# RESULTS PRESENTATION

As of 31 December |13|

# Agenda

**Overview of the economic environment**

IFRS consolidated financial statements as of December 31st, 2013

Analysis of the main contributors

Attijariwafa bank share price performance

# Macro-economic environment in 2013 Africa

## Real GDP growth

| | 2012 | 2013E | 2014F |
|---|---|---|---|
| **Africa** | **6.6%** | **4.8%** | **5.3%** |
| **North Africa** | **9.5%[1]** | **3.9%** | **4.3%** |
| **West Africa** | **6.6%** | **6.7%** | **7.4%** |
| WAEMU[2] | 5.8% | 6.0% | 6.3% |
| **Central Africa** | **5.7%** | **4.0%** | **5.4%** |
| EMCCA[3] | 5.5% | 3.7% | 5.3% |
| **East Africa** | **4.5%** | **5.2%** | **5.6%** |
| **Southern Africa** | **3.7%** | **4.1%** | **4.6%** |

## Economic trends in Africa

**Economic growth** in **Africa: 4.8%** in 2013E vs. **6.6%** in 2012 (excluding Libya, economic growth up from **4.2%** to **4.5%**)

### North Africa:

- Slowdown in North African economic growth (**3.9%** in 2013E vs. **9.5%[1]** in 2012)
  - Morocco: **4.5%** in 2013E vs. **2.7%** in 2012
  - Egypt: **2.0% i**n 2013E vs. **2.2%** in 2012
  - Algeria: **3.2%** in 2013E vs. **2.5%** in 2012
  - Tunisia: **2.7%** in 2013E vs. **3.6%** in 2012
  - Libya: **15.0%** in 2013E vs. **95.5%** in 2012

### WAEMU(2):

- **GDP growth rate** of **6.0%** in 2013E vs. **5.8%** in 2012
- **Inflation rate** at **1.6%** in 2013E vs. **2.4%** in 2012

### EMCCA(3) :

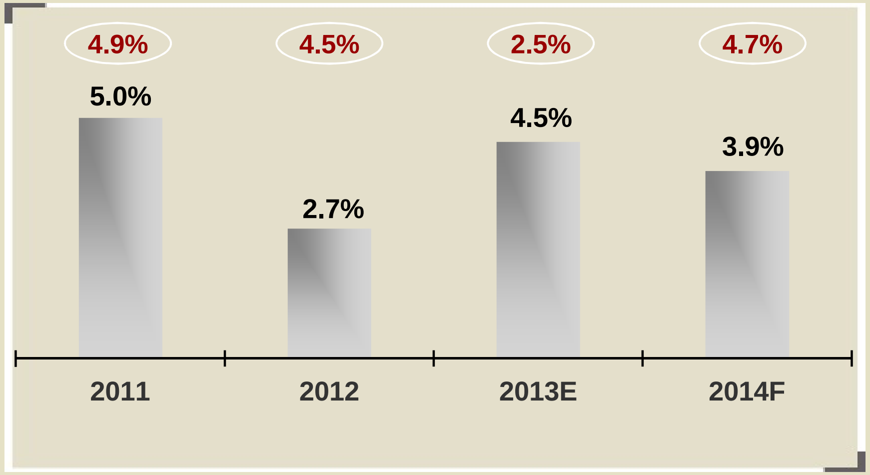
- **GDP growth** of **3.7%** in 2013E vs. **5.5%** in 2012
- **Inflation rate** of **2.5%** in 2013E vs. **3.5%** in 2012

Source BAD, FMI
(1) 4.7% excluding Libya
(2) WAEMU: Senegal, Burkina Faso, Mali, Ivory-Coast, Benin, Niger, Togo and Guinea-Bissau,
(3) EMCCA: Cameroon, Congo, Gabon, Equatorial Guinea, Central African Republic and Chad

X% Non agricultural GDP growth rate

# Macro-economic environment in 2013 Morocco (1/2)

## Real GDP growth




## Inflation


Source: Ministry of Finance, HCP, Bank Al-Maghrib, AWB's estimates & analysis

### Economic growth

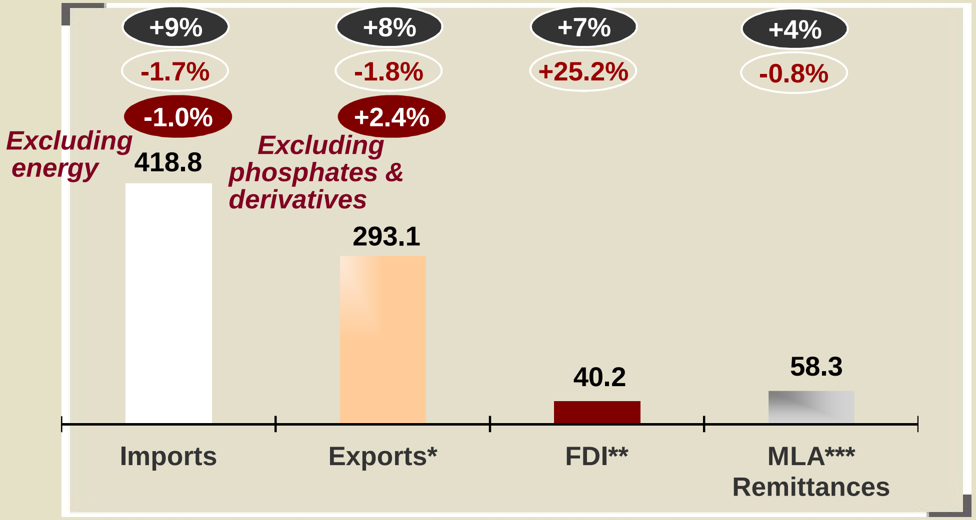
- **GDP growth of 4.5% in 2013**$^{E}$ which is one of the highest rates in the MENA region:
  - Weaker **non agricultural activity** (**2.5%** in 2013$^{E}$ **vs 4.5%** in 2012)
  - Strong **growth of agricultural GDP (+15.5%)** thanks to a good **cereal harvest** (**97 million quintals in 2013**$^{E}$ vs. 50.7 million quintals in 2012)
  - **Increase of Moroccan domestic private consumption: +5.6%** in 2013 vs. 3.6% in 2012 benefiting primarily from the improvement of the agricultural activity
  - **Stagnation of external demand to Morocco** (+0.5% in 2013 vs. -0.5% in 2012) due to the ongoing European recession

### Inflation & Monetary policy

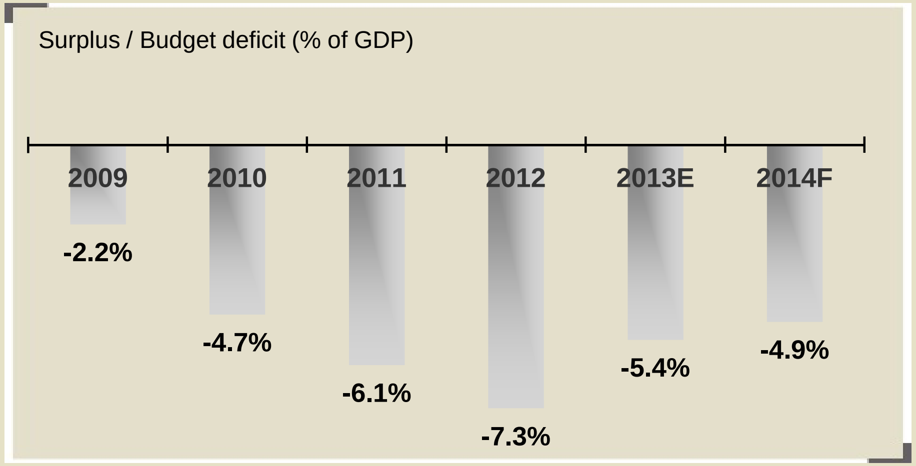
- Stable central bank **key interest rate** at **3.0% in 2013** after a cut of 25 basis points in March 2012)
- Slight increase of **Inflation** from **1.3%** in 2012 to **1.9%** in 2013:+2.4% in food items and +1.5% in non food items

# Macro- economic environment in 2013 Morocco (2/2)

## Trends in Balance of payments' main components (MAD billion)




## Public Finance




Source: Ministry of Finance, HCP, Exchange Control Office, **(xx)** Net International Reserve (NIR)
(*) including tourism, (**) private foreign loan and investment remittances ; (***) Moroccan Living Abroad

## Balance of payments

- **Improvement of Trade balance** (goods and services) (G&S) deficit by MAD 2.1 billion (-1.7% compared to 2012) due to a simultaneous contraction in imports G&S (-1.7%) and exports G&S (-1.8%)
- Favorable trends excluding energy and phosphates:
  - Imports excluding energy **decreased by 1.0%**
  - Exports excluding phosphates and derivatives **increased by +2.4%** despite the recession in Europe
- **MLA remittances** remained **stable at MAD 58.3 billion (-0.8%)**
- **Foreign Direct Investment** rose by **25.2%** to **MAD 40.2 billion** confirming the attractiveness of Morocco

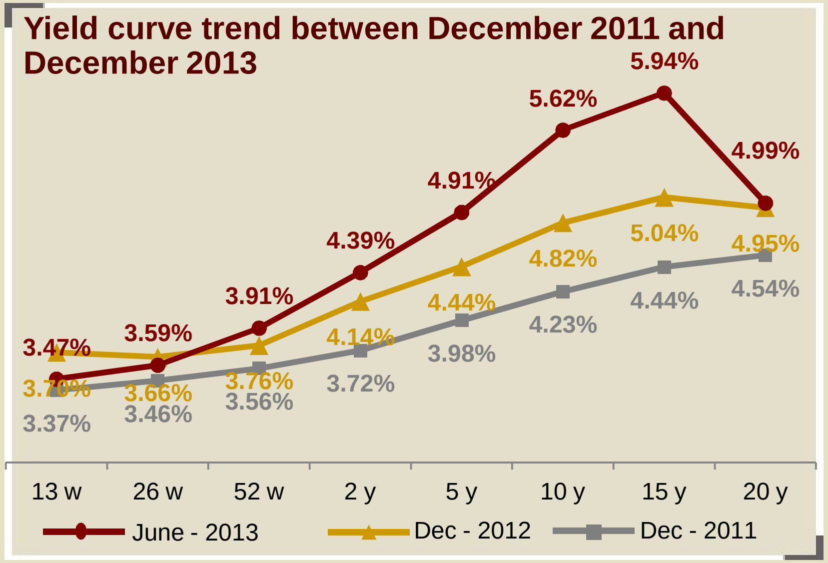
## Public Finance

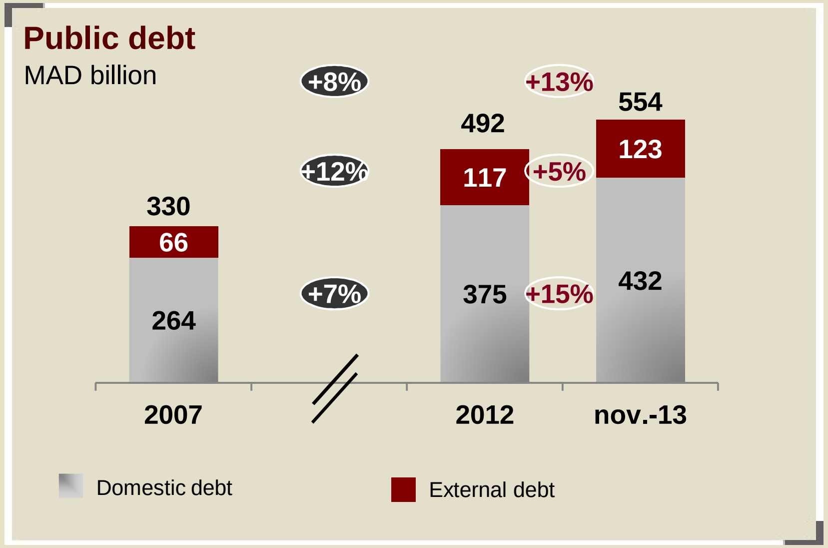
- **Budget deficit** reduced at **5.4%** of GDP in 2013$^{E}$ (vs 7.3% in 2012):
  - Payroll increased by **2.0%** to **MAD 98.6 Billion** between 2012 and 2013
  - Subsidies expenses **fell** from **MAD 54.8 Billion** (-24%) to MAD **41.6 Billion** between 2012 and 2013

# Moroccan financial market (1/2)

X% CAGR
X% nov13/dec12 growth rate

## Financial market trends 2013




### Rise of government bond yields

- **Increase** of **government bond yields between 12-31-2012 et 12-31-2013 (maturities above 52w)** mainly due to high public deficit and tight liquidity
- Easing in bond yields since December 2013

### Increasing public debt

- Treasury's debt rose by **12.6%** Ytd to MAD **554 billion as of November 2013 (62.5% of GDP**)
- Issuance of a **USD 750 million bond** in May 2013 (0.75% of GDP) after 1.5 billion US bond issued in December 2012 (1.5% of 2012 GDP)

X% CAGR

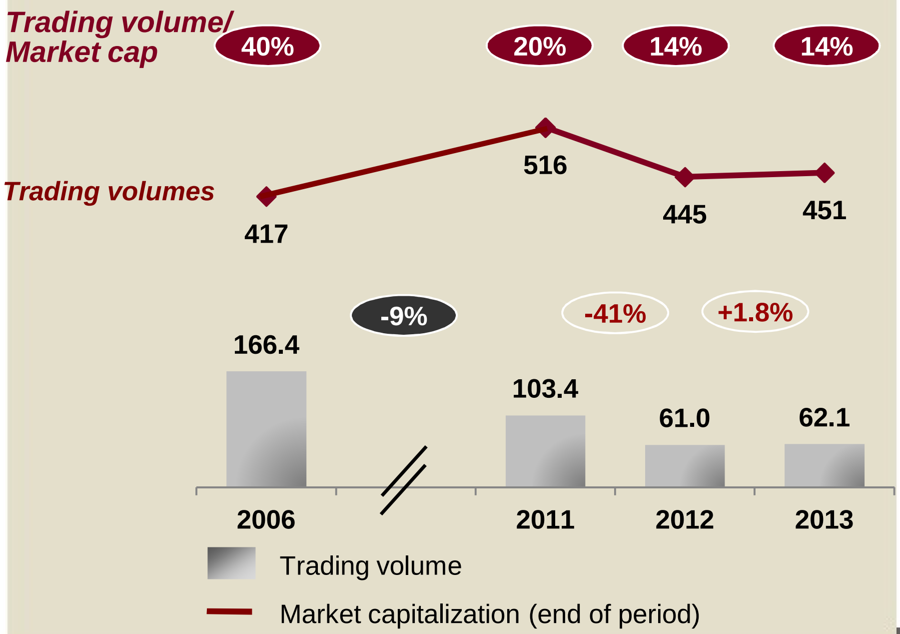
X% Growth rate

# Moroccan financial market (2/2)

## Financial market trends in 2013

### Stock market: Capitalization and volume

MAD billion



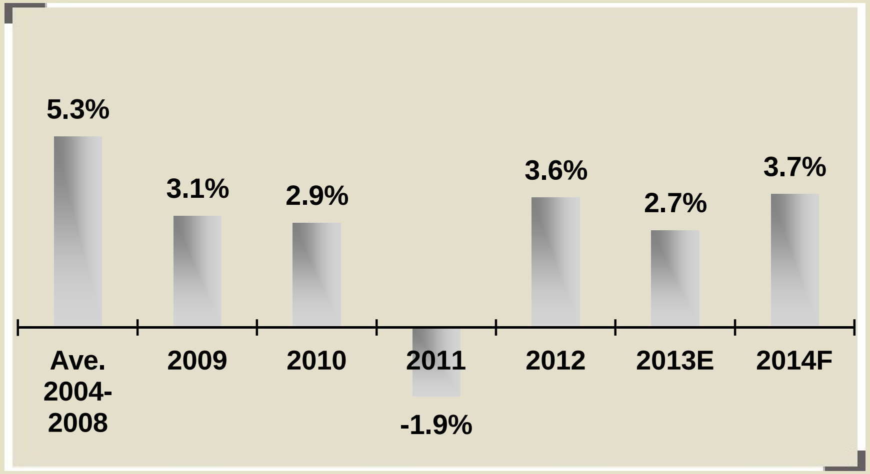

X% Trading volume / Market capitalisation (end of period)

**Slight increase in stock market activity in 2013 in terms of market capitalization and volumes:**

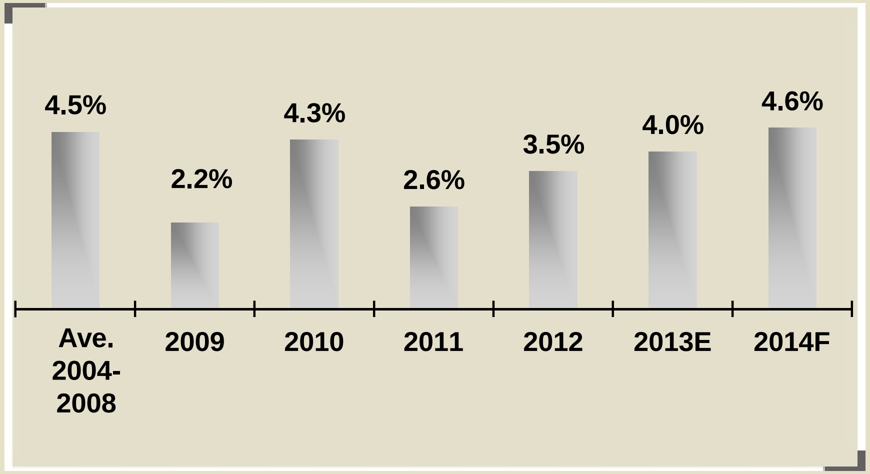
- **Moroccan All Shares Index (MASI)** fell by **2.6% YoY** in 2013
- **1.8%** increase in volume of transactions traded on the Casablanca stock exchange to **MAD 62.1 billion** in 2013
- **1.3%** YoY improvement in market capitalization to **MAD 451 billion as of 31 December 2013**

# Macro-economic environment in 2013
# Tunisia - Senegal

## Tunisia: Real GDP growth




## Senegal: Real GDP growth




Source : IMF

### Tunisia

- **GDP growth of 2.7%** in 2013[E] following a growth of 3.6% in 2012 (**+3.0%** en 2014[F])
- **6.0% inflation** in 2013[E] vs. **5.6%** in 2012 (**5.4%** in 2014[F])
- In this context, the Tunisian Central Bank increased its key interest rate by 50 bps to **4.5%** while it reduced the mandatory reserves rate to **2%** in December 2013
- Depreciation of TND/MAD by an average of **6%** between 2012 and 2013

### Senegal

- **GDP growth of 4.0%** in 2013[E] vs.**3.5%** in 2012 (**4.6%** in 2014[F])
- **1.2% inflation** in 2013[E] vs.**1.4%** in 2012

X% CAGR

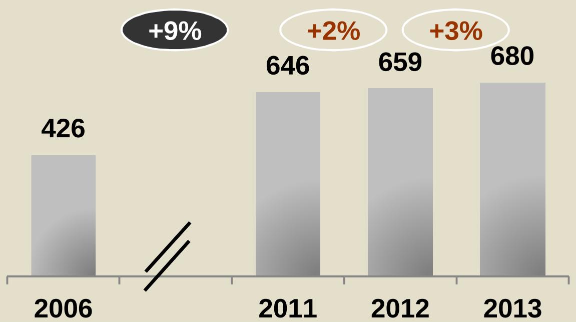
X% +/-

# Moroccan banking sector

## Banking sector growth as of December 31, 2013

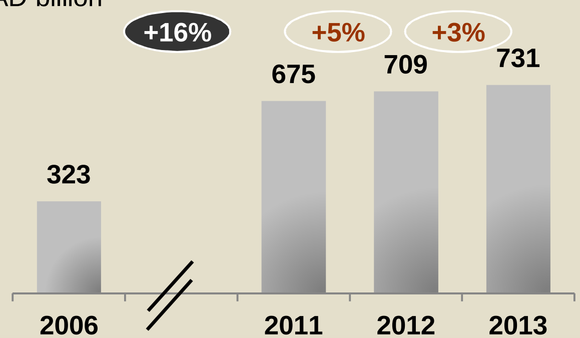
### Trend in customer deposits

in MAD billion




### Trend in customer loans

in MAD billion




- **Deposits YoY growth** of **+3%** compared to **+2%** between 2011 and 2012
- **Slowdown in loans growth** (**+3%** between 2012 and 2013 vs. **+5%** between 2011 and 2012 and **+16**% p.y. between 2006 and 2011):
  - Deposits-Loans deficit of MAD **51** billion as of December 2013 vs MAD **50** billion in 2012 and a surplus of MAD **103** billion in 2006
  - **Loan-to-Deposit ratio of 108%** as of December 2013 (**108%** in 2012 and **76%** in 2006)
- **Moroccan banks access to financial markets:** 2.1% increase **in subordinated debt** outstanding between 2012 and 2013 (MAD **22.8** billion as of December 2013), and **3.6% decrease** in **certificates of deposit** outstanding (MAD 58.7 billion as of December 2013)
- Main regulatory evolutions:
  - New Capital Adequacy ratios minimum requirements: **9% in Tier1** and **12% in CAR** (June 2013) instead of 10% previously
  - **Compliance with Basel 3 rules** regarding liquidity (LCR*) capital adequacy** (**from June 2014**)
  - **Ongoing transition to Basel 2 advanced approach**

(*) Liquidity Coverage Ratio ; minimum requirements: 60% in 2015, 70% in 2016, 80% in 2017, 90% in 2018 and 100% in 2019

(**) Focus on Basel 3 capita adequacy page 10

# Focus on Basel 3 main impacts in Morocco
# Capital Adequacy

## Regulatory capital framework

| | | Minimum requirements in Morocco (Basel 3) | | | |
|---|---|---|---|---|---|
| CET1 | ▪ **Common shares** issued by the bank<br>▪ **Retained earning** and **accumulated other comprehensive incomes** | 5,5% | 8% | 9% | 12% |
| Capital conservation buffer | ▪ **Common equity** (common shares , retained earrings)<br>▪ **2,5%** of risk weighted assets | 2,5% | | | |
| Additional Tier1 (AT1) | ▪ Instrument **ranked lower** than **CET1**<br>▪ Instrument with **principal** loss **absorption mechanism** (conversion to common shares at a pre-specified trigger point or a write-down mechanism which allocates losses to the instrument ) | 1,0% | | | |
| Tier2 capital | ▪ **Subordinated debts** (minimum original maturity of at least 5 years) | 3,0% | | | |

## Main impacts on Attijariwafa bank

**1 Capital requirements**
- **Minimum of 8%** of CET1 **instead of 9%** in Basel 2

**2 Criteria for classification as CET1**
- **Non eligibility** of instruments **directly or indirectly funded by the bank** (the issuer)

**3 Holding in financial institutions**
- Deduction of **100% of the aggregated amount of holdings in financial institutions[1] from CET1** vs. **50% from T1 and 50% from T2 in Basel 2**

**5 Minority interests**
- **Exclusion** of the **amount of the surplus CET1 attributable** to **minority shareholders** in each **banking subsidiary**

(1) Holdings above 10% of common shares of the subsidiary

AWB market shares in Morocco

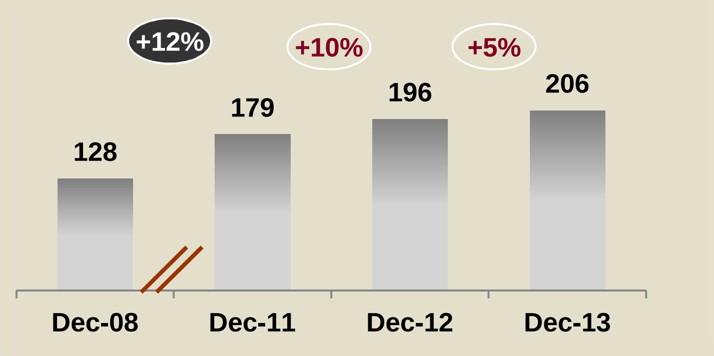
X% CAGR

X% +/-

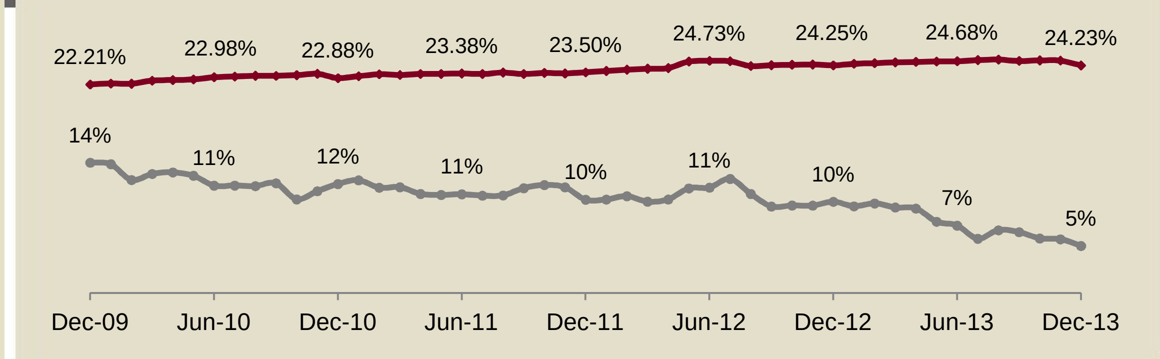
# Moroccan banking sector

## Focus on loans growth between 2008 and 2013

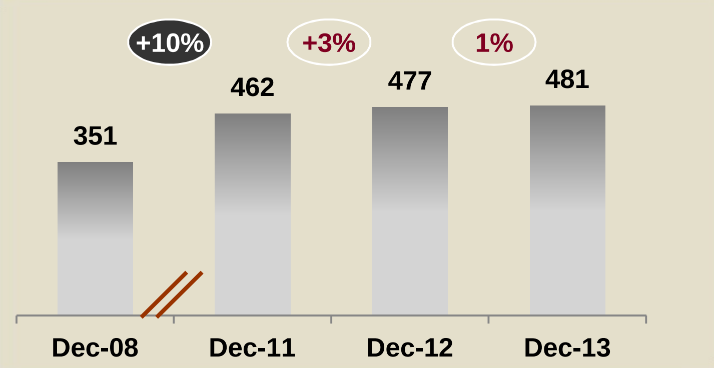
### Retail loans(1) (MAD billion)



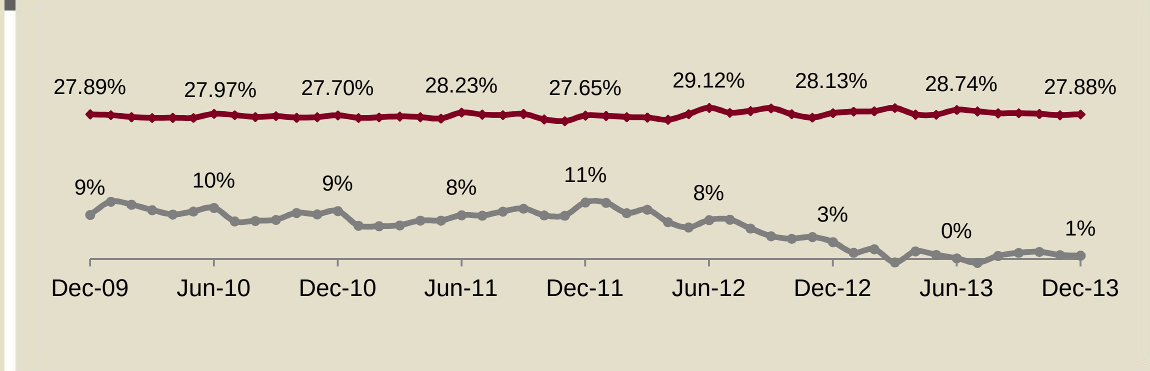

### Retail loans: YoY growth




### Corporate loans(2) (MAD billion)




### Corporate loans : YoY growth



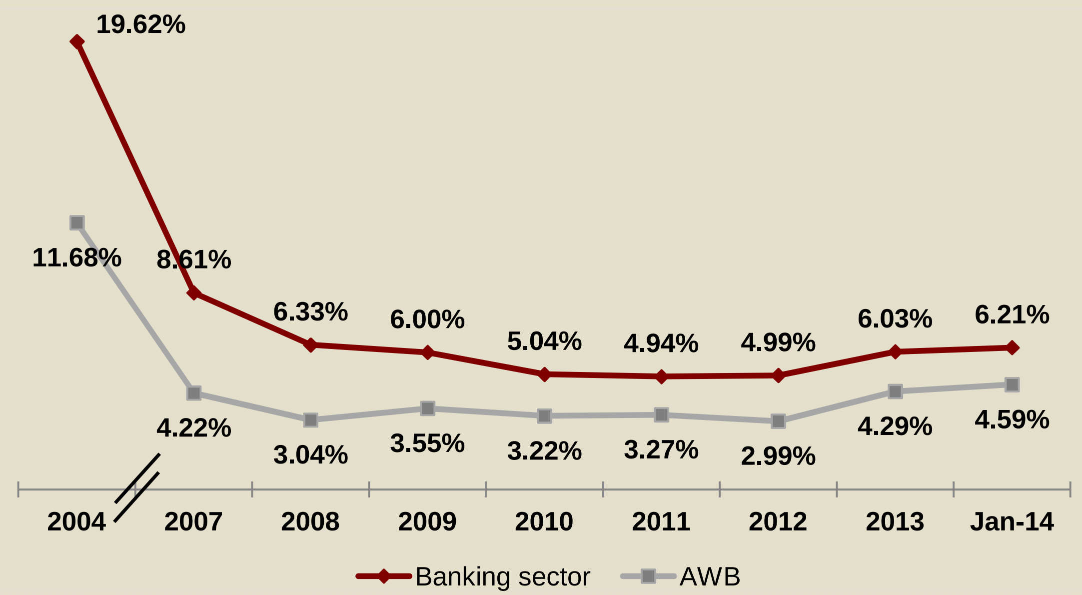

(1) Mortgage loans+ consumer loans

(2) Loans to financial institutions + equipment and investment loans + property development loans + short-term and treasury loans + other loans

Source : GPBM (the Moroccan banking association)

# Focus on NPL ratio in Morocco

## NPL ratio




- **Decrease** of the NPL ratio in Morocco from **19.62%** in 2004 to **4.99%** in 2012 thanks to a **strong growth of loans and a healthy economic activity**
- **Deterioration** of NPL ratio in December 2013 reaching **6.21% in January 2014** (+122 bps compared to December 2012)

Source : GPBM (the Moroccan banking association)

# Agenda

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**IFRS consolidated financial statements as of December 31st, 2013**

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Attijariwafa bank share price performance

# Attijariwafa bank Group key figures as of December 31, 2013

**Total assets: MAD 385.6 billion**

+4.7%

**Total savings*: MAD 315.7 billion**

+1.7%

Deposits : +4.7%

**Total loans: MAD 250.7 billion**

+1.3%

**Consolidated shareholders' equity : MAD 37.9 billion**

+7.2%

**NBI: MAD 17.9 billion**

+4.9%

**Gross operating income: MAD 9.9billion**

+6.0%

**Net consolidated income: MAD 5.1 billion**

-4.6%

(-0.3%)**

**Net income group share: MAD 4.1 billion**

-8.0%

(-3.7%)**

**16,081 employees**

+5.2%

+792 employees

**3,197 branches**

+10.9%

+315 branches

**Number of countries covered**

23

**Number of customers**

6.8 million

+0.6 million

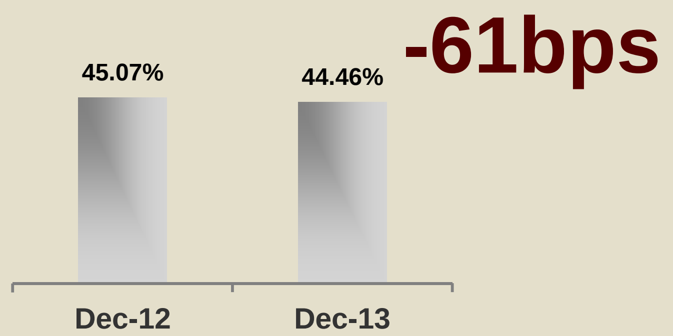
(*) Deposits+ assets under management + bancassurance assets

(**) Excluding non-recurring items: the settlement of a tax inspection of Wafa Assurance and the IFRS impact of the employees' stock ownership plan over a period of 12 months in 2013 (vs. 8 months only in 2012)

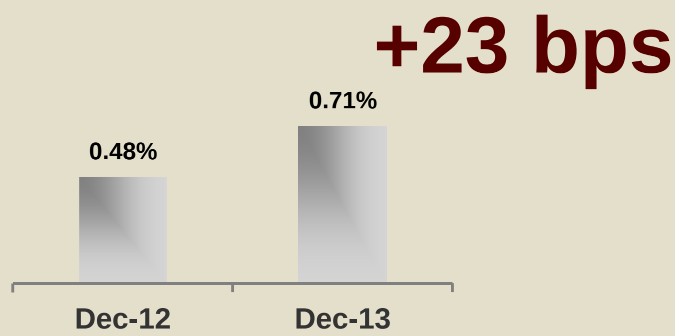
# IFRS consolidated financial statements as of December 31, 2013

## Stable Cost-income ratio and higher cost of risk

### Cost-Income ratio




### Cost of risk

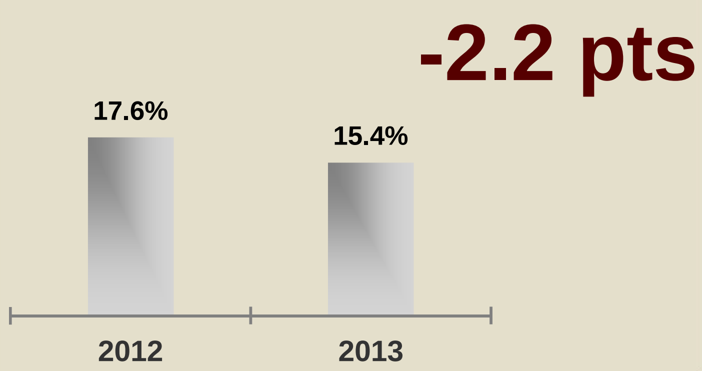



- **Improvement of the cost-income ratio** despite the various investment and development programs

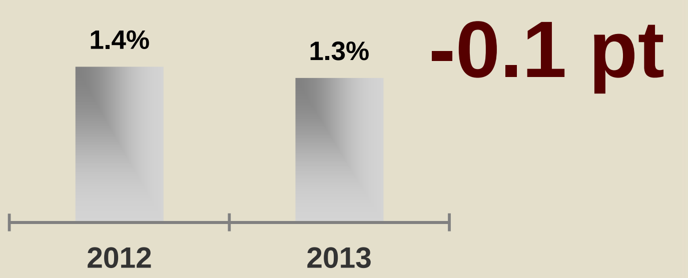
- **Increase of cost of risk to 0.71% (+23 bps)**
- Increase of **non-performing loans ratio** by **1.2 pt** (**6.3%** as of December 31, 2013 vs. **5.1%** as of December 31, 2012)

# IFRS consolidated financial statements as of December 31, 2013

## RoE




## RoA



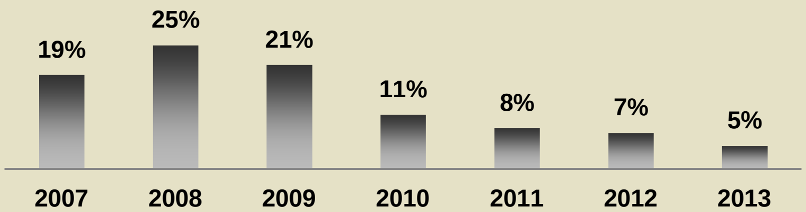

RoE = Net consolidated income/Consolidated shareholders' equity excluding net income
RoA = Net consolidated income/Total balance sheet

## Profitability ratios in line with best standards

- **Shareholders' equity up 7% YoY and RoA stable :**
  - **Capital increase** of MAD **685.2 million** through **optional conversion of 2012 dividends into new shares**
  - Shareholders' equity growth (+7% YoY) outpaced total assets growth (+5% YoY)
  - RoE down **-2.2 points** to **15.4%**
  - RoA down **-0.1 point** to **1.3%**

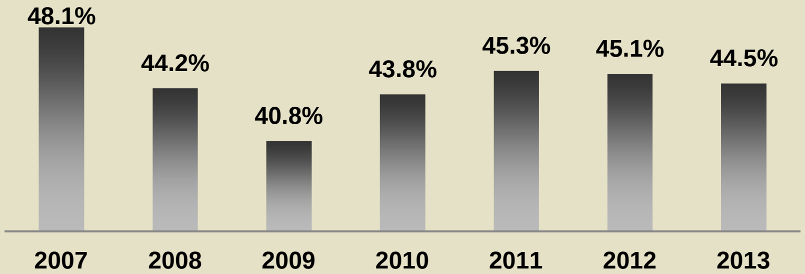
# Superior Operating Performance

## NBI Growth



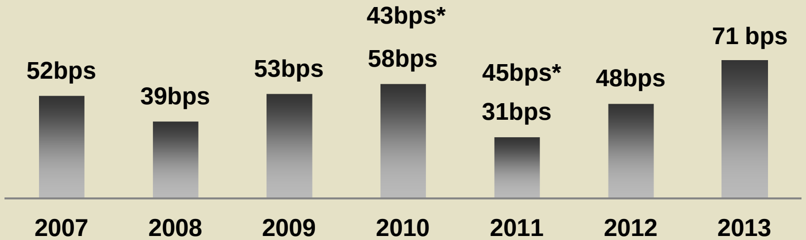

- AWB has managed to sustain a strong NBI growth

## Efficiency Ratios (Cost-Income ratio)



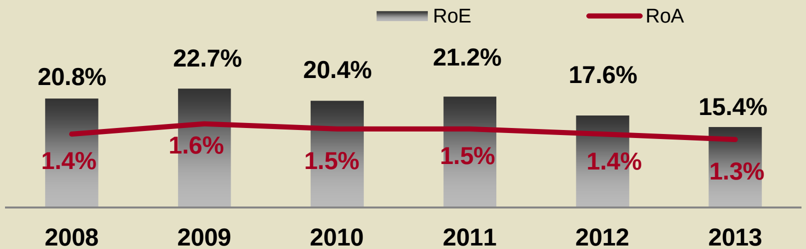

- AWB managed to constrain its Cost-Income ratio over the years thanks to a continuous focus on cost control
- AWB Cost-Income among the lowest within the industry

## Cost of Risk (in bps)




- AWB prudent underwriting approach and provisioning policy have allowed it to maintain its CoR in check while it was expanding outside of its original high end positioning
- In 2013, the cost of risk increased to 71 pbs reflecting AWB's conservative provisioning policy

## RoE and RoA



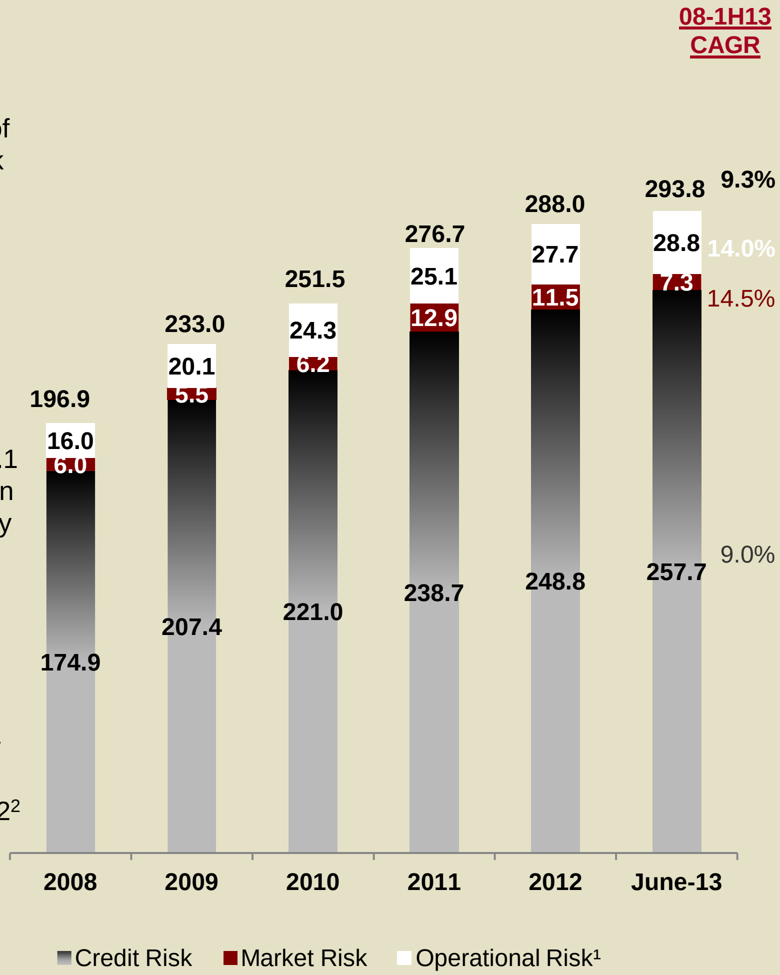

- AWB has managed to improve its profitability as it gained scale and weathered seamlessly the economic and financial crisis – both in terms of return on equity and in terms of return on asset

(* *) Excluding the provisions related to Tunisia and Ivory Coast

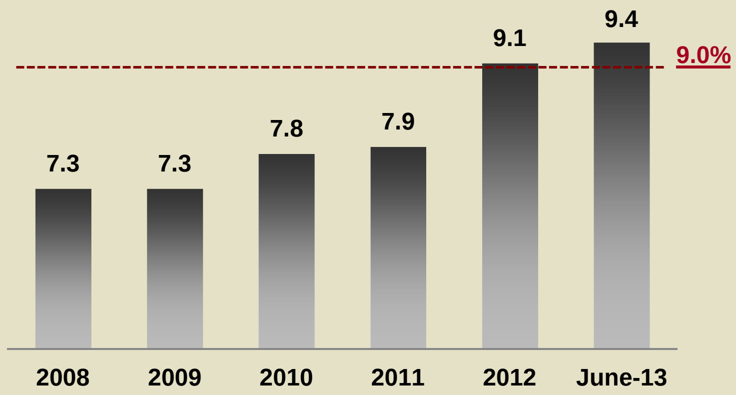
# Conservative Approach to Capital Management
## All Data Based on Basel II

- AWB is fully compliant with the requirements of its local regulator (Bank Al Maghrib) which are amongst the most stringent worldwide
- AWB Tier 1 capital is composed of common equity and does not contain hybrid instruments
- In addition to a MAD 2.1 billion capital increase in 2012, AWB successfully increased its capital by MAD 685.2 million through optional conversion of 2012 dividends into new shares in 2013, complying with the new regulatory ratios (9% and 12%) under Basel 2[2] and future regulatory requirements under Basel 3[3].

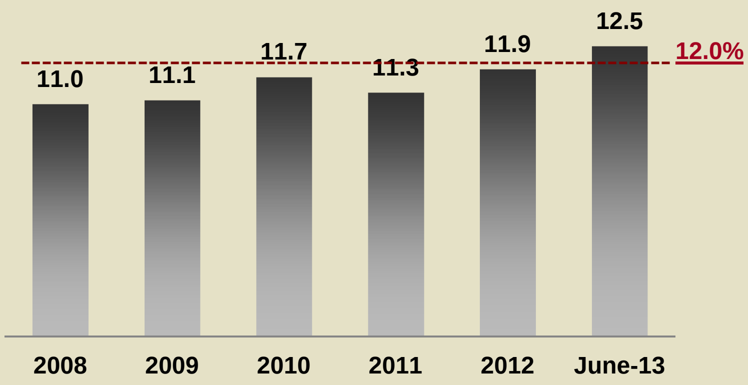
### RWA Growth (MADbillion)




### Core Tier 1 Ratio (%)



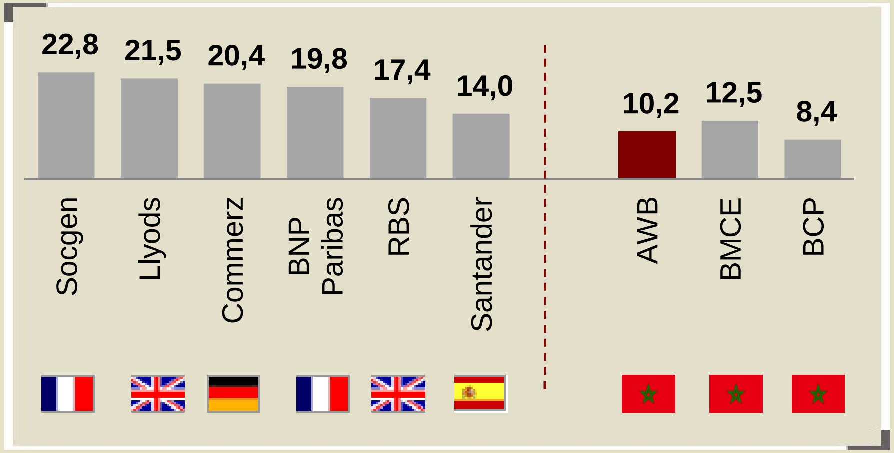

### Total Capital Ratio (%)



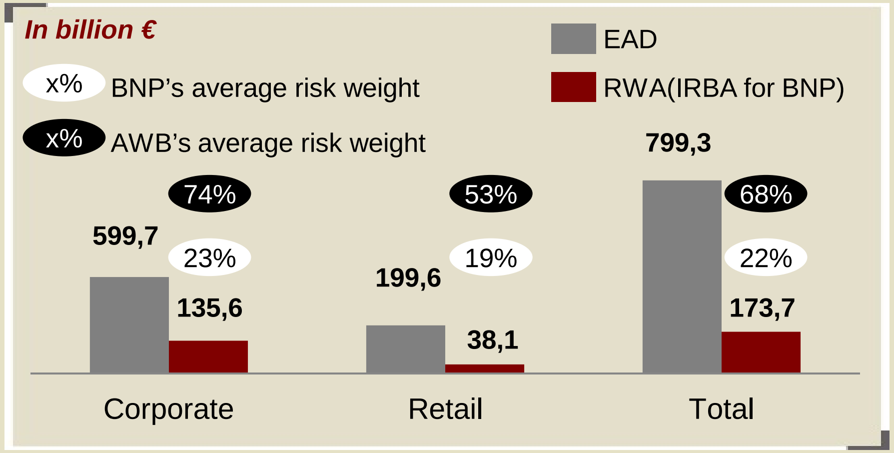

1) *Operational RWA calculated as 15% of the three year average annual NBI as per the Basic Indicator Approach*
2) *From June 2013*
3) *From June 2014*

# Focus on leverage ratios and credit risk mitigation

**AWB leverage[1] ratio vs. international benchmark**




**AWB average risk weight vs. BNP Paribas**




- **AWB Tier 1 capital is free** of **hybrid** instruments
- **AWB's leverage ratio** is much **lower** than **international** benchmark
  - **AWB's risk weighted assets** under the standardized approach is a **conservative risk measure** compared to the IRBA approach
  - A **narrow range** of eligible **CRM** guarantees and collaterals under the **standardized approach**
- Ongoing evolutions
  - **Optimization** of **capital requirement** in case of AT1 issuance in compliance with Moroccan regulatory framework
  - **Implementation** of the **advanced approach** (IRBF for corporate)
  - **Increasing utilization** of CRM[2] in line with the development of financial markets in Morocco

(1) Total assets/Equity (on a consolidated basis) ; (2) Credit Risk Mitigation

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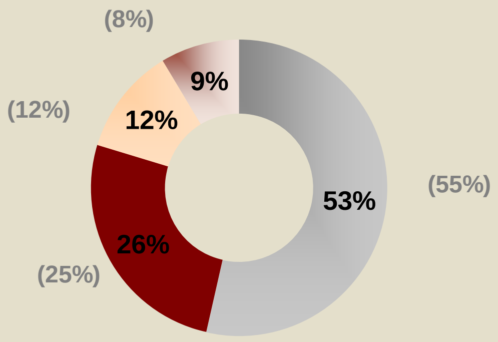
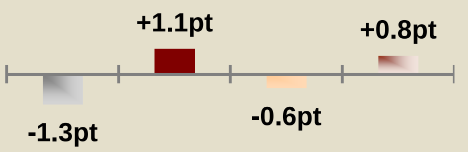
# IFRS consolidated financial statements as of December 31, 2013

## Structure of NBI as of December, 2013




(xx%) Structure December 2012

## Change in the structure of NBI between 2012 and 2013




Banking in Morocco, Europe and Offshore
Specialised Financial Subsidiaries
International Retail Banking
Insurance

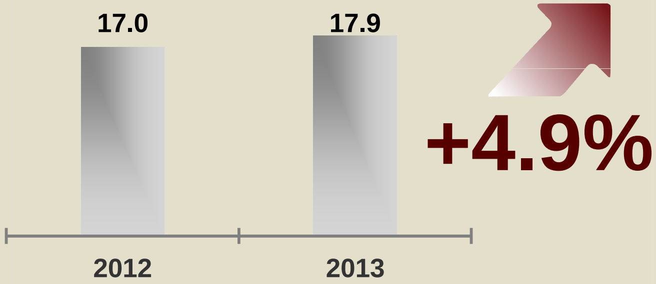
## Contributions to consolidated NBI by activity as of December 31, 2013

- **Slight change in the NBI structure:**
  - **-1.3 pt** for Banking in Morocco, Europe & Offshore
  - **+1.1 pt** for International Retail Banking
  - **-0.6 pt** for Specialised Financial Subsidiaries
  - **+0.8 pt** for Insurance

# Growth of NBI by business lines

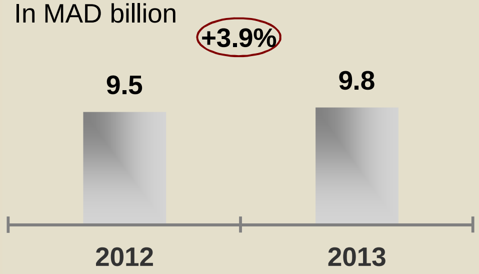
x% Growth rate

## NBI (In MAD billion)



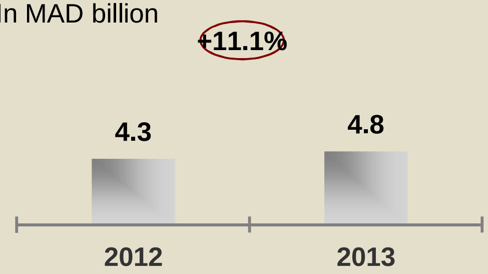

## BMET

In MAD billion



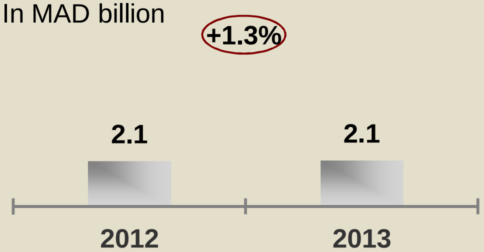

## International Retail Banking

In MAD billion



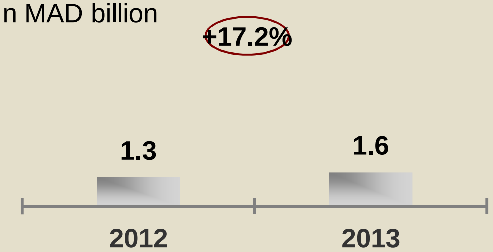

## Specialised Financial Companies

In MAD billion



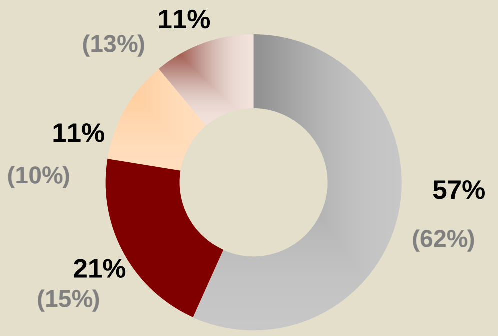

## Insurance

In MAD billion



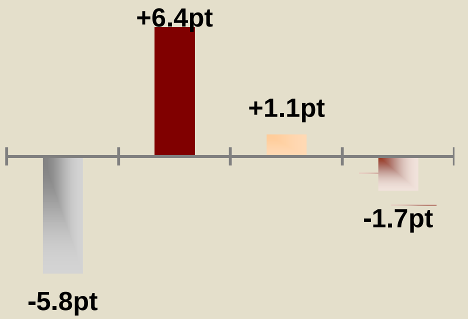
# IFRS consolidated financial statements as of December 31, 2013

## Structure of NIGS as of December, 2013




(xx%) Structure December 2012

## Change in the structure of NIGS between 2012 and 2013




Banking in Morocco, Europe and Offshore
Specialised Financial Subsidiaries
International Retail Banking
Insurance

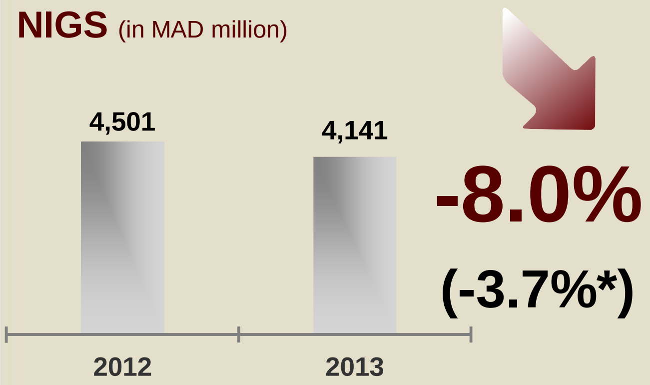
## Contributions to consolidated NIGS by activity as of December 31, 2013

- **Slight change in the NIGS structure:**
  - **-5.8 pts** for Banking in Morocco, Europe & Offshore
  - **+6.4 pts** for International Retail Banking
  - **+1.1 pt** for Specialised Financial Companies
  - **-1.7 pt** for Insurance

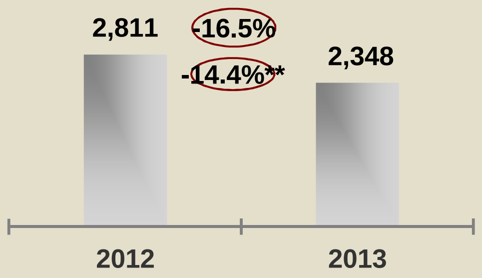
# Growth of NIGS by business lines

x% Growth rate

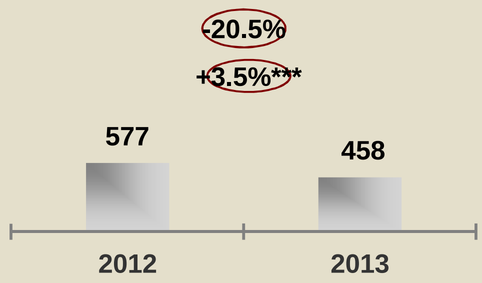
## NIGS (in MAD million)



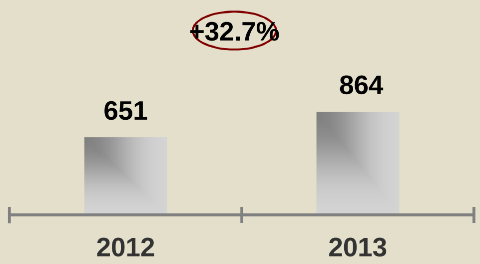

## BMET in MAD million



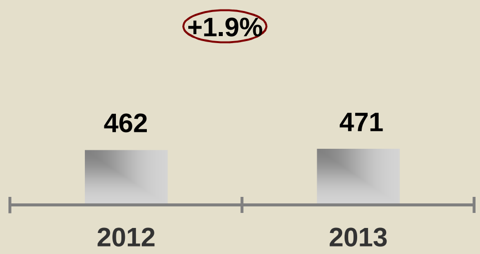

## Insurance In MAD million




## International Retail Banking
In MAD million




## Specialised Financial Companies In MAD million




(*) Excluding non-recurring items: the settlement of a tax inspection of Wafa Assurance and the IFRS impact of the employees' stock ownership plan over a period of 12 months in 2013 (vs. 8 months only in 2012)

(**) Excluding the IFRS impact of the employees' stock ownership plan over a period of 12 months in 2013 (vs. 8 months only in 2012)

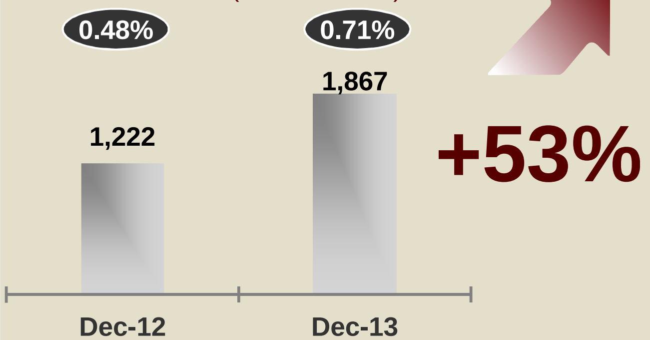
(***) Excluding the settlement of a tax inspection of Wafa Assurance

# Growth of Cost of Risk by business lines

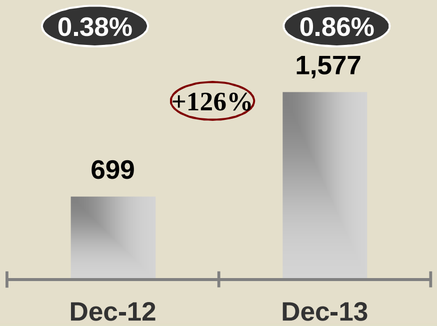
x% Growth rate

X% CoR (%)

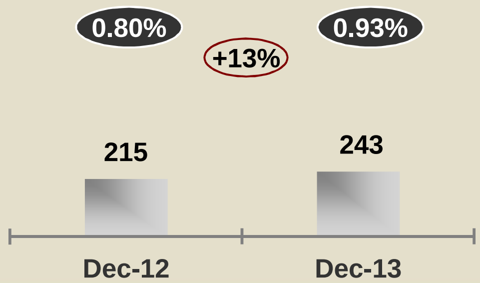
## Cost of risk (in MAD million)



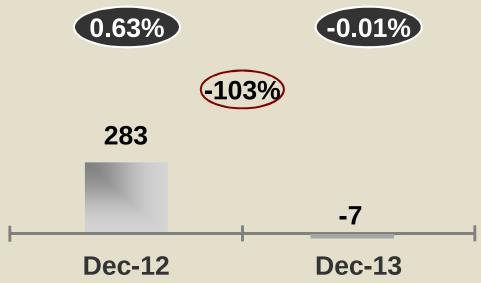

## BMET In MAD million



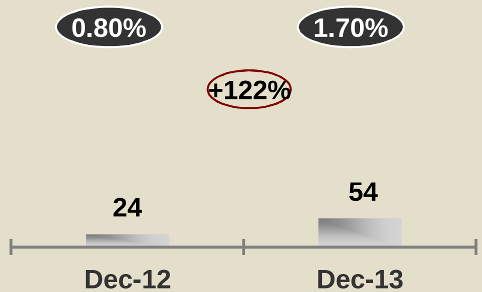

## Specialised Financial Subsidiaries In MAD million




## International Retail Banking In MAD million




## Insurance In MAD million



# Main contributors to net banking income in 2013

*in MAD million*

| Subsidiaries | Contribution 2013 | Contribution weight | Growth Rate |
|---|---|---|---|
| Attijariwafa bank | 9,129 | 49.8% | 2.6% |
| Wafa Assurance | 1,580 | 8.6% | 17.2% |
| Attijari bank Tunisie | 1,335 | 7.3% | 4.3% |
| Wafasalaf | 1,033 | 5.6% | -5.1% |
| CBAO (Senegal) | 891 | 4.9% | 15.9% |
| SIB (Ivory Coast) | 614 | 3.3% | 11.1% |
| SCB (Cameroon) | 579 | 3.2% | 18.0% |
| UGB (Gabon) | 495 | 2.7% | 2.9% |
| Total | 15,656 | 87.8% | 5.9% |
| Total net banking income before intra-group netting | 18,332 | | |
| Total net banking income | 17,877 | | |

# Main contributors to net income group share in 2013

*in MAD million*

| Subsidiaries | Contribution 2013 | Contribution weight | Growth Rate |
|---|---|---|---|
| Attijariwafa bank | 2,272 | 54.9% | -16.7% |
| Wafa Assurance | 458 | 11.1% | -20.5% |
| Attijari bank Tunisie | 290 | 7.0% | 41.4% |
| Wafasalaf | 160 | 3.9% | -8.3% |
| CBAO (Senegal) | 123 | 3.0% | 22.9% |
| CDC (Congo) | 107 | 2.6% | 33.7% |
| Wafabail | 100 | 2.4% | -14.2% |
| SIB (Ivory-Coast) | 98 | 2.4% | 18.0% |
| Wafacash | 88 | 2.1% | 29.5% |
| SCB (Cameroon) | 82 | 2.0% | 33.4% |
| Wafa Immobilier | 80 | 1.9% | 19.4% |
| UGB (Gabon) | 78 | 1.9% | 25.8% |
| Total | 3,936 | 95.0% | |
| Total net income group share | 4,141 | | |

# Agenda

Overview of the economic environment

IFRS consolidated financial statements as of December 31st, 2013

Analysis of the main contributors

**Attijariwafa bank share price performance**

# Attijariwafa bank share price performance

## Attijariwafa bank vs MASI from 12-31-09 to 10-03-14


- Share price as of 31 December 2013: **MAD 305**
- Share price as of 21 March 2013: **MAD 315**
- Largest market capitalisation in the banking sector and the 2nd largest in Morocco: **MAD 62.1 billion**
- Attijariwafa bank shares down 2.6**%** in 2013 at the same level of **the MASI index (-2,6%)**

# Attijariwafa bank market indicators

| Attijariwafa bank | 12/31/2012 | 12/31/2013 |
|---|---|---|
| Share price | 313 | 305 |
| Year High | 377 | 345 |
| Year Low | 304 | 300 |
| P/B (*) | 2.04x | 1.87x |
| P/E (*) | 14.00x | 14.99x |
| DY | 2.88% | 3.11%** |
| Number of shares | 201,243,086 | 203,527,226 |
| Market capitalisation(**) | 62,989 | 62,076 |

(**) in MAD million

- Attijariwafa bank trades at a favorable P/E ratio compared to Moroccan peers :
  - P/E as of 31st December 2013 of 14.99x versus an average of 19.05x for the sector

(*) The P/E and P/B multiples are calculated based on net income group share and shareholders' equity

P/E = Share price/EPS for the current year; P/B = Share price/Consolidated shareholders' equity per share; DY = Dividend/Share price

(**) Based on a dividend per share of 9.5 DH (proposed by the board of Directors to the General Meeting)