

SUMMARY OF INFORMATION NOTE



**BANQUE CENTRALE POPULAIRE (BCP) CAPITAL INCREASE
RESERVED TO BANQUE POPULAIRE CAISSE D'EPARGNE MAROC (BPCE MAROC)
ANNOUNCED FOR 28/05/2012**

NUMBER OF NEW SECURITIES TO BE ISSUED	8 224 241
PRICE PER SHARE	201 DH
OPERATION GLOBAL AMOUNT	1 653 072 441 DH

Advisory and Coordinating Agent



Registration Agent



VISA OF THE CONSEIL DEONTOLOGIQUE DES VALEURS MOBILIERES

In accordance with the CDVM Circular taken pursuant to Article 14 of the Dahir No. 1-93-212 of September 21st 1993 relative to the Conseil Déontologique des Valeurs Mobilières (CDVM) and the information required by legal persons with public offering as amended and supplemented, the original of this present note has been Approved by the CDVM on 11th May 2012 under the reference VI/ EM/016/2012

WARNING

The CDVM visa does not imply the approval of the appropriateness of the transaction nor the authentication of the information presented. It was granted after review of the relevance and consistency of the information given in the context of the proposed transaction to investors.

The Conseil Déontologique des Valeurs Mobilières (CDVM) on 11th May 2012 approved a circular relating to capital increase by Banque Centrale Populaire (BCP) reserved to Banque Populaire Caisse d'Epargne Maroc (BPCE Maroc).

The information note approved by the CDVM is available at any time:

- At the headquarters of the BCP at: 101, Bd Zerktouni – Casablanca. Tel: (0522) 20 25 33, on its website (www.gbp.ma);
- At Upline Securities, 37, boulevard Abellatif Ben Kaddour, Casablanca, 20 050, Tel: (0522) 99 71 71;
- On the CDVM website (www.cdvm.gov.ma);
- At the headquarters of the Stock Exchange and on its website www.casablanca-bourse.com;

I. PRESENTATION OF THE OPERATION

I.1. OBJECTIVES OF THE OPERATION

On the basis of their shared historical and cultural values, the two groups aim to use this strategic partnership to develop industrial and commercial synergies which will be to the advantage of their respective banking networks.

Accordingly, after a number of discussions and consultations, the French BPCE Group and the Banque Populaire Group have agreed to set up an industrial, commercial and capitalistic partnership in which BPCE Maroc will take a 5% holding in the capital of the BCP.

The partnership is in line with the development strategies of the two groups and is concerned mainly with:

- Exclusive cooperation in the setting up of banking products and services targeting Moroccans resident in France, and/or clients carrying out commercial banking operations between France and Morocco, subject to the commitment of each of the Caisses d'Epargne and the French Banques Populaires;
- Cooperation in private banking and wealth management activities;
- Establishing business relationships between Natixis and the network of Moroccan Banques Populaires;
- Sharing of technical platforms;
- Cooperation with regard to growth in Africa.

It should be noted that this partnership may include the subsidiaries of the BCP, taking into account the potentially complementary activities of the two groups.

For the BPCE group, the planned operation corresponds on the one hand to a major priority of its strategic plan, namely that of reinforcing its presence in Africa, where it possesses several subsidiaries and holdings, in particular in Algeria (Natixis Algérie), Tunisia (BTK), Cameroun (BIOEO), Congo (BQ), Mali (BNDA), Madagascar (BMQI) and Mauritius (PM), and on the other hand to the goal of developing industrial synergies of benefit to both parties with a major Moroccan bank.

I.2. CHARACTERISTICS OF THE OPERATION

Nature of securities	BCP shares.
Number of securities	8 224 241 shares.
Nominal value	10 DH per share.
Form of securities	Bearer.
Issue price	The issue price for the new BCP shares for Banque Populaire Caisse d'Epargne Maroc (BPCE Maroc) is fixed at 201 DH per share.
Share premium	The share premium on the newly issued BCP shares is 191 DH per share.
Amount of operation	1 653 072 441 dirhams.
Dematerialization of securities	The BCP shares will be entirely dematerialized and registered in an account at the central depository Maroclear.
Paying up of securities	The issued shares will be fully paid up at the time of subscription.
Release of funds	29 May 2012.

Vesting date	1 January 2012.
Market listing	2 nd line.
Preferential subscription right	The EGM of 28 May 2012 which will give a ruling on the capital increase will decide to abolish the preferential subscription right in order to reserve the entire capital increase to Banque Populaire Caisse d'Epargne Maroc (BPCE Maroc).
Attached rights	<ul style="list-style-type: none"> ▪ The right to vote in Shareholders' General Meetings: Banque Populaire Caisse d'Epargne Maroc (BPCE Maroc) will have the right to vote in Shareholders' General Meetings, with no restrictions. ▪ The right to a share of profits: With the dated date of 1st January 2012, Banque Populaire Caisse d'Epargne Maroc (BPCE Maroc) will be entitled to receive dividends, it being understood that the distribution of dividends depends on the sovereign decision of the Ordinary General Meeting of the BCP. ▪ The right to a share in the proceeds of liquidation: All shares will have the same rights in the distribution of the proceeds of liquidation.
Negotiability of shares	The securities reserved to Banque Populaire Caisse d'Epargne Maroc (BPCE Maroc) are not transferable.
Dilution of existing shareholders	Following this operation, existing shareholders will be diluted by 5%. Their share in the capital of the BCP after the operation will be 95% of their share before the operation.

I.3. OPERATION SCHEDULE

Orders	Stages	Date
1	Reception of the full application file by the Casablanca Stock Exchange	07 May 2012
2	Issuance by the Casablanca Stock Exchange of the Notice of Approval relating to the capital increase and the operation schedule	11 May 2012
3	Reception by the Casablanca Stock Exchange of the Information Note approved by the CDVM	11 May 2012
4	Publication of the decision regarding the operation in the 'Bulletin de la Cote', an official newspaper for legal announcements	14 May 2012
5	Publication of an extract from the Information Note by the BCP	14 May 2012
6	Approval by the BCP's EGM of the procedures of the operation	28 May 2012
7	Release of funds and reception by the Stock Exchange of the minutes of the EGM which fixed the procedures for the capital increase	29 May 2012
8	Reception by the Casablanca Stock Exchange of the letter from the special representative ratifying the capital increase in cash	04 June 2012
9	Delivery of the issued shares	08 June 2012
10	<ul style="list-style-type: none"> • Admission of the new securities • Registration of the capital increase in cash 	11 June 2012
11	Deduction by the Casablanca Stock Exchange of the registration fee	12 June 2012

II. INFORMATION ABOUT THE ISSUER

II.1. OVERVIEW

Banque Centrale Populaire is an organization belonging to Crédit Populaire du Maroc - CPM. This organization, founded by Dahir N° 1-60-232 of 2 February 1961, is regulated by Law N°12-96 reforming the CPM, as supplemented and amended by Law n°42-07 of 20 October 2008 and Law n° 44-08 of 24 August 2010.

The CPM is defined as a group of banks composed of Banque Centrale Populaire, on the one hand, and of ten (10) Banques Populaires Régionales (BPRs), on the other hand. Its function is to encourage, through the distribution of loans, the activity and development of any small or medium-sized business, whether this is a traditional, industrial or service company. It contributes to the mobilization of savings, their exploitation in the regions where they are collected, and the promotion of banking activities at the regional level.

Name	Banque Centrale Populaire – BCP
Headquarters	101, Boulevard Zerktouni- B.P: 20100, Casablanca
Telephone number	(212) 522 20 25 33 / 522 22 41 11 / 522 22 25 89
Fax number	(212) 522 22 26 99 / 522 20 93 40
Website	www.gbp.ma
Legal form	The BCP is a public company with a board of directors, governed by the provisions of Law N° 20-05 ¹ .
Date of founding	Banque Centrale Populaire was founded by Dahir N° 1-60-232 of 2 February 1961 as a Cooperative Company with variable capital.
Duration	99 years
Commercial Register Number	R.C. Casablanca N° 28173
Financial year	From 1st January to 31st December
Objectives	Article 5 of the statutes of Banque Centrale Populaire makes reference to the following: 1- Banking operations <ul style="list-style-type: none">▪ The company's purpose is to conduct, as its standard function, all the operations that banks are able to carry out in accordance with the provisions of Law n°34-03 relating to lending institutions and similar organizations and of any text amending or supplementing this law.▪ The company carries out its banking activities under the supervision and the administrative, technical and financial control of the Steering Committee of Crédit Populaire du Maroc. 2- Central Banking Organization of the Banques Populaires Régionales <ul style="list-style-type: none">▪ The company is the central banking organization of the Banques Populaires Régionales, regulated by the aforementioned Law n°12/96.

¹ The BCP was changed from a cooperative company with variable capital into a public company via the application of Article 16 of Law 16-96 as amended and supplemented .

- In this capacity, it is responsible for:
 - offsetting the reciprocal receivables and payables of the organizations of Crédit Populaire du Maroc;
 - refinancing the Banques Populaires Régionales, in accordance with the conditions fixed by the Steering Committee;
 - centralizing the purchases of public or private securities recorded in the organizations of Crédit Populaire du Maroc;
 - consolidating the accounts of the organizations of Crédit Populaire du Maroc and their subsidiaries. The consolidating entity responsible for setting up the consolidated accounts is made up of the organizations of Crédit Populaire du Maroc;
 - managing, in accordance with the procedures fixed by the Steering Committee:
 - cash surpluses of the Banques Populaires Régionales;
 - services of common interest to the organizations of Crédit Populaire du Maroc;
 - support funds of Crédit Populaire du Maroc;
 - the centralization of all kinds of declarations regarding Bank Al-Maghrib, the Administration and Professional Organizations;
 - any task assigned to it by the Steering Committee, in accordance with the provisions of Article 11 of Law n°12-96.

By virtue of the provisions of Article 55 of Law n°12- 96, Banque Centrale Populaire provides the Banques Populaires Régionales with senior management staff, on a transitional basis, where this is necessary for their efficient functioning.

3- Activities carried out for the Steering Committee

- Banque Centrale Populaire serves as the secretariat for the Steering Committee of Crédit Populaire du Maroc, by virtue of the provisions of Article 14 of Law n° 12-96.
- The Steering Committee may, in accordance with Article 11 of the said law, make Banque Centrale Populaire responsible for the application of decisions it takes by virtue of the roles assigned to it by the law.
- The decisions of the said Committee are binding on Banque Centrale Populaire.

	<p>4- Investment, acquisition and general running operations - Subsidiaries</p> <ul style="list-style-type: none"> ▪ Provided that it respects the norms, procedures and conditions of budget funding set out by the Steering Committee of Crédit Populaire du Maroc, the company may carry out the following operations: <p>4.1- Operations:</p> <ul style="list-style-type: none"> ▪ The company may incur any operational expenditure necessary for its activity. <p>4.2- Investment:</p> <ul style="list-style-type: none"> ▪ The company may make any investments in moveable and immovable assets required for the practice of its activity, the protection of its interests and the accommodation of its staff. <p>4.3- Acquisitions of capital of the BPRs</p> <p>Acquisitions by Banque Centrale Populaire in one of more of the other organizations of Crédit Populaire du Maroc are subject to the prior approval of the Steering Committee, which determines the levels and modalities of any such acquisitions.</p> <p>4.4- Other acquisitions and subsidiaries</p> <ul style="list-style-type: none"> ▪ The company may, provided it respects the provisions of Law n°34-03 and the regulations in force, and provided it is authorized to do so by the Steering Committee: ▪ Acquire holdings in any companies or businesses, existing or in the process of creation, while giving priority to those of regional or local interest ▪ Create or abolish any subsidiary, in Morocco or abroad, which is responsible for managing or exploiting activities shared by the Group of Banques Populaires. ▪ However, it may not intervene directly in the districts where the Banques Populaires Régionales are active except with the approval of the Banque Populaire Régionale concerned. In case of conflict, the Steering Committee has the final word. ▪ And more generally, the company may carry out any banking, financial, commercial, or industrial operations, relating to moveable or immovable assets, which can be linked directly or indirectly to its objectives.
Current shareholders' equity	<ul style="list-style-type: none"> ▪ On 30 April 2012, 1 562 605 860 Dirhams, divided into 156 260 586 shares.
Legal documents	<ul style="list-style-type: none"> ▪ The legal documents, in particular the statutes, the minutes of the shareholders' meetings, the auditors' reports and management reports may be consulted at the headquarters of Banque Centrale Populaire.

Relevant legislative and statutory texts	<ul style="list-style-type: none"> ▪ By virtue of its legal form, the BCP is governed by Moroccan law and Law 17-95 of 30 August 1996 relating to public companies, as amended and supplemented by Law 20-05; ▪ By virtue of its status as part of Crédit Populaire du Maroc, the BCP is governed by Law 12-96, as amended and supplemented by Law 42-07, and Law 44-08 relating to the CPM; ▪ By virtue of its activity, the BCP is governed by Dahir N° 1-05-178 of 15 Moharrem 1427 (14 February 2006) promulgating Law N° 34-03 relating to the activity of lending institutions and similar organizations (banking law); ▪ By virtue of its listing on the stock exchange, the BCP is subject to all the legal and regulatory provisions relating to the financial market, in particular: <ul style="list-style-type: none"> ▪ Dahir n°1-93-211 of 21 September 1993 concerning the Stock Exchange, amended and supplemented by Laws 34-96, 29-00, 52-01 and 45-06; ▪ General Regulations of the Stock Market, approved by Decree of the Ministry of Economic Affairs and Finance n°499-98 of 27 July 1998 and amended by Decree of the Ministry of Privatization and Tourism n°1960-01 of 30 October 2001. This was modified by the amendment of June 2004, which came into effect on 22 November 2004, and by Decree n° 1268-08 of 7 July 2008; ▪ Dahir n°1-93-212 of 21 September 1993 relating to the Conseil Déontologique des Valeurs Mobilières (securities ethics council) and the information required of publicly held corporations, as amended and supplemented by Laws n°23-01, 36-05 and 44-06; ▪ Dahir n°35-96 relating to the creation of a central depository and the setting up of a general accounting system for certain securities, amended and supplemented by Law N° 43-02; ▪ General Regulations for the Central Depository approved by Decree of the Ministry of Economic Affairs and Finance n°932-98 of 16 April 1998 and amended by Decree of the Ministry of Privatization and Tourism n°1961-01 of 30 October 2001; ▪ Dahir N° 1-04-21 of 21 April 2004 promulgating Law N° 26-03 relating to public bids on the stock market, as amended and supplemented by Law 46-06; ▪ General Regulations of the Conseil Déontologique des Valeurs Mobilières, approved by Decree of the Ministry of Economic Affairs and Finance n°822-08 of 14 April 2008.
Method of taxation	<ul style="list-style-type: none"> ▪ As a lending institution, the BCP is subject to corporation tax (37%) and VAT (10%).
Court having jurisdiction in case of litigation	<ul style="list-style-type: none"> ▪ Commercial Court of Casablanca.

II.2. SHAREHOLDERS

On 30 April 2012, the shareholders of the BCP were as follows:

Shareholders	Number of securities	% holding
BANQUES POPULAIRES REGIONALES	57 119 148	36.55%
<i>BP MEKNES</i>	<i>5 844 222</i>	<i>3.74%</i>
<i>BP AGADIR</i>	<i>5 814 818</i>	<i>3.72%</i>
<i>BP EL JADIDA</i>	<i>5 833 429</i>	<i>3.73%</i>
<i>BP FES</i>	<i>5 940 897</i>	<i>3.80%</i>
<i>BP LAÏYOUNE</i>	<i>4 937 490</i>	<i>3.16%</i>
<i>BP TANGER</i>	<i>5 830 135</i>	<i>3.73%</i>
<i>BP MARRAKECH</i>	<i>5 557 282</i>	<i>3.56%</i>
<i>BP RABAT</i>	<i>5 727 973</i>	<i>3.67%</i>
<i>BP NADOR</i>	<i>5 735 629</i>	<i>3.67%</i>
<i>BP OUJDA</i>	<i>5 897 273</i>	<i>3.77%</i>
GENERAL TREASURY	26 869 360	17.20%
EMPLOYEES	8 440 322	5.40%
OCP	8 752 736	5.60%
RMA	6 683 624	4.28%
RCAR	11 092 480	7.10%
CNIA	343 910	0.22%
CIMR	7 813 030	5.00%
MAMDA	1 562 606	1.00%
MCMA	1 562 606	1.00%
Wafa ASSURANCES	3 340 000	2.14%
CMR	4 474 006	2.86%
OTHER	18 206 758	11.65%
TOTAL	156 260 586	100.00%

Source: BCP

II.3. BOARD OF DIRECTORS

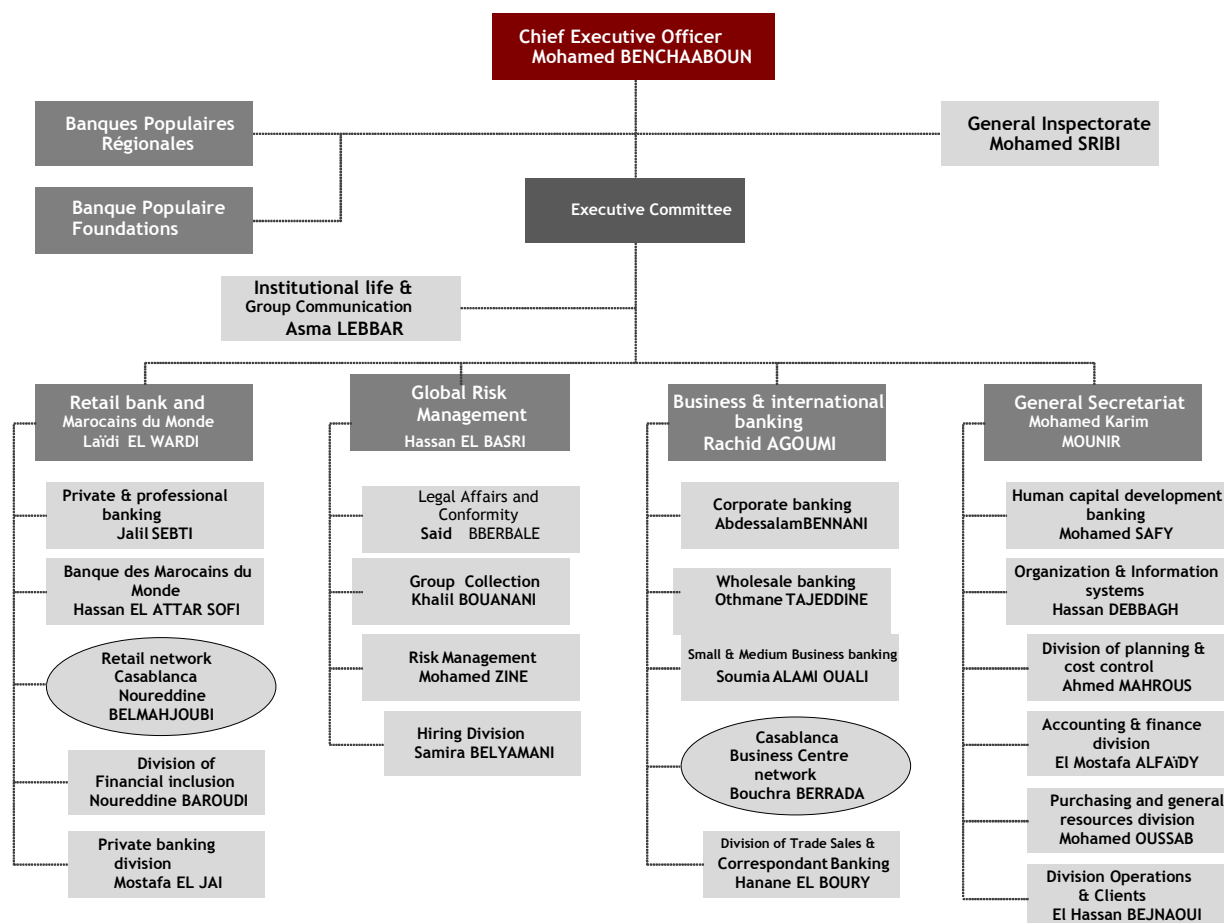
On 30 April 2012, the BCP's Board of Directors was composed of the following members:

Name	Position	Date of appointment or co-option	Date of reappointment	Date of expiration of term
Mr. Mohamed BENCHAAABOUN	Chief Executive Officer	General Meeting of 23/05/2008	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Mr. Mohamed BELGHAZI	Director General Head of CPM Secretariat	Coopted by the Board of Directors 25/03/2010	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
OCP S.A.	Represented by Mr. Mostafa TERRAB Chief Executive Officer	Coopted by the Board of Directors 18/03/2009	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Mr. KHALID SAFIR	Secretary General of the Ministry of Economic Affairs and Finance	Coopted by the Board of Directors 14/03/2011	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Ms. Fouzia ZAABOUL	Director of the Treasury and External Finance Department of the Ministry of Economic Affairs and Finance	Coopted by the Board of Directors 14/07/2010	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Banque Populaire of Rabat-Kenitra	Represented by its Chairman of the Board Mr. Ahmed ASSALHI	General Meeting of 25/05/2005	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Banque Populaire of Marrakech-Béni Mellal	Represented by its Chairman of the Board Mr. Mohamed BELQEZIZ	Board of Directors 25/09/2009	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Banque Populaire of Meknès	Represented by its Chairman of the Board Mr. Abdelaziz TRACHEN	Board of Directors of 25/05/2005	General Assembly of 24/05/2011	General Assembly called to approve the 2016 Financial Statements
Banque Populaire of Tanger-Tétouan	Represented by its Chairman of the Board Mr. Mohamed BOULGHMAIR	Board of Directors of 24/05/2011	NA	General Assembly called to approve the 2016 Financial Statements
Banque Populaire of El Jadida Safi	Represented by its Chairman of the Board Mr. Mohamed ADIB	Board of Directors of 24/05/2011	NA	General Assembly called to approve the 2016 Financial Statements

Source: BCP

II.4. LEGAL ORGANIZATION CHART

The BCP's organization chart on 30 April 2012 was as follows:



II.5. STRUCTURE OF BCP'S HOLDINGS

Banque Centrale Populaire controls a number of subsidiaries. On 30 April 2012, the BCP's subsidiaries were as follows:

Subsidiaries	Area of activity	% capital	Voting rights
Maroc Leasing	Lease financing	53.11%	53.11%
Vivalis (ex-Assalaf Chaabi)	Consumer credit	63.92%	63.92%
Upline Group	Merchant banking	74.87%	74.87%
Maroc Assistance Internationale	Assistance	77.43%	77.43%
Chaabi Bank (ex-BCDM)	Banking	99.81%	99.81%
BPMG	Banking	55.53%	55.53%
BPMC	Banking	62.50%	62.50%
Chaabi International Bank offshore	Off shore banking	70.00%	70.00%
Chaabi LLD	Longterm rentals	72.93%	72.93%
BP Shore	Real estate and other services	51.00%	51.00%
Médiafinance	Capital market	60.00%	89.95%
Chaâbi Capital Investissement	Investment funds	49.00%	49.00%
Fonds Moussahama I	Nonspecialized investment fund	99.86%	99.86%
Fonds Moussahama II	Nonspecialized investment fund	60.00%	60.00%

Source: BCP

II.6. BCP'S ACTIVITY

Trends in loans

The net amount of outstanding customer loans, classified by type of loan, is as follows:

(In MDH)	2009 ^{PF}	2010	2011	Var 10/09 ^{PF}	Var 11/10
Cash flow loans and consumer credits	20 164	23 396	31 848	16%	36%
Investment loans	16 521	21 527	21 871	30%	2%
Home loans	18 638	18 415	19 558	-1%	6%
Other loans	2 053	2 292	5 317	12%	>100%
Net amount of customer loans	57 376	65 630	78 594	14%	20%

Source: BCP-Comptes sociaux

At the end of December 2011, the net amount of customers' loans increased by 20%, to 78.5 Billion DH. This increase is largely due to the increased number of cash flow loans and consumer credits, which rose by 36%, to 31.8 Billion DH.

Trends in customer deposits

Customers' deposits, classified by type of deposit, can be analysed as follows:

(In MDH)	2009	Share	2009 ^{PF}	Share	2010	Share	2011	Share
Instant access accounts in credit	1 646	9%	18 716	41%	22 142	49%	27 909	56%
Savings accounts			2 751	6%	2 987	7%	3 352	7%
Fixed term deposits (FTD)	15 919	86%	22 945	50%	18 401	41%	15 676	31%
Other accounts in credit	920	5%	1 421	3%	1 371	3%	2 940	6%
Customer deposits	18 485	100%	45 833	100%	44 902	100%	49 877	100%
% growth	22%		> 100%		-2%		11%	

Source: BCP - Comptes sociaux

At the end of December 2011, customers' deposits increased by 11% to 49.8 Billion DH. This increase is largely the result of instant access accounts in credit, which represent 56% of the total amount of customers' deposits.

III. RISK FACTORS

III.1. CREDIT AND COUNTERPARTY RISK

The bank's credit activity is set within the framework of the general credit policy approved by the CPM's Steering Committee. This policy is based on concerns for security, the profitability of operations, the standardization of risk management over the whole set of CPM organizations, rigorous selection of the applications for loans, the creation of a file for each credit operation which is reviewed at least once a year, reactivity in debt collection procedures, and a separation between the functions of credit sales and those of risk evaluation and control. The foundations of this policy are set out in internal regulatory texts in the form of circulars, circular letters and standards documents.

For businesses and professionals, the CPM uses a ratings system meeting Basel II requirements. This ratings system is the central element in the bank's credit risk management system. In fact, the ratings are an essential component in risk evaluation and credit approval.

Monitoring exposure to risk is carried out through analysis of the rated portfolio. For this purpose, regular reports are produced by the Risk Management department at the level of the BCP and the BPRs, and these are sent to the various committees responsible for monitoring risk.

For private clients, the scoring system used at present covers home loans and consumer credits. In addition, the bank has just launched a project to meet the needs of its retail ratings system, which will form the basis for a second stage, still required in order to move to an internal ratings system.

The bank also has a system for the close monitoring of individual and sectoral concentration risk, required both to comply with the prudential rules imposed by the risk division, and to ensure the diversification of counterparties needed for risk dilution. So, for individual concentration risk, our institution has set up a process for examining the 100 primary composite risks of the large groups (about five counterparties). This process is duplicated at the level of the BPRs, which each apply it to their own areas.

Alongside this monitoring, particular attention is paid to commitments once they exceed 5% of capital stock.

Credits by disbursement	As % of CPM's productive assets
CPM's 100 primary risks	46%
Counterparties eligible for BAM declaration	24%

As for the management of sectoral concentration risk, the CPM has a monitoring system based on regular reports, sectoral studies and progress reports.

III.2. MARKET RISK

With the aim of restricting and controlling market risks, the Banque Centrale Populaire group has set up a risk management system which meets Basel II requirements and uses best practices, with performance objectives and risk tolerance levels in proportion with capital stock.

Thus the group has adopted a market risk management and monitoring framework which includes the use of VaR methodology and of sensitivity analysis for the whole of its negotiation portfolio.

Evolution of risk indicators

The overall VaR (1-Day at 95%) of the portfolio at the end of December 2010 is 46.74 Million DH, which represents 0.34% of the market value of the portfolio and 0.22% of the total capital stock. The non-correlated VaR is 57.6 Million DH, representing a diversification effect of 10.87 Million over the entire portfolio and spread across the various instruments.

The VaR is concentrated mainly in foreign exchange transactions and foreign currency cash flows, and secondarily in other components (obligatory portfolio, shares and UCITS). This is due to the size of these portfolios, the high volatility of the risk factors which make them up, and their weight relative to the other factors in the negotiation portfolio.

The overall VaR (1-Day at 99%) of the portfolio at the end of December 2011 is 13.71 Million DH, which represents 0.1% of the market value of the portfolio and 0.06% of the total capital stock.

The non-correlated VaR is 16.90 Million DH, representing a diversification effect of 3.19 Million over the entire portfolio and spread across the various instruments.

The VaR is concentrated mainly in the obligatory portfolio and property securities, and secondarily in foreign exchange transactions and foreign currency cash flows.

- Exchange Sub-fund

The forward exchange portfolio remained almost stable throughout 2010, this being due mainly to the generalized reduction of the backlog, despite a few observed events relating to the increased volatility of EUR and USD exchange rates.

Despite an important increase during the year's second quarter, the net foreign exchange position remained balanced, taking into account the composition of the Dirham's basket of currencies and the updating of various cash flow operations. The regulatory limits, in relation to the level of capital stock, for the overall position and per currency were respected during 2010.

The forward exchange portfolio maintained an almost stable level during the first three quarters of 2011, followed by a drop in outstanding debt in the fourth quarter combined with an increase in foreign exchange swaps, despite the events observed relating to the increased volatility of EUR and USD exchange rates.

Despite an important increase during the first quarter of the year, coming close to the short-term limit, the net foreign exchange position remained balanced over the rest of the year, taking into account the composition of the Dirham's basket of currencies and the updating of various cash flow operations.

The regulatory limits, in relation to the level of capital stock, for the overall position and per currency were respected during 2011.

	Net foreign exchange position	Capital stock	% Capital stock
March 2010	751	20 184	3.7%
June 2010	1 531	20 419	7.5%
September 2010	403	20 808	1.9%
December 2010	125	21 002	0.6%
March 2011	943	20 785	4.54%
June 2011	599	20 785	2.88%
September 2011	431	21 394	2%
December 2011	375	21 739	2%

The VaR for foreign exchange activities reached 1.23 Million DH in June 2011.

- Obligatory Sub-fund

During 2010, the obligatory limits were revised and approved by the administrative and governing bodies. The limits on duration and maximum position of investment portfolios were maintained at the same levels as in the previous year.

The VaR of obligatory activities at the end of December 2010 represents 7.71 Million DH.

During 2011, the obligatory limits were revised and approved by the administrative and governing bodies. The limits on duration and maximum position were reinforced by a sensitivity limit on the investment portfolio, and were modified in response to the new context of volatility of the market.

The VaR of obligatory activities at the end of December 2011 represents 7.05 Million DH.

- Shares and UCITS Sub-fund

The loans outstanding in this portfolio remained almost stable during 2010, distributed in the proportions of 10% and 90% respectively for the shares and the UCITS, this being with the aim of reducing positions on stocks with insignificant values and concentrating on blue chip stocks judged to be more liquid.

The VaR for activities relating to property securities represents 5.56 Million DH.

The loans outstanding in this portfolio remained almost stable at an average of around 3.5 billion MAD, distributed in the proportions of 10% and 90% respectively for the shares and the UCITS, this being with the aim of reducing positions on stocks with insignificant values and concentrating on blue chip stocks judged to be more liquid.

The VaR for activities relating to property securities amounts to 4.31DH.

III.3. ALM RISKS

The procedure for evaluating and monitoring the general level of overall interest rate risk for our bank is carried out:

- Once per quarter, when the primary financial statements are drawn up;
- When important changes are made to the fee schedules.
- This monitoring system relies on:
 - A method of evaluation based on gap analysis.
 - A system of quarterly reports to the Risk Management Committee relating to levels of exposure and stress testing for impact on net banking income (NBI) and capital stock.
 - Alongside this, additional complementary scenarios are applied to the whole of the balance sheet in order to measure the impact of a major shock on rates.

The procedure for evaluating and monitoring the general level of overall interest rate risk is carried out:

- Once per quarter, when the primary financial statements are drawn up;
- Twice a year, as an accompaniment to the planning process (at the strategic guidance note stage and the stage of formulating the medium-term financial plan), when it serves as a criterion for the final approval of the medium-term plan;
- When important changes are made to fee schedules, in order to evaluate their impact.

This monitoring system relies on:

- A method of evaluation based on gap analyses.
- A system of quarterly reports to the Risk Management Committee relating to levels of exposure and stress testing for impact on NBI and capital stock and forecasts of the evolution of prudential ratios.
- A system of limits for risk impacts, relative to NBI and capital stock, which is drawn up by the Risk Management Committee and approved by the Steering Committee.

By means of this system, the management of overall interest rate risk aims to optimize the impact of rates on profit and capital stock, using the calculation of static and dynamic gaps at the frequencies indicated above.

Evolution of risk indicators

On 30 June 2011, the profile of the assets and liabilities maturing within 12 months is more or less the same as that of the assets and liabilities at the end of December 2010, excluding:

- The acquisition of property securities for the amount of 1.7 billion Dirhams (at the expense of marketable securities and investment securities) which are sold in the short term;
- The issuance of letters of credit acquired by forfait, with a maximum renewal period of one year;
- The issuance of certificates of deposit in May 2011 for the amount of 3 billion Dirhams (bringing the total amount of certificates of deposit issued to 5 billion Dirhams);
- The increase in securities lent under repurchase agreements by 3.4 billion Dirhams.

At the end of December 2011, the risk profile is still improving following several developments:

- the continued acquisition of property securities for trading purposes (for the amount of 2.4 billion Dirhams), which are sold in the short term;
- the increase in forward currency transactions;
- the falling due of certificates of deposit for the amount of 2 billion Dirhams.

Thus our risk profile for the year ahead is positive in December 2011, with impacts reflecting, within the same trend, short term movements of interest rates.

The following table shows the potential impact of a rise in rates of 100 base points, over a period of 12 months (short term), on the net interest income and the economic value of the bank in 2010 and 2011. The impact of such a variation constitutes less than 1.5% of NBI and 1% of our capital stock.

As % of CPM's productive assets	December 2010	June 2011	December 2011
Profit (in millions)	122	95	78
Relative to net banking income	1.48%	1.15%	0.85%
Economic value in short term (in millions)	-51	-77	-105
Relative to capital stock	-0.24%	-0.45%	-0.48%

Liquidity risk:

Management of this risk is achieved through the maintenance of a sufficiently high level of liquid securities and a stable and diversified supply of funds. The securities portfolio consists mainly of treasury bonds, and to a lesser extent of positions on liquid stocks and on UCITS.

Evolution of risk indicators

The total assets of CPM amount to 205.3 billion Dirhams at the end of December 2010 as opposed to 195.8 billion in 2009, representing an increase of 4.9%.

In December 2011, by comparison with December 2010, assets requiring cash refinancing amount to 29 billion Dirhams. These mainly concern loans to the value of 20 billion Dirhams (including 1.5 billion for forfaiting activities introduced during the financial year of 2011) and the securities portfolio (transaction and investment) to the value of 4.8 billion Dirhams. These sums were refinanced via:

- Clients' deposits to the value of 13.7 billion Dirhams;
- The lowering of Bank Al-Maghrib's monetary reserve by 3.8 billion (due in part to the reduction of the base for calculating this reserve);
- The increase in debts to lending institutions, including 6 billion in loans with repurchase agreements from Bank Al-Maghrib and 4 billion in loans in foreign currency;
- The issuance of Certificates of deposit for 3 billion, as opposed to 2 billion in 2010.

The progressive tightening of liquidity, which has been a feature of the banking sector since 2008, continued at an increased pace in 2011.

The CPM's resources collected from clients increased by 8.2%, rising from 167.9 billion in December 2010 to 181.7 billion at the end of December 2011. This increase concerns instant access accounts

(+13.3%) and passbook accounts (+12.6%). On the other hand, fixed term deposits saw a reduction of 25% as a result of the failure to reinvest the fixed term deposits of some large companies.

The result was a reduction in the amount of interest-bearing funds in relation to the total amount of funds.

The CPM's transformation ratio was 86.8% in December 2011, as opposed to 84.4% a year earlier, as a result of the increased development of loan activity, which increased by 16.2% relative to the customers' deposits (+8.2%). To provide selective support for this pro-active growth policy, the CPM in May 2011 issued certificates of deposit for the amount of 3 billion Dirhams as opposed to 2 billion in 2010. However, the CPM's recourse to the money market and obligatory market remains fairly limited in comparison to that of its fellow banks.

III.4. OPERATIONAL RISKS

The operational risk management system is applied to all the entities which make up the group, and is based overall on the identification and evaluation of risks by the use of risk mapping, and the monitoring and updating of the risks identified.

The three major instruments used are the mapping of operational risks, the recording of incidents, and self-evaluation.

Mapping of operational risks

A framework for the development of operation risk mapping has been set up in collaboration with a specialized firm. A generic version using the BCP and BP CASA as a pilot site has been produced for a number of activities: commitments, cash transactions, account management, international transactions, market operations, electronic banking, bancassurance, etc.

Certain support functions have also been mapped internally using the same methods (human resources, logistics, information systems, management control).

The procedure is carried out in several stages:

- Identification of risk events:
- Measuring and evaluation of risk events
- Assessment of monitoring systems and risk coverage;
- Determination of net risk (or net exposure), calculated on the basis of a combination of
 - The value of the aggregate gross impact (impact x frequency);
 - And the gap identified in coverage of the control system.

The use of mapping in the BPRs and its subsidiaries

In the case of the BPRs, risk managers have been trained in methods of operational risk identification and evaluation. They are being deployed to re-value the risks by applying data from their BPRs.

Self-evaluation of the risk control mechanisms

As recommended by the texts issued by Bank Al Maghrib, and in accordance with good practice for operational risk management, a system of self-evaluation is being prepared.

The various exposures are classified using a scoring matrix; this matrix allows qualitative evaluations to be converted into quantitative evaluations, and thus makes possible the evaluation of risks linked to a given activity and/or transversal risks.

III.5. IFRS CONSOLIDATED FINANCIAL STATEMENTS FOR THE BCP

III.6. STATEMENT OF FINANCIAL POSITION – IFRS

Assets

Asset (In MDH)	2009 ^{PF}	2010	2011
Cash, Central Banks, Public Treasury, Post Office Cheque Service	10 286	9 094	5 404
Financial assets at fair value through profit or loss	36	6 038	10 038
Financial assets available for sale	16 583	12 865	13 918
Loans and receivables to banks and similar agencies	15 807	10 181	9 159
Loans and receivables to customers	133 211	146 125	170 498
Investments held to maturity	21 618	19 110	17 257
Current tax assets	780	768	733
Deferred tax assets	609	846	65
Accrued income and other assets	2 351	1 690	3 318
Investments in equity-consolidated companies	17	18	29
Tangible fixed assets	5 910	7 665	6 150
Intangible fixed assets	398	406	373
Goodwill	396	419	418
TOTAL ASSETS - IFRS	208 003	215 226	237 359

Liabilities

Liability (In MDH)	2009 ^{PF}	2010	2011
Central Banks, Public Treasury, Post Office Cheque Service	25.9	5	3
Debts to banks and similar agencies	11 142.6	7622	14 954
Debts to customers	163 190.5	169776	183 584
Debt evidenced by securities	611.0	637	635
Debt securities issued	188.1	2002	3 067
Current tax liabilities	436.4	765	501
Deferred tax liabilities	1 456.8	1659	794
Accrued and other current liabilities	2 676.9	2755	2 800
Insurance underwriting reserves	162.0	190	202
Provisions for risks and charges	1 236.8	1124	1 399
Subsidies, restricted public funds and special guarantee funds	2 916.1	4166	3 043
Subordinated debt	1 554.8	1555	1 556
Capital and associated reserves	5 399.1	6112	11 940
Consolidated reserves	13 796.9	13565	9 552
- <i>Group share</i>	1 394.8	1288	2 267
- <i>BPRs share</i>	11 012.9	11087	6 043
- <i>Minority share</i>	1 389.3	1190	1 242
Unrealized or deferred gains or losses, group share	319.5	231	288
- <i>Group share</i>	260.8	223	301
- <i>BPRs share</i>	58.7	8	-21
- <i>Minority share</i>	-	-288	8
Net result for the financial year	2 889.2	3063	3 039
- <i>Group share</i>	1 064.7	1773	1 826
- <i>BPRs share</i>	1 755.9	1084	1 022
- <i>Minority share</i>	68.7	206	190
TOTAL LIABILITIES - IFRS	208 002.6	215 226	237 359

III.7. STATEMENT OF COMPREHENSIVE INCOME – IFRS

In MDH	2009 ^{PF}	2010	2011
Interest and related income	11 182	11 520	11 494
Interest and related expenses	(4 113)	(3 664)	(3 682)
INTEREST MARGIN	7 069	7 856	7 812
Commission income	900	1 024	1 059
Commission paid	(27)	(36)	(75)
COMMISSION MARGIN	873	988	984
Net gains or losses on financial instruments at fair value through profit or loss	309	396	501
Net gains or losses on financial assets available for sale	451	587	538
MARKET ACTIVITIES INCOME	760	983	1 039
Income from other activities	413	397	523
Expenses from other activities	(151)	(175)	(202)
NET BANKING INCOME	8 963	10 049	10 156
General operating expenses	(3 853)	(4 154)	(4 425)
Allocation to amortization and depreciation of intangible and tangible assets	(350)	(445)	(512)
GROSS OPERATING INCOME	4 760	5 450	5 219
Risk cost	(418)	(828)	(697)
OPERATING INCOME	4 342	4 622	4 522
Share in net profit of equity-consolidated companies	(0)	(0)	1
Net gains or losses on other assets	(57)	(37)	75
Changes in the value of goodwill		0	(0)
PRE-TAX INCOME	4 285	4 584	4 597
Income tax	(1 396)	(1 521)	(1 558)
NET INCOME	2 889	3 063	3 039
Income - BPR share	1 756	1 084	1 022
Income outside Group	69	206	190
NET INCOME BCP GROUP SHARE	1 065	1 773	1 827

WARNING

The above information represents only part of the information note approved by the Conseil Déontologique des Valeurs Mobilières (CDVM) with the reference n° VI/EM/016/2012 . The CDVM advises reading the entire information note available to the public in French.