

RESULTS

Attijariwafa bank
as of june 30, 2020

Financial Communication

2020



التجاري وفا بنك
Attijariwafa bank

Believe in you

Attijariwafa bank

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



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Attijariwafa bank

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Attijariwafa bank key figures

➤ 20,755 Employees

➤ 3,505 Branches in Morocco

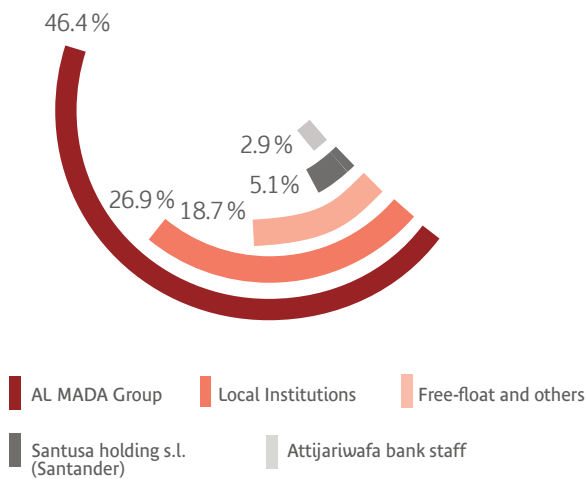
➤ 300 Branches in North Africa

➤ 70 Branches in Europe, the Middle East

➤ 749 Branches in West Africa

➤ 735 Branches in Central Africa

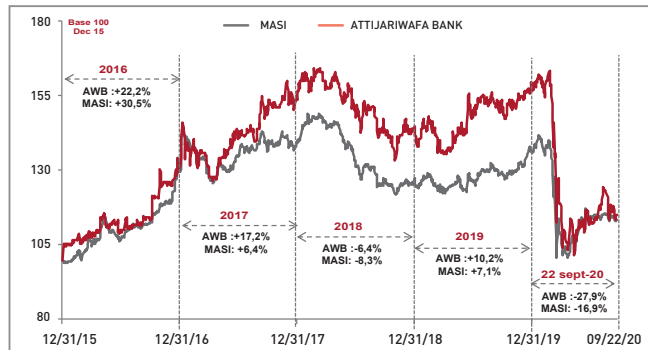
Shareholding structure as of June 30, 2020



Attijariwafa bank's share price performance

Attijariwafa bank vs MASI from 12/31/2015 to 02/21/2020

Largest bank by market capitalization in Morocco:
MAD 74.7 billion at 30 June 2020



Stock market indicators

Attijariwafa bank	2018	2019	june-20
Price	453	499	356
P/B	2.14x	2.20x	1.53x
PER	16.66x	18.01x	29.92x
DY	2.87%	-	-
Number of Shares	209,859,679	209,859,679	209,859,679
Market capitalisation (in millions of Dirhams)	95,066	104,720	74,710

Coordination and Synergy Committee

General Management

Mr. MOHAMED EL KETTANI	Chairman & Chief Executive Officer
Mr. OMAR BOUNJOU	Managing Director, Morocco and Europe Retail Banking Division
Mr. ISMAIL DOURI	Managing Director, International Retail Banking, Specialized Financial Subsidiaries
Mr. TALAL EL BELLAI	Managing Director, Group Global Risk Management
Mr. HASSAN BEDRAOUI	Deputy General Manager, Transformation, Innovation, Technologies and Operations
Mr. YOUSSEF ROUISSI	Deputy General Manager - Corporate Banking, Markets & Investor solutions

Distribution Network

Mr. SAAD BENWAHOUD	Deputy General Manager - Head of Rabat - Kenitra - Salé Region
Mr. Hassan Bertal	Deputy General Manager - Head of Morocco Network
Mr. Othmane Boudhaimi	Executive Director - Head of South-West Region
Mr. Tarik Bernoussi	Executive Director - Head of Eastern Region
Mr. Mohamed Karim Chraïbi	Executive Director - Head of Marrakech - Beni Mellal - Tafilalet Region
Mr. Rédouane El Ajj	Executive Director - Head of Casablanca - Settat Region
Mr. Khalid El Khalifi	Executive Director - Head of Fès - Meknes Region
Mr. Rachid Magane	Executive Director - Head of Tangier - Tetouan - Al Hoceïma Region

Head Office Managers

Mr. Jamal AHIZOUNE	Deputy General Manager - West & Central Africa Retail Banking Manager
Mr. Mouawia Essekeili	Deputy General Manager - Specialized Financial Subsidiaries Manager
Mrs. Wafaa GUESSOUS	Deputy General Manager - Head of Procurement Logistics
Mme Yasmine ABOUDRAR	Deputy General Manager - Group Strategy & Development Manager
Mr. Jalal BERRADY	Executive Director - Head of Private banking
Mr. Younes BELABED	Executive Director - Group head of General Audit
Mrs. Saloua BENMEHREZ	Executive Director - Group head of Communication
Mrs. Bouchra BOUSSERGHINE	Executive Director - Chief Compliance officer
Mr. Rachid EL BOUZIDI	Executive Director - Head of Retail Banking Support Functions
Mr. Ismail EL FILALI	Executive Director - Chief operations officer
Mr. Rachid KETTANI	Executive Director - Chief Financial Officer
Mrs. Malika EL YOUNSI	Executive Director - Chief legal officer
Mr. Réda HAMEDOUN	Executive director - Group Head of North Africa Retail Banking
Mr. Karim IDRISSE KAITOUNI	Executive Director - Head of SMEs Banking
Mrs. Soumaya LRHEZZIOUI	Executive Director- Chief IT officer
Mr. Driss MAGHRAOUI	Executive Director- Head of Retail Banking Marketing
Mr. MOHAMED SOUSSI	Executive Director- Group head of Human Ressources

BOARD OF DIRECTORS at 30 June 2020

Mr. Mohamed EL KETTANI	Chairman of the Board	Mr. José REIG	Director
Mr. Mohammed Mounir EL MAJIDI	Director, Representing SIGER	Mr. Abed YACOUBI SOUSSANE	Director
Mr. Hassan OURIAGLI	Director, Representing AL MADA	Mr. Aldo OLCESE SANTONJA	Independant Director
Mr. Abdelmjid TAZLAOUI	Director	Mr. Jose Manuel VARELA	Director, Representing Santander
Mr. Aymane TAUD	Director	Mr. Lionel ZINSOU	Independant Director
		Mr. Azdine El Mountassir Billah	Director

Rating

Fitch Rating	May 2020	Standard & Poor's	December 2019	Moody's	May 2020
Long-term in foreign currency	BB+	Long-term	BB	Long-term	Ba2
Short-term in foreign currency	B	Short-term	B	Short-term	NP
Long-term in local currency	AA-(mat)	Outlook	stable	Outlook	Positive
Outlook	Negative				

Strong commitment to support clients in all the economies of presence in an unprecedented crisis context

Attijariwafa bank's Board of Directors, chaired by Mr Mohamed El Kettani, met on 22 September 2020, in order to review the activity and approve the financial statements as of 30 June 2020.

Financial indicators (billion MAD)

› Total consolidated assets	557.8	+5.5 %
› Consolidated shareholders' equity	54.9	+7.5 %
› Net banking income	13.4	+5.1 %
› Net income group share	1.2	-57.5 %

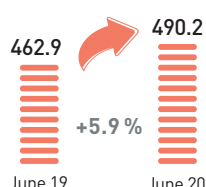
Key measures deployed to support the economy since the beginning of the crisis*

- › 4,334 young entrepreneurs funded
- › 210,000 loan repayment requests granted**
- › 35% market share in DAMANE OXYGEN
- › 19,500 VSMEs financed in 6 months*
- › 26 billion of new loans approved in 6 months*

[*] Between March 15 and September 15, 2020 in Morocco
[**] Number of loan repayment moratorium granted on consolidated basis

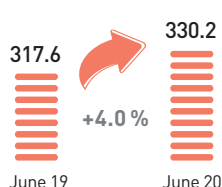
N° 1 savings institution

Total savings*
(billion MAD)



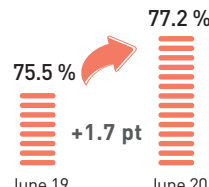
N° 1 provider of financing to the economy

Total consolidated loans
(billion MAD)

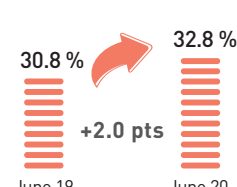


1st player in digital banking and electronic payments in Morocco

% of operations** processed through digital banking



Market share in electronic payments***



[*] Consolidated customer deposits + assets under management + bancassurance assets
[**] Operations available on digital channels: eg. transfers, disposals, payment of invoices...

[***] Electronic payments includes card payments (market share of 26.3% in H1 2020) and payments through digital channels, ex. Invoice payments (market share of 42.0% in H1 2020)

Attijariwafa bank releases its 2020 first half earnings in a context marked by the Covid-19 crisis and its health, social and economic consequences.

EXCEPTIONAL MOBILIZATION TO SERVE CLIENTS

Attijariwafa bank has deployed, since the beginning of the crisis, a series of measures aiming to guarantee the **health security of employees** while maintaining the **continuity of service in optimal conditions** to serve customers in the countries of presence.

Attijariwafa bank's teams in the front lines have shown strong commitment in servicing clients and communities in various countries of presence helping them better manage the crisis impacts. In Morocco, Attijariwafa bank's teams have been able to provide support to:

- **4,334 young entrepreneurs financing their projects** for an amount of **MAD 710 million** within the framework of the "Intelaka" initiative¹ ;
- **110,000 retail and corporate customers approving their loan repayment request** for a total amount of **MAD 25 billion** (210,000 customers on a consolidated basis);

- **18,200 SMEs** granting them **MAD 6.2 billion** of "Damane Oxygène" loans (35% market share);
- **6,090 VSMEs** granting them **MAD 7.0 billion** of "Damane Relance" loans¹ ;
- **hundreds of thousands of Moroccan employees, workers and citizens** serving them social security allowances "CNSS" and direct government aid through Attijariwafa bank branches and ATMs network and Wafacash points of sale.

Attijariwafa bank supported more than **19,500 Moroccan companies**, mostly SMEs, through the distribution of **MAD 26 billion** of new loans since the beginning of the crisis.

H1 2020 was also marked by the acceleration of Attijariwafa bank **technological and digital transformation**, the increase of digital and multi-channel penetration and the continuous improvement of customer's **experience**. Thus, the number of transactions processed through the digital channels, since the beginning of the crisis, grew by +61% compared to the same period of last year and reached 77.2% of all channels².

RESULTS IMPACTED BY THE DETERIORATION IN CREDIT RISK

In H1 2020, net banking income amounted to **MAD 12.4 billion**, up **5.1%** compared to the same period in 2019. NBI growth is negatively impacted by the general slowdown of the activity due to the crisis impact in the countries of presence and positively by some non-recurring items more particularly the good performance of market activities following the drop in sovereign bond yields in Morocco in the second quarter.

The cost of risk amounted to **MAD 3.0 billion**, up **231%** compared to H1 2019 due to the significant deterioration of credit risk caused by the Covid-19 crisis and the related forward-looking and prudent provisioning. Consolidated cost of risk reached **1.70%** (0.54% in H1 2019)³.

Net income group share totalled **MAD 1.2 billion**, down **57.5%** impacted by the significant increase of the cost of risk, combined with the exceptional contribution to the Covid-19 special fund.

The Board of Directors congratulated all the Group's entire staff for their commitment and their mobilization in favor of customers and for their strict compliance with health standards.

The Board of Directors
Casablanca, September 22, 2020

(1) as of September 2020, 14

(2) All operations available through the various digital channels, e.g. transfers, disposal, payment of invoices, etc.

(3) Cost of risk is annualised: (Cost of risk H1 2020 X 2) / (outstanding loans H1 2020)

FINANCIAL STATEMENTS

Consolidated Accounts at 30 June 2020

ACCOUNTING STANDARDS AND PRINCIPLES APPLIED BY THE GROUP

1.1 Context

Attijariwafa bank's consolidated financial statements have been prepared under International Financial Reporting Standards (IFRS) since first-half 2007 with the opening balance at 1 January 2006. In its consolidated financial statements as of 30 June 2020, the Attijariwafa bank Group has applied the mandatory principles and standards set out by the International Accounting Standards Board (IASB).

1.2 Accounting standards applied

1.2.1 Consolidation principles :

Standard :

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

The Group likewise consolidates legally independent entities specifically established for a restricted and well-defined purpose known as « special purpose entities », which are controlled by the credit institution, without there being any shareholder relationship between the entities. The extent to which the Group exercises control will determine the consolidation method: fully consolidated for entities under the exclusive control of the Group as required by IFRS 10 "Consolidated Financial Statements" or under the equity method for associate companies or joint ventures as required by IFRS 11 "Joint Arrangements" and IAS 28 "Investments in Associates Joint Ventures".

Policies adopted by Attijariwafa bank :

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

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

Specialist mutual funds (UCITS) are consolidated according to IFRS 10 which addresses the issue of consolidation of special purpose entities and in particular funds under exclusive control. Those entities controlled or under exclusive control whose securities are held for a short period of time are excluded from the scope of consolidation.

1.2.2 Fixed assets :

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.

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 exp.

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 (non amortisable by nature), which is the only component to have an unlimited life.

1.2.3 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.

1.2.4 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.

1.2.5 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 determined only 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.

1.2.6 Lease contracts :

Standard :

In January 2016, the IASB published IFRS 16, its new accounting standard on leases, which replaced IAS 17 standards and related interpretations. IFRS 16 implementation from January 2019 removes the distinction between "operating lease" and "finance lease". As of now, leases contracts are all accounted in the same way. The leased asset shall be recognized as right-of-use asset and the financing commitment as a lease liability. The right of use is amortized on a straight line bases through P&L, and the lease liability is amortized using the declining balance method over the lease term contract.

Policies adopted by Attijariwafa bank :

Transition According to IASB, IFRS 16 first time application can be done through 2 approaches:

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

The transition approach elected by Attijariwafa bank group is the modified approach option cumulated retrospective approach. This approach does not generate impact on equity. Therefore, 2018 comparative information has not been restated.

Threshold exemption :

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

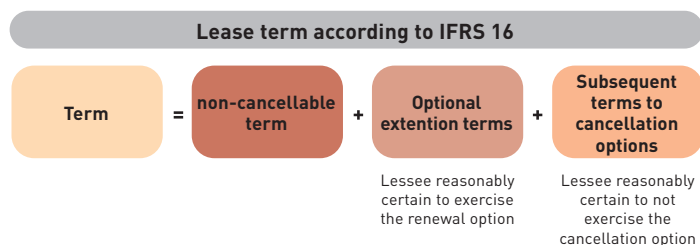
- Contracts with term less than 12 months if it does not include a purchase option at the end of the term;
- Contracts with an underlying asset value equal or lower to the limit defined by the lessee. IASB suggested a 5000 kUSD limit. Attijariwafa Bank group elected both exemption types to implement IFRS 17.

Lease term :

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

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

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



Lease terms defined by Attijariwafa Bank group are as follows :

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

As for rights of use, the payments to be retained correspond to the initial value of the rental debt, plus initial direct costs, prepayments and restoration costs.

Due to the adoption by the Attijariwafa bank group of the modified retrospective approach, the right of use has been valued, at the time of the first application of IFRS 16, at the value of the rental debt as described above.

• Leases :

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

- Fixed lease payments.
- Variable lease payments that depend on an index or a rate.
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term

reflects the lessee exercising an option to terminate the lease.

The cost of the right-of-use asset shall comprise the amount of the initial measurement of the lease liability increased by initial direct costs, payments made in advance, and restoring the underlying asset costs. As Attijariwafa Bank group elect the modified retrospective method, the right-of-use has been evaluated for the first-time application as the lease liability as defined above.

• Discount rate :

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

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

The discount rate chosen by Attijariwafa Bank to evaluate is lease contract is the incremental borrowing rate. This rate rely on 3 components :

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

1.2.7 Financial assets and liabilities – Classification and measurement :

Standard :

Classification

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

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

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

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

Debt instruments

This standard distinguishes three business models :

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

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

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

Equity instruments

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

Only dividends will be recognized in profit or loss.

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

Measurement

Assets at amortised cost

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

- reduced by capital reimbursements
- increased or reduced by the amortization accumulated calculated by the effective interest rate method, by any difference between this initial amount and the amount of reimbursement at maturity.
- Reduced by all the cuts for depreciation or no recoverability. This calculation should include all the fees and other amounts paid or received directly attributable to credits, transaction fees and every valuation haircut or premium.

Assets valued at fair value through profit or loss

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

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

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

This class of securities is not subject to impairment.

Assets valued at fair value through equity

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

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

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

Borrowings and deposits :

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

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

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

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

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

Policies adopted by Attijariwafa bank :

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

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

Deposits :

Sight deposits :

Attijariwafa bank applies IFRS 13. T

he 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 IFRS accounting treatment is required for savings book deposits.

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

Portfolio classification

Attijariwafa bank and other entities excluding insurance companies

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

Assets at FVPL	Debt instruments at FVOCI	Debt instruments at depreciated cost
<ul style="list-style-type: none">• Trading and dealing Room portfolios	<ul style="list-style-type: none">• Negotiable treasury bills classified in the Investment Portfolio• Bonds and other negotiable debt securities	<ul style="list-style-type: none">• Treasury Bills

Securities lending/borrowing and repurchase agreements :

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

Treasury shares :

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

1.2.8 Financial assets and liabilities – Impairment:

Standard :

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

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

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

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

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

Measurement of expected credit losses

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

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

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

Policies adopted by Attijariwafa bank :

Monitoring of risk degradation

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

Definition of Default

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

Measurement of expected credit losses

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

- Credit rating systems ,
- Historical default occurrences,
- 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.

1.2.9 Derivatives and Embedded derivatives :

Derivatives

Standard :

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

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

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 is to vary a part of the transaction's cash flows in a similar way to that of a stand-alone derivative.

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

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

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

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

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

Policies adopted by Attijariwafa bank :

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

1.2.10 Insurance

Insurance contracts :

The treatment of contracts qualifying as insurance contracts within the meaning of the definition given by IFRS 4 and of investment contracts with discretionary participation features is governed by IFRS 4, the main provisions of which are summarized 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.

Investment-linked insurance

On September 12, 2016, the IASB published amendments to IFRS 4, "Insurance contracts" entitled "Application of IFRS 9 Financial Instruments and IFRS 4 Insurance contracts". These amendments are applicable for the financial years open as of January 1, 2018. These amendments give entities that are primarily engaged in insurance activities the ability to defer until January 1, 2021 the date of application of IFRS 9. This deferral allows entities to continue to present their financial statements in accordance with IAS 39. This temporary exemption from application of IFRS 9, which is limited to groups the IASB's amendments, has been extended by Bank Al-Maghrib to the insurance entities consolidated by institutions of credit producing consolidated financial statements in accordance with the chart of accounts for credit institutions.

Options taken 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 :

Attijariwafa bank opted for this exemption to the insurance entities, including the funds belonging to this activity, which thus applied the IAS 39 standard "Financial instruments: recognition and measurement".

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

HFT	AFS	HTM	Loans & receivables
<ul style="list-style-type: none"> • Portfolio of consolidated UCITS 	<ul style="list-style-type: none"> • Shares and other equity • Investments in SCIs (Panorama) ; • Treasury bills and unquoted debt instruments. 	<ul style="list-style-type: none"> • Not applicable 	<ul style="list-style-type: none"> • Long-term investments

1.2.11 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 on the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), whether the price is directly observable or estimated by means of another measurement technique.

IFRS 13 establishes a fair-value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair-value hierarchy gives the highest priority to quoted prices (unadjusted) 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 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 (see § 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 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.

Transfer :

Transfers between levels of the hierarchy can occur when instruments meet the criteria for classification in the new level, as these criteria are dependent on market and product conditions. Changes in observability, the passage of time and events affecting the life of the instrument are the main factors that trigger transfers. Transfers are deemed to have been made at the beginning of the period.

During fiscal 2019, there were no transfers between the levels of fair value.

1.2.12 Liabilities provisions

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.

1.2.13 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 longservice benefits such as *wissam schoghl*, long-term disability benefits, profitsharing, 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 it is 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).

1.2.14 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.

1.2.15 The covid-19 health crisis

The Group's Interim Consolidated financial statements have been established based on available information

In the evolving context of Covid-19 crisis and the difficulties in assessing its impacts and the future prospects.

For the determination of impairment and provisions for credit risk in accordance with IFRS 9, estimates and judgment are applied particularly to the assessment of the deterioration in credit risk observed since the initial recognition of financial assets and of amount of expected credit losses on these financial assets.

Impact of support measures on the evaluation of increase in credit risk

In accordance with the IASB's statement on the recognition of expected credit losses pursuant to IFRS 9 in the current exceptional circumstances, the importance of judgement was recalled in the application of the IFRS 9 credit risk principles and the resulting classification of financial instruments.

It stated in particular :

- The deferral of payments due does not automatically call into question clients' financial positions and it does not necessarily imply an increased counterparty credit risk.
- In general, amendments to agreements timely limited cannot be understood as restructuring due to financial difficulties.

The deferrals given according to support measures did therefore not result in the mechanic shift from Bucket 1 "performing loans" to Bucket 2 "loans with significant increase in credit risk" or from Bucket 2 to Bucket 3 Defaulted loans.

Forward looking in expected credit losses calculation

Expected Credit losses should :

- Reflect an unbiased amount and probability-weighted amount that is determined by evaluating a range of possible outcomes,
- And consider reasonable and supportable information, that is available without undue cost or effort, at the reporting date about past events, current conditions and forecasts of future economic conditions

In accordance with Group ECL calculation methodology including forward looking expectations, the group used three scenarios to measure the IFRS 9 impairment parameters. These scenarios have been established by Group economists. A weighting coefficient is assigned for each scenario and the outputs of the models correspond to a probabilised average of these scenarios.

These three scenarios incorporate differentiated assumptions with regard to the impacts, the size, and timing of the crisis

Expected losses are calculated as the product of PD by LGD and EAD with a 12 months maturity for performing loans ("Bucket 1") and a lifetime maturity for loans with a significant increase ("Bucket 2") or defaulted loans ("Bucket 3").

- Probabilities of Default (PD): the PD represent the likelihood of a borrower defaulting on its financial obligation either over the next 12 months or over the remaining lifetime of the obligation
- Exposure at Default (EAD): EAD is based on the amounts the group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.
- Loss Given Default (LGD) : LGD represents the group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support.

Macroeconomic assumptions described above led to a deterioration of risk parameters and mainly to an increase in Probability of default used for calculation as of June 30, 2020.

Some sector supplements established at the local level on specific portfolios or entities supplement the macroeconomic scenarios defined centrally

On the basis of the scenarios and weightings mentioned above, and after taking into account the methodological adjustments and support measures, the calculation of expected credit losses led the Group to record a loss in Cost of risk of 3 021 million dirhams on 30 June 2020 i.e. an increase of 2 107 million dirhams (+231%) compared to 30 June 2019.

FINANCIAL STATEMENTS

Consolidated financial statements at 30 June 2020

CONSOLIDATED BALANCE SHEET at 30 June 2020

(thousand MAD)

ASSETS	NOTES	06/30/2020	12/31/2019
Cash - Central banks -Public treasury- Postal cheque		24 867 042	24 731 843
Financial assets at fair value through profit or loss (FV P&L)	2.1	61 690 374	55 788 147
Trading assets		60 159 129	54 323 800
Other financial assets at fair value through profit or loss		1 531 245	1 464 347
Derivatives used for hedging purposes			
Financial assets at fair value through other comprehensive income	2.2 / 2.11	57 261 303	51 845 481
Debt instruments at fair value through other comprehensive income (recycling)		18 830 515	13 756 133
Equity instruments at fair value through other comprehensive income (no recycling)		2 306 771	2 183 878
Financial assets at fair value through other comprehensive income (Insurance)		36 124 017	35 905 470
Securities at amortised cost	2.11 / 2.13	17 589 234	16 120 400
Loans & receivables to credit institutions at amortised cost	2.3 / 2.11	28 792 406	23 394 354
Loans & receivables to customers at amortised cost	2.4 / 2.11	330 152 590	323 752 579
Remeasurement adjustment on interest-rate risk hedged portfolios			
Financial investments of insurance activities			
Current tax assets		338 232	141 683
Deferred tax assets		3 617 566	2 935 008
Accrued income and other assets		11 042 668	11 112 167
Non current assets held for sale		74 730	75 125
Equity-method investments		66 384	83 871
Investment property		2 432 017	2 466 111
Property, plant, equipment	2.5	6 970 872	7 289 029
Intangible assets	2.5	2 979 973	2 952 568
Goodwill	2.6	9 940 202	9 913 347
TOTAL ASSETS		557 815 595	532 601 713

LIABILITIES	Notes	06/30/2020	12/31/2019
Central banks-Public treasury-Postal cheque		4 048	4 408
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (FV P&L)	2.7	1 413 104	688 210
Trading liabilities		1 413 104	688 210
Other financial liabilities at fair value through profit or loss			
Derivatives used for hedging purposes			
Deposits from credit institutions	2.8	57 903 796	45 994 702
Deposits from customers	2.9	343 624 486	335 576 694
Notes & certificates issued		23 465 191	21 993 710
Remeasurement adjustment on interest-rate risk hedged portfolios			
Current tax liabilities		675 120	1 178 770
Deferred tax liabilities		2 620 048	2 603 572
Accrued expenses and other liabilities		16 681 423	16 613 569
Debts related to non current assets held for sale			
Insurance liabilities		37 414 559	36 482 016
Provisions	2.10 / 2.11	2 783 658	2 761 922
Subsidies and allocated funds		156 136	157 270
Subordinated debts and special guarantee funds		16 132 079	14 621 834
Shareholders' equity		54 941 946	53 925 039
Equity and related reserves		12 551 765	12 551 765
Consolidated reserves		38 401 810	31 791 529
Group share		34 122 683	28 210 456
Non-controlling interests		4 279 127	3 581 073
Unrealized or deferred Gains / losses		2 398 075	2 630 652
Group share		1 000 953	1 049 529
Non-controlling interests		1 397 122	1 581 124
Net income		1 590 297	6 951 093
Group share		1 248 363	5 816 007
Non-controlling interests		341 934	1 135 086
TOTAL LIABILITIES		557 815 595	532 601 713

INCOME STATEMENT at 30 june 2020

(thousand MAD)

	Notes	06/30/2020	06/30/2019
Interest income	3.1	11 291 537	10 831 374
Interest expenses	3.1	-3 415 758	-3 577 580
NET INTEREST MARGIN		7 875 779	7 253 793
Fees income	3.2	2 641 890	2 829 621
Fees expenses	3.2	-415 388	-370 937
NET FEE MARGIN		2 226 503	2 458 684
Net gains or losses occurred by the hedging of net positions			
Net gains or losses on financial instruments at fair value through profit or loss		1 557 641	1 695 471
Net gains or losses on trading assets		1 564 511	1 695 471
Net gains or losses on other assets at fair value through profit or loss		-6 871	
Net gains or losses on financial assets at fair value through other comprehensive income		275 287	387 253
Net gains or losses on debt instruments at fair value through other comprehensive income (recycling)		3 287	14 553
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		62 558	86 930
Remuneration of financial assets measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (insurance)		209 442	285 770
Net gains or losses on derecognised financial assets at amortised cost			
Net gains or losses on reclassified financial assets at fair value through comprehensive income to financial assets through profit or loss			
Income on other activities		4 549 504	4 358 891
Expenses on other activities		-4 101 877	-4 377 442
NET BANKING INCOME		12 382 837	11 776 651
Total operating expenses		-5 880 779	-4 765 101
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		-788 536	-740 926
GROSS OPERATING INCOME		5 713 521	6 270 623
Cost of risk	3.3	-3 021 321	-913 631
NET OPERATING INCOME		2 692 200	5 356 993
+/- Share of earnings of associates and equity-method entities		-5 421	5 691
Net gains or losses on other assets		10 514	12 339
Goowill variation values			
PRE-TAX INCOME		2 697 293	5 375 023
Net income tax		-1 106 997	-1 892 604
Net income from discounted or held-for-sale operations			
NET INCOME		1 590 297	3 482 419
Non-controlling interests		-341 934	-547 634
NET INCOME GROUP SHARE		1 248 363	2 934 785
Earnings per share		5,95	13,98
Diluted earnings per share		5,95	13,98

STATEMENT OF NET INCOME AND GAINS AND LOSSES DIRECTLY RECORDED IN SHAREHOLDERS EQUITY at 30 june 2020 (thousand MAD)

STATEMENT OF NET INCOME AND GAINS AND LOSSES DIRECTLY RECORDED IN SHAREHOLDERS EQUITY	06/30/2020	12/31/2019
Net Income	1 590 297	6 951 093
Items that may be reclassified subsequently to income statement :		
Currency translation adjustments	133 729	244 290
Revaluation of financial assets at fair value through other comprehensive income (recyclable)	-385 464	1 315 591
Revaluation of hedging derivative instruments		
Share of gains and losses accounted directly in equity of equity method entities	-12 067	-1 418
Other items accounted in equity (recyclable)		
Related income tax	156 122	-466 082
Items that will not be reclassified subsequently to income statement		
Revaluation of fixed assets		
Revaluation (or Actuarial gains/ losses) of defined benefit pension plans		
Revaluation of credit risk specific to financial liabilities that are not mandatorily measured at fair value through profit or loss		
Revaluation of equity instruments through other comprehensive income	-5 067	-23 760
Share of gains and losses through other comprehensive income on items regarding equity-method investments (non recyclable)		
Other comprehensive income (non recyclable)		
Related Taxes	1 831	8 131
Total gains and losses directly recorded in shareholders' equity	-110 915	1 076 752
Net income directly recorded in shareholders' equity	1 479 382	8 027 845
Of which Group share	1 290 296	6 377 222
Of which non-controlling interests	189 086	1 650 623

TABLE OF SHAREHOLDERS EQUITY VARIATION at 30 June 2020

(thousand MAD)

	Share capital	Reserves (related to share capital)	Treasury stock	Reserves and consolidated income	Gains or losses by OCI (recycling)	Gains or losses by OCI (non recycling)	Shareholders equity group share	non-controlling interests	Total
Shareholders' equity 31st December 2018	2 098 597	10 453 168	-2 461 129	33 763 639	699 163	-34 103	44 519 337	5 952 057	50 471 394
Transactions related to share capital				407 457			407 457	253 743	661 200
Share-based payments									
Transactions related to treasury stock									
Dividends				-2 733 310			-2 733 310	-727 158	-3 460 468
Net income				5 816 007			5 816 007	1 135 086	6 951 093
Intangible and fixed assets : revaluation and disposals									
Financial instruments : fair value variation and transfer through P&L					393 022	-8 554	384 468	449 415	833 883
Translation adjustments : change and transfer through PL				178 167			178 167	66 122	244 290
Latent or differed gains or losses				178 167	393 022	-8 554	562 636	515 537	1 078 173
Other variations				-528 562			-528 562	-831 983	-1 360 545
Changes in scope of consolidation				-415 808			-415 808		-415 808
Shareholders' equity 31st December 2019	2 098 597	10 453 168	-2 461 129	36 487 590	1 092 185	-42 657	47 627 757	6 297 282	53 925 039
Transactions related to share capital				46 137			46 137	-130 893	-84 756
Share-based payments									
Transactions related to treasury stock									
Dividends				-61 883			-61 883	-459 555	-521 439
Net income				1 248 363			1 248 363	341 934	1 590 297
Intangible and fixed assets : revaluation and disposals									
Financial instruments : fair value variation and transfer through P&L					-46 586	-1 990	-48 576	-184 001	-232 578
Translation adjustments : change and transfer through PL				102 576			102 576	31 153	133 729
Latent or differed gains or losses				102 576	-46 586	-1 990	54 000	-152 849	-98 848
Other variations				9 390			9 390	122 264	131 654
Changes in scope of consolidation									
Shareholders' equity at 30 June 2020	2 098 597	10 453 168	-2 461 129	37 832 172	1 045 599	-44 647	48 923 763	6 018 183	54 941 946

CASH FLOW STATEMENT at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Pre-tax income	2 697 293	10 704 643
+/- Net depreciation and amortisation of property, plant and equipment and intangible assets	812 079	1 591 298
+/- Net impairment of goodwill and other fixed assets		
+/- Net impairment of financial assets		
+/- Net addition to provisions	3 193 298	1 669 426
+/- Share of earnings of equity-method entities	5 421	-13 287
+/- Net gain/loss from investment activities	-37 458	-18 681
+/- Net gain/loss from financing activities		
+/- Other movements	-827 391	1 591 297
Non-monetary items included in pre-tax net income and other adjustments	3 145 949	4 820 053
+/- Flows related to transactions with credit institutions and similar institutions	-7 317 336	-3 235 596
+/- Flows related to transactions with customers	-809 368	-15 254 680
+/- Flows related to other transactions affecting financial assets or liabilities	-12 821 794	506 419
+/- Flows related to other transactions affecting non-financial assets or liabilities		
- Taxes paid	-1 927 077	-3 368 729
Net increase/decrease in operating assets and liabilities	-22 875 575	-21 352 586
Net cash flow generated from operating activities	-17 032 332	-5 827 891
+/- Flows related to financial assets and investments	-1 502 718	-952 396
+/- Flows related to investment property	47 949	56 427
+/- Flows related to plant, property and equipment and intangible assets	-5 231	-532 295
Net cash flow related to investing activities	-1 459 999	-1 428 264
+/- Cash flows related to transactions with shareholders	-521 439	-3 460 468
+/- Other net cash flows from financing activities	7 659 873	8 544 965
Net cash flow from financing activities	7 138 434	5 084 497
Effect of movement in exchange rates on cash and equivalents	418 402	287 598
Net increase (decrease) in cash and cash equivalents	-10 935 495	-1 884 059
Composition of cash position	06/30/2020	12/31/2019
Cash and cash equivalents at the beginning of the period	20 984 724	22 868 784
Net cash balance (assets and liabilities) with central banks, the treasury and post office accounts	24 727 436	18 533 535
Inter-bank balances with credit institutions and similar institutions	-3 742 711	4 335 248
Cash and cash equivalents at the end of the period	10 049 229	20 984 724
Net cash balance (assets and liabilities) with central banks, the treasury and post office accounts	24 862 993	24 727 436
Inter-bank balances with credit institutions and similar institutions	-14 813 764	-3 742 711
Net change in cash and cash equivalents	-10 935 495	-1 884 059

2. BALANCE SHEET NOTES
2.1 Financial assets at fair value through profit or loss at 30 June 2020

(thousand MAD)

	06/30/2020		12/31/2019	
	Trading assets	Other financial assets at fair value through profit or loss	Trading assets	Other financial assets at fair value through profit or loss
Loans and receivables to credit institutions				
Loans and receivables to customers				
Financial assets held as guarantee for unit-linked policies				
Securities received under repurchase agreements	27 742			
Treasury bills and similar securities	39 973 533		31 780 018	
Bonds and other fixed income securities	4 789 863	3 162	7 196 548	
Shares and other equity securities	15 335 982	1 385 097	15 237 714	1 320 858
Non-consolidated equity investments		142 987		143 489
Derivative instruments	32 009		109 519	
Related receivables				
Fair value on the balance sheet	60 159 129	1 531 245	54 323 800	1 464 347

2.2 Financial assets at fair value through other comprehensive income at 30 June 2020

(thousand MAD)

	06/30/2020		
	Balance sheet value	Latent gains	Latent losses
Financial assets at fair value through other comprehensive income	57 261 303	4 229 838	-484 198
Debt instruments at fair value through other comprehensive income (recycling)	18 830 515	255 044	-6 089
Equity instruments at fair value through other comprehensive income (no recycling)	2 306 771	172 268	-214 833
Financial assets at fair value through other comprehensive income (Insurance)	36 124 017	3 802 527	-263 277
Debt instruments at fair value through other comprehensive income (recycling)	Balance sheet value	Latent gains	Latent losses
Treasury bills and similar securities	7 164 084	184 694	-2 457
Bonds and other fixed income securities	11 666 431	70 350	-3 632
Total Debt securities	18 830 515	255 044	-6 089
Total other comprehensive income that may be reclassified subsequently to income statement		255 044	-6 089
Income tax expense		-59 355	2 282
Total other comprehensive income on debt instruments that may be reclassified subsequently to income statement (net of income tax)		195 689	-3 807
Equity instruments at fair value through other comprehensive income (no recycling)	Balance sheet value	Latent gains	Latent losses
Equity and other variable income securities			
Non-consolidated equity investments	2 306 771	172 268	-214 833
Total equity instruments at fair value through other comprehensive income that will not be reclassified subsequently to income statement	2 306 771	172 268	-214 833
Income tax expense		-56 158	77 368
Total other comprehensive income on equity instruments that will not be reclassified subsequently to income statement (net of income tax)		116 110	-137 465
Financial assets at fair value through other comprehensive income that may be reclassified subsequently to income statement (Insurance)	Balance sheet value	Latent gains	Latent losses
Treasury bills and similar securities	14 896 320	1 066 511	-20 054
Bonds and other fixed income securities	6 641 061	184 601	-21 086
Equity and other variable income securities	9 099 664	2 551 415	-187 727
Non-consolidated equity investments	5 486 971		-34 409
Total financial assets at fair value through other comprehensive income that may be reclassified subsequently to income statement (Insurance)	36 124 017	3 802 527	-263 277
Income tax expense		-1 406 935	95 233
Gains and losses directly recorded in shareholders' equity of financial assets at fair value through other comprehensive income that will be reclassified subsequently to income statement (Insurance)		2 395 592	-168 044

2.3 Loans and receivables to credit institutions at amortised cost

2.3.1 Loans and receivables to credit institutions at amortised cost at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Credit Institutions		
Accounts and loans	28 355 627	22 804 173
of which performing on demand accounts	13 938 396	8 789 843
of which performing overnight accounts and advances	14 417 232	14 014 329
Other loans and receivables	342 320	565 090
Gross value	28 697 947	23 369 262
Related loans	155 366	86 262
Impairment (*)	60 907	61 170
Net value of loans and receivables due from credit institutions	28 792 406	23 394 354
Intercompany operations	06/30/2020	12/31/2019
Demand accounts	4 820 033	3 806 853
Accounts and long-term advances	21 702 006	22 991 912
Related receivables	123 858	58 258

(*) see note 2.11

2.3.2 Breakdown at loans and receivables to credit institutions by geographical area at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Morocco	7 565 042	7 462 064
North Africa	3 366 763	3 062 262
The WAEMU Region	641 255	1 396 214
The EMCCA Region	1 582 047	1 316 285
Europe	6 748 731	5 900 142
Others	8 794 109	4 232 296
Total principal	28 697 947	23 369 262
Related receivables	155 366	86 262
Impairment (*)	60 907	61 170
Net value at balance sheet	28 792 406	23 394 354

(*) see note 2.11

2.4 Loans & receivables to customers at amortised cost

2.4.1 Loans & receivables to customers at amortised cost at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Transactions with customers	06/30/2020	12/31/2019
Trade receivables	54 961 269	45 245 335
Other loans and receivables to customers	254 052 706	251 834 906
Securities received under repurchase agreements	1 699 820	921 840
Subordinated loans	3 322	3 282
On demand accounts	22 399 245	25 218 899
Gross value	333 116 362	323 224 262
Related receivables	2 216 253	1 856 014
Impairment (*)	23 780 344	20 980 905
Net value of loans and receivables to customers	311 552 271	304 099 371
Finance leases		
Property leasing	3 545 156	3 716 577
Equipment leasing, long-term rental and similar activities	16 042 979	16 810 107
Gross value	19 588 135	20 526 684
Related receivables	1 819	1 359
Impairment (*)	989 635	874 836
Net value of leasing activities	18 600 318	19 653 207
Balance sheet value	330 152 590	323 752 579

(*) see note 2.11

2.4.2 Breakdown of loans and receivables to customers by geographical area at 30 June 2020

(thousand MAD)

06/30/2020	Exposure at Default			Expected Credit Loss [*]		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Morocco	222 251 962	27 631 023	19 923 333	1 195 486	3 814 007	12 778 085
North Africa	33 815 422	1 989 985	1 738 947	265 105	253 615	1 231 308
The WAEMU Region	29 687 699	707 085	3 212 327	499 138	174 515	2 497 536
The EMCCA Region	8 908 797	1 222 513	1 865 570	271 443	450 062	1 325 233
Europe	1 954 350		13 557	3 139		11 305
Net value at balance sheet	296 618 229	31 550 606	26 753 734	2 234 312	4 692 200	17 843 468

(*) see note 2.11

12/31/2019	Exposure at Default			Expected Credit Loss [*]		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Morocco	224 015 637	23 017 440	16 652 785	1 279 046	3 307 284	10 838 951
North Africa	31 369 989	1 194 039	1 653 750	204 426	222 110	1 132 978
The WAEMU Region	27 410 202	2 221 522	3 242 164	492 735	154 909	2 292 958
The EMCCA Region	10 049 323	1 631 119	1 404 723	303 358	487 361	1 121 139
Europe	1 728 009		17 617	3 101		15 386
Net value at balance sheet	294 573 161	28 064 120	22 971 039	2 282 666	4 171 663	15 401 412

(*) see note 2.11

2.5 Plant, property and equipment and intangible assets at 30 June 2020

(thousand MAD)

	06/30/2020			12/31/2019		
	Gross value	Accumulated amortisation and impairment	Net value	Gross value	Accumulated amortisation and impairment	Net value
Land and buildings	3 515 535	1 486 823	2 028 712	3 240 276	1 310 658	1 929 618
Movable property and equipment	5 969 297	3 846 737	2 122 560	5 710 129	3 475 802	2 234 326
Leased movable property	720 722	288 251	432 470	716 440	259 083	457 357
Other property, plant and equipment	6 363 044	3 975 914	2 387 130	6 808 731	4 141 004	2 667 727
Total property, plant and equipment	16 568 598	9 597 726	6 970 872	16 475 577	9 186 548	7 289 029
IT software acquired	5 123 423	2 933 780	2 189 642	4 943 871	2 755 810	2 188 061
Other intangible assets	1 273 270	482 939	790 331	1 241 681	477 174	764 507
Total intangible assets	6 396 692	3 416 720	2 979 973	6 185 552	3 232 984	2 952 568

Change in right-of-use	12/31/2019	Increases	Decreases	Other	06/30/2020
Property					
Gross amount	1 762 906		-20 530	6 581	1 748 956
Amortisation and impairment	-306 670	-159 726	20 530	-1 228	-447 094
Total property	1 456 236	-159 726		5 352	1 301 862
Movable property					
Gross amount					
Amortisation and impairment					
Total movable property					
Total right-of-use	1 456 236	-159 726		5 352	1 301 862

(thousand MAD)

(thousand MAD)

Change in lease debt	12/31/2019	Increases	Decreases	Other	06/30/2020
Lease debt	1 495 605		-138 971	5 644	1 362 278
Total lease Debt	1 495 605		-138 971	5 644	1 362 278

(thousand MAD)

Detail of lease contracts' expenses	06/30/2020	12/31/2019
Interests expenses on lease liability	-45 550	-90 436
Right-of-use amortisation	-160 509	-324 765

(thousand MAD)

Right-of-use asset	06/30/2020	12/31/2019
Plant, property and equipment	6 970 872	7 289 029
Of which right-of-use	1 301 862	1 456 236

Lease liability	06/30/2020	12/31/2019
Adjustment & other liability accounts	16 681 423	16 613 569
Of which lease liability	1 362 278	1 495 605

2.6 Goodwill at 30 June 2020

(thousand MAD)

	12/31/2019	Scope variation	Currency translation adjustments	Other movements	06/30/2020
Gross value	9 913 347		26 855		9 940 202
Accumulated amortisation and impairment					
Net value on the balance sheet	9 913 347		26 855		9 940 202

2.7 Financial liabilities at fair value through profit or loss (FV P&L) at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Securities pledged under repurchase agreements Credit Institutions	704 553	261 843
Derivative instruments	708 551	426 367
Fair value on the balance sheet	1 413 104	688 210

2.8 Deposits from credit institutions at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Credit Institutions		
Accounts and borrowings	35 860 769	21 946 244
Securities pledged under repurchase agreements	21 945 639	23 970 838
Total	57 806 408	45 917 082
Related debt	97 387	77 620
Value on the balance sheet	57 903 796	45 994 702
	06/30/2020	12/31/2019
Interbank operations		
On demand accounts	1 900 554	2 066 040
Accounts and long-term advances	23 711 496	23 794 147
Related debt	130 367	138 214

2.9 Deposits from customers

2.9.1 Deposits from customers at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
On demand deposits	222 580 150	207 980 634
Savings accounts	98 853 888	103 543 220
Other deposits from customers	19 769 900	22 283 369
Securities pledged under repurchase agreements	1 491 162	875 899
Total principal	342 695 101	334 683 122
Related debt	929 384	893 572
Value on the balance sheet	343 624 486	335 576 694

2.9.2 Breakdown of deposits from customers by geographical area at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Morocco	241 922 976	241 588 032
North Africa	40 838 717	36 267 143
The WAEMU Region	38 668 241	36 531 663
The EMCCA Region	17 958 576	17 276 124
Europe	3 306 591	3 020 160
Total principal	342 695 101	334 683 122
Related debt	929 384	893 572
Value on the balance sheet	343 624 486	335 576 694

2.10 Provisions for contingencies and charges at 30 June 2020

(thousand MAD)

	12/31/2019	Change in scope	Additional provisions	Write-backs used	Write-backs not used	Other changes	06/30/2020
Provisions for commitments by signature (*)	935 636		196 036		210 355	3 642	924 958
Provisions for employee benefits	590 795		75 248	24 128		-3 379	638 536
Other provisions for contingencies and charges	1 235 491		134 089	1 107	149 657	1 347	1 220 163
Total provisions for contingencies and charges	2 761 922		405 373	25 235	360 012	1 611	2 783 658

* See note 2.11

2.11 Exposure at default and Expected credit loss by Bucket according to IFRS 9 at 30 June 2020

(thousand MAD)

06/30/2020	Exposure at Default			Expected Credit Loss			Coverage Ratio		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Financial assets at fair value through other comprehensive income	18 826 042	217 110		175 648	36 989		0,9%	17,0%	
Loans & receivables to credit institutions									
Loans & receivables to customers									
Debt instruments	18 826 042	217 110		175 648	36 989		0,9%	17,0%	
Financial assets at amortised cost	343 048 666	31 612 452	26 780 452	2 340 049	4 697 322	17 869 969	0,7%	14,9%	66,7%
Loans & receivables to credit institutions	28 826 595		26 718	34 406		26 502	0,1%		99,2%
Loans & receivables to Customers	296 618 229	31 550 606	26 753 734	2 234 312	4 692 200	17 843 468	0,8%	14,9%	66,7%
Debt instruments	17 603 842	61 846		71 331	5 122		0,4%	8,3%	
Total assets	361 874 708	31 829 562	26 780 452	2 515 696	4 734 310	17 869 969	0,7%	14,9%	66,7%
Off Balance Sheet commitments	146 528 233	11 699 794	575 063	564 987	231 101	128 869	0,4%	2,0%	22,4%
Total	508 402 941	43 529 356	27 355 515	3 080 684	4 965 412	17 998 839	0,6%	11,4%	65,8%

12/31/2019	Exposure at Default			Expected Credit Loss			Coverage Ratio		
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3
Financial assets at fair value through other comprehensive income	13 873 123	20 513		135 870	1 632		1,0%	8,0%	
Loans & receivables to credit institutions									
Loans & receivables to customers									
Debt instruments	13 873 123	20 513		135 870	1 632		1,0%	8,0%	
Financial assets at amortised cost	333 529 240	28 751 709	22 996 233	2 405 354	4 179 966	15 424 531	0,7%	14,5%	67,1%
Loans & receivables to credit institutions	22 844 129	586 201	25 194	37 817	235	23 119	0,2%		91,8%
Loans & receivables to Customers	294 573 161	28 064 120	22 971 039	2 282 666	4 171 663	15 401 412	0,8%	14,9%	67,0%
Debt instruments	16 111 950	101 389		84 871	8 068		0,5%	8,0%	
Total assets	347 402 363	28 772 222	22 996 233	2 541 224	4 181 598	15 424 531	0,7%	14,5%	67,1%
Off Balance Sheet commitments	140 869 735	9 207 108	495 597	534 228	299 803	101 604	0,4%	3,3%	20,5%
Total	488 272 098	37 979 330	23 491 830	3 075 453	4 481 401	15 526 135	0,6%	11,8%	66,1%

2.12 Impaired outstanding amounts (Bucket 3) at 30 June 2020

(thousand MAD)

	06/30/2020			12/31/2019		
	Outstanding amount Bucket 3			Outstanding amount Bucket 3		
	Gross value	Expected Credit Loss	Net value	Gross value	Expected Credit Loss	Net value
Loans & receivables to credit institutions	26 718	26 502	217	25 194	23 119	2 075
Loans & receivables to customers	26 753 734	17 843 468	8 910 266	22 971 039	15 401 412	7 569 627
Debt instruments						
Total impaired outstanding amount at amortised cost (Bucket 3)	26 780 452	17 869 969	8 910 483	22 996 233	15 424 531	7 571 702
Total impaired off-balance sheet commitments (Bucket 3)	575 063	128 869	446 193	495 597	101 604	393 993

2.13 Securities at amortised cost at 30 June 2020

(thousand MAD)

	06/30/2020	12/31/2019
Securities at amortised cost		
Treasury bills and similar securities	13 664 957	12 409 759
Bonds and other fixed income securities	4 000 732	3 803 580
Total	17 665 688	16 213 339
Impairment	76 454	92 940
Total	17 589 234	16 120 400

* See note 2.11

3- NOTES TO INCOME STATEMENT

3.1 Net interest margin at 30 june 2020

(thousand MAD)

	Income	Expenses	Net
Transactions with customers	9 586 760	1 878 914	7 707 846
Deposits, loans and borrowings	9 055 467	1 833 330	7 222 137
Repurchase agreements	824	45 584	-44 759
Finance leases	530 469		530 469
Inter-bank transactions	307 926	757 198	-449 273
Deposits, loans and borrowings	307 749	664 069	-356 320
Repurchase agreements	176	93 129	-92 953
Debt issued by the group		779 646	-779 646
Securities transactions	1 396 852		1 396 852
Total interest margin	11 291 537	3 415 758	7 875 779

3.2 Net fees at 30 june 2020

(thousand MAD)

	Income	Expenses	Net
Net fees on transactions	1 007 568	40 725	966 843
With credit institutions	57 671	34 738	22 933
With customers	621 630		621 630
On securities	68 095	4 184	63 911
On foreign exchange	22 398	1 147	21 251
On forward financial instruments and other off-balance sheet transactions	237 774	656	237 118
Banking and financial services	1 634 322	374 663	1 259 660
Net income from mutual fund management (UCITS)	202 384	15 821	186 564
Net income from payment services	937 023	257 401	679 622
Insurance	7 346		7 346
Other services	487 569	101 441	386 128
Net fee income	2 641 890	415 388	2 226 503

3.3 Cost of risk at 30 june 2020

(thousand MAD)

	06/30/2020
Additional provisions	-4 728 843
Provisions for loan impairment	-4 511 552
Provisions for securities Impairment	-83 202
Other general provisions	-134 089
Provision write-backs	1 767 558
Provisions for loan impairment	1 591 505
Provisions for securities Impairment	25 290
Other general provisions	150 764
Change in provisions	-60 037
Losses on written-off loans	-132 330
Amounts recovered on impaired written-off loans	73 560
Others	-1 266
Total	-3 021 321

4. INFORMATION BY BUSINESS LINES

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

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

(thousand MAD)

BALANCE SHEET JUNE 2020	Domestic banking, europe and offshore	Specialised Financial Subsidiaries	Insurance	International Retail Banking	TOTAL
Total Balance Sheet	337 839 200	38 101 071	46 063 824	135 811 500	557 815 595
including					
Assets					
Financial assets at fair value through profit or loss	59 808 155	79 033		1 803 187	61 690 374
Financial assets at fair value through other comprehensive income	2 969 147	146 125	36 124 017	18 022 015	57 261 303
Securities at amortised cost	10 703 239	12 500		6 873 496	17 589 234
Loans and advances to financial institutions at amortised cost	22 616 005	506 869	11 934	5 657 598	28 792 406
Loans & receivables Customers at amortised cost	216 682 315	33 459 742	4 003 899	76 006 633	330 152 590
Property, plant, equipment	3 385 282	845 766	177 068	2 562 755	6 970 872
Liabilities					
Debts - Financial Institutions	47 284 010	2 748 478	250 241	7 621 067	57 903 796
Customers deposits	240 085 869	5 708 730	4 131	97 825 756	343 624 486
Insurance technical provision			37 414 559		37 414 559
Subordinated funds and special guarantee funds	14 602 333	507 017		1 022 729	16 132 079
Shareholders' equity	42 785 524	2 254 790	3 789 629	6 112 003	54 941 946

INCOME STATEMENT JUNE 2020	Domestic banking, europe and offshore	Specialised Financial Subsidiaries	Insurance	International Retail Banking	Eliminations	TOTAL
Interest margin	4 065 821	613 090	416 638	2 787 273	-7 043	7 875 779
Margin on fees	1 230 607	446 493	-10 677	960 953	-400 873	2 226 503
Net banking income	6 188 746	1 264 114	1 097 305	3 976 862	-144 192	12 382 837
Operating expenses	3 342 574	453 477	388 900	1 840 020	-144 192	5 880 779
Net operating income	1 092 592	-58 397	369 361	1 288 644		2 692 200
Net income	581 647	-76 410	180 409	904 651		1 590 297
Net income group share	569 495	21 041	74 712	583 115		1 248 363

5. FINANCING COMMITMENTS AND GUARANTEES

5.1 Financing commitments at 30 June 2020 (thousand MAD)

	06/30/2020	12/31/2019
Financing commitments given	82 918 135	78 839 937
Financing commitments received	2 949 478	3 761 711

5.2 Guarantee commitments at 30 June 2020 (thousand MAD)

	06/30/2020	12/31/2019
Financing commitments given	75 884 955	71 732 504
Financing commitments received	44 237 181	48 654 595

6. OTHER COMPLEMENTARY INFORMATION:

6.1 Certificates of deposit and finance company bonds issued during the first half 2020

The outstanding amount of certificates of deposit at the end of June 2020 amounts to MAD 16.6 billion.

During the first half of 2020, MAD 3.0 billion certificates of deposit were issued with a maturity ranging from 13 weeks to 5 years and rates between 2.20% and 14%.

The outstanding amount of bonds issued by financing companies at the end of June 2020 amounts to MAD 6.6 billion.

During the first half of 2020, MAD 1.8 billion of bonds of financing companies were issued with a maturity between 2 and 5 years. The associated rates vary between 2.71% and 3.15%.

6.2 Subordinated debts issued during the first half 2020

During the first half of the year 2020, the group Attijariwafa bank issued two subordinated bonds.

On June 18, 2020, Attijariwafa bank issued a perpetual subordinated bond loan with a mechanism of loss absorption and cancellation of coupon payment, for an amount of MAD 1 billion, divided into 10,000 bonds with a nominal value of MAD 100,000. It is split into 2 unlisted tranches (A and B).

The nominal interest rate relating to tranche A is revisable every 10 years and amounts to 5.31% including a risk premium of 250 basis points. The nominal interest rate applicable to tranche B can be revised annually and amounts to 4.48%, including a risk premium of 230 basis points.

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

	(thousand MAD)	
	Section A	Section B
Amount withheld	175 000	825 000

The second subordinated bond was issued by Attijariwafa Bank on June 18, 2020 for an amount of MAD 500,000,000, divided into 5,000 bonds with a nominal value of MAD 100,000. It is broken down into 3 listed tranches (A, B and E) and 3 unlisted tranches (C, D and F). The global result of subscriptions to the four tranches is summarized in the following table :

	(thousand MAD)
	Section F
Amount withheld	500 000

6.3 Capital and income per share

6.3.1 Number of shares and per values :

As of 30 June 2020, Attijariwafa bank's capital amounted to MAD 2,098,596,790 and made of 209,859,679 shares at a nominal value of MAD 10.

6.3.2 Attijariwafa bank shares held by the Group :

As of 30 June 2020, Attijariwafa bank Group hold 13,226,583 shares representing a global amount of MAD 2 461 million deducted from the consolidated shareholders equity.

6.3.3 Per share income :

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

	(IN MAD)		
	06/30/2020	12/31/2019	06/30/2019
Earnings per share	5,95	27,71	13,98
Diluted earnings per share	5,95	27,71	13,98

6.4 Scope of consolidation

name	Sector of activity	(A)	(B)	(C)	(D)	country	Method	% control	% interest
ATTIJARIWAFABANK	Bank					Morocco	Top		
ATTIJARIWAFABANK EUROPE	Bank					France	IG	99,78%	99,78%
ATTIJARI INTERNATIONAL BANK	Bank					Morocco	IG	100,00%	100,00%
COMPAGNIE BANCAIRE DE L'AFRIQUE DE L'OUEST	Bank					Senegal	IG	83,07%	83,01%
ATTIJARIBANK TUNISIE	Bank					Tunisia	IG	58,98%	58,98%
LA BANQUE INTERNATIONALE POUR LE MALI	Bank					Mali	IG	66,30%	66,30%
CREDIT DU SENEGAL	Bank					Senegal	IG	95,00%	95,00%
UNION GABONAISE DE BANQUE	Bank					Gabon	IG	58,71%	58,71%
CREDIT DU CONGO	Bank					Congo	IG	91,00%	91,00%
SOCIETE IVOIRIENNE DE BANQUE	Bank					Ivory Coast	IG	67,00%	67,00%
SOCIETE COMMERCIALE DE BANQUE CAMEROUN	Bank					Cameroon	IG	51,00%	51,00%
ATTIJARIBANK MAURITANIE	Bank					Mauritania	IG	100,00%	67,00%
BANQUE INTERNATIONALE POUR L'AFRIQUE AU TOGO	Bank					Togo	IG	56,50%	56,50%
ATTIJARIWAFABANK EGYPT	Bank					Egypt	IG	100,00%	100,00%
BANK ASSAFA	Bank			(3)		Morocco	IG	100,00%	100,00%
WAFASALAF	Consumer credit					Morocco	IG	50,91%	50,91%
WAFABAIL	Leasing		(2)			Morocco	IG	98,57%	98,57%
WAFAIMMOBILIER	Real estate loans					Morocco	IG	100,00%	100,00%
ATTIJARIIMMOBILIER	Real estate loans					Morocco	IG	100,00%	100,00%
ATTIJARIFACTORING MAROC	Factoring					Morocco	IG	100,00%	100,00%
WAFACASH	Cash Activities					Morocco	IG	100,00%	100,00%
WAFALD	Long-term rentals					Morocco	IG	100,00%	100,00%
ATTIJARIFINANCES CORP.	Investment bank					Morocco	IG	100,00%	100,00%
WAFAGESTION	Asset Management					Morocco	IG	66,00%	66,00%
ATTIJARIINTERMEDIATION	SM intermediation					Morocco	IG	100,00%	100,00%
FCP SECURITE	Dedicated mutual funds					Morocco	IG	39,65%	39,65%
FCP OPTIMISATION	Dedicated mutual funds					Morocco	IG	39,65%	39,65%
FCP STRATEGIE	Dedicated mutual funds					Morocco	IG	39,65%	39,65%
FCP EXPANSION	Dedicated mutual funds					Morocco	IG	39,65%	39,65%
FCP FRUCTI VALEURS	Dedicated mutual funds					Morocco	IG	39,65%	39,65%
WAFASSURANCE	Insurance					Morocco	IG	39,65%	39,65%
ATTIJARIASSURANCE TUNISIE	Insurance	(3)				Tunisia	IG	58,98%	50,28%
WAFAIMMA ASSISTANCE	Insurance	(3)				Morocco	IG	72,15%	45,39%
BCM CORPORATION	Holding					Morocco	IG	100,00%	100,00%
OGM	Holding					Morocco	IG	50,00%	50,00%
ANDALUCARTHAGE	Holding					Morocco	IG	100,00%	100,00%
KASOVI	Holding					Mauritius	IG	100,00%	100,00%
SAF	Holding					France	IG	99,82%	99,82%
FILAF	Holding					Senegal	IG	100,00%	100,00%
CAFIN	Holding					Senegal	IG	100,00%	100,00%
ATTIJARI AFRIQUE PARTICIPATIONS	Holding					France	IG	100,00%	100,00%
ATTIJARI MAROCO-MAURITANIE	Holding					France	IG	67,00%	67,00%
ATTIJARI IVOIRE	Holding					Morocco	IG	66,67%	66,67%
MOUSSAFIR	Hospitality industry					Morocco	MEE	33,34%	33,34%
ATTIJARISICAR	Risk capital					Tunisia	IG	74,13%	43,72%
PANORAMA	Real estate company					Morocco	IG	39,65%	39,65%
SOCIETE IMMOBILIERE TOGO LOME	Real estate company					Togo	IG	100,00%	100,00%

(A) Mouvements occurring in second half of 2018

(B) Mouvements occurring in first half of 2019

(C) Mouvements occurring in second half of 2019

(D) Mouvements occurring in first half of 2020

1 - Acquisition.

2 - Creation, crossing threshold.

3 - Entry into IFRS perimeter.

4 - Disposal.

5 - Deconsolidation.

6 - Merger between consolidated entities.

7 - Change in method - global integration to equity method.

8 - Change in method - equity method to global integration.

9 - Reconsolidation.

FINANCIAL STATEMENTS

Parent company financial statements at 30 June 2020

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.

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 Banking chart of accounts.

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

5.2. Trading securities

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

5.3. Available-for-sale securities

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

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

Equities are recorded at cost less acquisition expenses.

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

5.4. Investment securities

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

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

At the end of each period, these securities are recorded at cost, regardless of their market value. Unrealised profit or loss is therefore not recognised.

5.5. Investments in affiliates

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

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

5.6. Repos with physical delivery

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

6. Foreign currency transactions

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

Any foreign exchange difference on contributions from overseas branches and on foreign currency-denominated borrowings for hedging exchange rate risk is recorded in the balance sheet under "Other assets" or "Other liabilities" as appropriate. Any translation difference arising on translation of

long-term investment securities acquired in a foreign currency is recorded as a translation difference for each category of security in question.

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

7. Translation of financial statements drawn up in foreign currencies

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

Translation of balance sheet and off-balance sheet items

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

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

Translation of income statement items

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

8. General provisions

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

Provisions made qualify for a tax write-back.

9. Intangible assets and property, plant and equipment

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

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

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

Tangible assets are categorised as operating or non operating assets and are amortised over the Following periods :

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

10. Deferred expenses

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

Deferred expenses are amortised over the following periods:

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

11. Recognition of interest and fees in the income statement

Interest

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

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

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

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

Fees

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

12. Non-recurring items of income and expenditure

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

FINANCIAL STATEMENTS

Parent company financial statements at 30 June 2020

BALANCE SHEET at 30 June 2020

(thousand MAD)

ASSETS	06/30/20	12/31/19
Cash and balances with central banks, the treasury and post office accounts	8 700 162	10 466 455
Loans and advances to credit institutions and similar establishments	38 878 984	33 288 468
. Sight	11 484 690	5 796 155
. Term	27 394 294	27 492 313
Loans and advances to customers	203 400 045	199 389 610
. Short-term & consumer loans and participatory financing	57 168 325	56 296 253
. Equipment loans and participatory financing	63 982 114	64 159 419
. Mortgage loans and participatory financing	62 930 899	62 686 215
. Other loans and participatory financing	19 318 707	16 247 723
Receivables acquired through factoring	10 700 088	10 985 972
Trading securities and available-for-sale securities	70 855 047	67 908 173
. Treasury bills and similar securities	48 474 071	43 130 214
. Other debt securities	7 004 617	9 402 617
. Fixed income Funds	15 243 913	15 246 365
. Sukuk Certificates	132 446	128 977
Other assets	6 351 263	3 884 867
Investment securities	9 522 785	8 488 531
. Treasury bills and similar securities	9 522 785	8 488 531
. Other debt securities	-	-
. Sukuk Certificates	-	-
Investments in affiliates and other long-term investments	19 312 071	19 271 702
. Investments in affiliates companies	18 251 680	18 252 705
. Other and similar investments	1 060 391	1 018 997
. Moudaraba and mourabaha securities	-	-
Subordinated loans	-	-
Investment deposits given	-	-
Leased and rented assets	946 465	997 456
Fixed assets given in Ijara	-	-
Intangible assets	2 394 348	2 413 121
Property, plant and equipment	3 614 919	3 703 400
Total Assets	374 676 178	360 797 755

LIABILITIES	06/30/20	12/31/19
Amounts owing to central banks, the treasury and post office accounts	-	-
Amounts owing to credit institutions and similar establishments	48 196 020	37 492 675
. Sight	1 806 212	3 758 643
. Term	46 389 808	33 734 032
Customer deposits	233 999 750	233 128 874
. Current accounts in credit	162 481 535	153 596 621
. Savings accounts	29 231 054	29 344 406
. Term deposits	31 236 077	37 017 174
. Other accounts in credit	11 051 084	13 170 673
Debts to customers on participatory financing	-	-
Debt securities issued	12 931 076	12 969 319
. Negotiable debt securities	12 931 076	12 969 319
. Bonds	-	-
. Other debt securities issued	-	-
Other liabilities	15 041 992	16 876 549
General provisions	4 135 761	3 676 934
Regulated provisions	168 000	-
Subsidies, public funds and special guarantee funds	-	-
Subordinated debt	14 602 333	13 043 905
Investment deposits received	-	-
Revaluation reserve	420	420
Reserves and premiums related to share capital	34 800 508	34 794 175
Share capital	2 098 597	2 098 597
Shareholders, unpaid share capital (-)	-	-
Retained earnings (+/-)	6 709 974	1 876 196
Net income to be allocated (+/-)	-	-
Net income for the financial year (+/-)	1 991 747	4 840 111
Total liabilities	374 676 178	360 797 755

OFF-BALANCE SHEET at 30 June 2020

(thousand MAD)

OFF-BALANCE	06/30/20	12/31/19
COMMITMENTS GIVEN	148 355 751	138 738 107
Financing commitments given to credit institutions and similar establishments	2 564 880	3 673 291
Financing commitments given to customers	76 037 767	70 761 110
Guarantees given to credit institutions and similar establishments	14 203 245	11 138 687
Guarantees given to customers	54 510 530	52 055 604
Securities purchased with repurchase agreement	-	-
Other securities to be delivered	1 039 329	1 109 415
COMMITMENTS RECEIVED	16 298 552	18 555 786
Financing commitments received from credit institutions and similar establishments	-	191 864
Guarantees received from credit institutions and similar establishments	15 698 676	16 826 998
Guarantees received from the State and other organisations providing guarantees	475 833	499 815
Securities sold with repurchase agreement	-	-
Other securities to be received	124 043	1 037 109
Moucharka and moudaraba securities to be received	-	-

MANAGEMENT ACCOUNTING STATEMENT at 30 june 2020

(thousand MAD)

I - RESULTS ANALYSIS	06/30/20	06/30/19
+ Interest and similar income	5 677 713	5 572 162
- Interest and similar expenses	1 616 992	1 722 592
NET INTEREST MARGIN	4 060 720	3 849 570
+ Income from participatory financing		
- Expenses on participatory financing		
PARTICIPATORY FINANCING MARGIN		
+ Income from lease-financed fixed assets	47 164	130 909
- Expenses on lease-financed fixed assets	71 220	41 210
NET INCOME FROM LEASING ACTIVITIES	-24 056	89 699
+ Income from fixed assets given in Ijara		
- Expenses on fixed assets given in Ijara		
NET INCOME FROM IJARA ACTIVITIES		
+ Fees received	867 921	913 693
- Fees paid	47 878	193
NET FEE INCOME	820 043	913 500
+ Income from trading securities	1 195 888	1 216 238
+ Income from available-for-sale securities	-716	-459
+ Income from foreign exchange activities	355 426	270 699
+ Income from derivatives activities	-278 397	-5 113
INCOME FROM MARKET ACTIVITIES	1 272 201	1 481 365
+ Result of Moudaraba and Moucharaka Securities Transactions		
+ Other banking income	1 325 278	1 306 363
- Other banking expenses	602 104	577 895
NET BANKING INCOME	6 852 083	7 062 603
+ Income from long-term investments	-1 843	4 423
+ Other non-banking operating income	87 155	23 017
- Other non-banking operating expenses		
- General operating expenses	2 355 598	2 436 707
GROSS OPERATING INCOME	4 581 797	4 653 336
+ Net provisions for non-performing loans and signature loans	-1 113 065	-391 348
+ Other net provisions	-388 103	-153 298
NET OPERATING INCOME	3 080 628	4 108 689
NON OPERATING INCOME	-306 513	1 330
- Income tax	782 368	1 151 999
NET INCOME FOR THE FINANCIAL YEAR	1 991 747	2 958 020

II- TOTAL CASH FLOW	06/30/20	06/30/19
+ NET INCOME FOR THE FINANCIAL YEAR	1 991 747	2 958 020
+ Depreciation, amortisation and provisions for fixed asset impairment	287 978	252 226
+ Provisions for impairment of long-term investments	1 843	2 883
+ General provisions	382 000	106 300
+ Regulated provisions		
+ Extraordinary provisions	168 000	
- Reversals of provisions for depreciation of long-term investments		7 306
- Capital gains on disposal of fixed assets	5 790	7 331
+ Losses on disposal of fixed assets		
- Capital gains on disposal of long-term investments		
+ Losses on disposal of long-term investments		
- Write-backs of investment subsidies received		
+ TOTAL CASH FLOW	2 825 778	3 304 792
- Profits distributed		
+ SELF-FINANCING	2 825 778	3 304 792

NON-PERFORMING CUSTOMER LOANS at 30 june 2020

(thousand MAD)

	Disbursed loans	Signature loans	Amount	Provisions for disbursed loans	Provisions for signature loans	Amount
06/30/2020	14 330 070	778 253	15 108 323	9 599 194	377 980	9 977 174

SALES at 30 june 2020

(thousand MAD)

	1 st Semester 2020	2019	1 st Semester 2019
	10 188 333	18 790 646	9 948 308

INCOME STATEMENT at 30 june 2020

(thousand MAD)

	06/30/20	06/30/19
OPERATING INCOME FROM BANKING ACTIVITIES	10 188 333	9 948 308
Interest and similar income from transactions with credit institutions	489 190	507 253
Interest and similar income from transactions with customers	5 036 671	4 925 096
Interest and similar income from debt securities	151 852	139 813
Income from equity securities and Sukuk certificates	1 325 278	1 305 118
Income from Moudaraba and Moucharaka securities	-	-
Income from lease-financed fixed assets	47 164	130 909
Income from fixed assets given in Ijara	-	-
Fee income provided from services	867 299	912 916
Other banking income	2 270 879	2 027 203
Transfer of expenses on investment deposits received	-	-
OPERATING EXPENSES ON BANKING ACTIVITIES	3 336 251	2 885 706
Interest and similar expenses on transactions with credit institutions	381 451	461 067
Interest and similar expenses on transactions with customers	1 055 791	1 123 629
Interest and similar expenses on debt securities issued	179 751	137 896
Expenses on Moudaraba and Moucharaka securities	-	-
Expenses on lease-financed fixed assets	71 220	41 210
Expenses on fixed assets given in Ijara	-	-
Other banking expenses	1 648 038	1 121 904
Transfer of income on investment deposits received	-	-
NET BANKING INCOME	6 852 083	7 062 603
Non-banking operating income	87 155	23 017
Non-banking operating expenses	-	-
OPERATING EXPENSES	2 355 598	2 436 707
Staff costs	1 090 339	1 136 362
Taxes other than on income	48 452	63 322
External expenses	893 037	953 690
Other general operating expenses	35 792	31 107
Depreciation, amortisation and provisions	287 978	252 226
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	1 907 082	799 758
Provisions for non-performing loans and signature loans	1 325 977	541 644
Losses on irrecoverable loans	38 474	39 691
Other provisions	542 631	218 423
PROVISION WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	404 070	259 534
Provision write-backs for non-performing loans and signature loans	213 219	184 370
Amounts recovered on impaired loans	38 167	5 616
Other provision write-backs	152 684	69 548
INCOME FROM ORDINARY ACTIVITIES	3 080 628	4 108 689
Non-recurring income	3 877	4 521
Non-recurring expenses	310 390	3 191
PRE-TAX INCOME	2 774 115	4 110 019
Income tax	782 368	1 151 999
NET INCOME FOR THE FINANCIAL YEAR	1 991 747	2 958 020

STATEMENT OF DEPARTURES FROM STANDARD ACCOUNTING TREATMENT at 30 june 2020

(thousand MAD)

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

STATEMENT OF CHANGES IN ACCOUNTING METHODS at 30 june 2020

(thousand MAD)

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

LOANS AND ADVANCES TO CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS at 30 june 2020

(thousand MAD)

LOANS AND ADVANCES	Bank Al Maghrib, the treasury and post office accounts	Banks	other credit institutions & equivalent in Morocco	credit institutions abroad	Total 06/30/2020	Total 12/31/2019
CURRENT ACCOUNTS IN DEBIT	4 289 624	2 996	1 589 204	9 150 541	15 032 365	11 730 625
NOTES RECEIVED AS SECURITY						
- overnight						
- term						
CASH LOANS		796 137	7 975 837	2 334 269	11 106 243	12 302 973
- overnight		600 000			600 000	
- term		196 137	7 975 837	2 334 269	10 506 243	12 302 973
FINANCIAL LOANS		2 056 234	9 799 723	3 482 774	15 338 731	13 717 726
OTHER LOANS		1 488 009	12	247	1 488 268	1 459 597
INTEREST ACCRUED AWAITING RECEIPT		38 599	158 939	5 462	203 000	173 138
NON-PERFORMING LOANS						
TOTAL	4 289 624	4 381 975	19 523 715	14 973 293	43 168 607	39 384 059

CASH FLOW STATEMENT at 30 june 2020

(thousand MAD)

	06/30/2020	12/31/2019
1. (+) Operating income from banking activities	8 731 528	16 854 915
2. (+) Amounts recovered on impaired loans	38 167	65 413
3. (+) Non-banking operating income	85 242	48 401
4. (-) Operating expenses on banking activities (*)	-4 255 622	-6 625 073
5. (-) Non-banking operating expenses		
6. (-) General operating expenses	-2 067 620	-4 363 353
7. (-) Income tax	-782 368	-2 016 910
I. NET CASH FLOW FROM INCOME STATEMENT	1 749 327	3 963 393
Change in:		
8. (±) Loans and advances to credit institutions and similar establishments	-5 590 516	-245 802
9. (±) Loans and advances to customers	-3 724 551	-6 808 136
10. (±) Trading securities and available-for-sale securities	-2 946 874	-1 568 041
11. (±) Other assets	-2 466 396	1 601 394
12. (±) Lease-financed fixed assets	50 991	-325 452
13. (±) Amounts owing to credit institutions and similar establishments	10 703 345	-1 180 166
14. (±) Customer deposits	870 876	-1 379 008
15. (±) Debt securities issued	-38 243	4 422 272
16. (±) Other liabilities	-1 834 557	4 087 590
II. NET CHANGE IN OPERATING ASSETS AND LIABILITIES	-4 975 925	-1 395 349
III. NET CASH FLOW FROM OPERATING ACTIVITIES (I + II)	-3 226 598	2 568 044
17. (+) Income from the disposal of long-term investments		263 718
18. (+) Income from the disposal of fixed assets	34 964	20 472
19. (-) Acquisition of long-term investments	-1 076 467	-418 954
20. (-) Acquisition of fixed assets	-209 896	-843 129
21. (+) Interest received	131 527	269 936
22. (+) Dividends received	1 325 278	1 665 795
IV. NET CASH FLOW FROM INVESTMENT ACTIVITIES	205 406	957 838
23. (+) Subsidies, public funds and special guarantee funds		
24. (+) Subordinated loan issuance	1 500 000	2 000 000
25. (+) Equity issuance		
26. (-) Repayment of shareholders' equity and equivalent		
27. (-) Interest paid	-245 101	-424 974
28. (-) Dividends paid		-2 728 176
V. NET CASH FLOW FROM FINANCING ACTIVITIES	1 254 899	-1 153 150
VI. NET CHANGE IN CASH AND CASH EQUIVALENTS	-1 766 293	2 372 732
VII. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	10 466 455	8 093 723
VIII. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8 700 162	10 466 455

(*) : including net provisions

LOANS AND ADVANCES TO CUSTOMERS at 30 june 2020

(thousand MAD)

LOANS AND ADVANCES	public sector	private sector			06/30/20	12/31/19
		Financial companies	non-financial companies	other customers		
SHORT-TERM LOANS	1 229 872	514 788	40 782 996	2 262 305	44 789 961	43 555 357
- Current accounts in debit	240 591	514 788	12 135 979	1 662 444	14 553 802	17 544 930
- Commercial loans within Morocco			2 866 015		2 866 015	5 308 574
- Export loans			210 611	54 482	265 093	341 657
- Other cash loans	989 281		25 570 391	545 379	27 105 051	20 360 196
CONSUMER LOANS			372 961	11 546 899	11 919 860	12 210 433
EQUIPMENT LOANS	38 472 394		23 474 767	950 600	62 897 761	63 300 738
MORTGAGE LOANS	15 659		12 271 491	50 639 078	62 926 228	62 683 481
OTHER LOANS	6 594	11 828 445	2 581 683	164 941	14 581 663	12 176 174
RECEIVABLES ACQUIRED THROUGH FACTORING	10 616 105			37 592	10 653 697	10 939 581
INTEREST ACCRUED AWAITING RECEIPT	709 916	142 899	663 416	83 856	1 600 087	1 444 218
NON-PERFORMING LOANS	1 998	6 528	1 135 175	3 587 175	4 730 876	4 065 600
- Sub-standard loans			90	1 526 004	1 526 094	1 228 644
- Doubtful loans			21 709	628 088	649 797	558 515
- Impaired loans	1 998	6 528	1 113 376	1 433 083	2 554 985	2 278 441
TOTAL	51 052 538	12 492 660	81 282 489	69 272 446	214 100 133	210 375 582

BREAKDOWN OF TRADING SECURITIES, AVAILABLE-FOR-SALE SECURITIES AND INVESTMENT SECURITIES BY CATEGORY OF ISSUER at 30 june 2020

(thousand MAD)

SECURITIES	CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS	PUBLIC ISSUERS	PRIVATE ISSUERS		06/30/20	12/31/19
			FINANCIAL COMPANIES	NON-FINANCIAL COMPANIES		
LISTED SECURITIES	702	-	15 154 429	72 172	15 227 303	15 229 740
- Treasury bills and similar instruments	-	-	-	-	-	-
- Bonds	-	-	-	-	-	-
- Other debt securities	-	-	-	-	-	-
- Fixed income Funds	702	-	15 154 429	72 172	15 227 303	15 229 740
- Sukuk Certificates	-	-	-	-	-	-
UNLISTED SECURITIES	5 631 175	58 598 392	710 378	102 198	65 042 143	60 981 242
- Treasury bills and similar instruments	-	58 408 767	-	-	58 408 767	53 533 062
- Bonds	1 554 098	47 063	-	95 918	1 697 079	1 718 092
- Other debt securities	4 076 406	2 018	708 800	-	4 787 224	5 584 484
- Fixed income Funds	671	8 098	1 578	6 280	16 627	16 627
- Sukuk Certificates	-	132 446	-	-	132 446	128 977
TOTAL	5 631 877	58 598 392	15 864 807	174 370	80 269 446	76 210 982

VALUE OF TRADING SECURITIES, AVAILABLE-FOR-SALE SECURITIES AND INVESTMENT SECURITIES at 30 june 2020

(thousand MAD)

Securities	Value	Current value	Redemption Value	Unrealised Capital gains	Unrealised Losses	Provisions
TRADING SECURITIES	68 432 691	68 432 691	-	-	-	-
- Treasury bills and similar instruments	48 990 370	48 990 370	-	-	-	-
- Bonds	95 918	95 918	-	-	-	-
- Other debt securities	4 005 528	4 005 528	-	-	-	-
- Fixed income Funds	15 208 429	15 208 429	-	-	-	-
- Sukuk Certificates	132 446	132 446	-	-	-	-
AVAILABLE-FOR-SALE SECURITIES	2 415 366	2 384 283	-	13 223	31 083	31 083
- Treasury bills and similar instruments	38 821	38 821	-	698	-	-
- Bonds	1 601 161	1 601 161	-	2 578	-	-
- Other debt securities	708 800	708 800	-	-	-	-
- Fixed income Funds	66 584	35 501	-	9 947	31 083	31 083
- Sukuk Certificates	-	-	-	-	-	-
INVESTMENT SECURITIES	9 452 472	9 452 472	-	-	-	-
- Treasury bills and similar instruments	9 379 576	9 379 576	-	-	-	-
- Bonds	-	-	-	-	-	-
- Other debt securities	72 896	72 896	-	-	-	-
- Sukuk Certificates	-	-	-	-	-	-

DETAILS OF OTHER ASSETS at 30 june 2020

(thousand MAD)

ASSETS	Amount At 06/30/2020	Amount At 12/31/2019
PURCHASED OPTIONS	80 654	45 117
SUNDRY SECURITIES TRANSACTIONS		
SUNDRY DEBTORS	1 375 790	618 580
Amounts due from the State	1 218 942	300 500
Amounts due from mutual	-	-
Sundry amounts due from Staff	-	-
Amounts due from customers for non-banking services	35	43
Other sundry debtors	156 813	318 037
OTHER SUNDRY ASSETS	1 473	2 015
ACCRUALS AND SIMILAR	4 760 252	3 085 632
Adjustment accounts for off-balance sheet transactions	39 837	7 331
Translation differences for foreign currencies and securities	-	-
Income from derivative products and hedging	-	-
Deferred expenses	1 127 862	213 177
Inter-company accounts between head office, branch offices and branches in Morocco	174 334	437 667
Accounts receivable and prepaid expenses	3 144 571	1 594 790
Other accruals and similar	273 648	832 667
NON-PERFORMING LOANS ON SUNDRY TRANSACTIONS	133 094	133 523
TOTAL	6 351 263	3 884 867

LEASED AND RENTED ASSETS at 30 june 2020

(thousand MAD)

TYPE	Gross amount exercising of the at the begin	Amount of exercise during the acquisitions	Amount of exercise during the withdrawals transfers or	gross the exercise the end of amount at	Amortisation		Provisions		net amount exercise of the at the end
					Allocation during the exercise	Aggregate depreciate	Allocation in the exercise	provision write downs	
LEASED AND RENTED ASSETS	1 578 866	21 140	9 385	1 590 621	130 570	644 156			946 465
Leased intangible assets									
Equipment leasing	1 513 927		9 385	1 504 542	130 570	622 220			882 322
- Movable assets under lease	386			386					386
- Leased movable assets	1 513 541		9 385	1 504 156	130 570	622 220			881 936
- 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	39 292	21 140		60 432					60 432
Non-performing loans									
RENTED ASSETS									
Rented movable property									
Rented property									
Rents awaiting receipt									
Restructured rents									
Rents in arrears									
Non-performing rents									
TOTAL	1 578 866	21 140	9 385	1 590 621	130 570	644 156			946 465

SUBORDINATED LOANS at 30 june 2020

(thousand MAD)

LOANS	Amount				including affiliates and related companies	
	gross 1	06/30/20	Net 3	12/31/19	06/30/20	12/31/19
		Prov. 2		Net 4	Net 5	Net 6
Subordinated loans to credit institutions and similar establishments	NOT APPLICABLE					
Subordinated loans to customers						
TOTAL						

INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT at 30 june 2020

(thousand MAD)

TYPE	gross value at the beginning of the exercise	Acquisitions	disposals	gross value at the end of the exercise	Amortisation/provisions				net value at the end of the exercise
					Amortisation and provisions at the beginning of the exercise	Additional amortisation	Amortisation on disposed assets	Accumulated amortisation and depreciation	
INTANGIBLE ASSETS	4 291 621	112 272	43 263	4 360 630	1 878 500	120 604	32 822	1 966 282	2 394 348
- Lease rights	315 426	-	-	315 426	-	-	-	-	315 426
- Research and development	-	-	-	-	-	-	-	-	-
- Intangible assets used in operations	3 976 195	112 272	43 263	4 045 204	1 878 500	120 604	32 822	1 966 282	2 078 922
- Non-operating intangible assets	-	-	-	-	-	-	-	-	-
PROPERTY, PLANT AND EQUIPMENT	8 890 469	97 624	57 977	8 930 114	5 187 066	167 374	39 245	5 315 195	3 614 919
IMMOVABLE PROPERTY USED IN OPERATIONS	2 152 352	5 940	19 263	2 139 028	1 018 490	25 027	1 735	1 041 782	1 097 246
- Land	581 026	-	2 329	578 696	-	-	-	-	578 696
- Office buildings	1 521 947	5 940	16 934	1 510 953	971 897	24 736	1 735	994 898	516 055
- Staff accommodation	49 379	-	-	49 379	46 593	291	-	46 884	2 495
MOVABLE PROPERTY AND EQUIPMENT USED IN OPERATIONS	2 481 299	57 872	37 567	2 501 602	2 021 079	61 864	36 009	2 046 934	454 668
- Office property	475 527	1 168	4 824	471 870	418 802	7 599	3 267	423 134	48 736
- Office equipment	987 980	22 567	28 032	982 514	830 821	20 263	28 032	823 052	159 462
- IT equipment	1 009 610	34 137	4 711	1 039 036	763 534	33 937	4 710	792 761	246 275
- Vehicles	8 182	-	-	8 182	7 922	65	-	7 987	195
- Other equipment	-	-	-	-	-	-	-	-	-
OTHER PROPERTY, PLANT AND EQUIPMENT USED IN OPERATIONS	2 122 768	31 614	334	2 154 047	1 686 001	58 995	688	1 744 308	409 739
PROPERTY, PLANT AND EQUIPMENT NOT USED IN OPERATIONS	2 134 050	2 198	813	2 135 437	461 496	21 488	813	482 171	1 653 266
Land	841 504	-	-	841 504	-	-	-	-	841 504
Buildings	1 052 326	-	-	1 052 327	317 371	16 763	-	334 134	718 193
Movable property and equipment	69 547	-	813	68 735	48 780	27	813	47 994	20 741
Other property, plant and equipment not used in operations	170 673	2 198	-	172 871	95 345	4 698	-	100 043	72 828
TOTAL	13 182 090	209 896	101 240	13 290 744	7 065 566	287 978	72 067	7 281 477	6 009 267

GAINS AND LOSSES ON FIXED ASSET TRANSFERS OR WITHDRAWALS at 30 june 2020

(thousand MAD)

date of transfer or withdrawal	type	gross amount	Aggregate depreciation	net book value	transfer income	Value-added transfers	loss in value transfers
	PROPERTIES	43 263	32 822	10 441	10 441	-	-
Jan-20	SOFTWARE	43 263	32 822	10 441	10 441	-	-
	REAL ESTATE	49 712	38 517	11 195	16 987	5 790	-
	GROUNDS	2 329	-	2 329	-	-	-
	BUILDINGS	10 227	1 361	8 866	-	-	-
	FIXTURES, FITTING & INSTALLATIONS	334	334	-	-	-	-
	OFFICE FURNITURE	3 267	3 267	-	-	-	-
	OFFICE EQUIPMENT	28 845	28 845	-	-	-	-
	HARDWARE	4 710	4 710	-	-	-	-
TOTAL		92 975	71 339	21 636	27 428	5 790	-

INVESTMENTS IN AFFILIATES AND OTHER LONG-TERM INVESTMENTS at 30 june 2020

(thousand MAD)

Name of the issuing company	Sector of activity	Share capital	Share of held	gross book value	net book value	data from the issuing company's most recent financial statements			contribution to income year's
						Year-end	net assets	net income	
A - INVESTMENTS IN AFFILIATE COMPANIES				18 615 420	18 423 696				1 309 098
ATTIJARIWAFABANK EGYPT	Bank	995 129 KEGP	60,00%	3 244 162	3 244 162	06/30/20	5 256 353 KEGP	133 652 KEGP	
ATTIJARI TCHAD	Bank	10 000 000 KFCFA	100,00%	166 280	166 280				
BANK ASSAFA	Bank	600 000	100,00%	600 000	600 000	12/31/19	241 877	-92 315	
BANQUE INTERNATIONALE POUR LE MALI "BIM SA"	Bank	20 011 480 KFCFA	66,30%	829 212	829 212	12/31/19	32 934 000 KFCFA	532 000 KFCFA	
CREDIT DU SENEGAL	Bank	10 000 000 KFCFA	95,00%	292 488	292 488	12/31/19	28 572 000 KFCFA	6 707 000 KFCFA	36 538
CREDIT DU CONGO	Bank	10 476 730 KFCFA	91,00%	608 734	608 734	12/31/19	25 482 000 KFCFA	5 717 000 KFCFA	
COMPAGNIE BANCAIRE DE L'AFRIQUE OCCIDENTALE "CBAO"	Bank	11 450 000 KFCFA	4,90%	35 979	35 979	12/31/19	123 179 000 KFCFA	25 985 000 KFCFA	13 456
SOCIETE IVOIRIENNE DE BANQUE "SIB "	Bank	10 000 000 KFCFA	51,00%	648 084	648 084	12/31/19	127 031 000 KFCFA	33 529 000 KFCFA	112 312
SOCIETE CAMEROUNAISE DE BANQUE "SCB"	Bank	10 540 000 KFCFA	51,00%	379 110	379 110	12/31/19	56 626 000 KFCFA	9 521 000 KFCFA	
SOCIETE BIA TOGO	Bank	10 000 000 KFCFA	55,00%	153 301	153 301	12/31/19	11 514 000 KFCFA	833 000 KFCFA	
SUCCESSORS DE BRUXELLES EX BCM	Bank	558 KEURO	100,00%	57 588	57 588	06/30/17	1 632 KEUR		
UNION GABONAISE DE BANQUES "UGB GABON"	Bank	10 000 000 KFCFA	58,71%	848 842	848 842	12/31/19	48 425 000 KFCFA	15 505 000 KFCFA	
ATTIJARI FINANCES CORPORATION	Investment bank	10 000	100,00%	10 000	10 000	12/31/19	27 554	1 373	50 000
ATTIJARIWAFABANK MIDDLE EAST LIMITED	Investment bank	1 000	100,00%	8 194	8 194				
WAFACAMBIO	Credit institution		100,00%	963	963				
ATTIJARI INTERNATIONAL BANK "AIB"	Offshore bank	2 400 KEUR	100,00%	92 442	92 442	06/30/20	23 627 KEURO	1 198 KEURO	26 040
WAFABANK OFFSHORE DE TANGER	Offshore bank		100,00%	5 842	5 842				
ANDALUCARTAGE	Holding	308 162 KEURO	100,00%	3 937 574	3 937 574	12/31/19	356 986 KEURO	14 300 KEURO	38 000
ATTIJARI AFRIQUE PARTICIPATION	Holding	10 010 KEUR	100,00%	167 245	167 245	30/09/19	11 289 KEUR	1 446 KEUR	40 000
ATTIJARI AFRICA HOLDING	Holding	300	100,00%	300	300	12/31/19	198	-86	
ATTIJARI IVOIRE SA	Holding	32 450 KEUR	66,67%	236 891	236 891	30/09/19	37 199 KEUR	4 577 KEUR	35 237
ATTIJARIWAFABANK EURO FINANCES	Holding	48 600 KEUR	100,00%	502 621	502 621	12/31/18	48 137 KEURO	-61 KEURO	
BCM CORPORATION	Holding	200 000	100,00%	200 000	200 000	12/31/19	241 096	23 863	23 500
CAFIN	Holding	1 122 000 KFCFA	100,00%	257 508	257 508	12/31/19	6 475 381 KFCFA	2 249 221 KFCFA	32 494
KASOVI	Holding	50 KUSD	100,00%	1 519 737	1 519 737	12/31/19	121 393 KUSD	83 391 KUSD	320 000
OMNIUM DE GESTION MAROCAIN S.A. "OGM"	Holding	950 490	50,00%	1 638 145	1 638 145	12/31/19	1 576 523	525 245	165 000
WAFABANK INVESTISSEMENT	Holding investment	1 787	100,00%	46	46	12/31/19	1 082	-33	
ATTIJARI ASSET MANAGEMENT AAM SA (Sénégal)	Asset management	1 200 000 FCFA	70,00%	13 889	13 889	12/31/19	2 677 902	619 253	
ATTIJARI SECURITISES CENTRAL AFRICA (ASCA)	Asset management	1 312 000 FCFA	70,00%	15 351	15 351				
SOMACOVAM	Asset management	5 000	100,00%	30 000	-	12/31/19	-9 774	-4 181	
WAFABANK GESTION	Asset management	4 900	66,00%	236 369	236 369	06/30/20	191 613	37 627	56 918
ATTIJARI INVEST.	Asset management	5 000	100,00%	5 000	5 000	12/31/19	59 818	1 520	
ATTIJARI CAPITAL DEVELOPEMENT	Venture capital	10 320	100,00%	10 320	-	12/31/19	-73 449	-22 089	
CASA MADRID DEVELOPEMENT	Capital development	10 000	50,00%	5 000	5 000	12/31/19	10 270	-36	
WAFABANK BOURSE	Securities brokerage	20 000	100,00%	40 223	40 223	12/31/19	41 589	-1 316	
ATTIJARI TITRISATION	Securitization	11 400	100,00%	11 700	11 102	12/31/19	11 102	1 183	
FT MIFTAH	Securitization fund	50 100	100,00%	50 100	50 100	12/31/19	854 000	2 607	4 349
FT MIFTAH II	Securitization fund		100,00%	50 100	50 100	12/31/19	1 000 928	777	
WAFABANK TRUST	Consulting and financial engineering	1 500	100,00%	1 500	595	12/31/19	595	-140	
WAFASALAF	Consumer finance	113 180	50,91%	634 783	634 783	12/31/19	1 777	337	
WAFABANK LLD	Leasing	20 000	100,00%	20 000	20 000	12/31/19	41 562	13 166	10 000
WAFABANK BAIL	Leasing	150 000	57,83%	97 886	97 886	12/31/19	1 092 502	128 152	
DAR ASSAFAA LITAMWIL	Specialised financial company	50 000	100,00%	50 510	50 510	12/31/18	79 693	7 328	
ATTIJARI GLOBAL RESEARCH	Financial services	1 000	100,00%	1 000	1 000	12/31/19	3 045	-6	
ATTIJARI OPERATIONS	Services company	1 000	100,00%	1 000	640	12/31/19	640	-53	
ATTIJARI AFRICA	Services company	2 000	100,00%	2 000	2 000	12/31/19	20 859	621	
ATTIJARI CIB AFRICA	Services company	2 000	100,00%	2 000	1 503	12/31/19	1 503	-84	
ATTIJARI IT AFRICA	Services company	1 000	100,00%	30 000	30 000	12/31/19	48 773	11 669	
ATTIJARI REIM	Titrisation	5 000	100,00%	5 000	5 000	12/31/19	4 728	-272	
MEDI TRADE	Trading	1 200	20,00%	240	138	12/31/19	690	-3	
WAFABANK COURTAGE	Brokerage	1 000	100,00%	2 397	2 397	12/31/19	76 015	42 086	40 000
WAFACASH	Electronic banking	35 050	100,00%	324 074	324 074	12/31/19	387 592	140 844	140 000
ATTIJARI PAYMENT PROCESSING	Electronic banking	1 000	100,00%	25 000	25 000	12/31/19	107 658	15 382	
DINERS CLUB DU MAROC	Payment card management	1 500	100,00%	1 675	-34	12/31/19	-177	-248	
STE MAROCAINE DE GESTION ET TRAITEMENT INFORMATIQUE "SOMGETI"	Data processing	300	100,00%	100	75	12/31/19	75	-19	
WAFABANK SYSTEMES DATA	Data processing	1 500	100,00%	1 500	1 118	28/02/18	1 118	-	
AGENA MAGHREB	Sale of computer equipment	11 000	74,96%	33	-	12/31/19	-7 104	-100	
WAFABANK COMMUNICATION	Communication	3 000	85,00%	2 600	-	18/05/18	-1 994	-1 629	
WAFABANK SYSTEMES CONSULTING	Computer systems consulting	5 000	99,88%	4 994	4 994	28/02/18	6 045	-	
WAFABANK SYSTEMES FINANCES	Engineering computer science	2 000	100,00%	2 066	827	28/02/18	827	-	
WAFABANK FONCIERE	Holding company	2 000	100,00%	3 700	1 704	12/31/19	1 704	-38	
ATTIJARI AL AAKARIA AL MAGHRIBIA	Holding company	10 000	100,00%	9 999	9 999	12/31/19	17 527	-137	
ATTIJARI RECOUVREMENT	Holding company	3 350	100,00%	11 863	4 428	12/31/19	4 428	-22	
AYK	Holding company	100	100,00%	100	-	29/09/19	-1 052	-18	
SOCIETE IMMOBILIERE ATTIJARI AL YOUSOUFIA	Holding company	50 000	100,00%	51 449	25 368	12/31/19	25 368	-43	
STE IMMOB. BOULEVARD PASTEUR "SIBP"	Holding company	300	50,00%	25	25	12/31/19	452	-313	
SOCIETE IMMOBILIERE DE L'HIVERNAGE SA	Holding company	15 000	100,00%	15 531	2 579	12/31/19	2 579	-1 806	
SOCIETE IMMOBILIERE MAIMOUNA	Holding company	300	100,00%	5 266	2 205	12/31/19	2 205	-237	
STE IMMOBILIERE MARRAKECH EXPANSION	Holding company	300	100,00%	299	299	12/31/19	365	-6	
SOCIETE IMMOBILIERE ZAKAT	Holding company	300	100,00%	2 685	-	12/31/19	-1 973	-1 634	
SOCIETE CIVILE IMMOBILIERE TOGO LOME	Holding company	3 906 000 KFCFA	100,00%	66 761	66 761	12/31/19	3 725 324 KFCFA	- 21 570 KFCFA	
ATTIJARI IMMOBILIER	Property	50 000	99,99%	71 686	71 686	12/31/19	64 107	368	
AL MIFTAH	Property	100	100,00%	244	-	12/31/19	-4 545	-658	
CAPRI	Property	25 000	100,00%	88 400	-	06/30/20	-53 244	-14 075	
WAFABANK IMMOBILIER	Real estate loans	50 000	100,00%	164 364	164 364	12/31/19	170 315	112 784	112 000
ATTIJARI PROTECTION	Security	4 000	83,75%	3 350	3 350	12/31/18	4 184	-3	

INVESTMENTS IN AFFILIATES AND OTHER LONG-TERM INVESTMENTS at 30 june 2020

(thousand MAD)

B - OTHER INVESTMENTS				638 620	519 402			7 700
ATTIJARIWAFI BANK	Bank	2 098 597		623	623	-	-	
BANQUE D'AFFAIRE TUNISIENNE	Bank	198 741		2 583	-	-	-	
BANQUE MAGHREBINE POUR L'INVESTISSEMENT ET LE COMMERCE EXTERIEUR "BMICE"	Bank	500.000\$	1,20%	63 846	63 846	-	-	
IMMOBILIERE INTERBANCAIRE "G.P.B.M."	Professional banker's association	19 005	20,00%	3 801	3 801	-	-	
BOURSE DE CASABLANCA	Stock exchange	-		32 628	32 627	12/31/19	710 420	36 107
AGRAM INVEST	Investment funds	40 060	27,82%	10 938	6 983	06/30/20	25 102	-191
FONDS D'INVESTISSEMENT IGRANE	Investment funds	54 600	18,26%	9 970	9 157	06/30/20	55 144	4 930
H PARTNERS	Investment funds	1 400 010	7,14%	100 000	50 948	12/31/19	764 636	-
MAROC NUMERIQUE FUND	Investment funds	75 000	20,00%	22 843	7 654	06/30/20	41 675	-148
ALTERMED MAGHREB EUR	Investment funds	-	7,94%	5 247	-	12/31/17	432	-
3 P FUND	Investment funds	270 020	5,00%	13 500	9 048	06/30/20	180 967	-2 125
AM INVESTISSEMENT MOROCCO	Equity investments	218 310	3,25%	13 000	8 061	12/31/18	248 039	459
FONDS ATTJARI AFRICA FUNDS MULTI ASSETS	Asset management	31 KEURO		346	346	-	-	-
AGRAM GESTION	Asset management			1	1			
EUROCHEQUES MAROC	Financial services	1 500		364	364			
MOROCCAN FINANCIAL BOARD	Financial services	400 000	12,50%	20 000	20 000	12/31/18	408 571	9 731
TECHNOLOPARK COMPANY "MITC"	Service provision	-		8 150	7 784			
SALIMA HOLDING	Holding	150 000	13,33%	16 600	14 614			
MAROCLEAR	Custodian of securities	20 000	6,58%	1 342	1 342			
EXP SERVICES MAROC S.A.	Risk centralization services	20 000	3,00%	600	600			
INTER MUTUELLES ASSISTANCE	Insurance	-		894	894			
SMAEX	Insurance	37 450	11,42%	4 278	4 278			
WAFI IMA ASSISTANCE	Insurance	50 000	32,50%	15 356	15 356	12/31/19	146 382	25 039
CENTRE MONETIQUE INTERBANCAIRE	Electronic banking	98 200	22,40%	22 000	22 000			7 700
SOCIETE INTERBANK	Bank card management	11 500	16,00%	1 840	1 840			
SGFG SOCIETE MAROCAINE DE GESTION DES FONDS DE GARANTIE DES DEPOTS BANCAIRES	Collective deposit guarantee fund management	1 000		59	59			
NOUVELLES SIDERURGIES INDUSTRIELLES	Steel industry	3 415 000	2,72%	62 942	62 942	06/30/16	3 665 056	126 891
SONASID	Steel industry	390 000	0,27%	28 391	2 160	12/31/19	1 284 666	8 304
BOUZHNIKA MARINA	Real estate loans	-		500	-			
STE D'AMENAGEMENT DU PARC NOUACER "SAPINO"	Real estate loans	60 429	22,69%	13 714	13 714	12/31/18	241 656	31 700
TANGER FREE ZONE	Real estate loans	335 800	16,95%	58 221	58 221			
HAWAZIN	Property	960	12,50%	704	-			
INTAJ	Property	576	12,50%	1 041	549			
FONCIERE EMERGENCE	Property	372 172	8,06%	37 057	34 347	06/30/20	420 028	4 734
IMPRESSION PRESSE EDITION (IPE)	Publishing	-		400	400			
MOUSSAFIR HOTELS	Hotel	193 000	33,34%	64 343	64 343	06/30/20	199 113	-15 924
CASA PATRIMOINE	Conservation & restoration of Casablanca's heritage	31 000	1,61%	500	500			
C - SIMILAR INVESTMENTS				388 693	368 973			-
PARTNERS CURRENT ACCOUNT				372 858	353 138			
OTHER SIMILAR INVESTMENTS				15 835	15 835			
Total				19 642 733	19 312 071			1 316 798

AMOUNTS OWING TO CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS at 30 june 2020

(thousand MAD)

AMOUNTS OWING	credit institutions and similar establishments in Morocco			credit institutions overseas	06/30/20	12/31/19
	Bank Al Maghrib, the treasury and post office accounts	Banks	other credit institutions and similar establishments			
CURRENT ACCOUNTS IN CREDIT		5 513	573 692	537 642	1 116 847	684 967
NOTES GIVEN AS SECURITY	20 042 835				20 042 835	22 120 544
- overnight						1 050 073
- term	20 042 835				20 042 835	21 070 471
CASH BORROWINGS	15 824 000	988 768	2 218 278	4 345 076	23 376 122	12 692 710
- overnight		357 000	332 343		689 343	2 023 456
- term	15 824 000	631 768	1 885 935	4 345 076	22 686 779	10 669 254
FINANCIAL BORROWINGS	1 992			3 526 351	3 528 343	1 914 933
OTHER DEBTS	52 455	42 456			94 911	36 662
ACCRUED INTEREST PAYABLE					36 962	42 859
TOTAL	35 921 282	1 036 737	2 791 970	8 409 069	48 196 020	37 492 675

CUSTOMER DEPOSITS at 30 june 2020

(thousand MAD)

DEPOSITS	public sector	private sector			Total 06/30/2020	Total 12/31/2019
		Financial companies	non-financial companies	Other companies		
CURRENT ACCOUNTS IN CREDIT	2 067 614	4 530 052	32 977 886	122 123 497	161 699 049	152 229 350
SAVINGS ACCOUNTS				29 101 623	29 101 623	29 213 302
TERM DEPOSITS	236 800	1 121 710	8 192 031	20 149 072	29 699 613	36 462 339
OTHER ACCOUNTS IN CREDIT	1 910 268	1 309 362	7 120 885	2 591 573	12 932 088	14 636 970
ACCRUED INTEREST PAYABLE					567 377	586 913
TOTAL	4 214 682	6 961 124	48 290 802	173 965 765	233 999 750	233 128 874

DEBT SECURITIES ISSUED at 30 june 2020

(thousand MAD)

SECURITIES	entitlement date	Maturity	characteristics			Value	including		Unamortised value of issue or redemption premiums
			nominal value	interest rate	Redemption terms		Affiliates	Related companies	
CERTIFICATS DE DEPOTS	23/10/15	23/10/20	100 000	3,61%	IN FINE	250 000			
CERTIFICATS DE DEPOTS	20/01/16	20/01/21	100 000	3,58%	IN FINE	200 000			
CERTIFICATS DE DEPOTS	05/02/16	05/02/21	100 000	3,43%	IN FINE	200 000			
CERTIFICATS DE DEPOTS	02/02/18	02/02/23	100 000	4,00%	IN FINE	300 000			
CERTIFICATS DE DEPOTS	13/06/18	13/06/23	100 000	3,30%	IN FINE	400 000			
CERTIFICATS DE DEPOTS	24/07/18	24/07/20	100 000	2,90%	IN FINE	800 000			
CERTIFICATS DE DEPOTS	31/08/18	31/08/20	100 000	2,89%	IN FINE	800 000			
CERTIFICATS DE DEPOTS	14/12/18	14/12/23	100 000	3,40%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	25/01/19	25/01/21	100 000	2,94%	IN FINE	800 000			
CERTIFICATS DE DEPOTS	25/01/19	25/01/22	100 000	3,08%	IN FINE	700 000			
CERTIFICATS DE DEPOTS	18/03/19	18/03/22	100 000	2,94%	IN FINE	300 000			
CERTIFICATS DE DEPOTS	28/03/19	28/03/23	100 000	3,06%	IN FINE	450 000			
CERTIFICATS DE DEPOTS	29/03/19	29/03/22	100 000	2,94%	IN FINE	240 000			
CERTIFICATS DE DEPOTS	29/03/19	29/03/23	100 000	3,05%	IN FINE	210 000			
CERTIFICATS DE DEPOTS	18/04/19	18/04/22	100 000	2,90%	IN FINE	200 000			
CERTIFICATS DE DEPOTS	18/04/19	18/04/23	100 000	3,03%	IN FINE	200 000			
CERTIFICATS DE DEPOTS	13/06/19	11/06/21	100 000	2,69%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	20/06/19	20/06/22	100 000	2,74%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	20/06/19	20/06/23	100 000	2,86%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	10/07/19	12/07/21	100 000	2,66%	IN FINE	431 000			
CERTIFICATS DE DEPOTS	10/07/19	10/07/23	100 000	2,88%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	31/07/19	01/08/22	100 000	2,84%	IN FINE	400 000			
CERTIFICATS DE DEPOTS	09/09/19	09/09/21	100 000	2,68%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	28/11/19	29/11/21	100 000	2,65%	IN FINE	200 000			
CERTIFICATS DE DEPOTS	28/11/19	28/11/22	100 000	2,71%	IN FINE	350 000			
CERTIFICATS DE DEPOTS	28/11/19	28/11/23	100 000	2,78%	IN FINE	500 000			
CERTIFICATS DE DEPOTS	12/03/20	14/03/22	100 000	2,67%	IN FINE	400 000			
CERTIFICATS DE DEPOTS	12/03/20	13/03/23	100 000	2,75%	IN FINE	630 000			
CERTIFICATS DE DEPOTS	20/03/20	25/03/25	100 000	2,98%	IN FINE	450 000			
CERTIFICATS DE DEPOTS	09/06/20	07/09/20	100 000	2,20%	IN FINE	348 000			
TOTAL						12 759 000			

DETAILS OF OTHER LIABILITIES at 30 june 2020

(thousand MAD)

LIABILITIES	06/30/2020	12/31/2019
OPTIONS SOLD	705 447	426 395
SUNDRY SECURITIES TRANSACTIONS	9 052 830	11 593 693
SUNDRY CREDITORS	3 376 305	3 135 491
Amounts due to the State	1 527 831	977 790
Amounts due to mutual societies	110 287	85 656
Sundry amounts due to staff	385 304	471 387
Sundry amounts due to shareholders and associates	6 281	6 281
Amounts due to suppliers of goods and services	1 324 949	1 571 857
Other sundry creditors	21 653	22 520
DEFERRED INCOME AND ACCRUED EXPENSES	1 907 410	1 720 970
Adjustment accounts for off-balance sheet transactions	169 522	15 531
Translation differences for foreign currencies and securities		
Income from derivative products and hedging		
Inter-company accounts between head office, branch offices and branches in Morocco		
Accrued expenses and deferred income	851 271	877 718
Other deferred income	886 617	827 721
TOTAL	15 041 992	16 876 549

PROVISIONS at 30 june 2020

(thousand MAD)

PROVISIONS	outstanding 12/31/2019	Additional provisions	Write-backs	other changes	outstanding 06/30/2020
PROVISIONS, DEDUCTED FROM ASSETS, FOR:	8 933 847	1 247 643	203 765	600	9 978 325
Loans and advances to credit institutions and other similar establishments					-
Loans and advances to customers	8 557 095	1 245 028	203 529	600	9 599 194
Available-for-sale securities	30 558	772	236		31 094
Investments in affiliates and other long-term investments	329 817	1 843			331 660
Leased and rented assets	-				-
Other assets	16 377				16 377
PROVISIONS RECORDED UNDER LIABILITIES	3 676 934	621 738	162 376	167 465	4 303 761
Provisions for risks in executing signature loans	307 256	80 950	9 691	-535	377 980
Provisions for foreign exchange risks	-				-
General provisions	2 314 739	382 000			2 696 739
Provisions for pension fund and similar obligations	173 812	42 012	21 227		194 597
Other provisions	881 127	116 776	131 458		866 445
Regulated provisions				168 000	168 000
TOTAL	12 610 781	1 869 381	366 141	168 065	14 282 086

SUBSIDIES, PUBLIC FUNDS AND SPECIAL GUARANTEE FUNDS at 30 june 2020

(thousand MAD)

	ECONOMIC PURPOSE	TOTAL VALUE	VALUE AT DECEMBER 2019	UTILISATION DECEMBER 2019	VALUE AT JUNE 2020
SUBSIDIES					
PUBLIC FUNDS					
SPECIAL GUARANTEE FUNDS					
TOTAL					NOT APPLICABLE

SUBORDINATED DEBTS at 30 june 2020

(thousand MAD)

currency of issue	Value of loan of issue	price (1)	Rate	Maturity (2)	terms for early re- tion and convertibility demption. subordina- (3)	Value of loan in thousand MAD	including related businesses		including other related businesses	
							Value in thousand MAD 2019	Value in thousand MAD 06/2020	Value in thousand MAD 2019	Value in thousand MAD 06/2020
MAD			2,66%	7 Years		240 800				
MAD			2,81%	7 Years		2 146 500				
MAD			2,97%	7 Years		1 000 000				
MAD			3,32%	7 Years		390 000				
MAD			3,34%	7 Years		1 200				
MAD			3,44%	7 Years		250 000				
MAD			3,57%	7 Years		1 110 000				
MAD			3,63%	7 Years		603 500				
MAD			3,69%	7 Years		325 000				
MAD			4,13%	7 Years		257 500				
MAD			2,97%	7 Years		500 000				
MAD			2,92%	10 Years		925 000				
MAD			3,29%	10 Years		154 300				
MAD			3,74%	10 Years		758 000				
MAD			3,80%	10 Years		320 000				
MAD			4,52%	10 Years		588 200				
MAD			4,75%	10 Years		880 000				
MAD			3,96%	Perpetual		450 000				
MAD			4,60%	Perpetual		849 000				
MAD			4,62%	Perpetual		649 900				
MAD			4,79%	Perpetual		400 000				
MAD			5,23%	Perpetual		350 100				
MAD			5,48%	Perpetual		151 000				
MAD			5,73%	Perpetual		50 000				
MAD			5,98%	Perpetual		100 000				
MAD			5,31%	Perpetual		175 000				
MAD			4,48%	Perpetual		825 000				
TOTAL						14 450 000				

SHAREHOLDERS EQUITY at 30 june 2020

(thousand MAD)

SHAREHOLDERS EQUITY	outstanding 12/31/2019	Appropriation of income	other changes	outstanding 06/30/2020
Revaluation reserve	420			420
Reserves and premiums related to share capital	34 794 175	6 333	-	34 800 508
Legal reserve	203 527	6 333		209 860
Other reserves	24 137 480			24 137 480
Issue, merger and transfer premiums	10 453 168			10 453 168
Share capital	2 098 597	-	-	2 098 597
Called-up share capital	2 098 597			2 098 597
Uncalled share capital				-
Non-voting preference shares				-
Fund for general banking risks				-
Shareholders' unpaid share capital				
Retained earnings (+/-)	1 876 196	4 833 778		6 709 974
Net income (loss) awaiting appropriation (+/-)				
Net income (+/-)	4 840 111	-4 840 111		1 991 747
TOTAL	43 609 499	-	-	45 601 246

FINANCING COMMITMENTS AND GUARANTEES at 30 june 2020

(thousand MAD)

COMMITMENTS	06/30/20	12/31/19
FINANCING COMMITMENTS AND GUARANTEES GIVEN	148 094 675	138 328 691
Financing commitments given to credit institutions and similar establishments	2 564 880	3 673 291
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	2 564 348	3 672 759
Financing commitments given to customers	76 037 767	70 761 110
Import documentary credits	16 298 888	16 815 101
Acceptances or commitments to be paid	2 109 812	2 857 772
Confirmed credit lines		
Back-up commitments on securities issuance		
Irrevocable leasing commitments		
Other financing commitments given	57 629 067	51 088 237
Guarantees given to credit institutions and similar establishments	14 203 245	11 138 687
Confirmed export documentary credits	318 035	245 059
Acceptances or commitments to be paid		
Credit guarantees given	911 089	662 412
Other guarantees and pledges given	12 974 121	10 231 216
Non-performing commitments		
Guarantees given to customers	55 288 783	52 755 603
Credit guarantees given	9 979 834	10 005 360
Guarantees given to government bodies	23 020 050	22 281 453
Other guarantees and pledges given	21 510 646	19 768 791
Non-performing commitments	778 253	699 999
FINANCING COMMITMENTS AND GUARANTEES RECEIVED	16 174 509	17 518 677
Financing commitments received from credit institutions and similar establishments		191 864
Confirmed credit lines		
Back-up commitments on securities issuance		
Other financing commitments received		191 864
Guarantees received from credit institutions and similar establishments	15 698 676	16 826 998
Credit guarantees received		
Other guarantees received	15 698 676	16 826 998
Guarantees received from the State and other organisations providing guarantees	475 833	499 815
Credit guarantees received	475 833	499 815
Other guarantees received		

COMMITMENTS ON SECURITIES at 30 june 2020

(thousand MAD)

	Amount
Commitments given	1 039 329
Securities purchased with repurchase agreement	
Other securities to be delivered	1 039 329
Commitments received	124 043
Securities sold with repurchase agreement	
Other securities to be received	124 043

FORWARD FOREIGN EXCHANGE TRANSACTIONS AND COMMITMENTS ON DERIVATIVE PRODUCTS at 30 june 2020

(thousand MAD)

	hedging activities		other activities	
	06/30/20	12/31/19	06/30/20	12/31/19
Forward foreign exchange transactions	74 920 883	51 755 161		
Foreign currencies to be received	30 267 670	17 351 175		
Dirhams to be delivered	10 110 393	9 336 235		
Foreign currencies to be delivered	27 194 220	16 362 125		
Dirhams to be received	7 348 600	8 705 626		
of which currency swaps				
Commitments on derivative products	44 775 914	40 015 316		
Commitments on regulated fixed income markets				
Commitments on OTC fixed income markets	8 143 408	5 604 226		
Commitments on regulated foreign exchange markets				
Commitments on OTC foreign exchange markets	17 041 578	17 237 247		
Commitments on regulated markets in other instruments				
Commitments on OTC markets in other instruments	19 590 928	17 173 843		

SECURITIES RECEIVED AND GIVEN AS GUARANTEE at 30 june 2020

(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 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	13 050 642		
Other securities			
Mortgages			
Other physical assets			
TOTAL	13 050 642		

BREAKDOWN OF ASSETS AND LIABILITIES BY RESIDUAL MATURITY at 30 june 2020

(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	4 570 619	2 541 964	14 839 642	12 103 986	9 112 396	43 168 607
Loans and advances to customers	12 288 404	17 966 993	44 046 965	78 505 390	50 592 293	203 400 045
Receivables acquired through factoring	179 279	358 558	1 613 512	5 884 561	2 664 178	10 700 088
Available-for-sale securities	127 857	255 714	437 622	52 115	1 549 047	2 422 355
Investment securities	7 031	14 062	49 218	7 067 049	2 385 425	9 522 785
TOTAL	17 173 190	21 137 291	60 986 959	103 613 101	66 303 339	269 213 880
LIABILITIES						
Amounts owing to credit institutions and similar establishments	27 438 822	12 283 395	4 101 622	1 201 199	3 170 982	48 196 020
Amounts owing to customers	31 128 447	10 788 339	29 446 265	35 813 452	126 823 247	233 999 750
Debt securities issued	817 208	1 182 415	2 070 453	8 861 000		12 931 076
Subordinated debt	15 233	30 467	184 633	8 425 800	5 946 200	14 602 333
TOTAL	59 399 710	24 284 616	35 802 973	54 301 451	135 940 429	309 729 179

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

BREAKDOWN OF FOREIGN CURRENCY-DENOMINATED ASSETS, LIABILITIES AND OFF-BALANCE SHEET at 30 june 2020

(thousand MAD)

BALANCE SHEET	06/30/20	12/31/19
ASSETS		
Cash and balances with central banks, the Treasury and post office accounts	39 059 206	38 395 222
Loans and advances to credit institutions and similar establishments	50 950	226 778
Loans and advances to customers	14 359 498	9 145 568
Trading securities and available-for-sale securities	4 974 362	7 122 785
Other assets	5 481 684	7 465 229
Investments in affiliates and other long-term investments	123 283	365 433
Subordinated loans	14 069 429	14 069 429
Leased and rented		
Intangible assets and property, plant and equipment		
LIABILITIES	18 777 478	20 476 260
Amounts owing to central banks, the Treasury and post office accounts		
Amounts owing to credit institutions and similar establishments	11 067 415	13 443 037
Customer deposits	7 243 610	6 945 813
Debt securities		
Other liabilities	466 453	87 410
Subsidies, public funds and special guarantee		
Subordinated debts		
Share capital and reserves		
Provisions		
Retained earnings		
Net income		
OFF-BALANCE SHEET	55 913 143	54 122 173
Commitments given	42 383 856	39 080 040
Commitments received	13 529 287	15 042 133

RISK CONCENTRATION WITH THE SAME COUNTERPARTY at 30 June 2020

(thousand MAD)

NUMBER OF COUNTERPARTIES	TOTAL
19	70 428 008

NET INTEREST MARGIN at 30 June 2020

(thousand MAD)

	06/30/20	06/30/19
Interest and similar income from activities with customers	5 036 671	4 925 096
of which interest and similar income	4 905 089	4 793 360
of which fee income on commitments	131 582	131 736
Interest and similar income from activities with credit institutions	489 190	507 253
of which interest and similar income	454 936	479 029
of which fee income on commitments	34 254	28 224
Interest and similar income from debt securities	151 852	139 813
TOTAL INTEREST AND SIMILAR INCOME	5 677 713	5 572 162
Interest and similar expenses on activities with customers	1 055 791	1 123 629
Interest and similar expenses on activities with credit institutions	381 450	461 067
Interest and similar expenses on debt securities issued	179 751	137 896
TOTAL INTEREST AND SIMILAR EXPENSES	1 616 992	1 722 592
NET INTEREST MARGIN	4 060 720	3 849 570

FEE INCOME PROVIDED FROM SERVICES at 30 June 2020

(thousand MAD)

FEES	06/30/20	06/30/19
Account management	117 430	112 424
Payment services	370 403	373 252
Securities transactions	26 264	26 628
Asset management and custody	42 400	41 057
Credit services	61 558	70 112
Sale of insurance products	65 961	66 392
Other services provided	183 284	223 051
TOTAL	867 300	912 916

GENERAL OPERATING EXPENSES at 30 June 2020

(thousand MAD)

EXPENSES	06/30/20	06/30/19
Staff costs	1 090 339	1 136 362
Taxes	48 452	63 322
External expenses	893 037	953 690
Other general operating expenses	35 792	31 107
Depreciation, amortisation and provisions on intangible assets and property, plant and equipment	287 978	252 226
TOTAL	2 355 598	2 436 707

INCOME FROM MARKET ACTIVITIES at 30 June 2020

(thousand MAD)

INCOME AND EXPENDITURES	06/30/20	06/30/19
+ Gains on trading securities	1 541 132	1 341 029
- Losses on trading securities	345 244	124 791
Income from activities in trading securities	1 195 888	1 216 238
+ Capital gains on disposal of available-for-sale securities		
+ Write-back of provisions for impairment of available-for-sale securities	236	85
- Losses on disposal of available-for-sale securities	180	
- Provisions for impairment of available-for-sale securities	772	544
Income from activities in available-for-sale securities	-716	-459
+ Gains on foreign exchange transactions - transfers	564 240	450 595
+ Gains on foreign exchange transactions - notes	33 921	51 025
- Losses on foreign exchange transactions - transfers	225 327	213 521
- Losses on foreign exchange transactions - notes	17 408	17 400
Income from foreign exchange activities	355 426	270 699
+ Gains on fixed income derivative products	61 380	52 826
+ Gains on foreign exchange derivative products	26 914	28 196
+ Gains on other derivative products	42 435	101 425
- Losses on fixed income derivative products	287 094	42 992
- Losses on foreign exchange derivative products	31 242	
- Losses on other derivative products	90 790	144 568
Income from activities in derivatives products	-278 397	-5 113

INCOME FROM EQUITY SECURITIES at 30 june 2020

(thousand MAD)

CATEGORY	06/30/20	06/30/19
Available-for-sale securities	-	-
Investments in affiliates and other long-term investments	1 325 278	1 305 118
TOTAL	1 325 278	1 305 118

OTHER INCOME AND EXPENSES at 30 june 2020

(thousand MAD)

OTHER BANKING INCOME AND EXPENSES	06/30/2020	06/30/2019
Other banking income	2 270 879	2 027 203
Other banking expenses	1 648 038	1 121 904
TOTAL	622 841	905 299

OTHER NON-BANKING INCOME AND EXPENSES	06/30/2020	06/30/2019
Non-banking operating income	87 155	23 017
Non-banking operating expenses	-	-
TOTAL	87 155	23 017

Provisions and losses on irrecoverable loans	1 907 082	799 758
Provision write-backs and amounts recovered on impaired loans	404 070	259 534

NON-CURRENT INCOME AND EXPENSES	06/30/2020	06/30/2019
Non-current income	3 877	4 521
Non-current expenses*	310 390	3 191

(*) Rise explained mainly by the contribution to social cohesion

DETAILED INFORMATION ON VALUE ADDED TAX at 30 june 2020

(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	175 135	661 074	712 707	123 502
B. Recoverable VAT	241 023	184 962	231 127	194 858
On expenses	75 507	180 730	195 579	60 658
On fixed assets	165 516	4 232	35 548	134 200
C. VAT payable or VAT credit = (A-B)	-65 888	476 112	481 580	-71 356

RECONCILIATION OF NET INCOME FOR ACCOUNTING AND TAX PURPOSES at 30 june 2020

(thousand MAD)

Reconciliation statement	Amount	Amount
I- NET INCOME FOR ACCOUNTING PURPOSES	1 991 747	
. Net profit	1 991 747	
. Net loss		
II- TAX WRITE-BACKS	1 480 828	
1- Current	1 480 828	
- Income tax	782 368	
- Losses on irrecoverable loans not provisioned	7 927	
- General provisions	382 000	
- Non-current provisions	168 000	
- Provisions for pensions and similar obligations	42 012	
- Other provisions	8 000	
- Non deductible extraordinary expenses	1 470	
- Contribution to social cohesion	73 558	
- Depreciation on assets given on payment	13 493	
- Personalized gifts	2 000	
2- Non current		
III- TAX		1 358 067
1- Current		1 358 067
- 100% allowance on income from investments in affiliates		1 318 141
- Write-back of provisions used		21 226
- Write-back of contingencies and losses		18 700
2- Non-current		-
TOTAL	3 472 575	1 358 067
IV- GROSS INCOME FOR TAX PURPOSES		2 114 508
. Gross profit for tax purposes if T1 > T2 (A)		2 114 508
. Gross loss for tax purposes if T2 > T1 (B)		
V- TAX LOSS CARRY FORWARDS (C) (1)		
. Financial year Y-4		
. Financial year Y-3		
. Financial year Y-2		
. Financial year Y-1		
VI - NET INCOME FOR TAX		2 114 508
. Net profit for tax purposes (A - C)		2 114 508
. Net loss for tax purposes (B)		
VII - ACCUMULATED DEFERRED DEPRECIATION		
VIII - ACCUMULATED TAX LOSSES TO BE CARRIED		
. Financial year Y-4		
. Financial year Y-3		
. Financial year Y-2		
. Financial year Y-1		

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

DETERMINATION OF INCOME AFTER TAX FROM ORDINARY ACTIVITIES at 30 june 2020

(thousand MAD)

I- DETERMINATION OF INCOME	AMOUNT
Income from ordinary activities after items of income and expenditure	3 080 628
Tax write-backs on ordinary activities (+)	698 460
Tax deductions on ordinary activities (-)	1 358 067
Theoretical taxable income from ordinary activities (=)	2 421 021
Theoretical tax on income from ordinary activities (-)	895 778
Income after tax from ordinary activities (=)	2 184 850
II- SPECIFIC TAX TREATMENT INCLUDING BENEFITS GRANTED BY INVESTMENT CODES UNDER SPECIFIC LEGAL PROVISIONS	

SHAREHOLDING STRUCTURE at 30 june 2020

(thousand MAD)

Name of main shareholders or associates	Adress	number of shares held		% of share capital
		previous period	current period	
A- DOMESTIC SHAREHOLDERS				
* AL MADA	60, RUE D'ALGER , CAASBLANCA	97 433 137	97 433 137	46,43%
* OPCVM ET AUTRES DIVERS ACTIONNAIRES	*****	38 067 351	39 209 901	18,68%
* GROUPE MAMDA & MCMA	16 RUE ABOU INANE RABAT	14 695 732	13 543 764	6,45%
* REGIME COLLECTIF D'ALLOCATION ET DE RETRAITE	Hay Riad - B.P 20 38 - Rabat Maroc	13 517 260	13 517 260	6,44%
* Wafa ASSURANCE	1 RUE ABDELMOUMEN CASA	13 226 583	13 234 912	6,31%
* CIMR	BD ABDELMOUMEN CASA	8 560 380	8 612 109	4,10%
* PERSONNEL DE LA BANQUE	*****	6 115 740	6 086 686	2,90%
* CAISSE DE DEPOT ET DE GESTION	140 PLACE MY EL HASSAN RABAT	3 576 531	3 576 531	1,70%
* RMA WATANIYA	83 AVENUE DES FAR CASA	2 683 942	2 683 942	1,28%
* CAISSE MAROCAINE DE RETRAITE	AVENUE AL ARAAR, BP 2048, HAY RIAD, RABAT	474 087	538 391	0,26%
* AXA ASSURANCES MAROC	120 AVENUE HASSAN II CASA	793 322	707 432	0,34%
B- FOREIGN SHAREHOLDERS				
*SANTUSA HOLDING	AVND CANTABRIA S/N 28660 BOADILLA DEL MONTE.MADRID. ESPAGNE	10 715 614	10 715 614	5,11%
TOTAL		209 859 679	209 859 679	100%

APPROPRIATION OF INCOME at 30 June 2020

(thousand MAD)

	Value		Value
A- origin of appropriated income		B- Appropriation of income	
Earnings brought forward	1 876 196	to legal reserve	6 333
Net income awaiting appropriation		Dividends	
Net income for the financial year	4 840 111	Other items for appropriation	
Deduction from income		Earnings carried forward	6 709 974
Other deductions			
TOTAL A	6 716 307	TOTAL B	6 716 307

BRANCH NETWORK at 30 June 2020

(in numbers)

BRANCH NETWORK	06/30/20	12/31/19
Permanent counters	1 206	1 203
Occasional counters		
Cash dispensers and ATMs	1 478	1 477
Branches in Europe	57	57
Representative offices in Europe and Middle-East	6	7

STAFF at 30 June 2020

(in numbers)

STAFF	06/30/20	12/31/19
Salaried staff	8 800	8 769
Staff in employment	8 800	8 769
Full-time staff	8 800	8 769
Administrative and technical staff (full-time)		
Banking staff (full-time)		
Managerial staff (full-time)	4 889	4 875
Other staff (full-time)	3 911	3 894
Including Overseas staff	55	54

SUMMARY OF KEY ITEMS OVER THE LAST THREE PERIODS at 30 June 2020

(thousand MAD)

ITEM	JUNE 2020	DECEMBER 2019	DECEMBER 2018
SHAREHOLDERS' EQUITY AND EQUIVALENT	45 601 246	43 609 499	41 497 564
OPERATIONS AND INCOME IN FY			
Net banking income	6 852 083	12 844 430	12 186 555
Pre-tax income	2 774 115	6 857 021	6 478 968
Income tax	782 368	2 016 910	1 874 985
Dividend distribution		2 728 176	2 544 090
PER SHARE INFORMATION IN MAD			
Earning per share			
Dividend per share		13,00	12,50
STAFF			
Staff Costs	1 090 339	2 314 118	2 196 216

KEY DATES AND POST-BALANCE SHEET EVENTS at 30 June 2020

I. KEY DATES

. Balance sheet date ⁽¹⁾	30 June 2020
. Date for drawing up the financial statements ⁽²⁾	Sept-20

(1) Justification in the event of any change to the balance sheet date

(2) Justification in the event that the statutory 3-month period for drawing up the financial statements is exceeded.

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

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

CUSTOMER ACCOUNTS at 30 June 2020

(in numbers)

	06/30/20	12/31/19
Current accounts	223 807	214 114
Current accounts of Moroccans living abroad	867 654	867 474
Other current accounts	2 684 092	2 564 688
Factoring liabilities	629	590
Savings accounts	1 023 532	1 010 894
Term accounts	13 472	15 499
Certificates of deposit	2 706	2 706
Other deposit accounts	1 887 114	1 761 714
TOTAL	6 703 006	6 437 679



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