

I. CONSOLIDATED BALANCE SHEET, CONSOLIDATED INCOME STATEMENT, STATEMENT OF NET INCOME, STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, CASH FLOW STATEMENT AND SUMMARY OF ACCOUNTING POLICIES

1.1. CONSOLIDATED BALANCE SHEET

The consolidated financial statements at 31 december 2018 were approved by the board of directors on 29 march 2019.

ASSETS				
	NOTES	31/12/18	01/01/2018 FTA	31/12/17
Cash and amounts due from central banks and post office banks	4.1	14 310 554	14 490 894	15 497 685
Financial instruments at fair value through profit or loss		-		34 002 616
Financial assets held for trading	4.2	25 104 686	33 808 089	
Other financial assets at fair value through profit or loss	4.2	1 011 536	1 437 396	
Derivatives used for hedging purposes		-		
Available-for-sale financial assets		-		10 531 128
Financial assets at fair value through equity		-		
Debt instruments recognised at fair value through recyclable equity	4.3	1 402 639	1 335 403	
Equity instruments reported at fair value through non-recyclable equity	4.3	3 986 053	4 048 481	
Held-to-maturity financial assets				23 016 078
Financial assets at amortised cost	4.4	25 315 848	26 449 553	
Loans and advances to credit institutions at amortised cost	4.5	21 250 394	25 147 124	25 177 051
Loans and advances to customers at amortised cost	4.6	179 302 874	181 984 271	183 814 990
Remeasurement adjustment on interest-rate risk hedged portfolios		-		
Financial investments of insurance activities		-		
Current tax assets	4.8	783 556	855 725	855 725
Deferred tax assets	4.8	1 615 532	1 802 409	793 123
Accrued income and other assets	4.9	7 199 267	6 095 077	6 095 077
Non-current assets held for sale		-		
Equity-method investments	4.10	874 360	643 037	643 037
investment property	4.11	3 730 378	3 824 439	3 824 439
Property, plant and equipment	4.11	7 640 031	7 302 800	7 302 800
Intangible assets	4.11	987 571	937 808	937 808
Goodwill	4.12	1 032 114	852 310	852 310
TOTAL ASSETS IFRS		295 547 393	311 014 816	313 343 867

(In thousand MAD)

LIABILITIES & SHAREHOLDERS EQUITY				
	NOTES	31/12/18	01/01/2018 FTA	31/12/17
Cash and amounts due from central banks and post office banks		-		
Financial instruments at fair value through profit or loss		-		1 768 686
Financial liabilities held for trading		-	37 094	
Financial liabilities at fair value through profit or loss under option		-	1 737 600	
Derivatives used for hedging purposes		-		6 008
Debt securities issued	4.7	13 582 981	15 101 490	15 101 490
Due to credit institutions	4.5	43 725 210	44 958 940	44 958 940
Due to customers	4.6	192 474 205	198 783 598	198 783 598
Remeasurement adjustment on interest-rate risk hedged portfolios		-		
Current tax assets	4.8	769 014	740 856	740 856
Deferred tax assets	4.8	1 179 765	1 601 333	1 598 944
Accrued expenses and other liabilities	4.9	9 350 024	13 419 677	13 419 677
Liabilities associated with non-current assets held for sale		-		
Technical reserves of insurance companies		-		
Provisions for contingencies and charges	4.13	1 039 395	1 087 637	832 490
Subsidies, assigned public funds and special guarantee funds				
Subordinated debts	4.6	9 585 289	11 448 754	11 448 754
TOTAL DEBTS		271 705 883	288 916 979	288 659 443
Capital and related reserves				
Consolidated reserves		14 365 774	13 748 403	13 748 403
Attributable to parent		-		
Attributable to parent		1 584 607	2 788 767	2 427 415
Non-controlling interests		3 977 575	4 420 422	4 625 624
Gains et pertes comptabilisés directement en capitaux propres		-		
Attributable to parent		593 531	596 815	495 942
Non-controlling interests		511 300	543 430	543 259
Net Income		-		
Attributable to parent		1 831 171		2 036 321
Non-controlling interests		977 552		807 460
TOTAL CONSOLIDATED SHAREHOLDERS'S EQUITY		23 841 510	22 097 837	24 684 424
TOTAL LIABILITIES		295 547 393	311 014 816	313 343 867

(In thousand MAD)

1.2. CONSOLIDATED INCOME STATEMENT

	NOTES	31/12/18	31/12/17
Interest and similar income		14 934 916	14 895 644
Interest and similar expense		-5 252 749	-5 220 279
Net Interest income	2,1	9 682 167	9 675 365
Fees received and commission income		2 990 545	2 732 308
Fees paid and commission expense		-477 341	-315 612
Net fee income	2,2	2 513 204	2 416 697
Net gains or losses resulting from net position hedges		-	-
Net gain on financial instruments at fair value through profit or loss	2,3	136 275	506 845
Net gains or losses on transaction assets/liabilities		138 632	-
Net gains or losses on other assets/liabilities at fair value through profit or loss		-2 357	-
Net gains on financial instruments at fair value through equity	2,4	226 865	-
Net gains or losses on debt instruments recorded as recyclable CP		-	-
Remuneration of equity instruments recognised as non-recyclable CP		226 865	-
Net gains or losses on available-for-sale financial assets		-	228 257
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	2,5	1 137 982	1 036 084
Expenses from other activities	2,5	-463 024	-495 692
Net Banking Income		13 233 468	13 367 556
General Operating Expenses	2,6	-7 194 827	-7 015 278
Allowances for depreciation and amortization PE and intangible assets	2,6	-620 980	-747 408
Gross Operating Income		5 417 661	5 604 869
Cost of Risk	2,7	-1 833 379	-1 794 180
Operating Income		3 584 281	3 810 689
Share in net income of companies accounted for by equity method		61 804	12 827
Net gains or losses on other assets	2,8	6 210	14 815
Change in goodwill		-	1
Pre-tax earnings		3 652 295	3 838 333
Corporate income tax	2,9	-843 574	-994 550
Tax Net income from discontinued activities or operations held for sale		-	-
Net Income		2 808 722	2 843 783
Non-controlling interests		977 552	807 460
Net income attributable to parent		1 831 170	2 036 323

(In thousand MAD)

1.3. STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

	Share Capital	Reserves related to stock	Treasury stock	Reserves & consolidated earnings	Unrealised or deferred gains or losses	Shareholder's Equity attributable to parent	Non-controlling interests	Total
Ending balance of adjusted Shareholder's Equity 31.12.2016	1 794 634	11 504 456		4 970 436	-9 794	18 259 732	5 322 955	23 582 687
Change in the accounting methods						0		0
Beginning Balance of Shareholder's Equity 31.12.2016	1 794 634	11 504 456		4 970 436	-9 794	18 259 732	5 322 955	23 582 687
Operations on capital		449 313		-449 313		0		0
Share-based payment plans						0		0
Operations on treasury stock						0		0
Dividends				-897 317		-897 317	-523 494	-1 420 811
Net Income				2 036 321		2 036 321	807 460	2 843 781
Changes in assets and liabilities recognised directly in equity					-408 252	-408 252	442 957	34 705
Transfer to earnings					-31 826	-31 826		-31 826
Unrealized or deferred gains or losses				0	-440 078	-440 078	442 957	2 879
Change in the scope of consolidation				-92 449		-92 449	25 910	-66 539
Others				-158 128		-158 128	-99 445	-257 573
Ending balance of Shareholder's Equity 31.12.2017	1 794 634	11 953 769		5 409 550	-449 872	18 708 081	5 976 343	24 684 424
Recognition of expected credit losses (on financial instruments)				-1 574 096		-1 574 096	-1 012 491	-2 586 587
Beginning balance of Shareholder's Equity 01.01.2018	1 794 634	11 953 769		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 recognised directly in equity					-409	-409	-371	-780
Transfer to earnings					-40 068	-40 068	-42 226	-82 295
Unrealized or deferred gains or losses					-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 31.12.2018	1 794 634	12 571 140		4 499 659	-490 350	18 375 083	5 466 427	23 841 511

(In thousand MAD)

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

	31/12/18	31/12/17
Net income (loss)	2 808 722	2 843 781
Gains and losses recognised directly in equity and subsequently reclassified to income	28 168	-31 826
Transfer to earnings	28 168	-31 826
Financial assets at fair value through recyclable equity		
<i>Revaluation differences</i>		
Gains and losses recognised directly in equity and which will not subsequently be reclassified to income	-63 583	1 080 821
Actuarial gains and losses on defined benefit plans		-49 166
Items measured at fair value through non-recyclable equity	-63 583	1 129 987
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	-35 415	1 048 995
Net income and gains and losses recognised directly in equity	2 773 307	3 892 776
Group share	1 827 885	2 542 057
Minority interests' share	945 422	1 350 719

(In thousand MAD)

1.5. CASH FLOW STATEMENTS AS OF DECEMBER 31ST, 2018

1.5.1. Cash Flow Statement

	Notes	31/12/18	01-01-2018 FTA
Net Income Before Tax		3 652 296	3 838 331
+/- Net depreciation/amortization expense on property, plant, and equipment and intangible assets	2,6	630 876	747 408
+/- Impairment of goodwill and other non- current assets		-	-
+/- Impairment of financial assets		-15 026	-16 898
+/- Net allowances for provisions		1 523 643	561 456
+/- Share of earnings in subsidiaries accounted for by equity method	4.10	-61 366	-12 827
+/- Net loss (income) from investing activities		-465 450	-930 281
+/- Net loss (income) from financing activities		-	-
+/- Other movements		470 864	-1 406 990
Non monetary items included in pre-tax net income and other adjustments		2 083 541	-1 058 132
+/- Cash flows related to transactions with credit institutions		217 244	2 079 434
+/- Cash flows related to transactions with customers		-7 885 804	2 736 592
+/- Cash flows related to transactions involving other financial assets and liabilities		10 541 583	8 431 333
+/- Cash flows related to transactions involving non financial assets and liabilities		-4 878 370	-1 645 793
+/- Taxes paid		-641 628	-1 401 950
Net decrease / (increase) in assets and liabilities from operating activities		-2 646 975	10 199 617
Net Cash Flows from Operating Activities		3 088 862	12 979 816
+/- Cash Flows related to financial assets and equity investments		-418 474	-1 166 373
+/- Cash flows related to investment property		95 806	-81 056
+/- Cash flows related to PP&E and intangible assets		-477 724	-372 909
Net Cash Flows from Investing Activities		-800 392	-1 620 338
+/- Cash flows related to transactions with shareholders		-949 034	-1 425 511
+/- Cash flows generated by other financing activities		-5 109 235	2 950 430
Net increase/(decrease) in cash and cash equivalents		-6 058 269	1 524 919
Beginning Balance of Cash and Equivalents		-248 827	434 796
Net Balance of cash accounts and accounts with central banks and post office banks		-4 018 626	13 319 193
Net Balance of demand loans and deposits- credit institutions		21 008 455	7 689 262
Loan and loan of cash	4.1	14 490 894	12 155 637
Ending Balance of Cash and Equivalents		6 517 561	-4 466 375
Net Balance of cash accounts and accounts with central banks and post office banks		16 989 829	21 008 455
Net Balance of demand loans and deposits- credit institutions	4.1	14 310 554	14 490 894
Loan and loan of cash		2 679 275	6 517 561
Net increase in cash and equivalents		-4 018 626	13 319 193

(In thousand MAD)