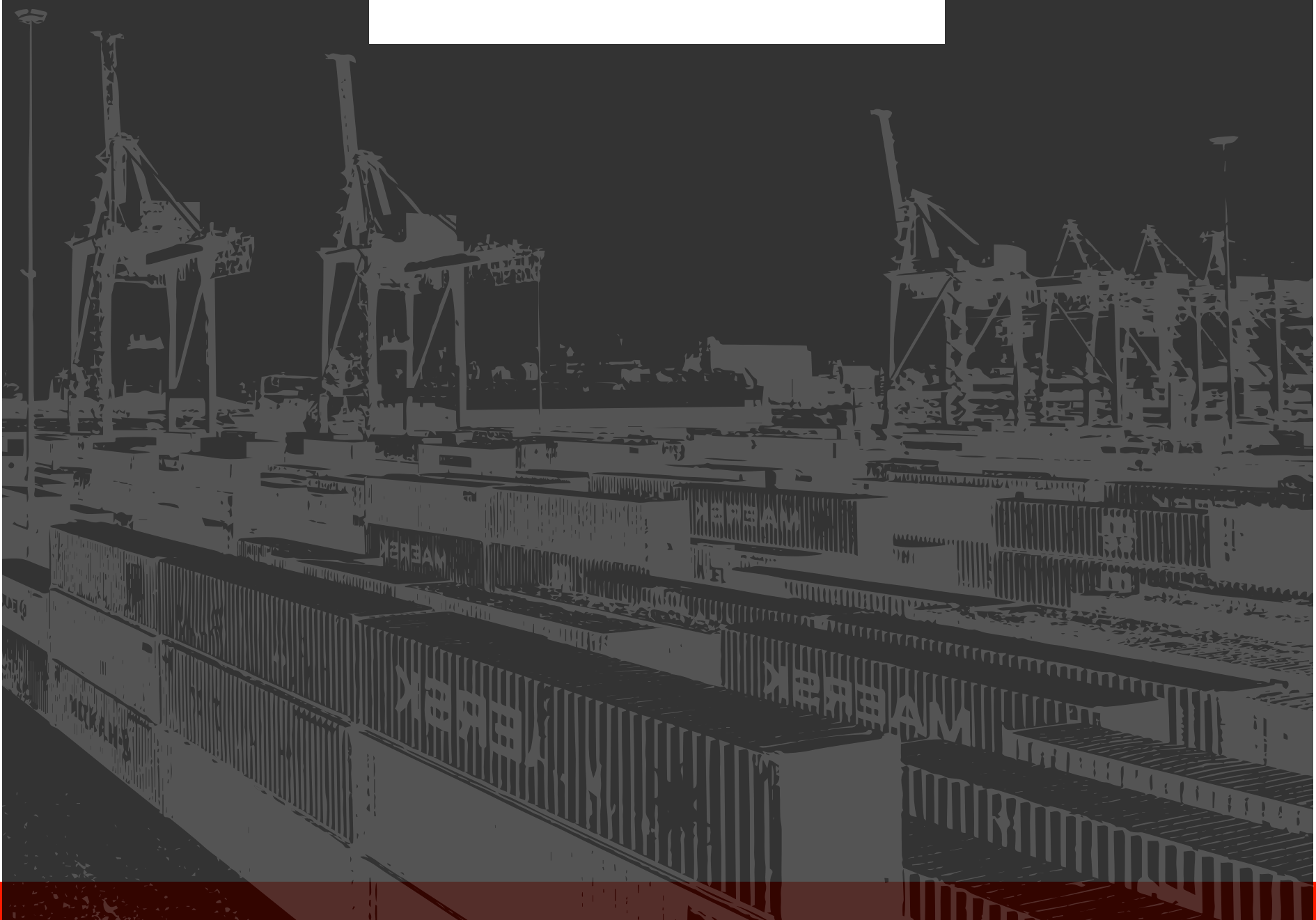




# Financial Communication

# 2017

Financial results as at December 31<sup>st</sup>, 2017



The Management Board of the Société d'Exploitation des Ports, Marsa Maroc, met on March 6<sup>th</sup>, 2018, chaired by Mr. Mohammed ABDELJALIL, to review the activity and approve the financial statements as at December 31<sup>st</sup>, 2017.

### An overall stable traffic level

Total traffic handled by Marsa Maroc and its subsidiaries stood at 36.1 MT, representing a 0.6% decrease compared to 2016 :

- Container import/export traffic reached 832 KTEUs in 2017 versus 819 KTEUs as at year-end 2016, representing an increase of 1.5% ;
- Solid and conventional bulk traffic reached 17.5 MT representing a slight decrease of 2.3% compared to 2016, whereas the traffic of cereals handled fell sharply by 1.2 MT as a result of the good crop season in 2017. Overall traffic was stable, due to the good performance of other traffics, such as of fertilizers, clinker and barite ;
- Liquid bulk traffic decreased by 2.5%, namely due to the entry of new operators of oil terminals in the ports of Jorf Lasfar and Tanger Med.

### Financial performance in line with the forecasts

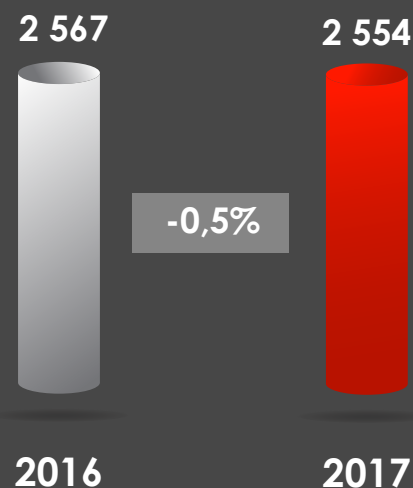
Compared to 2016, the trends in financial performance are as follows :

- The turnover of Marsa Maroc group remained at the same level as the previous year, standing at MAD 2,554 million versus MAD 2,557 million, even though this figure was up 18% in 2016 ;
- The operating income dropped by 8.3%, impacted by the new operating costs and the depreciation charges of the subsidiaries whose concessions began during the last quarter of 2016 ;
- The non-current income reached MAD 115 million by the end of 2017 (vs MAD 28 million in 2016) as a result of the following exceptional facts :
  - The reversal of a provision of MAD 197 million following the change in employer contributions to the mutual insurance (MODEP), maintaining the same level of service for the employed and retired staff ;
  - The tax audit that the company was subjected to relating to the 2013, 2014 and 2015 financial years and that was settled in December 2017 with the payment of a final and definitive amount set at MAD 88.7 million.
- The net income – Group share stands at MAD 599 million, marking a 3.3% increase compared to 2016.

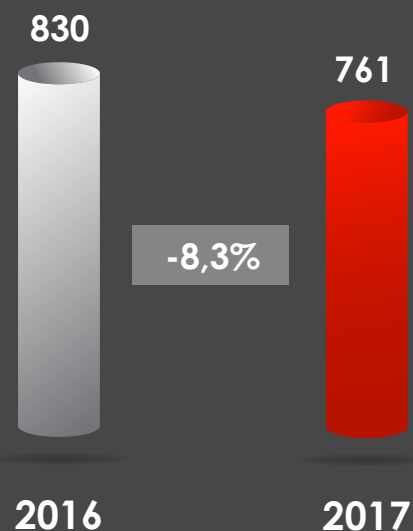
### Proposal of dividends

The Management Board proposes to submit to the Ordinary General Meeting for approval, the distribution of a dividend of MAD 10,7 per share, including MAD 8 as an ordinary dividend in light of the achievements in 2017, and MAD 2,7 as an extraordinary dividend.

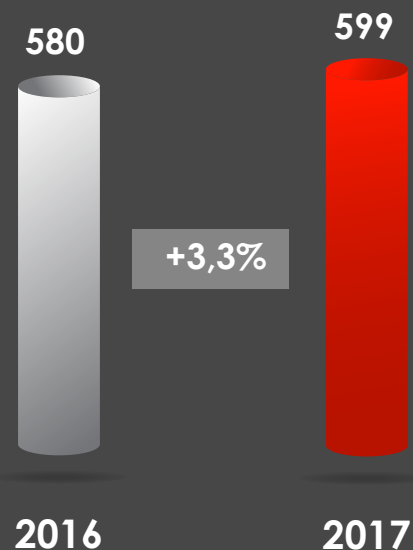
#### Turnover in MMAD



#### Operating income in MMAD



#### Net income Group share in MMAD



## Balance Sheet

In thousand MAD - Consolidated statements

Assets	31/12/2017	31/12/2016
<b>Fixed assets</b>	<b>3,042,367</b>	<b>3,015,097</b>
Written off fixed assets	-	-
Intangible assets	1,306,777	1,352,797
Tangible assets	1,661,137	1,578,204
Financial assets	74,453	84,096
Foreign exchange differences - assets	-	-
<b>Current assets</b>	<b>1,592,958</b>	<b>1,409,418</b>
Inventory	90,752	89,943
Accounts receivable	425,145	378,235
Other receivables and accruals	683,247	536,284
Deferred tax assets	393,814	404,956
Other receivables	-	-
<b>Availability and Cash Investment Securities</b>	<b>1,338,846</b>	<b>1,406,583</b>
<b>Total assets</b>	<b>5,974,170</b>	<b>5,831,098</b>

In thousand MAD - Consolidated statements

Liabilities	31/12/2017	31/12/2016
<b>Continued funding</b>	<b>4,916,313</b>	<b>4,658,352</b>
Equity	2,550,490	2,538,847
Provisions for liabilities and charges	1,399,499	1,486,160
Financial debt	966,324	633,345
<b>Debt of circulating liabilities</b>	<b>1,045,079</b>	<b>1,143,426</b>
Operating liabilities	434,660	427,056
Other liabilities	610,419	716,371
Deferred tax liabilities	-	-
<b>Cash liabilities</b>	<b>12,779</b>	<b>29,319</b>
<b>Total liabilities</b>	<b>5,974,170</b>	<b>5,831,098</b>

## Income statement

In thousand MAD - Consolidated statements

	31/12/2017	31/12/2016
<b>Production for the financial year</b>	<b>2,554,457</b>	<b>2,566,729</b>
Sale of produced goods and services	2,554,457	2,566,729
General expenses	718,039	684,415
<b>Value-added</b>	<b>1,836,418</b>	<b>1,882,314</b>
Taxes and charges	20,180	20,366
Personnel expenses	673,587	706,554
<b>EBITDA</b>	<b>1,142,651</b>	<b>1,155,394</b>
Operating write-backs, transferred expenses	67,509	26,524
Operating depreciation and provisions	449,189	352,158
<b>Operating income</b>	<b>760,972</b>	<b>829,759</b>
Financial results	1,116	23,162
Operating profit	762,088	852,921
Non-operating profit	115,026	28,214
Profit before tax	877,114	881,135
Income taxes	273,386	375,483
Deferred taxes	11,143	-73,361
Net income for the financial year	592,585	579,013
<b>Consolidated income</b>	<b>592,585</b>	<b>579,013</b>
Minority shares	-6,537	-895
Net income, group share	599,121	579,908
<b>Net income per share (MAD/share)</b>	<b>8.16</b>	<b>7.90</b>

## Statement of cash flow

In thousand MAD - Consolidated statements

	31/12/2017	31/12/2016
<b>Net income</b>	<b>592,585</b>	<b>579,013</b>
Income components with no cash impact :		
Depreciation, amortization	190,688	310,174
Change in deferred taxes	11,143	-73,361
Adjustment for profit/loss on sale investments	-7,168	-883
Other components with no cash impact	2,686	-11,298
Dividends paid	-587,165	-882,350
<b>Change in work capital</b>	<b>-261,251</b>	<b>372,680</b>
<b>Cash flows provided by (used in) operating activities</b>	<b>-58,482</b>	<b>293,976</b>
purchase of fixes assets	-316,949	-653,846
Proceed from sale of fixes assets	7,168	1,002
Change in loans and advances	9,643	-260
<b>Cash flows provided by (used in) investment activities</b>	<b>-300,138</b>	<b>-653,103</b>
Increase in share capital	6,223	-
Increase in debt	336,281	759,000
Repayment of debt	-3,302	-306,185
<b>Cash flows provided by (used in) financing activities</b>	<b>339,202</b>	<b>452,815</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>-19,418</b>	<b>93,688</b>
<b>Cash at beginning of period</b>	<b>206,626</b>	<b>112,938</b>
<b>Cash at end of period</b>	<b>187,208</b>	<b>206,626</b>

Financials statements of SODEP SA as at december 31<sup>st</sup>, 2017

## Balance Sheet

In thousand MAD - Statements of SODEP SA

Assets	31/12/2017	12/31/2016
<b>Fixed assets</b>	<b>3,010,194</b>	<b>3,073,991</b>
Written off fixed assets	35,375	18,893
Intangible assets	23,337	19,353
Tangible assets	1,010,263	979,476
Financial assets	1,941,218	2,056,269
Foreign exchange differences - assets	-	-
<b>Current assets</b>	<b>1,005,725</b>	<b>857,418</b>
Inventory	90,037	89,850
Accounts receivable	915,643	767,568
Foreign exchange differences	46	-
<b>Availability and Cash Investment Securities</b>	<b>1,084,320</b>	<b>1,277,574</b>
<b>Total assets</b>	<b>5,100,239</b>	<b>5,208,983</b>

In thousand MAD - Statements of SODEP SA

Liabilities	31/12/2017	31/12/2016
<b>Continued funding</b>	<b>4,223,717</b>	<b>4,228,274</b>
Equity	2,565,488	2,508,392
Quasi equity	213,791	171,046
Financial debt	57,042	60,345
Provisions for liabilities and charges	1,387,322	1,485,535
Foreign exchange difference - liabilities	73	2,956
<b>Debt of circulating liabilities</b>	<b>863,743</b>	<b>951,390</b>
Operating liabilities	863,743	951,380
Other liabilities	0	0
Deferred tax liabilities	0	9
<b>Cash liabilities</b>	<b>12,779</b>	<b>29,319</b>
<b>Total liabilities</b>	<b>5,100,239</b>	<b>5,208,983</b>

## Income statement

In thousand MAD - Statements of SODEP SA

	31/12/2017	31/12/2016
<b>Production for the financial year</b>	<b>2,554,457</b>	<b>2,566,729</b>
Sale of produced goods and services	2,209,037	2,565,116
General expenses	549,758	601,212
<b>Value-added</b>	<b>1,659,279</b>	<b>1,963,904</b>
Taxes and charges	20,142	20,366
Personnel expenses	627,320	691,251
<b>EBITDA</b>	<b>1,011,818</b>	<b>1,252,287</b>
Operating write-backs, transferred expenses	67,122	26,524
Operating depreciation and provisions	345,442	295,170
<b>Operating income</b>	<b>733,498</b>	<b>983,641</b>
Financial results	51,675	90,103
Operating profit	785,174	1,073,744
Non-operating profit	130,102	41,472
Profit before tax	915,276	1,115,215
Income taxes	271,016	375,270
<b>Net income for the financial year</b>	<b>644,260</b>	<b>739,946</b>