سلفين

SALAFIN

GROUPE BMCE

COMPANY'S RELEASE AS OF DECEMBER 31, 2016

COMPANY OVERVIEW

- Company's Name :

SALAFIN SA

- Industry :

FINANCIAL SERVICES

- Category:

CONSUMER FINANCE

- Country :

MOROCCO

1 USD = 10,115 MAD as of December 31, 2016
All figures in MAD (local currency)

GOUVERNANCE

M. Aziz Cherkaoui
CEO

M. Mehdi Mrani
Member of Executive Board

M. Mohammed Erraioui
Member of Executive Board – Deputy Manager

M. Mohammed Sbihi
Member of Executive Board – Deputy Manager

M. Hatim Bghiel
Member of Executive Board

SALAFIN
products line

Auto Financing

- Auto Loans
- Auto Lease
- Islamic Product (Ijara et Mourabaha)

Personal Loans

- Cash Loans to private individuals
- Cash Loans to Civil Servants Employees with payments guaranteed by the Government Public payroll
- Home Equity line

Revolving & Credit Cards

- National Credit Cards VISA & Master Card and Private labeled
- Revolving international credit cards
- Margin call financing for Stock Investments on the Casablanca Stock Exchange

INDUSTRY OUTLOOK
as of December 2016

- **17 players / High concentration level :** 6 of them represent 99 % of financial companies revenus.
- **Outstanding Loans :** MAD 40,5 Billions
- **New Volumes :** MAD 14,9 Billions, +14%
- **Personal Loans :**
  - New Volumes : Decreased by 7,7% at MAD 5 Billions
  - A declining personal loans market further to the CMR's convention stop
  - Aggressive Bank's competition since few years
- **Car Financing :**
  - New Volumes : MAD 9,3 Billions, +32 %
  - An increased market in a highly pricing competition

SALAFIN'S
2016 Relevant Facts and Strategy

- **New Volumes : MAD 1 170 millions stable compares to 2015**
  - **Personal Loans : -**5,2% A contained decrease compared to the market's evolution.
  - **Car Financing :** +5,3% A Highly competitive market
- **Outstanding Loans :** MAD 2 415 millions, +2.4%.
- The Cost to income ratio, the lower of the market, established to 28,7% in 2016 compared to 29,2% in 2015.
- **The cost of risk establishes to 1,96% in 2016 :**
  Loan Loss provision : 46,7 millions in 2016, decreases by 11,7% compares to 2015
- Net Result increases by 10,6% to MAD 138,5 millions in 2016.
- Thanks to its equity level (MAD 643 Millions) SALAFIN shows a high solvency ratio (19%), proof of the company financial strength

Income statement analysis (Million MAD)	2016	2015	2014	2013	2012 (N*)	2012	2011	2010
Net Interest Income	118,3	103,7	90,0	97,3	111,2	111,2	144,9	154,4
Net Profit From Leasing Operation	121,4	128,9	109,7	92,1	91,9	91,9	122,8	132,8
Fee Business Activities revenues	132,7	125,2	112,7	91,0	70,2	70,2	14,9	4,3
Net Non Interest Income	128,8	122,0	109,4	85,9	56,9	16,8	6,7	0,6
Net Fees on Financing services activities	113,8	103,2	88,0	66	40,1	0,0	0,0	0,0
Net Banking Income	368,5	354,6	**309,2**	**275,3**	**260,1**	**220,0**	**274,4**	**287,8**
Net Fees On Non Banking activities	3,9	3,2	3,3	5,0	13,3	53,4	8,2	3,6
Net Operating Income (Total revenues)	**372,4**	**357,8**	**312,5**	**280,4**	**273,3**	**273,3**	**282,6**	**291,4**
OPEX	106,2	103,7	99,7	92,3	85,3	85,3	85,4	77,0
Loan loss provision	-46,2	52,9	45,2	34,8	39,0	39,0	54,6	-70,2
Net Income	138,1	125,3	**105,7**	**95,1**	**92,1**	**92,1**	**93,1**	**100,4**
Cost income ratio (**)	29%	29%	32%	33%	31%	31%	30%	26%

Balance Sheet (Million MAD)	2016	2015	2014	2013	2012 (N*)	2012	2011	2010
Total Assets	3 472	3 364	3 369	3 341	3 481	3 481	3 272	3 281
Total Assets	1 576	1 429	1 343	1 326	1 488	1 488	1 657	1 995
Fixed leased assets (***)	825	880	927	943	1 003	1 003	868	743
Total Debt	1 521	1 469	1 515	1 531	1 820	1 820	1 819	1 971
Total Equity	653	651	630	617	613	613	613	605

SALAFIN'S
2016 Relevant Facts and Strategy

HeadCount

ORUS is SALAFIN's IT Subsidiary

SALAFIN'S Shareholding as of December 2016

Stock Overview	2016	2015
Stock price	830	685
Company float (%)	17,53%	17,53%
Market capitalization (Millions MAD)	1 987	1 640
Net Income (Millions MAD)	138,5	125,3
Equity (Millions MAD)	654	651
Price Earning ratio (P/E)	14,3	13,1
Price to Book ratio (P/B)	3,0	2,5
Dividend Yield (D/Y)	7,0%	8,3%
Payout Ratio	100%	109%

Financial Strength	2016	2015
Return on Asset (ROA)	4,0%	3,7%
Return on Equity (ROE)	21,2%	19,2%
Solvency Ratio	19%	20,6%
Debt/Capital Ratio	43,2%	43,7
Cost of Risk	1,96%	2,26%
Cost income Ratio	28,70%	29,2%

CONTACT

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