

15 September 2000

NOTE TO PRIVATE SHAREHOLDERS

**WITHDRAWAL OF ALL SHARES OF THE BANK FOR INTERNATIONAL
SETTLEMENTS HELD BY ITS PRIVATE SHAREHOLDERS**

PROPOSED ARRANGEMENTS SUBMITTED TO THE EXTRAORDINARY GENERAL
MEETING TO BE HELD ON 8 JANUARY 2001

The Board of Directors of the Bank for International Settlements (BIS), an international organisation headquartered in Basel, Switzerland, proposes to restrict, in future, the right to hold shares of the BIS exclusively to central banks (which already hold 100% of the voting rights and 86.27% of the property rights in those shares). This measure is intended to enable the BIS to pursue better its objectives of promoting international monetary and financial cooperation.

To this end, the Board has decided to call an Extraordinary General Meeting (EGM) to be held on 8 January 2001 with a view to amending the Statutes of the BIS so as to exclude private shareholders against payment of compensation of CHF 16,000 per share. As soon as the EGM has approved the Board's proposals, the private shareholders registered in the books of the BIS will be sent a further note with all practical details concerning the surrender of share certificates and payment of compensation.

The purpose of the present note is to provide the Bank's private shareholders with the following information regarding the transaction:

- I. The BIS and the transaction
- II. Practical aspects of the transaction
- III. Tax treatment
- IV. Assessment of the amount of compensation by JP Morgan
- V. Confirmation by the independent experts - Barbier Frinault & Associés (Arthur Andersen)
- VI. Financing of the transaction
- VII. Further information

In addition, the following is annexed to this note:

Annex 1 Extracts from the audited Balance Sheet and Profit and Loss Account at 31 March 2000

This information has been extracted from the Bank's Balance Sheet and Profit and Loss Account at 31 March 2000, which was included in the Bank's 1999/2000 Annual Report. The Balance Sheet and Profit and Loss Account, which received an unqualified audit report dated 27 April 2000 from PricewaterhouseCoopers AG, Basel, is available on the Bank's internet site at www.bis.org.

Annex 2 General information on the Bank for International Settlements

I. The BIS and the transaction

A. General information on the BIS and its capital

The Bank for International Settlements (BIS) is an international organisation established pursuant to the Hague Agreements of 20 January 1930. Its registered office is located at Basel, Switzerland. The BIS currently groups together 50 central banks, which hold all rights of representation and voting at its General Meetings in proportion to the number of BIS shares originally subscribed in their respective countries.

The fundamental object of the BIS is to contribute to international financial stability. To that end, the BIS promotes cooperation among central banks and provides additional facilities for international financial operations. It acts as trustee or agent in regard to international financial settlements entrusted to it under agreements with the parties concerned.

The authorised share capital of the BIS is 1,500 million gold francs, divided into 600,000 shares of equal nominal value (2,500 gold francs per share), of which 529,165 shares are currently issued. They are paid up to the extent of 25% of their nominal value (625 gold francs per share). When the Bank's initial capital was issued in 1930, the subscribing institutions were given the option of taking up the whole of their respective national issues of shares or of arranging for those shares to be subscribed by the public. As a result, part of the Belgian and French issues and the whole of the American issue are not held by the institutions to which they were originally allocated. Taking all tranches together, of the 529,165 shares currently issued, 456,517 (or 86.27%) are held by central banks and 72,648 (or 13.73%) by non-central bank shareholders (hereinafter referred to as "private shareholders").

While the shares carry identical property rights, all rights of voting and representation are reserved for the central bank of the country of the relevant national issue. Private shareholders do not have the right to attend or to vote at General Meetings of the BIS.

The shares of the French issue are traded on the Paris Bourse (*marché au comptant - valeurs étrangères*) and those of the Belgian and American issues are traded on the Swiss Exchange (*Nebensegment/marché annexe*) in Zurich, whereby the different issues are non-fungible.

The 72,648 shares held by private shareholders are broken down as follows:

- 33,078 shares of the American issue;
- 16,415 shares of the Belgian issue; and
- 23,155 shares of the French issue.

On 8 September 2000, the American, Belgian and French issues traded at CHF 8,195, CHF 7,800 and CHF 6,273 (EUR 4,050) respectively.

B. Decision of the Board of Directors of the BIS of 10 September 2000

The Board of Directors of the BIS, at its meeting on 10 September 2000, gave its approval in principle to an amendment of the Statutes of the BIS so as to allow only central banks to be BIS shareholders. To that end, the Board has called an Extraordinary General Meeting (EGM) of the BIS to be held on 8 January 2001 with the following agenda:

Amendment of the Bank's Statutes:

- Articles 6, 12 and 15 to 18: to be amended so as to restrict, for the future, the right to hold shares in the BIS exclusively to central banks;
- Article 18(A): to be inserted as transitional provision, so as to exclude private (non-central bank) shareholders against payment of a fair compensation, and to provide for the redistribution of the shares withdrawn from the public to central-bank shareholders of the BIS.

In accordance with the aforementioned proposed statutory amendment - and subject to the vote of the EGM - the BIS will repurchase from private shareholders each share held at the price of CHF 16,000 per share, regardless of the issue concerned. The Board of Directors has determined the amount of this compensation on the recommendation of the international investment bank JP Morgan & Cie SA, which, as the bank advising the BIS in this matter, has carried out the multi-criteria valuation analyses which are customary in this connection (see Section IV). The international accounting firm Arthur Andersen has independently confirmed the fairness of the transaction and in particular of the compensation offered to the shareholders concerned (see Section V). This compensation represents a premium of 95%, 105% and 155% for shares of the American, Belgian and French issues respectively over the closing prices for those shares on 8 September 2000. Details on the methodology for determining this compensation are given below.

C. Rationale for the transaction

- The Board of Directors considers that the transaction to be proposed to the EGM is necessary to enable the BIS better to pursue its objectives (described in Section I A above). Indeed, unlike a commercial bank, the prime objective of the BIS is to employ its resources in support of its public interest functions. This is also reflected in the fact that private shareholders have no rights of voting or representation at the General Meetings, these being held in their entirety by the central banks of the countries in which the shares were originally subscribed. The existence of a small number of private shareholders, whose interest is essentially financial, is no longer seen to be in line with the international role and future development of the organisation. The BIS is, moreover, the only international organisation in the monetary and financial field to have private shareholders (in contrast to the IMF, the World Bank and the OECD).
- The proportion of private shareholders in the BIS's capital has been gradually declining: pursuant to Article 6 of the Bank's Statutes - introduced by statutory amendment of 9 June 1969 - shares of the third tranche of the Bank's capital may be subscribed or acquired only by central banks or financial institutions appointed by the Board in accordance with the terms and conditions laid down in Article 14 of the Statutes. Since then, more than 20 new central banks have become shareholders of the BIS.

Thus the proposed withdrawal follows on from the statutory amendment of 1969 prohibiting the admission of new shareholders other than central banks by subscription to capital increases, and effectively reducing, by progressive dilution, the participation of the Bank's private shareholders.

- Alongside the factors relating to the development of the BIS, there are others having to do with imperfections in the market for BIS shares. The market for BIS shares is small and its liquidity is poor. Moreover, it is segmented by having two exchanges where the shares are traded (Paris and Zurich) and three separate non-fungible issues.

Furthermore, the shares are paid up only to the extent of one quarter, and the balance may be called up at any time at the discretion of the Board. Finally, the Statutes of the BIS lay down cumbersome formalities for the transfer of shares (acquisition of shares is subject to the approval of the BIS and of the central bank of the country where the shares were subscribed, and the transfer takes place exclusively in the share register of the Bank). These circumstances, together with the fact that the voting rights do not go with the shares, make the shares difficult to trade on the market.

- In the light of the above, the BIS has decided, subject to the vote of the EGM, to repurchase all shares held by private shareholders, offering them fair compensation for their shares even though the market is thin.

II. Practical aspects of the transaction

In accordance with the resolutions approved by the Board of Directors of the BIS on 11 September 2000, which will be submitted to an EGM of the BIS on 8 January 2001, and subject to their adoption by that EGM:

- as from 8 January 2001, only central banks will be able to hold BIS shares;
- the BIS will cancel the registration of all private shareholders in the books of the Bank without other formality on the date of the decision to amend the Statutes (8 January 2001); private shareholders whose registration has been cancelled will receive fair compensation determined as described below (see Section IV) after surrender of their share certificates and notification of the bank account to which the compensation is to be credited;
- shares withdrawn from private shareholders will not be cancelled, but will be redistributed among central bank shareholders of the BIS on 8 January 2001 in the manner determined by the EGM.

These statutory amendments will be adopted pursuant to the special rules of law applicable to the BIS which, in accordance with the international treaty establishing the BIS and the Constituent Charter of the Bank annexed thereto, derogate from any national legislation, and from Swiss law in particular. To that effect, Paragraph 5 of the Constituent Charter of the BIS states that the “Statutes [of the BIS] and any amendments which may be made thereto ... shall be valid and operative notwithstanding any inconsistency therewith in the provisions of any present or future Swiss law”.

Moreover, pursuant to Article 54 of the Statutes of the BIS, the ordinary courts are not competent to hear any disputes with regard to the interpretation or application of the Statutes of the Bank, such disputes (notably between the Bank and its shareholders) having to be referred for final decision to the Arbitral Tribunal provided for by the Hague Agreement of 20 January 1930.

III. Tax treatment

Given the status of the BIS and the specific nature of the transaction, each private shareholder should consider whether to seek appropriate professional advice with respect to the compensation to be received for each share withdrawn. The relevant rules and tax treatment may vary depending notably upon each private shareholder’s residence and personal tax

situation, and may differ from the rules applicable to the proceeds from the sale of shares on a stock exchange.

IV. Assessment of the amount of compensation by JP Morgan

The following assessment of the compensation offered by the BIS for the repurchase of privately held shares, namely CHF 16,000 per share, is a summary of the valuation report prepared by the international investment bank JP Morgan & Cie SA on behalf of the BIS and in agreement with the latter as to the valuation methods chosen and assumptions used.

A. Methods chosen

In view of the inherent characteristics of the BIS, two methods were chosen: the discounting of dividends to perpetuity and, alternatively, net asset value adjusted to take account of certain specific characteristics.

Dividend perpetuity model (DPM)

The DPM methodology is based on the BIS's future earnings and represents the present value of the future flows of dividends to be received by shareholders. This methodology is particularly suitable in that it best reflects the present value of the BIS share for private shareholders, who do not expect the BIS to be liquidated or taken over. Moreover, the fact that private shareholders have no power to influence the distribution and provisioning policy followed by the Board of Directors of the BIS argues in favour of this methodology, which appears to be the most appropriate for private investors.

Accordingly, the projected dividends for the next 10 years were discounted at a rate reflecting the nature of the BIS, the low risk inherent in its activities and its actual worldwide exposure. The rate used was between 6.7% and 7.0%. A dividend perpetuity of 4.75% in nominal terms was applied.

The use of this methodology was further supported by the Bank's credibility in the pursuit of its historical dividend policy given that the BIS has the necessary financial reserves for this and that dividends are only a small fraction of profits, which under a long-standing policy are mainly allocated to strengthening own funds.

The value per BIS share estimated on this basis ranges between USD 8,790 and USD 10,134.

Adjusted net asset value (NAV) methodology

The NAV represents the intrinsic value of the BIS. The NAV is equal to own funds adjusted for unrealised capital gains and losses (on- and off-balance sheet) as well as any over- or under-provisioning. Essentially, it is a liquidation value. In applying this methodology, which provides a point of reference in the valuation process, it should be borne in mind that the BIS is not to be liquidated and that most of the NAV in fact represents a cushion for the international financial system.

The NAV arrived at is USD 19,099 per share, this amount being derived from the average of the NAV at 31 March 2000, 30 June 2000 and 31 July 2000.

Considering the particularities of the privately held BIS shares, especially the lack of voting rights, the dual right to veto transfers and the low degree of liquidity, it was deemed appropriate to apply a discount estimated at 45% to the NAV.

This valuation produced a value per share of the order of USD 10,500.

It should be borne in mind, however, that the persistent large discount of the share price to the above adjusted NAV suggests that shareholders have given greater weight to future dividend flows than to the liquidation value in their investment decision.

B. Trading data

The following table shows the average closing prices of the different issues (American, Belgian and French) over the last 12 months, six months, three months and one month, 12-month highs and lows, the 10-year high and the last closing price on 8 September:

	BIS (American issue) CHF	BIS (Belgian issue) CHF	BIS (French issue) EUR
Closing price 8 September	8,195	7,800	4,050
12-month high	9,890	9,450	4,500
12-month low	7,860	7,505	3,605
12-month average	8,648	8,330	3,988
6-month average	8,296	8,039	3,851
3-month average	8,155	7,911	3,864
1-month average	8,030	7,705	3,921
10-year high	12,100	11,150	6,853

Sources: Datastream; Zurich stock exchange; BIS.

C. Methods rejected

Three valuation methods were rejected as not being applicable to the BIS: trading multiples, comparable transaction multiples and return on NAV (RoNAV).

The BIS is a unique kind of organisation; it is not its objective to maximise shareholder value or business profit. There is no comparable organisation in the economic sphere. Hence methods based on trading multiples of comparable listed companies or comparable transaction multiples are not applicable.

Using the RoNAV method, the theoretical value of the BIS can be calculated on the basis of its RoNAV ratio. A regression analysis of the return of a sample of comparable listed financial institutions over their market capitalisation yields a linear relationship between return and market value of the institution concerned; applying this to the BIS would enable its theoretical market capitalisation to be calculated. However, as indicated above, the lack of comparable listed institutions and the fact that BIS profits are subordinate to its public interest function mean that this methodology is not suitable.

D. Conclusions

The DPM methodology is the most appropriate and represents the primary valuation criterion for the BIS.

On the basis of JP Morgan's valuation analysis described above, and on its recommendation, the Board of Directors has determined a valuation of CHF 16,000 per share.

V. Confirmation by the independent experts - Barbier Frinault & Associés (Arthur Andersen)

Barbier Frinault & Associés (a member of the worldwide Arthur Andersen network) was charged by the BIS to give an opinion on the fairness of the price of CHF 16,000 per share proposed by the BIS for the compulsory repurchase of its privately held shares listed on the Paris and Zurich stock exchanges.

In this connection, a report was submitted to the BIS on 7 September 2000. The following is a summary extract from that report, prepared by Barbier Frinault & Associés:

“Our assignment took place between 21 August and 7 September 2000. Our work was based on the valuation report prepared by JP Morgan (the Evaluating Bank), mandated by the BIS in order to assess the value of the shares concerned in the transaction, and on the information made available to us by the BIS.

The opinion set out in this report is based on that information, which has been verified for consistency but has not been subjected to an independent audit either by ourselves or by the BIS. In any case, this information remains the responsibility of the BIS.

Our assignment does not constitute, and should not be considered as, an audit or a limited review of the financial statements of the Bank.

We have not examined the legal conditions of withdrawing the shares from the markets where they are listed. Nor has our analysis taken into consideration the tax consequences for private investors of withdrawing these shares.

Our report has been drawn up solely with a view to assessing the fairness of the price proposed to the private investors. Had the context been different, other assumptions and evaluation methods might have been adopted.

Our opinion is based on economic and market conditions as known at the date on which the report was drawn up.

1. Assessment of the valuation methods chosen

We consider that the share valuation methods applied by the Evaluating Bank are suited to the context: a valuation of the shares concerned by the transaction can be made using two methods - one a financial method based on forecasts, the other an accounting method based on assets.

The (financial, forecast-based) method used as a reference is based on the discounting of future income from dividends.

The (accounting, asset-based) method of adjusted NAV incorporates discounts to take account of the specific context of the transaction envisaged: the repurchase of shares held by minority shareholders and the lack of voting rights attached to the shares.

The Evaluating Bank rightly excludes other methods:

- The market price cannot be considered an objective valuation approach given both the very low liquidity of the share and the likely imperfections of the market.
- In view of the specific and unique nature of the institution, methods involving comparison with recent transactions are considered to be little suited.

2. Assessment of the assumptions and calculation methods used by the Evaluating Bank

2.1 Discounting of dividends

Two main assumptions are used in applying this method:

- forecast dividend growth of CHF 20 for 10 years, and of 4.75% ad infinitum;
- a discount rate of between 6.7% and 7.0%.

We believe the assumptions made by the Evaluating Bank are realistic.

The choice of discount rate is based on the capital asset pricing model (CAPM), which combines the return on a risk-free asset and the premium for market risk weighted by a factor (the beta) which measures the correlation between the reference asset (an asset or a basket of comparable assets) and the market (generally a representative index).

The Evaluating Bank has chosen to estimate the value of these various parameters in a context of international investment. It does not refer to securities that are specific to the markets concerned but takes aggregate securities representing a global market.

We consider this assumption justified, as it represents a way of taking account of the international nature of the BIS.

By applying this method and carrying out sensitivity analyses, we obtain values confirming those obtained by the Evaluating Bank.

2.2 Adjusted NAV method

This method consists in adjusting the book value of net assets for unrealised capital gains or losses. It should be noted that in this case the revaluation of net assets is limited to the adjustment of the book value of net assets for the differences created by the application of the accounting principles adopted by the BIS.

The Evaluating Bank obtains an adjusted NAV of USD 19,099 per share, derived as the average of the adjusted NAV on 31 March, 30 June and 31 July 2000.

The Evaluating Bank applies a discount of 45% to the adjusted NAV in view of the lack of voting rights and the low liquidity of the share.

In this context, a total discount of 45-55% on the adjusted NAV seems to us to be reasonable.

3. Conclusion

As a result of our work as described in our report and taking account of the assumptions used, we consider that the price of CHF 16,000 per share proposed by the Bank for International Settlements for the withdrawal of its privately held shares listed in Paris and Zurich is fair.”

VI. Financing of the transaction

The total cost to the BIS of repurchasing the shares from the private shareholders will amount to CHF 1,162,368,000 excluding fees and other related expenses.

The transaction will initially be financed by the BIS out of its own funds. The ultimate impact on the net worth of the BIS will depend on the manner of redistribution of the shares among central bank shareholders of the BIS, to be determined by the EGM.

VII. Further information

This note is being sent by mail to each private shareholder registered in the books of the BIS. It is also available in English, French and German from the Bank for International Settlements, Postfach, CH-4002 Basel (Switzerland) as well as on the Bank's internet site at www.bis.org. It may also be obtained from JP Morgan & Cie SA, 14, Place Vendôme, F-75001 Paris and JP Morgan Securities Ltd, Dreikönigstrasse 21, CH-8002 Zurich.

Private shareholders are informed that BIS shares will continue to be traded as usual on the Swiss and Paris stock exchanges until 5 January 2001.

Private shareholders need take no action before the EGM on 8 January 2001 with a view to payment of the proposed compensation. As soon as the EGM has approved the Board's proposals, a further note will be sent to all the private shareholders registered in the books of the BIS with all practical details concerning the surrender of share certificates and payment of compensation.

Contacts:

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Balance Sheet at 31 March 2000

(in gold francs - see footnote below)

1999	Assets	2000
	Gold	
2 801 471 476	Held in bars	2 265 425 772
<u>1 077 182 612</u>	Time deposits and advances	<u>1 240 342 623</u>
3 878 654 088		3 505 768 395
8 289 300	Cash on hand and on sight account with banks	11 382 465
7 314 049 359	Treasury bills	7 853 868 515
	Time deposits and advances in currencies	
21 413 790 799	Not exceeding 3 months	33 292 191 933
<u>11 009 185 563</u>	Over 3 months	<u>8 561 682 741</u>
32 422 976 362		41 853 874 674
	Securities purchased under resale agreements	
276 014 585	Not exceeding 3 months	1 268 088 300
	Government and other securities at term	
4 658 672 728	Not exceeding 3 months	4 295 857 750
<u>17 509 173 124</u>	Over 3 months	<u>15 844 081 595</u>
22 167 845 852		20 139 939 345
124 693 036	Land, buildings and equipment	120 715 280
44 554 468	Miscellaneous	82 028 737
<u>66 237 077 050</u>		<u>74 835 665 711</u>

The unit of account of the Bank is the gold franc, which is equivalent to US\$ 1.94149... Article 4 of the Bank's Statutes defines the gold franc (abbreviated to GF) as representing 0.29032258... grams of fine gold. Items representing claims on gold are translated into gold francs on the basis of their fine weight. Items denominated in US dollars are translated into gold francs on the basis of a gold price of US\$ 208 per ounce of fine gold (this price was established by the Bank's Board of Directors in 1979, resulting in the conversion factor of GF 1 = US\$ 1.94149...). Items denominated in other currencies are translated into US dollars at the spot market rates of exchange prevailing at the balance sheet date, with the resulting US dollar balances converted into gold francs accordingly.

After allocation of the year's net profit		Before allocation of the year's net profit	After allocation of the year's net profit
1999	Liabilities	2000	
323 228 125	Paid-up capital	330 728 125	330 728 125
2 605 641 703	Reserves	2 658 381 703	2 911 547 717
265 360 020	Valuation difference account	191 954 649	191 954 649
	Deposits (gold)		
2 775 616 571	Sight	2 240 270 927	2 240 270 927
233 632 571	Not exceeding 3 months	197 558 564	197 558 564
183 327 484	Over 3 months	382 379 118	382 379 118
3 192 576 626		2 820 208 609	2 820 208 609
	Deposits (currencies)		
3 005 634 040	Sight	3 423 192 926	3 423 192 926
51 674 794 423	Not exceeding 3 months	55 284 677 726	55 284 677 726
3 025 353 687	Over 3 months	7 195 784 903	7 195 784 903
57 705 782 150		65 903 655 555	65 903 655 555
	Securities sold under repurchase agreements		
121 452 148	Not exceeding 3 months	103 048 449	103 048 449
1 965 670 119	Miscellaneous	2 519 864 364	2 519 864 364
	Profit and Loss Account	307 824 257	
57 366 159	Dividend payable on 1 July		54 658 243
66 237 077 050		74 835 665 711	74 835 665 711

Profit and Loss Account

for the financial year ended 31 March 2000
(in gold francs)

	1999	2000
Interest and discount, and other operating income	4 050 134 509	4 222 389 680
Less: interest and discount expense	3 679 753 312	3 845 833 442
Net interest and other operating income	370 381 197	376 556 238
Less: costs of administration		
Board of Directors	1 330 121	1 177 264
Management and staff	40 819 397	40 619 621
Office and other expenses	18 596 527	19 363 373
Costs of administration before depreciation	60 746 045	61 160 258
Depreciation	6 016 352	7 571 723
	66 762 397	68 731 981
Net profit for the financial year	303 618 800	307 824 257
<p>The Board of Directors recommends to the Annual General Meeting that the net profit for the year ended 31 March 2000 be allocated in accordance with Article 51 of the Statutes as follows:</p>		
Dividend: 340 Swiss francs per share on 517 165 shares (1999: 320 Swiss francs)	57 366 159	54 444 185
on 12 000 newly issued shares (pro rata as from the value date of share subscription)	-	214 058
	57 366 159	54 658 243
	246 252 641	253 166 014
Transfer to general reserve fund	49 250 528	50 633 203
	197 002 113	202 532 811
Transfer to special dividend reserve fund	3 000 000	3 000 000
	194 002 113	199 532 811
Transfer to free reserve fund	194 002 113	199 532 811
	-	-

Movements in the Bank's paid-up capital and reserves

during the financial year ended 31 March 2000
(in gold francs)

I. Paid-up capital

	Number of shares	Gold francs
Shares of 2 500 gold francs, of which 25% is paid up:		
Balances at 31 March 1999 as per Balance Sheet	517 165	323 228 125
Shares issued during the financial year 1999/2000	12 000	7 500 000
Balances at 31 March 2000 as per Balance Sheet	529 165	330 728 125

II. Development of the reserve funds

	Legal reserve fund	General reserve fund	Special dividend reserve fund	Free reserve fund	Total of reserve funds
Balances at 31 March 1999 after allocation of net profit for the financial year 1998/99	32 322 813	1 156 441 190	65 530 055	1 351 347 645	2 605 641 703
Add: allocations of the premium received on the issue of 12 000 new shares	750 000	51 990 000	–	–	52 740 000
Balances at 31 March 2000 before allocation of net profit	33 072 813	1 208 431 190	65 530 055	1 351 347 645	2 658 381 703
Add: allocations of net profit for the financial year 1999/2000	–	50 633 203	3 000 000	199 532 811	253 166 014
Balances at 31 March 2000 as per Balance Sheet	33 072 813	1 259 064 393	68 530 055	1 550 880 456	2 911 547 717

III. Paid-up capital and reserve funds at 31 March 2000 (after allocation) were represented by:

	Paid-up capital	Reserve funds	Total of capital and reserves
Net assets in			
Gold	330 728 125	330 985 192	661 713 317
Currencies	–	2 580 562 525	2 580 562 525
Balances at 31 March 2000 as per Balance Sheet	330 728 125	2 911 547 717	3 242 275 842

General information on the Bank for International Settlements

Name: Bank for International Settlements

Legal form: international organisation constituted pursuant to the Hague Agreements of 20 January 1930 in the form of a Company limited by shares

Status: the BIS is subject to supranational law established by the 1930 Convention respecting the BIS, the Constituent Charter and the Statutes of the BIS, and other international texts

Registered office: Centralbahnplatz 2, 4051 Basel, Switzerland

Objects (extract): to promote the cooperation of central banks and to provide additional facilities for international financial operations

Capital: the authorised capital of the BIS is divided into 600,000 shares, of which 529,165 are currently issued; the nominal value of a BIS share is 2,500 gold francs, of which one quarter (625 gold francs) is paid up and three quarters (1,875 gold francs) may be called up at the discretion of the Board of Directors (1 gold franc is equivalent of 0.29 grams of fine gold)

Distribution of capital: of the 529,165 shares currently issued, 456,517 (or 86.27%) are held by central banks and 72,648 (or 13.73%) by non-central bank shareholders

Directors:

Urban Bäckström, Stockholm (*Chairman of the Board of Directors, President of the Bank*)

Lord Kingsdown, London (*Vice-Chairman*)

Vincenzo Desario, Rome; Antonio Fazio, Rome; Sir Edward A J George, London; Alan Greenspan, Washington; Hervé Hannoun, Paris; Masaru Hayami, Tokyo; William J McDonough, New York; Hans Meyer, Zurich; Guy Quaden, Brussels; Gordon G Thiessen, Ottawa; Hans Tietmeyer, Frankfurt am Main; Jean-Claude Trichet, Paris; Alfons Verplaetse, Brussels; Nout H E M Wellink, Amsterdam; Ernst Welteke, Frankfurt am Main

Alternates: Roger W Ferguson or Karen H Johnson, Washington; Jean-Pierre Patat or Marc-Olivier Strauss-Kahn, Paris; Ian Plenderleith or Clifford Smout, London; Jean-Jacques Rey or Jan Smets, Brussels; Bruno Bianchi or Stefano Lo Faso, Rome; Jürgen Stark or Helmut Schieber, Frankfurt am Main