



CREDIT IMMOBILIER ET HOTELIER INFORMATION NOTE SUMMARY

CIH BOND ISSUE OPERATION GLOBAL AMOUNT: 1 000 000 000 MAD

Tranche	A Listed fixed rate	B Listed floating rate	C Non listed fixed rate	D Non listed floating rate
Maximum	1 000 000 000 Dh			
Number of bonds	Maximum 10 000 bonds			
Nominal value	100 000 Dh	100 000 Dh	100 000 Dh	100 000 Dh
Maturity	10 years	10 years	10 years	10 years
Spread	Between 82 and 102 bps	Between 72 and 92 bps	Between 82 and 102 bps	Between 72 and 92 bps
Rate	Between 5,10% and 5,30%	Between 4,30% and 4,50%	Between 5,10% and 5,30%	Between 4,30% and 4,50%
Bonds trading	Casablanca Stock Exchange	Casablanca Stock Exchange	Over the counter (OTC)	Over the counter (OTC)
Guarantee	None	None	None	None
Method of repayment	In fine	In fine	In fine	In fine
Allocation method	French Auction with priority to Tranche A and C			

**Subscription period: FROM APRIL 25TH TO APRIL 27TH INCLUDED
WITH THE POSSIBILITY OF AN EARLY CLOSING ON APRIL 26TH
Issue reserved to qualified investors under Moroccan Law listed in this Information Note**

FINANCIAL ADVISOR – GLOBAL COORDINATOR – LEAD MANAGER

CDG CAPITAL
GROUPE CDG

Placement Agent	Registration Agent
CDG CAPITAL GROUPE CDG	CDG CAPITAL BOURSE

Visa of Conseil Déontologique des Valeurs Mobilières (Financial Authority)

In accordance with the CDVM Circular taken pursuant to Article 14 of the Dahir No. 1-93-212 of September 21st 1993 relative to the Conseil Déontologique des Valeurs Mobilières (CDVM) and the information required by legal persons with public offering as amended and supplemented, the original of this present note has been Approved by the CDVM on 18 April 2012 under the reference number VI/EM/011/2012.

Warning

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

The Conseil Déontologique des Valeurs Mobilières (CDVM) referred on 18 April 2012 a circular relating to the issuance of bonds by CIH.

The information note approved by the CDVM is available at any time at the headquarters of CIH and at the financial advisor CDG Capital offices. It is also made available within 48 hours at order taking institutions.

The information note is available to the public at the Casablanca Stock Exchange headquarter and on its website www.casablanca-bourse.com. It is also available on the CDVM website: www.cvvm.gov.ma.

I. TRANSACTION PRESENTATION

I.1. Transaction objectives

The favorable trend experienced by in the credit activity of CIH has naturally led to increased funding requirements that needed a more mobilization of resources. As a consequence, CIH intends to use the bond market to:

- Finance the development of its business;
- Follow the dynamic growth of credit faced in the country;
- Diversify its sources of long term funding and improve financing costs;
- Consolidate its image vis-à-vis the major partners and position itself as a regular bond issuer on the market.

I.2. Transaction characteristics

Tranche	A Listed fixed rate	B Listed floating rate	C Non listed fixed rate	D Non listed floating rate
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Number of bonds	Maximum 10 000 bonds			
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Guarantee	None	None	None	None
Method of repayment	In fine	In fine	In fine	In fine
Allocation method	French Auction with priority to Tranche A and C			

Interest rate:

- Tranche A – Listed : fixed rate between 5,10% and 5,30%, based on the secondary interest rates curve published by Bank Al Maghrib on April 11th 2012, i.e. 4,28% with a risk premium lying between 82 and 102 bps;
- Tranche B – Listed: floating rate, based on the 52 weeks full interest rate with a risk premium lying between 70 and 90 bps.
- For the first year, this rate lies between 4,30% and 4,50%, referring to the 52 weeks full interest rate from the Treasury auction of April 10th, 2012, i.e. 3,52% on monetary basis, corresponding to an actuarial rate of 3,58%, with a risk premium lying between 72 and 92 bps;
- Tranche C – Unlisted: fixed rate between 5,10% and 5,30%, referring to the secondary interest rates curve published by Bank Al Maghrib on April 11th, 2012, i.e. 4,28% with a risk premium lying between 82 and 102 bps.
- Tranche D-Unlisted: floating rate, based on the 52 weeks full interest rate with a risk premium lying between 72 and 92 bps.

- For the first year, this rate lies between 4,30% and 4,50%, referring to the 52 weeks full interest rate from the Treasury auction of April 10th, 2012, i.e. 3,52% on monetary basis, corresponding to an actuarial rate of 3,58%, with a risk premium lying between 72 and 92 bps;

The total amount of the operation allocated on the four tranches shall not exceed one billion dirhams (1 000 000 000).

I.3. Transaction schedule

The schedule of the transaction is as follows:

Steps	At the latest
Reception of the full application by the Casablanca Stock Exchange	18/04/2012
<ul style="list-style-type: none"> • Issuance by the Casablanca Stock Exchange of the Notice of Approval • Visa by the CDVM of the Information Note 	18/04/2012
Reception by the Casablanca Stock Exchange of the Information Note approved by the CDVM	18/04/2012
Publication of the notice of introduction of the bonds issued under Tranche A and B on the official list	18/04/2012
Publication of the Information Note's extract in an Official newspaper for legal announcements	20/04/2012
Opening of the subscription period	25/04/2012
Possible early closing period	26/04/2012*
Closing of the subscription period	27/04/2012
Receipt by the Casablanca Stock Exchange of the transaction results	30/04/2012 before 10am
<ul style="list-style-type: none"> • Bonds Admission • Announcement of the transaction results in the official bulletin • Recording of the transaction on the stock exchange 	03/05/2012
Settlement date	08/05/2012
Publication of the transaction results in an official newspaper for legal announcement	08/05/2012
(*) : In the event of an early close, postdates will not be affected	

II. INFORMATION ABOUT THE ISSUER

II.1. Overview

Name	Crédit Immobilier et Hôtelier by abbreviation « CIH »
Headquarter	187, avenue Hassan II, Casablanca
Legal form	Limited company with Board of Directors
Purpose	<p>According to Article 2 of the bylaws, the company's purpose according by the law :</p> <ul style="list-style-type: none"> • The receipt of public funds ; • The granting of any loan in the short, medium or long term ;

	<ul style="list-style-type: none"> • Commitments by signature ; • The collection of resources to carry out its operations, in addition to funds deposited by its customers, through issuance of debt securities on a short, medium or long term period ; • Making available to customers of all means of payment or their management ; • Any lease operation with an option to purchase ; • Any sale transaction with right of redemption or sale under repurchase agreements, bills and securities; • Any factoring operation ; • Any foreign exchange transaction ; • Any operation on gold, precious metals and coins ; • Any advisory transaction in the management of inheritance ; • Any advisory and assistance transaction in asset management ; • Any investment transaction, subscription, purchase management, custody and sale of securities or any financial product ; • Advice and assistance in financial management, financial engineering and generally, all services that facilitate the creation and development of companies ; • Any other operation usually carried out in the usual manner by credit institutions and any ancillary operations or necessary actions to the operation described here above, including all banking operations for individuals and families.
Share capital as at 31/03/2012	2 660 808 500 DH (26 608 085 shares of 100 DH nominal value)

Source: CIH

II.2. Shareholding

CIH's shareholding structure as at December 31st 2011 is as follows:

Shareholders	31/12/2011		
	Numbers of shares held	% of capital	% of voting rights
Massira Capital Management	18 860 825	70,88%	70,88%
RMA Watanya	767 571	2,88%	2,88%
Sanad	707 064	2,66%	2,66%
Atlanta	756 233	2,84%	2,84%
RCAR	980 380	3,68%	3,68%
Various	4 536 012	17,05%	17,05%
Total	26 608 085	100,00%	100,00%

Source: CIH

II.3. Board of directors

CIH's Board of Directors composition as at March 31st 2012 is as follows:

Function	Name and function	Date of Appointment	End of term
President	M. Ahmed RAHOU CIH Chief Executive Officer	07/10/2009	OGM approving the 2014 financial statements
Directors	M. Anass HOUIR ALAMI CDG Chief Executive Officer	07/10/2009	OGM approving the 2014 financial statements
	M. Said LAFTIT – CDG General Secretary and MCM representative	28/05/2009	OGM approving the 2014 financial statements
	M. Mohamed Amine BENHALIMA CDG Deputy Chief Executive Officer	28/05/2009	OGM approving the 2014 financial statements
	M. Mohamed Hassan BENSALAH HOLMARCOM Chief Executive Officer	28/05/2009	OGM approving the 2014 financial statements
	M. Mustapha LAHBOUBI CDG Risk Management Department Director	25/11/2010	OGM approving the 2014 financial statements
	M. Khalid CHEDDADI CIMR Chief Executive Officer	20/05/2011	OGM approving the 2016 financial statements

Source: CIH

II.4. Structure of CIH's shareholdings

CIH's equity portfolio as at December 31st 2011 is as follows:

Sector	Subscription Value (in KDH)	Share in the portfolio
Finance companies	762 800	79%
Hotel companies	180 200	18%
Development companies	17 400	2%
100% owned subsidiary	6 290	1%
Total	966 700	100%

The structure of CIH's stakes in financial institutions is as follows:

Company	Shares Owned %	Subscription Value (in KDH)	Provisions	Net of provisions
SOFAC	46,2%	229 733	-	229 733
MAROCLEASING	34,0%	519 341	-	519 341
MAGHREB TITRISATION	24,3%	1 217	-	1 217
SOCIETE DE BOURSE MSIN	10,0%	1 000	-	1 000
CENTRE MONETIQUE INTERBANCAIRE	7,0%	7 000	-	7 000
L'IMMOBILIERE INTERBANCAIRE	6,7%	1 267	-	1 267
INTERBANK	6,0%	690	-	690
MAROCLEAR	1,4%	275	-	275
DAR AD-DAMANE	0,7%	500	-	500
BANQUE POPULAIRE MAROCO-GUINEENNE	0,4%	1 030	1 030	-
FONDS DE GARANTIE DAR AD DAMANE	-	750	750	-
TOTAL		762 803	1 780	761 023

Source: CIH

II.5. Activity of CIH

Collection of deposits activity

In Mdh	2009	2010	Var	2011	Var
Checking Deposit	7 821	8 987	14,9%	9 566	6,4%
Saving Accounts	2 067	2 275	10,1%	2 640	16,0%
Fixed-term deposit	7 375	5 742	-22,1%	4 546	-20,8%
Other debit account	633	648	2,4%	695	7,3%
Customers deposits	17 896	17 652	-1,4%	17 447	-1,2%

Source: CIH – Corporate financial statements

CIH customer's deposits are mostly composed of checking deposits and fixed-term deposits that represent on average 50% and 32% respectively of its structure.

Credits activity

In Mdh	2009	2010	Var	2011	Var
Cash and Consumer loans	1 069	1 324	23,9%	1 672	26,3%
Equipment loans	683	586	-14,2%	805	37,4%
Real estate loans	18 996	20 228	6,5%	21 749	7,5%
Other loans	1 165	934	-19,8%	1 160	24,2%
Loans to customers	21 913	23 072	5,3%	25 386	10,0%

Source: CIH – Corporate financial statements

Loans distributed by CIH are dominated by real estate loans, which represents 82% of the total loans distributed to customers.

III. RISK FACTORS

III.1. Credit risks

By credit risk, we understand; the risk that a counterparty will be unable to honor its commitments to the bank.

a. Basic principles governing credit activities

CIH credit activity is based on the following basic principles:

- Compliance to the regulatory and ethics rules governing the credit activity;
- Compliance with internal standards for granting new loans to customers (quantum of funding, percentage of debt coverage ratio by the required guarantees);
- Double vision in terms of loan demands analysis for large accounts, operated by independent structures;
- Collegiality in the decision of granting loans;
- Double signature on all documents related to the establishment of authorized appropriations;
- Control of the guarantees received before any use of new granted competition.

b. Monitoring and control of credit risk

Both the commercial structures as well as those responsible for risk management are in charge of monitoring credit risk reports.

In addition to the daily monitoring carried out by the commercial structures, a central monitoring is provided by the commitments department on one hand and the risk department on the other.

Reporting documents are regularly sent to the audit committee, risk management committee and the credit risk steering committee.

III.2. Operational risk

a. Operational risk definition

These are the risks of loss attributable to inadequate or failed internal processes, to employees and internal systems or to external events. This definition includes legal risk but excludes strategic and reputation risks.

b. Organization of operational risk management

Role of the Risk Department

In order to meet the requirements of Bank Al Maghrib and to respect good management of operational risks, CIH created an entity in charge of operational risks that reports to the risk department. Operational risk is treated as a full risk similarly to credit or market risk.

Operational risk management process

In order to identify the entire area related to operational risk management, the bank has implemented and dedicated a software package and has ensured corrective actions to be implemented by the different parties involved in the risk management process. This software allows managing workflow in the incident reports (central agencies and entities), self-assessment exercises and conductive corrective actions plans.

Reporting documents are regularly sent to the Operational Risks Steering Committee and to the Risk Management Committee allowing decisions on arrangements to reduce risks.

Business Continuity Plan

The Business Continuity Plan is a complete action plan outlining the necessary procedures and systems in order to continue or reinstate in a planned manner the operations of the bank in a case of an operational disruption.

The business continuity plan project is at an advanced stage and covers today nearly 90% of the bank's vital process.

III.3. Market Risk

a. Market risk definition

Market risk is the risk of losses related to fluctuations in market prices. It covers:

- The risk related to the rate and position on deeds associated to the instruments included in the trading book;
- Foreign exchange and commodity risk incurred on all elements of the balance sheet and off balance sheet other than those included in the trading book.

b. Organization and management of market risk

Trading floor (front office) role

The front office is responsible for the implementation of the bank refinancing policy through the market, for the cash management and the management of the securities portfolios of the bank and of currency risk hedging management.

This entity is involved in developing the bank refinancing strategy and is responsible for ensuring compliance with regulatory ratios and limits of the trading floor.

Risk Department role

The risk department is responsible for the assessment of market risk. As a consequence, it is in charge of setting up the risk strategy policies and limits on market risks but also the monitoring and tracking indicators.

Assets – Liabilities Management

a. Interest rate and liquidity risk definition

The interest risk occurs when unfavorable interest rates deteriorate the financial situation of the bank.

Liquidity risk is defined as the risk for a bank not to be able to discharge, under normal conditions its commitments on due date.

CIH continues to strengthen its management arrangements related to interest rate and liquidity risk in accordance with the regulations, including Bank Al Marghrib guidelines for managing interest rate and liquidity risk published in April 2007.

b. Assessment of interest rate and liquidity risk

Evaluation of the overall interest rate risk

The valuation method of interest rate used by CIH is based on fixed-rate gaps calculation on each maturity (1 month, 2 months, 3 months... 15 years). These gaps are then discounted.

The difference between this NPV calculated with the current rate and the NPV calculated with these rates +100bps allows getting the sensitivity of the balance sheet to interest rates variations.

A distinction is also made between short term sensitivity (maturity under one year), medium term sensitivity (maturity between 1 and 7 years) and long term sensitivity (maturity greater than 7 years).

Evaluation of the liquidity risk

Monitoring of liquidity risk is provided through the assessment of current cash and cash forecasts.

The management of the short term cash is carried out by the trading room. A daily dashboard allowing for the calculation of the daily cash gap is determined by the bank treasurer.

The liquidity management (Medium-long term) is provided by the ALM entity that computes liquidity gaps and presents them to the ALM committee.

Monitoring rate and liquidity risk

Monitoring rate and liquidity risk is provided by the ALM committee through quarterly reports.

Furthermore, a regular monitoring of these risks is provided by the Risk Department. This monitoring is reinforced by the limits of exposure to these risks and a system of regular reporting.

The data is periodically aggregated in order for the Executive Management and the Board of Directors to have a global vision of all rate and liquidity risks of CIH. This data is presented at the ALM committee, Risk Management committee and Audit committee.

IV. FINANCIAL DATA

IV.1. IFRS Balance Sheet

Assets

Asset (in KDH)	2011	2010	2009
1. Cash and balance with central bank	1 654 804	1 157 078	1 295 173
2. Financial assets			
3. Hedging instruments (derivatives)			
4. Financial assets at fair value through profit or loss	2 276 818	1 053 759	1 068 557
5. Loans and advances to banks	300 281	1 444 521	768 036
6. Loans and advances to customers	26 950 702	25 164 036	23 944 752
9. Current tax asset	75 658	65 572	21 614
10. Deferred tax assets	5	7	
11. Equalization account and other assets	470 769	383 814	777 891
12. Non-current assets			
13. Shares held in equity accounted companies	471 937	3 157	3 538
14. Investment property	518 163	489 614	430 449
15. Fixed Assets	659 620	626 687	987 305
16. Intangible Assets	79 041	29 441	26 613
17. Goodwill	299 917	10 000	96 220
Total Assets	33 757 714	30 427 685	29 420 148

Liabilities

Liabilities (in KDH)	2011	2010	2009
1. Central banks			
2. Financial liabilities at fair value through profit or loss			
3. Hedging instruments (derivatives)			
4. Debt with credit institutions	1 389 829	1 387 108	1 152 539
5. Customer transactions	18 722 261	19 124 905	19 561 231
6. Securities loaned	7 739 003	5 329 796	4 010 709
8. Liabilities for current tax	176 976	11 958	23 211
9. Deferred tax liabilities	93 212	154 439	165 632
10. Other liabilities	1 066 732	876 989	1 059 812
13. Provisions	177 269	210 223	195 394
15. Subordinated debt			
16. Company equity	4 392 432	3 332 268	3 251 620
17. Equity – Group share	4 392 432	3 332 268	3 251 620
18. Subscribed capital and reserves	2 660 809	2 280 693	2 280 693
19. Consolidated reserves	1 357 836	812 715	868 508
20. Gains & losses	5 447	6 018	3 540
21. Net profit for the year	368 341	232 842	98 880
22. Minority Interest			
Total Liabilities	33 757 714	30 427 685	29 420 148

IV.2. IFRS income statement

(in KDH)	2011	2010	2009
1. + Interest and related income	1 956 923	1 942 793	2 010 592
2. – Interest and related charges	(777 562)	(773 850)	(850 564)
3. Interest Margin	1 179 361	1 168 943	1 160 028
4. + Commissions (Income)	146 068	161 952	152 498
5. - Commissions (expenses)	(15 211)	(16 432)	(20 295)
6. Commissions Margin	130 857	145 520	132 203
7. +/- Gains or losses on trading portfolio transactions	0		
8 +/- Gains or losses on placement portfolio and related transactions	21 158	170 262	108 268
9. + Other banking incomes	86 120	96 988	154 962
10. - Other banking expenses	(99 195)	(76 060)	(71 164)
11. Net banking income	1 318 301	1 505 653	1 484 297
12. – General operating expenses	(707 408)	(969 693)	(787 161)
13. – Allocation to amortization and depreciation	(50 796)	(69 688)	(96 215)
Of the tangible and intangible fixed assets	0		
14. Gross operating profit	560 098	466 272	600 921
15. Cost of risk	(83 045)	(461 919)	(493 470)
16. Operating profit	477 052	4 353	107 451
17. +/- Income from equity affiliate	29 831	1 419	1 128
18. +/- Gains or losses on fixed assets	29 831	265 493	19 031
19. +/- change in Goodwill value	57 541	0	(3 320)
20. Pre-tax operating result	564 424	271 266	124 290
21. – Corporate income tax	(196 083)	(38 424)	(25 409)
23. Net profit	368 341	232 842	98 881
24. Minority interests	0		
25. Net income – group share	368 341	232 842	98 881
26. Base income per share	13,8	10,2	4
27. Diluted income per share	13,8	10,2	4

WARNING

*The above information only represents a part of the Information Note approved by the
Conseil Déontologique des Valeurs Mobilières (CDVM) on 18 April 2012 under the
reference number VI/EM/011/2012*

The CDVM advises reading the full information note available in French.