التجاري وفا بنك
Attijariwafa bank

RESULTS PRESENTATION

As of 31 December |14|

Agenda

Overview of the economic environment

IFRS consolidated financial statements as of December 31, 2014

Analysis of the main contributors

Attijariwafa bank share price performance

Macro-economic environment in 2014 Africa

Real GDP growth

	2013	2014E	2015F
Africa	**3.9%**	**4.8%**	**4.8%**
North Africa	**1.9%**	**3.1%**	**5.5%**
West Africa	**6.7%**	**7.2%**	**7.1%**
WAEMU[1]	5.7%	6.6%	6.2%
Central Africa	**3.7%**	**6.2%**	**5.7%**
EMCCA[2]	2.8%	4.9%	4.3%
East Africa	**6.2%**	**6.0%**	**6.2%**
South Africa	**3.0%**	**4.0%**	**4.4%**

Economic trends in Africa

Economic growth in **Africa : 4.8%** in 2014E vs. **3.9%** in 2013, driven by domestic demand, infrastructure and regional trade

North Africa:

- GDP growth rate of **3.1%** in 2014E vs. **1.9%** in 2013
  - Morocco: **2.6%** in 2014 vs. **4.4%** in 2013
  - Tunisia: **2.4%** in 2014 vs. **2.3%** in 2013
- Positive outlook in 2005:
  - North Africa:5.5%
  - Morocco:4.8%
  - Tunisia: 3.7%

WAEMU(1):

- **GDP growth rate** of **6.6%** in 2014E vs. **5.7%** in 2013
- **Inflation rate** at **0.6%** in 2014E vs. **1.3%** in 2013

EMCCA(2) :

- **GDP growth** of **4.9%** in 2014E vs. **2.8%** in 2013
- **Inflation rate** of **3.4%** in 2014E vs. **2.1%** in 2013

Source BAD, FMI, Haut Commissariat au Plan (HCP)

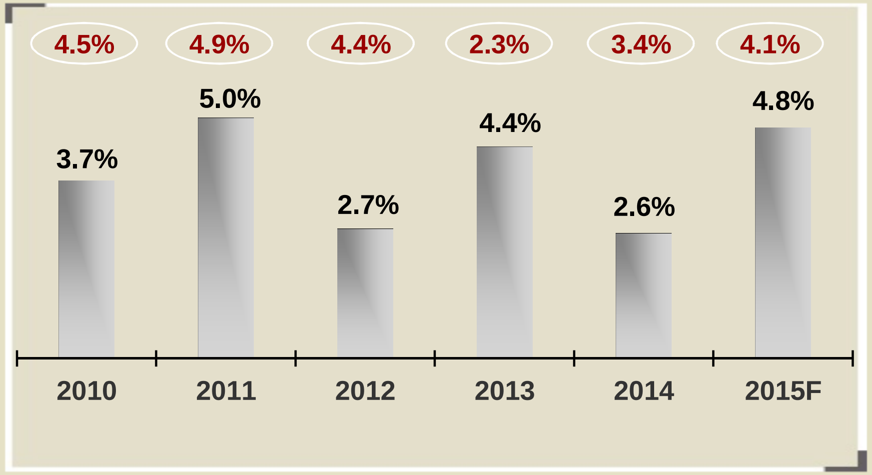
(1) WAEMU: Senegal, Burkina Faso, Mali, Ivory-Coast, Benin, Niger, Togo and Guinea-Bissau,

(2) EMCCA: Cameroon, Congo, Gabon, Equatorial Guinea, Central African Republic and Chad

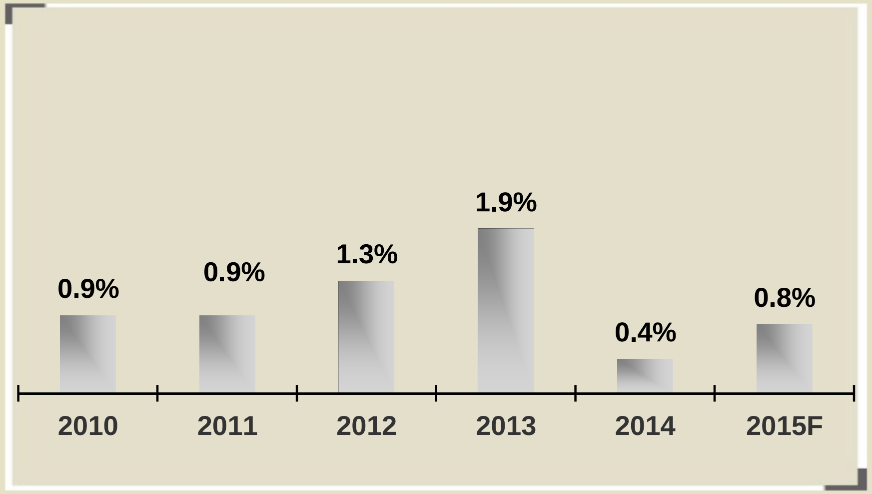
Macro-economic environment in 2014 Morocco (1/2)

X% Non agricultural GDP growth rate

Real GDP growth



Inflation



Source: Ministry of Finance, IMF, HCP, Bank Al-Maghrib

Economic growth

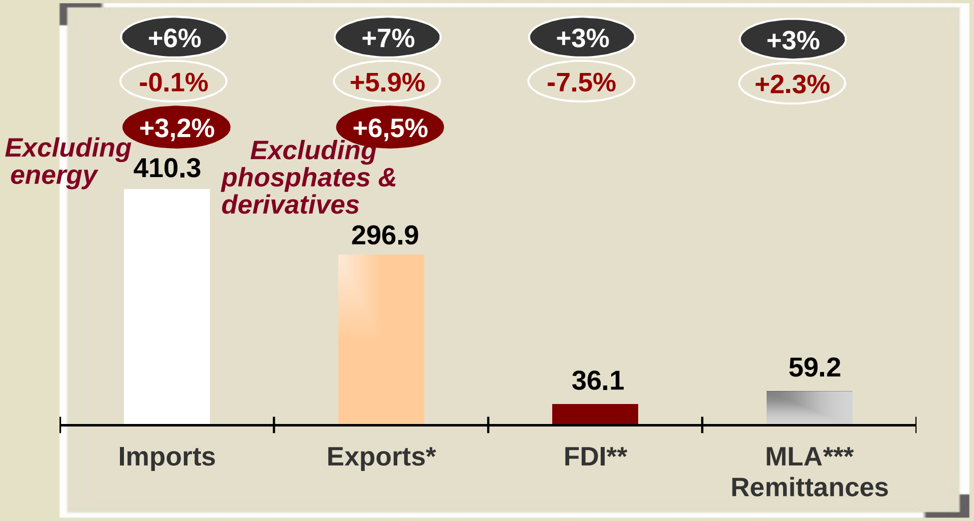
- **GDP growth of 2.6% in 2014[F]** :
  - Improvement of **non agricultural activity** (**3.4%** in 2014 **vs 2.3%** in 2013) and positive 2015 outlook (**4.1%**)
  - **Agricultural GDP growth rate of -1.7%** due to a lower **cereal harvest** (**68 million quintals in 2014**) compared to 2013 (97 million quintals)
  - **Growth of Moroccan domestic consumption slowing down** from **3.7**% in 2013 to **+3.0%** in 2014
  - **Increase of external demand to Morocco growth rate** (+3.5% in 2014 vs. +0.8% in 2013) due to the rebound of European economy (especially France and Spain)

Inflation & Monetary policy

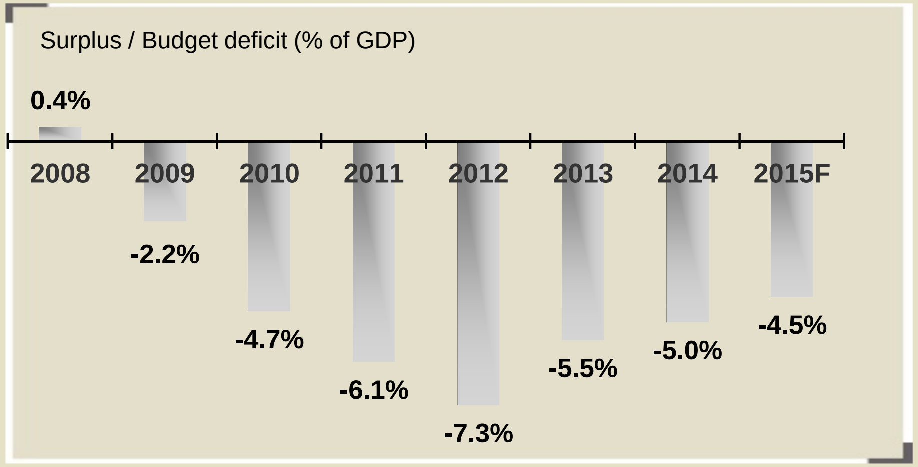
- Decrease of central bank **key interest rate** from **3.00%** to **2.75%** (September 2014) and then to **2.50%** (December 2014)
- Lower **Inflation rate** to **0.4%** in 2014[F] despite subsidies cuts and recent increase in the minimum wage (up 5% in July 2014) mainly driven by imported deflation from Euro zone

Macro- economic environment in 2014 Morocco (2/2)

Trends in Balance of payments' main components (MAD billion)



Public Finance



Source: Ministry of Finance, HCP, Exchange Control Office

(*) including tourism, (**) Foreign Direct Investment; (***) Moroccan Living Abroad

Balance of payments

- **Significant improvement of Trade balance deficit** (goods and services: G&S) to MAD 113.4 billion (MAD -17.2 billion compared to 2013). Exports G&S grew by 5.9% YoY, however, Imports G&S remained stable (-0.1%)
- Favorable trends excluding energy and phosphates:
  - Imports excluding energy **increased by 3.2%**
  - Exports excluding phosphates and derivatives **rose by 6.5%** thanks to the Global Trades of Morocco e.g.: Automotive (+26.5%), Electronic (+26.2%) and the recovery of Textile (+3.9%)
- **MLA remittances** grew by **2.3%** to **MAD 59.2 billion**
- **Foreign Direct Investment** declined by **7.5%** to **MAD 36.1 billion** (due to non recurring M&A deals in 2013)

Public Finance

- **Budget deficit** at **5.0%** of GDP in 2014 (vs 5.5% in 2013):
  - Payroll increased by **2.6%** to **MAD 101.6 billion** between 2013 and 2014
  - Decrease of subsidies expenses to MAD **37.2 billion** in 2014 (-24.7% compared to 2013) as result of a large subsidies reform

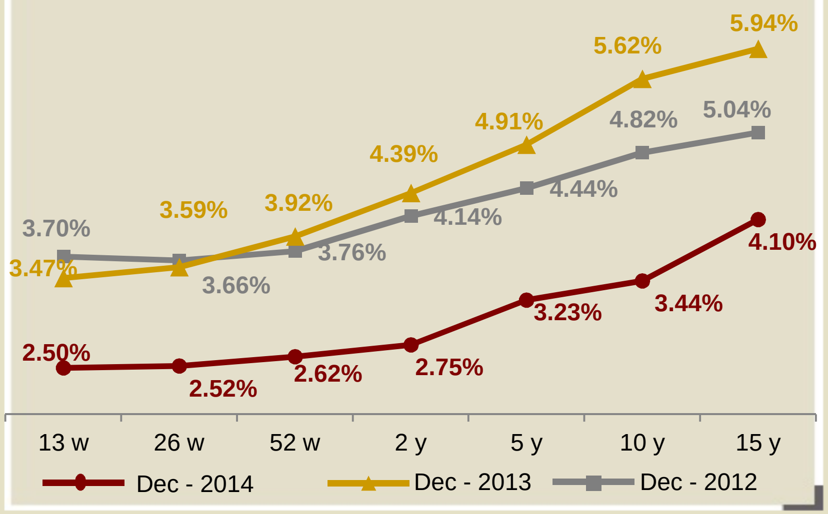
Moroccan financial market (1/2)

X% CAGR

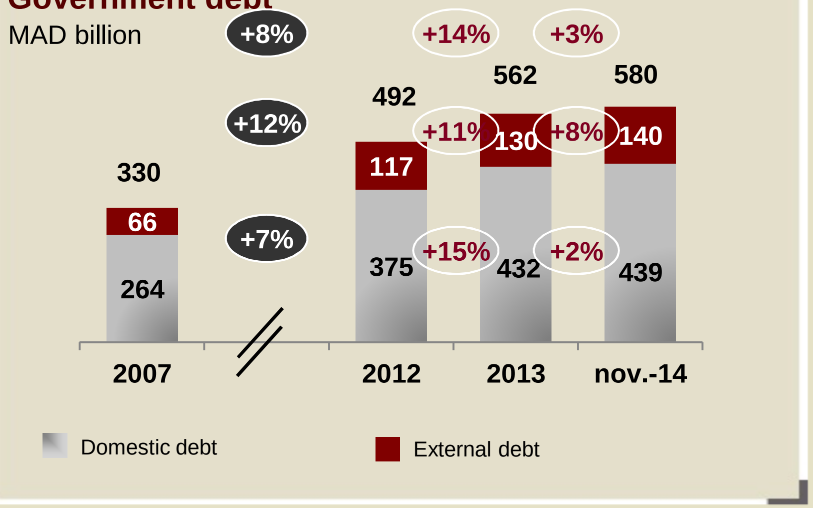
X% Growth rate

Financial market trends 2014

Yield curve trend between 2012 and 2014



Government debt



Sharp Movements in Yield Curve

- **Significant decrease** of government bond **yields** in 2014:
  - 52w: -130 pbs
  - 2y: -164pbs
  - 5y: -168 pbs
  - 10y: -218 pbs

Growing Government debt

- Treasury's debt rose by **3%** Ytd to MAD **580 billion as of November 2014 (~65% of GDP)**
- Issuance of **Euro 1 billion** bond in June 2014 after **USD 750 million** bond in May 2013 and **USD 1.5 billion** bond issued in December 2012

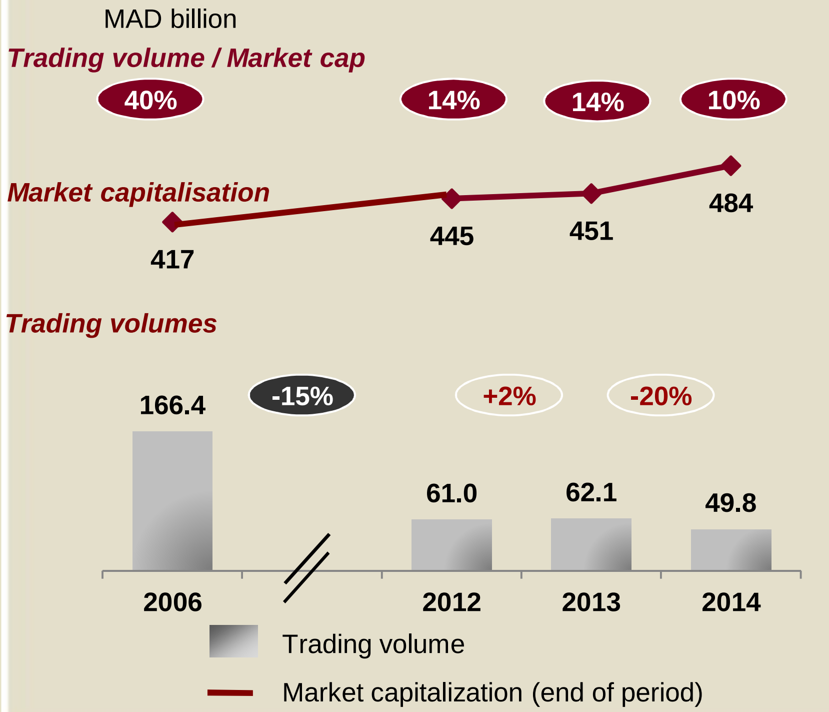
X% CAGR

X% Growth rate

Moroccan financial market (2/2)

Financial market trends in 2014

Stock market: Capitalization and volume



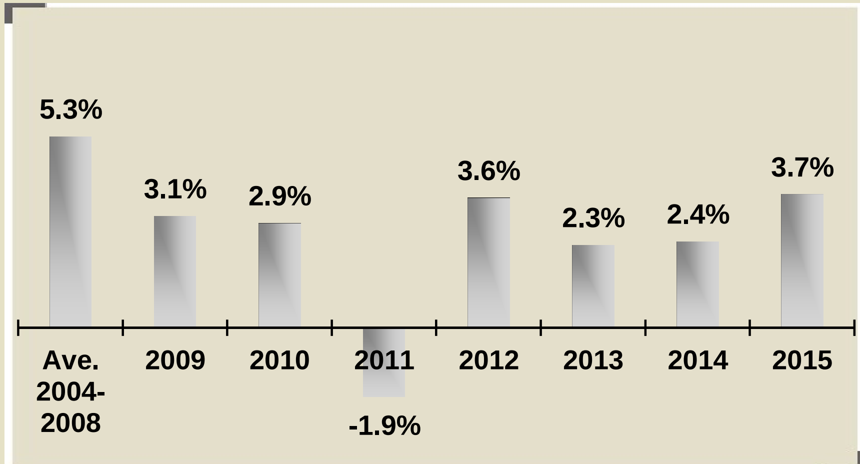
X% Trading volume / Market capitalisation (end of period)

Trading volumes down in 2014 from an already low base:

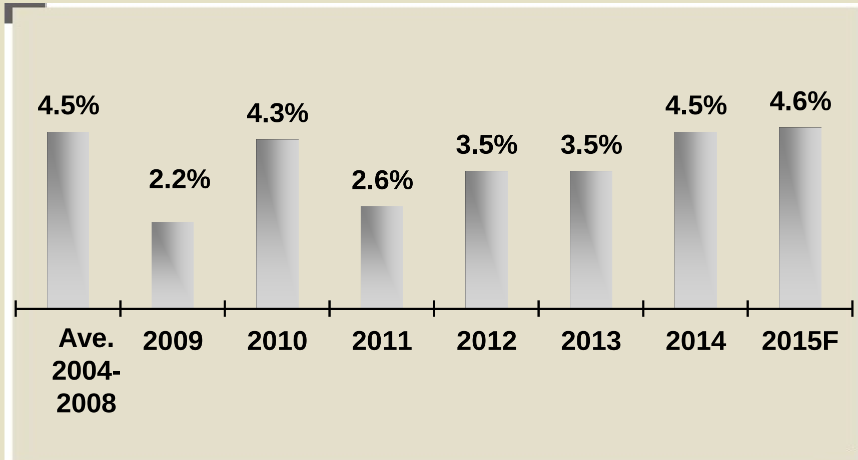
- **20%** YoY decline in volume of transactions traded on the Casablanca Stock Exchange to **MAD 49.8 billion** in 2014
- **Moroccan All Shares Index (MASI) rose** by **5.6% YoY** in 2014
- **7.4%** YoY improvement in market capitalization to **MAD 484 billion as of 31 December 2014**

Macro-economic environment in 2014
Tunisia - Senegal

Tunisia: Real GDP growth



Senegal: Real GDP growth



Source : IMF

Tunisia

- **GDP growth of 2.4%** in 2014F following a growth of 2.3% in 2013 (**+3.6%** en 2012)
- **5.7% inflation** in 2014F lower than 2013 (**6.1%**)
- The average key interest rate stood at **4.8%** in 2014 vs. **4.5%** in 2013
- Depreciation of TND/MAD by **4,3%** between 2013 and 2014

Senegal

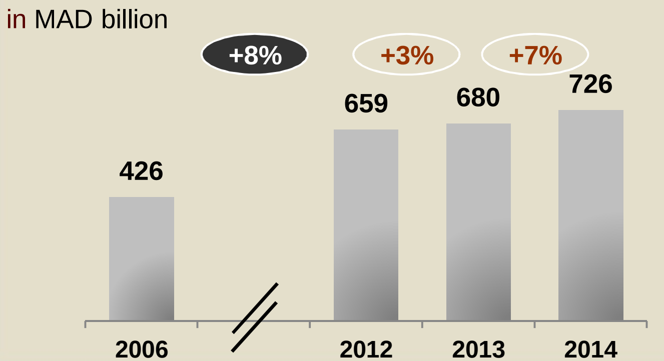
- **GDP growth of 4.5%** in 2014F vs. **3.5%** in 2013 and in 2012
- **-0.5%** of **inflation** in 2014F vs.**0.7%** in 2013 (**2.1%** in 2012)

Moroccan banking sector

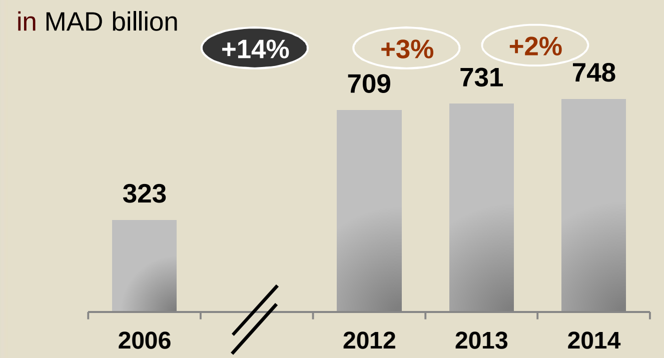
X% CAGR
X% +/-

Banking sector growth as of December, 2014

Trend in customer deposits



Trend in customer loans



- **Deposits YoY growth** of **+7%** compared to **+3%** between 2012 and 2013
- **Slow-down in loans growth** (**+2%** between 2014 and 2013 vs. **+3%** between 2012 and 2013 and **+14%** p.y. between 2006 and 2012):
  - Deposits-Loans deficit of MAD **22** billion as of December 2014 vs MAD **51** billion in December 2013 and a surplus of MAD **103** billion in 2006
  - **Loan-to-Deposit ratio of 103%** as of December 2014 (**108%** in 2013 and **76%** in 2006)
- **Moroccan banks access to financial markets:** 10% increase **in subordinated debt** outstanding between 2013 and 2014 (MAD **25.1** billion as of December 2014), and **7% decrease** in **certificates of deposit** outstanding (MAD 54.6 billion as of December 2014)
- Main regulatory evolutions:
  - Ongoing transition to **Basel 2 advanced approach for RWA**
  - Compliance with **Basel 3 rules** regarding regulatory capital and capital adequacy ratio **(from June 2014 with full implementation in 2019)**
    - Minimum requirements : CET1=8%; CET1+AT1=9%; CAR=12% (instead of core Tier 1=9% and CAR=12% previously)
    - Main impacts on regulatory capital: page 32
  - **Compliance with Basel 3 rules regarding liquidity (LCR*)** with minimum currently at 60%
- **A new banking law** approved by the parliament in November 2014 **will strengthen the regulatory, supervisory and macro prudential frameworks** and provide the framework for the **development of Islamic finance**

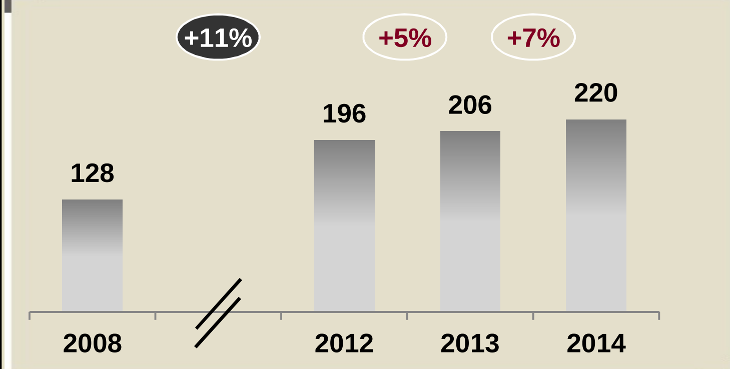
(*) Liquidity Coverage Ratio ; minimum requirements: 60% in 2015, 70% in 2016, 80% in 2017, 90% in 2018 and 100% in 2019

Moroccan banking sector

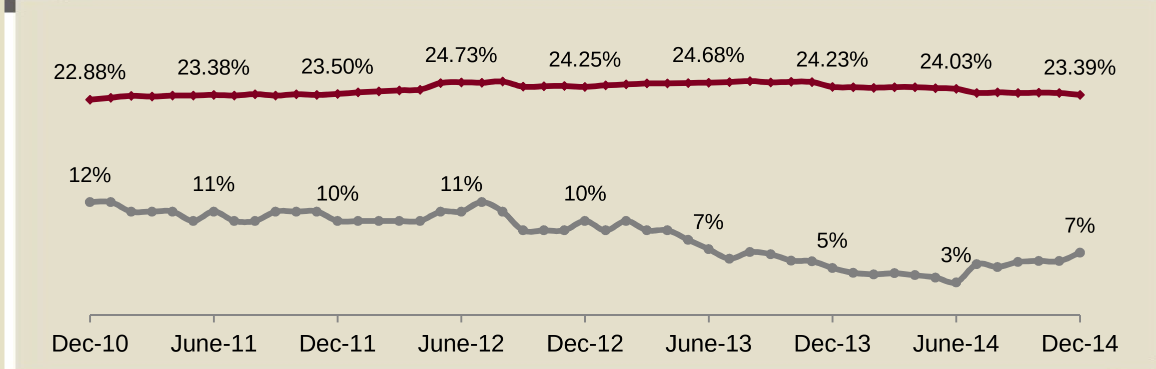
Focus on loans growth between 2008 and 2014

AWB market shares in Morocco
YoY growth
X% CAGR
X% +/-

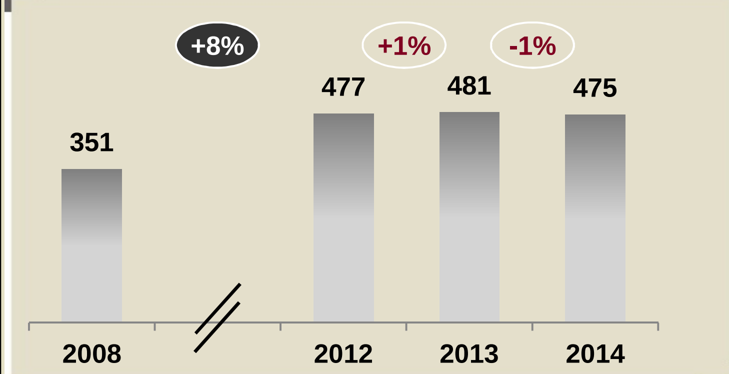
Retail loans(1) (MAD billion)



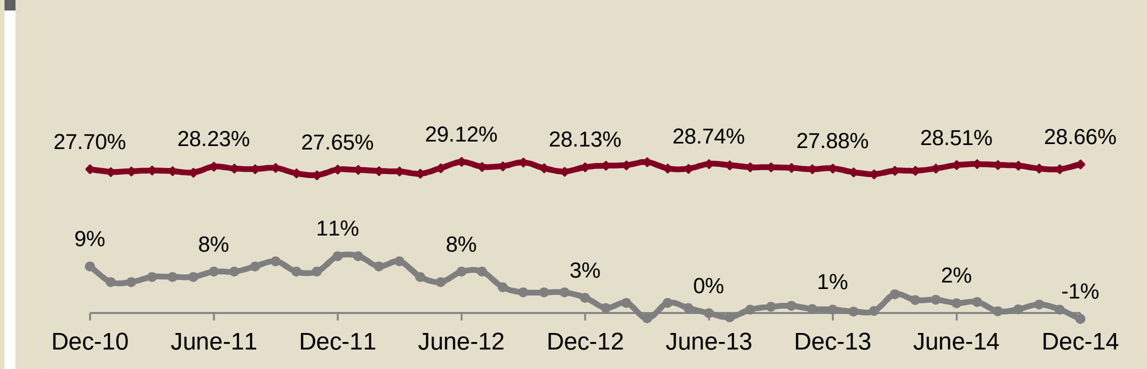
Retail loans: YoY growth



Corporate loans(2) (MAD billion)



Corporate loans : YoY growth

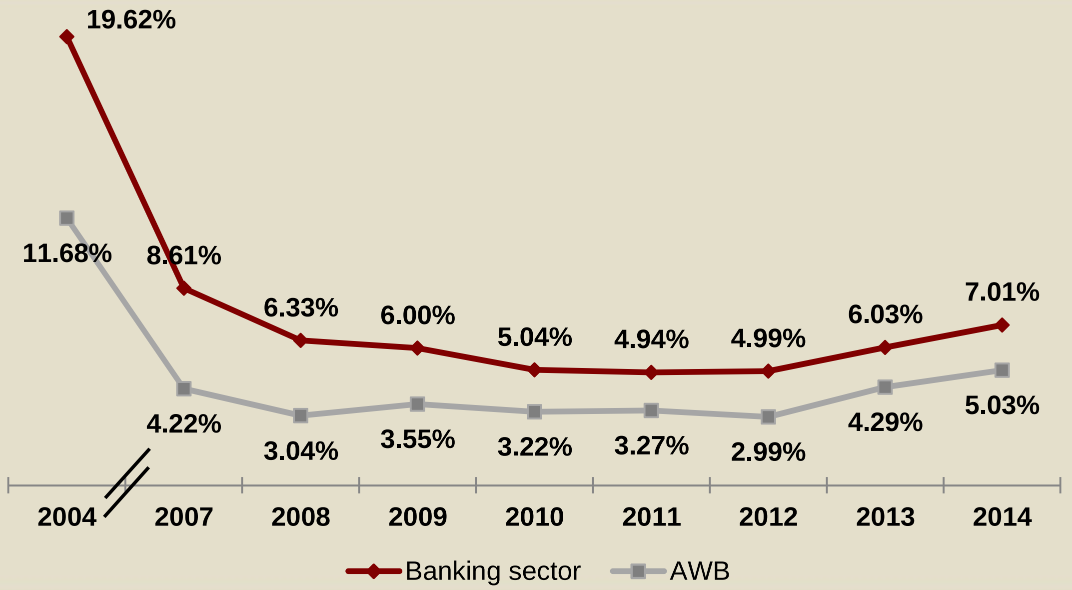


(1) Mortgage loans+ consumer loans
(2) Loans to financial institutions + equipment and investment loans + property development loans + short-term and treasury loans + other loans

Source : GPBM (the Moroccan banking association)

Focus on NPL ratio in Morocco

NPL ratio



- **Decrease** of the NPL ratio in Morocco from **19.62%** in 2004 to **4.99%** in 2012 thanks to a **strong growth of loans and a healthy economic activity**
- **Deterioration** of NPL ratio in December 2013 reaching **7.01% in December 2014** (+98 bps compared to December 2013)

Source : GPBM (the Moroccan banking association)

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Attijariwafa bank Group key figures as of December 31, 2014

Total assets: MAD 401.8 bn

+4.2%

Total savings*: MAD 356.8 bn

+13.0%

Deposits : +8.5%

Total loans: MAD 255.1 bn

+1.7%

Consolidated shareholders' equity : MAD 40.4 bn

+6.5%

NBI: MAD 19.4 bn

+8.8%

Gross operating income: MAD 10.9 bn

+10.2%

Net consolidated income: MAD 5.1 bn

+1.5%

Net income group share: MAD 4.4 bn

+5.2%

16,716 employees

+3.9%

+635 employees

3,331 branches

+4.2%

+134 branches

Number of countries covered

23

Number of customers

7.4 million

+0.54 million

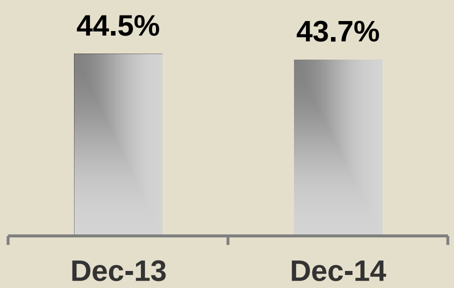
(*) Deposits+ assets under management + bancassurance assets

IFRS consolidated financial statements as of December 31, 2014

Lower cost-income ratio and higher cost of risk

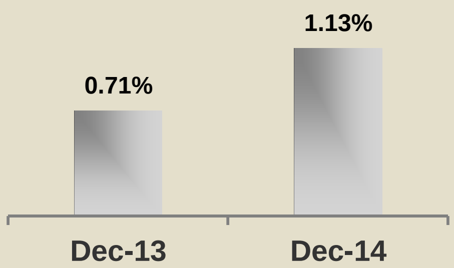
Cost-Income ratio

-71 bps



Cost of risk

+42 bps



- **Improvement in cost-income ratio** despite the various investment and development programs

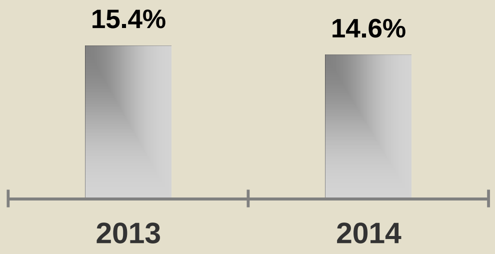
- **Increase of cost of risk to 1.13% (+42 bps)**
- **Non-performing loans ratio up 0.5 pt** (**6.8%** as of December 31, 2014 vs. **6.3%** as of December 31, 2013)
- Improvement of coverage ratio from **64.0%** in 2013 to **68.5%** in 2014

IFRS consolidated financial statements as of December 31, 2014

Profitability ratios in line with best standards

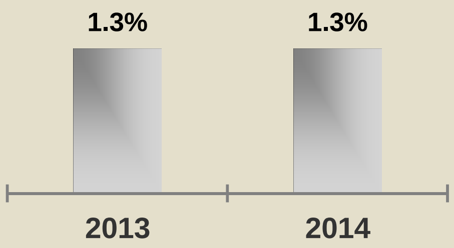
RoE

-0.8 pt



RoA

0 pt

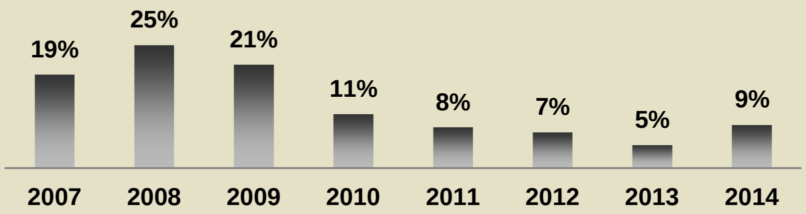


RoE = Net consolidated income/Consolidated shareholders' equity excluding net income
RoA = Net consolidated income/Total balance sheet

- **Shareholders' equity up 7% YoY and RoA stable :**
  - Shareholders' equity growth (+6.5% YoY) outpaced total assets growth (+4.2% YoY)
  - RoE down **-0.8 point** to **14.6%**
  - RoA stable at **1.3%**

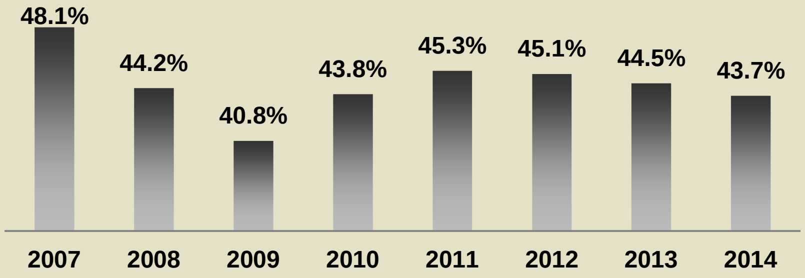
Superior Operating Performance

NBI Growth



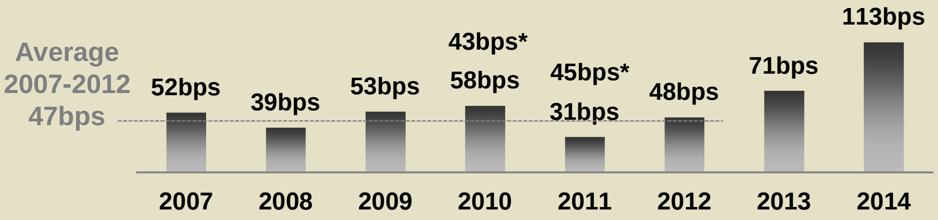
- AWB has managed to sustain a strong NBI growth

Efficiency Ratios (Cost-Income ratio)



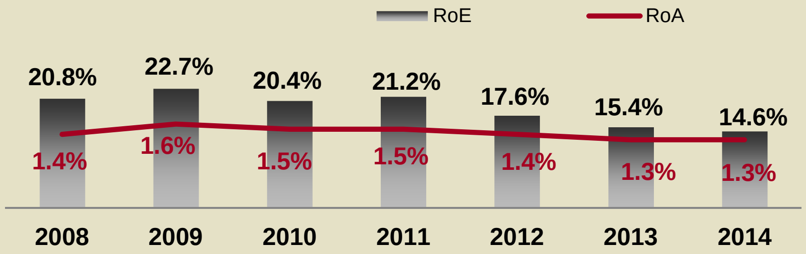
- Improvement of cost-income ratio by 71 bps between 2013 and 2014

Cost of Risk (in bps)



- In 2014, the cost of risk increased to 113 pbs reflecting AWB's conservative provisioning policy (average CoR between 2007 and 2012: 47 bps)

RoE and RoA



- RoE down 0.8 point to 14.6%
- RoA stable at 1.3%

(*) Excluding the provisions related to Tunisia and Ivory Coast

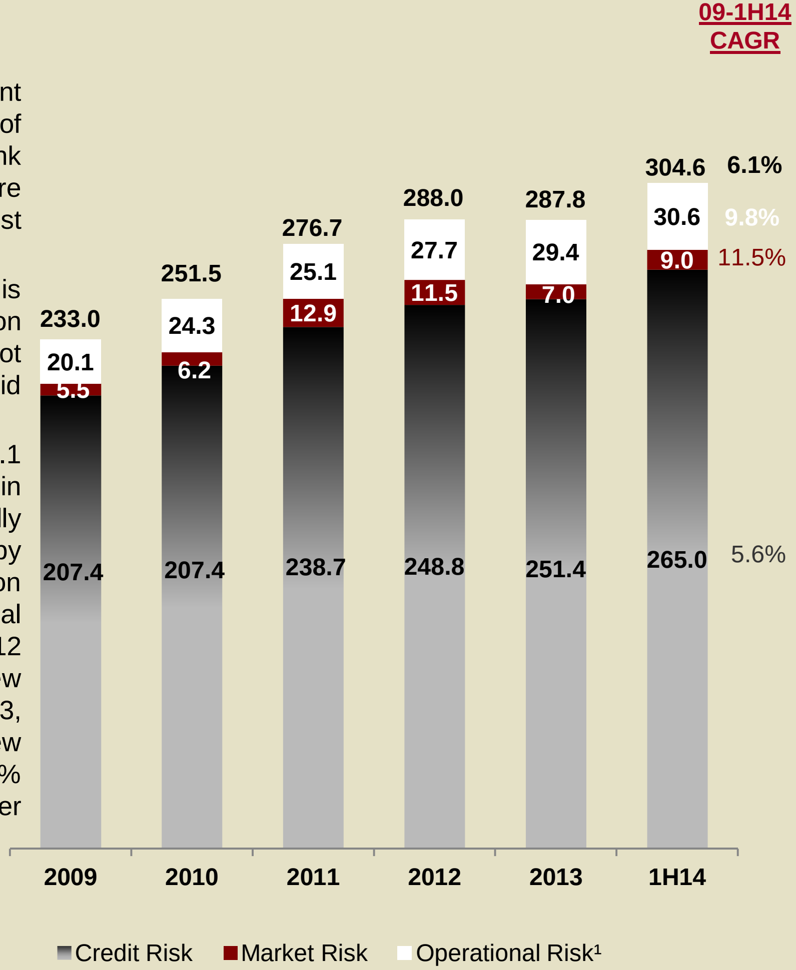
5

Conservative Approach to Capital Management

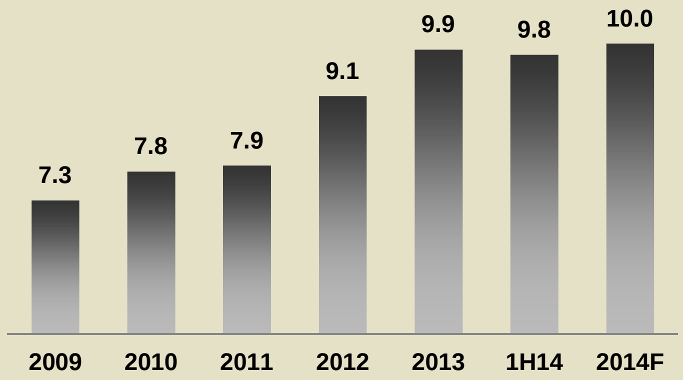
All Data Based on Basel II

- AWB is fully compliant with the requirements of its local regulator (Bank Al Maghrib) which are amongst the most stringent worldwide
- AWB Tier 1 capital is composed of common equity and does not contain hybrid instruments
- In addition to a MAD 2.1 billion capital increase in 2012, AWB successfully increased its capital by MAD 685.2 million through optional conversion of 2012 dividends into new shares in 2013, complying with the new regulatory ratios (9% and 12%) under Basel 3[2].

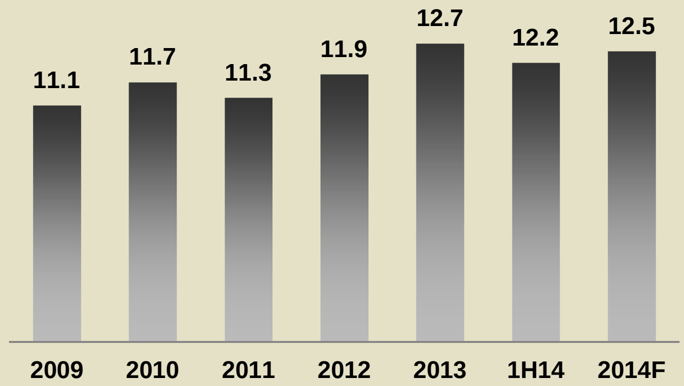
RWA Growth (MAD billion)



Core Tier 1 Ratio (%)



Total Capital Ratio (%)



1) *Operational RWA calculated as 15% of the three year average annual NBI as per the Basic Indicator Approach*
2) *From June 2014*

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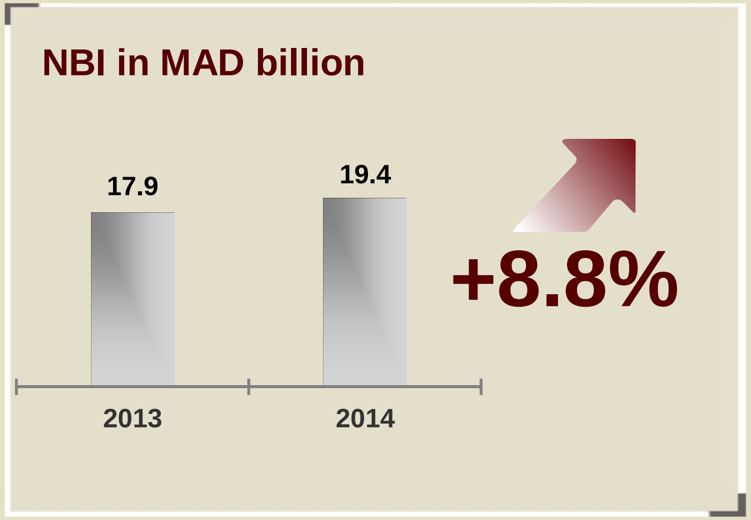
IFRS consolidated financial statements as of December 31, 2014

Consolidated NBI growth of +8.8%



Strong growth in NBI: +8.8%

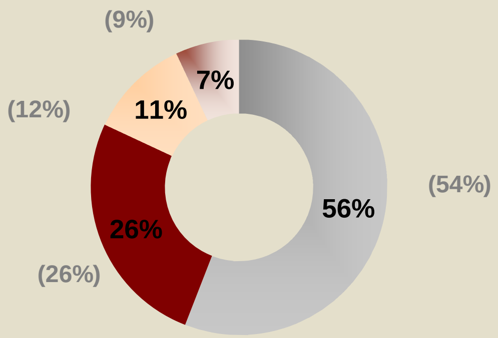
+4% on net interest income

+4% on net fee income

+41% on income from capital market activities: mainly due to the decrease of Sovereign Moroccan yield bonds

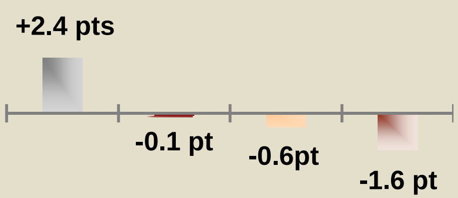
IFRS consolidated financial statements as of December 31, 2014

Structure of NBI as of December, 2014



(xx%) Structure December 2013

Change in the structure of NBI between 2013 and 2014



Banking in Morocco, Europe and Offshore
Specialised Financial Subsidiaries
International Retail Banking
Insurance

Contributions to consolidated NBI by activity as of December 31, 2014

- **Change in the NBI structure:**

  +2.4 pts for Banking in Morocco, Europe & Offshore

  -0.1 pt for International Retail Banking

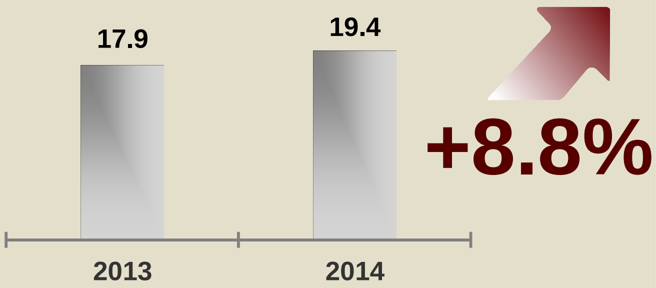
  -0.6 pt for Specialised Financial Subsidiaries

  -1.6 pt for Insurance

Growth of NBI by business lines

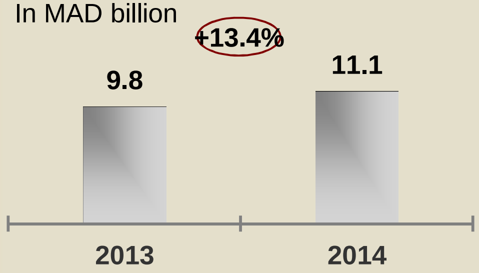
x% Growth rate

NBI (In MAD billion)



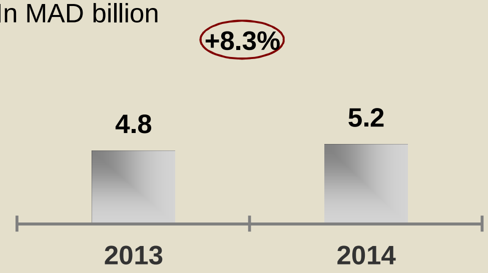
BMET

In MAD billion



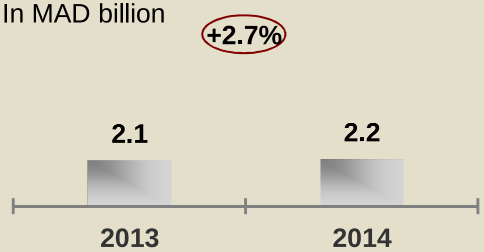
International Retail Banking

In MAD billion



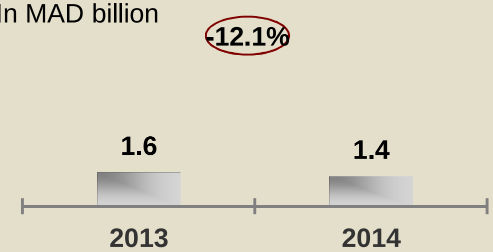
Specialised Financial Subsidiaries

In MAD billion



Insurance

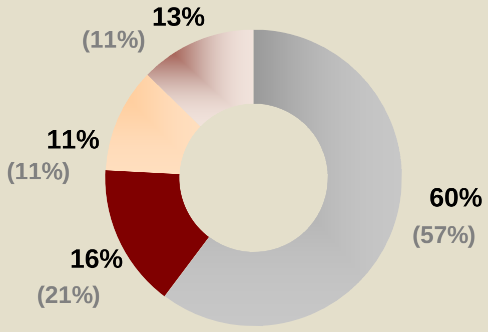
In MAD billion



IFRS consolidated financial statements as of December 31, 2014

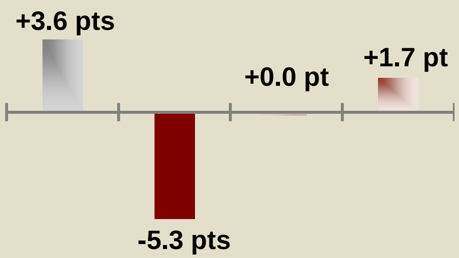
Contributions to consolidated NIGS by activity as of December 30, 2014

Structure of NIGS as of December, 2014



(xx%) Structure December 2013

Change in the structure of NIGS between 2013 and 2014



Banking in Morocco, Europe and Offshore
Specialised Financial Subsidiaries
International Retail Banking
Insurance

- **Change in the NIGS structure:**

  +3.6 pts for Banking in Morocco, Europe & Offshore

  -5.3 pts for International Retail Banking

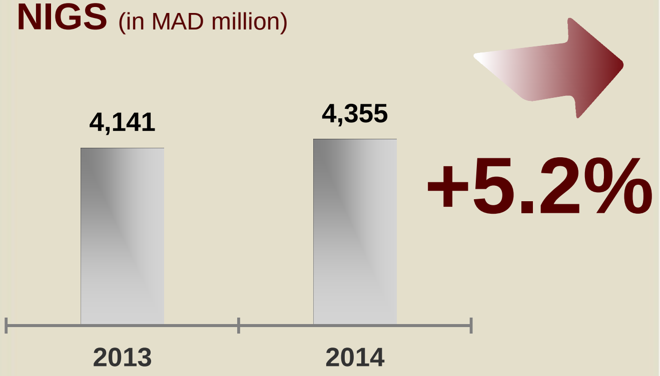
  0 pt for Specialised Financial Companies

  +1.7 pt for Insurance

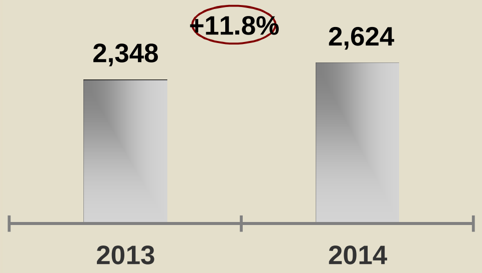
Growth of NIGS by business lines

x% Growth rate

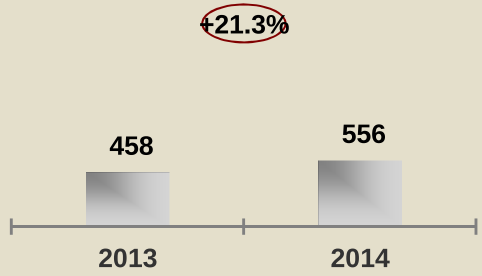
NIGS (in MAD million)



BMET in MAD million

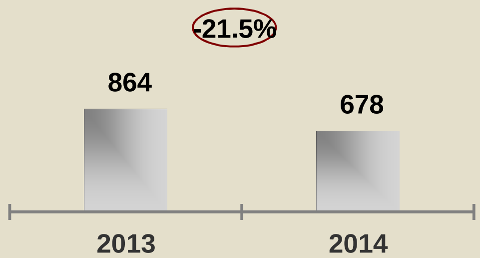


Insurance In MAD million

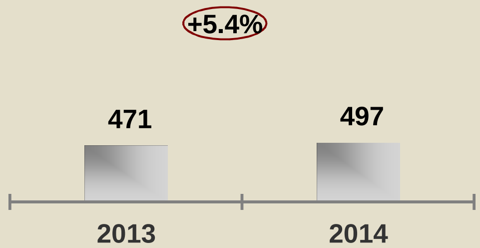


International Retail Banking

In MAD million



Specialised Financial Companies In MAD million

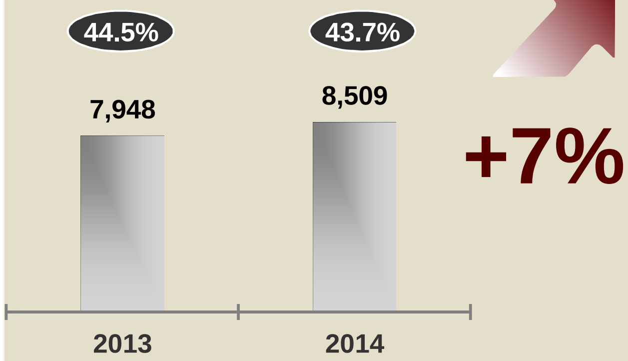


Growth of Operating expenses by business lines

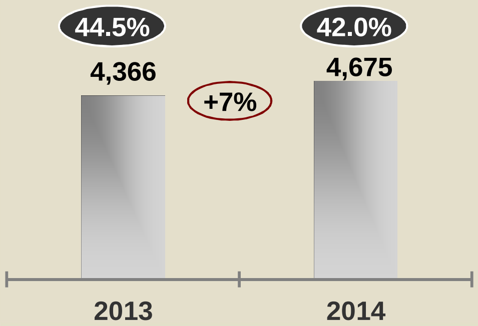
x% Growth rate

X% Cost-income ratio (%)

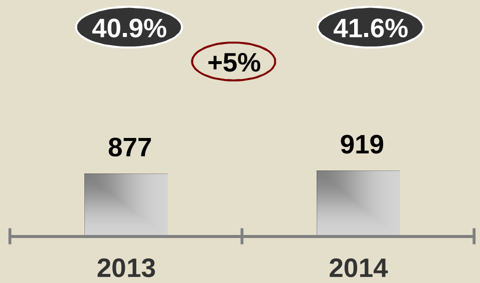
Operating expenses (in MAD million)



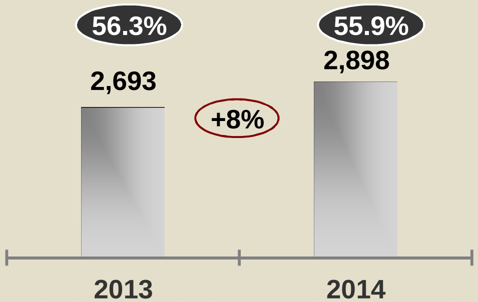
BMET In MAD million



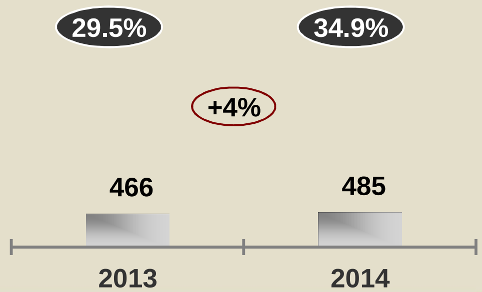
Specialised Financial Subsidiaries In MAD million



International Retail Banking In MAD million



Insurance In MAD million

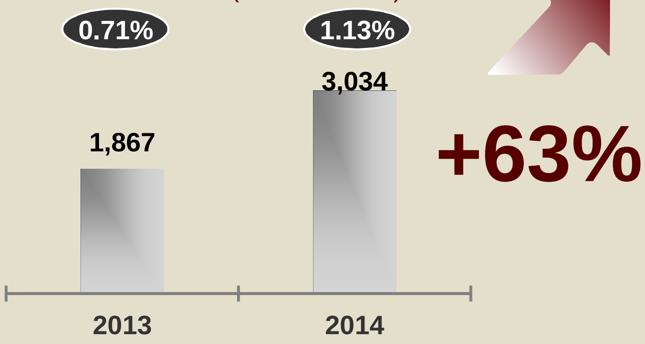


Growth of Cost of Risk by business lines

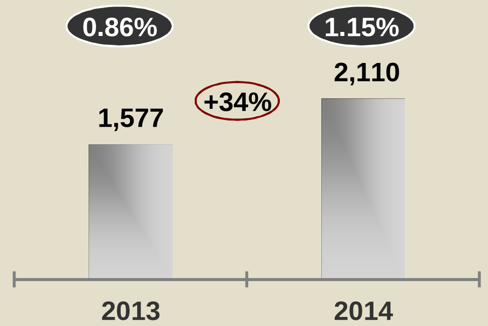
x% Growth rate

X% CoR (%)

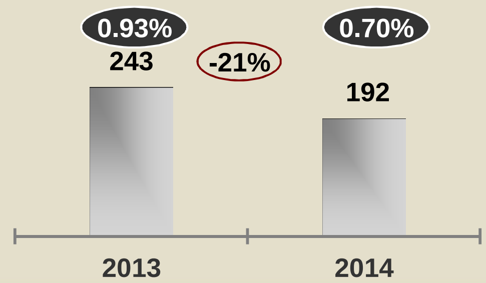
Cost of risk (in MAD million)



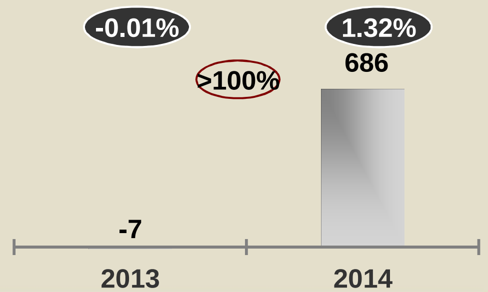
BMET In MAD million



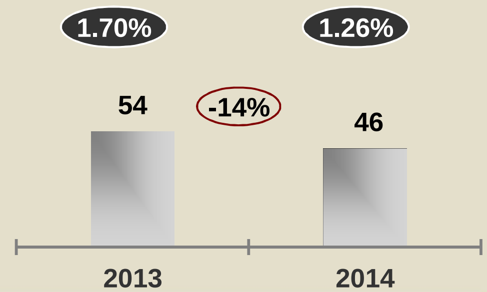
Specialised Financial Subsidiaries In MAD million



International Retail Banking In MAD million



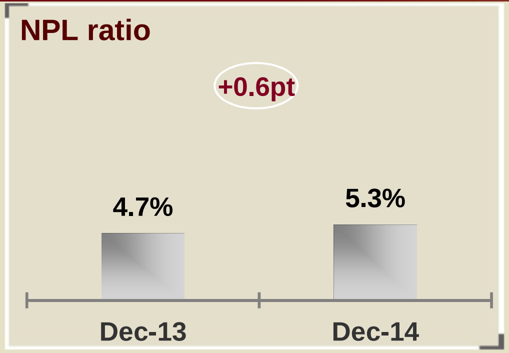
Insurance In MAD million

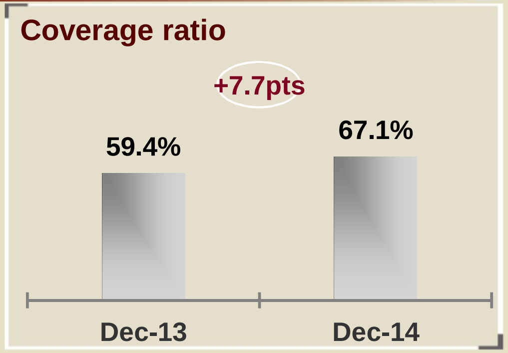


Growth of NPL ratio and coverage ratio by business lines

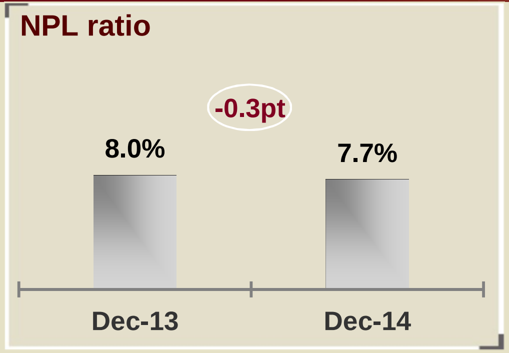
Xpt +/-

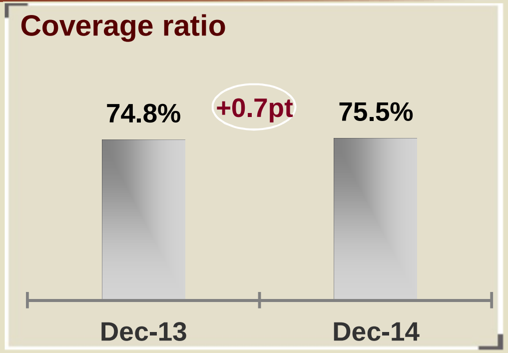
BMET



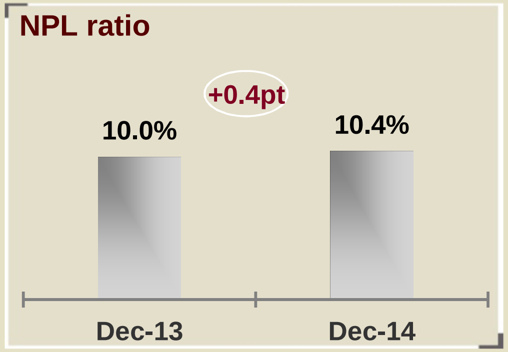


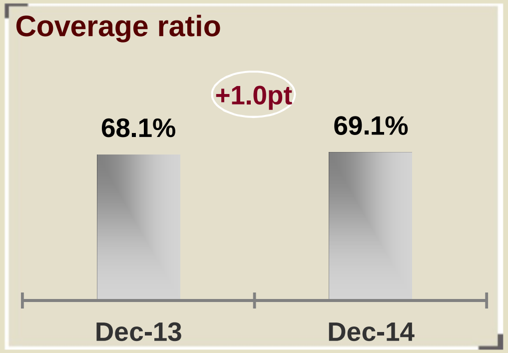
Specialised Financial Subsidiaries

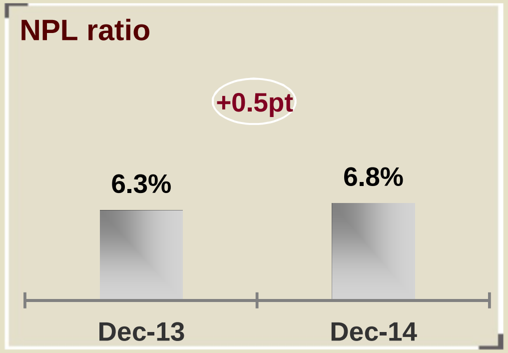


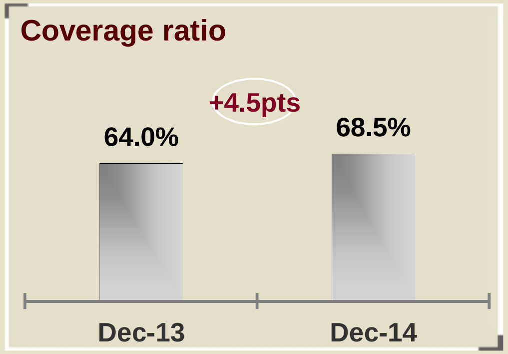


International Retail Banking









Main contributors to net banking income in 2014

in MAD million

Subsidiaries	Contribution 2014	Contribution weight	Growth Rate
Attijariwafa bank	10,440	52.4%	14.4%
Attijari bank Tunisie	1,403	7.0%	5.0%
Wafa Assurance	1,388	7,0%	-12.1%
Wafasalaf	1,022	5,1%	-1.1%
CBAO (Senegal)	925	4,6%	3.9%
SIB (Ivory Coast)	667	3,3%	8.7%
SCB (Cameroon)	659	3.3%	13.8%
UGB (Gabon)	540	2.7%	9.2%
Total	17,044	85.6%	8.9%
Total net banking income before intra-group netting	19,916		
Total net banking income	19,450		

Main contributors to net income group share in 2014

in MAD million

Subsidiaries	Contribution 2014	Contribution weight	Growth Rate
Attijariwafa bank	2,617	60.1%	15.2%
Wafa Assurance	556	12.8%	21.4%
Attijari bank Tunisie	236	5.4%	-18.8%
Wafasalaf	176	4.0%	10.2%
CDC (Congo)	122	2.8%	14.0%
Wafacash	108	2,5%	23,3%
SCB (Cameroon)	90	2.1%	10.1%
UGB (Gabon)	87	2.0%	12.5%
SIB (Ivory-Coast)	84	1.9%	-14.2%
Wafa Immobilier	84	1.9%	4.3%
Wafabail	80	1.8%	-20.4%
CDS (Senegal)	40	0.9%	3.0%
Total	4,280	98.3%	11.1%
Total net income group share	4,355		

Agenda

Overview of the economic environment

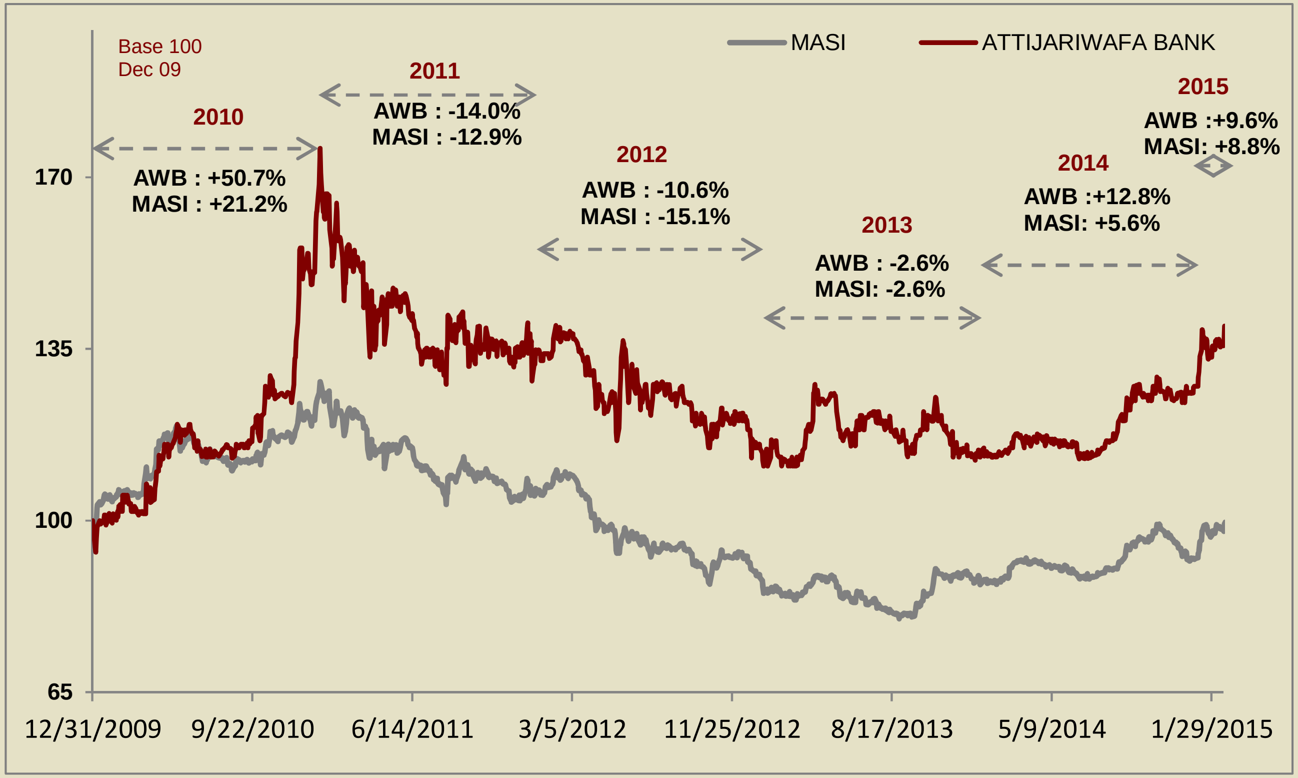
IFRS consolidated financial statements as of December 31, 2014

Analysis of the main contributors

Attijariwafa bank share price performance

Attijariwafa bank share price performance

Attijariwafa bank vs MASI from 12-31-09 to 02-26-15



- Share price as of 31 December 2014: **MAD 344.0**
- Share price as of 26 February 2015: **MAD 377**
- Largest market capitalisation in the banking sector and the 2nd largest in Morocco: **MAD 75.3 billion** as of 10 February 2015
- Attijariwafa bank shares up 12.8**%** in 2014 versus 9.5% for the banking sector and 5.6% for the **MASI**

Attijariwafa bank market indicators

Attijariwafa bank	12/31/2012	12/31/2013	12/31/2014
Share price	313	305	344
Year High	377	345	349
Year Low	304	300	303.3
P/B (*)	2.04x	1.87x	1.97x
P/E (*)	14.00x	14.99x	16.08x
DY	2.88%	3.11%	2.91%
Number of shares	201,243,086	203,527,226	203,527,226
Market capitalisation(**)	62,989	62,076	70,013

(**) in MAD million

- Attijariwafa bank trades at a favorable P/E ratio compared to Moroccan peers :
  - P/E as of 31 December 2014 of 16.08x versus an average of 19.62x for the sector

(*) The P/E and P/B multiples are calculated based on net income group share (annualized) and shareholders' equity

P/E = Share price/EPS for the current year; P/B = Share price/Consolidated shareholders' equity per share; DY = Dividend/Share price

Back up

Focus on Basel 3 main impacts in Morocco
Capital Adequacy

Regulatory capital framework

		Minimum requirements in Morocco (Basel 3)			
CET1	▪ **Common shares** issued by the bank ▪ **Retained earning** and **accumulated other comprehensive incomes**	5,5%	8%	9%	12%
Capital conservation buffer	▪ **Common equity** (common shares , retained earrings) ▪ **2,5%** of risk weighted assets	2,5%			
Additional Tier1 (AT1)	▪ Instrument **ranked lower** than **CET1** ▪ Instrument with **principal** loss **absorption mechanism** (conversion to common shares at a pre-specified trigger point or a write-down mechanism which allocates losses to the instrument)	1,0%			
Tier2 capital	▪ **Subordinated debts** (minimum original maturity of at least 5 years)	3,0%			

Main impacts on Attijariwafa bank

1 Capital requirements
- **Minimum of 8%** of CET1 **instead of 9%** in Basel 2

2 Criteria for classification as CET1
- **Non eligibility** of instruments **directly or indirectly funded by the bank** (the issuer)

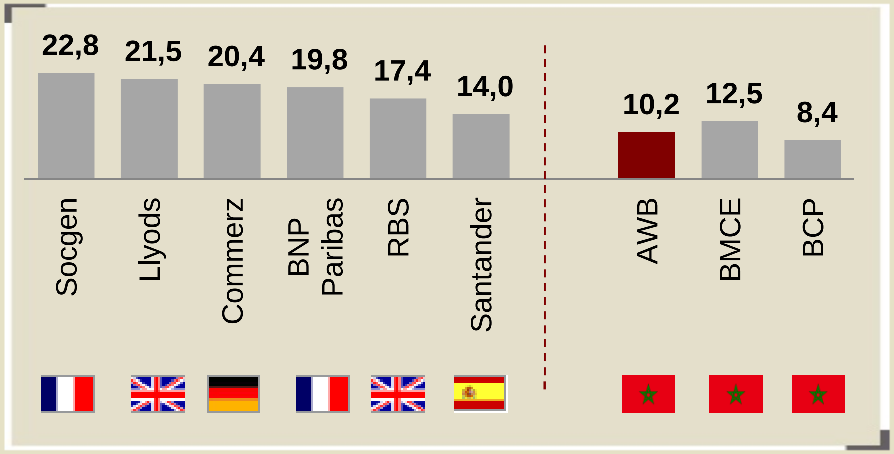
3 Holding in financial institutions
- Deduction of **100% of the aggregated amount of holdings in financial institutions[1] from CET1** vs. **50% from T1 and 50% from T2 in Basel 2**

5 Minority interests
- **Exclusion** of the **amount of the surplus CET1 attributable** to **minority shareholders** in each **banking subsidiary**

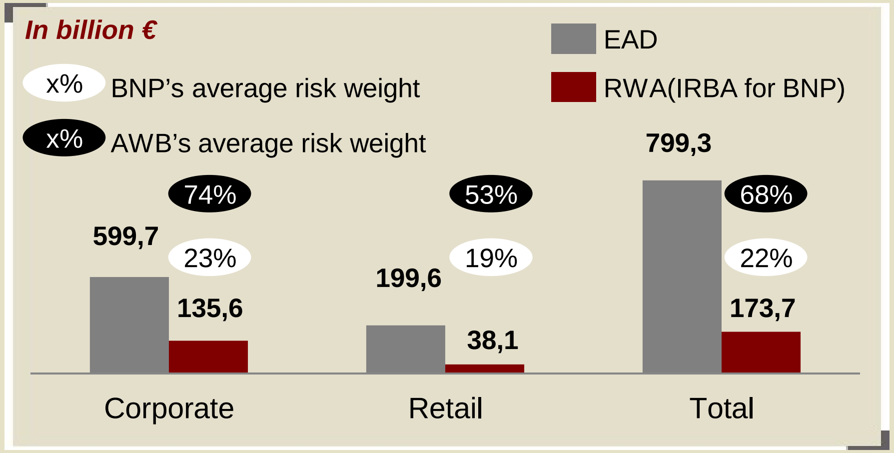
(1) Holdings above 10% of common shares of the subsidiary

Focus on leverage ratios and credit risk mitigation

AWB leverage[1] ratio vs. international benchmark



AWB average risk weight vs. BNP Paribas

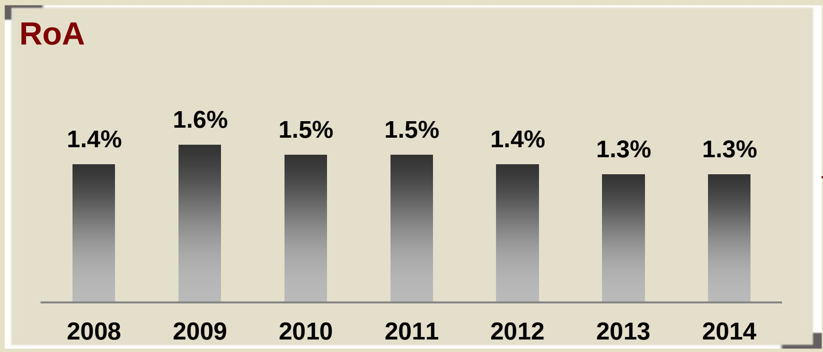


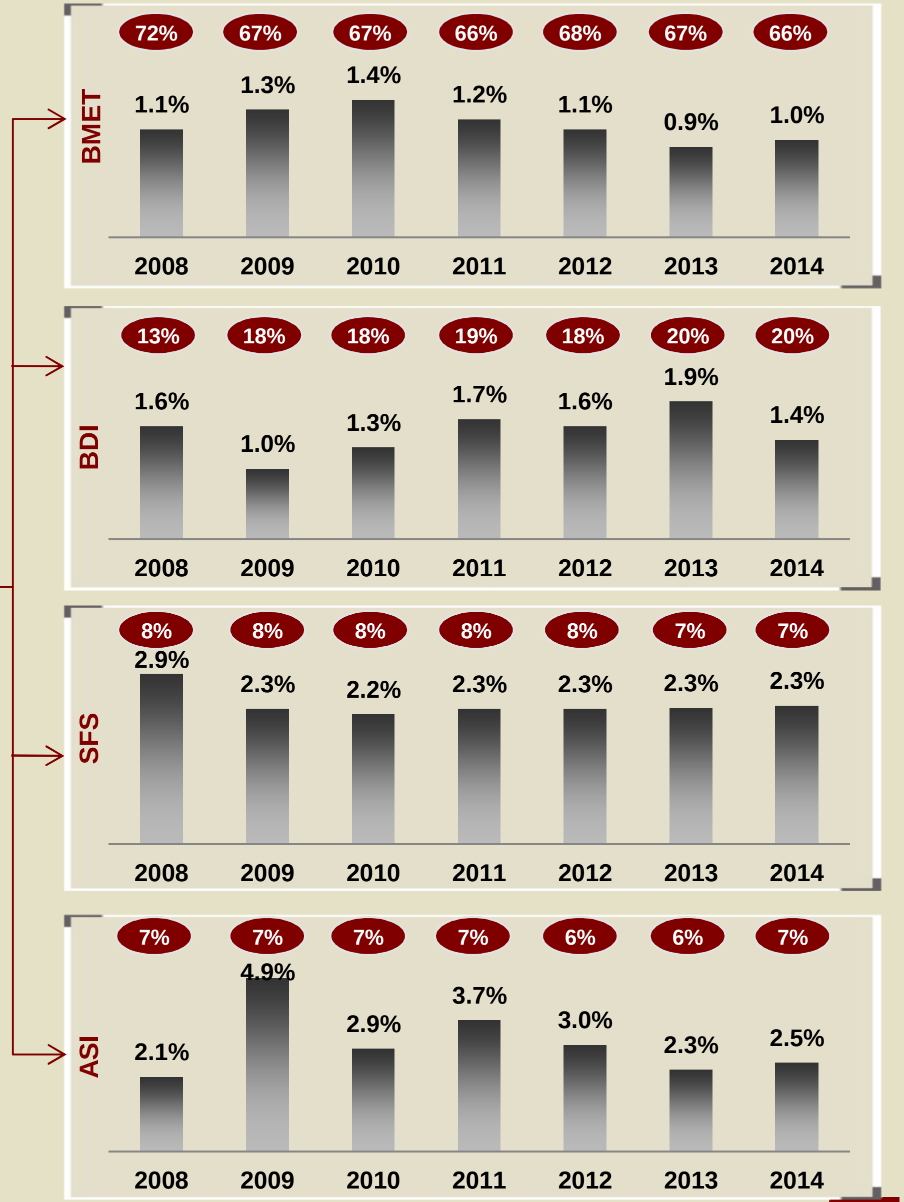
- **AWB Tier 1 capital is free** of **hybrid** instruments
- **AWB's leverage ratio** is much **lower** than **international** benchmark
  - **AWB's risk weighted assets** under the standardized approach is a **conservative risk measure** compared to the IRBA approach
  - A **narrow range** of eligible **CRM** guarantees and collaterals under the **standardized approach**
- Ongoing evolutions
  - **Optimization** of **capital requirement** in case of AT1 issuance in compliance with Moroccan regulatory framework
  - **Implementation** of the **advanced approach** (IRBF for corporate)
  - **Increasing utilization** of CRM[2] in line with the development of financial markets in Morocco

(1) Total assets/Equity (on a consolidated basis) ; (2) Credit Risk Mitigation

RoA by business line between 2007 and 2014

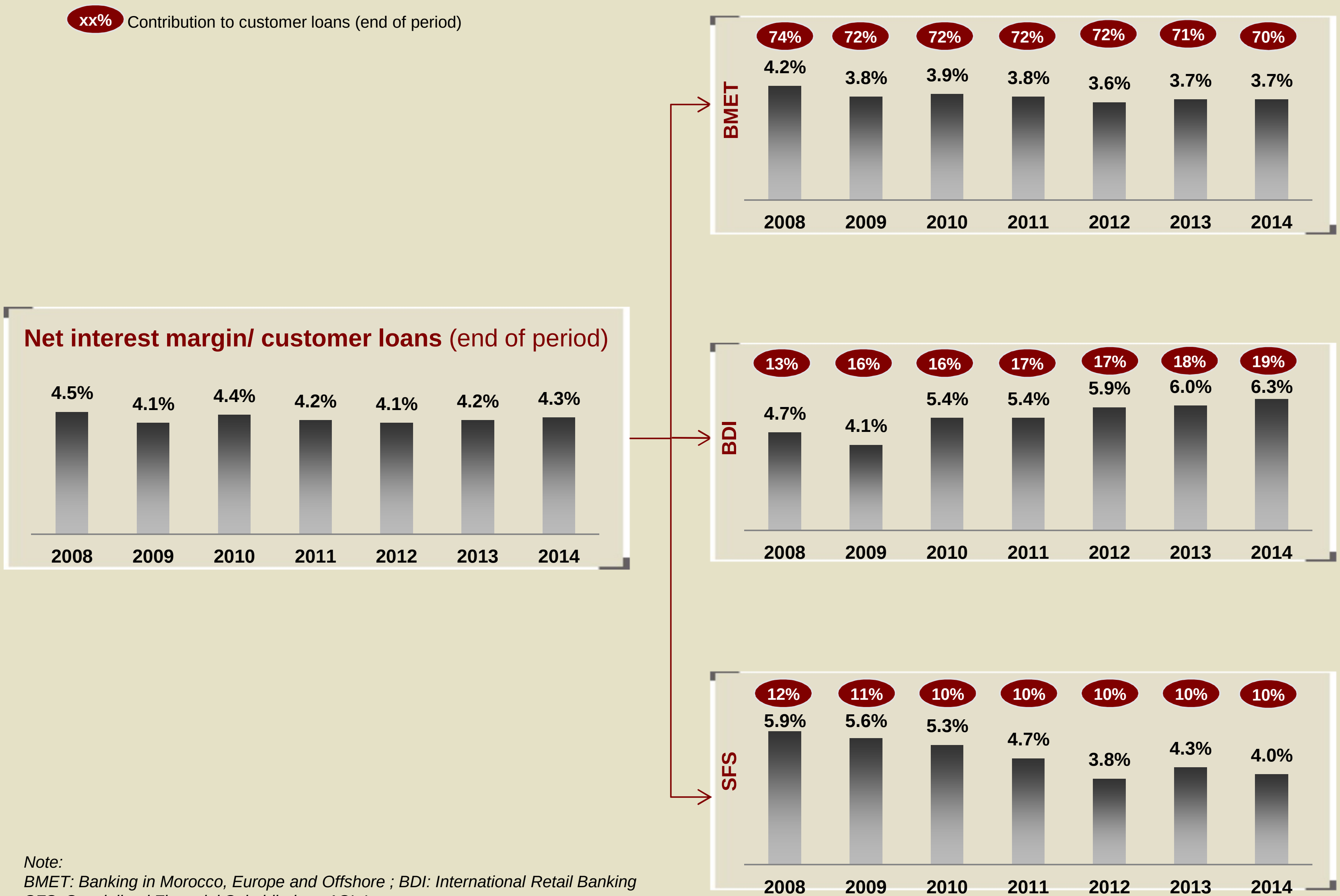
xx% Contribution to total assets (end of period)





Note:
BMET: Banking in Morocco, Europe and Offshore ; BDI: International Retail Banking
SFS: Specialised Financial Subsidiaries ; ASI: Insurance

Net interest margin by business line between 2007 and 2014



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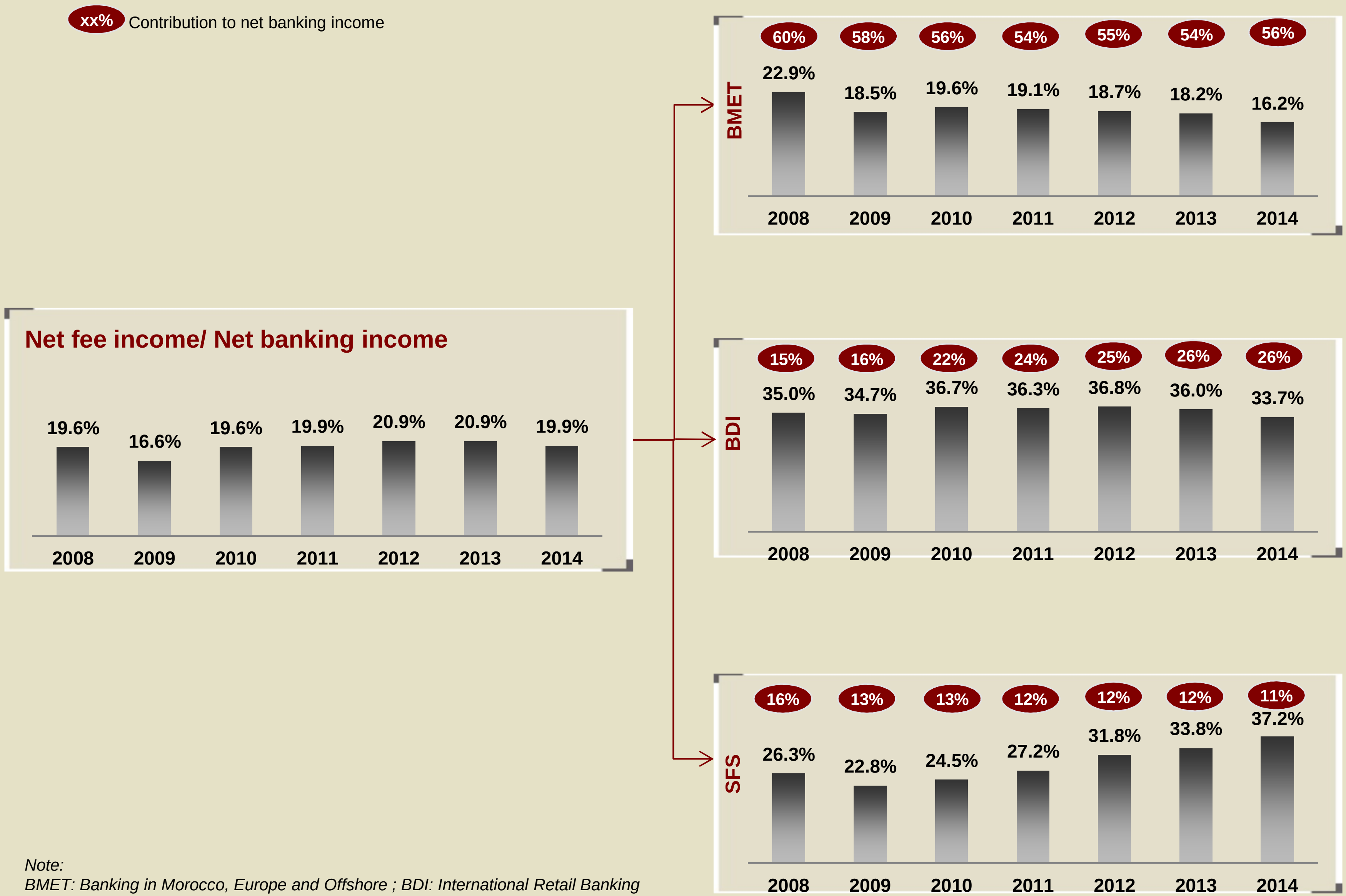
Net fee income by business line between 2007 and 2014



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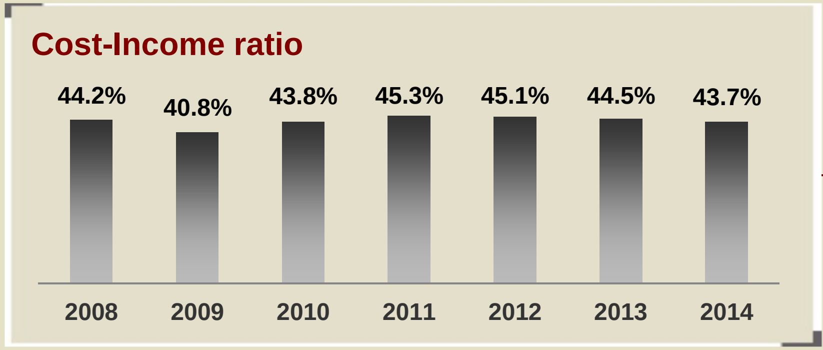
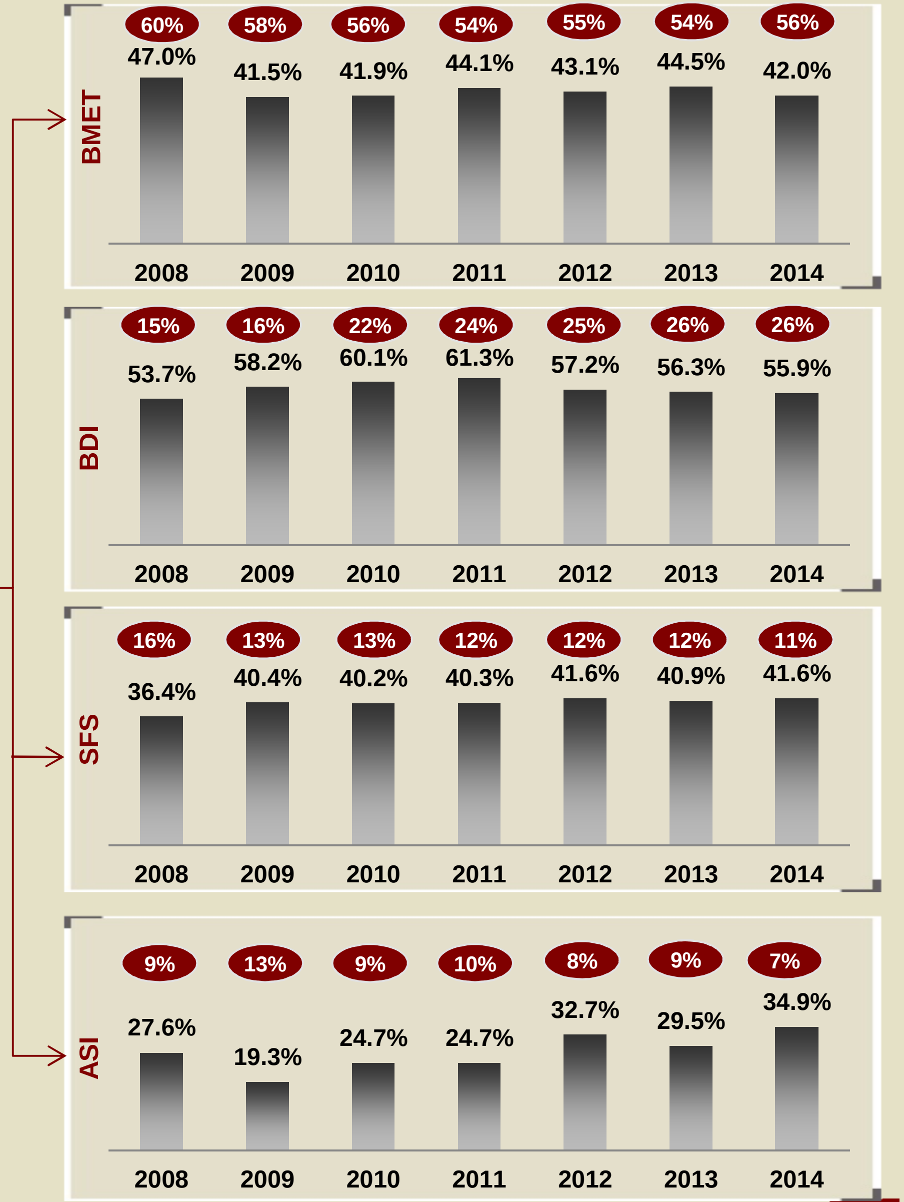
Cost-Income ratio by business line between 2007 and 2014

xx% Contribution to net banking income





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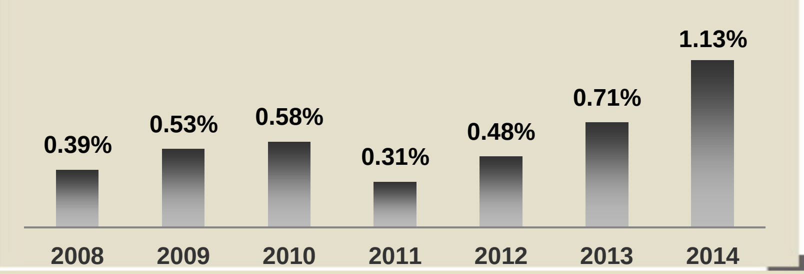
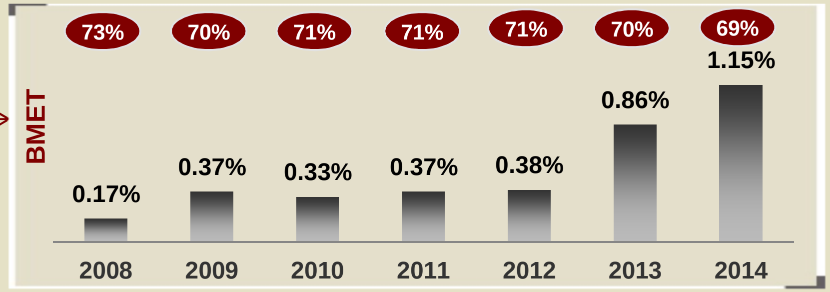
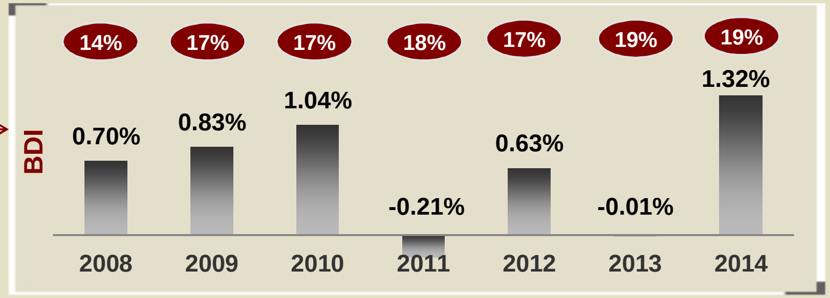
Cost of risk by business line between 2007 and 2014

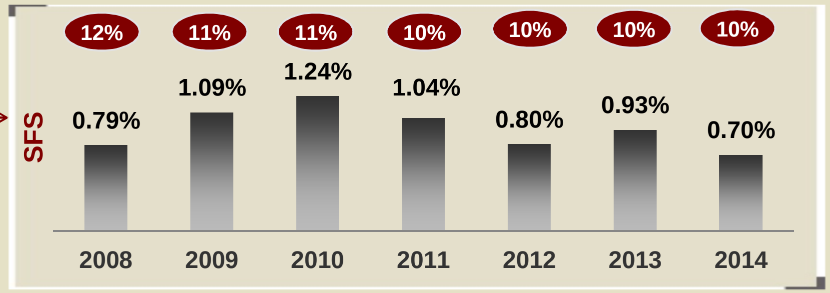
xx% Contribution to gross customer loans (end of period)

Cost of risk









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