RESULTS

Attijariwafa bank as of June 30, 2019

Financial Communication

2019

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Attijariwafa bank
Believe in you

Attijariwafa bank
A limited company with a capital of MAD 2,098,596,790. Head office : 2, boulevard Moulay Youssef, Casablanca, Morocco
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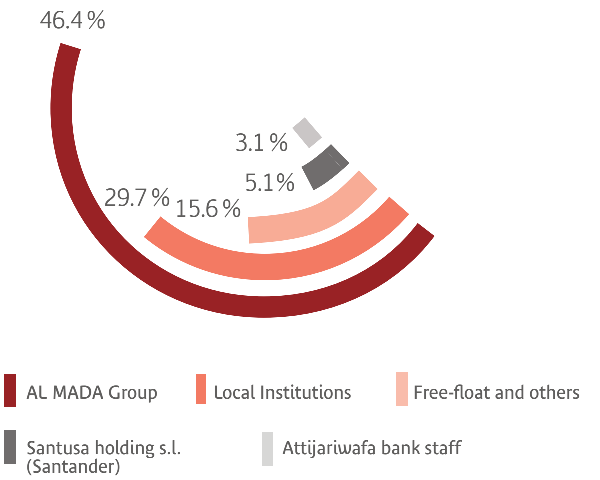
www.attijariwafabank.com

Attijariwafa bank key figures

- **20,346** Employeess
- **3,483** Branches in Morocco
- **298** Branches in North Africa
- **72** Branches in Europe, the Middle East
- **567** Branches in West Africa
- **604** Branches in Central Africa

Shareholding structure
as of June 30, 2019

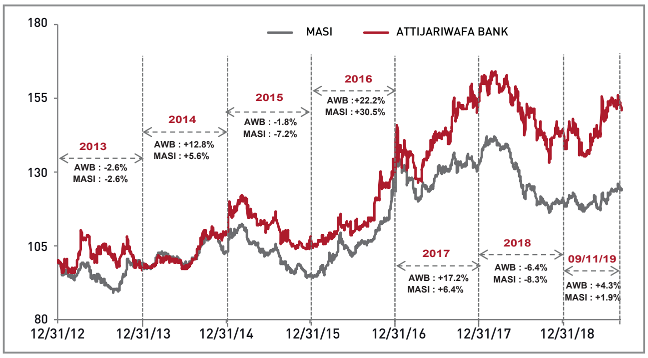


Attijariwafa bank's share price performance

Attijariwafa bank vs MASI from 12/31/2011 to 09/11/2019

Largest bank by market capitalization in Morocco:

MAD 97.8 billion at 30 June 2019



Stock market indicators

Attijariwafa bank	2017	2018	june-19
Price	484	453	466
P/B	2.27x	2.17x	2.17x
PER	18,27%	16.66x	16.66x
DY	2.58%	2.87%	-
Number of Shares	203,527,226	209,859,679	209,859,679
Market capitalisation (in millions of Dirhams)	98,507	95,066	97,795

GENERAL MANAGEMENT AND COORDINATION COMMITTEE

General Management

Mr. Mohamed EL KETTANI	Chairman & Chief Executive Officer
Mr. Omar BOUNJOU	Managing Director, Retail Banking Division
Mr. Ismail DOUIRI	Managing Director, Finance, Technology and Operations Division
Mr. Boubker JAI	Managing Director, Corporate and Investment Banking, Capital Markets & Financial Subsidiaries
Mr. Talal EL BELLAJ	Managing Director, Global Risk Management Group

Distribution Network

Mr. SAAD BENWAHOUD	Deputy Managing Director - Head of Rabat-Kenitra – Salé Region
Mr. Hassan Bertal	Deputy Managing Director – Head of Casablanca – Settat Region
Mr. Othmane Boudhaimi	Deputy Managing Director – Head of South-West Region
Mr. Tarik Bernoussi	Deputy Managing Director – Head of Eastern Region
Mr. Mohamed Karim Chraibi	Deputy Managing Director – Head of Marrakech - Beni Mellal – Tafilalet Region
Mr. Khalid El Khalifi	Deputy Managing Director – Head of Fès – Meknes Region
Mr. Rachid Magane	Deputy Managing Director – Head of Tangier - Tetouan - Al Hoceima Region

Head officer

Mr. Jamal Ahizoune	Deputy Managing Director– International Retail banking
Mr. Hassan Bedraoui	Deputy Managing Director - Managing Director, Attijariwafa bank Europe
Mr. Mouawia Essekelli	Deputy Managing Director - Transaction Banking Group
Mr. Omar Ghomari	Deputy Managing Director - Specialized Financial Companies
Mrs. WAFAA GUESSOUS	Deputy Managing Director - Procurement, Logistics and Secretary of the Board
Mr. Youssef Rouissi	Deputy Managing Director -Corporate & Investment Banking
Mr. Jalal Berrady	Executive Director - Private Banking
Mr. Younes Belabed	Executive Director - Group General Audit
Mrs. Saloua Benmehrez	Executive Director - Group Communication
Mrs. Bouchra Bousserghine	Executive Director- Group Compliance
Mr. Rachid El Bouzidi	Executive Director- Retail Banking Support Functions
Mr. Ismail El Filali	Executive Director- Back Offices and Customer Services
Mrs. Malika El Younsi	Executive Director- Group Legal Advisory
Mr. Karim Idrissi KAITOUNI	Executive Director- Head of SMEs Banking
Mr. Rachid Kettani	Executive Director- Group Finance Division
Mrs. Soumaya Lrhezzioui	Executive Director- Group Information Systems
Mr. Driss Maghraoui	Executive Director- Retail & Business Markets
Mr. MOHAMED SOUSSI	Executive Director- Group Human Resources

BOARD OF DIRECTORS at 30 June 2019

Mr. Mohamed EL KETTANI	Chairman of the Board
Mr. Mounir EL MAJIDI	Director, Representing SIGER
Mr. Hassan OURIAGLI	Director, Representing AL MADA
Mr. Abdelmjid TAZLAOUI	Director
Mr. José REIG	Director
Mr. Aymane TAUD	Director
Mr. Abed YACOUBI SOUSSANE	Director
Mr. Manuel VARELA	Director, Representing Santander
Mr. Aldo OLCESE SANTONJA	Independant Director
Mr. Lionel ZINSOU	Independant Director
Mrs. Wafaa GUESSOUS	Secretary

Rating

Fitch Rating	March 2019
Long-term in foreign currency	BB+
Short-term in foreign currency	B
Long-term in local currency	AA-(mar)
Outlook	stable

Standard & Poor's	November 2018
Long-term	BB
Short-term	B
Outlook	stable

Moody's	May 2019
Long-term	Ba2
Short-term	NP
Outlook	Positive

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Attijariwafa bank

Steady earnings growth thanks to a diversified and resilient banking model

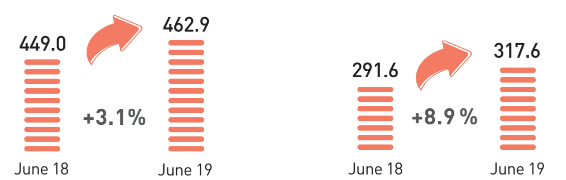
Attijariwafa bank's Board of Directors, chaired by Mr Mohamed El Kettani, met on 17 September 2019, in order to review the activity and approve the financial statements for the 30 June 2019.

Total consolidated assets	MAD	528.6	billion	+7.8 %
Consolidated shareholders' equity	MAD	51.1	billion	+12.1 %
Net banking income	MAD	11.8	billion	+4.3 %
Operating income	MAD	5.4	billion	+6.7 %
Net income	MAD	3.5	billion	+1.1 %
Net income group share	MAD	2.9	billion	+4.9 %
Total network		5,024	branches in 25 countries	
Total staff		20,346	employees	
Taxes(1) in H1 2019	MAD	3.9	billion	

Growth rates calculated between H1 2018 and H1 2019

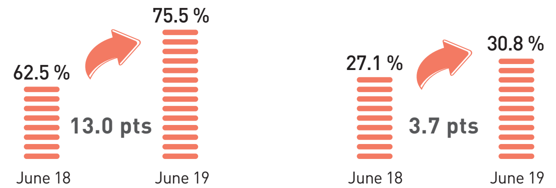
No.1 Savings institution — N° 1 provider of financing to the economy

Total savings* (billion MAD) — Total consolidated loans (billion MAD)



1st player in digital banking and electronic payments in Morocco

processed through digital banking** — Market share in electronic payments***



(*) Consolidated customer deposits + assets under management + bancassurance assets
(**) Operations available on digital channels: eg: transfers, disposals, payment of invoices...
(***) Electronic payment through different channels (eg: payment cards, ebanking, ATM, mobile banking...)

Thanks to its diversified business model and its rigorous **risk management policy**, Attijariwafa bank maintained satisfactory **growth results** in the first half of 2019, despite challenging macroeconomic conditions in several countries of presence.

NET INCOME GROUP SHARE UP 5% (+10% EXCL. EXCEPTIONAL ITEMS (2))

Net banking income rose by **4.3%,** to **MAD 11.8 billion driven by strong growth** in Morocco, Europe and the Tangiers offshore zone **(+11.4%)**.

Operating income grew by **6.7**%, to **MAD 5.4 billion**, as result of controlled operating expenses growth **(+5.0%) and lower cost of risk (–11.0%).** Consolidated cost of risk improved to **0.54%** (-0.1 point from H1 2018).

Net income group share increased by **4.9%** totaling **MAD 2.9 billion**. Excluding exceptional items (2), net income group share would have increased by **9.8%.**

Profitability continues to meet the best standards **(ROE 14.6%, ROA 1.3%)**, despite the strong rise in consolidated shareholders' equity to **MAD 51.1 billion (+12.1%).**

CONTINUED COMMITMENT TOWARDS THE SUCCESS OF ENERGIES 2020

Attijariwafa bank is entering the final stage of its **Energies 2020** strategic plan implementation. This transformation plan, which involves more than **800 employees** in 105 projects organized in 27 strategic programs, has already delivered significant progress in **digitization, electronic payment** development, transformation of the **customer relation and experience**.

RENEWED SUPPORT TO CLIENTS' FINANCIAL NEEDS

Attijariwafa bank continues its **proactive policy** of supporting **SMEs, VSEs (very small enterprises) and households** in its entire geographic footprint. The group also continues its efforts in promoting foreign trade and cross-investment while consolidating its leadership position in corporate banking and financing **infrastructure projects**.

To this effect, 2019 was marked by numerous initiatives and events aiming to support **very small and medium-sized enterprises**. The Group renewed its commitment to grant **MAD 27 billion in new loans to this client segment** in Morocco.

In addition, on March 14–15, 2019, the Group organized its 6th annual **International Africa Development Forum** to promote **economic cooperation in Africa** with the theme **"When East Meets West."** The event hosted **two thousand companies** and held **5,000 B-to-B meetings**.

A CSR POLICY TO PROMOTE ENTREPRENEURSHIP AND RAISE ECOLOGICAL AWARENESS

Attijariwafa bank reinforced its commitment as a responsible corporate citizen. Under the leadership of its **main shareholder Al Mada**, the Bank continues to support entrepreneurship with the mobilization, since 2015, of **1,400 team member** volunteers in partnership with **INJAZ AL-Maghrib** investing **20,809 hours** towards **34,935** beneficiaries in Moroccan public middle schools, high schools and universities.

Furthermore, Attijariwafa bank opened its **8th Dar Al Moukawil Center** (The house of the Entrepreneur) as part of its **socially conscious vision to** develop the **very small enterprises segment** by helping and advising young entrepreneurs.

Finally, in 2019 the Bank launched the "**7 million eco-acts**" campaign, encouraging employees to be proactive and innovative in order to preserve the environment.

This **eco-friendly** campaign aims to lower electricity consumption and CO2 emissions, conserve water, reduce paper use, and to sort and recycle waste.

This initiative further reinforces the Group's environmental policy. On February 27th, 2019, Attijariwafa bank's continued commitment to financing **renewable energies** has been rewarded, by the accreditation of the **United Nations Green Climate Fund** as an intermediary for green financing in Africa.

The Board of Directors congratulated the Group's entire staff for its performance in the first half of 2019.

The Board of Directors
Casablanca, September 17, 2019

(1) Corporate tax, VAT, income tax and other taxes in all countries of presence
(2) Exceptional items impacting the 2019 consolidated financial statements for the first time
- Entry into force of the new social cohesion tax in Morocco
- IFRS adjustments for the impact on earnings of the discount granted to employees in the December 2018 capital increase reserved for employees.
- Application of IFRS 16

ACCOUNTING STANDARDS AND PRINCIPLES APPLIED BY THE GROUP

Attijariwafa bank's consolidated financial statements have been prepared under International Financial Reporting Standards (IFRS) since first-half 2007 with the opening balance at 1 January 2006.

In its consolidated financial statements as of 30 June 2019, the Attijariwafa bank Group has applied the obligatory principles and standards set out by the International Accounting Standards Board (IASB).

IFRIC 23

As of June 7th 2017, the IFRS IC (Interpretations Committee) issued IFRIC 23 Uncertainty over income tax treatments. This interpretation is effective for annual reporting periods beginning on or after 1 January 2019 and provides a choice of two transition methods:

- Full retrospective approach applying IAS 8 (i.e. by restating comparative financial statements);
- Partial retrospective approach, by recognizing the cumulative effect of initially applying the Interpretation as an adjustment to the opening balance of retained earnings.

Attijariwafa bank group, chose the partial retrospective approach.

IFRS 16 Lease contracts

Standard

In January 2016, the IASB published IFRS 16, its new accounting standard on leases, which replaced IAS 17 standards and related interpretations

IFRS 16 implementation from January 2019 remove the distinction between "operating lease" and "finance lease". As of now, leases contracts are all accounted in the same way. The leased asset shall be recognized as right-of-use asset and the financing commitment as a lease liability.

The right of use is amortized on a straight line bases through P&L, and the lease liability is amortized using the declining balance method over the lease term contract

Policies adopted by Attijariwafa bank

Transition

According IASB, IFRS 16 first time application can be done with 2 approaches:

- The full retrospective approach : this approach effectively restates the financial statements as if IFRS 16 had always been applied,
- The modified retrospective approach with 2 options
  - measure the right of use and the lease liability of the remaining lease payments from January 1, 2019 to the lease term (cumulated retrospective approach)
  - measure that right-of-use asset as if IFRS 16 had been applied since the commencement date of the lease and measure the lease liability as the sum of discounted remaining lease payments (simple retrospective approach)

The transition approach elected by Attijariwafa Bank group is the cumulated retrospective approach. This approach do not generate impact on equity. Therefore, 2018 comparative information have not been restated.

Recognition exemptions

A lessee may elect not to recognize a right-of-use asset and a lease liability to:

- Contracts with a contract term less than 12 months if it does not include a purchase option at the end of the term;
- Contacts with an underlying asset value equal or lower to the limit defined by the lessee. IASB suggested a 5000 kUSD limit.

Attijariwafa Bank group elect both exemption type to implement IFRS 17.

Lease term

Lease term is defined as the period for which the contract is enforceable. A lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

Enforceable term, or non-cancellable term, can be increased with:

- Optional period of contract renewal where it is reasonably certain that the option will be exercised
- Period following optional periods of contracts renewal where it is reasonably certain that the option will not be exercised

Lease term according to IFRS 16

Term	=	non-cancellable term	+	Optional extention terms	+	Subséquent terms to cancellation options
				Lessee reasonably certain to exercise the renewal option		Lessee reasonably certain to not exercise the cancellation option

Lease terms defined by Attijariwafa Bank group are as follows :

Type of leased asset	Lease term
Commercial rental	9 years
Residential rental	3 years
Temporary occupation of public property	20 years
Construction rental	20 years

Leases

According IFRS 16, the lease payments included in the measurement of the lease liability comprise the following payments:

(a) Fixed lease payments.

(b) Variable lease payments that depend on an index or a rate.

(c) Amounts expected to be payable by the lessee under residual value guarantees.

(d) The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.

(e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The cost of the right-of-use asset shall comprise the amount of the initial measurement of the lease liability increased by initial direct costs, payments made in advance, and restoring the underlying asset costs

As Attijariwafa Bank group elect the modified retrospective method, the right-of-use has been evaluated for the first time application as the lease liability as defined above.

Discount rate

The lease payments used to estimate the right-of-use or the lease liability shall be discounted using one of the following rates:

- The implicit interest rate in the lease i.e. the rate of the lease contract.
- If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate i.e. the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset.

The discount rate chosen by Attijariwafa Bank to evaluate is lease contract is the incremental borrowing rate.

This rate rely on 3 components :

- Reference rate
- Risk premium
- Individual adjustment from the lease contract

Consolidation principles:

Standard:

The scope of consolidation is determined on the basis of what type of control (exclusive control, joint control or material influence) is exercised over the various overseas and domestic entities in which the Group has a direct or indirect interest.

The Group likewise consolidates legally independent entities specifically established for a restricted and well-defined purpose known as « special purpose entities », which are controlled by the credit institution, without there being any shareholder relationship between the entities.

The extent to which the Group exercises control will determine the consolidation method: fully consolidated for entities under the exclusive control of the Group as required by IFRS 10 "Consolidated Financial Statements" or under the equity method for associate companies or joint ventures as required by IFRS 11 "Joint Arrangements" and IAS 28 "Investments in Associates Joint Ventures".

Policies adopted by Attijariwafa bank:

Attijariwafa bank includes entities in its scope of consolidation in which:

- It holds, directly or indirectly, at least 20% of the voting rights (existing or potential);
- The subsidiary's consolidated figures satisfy one of the following criteria:
  - The subsidiary's total assets exceed 0.5% of consolidated total assets;
  - The subsidiary's net assets exceed 0.5% of consolidated net assets;
  - The subsidiary's sales or banking income exceed 0.5% of consolidated banking income.

Specialist mutual funds (UCITS) are consolidated according to IFRS 10 which addresses the issue of consolidation of special purpose entities and in particular funds under exclusive control.

Those entities controlled or under exclusive control whose securities are held for a short period of time are excluded from the scope of consolidation.

Fixed assets:

Property, plant and equipment:

Standard:

Items of property plant and equipment are valued by entities using either the cost model or the revaluation model.

Cost model

Under the cost model, assets are valued at cost less accumulated depreciation.

Revaluation model

On being recognised as an asset, an item of property, plant and equipment, whose fair value may be accurately assessed, must be marked to market. Fair value is the value determined at the time the asset is marked to market less accumulated depreciation.

The sum-of-parts approach breaks down the items of property, plant and equipment into their most significant individual parts (constituents). They must be accounted for separately and systematically depreciated as a function of their estimated useful lives in such a way as to reflect the rate at which the related economic benefits are consumed.

Estimated useful life under IFRS is the length of time that a depreciable asset is expected to be usable.

The depreciable amount of an asset is the cost of the asset (or fair value) less its residual value.

Residual value is the value of the asset at the end of its estimated useful life, which takes into account the asset's age and foreseeable condition.

Borrowing costs

The IAS 23 standard entitled « Borrowing costs » does not allow to recognise immediately as expenses the cost of borrowing directly attributable to acquisition, construction or production of an eligible asset. All the costs of borrowing must be added into the expenses. The other borrowing costs should be accounted as expenses.

Policies adopted by Attijariwafa bank:

The Group has opted to use the cost model. The fair value method may be used, however, without having to justify this choice, with an account under shareholders' equity.

Attijariwafa bank has decided against using several depreciation schedules but a single depreciation schedule in the consolidated financial statements under IFRS standards.

Under the sum-of-parts approach, the Group has decided to not include those components whose gross value is less than MAD 1000 thousand.

- Historical cost (original cost) is broken down on the basis of the breakdown of the current replacement cost as a function of technical data.

Residual value:

The residual value of each part is considered to be zero except in the case of land. Residual value is applied only to land (nonamortisable by nature), which is the only component to have an unlimited life.

Investment property:

Standard:

An investment property is a property which is held either to earn rental income or for capital appreciation or for both.

An investment property generates cash flows in a very different way to the company's other assets unlike the use of a building by its owner whose main purpose is to produce or provide goods and services.

An entity has the choice between:

The fair value method – if an entity opts for this treatment, then it must be applied to all buildings.

The cost model – an estimate of the fair value of investment properties must be recorded either in the balance sheet or in the notes to the financial statements.

It is only possible to move from the cost method to the fair value method.

Policies adopted by Attijariwafa bank:

All buildings not used in ordinary activities are classified as investment property except for staff accommodation and buildings expected to be sold within a year.

The Group's policy is to retain all buildings used in ordinary activities and those leased to companies outside the Group.

The historical cost method, modified by the sum-of-parts approach, is used to value investment properties. Information about fair value must be presented in the notes to the financial statements.

Intangible assets:

Standard:

An intangible asset is a non-monetary asset which is identifiable and not physical in nature.

An intangible asset is deemed to be identifiable if it:

- Is separable, that is to say, capable of being separated and sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract; or
- Arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Two valuation methods are possible:

- The cost method;
- The revaluation model. This treatment is possible if an active market exists.

Amortisation of an intangible asset depends on its estimated useful life. An intangible asset with an unlimited useful life is not amortised but subject to impairment testing at least once a year at the end of the period. An intangible asset with a limited useful life is amortised over the life of the asset.

An intangible asset produced by the company for internal use is recognised if it is classified, from the R&D phase, as a fixed asset.

Policies adopted by Attijariwafa bank:

Attijariwafa bank has decided against using several amortisation schedules but a single amortisation schedule in the consolidated financial statements under IFRS/IAS.

Acquisition costs not yet amortised as expenses at 1 January 2006 have been restated under shareholders' equity.

Leasehold rights :

Leasehold rights recognised in the parent company financial statements are not amortised. In the consolidated financial statements, they are amortised using an appropriate method over their useful life.

Business goodwill:

Business goodwill recorded in the parent company financial statements of the different consolidated entities has been reviewed to ensure that the way in which it is calculated is in accordance with IAS/IFRS.

Software:

The estimated useful life of software differs depending on the type of software (operating software or administrative software).

Valuation of software developed in-house:

Group Information Systems' Management provides the necessary information to value software developed in-house. In the event that the valuation is not accurate, then the software cannot be recognised as an asset.

Transfer fees, commission and legal fees:

These are recognised as expenses or at purchase cost depending on their value.

Separate amortisation schedules are used if there is a difference of more than MAD 1000K between parent company financial statements and IFRS statements.

Goodwill:

Standard:

Cost of a business combination:

Business combinations are accounted for using the acquisition method according to which the acquisition cost is contingent consideration transferred in order to obtain control.

The acquirer must measure the acquisition cost as:

- The aggregate fair value, at the acquisition date, of assets acquired, liabilities incurred or assumed and equity instruments issued by the acquirer in consideration for control of the acquired company ;
- The other costs directly attributable to the acquisition are recognised through profit or loss in the year in which they are incurred.

The acquisition date is the date at which the acquirer obtains effective control of the acquired company.

Allocation of the cost of a business combination to the assets acquired and to the liabilities and contingent liabilities assumed:

The acquirer must, at the date of acquisition, allocate the cost of a business combination by recognising the identifiable assets, liabilities and contingent liabilities of the acquiree that satisfy the recognition criteria at their respective fair values on that date.

Any difference between the cost of the business combination and the acquirer's share of the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised under goodwill.

Accounting for Goodwill:

The acquirer must, at the date of acquisition, recognise the goodwill acquired in a business combination.

- Initial measurement : this goodwill must be initially measured at cost, namely the excess of the cost of the business combination over the acquirer's share of the net fair value of the identifiable assets, liabilities and contingent liabilities.
- Subsequent measurement: following initial recognition, the acquirer must measure the goodwill acquired in a business combination at cost less cumulative impairment subsequent to annual impairment tests or when there is any indication of impairment to its carrying value.

If the share of the fair value of the assets, liabilities and contingent liabilities of the acquired entities exceeds the acquisition cost, negative goodwill is recognised immediately through profit or loss.

If initial recognition of a business combination can be determinedonly provisionally by the end of the reporting period in which the business combination takes place, the acquirer must account for the business combination using provisional values. The acquirer must recognise adjustments to provisional values relating to finalising the recognition within that financial period, beyond which time no adjustments are possible.

Policies adopted by Attijariwafa bank:

- Option taken not to restate the existing goodwill at 12/31/05, in accordance with the provisions of IFRS 1 "First-Time Adoption" ;
- Goodwill amortisation is discontinued when the asset has an indefinite life in accordance with amended IFRS 3 "Business combinations";
- Regular impairment tests must be carried out to ensure that the carrying amount of goodwill is below the recoverable amount. If not, an impairment loss must be recognised;
- the Cash Generating Units mirror the segment reporting to be presented at Group level ; these are the banking business and the insurance business ;
- The recoverable amount is the higher of the unit's value in use and its carrying amount less costs of disposal. This is used in impairment tests as required by IAS 36. If an impairment test reveals that the recoverable amount is less than the carrying amount, then the asset is written down by the excess of the carrying amount over its recoverable amount.

Inventories:

Standard:

Inventories are assets:

- Held for sale during the normal business cycle;
- In the process of being produced for future sale;
- In the form of raw materials or supplies consumed during the production process or to provide services.

Inventories must be valued at the lower of cost or net realisable value.

Net realisable value is the estimated sales price in the normal course of business activity less

- Estimated costs of completion;
- Costs required for making the sale.

Policies adopted by Attijariwafa bank:

Inventories are valued according to the weighted average unit cost method.

Leases:

Standard:

A lease is an agreement by which the Lessor transfers to the Lessee for a specific period of time the right to use an asset in exchange for payment or a series of payments.

Distinction must be made between:

- A finance lease, which is a contract by which almost all the risks and benefits inherent in ownership of the asset are transferred to the lessee;
- An operating lease, which is any contract other than a finance lease.

Finance leases are financial instruments whose nominal value relates to the value of the property acquired/leased minus/plus fees paid/received and any other fees. The rate used in this case is the effective interest rate.

The effective interest rate is the discount rate which is used to equate:

- The net present value of minimum payments to be received by the Lessor plus the non-guaranteed residual value; and
- The property's entry value (equal to initial fair value plus initial direct costs).

Policies adopted by Attijariwafa bank:

No restatement is needed for operating leases for a specific period and which are automatically renewable.

Long-term rental contracts are considered as operating leases.

Leasing contracts are finance leases in which Attijariwafa bank is the Lessor. The Bank only accounts for its share of the contract in its financial statements.

At the beginning of the contract, rents relating to lease contracts for an indefinite period and leasing contracts are discounted using the effective interest rate. Their value relates to the initial financing amount.

Financial assets and liabilities – Classification and measurement

Standard:

Classification

Financial assets, except those related to insurance activities, are classified in the following 3 accounting categories :

- Amortised cost
- Fair value through other comprehensive income ("FVOCI")
- Fair value recognized in profit and loss ("FVPL")

The classification of a financial asset in one of these three categories is based on the following criteria:

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

Debt instruments:

This standard distinguishes three business models :

- "hold to collect" model: assets managed to collect contractual cash flows;
- "hold to sell" model: assets managed to sell the financial assets;
- "mixed" model: assets managed to collect contractual cash flows and sell the financial asset

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

- the measurement method, monitoring and risk management associated with the financial instruments concerned;
- realized and expected asset sales (size, frequency, type).

Equity instruments:

Investments in equity instruments are classified as "financial assets at fair value through profit or loss" or as " Non recyclable equity at fair value". In this last case, when securities are sold, unrealized gains and losses previously recognized in equity will not be recognized through profit or loss will not be recognized in profit or loss. Only dividends will be recognized in profit or loss.

Investments in mutual funds do not meet the definition of equity instruments as they are puttable to the issuer. They do not meet the cash flow criterion either, and thus are recognized at fair value through profit or loss.

Measurement :

<u>Assets at amortised cost :</u>

The amortised cost of a financial asset or liability is the amount at wich this instrument was first recongnised :

- reduced by capital reimboursments
- increased or reduced by the amortization accumulated calculated by the effectif interest rate method, by any difference between this initial amount and the amount of reimboursment at maturity.
- Reduced by all the cuts for depreciation or no recoverability.

This calculation should include all the fees and other amounts paid or received directly attributable to credits, transaction fees and every valuation haircut or premium.

<u>Assets valuated at fair value through profit or loss :</u>

In accordance with IFRS 9, financial assets or liabilities at fair value through profit or loss are assets or liabilities acquired or generated by the business primarily for the purpose of making a profit related to short-term price fluctuations or arbitraging margin.

All derivative instruments are financial assets (or liabilities) at fair value through profit or loss except when designated as hedges.

Securities classified as financial assets at fair value through profit or loss are measured at fair value and variations in fair value are recognized in profit or loss.

This class of securities is not subject to impairment.

<u>Assets valuated at fair value through equity :</u>

This class of securities relates to the debt instruments of the investment portfolio and the long-term debt instruments held.

Variations in the fair value of securities (positive or negative) classified as "Assets at fair value through equity" are recorded in equity (Recyclable).

The depreciation over time of the potential increase / decrease in fixed income securities is recognized in the income statement using the effective interest rate method (actuarial spread).

Borrowings and deposits:

When initially recognised, a deposit or borrowing classified under IFRS in "Other financial liabilities" must be initially measured in the balance sheet at fair value plus or minus:

- transaction costs (these are external acquisition costs directly attributable to the transaction) ;
- fees received constituting professional fees that represent an integral part of the effective rate of return on the deposit or borrowing.

Deposits and borrowings classified under IFRS as "Other financial liabilities" are subsequently measured at the end of the reporting period at amortised cost using the effective interest rate method (actuarial rate).

Deposits classified under IFRS as "Liabilities held for trading" are subsequently measured at fair value at the end of the reporting period. The fair value of the deposit is calculated excluding accrued interest.

A deposit or borrowing may be the host contract for an embedded derivative. In certain circumstances, the embedded derivative must be separated from the host contract and recognised in accordance with the principles applicable to derivatives. This analysis must be done at the inception of the contract on the basis of the contractual provisions.

Policies adopted by Attijariwafa bank:

Loans and receivables

The Group's policy is to apply the cost model to all loans maturing in more than one year as a function of their size. Loans maturing in less than one year are recorded at historical cost.

Borrowings:

Borrowings and deposits are classified under different categories including « Financial liabilities », « Trading liabilities » and « Liabilities accounted for under the fair value option ».

Deposits:

<u>Sight deposits:</u>

Attijariwafa bank applies IFRS 13. The fair value of a sight deposit cannot be lower than the amount due on demand. It is discounted from the first date on which the repayment may be demanded.

<u>Interest-bearing deposits:</u>

- Deposits bearing interest at market rates – the fair value is the nominal value unless transaction costs are significant.

A historical record of 10-year bond yields needs to be kept to be able to justify that the rates correspond to the original market rates.

- Deposits bearing interest at non-market rates – the fair value is the nominal value plus a discount.

Savings book deposits:

The rate applied is regulated for the vast majority of credit institutions.

Accordingly, no specific IFRS accounting treatment is required for savings book deposits.

Deposits must be classified under the «Other liabilities » category.

Portfolio classification

Attijariwafa bank and other entities excluding insurance companies

SPPI debt instruments held in portfolios are classified according to the following principles:

Assets at FVPL	Debt instruments at FVOCI	Debt instruments at depreciated cost
• Trading and dealing Room portfolios	• Negotiable treasury bills classified in the Investment Portfolio • Bonds and other negotiable debt securities	• Treasury Bills

Securities lending/borrowing and repurchase agreements

Securities temporarily sold under repurchase agreements continue to be recognised in the Group's balance sheet in the category of securities to which they belong. The corresponding liability is recognised under the appropriate debt category except in the case of repurchase agreements contracted by the Group for trading purposes where the corresponding liability is recognised under "Financial liabilities at fair value through profit or loss". Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group's balance sheet. The corresponding receivable is recognised under "Loans and receivables" except in the case of reverse repurchase agreements contracted by the Group for trading purposes, where the corresponding receivable is recognised under "Financial assets at fair value through profit or loss".

Treasury shares

The term "treasury shares" refers to shares issued by the consolidating company, Attijariwafa bank. Treasury shares held by the Group are deducted from consolidated shareholders' equity. Gains and losses arising on such instruments are also eliminated from the consolidated profit and loss account.

Financial assets and liabilities – Impairment:

Standard:

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

<u>Assessment of increase in credit risk:</u>

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

- Bucket 1 (Performing loans): no significant increase in credit risk since initial recognition;
- Bucket 2 ("Loans with a significant increase in credit risk"): significant increase in credit risk since initial recognition. There is also, according to the standard, a rebuttable presumption that the credit risk of an instrument has significantly increased since initial recognition when the contractual payments are more than 30days past due;
- Bucket 3 (Non performing loans): incurred credit/default event.

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

The approach of expected credit losses under IFRS 9 is symmetrical, meaning that if expected credit losses at maturity have been recognized in a previous closing period, and if it turns out that there is no longer a significant increase in the credit risk for the financial instrument and for the current closing period since its initial recognition, the provision is again calculated on the basis of a credit loss expected at 12 months discounted with the effective interest rate of the exposure.

<u>Measurement of expected credit losses</u>

Expected credit losses are defined as an estimate of credit losses (i.e. the present value of all cash shortfalls) weighted by the probability of occurrence of these losses over the expected life of financial instrument. They are measured on an individual basis, for all exposures.

The amount of expected losses is determined by means of three principal factors : the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD) taking into account the amortization profiles. Expected losses are calculated as the product of PD by LGD and EAD discounted at the effective interest rate of the exposure.

- Probabilities of Default (PD): the PD represent the likehood of a borrower defaulting on its financial obligation either over the next 12 months or over the remaining lifetime of the obligation
- Exposure at Default (EAD): EAD is based on the amounts the group expects to be owed at thhe time of default, over the next 12 months or over the remaining lifetime.
- Loss Given Default (LGD) : LGD represents the group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default. LGD is calculated on a 12-month of lifetime basis, where 12 month LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

Policies adopted by Attijariwafa bank

<u>Monitoring of risk degradation</u>

The assessment of the significant increase in credit risk is based primarily on the internal credit risk rating system implemented by the Group, as well as on the monitoring of sensitive receivables and overdue payments. In addition, there is, according to the standard, a rebuttable presumption of a significant increase in the credit risk associated with a financial asset since initial recognition in the event of unpaid loans of more than 30 days.

<u>Definition of Default</u>

The definition of default is aligned with the criteria adopted by BAM in its circular n°19/G/2002. This definition is also the one used by the group in its internal management.

<u>Measurement of expected credit losses</u>

The Attijariwafa bank group has developed statistical models, specific to each of its entities, to calculate expected losses on the basis of:

- Credit rating systems ,
- Historical default occurences,
- Historical data relating to recovery of non-performing loans;
- Information about non-recurring loans available to loan recovery units for relatively significant amounts;
- Guarantees and pledges held.

Derivatives

Standard:

A derivative is a financial instrument or another contract included in IFRS 9's scope of application which meets the following three criteria:

- Its value changes in response to a change in a variable such as specified interest rate, the price of a financial instrument, a price, index or yield benchmark, a credit rating, a credit index or any other variable, provided that in the case of a non-financial variable, the variable must not be specific to any one party to the contract (sometimes known as «the underlying »);
- Requires no initial investment or one that is smaller than would be required for a contract having a similar reaction to changes in market

conditions; and
• Is settled at a future data.

A hedging instrument is a designated derivative or, in the case of a hedge for foreign exchange risk only, a non-derivative designated financial asset or liability. The latter's fair value or cash flows are intended to offset variations in the fair value or cash flows of the designated hedged item.

Policies adopted by Attijariwafa bank

Attijariwafa bank does not currently use derivatives for hedging purposes and is not therefore subject to provisions applicable to hedge accounting.

All other transactions involving the use of derivatives are recognised as assets/liabilities at fair value through income.

Embedded derivatives

Standard:

An embedded derivative is a feature within a financial contract whose purpose its to vary a part of the transaction's cash flows in a similar way to that of a stand-alone derivative.

The IFRS 9 standard defines a hybrid contract as a contract comprising a host contract and an embedded derivative.

Where the host contract is a financial asset, the entire hybrid contract is measured at fair value through profit or loss because its contractual cash flows do not pass the SPPI test.

Where the host contract is a financial liability, the embedded derivative is separated from its host contract and accounted for as a derivative when the following three conditions are met:

• The hybrid contract is not recognised at fair value;
• Separated from the host contract, the embedded derivative possesses the same characteristics as a derivative;
• The characteristics of the embedded derivative are not closely related to those of the host contract.

IFRS 9 recommends that the host contract is valued at inception by taking the difference between the fair value of the hybrid contract (i.e. at cost) and the fair value of the embedded derivative.

Policies adopted by Attijariwafa bank

If there is a material impact from measuring embedded derivatives at fair value, then they are recognised under «Financial assets held at fair value through income ».

Fair value:

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in a principal market (or the most advantageous market) at the measurement date based on current market conditions (i.e. an exit price) providing that this price was directly observable or estimated by using an appropriate valuation technique.

IFRS 13 uses a 'fair value hierarchy' which categorises the inputs used in valuation techniques into three levels in order to determine fair value. The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 inputs

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions (§ 79).

Level 2 inputs

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

If the asset or liability has a specified maturity (contractual), a Level 2 input must be observable for almost the entire life of the asset or liability. Level 2 inputs include:

• Quoted prices for similar assets or liabilities in active markets;
• Quoted prices for identical or similar assets or liabilities in markets that are not active;
• Inputs other than quoted prices that are observable for the asset or liability, for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads.

Adjustments to Level 2 inputs will vary depending on factors specific to the asset or liability. Those factors include the following: the state or location of the asset, the extent to which inputs relate to items that are comparable to the asset or liability, as well as the volume and the level of activity in the markets within which the inputs are observed.

An adjustment to a Level 2 input that is significant to the entire measurement might result in a fair value measurement categorised within Level 3 of the fair value hierarchy if the adjustment uses significant unobservable inputs.

Level 3 inputs

Level 3 inputs inputs are unobservable inputs for the asset or liability. Unobservable inputs must be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Market value is determined by the Group:

• Either from quoted market prices in an active market;
• Or by using a valuation technique based on mathematical models derived from recognised financial theories, which makes maximum use of market inputs.

➥ **Case 1: Instruments traded on active markets**

Quoted market prices on active markets are the best evidence of fair value and should be used, where they exist, to measure the financial instrument. Listed securities and derivatives such as futures and options, which are traded on organised markets, are valued in this way. The majority of over-the-counter derivatives, such as plain vanilla swaps and options, are traded on active markets. They are valued using widely-accepted models (discounted cash flow model, Black and Scholes model and interpolation techniques) and based on quoted market prices of similar or underlying instruments.

➥ **Case 2: Instruments traded on inactive markets**

Instruments traded on an inactive market are valued using an internal model based on directly observable or deduced market data.

Certain financial instruments, although not traded on active markets, are valued using methods based on directly observable market data.

Observable market data may include yield curves, implied volatility ranges for options, default rates and loss assumptions obtained by market consensus or from active over-the-counter markets.

Insurance

Standard:

Insurance contracts:

The main provisions for insurance contracts are summarised below:

• May continue to recognise these contracts in accordance with current accounting policies by making a distinction between three types of contract under IFRS 4:

1. Pure insurance contracts;
2. Financial contracts comprising a discretionary participation feature;
3. And liabilities relating to other financial contracts, in accordance with

IAS 39, which are recorded under «Amounts owing to customers ».

- Requires that embedded derivatives, which do not benefit from exempt status under IFRS 4, are accounted for separately and recognised at fair value through income;
- Requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets;
- A reinsurance cession asset is amortised, by recognising this impairment through income, when and only when:
- Tangible evidence exists, following the occurrence of an event after initial recognition of the asset in respect of reinsurance cessions, resulting in the cedant not receiving all its contractual cash flows;
- This event has an impact, which may be accurately assessed, on the amount which the reinsurer is expected to receive from the primary insurer.
- Requires an insurer to keep insurance liabilities on its balance sheet until they are discharged, cancelled, or expire and prohibits offsetting insurance liabilities against related reinsurance assets;
- Requires that a new insurance liability is recorded in accordance with IFRS 4 «Shadow accounting » in respect of policyholders' deferred participation in profits which represents the portion of unrealised capital gains on financial assets to which policyholders are entitled, in accordance with IAS 39.

Policies adopted by Attijariwafa bank:

Insurance contracts:

A liability adequacy test has already been carried out by Wafa Assurance, which appointed an external firm of actuaries to assess its technical reserves.

The provision for fluctuations in claims relating to non-life insurance contracts is to be cancelled.

Investment-linked insurance:

The instruments held in portfolios are currently classified in the following categories:

HFT	AFS	HTM	Loans & receivables
• Portfolio of consolidated UCITS	• Shares and other equity • Investments in SCIs (Panorama) ; • Treasury bills and unquoted debt instruments.	• Not applicable	• Long-term investments

Liabilities provisions:

Standard:

A provision must be booked when :

- the company has a present obligation (legal or implicit) resulting from a past event.
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation ; and
- the amount of the obligation can be reliably estimated.

If these conditions are not satisfied, no provision may be recognised.

Under IFRS, when the outflow of expected future economic benefits exceeds one year, it is compulsory to discount the provisions for risks and charges.

Except in the case of combinations, contingent liabilities are not provisioned. When the contingent liability or asset is material, it is compulsory to mention it in the notes to the financial statements.

Policies adopted by Attijariwafa bank:

The Group has analysed all its general provisions and:

- How they are matched to inherent risks;
- Has reviewed how they are measured and booked under IFRS.

Current & deferred taxation:

Standard:

A deferred tax asset or liability is recognised each time that the recovery or payment of an asset or liability's carrying amount will result in an increase or reduction in future tax payments compared to what they would have been previously.

A company will most likely be able to offset a deductible temporary difference against taxable income:

- If it has sufficient taxable temporary differences within the remit of the same tax authority and in relation to the same entity;
- If the company is likely to generate sufficient profit within the remit of the same tax authority and in relation to the same entity;
- Tax management allows it the opportunity to generate taxable income in the related periods.

Deferred taxes may not be amortised under IFRS.

Policies adopted by Attijariwafa bank:

<u>Assessing the probability of generating future taxable income:</u>

Deferred tax assets are not recognised unless it is probable that future taxable income will be generated. This probability can be ascertained by the business projections of the companies in question.

<u>Accounting for deferred tax liabilities in respect of temporary differences relating to intangible assets resulting from business combinations:</u>

A deferred tax liability is recognised for goodwill relating to intangible assets resulting from business combinations even if these intangible assets have an indefinite life.

<u>Accounting for deferred tax assets in respect of deductible temporary differences relating to consolidated investments in affiliates:</u>

A deferred tax asset must be recognised in respect of deductible temporary differences relating to consolidated investments in affiliates when these temporary differences are likely to be resolved in the foreseeable future and when it is probable that taxable profit will be generated.

<u>Possibility of revising Goodwill if a deferred tax asset is identified after the regularisation period allowed under IFRS:</u>

A deferred tax asset, which is not identifiable at the time of acquisition but recognised subsequently, is recognised through consolidated income and Goodwill is restated retrospectively even after the regularisation period expires. The impact of this revision is also recognised through consolidated income.

<u>Deferred taxes recognised initially in equity:</u>

The impact of changes to tax rates and/or tax rules is recognised in equity.

Employee benefits

Standard:

The objective of this Standard is to prescribe the accounting treatment and disclosure for employee benefits. This Standard shall be applied by an employer in accounting for all employee benefits, except those to which IFRS 2 "Share-based Payment" applies. These benefits include those provided:

- Under formal plans or other formal agreements between an entity and individual employees, groups of employees or their representatives;
- Under legislative requirements, or through industry arrangements, whereby entities are required to contribute to national, state, industry or other multi-employer plans; or
- By those informal practices that give rise to a constructive obligation and those where the entity has no realistic alternative but to pay employee benefits.

Employee benefits are contingent considerations of any type provided by an entity for services rendered by members of staff or in the event that their employment is terminated. They comprise 4 categories:

Short-term benefits:

Are employee benefits (other than termination benefits), that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services e.g. wages, salaries and social security contributions; paid annual leave and paid sick leave; profit-sharing and bonuses etc.

When an employee has rendered service to an entity during an accounting period, the entity shall recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- As a liability, after deducting any amount already paid, if applicable; or
- As an expense.

Post-employment benefits:

These are employee benefits which are payable post-employment e.g. retirement benefits, post-employment life insurance and post-employment medical care.

Distinction is made between two types of post-retirement benefit plan:

1. Defined contribution plans: an entity pays defined contributions into a fund and has no other legal or constructive obligation to pay additional contributions if the fund does not have sufficient assets to meet expected benefits relating to services rendered by staff. As a result, actuarial risk and investment risk fall on the employee.

Accounting for defined contribution plans is straightforward because no actuarial assumptions are required to measure the obligation or the expense and there is no possibility of any actuarial gain or loss.

The entity shall recognise the contribution payable to a defined contribution plan in exchange for the service rendered by an employee:

- As a liability, after deducting any amount already paid, if applicable; or
- As an expense.

2. Defined benefit plans: the entity's obligation is to provide the agreed benefits to current and former employees As a result, actuarial risk and investment risk fall on the employee.

Accounting for defined benefit plans is quite complex due to the fact that actuarial assumptions are required to measure the obligation and there is a possibility of an actuarial gain or loss. In addition, the obligations are discounted to their present value as they may be paid several years after the employee has rendered the corresponding service.

A multi-employer plan which is neither a general plan nor a compulsory plan must be recognised by the company as either a defined contribution plan or a defined benefit plan depending on the characteristics of the plan.

Other long-term employee benefits:

Other long-term employee benefits include long-term paid absences, such as long-service or sabbatical leave. They also include jubilee or other long-service benefits such wissam schoghl, long-term disability benefits, profit-sharing, bonuses and deferred remuneration if not expected to be settled wholly before twelve months after the end of the annual reporting period.

In general, the measurement of other long-term employee benefits is usually not subject to the same degree of uncertainty as the measurement of defined benefit plans. Therefore, this standard provides a simplified method which does not recognise re-measurements in other comprehensive income.

Termination benefits:

Termination benefits are employee benefits payable as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits.

The entity should recognise a liability and expense for termination benefits at the earlier of the following two dates:

- The date after which it may no longer withdraw its benefits;
- The date at which it recognises the costs of restructuring as required by IAS 37 and envisages the payment of related benefits.

In the case of termination benefits payable following an entity's decision to terminate the employment of an employee, the entity may no longer withdraw its offer of benefits once it has informed the employees in question of the termination plan, which should satisfy the following criteria:

- The measures required to successfully execute the plan would suggest that is it unlikely that major changes would be made to the plan;
- The plan identifies the number of employees to be terminated, the job classifications or functions that will be affected and their locations and when the terminations are expected to occur;
- The plan establishes the terms of the termination benefits in sufficient detail to enable employees to determine the type and amount of benefits they will receive if they are involuntarily terminated.

Measuring obligations:

Method:

Accounting for defined benefit plans requires the use of actuarial techniques to reliably estimate the benefits accruing to employees in consideration for current and past service rendered.

This requires estimating the benefits, demographic variables such as mortality rates and staff turnover, financial variables such as the discount rate and future salary increases that will affect the cost of benefits.

The recommended method under IAS 19 is the "projected unit credit method".

This amounts to recognising, on the date that the obligation is calculated, an obligation equal to the probable present value of the estimated benefits multiplied by the length of service at the calculation date and at the retirement date.

The obligation can be considered as accruing pro-rata to the employee's length of service. As a result, an employee's entitlement is calculated on the basis of length of service and estimated salary at the retirement date.

Policies adopted by Attijariwafa bank:

Attijariwafa bank has opted for a defined contribution retirement benefits plan. Accordingly, no specific accounting treatment is required under IFRS.

In the case of post-employment medical cover, Attijariwafa bank does not have sufficient information to be able to account for its medical cover as a defined benefit plan.

The Group, on the other hand, has booked specific provisions for liabilities to employees including end-of-career bonuses and service awards (Ouissam Achoughl).

Share-based payments

Share-based payments are payments based on shares issued by the Group. The payments are made either in the form of shares or in cash for amounts based on the value of the Group's shares.

Examples of share-based payments include stock options or employee share plans.

Under the subscription terms, employees may subscribe for shares at a discount to the current market price over a specified period. The inaccessibility period is taken into consideration when expensing this benefit.

IFRS 9 FINANCIAL INSTRUMENTS

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

The project was divided into three phases:

– Phase 1 – Classification and measurement of financial instruments;

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

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

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

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

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

Application of IFRS 9 for insurance activities

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

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

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

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

Classification and measurement

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

- amortized cost;
- fair value through other comprehensive income ("FVOCI");
- fair value through profit or loss ("FVPL").

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

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

Debt instruments

The standard distinguishes three business models:

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

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

- the measurement method, monitoring and risk management associated with the financial instruments concerned;
- realized and expected asset sales (size, frequency, type).

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

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

Equity instruments

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

Impairment

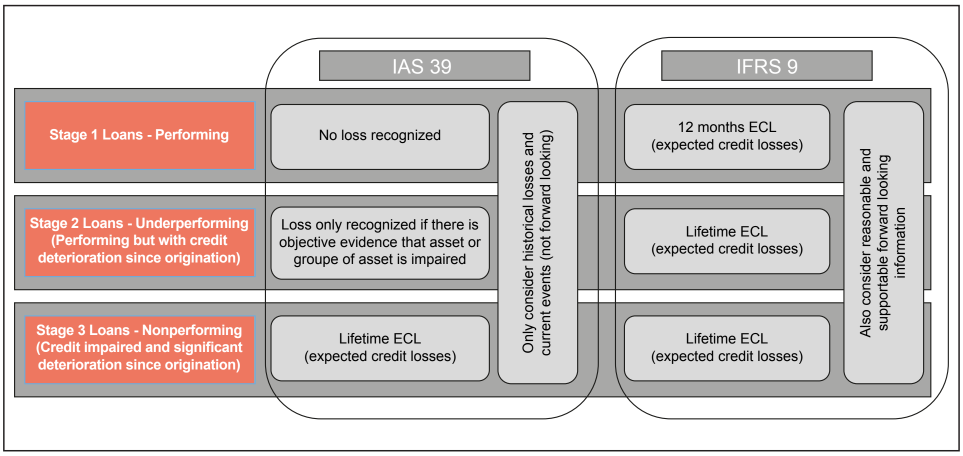
IFRS 9 Phase 2 introduces a new model for recognizing impairment of financial assets based on expected credit losses (ECL). This new model is applicable to financial assets measured at amortized cost or at fair value through other comprehensive income; The new model represents a change from the current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

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

- Bucket 1 (Performing loans): no significant increase in credit risk since initial recognition;
- Bucket 2 ("Loans with a significant increase in credit risk"): significant increase in credit risk since initial recognition;

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

IAS 39 vs IFRS 9 - Impairment model



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

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

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

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

CONSOLIDATED IFRS BALANCE SHEET at 30 June 2019

(thousand MAD)

ASSETS (under IFRS)	NOTES	06/30/2019	12/31/2018
Cash - Central banks - Postal cheque		26 605 949	18 536 591
Financial assets at fair value through profit or loss (FV P&L)	**2.1**	**55 339 137**	**61 567 279**
Trading assets		55 031 586	61 318 331
Other financial assets at fair value through profit or loss		307 551	248 947
Hedging derivatives			
Financial assets at fair value through other comprehensive income	**2.2 / 2.11**	**48 279 534**	**43 190 734**
Debt instruments at fair value through other comprehensive income (recycling)		12 932 140	10 086 448
Equity instruments at fair value through other comprehensive income (no recycling)		2 606 570	2 328 058
Financial assets at fair value through other comprehensive income (Insurance)		32 740 824	30 776 229
Securities at amortised cost	2.11 / 2.13	15 664 681	15 101 428
Loans & receivables Financial Institutions at amortised cost	2.3 / 2.11	27 186 125	28 791 443
Loans & receivables Customers	2.4 / 2.11	317 594 396	305 059 677
Asset reevaluation difference - PF interest hedged			
Financial Placement of insurance activities			
Current tax assets		112 015	181 922
Deferred tax assets		2 953 062	2 866 699
Adjustment & other asset accounts		12 243 041	13 667 001
Non current assets held for sale		101 359	97 044
Investments in equity method companies		73 424	86 699
Investment property		2 479 967	2 522 538
Property, plant, equipment	2.5	7 285 082	5 687 723
Intangible assets	2.5	2 712 532	2 617 343
Goodwill	2.6	9 940 019	9 951 595
TOTAL ASSETS IFRS		**528 570 322**	**509 925 715**

LIABILITIES (under IFRS)	NOTES	06/30/2019	12/31/2018
Central banks, Public treasury, Postal cheque		4 343	3 056
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (FV P&L)	**2.7**	**800 289**	**400 624**
Financial assets held-for-trading		800 289	400 624
Financial assets designated at fair value through profit or loss			
Hedging derivatives			
Debts - Financial Institutions	2.8	52 735 717	47 314 854
Debts - Customers	2.9	332 073 822	332 005 586
Notes & certificates issued		19 516 170	15 508 094
Liability reevaluation difference - PF interest hedged			
Current tax liability		1 280 297	864 710
Deferred tax liability		2 227 896	1 975 571
Adjustment & other liability accounts		18 308 442	12 306 933
Debt related to non current assets held for sale			
Insurance technical provision		34 664 814	33 639 357
Provisions	2.10 / 2.11	2 694 079	2 608 204
Subsidies, allocated funds		158 648	361 230
Subordinated funds, special guarantee funds		13 015 040	12 466 102
SHAREHOLDERS' EQUITY		**51 090 765**	**50 471 394**
Equity and related reserves		12 551 765	12 551 765
Consolidated reserves		**32 788 506**	**29 387 656**
Group share		*28 747 686*	*25 596 383*
Non-controlling interests		*4 040 819*	*3 791 273*
Unrealized or deferred Gains / losses		**2 268 076**	**1 796 769**
Group share		*873 110*	*665 060*
Non-controlling interests		*1 394 966*	*1 131 708*
Net income		**3 482 419**	**6 735 205**
Group share		*2 934 785*	*5 706 129*
Non-controlling interests		*547 634*	*1 029 075*
TOTAL LIABILITIES IFRS		**528 570 322**	**509 925 715**

CONSOLIDATED INCOME STATEMENT UNDER IFRS at 30 June 2019

(thousand MAD)

	NOTES	06/30/2019	12/31/2018
Interest (income)	3.1	10 831 374	10 234 227
Interest (expenses)	3.1	-3 577 580	-3 386 301
INTEREST MARGIN		**7 253 793**	**6 847 926**
Commissions (income)	3.2	2 829 621	2 856 037
Commissions (expenses)	3.2	-370 937	-342 032
MARGIN ON COMMISSIONS		**2 458 684**	**2 514 005**
Net gains and losses occured by the hedging of net positions			
Net gains and losses on financial instruments at fair value through profit or loss		**1 695 471**	**1 604 197**
Net gains and losses on trading assets		1 695 471	1 601 183
Net gains and losses on other financial assets at fair value through profit or loss			3 014
Net gains and losses on Financial assets at fair value through other comprehensive income		**387 253**	**533 139**
Net gains and losses debt instruments at fair value through other comprehensive income (recycling)		14 553	12 433
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be subsequently to profit or loss (dividends)		86 930	70 571
Remuneration of financial assets measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (insurance)		285 770	450 135
Net gains and losses arising from the derecognition of financial assets at amortised cost			
Net gains and losses arising from the reclassification of financial assets through other comprehensive income to financial assets at fair value through profit or loss			
Income on other activities		**4 358 891**	**4 020 556**
Expenses on other activities		**-4 377 442**	**-4 225 926**
NET BANKING INCOME		**11 776 651**	**11 293 897**
Operating genral expenses		-4 765 101	-4 692 101
Amortization & Depreciation expenses - tangible & intagible assets		-740 926	-553 806
GROSS OPERATING INCOME		**6 270 623**	**6 047 990**
Risk cost	3.3	-913 631	-1 026 814
NET OPERATING INCOME		**5 356 993**	**5 021 175**
+/- Share net income Equity method		5 691	6 129
Net gains or losses on other assets		12 339	47 201
Goowill variation values			
PRE-TAX INCOME		**5 375 023**	**5 074 504**
Net income tax		-1 892 604	-1 628 354
Net income from discounted or held-for-sale operations			
NET INCOME		**3 482 419**	**3 446 150**
Non-controlling interests		-547 634	-649 289
NET INCOME GROUP SHARE		**2 934 785**	**2 796 861**
Earnings per share		13,98	13,74
Diluted earnings per share		13,98	13,74

STATEMENT OF NET INCOME AND GAINS AND LOSSES DIRECTLY RECORDED IN SHAREHOLDERS EQUITY at 30 June 2019

(thousand MAD)

STATEMENT OF NET INCOME AND GAINS AND LOSSES DIRECTLY RECORDED IN SHAREHOLDERS EQUITY	06/30/2019	12/31/2018
Net Income	**3 482 419**	**6 735 205**
Recyclable elements on net income :		
Gains and losses on translation adjustments	224 929	-374 454
Reevaluation of financial assets at fair value through other comprehensive income (recyclable)	738 264	-539 486
Gains and losses on hedging derivative instruments		
Share of net gains and losses recorded through equity method	-4 269	-5 655
Other changes in Shareholders		
Related income tax	-266 958	193 053
Non Recyclable elements on net income :		
Reevaluation of fixed assets		
Reevaluation (Actuarial gains and losses) of the limit on a defined benefit Asset		
Reevaluation of the own credit risk of financial liabilities that have been subject to recognising option at fair value through profit or loss		
Reevaluation of Equity instruments at fair value through through other comprehensive income		
Share of gains and losses through OCI on Items regarding enterprises by equity method non recyclable		
Other elements at non recyclable OCI		
Related Taxes		
Total gains and losses directly recorded in shareholders' equity	**691 966**	**-726 542**
Net income directly recorded in shareholders' equity	4 174 385	6 008 662
Of which Group share	3 315 038	5 348 045
Of which non-controlling interests	859 347	660 617

TABLE OF SHAREHOLDERS EQUITY VARIATION at 30 june 2019

(thousand MAD)

	Share capital	Reserves (related to share capital)	treasury stock	Reserves and consolidated income	Gains or losses by OCI (recycling)	Gains or losses by OCI (non recycling)	Share-holders equity group share	non-controlling interests	Total
Opening Shareholders' equity at 1st of january 2018	**2 035 272**	**8 116 493**	**-2 461 129**	**31 100 989**	**853 431**	**-23 833**	**39 621 227**	**6 437 493**	**46 058 720**
Transactions related to share capital	63 325	2 336 675		-410 274			1 989 726	-532 867	1 456 859
Share-based payments									
Transactions related to treasury stock									
Dividends				-2 743 968			-2 743 968	-654 833	-3 398 801
Net income				**5 706 129**			**5 706 129**	**1 029 075**	**6 735 205**
Intangible and fixed assets : revaluation and disposals									
Financial instruments : fair value variation and transfer through P&L					-154 268	-10 270	-164 538	-181 895	-346 434
Translation adjustments : change and transfer through PL				-187 891			-187 891	-186 562	-374 454
Latent or differed gains or losses				**-187 891**	**-154 268**	**-10 270**	**-352 429**	**-368 458**	**-720 887**
Other variations				266 299			266 296	-10 958	255 338
Changes in scope of consolidation				32 358			32 358	52 606	84 964
Closing Shareholders' equity at 31th December 2018	**2 098 597**	**10 453 168**	**-2 461 129**	**33 763 639**	**699 163**	**-34 103**	**44 519 337**	**5 952 057**	**50 471 394**
Transactions related to share capital				152 408			152 408	232 031	384 440
Share-based payments									
Transactions related to treasury stock									
Dividends				-2 746 380			-2 746 380	-672 080	-3 418 460
Net income				**2 934 785**			**2 934 785**	**547 634**	**3 482 419**
Intangible and fixed assets : revaluation and disposals									
Financial instruments : fair value variation and transfer through P&L					209 437	-1 388	208 049	263 257	471 307
Translation adjustments : change and transfer through PL				176 473			176 473	48 456	224 929
Latent or differed gains or losses				**176 473**	**209 437**	**-1 388**	**384 522**	**311 713**	**696 235**
Other variations				-137 327			-137 327	-387 936	-525 263
Changes in scope of consolidation									
Closing Shareholders' equity at 30th June 2019	**2 098 597**	**10 453 168**	**-2 461 129**	**34 143 599**	**908 600**	**-35 491**	**45 107 346**	**5 983 419**	**51 090 765**

CONSOLIDATED CASH FLOW STATEMENT at 30 June 2019

(thousand MAD)

	06/30/2019	12/31/2018
Pre-tax income	**5 375 023**	**9 998 601**
+/- Net depreciation and amortisation of property, plant and equipment and intangible assets	762 296	1 123 146
+/- Net impairment of goodwill and other fixed assets		
+/- Net impairement of financial assets		
+/- Net provisions	1 027 365	1 939 699
+/- Net income from companies accounted for under the equity method	-4 510	-10 188
+/- Net gain/loss from investment activities	-32 186	-102 757
+/- Net gain/loss from financing activities		
+/- Other movements	3 087 885	-752 798
Total non-cash items included in pre-tax income and other adjustments	**4 840 850**	**2 197 102**
+/- Flows relating to transactions with credit institutions and similar establishments	7 838 754	12 075 675
+/- Flows relating to transactions with customers	-12 466 483	-9 582 248
+/- Flows relating to other transactions affecting financial assets or liabilities	4 140 011	-949 394
+/- Flows relating to other transactions affecting non-financial assets or liabilities		
- taxes paid	-1 631 698	-3 161 363
Net increase/decrease in operating assets and liabilities	**-2 119 416**	**-1 617 330**
Net cash flow from operating activities	**8 096 457**	**10 578 372**
+/- Flows relating to financial assets and investments	-1 215 277	-10 458
+/- Flows relating to investment property	332 842	-565 341
+/- Flows relating to plant, property and equipment and intangible assets	-494 558	-339 816
Net cash flow from investment activities	**-1 376 992**	**-915 615**
+/- Cash flows from or to shareholders	-3 418 460	-3 398 801
+/- Other net cash flows from financing activities	4 379 959	2 207 418
Net cash flow from financing activities	**961 499**	**-1 191 383**
Effect of changes in foreign exchange rates on cash and cash equivalents	**147 840**	**-529 190**
Net increase (decrease) in cash and cash equivalents	**7 828 803**	**7 942 184**

The composition of the cash position	06/30/2019	12/31/2018
Cash and cash equivalents at the beginning of the period	**22 868 784**	**14 926 600**
Net cash balance (assets and liabilities) with central banks, the treasury and post office accounts	18 533 535	18 127 784
Inter-bank balances with credit institutions and similar establishments	4 335 248	-3 201 184
Cash and cash equivalents at the end of the period	**30 697 587**	**22 868 784**
Net cash balance (assets and liabilities) with central banks, the treasury and post office accounts	26 601 606	18 533 535
Inter-bank balances with credit institutions and similar establishments	4 095 981	4 335 248
Net change in cash and cash equivalents	**7 828 803**	**7 942 184**

2. BALANCE SHEET NOTES

2.1 Financial assets at fair value through profit or loss (FV P&L) at 30 June 2019

(thousand MAD)

	06/30/2019		12/31/2018	
	Trading assets	Other financial assets at fair value through profit or loss	Trading assets	Other financial assets at fair value through profit or loss
Loans and advances to financial institutions				
Loans and advances to customers				
Financial assets held as guarantee for unit-linked policies				
Securities received under repo agreements				
Treasury notes and similar securities	31 479 953		38 636 438	
Bonds and other fixed income securities	6 947 497		6 339 187	
Shares and other equity securities	16 500 932	180 613	16 231 685	121 926
Non-consolidated equity investments		126 939		127 022
Derivative instruments	103 203		111 021	
Related loans				
Fair value on the balance sheet	**55 031 586**	**307 551**	**61 318 331**	**248 947**

2.2 Financial assets at fair value through other comprehensive income at 30 June 2019

(thousand MAD)

	06/30/2019		
	Balance sheet value	Latent gains	Latent losses
Financial assets at fair value through other comprehensive income	**48 279 534**	**3 905 542**	**-577 769**
Debt instruments at fair value through other comprehensive income (recycling)	12 932 140	127 182	-48 223
Equity instruments at fair value through other comprehensive income (no recycling)	2 606 570	193 582	-213 066
Financial assets at fair value through other comprehensive income (Insurance)	32 740 824	3 584 777	-316 480

Debt instruments at fair value through other comprehensive income (recycling)	Balance sheet value	Latent gains	Latent losses
Treasury bills and similar securities	3 959 218	126 544	-38 549
Bonds and other fixed income securities	8 972 923	638	-9 674
Total Debt securities	**12 932 140**	**127 182**	**-48 223**
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**12 932 140**	**127 182**	**-48 223**
Income tax charge		-34 003	11 663
Gains and losses recognized in equity on other comprehensive income on debt instruments that may be reclassified to profit or loss (net of income tax)		**93 179**	**-36 560**

Equity instruments at fair value through other comprehensive income (no recycling)	Balance sheet value	Latent gains	Latent losses
Equity and other variable income securities			
Non-consolidated equity investments	2 606 570	193 582	-213 066
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**2 606 570**	**193 582**	**-213 066**
Income tax charge		-64 144	77 150
Gains and losses recognized in equity on equity instruments that will not be reclassified to profit or loss (net of income tax)		**129 438**	**-135 916**

Financial assets at fair value through other comprehensive income (Insurance)	Balance sheet value	Latent gains	Latent losses
Effets publics et valeurs assimilées	14 122 799	701 086	-6 366
Obligations et autres titres à revenu fixe	4 496 164	115 959	-90 012
Actions et autres titres à revenu variable	8 576 986	2 493 979	-170 927
Titres de participation non consolidés	5 544 875	273 753	-49 175
Total Financial assets at fair value through other comprehensive income (Insurance)	**32 740 824**	**3 584 777**	**-316 480**
Impôts		-1 156 743	106 379
Gains and losses recognized in equity on financial assets at fair value through other comprehensive income that may be reclassified to profit or loss -Insurance (net of income tax)		**2 428 035**	**-210 101**

2.3 Loans and advances to financial institutions at amortised cost at 30 June 2019

(thousand MAD)

Financial Institutions	06/30/2019	12/31/2018
Accounts and loans	26 276 932	27 499 181
of which performing current accounts in debit	7 805 635	10 166 161
of which performing overnight accounts and advances	18 471 297	17 333 020
Other loans and receivables	758 892	788 426
Gross amount	**27 035 824**	**28 287 608**
Related loans	217 123	568 894
Impairment (*)	66 822	65 059
Net value of loans and receivables due from financial institutions	**27 186 125**	**28 791 443**

Intercompany operations	06/30/2019	12/31/2018
Regular accounts	2 859 265	2 833 807
Accounts and long-term advances	22 164 215	23 417 918
Related loans	13 371	70 676

(*) see note 2.11

2.4 Loans & receivables Customers at amortised cost at 30 June 2019

(thousand MAD)

Transactions with customer	06/30/2019	12/31/2018
Commercial loans	42 563 636	40 665 827
Other loans and advances to customers	246 283 722	234 460 174
Securities received under repo agreements	4 338 048	1 107 784
Subordinated loans	3 322	3 339
Current accounts in debit	22 963 154	27 581 890
Gross amount	**316 151 883**	**303 819 015**
Related loans	2 191 156	2 016 072
Impairment (*)	20 791 989	20 409 812
Net amount of loans and advances to customers	**297 551 051**	**285 425 274**
Leasing activities		
Property leasing	3 563 079	3 453 617
Leasing of movable property, long-term rental and similar activities	17 296 256	16 980 249
Gross amount	**20 859 336**	**20 433 866**
Related loans	1 425	1 092
Impairment (*)	817 416	800 555
Net value of leasing activities	**20 043 345**	**19 634 402**
Balance sheet value	**317 594 396**	**305 059 677**

(*) see note 2.11

2.5 Plant, property and equipment and intangible assets at 30 June 2019

(thousand MAD)

	06/30/2019			12/31/2018		
	Gross value	Accumulated amortisation and impairment	Net value	Gross value	Accumulated amortisation and impairment	Net value
Land and buildings	3 337 125	1 435 129	1 901 996	3 312 799	1 404 761	1 908 038
Movable property and equipment	5 419 361	3 223 881	2 195 481	3 648 799	2 988 385	660 414
Leased movable property	722 668	265 538	457 129	706 977	271 643	435 335
Other property, plant and equipment	6 565 088	3 834 612	2 730 476	6 544 704	3 860 768	2 683 936
Total property, plant and equipment	**16 044 242**	**8 759 160**	**7 285 082**	**14 213 280**	**8 525 557**	**5 687 723**
It software acquired	4 581 086	2 596 919	1 984 167	3 848 632	2 385 334	1 463 298
Other intangible assets	1 199 905	471 540	728 365	1 710 159	556 113	1 154 046
Total intangible assets	**5 780 991**	**3 068 459**	**2 712 532**	**5 558 790**	**2 941 447**	**2 617 343**

Change in right-of-use	01/01/2019	Increases	Decreases	Other	06/30/2019
Property					
Gross amount	1 533 533	99 896	-4 207	333	1 629 555
Amortisation and impairment		-151 930	-7 065		-158 995
Total property	**1 533 533**	**-52 034**	**-11 272**	**333**	**1 470 560**
Movable property					
Gross amount					
Amortisation and impairment					
Total movable property					
Total right-of-use	**1 533 533**	**-52 034**	**-11 272**	**333**	**1 470 560**

(thousand MAD)

Change in lease debt	01/01/2019	Increases	Decreases	Other	06/30/2019
Lease debt	1 533 533	99 896	-145 502	333	1 488 260
Total lease Debt	**1 533 533**	**99 896**	**-145 502**	**333**	**1 488 260**

(thousand MAD)

Detail of lease contracts' expenses	06/30/2019	12/31/2018
Interests expenses on lease liability	-44 655	
Right-of-use amortisation	-162 135	

(thousand MAD)

Right-of-use asset	06/30/2019	12/31/2018
Plant, property and equipment	**7 285 082**	**5 687 723**
Of which right-of-use	1 470 560	

(thousand MAD)

Right-of-use liability	06/30/2019	12/31/2018
Adjustment & other liability accounts	**18 308 442**	**12 306 933**
Of which lease liability	1 488 260	

2.6 Goodwill at 30 June 2019

(thousand MAD)

	12/31/2018	Scope variation	Translation gains and losses	Other movements	06/30/2019
Gross value	9 951 595		-11 576		9 940 019
Accumulated amortisation and impairment					
Net value on the balance sheet	**9 951 595**		**-11 576**		**9 940 019**

2.7 Financial liabilities at fair value through profit or loss (FV P&L) at 30 June 2019

	06/30/2019	12/31/2018
Securities pledged under repo agreements Financial Institutions	452 802	105 633
Trading derivative instruments	347 487	294 991
Fair value on the balance sheet	**800 289**	**400 624**

2.8 Debts - Financial Institutions at 30 June 2019

(thousand MAD)

	30/06/2019	31/12/2018
Financial Institutions		
Accounts and borrowings	16 892 728	15 844 661
Securities pledged under repo agreement	35 688 683	31 391 411
Total	**52 581 411**	**47 236 071**
Related debt	154 306	78 783
Value on the balance sheet	**52 735 717**	**47 314 854**

	30/06/2019	31/12/2018
Intercompany operations		
Current accounts in credit	1 873 450	2 168 968
Accounts and long-term advances	22 965 810	24 021 345
Related debt	64 162	144 483

2.9 Debts - Customers at 30 June 2019

(thousand MAD)

	06/30/2019	12/31/2018
Ordinary creditor accounts	243 871 817	239 132 310
Savings accounts	64 026 787	66 585 668
Other amounts owing to customers	21 183 377	22 710 135
Securities pledged under repo agreements	1 889 732	2 656 823
Total principal	**330 971 712**	**331 084 937**
Related debt	1 102 110	920 650
Value on the balance sheet	**332 073 822**	**332 005 586**

2.10 General provisions at 30 june 2019

(thousand MAD)

	Stock at 12/31/2018	Change in scope	Additional provisions	Write-backs used	Write-backs not used	Other changes	06/30/2019
Provisions for risks in executing signature loans (*)	914 908		190 754		163 446	-90	942 126
Provisions for social benefit liabilities	545 085		64 336	27 985		-1 993	579 443
Other general provisions	1 148 211		93 999	3 122	66 481	-96	1 172 511
General provisions	**2 608 204**		**349 088**	**31 107**	**229 927**	**-2 178**	**2 694 079**

* See note 2.11

2.11 Exposure at default and Expected credit loss by Bucket according to IFRS 9 at 30 june 2019

(thousand MAD)

06/30/2019	Exposure at Default			Expected Credit Loss			Coverage Ratio		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Financial assets at fair value through other comprehensive income	**13 018 044**	**41 525**		**124 125**	**3 304**		**1,0%**	**8,0%**	
Loans & receivables Financial Institutions									
Loans & receivables Customers									
Debt instruments	13 018 044	41 525		124 125	3 304		1,0%	8,0%	
Financial assets at amortised cost	**331 106 237**	**28 075 050**	**23 027 175**	**2 280 290**	**4 323 104**	**15 159 867**	**0,7%**	**15,4%**	**65,8%**
Loans & receivables Financial Institutions	27 044 478	182 968	25 500	42 419	1 003	23 401	0,2%	0,5%	91,8%
Loans & receivables Customers	288 507 010	27 695 116	23 001 674	2 166 511	4 306 428	15 136 466	0,8%	15,5%	65,8%
Debt instruments	15 554 749	196 965		71 360	15 674		0,5%	8,0%	
Total assets	**344 124 281**	**28 116 575**	**23 027 175**	**2 404 414**	**4 326 409**	**15 159 867**	**0,7%**	**15,4%**	**65,8%**
Off Balance Sheet items	129 965 623	9 487 859	510 294	500 047	305 646	136 433	0,4%	3,2%	26,7%
Total	**474 089 905**	**37 604 434**	**23 537 469**	**2 904 461**	**4 632 055**	**15 296 299**	**0,6%**	**12,3%**	**65,0%**

12/31/2018	Exposure at Default			Expected Credit Loss			Coverage Ratio		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Financial assets at fair value through other comprehensive income	**10 170 229**	**46 465**		**125 524**	**4 723**		**1,2%**	**10,2%**	
Loans & receivables Financial Institutions									
Loans & receivables Customers									
Debt instruments	10 170 229	46 465		125 524	4 723		1,2%	10,2%	
Financial assets at amortised cost	**318 621 655**	**29 353 140**	**22 347 052**	**2 196 282**	**4 324 893**	**14 848 124**	**0,7%**	**14,7%**	**66,4%**
Loans & receivables Financial Institutions	28 830 868		25 634	41 535		23 523	0,1%		91,8%
Loans & receivables Customers	274 806 614	29 142 012	22 321 418	2 082 332	4 303 435	14 824 601	0,8%	14,8%	66,4%
Debt instruments	14 984 173	211 128		72 415	21 459		0,5%	10,2%	
Total assets	**328 791 884**	**29 399 605**	**22 347 052**	**2 321 806**	**4 329 616**	**14 848 124**	**0,7%**	**14,7%**	**66,4%**
Off Balance Sheet items	125 989 278	10 340 805	849 238	477 910	267 271	169 727	0,4%	2,6%	20,0%
Total	**454 781 162**	**39 740 410**	**23 196 290**	**2 799 717**	**4 596 886**	**15 017 851**	**0,6%**	**11,6%**	**64,7%**

2.12 Impaired outstanding amounts (Bucket 3) at 30 june 2019

(thousand MAD)

	06/30/2019			12/31/2018		
	Outstanding amount Bucket 03			Outstanding amount Bucket 03		
	Gross Value	Expected Credit Loss	Net Value	Gross Value	Expected Credit Loss	Net Value
Loans & receivables financial institutions	25 500	23 401	2 100	25 634	23 523	2 111
Loans & receivables customers	23 001 674	15 136 466	7 865 209	22 321 418	14 824 601	7 496 817
Debt instruments						
Total impaired outstanding amount at amortised cost (Bucket 3)	**23 027 175**	**15 159 867**	**7 867 308**	**22 347 052**	**14 848 124**	**7 498 928**
Total impaired off-balance sheet commitements (Bucket 3)	**510 294**	**136 433**	**373 861**	**849 238**	**169 727**	**679 512**

2.13 Securities at amortised cost at 30 june 2019

(thousand MAD)

Securities at amortised cost	06/30/2019	12/31/2018
Treasury bills and similar securities	12 323 385	11 880 666
Bonds and other fixed income securities	3 428 330	3 314 635
Total	**15 751 715**	**15 195 301**
Impairment (*)	87 034	93 873
Total	**15 664 681**	**15 101 428**

* See note 2.11

3. INCOME STATEMENT NOTES

3.1 Net interest margin at 30 june 2019

(thousand MAD)

	06/30/2019			06/30/2018		
	Income	Expenses	Net	Income	Expenses	Net
Transactions with customers	**9 162 026**	**1 984 506**	**7 177 520**	**8 643 178**	**2 130 848**	**6 512 330**
Accounts and loans/borrowings	8 655 483	1 940 133	6 715 350	8 174 388	2 003 026	6 171 362
Repurchase agreements	5 113	44 373	-39 260	589	127 821	-127 232
Leasing activities	501 430		501 430	468 200		468 200
Inter-bank transactions	**454 227**	**985 431**	**-531 203**	**370 127**	**711 416**	**-341 289**
Accounts and loans/borrowings	453 900	862 146	-408 246	370 127	639 122	-268 996
Repurchase agreements	327	123 285	-122 957		72 294	-72 294
Debt issued by the group		**607 644**	**-607 644**		**544 037**	**-544 037**
Securities transactions	**1 215 120**		**1 215 120**	**1 220 923**		**1 220 923**
Total interest margin	**10 831 374**	**3 577 580**	**7 253 793**	**10 234 227**	**3 386 301**	**6 847 926**

3.2 Margin on commissions at 30 june 2019

(thousand MAD)

	Income	Expenses	Net
Net commissions on transactions	**1 163 179**	**42 105**	**1 121 074**
With financial institutions	52 915	31 747	21 169
With customers	751 476		751 476
On securities	100 030	6 943	93 087
On foreign exchange	36 400	2 417	33 983
On forward financial instruments and other off-balance sheet transactions	222 358	998	221 359
Banking and financial services	**1 666 441**	**328 831**	**1 337 610**
Net income from mutual fund management (UCITS)	184 030	12 788	171 242
Net income from payment services	958 970	237 851	721 119
Insurance	221		221
Other services	523 221	78 192	445 028
Net commissions Income	**2 829 621**	**370 937**	**2 458 684**

3.3 Cost of Risk au 30 juin 2019

(thousand MAD)

	06/30/2019
Additional provisions	**-2 222 183**
Provisions for loan impairment	-2 113 100
Provisions for securities Impairement	-15 084
Other general provisions	-93 999
Provision write-backs	**1 458 425**
Provisions for loan impairment	1 363 984
Provisions for securities Impairement	24 837
Other general provisions	69 603
Change in provisions	**-149 873**
Losses on written-off loans	-166 034
Amounts recovered on impaired written-off loans	20 289
Others	-4 128
Total	**-913 631**

4. INFORMATION PER CENTER OF ACTIVITIES

Attijariwafa bank's information by business activity is presented as follows:

- **Domestic banking, europe and offshore comprising** Attijariwafa bank SA, Attijariwafa bank Europe, Attijari international bank and holding companies incorporating the group's investments in the group's consolidated subsidiaries;
- **Specialised Financial Subsidiaries** comprising Moroccan subsidiaries undertaking consumer finance, mortgage loan, leasing, factoring and money transfer activities;
- **International Retail Banking** including banks in North Africa especially Attijaribank Tunisie, Attijariwafa bank Egypt and Attijaribank Mauritanie as well as banks in the WAEMU zone and the EMCCA zone;
- **Insurance and property** comprising Wafa Assurance.

(in thousand MAD)

BALANCE SHEET JUNE 2019	Domestic banking, europe and offshore	Specialised Financial Subsidiaries	Insurance and property	International Retail Banking	TOTAL
Total Balance Sheet	**326 204 125**	**35 257 128**	**42 983 027**	**124 126 041**	**528 570 322**
including					
Assets					
Financial assets at fair value through profit or loss (FV P&L)	53 258 365	169 791		1 910 981	**55 339 137**
Financial assets at fair value through other comprehensive income	3 435 550	126 360	32 740 824	11 976 800	**48 279 534**
Securities at amortised cost	9 417 150	12 500		6 235 031	**15 664 681**
Loans and advances to financial institutions at amortised cost	19 606 909	764 168	221 359	6 593 688	**27 186 125**
Loans & receivables Customers at amortised cost	212 193 409	30 803 699	3 544 413	71 052 874	**317 594 396**
Property, plant, equipment	3 563 287	854 390	194 340	2 673 065	**7 285 082**
Liabilities					
Debts - Financial Institutions	40 987 397	2 366 783	476	9 381 061	**52 735 717**
Debts - Customers	240 532 562	5 073 736	3 514	86 464 011	**332 073 822**
Insurance technical provision			34 664 814		**34 664 814**
Subordinated debts	11 148 469	712 791		1 153 779	**13 015 040**
Shareholders' equity	39 209 623	2 488 039	4 529 576	4 863 527	**51 090 765**

Income statement JUNE 2019	Domestic banking, europe and offshore	Specialised Financial Subsidiaries	Insurance and property	International Retail Banking	Eliminations	TOTAL
INTEREST MARGIN	3 869 029	587 195	380 650	2 482 181	-65 262	**7 253 793**
MARGIN ON COMMISSIONS	1 316 915	484 902	-14 541	1 036 896	-365 488	**2 458 684**
Net banking income	6 197 296	1 267 420	681 861	3 805 104	-175 030	**11 776 651**
Operating expenses	2 431 983	441 077	287 626	1 779 445	-175 030	**4 765 101**
Operating income	2 946 447	616 862	257 249	1 536 435		**5 356 993**
Net income	1 788 894	374 387	214 262	1 104 875		**3 482 419**
Net income group share	1 779 149	301 155	86 955	767 526		**2 934 785**

5. FINANCING COMMITMENTS AND GUARANTEES

5.1 Financing commitments at 30 June 2019

(in thousand MAD)

	06/30/2019	12/31/2018
Financing commitments given	72 241 244	65 002 129
Financing commitments received	3 443 623	1 448 894

5.2 Guarantee commitments at 30 June 2019

(in thousand MAD)

	06/30/2019	12/31/2018
Guarantees commitments given	67 722 532	72 177 192
Guarantees commitments received	43 194 801	48 698 119

6. OTHER COMPLEMENTARY INFORMATON :

6.1 Certificates of deposit and finance company bonds issued during June 2019

The outstanding amount of certificates of deposit at the end of June 2019 amounted to MAD13.8 billion.

During the first half of 2019, MAD6.6 billion of certificates of deposit were issued with maturities ranging from 26 weeks to 5 years and rates between 2.55% and 13%.

The outstanding amount of finance company bonds issued at the end of June 2019 is up to MAD5.5 billion.

During the first half of 2019, MAD750 million of finance company bonds were issued with a 5 year maturity. The associated rates vary between 3.02% and 3.35%.

6.2 Subordinated debts issued during the first semester 2019

During the first half of 2019, the Attijariwafa bank group closed the issue of two subordinated bond loans.

On June 28th, 2019, Attijariwafa bank issued a MAD1 billion perpetual subordinated bond with a loss absorption and coupon cancellation mechanism, split into 10000 bonds at per value of MAD100,000. It is divided into 2 unlisted tranches (A and B).

The nominal interest rate on Section A is revisable every 10 years and amounts to 5.48%, including a risk premium of 250 basis points. The one applicable to Tranche B is subject to annual review and amounts to 4.60%, including a risk premium of 230 basis points.

The overall result of the subscriptions is summarized in the following table:

(in thousand MAD)

	Section A	Section B
Amount withheld	151 000	849 000

The second subordinated bond loan by Wafasalaf on June 27th, 2019 for MAD250 million is a 5 year maturity with a yield of 3.45% per year.

6.3 Capital and income per share

6.3.1 Number of shares and per values

At the end of June 2019, Attijariwafa bank's capital was brought to MAD 2 098 596 790. The capital is made up of 209 859 679 share at per value of 10 MAD.

6.3.2 Attijariwafa bank shares held by the Group

As of June 2019, Attijariwafa bank Group holds 13 226 583 shares representing a global amount of MAD 2 461 million deducted from the consolidated shareholders' equity.

6.3.3 Per share income

The bank has not dilutive instruments in ordinary shares. Therefore, the diluted income per share is equal to the income per share.

(in MAD)

	06/30/2019	12/31/ 2018	06/30/2018
Earnings per share	13.98	27.19	13.74
Diluted earnings per share	13.98	27.19	13.74

6.4 Scope of consolidation

name	Sector of activity	(A)	(B)	(C)	(D)	country	Method	% control	% interest
ATTIJARIWAFA BANK	Bank					Morocco	Top		
ATTIJARIWAFA EUROPE	Bank					France	IG	99.78%	99.78%
ATTIJARI INTERNATIONAL BANK	Bank					Morocco	IG	100.00%	100.00%
COMPAGNIE BANCAIRE DE L'AFRIQUE DE L'OUEST	Bank					Senegal	IG	83.07%	83.01%
ATTIJARIBANK TUNISIE	Bank					Tunisia	IG	58.98%	58.98%
LA BANQUE INTERNATIONALE POUR LE MALI	Bank		(2)			Mali	IG	66.30%	66.30%
CREDIT DU SENEGAL	Bank					Senegal	IG	95.00%	95.00%
UNION GABONAISE DE BANQUE	Bank					Gabon	IG	58.71%	58.71%
CREDIT DU CONGO	Bank					Congo	IG	91.00%	91.00%
SOCIETE IVOIRIENNE DE BANQUE	Bank					Ivory Coast	IG	67.00%	67.00%
SOCIETE COMMERCIALE DE BANQUE CAMEROUN	Bank					Cameroon	IG	51.00%	51.00%
ATTIJARIBANK MAURITANIE	Bank					Mauritania	IG	80.00%	53.60%
BANQUE INTERNATIONALE POUR L'AFRIQUE AU TOGO	Bank	(2)				Togo	IG	56.76%	56.76%
ATTIJARIWAFA BANK EGYPT	Bank					Egypt	IG	100.00%	100.00%
WAFA SALAF	Consumer credit					Morocco	IG	50.91%	50.91%
WAFA BAIL	Leasing				(2)	Morocco	IG	98.57%	98.57%
WAFA IMMOBILIER	Real estate loans					Morocco	IG	100.00%	100.00%
ATTIJARI IMMOBILIER	Real estate loans					Morocco	IG	100.00%	100.00%
ATTIJARI FACTORING MAROC	Factoring					Morocco	IG	100.00%	100.00%
WAFA CASH	Cash activities					Morocco	IG	100.00%	100.00%
WAFA LLD	long-term rentals					Morocco	IG	100.00%	100.00%
ATTIJARI FINANCES CORP.	investment bank					Morocco	IG	100.00%	100.00%
WAFA GESTION	Asset management					Morocco	IG	66.00%	66.00%
ATTIJARI INTERMEDIATION	SM intermediation					Morocco	IG	100.00%	100.00%
FCP SECURITE	Dedicated mutual funds					Morocco	IG	39.65%	39.65%
FCP OPTIMISATION	Dedicated mutual funds					Morocco	IG	39.65%	39.65%
FCP STRATEGIE	Dedicated mutual funds					Morocco	IG	39.65%	39.65%
FCP EXPANSION	Dedicated mutual funds					Morocco	IG	39.65%	39.65%
FCP FRUCTI VALEURS	Dedicated mutual funds					Morocco	IG	39.65%	39.65%
WAFA ASSURANCE	insurance					Morocco	IG	39.65%	39.65%
ATTIJARI ASSURANCE TUNISIE	insurance			(3)		Tunisia	IG	58.98%	50.28%
WAFA IMMA ASSISTANCE	insurance			(3)		Morocco	IG	72.15%	45.39%
BCM CORPORATION	holding Company					Morocco	IG	100.00%	100.00%
OGM	holding Company					Morocco	IG	50.00%	50.00%
ANDALUCARTHAGE	holding Company					Morocco	IG	100.00%	100.00%
KASOVI	holding Company					Mauritius	IG	100.00%	100.00%
SAF	holding Company					France	IG	99.82%	99.82%
FILAF	holding Company					Senegal	IG	100.00%	100.00%
CAFIN	holding Company					Senegal	IG	100.00%	100.00%
ATTIJARI AFRIQUE PARTICIPATIONS	holding Company					France	IG	100.00%	100.00%
ATTIJARI MAROCO-MAURITANIE	holding Company					France	IG	67.00%	67.00%
ATTIJARI IVOIRE	holding Company					Morocco	IG	66.67%	66.67%
MOUSSAFIR	hospitality industry					Morocco	MEE	33.34%	33.34%
ATTIJARI SICAR	risk capital					Tunisia	IG	69.06%	40.73%
PANORAMA	real estate company					Morocco	IG	39.65%	39.65%
SOCIETE IMMOBILIERE TOGO LOME	real estate company					Togo	IG	100.00%	100.00%

(A) Mouvements occuring in second half of 2017	1 - Acquisition.	6 - Merger between consolidated entities.
(B) Mouvements occuring in first half of 2018	2 - Creation, crossing threshold.	7 - Change in method - global integration to equity method.
(C) Mouvements occuring in second half of 2018	3 - Entry into IFRS perimeter.	8 - Change in method - equity method to global integration.
(D) Mouvements occuring in first half of 2019	4 - Disposal.	9 - Reconsolidation.
	5 - Deconsolidation.	

1. Presentation

Attijariwafa bank is a Moroccan company governed by common law. The financial statements comprise the accounts of head office as well as branches in Morocco and overseas. Material intra-group transactions and balances between Moroccan entities and overseas branches have been eliminated.

2. General principles

The financial statements are prepared in accordance with generally accepted accounting principles applicable to credit institutions.

The presentation of Attijariwafa bank's financial statements complies with the Credit Institution Accounting Plan.

3. Loans and signature loans

General presentation of loans

- Loans and advances to credit institutions and customers are classified according to their initial maturity and type:
  - Sight and term loans in the case of credit institutions;
  - Short-term loans, equipment loans, consumer loans, mortgage loans and other loans for customers.
- Signature loans accounted for off-balance sheet relate to transactions which have not yet given rise to cash movements such as irrevocable commitments for the undrawn portion of facilities made available to credit institutions and customers or guarantees given;
- Repo transactions, involving shares or other securities, are recorded under the different loan categories (credit institutions or customers);
- Interest accrued on these loans is recorded under related loans and booked to the income statement.

Non-performing loans on customers

- Non-performing loans on customers are recorded and valued in accordance with prevailing banking regulations.

The main measures applied are summarised as follows:

- Non-performing loans are classified as sub-standard, doubtful or impaired depending on the level of risk;

After deducting the guarantee portion as required by prevailing regulations, provisions for non-performing loans are made as follows:

- 20% for sub-standard loans;
- 50% for doubtful loans;
- 100% for impaired loans.

- Provisions made relating to credit risks are deducted from the asset classes in question. As soon as loans are classified as non-performing, interest is no longer accrued but is recognised as income when received;
- Losses on irrecoverable loans are booked when the possibility of recovering the non-performing loans is deemed to be zero;
- Provisions for non-performing loans are written-back on any positive development in respect of the non-performing loans in question, such as partial or full repayment or a restructuring of the debt with partial repayment.
- The bank has written off non-performing loans using provisions set aside for this purpose.

4. Amounts owing to credit institutions and customers

Amounts owing to credit institutions and customers are presented in the financial statements according to their initial maturity and type:

- Sight and term borrowings in the case of credit institutions;
- Current accounts in credit, savings accounts, terms deposits and other customer accounts in credit in the case of customers.

Repo transactions, involving shares or other securities, are recorded under the different loan categories (credit institutions or customers), depending on the counterparty;

Interest accrued on these loans is recorded under related borrowings and booked to the income statement.

5. Securities portfolio

5.1. General presentation

Securities transactions are booked and valued in accordance with the Plan Comptable des Etablissements de Crédit.

Securities are classified as a function of their legal characteristics (debt security or equity security) and the purpose for which they are acquired (trading securities, available-for-sale securities, investment securities and investments in affiliates).

5.2. Trading securities

Trading securities are securities which are highly liquid and are acquired with the intention of being resold in the very near future. These securities are recorded at cost (including coupon). At the end of each period, the difference between this value and their market value is recognised directly in the income statement.

5.3. Available-for-sale securities

Available-for-sale securities are securities acquired with the intention of being held for at least 6 months, except for fixed income securities intended to be held until maturity. AFS securities comprise all securities that do not satisfy the criteria required to be classified in another category.

Debt securities are booked excluding accrued interest. The difference between their purchase price and redemption price is amortised over the security's remaining life.

Equities are recorded at cost less acquisition expenses.

At the end of each period, a provision for impairment is made for any negative difference between a security's market value and carrying amount. Unrealised gains are not booked.

5.4. Investment securities

Investment securities are debt securities which are acquired, or which come from another category of securities, with the intention of being held until maturity for the purpose of generating regular income over a long period.

These securities are recorded at cost less acquisition expenses. The difference between their purchase price and redemption price is amortised over the security's remaining life.

At the end of each period, these securities are recorded at cost,

regardless of their market value. Unrealised profit or loss is therefore not recognised.

5.5. Investments in affiliates

This category comprises securities whose long-term ownership is deemed useful to the Bank.

At the end of each period, their value is estimated on the basis of generally accepted criteria such as useful value, share of net assets, future outlook for earnings and share price. Only unrealised losses give rise to provisions for impairment on a case-by-case basis.

5.6. Repos with physical delivery

- Repo securities are maintained on the assets side and continue to be valued according to the rules applicables to their category. The amount received and the interest on the debt are recorded as liabilities.
- Securities received on reversal repo transaction are not recorded as assets on the balance sheet. The amount disbursed and the interest accrued on the receivable are recorded as assets.

6. Foreign currency transactions

Foreign currency loans, amounts owing and signature loans are translated into dirhams at the average exchange rate prevailing on the balance sheet date.

Any foreign exchange difference on contributions from overseas branches and on foreign currency-denominated borrowings for hedging exchange rate risk is recorded in the balance sheet under "Other assets" or "Other liabilities" as appropriate. Any translation difference arising on translation of long-term investment securities acquired in a foreign currency is recorded as a translation difference for each category of security in question.

Any foreign exchange difference on any other foreign currency account is posted to the income statement. Income and expenses in foreign currency are translated at the exchange rate prevailing on the day they are booked.

7. Translation of financial statements drawn up in foreign currencies

The «closing rate» method is used to translate foreign currency- denominated financial statements.

Translation of balance sheet and off-balance sheet items

All assets, liabilities and off-balance sheet items of foreign entities are translated at the exchange rate prevailing on the balance sheet date.

Shareholders' equity (excluding net income for the current period) is valued at different historical rates. Any difference arising on restatement (closing rate less historical rate) is recorded in shareholders' equity under «Translation differences».

Translation of income statement items

All income statement items are translated at the average exchange rate over the year except for depreciation and amortisation expenses, which are translated at the closing rate.

8. General provisions

These provisions are made, at the discretion of the management, to address future risks which cannot be currently identified or accurately measured relating to the banking activity.

Provisions made qualify for a tax write-back.

9. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are recorded in the balance sheet at cost less accumulated depreciation and amortisation, calculated using the straight line method over the estimated use life of the assets in question.

Intangible assets are categorised as operating or non-operating assets and are amortised over the following periods:

Type	***Amortisation period***
- Lease rights	not amortised
- Patents and brands	N/A
- Research and development	N/A
- IT software	6.67 years
- Other items of goodwill	5 years

Les immobilisations corporelles ventilées en immobilisations d'exploitation et hors exploitation sont composées sont amorties sur les durées suivantes :

Type	***Amortisation period***
- Land	not depreciated
- Operating premises	25 years
- Office furniture	6.67 years
- IT hardware	6.67 years
- Vehicles	5 years
- Fixtures, fittings and equipment	6.67 years

10. Deferred expenses

Deferred expenses are expenses which, given their size and nature, are likely to relate to more than one period.

Deferred expenses are amortised over the following periods:

Type	***Amortisation period***
-Start-up costs	3 years
- Expenses incurred in acquiring fixed assets	5 years
- Bond issuance expenses	N/A
- Premiums paid on issuing or redeeming debt securities	N/A
- Other deferred expenses	3-5 years on a case by case basis

11. Recognition of interest and fees in the income statement

Interest

Income and expenses calculated on principal amounts actually lent or borrowed are considered as interest.

Income and expenses calculated on a prorata temporis basis which remunerate a risk are considered as similar income or expenses. This category includes fees on guarantee and financing commitments (guarantees, documentary credits etc.).

Interest accrued on principal amounts actually lent or borrowed is booked under related loans or debt with an offsetting entry in the income statement entry.

Similar income or expenses are recorded under income or expenses when invoiced.

Fees

Income and expenses, calculated on a flat-rate basis for a service provided, are recorded under fees when invoiced.

12. Non-recurring items of income and expenditure

They consist exclusively of income and expenses arising on an exceptional basis and are, in principle, rare in that they are unusual in nature or occur infrequently.

BALANCE SHEET at 30 June 2019

(thousand MAD)

ASSETS	06/30/2019	12/31/2018
Cash and balances with central banks, the treasury and post office accounts	**14 011 587**	**8 093 723**
Loans and advances to credit institutions and similar establishments	**34 376 816**	**33 042 666**
. Sight	5 427 371	4 036 029
. Term	28 949 445	29 006 636
Loans and advances to customers	**200 461 210**	**192 683 277**
. Short-term & consumer loans and partipatory financing	51 816 238	54 226 667
. Equipment loans and participatory financing	67 501 989	65 803 335
. Mortgage loans and participatory financing	62 457 612	60 953 282
. Other loans and participatory financing	18 685 371	11 699 993
Receivables acquired through factoring	**10 279 473**	**10 861 011**
Trading securities and available-for-sale securities	**69 403 202**	**66 340 133**
. Treasury bills and similar securities	45 442 929	44 914 479
. Other debt securities	8 591 607	6 130 636
. Fixed income Funds	15 206 931	15 106 219
. Sukuk Certificates	161 735	188 799
Other assets	**4 648 815**	**5 486 261**
Investment securities	**8 607 411**	**8 751 621**
. Treasury bills and similar securities	8 607 411	8 751 621
. Other debt securities	-	-
. Sukuk Certificates		
Investments in affiliates and other long-term investments	**19 093 230**	**18 832 707**
. Investments in affiliates compagnies	18 090 842	17 828 403
. Other and similar investments	1 002 388	1 004 304
. Moudaraba and mourabaha securities		
Subordinated loans	**-**	**-**
Investment deposits given		
Leased and rented assets	**1 061 277**	**672 004**
Fixed assets given in Ijara		
Intangible assets	**2 195 960**	**2 121 303**
Property, plant and equipement	**3 719 741**	**3 735 375**
Total Assets	**367 858 722**	**350 620 082**

LIABILITIES	06/30/2019	12/31/2018
Amounts owing to central banks, the treasury and post office accounts	**-**	**-**
Amounts owing to credit institutions and similar establishments	**42 218 517**	**38 672 841**
. Sight	4 845 178	4 009 934
. Term	37 373 339	34 662 907
Customer deposits	**234 716 565**	**234 507 882**
. Current accounts in credit	151 688 204	148 095 873
. Savings accounts	28 804 286	28 537 587
. Term deposits	40 408 697	43 595 847
. Other accounts in credit	13 815 378	14 278 574
Debts to customers on participatory financing		
Debt securities issued	**11 490 679**	**8 547 047**
. Negociable debt securities	11 490 679	8 547 047
. Bonds	-	-
. Other debt securities issued	-	-
Other liabilities	**22 860 413**	**12 788 959**
General provisions	**3 696 671**	**3 562 853**
Regulated provisions	**-**	**-**
Subsidies, public funds and special guarantee funds	**-**	**-**
Subordinated debt	**11 148 469**	**11 042 935**
Investment deposits received		
Revaluation reserve	**420**	**420**
Reserves and premiums related to share capital	**34 794 175**	**34 794 175**
Share capital	**2 098 597**	**2 098 597**
Shareholders, unpaid share capital (-)		
Retained earnings (+/-)	**1 876 196**	**389**
Net income to be allocated (+/-)		**-**
Net income for the financial year (+/-)	**2 958 020**	**4 603 983**
Total liabilities	**367 858 722**	**350 620 082**

OFF-BALANCE SHEET at 30 June 2019

(thousand MAD)

OFF-BALANCE	06/30/2019	12/31/2018
COMMITMENTS GIVEN	**131 813 665**	**123 833 122**
Financing commitments given to credit institutions and similar establishments	3 045 257	1 837 664
Financing commitments given to customers	65 878 917	58 887 163
Guarantees given to credit institutions and similar establishments	10 621 704	13 662 949
Guarantees given to customers	50 373 444	49 342 317
Securities purchased with repurchase agreement	-	-
Other securities to be delivered	1 894 343	103 029
COMMITMENTS RECEIVED	**16 884 429**	**19 187 978**
Financing commitments received from credit institutions and similar establishments	-	-
Guarantees received from credit institutions and similar establishments	16 228 221	18 730 675
Guarantees received from the State and other organisations providing guarantees	510 816	457 303
Securities sold with repurchase agreement	-	-
Other securities to be received	145 392	-
Moucharka and moudaraba securities to be received	-	

MANAGEMENT ACCOUNTING STATEMENT at 30 June 2019

(thousand MAD)

I - RESULTS ANALYSIS	06/30/2019	30/06/2018
+ Interest and similar income	5 572 162	5 263 750
- Interest and similar expenses	1 722 592	1 728 746
NET INTEREST MARGIN	**3 849 570**	**3 535 004**
+ Income from participatory financing		
- Expenses on participatory financing		
PARTICIPATORY FINANCING MARGIN		
+ Income from lease-financed fixed assets	130 909	12 411
- Expenses on lease-financed fixed assets	41 210	17 805
NET INCOME FROM LEASING ACTIVITIES	**89 699**	**-5 394**
+ Income from fixed assets given in Ijara		
- Expenses on fixed assets given in Ijara		
NET INCOME FROM IJARA ACTIVITIES		
+ Fees received	913 693	847 034
- Fees paid	193	269
NET FEE INCOME	**913 500**	**846 765**
+ Income from trading securities	1 216 238	817 081
+ Income from available-for-sale securities	-459	10 053
+ Income from foreign exchange activities	270 699	397 410
+ Income from derivatives activities	-5 113	-36 689
INCOME FROM MARKET ACTIVITIES	**1 481 365**	**1 187 855**
+ Result of Moudaraba and Moucharaka Securities Transactions		
+ Other banking income	1 306 363	1 255 486
- Other banking expenses	577 895	540 127
NET BANKING INCOME	**7 062 603**	**6 279 589**
+ Income from long-term investments	4 423	-2 231
+ Other non-banking operating income	23 017	53 118
- Other non-banking operating expenses		7
- General operating expenses	2 436 707	2 301 063
GROSS OPERATING INCOME	**4 653 336**	**4 029 405**
+ Net provisions for non-performing loans and signature loans	-391 348	-443 644
+ Other net provisions	-153 298	-19 990
NET OPERATING INCOME	**4 108 689**	**3 565 771**
NON OPERATING INCOME	**1 330**	**4 266**
- Income tax	1 151 999	846 010
NET INCOME FOR THE FINANCIAL YEAR	**2 958 020**	**2 724 027**

II- TOTAL CASH FLOW	06/30/2019	30/06/2018
+ NET INCOME FOR THE FINANCIAL YEAR	**2 958 020**	**2 724 027**
+ Depreciation, amortisation and provisions for fixed asset impairment	252 226	216 815
+ Provisions for impairment of long-term investments	2 883	11 722
+ General provisions	106 300	
+ Regulated provisions		
+ Extraordinary provisions		
- Reversals of provisions for depreciation of long-term investments	7 306	70 600
- Capital gains on disposal of fixed assets	7 331	37 260
+ Losses on disposal of fixed assets		7
- Capital gains on disposal of long-term investments		
+ Losses on disposal of long-term investments		
- Write-backs of investment subsidies received		
+ TOTAL CASH FLOW	**3 304 792**	**2 844 711**
- Profits distributed		
+ SELF-FINANCING	**3 304 792**	**2 844 711**

NON-PERFORMING CUSTOMER LOANS at 30 June 2019

(thousand MAD)

	Disbursed loans	Signature loans	Amount	Provisions for disbursed loans	Provisions for signature loans	Amount
06/30/2019	11 999 937	666 293	**12 666 230**	8 098 613	291 593	**8 390 206**

SALES at 30 June 2019

(thousand MAD)

1st half 2019	2018	1st half 2018
9 948 308	**18 203 195**	**9 657 905**

INCOME STATEMENT at 30 June 2019

(thousand MAD)

	06/30/2019	30/06/2018
OPERATING INCOME FROM BANKING ACTIVITIES	**9 948 308**	**9 657 905**
Interest and similar income from transactions with credit institutions	507 253	490 902
Interest and similar income from transactions with customers	4 925 096	4 648 587
Interest and similar income from debt securities	139 813	124 260
Income from equity securities and Sukuk certificates	1 305 118	1 253 336
Income from Moudaraba and Moucharaka securities	-	
Income from lease-financed fixed assets	130 909	12 411
Income from fixed assets given in Ijara	-	
Fee income provided from services	912 916	846 773
Other banking income	2 027 203	2 281 636
Transfer of expenses on investment deposits received	-	
OPERATING EXPENSES ON BANKING ACTIVITIES	**2 885 706**	**3 378 316**
Interest and similar expenses on transactions with credit institutions	461 067	390 613
Interest and similar expenses on transactions with customers	1 123 629	1 249 848
Interest and similar expenses on debt securities issued	137 896	88 285
Expenses on Moudaraba and Moucharaka securities	-	
Expenses on lease-financed fixed assets	41 210	17 805
Expenses on fixed assets given in Ijara	-	
Other banking expenses	1 121 904	1 631 765
Transfer of income on investment deposits received	-	
NET BANKING INCOME	**7 062 603**	**6 279 589**
Non-banking operating income	23 017	53 118
Non-banking operating expenses	-	7
OPERATING EXPENSES	**2 436 707**	**2 301 063**
Staff costs	1 136 362	1 068 509
Taxes other than on income	63 322	63 570
External expenses	953 690	933 759
Other general operating expenses	31 107	18 410
Depreciation, amortisation and provisions	252 226	216 815
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	**799 758**	**806 128**
Provisions for non-performing loans and signature loans	541 644	633 282
Losses on irrecoverable loans	39 691	50 043
Other provisions	218 423	122 803
PROVISION WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	**259 534**	**340 262**
Provision write-backs for non-performing loans and signature loans	184 370	218 731
Amounts recovered on impaired loans	5 616	20 949
Other provision write-backs	69 548	100 582
INCOME FROM ORDINARY ACTIVITIES	**4 108 689**	**3 565 771**
Non-recurring income	4 521	7 830
Non-recurring expenses	3 191	3 564
PRE-TAX INCOME	**4 110 019**	**3 570 037**
Income tax	1 151 999	846 010
NET INCOME FOR THE FINANCIAL YEAR	**2 958 020**	**2 724 027**

STATEMENT OF DEPARTURES FROM STANDARD ACCOUNTING TREATMENT at 30 June 2019

(thousand MAD)

TYPE OF DEPARTURE	REASONS FOR DEPARTURES	IMPACT OF DEPARTURES ON THE COMPANY'S FINANCIAL POSITION OR RESULTS
I. Departures from fundamental accounting principles	Not applicable	Not applicable
II. Departures from valuation methods	Not applicable	Not applicable
III. Departures from rules for drawing up and presenting the financial statements	Not applicable	Not applicable

STATEMENT OF CHANGES IN ACCOUNTING METHODS at 30 June 2019

(thousand MAD)

NATURE OF CHANGES	REASONS FOR DEPARTURES	IMPACT OF DEPARTURES ON THE COMPANY'S FINANCIAL POSITION OR RESULTS
I. Changes in valuation methods	Not applicable	Not applicable
II. Changes in rules of presentation	Not applicable	Not applicable

LOANS AND ADVANCES TO CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS at 30 June 2019

(thousand MAD)

LOANS AND ADVANCES	Bank Al Maghrib, the treasury and post office accounts	Banks	other credit institutions & equivalent in Morocco	credit institutions abroad	Total 06/30/2019	Total 12/31/2018
CURRENT ACCOUNTS IN DEBIT	**10 185 566**	**4 590**	**668 878**	**2 765 567**	**13 624 601**	**8 101 812**
NOTES RECEIVED AS SECURITY						
- overnight						
- term						
CASH LOANS		**1 600 000**	**12 689 133**	**2 322 922**	**16 612 055**	**15 376 412**
- overnight		1 600 000			1 600 000	
- term			12 689 133	2 322 922	15 012 055	15 376 412
FINANCIAL LOANS		**2 033 895**	**9 499 757**	**885 133**	**12 418 785**	**12 451 371**
OTHER LOANS		**1 682 627**	**588**	**985**	**1 684 200**	**1 217 448**
INTEREST ACCRUED AWAITING RECEIPT		**19 882**	**198 973**	**3 886**	**222 741**	**183 929**
NON-PERFORMING LOANS						
TOTAL	**10 185 566**	**5 340 994**	**23 057 329**	**5 978 493**	**44 562 382**	**37 330 972**

CASH FLOW STATEMENT at 30 June 2019

(thousand MAD)

	06/30/2019	12/31/2018
1. (+) Operating income from banking activities	8 506 938	16 352 932
2. (+) Amounts recovered on impaired loans	5 616	55 214
3. (+) Non-banking operating income	20 207	57 683
4. (-) Operating expenses on banking activities (*)	-2 991 282	-6 374 634
5. (-) Non-banking operating expenses		
6. (-) General operating expenses	-2 184 481	-4 269 776
7. (-) Income tax	-1 151 999	-1 874 985
I. NET CASH FLOW FROM INCOME STATEMENT	**2 204 999**	**3 946 434**
Change in: 8. (±) Loans and advances to credit institutions and similar establishments	-1 334 149	2 579 138
9. (±) Loans and advances to customers	-7 196 394	-24 306 413
10. (±) Trading securities and available-for-sale securities	-3 063 070	-6 784 323
11. (±) Other assets	837 446	-1 704 067
12. (±) Lease-financed fixed assets	-389 273	-276 911
13. (±) Amounts owing to credit institutions and similar establishments	3 545 675	11 240 167
14. (±) Customer deposits	208 683	9 139 041
15. (±) Debt securities issued	2 943 632	2 668 109
16. (±) Other liabilities	10 071 454	5 708 646
II. NET CHANGE IN OPERATING ASSETS AND LIABILITIES	**5 624 004**	**-1 736 613**
III. NET CASH FLOW FROM OPERATING ACTIVITIES (I + II)	**7 829 003**	**2 209 821**
17. (+) Income from the disposal of long-term investments	144 838	-1 496 647
18. (+) Income from the disposal of fixed assets	8 799	259 296
19. (-) Acquisition of long-term investments	-256 728	-166 019
20. (-) Acquisition of fixed assets	-312 718	-824 218
21. (+) Interest received	136 252	240 619
22. (+) Dividends received	1 305 118	1 609 613
IV. NET CASH FLOW FROM INVESTMENT ACTIVITIES	**1 025 561**	**-377 356**
23. (+) Subsidies, public funds and special guarantee funds		
24. (+) Subordinated loan issuance		-2 250 000
25. (+) Equity issuance		2 400 000
26. (-) Repayment of shareholders' equity and equivalent		
27. (-) Interest paid	-208 524	-487 385
28. (-) Dividends paid	-2 728 176	-2 544 090
V- NET CASH FLOW FROM FINANCING ACTIVITIES	**-2 936 700**	**-2 881 476**
VI- NET CHANGE IN CASH AND CASH EQUIVALENTS	**5 917 864**	**-1 049 011**
VII- CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**8 093 723**	**9 142 735**
VIII- CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**14 011 587**	**8 093 723**

(*) : including net provisions

LOANS AND ADVANCES TO CUSTOMERS at 30 June 2019

(thousand MAD)

LOANS AND ADVANCES	public sector	private sector			Total 06/30/2019	Total 12/31/2018
		Financial companies	non-financial companies	other customers		
SHORT-TERM LOANS	**1 146 504**	**754 447**	**35 724 147**	**1 986 536**	**39 611 634**	**42 301 714**
- Current accounts in debit	38 023	754 447	12 542 180	1 566 245	14 900 895	20 041 922
- Commercial loans within Morocco			4 721 037		4 721 037	4 949 304
- Export loans			299 027	65 483	364 510	433 800
- Other cash loans	1 108 481		18 161 903	354 808	19 625 192	16 876 688
CONSUMER LOANS			**375 343**	**11 357 731**	**11 733 074**	**11 417 637**
EQUIPMENT LOANS	**39 708 735**		**25 479 943**	**1 204 121**	**66 392 799**	**64 824 388**
MORTGAGE LOANS	**317 400**		**10 635 694**	**51 500 604**	**62 453 698**	**60 948 493**
OTHER LOANS	**4 420**	**12 497 729**	**2 170 860**	**104 642**	**14 777 651**	**7 478 250**
RECEIVABLES ACQUIRED THROUGH FACTORING	**10 178 860**				**10 178 860**	**10 777 337**
INTEREST ACCRUED AWAITING RECEIPT	**788 386**	**139 114**	**695 125**	**69 017**	**1 691 642**	**1 579 887**
NON-PERFORMING LOANS		**11 258**	**871 133**	**3 018 934**	**3 901 325**	**4 216 582**
- Sub-standard loans			120	1 207 533	1 207 653	139
- Doubtful loans			16 524	482 245	498 769	13 190
- Impaired loans		11 258	854 489	1 329 156	2 194 903	4 203 253
TOTAL	**52 144 305**	**13 402 548**	**75 952 245**	**69 241 585**	**210 740 683**	**203 544 288**

BREAKDOWN OF TRADING SECURITIES, AVAILABLE-FOR-SALE SECURITIES AND INVESTMENT SECURITIES BY CATEGORY OF ISSUER at 30 June 2019

(thousand MAD)

SECURITIES	CREDIT INSTITUTIONS AND SIMILAR ESTA-BLISHMENTS	PUBLIC ISSUERS	PRIVATE ISSUERS		06/30/2019	12/31/2018
			FINANCIAL COMPANIES	NON-FINANCIAL COMPANIES		
LISTED SECURITIES	**17 259**	**-**	**15 055 287**	**117 760**	**15 190 306**	**15 089 592**
- Treasury bills and similar instruments	-	-	-	-		-
- Bonds	-	-	-	-	-	-
- Other debt securities	-	-	-	-	-	-
- Fixed income Funds	17 259	-	15 055 287	117 760	15 190 306	15 089 592
- Sukuk Certificates	-	-	-	-		
UNLISTED SECURITIES	**4 321 816**	**58 309 765**	**1 578**	**104 636**	**62 737 795**	**59 839 786**
- Treasury bills and similar instruments	-	57 167 204	-	-	57 167 204	53 433 193
- Bonds	1 571 731	70 590	-	98 356	1 740 677	207 025
- Other debt securities	2 749 414	902 138	-	-	3 651 552	5 994 143
- Fixed income Funds	671	8 098	1 578	6 280	16 627	16 626
- Sukuk Certificates	-	161 735	-	-	161 735	188 799
TOTAL	**4 339 075**	**58 309 765**	**15 056 865**	**222 396**	**77 928 101**	**74 929 378**

VALUE OF TRADING SECURITIES, AVAILABLE-FOR-SALE SECURITIES AND INVESTMENT SECURITIES at 30 June 2019

(thousand MAD)

Securities	Value	Current value	Redemption Value	Unrealised Capital gains	Unrealised Losses	Provisions
TRADING SECURITIES	**67 668 274**	**67 668 274**	-	-	-	-
- Treasury bills and similar instruments	48 656 539	48 656 539		-	-	-
- Bonds	98 356	98 356		-	-	-
- Other debt securities	3 579 763	3 579 763		-	-	-
- Fixed income Funds	15 171 881	15 171 881		-	-	-
- Sukuk Certificates	161 735	161 735				
AVAILABLE-FOR-SALE SECURITIES	**1 763 538**	**1 732 006**	-	**15 595**	**31 532**	**31 532**
- Treasury bills and similar instruments	54 633	54 633		1 690	-	
- Bonds	1 642 321	1 642 321		3 825	-	
- Other debt securities	-			-	-	
- Fixed income Funds	66 584	35 052		10 080	31 532	31 532
- Sukuk Certificates	-			-	-	
INVESTMENT SECURITIES	**8 527 821**	**8 527 821**	**-**	**-**	**-**	**-**
- Treasury bills and similar instruments	8 456 032	8 456 032		-	-	-
- Bonds	-	-				
- Other debt securities	71 789	71 789				
- Sukuk Certificates	-	-				

DETAILS OF OTHER ASSETS at 30 June 2019

(thousand MAD)

ASSETS	Amount At 06/30/2019	Amount At 12/31/2018
PURCHASED OPTIONS	**53 249**	**50 814**
SUNDRY SECURITIES TRANSACTIONS		
SUNDRY DEBTORS	**1 337 208**	**395 930**
Amounts due from the State	453 923	257 768
Amounts due from mutual		
Sundry amounts due from Staff		
Amounts due from customers for non-banking services	56	71
Other sundry debtors	883 229	138 091
OTHER SUNDRY ASSETS	**2 545**	**1 680**
ACCRUALS AND SIMILAR	**3 124 272**	**4 907 887**
Adjustment accounts for off-balance sheet transactions	2 194	19 792
Translation differences for foreign currencies and securities		
Income from derivative products and hedging		
Deferred expenses	192 461	190 370
Inter-company accounts between head office, branch offices and branches in Morocco	134 928	343 805
Accounts receivable and prepaid expenses	2 305 113	1 473 457
Other accruals and similar	489 576	2 880 463
NON-PERFORMING LOANS ON SUNDRY TRANSACTIONS	**131 541**	**129 950**
TOTAL	**4 648 815**	**5 486 261**

LEASED AND RENTED ASSETS at 30 June 2019

(thousand MAD)

TYPE	Gross amount exercise ning of the at the begin	Amount of exercise during the acquisitions	Amount of exercise during the withdrawals transfers or	gross the exercise the end of amount at	Amortisation		Provisions			net amount exercise of the at the end
					Allocation during the exercise	Aggregate depreciate	Allocation in the exercise	provision write downs	Aggregate provisions	
LEASED AND RENTED ASSETS	**1 145 882**	**428 982**		**1 574 864**	**39 709**	**513 587**				**1 061 277**
Leased intangible assets										
Equipment leasing	**1 118 744**	**396 464**		**1 515 208**	**39 709**	**491 651**				**1 023 557**
- Movable assets under lease	386			386						386
- Leased movable assets	1 118 358	396 464		1 514 822	39 709	491 651				1 023 171
- Movable assets unleased after cancellation										
Property leasing	**25 647**			**25 647**		**21 936**				**3 711**
- Immovable assets under lease										
- Immovable leased assets	25 647			25 647		21 936				3 711
- Immovable assets unleased after cancellation										
Rents awaiting receipt										
Restructured rents										
Rents in arrears	1 491	32 518		34 009						34 009
Non-performing loans										
RENTED ASSETS										
Rented movable property										
Rented property										
Rents awaiting receipt										
Restructured rents										
Rents in arrears										
Non-performing rents										
TOTAL	**1 145 882**	**428 982**		**1 574 864**	**39 709**	**513 587**				**1 061 277**

SUBORDINATED LOANS at 30 June 2019

(thousand MAD)

LOANS	Amount				including affiliates and related companies	
	06/30/2019			12/31/2018	06/30/2019	12/31/2018
	gross	Prov.	Net	Net	Net	Net
	1	2	3	4	5	6
Subordinated loans to credit institutions and similar establishments	NOT APPLICABLE					
Subordinated loans to customers						
TOTAL						

INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT at 30 June 2019

(thousand MAD)

TYPE	gross value at the beginning of the exercise	Acquisitions	disposals	gross value at the end of the exercise	Amortisation/provisions: Amortisation and provisions at the beginning of the exercise	Additional amortisation	Amortisation on disposed assets	Accumulated amortisation and depreciation	net value at the end of the exercise
INTANGIBLE ASSETS	**3 798 032**	**169 907**	**-**	**3 967 939**	**1 676 728**	**95 251**	**-**	**1 771 979**	**2 195 960**
- Lease rights	313 521	3 150		316 671	-	-	-	-	316 671
- Research and development	-	-	-	-	-	-	-	-	-
- Intangible assets used in operations	3 484 511	166 757		3 651 268	1 676 728	95 251	-	1 771 979	1 879 289
- Non-operating intangible assets	-	-	-	-	-	-	-	-	-
PROPERTY, PLANT AND EQUIPMENT	**8 557 464**	**142 811**	**4 408**	**8 695 866**	**4 822 089**	**156 975**	**2 940**	**4 976 123**	**3 719 741**
IMMOVABLE PROPERTY USED IN OPERATIONS	**2 124 560**	**16 975**	**4 362**	**2 137 173**	**970 355**	**25 651**	**2 893**	**993 112**	**1 144 060**
- Land	581 947	-	921	581 026	-	-	-	-	581 026
- Office buildings	1 490 073	16 975	280	1 506 768	921 683	25 308	163	946 827	559 941
- Staff accommodation	52 540	-	3 161	49 379	48 672	344	2 730	46 286	3 093
MOVABLE PROPERTY AND EQUIPMENT USED IN OPERATIONS	**2 322 026**	**60 203**	**-**	**2 382 230**	**1 912 452**	**52 596**	**-**	**1 965 047**	**417 182**
- Office property	459 248	6 650		465 898	404 143	7 100	-	411 243	54 655
- Office equipment	934 773	23 713		958 486	793 832	17 808	-	811 640	146 846
- IT equipment	919 886	29 840		949 726	706 677	27 629	-	734 305	215 421
- Vehicles	8 119	-		8 119	7 800	59	-	7 859	260
- Other equipment	-	-		-	-	-	-	-	-
OTHER PROPERTY, PLANT AND EQUIPMENT USED IN OPERATIONS	**1 977 845**	**62 581**	**28**	**2 040 398**	**1 571 613**	**57 334**	**28**	**1 628 919**	**411 479**
PROPERTY, PLANT AND EQUIPMENT NOT USED IN OPERATIONS	**2 133 032**	**3 051**	**19**	**2 136 065**	**367 669**	**21 394**	**19**	**389 045**	**1 747 020**
Land	841 882	-		841 882	-	-	-	-	841 882
Buildings	1 061 907	-		1 061 907	232 461	17 014	-	249 475	812 432
Movable property and equipment	69 217	250	-	69 467	48 665	64	-	48 729	20 738
Other property, plant and equipment not used in operations	160 026	2 801	19	162 809	86 543	4 317	19	90 841	71 968
TOTAL	**12 355 496**	**312 718**	**4 408**	**12 663 805**	**6 498 817**	**252 226**	**2 940**	**6 748 102**	**5 915 701**

GAINS AND LOSSES ON FIXED ASSET TRANSFERS OR WITHDRAWALS at 30 June 2019

(thousand MAD)

date of transfer or withdrawal	type	gross amount	Aggregate depreciation	net book value	transfer income	Value-added transfers	loss in value transfers
	REAL ESTATE	**4 621**	**3 152**	**1 469**	**8 800**	**7 331**	
	GROUNDS	921	-	921			
	BUILDINGS	3 441	2 893	548			
	REGISTRATION FEES	212	212	-			
	FIXTURES, FITTING & INSTALLATIONS	47	47	-			
TOTAL		**4 621**	**3 152**	**1 469**	**8 800**	**7 331**	-

INVESTMENTS IN AFFILIATES AND OTHER LONG-TERM INVESTMENTS at 30 June 2019

(thousand MAD)

Name of the issuing company	Sector of activity	Share capital	Share of held	gross book value	net book value	data from the issuing company's most recent financial statements			contri-bution to income year's
						Year-end	net assets	net income	
A - INVESTMENTS IN AFFILIATE COMPANIES				**18 453 195**	**18 262 857**				**1 260 502**
ATTIJARIWAFA BANK EGYPT	Bank	995 129 KEGP	60,00%	3 244 162	3 244 162	12/31/2018	4 613 437 KEGP	689 027 KEGP	
ATTIJARI TCHAD	Bank	10 000 000 KFCFA	100,00%	166 280	166 280		-	-	
BANK ASSAFA	Bank	600 000	100,00%	600 000	600 000	12/31/2018	184 191	-106 968	
BANQUE INTERNATIONALE POUR LE MALI "BIM SA"	Bank	20 011 480 KFCFA	66,30%	829 212	829 212	12/31/2018	32 401 000 KFCFA	505 000 KFCFA	
CREDIT DU SENEGAL	Bank	10 000 000 KFCFA	95,00%	292 488	292 488	12/31/2018	23 614 000 KFCFA	3 512 000 KFCFA	24 794
CREDIT DU CONGO	Bank	10 476 730 KFCFA	91,00%	608 734	608 734	06/30/2017	19 856 475 KFCFA	3 240 139 KFCFA	75 423
COMPAGNIE BANCAIRE DE L'AFRIQUE OCCIDENTALE "CBAO"	Bank	11 450 000 KFCFA	4,90%	35 979	35 979	06/30/2017	83 258 992 KFCFA	8 604 616 KFCFA	13 029
SOCIETE IVOIRIENNE DE BANQUE " SIB "	Bank	10 000 000 KFCFA	51,00%	648 084	648 084	06/30/2017	60 131 658 KFCFA	10175488 KFCFA	105 846
SOCIETE CAMEROUNAISE DE BANQUE "SCB"	Bank	10 540 000 KFCFA	51,00%	379 110	379 110	12/31/2017	51 228 000 KFCFA	10 783 000 KFCFA	32 571
SOCIETE BIA TOGO	Bank	10 000 000 KFCFA	55,00%	153 301	153 301	06/30/2018	10 515 000 KFCFA	186 000 KFCFA	
SUCCURSALE DE BRUXELLES EX BCM	Bank	558 KEURO	100,00%	57 588	57 588	06/30/2017	1 632 KEUR		
UNION GABONAISE DE BANQUES "UGB GABON"	Bank	10 000 000 KFCFA	58,71%	848 842	848 842	06/30/2017	29 863 236 KFCFA	5 759 270 KFCFA	87 695
ATTIJARI FINANCES CORPORATION	Investment bank	10 000	100,00%	10 000	10 000	12/31/2018	38 072	26 171	12 000
ATTIJARIWAFA BANK MIDDLE EAST LIMITED	Investment bank	1 000	100,00%	8 194	8 194		-	-	
WAFACAMBIO	Credit institution		100,00%	963	963		-	-	
ATTIJARI INTERNATIONAL BANK "AIB"	Offshore bank	2 400 KEUR	100,00%	92 442	92 442	12/31/2018	24 398 KEURO	2 666 KEURO	26 149
WAFABANK OFFSHORE DE TANGER	Offshore bank		100,00%	5 842	5 842		-	-	
ANDALUCARTAGE	Holding	308 162 KEURO	100,00%	3 937 574	3 937 574	12/31/2018	358 494 KEURO	16 996 KEURO	168 882
ATTIJARI AFRIQUE PARTICIPATION	Holding	10 010 KEUR	100,00%	113 120	113 120	09/30/2018	9 843 KEUR	-14 KEUR	
ATTIJARI AFRICA HOLDING	Holding	300	100,00%	300	300	12/31/2018	284	-16	
ATTIJARI IVOIRE SA	Holding	32 450 KEUR	66,67%	236 891	236 891	09/30/2018	35 900 KEUR	3 450 KEUR	
ATTIJARIWAFA EURO FINANCES	Holding	48 600 KEUR	100,00%	502 621	502 621	12/31/2017	48 137 KEURO	-61 KEURO	
BCM CORPORATION	Holding	200 000	100,00%	200 000	200 000	12/31/2018	241 233	23 058	25 000
CAFIN	Holding	1 122 000 KFCFA	100,00%	257 508	257 508	12/31/2018	6 426 160 KFCFA	1 624 261 KFCFA	24 941
KASOVI	Holding	50 KUSD	100,00%	1 519 737	1 519 737	12/31/2018	38 002 KUSD	10 067 KUSD	
OMNIUM DE GESTION MAROCAIN S.A."OGM"	Holding	950 490	50,00%	1 638 145	1 638 145	06/30/2018	1 386 278	329 854	130 000
WAFA INVESTISSEMENT	Holding investment	1 787	100,00%	46	46	12/31/2018	1 114	-42	
ATTIJARI ASSET MANAGEMENT AAM SA (Sénégal)	Asset management	1 200 000 FCFA	70,00%	13 889	13 889		-	-	
ATTIJARI SECURITISES CENTRAL AFRICA (ASCA)	Asset management	1 312 000 FCFA	70,00%	15 351	15 351		-	-	
SOMACOVAM	Asset management	5 000	100,00%	30 000	-	12/31/2018	-5 594	-3 857	
WAFA GESTION	Asset management	4 900	66,00%	236 369	236 369	12/31/2017	145 864	78 177	51 582
ATTIJARI INVEST.	Asset management	5 000	100,00%	5 000	5 000	12/31/2018	58 298	1 401	
ATTIJARI CAPITAL DEVELOPEMENT	Venture capital	10 320	100,00%	10 320	-	12/31/2018	-51 360	168	
CASA MADRID DEVELOPPEMENT	Capital development	10 000	50,00%	5 000	5 000	12/31/2018	10 305	-49	
WAFA BOURSE	Securities brokerage	20 000	100,00%	40 223	40 223	12/31/2018	42 904	814	
ATTIJARI TITRISATION	Securitization	11 400	100,00%	11 700	9 940	12/31/2018	9 940	7 074	
FT MIFTAH	Securitization fund	50 100	100,00%	50 100	50 100	12/31/2018			
WAFA TRUST	Consulting and financial engineering	1 500	100,00%	1 500	735	12/31/2018	735	-135	
WAFASALAF	Consumer finance	113 180	50,91%	634 783	634 783	12/31/2018	1 739 962	315 340	152 727
WAFA LLD	Leasing	20 000	100,00%	20 000	20 000	12/31/2018	38 397	13 336	10 000
WAFABAIL	Leasing	150 000	57,83%	97 886	97 886	12/31/2017	386 748	141 036	34 862
DAR ASSAFAA LITAMWIL	Specialised financial company	50 000	100,00%	50 510	50 510	12/31/2018	79 693	7 328	
ATTIJARI GLOBAL RESEARCH	Financial services	1 000	100,00%	1 000	1 000	12/31/2018			
ATTIJARI OPERATIONS	Services company	1 000	100,00%	1 000	693	12/31/2018	693	-52	
ATTIJARI AFRICA	Services company	2 000	100,00%	2 000	2 000	12/31/2017	20 238	707	
ATTIJARI CIB AFRICA	Services company	2 000	100,00%	2 000	1 587	12/31/2018	1 588	-81	
ATTIJARI IT AFRICA	Services company	1 000	100,00%	1 000	1 000	12/31/2017	8 104	386	
MEDI TRADE	Trading	1 200	20,00%	240	139	12/31/2018	693	-3	
WAFA COURTAGE	Brokerage	1 000	100,00%	2 397	2 397	12/31/2018	73 929	42 099	40 000
WAFACASH	Electronic banking	35 050	100,00%	324 074	324 074	12/31/2017	386 748	141 036	140 000
ATTIJARI PAYMENT PROCESSING	Electronic banking	1 000	100,00%	1 000	1 000	12/31/2018	8 889	2 788	
DINERS CLUB DU MAROC	Payment card management	1 500	100,00%	1 675	71	12/31/2018	71	-274	
STE MAROCAINE DE GESTION ET TRAITEMENT INFORMATIQUE "SOMGETI"	Data processing	300	100,00%	100	94	12/31/2018	94	-19	
WAFA SYSTEMES DATA	Data processing	1 500	100,00%	1 500	1 118	02/28/2018	1 118	-	
AGENA MAGHREB	Sale of computer equipment	11 000	74,96%	33	-	12/31/2018	-7 005	-56	
WAFA COMMUNICATION	Communication	3 000	85,00%	2 600	-	05/18/2018	-1 994	-1 629	
WAFA SYSTEMES CONSULTING	Computer systems consulting	5 000	99,88%	4 994	4 994	02/28/2018	6 045	-	
WAFA SYSTEMES FINANCES	Engineering computer science	2 000	100,00%	2 066	827	02/28/2018	827	-	
WAFA FONCIERE	Holding company	2 000	100,00%	3 700	1 742	12/31/2018	1 742	-281	
ATTIJARIA AL AAKARIA AL MAGHRIBIA	Holding company	10 000	100,00%	9 999	9 999	12/31/2018	17 664	8 475	
ATTIJARI RECOUVREMENT	Holding company	3 350	100,00%	11 863	4 450	12/31/2018	4 450	-30	
AYK	Holding company	100	100,00%	100	-	09/29/2018	-1 034	-13	
SOCIETE IMMOBILIERE ATTIJARIA AL YOUSSOUFIA	Holding company	50 000	100,00%	51 449	25 411	12/31/2018	25 411	-4 269	
STE IMMOB.BOULEVARD PASTEUR " SIBP"	Holding company	300	50,00%	25	25	12/31/2018	764	-287	
SOCIETE IMMOBILIERE DE L'HIVERNAGE SA	Holding company	15 000	100,00%	15 531	4 385	12/31/2018	4 385	-2 090	
SOCIETE IMMOBILIERE MAIMOUNA	Holding company	300	100,00%	5 266	2 442	12/31/2018	2 442	-219	
STE IMMOBILIERE MARRAKECH EXPANSION	Holding company	300	100,00%	299	299	09/29/2018	371	-10	
SOCIETE IMMOBILIERE ZAKAT	Holding company	300	100,00%	2 685	-	12/31/2018	-338	-820	
SOCIETE CIVILE IMMOBILIERE TOGO LOME	Holding company	3 906 000 KFCFA	100,00%	66 761	66 761	12/31/2016	3 796 158 KFCFA	-33 822 KFCFA	
ATTIJARI IMMOBILIER	Property	50 000	99,99%	71 686	71 686	12/31/2018	63 739	176	
AL MIFTAH	Property	100	100,00%	244	-	12/31/2018	-3 887	-488	
CAPRI	Property	25 000	100,00%	88 400	-	09/30/2018	-17 631	-22 367	
WAFA IMMOBILIER	Real estate loans	50 000	100,00%	164 364	164 364	12/31/2018	162 532	105 619	105 000
ATTIJARI PROTECTION	Security	4 000	83,75%	3 350	3 350	05/21/2018	4 184	-3	

INVESTMENTS IN AFFILIATES AND OTHER LONG-TERM INVESTMENTS at 30 June 2019

(thousand MAD)

B - OTHER INVESTMENTS				**635 406**	**500 400**				**35 657**
ATTIJARIWAFA BANK	Bank	2 098 597		623	623		-	-	
BANQUE D'AFFAIRE TUNISIENNE	Bank	198 741		2 583	-		-	-	
BANQUE MAGHREBINE POUR L'INVESTISSEMENT ET LE COMMERCE EXTERIEUR "BMICE"	Bank	500.000$	1,20%	63 846	63 846		-	-	
IMMOBILIERE INTERBANCAIRE "G.P.B.M."	Professional banker's association	19 005	20,00%	3 801	3 801		-	-	
BOURSE DE CASABLANCA	Stock exchange	-		32 628	32 628				
AGRAM INVEST	Investment funds	40 060	27,82%	10 938	8 236	12/31/2018	29 608	-1 156	
FONDS D'INVESTISSEMENT IGRANE	Investment funds	54 600	18,26%	9 970	7 800	12/31/2018	42 714	1 812	
H PARTNERS	Investment funds	1 400 010	7,14%	100 000	39 432	12/31/2018	810 867	-71 284	
MAROC NUMERIQUE FUND	Investment funds	75 000	20,00%	22 843	7 654	12/31/2018	38 272	-1 274	
ALTERMED MAGHREB EUR	Investment funds	-	7,94%	5 247	-	12/31/2017	432	-	
3 P FUND	Investment funds	270 020	5,00%	13 500	9 556	12/31/2018	191 130	-4 726	
AM INVESTISSEMENT MOROCCO	Equity investments	218 310	3,25%	13 000	8 061	12/31/2018	248 039	459	
FONDS ATTIJARI AFRICA FUNDS MULTI ASSETS	Asset management	31 KEURO		346	346		-	-	
EUROCHEQUES MAROC	Financial services	1 500		364	364		-	-	
MOROCCAN FINANCIAL BOARD	Financial services	400 000	12,50%	20 000	20 000	12/31/2017	398 839	13 278	
TECHNOLOPARK COMPANY "MITC"	Service provision	-		8 150	7 784		-	-	
SALIMA HOLDING	Holding	150 000	13,33%	16 600	14 614		-	-	
MAROCLEAR	Custodian of securities	20 000	6,58%	1 342	1 342		-	-	
EXP SERVICES MAROC S.A.	Risk centralization services	20 000	3,00%	600	600		-	-	
INTER MUTUELLES ASSISTANCE	Insurance	-		894	894		-	-	
SMAEX	Insurance	37 450	11,42%	4 278	4 278		-	-	
WAFA IMA ASSISTANCE	Insurance	50 000	32,50%	15 356	15 356	12/31/2018	130 342	29 857	
CENTRE MONETIQUE INTERBANCAIRE	Electronic banking	98 200	22,40%	22 000	22 000		-	-	15 000
SOCIETE INTERBANK	Bank card management	11 500	16,00%	1 840	1 840		-	-	
SGFG SOCIETE MAROCAINE DE GESTION DES FONDS DE GARANTIE DES DEPÔTS BANCAIRES	Collective deposit guarantee fund management	1 000		59	59				
NOUVELLES SIDERURGIES INDUSTRIELLES	Steel industry	3 415 000	2,72%	62 942	62 942	06/30/2016	3 665 056	126 891	
SONASID	Steel industry	390 000	0,27%	28 391	2 765	12/31/2018	1 326 672	49 748	
BOUZNIKA MARINA	Real estate loans	-		500	-		-	-	
STE D'AMENAGEMENT DU PARC NOUACER"SAPINO"	Real estate loans	60 429	22,69%	13 714	13 714	12/31/2017	209 956	1 616	
TANGER FREE ZONE	Real estate loans	335 800	16,95%	58 221	58 221		-	-	5 000
HAWAZIN	Property	960	12,50%	704	-		-	-	
INTAJ	Property	576	12,50%	1 041	549		-	-	
FONCIERE EMERGENCE	Property	372 172	8,06%	33 844	25 852	12/31/2018	386 282	13 634	981
IMPRESSION PRESSE EDITION (IPE)	Puplishing	-		400	400		-	-	
MOUSSAFIR HOTELS	Hotel	193 000	33,34%	64 343	64 343	06/30/2017	282 236	10 594	14 676
CASA PATRIMOINE	Conservation & restoration of Casablanca' s heritage	31 000	1,61%	500	500				
C - SIMILAR INVESTMENTS				**350 693**	**329 973**				**-**
PARTNERS CURRENT ACCOUNT				334 858	314 138				
OTHER SIMILAR INVESTMENTS				15 835	15 835				
Total				**19 439 294**	**19 093 230**				**1 296 159**

AMOUNTS OWING TO CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS at 30 June 2019

(thousand MAD)

AMOUNTS OWING	credit institutions and similar establishments in Morocco			credit institutions overseas	Total 06/30/2019	Total 12/31/2018
	Bank Al Maghrib, the treasury and post office accounts	Banks	other credit institutions and similar establishments			
CURRENT ACCOUNTS IN CREDIT		**1 678**	**894 839**	**2 751 240**	**3 647 757**	**1 070 997**
NOTES GIVEN AS SECURITY	**31 830 246**		**34 984**		**31 865 230**	**28 762 159**
- overnight			34 984		34 984	731 440
- term	31 830 246				31 830 246	28 030 719
CASH BORROWINGS	**900 000**	**1 114 447**	**1 965 828**	**1 739 118**	**5 719 393**	**8 615 701**
- overnight		834 447	327 835		1 162 282	2 207 319
- term	900 000	280 000	1 637 993	1 739 118	4 557 111	6 408 382
FINANCIAL BORROWINGS	**1 992**			**885 215**	**887 207**	**2 075**
OTHER DEBTS	**34 327**	**39 681**			**74 008**	**194 589**
ACCRUED INTEREST PAYABLE					**24 922**	**27 320**
TOTAL	**32 766 565**	**1 155 806**	**2 895 651**	**5 375 573**	**42 218 517**	**38 672 841**

CUSTOMER DEPOSITS at 30 June 2019

(thousand MAD)

DEPOSITS	public sector	private sector			Total 06/30/2019	Total 12/31/2018
		Financial companies	non-financial companies	private sector		
CURRENT ACCOUNTS IN CREDIT	1 442 914	2 536 456	32 832 352	114 313 578	151 125 300	146 964 895
SAVINGS ACCOUNTS				28 670 342	28 670 342	28 407 065
TERM DEPOSITS	461 500	4 030 819	11 239 018	22 267 613	37 998 950	41 059 814
OTHER ACCOUNTS IN CREDIT	2 142 766	3 337 530	8 184 702	2 551 633	16 216 631	17 440 488
ACCRUED INTEREST PAYABLE					705 342	635 620
TOTAL	**4 047 180**	**9 904 805**	**52 256 072**	**167 803 166**	**234 716 565**	**234 507 882**

DEBT SECURITIES ISSUED at 30 June 2019

(thousand MAD)

SECURITIES	characteristics					Value	including		Unamortised value of issue or redemption premiums
	entitlement date	Maturity	nominal value	interest rate	Redemption terms		Affiliates	Related companies	
CERTIFICATES OF DEPOSIT	23/10/2015	23/10/2020	100 000	3.61%	IN FINE	250 000			
CERTIFICATES OF DEPOSIT	20/01/2016	20/01/2021	100 000	3.58%	IN FINE	200 000			
CERTIFICATES OF DEPOSIT	05/02/2016	05/02/2021	100 000	3.43%	IN FINE	200 000			
CERTIFICATES OF DEPOSIT	02/02/2018	02/02/2023	100 000	4.00%	IN FINE	300 000			
CERTIFICATES OF DEPOSIT	13/02/2018	13/02/2020	100 000	2.86%	IN FINE	500 000			
CERTIFICATES OF DEPOSIT	13/06/2018	13/06/2023	100 000	3.30%	IN FINE	400 000			
CERTIFICATES OF DEPOSIT	20/07/2018	19/07/2019	100 000	2.64%	IN FINE	1 573 000			
CERTIFICATES OF DEPOSIT	24/07/2018	24/07/2020	100 000	2.90%	IN FINE	800 000			
CERTIFICATES OF DEPOSIT	31/08/2018	31/08/2020	100 000	2.89%	IN FINE	800 000			
CERTIFICATES OF DEPOSIT	14/12/2018	14/12/2023	100 000	3.40%	IN FINE	500 000			
CERTIFICATES OF DEPOSIT	25/01/2019	25/01/2021	100 000	2.94%	IN FINE	800 000			
CERTIFICATES OF DEPOSIT	25/01/2019	25/01/2022	100 000	3.08%	IN FINE	700 000			
CERTIFICATES OF DEPOSIT	18/03/2019	18/03/2022	100 000	2.94%	IN FINE	300 000			
CERTIFICATES OF DEPOSIT	28/03/2019	28/03/2023	100 000	3.06%	IN FINE	450 000			
CERTIFICATES OF DEPOSIT	29/03/2019	29/03/2022	100 000	2.94%	IN FINE	240 000			
CERTIFICATES OF DEPOSIT	29/03/2019	29/03/2023	100 000	3.05%	IN FINE	210 000			
CERTIFICATES OF DEPOSIT	18/04/2019	16/04/2020	100 000	2.61%	IN FINE	500 000			
CERTIFICATES OF DEPOSIT	18/04/2019	17/10/2019	100 000	2.55%	IN FINE	720 000			
CERTIFICATES OF DEPOSIT	18/04/2019	18/04/2022	100 000	2.90%	IN FINE	200 000			
CERTIFICATES OF DEPOSIT	18/04/2019	18/04/2023	100 000	3.03%	IN FINE	200 000			
CERTIFICATES OF DEPOSIT	13/06/2019	11/06/2021	100 000	2.69%	IN FINE	500 000			
CERTIFICATES OF DEPOSIT	20/06/2019	20/06/2022	100 000	2.74%	IN FINE	500 000			
CERTIFICATES OF DEPOSIT	20/06/2019	20/06/2023	100 000	2.86%	IN FINE	500 000			
TOTAL						**11 343 000**			

DETAILS OF OTHER LIABILITIES at 30 June 2019

(thousand MAD)

LIABILITIES	06/30/2019	12/31/2018
OPTIONS SOLD	**248 403**	**274 658**
SUNDRY SECURITIES TRANSACTIONS	**15 000 839**	**7 871 282**
SUNDRY CREDITORS	**5 734 594**	**3 405 178**
Amounts due to the State	1 627 228	1 065 002
Amounts due to mutual societies	105 189	81 021
Sundry amounts due to staff	378 221	425 573
Sundry amounts due to shareholders and associates	2 733 256	5 080
Amounts due to suppliers of goods and services	868 492	1 807 544
Other sundry creditors	22 208	20 958
DEFERRED INCOME AND ACCRUED EXPENSES	**1 876 577**	**1 237 841**
Adjustment accounts for off-balance sheet transactions	84 425	9 475
Translation differences for foreign currencies and securities		
Income from derivative products and hedging		
Inter-company accounts between head office, branch offices and branches in Morocco		
Accrued expenses and deferred income	843 393	733 511
Other deferred income	948 759	494 855
TOTAL	**22 860 413**	**12 788 959**

PROVISIONS at 30 June 2019

(thousand MAD)

PROVISIONS	outstanding 12/31/2018	Additional provisions	Write-backs	other changes	outstanding 06/30/2019
PROVISIONS, DEDUCTED FROM ASSETS, FOR:	**8 119 871**	**542 568**	**169 804**	**-49**	**8 492 586**
Loans and advances to credit institutions and other similar establishments		-	-		-
Loans and advances to customers	7 721 934	539 141	162 413	-49	8 098 613
Available-for-sale securities	31 073	544	85		31 532
Investments in affiliates and other long-term investments	350 487	2 883	7 306		346 064
Leased and rented assets	-				-
Other assets	16 377				16 377
PROVISIONS RECORDED UNDER LIABILITIES	**3 562 853**	**218 042**	**84 199**	**-25**	**3 696 671**
Provisions for risks in executing signature loans	311 072	2 503	21 957	-25	291 593
Provisions for foreign exchange risks	-				-
General provisions	2 208 439	106 300			2 314 739
Provisions for pension fund and similar obligations	155 394	33 550	21 595		167 349
Other provisions	887 948	75 689	40 647		922 990
Regulated provisions	-				-
TOTAL	**11 682 724**	**760 610**	**254 003**	**-74**	**12 189 257**

SUBSIDIES, PUBLIC FUNDS AND SPECIAL GUARANTEE FUNDS at 30 June 2019

(thousand MAD)

	ECONOMIC PURPOSE	TOTAL VALUE	VALUE AT DECEMBER 2018	UTILISATION June 2019	VALUE AT DECEMBER end of June 2019
SUBSIDIES	NOT APPLICABLE				
PUBLIC FUNDS					
SPECIAL GUARANTEE FUNDS					
TOTAL					

SUBORDINATED DEBTS at 30 June 2019

(thousand MAD)

currency of issue	Value of loan of issue	price (1)	Rate	Maturity (2)	terms for early redemption and convertibility. subordination (3)	Value of loan in thousand MAD	including related businesses: Value in thousand MAD 2018	including related businesses: Value in thousand MAD 06/2019	including other related businesses: Value in thousand MAD 2018	including other related businesses: Value in thousand MAD 06/2019
MAD			4.13%	7 YEARS		257 500				
MAD			2.81%	7 YEARS		1 250 000				
MAD			3.44%	7 YEARS		250 000				
MAD			3.69%	7 YEARS		325 000				
MAD			2.66%	7 YEARS		240 800				
MAD			3.34%	7 YEARS		1 200				
MAD			2.81%	7 YEARS		896 500				
MAD			3.63%	7 YEARS		603 500				
MAD			3.57%	7 YEARS		1 110 000				
MAD			3.29%	7 YEARS		154 300				
MAD			2.92%	7 YEARS		925 000				
MAD			3.32%	7 YEARS		390 000				
MAD			4.75%	10 YEARS		880 000				
MAD			4.52%	10 YEARS		588 200				
MAD			3.74%	10 YEARS		758 000				
MAD			3.80%	10 YEARS		320 000				
MAD			3.96%	Perpetual		450 000				
MAD			5.73%	Perpetual		50 000				
MAD			4.79%	Perpetual		400 000				
MAD			5.98%	Perpetual		100 000				
MAD			4.60%	Perpetual		849 000				
MAD			5.48%	Perpetual		151 000				
TOTAL						**10 950 000**				

(1) BAM price at 06/30/2019 - (2) Possibly for an unspecified period – (3) Refer to the subordinated debt contract note

SHAREHOLDERS EQUITY at 30 June 2019

(thousand MAD)

SHAREHOLDERS EQUITY	outstanding 12/31/2018	Appropriation of income	other changes	outstanding 06/30/2019
Revaluation reserve	**420**			**420**
Reserves and premiums related to share capital	**34 794 175**	**-**	**-**	**34 794 175**
Legal reserve	203 527	-		203 527
Other reserves	24 137 480			24 137 480
Issue, merger and transfer premiums	10 453 168		-	10 453 168
Share capital	**2 098 597**	**-**	**-**	**2 098 597**
Called-up share capital	2 098 597		-	2 098 597
Uncalled share capital				
Non-voting preference shares				
Fund for general banking risks				
Shareholders' unpaid share capital				
Retained earnings (+/-)	**389**	**1 875 807**		**1 876 196**
Net income (loss) awaiting appropriation (+/-)				
Net income (+/-)	**4 603 983**	**-4 603 983**		**2 958 020**
TOTAL	**41 497 564**	**-2 728 176**		**41 727 408**

FINANCING COMMITMENTS AND GUARANTEES at 30 June 2019

(thousand MAD)

COMMITMENTS	06/30/2019	12/31/2018
FINANCING COMMITMENTS AND GUARANTEES GIVEN	**130 585 615**	**121 745 754**
Financing commitments given to credit institutions and similar establishments	**3 045 257**	**1 837 664**
Import documentary credits		
Acceptances or commitments to be paid	532	532
Confirmed credit lines		
Back-up commitments on securities issuance		
Irrevocable leasing commitments		
Other financing commitments given	3 044 725	1 837 132
Financing commitments given to customers	**65 878 917**	**56 207 850**
Import documentary credits	16 239 675	15 332 405
Acceptances or commitments to be paid	2 806 049	
Confirmed credit lines		
Back-up commitments on securities issuance		
Irrevocable leasing commitments		
Other financing commitments given	46 833 193	40 875 445
Guarantees given to credit institutions and similar establishments	**10 621 704**	**13 662 949**
Confirmed export documentary credits	260 447	81 062
Acceptances or commitments to be paid		
Credit guarantees given	335 743	1 979 711
Other guarantees and pledges given	10 025 514	11 602 176
Non-performing commitments		
Guarantees given to customers	**51 039 737**	**50 037 291**
Credit guarantees given	9 330 253	8 309 072
Guarantees given to government bodies	21 431 793	20 670 289
Other guarantees and pledges given	19 611 398	20 362 956
Non-performing commitments	666 293	694 974
FINANCING COMMITMENTS AND GUARANTEES RECEIVED	**16 739 037**	**19 187 978**
Financing commitments received from credit institutions and similar establishments		
Confirmed credit lines		
Back-up commitments on securities issuance		
Other financing commitments received		
Guarantees received from credit institutions and similar establishments	**16 228 221**	**18 730 675**
Credit guarantees received		
Other guarantees received	16 228 221	18 730 675
Guarantees received from the State and other organisations providing guarantees	**510 816**	**457 303**
Credit guarantees received	510 816	457 303
Other guarantees received		

COMMITMENTS ON SECURITIES at 30 June 2019

(thousand MAD)

	Amount
Commitments given	**1 894 343**
Securities purchased with repurchase agreement	
Other securities to be delivered	1 894 343
Commitments received	**145 392**
Securities sold with repurchase agreement	
Other securities to be received	145 392

FORWARD FOREIGN EXCHANGE TRANSACTIONS AND COMMITMENTS ON DERIVATIVE PRODUCTS at 30 June 2019

(thousand MAD)

	hedging activities		other activities	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Forward foreign exchange transactions	**78 251 639**	**58 899 568**		
Foreign currencies to be received	31 814 854	22 616 285		
Dirhams to be delivered	6 474 420	6 201 179		
Foreign currencies to be delivered	32 533 986	23 172 997		
Dirhams to be received	7 428 379	6 909 107		
of which currency swaps				
Commitments on derivative products	**30 774 354**	**37 715 098**		
Commitments on regulated fixed income markets				
Commitments on OTC fixed income markets	6 019 900	2 777 271		
Commitments on regulated foreign exchange markets				
Commitments on OTC foreign exchange markets	18 574 337	17 276 255		
Commitments on regulated markets in other instruments				
Commitments on OTC markets in other instruments	6 180 117	17 661 572		

SECURITIES RECEIVED AND GIVEN AS GUARANTEE at 30 June 2019

(thousand MAD)

Securities received as guarantee	Net book value	Asset/off-balance sheet entries in which loans and signature loans pledged are given	Value of loans and signature loans pledged that are hedged
Treasury bills and similar assets		N/D	
Other securities			
Mortgages			
Other physical assets			
TOTAL			

Securities received as guarantee	Net book value	Asset/off-balance sheet entries in which loans and signature loans pledged are given	Value of loans and signature loans pledged that are hedged
Treasury bills and similar assets	31 480 246		
Other securities			
Mortgages			
Other physical assets			
TOTAL	**31 480 246**		

BREAKDOWN OF ASSETS AND LIABILITIES BY RESIDUAL MATURITY at 30 June 2019

(thousand MAD)

	d ≤ 1 month	1 month < d ≤ 3 months	3 months < d ≤ 1 year	1 year < d ≤ 5 years	d > 5 years	TOTAL
ASSETS						
Loans and advances to credit institutions and similar establishments	9 655 011	3 318 589	10 665 350	13 956 738	6 966 694	44 562 382
Loans and advances to customers	15 756 003	16 638 222	42 164 145	75 680 841	50 221 999	200 461 210
Receivables acquired through factoring	147 635	295 271	1 328 719	5 521 030	2 986 818	10 279 473
Available-for-sale securities	5 905	11 620	33 126	119 125	1 562 228	1 732 004
Investment securities		155 645	89 834	4 060 696	4 301 236	8 607 411
TOTAL	**25 564 554**	**20 419 347**	**54 281 174**	**99 338 430**	**66 038 975**	**265 642 480**
LIABILITIES						
Amounts owing to credit institutions and similar establishments	37 478 536	2 178 604	2 231 158	330 219		42 218 517
Amounts owing to customers	33 381 193	12 530 400	36 640 207	32 062 300	120 102 465	234 716 565
Debt securities issued	1 593 480		1 742 393	8 154 806		11 490 679
Subordinated debt				2 192 838	8 955 631	11 148 469
TOTAL	**72 453 209**	**14 709 004**	**40 613 758**	**42 740 163**	**129 058 096**	**299 574 230**

Loans & Advances and demand deposits are classified according to run-off conventions adopted by the bank.

BREAKDOWN OF FOREIGN CURRENCY-DENOMINATED ASSETS, LIABILITIES AND OFF-BALANCE SHEET at 30 June 2019

(thousand MAD)

BALANCE SHEET	06/30/2019	12/31/2018
ASSETS	**34 774 843**	**34 018 914**
Cash and balances with central banks, the Treasury and post office accounts	176 808	191 935
Loans and advances to credit institutions and similar establishments	7 667 245	7 265 310
Loans and advances to customers	5 564 170	5 518 276
Trading securities and available-for-sale securities	7 169 293	6 375 538
Other assets	182 023	651 923
Investments in affiliates and other long-term investments	14 015 304	14 015 932
Subordinated loans		
Leased and rented		
Intangible assets and property, plant and equipment		
LIABILITIES	**16 297 504**	**13 631 000**
Amounts owing to central banks, the Treasury and post office accounts		
Amounts owing to credit institutions and similar establishments	7 286 686	5 996 525
Customer deposits	8 777 582	7 449 214
Debt securities		
Other liabilities	233 236	185 261
Subsidies, public funds and special guarantee		
Subordinated debts		
Share capital and reserves		
Provisions		
Retained earnings		
Net income		
OFF-BALANCE SHEET	**52 239 433**	**57 151 796**
Commitments given	37 980 200	40 470 682
Commitments received	14 259 233	16 681 114

RISK CONCENTRATION WITH THE SAME COUNTERPARTY at 30 June 2019

(thousand MAD)

NUMBER OF COUNTERPARTIES	TOTAL
20	61 108 391

NET INTEREST MARGIN at 30 June 2019

(thousand MAD)

	06/30/2019	30/06/2018
Interest and similar income from activities with customers	**4 925 096**	**4 648 588**
of which interest and similar income	4 793 360	4 522 800
of which fee income on commitments	131 736	125 788
Interest and similar income from activities with credit institutions	**507 253**	**490 902**
of which interest and similar income	479 029	456 383
of which fee income on commitments	28 224	34 519
Interest and similar income from debt securities	**139 813**	**124 260**
TOTAL INTEREST AND SIMILAR INCOME	**5 572 162**	**5 263 750**
Interest and similar expenses on activities with customers	1 123 629	1 249 848
Interest and similar expenses on activities with credit institutions	461 067	390 613
Interest and similar expenses on debt securities issued	137 896	88 285
TOTAL INTEREST AND SIMILAR EXPENSES	**1 722 592**	**1 728 746**
NET INTEREST MARGIN	**3 849 570**	**3 535 004**

FEE INCOME PROVIDED FROM SERVICES at 30 June 2019

(thousand MAD)

FEES	06/30/2019	30/06/2018
Account management	112 424	117 671
Payment services	373 252	345 447
Securities transactions	26 628	19 107
Asset management and custody	41 057	43 521
Credit services	70 112	62 780
Sale of insurance products	66 392	66 631
Other services provided	223 051	191 616
TOTAL	**912 916**	**846 773**

GENERAL OPERATING EXPENSES at 30 June 2019

(thousand MAD)

EXPENSES	06/30/2019	30/06/2018
Staff costs	1 136 362	1 068 509
Taxes	63 322	63 570
External expenses	953 690	933 759
Other general operating expenses	31 107	18 410
Depreciation, amortisation and provisions on intangible assets and property, plant and equipment	252 226	216 815
TOTAL	**2 436 707**	**2 301 063**

INCOME FROM MARKET ACTIVITIES at 30 June 2019

(thousand MAD)

INCOME AND EXPENDITURES	06/30/2019	30/06/2018
+ Gains on trading securities	1 341 029	4 775 797
- Losses on trading securities	124 791	3 958 716
Income from activities in trading securities	**1 216 238**	**817 081**
+ Capital gains on disposal of available-for-sale securities		
+ Write-back of provisions for impairment of available-for-sale securities	85	11 207
- Losses on disposal of available-for-sale securities		
- Provisions for impairment of available-for-sale securities	544	1 154
Income from activities in available-for-sale securities	**-459**	**10 053**
+ Gains on foreign exchange transactions - transfers	450 595	1 465 257
+ Gains on foreign exchange transactions - notes	51 025	42 027
- Losses on foreign exchange transactions - transfers	213 521	1 104 542
- Losses on foreign exchange transactions - notes	17 400	5 332
Income from foreign exchange activities	**270 699**	**397 410**
+ Gains on fixed income derivative products	52 826	33 022
+ Gains on foreign exchange derivative products	28 196	24 983
+ Gains on other derivative products	101 425	178 991
- Losses on fixed income derivative products	42 992	2 915
- Losses on foreign exchange derivative products		64 829
- Losses on other derivative products	144 568	205 941
Income from activities in derivatives products	**-5 113**	**-36 689**

INCOME FROM EQUITY SECURITIES at 30 June 2019

(thousand MAD)

CATEGORY	06/30/2019	30/06/2018
Available-for-sale securities	-	-
Investments in affiliates and other long-term investments	1 305 118	1 253 336
TOTAL	**1 305 118**	**1 253 336**

OTHER INCOME AND EXPENSES at 30 June 2019

(thousand MAD)

OTHER BANKING INCOME AND EXPENSES	06/30/2019	06/30/2018
Other banking income	2 027 203	2 281 635
Other banking expenses	1 121 904	1 631 765
TOTAL	**905 299**	**649 870**

OTHER NON-BANKING INCOME AND EXPENSES	06/30/2019	06/30/2018
Non-banking operating income	23 017	53 118
Non-banking operating expenses	-	7
TOTAL	**23 017**	**53 111**
Provisions and losses on irrecoverable loans	799 758	806 128
Provision write-backs and amounts recovered on impaired loans	259 534	340 262

NON-CURRENT INCOME AND EXPENSES	06/30/2019	06/30/2018
Non-current income	4 521	7 830
Non-current expenses	3 191	3 564

DETERMINING INCOME AFTER TAX FROM ORDINARY ACTIVITIES at 30 June 2019

(thousand MAD)

I- DETERMINING INCOME	AMOUNT
Income from ordinary activities after items of income and expenditure	4 108 689
Tax write-backs on ordinary activities (+)	156 296
Tax deductions on ordinary activities (-)	1 324 004
Theoretical taxable income from ordinary activities (=)	2 940 981
Theoretical tax on income from ordinary activities (-)	1 088 163
Income after tax from ordinary activities (=)	3 020 526
II- SPECIFIC TAX TREATMENT INCLUDING BENEFITS GRANTED BY INVESTMENT CODES UNDER SPECIFIC LEGAL PROVISIONS	

DETAILED INFORMATION ON VALUE ADDED TAX at 30 June 2019

(thousand MAD)

TYPE	Balance at the beginning of the exercise 1	transactions liable to VAT during the period 2	VAT declarations during the period 3	Balance at the end of the exercise (1+2-3=4)
A. VAT collected	**161 013**	**763 385**	**730 218**	**194 180**
B. Recoverable VAT	**253 673**	**301 600**	**288 280**	**266 992**
On expenses	85 311	181 382	195 904	70 788
On fixed assets	168 362	120 218	92 376	196 204
C. VAT payable or VAt credit = (A-B)	**-92 660**	**461 785**	**441 938**	**-72 812**

RECONCILIATION OF NET INCOME FOR ACCOUNTING AND TAX PURPOSES at 30 June 2019

(thousand MAD)

Reconciliation statement	Amount	Amount
I- NET INCOME FOR ACCOUNTING PURPOSES	**2 958 020**	
. Net profit	2 958 020	
. Net loss		
II- TAX WRITE-BACKS	**1 308 295**	
1- Current	1 308 295	
- Income tax	1 151 999	
- Losses on irrecoverable loans not provisioned	12 843	
- General provisions	106 300	
- Provisions for pensions and similar obligations	33 550	
- Non-deductible exceptional expenses	1 603	
- Personalized gifts	2 000	
2- Non-current		
III- TAX		**1 324 004**
1- Current		1 324 004
- 100% allowance on income from investments in affiliates		1 302 409
- Write-back of provisions used		**21 595**
- Write-back of contingencies and losses		
2- Non-current		-
TOTAL	**4 266 315**	**1 324 004**
IV- GROSS INCOME FOR TAX PURPOSES		**2 942 311**
. Gross profit for tax purposes if T1 > T2 (A)		2 942 311
. Gross loss for tax purposes if T2 > T1 (B)		
V- TAX LOSS CARRY FORWARDS (C) (1)		
. Financial year Y-4		
. Financial year Y-3		
. Financial year Y-2		
. Financial year Y-1		
VI - NET INCOME FOR TAX		**2 942 311**
. Net profit for tax purposes (A - C)		2 942 311
. Net loss for tax purposes (B)		
VII - ACCUMULATED DEFERRED DEPRECIATION		
VIII - ACCUMULATED TAX LOSSES TO BE CARRIED		
. Financial year Y-4		
. Financial year Y-3		
. Financial year Y-2		
. Financial year Y-1		

(1) up to the value of gross profit for tax purposes (A)

SHAREHOLDING STRUCTURE at 30 June 2019

(thousand MAD)

Name of main shareholders or associates	Adress	number of shares held		% of share capital
		previous period	current period	
A- DOMESTIC SHAREHOLDERS				
* AL MADA	60, RUE D'ALGER , CAASBLANCA	97 433 137	97 433 137	46,43%
* GROUPE MAMDA & MCMA	16 RUE ABOU INANE RABAT	15 597 202	15 597 202	7,43%
* WAFA ASSURANCE	1 RUE ABDELMOUMEN CASA	13 226 583	13 226 583	6,30%
* REGIME COLLECTIF D'ALLOCATION ET DE RETRAITE	HAY RIAD - B.P 20 38 - RABAT MAROC	10 417 416	13 517 260	6,44%
* CIMR	BD ABDELMOUMEN CASA	7 860 780	7 860 780	3,75%
* CAISSE MAROCAINE DE RETRAITE	AVENUE AL ARAAR, BP 2048, HAY RIAD, RABAT	4 405 769	4 405 769	2,10%
* CAISSE DE DEPOT ET DE GESTION	140 PLACE MY EL HASSAN RABAT	3 576 531	3 576 531	1,70%
* BANK STAFF*	****************************	6 497 329	6 482 369	3,09%
* RMA WATANIYA	83 AVENUE DES FAR CASA	2 683 942	2 683 942	1,28%
* AXA ASSURANCES MAROC	120 AVENUE HASSAN II CASA	1 551 495	1 551 495	0,74%
* UCITS AND OTHER SHAREHOLDERS	****************************	35 893 881	32 808 997	15,63%
B- FOREIGN SHAREHOLDERS				
*SANTUSA HOLDING	AVND CANTABRIA S/N 28660 BOADILLA DEL MONTE.MADRID. ESPAGNE	10 715 614	10 715 614	5,11%
TOTAL		**209 859 679**	**209 859 679**	**100,00%**

APPROPRIATION OF INCOME at 30 June 2019

(thousand MAD)

	Value		Value
A- origin of appropriated income		**B- Appropriation of income**	
Earnings brought forward	389	to legal reserve	-
Net income awaiting appropriation		Dividends	2 728 176
Net income for the financial year	4 603 983	Other items for appropriation	
Deduction from income		Earnings carried forward	1 876 196
Other deductions			
TOTAL A	**4 604 372**	**TOTAL B**	**4 604 372**

BRANCH NETWORK at 30 June 2019

BRANCH NETWORK	06/30/2019	12/31/2018
Permanent counters	1 200	1 200
Occasional counters		
Cash dispensers and ATMs	1 409	1 362
Branches in Europe	59	60
Representative offices in Europe and Middle-East	7	8

STAFF at 30 June 2019

STAFF	06/30/2019	12/31/2018
Salaried staff	8 698	8 681
Staff in employment	8 698	8 681
Full-time staff	8 698	8 681
Administrative and technical staff (full-time)		
Banking staff (full-time)		
Managerial staff (full-time)	4 824	4 733
Other staff (full-time)	3 874	3 893
Including Overseas staff	56	55

SUMMARY OF KEY ITEMS OVER THE LAST THREE PERIODS at 30 June 2019

(thousand MAD)

ITEM	June 2019	December 2018	December 2017
SHAREHOLDERS' EQUITY AND EQUIVALENT	**41 727 408**	**41 497 564**	**37 037 671**
OPERATIONS AND INCOME IN FY			
Net banking income	7 062 603	12 186 555	11 502 724
Pre-tax income	4 110 019	6 478 968	5 761 605
Income tax	1 151 999	1 874 985	1 603 594
Dividend distribution	2 728 176	2 544 090	2 442 327
PER SHARE INFORMATION IN MAD			
Earning per share			
Dividend per share	13,00	12,50	12,00
STAFF			
Staff Costs	1 136 362	2 196 216	2 068 105
Average staff during the FY			

KEY DATES AND POST-BALANCE SHEET EVENTS at 30 June 2019

I. KEY DATES	
. Balance sheet date (1)	**30 June 2019**
. Date for drawing up the financial statements (2)	**September-19**

(1) Justification in the event of any change to the balance sheet date
(2) Justification in the event that the statutory 3-month period for drawing up the financial statements is exceeded.

II. POST-BALANCE SHEET ITEMS NOT RELATED TO THIS FINANCIAL YEAR KNOWN BEFORE PUBLICATION OF THE FINANCIAL STATEMENTS

Dates	Indication of event
. Favorable	**NOT APPLICABLE**
. unfavourable	**NOT APPLICABLE**

CUSTOMER ACCOUNTS at 30 June 2019

	06/30/2019	12/31/2018
Current accounts	204 400	203 123
Current accounts of Moroccans living abroad	851 404	841 753
Other current accounts	2 418 311	2 391 443
Factoring liabilities	539	477
Savings accounts	986 074	963 944
Term accounts	15 445	16 101
Certificates of deposit	2 706	2 707
Other deposit accounts	1 642 006	1 522 803
TOTAL	**6 120 885**	**5 942 351**

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