

PRESS RELEASETRIBUTES TO FATHER OF NATION

Karachi- 25 December 2012: On 136th birth anniversary of Father of the Nation, Muhammad Ali Jinnah, National Bank of Pakistan paid tribute to Quaid-e-Azam's untiring efforts for creation of Pakistan, during a Media briefing on December 25, 2012 at Marriot Hotel, Islamabad. While emotionally cementing to salute epitome to Quaid-e-Azam, Ibne-Hassan, Divisional Head, and Mr. Adnan Adil Hussain, Senior Vice President/Divisional Head, Consumer & Retail Banking Division, Commercial & Retail Banking Group, NBP, apprised the media about NBP's recent achievements and initiatives. "Let us pay tribute and salute to our QUAID". It was the vision of Quaid that NBP is serving to carve out the picture that he wanted. "Let NBP foster the financial cause that Quaid wanted, a well-balanced Pakistan, that includes financially structured Pakistan...a responsibility shared by SBP, NBP and all other banks", was the version of an old pensioner fellow talking to the participants. He said, "Despite numerous challenges, NBP's performance during the past 5 years stands out. Its products and strategies are based primarily around national priorities and catering horizontally scattered population. It's the vision of Mr. Qamar Hussain as our president that we are leaping our practical steps." Targets are set to touch the dearest wood, and then Dr. Asif. A. Brohi (Chief Operating Officer is the beacon and the touch wood for NBP). "Look you have financial needs in Lahore, Karachi, Islamabad and other big cities growing vertically. Tell me about the 121 districts in Pakistan, with over 50,000 villages and around 180 million masses, are they growing vertically in financial needs? No, obviously and NBP is the only bank handling them with their horizontal root to rise needs" said Adnan while answering a question. While representing President Qamar Hussain and COO/Head C&RBG Dr. Asif A. Brohi, he proudly announced the enhancement in launch of NBP advance salary, cash & Gold scheme, agricultural products and NBP products in general. NBP's consumer finance initiatives are directed towards horizontally scattered population. He cited example of NBP Advance Salary which is the single largest personal loan product in the industry with a market share of nearly 52%. Launched in 2003, "Advance Salary personal loan" finance facility was targeted towards public sector employees who were already NBP's account holders. The product was an instant success and to date, NBP has disbursed more than PKR 210 Billion and more than 1.6 million government employees have been benefited from the scheme. Despite these huge volumes, the infection is only around 2%. "All the government employees receiving salaries through NBP can get personal finance up to Rs. one million" he proudly announced. "The income range of 70% of more than our advance salary borrowers is about Rs. 20,000. NBP is catering this income stratum". "We are enhancing our services to the income strata that can seek Rs. 1,000,000/ (Rupees One Million Only)." He proudly announced while answering a question. He further narrated that since the advent of considerable increase in salaries in Government employees, NBP is the only bank to equate this salary raise to financial needs. Mentioning number of transactions catering horizontally scattered population, handling of salaries, pensions, government business and also personal loans being handled by NBP, no other bank comes even close to these services. "Yet, NBP is competing other commercial banks in their domain as well" Adnan added. "Gold ornament is the best friend of a woman and a family cultural heritage" Adnan eloquently referred to NBP Cash in Gold product, where borrowers, normally coming from middle class strata, deposit their gold ornaments and receive financing against it. This was a unique and well thought out product and has very silently become a flagship for NBP consumer. "The Cash & Gold Product of NBP has less than one percent infection ratio." Adnan stated with a smile, "NBP has got skill and man power to keep the infection ration of Gold products much less than a percent. It had been since 1960 that we are handling this product". "Ask me, if it is more than 500 billion than that we disbursed since we started?" Adnan boasted for more than that. Asked that how candidly NBP can do this, Adnan smiled as, "How we do it, i



cannot tell you. Invest in deposits, let us re-invest in safe products, then we will let you know the secret of our skill and hard work". "Agriculture is yet another area where NBP demonstrates its national commitment and resolve" Adnan said. "NBP leads its counterparts by a huge margin and outreaches approximately more than 250,000 farmers in the nook and corner of the country. NBP stands second in catering agri-needs after ZTBL. Out of agricultural sector approximate financing need of Rs. 750 Billion and with the further pie of provided banking finance facilities, NBP is catering approximately 19 %. "Look, there are around 44 banks in Pakistan, our performance and figures in sectorial approaches surpass our figurative presence on the graph." NBP is equally active in catering to Housing Finance through its product Saibaan. In 2008-09, in the backdrop of subprime, global recession, interest rates hike and emergence of defaults prompted NBP to adopt a cautious policy and selective lending which continued till 2010. NBP SAIBAAN, a house financing product, yet managed to hold its feet from slipping and just took its share of around 10% in NPL. Nevertheless, the consumer team is on the drawing board, calibrating a strategy for the product and "mind it, NBP Saiban is the product having lowest mark-up rate and unmatched product features that a borrower requires", Adnan announced. NBP is also an active player in commercial and SME lending. In SME sector, share of NBP financing out all banks (around 44) in Pakistan is around 10 %. "Please appreciate that NBP is very cautious of its investments. Yet NBP is the largest bank handling pledge of stocks in seasonal finance catering needs of cotton, rice and wheat traders/millers, that requires less collaterals and more of stocks for the industry to grow" Adnan proudly stated further, " Pledge is not every body`s business. It requires skills and systems. NBP being the senior most competitors in the said skill has the system to cater the needs of traders and millers pan-Pakistan. With its sprawling network of branches across the national landscape, NBP is poised to outreach the most disadvantaged and left over strata of population and provide them essential financial services." He cited several instances where NBP was the only financial institution available for general public. NBP caters to more than 2.1 million out of 3 million pensioners through its 1,290 plus branches network. NBP is also catering around 300,000 EOBI pensioners in addition to 2.1 million other pensioners. NBP has approximately 1.8 Million salary accounts of government employees, employees of public sector institutions, provincial governments and local bodies etc. "Disbursing these salaries and pensions month after month is no easy task" Mr. Adnan said. "But NBP has been up to the task with missionary zeal and zest and has never betrayed the confidence nation has reposed in it." Answering to a question regarding savings criterion of nation, Adnan said that " as per SBP report of 2011, NBP share to public sector deposit was 75%. To the total deposit of banking industry it was around 14 % that includes all banking investments. The afternoon ended with a Q&A session. Mr. Adnan Adil and with Mr. Ibne-e-Hassan, thanked the media representatives for honoring the bank by gracing the occasion. The flag of Pakistan and the tribute were in the higher winds and curtains of the saluting NBP officials and participants.

Yours Sincerely,

Syed Ibne Hassan
Head of Corporate Communication Division (A)