



**ACTIVITIES & PERFORMANCES
OF BMCE BANK GROUP
June 30th, 2008**

*Analysts – Press Conference
October 6th, 2008*

First semester 2008....


First semester placed under the sign of development and substantial performances :

- **Growth in earnings ;**
- **Sustained development in Morocco and abroad ;**
- **Sound risk management ;**
- **Compliance with regulatory requirements in terms of Basel II and IFRS.**



HIGHLIGHTS

1st semester 2008

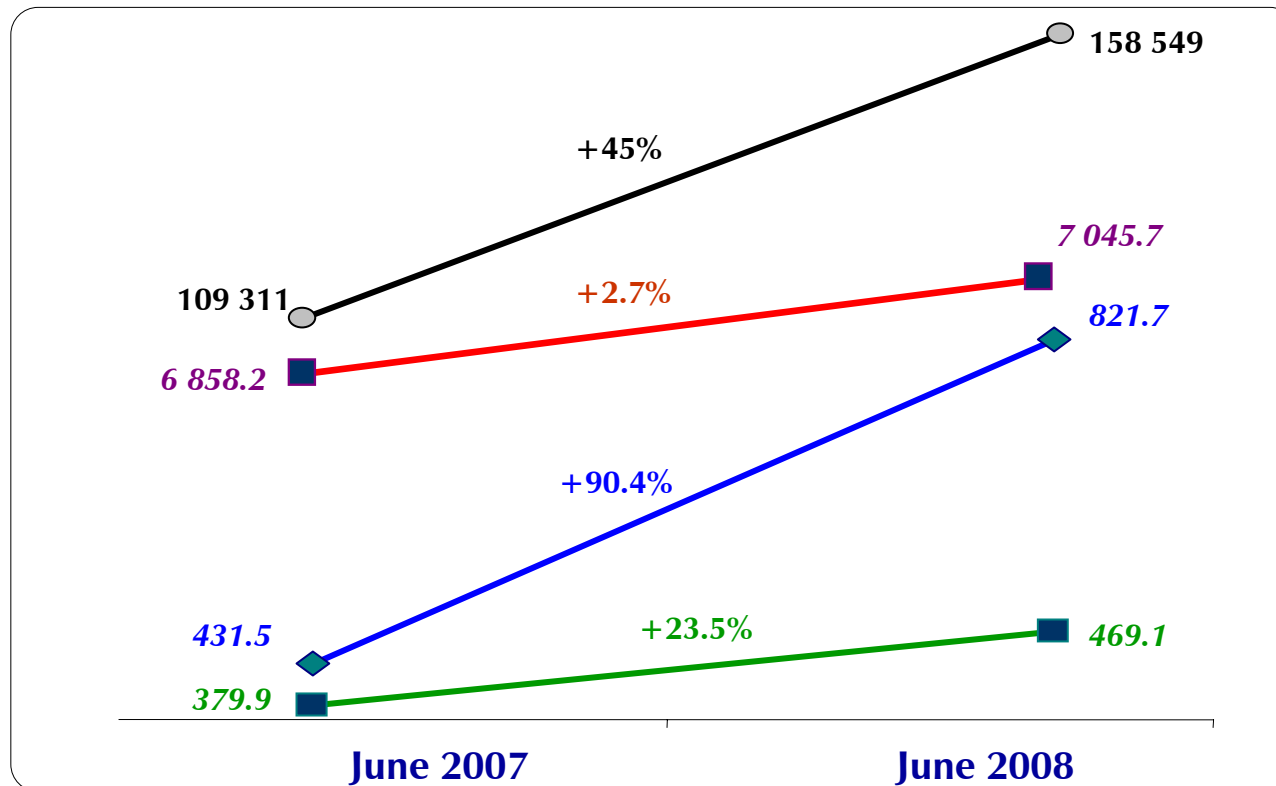
- 
- **Renewed confidence in BMCE Bank growth potential with a stock market capitalization of MAD 49 billion at end-June 2008 vs MAD 44 billion at end-June 2007**
 - **Integration of Bank of Africa into the consolidation list further to the acquisition of 35% in AFH/Bank (BOA Group)**
 - **Total assets reaching the MAD 160 billion cap (+45% over June 07-08)**
 - **90.4% increase in consolidated net earnings to MAD 821 million, on a current basis and under IFRS, and 23.5% rise on a constant basis, to MAD 469.1 million**
 - **Promising achievements for MediCapital Bank further to the start of its business operations in July 2007**
 - **Expanding branch network to 429 branches at end-June 2008**



OUTSTANDING FINANCIAL PERFORMANCES

Sustained increase in financial indicators

- 90.4% rise in Group Net Earnings
- 23.5% increase in Net Earnings - Group Share (IFRS).



Total Assets (in billion MAD)

Shareholder's equity (in million MAD)

Group Net Earnings (in million MAD)

Net Earnings - Group Share (in million MAD)

NB: Shareholder's equity include premiums related to capital, Capital reserves -group share and net earnings – group share

Reinforcement of Total Assets

- Consolidated Total Assets to nearly MAD 160 billions (MAD 158.5 billion) vs MAD 109.3 billion in June 2007, thanks to :
 - 1- the development of activities in Morocco and abroad ;
 - 2- the integration of Bank of Africa into the consolidation list ;
 - 3- the adoption of IFRS norms.



SOLID BALANCE SHEET INDICATORS

A strong balance sheet and an improving profitability, capital adequacy and liquidity ratios

Consolidated ROE IFRS	
June 07	June 08
11.06%	15.11%

Consolidated Capital Adequacy Ratio	
June 07	June 08
8.78%	13.28%

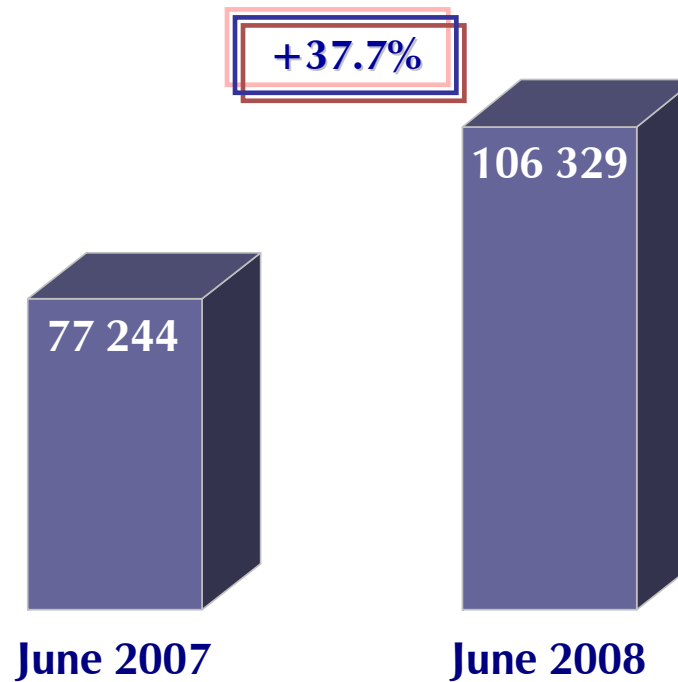
Liquidity Ratio Domestic activity	
June 07	June 08
105.7%	137.5%



CONSOLIDATED INCOME STATEMENT

Sustained rise in consolidated customer deposits

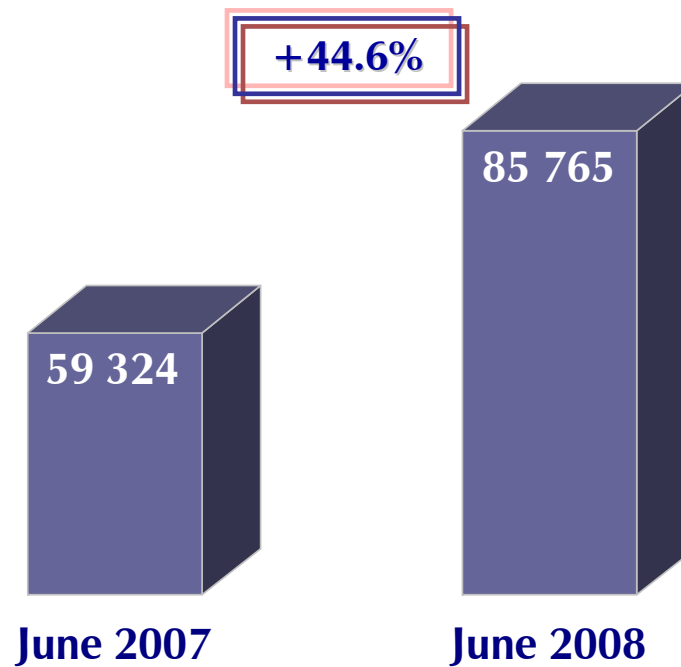
Customer Deposits in MMAD



(*) Source : balance sheet

Sharp growth in consolidated customer loans

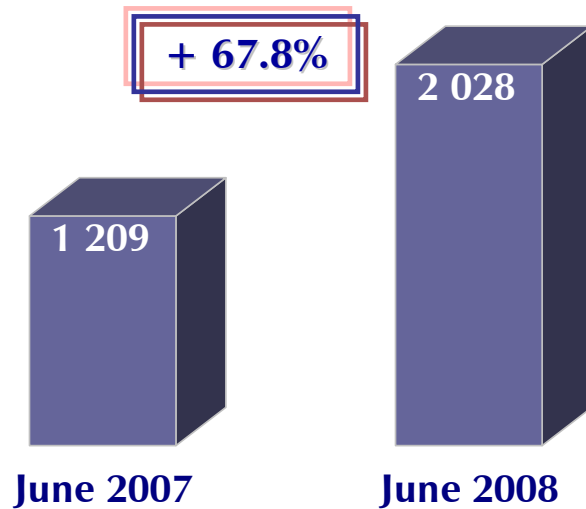
Customer loans in MMAD



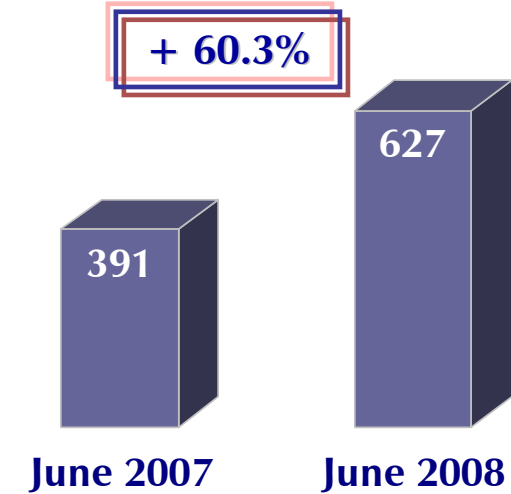
(*) Source : balance sheet

Increase in revenues

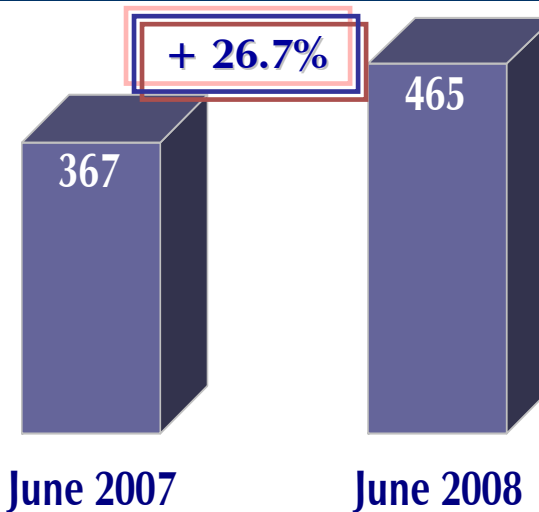
Net Interest income



Net Fee Income

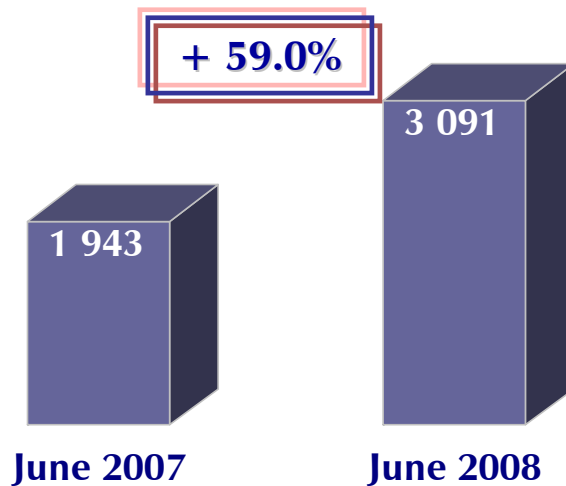


Income from market transactions

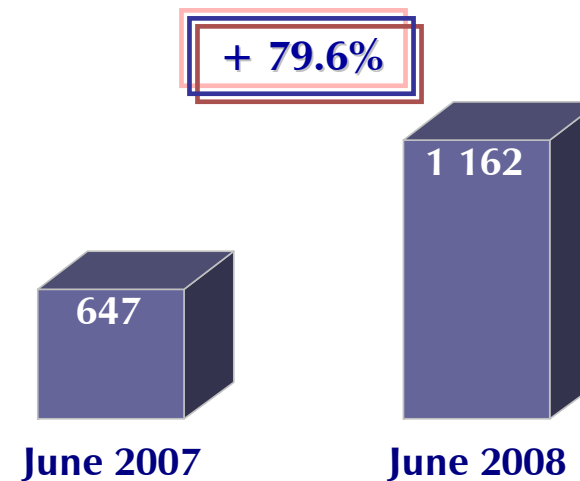


Significant growth in consolidated earnings

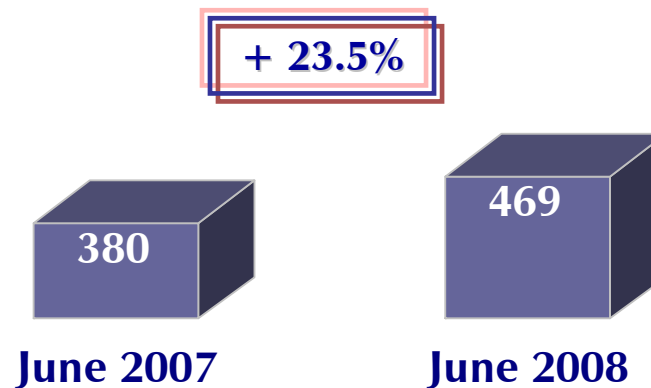
Net Banking Income - NBI In MMAD



Pre-tax Earnings In MMAD



Net Earnings – Group Share in MMAD



Rise in consolidated indicators

MMAD	June 07	June 08	% change
Net Banking Income	1 942.9	3 090.5	59.0%
Net Banking income – constant basis	1 942.9	2 164.6	11.4%
General Operating Expenses (including allowances for depreciation)	-1 198.5	-1 852.8	54.6%
General Operating Expenses (including allowances for depreciation) – constant basis	- 1 198.5	- 1 381.8	15.3%
Net cost of risk	-109.1	-93.8	-14.0%
Net cost of risk – constant basis	-109.1	- 57.6	- 47.3%
Share in net income of companies accounted for by equity method	9.5	12.6	32.7%
Share in net income of companies accounted for by equity method – constant basis	9.5	9.8	3.2%
Net Earnings	431.5	821.7	90.4%
Net Earnings – constant basis	431.5	502.6	16.5%
Minorities Interests	51.6	352.6	-
Minorities interests - constant basis	59.6	77.3	29.7%
Net Earnings –Group Share	379.9	469.1	23.5%
Net Earnings Group Share – constant basis	371.9	425.3	14.4%



CONTRIBUTION BY BUSINESS LINE

Consolidation List

	June 2007	June 2008
Full Integration		
BMCE CAPITAL	100.00%	100.00%
BMCE CAPITAL BOURSE	100.00%	100.00%
BMCE CAPITAL GESTION	100.00%	100.00%
BANK OF AFRICA (BOA)	-	35.00%
LA CONGOLAISE DE BANQUE (LCB)	25.00%	25.00%
MEDICAPITAL BANK	100.00%	1000.0%
BMCE MADRID	100.00%	100.00%
SALAFIN	92.76%	74.55%
MAGHREBAIL	35.92%	35.92%
MAROC FACTORING	100.00%	100.00%
Equity Method		
CASA FINANCE MARKETS (CFM)	33.33%	33.33%
EULER HERMES ACMAR	20.00%	20.00%
BANQUE DE DÉVELOPPEMENT DU MALI (BDM)	27.38%	27.38%

Contribution to consolidated Net Earnings – Group Share

	Contribution to consolidated Net Earnings				
	June 2007 In MMAD	June 2008 In MMAD	% change	June 07 In %	June 08 In %
BMCE BANK (DOMESTIC ACTIVITY)	273.7	276.3	0.9%	70.6%	58.9%
SPECIALISED FINANCIAL SERVICES	61.5	73.3	19.2%	15.8%	15.6%
ASSET MANAGEMENT & OTHER INVESTMENT BANKING ACTIVITIES	52.5	51.2	-2.4%	13.5%	10.9%
INTERNATIONAL ACTIVITIES	-7.8	68.3	-	-	14.6%
Consolidated Net Earnings Group Share	379.9	469.1	23.5%	100%	100%



EARNINGS BY SUBSIDIARY

Net Earnings by subsidiary

Domestic accounts

In KMAD	Net Earnings June 2007	Net Earnings June 2008	% change
BMCE BANK DOMESTIC ACTIVITY	790 310	507 537	
INTERNATIONAL ACTIVITIES			
BMCE Paris (including merger boni in 2008)	14 582	57 882	-
Tangier Off Shore	24 219	15 329	-36.7%
BDM	31 393	28 470	-9.3%
LCB	21 489	36 405	69.4%
MediCapital Bank	-69 904	-27 597	-
Bank of Africa	-	325 971	-
BMCE Madrid	9 167	13 418	46.4%
ASSET MANAGEMENT AND OTHER INVESTMENT BANKING ACTIVITIES			
BMCE Capital Bourse	27 570	27 275	-1.1%
BMCE Capital Gestion	16 571	24 758	49.4%
CFM	491	1 013	-
BMCE Capital	7 665	10 150	32.4%
SPECIALISED FINANCIAL SERVICES			
Salafin	42 640	54 044	26.7%
Maghrebail	26 274	35 475	35%
Maroc Factoring	5 852	5 246	-10.4%
Euler Hermes Acmar	3 542	8 673	-



RESULTS BY BUSINESS LINE

Contribution by business line to consolidated Net Earnings - Group Share

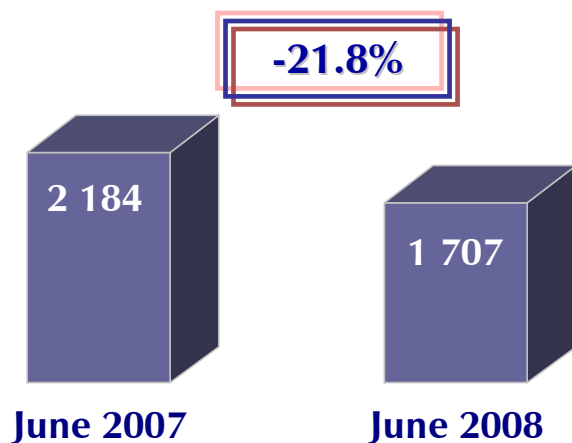
In KMAD	Contribution to consolidated net earnings June 2007	Contribution to consolidated net earnings June 2008	% change	June 2007 Equity	June 2008 Equity
BMCE Bank Domestic Activity	273 704	276 289	0.9%	70.6%	58.9%
INTERNATIONAL ACTIVITIES	- 7 750	68 325	-	0%	14.6%
Bank of Africa	0	43 852	-	-	46%
BMCE Madrid	8 224	13 197	60.5%	-	14%
LCB	6 867	9 099	32.5%	-	9%
MediCapital Bank	-69 904	-27 597	-60.5%	-	0%
BMCE TOS	24 219	15 329	-36.7%	-	16%
BMCE Paris	14 582	7 008	-	-	7%
BDM	8 262	7 437	-10%	-	8%
ASSET MANAGEMENT & OTHER INVESTMENT BANKING ACTIVITIES	52 485	51 209	-2.4%	13.5%	10.9%
BMCE Capital Gestion	16 571	24 758	49.4%	31.6%	46.8%
BMCE Capital Bourse	27 711	27 774	0.2%	52.8%	52.5%
BMCE Capital	8 040	-1 661	-120.7%	15.3%	0%
CFM	163	338	-	0.3%	0.6%
SPECIALISED FINANCIAL SERVICES	61 495	73 293	19.2%	13.9%	15.6%
Salafin	41 905	47 471	13.3%	68.1%	66.3%
Maghrebail	13 139	18 927	44.0%	21.4%	24.7%
Maroc Factoring	5 682	5 161	-9.2%	9.2%	6.7%
Euler Hermes Acmar	769	1 734	125.5%	1.3%	2.3%
TOTAL	379 934	469 116	23.5%	100%	100%



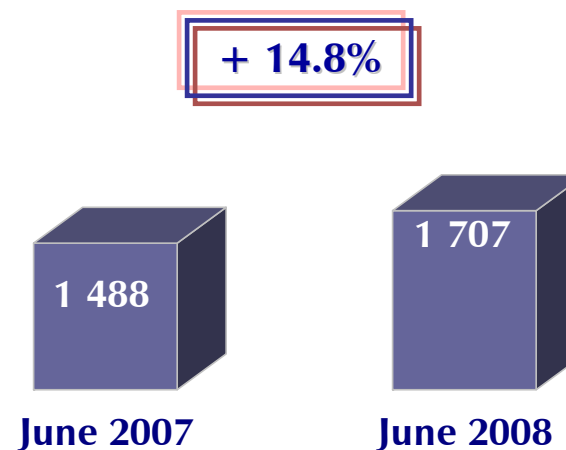
**BMCE BANK
DOMESTIC ACTIVITY**

Performances of the Bank in Morocco

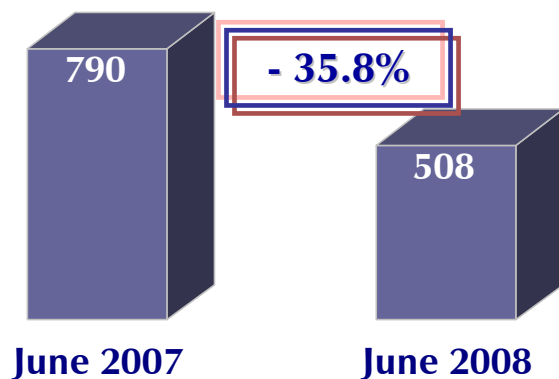
NBI in MMAD



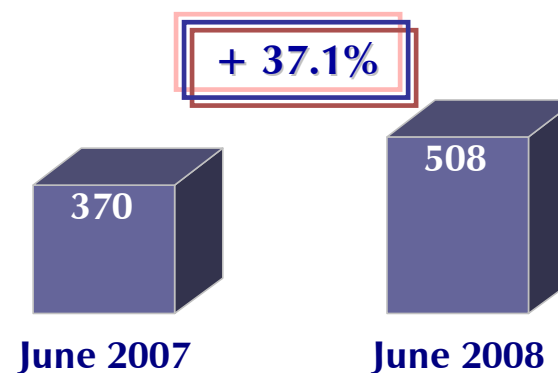
NBI excluding non recurrent items in MMAD



Net Earnings In MMAD



Net Earnings excluding non recurrent items In MMAD



Deposits market shares by customer segment

- BMCE Bank Deposits market share reaching 14.37% as of June 30th, 2008 vs 14.33% as of June 30th, 2007.

BMCE Bank		Retail Bank						Corporate Bank	
		Individuals		MLA(*)		Entreprise			
June 2007	June 2008	June 2007	June 2008	June 2007	June 2008	June 2007	June 2008	June 2007	June 2008

Checking accounts	24 006	28 583	19 499	23 021	4 508	5 562			
% Change		19.1%		18.1%		23.4%			
Market share	12.70%	13.21%			7.70%	8.41%			

Current accounts	11 004	12 383					8 104	9 797	2 900	2 586
% Change		12.5%						20.9%		-10.8%
Market share	14.23%	14.61%								

Savings accounts	11 392	12 637	10 620	11 742	773	895				
% Change		10.9%		10.6%		15.8%				
Market share	20.31%	20.40%			19.57%	19.88%				

Time deposits	17 985	20 267	5 196	5 153	4 750	5 075	2 654	3 380	5 384	6 660
% Change		12.7%		-0.8%		6.8%		27.3%		23.7%
Market share	14.78%	14.23%			12.36%	12.91%				

* *Moroccans Living Abroad*

Loans market shares by customer segment

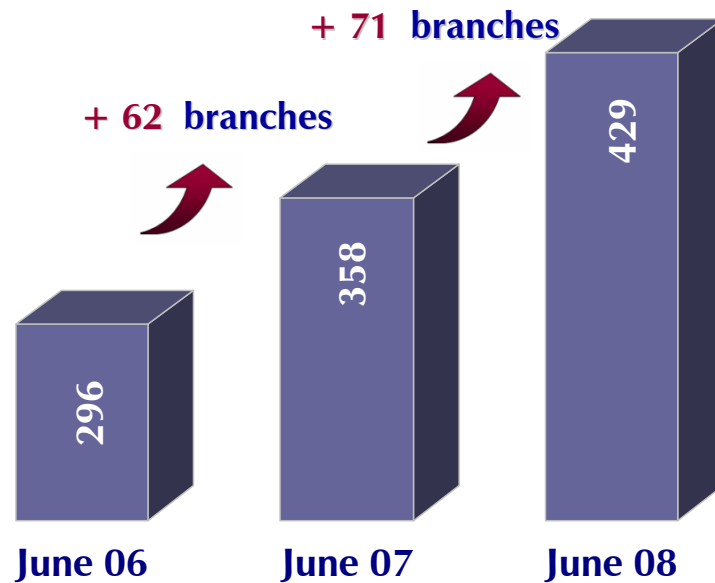
- BMCE Bank loans market share standing at 13.20 % as of June 30th, 2008 vs 13.27% as of June 30th, 2007.

	BMCE Bank		Retail Bank						Corporate Bank	
	June 2007	June 2008	Individuals		MLA		Entreprise		June 2007	June 2008
	June 2007	June 2008	June 2007	June 2008	June 2007	June 2008	June 2007	June 2008	June 2007	June 2008
Cash loans	17 926	21 781	353	578			9 844	12 023	7 729	9 180
% change		21.5%		63.8%				22.1%		18.8%
Market share	15.16%	14.67%								
Equipment loans	7 875	11 093					2 808	3 939	5 068	7 154
% change		40.9%						40.3%		41.2%
Market share	11.57%	12.39%								
Mortgage loans	8 939	12 377	8 128	10 993	812	1 384				
% change		38.5%		35.3%		70.5%				
Market share	11.79%	13.23%								
Consumer loans	3 437	4 306	3 437	4 306						
% change		25.3%		25.3%						
Market share	20.59%	18.98%								
Loans to Financial institutions	5 117	7 816							5 117	7 816
% change		52.7%								52.7%

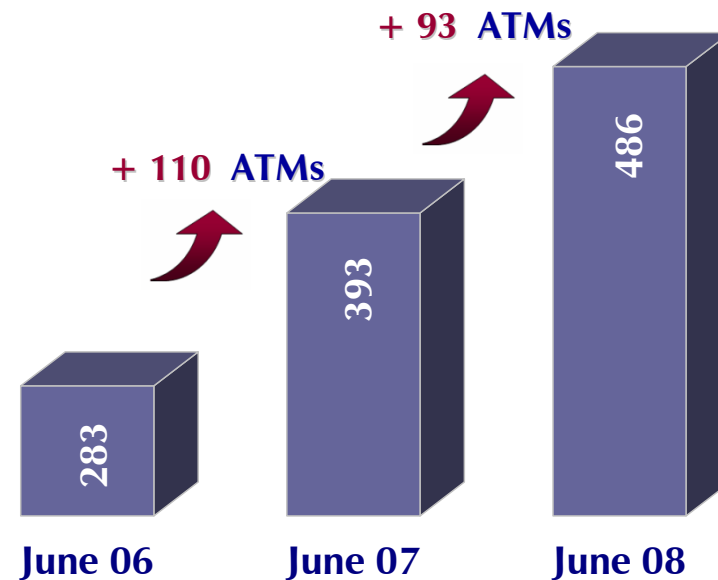
Network Expansion Branches & ATMs

Doubled network size over the last 4 years

Branch Network*



ATMs Network**



* 38 openings during the 9 first months of 2008

** : Source : Manuel exchange Department, including 72 off sites branches

Number of accounts

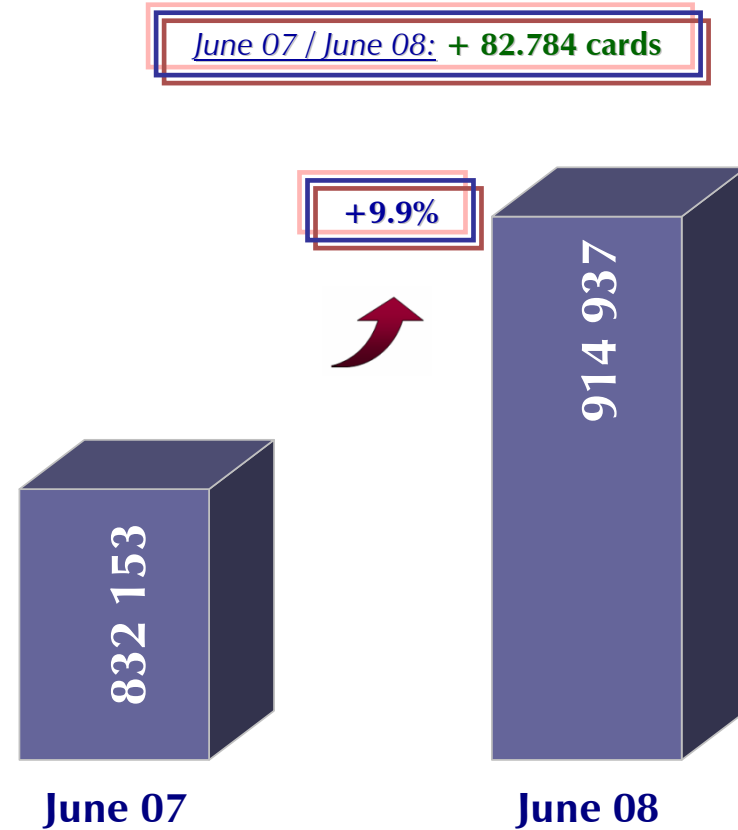
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Electronic cards

- **Number of accounts ***
(checking, current, saving accounts including MLA)



- **Number of electronic cards**



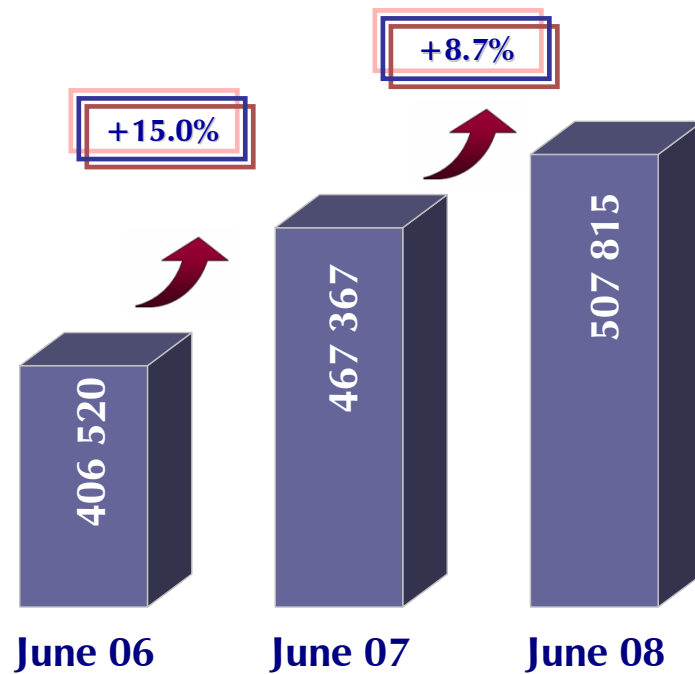
* Source Information systems. Active accounts

Bancassurance

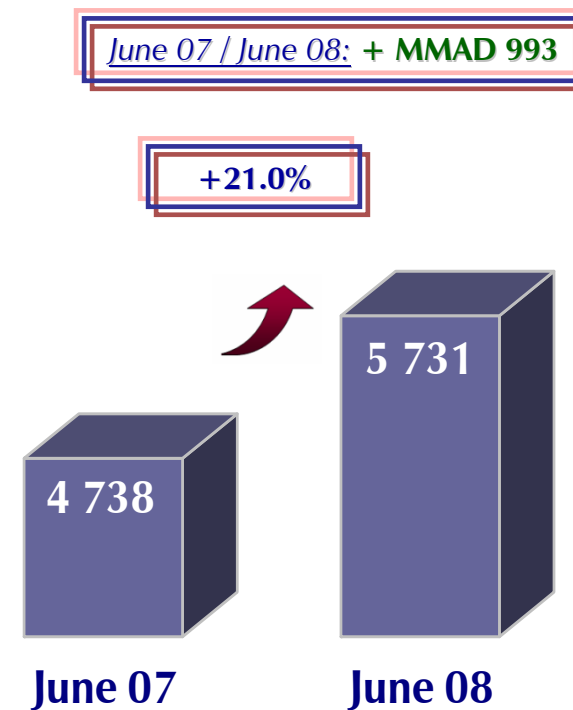
&

Manual Exchange

- Net number of contracts



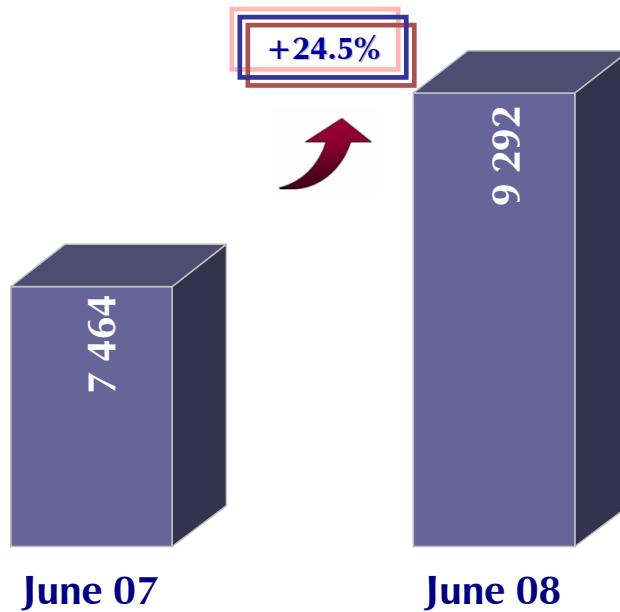
- Total volume of manual exchange MMAD



Enterprises Market Import/Export – Business Centres (MMAD)*

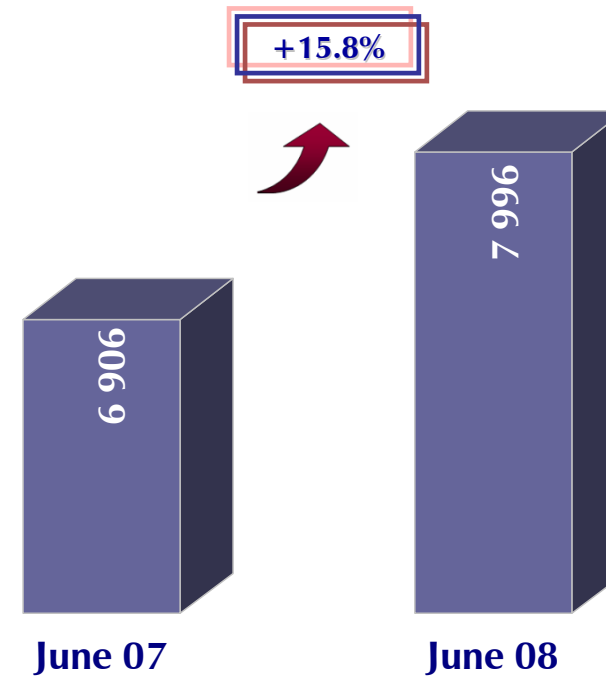
Import

June 07 / June 08: + MMAD 1.828



Export

June 07 / June 08: + MMAD 1.090

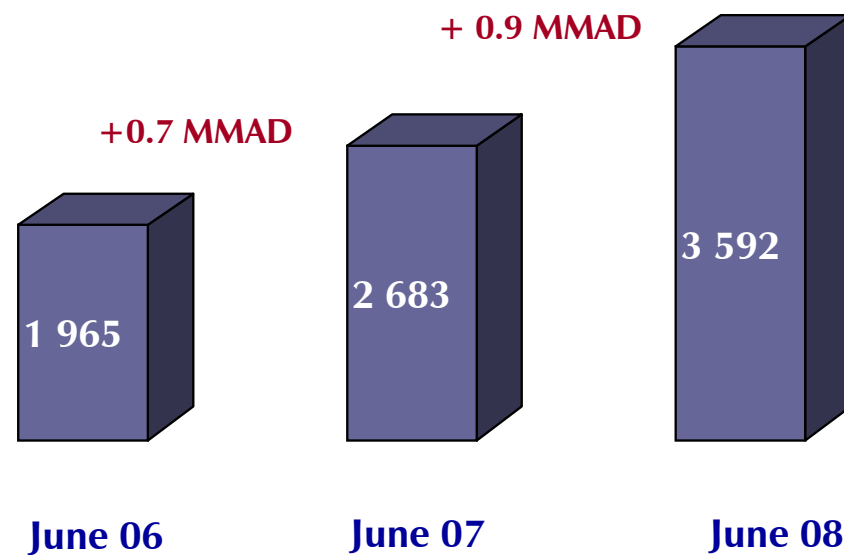


International activities

Trade Finance

- Trade finance flows increasing by 34%, from MAD 2.7 billions to MAD 3.6 billions.

Trade Finance Flows trend

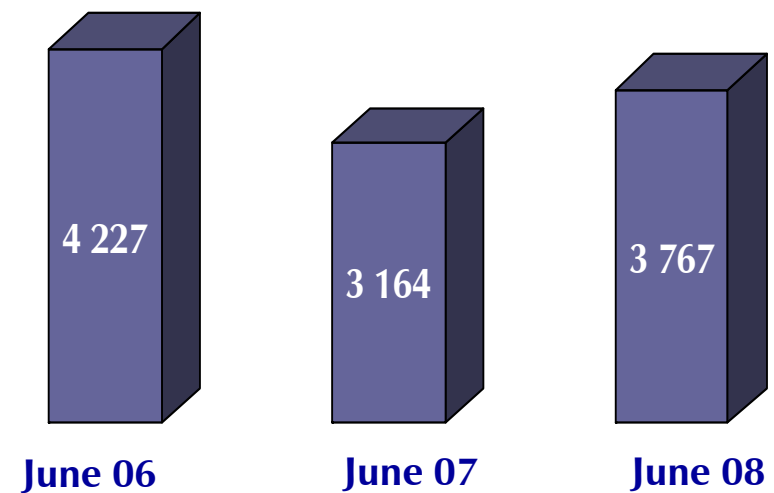


BMCE Corporate Bank Outstanding Performances

On balance sheet loans growth



Off balance sheet loans growth

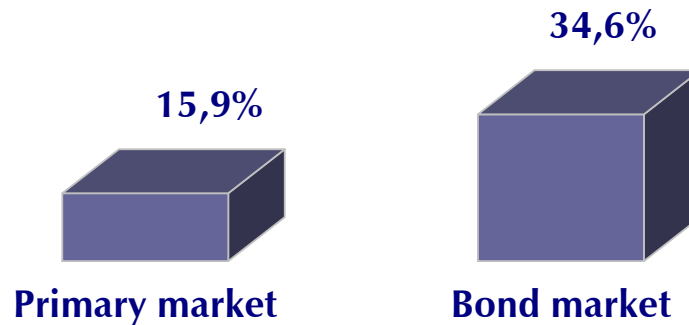




Market Activities

Growing market activities despite an unfavourable context

Market share as of June 30th, 2008



- Interest rate activity : Traded volumes of MAD 691 billion on the monetary market and of MAD 18.5 billion on the bond market ;
- Exchange Desk : MAD 125 billion ;
- Structured Products Desk : MAD 1.1 billion ;
- On shore Currency treasury : 255 MMAD ;
- ISO 9001 certification of the Trading Room.

Subsidiaries' Achievements

BMCE Capital 2008 : Continuum of performances

- **BMCE Capital celebrates its 10th anniversary in 2008**
- **BMCE Capital's contribution to BMCE Bank Group earnings is generated from its management of BMCE Bank Trading room as well as its consolidated investment banking activities:**
 - **BMCE Capital Gestion Privée;**
 - **BMCE Capital Conseil;**
 - **Axis Capital Group;**
 - **Financia;**
 - **BMCE Capital Dakar;**
 - **BMCE Capital Cameroun;**
 - **Med Capital Communication.**

Subsidiaries' achievements

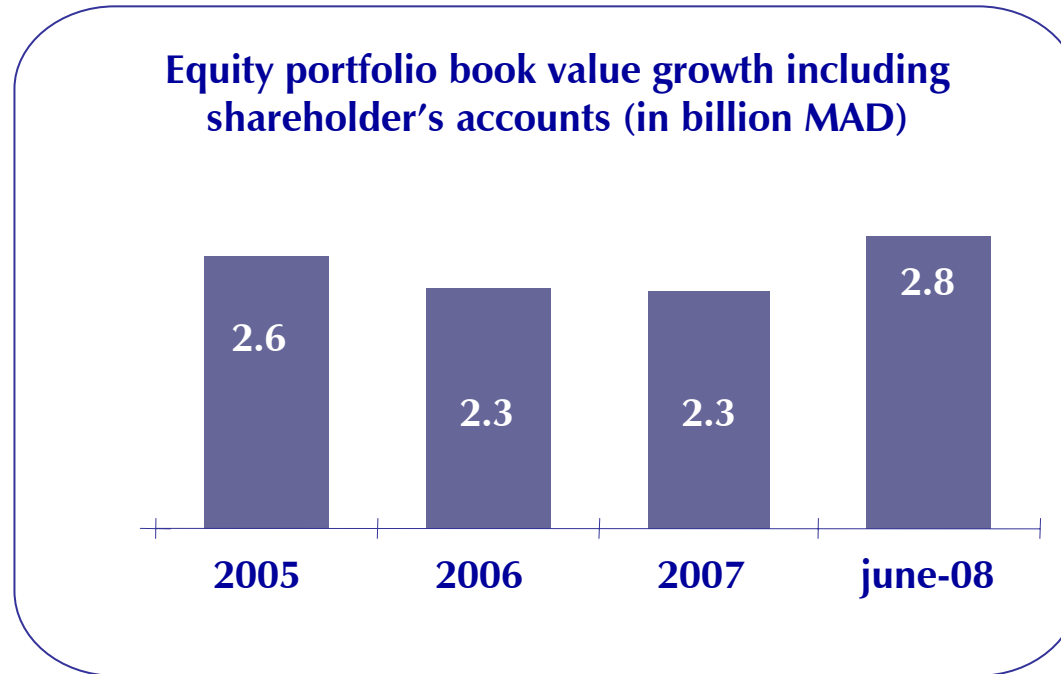
BMCE Capital Gestion and BMCE Capital Bourse

- As of June 30th, 2008, BMCE Capital Gestion, third asset management firm with a 14.5% market share ;
- Assets under management stood at MAD 21.3 billions as of June 30th,2008, distributed as follows :
 - 53.5% in bond activity,
 - 36.6% in monetary activity,
 - and 9.9% in equity and diversified products activities ;
- Consolidation of BMCE Capital Bourse commercial positioning, with traded volumes of MAD 23 billions and a market share of 21.4% ;
- Successful transactions conducted : IPO of Delta Holding. Sale of 5% of BMCE Bank capital to CIC and 8% of RISMA by RMA Watanya to Maghreb Siyaha Fund, contribution to the underwriting of BMCE Bank's subordinated loan ...



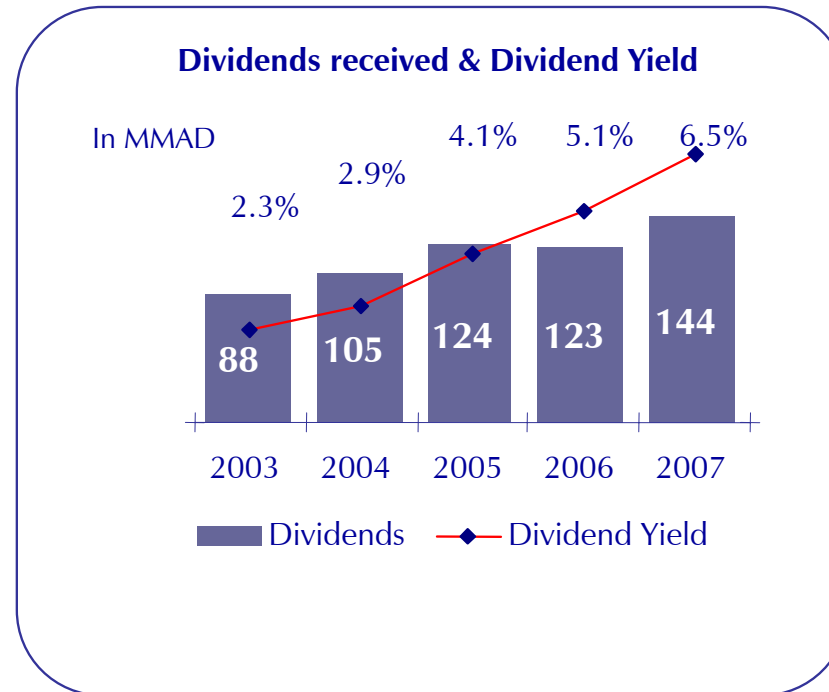
A refocus on strategic Equity investments

Equity portfolio book value



As of June 30th, 2008, BMCE Bank equity portfolio posted a book value of MAD 2.8 billion, corresponding to 59 firms.

Dividends & Dividend Yield



- Dividends for 2008 expected to decrease by 18 MMAD, further to the disposal of RMA Watanya (1st contributor in 2007).



A sound Risk Management

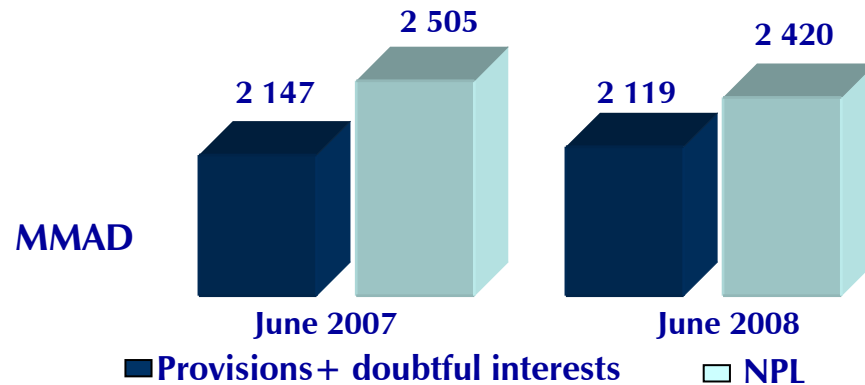
Main achievements of Remedial Management as of June 30th, 2008

- Consolidation of management processes :
 - Readjustment of flow recovering activities
 - Monitoring of the Individuals, Mortgage, & Fogarim Portfolios
- Restructuring of the mass debt collection activity :
 - Geographic segmentation of the portfolio
 - Tight follow up of external recovery firms
 - Reinforcement of staff

Net allowances for provisions - Domestic activity -

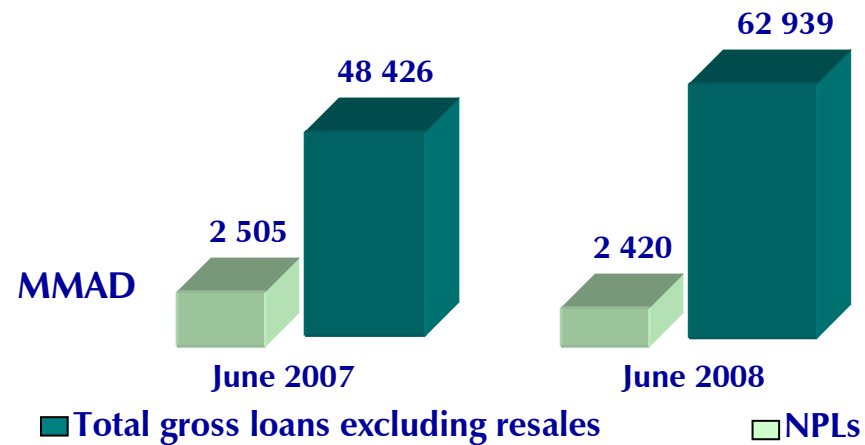
In MMAD	June 2007	June 2008	Change in MMAD	% change
Total net allowances for provisions	-166.0	53.8	-	-
Net allowances for provisions for NPLs	-134.0	58.2	-	-
Allowances for provisions for NPLs	-209.2	-98.6	110.6	-52.9%
Losses on non covered loans	-9.5	-21.6	-12.1	-
Write-backs on doubtful loans	0.05	6.6	6.5	-
Write-backs on loss loans	75.2	117.6	42.4	56.4%
Recovery of amortised debts	9.5	54.2	44.7	-
Other net allowances for provisions	-32.0	-4.5	27.5	-
Other allowances for provisions	-36.8	-4.5	-27.9	-75.9%
Other provision write backs	4.8	0	-4.3	-89.6%

Improving coverage ratio & NPL ratio



Improving coverage ratio from 85.7% to 87.6%.

Significant enhancement of the NPL ratio from 5.2% to 3.9%.





Sustained Investment program and hiring policy

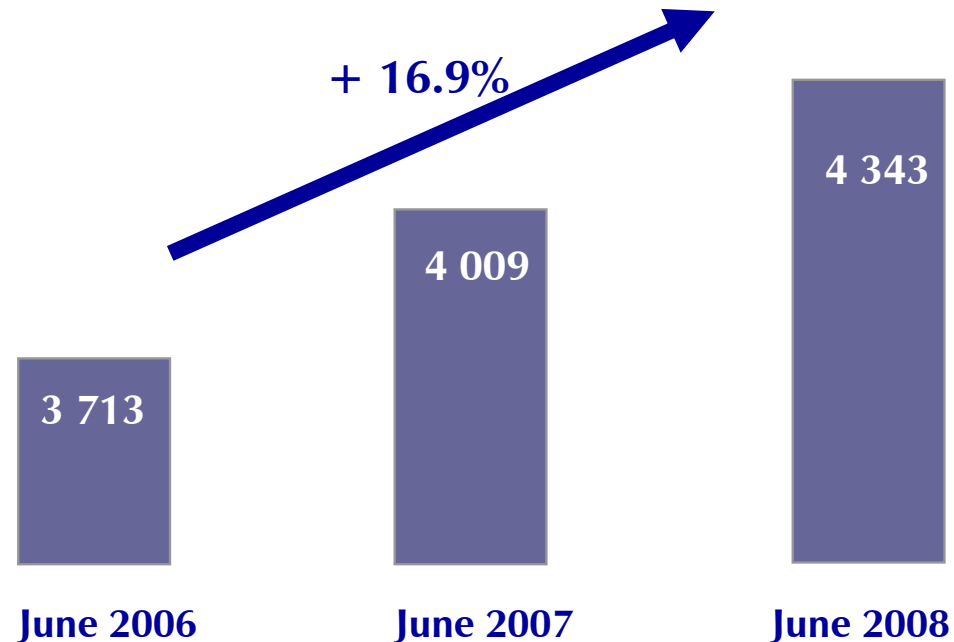
Investment

In MMAD	June 2007	June 2008	% change
Investments in buildings*	64.5	49.3	-23.6%
Investments in Information Systems	62.3	51.3	-17.6%
Investments in equipment	13.6	14.7	7.9%
Other investments	1.0	0.5	-53%
Total*	141.4	115.8	-18.1%

*Excluding retention of collateral of 7 MMAD as of June 2008 vs 32 MMAD as of June 2007, leasing acquisitions of 120.1 MMAD as of June 2008 vs 64.1 MMAD as of June 2007.

Staff members growth in line with the Network expansion

Staff members growth



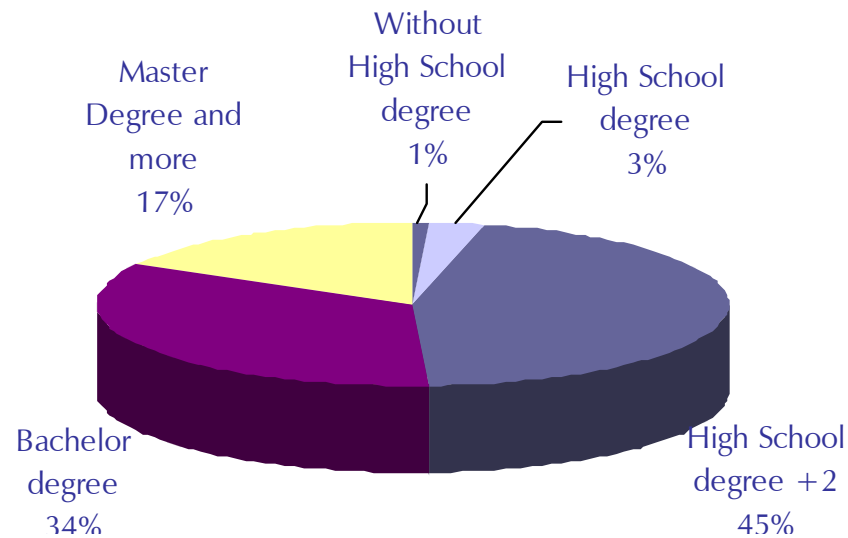
Staff members evolution

- + 16.9% over the rolling year, corresponding to + 630 employees
- + 8.3% compared to 2007, corresponding to + 334 employees

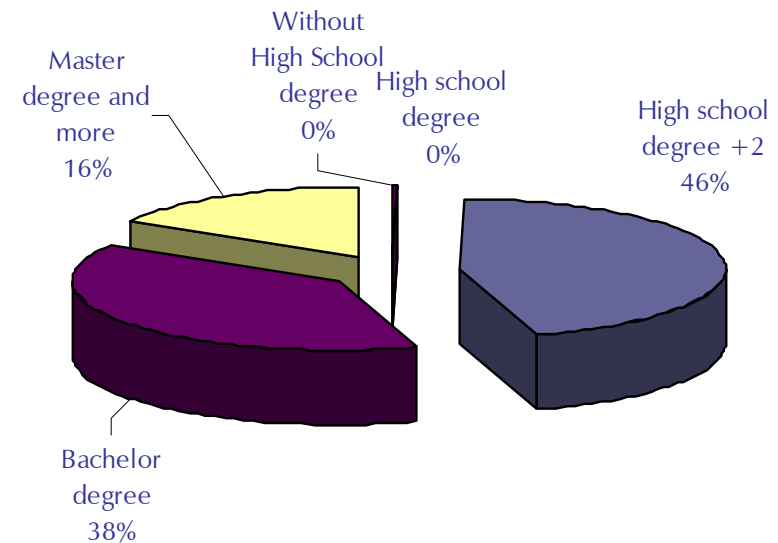
Hiring by profile

Hiring by academic level

June 2008



June 2007



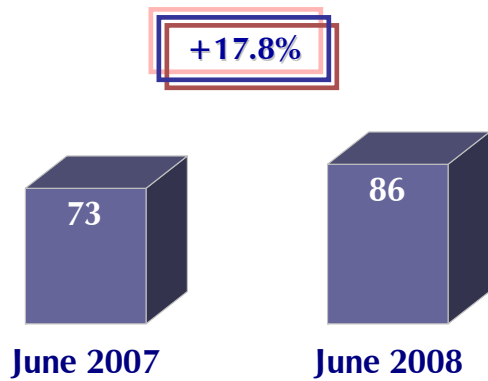
- 420 hiring during 1H2008 vs 285 during 1H2007
- 51% of new recruits having a bachelor degree and more



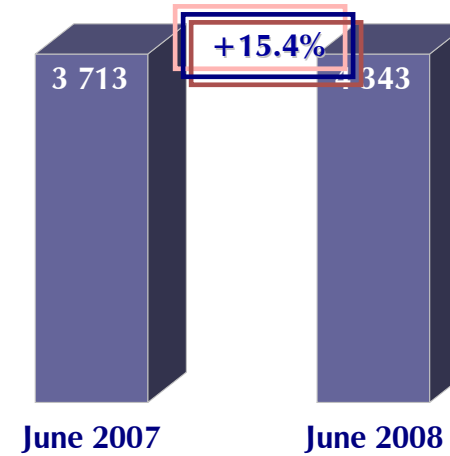
Significant improvement in
efficiency

Increasing Transaction / Employee / Day ratio

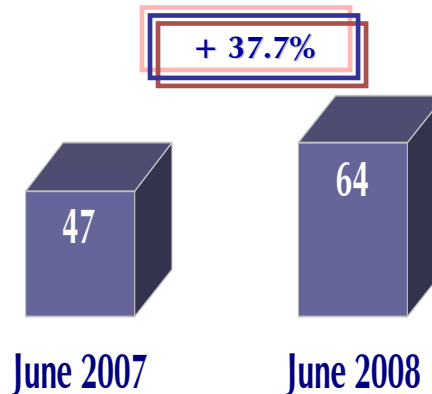
Transaction* in millions



Staff number



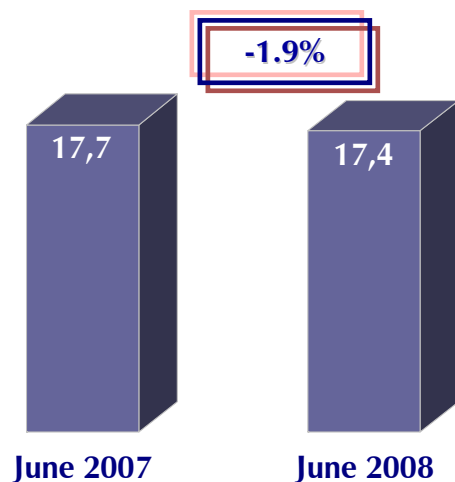
Transactions* / Employee / Day



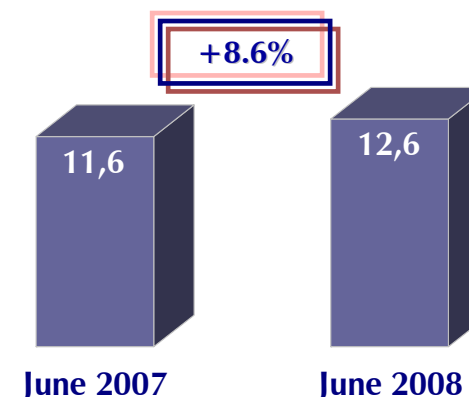
* Excluding ATMs

Efficiency ratios Domestic Activity

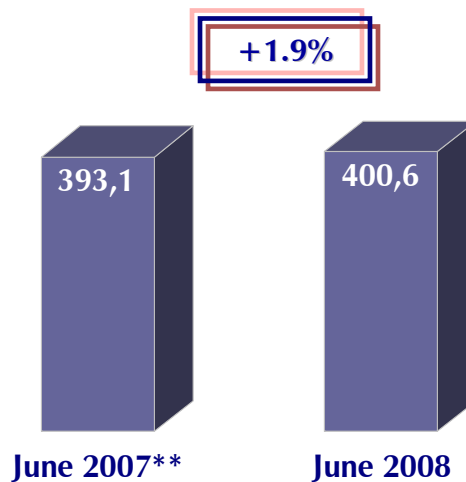
Deposits/Employee MMAD



Loans/Employee MMAD



NBI/ Employee KMAD



* Customer Deposits reaching MMAD 75 502 as of June 2008 vs MMAD 65 823 as of June 2007 (source : Moroccan Banking Association)

* Customer loans standing at MMAD 54 536 as of June 2008 vs MMAD 42 922 as of June 2007 (source : Moroccan Banking Association)

** Excluding non recurrent items



A Socially Responsible Bank

BMCE Bank Foundation –Medersat.com Programme Achievements & Success Indicators

- **100** school & preschool units built and equipped ;
- **330** teachers recruited and trained ;
- **11 300** primary school students;
- Literacy training given to **6000** persons of which **80%** girls and women;
- **60** development community projects implemented (water conveyance, electrification village, health education...);
- Preschool promotion within Human Development National Initiative framework;
- Implementation of revenue generating activities for the parents (stockbreeding cooperative, microfinance projects and promotion of craft activities...).



Thank you for attention