their assets⁹.

Smaller banks on the other hand managed to increase their assets, some of them substantially like LGB, AlMawarid, BEMO, Lebanese Swiss and BBAC. There was also an emergence of two new banks in the last ten years: Saradar¹⁰ (spin-off from Audi-Saradar), and Cedrus¹¹, where the

⁶ <http://www.bvdinfo.com/en-gb/our-products/company-information/international-products/bankscope>

⁷ <http://www.bvdinfo.com/en-gb/our-products/company-information/international-products/orbis>

⁸ <https://www.lecommercedulevant.com/article/29684-la-societe-generale-radie-sa-participation-dans-la-sgbl-de-ses-actifs>

⁹ <https://today.lorientlejour.com/article/1304924/an-update-on-the-strategic-withdrawal-of-lebanese-banks-from-foreign-markets-since-2019.html>

¹⁰ <https://www.lecommercedulevant.com/article/26280-la-fusion-entre-necb-et-bit-donne-naissance-saradar-bank->

majority shareholder is Nicolas Shammas, the head of the merchants' association and a candidate for Parliament, and chaired by Raed Khoury, a former minister of economy affiliated with the Free Patriotic Movement, the party of the former Lebanese president Michel Aoun.

Table 1. Evolution of main banks' total assets between 2013 and 2020

	Year established	Assets 2013 bill. US\$	Rank 2013	Assets 2020 bill. US\$	Rank 2021	Change in assets bill. US\$	% Change in assets
Bankaudi	1930	41.97	1	35.40	1	-6.6	-16%
Blombank	1951	27.99	2	29.70	2	1.7	6%
Byblosbank	1950	19.04	3	18.80	3	-0.2	-1%
Fransabank	1921	16.97	4	16.60	4	-0.4	-2%
BankBeirut	1963	14.97	5	13.40	5	-1.6	-10%
<i>Bankmed</i>	1970	13.79	6	3.25	14	-10.5	-76%
<i>SGBL</i>	1953	12.94	7	5.37	9	-7.6	-58%
BLF	1967	11.3	8	11.60	6	0.3	3%
Creditlibanais	1961	9.17	9	9.80	7	0.6	7%
BBAC	1956	5.11	10	7.50	8	2.4	47%
IBL	1961	4.73	11	4.90	10	0.2	4%
FirstNational	1996	3.55	12	3.80	12	0.3	7%
LGB	1980	2.7	13	4.80	11	2.1	78%
Creditbank	1981	2.64	14	3.70	13	1.1	40%
AlMawarid	1980	1.7	15	2.60	15	0.9	53%
MEAB	1991	1.68	16	1.90	19	0.2	13%
Fenicia	1959	1.52	17	1.40	23	-0.1	-8%
LebaneseSwiss	1962	1.5	18	2.20	18	0.7	47%
BEMO	1964	1.48	19	2.30	16	0.8	55%
ELB	1964	1.45	20	1.50	22	0.1	3%
BML	1929	1.2	21	1.50	21	0.3	25%
Saradar	2016	-	-	2.30	17	-	-
Cedrus	2015	-	-	1.80	20	-	-
Subtotal		197.40		186.12		-11.3	-6%
Share of total banks		99%		99%			

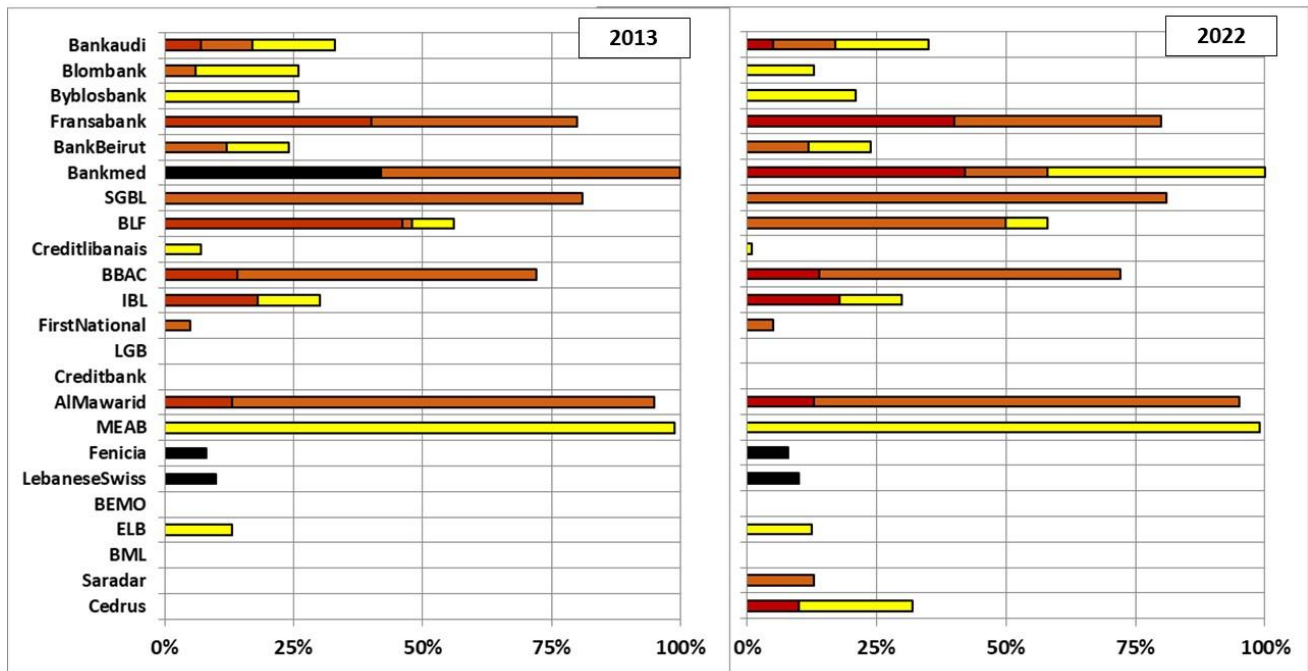
Notes: Data sources: Chaaban (2016) and Bilanbanques (2021). Asset figures for Dec. of year. Exchange rate used in original financial statements 1,505.75 LBP/US\$. Asset figures for Dec. 2020 for Bankmed and SGBL were computed based on the share of their assets in 2018, as they did not report their financial statements for the period after 2019.

Shareholders

The consolidation and analysis of the banks' ultimate main shareholders revealed that individuals closely linked to political elites controlled 34% of these banks' total assets. 20 out of the 23 banks had major shareholders linked to political elites (Figure 1). Chaaban (2016) had found that 43% of assets were controlled by crony capital, and this drop within almost a decade is attributed to the sale of shares in top banks of several individuals linked to political elites, mainly within Bank Audi, Blombank, and Byblosbank.

¹¹ <https://www.cedrusbank.com/shareholders-cedrus-bank-lebanon>

Figure 1. Control by politically affiliated shareholders, 2013 and 2022

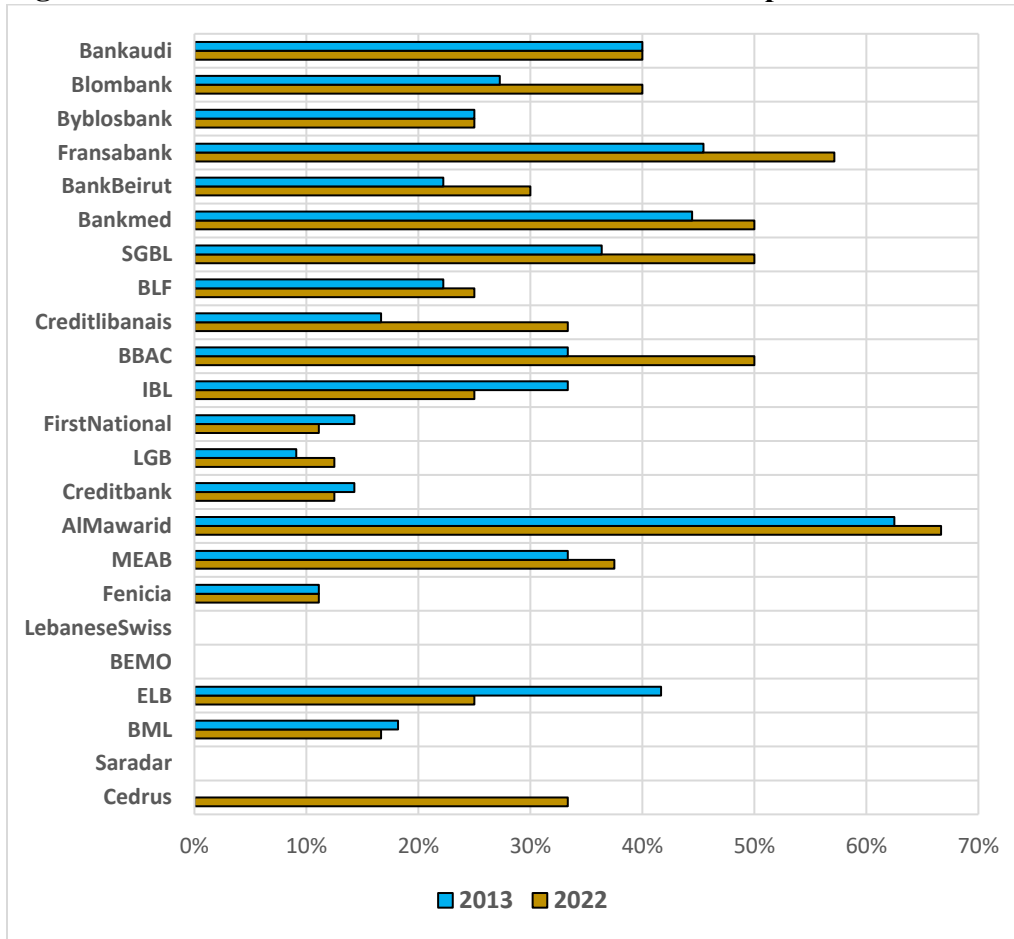


5. Direct: Person is currently a member of Parliament or the Government
4. Indirect1: Person was MP/minister/public official
3. Indirect2: Person's family member is a current or former politician
2. Indirect3: Person has close ties to local or foreign political elites
1. Nolink: no linkages with politicians

Board of Directors

The analysis of political linkages within the banks' Board of Directors has revealed that most banks still have within their boards individuals linked directly or indirectly to political elites in the country. In fact, the share of political control within these boards has increased from 31% in 2013 to 35% in 2022. Large banks such as Blombank, Fransabank, Bankmed, SGBL and BBAC have substantially increased their share of politically affiliated members within their boards to beyond 40 and even 50% (Figure 2). This probably reflects the desire of most banks to have political expertise and networks within their managing boards in order to help them navigate the current crisis.

Figure 2. Share of the banks' Board of Directors under political control



Holding companies

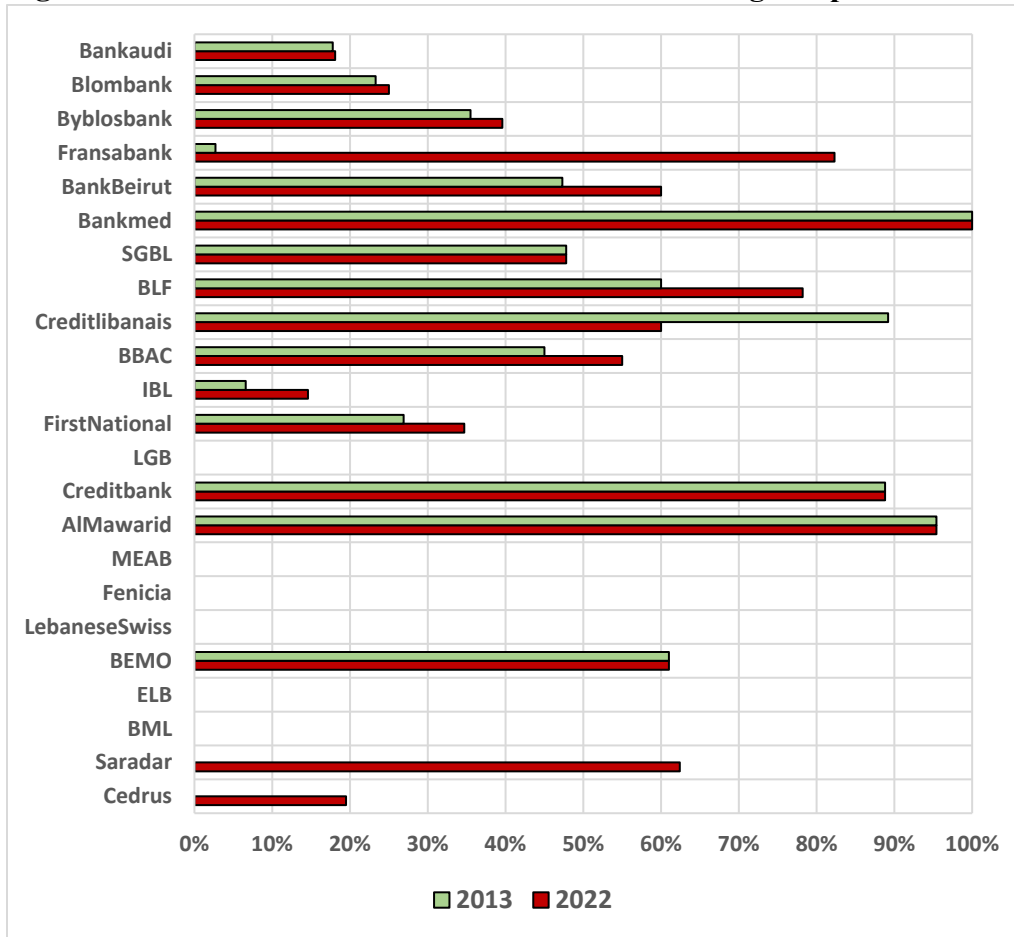
There has been a major increase between 2013 and 2022 in the number of bank shareholders having a holding legal structure: 36% of banks' total assets in 2013 were under the control of shareholders who had a holding structure. In 2022 this share increased to 42%.

Most notable among these changes are (Figure 3):

- *Fransabank*: While in 2013 the two Kassar brothers (former minister of economy Adnan and his brother Adel) each owned directly 36.48% of the bank's shares, in 2022 the bank's records show that they transformed their direct ownership into two holding companies, aptly named Cedars I and Cedars II, each owning 39.81% of Fransabank's shares, and both registered in the Cayman Islands.
- *Bank of Beirut*: The bank's chairman, Salim Sfeir, who also is the president of Lebanon's Association of Banks, switched his direct ownership of 4.68% of the bank's shares into his holding company, Sfeir Bancorp Limited, registered in Cyprus.

- *BLF*: Following the passing of its founder in 2014, former minister Farid Raphael, his family direct shares in the bank amounting to 13.56% into the holding company called BLF Investment Holding Limited, registered in the British Virgin Islands.

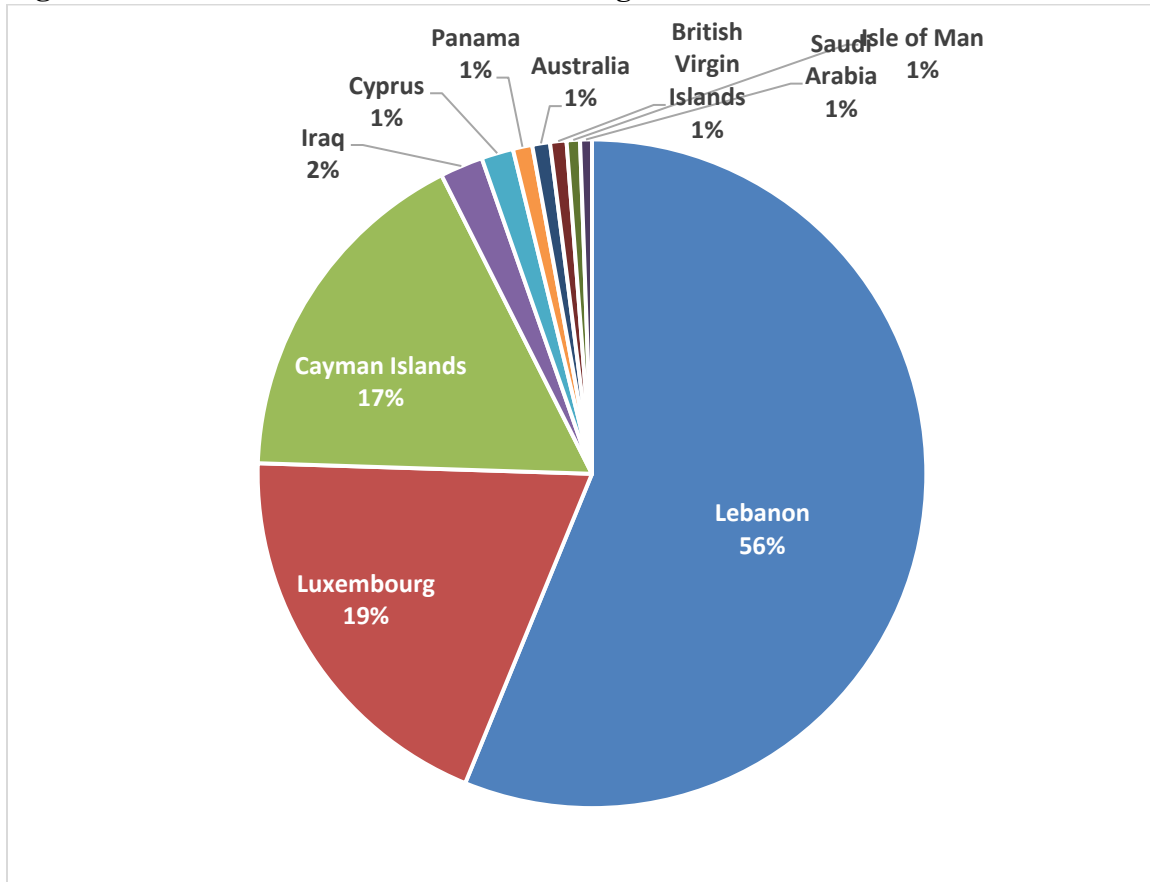
Figure 3. Share of banks' shareholders who are holding companies



Analyzing the nationality and place of registration of these holding companies, we find that 56% of them are registered in Lebanon, and the remaining are mainly allocated between Luxembourg and the Cayman Islands (Figure 4).

The fact that a substantial share of banks are controlled by holding companies serves several purposes from the perspective of the banks' owners: First, holding structures allow for substantial income tax reduction; second, holding companies especially outside Lebanon allow for more opacity and secrecy in covering up profits and transfers; third, a holding structure allows its owners to escape legal prosecution and personal liability if and when they are faced with lawsuits, which is currently occurring at an increasing rate in Lebanon.

Figure 4. Main nationalities of banks' holding shareholders



4. Discussion

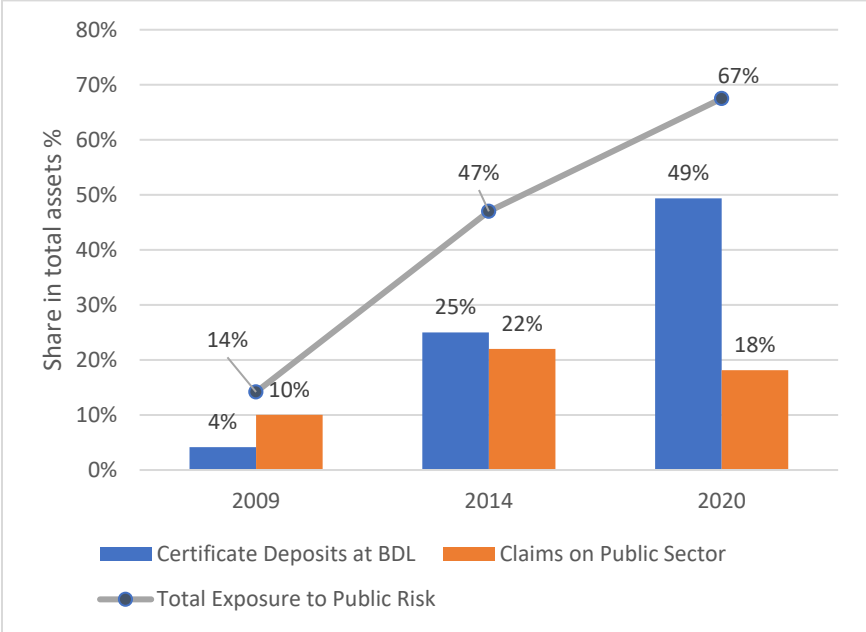
This paper, similar to the previous one (Chaaban, 2016), has established the enduring connection between Lebanon's banks and the ruling class. These connections have allowed bank owners in recent years to successfully push back against all reforms aimed at saving the country's economy and financial sector from its ongoing collapse.

These crony banks, through their main representative arm the Association of Lebanese Banks, have promoted a rhetoric whereby they portray themselves as the main savior of the Lebanese economy and the principle lenders of the public sector, and place all the blame in the economic place at the political leadership level, hiding the fact that most of these banks themselves are owned or closely linked to these same politicians.

Yet even the claim by the banks that they lent substantial funds directly to the government is not true. A careful look at the share of total commercial banks' assets that were allocated as claims on the public sector reveals that this share has increased from 10% in 2009 to 22% in 2014, yet

decreased in 2020 to 18%. In parallel, banks placed substantial funds at the Central Bank in the form of CDs (Certificate of Deposits) earning very high interest rates. The share of CDs in total bank assets increased from 4% in 2009 to a staggering 49% in 2020. This shows that banks were in close partnership with the Central Bank authorities to invest foreign currency deposits in high earning CDs, and in turn the Central Bank directly lent the government these funds to cover the growing public deficit (Chaaban, 2016, Brophy and Noreddeen, 2021).

Figure 5. Shares of exposures to public risks in banks’ total assets



The crony nature of Lebanon’s banks has also manifested itself through the way they defended their own interests at the expense of depositors and the overall population, blocking several reform attempts and coercing political representatives to take their side. Bank owners have imposed illegal capital controls on depositors accounts; resorted to closures every time they needed to pressure the public opinion; and have been successful in thwarting two government reform plans, one in May 2020 and the other in April 2022¹². The banks used their influence over key MPs in the Finance and Budget Committee¹³, and also relied on extensive public media campaigns to sway public opinion and feed their own narrative (Zougheib et al., 2022).

They ultimately facilitated what has become known as the ‘shadow plan’ (Brophy and Noreddeen, 2021), whereby their liabilities towards foreign currency depositors have been slowly reduced by converting these deposits into Lebanese pounds at rates below the black

¹² <https://www.thenationalnews.com/mena/lebanon/2022/05/25/lebanons-financial-crisis-explained-what-happened-and-why-is-the-country-stuck/>

¹³ <https://beirut-today.com/2023/09/14/goodbye-imf-deal/>

market exchange rate. This plan, which has been enacted under the watchful eye of the regulator (the Central Bank), has involved massive local currency printing and regulatory accommodation, yielding hyperinflation, wiping the majority of citizens' purchasing power and increasing poverty.

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Appendix 1. Banks Control detailed data, 2022

Bank Audi SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Samir N. Hanna (Chairman)						
Dr. Marwan M. Ghandour		FS				Former member of BDL
Mr. Marc J. Audi			Son			
Sheikha Mariam N. Al-Sabah					Rel	
Dr. Imad I. Itani						
Mr. Abdullah I. Al Hobayb						
Dr. Khalil M. Bitar						
Ms. Sherine R. Audi						
Controlling Shareholders						
Fahd Hariri			Son		12.3%	Son of former Prime Minister
Audi Family		FM			5.0%	Former minister
Families from GCC				GCC	18%	Political families in GCC

BLOM BANK SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Saad Azhari Chairman General Manager						
Dr. Fadi Osseiran Director						
Mr. Nicolas Saade Director						
Mr. Marwan Jaroudi Director				yes		
Mr. Fahim Mo'dad Director		FS				Former BDL Vice Governor
Mr. Ahmad Shaker Director				yes		
Mr. Emile Kharrat Director						
Me. Nassib Chedid Director						
Dr. Fadi Khalaf Director		FS				Former Chair Beirut Stock Exchange
Mr. Mohamad Masri Sidani Corporate Secretary – Secretary of the Board						
Controlling Shareholders						
Azhari Family				Father minister in Syria	8%	http://www.aljournhouria.com/pages/view/!
Chaker Family				FM	5%	Some members of the family were minister Oman

Byblos BANK SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Dr. François S. Bassil				yes		Ran for elections
Mr. Semaan F. Bassil				yes		
Mr. Des O'Shea						
Mr. Ahmad T. Tabbara						
Mr. Faisal M. Ali El Tabsh						
Mr. Henry T. Azzam						
Mr. Alain C. Tohmé						
Samir Mouawad						
Controlling Shareholders						
Bassil Family				yes	21.2%	
Cedrus BANK SAL						
Cedrus BANK SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Fadi Assali Chairman						
Mr. Raëd Khoury Member		FM				
Mr. George Atik Member						
Dr. Ghazi Youssef Member		F MP				
Me. Michel Tanios Choueiri Member						
Mr. Marwan Abi Shaker Member						
Controlling Shareholders						
Raed Khoury Family		yes			10.1%	
Nicolas Chammas				yes	22.4%	Ran for elections

FRANSABANK SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Nadim Kassar Chairman General Manager				Son		Son of former minister of economy
Cedars II Member, represented by Mr Adel Kassar		FM				
Cedars I Member, represented by H.E. Walid Daouk Esq.		FM				
Mr. Rafic Charafeddine Member						
Mr. Henri de Courtivron Member						
K One (Holding) SAL Member, represented by Mr Nabil Kassar				brother		
Mr. Ghantous Gemayel Member						
Controlling Shareholders						
Adel Kassar				brother	39.81%	brother of former minister
Adnan Kassar		FM			39.81%	Former minister of economy

BANK of BEIRUT SAL	Direct	Indirect1	Indirect2	Indirect3	%Shares	Notes
Board of Directors						
Mr. Salim G. Sfeir Chairman & CEO						
Mr. Adib S. Millet Vice Chairman						
FSHN Limited represented By Fawaz Naboulsi Member						
HE Mr. Anwar M. Al Khalil Member		MP				
Mr. Sarkis Nassif Member						
Mr. Rashid Bin Saad Al Rashid Member						
Mr. Krikor Sadikian Member						
Mr. Antoine Wakim Member						
Mr. Pierre Gaspard Member						
Mr. Ramzi Saliba Member						
Controlling Shareholders						
Nar Khatchadourian					9.1%	
Antoine Abdulmassih					19.8%	
Salim G. Sfeir				yes	11.7%	close to BDL governor
Fawaz H. Naboulsi			yes		4.6%	husband of sister karami
Ghada Joseph Ghorra			yes		7.0%	daughter former mayor zahleh

BANKMED SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mrs. Raya Haffar, Chair		FM				Former minister of finance
Mrs. Nazek Audi Hariri			Spouse			Spouse of former PM
Nada abdulsater						
Controlling Shareholders						
Saadeddine Hariri		FPM	Son		42%	
Nazek Hariri			Spouse		16%	Spouse of former Prime Minister
Alaa Mahmoud Al Khawaja				yes	42%	

Societe Generale de Banque au Liban - SGBL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Antoun Sehnaoui			yes			grandchild of former minister
Nabil Sehnaoui			yes			son of former MP and minister, and brother of former minister
Pierre Frédéric Kamel Mina B.H.C. Holding SAL Member, Rep. by Mr. Pierre Frederic Kamel						
NSKINV Ltd			yes			
Jean-Louis Mattei						
Ishak Mazen Hanna						
Jean-Pierre Ducroquet						
Controlling Shareholders						
Nabil Sehnaoui			yes		81.2%	
Banque Libano-Francaise						
Direct	Indirect1	Indirect2	indirect3	%Shares	Notes	
Board of Directors						
Mr. Walid Raphaël Chairman			son			father is former minister
Libano Holding SAL, Mr. Mounir Letayf Member						
Mr. Zafer Chaoui Member						
Mr. Philippe Doré Member						
Me. Philippe Lette Member						
Financière Raphaël Holding SAL represented by Mrs. Raya Raphaël Nahas			daughter			father former minister
Mr. Samer Iskandar Member						
Controlling Shareholders						
Raphael Family			FM		49.4%	
Gilbert Ramez Chaghouri				yes	8.24%	

Credit Libanais S.A.L	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Dr. Joseph Torbey CIH Bahrain International Holding s.a.l.		yes				Head of Taxes dpt, MOF 1970-1988
H.E. Mr. Marwan Hamade	MP		FM			
HE Dr. Samir Makdessi Member		FM				
Mr. Hesham ElBosaty Member						
Mr. Abdulelah Abdu Mukred Ali Member						
Mr. Mohamad Wajih El-Bizri Member						
Mr. Rabah Jaber Member						
Mr. Joe Farid Issa El Khoury, Esq. Member						
Dr. Michel Khadige Member						
Me. Rami Torbey Member						
HE Mr. Michel Haddad Member		yes				Former ambassador
Controlling Shareholders						
Maktoum Family				yes	0.9%	UAE Governor, via EFG Hermes

BBAC SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Sheikh Ghassan Assaf Chairman & General Manager			yes			
Judge Abbas El Halabi Vice Chairman		yes				
Mr. Ali Assaf Member						
Mr. Marc Maamari Member						
Mr. Farouk Mahfouz Member		yes				
Dr. Fouad Zmokhol Member						
Assaf Holding Company SAL Member			yes			
Mr. Amin Rizk, Esq. Secretary of the Board						Member of the Banking Control Commission of Lebanon
Controlling Shareholders						
Adnan Kassar		FM			13.5%	Via Fransabank
Adel Kassar			yes		13.5%	Via Fransabank
Ghassan Assaf			yes		11.25%	related to former politician
Walid Assaf			yes		11.25%	related to former politician
Marwan Assaf			yes		11.25%	related to former politician
Randa Assaf Al Halabi			yes		11.25%	related to former politician

IBL Bank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Salim Y. Habib		former MP				
Mr. Kamal Abi Ghosn Member & Deputy General Manager						
Emir Sager Sultan Al Sudairy Member						
Messrs. Bicom sal Holding Member - Represented by Mr. Mazen El Bizri						
Mr. Mounir Fathallah, Esq. Member						
Mr. Tony El Choueiri Member						
Mr. Rizkallah Makhlof, Esq. Member						
Mr Karim Habib Member			Yes			
Mr Ibrahim Mahfoud Member						
IBL Independent sal Member						
Al Hafiza SAL Holding Member						
Mr. Ziad Fakhoury, Esq. Secretary of the Board						
Controlling Shareholders						
Salim Habib		yes			12.50%	former MP
Taraneh Kamangar					7.53%	
Kamal Abi Ghosn					7.34%	
Sheikh Khaled Ibrahim				yes	5.69%	GCC families
Sheikh Abdel Aziz Ibrahim				yes	5.69%	GCC families
His Excellency Dr. Mohammad Abdel Hamid Baydoun		yes			3.43%	former MP and minister
Elie Ferzli		yes				Former MP

First National Bank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors				yes		Relative politicians Jordan
Mr. Rami R. El Nimer Chairman						
Mr. Fawzi E. Farah Member						
Mr. Abdallah S. Al Humaidhi Member						
Mr. Roland E. Haraoui Member						Son of former President
Mr. Arfan K. Ayass Member		yes				
Mr. Moustapha Hadi Bey M. Saoud El Assaad Member						
Mr. Georges N. Awad Member						
Promotion des Investissements SAL (Holding) Member						
Al Muttahida Lil Istithmar (Lebanon) SAL (Holding) Member						
Controlling Shareholders						
Salaheddine Nisam Osseiran					14.76%	
Rami Refaat El Nimer				yes	13.65%	
Tzico Todorof Mounif					10.4%	
Khaled Abdallah Al Sagar					8.05%	
Roland Elias Haraoui		yes			4.49%	
Ziad Al Sahili					4.33%	

CreditBank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Tarek Joseph Khalife						
Maria Khalife Bazerji						
Holfiban SAL holding						
Financial Trust participation holding SAL						
Financial Profile Holding SAL						
Mrs. Yolla Adel Saredidine Independent, Non-Executive Board Member	Yes					
Dr. Elie Abdo Rizkallah Independent, Non-Executive Board Member						
Mr. Georges Anis Nour Independent, Non-Executive Board Member						
Controlling Shareholders						
Tarek Joseph Khalife					48.1%	
Chamma Sukkar					20.0%	
Ramzi Rachid Haidar					6%	
Paul Jean Mereeb Harb					5.26%	
Maria Khalife Bazerji					4.69%	
Farid Aleksandre Zraik					4.36%	

Al-Mawarid SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Marwan Kheireddine		FM				former minister of state
Ibrahim Hanna Daher		FM				former minister
Majid Jumlat		yes				Former vice governor of BDL
Dr. Nahla Khaddage Bou Diab Member						
Dr. Shadi Karam			yes			
Ibrahim Houssamy						
Controlling Shareholders						
Salim Kheireddine			father		69.07%	
Wassim Kheireddine			brother		13.33%	
Marwan Kheireddine		FM			13.33%	

MEAB SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Ali Hejeij Chairman - General Manager				yes		
Mr. Joseph Sarkis Member		yes				
Mr. Mohamad Al Harake Member		yes				
Mrs. Ghina Haddad Member						
Dr. Maher Tamim Member						
Mr. Walid Genadry Member						
Mrs. Amale Charara Saleh Member						
Mr. Ramsey Younes Member						
Controlling Shareholders						
Hassan Hejeij				yes	58.75%	
Kassem Hejeij				yes	40.00%	

Fenicia Bank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Abdul Razzak Mahmoud Achour Chairman & General Manager						
Mr. Abdallah Mahmoud Achour Member						
Dr. George Khalil Najjar Member						
Mr. Mohsen Chafic Naamani Member						
Mr. Sarkis Daniel Yoghourtdjian Member						
Dr. Samer Khalil Khalil Member						
Dr. Fadwa Aziz Maacaron Member			yes			uncle ambassador
Mrs. Louna Youssef Merhi Member						
Mr. Abdul Razzak Mahmoud Achour Chairman & General Manager						
Controlling Shareholders						
HATEM ACHOUR					15.76%	
ABDUL ILAH MAHMOUD ACHOUR					14.56%	
ABDUL RAZZAK MAHMOUD ACHOUR					14.56%	
ABDULLAH MAHMOUD ACHOUR					14.56%	
ABDULSATTAR MAHMOUD ACHOUR					14.56%	
AZIZ MAACARON					7.50%	
JEAN MAACARON	yes				7.50%	Ambassador to Armenia
MOHAMMED MERHI					5.00%	

Lebanese Swiss Bank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Dr. Tanal Sabbah Chairman & General Manager						
Mr. Mounir Karam Member						
Mr. Amr Ben Fayed Al Kouatli Member						
Ms. Fadila Sabbah Member						
Mr. Issa Sahyoun Member						
Mr. Charbel Awad Member						
Mr. Ahmad Hamdan Member						
Secretary of the Board Me. Fady Soueid						
Controlling Shareholders						
Dr. Tanal Sabbah					70.7%	
Hussein ali Hoballah					9.3%	
Khater Habib abi Habib		yes			7%	Chair of NIGD

Banque BEMO Sal	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Dr. Riad B. Obegi Chairman & General Manager						
Mr. Samih H. Saade Vice Chairman & General Manager						
Sharikat al-Istithmarat al-Oropia lil-Sharq al-Aousat Holding SAL						
Dr. Fouad R. Zmokhol Member						
Controlling Shareholders						
Yordan Bchara Obeigi					20.4%	
George Bchara Obeigi					18.2%	
Maroun Antanos Semaan (family)					10.4%	
Riyad Bchara Obeigi					51.1%	

Emirates Lebanon Bank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Varouj Nerguizian						
Mr. Saud Al Besharah Vice Chairman						
H.E. Sheikh Mohammed Bin Saud AlQasimi representing Bank of Sharjah PSC				yes		
Mr. Karim Souaid						son of former minister
Dr. Bassel Salloukh			son			
Mr. Fadi Ghosn						
Mr. Mario Tohmé						
Mr. Aram Nerguizian						
Controlling Shareholders						
Bank Of Sharjah					80%	

Saradar Bank SAL	Direct	Indirect1	Indirect2	indirect3	%Shares	Notes
Board of Directors						
Mr. Mario Saradar Chairman - CEO						
Mr. Joe Wadih Issa-El-Khoury Member						
Mr. Michel Ferneini Member						
Saifi Invest Holding SAL, represented by Mr. Nabil Moukattaf Member						
Shammas Economic Institute SAL, represented by Mr. Nizam Shammas Member						
Mr. Christian Steinfels Member						
Mr. Fady Amatoury Member						
Controlling Shareholders						
Mohammad Mikati and Taha Mikati			yes		13%	Son and brother of PM Najib Mikati