annual report 2006

Attijariwafa bank

Attijariwafa bank

As the leading banking group in North Africa and the eighth largest on the African continent, Attijariwafa bank is today regarded as one of the key players in Morocco's development.

With a healthy financial position, extensive know-how and modern operational systems, Attijariwafa bank has successfully met the challenge it set for itself-of becoming the leading banking group and of reaching a critical size which enables it to offer a full range of efficient and profitable banking and financial services both domestically by pursuing new growth strategies as well as internationally through its ambitious growth strategy.
Given its strategically important status, the bank is constantly driven by a search for excellence and adheres strictly to rules governing human resources management, risk management and compliance.

Contents

“2006 was a highly promising year for Attijariwafa bank's development both domestically and overseas. Our employees demonstrated their full commitment to successfully implementing our 2010 strategic business plan in a spirit of sustainable and shared progress on behalf of our customers and shareholders.”

CHAIRMAN'S MESSAGE

In 2006, the first year of the "Izdihar 2010" strategic business plan, the group's business activity indicators confirm remarkable growth in sales and earnings across all businesses, underlining its leadership in the domestic market and reflecting Attijariwafa bank's change in dimension.

The expansion of our branch network and the progress made in terms of service quality and operational efficiency combined with a successful sales activity driven by the creativity and mobilisation of our staff have generated a new growth dynamic within the banking business and have enabled us to deliver strong organic growth in 2006. At the same time, the group's subsidiaries established themselves as genuine centres of excellence, diversifying into new areas of business and posting significant growth in earnings. Given so many positive factors, the group's net income registered strong growth and exceeded the MAD 2 billion mark.

2006 was also characterised by the first steps taken in our international development with the aim of positioning Attijariwafa bank as a leading player in the Euro-Mediterranean region and in West Africa. In Tunisia, Banque du Sud was renamed Attijari bank, symbolising our intention to roll-out our brand overseas. The bank embarked on an ambitious restructuring process aimed at establishing a corporate culture in line with the very best international standards.

In Senegal, the creation of a banking subsidiary in July 2006 followed by the announcement during the fourth quarter of a controlling interest in Banque Sénégalo-Tunisienne demonstrates our desire to build a solid base in this country as a spring-board for the group's development in West Africa. In Europe, a new legal structure was adopted in those countries in which we have a presence, including Belgium, Germany, the Netherlands, Italy and Spain, following the creation of Attijariwafa bank Europe, a French banking subsidiary with European status, which should enable us to fully develop our business activities.

In line with our ambitions and to provide an appropriate framework for our development, we have modified our operating procedures by strengthening the group's strategic management and supervisory functions and have adopted an organisational structure which is capable of responding to market trends more efficiently. Our human resources policy has also been rethought so as to favour the development of skills and talent and to enhance our expertise. The success of the group is above all that of its employees.

2006 was a highly promising year for Attijariwafa bank's development both domestically and overseas. Our employees demonstrated their full commitment to successfully implementing our 2010 strategic business plan in a spirit of sustainable and shared progress on behalf of our customers and shareholders.

Saâd Bendidi
Chairman

Governing bodies

Board of Directors

Mr. Abdelaziz ALAMI
Hononary Chairman

Mr. Saâd BENDIDI
Chairman & Chief Executive Officer

Mr. Antonio ESCAMEZ TORRES
Vice-President

Mr. Mounir EL MAJIDI
Representative SIGER

Mr. Hassan BOUHEMOU
Representative SNI

Mr. José REIG
Director

Mr. Abed YACOUBI SOUSSANE
Director

Mr. Javier Hidalgo BLAZQUEZ
Director

Mr. Manuel VARELA
Representative Grupo Santander

Mr. Hassan OURIAGLI
Representative F3I

Mr. Matias AMAT ROCA
Representative Corporacion Financiera Caja de Madrid

Mr. Henri MOULARD
Director

Mrs. Wafaâ GUESSOUS
Secretary

Major risks committee

Mr. Hassan Bouhemou
Mr. Jose Reig

Non-standing members
Include divisional heads or any others whose responsibility covers the subjects under discussion

Strategy committee

Mr. Saâd Bendidi
Mr. Hassan Bouhemou
Mr. Antonio Escamez Torres
Mr. José Reig

Associate members
The bank's divisional heads

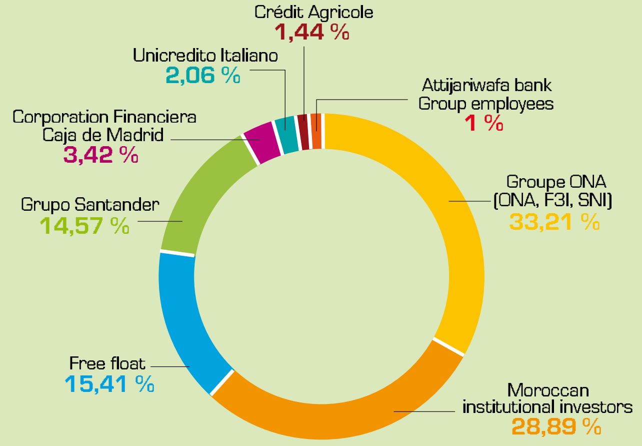
Guest members
The Strategy Committee may invite any person to its meetings whom it considers useful for its work.

Audit & accounts committee

Mr. José Reig., Committee chairman
Mr. Abed Yacoubi Soussane
Mr. Henri Moulard
Mr. Hassan Ouriagli

Guest members
The Audit & Accounts Committee may invite any person to its meetings whom it considers useful for its work, in particular the heads of General Audit, Group Compliance, Global Risk Management, Group Recovery and Group Finances.

Breakdown of share-capital as of December 31st, 2006



Prestigious partners

Attijariwafa bank's reference shareholders include several international groups, which are a source of synergies in many different areas, particularly in terms of developing expertise and enhancing shareholder value.

General management Committee

Mr. Saâd Bendidi
Mr. Omar Bounjou
Mr. Mohamed El Kettani
Mr. Boubker Jaï
Mr. El Houcine Sahib
Mr. Ismaïl Douiri
Mrs. Wafaâ Guessous

Non-standing members
Include those persons responsible for activities which cover the subjects under discussion.

Groupe ONA

- Groupe ONA is the bank's largest shareholder and the leading privately-owned group in Morocco. Its activities include mining, construction materials, food processing, retailing and financial services and it benefits from alliances with multinationals such as Danone, Auchan and Lafarge.

Grupo Santander

- Attijariwafa bank's second largest shareholder is Grupo Santander which has the largest capitalisation amongst banks in the Euro-zone. The Spanish bank has established a strong presence in Latin America and has holdings in several international industrial groups.

Crédit Agricole SA

- A global banking group, is also one of Attijariwafa bank's shareholders with which it is developing strategic partnerships across various business lines, notably in consumer credit through Sofinco and in asset management through Crédit Agricole Asset Management.

Executive Board

1. **Mr Abdeljaouad DOSS BENNANI**
   Finances
2. **Mr Youssef ROUISSI**
   Personal & Professional Banking
3. **Mr Abdellatif SEDDIQI**
   Human Capital
4. **Mr Mouâouia ESSEKELLI**
   Banking for Moroccans Living Abroad
5. **Mr Hicham SEFFA**
   Customer Services & Processing
6. **Mr Boubker JAÏ**
   Managing Director - Financial Subsidiaries division
7. **Mr Karim TAJMOUATI**
   Corporate Banking - Large companies
8. **Mr Mohamed EL KETTANI**
   Managing Director - Corporate Banking
9. **Mr Hassan BEDRAOUI**
   Information Systems
10. **Mr Amin BENDJELLOUN TOUIMI**
    Specialised Financial Services
11. **Mr Omar BOUNJOU**
    Managing Director - Retail Banking division
12. **Mr Omar GHOMARI**
    Compliance
13. **Mr Ismaïl DOUIRI**
    Finance, Transformation & Operations division
14. **Mrs. Wafaâ GUESSOUS**
    General Secretary
15. **Mr Brahim SAÏD**
    Corporate Banking - SMEs
16. **Mr El Houssine SAHIB**
    Capital Markets & Investment Banking division
17. **Mr Chakib ERQUIZI**
    Capital Markets
18. **Mr Mounir OUDGHIRI**
    Transformation of Information Systems

Highlights 2006

January

Launch of the **Nouveau Départ**, pack with the aim of providing support for small- and medium-sized businesses in their restructuring efforts

February

- Launch of the **Ratib Card**, a functional debit card for companies and employees without a bank account
- **Partnership** agreement signed with **Hassan II and Abdelmalek Essaâdi** universities to provide support for Moroccan tertiary education

March

- Launch of **Miftah** mortgage loans
- Launch of **audio-visual training workshops** by the Actua Foundation
- Agreement signed with the Ministry of Education supporting students in **preparatory classes**

April

- Launch of the **SUIMOI**, service, a banking information service for mobile phones
- Business centre network **certified** by the AFAQ/ AFNOR international organisation

- Launch of **TransPrélev Service**, for Moroccans living abroad

May

- Value date reduced to **D + 2** for cheque clearance
- **Managers conference** held
- Launch of the **Agram Invest**, specialising in the food-processing and agro-industrial sector
- Launch of the **Igrane Fund**, specialising in the Souss-Massa-Drâa region

- **«Saâd Hassani, parcours 1997-2006»** exhibition in the Actua art space.

June

- Inauguration of the new **dealing room**
- Creation of the italian subsidiary **Attijariwafa Finanziera**

July

- Inauguration of **Attijariwafa bank Sénégal**
- Partnership agreement signed with **US Eximbank**

- Creation of the first **Call Center** dedicated to Moroccans living abroad

August

Launch of **pack Bila Houdoud**, a products and services offer dedicated to Moroccans living abroad

September

- Launch of the **Mizane** revolving credit card
- Launch of the **Confirming** service, a solution enabling businesses to outsource procedures for paying suppliers

- Launch of **Marocomex**, a platform for international services
- Partnership agreement signed with the Moscovite bank, **Vneshtorgbank**
- Creation of a MAD 1 billion credit line for very small businesses

October

Acquired **66,67%** of **Banque Sénégalo-Tunisienne** in Senegal

November

- Launch of **Rasmali**, a financing solution for small businesses, tradesmen and craftsmen
- «**Le fil de l'échange, la peinture arabe revisitée par la tapisserie murale**» exhibition in the Actua art space
- **Prizes awarded** to the **best pupils** on entry to the most prestigious engineering schools
- Integration of the **Brussels branch** in Attijariwafa bank Europe

December

- Launch of the **Moroccan Infrastructure Fund**, specialising in Morocco's infrastructure sectors
- Banque du Sud changed name to **Attijari bank** and adopted a new corporate identity

- Launch of **Pack Stud'In**, a product dedicaed to Moroccan students living in France.

February 2007

- Launch of **Online Trade**,a service for managing international transactions
- **Wafa Gestion certified** by the GIPS international organisation, for its transparency, innovation and expertise
- Issue of a MAD 2 billion **subordinated bond**

Attijariwafa bank in figures

Key figures

In MAD billions	Consolidated data 2006	2005
Business activity		
Customer deposits	120,90	98,50
Customer loans and advances	81,50	65,60
Financial position		
Total assets	166,37	139,25
Share capital	1,93	1,93
Shareholders' equity before appropriation	12,39	10,90
Results		
Net banking income	6,76	5,64
General operating expenses	3,32	2,90
Gross operating income	3,58	3,05
Net income group share	2,02	1,64
Ratios		
Return on shareholders' equity (ROE)	19,50%	16,72%
Return on assets (ROA)	1,22%	1,17%
Cost-income ratio	49,16%	52%
Deposits/Employees (in MAD millions)	24,39	21,34
Loans/Employees (in MAD millions)	16,44	14,21
Stock market indicators		
Share price at 31 December (in MAD)	2 300	1 239
Number of shares	19 299 596	19 299 596
EPS (in MAD)	104,75	84,77
DPS (in MAD)	45	36
PER	21,96x	13,96x
Dividend yield	1,96%	2,91%
Number of employees		
Bank	4957	4 615
Domestic branch network	552	522
Overseas network	35	33

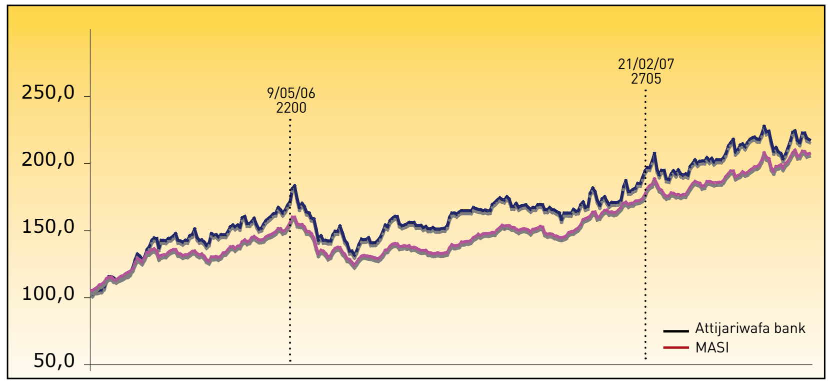
Attijariwafa bank share price performance

Attijariwafa bank's share price performance - testifies to investor confidence

Attijariwafa bank's stock price performance broadly mirrored that of the stock market in 2006, registering an upward trend in the first quarter on expectations of strong annual earnings growth. The trend resumed in June and lasted until the end of the year. After a correction in May, Attijariwafa bank's stock embarked on its uptrend to close the year at MAD 2,300.

Annual performance amounted to 85.6% compared to 71% for the market. The strong increase was on considerable volume with average daily volume of MAD 13.5 million compared to MAD 5.9 million the previous year.

Since the announcement of the merger between Banque Commerciale du Maroc and Wafabank in November 2003, Attijariwafa bank's stock has recorded cumulative gains of about 180% compared to 145% for the MASI. This demonstrates investors' confidence in the bank's growth strategy which is proving to be promising given the strong increase in profitability.



Source: Attijari Intermédiation

Attijariwafa bank acclaimed by international publications

For the third consecutive year, Global Finance magazine awarded Attijariwafa bank the title of best Moroccan bank, a distinction which rewards North Africa's leading banking and financial services group not only for its remarkable growth and profitability but also for the quality of its customer service, its competitively priced services and its ability to provide innovative banking products.

In addition, African Business magazine, in its annual rankings of African companies, ranked Attijariwafa bank fourth amongst North African companies and 26th on the continent. In the bank's category, Attijariwafa bank headed the rankings in North Africa and was ranked 6th in Africa, underlining its reputation on the continent. These awards, coming from such professional bodies from within the financial services industry, are undoubtedly the fruit of a sustained commercial drive to place Attijariwafa bank and its services amongst the best of international standards as well as the result of a rigorous financial communication strategy directed at both the financial community and shareholders.

Attijariwafa bank endeavours to provide financial information to all parties. It is for this reason that it publishes a presentation pack on a half-yearly basis which includes the group's key figures, main business activity indicators and earnings. It was the first Moroccan company to publish quarterly financial statements. To enable shareholders to remain constantly updated by current events relating to the group, Attijariwafa bank sends each of them personally a letter outlining the main noteworthy facts, a summary of the group's activities during the previous year as well as an annual guide inviting them to attend the Annual General Meeting of Shareholders.

A GROUP ON THE MOVE

01

A – A leader group

Rachid KETTANI,

26 years old, strategy consultant

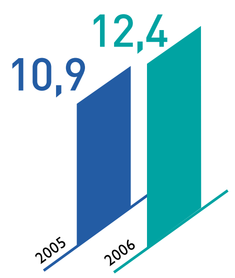
"Helping to develop the strategic business plan of North Africa's leading bank is an exciting experience which offers us the opportunity to contribute to the success of an entire business project which is intended to be a locomotive for our country's economic growth».

A LEADER GROUP

Strongly positioned in the domestic market

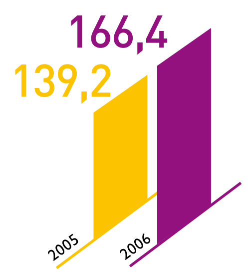
As Morocco's leading banking group, Attijariwafa bank's status as national champion is enhanced year after year due to its constant drive to deliver growth. Its objective is to increase market share in growth businesses and diversify its sources of revenues by investing in those sectors with growth potential. Such determination to build a strong position in the domestic market lies at the heart of the group's strategy which is an indispensable prerequisite for developing its overseas business in a stable and sound manner.

Shareholders' equity group share
(in billion MAD)



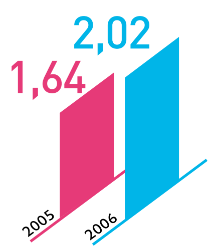
+13,6%

Total assets
(in billion MAD)



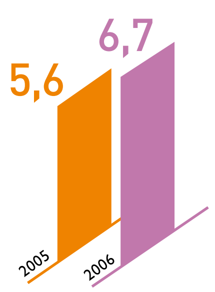
+19,5%

Net income group share
(in billion MAD)



+23,6%

Consolidated net banking income
(in billion MAD)



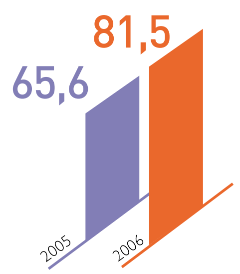
+19,9%

A national champion in all areas of banking and financial services

By developing genuine expertise in all areas of banking and financial services, Attijariwafa bank has successfully worked its way to becoming the undisputed leader in deposit-taking, banking lending, consumer credit, corporate and investment banking activities, asset management, securities brokerage, leasing and bancassurance.

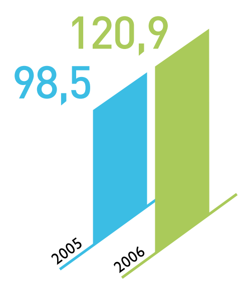
The group is a benchmark in financing activities and advisor and partner of choice for Moroccan and international groups.

Customer loans
(in million MAD)



+26,2%

Customer deposits
(in million MAD)



+23,7%

Several growth drivers have been clearly identified for each business line which ensure that the bank pursues a dynamic and proactive sales strategy, continues to work at product and service innovation and gets even closer to its customers through an ambitious branch opening programme and alternative distribution channels.

Developing new ways of growing organically

As a highly innovative and forward-looking group on the move, Attijariwafa bank has identified several opportunities to diversify and develop new growth drivers in the domestic market - extending coverage in its retail banking operations, alternative distribution channels, property-related operations, developing specialised investment funds, venture capital, structured finance etc.

Investing in these new business areas represents a strategic choice enabling the group to assert its modernity and demonstrate its ability to make further progress.

An ambitious vision for expanding overseas

Attijariwafa bank has embarked on its overseas development strategy with the aim of establishing a strong presence in North Africa and in sub-Saharan Africa and of becoming a leading banking and financial services group at a regional level.

It strategic approach is based on successfully replicating its business model beyond domestic borders by transferring best professional practice acquired in Morocco whilst respecting the specific characteristics of local markets.

The group thus intends to participate in the growth of the region and to develop economic cooperation within the Euro-African region.

North Africa at the heart of the group's strategy

Given its economic and cultural uniformity and its strategic geographical location, North Africa represents an area of considerable opportunity for Attijariwafa bank. The group intends to rapidly establish full banking operations across the region in order to satisfy the needs of both individuals and businesses locally and to strengthen economic ties with countries in the region over the medium-term.

In Tunisia, as member of a consortium with Grupo Santander, Attijariwafa bank acquired 53.54% of Banque du Sud in 2005, which has since been renamed Attijari bank Tunisie.

With a network of one hundred or so branches and 1,350 employees, Attijari bank, the fourth largest local bank, intends to establish itself as a leading player in the Tunisian market, offering its customers and partners the benefit of its multi-disciplinary expertise. Attijari bank Tunisie also intends to promote business flows and investment between Tunisia and all other countries in which it has a presence, including Spain.

Measures include harmonising the branch network (the third largest in the country), making the sales approach more customer-friendly, developing high-performance information systems, risk management which meets best practice and internal control standards which adhere strictly to EMUWA's rules.

Senegal, a bridgehead for development in sub-Saharan Africa

The creation in July 2006 of Attijariwafa bank Sénégal, with the opening of three branches in Dakar, marked the first step of a vast project to build a presence in sub-Saharan Africa, particularly in French-speaking countries.

As a modern institution, operating to international standards, Attijariwafa bank Sénégal aims to extend banking services in the country, support the development of local businesses and offer Senegalese living overseas an extensive network satisfying their investment and repatriation needs. Its mission also includes providing support for Moroccan businesses with a presence in Senegal and in the region in order to strengthen cooperation between Morocco and Senegal in terms of business flows and investment.

In order to rapidly build a position in the market which will give it considerable clout in Senegal, in January 2007 Attijariwafa bank acquired 66.67% Banque Sénégalo-Tunisienne, the fifth largest bank in the country. At the end of 2007, the two institutions will be merged at all levels.

The commercial challenge of a presence in Western Europe

The group has established a banking subsidiary in Paris, Attijariwafa bank Europe, which provides it with the legal framework necessary to conduct its business in all European countries. Attijariwafa bank Europe already has branches in Paris and Brussels and branches in Holland and Germany are in the process of being established. The group has financial subsidiaries in Italy and Spain.

The group has a representative office in London and intends to open an office in Switzerland.

The bank's European strategy has been further enhanced by specific agreements with banking partners enabling it to offer an attractive range of services to those customers interested in a banking service both in the North and South.

For personal banking customers, Attijariwafa bank Europe aims to become the partner of choice for Moroccans living abroad by offering innovative products relating in particular to money transfers, mortgages and savings. The business model adopted for the Moroccan community is in the process of being rolled-out for the Tunisian and Senegalese communities which represent significant growth potential for Attijari bank Tunisie and Attijariwafa bank Sénégal-Banque Sénégalo-Tunisienne.

Attijariwafa bank Europe also has a dedicated structure to satisfy the needs of European businesses doing business in Morocco, Tunisia and Senegal. It offers a large range of products and services, such as refinancing of imports and advance financing of exports in foreign currency via desks with specific geographic coverage (Paris for France, Benelux countries and Scandinavia and Madrid for Spain and Portugal).

A GROUP ON THE MOVE

01

B - Human capital, risk control, compliance - three key functions for preparing the future

Meriem CHAMI,
31 years old, Group Buying

"Acting in an exemplary fashion, creating value for all, also means adopting a transparent working environment based on mutual respect for and loyalty towards all our partners, particularly our suppliers, because it is just such an environment which will enable us to respect our commitments in terms of sustainable development and social responsibility».

HUMAN CAPITAL, RISK MANAGEMENT, COMPLIANCE - THREE KEY FUNCTIONS FOR PREPARING THE FUTURE

As a modern, forward-looking group, Attijariwafa bank constantly seeks to achieve exemplary standards in human resources management, risk management and adherence to rules of compliance. Responsibility for these three functions, which are considered as key for the successful development of the group, is assumed by the chairmanship, reflecting their importance to the group's business activities and in-house culture.

A stimulating and «progressive» approach to human resources management

Attijariwafa bank has adopted a modern approach to human resources management with the aim of developing an in-depth appreciation of available skills and expertise, managers' expectations and the career path envisaged by each member of staff.

The group is thus preparing to meet the new challenges that it will face as it grows by diversifying its business activities and by overseas development. Furthermore, in order to encourage staff loyalty and clarify the objectives set for each employee, the bank intends to remunerate staff not only on merit, the principle of which was established in 2004, but also by assessing an employee's contribution to common goals and the creation of value on a collective basis by using appropriate criteria for staff evaluation and promotion.

A reorganisation which enhances the status of human capital

2006 will unquestionably be regarded as a pivotal year for group Human Resources. The Human Resources Management function became group Human Capital and reports directly to the Chairman and Chief Executive Officer. This reorganisation is part of Attijariwafa bank's overall strategy and clearly demonstrates the group's desire to raise human resources management to the highest international standards.

Accompanying the group's development

The number of staff at the end of 2006 was significantly higher than at the end of 2005, largely due to the expansion of the branch network and the acquisition of Banque du Sud in Tunisia.

In addition, in order to support the expansion of its activities, Attijariwafa bank has adopted an active and flexible approach to recruitment depending on the nature of each business line, activity or geographic area. This is also a means of ensuring staff renewal, improving the general level of skills and maintaining the quality of customer service.

The strong recruitment drive saw 670 new staff join the bank in 2006.

Integration of new staff

Since it was established, Attijariwafa bank has endeavoured to successfully integrate its new staff members. To this end, it organised a dozen training mornings for new staff in 2006 with the aim of enabling young employees to familiarise themselves with the bank and its subsidiaries, to have a better understanding of its strategy and the diversity of its business lines and to share its culture and values.

In addition, immersion training courses programmed at the beginning of the integration period permit each new entrant to learn about the group's different entities, to better understand his or her own business activity by comparison with the entire group and also to build his or her initial network of relationships.

Staff dialogue, a priority

Aware of the importance of maintaining the confidence and motivation of its employees, there were an increasing number of meetings between Human Capital and staff representatives in a spirit of constructive dialogue to constantly improve the working environment for the benefit of staff. Such meetings resulted in decision-making bodies being set-up whose missions include monitoring staff-related issues:

- The Works Council, comprising members of general management, elected members and trade union members;
- The Safety and Hygiene Committee, comprising members of general management, managers from the «Human Capital», «Buying and Logistics» and «Safety» departments as well as company doctors.

Furthermore, within the framework of a select committee of the Professional Association of Moroccan banks (GPBM), an agreement was signed with trade unions in December 2006. This agreement has strengthened social benefits for banking sector employees in such matters as general pay rises, the extension and improvement of complementary retirement benefits, an increase in the upper limit for mortgage loans enjoying preferential rates, an improvement in medical cover etc.

Staff training serving the needs of skills development

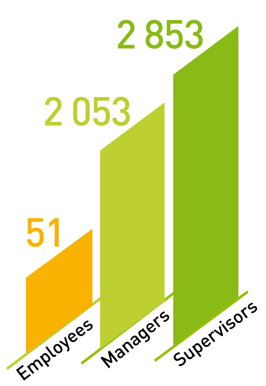
Staff training represents an essential constituent of Human Capital policy with the aim of improving and broadening the professional skills of staff. It represents a preferred means of developing the company's human resources.

The training strategy adopted within the Attijariwafa bank group aims to help employees reach their professional and personal goals.

In this regard, staff training takes into consideration three factors:

- Training is regarded as a way of improving efficiency and supporting the mobility and promotion of employees;
- The need to provide greater and more frequent access to training when considering employees' aspirations;
- The different forms of staff training are constantly updated.

Breakdown of staff by category - 2006 - bank



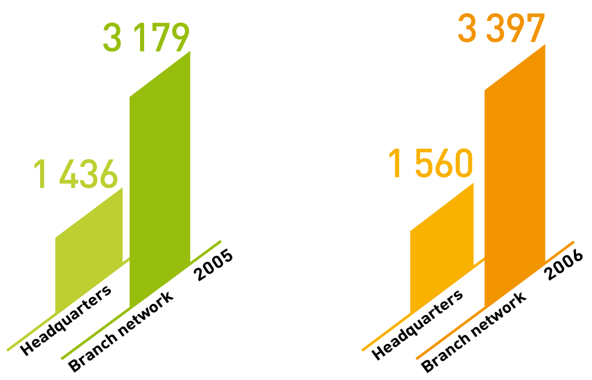
Against such a backdrop, 2006 was characterised by the launch of the «Attijariwafa bank Academy», a major training organisation. Founded on the principle of job-specific training, the aims of this academy, which will begin operations during 2007, include the integration of new staff, the improvement in the overall skills level of group staff and the development of its fast-track managers. Its priority is to provide specialised skills training and, in the first instance, will offer eleven training programmes for staff in the Personal and Professional Banking and Corporate Banking divisions. The first series of training programmes will focus, as a priority, on supporting the expansion of the Personal and Professional Banking network. The second will aim to develop the skills of Corporate Banking staff.

This will involve providing training to branch directors, relationship managers, customer relationship managers, business centre directors, managers in charge of a portfolio of corporate customers, analysts etc. i.e. the entire range of staff from both these divisions. The training programmes will range from three-and-a-half weeks for marketing managers in the Personal and Professional Banking network to ten weeks for business centre directors. The training modules proposed in the context of such job-specific training will cover human resources management, negotiating skills, ethics, anti-money laundering measures and the entire set of banking techniques and regulations concerning all business lines; these range from credit risk management, project finance, internal control, IT applications to product training etc.

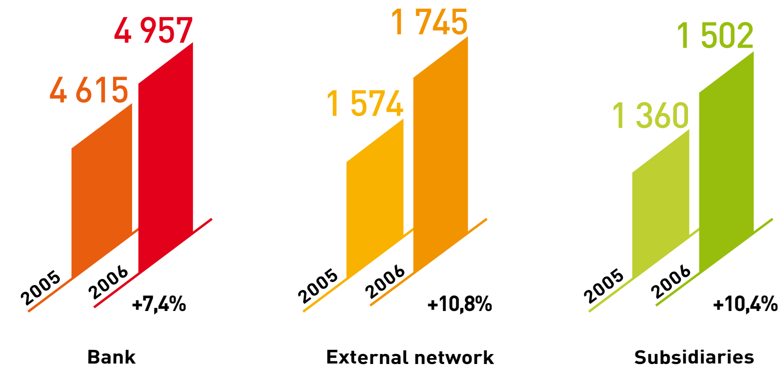
The Academy envisages a second training series (currently being developed) offering tailor-made training programmes and conferences given by domestic and international trainers. This series, mainly intended for internal mobility needs, aims to develop technical skills as well as a portfolio of managerial skills for junior and senior managers.

One hundred or so employees will benefit from this training in 2007. An evaluation process is envisaged at the end of each training programme with a certificate being awarded to each participant authorising him or her to exercise the function concerned.

Bank – change in staff 2005/2006



Number of staff-group



An internal communication policy promoting collective values

2006 was a year characterised by innovation and the development of group synergies, during which internal communication broadened its scope of intervention to incorporate the advisory, accompaniment and operational support functions for the different entities of the group.

The managers conference organised in May 2006 gathered together more than 2000 group employees for the launch of the «Izdihar 2010» strategic business plan.

It was the highlight event of the year, enabling the group's entire managing staff to unite around an ambitious strategic business plan with the objective of making Attijariwafa bank a major player in the region.

The year was also marked by a team-building exercise for nearly 150 of the group's managing directors to strengthen the foundations of a solid managing team and further cement ties between its members.

Efforts at theme-based communication continued with the publication of specialised communication tools such as a Health Insurance Guide and a Business Line Guide as well as the launch of several internal communication campaigns, particularly in relation to «secure access» procedures and the creation of the «Casa Izdihar 2010» branch, exclusively dedicated to employees of the bank.

Concerning e-communication, the «Ribatkoum» intranet site underwent a complete overhaul, resulting in the introduction of new features - an interactive HR section, a section on internal mobility and the adoption of a virtual video library.

2006 also saw the launch of «Jarida», an on-line internal information magazine, designed on the model of a web-based newspaper.

Modern and effective risk management

Attijariwafa bank's risk management policy is based on rules established at an international level and is governed by implementation of the Basle II project which aims to raise group standards to the highest possible level and to provide the group with an additional tool beneficial to its long-term development.

For the bank to fulfil its ambitions, it first needs to be able to control the various risks with which it is today confronted including credit risk, interest rate risk, liquidity risk, market risk, foreign exchange risk as well as operational risk relating to administrative, legal and tax issues.

The group's risk management is centralised in a dedicated unit, Global Risk Management, responsible for supervising, controlling and measuring all risks to which the group is exposed other than operational risks. Global Risk Management enjoys independence and autonomy from business units and business lines, ensuring maximum objectivity in decision-making.

Global Risk Management is structured around the following entities:

- The **« Credit Risk »** entity whose main task is to analyse and to advise on requests involving the taking of counterparty risk emanating from the bank's various sales teams;
- The **« Credit Risk Supervision and Control »**, entity whose function is to perform regular reviews of all commitments, to examine weekly statements of authorisations and utilisations, identify any breach of limits and take appropriate corrective measures. The entity is also responsible for assessing account overhangs, identifying repayment-related issues and coordinating with the networks for the recovery of loans outstanding;
- The **« Market Risk Supervision and Monitoring »** entity whose function is to identify, analyse and monitor the bank's interest rate and currency positions, rationalise these positions through formal authorisation, and be alert to any deviations from these positions;
- The **« Economic and Sector Research »** entity whose task is to maintain a watch on current events and trends in different business sectors, to contribute to sales efforts on a sector basis and assist in the decision-making process by responding to identified needs on a recurring or specific one-off basis by means of its research publications;
- The **« Standards and Procedures »** entity which is responsible for developing and implementing quantitative risk measurement techniques, appropriate procedures and techniques for establishing limits and standards for the operational activities of business units;
- And the **« Basle II Monitoring »** entity which is responsible for the cross-company coordination of the Basle II project, whilst credit, market and operational risk specialists are responsible for project development relating to each business entity.

General policy

The group's credit policy is based on the following general principles:

- Ethical considerations: the group requires absolute compliance with the ethical principles established in its internal code, in accordance with current legislation and third party rights;
- Independence of risks: risks are structured in such a way as to preserve total independence from other group entities from an operational standpoint in order to ensure that risk-taking procedures are implemented under optimal conditions;
- Responsibility for risks: business units remain fully responsible for any risks taken or commitments given. This responsibility is also shared by the various bodies constituting Global Risk Management;
- Collective decision-making: all credit-related decisions require a double signature and review by both the sales and risk-management functions respectively;
- Monitoring: each risk is monitored on a constant and permanent basis;
- Adequate remuneration: each risk assumed by the bank must be fairly remunerated, the profitability of transactions being of paramount importance.

• Credit activity

Global Risk Management manages credit risk volume of MAD 142 billion, including the group's subsidiaries. The credit policy pursued is governed by the general risk policy as approved by the group's Executive Committee, which is based on a stringent customer selection process, extensive diversification at counterparty level, a precise and consistent rating system, reliance on entities specialised by business line (property, leasing, factoring).

• Customer selection

The group transacts business only with counterparties of good repute and ensures that the funds entrusted to its keeping by its customers originate from legitimate sources. Since 2004, the effective adoption of "black lists" has contributed to an even more stringent selection of customers.

• Diversification

Risk diversification plays an essential role in reducing the cost of risk. This implies diversification by sector, on a geographical basis and by the nature of the counterparty.

• Credit rating system

The group has developed a credit rating system to assess all its counterparties. This rating system meets the requirements of «Basle II».

As regards corporate risk, the rating scale runs from "A" to "F", in addition to which there is a separate "X" category for defaulting customers. This credit rating system has been used in the credit risk management process since the second half of 2004 through the risk delegation and assessment systems. In a few years time, Attijariwafa bank will adopt a single internal rating approach as recommended by Basle II.

For financial institutions, the Standards and Procedures department has developed an operational rating system, based on the methodology used by Moody's, to determine counterparty limits in relation to financial institutions.

Global Risk Management has been organised in such a way as to be ready to implement the initial recommendations in June 2007.

Attijariwafa bank, going beyond the requirements of the regulator, is developing both a standardised approach and an advanced internal ratings-based approach built on high-performance systems for rating counterparties.

• Contribution made by specialist entities

To benefit from economies of scale and from the particular expertise of subsidiaries, management of a certain number of loans has been delegated to these entities: Wafasalaf for consumer credit, Wafa Immobilier for mortgages and real estate development loans, Wafabail for lease financing and Attijari Factoring for factoring.

• Application of credit policy

In compliance with the principles set out above, credit policy is adapted and applied as a function of the group's different business lines and incorporates several components.

• Global approach to risk

The policy, such as it has been defined, is a global and centralised credit risk policy incorporating the Wafasalaf, Wafabail, Wafa Immobilier and Attijar Factoring subsidiaries.

Global Risk Management has a presence within each of these subsidiaries by way of the appointment of a Risk Officer who is functionally independent of the subsidiary's management hierarchy. This officer's task is to participate in the risk-taking process and to check at all times that decisions comply with the credit policy determined by the Risk Management Committee. A monthly coordination meeting is held by the Global Risk Management team to ensure unity and consistency in the risk management approach in relation to counterparties as well as strategic choices made.

A reporting system formalises this approach.

• Sector policy

In addition to the individual assessment of counterparties, risk policy incorporates counterparty risks at sector level. Risk diversification by sector is a major constituent of risk policy.

Detailed sector reviews are prepared and presented to the committee and it is on this basis that the group defines its position in relation to each sector of activity.

It must be added, however, that these recommendations are of a macroeconomic nature and that there are high-quality companies even in sectors experiencing difficulties. In this respect, a highly pragmatic approach is taken which takes into consideration the specific character of each business entity.

• Decision-making procedures

Decision-making procedures are governed by principles of collective decision-making (two signatures are always required, by both the sales and risk management functions) and independence of risks.

A system of delegation by level ensures that decisions are taken rapidly and securely. Within this framework, different credit committees, composed of members from Global Risk Management and the business units, meet depending on the character of the counterparty and the volume of risk concerned.

• Control of major risks

Multi-risk exposure to a given customer is subject to particular monitoring. Regulations require that exposure to any one customer or group of customers regarded as a single entity should not exceed 20% of the bank's shareholders' equity. Furthermore, commitments exceeding 5% of shareholders' equity must be disclosed. Generally, major risks are rigorously monitored and given particular attention by an ad-hoc committee which meets regularly.

• A permanent and proactive monitoring system

At least once a year, and more frequently if necessary, the Risk Monitoring department checks that all ratings have been effectively reviewed.

Based on the identification work performed by the monitoring body, the entity in charge of recovery classifies loans and advances requiring special monitoring according to different levels of seriousness and implements measures to reduce exposure to the borrower. The group's entire commitments are analysed on a quarterly basis according to a battery of proactive risk criteria so as to ascertain the overall quality of the portfolio.

• Permanent monitoring of market risk

The aim is to implement the most sophisticated methods for managing market risk. In anticipation of any possible changes to regulations, however, a prototype has already been developed, making it possible to determine capital requirements according to the standard method (1996 amendment).

In the same way, an internal model, based on the calculation of Value at Risk has been developed, making it possible to determine possible savings in capital requirements.

As regards currency risk, limits are set and tracked by reference to both regulatory requirements and the bank's own requirements. Any breaches of limits are highlighted in a monthly report.

Basle II

The gradual implementation of the Basle recommendations will have a major formative impact on the activities of Global Risk Management. The latter has already adopted an organisation and operating procedures which not only comply with the Basle II guidelines but incorporate the spirit of Basle II within the heart of the business' organisation. After its launch in February 2005, the Basle II project will be implemented in September 2007 with the adoption of the standardised approach followed by the application of an advanced internal ratings-based approach from 2010.

Furthermore, specific measures for controlling market risk have been devised as part of a general policy on internal risk control pursuant to the provisions of Circular N°6/G/2001 issued by Bank Al-Maghrib. This occurs at three levels:

- Front Office operators check their own work and are required to comply with regulatory requirements and with the bank's risk monitoring and management policy;
- Risk monitoring is undertaken by the Middle Office which checks compliance with limits set for currency, interest rate and counterparty risks on a daily basis. The Middle Office periodically informs Senior Management and other risk control bodies through a reporting system.
- The role of the Market Risk Supervision and Monitoring entity is to identify, analyse and monitor the bank's currency and interest rate positions, then to rationalise these positions by formal authorisation and remain vigilant as to any deviation from these positions.

Strict and rigorous adherence to compliance rules

The rigorous and strict respect of principles, rules and procedures today represents one of the core values shared by the bank's entire staff. In this regard, Attijariwafa bank has established a «Group Compliance» entity and encourages a proactive approach to internal control, professional ethics, anti-money laundering and operational risk management.

This entity comprises four units:

- An Internal Risk Control unit responsible for defining, planning and implementing, directly or indirectly, all daily or programmed checks of group operations;
- An Operational Risk Management unit whose role is to build a comprehensive and real-time database of operational risks, offer analysis and determine changes to procedures and/or systems for maximum protection;
- An Ethics unit which checks that all employees of the group respect the group's internal rules and current legislation applicable to the group's business activities in the matter of financial ethics and conduct.
- An Anti-Money Laundering unit which is responsible for analysing the customer's profile and operational flows in order to categorise the level of risk assumed and to determine which additional checks are required for the riskiest categories and, as the case may be, informs the relevant authorities of any suspect transactions. This unit also checks that any new products (or new business activity) respect(s) the obligations of the Anti-Money Laundering unit and ensures that offices outside Morocco also adhere to these rules as well as any additional local standards.




A commitment, based on ethics and values

Attijariwafa bank undertakes, in each of its actions, to reconcile profitability with social progress through a corporate culture founded on six collective vales which inspire its strategic approach, pervade its ethical principles, govern its day-to-day operations and help it to define its identity.

- Work to achieve customer satisfaction,
- Participate in the country's economic development,
- Build team spirit,
- Comply with ethical rules,
- Be open to innovation and make a difference,
- Express the will to win.

Professional code of ethics

Since October 2003, the group's strongly ethical approach has become intrinsic to its culture and day-to-day operations given the scale of Attijariwafa bank's growth ambitions both domestically and overseas, as well as the importance which Management places on ethical considerations when assessing different risks.

In 2006, this resulted mainly in the following actions:

- The continued implementation of such an approach at group level by application of the different ethical codes, including the training of 800 new staff members;
- The launch of a Code of Proper Conduct in its Senegalese subsidiary;
- Analysing existing ethical codes to identify situations which may arise in which ethical rules are not respected as well as defining themes and limits which should be controlled;
- Creating control files and integrating them into the internal risk control system;
- Examining how the adaptation of procedures is coordinated and ensuring that such procedures are respected;
- Examining a benchmarking approach in order to establish ethical checkpoints at the business unit level and at group level;

It is by identifying and quantifying potential risks in the event that ethical rules are not respected and by making the relevant parties aware of them that Attijariwafa bank also intends to guarantee that the entire group respects financial market regulations.

Quality-based approach

Committed to providing a quality service, Attijariwafa bank has implemented an approach emphasising customer empathy so as to assess customer's expectations and satisfaction levels and be able to offer them appropriate solutions.

Within such a context, the bank regularly organises mystery visits for the purpose of assessing the manner in which customers are received, resulting in corrective action which is intended to significantly improve the commercial attitudes of staff at reception.

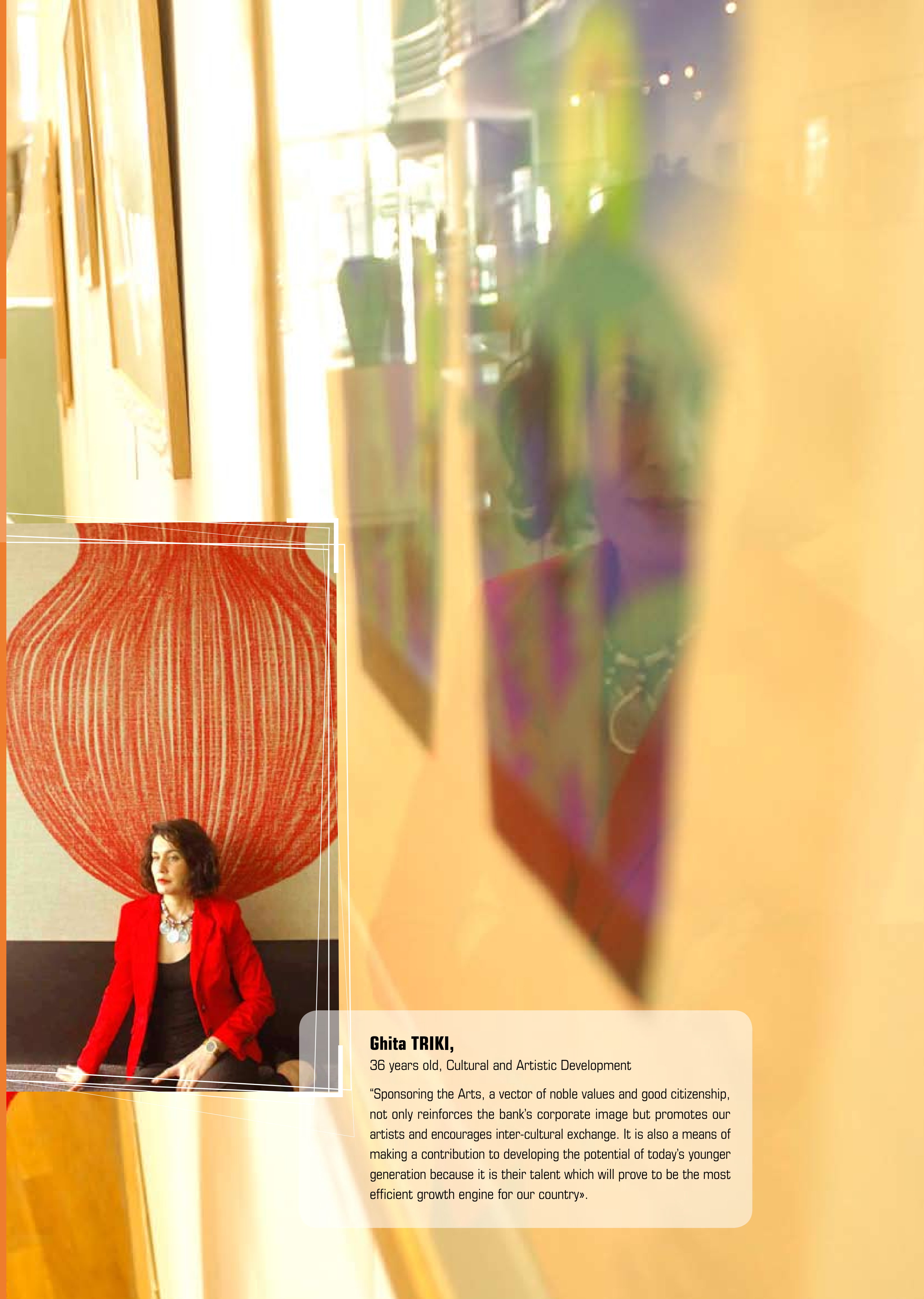
Focus groups are also organised around breakfast discussions to which customers from different business segments are invited with the aim of assessing their satisfaction levels and having a better understanding of their expectations.

Attijariwafa bank has opted for a certification process in relation to service commitments made within its network which in 2006 culminated in the certification of its business centres by AFAQ/AFNOR for the quality of their service.

A GROUP ON THE MOVE

01

C - The firm's social responsibility - a strong commitment on all fronts



Ghita TRIKI,

36 years old, Cultural and Artistic Development

"Sponsoring the Arts, a vector of noble values and good citizenship, not only reinforces the bank's corporate image but promotes our artists and encourages inter-cultural exchange. It is also a means of making a contribution to developing the potential of today's younger generation because it is their talent which will prove to be the most efficient growth engine for our country».

THE FIRM'S SOCIAL RESPONSIBILITY

A desire to act as a socially-responsible bank which creates value for all

Attijariwafa bank is fully involved in actions aimed at developing today's younger generation.

Since the beginning of the year, through the Attijariwafa bank Foundation, it has embarked on an ambitious programme, Prépa+, in collaboration with universities (Universia) providing support to pupils studying in preparatory classes in scientific disciplines.

The Foundation's main role is to work with the universities. Against such a backdrop, an important programme has been initiated with the universities in partnership with Grupo Santander for the purpose of supporting their modernisation efforts by means of two projects:

- The creation of an on-line university portal (Universia) to make it easier for 15 Moroccan universities to communicate with their environment;
- The creation of a smart-card for the university community so as to modernise the management of universities.

In addition, through the Prépa+ programme, the bank has made a commitment to providing secondary schools offering university preparatory classes, with the necessary training tools and assistance to enable students to prepare for their exams under the best possible conditions:

- The purchase of books and materials for libraries and modernising their management;
- The training of librarians;
- Organising a concentration session for those students preparing for their oral exams for admission to prestigious higher educational engineering establishments in France;
- Assistance provided for sitting the competitive exams in France.

In 2006, the Foundation also renewed its support for different institutions which it has always supported:

- The Al Akhawayn University by providing scholarships to the most deserving pupils;
- The « Al Jisr » School-Business Associaton ;
- The Morocco Enterprise Network which supports young entrepreneurs.

By adopting a socially responsible approach to doing business, Attijariwafa bank seeks to reconcile economic performance with the interests of the general public.

The group's intention is to provide banking and financial services to as many as possible by meeting its own objective of domiciling one personal bank account in three and financing one home in three by 2010.

Attijariwafa bank also contributes to the development of an ever-growing pool of small- and very small-sized firms by focusing its approach on identifying and supporting entrepreneurs, boosting business sectors with strong growth potential and maximising opportunities for cooperation between the public and private sectors.

Finally, the group is demonstrably committed to today's younger generation by providing active support in the field of education (equipping multi-media rooms in educational establishments, partnerships with universities for developing new technologies, support programme for students studying in preparatory classes in scientific disciplines etc.), by supporting young entrepreneurs and by sharing its know-how as cultural patron in order to make it easier for young people to gain access to the arts.

A bank committed to cultural and artistic development

Attijariwafa bank has pursued its cultural action, which is to promote and enhance the status of artistic creativity and the visual arts as well as to encourage young talent in the field of multimedia artistic creativity.

Three exhibitions were organised by Attijariwafa bank in 2006 which included a touring exhibition entitled « Najia Méhadji. Flux végétal » in partnership with the Institut Français du Nord in Tangier, a monograph dedicated to the Moroccan plastics artist Saâd Hassani in the Actua art space and a multi-discplinary and trans-Mediterranean exhibition by Rachid Koraïchi, Abdallah Akar, Abdelkébir Rabi' and Christian Zagaria in collaboration with Saïd Chraïbi in Dar Tazi as part of the Fez World Sacred Music Festival.

An annual cycle of workshops, «Interactions», hosted by artists in specialised disciplines, took place with the aim of encouraging young artists to explore artistic expression using the latest multimedia technologies and to promote these young artists and raise their profile in the audiovisual field. These workshops resulted in two creations entitled «Identité-distr(action)» and « Signes » which were presented at the fringe of the Casablanca's Video Art Festival and the promotion of 30 young prize-winners. « Corps en mouvements », an interactive video art exhibition which brought together internationally-renowned artists such as Studio Azzurro, William Forsythe and Abdelghani Bibt also gave the public an opportunity to become more familiar with the challenges of today's video and digital art.

And finally, an exhibition of tapestries on the theme of classical Arabic painting entitled «Le fil de l'échange. La peinture arabe revisitée par la tapisserie murale»

was conceived and organised in partnership with the Association pour la Réinsertion par la Tapisserie (ART). This exhibition, as well as the programme of activities on an accompanying theme, demonstrated the solidarity that exists between the world of art, business and charitable associations.

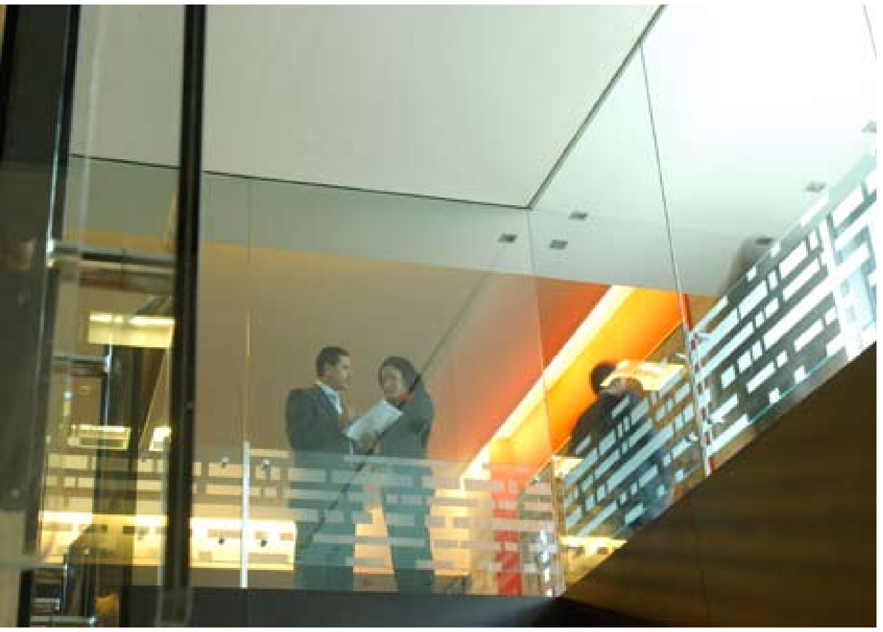
Attijariwafa bank today regards itself as an institution which is firmly oriented towards the future, thanks in particular to its openness to youthful creativity, whilst remaining anchored in its cultural heritage and the traditional arts. It wishes to maintain a dialogue between the past and present so as to be able to create for its public a variety of artistic visions.

An organisation and a corporate governance system in the interests of growth

Given the scale of its growth ambitions, Attijariwafa bank has readjusted its operational procedures by strengthening the group's strategic management and supervisory function and by adopting a hands-on management style in order to follow market trends more efficiently as well as it extended coverage.

Its various business units have therefore been reorganised into four divisions, resulting in greater adaptability and closer relations with customers:

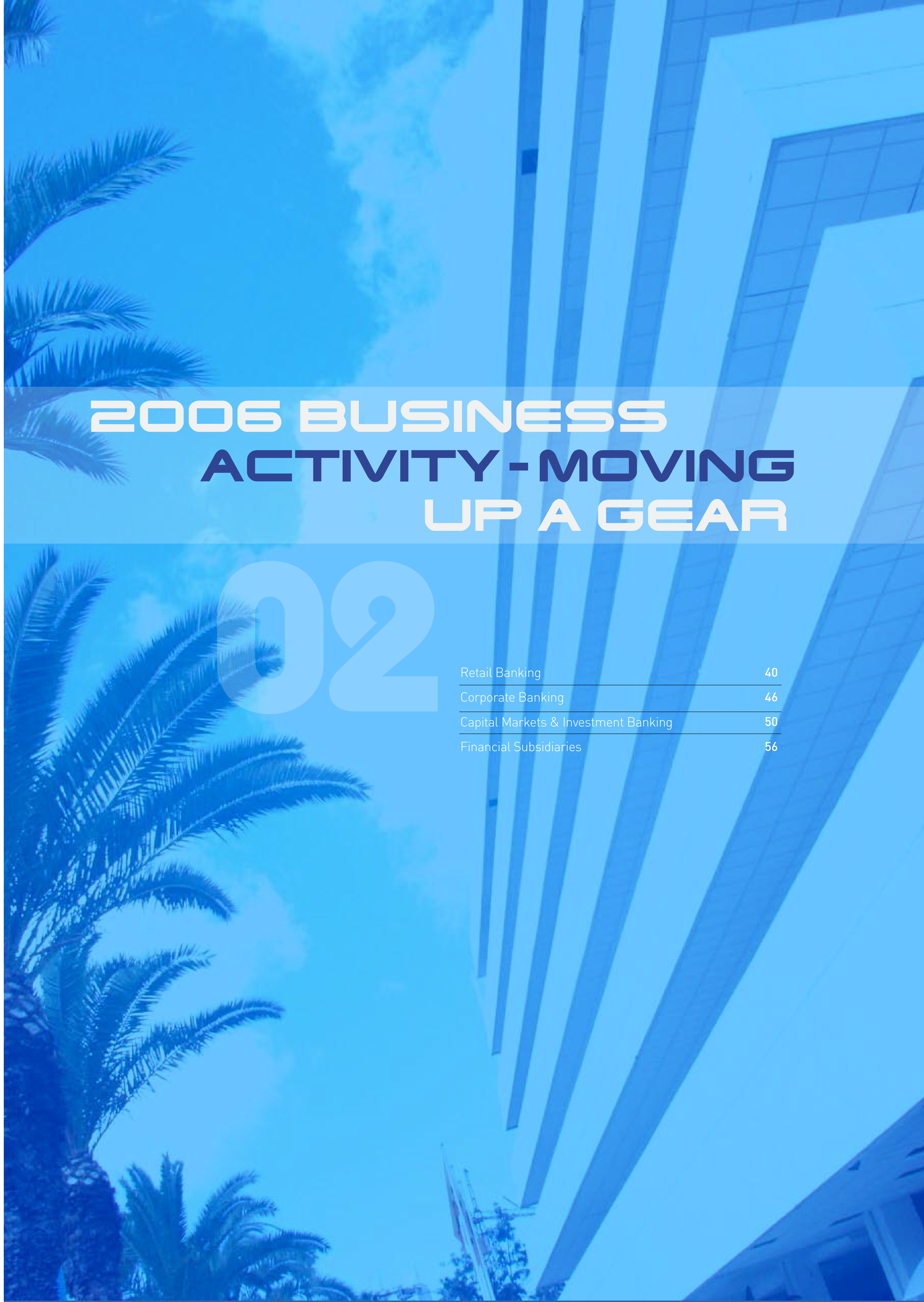
- Retail Banking;
- Corporate Banking;
- Capital Markets & Investment Banking;
- Financial Subsidiaries.



The committee structure has been rethought by the Board of Directors and is now organised around:

- The Strategy Committee which meets every two months and which concentrates on monitoring work completed and all matters relating to the group's development;
- The Major Risks Committee which authorises and examines credit commitments, recovery, investments and purchases;
- The Audit & Accounts Committee which ensures the monitoring of risks, audit, internal control, accounting information and compliance;
- The Appointments & Remuneration Committee which is responsible for matters concerning the company's officers, members of the general management committee and executive committee as well as the directors of subsidiaries.

In order also to encourage synergies and promote a culture of participative management, the General Management Committee meets the divisional heads on a monthly basis for the purpose of providing performance guidelines for the group on a collective basis. The Executive Committee is responsible for operational management and the management and control committees are obliged to pursue the bank's principal functions.



2006 BUSINESS ACTIVITY - MOVING UP A GEAR

02

RETAIL BANKING

A «Retail Banking» division serving the needs of personal banking customers

Placing customer satisfaction and loyalty at the heart of its priorities, Attijariwafa bank constantly looks to adapt its product range to satisfy market needs and ensure a high-quality service for Personal and Professional Banking customers at home or abroad.

Attijariwafa bank's range of services includes standard banking and financial products but also specialised banking-related products developed by its subsidiaries (insurance, personal insurance, electronic banking, consumer credit, mortgage products, E-banking etc.). The bank's marketing strategy which focuses on sales and advisory services is based on customer segmentation (general public, private banking, professionals, young entrepreneurs etc.) and the specialisation of its branch network.

Besides its commercial network in Europe and the Middle East which enables it to offer Moroccans living in these regions a tailor-made service both in Morocco and in their countries of residence, Attijariwafa bank has created a dedicated structure for this market called "Banking for Moroccans Living Abroad". The group's ambition is to be the first-choice partner for Moroccans Living Abroad.

Personal & Professional Banking

• Mobilisation around the «Izdihar 2010» plan

2006 was characterised by a strong commercial performance and by the completion of a number of projects thanks to the strong mobilisation of all staff; the bank gained more than 200,000 new customers which contributed to an increase in market share in both deposits and loans and underlined Attijariwafa bank's position as leader.

This performance was the fruit of an innovative and aggressive marketing strategy with the launch of ten new products, the start of several re-engineering projects and the recruitment of more than 450 new employees.

Jad ZEROUALI,
30 years old, Project Leader, Retail Banking

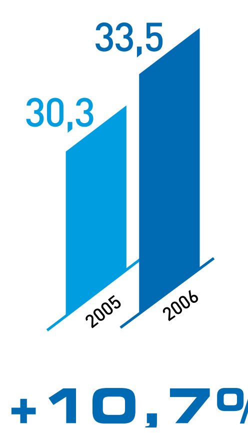
«New distribution channels have enabled us to put in place a distribution network which is genuinely complementary to the bank's traditional one. It's a fantastic means of winning new customers who are looking for services which are more adapted to their needs».

- **Appropriate and targeted action**

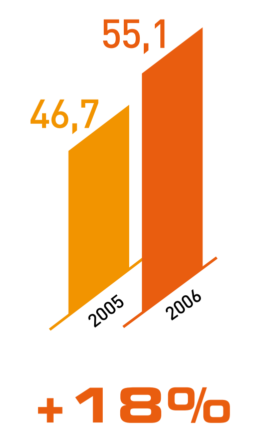
In addition to this strategy, Personal & Professional Banking reviewed its marketing strategy during 2006 in order to move to a customer-centred organisational structure covering four major markets: the general public, young people, individuals and professionals. The new strategy resulted in:

- A multimedia communications campaign for Miftah mortgage loans, highlighting an attractive product offering and developing an entertaining and humorous style in relation to « assisted loans » such as «Miftah Attaalim», Miftah Al Hana (Fogarim) and Miftah Assakane;
- The launch of a communications campaign to push the Suimoi service, a new banking services channel by SMS;
- The launch of the Mizane card, an original offer which gives access to a revolving credit line of up to MAD 150,000. This new marketing offer was supported by a multimedia communication campaign and a direct marketing campaign;

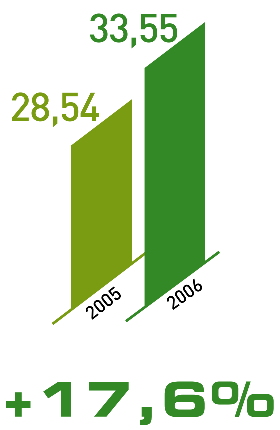
Interest-bearing deposits
(in MAD billions)



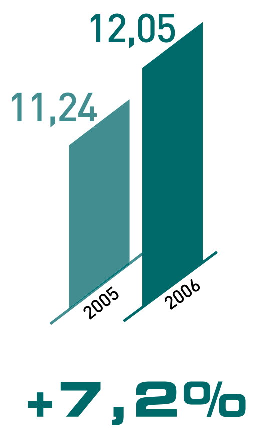
Non-interest-bearing deposits
(in MAD billions)



Domestic cheque accounts
(in MAD billions)



Domestic savings accounts
(in MAD billions)



- The launch of Miftah Achabab, a mortgage loan with a repayment period of up to 40 years for young customers. This demonstrates Attijariwafa bank's desire to strengthen its position in this specific targeted segment;
- The launch of Miftah Prim, a mortgage loan repayable at the end of the payback period combined with a retirement savings product which enables the borrower to save whilst repaying his loan.

By placing its action at the heart of Attijariwafa bank's social responsibility strategy, Personal & Professional Banking launched a MAD 1 billion fund to promote very small businesses. This involves the arrangement of financing for projects for very small businesses - Bidaya, an investment proposal backed by the Moukawalati government project, Machroue.com, a loan for professionals with significant experience to create their own business and Rasmali, a loan exclusively for self-employed craftsmen and tradesmen.

2006 was rich in community-based action including the opening of 64 new branches, the refitting of 110 branches and a massive increase in the total number of ATMs. More than 200 additional branches were equipped with ATMs.

Sales teams were ever-present at all the major events including exhibitions for teachers, students, self-employed craftsmen and tradesmen as well as the Fogarim and auto exhibitions as part of the strategy to win new customers.

Sales and marketing efforts at branch level were bolstered by a strong emphasis on training and coaching, closer cooperation with the «Agreements» activity and a constant improvement in database reliability, resulting in a better understanding of customers and enhanced CRM.

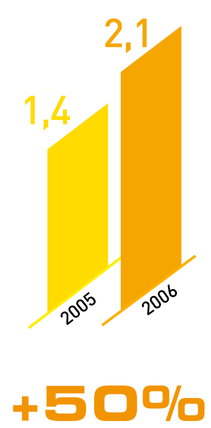
- **Results are testimony to the efforts made**

Thanks to the new sales and marketing strategy, Personal & Professional Banking registered an excellent performance in 2006 with a 15% increase in customer deposits to MAD 88 billion.

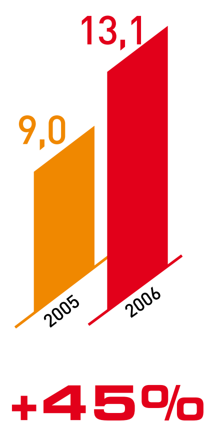
Consumer loan production registered growth of 90% and mortgage loans to individuals and professionals almost doubled with the result that Attijariwafa bank is now market leader and effectively finances more than one home in three.

Bancassurance's results were also higher with premiums written reaching more than MAD 1 billion and registering growth of nearly 150% compared to 2005.

Consumer loans
(in MAD billions)



Mortgage loans
(in MAD billions)



Banking for Moroccans Living Abroad

The past year was rich in events and exceptional in terms of results for Banking for Moroccans Living abroad providing the bank with strong growth momentum in this segment of the market on which it can build in the future.

• Development of a well-targeted offering

2006 was characterised by further development of the product offering for Moroccans Living Abroad in order to offer them a more complete range of products and specialised services.

The basic offering was improved by increases security for transfers and a significant reduction in transfer clearing periods. Assistance contracts and mortgage loans were completely reviewed and adapted to the needs of overseas customers.

Major innovations were launched such as a package for Moroccans Living Abroad including banking services, remote banking services, a host of banking and banking-related advantages, consumer credit products by the French subsidiary, direct debit transfers and cash to cash transfers.

Furthermore, faithful to its reputation for always remaining close to its overseas customers, Banking for Moroccans Living Abroad established the first call centre in Morocco entirely dedicated to this customer segment. Accessible in seven languages and at a reduced price, it ensures that all customer demands may be handled at a distance.

• Development of the distribution network

With the opening of two ATMs in France, one in Lyons and the other in Nice, the opening of the Almeria office and the Valencia desk in Spain, Attijariwafa bank now has an overseas network composed of 37 points of contact.

This expansion in the distribution network was also enhanced by the signing of several agreements with leading foreign banks, providing customers with a broad network to carry out their money transfers to Morocco:

- In Spain, a partnership was implemented with Grupo Santander and several agreements signed with Caïxa Catalunya, Banco Popular and Caja de Madrid;
- In Italy, an agreement was reached with Gruppo MPS, composed of Monte Dei Paschi de Siena Bank, Banca Toscana and Banca Agricola Mantovana as well as with Unicredito Bank;
- In Holland, an agreement was signed with DHB Bank.

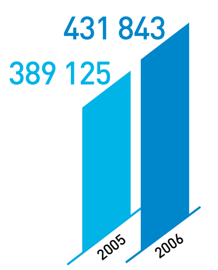
• A well-defined communications strategy

In terms of communication, 2006 was characterised by the adoption of a well-defined communications strategy targeting Moroccans Living Abroad with an institutional campaign developing the «Moroccans Living Abroad» brand. Several promotional campaigns were carried out during the year in each country of residence and were complemented by a major campaign in Morocco during the summer of 2006. This was to mark the return of Attijariwafa bank into the market for Moroccans Living Abroad with the deployment of a major media-based and non-media communications programme.

• Palpable results in the first year

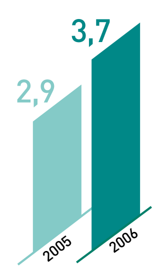
Thanks to its strong sales both in Morocco and overseas, Banking for Moroccans Living Abroad succeeded in delivering a more than satisfactory performance in its first year of activity. In 2006, total deposits increased by 13.7% with more than MAD 3 billion taken in deposits. Transfers registered a rise of 25%, helping to increase the bank's market share of deposits in the Moroccans Living Abroad segment.

Number of MLA accounts



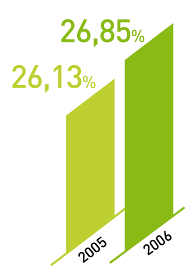
+11%

MLA transfers
(in MAD billion)



+25,2%

MLA market share



+0,72 pt

Siham NOUR,
35 years old, Distribution, Products and Markets - Banking for Moroccans Living Abroad

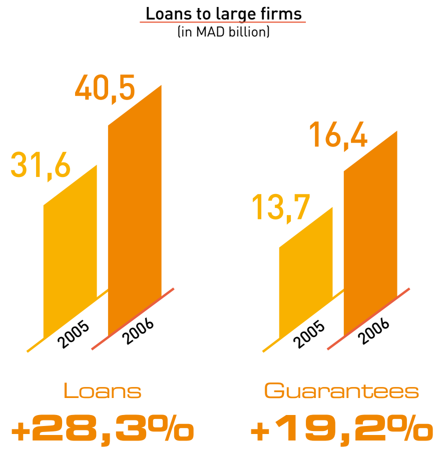
"The real challenge for us is to win over the second and third generation of Moroccans living overseas through an innovative product offering adapted to their needs, backed by a coherent communications strategy on both sides of the Mediterranean.»

A «Corporate Banking» division for the benefit of a rapidly-growing economy

As partner of reference for businesses and unquestionable leader in the domestic market, Attijariwafa bank is making a considerable contribution to private sector financing through a diversified range of innovative and personalised products and services via a network of dedicated business centres.

Attijariwafa bank accompanies Large Firms as they grow thanks to its multi-disciplinary skills and areas of expertise including international trade, investment financing, cash-flow management and E-banking and by adopting an approach combining cross-selling with a personalised service.

Attijariwafa bank, aware of the crucial role that it plays in boosting the domestic economy, has also placed Small- and Mid-sized firms at the heart of its strategy by providing them with specific assistance.



• Supporting the «Large Firm»

The entity is organised around sales teams dedicated to a portfolio of Large Firms, structured by business activity. The bank's objective is to develop an overall relationship with this customer segment.

Aware of the diverse and complex needs of these customers, the sales teams are supported in their mission by specialised business lines such as project finance, international, cash-flow management and employee agreements.

In a domestic environment characterised by strong growth in investment and stiff competition in the banking sector, Attijariwafa bank strengthened its position as leader in the Large Firm segment in 2006.

Total commitments in this segment rose by 21.3% in 2006 compared to budgeted growth of 15%, underlining Attijariwafa bank's leadership position in this segment.

CORPORATE BANKING DIVISION

Othman MEKOUAR,
30 years old, Structured Finance - Corporate Banking

« The sector environment and recent developments call for innovative and technically appropriate financing solutions to best satisfy the needs of corporate customers ».

• Accompanying Small and Mid-Sized Enterprises

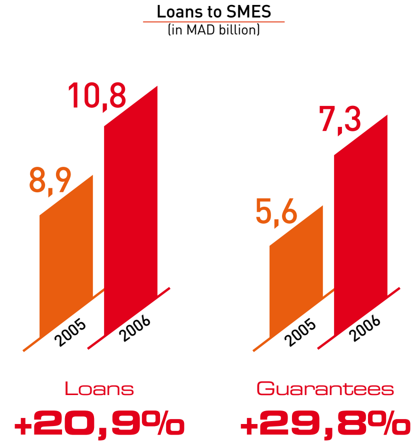
At the sales level, the separation of business centres dedicated to corporate customers from the personal and professional banking service in branches has been completed. Corporate customers now benefit from dedicated and specialised entities which ensure a high-quality, constantly improving service and a high level of empathy and advice. These measures culminated in the certification of the business centres for the quality of their service.

The new organisation resulted in a substantial improvement in performance in terms of market share, loan growth and international trade activities.

In order to boost the market for Small and Mid-Sized Enterprises and to promote the activities of this segment of the corporate market, the business unit concerned continued to organise meetings with customers in the form of breakfast discussions. These took place on the occasion of new product launches or theme-based events such as sector days (e.g. for the construction and public works industry) or at the time of financing for restructuring needs.

The bank also signed a partnership agreement with the Agence Nationale de Promotion de la Petite et Moyenne Entreprise (ANPME) with the aim of providing Small and Mid-Sized Enterprises with products and services relating to their modernisation so as to help them be more competitive. Within such a context, the «Investment for Small and Mid-Sized Enterprises» and «Financial Restructuring of Small and Mid-Sized Enterprises» business units provide specific assistance to the network by helping to put together applications for financing.

Attijariwafa bank actively participated alongside the GPBM and the CGEM across the Kingdom in the campaign directed at Small and Mid-Sized Enterprises.



• Providing specific expertise for Large Firms and Small and Mid-Sized Enterprises

International business

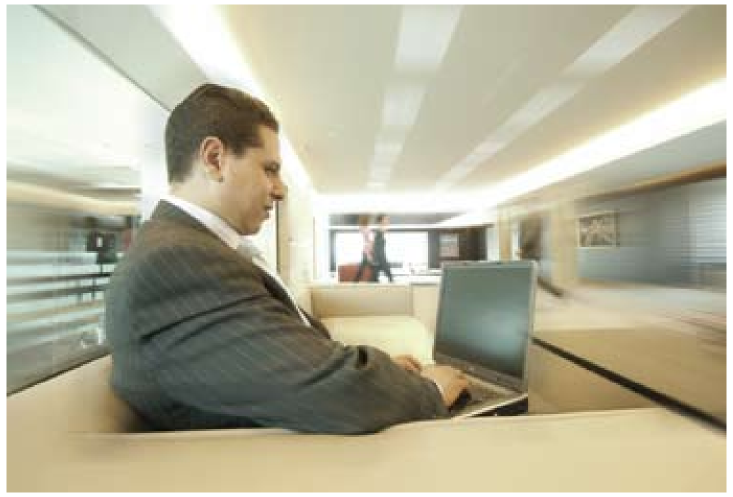
In 2006, Corporate Banking recorded a marked increase in earnings from its international business. Flows of all types registered a 29% increase and the number of international transactions increased by 25%.

Such a strong performance partially resulted from the reorganisation of the Trade Finance unit, involving the decentralisation of international business managers to the main Business Centres. This ensures a greater proximity to customers and closer monitoring of their transactions. Customers also receive value-added expertise in all aspects of international banking, particularly in capital markets services, international factoring products and the services of the subsidiary Attijariwafa bank Europe and the offshore subsidiary Attijariwafa International bank.

In September 2006, Attijariwafa bank sealed a strategic partnership with US Eximbank, a federal bank responsible for promoting American exports globally. The principal aim of this partnership is to offer advantageous financing terms for the import of capital goods from the US as well as a vehicle for channelling American investments into the region by North African and West African players. Under the terms of this agreement, Eximbank will provide a guarantee for the financing of projects selected by Attijariwafa bank.

Project finance

Attijariwafa bank has underlined its leadership in financing Morocco's large-scale projects as lead arranger for a number of project finance transactions in 2006. The Project Finance staff brilliantly executed a variety of transactions covering diverse aspects of structured finance: project finance, corporate finance, asset-backed finance, particularly for the aeronautical industry and leveraged and acquisition finance.



Attijariwafa bank signed a partnership agreement with the Moscovite bank, VNESHTORGBANK by which it aims to strengthen relations between Morocco and Russia by establishing a general framework for cooperation. A framework which should in particular guarantee preferential treatment for the bank's respective customers, the establishment of credit lines, assistance for investors and those involved in foreign trade between both countries and the organisation of joint events. VNESTHORGBANK, Russia's second largest bank and one of the most dynamic in the country, is one of Attijariwafa bank's partners with privileged status in Eastern Europe and enables it to increase its exposure to this area, particularly in trade finance, a field in which VNESTHORGBANK is leader. This agreement demonstrates Attijariwafa bank's desire to work to promote trade between both countries.

Amongst the main financing transactions successfully completed in 2006 were Meditel's debt swap transaction, the financing of the modernisation of Samir's Mohamedia factory as well as structured and revolving financing for certain public-sector organisations.

In the tourist sector in particular, the bank accompanied renowned tour operators such as Four Seasons and Banyan Tree Hotels as well as a certain number of leading property developers by using sophisticated financing techniques involving hotel finance, property finance and guarantees for off-plan sales.

Transactional banking

Transactional banking currently offers a range of products and services for both large customers as well as small and mid-sized firms. This range is built around three features: products and services for assisting corporate customers with cash optimisation, payment methods in non-physical form both domestically and internationally and reporting tools.

To increase loyalty amongst its corporate customers, Attijariwafa bank launched the Ratib card in February 2006, a functional card enabling companies and employees without a bank account to withdraw money from cash dispensers. Practical and effective, the Ratib card offers employees a number of advantages:

- Partial or full withdrawal of their salary;
- Consultation of their balance at any moment;
- Statement of their previous ten transactions.

The Ratib card was designed to help companies optimise management of staff pay, to reduce risks relating to the transportation of funds, to lighten the administrative burden regarding staff pay, to gain time and achieve considerable cost savings.

THE «CAPITAL MARKETS & INVESTMENT BANKING» DIVISION, MULTI-DISCIPLINARY EXPERTISE

Attijariwafa bank plays a leading role in strategic and market transactions and is the partner of choice for businesses on account of its experience and expertise.

Synergies between the different specialised businesses such as Capital Markets, Attijari Finances Corp., Attijari Intermédiation, Wafa Gestion, Private Equity and Custody enable it to offer its institutional and corporate customers a fully-integrated, state-of-the-art service in line with best international practice as well as taking advantage of favourable market conditions and growing its market share in all relevant segments.

The range of financing and investment products includes spot credits, foreign currency financing, repurchase agreements, primary and secondary

market transactions and the marketing of Treasury bills and debt securities as well as management of the bank's own bond portfolio. The Capital Markets business also offers foreign exchange products and foreign exchange risk hedging products (spot, forward contracts and foreign exchange options) as well as risk hedging products for commodities.

CAPITAL MARKETS & INVESTMENT BANKING DIVISION

Rajaâ LARAÏCHI,
30 years old, Private Equity - Capital Markets & Investment Banking

« More than just a financial partner, the private equity investor is a genuine economic partner for the companies which it finances at a critical moment in their development (creation, development or transmission). It has a positive impact on their managerial practices and provides them with its network of contacts and well-informed advice at the strategic and organisational levels ».

Badr ALIOUA,
27 years old, Fixed Income and Equities - Capital Markets & Investment Banking

« As an expert in financial markets, the trader makes an undertaking to devote his integrity and creativity on behalf of customers. He analyses and anticipates market trends to advise them in relation to their risk management profile and their investment opportunities ».

Capital Markets

Structured around four activities - Foreign exchange (derivatives and commodities), Foreign Exchange Trading (derivatives and commodities), Interest Rate Products (trading, brokerage, derivatives and corporate debt) and Structured Finance - Capital Markets gained 7 points in market share of commercial volumes during 2006 and confirmed its position as leading market-maker both in the main currencies quoted by Bank Al Maghrib and in foreign exchange derivative products.

In 2006, the foreign exchange business registered strong growth in earnings of 43% to MAD 259 million as well as in overall volume of 96% to MAD 372 billion. This advance can be attributable to its increasingly sophisticated expertise in trading as well as its efficient sales organisation.

Capital Markets also consolidated its position as the unquestionable leader in commodities hedging for products including oil and gas, metals and soft commodities.

Furthermore, the Structured Finance team reinforced its position as market leader in hedging and investment structured products with earnings of MAD 21 million against MAD 17 million in 2005.

In these different markets, Capital Markets carried out several strategically important transactions both in terms of size and financial engineering.

With a 26% market share in 2006, Capital Markets reinforced its leadership position as broker in Treasury Bonds, registering an increase of 117% in volume turnover to MAD 50 billion.

Likewise in the corporate debt market in which Capital Markets reinforced its position by placing the main issues of the year including those of ONA and ONCF on volume of MAD 4.4 billion, an increase of 20%.

Attijari Finances Corp.

Attijari Finances Corp. brings together activities which include M&A advisory services, corporate debt origination, initial public offerings and equity issuance.

In 2006, the advisory bank strengthened its leadership position in M&A advisory services in the Moroccan market and pursued its strategic goals as follows:

- A sustained and proactive marketing strategy;
- An established presence in large-scale market transactions;
- A strengthening of its international position.

Through its strategic market operations, the Corporate Finance division pursued its policy of accompanying leading domestic companies as they grow and develop.

Benefiting from its considerable expertise, Attiajri Finances Corp participated in the following M&A deals:

- Advisor to Attijariwafa bank concerning its acquisition of 66.67% of BST;
- Advisor to SNI concerning its merger with Arcelor;
- Advisor to Douja Promotion Groupe Addoha concerning the public offering of 35% of its share capital (MAD 2.8 billion);
- Advisor to NSI concerning its takeover bid for Sonasid;
- Advisor to Fénie Brossette concerning its IPO (MAD 100 million);
- Advisor to ONA concerning its bond issuance programme (MAD 2.5 billion);
- Advisor to SNI concerning its commercial paper issuance programme (up to MAD 1 billion).

Attijari Intermédiation

2006 was characterised by a strong rise in market indices on the back of increased volume, particularly on the Central Market.

The year was marked by a record number of IPOs which boosted volume on the Central Market and offset the decline in the number of strategic transactions. In total, ten companies were listed including Addoha, Risma, Colorado, Fenié Brossette, Médiaco, Distrisoft, Involys, HPS, SRM and Cartier-Saada.

Trading volumes rose by 10% compared to 2005 to reach MAD 166.4 billion. The performance of the general index, MASI, was exceptional with gains of 71% thanks to the attractiveness of the majority of listed companies.

Against such a backdrop, Attijari Intermédiation stood out by generating total trading volumes of MAD 56 billion, most of which was on the Central Market, against MAD 90.5 billion in 2005. This change can be explained by the significant decline in volumes on the Block-trade Market as well as in public offerings and other corporate events which declined by 88% and 63% respectively to MAD 4,884 million and MAD 14,082 million.

Despite the fall-off in volume, Attijari Intermédiation remains market leader in securities brokerage.

Wafa Gestion

Besides the exceptional performance of the Casablanca Stock Exchange both in terms of the index level and trading volumes, Wafa Gestion's market environment for debt securities was characterised by a strong downward move in the funds raised by the Treasury by issuing medium- and long-dated bonds. This change was due to the strong demand from various participants. There was an 11.74% rise in bond market yields compared to 2005 due to a decline in primary market rates.

In such a benign context, assets under management in the Moroccan market increased by 49.3% to more than MAD 129 billion.

Growth was mainly generated by an increase in funds open to the public with growth of 56.4% to MAD 28.2 billion in mutual funds (UCITS). Specialised mutual funds experienced growth of 39.5% compared to 2005, equivalent to MAD 14.38 billion.

Wafa Gestion alone attracted 30% of the overall increase or MAD 13.1 billion in assets under collective management. This can be explained by several factors:

- The quality of management with strong performance across all asset classes;
- The launch of a long-dated bond fund which completed the Personal & Professional Banking range;
- The creation of new funds for institutional investors as a result of Wafa Gestion's selection in tender offers in 2006.

Growth of 41.6% in funds open to the public was largely responsible for the increase in Wafa Gestion's assets under management. Medium- and long-dated bond funds were particularly popular, rising from MAD 22.62 billion to MAD 29.39 billion.

Custody

2006 was characterised by the capture of new customers across all segments (domestic and foreign institutions and listed companies) as well as a considerable increase in assets in custody. This was due to both the growing and sustained interest from domestic and foreign investors in capital markets and the exceptional performance of the stock market.

Assets in custody, all types of security taken together, reached MAD 377 billion at 31 December 2006 with 126,800 transactions processed in 2006 compared to 107,000 in 2005.

With a market share of 63% of listed shares in custody by market capitalisation, 40% of mutual funds held in custody and 70% of centralised dividend and interest payments made by issuing companies, Attijariwafa bank is the unquestionable leader in the securities custody business.

Attijari Invest

Attijari Invest has established strategic partnerships with specialist institutions and dedicated management teams for each of its investment funds.

In 2006, Attijari Invest launched two new funds:

- The Moroccan Infrastructure Fund, in partnership with Emerging Markets Partnership (EMP Africa), with an investment budget of up to MAD 1 billion and with a first closing at MAD 800 million; this fund endeavours to invest in Morocco's large infrastructure projects and in sectors as diverse as energy, water, telecommunications, transportation and even natural resources development.
- Igrane, with an investment budget of up to MAD 200 million, with a first closing at MAD 126 million; it is a general fund specialising in the Souss Massa Draâ region.

Attijari Invest has become a major player in Morocco's private equity industry and, at the end of 2006, had nearly MAD 1.2 billion in assets under management. This includes the Agram Invest fund, MAD 200 million in size, which specialises in the agro-industrial sector. Attijari Invest continues to work to generate the highest possible returns on its assets and intends to launch other funds specialising in sectors with high growth potential.

Wafa Investissement

Wafa Investissement was restructured in 2006 and its share capital increased to MAD 55 million.

In 2006, it sold its SIFAP subsidiary, restructured Compagnie Industrielle du Lukus (SIL) Wafa Investissement also acquired a holding in Mifa Télécom.

In 2007, Wafa Investissement intends to pursue its policy of investing in new businesses.

FINANCIAL SUBSIDIARIES

A GROWTH DRIVER FOR THE GROUP'S DEVELOPMENT

BANKING-RELATED SUBSIDIARIES - A MULTI-DISCIPLINARY PRODUCT RANGE

As a fully-integrated group, Attijariwafa bank has developed a complete range of banking-related products via its specialised subsidiaries which enjoy leading positions in each of their various businesses and represent a significant growth driver for the group's development.

Wafa Assurance

2006 was a transitional year for Wafa Assurance, the highlights of which were as follows:

- The launch of ELAN, a three-year strategic business plan, built around 20 projects touching the distribution, business and support functions;
- The launch of a tender offer to acquire a software package for Property & Casualty Insurance, Health Insurance and Personal Insurance;
- Changed its visual identity by means of a multimedia institutional campaign and the display of its new logo across the entire branch network;
- Increased the number of points of sale (19 new points of sale) and diversification (distribution of Wafasalaf's personal loan products);
- Successfully transferred to the firm nearly 23,000 savings and investment contracts which customers of the former BCM had subscribed with Axa Assurance Maroc;
- Signed a three-year partnership with Barid Al Maghrib and micro-credit associations to market compulsory medical cover for the self-employed from 2007 via the post office network «AMI»;

The product range was expanded for agents and brokers with the launch of a specialised auto insurance product for women (Fam'oTo) and for banking and related networks by various newly-launched or re-launched products such as a savings product backed by a loan repayable on maturity and a single premium investment contract with Attijariwafa bank.

The firm, as part of the process of modernising and improving service quality, also launched a platform dedicated to handling major automobile accidents.

Samia BERRADA,
29 years old, Communication and Quality - Wafacash

«Being the leader in rapid money transfers encourages us to offer our customers constantly updated solutions and the best possible service standards. We work closely with the staff in Attijariwafa bank's Banking for Moroccans Living Abroad»

Najib BEKKAYE,
39 years old, Group Director - Wafa Immobilier

«The property boom has led us to implement a strategy of customer proximity which enables us to better respond to the expectations of our customers and to give access to mortgage lending to as large a number of people as possible».

Khalid AL ABADDAN,
36 years old, Technical Risks - Wafa Assurance

«By proposing increasingly competitive insurance solutions, Wafa Assurance intends, in addition to developing its own activities, to contribute to the building of a safer society better prepared for the future».

Driss FEDDOUL,
31 years old, Institutional Partnerships - Wafasalaf

«As leader in consumer credit, Wafasalaf must work twice as hard to maintain and strengthen its positions. That's why we sign partnership agreements with leading players on a daily basis».

Wafasalaf

Wafasalaf underlined its position as N°1 in consumer credit with an overall market share of 34.5%, an increase of 3.8 points compared to the previous year. Loan growth amounted to 20.7%.

These results are the fruit of a dynamic growth strategy focusing on several different projects at the same time.

Wafasalaf's strategy is based on a process of constant reflection so as to define an offering which is permanently adapted to the needs of consumers and the desire to be ever closer to its customers, both in geographic and relationship terms.

Ever intent on customer proximity, Wafasalaf pursued its ambitious branch-opening programme by opening four new branches during the past year. Three were in Casablanca - Boulevard Abdelmoumen, Hay Mohammedi and Sidi Maarouf and one in Tetouan. These openings take Wafasalaf's branch network to 27 across Morocco.

Wafasalaf was also selected to take over the consumer credit activity of Marjane and Acima, the two leaders of the retail sector, with the development of store cards for each chain. These new cards offer major new features and high-performance services for the customer.

2006 was also a highly-intensive year as Wafasalaf changed its visual identity during the first half and assumed the brand logo of the Attijariwafa bank group. Its new communications charter was subsequently disseminated by a series of institutional and product-related campaigns as well as at points of sale.

Wafasalaf was also very active in terms of sponsoring. Its support for the Conso'Mag 'Istahlek bla mat hlek', broadcast daily on TVM, demonstrates Wafasalaf's desire to be close to consumers, in particular by offering them advice and listening to their needs. Sporting-wise, Wafasalaf continued to sponsor the national football team.

2007 will be a year of product innovation. Several new projects are being finalised and are likely to materialise. Their aim is to provide an even more appropriate response to expectations from different categories of consumers whilst offering greater flexibility.

Wafa Immobilier

The property market in 2006 was characterised by a strong increase in demand for housing and a considerable rise in the number of property transactions. Wafa Immobilier fully participated by stamping its authority and expertise on the market as can be seen from its strong growth in production.

Despite increasingly stiff competition felt across all segments of the mortgage loan market, Wafa Immobilier was able to close the year with a significant increase in production and loans outstanding thanks to an intensive sales effort by both the Attijariwafa bank and the Wafa Immobilier networks which made strong contributions.

Accordingly, loan authorisations and loan transfers were able to register exceptional growth of 74% and 112% respectively resulting in a 52% rise in the subsidiary's loans outstanding.

In respect of 2006 and in accordance with the directives of the Attijariwafa bank group, Wafa Immobilier was able to carry out considerable strategic actions - at the sales level, by expanding its distribution network and developing it's agreements activity, at the marketing level, by launching new offers including HBM and FOGARIM loans and loans repayable on maturity, by a new visual identity and by an institutional communications campaign - which naturally helped to boost its business activity and further strengthen its reputation and position in the market.

In 2006, in order to improve its processing and organisational procedures, Wafa Immobilier totally overhauled its IT systems which will enable it to optimise its processing channels from 2007, ensuring a quality of service commensurate with its ambitions.

Wafabail

Backed by a powerful group and a sizeable branch network, Wafabail possesses a powerful sales force through which it can distribute a very complete range of services and products.

In such a context, Wafabail was able to reinforce its position as leader with a market share of 25.8%. Its production in 2006 rose by 36% to MAD 2.7 billion.

These exceptional figures are the result of strong synergies with the bank's branch network, a benign economic environment in 2006, new customer gains and the development of sectors such as construction and transportation, from which demand is strong.

Wafabail has high ambitions for 2007 with an action plan focused on:

- Boosting relations with the Attijariwafa bank branch network for better promotion of its leasing products and providing genuine support to the bank's network in terms of training and guidance;

- Proposing additional services which are responsive and innovative with the aim of giving customer satisfaction and broadening the range of services;satisfaction du client et l'enrichissement de l'offre commerciale de la filiale ;
- Creating an extranet as a tool for on-line decision-making and for monitoring lease finance contracts.

Wafacash

2006 was characterised by the launch of an ambitious strategic plan for this subsdiary specialising in money transfers. The first action to be implemented was the adoption of a new visual identity involving the entire network with the aim of standardising Wafacash branches and giving greater visibility to the network, including partner branches.

In terms of achievements, Wafacash continued its efforts at ensuring closer relations with customers by signing an agreement with Attijarwafa bank this year to distribute Western Union products via its branch network. This also includes setting-up mobile units travelling the length and breadth of the country in order to improve its presence across the Kingdom, whilst ensuring the maximum level of security for customers.

In 2006, Wafacash continued with its «Mystery Shopping» survey with the aim of ensuring the highest professional standards from staff. This survey was accompanied this year by the organisation of a first branch network challenge. This concerned foreign exchange products and transfers and was intended to both improve Wafasalaf's market share and the quality of its customer service.

Thanks to its sales efforts, Wafacash's performance in its three main product lines - Western Union, Cash Express and over-the-counter foreign exchange - was satisfactory in 2006, registering an increase of 31.3% to MAD 6.9 million. The number of transactions totalled 2,254,046 in 2006, a rise of 30% compared to 2005.

EnFor 2007, Wafacash has set itself a series of ambitious strategic objectives which should enable it to:

- Become the leading network by increasing the number of branches and by modernising existing ones;
- Develop a culture of innovation by launching new products and services;

- Continue to develop the network by strengthening its presence in areas of strong growth potential to meet the challenge of ever stiffer competition;
- Develop its foreign exchange business in accordance with new regulations.

Wafa LLD

Morocco's long-term rental market continued to grow in 2006, at a rate of 14% to reach 12,000 vehicles at 31 December 2006. This growth is attributable to strong, constantly rising demand from both the corporate and government sectors.

Against such a backdrop, Wafa LLD experienced a strong increase in market share (19%) thanks to winning tenders by government institutions which have opted for long-term rental solutions (Land Registry, High Commission for Planning and the Ministry of Equipment etc.) and a further tender by Maroc Telecom for 550 vehicles.

In order to respond to these new requests, the subsidiary put 811 new vehicles on the road and released or sold 282 vehicles i.e. net production of 529 vehicles.

In terms of business activity, 2006 was Wafa LLD's fourth year of operations and coincided with the maturing of the first leasing contracts for 396 vehicles, 71.56% of which were renewed with WAFA LLD (excluding the Attijariwafa bank group). This represents a very satisfactory customer retention rate in what is an extremely competitive market.

In order to further improve customer loyalty, Wafa LLD has adopted a new web reporting service enabling its customers to follow in real time their positions.

In 2007, Wafa LLD's business strategy aims to capitalise on synergies with Attijariwafa bank group in order to develop the long-term rental market and meet its sales objective of MAD 110 million and a market share of more than 20%.

Attijari Factoring

Attijari Factoring Maroc's production experienced strong growth of 52%, which was ahead of estimates, against growth of 44% in 2005. For the second consecutive year, this growth remains largely superior to that of the sector (+11% and 13%). This growth was driven by strong performances from both domestic factoring (+35%) and export factoring (+93%) which anticipated and benefited from the strength of Morocco's export markets in 2006.

These achievements were made possible thanks to optimising production from the existing portfolio, sector diversification as well as launching new services which resulted in relations being made with new business sectors. Attijari Factoring's market share rose from 16% in 2005 to 22% in 2006.

Profitability indicators are likely to rise strongly with outstanding invoices and particularly financing generating a significant improvement in fee income. Gross commissions received should benefit from a volume effect.

Selima BOUKHRIS,

34 years old, Bankinsurance - Attijari bank Tunisia

«For Attijari bank, it's the beginning of a new era with Attijariwafa bank becoming a majority shareholder - a new era which will result in it becoming a leading financial institution performing to the highest international standards».

Ousmane Ba,

36 years old, Customer Relations - Attijariwafa bank Sénégal

« For the Attijariwafa bank group to be successful in sub-Saharan Africa, it first needs to conquer the Senegalese market, a bridge-head for expansion. We are also endeavouring to offer our Senegalese customers a new range of products and an irreproachable quality of service».

INTERNATIONAL SUBSIDIARIES - A GROWTH DRIVER BEYOND BORDERS

International Retail Banking's mission is to develop a network of community banks in North African and West Africa. Backed by the strengths, know-how and experience of Attijariwafa bank as well as synergies between different markets, International Retail Banking intends to offer a full range of banking services and banking-related activities within the context of an organisational business model and corporate governance system based on group practices and values.

Attijari bank Tunisie

For Attijari bank, 2006 was characterised by the launch of the 'Intilaq' strategic business plan with the aim of positioning the bank amongst the leaders in the local market.

For this purpose, a sizeable reconstruction process began, on the one hand, by changing the company name and marking its belonging to the group and, on the other, by adopting a new organisation with a structure focusing on specialisation by business unit which places the customer as its number one priority.

In addition, the bank was given a capital injection to ensure its future and to make up for an inadequate level of provisions by way of a TND 50 million equity issue and the issue of a TND 80 million convertible bond. It should be noted that this was first ever issue of a convertible bond in Tunisia's financial markets.

In terms of business activity, Attijari bank experienced a satisfactory increase in deposits and loans and made a major effort in provisioning so as to comply with the group's risk management standards.

Thanks to all these actions, the Tunisian subsidiary's 2006 results were encouraging and should see it making a contribution to group earnings from 2007.

Attijariwafa bank Sénégal

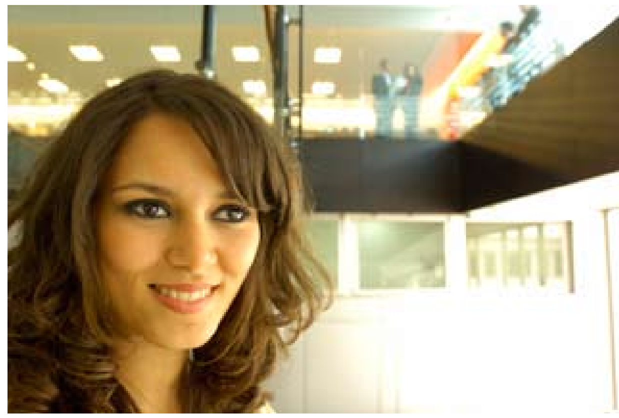
The establishment of Attijariwafa bank Sénégal can be seen against the backdrop of the group's desire to give a regional and international impetus to its development. At this level, the subsidiary intends to be an entry point for the group in its expansion across the EMUWA region.

The objectives during the first few months of operations were to stabilise the IT platform, increase the security of all processes and develop an institutional communications strategy with a view to establishing the image of an ambitious subsidiary of a group which is leader in its business sector.

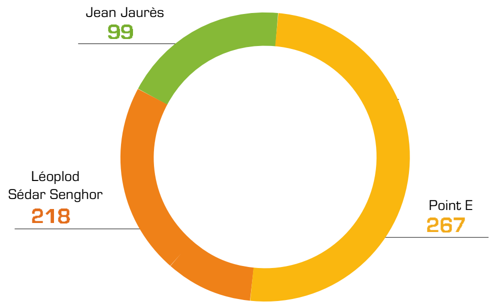
Initial priority was given to an approach focusing on capturing deposits and on opening the first retail accounts.

The achievements by the end of 2006 i.e. after less than six months of business activity, are extremely encouraging and in line with forecasts. They also bear witness to the confidence that the Senegalese public has placed in this new subsidiary.

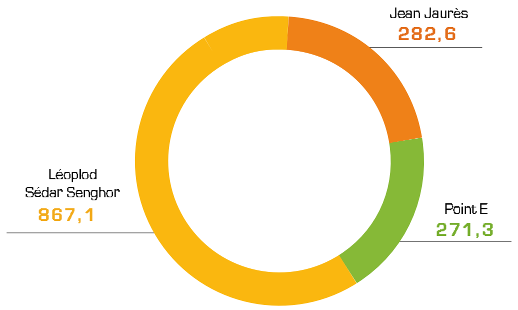
These achievements are the fruit of an aggressive communications strategy, aiming to establish the brand identity of Attijariwafa bank Sénégal as an important player in the Senegalese banking sector and an economic contributor in its own right, well-known and universally accepted and providing a unique service.



Number of accounts opened



Deposits
(in million FCFA)



In choosing a slogan such as «That makes a change from banking», Attijariwafa bank Sénégal is determined to position itself as a brand new concept.

In terms of marketing, the bank has begun to prepare its first product-related campaign for the «Yeksil» pack, meaning «Welcome» in Wolof, which was launched at the beginning of 2007.

Banque Sénégalo-Tunisienne

For Banque Sénégalo-Tunisienne, 2006 was characterised by the acquisition by Attijariwafa bank of an equity interest and becoming a leading shareholder. By merging Banque Sénégalo-Tunisienne with Attijariwafa bank Sénégal, Attijariwafa bank's objective is to create a leading generalist bank in West Africa which, over time, will become the hub for the Attijariwafa bank group as it expands in West Africa.

Another feature of 2006 was obtaining certification in accordance with ISO 9001: 2000. As the first bank in West Africa to be certified for all its activities, BST can pride itself on having adopted a sound quality management system meeting international standards.

Driven by the need to strengthen its position in both the personal banking and corporate customer segments, the bank has established a division for individual customers and another for corporate customers to ensure that its organisation is resolutely customer-centred. In addition, commercial efforts targeting individuals and corporate customers are enhanced by a network boasting 13 branches.

Sales teams are obliged to promote the entire range of products and monitor the needs of customers on a daily basis. Such specialisation seeks to develop an approach based on proximity to customers in order to grow the business, build customer loyalty and offer potential customers attractive incentives for becoming customers.

FINANCIAL REPORT

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Financial Report

DOMESTIC ENVIRONMENT

In 2006, the international environment was characterised by strong economic activity with a recovery in global trade and a decline in oil prices towards the end of the year. The global economy grew by 5.1%. 2006 was marked by a strong rise in oil prices and by a modest slowdown in the US economy without any negative impact on global trade.

Domestically, the main economic and financial indicators underlined the stronger growth which had been anticipated in 2006 with a rate approaching 7.4% according to the latest estimates of the High Commission for Planning. The economic environment was marked by an improvement in foreign trade with a 14% rise in exports during the first nine months of 2006 corresponding to strong foreign demand for textile products, phosphates and derivatives, an increase in job offers with the creation of 556,000 jobs and unemployment contained at about 10% at the year-end, a considerable increase in retail prices and a recovery in growth.

Accordingly, total GDP increased by 7.4% in the second half of 2006 against 1.8% during the same period the previous year.

CONSTRUCTION AND CIVIL ENGINEERING

The construction and civil engineering sector continued to grow, benefiting from considerable public- and private-sector investment in tourism-related property, social housing and infrastructure projects. Growth in cement sales is a good indicator of the sector's upward trend since, during the first three quarters of 2006, cement sales amounted to 8.5 million tonnes, a rise of 10.3% compared to the same period in 2005.

ENERGY AND MINING

In 2006, the energy sector began to slow having experienced strong growth in 2005. The sector's value-added increased by only 0.1% on a year-on-year basis during the first three quarters of 2006 against 17% in 2005. This slowdown can be explained by a deceleration in power station activity combined with a decline in oil refining production.

Oil production declined by 10.7% between 2005 and 2006 (from january to november) and consumption of oil products has stagnated.

Mining activity was affected by the weak performance of non-metallic minerals. The mining sector's value-added declined by 0.8% year-on-year after an increase of 7.5% during the same period in 2005. At the end of november 2006, growth in phosphate production was considerably scaled-back to only 0.4% year-on-year whilst export sales rose by 9.4% from MAD 14.5 billion in 2005 to MAD 16 billion.

THE PRIMARY SECTOR

Despite an unfavourable weather in December, 2006 was a year in which agricultural activity recovered sharply, benefiting from an increase in the harvest of all types of crop, in particular cereals and leguminous plants. The latest estimates from the Ministry of Agriculture suggest cereal production of 93 million quintals. There was also an increase in cattle farming production. Volume sales of cereals rose by 57% over the second half of 2006 compared to the same period the previous year. On the other hand, their imports declined by 46.2% during the same period in 2006.

The fisheries sector experienced low tonnage levels with a 16.2% decline in volume. Exports of seafood products increased by 12.3%, however, generating revenues of MAD 9.3 billion at the end of 2006.

THE TOURIST SECTOR

In 2006, the number of tourists visiting Morocco increased sharply to approach the 6 million mark within the framework of the strategy targeting 10 million tourists in 2010.

Tourism performed strongly during the first eleven months of 2006 as arrivals and tourism revenues marked an upward trend of 9.3% and 26% respectively. An increase in the number of airlines flying to Morocco as well as well-targeted and well-executed promotional campaigns in the source countries succeeded in attracting many more foreign tourists to the country. Nonetheless, a slowdown in the growth of overnight stays (7.1% in 2006 against 16.2% in 2005) somewhat tempered the Moroccan tourist sector's strong performance. This can be explained by the weak performance of domestic tourism and of the French market.

FOREIGN TRADE

During the first eleven months of 2006, foreign demand increased by 9.2% year-on-year, benefiting from a favourable international environment. The relative strength of exports (13.1%) compared to imports (10.1%) during the first eleven months resulted in a contraction in the trade deficit (6.9% against 24.9%) and a 1.4 point improvement in the coverage ratio to 53.8% in 2006.

Non-oil purchases, in particular of semi-finished products, capital goods and consumer goods accounted for 94.8% of the rise in exports.

The rise in exports, principally due to sales of phosphates and derivatives, amounted to MAD 9.6 billion including MAD 3.5 billion of finished consumer products, MAD 1.2 billion of crude mineral products and MAD 633 million of electronic components. On the other hand, exports of citrus fruit experienced a sharp decline of 22.3% over the same period.

The favourable trend in transfers from Moroccans Living Abroad and in revenues from tourism helped to offset the current account trade deficit. The deficit in energy-related products accounted for 75% of the trade deficit but this was offset by strong foreign demand for textiles and phosphates which led exports.

In addition, an increase in foreign assets resulted in cover of nearly 11.9 months of exports in comparison to 11 months the previous year (excluding temporary admissions for inward processing without payment and imports into the Tangier free zone).

REVENUES FROM TOURISM AND MOROCCANS LIVING ABROAD

The considerable increase in revenues from tourism combined with the sharp rise in transfers from Moroccans Living Abroad contributed to a reduction in the current account trade deficit.

At the end of november 2006, revenues from tourism rose by 26% year-on-year. The growth recovery in European countries, with a resulting improvement in household revenues, had a positive impact on the domestic tourist sector.

Receipts from Moroccans Living Abroad increased 15% year-on-year to MAD 42.9 billion at december 31st, 2006. The strong growth in transfers from Moroccans Living Abroad can be explained by the appreciation of the euro.

INVESTMENTS AND FOREIGN PRIVATE LOANS

There was a considerable improvement in the attractiveness of the Moroccan economy resulting in a 17% increase in foreign capital over the first nine months of 2006.

Receipts from investments and foreign private loans totalled MAD 24.5 billion for the first eleven months of the year, an increase of MAD 1.6 billion or 7.1% compared to the same period in 2005. The sharp increase in foreign investment in particular relates to the tourist, property, new information technology and automobile sectors.

PUBLIC FINANCES

•Receipts

Ordinary receipts improved by 10.1% during the first eleven months of 2006 compared to the same period the previous year. Total tax receipts increased by 13.2% or MAD 11.4 billion against the backdrop of a recovery in economic growth. Other non-tax receipts stagnated due to a decline in privatisation receipts during the period. Excluding privatisation receipts, overall revenues increased by 14.8%.

•Expenditure

At the same time, ordinary expenses declined by 1.2%. On the one hand, price-subsidising expenditure experienced a significant increase and the related expenses rose by 21.9% on account of the spike in oil and gas prices despite the partial readjustment of domestic prices of oil products. Interest on government debt rose by 8.3% and civil servant salaries increased by 2.5%. On the other hand, equipment expenses and other miscellaneous expenses which contribute to ordinary expenditure declined by 19.4%.

There was a marked improvement in the budget deficit which amounted to MAD 2.44 billion in 2006 against MAD 10.87 billion for the same period in 2005. Likewise, the financing balance registered a MAD 4.53 billion deficit. Current expenses declined by 1.2% to MAD 109.6 billion at the end of 2006.

MONETARY AGGREGATES AND LIQUID INVESTMENTS

In 2006, net foreign assets rose by MAD 24.1 billion or 14.5%, which was the same rate as in 2005, to MAD 175 billion. This was achieved alongside the strong growth in revenues from tourism as well as strong export performance. Loans to the economy recorded growth of MAD 48.3 billion or 16% compared to 11.1% in 2005. This concerned all types of credit and particularly short-term instruments which accounted for 43% of the total credit distributed to the economy in 2006, followed by mortgage loans and loans for capital goods accounting for 33% and 21% respectively. On the other hand, net claims on the State fell by 2.7% following a MAD 675 million decline in bank borrowings by the Treasury and a MAD 1.4 billion improvement in its net position with Bank Al-Maghrib.

The increase in the money supply was accompanied by a 17% increase in the M3 monetary aggregate and 17.7% for M1 against 14% and 14.8% respectively in 2005. Money creation largely concerned long-term investments which rose by 3.4% and deposit money which increased by 1.3%.

At the same time, liquid investments expanded by MAD 16.9 billion or 41.2% instead of 0.1% following an overall increase of 33.6% in mutual funds, although the negotiable debt securities' part of the liquid investments aggregate, on the other hand, declined by 19.7%.

Due to the high levels of surplus liquidity in 2006, Bank Al-Maghrib carried out 7-day liquidity withdrawals by tender at a rate of 2.75% for MAD 5.3 billion as at december 31st, (monthly average) against MAD 1.85 billion for the same period in 2005.

INFLATION

2006 was characterised by a series of price rises for consumer products and reduced consumers' purchasing power. The average annual cost of living index rose by 3.2% during the first eleven months against 0.9% in 2005. The acceleration in the average annual rate resulted from a rise in the price of foodstuffs from 0.2% at the end of november 2005 to 3.6% in 2006 and an acceleration in non-food inflation at an average annual rate of 2.8%. The increase in the cost of non-food products concerned in particular transportation and communication products (+ 9.4% year-on-year for the first eleven months of 2006) and capital goods products (+2.1% over the same period).

BANKING AND FINANCIAL ENVIRONMENT

BANKING ENVIRONMENT AND REGULATIONS

The banking sector

The banking sector remains strongly concentrated around six major banks (Attijariwafa bank, CPM, BMCE bank, BMCI, SGMB and CAM) which control 90.54% of deposits and 84.43% of total loans at december 31st,2006.

The Moroccan banking sector is divided into four categories of institution:

- Traditional deposit-taking banks including the five large privately-owned banks (Attijariwafa bank, BMCE bank, BMCI, SGMB and CDM);
- Crédit Populaire du Maroc, a mutual institution, in which the State is majority shareholder and which is the leader in deposit-taker from Moroccans Living Abroad;
- Specialised financial institutions including CIH and Crédit Agricole du Maroc (CAM);
- Other banks with niche activities including Bank Al Amal, Média Finance, Casablanca Finance Markets and the Fonds d'Equipement Communal.

Foreign banks have significant equity interests in private-sector banks with BNP Paribas controlling 65.1% of BMCI, Société Générale France owning 51.6% of SGMB, Crédit Agricole controlling 52.6% of CDM, CIC Group holding 10% of BMCE Bank and Grupo Santander holding 14.55% of Attijariwafa bank.

Sector regulations

The banking sector has undergone comprehensive reforms so as to comply with international standards. The law of february 14th, 2006 relating to credit institutions and similar organisations (N°34-03 of 15 moharrem 1427) has brought Moroccan banking legislation into line with international standards particularly in relation to the fundamental principles decreed by the Basel Committee concerning banking supervision.

Bank Al-Maghrib's scope has been broadened to include new financial institutions conducting banking activities. The new legal framework gives greater independence to Bank Al-Maghrib in terms of banking supervision since it is from now on authorised to grant or withdraw banking licences or even oppose the appointment of persons not satisfying the conditions required to sit on governing or management bodies of credit institutions.

Furthermore, an action plan was drawn up so as to apply IAS/IFRS to Morocco's banking sector from 2008. The plan aims to respond to the needs of different market operators in terms of financial information. Up until the end of may 2006, the work conducted by a joint-committee composed of Bank Al-Maghrib and GPBM members focused on determining the scope of application of IAS/IFRS, reorganising the structure of the Accounting Plan for Credit Institutions and determining the impact of changes arising from certain standards and the relationship between certain IAS/IFRS standards and the Basel II agreements.

Concerning implementation of the fundamental principles of the Basel Committee, the new banking legislation adopted in 2006 provides an appropriate framework for banks to comply with such principles. The calendar for adaptation of Basel II, set by common agreement with the banking profession, envisages the adoption in 2007 of a standardised approach to the three categories of risk - market risk, operational risk and credit risk - which form the bedrock of the new system.

MONEY MARKETS

In december 2006, liquidity factors had a restrictive impact which amounted to an end-of-week average of MAD 5.4 billion. Bank liquidity felt the restrictive effects of the decline in Bank Al-Maghrib's net foreign assets and the increase in notes and coins in circulation on the occasion of the Aïd Al Adha festival.

The cumulative expansive effect on bank liquidity since the beginning of 2006 was estimated at an end-of-week average of MAD 3.4 billion. Surplus liquidity declined to MAD 5.7 billion at december 29th,2006 from MAD 9.5 billion at the end of 2005.

Bank Al-Maghrib continued to withdraw surplus liquidity by carrying out 7-day liquidity withdrawals by tender. Against such a backdrop, the average inter-bank rate registered an increase of 7 basis points to 2.55% in december 2006. With the exception of the 6-month deposit rate, the other interest rates continued to trend downward.

FIXED INCOME MARKETS

In 2006, yields at Treasury bond auctions experienced an overall downtrend on low volume. Yields on **26-week** paper declined by 2 basis points to 2.57%. Yields on **5-year** paper declined, on average, from 3.75% to 3.56% between the second and third quarter of 2006. Yields on **10-year** paper lost, on average, 15 basis points, declining from 4.26% to 4.11% over the same period. It must be pointed out that a 30-year bond issue took place, for the first time, at a rate of 3.98% and that the largest market transaction was a MAD 1.3 billion bond issue by ONCF in december 2006 with a **15-year** maturity with one tranche guaranteed by the State at 3.70% (MAD 530 million) and another at 4.15% (MAD 800 million).

The remuneration on 26-week Treasury bonds issued by auction declined 2 basis points to 2.57% in december 2006. Likewise, securities with medium- and long-term maturities registered declines of 10 basis points on 10-year bonds to 22 basis points on 20-year bonds.

INTEREST RATES

At the beginning of December, the inter-bank market rate remained close to the 7-day liquidity withdrawal rate by tender of 2.50% before declining at the end of the period fixed for constituting the monetary reserve. It then rose in line with the increase in the 7-day liquidity withdrawal rate by tender. The monthly average inter-bank rate was 2.55% instead of 2.48% the previous month.

In november 2006, the weighted average remuneration on **6-month** deposits increased by 26 basis points compared to the previous month to 3.77% whilst that of **12-month** deposits recorded a decline of 2 basis points to 3.67%.

Bank savings accounts, indexed to the previous half-year's 52-week Treasury bond yield, paid interest at 2.49% in the first half of 2007, a decline of 50 basis points, unchanged on the second half of 2006.

National Savings Accounts, indexed to the 5-year Treasury bond yield, paid interest at 1.25% instead of 1.90% during the last six months of 2006.

Concerning negotiable debt securities, in november 2006, a bank issued 1-year and 5-year CDs yielding 3.25% and 3.80% respectively. Furthermore, there were three Treasury issues with maturities ranging from 3 months to 6 months yielding between 3.15% and 3.45%.

The **maximum conventional interest rate** (TMIC), indexed to the previous year's consumer credit rates, raised by 200 basis points instead of the weighted average rate applied to all types of credit raised by 60%, was set at 14% for the first half of 2006 instead of 12.9% during the second half of 2005. The TMIC will be corrected on april 1st, each year by the change in the yield on 6-month and 1-year bank deposits recorded during the previous year.

STOCK MARKET

The Moroccan stock market experienced strong growth in 2006. The Casablanca Stock Exchange made new all-time highs both in terms of trading volumes and the number of IPOs.

A strong domestic economy in 2006, despite the increase in energy prices, was one of the major factors behind the rise in the stock market. There was considerable foreign investor interest in listed securities which resulted in higher share prices for the large majority of securities. The property sector, which was listed for the first time in 2006, found strong demand from investors and consequently outperformed the market.

The MASI and MADEX indices rose by 71.1% and 77.7% respectively. The market was characterised by increased demand for equities which boosted the prices of the major listed securities. Ten companies were listed on the Casablanca Stock Exchange in 2006 - Fénie Brossette, HPS, Involys, SRM, Distrisoft, Mediaco, Colorado, Cartier Saada, Douja Prom Addoha and Risma - with the total number of companies listed rising from 54 to 64. These new securities, which represent a variety of economic sectors, were in strong demand, putting an upward pressure on prices and therefore the market's valuation.

The rise in the equity market was accompanied by an increase in trading volumes. Volumes rose by 40.1%. Likewise, demand for newly-listed companies was strong.

Volumes amounted to MAD 138.8 billion in 2006 of which the Central Market accounted for 85.3%. Trading on the Central Market was particularly active by comparison to 2005, generating a MAD 16.6 billion increase in sales between november and december 2006 and an increase from MAD 30 billion to MAD 36.6 billion as a result of major transactions, in particular the IPO of several firms. Volumes on the Block-trade market, on the other hand, declined considerably and accounted for only 14.7% of total volume.

The Casablanca stock market's capitalisation, along with its indices, increased significantly to amount to MAD 424.9 billion at the end of 2006, an increase of 68.4% compared to the previous year.

ATTIJARIWAFA BANK'S BUSINESS ACTIVITY AND RESULTS

HIGHLIGHTS OF 2006

• January 2006

- Launch of the Nouveau Départ pack, with the aim of providing support to small- and medium-sized enterprises in their restructuring efforts

• February 2006

- Launch of the Ratib card, a functional debit card for companies and employees without a bank account
- Partnership agreement signed with Casablanca's Hassan II University to implement the Universia and Smart Card programmes in collaboration with Grupo Santander

• March 2006

- Launch of Miftah mortage loans.
- Agreement signed with the Ministry of Education concerning the Prépa+ programme supporting students in preparatory classes studying for entry to academic establishments specialising in scientific disciples

• April 2006

- Launch of the Suimoi service, a banking information service for mobile phones.
- Business centre network awarded certification by AFAQ/AFNOR France.

• May 2006

- Launch of 'Izdihar 2010', the strategic business plan for the period from 2006 to 2010.
- Value date reduced to D+2 to cash cheques outside Casablanca.
- Launch of the Agram Invest fund, the first investment fund in Morocco dedicated to the food-processing and agro-industrial sector in partnership with Unigrains.
- Launch of the Igrane fund, a regional investment fund specialising in the Souss-Massa-Drâa region.

• June 2006

- Inauguration of the new dealing room.

• July 2006

- Inauguration of Attijariwafa bank Sénégal.
- Partnership agreement signed with US Eximbank concerning the financing of imports of capital goods from the US and the channelling of US investments in the North African and West African region.

• September 2006

- Launch of the Mizane revolving credit card.
- Launch of Marocomex, the bank's international services platform.
- Partnership agreement signed with Vneshtorgbank Moscou to promote trade between Morocco and Russia.
- Launch of the Inmae service and the creation of a MAD 1 billion credit line to support the emergence of a vibrant pool of very small firms.
- Launch of the Confirming service, a solution enabling businesses to outsource procedures for paying suppliers.

• October 2006

- Acquired 66.67% of Banque Sénégalo-Tunisienne, the 3rd largest bank in Senegal.

• November 2006

- Licence obtained for the Brussels branch which was integrated into Attijariwafa bank Europe.
- Launch of Rasmali, a financing solution for small businesses, tradesmen and craftsmen.

• December 2006

- Launch of the Moroccan Infrastructure Fund, the first investment fund in Morocco dedicated to the infrastructure sector.
- Banque du Sud in Tunisia changed name to Attijari bank and adopted the visual identity of Attijariwafa bank.
- Creation of Attijariwafa Finanziera in Italy, a financial subsidiary of Attijariwafa bank Europe.

BUSINESS ACTIVITY (MOROCCO)

• Customer deposits

At december 31st, 2006, Attijariwafa bank's customer deposits totalled MAD 120.9 billion, registering an increase of 23.7% (MAD +23.2 billion) compared to the previous year against an increase of 17% for the banking sector.

Both non-interest-bearing as well as interest-bearing deposits increased with gains of +22.5% (MAD +13.4 billion) and +25.6% (MAD +9.9 billion) respectively.

The strongest contribution to non-interest-bearing deposits came from cheque accounts which rose from MAD 41.7 billion in december 2005 to MAD 48.7 billion in december 2006, an increase of 16.9% (MAD +7.0 billion) including MAD 2 billion (+15.4%) in cheque accounts for Moroccans Living Abroad and MAD 5.0 billion (+17.6%) in cheque accounts for residents. Current accounts totalled MAD 15.6 billion, an increase of 24.1% (MAD +3.0 billion).

The proportion of interest-bearing accounts in total deposits increased by 0.6 points from 39.4% to 39.9% at the end of 2006, thanks largely to term deposits which rose from MAD 26.2 billion in 2005 to MAD 34.9 billion in 2006, an increase of 33.3% (MAD +8.7 billion). This growth was largely driven by resident persons' term deposits which rose by 43.7% (MAD +7.8 billions).

Savings accounts registered growth of 9.2% (MAD +1.1 billion). It must be recalled that the bank is now ranked first in terms of deposits with a 27.5% market share (+0.95% compared to december 2005) and is 1.22 points ahead of the bank ranked in second position. The bank is also leader in local deposits with a volume of MAD 91 billion (excluding repos) and a market share of 27.7% at december 31st, 2006, with more than MAD 32.4 billion and 9.84% points ahead of the bank ranked in second position.

Attijariwafa bank has underlined its leadership in deposit-taking whilst market share gains in each product testify to the bank's commercial strength.

• Customer loans and advances

Customer loans increased sharply to MAD 81.5 billion at december 31st, 2006 against MAD 64.6 billion in 2005, an increase of 26.2% (MAD +16.9 billion) against 13.0% for the banking sector. This increase was due mainly to:

- Cash advances: +31.2% (MAD +7.7 billion)
- Mortgage loans: +50.6% (MAD +5.2 billion)
- Loans for capital goods: +29.4% (MAD +3.7 billion)
- Loans and advances to financing companies: +11.6% (MAD +0.91 billion)

Doubtful loans net of provisions recorded a 33.8% decline compared to 2005 taking the non-performing loan rate to 5.74% at december 31st,2006 against 8.17% at the end of 2005, equivalent to a gain of 2.43 points.

An improvement of 1.12 points took the bank's share of performing loans to 26.8%, underlining its position as leader.

• Contingent liabilities

Contingent liabilities increased by 20.6% (MAD +4.4 billion) on 2005 from MAD 21.2 billion to MAD 25.6 billion. This increase was largely due to a rise in cautions and guarantees to customers (MAD +3.4 billion).

With a market share of 30.8%, the bank remains leader in this segment.

NB: The figures used by the GPBM for calculating market share exclude repos.

RESULTS (MOROCCO)

• Net banking income

Attijariwafa bank's net banking income amounted to MAD 5.014 billion at december 31st,2006 against MAD 4.553 billion at december 31st, 2005, an increase of 10.12% (MAD +460.7 million).

This increase reflects a strong rise in income from capital markets activities and fee income. The table below provides a breakdown of net banking income:

• Fee income

Fee income posted growth of 17.2% (MAD +106.5 million) to reach MAD 723.8 million at december 31st, 2006.

• Income from capital markets ativities

Income from capital markets activities experienced significant growth of 91% from MAD 359.3 million at the end of 2005 to MAD 685.1 million in 2006 (MAD +325.8 million).

	December 2006	December 2005	Change MAD	Change m%
Net interest income	**3 519,4**	**3 627,2**	**-107,8**	**-2,97%**
% of net banking income	70,19%	79,66%	-9,47 points	
Fee income	723,8	617,3	106,5	17,24%
% of net banking income	14,44%	13,56%	0,88 points	
Income from capital markets activities	**685,1**	**359,3**	**325,8**	**90,66%**
% of net banking income	13,66%	7,89%	5,77 points	
Other banking income	286,6	130,8	155,8	119,18%
Other banking expenses	-204,2	-191,2	-13,0	6,82%
Net banking income	**5 014,1**	**4 553,4**	**460,7**	**10,12%**

• Net interest income

- Interest and similar income increased by 7.9% (MAD +384.5 million) from 2005 to 2006 following an increase of 16.8% in average loans to customers which offset the decline of 18.2% in income from securities transactions (MAD -145.9 million).
- Interest and similar expenses registered growth of 39.5% (MAD +492.2 million) mainly due to an increase in the cost of funds and average outstanding deposits of 22.4% at december 31st, 2006.

Net interest income amounted to MAD 3.519 billion at the end of 2006 against MAD 3.627 billion at the end of 2005.

Such growth was mainly due to an increase of MAD 235.4 million (+262.2%) in income from securities held for sale and trading securities and an increase of MAD 78.7 million (+28.5%) in income from foreign exchange transactions at december 31st, 2006.

• Other banking income

Other banking income increased by MAD 155.8 million mainly due to a rise of MAD 141.8 million in dividend income.

• Other banking expenses

Other banking expenses increased by MAD 13 million.

• Net operating expenses

General operating expenses rose by 6.8% (MAD +146.7 billion) from MAD 2.2 billion in 2005 to MAD 2.3 billion in 2006 due to an increase in operating expenses (MAD +133.1 million) and amortisation charges (MAD +13.6 million).

Despite the increase in general operating expenses, the cost-to-income ratio improved by 1.42 points to 45.87% from 47.29% at december 31st, 2005 :

			Change	
	December 2006	December 2005	MAD	m%
General expenses	**1 998,09**	**1 864,99**	**133,09**	**7,14%**
Staff costs	998,89	979,19	19,70	2,01%
Taxes other than on income	66,23	54,11	12,12	22,40%
External expenses	931,15	831,12	100,03	12,04%
Other general operating expenses	1,82	0,58	1,24	215,09%
Amortisation charges and operating provisions	**301,83**	**288,22**	**13,61**	**4,72%**
Net operating expenses	**2 299,91**	**2 153,21**	**146,70**	**6,81%**

• Gross operating income

Attijariwafa bank's gross operating income improved by 15.4% year-on-year, an increase of MAD +390.7 million from MAD 2.537 billion in 2005 to MAD 2.928 billion. This can be explained by:

- An increase of MAD 460.7 million in net banking income;
- An increase of MAD 139.4 million in income from financial investments ;
- A decline of MAD 62.7 million in non-banking income;
- An increase of MAD +146.7 million in net operating expenses.

• Income from ordinary activities

Income from ordinary activities increased from MAD 2.038 billion in 2005 to MAD 2.833 billion in 2006, an increase of MAD 795 million or 39%.

Amortisation charges and operating provisions amounted to MAD 95.2 million, a decline of MAD 404.3 million or 80.9%. This decline mainly includes:

- A sustained effort in loan recovery: write-backs totalled MAD 542 millions in 2006;
- A decline of MAD 270.2 million in provisions against loans to customers to MAD 640 million, including an additional provision for the upgrade of short-term liability cover;
- A write-off of irrecoverable loans to customers, for which provisions had been made, of MAD 447.7 million against MAD 1,312.8 million in 2005.

The provisioning rate for doubtful loans registered a 5.7 point improvement to 83.1% at december 31st, 2006 with the sector average being 75.6%.

Other provisions include an additional provision for a MAD 200 million investment.

• Net income

Net income totalled MAD 1,926.2 million against MAD 1,216.7 million in 2005, an increase of 58.3%.

• Shareholders' equity

At the end of the 2006 financial year, the bank's shareholders' equity, before appropriation of net income, totalled MAD 11.568 billion.

• Total assets

Total assets, excluding overseas branches, amounted to MAD 142.768 billion at december 31st, 2006 against MAD 116.231 billion at december 31st, 2005.

APPROPRIATION OF NET INCOME (IN MAD)

Net income for the period	1 926 186 491,18 DH
Transfer to legal reserve	-
Transfer to investment reserve	125 000 000,00 DH
Retained earnings brought forward	1 533 862,32 DH
Distributable income	**1 802 720 353,50 DH**
Appropriation :	
Statutory dividend	115 797 576,00 DH
Amount required to pay a dividend of MAD 45 per share	752 684 244,00 DH
Total dividend payment	**868 481 820,00 DH**
Transfer to extraordinary reserves	933 380 056,67 DH
Retained earnings carried forward	858 476,83 DH

2007 OUTLOOK

After a two-year period which has seen the rapid and comprehensive integration of the two banking entities and the strengthening of various partnerships, Attijariwafa bank begins 2007 well-placed to benefit fully from internal synergies and continue to implement its strategic business plan until 2010.

In the domestic market, its development strategy is particularly focused on:

- Proposing an entire range of financial services tailored to the specific needs of each category of customer;
- Pursuing its policy of proximity by opening 100 new branches and developing alternative distribution channels;
- Supporting and financing job-creation projects of structural importance to the Moroccan economy;
- Pursuing new opportunities for growth such as intensively developing retail banking, property, funds flow management, specialist investment funds etc.;
- Improving service quality by re-engineering and optimising its critical processes;
- Increasing the profitability of its subsidiaries thanks to cross-selling and sharing production and processing platforms ;
- Adapting its information systems on a gradual basis to its strategic ambitions and long-term needs.

Overseas, the Attijariwafa bank Group will continue to pursue its business strategy which is focused on:

- Accelerating deposit-taking and credit-distribution activities and capturing flows relating to transfers from Moroccans Living Abroad by drawing on its dedicated organisation, Banking for Moroccans Living Abroad and Attijariwafa bank Europe, its French banking subsidiary with European status;
- Strengthening its presence across North Africa by implementing the business plan of Attijari bank Tunisie;
- Establishing a platform for developing its business in Western Africa through the merger of Banque Sénégalo-Tunisienne, in which the Group took a 66.67% stake in january 2007 and Attijariwafa bank Sénégal with the aim of accelerating its development in the region.

The coordinated implementation of these different initiatives should enable Attijariwafa bank to continue to generate strong growth in consolidated earnings in 2007.

BUSINESS ACTIVITY AND RESULTS OF BANKING-RELATED AND INVESTMENT BANKING SUBSIDIARIES

BANKING-RELATED SUBSIDIARIES

• Wafasalaf

With its large distribution network, Wafasalaf's overall gross production totalled MAD 6.2 billion at december 31st,2006, an increase of 38% on 2005.

Production increased by 33% compared to 2005 to reach MAD 5.1 billion due in particular to an improvement in its auto business (+53.7%) and consumer durables business (+68%). Performing loans registered an increase of 23.8% compared to 2005, reaching MAD 7.6 billion.

There was a marked improvement in profitability as a result of efforts to improve operational efficiency during the year:

- A decline in the average cost of funds from 4.6% in 2005 to 3.7% in 2006 (*);
- A decline in the non-performing loan ratio from 13.8% to 11.6% (-2.2 points) (*);
- A 1.2 point improvement in the cost-income ratio to reach 42% at december 31st, 2006;
- The cost of risk was stable at 1.31%.

Wafasalaf's net banking income increased by 17% compared to december 31st, 2005. Net income rose by 40.3% to MAD 194.2 million in 2006 compared to MAD 138.4 million in 2005.

Growth in production is likely to continue in 2007 as is the improvement in profitability.

(*) ratios calculated on the basis of average annual loans outstanding

• Wafa Immobilier

During 2006, Wafa Immobilier signed several agreements with different partners. As a result, Wafa Immobilier's production rose by 112% to MAD 5.9 billion.

Net banking income totalled MAD 93.5 million at december 31st, 2006, an increase of 43%.

The increase in net operating expenses was largely attributable to the creation of 15 new branches and 4 promotional sites. Net income rose by 55% to MAD 23.5 million.

The 2007 action plan is focused on:

- Developing Wafa Immobilier's branch network business;
- Developing agreements with businesses, administrative bodies and developers;
- Expanding its network by opening 15 new branches;
- Ensuring a permanent market presence through innovation and by launching new products;
- Launching its own institutional communications campaign;
- Adopting a system for measuring customer satisfaction;
- Reducing the period of time needed to process applications whilst maintaining the same level of risk;
- Improving productivity and controlling general expenses.

• Wafabail

Wafabail's production in 2006 rose by 36% to MAD 2.7 billion. Loans outstanding at the end of the financial year amounted to MAD 4.5 billion in 2006 against MAD 3.3 billion in 2005.

Wafabail posted strong growth in earnings due to strong production growth with costs and risk under control. Net banking income rose by 22% to MAD 197 million at december 31st, 2006 (net financial banking income rose by 29% to MAD 183 million) and net income registered an increase of 37% on 2005 to MAD 74.5 million (net financial income rose by 35% to MAD 68 million).

Wafabail's prospects for 2007 are very strong. Its action plan is focused on:

- Boosting relations with the Attijariwafa bank branch network for better promotion of its leasing products and providing genuine support to the bank network in terms of training and guidance;
- Proposing additional services which are responsive and imaginative with the aim of giving customer satisfaction and broadening the range of services;
- Creating an extranet as a tool for on-line decision-making and for monitoring lease finance contracts.

• Attijari Factoring Maroc

Attijari Factoring Maroc's production experienced strong growth of MAD 1,138 million or 51.6% at december 31st, 2006. This growth was driven by both export factoring (+93%) and domestic factoring (+34.7%).

Outstanding factoring experienced a sharp recovery of +34.6% to MAD 225 million due essentially to domestic factoring activities.

There was a considerable improvement in net banking income (+42%) to MAD 16.9 million thanks to a strong increase in income received (+79%) and in net fee income (+32.6%). Net income rose by 74.3% to 7.1 million.

The provisioning rate for doubtful loans remained at 99%.

In 2007, production is expected to increase 50% to MAD 1,650 million, mainly due to the domestic factoring business which should result in a 26% market share for Attijari Factoring Maroc.

Indicators of business activity are likely to experience a strong rise with outstanding invoices and particularly financing generating a significant improvement in fee income.

• Wafa LLD

The long-term rental market rose by 14% in 2006 to reach 12,000 vehicles at 31 December 2006.

In 2006, Wafa LLD increased its market share by 3 points thanks to new contracts from the civil service and from Maroc Telecom.

Wafa LLD closed 2006 with net income strongly higher since it rose from MAD 1.8 million in 2005 to MAD 3.6 million in 2006 largely due to a 50% increase in sales (MAD 97 million in 2006 against MAD 64.6 million in 2005).

In 2007, Wafa LLD's business strategy aims to capitalise on synergies with Attijariwafa bank Group in order to develop the long-term rental market and meet its objectives of 2,729 vehicles and a market share of 20.06%.

• Wafacash

In 2006, Attijariwafa bank signed an agreement to distribute Western Union's products via its branch network beginning with 150 branches, signed new 'Cash Express Entreprise' contracts and continued negotiations with potential partners.

Volumes increased 31.3% to MAD 6.9 million. The number of transactions totalled 2,254,046 in 2006, a rise of 30% compared to 2005.

Wafacash's net banking income in 2006 amounted to MAD 97.2 million and net income MAD 36.1 million.

For 2007, Wafacash has set itself a series of ambitious strategic objectives:

- Become the leading network by increasing the number of branches and by modernising existing ones;
- Develop a culture of innovation by launching new products and services;
- Continue to develop the network by strengthening its presence in areas of strong growth potential to meet the challenge of ever stiffer competition;
- Market its flagship products (Western Union and Cash Express) via Attijariwafa bank's entire branch network;
- Develop its foreign exchange business in accordance with new regulations.

INVESTMENT BANKING SUBSIDIARIES

• Corporate Finance: Attijari Finances Corp

In 2006, Attijari Finances Corp emphasised its leadership in M&A advisory services and capital markets activities in the Moroccan market. As lead advisor and arranger for a number of strategic market operations, the Corporate Finance division pursued its policy of accompanying leading domestic companies as they grow and develop.

Benefiting from its considerable expertise, Attijari Finances Corp participated in the following M&A deals:

- Advisor to Attijariwafa bank concerning its acquisition of 66.67% of BST;
- Advisor to SNI concerning its merger with Arcelor;
- Advisor to Douja Promotion Groupe Addoha concerning the public offering of 35% of its share capital (MAD 2.8 billion);
- Advisor to Fénie Brossette concerning its IPO;
- Advisor to ONA concerning its bond issuance programme (MAD 2.5 billion);
- Advisor to SNI concerning its commercial paper issuance programme (up to MAD 1 billion).

In 2006, Attijari Finances Corp's sales, in terms of fees, amounted to MAD 41.2 million based on M&A deal volume of nearly MAD 12 billion. These results are the fruit of several strategic market operations including in particular advising two leading domestic companies on private placements as well as Douja Promotion Groupe Addoha on its IPO.

Net operating expenses declined by 30% compared to 2005 to MAD 29.3 million due mainly to a decline in external expenses.

Operating income totalled MAD 13.6 million against MAD 20 million the previous year. Net interest income recorded a modest decline of 10% to MAD 12.8 million against MAD 14.2 million in 2005.

Non-recurring income totalled MAD - 280 thousand in 2006 compared to MAD 132.8 million in 2005. This was largely attributable to the disposal of Attijari Finances Corp's holding in Attijari Management and Attijari Gestion.

Net income in 2006 declined by 88% largely due to the exceptional income recorded the previous year. It amounted to MAD 16.8 million against MAD 136.6 million in 2005.

• Securities brokerage: Attijari Intermédiation and Wafa Bourse

2006 was characterised by a strong rise in market indices on the back of increased volume, particularly on the Central Market.

The year was marked by a record number of IPOs which boosted volume on the Central Market and offset the decline in the number of strategic transactions. In total, ten companies were listed including Addoha, Risma, Colorado, Fenié Brossette, Médiaco, Distrisoft, Involys, HPS, SRM and Cartier-Saada.

Trading volumes rose by 10% compared to 2005 to reach MAD 166.4 billion. The performance of the general index, MASI, was exceptional with gains of 71% thanks to the attractiveness of the majority of listed companies.

Against such a backdrop, Attijari Intermédiation stood out by generating total trading volumes of MAD 56 billion, most of which was on the Central Market, against MAD 90.5 billion in 2005. This change can be explained by the significant decline in volumes on the Block-trade Market as well as in public offerings and other corporate events which declined by 88% and 63% respectively to MAD 4,884 million and MAD 14,082 million. Despite the fall-off in volume, Attijari Intermédiation remains market leader in securities brokerage.

Annual sale rose by 234% to MAD 103 million. Operating expenses increased considerably to MAD 21 million due to non-recurring items related to placements carried out in 2006. Operating income increased by 425% to MAD 83 million. Net income amounted to MAD 54 million compared to MAD 12 million the previous year.

• Results (in MAD millions)

	2005	2006	Change
Trading volumes (in MAD billion)	91,1	55,9	-39%
Overall market share	60,5%	33,6%	- 27pts
Sales	30,9	103,5	+234%
Total operating expenses	16, 633	21, 068	+27%
Operating income	15, 588	82 ,746	+425%
NET INCOME	**11, 867**	**54, 355**	**+358%**

• Restructuring and Private Equity:

Wafa Trust - Wafa Investissement- Attijari Invest

Wafa Investissement was restructured in 2006 and its share capital increased to MAD 55 million.

In 2006, it sold its SIFAP subsidiary for MAD 24 million, restructured Compagnie Industrielle du Lukus (SIL) by issuing MAD 26 million of equity and restructured the business operationally. Wafa Investissement also acquired a holding in Mifa Télécom.

In 2007, Wafa Investissement intends to pursue its policy of managing the bank's depreciated assets by investing in two or three businesses and restructuring them. It also envisages the sale of investments in two companies currently held in its portfolio.

Attijari Invest, wholly-owned by Attijariwafa bank, is the domestic leader in private equity both in terms of assets under management across all business sectors and on account of its recognised expertise. The company posted sales of MAD 14 million in 2006.

With a team of 12 persons, Attijari Invest manages MAD 3.4 billion in private equity funds for a number of leading domestic and international institutions.

In 2006, Attijari Invest, in partnership with Emerging Markets Partnership (EMP Africa), closed the MAD 1 billion Moroccan Infrastructure Fund with a first closing amounting to MAD 800 million. The Fund, which is the largest of its type in Morocco, intends to participate in the country's most important infrastructure projects and may also invest in Algeria and Tunisia. Attijari Invest also closed the MAD 200 million IGRANE Fund specialising in the Souss Massa Drâa region with a first closing amounting to MAD 120 million. Attijari Invest was appointed by the Al Ajial Fund, a USD 200 million investment fund managed by the Kuwait Investment Authority, to provide management assistance and advice.

INSURANCE AND ASSET MANAGEMENT SUBSIDIARIES

• Asset management: Wafa Gestion

Besides the exceptional performance of the Casablanca Stock Exchange both in terms of the index level and trading volumes, Wafa Gestion's market environment for debt securities was characterised by a strong downward move in the funds raised by the Treasury by issuing medium- and long-dated bonds. This change was due to the strong demand from various participants. There was an 11.74% rise in bond market yields compared to 2005 due to a decline in primary market rates.

In such a benign context, assets under management in the Moroccan market increased by 49.3% to more than MAD 129 billion.

Growth was mainly generated by an increase in funds open to the public with growth of 56.4% to MAD 28.2 billion in mutual funds (UCITS). Specialised mutual funds experienced growth of 39.5% compared to 2005, equivalent to MAD 14.38 billion.

Against such a backdrop, Wafa Gestion alone recorded an increase of 30% or MAD 13.1 billion in its assets under management in mutual funds. This can be explained by several factors:

- The quality of management with strong performance across all asset classes;
- The launch of a long-dated bond fund which completed the BPP range;
- The launch of new funds for institutional investors resulting from Wafa Gestion's selection in the context of «beauty parades" in 2006 ;
- Growth of 41.6% in funds open to the public was largely responsible for the increase in Wafa Gestion's assets under management as indicated above. Medium- and long-dated bond funds were particularly popular, rising from MAD 22.62 billion to MAD 29.39 billion.
- The results were significantly better. Sales rose by 34% to MAD 225.59 million in 2006 against MAD 168 million the previous year. Net income registered a 72% increase from MAD 36.49 million to MAD 62.77 million in 2006.

• Wafa Assurance

At december 31st, 2006, premiums written by the company amounted to MAD 2.3 billion against MAD 1.6 billion in 2005, an increase of 45%, resulting from growth of 136% in the Life business and 4.5% in Non-life.

The company's technical result increased 64% to MAD 353.6 million. By category, Life realised a technical result of MAD -67 million whilst Non-life posted an increase of 200% to MAD 420.6 million against MAD 140 million in 2005.

Net income posted an increase of 71.3% to MAD 313.6 million against MAD 183 million in 2005. The company's shareholders' equity totalled MAD 1,091 million against MAD 854 million the previous year.

In 2007, Wafa Assurance's business strategy is to:

- Become leader of the Moroccan bancassurance market and leading general insurance company;
- Double its sales over the three-year period beginning in 2005;
- Increase its technical result by 64% over the three-year period beginning in 2005.

RESOLUTIONS OF THE SHAREHOLDERS ANNUAL GENERAL MEETING

• First resolution

The Annual General Meeting, having heard the reports of the Board of Directors and the Statutory Auditors for the year ended december 31st, 2006, expressly approves the financial statements for the said year as presented as well as the transactions reflected in these statements or summarised in these reports showing net income of MAD 1,926,186,491.18.

• Second resolution

The Annual General Meeting, having heard the special report of the Statutory Auditors on agreements governed by Articles 56 and pursuant to Law 17/95 relating to sociétés anonymes, approves the conclusions of the said report and the agreements referred to therein.

• Third resolution

The Annual General Meeting approves the appropriation of net income proposed by the Board of Directors, namely:

• Net income for the period	1 926 186 491,18 DH
• Transfer to legal reserve	-
• Transfer to investment reserve	125 000 000,00 DH
• Retained earnings brought forward	1 533 862,32 DH
• Distributable income	**1 802 720 353,50 DH**
Appropriation :	
• Statutory dividend	115 797 576,00 DH
• Amount required to increase the dividend to MAD 45 per share	752 684 244,00 DH
• Total dividend payment	**868 481 820,00 DH**
• Transfer to extraordinary reserves	933 380 056,67 DH
• Retained earnings carried forward	858 476,83 DH

Accordingly, the Annual General Meeting decides to distribute a dividend of MAD 45 per share with entitlement to rights for one year, which will be made available for payment from july 2nd, 2007 at the bank's registered office in accordance with applicable regulations.

• Fourth resolution

Further to the above resolutions, the Annual General Meeting gives full and final discharge to the members of the Board of Directors of their management responsibilities during the year ended and to the Statutory Auditors for the exercise of their duties for the said financial year.

• Fifth resolution

The Annual General Meeting sets at MAD 4,000,000 the fees that shall be paid to the members of the Board of Directors in respect of the financial year ended december 31st, 2007.

The Board of Directors shall distribute these fees between its members as it sees fit.

• Sixth resolution

The Annual General Meeting takes note of the resignation of Mr. Khalid Oudghiri Idrissi Hassani, of Mr. Bassim Jaï Hokimi and of AXA Assurances Maroc, represented by Mr. Daniel Antunes as directors and thanks them for their contribution to the development of the bank.

• Seventh resolution

The Annual General Meeting, having noted that the terms of office of Mr. Saâd Bendidi and of Financière des Investissements Immobiliers et Industriels, come to an end at the close of the present meeting, decides to renew the said appointment for the statutory period of six years, a term which will expire on the date of the Annual General Meeting convened to approve the financial statements for the year ended december 31st, 2012.

• Eigth resolution

The Annual General Meeting, having heard the explanations presented to it by the Board of Directors, authorise the issue of bonds for an amount totalling MAD 2 billion (MAD 2,000,000,000) and gives all powers to the Board of Directors to conduct one or several bond issues, within a period of five years and to decide their terms and characteristics.

In the event of several issues, each issue is considered as loan stock as defined by Article 298 of Law 17/95 relating to sociétés anonymes and must be fully paid-up.

• Ninth resolution

The Annual General Meeting, having been informed of the second proposed operation enabling employees to invest in the bank's equity, approves the proposed sale of the company's shares to Group employees as well as the stock-option plan (option to purchase shares) and gives full powers to the Board of Directors or to any person appointed by it to fix the terms, set up and carry out these proposals.

• Tenth resolution

The Annual General Meeting gives full powers to the bearer of an original or copy of the present resolutions to conduct the formalities relating to their publication and any other formalities prescribed by the law.

GENERAL REPORT OF THE STATUTORY AUDITORS ON THE PARENT COMPANY'S FINANCIAL STATEMENTS

ERNST & YOUNG

37 Bd. Abdellatif Ben Kaddour
20 050 Casablanca. MAROC

Deloitte.

288, Bd Zerktouni
20000 Casablanca

To the shareholders of Attijariwafa bank

General report of the Statutory Auditors
for the financial year ended december 31st, 2006

In accordance with the assignment entrusted to us by your General Meeting, we have audited the attached financial statements of Attijariwafa bank for the financial year ended december 31st, 2006, comprising the balance sheet, income statement, management accounting statement, cash flow statement and additional information statement relating to the financial year ended december 31st, 2006. These financial statements, which show shareholders' equity of MAD 13,489,292 thousand including net income of MAD 1,929,881 thousand, are the responsibility of the bank's decision-making bodies. We are responsible for expressing an opinion on these financial statements based on our audit.

We conducted our audit in accordance with professional standards in Morocco. These standards require that we plan and perform our audit so as to obtain reasonable assurance that the financial statements are free of material misstatement. An audit consists of an examination, on a sample basis, of documents justifying the amounts and information contained in the financial statements. It also involves an assessment of the accounting principles used, of significant estimates made by General Management and of the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion on the financial statements

In our opinion, the financial statements referred to above give, in all material aspects, a true and fair view of the financial position of Attijariwafa bank at december 31st, 2006 and of the results of its operations and of changes in its cash flows for the year then ended, in accordance with generally accepted accounting principles in Morocco.

Specific verifications and information

We have also performed the specific verifications as required by law and we satisfied ourselves in particular as to the consistency of the information provided in the Management Report of the Board of Directors to shareholders with the bank's financial statements.

In accordance with the provisions of Article 172 of Law 17/95, we draw your attention to the fact the bank has established:

- a subsidiary, "Attijariwafa bank Europe", a wholly-owned bank governed by French law with an initial share capital of EUR 37,000 which was subsequently raised to EUR 33,906,660 following the takeover of the activities of the former Paris and Brussels branches. The entire number of securities were tendered to a holding company "Attijariwafa Euro Finances" during the financial year;
- a subsidiary, "Attijariwafa Euro Finances », a wholly-owned holding company governed by French law with an initial share capital of EUR 37,000 which was subsequently raised to EUR 33,906,660 following the tender by the bank of securities in Attijariwafa bank Europe;
- a wholly-owned subsidiary in Italy, "Attijariwafa Finanzaria Spa", with a share capital of EUR 600,000.

Casablanca, march 22nd, 2007

The Statutory Auditors

ERNST&YOUNG

Ali BENNANI
Partner

DELOITTE AUDIT

Fawzi BRITEL
Partner

SOCIAL ACCOUNTS STATEMENTS AS OF DECEMBER 31 ST, 2006

Balance sheet

(in thousands of dirhams)

ASSETS	12/31/2006	12/31/2005
Cash at bank, central banks, the treasury and post office cheques	**14 619 432**	**12 681 402**
Amounts due from credit institutions and similar establishments	**24 155 056**	**19 345 594**
Sight	14 361 282	9 719 917
Term	9 793 774	9 625 677
Customer receivables	**67 951 564**	**52 444 141**
Cash advances and consumer credit	35 049 102	27 549 850
Equipment loans	16 455 411	12 698 330
Real-estate loans	15 526 925	10 325 788
Other loans	920 126	1 870 173
Receivables acquired through factoring	**982 762**	**1 248 732**
Trading securities	**19 641 854**	**17 089 819**
Treasury bills and similar securities	11 983 424	12 757 734
Other debt securities	1 723 803	2 667 385
Title instruments	5 934 627	1 664 700
Other assets	**1 799 373**	**1 442 071**
Investment securities	**3 543 552**	**3 959 896**
Treasury bills and similar securities	1 526 449	1 704 067
Other debt securities	2 017 103	2 255 829
Participating interests and similar assets	**6 169 374**	**5 709 436**
Subordinated receivables		
Fixed assets given in leasing finance	**35 567**	**82 957**
Intangible fixed assets	**1 453 416**	**1 436 556**
Tangible fixed assets	**2 423 750**	**2 517 950**
TOTAL ASSETS	**142 775 700**	**117 958 554**

LIABILITIES	12/31/2006	12/31/2005
Central banks, the treasury and post office cheques	**5 294**	
Amounts due to credit institutions and similar establishments	**5 229 917**	**4 506 911**
Sight	4 849 982	3 115 805
Term	379 935	1 391 106
Customer deposits	**120 904 819**	**98 475 272**
Sight accounts – credit balances	64 671 379	55 012 271
Savings accounts	13 440 266	12 583 585
Term deposits	38 637 642	27 926 634
Other accounts – credit balances	4 155 532	2 952 782
Debt securities issued		
Negotiable debt securities		
Bonds		
Other debt securities issued		
Other liabilities	**2 308 375**	**1 679 043**
Provisions for liabilities and charges	**588 003**	**788 119**
Regulated provisions	**250 000**	**175 000**
Grants, allocated public funds and special guarantee funds		
Subordinated debt		
Revaluation reserve	**420**	**420**
Reserves and premiums related to share capital	**9 636 620**	**9 115 920**
Share capital	**1 929 960**	**1 929 960**
Shareholders, unpaid share capital (-)		
Retained earnings (+/-)	**- 7 589**	**70 529**
Net income pending appropriation (+/-)		
Net income for the financial year (+/-)	**1 929 881**	**1 217 380**
TOTAL LIABILITIES	**142 775 700**	**117 958 554**

Off balance sheet items

(in thousands of dirhams)

	12/31/2006	12/31/2005
Commitments given	**25 589 497**	**21 897 693**
Financing commitments given on behalf of credit institutions and similar establishments		
Financing commitments given on behalf of customers	7 355 811	6 291 714
Guarantee commitments on behalf of credit institutions and similar establishments	3 292 824	4 340 452
Guarantee commitments on behalf of customers	14 940 862	11 265 527
Securities purchased with repurchase option		
Other securities to be delivered		
Commitments received	**18 031 289**	**10 536 898**
Financing commitments received from credit institutions and similar establishments		
Guarantee commitments received from credit institutions and similar establishments	18 005 345	10 511 330
Guarantee commitments received from the State and other guarantee bodies	25 944	25 568
Securities sold with repurchase option		
Other securities to be received		

Income statement for the year

(in thousands of dirhams)

	12/31/2006	12/31/2005
I. BANKING OPERATING INCOME	**7 276 884**	**6 323 914**
Interest and similar income from transactions with credit institutions	870 366	691 304
Interest and similar income from transactions with customers	3 897 611	3 475 852
Interest and similar income from debt securities	662 470	812 766
Income from title instruments	282 833	128 011
Income from fixed assets subject to finance leases	50 674	93 757
Commission from services provided	735 907	630 619
Other banking income	777 023	491 605
II. BANKING OPERATING CHARGES	**2 235 518**	**1 689 517**
Interest and similar charges on transactions with credit institutions	254 465	197 443
Interest and similar charges on transactions with customers	1 493 764	1 106 197
Interest and similar charges on debt securities issued		
Charges on fixed assets subject to finance leases	47 390	83 879
Other banking charges	439 899	301 998
III. NET BANKING INCOME	**5 041 366**	**4 634 397**
Non-banking operating income	284 585	133 712
Non-banking operating charges	79	120
IV. OPERATING COSTS	**2 331 861**	**2 240 606**
Staff costs	1 015 905	1 028 103
Taxes and duties other than corporation tax	80 119	57 233
External charges	931 151	861 749
Other operating costs	1 819	1 682
Depreciation and amortisation on intangible and tangible fixed assets	302 867	291 839
V. WRITE-DOWNS AND LOSSES ON IRRECOVERABLE RECEIVABLES	**1 512 560**	**2 644 747**
Charges to write-downs on doubtful loans and contingent liabilities	647 865	911 109
Losses on irrecoverable receivables	500 829	1 384 345
Other write-downs	363 866	349 293
VI. WRITE-BACKS OF PROVISIONS AND RECOVERIES ON RECEIVABLES WRITTEN DOWN	**1 351 182**	**2 158 055**
Write-backs of provisions for doubtful loans and contingent liabilities	887 664	1 915 978
Recoveries on receivables written down	101 701	23 655
Other write-backs	361 817	218 422
VII. INCOME FROM ORDINARY ACTIVITIES	**2 832 633**	**2 040 691**
Exceptional income	9 501	19 975
Exceptional charges	91 576	141 602
VIII. PRE-TAX INCOME	**2 750 558**	**1 919 064**
Corporation tax	820 677	701 684
IX. NET INCOME FOR THE YEAR	**1 929 881**	**1 217 380**

Management accounting statement

(in thousands of dirhams)

I- RESULTS ANALYSIS	12/31/2006	12/31/2005
+ Interest and similar income	5 430 447	4 979 922
- Interest and similar charges	1 748 229	1 303 640
NET INTEREST INCOME	**3 682 218**	**3 676 282**
+ Income from fixed assets subject to finance leases	50 674	93 757
- Charges on fixed assets subject to finance leases	47 390	83 879
NET INCOME FROM FINANCE LEASES	**3 284**	**9 878**
+ Commission received	735 991	632 442
- Commission given	12 255	2 930
NET COMMISSION INCOME	**723 736**	**629 512**
+ Net income from trading securities		
+ Net income from securities available for resale	327 783	89 764
+ Net income from foreign exchange transactions	361 991	284 254
+ Net income from derivative transactions	4 817	-7 692
NET INCOME ON MARKET TRANSACTIONS	**694 591**	**366 326**
+ Other banking income	286 597	143 554
- Other banking charges	349 060	191 155
NET BANKING INCOME	**5 041 366**	**4 634 397**
+ Income from financial fixed assets	157 863	18 455
+ Other non-banking operating income	66 133	131 553
- Other non-banking operating charges	79	120
- Operating costs	2 331 862	2 240 607
GROSS OPERATING INCOME	**2 933 421**	**2 543 678**
+ Net charges for provisions on doubtful loans and contingent liabilities	-159 328	-355 820
+ Other net charges for provisions	58 540	-147 168
INCOME FROM ORDINARY ACTIVITIES	**2 832 633**	**2 040 691**
NET EXCEPTIONAL INCOME	**-82 075**	**-121 627**
- Corporation tax	820 677	701 684
NET INCOME FOR THE YEAR	**1 929 881**	**1 217 380**

II - CASH FLOW	12/31/2006	12/31/2005
+ NET INCOME FOR THE YEAR	**1 929 881**	**1 217 380**
+ Depreciation and amortisation on intangible and tangible fixed assets	302 867	291 839
+ Write-downs of financial fixed assets	70 899	
+ General provisions	12 080	94 786
+ Regulated provisions	200 000	175 000
+ Extraordinary provisions		
- Write-backs of provisions	286 955	220 508
- Capital gains on disposals of intangible and tangible fixed assets	14 745	35 221
+ Capital losses on disposals of intangible and tangible fixed assets	79	120
- Capital gains on disposals of financial fixed assets	218 452	2 158
+ Capital losses on disposals of financial fixed assets		
- Write-backs of investment grants received		
+ TOTAL CASH FLOW	**1 995 654**	**1 521 238**
- Profits distributed	694 785	578 988
+ CASH FLOW AFTER DISTRIBUTIONS	**1 300 869**	**942 249**

Amounts due from credit institutions and similar establishments

(in thousands of dirhams)

	BAM, the Treasury and post office cheques	Banks in Morocco	Other credit institutions in Morocco	Credit institutions outside Morocco	12/31/2006	12/31/2005
Ordinary accounts – debit balances	13 120 616	177	645 108	2 035 215	15 801 117	14 378 747
Securities received under reverse repos						
overnight						
term						
Cash loans		**524 848**	**8 579 176**	**7 550 949**	**16 654 973**	**12 317 872**
overnight		126 848		937 595	1 064 443	
term		398 000	8 579 176	6 613 354	15 590 530	12 317 872
Financial loans		1 658 636	2 754 451		4 413 087	4 912 366
Other receivables		278 834	3 403	1 288	283 525	289 563
Accrued interest receivable	2 868		85 617	37 353	125 838	128 448
Doubtful loans						
TOTAL	**13 123 484**	**2 462 495**	**12 067 755**	**9 624 805**	**37 278 540**	**32 026 996**

Analysis of trading and investment securities by category of issuer

(in thousands of dirhams)

Securities	Credit institutions and similar establishments	Public issuers	Private issuers		12/31/2006	12/31/2005
			Financial	Non financial		
LISTED SECURITIES	**10 280**	**-**	**5 900 892**	**5 457**	**5 916 629**	**2 196 720**
Treasury bills and similar securities					-	-
Bonds	-			-	-	532 020
Other debt securities					-	-
Title instruments	10 280		5 900 892	5 457	5 916 629	1 664 700
UNLISTED SECURITIES	**2 615 606**	**14 160 152**	**5 704**	**487 315**	**17 268 777**	**18 852 995**
Treasury bills and similar securities		13 509 873			13 509 873	14 461 801
Bonds	89 247	650 279		475 776	1 215 302	779 805
Other debt securities	2 525 605				2 525 605	3 611 389
Title instruments	754		5 704	11 539	17 997	
TOTAL	**2 625 886**	**14 160 152**	**5 906 596**	**492 772**	**23 185 406**	**21 049 715**

Analysis of trading and investment securities

(in thousands of dirhams)

SECURITIES	Gross book value	Current value	Redemption value	Unrealised gains	Unrealised losses	Provisions
TRADING SECURITIES	**-**	**-**	**-**	**-**	**-**	**-**
Treasury bills and similar securities						
Bonds						
Other debt securities						
Title instruments						
TRADING SECURITIES SECURITIES AVAILABLE FOR SALE	**19 668 907**	**19 641 854**	**-**	**-**	**27 053**	**27 053**
Treasury bills and similar securities	11 986 038	11 983 424		-	2 614	2 614
Bonds	1 215 478	1 215 302		-	176	176
Other debt securities	508 501	508 501		-	-	-
Title instruments	5 958 890	5 934 627		-	24 263	24 263
INVESTMENT SECURITIES	**3 543 552**	**3 543 552**	**-**	**-**	**-**	**-**
Treasury bills and similar securities	1 526 449	1 526 449		-	-	-
Bonds				-	-	-
Other debt securities	2 017 103	2 017 103		-	-	-

Customer receivables

(in thousands of dirhams)

	Public sector	Private sector: Financial companies	Private sector: Non-financial companies	Private sector: Other customers	12/31/2006	12/31/2005
CASH ADVANCES	**1 374 242**	**349 702**	**29 543 225**	**1 152 368**	**32 419 537**	**25 672 049**
- Commercial loans within Morocco	1 374 242	349 702	9 548 556	1 152 368	12 424 868	9 531 272
- Commercial loans within Morocco			3 540 816		3 540 816	3 003 676
- Export loans			493 009		493 009	1 300 990
- Other cash advances			15 960 844		15 960 844	11 836 111
CONSUMER CREDIT				**2 170 631**	**2 170 631**	**1 524 838**
EQUIPMENT LOANS	**546 558**		**15 691 196**		**16 237 754**	**12 551 789**
REAL-ESTATE LOANS	**6 185**		**4 975 932**	**10 532 774**	**15 514 891**	**10 306 353**
OTHER LOANS		**3 994**	**109 874**	**13 582**	**127 450**	**666 902**
RECEIVABLES ACQUIRED THROUGH FACTORING			**982 762**		**982 762**	**1 248 732**
ACCRUED INTEREST RECEIVABLE			**661 951**	**26 998**	**688 949**	**519 705**
DOUBTFUL LOANS	**2 374**	**11 384**	**471 479**	**307 115**	**792 352**	**1 202 505**
- Substandard loans			758		758	39 789
- Doubtful loans			22 770		22 770	14 824
- Loss loans	2 374	11 384	447 951	307 115	768 824	1 147 892
TOTAL	**1 929 359**	**365 080**	**52 436 419**	**14 203 468**	**68 934 326**	**53 692 873**

Analysis of other assets

(in thousands of dirhams)

ASSETS	12/31/2006	12/31/2005
Options purchased		
Sundry transactions on securities		
SUNDRY DEBTORS	**256 510**	**210 185**
Amounts due from the State	174 222	153 304
Amounts due from provident bodies		
Sundry amounts due from staff	362	792
Amounts due from customers for non barking services		
Other sundry debtors	81 925	56 089
SECURITIES AND SIMILAR ASSETS	**171 159**	**106 191**
PREPAYMENTS AND ACCRUED INCOME	**1 323 935**	**1 107 738**
Adjustment accounts – off-balance sheet transactions	174 383	118 268
Differences on foreign currencies and securities	28 591	42 042
Income from hedging derivatives		
Deferred charges	69 484	86 658
Intercompany accounts – head office/Morocco branches	14 190	80 560
Accrued income and prepaid expenses	423 858	350 391
Other prepayments and accrued income	613 430	429 819
DOUBTFUL RECEIVABLES ON SUNDRY TRANSATIONS	**47 769**	**17 957**
TOTAL	**1 799 373**	**1 442 071**

Provisions

(in thousands of dirhams)

PROVISIONS	Opening balance 12/31/2005	New provisions	Write-backs	Other movements	Closing balance 12/31/2006
PROVISIONS, DEDUCTED FROM ASSETS, ON:	**4 273 216**	**712 413**	**852 751**	**-32 542**	**4 100 336**
Amounts due from credit institutions and similar establishments					
Customer receivables	4 141 935	618 464	839 677	-33 128	3 887 594
Trading securities	27 279	2 539	2 764		27 054
Participating interests and similar assets	76 279	70 899	10 310	28 309	165 177
Fixed assets					
Other assets	27 723	20 511	-	-27 723	20 511
PROVISIONS RECORDED IN LIABILITIES	**963 119**	**318 234**	**399 496**	**-43 853**	**838 004**
Provisions for execution risks on contingent liabilities	170 460	29 401	47 988	-2 518	149 355
Provisions for foreign currency risks	2 616		2 616		-
General provisions	422 064	12 080	154 175	-43 970	235 999
Provisions for pension commitments and similar obligations	39 814	25 883	7 316		58 381
Provisions for other liabilities and charges	153 165	50 870	62 401	2 635	144 269
Regulated provisions	175 000	200 000	125 000		250 000
TOTAL	**5 236 335**	**1 030 647**	**1 252 247**	**-76 395**	**4 938 340**

Intangible and tangible fixed assets

(in thousands of dirhams)

Assets	Gross value at january 1st	Acquisitions during the year	Disposals/ withdrawals during the year	Gross value at 31 December	Amortisation and provisions: Depreciation/ amortisation at january 1st	Amortisation and provisions: Charges during the year	Amortisation and provisions: Depreciation/ amortisation on fixed asset disposals/ withdrawals	Amortisation and provisions: Sub-total	Net value at 31 December
INTANGIBLE FIXED ASSETS	**1 548 378**	**85 998**	**29 049**	**1 605 327**	**111 822**	**60 726**	**20 638**	**151 910**	**1 453 417**
Lease rights	158 446	28 457	1 534	185 369	-			-	185 369
Research and development fixed assets	-	-							
Other operating intangible fixed assets	1 389 932	57 541	27 515	1 419 958	111 822	60 726	20 638	151 910	1 268 048
Non-operating intangible fixed assets	-	-	-						
TANGIBLE FIXED ASSETS	**4 358 204**	**369 648**	**344 253**	**4 383 599**	**1 840 254**	**218 193**	**98 598**	**1 959 849**	**2 423 749**
OPERATING PREMISES	1 621 879	74 610	80 953	1 615 536	315 910	51 099	19 162	347 847	1 267 689
. Operating land	225 539	38 462	240	263 761			-	-	263 761
. Operating premises – offices	1 300 518	36 148	60 702	1 275 964	271 812	48 414	16 699	303 527	972 436
. Operating premises - staff housing	95 822	-	20 011	75 811	44 098	2 685	2 463	44 320	31 492
OPERATING FURNITURE AND EQUIPMENT	**1 355 276**	**153 541**	**31 871**	**1 476 946**	**977 621**	**116 055**	**18 189**	**1 075 487**	**401 459**
. Operating office furniture	275 521	38 596	8 301	305 816	207 667	17 375	4 041	221 001	84 815
. Operating office equipment	650 787	82 387	9 375	723 799	492 483	51 668	7 473	536 678	187 121
. IT hardware	414 148	32 112	8 843	437 417	264 167	46 234	1 751	308 650	128 767
. Operating vehicles	14 820	447	5 352	9 915	13 304	778	4 924	9 158	756
. Other operating equipment	-	-	-	-	-	-	-	-	-
OTHER OPERATING TANGIBLE FIXED ASSETS	**641 796**	**105 861**	**125 360**	**622 297**	**419 649**	**34 003**	**31 513**	**422 139**	**200 158**
NON-OPERA TING TANGIBLE FIXED ASSETS	**739 253**	**35 635**	**106 069**	**668 819**	**127 074**	**17 037**	**29 734**	**114 377**	**554 443**
. Non-operating land	223 322	2 025	7 735	217 612		-		-	217 612
. Non-operating premises	336 764	31 501	27 762	340 503	44 221	12 938	1 940	55 219	285 283
. Non-operating furniture and equipment	31 689	66		31 755	29 669	2 144		31 813	-58
. Other non-operating tangible fixed assets	147 478	2 044	70 572	78 950	53 184	1 955	27 794	27 345	51 605
TOTAL	**5 906 582**	**455 646**	**373 302**	**5 988 925**	**1 952 076**	**278 920**	**119 236**	**2 111 760**	**3 877 166**

Amounts due to credit institutions and similar establishments

(in thousands of dirhams)

LIABILITIES	BAM, the Treasury and post office cheques	Banks in Morocco	Other credit institutions in Morocco	Credit institutions outside Morocco	12/31/2006	12/31/2005
Ordinary accounts – credit balances	5 294	11 254	136 681	727 599	880 828	1 283 014
Securities given under repos	99 940				99 940	53 529
Overnight						
Term	99 940				99 940	53 529
Cash borrowings		162 366	2 116 371	1 655 233	3 933 970	2 750 913
Overnight				16 437	16 437	
Term		162 366	2 116 371	1 638 796	3 917 533	2 750 913
Financial borrowings				156 745	183 331	209 830
Other liabilities	26 586	54 350			75 519	182 444
Accrued interest payable	21 169	20 511		41 112	61 623	27 181
TOTAL	**152 989**	**248 481**	**2 253 052**	**2 580 689**	**5 235 211**	**4 506 911**

Financing and guarantee commitments

(in thousands of dirhams)

	12/31/2006	12/31/2005
FINANCING AND GUARANTEE COMMITMENTS GIVEN	**26 027 434**	**22 333 354**
FINANCING COMMITMENTS GIVEN ON BEHALF OF CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS		
Import documentary credits		
Acceptances and other commitments to pay		
Confirmed credits opened		
Back-up commitments on security issues		
Irrevocable commitments on finance leases		
Other financing commitments given		
FINANCING COMMITMENTS GIVEN ON BEHALF OF CUSTOMERS	**7 355 811**	**6 291 714**
Import documentary credits	5 876 489	5 112 483
Acceptances and other commitments to pay	1 479 323	1 179 231
Confirmed credits opened		
Back-up commitments on security issues		
Irrevocable commitments on finance leases		
Other financing commitments given		
GUARANTEE COMMITMENTS ON BEHALF OF CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS	**3 292 824**	**4 340 453**
Confirmed export documentary credits		450 481
Acceptances and other commitments to pay		
Credit guarantees given		
Other security, pledges and guarantees given	3 292 824	3 889 972
Problem commitments		
GUARANTEE COMMITMENTS ON BEHALF OF CUSTOMERS	**15 378 799**	**11 701 187**
Credit guarantees given	902 760	
Security and guarantees on behalf of government bodies	8 905 653	7 140 153
Other security and guarantees given	5 132 449	4 125 373
Problem commitments	437 937	435 661
FINANCING AND GUARANTEE COMMITMENTS RECEIVED	**18 031 289**	**10 536 898**
FINANCING COMMITMENTS RECEIVED FROM CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS		
Confirmed credits opened		
Back-up commitments on security issues		
Other financing commitments received		
GUARANTEE COMMITMENTS RECEIVED FROM CREDIT INSTITUTIONS AND SIMILAR ESTABLISHMENTS	**18 005 345**	**10 511 330**
Credit guarantees		
Other guarantees received	18 005 345	10 511 330
GUARANTEE COMMITMENTS RECEIVED FROM THE STATE AND OTHER GUARANTEE BODIES	**25 944**	**25 568**
Credit guarantees	25 944	25 568
Other guarantees received		

Shareholders' equity

(in thousands of dirhams)

	Encours 12/31/2005	Affectation du résultat	Autres variations	Encours 12/31/2006
REVALUATION RESERVES	**420**			**420**
RESERVES AND PREMIUMS RELATED TO SHARE CAPITAL	**9 115 920**	**520 700**		**9 636 620**
Legal reserve	171 127	21 869		192 996
Other reserves	3 508 229	498 831		4 007 060
Issue, merger and transfer premiums	5 436 564			5 436 564
SHARE CAPITAL	**1 929 960**			**1 929 960**
Called-up share capital	1 929 960			1 929 960
Uncalled share capital				
Non-voting preference shares				
Fonds de dotation				
SHAREHOLDERS, UNPAID SHARE CAPITAL				
(-/+) RETAINED EARNINGS	**70 529**		**-78 119**	**-7 590**
(-/+) NET PROFITS (LOSSES) PENDING ALLOCATION				
(-/+) NET INCOME	**1 217 380**			**1 929 882**
TOTAL	**12 334 209**	**520 700**	**-78 119**	**13 489 292**

Customer deposits

(in thousands of dirhams)

DEPOSITS	Public sector	Private sector: Financial companies	Private sector: Non-financial companies	Private sector: Other customers	Total 12/31ww/2006	Total 12/31/2005
Sight accounts – credit balances	626 147	1 217 152	13 393 345	49 380 230	**64 616 874**	**54 993 546**
Savings accounts				13 358 800	**13 358 800**	**12 515 067**
Term deposits	2 933 226	5 648 038	14 933 885	14 809 505	**38 324 654**	**26 237 888**
Other accounts – credit balances	15 685	47 209	3 904 957	184 342	**4 152 193**	**4 389 013**
Accrued interest payable				452 298	**452 298**	**339 758**
TOTAL	**3 575 058**	**6 912 399**	**32 232 187**	**78 185 175**	**120 904 819**	**98 475 272**

Analysis of other liabilities

(in thousands of dirhams)

	12/31/2006	12/31/2005
SUNDRY TRANSACTIONS ON SECURITIES	**9 086**	
OTHER CREDITORS	1 114 850	949 827
Amounts due to the State	572 912	664 926
Amounts due to provident bodies	40 795	47 852
Sundry amounts due to staff	114 603	93 849
Sundry amounts due to shareholders and partners	2 186	2 004
Suppliers of goods and services	354 829	109 507
Other creditors	29 525	31 689
ACCRUALS AND DEFERRED INCOME	**1 184 439**	**729 216**
Adjustment accounts-off-balance sheet transactions		
Differences on foreign currencies and securities		
Income from hedging derivatives		
Intercompany accounts-head office-Morocco branches		
Accrued expenses and deferred income	367 479	258 935
Other accruals and deferred income	816 960	470 281
TOTAL	**2 308 375**	**1 679 043**

Forward exchange transactions and commitments on derivatives

(in thousands of dirhams)

	Hedging transactions 12/31/2006	Hedging transactions 12/31/2005	Other transactions 12/31/2006	Other transactions 12/31/2005
FORWARD EXCHANGE TRANSACTIONS	**41 864 018**	**17 618 542**		
Foreign currencies to be received	7 998 210	693 857		
Dirhams to be delivered	770 292	688 893		
Foreign currencies to be delivered	20 093 414	8 062 110		
Dirhams to be received	13 002 102	8 173 682		
o/w foreign currency financial swaps				
COMMITMENTS ON DERIVATIVES	**1 267 819**	**2 351 896**		
Commitments on regulated fixed-income markets				
Commitments on OTC fixed-income markets				
Commitments on regulated foreign exchange markets	1 267 819	2 351 896		
Commitments on OTC foreign exchange markets				
Commitments on regulated markets in other instruments				
Commitments on OTC markets in other instruments				

Risk concentration with the same beneficiary

(in thousands of dirhams)

Number of beneficiaries	Total commitment
9	16 949 449

Securities and collateral received and given as guarantees

(in thousands of dirhams)

Securities and collateral received as guarantees	Net book value	Asset/off-balance sheet headings in which the receivables/ guarantees and other commitments given are recorded	Amount of receivables/guarantees and other commitments given that are covered
Treasury bills and similar securities			
Other securities		N/D	
Mortgages			
Other physical securities and collateral			
TOTAL	-		

Securities and collateral given as guarantees	Net book value	Liability/off-balance sheet headings in which the liabilities/ guarantees and other commitlents received are recorded	Amount of liabilities/ guarantees and other commitments received that are covered
Treasury bills and similar securities			
Other securities			
Mortgages			
Other physical securities and collateral	168 780	OTHER VALUES AND SECURITIES	
TOTAL	168 780		-

Analysis of assets and liabilities by residual maturity

(in thousands of dirhams)

	M<= 1 month	month<M<=3 months	3 months<M<=1year	1 year<M<=5 years	M>= 5 years	TOTAL
ASSETS						
Amounts due from credit institutions and similar establishments	13 399 622	3 450 559	2 454 774	4 413 087		23 718 042
Customer receivables	18 349 591	1 202 553	5 604 520	25 464 922	16 541 357	67 162 943
Debt securities	237 010	509 398	3 565 769	7 117 488	5 422 098	16 851 763
Subordinated receivables						
Finance leases and similar instruments						
TOTAL	31 986 223	5 162 510	11 625 063	36 995 497	21 963 455	107 732 748
LIABILITIES						
Amounts due to credit institutions and similar establishments	1 953 575	739 805	2 398 265			5 091 645
Amounts due to customers	71 790 989	11 557 593	19 261 949	2 049		102 612 580
Debt securities issued						
Subordinated borrowings						
TOTAL	73 744 564	12 297 398	21 660 214	2 049		107 704 225

Analysis of total assets, liabilities and off-balance sheet items in foreign currency

(in thousands of dirhams)

	12/31/2006	12/31/2005
ASSETS		
Cash at bank, central banks, the Treasury and post office cheques	189 108	67 430
Amounts due from credit institutions and similar establishments	12 989 941	9 851 661
Customer receivables	3 879 472	3 444 078
Trading securities and investment securities	951 520	1 184 520
Other assets	56 078	64 888
Participating interests and similar assets	962 160	494 307
Subordinated receivables		
Fixed assets subject to finance leases		
Tangible and intangible fixed assets	23 537	59 878
LIABILITIES		
Central banks, the Treasury and post office cheques		
Amounts due to credit institutions and similar establishments	4 286 185	2 750 159
Customer deposits	664 335	1 286 123
Debt securities issued		
Other liabilities	765 213	416 660
Grants, allocated public funds and special guarantee funds		
Subordinated debt		
Share capital and reserves		
Provisions	7 666	15 702
Retained earnings	-9 124	70 250
Net income	3 695	640
OFF-BALANCE SHEET ITEMS		
Commitments given	10 043 894	9 426 714
Commitments received	11 030 649	7 185 104

Commission from services provided

(in thousands of dirhams)

COMMISSION	31/12/2006	31/12/2005
Account operating fees	112 088	109 483
Payment method commissions	209 203	203 054
Security transaction fees	74 697	22 342
Commissions on securities under management or on deposit	65 041	48 136
Commissions from credit services provided	65 590	66 740
Advisory services and assistance fees	-	-
Commissions on sales of insurance products	42 508	33 601
Other commission from services provided	166 779	147 263
TOTAL	735 907	630 619

Net interest income

(in thousands of dirhams)

	12/31/2006	12/31/2005
Interest and similar income from transactions with customers	**3 897 611**	**3 475 852**
o/w: Interest	3 748 172	3 346 685
Commitment fees	149 439	129 167
Interest and similar income from transactions with credit institutions	**870 366**	**691 304**
o/w: Interest	846 430	672 515
Commitment fees	23 936	18 789
Interest and similar income from debt securities	**662 470**	**812 766**
INTEREST AND SIMILAR INCOME	**5 430 447**	**4 979 922**
Interest and similar charges on transactions with customers	**1 493 764**	**1 106 197**
Interest and similar charges on transactions with credit institutions	**254 465**	**197 443**
INTEREST AND SIMILAR CHARGES	**1 748 229**	**1 303 640**
NET INTEREST INCOME	**3 682 218**	**3 676 282**

Income from market transactions

(in thousands of dirhams)

	12/31/2006	12/31/2005
PRODUITS ET CHARGES		
+ Gains on trading securities		
- Losses on trading securities		
INCOME FROM TRANSACTIONS ON TRADING SECURITIES	**-**	**-**
+ Gains on disposals of trading securities	329 305	88 844
+ Write-backs of provisions for impairment in value of trading securities	2 764	4 600
- Losses on disposal of trading securities	1 747	2 089
- Charges to provisions for diminution in value of trading securities	2 539	1 591
INCOME FROM TRANSACTIONS ON TRADING SECURITIES	**327 783**	**89 764**
+ Gains on foreign exchange transactions - transfers	292 675	193 543
+ Gains on foreign exchange transactions - notes	106 098	114 423
- Losses on foreign exchange transactions - transfers	36 635	5 434
- Losses on foreign exchange transactions - notes	148	18 278
INCOME FROM FOREIGN EXCHANGE TRANSwACTIONS	**361 990**	**284 254**
+ Gains on fixed-income derivatives	-	
+ Gains on exchange-rate derivatives	42 333	72 829
+ Gains on other derivatives	-	
- Losses on fixed-income derivatives	-	
- Losses on exchange-rate derivatives	37 516	80 521
- Losses on other derivatives	-	
INCOME FROM TRANSACTIONS ON DERIVATIVES	4 817	-7 692

Operating costs

(in thousands of dirhams)

CHARGES	12/31/2006	12/31/2005
Staff costs	1 015 905	1 028 103
Taxes and duties other than corporation tax	80 119	57 233
External charges	931 151	861 749
Other operating costs	1 819	1 682
Depreciation and amortisation on intangible and tangible fixed assets	302 867	291 839
TOTAL	2 331 862	2 240 606

Income from title instruments

(in thousands of dirhams)

Type of instruments	12/31/2006	12/31/2005
Tranding securities	1 060	203
Participating interests	281 773	127 807
TOTAL	282 833	128 010

Participating interests and similar assets

(in thousands of dirhams)

Name of the issuing company	Sector of activity	Share capital	% of shares held	Gross book value	Net book value	Data from the issuing company's latest summary financial statements: Year-end date	Net position	Net income	Income booked in the current year's income statement
A - Participating interests in related undertakings				**4 737 121**	**4 634 899**		**2 803 993**	**566 279**	**249 413**
ATTIJARI FINANCES CORPORATE	Business bank	10 000	100,00%	10 000	10 000	12/31/2005	198 827	136 553	100 004
OMNIUM DE GESTION MAROCAIN S.A."OGM"	Holding	885 000	100,00%	2 047 900	2 047 900	12/31/2005	967 287	48 242	45 000
SOMACOVAM	Asset management	5 000	100,00%	30 000	6 108	12/31/2005	6 108	101	-
WAFA GESTION	Asset management	4 900	66,00%	236 369	236 369	12/31/2005	162 285	36 496	23 996
AGENA MAGHREB	Information systems	11 000	74,95%	33	-	12/31/2005	-6 597	-9	-
ATTIJARI CAPITAL RISQUE	Private equity	10 000	100,00%	10 000	10 000	12/31/2005	17 021	12 992	-
ATTIJARI INVEST.		5 000	100,00%	5 000	5 000	12/31/2005	5 000		-
ATTIJARI PROTECTION	Security	4 000	83,75%	3 350	3 013	12/31/2005	3 597	1 190	-
BCM CORPORATION	Holding	200 000	100,00%	200 000	200 000	12/31/2005	203 500	-43	-
CASA MADRID DEVELOPPEMENT		10 000	50,00%	5 000	4 196	12/31/2005	8 391	-20	-
DINERS CLUB DU MAROC	Information systems	1 500		1 675	-		-	-	-
MEDI TRADE	Trading	1 200	20,00%	240	138	12/31/2005	688	10	-
SCI AL MIFTAH	Real estate	100	99,00%	244	244	12/31/2005	67	-20	-
WAFA COURTAGE		1 000	100,00%	2 397	1 144	12/31/2005	1 144	23	-
SOMGETI	Information systems	300		100	100	12/31/2005	711	-24	-
WAFA BOURSE	Securities brokerage	20 000	100,00%	40 223	40 223	12/31/2005	44 634	619	-
WAFA COMMUNICATION		3 000	86,67%	2 600	1 168	12/31/2005	1 348	-937	-
WAFA FONCIERE	Real estate	17 000	100,00%	3 700	2 393	12/31/2005	2 393	-290	-
WAFA INVESTISSEMENT		40 000	100,00%	55 046	55 046	12/31/2005	8 072	-740	-
WAFA LLD	Long term rental	20 000	100,00%	20 000	20 000	12/31/2005	16 935	1 858	-
WAFA PATRIMOINE		10 000	66,00%	1 700	1 700		-	-	-
WAFA SYSTEMES CONSULTING	Information systems	5 000	99,88%	4 994	4 994	12/31/2005	11 395	898	5 500
WAFA SYSTEMES DATA	Information systems	1 500	100,00%	1 500	1 500	12/31/2005	5 115	665	598
WAFA SYSTEMES FINANCES	Information systems	2 000	99,85%	2 066	2 066	12/31/2005	5 283	681	3 000
WAFA TRUST	Private equity	5 000	79,60%	3 980	2 090	12/31/2005	2 625	-104	-
WAFABAIL		150 000	57,83%	86 983	86 983	12/31/2005	149 876	52 607	-
WAFATRADE		1 000	100,00%	-	-	12/31/2005	-3 091	-26	-
ATTIJARIA AL AAKARIA AL MAGHRIBIA	Real estate	10 000	100,00%	9 999	5 660	12/31/2005	5 660	355	-
SOCIETE IMMOBILIERE ATTIJARIA AL YOUSSOUFIA	Real estate	50 000	100,00%	51 449	51 449	12/31/2005	68 333	64 691	-
STE IMMOB.BOULEVARD PASTEUR «SIBP»	Real estate	300	50,00%	25	25	12/31/2005	919	6	-
SOCIETE IMMOBILIERE RANOUIL	Real estate	3 350	100,00%	11 863	11 863	12/31/2005	13 873	10 760	-
SOCIETE IMMOBILIERE TAN	Real estate	300	100,00%	2 841	777	12/31/2005	777	-83	-
SOCIETE IMMOBILIERE DE L'HIVERNAGE SA	Real estate	15 000	100,00%	15 531	4 055	12/31/2005	4 055	-1 382	-
SOCIETE IMMOBILIERE BELAIR I	Real estate	480	100,00%	3 844	458	12/31/2005	458	-103	-
SOCIETE IMMOBILIERE BELAIR II	Real estate	624	100,00%	4 176	549	12/31/2005	549	-133	-
SOCIETE IMMOBILIERE BELAIR III	Real estate	1 824	100,00%	7 111	1 741	12/31/2005	1 741	-91	-
SOCIETE IMMOBILIERE MAIMOUNA	Real estate	300	100,00%	5 266	4 999	12/31/2005	4 999	-246	-
STE IMMOBILIERE MARRAKECH EXPANSION	Real estate	300	100,00%	299	299	12/31/2005	2 933	2 462	-
SOCIETE IMMOBILIERE ZAKAT	Real estate	300	100,00%	2 685	278	12/31/2005	278	-26	-
ATTIJARI IMMOBILIER	Real estate	125 000	100,00%	179 224	142 665	12/31/2005	142 665	9 633	10 000
ATTIJARI INTERNATIONAL BANK	Offshoring	3 000	50,00%	13 183	13 183		-	-	-
WAFACASH	Money transfers	35 050	98,46%	319 406	319 406	12/31/2005	138 051	38 071	-
WAFA IMMOBILIER	Real estate	40 000	100,00%	164 364	164 364	12/31/2005	65 963	12 250	24 000
WAFASALAF	Consumer credit	113 180	65,94%	822 217	822 217	12/31/2005	540 124	139 396	37 315
ANDALU MAGHREB	Holding	-	68,68%	10 950	10 950		-	-	-
ATTIJARIWAFA FINANZARIA SPA		-	100,00%	6 590	6 590		-	-	-
ATTIJARIWAFA BANK EUROPE		-	100,00%	288 711	288 711		-	-	-
ATTIJARIWAFA BANK SENEGAL	Bank	-	100,00%	35 979	35 979		-	-	-
WAFACAMBIO				962	962				
WAFABANK OFFSHORE DE TANGER				5 347	5 347				
B - Other participating interests				**688 026**	**636 901**	**-**	**2 015 090**	**285 310**	**17 742**
ATTIJARIWAFA BANK	Bank	1 929 960		21 634	21 634		-	-	1 123
ATTIJARIWAFA BANK	Bank	1 929 960		1 203	1 203		-	-	-
NOUVELLES SIDERURGIES INDUSTRIELLES		3 615 000	2,72%	98 249	98 249		-	-	5 698
ONA	Holding	1 739 195		151 613	151 613		-	-	6 114
SNI	Holding	1 090 000		4 062	4 062		-	-	118
SONASID		390 000		5 623	5 623		-	-	892
SINCOMAR		300	47,50%	-	-		-	-	-
AGRAM INVEST		10 000	14,92%	1 492	1 492		-	-	-
AM INVESTISSEMENT MOROCCO	Private equity	215 000	4,65%	10 000	10 000		-	-	-
BOUZNIKA MARINA	Real estate	1 000		500	500		-	-	-
C.M.K.D.		829 483	1,36%	11 280	11 280	12/31/2005	1 098 835	48 361	451
CAPRI	Real estate	124 000	99,76%	172 400	122 000	12/31/2005	31 071	48 178	-
C.M.I		98 200	22,40%	22 000	22 000	12/31/2005	91 457	5 582	-
EUROCHEQUES MAROC		-		118	118		-	-	-
FONDS D'INVESTISSEMENT IGRANE		10 000	18,26%	1 826	1 826		-	-	-
G.P.B.M.		19 005	11,93%	2 267	2 267		-	-	-
IMPRESSION PRESSE EDITION (IPE)		3 000		400	400		-	-	-
MOUSSAFIR HOTELS		193 000	33,34%	64 343	64 343	12/31/2005	145 420	13 065	-
SALIMA HOLDING	Holding	200 000	10,00%	20 000	19 641	12/31/2005	100 749	1 087	-
S.E.D. FES		10 000	10,00%	-	-		-	-	-
SMAEX		37 500	11,41%	4 278	4 278		-	-	-
SOCIETE INTERBANK		11 500		1 840	1 840		-	-	-
SOUK AL MOUHAJIR		6 500		991	991		-	-	-
STE AMENAGEMENT PARC NOUACER	Real estate	60 429	22,69%	13 714	13 714	12/31/2005	61 615	-26	-
STE HOSPITALY HOLDING «HCO»	Tourism	261 000	15,00%	39 150	39 150	12/31/2005	341 645	155 572	-
TANGER FREE ZONE	Real estate	105 000	25,72%	28 309	28 309	12/31/2005	144 298	13 490	3 346
TECHNOLOPARK COMPANY MITC		46 000		8 150	7 784		-	-	-
BANQUE D'AFFAIRE TUNISIENNE	Bank	3 000 TND		2 583	2 583		-	-	-
C - Similar assets				**909 404**	**897 574**				**-**
C/C ASSOCIE	Real estate			890 925	879 095				
OTHER SIMILAR ASSETS				18 480	18 480				
TOTAL				**6 334 551**	**6 169 374**	**-**	**4 819 083**	**851 590**	**267 155**

Other income and charges

(in thousands of dirhams)

OTHER BANKING INCOME AND CHARGES	12/31/2006	12/31/2005
Other banking income	777 023	491 605
Other banking charges	439 900	301 998
TOTAL	337 123	189 607

NON-BANKING OPERATING INCOME AND CHARGES	31/12/2006	31/12/2005
Non-banking operating income	284 585	133 712
Non-banking operating charges	79	120
TOTAL	284 506	133 592

WRITE-DOWNS AND LOSSES ON IRRECOVERABLE RECEIVABLES	**1 512 560**	**2 644 747**
WRITE-BACKS OF PROVISIONS AND RECOVERIES ON RECEIVABLES WRITTEN DOWN	**1 351 182**	**2 158 055**
Exceptional income	9 501	19 975
Exceptional charges	91 576	141 602

Shareholder structure

(in thousands of dirhams)

Name of main shareholders and partners	Address	Number of shares held: Previous financial year	Current financial year	of shares % held
A- MOROCCAN SHAREHOLDERS				
* FINANCIERE D'INVESTISSEMENTS INDUSTRIELS & IMMOBILIERS	C/° ONA 61 rue d'Alger Casa	2 831 833	2 848 809	14,76%
* ONA	C/° ONA 61 rue d'Alger Casa	2 865 033	2 880 033	14,92%
* AL WATANIYA	83 avenue des FAR Casa	955 894	848 722	4,40%
* WAFACORP	42, bd Abdelkrim Al Khattabi Casa	711 953	711 953	3,69%
* WAFA ASSURANCE	1, rue Abdelmoumen Casa	844 505	855 505	4,43%
* GROUPE MAMDA & MCMA	16, rue Abou Inane Rabat	1 499 404	1 499 404	7,77%
* AXA ASSURANCES MAROC	120, avenue Hassan II Casa	726 018	726 018	3,76%
* S.N.I	Angle rues D'alger Et Duhaume Casa	673 203	673 203	3,49%
* CDG	140, place My El Hassan Rabat	462 259	471 781	2,44%
* CIMR	Bd Abdelmoumen Casa	462 070	462 070	2,39%
* OPCVM	*************************	618 175	677 964	3,51%
* OTHER MOROCCAN SHAREHOLDERS	*************************	2 254 097	2 231 030	11,56%
TOTAL - I		14 904 444	14 886 492	
B - FOREIGN SHAREHOLDERS				
*SANTUSA HOLDING	Paseo de La Castellana N° 24 Madrid (Espagne)	2 808 581	2 808 581	14,55%
*CREDITO ITALIANO	1Piazza Corduzio 2010 Milan (Italie)	397 500	397 500	2,06%
*CORPR. FINAC. CAJA DE MADRID	Eloy Gonzalo N° 10 - 28010 Madrid (Espagne)	660 465	660 465	3,42%
*FININVEST	91/93 bd Pasteur 6e étage bureau 30615 Paris (France)	277 200	277 200	1,44%
*OTHER FOREIGN SHAREHOLDERS	*************************	251 406	269 358	1,40%
TOTAL - II		4 395 152	4 413 104	
TOTAL		19 299 596	19 299 596	100,00%

GENERAL REPORT OF THE STATUTORY AUDITORS

CONSOLIDATED FINANCIAL STATEMENTS

ERNST & YOUNG

37 Bd. Abdellatif Ben Kaddour
20 050 Casablanca. MAROC

Deloitte.

288, Bd Zerktouni
20000 Casablanca

To the shareholders of Attijariwafa bank

Report of the statutory auditors for the consolidated financial statements for the financial year ended december 31st, 2006

We have audited the attached consolidated balance sheet of Attijariwafa bank and its subsidiary companies (Attijariwafa bank Group) for the financial year ended december 31st, 2006, the consolidated income statement, the consolidated management accounting statement, the consolidated cash flow statement and the consolidated additional information statement relating to the financial year then ended.

These financial statements are the responsibility of Attijariwafa bank's management bodies. We are responsible for expressing an opinion on these financial statements based on our audit.

We conducted our audit in accordance with professional standards in Morocco. These standards require that we plan and perform our audit so as to obtain reasonable assurance that the financial statements are free of material misstatement. An audit consists of an examination, on a sample basis, of documents supporting the amounts and information in the consolidated financial statements.

It also involves an assessment of the accounting principles used, of significant estimates made by senior management and of the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion. In our opinion, the financial statements of Attijariwafa bank Group referred to above in the first paragraph give, in all material aspects, a true and fair view of the consolidated financial position at december 31st, 2006 of the whole entity as constituted by all companies included within the scope of consolidation, and of the consolidated results of its operations and of changes in its cash flows for the year then ended, in accordance with the accounting principles described in the consolidated additional information statement.

Avril 23rd, 2007

The Statutory Auditors

ERNST&YOUNG
Ali BENNANI
Partner

DELOITTE AUDIT
Fawzi BRITEL
Partner

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31 ST, 2006

Balance sheet

(in thousands of dirhams)

ASSETS	12/31/2006	12/31/2005
Cash and amounts due from Central banks, the Treasury, post office cheques	**15 584 382**	**12 480 465**
Amounts due from Central banks, the Treasury and post office cheques	13 916 778	11 458 270
Cash	1 667 604	1 022 195
Amounts due from credit institutions and similar establishments	**19 007 637**	**16 478 949**
Sight	11 355 745	10 666 020
Term	7 651 892	5 812 930
Customer receivables	**84 638 510**	**70 025 526**
Cash advances and consumer credit	46 530 733	38 525 128
Equipment loans	18 846 399	15 458 453
Real-estate loans	16 051 115	10 980 701
Other loans	3 210 263	5 061 245
Leasing receivables	**6 518 481**	**4 518 075**
Receivables acquired through factoring	**1 341 103**	**1 523 425**
Trading account securities and securities available for sale	**21 412 757**	**18 288 903**
Treasury bills and similar securities	12 178 068	12 757 734
Other debt securities	2 814 620	3 537 978
Equity securities	6 420 069	1 993 191
Other assets	**3 629 019**	**3 006 008**
Investment securities	**4 966 363**	**3 987 445**
Treasury bills and similar securities	1 526 449	1 725 259
Other debt securities	3 439 913	2 262 186
Investments and similar assets	**1 632 605**	**1 834 180**
Investments in companies accounted for under the equity method	**580 782**	**578 021**
Financial companies	550 653	519 373
Non-financial companies	30 130	58 648
Subordinated receivables		
Intangible fixed assets	**1 775 297**	**1 699 536**
Tangible fixed assets	**3 035 335**	**2 886 578**
Goodwill	**2 244 214**	**1 946 741**
TOTAL ASSETS	**166 366 486**	**139 253 853**

LIABILITIES	31/12/2006	31/12/2005
Amounts due to Central banks, the Treasury and post office cheques	**239 662**	
Amounts due to credit institutions and similar establishments	**11 310 530**	**8 608 026**
Sight	7 331 344	3 170 603
Term	3 979 187	5 437 423
Customer deposits	**133 950 743**	**110 816 501**
Sight accounts – credit balances	68 591 467	58 710 775
Savings accounts	17 607 677	16 231 579
Term deposits	39 610 197	31 007 545
Other accounts – credit balances	8 141 402	4 866 602
Debt securities issued	**937 582**	**1 614 955**
Negotiable debt securities	383 652	949 822
Bonds	553 929	665 134
Other debt securities issued		
Other liabilities	**4 828 836**	**4 115 708**
Negative goodwill		
Provisions for liabilities and charges	**724 465**	**847 337**
Regulated provisions	**608 743**	**779 875**
Financial companies	608 743	779 875
Other companies		
Grants, allocated public funds and special guarantee funds	**288 199**	**312 365**
Subordinated debt	**404 365**	**200 764**
Share-premium account	**5 436 564**	**5 436 564**
Share-capital	**1 929 960**	**1 929 960**
Shareholders, unpaid share capital (-)		
Consolidated retained earnings, revaluation reserve, translation adjustments, and differences under the equity method	**3 613 580**	**2 878 497**
Group	2 998 893	1 898 269
Minority interests	614 687	980 228
Net income for the financial year (+/-)	**2 093 258**	**1 713 301**
Group	2 021 550	1 635 975
Minority interests	71 708	77 326
TOTAL LIABILITIES	**166 366 486**	**139 253 853**

SHAREHOLDERS' EQUITY		
Group	12 386 967	10 900 768
Minority interests	686 395	1 057 554
TOTAL	**13 073 362**	**11 958 322**

Off-balance sheet items

(in thousands of dirhams)

	12/31/2006	12/31/2005
Commitments given	**29 244 405**	**25 904 210**
Financing commitments on behalf of credit institutions and similar establishments	142 247	217 761
Financing commitments on behalf of customers	9 055 330	7 442 237
Guarantees on behalf of credit institutions and similar establishments	2 832 173	3 735 206
Guarantee commitments on behalf of customers	17 214 654	14 509 005
Securities purchased with repurchase option		
Other securities to be delivered		
Commitments received	**21 362 745**	**13 230 211**
Financing commitments received from credit institutions and similar establishments	1 906 154	250 000
Guarantees received from credit institutions and similar establishments	19 335 519	12 912 737
Guarantees received from the State and other guarantee loans	121 072	67 474
Securities sold with repurchase option		
Other securities to be received		

Consolidated statement of income and expenditure

(in thousands of dirhams)

	12/31/2006	12/31/2005
I. Operating income from banking activities	**11 723 842**	**9 053 288**
Interest and similar income from transactions with credit institutions	851 147	446 285
Interest and similar income from transactions with customers	5 267 442	4 288 172
Interest and similar income from debt securities	700 970	806 156
Income from instruments with title	40 977	59 018
Income from fixed assets subject to finance leases	2 557 235	1 939 251
Commissions from services provided	1 406 456	985 539
Other banking income	899 616	528 868
II. BANK OPERATING EXPENSES	**4 964 978**	**3 416 360**
Interest and similar expenses on transactions with credit institutions	560 507	276 771
Interest and similar expenses on transactions with customers	1 917 071	1 144 486
Interest and similar expenses on debt securities issued	56 286	88 787
Charges on fixed assets subject to finance leases	2 012 229	1 565 323
Other banking expenses	418 885	340 993
III. NET BANKING INCOME	**6 758 864**	**5 636 928**
Non-banking operating income	225 159	331 400
Non-banking operating expenses	812	1 108
IV. OPERATING EXPENSES	**3 322 658**	**2 906 542**
Staff costs	1 507 502	1 196 641
Taxes and duties other than corporation tax	84 508	71 479
External costs	1 183 087	1 076 759
Other operating costs	109 666	91 227
Depreciation and amortisation on intangible and tangible fixed assets	437 896	470 435
Amortisation of goodwill	153 363	130 076
Goodwill write-backs		
V. WRITE-DOWNS AND LOSSES ON IRRECOVERABLE LOANS	**1 795 708**	**2 948 272**
Write-backs of provisions for doubtful loans and contingent liabilities	1 039 896	1 196 521
Recoveries on receivables written down	570 520	1 549 544
Other write-backs	185 292	202 206
VI. WRITE-BACKS OF PROVISIONS AND RECOVERIES ON RECEIVABLES WRITTEN DOWN	**1 451 849**	**2 350 598**
Write-backs of provisions for doubtful loans and contingent liabilities	1 097 747	2 115 039
Recoveries on receivables written down	111 373	111 283
Other write-backs	242 728	124 276
VII. INCOME FROM ORDINARY ACTIVITIES	**3 163 331**	**2 332 929**
Non-recurring income	40 082	30 175
Non-recurring expenses	118 304	185 514
VIII. PRE-TAX INCOME	**3 085 108**	**2 177 590**
Corporate income tax	1 233 319	716 732
IX. NET INCOME OF CONSOLIDATED COMPANIES	**1 851 789**	**1 460 858**
X. SHARE OF EARNINGS OF COMPANIES CARRIED UNDER THE EQUITY METHOD	**241 469**	**252 442**
Financial companies	255 305	201 500
Other companies	-13 835	50 943
XI. NET INCOME	**2 093 258**	**1 713 301**
Group share	2 021 550	1 635 975
Minority interests	71 708	77 326

Management accounting statement

(in thousands of dirhams)

I-INCOME GENERATION TABLE	**12/31/2006**	**12/31/2005**
(+) Interest and similar income	6 819 559	5 540 612
(-) Interest and similar expenses	2 533 864	1 510 044
NET INTEREST INCOME	**4 285 695**	**4 030 568**
(+) Income from fixed assets subject to finance leases	2 557 235	1 939 251
(-) Charges on fixed assets subject to finance leases	2 012 229	1 565 323
NET INCOME FROM FINANCE LEASES	**545 006**	**373 928**
(+) Fees received	1 406 802	987 366
(-) Fees paid	59 561	70 226
NET FEE INCOME	**1 347 241**	**917 140**
(±) Net income from trading securities		
(±) Net income from securities available for resale	326 555	94 381
(±) Net income from foreign exchange transactions	407 585	308 777
(±) Net income from derivatives transactions	5 919	-7 711
NET INCOME FROM MARKET TRANSACTIONS	**740 059**	**395 446**
(+) Other banking charges	111 537	78 358
(-) Other banking expenses	270 674	158 513
NET BANKING INCOME	**6 758 864**	**5 636 928**
(±) Income from financial fixed assets	43 270	125 770
(+) Other non-banking operating income	101 696	198 844
(-) Other non-banking operating expenses	812	1 104
(-) Operating expenses	3 322 658	2 906 542
GROSS OPERATING INCOME	**3 580 361**	**3 053 896**
(±) Net charges for provisions on doubtful loans and contingent liabilities	-401 296	-519 744
(±) Other net charges for provisions	137 629	-71 147
(±) Net charges for goodwill provisions	-153 363	-130 076
INCOME FROM ORDINARY ACTIVITIES	**3 163 331**	**2 332 929**
NON-RECURRING INCOME	**-78 223**	**-155 339**
(-) Corporation tax	1 133 864	919 258
(-) Deferred taxes	99 455	-202 526
Net income from consolidated companies	1 851 789	1 460 858
Share of income from companies accounted for under the equity method	241 469	252 442
NET INCOME	**2 093 258**	**1 713 301**

II- CASH-FLOW	**31/12/2006**	**31/12/2005**
(±) Group net income	2 093 258	1 713 301
(-) Share of income from companies accounted for under the equity method	241 469	252 442
(±) NET INCOME FOR THE YEAR FROM CONSOLIDATED COMPANIES	**1 851 789**	**1 460 858**
(+) Depreciation and amortisation on intangible and tangible fixed assets	437 896	470 435
(+) Write-downs of financial fixed assets	90 503	9 155
(+) Provisions for general risks	12 080	94 790
(+) Regulated provisions		
(+) Extraordinary provisions	35 976	2 515
(-) Write-backs of provisions	164 495	102 998
(-) Capital gains on disposals of fixed assets	14 668	45 937
(+) Capital losses on disposals of fixed assets	135	168
(-) Capital gains on disposals of financial fixed assets	123 463	132 557
(+) Capital losses on disposals of financial fixed assets		4
(-) Write-backs of investment grants received		
(+) Goodwill provisions	153 363	130 076
(-) Write-backs of goodwill provisions		
(-) Net deferred taxes for the period		
(±) TOTAL CASH-FLOW	**2 279 116**	**1 886 509**
(-) Profits distributed	643 664	529 218
(±) CASH-FLOW AFTER DISTRIBUTIONS	**1 635 452**	**1 357 291**

Consolidated statement of cash flows

(in thousands of dirhams)

	12/31/2006	12/31/2005
1. (+) Operating income from banking activities	11 682 865	8 994 270
2. (+) Recoveries on receivables written down	111 373	111 283
3. (+) Non-banking operating income	127 110	183 082
4. (-) Bank operating expenses	-5 564 451	-4 307 370
5. (-) Non-banking operating expenses	-677	-940
6. (-) Operating expenses	-2 887 248	-2 438 543
7. (-) Corporate income tax	-1 233 319	-716 732
I. NET CASH FLOW FROM STATEMENT OF INCOME AND EXPENDITURE	**2 235 653**	**1 825 051**
Increase/Decrease in:		
8. (±) Receivables from credit institutions and similar	-2 528 687	-4 215 462
9. (±) Customer receivables	-14 430 662	-21 207 544
10. (±) Short-term and investment securities	-4 102 772	-3 554 659
11. (±) Other assets	-623 011	-1 117 265
12. (±) Fixed assets given in leasing and rental operations	-2 000 407	-1 213 150
13. (±) Loans to credit institutions and similar	2 462 842	1 012 048
14. (±) Customer deposits	23 134 242	25 657 630
15. (±) Debt securities issued	-677 374	28 668
16. (±) Other liabilities	713 128	1 286 816
II. INCREASE/DECREASE IN CASH RELATED TO ASSETS AND LIABILITIES GENERATED BY OPERATING ACTIVITIES	**1 947 299**	**-3 322 917**
III. NET CASH FLOW FROM OPERATING ACTIVITIES (I + II)	**4 182 952**	**-1 497 867**
17. (+) Income from the sale of financial assets	212 269	316 592
18. (+) Income from the sale of intangible assets and property, plant and equipment	223 158	372 812
19. (-) Acquisition of financial assets	-728 396	
20. (-) Acquisition of intangible and fixed assets and plant, property and equipment	-732 140	-451 633
21. (+) Interest received		
22. (+) Dividends received	40 977	59 018
IV. NET CASH FLOW FROM INVESTMENT ACTIVITIES	**-984 131**	**296 789**
23. (+) Subsidies received, public funds, public guarantee funds	288 199	312 365
24. (+) Subordinated debt issuance	260 561	
25. (+) Equity issuance		
26. (-) Repayment of shareholders' equity and similar		
27. (-) Interest paid		
28. (-) Dividends paid	-643 664	-529 218
29. (+/-) Effect of exchange rates		
V. NET CASH FLOW FROM FINANCING ACTIVITIES	**-94 904**	**-216 853**
VI. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (III+IV+V)	**3 103 917**	**-1 417 930**
VII. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**12 480 465**	**13 898 396**
VIII. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**15 584 382**	**12 480 465**

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