



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 (ATBL) 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 ATBL's well-conceived business plan to gradually establish its presence in a highly competitive banking landscape, by initially focusing on the SME and consumer segments through offering innovative products. Moreover, the ratings acknowledge ATBL's association with Atlas Group – a leading business group in Pakistan – and DEG – a DFI and part of world's leading banking group (KfW). The association with the later, while further improving the governance standards at the bank, is expected to provide access to a broad knowledge base.

About the bank: Atlas Bank Limited, commencing operations in March 2004, was majority acquired (end-07 holding: 58%) by Atlas Group (AG), through its holding company – Shirazi Investments (Pvt.) Limited (SIL) – and the Shirazi family in December 2005. In July 2006, Atlas Investment Bank Limited, a leading investment bank in the country, was merged with ATBL and subsequently its subsidiary, Atlas Capital Markets (Pvt.) Limited became the wholly owned subsidiary of the bank. AG, established in 1962, has diversified into various industrial and service-oriented businesses including auto, engineering, financial, and trading sectors. ATBL is expected to continue to derive benefits from its association with the AG. In 2007, the bank elicited equity participation of an international DFI, DEG. DEG, one of the largest European development finance institutions for long-term project and company financing is a subsidiary of KfW Bankengruppe (KfW Banking group). KfW, rated AAA by the big three rating agencies is owned 80% by the German federal government.

The bank's president, Mr. Aziz Rajkotwala, an MBA, has extensive international and local banking experience of over three decades. Most of the other key members of the management team also having strong professional credentials have been recently hired.

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