

0.3548621

0.332548

0.3548621

0.89521453

0.332548

# COMPANY'S RELEASE

AS OF  
DECEMBER 31, 2014



Contact : Jalila OUDRHIRI - joudrhiri@salafin.com +212 522 97 44 55

SALAFIN - SA - Immeuble Zenith Millenimum 8 - Sidi Mâarouf - Casablanca - Morocco  
Tel.: +212 522 97 44 55 - [www.salafin.com](http://www.salafin.com)



COMPANY'S NAME :  
**SALAFIN SA**

INDUSTRY :  
**Financial Services**

CATEGORY :  
**Consumer Finance**

COUNTRY :  
**Morocco**

# COMPANY'S RELEASE AS OF DECEMBER 31, 2014

1 USD = 9.70 MAD as of December 31, 2014 All figures in MAD (local currency)

## GOVERNANCE : 2015's New Organization Structure



**M Aziz CHERKAoui**  
CEO

SALAFIN is a family and everyone brings its own contribution to business success.

The SALAFIN motivating passion and desire to be involved in this environment are key to our achievements.

One of our strengths is human capital and our ambition is still growing.

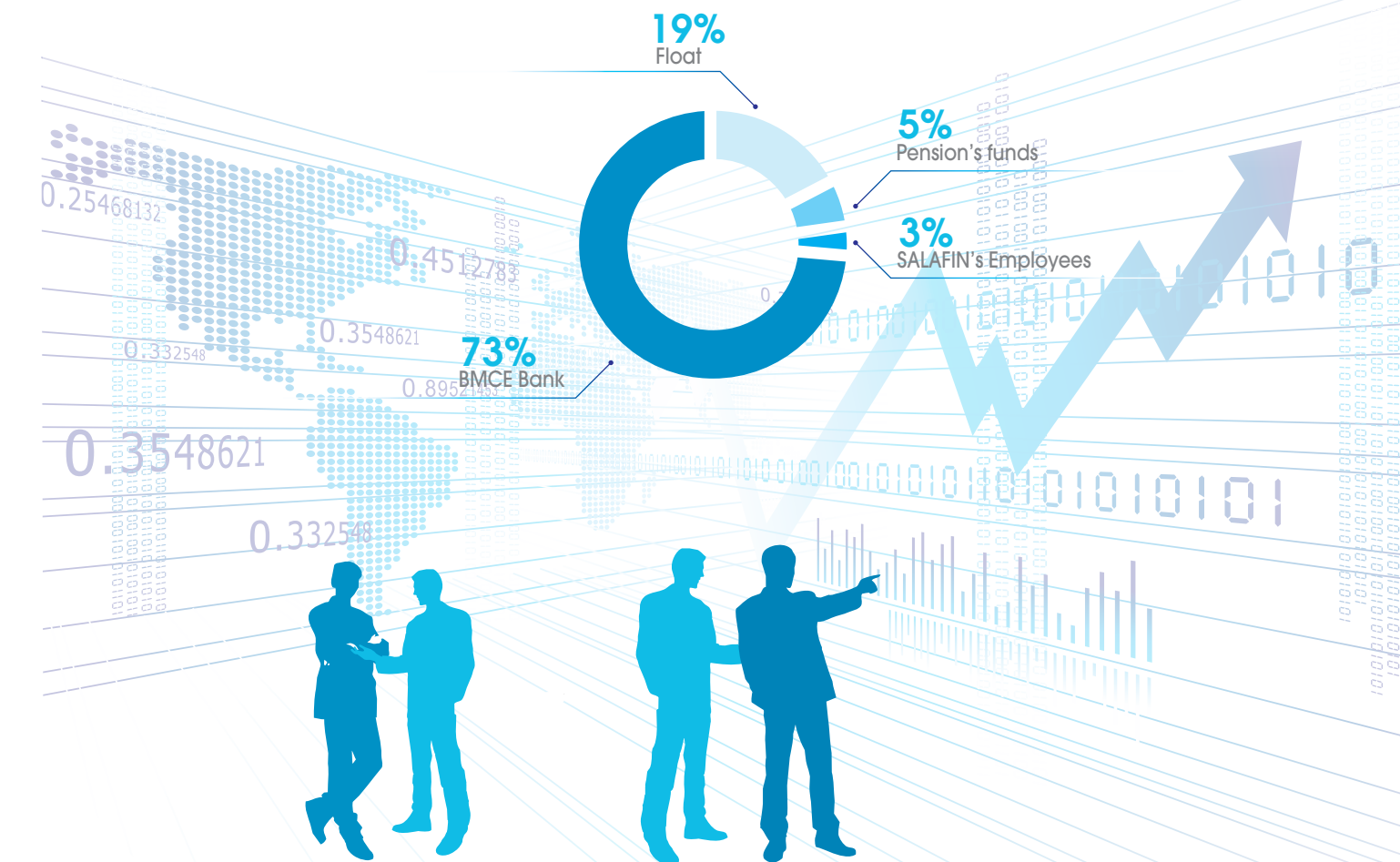
## INDUSTRY OUTLOOK AS OF DECEMBER 2014

- 17 players / High concentration level : 5 over 17 represent 94 % of market shares
- Outstanding Loans : MAD 40,2 Billions, +1,25 %
- New Volumes : MAD 12 Billions, -1,2 %
- Personal Loans :
  - » New Volumes : MAD 5,5 Billions, - 9 %
  - » Risk deterioration since 2009 → Higher client selectivity
  - » Aggressive Bank's competition since few years
  - » Establishment of a new ceiling of debts for retired people from the public sector
  - » Saturation in civil servants employees credits
- Car Financing :
  - » New Volumes : MAD 6 Billions, +7 %
  - » New entrants and aggressive competition

## SALAFIN'S 2014 RELEVANT FACTS AND STRATEGY

- New Volumes : MAD 1 178 millions : -1 % vs -1 % Market's trend
  - » Personal Loans : + 4 % (vs -9 % for the sector) thanks to portfolio's quality improvement and the new product mortgage evolution.
- Outstanding Loans : MAD 2 310 millions, +1,4 %.
- Since 2010, SALAFIN diversified its sources of revenues with the launch of financing services activities, in order to compensate the financing activity slowdown. The substantial revenues reached 29% of Salafin's global revenues in 2014, with 28% evolution compared to 2013.
- The Cost to income ratio, the lower of the market, established to 32% in 2014 vs 33% en 2013.
- Over the past 4 years, the cost of risk decreases by 44% between 2010 and 2013. In 2014, it increases by 31% reaching 1.98% :
  - » Loan Loss provision : up to MAD 45 millions in 2014 vs 35 millions in 2013
  - » Doubtful debt coverage ratio : 73%
  - » Consequently, 2014's Net Income grew up 11.2% to MAD 106 millions
- Thanks to its equity level (MAD 630 Millions) SALAFIN shows a high solvency ratio (25.2%), proof of the company financial strength

## MARKET FIGURES AS OF DECEMBER 31, 2014



## SALAFIN PRODUCTS LINE

### AUTO FINANCING

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

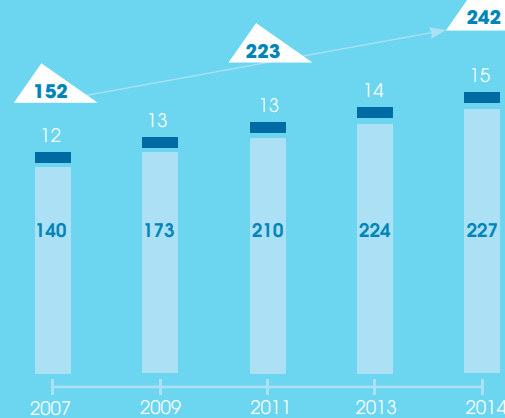
### PERSONAL LOANS

- 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

## HEADCOUNT



■ ORUS | ■ SALAFIN  
ORUS is SALAFIN's IT Subsidiary

Income statement analysis (Million MAD)	2014	2013	2012 (N*)	2012	2011	2010	2009	2008
Net Interest Income	90,0	97,3	111,2	111,2	144,9	154,4	134,6	76,0
Net Profit From Leasing Operation	109,7	92,1	91,9	91,9	122,8	132,8	142,2	185,5
Fee Business Activities revenues	112,7	91,0	70,2	70,2	14,9	4,3	-5,1	-0,2
Net Non Interest Income	109,4	85,9	56,9	16,8	6,7	0,6	-7,6	-0,8
Net Fees on Financing services activities	88,0	66	40,1	0,0	0,0	0,0	0,0	0,0
<b>Net Banking Income</b>	<b>309,2</b>	<b>275,3</b>	<b>260,1</b>	<b>220,0</b>	<b>274,4</b>	<b>287,8</b>	<b>269,2</b>	<b>260,7</b>
Net Fees On Non Banking activities	3,3	5,0	13,3	53,4	8,2	3,6	2,5	0,6
<b>Net Operating Income (Total revenues)</b>	<b>312,5</b>	<b>280,4</b>	<b>273,3</b>	<b>273,3</b>	<b>282,6</b>	<b>291,4</b>	<b>271,7</b>	<b>261,3</b>
OPEX	99,7	92,3	85,3	85,3	85,4	77,0	69,4	80,4
Loan loss provision	45,2	34,8	39,0	39,0	54,6	-70,2	-50,4	21,9
<b>Net Income</b>	<b>105,7</b>	<b>95,1</b>	<b>92,1</b>	<b>92,1</b>	<b>93,1</b>	<b>100,4</b>	<b>101,0</b>	<b>101,5</b>
Cost income ratio (**)	32%	33%	31%	31%	30%	26%	26%	31%

Balance Sheet (Million MAD)	2014	2013	2012 (N*)	2012	2011	2010	2009	2008
Total Assets	3 369	3 341	3 481	3 481	3 272	3 281	3 251	3 180
Loans to customers	1 343	1 326	1 488	1 488	1 657	1 995	2 002	1 632
Fixed leased assets (***)	927	943	1 003	1 003	868	743	770	1 453
Total Debt	1 515	1 531	1 820	1 820	1 819	1 971	2 021	1 911
Total Equity	630	617	613	613	613	605	595	543

(\*) Prepaid deposits excluded (\*\*) General Expenses / Net Operating Income

Stock Overview	2014	2013
Stock Price (MAD)	600	545
Company float (%)	19%	19%
Market Capitalization (Millions MAD)	1 437	1 305
Net Income (Millions MAD)	106	95
Equity (Millions MAD)	630	617
PER (Price Earning ratio)	13,6	13,7
PB (Price to Book ratio)	2,3	2,1
Dividend Yield (D/Y)	7,3 %	7,1 %
Payout Ratio	99,6 %	97 %

Financial Strength	2014	2013
ROA (Return on Asset)	3,2%	2,8%
ROE (Return on Equity)	17,0%	15,5%
Solvency Ratio	25,2%	24,8%
Debt / Capital Ratio	45,0%	45,8%
Cost of risk	1,9%	1,5%
Cost to income ratio	32%	33%

Contact : Jallila OUDRHIRI - joudrhiri@salafin.com +212 522 97 44 55  
SALAFIN - SA - Immeuble Zenith Millenimum 8 - Sidi Maarouf - Casablanca - Morocco