PROSPECTUS SUMMARY

ATTIJARIWAFA BANK

ISSUE OF SUBORDINATED BONDS FOR A TOTAL AMOUNT OF MAD 1,500,000,000

	Tranche A (Listed)	Tranche B (Listed)	Tranche C (Not listed)	Tranche D (Not listed)	Tranche E (Listed)	Tranche F (Not listed)
Ceiling	MAD 1,500,000,000	MAD 1,500,000,000	MAD 1,500,000,000	MAD 1,500,000,000	MAD 1,500,000,000	MAD 1,500,000,000
Number of securities	15,000 subordinated bonds	15,000 subordinated bonds	15,000 subordinated bonds	15,000 subordinated bonds	15,000 subordinated bonds	15,000 subordinated bonds
Nominal value	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000
Maturity	7 years	7 years	7 years	7 years	7 years	7 years
Rate	Fixed, the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.97% increased by a risk premium, i.e. between 3.57% and 3.67%	Floating rate revised on an annual basis, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.38%, increased by a risk premium, i.e. between 2.93% and 3.03% for the first year	Fixed, the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.97% increased by a risk premium, i.e. between 3.57% and 3.67%	Floating rate revised on an annual basis, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.38%, increased by a risk premium, i.e. between 2.93% and 3.03% for the first year	Fixed, the reference to the nominal rate is the Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.82% increased by a risk premium, i.e. between 3.32% and 3.42%	Fixed, the reference to the nominal rate is the Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.82% increased by a risk premium, i.e. between 3.32% and 3.42%
Principal repayment	At maturity	At maturity	At maturity	At maturity	Constant linear amortization, with a 2-year grace period	Constant linear amortization, with a 2-year grace period
Risk premium	Between 60 and 70 bps	Between 55 and 65 bps	Between 60 and 70 bps	Between 55 and 65 bps	Between 50 and 60 bps	Between 50 and 60 bps
Repayment guarantee	None	None	None	None	None	None
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)					
Tradability of securities	Tradable in the Casablanca Stock Exchange	Tradable in the Casablanca Stock Exchange	Over-the-counter	Over-the-counter	Tradable in the Casablanca Stock Exchange	Over-the-counter

Subscription period: From June 19th to 21st, 2018, included

Issue reserved to qualified investors under Moroccan Law as defined in this prospectus summary

Advising Agency
Attijari Finances Corp.

Agency in charge of the registration
Attijari Intermédiation

Agency in charge of the placement

APPROVAL OF THE MOROCCAN AUTHORITY OF CAPITAL MARKETS

In accordance with the provisions of the circular of the AMMC, delivered in application of Section 14 of the Decree No. 1-93-212 of September 21st, 1993, as amended and supplemented, the original copy of the present prospectus has been approved by the AMMC on June 7th , 2018 under Reference No VI/EM/010/2018.

AVERTISSEMENT

The Moroccan Authority of Capital Markets (AMMC) approved, on June 7th, 2018 a prospectus summary related to the issue of subordinated bonds by Attijariwafa bank.

The prospectus approved by the AMMC is available at any time, or within 48 hours, at the following addresses:

- **Attijariwafa bank headquarters: 2, boulevard Moulay Youssef - Casablanca. Phone: 05.22.29.88.88;**
- **Attijari Finances Corp.: 163, avenue Hassan II - Casablanca. Phone: 05.22.47.64.35.**

The prospectus is at the disposal of the public at the headquarters of Casablanca Stock Exchange and on its website www.casablanca-bourse.com. It is also available on the AMMC website (www.ammc.ma).

PART I: PRESENTATION OF THE OPERATION

I. Objectives of the operation

Attijariwafa bank continues to carry out its development strategy:

- at the international level, notably through:
  - ✓ the continued strengthening of its presence in the Maghreb and the development of activities in Central and Western Africa;
  - ✓ the launch of the 2nd phase of the Group's African development through the implantation in some high-potential English-speaking countries;
- In the domestic market by developing banking facilities, financing major projects of the Kingdom and retail financing by housing and consumer loans.

The present issue mainly aims at:

- strengthening the current capital requirements; and therefore, enhancing the solvency ratio of Attijariwafa bank;
- funding both local and international development of the bank.

In accordance with Bank Al-Maghrib Circular 14/G/2013 on the calculation of the regulatory capital of credit institutions, funds collected through this operation will be classified as category 2 equity.

II. Structure of the offer

Attijariwafa bank intends to issue 15,000 subordinated bonds with a nominal value of MAD 100,000. The total amount of the operation amounts to MAD 1,500,000,000 divided as follow:

- ✓ tranche “A” with a 7-year maturity and a fixed rate, listed on the Casablanca Stock Exchange, ceiled at MAD 1,500,000,000 and with a MAD 100,000 nominal value (principal repayment at maturity);
- ✓ tranche “B” with a 7-year maturity and an annually revised floating rate, listed on the Casablanca Stock Exchange, ceiled at MAD 1,500,000,000 and with a MAD 100,000 nominal value (principal repayment at maturity);
- ✓ tranche “C” with a 7-year maturity and a fixed rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 1,500,000,000 and with a MAD 100,000 nominal value (principal repayment at maturity);
- ✓ tranche “D” with a 7-year maturity and an annually revised floating rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 1,500,000,000 and with a MAD 100,000 nominal value (principal repayment at maturity);
- ✓ tranche “E” with a 7-year maturity and a fixed rate, listed on the Casablanca Stock Exchange, ceiled at MAD 1,500,000,000 and with a MAD 100,000 nominal value (constant linear amortization, with a 2-year grace period);
- ✓ tranche “F with a 7-year maturity and a fixed rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 1,500,000,000 and with a MAD 100,000 nominal value (constant linear amortization, with a 2-year grace period);

The total amount allotted over the six tranches shall in no case exceed the amount of MAD 1,500,000,000.

The present issue is reserved to qualified investors based under Moroccan law: Collective Investment in Transferable Securities (UCITS), financial companies[1], credit institutions, insurance and reinsurance companies, Deposit and Management Fund (CDG), pension and retirement funds.

The limitation of the subscription to qualified investors based on Moroccan law aims at facilitating the management of subscriptions in the primary market. It remains understood that any investor willing to acquire the bonds will be able to obtain them in the secondary market.

[1] As defined by the article 20 of the Law n° 103-12.

III. Information related to Attijariwafa bank's subordinated bonds

Disclaimer: ***The subordinated bond is distinguished from the classical bond by the rank of loans contractually defined by the subordination clause. The effect of the subordination clause is to condition, in case of liquidation of the issuer, the repayment of the funds borrowed to all secured or unsecured creditors.***

Characteristics of tranche A (Fixed rate, 7-year maturity, with principal repayment at maturity and listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Tranche ceiling	**MAD 1,500,000,000**
Maximum number of securities to be issued	**15,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100,000**
Loan maturity	**7 years**
Subscription period	From June 19th to 21st, 2018 included
Possession date	June 29th, 2018
Maturity date	June 29th, 2025
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)
Nominal interest rate	**Fixed rate** The nominal interest rate is determined in reference to the 7-year Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.97%. A risk premium ranging from 60 to 70 bps will be added, i.e. **between 3.57% and 3.67%**. The rate is determined through linear interpolation using the two points framing the full 7-year maturity (actuarial basis). The selected interest rate will be published in an Official Gazette by Attijariwafa bank, no later than June 29th, 2018.
Risk premium	**Between 60 and 70 basis points**
Interests	Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 29th of each year. Their payment will take place on the same day or the first business day following June 29th, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation. Interests will be calculated as per the following formula: [Nominal x nominal rate].

Listing of securities	The subordinated bonds of tranche A will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the bond compartment of the Casablanca Stock Exchange. Their listing date is planned on June 26th, 2018 on the bond compartment under Ticker OATWR. In order to be listed on the Casablanca Stock Exchange, the aggregate amounts allocated to tranches A, B and E must be higher or equal to an amount of MAD 20,000,000. In case the aggregate of the amounts allocated to tranches A, B and E in the closing of the subscription period is lower than MAD 20,000,000, the subscriptions relating to those tranches will be cancelled.
Procedure of first listing	The listing of tranche A will be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Regulation of the Stock Exchange.
Amortization/ Regular repayment	The subordinated loan bond, stated on the present prospectus, will be subject of a repayment at maturity of the principal amount. In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all other debts.
Early repayment	Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus. However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib. In case of cancellation, the issuer has to inform the stock exchange of the cancelled bonds.
Entity in charge of the registration of the operation in the Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	The subordinated bonds, subject of tranche A, are freely tradable at Casablanca Stock Exchange. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.

Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on June 1st 2018, and pending the occurrence of the General Meeting of bondholders, has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C,D, E and F, which are grouped together in one and same body. In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche B (Annually revised floating rate, 7-year maturity, with principal repayment at maturity and listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Tranche ceiling	**MAD 1,500,000,000**
Maximum number of securities to be issued	**15,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100.000**
Loan maturity	**7 years**
Subscription period	From June 19th to 21st, 2018 included
Possession date	June 29th, 2018
Maturity date	June 29th, 2025
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)
Nominal interest rate	**Floating rate revised on an annual basis.** For the first year, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary market yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.38%. A risk premium ranging from **55** to **65** basis points will be added to this rate, thus resulting in a rate **between 2.93% and 3.03%** for the first year. The selected interest rate will be published in an Official Gazette by Attijariwafa bank, no later than June 29th, 2018. For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary market yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment. A risk premium ranging from **55** to **65** basis points (fixed at the end of the subscription period) will then be added to this rate. The final rate will then be communicated to bondholders and to the Stock Exchange at least 5 trading days before the anniversary date.

Reference rate calculation method	The rate is determined through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis). This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate. The formula is: (((Actuarial rate + 1) ^ (k / exact number of days *)) - 1) x 360 / k; k is the maturity of the actuarial rate immediately greater than 52 weeks * Exact number of days: 365 or 366 days.
Risk premium	**Between 55 and 65 basis points**
Interest rate determination date	The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. June 29th of each year. The new rate will be communicated by the issuer to the Casablanca Stock Exchange at least 5 trading days before the anniversary date. The revised floating rate will be published in the Official Bulletin of Casablanca Stock Exchange.
Interests	Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e. June 29th of each year. Payment of interests will take place on the same day or the first business day following June 29th if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation. Interests will be calculated using the following formula: [Nominal x Nominal rate x Exact number of days/ 360].
Listing of securities	The subordinated bonds, subject of tranche B, will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the bond compartment of Casablanca Stock Exchange. Their listing date is planned on June 26th, 2018 on the bond compartment under Ticker OATWS. In order to be listed on the Casablanca Stock Exchange, the aggregate amounts allocated to tranches A, B and E must be higher or equal to an amount of MAD 20,000,000. In case the aggregate of the amounts allocated to tranches A, B and E in the closing of the subscription period, is lower than MAD 20,000,000, the subscriptions relating to those tranches will be cancelled.
Procedure of first listing	The listing of tranche B will be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Rules of the Stock Exchange.

Amortization/ Regular repayment	The subordinated loan bond subject of the present prospectus will be the subject of a repayment at maturity of the principal amount. In the event of merger, demerger or partial contribution of assets from Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.
Early repayment	Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus. However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib. In case of cancellation, the issuer has to inform the stock exchange of the cancelled bonds.
Entity in charge of the registration of the operation in the Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	The subordinated bonds, subject of tranche B, are freely tradable at Casablanca Stock Exchange. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers’ consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.

Loan rank	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on June 1st, 2018 and pending the occurrence of the General Meeting of bondholders, has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C,D, E and F, which are grouped together in one and same body. In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche C (Fixed rate, 7-year maturity, with principal repayment at maturity and not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds not listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Tranche ceiling	**MAD 1,500,000,000**
Maximum number of securities to be issued	**15,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100.000**
Loan maturity	**7 years**
Subscription period	From June 19th to 21st, 2018 included
Possession date	June 29th, 2018
Maturity date	June 29th, 2025
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)
Nominal interest rate	**Fixed rate** The nominal interest rate is determined in reference to the 7 year Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.97%. A risk premium ranging from 60 to 70 bps will be added, i.e. between **3.57%** and **3.67%.** The rate is determined through linear interpolation using the two points framing the full 7-year maturity (actuarial basis). The selected interest rate will be published in an Official Gazette by Attijariwafa bank, no later than June 29th, 2018.
Risk premium	**Between 60 and 70 basis points**
Interests	Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 29th of each year. Their payment will take place on the same day or the first business day following June 29th, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation. Interests will be calculated as per the following formula: [Nominal x nominal rate].

Amortization/ Regular repayment	The subordinated loan bond, stated on the present prospectus, will be subject of a repayment at maturity of the principal amount. In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all other debts.
Early repayment	Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus. However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.
Tradability of securities	Over-the-counter. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.

Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on June 1st, 2018, and pending the occurrence of the General Meeting of bondholders, has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C,D, E and F, which are grouped together in one and same body. In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche D (Annually revised floating rate, 7-year maturity, with principal repayment at maturity and not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds not listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Tranche ceiling	**MAD 1,500,000,000**
Maximum number of securities to be issued	**15,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100.000**
Loan maturity	**7 years**
Subscription period	From June 19th to 21st, 2018 included
Possession date	June 29th, 2018
Maturity date	June 29th, 2025
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)
Nominal interest rate	**Floating rate re on an annual basis.** For the first year, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary market yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.38%. A risk premium ranging from **55** to **65** basis points will be added to this rate, thus resulting in a rate between **2.93%** and **3.03%** for the first year. The selected interest rate will be published in an Official Gazette by Attijariwafa bank, no later than June **29th**, 2018. For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary market yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment. A risk premium ranging from **55** to **65** basis points (fixed at the end of the subscription period) will then be added to this rate. The final rate will then be communicated to bondholders at least 5 business days before the anniversary date.

Reference rate calculation method	The rate is determined through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis). This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate. The formula is: (((Actuarial rate + 1) ^ (k / exact number of days *)) - 1) x 360 / k; k is the maturity of the actuarial rate immediately greater than 52 weeks * Exact number of days: 365 or 366 days.
Risk premium	**Between 55 and 65 basis points**
Interest rate determination date	The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. June 29th of each year. The new rate will be communicated by the issuer to the bondholders in a legal gazette 5 business days before the anniversary date.
Interests	Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e. June 29th of each year. Payment of interests will take place on the same day or the first business day following June 29th if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation. Interests will be calculated using the following formula: [Nominal x Nominal rate x Exact number of days/ 360].
Amortization/ Regular repayment	The subordinated loan bond subject of the present prospectus will be the subject of a repayment at maturity of the principal amount. In the event of merger, demerger or partial contribution of assets from Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.
Early repayment	Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus. However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.

Tradability of securities	Over-the-counter. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on June 1st, 2018, and pending the occurrence of the General Meeting of bondholders, has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C,D, E and F, which are grouped together in one and same body. In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche E (Fixed rate, 7-year maturity, with constant linear amortization and a 2-year grace period, and listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Tranche ceiling	**MAD 1,500,000,000**
Maximum number of securities to be issued	**15,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100.000**
Loan maturity	**7 years**
Subscription period	From June 19th to 21st, 2018 included
Possession date	June 29th, 2018
Maturity date	June 29th, 2025
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)
Nominal interest rate	**Fixed rate** The nominal interest rate is determined in reference to the Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.97%. A risk premium ranging from 50 to 60 bps will be added, i.e. **between 3.32% and 3.42%**. The selected interest rate will be published in an Official Gazette by Attijariwafa bank, no later than June 29th, 2018.
Risk premium	**Between 50 and 60 basis points**
Interests	Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 29th of each year. Their payment will take place on the same day or the first business day following June 29th, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation. Interests will be calculated as per the following formula: [Outstanding capital x nominal rate].

Listing of securities	The subordinated bonds of tranche E will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the bond compartment of the Casablanca Stock Exchange. Their listing date is planned on June 26th, 2018 on the bond compartment under Ticker OATWT. In order to be listed on the Casablanca Stock Exchange, the aggregate amounts allocated to tranches A, B and E must be higher or equal to an amount of MAD 20,000,000. In case the aggregate of the amounts allocated to tranches A, B and E in the closing of the subscription period is lower than MAD 20,000,000, the subscriptions relating to those tranches will be cancelled.
Procedure of first listing	The listing of tranche E will be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Regulation of the Stock Exchange.
Amortization/ Regular repayment	Repayment of the principal on a constant linear amortization basis, with a 2-year grace period, with a deferral of the first two years. Beyond the second year, the principle repayment of tranche E of the subordinated bond loan, subject of this prospectus summary, will be made annually and in a linear manner (Annual amortization of 20% from the 3rd year) on each anniversary date of the dividend date of the issue or the 1st working day following this date if it is not a working day. In the event of merger, demerger or partial contribution of assets from Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.
Early repayment	Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus. However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib. In case of cancellation, the issuer has to inform the stock exchange of the cancelled bonds.
Entity in charge of the registration of the operation in the Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	The subordinated bonds, subject of tranche F, are freely tradable at Casablanca Stock Exchange. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.

Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on June 1st, 2018, and pending the occurrence of the General Meeting of bondholders, has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C,D, E and F, which are grouped together in one and same body. In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche F (Fixed rate, 7-year maturity, with constant linear amortization and a 2-year grace period, and not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds not listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Tranche ceiling	**MAD 1,500,000,000**
Maximum number of securities to be issued	**15,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100.000**
Loan maturity	**7 years**
Subscription period	From June 19th to 21st, 2018 included
Possession date	June 29th, 2018
Maturity date	June 29th, 2025
Allocation method	French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revised floating rate)
Nominal interest rate	**Fixed rate** The nominal interest rate is determined in reference to the Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on May 31st, 2018, i.e. 2.82%. A risk premium ranging from 50 to 60 bps will be added, i.e. **between 3.32% and 3.42%**. The selected interest rate will be published in an Official Gazette by Attijariwafa bank, no later than June 29th, 2018.
Risk premium	**Between 50 and 60 basis points**
Interests	Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 29th of each year. Their payment will take place on the same day or the first business day following June 29th, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation. Interests will be calculated as per the following formula: [Outstanding capital x nominal rate].

Amortization/ Regular repayment	Repayment of the principal on a constant linear amortization basis, with a 2-year grace period, with a deferral of the first two years. Beyond the second year, the principal repayment of tranche E of the subordinated bond loan, subject of this prospectus summary, will be made annually and in a linear manner (Annual amortization of 20% from the 3rd year) on each anniversary date of the dividend date of the issue or the 1st working day following this date if it is not a working day. In the event of merger, demerger or partial contribution of assets from Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.
Early repayment	Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus. However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.
Tradability of securities	Over-the-counter. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.

Loan rank	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principle of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on June 1st, 2018, and pending the occurrence of the General Meeting of bondholders, has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C,D, E and F, which are grouped together in one and same body. In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

IV. Listing of tranches A and B bonds

Orders	Stages	Deadline
1	Receipt of the complete file by the Casablanca Stock Exchange	June 4th, 2018
2	Approval of the issue by the Casablanca Stock Exchange	June 7th, 2018
3	Receipt by the Casablanca Stock Exchange of the prospectus approved by AMMC	June 7th, 2018
4	Publication of a notice of the introduction of the bonds issued under the tranches listed in the official bulletin of the Casablanca Stock Exchange	June 8th, 2018
5	Publication of an abstract of the prospectus in an Official Gazette	June 11th, 2018
6	Opening of the subscription period	June 19th, 2018
7	Closing of the subscription period	June 21st, 2018
8	Receipt of the operation results and the rates retained per tranche by the Casablanca Stock Exchange before 10:00 am	June 22th, 2018
9	Listing of bonds Publication of the operation results in the official bulletin of the Casablanca Stock Exchange Registration of the transaction in the Stock Exchange	June 26th, 2018
10	Payment / Delivery	June 29th, 2018
11	Publication by the issuer of the operation results in an Official Gazette	June 29th, 2018

PART II: OVERVIEW OF ATTIJARIWAFA BANK

I. General information

Company name	Attijariwafa bank
Headquarters	2, boulevard Moulay Youssef – Casablanca 20 000
Phone / Fax	Phone: 0522.29.88.88 Fax: 0522.29.41.25
Web site	www.attijariwafabank.com
Legal form	Limited Company with Board of Directors
Incorporation date	1911
Company lifetime	May 31st, 2060 (99 years)
Trade Register	Casablanca Trade Register No.333
Financial Year	From January 1st to December 31st
Company objective (article 5 of statutes)	"The purpose of the company is in all countries, to perform all banking, finance, credit, commission operations and generally, under the restrictions stipulated by the applicable legal provisions, any operations directly or indirectly related to this purpose, mainly, the following operations, the list of which is not exhaustive: ▪ Receive from the public deposits on accounts or otherwise whether interest bearing or not, repayable on demand, upon notice or maturity; ▪ Discount all commercial papers, exchange letters, promissory notes, checks, warrants, instruments, vouchers issued by the Public Treasury or Local or semi-public authorities, and generally any commitments resulting from industrial, agricultural, commercial or financial operations or other operations conducted by public administrations, negotiate or rediscount the aforementioned items and provide and accept all orders, exchange letters, promissory notes, or checks, etc.; ▪ Grant all types of loans with or without guarantees, issue advances on Moroccan or foreign annuities, on securities issued by the State, public or semi-public authorities and on securities issued by Moroccan or foreign industrial, agricultural, commercial or financial companies; ▪ Receive deposits of all securities and objects; accept or proceed to the payment and recovery of exchange letters, promissory notes, checks, warrants, interest or dividend coupons, act as intermediary for the purchase or sale of all kinds of public funds, securities, bonds or profit shares; ▪ Accept or at times in conjunction with loans or borrowings, grant mortgages and any other types of guarantee, underwrite any guarantee sureties or endorsements commitments, proceed to all acquisitions, real estate or personal property as well as financial leases or rental of buildings; ▪ Proceed to or participate in the issue, investment, introduction in the market, to the negotiation of any securities of the public or private authorities, submit any borrowings of these authorities, acquire or dispose of any annuities, public sector securities, shares, bonds or securities of all kinds belonging to the said authorities, ensure the creation of corporate entities and consequently accept any offices or powers, and when possible contribute to the capital of the said companies; ▪ Establish in any place inside or outside Morocco, subsidiaries, branches, offices and affiliates required to perform the aforementioned

	operations; ▪ Acquire stakes in already existing businesses or companies in the process of creation, provided adherence to the limits set with regard to shareholders' equity and registered capital or voting rights of the issuing company in accordance with the applicable regulations. And generally all operations that fall under its corporate purpose."
Share capital as of December 31st, 2017	MAD 2,035,272,260 fully paid up, consisting of 203,527,226 shares with a face value of 10 MAD.
Legal documents	The legal documents of the company, including the articles of associations, companies' articles and General Meetings and auditors' reports may be consulted at Attijariwafa bank's Headquarters.
List of the laws applicable on the issuer	Due to its legal form, Attijariwafa bank is governed by Moroccan law and Law No. 17-95, promulgated by Dahir No. 1-96-124 of August 30th, 1996 on public limited Companies as amended and supplemented by law No. 20-05-78-12; Due to its activity, Attijariwafa bank is governed by the Dahir No. 1-14-193 of Rabii I 1st, 1436 promulgating Law No. 103-12 on credit institutions and similar bodies (Banking Act). Due to its listing on the Casablanca Stock Exchange, it is subject to all applicable laws and regulations related to the financial markets, including: ▪ Dahir No. 1-93-211 of September 21st, 1993 on the Stock Exchange as amended and supplemented by laws 34-96, 29-00, 52-01, 45-06 and 43-09 ; ▪ General Rules of the Stock Exchange approved by the Ordinance of the Minister of Economy and Finance No. 1268-08 of July 7th, 2008, modified and supplemented by the Ordinance of the Minister of Economy and Finance No. 1156 -10 of April 7th, 2010, as amended and supplemented by Ordinance of the Minister of Economy and Finance No. 30-14 of 4th Rabii I, 1435 (January 6th, 2014) ▪ Dahir No. 1-93-212 of September 21st, 1993 relating to the information required of legal entities making public offerings as amended and supplemented by Laws No. 23-01, 36-05 and 44-06; ▪ General Rules of AMMC as approved by the Decree of the Minister of Economy and Finance No. 2169-16; ▪ AMMC circular; ▪ Dahir No. 1-95-03 of January 26th, 1995 promulgating the Law No. 35-94 on some tradable debt securities and the Decree of the Ministry of Finance and Foreign Investments No. 2560-95 of October 9th, 1995 on tradable debt securities; ▪ Dahir No. 1-96-246 of January 9th, 1997 promulgating the law No. 35-96 relating to the creation of the Central Depository and the establishment of a general system of registration in accounts of some securities, amended and supplemented by Law No. 43-02; ▪ General rules of the Central Depository approved by the Ordinance of the Minister of Economy and Finance No. 932-98 dated April 16th, 1998 and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30th, 2001; ▪ Dahir No. 1-04-21 of April 21st, 2004 promulgating the Law No. 26-03 relating to public offerings on the stock market and amended by the Law 46-06;

	▪ Bank Al Maghrib circular No. 2/G/96 of January 30th, 1996 related to the deposit certificates and its amendment.
Tax system	As a credit institution, Attijariwafa bank is subject to the corporate tax (37%) and the VAT (10%).
Competent court in the event of dispute	Trade Court of Casablanca

II. Information on the issuer's share capital[2]

As of December 31st, 2017, the capital of Attijariwafa bank amounted to MAD 2,035,272,260, divided into 203,527,226 shares with a nominal value of MAD 10 each. The capital allocation is presented as follows:

Shareholders	Address	Number of held securities	% of capital	% of voting rights
1- National shareholders		**156 752 855**	**77,02%**	**77,02%**
1-1- Al Mada	Angle rue d'Alger et Duhaume - Casablanca	**97 433 137**	**47,87%**	**47,87%**
1-2- Insurance companies		**33 059 222**	**16,24%**	**16,24%**
Groupe MAMDA & MCMA	16 rue Abou Inane - Rabat	15 597 202	7,66%	7,66%
RMA-Watanya	83 avenue des FAR - Casablanca	2 683 942	1,32%	1,32%
Wafa Assurance	1 rue Abdelmoumen - Casablanca	13 226 583	6,50%	6,50%
Axa Assurances Maroc	120 avenue hassan II - Casablanca	1 551 495	0,76%	0,76%
1-3- Other institutions		**26 260 496**	**12,90%**	**12,90%**
Caisse de Dépôt et de Gestion (CDG)	140 Place My El Hassan - Rabat	3 576 531	1,76%	1,76%
Caisse Marocaine de Retraite	2 avenue des Alaouites - Rabat	4 405 769	2,16%	2,16%
CIMR	100 Bd Abdelmoumen - Casablanca	7 860 780	3,86%	3,86%
RCAR	Hay Riad - BP 2038 - Rabat	10 417 416	5,12%	5,12%
2- Foreign shareholders		**10 715 614**	**5,26%**	**5,26%**
Santusa Holding	Paseo de la Castellana n°24 - Madrid (Espagne)	10 715 614	5,26%	5,26%
3- Float		**36 058 757**	**17,72%**	**17,72%**
UCITS and others	NA*	34 596 197	17,00%	17,00%
Bank staff	NA*	1 462 560	0,72%	0,72%
Total		**203 527 226**	**100,00%**	**100,00%**

Source: Attijariwafa bank - * Not applicable

[2] Al Mada became the reference shareholder of Attijariwafa bank with up to 47.87%, following essentially the absorption of ONA by Al Mada on December 31st, 2010.

III. ATTIJARIWAFA BANK BOARD OF DIRECTORS

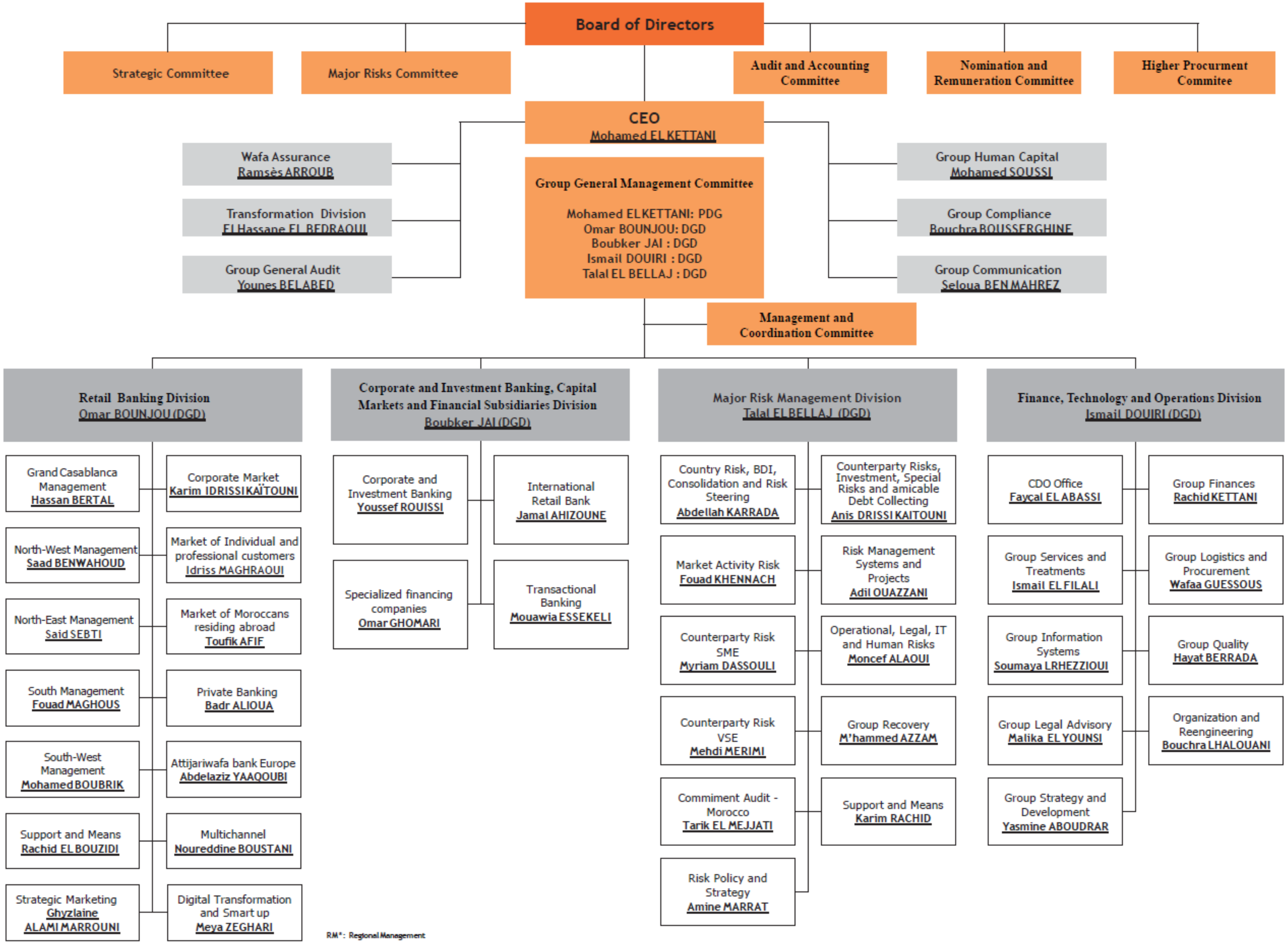
As of April 30th, 2018, Attijariwafa bank is managed by a Board of Directors of 9 members, chaired by Mr. Mohamed El Kettani.

Director	Appointment Date*	Expiry of office term
Mr. Mohamed El Kettani Chairman of the Board of Directors	2014	OGM called to approve the 2019 financial year
SIGER Represented by Mr. Mounir El Majidi Chief Executive Officer	2015	OGM called to approve the 2020 financial year
Al Mada Represented by Mr. Hassan Ouriagli Chief Executive Officer	2011	OGM called to approve the 2022 financial year
Mr. Abdelmjid Tazlaoui Director	2015	OGM called to approve the 2022 financial year
Mr. Aymane Taud Director	2016	OGM called to approve the 2021 financial year
Mr. José Reig Director, Deputy Managing Director of Santusa Holding	2012	OGM called to approve the 2023 financial year
Mr. Abed Yacoubi Soussane Director, President of MAMDA-MCMA	2011	OGM called to approve the 2022 financial year
Mr. Aldo Olcese Santonja Administrateur indépendant	2014	OGM called to approve the 2019 financial year
Santander Represented by Mr. Jose Manuel Varela Deputy Managing Director	2014	OGM called to approve the 2019 financial year
Mrs. Wafaa Guessous Board Secretary	2000	-

Source: Attijariwafa bank - * Appointment or renewal of mandate

IV. ATTIJARIWAFA BANK ADMINISTRATIVE CHART

The administrative chart of Attijariwafa bank Group, as of May 31th, 2018, is as follows:



Source: Attijariwafa bank

V. ACTIVITY OF ATTIJARIWAFA BANK

V.1. Evolution of credits

Attijariwafa bank’s outstanding customer loans by type of loans have evolved as follows:

	2015	2016	2017	Var. 16/15	Var. 17/16
Loans owed to credit and similar institutions (C1)	**35 049**	**40 716**	**35 622**	**16,2%**	**-12,5%**
Current	11 025	10 211	6 724	-7,4%	-34,1%
Long term	24 025	30 505	28 898	27,0%	-5,3%
Customer loans (C2)	**164 250**	**174 927**	**179 238**	**6,5%**	**2,5%**
Cash and consumer loans	49 066	49 639	45 876	1,2%	-7,6%
Equipment loans	54 607	56 336	61 961	3,2%	10,0%
Mortgage loans	54 570	56 253	59 193	3,1%	5,2%
Other loans	1 652	7 971	7 693	>100,0%	-3,5%
Factoring loans	-	-	-	Ns	Ns
Net non-performing loans	3 051	3 323	3 040	8,9%	-8,5%
Accrued interests receivable	1 304	1 407	1 475	7,8%	4,9%
Total loans (C1) + (C2)	**199 300**	**215 642**	**214 860**	**8,2%**	**-0,4%**

MAD million - Source: Attijariwafa bank – Aggregate accounts

Over the financial year 2017, Attijariwafa bank’s outstanding loans decreased by 0.4% compared to 2016, reaching almost MAD 214.9 billion. This decrease is mainly explained by the improvement of outstanding customers loans by 2.5% (MAD + 4.3 billion) at over MAD 179.2 billion at the end of 2017, which offsets a decrease in loans from credit institutions and similar companies by a 12.5% (MAD -5.1 billion) at over MAD 35.6 billion at end 2017. This situation is due to a decline of 34.1% (MAD -3.5 billion) of outstanding sight receivables and a decline in the outstanding amount of term loans of 5.3% (MAD -1.6 billion) in 2017.

In 2016, Attijariwafa bank's outstanding loans totaled MAD 215.6 billion, increasing by 8.2% (+16.3 billion MAD) compared to the end of 2015. This increase is mainly the result of an improvement of the outstanding customer debt by 6.5% (MAD +10.7 Billion) at around MAD 174.9 billion at the end of 2016, which offsets an increase in loans from credit institutions and similar companies by 16.2% (MAD 40.7 billion). This was due to an increase of 27.0% (+6.5 billion MAD) in outstanding receivables, which was offset by a 7.4% decline in outstanding demand receivables (MAD -814 million) over the same period.

V.2. Evolution of deposits

The outstanding customer deposits by type of product have evolved over the considered period as follows:

	2015	2016	2017	Var. 16/15	Var. 17/16
Debts owed to credit institutions (D1)	**29 870**	**21 792**	**27 433**	**-27,0%**	**25,9%**
Current	12 281	6 749	6 578	-45,0%	-2,5%
Long term	17 589	15 044	20 855	-14,5%	38,6%
Customer debts (D2)	**200 959**	**208 834**	**225 369**	**3,9%**	**7,9%**
Creditors' current accounts	122 338	129 556	141 414	5,9%	9,2%
Saving accounts	25 875	26 911	27 861	4,0%	3,5%
Time deposits	43 521	38 366	39 040	-11,8%	1,8%
Other creditors' accounts	8 303	13 248	16 370	59,6%	23,6%
Accrued interests payable	922	753	683	-18,4%	-9,3%
Total debts (D1+D2)	**230 829**	**230 626**	**252 802**	**-0,1%**	**9,6%**

MAD million- Source: Attijariwafa bank – Aggregate accounts

In 2017, customer deposits reached nearly MAD 225.4 billion, up to 7.9% (MAD +16.5 billion) compared to the end of 2016, mainly due to the increase of 9.2% (MAD 11.9 billion) of sight payable accounts at nearly MAD141.4 billion, the increase of 3.5% (MAD +950.0 billion) of savings accounts to reach more than MAD 27.9 billion and the improvement of term deposits by 1.8% (MAD +674 billion) to settle at more than MAD 39.0 billion at the end of 2017. Moreover, the outstanding debts to credit institutions recorded an increase of 25.9% (MAD +5.6 billion), to reach MAD 27.4 billion at the end of 2017. This situation is explained by a 38.6% increase (MAD +5.8 billion) in term deposits and a slight decrease of 2.5% of sight deposits (MAD -171 million) which reach MAD 6.6 billion at the end of 2017.

At the end of 2016, customer deposits nearly reached MAD 208.8 billion, a 3.9% increase (MAD +7.9 billion) compared to the end of 2015. The outstanding amount of debts owed to credit institutions declined by 27.0% (MAD -8.1 billion), reaching MAD 21.8 billion at the end of 2016. This decline is due to the decline in demand deposits of 45.0% (MAD -5.5 billion) and to the 14.5% decline in term deposits (MAD -2.5 billion).

VI. FINANCIAL STATEMENTS OF ATTIJARIWAFA BANK AGGREGATE ACCOUNTS

VI.1. 2015 - 2017 Balance Sheet

ASSETS	2015	2016	2017
Cash values, Central banks, Public Treasury, services of postal checks	**5 576**	**7 303**	**9 143**
Loans due on credit and similar institutions	**35 049**	**40 716**	**35 622**
Current	11 025	10 211	6 724
On the long term	24 025	30 505	28 898
Customer debts	**164 250**	**174 927**	**179 238**
Customer debts	49 066	50 168	46 407
Cash and consumer loans	54 607	57 207	62 899
Equipment loans	54 570	56 255	59 195
Mortgage loans	1 652	11 297	10 738
Factoring loans	**0**	**0**	**0**
Transaction and investment securities	**53 429**	**46 121**	**59 556**
Treasury bills and similar securities	37 038	25 252	38 338
Other loan securities	1 294	2 204	6 093
Equities	15 097	18 665	15 125
Other assets	**3 786**	**5 454**	**3 782**
Investment securities	**6 089**	**5 969**	**6 840**
Treasury bills and similar securities	6 089	5 969	6 840
Other loan securities	0	0	0
Equity securities and similar uses	**13 762**	**13 645**	**19 105**
Subordinated debts	**0**	**0**	**0**
Assets under lease and tenancy	**1 262**	**239**	**395**
Intangible assets	**1 898**	**1 812**	**2 088**
Tangible assets	**3 019**	**3 341**	**3 603**
TOTAL ASSETS	**288 121**	**299 527**	**319 371**

MAD million - Source: Attijariwafa bank – Aggregate accounts

LIABILITIES	2015	2016	2017
Central banks, Public Treasury, services of postal checks	**0**	**0**	**0**
Debts owed to credit and similar institutions	**29 870**	**21 792**	**27 433**
Current	12 281	6 749	6 579
On the long term	17 589	15 044	20 854
Customer's deposits	**200 959**	**208 834**	**225 369**
Creditors' current accounts	122 357	130 692	145 723
Savings accounts	26 010	27 021	27 989
Time deposits	44 290	40 329	41 552
Other creditors' accounts	8 303	10 791	10 105
Issued loan securities	**7 049**	**7 592**	**5 879**
Issued tradable loan securities	7 049	7 592	5 879
Issued debenture loans	0	0	0
Other issued debt securities	0	0	0
Other liabilities	**6 097**	**10 053**	**7 080**
Reserves for risks and costs	**2 762**	**3 165**	**3 253**
Regulated reserves	**0**	**0**	**0**
Subsidies, restricted public funds and special funds of guarantee	**0**	**0**	**0**
Subordinated debts	**10 761**	**12 770**	**13 320**
Revaluation differences	**0**	**0**	**0**
Reserves and capital related premiums	**24 916**	**26 350**	**30 844**
Capital	**2 035**	**2 035**	**2 035**
Shareholders, unpaid capital (-)	**0**	**0**	**0**
Opening balance (+/-)	**6**	**0**	**0**
Net income pending allocation (+/-)	**0**	**0**	**0**
Net income of the FY (+/-)	**3 665**	**6 935**	**4 158**
TOTAL OF LIABILITIES	**288 121**	**299 527**	**319 371**

MAD million - Source: Attijariwafa bank – Aggregate accounts

VI.2. 2015 – 2017 Income Statement

INCOME STATEMENT	2015	2016	2017
I. BANK OPERATING INCOME			
Interests and similar revenues on transactions with credit loans	1 093	966	1 030
Interests and similar revenues on transactions with customers	9 201	8 941	8 926
Similar interests and revenues on issued loan securities	482	347	305
Revenues on equities	1 419	4 588	1 513
Revenues on assets lease and tenancy	394	301	24
Commissions on service provision	1 356	1 494	1 635
Other banking revenues	4 903	5 003	4 288
TOTAL I	**18 849**	**21 640**	**17 721**
II. BANK OPERATING COSTS	0	0	0
Interests and similar costs on transactions with credit loans	800	437	592
Interests and costs on transactions with customers	2 937	2 718	2 451
Interests and similar costs on issued loan securities	283	246	207
Costs on assets in lease and in tenancy	359	242	31
Other banking costs	3 630	3 761	2 937
TOTAL II	**8 009**	**7 404**	**6 218**
III. NET BANKING INCOME	**10 841**	**14 236**	**11 503**
Non-banking operating income	162	105	52
Non-banking operating costs	0	0	3
IV. GENERAL OPERATING COSTS	**0**	**0**	**0**
Staff costs	1 854	1 929	2 068
Taxes and duties	119	120	123
External costs	1 724	1 805	1 886
Other general operating costs	21	16	19
Allocation to depreciation and provisions of tangible and intangible assets	403	416	412
TOTAL IV	**4 122**	**4 286**	**4 508**
V. ALLOCATION TO PROVISIONS AND LOSSES ON BAD DEBTS	**0**	**0**	**0**
Provision write-off for debts and pending commitments by signature	1 724	1 529	1 338
Reversals of depreciated loans	563	351	970
Other provisions write-off	487	530	489
TOTAL V	**2 774**	**2 410**	**2 798**
VI. PROVISION WRITE-OFF AND REVERSAL OF DEPRECIATED LOANS	0	0	0
Provision reversal for debts and pending commitments by signature	791	808	1 310
Recovery of on receivables	69	44	63
Other provision reversal	240	202	673
TOTAL VI	**1 101**	**1 054**	**2 046**
VII. CURRENT PROFITS	**5 208**	**8 699**	**6 292**
Non-current income	5	12	0
Non-current costs	95	191	531
VIII. PRE-TAX PROFIT	**5 118**	**8 519**	**5 762**
Profit tax	1 453	1 584	1 604
IX. NET PROFIT OF THE FINANCIAL YEAR	**3 665**	**6 935**	**4 158**

MAD million - Source: Attijariwafa bank – Aggregate accounts

VII. Attijariwafa Bank summary of consolidated accounts under IFRS rules

VII.1. Consolidated balance sheet 2015 – 2017

	2015	2016	2017
ASSETS	**411 079**	**428 766**	**475 660**
Cash values, Central banks, Public Treasury, services of postal checks	12 580	14 141	18 225
Financial assets at fair value through result	58 298	50 455	65 875
Hedging derivative instruments	-	-	-
Financial assets held for sale	33 000	35 701	39 267
Loans and receivables to credit and similar institutions	21 180	22 626	25 304
Customer loans and receivables	252 919	271 627	285 995
Fair value revaluation of portfolio hedge	-	-	-
Investments held till their maturity date	7 916	8 016	8 746
Current tax assets	396	39	124
Deferred tax assets	516	540	636
Accruals and other assets	7 974	7 585	8 675
Non-current assets held for sale	894	2 067	2 672
Participation of insured persons in deferred profits	99	88	114
Investments in equity-consolidated companies	103	95	107
Investment properties	1 876	2 020	2 247
Intangible assets	4 953	5 429	5 551
Tangible assets	1 708	1 684	2 125
Purchase goodwill	6 667	6 655	9 996
LIABILITIES	**411 079**	**428 766**	**475 660**
Central banks, Public Treasury, services of postal checks	165	161	97
Financial liabilities at fair value through profit or loss	1 090	1 034	717
Hedging derivatives	-	-	-
Loans and receivables to credit and similar institutions	32 511	28 282	37 652
Customer debts	274 515	286 265	316 210
Debt securities issued	13 744	11 243	11 120
Fair value revaluation of portfolio hedge	-	-	-
Current tax liabilities	297	709	614
Deferred tax liabilities	1 782	2 341	2 576
Accruals and other liabilities	8 848	9 881	10 729
Debts related to non-current assets held for sale	-	-	-
Technical provisions of insurance agreements	23 874	25 961	28 635
Provisions for risks and costs	1 513	1 771	1 734
Subsidies, restricted public funds and special funds of guarantee	154	141	129
Subordinated debts	11 356	13 565	14 646
Capital and associated reserves	10 152	10 152	10 152
Consolidated reserves	24 906	30 861	33 247
Group share	*21 421*	*25 060*	*27 337*
Minority shareholding	*3 485*	*5 802*	*5 910*
Latent or deferred gains or losses, group share	871	745	819
Net profit of financial year	5 300	5 653	6 584
Group share	*4 502*	*4 757*	*5 391*
Minority shareholding	*798*	*896*	*1 193*

In MAD million - Source: Attijariwafa bank – Consolidated accounts

VII.2. 2015 – 2017 consolidated income statement under IFRS

	2015	2016	2017
Interests and similar income	17 336	17 117	18 819
Interests and similar costs	5 935	5 504	5 911
Interest margin	**11 401**	**11 613**	**12 908**
Commissions receivables	4 566	4 992	5 405
Commissions payments	526	574	618
Commissions margin	**4 040**	**4 418**	**4 787**
Net gains and losses on financial instruments at the fair value through result	2 945	3 063	3 330
Net gains or losses on financial assets held for sale	184	347	576
Result of trading activities	**3 128**	**3 410**	**3 906**
Income from other activities	6 483	7 175	7 926
Costs of other activities	6 055	6 943	7 882
Net banking income	**18 997**	**19 673**	**21 645**
General operating costs	7 960	8 247	9 044
Allocation to amortizations and depreciations of tangible and intangible assets	851	896	937
Gross operational result	**10 186**	**10 530**	**11 664**
Risk cost	-2 217	-2 001	-2 168
Operating result	**7 969**	**8 529**	**9 496**
Share of the result of equity-consolidated companies	12	4	16
Net gains or losses on other assets	123	55	23
Change of goodwill purchase values	0	0	0
Pre-tax result	**8 104**	**8 587**	**9 536**
Benefit tax	2 804	2 934	2 952
Net result	**5 300**	**5 653**	**6 584**
External result	798	896	1 193
Group net share result	**4 502**	**4 757**	**5 391**

In MAD million - Source: Attijariwafa bank – Consolidated accounts

PART III: RISK FACTORS

The management of Attijariwafa bank risks is centralized at the Global Risk Division (GGR) level, which is responsible for the supervision, control and measurement of the risks facing the Group except for operational risks.

The independence of this structure regarding the other divisions ensures optimal objectivity to the risk taking proposals submitted to the credit committee and to their control.

I. EXCHANGE AND RATE RISK

In 2005, Attijariwafa bank decided to set up a specific control system for market risks in the framework of the global Internal Control System in accordance with the provisions of the circular No. 6/G/2001 of Bank Al-Maghrib.

This system focuses on three action levels:

- First level internal control provided by Front Office operators required to comply with the regulatory provisions and the policy defined by the bank with regard to follow-up and management of risks;
- Follow-up of risks by the Middle Office on a daily basis ensuring adherence to the limits on exchange rate and counterpart risks. It informs on a regular basis the top management and the other control entities through a reporting system. In addition, the “Surveillance and monitoring of market risks” entity is in charge of detecting, analyzing and following the various bank positions regarding exchange rates and currencies to rationalize the said positions by formalized authorizations and to be notified of any deviation from these positions. This follow-up is carried out by the following means:
  - ✓ Monthly follow-up of exposure to exchange rate risk enables retrospective calculation of the Value at Risk (VaR) which measures the maximum potential risk related to exposure to exchange rate risk of the institution;
  - ✓ A monthly report presenting a summary of exposure to exchange rate risk of the bank in comparison to the fixed limits.
- The control entities carry out critical and independent analyses on the quality of the system either in the framework of audit missions or when called for upon request of the General Management.

The VaR[3] model was developed by the global risk management of Attijariwafa bank. It covers the Dirham rate risk as well as over-the-counter and longer-term exchange risk. The choice of the Risk-Metrics method developed by JP Morgan to provide a measurement of VaR offers several advantages: it is easy to implement, take account of the correlations existing between the price of assets and take into account recent and historical price fluctuations. Therefore, the RiskMetrics method is based on variance-covariance matrix of the performances of the portfolio assets and their composition in the portfolio.

The Global risk management provides, on a monthly basis, a detailed report indicating the calculation and the change of the VaR and the control of the regulatory and internal limits. This model makes it possible to proceed to back-testing which is a technique that enables the testing of the validity of the VaR calculation model. It consists of taking as a base, the historical VaR of operations and subsequently determining whether the VaR actually determined the potential incurred loss by comparing it to the theoretical P&L.

Moreover, the bank has established a system of internal limits to measure and control market risks. These limits concern the trading book, exchange position, raw materials and exchange options.

[3] The Value at Risk represents the potential maximum loss on the value of an asset or portfolio of assets and the financial liabilities given the duration of holding and confidence interval.

I.1. Rate risk

Rate risk corresponds to the risk of changes in positions value or to the risk of changes in future cash flows of a financial instrument as a result of changes in market interest rates.

The table below shows the positions of the Trading portfolio at end-December 2017 as well as the 1-day and 10-day VaR of foreign exchange, property and bond securities & UCITS activities:

Activities	Position	1 day VaR	10 days VaR
Exchange	391 085	756	2 390
Equities	56 903	2 034	6 431
Bonds & UCITS	55 130 563	42 885	135 614

In MAD thousand – Source: Attijariwafa bank

I.2. Exchange risk

All banks face an exchange rate risk due to the various activities of the bank (shareholdings, subsidiaries abroad, currency credits, currency securities, currency loans, swap, exchange options, forward exchange, etc.). The banking institution may detect future exchange rates which are in its favor and therefore register a decrease of its margin estimate. Attijariwafa bank exchange rate risk as of December 31st, 2017, can be analyzed according to the following table:

Currencies	Position in currencies	Exchange rate	Counter-value (MAD thousand)	% Capital
EUR	15 796.81	11.19	176 741.00	0.59%
USD	26 970.25	9.33	251 565.00	0.83%
GBP	258.71	12.61	3 261.00	0.01%
CAD	244.86	7.43	1 819.00	0.01%
CHF	135.25	9.55	1 291.00	0.00%
JPY	-1 590 012.08	0.08	-131 653.00	-0.44%
DKK	4 215.82	1.50	6 333.00	0.02%
NOK	12 098.70	1.14	13 778.00	0.05%
SEK	-1 005.44	1.14	-1 145.00	0.00%
SAR	1 277.39	2.49	3 177.00	0.01%
AED	2 720.26	2.54	6 907.00	0.02%
KWD	0.58	30.92	18.00	0.00%
TND	-1 118.39	3.80	-4 250.00	-0.01%
DZD	43 501.85	0.08	3 528.00	0.01%
LYD	6.87	7.42	51.00	0.00%

In thousands – Source: Attijariwafa bank

As at end-December 2017, the exchange position amounts to about MAD 22.989 billion broken down as follows:

	< 3 months	3 months - 6 months	> 6 months
Cover (in thousands)	**13 653 265**	**2 343 880**	**6 991 936**

Source: Attijariwafa bank

I.3. Asset/liability management

The structural nature of ALM risks relate to the risks of future losses in the economic value or decrease in interest margins, given the rates' mismatches and maturities between the bank's assets and liabilities.

ALM provides risk and profitability monitoring indicators expected across the different balance sheet products and declines management rules likely to limit the bank's balance sheet risk exposure and optimum management of its positions.

Attijariwafa bank asset and liability management has a set of ALM models and conventions based on the reality of the bank's outstanding in view of market and economic factors that influence the behavior of the bank's balance sheet lines.

These Financial assumptions are dynamic and are reviewed regularly at least once a year to truly reflect the changing bank's assets and resources. Indeed, the measurement of liquidity risks, interest rate and exchange rate requires effective management of intrinsic characteristics of the contracts, namely the maturity, interest rate nature (fixed / adjustable / variable), and the currency denomination of each balance sheet item should be identified.

Moreover, beyond the contractual characteristics of the balance sheet positions and hidden options (possibilities of prepayments for example) and customer behavior (especially in terms of holding period of deposit accounts) have been modeled.

The adopted approach is based on the production as well as the static and dynamic projection of balance sheet items in time until extinction of the outstanding stock and production following the new budget and the bank's strategic plan.

II. Liquidity risk

The transformation activity particular to banking institutions, necessarily implies a risk of liquidity. The maturities of assets and resources, all different from each other, create gaps, in the balance sheet, between the volume of assets and liabilities which are the origin of the liquidity risk.

In the case of structure changes, the bank might be unable to obtain liquidities under normal conditions of volume and rate. In such case, future refund needs may result in reducing the estimated margins.

The regulatory liquidity ratio is presented as the ratio between, the assets available and achievable in the short term and received signature commitments on the one hand, and the short-term sight commitments given by signature on the other hand.

The regulatory liquidity ratio is as follows:

Date	Liquidity ratio in Morocco	Evolution
31-March-06	92.80%	
30-June-06	87.20%	-5.60 pts
31-Dec-06	96.40%	+9.20 pts
31- March-07	77.60%	-18.80 pts
30- June-07	131.40%	+53.80 pts
31- Dec-07	107.90%	-23.50 pts
30- June-08	101.60%	-6.30 pts
31- Dec-08	100.60%	-1.00 pt
31- March-09	121.01%	+20.41 pts
30- June-09	100.90%	-20.11 pts
31- Dec-09	107.98%	+7.08 pts
31- March-10	94.73%	-13.25 pts
30- June-10	91.48%	-3.25 pts
31- Dec-10	94.16%	+2.68 pts
31- March-11	87.02%	-7.14 pts
30- June-11	95.04%	+8.02 pts
31- Dec-11	95.40%	0.36 pt
30- June-12	80.56%	-14.84 pts
31- Dec-12	81.63%	1.07 pt
31- Dec-13	70.18%	-11.45 pts

Source: Attijariwafa bank

To ensure the convergence of the Moroccan prudential framework with international standards, the central bank has implemented a major reform of Basel III on the short term liquidity ratio (Liquidity Coverage Ratio-LCR), seeking to replace the liquidity ratio.

The ratio "LCR" reporting the high quality liquid assets to net cash outflows over a period of 30 days is meant to strengthen the banks' liquidity profile and promote their resilience to a potential liquidity shock.

Thus, starting from July 2015, banks are required to maintain a minimum liquidity ratio of 60%, which should gradually increase by 10 points per year to reach 100% in 2019.

The short-term liquidity ratio is presented as follows:

Date	Short-term liquidity ratio	Evolution
31- Dec-14	120,00%	+38,9 pts
30- June-15	114,10%	-6,0 pts
31- Dec-15	155,00%	+35,0 pts
30- June-16	131,40%	+17,3 pts
31- Dec-16	142,00%	-13,0 pts
30- June-17	120,00%	-11,4 pts
31- Dec-17	147,00%	+5,0 pts

Source: Attijariwafa bank

III. COUNTERPARTY RISK MANAGEMENT

In the context of important changes occurring in Morocco, i.e. economic liberalization, opening of borders, customs dismantlement and the entry into force of several free trade agreements, the counterpart risk of the banking sector could deteriorate and therefore induce a rise in the global litigation ratio. This trend may be affected by an unfavourable economic situation.

To manage the counterpart risk, the major task of the « Credit risk » entity within the GGR is to analyze and handle risk taking requests resulting from the group sale forces. In addition, it has the prerogative of assessing the consistency and validity of guarantees, estimating the volume of activity of the customer and economic adequacy of the requested financing. Each Business Unit is provided with a commitment structure and an overlay structure clearly independent and hierarchically linked to the Global Risk Management division.

III.1. The distribution of the institution's commitments[4]

By activity sector

The distribution of risk per economic sector received particular attention along with a prospective analysis allowing dynamic management of bank exposure. The distribution is based on studies expressing an opinion about the change of the different sectors and identifying the factors explaining the risks faced by its major operators.

The distribution of commitments by sector carried over to the total of the bank commitments as of end-December 2017 is as follows:

- Financial activities representing 17.0% (vs. 17% as at December 31st, 2016). Commitments in this sector are very good risk;
- Construction and building materials sector represents 10% of the total (vs. 9% as at December 31st, 2016) and real estate development is 6% (vs. 5% as at December 31st, 2016).

By counterparty

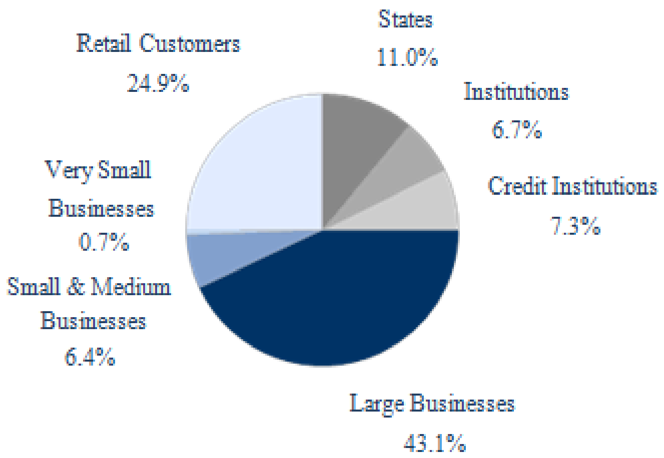
Assessed while taking into account all the commitments concerning the same beneficiary, the diversification is a permanent feature of the bank's risk policy. The extent and variety of the group's activity could participate therein.

[4] Source: Attijariwafa bank

Potential concentrations are subject to a regular review resulting, if necessary, in corrective actions.

This diversification is as follows:

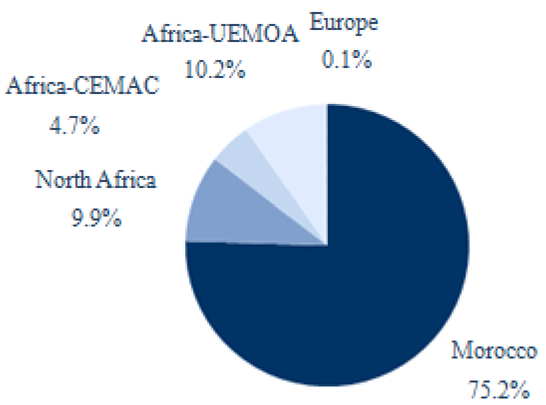
Breakdown of the bank's commitments by counterpart category as of December 31st, 2017



By geographical area

The following diagram reveals that the Group's activity is mainly focusing on the Moroccan market with 75.5% followed by Tunisia. The rest is distributed among the African sub-Saharan countries.

Breakdown of the bank's commitments by geographic area as of December 31st, 2017



Source: Attijariwafa bank

By portfolio quality

To assess all its counterparts, the Group has worked up a rating system consistent with the requirements of Basel II. Thus, the implementation of the internal rating approach is based on the minimal requirements enabling each credit institution to select the systems and methods best adapted to its specific activity.

Indeed, the rating system must be characterized by two clearly separate parameters: the risk of default by the borrower and the factors specific to the transaction. The default risk evaluation time period is estimated to be of 1 year.

This system, which is subject to regular validation and monitoring of performances, must also be of a predictive nature and take into account human estimates.

Concerning the documentation, design of the rating system and its operational modalities must be formalized. Especially, the aspects concerning portfolio differentiation, the rating criteria, the responsibility of the different stakeholders, frequency of review and management involvement must be thoroughly looked into.

The data concerning the main borrowers and the characteristics of the facilities provided must be gathered and duly stored.

In addition, the banks must have a reliable system for verifying the accuracy and coherence of the rating systems and procedures, as well as the estimation of all the major risk factors. They must prove to their authority of control that the validation processes enable them to assess, in a coherent and significant manner, the performance of their internal rating systems and assessment of risk.

Since June 2003 a first generation of internal rating systems of Attijariwafa bank has been developed with the technical assistance of international financing firm Mercer Oliver Wyman. This system takes into account two parameters: a rating scale of six categories (A, B, C, D, E and F) and estimated default probabilities (PD). The initial model was limited to five financial factors explicative of the credit risk.

In 2010, Attijariwafa bank Group developed a new internal rating model at the level of the bank operating system in line with the requirements of Basel II. This model specific to companies takes into account in addition to financial items, qualitative and behavioral items. It covers the core elements of the bank's commitments. Its design is based on the analysis of homogeneous classes and well proven statistical analysis.

The rating system is essentially based on the Counterpart Rating reflecting the probability of default over a period of observation of one year. The rating is assigned to a risk category of the rating scale which consists of eight risk classes including one for default (A, B, C, D, E, F, G, and H).

Grade	Risk level
A	Very good
B	Good
C	Quite good
D	Average
E	Mediocre
F	Bad
G	Very bad
H	Default

Source: Attijariwafa bank

The rating system is characterized by the following:

- Perimeter: company portfolio apart from local authorities, financing institutions and real estate developers;
- Attijariwafa bank Group rating system is basically based on the Counterpart Rating reflecting the probability of default over a period of observation of one year;
- Calculation of the system rating is the result of a combination of three types of rating, i.e. financial rating, qualitative rating and behavioural rating;
    - ✓ The financial rating is based on several financial factors associated with the size, dynamism, indebtedness, the profitability and financial structure of the company;
    - ✓ The qualitative rating is based on the information regarding the market, environment, shareholders and management of the company. This information is provided by the Network;
    - ✓ The behavioural rating is based on the account structure.
- All counterpart ratings must be approved (for each rating) by the credit committee according to the delegation of powers in force;
- The probability of default assesses solely the solvency of the counterpart, independently of the transaction characteristics (guarantees, rankings, clauses, etc.);
- The model risk categories are graded in comparison with the risks specified by international rating agencies;

- The rating is given to a risk category of the rating scale consisting of 8 classes grouped together in 3 categories:
  - ✓ Sound counterparts: Classes A to D;
  - ✓ Sensitive counterparts: E to G;
  - ✓ Counterparts in default: class H (Doubtful, Compromised, Consolidation, Recovery, and Provision).
- Use of internal rating: The internal rating system is currently an integral part of the assessment and credit decision process. Indeed, upon processing of the credit proposal, the rating is taken into account. The levels of delegation of competencies in terms of credit decisions are dependent on the risk rating;
- Rating update: the counterpart ratings are re-examined upon each renewal application and at least once per year. However, for customers among enterprises under surveillance (Class F, G or pre-recovery), the Counterpart rating must be reviewed each semester. Generally, any new or significant information must give rise to questioning of the pertinence of the Counterpart rating in an either upwards or downwards direction.

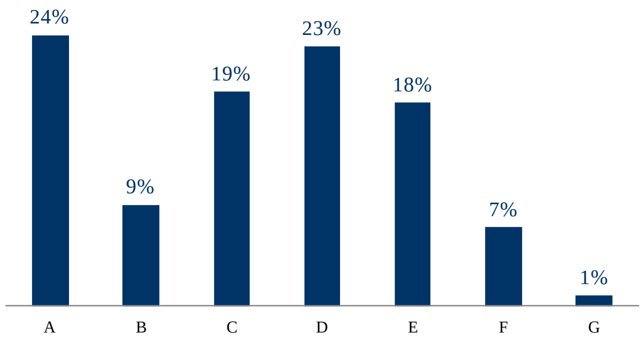
The rating system is dynamic and its annual review (backtesting) scheduled for:

- Testing the predictive power of the rating model;
- Verifying the proper grading of default probabilities.

For surveillance of risk quality, the risk management systems entity generates a regularly issued report on the risk cartography according to different analysis factors (Commitment, sector of activity, pricing, network, overdue files, etc.) and makes sure to improve the portfolio hedge ratio.

With regard to commitments, the distribution of risks concerning the company perimeter is as follows:

Distribution of the bank commitments (company perimeter) by risk category as of December 31st, 2017*



Source: Attijariwafa bank
* Public administrations, real estate companies and litigation files are not included in this perimeter

A rating system for real estate development focusing on two main dimensions (customer/project) is operational.

This approach falls under the framework of the process for compliance with the advanced methods of Basel II.

Rate risk

The net book value of Attijariwafa bank investment securities as of December 31st, 2017 is as follows:

	Gross book value	Current value	Reimbursement value	Latent revaluation gains	Latent revaluation losses	Provisions
Transaction securities	**59 044 773**	**59 044 773**	-	-	-	-
Bills and similar securities	38 280 714	38 280 714	-	-	-	-
Bonds	104 481	104 481	-	-	-	-
Other debt securities	5 573 165	5 573 165	-	-	-	-
Equities	15 086 413	15 086 413	-	-	-	-
Investment securities	**544 600**	**505 510**	-	**29 694**	**39 090**	**39 090**
Bills and similar securities	54 965	54 965	-	3 241	-	-
Bonds	423 053	412 359	-	12 042	10 694	10 694
Other debt securities	-	-	-	-	-	-
Equities	66 582	38 186	-	14 411	28 396	28 396
Placement securities	**6 664 056**	**6 664 056**	-	-	-	-
Bills and similar securities	6 664 056	6 664 056	-	-	-	-
Bonds	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	-

Source: Attijariwafa bank

It is worth mentioning that the book value of the transaction securities is equal to the market value. For placement securities, the book value is the historical value while the current value corresponds to the market value. In the event of latent loss, a provision must be provided.

IV. Regulatory risks

2015 - 2017 solvency ratio

Attijariwafa bank has a sound capital base enabling it to satisfy all of its commitments as proven by the solvency ratio achieved over the period of 2015 – 2017:

	2015	2016	2017	Var. 16/15	Var. 17/16
Core capital (Tier 1) (1)	22 142	27 154	23 861	22.6%	-12.1%
Regulatory shareholders' equity (2)	26 610	32 662	30 209	22.7%	-7.5%
Weighted risks (3)	210 337	229 322	237 420	9.0%	3.5%
Ratio of core capital (1) / (3)	**10.53%**	**11.84%**	**10.05%**	**+1.31 pt**	**-1.79 pt**
Solvency ratio (2) / (3)	**12.65%**	**14.24%**	**12.72%**	**+1.59 pt**	**-1.52 pt**

MAD million - Source: Attijariwafa bank – Aggregate accounts

The development of solvency ratios on an individual basis and on a consolidated basis follows the international standards of the Basel Committee and is governed by Bank AL-Maghrib's regulatory guidelines:

- 26/G/2006 circular (detailed in the technical note NT 02/DSB/2007) relating to the calculation of capital requirements for credit, market and operational risks using the standard approach;
- 14/G/2013 circular (detailed in the technical note NT 01/DSB/2014) relating to the calculation of the regulatory capital of banks and credit institutions according to Basel III standard.

Attijariwafa Bank is required to respect on an individual and consolidated basis:

- A common equity ratio of at least 8.0% (this threshold includes the obligation to set up a conservation buffer from the core equity equivalent to 2.5% of risk-weighted assets);
- A Tier1 common equity ratio of at least 9.0%;
- A Tier 1 and Tier 2 total equity ratio of at least 12.0%.

Attijariwafa Bank is also required to set up an additional equity matrix allowing to absorb the regulatory and internal stress tests shocks and to ensure compliance with the post stress tests thresholds described above:

- Stress tests on credit risk: default of the most vulnerable counterparties, migration from 10% to 15% of high-risk claims;
- Stress tests on market risk: MAD depreciation compared EUR, shifting of the yield curve, depreciation of the asset value of the various UCITS (bonds, money, etc.);
- Stress tests on country risk: Stress tests on non-resident credits in countries witnessing risks of political instability;
- A scenario combining several assumptions.

As from January 2019, for macro-prudential supervision considerations, Bank Al-Maghrib may request credit institutions to establish an equity buffer called "countercyclical equity buffer" on an individual and/or consolidated basis. The buffer, which ranges from 0% to 2.5% of risk-weighted assets, is composed of Tier 1 equity. Compliance with this additional threshold is preceded by a 12-month notice.

The frequency of reporting solvency ratios to the regulator is semi-annual, and is accompanied by the publication of Pillar III to ensure transparency of financial information: prudential ratios details, regulatory equity composition, and risk-weighted assets allocation.

Forward solvency ratios

Attijariwafa Bank's forward ratios on an individual and consolidated basis over the next 18 months remain well above the current regulatory minimum: 9.0% in the solvency ratio on Common Equity Tier1 (CET1) and 12.0% on total equity thanks to the internal capital management policy.

The following table portrays the projected Attijariwafa bank solvency ratio* over the period of June 2017 – June 2019:

	June 17	Dec. 17	June 18 F	Dec. 18 F	June 19 F
Core capital (Tier 1) (1)	23.8	23.9	24.0	24.3	24.6
Tier 2 capital	6.0	6.3	7.3	7.5	7.7
Regulatory shareholders' equity (2)	**29.8**	**30.2**	**31.3**	**31.7**	**32.3**
Weighted risks (3)	234.6	237.4	243.4	249.3	255.6
Ratio of core capital (1) / (3)	**10.14%**	**10.05%**	**9.86%**	**9.74%**	**9.63%**
Solvency ratio (2) / (3)	**12.68%**	**12.72%**	**12.86%**	**12.74%**	**12.63%**

MAD billion - Source: Attijariwafa bank – On an individual basis

*Projections made with constant prudential environment and constant accounting standards without leverage on Tier 1 capital.

The evolution of Attijariwafa bank's projected solvency ratio* over the period of June 2017 - June 2018 is as follows:

	June. 17	Dec. 17	June. 18 F	Dec. 18 F	June. 19 F
Core capital (Tier 1) (1)	34.6	35.7	36.3	37.8	39.3
Tier 2 capital	9.3	10.1	10.9	10.3	10.5
Regulatory shareholders' equity (2)	**43.9**	**45.8**	**47.2**	**48.1**	**49.8**
Weighted risks (3)	356.7	368.6	379.5	392.4	405.7
Ratio of core capital (1) / (3)	**9.70%**	**9.67%**	**9.55%**	**9.64%**	**9.68%**
Solvency ratio (2) / (3)	**12.30%**	**12.42%**	**12.42%**	**12.27%**	**12.27%**

MAD billion - Source: Attijariwafa bank – Consolidated accounts

*Projections made with constant prudential environment and constant accounting standards without leverage on Tier 1 capital.

V. Management of country-related risks

With the support of an external consultant, the Country-related risk entity has made, during the financial year 2016, a study aiming at automating the management of country-related risks. This study covered:

- the diagnosis of a system and its compatibility with the regulatory requirements by specifying the actions of evolution in relation to an international benchmark;

- the development of a conceptual model for an optimal management of country-related risks (with functional blocks and an information system), in view of establishing an information system with an extension of the system to the foreign subsidiaries, according to a progressive approach.

The process of the strengthening the regulation framework and the establishment of a new system have had the combined effect of enabling a reinforcement of the follow-up of BDI risks and a consolidation of the system of country-related risks' management.

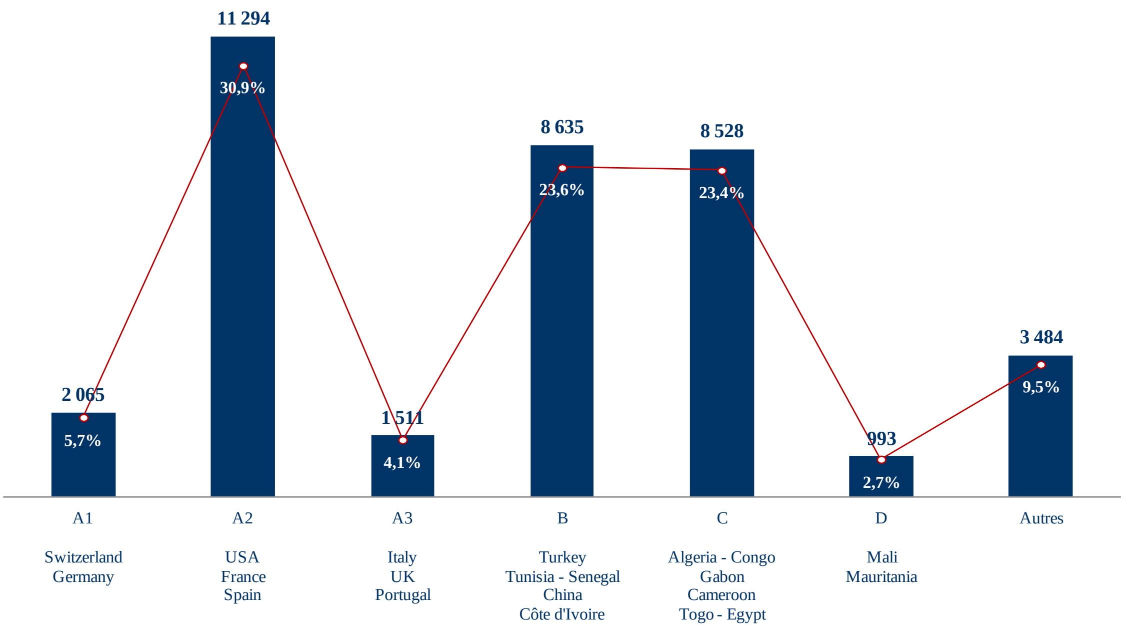
Country risk management system

Deployment of the bank growth strategy at the international level as well as the provisions of the 1/G/2008 guideline of Bank Al Maghreb have motivated the establishment of a country risk management system given the ever-growing significance of activities abroad in the Group's global exposure.

This system focuses on the following items:

- A country risk charter adopted by the management entity and approved by the administrative body, constituting the reference framework governing activities generating international risks for the bank;
- The survey and assessment of international risks: Attijariwafa bank Group deploys its banking and semi-banking activity in its home market as well as in foreign countries through its subsidiaries and branch offices. In this respect, its exposure to international risks involved two types of commitment made by the bank as a credit entity for non-resident counterparts in both MAD and foreign currencies;
- Reprocessing and calculation of exposure to country risk according to the risk transfer principle, which enables bring out the areas and countries with high exposure (in value and in% of the shareholders' equity) as well as the corresponding risks typologies. Thus, as indicated in the bellow diagram, we note that 43,4% of the bank exposure to international risks at the end of December 2016 is focused on countries having a risk profile graded with excellent (A1) to acceptable (A4), i.e. equivalent to Morocco's risk. For the rest, it is mainly related to strategic investment of the bank in terms of acquisitions of African bank subsidiaries;

Distribution of country risk exposures according to Coface scale – December 31st, 2017



Source: Attijariwafa bank

- consolidation rules of exposure to country risks that enables, beyond individual analysis of the commitment per country of each subsidiary as well as headquarters, establishing an overview of the group's global commitment;
- establishment and publishing a weekly report on the progress of the country risk summarizing all the highlights occurring over the week (changes of ratings of branches and other institutions) with an update of the "World" base on country ratings by Standard & Poor's, Moody's, Fitch, Coface, and OECD, as well as the internal score to the bank and country CDS;
- development of an internal country risk political score reflecting the vulnerability of a country with regard to political instability. This score is based on a multiple criteria assessment approach combining the evaluation of qualitative indicators pertaining to justice (legal guarantee, regulation environment), administration and bureaucracy, redistribution of wealth, Democracy Index as well as the Doing Business score making enabling the study the regulations conducive to economic activity as well as those placing limits thereupon;
- allocation of limits, graded according to the country risk profile and the level of bank shareholders' equity presented by area, by country, by sector, by activity type, by maturity, etc.);
- follow-up and monitoring of the respect of limits;
- provisioning of the country risk according to the degradation of exposure (risk materialization, debt rescheduling, payment default, benefits of initiatives of debt relief, etc.);
- stress test, practiced each semester, used to ensure the bank's ability to stand external risk factors (case of materialization of the political risk in Tunisia and Ivory Coast) and to measure the impact on the capital and profitability.

In conclusion, the country risk management is covered by a system ensuring the coverage of international risks from their origination to their outcome.

Country risk management system

Source: Attijariwafa bank

VI. Operational risk and Activity Continuity Plan

VI.1. Operational Risk

The implementation of operational risk management system (ORM) falls within the framework of the reform "Basel 2" and its variation for Morocco by Directive DN/29/G/2007, enacted by Bank Al Maghrib on April 13th, 2007. The latter defines operational risk as "the risk of loss resulting from delays or failures attributable to procedures, staff members and internal systems or to external events". This definition includes legal risk, but excludes strategic and reputational risks.

For Attijariwafa bank, this operational risk management system is controlled by the "Operational Risk, Legal, IT and Human" entity created within the "Global Risk Management." This entity was established for each of the business lines risk cartography based on the repository of the bank's processes. Each risk cartography is defined by frequency of occurrence and impact on the occurrence.

Concerning the major risks of the risks' cartography, action plans are defined in order to mitigate or prevent risks.

The adopted methodological approach in the establishment of the risk cartography of Attijariwafa bank group is presented through the 6 following stages:

- validation of processes;
- identification and assessment of risks;
- identification of risks' monitoring indicators;
- establishment of action plans for risks reduction;
- collection of incidents and monitoring of risks to be managed;
- Back-Testing & reassessment of risks.

VI.2. Activity Continuity Plan (ACP)

The implementation of the ACP managed by the "Operational, Legal, IT and Human risks" entity allows the bank to complete the operational risk management system implemented during the 2009 financial year and that resulted in the development of a charter as well as a complete cartography of operational risks.

The establishment of the ACP is part of the provisions of the second pillar of Basel II and BAM Circular No. 47/G/2007 stating that the ACP is a regulatory obligation.

The implementation of an Activity Continuity Plan ensures the continuity of the bank's activities and the respect of commitments upon the occurrence of the following:

- a crisis or a major operational disruption affecting a large urban or geographical area;
- a disturbance affecting physical infrastructures;
- a natural disaster;
- an external attack;
- a major failure of the information systems;
- a malfunction resulting from a significant absenteeism rate (a pandemic for example);
- a failure of a critical service.

AVERTISSEMENT

The aforementioned information is only a part of the prospectus approved by the Moroccan Authority of Capital Markets (AMMC), under reference VI/EM/010/2018 on June 7th, 2017. The AMMC recommends reading the full prospectus available to the public in French.