

SUMMARY OF THE PROSPECTUS
RELATING TO
BANQUE MAROCAINE DU COMMERCE EXTÉRIEUR
- BMCE BANK -



***CASH CAPITAL INCREASE RESERVED TO REFERENCE
SHAREHOLDERS***

**THIS OPERATION IS SUBJECT TO APPROVAL FROM THE COMBINED
SHAREHOLDERS' MEETING OF NOVEMBER 23, 2012**

**THIS OPERATION IS RESERVED TO : RMA WATANYA, BFCM, FINANCECOM,
CDG, MAMDA/MCMA, CIMR, BES VIDA**

NUMBER OF SHARES TO BE ISSUED : 7,500,000

SHARE PRICE : MAD 200

TOTAL AMOUNT : MAD 1,500,000,000

ADVISING ENTITY

BMCE CAPITAL 
CONSEIL

**ENTITY IN CHARGE OF
REGISTRATION**

BMCE CAPITAL 
BOURSE

CENTRALIZING ENTITY

BMCE BANK 

Sign off from the CDVM (The Moroccan Financial Markets Authority)

The Moroccan Financial Markets Authority (CDVM) signed off on November 19, 2012 a prospectus relating to BMCE Bank's increase of capital for an amount of MAD 1 500 000 000.

The prospectus signed off by CDVM is available at all times at the headquarters of BMCE and with its financial advisor. It is also available in a maximum period of 48 hours from the institutions collecting orders.

The prospectus is made available to the public at the headquarters of the Casablanca Stock Exchange and its website www.casablanca-bourse.com. It is also available on the website of CDVM: www.cdvm.gov.ma.

I. I-INTRODUCTION TO THE OPERATION

1. Characteristics of the transaction

▪ Issuer	Banque Marocaine du Commerce Extérieur
▪ Type of securities to issue	BMCE Bank's shares , all of the same class
▪ Legal form	The shares will all be bearer-type shares. BMCE Bank's shares shall be fully dematerialized and registered on an account opened with the central Moroccan depository, Maroclear
▪ Share capital before the increase of capital	MAD 1,719,633,900
▪ Nominal amount of the increase	MAD 75 ,000,000
▪ Number of new shares	7,500,000 of a nominal value of MAD 10 each
▪ Dividend date	January 01, 2012 ⁱ
▪ Listing Line	Front line
▪ Subscription period	From november 28, 2012 to december 05,2012 included
▪ Transferability of shares	The shares subject to this transaction will be freely tradable
▪ Listing of new securities	Shares resulting from this increase of capital will be fully assimilated to the already existing shares, listed in the first line as to their rights and obligations
▪ Issue Price	MAD 200 per share, representing a premium of MAD 190 per share
▪ Paying up the shares	The shares issued will be fully paid up and shall be free from any commitment
▪ Post-operation share capital	MAD 1,794 ,633,900
▪ Preferential subscription rights	The Extraordinary General Meeting of November 23, 2012 will remove the preferential subscription rights of all shareholders
▪ Rights attached	All shares (both old and new) shall have the same rights both in the distribution of profits and in the distribution of assets upon liquidation. Each share gives right to one vote at shareholders' meetings.

2. Goals of the Operation

This operation aims:

- at strengthening BMCE bank's equity, amounting to MAD 1.5 billion, in order to support the Group's organic and external growth the strategy in Morocco and abroad and in order to align with the new banking and financial regulations requirements ;
- And at strengthening the participation of the Group's reference shareholders.

3. Timing of the operation (pending validation)

Order	Steps	At the latest
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1	Receipt of the complete application by the Casablanca Stock Exchange	November 19, 2012
2	Issuance by the Casablanca Stock Exchange of the notice of approval of the increase of capital in cash	November 19, 2012
3	Receipt of the Prospectus signed off by the CDVM	November 19, 2012
4	Publication in the Stock Exchange Official Bulletin of the notice relating to the increase of capital in cash	November 20, 2012
5	Approval by BMCE Bank's EGM of the transaction terms	November 23, 2012
6	Receipt by the Casablanca Stock Exchange of the minutes of the EGM having decided and setting the terms of the capital increase	November 26, 2012
7	Opening of the subscription period	November 28, 2012
8	Closing of the subscription to the operation	December 5, 2012
9	Receipt by the Casablanca Stock Exchange of the letter of the special agent in charge of ratifying the increase of capital in cash	December 10, 2012
10	Settlement of new shares	December 14, 2012
11	Listing of new securities and registration of the increase of capital in cash	December 18, 2012
12	Cashing of the listing fee for new securities	December 19, 2012

II-ISSUER INFORMATION

1. Activity:

▪ Name :	Banque Marocaine du Commerce Extérieur, BMCE Bank.
▪ Headquarters :	140, Avenue Hassan II, Casablanca.
▪ Phone :	+ 212 5 22 49 80 04 and 15
▪ Fax :	+ 212 5 22 26 49 65
▪ Website :	www.bmcebank.co.ma
▪ Legal form :	Public Limited Company with a Board of Directors.
▪ Date of Incorporation :	August 31, 1959.
▪ Life :	99 years.
▪ Registration number in the Trade Registry :	27129 Casablanca
▪ Fiscal year :	From January 01 to December 31.
▪ Purpose : (Article 3 of the Bylaws)	BMCE Bank aims, within the Royal decree ("Dahir") of February 14, 2006 relating to credit institutions and equivalent institutions : <ul style="list-style-type: none"> • At performing all banking, foreign exchange, treasury, backing, acceptance, discounting, rediscounting, current account overdraft operations and any form of credit in the short, medium and long term ; taking out any loan, any commitments in any currency ; buying, selling or disposing of any movable or immovable property ; conducting all transit operations or fee-based or precious metals trading operations ;

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- At making all investments, subscriptions, stock exchange purchases and sales or otherwise, in cash or forward, of securities and drafts of all kinds ;
 - At taking, holding and managing equity interest in all banking, financial, real estate, industrial and commercial undertakings for itself or on behalf of third parties ;
 - and generally at performing all banking, financial, commercial, industrial, movable and unmovable operations that may be directly or indirectly related to its corporate purpose.

▪ Share capital : (October 31, 2012)	MAD 1,719,633,900 consisting of 171,963,390 shares with a nominal value of 10 MADs.
▪ Legal documents :	Legal documents of the company, including the Articles of Incorporation, the minutes of general meetings and the reports of external auditors may be consulted at the headquarters of BMCE Bank.
▪ List of relevant legislation:	<p>Due to its legal form, BMCE Bank is governed by Moroccan law and Law No. 17-95 of August 30, 1996 on public limited Companies as amended and supplemented by Law 20-05 ;</p> <p>Due to its activity, BMCE Bank is governed by Royal Decree (“<i>Dahir</i>”) No. 1-05-178 of Muharram 15, 1427 (February 14, 2006) enacting Law No. 34-03 relating to the exercise of the activity of credit institutions and similar organizations (Banking Law) ;</p> <p>Due to the listing of its shares on the Casablanca Stock Exchange, BMCE Bank is subject to all applicable laws and regulations relating to financial markets and in particular :</p> <ul style="list-style-type: none">• The Royal decree (“<i>Dahir</i>”) No. 1-93-211 of September 21, 1993 on the Stock Exchange as amended and supplemented by laws 34-96, 29-00, 52-01 and 45-06 ;• The General Rules of the Stock Exchange approved by the Ordinance of the Minister of Economy and Finance No. 499-98 of July 27, 1998 and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1960-01 of October 30, 2001. This latter was modified by the amendment of June 2004 that came into force in November 2004 and by Ordinance No. 1268-1208 dated July 07, 2008;• Royal decree (“<i>Dahir</i>”) No. 1-93-212 of 4 Rabi II 1414 (September 21, 1993) relating to the Moroccan Financial Markets Authority (CDVM) and to the information required from listed entities as amended and supplemented by Laws No. 23-01, 36-05 and 44-06;• The General Rules of CDVM as approved by the Ordinance of the Minister of Economy and Finance No. 822 08 of April 14, 2008 ;• The Royal decree (“<i>Dahir</i>”) No. 1-95-3 of Sha'ban 24, 1415 (January 26, 1995) enacting Law No. 35-94 and the Ordinance of the Ministry of Finance and External Investments No. 2560-95 of October 9, 1995 on negotiable debt instruments ;• The Royal decree (“<i>Dahir</i>”) No. 35-96 relating to the creation of the Central Depository and the establishment of a general system of registration in accounts of some securities, amended and supplemented by Law No. 43-02 ;• The General rules of the Central Depository approved by the Ordinance of the Minister of Economy and Finance No. 932-98 dated April 16, 1998 and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30, 2001 ;• The Royal decree (“<i>Dahir</i>”) No. 1-04-21 of April 21, 2004 enacting Law No. 26-03 relating to public offerings on the stock market and amended by Law 46-06.
▪ Taxation status :	BMCE Bank is subject, as a credit institution, to the corporate tax (37%) and to VAT (10%).

▪ Competent court in case of dispute : Casablanca Commercial Court.

2. Shareholding Structure

As of October 13, 2012, the shareholding structure of BMCE Bank is as follows:

Shareholder	Number of Stocks	% of capital	% of voting rights
Controlling stake	62 995 803	36,63%	36,63%
<i>RMA Watanya*</i>	48 512 295	28,21%	28,21%
<i>Finanecom</i>	13 576 303	7,89%	7,89%
<i>SFCM</i>	907 205	0,53%	0,53%
Stable shareholdings	79 662 458	46,32%	46,32%
<i>Banque Fédérative du Crédit Mutuel</i>	44 665 802	25,97%	25,97%
<i>Caisse de Dépôt et de Gestion</i>	14 423 718	8,39%	8,39%
<i>MAMDA/MCMA</i>	8 757 193	5,09%	5,09%
<i>CIMR</i>	7 414 505	4,31%	4,31%
<i>BES VIDA</i>	4 401 240	2,56%	2,56%
Others	29 305 129	17,04%	17,04%
<i>BMCE Employees</i>	2 491 813	1,45%	1,45%
Float	26 813 316	15,59%	15,59%
TOTAL	171 963 390	100,00%	100,00%

(*) Excluding RMA Watanya mutual funds

III- FINANCIAL DATA

1. CONSOLIDATED BALANCE SHEET AS OF 30/06/2012, December 2011, 2010, 2009

IFRS BALANCE SHEET

(In million MAD)

ASSETS	june-12	december-11	december-10	december-09
Cash and amounts due from central banks and post office banks	7 456 159	6 391 958	8 033 096	11 961 191
Financial assets at fair value through profit or loss	32 108 242	31 732 316	27 750 733	23 125 255
Derivatives used for hedging purposes	-	-	-	-
Available-for sale financial assets	2 771 192	2 330 377	1 847 394	1 554 089
Loans and receivables due from credit institutions	17 706 162	23 822 680	22 971 432	20 940 147
Loans and receivables due from customers	129 143 841	121 342 658	107 367 885	93 592 762
Remeasurement adjustment on interest rate risk hedged assets	-	-	-	-
Held-to-maturity financial assets	10 097 987	9 590 911	8 321 093	6 367 928
Current tax assets	272 847	408 979	383 596	527 064
Deferred tax assets	377 969	321 084	371 417	543 064
Accrued income and other assets	4 493 249	4 559 041	3 260 722	3 568 660
Non current assets held for sale	-	-	-	-
Investment in companies consolidated under the equity method	410 735	399 358	382 171	362 904
Investment property	622 576	547 099	520 667	508 990
Property plant and equipment	5 142 512	5 064 126	4 795 142	4 225 756
Intangible assets	707 297	645 081	651 205	642 344
Goodwill	945 046	832 470	531 006	485 515
TOTAL ASSETS	212 255 814	207 988 138	187 187 559	168 405 669

LIABILITIES	june-12	december-11	december-10	december-09
Due to Central Banks and Post Office Banks	66 599	-	-	-
Financial liabilities at fair value through profit or loss	13 106	1 752	1 275	-
Derivatives used for hedging	-	-	-	-
Due to credit institutions	30 557 789	24 848 609	13 602 716	13 284 784
Due to customers	134 905 932	139 152 010	132 019 155	122 496 072
Debt securities	12 584 898	12 008 860	11 444 054	8 501 072
Remeasurement adjustment on interest rate risk hedged portfolios	-	-	-	-
Current tax liabilities	163 954	324 592	316 356	171 994
Deferred tax liabilities	967 348	934 127	906 568	1 069 008
Accrued expenses and other liabilities	11 869 261	8 971 070	8 093 984	8 236 571
Liabilities related to non-current assets held for sale	-	-	-	-
Technical reserves of insurance companies	-	-	-	-
Provisions for contingencies and charges	457 274	457 440	349 989	300 492
Subsidies, assigned public funds and special guarantee funds	-	-	-	-
Subordinated debts	4 802 100	4 904 381	4 634 497	5 119 822
Shareholders Equity				-
Shareholders Equity Group Share	12 157 697	12 428 604	12 390 435	6 139 121
Share capital and reserves	10 482 463	10 451 134	10 439 225	4 210 239
Consolidated reserves	1 215 628	1 045 085	1 153 220	1 539 126
Unrealised gains and losses	99 417	82 186	-20 979	4 935
Net Income	360 189	850 199	818 969	384 821
Minority interests	3 709 856	3 956 693	3 428 530	3 086 733
TOTAL LIABILITIES	212 255 814	207 988 138	187 187 559	168 405 669

2. CONSOLIDATED INCOME STATEMENT AS OF 30/06/2012, december 2011, 2010, 2009

	june-12	december-11	december-10	december-09
Intérêts and assimilated revenues	5 038 703	9 350 022	10 808 823	9 870 994
Intérêts and assimilated charges	- 2 275 228	- 4 094 844	-5 952 292	-5 613 890
NET INTEREST INCOME	2 763 475	5 254 178	4 856 531	4 257 104
Fees received	915 761	1 703 136	1 648 926	1 397 247
Fees paid	- 143 418	-280 201	-295 369	-175 333
NET FEE INCOME	772 343	1 422 935	1 353 557	1 221 914
Net gains or losses on financial instruments at fair value through profit or loss	486 866	1 020 376	973 334	743 968
Net gains or losses on available for sale financial assets	137 140	27 075	143 552	-9 015
INCOME FROM MARKET TRANSACTIONS	624 006	1 047 451	1 116 886	734 953
Other banking revenues	378 421	792 174	638 171	506 266
Other banking expenses	- 158 318	-376 675	-413 112	-306 284
NET BANKING INCOME	4 379 927	8 140 063	7 552 033	6 413 953
General operating expenses	- 2 328 814	-4 588 896	-4 169 863	-3 758 012
Allowances for depreciation and amortization of E&E and intangible assets	- 274 995	-533 299	-484 499	-429 526
GROSS OPERATING INCOME	1 776 118	3 015 868	2 897 671	2 226 415
Cost of risk	- 1 046 198	-872 214	-819 496	- 1 133 960
OPERATING INCOME	729 920	2 143 654	2 078 175	1 092 455
Share in net income of companies accounted for by equity method	31 916	44 590	34 337	16 514
Net gains or losses on other assets	- 16 921	- 6 717	-75 381	53 733
Change in goodwill	-	-	-	-
PRE-TAX EARNINGS	744 915	2 181 527	2 037 131	1 162 702
Corporate income tax	- 219 803	-673 773	-612 550	-342 651
NET EARNINGS	525 112	1 507 754	1 424 581	820 051
Minority interests	164 923	657 555	605 612	435 230

IV. RISKS RELATED TO THE BANK AND TO ITS INDUSTRY

1. Counterparty Risk Management

The loans distributed (to customers and to credit institutions) by the Bank (Consolidated Activity) totaled 137.8 billion MAD versus 131.7 billion MAD one year earlier.

BMCE Bank wishes to expand its field of intervention to the SME's and to the Small and Medium Industries segment, representing 90% of the Moroccan economic fabric. Being more risky, it carries of course higher margins and has a pool of revenue opportunities generated by finance and restructuring advisory services, in addition of course to bank loans.

The Bank has made a significant effort for the consolidation of its loan portfolio, an effort it maintains within the framework of risk management policy and in compliance with the prudential regulations issued by Bank Al-Maghrib, as well as with the sound risk practices.

To manage its credit risk, BMCE Bank has defined rules based on a particular internal rating system, a system of delegation of powers and a system for the management of limits aimed at mitigating the risks of concentration.

1. Rate and Liquidity Risk

Decision-making process for ALM management

The ALCO (Assets & Liabilities) Committee is responsible for overseeing the management of interest rate and liquidity risk and receives on a regular basis reports on compliance with the limits and guidelines established.

The Audit and Internal Control Committee reviews the management framework and the main policies in terms of rates and liquidity and submits them for approval to the Board of Directors.

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

Within the Finance Branch, the ALM Department is responsible for developing policies, strategies and contingency plans. In terms of management of interest rate and liquidity risk, it recommends and monitors the caps within this framework.

Overall liquidity risk

The liquidity ratio stood at 101% by the end of June 2012 above the Central Bank's regulatory limit set at 100%.

As of June 30, 2012, the impact of a change in interest rates of 200 basis points in the Net banking Income (NBI) is estimated at 189 million Moroccan Dirhams. The change in the economic value of equity in the face of a shock of 200 basis points is estimated at 313 million Moroccan Dirhams or 2.73% of regulatory capital.

As of June 30, 2012, the liquidity gap over 12 months recorded a surplus of liquidity of 7.8 billion MAD's versus 9.9 billion MADs by the end of December 2011.

Overall Rate Risk

The results of the stress tests conducted as of June 30, 2012 in relation to the impacts of a change in the interest rates of 200 base points on the interest margin and on the economic value of Equity turn out to be in accordance with the limits set by the ALCO committee.

Indeed, the impact on the interest margin is estimated at 189 million Moroccan Dirhams, i.e. 4.14% of the NBI estimated for 2012 (below the ALCO limit set at 5%), and the impact on the economic value of equity is estimated at 313 Million Dirhams , i.e. 2.73% of Regulatory Capital, below the AMCO limit set at 20%.

2. Rate and Liquidity Risk (Market Risks)

Analysis of liquidity risk

As of June 30, 2012, the analysis shows 123.67% liquidity.

Indeed, the monetary liability of MAD 15,102 millions with duration equal to 15.93 days, while liquid assets stand at MAD 27,071 millions.

Moreover, it should be noted that 48.35% of the value of the bond assets is made up of Treasury bills, which ensures almost complete liquidity. This category of assets amounted to MAD 3,671 billion.

Analysis of interest rate risk

Fixed assets are mainly composed of Treasury bills, negotiable debt instruments, and bonds.

These assets are mainly financed by short-term liabilities whose duration is 15.92 days.

The bond portfolio (as of June 30, 2012) presents an average yield of 3.99% for an average period of 3.3 years and an average sensitivity of 3.16 years. Its outstanding market value stands at MAD 7,412 million. A parallel evolution of interest rates of 50+ bps would then result in an average loss of MAD 89 million.

The spectrum of sensitivities below shows the breakdown range of the overall sensitivity over the different types of paper, and therefore the choice of projection of the risk rate over the different maturities.

3. Rate and Liquidity Risk (Market Risks)

Exchange rate risk

Foreign Currency	Position in foreign currency		Counter-value		% Equity
	(*)		in MAD		
EUR*	-	72 649	-	803 716	7,01%
LYD		4		29	0,00%
SEK		679		858	0,01%
CHF	-	605	-	5 566	0,05%
TND		801		4 398	0,04%
CAD		210		1 799	0,02%
DZD		20 393		2 256	0,02%
KWD		66		2 057	0,02%
SAR		6 175		14 364	0,13%
AED		8 376		19 895	0,17%
JPY		6 475		710	0,01%
DKK		712		1 059	0,01%
NOK		898		1 319	0,01%
USD*	-	24 593	-	214 553	1,87%
GBP		466		6 381	0,06%

(*) Assets – liabilities in same currency +/- future net commitments +/- Delta of options

- Data as of 30-04-2012

Source : BMCE Bank

The sum of net currency positions is as follows:

- For long positions 55,125 K MAD, i.e. 0.48% of net equity.
- For short positions: 1,023,835 K MAD, i.e. 8.93% of net equity.
- The net total is 968,711 K MAD, corresponding to 8.45% of net equity.

The table above shows that BMCE Bank remains within the prudential limits established by the Moroccan central Bank (Bank Al-Maghrib), which are set at 10% of equity per currency and 20% for all currencies.

4. Regulatory risks

Capital requirements by type of risks on a consolidated base as of June 30, 2012

	Weighted Risks (K MAD)
Credit Risk	129 030
Market Risk	13 460
Operationnal Risk	13 984
Total of weighted risks	156 476

	Amount (K MAD)
Tier I	13 743
Total of weighted risks	156 476
Capital Adequacy	12,40%

Source : *BMCE Bank*

The Bank's solvency ratio, reflecting its ability to meet all of its obligations through its own equity, remains above the regulatory standard set at 10%.

It goes indeed from 10.12% in 2009 to 12.26% in 2011. This ratio stood at 12.40% at the end of the first half of 2012.

1. Risks of the Equity Portfolio

As of the end of June 2012, provisions for impairment (on an aggregate basis) total amount of 1.13 billion DH, up nearly 1% compared to end 2011. The main provisions relate to BMCE Bank International (719.8 Million Dirhams), ESFG (123.3 Million Dirhams), Hanouty (103 Million Dirhams), ESI (79.5 Million Dirhams), RISMA (53.4 Million Dirhams) and EMAT (26.7 Million Dirhams).

Warning

The above information is only part of the prospectus approved by the Moroccan Financial Markets Authority (CDVM) under reference No VI/EM/041/2012 on November 19, 2012. The CDVM recommends reading the full prospectus made available to the public in French.

[\[1\]](#) Right to dividend for FY 2012 and to be distributed in 2013.

ⁱ Right to dividend for FY 2012 and to be distributed in 2013