

Pursuant to the provisions of article 31 of Law No. 26-03 relating to public offers on the stock market as amended and supplemented, the CDVM examined the buy-out public offer project targeting the SOFAC shares which was filed by CIH on the February, 5<sup>th</sup>, 2013. Following this filing, and in accordance with the provisions of Article 30 of the above mentioned law, the CDVM requested the Casablanca Stock Exchange to suspend the trading of SOFAC shares starting from February the 6<sup>th</sup>, 2013.

### 1 - Offer Framework

The board of directors of CIH, which held a meeting on the 3<sup>rd</sup> of April 2013 had made the decision to ask for delisting the SOFAC shares from the Casablanca Stock Exchange and, consequently, to initiate a buy-out public offer on those shares.

Furthermore, SOFAC's board of directors which held a meeting on the 11<sup>th</sup> of April 2013 has decided to delist SOFAC shares from Casablanca Stock Exchange. This decision had been confirmed by the general shareholders' meeting held on the 29<sup>th</sup> of May 2012.

### 2 - Objectives and intentions of CIH

Considering the low SOFAC float (about 0,9%), and following the decision of delisting SOFAC shares from the Casablanca Stock Exchange, The CIH has initiated the procedure of buy-out public offer on SOFAC shares in order to give the minority shareholders a possibility to withdraw from the company's capital prior to its delisting.

Before the buy-out public offer, the shareholdings of SOFAC are as follows:

Shareholders	Number of shares held	% of capital and voting rights
CIH	847 731	59,84%
BARID AL MAGHRIB	556 607	39,29%
Float	12 326	0,87%
<b>Total</b>	<b>1 416 664</b>	<b>100,00%</b>

### 3- Terms of the public offer

The buy-out public offer project concerns the acquisition by the CIH of all the SOFAC shares that not held by CIH or BARID AL MAGHRIB which had stated its intention not to tender its shares to the offer. Hence, the offer targets 12 326 shares at a price of 350 Dhs per share.

The minority shareholders will have the possibility to tender their shares in full or in part to the offer.

The CIH commits to firmly and irrevocably acquire all SOFAC shares that are tendered to the offer.

No waiver threshold is considered by the CIH in the framework of the public offer.

### 4- Admissibility Examination

Pursuant to the provisions of articles 13 and 32 of the aforementioned law, the CDVM appraised the public offer project with regards to the following elements:

#### ▼ Independent evaluator designation

Pursuant to the provisions of article 25 of the aforementioned law, Advisory & Finance Group Investment Bank was mandated as an independent valuator in order to value SOFAC shares.

#### ▼ The characteristics of the offer project

The CDVM examined the characteristics of the proposed public offer with regards to the principles set out in the aforementioned article 13 and in particular the principles of transparency and equal treatment of shareholders. In this regard, the CDVM deems that the criterion of equal treatment was respected since the offer targets all SOFAC shares.

In addition, the analysis adopted for determining the share price, as detailed in the independent valuator's report, has been examined by the CDVM and assessed as follows:

- **Discounted future cash flows:** The valuation is based on the cash flows to equity generated by SOFAC, discounted at a cost of equity of 9,6% and using a perpetual growth rate of 1,5%. The value of SOFAC shares according to this method amounts to **249 Dhs** per share;
- **Stock prices method:** The valuation is performed on the basis of the weighted average stock price of SOFAC that is observed between the 1<sup>st</sup> January 2010 and the 30<sup>th</sup> November of 2012. The price that results from this method amounts to **268 Dhs** per share.
- **Stock market comparables method:** The valuation on the basis of a sample of credit institutions listed on the Casablanca Stock Exchange yields a price of **299 Dhs** per share. The multiples used are those of the net profit, book value of equity and net receipts from banking.

A synopsis of the valuation made by the independent valuator is summarized in the following table:

Valuation method	Share value (MAD)	Weight	Price of the offer (MAD)	Premium to minority shareholders
Discounted future cash flows	249	1/3		
Average Stock price	268	1/3		
Market comparables	299	1/3		
<b>Average share price</b>	<b>272</b>	<b>100%</b>	<b>350</b>	<b>28,7%</b>

The independent valuator testifies that the criteria used to determine the reference value (272 MAD) are known, accurate, objective, significant and multiple. Also, he concluded to the fairness of the price offered to minority shareholders in the context of the proposed offer.

Given the above, the CDVM considers that the methods used are based on objective, significant and multiple valuation criteria. Similarly, these criteria are relevant and commonly used, and correspond to the characteristics of the target company. Also, the CDVM considers that the offer characteristics are consistent with the principles set out in the aforementioned article 13.

#### ▼ National strategic interests

Pursuant to the provisions of article 29 of the aforementioned law, the CDVM submitted on the 6<sup>th</sup> of February 2013, the buy-out public offer project to the Minister of Economy and Finance for its appraisal with regards to the national strategic interests. The Minister has not expressed any objection to the said project.

## 5 - CDVM decisions

### ▼ Approval of the offer project

Considering all the above elements, the CDVM declares admissible the CIH buy-out public offer project targeting SOFAC shares at a price of 350 Dhs per share.

### ▼ Schedule

The final schedule of the offer will be determined later. It must be validated beforehand by the Casablanca Stock Exchange.

### ▼ Resumption of trading on SOFAC shares

The CDVM will request from Casablanca Stock Exchange to resume trading on SOFAC shares on Tuesday the 19<sup>th</sup>, February, 2013.

Rabat, the 15<sup>th</sup> of February, 2013

### CDVM CONTACT

Tel: 05 37 68 89 71

E-mail : [operations\\_financieres@cdvm.gov.ma](mailto:operations_financieres@cdvm.gov.ma)

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