



Rating Action

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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 reflect MCB’s strong risk absorption capacity emanating from sound capital structure supplemented by consistently robust performance. The bank is well positioned to sustain its competitive edge in the sector owing to its quality management team, established franchise and extensive outreach equipped with requisite technology infrastructure. The ratings recognize the bank’s prudence in aligning its business strategy with challenging operating environment.

The bank: MCB is the fourth largest bank in terms of its share in total banking assets (8%) in the country. The bank has a distinct franchise with 1,072 branches including 7 overseas, 1 representative office in Dubai and 11 Islamic banking branches at end-Mar10. MCB has received awards in 2009 as “the best domestic bank in Pakistan” consecutively for the last two years and “the strongest bank in Asia” by Asia Money and Asian Banker respectively.

The bank is majority owned (35%) by Nishat group, a prominent business conglomerate of the country. Nishat group has interests in textile, cement, power, finance, and insurance. Meanwhile, Malayan Banking Berhad (Maybank) of Malaysia, incorporated in 1960 and listed on Bursa Malaysia, has 20% stake in MCB since May08. The group has over 450 offices in 14 countries mainly in Asia, besides having presence in the UK and the USA. Maybank has a rating of ‘A-’ from Fitch (Mar09) and Standard & Poors (Dec08).

Mian Mohammed Mansha, the chairman of the bank, is an eminent businessman and a successful entrepreneur. The board of directors (BoD), with two representative of Maybank, includes prominent industrialists and financial sector specialists.

Currently, Mr. M.U.A Usmani, possessing over four decades of banking experience, is the acting CEO of MCB.

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