

20th August, 2004

IBRAHIM GROUP ASSUMES CONTROL OF ABL

The Consortium of Ibrahim Leasing Limited and Ibrahim Group, which has injected Rs.14.2 billion into capital of the Allied Bank of Pakistan for acquiring its 325 million additional shares, today assumed the control of the Bank.

The Governor, State Bank of Pakistan, Dr. Ishrat Husain handed over the relevant documents to Mr. Mohammad Naeem Mukhtar, Authorized Attorney of the Consortium at a simple ceremony held at SBP, Karachi this afternoon. Among those present at the ceremony were the Deputy Governor, Mr. Tawfiq A. Husain and senior officials of the State Bank, representatives of the Allied Bank of Pakistan and the Consortium.

Speaking on the occasion, the SBP Governor has termed the successful reconstruction of ABL as beneficial both for the organization as well as for the banking industry. He expressed the hope that the transfer of the management of ABL to a strategic investor will turnaround the Bank and usher in a new era of growth and stability in the banking sector. He stressed upon the new Board of the Bank to run it professionally, prudently and with the highest standards of corporate governance.

It may be recalled that the auction of 325 million additional shares as a part of reconstruction of Allied Bank of Pakistan was held under the Chairmanship of the Deputy Governor, State Bank of Pakistan, Mr. Tawfiq A. Husain at Islamabad on 23rd July, 2004. In the auction, the Consortium of Ibrahim Leasing & Ibrahim Group were the successful bidder as they offered the highest bid of Rs.14.2 billion for acquiring these additional shares, which constitute 75.35% of the revised capital of ABL. The Federal Government approved the scheme for re-construction of ABL, under section 47 of the Banking Companies Ordinance, 1962 on 24th July, 2004. After the approval of the scheme by the Federal Government, the State Bank issued the Letter of Acceptance (LOA) to the Consortium of Ibrahim Leasing Limited and Ibrahim Group on 26th July, 2004 in terms of which the full payment of Rs.14.2 billion was made on 19th August, 2004. On receipt of full payment by the Allied Bank of Pakistan Limited and verification of the sources of funds by the SBP, the control of the Bank was handed over to Consortium of Ibrahim Leasing Limited and Ibrahim Group today.
