

PROSPECTUS SUMMARY



التجاري وفا بنك
Attijariwafa bank

ATTIJARIWAFABANK

ISSUE OF SUBORDINATED BONDS FOR A TOTAL AMOUNT OF MAD 1,000,000,000

	Tranche A (Listed)	Tranche B (Listed)	Tranche C (Not listed)	Tranche D (Not listed)
Ceiling	MAD 1,000,000,000	MAD 1,000,000,000	MAD 1,000,000,000	MAD 1,000,000,000
Number of securities	10,000 subordinated bonds	10,000 subordinated bonds	10,000 subordinated bonds	10,000 subordinated bonds
Nominal value	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000
Maturity	7 years	7 years	7 years	7 years
Rate	<u>Fixed</u> , the reference to the nominal rate is the 7-years Treasury Bonds rate computed on the secondary yield curve, as published by Bank Al-Maghrib on June 6 th ,2016, i.e. 2,59%, increased by a risk premium, i.e. between 3,34% and 3,44%	<u>Revisable on an annual basis</u> , the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on June 6 th ,2016, i.e. 1,91%, increased by a risk premium, i.e. between 2,66% and 2,76% for the first year	<u>Fixed</u> , the reference to the nominal rate is the 7-years Treasury Bonds rate computed on the secondary yield curve, as published by Bank Al-Maghrib on June 6 th ,2016, i.e. 2,59%, increased by a risk premium, i.e. between 3,34% and 3,44%	<u>Revisable on an annual basis</u> , the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on June 6 th ,2016, i.e. 1,91%, increased by a risk premium, i.e. between 2,66% and 2,76% for the first year
Principle repayment	In fine	In fine	In fine	In fine
Risk premium	Between 75 and 85 bps	Between 75 and 85 bps	Between 75 and 85 bps	Between 75 and 85 bps
Guarantee	None	None	None	None
Allocation method		French Auction with priority to tranches E and F		
Tradability of securities	Tradable in Casablanca Stock Exchange	Tradable in Casablanca Stock Exchange	Over-the-counter	Over-the-counter

	Tranche E (Listed)	Tranche F (Not listed)
Ceiling	MAD 1,000,000,000	MAD 1,000,000,000
Number of securities	10,000 subordinated bonds	10,000 subordinated bonds
Nominal value	MAD 100,000	MAD 100,000
Maturity	10 years	10 years
Rate	<u>Fixed</u> , the reference to the nominal rate is the 10-years Treasury Bonds rate computed on the secondary yield curve, as published by Bank Al-Maghrib on June 6 th ,2016, i.e. 2,84%, increased by a risk premium, i.e. between 3,74% and 3,84%	<u>Fixed</u> , the reference to the nominal rate is the 10-years Treasury Bonds rate computed on the secondary yield curve, as published by Bank Al-Maghrib on June 6 th ,2016, i.e. 2,84%, increased by a risk premium, i.e. between 3,74% and 3,84%
Principle repayment	In fine	In fine
Risk premium	Between 90 and 100 bps	Between 90 and 100 bps
Guarantee	None	None
Allocation method	French Auction with priority to tranches E and F	
Tradability of securities	Tradable in Casablanca Stock Exchange	Over-the-counter

Subscription period: from June 16th to 20th 2016, included

Issue reserved to qualified investors under Moroccan Law as defined in the present prospectus

Advising Agency

Attijari Finances Corp.



Attijariwafa bank
CORPORATE FINANCE

Agency in charge of the registration

Attijari Intermédiation



Attijariwafa bank
BOURSE

Agency in charge of the placement



Approval of MOROCCAN AUTHORITY OF CAPITAL MARKETS (Financial Authority)

In accordance with the provisions of the circular of the AMMC, delivered in application of Section 14 of the Decree No. 1-93-212 of September 21st, 1993 related to the Moroccan Authority of Capital Markets (AMMC) and to the information required from legal entities issuing securities to the public, as amended and extended, the original copy of the present prospectus has been approved by the AMMC on June 8th, 2016 under Reference No VI/EM/011/2016

Disclaimer

The Moroccan Authority of Capital Markets (AMMC) approved, on June 8th, 2016, a prospectus summary related to the issue of subordinated bonds by Attijariwafa bank.

The prospectus approved by the AMMC is available at any time at the following places:

- **Attijariwafa bank headquarters: 2, boulevard Moulay Youssef - Casablanca.
Phone: 05.22.29.88.88;**
- **Attijari Finances Corp.: 163, avenue Hassan II - Casablanca.
Phone: 05.22.47.64.35.**

The prospectus is at the disposal of the public at the headquarters of Casablanca Stock Exchange and on its website www.casablanca-bourse.com. It is also available on the AMMC website (www.ammc.ma).

PARTIE I: PRESENTATION OF THE OPERATION

I. OBJECTIVES

Attijariwafa bank continues to carry out its development strategy:

- at the international level, by enhancing its presence in the Maghreb area and developing its activities in Central and Western Africa;
- on the local market by sustaining banking activities, financing both the Kingdom main projects and retail activities through loans and household equipment.

The present issue mainly aims at:

- strengthening the capital requirements; and therefore enhancing the solvency ratio of Attijariwafa bank;
- funding both local and international development of the Bank.

The funds collected from the present issue of subordinated bonds will be classified in the complementary equity of the bank in accordance with the Chart of Accounts of Credit Institutions.

II. STRUCTURE OF THE OFFER

Attijariwafa bank intends to issue 10,000 subordinated bonds with a nominal value of MAD 100,000. The total amount of the operation is MAD 1,000,000,000 (one billion dirham) divided as follow:

- tranche « A »: fixed rate; listed on the Casablanca Stock Exchange; ceiling of MAD 1,000,000,000; nominal value of MAD 100,000;
- tranche « B »: yearly revisable rate; listed on the Casablanca Stock Exchange; ceiling of MAD 1,000,000,000; nominal value of MAD 100,000;
- tranche « C »: fixed rate; not listed; ceiling of MAD 1,000,000,000; nominal value of MAD 100,000;
- tranche « D »: yearly revisable rate; not listed; ceiling of MAD 1,000,000,000; nominal value of MAD 100,000;
- tranche « E »: fixed rate; listed on the Casablanca Stock Exchange; ceiling of MAD 1,000,000,000; nominal value of MAD 100,000;
- tranche « F »: fixed rate; not listed; ceiling of MAD 1,000,000,000; nominal value of MAD 100,000.

The total amount, allotted over the six tranches, will not exceed by the sum of MAD 1,000,000,000.

The present issue is reserved to qualified investors based under Moroccan law: Collective Investment in Transferable Securities (UCITS), financial companies¹, credit institutions, insurance and reinsurance companies, Caisse de Dépôt and management, pension and retirement funds.

The limitation of the subscription to qualified investors based on Moroccan law aims at facilitating the management of subscriptions in the primary market. It remains understood that any investor willing to acquire the bonds will be able to obtain them in the secondary market.

¹ As approved by the article 20 of the Law n° 130-12.

III. INFORMATION RELATED TO THE SUBORDINATED OBLIGATIONS OF ATTIJARIWAFI BANK

Disclaimer: *The subordinated bond is distinguished from the classical bond by the rank of loans contractually defined by the subordination clause. The effect of the subordination clause is to condition, in case of liquidation of the issuer, the repayment of the funds borrowed to all secured or unsecured creditors.*

Characteristics of tranche A (fixed rate, listed on Casablanca Stock Exchange, 7-year maturity)

Nature of Securities	Subordinated bonds listed on Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Ceiling of the tranche	MAD 1,000,000,000
Maximum number of securities to be issued	10,000 subordinated bonds
Nominal value	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Loan maturity	7 years
Subscription period	From June 16 th to 20 th , 2016 included
Date of possession	June 28 th , 2016
Maturity date	June 28 th , 2023
Allocation method	French Auction with priority to tranches E and F
Nominal interest rate	<p>Fixed rate</p> <p>The nominal interest rate is determined in reference to the 7- year Treasury Bonds rate computed on the secondary yield curve as published by Bank Al-Maghrib on June 6th, 2016, 2,59%. A risk premium ranging from 75 to 85 bps will be added, i.e. between 3,34% and 3,44%.</p> <p>The rate is determined through linear interpolation using the two points framing the full 7-years maturity (actuarial basis).</p>
Risk premium	Between 75 and 85 basis points
Interests	<p>The interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 28th of each year. Their payment will take place on the same day or the first business day following June 28th, if this day is not a business day. Interest on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.</p> <p>Interests will be calculated as per the following formula: [Nominal x nominal rate].</p>

Listing of the securities	<p>The subordinated bonds, subject of tranche A, will be listed on Casablanca Stock Exchange and will be subject to a request for listing in the bond compartment of Casablanca Stock Exchange. Their listing date is planned on June 23rd, 2016 on the bond compartment under Code 990196 and under Ticker OATWK.</p> <p>In order to be listed on Casablanca Stock Exchange, the aggregate amounts allocated to tranches A, B and E must be higher or equal to an amount of MAD 20,000,000.</p> <p>In case the aggregate of the amounts allocated to tranches A, B and E, in the closing of the subscription period, is lower than MAD 20,000,000, the subscriptions relating to those tranches will be cancelled.</p>
Procedure of First Listing	<p>The listing of tranche A will be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Regulation of the Stock Exchange.</p>
Amortization/ Regular repayment	<p>The subordinated loan bond, stated on the present prospectus, will be subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all other debts.</p>
Early repayment	<p>Attijariwafa bank undertakes, during the entire loan period, not to proceed to any early repayment of the subordinated bonds, subject of the present issue and also not to go through with an advance repayment before the period of 5 years starting from the issuance date. Beyond the period of five years, advance repayment can be possible by the issuer and only following the approval of Bank Al-Maghrib.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.</p> <p>In case of cancellation, the issuer has to inform the stock exchange of the cancelled bonds.</p>
Entity in charge of the registration of the operation in Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	<p>The subordinated bonds, subject of tranche A, are freely tradable at Casablanca Stock Exchange.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p>

Assimilation clauses	<p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p>
Loan rank	<p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.</p>
Maintenance of the loan's rank	<p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.</p>
Payment guarantee	<p>The present issue has not been subject to a special guarantee.</p>
Rating	<p>The present issue has not been subject to any rating request.</p>
Representation of the bondholders' body	<p>By virtue of the powers conferred by the Board of Directors held on April 26th, 2016, and pending the occurrence of the General Meeting of bondholders, the Chairman of the Executive Board of Attijariwafa bank has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for tranches A, B, C, D, E and F of the present issue, grouped into one single body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of 1 year, starting from the opening of the subscription.</p>
Applicable law Court of competent jurisdiction	<p>Moroccan law; Trade Court of Casablanca.</p>

Characteristics of tranche B (yearly revisable rate, listed on Casablanca Stock Exchange, 7-year maturity)

Nature of Securities	Subordinated bonds listed on Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Ceiling of the tranche	MAD 1,000,000,000
Maximum number of securities to be issued	10,000 subordinated bonds
Nominal value	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Loan maturity	7 years
Subscription period	From June 16 th to 20 th , 2016 included
Date of possession	June 28 th , 2016
Maturity date	June 28 th , 2023
Allocation method	French Auction with priority to tranches E and F
Nominal interest rate	<p>Revisable on an annual basis.</p> <p>For the first year, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on June 6th, 2016, i.e. 1,91%. A risk premium ranging from 75 to 85 basis points will be added to this rate, thus resulting in a rate between 2,66% et 2,76%.</p> <p>For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment.</p> <p>A risk premium ranging from 75 to 85 basis points (fixed at the end of the subscription period) will then be added to this rate. The final rate will then be communicated to the Stock Exchange at least 5 business days before the anniversary date.</p>
Reference rate calculation	<p>The rate is determined through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis).</p> <p>This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate.</p> <p>The formula is:</p> $(((\text{Actuarial rate} + 1) ^ (k / \text{exact number of days} *)) - 1) \times 360 / k;$ <p>k is the maturity of the actuarial rate wished to be transformed</p> <p>* Exact number of days: 365 or 366 days.</p>
Risk premium	Between 75 and 85 basis points

Date of interest rate determination	<p>The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. June 28th of each year.</p> <p>The new rate will be communicated by the issuer to the Casablanca Stock Exchange at least 5 business days before the anniversary date.</p> <p>The revised rate will be published in the Official Bulletin of Casablanca Stock Exchange.</p>
Interests	<p>Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e June 28th of each year. Payment of interests will take place on the same day or the first business day following the June 28th if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation.</p> <p>Interests will be calculated using the following formula: [Nominal x Nominal rate x Exact number of days/ 360].</p>
Listing of the securities	<p>The subordinated bonds, subject of Tranche B will be listed on Casablanca Stock Exchange and so will be the object for an admission to the bond compartment of the Casablanca Stock Exchange. Their quotation date is scheduled on the June 23rd, 2016 on the bond market, under the Code 990196 and under the Ticker No. OATWL.</p> <p>To be listed on the Casablanca Stock Exchange, the accumulated amounts allocated to Tranche A, B and E must be greater than or equal to the amount of MAD 20,000,000.</p> <p>In case the aggregate of the amounts allocated to tranche A, B and E, in the closing of the subscription period, is lower than MAD 20,000,000, the subscriptions relating to those tranches will be cancelled.</p>
Procedure of First Listing	<p>The listing of tranche B will be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Rules of the Stock Exchange.</p>
Amortization/ Regular repayment	<p>The subordinated loan bond subject of the present prospectus will be the subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of merger, demerger or partial contribution of assets from Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.</p>

Early repayment	<p>Attijariwafa bank undertake, during the entire loan period, not to proceed to any early repayment of the subordinated bonds, subject of the present issue and also not to go through with an advance repayment before the period of 5 years starting from the issuance date. Beyond the period of five years, advance repayment can be possible by the issuer and only following the approval of Bank Al-Maghrib.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.</p> <p>In case of cancellation, the issuer must inform the stock exchange of the cancelled bonds.</p>
Entity in charge of the registration of the operation in Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	<p>The subordinated bonds, subject of tranche B, are freely tradable at Casablanca Stock Exchange.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p>
Assimilation clauses	<p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p>
Rank of the loan	<p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.</p>
Maintenance of the loan's rank	<p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.</p>
Guarantee of repayment	<p>The present issue has not been subject to a special guarantee.</p>

Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	<p>By virtue of the powers conferred by the Board of Directors held on April 26th, 2016, and pending the occurrence of the General Meeting of bondholders, the Chairman of the Executive Board of Attijariwafa bank has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for tranches A, B, C, D, E and F of the present issue, grouped into one single body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of 1 year, starting from the opening of the subscription.</p>
Applicable law	Moroccan law;
Court of competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche C (with a fixed rate, not listed and 7-year maturity)

Nature of Securities	Subordinated bonds not listed on Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Ceiling of the tranche	MAD 1,000,000,000
Maximum number of securities to be issued	10,000 subordinated bonds
Nominal value	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Loan maturity date	7 years
Subscription period	From June 16 th to 20 th , 2016 included
Date of possession	June 28 th , 2016
Maturity date	June 28 th , 2023
Allocation method	French Auction with priority to tranches E and F
Nominal interest rate	<p>Fixed rate</p> <p>The reference of the nominal rate is the 7-year Treasury Bonds rate computed on the secondary yield curve as published by Bank Al-Maghrib on June 6th, 2016, i.e. 2,59%. A risk premium between 75 and 85 basis points will be added to this rate, thus resulting in a rate ranging from 3,34% and 3,44%.</p> <p>The rate is determined through linear interpolation using the two points framing the full 7-year maturity (actuarially).</p>
Issue premium	Between 75 and 85 basis points

Interests	<p>The interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 28th of each year. Their payment will take place on the same day or the first business day following June 28th, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.</p> <p>Interests will be calculated as per the following formula: [Nominal x nominal rate].</p>
Amortization/ Regular repayment	<p>The subordinated loan bond subject of the present prospectus will be the subject of a repayment in fine of the principal amount.</p> <p>In the event of merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favour of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.</p>
Early repayment	<p>Attijariwafa bank undertakes, during the entire loan period, not to proceed to any early repayment of the subordinated bonds, subject of the present issue and also not to go through with an advance repayment before the period of 5 years starting from the issuance date. Beyond the period of five years, advance repayment can be possible by the issuer and only following the approval of Bank Al-Maghrib.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.</p>
Tradability of securities	<p>Over-the-counter.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p>
Assimilation clauses	<p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p>

Rank of the loan	<p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.</p>
Maintenance of the loan's rank	<p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.</p>
Guarantee of repayment	<p>The present issue has not been subject to a special guarantee.</p>
Rating	<p>The present issue has not been subject to any rating request.</p>
Representation of the bondholders' body	<p>By virtue of the powers conferred by the Board of Directors held on April 26th, 2016, and pending the occurrence of the General Meeting of bondholders, the Chairman of the Executive Board of Attijariwafa bank has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for tranches A, B, C, D, E and F of the present issue, grouped into one single body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of 1 year, starting from the opening of the subscription.</p>
Applicable law Court of competent jurisdiction	<p>Moroccan law; Trade Court of Casablanca.</p>

Characteristics of tranche D (yearly revisable rate, not listed, 7-year maturity)

Nature of Securities	Subordinated bonds not listed on Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Ceiling of the tranche	MAD 1,000,000,000
Maximum number of securities to be issued	10,000 subordinated bonds
Nominal value	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Loan maturity date	7 years
Subscription period	From June 16 th to 20 th , 2016 included
Date of possession	June 28 th , 2016
Maturity date	June 28 th , 2023
Allocation method	French Auction with priority to tranches E and F
Nominal interest rate	<p>Revisable on an annual basis.</p> <p>For the first year, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on June 6th, 2016, i.e. 1,91%. A risk premium between 75 and 85 basis points will be added to this rate, thus resulting in a rate ranging from 2,66% to 2,76%.</p> <p>For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment.</p> <p>A risk premium between 75 and 85 basis points (fixed at the end of the subscription period) will then be added to this rate. The final rate will then be communicated to bondholders at least 5 business days before the anniversary date.</p>
Reference rate calculation	<p>The rate is determined through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis).</p> <p>This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate.</p> <p>The formula is:</p> $(((\text{Actuarial rate} + 1) ^ (k / \text{exact number of days} *)) - 1) \times 360 / k;$ <p>k is the maturity of the actuarial rate wished to be transformed</p> <p>* Exact number of days 365 or 366 days.</p>
Risk premium	Between 75 and 85 basis points

Date of interest rate determination	<p>The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. June 28th of each year.</p> <p>The new rate will be published by the issuer at a legal journal at least 5 business days before the anniversary date</p>
Interests	<p>The interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 28th of each year. Their payment will take place on the same day or the first business day following June 28th if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.</p> <p>Interests will be calculated as per the following formula: [Nominal x nominal rate x exact number of days / 360].</p>
Amortization/ Regular repayment	<p>The subordinated loan bond subject of the present prospectus will be the subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the full transfer of the assets in favour of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>In case of liquidation of Attijariwafa bank, The repayment of capital is subordinated to all other debts.</p>
Early repayment	<p>Attijariwafa bank undertakes, during the entire loan period, not to proceed to any early repayment of the subordinated bonds, subject of the present issue and also not to go through with an advance repayment before the period of 5 years starting from the issuance date. Beyond the period of five years, advance repayment can be possible by the issuer and only following the approval of Bank Al-Maghrib.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.</p>
Tradability of securities	<p>Over-the-counter.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p>
Assimilation clauses	<p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p>

Rank of the loan	<p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.</p>
Maintenance of the loan's rank	<p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.</p>
Guarantee of repayment	<p>The present issue has not been subject to a special guarantee.</p>
Rating	<p>The present issue has not been subject to any rating request.</p>
Representation of the bondholders' body	<p>By virtue of the powers conferred by the Board of Directors held on April 26th, 2016, and pending the occurrence of the General Meeting of bondholders, the Chairman of the Executive Board of Attijariwafa bank has designated HDID Consultants represented by Mr. Mohamed Hdid as temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for tranches A, B, C, D, E and F of the issuance, grouped into one single body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p>
Applicable law Court of competent jurisdiction	<p>Moroccan law; Trade Court of Casablanca.</p>

Characteristics of tranche E (fixed rate, listed on Casablanca Stock Exchange, 10-year maturity)

Nature of Securities	Subordinated bonds listed on Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Ceiling of the tranche	MAD 1,000,000,000
Maximum number of securities to be issued	10,000 subordinated bonds
Nominal value	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Loan maturity	10 years
Subscription period	From June 16 th to 20 th , 2016 included
Date of possession	June 28 th , 2016
Maturity date	June 28 th , 2026
Allocation method	French Auction with priority to tranches E and F
Nominal interest rate	<p>Fixed rate</p> <p>The reference of the nominal rate is the 10-years Treasury Bonds rate computed on the secondary yield curve as published by Bank Al-Maghrib on June 6th, 2016, i.e. 2,84%. A risk premium ranging from 90 to 100 basis points will be added to this rate, thus resulting in a fixed rate between 3,74% and 3,84%.</p> <p>The rate is determined through linear interpolation using the two points framing the full 10-years maturity (actuarially).</p>
Risk premium	Between 90 and 100 basis points
Interests	<p>The interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 28th of each year. Their payment will take place on the same day or the first business day following June 28th, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interests will be possible under the present operation.</p> <p>Interests will be calculated as per the following formula: [Nominal x nominal rate].</p>

Listing of the securities	<p>The subordinated bonds, subject of tranche E, will be listed on Casablanca Stock Exchange and will be subject to a request for listing in the bond compartment of Casablanca Stock Exchange. Their listing date is planned on June 23rd, 2016 on the bond compartment under Code 990198 and under Ticker No. OATWM.</p> <p>In order to be listed on Casablanca Stock Exchange, the aggregate amounts allocated to tranches A, B and E must be higher or equal to an amount of MAD 20,000,000.</p> <p>In case the aggregate of the amounts allocated to tranches A, B and E, in the closing of the subscription period, is lower than MAD 20,000,000, the subscriptions relating to those tranches will be cancelled.</p>
Procedure of First Listing	<p>The listing of tranche E will be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Regulation of the Stock Exchange.</p>
Amortization/ Regular repayment	<p>The subordinated loan bond, stated on the present prospectus, will be subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of a merger, demerger or partial contribution of assets from of Attijariwafa Bank taking place during the term of the loan and resulting in the universal transfer of the assets in favour of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa Bank.</p> <p>The repayment of capital is, in case of liquidation of Attijariwafa Bank, subordinated to all other debts.</p>
Early repayment	<p>Attijariwafa Bank undertakes, during the entire loan period, not to proceed to any early repayment of the subordinated bonds, subject of the present issue and also not to go through with an advance repayment before the period of 5 years starting from the issuance date. Beyond the period of five years, advance repayment can be possible by the issuer and only following the approval of Bank Al-Maghrib.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.</p> <p>In case of cancellation, the issuer has to inform the stock exchange of the cancelled bonds.</p>
Entity in charge of the registration of the operation in Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	<p>The subordinated bonds, subject of tranche E, are freely tradable at the Casablanca Stock Exchange.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p>

Assimilation clauses	<p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa Bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p>
Rank of the loan	<p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa Bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa Bank both in Morocco and abroad, proportionally to their amount if applicable.</p>
Maintenance of the loan's rank	<p>Attijariwafa Bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.</p>
Guarantee of repayment	<p>The present issue has not been subject to a special guarantee.</p>
Rating	<p>The present issue has not been subject to any rating request.</p>
Representation of the bondholders' body	<p>By virtue of the powers conferred by the Board of Directors held on April 26th, 2016, and pending the occurrence of the General Meeting of bondholders, the Chairman of the Executive Board of Attijariwafa Bank has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for tranches A, B, C, D, E and F of the present issue, grouped into one single body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of 1 year, starting from the opening of the subscription.</p>
Applicable law Court of competent jurisdiction	<p>Moroccan law; Trade Court of Casablanca.</p>

Characteristics of tranche F (fixed rate, not listed, 10-year maturity)

Nature of Securities	Subordinated bonds not listed on Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered affiliates.
Legal form	Bearer bond
Ceiling of the tranche	MAD 1,000,000,000
Maximum number of securities to be issued	10,000 subordinated bonds
Nominal value	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Loan maturity	10 years
Subscription period	From June 16 th to 20 th , 2016 included
Date of possession	June 28 th , 2016
Maturity date	June 28 th , 2026
Allocation method	French Auction with priority to tranches E and F
Nominal interest rate	<p>Fixed rate</p> <p>The reference of the nominal rate is the 10-year Treasury Bonds rate computed on the secondary yield curve as published by Bank Al-Maghrib on June 6th, 2016, i.e. 2,84%. A risk premium ranging from 90 to 100 basis points will be added to this rate, thus resulting in a rate between 3,74% and 3,84%.</p> <p>The rate is determined through linear interpolation using the two points framing the full 10 year maturity (actuarially).</p>
Risk premium	Between 90 and 100 basis points
Interests	<p>The interests will be served annually at the anniversary dates of the possession date of the loan, i.e. June 28th of each year. Their payment will take place on the same day or the first business day following June 28th if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interests will be possible under the present operation.</p> <p>Interests will be calculated as per the following formula: [Nominal x nominal rate].</p>
Amortization/ Regular repayment	<p>The subordinated loan bond subject of the present prospectus will be the subject of a repayment in fine of the principal amount.</p> <p>In the event of merger, demerger or partial contribution of assets from of Attijariwafa Bank taking place during the term of the loan and resulting in the full transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa Bank.</p> <p>In case of liquidation of Attijariwafa Bank, the repayment of capital is subordinated to all other debts.</p>

Early repayment	<p>Attijariwafa bank undertakes, during the entire loan period, not to proceed to any early repayment of the subordinated bonds, subject of the present issue and also not to go through with an advance repayment before the period of 5 years starting from the issuance date. Beyond the period of five years, advance repayment can be possible by the issuer and only following the approval of Bank Al-Maghrib.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The subordinated bonds thus redeemed can be cancelled only after the consent of Bank Al Maghrib.</p>
Tradability of securities	<p>Over-the-counter.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p>
Assimilation clauses	<p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p>
Rank of the loan	<p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, in accordance with the conditions set out in the contract, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa Bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa Bank both in Morocco and abroad, proportionally to their amount if applicable.</p>
Maintenance of the loan's rank	<p>Attijariwafa Bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.</p>
Guarantee of repayment	<p>The present issue has not been subject to a special guarantee.</p>
Rating	<p>The present issue has not been subject to any rating request.</p>

Representation of the bondholders' body	<p>By virtue of the powers conferred by the Board of Directors held on April 26th, 2016, and pending the occurrence of the General Meeting of bondholders, the Chairman of the Executive Board of Attijariwafa Bank has designated HDID Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for tranches A, B, C, D, E and F of the present issue, grouped into one single body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of 1 year, starting from the opening of the subscription.</p>
Applicable law Court of competent jurisdiction	Moroccan law; Trade Court of Casablanca.

OPERATION SCHEDULE

Orders	Stages	Deadline
1	Receipt of the complete file of the operation by Casablanca Stock Exchange	07/06/2016
2	Approval of the issuance by Casablanca Stock Exchange	08/06/2016
3	Receipt of the approved prospectus by the Casablanca Stock Exchange	08/06/2016
4	Publication of a notice of the introduction of the bonds issued under tranches A, B and E in the official bulletin of Casablanca Stock Exchange	09/06/2016
5	Publication of an abstract of the prospectus	10/06/2016
6	Opening of the subscription period	16/06/2016
7	Closing of the subscription period	20/06/2016
8	Receipt of the operation results by Casablanca Stock Exchange before 10:00 am	21/06/2016
9	Listing of bonds Publication of the operation results in the official bulletin of Casablanca Stock Exchange Registration of the transaction in the Stock Exchange	23/06/2016
10	Payment / Delivery	28/06/2016

PART II: OVERVIEW OF ATTIJARIWAFABANK

I. GENERAL INFORMATIONS

Company name	ATTIJARIWAFABANK
Headquarters	2, boulevard Moulay Youssef – Casablanca 20 000
Phone / Fax	Phone : 0522.29.88.88 Fax : 0522.29.41.25
Web site	www.attijariwafabank.com
Legal form	Limited Company with Board of Directors
Incorporation date	1911
Company lifetime	May 31st, 2060 (99 years)
Trade Register	Casablanca Trade Register No.333
Financial Year	From January 1 st to December 31 st
Company objective (article 5 of statutes)	<p>« The purpose of the company is in all countries, to perform all banking, finance, credit, commission operations and generally, under the restrictions stipulated by the applicable legal provisions, any operations directly or indirectly related to this purpose, mainly, the following operations, the list of which is not exhaustive:</p> <ul style="list-style-type: none"> ▪ Receive from the public deposits on accounts or otherwise whether interest bearing or not, repayable on demand, upon notice or time deposit; ▪ Discount all commercial papers, exchange letters, promissory notes, checks, warrants, instruments, vouchers issued by the Public Treasury or Local or semi-public authorities, and generally any commitments resulting from industrial, agricultural, commercial or financial operations or other operations conducted by public administrations, negotiate or rediscount the aforementioned items and provide and accept all orders, exchange letters, promissory notes, or checks, etc.;

	<ul style="list-style-type: none"> ▪ Grant all types of loans with or without guarantees, issue advances on Moroccan or foreign annuities, on securities issued by the State, public or semi-public authorities and on securities issued by Moroccan or foreign industrial, agricultural, commercial or financial companies; ▪ Receive deposits of all securities and objects; accept or proceed to the payment and recovery of exchange letters, promissory notes, checks, warrants, interest or dividend coupons, act as intermediary for the purchase or sale of all kinds of public funds, securities, bonds or profit shares; ▪ Accept or at times in conjunction with loans or borrowings, grant mortgages and any other types of guarantee, underwrite any guarantee sureties or endorsements commitments, proceed to all acquisitions, real estate or personal property as well as financial leases or rental of buildings; ▪ Proceed to or participate to the issue, investment, introduction in the market, to the negotiation of any securities of the public or private authorities, submit any borrowings of these authorities, acquire or dispose of any annuities, public sector securities, shares, bonds or securities of all kinds belonging to the said authorities, ensure the creation of corporate entities and consequently accept any offices or powers, and when possible contribute to the capital of the said companies; ▪ Establish in any place inside or outside Morocco, subsidiaries, branches, offices and affiliates required for performing the aforementioned operations; ▪ Acquire stakes in already existing businesses or companies in the process of creation, provided adherence to the limits set with regard to shareholders' equity and registered capital or voting rights of the issuing company in accordance with the applicable regulations. And generally all operations that fall under its corporate purpose. »
Share capital just before the present operation	MAD 2,035,272,260 fully paid up, consisting of 203,527,226 shares with a face value of 10 MAD.
Legal documents	The legal documents of the company, mainly the articles of associations, companies articles and General Meetings and auditors' reports may be consulted at Attijariwafa bank Headquarters.
List of the laws applicable on the issuer	<p>Due to its legal form, Attijariwafa bank is governed by Moroccan law and Law No. 17-95, promulgated by Dahir No. 1-96-124 of August 30th, 1996 on public limited Companies as amended and supplemented;</p> <p>Due to its activity, Attijariwafa bank is governed by the Dahir No. 1-14-193 of Rabii I 1st, 1436 promulgating Law No. 103-12 on credit institutions and similar bodies (Banking Act).</p> <p>Due to the listing of its shares on Casablanca Stock Exchange, it is subject to all applicable laws and regulations related to the financial markets and in particular:</p> <ul style="list-style-type: none"> ▪ The Dahir No. 1-93-211 of September 21st, 1993 on the Stock Exchange as amended and supplemented by laws 34-96, 29-00, 52-01 and 45-06; ▪ General Rules of the Stock Exchange approved by the Ordinance of the Minister of Economy and Finance No. 499-98 of July 27th, 1998 and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1960-01 of October 30, 2001. This latter was modified by the amendment of June 2004 that came into force in November 2004 and by Ordinance No. 1268-08 dated July 7th, 2008; ▪ Dahir No. 1-93-212 of September 21st, 1993; ▪ The General Rules of AMMC as approved by the Ordinance of the

	<p>Minister of Economy and Finance No. 822-08 of April 14th, 2008;</p> <ul style="list-style-type: none"> ▪ The circular of the AMMC; ▪ Dahir No. 1-95-03 of January 26th, 1995 promulgating the Law No. 35-94 on some tradable debt securities and the Ordinance of the Ministry of Finance and Foreign Investments No. 2560-95 of October 9th, 1995 on tradable debt securities; ▪ Dahir No. 1-96-246 of January 9th, 1997 promulgating the law No. 35-96 relating to the creation of the Central Depository and the establishment of a general system of registration in accounts of some securities, amended and supplemented by Law No. 43-02; ▪ The General rules of the Central Depository approved by the Ordinance of the Minister of Economy and Finance No. 932-98 dated April 16th, 1998 and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30th, 2001; ▪ Dahir No. 1-04-21 of April 21st, 2004 promulgating the Law No. 26-03 relating to public offerings on the stock market and amended by the Law 46-06; ▪ The circular of BANK AL MAGHRIB No. 2/G/96 of January 30th, 1996 related to the deposit certificates and its amendment. ▪ The company is equally subject to the law regarding the TCNs.
Tax system	As a credit institution, Attijariwafa bank is subject to the corporate tax (37%) and to VAT (10%).
Competent court in the event of dispute	Trade Court of Casablanca

II. INFORMATION ABOUT THE ISSUER'S SHARE CAPITAL²

On March 31, 2016, the capital of Attijariwafa bank amounted to MAD 2 035 272 260, divided into 203 527 226 shares with a nominal value of MAD 10 each. The capital allocation is as follow:

Shareholders	Address	Number of held securities	% of capital	% of voting rights
1- National shareholders		157 041 206	77,16%	77,16%
1-1- SNI Group		97 433 137	47,87%	47,87%
SNI	Angle rue d'Alger et Duhaume - Casablanca	97 360 260	47,84%	47,84%
Various subsidiaries of SNI	NA*	72 877	0,04%	0,04%
1-2- Insurance companies		33 289 107	16,36%	16,36%
MAMDA & MCMA Group	16 rue Abou Inane - Rabat	15 597 202	7,66%	7,66%
RMA-Watanya	83 Avenue des FAR - Casablanca	2 683 942	1,32%	1,32%
Wafa Assurance	1 rue Abdelmoumen - Casablanca	13 456 468	6,61%	6,61%
Axa Assurances Morocco	120 Avenue Hassan II - Casablanca	1 551 495	0,76%	0,76%
1-3- Other institutions		26 318 962	12,93%	12,93%
Caisse de Dépôt et de Gestion (CDG)	140 Place My El Hassan - Rabat	3 576 531	1,76%	1,76%
Wafa Corp	42 bd Abdelkrim Al Khattabi - Casablanca	58 466	0,03%	0,03%
RCAR	Hay Riad - B.P 20 38 - Rabat	10 417 416	5,12%	5,12%
Moroccan retirement fund	2 avenue des Alaouites - Rabat	4 405 769	2,16%	2,16%
CIMR	100 Bd Abdelmoumen - Casablanca	7 860 780	3,86%	3,86%
2- Foreign shareholders		10 715 614	5,26%	5,26%
Santusa Holding	Paseo de la Castellana No. 24 - Madrid (Spain)	10 715 614	5,26%	5,26%
3- Float		35 770 406	17,58%	17,58%
OPCVM and others	NA*	30 700 535	15,08%	15,08%
Bank staff	NA*	5 069 871	2,49%	2,49%
Total		203 527 226	100,00%	100,00%

Source: Attijariwafa bank - * Not applicable

² SNI became the reference shareholder of Attijariwafa bank with up to 47.84%, following the absorption of ONA by SNI as of December 31st, 2010.

III. ATTIJARIWAFABANK BOARD

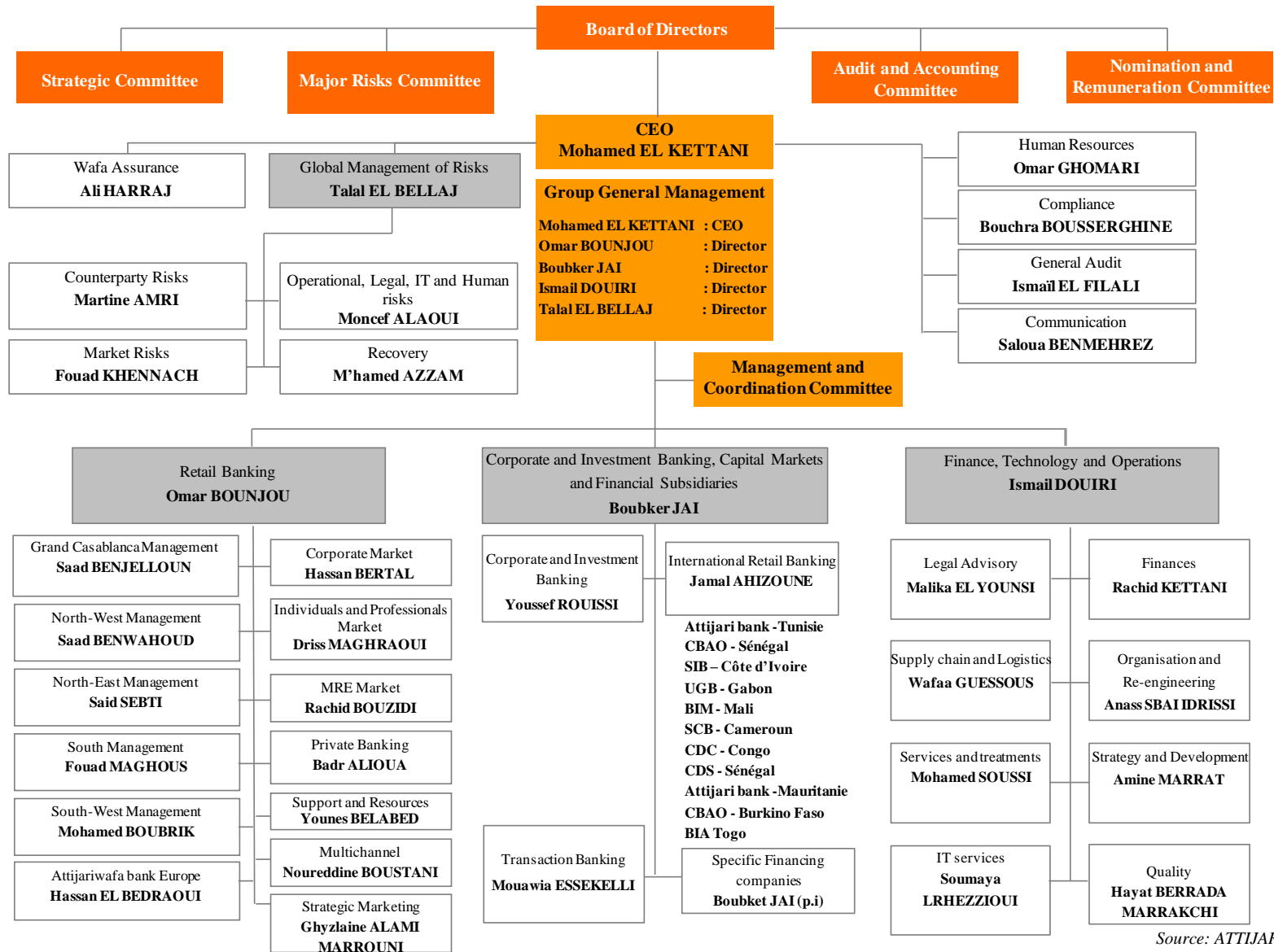
As of December 31st, 2016, Attijariwafa bank is managed by a Board of Directors of 11 members with Mr. Mohamed El Kettani as Chairman of the Board.

Directors	Appointment date*	Expiry of office term
M. Mohamed EL KETTANI Chairman of the Board of Directors	2008	OGM called to approve the 2019 financial year
M. Antonio ESCAMEZ TORRES Deputy Chairman, Managing Director Advisor	2012	OGM called to approve the 2017 financial year
SIGER Represented by Mr. Mounir EL MAJIDI Chief Executive Officer	2009	OGM called to approve the 2020 financial year
SNI Represented by Mr. Hassan OURIAGLI Chief Executive Officer	2011	OGM called to approve the 2016 financial year
M. José REIG Director, Deputy Managing Director of Santusa Holding	2012	OGM called to approve the 2017 financial year
M. Abed YACOUBI SOUSSANE Director, President of MAMDA-MCMA	2011	OGM called to approve the 2016 financial year
M. Aldo OLCESE SANTONJA Independent director	2014	OGM called to approve the 2019 financial year
Santander Represented by Mr. Jose Manuel VARELA Deputy Managing Director	2008	OGM called to approve the 2019 financial year
M. Abdelmjid TAZLAOUI Director	2014	OGM called to approve the 2016 financial year
M. Aymane TAUD Director	2015	OGM called to approve the 2021 financial year
Mme Wafaa GUESSOUS Board Secretary	2000	-

Source: Attijariwafa bank - * Appointment or renewal of office term

ATTIJARIWAFABANK ADMINISTRATIVE CHART

The administrative chart of Attijariwafa bank Group, before the present operation, is as follow:



Source: ATTIJARIWAFABANK

IV. ACTIVITY OF ATTIJARIWAFI BANK

IV.1. Evolution of credits

Over the last three financial years, the outstanding customer debts by type of debts has evolved as follow:

	2013	2014	2015	Var. 14/13	Var. 15/14
Debts owed to credit and similar institutions (C1)	32 342	33 640	35 049	4,0%	4,2%
Current	5 287	8 023	11 025	51,8%	37,4%
Long term	27 056	25 618	24 025	-5,3%	-6,2%
Customer debts (C2)	169 459	171 287	164 250	1,1%	-4,1%
Cash and consumer loans	49 844	52 092	49 066	4,5%	-5,8%
Equipment loans	54 733	57 607	54 607	5,3%	-5,2%
Mortgage loans	56 125	54 542	54 570	-2,8%	0,1%
Other loans	4 064	1 617	1 652	-60,2%	2,1%
Factoring loans	562	1 059	-	88,5%	Ns
Net non-performing loans	2 630	3 025	3 051	15,0%	0,9%
Accrued interests receivable	1 501	1 346	1 304	-10,4%	-3,1%
Total debts (C1) + (C2)	201 801	204 927	199 300	1,5%	-2,7%

MAD million - Source: Attijariwafa bank – Aggregate accounts

During the 2015 financial year, the outstanding of Attijariwafa bank loans decreased by 2.7% compared to 2014, to reach almost MAD 199.3 billion. This decrease is mainly explained by the decline of outstanding customers loans by 4.1% (- MAD 7.0 billion) at around MAD 164.3 billion at the end of 2015. It was mitigated by a 4.2% increase in debts owed to credit institutions and similar institutions, following a 37.4% progress (+MAD 3.0 billion) in the outstanding current debts, which was mitigated by a regress of the outstanding long term debts by 6.2% (-MAD 1.6 billion) in 2015.

In 2014, the Attajjariwafa bank outstanding loans was at MAD 204.9 billion, which is a 1.5% increase compared to the end of 2014. This increase is mainly the result of improvement of the outstanding customer debts by 1.1% at around MAD 171.3 billion at the end of 2014, coupled with a 4.0% progression of debts owed to credit institutions and similar institutions.

IV.2. Evolution of deposits

The outstanding customer deposits by type of product has evolved over the considered period as the following:

	2013	2014	2015	Var. 14/13	Var. 15/14
Debts owed to credit institutions (D1)	53 993	41 530	29 870	-23,1%	-28,1%
Current	6 360	6 456	12 281	1,5%	90,2%
Long term	47 633	35 075	17 589	-26,4%	-49,9%
Customer debts (D2)	174 135	190 720	200 959	9,5%	5,4%
Creditors' current accounts	105 260	116 123	122 338	10,3%	5,4%
Saving accounts	23 464	25 049	25 875	6,8%	3,3%
Time deposits	37 271	40 515	43 521	8,7%	7,4%
Other creditors' accounts	7 239	8 221	8 303	13,6%	1,0%
Accrued interests payable	901	812	922	-9,9%	13,7%
Total debts (D1+D2)	228 128	232 250	230 829	1,8%	-0,6%

MAD million- Source: Attijariwafa bank – Aggregate accounts

In 2015, the customer deposits reached around MAD 201 billion, a 5.4% increase (+MAD 10.2 billion) compared with the end of 2014, mainly as a result of the 5.4% increase (+MAD 6.2 billion) in the creditors' current accounts, to around MAD 122 billion at the end of 2015. This is owing to the 3.3% progression (+MAD 826.0 billion) in saving accounts, to reach more than MAD 26 billion at 31 December 2015 and 7.4% increase of time deposits (+MAD 3.0 billion), to reach more than MAD 44 billion at the end of 2015. Besides, the outstanding debts owed to credit institutions declined by 28.1% (-MAD 11.7 billion), reaching around MAD 30 billion at the end of 2015. This increase is mainly explained by a 49.9% fall (- MAD 17.6 billion) in time deposits.

During the 2014 financial year, the customer deposits were at around MAD 190.7 billion, which is a 9.5% increase compared to 2013, and the outstanding debts owed to institutions fell by 23.1%, reaching around MAD 41.5 billion at the end of 2014. The decline of the outstanding time deposits by 26.4% (-MAD 12.6 billion) remains the main reason behind this increase.

III. FINANCIAL STATEMENTS OF AGGREGATE ACCOUNTS OF ATTIJARIWAFABANK

IV.3. Balance sheet 2013 - 2015

ASSETS	2013	2014	2015
Cash values, Central banks, Public Treasury, services of postal checks	7 594 415	4 005 381	5 576 214
Loans due on credit and similar institutions	32 342 391	33 640 290	35 049 487
Current	5 286 629	8 022 540	11 024 654
On the long term	27 055 762	25 617 750	24 024 833
Customer debts	168 897 359	170 228 295	164 250 424
Cash and consumer loans	50 594 031	52 671 726	49 066 222
Equipment loans	55 461 129	58 369 891	54 606 691
Mortgage loans	56 147 102	54 542 287	54 570 189
Other loans	6 695 097	4 644 391	1 652 113
Factoring loans	561 695	1 058 799	0
Transaction and investment securities	51 616 324	49 367 508	53 428 916
Treasury bills and similar securities	38 807 089	32 842 678	37 038 022
Other loan securities	2 691 012	1 384 140	1 294 142
Equities	10 118 223	15 140 690	15 096 752
Other assets	3 035 592	2 425 647	3 785 551
Investment securities	10 225 201	9 195 147	6 089 132
Treasury bills and similar securities	10 225 201	9 195 147	6 089 132
Other loan securities	0	0	0
Equity securities and similar uses	12 475 572	12 529 449	13 761 859
Subordinated debts	0	0	0
Assets under lease and tenancy	1 485 490	1 618 377	1 262 341
Intangible assets	1 824 486	1 895 942	1 897 711
Tangible assets	2 291 343	2 853 555	3 019 011
TOTAL ASSETS	292 349 868	288 818 390	288 120 647
In MAD thousand			

LIABILITIES	2013	2014	2015
Central banks, Public Treasury, services of postal checks	-	-	-
Debts owed to credit and similar institutions	53 993 083	41 530 448	29 870 277
Current	6 359 784	6 455 549	12 281 017
On the long term	47 633 299	35 074 899	17 589 260
Customer's deposits	174 134 658	190 719 730	200 959 041
Creditors' current accounts	105 275 973	116 140 652	122 356 505
Savings accounts	23 679 523	25 234 472	26 010 094
Time deposits	37 972 152	41 123 434	44 289 925
Other creditors' accounts	7 207 010	8 221 172	8 302 517
Issued loan securities	7 744 448	9 292 042	7 048 901
Issued tradable loan securities	7 744 448	9 292 042	7 048 901
Issued debenture loans	0	0	0
Other issued debt securities	0	0	0
Other liabilities	17 339 107	5 875 482	6 096 756
Reserves for risks and costs	1 726 395	2 634 425	2 761 704
Regulated reserves	0	0	0
Subsidies, restricted public funds and special funds of guarantee	0	0	0
Subordinated debts	10 034 909	9 778 262	10 760 507
Revaluation differences	420	421	420
Reserves and capital related premiums	22 052 401	23 407 000	24 916 000
Capital	2 035 272	2 035 272	2 035 272
Shareholders, unpaid capital (-)	0	0	0
Opening balance (+/-)	-312	1 194	6 351
Net income pending allocation (+/-)	0	0	0
Net income of the FY (+/-)	3 289 487	3 544 114	3 665 418
TOTAL OF LIABILITIES	292 349 868	288 818 390	288 120 647

In MAD thousand

IV.4. Income and expenditures accounts 2013 - 2015

	2013	2014	2015
I. BANK OPERATING INCOME			
Interests and similar revenues on transactions with credit loans	1 095 866	1 127 904	1 093 373
Interests and similar revenues on transactions with customers	9 539 872	9 512 053	9 201 032
Similar interests and revenues on issued loan securities	568 528	646 626	482 483
Revenues on equities	1 324 216	1 272 033	1 419 320
Revenues on assets lease and tenancy	156 437	272 712	394 119
Commissions on service provision	1 265 049	1 269 742	1 355 915
Other banking revenues	2 286 956	5 014 218	4 903 198
TOTAL I	16 236 924	19 115 288	18 849 440
II. BANK OPERATING COSTS			
Interests and similar costs on transactions with credit loans	1 302 654	1 335 585	799 578
Interests and costs on transactions with customers	3 022 096	3 022 955	2 936 838
Interests and similar costs on issued loan securities	392 180	369 168	282 806
Costs on assets in lease and in tenancy	96 649	172 758	359 451
Other banking costs	1 287 941	2 766 270	3 629 997
TOTAL II	6 101 520	7 666 736	8 008 670
III. NET BANKING INCOME	10 135 404	11 448 552	10 840 770
Non-banking operating income	129 157	62 905	162 247
Non-banking operating costs	0	225	0
IV. GENERAL OPERATING COSTS			
Staff costs	1 683 047	1 773 329	1 854 299
Taxes and duties	108 632	111 132	119 315
External costs	1 536 632	1 619 660	1 723 759
Other general operating costs	5 519	8 856	21 229
Allocation to depreciation and provisions of tangible and intangible assets	402 492	413 765	403 363
TOTAL IV	3 736 322	3 926 742	2 774 458
V. ALLOCATION TO PROVISIONS AND LOSSES ON BAD DEBTS	-	-	
Provision write-off for debts and pending commitments by signature	1 492 915	1 520 530	1 724 473
Reversals of depreciated loans	211 614	406 555	563 457
Other provisions write-off	604 066	1 033 546	486 528
TOTAL V	2 308 595	2 960 631	1 101 136
VI. PROVISION WRITE-OFF AND REVERSAL OF DEPRECIATED LOANS	-	-	
Provision reversal for debts and pending commitments by signature	489 971	675 084	791 275
Recovery of on receivables	47 726	76 787	69 391
Other provision reversal	69 500	61 517	240 470
TOTAL VI	607 197	813 388	
VII. CURRENT PROFITS	4 826 841	5 437 247	5 207 730
Non-current income	4653	14 446	5 442
Non-current costs	84 430	83 439	94 764
VIII. PRE-TAX PROFIT	4 747 064	5 368 254	5 118 408
Profit tax	1 457 578	1 824 140	1 452 990
IX. Net profit of the financial year	3 289 486	3 544 114	3 665 418

In MAD thousand

IV. FINANCIAL STATEMENTS OF CONSOLIDATED ACCOUNTS IFRS

IV.5. Consolidated balance sheet 2013 - 2015

	2013	2014	2015
ASSETS			
Central banks, Public Treasury, services of postal checks	12 830 730	8 842 320	12 580 486
Financial assets at fair value through profit or loss	40 687 887	52 389 822	58 297 966
Hedging derivatives		0	-
Financial assets held for sale	29 175 729	30 805 290	33 000 427
Loans and receivables to credit and similar institutions	18 277 416	19 305 251	21 179 662
Customer loans and receivables	250 749 882	255 056 498	252 918 815
The fair value revaluation of portfolio hedges on assets	0	0	-
Investments held till their maturity date	10 225 201	10 928 820	7 916 008
Current tax assets	35 435	137 676	395 789
Deferred tax assets	669 866	448 327	516 412
Accruals and deferred income and other assets	8 182 804	7 491 499	7 973 730
Non-current assets held for transfer		97 089	893 528
Policy holders deferred profit sharing	103 621	920 708	98 622
Investments in equity-consolidated companies	112 666	116 861	102 952
Investment properties	1 309 214	1 830 545	1 875 923
Tangible assets	4 947 698	5 056 788	4 953 082
Intangible assets	1 552 585	1 731 443	1 708 144
Purchase goodwill	6 718 819	6 684 704	6 667 144
Total assets	385 579 553	401 843 640	411 078 692
LIABILITIES			
Central banks, Public Treasury, services of postal checks	179 058	135 266	165 236
Financial liabilities at fair value through profit or loss	1 294 521	1 965 441	1 090 129
Hedging derivatives	0	0	-
Loans and receivables to credit and similar institutions	53613256,89	41236001,87	32 511 095
Customer loans and receivables	237 607 910	257 881 178	274 514 736
Issued loan securities	12 766 065	14 253 845	13 743 666
The fair value revaluation of portfolio hedges on liabilities	0	0	-
Current tax liabilities	471 405	1 222 376	296 624
Deferred tax liabilities	1 469 254	1 700 513	1 782 425
Accruals and deferred income and other liabilities	8 569 717	8 961 596	8 848 300
Liabilities associated to non-current assets held for sale	0	0	-
Technical provisions of insurance agreements	20 205 854	22 212 075	23 873 972
Provisions for risks and costs	1 296 878	1 745 890	1 513 117
Subsidies, restricted public funds and special funds of guarantee	135 543	147 819	153 865
Subordinated debts	10 034 909	9 979 663	11 356 370
Capital and associated reserves	9 466 523	10 151 765	10 151 765
Consolidated reserves	23 385 449	24 258 638	24 905 872
<i>Group share</i>	<i>19 600 550</i>	<i>20 163 454</i>	<i>21 420 642</i>
<i>Minority shareholding</i>	<i>3 784 900</i>	<i>4 095 184</i>	<i>3 485 230</i>
Latent or deferred gains or losses, group share	16 973	851 090	871 352
Net profit of the FY	5 066 237	5 140 484	5 300 168
<i>Group share</i>	<i>4 141 115</i>	<i>4 355 244</i>	<i>4 501 781</i>
<i>Minority share</i>	<i>925 122</i>	<i>785 240</i>	<i>798 387</i>
Total liabilities	385 579 553	401 843 640	411 078 692
In MAD thousand			

IV.6. Consolidated income and costs IFRS 2013 - 2015

	2013	2014	2015
Interests and similar income	17 165 140	17 498 851	17 336 355
Interests and similar costs	6 585 060	6 472 577	5 935 421
Interest margin	10 580 080	11 026 273	11 400 934
Commissions receivables	4 078 924	4 301 420	4 566 042
Commissions payments	349 017	426 256	525 758
Commissions margin	3 729 908	3 875 163	4 040 284
Net gains and losses on financial instruments at the fair value through profit or loss	2 302 021	3 777 540	2 944 577
Net gains or losses on financial assets held for sale	627 053	346 238	183 561
Result of trading activities	2 929 074	4 123 778	3 128 139
Income of other activities	5 572 981	6 039 398	6 482 827
Costs of other activities	4 934 596	5 614 858	6 055 166
Net banking income	17 877 445	19 449 755	18 997 018
General operating costs	7 183 144	7 680 810	7 959 562
Allocation to amortizations and depreciations of tangible and intangible assets	764 660	827 963	851 162
Gross operating result	9 929 641	10 940 982	10 186 295
Risk cost	-1 866 633	-3 034 430	-2 217 045
Operating result	8 063 008	7 906 552	7 969 250
Share of the result of equity-consolidated companies	16 626	20 004	12 471
Net gains or losses on other assets	53 551	46 892	122 573
Change of goodwill purchase values	-	-	-
Pre-tax profit	8 133 184	7 973 448	8 104 295
Income taxes	3 066 948	2 832 964	2 804 127
Net result	5 066 237	5 140 484	5 300 168
External result	925 122	785 240	798 387
Net group share result	4 141 115	4 355 244	4 501 781

In MAD thousand

PART III: RISK FACTORS

The management of Attijariwafa bank risks is centralized at the Global Risk Division (GGR) level, which is responsible for the supervision, control and measurement of the risks facing the Group except for operational risks.

The independence of this structure vis-à-vis the other divisions allows ensuring optimum objectivity to the risk taking proposals submitted to the credit committee and to their control.

I. EXCHANGE AND RATE RISK

In 2005, Attijariwafa bank decided to set up a specific control system for market risks in the framework of the global Internal Control System in accordance with the provisions of the circular No. 6/G/2001 of Bank Al-Maghrib.

This system focuses on three action levels:

- First level internal control provided by *Front Office* operators required to comply with the regulatory provisions and the policy defined by the bank with regard to follow-up and management of risks;
- Follow-up of risks by the *Middle Office* on a daily basis ensuring adherence to the limits on exchange rate and counterparty risks. It informs on a regular basis the top management and the other control entities through a reporting system. In addition, the « Surveillance and monitoring of market risks » entity is in charge of detecting, analyzing and following the various bank positions regarding exchange rates and currencies to rationalize the said positions by formalized authorizations and to be notified of any deviation from these positions. This follow-up is carried out by the following means:
 - ✓ Monthly follow-up of exposure to exchange rate risk enables retrospective calculation of the Value at Risk (VaR) which measures the maximum potential risk related to exposure to exchange rate risk of the institution;
 - ✓ A monthly report presenting a summary of exposure to exchange rate risk of the bank in comparison to the fixed limits.
- The control entities carry out critical and independent analyses on the quality of the system either in the framework of audit missions or when called for upon request of the General Management.

The VaR³ model was developed by the global risk management of Attijariwafa bank. It covers the Dirham rate risk as well as over-the-counter and longer-term exchange risk. The choice of the Risk-Metrics method developed by JP Morgan to provide a measurement of VaR offers several advantages: it is easy to implement, take account of the correlations existing between the price of assets and take into account recent and historical price fluctuations. Therefore, the RiskMetrics method is based on variance-covariance matrix of the performances of the portfolio assets and their composition in the portfolio.

The Global risk management provides, on a monthly basis, a detailed report indicating the calculation and the change of the VaR and the control of the regulatory and internal limits. This model makes it possible to proceed to back-testing which is a technique that enables the testing of the validity of the VaR calculation model. It consists of taking as a base, the historical VaR of operations and subsequently determining whether the VaR actually determined the potential incurred loss by comparing it to the theoretical P&L.

Moreover, the bank has established a system of internal limits to measure and control market risks. These limits concern the trading book, exchange position, raw materials and exchange options.

³The Value at Risk represents the potential maximum loss on the value of an asset or portfolio of assets and the financial liabilities given the duration of holding and confidence interval.

Rate risk

The banking system is subject to the risk of downward trend of interest rates. The bank faces the risk that the future change in interest rates may reduce the estimated net banking income.

The following table provides the positions at the end of December 2015 as well as the 1-10 day VaR of the exchange activities, equities and bonds & UCITS:

Activities	Position	1 day VaR	Regulatory 10 days VaR
Exchange	524 745 937	741 150	2 343 722
Equities	34 887 190	530 972	1 679 081
Bonds & UCITS	47 178 619 092	77 226 953	244 213 068

In MAD – Source: Attijariwafa bank

Moreover, simulations of the different rate shock scenarios are conducted to determine the impact of such scenarios on Net Banking Income and on the economic value of the equity.

IV.7. Exchange risk

All banks face an exchange rate risk due to the various activities of the bank (shareholdings, subsidiaries abroad, currency credits, currency securities, currency loans, swap, exchange options, forward exchange, etc.). The banking institution may detect future exchange rates which are in its favour and therefore register a decrease of its margin estimate.

Attijariwafa bank exchange rate risk as of December 2015 can be summarized in the following table:

Currencies	Position in currencies	Rate	Counter-value (MAD thousand)	% Capital
AED	2 172	2,696	5 854	0,02%
CAD	906	7,142	6 471	0,02%
CHF	339	9,927	3 361	0,01%
DKK	4 008	1,445	5 792	0,02%
DZD	4 080	0,093	378	0,00%
GBP	270	14,635	3 945	0,01%
JPY	61 722	0,082	5 088	0,02%
KWD	22	32,622	707	0,00%
LYD	80	7,878	633	0,00%
MRO	6 481	0,029	190	0,00%
NOK	905	1,125	1 017	0,00%
SAR	364	2,637	960	0,00%
SEK	6 852	1,177	8 064	0,03%
TND	1 073	4,931	5 291	0,02%
USD	19 356	9,901	191 640	0,72%
EUR	58 960	10,783	635 764	2,39%
ZAR	230	8,8	2 027	0,01%
CNY	231	1,525	353	0,00%

In thousands – Source: Attijariwafa bank

As of December 2015, aggregated amount of exchange positions of the bank is MAD 17,678 bn, divided as follow (in bn MAD):

	< 3 months	3 months - 6 months	> 6 months
Cover	11 732	3 175	5 629

Source: Attijariwafa bank

IV.8. Asset/liability management

The structural nature of ALM risks relate to the risks of future losses in the economic value or decrease in interest margins, given the rates' mismatches and maturities between the bank's assets and liabilities.

ALM provides risk and profitability monitoring indicators expected across the different balance sheet products and declines management rules likely to limit the bank's balance sheet risk exposure and optimum management of its positions.

Attijariwafa bank asset and liability management has a set of ALM models and conventions based on the reality of the bank's outstanding in view of market and economic factors that influence the behaviour of the bank's balance sheet lines.

These financial assumptions are dynamic and are reviewed regularly at least once a year to truly reflect the changing bank's assets and resources. Indeed, the measurement of liquidity risks, interest rate and exchange rate requires effective management of intrinsic characteristics of the contracts, namely the maturity, interest rate nature (fixed / adjustable / variable), and the currency denomination of each balance sheet item should be identified.

Moreover, beyond the contractual characteristics of the balance sheet positions and hidden options (possibilities of prepayments for example) and customer behaviour (especially in terms of holding period of deposit accounts) have been modelled.

The adopted approach is based on the production as well as the static and dynamic projection of balance sheet items in time until extinction of the outstanding stock and production following the new budget and the bank's strategic plan.

V. RISK OF LIQUIDITY

The transformation activity particular to banking institutions, necessarily implies a risk of liquidity. The maturities of assets and resources, all different from each other, create gaps, in the balance sheet, between the volume of assets and liabilities which are the origin of the liquidity risk.

In the case of structure changes, the bank might be unable to obtain liquidities under normal conditions of volume and rate. In such case, future refund needs may result in reducing the estimated margins.

The regulatory liquidity ratio is presented as the ratio between, the assets available and achievable in the short term and received signature commitments on the one hand, and the short-term sight commitments given by signature on the other hand.

The regulatory liquidity ratio is as follow:

Date	Liquidity ratio in Morocco	Evolution
March 31 st , 06	92.80%	
June 30 th , 06	87.20%	-5.60 pts
December 31 st , 06	96.40%	+9.20 pts
March 31 st , 07	77.60%	-18.80 pts
June 30 th , 07	131.40%	+53.80 pts
December 31 st , 07	107.90%	-23.50 pts
June 30 th , 08	101.60%	-6.30 pts
December 31 st , 08	100.60%	-1.00 pt
March 31 st , 09	121.01%	+20.41 pts
June 30 th , 09	100.90%	-20.11 pts
December 31 st , 09	107.98%	+7.08 pts
March 31 st , 10	94.73%	-13.25 pts
June 30 th , 10	91.48%	-3.25 pts
December 31 st , 10	94.16%	+2.68 pts
March 31 st , 11	87.02%	-7.14 pts
June 30 th , 11	95.04%	+8.02 pts
December 31 st , 11	95.40%	0.36 pt
June 30 th , 12	80.56%	-14.84 pts
December 31 st , 12	81.63%	1.07 pt
December 31 st , 13	70.18%	-11.45 pts

Source: Attijariwafa bank

To ensure the convergence of the Moroccan prudential framework with international standards, the central bank has implemented a major reform of Basel III on the short term liquidity ratio (Liquidity Coverage Ratio-LCR), seeking to replace the liquidity ratio.

The ratio "LCR" reporting the high quality liquid assets to net cash outflows over a period of 30 days, is meant to strengthen the banks' liquidity profile and promote their resilience to a potential liquidity shock.

Thus, starting from July 2015, banks are required to maintain a minimum liquidity ratio of 60%, which should gradually increase by 10 points per year to reach 100% in 2019.

The short-term liquidity ratio is presented as follow:

Date	short-term liquidity ratio	Evolution
December 31 st ,14	120.0%	+38.9 pts
June 30 th , 15	114.0%	-6.0 pts
September 30 th , 15	148.8%	+34.8 pts
December 31 st , 15	178,40%	+58,4 pts

Source: Attijariwafa bank

VI. COUNTERPART RISK MANAGEMENT

In the context of important changes occurring in Morocco, i.e. economic liberalization, opening of borders, customs dismantlement and the entry into force of several free trade agreements, the counterpart risk of the banking sector could deteriorate and therefore induce a rise in the global litigation ratio. This trend may be affected by an unfavourable economic situation.

To manage the counterpart risk, the major task of the « Credit risk » entity within the GGR is to analyze and handle risk taking requests resulting from the group sale forces. In addition, it has the prerogative of assessing the consistency and validity of guarantees, estimating the volume of activity of the customer and economic adequacy of the requested financing. Each Business Unit is provided with a commitment structure and an overlay structure clearly independent and hierarchically linked to the Global Risk Management division.

VI.1. The distribution of the institution's commitment⁴

By activity sector

The distribution of risk per economic sector received particular attention along with a prospective analysis allowing dynamic management of bank exposure. The distribution is based on studies expressing an opinion about the change of the different sectors and identifying the factors explaining the risks faced by its major operators.

The distribution of commitments by sector carried over to the total of the Bank commitments at the end of 2015 is as follow:

- Large corporations accounting for 45%;
- Retail customers accounting for 26%;
- Credit institutions and sovereign borrowers accounting respectively for 7% and 6% of the bank commitments by counterpart categories as of December 31st, 2015.

By counterparty

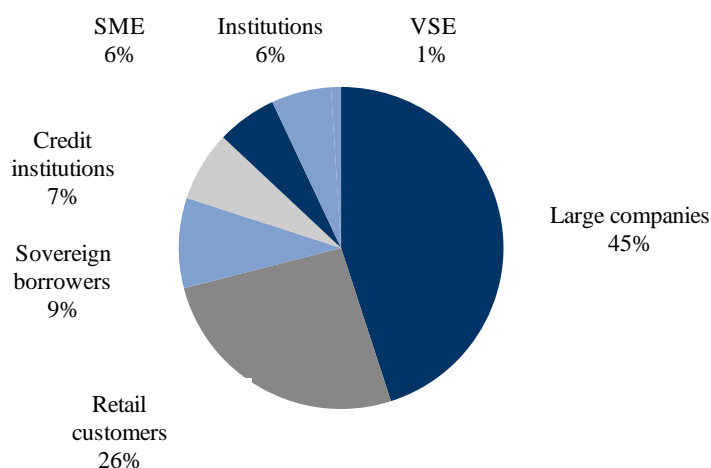
Assessed while taking into account all the commitments concerning the same beneficiary, the diversification is a permanent feature of the Bank's risk policy. The extent and variety of the group's activity could participate therein.

Potential concentrations are subject to a regular review resulting, if necessary, in corrective actions.

⁴ Source: ATTIJARIWAFa Bank

This diversification is as follow:

Breakdown of the bank's commitments by counterpart category on December 31st, 2015

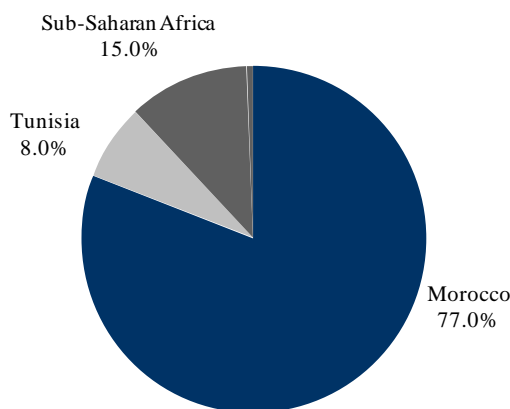


Source: Attijariwafa bank *other than VSE

By geographical area

The following diagram reveals that the group's activity is mainly focusing on the Moroccan market with 77.0% followed by Tunisia. The rest is distributed among the African sub-Saharan countries.

Breakdown of the bank's commitments by geographic area as of December 31st, 2015



Source: Attijariwafa bank

In Morocco, the region of Casablanca represents on its own more than 68% of the bank's commitments, followed by the North West region (Rabat-Tangier), 18%, while Meknes-Fez, Souss-Sahara and the Rif-Oriental each represent 3% of the commitments and other areas account for the remaining 4%.

This focus is explained by:

- The fact that the areas of Casablanca and Rabat constitute the « economic, financial and administrative heart » of the Kingdom;
- The establishment of accounts in Casablanca and Rabat of the main infrastructure projects launched and carried out in the provinces.

By portfolio quality

To assess all its counterparts, the Group has worked up a rating system consistent with the requirements of Basel II. Thus, the implementation of the internal rating approach is based on the minimal requirements enabling each credit institution to select the systems and methods best adapted to its specific activity.

Indeed, the rating system must be characterized by two clearly separate parameters: the risk of default by the borrower and the factors specific to the transaction. The default risk evaluation time period is estimated to be of 1 year.

This system, which is subject to regular validation and monitoring of performances, must also be of a predictive nature and take into account human estimates.

Concerning the documentation, design of the rating system and its operational modalities must be formalized. Especially, the aspects concerning portfolio differentiation, the rating criteria, the responsibility of the different stakeholders, frequency of review and management involvement must be thoroughly looked into.

The data concerning the main borrowers and the characteristics of the facilities provided must be gathered and duly stored.

In addition, the banks must have a reliable system for verifying the accuracy and coherence of the rating systems and procedures, as well as the estimation of all the major risk factors. They must prove to their authority of control that the validation processes enable them to assess, in a coherent and significant manner, the performance of their internal rating systems and assessment of risk.

Since June 2003 a first generation of internal rating systems of Attijariwafa bank has been developed with the technical assistance of international financing firm Mercer Oliver Wyman. This system takes into account two parameters: a rating scale of six categories (A, B, C, D, E and F) and estimated default probabilities (PD). The initial model was limited to five financial factors explicative of the credit risk.

In 2010, Attijariwafa bank Group developed a new internal rating model at the level of the bank operating system in line with the requirements of Basel II. This model specific to companies takes into account in addition to financial items, qualitative and behavioral items. It covers the core elements of the bank's commitments. Its design is based on the analysis of homogeneous classes and well proven statistical analysis.

The rating system is essentially based on the Counterpart Rating reflecting the probability of default over a period of observation of one year. The rating is assigned to a risk category of the rating scale which consists of eight risk classes including one for default (A, B, C, D, E, F, G, and H).

Grade	Risk level
A	Excellent
B	Good
C	Quite good
D	Average
E	Mediocre
F	Bad
G	Very bad
H	Default

Source: ATTJARIWAFABA Bank

The rating system is characterized by the following:

- Perimeter: company portfolio apart from local authorities, financing institutions and real estate developers;
- Attijariwafa bank Group rating system is basically based on the Counterpart Rating reflecting the probability of default over a period of observation of one year;
- Calculation of the system rating is the result of a combination of three types of rating, i.e. financial rating, qualitative rating and behavioural rating;
 - ✓ The financial rating is based on several financial factors associated with the size, dynamism, indebtedness, the profitability and financial structure of the company;
 - ✓ The qualitative rating is based on the information regarding the market, environment, shareholders and management of the company. This information is provided by the Network;
 - ✓ The behavioural rating is based on the account structure.
- All counterpart ratings must be approved (for each rating) by the credit committee according to the delegation of powers in force;
- The probability of default assesses solely the solvency of the counterpart, independently of the transaction characteristics (guarantees, rankings, clauses, etc.);
- The model risk categories are graded in comparison with the risks specified by international rating agencies;
- The rating is given to a risk category of the rating scale consisting of 8 classes grouped together in 3 categories:
 - ✓ Sound counterparts: Classes A to D;
 - ✓ Sensitive counterparts : E to G;
 - ✓ Counterparts in default: class H (Doubtful, Compromised, Consolidation, Recovery, and Provision).
- ✓ Use of internal rating: The internal rating system is currently an integral part of the assessment and credit decision process. Indeed, upon processing of the credit proposal, the rating is taken into account. The levels of delegation of competencies in terms of credit decisions are dependent on the risk rating;
- ✓ Rating update: the counterpart ratings are re-examined upon each renewal application and at least once per year. However, for customers among enterprises under surveillance (Class F, G or pre-recovery), the Counterpart rating must be reviewed each semester. Generally, any new or significant information must give rise to questioning of the pertinence of the Counterpart rating in an either upwards or downwards direction.

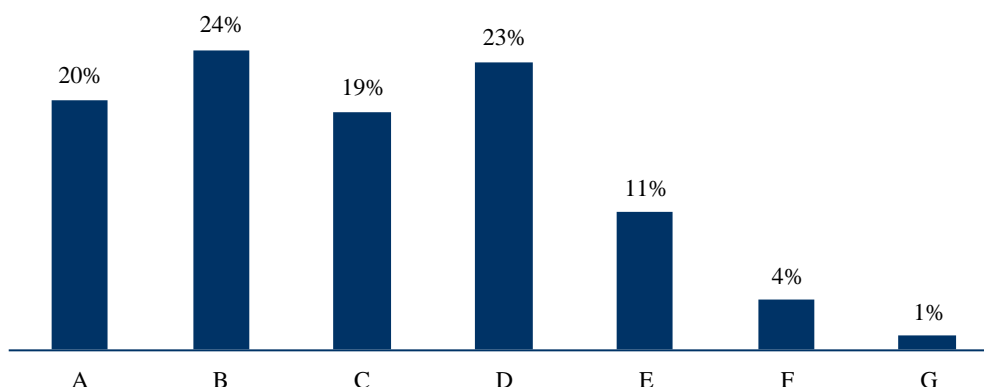
The rating system is dynamic and its annual backlisting scheduled for:

- Testing the predictive power of the rating model;
- Verifying the proper grading of default probabilities.

For surveillance of risk quality, the risk management systems entity generates a regularly issued report on the risk cartography according to different analysis factors (Commitment, sector of activity, pricing, network, overdue files, etc.) and makes sure to improve the portfolio hedge ratio.

With regard to commitments, the distribution of risks concerning the company perimeter is as follow:

Distribution of the bank commitments (company perimeter) by risk category on December 31st, 2015*



Source: ATTJARIWAFABA Bank

* Public administrations, real estate companies, inactive records, individuals and litigation files are not included in this perimeter

Base : 4 551 files totaling MAD 117 billion (including MAD 21 billion of commitment corresponding to the financing companies (15) rated according to expert judgment).

A rating system for real estate development focusing on two main dimensions (customer/project) is operational.

This approach falls under the framework of the process for compliance with the advanced methods of Basel II.

Stock market risk

The net book value of Attijariwafa bank investment securities on December 31st, 2015 is as follow:

	Gross book value	Current value	Reimbursement value	Latent revaluation gains	Latent revaluation losses	Provisions
Transaction securities	44 292 019	44 292 019	-	-	-	-
Bills and similar securities	28 613 850	28 613 850	-	-	-	-
Bonds	585 224	585 224	-	-	-	-
Other debt securities	-	-	-	-	-	-
Equities	15 092 946	15 092 946	-	-	-	-
Investment securities	4 980 828	4 962 022	-	150 643	18 806	18 806
Bills and similar securities	4 133 045	4 133 045	-	133 796	-	-
Bonds	603 655	603 655	-	10 313	-	-
Other debt securities	177 579	177 579	-	-	-	-
Equities	66 549	47 744	-	6 534	18 806	18 806
Placement securities	8 954 984	8 954 984	-	-	-	-
Bills and similar securities	8 954 984	8 954 984	-	-	-	-
Bonds	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	-

MAD thousand - Source: Attijariwafa bank

It is worth mentioning that the book value of the transaction securities is equal to the market value. For placement securities, the book value is the historical value while the current value corresponds to the market value. In the event of latent loss, a provision must be provided.

VII. REGULATORY RISKS

Solvency ratio

Attijariwafa bank has a sound capital base enabling it to satisfy all of its commitments as proven by the solvency ratio achieved at the end of December 2015:

	2013	2014	2015
Core capital (Tier 1) (1)	19 079	21 974	22 142
Regulatory shareholders' equity (2)	22 737	26 793	26 610
Weighted risks (3)	185 951	209 137	210 337
Ratio of core capital (1) / (3)	10.3%	10.5%	10.5%
Solvency ratio (2) / (3)	12.23%	12.8%	12.7%

MAD million - Source: Attijariwafa bank – Aggregate accounts

VIII. MANAGEMENT OF COUNTRY-RELATED RISKS

With the support of an external consultant, the Country-related risk entity has made, during the financial year 2015, a study aiming at automating the management of country-related risks. This study covered:

- the diagnosis of a system and its compatibility with the regulatory requirements by specifying the actions of evolution in relation to an international benchmark;
- the development of a conceptual model for an optimal management of country-related risks (with functional blocks and an information system), in view of establishing an information system with an extension of the system to the foreign subsidiaries, according to a progressive approach;
- the process of the strengthening of the regulation framework and the establishment of a new system have had the combined effect of enabling a reinforcement of the follow-up of BDI risks and a consolidation of the system of country-related risks' management.

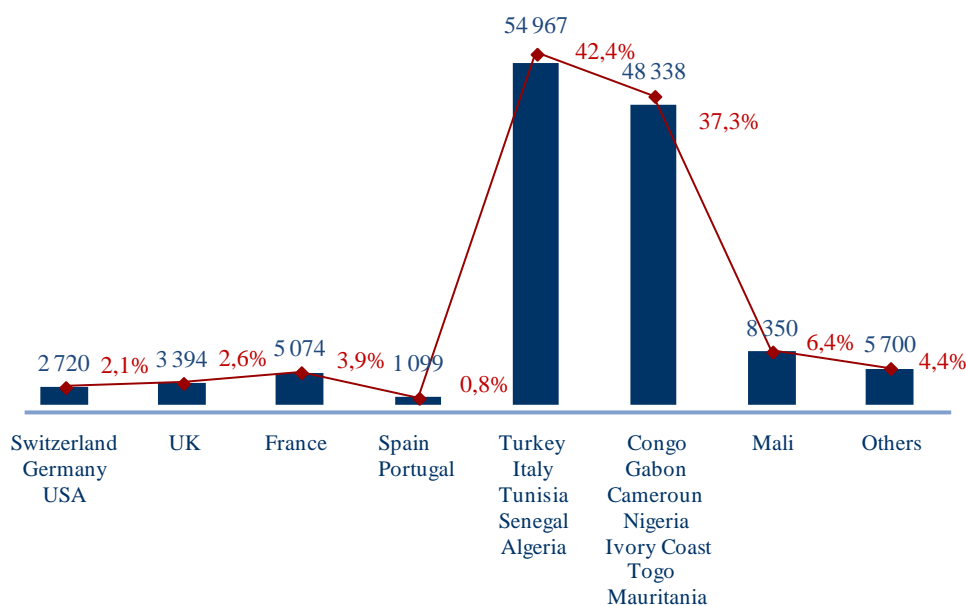
Country risk management system

Deployment of the bank growth strategy at the international level as well as the provisions of the 1/G/2008 guideline of Bank Al Maghreb have motivated the establishment of a country risk management system given the ever-growing significance of activities abroad in the Group's global exposure.

This system focuses on the following items:

- A country risk charter adopted by the management entity and approved by the administrative body, constituting the reference framework governing activities generating international risks for the bank;
- The survey and assessment of international risks: Attijariwafa bank Group deploys its banking and semi-banking activity in its home market as well as in foreign countries through its subsidiaries and branch offices. In this respect, its exposure to international risks involved two types of commitment made by the bank as a credit entity for non-resident counterparts in both MAD and foreign currencies;
- Reprocessing and calculation of exposure to country risk according to the risk transfer principle, which enables bring out the areas and countries with high exposure (in value and in% of the shareholders' equity) as well as the corresponding risks typologies. Thus, as indicated in the bellow diagram, we note that 13.1% of the bank exposure to international risks at the end of December 2014 is focused on countries having a risk profile graded with excellent (A1) to acceptable (A4), i.e. equivalent to Morocco's risk). For the rest, it is mainly related to strategic investment of the bank in terms of acquisitions of African bank subsidiaries;

Distribution of country risk exposures according to Coface scale – December 31st 2015



Source: Attijariwafa bank

- consolidation rules of exposure to country risks that enables, beyond individual analysis of the commitment per country of each subsidiary as well as headquarters, establishing an overview of the group's global commitment;
- establishment and publishing a weekly report on the progress of the country risk summarizing all the highlights occurring over the week (changes of ratings of branches and other institutions) with an update of the "World" base on country ratings by Standard & Poor's, Moody's, Fitch, Coface, and OECD, as well as the internal score to the bank and country CDS;
- establishment of an economic internal scoring of country risks reflecting the per country vulnerability index. This score is based on a multiple criteria assessment approach combining macroeconomic indicators, branches ratings and market data, mainly credit default swaps as a barometers of default probability linked to each issuer;
- development of an internal country risk political score reflecting the vulnerability of a country with regard to political instability. This score is based on a multiple criteria assessment approach combining the evaluation of qualitative indicators pertaining to justice (legal guarantee, regulation environment), administration and bureaucracy, redistribution of wealth, Democracy Index as well as the Doing Business score making enabling the study the regulations conducive to economic activity as well as those placing limits thereupon;
- allocation of limits, graded according to the country risk profile and the level of bank shareholders' equity presented by area, by country, by sector, and by activity type and by maturity);
- follow-up and monitoring of respect of limits;
- provisioning of the country risk according to the degradation of exposure (risk materialization, debt rescheduling, payment default, benefits of initiatives of debt relief, etc.);
- stress test, practiced each semester, used to ensure the bank's ability to stand external risk factors (case of materialization of the political risk in Tunisia and Ivory Coast) and to measure the impact on the capital and profitability.

In conclusion, the country risk management is covered by a system ensuring the coverage of international risks from their origination to their outcome.

Country risk management system



Source: Attijariwafa bank

IX. OPERATIONAL RISK AND ACTIVITY CONTINUITY PLAN

IX.1. Operational Risk

The implementation of operational risk management system (ORM) falls within the framework of the reform "Basel 2" and its variation for Morocco by Directive DN/29/G/2007, enacted by Bank Al Maghrib on April 13th, 2007. The latter defines operational risk as "the risk of loss resulting from delays or failures attributable to procedures, staff members and internal systems or to external events". This definition includes legal risk, but excludes strategic and reputational risks.

For ATTIJARIWAFa Bank, this operational risk management system is controlled by the "Operational Risk, Legal, IT and Human" entity created within the "Global Risk Management." This entity was established for each of the business lines risk cartography based on the repository of the Bank's processes. Each risk cartography is defined by frequency of occurrence and impact on the occurrence.

Concerning the major risks of the risks' cartography, action plans are defined in order to mitigate or prevent risks.

The risk cartography is updates on a regular basis and is based on reported incidents in each entity and/or the change in the Bank's products and services.

The adopted methodological approach in the establishment of the risk cartography of Attijariwafa bank group is presented through the 6 following stages:

- validation of processes;
- identification et assessment of risks;
- identification of risks' monitoring indicators;
- establishment of action plans for risks reduction;
- collection of incidents and monitoring of risks to be managed;
- Back-Testing & reassessment of risks.

IX.2. Activity Continuity Plan (ACP)

The implementation of the ACP managed by the "Operational Risk, Legal, IT and human" entity allows the bank to complete the operational risk management system implemented during the 2009 financial year and that resulted in the development of a charter as well as a complete cartography of operational risks.

The establishment of the ACP is part of the provisions of the second pillar of Basel II and BAM Circular No. 47/G/2007 stating that the ACP is a regulatory obligation.

The implementation of an Activity Continuity Plan ensures the continuity of the bank's activities and the respect of commitments upon the occurrence of the following:

- a crisis or a major operational disruption affecting a large urban or geographical area;
- a disturbance affecting physical infrastructures;
- a natural disaster;
- an external attack;
- a major failure of the information systems;
- a malfunction resulting from a significant absenteeism rate (a pandemic for example);
- a failure of a critical service.

DISCLAIMER

The aforementioned information is only a part of the prospectus approved by the Moroccan Authority of Capital Markets (AMMC), financial authority, under reference VI/EM/011/2016 on June 8th, 2016. The AMMC recommends reading the full prospectus available to the public in French.