BALANCE SHEET, CONSOLIDATED INCOME STATEMENT, STATEMENT OF NET INCOME, STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, CHASH FLOW STATEMENT AND SUMMARY OF ACCOUTING POLICIES

CONSOLIDATED BALANCE SHEET

The consolidated financial statements at 31 december 2019 were approved by the board of directors on 27 march 2020.

(In thousand MAD)

AIFRS ASSETS	31/12/2019	31/12/2018
Cash and amounts due from central banks and post office banks	**14 450 591**	**14 310 554**
Financial instruments at fair value through profit or loss	**-**	**-**
- Financial assets held for trading	*29 913 430*	*25 104 686*
- Other financial assets at fair value through profit or loss	*794 295*	*1 011 536*
Derivatives used for hedging purposes	**-**	**-**
Financial assets at fair value through equity	**-**	**-**
- Debt instruments recognised at fair value through recyclable equity	*1 667 868*	*1 402 639*
- Equity instruments reported at fair value through non-recyclable equity	*4 446 599*	*3 986 053*
Securities at amortized cost	**30 042 750**	**25 315 848**
Loans and receivables from credit institutions and similar, at amortized cost	**22 403 739**	**21 250 394**
Loans and receivables from customers, at amortized cost	**186 645 591**	**179 302 874**
Revaluation difference of hedged portfolios	**-**	**-**
Investments in insurance activities	**-**	**-**
Current tax asset	**920 499**	**783 556**
Deferred tax asset	**1 767 563**	**1 615 532**
Accruals and other assets	**6 631 296**	**7 199 267**
Non-current assets held for sale	**-**	**-**
Investments in companies accounted for by the equity method	**930 990**	**874 360**
Investment properties	**3 800 224**	**3 730 378**
Property, plant and equipment	**9 222 503**	**7 640 031**
Intangible assets	**1 079 156**	**987 571**
Goodwill	**1 032 114**	**1 032 114**
TOTAL IFRS ASSETS	**315 749 207**	**295 547 393**

(In thousand MAD)

IFRS LIABILITIES	31/12/2019	31/12/2018
Central Banks, Treasury, Postal Check Service	**-**	**-**
Financial liabilities at fair value through profit or loss	**-**	**-**
- Financial liabilities held for trading purposes	*-*	*-*
- Financial liabilities at fair value through profit or loss on option	*-*	*-*
Derivatives hedging	**-**	**-**
Debt securities issued	**16 346 393**	**13 582 981**
Debts due to credit institutions and similar	**45 071 844**	**43 725 210**
Debts to customers	**202 816 657**	**192 474 205**
Revaluation difference of hedged portfolios	**-**	**-**
Current tax liability	**1 396 103**	**769 014**
Deferred tax liability	**1 179 957**	**1 179 765**
Accruals and other liabilities	**10 379 406**	**9 350 024**
Debts related to non-current assets held for sale	**-**	**-**
Liabilities relating to insurance activity contracts	**-**	**-**
Provisions for risks and charges	**1 172 574**	**1 039 395**
Subsidies - public funds allocated and special guarantee funds	**-**	
Subordinated debt	**9 590 170**	**9 585 289**
TOTAL DEBTS	**287 953 104**	**271 705 883**
Equity		
Capital and related reserves	**18 473 069**	**14 365 774**
Consolidated reserves	**-**	**-**
- Group share	1 474 765	1 584 607
- Minority share	4 149 154	3 977 575
Gains and losses recognized directly in equity	**-**	**-**
- Group share	*618 563*	*593 531*
- Minority share	*504 535*	*511 300*
Earning for the exercise	**-**	**-**
- Group share	*1 921 510*	*1 831 171*
- Minority share	*654 507*	*977 552*
TOTAL CONSOLIDATED EQUITY	**27 796 103**	**23 841 510**
TOTAL LIABILITIES IFRS	**315 749 207**	**295 547 393**

1.2. CONSOLIDATED INCOME STATEMENT

(In thousand MAD)

CONSOLIDATED INCOME STATEMENT	dec.-19	dec.-18
Interest and similar income	15 350 928	14 934 916
Interest and similar expense	- 5 436 906	- 5 252 749
Net interest income	**9 914 022**	**9 682 167**
Fees received and commission income	3 240 485	2 990 545
Fees paid and commission expense	- 529 236	- 477 341
Net fee income	**2 711 249**	**2 513 204**
Net gains or losses resulting from net position hedges	-	-
Net gain on financial instruments at fair value through profit or loss	**353 259**	**136 275**
Net gains or losses on transaction assets/liabilities	*343 728*	*138 632*
Net gains or losses on other assets/liabilities at fair value through profit or loss	*9 531*	*- 2 357*
Net gains on financial instruments at fair value through equity	**231 334**	**226 865**
Net gains or losses on debt instruments recorded as recyclable CP	*19 627*	-
Remuneration of equity instruments recognised as non-recyclable CP	*211 707*	*226 865*
Net gains on derecognised financial assets at amortised cost		-
Gains or losses resulting from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss		-
Gains or losses resulting from the reclassification of financial assets by CP as financial assets at fair value through profit or loss		-
Net income from insurance activities		-
Net income from other activities	1 235 176	1 137 982
Expenses from other activities	- 584 437	- 463 024
Net Banking Income	**13 860 603**	**13 233 468**
General Operating Expenses	- 7 117 766	- 7 194 827
Allowances for depreciation and amortization PE and intangible assets	- 947 015	- 620 980
Gross Operating Income	**5 795 821**	**5 417 661**
Cost of Risk	- 2 196 435	- 1 833 379
Operating Income	**3 599 386**	**3 584 281**
Share in net income of companies accounted for by equity method	69 866	61 804
Net gains or losses on other assets	- 13 106	6 210
Change in goodwill	-	-
Pre-tax earnings	**3 656 146**	**3 652 295**
Corporate income tax	- 1 080 129	- 843 574
Tax Net income from discontinued activities or operations held for sale		-
Net Income	**2 576 017**	**2 808 722**
Non-controlling interests	654 507	977 552
Net income attributable to parent	**1 921 510**	**1 831 170**

1.3 STATEMENT OF NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN SHAREHOLDERS' EQUITY

(In thousand MAD)

	31/12/2019	31/12/2018
Net income (loss)	**2 576 017**	**2 808 722**
Gains and losses recognised directly in equity and subsequently reclassified to income	**27 964**	**28 168**
Transfer to earnings	27 964	28 168
Financial assets at fair value through recyclable equity		
Revaluation differences		
Gains and losses recognised directly in equity and which will not subsequently be reclassified to income	**68 026**	**-63 583**
Actuarial gains and losses on defined benefit plans		
Items measured at fair value through non-recyclable equity	68 026	-63 583
Share of gains and losses recognised directly in equity on companies accounted for by the equity method		
Total gains and losses recognized directly in equity	**95 990**	**-35 415**
Net income and gains and losses recognised directly in equity	**2 672 007**	**2 773 307**
Group share	2 006 084	1 827 885
Minority interests' share	665 923	945 422

1.4 STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY 31/12/2019

(In thousand MAD)

	Share Capital	Reserves related to stock	Treasury stock	Reserves & consolidated earnings	Unrealised or deferred gains or losses	Shareholder's Equity attributable to parent	Noncontrolling interests	Total
Ending balance of adjusted Shareholder's Equity 12.31.2017	**1 794 634**	**11 953 769**	**0**	**5 409 550**	**-449 872**	**18 708 081**	**5 976 343**	**24 684 424**
Change in the accounting methods				-1 574 096		-1 574 096	-1 012 491	-2 586 587
Beginning Balance of Shareholder's Equity 12.31.2017	**1 794 634**	**11 953 769**	**0**	**3 835 454**	**-449 872**	**17 133 985**	**4 963 852**	**22 097 837**
Operations on capital		617 371		-617 371		0		0
Share-based payment plans						0		0
Operations on treasury stock						0		0
Dividends				-897 317		-897 317	-563 957	-1 461 274
Net Income				**1 831 171**		**1 831 171**	**977 552**	**2 808 723**
Changes in assets and liabilities recognized directly in equity					-409	-409	-371	-780
Transfer to earnings					-40 068	-40 068	-42 226	-82 295
Unrealized or deferred gains or losses	**0**	**0**	**0**	**0**	**-40 478**	**-40 478**	**-42 597**	**-83 075**
Change in the scope of consolidation				**194 375**		**194 375**	**257 949**	**452 325**
Others				**153 346**		**153 346**	**-126 372**	**26 974**
Ending balance of Shareholder's Equity 12.31.2018	**1 794 634**	**12 571 140**	**0**	**4 499 659**	**-490 350**	**18 375 083**	**5 466 427**	**23 841 511**
Recognition of expected credit losses (on financial instruments)								
Beginning balance of Shareholder's Equity 01.01.2019	**1 794 634**	**12 571 140**	**0**	**4 499 659**	**-490 350**	**18 375 083**	**5 466 427**	**23 841 511**
Operations on capital	203 571	3 903 724		-445 698		3 661 597		3 661 597
Share-based payment plans						0		0
Operations on treasury stock						0		0
Dividends				-897 317		-897 317	-600 722	-1 498 039
Net Income				**1 921 510**		**1 921 510**	**654 507**	**2 576 017**
Changes in assets and liabilities recognized directly in equity					67 246	67 246		67 246
Transfer to earnings					-23 149	-23 149	-31 181	-54 330
Unrealized or deferred gains or losses	**0**	**0**	**0**	**0**	**44 096**	**44 096**	**-31 181**	**12 915**
Change in the scope of consolidation				**-170 937**		**-170 937**	**33 527**	**-137 410**
Others				**-446 127**		**-446 127**	**-214 362**	**-660 489**
Ending balance of Shareholder's Equity 12.31.2019	**1 998 205**	**16 474 864**	**0**	**4 461 090**	**-446 253**	**22 487 906**	**5 308 196**	**27 796 102**

1.5 CASH FLOW STATEMENTS

(In thousand MAD)

CASH FLOW STATEMENTS	NOTE	31/12/2019	31/12/2018
Net Income before Tax		**3 656 146**	**3 652 296**
+/- Net depreciation/amortization expense on property, plant, and equipment and intangible assets	2.6	956 552	630 876
+/- Impairment of goodwill and other non- current assets		-	-
+/- Impairment of financial assets		118 603	- 15 026
+/- Net allowances for provisions		693 860	1 523 643
+/- Share of earnings in subsidiaries accounted for by equity method	4.10	- 55 210	- 61 366
+/- Net loss (income) from investing activities		- 507 520	- 465 450
+/- Net loss (income) from financing activities		-	-
+/- Other movements		34 548	470 864
Non monetary items included in pre-tax net income and other adjustments		**1 240 832**	**2 083 541**
+/- Cash flows related to transactions with credit institutions		2 949 832	217 244
+/- Cash flows related to transactions with customers		1 762 667	- 7 885 804
+/- Cash flows related to transactions involving other financial assets and liabilities		- 9 109 225	10 541 583
+/- Cash flows related to transactions involving non financial assets and liabilities		600 504	- 4 878 370
+/- Taxes paid		- 1 131 214	- 641 628
Net decrease / (increase) in assets and liabilities from operating activities		**- 4 927 436**	**- 2 646 975**
Net Cash Flows from Operating Activities		**- 30 458**	**3 088 862**
+/- Cash Flows related to financial assets and equity investments		22 037	- 418 474
+/- Cash flows related to investment property		- 98 686	95 806
+/- Cash flows related to PP&E and intangible assets		- 865 878	- 477 724
Net Cash Flows from Investing Activities		**- 942 527**	**- 800 392**
+/- Cash flows related to transactions with shareholders		2 158 929	- 949 034
+/- Cash flows generated by other financing activities		2 731 844	- 5 109 235
Net Cash Flows from Financing Activities		**4 890 773**	**- 6 058 269**
Effect of movements in exchange rates on cash and equivalents		- 33 948	- 248 827
Net increase/(decrease) in cash and cash equivalents		**3 883 840**	**- 4 018 626**
Net Balance of demand loans and deposits- credit institutions		**16 989 829**	**21 008 455**
Loan and loan of cash	4.1	14 310 554	14 490 894
Ending Balance of Cash and Equivalents		2 679 275	6 517 561
Net Balance of cash accounts and accounts with central banks and post office banks		**20 873 669**	**16 989 829**
Net Balance of demand loans and deposits- credit institutions	4.1	14 450 591	14 310 554
Loan and loan of cash		6 423 079	2 679 275
Net increase in cash and equivalents		**3 883 840**	**- 4 018 626**