IGI
Investment Bank

Ref: SIC-003-2015

January 15, 2015

The General Manager Karachi Stock Exchange Ltd. Stock Exchange Building, Stock Exchange Road, Karachi Fax No: 111-573-329	The General Manager Lahore Stock Exchange Ltd. 19 Khayaban-e-Aiwan-e-Iqbal Kashmir Road Lahore Fax No: 042- 3636 8485	The General Manager Islamabad Stock Exchange Ltd. ISE Towers, 55-B, Jinnah Avenue, Blue Area Islamabad Fax No: 051 111 473 329

PACRA ASSIGNS POSITIVE OUTLOOK TO RATINGS OF IGI INVESTMENT BANK LIMITED

Dear Sir,

In accordance with the requirements of Code of Corporate Governance (CCG) and Listing Regulations of the esteemed Exchange, we are pleased to enclose Press Release issued by Pakistan Credit Rating Agency in relation to credit rating of IGI Investment Bank Limited on January 14, 2015.

Yours sincerely,

Syed Zafarullah Maqdi
Company Secretary

Copy to:
1. The Securities & Exchange Commission of Pakistan, Islamabad
2. The Registrar, Joint Stock Companies, SECP, Karachi

The Pakistan Credit Rating Agency Limited

PRESS RELEASE

Rating Action

Lahore : 14-Jan-2015

Analyst

Shoaib Afzal
(+92-42-35869504)
shoaib.afzal@pacra.com
www.pacra.com

PACRA ASSIGNS POSITIVE OUTLOOK TO RATINGS OF IGI INVESTMENT BANK LIMITED

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the long-term and short-term entity ratings of IGI Investment Bank Limited (IGI IBL) at **"BBB-"** (Triple B Minus) and **"A3"** (A Three), respectively. The ratings denote an adequate capacity for timely payment of financial commitments. Meanwhile, **"Positive Outlook"** has been assigned to these ratings.

The ratings of IGI IBL reflect strong commitment of key sponsor - Packages Group - to support IGI IBL in case the need arises. On a standalone basis business profile of IGI IBL is subdued, an outcome of significant losses of recent years mainly led by non-performing assets and higher operational costs structure. Despite that IGI IBL remained current on its obligations. This in addition to liquidation of certain assets, was primarily managed through long term interest free loan from sponsor.

The ratings have been assigned a positive outlook owing to the evolved clarity on IGI IBL business strategy. This is primarily geared towards providing a wide range of non-fund based financial services. This, interalia, include i) brokerage as well as research services through merger of IGI Finex Securities Limited, wholly owned subsidiary of IGI IBL, with and in to the IGI IBL, ii) debt instrument custodian/trustee services, iii) fund mobilization under its relatively established for mutual funds distribution - "Fund Select" platform, iv) corporate advisory and v) wealth management / investment advisory. Given expected sustainability in lately achieved breakeven, IGI IBL risk absorption capacity should hold.

The ratings are dependent on continuous support from the sponsor. Meanwhile, improvement in the business profile of IGI IBL to achieve turnaround in bottom line performance remains critical.

About IGI IBL: IGI IBL is majority owned by the Packages group (49%), directly by individuals and through different group companies, mainly IGI Insurance Limited (42%). Packages group is a well diversified group with interests in insurance, packaging, and consumer segments. This includes the Group's investment in certain prominent companies in these sectors.

The Board of Directors of IGI IBL comprises seven members. All members, with the exception of CEO, are non-executive. Amongst the non-executive directors, three represent the Packages group, while the others are independent.

Lately, Mr. Raza Hussain Rizvi, a Chartered Accountant by profession, has been appointed as CEO of the Bank. Mr. Rizvi has been associated with IGI group for last 4 years in various roles. Earlier his key responsibilities include the role of CEO of IGI Finex Securities, and Group CFO for IGI Financial Services.

Applicable Criteria and Related Research

- Bank Rating Methodology

Disclaimer

The primary function of PACRA is to evaluate the capacity and willingness of an entity to honor its obligations. Our ratings reflect an independent, professional and impartial assessment of the risks associated with a particular instrument or an entity.
PACRA's comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings and real estate gradings. PACRA opinion is not a recommendation to purchase, sell or hold a security, in as much as it does not comment on the security's market price or suitability for a particular investor.