

Fransabank Group 90 Years of History in the Making...

In 1921, Fransabank Group embarked on its journey as the first established Bank in town, ranking first on the list of banks operating in Lebanon, inheriting a historical solid financial legacy resulting from the merge of two banks.

At the beginnings of 20th century, the silk production formed the pillar of the national economy. More than half of the Lebanese population worked in 183 silk factories spread in Mount Lebanon, whereby 90% of the silk production was exported to France. In order to satisfy the needs and demand of traders and industrialists who were in continuous contact with foreign companies, “Bank Sabbag” was born. Bank Sabbag is one of the two banks from which Fransabank - in its current form - was born.

As for the second predecessor of Fransabank, it was “Credit Foncier d’Algerie et de Tunisie” (CFAT) which established its presence in Beirut in 1921 in parallel with the start of the French mandate in Lebanon.

The economic wheel started turning fast and CFAT had its own weight in the country’s economic growth, specifically in the agricultural sector at the start of the century, where it financed loans and key economic projects, which are among others:

- The establishment of the Lebanese tobacco company, known as the “Régie du Tabac et Tombac”
- The funding of the famous “Saint Georges” Hotel
- The funding of Qadisha, The Electricity Plant

With the independence in 1943, Lebanon witnessed its golden age at the economic and cultural levels, attracting financial investments from other parts of the Middle East, turning into a central hub for the region. CFAT continued to be part of this economic growth and prosperity. But with the emergence of nationalism in some of the Arab countries namely Morocco, Tunisia, and Algeria, CFAT was bound to drawback to France, selling all its branches in Lebanon to Banque Française pour le Moyen Orient SAL (BFMO).

Due to the new emerging political situation in Lebanon that started in 1975, the banking sector in Lebanon witnessed new alliances that made it easy for Indosuez Group to merge Bank Sabbagh with BFMO in 1978, which in turn, became Banque Sabbag et Française pour le Moyen Orient SAL (BSFMO).

In 1980, Banque Indosuez sold its shares in Banque Sabbag et Française pour le Moyen-Orient SAL to a financial group headed by Messrs. Adnan and Adel Kassar. In 1984, the denomination of the Bank was changed to Fransabank SAL.

Within their strategy to expand and develop Fransabank internationally, the Kassar brothers initiated contacts with Crédit Agricole – France asking them to take part of the shareholding base of Fransabank. In September 1984, Crédit Agricole participated in 6% of the shareholding of Fransabank. Together, Fransabank and Crédit Agricole co-established Fransabank France SA, which formed the first international presence of Fransabank outside its mother land.

In 1990, it was time to reconstruct Lebanon and Fransabank participated in those efforts in 1994 whereby it established the first leasing company in Lebanon “Lebanese Leasing Company”, which aims at financing the purchase of utilities and machineries for diverse productive sectors allowing large-scale investments and thus taking part in the reconstruction process. Towards this same objective, Fransabank established later on Fransa Invest Bank SAL, its specialized investment arm in 2001. A total of 7 Subsidiaries & Associate Companies in Lebanon are now part of Fransabank Group.

In 1995, the leading German Investment and Development Company) - D.E.G. an organization that is part of the development cooperation organization of the Federal Republic of Germany, acquired 5% of the Bank’s shareholding base.

In 1997, Fransabank allied with Arab investors where the Public Institution for Social Security – Kuwait acquired 2% of the Bank’s share capital.



Fransabank pursued its efforts in the reconstruction of Lebanon, while equally engraving its roots and continuing in its local and international expansion strategy as follows:

Mergers & Acquisitions Operations in Lebanon

At the local level, and besides the organic growth that Fransabank Group achieves through the diversification of its products and services, the Group ranks first in terms of its local branch network which exceeds 108 branches spread all over the Lebanese territory. In this respect, Fransabank Group was lately granted the “Widest Local Branch Network” accolade from leading financial publication “Lebanon Opportunities” within the “National Achievements Awards for Banking 2011”.

1985	Assets & Liabilities of Chase Manhattan Bank - Lebanon branches
1993	Banque Tohmé SAL
1998	Universal Bank SAL
2002	United Bank of Saudi & Lebanon SAL
2003	Banque de la Békaa SAL which was sold in 2007 to Bank of Sharjah as an empty shell, after the transfer of its assets and liabilities to Fransabank
2007	BLC Bank SAL
2010	Banque Lati SAL (Through BLC Bank)

Subsidiaries & Associate Companies in Lebanon

Two Commercial Banks	<ul style="list-style-type: none"> ▪ Fransabank SAL ▪ BLC Bank SAL
One Investment Bank	<ul style="list-style-type: none"> ▪ Fransa Invest Bank SAL (FIB)
Two Insurance Companies	<ul style="list-style-type: none"> ▪ Bancassurance SAL ▪ Fransabank Insurance Services Company SAL
One Financial Lease Company	<ul style="list-style-type: none"> ▪ Lebanese Leasing Company SAL (LLC)
One Real Estate Company	<ul style="list-style-type: none"> ▪ Société Générale Foncière SAL (Sogefon)
Two Services Companies	<ul style="list-style-type: none"> ▪ Switch & Electronic Services SAL (SES) ▪ Société Express SARL

Regional and International Expansion

At the regional and international levels, Fransabank Group pursues its strategy of foreign expansion in promising regional and international markets. Besides Lebanon, Fransabank Group has a considerate presence in 6 countries. Moreover, Fransabank Group undertook major organic and geographic expansion in most of these markets during 2011.

1984	France	Fransabank (France) SA	Subsidiary	The first international entity for Fransabank established in 1984
2006	Algeria	Fransabank El Djazaïr SPA	Subsidiary	The first and only Lebanese bank to enter the Algerian market
2006	Sudan	United Capital Bank	Associate bank	An Islamic bank with international and regional partners and shareholders
2008	Belarus	Fransabank OJSC	Subsidiary	The first and only Lebanese bank in this promising Eastern European market
2009	Syria	Fransabank Syria SA	Subsidiary	A growing network that reached 9 branches within 2 years
2011	Cyprus	USB Bank PLC	Subsidiary of BLC Bank SAL	Through BLC Bank, a subsidiary of the Fransabank group