BMCE BANK OF AFRICA

2015

ENGLISH

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CHAIRMAN'S MESSAGE

2015 saw BMCE Bank of Africa Group successfully complete its strategic development plan 2012-2015. Every undertaking given was honoured and the targets set were met for the most part. This can be seen in the numbers. Earnings have doubled since 2011 with net income attributable to shareholders of the parent company of almost MAD 2 billion, resulting in an average annual growth rate of +23% over the period. The operating performance has been impressive with net banking income ahead by an average +10% to reach almost MAD 12 billion. Overseas, BMCE Bank of Africa Group is now the second banking group in Africa by geographical coverage with operations in 20 countries. The Group covers four of Africa's five main economic regions.

Our DNA as a pan-African banking group is also reflected in our financial performance. One-third of the Group's earnings is generated by Bank of Africa Group, Banque de Développement du Mali and La Congolaise de Banque. We have expanded our branch network in Africa with about 50 new branch openings each year. The total number of branches now stands at 1,230. Our core business has also grown with more than 2 million new accounts opened on the African continent. To support the growth of our business, we have recruited nearly 2,000 new staff. BMCE Bank of Africa's future will be driven organically by a growing number of users of banking services with a universal banking model adopted both in Morocco and in sub-Saharan Africa. At the same time, the Group will continue to grow by acquisition with the expansion of BMCE Bank Group's overseas operations in Africa and,

in particular, sub-Saharan Africa. Our Group remains committed to sustainable and social development in the various countries in which it has operations, primarily through its Foundation for the promotion of education and environmental protection. Partnerships have been entered into with a number of prestigious institutions in this regard.

In our endeavours to promote entrepreneurship and job creation across the entire continent, we are proud to have pioneered an award with annual prize money of USD 1 million for entrepreneurs in the fields of education, the environment and innovation as well as a support programme to ensure that their entrepreneurial projects are successful.

The Group will never rest on its laurels and is constantly looking to bolster its quality systems to meet the highest international standards. By adopting such an approach, it continues to enhance its reputation as a leading financial institution.

Othman BENJELLOUN
Chairman and Chief Executive Officer

BOARD OF DIRECTORS

from left to right
Othman BENJELLOUN
Michel LUCAS
Abdellatif ZAGHNOUN
Azeddine GUESSOUS
Zouheir BENSAÏD
François HENROT
Brian C. McK. HENDERSON
Philippe DE FONTAINE-VIVE
Christian DE BOISSIEU
Brahim BENJELLOUN-TOUIMI

Four new directors were appointed as Independent Directors at a meeting of BMCE Bank's Board of Directors in March 2016. These individuals, who enjoy a highly international profile, hail from a variety of geographical and professional backgrounds.

The Board of Directors of BMCE Bank Group now numbers ten directors, five of whom are foreign. There are eight non-executive directors.

Othman BENJELLOUN
Chairman and Chief Executive Office
Date initially appointed: 1995*
Current term of office: 2013-2019

BANQUE FEDERATIVE DU CREDIT MUTUEL – CM-CIC GROUP
Represented by Michel LUCAS
Date initially appointed: 2005
Current term of office: 2014-2020

CAISSE DE DEPOT ET DE GESTION
Represented by Abdellatif ZAGHNOUN
Date initially appointed**: 1966
Current term of office: 2016-2022

RMA WATANYA
Represented by Azeddine GUESSOUS
Date initially appointed: 1994
Current term of office: 2013-2019

FINANCECOM
Represented by Zouheir BENSAÏD
Date initially appointed: 2001
Current term of office: 2015-2021

François HENROT
Independent Director
Date initially appointed: 2016
Current term of office: 2016-2022

Brian C. McK. HENDERSON
Independent Director
Date initially appointed: 2016
Current term of office: 2016-2022

Philippe DE FONTAINE-VIVE
Independent Director
Date initially appointed: 2016
Current term of office: 2016-2022

Christian DE BOISSIEU
Independent Director
Date initially appointed: 2016
Current term of office: 2016-2022

Brahim BENJELLOUN-TOUIMI
Group Chief Executive Office
Date initially appointed: 2004
Current term of office: 2016-2022

(*) Each term of office shall take effect from the date on which the Annual General Meeting is convened to rule on the previous year's financial statements.

(**) CDG had a seat on BMCE Bank's Board of Directors from 1966 to 1997 and was then reappointed at the Annual General Meeting of 26 May 2010. Mr Zaghnoun was co-opted onto the Board of Directors 20 March 2015.

OTHER GOVERNANCE BODIES

Governance Committee

Reporting directly to the Board of Directors, the Governance Committee advises and makes recommendations to the Board on how to adopt and maintain a good governance policy.

Group Audit and Internal Control Committee (Group CACI)

The Group Audit and Internal Control Committee assists the Board of Directors in matters such as internal control while ensuring that (i) the internal control system and resources are adequate to be able to monitor and control risk within the Bank and at subsidiary level and produce information required by regulatory authorities as part of the monitoring process of the consolidated entity; (ii) the financial information intended for the Board of Directors is reliable and accurate such that the legitimate interests of shareholders, depositors and other stakeholders are safeguarded; and (iii) examine the parent company and consolidated financial statements prior to submitting them to the Board of Directors for approval.

Group Risk Committee

The Group Risk Committee assists the Board of Directors in matters such as strategy and risk management. In particular, it ensures that overall risk policy is adapted to the risk profile of both the Bank and the Group, the degree of risk aversion, its systemic importance, its size and its capital base.

Group Executive Committee

The Group Executive Committee, which is chaired by Mr Othman BENJELLOUN, is responsible for steering the Group's corporate strategy. It is the operational relay for the Board of Directors by making strategic proposals, implementing strategic decisions taken by the Board and closely monitoring Group risk management. It steers Group activities and rules on operational and functional issues that come under the remit of the Bank's entities and internal committees.

General Management Committee

The General Management Committee is BMCE Bank's management body which lies at the very heart of the banking group's functioning in Morocco. The General Management Committee, which is an operational relay for the Group Executive Committee, is responsible for translating and monitoring the Group's corporate strategy into operational initiatives and measures.

Operating Committee

The Operating Committee is a body that is responsible for reporting, information-sharing and ruling on any issue relating to the Bank's operations. It therefore provides business line expertise and makes recommendations to the General Management Committee to assist with decision-making relating to these issues.

Group Risk Steering and Management Committee

The Group Risk Steering and Management Committee is a sub-committee of BMCE Bank Group's General Management Committee. It helps the latter manage and monitor, at the operational level, group risk steering policy and ensures that the Group's activities comply with risk policy and the limits set.

Internal Control Coordination Committee

The Group Internal Control Coordination Committee is a sub-committee of BMCE Bank Group's General Management Committee. It helps the latter manage and monitor, at the operational level, control systems at Group level.

Group ALM Committee

The Group ALM Committee is the body responsible for drawing up and implementing the Group's asset-liability management strategy in line with the strategy determined by the Board of Directors.

SENIOR MANAGEMENT

BRAHIM BENJELLOUN-TOUIMI
Group Executive Managing Director
and Chairman of BOA Group

M. Brahim BENJELLOUN-TOUIMI is Group Executive Managing Director of BMCE Bank. He is Chairman of the General Management Committee, Vice-Chairman of the Group Executive Committee and Vice-Chairman of the Senior Credit Committee.

As part of BMCE Bank Group's overseas strategy, Mr Brahim BENJELLOUN-TOUIMI is Chairman of BOA Group, a banking group in which BMCE Bank Group has a stake of just under 75% with operations in 18 countries, primarily in sub-Saharan Africa. He is also a Director of the Group's European banking subsidiaries.

As for his other functions, he is either Chairman or Director of a number of Group companies in Morocco in the areas of investment banking, specialised financial services – factoring, consumer credit, leasing and loan recovery – and insurance brokerage.

Within the framework of strategic partnerships with benchmark shareholders, Mr. BENJELLOUN-TOUIMI is a Director of RMA Watanya, an insurance company and FinanceCom, its holding company. He is also Chairman of the Board of EurAfric Information, a technology company and Director of Euro Information in France, a technology subsidiary of Crédit Mutuel Group.

Reflecting the Group's commitment to corporate social responsibility, Mr BENJELLOUN-TOUIMI is a Director of BMCE Bank Foundation for Education and the Protection of the Environment.

He also sits on the Board of Proparco, a development finance institution.

Mr Brahim BENJELLOUN-TOUIMI is a Doctor of Money, Finance and Banking from Université Paris I Panthéon Sorbonne. He began his career in financial markets in France and went on to become Head of Research within the Securities division at one of France's leading investment banks. He joined BMCE Bank in 1990.

MAMOUN BELGHITI
Chairman and Chief Executive Officer of RM Experts

DRISS BENJELLOUN
Deputy Chief Executive Officer responsible for Group Finance

M'FADEL EL HALAISSI
Deputy Chief Executive Officer responsible for Corporate Banking, Morocco

Mr. Mamoun Belghiti is the Chairman and Chief Executive Officer of RM Experts. Mr. Belghiti began his career with the Bank in 1972 in general services, and later in the inspection division.

He was appointed manager of the credit and treasury division in 1981, and of the investment and credit division in 1991. In this capacity and on behalf of the Bank, Mr. Belghiti negotiated several credit lines, in particular with the World Bank, IFC, IMF, EIB and ADB. In early 1996, he became manager of the financial affairs division where he actively participated in the establishment of the development strategy plan and reorganization of the Bank. The same year, along with the Chairman and other senior executives, he participated in the GDR issue enabling the Bank to raise capital on the international capital markets and was promoted Deputy General Manager.

In February 1998, he was appointed General Manager in charge of the financial affairs division as well as retail banking. In April 2002, he became the main adviser to the Chairman in charge of representation of the Bank to national and international institutions as well as relations with monetary authorities. He sits on the Boards of the entities in which the Bank holds direct and indirect interests.

In March 2004, Mr. Belghiti was appointed Director and General Manager in charge of the Remedial Management Group. He also participated in several seminars held in Morocco and abroad.

Mr. Belghiti is married and father of two children.

M. Driss BENJELLOUN is Deputy Chief Executive Officer responsible for BMCE Bank Group Finance. He is also a Director of BMCE BANK Group subsidiaries including BOA Group, BOA Bénin, BOA Madagascar and BMCE Capital.

After joining BMCE Bank Group in 1986, Mr Driss BENJELLOUN was asked to oversee the project to set up a Management Control entity aimed at improving the steering of operations. In 1990, he assumed responsibility for the project to set up an Audit and Management Control department.

After BMCE Bank was privatised in 1995, Mr Driss BENJELLOUN became Head of the Banking Production division. In 1998, he was appointed as Deputy Chief Executive Officer responsible for a number of departments that make up the Bank's Group Support division: Banking Production, Information Systems, Organisation, General Services and Safety.

In 2003, Mr Driss BENJELLOUN became Head of the Group Financial Division with a remit to integrate BMCE Bank's various subsidiaries in Morocco, Europe and Africa. He also participated in the restructuring of BDM and steered the latter's merger with BMCD.

Mr BENJELLOUN is a Doctor of Finance from Université Paris Dauphine in addition to postgraduate studies in accounting.

M. M'fadel EL HALAISSI is Deputy Chief Executive Officer responsible for Corporate Banking, Morocco. This division, which comes within General Management's remit, brings together corporate customers, SMEs and Large Enterprises.

This specific responsibility for corporate banking was entrusted to him after a career spanning more than 25 years in credit, investment finance, loan restructuring and long-term financing solutions.

On joining BMCE Bank, he was entrusted with the responsibility of setting up the investment loans restructuring department. He subsequently went on to become Head of Investment and Corporate Markets division in 1998.

In April 2002, he was appointed as Deputy Chief Executive Officer responsible for Corporate Banking, a division which was then subsequently expanded to include overseas operations.

M. M'fadel EL HALAISSI is a Doctor of Economics from Université de Lille.

SENIOR MANAGEMENT

MOUNIR CHRAIBI
Deputy Chief Executive Officer responsible for Group Operations

OMAR TAZI
Deputy Chief Executive Officer responsible for Retail Banking, Morocco

MOHAMMED AGOUMI
Deputy Chief Executive Officer responsible for coordinating Overseas Operations

M. Mounir CHRAIBI is Deputy Chief Executive Officer responsible for Group Operations. He joined BMCE Bank in 2010.
Mr Mounir CHRAIBI is responsible for all of BMCE Bank's technology, legal affairs, logistics, quality and banking processing divisions.
As such, he oversees strategic projects such as designing the Banking and Insurance information system (SIBEA), converging the information systems of BMCE Bank's overseas subsidiaries and automating the Bank's back offices.
M. CHRAIBI is Chairman of the Board of BMCE Immobilier, a subsidiary responsible for actively managing BMCE Bank's non-operating real estate portfolio and Chairman of the Board of Damancash, a Morocco-based money transfer company which joined the BMCE Bank fold in 2014 when it was acquired by GNS Technologie, a Group subsidiary.
He began his career in 1987 as Project Manager of Crédit du Maroc's information systems master plan and then, from 1989 to 1994, he was made Head of Organisation and Information Systems of the Office d'Exploitation des Ports.
In 1994, he was appointed Chief Executive Officer of the Office de la Formation Professionnelle et de la Promotion du Travail and then in 2001 as the Chief Executive Officer of the Caisse Nationale de la Sécurité Sociale.
In 2005, Mr CHRAIBI was appointed Wali (governor) of the Marrakesh Tensift Al Haouz region which, during his tenure, attracted high levels of private sector investment and saw the launch of several major flagship public projects.
Mr Mounir CHRAIBI is a graduate engineer of Ecole Polytechnique de Paris and Ecole Nationale Supérieure des Télécommunications de Paris. He was decorated Commander of the Order of Wissam Al Arsh by His Majesty the King in 2008. He is also a Commander of Belgium's Order of Leopold.

M. Omar TAZI is Deputy Chief Executive Officer responsible for Retail Banking, Morocco.

Mr Omar TAZI began his career at the Banque de Développement du Canada. In 1992, he joined Wafa Bank as Head of Treasury.

From 1993 to 2005, Mr Omar TAZI held a number of posts of responsibility within Société Générale Marocaine de Banques (SGMB), including Head of the Investment Loans department, Head of the network for retail, professional and corporate banking and then Deputy Chief Executive Officer, Commercial Banking.

During this period, he was also Director, Vice Chairman or Chairman of a number of SGMB subsidiaries, including SOGEBOURSE, GESTAR, SOGECREDIT, SOGEFINANCEMENT and ACMAR Morocco

From 2005 to 2010, Mr Omar TAZI was Chief Executive Officer of AFMA Group.

Mr Omar TAZI joined BMCE Bank Group in June 2011 with a remit to boost retail banking operations and improve the effectiveness of the Bank's sales force. In 2012, he was appointed as Member of Salafin's Supervisory Board and Director of BMCE EuroServices.

Mr Omar TAZI holds a Masters degree in Finance from the University of Sherbrooke, Canada

M. Mohammed AGOUMI is Deputy Chief Executive Officer responsible for coordinating Overseas Operations

As such, he is responsible for the synergy between the various entities of the Group's international activities and provides for certain a direct responsibility.
Namely, he has direct responsibility for all European Corporate entities as well as the offshore network of the Group in Morocco. He also assumes responsibility for LCB and BDM.
He chairs the Board of BBI Madrid and is on the boards of BOA, BBI PLC, BIH, LCB and BDM.

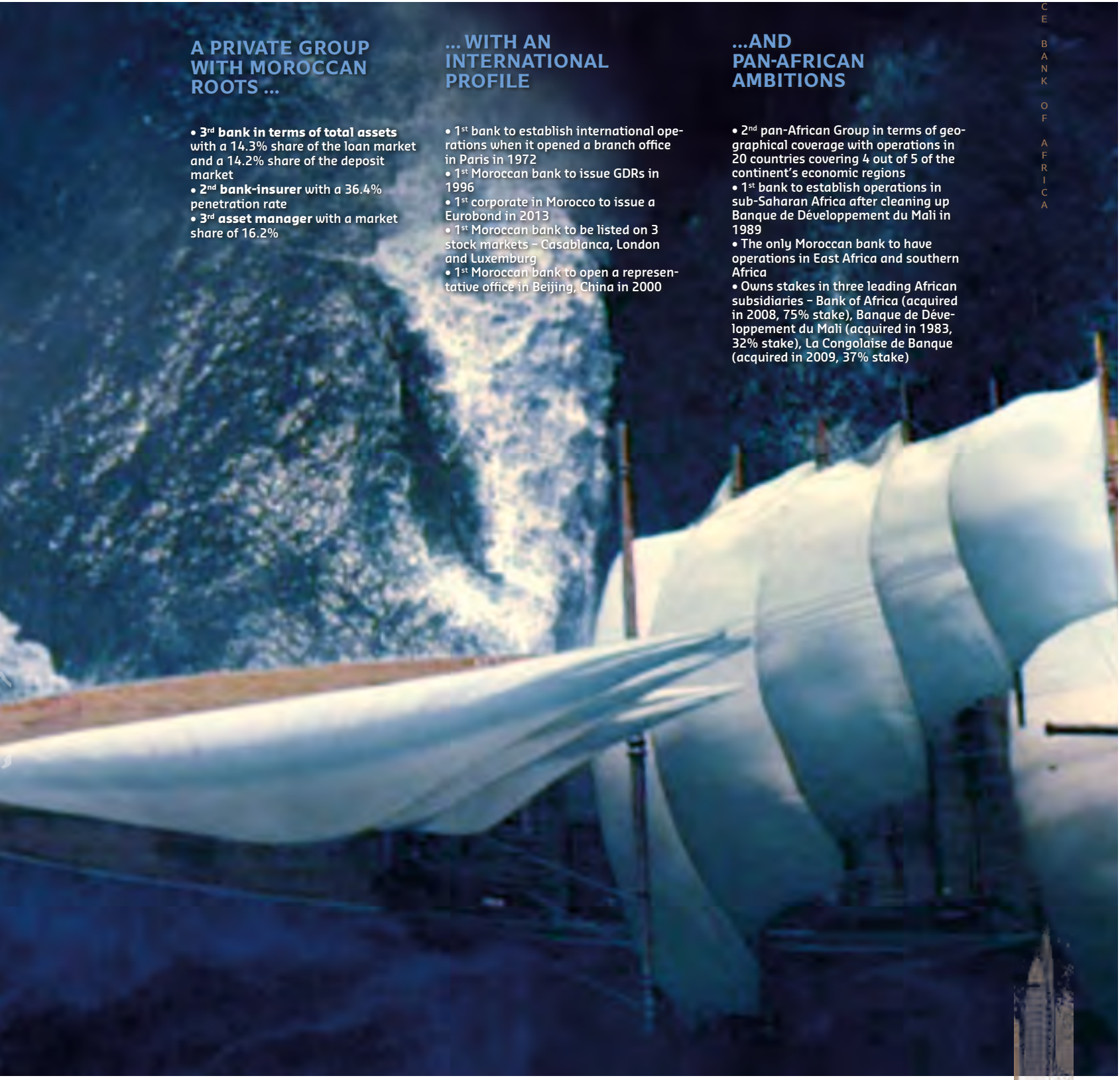
He joined BMCE Bank Group in 2012, after having a long career in the audit and advisory at the international level.

He then joined the Group Crédit Agricole France -CASA where he held various positions and responsibilities. He was appointed Deputy Chief Executive Officer of Le Crédit Lyonnais (LCL) in 2006 and was a member of CASA Group's Executive Committee with responsibility for operations and strategy of the Loan Commitments department as well as overseeing the Group's overseas development.

In 2010, he founded Europa Corporate Business Group (ECBG). He is also the Chairman of ECBG's Moroccan subsidiary, Financing Access Morocco.

Mr Mohammed AGOUMI is a graduate of ESSEC (1979) and holds a DEA in Mathematical Economics and Econometrics (1980). He qualified as a chartered accountant in Paris in 1993 and taught for two years at ESSEC.

20 YEARS OF GROWTH
AND DEVELOPMENT
IN MOROCCO AND OVERSEAS
France
Holland
Belgium
United Kingdom
Germany
Canada
Spain
Portugal
Italy
United Arab Emirates
China
Morocco
Ghana
Senegal
Togo
Benin
Mali
Niger
Ivory Coast
Tunisia
Madagascar
DRC
Djibouti
Congo
Brazzaville
Rwanda
Ethiopia
Burkina
Faso
Burundi
Kenya
Uganda
Tanzania
OPERATIONS IN 31 countries
MORE THAN 1,230 BRANCHES
MORE THAN 5,000,000 CUSTOMERS
MORE THAN 12,800 EMPLOYEES



A PRIVATE GROUP WITH MOROCCAN ROOTS ...

- 3rd **bank in terms of total assets** with a 14.3% share of the loan market and a 14.2% share of the deposit market
- 2nd **bank-insurer** with a 36.4% penetration rate
- 3rd **asset manager** with a market share of 16.2%

... WITH AN INTERNATIONAL PROFILE

- 1st bank to establish international operations when it opened a branch office in Paris in 1972
- 1st Moroccan bank to issue GDRs in 1996
- 1st corporate in Morocco to issue a Eurobond in 2013
- 1st Moroccan bank to be listed on 3 stock markets – Casablanca, London and Luxemburg
- 1st Moroccan bank to open a representative office in Beijing, China in 2000

...AND PAN-AFRICAN AMBITIONS

- 2nd pan-African Group in terms of geographical coverage with operations in 20 countries covering 4 out of 5 of the continent's economic regions
- 1st bank to establish operations in sub-Saharan Africa after cleaning up Banque de Développement du Mali in 1989
- The only Moroccan bank to have operations in East Africa and southern Africa
- Owns stakes in three leading African subsidiaries – Bank of Africa (acquired in 2008, 75% stake), Banque de Développement du Mali (acquired in 1983, 32% stake), La Congolaise de Banque (acquired in 2009, 37% stake)

A UNIVERSAL MULTI-BRAND MULTI-NATIONAL BANKING GROUP

MOROCCO

SPECIALISED FINANCIAL SERVICES

- Salafin 74.76%
- Maghrébail 52.47%
- Maroc Factoring 100%
- RM experts 100%
- Euler Hermes Acmar 20%

INVESTMENT BANKING

- BMCE Capital SA 100%
- BMCE Capital Bourse 100%
- BMCE Capital Gestion 100%

OTHERS

- Locasom 97.31%
- Eurafric Information 41%
- Conseil Ingénierie et Développement 38.9%

INTERNATIONAL

SUB-SAHARAN AFRICA

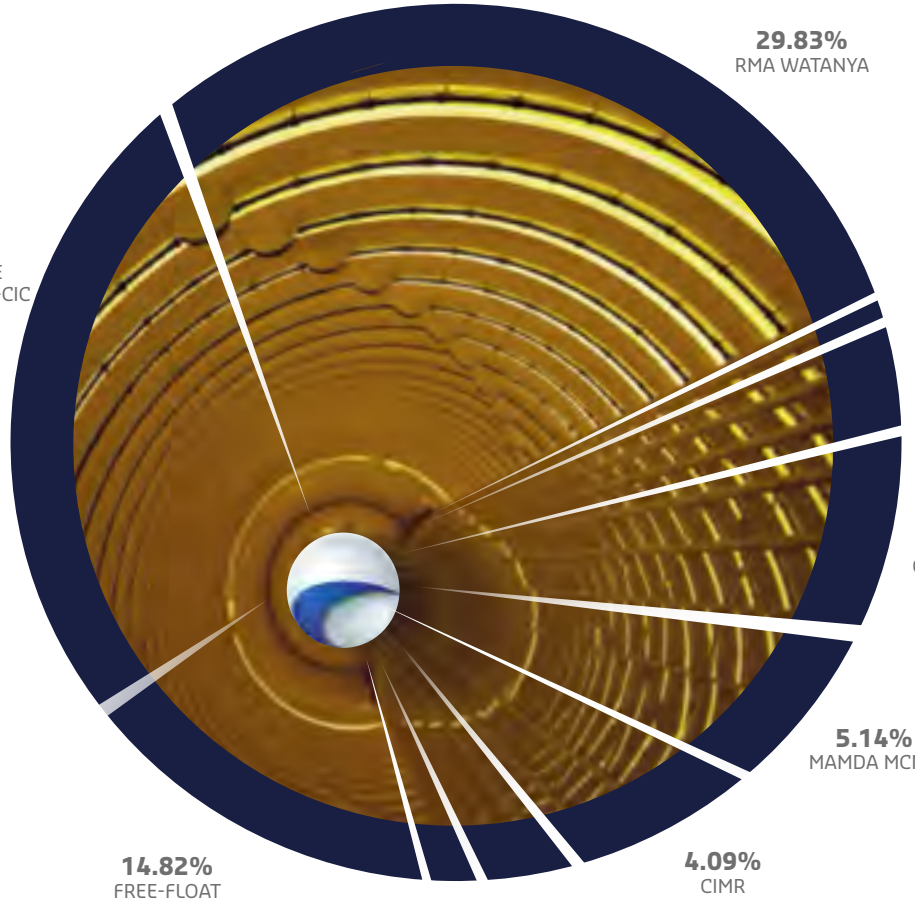
- Bank of Africa 74.98%
- La Congolaise de Banque 37%
- Banque de Développement du Mali 32.38%

EUROPE

- BMCE International Holding 100%
- BBI Madrid 100%
- BBI London 100%
- BMCE Euroservices 100%

BMCE BANK'S SHAREHOLDERS

AT END-MARCH 2016



FinanceCom

A leading private sector Moroccan Group with pan-African coverage, FinanceCom has operations in a number of high growth sectors including banking, insurance, technology, telecoms and media.

RMA Watanya

A key player in the insurance and bank-insurance market, RMA Watanya is one of North Africa's leading companies with an extensive and solid distribution network.

CDG Group

CDG Group is Morocco's leading institutional investor and a benchmark domestic institution with interests in businesses such as public investment finance and managing savings.

BFCM-CM-CIC Group

France's 2nd retail bank with more than 13 million customers and the country's leading bank-insurer, BFCM-CM-CIC Group is a market leader in the electronic banking segment and a major player in banking for professionals.

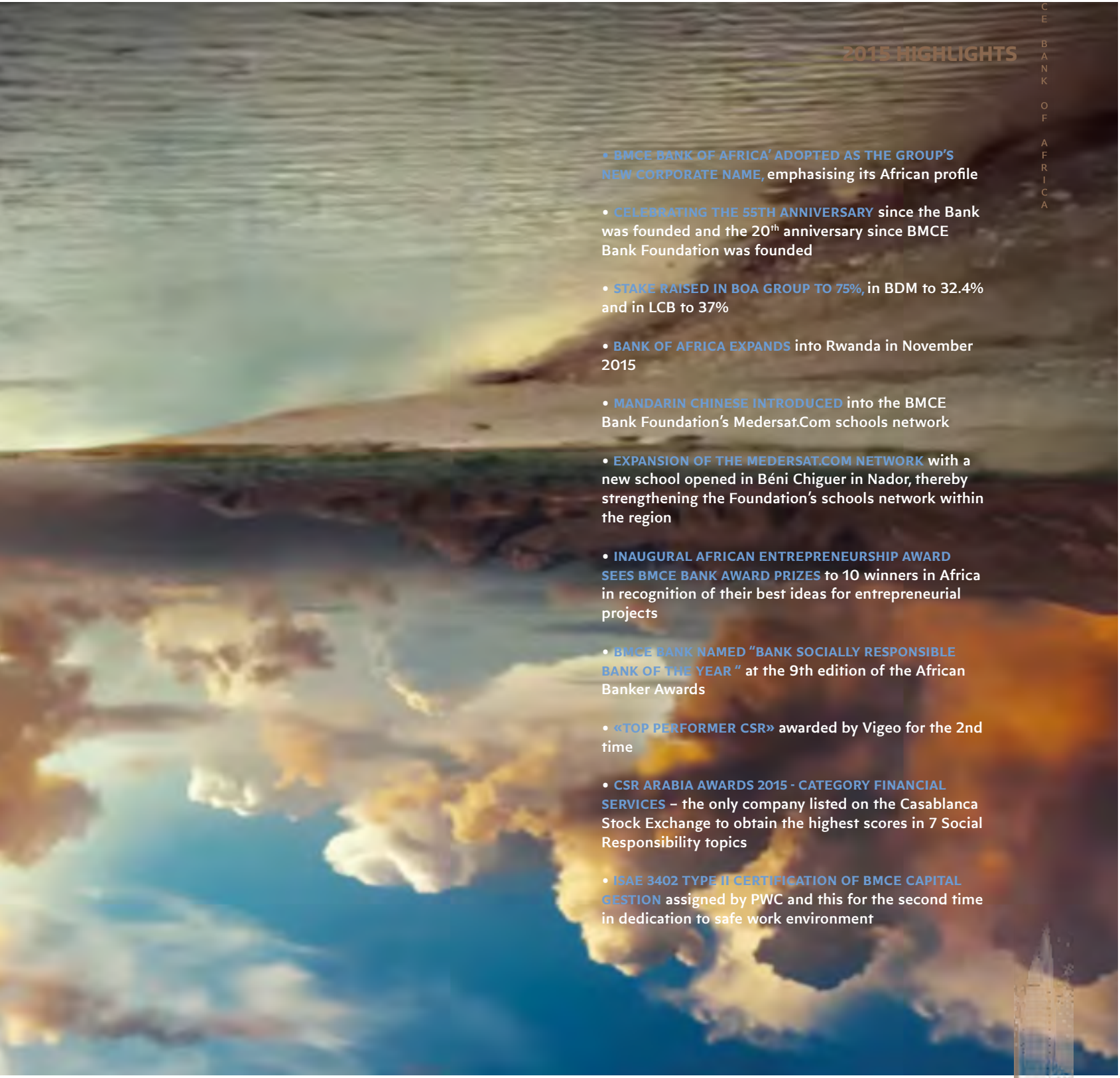
BMCE BANK GROUP'S STRATEGY

BMCE Bank of Africa's development strategy is driven by both organic and acquisition-led growth with 40-50 new branches opened each year. It aims to grow its deposit base and increase market share domestically as well as expanding its overseas presence, particularly in sub-Saharan Africa through BOA Group, Banque de Développement du Mali and La Congolaise de Banque as well as in North Africa and in Asia.

The Group is also developing its core business by gaining market share in segments such as SME banking, young persons, Moroccans living abroad and Africans living abroad, working hand-in-hand with the Group's African subsidiaries. In addition, the Group is entering new high-growth niches such as participatory banking and e-banking.

Furthermore, the Group will continue to improve its financial position still further by endeavouring to lower its cost-to-income ratio and bolster the key functions of risk management, finance and compliance within the Group both domestically and overseas.

2015 HIGHLIGHTS



• **BMCE BANK OF AFRICA' ADOPTED AS THE GROUP'S NEW CORPORATE NAME,** emphasising its African profile

• **CELEBRATING THE 55TH ANNIVERSARY** since the Bank was founded and the 20th anniversary since BMCE Bank Foundation was founded

• **STAKE RAISED IN BOA GROUP TO 75%,** in BDM to 32.4% and in LCB to 37%

• **BANK OF AFRICA EXPANDS** into Rwanda in November 2015

• **MANDARIN CHINESE INTRODUCED** into the BMCE Bank Foundation's Medersat.Com schools network

• **EXPANSION OF THE MEDERSAT.COM NETWORK** with a new school opened in Béni Chiguer in Nador, thereby strengthening the Foundation's schools network within the region

• **INAUGURAL AFRICAN ENTREPRENEURSHIP AWARD SEES BMCE BANK AWARD PRIZES** to 10 winners in Africa in recognition of their best ideas for entrepreneurial projects

• **BMCE BANK NAMED "BANK SOCIALLY RESPONSIBLE BANK OF THE YEAR "** at the 9th edition of the African Banker Awards

• **«TOP PERFORMER CSR»** awarded by Vigeo for the 2nd time

• **CSR ARABIA AWARDS 2015 - CATEGORY FINANCIAL SERVICES** – the only company listed on the Casablanca Stock Exchange to obtain the highest scores in 7 Social Responsibility topics

• **ISAE 3402 TYPE II CERTIFICATION OF BMCE CAPITAL GESTION** assigned by PWC and this for the second time in dedication to safe work environment

CONSOLIDATED FINANCIAL STATEMENTS

Net income attributable to shareholders of the parent company

• Net income attributable to shareholders of the parent company rose by +1% to almost MAD 2 billion, despite a steep decline (-45%) in income from market operations.

Net banking income

• Consolidated net banking income was up almost +3% at MAD 11.8 billion, impacted by non-recurring items relating to market operations. The contribution to net banking income from commercial banking – recurring net banking income – rose +9% thanks to net interest income (+10%).

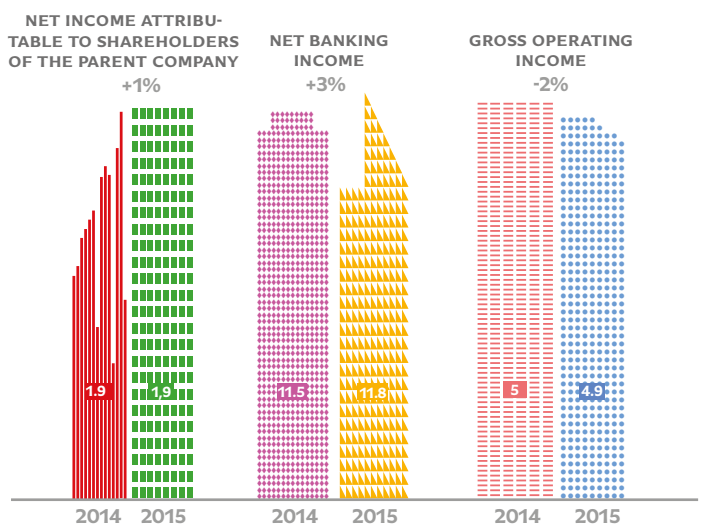
• The quality of the Group's revenues improved with the core business – interest-generating operations and fee income – generating almost 90% of the Group's consolidated net banking income.

Total assets

• The Group's total assets saw further growth (+13%) to MAD 279 billion.

Shareholders' equity attributable to shareholders of the parent company

• The Group's financial position was further bolstered with a +6% increase in shareholders' equity to MAD 17 billion in 2015 versus MAD 16 billion in 2014.



PARENT FINANCIAL STATEMENTS

Parent Net Income

• Parent net income rose by +8.3% to MAD 1,304 million in 2015 versus MAD 1,204 million in 2014.

Parent Net Banking Income

• Parent net banking declined by a modest -2.6% to MAD 5,374 million due to a -45% fall in income from market operations after the exceptional performance in 2014, against a backdrop of declining yields; this was offset by a healthy performance from the core business with net interest income up +8.0% and strong growth (+13.3%) in fee income.

Loans and Deposits

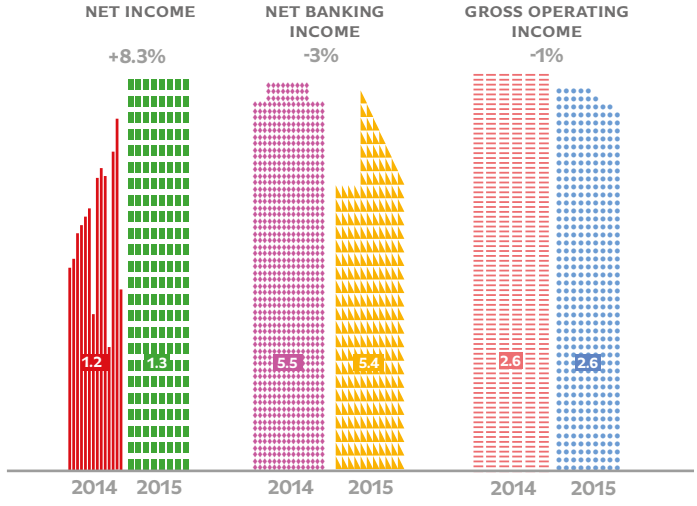
• The market shares of customer loans (+60 basis points) and customer deposits stood at 14.3% and 14.2% respectively at end-December 2015.

MARKET SHARES OF CUSTOMER DEPOSITS

	MARKET SHARE	
	2015	2014
TOTAL RESOURCES	**14.23%**	**14.02%**
Cheque accounts	13.48%	13.14%
Current accounts	11.45%	11.71%
Savings book accounts	14.62%	14.75%
Term deposits	16.38%	14.73%
Debt securities issued	18.99%	21.65%

MARKET SHARES OF CUSTOMER LOANS

	MARKET SHARE	
	2015	2014
TOTAL LOANS	**14.28%**	**13.62%**
Loans to retail customers		
Consumer	20.35%	19.23%
Property	15.00%	14.44%
Loans to corporate customers		
Operating	16.13%	15.08%
Capital goods	9.23%	8.95%
Real estate development	15.63%	15.12%
Loans to finance companies	**20.23%**	**18.88%**



ACHIEVED OBJECTIVES

Earnings up by more than Doubled

Net Income attributable to the Parent more than doubled brushing the bar of MAD 2 billion, which is a compound annual growth rate -CAGR - of +23%.

Significant profitability improvement, with consolidated ROE from 7.2% in 2011 to 12.8% in 2015, reaching beyond the 12% target level set by the Strategic Development Plan -SDP- and protruding upper the average for the banking sector.

Improved Operational and Commercial Efficiency

Significant increase in bank operating activity since 2011, with an average increase of the consolidated net banking income of over +10% per year, approaching the threshold of MAD 12 billion.

Improving operational efficiency, as evidenced by the downward trend in consolidated cost to income ratio decreases from 63% in 2011 to 58.7% in 2015 and that, while deploying significant investment efforts, both organic and external.

Strengthening the African Dimension of the Group

BMCE Bank of Africa, 2nd banking group in terms of presence in Africa, operates in 20 countries covering 4 of the 5 main economic areas of the continent.

Group branch network increased on the Continent by fifty branches per year, increasing its global size to 1 230 branches, and in Morocco, to 700.

Strong development of the business with the opening of 2 million accounts on the continent over the same period of 4 years.

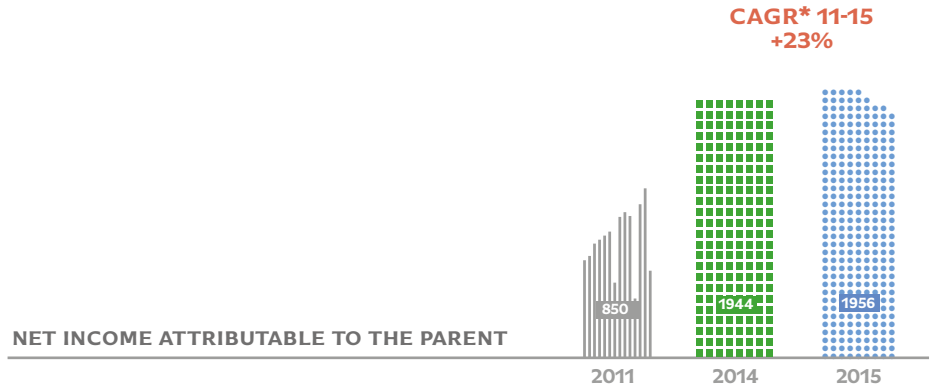
Anchored DNA pan-African banking group: one third of the results generated jointly by the African Group activities and whose contribution has increased steadily since 2011 by +18% a year.

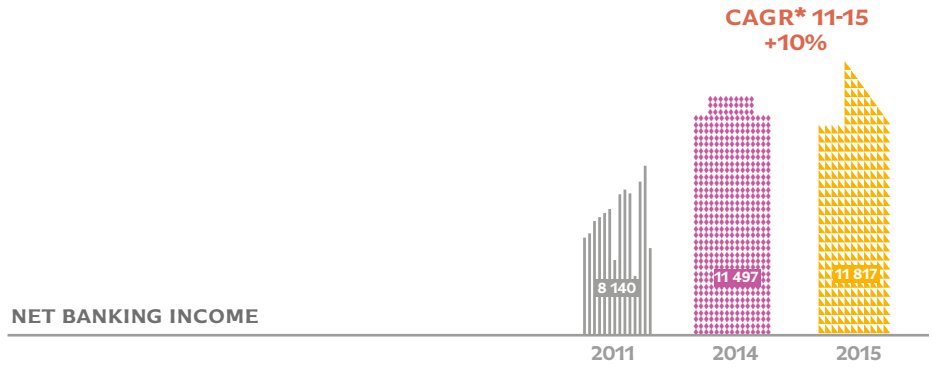
European Platform on track to being profitable on a sustainable basis

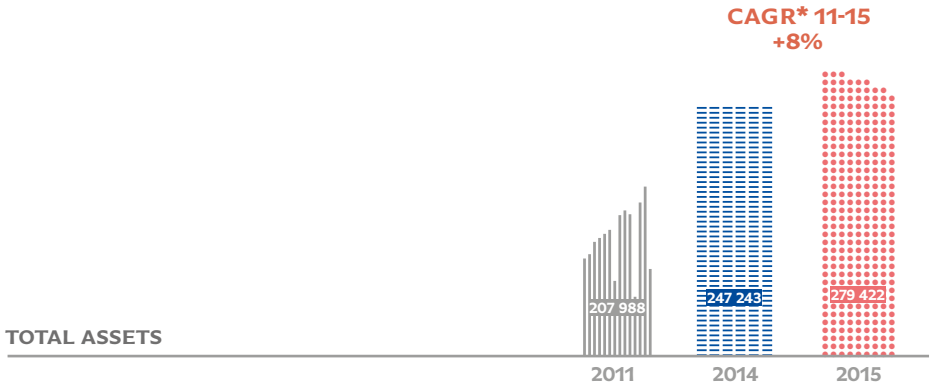
European platform, now 3rd Group's profit center, generating 9% of the results against 1% in 2011, after 5 years of losses since its inception.

Since 2012, the Net Income of BBI London has increased from 6 to £ 7.8 million in 2015.

BMCE BANK CROU'PS CONSOLIDATED FIGURES (IN MDH) 2011-2015







* Compound Annual Growth Rate

RISK MANAGEMENT SYSTEM REINFORCED

In 2015, BMCE Bank made every effort to bolster risk monitoring in line with sound management practice, implementing a number of major projects at the Bank and Group levels.

During 2015, a number of behaviour change initiatives were promoted which resulted in improved credit risk control, a clearer credit process, better argued credit applications and greater control over limit overshoots.

The internal ratings system was also reviewed, improvements were made to risk steering and an IT system for managing the delegation of powers tailored to the Risk division's requirements was introduced.

In addition, as part of the process of monitoring the Bank's risk profile and ensuring that it complies with the risk management policy as defined and approved by the Bank's governance bodies, the Risk Committee, which is a body which reports directly to the Board of Directors, met on three occasions. This committee has seen its remit extended to subsidiaries and other entities included within the Group's scope of consolidation. The Group Risk Steering and Management Committee, which is a sub-committee of BMCE Bank Group's General Management Committee, met on one occasion.

Improvement in the risk profile

The consolidated cost of risk ratio improved from 1.3% in 2014 to 1% in 2015 due to a -19% fall to MAD 1.4 billion in the cost of risk.

The cost of risk at parent level declined -17% to MAD 955 million in 2015 versus MAD 1,151 million in 2014.

Against such a backdrop, BMCE Bank's non-performing loan ratio stood at 6.59% in 2015 versus 7.66% at industry level.

Solid financial position

The Group's financial position was further bolstered with a +6% increase in shareholders' equity to MAD 17 billion in 2015 versus MAD 16 billion in 2014.

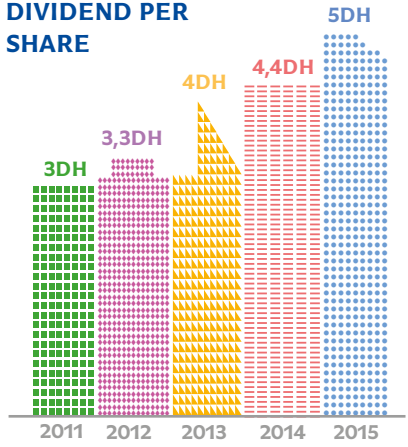
The capital adequacy ratio at parent level was 12.6% (+0.4 points compared to 2014). A Tier 1 ratio of 9.9% was well above the minimum regulatory requirement.

BMCE BANK'S SHARE PRICE PERFORMANCE

In 2015, BMCE Bank's share price broadly tracked the performance of the banks sector index, falling -2.73% to 214 DH versus a drop of -2.74% in the benchmark to 11,230.25 points.

The MASI declined by -7.22% to 8,925.71 points and the MADEX by -7.49% to 7,255.21 points.

DIVIDEND PER SHARE



BMCE Bank offers its shareholders a growing compensation and dividend policy.

MAIN SHARE PRICE INDICATORS

	2015	2014
Closing price	214 MAD	220 MAD
Market capitalisation at 31/12/2015	38.4Mrd MAD	39.5Mrd MAD
High	240 MAD	225 MAD
Low	210 MAD	201.5 MAD
Weighted average price	220 MAD	212.6 MAD
Share price performance	+0%	+7.6%
PER	19.6	20.3
Dividend yield	2.26%	2.46%

PERSONAL AND PROFESSIONAL BANKING

PERSONAL BANKING
Dynamic Sales Approach and an Enhanced Product Range

To complement the existing product range for retail customers, three products were launched in 2015, targeting the young persons' segment: (i) an insurance option on the *Crédit Enseignement* education loan to enable customers to repay the outstanding balance for school fees covered by the loan (ii) the *Crédit Études à l'Etranger* to finance higher educational studies abroad with all expenses authorised by the *Office des Changes* and (iii) *Carte Flexy Jeunes,* which has an in-built renewable credit line providing young persons with a cash reserve.

In 2015, the Bank also bolstered its bank card portfolio. The total number of cards issued grew by more than 15% to surpass the 1 million mark at end-December 2015, resulting in market share gains.

This performance was driven by a dynamic sales approach as illustrated by the launch of next generation Premium bank cards. A broader section of the population now has access to premium quality international bank cards with innovative functionality for overseas usage.

A number of new products were developed in partnership with RMA Watanya as part of the ongoing development of the bank-insurance business. BMCE Assur 'Auto, a new product, was developed in 2015 and launched in January 2016. This product enables customers to benefit from an attractive short-term loan to finance their car insurance contract.

Similarly, two niche products for Professional Banking customers were launched: (i) *BMCE Épargne Pro,* a medium-to long-term life insurance product enabling professional customers to grow their capital, providing them with a pension and (ii) *Sécuri Pro* (overhaul of Globale Pro), a multi-risk insurance policy insuring against damage to professional property and the many risks to which customers are exposed at work.

In 2015, the bank-insurance business saw the number of bank-insurance contracts sold grow +11.4%, generating MAD 2 billion of revenue. As a result, the bank-insurance penetration ratio was 36.38% at 31 December 2015 versus 31.3% the previous year.

PROFESSIONAL BANKING
Commercial Development

The Bank's main goals for the Professional Banking segment in 2015 were to attract new customers and increase product penetration of the existing professional and private customer base.

A new range of products and services was introduced to meet the needs of professional customers: (i) daily account management as an all-in-one package (*BMCE Hissabi Pro, BMCE Forfait Privé, BMCE Forfait Business and BMCE Forfait TPE*) and an e-banking range (*BMCE Direct Pro* and *BMCE Direct Valeurs*), (ii) help customers to grow their capital and fulfil their personal ambitions (*BMCE Habitat Pro, BMCE Damane Assakane* and *BMCE Conso Pro*) with a range of amortisable loans, (iii) support customers' cash flow requirement through a range of operating loans covered by the *Damane Express* guarantee, (iv) finance the purchase of equipment to help them to develop their business via a range of leasing options (*BMCE Probail*) and (v) grow their savings and provide health insurance and insure against professional risks with an extensive range of bank-insurance products.

PRIVATE BANKING

Product Range Enhanced

Private Banking played an important role in coordinating the Bank's different entities in 2014 when the Kingdom of Morocco introduced a withholding tax. This was followed up in 2015 with the introduction of a post-amnesty action plan which focused on tax-related issues. Services introduced included a process enabling taxpayers to declare income on financial assets, a range of foreign currency investment accounts domiciled in the Tangier Offshore zone for those customers given an amnesty and a service for managing and monitoring taxpayers' requests as part of the post-amnesty process.

A number of initiatives were carried out in partnership with RMA Watanya. The product range was enhanced with unit-linked products introduced on a cooperative basis. The processing of RMA Watanya applications was relaxed and experts from Watanya came in to the branches to support the various commercial initiatives.

MIGRANT BANKING

In 2015, the migrant banking business registered respectable growth. Receipts from Moroccans living abroad (MLAs) rose by 3% compared to 2014 to reach MAD 61.7 billion. MLAs deposits collected by the banking system increased by 5.6% compared to 31 December 2014 to MAD 8.6 billion.

Savings collected by BMCE Bank grew by 16.4% year-on-year, resulting in market share gains of +96 basis points.

In addition, transfers processed by the Bank rose by +10.5% to MAD 3,182 million due to the considerable sales clout of the expanded overseas network with two new branches opened in Molenbeek, Belgium and in Malaga, Spain as well as a representative office in Abu Dhabi.

In addition to welcoming Moroccans living abroad who returned home during the summer months, the Bank conducted a major campaign in support of MLA investors in Morocco. *BMCE MRE Invest* was launched aimed at encouraging MLAs to invest in Morocco and maintain economic and financial ties with their country of origin. This is a medium- to long-term loan for expatriates, which enables them to make new investment or expand existing projects within the manufacturing, manufacturing-related services, education, hospitality and health sectors. A programme of regional seminars was also organised which provided MLA customers with an opportunity to interact with Bank representatives and with experts about the country's economic prospects, opportunities and ways to invest in Morocco, as well as assistance and government support for investment from MLAs within the framework of promoting MLA investment in Morocco.

CORPORATE BANKING

Commercial Development

BMCE Bank offers it corporate and SME customers all the benefits of a local bank as well in addition to remote banking facilities. Through its sales network of specialist business centres and its Banking for Large Enterprises department, the Bank offers a range of products and services to corporate customers that are based on a sophisticated understanding of each customer's needs.

Corporate Banking loans rose 2.7% year-on-year to MAD 67.1 billion versus MAD 65.3 billion at end-2014.

Corporate Banking deposits registered considerable growth (+16.7%), reaching MAD 27.7 billion at end-2015 versus MAD 23.7 billion at end-2014.

2015 saw a number of organisational changes take place relating to the processing of investment applications from the regions. A support entity was officially set up. Two regional investment officers were appointed to oversee applications in the Casa North and Casa South districts and a support department was established to deal with the administrative and monitoring aspects.

Consistent with the Bank's policy of emphasising proximity to its customers, the Corporate Banking Network opened three new strategically located Business Centres, taking the total number of units to thirty-three.

Strong Support for Sustainable Development

Consistent with its strategy of supporting sustainable economic development, BMCE Bank signed a number of partnership agreements to finance, support and subsidise investment in energy efficiency and renewable energy.

Among the most important agreements was the one signed 17 March 2015 with four international sponsors – the EBRD, the EIB, the AFD and the KfW relating to the MorSEFF (Morocco Sustainable Financial Facility) loan contract. The latter provides businesses with EUR 20 million in funding. Other agreements signed included those with the *Société d'Investissement Energétique*, the *Association Marocaine pour l'Industrie et le Commerce de l'Automobile* and the *l'Association Marocaine des Industries du Textile de l'Habillement*, primarily aimed at organising meetings. Focus groups help to raise awareness among companies about energy efficiency through use of renewable energy sources and how to obtain appropriate funding.

In the same vein, BMCE Bank launched a new solution, *BMCE Cap Energie*, a first ever in Morocco. This is designed to help businesses to acquire energy-saving equipment or renovate their existing industrial plant or hotel facilities by adopting an energy efficient approach.

Product Range Diversified

In partnership with *Maroc PME*, Morocco's SME federation, BMCE Bank launched *IMTIAZ-CROISSANCE* in July 2015, the latest version of its IMTIAZ programme. This updated version includes some novel features in order to broaden its appeal to other prospective companies that could potentially benefit from the programme.

In addition, so as to diversify its range of financing products for SMEs, new products were launched such as *Tréso Plus and Avance*, enabling customers to obtain advances on amortisable loans.

In addition, to maintain sales momentum in products and services for SMEs, the branch network was provided with the necessary sales support by organising and participating in a number of events. These included the *2nd Palmarès Prospection*, the *Tangiers Automotive Subcontracting Exhibition*, the *First African Conference for Transport* and *Logistics, Pollutec*, the SME Forum, *Midest Maroc, Medinit, Ener Event* and *Aerospace Meetings Casablanca*.

By participating in all these events, the Bank was able to develop its external database and enhance its universe of prospective customers. Initial contact was made with some of them.

Partnership reinforced with the *Caisse Centrale de Garantie*

As a result of strong sales momentum in applications for guarantees from the *Caisse Centrale de Garantie (CCG)*, BMCE Bank was ranked as the leading bank overall in guarantees provided (all categories) in 2015. The Bank was ranked second in terms of outstanding commitments guaranteed by the CCG and third in the *Damane Express* category.

SME Club – Initial Results Positive after 3 Years

The SME Club has met with enormous success since it was launched in 2012. Training has been provided to eleven classes, benefiting 145 SMEs. A customer satisfaction survey carried out reveals that 82% of the SMEs participating in the programme found the training content of benefit in carrying out their day-to-day business and 91% would certainly recommend Club membership to other companies known to them.

Foreign trade

In 2015, the Foreign Trade business saw very strong sales. Measures were taken to bolster the steering of the business and support the Network's sales efforts.

On the commercial front, Corporate Banking's performance was noteworthy in terms of the Foreign Trade flows captured. The indicators relating to this business show that import flows rose by +14% and export flows were +31% ahead.

Working groups were organised with Bank of Africa Group representatives in partnership with Maroc Export to leverage intra-Group synergies. The aim was to help customers to develop business in Africa.

As a result, *Passeport Africa* was launched, a multi-service foreign trade package for BMCE Bank and Bank of Africa customers. In addition, twice-yearly trade missions are to be organised with Maroc Export for the Bank's customers.

Furthermore, as part of support efforts for the Network, BMCE Bank participated in a number of major international events in Morocco and overseas. These included the Morocco-Ivory Coast Economic Forum in Marrakesh, Halieutis, a fisheries event in Agadir and the France-Morocco Partnership Forum at the *Bourse de Commerce in Paris.*

TAXI

INVESTMENT BANKING

BMCE CAPITAL MARKETS
Performance Exceeds Expectations

In 2015, BMCE Capital Markets focused all efforts on improving the second version of *BMCE FX-Direct*, an electronic forex trading system. Macroeconomic indicators are now included and trades are automatically posted to the Kondor management system. In addition, software was developed to be able to calculate the digitally-generated P&L.

A new version of the technical analysis application was introduced to provide greater precision on buy and sell signals for stocks listed on the Casablanca Stock exchange. In addition, the securities lending business was launched and a number of agreements were signed with various institutions.

As part of an ongoing process to improve financial market operations and customer relations, BMCE Capital Markets embarked on a number of quality-based projects in 2015 including introducing 'BKustomer', a sales desk CRM tool for automating Bank Al Maghrib settlement system flows from the dirham Treasury desk. A system was also adopted to render Kondor tickets paperless as part of BMCE Capital's 'zero paper' project.

BMCE CAPITAL BOURSE
Market Share Respectable

Despite the challenging operating environment, BMCE Capital demonstrated its resilience by maintaining its overall market share at a respectable 14%, generating trading volume of about MAD 12 billion.

BMCE Capital Bourse also initiated a number of rationalisation measures. These included adopting a quality management system which resulted in it obtaining ISO 9001:2008 certification in October 2015, pursuing a cost reduction policy and developing a diversified regional product range for global customers with brokerage and custody at the core.

BMCE CAPITAL GESTION
Another Year of Strong Performance and Innovation

With the business environment favourable, BMCE Capital Gestion posted recorded results, registering significant growth (+27%) in assets under management. This was primarily due to a net inflow of funds of almost MAD 10 billion, the largest by any asset management company within the industry. Consistent with market trends, the fixed income asset class accounted for nearly the entire inflow.

In addition, to be able to provide customers with innovative solutions on a constant basis, five new funds were marketed in 2015 – *FCP Capital Combo, FCP Global Macro, FCP Capital ISR, FCP Capital Afrique* and *FCP Capital Monétaire Plus*.

Furthermore, with the launch of OPCVM Direct in 2015, Morocco's first ever mutual funds trading platform, BMCE Capital Gestion underlined its status as the most innovative company within the domestic industry. In addition, BMCE Capital Gestion launched its new website, providing customers with the very latest information about the company's products.

In 2015, BMCE Capital Gestion received a number of awards, underlining its reputation for expertise and performance. These included: (i) ISO 9001:2008 and *ISAE Type II certification* for a second time in 2015 with special commendation for the performance of the Quality Management System and internal control system compliance, (ii) Fitch Ratings affirming its 'Highest Standards (mar)' rating, reflecting the effectiveness of its operational processes and its high quality standards and (iii) Standard & Poors affirming its 'Af' rating for the *FCP Capital Monétaire* fund in recognition of its asset portfolio's credit quality.

BMCE CAPITAL GESTION PRIVEE
Clearly Growing in Stature

Despite the challenging operating environment, BMCE Capital Gestion Privée managed to not only maintain but expand its business. The firm's corporate strategy has been astute, founded upon high quality customer relationships, providing a bespoke service to private clients and product differentiation and exclusive services.

In 2015, the Kondor-Commando system was finalised, enabling the company to produce daily portfolio valuations, which contributed to enhanced performance.

Lastly, a brochure outlining the products and services available to customers was finalised, providing the company with a distinct visual identity in the eyes of prospective customers.

As part of the strategy of expanding operations in Africa, the range of services provided by BMCE Capital Gestion Privée will be extended to the African continent with the creation of BKGP International.

BMCE CAPITAL CONSEIL
2015, a year of diversification

The activities carried out by BMCE Capital Conseil in 2015 were diverse and included restructuring and M&A advisory, corporate debt transactions and project finance, with a number of deals executed on BOA Capital's behalf in sub-Saharan Africa.

Several projects were initiated in 2015 related to organisational matters such as introducing systems for managing prospective customers and monitoring current deals, finalising the company's institutional brochure and generating sales synergies with other BMCE Capital entities.

Priority was also given to adopting a customer-centric approach as can be seen in the creation of a sales prospection unit and specialist committees. These are supported by systems enabling users to monitor prospective customers and current deals.

BMCE CAPITAL TITRES
Another strong set of results

Despite the challenging operating environment, BMCE Capital Titres' assets under custody reached MAD 196 billion, broadly unchanged on the previous year's level. Market share was unchanged at 27%. Assets on deposit remained on an upward trend, reaching MAD 90 billion at end-2015, up 12% on the year.

It is worth noting that the number of funds reached 83 with 15 new funds launched during the year.

BMCE CAPITAL RESEARCH

BMCE Capital Research continued to focus on improving its publications in qualitative as well as quantitative terms. It faced a new challenge of extending coverage to other African markets.

In such a context, BMCE Capital Research generated the maximum synergies possible with BMCE Capital's various business lines, producing both regular and a variety of ad hoc publications.

Another highlight of 2015 was the successful Africanisation of the business in line with BMCE Capital Group's 'GINA' African strategy. A pan-African approach was deployed by those Group subsidiaries participating in the African Securities Network (ASN) project. The publications enjoyed considerable success in those countries in which they were distributed.

SPECIALISED FINANCIAL SERVICES

MAGHREBAIL

In 2015, production rose by 5% to MAD 3,209 million, largely driven by a 24.6% increase in the property leasing division.

Maghrebail gained 100 basis points of market share to 23.8% at end-2015 due to a number of factors: the experience acquired over forty years, its being a member of the BMCE Bank Group which enables it to lower its funding costs and market its products, the enhancements made to its risk analysis system, the progress made on the loan recovery front and a diversified source of earnings. As a result, it became the 3rd ranked player in the leasing market.

In 2015, a representative office opened in the Tangier Free Zone which will offer tax-free foreign currency-denominated lease finance solutions to businesses within the zone.

SALAFIN

In 2015, Salafin's overall production was broadly stable (+0.4% year-on-year) at MAD 1,178 million with market share gains in the personal loan segment. Its market share reached 11.2% at end-2015 versus 10.6% in 2014. Personal loans rose by 18% to MAD 387 million.

The consumer credit subsidiary's financial outstandings reached MAD 2,359 million at end-2015, up +2.1%. This was largely due to a healthy +9.7% rise in personal loan outstandings to MAD 1,223 million versus a -2.7% contraction at the industry level.

In terms of its financial performance, Salafin's net banking income rose by +14.7% to MAD 354.5 million, performing strongly across the board.

Net income rose by +18.5% to MAD 125 million.

MAROC FACTORING

In 2015, the Group's factoring subsidiary registered a decline in its business and financial performances.

Likewise, with a number of factoring contracts maturing and, given the risk-averse environment, Maroc Factoring's revenue was significantly impacted.

Similarly, Maroc Factoring reinforced its sales initiatives to foster customer loyalty and attract new business as part of a diversification strategy targeting mainly SMEs.

RM EXPERTS

Adopting a more hands-on and robust approach to steering the business within a strategic framework that is adaptable as well as progressive, RM EXPERTS registered significant growth in its business in 2015, demonstrating a proven mastery of loan recovery processes and practices.

This savoir-faire was underlined with RM EXPERTS seeing its ISO 9001 certification renewed in the wake of an audit of its various units in 2015. This resulted in an 'excellence' rating with zero deviation and zero areas of weakness.

RM EXPERTS' information systems were also enhanced, enabling information to be processed more rapidly and accurately and the company to respond to its customers' needs.

As a result, MAD 601 million of debt was recovered in 2015, versus MAD 497 million in 2014, up by a substantial +20%.

BMCE BANK IN AFRICA

2nd pan-African group in terms of geographical coverage

BOA-BENIN
1989
Number of branches : 45

BMCE BANK SA MOROCCO
1959
Number of branches : 671

TUNISIA
2006
Axis Capital

East Africa
West Africa
Central Africa
North Africa
Southern Africa

BOA BURKINA FASO
1987
Number of branches : 45

BOA CÔTE D'IVOIRE
1996
Number of branches : 28

BOA-GHANA
2011
Number of branches : 23

BOA-MALI
1983
Number of branches : 52

BDM SA MALI
1983
Number of branches : 42

BOA-NIGER
1994
Number of branches : 25

BOA-TOGO
2013
Number of branches : 8

BOA-DJIBOUTI
2010
Number of branches : 7

BOA-BURUNDI
2008
Number of branches : 21

BOA-UGANDA
2006
Number of branches : 35

BOA-TANZANIA
2007
Number of branches : 23

BOA-KENYA
2004
Number of branches : 42

BOA-RWANDA
2015
Number of branches : 13

BOA-SENEGAL
2001
Number of branches : 33

BOA-DRC
2010
Number of branches : 10

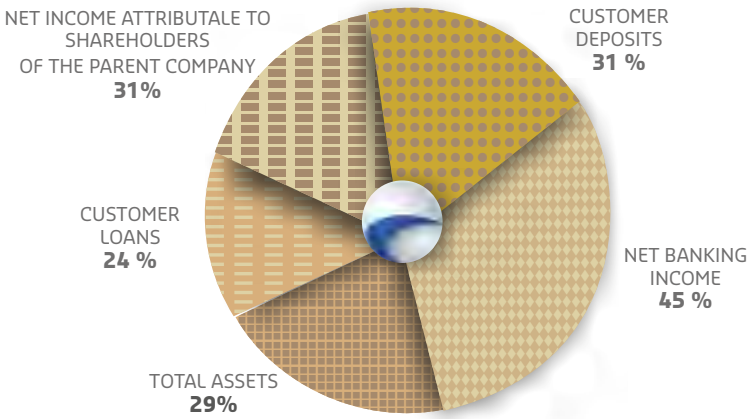
LA CONGOLAISE DE BANQUE
2009
Number of branches : 19

BOA MADAGASCAR
1999
Number of branches : 90

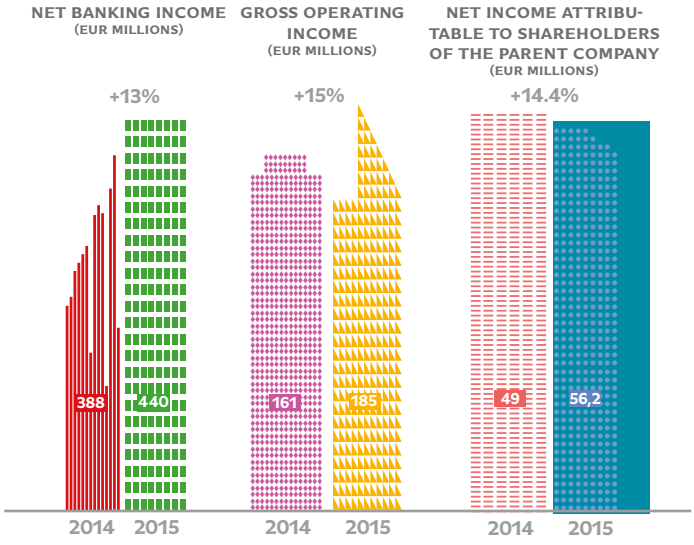
BOA-ETHIOPIA
2014
Representative office

AFRICAN OPERATIONS

Operations in **20** countries
Coverage of **4** economic regions within the African continent
Nearly **560** branches in sub-Saharan Africa
Nearly **3** million customers in sub-Saharan Africa (excluding Morocco)



SUB-SAHARAN AFRICA'S CONTRIBUTION TO BMCE BANK GROUP RESULTS



BANK OF AFRICA

With a considerable contrast in the operating environment from one country to another, BOA Group registered a positive commercial and financial performance in 2015.

Robust Growth in Commercial Activity

On the commercial front, BOA Group registered robust growth in its core business as illustrated by: (i) +469,712 new accounts opened, taking the total number of accounts to almost 2.7 million at end-2015 (+21.4%), (ii) increased sales to existing customers, (iii) expansion of the branch network with +34 new branch openings, taking the total number of branches to 495 and (iv) growth in consolidated deposits and loans of +16.5% and +11.8% respectively.

339 employees were recruited to BOA Group's banking staff on a net basis, taking the total number of banking staff to 5,413 persons at end-2015 versus 5,074 a year earlier.

Average outstanding deposits reached EUR 4.4 billion at end-2015, up +13.1% compared to end-2014. This was due to a healthy performance by sight deposits (+EUR 266 million), which accounted for 51.2% of total deposits in 2015 versus 51% in 2014.

Average outstanding loans rose from EUR 2.8 billion in 2014 to EUR 3.1 billion in 2015, an increase of +12.9%. The loan-to-deposit ratio was slightly down at 71.7% in 2015 versus 72% the previous year.

BOA Group's total consolidated assets grew +19% to EUR 7.2 billion at end-2015 versus EUR 5.8 billion at end-2014, reflecting the dynamic growth of the majority of its banking subsidiaries.

A convincing financial performance

Consolidated net banking income registered growth of +13% to € 440 million in 2015, driven by investment income (+25.6%), net interest income (+8%) and increased income from foreign exchange dealings due to closer monitoring by the Treasury division.

General operating expenses rose by 11% to EUR 271.6 million, resulting in an improvement in the cost-to-income ratio to 61.7% at end-2015 versus 62.9% the previous year.

BOA Group's consolidated gross operating income increased by +15% to EUR 185.6 million at end-2015 versus EUR 161 million the previous year.

Net income attributable to shareholders of the parent company stood at EUR 56.2 million at end-2015, up +14.4% compared to the previous year, resulting in an ROE of 15%. BOA Group earnings were impacted by a +40% increase in the net cost of risk to EUR 72 million despite a high level of loan recoveries and write-offs.

In addition, BOA Group expanded its coverage in 2015 by starting operations in Rwanda with the acquisition of Agaseke Bank, a Rwanda bank specialising in microfinance. The latter was renamed BOA-Rwanda.

Best Practice in Corporate Governance

Against a backdrop of growing integration of BOA Group entities within BMCE Bank of Africa Group and to ensure that the consolidation of what is now a multi-business banking group with an international profile and pan-African aspirations is carried out in an orderly way, the Bank reinforced its strategic alliances with leading domestic and international partners. A partnership agreement was signed recently with Saham Group aimed at pooling resources and skills to facilitate and accelerate access to banking and insurance services for African citizens. BOA Group's Board of Directors appointed Mr Brahim Benjelloun-Touimi, BMCE Bank Group's Chief Executive Officer as the new Chairman of BOA Group's Board of Directors and confirmed the appointment of Mr Amine Bouabid as Chief Executive Officer.

OTHER AFRICAN SUBSIDIARIES

LA CONGOLAISE DE BANQUE

BMCE Bank raised its stake to 37% in La Congolaise de Banque, a market leader in credit distribution in Congo and the country's largest bank in terms of branch network size. The latter aims to become a leading regional bank in Central Africa.

The process is underway to establish a leasing subsidiary in partnership with Maghrebail so as to support LCB Bank's customers in their development projects and in investment financing. This is likely to generate intra-Group synergies in Africa.

BANQUE DE DEVELOPPEMENT DU MALI

Banque de Développement du Mali's net income tripled to €23 million, resulting in a sharp improvement in the Bank's ROE to a comfortable level, in excess of 26%.

Improvements in governance were made with the formation of a new Board of Directors and the appointment of a new management team.

BMCE BANK IN EUROPE

BMCE BANK INTERNATIONAL MADRID

Against a backdrop of economic recovery in Spain, BMCE Bank International Madrid's commercial and financial performance was positive in 2015. This can be seen in its profit and balance sheet indicators at end-2015 : net income +44%, net banking income +39%, gross operating income +56%, total assets +30%, shareholders' equity +10% and ROE +14%.

This strong commercial performance was due to the subsidiary implementing a strategy focused on strengthening Correspondent Banking relations, participating in international syndicated loans, developing commercial relations with large Spanish and European customers, cross-selling and diversifying risk in geographical terms.

In addition, BBI Madrid improved its operational efficiency, as illustrated by its cost-to-income ratio which contracted by 8% to 27% at end-2015 versus 35% at end-2014.

BMCE BANK INTERNATIONAL LONDON & PARIS

In a global environment characterised by slower economic growth, high volatility on African markets, a drop in commodity prices and the resulting impact on the budgets of several African states, particularly oil-producer nations, the commercial and financial performance of BMCE Bank International Plc London was positive in 2015.

Net banking income rose to £16.2 million in 2015 versus £14.1 million in 2014, an increase of +14.6%, resulting in an CAGR of +12.7% over the period 2013-2015. This was due to strong commercial development, diversification of the loan portfolio by geographical region and sector into new markets as well as developing intra-Group synergies with BMCE Bank of Africa Group entities.

Net income rose +36% compared to 2014 to £7.8 million, 2.8 times the level seen in 2013. As a result, ROE was 16.5% in 2015 versus 14% in 2014.

In addition, BBI Plc London made major progress in qualitative terms by diversifying its funding sources, achieving healthy liquidity and capital adequacy ratios as well as reinforcing internal governance.

BMCE BANK IN ASIA AND NORTH AMERICA

BMCE BANK IN ASIA AND NORTH AMERICA

BEIJING REPRESENTATIVE OFFICE

In 2015, BMCE Bank's Beijing representative office continued to develop its activities and missions by promoting economic diplomacy. This primarily consisted of creating economic ties and facilitating the exchange of information between economic agents in Asia and Africa.

Meetings were organised with Chinese partners with regard to major projects in Morocco in the renewable energy, gas, cement and pneumatics sectors.

In addition, in conjunction with the China Africa Joint Chamber of Commerce and Industry (CAJCCI), meetings were organised between the Moroccan Embassy in China, the Moroccan Development and Investment Agency (AMDI) and Chinese companies to promote commercial cooperation and investment between Moroccan and Chinese companies.

The representative office also continued to promote BMCE Bank Group's brand image and international stature by participating in a number of economic events including: (i) the China Overseas Investment New Year Forum, (ii) the Marrakesh Sino African Entrepreneurs Summit, (iii) the INTERTEXTIL fair, attended by a Moroccan delegation under the aegis of Maroc Export and (iv) the World Tourism Cities Federation, attended by Morocco's National Tourism Office (ONMT).

The Beijing representative office also helped establish Correspondent Banking relations with China Industrial Bank and CITIC Bank as part of ongoing efforts to develop intra-Group synergies.

CANADIAN REPRESENTATIVE OFFICE

After signing a partnership agreement with Le Mouvement Desjardins in March 2014, BMCE Bank opened a representative office in Montreal to foster closer relations with North America's resident Moroccan community.

This agreement enables BMCE Bank to provide support to Moroccans living in Canada, students and investors and meet their financial needs by offering preferential, rapid and secure banking terms.

Both parties have established a full range of services with particularly attractive terms for Moroccans living abroad as well as students.

CORPORATE SOCIAL RESPONSIBILITY

BMCE BANK FOUNDATION

BMCE BANK FOUNDATION
A Growing Interest in other Languages

Tamazight textbooks were harmonised and revised for the 2015-2016 academic year. New information and communication technologies (NICT) were introduced that make use of digital resources in Tamazight, edited by the Royal Institute of Amazigh Culture (IRCAM).

The teaching of Mandarin Chinese was introduced to three Medersat.Com network schools – Ouled Larbi School, Wahdana School in Nador and Bouskoura School in Nouaceur. This was the result of a collaborative partnership between the Foundation and the Chinese embassy in Morocco.

MEDERSAT.COM NETWORK
Expansion and Renovation

In 2015, the Foundation's Madam Chairman inaugurated a new Medersat.com school in Béni Chiguer in Nador, thereby strengthening the Foundation's schools network within the Eastern region. The inauguration ceremony was attended by BMCE Bank Group's Chairman and other dignitaries.

COMMITMENT REITERATED
To Environmental Causes

The Foundation underlined it commitment to environmental causes by approving a programme to equip three schools – Bouskoura School, Béni Chiguer School and Laazib School – with a next-generation solar photovoltaic system.

In addition, in 2015, two Medersat.com schools – Al Manar School and El Mesqa School – from five candidates, obtained the Eco-School label. There are now five network schools accredited by the Mohammed VI Foundation for the Environment – Begdour, Al Manar, El Mesqa, Laâzib and Tarmigte.

DEVELOPING ARTISTIC AWARENESS

In 2015, national and international days were celebrated in Medersat.com network schools in accordance with a list of such days sent by internal circular to all network schools.

One of the highlights of 2015 was the National Olympiads of Tifinagh, held 4-8 August 2015 in Tafraout, at which Medersat.Com pupils obtained the 3rd prize.

Medersat.com network pupils also participated in the ceremony to celebrate the 50th anniversary of the founding of the BMCE Bank Foundation and the 50th anniversary of BMCE Bank with a show highlighting the various social initiatives undertaken by the BMCE Bank Foundation.

PUPILS' RESULTS
Highly Satisfactory

For the 2014-2015 academic year, the results obtained by pupils attending Medersat.Com schools were highly satisfactory for pupils earning the end of primary certificate and high school leaving diploma. An analysis of these results shows the excellent quality of teaching offered by the Foundation. As many as 1,096 pupils, 50% of whom were girls, successfully passed their end of course exams, enabling them to continue with their middle school studies for the 2014-2015 academic year.

SUSTAINABLE DEVELOPMENT

A CLEAR COMMITMENT
To Sustainable Finance

Having reached a certain degree of maturity, BMCE Bank has successfully managed to incorporate its social and environmental commitment into its economic model by adopting a risk-oriented approach.

BMCE Bank was able to demonstrate to Vigeo, an international ratings agency, the attributes that constitute the Bank's ADN - a strong sense of belonging, respect for the freedom of association and collective bargaining, promoting dialogue with trade unions, respect for customers' interests, contributions to community causes, corporate governance and environmental management (supported by HQE certification by Cerway).

In 2015, the Group's commitment to social causes was also marked by the launch of Morocco's first ever SRI fund by BMCE Capital Gestion, the Group's asset management subsidiary. In doing so, the latter incited its peers to give serious thought to developing socially responsible funds. In addition, by signing the first ever partnership within the SEMED region with the EBRD, the EIB, the AFD and the KfW in March 2015 to finance sustainable energy sources, BMCE Bank emerged as a key player within the banking industry in its endeavours to promote sustainable finance.

FIRST EVER RESPONSIBLE AND SUSTAINABLE FINANCING
Within the Moroccan Banking Industry

In the wake of the successful launch of Cap Energie at end-2014 within the framework of the MorSEFF programme, BMCE Bank is now regarded by the EBRD as a role model within the MENA region.

In 2015, 88% or MAD 175 million of the credit line had already been used with several other applications underway which are potentially worth MAD 115 million.

MORE INTERNATIONAL AWARDS

BMCE Bank of Africa's sustainable development strategy is embodied in a strong and well-rooted CSR system which enables it to go beyond simple regulatory and universal models, taking inspiration from best international practice.

The commitment of the entire staff to CSR resulted in the Bank being named Socially Responsible Bank of the Year in 2015 by the African Banker and Best CSR Arabia 2015 in the financial services category. It was the only quoted company on the Casablanca Stock exchange to have received the highest scores in seven social responsibility themes.

HUMAN CAPITAL

SUPPORTING
Business Development

In 2015, 153 new hires joined the Bank including a dozen from sub-Saharan Africa to ensure the continuity of commercial activities, replace departed staff and reinforce core and support functions at both the parent and subsidiary levels.

STRONG EMPHASIS
On Developing Skills

13,650 man-hours of training (vs. 9,563 in 2014) were provided in 2015, benefiting 43% of the Bank's workforce. Almost 60% of training initiatives were orientated towards banking business lines (vs. 47% the previous year), followed by support training for new hires (18%) and regulatory-related training (10%).

In addition, almost 58% of staff participated in e-learning courses which are now a preferred and cost-effective means of delivering training modules on regulatory, technical and customer care aspects. As far as diploma-based training was concerned, nearly 70 employees pursued their studies for the ITB and Banking Diploma.

In 2015, a Risk Academy was established in conjunction with the Association in Risk Management (AMRAE) as a way of bolstering the risk control culture across the Group.

MAINTAINING HEALTHY EMPLOYER-EMPLOYEE RELATIONS

With the full backing of the trade unions, a number of initiatives were carried out aimed at improving staff benefits and staff well-being, thereby creating a harmonious environment as the basis for sustainable growth.

BMCE Bank was once again awarded the 'Tobacco-free company' label by the Lalla Salma Foundation, as a result of its commitment to combating the adverse effects of smoking in the workplace.

All BMCE Bank employees were invited to participate in an employee satisfaction survey. The participation rate was 49% (vs. 32% in 2011) while the overall satisfaction rate rose to 71% versus 59% in 2011. This reflects the efforts made to constantly improve working conditions within the institution.

ONGOING IMPROVEMENT
In HR benefits

The highlight of 2015 was the renewed certification for all HR activities with zero deviation. The audit highlighted several points including (i) management's commitment to implementing, maintaining and improving the Quality Management System, (ii) customer orientation and (iii) deploying a standardised Project Management system.

PUBLIC RELATIONS

A MAJOR CONTRIBUTION
To cultural and social development

The importance of art and tradition as an integral part of Morocco's cultural heritage and contemporary cultural life have prompted BMCE Bank to continue to help to preserve them by sponsoring festivals. The latter provide a meeting points for manifold nationalities and bridges between diverse cultures.

Highlights of 2015 included sponsoring the 18th Gnaoua and World Music Festival, the 21st Fez Festival of World Sacred Music, the 12th Timitar Festival, the Signs and Culture Festival and the 15th International Film Festival.

The Bank continued to focus its efforts on supporting causes of social and environmental responsibility and solidarity such as the 2nd Com Sup Symposium on the theme of 'the duality of a constantly evolving city', the 6th Casa Fashion Show dedicated to international fashion in Morocco, the 1st Tous au Parc event, the 1st Handicap Maroc Forum (Pack Confort), the 1st Enduro race, the Milan World Expo 2015 competition and the 5th Great Business Days roadshow.

The Bank also made a considerable contribution to the Clean Beaches campaign, providing technical as well as financial assistance, aimed at cleaning up and livening up the beaches in the town of El Harhoura.

A FLAIR FOR
Sport

In 2015, BMCE Bank continued to support the country's sports scene by sponsoring sporting events, thereby reinforcing its image as a universal bank supporting Morocco's sporting aspirations.

BMCE Bank maintained its support for the Rabat Bouregreg Jet Ski Club, the Mohammed VI Football Academy and the Royal Moroccan Federation for Equestrian Sports with an annual contribution.

It also sponsored the 42nd Hassan II Golf Trophy, the 3rd Automobile Industry's International Golf Trophy, the 2nd Agribusiness Industry's Open Golf Tournament, the Nomads Rabat Golfing Society Tournament, the 6th Marrakesh Moulay El Hassan International Automobile Circuit Grand Prix, the Airports' Cultural and Sports Club's Tennis Tournament and the 5th Marrakesh International Bridge Meet.

A STRONG SHOWING
At trade exhibitions and fairs

In 2015, BMCE Bank participated in a number of flagship events such as the 10th Meknes International Agricultural Trade Fair (SIAM), the 2nd Olive Industry Trade Fair, the 13th Fruit and Vegetables Trade Fair (SIFEL), the 12th Pharmacists' International Trade Fair (Officine Expo), the 16th Medical Industry Expo 2015, the Moroccan Dental Meeting, the 3rd Aerospace Meeting, the 9th International Trade Fair for Electricity, Lighting, Electro-technology and Industrial Automation (Elec Expo 2015), the 7th International Trade Fair for Environmental Equipment, Technologies and Services (Pollutec Maroc 2015), the 1st African Transport and Logistics Conference (CATL 2015), the Sakane Expo Property Trade Fair, the 2nd and 4th Regional Meetings of the Housing Industry and the 6th Italian Design and Technologies Trade Fair (Medinit Expo 2015).

AFRICAN ENTREPRENEURSHIP AWARD

A bank which is promoting entrepreneurship in africa

A new award, the African Entrepreneurship Award, was launched by BMCE Bank of Africa Group's Chairman in November 2014 at the Global Entrepreneurship Summit in Marrakesh. This award is designed to promote entrepreneurship in Africa as a logical step in the Group's commitment to CSR. A USD 1 million budget has been earmarked to reward Africa's best entrepreneurship projects which have a lasting and sustainable social impact.

In 2015, this award attracted more than 5,000 candidates from the entire continent as well as Africans from the diaspora. Due diligence was carried out and about hundred on-site visits were made by staff working on the award to 8 countries to assess the projects at first hand.

In this its first year, BMCE Bank awarded prizes to 10 winners from among 34 finalists who shared the USD 1 million prize in three different categories – education, the environment and untapped markets. The prizes ranged from USD 25,000 to USD 150,000.

In 2015, a dedicated website was also launched providing all necessary information relating to the Award in four languages – English, French, Arabic and Portuguese. A web platform was also set up to enable entrepreneurs to exchange ideas with experienced mentors who are able to advise them and share their experience and expertise during the entire process. Similarly, the award winners of this inaugural competition will benefit from a bespoke mentoring service as their companies grow and develop.

PARENT COMPANY FINANCIAL STATEMENTS

	2015			Change	2014
	EUR	USD	MAD	15-14	MAD
ASSETS					
Cash and balances with central banks, the Treasury and post office accounts	250	273	2 700	82%	1 485
Loans and advances to credit institutions and similar establishments	2 272	2 474	24 495	28%	19 190
Loans and advances to customers	10 510	11 446	113 329	14%	99 394
Trading securities and available-for-sale securities	2 358	2 568	25 430	-12%	28 819
Held-to-maturity securities	518	564	5 588	33%	4 187
Long-term investments and similar	810	882	8 736	29%	6 795
Intangible assets	43	47	464	0%	466
Property, plant and equipment	410	446	4 418	99%	2 222
Other assets	192	209	2 072	14%	1 817
TOTAL ASSETS	**17 364**	**18 911**	**187 232**	**14%**	**164 573**
LIABILITIES					
Amounts owing to credit institutions and similar establishments	2 898	3 156	31 244	91%	16 382
Customer deposits	11 240	12 242	121 206	10%	110 102
Debt securities issued	877	955	9 455	-31%	13 735
Provisions	45	49	483	18%	409
Subordinated debt	761	829	8 207	30%	6 303
Shareholders' equity	1 317	1 435	14 203	4%	13 692
Other liabilities	226	246	2 434	-38%	3 951
TOTAL LIABILITIES	**17 364**	**18 911**	**187 232**	**14%**	**164 573**
INCOME STATEMENT					
Net interest income	320	348	3 446	8%	3 191
Fee income	85	93	917	13%	810
Income from market operations	66	72	716	-45%	1 299
Net income from other activities	27	30	295	21%	219
Net banking income	498	543	5 374	-3%	5 519
Income from transactions in long-term investments	35	38	379	3345%	11
General operating expenses	303	330	3 263	8%	3 028
Gross operating income	239	260	2 578	-1%	2 606
Provisions net of write-backs	-82	-89	-881	-36%	-1 373
Corporation tax	29	32	318	27%	251
Net income	121	132	1 304	8%	1 204

Exchange rate at 31 December 2015
EUR/MAD : 10.783
USD/MAD : 9.9008

CONSOLIDATED FINANCIAL STATEMENTS

	2015			Change	2014
	EUR	USD	MAD	15-14	MAD
ASSETS					
Cash and balances with central banks, the Treasury and post office accounts	965	1 051	10 403	4%	9 967
Financial assets at fair value	2 389	2 602	25 760	-10%	28 610
Available-for-sale financial assets	635	691	6 846	40%	4 891
Loans and advances to credit institutions and similar establishments	1 945	2 118	20 971	30%	16 073
Loans and advances to customers	16 070	17 502	173 280	12%	155 153
Held-to-maturity investments	2 278	2 481	24 559	35%	18 153
Investment property	281	307	3 035	263%	835
Property, plant and equipment	604	658	6 516	11%	5 847
Intangible assets	65	71	703	-6%	744
Goodwill	79	86	852	2%	832
Other assets	602	656	6 496	6%	6 138
TOTAL ASSETS	**25 913**	**28 223**	**279 421**	**13%**	**247 243**
LIABILITIES					
Amounts owing to credit institutions and similar establishments	4 746	5 169	51 176	54%	33 143
Customer deposits	16 531	18 004	178 255	11%	161 269
Debt securities issued	832	906	8 968	-32%	13 170
Provisions	60	66	651	24%	523
Subordinated debt and special guarantee funds	801	873	8 639	27%	6 795
Shareholders' equity	2 050	2 233	22 110	6%	20 803
Shareholders' equity attributable to shareholders of the parent company	1 578	1 719	17 022	6%	16 064
Shareholders' equity attributable to minority interests	472	514	5 088	7%	4 740
Other liabilities	892	972	9 623	-17%	11 540
TOTAL LIABILITIES	**25 913**	**28 223**	**279 421**	**13%**	**247 243**
INCOME STATEMENT					
Net interest income	792	863	8 541	10%	7 743
Fee income	181	197	1 951	2%	1 914
Income from market operations	61	66	653	-45%	1 194
Net income from other activities	62	68	672	4%	646
Net banking income	1 096	1 194	11 817	3%	11 497
General operating expenses	581	632	6 261	7%	5 828
Depreciation, amortisation and provisions	62	68	672	1%	666
Gross operating income	453	493	4 883	-2%	5 003
Cost of risk	134	145	1 440	-19%	1 778
Operating income	319	348	3 444	7%	3 225
Pre-tax income	335	365	3 616	9%	3 324
Corporation tax	89	97	961	52%	632
Net income	246	268	2 655	-1%	2 692
Net income attributable to minority interests	65	71	699	-7%	748
Net income attributable to shareholders of the parent company	181	198	1 956	1%	1 944

Exchange rate at 31 December 2015
EUR/MAD : 10.783
USD/MAD : 9.9008