



Rating Action

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Analyst

Rana Muhammad Nadeem
(+92-42-586 9504)
nadeem@pacra.com
www.pacra.com

PACRA MAINTAINS ENTITY RATINGS OF MCB BANK LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short-term entity ratings of MCB Bank Limited at “AA+” (Double A plus) and “A1+” (A one plus), respectively. The ratings denote a very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments.

The ratings of MCB reflect its leading position in the banking sector, evident from the bank’s robust financial profile, extensive outreach, and established franchise. Recently, Maybank – Malaysia’s largest banking group – acquired stake in MCB. The association with Maybank, besides unveiling new business opportunities, is expected to institute further efficiencies and advancement in overall operations of the bank, while strengthening the governance framework.

The bank: MCB is the fourth largest bank in terms of its share in total banking assets in the country. The bank has a robust franchise with 1026 branches including 6 overseas branches at end-Dec07. The bank is majority owned (around 32%) by Nishat group, a prominent conglomerate of the country, with interests in textile, cement, finance and insurance.

During May08, a few of key shareholders sold 15% of stake in the bank to Malayan Banking Berhad (Maybank) of Malaysia. Maybank, incorporated in 1960 and listed on Bursa Malaysia, is the largest financial services group in Malaysia. The group has a total asset base of around US\$ 81bln (US\$ 66bln for Maybank on standalone basis) as at end-Mar08. Maybank has a rating of ‘A-’ from Standard & Poors.

Mian Mohammed Mansha, the chairman of the bank, is an eminent businessman and a successful entrepreneur. Mr. Atif Aslam Bajwa is the chief executive officer of the bank. Mr. Bajwa, appointed in 2007, has 25 years of distinguished national and international banking experience.

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