

# 2012

Annual report



التجاري بنك  
Attijari bank

# 2012

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Annual report

**Attijari bank** a joint stock company with a capital of TND 198 741 450 – Head Office : Avenue Hédi Karray  
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التجاري بنك  
**Attijari bank**

# A commitment, ethics and values

Attijari bank undertakes to reconcile in each of its actions growth, profitability and social progress, through a corporate culture based on five federating values which make up a source of inspiration and a reference for its strategic approach and its deontological principles and ethics, contributing to the definition of its identity.

## Solidarity

## Leadership

## Commitment

## Ethics

## Citizenship



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# MESSAGE OF THE CHAIRMAN AND THE GENERAL MANAGER



**M. Hicham SEFFA,**  
**General Manager**



**M. Moncef CHAFFAR,**  
**Chairman of the Board of Directors**

Ladies and Gentlemen,

The international economic environment remained fragile in 2012. The economic growth went down to 3.2%, compared to 4% a year before. The world exchange of goods and services, volume wise, increased by 2.5%, against 6% in 2011 and the international investment flows decreased by 18.3% in 2012, against a progress of 16.2% in 2011.

In this worldwide difficult context, the Tunisian economy secured to go back to growth and recorded a growth rate of +3.6%, thus progressively leaving behind the recession witnessed in 2011 (- 1.9 %). This growth is the outcome of the catching up effect of the sectors, seriously affected by the revolution, such as tourism, mines and energy, transportation, together with a good farming season. However, the budget deficit went up from 3.5% to 5.1% whereas the deficit of the current payment balance got worse and went from 7.3% up to 8.1%. As for inflation, it reached its highest level since 1995, namely 5.6%.

Despite these unfavourable conditions, Attijari bank of Tunisia continued its development dynamics, which places the customer in the core of its concerns. In this respect and in order to consolidate the proximity of the bank to the customers, it continued its extension program of the network which became larger with 6 new branch offices, thus making the total number of sales points reach 185 units, keeping likewise its position as the first banking network in Tunisia. Besides, and in order to better satisfy its customers, the bank enlarged its products line up. These efforts were backed up by a sales boosting action, a re-engineering of the business processes and the polishing up of its information system, addressed to the customer.

In parallel and as part of its development strategy, the Attijaribank Group launched its subsidiary Insurance Company, "Attijari Assurance". This Insurance Company will allow the customers to enjoy all the skill and know how of the Group and a wide offer of life insurance products.

The guiding of the customer was not limited to the national level. It extended to cover the business development in Africa and at the international level, thanks to a strong synergy which exists with Attijariwafa bank, in its capacity as a multinational panafrikan and first banking and financial group in the Maghreb, based in Morocco and operating in 22 countries all over the world.

The strategy worked out by the bank resulted in a significant improvement of the main risk and profitability indicators, including in particular :

- The GDP which recorded a growth rate of 20%, reaching MTND 217.5 ;
- The customers' deposits which increased by 8.3%, reaching MTND 3591.2 ;
- The credits extended to customers, which witnessed an increase by 6%, reaching MTND 3 247.7 ;
- The net profit which grew by 77%, reaching MTND 55.6.

**Hicham SEFFA**  
General Manager



The bank continued its development, while being attentive to the market conditions, securing a controlled management of the risks, through structures, principles and processes, closely linked to the bank activities and to the nature of the risks.

These performances are the fruit of efforts exerted by our colleagues and their full and entire involvement. They enjoy upgrading and training programmes in the bank's different services.

At another level and in order to back up its development, the bank acquired a new head office. More than just a new building, it is, first of all, a federating project whose purpose is to secure harmony to the energies so as to favour the well being and the comfort, both for the staff members and the customers.

Besides, as an economic responsible actor and in order to enhance its values, Attijari bank participates, shares and steps in, next to those who initiate and cherish with enthusiasm life prospects, in the knowledge, youth back up and renewable energies fields.

Once again, thanks to the coordinated and constant efforts of its staff, the bank could meet the challenge of excellency and reasserts its commitment as a citizen bank, responsible towards its employees, its customers, its shareholders and its environment.

**Moncef CHAFFAR**  
Chairman of the Board of Directors



# 1.

## ECONOMIC AND FINANCIAL SITUATION



INTERNATIONAL  
ECONOMIC  
ENVIRONMENT

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NATIONAL ECONOMIC  
ENVIRONMENT

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# INTERNATIONAL ECONOMIC ENVIRONMENT

2012 was marked by a weak worldwide economic growth of 3.2% against 4% in 2011. This situation is linked to the budget difficulties of the Euro zone countries, as a result of the persistence of the debt crisis.

In 2012, the main threat to the world economy was still the crisis in the Euro zone. The uncertainties surrounding the economic evolution of the European countries affect the growth in the great emerging countries. In this context, the GDP of the Euro zone recorded a recession by 0.6% in 2012, against 1.4% in 2011.

France and Germany posted a growth in the GDP of 0% and 0.9%, respectively. Concerning Spain, it witnessed a recession in 2012 with a decreasing GDP of -1.4%

In the United States, the economic growth improved, recording an increase by 2.2% in 2012, against 1.8% in 2011.



## THE WORLDWIDE TRADE

The worldwide trade slowed down in most of the big economies during 2012. Indeed the volumes of the exchanges increased by 2.5% in 2012, against 6% in 2011. This situation is mainly due to the slowdown in the investments, resulting in a decrease in the imports, because of the deterioration of the trust of the companies' leaders, in a context marked by the intensification of the financial tensions and the economic uncertainty. Regarding the worldwide exports of goods, they showed a quasi stagnation, namely 6% against an increase by 19.6%, one year before.

## INTERNATIONAL INVESTMENTS

The foreign investments in the world went backwards by 18.3% in 2012, after witnessing an increase by 16.2 in 2011. The reason behind this situation is mainly due to the uncertainty among the investors in a macro-economic context, marked by the political fragility and the weakness of the economic growth.

## MONETARY POLICIES

The monetary policies kept their flexibility in 2012, in order to boost the worldwide economic activities through keeping the leading interest rates relatively low and through the buying transactions of securities budgetary policies.

## BUDGETARY POLICIES

Like in 2011, the budgetary policy of the developed countries in 2012 focused rather on the continuation of the cleansing of the public finance. Consequently, the budget deficit continued to decrease in 2012 to reach an average of 5.9% of the GDP, against 6.5% in 2011. This drawback touched the majority of the countries, particularly those in the Euro Zone (3.6% against 4.1%).

# NATIONAL ECONOMIC ENVIRONMENT

Signals of the economic activities recovery appeared in the beginning of 2012, with a positive growth of 3.6%, against 1.9% in 2011. However, this level remained low compared to the last decade wherein the annual average was of about 5% p.a.

This growth was stimulated by a recovery observed mainly in tourism, transportation, chemical industries sectors and by a better farming season.

The unemployment rate recorded, from its part, a slight decrease by 2.2 points, to reach 16.7%. However, the unemployment rate affecting the young university graduates remained at a high level, i.e. 33.2%.

Besides, inflation reached the rate of 5.6%; the food products were most affected by the prices increase, especially with the depreciation of the Dinar, against the Dollar.

Concerning the trade deficit, it increased due to the acceleration of the imports of energy products, the consumption goods and equipment, in addition to the deceleration of the exports which were affected by the slow down of the external demands from the European country partners.

For the merchant services, they achieved in 2012, a slight improvement and to

a lesser extent, the manufacturing industries; the activities of the non manufacturing industries continued their decrease but at a rhythm less accelerated than that of 2011.

The current payment balance deficit went up from 7.3% of the GDP in 2011, to 8.1% of the GDP in 2012.

Besides, the foreign direct investment flows achieved in 2012 represented 3.5% of the GDP, against 2.5% in 2011, and have contributed to the finance of 43.1% of the current deficit, against only one third of the deficit in 2011. The net assets in foreign currencies reached 119 days of coverage by end 2012, against 113 one year before. Despite the trade deficit deterioration, the reserves were supported by the recovery in the tourism sector and in the IDE, as well as by the mobilization of an important envelope of external resources. Part of the growth in the assets was absorbed by the increase of the average of the imports per day, at the rate of 13%, from one year to another.

In 2012, the Tunisian financial market balance was on the whole negative, despite the recovery recorded by the main stock exchange indicators; the TUNINDEX decreased by 3%.

At the level of the banking system, 2012 was characterized by the increase of the deposits, +11.3% against 5.1% in 2011 and by an increase in the credits progress rate, by 8.7% against 13.2%, one year before.

In front of the persistence of the international tensions and the continuation of the banking liquidity shrinking, the Board of Directors of the Central Bank in its session of April 29th, 2012, decided to increase by 25 base points the leading interest rate, going from 3.5% (into force since September 2011) up to 3.75%.

With the inflation rate increase, the real interest rates became negative which urged the Central Bank to fix the saving remuneration minimum rate (TRE) at 2.5%, starting from January 1st, 2013, then at 2.75%, starting from April 1st, 2013, in order to protect the interests of the small saving customers.

# 2.

## OUTSTANDING EVENTS AND MAIN ACHIEVEMENTS



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# 2012 OUTSTANDING EVENTS

In addition to the transfer of the central departments to the new head office which was the main outstanding event in 2012, the bank succeeded in reaching the targets it set at the commercial and structural levels, despite the persistence of economic difficulties.

At the commercial level, the exerted efforts were crowned by the extension of the development network and the noteworthy improvement of the offer of new services and products. These efforts were supported by a commercial boosting action illustrated by the launching of commercial campaigns and the recourse to promotional actions. Besides, the bank also participated in commercial events organised in several strategic fields.

The activities of the branch offices was characterized in 2012 by the closing down of the bond issue of Attijari Leasing and the creation of the Insurance subsidiary company : "Attijari Assurance".

Furthermore, several actions were carried out in the framework of the optimization of the business process and the information system.

## DEVELOPMENT OF THE GOODWILL

For this purpose, two actions were undertaken :

- **Extension of the sales network**  
In 2012, 6 new branch offices were opened, bringing the total number of branch offices to 185 sales points. 20 ATMs including 4 foreign exchange ATMs, as well as one "exchange box" in Hammamet Nord.
- **Extension of the scope of the offer and its optimization**  
We are talking here particularly about :
  - An offer including several personalized services in favour of individual customers and professionals "Pack à la carte"
  - Re-looking the web site "Attijari Online Trade"
  - Implementation of an offer dedicated to off shore companies "Pack Offshore"
  - Re-looking of "Pack Bledi".

## SALES BOOSTING

It has been illustrated by the launching of several campaigns, the sales of new products and the recourse to promotional actions.

- Concerning the launching of the campaigns :
  - A campaign called "Challenge Parrainage" for inciting the customers to recommend Attijari bank to their relatives ;
  - A campaign called "Communication Institutionnelle Groupe" (Group Institutional Communication) aiming at confirming the positioning of the bank which is part of an international group, operating in 23 countries in Africa which gives assistance to the Tunisian businessmen to win new African markets ;
  - A campaign called "Tunisiens Sans Frontières" (Tunisians without Frontier"°, to make available to Tunisians living abroad a large variety of services, as well as a permanent follow up ;
  - A real estate credits campaign called "Meftah", to help the customers in carrying out their real estate projects ;
  - "Western Union" Campaign, for promoting funds transfer service.
- Concerning the promotional actions :
  - Promotion of "JAMIATI" card to meet the needs of the students inside the University ;
  - Renewal of the convention with STEG (the power supply distribution company) for financing the energy saving national program ;
  - Signing of a partnership agreement with "Vivo Energy Tunisie" for the procurement of TPE terminals to SHELL petrol stations, located all over the territory.



Furthermore, the bank proceeded with the re-looking of its website, making substantial improvements at the level of the interactivity with the customers.



## PARTICIPATION IN EXHIBITIONS AND FAIRS

Just like the previous years, the bank increased the number of its participation in exhibitions and fairs, including in particular :

- Business, industry and innovation agreement days ;
- Batimaghreb ;
- The corporate fair ;
- Tunisian Investment Forum ;
- Tunis-Medindustrie Fair ;
- Carrefour d’Affaires et de Technologie (Business and Technology Crossroads) ;
- INVESTIA.

Furthermore, Attijari Bank sponsored the following events :

- The Maghrebian Economist International Forum ;
- ATUGE Tunis 2012 Forum ;
- Investment Day in Kasserine ;
- Investment Day in Kairouan.

## ACTIONS DEPLOYED WITHIN THE FRAMEWORK OF THE ORGANISATION AND THE INFORMATION SYSTEM

The actions undertaken within this framework focused on the re-engineering of the processes in order to shorten the period, to generate useful information and to make available exhaustive data. The procedure related to different fields of activities, including, particularly “the Custody”.

This new head office covers totally 42 000 m<sup>2</sup> and includes, in addition to the spaces dedicated to the work, one auditorium, a polyvalent big room, a restaurant and a coffee shop.

Located a few minutes away from the centre of the City and near to the attractive business areas, the new head office offers conviviality both for the colleagues who enjoy likewise better working conditions and the visitors who have an adequate welcoming space.

## TRANSFER OF THE CENTRAL DEPARTMENTS TO THE NEW HEAD OFFICE

The transfer of the departments of the bank to the new head office was the main outstanding event in 2012.

In this respect, an adequate process was implemented to secure the removals of the bank’s different structures to the head office under the best conditions, in a smooth way and without affecting the continuity of the bank’s activities.



# SALES ACTIVITIES

## RETAIL BANK

The activities, conducted at the level of the retail bank, revolved around the following axes :

### DEVELOPMENT OF THE GOODWILL AND FOLLOW UP OF THE NETWORK EXPANSION PROGRAMME

Despite the post revolution circumstances, the bank has continued its network extension programme through the opening of six new branch offices, namely :

- CHARGUIA AIRPORT BRANCH OFFICE
- RIADH EL ANDALOUS BRANCH OFFICE
- SOUSSE MENCHIA BRANCH OFFICE
- KHEIREDDINE BRANCH OFFICE
- MESSADINE BRANCH OFFICE
- SOUSSE SAHLOUL 2 BRANCH OFFICE

These new business locations, wisely positioned, contributed to the development of the turnover, thanks to a better proximity to the business circles and to the targeted population.

With 185 sales points by the end of 2012, the bank strengthened its position as the first institution in terms of branch office network.

At the same time, the bank continued deploying its efforts within the framework of re-looking its branch offices through the creation inside the sales points, of adequate and proper spaces to welcome the customers and to conduct the activities under better conditions. The development works implemented in this respect covered the following branch offices:

- BACH HAMBA BRANCH OFFICE
- KAIROUAN BRANCH OFFICE
- KSAR HELAL BRANCH OFFICE
- HAMMAM LIF BRANCH OFFICE
- TATAOUINE BRANCH OFFICE

At another level, 20 new ATMs were installed, making thus a fleet of 196 units, which allowed the further development of alternative channels, to free the welcome space and to offer better serves to the customers.

### NEW PRODUCTS AND SERVICES SOLD IN 2012



#### PACK "A LA CARTE"

Thanks to "Pack à la carte", the customer enjoys several products and services, personally tailored, against a simple subscription which implies a preferential tariff rate for the whole of the offer.

#### PACK OFFSHORE

It is addressed to the non resident companies and includes a set of products which correspond to the current needs of the off shore companies, against preferential tariff rates and specific care.

#### PACK JEUNE DOCTEUR

Dedicated to the residing young practitioners, this offer allows meeting their needs.

#### THE RECONFIGURATION OF THE WEBSITE ATTIJARI ONLINE TRADE

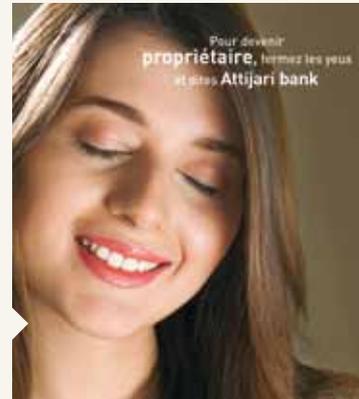
Attijari Online Trade is a remote banking service whereby the companies initiate and secure the follow up of their international trading transactions. The reconfiguration aims at improving the ergonomics and the functionalities of the site, particularly at the level of the security of information exchange, the protocol governing access and the access rights.

## SALES DYNAMICS AT THE LEVEL OF THE MARKETS

### The Individual Customer Market

2012 was marked by the launching of several promotional campaigns and actions, aiming at the consolidation of the bank's position and the improvement, quality wise and quantity wise, of the customers' portfolio :

- A recruitment campaign in the private and the professional market,
- A campaign for the resources development
- A promotional action aiming at the sales of real estate credits.



### Market of the Professional Customers and the Micro Companies (MSO)

2012 witnessed the consolidation and the development of the professional customers markets and the MSO markets, which, turn over wise, grew up despite the difficult environment.

Indeed the development of this market could be achieved thanks to the growth of the portfolio, to a more accrued collection of the deposits, an activation of the sector agreements and a more sustained financing through FONAPRAM.

### Small and Medium Size Companies Market (PME)

The creation in 2012 of a dedicated structure had a positive impact on the additional deposits of the PME, which grew up by 32% compared to the results of the previous year.

At the level of employments, the job creation efforts touched all the sectors without any discrimination and essentially the real estate sector, it resulted in the implementation of new deals.

### Market of the Tunisians Living Abroad (TSF)

Two big communication campaigns were launched with the main objective of recruiting new customers and the activation of the existing portfolio.

The first campaign took place in Tunisia during the summer period; it was launched to promote the "Pack Bledi".

The second campaign took place in France with the aim of boosting the transfers with the operational assistance of Attijariwafa bank Europe.



Other direct marketing actions were launched in order to secure a permanent contact with the Tunisians living abroad.

These different actions allowed the recruitment of new customers and the generation of an important additional deposit.

## A DIVERSIFICATION OF THE BANKING SERVICES FOR A BETTER SATISFACTION OF THE CUSTOMERS

### Attijari Leasing, a confirmed leading position

At the commercial level, 2012 was for Attijari Leasing the confirmation year of its established position on the local market.

In addition to the opening of a second branch office in Tunis (in the Centre Urbain Nord), the subsidiary company approved leasing transactions covering MTND 286, against MTND 238 in 2011, showing thus an increase of 20%. The enforcements went up to MTND 220 against MTND 175, namely a growth rate of 25.7% and the total outstanding amount reached MTND 331 against MTND 273, namely an improvement by 21.6 %.

Thus, by the end of 2012, Attijari Leasing confirmed its second position in terms of market share, enforcement and approval of leasing transactions, achieving 15.8% and 16.4% in 2012, against 14.9% and 16.4%, in 2011, respectively.

At the level of its profits, the "Leasing Net Product" generated a net growth of 27.3%, going from MTND 12.2 up to MTND 15.5 in 2012. In parallel, the operating coefficient improved and went from 33.4% in 2011 down to 31.9% in 2012.



At another level, 2012 was characterized by a better control of the risks, bringing down the classified assets rate from 12.9% in 2011 to 11.8% in 2012. 2012 was also marked by :

- The renewal of the ISO 9001 certification for the period 2012-2014 both for the head office and the two branch offices of Attijari Leasing
- The maintaining of Fitch Rating (BB+)
- The financial certification, according to MSI20000.



## التجاري تأمين Attijari Assurance

### Attijari Assurance

As part of its development strategy, the Attijari bank Group enlarged the scope of the financial services to its customers by proposing life insurance products, covering the needs for death risk coverage and savings.

This subsidiary company with a capital of MTND 10 was created as a result of a partnership with Wafa Assurance, the first insurance company and the leader of banking insurance services on the Moroccan market.

An ambitious development plan was worked out in order to promote the activity of the subsidiary company on the local market and to consolidate its financial assets. During the first stage, the deployment of the commercial network of Attijari bank in order to launch its activities is scheduled. The implementation of a specific distribution network and the diversification of its products are scheduled for a later stage.

## THE FINANCING BANK

2012 was characterized by difficulties resulting from an important slowdown of the private investment, an aggravation of the risks on the credit market and a shrinking of the liquidities. In this context, the bank's policy in terms of commitments, consisted in favouring the risk quality by guiding its customers who enjoyed a good standing and the new customers who offered a comfortable risk. This approach led to a slight decrease of the commitments which affected especially the short term credits and the investment credits with nonetheless a continuation of the non productive commitments at their level of 2012. From their side, the commitments by signature (EPS) recorded a 10 % decrease which is explained by the slowdown by the end of the year of the vehicle distributors' imports due to the exhaustion of their annual quota and the writing off of the commitments during the year.

At the commercial level, the good will became richer by fifty new relations or so belonging to local groups and to renowned foreign companies with a consolidation of the customers' equipment by e-banking products and cash management products and a consolidation of the synergy actions with the whole of the bank's subsidiary companies (Attijari Leasing, Attijari Finance and Attijari Gestion).

## THE EXTERNAL TRADE MARKET

The trade balance of Tunisia recorded in 2012 a large deficit. However, despite the deceleration of the Tunisian imports rhythm mainly due to the decrease of the European demand, Attijari bank could consolidate its position on the export market thanks to a 19 % increase of the captioned flows.

The presence of Attijariwafa bank Group in several European countries and in subsaharian Africa allowed the bank to guide the operators towards a new export market and to place the bank as a reference original bank.

As such, Attijari bank could facilitate the installation of several Tunisian companies in Morocco and in Western Africa, within the framework of their delocalisation. The intervention of the bank in this framework consisted in identifying the local partners, establishing the relations, assisting in the constitution of the capital transfer file, the opening of accounts, etc.

Besides, and trying to help its customers to avail of the opportunities that the reconstruction of Libya could offer, Attijari bank actively participated in the fair "Rebuild Libya", organized in Tripoli.

## THE OFFSHORE ACTIVITIES

During 2012, Attijari bank managed to consolidate its position on the offshore market by making its portfolio of the non resident customers richer.

This could be achieved thanks to the implementation of a set of actions:

- A commercial dynamics through all the bank's network ;
- A close collaboration with the different concerned institutional organizations ;
- A communication dynamics dedicated to the offshore sector through the sponsoring and the participation in key events: Investment Forum, Tunis Med-Industrie, Forum Tunisie in Berlin, Planète PME in Paris, Carrefour d'Affaires et de Technologies, Symposium of the businessmen and the arab investors ;
- Meeting with the chambers of commerce ;
- The implementation of communication supports dedicated to the offshore activities.



## THE INVESTMENT BANK

### CAPITAL MARKET

The bank succeeded in maintaining the same growth rate despite the political and economical environment which was particularly difficult and characterized by :

- An international market which was still volatile ;
- A local market, lacking liquidities, subject to permanent inflationist tensions ;

In order to face these issues, the selected options are :

- To recourse to an efficient strategy which is solid and which takes into account the market haphazards,
- To deploy the human competences in order to meet the market challenges,
- To reinforce the trust of the customers in the bank.

The recorded achievements contributed in a net proportion in the GDP breakdown of the bank during 2012, which translates the capital market contribution in terms of turn over and results.

## ATTIJARI GESTION (ATTIJARI MANAGEMENT)

In 2012, the socio-political climate was a determining factor in the financial market evolution. Thus, the different disturbances recorded particularly during the second half of the year, led to a decreasing trend of the stock exchange market in general. Indeed, the two indexes closed the year with a negative rate of -3.2% for TUNINDEX and -4.61% for the TUNINDEX 20. In this fragile context, Attijari Gestion focused on the development of a management strategy which allowed it to better monitor the risk/return profile.

The achievements were :

- With an annual return of 3.697%, ATTIJARI OBLIGATAIRE SICAV was placed second on the market ;
- ATTIJARI PLACEMENTS SICAV and ATTIJARI VALEURS SICAV were ranked high with annual returns which grew by 3.54% and 3.40%, respectively ;
- ATTIJARI FCP CEA closed the year with a 2.50% return ;
- The returns of the three new funds were as follows: a 5.81% return for ATTIJARI FCP DYNAMIQUE, a 5.46% return for ATTIJARI FCP SERENITE and a 3.84% return for ATTIJARI FCP HARMONIE.

## ATTIJARI FINANCES TUNISIE

During the financial year of 2012, Attijari Finances Tunisie achieved a turn over of TND620.255, namely an increase by more than 280%, compared to 2011' financial year.

This increase is the outcome of an important commercial effort with big Tunisian holdings which was materialized by the signing of twelve new mandates.

"Attijari Finance Tunisie" has actively participated in several meetings with the eminent actors of the business market in Tunisia and abroad, especially with the intention of establishing partnerships and to attract strategic foreign investors in Tunisia.

## ATTIJARI SICAR

Attijari Sicar continued, during 2012, its development programme and its supporting and financing mission to the Tunisian PME, in terms of equities. A special attention was made to the new projects at the investment stage in order to secure the good execution of the scheduled planning and avoid implementation delays.

The number of approvals, during 2012, related to eleven new equities for a global amount of MTND 6 946, oriented mainly to the industrial and service sectors. However, the implementation of these equities witnessed delays due mainly to the financing difficulties, to the administrative obstacles and to a certain resistance from the side of the promoters.

At the level of the outflows, 2012 recorded a total retrocession of MTND 1 435 showing net added values of MTND 470 and returns on securities amounting to MTND 946.

The net profit increased by more than 21% compared to 2011, to reach MTND 1 012 against MTND 835, one year before.

## ATTIJARI INTERMÉDIATION

After a difficult year, marked by events which affected negatively the overall behaviour of the financial market, the general tendency of the stock exchange market (BVMT), as well as the investment returns on the market, a certain recovery characterized the activities of the financial market in 2012. In this context, Attijari Intermediation could recover its position on the recurrent activities among the top five active stock brokers on the market, closing the year with a market share of 6.5% and posting a growing turn over by 64%, compared to 2011. This allowed the bank to settle the 2012 financial year with a net profit of MTND 507 for a total proceeds of MTND 2 685.

Concerning the main interventions on the bond market issues, Attijari Intermediation succeeded with Attijari Finance to implement three bond loans for the account of Attijari Leasing for a total amount of MTND 70.

At another level, Attijari Intermediation continued the consolidation of its structuring projects, which had a positive impact on its development, particularly through the promotion of its secure transactional website, which meets the expectations of its customers, and through the upgrading of its information system.

Profiting from the support it is getting from Attijari bank and from a better synergy and cooperation inside the group, Attijari Intermediation took part in several communication actions sponsored by the bank through the stands arranged in the fairs and specialized or general exhibitions for the promotion of its products and services and the promotion of its commercial activities.



## “GÉNÉRALE IMMOBILIÈRE DU SUD” (GIS)

The actions undertaken in 2012 are as follows :

- Construction works of the real estate project in “Jardins El Menzah I” ;
  - Credit contract with Attijari bank of MTND 8 (disbursement of MTND 2)
  - Start up and follow up of the project construction works (works progress by 20%)
  - Launching of enquiries relating to the following lots :
    - \* Power transformation Station ;
    - \* Elevators ;
    - \* Aluminium joinery ;
    - \* Kitchen arrangements;
    - \* False ceilings;
    - \* Painting;
    - \* Insurance (10 year liability).
- Sales of R1 and R2 shops located in the ground floor of the building “Tamayouz”;
- Sales of the Residence “les Hauteurs d’El Menzah” for which the key handover is scheduled in June 2014.



## “GÉNÉRALE TUNISIENNE DE L'INFORMATIQUE” (GTI)

### THE SUBSIDIARY COMPANY SECURED :

- The support to different information systems installed in the bank and the achievement of the different upgrading, within the framework of the new projects ;
- The support to the subsidiary companies of Attijariwafa bank in Africa and in Europe ;
- The initiation and the start up of other works :

**On Line TRADE :** The reconfiguration of the On Line Trade system with the taking over of other functionalities in order to offer a better service quality to the customers.

**Examination of the Credit Files :** Integration of the scoring algorithms and the scanning module of documents, pertaining to a credit file.

**Upgrading of SBE system :** Several improvement works of the applications and the taking over of the new needs were secured, during 2012.

**The custody :** The taking over of the custody activities and the upgrading of the management solution for the stock exchange transactions.

**Shifting to real time for the national cards :** Passage to the real time function operation mode for the cards backed up by dinar accounts.

**Collection platform :** Implementation of the collection platform system for the follow up of the due payments.

**Data storing and aid system to decision making :** Start up of the analysis and design works in order to implement reporting tools by the end of the first semester in 2013.

### OTHER WORKS :

They relate particularly to the following projects :

- Implementation of a gateway which gathers all the statutory declarations from BCT ;
- Implementation of physical inventory solutions ;
- Implementation of the refinancing system (credits that are eligible to refinancing) ;
- Integration of the staff members credits in Delta.

# PERFORMANCE & EFFICIENCY

## CUSTOMERS' HANDLING DEPARTMENT

During 2012, and in addition to its activities of handling, supporting and consulting, the Customers' Handling Department (STC) could deploy a good number of projects at the level of its back offices, aiming at following the optimization effort of the handling processes, improving the service quality offered to the customers and promoting new products and services while complying with the strategic guidelines of the bank and respecting the regulation into force.

Within the same thinking, efforts centred mainly on the followings :

- The optimization, the industrialisation and the fluidification of the processes which were materialized by the implementation of the tariffication system ;
- The automation of the subscription system of the bank charges and products ;
- The automation of the refinancing process with the BCT ;
- The instauration of a strict follow up for the exchange activities of the bank notes to secure optimization and profitability ;
- The generalization of the implementation of the application "Gestion optimisée des encaisses" (Receipt optimized management) which allowed a better rationalization and a better control of the charges ;
- The upgrading of the handling process for the claims and the strict follow up of the settlement periods.

In keeping with the foregoing, STC took care of the centralization of the handling and control tasks at the level of the bank, in order to alleviate the work load at the sales points level and to favour the commercial transactions.

Being keen also on complying with the regulations, the bank updated the statutory declaration process with the BCT, the automatic integration of the customs file settlement of TTN and the creation of two mini CTR in order to respect, as much as possible, the statutory period for remote compensation in 24 hours.

Confirming its strategic guidelines to improve the quality of the services rendered to its customers, STC exerted considerable efforts by starting the operation of several projects such as the implementation of follow up indicators of the quality for the main transactions of the pole's structures, the unification of the customers referential in order to better handle the issued orders, the shortening of the periods for the making of the bank credit cards and the indemnity period of the claims files, relating to life insurance.

## ORGANISATION AND OPERATION EFFICIENCY

The main projects are :

### INVENTORY OF THE FIXED ASSETS

The project of the physical inventory of the assets covers all the movable and immovable legacy in the bank (branch offices and departments). Besides, the obligation to comply with the statutory provisions, the purpose of the project is to provide :

- A better security at the level of the conservation and a more rational management of the legacy ;
- A probative accounting value ;
- An analytical information of the depreciation fees per branch office.

It includes the implementation of a computer application allowing a permanent follow up of the assets and giving reliable and exhaustive information.

### RECONFIGURATION OF THE ACTIVITIES "CREDITS TO THE INDIVIDUALS"

The reconfiguration of the credit to individuals activities rests on the implementation of a new credit scoring system which allows the achievement of the following objectives :

- The optimization of the commercial time in the branch office through industrializing the activities of credits to the individuals ;
- The improvement of the service rendered to the customers in terms of response period to the received enquiries ;
- A better monitoring of the counterparts risk ;
- A more efficient control of the production volume ;
- A reduction of the unpaid amounts.

## THE IMPLEMENTATION OF A GUIDE FOR THE NETWORK SERVICES

This project consists in giving to the colleagues at the level of the network an exhaustive working tool which takes up all the transactions at the level of the branch office.

## MANAGEMENT OF THE ARCHIVES

The ultimate purpose of this project is to secure an optimum management of the archiving chain through the elaboration of a relating procedure and the drawing of a memorandum of obligations for the procurement of a computer application, allowing the optimum management of the archives.

## RECONFIGURATION OF THE PROCEDURES RELATING TO OVERDRAFTS

The achieved reconfiguration within this framework allows to :

- Rationalize the risk management linked to the commercial activities, through defining the forcing levels per manager ;
- Improve the management process of overdrafts, through limiting the access to intranet and reducing the response time.

## RECONFIGURATION AND FORMALIZATION OF THE PROCEDURES IN THE MARKET ROOM

The purpose of this project is :

- To offer security to the activities at the level of the market room by integrating the desk middle office ;
- To better monitor the activities, through the review of the procedures.

## QUALITY

Through the reorganisation of the quality department and the widening of its intervention, the bank gave a new impulse to this entity. Thanks to this reorganization, quality was introduced at all the levels of activities in the bank, aiming at securing "the satisfaction of the customer".

A set of indicators relating to the offer, namely the one addressed to the individuals was implemented, in order to measure up and to follow up the quality level of the services extended to the customers.

Works started in order to set up quality standards which will be posted in the branch offices.

## EXTERNAL COMMUNICATION

### ATTIJARI BANK : AN ACTIVE ACTOR IN THE ECONOMIC DEVELOPMENT OF TUNISIA

In order to serve its strategic objectives and to reinforce its position as an active actor which helps in the country economic development, the bank took part in important economic events.

These events were an occasion to strike new business relations with the professionals, the on shore and off shore companies.

The communication actions covered also the regions :

- The bank contributed to the regional development through participating in Sfax Corporate Fair (Salon de l'Entreprise à Sfax) and through sponsoring economic events at the regional level such as sponsoring the conference relating to regional development in Kairouan and in Kasserine.
- It sponsored for the sixth consecutive year the companies creation incubator in Kairouan.

## A GROUP SYNERGY AT THE SERVICE OF THE TUNISIAN COMPANIES, FOR THE CONQUEST OF MARKETS IN AFRICA

In order to accompany the Tunisian exporting companies in their conquest of international markets and particularly on the African continent which has a lot of potentials, and together with Attijariwafa bank, Attijari bank launched an institutional communication campaign which posted as a leitmotiv "the Attijariwafa bank Group at the service of an African continent which moves forward". This campaign enhances the presence of the Group in 23 countries in Africa and the group synergy among all the existing subsidiary companies, operating in the different countries of the continent.



## PRODUCT COMMUNICATION INNOVATING CAMPAIGNS

In addition to the institutional communication campaigns, products communication actions were launched to support the business unit in the achievement of their commercial objectives :

- A real estate campaign
- A campaign for the Tunisians living in France
- A Western Union campaign
- Asponsorship campaign
- A privilege pack campaign

Two digital campaigns were also launched in order to promote the two new websites, namely Attijari Intermediation website which allows the customers to issue remotely buying and selling orders for their shares and Attijari bank website which was transformed into a real information, interaction and prospection channel with interactive interface modules with the bank's information system.

## COMPLIANCE

The activities of the compliance control entity became intense during 2012.

Thus, in addition to the standard activities in the field of the statutory conformity and the fight against money laundering, object of the report submitted to the internal audit permanent committee, the unit executed specific works linked to the profession current news, including particularly :

- The follow up of the smooth application of the provisions of the circular letter 2011-06 of May 20th, 2011 about the consolidation of the good governance rules in the credit institutions ;
- The elaboration, in this context, of the manager charter, the internal regulations and the governance code. This code takes up the way the bank is run and controlled as well as the interactions between the different intervening parties, in compliance with the best international practices ;
- The updating of the compliance control charter ;
- The follow up of the assets confiscated by the Tunisian State within the framework of the enforcement of the Decree 2011-13, since the start up of the operation up to its settlement.

The top management contributed to the sector meetings on the banking mediation, to the FATCA project (Foreign Account Tax Compliance Act) and the dissemination of the new statutory texts.

In the field of fighting against money laundering and against terrorism financing, the acquisition of a filtering solution and of KYC in partnership with Attijariwafa bank group has reached its final stage and the signing of the contract is under way. The implementation of this solution is scheduled for March 2013.

At another level, a strict training and awareness raising action in the field of AML/KYC took place during 2012. It covered almost all the commercial staff members of greater Tunis.

Finally and as an enforcement of the circular letter 2011-06 relating to governance in the credit institutions, the compliance control takes care since July 1st, 2012 of the follow up of the smooth application of the deontology code.

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## DEONTOLOGY

### THE DEONTOLOGICAL REQUIREMENTS : THE STAND TO OUR CORPORATE CULTURE AND OUR PERFORMANCE LEVER

By posting its ambitions as the major actor in the banking industry, the bank committed to conduct its activities in an efficient, responsible and profitable manner, while respecting ethics.

The principles, the obligations and the specific rules set out in the deontology code affect the quality of the products and services, the relations with the customers, the efficiency of the organisation and the behaviour of our colleagues, while expressing the values of the bank, integrity and honesty, respect for the individuals, excellency at the service of the customer, team work spirit and compliance.

These founding values, shared by all, influence the conduct rules and govern the culture and the identity of the company. It is a culture which is considered as a cohesion factor, a factor of motivation and performance because it mobilizes our colleagues for the achievement of common objectives.

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# 3.

## ACTIVITIES AND RESULTS



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# ATTIJARI BANK

## IN FIGURES

Indicators (millions of dinars)	2012	2011	2010
<b>ACTIVITY</b>			
Customers' deposits	3 591.2	3 316.5	3 235.0
Customers' loans	3 247.7	3 077.1	2 629.4
<b>CAPITAL BASE</b>			
Total balance	4 439.9	4 169.1	3 877.2
Capital stock	198.7	168.8	168.8
Shareholders' equity	401.7	348.0	316.3
<b>RESULTS</b>			
GNP	217.5	181.4	167.4
Overheads	112.9	104.1	91.7
RBE	104.6	77.3	75.7
Net Result	55.6	31.5	56.6
<b>RATIOS</b>			
Return on shareholder's equity (ROE) (%)	16.1	9.96	21.79
Return on assets (ROA)	1.25	0.76	1.46
Operating ratio (%)	51.9%	57.4%	54.8%
Deposits/Staff	2.2	2.1	2.2
Customers/Staff members/Loans	2.0	1.9	1.8
<b>STOCK MARKET INDICATORS</b>			
Share's value as of December 31st (in TND)	15.440	18.690	21.780
BPA (in TND)	1.400	0.934	1.677
PER	11.029	20.012	12.991
<b>MEANS</b>			
Bank's Staff	1 663	1 600	1 489
Network	185	179	169

## CUSTOMERS' RESOURCES

At the end of 2012, the deposits and assets of the customers totalled MTND 3 591.2, showing a progress of 8.3 %, compared to 2011. This development is explained by the increase of the classical deposits by 15.1%, reaching MTND 3 333.9.

	Dec-12	Dec-11	Variation		Dec-10	Variation	
			In MTND	en %		In MTND	en %
Dépôts et avoirs de la clientèle	3 591.2	3 316.5	274.8	8.3	3 235.0	81.5	2.5
Classical deposits	3 333.9	2 897.0	436.9	15.1	2 650.1	246.9	9.3
At sight deposit	1 302.1	1 094.4	207.6	19.0	1 042.0	52.4	5.0
Saving	1 420.6	1 200.3	220.3	18.4	1 042.0	158.3	15.2
Forward deposit	611.3	602.3	9.0	1.5	566.2	36.1	6.4
Other amounts due to the customers	93.7	86.0	7.7	9.0	77.1	8.9	11.5
Deposit certificates	163.6	333.5	-169.9	-50.9	507.7	-174.2	-34.3

Analysed typewise, the growth of the classical deposits is explained by the simultaneous improvement of the at sight deposits by 19%, namely MTND 1 302.1 and the saving accounts by

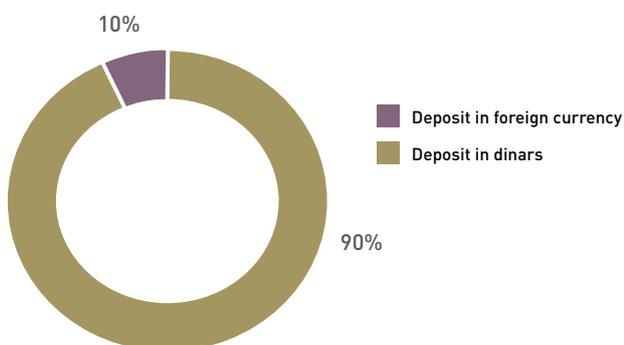
18.4%, namely MTND 1 420.6.

However the forward deposits witnessed a 1.5% evolution, contrary to the deposit certificates which

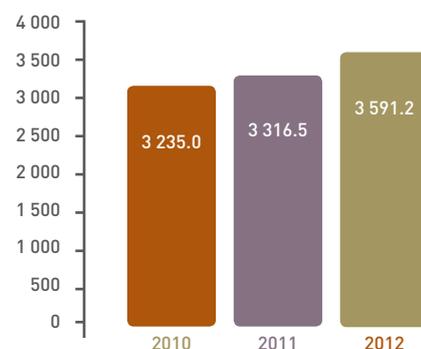
decreased by 50.9 %, reflecting hence the target of the bank aiming at developing the least expensive resources.

Analysed by currency type, the structure of the deposits as of December 31st, 2011 is as follows :

### DISTRIBUTION OF THE DEPOSITS PER CURRENCY TYPE



### EVOLUTION OF THE CUSTOMERS' DEPOSITS



## MID AND LONG TERM RESOURCES

The mid and long term resources amount went from MTND 87 at the end of December 2011 to MTND 76 at the end of December 2012, corresponding to a decrease by MTND 11, resulting, to a great extent, from the reimbursement of the MTND 50 bond issue.

## SHAREHOLDERS' EQUITIES

The shareholders' equities of the bank reached MTND 402, showing an improvement by 15%, compared to the previous year.

## CONTRIBUTION TO THE ECONOMY

### DISBURSEMENT CREDITS

As of December 31st, 2012, the outstanding net credit amount of the customers totalled MTND 3 247.7, recording an increase by 5.5%, compared to 2011.

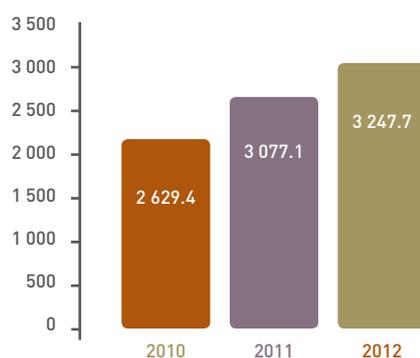
	Dec-12	Dec-11	Variation		Dec-10	Variation	
			In MTND	en %		In MTND	en %
Crédits par décaissement	3 247.7	3 077.1	170.6	5.5	2 629.4	447.8	17.0
Credits from ordinary resources	3 240.0	3 065.7	174.3	5.7	2 617.3	448.4	17.1
Debt accounts	127.1	126.2	0.8	0.7	162.1	-35.2	-22.1
Portfolio credit	2 936.6	2 801.7	135.0	4.8	2 321.0	480.6	20.6
CT Portfolio	794.7	893.2	-98.5	-11.0	776.6	116.7	15.0
MLT Portfolio	2 125.8	1 883.5	242.4	12.9	1 538.2	345.3	22.4
Other credits *	176.3	137.8	38.5	27.9	134.2	3.7	2.7
Credit from special resources	7.7	11.4	-3.7	-32.5	12.1	-0.6	-5.4

\* (mainly the unpaid and disputed receivables, free from the assigned provisions and fees).

This growth is essentially due to the increase of the mid and long term credit facilities by +12.9%, totalling MTND + 242.4.

As for the short term credit facilities, they recorded a decrease by -11%, reaching MTND794.7.

### EVOLUTION OF THE CUSTOMERS' CREDITS



## COMMITMENTS BY SIGNATURE

At the end of 2012, the commitments by signature, in favour of the customers decreased, by 15%, compared to their level one year ago, to reach MTND 461. This decrease is explained as follows :

- The endorsements and bonds and other guarantees in favour of the customers: MTND-49, namely -17%,
- The documentary credits: MTND -35%, namely -14%.

## SECURITY PORTFOLIO

The bank's security portfolio increased by MTND 37, namely +10%, reaching MTND399, at the end of December 2012, as a result of the increase of the

commercial security portfolio by MTND 29 [+10%], and of the investment security portfolio MTND 8 [+14%].

## ASSETS

The depreciation free fixed assets reached at the end of December 2012 MTND 156, recording hence a

decrease by MTND 5, corresponding to -3%, compared to the preceding year.

# POSITIONING OF DE ATTIJARI BANK WITH REFERENCE TO ITS COMPETITORS

	Exposure dec.12	2012/2011	Sector Evolution	Market share <sup>1</sup>	
	in MTND	Evolution		2012	2011
Deposits and assets of customers	3 591	8%	8.8%	9.10%	9.20%
Savings <sup>2</sup>	1 414	18%	13.2%	11.9%	11.4%
At sight deposits <sup>2</sup>	1 300	19 %	10.3%	9.3%	8.6%
Disbursement Credits	3 248	6%	5%	8.2%	8.2%
Interest margin	117.4	24.5%	13.1%	9.4%	8.6%
Margin on commissions	60.9	21.6%	10.9%	13.0%	11.9%
Banking net income	217.5	19.9%	11.2%	10.2%	9.4%

<sup>1</sup> The market share is calculated based on the temporary indicators of the following banks (BIAT, Amen Bank, BT, UIB, UBCI, ATB, STB, BNA and BH)

<sup>2</sup> To the exclusion of the accrued interests not yet due.

# ACTIVITIES RESULTS AND THEIR EVOLUTION

## OPERATING RESULTS

### NET BANKING INCOME

By the end of 2012, the Net Banking Income (NBI) reached MTND 217.5, against MTND 181.4 at the end of December 2011, showing an increase by MTND 36.1, i.e.

19.9%. This growth results essentially from the progress of the global interest margin on the commissions, of 24.5% and 21.6%, respectively.

The NBI formation is ventilated as follows :

	Dec-12	Dec-11	Variation		Structure	
			In MTND	en %	2012	2011
Global Interest margin	117.4	94.3	23.1	24.5%	54.0%	52.0%
Margin on commissions	60.9	50.1	10.8	21.6%	28.0%	27.6%
Results on the market transactions	39.1	37.0	2.1	5.7%	18.0%	20.4%
<b>Net Banking Income</b>	<b>217.5</b>	<b>181.4</b>	<b>36.1</b>	<b>19.9%</b>	<b>100%</b>	<b>100%</b>

### THE GLOBAL INTEREST MARGIN

The interest margin showed a progress by 24.5% to amount to MTND 117.4, contributing likewise in the structure of the Net Banking Income (NBI) by 54%.

The interests and other assimilated incomes increased

by 6% to reach MTND211, thanks mainly to the evolution of the interests and other assimilated income received on the transactions with the customers. As for the interests and similar charges, they decreased by 11%, reaching MTND 94.

### THE MARGIN ON COMMISSIONS

Corresponding to 28% of the Net Banking Income (NBI), the margin on commissions increased by 21.1% to reach MTND 60.9. This increase is due mainly to the

extension and the marketing of an offer of innovating products and services.

### THE MARKET TRANSACTIONS RESULTS

By the end of December 2012, the market transactions results reached MTND39.1, recording an increase by 5.7% compared to its level one year before. This variation comes essentially from the market exchange results

[+13.4%] and the improvement of the dividends from the investment securities portfolio totalling MTND 5.5 in 2012, against MTND 4.7 in 2011.

### THE OVERHEAD OPERATING EXPENSES

In 2012, the overhead expenses posted an increase by 8%, to reach MTND112.9

This variation is due mainly to the increase in salaries by 8%, reaching MTND 71.3 (under the combined effect of the salary increase and the strengthening of the

staff number) and of the operating expenses by 11%, reaching MTND 29.3.

Considering the evolution of the GDP at a greater pace than that of the operating expenses, the operating coefficient increased by 550 basic points to reach 51.9%.

### THE NET INCOME

The Gross Operating Income (G.O.I.) went up by 35%, going from MTND 77.3 in 2011 up to MTND 104.6 in 2012. Income taxes amounted to MTND 27 against

MTND 17.5 the preceding year. The Net Income hence increased by 76%.

## EVOLUTION AND ACHIEVEMENTS DURING THE LAST FIVE YEARS

### TOTAL BALANCE SHEET

At the end of 2012, the total balance sheet reached MTND 4 440 against MTND 2 841 in 2008, posting an average annual growth rate (TCAM) of 11.8%, compared to 2011.

#### EVOLUTION OF THE TOTAL BALANCE SHEET DURING THE LAST FIVE YEARS



### THE CUSTOMERS' DEPOSITS AND ASSETS

The average annual growth rate of the customers' deposits and assets amounts to 10.5% ,over the period under review, to reach MTND 3 591.

#### EVOLUTION OF THE DEPOSITS DURING THE LAST FIVE YEARS



### DISBURSEMENT CREDITS

During the same period, the credits from disbursements recorded an average annual growth rate of 13.4%, reaching MTND 3 248 at the end of 2012.

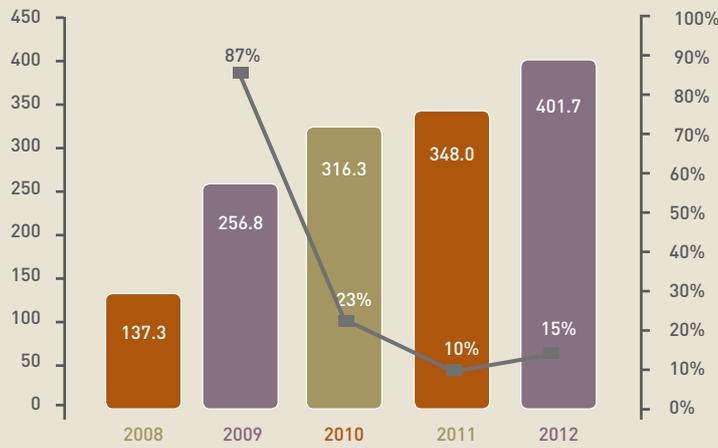
#### EVOLUTION OF THE CREDITS OVER THE LAST FIVE YEARS



## SHAREHOLDERS' EQUITIES

During the last five years, the shareholders' equities of the Bank showed an average annual growth rate of 30.8%, reaching MTND 401.7 in 2012, against MTND 137.3 in 2008.

### EVOLUTION OF THE SHAREHOLDERS' EQUITIES OVER THE LAST FIVE YEARS



## BANKING NET INCOME (BNI)

The Banking Net Income amounted to MTND 217.5 at the end of December 2012, showing an average annual growth rate of 14%.

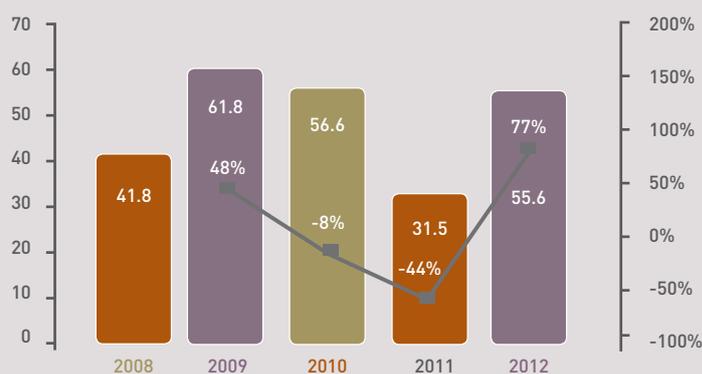
### EVOLUTION OF THE BNI OVER THE LAST FIVE YEARS



## NET INCOME

The Net Income shows an average annual growth rate of 7.4%, reaching MTND 55.6 in 2012.

### EVOLUTION OF THE NET INCOME OVER THE LAST FIVE YEARS



## MAIN RATIOS

	In kTND	2008	2009	2010	2011	2012
<b>Productivity</b>	Deposits/Staff	1 618	1 898	2 173	2 073	2 159
	Credits/Staff	1 318	1 524	1 766	1 923	1 953
	BNI/Staff	86	100	112	113	131
	Operating ratio	53.3%	53.0%	54.8%	57.4%	51.9%
	[In %]	2008	2009	2010	2011	2012
<b>Profitability</b>	NI/BNI	32.5%	41.8%	33.8%	17.4%	25.6%
	ROE	43.8%	31.7%	21.8%	10.0%	16.1%
	ROA	1.47%	1.77%	1.46%	0.76%	1.25%
	(en %)	2008	2009	2010	2011	2012
<b>Risks</b>	Liquidity ratio	127.8%	116.0%	102.0%	90.0%	94.8%
	Solvability ratio	4.61%	8.69%	11.48%	12.22%	14.40%
	Classified assets rate	13.0%	9.6%	8.5%	8.9%	9.5%
	Classified assets coverage rate	51%	64.2%	64.4%	66.2%	68.9%

## 4.

EQUITIES AND ATTIJARI BANK  
GROUP

Company's name	Activity field	Capital in TND	Control in % in 2012
Attijari Intermédiation	Stock broker	5 000 000	99.99%
Attijari Recouvrement	Legal debt recovery company	1 000 000	99.91%
Attijari Sicar	A risk capital investment company	26 455 500	70.23%
GTI	Information Engineering	400 000	66.25%
GIS	Real estate development	3 000 000	29.90%
Attijari Leasing	Leasing financing activities	21 250 000	65.32%
Attijari Gestion	OPCVM management	500 000	99.86%
Attijari Immobilière	Real estate development within the framework of the purchase of mortgaged assets	150 000	99.98%
Attijari Finances Tunisie	Financial consulting	1 000 000	24.94%

# 5.

## SHAREHOLDING



CAPITAL BREAKDOWN

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# CAPITAL BREAKDOWN

The share capital amounts to TND 198 741 450, divided into 39 748 290 fully paid up registered shares with a nominal value of five dinars (TND 5) each.

The subscription preferential right to the new shares is reserved to the shareholders, in case of a capital increase, unless otherwise decided by the Special General Meeting (SGM).

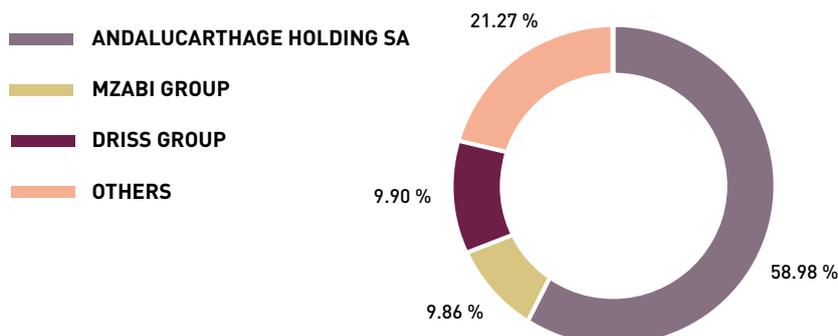
The shares are ordinary and registered. Their payments are made against the delivery of certificates, in accordance with the legislation into force. Likewise, the shares are freely negotiable, under the conditions and according to the legal procedures into force.

Each share confers a right, proportionally to the capital it represents.

<b>A- Tunisian Shareholders</b>	<b>16 304 680</b>	<b>41.01%</b>
<b>Resident</b>	<b>16 304 680</b>	
Corporate bodies and natural persons	16 304 680	
<b>B- Foreign Shareholders</b>	<b>23 443 610</b>	<b>58.98%</b>
<b>Non resident</b>	<b>23 443 610</b>	
<b>Total</b>	<b>39 748 290</b>	<b>100 %</b>

## Capital Structure as of

December 31st, 2012



Attijari bank has, hence, among its shareholders, international scope companies, with which it has developed multiple synergies, mainly in terms of expertise and value creation.



# 6.

## BOARD AND MANAGEMENT BODIES



BOARD AND  
MANAGEMENT BODIES

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AUDITORS

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# BOARD AND MANAGEMENT BODIES

## THE BOARD OF DIRECTORS

- Is vested with the most extensive full powers to act in the name of the company and to obtain the authorization for all the acts and operations relating to its purpose of incorporation ;
- Secures the effective inspection of the bank management by the managing body ;
- Sees to the implementation and smooth running of the internal control system and the compliance control system ;
- Drafts the internal regulations of the company ;
- Fixes the composition and nominates the members of all the committees attached thereto ;
- Grants all the mortgages, pledges, delegations of authorities, guarantees and other liens on the company's properties ;
- Authorizes any convention, entered directly or indirectly, or through a third party, between the credit institution and the persons entertaining relations therewith ;
- Calls for the general meetings ;
- Issues the individual and consolidated financial statements and the general and special management reports ;
- Authorizes the acquisitions, the property exchanges and the sales of all properties,
- Incorporates any company ;
- Fixes the remuneration of the general manager and of the deputy general manager(s).

The Board of Directors may delegate some of its powers to the bank's General Manager, with the possibility of sub-delegating them.

## ASSISTANCE COMMITTEES

Pursuant to the provisions of the circular letter of the Central Bank of Tunisia 2011-06 dated May 20th, 2011, the bank has four (04) assistance committees attached

to the Board of Directors. Specific charters have been prepared and approved by the Board of Directors during its session of December 14th, 2012.

The composition, the mission and periodicity of the meetings of these committees are as follows :

### a. The internal audit permanent committee

- **Composition :** Chairman : Mr. Edouard ESPARBES  
Members : Mrs. Zohra DRISS BOUSLAMA  
Mr. José REIG ECHEVESTE
- **Mission :** it sees to the smooth running of the internal control system and secures the supervision of the activities carried out in this field. In this respect, it analyses the issues raised within the framework of the audit reports, proposes strategic approaches and supplies recommendations.

**b. The credit executive committee**

- **Composition :** Chairman : Mr. Boubker JAI  
Members : Mr Mounir OUDGHIRI  
Mr Hicham SEFFA
- **Mission :** its mission is to define the bank's policy in terms of loans and to examine the financing activity, considering the strategy fixed in this sector. The mission of the committee includes the appreciation and the examination of the loans extended to the related parties.

In terms of loans disbursements, as of December 31st, 2012, the Directors of Attijari bank (Driss Group and Mzabi Group) profited from a total gross amount of MTND 43: MTND 20 for Driss Group and MTND 23 for Mzabi Group.

**c. The risk committee**

- **Composition :** Chairman : Mr. Hassan OURIAGLI  
Members : Mr. M'zoughi M'zabi  
Mr. Mohamed Ali BAKIR  
Mr. Moncef CHAFFAR
- **Mission :** The basic mission of the risk committee is to propose to the Board of Directors a risk strategy and policy, taking into account the policy of the group in this field. The aim of this mission is to help the Board of Directors control the risk situation inside the bank and to make the decisions it considers necessary for protecting it from anything likely to have an adverse effect on its activities and its results.

**d. The nomination and remuneration committee**

- It proposes the remuneration and award amounts of the bank's executives. It is composed of two members of the board of directors, namely Mr. Mohamed EL KETTANI and Mr. Boubker JAI.

## THE GENERAL MANAGER

He/ she is nominated by the board of directors for a fixed period :

- He/she assumes, under his/her own responsibility, the duties of managing the company ;
- He/she is invested with the powers which are delegated by the board of directors ;
- He/she takes care of the enforcement of the bank's general policy.

The General Manager can be assisted by one or several deputy general manager(s), and he/she may delegate all or part of his/her powers.

## THE INTERNAL COMMITTEES

- **The top management committee** it defines the strategic guidelines of the bank and the activity objectives to be achieved.
- **The credit committee** it studies the applications for finance and makes decisions regarding the risk quality assessment.
- **The debt collection committee** it defines the bank's policy in terms of debt collection and makes the useful decisions by coordinating with all the network units.
- **The ALM committee** it assesses and manages the balance sheet global risks in terms of rate, liquidity and exchange and defines the guidelines allowing a good profitability of the shareholders' equities.
- **The human resources committee** it works out the general policy of the human resources and validates the relating strategies. It secures the follow up of the performance indicators of the human resources and sees to the maintaining of a good social climate.
- **The executive committee** it sees to the implementation of the annual action plans and the budgets resulting therefrom, it monitors the evolution of the bank's activities. It follows the achievement of the objectives and takes care of the coherent management of the communication policy, both external and internal.

## THE ASSISTANCE COMMITTEES

- **The general audit committee** it examines the reports made by the audit structures and makes decisions within the framework of the reinforcement of the system and the improvement of the internal control activities.
- **The synergy and development committee** decides on the issues which require coordination between the components of Attijari bank Group and the issues relating to the development strategy.

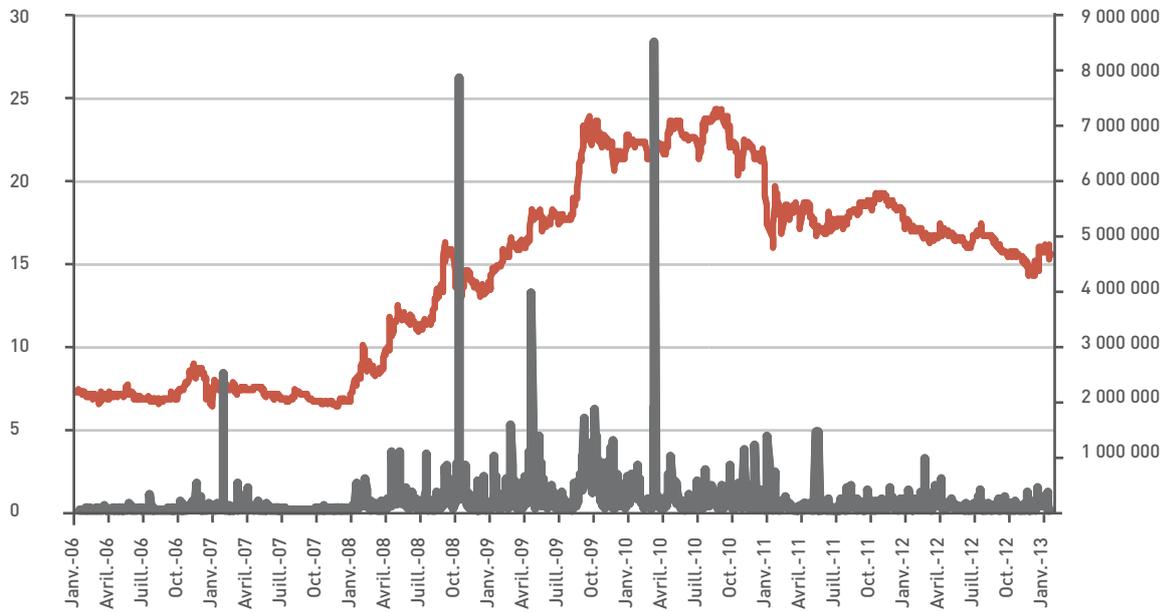
# AUDITORS

The financial statements of Attijari Bank as of December 31st, 2012 made the subject matter of a legal audit conducted by the MAZARS Audit Firm [whose mission ends with the holding of the Ordinary General Meeting

concerning the financial year 2014] and by the Fethi NEJI audit group [whose mission ended on December 31st, 2012].

# 7. EVOLUTION OF ATTIJARI BANK SHARE

■ Share price  
■ Capital flows in TND



# 8.

## ALLOCATION OF THE RESULTS



A REMINDER OF THE  
STATUTORY PROVISIONS  
CONCERNING THE  
ALLOCATION OF THE  
RESULTS

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CAPITAL EQUITIES  
MOVEMENT CHART

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# A REMINDER OF THE STATUTORY PROVISIONS CONCERNING THE ALLOCATION OF THE RESULTS

The net accounting result is worked out according to the accounting legislation into force.

The distributable profit is made by the net accounting result increased or decreased by the results, forwarded from previous financial years, after deducting therefrom:

- 1- 5% of the profit, fixed by the law under legal reserves. This levy ceases to be compulsory when the reserve fund reaches an amount equal to one tenth (1/10) of the share capital. It takes up again its normal course when, for any reason, the reserves go down below the one tenth of the required level.
- 2- Reserves prescribed by the special legislation texts or by the by-laws, within the limits of the rates fixed therein.

From this distributable profit, can be deducted the necessary amount to give to the shares a first dividend of six percent (6%) on the fully paid and not redeemed capital, which cannot be claimed by the shareholders with respect to the subsequent years profits; in case the profits of one year do not allow their settlement.

From the available surplus, the Ordinary General Meeting shall

be entitled, following a proposal made by the Board of Directors, to deduct any amount it deems adequate, either to be allocated to one or several general or special reserve fund(s) of which it takes care concerning its/their allocation or its/their use, or to be forwarded once again to the next financial year.

The surplus can be distributed to the shareholders as super-dividends.

The dividends are paid on the dates and in the places fixed by the Board of Directors, in the hands of the holders, or their authorized representatives, owning a certificate proving the number of shares they hold, delivered by the company or by an approved intermediary.

The dividends, not claimed within five (5) years as of their maturity dates, are time barred.

# CAPITAL EQUITIES MOVEMENT

## CHART

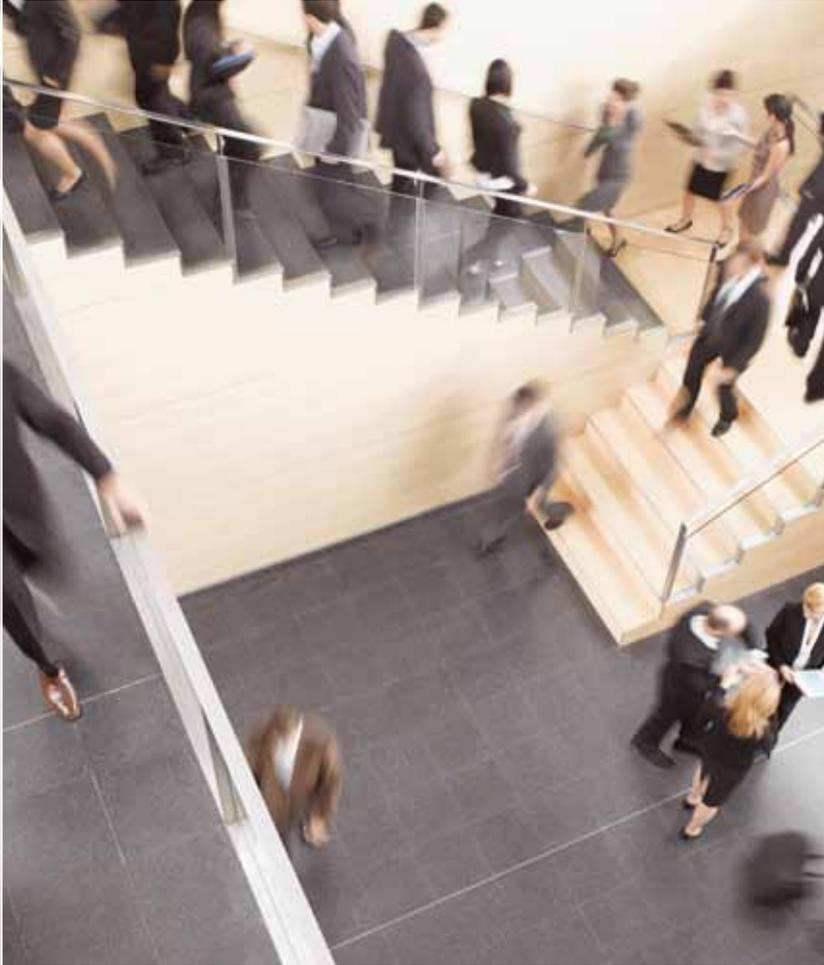
Unit : k TND

	Subscribed Capital	Premiums linked to the Capital	Legal Reserves	Other Reserves	Reserve for a special tax regime	Social Fund	Re-valuation differential	Securities assimilated to capital equities	Forwarded Result	Period Result	Total
<b>Situation of Capital equities as of 31.12.11</b>	<b>168 750</b>	<b>59 700</b>	<b>7 503</b>	<b>1 793</b>	<b>399</b>	<b>15 536</b>	<b>3 646</b>	<b>83 669</b>	<b>(24 482)</b>	<b>31 521</b>	<b>348 035</b>
Allocation of profitable result 2011											
Reserves			352							-352	0
Dividends										-5 962	-5 962
Forwarded result									25 207	-25 207	0
<b>Situation of Capital equities after appropriation</b>	<b>168 750</b>	<b>59 700</b>	<b>7 855</b>	<b>1 793</b>	<b>399</b>	<b>15 536</b>	<b>3 646</b>	<b>83 669</b>	<b>725</b>	<b>0</b>	<b>342 073</b>
Capital increase by conversion of OCA	29 991	59 983						-83 669			6 305
Social fund variation						(2 277)					(2 277)(*)
Period Result										55 647	55 647
<b>Situation of Capital equities as of 31.12.12</b>	<b>198 741</b>	<b>119 683</b>	<b>7 855</b>	<b>1 793</b>	<b>399</b>	<b>13 258</b>	<b>3 646</b>	<b>0</b>	<b>725</b>	<b>55 647</b>	<b>401 747</b>

\* In 2011 the amount of KTND 2.560 relating to the interests on loans on the social fund was affected, erroneously at the level of the capital stocks. This amount was transferred in 2012 to the other assets.

# 9.

## HUMAN RESOURCES MANAGEMENT



RECRUITMENT AND  
INTEGRATION

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INTERNAL  
COMMUNICATION

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## RECRUITMENT & INTEGRATION

### PURSUING A PROACTIVE RECRUITMENT POLICY

Firmly future oriented, Attijari bank has continuously reinforced its attracting policy of the youth, mainly through developing its offer of occupational integration contracts and of trainings. Indeed, with more than 100 new recruits in 2012, the bank reasserts its position as an important employer in the Tunisian banking sector.

### A CARRIER MANAGEMENT POLICY IN THE CORE OF THE DEVELOPMENT STRATEGY

The Group whose development rests on the development of its staff members, is deeply involved in identifying their effective and potential competence and tries to help them develop them. In this respect, innovating pedagogical tools were introduced in the course of 2012. In order to allow the concerned employees to shape new competences and to assist them on the occasion of each new change of a position or of a staff mobility.

This already initiated approach shall be completed by an individual assistance programme concerning the professional careers, through providing Advisors in Professional Carriers' Mobility in charge of a personalised follow up of the professional carrier of each employee.

### A REMUNERATION POLICY BASED ON PERFORMANCE

In order to support its development, the bank is continuously trying to motivate and retain its employees, mainly through an incentive global remuneration, part of it cash based, rewarding performance and including also a portion of benefits in kind.

For this end, a Social Pact was negotiated and concluded with the social partners, centred on a minimum profit sharing amount and the reconsideration of the interest rates on the loans granted to the staff members.

## INTERNAL COMMUNICATION : ASSISTANCE AND COHESION

Pursuing a federating strategy and favouring a dynamic assistance policy to the projects run by the bank, the internal communication was strengthened by communication actions all along the 2012 financial year, for more proximity, cohesion and sharing.

In this framework, multi-positions and inter-regional intra-team meetings and get together were organised in order to raise the employees' awareness and to involve them in the different structuring projects contemplated by the bank. In parallel, and in order to develop the exchange,

within the framework of a constructive dialogue, between the employees and the management, several meetings with the General Manager were organised.

The internal communication was also relayed through the different communication supports conveyed through the intranet network, on a continuous basis.

2012 was also marked by the beginning of the staff deployment in the new head office of the bank. In this framework, the internal communication secured an assistance role in the change and in the information relay, through coordinating with the different involved job structures. A change implementation process was put into action.

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## TRAINING, FOR THE PROMOTION OF PERFORMANCES

Within the framework of the strategic training plan with a high added value, most of the actions carried out in 2012 were centred on initiatives dealing with the issues of leadership, management and team management.

Volume wise, more than 5 000 training days/men were recorded.

It is to be noted that within the framework of the partnership with IFID, two classes have already undergone training periods organized by IFID. The success rate was 98%.

Furthermore, a training course in partnership with the Ecole Supérieure Privée des Sciences Appliquées et de Management (SESAM) on the banking operations with abroad was carried out with a success rate of 100%.

Within the framework of their integration in the professional life, 1 820 training months were organised for students.

## ATTIJARI ACADEMY : IMPLEMENTATION OF THE REFORM

In addition to the launching of trainings for specific professions and the immersion cycles, the reform called “Tomorrow’s Academy” was implemented in 2012. This reform aims at further developing capacities and aptitudes, mastering the techniques and acquiring the required skills in the different banking professions. It is based on redesigning the programs and their contents, in conformity with pre-established standards, approved by the scientific council. Concerning the preparation of the programmes, the approach was based on reconsidering the modules and the pedagogical distribution in terms of the professions and the learning level. As for the re-examination of their contents, the conception of new supports was entrusted to internal trainers on the basis of specific reference terms and on an appropriate graphic chart.

Their validation was put in place by the officers in charge of the professions. It was furthermore decided to outsource certain modules requiring a specific expertise, through subcontracting them with the banks’ and finance Academy.

Together with the actions made within the framework of the above mentioned reform, recourse was made to a new remote training formula, based on the extended screenplay learning and its making available to the target population through the e-learning platform. This formula which offers both the cost and the quality advantage is still at the experimental level. It will eventually become more widespread in order to profit to almost all the employees.

# 10.

## INTERNAL CONTROL AND RISK GLOBAL MANAGEMENT



INTERNAL CONTROL

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RISK GLOBAL  
MANAGEMENT

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# INTERNAL CONTROL

The internal control device of Attijari Bank is based on a vision which complies with the best practices at the international level. This vision conciliates the statutory demands governing this device, particularly the Central Bank's circular letter BCT n° 2006-19 dated November 28th, 2006 and the objectives set by the governance bodies.

This device is supported by :

- The operation of a global banking which takes care of all the bank transactions ;
- The implementation of an accounting system, in conformity with the Accounting Standard n° 21,
- Separating the permanent control from the periodical control,
- Formulating management procedures with a strict segregation of the duties of the different intervening parties,
- Training the concerned collaborators,
- Inculcating the control culture to all the collaborators through awareness raising and guidance actions.

## ORGANIZATION

The internal control device includes a permanent control system and a periodical control structure, as well as committees in charge of inspecting the activities carried out in this respect.

### THE PERMANENT CONTROL DEVICE INCLUDES THREE CONTROL LEVELS

#### 1<sup>ST</sup> LEVEL CONTROL

This control is, in principle, operated on the spot. It is immediate, systematic and it forms an integral part of the operational procedures.

#### 2<sup>ND</sup> LEVEL CONTROL

It is made retroactively, by controllers different from the operational officers. The latter are attached to the operational managers. Their role consists in assisting them in structuring and maintaining an efficient internal control device. They are also in charge of implementing the instructions and standards relating to the internal control, particularly at the levels of :

- applying the methodology
- conforming to the control plan
- training and supporting the operational officers, and
- the follow up of the information and data returns.

The permanent watch is completed by :

- operational controls implemented in the computer processing chains,
- controls operated by the other functional structures of the bank (GGR, Finance, Legal Council, Back Office, ...)

#### 3<sup>RD</sup> LEVEL CONTROL

This control is operated through a central structure in charge of the Internal Control. Its mission consists in the followings :

- ensuring an overall steering of the permanent control device and ensuring its effectiveness with all the structures of the bank,
- implementing the methodology and the necessary tools for its enforcement, setting up an annual control plan and following up its enforcement,
- coordinating between the different entities, notably with respect to the exchange of information and the transverse missions,
- ensuring the follow up of the implementation of the recommendations made by the different bank authorities and of the internal or external control bodies,
- making regular reports to the General Management and the different committees.

## PERIODIC CONTROL: “GENERAL AUDITING”

Within the framework of the total reconfiguration, started since 2008, consolidated during the subsequent years, General Auditing is an unavoidable actor in the environment control of the bank and its subsidiary companies. It represents, as well, a reference pillar, as far as the audit structure, at the level of the Attijariwafa bank group, is concerned.

During 2012, the network auditing secured a large coverage of all the branch offices and business centres, accompanied by a quotation for the sales achievements chapter of the risks inherent to the banking activities.

At the same time as the network auditing works, the auditing works of the departments in the head office and in the subsidiary companies, allowed the apprehension of certain deficiencies, at the level of three subsidiary companies of Attijari bank group, at the level of the profession and the level of the information system. They also allowed the implementation of an investigatory approach, focusing on the legal, procedural weaknesses and at the level of the information system, concerning a certain number of processes and professional guidelines, inside the bank, with reference to the three year intervention plan of 2010-2012.

After having finalized the module, dedicated for the rating of the branch offices and the business centres, General Auditing completed in 2012, the rating module of the head office entities.

This system is based on an evaluation pyramid structure of the processes of a unit, individually and/or collectively for

the aspects covering the operational volume, the organization, the HR, the internal control, the risk management, the IS and the accounting.

The remote control became more important thanks to the quality and the diversity of the interventions. It stands, nowadays, as a separate unit in the General Auditing Central Department, which operates starting from the DELTA Information System.

The dedicated team undertook the design of a guide and a procedure manual in the remote control field which raises the interest and attention of the whole group.

The follow up of the implementation of the Central Bank’s circular letter provisions, about the internal control remains a permanent concern for General Auditing which sees to the implementation of the measures taken by the different entities of the bank, in this context.

With the view of modernizing the “General Auditing” and fitting it with tools that are up to its ambitions and which, indeed, match up the profession international standards, several projects were adopted during 2012 and particularly :

- a rating system for the subsidiary companies of Attijari bank group,
- an administrative and logical management tool of the files
- and audit missions,
- an information request tool on Delta information system, in order to lay down the techniques of the Computer Assisted Audit (C.A.A.)

The implementation of these projects is scheduled for 2013.

## THE COMMITTEES

Three committees take care of the good functioning of the control system. Their intervention in this respect allows the evaluation of this system and the pointing out of eventual trouble shootings, relating to the procedures and to the transaction processing.

### THE INTERNAL CONTROL COORDINATION COMMITTEE

It holds bi-monthly meetings, attended by the officials of the Permanent Control of the second and third levels.

Its role is to secure the follow up of the control points mapping. It can also check the application of the recommendations listed in the audit reports and the decisions taken in terms of internal control by different authorities, namely the auditors, on one hand and the internal control and audit committees, on the other.

### THE INTERNAL CONTROL COMMITTEE

It is chaired by the General Manager and includes the officials in charge of the General Control and those concerned by the agenda of the day. It meets every month in order to study the recommendations listed in the audit reports and the possibility to apply them. It also secures the follow up of the application of the provisions of the Circular Letter of the Central Bank BCT n° 2006/19 of November 28th, 2006, relating to the internal control system.

## PROCEDURE AND TOOLS

The procedure adopted during the implementation of the control, on the spot, at the level of the Bank's different entities, was laid down based on the following stages :

- Inventory of the different processes linked to the activities, subject of the control,
- Listing of the automatic controls, programmed at the level of the information system (IS),
- Identification of the 1st level control points,
- Definition of the 2nd level control points with a precise periodicity, as well as the practical terms and conditions for the execution of these controls,
- Design of the trouble report sheet,
- Optimization of the coordination between the different control levels,
- Periodical updating of the control points in the light of the trouble shooting report.

These remote controls are made on the basis of requests associated with the macro processes. This approach allows the supply of pertinent information presented in a simple and uniform way, in order to facilitate their processing by the users.

As for the approach with reference to the risks, it is based on the definition of the thresholds per type to be controlled transaction, it is summed up as follows :

- Identification of significantly important information through the processing of requests coming from the computer (IT) production,
- Guiding the control towards the targeted operations, taking into account the risk indicators per operation domain,
- Securing a traceability of the controlled files,
- Quantifying the coverage level of the control activity per sector of activity.

For a better coverage of the risks to which the bank is likely to be exposed, in conformity with the procedure detailed hereabove, the following tools have been developed and put at the disposal of the 2<sup>nd</sup> level controllers :

- The design of control guide booklets for the attention of the permanent controllers, defining the practical procedures and terms of control for each activity sector,
- The development of an interactive application on the web allowing the recording and the follow up of the settlements of the troubles, detected by the different structures of the Bank,
- The implementation of the CI-GRO application which allows, on one hand, the automatic management of the life cycle of the troubles and the issue of alarms through e-mails to the first level controllers, on the occasion of every registration or modification of the trouble at stake, on the other.

This CI-GRO application secures at the same time a traceability of these troubles and a quantification of the suffered losses. The different users of this application are identified and the enablement levels are defined according to the level of the nature of their intervention.

## REPORTING

The periodical reportings are elaborated starting from the trouble base. They include a listing of the recorded troubles per structure, per process and control points.

These reportings give also information on the settlement rates of the recorded troubles, as well as on the detailed description of the main trouble shootings of the period.

These reportings are addressed to the profession officials for information and risk acculturation. They are afterwards forwarded to the General Management and submitted to the different concerned committees for analysis and preventive decision making.

# RISK GLOBAL MANAGEMENT

According to the IMF's report of January 2013, the world's growth under the whole year of 2012 was 3.2%, i.e. posting a decrease by 18%, compared to 2011, when it was of 3.90% against 5.10% in 2010. According to the same source, it was mainly the emerging and developing countries which continued to back up the world's growth since they achieved a growth of 5.10% against a rate of 1.30% in the developed countries. Under 2013 and 2014, the IMF foresees a slight improvement of the growth rate in the world, reaching 3.5% and 4.10%, respectively.

According to the latest publications of the Tunisian Statistics National Institute (INS), the Gross Domestic Product (GDP) went up, during the fourth quarter by 4%, as of December 31st, 2011. Hence, the National Growth Rate (NGR) was 3.6% compared to 2011.

The inflation rate went up to 5.6% in 2012 against an average rate of 3.5% in 2011.

Concerning the Market Monetary Rate (TMM), and in terms of variations over one sliding year, it recorded an increase by 25.95%, going from 3.16% at the end of January 2011 up to 3.98% on December 31st, 2012. Its average rate over 2012 was 3.75% against 4.03% on the same date in 2012, thus posting deterioration by 6.89%.

In this socio-political context, still unstable, mixed up with recovery signals which remain to be confirmed, Attijari bank kept its prudent risk management policy while remaining attentive to the market development, both locally and internationally, in order to be in line, quickly, with any favourable evolution of the environment and to offer its further support to the companies operating in the sectors and the markets which are still promising.

## PROVISIONING POLICY: COMPLIANCE AND RIGOR

The provisions by commitments are worked out in accordance with the risk coverage and commitment follow up prudent standards, object of the Central Bank's circular letter 91-24 of December 17th, 1991, as modified by the subsequent texts.

## CLASSIFICATION OF THE COMMITMENTS

The commitments are classified in the following risk categories :

### CATEGORY 0: CURRENT ASSETS

These are the assets whose collection is secure. They relate to the companies or counterparts which enjoy a balanced financial situation, a satisfactory management and activity prospects, a financial contribution volume that matches up their activities and their real repayment capabilities.

### CATEGORY 1 : ASSETS REQUIRING A SPECIAL FOLLOW UP

These are assets whose collection is nevertheless secure. They relate to the companies or counterparts whose activities sector is experiencing difficulties or whose financial situation is deteriorating.

### CATEGORY 2 : UNCERTAIN ASSETS

These are assets whose collection within the set periods is uncertain. They relate to the companies or the counterparts which experience difficulties and which, in addition to the specific features of category 1, suffer at least from one of the following mishaps :

- a financial aid volume that does not match up their activities volume ;
- the absence of the financial situation updating due to the lack of information ;
- management problems and disputes among the associates, ;
- technical, sales or supply difficulties ;
- a cash flow deterioration, jeopardizing the debts repayment in due course ;
- the existence of payment delays for the principal and/or the interests, ranging between 90 and 180 days.

### CATEGORY 3 : ASSETS THAT ARE CAUSE FOR CONCERN

These are assets whose collection is threatened. They concern the companies or counterparts which post an eventual degree of losses. These assets relate to companies which show, at a more serious level, the characteristics of category 2 or which experience payment delays, in the debt principal or in the interests, ranging between 180 and 360 days.

### CATEGORY 4 : RISKY OR UNPAID ASSETS

These assets relate to companies or counterparts posting, in addition to high, acute risks, the characteristics of category 3 assets. They also include the assets showing a payment delay in the principal or in the interest for a period exceeding 360 days.

### CATEGORY 5: DISPUTED ASSETS

This category includes the assets transferred to the litigation department, notwithstanding the payment delay of the outstanding debts, the economic and financial situation of the company or the counterpart, as well as the sector.

A first classification called "Automatic classification" is monthly made with reference, in particular, to the age of the unpaid amounts and the age of the account freezing. This classification is examined inside a monthly committee, "committee of the classified assets".

This committee reports to the top management and includes the different intervening structures : operation, risk management, amicable collection, disputed collection and the financial department. It secures the periodical follow up of the commitments evolution, as well as the risk quality. Its works can lead either to the maintaining, the aggravation or the improvement of the automatic category.

### PROVISION RATE

The provision rates, as applied by the bank, correspond to the minimum per risk category, as provided for by BCT's circular letter 91-24. These rates are applied to the non covered risk, namely the commitment amount, after deducting therefrom the reserved premiums and the value of the obtained guarantees.

Rate category	Provision rate
Uncertain assets (category 2)	20%
Assets of concern (category 3)	50%
Risky assets (category 4 and disputed assets)	100%

### GUARANTEE CONSIDERATION AND EVALUATION

The guarantees, allowed as a cover of the commitments, are :

- The guarantees received from the State, the credit institutions, the insurance and guarantee funds companies,
- The mortgages, duly registered, relating to properties and which made the object of a recent evaluation.
- The guarantee or financial assets deposits liable to be liquidated, without affecting their value,

Although it was not provided for by the regulation into force, and for financial security sake, the bank applies starting from 2008, a systematic tax relief system of the mortgage guarantees, on category 4 relations and the disputed commitments, exceeding MTND 50. The tax relief rates are detailed as follows, depending on the stay period in category 4 or in the litigation stage :

Stay period	Tax relief rate
Less than 2 years	20%
From 3 to 5 years	30%
From 6 to 8 years	50%
9 years and above	100%

## COLLECTIVE PROVISIONS

The guarantees accepted as a cover, for the commitments are:

In accordance with the regulation into force, the general provisions called "collective provisions" are raised as a cover for the current (category 0) commitments and those requiring a special follow up (category 1).

These provisions are calculated by applying the referential methodology principles, provided for in the BCT's circular letter 2012-08, dated March 2nd, 2012, addressed to the credit institutions. This methodology foresees :

- The calculation of an average migration rate per sector of activities, which corresponds to the additional risks under the year "N" to the "0" and "1" category commitment ratio of the year "N-1". The additional risks being calculated starting from the annual category deteriorations [commitments "0" and "1" of the year "N-1", downgraded to 2-3-4 at the end of the year N].

- The calculation of a scaling factor per sector of activities, which corresponds to the ratio between the unpaid amounts rate and their consolidation, in the commitments, category "0" and "1" of 2012 and the rate of 2011. This scaling factor is brought down to 1 if the formula set forth by the referential methodology gives a lower result.
- The application of the minimum provisions rates set forth by BCT's methodology, per each activity sector :

Activity sector	Minimum provisioning rate [%]
Agriculture	20
Manufacturing industries	25
Other industries	25
Building and Civil Works	20
Tourism	20
Real estate Development	15
Other services	25
Trade	25
Lodging	10
Consumption	20

# 11.

## ATTIJARI BANK : A RESPONSIBLE ECONOMIC ACTOR



ATTIJARI BANK, SERVING  
KNOWLEDGE AND  
EDUCATION

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ATTIJARI BANK SUPPORTS  
THE ASSOCIATIVE  
NETWORK

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ATTIJARI BANK BELIEVES  
IN THE YOUTH'S TALENT

65

ATTIJARI BANK CARES FOR  
THE ENVIRONMENT

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Within the framework of its commitment towards its environment and as a responsible economic actor, Attijari bank has adopted an approach focusing on the promotion of the knowledge and education, as well as guiding and supporting the youth. As such, it has stepped in the field of renewable energies.

The activities which were implemented are as follows :

## ATTIJARI BANK, SERVING KNOWLEDGE AND EDUCATION

At the level of knowledge and education the bank took part in the rehabilitation of Bir Atig School in Djebel Lahmar, thus allowing the young school boys and girls to continue their studies in better conditions. This action raised the massive adherence of the staff who got involved morally and financially.



## ATTIJARI BANK SUPPORTS THE ASSOCIATIVE NETWORK



At the level of the civil society, the bank supported financially several associations, operating in the humanitarian field in order to help them achieve their missions, such as the "Association Tunisienne d'Aide aux Sourds" which enjoyed a subsidy for the acquisition of medico-pedagogical equipment.

For other associations, the granted subsidy is meant to allow them finance their current activities. We can quote among them the association "Farha" taking care of the blind people, the association "La Voix de l'Orphelin de Tunis", the association "Pour la Formation et l'Insertion des Handicapés – Ettadhamen".

## ATTIJARI BANK BELIEVES IN THE YOUTH'S TALENT

The bank continued its strategy whose purpose is to develop and to route the entrepreneurial state of mind with the young university graduates through encouraging them to promote their own activities. In keeping with this line, the bank, as a partner, and a funding member of the program called **ENACTUS** Tunisie (former SIFE Tunisia) has contributed to the creation of jobs and companies. This program involves student teams from several faculties competing in order to lay down projects with the participation of companies' executives and professionals. In the same perspective, Attijari bank has renewed the agreement it has with **la Pépinière d'Entreprises de Kairouan** whose purpose is to guide and help the young promoters in the creation and the launching of new projects.



## ATTIJARI BANK CARES FOR THE ENVIRONMENT



Being really aware of the role it can play in the protection of the environment and within the framework of the national policy encouraging the use of renewable energies, the bank has renewed the agreement for the financing of the **PROSOL II** national project with l'Agence Nationale de Maitrise de l'Energie (ANME) and the Electricity and Gas Company (STEG).

This agreement consists in encouraging the acquisition by the households of solar water heaters and the installation of photovoltaic panels using credits granted under preferential conditions and repaid through STEG's invoices.

# 12.

## FINANCIAL STATEMENTS



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## INDIVIDUAL FINANCIAL STATEMENTS

### Balance Sheet

As of December 31<sup>st</sup>, 2012

(unit : Thousands of dinars)

	Notes	31/12/2012	31/12/2011	
<b>ASSETS</b>				
<b>AS 1 -</b>	Cash in hand and assets at Central Bank, Post Office Accounts and Tunisian Treasury	1	191 208	184 871 (*)
<b>AS 2 -</b>	Due from banks and financial institutions	2	299 862	226 251 (*)
<b>AS 3 -</b>	Customers' loans	3	3 247 711	3 077 139 (*)
<b>AS 4 -</b>	Commercial securities portfolio	4	327 977	299 244
<b>AS 5 -</b>	Investment portfolio	5	70 900	62 412
<b>AS 6 -</b>	Fixed assets	6	156 290	160 839
<b>AS 7 -</b>	Other assets	7	145 972	158 329 (*)
	<b>TOTAL ASSETS</b>		<b>4 439 920</b>	<b>4 169 085</b>
<b>LIABILITIES</b>				
<b>LI 1 -</b>	Central Bank and Post Office Accounts	8	226 208	290 815
<b>LI 2 -</b>	Deposits and assets of the financial and banking institutions	9	12 891	30 024
<b>LI 3 -</b>	Customers' deposits and assets	10	3 591 232	3 316 480 (*)
<b>LI 4 -</b>	Borrowings and special resources	11	76 223	86 794
<b>LI 5 -</b>	Other liabilities	12	131 619	96 937 (*)
	<b>TOTAL LIABILITIES</b>		<b>4 038 173</b>	<b>3 821 050</b>
<b>SHAREHOLDERS' EQUITY</b>				
<b>SE 1 -</b>	Share capital		198 741	168 750
<b>SE 2 -</b>	Reserves		142 988	84 931
<b>SE 4 -</b>	Other shareholders' equity		3 646	87 315
<b>SE 5 -</b>	Income carried forward		725	(24 482)
<b>SE 6 -</b>	Financial year income		55 647	31 521
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>13</b>	<b>401 747</b>	<b>348 035</b>
	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>4 439 920</b>	<b>4 169 085</b>

(\*) Reprocessed figures for comparison purpose (cf. notes to the financial statements – calculation basis and main applied accounting principles – note 17).

**OFF BALANCE COMMITMENT STATEMENT**

As of December 31<sup>st</sup>, 2012  
(unit : Thousands of dinars)

	Notes	31/12/2012	31/12/2011
<b>CONTINGENT LIABILITIES</b>			
<b>OBS 1 -</b> Bonds, endorsements and other given guarantees		245 366	294 600
<b>OBS 2 -</b> Documentary credits		215 511	250 361
<b>TOTAL CONTINGENT LIABILITIES</b>	<b>14</b>	<b>460 877</b>	<b>544 961</b>
<b>COMMITMENTS GIVEN</b>			
<b>OBS 4 -</b> Financing commitments given		79 963	140 340
<b>OBS 5 -</b> Commitments on securities		38	38
<b>TOTAL COMMITMENTS GIVEN</b>	<b>15</b>	<b>80 001</b>	<b>140 378</b>
<b>COMMITMENTS RECEIVED</b>			
<b>OBS 7 -</b> Guarantees received		1 094 741	1 012 615
<b>TOTAL COMMITMENTS RECEIVED</b>	<b>16</b>	<b>1 094 741</b>	<b>1 012 615</b>

## INCOME STATEMENT

Period from January 1<sup>st</sup>, 2012 up to December 31<sup>st</sup>, 2012  
(unit : Thousands of dinars)

	Notes	2012 financial year	2011 financial year	
<b>BANKING OPERATING INCOME</b>				
<b>RE 1</b>	Interest and other similar revenues	17	211 052	199 348 (*)
<b>RE 2</b>	Commissions (proceeds)	18	64 353	52 973 (*)
<b>RE 3</b>	Gains on commercial securities and financial transactions portfolio	19	32 584	31 292
<b>RE 4</b>	Investment portfolio revenues	20	6 562	5 732
	<b>TOTAL BANKING OPERATING PROCEEDS</b>		<b>314 551</b>	<b>289 345</b>
<b>BANKING OPERATING EXPENSES</b>				
<b>EX 1</b>	Incurred interests and other similar expenses	21	(93 613)	(105 044) (*)
<b>EX 2</b>	Commissions paid		(3 461)	(2 883)
	<b>TOTAL BANKING OPERATING EXPENSES</b>		<b>(97 074)</b>	<b>(107 927)</b>
	<b>NET BANKING INCOME</b>		<b>217 476</b>	<b>181 418</b>
<b>RE 5/EX 4</b>	Net provision charge and value adjustments for loan losses, off balance sheet items and liabilities	22	(24 749)	(31 739)
<b>RE 6/EX 5</b>	Net provision charge and value adjustments on investment portfolio		(475)	1 333
<b>RE 7</b>	Other operating proceeds		2 884	2 430
<b>EX 6</b>	Staff expenses	23	(71 347)	(65 805)
<b>EX 7</b>	General operating expenses	24	(29 267)	(26 438) (*)
<b>EX 8</b>	Depreciation and provision allowance on fixed assets		(12 300)	(11 902)
	<b>OPERATING INCOME</b>		<b>82 222</b>	<b>49 297</b>
<b>RE 8/EX 9</b>	Net gain/loss on other ordinary items		461	(307)
<b>EX 11</b>	Tax on profits		(27 035)	(17 469)
	<b>INCOME FROM ORDINARY ACTIVITIES</b>		<b>55 647</b>	<b>31 521</b>
	<b>INCOME FOR THE PERIOD</b>		<b>55 647</b>	<b>31 521</b>
	Base share income (in TND)	25	1 400	0 934

(\*) Reprocessed data for comparison purpose (cf. notes to the financial statements – calculation basis and main applied accounting principles – note 17).

**CASH FLOW STATEMENT**Period from January 1<sup>st</sup>, 2012 up to December 31<sup>st</sup>, 2012

(unit : Thousands of dinars)

	Notes	2012 financial year	2011 financial year
<b>OPERATING ACTIVITIES</b>			
PBanking operating revenues received (excluding investment portfolio revenues)		304 615	256 093
Banking operations charges paid out		(97 521)	(107 857)
Deposits/Deposit withdrawal with other banks and financial institutions		10 259	(18 035)
Loans and advances/Repayment of loans and advances extended to customers		(212 131)	(466 262)
Deposits/Customer deposits withdrawal		271 054	83 854
Investment securities		(12 606)	27 750
Payments to personnel and other creditors		(100 151)	(60 523)
Other cash flows from operating activities		48 300	(58 172)
Tax on profits		(27 035)	(17 127)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>184 784</b>	<b>(360 279)</b>
<b>INVESTING ACTIVITIES</b>			
Interest and dividends cashed in from investment portfolio		6 343	6 036
Acquisitions/assignments of investment portfolio		(8 665)	(3 666)
Acquisitions/assignment of fixed assets		(5 476)	(29 797)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(7 798)</b>	<b>(27 427)</b>
<b>FINANCING ACTIVITIES</b>			
Capital increase			
Issue of shares		89 974	0
Issues/Repayment of borrowings		(80 000)	0
Increase/Decrease of special resources		(9 929)	47 880
Dividends and other distributions		(5 962)	0
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(5 917)</b>	<b>47 880</b>
Net change of cash and cash equivalents during the financial year		171 069	(339 825)
Cash and cash equivalents at the beginning of the financial year		(9 056)	330 769
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>26</b>	<b>162 013</b>	<b>(9 056)</b>

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31<sup>st</sup>, 2012

(unit : Thousands of dinars)

	Notes	31/12/2012	31/12/2011(*)
<b>ASSETS</b>			
Cash in hand and at Central Bank, Post Office Accounts and Tunisian Treasury	1	191 210	184 873
Due from banks and financial institutions	2	242 408	229 078
Customers' loans	3	3 576 861	3 265 506
Commercial securities portfolio	4	354 755	329 095
Investment portfolio	5	25 251	30 108
Investments in equity	6	2 030	2 030
Fixed assets	7	177 662	185 236
Goodwill		1 271	1 356
Other assets	8	159 709	174 220
Differed tax on assets	9	1 491	1 559
<b>TOTAL ASSETS</b>		<b>4 732 648</b>	<b>4 403 061</b>
<b>LIABILITIES</b>			
Central Bank and Post Office Accounts (CCP accounts)	10	226 208	290 815
Deposits and assets of financial and banking institutions	11	12 582	31 840
Customers' deposits and assets	12	3 589 029	3 321 317
Borrowings and special resources	13	297 369	251 920
Other liabilities	14	161 529	125 158
<b>TOTAL LIABILITIES</b>		<b>4 286 717</b>	<b>4 021 050</b>
<b>MINORITY INTERESTS</b>		<b>28 136</b>	<b>21 263</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital		198 741	168 750
Reserves		157 640	97 989
Own shares		-	-
Other shareholders' equity		3 646	85 689
Carried forward income		724	[24 483]
Income of the financial year		57 044	32 803
<b>TOTAL SHAREHOLDERS' EQUITY</b>	15	<b>417 795</b>	<b>360 748</b>
<b>TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY</b>		<b>4 732 648</b>	<b>4 403 061</b>

(\*) Reprocessed data for comparison basis (cf. notes to the Financial Statements – calculation basis and applied accounting principles – note 17).

**CONSOLIDATED OFF BALANCE COMMITMENT STATEMENT**AS OF DECEMBER 31<sup>st</sup>, 2012

(unit : Thousands of dinars)

	Notes	31/12/2012	31/12/2011
<b>CONTINGENT LIABILITIES</b>			
Bonds, endorsements and other guarantees given		245 366	294 600
Documentary credits		215 511	250 361
<b>TOTAL CONTINGENT LIABILITIES</b>	<b>16</b>	<b>460 877</b>	<b>544 961</b>
<b>COMMITMENTS GIVEN</b>			
Financing commitments given		115 799	184 173
Commitments on securities		38	38
<b>TOTAL COMMITMENTS GIVEN</b>	<b>17</b>	<b>115 837</b>	<b>184 211</b>
<b>COMMITMENTS RECEIVED</b>			
Financing commitments received		1 542 941	1 373 600
<b>TOTAL COMMITMENTS RECEIVED</b>	<b>18</b>	<b>1 542 941</b>	<b>1 373 600</b>

## CONSOLIDATED INCOME STATEMENT

Up to December 31st, 2012

(unit : Thousands of dinars)

	Notes	2012 financial year	2011 financial year
<b>BANKING OPERATING PROCEEDS</b>			
Interest and other similar revenues	19	235 662	223 095
Commissions (proceeds)	20	67 219	54 804
Gains on commercial securities and financial transactions portfolio	21	32 503	27 674
Investment portfolio revenues	22	2 657	2 933
<b>TOTAL BANKING OPERATING PROCEEDS</b>		<b>338 041</b>	<b>308 506</b>
<b>BANKING OPERATING EXPENSES</b>			
Incurred interests and other similar expenses	23	(104 675)	(113 115)
Commissions paid		(3 461)	(2 883)
<b>TOTAL BANKING OPERATING EXPENSES</b>		<b>(108 136)</b>	<b>(115 998)</b>
<b>NET BANKING PROCEEDS</b>		<b>229 905</b>	<b>192 508</b>
Net provision charge and value adjustments for loan losses, off balance sheet items and liabilities	24	(23 033)	(27 834)
Net provision charge and value adjustments on investment portfolio		(300)	451
Other operating proceeds	25	4 374	3 181
Staff expenses	26	(77 633)	(71 785)
General operating expenses	27	(30 536)	(29 328)
Depreciation allowances		(13 492)	(13 628)
<b>OPERATING INCOME</b>		<b>89 285</b>	<b>53 565</b>
Share in equity affiliates		3	(92)
Net gain/loss on other ordinary items		948	1 911
Tax on profits		(30 593)	(20 419)
<b>INCOME FROM ORDINARY ACTIVITIES</b>		<b>59 643</b>	<b>34 965</b>
Income share due to minority shareholders		2 600	2 162
<b>CONSOLIDATED NET INCOME FOR THE PERIOD</b>		<b>57 043</b>	<b>32 803</b>
Net gain/loss on other extraordinary items		1	-
<b>Result after accounting changes</b>		<b>57 044</b>	<b>32 803</b>

**CONSOLIDATED CASH FLOW STATEMENT**

Period starting on January 1st, 2012 and ending on December 31<sup>st</sup>, 2012  
(unit : Thousands of dinars)

	Notes	2012 financial year	2011 financial year
<b>OPERATING ACTIVITIES</b>			
Banking operating revenues received (excluding investment portfolio revenues)		321 518	281 295
Banking operating expenses paid out		(102 429)	(183 133)
Deposits/Deposit withdrawal with other banks and financial institutions		77 274	(16 333)
Loans and advances/Repayment of loans and advances extended to customers		(348 992)	(507 841)
Deposits/Customers' deposits withdrawal		267 733	55 604
Investment Securities		(9 363)	34 428
Payments to personnel and miscellaneous creditors		(102 330)	(81 478)
Other cash flows from operating activities		53 635	(2 088)
Tax on profits		(25 788)	(34 986)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>131 258</b>	<b>(454 532)</b>
<b>INVESTING ACTIVITIES</b>			
Cashed in Interest and dividends on investment portfolio		3 530	2 612
Acquisition/Assignments of investment portfolio		(365)	(13 164)
Acquisitions/Assignments of fixed assets		(4 893)	(31 382)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(1 728)</b>	<b>(41 934)</b>
<b>FINANCING ACTIVITIES</b>			
Issue of shares		89 974	-
Issue/Repayment of borrowings		(60 406)	71 665
Increase/Decrease of special resources		26 497	91 794
Dividends and other distributions		(5 977)	(5 817)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>50 088</b>	<b>157 642</b>
Net change of cash and cash equivalents during the financial year		179 618	(338 824)
Cash and cash equivalents at the beginning of the financial year		(8 043)	330 781
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>29</b>	<b>171 575</b>	<b>(8 043)</b>

(\*) Reprocessed data for comparison basis (cf. notes to the Financial Statements – calculation basis and applied accounting principles – note 17)).

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## AUDITORS' REPORT



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**Attijari bank,**  
**GENERAL REPORT ON THE FINANCIAL STATEMENTS FOR**  
**THE FINANCIAL PERIOD**  
ENDED ON DECEMBER 31<sup>st</sup> 2012

Ladies and Gentlemen, the Shareholders of Attijari bank,

As an enforcement of the auditing mission we were entrusted with, by your General Meeting of June 29<sup>th</sup>, 2012, we are honoured to produce our report about the control of the financial statements of Attijari Bank, under the financial year ended December 31<sup>st</sup>, 2012, attached herewith, showing a total balance sheet of kTND 4 439.920 and a net profit of kTND 55 647, as well as about the specific examinations and disclosures provided for by the law, the regulations into force and the professional standards.

We have audited the attached financial statements of Attijari Bank, including the balance sheet as of December 31<sup>st</sup>, 2012, as well as the off balance commitment statement, the income statement, the cash flow statement and the notes containing a summary of the main accounting methods and other explanatory notes.

#### **RESPONSIBILITIES OF THE BANK'S MANAGEMENT IN THE PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS**

The Bank's management is responsible for the drawing up, preparation and fair presentation of these financial statements, in accordance with the provisions of the companies' accounting systems. This responsibility includes the design, the implementation and the follow up of the Bank's internal control and the fair presentation of financial statements that are free from material misstatements, whether due to frauds or errors, as well as making accounting estimates that are reasonable, under the prevailing circumstances.

#### **RESPONSIBILITIES OF THE AUDITORS**

Our responsibility is to express an opinion on these financial statements based on our audit which we have conducted according to the applicable professional standards in Tunisia. These standards require, from our side, that we comply with the ethical rules and to plan and execute the auditing operation in order to obtain reasonable assurance on whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence elements about the amounts and the disclosures in the financial statements. The selected procedures depend on the auditors' judgement, including the assessment of the risk of material misstatements in the financial statements, whether due to frauds or to errors. When assessing the risk, the auditor takes into account the internal control into force in the entity, relating to the drawing up and the fair presentation of the financial statements in order to define adequate auditing procedures, under the circumstances, and not to express an opinion about the efficiency of the said internal control of the entity.

An audit also includes the evaluation of the appropriateness of the used accounting procedures and the reasonableness of the accounting estimates made by the management, as well as the evaluation of the overall presentation of the financial statements.

We estimate that the evidence elements that we have collected are enough and appropriate to issue our opinion.

**OPINION**

In our opinion, the financial statements of Attijari Bank are regular and present fairly, in all material respects, the financial position of the Bank as of December 31st, 2012, as well as the result of its transactions, and the cash flow under the financial year, ended on that date, in accordance with the corporate accounting system into force in Tunisia.

**SPECIFIC EXAMINATIONS**

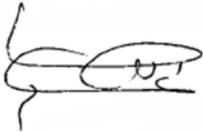
- Pursuant to the provisions of Article 3 (new) of the Law 94-117, dated November 14th, 1994, as amended by the Law 2005-96, dated October 18th, 2005, and the provisions of Article 266 of the Commercial Companies Code, we examined the internal control system and the administrative and accounting procedures into force on the date of our intervention. Based on undertakings carried out in conformity with the professional standards into force in this respect, we have not found any substantive shortcomings likely to have a potential impact on our opinion concerning the financial statements, as expressed hereabove.

- In conformity with the provisions of Article 266 of the Commercial Companies Code, we also checked the fairness and conformity to the financial statements of the accounting data included in the management report of the board of directors. The information contained in this report did not raise from our side any special remarks.

- Besides, and as an enforcement of the provisions of Article 19 of the Decree n° 2001-2728, dated November 20th, 2001, we made the necessary checking and we have no remarks to make on the conformity of the book keeping of securities accounts of the bank with the regulations into force.

Tunis, April 30<sup>th</sup>, 2013

ECC MAZARS  
Mohamed Ali ELAOUANI CHERIF



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## Attijari bank, SPECIAL REPORT OF THE STATUTORY AUDITORS Concerning the Financial Year ended December 31<sup>st</sup>, 2012

Ladies and Gentlemen, the Shareholders of Attijari bank,

In our capacity as your bank's auditors, and as an enforcement of the provisions of Article 29 of the Law n° 2001-65, relating to the credit institutions, as amended and completed by the Law n° 2006-19 dated May 2nd, 2006 and Article 200 and the articles thereafter and Article 475 of the Commercial Companies Code, we are pleased to submit our report on the signed conventions.

Our responsibility is to secure the compliance of the authorization and approval legal procedures and their correct translation, in fine, in the financial statements. It is not up to us to specifically search for and in an extensive manner, the eventual existence of such conventions or transactions but to relay to you, on the basis of the disclosures that were made available to us or those obtained through our auditing procedures, their main characteristics and modalities, without having to make an opinion on their usefulness or their validity. It is up to you to appreciate the interest related to the signing of these conventions and the execution of these transactions, in order to approve them.

### A. EXECUTED TRANSACTIONS IN RELATION TO CONVENTIONS SIGNED DURING THE FINANCIAL YEAR

- Attijari Intermédiation

Attijari bank signed on December 27th, 2012, a convention on securities accounts keeping with its subsidiary company Attijari Intermédiation (in which Attijari Bank holds a 99.99% equity), for keeping the register of the holders of Attijari Bank shares and of the rights attached thereto, in conformity with the regulations of the Financial Market's Council.

For the carrying out of these services, Attijari Intermédiation fees are fixed at the lump sum amount of MTND 7 to be settled at the beginning of each year. No effects have been recorded with respect to this convention during 2012.

- Wafasalaf

Attijari bank Tunisia concluded a convention on May 9th, 2012 with WAFSA SALAF (a company with whom your bank has joint directors) by virtue of which some know how as well as a technical assistance and some consulting services as well as any other service relating to the internal operations in terms notably of the loan award optimization process for credit award, the setting up of a recovery platform, the risk piloting, follow up and control, are put at the disposal of the bank.

Pursuant to the technical assistance convention concluded on May 9th, 2012 between Attijari Bank Tunisia and WAFSA SALAF, the latter puts at the disposal of Attijari Bank Tunisia the know how, the technical assistance, consulting services and any other service relating to the internal operations of Attijari Bank in terms of the loan award optimization process, the setting up of a recovery platform, the piloting, the follow up and the control of risks.

In return for the services provided, Attijari Bank undertakes to pay a remuneration calculated in terms of the time spent and of the level of the responsibility and vocational qualification of the proposed staff. A recharge of the fees incurred by WAFSA SALAF shall be made with respect to the transportation fees and the per diem expenses. Invoicing shall be on a monthly basis for the incurred costs. The fees reference price is fixed at € 400 (four hundred euros) per day.

The accounting bank charges, with respect to the financial year 2012, amount to kTND 56.

## B. EXECUTED TRANSACTIONS IN RELATION TO PREVIOUS CONVENTIONS

You are kindly informed that the execution of the following conventions, approved during the previous financial years, continued during the financial year :

- Attijariwafa bank

Within the framework of the convention signed between Attijari Bank and Attijariwafa Bank, as authorized by the board of directors on March 5th, 2007 and modified by the board's decision of June 6th, 2008, the charges recorded by Attijari Bank for the technical assistance and consulting services provided by Attijariwafa bank, under the financial year of 2012, amounted to kTND 1 420. The amount included in the liabilities of the bank as of December 31st, 2012, amounted to kTND 5 053.

- Attijari Leasing

Within the framework of the convention signed with Attijari Leasing (in which Attijari Bank holds 65.17%), the Bank provided, during the 2012 financial year, assistance services for the sales of products of Attijari Leasing through the Bank's sales network and received, in return, proceeds amounting to kTND 63, with respect to the financial year of 2012.

- Attijari Intermédiation

A convention was signed on December 29th, 2006, between Attijari Bank and Attijari Intermédiation (in which Attijari Bank holds 99.99%), providing for the conversion into equity securities of one part of the associated current account, opened with Attijari Intermédiation, up to kTND 3 500. These equity securities shall bear interests at the following rates :

1. Fixed interest rate of 1% per year as of the vesting date. This rate shall correspond to TMM+1 as of the date of the reconstitution date of the equities of Attijari Intermédiation, according to the standards applicable to the stock exchange brokers.  
Interests are calculated based on the nominal value of each equity security and are payable annually, in arrears.
2. A variable remuneration amounting to 10% of the portion of the profits exceeding kTND 250. This remuneration shall be calculated on the net profit after tax and provisions within one month as of the date of the Ordinary General Meeting which examined the accounts of the issuer.

The collected interests under the financial year 2012 amounted to kTND 195.

- Attijari Immobilière

Attijari Immobilière (in which Attijari Bank holds 99.98%) secures the management of certain buildings, belonging to Attijari Bank. The commissions earned under the financial year 2012 amount to kTND 216.

- Attijari Sicar

Within the framework of the risk capital funds management convention dated March 24th, 1998, entered with the Attijari Sicar Company (held up to 70.23% by Attijari Bank), the latter collects, every year, a 1% remuneration paid on the whole of the managed funds. The managed funds reached as of December 31st, 2012, kTND 5 314 and the management commission amounted to kTND 53.

- The SICAV Companies

Within the framework of the conventions entered between Attijari Bank and Attijari Valeurs Sicav, Attijari Placement Sicav and Attijari Obligataire Sicav, the Bank fulfils the duties of a depositary for their accounts and collected for these services commissions amounting to kTND 319, under the financial year 2012.

- Générale Tunisienne de l'Informatique (GTI)

Within the framework of the frame convention, dated May 31<sup>st</sup>, 2005, entered between the bank and GTI (held up to 66.25% by Attijari bank), GTI invoiced to the Bank kTND1 168, for information assistance services rendered in 2012.

- Attijari Recouvrement

1. Pursuant to a deed signed during 2009, the Company "Attijari Recouvrement" conducted a retrocession of the debts financed by the FONAPRAM, FOPRODI funds and the IRDB Bank to Attijari bank. The same deed provides for remuneration in favour of Attijari Recouvrement of 5% of the collected amounts. The amount invoiced in this respect by Attijari Recouvrement under 2012 financial year, amounted to kTND 13.
2. Attijari bank rents office premises from Attijari Recouvrement. The rental fees earned by the company during the financial year 2012 amounted to kTND 28.

- Attijariwafa bank Europe

Pursuant to the convention entered into on March 1st, 2010, as amended on March 19th, 2012, between Attijari Bank Tunisia and Attijari WAFABANK Europe (with whom your bank has joint directors), as approved by the Board of Directors of June 5th, 2012, the latter, through its branch offices network, is acting as a bridge between Attijari Bank Tunisia and the Tunisian customers living in Europe, in terms of information, presentation of the banking offer and intermediation in the distribution of products and services. These services are remunerated by means of a commission called "TRE Activities Commission" based on a unit pricing system for the provided services. This commission is negotiated between the two parties, on an annual basis.

The book bank charges under the financial year 2012 amount to kTND 413 and the amount entered in the bank's liabilities as of December 31st, 2012 is kTND 1 226.

- Other Conventions

Attijari bank assigned, in favour of Générale Tunisienne d'Informatique (GTI), Attijari Immobilière, Attijari Gestion, Générale Immobilière du Sud (GIS), Attijari Intermédiation, Attijari Leasing, Attijari Recouvrement and Attijari SICAR, some members of its paid staff. The secondment decisions provide that the amounts invoiced by the Bank shall correspond to the paid salaries. The amounts invoiced under the 2012 financial year are detailed as follows :

<b>Subsidiary Company</b>	<b>Amount</b>
GTI	<b>25</b>
Attijari Immobilière	<b>253</b>
Attijari Gestion	<b>159</b>
GIS	<b>92</b>
Attijari Intermédiation	<b>63</b>
Attijari Leasing	<b>482</b>
Attijari Recouvrement	<b>381</b>
Attijari Sicar	<b>244</b>
<b>TOTAL</b>	<b>1 700</b>

## C. LIABILITIES AND COMMITMENTS OF THE BANK TOWARDS THE EXECUTIVES

The liabilities and commitments towards the executives, as indicated in Article 200 (new) II § 5 of the Commercial Companies Code, are as follows :

- The remuneration and benefits granted to the President of the Board are fixed pursuant to a decision from the remuneration committee, which reports to the Board of Directors, dated March 7th, 2007. This remuneration is detailed in the chart herebelow. Besides, the Chairman of the Board enjoys the use of an official company car and the payment by the bank of his/her telephone bills.

- The remuneration and benefits granted to the General Manager are fixed pursuant to a decision from the remuneration committee, which reports to the Board of Directors, dated January 30th, 2012. The remuneration of the General Manager includes a fixed indemnity and an annual bonus according to the achievement of the set targets. Besides, the General Manager enjoys the use of an official company car including the charges for utilities and the payment by the bank of his/her telephone bills, the school attendance fees, the accommodation expenses and air tickets.

- The remuneration granted to the Deputy General Manager is fixed pursuant to a decision from the remuneration committee reporting to the Board of Directors, dated January 30th, 2012. The remuneration of the Deputy General Manager includes a fixed indemnity and an annual bonus according to the achieved targets. Besides, the Deputy General Manager enjoys the use of an official company car including the charges for utilities and the payment by the bank of the accommodation expenses and air tickets.

The Board of Directors of December 14th, 2012 decided to put an end to the mission of the Deputy General Manager of Attijari Bank. He received, upon his departure, the final payment of the amounts corresponding to the non consumed leaves.

Besides, the Board of Directors of December 14th, 2012 nominated two new Deputy General Managers. No remuneration was paid to them under the financial year 2012.

- The members of the Board of Directors and the members of the Auditing Permanent Committee are remunerated by means of attendance fees fixed, annually, by the Board of Directors and are subject to the approval of the Ordinary General Meeting.

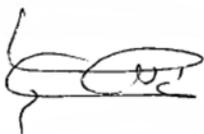
- The liabilities and commitments of Attijari Bank towards its executives, as shown in the financial statements, under the financial year ended December 31<sup>st</sup>, 2012, (including social security charges) are detailed as follows (in dinars) :

	Chairman of the Board		General Manager		Deputy General Manager		Members of the Board and of the Auditing Permanent Committee	
	Charges under F. Year	Liabilities as of Dec. 31 <sup>st</sup> , 2012	Charges under fiscal year	Liabilities as of Dec. 31 <sup>st</sup> , 2012	Charges under fiscal year	Liabilities as of Dec. 31 <sup>st</sup> , 2012	Charges under fiscal year	Liabilities as of Dec. 2012
Short term benefits	305 574	378	586 405	20 773	355 824	62 939	24 750	0
Benefits after employment	-	-	-	-	-	-	-	-
Long term other benefits	-	-	-	-	-	-	-	-
End of contract severance indemnity	-	-	-	-	-	-	-	-
Payment in shares	-	-	-	-	-	-	-	-
<b>Total</b>	<b>305 574</b>	<b>378</b>	<b>586 405</b>	<b>20 773</b>	<b>355 824</b>	<b>62 939</b>	<b>24 750</b>	<b>0</b>

Furthermore, and outside the above mentioned transactions, we inform you that no notice was given to us about any other convention entered into during the financial year. Our works have not revealed the existence of any other transactions falling within the framework of the provisions of Article 29 of the Law n° 2001-65, relating to the credit institutions, as amended and completed by the Law n° 2006-19 dated May 2nd, 2006 and of Article 200 and the articles thereafter and Article 475 of the Commercial Companies Code.

Tunis, April 30<sup>th</sup>, 2013

ECC MAZARS  
Mohamed Ali ELAOUANI CHERIF



CNF – Cabinet Neji Fethi  
Fethi NEJI



# 14.

## PASSED RESOLUTIONS



RESOLUTIONS PASSED BY THE  
GENERAL MEETING

## RESOLUTIONS PASSED BY THE ORDINARY GENERAL MEETING OF JUNE 27TH, 2012 CONCERNING THE FINANCIAL YEAR 2012

### FIRST RESOLUTION

The Ordinary General Meeting, having heard the report about the management and the report of the consolidated management from the Board of Directors, relating to the financial year ended December 31st, 2012, approves the said reports, as they have been presented.

This resolution was put to the vote and adopted unanimously.

### SECOND RESOLUTION

The Ordinary General Meeting, having heard the special report of the co-auditors, about the valid conventions, entered into during the financial year 2012, has approved the said Conventions.

This resolution was put to the vote and adopted unanimously.

### THIRD RESOLUTION

The Ordinary General Meeting, after examining the individual and consolidated financial statements, relating to the financial year ended December 31st, 2012, and after reading the reports of the co-auditors, has approved the said individual, as well as consolidated financial statements.

This resolution was put to the vote and adopted unanimously.

### FOURTH RESOLUTION

The Ordinary General Meeting decides to give full final discharge and without any reservation to the Directors for their management, under the 2012 financial year.

This resolution was put to the vote and adopted unanimously.

### FIFTH RESOLUTION

The Ordinary General Meeting noted the profit made under the financial year of 2012, amounting to fifty five million, six hundred and forty seven thousand dinars (TND 55 647.000) and resolves to appropriate it as follows :

(Amount in thousand dinars)

<b>Financial year profit</b>	55 647 436.469
Forwarded again	723 558.822
<b>Income to be distributed</b>	56 370 995.291
Legal reserves	2 818 549.765
Dividends	53 262 708.600
<b>Forwarded again</b>	289 736.926

The Ordinary General Meeting delegates to the Board of Directors to fix the terms and the exact payment date of dividends.

This resolution was put to the vote and adopted unanimously.

#### SIXTH RESOLUTION

The Ordinary General Meeting, following a proposal made by the Board of Directors, fixes the amount of six thousand dinars (TND 6 000), as an annual global gross amount for the attendance fees in the meetings of the Board of Directors, to be allocated to every member of the Board, under the financial year 2012.

The members of the regulated committees will receive in addition an annual global gross amount of six thousand dinars (TND 6 000) as remuneration for their works inside the said committee, under the financial year 2012.

This resolution was put to the vote and adopted unanimously.

#### SEVENTH RESOLUTION

The Ordinary General Meeting, after being informed of the end of the second term of the auditor, Cabinet Fethi NEJI (CNF), and considering the proposal made by the Board of Directors, decides to nominate MTBF Company, a Member of Price Waterhouse Coopers, as a second auditor for a period of three (3) years, under the financial years 2013, 2014 and 2015.

This resolution was put to the vote and adopted unanimously.

#### EIGHTH RESOLUTION

The Ordinary General Meeting confers all the powers to the holder of an original, a copy or an extract of these minutes, in order to complete, whenever it is needed, all the filings, advertisings and other formalities set forth by the Law.

This resolution was put to the vote and adopted unanimously.



**ANNUAL REPORT**

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# ANNUAL REPORT

ANNUAL REPORT  
**2012**



التجاري بنك  
Attlari bank