

**SUMMARY PROSPECTUS**  
**BANQUE MAROCAINE DU COMMERCE EXTERIEUR**  
**- BMCE BANK -**



*Issue of a listed and unlisted subordinated note*

**TOTAL ISSUE SIZE: MAD 2,000,000,000**

**MATURITY: 10 YEARS**

	Tranche A (fixed unlisted)	Tranche B (floating unlisted)	Tranche C (fixed listed)	Tranche D (floating listed)
MAXIMUM SIZE	MAD 2 billion	MAD 2 billion	MAD 2 billion	MAD 2 billion
NUMBER OF SECURITIES	20,000	20,000	20,000	20,000
NOMINAL VALUE	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000
SECURITIES' TRADABILITY	Over the counter		On the Casablanca Stock Exchange	
RATE	Fixed, determined with reference to the 10-year rate calculated on the basis of secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016	Floating, revised annually, determined with reference to secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016	Fixed, determined with reference to the 10-year rate calculated on the basis of secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016	Floating, revised annually, determined with reference to secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016
RISK PREMIUM	Between 90 and 100 basis points	Between 85 and 95 basis points	Between 90 and 100 basis points	Between 85 and 95 basis points
REPAYMENT OF PRINCIPAL	At maturity			
REPAYMENT GUARANTEE	No			
MATURITY	10 years			
ALLOTMENT METHOD	French auction method			

**SUBSCRIPTION PERIOD: 16-20 JUNE 2016 INCLUSIVE**  
**SUSCRPTION RESERVED FOR QUALIFYING INVESTORS AS DEFINED UNDER MOROCCAN LAW AS LISTED IN THIS PROSPECTUS**

INSTITUTION RESPONSIBLE FOR REGISTRATION



ADVISORY INSTITUTION



COORDINATING INSTITUTION & BOOK-RUNNER



**Approval of the Moroccan Capital Markets Authority (AMMC)**

In accordance with the provisions of the AMMC circular published in application of Article 14 of *Dahir* No. 1-93-212 of 21 September 1993 relating to the Moroccan Capital Markets Authority (AMMC) and to the information required of legal entities issuing securities to the public, as amended and completed, the original copy of this prospectus has been approved by the AMMC **on June 9th, 2016** with reference number n° **VI/EM/012/2016**.

**Warning:** The Moroccan Capital Markets Authority (AMMC) approved on June 9th, 2016 a prospectus related to the bond issue by BMCE Bank. The prospectus approved by the AMMC is available at any time at the headquarters of BMCE Bank and at the financial advisor. It is also available within a maximum deadline of 48 hours from the order collection entities.

The prospectus is publicly available on the AMMC web site: [www.ammc.ma](http://www.ammc.ma).

## 1. TRANSACTION OVERVIEW

### 1. Transaction features:

#### Warning:

A subordinated note differs from a classic bond in terms of the rank of claims contractually defined by the subordination clause. The effect of the subordination clause is, in the event of the issuer's winding up, to subordinate the repayment of the note to that of all preferred stock holders and common stock holders.

#### Features of tranche A (Fixed-rate notes not listed on the Casablanca Stock Exchange)

<b>Description of securities</b>	Subordinated notes unlisted on the Casablanca Stock Exchange, dematerialised through registration with Maroclear, the central securities depository and registered in an account with authorised affiliates
<b>Legal form</b>	Subordinated notes in bearer form
<b>Tranche size</b>	MAD 2,000,000,000
<b>Maximum number of shares to be issued</b>	20,000 subordinated notes
<b>Nominal value</b>	MAD 100,000
<b>Maturity</b>	10 years
<b>Subscription period</b>	16-20 June 2016 inclusive
<b>Entitlement date</b>	28 June 2016
<b>Maturity date</b>	28 June 2026
<b>Issue price</b>	100% i.e. MAD 100,000 at the date of subscription
<b>Allotment method</b>	French auction method
<b>Nominal interest rate</b>	<p><b>Fixed rate</b></p> <p>The nominal interest rate will be determined with reference to the 10-year rate calculated on the basis of secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016 plus a risk premium of between <b>90 basis points</b> and <b>100 basis points</b> (to be decided at the subscription's closing). This benchmark will be published in a journal containing legal notices 14 June 2016.</p> <p>The nominal interest rate adopted will be published no later than 23 June 2016 by BMCE Bank in a journal containing legal notices.</p>
<b>Calculation method</b>	The benchmark rate will be determined by the linear interpolation method, using both the values at the beginning and at the end of the note's entire 10-year maturity (actuarial basis).
<b>Risk premium</b>	Between <b>90</b> and <b>100</b> basis points

<b>Interest</b>	<p>Interest will be paid annually at the anniversary of the loan's entitlement date i.e. 28 June of each year. Payment will be made on the very same day or the first working day following June 28 if the latter is not a working day.</p> <p>Interest on the subordinated notes will cease to accrue from the date when the capital is repaid by BMCE Bank. Postponement of interest is not possible under the terms of this transaction.</p> <p>Interest will be calculated as per the following formula: [Nominal x nominal rate].</p>
<b>Repayment of the principal</b>	<p>For Tranche A, unlisted on the Casablanca Stock Exchange, the principal will be repaid at maturity.</p> <p>In the event that a merger, demerger or partial contribution of BMCE Bank assets occurs during the loan term, resulting in a universal transfer of the assets to a separate legal entity, the rights and obligations in respect of the subordinated notes shall be automatically transferred to the legal entity substituting for BMCE Bank's rights and obligations.</p> <p>The repayment of the capital is, in the event of BMCE Bank's winding up, subordinate to all other claims.</p>
<b>Early repayment</b>	<p>BMCE Bank is not permitted to undertake, during the entire period of the loan, early amortisation of the subordinated notes that are to be issued.</p> <p>The Bank reserves the right, however, with the prior approval of Bank Al-Maghrib, to buy back subordinated notes on the secondary market, provided that the legal and regulatory provisions so allow, such that these repurchases do not have any impact on a subscriber wishing to hold its securities until maturity nor on the normal amortisation schedule.</p> <p>The subordinated notes thus redeemed may only be cancelled with the prior agreement of Bank Al-Maghrib.</p> <p>In case of cancellation, the issuer must inform the Stock Exchange that the notes have been cancelled.</p>
<b>Securities' tradability</b>	<p>Over the counter</p> <p>No restriction is imposed under the terms of the issue on the free tradability of the subordinated notes.</p>
<b>Prior assimilation</b>	<p>Tranche A subordinated notes have not been assimilated into subordinated notes previously issued by BMCE Bank.</p>
<b>Subsequent assimilation</b>	<p>In the event that BMCE Bank were to subsequently issue new securities having identical rights, in all aspects, to those of this issue, it may, without requiring the bearers' consent, assimilate all the securities of the subsequent issues, thereby unifying all operations relating to their management and trading.</p>
<b>Loan's ranking</b>	<p>The capital and interest are subject to a subordination clause.</p> <p>Application of this clause does not in any way violate the legal rules relating to the accounting principles for appropriating losses, shareholders' obligations and subscribers' rights to obtain, in accordance with the conditions set out in the contract, payment for its securities in capital and interest.</p> <p>In the event of BMCE Bank's winding up, repayment of the capital and interest of this issue's subordinated securities will only occur after all preferred stock holders and common stock holders have been reimbursed. These subordinated securities will rank alongside all the other subordinated loans which have already been or may subsequently be issued by BMCE Bank both in Morocco and overseas, pro-rata to their amount, where</p>

	applicable.
<b>Maintaining the loan's ranking</b>	BMCE Bank undertakes, until the actual repayment of all this loan's securities, to not give priority to other subordinated securities which it may subsequently issue, as to their repayment ranking in the event of the company's winding up, without granting the same rights to this loan's subordinated securities.
<b>Repayment guarantee</b>	This issue is not subject to any guarantee of any kind whatsoever.
<b>Rating</b>	The Issuer does not currently intend to seek a rating in respect of the Notes.
<b>Note holders' representation</b>	<p>A meeting of the Company's Board of Directors held <b>6 June 2016</b> appointed Mr Hamad JOUAHRI as the interim representative of subordinated note holders of tranches A, B, C and D in accordance with the related legal provisions.</p> <p>This decision shall take effect from the start of the subscription period. It is specified that the interim representative appointed is identical for tranches A, B, C and D of this issue, which are grouped into a single entity.</p> <p>In addition, BMCE Bank's Board of Directors undertakes to convene a general meeting of note holders to appoint a permanent representative of note holders within one year of the start of the subscription period.</p>
<b>Governing law</b>	Moroccan law
<b>Competent jurisdiction</b>	Casablanca Commercial Court

**Features of tranche B (Floating-rate notes not listed on the Casablanca Stock Exchange)**

<b>Description of securities</b>	Subordinated notes unlisted on the Casablanca Stock Exchange, dematerialised through registration with Maroclear, the central securities depository and registered in an account with authorised affiliates
<b>Legal form</b>	Subordinated notes in bearer form
<b>Tranche size</b>	MAD 2,000,000,000
<b>Maximum number of shares to be issued</b>	20,000 subordinated notes
<b>Nominal value</b>	MAD 100,000
<b>Maturity</b>	10 years
<b>Subscription period</b>	16-20 June 2016 inclusive
<b>Entitlement date</b>	28 June 2016
<b>Maturity date</b>	28 June 2026
<b>Issue price</b>	100% i.e. MAD 100,000 at the date of subscription
<b>Allotment method</b>	French auction method
<b>Nominal interest rate</b>	<p><b>Revised annually</b></p> <p>In the first year, the nominal interest rate will be the full 52-week money market rate determined with reference to secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016 (excluding risk premium) plus a risk premium of between <b>85 basis points</b> and <b>95 basis points</b> (to be decided at the subscription's closing). This benchmark will be published in a journal containing legal notices 14 June 2016.</p> <p>The nominal interest rate adopted will be published no later than 23 June 2016 by BMCE Bank in a journal containing legal notices.</p> <p>At each anniversary, the benchmark rate will be the full 52-week money market rate determined with reference to secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016 five working days prior to the anniversary.</p> <p>The resulting benchmark rate will be raised by a risk premium of between <b>85 basis points</b> and <b>95 basis points</b> (to be decided at the subscription's closing). Note holders will be informed of the rate 5 working days prior to the anniversary.</p>
<b>Calculation method</b>	<p>At each anniversary, the benchmark rate adopted will be determined on the following basis:</p> <ul style="list-style-type: none"> <li>- The subordinated securities' benchmark rate will be calculated on the basis of the latest money market rates for 52-week Treasury bills or calculated by the linear interpolation method for secondary market Treasury bond yields as published by Bank Al-Maghrib 5 working days prior to the anniversary.</li> </ul> <p>This linear interpolation will be carried out after converting the rate immediately above that of the 52-week</p>

	<p>maturity (actuarial basis) into the equivalent money market rate.</p> <p>The calculation formula is:  <math display="block">(((\text{Actuarial rate} + 1)^{(k/\text{exact number of days}^*)}) - 1) \times 360/k;</math>         where k is the maturity of the actuarial rate requiring conversion          *Exact number of days is 365 or 366 days</p> <p>- The resulting rate will be raised by a risk premium of between <b>85 basis points</b> and <b>95 basis points</b> (to be decided at the subscription's closing).</p>
<b>Risk premium</b>	Between <b>85</b> and <b>95</b> basis points
<b>Date for determining the rate of interest</b>	<p>The coupon will be revised annually at the anniversary of the loan's entitlement date i.e. 28 June of each year. Note holders will be informed of the new rate by the issuer in a journal containing legal notices 5 working days prior to the anniversary.</p>
<b>Interest</b>	<p>Interest will be paid annually at the anniversary of the loan's entitlement date i.e. 28 June of each year. Payment will be made on the very same day or the first working day following June 28 if the latter is not a working day.</p> <p>Interest on the subordinated notes will cease to accrue from the date when the capital is repaid by BMCE Bank. Postponement of interest is not possible under the terms of this transaction.</p> <p>Interest will be calculated as per the following formula: [Nominal x nominal rate x (exact number of days/360 days)].</p>
<b>Repayment of the principal</b>	<p>For Tranche B, unlisted on the Casablanca Stock Exchange, the principal will be repaid at maturity.</p> <p>In the event that a merger, demerger or partial contribution of BMCE Bank assets occurs during the loan term, resulting in a universal transfer of the assets to a separate legal entity, the rights and obligations in respect of the subordinated notes shall be automatically transferred to the legal entity substituting for BMCE Bank's rights and obligations.</p> <p>The repayment of the capital is, in the event of BMCE Bank's winding up, subordinate to all other claims.</p>
<b>Early repayment</b>	<p>BMCE Bank is not permitted to undertake, during the entire period of the loan, early amortisation of the subordinated notes that are to be issued.</p> <p>The Bank reserves the right, however, with the prior approval of Bank Al-Maghrib, to buy back subordinated notes on the secondary market, provided that the legal and regulatory provisions so allow, such that these repurchases do not have any impact on a subscriber wishing to hold its securities until maturity nor on the normal amortisation schedule.</p> <p>The subordinated notes thus redeemed may only be cancelled with the prior agreement of Bank Al-Maghrib.</p> <p>In case of cancellation, the issuer must inform the Stock Exchange that the notes have been cancelled.</p>
<b>Securities' tradability</b>	<p>Over the counter</p> <p>No restriction is imposed under the terms of the issue on</p>

	the free tradability of the subordinated notes.
<b>Prior assimilation</b>	Tranche B subordinated notes have not been assimilated into subordinated notes previously issued by BMCE Bank.
<b>Subsequent assimilation</b>	In the event that BMCE Bank were to subsequently issue new securities having identical rights, in all aspects, to those of this issue, it may, without requiring the bearers' consent, assimilate all the securities of the subsequent issues, thereby unifying all operations relating to their management and trading.
<b>Loan's ranking</b>	<p>The capital and interest are subject to a subordination clause.</p> <p>Application of this clause does not in any way violate the legal rules relating to the accounting principles for appropriating losses, shareholders' obligations and subscribers' rights to obtain, in accordance with the conditions set out in the contract, payment for its securities in capital and interest.</p> <p>In the event of BMCE Bank's winding up, repayment of the capital and interest of this issue's subordinated securities will only occur after all preferred stock holders and common stock holders have been reimbursed. These subordinated securities will rank alongside all the other subordinated loans which have already been or may subsequently be issued by BMCE Bank both in Morocco and overseas, pro-rata to their amount, where applicable.</p>
<b>Maintaining this loan's ranking</b>	BMCE Bank undertakes, until the actual repayment of all this loan's securities, to not give priority to other subordinated securities which it may subsequently issue, as to their repayment ranking in the event of the company's winding up, without granting the same rights to this loan's subordinated securities.
<b>Repayment guarantee</b>	This issue is not subject to any guarantee of any whatsoever.
<b>Rating</b>	The Issuer does not currently intend to seek a rating in respect of the Notes.
<b>Note holders' representation</b>	<p>A meeting of the Company's Board of Directors held <b>6 June 2016</b> appointed Mr Hamad JOUAHRI as the interim representative of subordinated note holders of tranches A, B, C and D in accordance with the related legal provisions.</p> <p>This decision shall take effect from the start of the subscription period. It is specified that the interim representative appointed is identical for tranches A, B, C and D of this issue, which are grouped into a single entity.</p> <p>In addition, BMCE Bank's Board of Directors undertakes to convene a general meeting of note holders to appoint a permanent representative of note holders within one year of the start of the subscription period.</p>
<b>Governing law</b>	Moroccan law
<b>Competent jurisdiction</b>	Casablanca Commercial Court

**Features of tranche C (Fixed-rate notes listed on the Casablanca Stock Exchange)**

<b>Description of securities</b>	Subordinated notes listed on the Casablanca Stock Exchange, dematerialised through registration with Maroclear, the central securities depository and registered in an account with authorised affiliates
<b>Legal form</b>	Subordinated notes in bearer form
<b>Tranche size</b>	MAD 2,000,000,000
<b>Maximum number of shares to be issued</b>	20,000 subordinated notes
<b>Nominal value</b>	MAD 100,000
<b>Maturity</b>	10 years
<b>Subscription period</b>	16-20 June inclusive
<b>Entitlement date</b>	28 June 2016
<b>Maturity date</b>	28 June 2026
<b>Issue price</b>	100% i.e. MAD 100,000 at the date of subscription
<b>Allotment method</b>	French auction method
<b>Nominal interest rate</b>	<p><b>Fixed rate</b></p> <p>The nominal interest rate will be determined with reference to the 10-year rate calculated on the basis of secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016 plus a risk premium of between <b>90 basis points</b> and <b>100 basis points</b> (to be decided at the subscription's closing). This benchmark will be published in a journal containing legal notices 14 June 2016.</p> <p>The nominal interest rate adopted will be published no later than 23 June 2016 by BMCE Bank in a journal containing legal notices.</p>
<b>Calculation method</b>	The benchmark rate will be determined by the linear interpolation method, using both the values at the beginning and at the end of the note's entire 10-year maturity (actuarial basis).
<b>Risk premium</b>	Between <b>90</b> and <b>100</b> basis points
<b>Interest</b>	<p>Interest will be paid annually at the anniversary of the loan's entitlement date i.e. 28 June of each year. Payment will be made on the very same day or the first working day following June 28 if the latter is not a working day.</p> <p>Interest on the subordinated notes will cease to accrue from the date when the capital is repaid by BMCE Bank. Postponement of interest is not possible under the terms of this transaction.</p> <p>Interest will be calculated as per the following formula: [Nominal x nominal rate x (exact number of days/360 days)].</p>
<b>Listing of securities</b>	<p>Tranche C subordinated notes will be listed on the Casablanca Stock Exchange and will be subject to an application for admission to the Casablanca Stock Exchange's fixed income compartment. Their listing date is scheduled for 23 June 2016 on the fixed income compartment with the code <b>990194</b> and ticker <b>OBCEE</b>.</p> <p>To be listed on the Casablanca Stock Exchange, the cumulative amount allotted to tranches C and D must be more than or equal to MAD 20,000,000.</p>

	<p>If, at the end of the subscription period, the cumulative amount allotted to tranches C and D is below MAD 20,000,000, then the subscriptions relating to these tranches will be cancelled.</p>
<b>Initial trading procedure</b>	<p>Tranche C securities will be traded via a direct trading method in accordance with Articles 1.2.6 and 1.2.22 of the General Rules of the Stock Exchange.</p>
<b>Repayment of the principal</b>	<p>For Tranche C, listed on the Casablanca Stock Exchange, the principal will be repaid at maturity.</p> <p>In the event that a merger, demerger or partial contribution of BMCE Bank assets occurs during the loan term, resulting in a universal transfer of the assets to a separate legal entity, the rights and obligations in respect of the subordinated notes shall be automatically transferred to the legal entity substituting for BMCE Bank's rights and obligations.</p> <p>The repayment of the capital is, in the event of BMCE Bank's winding up, subordinate to all other claims.</p>
<b>Early repayment</b>	<p>BMCE Bank is not permitted to undertake, during the entire period of the loan, early amortisation of the subordinated notes that are to be issued.</p> <p>The Bank reserves the right, however, with the prior approval of Bank Al-Maghrib, to buy back subordinated notes on the secondary market, provided that the legal and regulatory provisions so allow, such that these repurchases do not have any impact on a subscriber wishing to hold its securities until maturity nor on the normal amortisation schedule.</p> <p>The subordinated notes thus redeemed may only be cancelled with the prior agreement of Bank Al-Maghrib.</p> <p>In case of cancellation, the issuer must inform the Stock Exchange that the notes have been cancelled.</p>
<b>Entity responsible for registering the transactions with the Casablanca Stock Exchange</b>	<p>BMCE Capital Bourse.</p>
<b>Securities' tradability</b>	<p>Tranche C subordinated loans are freely tradable on the Casablanca Stock Exchange.</p> <p>No restriction is imposed under the terms of the issue on the free tradability of the subordinated notes.</p>
<b>Prior assimilation</b>	<p>Tranche C subordinated notes have not been assimilated into subordinated notes previously issued by BMCE Bank.</p>
<b>Subsequent assimilation</b>	<p>In the event that BMCE Bank were to subsequently issue new securities having identical rights, in all aspects, to those of this issue, it may, without requiring the bearers' consent, assimilate all the securities of the subsequent issues, thereby unifying all operations relating to their management and trading.</p>
<b>Loan's ranking</b>	<p>The capital and interest are subject to a subordination clause.</p> <p>Application of this clause does not in any way violate the legal rules relating to the accounting principles for appropriating losses, shareholders' obligations and subscribers' rights to obtain, in accordance with the conditions set out in the contract, payment for its securities in capital and interest.</p> <p>In the event of BMCE Bank's winding up, repayment of the capital and interest of this issue's subordinated securities will only occur after all preferred stock holders and common stock holders have been reimbursed. These subordinated securities will rank alongside all the other subordinated loans which have</p>

	already been or may subsequently be issued by BMCE Bank both in Morocco and overseas, pro-rata to their amount, where applicable.
<b>Maintaining this loan's ranking</b>	BMCE Bank undertakes, until the actual repayment of all this loan's securities, to not give priority to other subordinated securities which it may subsequently issue, as to their repayment ranking in the event of the company's winding up, without granting the same rights to this loan's subordinated securities.
<b>Repayment guarantee</b>	This issue is not subject to any guarantee of any kind whatsoever.
<b>Rating</b>	The Issuer does not currently intend to seek a rating in respect of the Notes.
<b>Note holders' representation</b>	<p>A meeting of the Company's Board of Directors held <b>6 June 2016</b> appointed Mr Hamad JOUAHRI as the interim representative of subordinated note holders of tranches A, B, C and D in accordance with the related legal provisions.</p> <p>This decision shall take effect from the start of the subscription period. It is specified that the interim representative appointed is identical for tranches A, B, C and D of this issue, which are grouped into a single entity.</p> <p>In addition, BMCE Bank's Board of Directors undertakes to convene a general meeting of note holders to appoint a permanent representative of note holders within one year of the start of the subscription period.</p>
<b>Governing law</b>	Moroccan law
<b>Competent jurisdiction</b>	Casablanca Commercial Court

**Features of tranche D (Floating-rate notes listed on the Casablanca Stock Exchange)**

<b>Description of securities</b>	Subordinated notes listed on the Casablanca Stock Exchange, dematerialised through registration with Maroclear, the central securities depository and registered in an account with authorised affiliates.
<b>Legal form</b>	Subordinated notes in bearer form
<b>Tranche size</b>	MAD 2,000,000,000
<b>Maximum number of shares to be issued</b>	20 000 subordinated notes
<b>Nominal value</b>	MAD 100,000
<b>Maturity</b>	10 years
<b>Subscription period</b>	16-20 June inclusive
<b>Entitlement date</b>	28 June 2016
<b>Maturity date</b>	28 June 2026
<b>Issue price</b>	100% i.e. MAD 100,000 at the date of subscription
<b>Allotment method</b>	French auction method
<b>Nominal interest rate</b>	<p><b>Revised annually</b></p> <p>In the first year, the nominal interest rate will be the full 52-week money market rate determined with reference to secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016 (excluding risk premium) plus a risk premium of between <b>85 basis points</b> and <b>95 basis points</b> (to be decided at the subscription's closing). This benchmark will be published in a journal containing legal notices 14 June 2016.</p> <p>The nominal interest rate adopted will be published no later than 23 June 2016 by BMCE Bank in a journal containing legal notices.</p> <p>At each anniversary, the benchmark rate will be the full 52-week money market rate determined with reference to secondary market Treasury bond yields as published by Bank Al-Maghrib 13 June 2016 five working days prior to the anniversary.</p> <p>The resulting benchmark rate will be raised by a risk premium of between <b>85 basis points</b> and <b>95 basis points</b> (to be decided at the subscription's closing). Note holders will be informed of the rate 5 working days prior to the anniversary.</p>
<b>Calculation method</b>	<p>At each anniversary, the benchmark rate adopted will be determined on the following basis:</p> <ul style="list-style-type: none"> <li>- The subordinated securities' benchmark rate will be calculated on the basis of the latest money market rates for 52-week Treasury bills or calculated by the linear interpolation method for secondary market Treasury bond yields as published by Bank Al-Maghrib 5 working days prior to the anniversary.</li> </ul> <p>This linear interpolation will be carried out after converting the rate immediately above that of the 52-week</p>

	<p>maturity (actuarial basis) into the equivalent money market rate.</p> <p>The calculation formula is:  <math display="block">\left( \frac{((\text{Actuarial rate} + 1)^k - 1)}{k} \right) \times \frac{360}{\text{exact number of days}}</math>         where k is the maturity of the actuarial rate requiring conversion          *Exact number of days is 365 or 366 days</p> <p>- The resulting rate will be raised by a risk premium of between <b>85 basis points</b> and <b>95 basis points</b> (to be decided at the subscription's closing).</p>
<b>Risk premium</b>	Between <b>85</b> and <b>95</b> basis points
<b>Date for determining the rate of interest</b>	<p>The coupon will be revised annually at the anniversary of the loan's entitlement date i.e. 28 June of each year.</p> <p>The Casablanca Stock Exchange will be informed of the new rate by the issuer 5 working days prior to the anniversary.</p> <p>The revised rate will be published in the Casablanca Stock Exchange's Official Bulletin.</p>
<b>Interest</b>	<p>Interest will be paid annually at the anniversary of the loan's entitlement date i.e. 28 June of each year. Payment will be made on the very same day or the first working day following June 28 if the latter is not a working day.</p> <p>Interest on the subordinated notes will cease to accrue from the date when the capital is repaid by BMCE Bank. Postponement of interest is not possible under the terms of this transaction.</p> <p>Interest will be calculated as per the following formula:  <math display="block">[\text{Nominal} \times \text{nominal rate} \times (\text{exact number of days}/360 \text{ days})]</math> </p>
<b>Listing of securities</b>	<p>Tranche D subordinated notes will be listed on the Casablanca Stock Exchange and will be subject to an application for admission to the Casablanca Stock Exchange's fixed income compartment. Their listing date is scheduled for 23 June 2016 on the fixed income compartment with the code <b>990195</b> and ticker <b>OBCEE</b>.</p> <p>To be listed on the Casablanca Stock Exchange, the cumulative amount allotted to tranches C and D must be more than or equal to MAD 20,000,000.</p> <p>If, at the end of the subscription period, the cumulative amount allotted to tranches C and D is below MAD 20,000,000, then the subscriptions relating to these tranches will be cancelled.</p>
<b>Initial trading procedure</b>	Tranche D securities will be traded via a direct trading method in accordance with Articles 1.2.6 and 1.2.22 of the General Rules of the Stock Exchange.
<b>Repayment of the principal</b>	<p>For Tranche D, listed on the Casablanca Stock Exchange, the principal will be repaid at maturity.</p> <p>In the event that a merger, demerger or partial contribution of BMCE Bank assets occurs during the loan term, resulting in a universal transfer of the assets to a separate legal entity, the rights and obligations in respect of the subordinated notes shall be automatically transferred to the legal entity substituting for BMCE Bank's rights and</p>

	<p>obligations.</p> <p>The repayment of the capital is, in the event of BMCE Bank's winding up, subordinate to all other claims.</p>
<b>Early repayment</b>	<p>BMCE Bank is not permitted to undertake, during the entire period of the loan, early amortisation of the subordinated notes that are to be issued.</p> <p>The Bank reserves the right, however, with the prior approval of Bank Al-Maghrib, to buy back subordinated notes on the secondary market, provided that the legal and regulatory provisions so allow, such that these repurchases do not have any impact on a subscriber wishing to hold its securities until maturity nor on the normal amortisation schedule.</p> <p>The subordinated notes thus redeemed may only be cancelled with the prior agreement of Bank Al-Maghrib.</p> <p>In case of cancellation, the issuer must inform the Stock Exchange that the notes have been cancelled.</p>
<b>Entity responsible for registering the transactions with the Casablanca Stock Exchange</b>	BMCE Capital Bourse
<b>Securities' tradability</b>	<p>Tranche D subordinated loans are freely tradable on the Casablanca Stock Exchange.</p> <p>No restriction is imposed under the terms of the issue on the free tradability of the subordinated notes.</p>
<b>Prior assimilation</b>	Tranche D subordinated notes have not been assimilated into subordinated notes previously issued by BMCE Bank.
<b>Subsequent assimilation</b>	In the event that BMCE Bank were to subsequently issue new securities having identical rights, in all aspects, to those of this issue, it may, without requiring the bearers' consent, assimilate all the securities of the subsequent issues, thereby unifying all operations relating to their management and trading.
<b>Loan's ranking</b>	<p>The capital and interest are subject to a subordination clause.</p> <p>Application of this clause does not in any way violate the legal rules relating to the accounting principles for appropriating losses, shareholders' obligations and subscribers' rights to obtain, in accordance with the conditions set out in the contract, payment for its securities in capital and interest.</p> <p>In the event of BMCE Bank's winding up, repayment of the capital and interest of this issue's subordinated securities will only occur after all preferred stock holders and common stock holders have been reimbursed. These subordinated securities will rank alongside all the other subordinated loans which have already been or may subsequently be issued by BMCE Bank both in Morocco and overseas, pro-rata to their amount, where applicable.</p>
<b>Maintaining this loan's ranking</b>	BMCE Bank undertakes, until the actual repayment of all this loan's securities, to not give priority to other subordinated securities which it may subsequently issue, as to their repayment ranking in the event of the company's winding up, without granting the same rights to this loan's subordinated securities.
<b>Repayment guarantee</b>	This issue is not subject to any guarantee of any kind

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	whatsoever.
<b>Rating</b>	The Issuer does not currently intend to seek a rating in respect of the Notes.
<b>Note holders' representation</b>	<p>A meeting of the Company's Board of Directors held <b>6 June 2016</b> appointed Mr Hamad JOUAHRI as the interim representative of subordinated note holders of tranches A, B, C and D in accordance with the related legal provisions.</p> <p>This decision shall take effect from the start of the subscription period. It is specified that the interim representative appointed is identical for tranches A, B, C and D of this issue, which are grouped into a single entity.</p> <p>In addition, BMCE Bank's Board of Directors undertakes to convene a general meeting of note holders to appoint a permanent representative of note holders within one year of the start of the subscription period.</p>
<b>Governing law</b>	Moroccan law
<b>Competent jurisdiction</b>	Casablanca Commercial Court

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## 2. Aims of the Transaction

This transaction is intended to enable BMCE Bank to satisfy the following aims:

- Bolster BMCE Bank's supplementary (Tier 2) capital;
- Finance ongoing operations relating to BMCE Bank's business operations;
- Finance BMCE Bank's overseas development;
- Support its development plan in Morocco, Europe and Africa

The funds raised will be classified under supplementary (Tier 2) capital as defined by Article 26 of Bank Al Maghrib's Circular No. 14/G/2013.

## 3. Transaction schedule

Subscriptions may be made with the coordinating institution and book-runner. The transaction schedule is as follows:

Order	Stages	Date
1	Completed dossier filed with the Casablanca Stock Exchange	07 June 2016
2	Casablanca Stock Exchange issues an approval notice	09 June 2016
3	Casablanca Stock Exchange receives the AMMC-approved prospectus before 12:00 p.m	09 June 2016
4	Notice published in the Casablanca Stock Exchange's Official Bulletin of the listing of notes under tranches C and D	09 June 2016
5	Summary prospectus published in a journal containing legal notices	10 June 2016
6	Bank Al Maghrib interest rate under observation	13 June 2016
7	Benchmark rate published in a journal containing legal notices	14 June 2016
8	Subscription period opens	16 June 2016
9	Subscription period closes at 3 p.m.	20 June 2016
10	Allotment of securities (final statements)	20 June 2016
11	Casablanca Stock Exchange receives the results of the transaction and the nominal interest rate prior to 10 a.m.	21 June 2016
12	Nominal interest rate published in a journal containing legal notices	23 June 2016
	Listing of notes	
13	Transaction results published in the Official Bulletin Stock market transaction registered	23 June 2016
14	Settlement and delivery	28 June 2016
15	Transaction results published in a journal containing legal notices	30 June 2016

## 2. OVERVIEW OF BMCE BANK

### 1. General information

▪ <b>Company name:</b>	Banque Marocaine du Commerce Extérieur 'BMCE Bank'
▪ <b>Head office:</b>	140, avenue Hassan II, Casablanca
▪ <b>Telephone:</b>	05 22 49 80 04/03
▪ <b>Fax:</b>	05 22 26 49 65
▪ <b>Website:</b>	<a href="http://www.bmcebank.co.ma">www.bmcebank.co.ma</a>
▪ <b>Legal form:</b>	Public limited company with a board of directors
▪ <b>Date of incorporation:</b>	31 August 1959
▪ <b>Life:</b>	99 years
▪ <b>Trade register registration number:</b>	27 129 Casablanca
▪ <b>Financial year:</b>	From 1 January to 31 December
▪ <b>Purpose:</b> (Article 3 of the Memorandum and Articles of Association)	<p>BMCE Bank's purpose, under Dahir No. 1-14-193 of 1<sup>st</sup> Rabi I 1436 enacting Act No. 103-12 relating to credit institutions and similar organisations, is to:</p> <ul style="list-style-type: none"> <li>➤ Conduct any banking, foreign exchange, treasury, guarantee, acceptance, discount, rediscount, current account overdraft operation and any form of short-, medium- and long-term credit; contract any loan and any commitment in any currency; buy, sell or dispose of any movable or immovable property; conduct any type of transit, fee-based or precious metals transaction;</li> <li>➤ Make any investment, subscription, stock market or other purchase or sale in cash or using futures in any type of security or other financial instrument;</li> <li>➤ Make, hold or manage investments in any banking, financial, real estate, industrial or commercial undertaking for its own account or on behalf of third parties;</li> <li>➤ And, generally, conduct any banking, financial, commercial, industrial, movable and immovable transaction that may be directly or indirectly related to its purpose.</li> </ul>
▪ <b>Share capital:</b> (At 31 December 2015)	MAD 1,794,633,900 comprising 179,463,390 shares with a par value of MAD 10
▪ <b>Legal documents:</b>	The Company's legal documents, including the Memorandum and Articles of Association, the minutes of general meetings and the statutory auditors' reports, may be consulted at BMCE Bank's head office.
▪ <b>List of relevant legislation:</b>	<p>On account of its legal form, BMCE Bank is governed by Moroccan law and Act No. 17-95 as amended and completed;</p> <p>On account of its business activity, BMCE Bank is governed by Dahir No. 1-14-193 of 1<sup>st</sup> Rabi I 1436 enacting Act No. 103-12 relating to credit institutions and similar organisations (Banking Act);</p>

On account of its shares being listed on the Casablanca Stock Exchange, BMCE Bank is subject to all legal and regulatory provisions relating to financial markets including:

- Dahir No. 1-93-211 of 21 September 21 1993 relating to the Stock Exchange, amended and completed by Acts 34-96, 29-00, 52-01 and 45-06;
- General Rules of the Stock Exchange approved by Decree No. 499-98 of the Minister of the Economy and Finance of 27 July 1998 and amended by Decree No. 1960-01 of the Minister of the Economy, Finance, Privatisation and Tourism of 30 October 2001. The latter decree was amended in June 2004 effective November 2004 and by Decree No. 1268-1208 of 7 July 2008;
- Dahir enacting Act No. 1-93-212 of 4<sup>th</sup> Rabi II 1414 (21 September 1993) relating to the Moroccan Capital Markets Authority (CDVM) and information required of legal entities listed on the Stock Exchange, amended and completed by Acts No. 23-01, 36-05 and 44-06;
- General Rules approved by Decree No. 822 08 of the Minister of the Economy and Finance of 14 April 2008;
- Dahir No. 1-95-3 of 24 Sha'ban 1415 (26 January 1995) enacting Act No. 35-94 and Decree No. 2560-95 of the Ministry of Finance and External Investments of 9 October 1995 relating to negotiable debt securities;
- Dahir No. 35-96 relating to the setting up of a Central Securities Depository and the establishment of a general system for registering certain securities in accounts, amended and completed by Act No. 43-02;
- General Rules of the Central Securities Depository approved by Decree No. 932-98 of the Minister of the Economy and Finance of 16 April 1998 and amended by Decree No. 1960-01 of the Minister of the Economy, Finance, Privatisation and Tourism of 30 October 2001;
- Dahir No. 1-04-21 of 21 April 21 2004 enacting Act No. 26-03 relating to public offerings and amended by Act No. 46-06;
- The AMMC circular effective October 2014;
- BAM Circular No. 2/G/96 of 30/01/1996 relating to certificates of deposit and its amendment;
- The Company is also subject to Act No. 35-94 relating to negotiable debt securities.

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- **Tax regime:** BMCE Bank, as a credit institution, is liable to payment of corporation tax (37%) and VAT (10%).
  - **Competent court in the event of litigation:** Casablanca Commercial Court
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## 2. Shareholder structure

BMCE Bank's share capital is MAD 1,794,633,900 comprising 179,463,390 shares with a par value of MAD 10.

At 31 March 2016, BMCE Bank's shareholder structure was as follows:

Shareholder	Number of shares held	% of share capital	% of voting rights
<b>Controlling interest</b>	<b>65,154,539.00</b>	<b>36.31%</b>	<b>36.31%</b>
<i>RMA Watanya*</i>	53,541,983	29.83%	29.83%
<i>Financecom</i>	10,705,351	5.97%	5.97%
<i>SFCM</i>	907,205	0.51%	0.51%
<b>Long-term shareholders</b>	<b>85,370,827.00</b>	<b>47.57%</b>	<b>47.57%</b>
<i>Banque Fédérative du Crédit Mutuel</i>	47,029,054	26.21%	26.21%
<i>Caisse de Dépôt et de Gestion</i>	17,138,328	9.55%	9.55%
<i>MAMDA/MCMA</i>	9,220,533	5.14%	5.14%
<i>CIMR</i>	7,348,804	4.09%	4.09%
<i>BES VIDA</i>	4,634,108	2.58%	2.58%
<b>Others</b>	<b>28,938,024.00</b>	<b>16.12%</b>	<b>16.12%</b>
<i>BMCE employees</i>	2,349,803	1.31%	1.31%
<i>Free float</i>	26,588,221	14.82%	14.82%
<b>TOTAL</b>	<b>179,463,390</b>	<b>100.00%</b>	<b>100.00%</b>

(\* ) Excluding RMA Watanya's dedicated mutual funds

Source: BMCE Bank

### Shareholder structure at 31 March 2016

FINANCECOM Group	36.31%
Other shareholders	33.6%
Overseas investors	28.8%
Staff	1.3%

Source: BMCE Bank

### 3. Board of Directors

BMCE Bank is administered by a Board of Directors comprising ten members and chaired by Mr. Othman BENJELLOUN, Chairman and Chief Executive Officer.

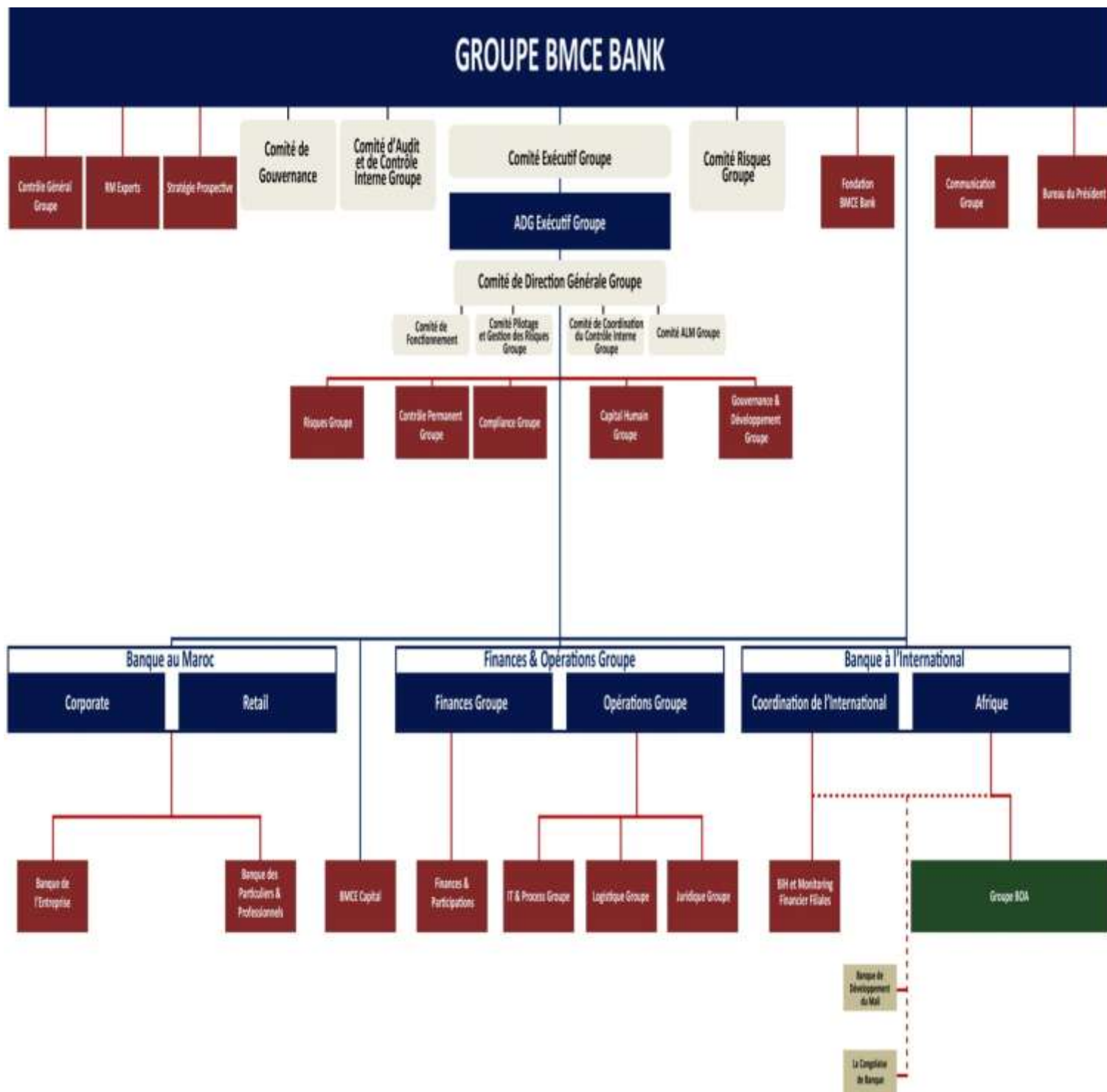
Director	Date appointed	Term of office expires	Relationship
<b>Mr Othman BENJELLOUN</b> <i>Chairman and Chief Executive Officer</i>	1995	AGM convened to approve the financial statements 2018	No relationship with other Board members
<b>BANQUE FEDERATIVE DU CREDIT MUTUEL</b> <i>(Crédit Mutuel-CIC Group holding company)</i> <i>represented by Mr Michel LUCAS</i>	2005	AGM convened to approve the financial statements 2019	<i>Idem</i>
<b>CAISSE DE DEPOT ET DE GESTION</b> <i>represented by Mr Abdellatif ZAGHNOUN</i>	2010	AGM convened to approve the financial statements 2021*	<i>Idem</i>
<b>RMA WATANYA</b> <i>represented by Mr Azeddine GUESSOUS</i>	1995	AGM convened to approve the financial statements 2018	<i>Idem</i>
<b>FINANCECOM</b> <i>represented by Mr Zouheir BENSAID</i>	2001	AGM convened to approve the financial statements 2020	<i>Idem</i>
<b>Mr François HENROT</b> <i>Independent Director</i>	2016	AGM convened to approve the financial statements 2021**	<i>Idem</i>
<b>Mr Brian C. Mck. HENDERSON</b> <i>Independent Director</i>	2016	AGM convened to approve the financial statements 2021**	<i>Idem</i>
<b>Mr Philippe DE FONTAINE VIVE</b> <i>Independent Director</i>	2016	AGM convened to approve the financial statements 2021**	<i>Idem</i>
<b>Mr Christian DEBOISSIEU</b> <i>Independent Director</i>	2016	AGM convened to approve the financial statements 2021**	<i>Idem</i>
<b>Mr Brahim BENJELLOUN TOUIMI</b> <i>Deputy Chief Executive Officer</i>	2004	AGM convened to approve the financial statements 2021*	<i>Idem</i>

Source: BMCE Bank (April 2016)

(\*) The Board of Directors, at a meeting on 25 March 2016, proposed to the Annual General Meeting, convened to approve the financial statements 2015, the reappointment of Caisse de Dépôt et de Gestion, represented by Mr Abdellatif ZAGHNOUN and of Mr Brahim BENJELLOUN-TOUIMI, Deputy Chief Executive Officer as Directors for a 6-year period until the Annual General Meeting convened to approve the financial statements 2021.

(\*\*) It was also submitted to the said Annual General Meeting the appointment of four new Directors for a 6-year period until the Annual General Meeting convened to approve the financial statements 2021.

**4. BMCE Bank’s organisational structure (January 2016)**



## 5. BMCE Bank's business activity

### Loan growth

For the period under review, the following table shows loan growth by type of customer:

MAD M	2013	2014	Change	2015	Change
<b>Loans to credit institutions and similar organisations</b>	<b>16 005</b>	<b>19 190</b>	<b>19.9%</b>	<b>24 495</b>	<b>27.6%</b>
<b>Customer loans</b>	<b>102 648</b>	<b>99 394</b>	<b>-3.2%</b>	<b>113 329</b>	<b>14.0%</b>
<i>Operating loans</i>	<i>26 251</i>	<i>27 462</i>	<i>4.6%</i>	<i>29 833</i>	<i>8.6%</i>
<i>Consumer loans</i>	<i>7 548</i>	<i>8 396</i>	<i>11.2%</i>	<i>9 329</i>	<i>11.1%</i>
<i>Capital goods loans</i>	<i>15 810</i>	<i>15 643</i>	<i>-1.1%</i>	<i>15 886</i>	<i>1.6%</i>
<i>Property loans</i>	<i>33 360</i>	<i>34 852</i>	<i>4.5%</i>	<i>36 320</i>	<i>4.2%</i>
<i>Other loans</i>	<i>17 135</i>	<i>10 547</i>	<i>-38.4%</i>	<i>18 885</i>	<i>79.1%</i>
<i>Accounts receivable acquired through factoring</i>	-	-	NS	0	
<i>Accrued interest receivable</i>	<i>708</i>	<i>757</i>	<i>6.9%</i>	<i>717</i>	<i>-5.3%</i>
<i>Non-performing loans</i>	<i>1 836</i>	<i>1 737</i>	<i>-5.4%</i>	<i>2 358</i>	<i>35.8%</i>
<b>Total loans</b>	<b>118 654</b>	<b>118 584</b>	<b>-0.1%</b>	<b>137 824</b>	<b>16.2%</b>

### *Breakdown of loans*

*Source: BMCE Bank (parent company)*

At 31 December 2015, outstanding loans rose by 16.2% to MAD 137,824 million. This was due to:

- A 27.6% rise to MAD 24,495 million in loans to credit institutions and similar organisations;
- A 79.1% increase to MAD 18,885 million in other loans;
- 8.6% growth to MAD 29,833 million in operating loans;
- 4.2% growth in property loans to MAD 36,320 million;
- And a 35.8% decline in non-performing loans to MAD 2,358 million.

It is worth noting that property loans and operating loans together accounted for more than half of total loans.

### Customer deposit growth

The following table shows customer deposit growth by type of product over the period 2013-2015:

MAD M	2013	2014	Change	2015	Change
Sight deposits in credit	53 658	56 389	5.1%	61 704	9.4%
Savings accounts	18 516	19 485	5.2%	20 735	6.4%
Term deposits	23 485	25 249	7.5%	29 138	15.4%
Other accounts in credit	6 382	8 448	32.4%	9 025	6.8%
Accrued interest payable	562	532	-5.3%	604	13.5%
<b>Total customer deposits</b>	<b>102 603</b>	<b>110 102</b>	<b>7.3%</b>	<b>121 206</b>	<b>10.1%</b>

### *Breakdown of deposits*

*Source: BMCE Bank (parent company)*

In 2015, customer deposits rose by 10.1% to MAD 121,206 million, primarily due to a 9.4% increase in sight deposits in credit to MAD 61,704 million (50.9%) together with a 15.4% rise in term deposits to MAD 29,138 million.

### 3. FINANCIAL STATEMENTS

#### CONSOLIDATED BALANCE SHEET AT 31/12/2015

assets	NOTES	2015	2014
Cash and balances with central banks, the Treasury and post office accounts	4.1	10 403 090	9 966 747
Financial assets at fair value through income	4.2	25 760 228	28 609 790
Derivatives used for hedging purposes		7 207	-
Available-for-sale financial assets	4.3	6 846 572	4 891 427
Loans and advances to credit institutions and similar organisations	4.4	20 971 036	16 072 610
Loans and advances to customers	4.5	173 279 696	155 152 943
Revaluation difference (assets) for interest rate-hedged portfolios		-	-
Held-to-maturity investments	4.7	24 559 458	18 153 337
Current tax assets	4.8	63 550	199 008
Deferred tax assets	4.8	473 814	445 733
Regularisation accounts and other assets	4.9	5 364 187	4 978 851
Non-current assets held for sale		-	-
Investments in companies accounted for under the equity method	4.10	585 787	513 766
Investment property	4.11	3 035 131	835 047
Property, plant and equipment	4.11	6 516 029	5 847 075
Intangible assets	4.11	703 525	744 273
Goodwill	4.12	852 310	832 470
<b>TOTAL</b>		<b>279 421 620</b>	<b>247 243 077</b>
<b>LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>NOTES</b>	<b>2015</b>	<b>2014</b>
Amounts owing to central banks, the Treasury and post office accounts		-	-
Financial liabilities at fair value through income	4.2	2 046 594	2 745 648
Derivatives used for hedging purposes		-	2 018
Amounts due to credit institutions and similar establishments	4.4	51 176 027	33 142 978
Amounts due to customers	4.5	178 255 021	161 268 876
Debt securities	4.6	8 967 697	13 170 353
Revaluation difference (liabilities) for interest rate-hedged portfolios		-	-
Current tax liabilities	4.8	131 027	55 341
Deferred tax liabilities	4.8	1 130 452	1 099 810
Regularisation accounts and other liabilities	4.9	6 315 040	7 636 569
Amounts due related to non-current assets held for sale		-	-
Technical provisions for insurance contracts		-	-
General provisions	4.13	650 913	523 011
Subsidies, assigned public funds and special guarantee funds		-	-
Subordinated debt	4.6	8 639 297	6 795 304
<b>TOTAL AMOUNTS DUE</b>		<b>257 312 068</b>	<b>226 439 908</b>
Consolidated reserves		12 899 418	12 488 381
- Attributable to shareholders of the parent company		-	-
- Minority interests		2 101 501	1 481 861
Unrealised or deferred capital gains or losses, attributable to shareholders of the parent company		4 381 320	4 000 114
Unrealised or deferred capital gains or losses, minority interests		65 587	149 436
Net income for the financial year		6 996	8 802
- Attributable to shareholders of the parent company		-	-
- Minority interests		1 955 535	1 943 864
<b>TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY</b>		<b>699 195</b>	<b>748 315</b>
<b>TOTAL LIABILITIES UNDER IFRS</b>		<b>22 109 552</b>	<b>20 803 169</b>
<b>TOTAL</b>		<b>279 421 620</b>	<b>247 243 077</b>

**CONSOLIDATED BALANCE SHEET AT 31/12/2014**

<b>Balance Sheet</b>			
<b>Assets</b>	<b>NOTES</b>	<b>dec-14</b>	<b>dec-13</b>
Cash and amounts due from central banks and post office banks	4.1	9 966 747	11 939 091
Financial assets at fair value through profit or loss	4.2	28 609 790	28 223 948
Derivatives used for hedging purposes		-	-
Available-for-sale financial assets	4.3	4 891 427	3 319 804
Loans and receivables due from credit institutions	4.4	16 072 610	18 145 727
Loans and receivables due from customers	4.5	155 152 943	149 374 967
Remeasurement adjustment on interest rate risk hedged assets		-	-
Held-to-maturity financial assets	4.7	18 153 337	12 536 742
Current tax assets	4.8	199 008	92 432
Deferred tax assets	4.8	445 733	257 635
Accrued income and other assets	4.9	4 978 851	4 317 433
Non current assets held for sale		-	-
Investment associates	4.10	513 766	472 624
Investment property	4.11	835 047	947 602
Property, plant and equipment	4.11	5 847 075	5 465 769
Intangible assets	4.11	744 273	770 522
Goodwill	4.12	832 470	832 470
<b>TOTAL ASSETS</b>		<b>247 243 077</b>	<b>236 696 756</b>

(In thousand MAD)

<b>LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>NOTES</b>	<b>dec-14</b>	<b>dec-13</b>
Due to Central Banks and Post Office Banks		-	68 253
Financial liabilities at fair value through profit or loss	4.2	2 745 648	2 437 494
Derivatives used for hedging purposes		2 018	-
Due to credit institutions	4.4	33 142 978	35 068 715
Due to customers	4.5	161 268 876	148 790 337
Debt securities	4.6	13 170 353	12 451 775
Remeasurement adjustment on interest rate risk hedged portfolios		-	-
Current tax liabilities	4.8	55 341	94 368
Deferred tax liabilities	4.8	1 099 810	989 759
Accrued expenses and other liabilities	4.9	7 636 569	11 380 363
Liabilities related to non-current assets held for sale		-	-
Technical reserves of insurance companies		-	-
Provisions for contingencies and charges	4.13	523 011	456 573
Subsidies, assigned public funds and special guarantee funds		-	-
Subordinated debts	4.6	6 795 304	5 815 661
<b>TOTAL DEBTS</b>		<b>226 439 908</b>	<b>217 553 298</b>
<b>Capital and related reserves</b>		<b>12 488 381</b>	<b>12 104 178</b>
<b>Consolidated reserves</b>		<b>-</b>	<b>-</b>
- Attributable to parent		1 481 861	1 456 083
- Non-controlling interests		4 000 114	3 612 458
Unrealized or deferred gains or losses, attributable to parent		149 436	107 914
Unrealized or deferred gains or losses, non-controlling interests		-8 802	-17 778
<b>Net Income</b>		<b>-</b>	<b>-</b>
- Attributable to parent		1 943 864	1 230 796
- Non-controlling interests		748 315	649 807
<b>TOTAL CONSOLIDATED SHARE HOLDERS'S EQUITY</b>		<b>20 803 169</b>	<b>19 143 458</b>
<b>TOTAL</b>		<b>247 243 077</b>	<b>236 696 756</b>

(In thousand MAD)

**CONSOLIDATED BALANCE SHEET AT 31/12/2013**

<b>Balance Sheet</b>			
<b>Assets</b>	<b>NOTES</b>	<b>2013</b>	<b>2012</b>
Cash and amounts due from central banks and post office banks	4.1	11 939 091	9 922 200
Financial assets at fair value through profit or loss	4.2	28 223 948	34 244 677
Derivatives used for hedging purposes		-	-
Available-for-sale financial assets	4.3	3 319 804	2 795 923
Loans and receivables due from credit institutions	4.4	18 145 727	21 396 946
Loans and receivables due from customers	4.5	149 374 957	138 808 778
Remeasurement adjustment on interest rate risk hedged assets		-	-
Held-to-maturity financial assets	4.7	12 536 742	10 518 941
Current tax assets	4.8	92 432	215 856
Deferred tax assets	4.8	257 635	309 870
Accrued income and other assets	4.9	4 317 433	4 938 775
Non current assets held for sale		-	-
Investment associates	4.10	472 624	406 928
Investment property	4.11	947 602	614 160
Property, plant and equipment	4.11	5 465 769	5 131 528
Intangible assets	4.11	770 522	751 455
Goodwill	4.12	832 470	832 470
<b>TOTAL ASSETS</b>		<b>236 696 756</b>	<b>230 888 507</b>

(In thousand MAD)

<b>LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>NOTES</b>	<b>2013</b>	<b>2012</b>
Due to Central Banks and Post Office Banks		68 253	67 382
Financial liabilities at fair value through profit or loss	4.2	2 437 494	1 614
Derivatives used for hedging purposes		-	-
Due to credit institutions	4.4	35 068 715	34 228 166
Due to customers	4.5	148 790 337	144 650 757
Debt securities	4.6	12 451 775	14 014 898
Remeasurement adjustment on interest rate risk hedged portfolios		-	-
Current tax liabilities	4.8	94 368	36 296
Deferred tax liabilities	4.8	989 759	983 149
Accrued expenses and other liabilities	4.9	11 380 363	13 210 125
Liabilities related to non-current assets held for sale		-	-
Technical reserves of insurance companies		-	-
Provisions for contingencies and charges	4.13	456 573	520 590
Subsidies, assigned public funds and special guarantee funds		-	-
Subordinated debts	4.6	5 815 661	4 760 333
<b>TOTAL DEBTS</b>		<b>217 553 298</b>	<b>212 473 310</b>
<i>Capital and related reserves</i>		<i>12 104 178</i>	<i>11 981 368</i>
<i>Consolidated reserves</i>		<i>-</i>	<i>-</i>
<i>- Attributable to parent</i>		<i>1 456 083</i>	<i>1 276 693</i>
<i>- Non-controlling interests</i>		<i>3 612 458</i>	<i>3 516 000</i>
Unrealized or deferred gains or losses, attributable to parent		107 914	81 912
Unrealized or deferred gains or losses, non-controlling interests		-17 778	-18 970
Net income			
<i>- Attributable to parent</i>		<i>1 230 796</i>	<i>921 885</i>
<i>- Non-controlling interests</i>		<i>649 807</i>	<i>656 309</i>
<b>TOTAL CONSOLIDATED SHARE HOLDERS'S EQUITY</b>		<b>19 143 458</b>	<b>18 415 197</b>
<b>TOTAL</b>		<b>236 696 756</b>	<b>230 888 507</b>

(In thousand MAD)

**CONSOLIDATED INCOME STATEMENT AT 31/12/2015**

INCOME STATEMENTS			
	NOTES	2015	2014
Interest and similar income		13 502 956	12 701 901
Interest and similar expenses	-	4 962 142	4 959 094
<b>NET INTEREST INCOME</b>	2.1	<b>8 540 814</b>	<b>7 742 807</b>
Fees received		2 290 577	2 247 263
Fees paid	-	339 423	333 395
<b>NET FEE INCOME</b>	2.2	<b>1 951 154</b>	<b>1 913 868</b>
Net gains or losses on financial instruments at fair value through income	2.3	441 412	1 093 341
Net gains or losses on available-for-sale financial assets	2.4	211 536	100 886
<b>NET INCOME FROM MARKET OPERATIONS</b>		<b>652 948</b>	<b>1 194 227</b>
Income from other activities	2.5	1 044 522	1 022 668
Expenses on other activities	2.5	- 372 633	- 376 343
<b>NET BANKING INCOME</b>		<b>11 816 805</b>	<b>11 497 227</b>
General operating expenses	2,9	- 6 261 222	- 5 827 763
Depreciation, amortisation and provisions of tangible and intangible assets	2,9	- 672 006	- 666 100
<b>GROSS OPERATING INCOME</b>		<b>4 883 577</b>	<b>5 003 364</b>
Cost of risk	2.6	- 1 439 956	- 1 778 322
<b>OPERATING INCOME</b>		<b>3 443 621</b>	<b>3 225 042</b>
Share of net income of companies accounted for under the equity method		97 733	81 621
Net gains or losses on other assets	2.7	74 609	17 306
Changes in goodwill			-
<b>PRE-TAX INCOME</b>		<b>3 615 963</b>	<b>3 323 969</b>
Corporation tax	2.8	- 961 233	- 631 790
<b>NET INCOME</b>		<b>2 654 730</b>	<b>2 692 179</b>
Net income attributable to minority interests		699 195	748 315
<b>NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY</b>		<b>1 955 535</b>	<b>1 943 864</b>
Earnings per share (dirhams)		10,90	10,83
Diluted earnings per share (dirhams)		10,90	10,83

**CONSOLIDATED INCOME STATEMENT AT 31/12/2014**

	NOTES	dec-14	dec-13
+ Interests and similar income		12 701 901	11 446 765
- Interests and similar expense		-4 959 094	-4 801 885
<b>Net Interest income</b>	<b>2.1</b>	<b>7 742 807</b>	<b>6 644 880</b>
+ Fees received and commission income		2 247 263	2 206 721
- Fees paid and commission expense		-333 395	-459 319
<b>Net fee income</b>	<b>2.2</b>	<b>1 913 868</b>	<b>1 747 402</b>
+/- Net gains or losses on financial instruments at fair value through profit or loss	2.3	1 093 341	798 364
+/- Net gains or losses on available for sale financial assets	2.4	100 886	162 635
<b>Income from market transactions</b>		<b>1 194 227</b>	<b>960 999</b>
+ Other banking revenues	2.5	1 022 668	896 079
- Other banking expenses	2.5	-376 343	-358 334
<b>Net Banking Income</b>		<b>11 497 227</b>	<b>9 891 026</b>
- General Operating Expenses	2.9	-5 827 763	-5 300 375
- Allowances for depreciation and amortization PE and intangible assets	2.9	-666 100	-654 657
<b>Gross Operating Income</b>		<b>5 003 364</b>	<b>3 935 994</b>
- Cost of Risk	2.6	-1 778 322	-1 295 268
<b>Operating Income</b>		<b>3 225 042</b>	<b>2 640 726</b>
+/- Share in net income of companies accounted for by equity method		81 621	69 089
+/- Net gains or losses on other assets	2.7	17 306	12 207
+/- Change in goodwill		-	-
<b>Pre-tax earnings</b>		<b>3 323 969</b>	<b>2 722 022</b>
+/- Corporate income tax	2.8	-631 790	-841 419
<b>Net income</b>		<b>2 692 179</b>	<b>1 880 603</b>
Non-controlling interests		748 315	649 807
<b>Net income attributable to parent</b>		<b>1 943 864</b>	<b>1 230 796</b>
Earnings per share		10,8	6,9
Diluted Earnings per share		10,8	6,9

(In thousand MAD)

**CONSOLIDATED INCOME STATEMENT AT 31/12/2013**

	NOTES	2013	2012
+ Interests and similar income		11 446 765	10 822 706
- Interests and similar expense		-4 801 885	-4 579 824
<b>Net interest income</b>	2.1	6 644 880	6 242 882
+ Fees received and commission income		2 206 721	1 846 607
- Fees paid and commission expense		-459 319	-320 911
<b>Net fee income</b>	2.2	1 747 402	1 525 696
+/- Net gains or losses on financial instruments at fair value through profit or loss	2.3	798 364	651 021
+/- Net gains or losses on available for sale financial assets	2.4	162 635	150 157
<b>Income from market transactions</b>		960 999	801 178
+ Other banking revenues	2.5	896 079	781 350
- Other banking expenses	2.5	-358 334	-333 330
<b>Net Banking Income</b>		9 891 026	9 017 776
- General Operating Expenses	2.9	-5 300 375	-4 862 579
- Allowances for depreciation and amortization PE and intangible assets	2.9	-654 657	-573 940
<b>Gross Operating Income</b>		3 935 994	3 581 257
- Cost of Risk	2.6	-1 295 268	-1 107 613
<b>Operating Income</b>		2 640 726	2 473 644
+/- Share in net income of companies accounted for by equity method		69 089	65 770
+/- Net gains or losses on other assets	2.7	12 207	-390 484
+/- Change in goodwill		-	-
<b>Pre-tax earnings</b>		2 722 022	2 148 930
+/- Corporate income tax	2.8	-841 419	-570 737
<b>Net income</b>		<b>1 880 603</b>	<b>1 578 193</b>
Non-controlling interests		649 807	656 309
<b>Net income attributable to parent</b>		<b>1 230 796</b>	<b>921 885</b>
Earnings per share		6,9	5,1
Diluted Earnings per share		6,9	5,1

(In thousand MAD)

## 4. RISKS RELATING TO THE BANK AND ITS INDUSTRY

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### 1. Managing counterparty risk

Loans distributed by the Bank (consolidated basis) to customers and to credit institutions totalled MAD 194.2 billion in 2015 versus MAD 171.2 billion the previous year.

BMCE Bank is determined to further develop its coverage of SMEs and PMIs. This segment offers attractive margins and potential opportunities not only in terms of bank lending but also in advisory services in financing and restructuring.

The Bank has made a considerable effort to clean up its customer loan portfolio and continues to do so as part of its risk management policy in compliance of the prudential rules stipulated by Bank Al Maghrib as well as adopting healthy risk practices.

The Bank's resulting risk management policy is based on various governing bodies as well as on ongoing management approach.

The following bodies are involved in managing and monitoring the risks of the Bank and the Group:

- The Group Audit and Internal Control Committee (Group CACI).
- The Group General Management Committee (Group CDD), which is responsible for translating and monitoring the Group's corporate strategy into operational initiatives and measures.
- The Credit Committees, which approve all commitments.
- The Committee for supervising accounts showing anomalies and downgrading.
- The Group Risk Committee, which assists the Board of Directors in matters such as strategy and risk management. In particular, it ensures that overall risk policy is adapted to the risk profile of both the Bank and the Group, the degree of risk aversion, its systemic importance, its size and its capital base.
- The Group Risk Steering and Management Committee and the BMCE Bank Risk Management and Steering Committee, which are sub-committees of BMCE Bank Group's General Management Committee. They ensure that risk steering policy is effective and consistent with risk management policy relating to credit, market and operational risks.

The Bank's credit division operates in accordance with the general credit policy approved by the Group's senior management. The Group's requirements in terms of ethics, reporting lines, compliance with procedures and discipline in risk analysis are guiding principles. This general policy is further divided into specific policies and procedures depending on the character of specific operations or

counterparties, based on an internal ratings system, a system of delegation of authority and a system for managing limits to reduce concentration risk.

The system of delegation of authority is one in which credit approval decisions are delegated to different levels of authority as a function of the customer segment, the cumulative amount of credit offered to the customer and the type of exposure (public enterprises, semi-public enterprises, exposure to banks, etc.).

The Bank's ratings system is a two-dimensional system, combining a credit rating which enables the Bank to assess the risk inherent in the transaction and a financial rating which is based on the borrower's financial position. In addition to these quantitative factors, other qualitative factors are taken into consideration when attributing a rating e.g. growth potential, business sector, parent company's rating, country risk as well as payment incidents.

In accordance with the Basel regulations, Bank Al-Maghrib has set a minimum number of classes that a ratings model should contain:

- 7 classes for healthy counterparties
- 1 class for defaulting counterparties

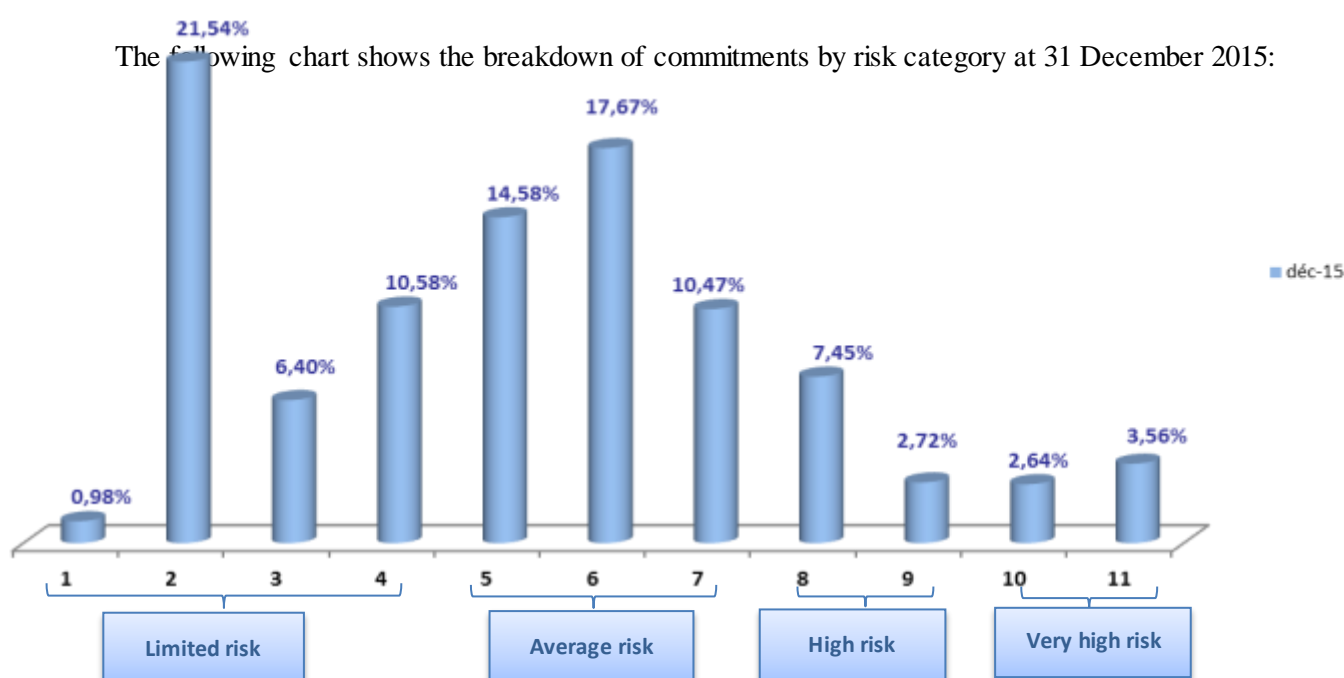
BMCE Bank of Africa Group has adopted an 11-level ratings scale to attribute a final counterparty rating:

Category		Class	Definition
Investment grade	Limited risk	1	Extremely stable short- and medium-term; very stable long-term; solvent despite serious disruptions
		2	Very stable short- and medium- term; stable long-term; sufficiently solvent despite persistently negative events
		3	Solvent short- and medium-term despite significant difficulties; moderately negative developments can be withstood long-term
		4	Very stable short-term; no expected change to threaten the loan in the coming year; sufficiently solid medium-term to be able to survive; long-term outlook still uncertain
	Average risk	5	Stable short-term; no expected change to threaten the loan in the coming year; can only withstand small negative developments medium-term
		6	Ability limited to withstand unexpected negative developments
		7	Ability very limited to withstand unexpected negative developments
Sub-investment grade	High risk	8	Ability limited to repay interest and principal on time; any change in internal and external economic and commercial conditions will make it difficult to fulfil obligations
		9	Incapable of repaying interest and principal on time; fulfilling obligations dependent on favourable internal and external commercial and economic conditions
	Very high risk	10	Very high risk of default; incapable of repaying interest and principal on time; partial default in repayment of interest and capital
		11	Total default in repayment of interest and capital

“Healthy” ratings	1	Increasing probability of default (PD)
	2	
	3	
	4	
	5	
	6	
	7	
	8	
“In default” ratings	9	Pre-doubtful
	10	Doubtful
	11	Irrecoverable

Source: BMCE Bank

The following chart shows the breakdown of commitments by risk category at 31 December 2015:



## 2. Interest rate and liquidity risk

### a. ALM decision-making process

The Group ALM Committee is responsible for managing interest rate and liquidity risk. It regularly receives reports concerning compliance with established limits and lines of conduct.

The Audit and Internal Control Committee examines the management framework and the main policies regarding liquidity risk and submits them to the Board of Directors for approval.

The Board of Directors approves the management framework and is notified of BMCE Bank’s interest rate and liquidity position.

Within the Finance Division, the ALM department oversees policies, strategies and the emergency plan regarding interest rate and liquidity risk. It recommends and monitors the limits within this framework.

**b. Overall liquidity risk**

The liquidity ratio was 110% at 31 December 2015, above BAM's 100% regulatory limit.

At 31 December 2015, the 12-month liquidity gap showed surplus liquidity of MAD 10.4 billion versus a MAD 11.9 billion surplus at 31 December 2014.

**c. Overall interest rate risk**

The results of stress tests carried out at 31 December 2015 relating to the impact from a 200 basis points change in interest rates on net interest income and the economic value of shareholders' equity complied with the limits set by the ALCO committee.

The impact was estimated to be MAD 53 million or 0.9% of estimated 2015 net banking income, below ALCO's 5% limit.

The change in the economic value of shareholders' equity in the event of a 200 basis points shock was estimated to be MAD 944 million or 6% of regulatory shareholders' equity, which was also below the ALCO limit of 20%.

The 12-month interest rate gap (assets over liabilities at variable rate) showed a surplus of MAD 3.2 million in 2015 versus MAD 7.9 million at 31 December 2014.

**3. Interest rate and liquidity risk (Market risk)**

**Liquidity risk analysis**

Monetary liabilities stood at MAD 18,767 million with a duration equivalent to 2.57 days, while liquid assets totalled MAD 36,996 million.

It is also worth pointing out that Treasury bonds accounted for 97.39% of the Bank's fixed income assets implying almost complete liquidity. This asset category amounted to MAD 3,831 million.

**Interest rate risk analysis**

The assets primarily comprise Treasury bonds, negotiable debt securities and other bonds.

These assets are mainly financed by short-term liabilities with a duration of 2.57 days.

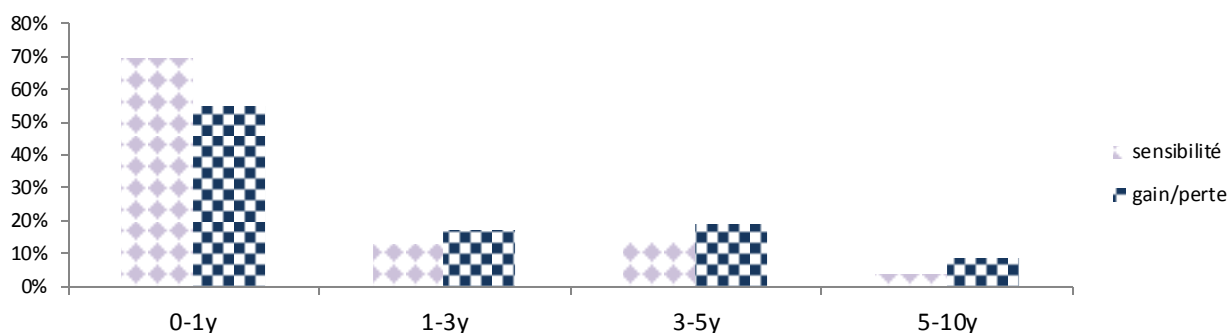
At 31 December 2015, the fixed income portfolio yielded 2.63% on average and had an average duration of 1.23 years and an average sensitivity of 1.20 years. Its market value was MAD 3,933.71 million. A parallel 100 bps move in interest rates would result in an average loss of MAD 45.84 million.

A parallel 200 bps move in interest rates would result in an average loss of MAD 90 million.

The following sensitivity spectrum shows the breakdown of overall sensitivity by different categories of paper and therefore the choice of interest rate projections on different maturities.

The following graph shows that the fixed income portfolio primarily comprises short- and medium-term paper.

**BMCE Bank's fixed income portfolio's sensitivity spectrum at 31 December 2015**



### Foreign exchange risk

Currency	Foreign currency value*	Equivalent MAD value (K)	% SHAREHOLDERS' EQUITY
EUR	- 1 837	- 19 808	0.15%
LYD	4	32	0.00%
SEK	943	1 110	0.01%
CHF	- 898	- 8 914	0.07%
TND	- 33	- 163	0.00%
CAD	- 1 906	- 13 613	0.10%
DZD	4 648	430	0.00%
KWD	140	4 567	0.03%
SAR	1 640	4 325	0.03%
AED	4 503	12 138	0.09%
JPY	- 9 161	- 755	0.01%
DKK	69	100	0.00%
NOK	543	611	0.00%
USD	- 26 086	- 258 271	1.97%
GBP	95	1 390	0.01%

(\*) Assets-liabilities in the same currency +/- net forward commitments +/- options delta

Data at 31-12-2015

Source: BMCE Bank

The net balance of positions was as follows:

- For long positions: MAD 24,703 thousand or 1.19% of net shareholders' equity

- For short positions: MAD 301,525 thousand or 2.31% of net shareholders' equity

The following table shows that BMCE Bank remains within the prudential limits set by Bank Al-Maghrib which are set at 10% of shareholders' equity per foreign currency and 20% for all foreign currencies.

#### 4. Regulatory risk

##### *Solvency ratio at 31 December 2015 (Basel III) on a consolidated basis*

	Risk-weighted assets (MAD K)
Weighted credit risk	178 444 863
Weighted market risk	10 515 339
Weighted operational risk	19 833 301
<b>Total risk-weighted assets</b>	<b>208 793 503</b>

	Total (MAD K)
Core capital	19 744 119
Eligible capital	25 680 076
Total risk-weighted assets	208 793 503
<b>Minimum solvency ratio</b>	<b>12.3%</b>

Source: BMCE Bank

The Bank's solvency ratio, which reflects its ability to meet all its obligations from its shareholders' equity, remains above the regulatory standard set at 12%.

This ratio stood at 12.3% on a consolidated basis at 31 December 2015.

#### 5. Portfolio investment risk

At 31 December 2015, impairment provisions (on a parent company basis and including shareholders' current accounts) totalled MAD 707 million versus MAD 1.1 billion at 31 December 2014, down 35%. The main provisions related to BIH (MAD 212 million), ESFG (MAD 159 million), ESI (MAD 135 million), HANOUTY (MAD 122 million), EMAT (MAD 30 million) and MAGSHORE (MAD 21.5 million).

#### 6. Operational risk:

Operational risk is defined as the risk of loss due to inadequate or failing internal procedures, employee error, systems failure or external events, which are liable to impact the smooth running of the business.

The Bank's operational risk management policy has three aims:

- Appraise and prevent operational risk;

- Appraise internal control procedures;
- Implement preventive and/or corrective action to counter the major risks identified.

Operational risks or losses may be analysed and categorised by type of event under Basel based on the following factors: cause, effect (financial impact or otherwise), rating, qualification and level of control.

## **7. Country risk:**

Country risk comprises political risk as well as transfer risk.

Political risk generally arises from action taken by the government of a country such as nationalisation or expropriation or an independent event such as war or revolution, which may affect a customer's ability to honour its obligations.

Transfer risk can be defined as the risk of a resident customer being unable to acquire foreign currency in its country so as to honour its overseas commitments.

## **WARNING**

**The above information represents only part of the prospectus approved by the Moroccan Capital Markets Authority (AMMC) with reference number VI/EM/012/2016 on June 9th, 2016. The AMMC recommends that interested parties read the full prospectus which is available to the public in accordance with the terms stipulated in this summary document.**