التجاري وفا بنك
Attijariwafa bank

Results

Attijariwafa bank as of December 31, 2014

14

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

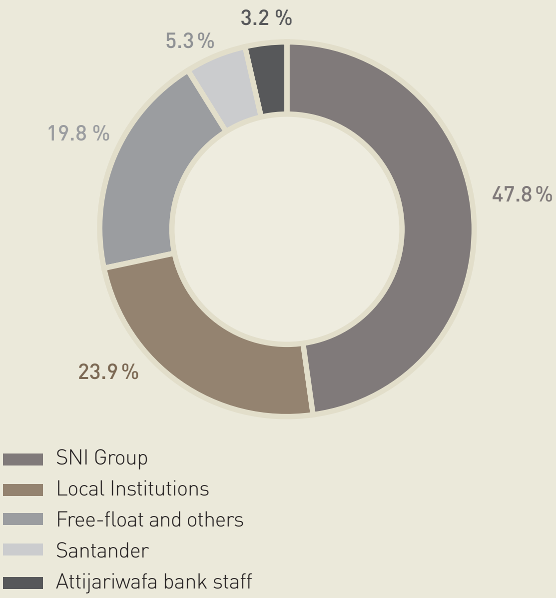
2014
Financial Communication

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

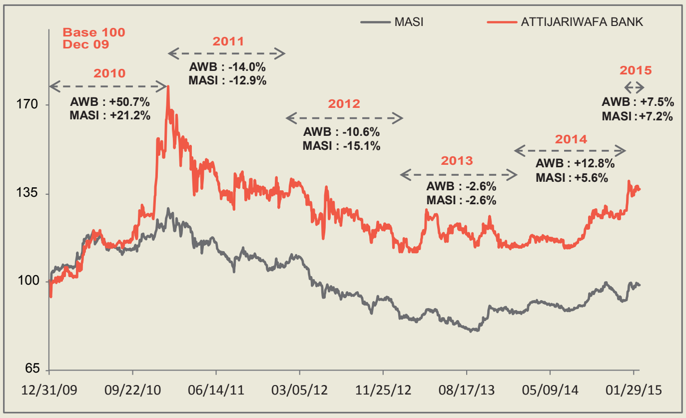
Attijariwafa bank key figures

- **16,716** Employees
- **2,636** Branches in Morocco
- **208** Branches in North Africa
- **73** Branches in Europe and the Middle East
- **312** Branches in West Africa
- **102** Branches in Central Africa

Shareholding structure as of December 31, 2014



Attijariwafa bank's share price performance



Largest bank by market capitalisation in Morocco: MAD 75.3 bn as of February 10, 2015.

Stock market indicators

Attijariwafa bank	12/31/2012	12/31/2013	12/31/2014
Price	313.0	305.0	344.0
P/B	2.04x	1.87x	1.97x
PER	14.00x	14.99x	16.08x
DY	2.88 %	3.11 %	2.91 %
Number of Shares	201,243,086	203,527,226	203,527,226
Market capitalisation (in millions of dirhams)	62,989	62,076	70,013

GENERAL MANAGEMENT AND COORDINATION COMMITTEE

General Management

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

Network

Mr Saâd BENJELLOUN	Head of Casablanca region
Mr Saâd BENWAHOUD	Head of North-West network
Mr Said SEBTI	Head of North-East network
Mr Mohamed BOUBRIK	Head of South-West network
Mr Rachid EL BOUZIDI	Head of MLA Banking
Mr Fouad MAGHOUS	Head of South network
Mr Hassan BEDRAOUI	Managing Director, Attijariwafa bank Europe

Central Entities

Mr Mouaouia ESSEKELLI	Transaction Banking
Mr Hassan BERTAL	SMEs banking
Mr Chakib ERQUIZI	Capital Markets
Mr Omar GHOMARI	Group Human Resources
Mrs Wafaa GUESSOUS	Procurement, Logistics and Secretary of the Board
Mr Mounir OUDGHIRI	International Retail Banking
Mr Youssef ROUISSI	Corporate & Investment Banking
Mr Younes BELABED	Retail Banking Support Functions
Mrs Saloua BENMEHREZ	Group Communication
Mr Ismail EL FILALI	General Audit
Mrs Malika EL YOUNSI	Group Legal Advisory
Mrs Noufissa KESSAR	Private Banking
Mr Rachid KETTANI	Group Finance Division
Mrs Soumaya LRHEZZIOUI	Group Information Systems
Mr Driss MAGHRAOUI	Personal & Professional Banking
Mr Mohamed SOUSSI	Back Offices and Customer Services

BOARD OF DIRECTORS

Mr Mohamed EL KETTANI	Chairman of the Board
Mr Antonio ESCAMEZ TORRES	Vice-Chairman
Mr Mounir EL MAJIDI	Director, Representing SIGER
Mr Hassan OURIAGLI	Director, Representing SNI
Mr José REIG	Director
Mr Abed YACOUBI SOUSSANE	Director
Mr Aldo OLCESE SANTONJA	Director
Mr Manuel VARELA	Director, Representing Santander
Mr Abdelmajid TAZLAOUI	Director
Mrs Wafaâ GUESSOUS	Secretary

Rating

FITCH RATING	August 2014
Long-term in foreign currency	BB+
Short-term in foreign currency	B
Long-term in local currency	BBB-
Short-term in local currency	F3
Outlook	stable

STANDARD & POOR'S	November 2014
Long-term	BB
Short-term	B
Outlook	stable

CAPITAL INTELLIGENCE	August 2014
Long-term	BBB-
Short-term	A3
Financial Strength	BBB
Outlook	stable

RESULTS at 31 December 2014

Good results thanks to robust and diversified business model. Positive outlook in 2015

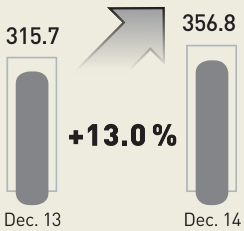
التجاري وفا بنك
Attijariwafa bank

Attijariwafa bank's Board of Directors, chaired by Mr Mohamed El Kettani, met on 17 February 2015, in order to review the activity and approve the financial statements for the 31 December 2014.

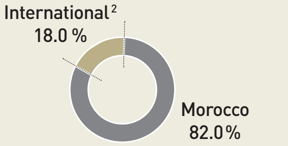
- **Total consolidated assets:** MAD **401.8** billion (+4.2 %)
- **Consolidated shareholders' equity:** MAD **40.4** billion (+6.5 %)
- **Net banking income:** MAD **19.4** billion (+8.8 %)
- **Gross operating income:** MAD **10.9** billion (+10.2 %)
- **Net income:** MAD **5.1** billion (+1.5%)
- **Net income group share:** MAD **4.4** billion (+5.2%)
- **Total network:** **3,331** branches in **23** countries
- **Number of customers:** **7.4** million
- **Total staff:** **16,716** employees

No.1 Savings institution

Total savings[2] (MAD billions)

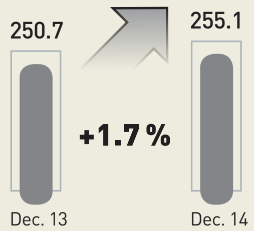


Geographical breakdown of savings as of 31 December 2014

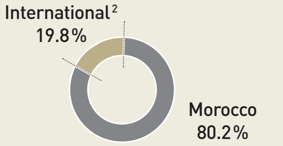


N° 1 provider of financing to the economy

Total consolidated loans (MAD billions)

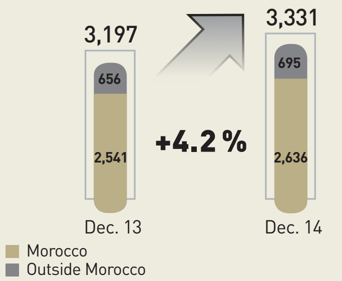


Geographical breakdown of loans as of 31 December 2014

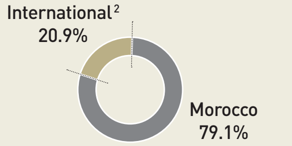


N° 1 branch network in Morocco and Africa

Total number of branches



Geographical breakdown of distribution network as of 31 December 2014



(1) Consolidated customer deposits + assets under management + bancassurance assets
(2) International: North Africa (Tunisia, Mauritania), WAEMU (Senegal, Burkina-Faso, Mali, Ivory Coast, Guinea-Bissau, Togo and Niger), CAEMC (Cameroon, Congo and Gabon), Europe (Belgium, France, Germany, Netherlands, Italy and Spain), Dubai, Riyadh, London and Tripoli

Attijariwafa bank Group reported solid commercial and financial achievements in FY2014 despite a challenging context marked by slower economic growth and higher cost of risk in Africa.

Gross operating income up 10.2%

Net Banking Income grew by **8.8%** to MAD **19.4 billion** driven mainly by the Bank in Morocco (**+13%**) and the International Retail Banking division (**+8%**).

Gross Operating Income soared by **10.2%** to MAD **10.9 billion** as result of good commercial performance and continued focus on cost control in all the operating divisions namely the Bank in Morocco, Specialized Financial Subsidiaries, Insurance and International Retail Banking. Cost-income ratio improved reaching 43.7% (-0.7% compared to 2013).

Conservative risk management

Considering risk management as one of the main pillar of its strategy, Attijariwafa bank maintained in 2015 its focus on forward-looking and conservative risk approach in a mixed economic environment.

Net Income Group Share totaled MAD **4.4** billion up **5.2%**. Returns remained in line with best standards (**RoE** of **14.6%** and **RoA** of **1.3%**) and shareholders' equity rose by 6.5% to MAD **40.4 billion**.

Positive outlook in 2015

Anticipating the improvement of economic conditions in Morocco and the rest of its African countries of presence, Attijariwafa bank is beginning FY2015 with optimism, proactive approach and further commitment to its customers and the economies of the countries where it operates.

The Board of Directors congratulated the teams of all the entities of the Group for their commitment and achievements in 2014. The Board resolved to convene the Ordinary General Shareholders' Meeting, submit for approval the financial statements closed on December 31st 2014 and propose a dividend per share of 10 Dirhams.

The Board of Directors
Casablanca, 17th February 2015

FINANCIAL STATEMENTS

Consolidated Accounts at 31 December 2014

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 for the year ended 31 December 2014, the Attijariwafa bank Group has applied the obligatory principles and standards set out by the International Accounting Standards Board (IASB).

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 (loans, borrowings & deposits):

Standard:

Loans and receivables

The amortised cost of a financial asset or liability relates to the value at which the instrument has been initially valued:

- Less any repayment of principal;
- Plus or minus accumulated amortisation calculated using the effective interest rate on any difference between the initial amount and the amount to be repaid at maturity;
- Less any reductions for impairment or non-recoverability.

This calculation must include all fees and amounts paid or received directly attributable to the loans, transaction costs and any discount or premium.

Provisions for loan impairment

A provision is booked when there is any indication of impairment to loans and receivables.

Provisions are determined on the basis of the difference between the loan's net carrying amount and its estimated recoverable amount.

Impairment is applied on an individual or collective basis.

Provision for impairment on an individual basis:

In the case of a loan in arrears, losses are determined on the basis of the net present value of future estimated flows, discounted using the loan's initial effective interest rate. Future flows include the value of guarantees received and recovery costs.

In the case of a loan which is not in arrears but for which indications of impairment are indicating forthcoming difficulties, the Group may use empirical tables of comparable losses to estimate and adjust future flows.

Provision for impairment on a collective basis:

If an individual loan impairment test does not produce any indications of impairment, then the loans are classified in groups with similar credit risk profiles before undergoing a collective impairment test.

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.

Provisions for loan impairment:

The criteria proposed by Bank Al Maghrib in Circular N°19/G/2002 form the basis of the Group's provisioning policy regarding impairment on an individual basis.

The basis for provisioning for impairment on a collective basis has been adapted as a function of each Group entity's activity and also relates to healthy loans.

Specific provisions:

Attijariwafa bank has developed statistical models, specific to eachof the relevant entities, to calculate specific provisions based on:

- 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.

Collective provisions:

Attijariwafa bank has developed statistical models, specific to each relevant entity, to calculate collective provisions based on historical data relating to loan deterioration – healthy loans becoming non-performing loans.

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 IAS39 §49 standard to sight deposits. 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.

Securities:

Standard:

The IAS 39 standard defines four asset categories applicable to securities:

- Trading securities (financial assets held at fair value through income);
- Available-for-sale financial assets;
- Held-to-maturity investments;
- Loans and receivables, (includes financial assets not quoted on an active market which are purchased directly from the issuer).

The securities are classified depending on the purpose for which they are held.

Trading portfolio securities : financial assets at fair value through profit or loss and financial assets designated at fair value through profit or loss at inception

According to IAS 39.9, financial assets or liabilities held at fair value through income are assets or liabilities acquired or generated by the company for the primary purpose of making a profit from short-term price fluctuations or from arbitrage activities.

All derivative instruments are recognised as financial assets (or liabilities) at fair value through profit or loss except when they are used for hedging purposes.

Securities classified as financial assets held at fair value through income are recognised in the income statement.

This category of security is not subject to impairment.

Available-for-sale financial assets

This category includes available-for-sale securities, investment securities and investments in non-consolidated affiliates and other long-term investments.

The standard stipulates that those assets and liabilities which do not satisfy the criteria for the three other asset categories are included in this category.

Changes in the fair value of available-for-sale securities (positive or negative) are recognised directly in equity (transferable equity). The amortisation of any possible premium/discount of fixed income securities is recognised in the income statement using to effective interest rate method (actuarial method).

On any indication of significant or lasting impairment in the case of equity securities and the occurrence of credit risk for debt securities, the unrealised loss that was recognised in equity must be removed and recognised in the income statement.

On subsequent improvement, a write-back may be booked against the provision for impairment in the case of debt securities but not so for equity securities. In the latter case, a positive change in fair value is recognised in transferable equity and a negative change in equity.

Held-to-maturity investments

This category includes securities with fixed or determinable payments that the Group intends to keep until maturity.

Classifying securities in this category entails an obligation not to dispose of the securities before maturity. If an entity sells a held-to-maturity security before maturity, all of its other held to-maturity investments must be reclassified as available-for sale investments for the current and next two reporting years.

Held-to-maturity investments are measured at amortised cost with the premium/discount being amortised using the effective interest rate method (actuarial method).

On any indication of impairment, a provision must be booked for the difference between the carrying amount and the estimated recoverable value. The estimated recoverable value is the net present value of future estimated flows, discounted using the loan's initial effective interest rate.

On subsequent improvement, a write-back may be booked against the provision for impairment.

Loans and receivables

The «Loans and receivables category » includes unquoted financial assets which are not intended to be sold and which the institution intends to keep for the long term.

Loans and receivables are recognised at amortised cost, using the effective interest rate method and restated for any possible impairment provisions.

On any indication of impairment, a provision must be booked for the difference between the carrying amount and the estimated recoverable value.

On subsequent improvement, a write-back may be booked against the provision for impairment.

Policies adopted by Attijariwafa bank

Portfolio classification

Attijariwafa bank and other entities excluding insurance companies			
The instruments held in portfolios are currently classified in the following categories:			
HFT	**AFS**	**HTM**	**Loans and**
• Trading and dealing Room portfolios	• Negotiable treasury bills classified in the Investment Portfolio • Bonds and other negotiable debt securities • Long-term investments	• Treasury Bills	• CAM bonds; • CIH bonds;

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.

Derivatives

Standard:

A derivative is a financial instrument or another contract included in IAS 39'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 IAS 39 standard defines a hybrid contract as a contract comprising a host contract and an embedded derivative.

IAS 39 requires that an 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.

IAS 39 recommends that the host contract is valued at inception by taking the difference between the fair value of the hybrid contract (i.e. at cost) and the fair value of the embedded derivative.

Policies adopted by Attijariwafa bank

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

Fair value:

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

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

Level 1 inputs

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

Level 2 inputs

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

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

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

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

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

Level 3 inputs

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

Market value is determined by the Group:

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

➥ Case 1: Instruments traded on active markets

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

➥ Case 2: Instruments traded on inactive markets

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

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

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

Insurance

Standard:

Insurance contracts:

The main provisions for insurance contracts are summarised below:

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

1. Pure insurance contracts;
2. Financial contracts comprising a discretionary participation feature;
3. And liabilities relating to other financial contracts, in accordance with IAS 39, which are recorded under «Amounts owing to customers ».

- Requires that embedded derivatives, which do not benefit from exempt status under IFRS 4, are accounted for separately and recognised at fair value through income;
- Requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets;
- A reinsurance cession asset is amortised, by recognising this impairment through income, when and only when:

- Tangible evidence exists, following the occurrence of an event after initial recognition of the asset in respect of reinsurance cessions, resulting in the cedant not receiving all its contractual cash flows;
- This event has an impact, which may be accurately assessed, on the amount which the reinsurer is expected to receive from the primary insurer.

- Requires an insurer to keep insurance liabilities on its balance sheet until they are discharged, cancelled, or expire and prohibits offsetting insurance liabilities against related reinsurance assets;
- Requires that a new insurance liability is recorded in accordance with IFRS 4 «Shadow accounting » in respect of policyholders' deferred participation in profits which represents the portion of unrealised capital gains on financial assets to which policyholders are entitled, in accordance with IAS 39.

Policies adopted by Attijariwafa bank:

Insurance contracts:

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

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

Investment-linked insurance:

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

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

Liabilities provisions:

Standard:

A provision must be booked when :

- the company has a present obligation (legal or implicit) resulting from a past event.

- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation ; and
- the amount of the obligation can be reliably estimated.

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

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

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

Policies adopted by Attijariwafa bank:

The Group has analysed all its general provisions and:

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

Current & deferred taxation:

Standard:

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

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

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

Deferred taxes may not be amortised under IFRS.

Policies adopted by Attijariwafa bank:

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.

Measuring obligations:

Method:

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

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

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

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

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

Policies adopted by Attijariwafa bank:

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

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

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

Share-based payments

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

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

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

FINANCIAL STATEMENTS

Consolidated financial statements at 31 December 2014

Consolidated IFRS Balance Sheet at 31 December 2014

(thousand MAD)

ASSETS (under IFRS)	Notes	12/31/2014	12/31/2013
Cash and balances with central banks. the Treasury and post office accounts		8 842 320	12 830 730
Financial assets at fair value through income	2.1	52 389 822	40 687 887
Derivative hedging instruments			
Available-for-sale financial assets	2.2	30 805 290	29 175 729
Loans and advances to credit institutions and similar establishments	2.3	19 305 251	18 277 416
Loans and advances to customers	2.4	255 056 498	250 749 882
Interest rate hedging reserve			
Held-to-maturity investments		10 928 820	10 225 201
Current tax assets		137 676	35 435
Deferred tax assets		448 327	669 866
Other assets		7 491 499	8 182 804
Participations of insured parties in differed profits	2.2	920 708	
Non-current assets held for sale		97 089	103 621
Investments in companies accounted for under the equity method		116 861	112 666
Investment property		1 830 545	1 309 214
Property. plant and equipment	2.5	5 056 788	4 947 698
Intangible assets	2.5	1 731 443	1 552 585
Goodwill	2.6	6 684 704	6 718 819
TOTAL ASSETS		**401 843 640**	**385 579 553**

LIABILITIES (under IFRS)	Notes	12/31/2014	12/31/2013
Amounts owing to central banks. the Treasury and post office accounts		135 266	179 058
Financial liabilities at fair value through income	2.7	1 965 441	1 294 521
Derivative hedging instruments			
Amounts owing to credit institutions and similar establishments	2.8	41 236 002	53 613 257
Customer deposits	2.9	257 881 178	237 607 910
Debt securities issued		14 253 845	12 766 065
Interest rate hedging reserve			
Current tax liabilities		1 222 376	471 405
Deferred tax liabilities		1 700 513	1 469 254
Other liabilities		8 961 596	8 569 717
Liabilities related to non-current assets held for sale			
Insurance companies' technical reserves		22 212 075	20 205 854
General provisions	2.10	1 745 890	1 296 878
Subsidies. public funds and special guarantee funds		147 819	135 543
Subordinated debt		9 979 663	10 034 909
Share capital and related reserves		10 151 765	9 466 523
Consolidated reserves		24 258 638	23 385 449
- Group share		*20 163 454*	*19 600 550*
- Minority interests		*4 095 184*	*3 784 900*
Unrealised deferred capital gains or losses, Group share		851 090	16 973
Net income for the financial year		5 140 484	5 066 237
- Group share		*4 355 244*	*4 141 115*
- Minority interests		*785 240*	*925 122*
TOTAL LIABILITIES		**401 843 640**	**385 579 553**

Consolidated income statement under IFRS at 31 December 2014

(thousand MAD)

	Notes	12/31/2014	12/31/2013
Interest and similar income	3.1	17 498 851	17 165 140
Interest and similar expenses	3.1	6 472 577	6 585 060
NET INTEREST MARGIN		**11 026 273**	**10 580 080**
Fees received	3.2	4 301 420	4 078 924
Fees paid	3.2	426 256	349 017
NET FEE INCOME		**3 875 163**	**3 729 908**
Net gains or losses on financial instruments at fair value through income		3 777 540	2 302 021
Net gains or losses on available-for-sale financial assets		346 238	627 053
INCOME FROM MARKET ACTIVITIES		**4 123 778**	**2 929 074**
Income from other activities		6 039 398	5 572 981
Expenses on other activities		5 614 858	4 934 596
NET BANKING INCOME		**19 449 755**	**17 877 445**
General operating expenses		7 680 810	7 183 144
Depreciation, amortisation and provisions		827 963	764 660
GROSS OPERATING INCOME		**10 940 982**	**9 929 641**
Cost of risk	3.3	-3 034 430	-1 866 633
OPERATING INCOME		**7 906 552**	**8 063 008**
Net income from companies accounted for under the equity method		20 004	16 626
Net gains or losses on other assets		46 892	53 551
Changes in value of goodwill			
PRE-TAX INCOME		**7 973 448**	**8 133 184**
Income tax		2 832 964	3 066 948
NET INCOME		**5 140 484**	**5 066 237**
Minority interests		785 240	925 122
NET INCOME GROUP SHARE		**4 355 244**	**4 141 115**
Earnings per share (in dirhams)		21,40	20,35
Dividend per share (in dirhams)		21,40	20,35

Statement of net income and gains and losses directly recorded in shareholders equity at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Net income	**5 140 484**	**5 066 237**
Asset and liability variations directly recorded in shareholders equity	**819 687**	**-290 241**
Translation gains or losses	-169 624	-153 829
Variation in value of financial assets available for sale	1 005 119	-122 056
Revaluation of fixed assets		
Variations in differed value of derivative coverage instruments		
Items regarding enterprises by equity method	-15 809	-14 356
Total	**5 960 171**	**4 775 995**
Group share	5 059 598	3 940 660
Minority interest share	900 573	835 336

Table of shareholders equity variation at 31 December 2014

(thousand MAD)

		Share capital	Reserves (related to share capital)	Treasury stock	Reserves and consolidated income	Total assets and liabilities entered directly in capital	Share-holders' equity Group share	Minority interests	Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Shareholders' equity at 31 December 2012		**2 012 431**	**7 454 092**	**-1 990 667**	**23 347 171**	**-9 981**	**30 813 046**	**4 581 609**	**35 394 656**
Effect of changes to accounting policies									
Shareholders' equity restated at 31 December 2012		**2 012 431**	**7 454 092**	**-1 990 667**	**23 347 171**	**-9 981**	**30 813 046**	**4 581 609**	**35 394 656**
Transactions related to share capital		22 841	662 401		-385 351		299 891	-100 660	199 231
Share-based payments									
Transactions related to Treasury stock				-59 659			-59 659		-59 659
Dividends					-1 771 206		-1 771 206	-562 210	-2 333 416
Net income					**4 141 115**		**4 141 115**	**925 122**	**5 066 237**
Variations in assets and liabilities recorded directly in shareholders' equity	(A)					-116 182	-116 182	-20 230	-136 413
Translation gains and losses	(B)					-85 060	-85 060	-69 852	-154 911
Total assets and liabilities entered directly in capital	**(A)+(B)**					**-201 242**	**-201 242**	**-90 082**	**-291 324**
Other variations					**3 103**		**3 103**	**-87 477**	**-84 374**
Perimeter variation					**-673**	**787**	**113**	**43 719**	**43 832**
Shareholders' equity at 31 December 2013		**2 035 272**	**8 116 493**	**-2 050 326**	**25 334 159**	**-210 437**	**33 225 161**	**4 710 022**	**37 935 183**
Effect of changes to accounting policies									
Shareholders' equity restated at 31 December 2013		**2 035 272**	**8 116 493**	**-2 050 326**	**25 334 159**	**-210 437**	**33 225 161**	**4 710 022**	**37 935 183**
Transactions related to share capital					636 037		636 037	141 018	777 055
Share-based payments									
Transactions related to Treasury stock									
Dividends					-1 897 399		-1 897 399	-572 997	-2 470 396
Net income for the period					**4 355 244**		**4 355 244**	**785 240**	**5 140 484**
Total assets and liabilities entered directly in capital	C)					818 308	818 308	171 002	989 310
Variations in assets and liabilities recorded directly in shareholders' equity	(D)					-113 954	-113 954	-55 670	-169 624
Latent or differed gains or losses	**(C)+(D)**					**704 354**	**704 354**	**115 332**	**819 687**
Other variations					**-1 501 845**		**-1 501 845**	**-298 190**	**-1 800 035***
Changes in scope of consolidation									
Shareholders' equity at 31 December 2014		**2 035 272**	**8 116 493**	**-2 050 326**	**26 926 196**	**493 918**	**35 521 553**	**4 880 425**	**40 401 978**

(*) comprises mainly the change in unrealized capital gains with regard to the life insurance portfolio, and nonmaterial adjustments with regard to the treatment of available-for-sale financial assets.

Consolidated cash flow statement at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Pre-tax income	**7 973 448**	**8 133 184**
+/- Net depreciation and amortisation of property, plant and equipment and intangible assets	827 242	854 991
+/- Net impairment of goodwill and other fixed assets		
+/- Net amortisation of financial assets	7 523	14 068
+/- Net provisions	3 200 590	1 956 067
+/- Net income from companies accounted for under the equity method	-20 004	-16 626
+/- Net gain/loss from investment activities	-435 167	-525 018
+/- Net gain/loss from financing activities		
+/- Other movements	-229 630	-520 093
Total non-cash items included in pre-tax income and other adjustments	**3 350 553**	**1 763 390**
+/- Flows relating to transactions with credit institutions and similar establishments	-20 546 486	2 704 996
+/- Flows relating to transactions with customers	13 996 509	5 752 055
+/- Flows relating to other transactions affecting financial assets or liabilities	-13 488 029	6 530 827
+/- Flows relating to other transactions affecting non-financial assets or liabilities		
- Taxes paid	-2 353 709	-2 473 345
Net increase/decrease in operating assets and liabilities	**-22 391 714**	**12 514 533**
Net cash flow from operating activities	**-11 067 713**	**22 411 107**
+/- Flows relating to financial assets and investments	-794 083	-9 995 785
+/- Flows relating to investment property	-585 462	-215 134
+/- Flows relating to plant, property and equipment and intangible assets	-808 347	-1 042 684
Net cash flow from investment activities	**-2 187 893**	**-11 253 604**
+/- Cash flows from or to shareholders	-2 470 396	-1 648 174
+/- Other net cash flows from financing activities	1 448 946	-5 316 062
Net cash flow from financing activities	**-1 021 450**	**-6 964 236**
Effect of changes in foreign exchange rates on cash and cash equivalents	**-126 986**	**-123 947**
Net increase (decrease) in cash and cash equivalents	**-14 404 042**	**4 069 320**

	12/31/2014	12/31/2013
Cash and cash equivalents at the beginning of the period	**13 727 361**	**9 658 041**
Net cash balance (assets and liabilities) with central banks, the Treasury and post office accounts	12 651 672	10 434 787
Inter-bank balances with credit institutions and similar establishments	1 075 689	-776 746
Cash and cash equivalents at the end of the period	**-676 681**	**13 727 361**
Net cash balance (assets and liabilities) with central banks, the Treasury and post office accounts	8 707 054	12 651 672
Inter-bank balances with credit institutions and similar establishments	-9 383 735	1 075 689
Net change in cash and cash equivalents	**-14 404 042**	**4 069 320**

2.1 Financial assets at fair value through income at 31 December 2014

(thousand MAD)

	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	213 824	
Treasury notes and similar securities	32 509 219	
Bonds and other fixed income securities	**1 848 625**	
• Listed securities	845 897	
• Unlisted securities	1 002 728	
Shares and other equity securities	**17 005 933**	**88 709**
• Listed securities	17 005 933	88 709
• Unlisted securities		
Derivative instruments	**585 027**	
Related loans	**138 483**	
Fair value on the balance sheet	**52 301 113**	**88 709**

2.2 Available-for-sale financial assets at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Securities valued at fair value		
• Treasury notes and similar securities	**10 015 196**	**9 346 341**
• Bonds and other fixed income securities	**12 865 333**	**11 587 724**
• Listed securities	7 809 390	6 878 590
• Unlisted securities	5 055 943	4 709 134
• Shares and other equity securities	**3 745 608**	**3 158 833**
• Listed securities	2 577 710	1 946 608
• Unlisted securities	1 167 898	1 212 225
• Securities in non-consolidated affiliates	**5 099 860**	**5 082 831**
Total available-for-sale securities	**31 725 998**	**29 175 729**

Available-for-sale financial assets held by Wafa Assurance totalled MAD 14 072 millions at the end of December 2014 vs. MAD 12 099 millions at the end of December 2013.

2.3 Loans and advances to credit institutions and similar establishments

2.3.1 Loans and advances to credit institutions at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Credit institutions		
Accounts and loans	18 614 985	18 061 289
Securities received under repo agreements	454 660	17 121
Subordinated loans	27 941	32 551
Other loans and advances	117 952	130 531
Tota principal	**19 215 538**	**18 241 491**
Related loans	114 619	62 467
Provisions	24 906	26 542
Net value	**19 305 251**	**18 277 416**
Internal operations		
Regular accounts	6 681 733	5 959 948
Accounts and long-term advances	22 803 303	25 917 124
Related loans	292 426	447 896

2.3.2 Breakdown of loans and advances to credit institutions by geographical area at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Morocco	11 338 863	8 169 342
Tunisia	1 139 524	1 697 841
Sub-Saharan Africa	3 690 973	3 773 129
Europe	2 003 917	4 281 302
Others	1 042 261	319 879
Total principal	**19 215 538**	**18 241 491**
Related loans	114 619	62 467
Provisions	24 906	26 542
Net value on the balance sheet	**19 305 251**	**18 277 416**

2.4 Loans and advances to customers

2.4.1 Loans and advances to customers at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Transactions with customers		
Commercial loans	39 117 428	31 161 991
Other loans and advances to customers	185 413 812	180 923 624
Securities received under repo agreements	10 940	2 279 206
Current accounts in debit	25 658 003	30 479 207
Total principal	**250 200 183**	**244 844 029**
Related loans	1 622 255	1 783 398
Provisions	11 998 943	10 079 996
Net value	**239 823 495**	**236 547 431**
Leasing activities		
Property leasing	3 105 996	2 621 866
Leasing of movable property, long-term rental and similar activities	12 494 091	11 965 539
Total principal	**15 600 087**	**14 587 405**
Related loans	627	587
Provisions	367 711	385 541
Net value	**15 233 004**	**14 202 451**
Total	**255 056 498**	**250 749 882**

2.4.2 Loans and advances to customers by geographical area at 31 December 2014

(thousand MAD)

Country	12/31/2014				12/31/2013			
	Healthy outstandings	Impaired outstandings	Individual provisions	Collective provisions	Healthy outstandings	Impaired outstandings	Individual provisions	Collective provisions
Morocco	199 591 295	12 646 517	7 392 304	1 234 413	197 050 847	11 384 157	6 232 019	854 473
Tunisia	18 477 851	1 497 437	824 109	71 813	17 463 786	1 601 986	826 201	68 033
Sub-Saharan Africa	28 450 903	3 903 357	2 628 295	208 322	27 166 610	3 354 340	2 318 506	162 661
Europe	260 565	8 618	7 399		331 405	3 194	3 645	
Others	963 728				1 075 109			
Total principal	**247 744 342**	**18 055 928**	**10 852 107**	**1 514 547**	**243 087 757**	**16 343 677**	**9 380 370**	**1 085 167**
Related loans	1 622 882				1 783 985			
Net value on the balance sheet	**249 367 224**	**18 055 928**	**10 852 107**	**1 514 547**	**244 871 742**	**16 343 677**	**9 380 370**	**1 085 167**

2.5 Plant, property and equipment and intangible assets at 31 December 2014

(thousand MAD)

	12/31/2014			12/31/2013		
	Gross value	Accumulated amortisation and impairment	Net value	Gross value	Accumulated amortisation and impairment	Net value
Land and buildings	3 066 399	1 087 183	1 979 216	2 990 671	989 026	2 001 645
Movable property and equipment	2 926 496	2 473 317	453 178	2 919 843	2 505 441	414 401
Leased movable property	563 099	213 358	349 741	538 857	207 003	331 854
Other property, plant and equipment	4 955 731	2 681 079	2 274 652	4 666 525	2 466 727	2 199 798
Total property, plant and equipment	**11 511 725**	**6 454 938**	**5 056 788**	**11 115 896**	**6 168 198**	**4 947 698**
IT software acquired	2 496 107	1 475 473	1 020 634	2 171 386	1 266 175	905 211
Other intangible assets	1 230 821	520 013	710 808	1 158 086	510 712	647 373
Total intangible assets	**3 726 929**	**1 995 486**	**1 731 443**	**3 329 472**	**1 776 887**	**1 552 585**

2.6 Goodwill at 31 December 2014

(thousand MAD)

	12/31/2013	Perimeter variation	Translation gains and losses	Other movements	12/31/2014
Gross value	6 718 819		-24 573	-9 542	6 684 704
Accumulated amortisation and impairment					
Net value on the balance sheet	**6 718 819**		**-24 573**	**-9 542**	**6 684 704**

2.7 Financial liabilities at fair value through income at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Securities pledged under repo agreements	353 902	462 242
Derivative instruments	1 611 539	832 279
Fair value on the balance sheet	**1 965 441**	**1 294 521**

2.8 Amounts owing to credit institutions at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Credit institutions		
Accounts and borrowings	29 399 708	16 053 883
Securities pledged under repo agreements	11 583 992	37 484 461
Total principal	**40 983 699**	**53 538 344**
Related debt	252 302	74 913
Value on the balance sheet	**41 236 002**	**53 613 257**
Internal Group operations		
Current accounts in credit	5 666 401	4 604 172
Accounts and long-term advances	23 267 418	26 620 025
Related debt	141 862	162 409

2.9 Amounts owing to customers

2.9.1 Amounts owing to customers at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Ordinary creditor accounts	180 916 243	167 101 005
Savings accounts	58 901 274	57 459 682
Other amounts owing to customers	12 952 321	11 925 259
Securities pledged under repo agreements	4 081 453	
Total principal	**256 851 291**	**236 485 946**
Related debt	1 029 887	1 121 964
Value on the balance sheet	**257 881 178**	**237 607 910**

2.9.2 Breakdown of amounts owing to customers by geographical area at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Morocco	191 839 544	174 663 570
Tunisia	21 813 888	19 999 021
Sub-Saharan Africa	38 365 103	37 983 571
Europe	4 172 840	3 168 602
Other	659 916	671 183
Total principal	**256 851 291**	**236 485 946**
Related debt	1 029 887	1 121 964
Value on the balance sheet	**257 881 178**	**237 607 910**

2.10 General provisions at 31 December 2014

(thousand MAD)

	Stock at 12/31/2013	Change in scope	Additional provisions	Write-backs used	Write-backs not used	Other changes	Stock at 12/31/2014
Provisions for risks in executing signature loans	75 636		144 223		2 673	-3 488	213 698
Provisions for social benefit liabilities	398 913		101 018	58 242		-10 253	431 436
Other general provisions	822 329		493 116	10 912	231 041	27 264	1 100 756
General provisions	**1 296 878**		**738 357**	**69 154**	**233 714**	**13 523**	**1 745 890**

3.1 Net interest margin at 31 December 2014

(thousand MAD)

	12/31/2014			12/31/2013		
	Income	Expenses	Net	Income	Expenses	Net
Transactions with customers	**15 104 534**	**3 590 937**	**11 513 597**	**14 992 238**	**3 541 421**	**11 450 817**
Accounts and loans/borrowings	14 363 352	3 441 078	10 922 275	14 210 655	3 452 283	10 758 372
Repurchase agreements	5 373	149 859	-144 486	10 668	89 137	-78 469
Leasing activities	735 808		735 808	770 914		770 914
Inter-bank transactions	**723 179**	**1 803 072**	**-1 079 893**	**783 964**	**1 805 419**	**-1 021 455**
Accounts and loans/borrowings	711 830	1 436 218	-724 388	782 865	1 648 997	-866 132
Repurchase agreements	11 349	366 854	-355 505	1 098	156 422	-155 324
Debt issued by the Group		**1 078 569**	**-1 078 569**		**1 238 221**	**-1 238 221**
Available-for-sale assets	**1 671 138**		**1 671 138**	**1 388 938**		**1 388 938**
Total net interest income	**17 498 851**	**6 472 577**	**11 026 273**	**17 165 140**	**6 585 060**	**10 580 080**

3.2 Net fee income at 31 December 2014

(thousand MAD)

	Income	Expenses	Net
Net fees on transactions	**1 895 863**	**34 254**	**1 861 609**
with credit institutions	68 188	28 823	39 365
with customers	1 265 843		1 265 843
on securities	104 536	2 701	101 835
on foreign exchange	105 646	1 547	104 099
on forward financial instruments and other off-balance sheet transactions	351 650	1 183	350 467
Banking and financial services	**2 405 556**	**392 002**	**2 013 554**
Net income from mutual fund management (OPCVM)	288 405	23 371	265 035
Net income from payment services	1 288 169	291 556	996 613
Insurance products	11 605		11 605
Other services	817 377	77 076	740 301
Net fee income	**4 301 420**	**426 256**	**3 875 163**

3.3 Cost of risk at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Additional provisions	**-3 523 984**	**-2 496 579**
Provisions for loan impairment	-2 855 847	-2 352 891
Provisions for signature loans	-144 223	-458
Other general provisions	-523 913	-143 230
Provision write-backs	**1 207 624**	**977 147**
Provision write-backs for loan impairment	961 628	859 070
Provisions write-backs for signature loans	2 673	30 750
Provision write-backs for other general provisions	243 323	87 326
Change in provisions	**-718 070**	**-347 201**
Losses on non-provisioned irrecoverable loans and advances	-70 257	-29 829
Losses on provisioned irrecoverable loans and advances	-724 818	-363 290
Amounts recovered on impaired loans and advances	87 916	62 348
Other losses	-10 912	-16 429
Cost of risk	**-3 034 430**	**-1 866 633**

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** activities comprising Attijari bank Tunisie and the banks located in Sub-Saharan Africa ;
- **Insurance and property** comprising Wafa Assurance.

(thousand MAD)

BALANCE SHEET DECEMBER 2014	Domestic banking, Europe and Offshore	Specialised Financial Subsidiaries	Insurance and property	International Retail Banking	TOTAL
Balance sheet	**266 053 745**	**28 894 666**	**27 931 280**	**78 963 949**	**401 843 640**
Including					
Assets					
Financial assets at fair value through income	44 331 884	60 995	6 558 167	1 438 776	**52 389 822**
Available-for-sale financial assets	8 191 403	54 597	14 072 498	9 407 499	**31 725 998**
Loans and advances to credit institutions and similar establishments	13 947 112	165 454	15 139	5 177 547	**19 305 251**
Loans and advances to customers	177 709 673	25 873 738	3 130 554	48 342 533	**255 056 498**
Property, plant and equipment	2 173 149	551 488	270 680	2 061 471	**5 056 788**
Liabilities					
Amounts owing to credit institutions and similar establishments	37 880 279	901 228		2 454 493	**41 236 002**
Customer deposits	193 620 859	2 330 258	2 119	61 927 942	**257 881 178**
Technical reserves for insurance contracts			22 212 075		**22 212 075**
Subordinated debt	9 778 262	201 401			**9 979 663**
Shareholders' equity	28 622 363	2 774 280	4 377 629	4 627 706	**40 401 978**

INCOME STATEMENT DECEMBER 2014	Domestic banking, Europe and Offshore	Specialised Financial Subsidiaries	Insurance and property	International Retail Banking	Eliminations	TOTAL
Net interest margin	6 590 775	1 040 180	472 428	3 066 240	-143 350	**11 026 273**
Net fee income	1 804 690	820 005	-25 659	1 748 783	-472 654	**3 875 163**
Net banking income	11 137 945	2 205 690	1 388 197	5 184 609	-466 686	**19 449 755**
Operating expenses	4 288 712	786 749	437 347	2 634 689	-466 686	**7 680 810**
Operating income	4 353 308	1 094 985	857 293	1 600 965		**7 906 552**
Net income	2 644 308	677 774	701 427	1 116 975		**5 140 484**
Net income Group share	2 624 103	496 610	556 152	678 379		**4 355 244**

5. Financing commitments and guarantees

5.1 Financing commitments

at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Financing commitments given	**23 066 906**	**18 387 355**
To credit institutions and similar establishments	331 729	307 518
To customers	22 735 178	18 079 837
Financing commitments received	**6 366 475**	**7 399 324**
From credit institutions and similar establishments	4 054 571	3 902 309
From the State and other organisations	2 311 904	3 497 015

5.2 Guarantee commitments

at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Guarantees given	**42 973 534**	**45 647 334**
To credit institutions and similar establishments	6 487 541	6 653 966
To customers	36 485 993	38 993 369
Guarantees received	**34 869 802**	**29 545 244**
From credit institutions and similar establishments	25 088 110	17 676 281
From the State and other organisations providing guarantees	9 781 692	11 868 963

6. Other complementary information :

6.1 Certificates of deposit and Finance Company Bonds issued during 2014:

- The Certificates of Deposits outstanding amounted as of December 2014 to MAD 9.5 billion.

During 2014, MAD 10.3 billion has been issued with a maturity comprised between 13 weeks and 5 years and rates between 2.95% and 4.60%.

- The Finance Company Bonds outstanding amounted as of December 2014 to MAD 4.4 billion.

During 2014, MAD 2,750 million has been issued with a maturity comprised between 2 years and 3 years and rates between 3.63% and 4.37%.

6.2 Subordinated debts issued during 2014:

During 2014, Attijariwafa bank issued two subordinated bond loans for a global amount of MAD 1,400 million:

- The first subordinated bond loan, issued on 12 December 2014 for an amount of MAD 1,200 million, is split up into 12,000 bonds at per value of MAD 100,000 with 10-year maturity. It is divided into four parts two of which are listed on the Casablanca stock exchange (sections A and B), the remaining two being unlisted (sections C and D).

The nominal interest rate for A and C is fixed standing at 4.75% including a risk premium of 100 basis points, and the rate applicable to B and D is annually revisable for the first year standing at 3.80% including a risk premium of 100 basis points.

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

(thousand MAD)

	Section A	Section B	Section C	Section D
Amount withheld	45 600		834 400	320 000

- The second subordinated loan, issued on 31 October 2014 for an amount of MAD 200 million, is split up into 2,000 bonds at per value of MAD 100,000 with 5-year maturity. It is divided into two unlisted parts.

The nominal interest rate for for the first part is fixed standing at 5% including a risk premium of 150 basis points, and the rate applicable to second part is annually revisable for the first year standing at 4.33% including a risk premium of 140 basis points.

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

(thousand MAD)

	Section A	Section B
Amount withheld	94 900	105 100

6.3 Capital and income per share:

6.3.1 Number of shares and per values:

As of December 2014, 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 December 2014, Attijariwafa bank Group hold 13,514,934 shares representing a global amount of MAD 2,050 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 MAD)

	31 December 2014	31 December 2013
Earnings per share	21.40	20.35
Diluted earnings per share	21.40	20.35

6.4 Business combination

- During 2013, Attijariwafa bank finalized the acquisition of 55% of the stake of Banque Internationale pour l'Afrique (BIA) in Togo. As of December 2014, the adjusted goodwill amounted to MAD 81 million versus MAD 90 million for provisional goodwill.
- Attijariwafa bank also completed during the year 2014 a rationalization process of its European subsidiaries namely Attijariwafa bank Europe (100% subsidiary of Attijariwafa bank) and CBIP (98.55% of its Senegalese subsidiary "Compagnie Bancaire de l'Afrique de l'Ouest" –CBAO-).

This operation took place in two phases:

Phase 1 :

Merger between the two entities at the end of which the new entity Attijariwafa bank Europe is held at 83.85% by Attijariwafa bank and 15.92% by CBAO.

Phase 2 :

Additional acquisition by Attijariwafa bank of 15.92% held by CBAO which increases its stake in the new merged entity to 99.78%.

6.5 Risk Management

Modern and efficient risk management

Organisation and objectives of risk management

Attijariwafa bank's approach to risk management is based on professional and regulatory standards, international guidelines as well as recommendations made by supervisory authorities. Risks are managed centrally by the Global Risk Management division, which operates independently of the bank's other divisions and business lines and reports directly to the bank's Chairman and Chief Executive Officer.

The main objective of Global Risk Management (GRM) is to ensure coverage and supervision of all risks associated with the Group's business activities so that they may be measured and monitored. The GRM's entities are presented as follows: Credit Risk, Market Risk, Operational Risk and Country Risk.

I- Credit risk

The credit or counterparty risk corresponds to the risk of total or partial default by a counterparty with whom the bank has entered into either on- or off-balance sheet commitments.

The Counterparty Risk unit, whose primary role is to :

1. Upstream :

• analyse and investigate requests for the assumption of risk submitted by the bank's various sales teams ;

2. Downstream :

• examine all loan commitments on a regular basis and weekly authorization and utilization statements, identify limit overruns and work closely with the entities within the network to recover these amounts.

Credit policy:

Attijariwafa bank's credit policy is based on some principles such as: Ethics and compliance, Risk independence, Risk Responsibility, Collegial decision-making, Monitoring and Appropriate returns.

The Group regularly examines potential M&A opportunities by analysing prospective counterparty diversification, segment diversification and geographical distribution and takes corrective actions when required.

Procedures:

The Group's decision-making processes relating to its lending activities are based on a set of delegations, which involves obtaining the approval of an appointed representative of the risk management function.

Delegations of powers vary depending on the level of risk, in accordance with internal ratings and the specific characteristics, of each business line.

Credit proposals must adhere to the principles set forth within the general credit policy. Any exception must be referred to the next higher level in the hierarchy.

The procedure for granting loans is broken into stages. After an initial evaluation of the contact's finances at the sales level, a credit proposal is sent to the Global Risk Management division. A second, in-depth assessment is then carried out before any decision is taken.

The loan approval process for related legal entities follows, the same rules and procedures as those applied for other customers.

The main types of guarantees or collateral accepted by the bank are evaluated together with the credit proposal itself.

This assessment is made on the basis of a number of elements of information and documents submitted as part of the process for evaluating the credit proposal.

Adopting a preventive stance, the Credit Risk Surveillance and Control Unit monitors the health and quality of the bank's commitments on a permanent basis.

As a key element in the risk management process, this preventive approach involves anticipating any decline in risk quality and making the appropriate adjustments.

II- Market risk

Market risk is the risk of losses associated with interest rates, forex, liquidity, etc.

The main responsibilities of the Market Risk unit are to detect, analyse and monitor the bank's interest rate and foreign currency positions, to optimise these positions through formal authorisations and to remain vigilant with regard to any departure from these positions.

The risk management process comprises four main stages involving the participation of several Group functions: risk identification, risk measurement, risk monitoring and risk control.

The main market risks are:

- **Interest rate risk**: Interest rate risk relates to the risk of fluctuations in either the value of positions or future cash flows arising from a financial instrument due to changes in market rates of interest.
- **Foreign exchange risk**: Foreign exchange risk relates to the risk of fluctuations in a position or a financial instrument due to changes in foreign exchange rates.
- **Equity risk**: Equity risk results from fluctuations in the value of a portfolio of equities due to adverse market trends in share prices.
- **Commodity risk**: Commodity risk is engendered by fluctuations in positions due to adverse changes in commodity prices in the various markets where the bank is active.

- **Settlement/delivery risk**: Settlement/delivery risk is engendered when two unsecured assets (currency, securities etc.) are simultaneous exchanged. This risk is due to the concomitance of securities or cash flows traded between the bank and its counterparty.

In terms of management

In order to control these risks, limits are set by the Market Risk Committee for each type of exposure over a one-year period, but they may be revised in accordance with the requirements of individual product lines or to take into account changes in market conditions.

The market risk committee has implemented a stop loss system for each product (interest rate, forex, equities etc.). This system triggers the automatic closing of a position if a trader reaches the ceiling set by the committee in terms of maximum losses.

In another area, and in order to satisfy regulatory reporting standards, Attijariwafa bank has selected Fermat, an IT solution that meets both internal and regulatory requirements for calculating capital adequacy in respect of market risk, determining the bank's solvency ratio, measuring market risks incurred, etc.

In 2007, through the use of Fermat, the bank adopted the standardised approach under Basel II.

In addition to Fermat, Attijariwafa bank has developed in-house applications for measuring and quantifying market risks associated with the various trading floor products.

As part of its methodology for measuring market risk, the bank has developed the following methods:

Value at risk (VaR)

Attijariwafa bank's VaR covers dirham-denominated interest rate risk, foreign exchange risk in the spot and forward markets as well as equity risk.

This model is made available through an in-house application based on the RiskMetrics method developed by JP Morgan.

Each day, Global Risk Management produces a detailed report retracing all VaR calculations and providing a trend analysis, with a verification of regulatory and internal limits.

Back-testing

The model allows for back-testing, a technique used to test the model's validity for calculating VaR. This involves assessing the relationship between the estimates of potential loss provided by the VaR model and the actual profits and losses realised by the bank's traders.

III- Operational risk

Operational risk is defined by Bank Al-Maghrib as "the risk of losses resulting from inadequacies or failures relating to internal processes, personnel or systems, or to external events". This definition includes legal risks, but excludes strategic risk and the risk of damage to the Group's reputation.

Risk can be represented as the link between a triggering event (the cause) and a failure (the outcome), which may or may not be associated with financial or other consequences.

The central unit known as ROJIH (Operational, Legal, Information System and Human Risks), which reports to Global Risk Management, has implemented an operational risk management system within 23 of the bank's business lines and subsidiaries. This system has allowed the bank to draw up a consolidated risk map by business line.

Operational risk mapping:

The system launched within the bank in 2008 resulted in a total of 23 operational risk mappings which showed:

- the number of identified operational risks: 581
- the number of risks requiring specific attention: 148

During the fiscal year 2014, the operational risks mapping of the bank was updated; thus, the number of operational risks has risen to **656**, and the number of the risks to monitor has moved to **161**.

The identification of these new risks follows:

- An analysis of the rise of incidents not related to identified risks;
- A development of new products and/or process.

Business continuity plan:

The BCP project was launched in May 2008 with a specifications phase, followed by an advisory phase involving the assistance of several internationally recognised consultancy firms.

Following a call for tender, Attijariwafa bank Group selected Capgemini in December 2009 to assist it in the implementation of its business continuity plan in accordance with the second pillar of Basel II and regulations imposed on credit institutions by Bank Al Maghrib (Directive 47/G/2007).

The implementation of Attijariwafa bank's project to establish a business continuity plan (BCP) was launched on 2 February 2010. Work on this BCP project was pursued throughout 2010-2013 by a project team of both internal Attijariwafa bank staff and external consultants.

By adopting a business continuity plan, the Group guarantees the continuity of its business activities and the ability to honour its commitments when any of the following occurs: a major operational crisis or disturbance affecting a large urban or geographical area, a disturbance affecting physical infrastructure, a natural catastrophe, an external attack, a major information systems failure, a major interference in the bank's ability to function resulting from a significant absentee rate (e.g. pandemic) or a failure affecting a critical service.

IV – Risks control and country risk:

Risks control:

The fiscal year 2014 of the Risk Management and Reporting Unit was marked by two major events: the integration of the International Retail Banking (IRB) risk division and the broadening of the regulatory framework of cross-border risks. Also, the efforts to consolidate the country risk management system were promoted, with a view to supporting the development of the bank's activities at the international level.

The integration of the IRB Risk division:

The new structure of the GRM Group division has strengthened the risk management as a vehicle for development and anchored the risk vision at the heart of the management approach. Thanks to this reorganization, the Risk Management & Reporting Unit integrated the whole risk sector dedicated to the IRB from granting to monitoring by integrating the country risk management as a fundamental component of the exposure to international risks.

Similarly, the individual assessment by counterparty approach was supported by a comprehensive approach (Portfolio, subsidiary and country) for wider risk assessment.

Furthermore, a communication action was organized for territorial risk officials to raise their awareness of the new structure challenges with participation in the biannual seminar concerning the evolution of country risks.

The deepening of the regulatory framework of cross-border risks:

Given the growing importance of cross-border outstandings in the balance sheet of the bank, the regulator has significantly enhanced the regulatory framework for this type of risk. Faced with this new dynamics, GRM Group has responded to the new prudential requirements through:

- Participating in the first risks review requested by the body of supervisors of the different host countries;
- Participating in the on-site inspection missions carried out jointly by Bank Al Maghrib and the CBWAS Bank Commission both at the subsidiary and central levels;
- Providing the new regulatory report dedicated to country risks.

Counterparty risk monitoring at Group level:

The activity that was carried out before in a fragmented manner, takes place today in the IRB Risks Unit with a wider spectrum:

A1: A monthly monitoring of assets quality of each African subsidiary by IRB commitments Audit department that acts as a controller of the 2nd level, and identifies, in an early and contradictory manner, any deterioration in counterparty risk. The operational effectiveness of this control will be enhanced with direct access to information;

A2: A quarterly macro monitoring in order to support the development of activities and ensure a healthy and profitable commercial development, without concentration risk at portfolio commitments level, while ensuring strict compliance with regulations.

The development of bank subsidiaries quarterly report will allow the development of a real scan of those entities insofar as it is fundamentally oriented towards early identification of risk areas and formulation of mitigation measures.

The consolidation of country risk management system:

The implementation of the Bank's growth strategy at the international level as well as the provisions of the Directive 1/G/2008 of Bank Al Maghrib have motivated the development of a country risk management system in relation to the continually growing importance of the International level in our group's global exposure. This system is based on the following:

a) The strengthening of country risk management system:

The Country Risk Unit devised, with the help of an external consultant, a study aimed to automate the management of country risk. This study focused on:

- the diagnosis of the current system and its relevance to the regulatory requirements while identifying the evolution actions using an international benchmark;
- the development of a conceptual model for optimal management of country risk (function blocks and dedicated IT system) for an IT implementation with an extension of the system to foreign subsidiaries, based on a gradual approach.

The dynamics of strengthening the regulatory framework and the implementation of the new structure, had the combined effect of allowing a strengthening of the IRB risk monitoring and consolidation of the country risk management system.

b) Country risk general policy: Country risk general policy is governed by a charter whose aim is to determine a framework for those activities which expose the bank to international risk in terms of risk structuring, management, monitoring and surveillance.

With the international expansion of banking operations due to the fact that economies are more and more globalised and interconnected, country risk has become a major component of credit risk. Counterparty risk is governed by the Attijariwafa bank's general credit policy while country risk is governed by the present charter.

Country risk general policy measures are applicable to international risks on a permanent basis at both parent and subsidiary levels. They may be updated when economic and financial circumstances change.

These measures may be complemented by specific policies relating to certain activities (sovereign debt) or to any of the bank's units. They are also accompanied by credit risk guidelines revised periodically.

Country risk general policy is subject to approval by decision-making bodies of the bank.

c) Methodology for identifying and appraising international risks: Attijariwafa bank undertakes banking and banking related activities in its domestic market and in foreign countries through subsidiaries and in some cases branches. Thus, its exposure to international risks encompasses all types of commitment made by the bank in its capacity as creditor towards non-resident counterparties both in dirhams and foreign currencies.

A breakdown of country risk exposure by activity at 31 December 2014 reveals the predominance of trade finance, accounting for 58% of the bank's total international risk exposure. This was followed by foreign assets transaction with a 38% share, reflecting the bank's international growth in line with the opening up of Morocco's economy in global terms.

d) Methodology for calculating and restating country risk exposure based on the risk transfer principle which highlights regions and countries to which exposure is high (in value terms and as a share of the bank's shareholders' equity) as well as mapping corresponding risks.

e) Consolidation rules for country risk exposure providing an analysis of each subsidiary's commitments by country as well as those of the parent company and an overall perspective of the Group's total commitments.

f) Development of an internal country scoring system reflecting a country's **vulnerability**. The overall grade is based on a multicriteria assessment approach combining:

1. An economic risk sub-score based on **macroeconomic indicators** such as the public budget balance, external debt, foreign exchange reserves and GDP, providing an overview of a country's economic solidity;
2. A financial risk sub-score based on macroeconomic indicators such as external debt, debt service obligations, foreign exchange reserves and current account balance, providing an overview of a country's liquidity situation;
3. A market risk sub-score based primarily on credit default swaps as protection against issuer default and therefore as an indicator of a country's default probability;
4. A political risk sub-score reflecting a country's vulnerability to political instability; this indicator is based on a multi-criteria assessment approach combining the integrity of the judicial system, administration and bureaucracy, the redistribution of wealth by analysing the poverty rate, the Democracy Index and ease of Doing Business index.

The resulting internal country score is the algebraic sum of the above sub-scores and is graded on a scale of 1 to 5, 1 representing an excellent risk profile and 5 representing a highly vulnerable risk profile.

V- Risk Management

The GRMG has set up a unit dedicated to risk management systems, in line with the best practices in terms of risk management underpinned by Basel II reform.

This Unit is responsible for the implementation and monitoring of rating models at the Group level, rating mapping management and continuous improvement of the risk management system.

As part of the transition process towards the advanced approaches engaged by the bank through the central bank (BAM) and the bank management, a Basel II system has been implemented under the responsibility of the Risk Management Unit.

Internal credit rating system:

Attijariwafa bank's internal credit rating system serves as an aid in the assessment of risks, in the credit decision process and in the monitoring of risks. It is one of the tools used to detect a decline or improvement in risk quality at each regular portfolio review.

A first-generation internal ratings model was developed by Attijariwafa bank in June 2003 with technical assistance provided by Mercer Oliver Wyman, a global consulting firm.

In 2010, the Group rolled out a new internal rating model at the level of the bank's information system in line with Basel II requirements.

This model designed for the assessment of corporate banking customers takes into account qualitative and behavioural elements, in addition to financial information. It covers most of the bank's loan commitments. The design of the new model relies on the analysis of uniform categories of risk and statistically recognised analyses.

This rating system is based chiefly on the concept of a counterparty rating, corresponding to the counterparty's probability of default within one year. This rating is assigned to a risk class in the rating scale, which consists of eight risk classes including one in default (A, B, C, D, E, F, G and H).

Attijariwafa bank risk class	Description
A	Very good
B	Good
C	Fairly good
D	Average
E	Mediocre
F	Poor
G	Very Poor
H	Default

With respect to risk quality surveillance, the Risk Management Systems unit produces a regular risk mapping report analysed from different viewpoints e.g. commitment, business sector, pricing, networks, amounts due, etc. with the aim of improving the portfolio's coverage ratio.

A rating system for property development companies organised around two main dimensions (customer / project) is operational.

This approach is in keeping with the need to ensure compliance with Basel II advanced measurement approaches.

The progress of Basel II workshop in 2014

- A rating system, designed by an expert, on real estate development projects, based on qualitative and quantitative variables was deployed in 2014. The year 2015 will be devoted to the validation of the promoter's rating model, built around customer-specific data (balance sheets, behavior, experience ...) and rating of previous projects.
- 2014, the first phase of using the rating tool (very small enterprise) and decision support based on quantitative and qualitative data and customer behavior, allowing the industrialization of the decision and control of risks. Several actions to promote this system - equity adjustments to decision rules of change and monitoring management- were carried out later this year.
- The rating systems of international subsidiaries are being deployed. The ABT website (Tunisia) acquired a rating tool in 2014. Also, a new rating model of the SIB (Ivory-Coast) is being approved. Similarly, other rating systems are expected to be designed for CBAO (Senegal) and SCB (Cameroon) in 2015-2016.
- In collaboration with the Wafabail subsidiary, the Risk Management Unit has developed a rating model for risk management on the equipment to be acquired. The developed model covers all Mobile Equipment Leasing, namely: utility vehicles. This rating system is aimed at estimating the non-recovery rate on the value of the equipment acquisition, based on several information about the brand, region, industry, type, etc.

A pre-licensing mission for the Enterprise segment was conducted jointly by our General Audit Unit and an international firm. It allowed us to strengthen our methodological approach of rating systems and identified improvement actions necessary to fully align our systems to the requirements of Basel II advanced approaches and directions of the central bank.

VI- Asset-Liability Management

The ad hoc ALM Committee is responsible for the bank's ALM policy for structural financial risks relating to interest rates, liquidity, and foreign exchange.

The committee sets guidelines for balance sheet management and for global management of ALM risks incurred.

The ALM Committee regularly reviews risk-management procedures, whose implementation is discussed at the ALM Committee's quarterly meetings.

The ALM Committee is authorized at the parent level to perform the following key duties:

- static and dynamic balance sheet analyses;
- review and assessment of liquidity, interest rate, and exchange rate risks;
- proactive modeling and forward-looking guidance for regulatory solvency ratios;
- preparation, validation, and management of action plans for the next reporting period, particularly as regards:
  - medium and long-term financing and investment policy;
  - commercial guidelines concerning maturities (short, intermediate, and long) and rates (price structure, types of rates, invoicing of options, etc.);
  - all other plans for active hedging or reduction of risks related to liquidity, interest rates, and exchange rates, and for compliance with BAM requirements (regulatory solvency ratios).
- updating and back-testing for robustness of ALM models and assumptions;
- support and monitoring of ALM performance indicators for the bank and its subsidiaries.

6.6 Scope of consolidation

Name	Sector of activity	(A)	(B)	(C)	(D)	Country	Methode	% 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%	51,93%
ATTIJARIBANK TUNISIE	Bank					Tunisia	IG	58,98%	58,98%
LA BANQUE INTERNATIONALE POUR LE MALI	Bank					Mali	IG	51,00%	51,00%
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	51,00%	51,00%
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		(1)			Togo	IG	55,00%	55,00%
WAFA SALAF	Consumer credit					Morocco	IG	50,91%	50,91%
WAFA BAIL	Financial leasing					Morocco	IG	97,83%	97,83%
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	75,00%	75,00%
WAFA CASH	Cash activities					Morocco	IG	99,98%	99,98%
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	79,29%	79,29%
FCP OPTIMISATION	Dedicated mutual funds					Morocco	IG	79,29%	79,29%
FCP STRATEGIE	Dedicated mutual funds					Morocco	IG	79,29%	79,29%
FCP EXPANSION	Dedicated mutual funds					Morocco	IG	79,29%	79,29%
FCP FRUCTI VALEURS	Dedicated mutual funds					Morocco	IG	79,29%	79,29%
WAFA ASSURANCE	Insurance					Morocco	IG	79,29%	79,29%
BCM CORPORATION	Holding Company					Morocco	IG	100,00%	100,00%
WAFA CORP	Holding Company					Morocco	IG	100,00%	100,00%
OGM	Holding Company					Morocco	IG	100,00%	100,00%
ANDALUCARTHAGE	Holding Company					Morocco	IG	100,00%	100,00%
KASOVI	Holding Company					British Virgin Islands	IG	50,00%	50,00%
SAF	Holding Company					France	IG	99,82%	49,98%
FILAF	Holding Company					Senegal	IG	100,00%	50,00%
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%
MOUSSAFIR	Hospitality industry					Morocco	MEE	33,34%	33,34%
ATTIJARI SICAR	Risk capital					Tunisia	IG	67,23%	39,65%
PANORAMA	Real estate company					Morocco	IG	79,29%	79,29%
SOCIETE IMMOBILIERE TOGO LOME	Real estate company		(2)			Togo	IG	100,00%	100,00%

(A) Movements occurring in first half of 2013
(B) Movements occurring in second half of 2013
(C) Movements occurring in first half of of 2014
(D) Movements occurring in second half of 2014

1 - Acquisition	7 - Change in method - Proportional integration to global integration
2 - Creation, crossing threshold	8 - Change in method - Global integration to equity method
3 - Entry into IFRS perimeter	9 - Change in method - Equity method to global integration
4 - Disposal	10 - Change in method - Global integration to propotional integration
5 - Deconsolidation	11 - Change in method - Equity method to proportional integration
6 - Merger between consolidated entities	12 - Reconsolidation

FINANCIAL STATEMENTS

Parent company financial statements at 31 December 2014

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, including the branch offices in Brussels. 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

This category comprises securities which are expected to be useful to the bank if held over the long term.

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.

6. Foreign currency-denominated transactions

Foreign currency-denominated 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 (Brussels branch offices) 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

Property, plant and equipment are categorised as operating or non-operating assets and are depreciated over the following periods:

Type	Depreciation 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.

FINANCIAL STATEMENTS

Parent company financial statements at 31 December 2014

Balance sheet at 31 December 2014

(thousand MAD)

ASSETS	12/31/2014	12/31/2013
Cash and balances with central banks, the Treasury and post office accounts	**4 005 381**	**7 594 415**
Loans and advances to credit institutions and similar establishments	**33 640 290**	**32 342 391**
- Sight	8 022 540	5 286 629
- Term	25 617 750	27 055 762
Loans and advances to customers	**170 228 295**	**168 897 359**
- Short-term loans and consumer loans	52 671 726	50 594 031
- Equipment loans	58 369 891	55 461 129
- Mortgage loans	54 542 287	56 147 102
- Other loans	4 644 391	6 695 097
Receivables acquired through factoring	**1 058 799**	**561 695**
Trading securities and available-for-sale securities	**49 367 508**	**51 616 324**
- Treasury bills and similar securities	32 842 678	38 807 089
- Other debt securities	1 384 140	2 691 012
- Fixed Income Funds	15 140 690	10 118 223
Other assets	**2 425 647**	**3 035 592**
Investment securities	**9 195 147**	**10 225 201**
- Treasury bills and similar securities	9 195 147	10 225 201
- Other debt securities	-	-
Investments in affiliates and other long-term investments	**12 529 449**	**12 475 572**
Subordinated loans	-	-
Leased and rented assets	**1 618 377**	**1 485 490**
Intangible assets	**1 895 942**	**1 824 486**
Property, plant and equipment	**2 853 555**	**2 291 343**
TOTAL ASSETS	288 818 390	292 349 868

LIABILITIES	12/31/2014	12/31/2013
Amounts owing to central banks, the Treasury and post office accounts	-	-
Amounts owing to credit institutions and similar establishments	**41 530 448**	**53 993 083**
- Sight	6 455 549	6 359 784
- Term	35 074 899	47 633 299
Customer deposits	**190 719 730**	**174 134 658**
- Current accounts in credit	116 140 652	105 275 973
- Savings accounts	25 234 472	23 679 523
- Term deposits	41 123 434	37 972 152
- Other accounts in credit	8 221 172	7 207 010
Debt securities issued	**9 292 042**	**7 744 448**
- Negociable debt securities	9 292 042	7 744 448
- Bonds	-	-
- Other debt securities issued	-	-
Other liabilities	**5 875 482**	**17 339 107**
General provisions	**2 634 425**	**1 726 395**
Regulated provisions	-	-
Subsidies, public funds and special guarantee funds	-	-
Subordinated debt	**9 778 262**	**10 034 909**
Revaluation reserve	**421**	**420**
Reserves and premiums related to share capital	**23 407 000**	**22 052 401**
Share capital	**2 035 272**	**2 035 272**
Shareholders, unpaid share capital (-)	-	-
Retained earnings (+/-)	**1 194**	**-312**
Net income to be allocated (+/-)	-	-
Net income for the financial year (+/-)	**3 544 114**	**3 289 487**
TOTAL LIABILITIES	288 818 390	292 349 868

Off-balance sheet items at 31 December 2014

(thousand MAD)

OFF-BALANCE	12/31/2014	12/31/2013
COMMITMENTS GIVEN	**54 539 865**	**55 419 879**
Financing commitments given to credit institutions and similar establishments	532	532
Financing commitments given to customers	15 996 740	12 695 610
Guarantees given to credit institutions and similar establishments	8 585 113	6 080 971
Guarantees given to customers	29 957 480	29 816 450
Securities purchased with repurchase agreement	-	6 746 319
Other securities to be delivered	-	79 997
COMMITMENTS RECEIVED	**17 278 171**	**14 504 285**
Financing commitments received from credit institutions and similar establishments	658 170	-
Guarantees received from credit institutions and similar establishments	16 543 596	14 454 051
Guarantees received from the State and other organisations providing guarantees	76 405	50 234
Securities sold with repurchase agreement	-	-
Other securities to be received	-	-

Management accounting statement at 31 December 2014

(thousand MAD)

I - RESULTS ANALYSIS	12/31/2014	12/31/2013
+ Interest and similar income	11 286 583	11 204 266
- Interest and similar expenses	4 727 707	4 716 930
NET INTEREST MARGIN	**6 558 876**	**6 487 336**
+ Income from lease-financed fixed assets	272 712	156 437
- Expenses on lease-financed fixed assets	172 759	96 649
NET INCOME FROM LEASING ACTIVITIES	**99 953**	**59 788**
+ Fees received	1 269 742	1 265 049
- Fees paid	-	-
NET FEE INCOME	**1 269 742**	**1 265 049**
+ Income from trading securities	3 402 192	1 459 439
+ Income from available-for-sale securities	17 507	-43
+ Income from foreign exchange activities	423 317	366 722
+ Income from derivatives activities	-710 701	24 937
INCOME FROM MARKET ACTIVITIES	**3 132 315**	**1 851 055**
+ Other banking income	1 272 033	1 324 216
- Other banking expenses	884 368	852 042
NET BANKING INCOME	**11 448 552**	**10 135 404**
+ Income from long-term investments	-139 805	-77 966
+ Other non-banking operating income	62 905	68 410
- Other non-banking operating expenses	225	-
- General operating expenses	3 926 742	3 736 322
GROSS OPERATING INCOME	**7 444 684**	**6 389 526**
+ Net provisions for non-performing loans and signature loans	-1 175 214	-1 166 832
+ Other net provisions	-832 224	-395 853
NET OPERATING INCOME	**5 437 246**	**4 826 841**
NON OPERATING INCOME	**-68 992**	**-79 777**
- Income tax	1 824 140	1 457 578
NET INCOME FOR THE FINANCIAL YEAR	**3 544 114**	**3 289 487**

II - TOTAL CASH FLOW	12/31/2014	12/31/2013
+ NET INCOME FOR THE FINANCIAL YEAR	**3 544 114**	**3 289 487**
+ Depreciation, amortisation and provisions for fixed asset impairment	413 765	402 492
+ Provisions for impairment of long-term investments	150 827	142 150
+ General provisions	670 000	400 000
+ Regulated provisions	-	-
+ Extraordinary provisions	-	-
- Reversals of provisions	11 023	3 437
- Capital gains on disposal of fixed assets	31 488	39 329
+ Losses on disposal of fixed assets	225	-
- Capital gains on disposal of long-term investments	-	60 747
+ Losses on disposal of long-term investments	-	-
- Write-backs of investment subsidies received	-	
+ TOTAL CASH FLOW	**4 736 420**	**4 130 616**
- Profits distributed	1 933 508	1 811 188
+ SELF-FINANCING	**2 802 912**	**2 319 428**

Non-performing customer loans at 31 December 2014

(thousand MAD)

	Disbursed loans	Signature loans	Amount	Provisions for disbursed loans	Provisions for signature loans	Amount
12/31/2014	9 669 167	672 193	**10 341 360**	6 644 080	202 504	**6 846 584**

Sales at 31 December 2014

(thousand MAD)

year 2014	year 2013	year 2012
19 115 288	**16 236 923**	**15 914 465**

Income statement at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
OPERATING INCOME FROM BANKING ACTIVITIES	**19 115 288**	**16 236 924**
Interest and similar income from transactions with credit institutions	1 127 904	1 095 866
Interest and similar income from transactions with customers	9 512 053	9 539 872
Interest and similar income from debt securities	646 626	568 528
Income from equity securities	1 272 033	1 324 216
Income from lease-financed fixed assets	272 712	156 437
Fee income	1 269 742	1 265 049
Other banking income	5 014 218	2 286 956
OPERATING EXPENSES ON BANKING ACTIVITIES	**7 666 736**	**6 101 520**
Interest and similar expenses on transactions with credit institutions	1 335 585	1 302 654
Interest and similar expenses on transactions with customers	3 022 955	3 022 096
Interest and similar expenses on debt securities issued	369 168	392 180
Expenses on lease-financed fixed assets	172 758	96 649
Other banking expenses	2 766 270	1 287 941
NET BANKING INCOME	**11 448 552**	**10 135 404**
Non-banking operating income	62 905	129 157
Non-banking operating expenses	225	-
OPERATING EXPENSES	**3 926 742**	**3 736 322**
Staff costs	1 773 329	1 683 047
Taxes other than on income	111 132	108 632
External expenses	1 619 660	1 536 632
Other general operating expenses	8 856	5 519
Depreciation, amortisation and provisions	413 765	402 492
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	**2 960 631**	**2 308 595**
Provisions for non-performing loans and signature loans	1 520 530	1 492 915
Losses on irrecoverable loans	406 555	211 614
Other provisions	1 033 546	604 066
PROVISION WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	**813 388**	**607 197**
Provision write-backs for non-performing loans and signature loans	675 084	489 971
Amounts recovered on impaired loans	76 787	47 726
Other provision write-backs	61 517	69 500
INCOME FROM ORDINARY ACTIVITIES	**5 437 247**	**4 826 841**
Non-recurring income	14 446	4 653
Non-recurring expenses	83 439	84 430
PRE-TAX INCOME	**5 368 254**	**4 747 064**
Income tax	1 824 140	1 457 578
NET INCOME FOR THE FINANCIAL YEAR	**3 544 114**	**3 289 486**

Cash flow statement at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
1. (+) Operating income from banking activities	17 410 881	14 585 800
2. (+) Amounts recovered on impaired loans	76 787	47 726
3. (+) Non-banking operating income	60 889	33 734
4. (-) Operating expenses on banking activities (*)	-8 662 740	-6 934 854
5. (-) Non-banking operating expenses	-225	
6. (-) General operating expenses	-3 512 977	-3 333 830
7. (-) Income tax	-1 824 140	-1 457 578
I. NET CASH FLOW FROM INCOME STATEMENT	**3 548 475**	**2 940 998**
Change in: 8. (±) Loans and advances to credit institutions and similar establishments	-1 297 899	-3 613 362
9. (±) Loans and advances to customers	-1 828 040	598 559
10. (±) Trading securities and available-for-sale securities	2 248 816	600 037
11. (±) Other assets	609 945	-776 479
12. (±) Lease-financed fixed assets	-132 887	-672 513
13. (±) Amounts owing to credit institutions and similar establishments	-12 462 635	7 020 443
14. (±) Customer deposits	16 585 072	2 218 241
15. (±) Debt securities issued	1 547 594	-1 467 308
16. (±) Other liabilities	-11 463 625	6 131 811
II. NET CHANGE IN OPERATING ASSETS AND LIABILITIES	**-6 193 659**	**10 039 429**
III. NET CASH FLOW FROM OPERATING ACTIVITIES (I + II)	**-2 645 184**	**12 980 427**
17. (+) Income from the disposal of long-term investments	1 030 054	59 176
18. (+) Income from the disposal of fixed assets	171 115	134 020
19. (-) Acquisition of long-term investments	-193 982	-10 464 277
20. (-) Acquisition of fixed assets	-1 071 923	-648 731
21. (+) Interest received	432 374	326 908
22. (+) Dividends received	1 272 033	1 324 216
IV. NET CASH FLOW FROM INVESTMENT ACTIVITIES	**1 639 671**	**-9 268 688**
23. (+) Subsidies, public funds and special guarantee funds		
24. (+) Subordinated loan issuance	-217 400	-332 600
25. (+) Equity issuance		685 242
26. (-) Repayment of shareholders' equity and equivalent		
27. (-) Interest paid	-432 613	-465 654
28. (-) Dividends paid	-1 933 508	-1 811 188
V- NET CASH FLOW FROM FINANCING ACTIVITIES	**-2 583 521**	**-1 924 200**
VI- NET CHANGE IN CASH AND CASH EQUIVALENTS	**-3 589 034**	**1 787 539**
VII- CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**7 594 415**	**5 806 876**
VIII- CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**4 005 381**	**7 594 415**

(*) including net provisions

Statement of departures from standard accounting treatment at 31 December 2014

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 31 December 2014

NATURE DES CHANGEMENTS	REASONS FOR CHANGES	IMPACT OF CHANGES 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 31 December 2014

(thousand MAD)

LOANS AND ADVANCES	Bank Al Maghrib, the Treasury and post office accounts	Banks	Other credit institutions or equivalent in Morocco	Credit institutions abroad	Total 12/31/2014	Total 12/31/2013
CURRENT ACCOUNTS IN DEBIT	**828 712**		**3 964 215**	**3 217 801**	**8 010 728**	**9 865 685**
NOTES RECEIVED AS SECURITY						
- overnight						
- term						
CASH LOANS		**724 427**	**8 693 780**	**1 717 824**	**11 136 031**	**12 931 866**
- overnight		524 427			524 427	59 413
- term		200 000	8 693 780	1 717 824	10 611 604	12 872 453
FINANCIAL LOANS		**2 655 906**	**12 353 421**		**15 009 327**	**13 974 402**
OTHER LOANS		**74 503**	**3 937**	**310**	**78 750**	**115 002**
INTEREST ACCRUED AWAITING RECEIPT			**231 171**	**2 994**	**234 165**	**205 013**
NON-PERFORMING LOANS						
TOTAL	**828 712**	**3 454 836**	**25 246 524**	**4 938 929**	**34 469 001**	**37 091 968**

Loans and advances to customers at 31 December 2014

(thousand MAD)

LOANS AND ADVANCES	Public sector	Private sector			Total 12/31/2014	Total 12/31/2013
		Financial companies	Non-financial companies	Other customers		
SHORT-TERM LOANS	**2 826 511**	**609 055**	**38 066 400**	**2 065 500**	**43 567 466**	**41 370 368**
- Current accounts in debit	1 073 087	609 055	15 500 520	1 789 359	18 972 021	23 964 277
- Commercial loans within Morocco			5 730 573		5 730 573	4 199 048
- Export loans			374 737		374 737	389 553
- Other cash loans	1 753 424		16 460 570	276 141	18 490 135	12 817 490
CONSUMER LOANS			**499 033**	**8 025 161**	**8 524 194**	**8 473 627**
EQUIPMENT LOANS	**28 193 724**		**26 360 559**	**3 052 325**	**57 606 608**	**54 732 766**
MORTGAGE LOANS	**10 628**		**18 390 744**	**36 140 181**	**54 541 553**	**56 125 480**
OTHER LOANS	**8**	**1 165**	**310 226**	**1 306 034**	**1 617 433**	**4 063 542**
RECEIVABLES ACQUIRED THROUGH FACTORING			**1 058 799**		**1 058 799**	**561 695**
INTEREST ACCRUED AWAITING RECEIPT			**1 268 461**	**77 494**	**1 345 955**	**1 501 445**
NON-PERFORMING LOANS		**96 722**	**1 575 223**	**1 353 141**	**3 025 086**	**2 630 136**
- Sub-standard loans			56	52 880	52 936	55 440
- Doubtful loans			151 310	124	151 434	157 438
- Impaired loans		96 722	1 423 857	1 300 137	2 820 716	2 417 258
TOTAL	**31 030 871**	**706 942**	**87 529 445**	**52 019 836**	**171 287 094**	**169 459 059**

Breakdown of trading securities, available-for-sale securities and investment securities by category of issuer at 31 December 2014

(thousand MAD)

SECURITIES	Credit institutions and similar establishments	Public issuers	Private issuers		Total 12/31/2014	Total 12/31/2013
			Financial companies	Non-financial companies		
LISTED SECURITIES	**530**	**328 016**	**15 053 381**	**283 029**	**15 664 956**	**11 013 772**
- Treasury bills and similar instruments					-	-
- Bonds		328 016		232 729	560 745	838 630
- Other debt securities					-	84 690
- Fixed Income Funds	530		15 053 381	50 300	15 104 211	10 090 452
UNLISTED SECURITIES	**223 080**	**41 704 843**	**607 818**	**8 328**	**42 544 069**	**50 421 587**
- Treasury bills and similar instruments		41 701 878			41 701 878	48 646 290
- Bonds	44 844		583 289		628 133	1 469 318
- Other debt securities	177 579				177 579	278 208
- Fixed Income Funds	657	2 965	24 529	8 328	36 479	27 771
TOTAL	**223 610**	**42 032 859**	**15 661 199**	**291 357**	**58 209 025**	**61 435 359**

Value of trading securities, available-for-sale securities and investment securities at 31 December 2014

(thousand MAD)

SECURITIES	Gross book value	Current value	Redemption value	Unrealised capital gains	Unrealised losses	Provisions
TRADING SECURITIES	**44 292 019**	**44 292 019**	**-**	**-**	**-**	**-**
- Treasury bills and similar instruments	28 613 850	28 613 850		-	-	-
- Bonds	585 224	585 224		-	-	-
- Other debt securities	-	-		-	-	-
- Fixed Income Funds	15 092 946	15 092 946		-	-	-
AVAILABLE-FOR-SALE SECURITIES	**4 980 828**	**4 962 022**	**-**	**150 643**	**18 806**	**18 806**
- Treasury bills and similar instruments	4 133 045	4 133 045		133 796	-	-
- Bonds	603 655	603 655		10 313	-	-
- Other debt securities	177 579	177 579			-	-
- Fixed Income Funds	66 549	47 744		6 534	18 806	18 806
INVESTMENT SECURITIES	**8 954 984**	**8 954 984**	**-**	**-**	**-**	**-**
- Treasury bills and similar instruments	8 954 984	8 954 984		-	-	-
- Bonds				-	-	-
- Other debt securities	-	-		-	-	-

Details of other assets at 31 December 2014

(thousand MAD)

ASSETS	AMOUNT AT 12/31/2014	AMOUNT AT 12/31/2013
OPTIONS PURCHASED		
SUNDRY SECURITIES TRANSACTIONS [1]		
SUNDRY DEBTORS	**560 572**	**483 157**
Amounts due from the State	246 721	258 665
Amounts due from mutual societies		
Sundry amounts due from staff		
Amounts due from customers for non-banking services	252	429
Other sundry debtors	313 599	224 063
OTHER SUNDRY ASSETS	**1 327**	**1 567**
ACCRUALS AND SIMILAR	**1 747 288**	**2 433 846**
Adjustment accounts for off-balance sheet transactions	53 203	332 916
Translation differences for foreign currencies and securities	74	76
Income from derivative products and hedging		
Deferred expenses	64 120	40 511
Inter-company accounts between head office, branch offices and branches in Morocco	438	1 886
Accounts receivable and prepaid expenses	1 370 886	1 557 838
Other accruals and similar	258 567	500 619
NON-PERFORMING LOANS ON SUNDRY TRANSACTIONS	**116 460**	**117 022**
TOTAL	**2 425 647**	**3 035 592**

(1) PCEC 341, 3463 and 3469 if in debit

Leased and rented assets at 31 December 2014

(thousand MAD)

CATEGORY	Gross amount at the beginning of the exercise	Amount of acquisitions during the exercise	Amount of transfers or withdrawals during the exercise	Gross amount at the end of the exercise	Depreciation		Provisions			Net amount at the end of the exercise
					Allocation during the exercise	Aggregate depreciate	Allocation in the exercise	Provision write downs	Aggregate provisions	
LEASED AND RENTED ASSETS	**2 047 222**	**1 303 807**	**1 008 617**	**2 342 412**	**172 759**	**724 035**				**1 618 377**
LEASED INTANGIBLE ASSETS										
Equipment leasing	**2 020 716**	**1 263 669**	**1 006 007**	**2 278 378**	**172 759**	**702 100**				**1 576 278**
- Movable assets under lease	1 006 393		1 006 007	386						386
- Leased movable assets	1 014 323	1 263 669		2 277 992	172 759	702 100				1 575 892
- Movable assets unleased after cancellation										
Property leasing	**25 647**			**25 647**		**21 936**				**3 711**
- Immovable assets under lease										
- Immovable leased assets	25 647			25 647		21 936				3 711
- Immovable assets unleased after cancellation										
Rents awaiting receipt										
Restructured rents										
Rents in arrears	859	40 139	2 610	38 388						38 388
Non-performing loans										
RENTED ASSETS										
Rented movable property										
Rented property										
Rents awaiting receipt										
Restructured rents										
Rents in arrears										
Non-performing rents										
TOTAL	**2 047 222**	**1 303 807**	**1 008 617**	**2 342 412**	**172 759**	**724 035**				**1 618 377**

Subordinated loans at 31 December 2014

(thousand MAD)

LOANS	Amount				including affiliates and related companies	
	12/31/2014			12/31/2013	12/31/2014	12/31/2013
	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 31 December 2014

(thousand MAD)

TYPE	Gross value at the beginning of the exercise	Acquisitions	Disposals	Gross value at the end of the exercise	Depreciation and/or provisions				Net value at the end of the exercise
					Amortisation and provisions at the beginning of the exercise	Additional amortisation in 2012	Amortisation on disposed assets	Accumulated amortisation and depreciation	
INTANGIBLE ASSETS	**2 779 876**	**234 411**	**-**	**3 014 287**	**955 390**	**162 993**	**38**	**1 118 345**	**1 895 942**
- Lease rights	307 822	5 406	-	313 228	-	-	-	-	313 228
- Research and development	-	-	-	-	-	-	-	-	-
- Intangible assets used in operations	2 472 054	229 005	-	2 701 059	955 390	162 993	38	1 118 345	1 582 714
- Non-operating intangible assets	-	-	-	-	-	-	-	-	-
PROPERTY, PLANT AND EQUIPMENT	**5 989 894**	**837 512**	**154 878**	**6 672 527**	**3 699 102**	**250 772**	**130 902**	**3 818 972**	**2 853 555**
Immovable property used in operations	**1 752 592**	**36 041**	**1 724**	**1 786 909**	**709 413**	**57 278**	**1 043**	**765 647**	**1 021 262**
- Land	294 630	2 961	140	297 451	-	-	-	-	297 451
- Office buildings	1 394 894	33 080	324	1 427 650	657 728	55 517	122	713 123	714 527
- Staff accommodation	63 068	-	1 260	61 808	51 684	1 761	921	52 524	9 284
Movable property and equipment used in operations	**1 847 625**	**122 754**	**137 156**	**1 833 223**	**1 727 867**	**51 192**	**121 447**	**1 657 612**	**175 612**
- Office property	387 247	13 504	1 518	399 234	362 432	8 300	1 514	369 217	30 016
- Office equipment	850 813	33 400	123 790	760 423	804 132	20 017	118 942	705 207	55 216
- IT equipment	601 335	75 850	11 848	665 337	553 281	22 791	990	575 082	90 255
- Vehicles	8 230	-	-	8 230	8 022	84	-	8 106	124
- Other equipment	-	-	-	-	-	-	-	-	-
Other property, plant and equipment used in operations	**1 429 877**	**83 760**	**5 333**	**1 508 305**	**1 029 756**	**107 555**	**5 196**	**1 132 115**	**376 189**
Property, plant and equipment not used in operations	**959 800**	**594 956**	**10 666**	**1 544 090**	**232 066**	**34 748**	**3 217**	**263 597**	**1 280 493**
Land	220 767	371 651	2 606	589 812	-	-	-	-	589 812
Buildings	560 358	212 960	8 060	765 258	136 900	26 871	3 217	160 553	604 705
Movable property and equipment	43 309	-	-	43 309	43 087	-	-	43 087	222
Other property, plant and equipment not used in operations	135 366	10 345	-	145 711	52 079	7 877	-	59 957	85 754
TOTAL	**8 769 770**	**1 071 923**	**154 878**	**9 686 814**	**4 654 492**	**413 765**	**130 940**	**4 937 317**	**4 749 497**

Gains and losses on fixed asset transfers or withdrawals at 31 December 2014

(thousand MAD)

Date of transfer or withdrawal	Type	Gross amount	Aggregate depreciation	Net book value	Transfer income	Value-added transfers	Loss in value transfers
	OFFICE EQUIPMENT AND FURNITURE	**137 156**	**122 003**	**15 153**	**19 809**	4 745	-225
dec-14	OFFICE FURNITURE	1 518	1 514	3			
dec-14	OFFICE EQUIPMENT	123 790	119 499	4 291			
dec-14	INTERBANK EQUIPMENT	-	-	-			
dec-14	SAFE DEPOSIT	-	-	-			
dec-14	IT EQUIPMENT	11 848	990	10 858			
	SOFTWARE	**17 723**	**8 937**	**8 786**	**20 366**	**11 717**	
dec-14	GROUNDS	2 746	-	2 746	-		
dec-14	APPARTEMENTS	8 384	2 820	5 563		-	
dec-14	BUILDING	6 593	6 117	476			
	TOTAL GENERAL	**154 878**	**130 940**	**23 938**	**40 175**	**16 462**	-225

Investments in affiliates and other long-term investments at 31 December 2014

(thousand MAD)

NAME OF THE ISSUING COMPANY	Sector of activity	Share capital	Share of equity held	Gross book value	Net book value	Data from the issuing company's most recent financial statements			Contri-bution to current year's income
						Year-end	Net assets	Net income	
A. INVESTMENTS IN AFFILIATE COMPANIES				**11 719 532**	**11 426 002**				**1 199 522**
ATTIJARI FINANCES CORPORATE	INVESTMENT BANKING	10 000	100,00%	10 000	10 000	31/12/14	45 580	33 097	22 000
OMNIUM DE GESTION MAROCAIN S.A."OGM"	HOLDING COMPANY	885 000	100,00%	2 047 900	2 047 900	31/12/14	1 433 342	239 697	360 000
SOMACOVAM	ASSET MANAGEMENT	5 000	100,00%	30 000	7 936				-
WAFA GESTION	ASSET MANAGEMENT	4 900	66,00%	236 369	236 369	31/12/14	128 279	60 699	39 034
ATTIJARI INVEST.		5 000	100,00%	5 000	5 000	30/06/12	49 808	4 765	-
WAFA BOURSE	SECURITIES BROKERAGE	20 000	100,00%	40 223	35 516	30/06/12	39 601	-1 542	-
WAFA PATRIMOINE	PRIVATE PORTFOLIO MANAGEMENT	10 000	66,00%	11 700	9 911				-
ATTIJARI OPERATIONS		1 000	100,00%	1 000	1 000	41639	161	-74	-
ATTIJARI AFRICA		2 000	100,00%	2 000	2 000	41639	17 093	8 675	-
ATTIJARI CIB AFRICA		2 000	100,00%	2 000	2 000	41639	422	-70	-
ATTIJARI IT AFRICA		1 000	100,00%	1 000	1 000	41639	2 239	1 190	-
ATTIJARIWAFA BANK MIDDLE EAST LIMITED		1 000	100,00%	8 194	8 194				-
STE MAROCAINE DE GESTION ET TRAITEMENT INFORMATIQUE "SOMGETI"	IT	300	100,00%	100	100	31/12/13	548	-18	-
AGENA MAGHREB	SALE OF IT EQUIPMENT	11 000	74,96%	33	-	31/12/13	-6 753	-37	-
ATTIJARI CAPITAL DEVELOPEMENT	RISK CAPITAL	10 000	100,00%	10 000	10 000				-
ATTIJARI PROTECTION	SECURITY	4 000	83,75%	3 350	3 350	41639	4 607	-30	-
BCM CORPORATION	HOLDING COMPANY	200 000	100,00%	200 000	200 000	31/12/14	249 723	35 941	40 000
CASA MADRID DEVELOPPEMENT	DEVELOPMENT CAPITAL	10 000	50,00%	5 000	5 000	31/12/13	10 472	256	-
DINERS CLUB DU MAROC	MANAGEMENT OF PAYMENT CARDS	1 500	100,00%	1 675	1 055	31/12/13	1 055	-82	-
MEDI TRADE	TRADING	1 200	20,00%	240	173	31/12/13	715	23	-
AL MIFTAH	PROPERTY	100	100,00%	243	-	31/12/13	-2 046	-2 125	-
WAFA COURTAGE		1 000	100,00%	2 397	2 397	31/12/13	20 869	14 578	13 000
WAFA COMMUNICATION		3 000	86,67%	2 600	267	31/12/13	309	55	-
WAFA FONCIERE	PROPERTY MANAGEMENT	2 000	100,00%	3 700	2 010	31/12/13	2 010	-177	-
WAFA INVESTISSEMENT	INVESTMENT HOLDING COMPANY	55 000	100,00%	55 046	-				-
WAFA SYSTEMES CONSULTING	IT CONSULTING	5 000	99,88%	4 994	4 994	31/12/13	5 744	-223	-
WAFA SYSTEMES DATA	IT	1 500	100,00%	1 500	1 500	31/12/13	1 655	-50	-
WAFA SYSTEMES FINANCES	IT SOLUTIONS	2 000	100,00%	2 066	2 066	31/12/13	2 544	-369	-
WAFA TRUST	FINANCIAL SERVICES		100,00%	1 500	1 500	30/06/12	1 616	-55	-
ATTIJARIA AL AAKARIA AL MAGHRIBIA	PROPERTY	10 000	100,00%	9 999	7 600	31/12/13	7 600	240	-
SOCIETE IMMOBILIERE ATTIJARIA AL YOUSSOUFIA	PROPERTY	50 000	100,00%	51 449	51 449	31/12/13	101 577	-16	45 000
STE IMMOB.BOULEVARD PASTEUR " SIBP"	PROPERTY	300	50,00%	25	25	41639	1 123	2	-
SOCIETE IMMOBILIERE RANOUIL	PROPERTY	3 350	100,00%	11 863	4 661	31/12/13	4 661	69	-
SOCIETE IMMOBILIERE DE L'HIVERNAGE SA	PROPERTY	15 000	100,00%	15 531	11 810	41639	11 810	-1 352	-
SOCIETE IMMOBILIERE MAIMOUNA	PROPERTY	300	100,00%	5 266	3 432	31/12/13	3 432	-8	-
STE IMMOBILIERE MARRAKECH EXPANSION	PROPERTY	300	100,00%	299	299	31/12/13	811	15	-
SOCIETE IMMOBILIERE ZAKAT	PROPERTY	300	100,00%	2 685	407	31/12/13	407	58	-
AYK		100	100,00%	100	-	31/12/13	-1 121	-11	-
CAPRI	PROPERTY	124 000	99,76%	187 400	-				-
ATTIJARI IMMOBILIER	PROPERTY	50 000	100,00%	71 686	71 686	31/12/14	60 502	463	7 000
ATTIJARI INTERNATIONAL BANK "AIB"	OFFSHORE BANK	2 400 KEURO	100,00%	92 442	92 442	31/12/14	21 510 KEURO	2 403 KEURO	439
WAFACASH	MONEY TRANSFERS	35 050	99,98%	324 074	324 074	31/12/14	336 670	111 520	90 000
WAFA IMMOBILIER	PROPERTY	50 000	100,00%	164 364	164 364	31/12/14	143 621	87 553	83 000
WAFASALAF	CONSUMER FINANCE	113 180	50,91%	634 783	634 783	31/12/14	1 658 849	356 921	152 730
WAFA LLD	LEASING	20 000	100,00%	20 000	20 000	31/12/14	58 315	24 378	20 000
WAFABAIL	LEASE-FINANCING	150 000	57,83%	86 983	86 983	31/12/14	775 958	83 565	28 916
DAR ASSAFAA LITAMWIL		50 000	100,00%	50 510	50 510				-
ANDALUMAGHREB	HOLDING	1 000 KEURO	100,00%	10 950	10 950				-
ANDALUCARTAGE	HOLDING	126 390 KEURO	100,00%	1 964 504	1 964 504	31/12/14	149 490 KEURO	11 939 KEURO	-
ATTIJARIWAFA EURO FINANCES	HOLDING	39 557 KEURO	100,00%	502 622	502 622	30/06/13	48 295 KEURO	-65 KEURO	-
CAFIN	HOLDING COMPANY	1 122 000 KFCFA	100,00%	257 508	257 508	31/12/14	7 215 309 KFCFA	1 266 009 KFCFA	-
KASOVI	HOLDING COMPANY	50 KUSD	50,00%	731 264	731 264	31/12/14	19 002 KUSD	9 056 KUSD	39 840
COMPAGNIE BANCAIRE DE L'AFRIQUE OCCIDENTALE"CBAO"	BANKING	11 450 000 KFCFA	4,90%	35 979	35 979	31/12/14	70 673 266 KFCFA	1 681 282 KFCFA	6 870
BANQUE INTERNATIONALE POUR LE MALI "BIM SA"	BANKING	5 002 870 KFCFA	51,00%	689 599	689 599	31/12/14	22 431 002 KFCFA	1 502 137 KFCFA	19 167
SOCIETE IVOIRIENNE DE BANQUE " SIB "	BANKING	10 000 000 KFCFA	51,00%	648 084	648 084	31/12/14	45 713 627 KFCFA	10 419 515 KFCFA	44 839
CREDIT DU SENEGAL	BANKING	5 000 000 KFCFA	95,00%	292 488	292 488	31/12/14	15 832 431 KFCFA	3 000 691 KFCFA	21 201
CREDIT DU CONGO	BANKING	7 743 670 KFCFA	91,00%	608 734	608 734	31/12/14	22 307 905 KFCFA	7 720 942 KFCFA	66 288
UNION GABONAISE DE BANQUES "UGB GABON"	BANKING	10 000 000 KFCFA	58,71%	848 842	848 842	31/12/14	28 323 587 KFCFA	8 662 957KFCFA	56 687
ATTIJA AFRIQUE PARTICIPATION	BANKING	10 010 KEURO	100,00%	113 120	113 120	31/12/14	9 916 KEURO	-30 KEURO	-
SOCIETE COMMERCIALE DE BANQUE CAMEROUN	BANKING	10 000 000 KFCFA	51,00%	379 110	379 110	31/12/14	37 576 683 KFCFA	10 317 609 KFCFA	43 510
SOCIETE BIA TOGO	BANKING	6 000 000 KFCFA	55.00%	143 872	143 872	31/12/14	11 244 441 KFCFA	1 367 308 KFCFA	-
SOCIETE CIVILE IMMOBILIERE TOGO LOME			100,00%	66 761	66 761	31/12/14	3 863 793 KFCFA	-33 765 KFCFA	
WAFACAMBIO				963	963				
WAFABANK OFFSHORE DE TANGER			100,00%	5 842	5 842				

Investments in affiliates and other long-term investments at 31 December 2014

(thousand MAD)

B- OTHER INVESTMENTS				**577 223**	**502 568**	**248 368**	**2 166 524**	**81 346**	**48 763**
NOUVELLES SIDERURGIES INDUSTRIELLES	METALS AND MINING	3 415 000	0	92 809	92 809				-
SONASID	METALS AND MINING			28 391	9 216				609
ATTIJARIWAFA BANK	BANKING			623	623				-
SINCOMAR		300	47,50%						-
AGRAM INVEST		40 060	27,82%	10 938	7 492		26 934	-11	-
AM INVESTISSEMENT MOROCCO	INVESTMENT HOLDING COMPANY	400 000	3,25%	13 000	13 000				-
BOUZNIKA MARINA	PROPERTY DEVELOPMENT			500	-				-
EUROCHEQUES MAROC				363	364				-
FONDS D'INVESTISSEMENT IGRANE		70 000	18,26%	9 970	407	30/06/12	17 630	-6 559	-
IMMOBILIERE INTERBANCAIRE "G.P.B.M."	PROFESSIONAL BANKER'S ASSOCIATION	19 005	20,00%	3 801	3 801				-
IMPRESSION PRESSE EDITION (IPE)	PUBLISHING			400	400				-
MOUSSAFIR HOTELS	HOTEL MANAGEMENT	193 000	33,34%	64 342	64 343	31/12/14	350 513	60 001	15 809
SALIMA HOLDING	HOLDING COMPANY	150 000	13,33%	16 600	16 600				-
S.E.D. FES		10 000	10,00%						-
STE D'AMENAGEMENT DU PARC NOUACER"SAPINO"	PROPERTY DEVELOPMENT	60 429	22,69%	13 714	13 714	30/06/12	225 678	3 221	-
TANGER FREE ZONE	PROPERTY DEVELOPMENT	105 000	25,71%	58 221	58 221				3 130
TECHNOLOPARK COMPANY "MITC"	SERVICES PROVIDER			8 150	7 784				-
WORLD TRADE CENTER									-
MAROCLEAR	SECURITIES CUSTODIAN	20 000	6,58%	1 342	1 342				-
HAWAZIN	PROPERTY	960	12,50%	704	-				-
INTAJ	PROPERTY	576	12,50%	1 041	549				-
EXP SERVICES MAROC S.A.	RISK CENTRALISATION SERVICES	20 000	3,00%	600	600				-
H PARTNERS		1 400 010	7,14%	100 000	62 616	30/06/12	1 021 479	-6 231	-
MOROCCAN FINANCIAL BOARD				20 000	20 000				-
MAROC NUMERIQUE FUND		157 643	6,34%	10 000	9 556	30/06/12	150 647	3 239	-
FONCIERE EMERGENCE		120 017	8,06%	12 087	12 087				-
ALTERMED MAGHREB EUR				5 247	5 247				-
INTER MUTUELLES ASSISTANCE				894	894				-
WAFA IMA ASSISTANCE				15 356	15 356				975
3 P FUND		80 020	5,00%	7 500	7 500				-
BANQUE D'AFFAIRE TUNISIENNE	BANKING	198 741		2 583	-	31/12/14	373 643	27 686	-
CENTRE MONETIQUE INTERBANCAIRE	ELECTRONIC BANKING	98 200	22,40%	22 000	22 000				26 400
SOCIETE INTERBANK	MANAGEMENT OF BANK CARDS	11 500	16,00%	1 840	1 840				1 840
SMAEX		37 450	11,42%	4 278	4 278				-
BANQUE MAGHREBINE POUR L'INVESTISSEMENT ET LE COMMERCE EXTERIEUR "BMICE"	Banque	500 000 KUSD	1,20%	49 583	49 583				
FONDS ATTIJARI AFRICA FUNDS MULTI ASSETS		31 KEURO		346	346				
C - SIMILAR INVESTMENTS				**721 600**	**600 879**				
C/C ASSOCIATED				705 765	585 044				
OTHER SIMILAR INVESTMENTS				15 835	15 835				
TOTAL				**13 018 355**	**12 529 449**				**1 248 284**

Amounts owing to credit institutions and similar establishments at 31 December 2014

(thousand MAD)

AMOUNTS OWING	Credit institutions and similar establishments in Morocco			Credit institutions overseas	Total 12/31/2014	Total 12/31/2013
	Bank Al Maghrib, the Treasury and post office accounts	Banks	Other credit institutions and similar establishments			
CURRENT ACCOUNTS IN CREDIT		**34 893**	**185 251**	**1 775 831**	**1 995 975**	**1 420 324**
NOTES GIVEN AS SECURITY	**8 417 648**	**2 400 083**			**10 817 731**	**36 425 083**
- overnight						3 500 062
- term	8 417 648	2 400 083			10 817 731	32 925 021
CASH BORROWINGS	**10 056 950**	**2 251 000**	**7 414 955**	**8 697 715**	**28 420 620**	**16 052 252**
- overnight		2 101 000	2 353 687		4 454 687	1 437 151
- term	10 056 950	150 000	5 061 268	8 697 715	23 965 933	14 615 101
FINANCIAL BORROWINGS	**1 992**			**82**	**2 074**	**2 279**
OTHER DEBTS	**48 007**	**22 613**			**70 620**	**52 538**
INTEREST PAYABLE			**210 060**	**13 368**	**223 428**	**40 607**
TOTAL	**18 524 597**	**4 708 589**	**7 810 266**	**10 486 996**	**41 530 448**	**53 993 083**

Customer deposits at 31 December 2014

(thousand MAD)

DEPOSITS	Public sector	Private sector			Total 12/31/2014	Total 12/31/2013
		Financial companies	Non-financial companies	Other customers		
CURRENT ACCOUNTS IN CREDIT	2 866 874	4 120 131	24 528 373	84 607 657	**116 123 035**	**105 259 716**
SAVINGS ACCOUNTS				25 048 786	**25 048 786**	**23 463 773**
TERM DEPOSITS	429 000	6 379 439	11 637 262	22 069 427	**40 515 128**	**37 270 951**
OTHER ACCOUNTS IN CREDIT	7 789	309 765	6 743 162	1 160 456	**8 221 172**	**7 239 128**
ACCRUED INTEREST PAYABLE			810 271	1 336	**811 607**	**901 093**
TOTAL	**3 303 663**	**10 809 335**	**43 719 068**	**132 887 662**	**190 719 730**	**174 134 661**

Debt securities issued at 31 December 2014

(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	06/10/10	06/10/17	100 000,00	Var	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	03/05/11	03/05/15	627 000,00	4,35%	IN FINE	627 000,00			
CERTIFICATES OF DEPOSIT	13/10/11	13/10/16	100 000,00	4,56%	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	21/03/12	20/03/15	100 000,00	4,50%	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	02/09/13	02/09/15	230 000,00	4,95%	IN FINE	230 000,00			
CERTIFICATES OF DEPOSIT	24/12/13	24/12/18	100 000,00	5,60%	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	22/01/14	21/01/15	368 000,00	4,20%	IN FINE	368 000,00			
CERTIFICATES OF DEPOSIT	27/01/14	26/01/15	155 000,00	4,20%	IN FINE	155 000,00			
CERTIFICATES OF DEPOSIT	25/02/14	25/02/16	1 000 000,00	4,40%	IN FINE	1 000 000,00			
CERTIFICATES OF DEPOSIT	18/03/14	18/03/16	500 000,00	4,14%	IN FINE	500 000,00			
CERTIFICATES OF DEPOSIT	31/03/14	30/03/15	785 000,00	3,70%	IN FINE	785 000,00			
CERTIFICATES OF DEPOSIT	16/04/14	15/04/15	155 000,00	3,69%	IN FINE	155 000,00			
CERTIFICATES OF DEPOSIT	23/04/14	23/04/19	100 000,00	4,60%	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	23/04/14	23/04/17	300 000,00	4,28%	IN FINE	300 000,00			
CERTIFICATES OF DEPOSIT	07/05/14	06/05/15	200 000,00	3,62%	IN FINE	200 000,00			
CERTIFICATES OF DEPOSIT	02/06/14	01/06/15	120 000,00	3,53%	IN FINE	120 000,00			
CERTIFICATES OF DEPOSIT	20/06/14	20/06/16	428 000,00	3,85%	IN FINE	428 000,00			
CERTIFICATES OF DEPOSIT	04/07/14	02/01/15	140 000,00	3,36%	IN FINE	140 000,00			
CERTIFICATES OF DEPOSIT	04/07/14	03/07/15	593 500,00	3,51%	IN FINE	593 500,00			
CERTIFICATES OF DEPOSIT	08/08/14	06/02/15	106 800,00	3,36%	IN FINE	106 800,00			
CERTIFICATES OF DEPOSIT	12/08/14	12/08/16	332 000,00	3,75%	IN FINE	332 000,00			
CERTIFICATES OF DEPOSIT	16/09/14	15/09/15	371 000,00	3,51%	IN FINE	371 000,00			
CERTIFICATES OF DEPOSIT	01/10/14	03/04/15	200 000,00	3,15%	IN FINE	200 000,00			
CERTIFICATES OF DEPOSIT	01/10/14	02/01/15	160 000,00	3,05%	IN FINE	160 000,00			
CERTIFICATES OF DEPOSIT	16/10/14	15/10/15	537 900,00	3,25%	IN FINE	537 900,00			
CERTIFICATES OF DEPOSIT	16/10/14	16/04/15	190 000,00	3,15%	IN FINE	190 000,00			
CERTIFICATES OF DEPOSIT	31/10/14	30/10/15	100 000,00	3,22%	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	02/12/14	01/12/15	100 000,00	3,15%	IN FINE	100 000,00			
CERTIFICATES OF DEPOSIT	18/12/14	19/03/15	110 000,00	2,95%	IN FINE	110 000,00			
CERTIFICATES OF DEPOSIT	18/12/14	18/06/15	252 000,00	3,03%	IN FINE	252 000,00			
CERTIFICATES OF DEPOSIT	18/12/14	17/12/15	542 000,00	3,10%	IN FINE	542 000,00			
TOTAL						**9 103 200**			

Details of other liabilities at 31 December 2014

(thousand MAD)

LIABILITIES	12/31/2014	12/31/2013
INSTRUMENTS OPTIONNELS VENDUS		
OPERATIONS DIVERS SUR TITRES (1)	**633 891**	**13 915 398**
CREDITEURS DIVERS	**3 270 127**	**2 139 253**
Sommes dues à l'Etat	1 575 206	580 935
Sommes dues aux organismes de prévoyance	68 295	62 204
Sommes diverses dues au personnel	337 291	247 035
Sommes diverses dues aux actionnaires et associés	3 759	3 766
Fournisseurs de biens et services	1 254 106	1 227 185
Divers autres créditeurs	31 470	18 128
COMPTES DE REGULARISATION	**1 971 464**	**1 284 456**
Comptes d'ajustement des opérations de hors bilan	410 085	583
Comptes d'écarts sur devises et titres		
Résultats sur produits dérivés de couverture		
Comptes de liaison entre siège, succursales et agences au Maroc		
Charges à payer et produits constatés d'avance	1 316 567	780 674
Autres comptes de régularisation	244 812	503 199
TOTAL	**5 875 482**	**17 339 107**

(1) PCEC 341, 343, 344, 3462 and 3464 if in credit

Provisions at 31 December 2014

(thousand MAD)

PROVISIONS	Outstanding 12/31/2013	Additional provisions	Write-backs	Other changes	Outstanding 12/31/2014
PROVISIONS, DEDUCTED FROM ASSETS, FOR:	**6 273 518**	**1 578 019**	**683 370**	**-**	**7 168 167**
Loans and advances to credit institutions and other similar establishments					
Loans and advances to customers	5 874 617	1 427 075	657 613	-	6 644 079
Available-for-sale securities	33 423	116	14 734		18 805
Investments in affiliates and other long-term investments	349 101	150 827	11 023		488 906
Leased and rented assets	0				-
Other assets	16 377	-			16 377
PROVISIONS RECORDED UNDER LIABILITIES	**1 726 394**	**976 174**	**67 965**	**-179**	**2 634 425**
Provisions for risks in executing signature loans	126 519	93 455	17 471	-	202 503
Provisions for foreign exchange risks	-				-
General provisions	1 223 349	670 000			1 893 349
Provisions for pension fund and similar obligations	112 859	40 722	31 488		122 093
Other provisions	263 669	171 997	19 007	-179	416 480
Regulated provisions					
TOTAL	**7 999 912**	**2 554 193**	**751 335**	**-179**	**9 802 592**

Subsidies, public funds and special guarantee funds at 31 December 2014

(thousand MAD)

	ECONOMIC PURPOSE	TOTAL VALUE	VALUE AT December 2013	UTILISATION 2014	VALUE AT june 2014
SUBSIDIES PUBLIC FUNDS SPECIAL GUARANTEE FUNDS			NÉANT		
TOTAL					

Subordinated debts at 31 December 2014

(thousand MAD)

Currency of issue	Value of loan in currency of issue	Price (1)	Rate	Maturity (2)	Terms for early redemption, subordination and convertibility (3)	Value of loan in MADK	Including related businesses		Including other related businesses	
							Value in MADK 2013	Value in MADK 2014	Value in MADK 2013	Value in MADK 2014
MAD			3,80%	10 YEARS		320 000				
MAD			3,84%	7 YEARS		950 000				
MAD			4,04%	10 YEARS		879 600				
MAD			4,75%	10 YEARS		880 000				
MAD			4,76%	7 YEARS		50 000				
MAD			4,77%	7 YEARS		201 700				
MAD			4,78%	7 YEARS		723 200				
MAD			4,98%	7 YEARS		1 275 100				
MAD			5.00%	10 YEARS		710 000				
MAD			5,01%	5 YEARS		710 000				
MAD			5,10%	10 YEARS		1 000 000				
MAD			5,24%	10 YEARS		290 000				
MAD			5,60%	5 YEARS		540 000				
MAD			5,60%	10 YEARS		1 120 400				
TOTAL						**9 650 000**				

(1) BAM price at 12/31/2014 - (2) Possibly for an unspecified period – (3) Refer to the subordinated debt contract note

Shareholders equity at 31 December 2014

(thousand MAD)

SHAREHOLDERS' EQUITY	Outstanding 12/31/2013	Appropriation of income	Other changes	Outstanding 12/31/2014
Revaluation reserve	**420**			**420**
Reserves and premiums related to share capital	**22 052 401**	**1 354 599**	**-**	**23 407 000**
Legal reserve	192 996	10 532		203 528
Other reserves	13 742 912	1 344 068		15 086 980
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 (+/-)	**-312**	**1 379**	**127**	**1 194**
Net income (loss) awaiting appropriation (+/-)				
Net income (+/-)	**3 289 487**	**-3 289 487**		**3 544 114**
TOTAL	**27 377 269**	**-1 933 508**	**127**	**28 988 000**

Financing and guarantee commitments at 31 December 2014

(thousand MAD)

COMMITMENTS	12/31/2014	12/31/2013
FINANCING COMMITMENTS AND GUARANTEES GIVEN	**55 212 058**	**49 169 192**
Financing commitments given to credit institutions and similar establishments	**532**	**532**
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		
Financing commitments given to customers	**15 996 740**	**12 695 610**
Import documentary credits	13 392 524	9 974 628
Acceptances or commitments to be paid	2 568 738	2 492 661
Confirmed credit lines		
Back-up commitments on securities issuance		
Irrevocable leasing commitments	35 478	228 320
Other financing commitments given		
Guarantees given to credit institutions and similar establishments	**8 585 113**	**6 080 971**
Confirmed export documentary credits	195 296	
Acceptances or commitments to be paid		
Credit guarantees given		
Other guarantees and pledges given	8 389 817	6 080 971
Non-performing commitments		
Guarantees given to customers	**30 629 673**	**30 392 079**
Credit guarantees given	897 422	1 018 471
Guarantees given to government bodies	15 780 651	15 553 665
Other guarantees and pledges given	13 279 407	13 244 315
Non-performing commitments	672 194	575 629
FINANCING COMMITMENTS AND GUARANTEES RECEIVED	**17 278 171**	**14 504 286**
Financing commitments received from credit institutions and similar establishments	**658 170**	
Confirmed credit lines		
Back-up commitments on securities issuance		
Other financing commitments received	658 170	
Guarantees received from credit institutions and similar establishments	**16 543 596**	**14 454 052**
Credit guarantees received		
Other guarantees received	16 543 596	14 454 052
Guarantees received from the State and other organisations providing guarantees	**76 405**	**50 234**
Credit guarantees received		50 234
Other guarantees received	76 405	

Commitments on securities at 31 December 2014

(thousand MAD)

	Value
Commitments given	
Securities purchased with redemption rights	NOT APPLICABLE
Other securities to be provided	
Commitments received	
Securities sold with redemption rights	NOT APPLICABLE
Other securities receivable	

Forward foreign exchange transactions and commitments on derivative products at 31 December 2014

(thousand MAD)

	Hedging activities		Other activities	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Forward foreign exchange transactions	**64 032 098**	**45 176 586**		
Foreign currencies to be received	28 514 455	17 944 699		
Dirhams to be delivered	6 336 475	4 796 837		
Foreign currencies to be delivered	25 914 063	17 793 229		
Dirhams to be received	3 267 105	4 641 821		
Commitments on derivative products	**55 448 207**	**19 759 464**		
Commitments on regulated fixed income markets	45 209			
Commitments on OTC fixed income markets	9 388 847	10 448 309		
Commitments on regulated foreign exchange markets		2 305		
Commitments on OTC foreign exchange markets	15 017 658	20 161		
Commitments on regulated markets in other instruments	91 691			
Commitments on OTC markets in other instruments	30 904 800	9 288 689		

Securities received and given as guarantee at 31 December 2014

(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			
Other securities		N/D	
Mortgages			
Other physical assets			
TOTAL			

Securities given as guarantee	Net book value	Liability/Off-balance sheet entries in which debts and signature loans pledged are received	Value of debts and signature loans pledged that are hedged
Treasury bills and similar assets	8 067 648		
Other securities			
Mortgages			
Other physical assets	895 189	Other assets received and pledged	
TOTAL	**8 962 837**		

Breakdown of assets and liabilities by residual maturity at 31 December 2014

(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	17 859 266	267 505	3 769 206	11 210 148	300 000	33 406 125
Loans and advances to customers	44 472 788	11 753 531	16 130 631	47 502 710	50 081 479	169 941 139
Debt securities	16 759 928	2 991 899	7 508 832	16 012 578	5 980 806	49 254 043
Subordinated loans						
Leased and rented assets						
TOTAL	**79 091 982**	**15 012 935**	**27 408 669**	**74 725 436**	**56 362 285**	**252 601 307**
LIABILITIES						
Amounts owing to credit institutions and similar establishments	36 479 440	1 583 798	2 899 331	82 884	261 567	41 307 020
Amounts owing to customers	162 539 707	6 110 983	17 700 199	3 557 233		189 908 122
Debt securities issued	9 103 200					9 103 200
Subordinated debt				1 250 000	8 400 000	9 650 000
TOTAL	**208 122 347**	**7 694 781**	**20 599 530**	**4 890 117**	**8 661 567**	**249 968 342**

Remarks:
- Loans and advances of less than 1 month comprise current accounts for credit institutions and other customers
- Amounts owing of less than 1 month comprise amounts owing to credit institutions and other customers

Breakdown of foreign currency-denominated assets, liabilities and off-balance sheet items at 31 December 2014

(thousand MAD)

BALANCE SHEET	12/31/2014	12/31/2013
ASSETS	**30 541 527**	**27 856 958**
Cash and balances with central banks, the Treasury and post office accounts	92 295	107 657
Loans and advances to credit institutions and similar establishments	9 568 225	11 100 746
Loans and advances to customers	9 814 336	5 300 893
Trading securities and available-for-sale securities	3 465 185	3 949 633
Other assets	153 477	279 993
Investments in affiliates and other long-term investments	7 424 834	7 094 310
Subordinated loans		
Leased and rented assets		
Intangible assets and property, plant and equipment	23 175	23 726
LIABILITIES	**20 997 613**	**16 075 441**
Amounts owing to central banks, the Treasury and post office accounts		
Amounts owing to credit institutions and similar establishments	13 404 201	12 624 954
Customer deposits	7 448 967	3 237 159
Debt securities issued		
Other liabilities	142 214	211 044
Subsidies, public funds and special guarantee funds		
Subordinated debt		
Share capital and reserves		
Provisions	7 547	7 727
Retained earnings	-5 316	-5 443
Net income		
OFF-BALANCE SHEET ITEMS	**42 911 981**	**34 592 882**
Commitments given	29 178 793	23 234 921
Commitments received	13 733 188	11 357 961

Risk concentration with the same counterparty at 31 December 2014

(thousand MAD)

NUMBER OF COUNTERPARTIES	TOTAL
8	51 840 036

Net interest margin at 31 December 2014

(thousand MAD)

	12/31/2014	12/31/2013
Interest and similar income from activities with customers	**9 512 053**	**9 539 872**
of which interest and similar income	8 878 414	9 317 742
of which fee income on commitments	633 639	222 130
Interest and similar income from activities with credit institutions	**1 127 904**	**1 095 866**
of which interest and similar income	1 096 170	1 064 925
of which fee income on commitments	31 734	30 941
Interest and similar income from debt securities	**646 626**	**568 528**
TOTAL INTEREST AND SIMILAR INCOME	**11 286 583**	**11 204 266**
Interest and similar expenses on activities with customers	**3 022 955**	**3 022 096**
Interest and similar expenses on activities with credit institutions	**1 335 585**	**1 302 654**
Interest and similar expenses on debt securities issued	**369 168**	**392 180**
TOTAL INTEREST AND SIMILAR EXPENSES	**4 727 708**	**4 716 930**
NET INTEREST MARGIN	**6 558 876**	**6 487 336**

Fee income provided from services at 31 December 2014

(thousand MAD)

FEES	12/31/2014	12/31/2013
Account management	183 349	210 220
Payment services	514 451	494 351
Securities transactions	39 801	42 827
Asset management and custody	58 476	53 206
Credit services	134 061	100 249
Corporate finance	-	-
Sale of insurance products	81 126	102 955
Other services provided	258 479	261 240
TOTAL	**1 269 742**	**1 265 049**

General operating expenses at 31 December 2014

(thousand MAD)

EXPENSES	12/31/2014	12/31/2013
Staff costs	1 773 329	1 683 047
Taxes	111 132	108 632
External expenses	1 619 660	1 536 632
Other general operating expenses	8 856	5 519
Depreciation, amortisation and provisions on intangible assets and property, plant and equipment	413 765	402 492
TOTAL	**3 926 742**	**3 736 322**

Income from market activities at 31 December 2014

(thousand MAD)

INCOME AND EXPENDITURES	12/31/2014	12/31/2013
+ Gains on trading securities	3 545 847	1 566 941
- Losses on trading securities	143 655	107 501
Income from activities in trading securities	**3 402 192**	**1 459 439**
+ Capital gains on disposal of available-for-sale securities	2 930	816
+ Write-back of provisions for impairment of available-for-sale securities	14 734	2 181
- Losses on disposal of available-for-sale securities	41	699
- Provisions for impairment of available-for-sale securities	116	2 340
Income from activities in available-for-sale securities	**17 507**	**-43**
+ Gains on foreign exchange transactions - transfers	1 111 762	251 095
+ Gains on foreign exchange transactions - notes	93 663	103 203
- Losses on foreign exchange transactions - transfers	781 019	-13 452
- Losses on foreign exchange transactions - notes	1 089	1 028
Income from foreign exchange activities	**423 317**	**366 722**
+ Gains on fixed income derivative products	138 195	47 011
+ Gains on foreign exchange derivative products	94 814	103 877
+ Gains on other derivative products	12 272	211 832
- Losses on fixed income derivative products	300 512	24 364
- Losses on foreign exchange derivative products	71 235	71 238
- Losses on other derivative products	584 235	242 181
Income from activities in derivatives products	**-710 701**	**24 937**

Income from equity securities at 31 December 2014

(thousand MAD)

CATEGORY	12/31/2014	12/31/2013
Available-for-sale securities		
Investments in affiliates and other long-term investments	1 272 033	1 324 216
TOTAL	**1 272 033**	**1 324 216**

Other income and expenses at 31 December 2014

(thousand MAD)

OTHER BANKING INCOME AND EXPENSES	12/31/2014	12/31/2013
Other banking income	5 014 218	2 286 956
Other banking expenses	2 766 270	1 287 941
TOTAL	**2 247 948**	**999 014**

OTHER NON-BANKING INCOME AND EXPENSES	12/31/2014	12/31/2013
Non-banking operating income	62 905	129 157
Non-banking operating expenses	225	-
TOTAL	**63 130**	**129 157**
Provisions and losses on irrecoverable loans	2 960 631	2 308 595
Provision write-backs and amounts recovered on impaired loans	813 388	607 197

NON-CURRENT INCOME AND EXPENSES	12/31/2014	12/31/2013
Non-current income	14 446	4 653
Non-current expenses	83 439	84 430

Determining income after tax from ordinary activities at 31 December 2014

(thousand MAD)

I - DETERMINING INCOME	MONTANT
Income from ordinary activities after items of income and expenditure	5 437 247
Tax write-backs on ordinary activities (+)	843 631
Tax deductions on ordinary activities (-)	1 281 778
Theoretical taxable income from ordinary activities (=)	4 999 100
Theoretical tax on income from ordinary activities (-)	1 849 667
Income after tax from ordinary activities (=)	3 587 580
II- SPECIFIC TAX TREATMENT INCLUDING BENEFITS GRANTED BY INVESTMENT CODES UNDER SPECIFIC LEGAL PROVISIONS	

Detailed information on value added tax at 31 December 2014

(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	**92 710**	**1 488 511**	**1 409 944**	**171 277**
B. Recoverable VAT	**188 691**	**597 440**	**555 198**	**230 933**
On expenses	83 322	501 774	454 190	130 906
On fixed assets	105 369	95 667	101 008	100 028
C. VAT payable or VAT credit = (A-B)	**-95 982**	**891 071**	**854 746**	**-59 657**

Reconciliation of net income for accounting and tax purposes at 31 December 2014

(thousand MAD)

RECONCILIATION STATEMENT	Amount	Amount
I- NET INCOME FOR ACCOUNTING PURPOSES	**3 544 114**	
Net profit	3 544 114	
Net loss		
II- TAX WRITE-BACKS	**2 667 772**	
1 – Current	2 667 771	
Income tax	1 824 140	
Losses related to tax control		
Losses on irrecoverable loans not provisioned	50 609	
General provisions	670 000	
Provisions for pension funds and similar obligation	40 722	
Non-deductible exceptional expenses	6 402	
Contribution for the social cohesion support	72 329	
Personal gifts	3 570	
2- Non-Current		
III- TAX DEDUCTIONS		**1 281 778**
1- Current		1 281 778
100% allowance on income from investments in affiliates		1 250 290
Write-back of investment		
Write-back of provisions used		31 488
2- Non-Current		-
TOTAL	**6 211 886**	**1 281 778**
IV - GROSS INCOME FOR TAX PURPOSES		**4 930 108**
- Gross profit for tax purposes if T1 → T2 (A)		4 930 108
- 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 PURPOSES		**4 930 108**
Net profit for tax purposes (A-C)		4 930 108
Net loss for tax purposes (B)		
VII - ACCUMULATED DEFERRED DEPRECIATION ALLOWANCES		
VIII - ACCUMULATED TAX LOSSES TO BE CARRIED FORWARD		
- 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 31 December 2014

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	97 778 582	97 360 360	47,84%
* WAFACORP	42 BD ABDELKRIM AL KHATTABI CASA	58 466	58 466	0,03%
* AL WATANIYA	83 AVENUE DES FAR CASA	2 683 942	2 683 942	1,32%
* WAFA ASSURANCE	1 RUE ABDELMOUMEN CASA	13 456 468	13 456 468	6,61%
* GROUPE MAMDA & MCMA	16 RUE ABOU INANE RABAT	16 708 318	16 708 318	8,21%
* AXA ASSURANCES MAROC	120 AVENUE HASSAN II CASA	2 036 558	2 036 558	1,00%
* PERSONNEL DE LA BANQUE	**************************	7 197 057	6 466 758	3,18%
* CAISSE MAROCAINE DE RETRAITE	140 PLACE MY EL HASSAN RABAT	4 405 769	4 405 769	2,16%
* CIMR	BD ABDELMOUMEN CASA	5 675 608	5 675 608	2,79%
* CAISSE DE DEPOT ET DE GESTION	140 PLACE MY EL HASSAN RABAT	3 576 531	3 576 531	1,76%
* OPCVM ET AUTRES DIVERS ACTIONNAIRES	**************************	39 234 313	40 382 834	19,84%
B- FOREIGN SHAREHOLDERS				
*SANTUSA HOLDING	PASEO DE LA CASTELLANA N° 24 MADRID (SPAIN)	10 715 614	10 715 614	5,26%
TOTAL - II		**203 527 226**	**203 527 226**	**100,00%**

Appropriation of income at 31 December 2014

(thousand MAD)

	Value		Value
A- Origin of appropriated income		**B- Appropriation of income**	
Earnings brought forward	-312	To legal reserve	10 531
Net income awaiting appropriation		Dividends	1 933 508
Net income for the financial year	3 289 487	Other items for appropriation	1 343 942
Deduction from income		Earnings carried forward	1 194
Other deductions			
TOTAL A	**3 289 175**	**TOTAL B**	**3 289 175**

Branch network at 31 December 2014

BRANCH NETWORK	12/31/2014	12/31/2013
Permanent counters	1 106	1 084
Occasional counters	-	2
Cash dispensers and ATMs	1 142	1 100
Overseas branches	70	71
Overseas representative offices	4	3

Staff at 31 December 2014

STAFF	12/31/2014	12/31/2013
Salaried staff	7 678	7 443
Staff in employment	7 678	7 443
Full-time staff	7 678	7 443
Administrative and technical staff (full-time)		
Banking staff (full-time)		
Managerial staff (full-time)	3 978	3 850
Other staff (full-time)	3 700	3 593
Including Overseas staff	50	41

Customer accounts at 31 December 2014

	12/31/2014	12/31/2013
Current accounts	147 847	136 328
Current accounts of Moroccans living abroad	770 663	721 456
Other current accounts	1 637 572	1 503 155
Factoring liabilities	-	-
Savings accounts	780 277	718 679
Term accounts	16 848	16 891
Certificates of deposit	4 006	3 601
Other deposit accounts	871 527	718 396
TOTAL	**4 228 740**	**3 818 506**

Summary of key items over the last three periods at 31 December 2014

(thousand MAD)

ITEM	December 2014	December 2013	December 2012
SHAREHOLDERS' EQUITY AND EQUIVALENT	**28 988 001**	**27 377 268**	**25 213 767**
OPERATIONS AND INCOME IN FY			
Net banking income	11 448 552	10 135 404	9 665 297
Pre-tax income	5 368 254	4 747 064	4 819 712
Income tax	1 824 140	1 457 578	1 510 015
Dividend distribution	1 933 508	1 811 188	1 640 466
PER SHARE INFORMATION (IN MAD)			
Earning per share			
Dividend per share	9,50	9,00	8,50
STAFF			
Total staff costs	**1 773 329**	**1 683 047**	**1 610 608**
Average number of employees during the period			

Key dates and post-balance sheet events at 31 December 2014

I- KEY DATES	
. Balance sheet date [1]	**31 December 2014**
. Date for drawing up the financial statements [2]	**February 2015**

(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**

التجاري وفا بنك
Attijariwafa bank