RESULTS

Attijariwafa bank at 31st March 2018

Financial Communication

2018

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Attijariwafa bank
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RESULTS at 31st March 2018

Attijariwafa bank's press release

Attijariwafa bank

Attijariwafa bank's Board of Directors, chaired by Mr Mohamed El Kettani, met on 24 july 2018, in order to approve the financial statements for the 1st quarter 2018.

Net banking income grew by **6.0%** at a constant scope[1] to **MAD 5.6 billion** benefiting from good business performance of all the group's operating divisions.
Consolidated net income and net income group share increased respectively by **5.1%** and **2.1%** at a constant scope[1].

IFRS 9 First Time Adoption[2]

First application of IFRS 9[2] « Financial Instruments » has resulted in changes in methodology of credit risk provisioning especially through the impairment of performing loans based on statistical expected credit losses[3].
This new accounting standard, mandatory as of 1st of January 2018, has been applied retrospectively [4]. It allows, at a stable risk profile, Attijariwafa bank group to strenghten provisions by MAD 4.6 billion[5] with a moderate impact on its capital adequacy ratios as of 31 December 2018 (consolidated CAR[6] : -0.24 point ; Attijariwafa bank (parent company) CAR : no impact).

(1) Constant scope : Q1 2017 scope (mainly exluding Attijariwafa bank Egypt)
(2) International Financial Reporting Standards. Cf. description of the new standards and options choosen by Attijariwafa bank (page 3)
(3) Under previous gaap (IAS 39), credit risk impairment was based on incurred losses
(4) Application of the new standards on the whole credit exposure on a consolidate basis as of 31 December 2017 and recognition of related impacts in the opening shareholders' equity as of 1st January 2018 (FTA)
(5) Impact net of deferred taxes
(6) Phasing in Morrocco of IFRS 9 impacts on regulatory equity for a 5 years period

Board of directors,
Casablanca, 24th July 2018

FINANCIAL STATEMENTS

Consolidated Accounts at 31st March 2018

CONSOLIDATED IFRS BALANCE SHEET at 31st March 2018

(thousand MAD)

ASSETS (under IFRS)	03/31/2018	01/01/2018	12/31/2017
Cash,Central banks, Public treasury, Postal cheque	21 259 669	18 224 849	18 224 849
Financial assets at fair value through profit or loss (FV P&L)	**71 611 951**	**60 765 376**	**65 875 084**
Trading assets	71 411 415	60 571 636	-
Other financial assets at fair value through profit or loss	200 535	193 740	-
Hedging derivatives	-	-	-
Financial assets at fair value through other comprehensive income	**47 515 147**	**46 208 032**	**-**
Debt instruments at fair value through other comprehensive income (recycling)	15 644 975	15 002 669	-
Equity instruments at fair value through other comprehensive income (no recycling)	2 342 090	2 285 141	-
Financial Assets at fair value through other comprehensive income (Insurance)	29 528 082	28 920 222	-
Assets available for sale	**-**	**-**	**41 939 132**
Financial assets at amortised cost	**9 497 960**	**9 401 965**	**8 746 253**
Loans & receivables CI at amortised cost	**21 453 503**	**25 267 604**	**25 304 396**
Loans & receivables Customers at amortised cost	**284 337 427**	**279 682 245**	**285 995 046**
Asset reevaluation difference - PF interest hedged	-	-	-
Financial Placement of insurance activities	-	-	-
Current tax assets	86 940	123 659	123 659
Deferred tax assets	**3 187 752**	**3 012 395**	**636 262**
Adjustment & other asset accounts	9 540 481	8 648 895	8 674 655
Non current assets held for sale	115 802	114 322	114 322
Investments in equity method companies	109 483	106 949	106 949
Investment property	2 244 717	2 247 468	2 247 468
Tangible fixed assets	5 781 261	5 550 721	5 550 721
Intangible assets in progress	**2 526 447**	**2 124 258**	**2 125 180**
Goodwill	10 029 984	9 996 150	9 996 150
Total ASSETS	**489 298 523**	**471 474 889**	**475 660 126**

LIABILITIES (under IFRS)	03/31/2018	01/01/2018	12/31/2017
Central banks, Public treasury, Postal cheque	54 424	97 064	97 064
Financial liability FV PL	**705 715**	**716 739**	**716 739**
Financial assets held-for-trading	705 715	716 739	716 739
Financial assets designated at fair value through profit or loss	-	-	-
Hedging derivatives	-	-	-
Debts - FI	47 663 273	37 651 602	37 651 602
Debts - Customers	319 565 005	316 210 403	316 210 403
Notes & certificates issued	11 043 114	11 120 406	11 120 406
Liability reevaluation difference - PF interest hedged	-	-	-
Current tax liability	347 861	613 644	613 644
Deferred tax liability	2 623 821	2 435 504	2 576 416
Adjustment & other liability accounts	14 902 201	10 714 737	10 728 982
Debt related to non current assets held for sale	-	-	-
Insurance Contractual liabilities	29 713 145	28 634 562	28 634 562
Provisions	2 440 887	2 446 353	1 734 104
Subsidies, allocated funds, special guarantee funds	333 404	129 252	129 252
Subordinated funds	14 809 246	14 645 903	14 645 903
SHAREHOLDERS' EQUITY	**45 096 427**	**46 058 720**	**50 801 049**
Equity and related reserves	10 151 765	10 151 765	10 151 765
Consolidated reserves	**30 984 962**	**33 763 752**	**38 519 169**
Group share	26 042 322	28 639 863	32 727 972
Non-controlling interests	4 942 640	5 123 889	5 791 197
Unrealized or deferred Gains / losses through OCI	**2 295 440**	**2 143 202**	**2 130 115**
Group share	926 329	829 598	818 514
Non-controlling interests	1 369 112	1 313 604	1 311 601
Current net income	**1 664 259**	**-**	**-**
Group share	1 347 010	-	-
Non-controlling interests	317 249	-	-
Total LIABILITIES	**489 298 523**	**471 474 889**	**475 660 126**

CONSOLIDATED INCOME STATEMENT UNDER IFRS at 31st March 2018

(thousand MAD)

	03/31/2018	03/31/2017
Interest and similar income	4 993 250	4 263 249
interest and similar expenses	-1 657 607	-1 305 498
Net Interest Margin	**3 335 643**	**2 957 751**
Fees received	1 415 123	1 286 256
Fees paid	-161 049	-163 422
Net Fee Income	**1 254 074**	**1 122 833**
Net gains or losses on other financial instruments at fair value through profit or loss	**893 670**	**827 593**
Net gains or losses on trading assets/liabilities	893 345	827 593
Net gains or losses on other financial assets/liabilities at fair value through profit or loss	325	-
Net gains or losses on Financial instruments at fair value through other comprehensive income	**60 247**	**65 457**
Net gains or losses on debt instruments at fair value through other comprehensive income (recycling)	60 247	65 457
Net gains or losses on Equity instruments at fair value through other comprehensive income (no recycling), dividends	-	-
Net gains or losses on derecognition of financial assets measured at amortised cost	**-**	**-**
Net gains or losses related to reclassification from amortised cost to financial assets at FV through PL	-	-
Net gains or losses related to reclassification from financial assets at FV through OCI to financial assets at FV through PL	-	-
Income on other activities	1 896 191	1 908 781
Expenses on other activities	-1 816 428	-1 848 450
NET BANKING INCOME	**5 623 397**	**5 033 965**
general operating expenses	-2 283 917	-2 140 322
Amortization & Depreciation expenses - tangible & intagible assets	-278 856	-216 024
GROSS OPERATING INCOME	**3 060 624**	**2 677 620**
Cost of Risk	-607 267	-483 896
Operating income	**2 453 357**	**2 193 724**
Net income from companies accounted for under the equity method	2 958	1 413
Net gains or losses on other assets	45 408	4 884
Changes in value of goodwill	-	-
PRE-TAX INCOME	**2 501 724**	**2 200 020**
Income Tax	-837 465	-729 253
Net income from discounted or held-for-sale operations	-	-
Net income	**1 664 259**	**1 470 768**
Non-controlling interests	-317 249	-258 692
NET INCOME GROUP SHARE	**1 347 010**	**1 212 076**
Basic earnings per share	6.6	6.0
Diluted earnings per share	6.6	6.0

IFRS 9 FINANCIAL INSTRUMENTS

On July 24, 2014, the IASB published the complete version of IFRS 9 "Financial Instruments," which replaced IAS 39. This standard establishes the principles for accounting and financial information concerning financial assets and liabilities. These principles are intended to replace those currently set out in IAS 39 "Financial Instruments" (IFRS 9.1.1).

The project was divided into three phases:

– Phase 1 – Classification and measurement of financial instruments;

– Phase 2 – Impairment of financial assets (initially amortized cost and impairment of financial assets);

– Phase 3 – Hedging. This phase is divided into two parts: hedging of financial items, closed portfolios, and portions of financial and nonfinancial items; and macro-hedging.

Application of the new standard is mandatory for annual periods beginning on or after January 1, 2018.

The first application of IFRS 9 on January 1, 2018, is retroactive. However, as allowed by the transition guidance of IFRS 9, the Group will not restate the comparative figures for prior periods.

As of January 1, 2018, valuation adjustements of financial assets and liabilities, provisions and impairment for credit risk, and unrealized gains and losses recognized directly in profit or loss due to the retrospective application of IFRS 9 at that date will be recognized directly in equity (consolidated reserves, or unrealized gains and losses recognized directly in profit or loss).

Application of IFRS 9 for insurance activities

On September 12, 2016, the IASB published amendments to IFRS 4 "Insurance Contracts" titled "Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts.'" These amendments were applicable for annual periods beginning on or after January 1, 2018.

These amendments allow entities whose primary activity is insurance to defer the application of IFRS 9 until January 1, 2021. This deferral allows the entities concerned to continue to report their financial statements in accordance with the existing IAS 39.

This temporary deferral of application of IFRS 9, limited in the IASB amendments to groups whose majority business is insurance, was expanded by Bank Al-Maghribto insurance entities consolidated by credit institutions reporting their consolidated financial statements in accordance with the PCEC (Moroccan chart of accounts for credit institutions).

AWB has chosen to apply this deferral for insurance entities, including funds falling under this activity, which will apply IAS 39 "Financial Instruments: Recognition and Measurement" until December 31, 2020.

Classification and measurement

IFRS 9 Phase 1 replaces the classification and measurement models for financial assets under IAS 39 with a model comprising only three accounting categories (which are also applicable for financial assets with embedded derivatives):

• amortized cost;

• fair value through other comprehensive income ("FVOCI");

• fair value through profit or loss ("FVPL").

The classification of a financial asset under one of these three categories is determined on the basis of the following key criteria:

• type of the asset held (debt or equity instrument);

• for debt instruments on the basis of both (i) contractual cash flows of the asset (SPPI: solely payment of principal and interest) and (ii) the business model defined by the company. The business models are based on how the company manages its financial assets to generate cash flows and create value.

Debt instruments

The standard distinguishes three business models:

• "hold to collect" model: assets managed to collect contractual cash flows;

• "hold to sell" model: assets managed to sell the financial assets;

• "mixed" model: assets managed to collect contractual cash flows and sell the financial asset.

The allocation of debt instruments to one of these models is made on the basis of how the groups of financial instruments are managed collectively in order to determine the economic objective. The identification of the economic model is not made instrument by instrument, but rather at the portfolio level of financial instruments, particularly through the analysis and observation of:

• the measurement method, monitoring and risk management associated with the financial instruments concerned;

• realized and expected asset sales (size, frequency, type).

On the basis of business models analyzed and the features of financial assets held by the Group, the principal classifications expected as of January 1, 2018, are the following:

- Loans and receivables for credit institutions and customers, and repurchase transactions recognized under "Loans and liabilities" in accordance with IAS 39, are eligible for "Amortized cost" under IFRS 9.
- "Available-for-sale financial assets" in accordance with IAS 39 which are not held by insurance entities are recognized under "fair value through other comprehensive income."
- "Held-to-maturity investments" in accordance with IAS 39 which are not held by insurance entities are recognized under "amortized cost."

Equity instruments

Optionally, investments in equity instruments may be classified as instruments with no recycling of fair value changes to profit or loss. Consequently, when securities are sold, unrealized gains and losses previously recognized through profit or loss will not be recognized in profit or loss. Only dividends will be recognized in profit or loss.

Impairment

IFRS 9 Phase 2 introduces a new model for recognizing impairment of financial assets based on expected credit losses (ECL). This new model is applicable to financial assets measured at amortized cost or at fair value through other comprehensive income; The new model represents a change from the current IAS 39 model on the basis of incurred credit losses.

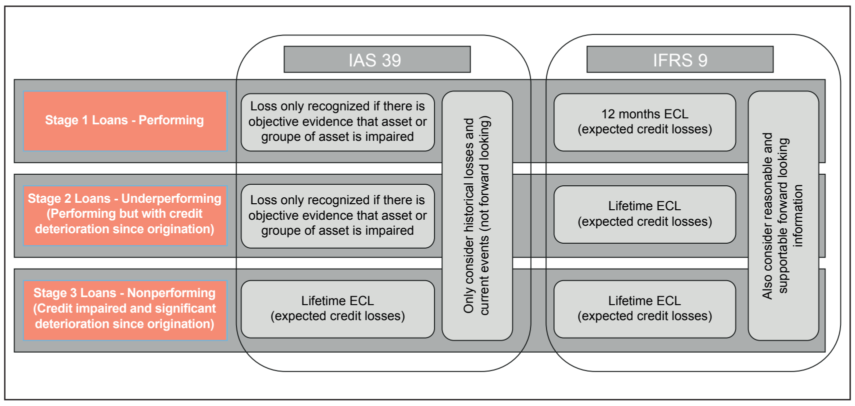
The new standard outlines a "three-stage" model. The allocation of a financial asset to one of these three stage (or "buckets") is made on the basis of whether a significant rise in credit risk has occurred since initial recognition.

• Bucket 1 (Performing loans): no significant increase in credit risk since initial recognition;

• Bucket 2 ("Loans with a significant increase in credit risk"): significant increase in credit risk since initial recognition;

• Bucket 3 (NNon performing loans): incurred credit/default event. The application of IFRS 9 does not change the definition of default currently employed by the Group to assess the existence of objective evidence of impairment of a financial asset.

IAS 39 vs IFRS 9 - Impairment model



The amount of impairment and the basis for application of an effective interest rate depend on the bucket to which the financial asset is allocated.

The amount of expected losses is determined by means of three principal factors: probability of default (PD), loss given default (LGD) and exposure at default (EAD) which take into consideration amortization profiles. Expected losses are calculated as: PD x LGD x EAD.

The new provisions model will result in higher impairment for credit risk because of calculation of credit risk over 12 months for all financial assets, and because of recognition of forward-looking scenarios for the measurement of expected credit losses. In addition, assets that have incurred a significant rise in credit risk will be distinguished from assets with a portfolio provision in accordance with IAS 39.

The accounting principles for restructuring due to financial difficulties remain similar to those of IAS 39.

VARIATION OF OPENING CONSOLIDATED SHAREHOLDERS' EQUITY

(thousand MAD)

	Share capital	Related reserves	Treasury stock	Reserves and consolidated income	Unrealised deferred capital gains or losses by OCI (recycling)	Unrealised deferred capital gains or losses by OCI (no recycling)	Shareholders' equity - Group share	Non controlling interests	TOTAL
Shareholders' equity at 31 December 2017	**2 035 272**	**8 116 493**	**-2 461 129**	**35 189 098**	**818 514**	**-**	**43 698 251**	**7 102 798**	**50 801 049**
Elements Impacting openning balance sheet out of scope of IFRS 9	-	-	-	-82 381	-	-	-82 381	-49 792	-132 173
Restated Shareholders' equity at 31 December 2017	**2 035 272**	**8 116 493**	**-2 461 129**	**35 106 717**	**818 514**	**-**	**43 615 870**	**7 053 006**	**50 668 876**
Reclassification from Available for Sale to Financial assets at fair value through profit or loss	-	-	-	-2 511	2 511	-	-	-	-
Reclassification from Available for Sale to Financial assets at fair value through OCI - recyclable	-	-	-	-	23 833	-23 833	-	-	-
Reclassification from Available for Sale to Financial assets at amortised cost	-	-	-	-	8 573	-	8 573	-	8 573
Expected credit losses (on Financial assets and off balance sheet items)	-	-	-	-4 003 217	-	-	-4 003 217	-615 513	-4 618 730
Opening Shareholders' equity at 1st of january 2018	**2 035 272**	**8 116 493**	**-2 461 129**	**31 100 989**	**853 431**	**-23 833**	**39 621 227**	**6 437 493**	**46 058 720**

CROSSING TABLE OF ACCOUNTING CATEGORIES FROM IAS 39 TO IFRS 9

(thousand MAD)

	12/31/2017	01/01/2018										
		IFRS 9 reclassifications										
			Financial assets at fair value through profit or loss (FV P&L)				Financial assets at fair value through other comprehensive income					
				Other financial assets at fair value through profit or loss								
Financial Assets	IAS 39 Carrying Amount(*)	Cash,Central banks, Public treasury, Postal cheque	Trading Assets	Equity Instruments	Other financial assets at fair value through profit or loss by option	Hedging derivatives	Debt instruments at fair value through other comprehensive income (recycling)	Equity instruments at fair value through other comprehensive income (no recycling)	Debt instruments at fair value through other comprehensive income (Insurance)	Loans & receivables CI	Loans & receivables Customers	Financial assets at amortised cost
Financial Assets												
Cash,Central banks, Public treasury, Postal cheque	18 224 849	18 224 849	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss (FV P&L)	66 512 480	-	58 655 906	9 636	-	-	-	-	7 846 938	-	-	-
Trading assets	48 302 646	-	42 778 702	-	-	-	-	-	5 523 943	-	-	-
Other financial assets at fair value through profit or loss	18 209 834	-	15 877 203	9 636	-	-	-	-	2 322 994	-	-	-
Hedging derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Assets available for sale	41 339 743	-	1 915 730	184 104	-	-	15 246 132	2 285 141	21 073 284	-	-	635 352
Loans & receivables CI	25 304 396	-	-	-	-	-	-	-	-	25 286 890	-	17 506
Loans & receivables Customers	285 777 442	-	-	-	-	-	-	-	-	-	285 774 588	2 854
Asset held to maturity	8 746 253	-	-	-	-	-	-	-	-	-	-	8 746 253
Closing balance according to IAS 39	445 905 162	18 224 849	60 571 636	193 740	-	-	15 246 132	2 285 141	28 920 222	25 286 890	285 774 588	9 401 965
Remeasurements according to IFRS 9	-	-	-	-	-	-	-243 463	-	-	-19 286	-6 092 343	-
Opening balance according to IFRS 9	**445 905 162**	**18 224 849**	**60 571 636**	**193 740**	**-**	**-**	**15 002 669**	**2 285 141**	**28 920 222**	**25 267 604**	**279 682 245**	**9 401 965**

RECONCILIATION BETWEEN CLOSING BALANCE OF IMPAIRMENTS UNDER IAS 39 AND OPENNING BALANCE OF VALUES ADJUSTMENTS FOR LOSSES UNDER IFRS 9

(thousand MAD)

Impairment of Financial Assets	12/31/2017	01/01/2018										
		IFRS 9 reclassifications										
			Financial assets at fair value through profit or loss (FV P&L)			Financial assets at fair value through other comprehensive income			Actifs financiers au coût amorti			
				Other financial assets at fair value through profit or loss								
	IAS 39 Carrying Amount (*)	Cash,Central banks, Public treasury, Postal cheque	Equity Assets	Trading assets	Other financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income (recycling)	Equity instruments at fair value through other comprehensive income (no recycling)	Debt instruments at fair value through other comprehensive income (Insurance) recycling	Loans & receivables CI	Loans & receivables Customers	Financial assets at amortised cost	Total
Financial Assets												
Cash,Central banks, Public treasury, Postal cheque	-	-	-	-	-	-	-	-	-	-	-	-
Assets available for sale	-	-	-	-	-	-	-	-	-	-	-	-
Loans & receivables CI	23 994	-	-	-	-	-	-	-	23 994	-	-	23 994
Loans & receivables Customers	15 590 463	-	-	-	-	-	-	-	-	15 590 463	-	15 590 463
Assets held to maturity	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance according to IAS 39	**15 614 457**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**23 994**	**15 590 463**	**-**	**15 614 457**
Remeasurements according to IFRS 9	-	-	-	-	-	243 463	-	-	19 286	6 092 343	-	6 355 091
Opening balance according to IFRS 9	**-**	**-**	**-**	**-**	**-**	**243 463**	**-**	**-**	**43 280**	**21 682 805**	**-**	**21 969 548**

(thousand MAD)

Financial assets : IFRS 9 Impairment breakdown by buckets	01/01/2018			Total
	Bucket 1	Bucket 2	Bucket 3	
Financial assets at fair value through other comprehensive income	**193 684**	**49 779**	**-**	**243 463**
Loans & receivables CI	-	-	-	**-**
Loans & receivables Customers	-	-	-	-
Debt Securities	193 684	49 779	-	243 463
Financial assets at amortised cost	**2 006 763**	**6 099 111**	**13 620 210**	**21 726 085**
Loans & receivables CI	19 286	-	23 994	43 280
Loans & receivables Customers	1 987 477	6 099 111	13 596 217	21 682 805
Debt Securities	-	-	-	-
Total	**2 200 448**	**6 148 890**	**13 620 210**	**21 969 548**

(thousand MAD)

IAS 39 Impairment of financial assets breakdown(*)	12/31/2017	
	Collective impairment	Individual Impairment
IAS 39 impairment Carrying amount	**2 284 492**	**13 329 965**

(thousand MAD)

Off-balance sheet impairment : IFRS 9 Impairment breakdown by buckets	01/01/2018		
	Bucket 1	Bucket 2	Bucket 3
Total	**417 075**	**296 450**	**106 339**

(thousand MAD)

Off-balance sheet impairment	12/31/2017	Remeasurements according to IFRS 9	01/01/2018
	IAS 39 Impairment amount(*)		IFRS 9 Impairment Amount
Impairment carrying amount	**114 427**	**705 437**	**819 865**

(*) including other restatement not related to IFRS 9 on opening balance sheet

FINANCIAL STATEMENTS at 31st march 2018

BALANCE SHEET at 31st march 2018

(thousand MAD)

ASSETS	03/31/2018	12/31/2017
Cash and balances with central banks, the treasury and post office accounts	**11 817 441**	**9 142 735**
Loans and advances to credit institutions and similar establishments	**31 396 706**	**35 621 804**
. Sight	5 073 504	6 724 299
. Term	26 323 202	28 897 505
Loans and advances to customers	**181 171 874**	**179 237 875**
. Short-term loans and consumer loans	44 110 755	46 406 692
. Equipment loans	67 222 800	62 898 671
. Mortgage loans	60 920 611	59 194 993
. Other loans	8 917 708	10 737 519
Receivables acquired through factoring	**2 161 880**	**1**
Trading securities and available-for-sale securities	**74 304 341**	**59 555 810**
. Treasury bills and similar securities	49 160 477	38 338 338
. Other debt securities	6 990 856	6 092 873
. Fixed income Funds	18 153 008	15 124 599
Other assets	**4 116 623**	**3 782 194**
Investment securities	**6 899 577**	**6 840 219**
. Treasury bills and similar securities	6 899 577	6 840 219
. Other debt securities		
Investments in affiliates and other long-term investments	**19 093 319**	**19 104 819**
Subordinated loans		
Leased and rented assets	**386 217**	**395 093**
Intangible assets	**2 056 751**	**2 087 698**
Property, plant and equipment	**3 589 049**	**3 602 994**
Total Assets	**336 993 778**	**319 371 242**

LIABILITIES	03/31/2018	12/31/2017
Amounts owing to central banks, the treasury and post office accounts	**-**	**-**
Amounts owing to credit institutions and similar establishments	**40 459 603**	**27 432 674**
. Sight	11 147 015	6 578 787
. Term	29 312 588	20 853 887
Customer deposits	**224 710 999**	**225 368 841**
. Current accounts in credit	142 354 723	145 722 889
. Savings accounts	28 235 278	27 988 582
. Term deposits	45 284 570	41 552 032
. Other accounts in credit	8 836 428	10 105 338
Debt securities issued	**5 462 373**	**5 878 938**
. Negociable debt securities	5 462 373	5 878 938
. Bonds		
. Other debt securities issued		
Other liabilities	**11 198 737**	**7 080 313**
General provisions	**3 294 716**	**3 253 154**
Regulated provisions		
Subsidies, public funds and special guarantee funds		
Subordinated debt	**13 445 338**	**13 319 651**
Revaluation reserve	**420**	**420**
Reserves and premiums related to share capital	**30 843 500**	**30 843 500**
Share capital	**2 035 272**	**2 035 272**
Shareholders, unpaid share capital (-)		
Retained earnings (+/-)	**468**	**468**
Net income to be allocated (+/-)	**4 158 011**	
Net income for the financial year (+/-)	**1 384 341**	**4 158 011**
Total liabilities	**336 993 778**	**319 371 242**

INCOME STATEMENT at 31st march 2018

(thousand MAD)

	03/31/2018	03/31/2017
OPERATING INCOME FROM BANKING ACTIVITIES	**4 681 616**	**4 460 914**
Interest and similar income from transactions with credit institutions	251 456	246 059
Interest and similar income from transactions with customers	2 274 585	2 160 209
Interest and similar income from debt securities	67 201	85 223
Income from equity securities	626 396	627 816
Income from lease-financed fixed assets	6 044	6 240
Fee income provided from services	425 823	392 188
Other banking income	1 030 111	943 179
OPERATING EXPENSES ON BANKING ACTIVITIES	**1 529 968**	**1 315 859**
Interest and similar expenses on transactions with credit institutions	179 717	104 760
Interest and similar expenses on transactions with customers	624 124	613 175
Interest and similar expenses on debt securities issued	44 651	54 500
Expenses on lease-financed fixed assets	8 871	6 214
Other banking expenses	672 605	537 210
NET BANKING INCOME	**3 151 648**	**3 145 055**
Non-banking operating income	40 525	7 850
Non-banking operating expenses		
OPERATING EXPENSES	**1 142 958**	**1 091 630**
Staff costs	521 766	495 050
Taxes other than on income	31 782	31 512
External expenses	471 722	461 665
Other general operating expenses	6 005	
Depreciation, amortisation and provisions	111 683	103 403
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	**315 205**	**530 992**
Provisions for non-performing loans and signature loans	228 005	292 911
Losses on irrecoverable loans	20 615	127 091
Other provisions	66 585	110 990
PROVISION WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	**117 602**	**234 477**
Provision write-backs for non-performing loans and signature loans	98 064	218 583
Amounts recovered on impaired loans	7 957	7 169
Other provision write-backs	11 581	8 725
INCOME FROM ORDINARY ACTIVITIES	**1 851 612**	**1 764 760**
Non-recurring income	7 416	98
Non-recurring expenses	1 853	23 278
PRE-TAX INCOME	**1 857 175**	**1 741 580**
Income tax	472 834	431 723
NET INCOME FOR THE FINANCIAL YEAR	**1 384 341**	**1 309 857**

Attijariwafa bank a limited company with a capital of MAD 2,035,272,260. Head office : 2, boulevard Moulay Youssef, Casablanca. Approved as a credit institution by order of the Minister of Finance and Privatization n° 2269-03 of the 22 December 2003 as amended and supplemented. Trade Register n° 333.

التجاري وفا بنك
Attijariwafa bank