



Rating Action

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PACRA MAINTAINS ENTITY RATINGS OF ATLAS BANK LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and the short-term entity ratings of Atlas Bank Limited (ABK) at **A-** (Single A minus) and **A2** (A two), respectively. These ratings denote a low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

The ratings reflect ABK's well conceived business plan to establish its core-banking platform. The cornerstone of the strategy in the initial phase is to leverage the Atlas Group's franchise and established business relationships. The bank is focusing towards increasing its deposit base and improving its intermediation efficiency. Meanwhile, the bank has assembled an experienced senior management team for effective execution of the strategy. The bank's association with a well diversified and a financially strong group is also a key-rating factor.

About the bank: Atlas Group (AG), through its holding company – Shirazi Investments (Pvt.) Limited – and the Shirazi family, owns majority shareholding in the bank since Dec 05. In July 2006, Atlas Investment Bank Limited, an Atlas Group Company and one of the largest investment banks in the country, was merged with ABK. AG, established in 1962, has diversified into various industrial and service-oriented businesses including auto, engineering, financial, and trading sectors. The bank is at an advanced stage of eliciting minority equity participation of an international DFI, as its strategic partner. This is expected to enhance the capital base of the bank. This would provide an edge to ABK over other banks having obligation to inject additional equity every year to meet the prudential requirements.

The bank's newly inducted president Mr. Aziz Rajkotwala, has extensive international and local banking experience of over three decades. Other key members of the management team are relatively young but with strong professional credentials.

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