سلفين
SALAFIN
GROUPE BMCE

COMPANY'S RELEASE AS OF DECEMBER 31, 2017

COMPANY OVERVIEW

- Company's Name :

SALAFIN SA

- Industry :

FINANCIAL SERVICES

- Category:

CONSUMER FINANCE

- Country :

MOROCCO

1 USD = 9,3390 MAD as of December 31, 2017
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

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 2017

■ **17 players / High concentration level :** 6 of them represent 96,5 % of financial companies revenus.

■ **Outstanding Loans :** MAD 43,5 Billions increased by 7% compared to 2016

■ **New Volumes :** MAD 15,4 Billions, +6%

■ **Personal Loans :**

- New Volumes : MAD 5,3 Billions, +2,3%
- In December 2017, Personal Loans represents 34% of the total consumer loans (vs 36% in 2016).
- Aggressive Bank's competition since few years

■ **Car Financing :**

- New Volumes : MAD 10 Billions, +8,3 %
- An increased market in a highly pricing competitio

SALAFIN'S
2017 Relevant Facts and Strategy

- **New Volumes : MAD 1 247 millions increasing compares to 2016**
  - **Personal Loans :** -4,6% A contained decrease
  - **Car Financing :** +14,4% in a market increasing by 8,3%
- **Outstanding Loans :** MAD 2 559 millions, +6%.
- The Cost to income ratio, the lower of the market, established to 26,4% in 2017 compared to 28,7% in 2016.
- **The cost of risk establishes to 2,41% in 2017 :**
  Loan Loss provision : 66,4 millions in 2017, increased by 42% compares to 2016
- Net Result increases by 1,2% to MAD 140,2 millions in 2017.
- Thanks to its equity level (MAD 644,5 Millions) SALAFIN shows a high solvency ratio (18,22%), proof of the company financial strength.

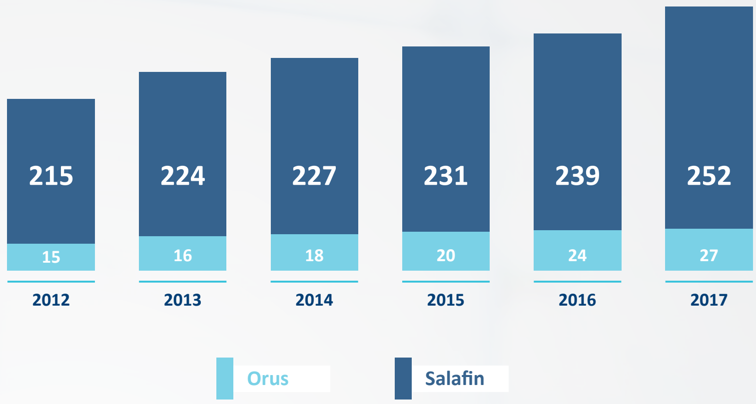
Income statement analysis (Million MAD)	2017	2016	2015	2014	2013	2012 (N*)	2012	2011
Net Interest Income	129,3	115,8	103,7	90	97,3	111,2	111,2	144,9
Net Profit From Leasing Operation	114,7	126,5	128,9	109,7	92,1	91,9	91,9	122,8
Fee Business Activities revenues	143,6	133,3	125,2	112,7	91	70,2	70,2	14,9
Net Non Interest Income	137,9	128,9	122	109,4	85,9	56,9	16,8	6,7
Net Fees on Financing services activities	119,1	113,8	103,2	88	66	40,1	0	0
Net Banking Income	**381,9**	**371,2**	**354,6**	**309,2**	**275,3**	**260,1**	**220**	**274,4**
Net Fees On Non Banking activities	5,7	4,4	3,2	3,3	5	13,3	53,4	8,2
Net Operating Income (Total revenues)	**387,7**	**375,7**	**357,8**	**312,5**	**280,4**	**273,3**	**273,3**	**282,6**
OPEX	101	106,4	103,7	99,7	92,3	85,3	85,3	85,4
Loan loss provision	-66,4	-46,7	52,9	45,2	34,8	39	39	54,6
Net Income	140,2	138,5	125,3	**105,7**	**95,1**	**92,1**	**92,1**	**93,1**
Cost income ratio (**)	26%	28%	29%	32%	33%	31%	31%	30%

Balance Sheet (Million MAD)	2017	2016	2015	2014	2013	2012 (N*)	2012	2011
Total Assets	3 311	3 472	3 364	3 369	3 341	3 481	3 481	3 272
Total Assets	1 581	1 525	1 429	1 343	1 326	1 488	1 488	1 657
Fixed leased assets (***)	944	886	880	927	943	1 003	1 003	868
Total Debt	1 679	1 514	1 469	1 515	1 531	1 820	1 820	1 819
Total Equity	657	654	651	630	617	613	613	613

(*) New Accounting Method (**) General Expenses / Net Operating Income (***) Prepaid deposits excluded

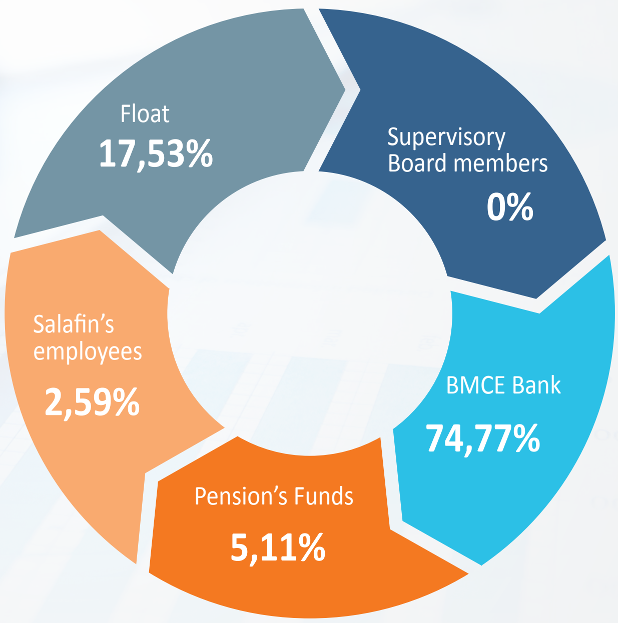
SALAFIN'S
2017 Relevant Facts and Strategy

HeadCount



ORUS is SALAFIN's IT Subsidiary

SALAFIN'S Shareholding as of December 2017



Stock Overview	2017	2016
Stock price	895	830
Company float (%)	17,53%	17,53%
Market capitalization (Millions MAD)	2 143	1 987
Net Income (Millions MAD)	140,2	138,5
Equity (Millions MAD)	657	654
Price Earning ratio (P/E)	15,3	14,3
Price to Book ratio (P/B)	3,3	3
Dividend Yield (D/Y)	6,50%	7,00%
Payout Ratio	100%	100%

Financial Strength	2017	2016
Return on Asset (ROA)	4,20%	4,00%
Return on Equity (ROE)	21,30%	21,20%
Solvency Ratio	18%	19%
Debt/Capital Ratio	50,70%	43,20%
Cost of Risk	2,41%	1,96%
Cost income Ratio	26,40%	28,70%

CONTACT

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