

## Overview

*“Building a profitable and socially responsible financial institution ... “*

•Country’s youngest bank  
(Est.2001)

•Funds Under Management:  
US\$ 2,583 million  
Total Assets: US\$ 1,734 million

- 1.3 million customers
- 154 branches – online
- 400 SME Unit Offices
- Over 300 ATMs
- Over 7,000 employees

•Founding member of Global Alliance for Banking on Values

## Businesses

- SME
  - Bank’s 50% of loan portfolio in SME
- Retail
  - Largest online network
  - Largest plastic base (nearly 700,000 card)
- Corporate Banking
  - Leading in value-based financing
- Probashi
  - One of top 3 private banks bringing remittance
- Treasury

## Subsidiaries

- **BRAC Saajan Exchange , Birmingham UK**  
*(Remittance Company serving Non Resident Bangladeshis)*
- **BRAC EPL Investments**  
*(Investment Banking)*
- **BRAC EPL Stock Brokerage**  
*(Stock Brokerage)*
- **BiTS**  
*(Information Technology Services)*
- **BRAC Impact Ventures**  
*(Impact Venture Capital)*



# BRAC Bank SME

*“It is not just a place for transactions – BRAC Bank is a place where potentials are realized”*

- 403,253 SME entrepreneurial dreams made true ... and counting
- Unique distribution model with nearly 400 SME Unit Offices
- Over US\$ 2.6 billion lent out to SME Segment of which 92% collateral-free
- Over 1.2 million jobs created

# SME Financing.....What is the ‘missing middle’?

- “There is need to separate the ‘small’ from the ‘middle’ and define them with greater clarity. What are the needs of the two sub-segments ‘Small’ and ‘Medium’. The financial requirements and the characteristics of these two are different and their needs are therefore not the same.  
In my experience Financial Institutions in Bangladesh are typically, quite willing to lend to Middle Enterprises, however I will hastily add that this financing is not necessarily in line with the real requirements of these firms, in terms of tenure and structure. They more importantly require support in terms development which are non-financial, e.g marketing, financial and management support to improve their efficiency.
- Therefore, I would like to submit:
  - SME as a group are not a monolithic entity in terms of ‘financing gap’ – and
  - The term ‘missing middle’ should not be confined to a ‘financial’ connotation alone.”
- “In reality there are in our market two different types of ‘bridges’ we need to build to ‘bridge the gap’ or serve the so called ‘missing middle’ or SMEs, from an institutional standpoint:
  - First, the Small Enterprises require both *Financial and Management support*, which includes marketing and financial management  
and
  - The Medium Enterprises where the need is to focus more on the improving the efficiency and productivity through management support and also make the financing more ‘user friendly’. This means financing should be more in line with real needs of the entrepreneurs rather than *driven primarily from the banks business perspective alone.*”