



RATING ACTION

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ANALYST

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

PACRA ASSIGNS POSITIVE OUTLOOK TO ENTITY RATINGS OF JS BANK LIMITED

The Pakistan Credit Rating Agency (PACRA), while assigning a **positive outlook**, has maintained the long-term and short-term entity ratings of JS Bank Limited (JSBL) 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 JSBL's association with a strong and diversified business group – JS group. At the same time, the ratings factor in the progress made in terms of formulating a cogent business strategy, development of core management team, and implementation of technology infrastructure.

These ratings are dependent on the bank's success in capitalizing on its technology infrastructure and parentage to overcome its constraints of limited size, outreach, franchise, concentrated deposit base, and revenue streams in a timely manner, leading to improved standing amongst peers. Meanwhile stability and cohesiveness of the core management team would remain important.

The bank: JSBL, formed after merger of American Express Bank's Pakistan branches (AEBL) and Jahangir Siddiqui Investment Bank Limited, commenced its banking operations on December 30, 2006. The bank, listed on Karachi Stock Exchange, is a subsidiary (57%) of Jahangir Siddiqui & Co. Limited (JSCL), the holding company of Jahangir Siddiqui (JS) group, mainly for its interests in the financial sector. JSCL enjoys a very strong market standing and financial strength carrying a long-term rating of 'AA+' from PACRA. JS group is involved in a diverse set of activities with focus on the financial sector, including asset management, securities brokerage, commercial banking, micro finance, insurance, and trade finance services.

Mr. Jahangir Siddiqui, the founder of JS group, chairs the seven-member BOD of the bank. Mr. Naveed Qazi, the CEO of the bank, has over two decades of banking experience. His last assignment was with AEBL, as COO of Pakistan operations.

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