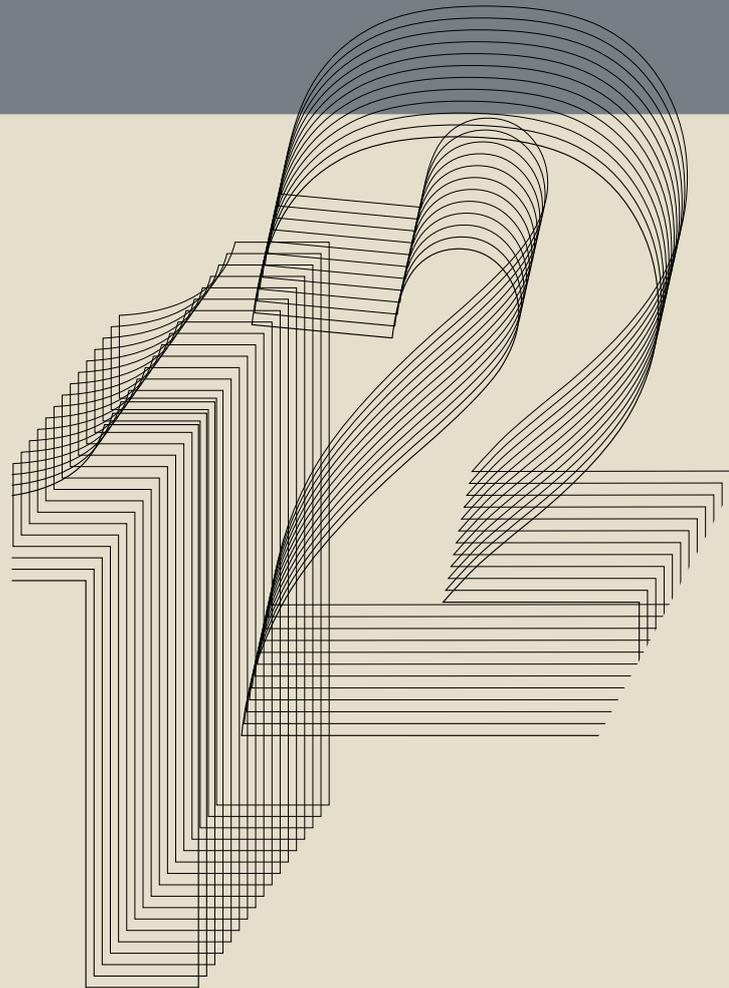


التجاري وفا بنك
Attijariwafa bank

Pillar III - Basel II

as of June 30, 2012

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PILLAR III : quantitative and qualitative information

The publication of financial information regarding regulatory capital and risk-weighted assets is conducted on consolidated basis in compliance with article 2 of circular 44/G/2007. Other information are published on individual basis for the parent company's perimeter and the significant subsidiaries in compliance with article 8 of the same circular.

The third pillar of the Basel agreement has the aim of promoting market discipline via the publication of a series of data completing the financial communication. The purpose of this communication is to allow market players to assess the items of essential information on regulatory capital, exposure to each risk category, risk assessment approaches and therefore, the capital adequacy of the bank.

1. Equity risk management and capital adequacy

1-1 Breakdown of regulatory capital

At 30 June 2012 the Attijariwafa bank Group regulatory capital consisted of Tier 1 capital and Tier 2 capital, determined as follows:

Core capital (Tier 1) corresponds to consolidated equity adjusted for certain items known as "prudential filters". The main adjustments consist of deducting the planned dividend for the year, as well as goodwill and other intangibles.

Supplementary capital (Tier 2) comprises mainly subordinated debt. A discount is applied to subordinated debt with a maturity of less than five years, and subordinated debt included in Tier 2 capital is capped at the equivalent of 50% of Tier 1 capital.

For the purpose of calculating regulatory capital, the amount of stocks held in the capital of credit institutions and similar bodies in Morocco and abroad and the entities practicing operations akin to banking activity in Morocco and abroad are deducted by half of Tier 1 and half of Tier 2.

(in thousand MAD)

	06/30/2012	12/31/2011
Core capital	25 288 455	22 145 278
Items to be included in core capital	32 622 847	29 318 740
Corporate capital or allocation	2 008 898	1 929 960
Reserves	25 785 482	21 400 217
Minority creditor interest	3 248 736	3 222 500
Items to be deducted from core capital	-7 334 392	-7 173 462
Regulatory Deduction	-225 015	-221 981
Core capital after deduction (Tier 1)	25 063 439	21 923 297
Supplementary capital	9 028 855	9 456 753
Including :		
Underlying value added resulting from the holding of investment securities (AFS)	269 227	257 760

Subordinated debt which initial term above or equal to five years (*)	8 430 000	8 840 000
Regulatory Deduction	-225 015	-221 981
Supplementary capital after deduction (Tier 2)	8 803 840	9 234 772
Total of regulatory capital after deduction of investments in credit institutions and financial companies	33 867 279	31 158 068

(*) Within the limit of 50% of tier 1 prior to deduction of investments in credit institutions and financial companies

At the end of June 2012, the Tier 1 of the Group before deduction of 50% of investments in credit institutions and financial companies, amounted to 25 288 455 thousand MAD. The supplementary capital (Tier 2) before deduction of 50% of investments in credit institutions and financial companies, amounted to 9 028 855 thousand MAD. The total of regulatory capital after deduction of investments in credit institutions and financial companies amounted to 33 867 279 thousand MAD, i.e. up by 8.7% vs. December 2011.

1-2 Capital adequacy (ICAAP)¹

In the framework of Pillar III, Attijariwafa bank has set up a forecasting process for the monitoring and the evaluation of the adequacy of capital so as to make sure that own funds permanently cover risk exposure in compliance with the rules put forth by the regulator.

Furthermore, projects are currently in progress to adopt the best practices.

1-3 Capital requirement

At 30 June 2012, the capital requirement in the framework of Basel II for Attijariwafa bank Group amounted to 23 196 776 thousand MAD. This is calculated by the standardised approach for credit, counterparty and market risks and basic indicator approach for operational risks.

(in thousand MAD)

	06/30/2012	12/31/2011
Credit and Counterparty Risk	20 485 382	19 094 485
Credit Risk ⁽¹⁾	20 341 747	18 977 803
Counterparty Risk	143 635	116 682
Market Risk	576 150	1 034 315
Operational Risk	2 135 244	2 009 530
Total	23 196 776	22 138 330

⁽¹⁾including credit risk for other assets (fixed tangible assets, various other assets and equity shares).

	Pillar I	
	Risk Covered	Measurement methodologies
Credit and Counterparty Risk	✓	Standardised Approach
Market Risk	✓	Standardised Approach
Operational Risk	✓	BIA (Basic Indicator Approach)

1-4 Capital Adequacy Ratio

At 30 June 2012, the Group's core capital amounted to 8.64% and the Group's capital adequacy ratio stood at 11.68% vs. 11.26% one semester earlier.

(in thousand MAD)

	06/30/2012	12/31/2011
Core Capital	25 063 440	21 923 297
Total Regulatory Capital	33 867 279	31 158 068
Risk-weighted assets	289 959 701	276 729 126
Tier 1 Ratio	8.64%	7.92%
Capital Adequacy Ratio	11.68%	11.26%

2. System established for identification, measurement and management of risks

2-1 Method for assessment of items in the negotiation portfolio

The shares, currency securities, raw materials on the organized market, raw materials on the over-the counter market are assessed at the market price.

The foreign exchange options are assessed using the Garman-Kohlhagen² model.

2-2 Net credit risk on derivative instruments

The counterparty credit risk on derivative instruments at 30 June 2012 amounted to 1 162 726 thousand MAD. The breakdown of this exposure per segment is as follows:

(in thousand MAD)

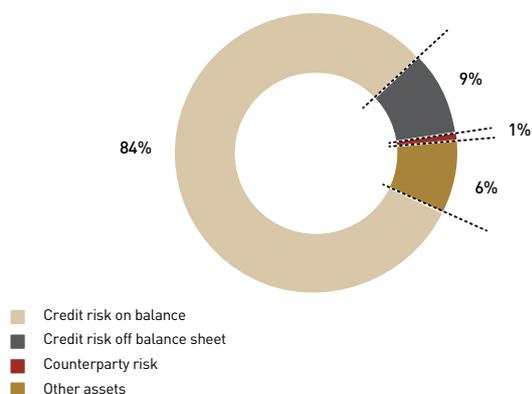
Exposure category	Counterparty Credit Risk
Institutions	24 512
Credit institutions and related entities	517 565
Customers	620 648
Total	1 162 726

2-3 Impact of degradation of external credit quality ratings on the amount of real securities to be provided

In compliance with circular 26/G/2006, Attijariwafa bank opted to risk weight all corporate claims at 100% without regard to external ratings.

2-4 Level of exposure pursuant to counterparty risk

The counterparty risk represents 1% of the total counterparty credit/risk. It concerns repos, reverse repos and OTC derivatives in the banking and transactions in the trading book.



2-5 Counterparty credit risk: exposures covered by collateral

The total amount of eligible collateral on counterparty credit risk is 4 987 981 thousand MAD.

The cash collateral mainly impacts the repos and reverse repos.

(in thousand MAD)

Exposition at default	Collateral
40 876 541	4 987 981

2-6 Guarantees

(in thousand MAD)

	Guarantees
Sovereign	19 802 570
Multilateral development banks	0
Credit institutions and related entities in Morocco and abroad	274 804
Total	20 077 374

2-7 Credit Concentration Risk per Mitigants

(in thousand MAD)

	Exposition At Default	Eligible Guarantee	Eligible Collateral
Sovereign	77 555 750	1 038 706	221 139
Institutions	27 734 656	17 859 101	765
Credit institutions and related entities	26 126 006	904 762	1 291 238
Large Enterprises	204 462 678	271 078	4 775 520
Small and Medium sized enterprises	20 094 481	3 726	387 917
Very small Enterprises	663 617	0	39 359
Retail banking customers	68 018 225	0	178 681
Total	424 655 415	20 077 374	6 894 618

3. Information in individual basis for significant subsidiaries

The information concerning the solvency ratio of the main subsidiaries of the Group are presented as follows:

⁽²⁾ Black & Shoals derivative model for application to foreign exchange options



Attijariwafa bank

(in thousand MAD)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Attijariwafa bank	Bank Al Maghrib	10%	21 096 701	190 306 729	11.09%

Attijari bank Tunisie

(in thousand Tunisian dinars)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Attijari bank Tunisie	BCT	8%	385 032	2 969 558	12.97%

BCT: Banque Centrale de Tunisie

Attijariwafa Europe

(in Euros)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Attijariwafa Europe	CBF	10%	39 476 791	309 586 505	12.75%

CBF: Commission Bancaire Française

Wafasalaf

(in thousand MAD)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Wafasalaf	Bank Al Maghrib	8%	1 297 817	12 707 125	10.21%

Wafabail

(in thousand MAD)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Wafabail	Bank Al Maghrib	8%	822 731	7 727 379	10.65%

Wafa Immobilier

(in thousand MAD)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Wafa Immobilier	Bank Al Maghrib	8%	84 344	305 792	27.58%

Attijari Factoring

(in thousand MAD)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
Attijari Factoring	Bank Al Maghrib	8%	126 907	1 423 901	8.91%

Wafa Assurance

(in thousand MAD)	Supervisor	Margin	Minimum of Solvency Margin	Ratio
Wafa Assurance	DAPS	5 027 131	1 160 036	433.36%

DAPS : Direction des Assurances et de la Prévoyance Sociale

CBAO

(in million FCFA)	Supervisor	Minimum required	Regulatory Capital	Risk-weighted assets	Ratio
CBAO	BCEAO	8%	60 227	428 002	14.07%

BCEAO : Banque Centrale des Etats de l'Afrique de L'Ouest

4. Enterprise Governance

Governance system established adheres to the general corporate principles. This system consists of six control and management bodies emanating from the Board of directors.

Bord of directors

The Board of Directors (BD) consists of a group of institutions and individual persons (administrators) in charge of managing the bank. They are appointed by the shareholders general meeting. The BD includes several members including a chairman and a secretary.

Any institution which is member of the BD appoints an individual person to represent it. The organization and the prerogatives of the BD are set by the bank by-laws and are subject to national law.

4-1 General Management Committee

The general management committee joins together the heads of the various centers under the chairmanship of the Chairman and Chief Executive Officer. This Committee meets once a week and provides a summary view of the operational activities in the different sectors and prepares questions to be submitted to the Board of Directors in a joint approach.

Member office	Function	Date of taking
Mr. Mohamed EL KETTANI	Chairman and Chief Executive Officer	2007
Mr. Boubker JAI	Managing Director	2003
Mr. Omar BOUNJOU	Managing Director	2003
Mr. Ismail DOUIRI	Managing Director	2008

4-2 General Management and Coordination Committee

The General Management and Coordination Committee is a discussion body to exchange and share information. More particularly, this committee:

- Provides overall coordination between the different programs of the Group and focuses primarily on the review of key performance indicators;
- Acknowledges the major strategic guidelines, the Group's general policy and also the decisions and the priorities defined in ad hoc meetings;
- Takes functional and operational decisions to maintain objectives and optimize results.

Chaired by the Committee's chairman or at least by two senior managers, this committee meets monthly and consists of members of the General Management and also the managers of the main business lines.

Members	Function	Title
Mr. Mohamed EL KETTANI	Chairman and Chief Executive Officer	Chairman and Chief Executive Officer
Mr. Omar BOUNJOU	Co-CEO, Retail Banking Division	Managing Director
Mr. Ismail DOUIRI	Co-CEO, Finance, Technology and Operations Division	Managing Director
Mr. Boubker JAI	Co-CEO, Corporate and Investment Banking, Capital Markets and Financial Subsidiaries	Managing Director
Mr. Saad BENJELLOUN	Head of Center-South region	Deputy Managing Director
Mr. Saad BENWAHOUD	Head of North-West region	Deputy Managing Director
Mr. Said SEBTI	Head of Center-North region	Deputy Managing Director
Mr. Mohamed BOUBRIK	Head of South-West region	Executive Director
Mr. Rachid EL BOUZIDI	Head of North-East region	Executive Director
Mr. Fouad MAGHOUS	Head of South region	Executive Director
Mr. Mouaouia ESSEKELLI	Managing Director, Attijariwafa bank Europe	Executive Director
Mr. Hassan BEDRAOUI	Transaction Banking	Deputy Managing Director
Mr. Hassan BERTAL	SMEs banking	Deputy Managing Director
Mr. Talal EL BELLAJ	Global Risk Management	Deputy Managing Director
Mr. Chakib ERQUIZI	Capital Markets	Deputy Managing Director
Mr. Omar GHOMARI	Group Human Resources	Deputy Managing Director
Mrs. Wafaa GUESSOUS	Procurement, Logistics and Secretary of the Board	Deputy Managing Director
Mr. Mohamed HAITAMI	Specialised Financial Companies	Deputy Managing Director
Mr. Mounir OUDGHIRI	International Retail Banking	Deputy Managing Director
Mr. Youssef ROUISSI	Corporate & Investment Banking	Deputy Managing Director
Mr. Younes BELABED	Retail Banking Support Functions	Executive Director
Mrs. Saloua BENMEHREZ	Group Communication	Executive Director

Mr. Ismail EL FILALI	General Audit	Executive Director
Mrs. Malika EL YOUNSI	Group Legal Advisory	Executive Director
Mrs. Noufissa KESSAR	Private Banking	Executive Director
Mr. Rachid KETTANI	Group Finance Division	Executive Director
Mr. Abderrazak LAMRANI	Group Compliance	Executive Director
Mrs. Soumaya LRHEZZIOUI	Group Information Systems	Executive Director
Mr. Driss MAGHRAOUI	Personal, Professional & MLA Banking	Executive Director
Mr. Mohamed SOUSSI	Back Offices and Customer Services	Executive Director

4-3 Other Committee emanating from the Board of Directors

• Strategic Committee:

Chaired by the Chairman and Chief Executive Officer, this committee is in charge of operational results and strategic projects of the Group. This committee meets every two months.

Members	Function
Mr. Mohamed EL KETTANI	Chairman and Chief Executive Officer
Mr. Hassan BOUHEMOU	Director, Representing SNI
Mr. Antonio ESCAMEZ TORRES	Vice-chairman
Mr. José REIG	Director

• Major Risk Committee:

The Major Risk Committee meeting upon call from the Chairman and Chief Executive Officer, examines and hands down judgment on the commitments and investments beyond a certain threshold.

Members	Function
Mr. Mohamed EL KETTANI	Chairman and Chief Executive Officer
Mr. Hassan BOUHEMOU	Director, Representing SNI
Mr. José REIG	Director
Guest Members	
Mr. Ismail DOUIRI	Co-CEO, Finance, Technology and Operations Division
Mr. Talal EL BELLAJ	Deputy Managing Director - Global Risk Management

• Audit and Accounts Committee:

The audit and accounts committee monitors the Risk, Audit, Internal Control, Accounting and Compliance functions. This committee meets quarterly.

Members	Function
Mr. Abed YACOUBI-SOUSSANE	Chairman
Mr. Hassan OURIAGLI	Director
Mr. José REIG	Director
Guest Members	
Mr. Talal EL BELLAJ	Deputy Managing Director - Global Risk Management
Mr. Ismail EL FILALI	Executive Director - General Audit
Mr. Rachid KETTANI	Executive Director - Group Finance
Mr. Abderrazak LAMRANI	Executive Director - Group Compliance

• Appointment and Remuneration Committee:

Meeting annually, the appointment and remuneration committee manages the appointments and remunerations of the group's principal executives.

Members	Function
Mr. Mohamed Mounir EL MAJIDI	Director, Representing SIGER
Mr. Hassan BOUHEMOU	Director, Representing SNI
Mr. José REIG	Director



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