

Société Générale Marocaine de Banques

Update

Ratings

National

Long-Term Rating	AAA(mar)
Short-Term Rating	F1+(mar)
Support Rating	2

Sovereign Risk

Long-Term Foreign-Currency IDR	BBB-
Long-Term Local-Currency IDR	BBB-
Country Ceiling	BBB

Outlooks

National Long-Term Rating	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Financial Data

Société Générale Marocaine de Banques

	30 Jun 18	31 Dec 17
Total assets (USDm)	10,568	9,509
Total assets (MADm)	99,866	88,916
Total equity (MADm)	10,951	10,987
Operating profit (MADm)	830	1,486
Published net income (MADm)	498	973
Operating profit/risk weighted assets (%)	1.79	1.84
Net income/average equity (%)	9.32	9.15
Fitch Core Capital/risk weighted assets (%)	9.98	11.88

Source: Fitch Ratings, Fitch Solutions

Related Research

[Societe Generale S.A. - Rating Navigator \(July 2018\)](#)

[Morocco \(Nov 2018\)](#)

[Fitch Ratings 2019 Outlook: Francophone African Banks \(November 2018\)](#)

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Key Rating Drivers

Support Drives Ratings: Société Générale Marocaine de Banques' (SGMB) ratings are based on a high probability of support from its 57.5% shareholder Société Générale S.A. (SG: A/Stable), if needed. This reflects SG's strong ability (indicated by the bank's rating) and willingness to provide support to SGMB, which is small relative to SG. SGMB has around 1.5% of consolidated assets, making it easy to support.

Strategically Important Subsidiary: SGMB is SG's largest African subsidiary and is used as a group hub for the development and roll-out of several pan-African projects. SGMB is the country's fourth-largest bank with loan and deposit market shares of 7%-8%. The increase in assets in 1H18 reflects full consolidation of consumer finance subsidiary, Eqdom ('AA+(mar)' Stable). SGMB's Support Rating is constrained by Morocco's Country Ceiling.

Strong Integration with SG: SGMB is closely integrated with SG through significant board representation, appointment of key senior executives, and oversight of SGMB's credit, country, market, operational and liquidity risks. In addition, the subsidiary benefits from funding lines from SG and from SG's procedures, systems, tools and branding.

No Extraordinary Support Record: Fitch Ratings understands from management that SGMB has never required any extraordinary support from SG. However, ordinary support in its day-to-day activities is well entrenched. For example, counter-guarantees allow SGMB to extend larger loans to Moroccan counterparts while remaining compliant with regulatory large exposure limits. SG also provides short-term liquidity lines.

Vulnerable Asset Quality: SGMB did not publicly disclose its Stage 3 IFRS 9 loans at end-1H18. Our assessment is that the impaired loans/gross loans ratio would be higher than the 10% peer average because the bank has historically reported one of the sector's highest impaired loans ratios. IFRS 9 has not forced standardisation of impaired loans in Morocco, but clarity should emerge as the robustness of expected credit-loss models is tested over time.

Weakened Capitalisation: Sector equity was weakened on first-time application of IFRS 9 credit-loss provisions in January 2018, and SGMB is no exception. We consider the bank's Fitch Core Capital/risk-weighted assets ratio to be only adequate given credit risk arising from significant loan book concentration. Positively, implementation of IFRS 9 in January 2018 forced higher loan-loss provisions at SGMB. Unreserved impaired loans as a percentage of Fitch Core Capital decreased to 22% (end-2017: 28%).

Adequate Funding and Liquidity: SGMB is primarily funded by stable non-remunerated customer deposits. Liquidity is strictly monitored by SG. SGMB has a comfortable liquidity buffer (excluding SG's liquidity line) that covers a year of short-term market funding.

Rating Sensitivities

Strategic Importance, Integration, Ownership: A downgrade of SGMB's National Ratings would require a three-notch downgrade of SG's Issuer Default Rating (IDR). SGMB's Support Rating is sensitive to a four-notch downgrade of SG's IDR. These ratings are also sensitive to a reduction in SG's stake in SGMB and reduced strategic importance to, or lower integration with, SG.

Sovereign Risk: SGMB's Support Rating would also be downgraded if Morocco's Country Ceiling was revised down by at least two notches, which Fitch views as unlikely.

Societe Generale Marocaine de Banques Income Statement

	30 Jun 2018			31 Dec 2017		31 Dec 2016		31 Dec 2015		31 Dec 2014	
	6 Months - Interim USDm Reviewed - Unqualified	6 Months - Interim MADm Reviewed - Unqualified	As % of Earning Assets	Year End MADm Audited - Unqualified	As % of Earning Assets	Year End MADm Audited - Unqualified	As % of Earning Assets	Year End MADm Audited - Unqualified	As % of Earning Assets	Year End MADm Audited - Unqualified	As % of Earning Assets
1. Interest Income on Loans	240.8	2,275.6	5.12	3,802.5	4.75	3,917.0	5.16	4,011.7	5.18	4,286.1	5.44
2. Other Interest Income	9.5	89.6	0.20	211.9	0.26	225.6	0.30	461.3	0.60	485.0	0.62
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	250.3	2,365.2	5.33	4,014.4	5.01	4,142.6	5.46	4,473.0	5.78	4,771.1	6.06
5. Interest Expense on Customer Deposits	32.9	311.3	0.70	620.3	0.77	707.1	0.93	748.1	0.97	843.8	1.07
6. Other Interest Expense	26.4	249.7	0.56	288.8	0.36	334.0	0.44	519.6	0.67	603.6	0.77
7. Total Interest Expense	59.4	561.0	1.26	909.1	1.14	1,041.1	1.37	1,267.7	1.64	1,447.4	1.84
8. Net Interest Income	190.9	1,804.2	4.06	3,105.3	3.88	3,101.5	4.09	3,205.3	4.14	3,323.7	4.22
9. Net Fees and Commissions	58.7	554.9	1.25	933.4	1.17	859.5	1.13	836.4	1.08	728.9	0.93
10. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets and Liabilities at FV	3.0	28.7	0.06	16.7	0.02	(5.6)	(0.01)	29.2	0.04	(4.0)	(0.01)
12. Net Gains (Losses) on Other Securities	0.0	0.4	0.00	45.9	0.06	59.8	0.08	74.7	0.10	60.7	0.08
13. Net Insurance Income	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Operating Income	1.4	13.0	0.03	(5.0)	(0.01)	(1.2)	(0.00)	(7.1)	(0.01)	18.6	0.02
15. Total Non-Interest Operating Income	63.2	597.0	1.34	991.0	1.24	912.5	1.20	933.2	1.20	804.2	1.02
16. Total Operating Income	254.1	2,401.2	5.41	4,096.3	5.12	4,014.0	5.29	4,138.5	5.34	4,127.9	5.24
17. Personnel Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	1,070.0	1.38	947.0	1.20
18. Other Operating Expenses	125.1	1,181.8	2.66	2,059.1	2.57	1,923.4	2.54	946.7	1.09	809.5	1.03
19. Total Non-Interest Expenses	125.1	1,181.8	2.66	2,059.1	2.57	1,923.4	2.54	1,916.7	2.47	1,756.5	2.23
20. Equity-accounted Profit/ Loss - Operating	1.4	13.7	0.03	49.1	0.06	52.2	0.07	n.a.	-	n.a.	-
21. Pre-impairment Operating Profit	130.5	1,233.1	2.78	2,086.3	2.61	2,142.8	2.83	2,221.8	2.87	2,371.4	3.01
22. Loan Impairment Charge	47.4	448.3	1.01	600.4	0.75	746.9	0.98	1,099.0	1.42	1,432.9	1.82
23. Securities and Other Credit Impairment Charges	(1.3)	(12.4)	(0.03)	n.a.	-	120.5	0.16	93.5	0.12	30.5	0.04
24. Operating Profit	84.4	797.2	1.80	1,485.9	1.86	1,275.4	1.68	1,029.3	1.33	908.0	1.15
25. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	49.6	0.06	51.2	0.07
26. Goodwill Impairment	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Non-recurring Income	3.4	32.4	0.07	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
30. Other Non-operating Income and Expenses	n.a.	n.a.	-	30.4	0.04	18.9	0.02	(0.7)	(0.00)	2.8	0.00
31. Pre-tax Profit	87.8	829.6	1.87	1,516.3	1.89	1,294.3	1.71	1,078.2	1.39	962.0	1.22
32. Tax expense	35.1	331.9	0.75	543.4	0.68	438.0	0.58	371.3	0.48	327.4	0.42
33. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Net Income	52.7	497.7	1.12	972.9	1.22	856.3	1.13	706.9	0.91	634.6	0.81
35. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
38. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00	n.a.	-
39. Fitch Comprehensive Income	52.7	497.7	1.12	972.9	1.22	856.3	1.13	706.9	0.91	634.6	0.81
40. Memo: Profit Allocation to Non-controlling Interests	3.7	34.8	0.08	2.1	0.00	7.2	0.01	14.3	0.02	6.7	0.01
41. Memo: Net Income after Allocation to Non-controlling Interests	49.0	462.9	1.04	970.8	1.21	849.1	1.12	692.6	0.89	627.9	0.80
42. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	287.0	0.36	205.0	0.27	123.0	0.16	275.8	0.35
43. Memo: Preferred Dividends and Interest on Hybrid Capital Accounted for as Equity Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = MAD9.45

USD1 = MAD9.351

USD1 = MAD10.096

USD1 = MAD9.9057

USD1 = MAD9.0425

Related Criteria

[Bank Rating Criteria \(October 2018\)](#)

[National Scale Ratings Criteria \(July 2018\)](#)

[Country Ceilings Criteria \(July 2018\)](#)

Societe Generale Marocaine de Banques Balance Sheet

	30 Jun 2018		31 Dec 2017		31 Dec 2016		31 Dec 2015		31 Dec 2014		
	6 Months - Interim USDm	6 Months - Interim MADm	As % of Assets	Year End MADm	As % of Assets	Year End MADm	As % of Assets	Year End MADm	As % of Assets	Year End MADm	As % of Assets
Assets											
A. Loans											
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	9,574.7	90,480.8	90.60	78,322.4	88.09	74,291.8	87.56	73,106.8	86.78	72,047.1	85.37
6. Less: Loan Loss Allowances	1,102.4	10,418.1	10.43	8,063.7	9.07	7,545.9	8.89	7,017.4	8.33	6,300.7	7.47
7. Net Loans	8,472.2	80,062.7	80.17	70,258.7	79.02	66,745.9	78.66	66,089.4	78.45	65,746.4	77.90
8. Gross Loans	9,574.7	90,480.8	90.60	78,322.4	88.09	74,291.8	87.56	73,106.8	86.78	72,047.1	85.37
9. Memo: Impaired Loans included above	n.a.	n.a.	-	10,706.1	12.04	10,849.7	12.79	10,139.8	12.04	10,335.3	12.25
10. Memo: Specific Loan Loss Allowances	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets											
1. Loans and Advances to Banks	385.4	3,641.8	3.65	4,318.6	4.86	2,716.0	3.20	6,074.8	7.21	4,626.2	5.48
2. Reverse Repos and Securities Borrowing	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00	147.0	0.17
3. Derivatives	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
4. Trading Securities and at FV through Income	178.1	1,683.4	1.69	49.7	0.06	27.1	0.03	32.4	0.04	22.1	0.03
5. Available for Sale Securities	0.0	0.0	0.00	4,946.8	5.56	5,886.0	6.94	4,798.4	5.70	7,776.8	9.21
6. Held to Maturity Securities	421.4	3,981.8	3.99	n.a.	-	0.0	0.00	n.a.	-	n.a.	-
7. Other Securities	n.a.	n.a.	-	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
8. Total Securities	599.5	5,665.2	5.67	4,996.5	5.62	5,913.1	6.97	4,830.8	5.73	7,798.9	9.24
9. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	4,762.6	5.61	3,947.3	4.69	6,765.6	8.02
10. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Equity Investments in Associates	19.1	180.5	0.18	475.8	0.54	475.5	0.56	451.7	0.54	440.5	0.52
12. Investments in Property	n.a.	n.a.	-	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	9,476.2	89,550.2	89.67	80,049.6	90.03	75,850.5	89.39	77,446.7	91.93	78,759.0	93.32
C. Non-Earning Assets											
1. Cash and Due From Banks	470.3	4,444.4	4.45	4,453.7	5.01	4,975.2	5.86	2,542.5	3.02	1,543.9	1.83
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	193.8	1,831.2	1.83	1,737.2	1.95	1,711.1	2.02	1,679.5	1.99	1,600.3	1.90
5. Goodwill	27.0	254.9	0.26	61.2	0.07	61.2	0.07	61.2	0.07	61.2	0.07
6. Other Intangibles	40.3	380.7	0.38	363.4	0.41	342.0	0.40	285.2	0.34	251.9	0.30
7. Current Tax Assets	115.4	1,091.0	1.09	525.8	0.59	487.3	0.57	676.4	0.80	588.5	0.70
8. Deferred Tax Assets	172.1	1,626.2	1.63	1,186.8	1.33	1,052.2	1.24	1,062.8	1.26	1,204.3	1.43
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	72.8	687.8	0.69	538.1	0.61	371.7	0.44	488.7	0.58	385.7	0.46
11. Total Assets	10,567.9	99,866.4	100.00	88,915.8	100.00	84,851.2	100.00	84,243.0	100.00	84,394.8	100.00
Liabilities and Equity											
D. Interest-Bearing Liabilities											
1. Total Customer Deposits	6,583.3	62,212.5	62.30	61,642.6	69.33	59,068.6	69.61	57,903.3	68.73	54,596.7	64.69
2. Deposits from Banks	303.8	2,871.3	2.88	4,189.2	4.71	4,301.5	5.07	5,049.5	5.99	5,337.2	6.32
3. Repos and Securities Lending	0.0	0.0	0.00	500.1	0.56	0.0	0.00	n.a.	-	561.3	0.67
4. Commercial Paper and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Customer Deposits and Short-term Funding	6,887.2	65,083.8	65.17	66,331.9	74.60	63,370.1	74.68	62,952.8	74.73	60,495.2	71.68
6. Senior Unsecured Debt	1,286.4	12,156.7	12.17	4,659.7	5.24	4,902.2	5.78	5,349.1	6.35	8,705.1	10.31
7. Subordinated Borrowing	438.5	4,143.5	4.15	3,392.3	3.82	3,387.4	3.99	3,390.4	4.02	2,577.7	3.05
8. Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Long-term Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Total LT Funding	1,724.9	16,300.2	16.32	8,052.0	9.06	8,289.6	9.77	8,739.5	10.37	11,282.8	13.37
11. Memo: o/w matures in less than 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Trading Liabilities	0.6	5.8	0.01	4.7	0.01	2.6	0.00	3.1	0.00	32.0	0.04
13. Total Funding	8,612.7	81,389.8	81.50	74,388.6	83.66	71,662.3	84.46	71,695.4	85.11	71,810.0	85.09
14. Derivatives	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
15. Total Funding and Derivatives	8,612.7	81,389.8	81.50	74,388.6	83.66	71,662.3	84.46	71,695.4	85.11	71,810.0	85.09
E. Non-Interest Bearing Liabilities											
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	95.0	897.8	0.90	693.7	0.78	646.0	0.76	531.5	0.63	453.0	0.54
4. Current Tax Liabilities	96.2	909.3	0.91	1,293.3	1.45	840.9	0.99	931.1	1.11	1,359.0	1.61
5. Deferred Tax Liabilities	46.7	441.7	0.44	278.9	0.31	297.1	0.35	288.5	0.34	461.2	0.55
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	0.0	0.0	0.00	n.a.	-	0.0	0.00	n.a.	-	n.a.	-
9. Other Liabilities	558.4	5,276.6	5.28	1,273.9	1.43	1,149.7	1.35	1,059.2	1.26	846.2	1.00
10. Total Liabilities	9,409.0	88,915.2	89.03	77,928.4	87.64	74,596.0	87.91	74,505.7	88.44	74,929.4	88.78
F. Hybrid Capital											
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity											
1. Common Equity	1,083.3	10,237.3	10.25	10,814.3	12.16	10,074.7	11.87	9,574.7	11.37	9,224.7	10.93
2. Non-controlling Interest	75.5	713.9	0.71	107.7	0.12	113.5	0.13	109.6	0.13	112.0	0.13
3. Securities Revaluation Reserves	0.0	0.0	0.00	65.4	0.07	67.0	0.08	53.0	0.06	128.7	0.15
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Total Equity	1,158.9	10,951.2	10.97	10,987.4	12.36	10,255.2	12.09	9,737.3	11.56	9,465.4	11.22
7. Memo: Equity plus Pref. Shares and Hybrid Capital accounted for as E	1,158.9	10,951.2	10.97	10,987.4	12.36	10,255.2	12.09	9,737.3	11.56	9,465.4	11.22
8. Total Liabilities and Equity	10,567.9	99,866.4	100.00	88,915.8	100.00	84,851.2	100.00	84,243.0	100.00	84,394.8	100.00
9. Memo: Fitch Core Capital	949.4	8,971.9	8.98	9,568.9	10.76	8,938.1	10.53	8,448.9	10.03	8,251.4	9.78

Exchange rate

USD1 = MAD9.45

USD1 = MAD9.351

USD1 = MAD10.096

USD1 = MAD9.9057

USD1 = MAD9.0425

Societe Generale Marocaine de Banques
Summary Analytics

	30 Jun 2018	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014
	6 Months - Interim	Year End	Year End	Year End	Year End
A. Interest Ratios					
1. Interest Income/ Average Earning Assets	5.70	5.21	5.33	5.73	6.20
2. Interest Income on Loans/ Average Gross Loans	5.76	5.19	5.25	5.56	6.08
3. Interest Expense on Customer Deposits/ Average Customer Deposits	1.02	1.03	1.22	1.34	1.59
4. Interest Expense/ Average Interest-bearing Liabilities	1.48	1.27	1.44	1.77	2.05
5. Net Interest Income/ Average Earning Assets	4.35	4.03	3.99	4.10	4.32
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	3.27	3.25	3.03	2.70	2.46
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	4.35	4.03	3.99	4.10	4.32
B. Other Operating Profitability Ratios					
1. Operating Profit/ Risk Weighted Assets	1.79	1.84	1.65	1.32	1.21
2. Non-Interest Expense/ Gross Revenues	49.22	50.27	47.92	46.31	42.55
3. Loans and securities impairment charges/ Pre-impairment Op. Profit	35.35	28.78	40.48	53.67	61.71
4. Operating Profit/ Average Total Assets	1.74	1.73	1.50	1.22	1.10
5. Non-Interest Income/ Gross Revenues	24.86	24.19	22.73	22.55	19.48
6. Non-Interest Expense/ Average Total Assets	2.58	2.40	2.26	2.28	2.13
7. Pre-impairment Op. Profit/ Average Equity	23.09	19.63	21.38	23.14	25.59
8. Pre-impairment Op. Profit/ Average Total Assets	2.70	2.43	2.52	2.64	2.87
9. Operating Profit/ Average Equity	14.93	13.98	12.72	10.72	9.80
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	9.32	9.15	8.54	7.36	6.85
2. Net Income/ Average Total Assets	1.09	1.13	1.01	0.84	0.77
3. Fitch Comprehensive Income/ Average Total Equity	9.32	9.15	8.54	7.36	6.85
4. Fitch Comprehensive Income/ Average Total Assets	1.09	1.13	1.01	0.84	0.77
5. Taxes/ Pre-tax Profit	40.01	35.84	33.84	34.44	34.03
6. Net Income/ Risk Weighted Assets	1.12	1.21	1.11	0.90	0.85
D. Capitalization					
1. FCC/ FCC-Adjusted Risk Weighted Assets	9.98	11.88	11.56	10.81	10.99
2. Tangible Common Equity/ Tangible Assets	9.31	11.02	10.87	10.37	10.09
3. Equity/ Total Assets	10.97	12.36	12.09	11.56	11.22
4. Basel Leverage Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
5. Common Equity Tier 1 Capital Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
6. Fully Loaded Common Equity Tier 1 Capital Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
7. Tier 1 Capital Ratio	12.02	12.56	12.32	11.69	10.91
8. Total Capital Ratio	14.96	14.98	15.70	15.59	14.34
9. Impaired Loans less Loan Loss Allowances/ Fitch Core Capital	n.a.	27.61	36.96	36.96	48.90
10. Impaired Loans less Loan Loss Allowances/ Equity	n.a.	24.05	32.22	32.07	42.62
11. Cash Dividends Paid & Declared/ Net Income	n.a.	29.50	23.94	17.40	43.46
12. Risk Weighted Assets/ Total Assets	89.99	90.58	91.13	92.78	88.97
13. Risk Weighted Assets - Standardised/ Risk Weighted Assets	100.00	100.00	100.00	100.00	n.a.
14. Risk Weighted Assets - Advanced Method/ Risk Weighted Assets	0.00	0.00	0.00	0.00	n.a.
E. Loan Quality					
1. Impaired Loans/ Gross Loans	n.a.	13.67	14.60	13.87	14.35
2. Growth of Gross Loans	15.52	5.43	1.62	1.47	3.38
3. Loan Loss Allowances/ Impaired Loans	n.a.	75.32	69.55	69.21	60.96
4. Loan Impairment Charges/ Average Gross Loans	1.14	0.82	1.00	1.52	2.03
5. Growth of Total Assets	12.32	4.79	0.72	(0.18)	3.12
6. Loan Loss Allowances/ Gross Loans	11.51	10.30	10.16	9.60	8.75
7. Net Charge-offs/ Average Gross Loans	0.02	0.53	n.a.	0.24	0.08
8. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	n.a.	13.67	14.60	13.87	14.35
F. Funding and Liquidity					
1. Loans/ Customer Deposits	145.44	127.06	125.77	126.26	131.96
2. Liquidity Coverage Ratio	117.49	96.58	n.a.	87.00	n.a.
3. Customer Deposits/ Total Funding (including Pref. Shares & Hybrids)	76.44	82.87	82.43	80.76	76.03
4. Interbank Assets/ Interbank Liabilities	126.83	103.09	63.14	120.30	86.68
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
6. Growth of Total Customer Deposits	0.92	4.36	2.01	6.06	3.08

Societe Generale Marocaine de Banques Reference Data

	30 Jun 2018		31 Dec 2017		31 Dec 2016		31 Dec 2015		31 Dec 2014	
	6 Months - Interim USDm	6 Months - Interim MADm	As % of Assets	Year End MADm	As % of Assets	Year End MADm	As % of Assets	Year End MADm	As % of Assets	Year End MADm
A. Off-Balance Sheet Items										
1. Managed Securitizd Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
3. Guarantees	1,574.8	14,881.9	14.90	15,175.6	17.07	13,387.1	15.78	13,126.3	15.58	13,637.6
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
5. Committed Credit Lines	445.4	4,209.3	4.21	3,762.2	4.23	5,183.4	6.11	5,737.5	6.81	5,105.8
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
7. Other Off-Balance Sheet Items	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
8. Total Assets under Management	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
B. Average Balance Sheet										
1. Average Loans	8,428.3	79,647.2	79.75	73,214.9	82.34	74,616.1	87.94	72,095.0	85.58	70,530.8
2. Average Earning Assets	8,851.1	83,642.6	83.75	77,020.7	86.62	77,685.1	91.55	78,089.4	92.70	76,920.4
3. Average Total Assets	9,763.4	92,264.1	92.39	85,741.3	96.43	85,085.7	100.28	84,187.0	99.93	82,642.9
4. Average Managed Securitizd Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
5. Average Interest-Bearing Liabilities	8,103.7	76,580.1	76.68	71,828.5	80.78	72,137.7	85.02	71,534.2	84.91	70,460.5
6. Average Common equity	1,104.3	10,435.7	10.45	10,449.9	11.75	9,852.3	11.61	9,405.7	11.16	9,035.2
7. Average Equity	1,139.4	10,767.3	10.78	10,629.1	11.95	10,024.5	11.81	9,603.5	11.40	9,268.0
8. Average Customer Deposits	6,542.9	61,830.8	61.91	59,976.6	67.45	58,066.1	68.43	55,873.8	66.32	53,206.3
C. Maturities										
Asset Maturities:										
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans & Advances to Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Loans & Advances to Banks > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Liability Maturities:										
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Deposits from Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Deposits from Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Deposits from Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Deposits from Banks > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Senior Debt Maturing 1-5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Subordinated Debt Maturing 1-5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
Total Subordinated Debt on Balance Sheet	438.5	4,143.5	4.15	3,392.3	3.82	3,387.4	3.99	3,390.4	4.02	2,577.7
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
D. Risk Weighted Assets										
1. Risk Weighted Assets	9,510.3	89,871.9	89.99	80,543.4	90.58	77,322.0	91.13	78,161.8	92.78	75,082.4
2. Fitch Core Capital Adjustments for Insurance and Securitization Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
3. Fitch Core Capital Adjusted Risk Weighted Assets	9,510.3	89,871.9	89.99	80,543.4	90.58	77,322.0	91.13	78,161.8	92.78	75,082.4
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.
5. Fitch Adjusted Risk Weighted Assets	9,510.3	89,871.9	89.99	80,543.4	90.58	77,322.0	91.13	78,161.8	92.78	75,082.4
E. Fitch Core Capital Reconciliation										
1. Total Equity as reported (including non-controlling interests)	1,158.9	10,951.2	10.97	10,987.4	12.36	10,255.2	12.09	9,737.3	11.56	9,465.4
2. Fair-value adjustments relating to own credit risk on debt issued	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
4. Goodwill	27.0	254.9	0.26	61.2	0.07	61.2	0.07	61.2	0.07	61.2
5. Other intangibles	40.3	380.7	0.38	363.4	0.41	342.0	0.40	285.2	0.34	251.9
6. Deferred tax assets deduction	125.3	1,184.5	1.19	907.9	1.02	755.1	0.89	774.3	0.92	743.1
7. Net asset value of insurance subsidiaries	16.8	159.2	0.16	86.0	0.10	158.8	0.19	167.7	0.20	157.8
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
9. Fund for general banking risks if not already included and readily convertible into equi	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
10. Fitch Core Capital	949.4	8,971.9	8.98	9,568.9	10.76	8,938.1	10.53	8,448.9	10.03	8,251.4

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