



التجاري بنك
Attijari bank



Annual report 2017



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CHAIRMAN'S & CEO'S MESSAGE



Mr. HICHAM SEFFA
The Chief Executive Officer



Mr. MONCEF CHAFFAR
The Chairman

Ladies & Gents,

Thanks to a development strategy that puts client satisfaction at the heart of its concerns, Attijari bank continued to reach and grow its market share, despite a difficult economic context.

The performance achieved through the mobilization of all the staff of the Group around shared objectives and the support of shareholders, as well as the trust of its clients regarding the quality of its services and its support.

Activity indicators for 2017 saw a significant growth. In fact, NBI increased by 14.2% to reach 361.9 MD. Total credits grew by 16.8% to reach 5 227.9 MD and Total deposits grew by 9.9% to reach over 6000 MD, namely 6 000 MD. Net Income progressed by 21.2% to reach 129.8 MD.

To ensure more proximity with customers, Attijari bank continued to strengthen its network. Thus, it opened four new branches, taking their total number to 207, maintaining its position as the 1st network of branches in Tunisia.

Service quality for customers is a permanent challenge. As such, the Bank continued to diversify its offer and strengthen its services for e-banking. It also launched a process for innovation and opening to new technologies. Various levers were activated to do so, such as participating in the organization of the International "Smart-Up Hackathon" of the Attijariwafa bank Group.

The Bank is taking an ever-greater interest in SMEs. This is shown through the assignment of dedicated account managers, whose main role is to support them and provide advice to meet their expectations. As for Very Small Enterprises and professionals, who represent the largest part of the Tunisian economic fabric, a budget of 100 MD was allocated, in a first step, to fund their development projects.

Cognizant of its role as an active and responsible player in the Tunisian banking system, Attijari bank continued its commitment to the economic development of the country, through various important funding of state owned enterprises and support to great State projects. As such, the Bank spearhead and structured the financing, through a banking pool of various institutional clients: such as SNCFT for purchasing locomotives, the National Carrier Tunisair, for refurbishing the reactors of its aircraft, STEG in the framework of the Prosol-Elec national project, to enable a reduction of energy consumption and GHEGs emission.

Through its specialized subsidiaries and the synergy developed with the subsidiaries of the Attijariwafa bank Group (present in 26 countries in the world, 14 of which in Africa), Attijari bank is present as a multi-disciplinary financial institution who can support the development of megaprojects through Structured Finance and Project Finance. This synergy has also been channeled, to support Tunisian companies in their development in sub-Saharan Africa by calling on the Group's subsidiaries, who are leading banks in their countries of operation.

Eager to ensure proximity to its clients, the Bank associates its customers with events organized by the Group on an international scale. As such, the Group continues to organize the Africa Development International Forum, which positions itself as a pan-African reference platform dedicated to exchanges and partnerships, open to all economic actors and decision-makers eager to contribute to the economic integration of the African continent. This event is a growing success from one year to the next and has become a reference in this matter.

The Fifth edition registered 4,000 business meetings and the participation of 2,200 operators from 30 countries including 50 Tunisian companies.

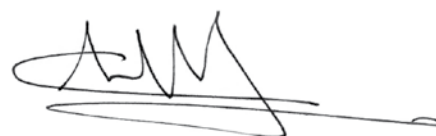
In parallel with the development of its activity, the Bank has for many years put in place, a dynamic corporate social responsibility approach on various axis: the promotion of education and improving teaching conditions and the fulfilment of young people. The Bank is also a founding member of various programs which aim to develop entrepreneurship in young people. Attijari bank also supports the promotion of art and culture through sponsoring various festivals and events. Moreover, it has carried out various actions for environment protection and sustainable development.

Attijari bank continues to aim for excellence and win prizes which come to reward its clear strategy which is shared by all its staff, as well as its efforts to improve its service quality and satisfy its clients. Thus, it won the award of the "Corporate Consultative Committee" for 2014, 2015 and 2016, awarded by the President of the Republic, for the role the Bank plays in the establishment of a culture of labor and social dialogue, and the "Bank of the Year, Tunisia" awarded by the prestigious "The Banker" magazine of the Financial Times Group.

Hicham SEFFA
CEO



Moncef CHAFFAR
Chairman of the Board





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Economic & Financial Situation

INTERNATIONAL ECONOMY

After a period of depression and uncertainty during the post-crisis years with significant negative shocks that weakened the economic activity in most countries, global growth regained strength in 2017. Growth rate grew to 3.8% vs 3.2% the previous year, its highest level since 2011.

According to the IMF's (International Monetary Fund) latest forecasts in 2018, the global economy should continue, to benefit from a business environment and financial conditions conducive to investment. As a result, world GDP is expected to grow at a moderate rate to reach 3.9%.

Regarding the employment situation, the unemployment rate in the world has increased slightly (5.6% vs 5.5%) despite the significant drop in unemployment rate in developed countries, particularly in Europe (5.7% vs 6.2% the previous year).

In 2017, the volume of trade in goods and services recorded the highest growth rate since 2010, 4.9% vs 2.3%, the previous year. This buoyant trade was concentrated in emerging and developing countries (6.4% vs. 2.6%) as well as advanced economies (4.2% vs. 2%).

For international currency markets, 2017 was marked by a sharp appreciation of the euro against the dollar of around 2.1% and a recovery of the price of gold (\$ 1,303 an ounce) in 2017 vs (US \$ 1,150 an ounce).

Evolution of some economic and financial indicators in the world

	Developed countries		Emerging & developing countries		World	
	2016	2017	2016	2017	2016	2017
Economic growth (In real terms and in %)	1,7	2,3	4,4	4,8	3,2	3,8
Unemployment (In% of active population)	6,2	5,7			5,5	5,6
Current balance (In GDP %)	0,7	0,8	-0,3	-0,1		
Budget balance (In GDP %)	-2,6	-2,6	-4,8	-4,4		
Inflation (Change in consumer prices in %)	0,8	1,7	4,3	4,0		

Source: BCT (Central Bank of Tunisia)

NATIONAL ECONOMY

In 2017, the national economy had a difficult year characterized by persistent pressures on macroeconomic balances with a slight improvement in growth.

Economic growth was at 1.9% in 2017 vs 1% the previous year. This level, which remains low, was however largely driven by the evolution of market activities (2.2% vs. 0.4% in 2016), against a deceleration in the growth of non-market services (0.4% vs 2.5%).

This growth level remains insufficient to create and distribute additional income or even to absorb unemployment frozen at 15.5%.

The external sector was characterized by a record trade deficit reaching 15.6 billion dinars in 2017 vs 12.6 billion dinars in 2016, reflecting notably the deterioration of the energy balance. In addition, the increase in tourism revenues by 19.3% (+ 4.8% excluding currency effect) and labour income by 16.9% only partially covered the trade deficit, resulting in a rise of the current deficit to 9.9 billion dinars, the equivalent of 10.2 percent of GDP.

As a consequence, net external capital income was consolidated reflecting an increase in the mobilization of credit financing and an improvement in the balance of foreign investment. As a whole, the overall balance of payments remained almost stable in 2017.

Thus, net assets in foreign currency stabilized at a level close to that of 2016, at around 13 billion dinars, corresponding to a fall in terms of import days (93 days vs. 112 days).

Unlike 2016 which was marked by a relatively moderate level of inflation, 2017 was characterized by the resurgence of tensions on consumer prices with overall inflation reaching 5.3% on average vs 3.7% the year before.

Regarding the exchange rate, in 2017 the dinar continued its decreasing trend to major currencies. Indeed, in terms of annual average, the dinar saw a dramatic depreciation of 12.8% to the Euro and 11.3% to the US Dollar, compared to a depreciation of 8.3% and 8.6% respectively in 2016.

Evolution of main Tunisian economic indicators (In MDT)

	2015	2016	2017
GDP growth at previous year's prices	1,2	1,0	1,9
GDP (at current prices)	84.648	89.804	96.660
Unemployment rate in%	15,4	15,5	15,5
Trade balance deficit	12.003	12.601	15.592
Tourism revenues	2.415	2.373	2.831
Current deficit	7.552	7.935	9.870
In GDP %	8,9	8,8	10,2
Budget deficit in GDP %	4,8	6,1	6,1
Net assets in foreign currencies	14.102	12.935	12.885
Import days	128	112	93

Source: BCT (Central Bank of Tunisia)

STRATEGY



STRATEGY & DEVELOPMENT

2017 was the first full year of the 2016-2020 strategic plan, witnessing an increase in all structuring projects of the bank.

Therefore, Attijari bank registered good performances and improved its ranking thanks to a strong involvement around the implementation of its strategic ambitions.

In this context, Attijari worked on developing digital banking by expanding its « **Online Banking** », Cash Management and Trade Finance products for Retail and Corporate clients.

Furthermore, as the economic recovery of Tunisia remains a priority for the bank, Attijari participated in the funding of structuring projects as well as large corporates and SMEs.

Thanks to its affiliation with the Panafrican Group Attijariwafa bank and its involvement in the African continent, the Bank helped assist its corporate customers as part of its development in Africa, financing investment projects and providing logistical and administrative support via its platform « **Club Afrique Développement** ».

As part of its perspectives, the Bank focuses on putting the client at the heart of everything, and the associate at the heart of its growth plan.

TRANSFORMATION & STRATEGIC PROJECTS

2017 was marked by the following achievements:

The launch of the 2016- 2020 strategic plan named "Excellence 2020" which is a development tool to build the next generation bank, and face performance challenges in order to achieve excellence.

This strategic plan includes a transformation program with 4 major pillars: (i) Commercial excellence (ii) Operational efficiency (iii) Digital Transformation (iv) Human Resources.

Eight areas were selected, with clear roadmaps and a project progress compliant with the prerogatives of these areas and the agreed governance.

A coordination and assistance work focused on carriers and participants was structured and initiated as part of a roadmap driven by change.

The goal is to support the lifeblood and internal resources of the bank, considered as main asset of Attijari, for an involvement around future challenges.

The major events that occurred in 2017 gathered different actors of the program for harmonization around the « **Excellence 2020** » ambitions.



Key Events & Major Achievements



KEY EVENTS

Honors

- « **The Banker** » Award for the fourth consecutive year.
- The best « **Company engaged in promoting Tunisian handicraft** » awarded by UTICA.
- « **The Corporate Consultative Committee** » award for the last 3 years 2014-2016, for the bank's contribution in strengthening the culture of labor and social dialogue.

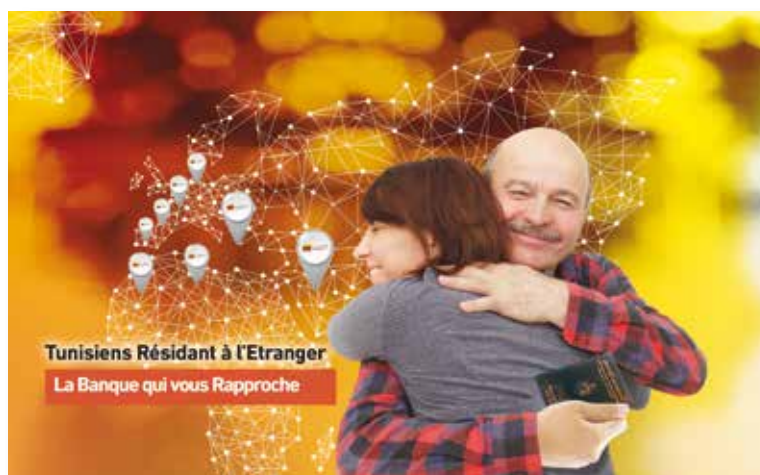


- « **The Straight Through Processing Award** », awarded by Commerzbank for the bank's efforts in facilitating communication with foreign banks in terms of payment.



Campaigns

- « **Pro Mso** » Campaign.
- « **Tunisians without borders** » Campaign and various actions dedicated to Tunisians residing abroad.
- Campaign to promote **real estate** and **first home**.
- Co-branded Debit Card Campaign « **Mobicash** ».
- Dynamization of digital media: **product campaigns**.



Business development

- Opening of 4 new branches: « Kasserine M'hiri », « Sfax Menzel Chaker », « Les Jardins de Carthage » and « M'nihla ».
- 5 branches were completely renovated.
- As at 31 December 2017, the bank has 207 branch offices and business centers.

Events

African Development

- Organized the international conference « **Development in Africa, Opportunities and Threats** ».
- Participated with a delegation of businessmen to the 5th edition of the « **International Africa Development Forum** ».
- Organized meetings with customers to promote the « **Africa Development Club** » platform in various regions of Tunisia.



Development of SMEs and franchises

- Participated in the « **Tunis Med Franchise** » conference.
- Sponsoring of the « **The health of Tunisian SMEs** » conference organized by CONECT.
- Sponsoring of the bank and insurance companies digitalization day.
- Sponsoring of the 19th edition of the « **Forum International de l'Economiste Maghrébin** ».



Young, innovation and entrepreneurship

- Organized the « **Smart Up** » hackathon (Inspirational Day, National & International Finals).
- Sponsoring of the 5th edition of the « **IEEE Middle East Students and Young Professionals Congress** ».
- Sponsoring of the annual forum « **Cognitive computing** » organized by ENSI Junior Enterprise ».
- Participated in the **2017 ATUGE** Forum.
- Sponsoring of the « **Investor Road Show** » organized by Founder Institute Tunisia.



Focus : HACKATHON « SMART UP » : « To stimulate innovation, support entrepreneurship and promote start-up development »

Attijari bank Tunisia organized a hackathon called "Smart Up", as part of the « Open Innovation » program created by the bank. The program aims to stimulate and promote innovative projects that meet customers' needs. Of the 10 participating teams, only the winner qualified for the international tournament.

The program was made up of 3 stages :

1. Inspirational workshops to raise awareness about innovation involving a group of young entrepreneurs. These workshops were held in Casablanca, Tunis, Paris, Abidjan and Dakar.
2. The international hackathon took place simultaneously in the five cities.
3. Technical and entrepreneurial support for the best teams.

This innovation marathon took place simultaneously in these 5 cities and was considered one of the biggest FinTech competitions in the world.

Out of the 1425 participants, only 323 were selected.

20 Teams participated in the international tournament with the presence of a jury of 8 top executives from Attijariwafa bank Group and its subsidiaries. 8 Teams representing 5 countries were among the best, including two Tunisian teams.

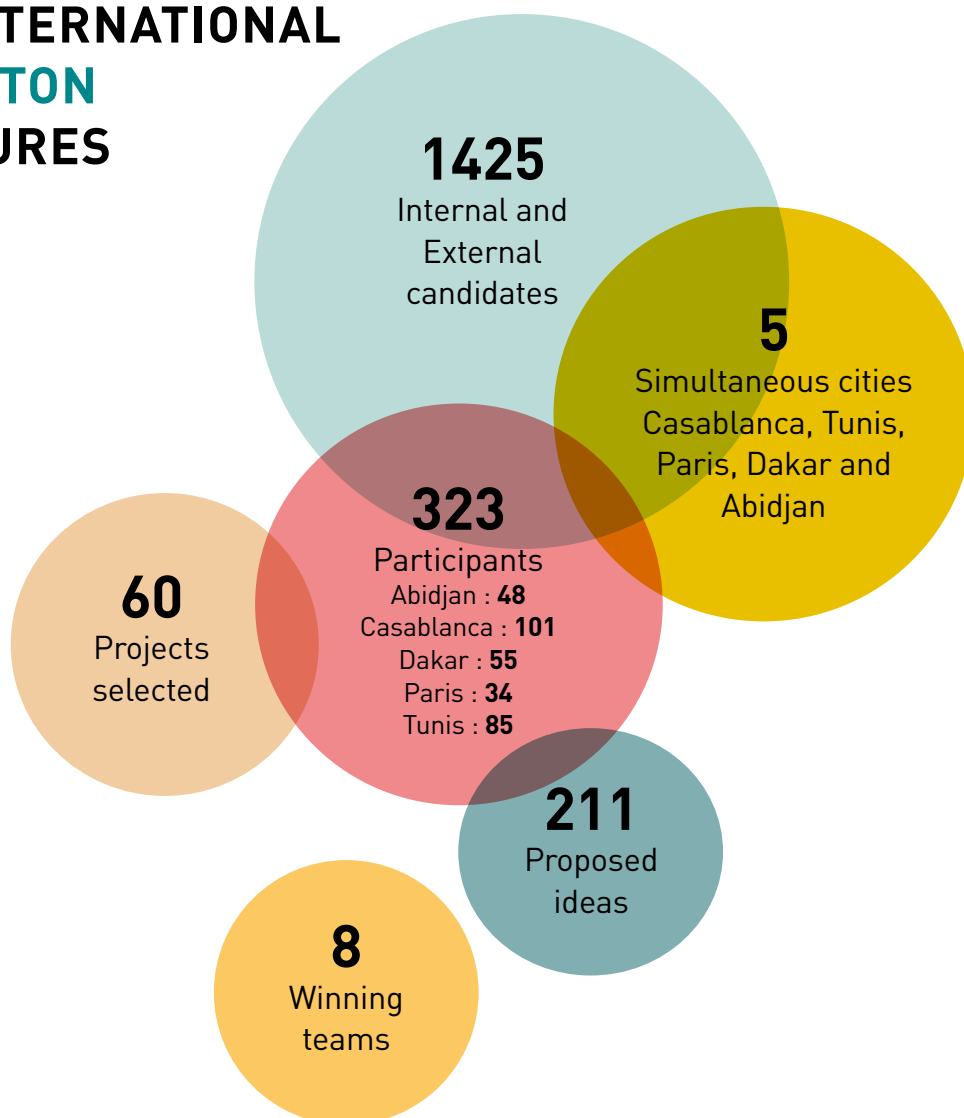


The 8 winners benefited from 5 weeks incubation in partnership with Screendy to finalize their prototypes and present their solutions during a Demo Day organized in Casablanca.

The 2 winning start-ups were « Namla » from Tunisia assisted by Attijari bank and MyHomeBank from France assisted by Attijariwafa bank Europe. Team leaders will get a chance to visit one of the most successful start-ups in Silicon Valley, USA.

Thanks to the open innovation « Smart Up » program, Attijariwafa bank Group and its local and international subsidiaries are renewing their support to entrepreneurship and innovation.

THE INTERNATIONAL HACKATON IN FIGURES



COMMERCIAL BANKING

RETAIL BANKING

Expansion of products offered

In order to better serve its customers, Attijari bank is continuously expanding its range of products for retail and corporate clients. Last year, the Bank targeted its efforts towards Tunisians living overseas by improving current products and implementing new solutions.

Offers for professionals and SMEs

2017 was focused on professionals and small businesses. In fact, Attijari bank invested 100 million dinars to assist SMEs and professionals in achieving their goal. Therefore, from the beginning of the year Attijari bank put in place the « **Attijari Affaires** » offer through a communication campaign targeting this category of customers. The

leitmotiv was the commitment of the Bank in favor of this target that it strongly believes in. This action was an opportunity to develop a new operational model aiming for a better quality in the services and sustainability of customer relations.

First home loan

Attijari bank took part in the « **first home** » national program as an active stakeholder in the discussion groups for the project and was able to launch its offer in the best conditions.

This loan, while taking into account its specificities, was integrated in the property loans catalogue offered by the Bank.

Remote banking

2017 was the year for the consolidation of “Remote banking” services, materialized by better interaction between the different channels : ATM, Web, Mobile and Customer Relationship Centre.

This Multichannel mechanism was supported by different internal facilitation and field support actions carried out with Sales Officers, enabling better appropriation of this service and more use by our customers, mainly of mobile banking.



Complete flow management offer for enterprises

Within the framework of improving the quality of services offered by the Bank to its corporate customers and in order to ensure better swiftness regarding check cashing, a new solution was deployed, « **Attijari-Encaisses Valeur** ». This is a solution for dematerialization of check cashing based on providing retail stores of a given enterprise with scanning equipment and a telecommunication system linked to the Bank for the processing of its securities.

In parallel, a new offer aimed at enterprises using cash receipts requiring a specific processing was put in place, « **Attijari Encaissement Pro** ». This service allows enterprises to have an online visibility of their operations, with integrated reporting in compliance with their requirements

A full-scale commercial dynamic

Retail Market

In 2017, the retail market consolidated achievements from previous years, with a 10% increase in resources and loans. Revitalization of loans, especially marked by housing loans with a share of 65%. Within this context, a communication campaign was launched at the end of the year aiming to identify prospects and convert them into customers.

Commercial dynamism and proactivity made it possible to acquire a new client basis. Commercial teams axed their efforts on retaining the portfolio through a large range of products and an exemplary service quality.

Market of Professionals and Micro-enterprises « MSO »

The Bank confirmed its strategic interest in the market of Professionals and Micro-enterprises.

Indeed, in 2017, a preliminary funding envelop of 100 MD was set and advertised through a large-scale communication campaign. In addition, account managers dedicated to Professionals and Micro-entreprises (ME) were strengthened through specific training for better client support.

There is an important presence in the field, through participation, throughout the year and everywhere in the country, in events where professionals and small enterprises are present, while taking full advantage of the Group's synergies.

SME Market

2017 was marked by the proactivity of management through monthly operations committee meetings held to share the achievements of the period in order to highlight focus points and drivers for optimization.

Convinced of the role of SMEs as a major driver for economic recovery, the Bank started a mission for commercial efficiency on this market, under the « **Excellence 2020** » program.

Commercial efficiency breaks down into 3 key axes, i.e.:

- Customer management model ;
- Reinforcement of commercial lines ;
- Consolidation of the steering and efficiency of operational processes.

The SME market, always oriented to product development, witnessed a 9% increase and axed its efforts on the development of investment loans with a growth rate of 20% in 2017 for medium and long-term loans.

Particular attention was given to the corporate CRM tool developed to facilitate the management of the SME client portfolio, the management of the prospection basis by account managers and the organization of visits, allowing for better tracking of commercial approaches.

Market for Tunisians without Borders « TWB »

Acquiring high-value, activation and development of property loans and synergy between subsidiaries of the Attijariwafa bank Group were the main themes of the 2017 roadmap.

A strong ambition that fits within the continued disruption achieved in 2016, based on two elements :

Support to cultural change through :

- Reinforced proactivity with a relay mechanism at the central level and in Europe ensuring permanent servicing of the diaspora and improvement of its equipment.

The development of the activity through :

- The reinforcement of partnerships with representatives of civil society. An agreement was signed with the Agency for Tunisians Abroad to grant TWB all benefits offered by the Bank.
- The rollout of the activity in new corridors, with Dubai as a priority thanks to partnerships with foreign exchange bureaus, and branches of the Group.

The market received support from the Middle East Investment Initiative (MEII) and Overseas Private Investment Corporation (OPIC) through orientation sessions for the total SME and PRO/ME population, as well as the extension of guarantees for operational loans.

These new partnerships have strengthened existing agreements with Western Union (WU) and the Attijariwafa bank Europe network (AWBE) and allow TWB to take advantage of the benefits offered, mainly the reduction of costs and transfer times.

Ever mindful of the quality of services and expectations of customers, Attijari bank renews its offer and reinvents its customer relation by launching its dedicated and exhaustive offer « Pack Privilège Bledi », a high-value offer taking into account a wider range of needs.

These different initiatives made it possible to close out 2017 in compliance with the predefined ambitions, recording a development of resources by 23% and 18% in terms of production.

The reinforcement of the TWB market through its contribution in the global performance of the Bank and the exclusive means made available by the Group worldwide further reinforce the ambition for a dominant position on the market.

NOUVELLE OFFRE

50%

de réduction la première année de souscription au **PACK BLEDI+**

TUNISIENS RÉSIDANT À L'ÉTRANGER

PACK BLEDI +

LE PLEIN D'AVANTAGES OÙ QUE VOUS SOYEZ

PROVENANCE	DESTINATION	COMPAGNIE	DÉLAI DE TRANSFERT
FRANCE	TUNISIE	CAIRATUT	ELAPTE
ITALIE	TUNISIE	CAIRATUT	ELAPTE
CÔTE D'IVOIRE	TUNISIE	CAIRATUT	ELAPTE
ALLEMAGNE	TUNISIE	CAIRATUT	ELAPTE
LIBYE	TUNISIE	CAIRATUT	ELAPTE
CHYPRE	TUNISIE	CAIRATUT	ELAPTE
CANADA	TUNISIE	CAIRATUT	ELAPTE
ARGENTINE	TUNISIE	CAIRATUT	ELAPTE

PAC BLEDI

CORPORATE BANKING

The sales strategy of the Bank in terms of support to its Large Corporation clients and the funding of large infrastructure projects has been successful.

Thus, in terms of commitment, activity recorded an evolution of 24% in comparison to 2016 while maintaining risk at a comfortable level. The most important evolution was in terms of commitments on signature that saw a significant growth of 86%.

On the other hand, deposits progressed by 22% over the same period mostly on low-cost resources.

In addition, Attijari bank did not spare any efforts to finance State projects and support the development of large corporations and institutional entities. For this purpose, the Bank spearheaded the financing, in banking pool, of 167 million dinars for Societe Nationale des Chemins de Fer Tunisiens SNCFT for the purchase/acquisition of 20 engines that will be used in the renewal of the rolling stock of rail transport.

It also spearheaded the financing of a program for the refurbishment of the reactors of the aircraft of the national airline Tunisiar, for a total of 130 million dinars, in a banking pool.

In the framework of its national policy for supporting renewable energy, the Bank continues to finance since 2007 the national project PROSOL, which has evolved to become Prosol-Elec, headed by ANME and STEG. In 2017, Attijari bank allocated an envelope of 361 MDT.

This program aims to supply households with solar water heaters and photovoltaic panels at preferential conditions. In its new version, it has exceeded the objective to streamline energy consumption and reduce GHGs and now also includes the production of electricity for households.



Transaction Bank

2017 registered an excellent performance. In fact, more than half the flows were channelled towards the electronic platforms of the Bank. The main objective is to offer corporate clients the best cash flow management products and service quality.

2017 also marked the launch of a new cash flow management product «Encaisse Valeurs» aimed at large corporates with a large volume of cheque remittances.

Supporting companies in developing their export activities and specifically in sub-Saharan Africa.

Focus : International Africa Development Forum : more than 4 000 business meetings registered

The fifth edition of the International Africa Development Forum (FIAD 2017), was held on 16 and 17 March 2017 in Casablanca, under the theme of « **new models for inclusive growth in Africa** », and was a major success, similarly to the four previous editions.

More than 2 200 participants from 30 countries of the continents and 4 000 business meetings, this is the total turnover of the 5th edition of the International Africa Development Forum.

Around 50 companies, with the support of a delegation headed by the Director General of FIPA participated in this event. As in the previous edition, Tunisia was a guest of honor at the investment market section, with a dedicated booth and presentations of major projects.

Construction, urban development, agriculture and agro-industry, energy, food industries, financial services, wholesale trading and merchanting were the sectors which saw the largest number of requests for partnerships.

In terms of cooperation, import-export, logistics cooperation, franchising and cross distribution, followed by investment and joint ventures were the most requested.

As for the Africa Development Club, by March 2017 it gathered nearly 400 active members from 12 countries.

This edition did not deviate from the tradition of rewarding the best companies through the « **South-South cooperation awards** ».

First prize « The Platinum » went to Lilas, a Tunisian company for the production and sales of hygiene products in Africa. Second and third prize, « Gold » and « Silver » went respectively to HPS a Moroccan company specializing in the development of electronic payment solutions dedicated to financial institutions and to Sania an Ivorian company for Agro-industry in West Africa operating in hevea, sugarcane and oil palm.

INVESTMENT BANK

In addition to funding major projects of the economy, Attijari bank was at the forefront at the level of participation in funding the complementary state budget by providing funding of 60 Million Euros over 3 years.

Capital Market

Its expertise in terms of market product as well as its sales teams allowed Attijari bank to be positioned amongst the most important actors in market activities in Tunisia. Attijari bank offers its clients a wide range of Rates, FX and Treasury products through a performing sales platform.

In 2017, Attijari bank's market share as well as its results in terms of market activities progressed significantly in a difficult market marked by a liquidity shortage in Dinars and high volatility in the FX market.

Custody

The Custody activity is a sales platform dedicated to local and foreign institutional clients. It includes the necessary services for the finalization of transactions on mobile assets, following negotiations, as well as custody of the securities on behalf of investors. Thanks to partnerships with world-renown securities depositories, it provides an international standard level of service.

Thus, the custody activity of the bank has been restructured, as part of the « **Excellence 2020** » program and representing an important event of 2017 in connection with the Custody activity of Attijari bank.

The achievement of this project, will certainly contribute to increase the level of custody services, targeted to an informed client base.



A 14% net improvement of deposited assets was registered for 2017.

PERFORMANCE & EFFICIENCY

CUSTOMER PROCESSING SERVICE

In line with its commitment to continued improvement, the Bank carried out a series of projects and targeted actions which mainly dealt with operational efficiency and made it possible to maintain an acceptable level of risk control.

Electronic payment back office activity :

- The development of the fleet of ATMs made of 226 machines, 55 of which were replaced. The most active locations were fitted with an additional ATM ;
- Renewal of the fleet of POSs, notably through the replacement of outdated terminals for a better quality of service ;
- Continued efforts to outsource the management of off-site ATMs for better availability : Four new ATMs were outsourced ;
- Implementation of an integrated electronic payment Gateway for our mass retail customers.
- Compliance upgrade of ATMs and POSs to security standards ;

FX back office activity :

In the framework of its excellence program, and in the field of operational efficiency, all processes of the FX BO were analyzed in order to carry out the necessary development for better operational efficiency and better service to clients.

On the other hand, an increase of regulatory and compliance audits led to the implementation of new control points to strengthen KYC and the object of their international operations.

In addition, the successful implementation of releases SWIFT 2017 came to meet a continued concern to insure compliance of the SWIFT room of the Bank with international security measures.

We also proudly note that Attijari bank was awarded the « Straight Through Processing (STP) Award 2016 » by Commerzbank. The award was given by the German corresponding bank of Attijari bank Tunisie to reward the

excellence of its services in the processing of commercial payments and financial transfers on its EURO account.



STP in an automatic processing of SWIFT messages which does not require manual intervention. It speeds up timeframes for processing international payment instructions and reduces costs.

Commitment back office Activity :

Always in line with the latest trends at the national level, such as online guaranteed bonds and electronic signature, **the commitment back office** was ready for the launch of the CAER (Database for Eligible Collateral Assets for Refinancing), through the implementation of the necessary procedures and settings.

Securities back office Activity :

The **securities back-office** saw the fruition of its restructuring project, a major project which provided the Bank with the necessary resources in order to meet both the needs of sales teams in their activity « Securities and Stock Market » and the needs of national and international asset management companies for the development of the Custody activity.

ORGANIZATION & OPERATIONAL EFFICIENCY

In line with the strategic ambitions of the Bank, a transformation program aimed at improving operational efficiency and to speed up digitalization was launched. Its main objectives were :

- An evolution of the operational model through processes optimization, simplified operational modes and the development of shared platforms ;
- Better utilization of data, both for steering and adaptation of offers to customers.
- Adaption of information systems by integrating new technologies ;

As such, structuring projects were carried out in 2017, covering products such as (first home loan, Pack privilège Bledi...) as well as digital applications and platforms (Attijari-Encaisses Valeur, Cash Management, E-claims,...).

IT & INFORMATION SYSTEM

In order to improve its information system, the Bank hired an internationally recognized firm to carry out an audit.

The strong scalability of its activities and products led the Bank to develop its information system through the strengthening of security mechanisms and improvement of its IT infrastructure.

QUALITY

In line with the « Quality Leader » program, the Bank was more involved in improving customer service quality through satisfaction surveys, monitoring and optimization of processing times, by focusing on proximity to the various stakeholders.

2017 saw an improvement of most Quality indicators.

In addition to regular reporting, monitoring and animation, a field support system for branches was implemented in order to promote and anchor a culture of Quality. As such, specific « Quality » training was provided to the various businesses of the Bank.

EXTERNAL COMMUNICATION

The Bank strengthened its event-driven communication through organization and participation in major economic events. With the aim to ensure more proximity to clients, listen to them and support them in their development projects.

The African dimension was put forward, especially that Attijari bank has real assets for supporting Tunisian companies in sub-Saharan Africa and has the support of the subsidiaries of the Attijariwafa bank Group, with presence in 16 countries in Africa and 26 worldwide.

In this framework, Attijari bank Tunisia participated in an important delegation of businessmen to the International Forum for Africa Development (FIAD) held by the Group, as well as the « Tunisian African Empowerment Forum » organized by the Tunisia-Africa Business Council.

The Bank also organized an international conference « Development in Africa, opportunities and Threats », which was presented by an expert on African markets. It was followed by meetings at the level of the regions to further strengthen the link with clients and closely study their needs.

In addition, multiple communication campaigns, in the media and out of media, were launched and covered various categories of clients: retail, professionals and companies. The Bank carried out these targeted operations with the aim to promote real estate, communicate on funding for professionals and micro-enterprises, and inform Tunisians living overseas on new channels for transfers.....).

To monitor the development of ownership of smartphones by Tunisians and the massive use of the internet, especially social networks, the Bank reinforced its digital communication by carrying out continuous updates of its corporate website and optimum reactivity on its Facebook page.

Through the development of its digital communication, Attijari bank showed its capacity to adapt to the uses of its clients and to reinvent its relationship with them. A relationship where mobility coupled with instantaneous became equivalent to proximity.



Compliance

The Bank and its subsidiaries complied with the new regulatory requirements namely the new CTAF guidelines and the new circular of the BCT 2017-08 on the reinforcement of internal audit rules in terms of anti-money laundering and terrorism funding.

In fact, the compliance mechanism was reinforced on multiple axis :

- **Good governance** : measures were taken to apply the Bank's AML/TF program (Anti-money laundering / Terrorism funding) in subsidiaries, in terms of training and awareness (KYC) of clients and their operations.
- **Regulatory compliance** : compliance of new products; updating of new client forms and of the AML procedure manual; support and advice to the various structures of the Bank in order to guarantee compliance with existing regulation as well as with industry best practices.
- **Anti-money laundering**: implementation of new procedure to strengthen KYC at the time of start of the relationship and awareness of transactions in compliance with new regulatory requirements.
- **Declaration of FATCA eligible clients** : all necessary measures in terms of monitoring and file collection were taken to comply with the requirements of US tax regulation, on time.
- **Training**: consolidation of training initiatives at the Attijari Academy and the regional level to raise staff awareness of compliance requirements in terms of AML in order to protect the Bank from any related risks.

Ethics

In 2017, the focus was on awareness of ethics and proximity to the network. As such, continued monitoring was carried out to federate staff around the Bank's values, through training and communication sessions.

With this in mind, the project for updating the code of ethics was launched.

The ethical dimension is taken into account, to support the evolution of the Bank in its « **Excellence 2020** » program and to maintain trust relationships with clients. This is achieved through shared values such as :

- Maintaining the highest standards of personal integrity ;

- Respect of ethics in business conduct, both in management modes as well as in professional and personal attitudes ;
- Special interest in operations' transparency ;
- Respecting existing laws and regulations.

In addition, the Bank contributed, at the level of the APTBEF (Professional Association of Tunisian Banks) in the drafting of the sector's Code of Ethic, which manages the relationship of Banks and Financial institutions with their clients; through its participation in workshops.

Logistics & Banking Security

In order to get closer to clients and to listen to them, throughout 2017, Attijari bank continued the expansion of its network. In effect, 4 new branches were opened (Kasserine Mhiri, Sfax Menzel Chaker, Les Jardins de Carthage and Mnihla) and major refurbishment of five other branches (Redeyef, Metlaoui, Tabarka, Centre d'affaires Kélibia Center & Sousse) in the framework of the renovation of

its real estate assets. There also was the relocation of the Bardo branch to a new location.

In addition, the Bank worked on reinforcing security at its HQ and branches at all levels; by launching a Security Audit and putting in place a new security plan.

SUBSIDIARIES

ATTIJARI LEASING



2017 was the first year of the implementation of the 2017-2021 strategic plan, which translates a transformation project oriented towards synergy, sales and operational efficiency and a better quality of service.

Similarly, there was :

- The confirmation of the ISO 9001 certification 2015 Version of the various processes of the company as well as its three branches: Tunis, Sousse and Sfax following an audit ;
- Creation of a website www.attijarileasing.com.tn, which allows listening to clients and putting them in contact with the various branches of the company, and

allowing them to go to the nearest branch by clicking on the link in Google Maps ;

- Setting up a new structure covering support activities within Attijari Leasing : Human Capital & Organisation, IT and Finance & Control.

In terms of activity, a near 15% progression was recorded for approvals, growing to 368MD from 321MD at end 2016. Regarding enforcements (MEF) they reached 278MD vs 251MD at end 2016, i.e. an increase of 11%. As for financial outstanding, they grew by 9% growing from 472MD to 516MD.

ATTIJARI ASSURANCE



Highlights for the financial year 2017, as well as main achievements were :

- Completion of refurbishment work of the offices of the new HQ of the company and relocation of the staff.
- Launch of two challenges (the first from 1 January to 31 July and the second one from 1 August to 31 December 2017).
- Strengthening of the staff of the claims processing unit « Middle Office » in order to improve service quality.
- Exceptional growth of global turnover, growing from 53 MDT in 2016 to 67 MDT in 2017. The overall rate of achievement of goals reached 110.5%.
- A positive technical result with a strong progression of +61.2% at 7.99 MD.
- Net result is also positive by 3.8 MD, showing a jump of 150% in comparison to previous year.



ATTIJARI RECOUVREMENT

ATTIJARI RECOUVREMENT
التجاري للإستخلاص

Attijari Recouvrement, which was created in 2001, is a subsidiary of the Attijari bank Group authorised in the framework of Law 98-4 dated 2 February 1998 on collection companies whose main activity is to purchase claims to their own account and the collection of claims by any means, whether amicable, legal or through arbitration, for third party account. Its capital is 1 MD, and is fully owned by Attijari bank.

The action plan launched in 2017 helped improve collection processes and the implementation of adequate information developments to strengthen further the efficiency of collection activity.

The subsidiary ensures the collection of claims sold by the Bank and the management of group claims for the Bank in the framework of service agreements.

ATTIJARI GESTION



The UCITS market closed the year with a total net asset of 4 361MTND*, i.e. a slight decline of 4% compared to December 2016. Over the same period, Attijari Gestion showed a net improvement of 33.65% of its managed assets at 169.8MDT (versus 127 MDT at 31 December 2016).

Attijari Gestion is ranked as one of the two top collectors of the UCITS market, thanks to a strong synergy with Attijari bank. Attijari Gestion has been able to retain its rank as third in terms of managed outstanding, out of eight management companies on the market and ranks eleventh of 28 managers.

• ATTIJARI OBLIGATAIRE SICAV

Created in May 2000, ATTIJARI OBLIGATAIRE SICAV, managed by Attijari Gestion, is an investment which emphasizes safety by offering its clients stable yield through a low risk. Attijari Obligataire SICAV closed 2017 with a net asset of 140.20MTND, Up 32.9% in comparison to December 2016.

• ATTIJARI PLACEMENTS SICAV and ATTIJARI VALEURS SICAV

Both mixed SICAVs managed by Attijari Gestion are undergoing liquidation.

• ATTIJARI FCP CEA

The mutual fund destined to the holders of CEA accounts closed 2017 with a 12.72% yield and an increase of 149.10% of its net asset at 10.90 MTND versus 4.37MTND the previous year.

• ATTIJARI FCP CEA Dynamique

The mutual fund destined to institutional clients is ranked amongst the top funds on the market in terms of managed assets. Attijari FCP Dynamique closed 2017 with an outstanding of 17.36MTND and a yield of 10.55%.

* « Physionomie des OPCVM, 31.12.2017 », source CMF.

ATTIJARI FINANCES TUNISIE



Attijari Finances
TUNISIE

During the 2017 financial year, Attijari Finances had a turnover of 1 224 054 DT.

In effect, Attijari Finances was able to finalize and close out two strategic operations carried out for Al Karama Holding in the framework of advisory and assistance mandates in the sale of holdings/shares held by the Tunisian state in confiscated companies.

As for bond market, Attijari Finances supported Attijari bank and Attijari Leasing in two bond issues for more than 80 MDT.

In addition, Attijari Finances Tunisie supported three major local economic actors for external growth operations and which shall be finalized during the 2018 financial year.

In addition to consulting on business acquisition, merger and restructuring operations, Attijari Finances has the necessary experience and expertise to support infrastructure projects, structured finance and Project-Finance.



ATTIJARI SICAR

التجاري سيكار
Attijari Sicar

2017 was characterized by an important evolution of the investments by Attijari Sicar. In the framework of the new investment strategy, the portfolio was strengthened with new holdings with a strong potential for development.

In synergy with the Attijari bank Group, investments made mostly targeted industrial companies in creation or development stages. Thus, by end of 2017, the outstanding portfolio of shares had progressed by 51% compared to end of 2016.

On the other hand, in terms of fund raising, the total investment in venture capital had reached an important increase, progressing by 62% compared to 2016.

In addition, and in the framework of the development policy of venture capital management activity and strengthening of investment monitoring, Attijari Sicar was able to diversify and develop its operation revenue, by reaching a growth of 29% compared to previous year.

In terms of yield of the activity, the 2017 financial year showed an increase of net profit of 84% compared to 2016 financial year.



التجاري للوساطة
Attijari intermédiation

ATTIJARI INTERMÉDIATION

The main index of the Tunis Stock Market, the TUNINDEX, showed an increase of 14.45% in 2017, as well as recovery of the total volume of exchanges of 27.5% at 3 480MDT. In total, the balance of price fluctuation shows 42 shares increasing versus 39 declining.

The year only saw two new listings on the stock market, for «SANIMED» and «Ateliers du Meuble Intérieurs», taking the total number of listed companies to 81.

Capital increase operations totalled up 245MDT and the amount subscribed at the level of issuance of securities in 2017, issued by listed companies reached 701MDT.

Attijari Intermédiation was successful in the placement of the bonds issued by Attijari bank («Attijari bank Subordinated 2017» for 60 MDT), Attijari Leasing («Attijari Leasing 2016-2» for 30 MDT and «Attijari Leasing 2017-1» for 20.094MDT).

On transaction volume of listed and unlisted, Attijari Intermédiation has respective market shares of 2.10% and 3.33% ranking nine out of the 23 stockbrokers of the local stock market.

GÉNÉRALE IMMOBILIÈRE DU SUD « GIS »



GIS had a good commercial breakthrough, during the Q3 of the year, and achieved obvious performance regarding :

- Reaching an important turn over, although it was well below the record levels of 2016.
- Achieving a satisfactory operating profit.
- Generating significant net benefits.
- Reimbursement of the real estate prefinancing loan.
- Important progress in procedures for works for division of lots in order to obtain individual title deeds of the premises.
- Continued sale of a good portion of buildings/properties (83% at 31/12/2017 vs 72% the previous year).

Preparatory steps in order to start the consortium on the land in Cité Ettahrir are continuing. They are boosted by the decision to change the land use of the approved area in the new development plan of the city of Tunis.



GÉNÉRALE TUNISIENNE DE L'INFORMATIQUE « GTI »

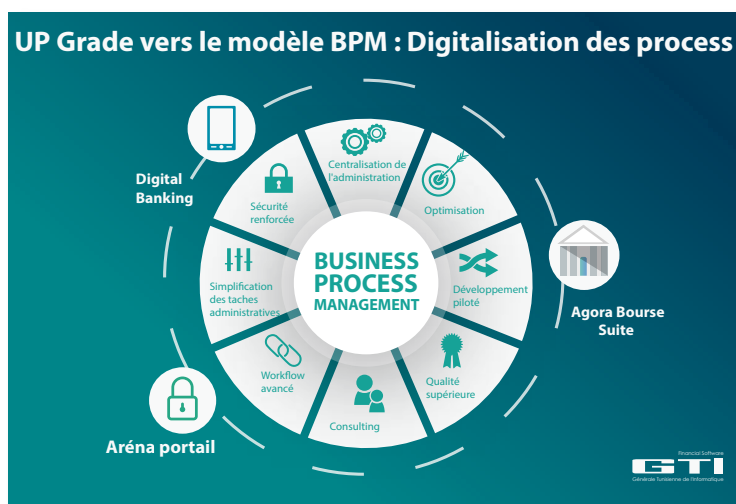


GTI, is a publisher and integrator of IT solutions in the financial world which continues to support the Bank in updating its IT system.

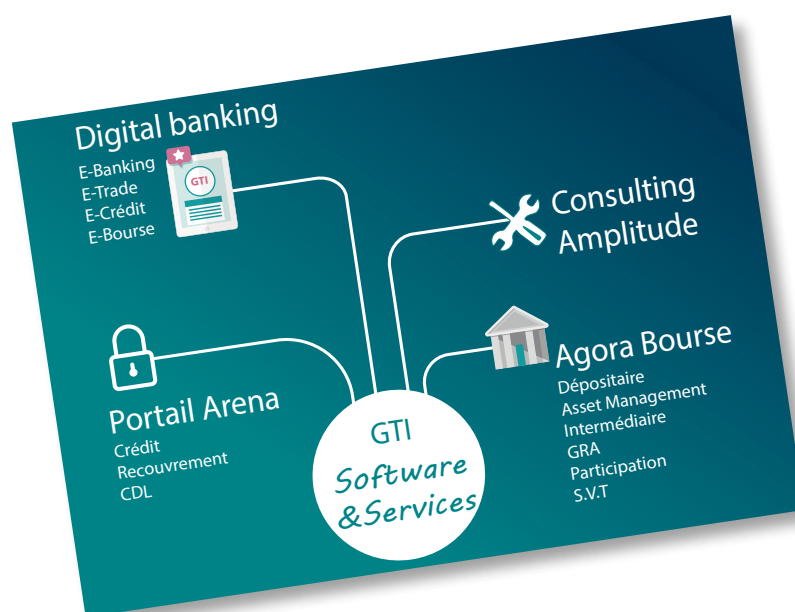
GTI can position itself in the financial market through its offer of pre-packaged solutions : made up of :

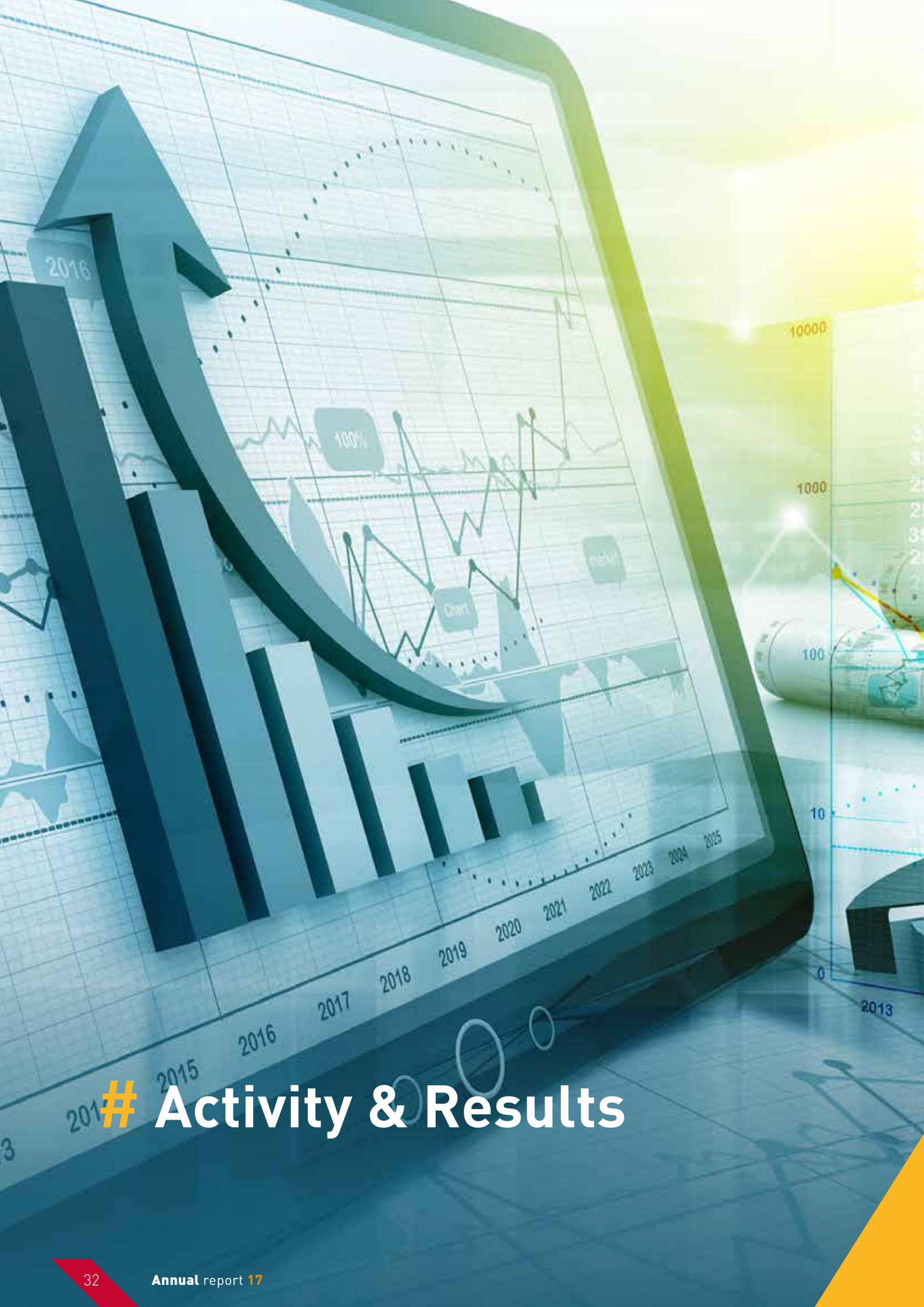
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| <ul style="list-style-type: none">• GTI-Digital :<ul style="list-style-type: none">e-bankinge-tradee-credite-bourse | <ul style="list-style-type: none">• GTI-Bourse• GTI-Risk & Collection |
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GTI MAPPING APPLICATION



Within Attijariwafa bank Group, GTI strengthened its presence through its expertise both in Consulting and solutions aspects.





#

Activity & Results



ATTIJARI BANK KEY FIGURES

KEY FIGURES

INDICATORS (in millions of dinars)	2017	2016	2015
ACTIVITY			
Client deposits	6 001.7	5 460.3	4 870.8
Client loans	5 227.9	4 477.4	3 836.1
CAPITAL BASE			
Total balance sheet	7 818.2	6 868.8	6 046.0
Share Capital	198.7	198.7	198.7
Equity	538.1	487.7	440.1
RESULTS			
Net Banking Earnings	361.9	317.0	274.8
General expenses	171.8	158.5	148.4
Gross Earnings from Operations	190.1	158.4	126.4
Net Earnings	129.8	107.1	91.2
RATIOS			
Return On Equity (ROE) (%)	31.77	28.13	26.12
Return On Assets (ROA)	1.66	1.56	1.51
Operational coefficient (%)	47.5%	50.0%	54.0%
Deposits /per staff member (in MTD)	3.44	3.11	2.76
Client loans/per staff member (in MTD)	3.00	2.55	2.18
STOCK MARKET INDICATORS			
Share price as of December 31st (in TND)	36.400	27.390	23.700
Profit per share (in TND)	3.264	2.694	2.293
Price Earnings Ratio	11.151	10.168	10.334
MEANS			
Bank Staff	1 745	1 757	1 763
Branch Network	207	203	201

ACTIVITIES

Customer deposits

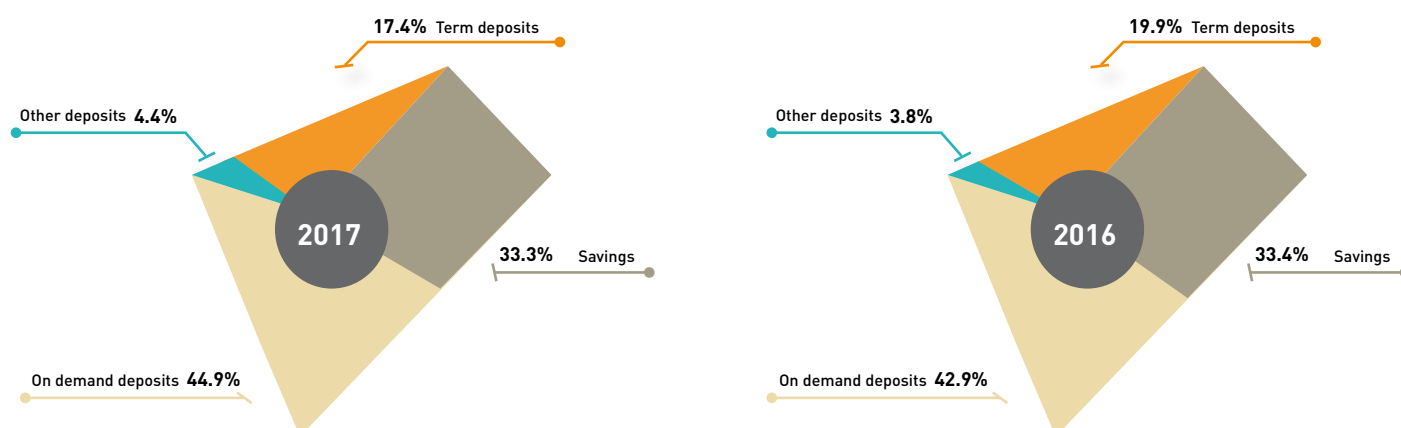
At end 2017, customer deposits grew by **9.9%** i.e. an increase of **541.4 MTND**, from **5 460.3 MTND** to **6 001.7 MTND** at 31.12.2017.

[in MTND]	Dec-17	Dec-16	Variation		Dec-15	Variation	
			In MTND	in %		In MTND	in %
Customer deposits and assets	6 001.7	5 460.3	541.4	9.9	4 870.8	589.5	12.1
On demand deposits	2 692.6	2 345.2	347.4	14.8	1 959.4	385.8	19.7
Savings	1 997.7	1 823.2	174.5	9.6	1 684.6	138.5	8.2
Term deposits	988.4	998.2	-9.8	-1.0	909.3	88.9	9.8
Deposit certificates	56.5	86.5	-30.0	-34.7	145.0	-58.5	-40.3
Other deposits	266.5	207.3	59.3	28.6	172.5	34.7	20.1

The evolution of deposits in 2017 can be explained mainly by:

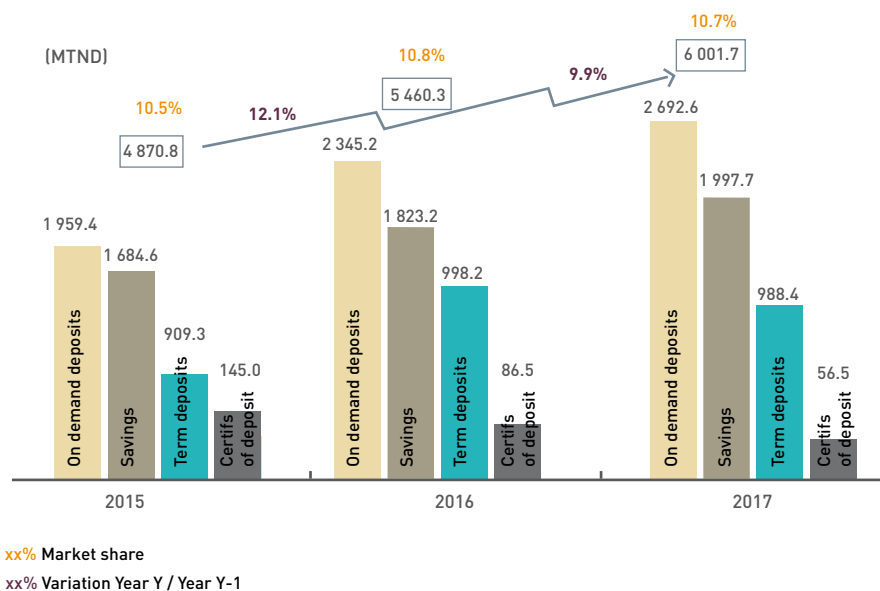
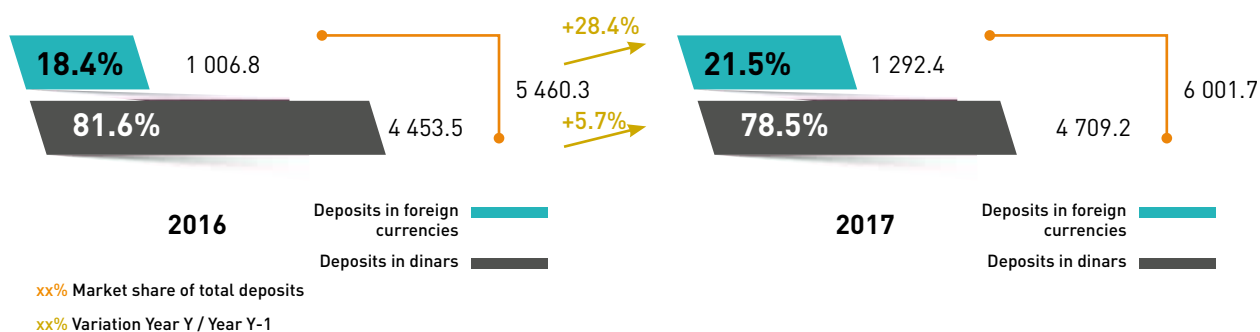
- A **14.8%** increase of on demand deposits which saw them rise to **2 692.2 MTND** at end 2017 as opposed to **2 345.2 MTND** a year earlier, i.e. an increase in volume of **347.4 MTND**;
- An increase of **9.6% (+174.5MTND)** of savings deposits growing from **1 823.2MTND** as of 31.12.2016 to **1 997.7MTND** at 31.12.2017 ;
- A decline in term deposits of **-1%** to stand at **988.4MTND** at end 2017;
- A **34.7%** decline in certificates of deposits, reducing from **86.5MTND** at end 2016 to **56.5MTND** at 31.12.2017 thus a decrease in volume of **30MTND**.

Structure of Customer deposits



The volume of currency deposits grew by **28.4%** in 2017 compared with the previous year.

Deposit distribution by type of currency is as follows:



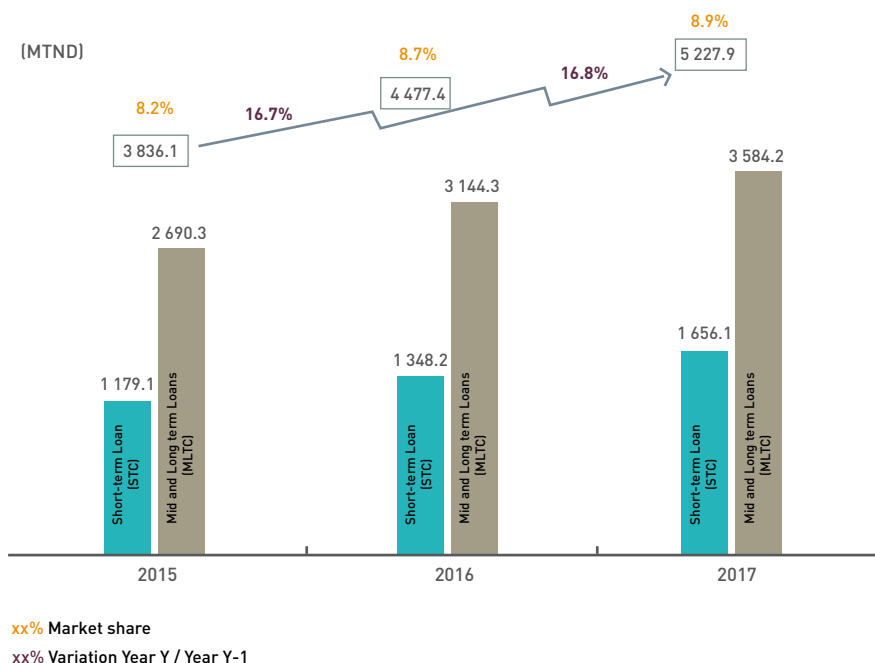
Market share calculated based on the indicators of the following banks (BIAT, Amen Bank, BT, UIB, UBCI, ATB, STB, BNA and BH).

Gross customer credits

At 31.12.2017, the bank had a total outstanding of **5 227.9 MTND** as opposed to **4 477.4 MTND** i.e. an increase of **16.8%** compared with the 2016 financial year.

[in MTND]	Dec-17	Dec-16	Variation		Dec-15	Variation	
			In MTND	In %		In MTND	In %
Gross customer credits	5 227.9	4 477.4	750.5	16.8	3 836.1	641.3	16.7
<u>Including</u>							
Short term credits	1 656.1	1 348.2	307.9	22.8	1 179.1	169.1	14.3
Mid and long term credits	3 584.2	3 144.3	439.9	14.0	2 690.3	454.0	16.9

This growth is attributable to the increase in short, medium and long-term loans of respectively **307.9MTND (+22.8%)** and **439.9MTND (14.0%)** compared to 2016.



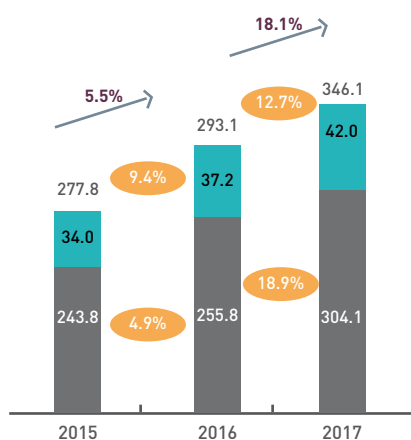
Signature Commitments

The volume of signature commitments increased by **53.4%** to reach **758.1MTND** at the end of 2017.

An important evolution of outstanding documentary credits of **211 MTND** i.e. **104.9%** growing from **201,1MTND** in 2016 to **412.0MTND** in 2017. This increase can be explained by the simultaneous improvement of export documentary credits (EDC) of **147 MTND** and imports documentary credits (IDC) by **64 MTND**.

With regard to endorsements and sureties, they increased by respectively **12.7%** and **18.9%**.

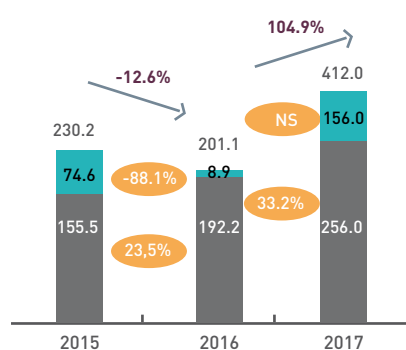
Signature commitments are represented in the graph below :



Endorsements
Sureties

xx% Variation Year Y / Year Y-1

SURETIES AND ENDORSEMENTS



EDC
IDC

xx% Variation Year Y / Year Y-1

DOCUMENTARY CREDITS

Loans and special resources

Outstanding loans and special resources increased by **22.3%** to reach **182.1MTND** at end 2017 compared to **148.9MTND** the previous year.

The bank issued a **60 MTND** subordinated bond around the end of Q2 2017.

Securities portfolio

The outstanding commercial portfolio at end 2017 was at **417.5MTND** compared to **373.2MTND** a year ago. The investment securities portfolio reached a total of **587.4MTND** as per 31 December 2017 compared to **553.1MTND** at end 2016.

Equity

Equity for 2017 reached **538.1MTND** compared to **487.7MTND** in 2016, i.e. an increase of **10.3%**.

Fixed assets

Fixed assets net of depreciation saw a decrease of **3.8%** to reach **133.9Mtnd** at end 2017 compared to **139.2MTND** at end 2016.

Attijari bank Market share

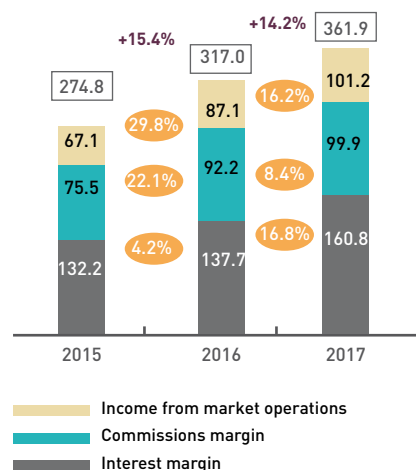
	Liabilities as at	2017 / 2016	Sector Evolution	Market share ¹	
	Dec.17 in MTND	Evolution		2017	2016
Customer Deposits and assets	6 001.7	9.9%	10.6%	10.7%	10.8%
Savings	1 997.7	9.6%	9.9%	11.9%	11.9%
On demand deposits	2 692.6	14.8%	16.3%	12.4%	12.6%
Credits by draw-downs	5 227.9	16.8%	15.2%	8.9%	8.7%
Interest margin	160.8	16.8%	16.5%	9.1%	9.1%
Commissions margin	99.9	8.4%	11.8%	12.1%	12.5%
Net Banking Income	361.9	14.2%	18.3%	10.0%	10.3%

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

RESULTS AND EVOLUTION OF ACTIVITY

Net Banking Income (NBI)

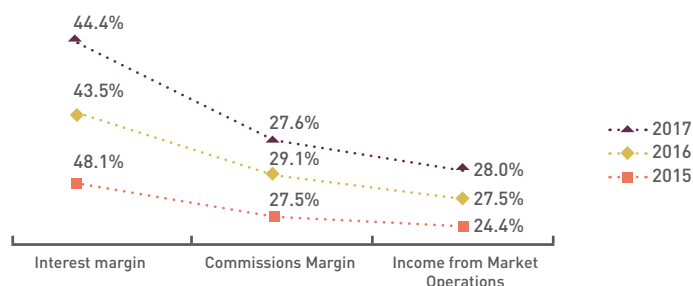
Net banking income reached at the end of 2017 **361.9 MTND** against **317.0 MTND** in 2016 showing an increase of **14.2%**.



This evolution was mainly led by:

- Growth in interest and similar income by **17.3%**.
- An increase of interest rates incurred and similar charges of **17.7%**.
- An increase of **8.4MTND** commissions received to reach a volume of **104.9MTND** vs **96.5TND** in 2016.
- An increase of market operations of **14.1MTND** mainly from foreign currency gains.

The breakdown structure of the NBI is as follows :



General operating expenses

At the end of 2017, general operating expenses increased by **8.4%** to reach **171.8MTND** compared to **158.5MTND** in 2016.

An increase in staff costs (**70%** of costs) and operating costs (**23%** of costs) by respectively **11.8%** and **10.7%** compared to a decline of depreciation charge of **22.1%**.

The cost to income ratio including depreciation improved, going from **50.0%** as of 31/12/2016 to **47.5%** at end December 2017.

Net income

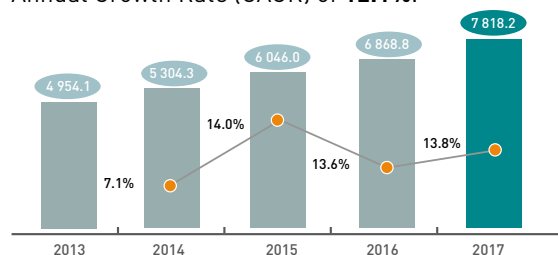
Gross operating income (GOI) increased by **20.0%**, moving from **158.4MTND** in 2016 to **190.1MTND** in 2017.

The 2017 financial year closed out with a net result of **129.8MTND** in contrast with **107,1MTND** in 2016 i.e. an increase of **21.2%**.

PERFORMANCE EVOLUTION OVER THE PAST FIVE YEARS

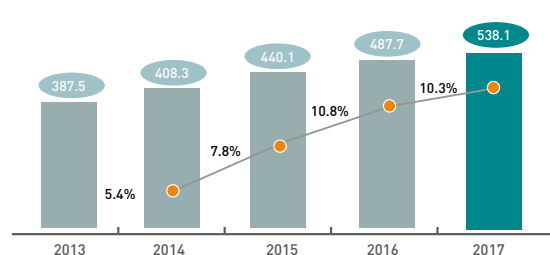
Total Balance Sheet

At end 2017, the balance sheet totaled **7 818.2MTND** compared to **4 954.1MTND** at end 2013, i.e. a Compound Annual Growth Rate (CAGR) of **12.1%**.



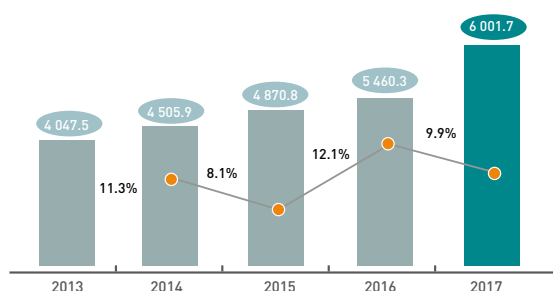
Equity

The bank's equity has registered a CAGR of **8.6%** to reach **538,1MTND** in 2017.



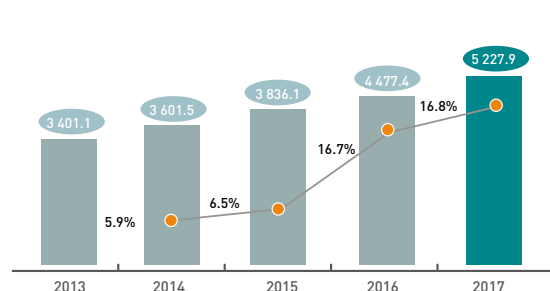
Customer deposits and assets

At 31 December 2017, customer deposits and assets were at **6 001.7MTND** i.e. a CAGR of **10.3%**.



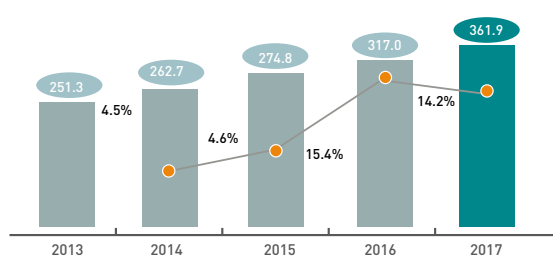
Credit lines

At end 2017, credit lines totalled **5 227.9MTND** reaching a TCAM of **11.3%**.



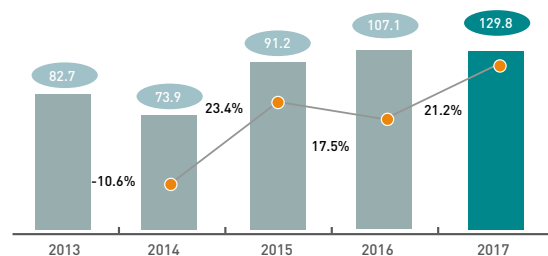
Net Banking Income

Over the past five year, the Net Banking Income witnessed a growing annual average growth of **9.6%** from **251.3MTND** in 2013 to **361.9MTND** at end 2017.



Net results

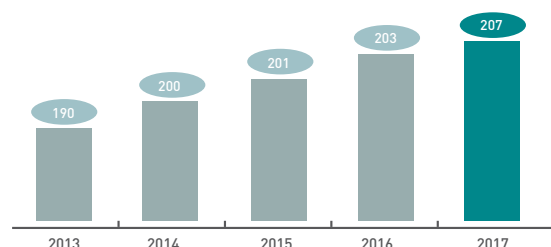
The net result showed a CAGR of **11.9%** to reach **129.8MTND** at 31 December 2017.



*CAGR : Compound Annual Growth Rate from 2013 to 2017.

Network of branches

Attijari bank reinforced its network, through the opening of four new points of sale, taking the total number of branches to **207** at end of 2017.



MAIN RATIOS

In kTND		2013	2014	2015	2016	2017
Productivity	Deposits/staff	2 425	2 588	2 763	3 108	3 439
	Loans/staff	2 038	2 069	2 176	2 548	2 996
	NBI/staff	151	151	156	180	207
	Operations coefficient	50.4%	51.5%	54.0%	50.0%	47.5%
(in %)		2013	2014	2015	2016	2017
Profitability	Net income/NBI	32.9%	28.1%	33.2%	33.8%	35.9%
	Return on Equity	27.1%	22.1%	26.1%	28.1%	31.8%
	Return on Assets	1.67%	1.39%	1.51%	1.56%	1.66%
(in %)		2013	2014	2015	2016	2017
Risk	Liquidity ratio	96.8%	111.5%	313.7%	323.9%	118.7%
	Solvability ratio	10.96%	10.93%	10.82%	10.66%	11.68%
	Rate of classified assets	9.1%	8.7%	7.8%	6.9%	5.9%
	Coverage rate for classified assets*	80.7%	84.9%	89.7%	91.0%	94.4%

* Reserved Provisions and Bank commissions / Classified assets.



Equities & Attijari bank Group

List of significant subsidiaries and associates as at 31 December 2017, is as follows :

Company's name	Activity field	Control in %	Capital in TND
Attijari Leasing	Finance lease	62.29%	27 500 000
Attijari Assurance	Insurance	55.00%	10 000 000
Attijari Intermédiation	Stock broker	99.99%	5 000 000
Attijari Recouvrement	Debt recovery	99.92%	1 000 000
Attijari Sicar	Risk capital investment	71.73%	26 455 500
Attijari Gestion	OPCVM Management	99.88%	500 000
Attijari Immobilière	Real estate development within the framework of the purchase of mortgaged assets	99.98%	150 000
Générale Tunisienne d'Informatique	Information Engineering	66.25%	400 000
Attijari Obligataire SICAV	SICAV	0.02%	134 843 408
Attijari Finances Tunisie	Financial consulting	24.94%	1 000 000
Générale Immobilière du Sud	Real estate development	29.90%	3 000 000



Shareholders

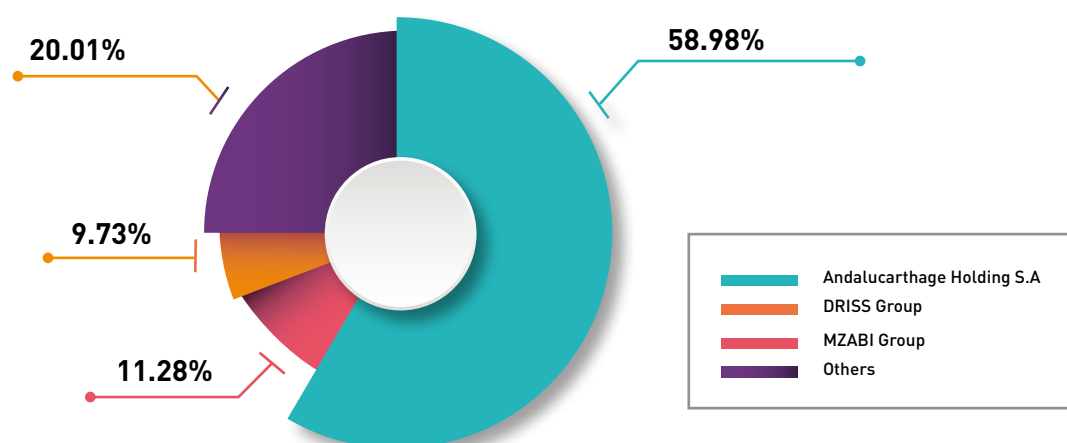


CAPITAL DIVISION

As at December 31, 2017 the Bank's capital was divided as follows :

Shareholders	Number of shares	Percentage
Andalucarthage Holding S.A	23 443 610	58.98%
MZABI Group	4 483 932	11.28%
DRISS Group	3 866 407	9.73%
Others	8 084 898	20.01%
Total	39 748 290	100 %

Share Capital Structure as at 31.12.2017

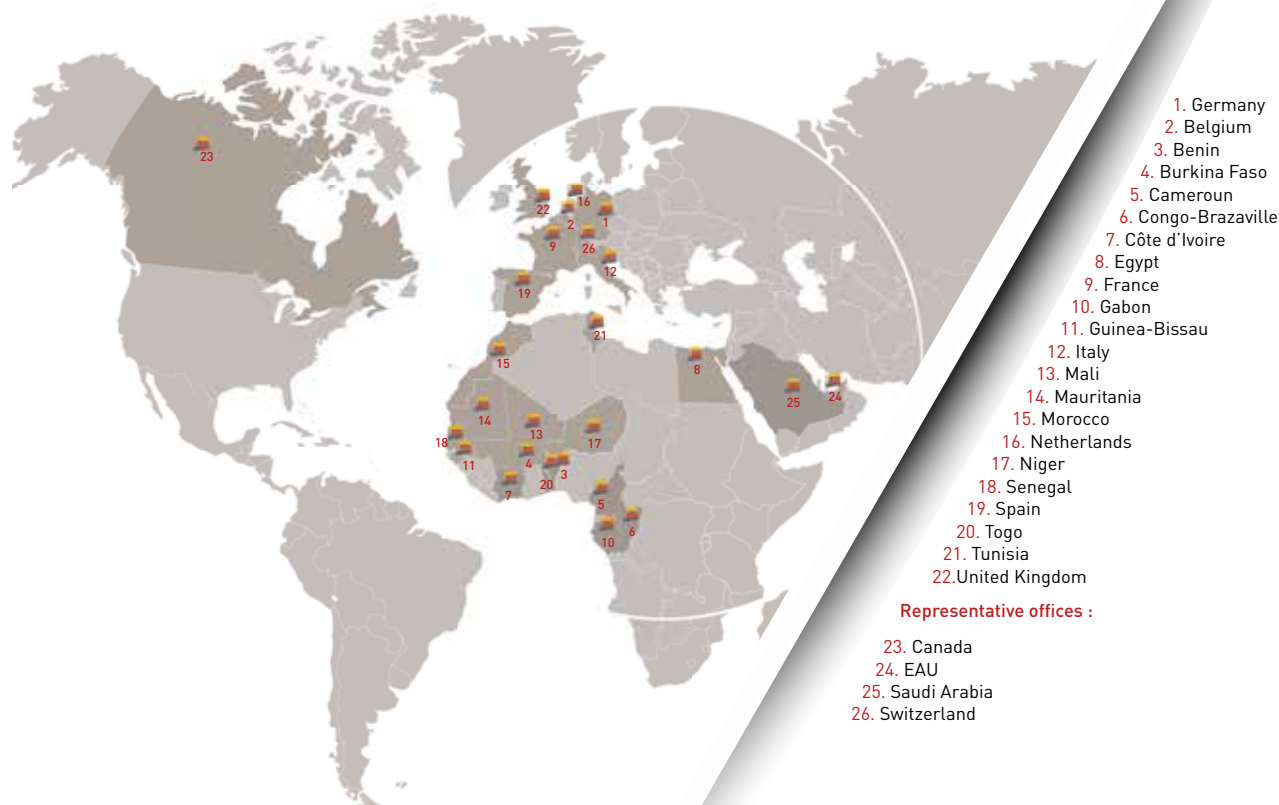


The shareholding reference

Through the participation of the Andalucarthage holding, the Attijariwafa bank Group is the main shareholder that holds most of the voting rights and assures the control of the institution. Attijariwafa bank is the first financial and banking group in the Maghreb including the WAEMU (West African Economic and Monetary Union) and the CAEMC (Central African Economic and Monetary Community). In addition to the banking activity the Group operates in every financial profession through its specialized branches including: insurance, real estate credit, consumer credit, leasing, asset management, stock market brokerage, advisory services and factoring....

The Attijariwafa bank Group is based in Morocco and operates in 26 countries: in Africa (Tunisia, Senegal, Burkina Faso, Guinée Bissau, Mali, Mauritania, Republic of Côte d'Ivoire, Congo Brazaville, Gabon, Cameroun, Togo, Niger, Benin and Egypt) and in Europe (Belgium, France, Germany, The Netherlands, Italy, Spain and the United Kingdom) through bank branches that are majority controlled by the Bank as well as in Dubai, Riyadh, Geneva and Montreal through representative offices.

Countries of presence



19 754 collaborators
in the world

4 306 branches

9,1 million customers



Administration & Management Boards





ADMINISTRATION AND MANAGEMENT BOARDS

The Board of Directors

- has the most extensive powers to act on behalf of the company and authorize all operations and acts related to its objectives ;
- assures the effective supervision and management of the Bank through the Management Division ;
- makes sure that a good functioning of the internal control and conformity systems are in place ;
- establishes interior, corporate regulations ;
- composes the membership and nominates the members of all the committees linked to the Board ;
- approves all mortgages, liens, delegations, guarantees and other sureties on the company's fixed assets ;
- authorizes every agreement made directly or indirectly or by a third party between the credit establishment and persons having business with it ;
- summons the general shareholders' meetings ;
- closes the individual and consolidated financial statements as well as special and general management reports ;



- authorizes acquisitions, goods exchanges and the sale of all properties ;
- creates every new group company ;
- determines the remuneration of the General Manager and /or the Deputy General Manager(s).

The Board of Directors can delegate certain powers to the Bank's General Manager with the option to sub-delegate.



The committees attached to the board of directors

- a. **Audit committee** sees to the smooth running of the internal control system and secures the supervision of the activities carried out in this field. It checks the authenticity of the supplied information and controls the measurement, monitoring and risk management systems. It has also the responsibility of proposing the nomination of the auditor(s) and of giving its opinion on the control programmes as well as on their recommendations.

- President : Mr Edouard Valentin ESPARBES

Members : Ms Zohra DRISS BOUSLAMA

Mr José REIG ECHEVESTE

Mr Jamal AHIZOUNE

Mr Mohamed Ali BAKIR

This Committee's Secretariat is provided by the Internal Audit.

- b. **Risk committee** assists the Board of Directors in the setting up of a management strategy in terms of risk control, it is also in charge essentially of giving its opinion on the identification, the assessment and the control of risks, of evaluating, periodically, the risk management policy and its implementation.

- President : Mr Mohamed EL HAJJOUJI

Members : Mr Mzoughi MZABI

Mr Moncef CHAFFAR

Mr Boubker JAI

Mr Talel EL BELLAJ

This Committee's Secretariat is provided by the Global Risk Management.

- c. **The nomination and remuneration committee** assists the Board of Directors in defining and following up the policies for the nomination, the remuneration and replacement of the executives, senior managers, and in the management of conflict of interest situations.

- President : Mr Mohamed EL KETTANI

Members : Mr Boubker JAI

Mr Jamal AHIZOUNE

This Committee's Secretariat is provided by the Human Capital.





General management

The Bank's management is confided to a General Manager named by the Board of Directors for a designated period of time. His assignment consists of :

- To assure the day-to-day management of the company ;
- To exercise the powers delegated to him by the Board of Directors ;
- To implement the general policies of the Bank.

The General Manager can be assisted by one or several deputy general managers that he proposes to the Board of Directors. He can delegate all or some of his powers to his deputies among the responsible persons and managers of the Bank.

The committees attached to the General Management team

Management Committee

The Management Committee, Unit for idea exchanges and reflection, assists the General Manager in steering the global performance of the Bank and the implementation of the strategy decided by the Board of Directors.

This committee brings together each week the responsible persons for each division in the Bank. Because it must have a vision of all operational activities in each sector, it gets involved in steering the large, strategic projects and proposes questions to submit to the Board of Directors, in a collegial way.

Executive Committee

The Executive Committee oversees the implementation of the annual action plans and their attached budgets in following up on the Bank's activity and the carrying-out of its objectives. It is also responsible for the coherence of internal and external communications policy.

Executive Credit Committee

The Executive credit Committee is in charge of reviewing the bank's funding activities. Thus, it gives its opinion on certain types of loans, determines the bank's policy in this matter and ensures its implementation.

Central Credit Committee

This Committee reviews all loan applications and issues decisions to grant loan applications for up to 7.5 million TND. Above this limit, files are transferred to the Credit Committee.

Files are presented to the Department of Global Risk Management, with the presence of sales teams. This Committee is chaired by the General Manager. It meets once a week.

Market Risks Committee

The Market Risks Committee (CRM) is the internal decision-making body and follows market risks in all their forms.

It issues its opinion on every kind of operation to be handled as well as their ceilings and communicates with the different committees coming from The Board of Directors.

It reunites the Risk Global Manager the Bank for Investment's Manager, The Capital Market specialist and the Manager of the Bank's Capital Markets unit as well as the Head of Finance and Control.

Committee for Classified Assets

The Committee for the follow-up for classified assets is an internal decision-making department that has the following Mission :

- The elaboration of the annual discussion for annual provisions for recovery ;
- The examination and discussion of the division of the portfolio of classified credits between the recovery units ;
- The follow-up of the realizations and the previsions of recovery (normalization, declassification) ;
- The validation of the classification adjustments proposed by the recovery units ;
- The elaboration of a briefing on the monthly situation of classified assets and the recovery activity.

This committee meets every month and brings together the main officers in the sales activities, the legal recovery officer, the amicable recovery officer, the finance and control officer, as well as the Global Risk Management officer.

Recovery Committee

The Recovery Committee has the Mission to decide on the proposals to :

- Consolidate or reschedule ;
- Transfer the original files to the litigation department ;
- Close the accounts definitively.

It meets every fifteen days and brings together the main persons from the commercial functions, the Head of the GRM, the Head of Finance and Control and the Head of Recovery.

Operational Risk Central Committee

The Operational Risk Central Committee sets the Operational Risks policy and is in charge of its follow up. It sees to the implementation of the detection and evaluation tools of the risks of exposure. It ensures their effective deployment.

The Committee meets every quarter with the Business Units' and the control structures' officers.

Committee for the Coordination of Internal Control

The Committee for the Coordination of Internal Control (CCIC) is a department that follows the implementation of all recommendations. This Committee allows the different control functions to come up to date in their activities to guarantee a high level of coherence and efficiency for their work.

Each quarter and at each time a need is felt, the Committee brings all the heads of the commercial and support entities together and the heads of the control structures: Permanent Control, Conformity Control, Internal Audit and special affairs.

New Products Committee

The New Products Committee (NPC) is an internal decision-making entity with the mission of approving or not the implementation or the selling of a new product or service.

It brings together the heads of specialty units and support functions.

The Committee's Secretary is provided by the Department of Organization and Operational Efficiency.

ALM Committee

The ALM Committee measures and manages the global, balance sheet risks related to interest rates, liquidity and foreign exchange. It sets orientations and concentrates on optimizing equity.

It is presided over by the General Manager and brings together each quarter the main heads of commercial functions, the Head of the Investment Bank, the Head of the Capital Markets, the Head of RGM and the Head of Finance and Control.

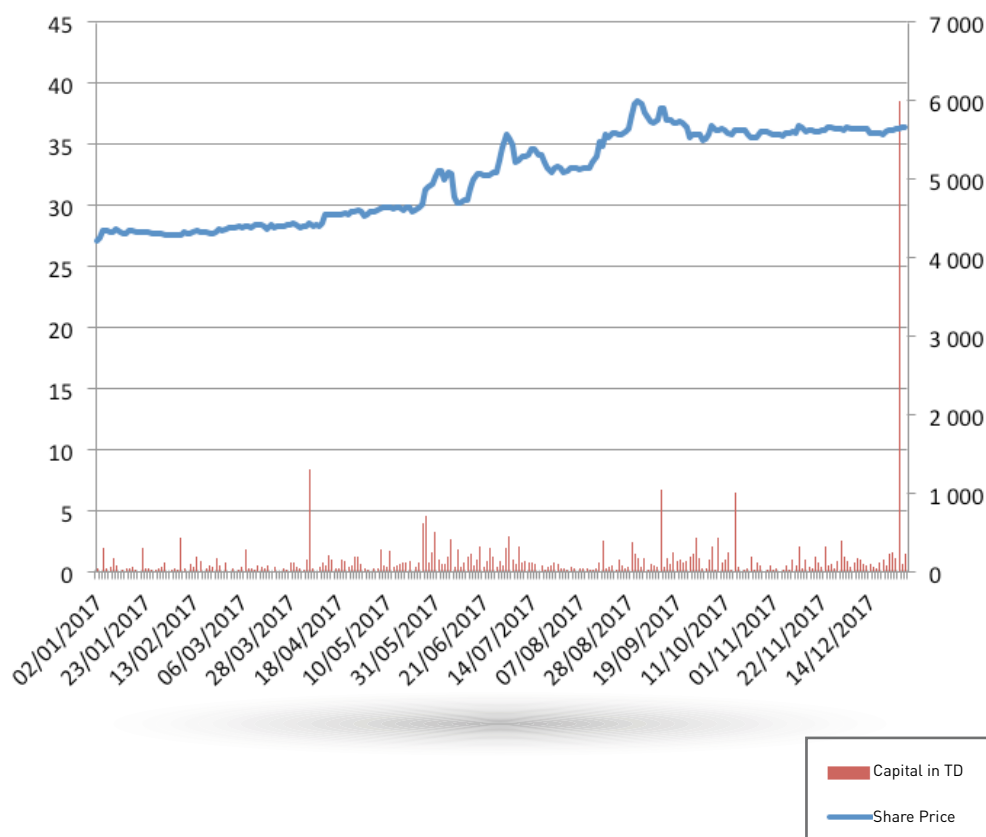
EXTERNAL AUDITORS

The external auditors nominated by the Board of Directors are :

- The MTBF-Member of the Price Waterhouse Coopers office whose mandate ended with the approval of the financial statements for the 2015 accounting period and that have been reinstated for the 2016, 2017 and 2018 financial periods.
- The Ernst & Young office for the Financial periods 2018, 2019 and 2020.



Evolution of Attijari bank's share



Performance of the Attijari bank share over the 2017 financial year

For the second year running, the Attijari bank share gained +40.20% (as opposed to +21.90% in 2016) closing the year (2017) at 36.400DT. The share has over performed. Thus, the Tunindex closed at +14.45% and the Banks Index closed at +19.46%. Its lowest price for the year was 27.020DT and its highest was 38.790DT (record high).

On 08 June 2017, Attijari bank carried out a dividend distribution of a unit price of 2.000 TND (a growth of 33.33% compared to the previous year), thus offering the best profit in dividends in the banking sector.

Attijari bank was amongst the most traded shares on the stock market with 1 204 808 shares traded, i.e. a total volume of 39,774MTND.

The background image shows a person's hand in a white shirt sleeve writing on a spiral-bound notebook. Overlaid on this image are several semi-transparent data visualization elements: a network diagram with a central node and six surrounding nodes connected by lines; a line graph with a red line showing fluctuations; a bar chart with green bars; a horizontal bar chart with a blue bar; and several circular progress indicators or donut charts. The overall aesthetic is professional and data-driven.

Allocation of the Results





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 :

1. 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.
2. 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.
3. 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 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.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Unit: k TND

	Capital Stock	Reserves	Special reinvestment reserve	Other equities	Retained earnings	Income for the financial period	Total
Balance as of December 31 st , 2017	198 741	139 849	30 000	3 646	36 147	129 752	538 135
Allocation approved by the Ordinary General Meeting of April 20 th , 2018			50 000		32 054	(82 054)	0
Dividends						(47 698)	(47 698)
Balance after the allocation of the 2017 result	198 741	139 849	80 000	3 646	68 201	0	490 437



Human Resource Management





HUMAN CAPITAL DEVELOPMENT

Human Capital activity centred around two axis: internal and external.

Internal

Human Capital continues to supply the Bank with new resources with targeted skills, notably through the recruitment of 45 applicants.

In the framework of improving training resources, an online e-learning platform was implemented. It is a remote solution, accessible for all learners in order to allow them to follow an online academic training and at the same time carry out a self-assessment.

In addition, in order to support employees in their professional career and promote their evolution, 640 of which have benefited of at least one training session during 2017.

On this matter, various themes were implemented (Compliance, management and leadership, sales and negotiation, personnel development and professional efficiency ...).

In fact, it is in this spirit that Academic Day was celebrated. More than 90 employees took part in this event which concluded with the graduation of the students who had successfully followed a professional curriculum

External

Attijari bank seeks to be an operational partner favouring the professionalization and employability of graduates, and the development of entrepreneurship. As such and in order to consolidate its position as a major actor in social and economic development, the Bank signed a partnership agreement with the Institut Supérieur de Gestion de Tunis (Business Management School of Tunis) in May 2017.

Attijari bank also took part in the 26th Edition of the ATUGE Forum, an unmissable annual event. This event is a meeting and contact point for students and graduates from the Prestigious Universities with recruiters, associations and public institutions.

It also participated in the 12th Edition of the ENSI Forum. An "Open Day" hosted around 20 leading companies from various sectors, especially IT.



Awards

Attijari bank received the award of the « The Corporate Consultative Committee » for three successive years 2014, 2015 and 2016, for its efforts to anchor a culture of labour, performance and social dialogue. The bank received the award at a large-scale ceremony, held on 1st May 2017, on international Labour Day.



INTERNAL COMMUNICATION

Attijari bank continued its evolution in terms of targeted communication. It used all communication supports to adequately promote the support of the Bank's strategy.

2017, also saw the deployment of a new Intranet portal, with a more dynamic graphic chart, better organized and more attractive.

In addition, internal communication provided a bridge to the Bank's news through the electronic versions of

"Flash Info" and « Special Editions ».

The year saw various events being organized, namely: Academics Day, Overseas Tunisians Day, Information Days on the « **Excellence 2020** » program, as well as the celebration of International Women's Day.

A close-up photograph of a person's hand, wearing a white shirt, pointing at a tablet. The tablet screen displays various data visualizations, including a line graph, a bar chart, and a hexagonal grid pattern. The background is blurred, showing more papers and a desk.

Internal Control & Global Risk Management





INTERNAL CONTROL

Permanent control

In 2017, the Bank continued its plan to reinforce its control mechanism. First, it improved business lines by deploying a system of permanent monitoring of both Central Entities namely Finance and Global Risk Management and at the level of the two subsidiaries of the Investment Bank: Attijari Intermediation and Attijari Gestion. New second level controllers were designated, for better risk control for these business lines.

This was completed by a training program, within Attijari Academy, presented by the Internal Control department to teach a culture of permanent control to sales teams. This program was based on risk exposure of the Group and the strict application of existing regulations.

In addition, management participated to the meetings of the study committees on the modalities for the implementation of the Excellence 2020 Strategic Plan. In order to support this transformation, a strengthening of remote monitoring and IT monitoring were launched, this would make it possible to synchronize the monitoring mechanism with the digital transformation of the Bank.

Regular control

2017 coincided with the first year of the new three-year audit cycle 2017-2019, aiming to extend the scope of intervention of audit, and the increased power of computer programs for the management of audit activities.

As such, missions were carried throughout the year in 2017 and mainly covered the following fields :

- Computer management and programs for the foreign banking department ;
- regulatory compliance and AML-FT mechanism ;
- The safety and security of the headquarters, of the PCS room and fire safety ;
- Network safety and security.

On another level the "e-audit" application expanded and is now positioned as the new workhorse of general audit and synonymous with modernism and renewal, as it now

brings its contribution to improving operational efficiency of periodic controls by :

- Monitoring the lifecycle of missions and archiving data ;
- Interfacing between auditors and auditees for the implementation of recommendations and structural actions.

In addition, 2017 saw the organization of the 3rd Meeting on General Audit of the AWB Group and Audit Managers of the Subsidiaries. This meeting was held under the theme of the development of an efficient audit strategy, it was an occasion to debate various themes aimed at sharing advances made by the sector and to contribute to raising standards to international norms.

GLOBAL RISK MANAGEMENT

Achievements in terms of risk management in 2017, mostly covered :

- Shorter deadlines for processing credit applications, which led to an improvement of customer service quality, to better support sales teams, and especially to ensure a healthy development of the Bank's business lines.
- Improvement of risk management technical resources, notably :
 - * the launch of the development of a scoresheet for personal loans, leading to the formalization of « Credit Scoring » in 2018;

- * Implementation of the Preventative Risk Management module ;
- * Deployment of a « Stress Test » simulation tool for Collateral risk, in compliance with the requirements of the Central Bank of Tunisia (BCT) ;
- * Optimization of the credit process through the « Operational Efficiency » project.
- Monitoring of the implementation of the prerequisites of the BCT, to allow migration to a prudential framework in compliance with Basel, at horizon 2018.



Corporate Social Responsibility





COMMITMENT

LEADERSHIP



Attijari bank, a « Social Responsible and Citizen » bank

Attijari bank has committed to a policy of corporate social responsibility which aims to position itself not only as a performing bank but also as an active social actor, open to its environment.

All the actions carried out by the Bank confirm and translate its five fundamental values: leadership, citizenship, ethics, solidarity and commitment.

The respect of these values is proof of a strong commitment towards society and especially towards young people.

ETHICS

CITIZENSHIP

SOLIDARITY

Attijari bank participates to the promotion of education

After its intervention in 2016 in schools in various regions (Jendouba, Siliana, Kairouan, Gafsa, Kasserine ...), this year Attijari bank brought joy to students in three other areas for the beginning of the 2017/2018 school year. These were in the delegations of Saouaf, Takelsa and Menzel Bouzelfa. The goal was to allow these students to go back to school under the best possible conditions.

In the Zghidane School, all classrooms were supplied with two-seater tables, desks, blackboards and storage

cabinets. A school canteen was built within the school in order to create a catering area with all necessary facilities. We also distributed school bags and school supplies to students from all grades.

In parallel, similar actions were carried out in two other schools, in Jabouza and Chorfine, in order to lighten the financial burden on families in these disadvantaged areas and bring school closer to the children and lead to success for all students.



Attijari bank stimulates excellence and rewards top students

With the end of school year 2016/2017, Attijari bank rewarded the highest ranked students from two schools, one in the delegation of Snad (Gafsa) and the other one in the delegation of Hidra (Kasserine).

To do so, the Bank chose to give them bicycles to facilitate their travel. In fact, to get to school, the children in these regions must walk over long distances.



An active actor in the associations' network

The Bank gave grants to many charity associations given their public service and contribution to the social development of the country, such as: la Voix de l'Orphelin de Tunis (The Voice of Orphans in Tunis), the Tunisian association for support to deaf people « ATAS ».

Attijari bank promotes the use of renewable energy

Attijari bank confirms once again, its adherence to the national policy for the promotion of the use of renewable energy. As such, the Bank signed a new agreement for financing the National Prosol Program (Thermal and Electrical). This project financed by the Bank since 2007, is spearheaded by STEG and the ANME.

This program aims to supply households with solar water heaters and photovoltaic panels at preferential rates. It allows them to participate in generating their own electricity from renewable energies, and thus to better control their energy consumption and reduce GHGs emissions.

Attijari bank at the service of art and culture



Thanks to its awareness of the importance of art and culture in the life of citizens, for the third year in a row the Bank sponsored the International Carthage Festival and for the second year in a row the International Gafsa Festival.

Attijari bank also provided financial support to various cultural and arts events which contribute to the strengthening of social cohesion, such as the celebration of the 61st Anniversary of the Independence of Tunisia, the Tunisian Theatre Week and the "Ramadan Evenings on Main Street" festival....



Attijari bank promotes creation and talent

Attijari bank received the trophy for « Best Committed Company for the Promotion of Tunisian Handicrafts » awarded by UTICA, during the « Our Beautiful Tunisia » event, as a recognition of the support provided by the Bank to handicrafts and for its encouragement to young designers who show good talent. In fact, every year Attijari bank dedicates an important budget to purchase a volume of artisanal goods, that it gifts to its clients at the end of the year. In the same logic, the Bank has given awards to the three winners of the « Accessoire Feminin a l'Honneur » competition, who presented innovative designs. It also provided, for one week, a display area for a dozen female artisans, within its headquarters, to display and promote their products with the Bank's staff.



Attijari bank promotes entrepreneurship

Attijari bank partnered with two major, not-for-profit associations, who have the same purpose, namely to help build a culture of entrepreneurship in a new generation of young Tunisians. These are « Injaz Tunisia » and « Enactus Tunisia ».

The intervention of the Bank with these associations did not stop at a financial contribution. It also joined into a new concept of « Skills sponsorship », by encouraging its staff to volunteer their time, to assist and train young people who participate in the various programs proposed. In addition, the Bank supported the winning team of the INJAZ international competition which was held in Egypt: « Tomorrow's Entrepreneurs ».

The award received was that of best company of the year.



Attijari bank encourages innovation

In order to ensure continuous innovation, Attijari bank is opening up more and more to young people. Accordingly, the Bank actively participated to the international « Smart Up » Hackathon which took place simultaneously in the 5 countries where Attijariwafabank Group is present (Tunisia, Morocco, France, Senegal, Côte d'Ivoire).

The ambition of the Attijariwafa bank Group through this program is to release the energy and talent, to create collaborative solutions, implement a culture of innovation, and lastly to create new dynamics within the entrepreneurial world to create value and employability. The goal of this international competition is to create an area for the development of innovative solutions, based on one hand, on the potential of internal teams within each one of the participating banks, and on the other hand on a set of external talent made up of start uppers, developers, incubators, designers and others, in order to create a real innovation ecosystem around the Group.

Regarding ENACTUS, the association set up a competition with teams from around forty universities from Tunis and the inland regions. They were supported by company managers and professionals, including Attijari bank management.

The selected team made it to the semi-finals of the latest edition of the ENACTUS World Cup which was held in London from 26 to 28 September 2017.



In addition to these actions, the Bank encouraged many initiatives which are related to the field of entrepreneurship such as: the 5th Edition of « IEEE Middle East Students and Young Professionals Congress », and the « Investor Roadshow » organized by the Founder Institute Tunisia.

At the local level, « Smart Up » put in competition, teams of students and young start uppers, supported by the staff of the Bank and framed by mentors who met to produce solutions which meet the growing expectations of clients.

In fact, Attijari bank Tunisie has taken under its wings two Tunisian teams to support them, one of which won the international finals.





Financial Statements



INDIVIDUAL FINANCIAL STATEMENTS

BALANCE SHEET

AS AT DECEMBER 31st, 2017

(Unit : Thousands of Dinars)

		31/12/2017	31/12/2016
ASSETS			
AS 1 -	Cash and assets with Central Bank, Post Office Accounts and Tunisian Treasury	577 960	361 923
AS 2 -	Credits to banking and financial institutions	560 357	715 656
AS 3 -	Credits to clients	5 227 900	4 477 374
AS 4 -	Commercial securities portfolio	417 461	373 150
AS 5 -	Investment portfolio	587 433	553 131
AS 6 -	Fixed assets	133 947	139 219
AS 7 -	Other assets	313 159	248 350
	TOTAL ASSETS	7 818 217	6 868 803
LIABILITIES			
LI 1 -	Central Bank and Post Office Accounts	882 596	527 324
LI 2 -	Deposits and assets from banking and financial institutions	15 411	57 560
LI 3 -	Deposits and assets from clients	6 001 668	5 460 301
LI 4 -	Borrowings and special resources	182 103	148 912
LI 5 -	Other liabilities	198 304	187 010
	TOTAL LIABILITIES	7 280 082	6 381 107
EQUITY			
SE 1 -	Capital	198 741	198 741
SE 2 -	Reserves	169 849	139 665
SE 4 -	Other equity	3 646	3 646
SE 5 -	Profits carried forward	36 147	38 567
SE 6 -	Net Profit	129 752	107 077
	TOTAL EQUITY	538 135	487 696
	TOTAL LIABILITIES AND EQUITY	7 818 217	6 868 803

OFF BALANCE COMMITMENT STATEMENT**AS OF DECEMBER 31st, 2017**

(Unit : Thousands of Dinars)

	31/12/2017	31/12/2016
CONTINGENT LIABILITIES		
OBS 1 - Sureties, endorsements and other given guarantees	346 064	293 071
OBS 2 - Documentary credits	412 022	201 057
OBS 3 - Pledged assets (*)	570 740	527 000
TOTAL CONTINGENT LIABILITIES	1 328 826	1 021 128
COMMITMENTS MADE		
OBS 4 - Financial commitments made	194 739	169 256
OBS 5 - Commitments on securities	38	38
TOTAL COMMITMENTS MADE	194 777	169 294
COMMITMENTS RECEIVED		
OBS 7 - Guarantees received	2 346 211	2 000 599
TOTAL COMMITMENTS RECEIVED	2 346 211	2 000 599

INCOME STATEMENT

PERIOD FROM JANUARY 1st, 2017 UP TO DECEMBER 31st, 2017

(Unit : Thousands of Dinars)

		2017 Financial Year	2016 Financial Year
INCOME FROM BANKING OPERATIONS			
RE 1 -	Interest and similar income	358 647	305 835
RE 2 -	Commissions from products	104 852	96 472
RE 3 -	Trade securities portfolio and financial operations income	65 699	55 959
RE 4 -	Investment portfolio income	35 497	31 030
TOTAL BANKING OPERATIONS INCOME		564 695	489 296
BANKING OPERATIONS EXPENSES			
EX 1 -	Interest paid and similar expenses	(197 801)	(168 112)
EX 2 -	Commissions paid	(4 977)	(4 306)
TOTAL BANKING OPERATIONS EXPENSES		(202 778)	(172 418)
NET BANKING INCOME		361 917	316 878
RE 5 \ EX 4	Allocations to provisions and income from corrections on credit values off balance sheet liabilities	(12 809)	(19)
RE 6 \ EX 5	Allocations to provisions and income from corrections to investment portfolio values	(689)	327
RE 7 -	Other operating income	7 249	6 197
EX 6 -	Staff expenses	(120 122)	(107 414)
EX 7 -	General operating expenses	(39 983)	(36 132)
EX 8 -	Allocations to depreciation and fixed asset provisions	(11 684)	(15 019)
OPERATING INCOME		183 879	164 818
RE 8 \ EX 9	Earnings / Loss balance from other ordinary items	394	2 736
EX 11 -	Tax on profits	(47 706)	(47 952)
INCOME FOR ORDINARY ACTIVITIES		136 567	119 602
RE 9 \ EX 10	Earnings / Loss balance from other extraordinary items	(6 815)	(12 525)
INCOME FOR THE FINANCIAL PERIOD		129 752	107 077
Net income after accounting modifications		129 752	107 077
Basic earning per share (in TND)		3.26	2.69

TREASURY FLOWS STATEMENT**PERIOD FROM JANUARY 1st, 2017 UP TO DECEMBER 31st, 2017**

(Unit : Thousands of Dinars)

	2017 Financial Year	2016 Financial Year
OPERATIONS ACTIVITIES		
Banking operations income received (without investment portfolio income)	509 034	428 299
Bank operations expenses paid	(201 629)	(167 231)
Deposits / Withdrawals from deposits with other banking and financial institutions	(4 741)	(12 072)
Loans and advances / Client loan and advances reimbursements	(766 656)	(631 853)
Deposits / Withdrawals from client deposits	540 093	586 061
Investment securities	(19 815)	(35 437)
Funds paid to staff and other creditors	(162 418)	(131 027)
Other treasury flows coming from operations activities	(49 698)	(40 018)
Tax on profits	(47 706)	(47 952)
NET TREASURY FLOWS FROM OPERATIONS ACTIVITIES	(203 536)	(51 230)
INVESTMENT ACTIVITIES		
Interest and dividends received on the investment portfolio	33 831	28 362
Acquisitions / Assignments of investment portfolio	(33 325)	(96 408)
Real estate purchases / Sales	(6 198)	(15 867)
NET TREASURY FLOWS FROM INVESTMENT ACTIVITIES	(5 692)	(83 913)
FINANCING ACTIVITIES		
Borrowings issuance	60 000	60 000
Reimbursements	(25 753)	(13 753)
Increase / Decrease of special resources	(2 680)	(1 719)
Dividends and other distributions	(79 497)	(59 622)
NET TREASURY FLOWS ALLOCATED TO FINANCING ACTIVITIES	(47 930)	(15 094)
Net variation in cash and cash equivalents during the financial year	(257 158)	(150 237)
Cash and equivalents at the start of the financial year	376 006	526 243
CASH AND EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	118 848	376 006

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

AS AT DECEMBER 31st, 2017

(Unit : Thousands of Dinars)

	31/12/2017	31/12/2016
ASSETS		
Cash and assets at Central Bank, Post Office Accounts and Tunisian Treasury	577 965	361 928
Credits to banking and financial institutions	472 007	627 678
Client Credits	5 760 969	4 954 103
Trade securities portfolio	624 968	513 883
Investment portfolio	547 381	531 711
Investments in equity affiliates	2 089	2 262
Fixed assets	159 195	163 595
Goodwill	1 062	928
Other assets	350 762	278 898
Differed tax asset	0	1 336
TOTAL ASSETS	8 496 398	7 436 322
LIABILITIES		
Central Bank and Post Office Accounts	882 596	527 325
Deposits and assets from banking and financial institutions	14 451	55 621
Client deposits and assets	6 014 592	5 469 433
Borrowings and special resources	525 521	451 552
Other liabilities	469 924	400 138
Deferred tax liabilities	711	0
TOTAL LIABILITIES	7 907 795	6 904 069
TOTAL MINORITY INTERESTS	33 665	30 138
EQUITY		
Capital	198 741	198 741
Reserves	183 339	156 468
Other equity	3 646	3 646
Profits carried forward	36 147	38 567
Income for the financial period	133 065	104 693
TOTAL EQUITY	554 938	502 115
TOTAL LIABILITIES, MINORITY INTERESTS AND EQUITY	8 496 398	7 436 322

CONSOLIDATED OFF BALANCE SHEET COMMITMENT STATEMENT**AS AT DECEMBER 31st, 2017**

(Unit : Thousands of Dinars)

	31/12/2017	31/12/2016
CONTINGENT LIABILITIES		
Sureties, endorsements and other guarantees made	346 038	293 054
Documentary credits	411 567	199 936
Pledged assets	570 740	527 000
TOTAL CONTINGENT LIABILITIES	1 328 345	1 019 990
COMMITMENTS MADE		
Funding commitments made	265 883	232 286
Commitments on securities	38	38
TOTAL COMMITMENTS MADE	265 921	232 324
COMMITMENTS RECEIVED		
Funding commitments received	3 039 026	2 639 314
TOTAL COMMITMENTS RECEIVED	3 039 026	2 639 314

CONSOLIDATED INCOME STATEMENT

PERIOD FROM JANUARY 1st, 2017 UP TO DECEMBER 31st, 2017

(Unit : Thousands of Dinars)

	2017 Financial Year	2016 Financial Year
INCOME FROM BANKING OPERATIONS		
Interest and similar income	401 814	344 115
Commissions from products	104 547	97 891
Trade securities portfolio and financial operations income	73 936	59 774
Investment portfolio income	33 017	26 957
TOTAL BANKING OPERATIONS INCOME	613 314	528 737
BANKING OPERATIONS EXPENSES		
Interest paid and affiliated expenses	(220 685)	(189 234)
Commissions paid	(4 678)	(3 731)
TOTAL BANKING OPERATIONS EXPENSES	(225 363)	(192 965)
Income from other activities	67 097	52 875
Expenses from other activities	(54 467)	(44 457)
NET BANKING INCOME	400 581	344 190
Allocations to provisions and the income from value corrections on off balance sheet and liabilities credits	(13 861)	505
Allocations to provisions and the income from value corrections on investment portfolio	(935)	(341)
Other operating income	10 477	8 220
Staff expenses	(133 051)	(118 512)
General operating expenses	(43 550)	(40 543)
Allocations to depreciation and fixed asset provisions	(13 202)	(15 691)
OPERATING INCOME	206 459	177 828
Share of the income from equity affiliates	131	391
Balance of the income/loss coming from other ordinary elements	(8 892)	(4 835)
Tax on profits	(52 763)	(52 219)
INCOME FOR ORDINARY ACTIVITIES	144 935	121 165
Share of income from minorities	(4 451)	(2 816)
CONSOLIDATED NET INCOME FOR THE GROUP'S FINANCIAL PERIOD	140 484	118 349
Effect of the Group's accounting modifications	-	-
Balance in profit / loss coming from other extraordinary items	(7 419)	(13 656)
INCOME AFTER THE GROUP'S ACCOUNTING MODIFICATIONS	133 065	104 693

CONSOLIDATED TREASURY FLOW STATEMENT**PERIOD STARTING ON JANUARY 1st, 2016 AND ENDING ON DECEMBER 31st, 2017**

(Unit : Thousands of Dinars)

	2017 Financial Year	2016 Financial Year
OPERATING FLOWS		
Operations income received (without income investment portfolio)	548 943	460 532
Banking operations expenses paid	(223 169)	(184 161)
Deposits/Withdrawals from other banking and financial institutions	(5 553)	(1 454)
Loans and advances/Client loan and advances reimbursements	(820 142)	(682 744)
Client deposits and deposit withdrawals	544 046	582 791
Investment Securities	(78 455)	(61 541)
Funds paid to staff and other creditors	(170 369)	(154 571)
Other treasury flows from operating activities	9 877	53 169
Tax on profits	(61 150)	(68 603)
TOTAL NET TREASURY FLOWS FROM OPERATING ACTIVITIES	(255 972)	(56 582)
INVESTMENT FLOWS		
Interest and dividends received from investment portfolio	30 634	24 784
Acquisitions/Transfers on investment portfolio	(14 779)	(87 038)
Acquisitions/Transfers on fixed assets	(8 587)	(16 836)
TOTAL NET CASH FLOWS FROM INVESTING ACTIVITIES	7 268	(79 090)
FINANCING FLOWS		
Issuance of loans	80 094	105 256
Repayment of loans	(41 139)	(58 169)
Increase/Decrease of special resources	31 147	(3 201)
Dividends and other distributions	(80 558)	(59 817)
TOTAL NET CASH FLOWS FROM FINANCING ACTIVITIES	(10 456)	(15 931)
Net variation of cash and cash equivalents during the financial year	(259 160)	(151 603)
Cash and cash equivalents at the beginning of the financial year	380 672	532 275
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	121 512	380 672



Auditors' Report



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Attijari bank, GENERAL REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDING DECEMBER 31st, 2017

Ladies and Gentlemen, the Shareholders of Attijari bank,

Report on the financial statements audit

Opinion

In execution of the auditing mandate granted to us by your general assembly, we have audited the financial statements of Attijari bank de Tunisie including the balance sheet as well as the off balance commitment statement as of December 31st, 2017, the income statement, the cash flow statement and the notes containing a summary of the main accounting methods and other explanatory notes.

The said financial statements, attached hereto, show a total balance sheet of 7 818 217 KTD and a net profit of 129 752 KTD.

In our opinion, the financial statements of Attijari bank are regular and sincere and present, in all material respects, a fair representation of the financial position of the Bank as of December 31st, 2017, as well as the result of its transactions, and the cash flow for the financial year as of that date, in accordance with the corporate accounting system into force in Tunisia.

Basis of the opinion

We have executed our audit in accordance with International Standards of Auditing (ISA) applicable in Tunisia. Our responsibilities under these standards are further detailed under section «Duties of the auditor for the audit of financial statements» of this report. We are independent from the Bank in compliance with ethical rules applying to audits of financial statements in Tunisia, and we have executed our other ethical responsibilities under these rules. We consider that the evidence we have obtained are sufficient and appropriate for us to form an audit opinion.

Key audit questions

Key audit questions are the questions that, based on our professional judgment, were the most important ones in the audit of financial statements for the reporting period. These questions were processed within the framework of our auditing of the financial statements as a whole and in order to form our opinion, and we do not express a distinct opinion on these questions.

We have determined that the question described hereafter is the key question of the audit to be communicated in our report.

Assessment of provisions for depreciation on customer commitments

The Bank is exposed to counterparty risk on its portfolio of direct commitments as well as on commitments by signature given to customers.

This risk, which is inherent to the banking business, constitutes a major point of interest due to the importance of loans and advances to customers on the Bank's balance sheet (66.9%) and the associated cost of risk (allocation of 24,445 KTD) in the result of the financial year.

The accounting rules and methods relating to the assessment and accounting of due receivables and their depreciation, as well as additional information on these items in the financial statements, are presented in the note to financial statements N° II- 2, as well as in Explanatory Notes N° 3 and 22.

In response, we obtained an understanding of the procedures implemented by your Bank, and assessed the correct implementation of key controls, as well as their ability to prevent and / or detect material misstatements by focusing on:

- The mechanism for supervision put in place with respect to the depreciation process on customer commitments,
- The reliability of the information provided by the Bank regarding customers whose outstanding amounts show indicators of impairment,
- The procedures and controls defined by the Bank to ensure the counterparty risk management, to identify customers to be downgraded and to provision and to determine the minimum level of provision required by banking regulations,
- The mechanisms to control and calculate collective and additional provisions put in place by the Bank.

In addition, we have verified, through extensive sampling, that commitments showing indicators of depreciation have been identified in accordance with provisions of the Central Bank of Tunisia Circular N° 91-24 on division, risk coverage and monitoring of commitments.

Board Report

The responsibility of the Board Report rests with the Board of directors. Our opinion regarding the financial statements does not extend to the Board Report and we express no form of assurance about this report.

Our responsibility consists in verifying the accuracy of information provided regarding the accounts of the Bank in the Board Report, with reference to date provided in the financial statements. Our work consists in reading the Board Report and, in doing so, assess if there is a significant incoherence between such report and financial statements or the knowledge we have acquired during the audit, or whether the Board Report seems to include a significant anomaly. If, in light of our work, we note a significant anomaly in the Board Report, we are under the obligation to report this.

We have nothing to report in this regard.

Responsibilities of management and supervisors for the governance of financial statements

The management is in charge of preparing and accurately presenting financial statements, in accordance with the accounting system for enterprises, as well as internal control they consider as necessary to allow the preparation of financial statements exempt from significant anomalies, whether they result from frauds or errors.

During the preparation of financial statements, the management is liable for assessing the capacity of the Bank to continue its operations, to communicate, if need be, the questions relative to operational continuity and implement the accounting principle of operational continuity, except if the management intends to liquidate the Bank or end its activity and if no other realistic solution is available.

Governance supervisors are liable for monitoring the financial information process of the Bank.

Duties of the auditor for the audit of financial statements

Financial statements have been established by your Board of directors. Our targets are to obtain the reasonable assurance that financial statements as a whole are exempt from significant anomalies, whether they result from frauds or errors, and deliver an auditing report including our opinion. The reasonable assurance corresponds to a high level of assurance, which does not, however, guarantee that an audit completed in compliance with ISA standards shall always allow the detection of any significant anomaly which might exist. Anomalies may result from frauds or errors and they are considered as significant where it is reasonable to expect, individually or collectively, that they could influence economic decisions to be made by the users of financial statements.

Within the framework of an audit completed in accordance with ISA standards, we apply our professional judgment and show critical thinking during this audit. In addition:

- We identify and assess risks for financial statements to include significant anomalies, whether they result from frauds or errors, design and implement audit procedures in response to these risks, and collect sufficient and appropriate evidence to base our opinion. The risk for non-detection of a significant anomaly resulting from fraud is higher than that of a significant anomaly resulting from an error, as fraud could imply collusion, falsification, voluntary omissions, misrepresentation or bypassing internal controls;
- We acquire an understanding of internal control elements relevant to the audit in order to design audit procedures appropriate to the circumstances ;
- We assess the appropriateness of accounting methods selected and the reasonability of accounting assessments completed by the management, as well as relevant information provided by the latter;
- We reach a conclusion regarding the appropriateness of the use by the management of the bank of the accounting principle of operational continuity and, based on evidence, regarding the existence or not of a significant uncertainty related to events or situations susceptible to create an important doubt about the capacity of the bank to continue operations. If we verify the existence of a significant uncertainty, we have the obligation to draw the attention of readers of our report to the information provided in financial statements regarding this uncertainty or, if this information is not adequate, to express a modified opinion. Our conclusions are based on the evidence obtained on the date of our report. Future events or situations could, in addition, lead the bank to stop its operations.
- We assess the overall presentation, the form and the content of financial statements, including information provided in the notes, and appraise whether financial statements represent operations and underlying events in a way to present a truthful image.

- We communicate to the supervisors for governance mainly the extent and projected schedule of the audit and our important observations, including any potential significant deficiencies of internal control we could encounter.
- We also provide to governance supervisors a statement specifying that we complied with relevant ethical rules regarding the independence, and indicate any relations and other factors which could be considered as having a potential influence on our independence as well as related safeguards, if applicable.
- Among the questions presented to governance supervisors, we establish which ones were the most important in the audit of financial statements for the reporting period : these are the key questions of the audit. We describe these questions in our report, unless legal or regulatory texts prohibit their publication or if, in extremely rare circumstances, we establish that we should not communicate a question in our report because communicating this question could have negative consequences that would exceed the advantages for public interest.

Report related to legal and regulatory obligations

Within the framework of our auditing mission, we have also made specific verifications provided for in the norms published by the Association for Chartered Accounting of Tunisia and regulatory texts in force.

Efficiency of the internal control system

In application of the provisions of Article 3 of Law 94-117 dated 14 November 1994 on reorganization of the financial market, we completed a general assessment regarding the efficiency of the internal control system of the Bank. In this regard, we would like to reiterate that the management and the Board of directors are responsible for designing and implementing an internal control system as well as for the regular monitoring of its efficiency.

Based on our review, we did not identify important gaps in the internal control likely to impact our opinion on the financial statements as expressed above.

Compliance of recording securities accounts to regulations in force

In application of the provisions of Article 19 of decree N° 2001-2728 dated 20 November 2001, we have verified the compliance of bookkeeping of securities accounts published by the Bank with regulations in force.

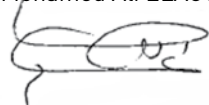
The responsibility to ensure compliance with the prescriptions of regulations in force lies with the management.

Based on the diligences we considered necessary to implement, we have not detected irregularities linked to the compliance of the Bank's accounts with regulations in force.

Tunis, 21st March 2018

The Auditors

ECC MAZARS
Mohamed Ali ELAOUANI CHERIF



Les commissaires aux comptes associés M.T.B.F
Ahmed BELAIFA



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Attijari bank,
SPECIAL REPORT OF THE STATUTORY AUDITORS
REGARDING THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2017

Ladies and Gentlemen, the Shareholders of Attijari bank,

In our capacity as your bank's auditors, and as in application of the provisions of Article 62 of Law N° 2016-48, dated 11 July 2016, regarding banks and the financial institutions, and Article 200 and thereafter and Article 475 of the Commercial Companies Code, we are pleased to present our report regarding regulated agreements.

Our responsibility is to ensure the compliance of legal procedures for authorization and approval of these agreements or operations, of their correct application, in fine, in the financial statements. It is our responsibility to specifically search for, and extensively, the potential existence of such agreements or operations, but to inform you, based on the information provided to us and obtained through our auditing procedures, their main characteristics and modalities, not being in the obligation to judge their usefulness or validity. It is your responsibility to assess the interest in relation with these agreements and the execution of these operations, in order to approve them.

A. Agreements and operations recently completed (other than remunerations of managers)

Our Board of directors informed us of the following agreements and operations:

► Attijari SICAR

Three Risk Capital Funds management agreements have been signed respectively on 13 February, 19 February and 23 February 2018 between Attijari Sicar and Attijari bank, whereby the latter provides to Attijari Sicar Risk Capital Funds for a total amount of 50 000 KTD. These two companies commit to use at least 65% of these Risk Capital Funds for the acquisition or subscription of shares or share capital or bonds convertible to equities abovementioned recently issued by enterprises yielding the tax incentives granted by the Personal Income Tax Code and the Corporate Tax Code for reinvestment.

In compensation for its management of the Risk Capital Funds on behalf of Attijari bank, Attijari Sicar receives:

- A yearly fixed remuneration for 1% excluding VAT, calculated on the initial amount of the funds managed ;
- A charge of 10% on income, dividends, capital gains and any other products generated by the Fund.

These agreements have been authorized by the Board of Directors on 09 February 2018.

► Attijari Recouvrement

An agreement has been signed on 29 December 2017 between Attijari bank and Attijari Recouvrement providing for the transfer of a set of totally covered debts comprising 11 768 cases for a nominal amount of 1 384 KTD for a transfer price of 12 KTD. This agreement came into force on 31st December 2017.

This agreement has been authorized by the Board of Directors on 09 February 2018.

► Attijari Finances

An agreement has been signed on 05 May 2017 between Attijari bank, Attijari Intermédiation and Attijari Finances whereby Attijari Finances acts as a financial advisor, global coordinator for subordinated bond issuing operations.

The issuing for 2017 was for an amount of 60 000 KTD.

In compensation for services provided, the bank shall pay a success fee for 0.65% excluding tax, applicable on amounts levied within the framework of the 2017 bond issue and payable at the date of the subscription period closing. These fees shall be distributed between the bank's board and the stockbroker by mutual agreement.

For the year 2017, the bank has recorded a cost of 460 KTD, corresponding to success fee for the 2017 bond issue.

This agreement has been authorized by the Board of Directors on 09 February 2018.

► Attijari Wafasalaf

An agreement has been signed on 27 March 2017 between Attijari bank and Attijari Wafasalaf, for the provision on behalf of the bank of know-how, technical assistance, advice as well as any other services related to internal operations in terms of industrialization of consumer credit.

In return for the services provided, Attijari bank commits to pay a remuneration to cover the development of two scorecards, calculated in relation to the time spent, the level of responsibility and professional qualification of dedicated personnel and provision of related deliverables.

Attijari Wafasalaf receives a fee :

- for 40 000 Euros per scorecard ;
- for 800 Euros / man-day in case of additional request in relation with the initial scope and the yearly maintenance of scorecards.

The abovementioned fees are intended excluding travel and accommodation expenses, which are borne by Attijari bank.

During the year 2017, the bank has incurred a fee in favor of Attijari wafasalaf for 260 KTD. This amount is recorded under the liability account of the bank.

This agreement has been authorized by the Board of Directors on 10 May 2017.

► Attijariwafa bank Europe

Pursuant to the agreement signed on 15 December 2017 between Attijari bank Tunisie and Attijariwafa bank Europe (with whom your bank has joint administrators), the latter shall act, through its network of branch offices, as a relay between Attijari bank Tunisie and Tunisian customers living in Europe in terms of offer and distribution in France of their banking services executed in Tunisia. In compensation of its services, Attijariwafa bank Europe receives:

- A customer portfolio based remuneration, equal to the number of customers included in the portfolio, multiplied by a unit price of 5 Euros ;
- A remuneration based on transmission of orders, equal to 10 Euros per transfer plus 0.5% of the amount of transfers and another 15 Euros per transfer in Euros executed during the N year.
- A remuneration for banking services contracted, based on a unit rate of services provided.

The distribution agreement comes into force from the date of signature that is 15 December 2017, for a period of 5 years renewable by tacit agreement, and it replaces the previous agreement contracted on 01st March 2010 and modified on 19 March 2012.

This agreement has been authorized by the Board of Directors on 09 February 2018.

B. Operations executed, regarding past agreements (other than remunerations to executives):

We inform you that the execution of the following agreements, approved under previous financial years, continued during the past financial year:

► Attijari Sicar

A Risk Capital Funds management agreement has been signed on the 28th February 2017 between Attijari Sicar and Attijari bank, whereby the latter provides to Attijari Sicar Risk Capital Funds for a total amount of 30 000 KTD. Both companies commit to use at least 65% of these Risk Capital Funds for the acquisition or subscription of shares or share capital or bonds convertible to equities abovementioned recently issued by enterprises part of the catalogue provided for in paragraph III of Article 39 septies of the Personal Income Tax Code and the Corporate Tax Code for reinvestment.

In compensation for the management of Risk Capital Funds on behalf of Attijari bank, Attijari Sicar receives:

- A yearly fixed remuneration for 1% excluding VAT, calculated on the initial amount of the funds managed ;
- A charge of 10% on income, dividends, capital gains and any other products generated by the Fund.

Fees for funds management as recorded by the bank for the year 2017 amount to 342 KTD.

Levies on income, dividends, capital gains and other products generated by the fund amount to 74 KTD.

This agreement has been authorized by the Board of Directors on 14 February 2017.

► Attijari Assurance

Attijari bank receives acquisition and management fees for the distribution of the life insurance products through Attijari Assurance. The amount of products to be collected reached 2 390 KTD on 31/12/2017. The amount of the fees recorded for products is of 2 448 KTD.

Attijari bank has recorded an accrued cost of 451 KTD as « Term Life » insurance included in all individual current accounts.

► Attijari Intermédiation

Attijari bank signed on 27/12/2012 a securities bookkeeping agreement with its subsidiary Attijari Intermédiation owned for 99.99%, to keep the register of Attijari bank's shareholders and associated rights, in accordance with the regulations of the Financial Market Board. In compensation for these services, the fees of Attijari Intermédiation are fixed at a lump sum of 7 KTD excluding tax to be paid at the end of each year. The charges recorded for 2017 amount to 8 KTD.

► Wafasalaf

Attijari bank Tunisie signed on 9 May 2012 an agreement with Wafasalaf (with whom your bank has joint administrators) to make available on behalf of the bank know-how, technical assistance, advice and any other services related to internal operations in terms of optimization of credit-granting process, the implementation of a recovery platform, risk steering and follow-up and control.

In compensation for services rendered, Attijari bank commits to pay a remuneration calculated based on time spent and the level of responsibility and professional qualification of dedicated personnel. Expenses incurred by Attijari Wafasalaf for transport and "per diem" shall be invoiced back. Invoicing shall be done monthly in arrears. The reference price for fees is set at 400 Euros per day.

No operation was executed during the 2017 year.

► Attijariwafa bank Maroc

Within the framework of the agreement signed between Attijari bank and Attijariwafa bank Maroc as authorized by the Board of directors on the 05/03/2007 and modified by the decision of the Board of directors on the 06/06/2008, the amount recorded as a liability to the bank as of 31/12/2017 amounts to 4 795 KTD related to technical assistance and advice services.

This agreement was replaced as of 13 February 2015 by the technical assistance agreement signed with Attijari Africa.

► Attijari Africa

An agreement has been signed on 01st January 2015 between Attijari bank and Attijari Africa to make available on behalf of the bank technical assistance, advice and any other service related to the definition of the global strategy of the bank.

The amount of services for technical assistance is defined and invoiced bi-annually by Attijari Africa based on expenses incurred during the semester. The service provided is expressed in man-days based on the fee grid. In compensation for services provided, Attijari bank recorded a cost during the year 2017 of 942 KTD. The amount recorded as a liability for the bank is of 2 797 KTD.

This agreement has been authorized by the Board of Directors on 13 February 2015 and replaces the previous technical assistance agreement signed with Attijariwafa bank Maroc.

► Attijari Leasing

Within the framework of the agreement signed with Attijari Leasing (where Attijari bank owns 62.29%), the bank has provided during the year 2017, assistance services related to the distribution of Attijari Leasing products through the retail network of the Bank and has received for the year 2017 products for 243 KTD.

► Attijari Immobilière

The bank has signed on 10 January 2012 with Attijari Immobilière (where Attijari bank owns 99.98%) an asset management agreement for the sale of buildings belonging to the bank against a fee of 2.5% of the retail price excluding tax. No transaction was executed during the year 2017.

► Attijari Sicar

- With the framework of the risk capital funds management agreement signed on 24/03/1998 with Attijari Sicar, the latter receives a 1% remuneration paid on the whole managed funds. The management commission amounted to 61 KTD in 2017.

- A second agreement was signed on 07 September 2015 between Attijari bank and Attijari Sicar whereby Attijari bank ensures the management and execution of recovery operations for litigation claims under the following conditions:

- Loans for which a legal action is currently underway,
- Loans that are subject to a negotiation, a transaction not yet completed, an execution action or for which the judgment is in progress,
- Loans which recovery requires a foreclosure,
- Loans on enterprises undergoing a collective procedure or restructuring measures,
- As well as any other claim for which a special mandate shall be established.

In compensation for services provided, Attijari bank shall receive a fee on any amount recovered in principle and interest.

The rate conditions of this agreement are as follows :

Recovery Type/Fees	Rate
Commission on the nominal amount : Totally or partially recovered debts	20% commissions VAT excluded on the nominal amounts
Commissions on added values: Totally or partially recovered debt	20% commissions VAT excluded on the added values amounts
Fixed fees per file opening	TND 50 VAT excluded per file

No operation was executed during the year 2017.

► Mutual Funds SICAV

Within the framework of agreements signed between Attijari bank and Attijari Valeurs SICAV, Attijari Placement SICAV and Attijari Obligataire SICAV, the bank ensures depositary functions on their behalf and received for the year 2017 in compensation for these services fees for about 162 KTD.

► Générale Tunisienne de l'Informatique (GTI)

Within the framework of the agreement signed on 31/05/2010 between the Bank and GTI (where Attijari bank owns 66.25%), the latter has invoiced the bank for 1 109 KTD including tax for IT assistance services executed during 2017.

► Attijariwafa bank Europe

Under the agreement signed on 1st March 2010 and modified on 19 March 2012 between Attijari bank Tunisie and Attijariwafa bank Europe (with whom your bank has joint administrators), as authorized by the Board of directors on 5 June 2012, the latter shall act, through its network of branch offices, as a relay between Attijari bank Tunisie and 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 compensated through a fee designated as « TRE activity fee » based on a unit rate for services provided. This fee is negotiated yearly between both parties.

The cost recorded by the bank for the year 2017 amounts to 2 490 KTD and the amount recorded as a liability for the bank as of 31/12/2017 amounts to 4 860 KTD.

This agreement has been authorized by Board of directors on 5 June 2012 was replaced by the new technical assistance agreement signed with Attijari wafa bank on 15 December 2017.

► Attijari Finances Tunisie

An agreement has been signed on the 23 March 2014 between Attijari bank and Attijari Finance Tunisie providing for the subscription by Attijari bank to equity securities issued by Attijari Finance Tunisie to comply with the requirements of equity funds established by article 388 of the Commercial Companies Code. The issue is for an amount of 750 KTD as of 01/04/2014.

Equity securities bear interest at the following rates:

- A fixed interest rate on MMR from the date of coming into effect. This rate shall be equal to the MMR+1 starting from the date of recovery of the capital of the issuer in compliance with article 388 of the Commercial Companies Code. Interest is calculated on the nominal value of each equity security and paid yearly in arrears.
- A variable remuneration for 10% of the part of profits above 50 KTD. This remuneration shall be calculated on net profit after tax and provisions within one month starting from the date of the ordinary general assembly voting the accounts of the issuer.

Interest accounted during the year 2017 are fo 38 KTD.

► Other Agreements

Attijari bank allocates to Générale Tunisienne d'Informatique (GTI), Attijari Immobilière, Attijari Gestion, Générale Immobilière du Sud (GIS), Attijari Intermédiation, Attijari Leasing, Attijari Recouvrement, Attijari Assurance and Attijari Sicar some executive staff. Secondment decisions provide that the amounts invoiced by the bank corresponding to salaries and social security contributions supported. The amounts invoiced for the year 2017 are as follows :

(Amount in KTD)	
Subsidiary Company	Amount invoiced
Attijari Leasing	172
GIS	122
GTI	76
Attijari Immobilière	64
Attijari Intérmediation	6
Attijari Recouvrement	5
Attijari Assurance	3
Attijari Gestion	3
Attijari Sicar	3
TOTAL	454

Also, Attijari Recouvrement allocates to Attijari bank its staff. The total amount of costs in 2017 amounts to 84 KTD tax included.

C. Obligations and commitments of the company towards managers:

The obligations and commitments towards managers as indicated in article 200 (new) II § 5 of the Commercial Companies Code, are as follows :

- The remuneration and benefits granted to the Chairman of the Board of directors are set by decision from the committee of remuneration of the Board of directors dated 08/03/2007. This remuneration is detailed in the below table. Moreover, the Chairman of the Board of directors enjoys a company car and coverage of telephone costs.
- The remuneration and benefits granted to the Chief Executive Officer (CEO) are established by decision from the committee of remuneration of the Board of directors dated 15/12/2012. The remuneration comprises a fixed allowance and a yearly variable bonus based on completion of objectives. Moreover, the CEO benefits from a company car with coverage of utilities costs, telephone costs, school costs, accommodation costs and airfare.
- The remuneration of the Deputy General Director in charge of support activities, comprises a fixed allowance and a yearly bonus based on completion of objectives. Moreover, the Deputy General Director benefits from a company car with coverage of utilities costs and accommodation and airfare costs.
- The remuneration of the Deputy General Director in charge of retail bank, comprises a fixed allowance and a yearly bonus based on completion of objectives. Moreover, the Deputy General Director benefits from a company car with coverage of utilities costs and telephone costs.
- The members of the Board of directors, the members of the Permanent Audit Committee, the members of the executive credit committee and the members of the risk committee receive attendance fees recommended yearly by the Board of directors and submitted to approval of the Ordinary General Assembly.

The obligations and commitments of Attijari bank towards its managers as they appear on financial statements for the financial year ended on 31 December 2017 (social security contributions including paid leave), are as follows (in Dinars).

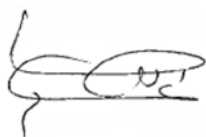
	Chairman of the Board of Directors		CEO		Deputy General Directors		Administrators	
	Expenses for the fiscal year	Liabilities as of 31/12/17	Expenses for the fiscal year	Liabilities as of 31/12/17	Expenses for the fiscal year	Liabilities as of 31/12/17	Expenses for the fiscal year	Liabilities as of 31/12/17
Benefits	340 534	442	1 328 226	46 842	1 451 251	47 818	90 000	90 000
Total	340 534	442	1 328 226	46 842	1 451 251	47 818	90 000	90 000

Moreover, and besides these operations, we inform you that we were advised of no other agreements signed during the year, and our works did not reveal the existence of other operations within the framework of the provisions of Article 62 from law N° 2016-48 dated 11 July 2016, of Article 200 and following and article 475 of the Commercial Companies Code.

Tunis, 21st March 2018

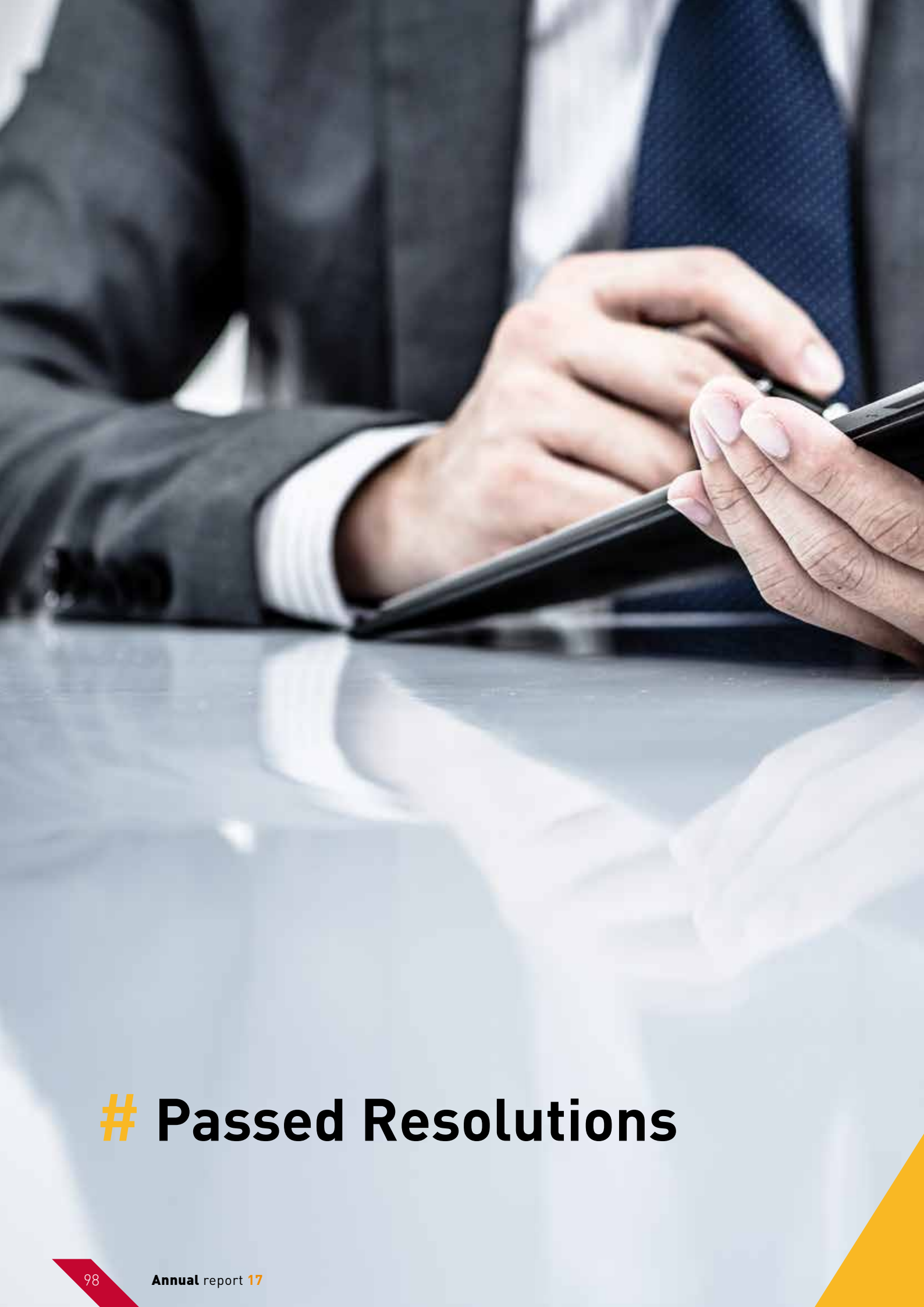
The Auditors

ECC MAZARS
Mohamed Ali ELAOUANI CHERIF



Les commissaires aux comptes associés M.T.B.F
Ahmed BELAIFA





Passed Resolutions



RESOLUTIONS PASSED BY THE ORDINARY GENERAL MEETING HELD ON 20 APRIL 2018 RULING ABOUT THE FINANCIAL YEAR 2017

FIRST RESOLUTION

The Ordinary General Meeting, having heard the management report and the consolidated management report of the Board of Directors for the financial year ending on 31 December 2017, approves such reports as presented.

This resolution, put to vote, is adopted unanimously.

SECOND RESOLUTION

The Ordinary General Meeting, having heard the general report of Co-auditors regarding individual financial statements and consolidated financial statements as of 31/12/2017 and the special report of Co-auditors on regulated agreements made during the year 2017, approves the said agreements.

This resolution, put to vote, is adopted unanimously.

THIRD RESOLUTION

The Ordinary General Meeting, after review of individual and consolidated financial statements for the financial year ended on 31/12/2017, and having heard the reports of Co-auditors, approves the said individual financial statements as well as the consolidated financial statements.

This resolution, put to vote, is adopted unanimously.

FOURTH RESOLUTION

The Ordinary General Meeting, decided to grant complete, final discharge and without reservation to the administrators as for the management of the financial year 2017.

This resolution, put to vote, is adopted unanimously.

FIFTH RESOLUTION

The Ordinary General Meeting, takes note of the profit result, earned for the year 2017 for an amount of 129,751.624 Dinars (one hundred and twenty-nine million seven hundred and fifty-one thousand six hundred and twenty-four Dinars), and resolves to appropriate it as follows:

(Amount in Dinars)	
PROFIT FOR THE YEAR	129.751.624
RETAINED EARNINGS	36.146.572
APPROPRIATION OF PROFITS	165.898.196
LEGAL RESERVES	0.000
REINVESTMENT RESERVES	50.000.000
DIVIDENDS	47.697.948
RETAINED EARNINGS	68.200.248

The Ordinary General Meeting thus sets dividends at 1.200 Dinars (one Dinar 200 millimes) per share to be paid on 08 May 2018, and delegates to the Board of Directors the authority to establish payment modalities for dividends.

This resolution, put to vote, is adopted unanimously.

SIXTH RESOLUTION

The Ordinary General Meeting, upon proposal by the Board of Directors, sets the gross and global yearly amount for 150,000.000 Dinars (one hundred and fifty thousand Dinars) by way of attendance fees for the year 2017.

The members of the regulatory committees shall also receive a yearly gross and global amount of 1,000.000 Dinars (one thousand Dinars) as compensation for their work in the meetings of the said committees during 2017.

This resolution, put to vote, is adopted unanimously.

SEVENTH RESOLUTION

The Ordinary General Meeting, after being informed of the end of the 2nd mandate of the auditor ECC-MAZARS and taking into account the proposal of the Board of Directors, decides to appoint **Ernst & Young**, represented by **M. Noureddine HAJJI** auditor for a period of three (03) years for the fiscal years 2018, 2019 and 2020.

This resolution, put to vote, is adopted unanimously.

EIGHTH RESOLUTION

The President of the Assembly informs shareholders of the end of the mandate of all members of the current Board of Directors, and in application of the provisions of the BCT Circular N° 2011-06 dated 20/05/2011 regarding the strengthening of good governance in credit institutions, the Ordinary General Meeting, decides:

A- To renew the mandates of:

- **M. Moncef CHAFFAR**, Chairman of the Board of Directors,
- **M. Mohamed EL KETTANI**,
- **M. Boubker JAI**,
- **Mme Zohra DRISS BOUSLAMA**,
- **M. M'zoughi M'ZABI**,
- **M. José REIG ECHEVESTE**,
- **M. Mohamed HAJJOUJI**, Independent Administrator for a second mandate,
- **M. Talal EL BELLAJ**,
- **M. Jamal AHIZOUNE**.

B- To appoint:

- **Mister Boubaker MEHRI** in replacement of **M. Mohamed Ali BAKIR**, as an administrator representing small shareholders.
- **Mister Ali KADIRI**, in replacement of **M. Edouard ESPARBES**, as an independent administrator on the Board of Directors.
- And **Mister Ahmed Ismaïl DOUIRI**, as an administrator / permanent representative of Andalucarthage.

The administrators appointed, are elected for a period of three (03) years, until the Ordinary General Meeting which will vote the 2020 accounts.

This resolution, put to vote, is adopted unanimously.

NINTH RESOLUTION

The Ordinary General Meeting empowers the holder of the original, a photocopy or extract from these minutes to make, anywhere necessary, any deposits, publications or other formalities provided for by the law.

This resolution, put to vote, is adopted unanimously.





RESOLUTIONS PASSED BY THE EXTRAORDINARY GENERAL MEETING HELD ON 20 APRIL 2018

FIRST RESOLUTION

Having heard the report of the Board of Directors, the Extraordinary General Meeting, convened in accordance with the legal and statutory provisions, decided to increase the capital of the bank by an amount of 4 968 535 Dinars, going from **198 741 450** to **203 709 985** Dinars by incorporating reserves to be collected on the "Profits carried forward" account.

This increase in capital shall be achieved through the creation of **993 707** new shares, with a nominal value of 5 (five) Dinars, to be attributed to shareholders holding the 39 748 290 shares, granting validity on the 1st January 2018, at a rate of 1 (one) new share for **40** (forty) old shares.

To achieve the increase in capital while preserving equity between shareholders, Attijari bank commits to buy ten (10) allocation rights of the Attijari bank share in order to cancel them.

This resolution, put to vote, is adopted unanimously.

SECOND RESOLUTION

The Extraordinary General Meeting empowers the Board of Directors in order to achieve and verify the increase in capital.

This resolution, put to vote, is adopted unanimously.

THIRD RESOLUTION

The Extraordinary General Meeting decides to modify as follows Article 6 of the bylaws:

"The capital is defined at **203 709 985** Dinars divided in **40 741 997** registered shares of five (05) Dinars each, fully paid for at the time of subscription, detailed as follows:

From item 1 to item 21: no change

Adding a new item N° 22 : « **993 707** registered shares of 5 Dinars each representing the increase in capital through incorporation of profits carried forward, stated by the Extraordinary General Meeting held on 20/04/2018 and upon proposal by the Board of Directors dated 09/02/2018".

This resolution, put to vote, is adopted unanimously.

FOURTH RESOLUTION

The Extraordinary General Meeting empowers the holder of a copy or an extract from these minutes to complete all legal formalities for deposit, registration and publication.

This resolution, put to vote, is adopted unanimously.







التجاري بنك
Attijari bank

Croire en vous

Attijari bank

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