

Attijariwafa bank's Board of Directors, chaired by Mr Mohamed El Kettani, met on 17 November 2020, in order to review the activity and approve the financial statements as of 30 September 2020.

Attijariwafa bank releases its results, as of 30th September 2020, in a context marked by the Covid-19 health and economic crisis.

Net banking income grew by **3.3%** to **MAD 18.2 billion** driven particularly by net interest margin (**+7,5%**). Net fee income and income from market activities decreased respectively by **-9.2%** and **-18.5%** impacted by the crisis.

Cost of risk amounted to **MAD 4.6 billion**, up **239%** compared to the same period

of 2019, due to the deterioration of credit risk and the associated **anticipatory and forward-looking provisioning**.

Consolidated net income and net income group share amounted to **MAD 2.5 billion** and **MAD 2.0 billion** respectively, down **52.5%** and **55.2%** as result of the increase of cost of risk, as well as the **exceptional contribution to the Covid-19 special fund in Morocco**.

Board of directors
Casablanca, november 17th, 2020

FINANCIAL STATEMENTS

Consolidated financial statements at 30 september 2020

CONSOLIDATED BALANCE SHEET at 30 September 2020

(thousand MAD)

ASSETS	09/30/2020	12/31/2019
Cash - Central banks -Public treasury- Postal cheque	25 023 014	24 731 843
Financial assets at fair value through profit or loss (FV P&L)	56 783 120	55 788 147
Trading assets	55 088 474	54 323 800
Other financial assets at fair value through profit or loss	1 694 646	1 464 347
Derivatives used for hedging purposes		
Financial assets at fair value through other comprehensive income	58 748 231	51 845 481
Debt instruments at fair value through other comprehensive income (recycling)	19 424 014	13 756 133
Equity instruments at fair value through other comprehensive income (no recycling)	2 093 811	2 183 878
Financial assets at fair value through other comprehensive income (Insurance)	37 230 406	35 905 470
Securities at amortised cost	17 058 380	16 120 400
Loans & receivables to credit institutions at amortised cost	24 032 096	23 394 354
Loans & receivables to customers at amortised cost	327 381 086	323 752 579
Remeasurement adjustment on interest-rate risk hedged portfolios		
Financial investments of insurance activities		
Current tax assets	667 177	141 683
Deferred tax assets	3 878 150	2 935 008
Accrued income and other assets	12 000 918	11 112 167
Non current assets held for sale	73 372	75 125
Equity-method investments	70 939	83 871
Investment property	2 405 057	2 466 111
Property, plant, equipment	6 727 823	7 289 029
Intangible assets	2 971 267	2 952 568
Goodwill	9 926 876	9 913 347
TOTAL ASSETS	547 747 508	532 601 713

LIABILITIES	09/30/2020	12/31/2019
Central banks-Public treasury-Postal cheque	5 453	4 408
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (FV P&L)	2 281 163	688 210
Trading liabilities	2 281 163	688 210
Other financial liabilities at fair value through profit or loss		
Derivatives used for hedging purposes		
Deposits from credit institutions	48 582 166	45 994 702
Deposits from customers	340 954 082	335 576 694
Notes & certificates issued	22 670 701	21 993 710
Remeasurement adjustment on interest-rate risk hedged portfolios		
Current tax liabilities	882 154	1 178 770
Deferred tax liabilities	2 508 133	2 603 572
Accrued expenses and other liabilities	17 025 185	16 613 569
Debts related to non current assets held for sale		
Insurance liabilities	38 167 186	36 482 016
Provisions	2 771 037	2 761 922
Subsidies and allocated funds	169 339	157 270
Subordinated debts and special guarantee funds	16 216 263	14 621 834
Shareholders' equity	55 514 647	53 925 039
Equity and related reserves	12 551 765	12 551 765
Consolidated reserves	38 196 145	31 791 529
Group share	33 980 072	28 210 456
Non-controlling interests	4 216 072	3 581 073
Unrealized or deferred Gains / losses	2 270 625	2 630 652
Group share	945 898	1 049 529
Non-controlling interests	1 324 727	1 581 124
Net income	2 496 112	6 951 093
Group share	1 972 058	5 816 007
Non-controlling interests	524 054	1 135 086
TOTAL LIABILITIES	547 747 508	532 601 713

CONSOLIDATED INCOME STATEMENT at 30 September 2020

(thousand MAD)

	09/30/2020	09/30/2019
Interest income	16 896 935	16 239 393
Interest expenses	-5 063 482	-5 231 496
NET INTEREST MARGIN	11 833 453	11 007 896
Fees income	4 137 432	4 390 644
Fees expenses	-674 395	-576 354
NET FEE MARGIN	3 463 037	3 814 290
Net gains or losses occurred by the hedging of net positions		
Net gains or losses on financial instruments at fair value through profit or loss	1 903 420	2 435 813
Net gains or losses on trading assets	1 903 420	2 435 813
Net gains or losses on other assets at fair value through profit or loss		
Net gains or losses on financial assets at fair value through other comprehensive income	527 328	547 512
Net gains or losses on debt instruments at fair value through other comprehensive income (recycling)	8 841	6 318
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)	134 549	104 736
Remuneration of financial assets measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (insurance)	383 937	436 458
Net gains or losses on derecognised financial assets at amortised cost		
Net gains or losses on reclassified financial assets at fair value through comprehensive income to financial assets through profit or loss		
Income on other activities	6 558 909	6 834 819
Expenses on other activities	-6 123 973	-7 064 716
NET BANKING INCOME	18 162 173	17 575 615
Total operating expenses	-8 223 699	-7 227 489
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-1 241 062	-1 084 239
GROSS OPERATING INCOME	8 697 412	9 263 887
Cost of risk	-4 610 355	-1 359 765
NET OPERATING INCOME	4 087 057	7 904 123
+/- Share of earnings of associates and equity-method entities	-12 738	8 835
Net gains or losses on other assets	-50 862	16 168
Goodwill variation values		
PRE-TAX INCOME	4 023 457	7 929 126
Net income tax	-1 527 345	-2 676 138
Net income from discounted or held-for-sale operations		
NET INCOME	2 496 112	5 252 988
Non-controlling interests	-524 054	-853 439
NET INCOME GROUP SHARE	1 972 058	4 399 549
Earnings per share	9,40	20,96
Diluted earnings per share	9,40	20,96

BALANCE SHEET at 30 September 2020

(thousand MAD)

ASSETS	09/30/2020	12/31/2019	LIABILITIES	09/30/2020	12/31/2019
Cash and balances with central banks, the treasury and post office accounts	7 702 283	10 466 455	Amounts owing to central banks, the treasury and post office accounts		
Loans and advances to credit institutions and similar establishments	37 588 847	33 288 468	Amounts owing to credit institutions and similar establishments	41 629 331	37 492 675
. Sight	8 943 847	5 796 155	. Sight	6 226 603	3 758 643
. Term	28 645 000	27 492 313	. Term	35 402 728	33 734 032
Loans and advances to customers	201 568 858	199 389 610	Customer deposits	231 894 821	233 128 874
. Short-term & consumer loans and participatory financing	55 234 697	56 296 253	. Current accounts in credit	163 551 413	153 596 621
. Equipment loans and participatory financing	64 549 160	64 159 419	. Savings accounts	29 529 082	29 344 406
. Mortgage loans and participatory financing	63 590 854	62 686 215	. Term deposits	29 372 916	37 017 174
. Other loans and participatory financing	18 194 148	16 247 723	. Other accounts in credit	9 441 409	13 170 673
Receivables acquired through factoring	10 811 320	10 985 972	Debts to customers on participatory financing		
Trading securities and available-for-sale securities	70 304 959	67 908 173	Debt securities issued	11 740 342	12 969 319
. Treasury bills and similar securities	49 220 858	43 130 214	. Negotiable debt securities	11 740 342	12 969 319
. Other debt securities	5 751 557	9 402 617	. Bonds		
. Fixed income Funds	15 199 600	15 246 365	. Other debt securities issued		
. Sukuk Certificates	132 943	128 977	Other liabilities	20 605 460	16 876 549
Other assets	7 416 896	3 884 867	General provisions	4 344 953	3 676 934
Investment securities	9 544 216	8 488 531	Regulated provisions	336 000	
. Treasury bills and similar securities	9 544 216	8 488 531	Subsidies, public funds and special guarantee funds		
. Other debt securities			Subordinated debt	14 730 203	13 043 905
. Sukuk Certificates			Investment deposits received		
Investments in affiliates and other long-term investments	19 299 246	19 271 702	Revaluation reserve	420	420
. Investments in affiliates companies	18 251 680	18 252 705	Reserves and premiums related to share capital	34 800 508	34 794 175
. Other and similar investments	1 047 566	1 018 997	Share capital	2 098 597	2 098 597
. Moudaraba and mourabaha securities			Shareholders, unpaid share capital (-)		
Subordinated loans			Retained earnings (+/-)	6 709 974	1 876 196
Investment deposits given			Net income to be allocated (+/-)		
Leased and rented assets	867 743	997 456	Net income for the financial year (+/-)	2 129 184	4 840 111
Fixed assets given in Ijara			Total liabilities	371 019 793	360 797 755
Intangible assets	2 409 153	2 413 121			
Property, plant and equipment	3 506 272	3 703 400			
Total Assets	371 019 793	360 797 755			

INCOME STATEMENT at 30 September 2020

(thousand MAD)

	09/30/2020	09/30/2019
OPERATING INCOME FROM BANKING ACTIVITIES	14 466 293	14 239 203
Interest and similar income from transactions with credit institutions	708 410	773 531
Interest and similar income from transactions with customers	7 581 823	7 419 873
Interest and similar income from debt securities	229 340	217 612
Income from equity securities and Sukuk certificates	1 344 976	1 459 505
Income from Moudaraba and Moucharaka securities		
Income from lease-financed fixed assets	75 596	194 393
Income from fixed assets given in Ijara		
Fee income provided from services	1 324 147	1 413 704
Other banking income	3 202 001	2 760 584
Transfer of expenses on investment deposits received		
OPERATING EXPENSES ON BANKING ACTIVITIES	5 060 766	4 272 494
Interest and similar expenses on transactions with credit institutions	545 038	686 187
Interest and similar expenses on transactions with customers	1 535 851	1 666 878
Interest and similar expenses on debt securities issued	267 952	224 947
Expenses on Moudaraba and Moucharaka securities		
Expenses on lease-financed fixed assets	111 035	75 655
Expenses on fixed assets given in Ijara		
Other banking expenses	2 600 889	1 618 828
Transfer of income on investment deposits received		
NET BANKING INCOME	9 405 527	9 966 708
Non-banking operating income	96 742	36 970
Non-banking operating expenses		
OPERATING EXPENSES	3 636 031	3 701 796
Staff costs	1 661 023	1 720 363
Taxes other than on income	72 679	95 180
External expenses	1 335 702	1 452 859
Other general operating expenses	57 392	49 898
Depreciation, amortisation and provisions	509 235	383 497
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	2 497 991	1 119 947
Provisions for non-performing loans and signature loans	1 701 032	775 175
Losses on irrecoverable loans	49 265	74 947
Other provisions	747 694	269 824
PROVISION WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	448 483	357 433
Provision write-backs for non-performing loans and signature loans	232 840	246 248
Amounts recovered on impaired loans	39 459	29 985
Other provision write-backs	176 184	81 199
INCOME FROM ORDINARY ACTIVITIES	3 816 730	5 539 368
Non-recurring income	3 943	4 618
Non-recurring expenses	606 825	92 282
PRE-TAX INCOME	3 213 849	5 451 705
Income tax	1 084 665	1 572 251
NET INCOME FOR THE FINANCIAL YEAR	2 129 184	3 879 453