RESULTS

Attijariwafa bank as of June 30, 2018

Financial Communication

2018

Contact : Financial Information and Investor Relations - Ibtissam Abouharia, e-mail : i.abouharia@attijariwafa.com
ir@attijariwafa.com

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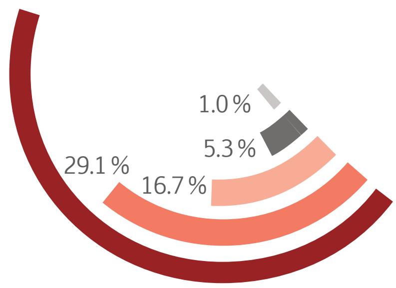
Attijariwafa bank
Believe in you

Attijariwafa bank
A limited company with a capital of MAD 2,035,272,260. Head office: 2, boulevard moulay Youssef, 20,000 Casablanca, Morocco
Phone: +212 (0) 5 22 22 41 69 or +212 (0) 5 22 29 88 88 - TR 333 - IF 01085221
www.attijariwafabank.com

Attijariwafa bank key figures

- **20 030** Employeess
- **3 437** Branches in Morocco
- **291** Branches in North Africa
- **69** Branches in Europe, the Middle East
- **499** Branches in West Africa
- **97** Branches in Central Africa

Shareholding structure
as of June 30, 2018



AL MADA Group | Local Institutions | Free-float and others

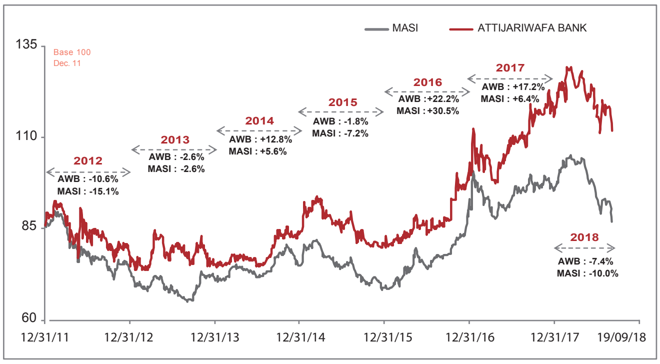
Santusa holding s.l. (Santander) | Attijariwafa bank staff

Attijariwafa bank's share price performance

Attijariwafa bank vs MASI from 12/31/2011 to 19/09/2017

Largest bank by market capitalization in Morocco:

MAD 95,7 billion at 30 June 2018



Stock market indicators

Attijariwafa bank	2016	2017	June 2018
Price	413	484	470
P/B	2,06x	2,27x	17,10x
PER	17,67x	18,27x	2,42x
DY	2,91%	2,58%	
Number of Shares	203 527 226	203 527 226	203 527 226
Market capitalisation (in millions of Dirhams)	84 057	98 507	95 658

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

Network

Mr. Hassan BERTAL	Head of Casablanca region
Mr. Saâd BENWAHOUD	Head of North-West region
Mr. Said SEBTI	Head of North-East region
Mr. Mohamed BOUBRIK	Head of South-West region
Mr. Fouad MAGHOUS	Head of South Region

Entités centrales

Mr. Mouaouia ESSEKELLI	Transaction Banking
Mr. Karim Idrissi KAITOUNI	SMEs banking
Mr. Mohamed SOUSSI	Group Human Resources
Mrs. Wafaa GUESSOUS	Procurement, Logistics and Secretary of the Board
Mr. JAMAL AHIZOUNE	International Retail Banking
Mr. Youssef ROUISSI	Corporate & Investment Banking
Mr. Younes BELABED	General Audit
Mrs. Saloua BENMEHREZ	Group Communication
Mr. Ismail EL FILALI	Back Offices and Customer Services
Mrs. Malika EL YOUNSI	Group Legal Advisory
Mr. Badr ALIOUA	Private Banking
Mr. Rachid KETTANI	Group Finance Division
Mrs. Soumaya LRHEZZIOUI	Group Information Systems
Mr. Driss MAGHRAOUI	Personal & Professional Banking
Mr. Hassan BEDRAOUI	Transformation Office
Mr. Omar GHOMARI	Specialized Financial Companies
Mme BOUCHRA BOUSSERGHINE	Group Compliance
M. Rachid EL BOUZIDI	Retail Banking Support Functions

BOARD OF DIRECTORS at 30 June 2018

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. Aymane TAUD	Director
Mr. Abed YACOUBI SOUSSANE	Director
Mr. José REIG	Director
Mr. Aldo OLCESE SANTONJA	Director - Independant
Mr. Manuel VARELA	Director, Representing Santander
Mrs. Wafaa GUESSOUS	Secretary

Rating

Fitch Rating	July 2018
Long-term in foreign currency	BB+
Short-term in foreign currency	B
Long-term in local currency	AA-(mar)
Outlook	stable

Standard & Poor's	December 2017
Long-term	BB
Short-term	B
Outlook	stable

Moody's	June 2018
Long-term	Ba2
Short-term	NP
Outlook	Positive

التجاري وفا بنك
Attijariwafa bank

Steady earnings growth driven by an ambitious strategy

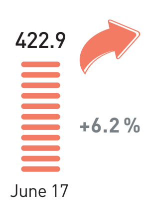
Attijariwafa bank's Board of Directors, chaired by Mr Mohamed El Kettani, met on 18th September 2018, in order to review the activity and approve the financial statements for the first half of 2018.

› Total consolidated assets	MAD **490.5** billion	+5.0 %
› Net banking income	MAD **11.3** billion	+7.5 %
› Net income	MAD **3.4** billion	+5.6 %
› Net income group share	MAD **2.8** billion	+6.3 %
› Total network	**4,393** branches in 25 countries	
› Total staff	**20,030** employees	

Growth rates calculated between 1H 2017 and 1H 2018

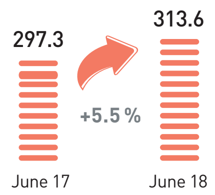
N° 1 Savings institution

Total savings* (billion MAD)



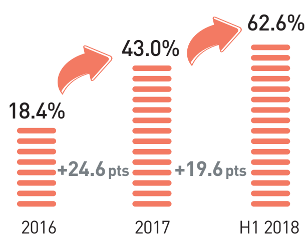
N° 1 provider of financing to the economy

Total consolidated loans** (billion MAD)

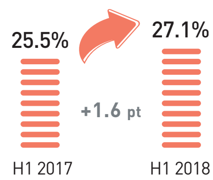


1st player in digital banking and electronic payments in Morocco

% of operations*** processed through digital banking



Market share in electronic payments****



(*) Consolidated customer deposits + assets under management + bancassurance assets
(**) Gross consolidated loans
(***) Operations with a low added value for branches and migrated to digital banking, eg: transfers, disposal, payment of invoices...
(****) Electronic payment through different channels (eg: payment cards, ebanking, ATM, mobile banking...)

NET INCOME GROUP SHARE UP 6.3%

Net banking income grew by **7.5%** to reach **MAD 11.3 billion**, supported by all its components: net interest income **(10.8%)**, net fee income **(+12.0%)** and income from market activities **(+10.9%)**.

Gross operating income soared by **6.0% to MAD 6.0 billion**. Consolidated net income rose by **5.6%** to **MAD 3.4 billion** and net income group share totaled **MAD 2.8 billion** up **6.3%**. Profitability improved significantly (RoE : **16.4%** vs. **14.7%** in 1H 2017, RoA: **1.41%** vs. **1.40%** in 1H 2017).

AN AMBITIOUS STRATEGY AND BEST-IN-CLASS HR POLICY

Attijariwafa bank is starting the fourth quarter of 2018 with optimism and commitment around the **implementation** of the **strategic plan « Energies 2020 »**.

This plan aims at positioning Attijariwafa bank as a « relationship-focused bank » for all its customers and leveraging new **digital** and **« Big Data »** technologies.

It has already contributed to tangible advances in terms of **digitalization**, **electronic payments** and migration from a product centric towards **customer-centric distribution model meeting specific clients' needs**.

In order to strengthen **employee commitment** to the execution of the strategic plan, the Board of Directors has decided to request the approval of the General Assembly for a **Public Share Offering** reserved to employees.

The Board of Directors has congratulated the teams from all Group entities for their commitment and achievements in the first half of 2018. The Board has also resolved to call the Extraordinary General Assembly, which will examine the proposals for a capital increase reserved for employees.

Board of Directors
Casablanca, 18th September 2018

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 2018, the Attijariwafa bank Group has applied the obligatory principles and standards set out by the International Accounting Standards Board (IASB).

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) (Cf. note IFRS 9-Financial Instruments).

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 1st , 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 1st , 2018, valuation adjustments 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-Maghrib to 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.

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 IAS 28 "Investments in Associates and 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;
- 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.

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.

Assets valuated at fair value through equity :

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:

Sight deposits:

Attijariwafa bank applies IFRS 13§47. 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.

Interest-bearing deposits:

- 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 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 • Long-term investments	• 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.

Assessment of increase in credit risk:

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 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.

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.

<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 21 lonths or iver 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).

<u>Level 1 inputs</u>

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).

<u>Level 2 inputs</u>

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:

Assessing the probability of generating future taxable income:

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.

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

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.

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

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.

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

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.

Deferred taxes recognised initially in equity:

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.

<u>Measuring obligations:</u>

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

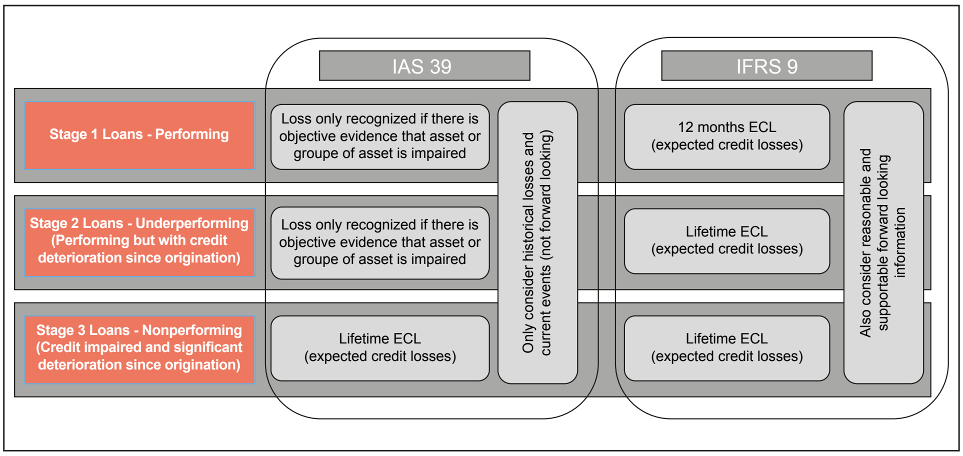
IFRS 9 Phase 2 introduces a new model for recognizing impairment of financial assets based on expected credit losses (ECL). This new model is applicable to financial assets measured at amortized cost or at fair value through other comprehensive income; The new model represents a change from the current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

The impact of the application of IFRS 9 on the consolidated shareholders' equity of Attijariwafa bank Group at 31 December 2017 is MAD 4.6 bilion.

CONSOLIDATED IFRS BALANCE SHEET at 30 June 2018

(thousand MAD)

ASSETS (under IFRS)	NOTES	06/30/2018	12/31/2017*
Cash - Central banks - Postal cheque		19 972 202	18 224 849
Financial assets at fair value through profit or loss (FV P&L)	2.1	**67 250 720**	**60 765 376**
Trading assets		67 066 921	60 571 636
Other financial assets at fair value through profit or loss		183 799	193 740
Hedging derivatives		-	-
Financial assets at fair value through other comprehensive income	2.2/2.11	**45 616 527**	**46 208 032**
Debt instruments at fair value through other comprehensive income (recycling)		14 615 062	15 002 669
Equity instruments at fair value through other comprehensive income (no recycling)		2 412 100	2 285 141
financial assets instruments at fair value through other comprehensive income (Insurance)		**28 589 365**	**28 920 222**
Assets available for sale		**-**	**-**
Financial assets at amortised cost	2.11/2.12	**10 389 037**	**9 401 965**
Loans & receivables CI	2.3/2.11	**19 782 190**	**25 267 604**
Loans & receivables Customers	2.4/2.11	**291 604 732**	**279 682 245**
Asset reevaluation difference - PF interest hedged		-	-
Asset held to maturity		-	-
Current tax assets		42 750	123 659
Deferred tax assets		**2 949 532**	**3 012 395**
Adjustment & other asset accounts		12 197 273	8 648 895
Non current assets held for sale		109 887	114 322
Investments in equity method companies		116 420	106 949
Investment property		2 210 380	2 247 468
Property, plant, equipment	2.5	5 942 925	5 550 721
Intangible assets	2.5	**2 311 755**	**2 124 258**
Goodwill	2.6	9 975 378	9 996 150
TOTAL ASSETS IFRS		**490 471 710**	**471 474 889**

LIABILITIES (under IFRS)	NOTES	06/30/2018	12/31/2017*
Central banks, Public treasury, Postal cheque		9 292	97 064
FINANCIAL LIABILITY FV PL	2.7	**513 544**	**716 739**
Financial assets held-for-trading		513 544	716 739
Financial assets designated at fair value through profit or loss		-	-
Hedging derivatives		-	-
Debts - CI	2.8	44 976 709	37 651 602
Debts - Customers	2.9	321 257 311	316 210 403
Notes & certificates issued		12 144 846	11 120 406
Liability reevaluation difference - PF interest hedged		-	-
Current tax liability		367 853	613 644
Deferred tax liability		2 175 643	2 435 504
Adjustment & other liability accounts		14 851 031	10 714 737
Debt related to non current assets held for sale		-	-
Insurance technical provision		31 869 785	28 634 562
Provision for credit and expense	2.10/2.11	2 734 249	2 446 353
Subsidies, allocated funds, special guarantee funds		155 356	129 252
Subordinated funds		13 831 014	14 645 903
SHAREHOLDERS' EQUITY		**45 585 079**	**46 058 720**
Equity and related reserves		10 151 765	10 151 765
Consolidated reserves		**30 089 365**	**33 763 752**
Group share		25 845 262	28 639 863
Non-controlling interests		4 244 103	5 123 889
Unrealized or deferred Gains / losses		**1 897 799**	**2 143 202**
Group share		706 951	829 598
Non-controlling interests		1 190 848	1 313 604
Current net income		**3 446 150**	**-**
Group share		2 796 861	-
Non-controlling interests		649 289	-
TOTAL LIABILITIES IFRS		**490 471 710**	**471 474 889**

* IFRS 9 opening balance sheet

CONSOLIDATED INCOME STATEMENT UNDER IFRS at 30 June 2018

(thousand MAD)

	NOTES	06/30/2018	12/31/2017*
Interest income	3.1	10 234 227	8 912 951
Interest income	3.1	-3 386 301	-2 730 420
INTEREST MARGIN		**6 847 926**	**6 182 531**
Commissions (income)	3.2	2 856 037	2 562 698
Commissions (expenses)	3.2	-342 032	-317 206
MARGIN ON COMMISSIONS		**2 514 005**	**2 245 492**
Net gains and losses on financial instruments at fair value through profit or loss		**1 604 197**	**1 452 093**
Net gain on trading assets		1 601 183	1 452 093
Net gain on other financial assets at fair value through profit or loss		3 014	-
Net gain on Financial assets at fair value through other comprehensive income		**533 139**	**474 878**
Net gain debt instruments at fair value through other comprehensive income (recycling)		12 433	7 584
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be subsequently to profit or loss (dividends)		70 571	63 189
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (insurance)		450 135	404 105
Net gains (losses) arising from the derecognition of financial assets at amortised cost			
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss (insurance)			
Net income related to insurance			
Income on other activities		4 020 556	3 911 505
Expenses on other activities		-4 225 926	-3 764 485
NET BANKING INCOME		**11 293 897**	**10 502 015**
Operating genral expenses		-4 692 101	-4 352 004
Amortization & Depreciation expenses - tangible & intagible assets		-553 806	-444 119
GROSS OPERATING INCOME		**6 047 990**	**5 705 892**
Risk cost		-1 026 814	-912 803
NET OPERATING INCOME		**5 021 175**	**4 793 089**
+/- Share net income Equity method		6 129	2 665
Net gains or losses on other assets		47 201	6 822
Goowill variation values		-	-
PRE-TAX INCOME		**5 074 504**	**4 802 576**
Net income tax		-1 628 354	-1 538 773
Net income from discounted or held-for-sale operations		-	-
NET INCOME		**3 446 150**	**3 263 803**
Non-controlling interests		-649 289	-633 899
NET INCOME GROUP SHARE		**2 796 861**	**2 629 904**
Basic earnings per share		13,74	12,92
Diluted earnings per share		13,74	12,92

STATEMENT OF NET INCOME AND GAINS AND LOSSES DIRECTLY RECORDED IN SHAREHOLDERS EQUITY at 30 June 2018

(thousand MAD)

STATEMENT OF NET INCOME AND GAINS AND LOSSES DIRECTLY RECORDED IN SHAREHOLDERS EQUITY	06/30/2018	12/31/2017
Net Income	**3 446 150**	**6 583 965**
comprehensive income on items that may be reclassified to profit or loss		
Gains and losses on translation adjustments	-189 344	-36 735
Reevaluation of financial assets at fair value through other comprehensive income (recyclable)	-375 939	378 367
Gains and losses on hedging derivative instruments		
Share of net gains and losses recorded through equity method	**3 342**	**-4 392**
Other changes in Shareholders		
Related income tax	**130 535**	**-144 843**
comprehensive income on items that may not be reclassified to profit or loss		
Total gains and losses directly recorded in shareholders' equity	**-431 406**	**192 397**
NET INCOME DIRECTLY RECORDED IN SHAREHOLDERS' EQUITY	**3 014 744**	**6 776 362**
Of which Group share	2 545 975	5 467 743
Of which non-controlling interests	468 770	1 308 618

TABLE OF SHAREHOLDERS EQUITY VARIATION at 30 june 2018

(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
Shareholders' equity at 31 December 2017	**2 035 272**	**8 116 493**	**-2 461 129**	**35 189 098**	**818 514**		**43 698 251**	**7 102 798**	**50 801 049**
Other restatement not related to IFRS 9 impacting opening balance sheet				-82 381			-82 381	-49 792	**-132 173**
Shareholders' equity at 31 December 2017 restated from IFRS 9 first application	**2 035 272**	**8 116 493**	**-2 461 129**	**35 106 717**	**818 514**		**43 615 870**	**7 053 006**	**50 668 876**
Reclassification from Available for Sale to Financial assets at fair value through profit or loss				-2 511	2 511				
Reclassification from Available for Sale to Financial assets at fair value through OCI - NOT recyclable					23 833	-23 833			
Reclassification from Available for Sale to Financial assets at amortised cost					8 573		8 573		**8 573**
Expected credit losses (on Financial assets and off balance sheet items)				-4 003 217			-4 003 217	-615 513	**-4 618 730**
Opening Shareholders' equity at 1st of january 2018	**2 035 272**	**8 116 493**	**-2 461 129**	**31 100 989**	**853 431**	**-23 833**	**39 621 227**	**6 437 493**	**46 058 720**
Transactions related to share capital				-352 714	-	-	-352 714	-446 053	**-798 767**
Share-based payments				-	-	-	-	-	**-**
Transactions related to treasury stock				-	-	-	-	-	**-**
Dividends				-2 546 968	-	-	-2 546 968	-461 441	**-3 008 410**
Net income	**-**	**-**	**-**	**2 796 861**	**-**	**-**	**2 796 861**	**649 289**	**3 446 150**
Intangible and fixed assets : revaluation and disposals						-	-	-	**-**
Reevaluation									
Financial instruments : fair value variation and transfer through P&L					-127 106	4 459	-122 647	-122 756	**-245 403**
Translation adjustments : change and transfer through PL				-131 581		-	-131 581	-57 763	**-189 344**
Latent or differed gains or losses	**-**	**-**	**-**	**-131 581**	**-127 106**	**4 459**	**-254 228**	**-180 519**	**-434 747**
Other variations				361 976	-		361 976	99 770	**461 746**
Changes in scope of consolidation				-125 314	-	-	-125 314	-14 299	**-139 613**
Shareholders' equity at June 30 2018	**2 035 272**	**8 116 493**	**-2 461 129**	**31 103 249**	**726 325**	**-19 374**	**39 500 840**	**6 084 239**	**45 585 079**

CONSOLIDATED CASH FLOW STATEMENT at 30 June 2018

(thousand MAD)

	06/30/2018	12/31/2017	06/30/2017
Pre-tax income	**5 074 504**	**9 535 657**	**4 802 576**
+/- Net depreciation and amortisation of property, plant and equipment and intangible assets	582 231	1 139 901	537 017
+/- Net impairment of goodwill and other fixed assets	**-**	**-**	**-**
+/- Net impairement of financial assets	-	-	-53 700
+/- Net provisions	1 162 689	2 265 863	1 010 000
+/- Net income from companies accounted for under the equity method	-6 129	-16 488	-2 665
+/- Net gain/loss from investment activities	-221 740	-253 717	-361 125
+/- Net gain/loss from financing activities	-	-	-
+/- Other movements	183 353	-617 020	1 295 422
Total non-cash items included in pre-tax income and other adjustments	**1 700 405**	**2 518 538**	**2 424 948**
+/- Flows relating to transactions with credit institutions and similar establishments	11 539 964	3 619 843	11 634 984
+/- Flows relating to transactions with customers	-6 875 579	15 240 710	9 778 351
+/- Flows relating to other transactions affecting financial assets or liabilities	-2 707 018	-17 608 708	-12 445 364
+/- Flows relating to other transactions affecting non-financial assets or liabilities	-	-	-
- taxes paid	-1 580 682	-2 765 681	-556 437
Net increase/decrease in operating assets and liabilities	**376 686**	**-1 513 836**	**8 411 533**
Net cash flow from operating activities	**7 151 595**	**10 540 358**	**15 639 058**
+/- Flows relating to financial assets and investments	-154 793	-5 430 006	-6 256 229
+/- Flows relating to investment property	37 088	-284 307	-290 865
+/- Flows relating to plant, property and equipment and intangible assets	-579 701	-1 114 531	-62 043
Net cash flow from investment activities	**-697 406**	**-6 828 844**	**-6 609 137**
+/- Cash flows from or to shareholders	-3 008 410	-3 223 799	-3 062 902
+/- Other net cash flows from financing activities	134 861	992 389	1 938 338
Net cash flow from financing activities	**-2 873 548**	**-2 231 410**	**-1 124 565**
Effect of changes in foreign exchange rates on cash and cash equivalents	**-203 601**	**-409 879**	**-224 754**
Net increase (decrease) in cash and cash equivalents	**3 377 039**	**1 070 225**	**7 680 602**

The composition of the cash position	06/30/2018	12/31/2017	30/06/2017
Cash and cash equivalents at the beginning of the period	**14 926 600**	**13 856 375**	**13 856 375**
Net cash balance (assets and liabilities) with central banks, the treasury and post office accounts	18 127 784	13 980 487	13 980 487
Inter-bank balances with credit institutions and similar establishments	-3 201 184	-124 113	-124 113
Cash and cash equivalents at the end of the period	**18 303 639**	**14 926 600**	**21 536 976**
Net cash balance (assets and liabilities) with central banks, the treasury and post office accounts	19 962 911	18 127 784	15 985 155
Inter-bank balances with credit institutions and similar establishments	-1 659 272	-3 201 184	5 551 822
Net change in cash and cash equivalents	**3 377 039**	**1 070 225**	**7 680 602**

2.1 Financial assets at fair value through income at 30 June 2018

(thousand MAD)

	06/30/2018		12/31/2017	
	Financial assets held for trading	Financial assets at fair value through income	Financial assets held for trading	Financial assets at fair value through income
Loans and advances to credit institutions and similar establishments	-	-	-	-
Loans and advances to customers	-	-	-	-
Financial assets held as guarantee for unit-linked policies	-	-	-	-
Securities received under repo agreements	-	-	-	-
Treasury notes and similar securities	42 811 652	-	36 678 353	-
Bonds and other fixed income securities	3 886 799	-	5 677 646	-
Shares and other equity securities	20 060 428	54 088	17 792 934	57 208
Titres de participation non consolidés	-	129 711	-	136 533
Derivative instruments	308 042	-	422 703	-
Related loans	-	-	-	-
Fair value on the balance sheet	**67 066 921**	**183 799**	**60 571 636**	**193 740**

2.2 Financial assets at fair value through other comprehensive income at 30 June 2018

(thousand MAD)

	06/30/2018		
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**Balance sheet value**	**Latent gains**	**latent losses**
Financial assets at fair value through other comprehensive income	**45 616 527**	**3 413 419**	**-650 289**
Debt instruments at fair value through other comprehensive income (recycling)	14 615 062	122 571	-101 000
Equity instruments at fair value through other comprehensive income (no recycling)	2 412 100	234 916	-214 996
financial assets at fair value through other comprehensive income (Insurance)	28 589 365	3 055 932	-334 293
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	**Balance sheet value**	**Latent gains**	**latent losses**
Treasury bills and similar securities	6 083 576	122 037	-96 835
Bonds and other fixed income securities	8 531 485	534	-4 165
Total Debt securities	**14 615 062**	**122 571**	**-101 000**
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**14 615 062**	**122 571**	**-101 000**
Income tax charge		-31 872	23 145
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**90 698**	**-77 855**
EQUITY INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CANNOT BE RECLASSIFIED	**Balance sheet value**	**Latent gains**	**latent losses**
Equity and other variable income securities	**-**	**-**	**-**
Non-consolidated equity investments	2 412 100	234 916	-214 996
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**2 412 100**	**234 916**	**-214 996**
Income tax charge		-78 823	77 509
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**156 093**	**-137 487**
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (RECYCLING) (INSURANCE)	**Balance sheet value**	**Latent gains**	**latent losses**
Treasury bills and similar securities	10 642 797	524 053	-2 412
Bonds and other fixed income securities	4 648 097	107 091	-114 824
Equity and other variable income securities	8 116 223	1 816 687	-151 956
Non-consolidated equity investments	5 182 248	608 100	-65 100
Total financial assets at fair value through other comprehensive income (insurance)	**28 589 365**	**3 055 932**	**-334 293**
Income tax charge		-974 182	118 894
Total financial assets at fair value through other comprehensive income that may be reclassified to profit or loss (insurance) (net of income charge)		**2 081 749**	**-215 399**

2.3 Loans and advances to credit institutions and similar establishments at 30 June 2018

(thousand MAD)

Credit institutions	06/30/2018	12/31/2017
Accounts and loans	**18 803 332**	**24 488 897**
of which performing current accounts in debitof which performing current accounts in debit	5 767 499	9 497 199
of which performing overnight accounts and advances	13 035 833	14 991 698
Other loans and receivables	859 771	686 020
Gross amount	**19 663 103**	**25 174 917**
related loans	166 720	135 966
impairment (*)	47 632	43 280
Net value of loans and receivables due from credit institutions	**19 782 190**	**25 267 604**

Internal operations	06/30/2018	12/31/2017
Regular accounts	5 268 230	4 337 223
Accounts and long-term advances	23 882 641	25 219 233
Related loans	57 464	116 319

(*) see note 2.11 Impairement breakdown by bucket under IFRS 09

2.4 Loans and advances to customers at 30 June 2018

(en milliers de dirhams)

Transactions with customer	06/30/2018	12/31/2017
commercial loans	42 332 245	40 846 606
other loans and advances to customers	225 720 993	217 272 218
securities received under repo agreements	708 318	11 892
subordinated loans	3 375	3 406
current accounts in debit	22 581 618	21 763 214
Gross amount	**291 346 549**	**279 897 336**
related loans	2 453 547	1 911 249
provisions (*)	21 223 869	20 999 627
Net amount of loans and advances to customers	**272 576 227**	**260 808 958**
Leasing activities		
Property leasing	3 860 332	4 421 512
leasing of movable property, long-term rental and similar activities	15 903 994	15 134 046
Gross amount	**19 764 326**	**19 555 558**
related loans	1 446	907
Provisions (*)	737 267	683 178
Net value of leasing activities	**19 028 506**	**18 873 287**
Balance sheet value	**291 604 732**	**279 682 245**

(*) see note 2.11 Impairement breakdown by bucket under IFRS 09

2.5 Plant, property and equipment and intangible assets at 30 June 2018

(thousand MAD)

	06/30/2018			12/31/2017		
	Gross value	Accumulated amortisation and impairment	Net value	Gross value	Accumulated amortisation and impairment	Net value
Land and buildings	3 183 657	1 386 049	1 797 608	3 178 977	1 344 777	1 834 200
Movable property and equipment	3 555 438	2 920 746	634 692	3 465 735	2 845 848	619 887
Leased movable property	665 112	254 736	410 375	646 023	245 949	400 074
Other property, plant and equipment	6 927 449	3 827 199	3 100 250	6 145 818	3 449 258	2 696 561
Total property, plant and equipment	**14 331 656**	**8 388 730**	**5 942 925**	**13 436 552**	**7 885 831**	**5 550 721**
It software acquired	3 462 279	2 240 170	1 222 109	3 301 645	2 117 298	1 184 347
Other intangible assets	1 643 260	553 614	1 089 646	1 487 722	547 812	939 911
Total intangible assets	**5 105 539**	**2 793 784**	**2 311 755**	**4 789 368**	**2 665 110**	**2 124 258**

2.6 Goodwill at 30 June 2018

(thousand MAD)

	12/31/2017	Perimeter variation	Translation gains and losses	Other movements	06/30/2018
Gross value	9 996 150		-20 772		9 975 378
Accumulated amortisation and impairment					
Net value on the balance sheet	**9 996 150**	**-**	**-20 772**	**-**	**9 975 378**

2.7 Financial liabilities at fair value through income at 30 June 2018

(thousand MAD)

	06/30/2018	12/31/2017
Securities pledged under repo agreements FI	84 176	291 038
Trading derivative instruments	429 367	425 701
Fair value on the balance sheet	**513 544**	**716 739**

2.8 Amounts owing to credit institutions at 30 June 2018

(thousand MAD)

	06/30/2018	12/31/2017
Credit institutions		
Accounts and borrowings	15 378 390	18 024 326
Securities pledged under repo agreement	29 506 299	19 551 878
Total	**44 884 689**	**37 576 203**
Related debt	92 020	75 399
Value on the balance sheet	**44 976 709**	**37 651 602**
Internal group operations		
Current accounts in credit	4 316 609	3 017 060
Accounts and long-term advances	23 684 236	25 654 975
Related debt	146 357	147 502

2.9 Amounts owing to customers at 30 June 2018

(thousand MAD)

	06/30/2018	12/31/2017
Ordinary creditor accounts	232 514 652	226 664 757
Savings accounts	64 164 353	65 232 537
Other amounts owing to customers	19 726 408	17 637 538
Securities pledged under repo agreements	3 863 410	5 739 521
Total principal	**320 268 822**	**315 274 353**
Related debt	988 489	936 050
Value on the balance sheet	**321 257 311**	**316 210 403**

2.10 General provisions at 30 june 2018

(thousand MAD)

	Stock at 12/31/2017	Change in scope	Additional provisions	Write-backs used	Write-backs not used	Other changes	06/30/2018
Provisions for risks in executing signature loans (*)	819 865		214 037		30 745	-3 877	999 279
Provisions for social benefit liabilities	523 741		66 956	30 076		-10 709	549 911
Other general provisions	1 102 748		182 194	4 109	85 695	-10 078	1 185 059
General provisions	**2 446 353**	**-**	**463 186**	**34 186**	**116 440**	**-24 665**	**2 734 249**

* See note 2.11 impairment breakdown by buckets under IFRS9

2.11 impairment breakdown by buckets at 30 june 2018

(thousand MAD)

Impairment by buckets	06/30/2018			12/31/2017		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Financial assets at fair value through other comprehensive income	**180 907**	**40 643**	**-**	**179 704**	**47 739**	**-**
Loans & receivables CI						
Loans & receivables Customers						
Debt instruments	180 907	40 643	-	179 704	47 739	-
Financial assets at amortised cost	**2 208 477**	**5 095 093**	**14 718 706**	**2 020 744**	**6 101 150**	**13 620 210**
Loans & receivables CI	23 858	-	23 774	19 286	-	23 994
Loans & receivables Customers	2 171 111	5 095 093	14 694 932	1 987 477	6 099 111	13 596 217
Debt instruments	13 508	-	-	13 980	2 039	-
Total Financial assets	**2 389 384**	**5 135 736**	**14 718 706**	**2 200 448**	**6 148 890**	**13 620 210**
Financial liabilities	**552 580**	**308 826**	**137 874**	**417 075**	**296 450**	**106 339**
Off Balance Sheet items	552 580	308 826	137 874	417 075	296 450	106 339

2.12 Financial assets at amortised cost at 30 june 2018

(thousand MAD)

Financial assets at amortised cost	06/30/2018	12/31/2017
Treasury bills and similar securities	9 170 727	9 088 383
Bonds and other fixed income securities	1 218 310	313 581
Total	**10 402 545**	**9 417 984**
Impairment (*)	13 508	16 020
Total	**10 389 037**	**9 401 965**

* See note 2.11 impairment breakdown by buckets under IFRS9

3.1 Net interest margin at 30 june 2018

(thousand MAD)

	06/30/2018			12/31/2017		
	Income	Expenses	Net	Income	Expenses	Net
Transactions with customers	**8 643 178**	**2 130 848**	**6 512 330**	**7 675 026**	**1 659 130**	**6 015 895**
Accounts and loans/borrowings	8 174 388	2 003 026	6 171 362	7 183 360	1 603 345	5 580 015
Repurchase agreements	589	127 821	-127 232	974	55 785	-54 811
Leasing activities	468 200		468 200	490 692		490 692
Inter-bank transactions	**370 127**	**711 416**	**-341 289**	**301 626**	**578 540**	**-276 914**
Accounts and loans/borrowings	370 127	639 122	-268 996	300 036	524 446	-224 410
Repurchase agreements		72 294	-72 294	1 589	54 094	-52 505
Debt issued by the group	**-**	**544 037**	**-544 037**	**-**	**492 750**	**-492 750**
Available-for-sale assets	**1 220 923**		**1 220 923**	**936 300**		**936 300**
Total net interest income	**10 234 227**	**3 386 301**	**6 847 926**	**8 912 951**	**2 730 420**	**6 182 531**

3.2 Net fee income at 30 june 2018

(thousand MAD)

	Income	Expenses	Net
Net fees on transactions	**1 238 045**	**45 838**	**1 192 206**
With credit institutions	70 331	37 429	32 902
With customers	839 209		839 209
On securities	58 438	4 373	54 065
On foreign exchange	36 660	2 388	34 271
On forward financial instruments and other off-balance sheet transactions	233 408	1 648	231 760
Banking and financial services	**1 617 992**	**296 193**	**1 321 799**
Net income from mutual fund management (OPCVM)	195 353	19 796	175 557
Net income from payment services	917 966	243 800	674 166
Insurance products	11 882		11 882
Other services	492 792	32 598	460 194
Net fee Income	**2 856 037**	**342 032**	**2 514 005**

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 2018	Domestic banking, europe and offshore	Specialised Financial Subsidiaries	Insurance and property	International Retail Banking	TOTAL
Balance sheet	**299 138 415**	**33 607 880**	**38 787 982**	**118 937 433**	**490 471 710**
including					
Assets					
Financial assets at fair value through profit or loss (FV P&L)	64 175 987	244 448	-	2 830 285	**67 250 720**
Financial assets at fair value through other comprehensive income	1 525 002	126 360	28 589 365	15 375 799	**45 616 527**
Financial assets at amortised cost	7 455 996	-	-	2 933 041	**10 389 037**
Loans & receivables CI	13 436 671	522 136	63 367	5 760 016	**19 782 190**
Loans & receivables Customers	191 119 471	29 379 207	3 152 836	67 953 218	**291 604 732**
Property, plant, equipment	3 145 675	592 030	219 671	1 985 550	**5 942 925**
Liabilities					
Amount owing to credit institutions and similar establishments	36 282 765	1 222 324	1 836	7 469 783	**44 976 709**
Customers deposits	228 592 515	4 866 821	3 226	87 794 750	**321 257 311**
Insurance technical provision	-	-	31 869 785	-	**31 869 785**
Subordinated debts	12 611 932	462 541	-	756 541	**13 831 014**
Shareholders' equity	34 469 866	2 418 704	4 586 651	4 109 859	**45 585 079**

Income statement JUNE 2018	Domestic banking, europe and offshore	Specialised Financial Subsidiaries	Insurance and property	International Retail Banking	Eliminations	TOTAL
Net interest margin	3 523 021	567 286	337 717	2 495 600	-75 698	**6 847 926**
Net fee income	1 169 242	502 886	-10 085	1 102 914	-250 953	**2 514 005**
Net banking income	5 561 842	1 258 710	751 303	3 945 503	-223 461	**11 293 897**
Operating expenses	2 398 883	479 189	276 299	1 761 192	-223 461	**4 692 101**
Operating income	2 304 577	556 400	364 919	1 795 279		**5 021 175**
Net income	1 498 192	352 436	324 381	1 271 141		**3 446 150**
Net income group share	1 487 277	281 508	128 599	899 478		**2 796 861**

5. FINANCING COMMITMENTS AND GUARANTEES

5.1 Financing commitments at 30 June 2018

(in thousand MAD)

	06/30/2018	12/31/2017
Financing commitments given	**80 488 083**	**56 284 527**
To credit institutions and similar establishments	4 005 011	1 673 427
To customers	76 483 072	54 611 101
Financing commitments received	**495 346**	**497 547**
From credit institutions and similar establishments	495 346	497 547
From the State and other organisations	-	-

5.2 Guarantee commitments at 30 June 2018

(in thousand MAD)

	06/30/2018	12/31/2017
Guarantees given	**66 567 743**	**66 221 989**
To credit institutions and similar establishments	8 350 812	12 028 769
To customers	58 216 932	54 193 221
Guarantees received	**41 169 022**	**44 268 810**
From credit institutions and similar establishments	30 237 734	33 407 687
From the State and other organisations providing guarantees	10 931 288	10 861 123

6. OTHER COMPLEMENTARY INFORMATON :

6.1 Certificates of deposit and finance company bonds issued during 2018

The certificates of Deposits outstanding amounted, as of December 2017, to MAD 7.7 billion.

During 2018, MAD 1.2 billion has been issued with a maturity comprised between 13 and 52 weeks and rates between 2.83% and 3.30%.

The outstanding of Finance Company bonds totaled MAD 4,3 billion as of June 2018.

During 2018, MAD 1.2 billion of Finance Company Bonds has been issued with a maturity comprised between 2 and 5 years and rates between 2.85% and 3.36%.

6.2 Subordinated debts issued during 2018

During 2018, Attijariwafa bank's group issued four subordinated bond loans.

The first subordinated bond loan, issued on June 23, 2017 for an amount of MAD 1,5 billion, is split up into 15,000 bonds at per value of MAD 100,000 with a maturity of 7 years. It is divided into four parts, two of which are listed on the Casablanca stock exchange (sections A and B), the remaining being unlisted (sections C and D).

The nominal interest rate is fixed for A and C. It is 2.97% including a risk premium of 60 basis points. The nominal interest rate applied to B and D is annually revisable and is 2.81% including a premium risk of 55 basis points.

The global income from subscription to the four sections is summarized in the below table

(in thousand MAD)

	Section A	Section B	Section C	Section D	Section E	Section F
Amount withheld	18 200	1 091 800	-	-	60 000	330 000

6.3 Capital and income per share

6.3.1 Number of shares and per values

As of June 2018, Attijariwafa bank's capital amounted to MAD 2 035 272 260 and made of 203 527 226 shares at a nominal value of MAD 10.

6.3.2 Attijariwafa bank shares held by the Group

As of June 2018, 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 basic income per share.

(in thousand MAD)

	06/30/2018	12/31/ 2017	06/30/2017
Earnings per share	13,74	26.49	12,92
Diluted earnings per share	13.74	26.49	12,92

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	66.00%	66.00%
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		(1)			Egypt	IG	100.00%	100.00%
WAFA SALAF	Consumer credit					Morocco	IG	50.91%	50.91%
WAFA BAIL	Leasing					Morocco	IG	98.10%	98.10%
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%
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		(4)			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) Movements occurring in second half of 2016	1 - Acquisition	6 - Merger between consolidated entities
(B) Movements occurring in first half of 2017	2 - Creation, crossing threshold	7 - Change in method - Proportional integration to global integration
(C) Movements occurring in second half of of 2017	3 - Entry into IFRS perimeter	8 - Change in method - Global integration to equity method
(D) Movements occurring in first half of 2018	4 - Disposal	9 - Change in method - Equity method to global integration
	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 2018

(thousand MAD)

ASSETS	06/30/2018	12/31/2017
Cash and balances with central banks, the treasury and post office accounts	**8 331 441**	**9 142 735**
Loans and advances to credit institutions and similar establishments	**30 381 789**	**35 621 804**
. Sight	5 299 537	6 724 299
. Term	25 082 252	28 897 505
Loans and advances to customers	**187 766 282**	**179 237 875**
. Short-term & consumer loans and partipatory financing	49 002 403	46 406 692
. Equipment loans and participatory financing	67 077 588	62 898 671
. Mortgage loans and participatory financing	61 971 492	59 194 993
. Other loans and participatory financing	9 714 799	10 737 519
Receivables acquired through factoring	**2 195 634**	**1**
Trading securities and available-for-sale securities	**72 792 543**	**59 555 810**
. Treasury bills and similar securities	50 481 478	38 338 338
. Other debt securities	4 018 815	6 092 873
. Fixed income Funds	18 292 250	15 124 599
Other assets	**4 298 781**	**3 782 194**
Investment securities	**6 805 090**	**6 840 219**
. Treasury bills and similar securities	6 805 090	6 840 219
. Other debt securities	-	-
Investments in affiliates and other long-term investments	**18 828 746**	**19 104 819**
. Investments in affiliates compagnies	17 840 165	18 062 065
. Other and similar investments	988 581	1 042 754
. Moudaraba and mourabaha securities		
Subordinated loans	**-**	**-**
Leased and rented assets	**377 285**	**395 093**
Intangible assets	**2 023 760**	**2 087 698**
Property, plant and equipment	**3 593 001**	**3 602 994**
Total Assets	**337 394 352**	**319 371 242**

LIABILITIES	06/30/2018	12/31/2017
Amounts owing to central banks, the treasury and post office accounts	**-**	**-**
Amounts owing to credit institutions and similar establishments	**38 926 211**	**27 432 674**
. Sight	3 805 651	6 578 787
. Term	35 120 560	20 853 887
Customer deposits	**222 881 212**	**225 368 841**
. Current accounts in credit	143 024 020	145 722 889
. Savings accounts	28 330 037	27 988 582
. Term deposits	40 966 051	41 552 032
. Other accounts in credit	10 561 104	10 105 338
Debts to customers on participatory financing		
Debt securities issued	**5 893 272**	**5 878 938**
. Negociable debt securities	5 893 272	5 878 938
. Bonds	-	-
. Other debt securities issued	-	-
Other liabilities	**16 593 243**	**7 080 313**
General provisions	**3 270 874**	**3 253 154**
Regulated provisions	**-**	**-**
Subsidies, public funds and special guarantee funds	**-**	**-**
Subordinated debt	**12 611 932**	**13 319 651**
Investment deposits received		
Revaluation reserve	**420**	**420**
Reserves and premiums related to share capital	**32 457 500**	**30 843 500**
Share capital	**2 035 272**	**2 035 272**
Shareholders, unpaid share capital (-)		**-**
Retained earnings (+/-)	**389**	**468**
Net income to be allocated (+/-)	**-**	**-**
Net income for the financial year (+/-)	**2 724 027**	**4 158 011**
Total liabilities	**337 394 352**	**319 371 242**

OFF-BALANCE SHEET at 30 June 2018

(thousand MAD)

OFF-BALANCE	06/30/2018	12/31/2017
COMMITMENTS GIVEN	**142 753 911**	**117 502 012**
Financing commitments given to credit institutions and similar establishments	7 322 373	4 574 906
Financing commitments given to customers	72 600 619	50 599 636
Guarantees given to credit institutions and similar establishments	13 615 929	15 990 395
Guarantees given to customers	48 839 688	46 333 931
Securities purchased with repurchase agreement		-
Other securities to be delivered	375 302	3 144
COMMITMENTS RECEIVED	**16 818 976**	**20 405 162**
Financing commitments received from credit institutions and similar establishments	-	-
Guarantees received from credit institutions and similar establishments	16 430 982	20 008 772
Guarantees received from the State and other organisations providing guarantees	387 994	381 116
Securities sold with repurchase agreement	-	-
Other securities to be received	-	15 274
Moucharka and moudaraba securities to be received		

MANAGEMENT ACCOUNTING STATEMENT at 30 June 2018

(thousand MAD)

I - RESULTS ANALYSIS	06/30/2018	30/06/2017
+ Interest and similar income	5 263 750	5 021 378
- Interest and similar expenses	1 728 746	1 546 757
NET INTEREST MARGIN	**3 535 004**	**3 474 621**
+ Income from participatory financing		
- Expenses on participatory financing		
PARTICIPATORY FINANCING MARGIN		
+ Income from lease-financed fixed assets	12 411	11 546
- Expenses on lease-financed fixed assets	17 805	12 917
NET INCOME FROM LEASING ACTIVITIES	**-5 394**	**-1 371**
+ Income from fixed assets given in Ijara		
- Expenses on fixed assets given in Ijara		
NET INCOME FROM IJARA ACTIVITIES		
+ Fees received	847 034	770 446
- Fees paid	269	
NET FEE INCOME	**846 765**	**770 446**
+ Income from trading securities	817 081	801 268
+ Income from available-for-sale securities	10 053	-3 821
+ Income from foreign exchange activities	397 410	102 919
+ Income from derivatives activities	-36 689	194 347
INCOME FROM MARKET ACTIVITIES	**1 187 855**	**1 094 713**
+ Result of Moudaraba and Moucharaka Securities Transactions		
+ Other banking income	1 255 486	1 260 693
- Other banking expenses	540 127	478 233
NET BANKING INCOME	**6 279 589**	**6 120 869**
+ Income from long-term investments	-2 231	278 763
+ Other non-banking operating income	53 118	20 334
- Other non-banking operating expenses	7	
- General operating expenses	2 301 063	2 195 645
GROSS OPERATING INCOME	**4 029 405**	**4 224 321**
+ Net provisions for non-performing loans and signature loans	-443 644	-419 401
+ Other net provisions	-19 990	-113 436
NET OPERATING INCOME	**3 565 771**	**3 691 484**
NON OPERATING INCOME	**4 266**	**-299 019**
- Income tax	846 010	830 556
NET INCOME FOR THE FINANCIAL YEAR	**2 724 027**	**2 561 909**

II- TOTAL CASH FLOW	06/30/2018	30/06/2017
+ NET INCOME FOR THE FINANCIAL YEAR	**2 724 027**	**2 561 909**
+ Depreciation, amortisation and provisions for fixed asset impairment	216 815	193 135
+ Provisions for impairment of long-term investments	11 722	565
+ General provisions		75 000
+ Regulated provisions	-	-
+ Extraordinary provisions	-	-
- Reversals of provisions for depreciation of long-term investments	70 600	282 796
- Capital gains on disposal of fixed assets	37 260	2 592
+ Losses on disposal of fixed assets	7	-
- Capital gains on disposal of long-term investments	-	-
+ Losses on disposal of long-term investments		3 469
- Write-backs of investment subsidies received	-	-
+ TOTAL CASH FLOW	**2 844 711**	**2 548 690**
- Profits distributed		
+ SELF-FINANCING	**2 844 711**	**2 548 690**

NON-PERFORMING CUSTOMER LOANS at 30 June 2018

(thousand MAD)

	Disbursed loans	Signature loans	Amount	Provisions for disbursed loans	Provisions for signature loans	Amount
06/30/2018	11 646 571	645 861	**12 292 432**	8 668 718	274 406	**8 943 124**

SALES at 30 June 2018

(thousand MAD)

1st half 2018	2017	1st half 2017
9 657 905	**17 721 190**	**9 231 574**

INCOME STATEMENT at 30 June 2018

(thousand MAD)

	06/30/2018	30/06/2017
OPERATING INCOME FROM BANKING ACTIVITIES	**9 657 905**	**9 231 574**
Interest and similar income from transactions with credit institutions	490 902	502 023
Interest and similar income from transactions with customers	4 648 587	4 351 395
Interest and similar income from debt securities	124 260	167 961
Income from equity securities and Sukuk certificates	1 253 336	1 255 677
Income from Moudaraba and Moucharaka securities		
Income from lease-financed fixed assets	12 411	11 546
Income from fixed assets given in Ijara		
Fee income provided from services	846 773	770 445
Other banking income	2 281 636	2 172 527
Transfer of expenses on investment deposits received		
OPERATING EXPENSES ON BANKING ACTIVITIES	**3 378 316**	**3 110 705**
Interest and similar expenses on transactions with credit institutions	390 613	254 114
Interest and similar expenses on transactions with customers	1 249 848	1 184 354
Interest and similar expenses on debt securities issued	88 285	108 289
Expenses on Moudaraba and Moucharaka securities		
Expenses on lease-financed fixed assets	17 805	12 916
Expenses on fixed assets given in Ijara		
Other banking expenses	1 631 765	1 551 032
Transfer of income on investment deposits received		
NET BANKING INCOME	**6 279 589**	**6 120 869**
Non-banking operating income	53 118	20 334
Non-banking operating expenses	7	3 469
OPERATING EXPENSES	**2 301 063**	**2 195 646**
Staff costs	1 068 509	1 010 088
Taxes other than on income	63 570	63 029
External expenses	933 759	919 785
Other general operating expenses	18 410	9 609
Depreciation, amortisation and provisions	216 815	193 135
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	**806 128**	**893 882**
Provisions for non-performing loans and signature loans	633 282	590 763
Losses on irrecoverable loans	50 043	153 242
Other provisions	122 803	149 877
PROVISION WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	**340 262**	**643 277**
Provision write-backs for non-performing loans and signature loans	218 731	302 532
Amounts recovered on impaired loans	20 949	22 072
Other provision write-backs	100 582	318 674
INCOME FROM ORDINARY ACTIVITIES	**3 565 771**	**3 691 484**
Non-recurring income	7 830	260
Non-recurring expenses	3 564	299 279
PRE-TAX INCOME	**3 570 037**	**3 392 465**
Income tax	846 010	830 556
NET INCOME FOR THE FINANCIAL YEAR	**2 724 027**	**2 561 909**

STATEMENT OF DEPARTURES FROM STANDARD ACCOUNTING TREATMENT at 30 June 2018

(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 2018

(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 2018

(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 06/30/2018	Total 12/31/2017
CURRENT ACCOUNTS IN DEBIT	**5 061 993**	**413 768**	**2 877 584**	**1 886 944**	**10 240 289**	**12 240 270**
NOTES RECEIVED AS SECURITY						
- overnight						
- term						
CASH LOANS			**9 655 140**	**2 342 934**	**11 998 074**	**14 872 393**
- overnight						
- term			9 655 140	2 342 934	11 998 074	14 872 393
FINANCIAL LOANS		**2 318 754**	**10 557 081**		**12 875 835**	**13 811 069**
OTHER LOANS		**113 738**	**588**	**1 057**	**115 383**	**46 042**
INTEREST ACCRUED AWAITING RECEIPT		**45 792**	**168 009**	**399**	**214 200**	**217 092**
NON-PERFORMING LOANS						
TOTAL	**5 061 993**	**2 892 052**	**23 258 402**	**4 231 334**	**35 443 781**	**41 186 866**

CASH FLOW STATEMENT at 30 June 2018

(thousand MAD)

	06/30/2018	12/31/2017
1. (+) Operating income from banking activities	8 287 957	15 945 413
2. (+) Amounts recovered on impaired loans	20 949	62 564
3. (+) Non-banking operating income	23 688	35 827
4. (-) Operating expenses on banking activities (*)	-3 556 352	-7 261 907
5. (-) Non-banking operating expenses		
6. (-) General operating expenses	-2 084 248	-4 095 358
7. (-) Income tax	-846 010	-1 603 594
I. NET CASH FLOW FROM INCOME STATEMENT	**1 845 984**	**3 082 945**
Change in:		
8. (±) Loans and advances to credit institutions and similar establishments	5 240 014	5 093 824
9. (±) Loans and advances to customers	-10 724 040	-4 311 176
10. (±) Trading securities and available-for-sale securities	-13 236 733	-13 434 724
11. (±) Other assets	-516 587	1 525 081
12. (±) Lease-financed fixed assets	17 808	-156 128
13. (±) Amounts owing to credit institutions and similar establishments	11 493 537	5 640 558
14. (±) Customer deposits	-2 487 629	16 535 188
15. (±) Debt securities issued	14 334	-1 713 460
16. (±) Other liabilities	9 512 929	-2 824 836
II. NET CHANGE IN OPERATING ASSETS AND LIABILITIES	**-686 367**	**6 354 327**
III. NET CASH FLOW FROM OPERATING ACTIVITIES (I + II)	**1 159 617**	**9 437 272**
17. (+) Income from the disposal of long-term investments	449 884	-871 053
18. (+) Income from the disposal of fixed assets	226 481	35 018
19. (-) Acquisition of long-term investments	-140 913	-5 141 802
20. (-) Acquisition of fixed assets	-332 105	-979 869
21. (+) Interest received	116 612	262 944
22. (+) Dividends received	1 253 336	1 512 834
IV. NET CASH FLOW FROM INVESTMENT ACTIVITIES	**1 573 295**	**-5 181 928**
23. (+) Subsidies, public funds and special guarantee funds		
24. (+) Subordinated loan issuance	-750 000	550 000
25. (+) Equity issuance		
26. (-) Repayment of shareholders' equity and equivalent		
27. (-) Interest paid	-250 116	-523 765
28. (-) Dividends paid	-2 544 090	-2 442 327
V- NET CASH FLOW FROM FINANCING ACTIVITIES	**-3 544 206**	**-2 416 092**
VI- NET CHANGE IN CASH AND CASH EQUIVALENTS	**-811 294**	**1 839 252**
VII- CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**9 142 735**	**7 303 483**
VIII- CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**8 331 441**	**9 142 735**

(*) : including net provisions

LOANS AND ADVANCES TO CUSTOMERS at 30 June 2018

(thousand MAD)

LOANS AND ADVANCES	public sector	private sector			Total 06/30/2018	Total 12/31/2017
		Financial companies	non-financial companies	other customers		
SHORT-TERM LOANS	**1 219 891**	**441 351**	**33 765 216**	**2 033 307**	**37 459 765**	**35 487 690**
- Current accounts in debit	1 872	441 351	13 010 203	1 647 071	15 100 497	14 713 529
- Commercial loans within Morocco			4 883 834		4 883 834	4 865 371
- Export loans			323 300		323 300	470 739
- Other cash loans	1 218 019		15 547 879	386 236	17 152 134	15 438 051
CONSUMER LOANS			**339 885**	**10 701 805**	**11 041 690**	**10 388 318**
EQUIPMENT LOANS	**40 142 209**		**24 952 522**	**838 149**	**65 932 880**	**61 960 852**
MORTGAGE LOANS	**200 904**		**10 155 149**	**51 612 536**	**61 968 589**	**59 192 710**
OTHER LOANS	**2 789**	**4 562 553**	**2 162 180**	**4 654**	**6 732 176**	**7 693 221**
RECEIVABLES ACQUIRED THROUGH FACTORING	**2 190 085**				**2 190 085**	**1**
INTEREST ACCRUED AWAITING RECEIPT	**817 460**	**66 910**	**588 704**	**185 804**	**1 658 878**	**1 475 069**
NON-PERFORMING LOANS		**63 057**	**1 141 800**	**1 772 996**	**2 977 853**	**3 040 014**
- Sub-standard loans			230	17	247	196
- Doubtful loans			10 136		10 136	6 866
- Impaired loans		63 057	1 131 434	1 772 979	2 967 470	3 032 952
TOTAL	**44 573 338**	**5 133 871**	**73 105 456**	**67 149 251**	**189 961 916**	**179 237 875**

BREAKDOWN OF TRADING SECURITIES, AVAILABLE-FOR-SALE SECURITIES AND INVESTMENT SECURITIES BY CATEGORY OF ISSUER at 30 June 2018

(thousand MAD)

SECURITIES	CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS	PUBLIC ISSUERS	PRIVATE ISSUERS		06/30/2018	12/31/2017
			FINANCIAL COMPANIES	NON-FINANCIAL COMPANIES		
LISTED SECURITIES	**12 047**	**-**	**18 147 097**	**116 430**	**18 275 574**	**15 107 702**
- Treasury bills and similar instruments						
- Bonds						
- Other debt securities						
- Fixed income Funds	12 047		18 147 097	116 430	18 275 574	15 107 702
UNLISTED SECURITIES	**1 799 037**	**59 318 654**	**1 618**	**132 379**	**61 251 688**	**51 106 637**
- Treasury bills and similar instruments		57 218 685			57 218 685	44 999 735
- Bonds	15 156	98 271		117 276	230 703	516 840
- Other debt securities	1 783 210	1 993 591		8 823	3 785 624	5 573 165
- Fixed income Funds	671	8 107	1 618	6 280	16 676	16 897
TOTAL	**1 811 084**	**59 318 654**	**18 148 715**	**248 809**	**79 527 262**	**66 214 339**

VALUE OF TRADING SECURITIES, AVAILABLE-FOR-SALE SECURITIES AND INVESTMENT SECURITIES at 30 June 2018

(thousand MAD)

Securities	Value	Current value	Redemption Value	Unrealised Capital gains	Unrealised Losses	Provisions
TRADING SECURITIES	**72 566 993**	**72 566 993**	-	-	-	-
- Treasury bills and similar instruments	50 425 489	50 425 489		-	-	-
- Bonds	101 175	101 175		-	-	-
- Other debt securities	3 785 624	3 785 624		-	-	-
- Fixed income Funds	18 254 705	18 254 705		-	-	-
AVAILABLE-FOR-SALE SECURITIES	**250 959**	**221 922**	-	**21 450**	**29 037**	**29 037**
- Treasury bills and similar instruments	54 849	54 849		2 760		
- Bonds	129 528	129 528		5 696		
- Other debt securities						
- Fixed income Funds	66 582	37 545		12 994	29 037	29 037
INVESTMENT SECURITIES	**6 738 347**	**6 738 347**	**-**	**-**	**-**	**-**
- Treasury bills and similar instruments	6 738 347	6 738 347		-	-	-
- Bonds						
- Other debt securities						

DETAILS OF OTHER ASSETS at 30 June 2018

(thousand MAD)

ASSETS	Amount At 06/30/2018	Amount At 12/31/2017
PURCHASED OPTIONS	**108 264**	**111 599**
SUNDRY SECURITIES TRANSACTIONS		
SUNDRY DEBTORS	**304 121**	**325 427**
Amounts due from the State	175 068	206 310
Amounts due from mutual		
Sundry amounts due from		
Amounts due from customers for non-banking services	87	103
Other sundry debtors	128 966	119 014
OTHER SUNDRY ASSETS	**784**	**1 292**
ACCRUALS AND SIMILAR	**3 761 644**	**3 222 574**
Adjustment accounts for off-balance sheet transactions	139 366	237 806
Translation differences for foreign currencies and securities		
Income from derivative products and hedging		
Deferred expenses	41 381	50 295
Inter-company accounts between head office, branch offices and branches in Morocco	239 179	309 697
Accounts receivable and prepaid expenses	2 502 649	1 118 301
Other accruals and similar	839 069	1 506 475
NON-PERFORMING LOANS ON SUNDRY TRANSACTIONS	**123 968**	**121 302**
TOTAL	**4 298 781**	**3 782 194**

LEASED AND RENTED ASSETS at 30 June 2018

(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	**834 180**	**5**	**825**	**833 360**	**17 805**	**456 075**				**377 285**
Leased intangible assets										
Equipment leasing	**807 004**		**825**	**806 179**		**434 139**				**372 040**
- Movable assets under lease	386			386						386
- Leased movable assets	806 618		825	805 793		434 139				371 654
- Movable assets unleased after cancellation										
Property leasing	**25 647**			**25 647**	**17 805**	**21 936**				**3 711**
- Immovable assets under lease										
- Immovable leased assets	25 647			25 647	17 805	21 936				3 711
- Immovable assets unleased after cancellation										
Rents awaiting receipt										
Restructured rents										
Rents in arrears	1 529	5		1 534						1 534
Non-performing loans										
RENTED ASSETS										
Rented movable property										
Rented property										
Rents awaiting receipt										
Restructured rents										
Rents in arrears										
Non-performing rents										
TOTAL	**834 180**	**5**	**825**	**833 360**	**17 805**	**456 075**				**377 285**

SUBORDINATED LOANS at 30 June 2018

(thousand MAD)

LOANS	Amount				including affiliates and related companies	
	06/30/2018			12/31/2017	06/30/2018	12/31/2017
	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 2018

(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	**3 646 039**	**164 860**	**192 344**	**3 618 555**	**1 558 341**	**69 425**	**32 971**	**1 594 795**	**2 023 760**
- Lease rights	319 371	-	351	319 020	-			-	319 020
- Research and development	-	-	-	-	-			-	-
- Intangible assets used in operations	3 326 668	164 860	191 993	3 299 535	1 558 341	69 425	32 971	1 594 795	1 704 740
- Non-operating intangible assets	-	-	-	-	-			-	-
PROPERTY, PLANT AND EQUIPMENT	**8 153 996**	**167 245**	**47 670**	**8 273 571**	**4 551 002**	**147 390**	**17 822**	**4 680 570**	**3 593 001**
IMMOVABLE PROPERTY USED IN OPERATIONS	**2 204 813**	**11 458**	**1 411**	**2 214 860**	**917 224**	**26 451**	**574**	**943 101**	**1 271 759**
- Land	466 152	-	282	465 870	-	-		-	465 870
- Office buildings	1 686 121	11 458	1 129	1 696 450	869 485	25 984	574	894 895	801 555
- Staff accommodation	52 540	-	-	52 540	47 739	467		48 206	4 334
MOVABLE PROPERTY AND EQUIPMENT USED IN OPERATIONS	**2 206 515**	**73 200**	**-**	**2 279 715**	**1 825 306**	**44 367**	**-**	**1 869 673**	**410 042**
- Office property	440 203	8 682		448 885	392 200	5 563		397 763	51 122
- Office equipment	885 775	21 021		906 796	763 806	14 275		778 081	128 715
- IT equipment	872 449	43 466		915 915	661 623	24 464		686 087	229 828
- Vehicles	8 088	31		8 119	7 677	65		7 742	377
- Other equipment	-			-	-			-	-
OTHER PROPERTY, PLANT AND EQUIPMENT USED IN OPERATIONS	**1 884 562**	**61 283**	**407**	**1 945 438**	**1 459 905**	**55 779**	**407**	**1 515 277**	**430 161**
PROPERTY, PLANT AND EQUIPMENT NOT USED IN OPERATIONS	**1 858 106**	**21 304**	**45 852**	**1 833 558**	**348 567**	**20 793**	**16 841**	**352 519**	**1 481 039**
Land	811 765	3 489	1 611	813 643	-	-	-	-	813 643
Buildings	826 516	12 817	44 225	795 108	222 326	16 491	16 825	221 992	573 116
Movable property and equipment	68 179	1 037	-	69 216	48 316	177	-	48 493	20 723
Other property, plant and equipment not used in operations	151 646	3 961	16	155 591	77 925	4 125	16	82 034	73 557
TOTAL	**11 800 035**	**332 105**	**240 014**	**11 892 126**	**6 109 343**	**216 815**	**50 793**	**6 275 365**	**5 616 761**

GAINS AND LOSSES ON FIXED ASSET TRANSFERS OR WITHDRAWALS at 30 June 2018

(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	**49 093**	**18 625**	**30 468**	**67 721**	**37 260**	**7**
	GROUNDS	1 894		1 894			
	BUILDINGS	45 704	17 400	28 304			
	REGISTRATION FEES	1 072	802	270			
	FIXTURES, FITTING & INSTALLATIONS	423	423	0			
TOTAL		**49 093**	**18 625**	**30 468**	**67 721**	**37 260**	**7**

INVESTMENTS IN AFFILIATES AND OTHER LONG-TERM INVESTMENTS at 30 June 2018

(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				**18 197 095**	**18 012 181**				**1 129 677**
ATTIJARIWAFA BANK EGYPT	Bank	995 129 KEGP	60.00%	3 244 162	3 244 162	12/31/2017	4 612 176 KEGP	1 112 352 KEGP	
ATTIJARI TCHAD	Bank	10 000 000 KFCFA	100.00%	166 908	166 908		-	-	
BANK ASSAFA	Bank	350 000	100.00%	350 000	350 000	12/31/2017	291 159	-58 841	
BANQUE INTERNATIONALE POUR LE MALI "BIM SA"	Bank	10 005 740 KFCFA	66.00%	829 212	829 212	12/31/2017	22 173 000 KFCFA	72 000 KFCFA	
CREDIT DU SENEGAL	Bank	10 000 000 KFCFA	95.00%	292 488	292 488	12/31/2017	19 534 000 KFCFA	3 467 000 KFCFA	24 528
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	82 429
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	8 871
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	80 842
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	45 923
SOCIETE BIA TOGO	Bank	10 000 000 KFCFA	55.00%	153 301	153 301	12/31/2017	11 796 000 KFCFA	463 000 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	82 738
ATTIJARI FINANCES CORPORATION	Investment bank	10 000	100.00%	10 000	10 000	12/31/2017	67 903	55 836	56 002
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	12/31/2017	24 132 KEURO	2 603 KEURO	26 407
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	12/31/2017	356 498 KEURO	15 695 KEURO	166 041
ATTIJARI AFRIQUE PARTICIPATION	Holding	10 010 KEUR	100.00%	113 120	113 120	30/09/2017	9 858 KEUR	-13 KEUR	
ATTIJARI AFRICA HOLDING	Holding	300	100.00%	300	300				
ATTIJARI IVOIRE SA	Holding	32 450 KEUR	66.67%	236 891	236 891	30/09/2017	35 531 KEUR	3 081 KEUR	
ATTIJARIWAFA EURO FINANCES	Holding	48 600 KEUR	100.00%	502 621	502 621	12/31/2017	48 137 KEURO	-51 KEURO	
BCM CORPORATION	Holding	200 000	100.00%	200 000	200 000	12/31/2017	243 175	25 691	25 000
CAFIN	Holding	1 122 000 KFCFA	100.00%	257 508	257 508	12/31/2017	9 301 899 KFCFA	1 537 679 KFCFA	28 650
KASOVI	Holding	50 KUSD	100.00%	1 519 737	1 519 737	06/30/2017	165 442 KUSD	8 676 KUSD	69 738
OMNIUM DE GESTION MAROCAIN S.A."OGM"	Holding	950 490	50.00%	1 638 145	1 638 145	06/30/2018	1 386 229	329 805	
WAFA INVESTISSEMENT	Holding investment	55 000	100.00%	46	46	12/31/2017	1 156	-31	
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	-	12/31/2017	-1 736	-3 388	
WAFA GESTION	Asset management	4 900	66.00%	236 369	236 369	12/31/2017	157 651	89 995	59 376
ATTIJARI INVEST.	Asset management	5 000	100.00%	5 000	5 000	12/31/2017	56 897	4 770	
ATTIJARI CAPITAL DEVELOPEMENT	Venture capital	10 320	100.00%	10 320	-	12/31/2017	-51 528	-54 209	
CASA MADRID DEVELOPPEMENT	Capital development	10 000	50.00%	5 000	5 000	12/31/2017	10 354	-52	
WAFA BOURSE	Securities brokerage	20 000	100.00%	40 223	40 223	12/31/2017	44 790	2 651	
ATTIJARI TITRISATION	Securitization	11 400	100.00%	11 700	2 932	12/31/2017	2 856	-387	
FT MIFTAH	Securitization fund	50 100	100.00%	50 100	50 100				
WAFA TRUST	Consulting and financial engineering	1 500	100.00%	1 500	870	12/31/2017	870	-141	
WAFASALAF	Consumer finance	113 180	50.91%	634 783	634 783	12/31/2017	1 724 622	332 067	152 727
WAFA LLD	Leasing	20 000	100.00%	20 000	20 000	06/30/2017	39 687	6 069	19 500
WAFABAIL	Leasing	150 000	57.83%	91 158	91 158	12/31/2017	900 618	127 073	34 862
DAR ASSAFAA LITAMWIL	Specialised financial company	50 000	100.00%	50 510	50 510	12/31/2017	72 365	6 543	
ATTIJARI GLOBAL RESEARCH	Financial services	1 000	100.00%	1 000	1 000				
ATTIJARI OPERATIONS	Services company	1 000	100.00%	1 000	1 000	12/31/2017	745	-50	
ATTIJARI AFRICA	Services company	2 000	100.00%	2 000	2 000	12/31/2017	19 531	790	
ATTIJARI CIB AFRICA	Services company	2 000	100.00%	2 000	2 000	12/31/2017	1 669	-83	
ATTIJARI IT AFRICA	Services company	1 000	100.00%	1 000	1 000	12/31/2017	7 718	165	
MEDI TRADE	Trading	1 200	20.00%	240	139	12/31/2017	696	-3	
WAFA COURTAGE	Brokerage	1 000	100.00%	2 397	2 397	12/31/2017	66 830	37 723	35 000
WAFACASH	Electronic banking	35 050	100.00%	324 074	324 074	12/31/2017	383 712	138 087	138 000
ATTIJARI PAYMENT PROCESSING	Electronic banking	1 000	100.00%	1 000	1 000	12/31/2017	6 101	-1 846	
DINERS CLUB DU MAROC	Payment card management	1 500	100.00%	1 675	346	12/31/2017	346	-382	
STE MAROCAINE DE GESTION ET TRAITEMENT INFORMATIQUE "SOMGETI"	Data processing	300	100.00%	100	100	12/31/2017	113	-73	
WAFA SYSTEMES DATA	Data processing	1 500	100.00%	1 500	1 118	12/31/2017	1 118	-56	
AGENA MAGHREB	Sale of computer equipment	11 000	74.96%	33	-	12/31/2017	-6 949	-88	
WAFA COMMUNICATION	Communication	3 000	85.00%	2 600	-	12/31/2017	-365	-625	
WAFA SYSTEMES CONSULTING	Computer systems consulting	5 000	99.88%	4 994	4 994	12/31/2017	6 045	-151	
WAFA SYSTEMES FINANCES	Engineering computer science	2 000	100.00%	2 066	827	12/31/2017	827	-624	
WAFA FONCIERE	Holding company	2 000	100.00%	3 700	2 023	12/31/2017	2 023	-38	
ATTIJARIA AL AAKARIA AL MAGHRIBIA	Holding company	10 000	100.00%	9 999	9 189	12/31/2017	9 189	-4 774	
ATTIJARI RECOUVREMENT	Holding company	3 350	100.00%	11 863	4 480	12/31/2017	4 480	-22	
AYK	Holding company	100	100.00%	100	-	12/31/2017	-1 021	-67	
SOCIETE IMMOBILIERE ATTIJARIA AL YOUSSOUFIA	Holding company	50 000	100.00%	51 449	29 679	12/31/2017	29 679	4 247	
STE IMMOB.BOULEVARD PASTEUR " SIBP"	Holding company	300	50.00%	25	25	12/31/2017	1 051	-38	
SOCIETE IMMOBILIERE DE L'HIVERNAGE SA	Holding company	15 000	100.00%	15 531	6 475	12/31/2017	6 475	-1 376	
SOCIETE IMMOBILIERE MAIMOUNA	Holding company	300	100.00%	5 266	2 661	12/31/2017	2 661	-216	
STE IMMOBILIERE MARRAKECH EXPANSION	Holding company	300	100.00%	299	299	12/31/2017	380	-65	
SOCIETE IMMOBILIERE ZAKAT	Holding company	300	100.00%	2 685	482	12/31/2017	482	-7	
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	06/30/2017	63 284	316	
AL MIFTAH	Property	100	100.00%	244	-	12/31/2017	-3 399	-264	
CAPRI	Property	25 000	100.00%	88 400	4 736	12/31/2017	4 736	-18 447	
WAFA IMMOBILIER	Real estate loans	50 000	100.00%	164 364	164 364	12/31/2017	156 913	100 007	100 000
ATTIJARI PROTECTION	Security	4 000	83.75%	3 350	3 350	12/31/2017	4 187	-102	

INVESTMENTS IN AFFILIATES AND OTHER LONG-TERM INVESTMENTS at 30 June 2018

(thousand MAD)

B - OTHER INVESTMENTS				**610 302**	**486 594**				**13 438**
ATTIJARIWAFA BANK	Bank	2 035 272		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%	49 583	49 583		-	-	
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	8 865	12/31/2016	31 869		
FONDS D'INVESTISSEMENT IGRANE	Investment funds	70 000	18.26%	9 970	6 910	12/31/2016	37 840	-	
H PARTNERS	Investment funds	1 400 010	7.14%	100 000	39 430	12/31/2017	937 686	-	
MAROC NUMERIQUE FUND	Investment funds	157 643	20.00%	15 000	7 489	12/31/2017	37 446	-	
ALTERMED MAGHREB EUR	Investment funds	-	7.94%	5 247	70	12/31/2017	432	-	
3 P FUND	Investment funds	150 020	5.00%	11 000	7 292	12/31/2017	145 856		
AM INVESTISSEMENT MOROCCO	Equity investments	400 000	3.25%	13 000	8 664	12/31/2017	255 240	-	
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	12/31/2017	107 986	23 590	2 438
CENTRE MONETIQUE INTERBANCAIRE	Electronic banking	98 200	22.40%	22 000	22 000		-	-	11 000
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	06/30/2017	3 665 056	126 891	
SONASID	Steel industry	390 000	0.27%	28 391	5 683	12/31/2017	1 934 187	43 723	
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		-	-	
HAWAZIN	Property	960	12.50%	704	-		-	-	
INTAJ	Property	576	12.50%	1 041	549		-	-	
FONCIERE EMERGENCE	Property	240 034	8.06%	33 844	25 910	12/31/2017	321 587	-	
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	
C - SIMILAR INVESTMENTS				**350 693**	**329 971**				**-**
PARTNERS CURRENT ACCOUNT				334 858	314 136				
OTHER SIMILAR INVESTMENTS				15 835	15 835				
Total				**19 158 090**	**18 828 746**				**1 143 115**

AMOUNTS OWING TO CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS at 30 June 2018

(thousand MAD)

AMOUNTS OWING	credit institutions and similar establishments in Morocco			credit institutions overseas	Total 06/30/2018	Total 12/31/2017
	Bank Al Maghrib, the treasury and post office accounts	Banks	other credit institutions and similar establishments			
CURRENT ACCOUNTS IN CREDIT		**1 624**	**370 704**	**661 772**	**1 034 100**	**1 533 336**
NOTES GIVEN AS SECURITY	**27 070 628**				**27 070 628**	**14 848 204**
- overnight						2 816 497
- term	27 070 628				27 070 628	12 031 707
CASH BORROWINGS	**1 553 470**	**3 395 887**	**2 485 996**	**3 245 050**	**10 680 403**	**10 944 110**
- overnight		2 143 486	181 241	446 500	2 771 227	2 227 957
- term	1 553 470	1 252 401	2 304 755	2 798 550	7 909 176	8 716 153
FINANCIAL BORROWINGS	**1 992**			**82**	**2 074**	**2 074**
OTHER DEBTS	**49 555**	**60 841**			**110 396**	**75 595**
ACCRUED INTEREST PAYABLE					**28 610**	**29 355**
TOTAL	**28 675 645**	**3 458 352**	**2 856 700**	**3 906 904**	**38 926 211**	**27 432 674**

CUSTOMER DEPOSITS at 30 June 2018

(thousand MAD)

DEPOSITS	public sector	private sector			Total 06/30/2018	Total 12/31/2017
		Financial companies	non-financial companies	private sector		
CURRENT ACCOUNTS IN CREDIT	2 154 940	1 704 877	29 682 456	108 694 297	142 236 570	141 414 316
SAVINGS ACCOUNTS				28 202 321	28 202 321	27 861 271
TERM DEPOSITS	455 000	3 052 579	10 433 189	22 867 190	36 807 958	39 040 125
OTHER ACCOUNTS IN CREDIT	1 965 223	3 951 591	6 910 746	2 140 183	14 967 743	16 370 350
ACCRUED INTEREST PAYABLE					666 620	682 779
TOTAL	**4 575 163**	**8 709 047**	**47 026 391**	**161 903 991**	**222 881 212**	**225 368 841**

DEBT SECURITIES ISSUED at 30 June 2018

(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	12/24/2013	12/24/2018	100 000		IN FINE	100 000			
CERTIFICATES OF DEPOSIT	04/23/2014	04/23/2019	100 000		IN FINE	100 000			
CERTIFICATES OF DEPOSIT	07/23/2015	07/23/2018	100 000		IN FINE	800 000			
CERTIFICATES OF DEPOSIT	08/17/2015	08/17/2018	100 000		IN FINE	490 000			
CERTIFICATES OF DEPOSIT	10/23/2015	10/23/2020	100 000		IN FINE	250 000			
CERTIFICATES OF DEPOSIT	01/12/2016	01/14/2019	100 000		IN FINE	404 000			
CERTIFICATES OF DEPOSIT	01/20/2016	01/21/2019	100 000		IN FINE	100 000			
CERTIFICATES OF DEPOSIT	01/20/2016	01/20/2021	100 000		IN FINE	200 000			
CERTIFICATES OF DEPOSIT	02/05/2016	02/05/2021	100 000		IN FINE	200 000			
CERTIFICATES OF DEPOSIT	02/25/2016	02/25/2019	100 000		IN FINE	300 000			
CERTIFICATES OF DEPOSIT	04/20/2016	04/22/2019	100 000		IN FINE	300 000			
CERTIFICATES OF DEPOSIT	09/11/2017	09/10/2018	100 000		IN FINE	1 343 000			
CERTIFICATES OF DEPOSIT	02/13/2018	02/13/2020	100 000		IN FINE	500 000			
CERTIFICATES OF DEPOSIT	06/13/2018	06/13/2013	100 000		IN FINE	400 000			
CERTIFICATES OF DEPOSIT	02/02/2018	02/02/2023	100 000		IN FINE	300 000			
TOTAL						**5 778 500**			

DETAILS OF OTHER LIABILITIES at 30 June 2018

(thousand MAD)

LIABILITIES	06/30/2018	12/31/2017
OPTIONS SOLD	**412 128**	**377 445**
SUNDRY SECURITIES TRANSACTIONS	**9 307 789**	**1 976 885**
SUNDRY CREDITORS	**4 399 236**	**3 027 880**
Amounts due to the State	829 971	749 912
Amounts due to mutual societies	100 460	76 146
Sundry amounts due to staff	373 904	4 756
Sundry amounts due to shareholders and associates	2 009 793	427 651
Amounts due to suppliers of goods and services	1 062 655	1 745 018
Other sundry creditors	22 453	24 397
DEFERRED INCOME AND ACCRUED EXPENSES	**2 474 090**	**1 698 103**
Adjustment accounts for off-balance sheet transactions	512	1 063
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	761 401	612 427
Other deferred income	1 712 177	1 084 613
TOTAL	**16 593 243**	**7 080 313**

PROVISIONS at 30 June 2018

(thousand MAD)

PROVISIONS	outstanding 12/31/2017	Additional provisions	Write-backs	other changes	outstanding 06/30/2018
PROVISIONS, DEDUCTED FROM ASSETS, FOR:	**8 633 816**	**618 802**	**209 792**	**649**	**9 043 475**
Loans and advances to credit institutions and other similar establishments		-	-		-
Loans and advances to customers	8 251 238	605 926	189 095	649	8 668 718
Available-for-sale securities	39 090	1 154	11 207	-	29 037
Investments in affiliates and other long-term investments	327 111	11 722	9 490	-	329 343
Leased and rented assets	-			-	-
Other assets	16 377			-	16 377
PROVISIONS RECORDED UNDER LIABILITIES	**3 253 154**	**138 438**	**120 727**	**9**	**3 270 874**
Provisions for risks in executing signature loans	276 676	27 357	29 636	9	274 406
Provisions for foreign exchange risks	-			-	-
General provisions	2 064 549		61 110	-	2 003 439
Provisions for pension fund and similar obligations	142 666	31 875	21 637	-	152 904
Other provisions	769 263	79 206	8 344		840 125
Regulated provisions	-			-	-
TOTAL	**11 886 970**	**757 240**	**330 519**	**658**	**12 314 349**

SUBSIDIES, PUBLIC FUNDS AND SPECIAL GUARANTEE FUNDS at 30 June 2018

(thousand MAD)

	ECONOMIC PURPOSE	TOTAL VALUE	VALUE AT DECEMBER 2017	UTILISATION June 2018	VALUE AT DECEMBER end of June 2018
SUBSIDIES	NOT APPLICABLE				
PUBLIC FUNDS					
SPECIAL GUARANTEE FUNDS					
TOTAL					

SUBORDINATED DEBTS at 30 June 2018

(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		including other related businesses	
							Value in thousand MAD 2017	Value in thousand MAD 06/2018	Value in thousand MAD 2017	Value in thousand MAD 06/2018
MAD			3.39%	10 YEARS		879 600				
MAD			5.60%	10 YEARS		1 120 400				
MAD			3.26%	10 YEARS		290 000				
MAD			5.00%	10 YEARS		710 000				
MAD			3.06%	10 YEARS		320 000				
MAD			4.77%	10 YEARS		880 000				
MAD			3.00%	7 YEARS		411 800				
MAD			5.60%	10 YEARS		588 200				
MAD			3.29%	7 YEARS		240 800				
MAD			4.75%	7 YEARS		1 200				
MAD			4.13%	10 YEARS		758 000				
MAD			4.52%	7 YEARS		1 250 000				
MAD			2.66%	7 YEARS		250 000				
MAD			3.34%	Perpetual		50 000				
MAD			3.74%	Perpetual		450 000				
MAD			2.81%	7 YEARS		896 500				
MAD			3.44%	7 YEARS		603 500				
MAD			5.73%	7 YEARS		925 000				
MAD			3.96%	7 YEARS		325 000				
MAD			2.81%	7 YEARS		1 110 000				
MAD			3.63%	7 YEARS		390 000				
TOTAL			2.92%	7 YEARS		**12 450 000**				

(1) BAM price at 06/30/2018 - (2) Possibly for an unspecified period – (3) Refer to the subordinated debt contract note

SHAREHOLDERS EQUITY at 30 June 2018

(thousand MAD)

SHAREHOLDERS'	outstanding 12/31/2017	Appropriation of income	other changes	outstanding 06/30/2018
Revaluation reserve	**420**			**420**
Reserves and premiums related to share capital	**30 843 500**	**1 614 000**	**-**	**32 457 500**
Legal reserve	203 527	-		203 527
Other reserves	22 523 480	1 614 000		24 137 480
Issue, merger and transfer premiums	8 116 493		-	8 116 493
Share capital	**2 035 272**	**-**	**-**	**2 035 272**
Called-up share capital	2 035 272		-	2 035 272
Uncalled share capital				
Non-voting preference shares				
Fund for general banking risks				
Shareholders' unpaid share capital				
Retained earnings (+/-)	**468**	**-79**		**389**
Net income (loss) awaiting appropriation (+/-)				
Net income (+/-)	**4 158 011**	**-4 158 011**		**2 724 027**
TOTAL	**37 037 671**	**-2 544 090**		**37 217 608**

FINANCING COMMITMENTS AND GUARANTEES at 30 June 2018

(thousand MAD)

COMMITMENTS	06/30/2018	12/31/2017
FINANCING COMMITMENTS AND GUARANTEES GIVEN	**143 028 262**	**118 180 275**
Financing commitments given to credit institutions and similar establishments	**7 322 373**	**4 574 906**
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	7 321 841	4 574 374
Financing commitments given to customers	**72 600 619**	**50 599 636**
Import documentary credits	13 512 795	14 210 895
Acceptances or commitments to be paid	2 538 133	3 332 250
Confirmed credit lines		
Back-up commitments on securities issuance		
Irrevocable leasing commitments		
Other financing commitments given	56 549 691	33 056 491
Guarantees given to credit institutions and similar establishments	**13 615 929**	**15 990 395**
Confirmed export documentary credits	86 790	90 847
Acceptances or commitments to be paid		
Credit guarantees given	2 042 931	2 005 381
Other guarantees and pledges given	11 486 208	13 894 168
Non-performing commitments		
Guarantees given to customers	**49 489 341**	**47 015 337**
Credit guarantees given	8 333 598	6 490 412
Guarantees given to government bodies	20 130 968	20 061 754
Other guarantees and pledges given	20 375 122	19 781 765
Non-performing commitments	649 653	681 406
FINANCING COMMITMENTS AND GUARANTEES RECEIVED	**16 818 976**	**20 389 889**
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	**16 430 982**	**20 008 773**
Credit guarantees received		
Other guarantees received	16 430 982	20 008 773
Guarantees received from the State and other organisations providing guarantees	**387 994**	**381 116**
Credit guarantees received		
Other guarantees received	387 994	381 116

COMMITMENTS ON SECURITIES at 30 June 2018

(thousand MAD)

	Amount
Commitments given	**375 303**
Securities purchased with repurchase agreement	
Other securities to be delivered	375 303
Commitments received	
Securities sold with repurchase agreement	
Other securities to be received	

FORWARD FOREIGN EXCHANGE TRANSACTIONS AND COMMITMENTS ON DERIVATIVE PRODUCTS at 30 June 2018

(thousand MAD)

	hedging activities		other activities	
	06/30/2018	12/31/2017	06/30/2018	12/31/2017
Forward foreign exchange transactions	**52 728 027**	**54 792 398**		
Foreign currencies to be received	20 894 553	20 670 552		
Dirhams to be delivered	8 561 109	6 030 477		
Foreign currencies to be delivered	17 650 456	21 191 080		
Dirhams to be received	5 621 909	6 900 289		
Commitments on derivative products	**40 878 219**	**36 443 732**		
Commitments on regulated fixed income markets				
Commitments on OTC fixed income markets	2 179 005	3 665 834		
Commitments on regulated foreign exchange markets				
Commitments on OTC foreign exchange markets	17 626 009	13 766 177		
Commitments on regulated markets in other instruments				
Commitments on OTC markets in other instruments	21 073 205	19 011 721		

SECURITIES RECEIVED AND GIVEN AS GUARANTEE at 30 June 2018

(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	26 720 628		
Other securities			
Mortgages			
Other physical assets		Other assets received and pledged	
TOTAL	**26 720 628**		

BREAKDOWN OF ASSETS AND LIABILITIES BY RESIDUAL MATURITY at 30 June 2018

(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	2 797 255	4 981 462	10 304 026	12 149 667	5 211 372	35 443 782
Loans and advances to customers	12 264 931	16 016 905	37 818 244	66 563 030	55 103 172	187 766 282
Receivables acquired through factoring	38 398	76 796	351 129	1 729 311		2 195 634
Available-for-sale securities	6 288	12 576	39 091	163 966		221 922
Investment securities	6 673	13 349	197 428	2 298 499	4 289 141	6 805 090
TOTAL	**15 113 545**	**21 101 088**	**48 709 918**	**82 904 473**	**64 603 685**	**232 432 710**
LIABILITIES						
Amounts owing to credit institutions and similar establishments	35 886 958	1 116 240	1 586 994	336 019		38 926 211
Amounts owing to customers	30 849 534	13 054 067	31 464 523	33 376 474	114 136 614	222 881 212
Debt securities issued	810 627	1 854 254	1 378 390	1 850 000		5 893 272
Subordinated debt	3 050	6 099	3 027 447	709 506	8 865 832	12 611 933
TOTAL	**67 550 169**	**16 030 660**	**37 457 354**	**36 271 999**	**123 002 446**	**280 312 628**

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 2018

(thousand MAD)

BALANCE SHEET	06/30/2018	12/31/2017
ASSETS	**31 416 256**	**35 629 927**
Cash and balances with central banks, the Treasury and post office accounts	150 812	159 682
Loans and advances to credit institutions and similar establishments	6 167 964	10 226 499
Loans and advances to customers	5 585 493	4 397 362
Trading securities and available-for-sale securities	5 039 927	6 806 032
Other assets	470 391	113 703
Investments in affiliates and other long-term investments	14 001 669	13 926 649
Subordinated loans		
Leased and rented		
Intangible assets and property, plant and equipment		
LIABILITIES	**16 181 398**	**17 040 475**
Amounts owing to central banks, the Treasury and post office accounts		
Amounts owing to credit institutions and similar establishments	7 671 601	7 330 352
Customer deposits	8 359 927	8 786 632
Debt securities		
Other liabilities	149 870	923 491
Subsidies, public funds and special guarantee		
Subordinated debts		
Share capital and reserves		
Provisions		
Retained earnings		
Net income		
OFF-BALANCE SHEET	**52 578 167**	**60 343 017**
Commitments given	37 974 869	42 054 981
Commitments received	14 603 298	18 288 036

RISK CONCENTRATION WITH THE SAME COUNTERPARTY at 30 June 2018

(thousand MAD)

NUMBER OF COUNTERPARTIES	TOTAL
20	70 221 939

NET INTEREST MARGIN at 30 June 2018

(thousand MAD)

	06/30/2018	30/06/2017
Interest and similar income from activities with customers	**4 648 588**	**4 351 394**
of which interest and similar income	4 522 800	4 233 632
of which fee income on commitments	125 788	117 762
Interest and similar income from activities with credit institutions	**490 902**	**502 023**
of which interest and similar income	456 383	477 026
of which fee income on commitments	34 519	24 997
Interest and similar income from debt securities	**124 260**	**167 961**
TOTAL INTEREST AND SIMILAR INCOME	**5 263 750**	**5 021 378**
Interest and similar expenses on activities with customers	1 249 848	1 184 354
Interest and similar expenses on activities with credit institutions	390 613	254 114
Interest and similar expenses on debt securities issued	88 285	108 289
TOTAL INTEREST AND SIMILAR EXPENSES	**1 728 746**	**1 546 757**
NET INTEREST MARGIN	**3 535 004**	**3 474 621**

FEE INCOME PROVIDED FROM SERVICES at 30 June 2018

(thousand MAD)

FEES	06/30/2018	30/06/2017
Account management	117 671	105 891
Payment services	345 447	315 395
Securities transactions	19 107	22 362
Asset management and custody	43 521	38 972
Credit services	62 780	59 455
Sale of insurance products	66 631	60 246
Other services provided	191 616	168 124
TOTAL	**846 773**	**770 445**

GENERAL OPERATING EXPENSES at 30 June 2018

(thousand MAD)

EXPENSES	06/30/2018	30/06/2017
Staff costs	1 068 509	1 010 088
Taxes	63 570	63 029
External expenses	933 759	919 785
Other general operating expenses	18 410	9 609
Depreciation, amortisation and provisions on intangible assets and property, plant and equipment	216 815	193 135
TOTAL	**2 301 063**	**2 195 646**

INCOME FROM MARKET ACTIVITIES at 30 June 2018

(thousand MAD)

INCOME AND EXPENDITURES	06/30/2018	30/06/2017
+ Gains on trading securities	4 775 797	1 032 497
- Losses on trading securities	3 958 716	231 229
Income from activities in trading securities	**817 081**	**801 268**
+ Capital gains on disposal of available-for-sale securities		4 455
+ Write-back of provisions for impairment of available-for-sale securities	11 207	2 836
- Losses on disposal of available-for-sale securities		-
- Provisions for impairment of available-for-sale securities	1 154	11 112
Income from activities in available-for-sale securities	**10 053**	**-3 821**
+ Gains on foreign exchange transactions - transfers	1 465 257	563 812
+ Gains on foreign exchange transactions - notes	42 027	39 109
- Losses on foreign exchange transactions - transfers	1 104 542	498 965
- Losses on foreign exchange transactions - notes	5 332	1 037
Income from foreign exchange activities	**397 410**	**102 919**
+ Gains on fixed income derivative products	33 022	92 258
+ Gains on foreign exchange derivative products	24 983	356 163
+ Gains on other derivative products	178 991	76 380
- Losses on fixed income derivative products	2 915	31 891
- Losses on foreign exchange derivative products	64 829	203 650
- Losses on other derivative products	205 941	94 913
Income from activities in derivatives products	**-36 689**	**194 347**

INCOME FROM EQUITY SECURITIES at 30 June 2018

(thousand MAD)

CATEGORY	06/30/2018	30/06/2017
Available-for-sale securities		
Investments in affiliates and other long-term investments	1 253 336	1 255 677
TOTAL	**1 253 336**	**1 255 677**

OTHER INCOME AND EXPENSES at 30 June 2018

(thousand MAD)

OTHER BANKING INCOME AND EXPENSES	06/30/2018	30/06/2017
Other banking income	2 281 636	2 172 527
Other banking expenses	1 631 765	1 551 032
TOTAL	**649 871**	**621 495**
OTHER NON-BANKING INCOME AND EXPENSES	**06/30/2018**	**30/06/2017**
Non-banking operating income	53 118	20 334
Non-banking operating expenses	7	3 469
TOTAL	**53 111**	**16 865**
Provisions and losses on irrecoverable loans	806 128	893 882
Provision write-backs and amounts recovered on impaired loans	340 262	643 277
NON-CURRENT INCOME AND EXPENSES	**06/30/2018**	**30/06/2017**
Non-current income	7 830	260
Non-current expenses	3 564	299 279

DETERMINING INCOME AFTER TAX FROM ORDINARY ACTIVITIES at 30 June 2018

(thousand MAD)

I- DETERMINING INCOME	MONTANT
Income from ordinary activities after items of income and expenditure	3 565 771
Tax write-backs on ordinary activities (+)	49 804
Tax deductions on ordinary activities (-)	1 333 328
Theoretical taxable income from ordinary activities (=)	2 282 247
Theoretical tax on income from ordinary activities (-)	844 431
Income after tax from ordinary activities (=)	2 721 340
II- SPECIFIC TAX TREATMENT INCLUDING BENEFITS GRANTED BY INVESTMENT CODES UNDER SPECIFIC LEGAL PROVISIONS	

DETAILED INFORMATION ON VALUE ADDED TAX at 30 June 2018

(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	**122 272**	**680 866**	**693 153**	**109 986**
B. Recoverable VAT	**202 177**	**212 052**	**249 440**	**164 789**
On expenses	82 250	169 379	199 671	51 958
On fixed assets	119 927	42 673	49 769	112 831
C. VAT payable or VAt credit = (A-B)	**-79 905**	**468 814**	**443 713**	**-54 803**

RECONCILIATION OF NET INCOME FOR ACCOUNTING AND TAX PURPOSES at 30 June 2018

(thousand MAD)

Reconciliation statement	Amount	Amount
I- NET INCOME FOR ACCOUNTING PURPOSES	**2 724 027**	
. Net profit	2 724 027	
. Net loss		
II- TAX WRITE-BACKS	**895 813**	
1- Current	895 813	
- Income tax	846 010	
- Losses on irrecoverable loans not provisioned	13 326	
- General provisions	31 875	
- Non-deductible exceptional expenses	1 945	
- Personalized gifts	2 657	
2- Non-current		
III- TAX		**1 333 328**
1- Current		1 333 328
- 100% allowance on income from investments in affiliates		1 250 581
- Write-back of provisions used		21 637
- Write-back of contingencies and losses		61 110
2- Non-current		-
TOTAL	**3 619 840**	**1 333 328**
IV- GROSS INCOME FOR TAX PURPOSES		**2 286 512**
. Gross profit for tax purposes if T1 > T2 (A)		2 286 512
. 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		**2 286 512**
. Net profit for tax purposes (A - C)		2 286 512
. 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 2018

(thousand MAD)

Name of main shareholders or associates	Adress	number of shares held		% of share capital
		previous period	current period	
A- DOMESTIC SHAREHOLDERS				
* S.N.I	ANGLE RUES D'ALGER ET DUHAUME CASA	97 433 137	97 433 137	47.87%
* GROUPE MAMDA & MCMA	16 RUE ABOU INANE RABAT	15 597 202	15 597 202	7.66%
* WAFA ASSURANCE	1 RUE ABDELMOUMEN CASA	13 226 583	13 226 583	6.50%
* REGIME COLLECTIF D'ALLOCATION ET DE RETRAITE	HAY RIAD - B.P 20 38 - RABAT MAROC	10 417 416	10 417 416	5.12%
* CIMR	BD ABDELMOUMEN CASA	7 860 780	7 860 780	3.86%
* CAISSE MAROCAINE DE RETRAITE	140 PLACE MY EL HASSAN RABAT	4 405 769	4 405 769	2.17%
* CAISSE DE DEPOT ET DE GESTION	140 PLACE MY EL HASSAN RABAT	3 576 531	3 576 531	1.76%
* RMA WATANIYA	83 AVENUE DES FAR CASA	2 683 942	2 683 942	1.32%
* BANK STAFF	******************************	1 462 560	1 331 814	0.65%
* AXA ASSURANCES MAROC	120 AVENUE HASSAN II CASA	1 551 495	1 551 495	0.76%
* UCITS AND OTHER SHAREHOLDERS	******************************	34 596 197	34 726 943	17.07%
B- FOREIGN SHAREHOLDERS				
*SANTUSA HOLDING	PASEO DE LA CASTELLANA N° 24 MADRID (ESPAGNE)	10 715 614	10 715 614	5.26%
TOTAL		**203 527 226**	**203 527 226**	**100.00%**

APPROPRIATION OF INCOME at 30 June 2018

(thousand MAD)

	Value		Value
A- origin of appropriated income		**B- Appropriation of income**	
Earnings brought forward	468	to legal reserve	-
Net income awaiting appropriation		Dividends	2 544 090
Net income for the financial year	4 158 011	Other items for appropriation	1 614 000
Deduction from income		Earnings carried forward	389
Other deductions			
TOTAL A	**4 158 479**	**TOTAL B**	**4 158 479**

BRANCH NETWORK at 30 June 2018

(thousand MAD)

BRANCH NETWORK	06/30/2018	12/31/2017
Permanent counters	1 198	1 191
Occasional counters		
Cash dispensers and ATMs	1 337	1 306
Branches in Europe	63	64
Representative offices in Europe and Middle-East	7	7

STAFF at 30 June 2018

(thousand MAD)

STAFF	06/30/2018	12/31/2017
Salaried staff	8 638	8 533
Staff in employment	8 638	8 533
Full-time staff	8 638	8 533
Administrative and technical staff (full-time)		
Banking staff (full-time)		
Managerial staff (full-time)	4 795	4 633
Other staff (full-time)	3 843	3 900
Including Overseas staff	55	58

SUMMARY OF KEY ITEMS OVER THE LAST THREE PERIODS at 30 June 2018

(thousand MAD)

ITEM	June 2018	December 2017	December 2016
SHAREHOLDERS' EQUITY AND EQUIVALENT	**37 217 608**	**37 037 671**	**35 320 900**
OPERATIONS AND INCOME IN FY			
Net banking income	6 279 589	11 502 724	14 235 602
Pre-tax income	3 570 037	5 761 605	8 519 470
Income tax	846 010	1 603 594	1 584 422
Dividend distribution	2 544 090	2 442 327	2 238 799
PER SHARE INFORMATION IN MAD			
Earning per share			
Dividend per share	12,50	12,00	11,00
STAFF			
Staff Costs	1 068 509	2 068 105	1 929 338
Average staff during the FY			

KEY DATES AND POST-BALANCE SHEET EVENTS at 30 June 2018

(thousand MAD)

I. KEY DATES	
. Balance sheet date [1]	**30 June 2018**
. Date for drawing up the financial statements [2]	**September-18**

(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 2018

(thousand MAD)

	06/30/2018	12/31/2017
Current accounts	196 127	187 961
Current accounts of Moroccans living abroad	826 541	816 418
Other current accounts	2 287 695	2 180 220
Factoring liabilities	5	7
Savings accounts	944 336	922 849
Term accounts	16 080	16 815
Certificates of deposit	2 699	2 699
Other deposit accounts	1 412 439	1 303 343
TOTAL	**5 685 922**	**5 430 312**

Contact : Financial Information and Investor Relations - Ibtissam Abouharia, e-mail : i.abouharia@attijariwafa.com
ir@attijariwafa.com

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