

Alliances Développement Immobilier



Prospectus summary

CAPITAL INCREASE BY OPTIONAL CONVERSION OF THE 2012 DIVIDENDS INTO NEW ADI SHARES
MAXIMUM TOTAL AMOUNT OF THE ISSUE MAD 121 000 000

Maximum number of shares to be issued	242 000 shares
Issue price	MAD 500
Face value	MAD 100
Total maximum amount of the operation	MAD 121 000 000

PERIOD FOR EXERCISING THE OPTION: FROM AUGUST 19TH, 2013 TO SEPTEMBER 17TH, 2013 INCLUDED
Issue reserved to ADI shareholders (2012 COUPON ATTACHED)

Advisory entity and Global Coordinator	
The logo for BMCE CAPITAL CONSEIL, featuring the text "BMCE CAPITAL" in blue, "CONSEIL" in smaller blue text below it, and a blue and white circular graphic to the right.	
CENTRALIZING ENTITY	
The logo for Attijariwafa bank, featuring a red square with a white wave-like graphic, the Arabic text "التجاري وفا بنك" in red, and "Attijariwafa bank" in black below it.	
ENTITY IN CHARGE OF THE OPERATION REGISTRATION AT THE CASABLANCA STOCK MARKET	DOMICILIARY INSTITUTION PROVIDING FINANCIAL SERVICES TO THE ISSUER
The logo for BMCE CAPITAL BOURSE, featuring the text "BMCE CAPITAL" in blue, "BOURSE" in smaller blue text below it, and a blue and white circular graphic to the right.	The logo for Attijariwafa bank, featuring a red square with a white wave-like graphic, the Arabic text "التجاري وفا بنك" in red, and "Attijariwafa bank" in black below it.

Visa of Conseil Déontologique des Valeurs Mobilières (Financial Authority)

In accordance with the provisions of the CDVM circular, in application of article 14 of the Decree constituting the law n° 1-93- 212 of September 21th, 1993 related to the Conseil Déontologique des Valeurs Mobilières (CDVM) and to the information required from legal entities issuing securities to the public, as amended and extended, the original of this prospectus has been approved by the CDVM on August 5th, 2013 under the reference VI/EM/016/2013.

WARNING

The CDVM approved on August 5th, 2013 a prospectus related to Alliances Développement Immobilier increase of capital by optional conversion of 2012 dividends (hereinafter called « Alliances » or the « Company »).

The Prospectus approved by the CDVM is available at any time at the headquarters of the Company and at the financial advisor headquarters. It is also available within a maximum period of 48h at the order collecting bodies.

The prospectus is publicly available at the headquarters of the Casablanca Stock Exchange (Bourse de Casablanca) and on their website www.casablanca-bourse.com. It's also available on the CDVM web site: www.cdvm.gov.ma.

Partie I. PRESENTATION OF THE OPERATION

I. Objectives of the operation

Alliances Développement Immobilier pursues its development strategy mainly focused on the following axes:

- Supporting the increase of its activities in social and residential housing ;
- Developing building activities;
- Continuing the development of the real estate promotion activity in the residential sector.

This operation of capital increase by optional conversion of dividends aims to reinforce the equity of Alliances Développement Immobilier.

II. Total maximum amount of the operation

II.1. Total amount of the operation

In the case that all the shareholders of the company exercise the option to receive 50% of the dividend of the financial year 2012 in the shares of Alliances Développement Immobilier, this capital increase will amount a maximum of, (including the issue premium) MAD 121 000 000 (excluding the legal holdbacks).

Total maximum amount of the operation (in MAD)

The 2012 profit available for distribution (*)	487 300 867.53
Distribution of (gross) dividends (*)	242 000 000.00
Option of conversion of dividends in shares up to 50% (Maximum amount of the operation excluding the legal holdbacks)	121 000 000.00
Share of the gross dividend payable in cash	121 000 000.00

Source: Alliances Développement Immobilier

() The amounts provided hereinabove do not take into account the dividends associated to the self-held shares, the number of which amounted at the end of June 2013 to 12 450 shares.*

It should be mentioned that the dividends on the own shares held by the Company at the date of distribution will be allocated to the retained earnings.

This capital increase will be carried out by the issue of a maximum number of 242 000 shares of MAD 100 each with a face value and of MAD 400 of unit issue premium, which is a total issue price of MAD 500 per share.

The amount of this capital increase by conversion of the 2012 dividends may change from MAD 0 up to MAD 121 000 000 (excluding the legal holdbacks) based on the contribution of the shareholders.

IV. Information about the shares to be issued

Nature of shares	Alliances Développement Immobilier shares, all the same category
Legal form	To the bearer, fully dematerialized and registered into account at Maroclear.
Maximum number of shares to be issued	242 000 shares
Maximum amount	MAD 121 000 000
Issue price	MAD 500
Face value	100 MAD.
Issue premium	400 MAD
Dividend date	January 1 st , 2013(*)
Payment of securities	The shares to be issued will be fully paid up and free of any undertaking.
Listing of the new shares	The shares resulting from this capital increase will be listed in the 1 st line.
Rights associated with the acquired shares	All shares will have the same rights in both the allocation of profits and the allocation of the liquidation surplus. Each share shall entitle to a voting right in meetings.

(*) these new shares are entitled to the right in the dividends of the financial year 2013 and distributable en 2014.

V. Items of assessment of the offer terms

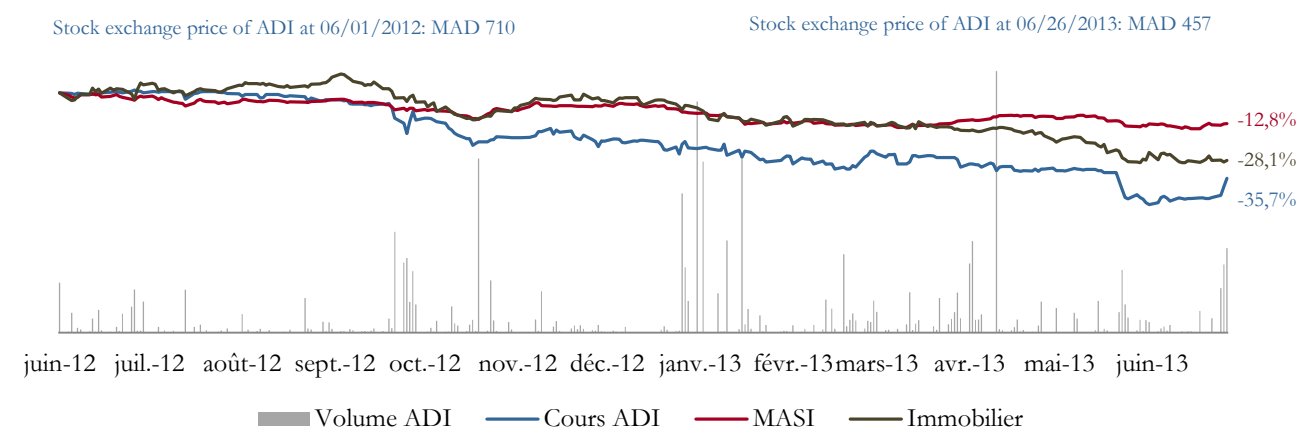
V.1. Recall of the offer terms

The shares' issue price allocated in the payment of up to 50% of the dividends of the financial year 2012 in the shares of Alliances Développement Immobilier is fixed at MAD 500 per share, including the issue premium.

Since June 1st, 2012, the stock exchange price of the Company has known a decline of 35.7% in conjunction with the regress of (i) the decrease of the real estate index by 28.1% of its value over the same period as well as (ii) the MASI, of the benchmarks of the Moroccan stock exchange, decreasing by 12.8%.

The change of the stock exchange price of ADI security, since June 2012, is illustrated by the following graphic:

Change of the stock market price of Alliances Group since June 2012



Source: Casablanca Stock Exchange

The following table shows the major historical stock market indicators of Alliances Développement Immobilier during the last three financial years:

Tableau 1. Historical stock market indicators of Alliances Group

	2010	2011	2012
Number of shares	12 100 000	12 100 000	12 100 000
The highest stock market price in MAD	790	760	736
The lowest stock market price in MAD	645	615	529
Annual exchanged volume (MAD)	1 244 971 058	1 132 320 534	1 248 409 091
Earnings per share (MAD/share)	11.3	17.4	32.0
Dividend per share (MAD/share)	8.0	14.0	20.0

Source: Casablanca Stock Exchange

The following table shows the major value indicators of the ADI share:

Tableau 2. Value indicators of Alliances Group

Spot market price on 06/26/2013* (MAD)	457
Number of shares	12 100 000
Stock market capitalization on 06/26/2013 (MAD)	5 527 885 000
Highest stock market price on 08/04/2008 (MAD)	1 248
Lowest stock market price on 05/31/2013 (MAD)	379

Source: Casablanca Stock Exchange

(*) Date of holding the General Meeting which approved the operation subject of this prospectus

V.2. Price assessment Items

The following table presents the weighted average stock market prices of Alliances Développement Immobilier on June 26th, 2013:

	Weighted average stock market price (MAD)	Issue price (MAD)	Currency surcharge/ discount compared to the issue price
Closing price on June 26 th , 2013 ⁽¹⁾	456.9	500.0	9.4%
1 month average ⁽²⁾	415.1	500.0	20.4%
3 months average ⁽³⁾	456.7	500.0	9.5%
6 months average ⁽⁴⁾	491.1	500.0	1.8%
1 year average ⁽⁵⁾	525.5	500.0	-4.9%

Source: Casablanca Stock Market

(1) Date of holding the General Meeting which approved the operation subject of this prospectus

(2) Period from 05/27/2013 to 06/26/2013

(3) Period from 03/27/2013 to 06/26/2013

(4) Period from 12/27/2012 to 06/26/2013

(5) Period from 06/27/2012 to 06/26/2013

V.3. Other Price assessment Items

The stock market price registered and the volume of transactions on the central market of Alliances Développement Immobilier is as follows:

V.3.1. Annual reference period

Central stock market price	June 2011- June 2012	June 2012- June 2013
Average price	687.6	525.5
Highest price (MAD)	736.0	715.0
Lowest price (MAD)	615.0	379.0
Volume of transactions (in MMAD)	1 644.6	777.2

Source: Casablanca Stock Market

(1) Period from 06/27/2011 to 06/25/2012

(2) Period from 06/27/2012 to 06/26/2013

V.3.2. Quarterly reference period

Central stock market price	June.12-Sept.12 ⁽¹⁾	Sept. 12-Dec. 2012 ⁽²⁾	Dec. 12-Mar.13 ⁽³⁾	Mar.13-June.13 ⁽⁴⁾
Average price	653.1	579.7	525.2	455.7
Highest price (MAD)	715.0	655.0	566.0	513.0
Lowest price (MAD)	590.0	529.0	485.0	379.0
Volume of transactions (en MMAD)	112.8	149.9	280.4	234.2

Source: Casablanca Stock Market

(1) Period from 06/27/2012 to 09/26/2012

(2) Period from 09/27/2012 to 12/26/2012

(3) Period from 12/27/2012 to 03/27/2013

(4) Period from 03/28/2013 to 06/26/2013

V.4. Analysis of the impacts of the operation

V.4.1. Impact of the operation on the capital equity

In the event of conversion of 50% of dividends in shares by all shareholders, the impact of the capital increase on the equity capital of Alliances Développement Immobilier is presented in the following table:

In MAD	Number of shares	Share capital	Issue premium	Equity capital*
Situation before the operation	12 100 000	1 210 000 000	643 500 00	5 718 729 008
Index of the operation	242 000	24 200 000	96 800 000	121 000 000
Situation after the operation	12 342 000	1 234 200 000	740 300 000	839 729 008

Source: Alliances Développement Immobilier, BMCE Capital Conseil

(* Consolidated capital equity on 12/31/2012(after deduction of the allocated dividends), including the bonds redeemable in shares (BRS) for an amount of MAD 1 Billion

The following table presents the consolidated capital equity of the Company on 12/31/2012:

In KMAD	2012
Group share	4 064 369
<i>Capital</i>	1 210 000
<i>issue premium</i>	643 500
<i>Consolidated reserves</i>	1 335 922
<i>conversion rate adjustment</i>	-3
<i>Net profit group share</i>	874 949
Monetary interests	896 360
Bonds redeemable in shares	1 000 000
Total	5 960 729

Source: Alliances Développement Immobilier

V.4.2. Shareholding before and after the operation

In the event of conversion of 50% of dividends in shares by all shareholders (excluding statutory deductions), the impact of the capital increase on shareholding structure of Alliances Développement Immobilier is presented in the following table:

Shareholders	Before the operation			After the operation		
	Number of securities	% of the capital	% of voting rights	Number of securities	% of the capital	% of voting rights
LAZRAQ Family	7 278 110	60.1%	60.1%	7 423 822	60.2%	60.2%
Mohamed Alami NAFAKH LAZRAQ	7 001 020	57.9%	57.9%	7 141 185	57.9%	57.9%
Farida EL BELGHAMI	136 730	1.1%	1.1%	139 467	1.1%	1.1%
Othman NAFAKH LAZRAQ	45 980	0.4%	0.4%	46 901	0.4%	0.4%
Mouna NAFAKH LAZRAQ	45 980	0.4%	0.4%	46 901	0.4%	0.4%
Omar NAFAKH LAZRAQ	45 980	0.4%	0.4%	46 901	0.4%	0.4%
Mustafa NAFAKH LAZRAQ	2 420	0.0%	0.0%	2 468	0.0%	0.0%
Managers	40	0.0%	0.0%	41	0.0%	0.0%
Karim BELMAACHI	10	0.0%	0.0%	10	0.0%	0.0%
Younes SEBTI	10	0.0%	0.0%	10	0.0%	0.0%
Jamal HAMD AOUI	10	0.0%	0.0%	10	0.0%	0.0%
Ahmed AMLOUL	10	0.0%	0.0%	10	0.0%	0.0%
Investors	2 066 419	17.1%	17.1%	2 107 790	17.1%	17.1%
MAMDA	290 227	2.4%	2.4%	296 038	2.4%	2.4%
MCMA	283 677	2.3%	2.3%	289 356	2.3%	2.3%
SOMED	30 470	0.3%	0.3%	31 080	0.3%	0.3%
RCAR	614 680	5.1%	5.1%	626 986	5.1%	5.1%
Wafa Assurance	211 638	1.7%	1.7%	215 875	1.7%	1.7%
CIMR	181 818	1.5%	1.5%	185 458	1.5%	1.5%
SCR	181 500	1.5%	1.5%	185 134	1.5%	1.5%
Upline Investment Fonds	90 909	0.8%	0.8%	92 729	0.8%	0.8%
SMCD	181 500	1.5%	1.5%	185 134	1.5%	1.5%
Different shareholders	2 742 981	22.7%	22.7%	2 797 897	22.7%	22.7%
Treasury shares	12 450	0.1%	0.1%	12 450	0.1%	0.1%
Total	12 100 000	100.0%	100.0%	12 342 000	100.0%	100.0%

Source: Alliances Développement Immobilier, BMCE Capital Conseil

It should be noted that in the above simulation:

- (i) The dividends paid in the financial year 2012 with an amount of MMLAD 242 are the net results of the dividends associated to the treasury shares of the company;
- (ii) The table does not take into account the handling of share fractions.

VI. Listing in the stock market

VI.1. Characteristics of the listing of new shares

Designation	Alliances
Market	1 st market
Method of listing	Continuous
Value code	11200
Ticker	ADI
Listing line	1 st Line
Business sector	Real estate
Stock market company in charge of the operation's registration	BMCE Capital Bourse

VII. Operation schedule

Number	Stages	Time limit
1	Reception by the Casablanca Stock Exchange of the complete operation file	08/05/2013
2	Issue of approval notice of the operation by the Casablanca Stock Market	08/05/2013
3	Receipt by the Casablanca Stock Exchange of the prospectus duly approved by the CDVM	08/05/2013
4	Publishing in the listing note the notice related to the payment methods of the 2012 dividends, clearing the order books and adjustment of the value prices	08/06/2013
5	Publishing in the listing note the notice related to the methods of the capital increase operation by optional conversion of the dividends of the financial year 2012 in new shares of ALLIANCES	08/06/2013
6	Publication of a summary of the prospectus in the newspaper of legal notices	08/07/2013
7	Payment of the 2012 dividends/Adjustment of the value listing characteristics and clearing the order books of the value	08/19/2013
8	Opening the period of practicing the option of conversion of the 2012 dividends in shares	08/26/2013
9	Closing the period of practicing the option of conversion of the 2012 dividends in shares	09/20/2013
10	Holding the meeting of the entity which must ratify the capital increase by optional conversion of the 2012 dividends in new shares	09/24/2013
11	Reception by the Casablanca Stock Market of the minutes of the meeting of entity which took note of the capital increase	09/25/2013
12	Delivery of the new shares	09/26/2013
13	- Admission of the new shares in the 1st line and registration of the operation in the Stock Market - Publishing the results of the capital increase	09/27/2013
14	Payment of the dividends in cash	09/30/2013

VIII. Financial intermediaries

The financial intermediaries intervening in this option of conversion of dividends in new shares are presented as follows:

Tableau 3. Financial Intermediaries

Financial intermediaries	Designation	Address
Advisory and global coordinator of the Operation	BMCE Capital Conseil	63, Boulevard My Youssef, Casablanca
Centralizing Entity of the option of conversion of dividends in new shares	Attijariwafa Bank	2, Boulevard Moulay Youssef, Casablanca
Entity in charge of collecting subscription orders	Each subscriber must contact its account holder	-
Entity in charge of the transaction registration of the operation in The Casablanca Stock Market	BMCE Capital Bourse	140, Boulevard Hassan II, Casablanca

**Partie II. GENERAL PRESENTATION OF ALLIANCES
DEVELOPPEMENT IMMOBILIER**

I. General information

Tableau 4. General information

Company name	Alliances Développement Immobilier
Headquarters	16, rue Ali Abderrazak, Casablanca
Phone number	05 22 99 34 84/63
Fax number	05 22 99 34 81
Website	www.alliances.co.ma
E-mail	infos@alliances.co.ma
Legal form	Public Limited Company governed by the provisions of the law n°17-95 promulgated by the Dahir n°1-96-124 of August 30 th , 1996 related to Public Limited companies, as modified and supplemented by the law 20-05
Date of establishment	June 13 th , 1994
Life span	Life span of the company is fixed in 99 years, except for anticipated dissolution or extension stipulated by the articles of association or the law
Trade Register	74703, Casablanca
Financial year	From de January 1 st to December 31 st
Share capital on Dec 31st, 2012	MAD 1 210 000 000 divided into 12 100 000 shares of MAD 100 each, all of the same category and fully paid up
Access to legal documents	The articles of association, the minutes of the General Meetings, the auditor's reports and management reports can be consulted at the headquarters of Alliances Développement Immobilier: 16, rue Ali Abderrazak – Casablanca.
Corporate purpose	<p>According to article 4 of the articles of association, the Company has as purposes:</p> <ul style="list-style-type: none"> ▪ the direct or indirect investment in all operations or companies by way of creation of companies, participation to their constitution, or by capital increase, purchase of shares or social rights or any other way ; ▪ the promotion of tourism and real estate sectors by the study, the design, the realization, the construction, the management of any business or company and the direct or indirect sale of any product related to the sectors listed above; ▪ the purchase, the sale and the exchange of the securities, all shares of interests; ▪ the sale and the exchange of any buildings and real estate units, built or not, the building of all kind of constructions; ▪ All operations related to the execution of public and private works particularly those that need on the most advanced techniques as well as regards the design as on that of the execution; ▪ the purchase, the construction and the sale of any building for tourism industry in general and in particular the creation of touristic projects, real estate, financial and commercial; ▪ deputy control of work; ▪ And more generally, any industrial operations, commercial, movable and real, financial being attached directly or indirectly to the purposes above specified or those that might developed the company:
Legal texts	According to its legal form, the Company is governed (i) by the Moroccan law including the law n°17-95 related to Limited Companies as modified and supplemented by the law 20-05 and (ii) by its articles of association.

According to its activity, the Company is governed by the following legal texts :

- Law n°25-90 promulgated by the Dahir n°1-92-7 of June 17th, 1992 related to allotments, housing groups and parceling ;
- Dahir of August 12th, 1913 forming code of obligations and contracts, supplemented by the law n°44-00 of October 3rd, 2002 related to the sale of housing units before completion ;
- Law n°18-00 of October 3rd, 2002 related to the joint ownership of buildings regulation ;
- Article n° 92 of the 2010 finance law instituting tax exemptions for housing developers.

As a public company, the Company is governed by the following regulation texts related to financial markets :

- The general regulation of the CDVM approved by the decree n°822-08 of April 14th, 2008 of the Minister of Economy and Finances ;
- Dahir establishing the law n°1-93-211 of September 21st, 1993 related to Casablanca Stock Exchange, as modified and supplemented by the laws 34-96, 29-00, 52-01 and 45-06;
- General regulation of Casablanca Stock Exchange as approved by the decree n°499-98 of July 27th, 1998 of the Minister of Economy and Finances and amended by the Decree n°1960-01 of October 30th, 2001 of the Minister of Economy, Finances, Privatization and Tourism. This text is modified by the amendment of June 2004 come into effect in November 2004 and by the decree n° 1268-08 of July 7th, 2008 ;
- Dahir establishing the law n°1-93-212 of September 21st, 1993 related to CDVM and information required from legal persons making public offering as modified and supplemented by the law n°23-01, 36-05, and 44-06;
- Dahir n°1-96-246 of January 9th, 1997 establishing promulgation of the law n°35-96 related to the creation of the central custodian and the institution of a general scheme of the inscription of certain values (modified and supplemented by the law n°43-02);
- General regulation of the central custodian approved by the decree of the Minister of Economy and Finances n°932-98 of April 16th, 1998 and amended by the decree of the Minister of Economy, Finances and Tourism n°1961-01 of October 30th, 2001 and by the decree n°77-05 of March 17th, 2005;
- Dahir n°1-04-21 of April 21st, 2004 establishing promulgation of the law n°26-03 related to the public offerings on the Moroccan stock market as modified and supplemented by the law 46-06.

Competent court in the event of disputes	Casablanca Business Court
Applicable tax law	Alliances Développement Immobilier is subject to a corporate tax of 30% and to a VAT of 20%.

Source: Alliances Développement Immobilier

III. Shareholding Structure

III.1. Capital structure background

The table below presents the shareholding history of Alliances Développement Immobilier group:

Tableau 5. Shareholding history

Shareholders	12/31/2010		12/31/2011		06/30/2013	
	Number of securities	% of the capital and voting rights	Number of securities	% of the capital and voting rights	Number of securities	% of the capital and voting rights
LAZRAQ Family	7 278 110	60.1%	7 278 110	60.1%	7 278 110	60.1%
Mohamed Alami NAFAKH LAZRAQ	7 001 020	57.90%	7 001 020	57.90%	7 001 020	57.9%
Farida EL BELGHAMI	136 730	1.10%	136 730	1.10%	136 730	1.1%
Othman NAFAKH LAZRAQ	45 980	0.40%	45 980	0.40%	45 980	0.4%
Mouna NAFAKH LAZRAQ	45 980	0.40%	45 980	0.40%	45 980	0.4%
Omar NAFAKH LAZRAQ	45 980	0.40%	45 980	0.40%	45 980	0.4%
Mustafa NAFAKH LAZRAQ	2 420	0.00%	2 420	0.00%	2 420	0.0%
Managers	40	0.00%	40	0.00%	40	0.0%
Karim BELMAACHI	10	0.00%	10	0.00%	10	0.0%
Younes SEBTI	10	0.00%	10	0.00%	10	0.0%
Jamal HAMD AOUI	10	0.00%	10	0.00%	10	0.0%
Ahmed AMLOUL	10	0.00%	10	0.00%	10	0.0%
Investors	1 179 750	9.80%	1 179 750	9.80%	2 066 419	17.1%
MAMDA	272 250	2.30%	272 250	2.30%	290 227	2.4%
MCMA	272 250	2.30%	272 250	2.30%	283 677	2.3%
SOMED	181 500	1.50%	181 500	1.50%	30 470	0.3%
RCAR	-	-	-	-	614 680	5.1%
Wafa Assurance	181 500	1.50%	181 500	1.50%	211 638	1.7%
CIMR	181 500	1.50%	181 500	1.50%	181 818	1.5%
SCR	-	-	-	-	181 500	1.5%
Upline Investment Fonds	90 750	0.80%	90 750	0.80%	90 909	0.8%
SMCD	-	-	-	-	181 500	1.5%
Other shareholders	3 631 767	30.00%	3 615 986	29.90%	2 742 981	22.7%
Treasury shares of the company	10 333	0.10%	26 114	0.20%	12 450	0.1%
Total	12 100 000	100.00%	12 100 000	100.00%	12 100 000	100.0%

Source: Alliances Développement Immobilier

Alliances Développement Immobilier has a family majority shareholding represented by its founding shareholder, Mr. Mohamed Alami NAFAKH LAZRAQ.

As directors, Mr. Karim BELMAACHI, Mr. Younes Sebti, Mr. HAMD AOUI, Mr. Jamal Ahmed AMLOUL each hold 10 shares of warranty.

In 2008, Alliances Développement Immobilier opened its capital to institutional investors under a private investment. On December 31st, 2011, these investors were holding about 9.8% of the share capital.

IV. Administrative bodies

Articles 11 to 19 of Alliances Développement Immobilier articles of association related to the composition, methods of convocations, functions, operations and quorums of the Board of Directors of the Company Alliances Développement Immobilier comply with law n° 17-95 relative to limited companies as amended and supplemented by law N°. 20-05.

Articles 11 and 12 of the company articles of association provide the following in the administration of the company:

- The company is managed by a Board of Directors composed of at least three members and no more than fifteen members ;
- The Board of Directors shall appoint from among its members a Chairman, a natural person who exercises his functions for the duration of his term of office
- The Council also appoints, on the proposal of the President, the person to perform the duties of secretary and can even be taken outside of its members and shareholders.

The chairmanship of the Board of Directors of Alliances Développement Immobilier is provided by Mohamed Alami NAFAKH LAZRAQ whose mandate for this function has been renewed by the Annual General Meeting held on June 21st, 2012.

The composition of the Board of Directors of Alliances Développement Immobilier on June 30th, 2013 is composed as follows:

Tableau 6. Composition of the Board of Directors of Alliances group on June 30th, 2013

Board of Director Members	Current Position	Date of appointment or reappointment	Expiry date of the term	Relationship with the chairman
M. Mohamed Alami NAFAKH LAZRAQ Chief Executive Officer	Chief Executive Officer	06/21/2012	AGM approving the 2017 financial statements	Himself
M. Mohamed Mustafa NAFAKH LAZRAQ	Director	06/27/2011	AGM approving the 2016 financial statements	Brother
Mme Farida EL BELGHAMI	Director	06/21/2012	AGM approving the 2017 financial statements	Wife
M. Karim BELMAACHI Managing Director	Director	02/09/2009	AGM approving the 2013 financial statements	None
M. Younes SEBTI Managing Director of Finance and Support Department	Director	06/14/2010	AGM approving the 2013 financial statements	None
M. Jamal HAMD AOUI Chairman Advisor in charge of Development	Director	06/09/2008	AGM approving the 2013 financial statements	None
M. Ahmed AMLOUL Managing Director of Alliances Darna	Director	06/09/2008	AGM approving the 2013 financial statements	None
CIMR represented by M. Khalid CHEDDADI – Chief Executive Officer	Director	06/09/2008	AGM approving the 2013 financial statements	None
MAMDA represented by M. Hicham Benlemrah – Chief Executive Officer	Director	06/09/2008	AGM approving the 2013 financial statements	None

Source: Alliances Développement Immobilier

The Board of Directors is chaired by Mr. Mohamed Alami NAFAKH LAZRAQ, Chief Executive Officer of Alliances Développement Immobilier. It is also composed of Mr. Mohamed Mustafa NAFAKH LAZRAQ, Mrs. Farida EL BELGHAMI, as well as four directors from the management of the Company and two members representing the investors who subscribed to the capital increase of February 2008.

V. Management bodies

V.1. The company management

The list of Alliances Développement Immobilier Executive Committee members is available as follows:

Tableau 7. Major members of the Executive Committee of Alliances Développement Immobilier

Name	Position	Date within the group
M. Mohamed Alami NAFAKH LAZRAQ	President	09/01/1994
M. Karim BELMAACHI	Committee member	11/01/2008
M. Jamal HAMDAOUI	Committee member	01/01/1998
M. Ahmed AMLOUL	Committee member	06/01/2007
M. Younes SEBTI	Committee member	09/01/2009
M. Youssef KABBAJ	Committee member	05/01/2009
M. Othman LAZRAQ	Committee member	01/02/2012
Mme. Hynd CHKILI	Committee member	10/01/2012

Source: Alliances Développement Immobilier

**Partie III. ACTIVITIES OF ALLIANCES DEVELOPPEMENT
IMMOBILIER**

I. History

Alliances Développement Immobilier was founded in 1994 by M. Mohamed Alami Nafakh Lazraq. Since its inception, the corporation has specialized in the study, the set up and the supervision of large scale real estate and touristic projects on behalf of international investors and Moroccan institutional investors. Thus, the Alliances group successfully led all the development projects entrusted by the institutional investors of the market and the international chains of which he was the privileged partner (Accor group, Four Seasons Hotels and Springs, Club Med, TUI, Lucien Barrière, etc.).

The Alliances group diversified its activities over the years, positioning itself today as the first integrated real estate and tourist operator in Morocco, intervening on the whole value chain: the development, promotion, marketing and management.

Creations of the various subsidiaries of services and projects lay within the scope of the comprehensive strategy of integration of the group. Thus, progressively, the positioning of Alliances Développement Immobilier evolved from acting as a service provider to the one of a Property Developer covering four complementary segments, and providing a complete array of real estate services (development, realization, marketing and asset management)

The various projects' companies were created according to the market segment on which each one operates, and to the agreed partnership model. The services subsidiaries were created to satisfy the market needs (i.e Algest), and to provide services to the subsidiaries' projects (example ALVI with regards to the residential and golf business units).

In 2011, the Alliances group updated its organizational structure. Alliances Développement Immobilier is now acting as a holding company, providing strategic functions. It also has fully autonomous subsidiaries in golf resorts and intermediate housing businesses which now enjoy an autonomous management, and dedicated technical, commercial and financial teams.

Other changes have been made to the existing business units, in particular the regrouping of residential and golf business units onto a single business unit in charge of the development of high end products.

The Alliances group has also created a new business unit dedicated to the operation of hotels, gathering the activities of running the golf resorts, the club houses and the restaurants of the residential programs and golf resorts.

II. Alliances Développement Immobilier Group Membership

Alliances Développement Immobilier is owned in majority by the Nafakh Lazraq family (exclusively individuals), represented by Mr. Mohamed Alami Nafakh Lazraq, majority shareholder and CEO of the Company.

Currently, Alliances Développement Immobilier does not belong to any group.

III. Subsidiaries of Alliances Développement Immobilier

III.1. Legal structure

The organizational chart of Alliances Développement Immobilier presented hereafter and taking into account the subsidiaries of the Company is structured according to several spheres of activity:

- Services subsidiaries, holders of know-how in terms of development, realization, marketing and asset management;
- Special purpose vehicles dedicated to the property development on the three segments of the real estate and tourist sector:
 - Subsidiaries of promotion of projects in the residential real estate business;
 - Subsidiaries of promotion of projects in the golf resorts business;
 - Subsidiaries of promotion of projects in the intermediate housing business,
- Subsidiaries of construction (EMT lifting and EMT).

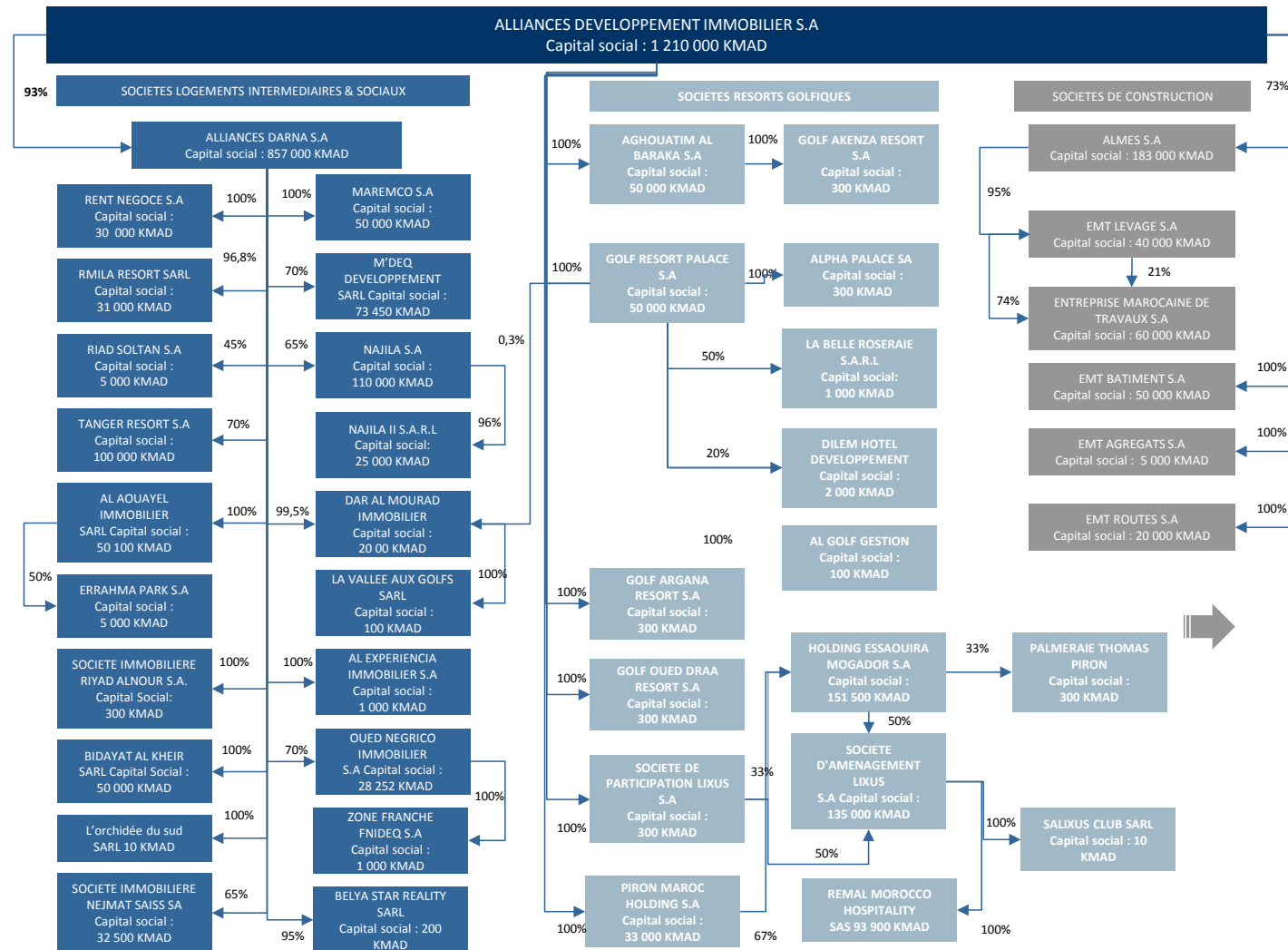
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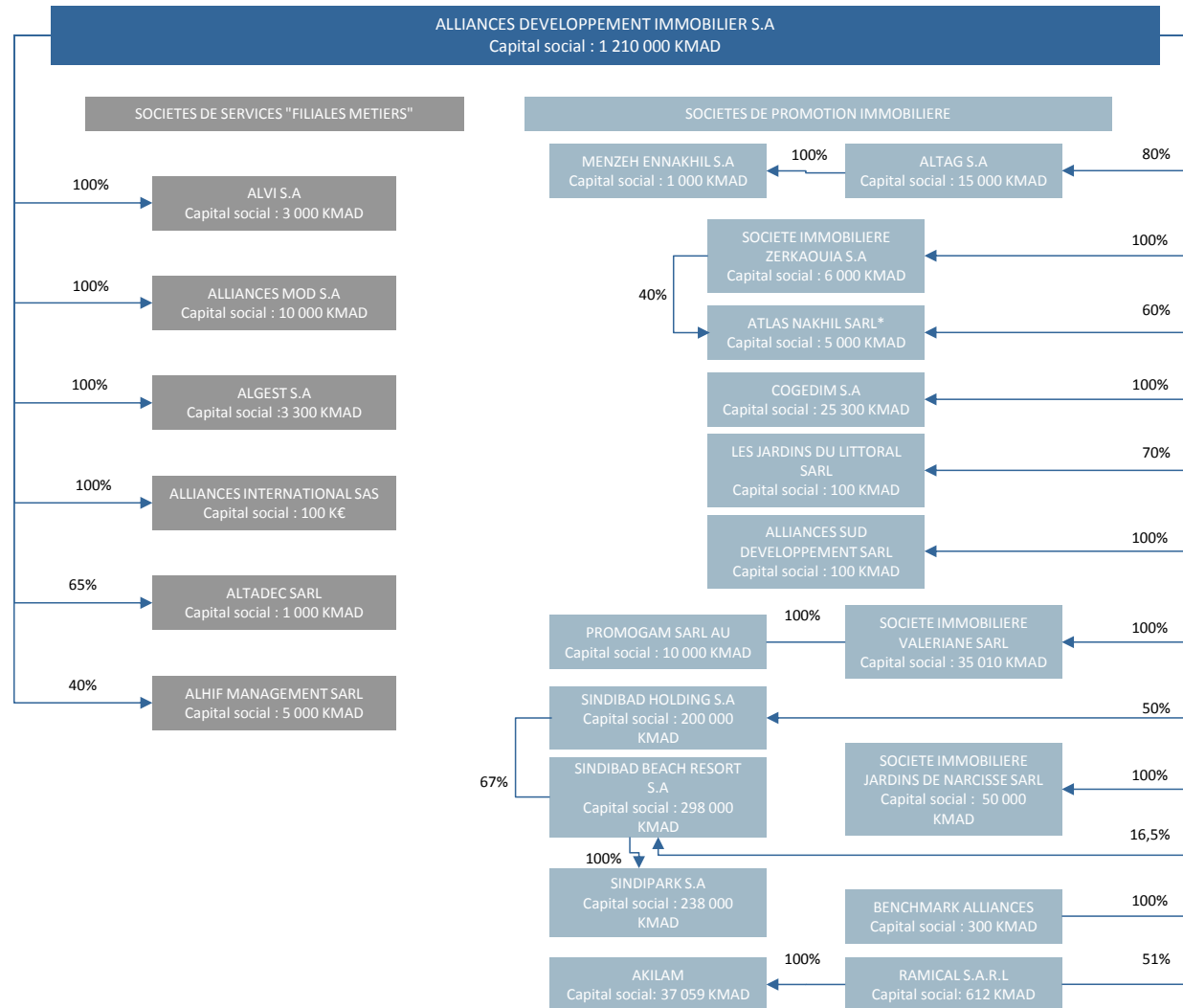
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The Alliances group also created a new business unit dedicated to the operation of hotels, gathering the activities of running the golf resorts, the club houses and the restaurants of the residential programs and golf resorts.

The legal structure of Alliances Développement Immobilier is as follows:

Alliances Développement Immobilier's holdings as on 06/30/2013



Alliances Développement Immobilier's holdings as on 06/30/2013


(*) Atlas Nakhil holds 3.3% of Rmila Resort S.A.R.L.

Source: Alliances Développement Immobilier

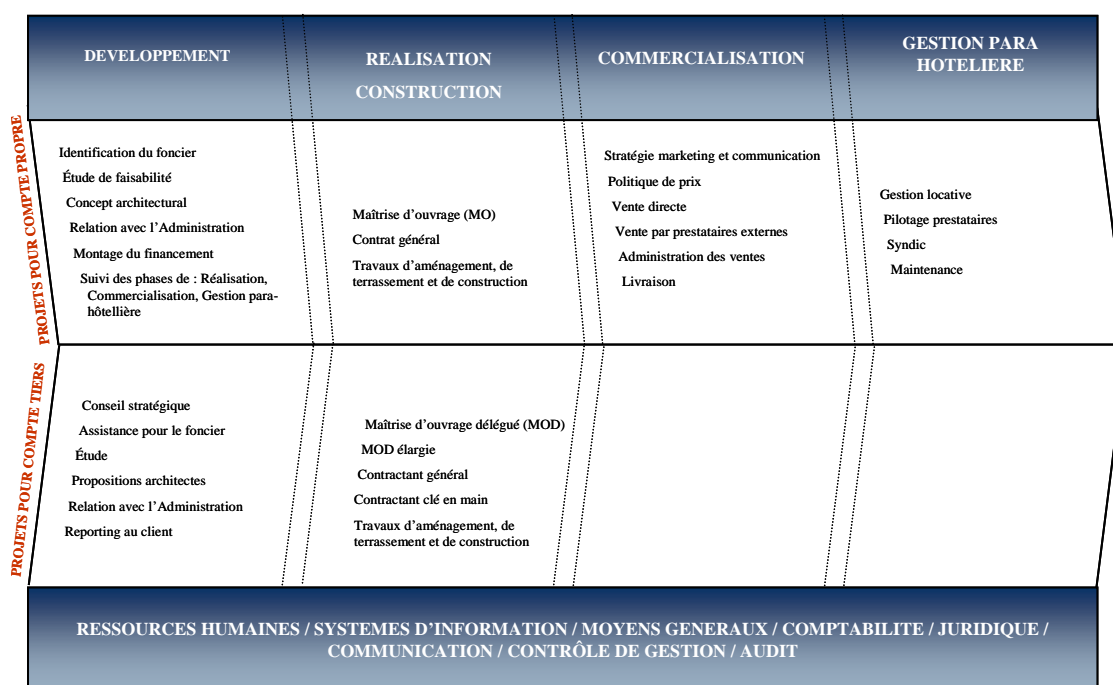
III.2. ADI Activity

III.2.1. Presentation of Alliances Développement Immobilier activity

Since its creation in 1994, the company Alliances Développement Immobilier is specialized in the Project management support (study, assembly and control) of real estate and touristic great scale achievements for international investors and Moroccans institutional. Thus, the Alliances Group has been distinguished as leader in the building industry of hotel units in Morocco by being the main partner of the institutional investors and Major Hotel chains (Accor group, Four Seasons Hotels and Resorts , Club Med, Tui, Lucien Barrière, etc).

- Nowadays, the Alliances group is the first integrated real estate and touristic operator in Morocco. It exercises the four activities which compose the real estate and touristic value chain:
- Fitting out;
- Implementation and construction;
- Commercialization;
- Real estate and para hotels assets..

Alliances group value chain



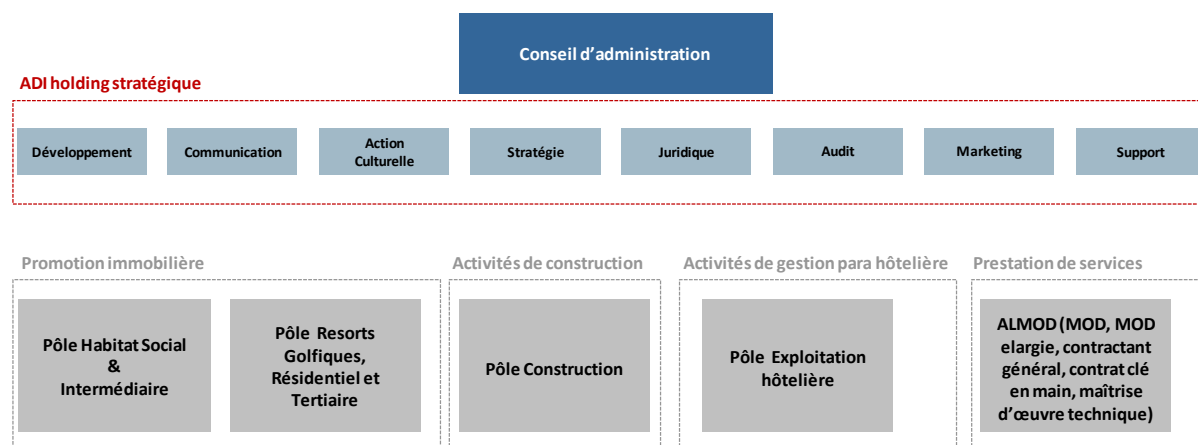
Source: Alliances Développement Immobilier

The group activities of the group are presented as follows:

- Promotion of golf resorts, of residential and tertiary real estate and of intermediate housing, covering all levels of the touristic and residential real estate;
- Activity of Project Management Support (PMS, PMS extended, EPC contract) for the development and the achievement for customers, including hotels units and touristic areas;
- Earthworks, development and construction for the group companies and third parties;
- Para hotel management.

III.2.3. Overview of the activities of Alliances Développement Immobilier

Alliances Développement Immobilier activities overview as of 12-31-2012



Source: Alliances Développement Immobilier

(a) Promotion activities

The promotion activities deal with operations carried out by Alliances group in the MPS area for its own use. Alliances Développement Immobilier (contracting authority) launches the real estate achievements and undertakes the funding coordination of transactions. In fact, the company undertakes the follow up regarding the designing and carrying out of real estate programs (choice of the fields, definition and study of the programs, contracting deals, follow-up of constructions, sales of finished products and after sales service).

i) Golf resorts and Residential tertiary housing

▪ Golf resorts

The golf resorts are developed on the most attractive Moroccan destination such as Marrakech (Al Maaden, Akenza), Agadir/Taghazout (Lixus Port). Designed by international well known architects and designers, these very high-ends resorts include golf, riads and luxury villas, as well as hotels.

The implementation of a golf and residential and hotel units management (delegated to hotel and para hotel specialized chains) allows Alliances Développement Immobilier to preserve the control of its projects on a long term, and thus, to make durable its incomes.

▪ Residential tertiary sector

Alliances group anticipates the development opportunities and the local and foreigners customers' needs on the touristic and residential segment by capitalizing on the experience accumulated within the framework of projects under development and through the market studies made by national and international offices.

Thus, Alliances group develops a high standards quality offer for tourist residences (apartments, riads, villas) fulfilling the increasingly high requirements of its customers, composed by locals and foreigners and by Moroccan expatriates.

ii) Intermediate and social housing

The group achievements in the intermediate and social segment are linked to the diversification of the offer. Indeed, Alliances group strongly wants to show its diversification by actively operating through the sector of the intermediate housing thanks to its subsidiary Darna Alliances gathering all the subsidiaries of development of projects of intermediate and social housing.

Thus, Alliances Développement Immobilier is implied in the national policy of reducing the deficit of social housing, and aims taking opportunities on this segment generated by a high demand and a favorable tax environment for developers.

Eventually, Alliances Darna has concluded several conventions within the 2010 finance law, benefiting subsequently from tax incentives granted for social housing construction at a cost of sale inferior to 250 KMAD (excluding VAT). At the signature of the latter conventions, Alliances Darna is bind to develop a minimum of 500 social housing units within a 5 years period.

The convention signed at this day, concerns over 127 484 social housing units at 250 KMAD (excluding VAT).

The group's objective is also to offer, through a panel of intermediate and social conceptualized housing by national and global expertise, a high standard architecture and urban planning, meeting the sustainable development requirements.

This concern for the respect of the sustainable development standards results in the development of landscape oriented projects, displaying abundant green areas, and also in the integration of appropriated development initiatives in the project's conception (craftsman villages, training schools, etc.).

iii) Performance of services

▪ Project management

The services activity concerns project management operations for the benefit of local and global institutional clients (ACCOR, SOMED, TUI-Nouvelles frontières, Actif Invest, H Partners, etc.) that requires Alliances group expertise to achieve their real estate projects.

Also, Alliances group subsidiaries specialized in real estate activities are using the services of Alliances Développement Immobilier or its specialized subsidiary, ALMOD, for carrying out their projects through a services contract.

Alliances Développement S.A, was historically in charge of the overall performance of services activities.

In 2011, the group re-organized its activities by which Alliances Développement Immobilier S.A became a strategic holding, gathering autonomous subsidiaries.

The new services contracts shall be managed, from now on, by ALMOD which is fully destined to undertake services activities.

ALMOD, (agent or the deputy contractor) has been authorized by the contractor to manage a certain number of projects on its behalf, through an agency agreement. Such agreement defines the operations under ALMOD's responsibility, such as the contractor and supplier selection, market and project management, etc.

ALMOD's terms of intervention vary according to each real estate and tourism program specifics:

Delegated Contracting Owner:

Followed-up of by design offices and architects work:

- 1) To assist the contractor by mobilizing a team in charge of ensuring the good fulfillment of the project in the technical, legal and financial plan ;
- 2) To ensure the interface between the investor and the rest of the project's participants ;
- 3) To ensure the respect of the project's budget and completion dates;
- 4) To ensure the optimization of construction costs within the respect of quality standards and time limit;

In such contracts, ALMOD's revenues are based on a percentage of the overall amount of the project's investment which is accounted as the company's turnover without any cost of counterpart. Subcontractors' invoices are established on behalf of the contractor and ALMOD does not account the undertaken projects as inventories.

Enlarged Delegated Contracting Owner: Idem as for the Delegated Contracting Owner with the addition of the project management requirements' (architects, design offices, etc.):

In this type of contracts, ALMOD's revenues are based on a percentage of the project's investment amount which is accounted as the company's turnover with as for counterparts' costs the architects and design offices payment. Subcontractor's invoices are established on behalf of the project manager and do not account projects as inventories.

General Contractor: Complete support of the operation with a commitment of ensuring a budgetary transparence towards the Project Manager:

- 1) To ensure the complete achievement of the project by the general contractor at an inclusive price respecting the time limit and budget requirements;
- 2) To ensure the respect of completion time limits.

In such contracts, ALMOD's turnover is the cost of the project plus a payment based on a percentage of the project cost (estimated between 8% and 11%) with the entirety of the project's costs as for counterpart. Subcontractor's invoices are established on behalf of ALMOD and projects are accounted as inventories.

Turnkey Contractor: Complete support of the project at a price defined by the Project Manager. ALMOD's intervention is fully independent at this stage (subsequent profit and losses assumed by ALMOD) :

- 1) To achieve the turnkey project by the contractor at a fixed and firm price within the time limit agreed by the contract. The contractor will assume all profit and losses inherent to the project;
- 2) To ensure the respect of completion periods.

In such contracts, ALMOD's turnover is an inclusive price including the entirety of the project's costs as counterpart (subsequent profit and losses assumed by ALMOD). Subcontractor's invoices are established on behalf of ALMOD and the project is accounted as inventories. In the case of delays postponing the delivery of the project, ALMOD will be paying default interests to its client.

Technical Project Management: ALMOD will be managing all the technical specifics linked to the project. The group, thus, proposes to manage all the technical performances of services to come up with a customized offer for its clients:

- 1) Global technical mission, that includes all the participants of the project (architects, landscape designers, decorators, technical consultants, etc.);
- 2) The contractor shall have a unique and dedicated interlocutor within the project management framework;
- 3) The respect of completion time limits and budget requirements'.

ALMOD's areas of intervention in the performance of services activity remains essentially in the hotel segment.

At this stage, Alliances Group has established strong partnership with international tourism leading operators. It benefits therefore, from a sound expertise in the achievement of touristic units and remains a prominent player in this activity.

Indeed, Alliances Développement Immobilier is the number one operator in terms of hotels developed during the last decade. It intervenes as:

- 1) Contracting turn-key or controls of work deputy actors of reference such as the Accor group, TUI, Mediterranean Club, Lucien Barrière, Park Hyatt, Raids;
- 2) Investor in the construction of luxury residences and hotels. The Alliances group in particular took in charge the financial montage for the realization of a residential unit and hotel Four Seasons in Marrakech while investing at with dimensions Investment Company hotel Kingdom Hotel Investments held mainly by prince Waleed Ibn Talal. The participation of 11% held by the Alliances Group in the company project (EHC Morocco) was yielded to investment fund ALHIF.

In this kind of contracts, the remuneration of ALMOD or Alliances Immobilierest Development based on a percentage of the amount of investment of the project entered in turnover without any load on the other hand. The invoices of the subcontractors are established in the name of the owner and Alliances Développement Immobilier does not enter the projects in stocks.

(b) Building activities

Through its acquisitions of EMT (Entreprise Marocaine des Travaux), EMT Levage, EMT Route and EMT Agrégats, Alliances Développement Immobilier created a Construction division, which at the same time enables it to supplement its range of services integrated, to be present on the whole chain value, to position its services with the best international standards and to accompany the large building sites by infrastructures of Morocco.

In 2010, the group reinforced its pole construction with the creation of company EMT Bâtiment with the objective to cover the whole chain value of construction thanks to the following companies:

- EMT: realization of complex works (dams, airport works, fitting outs,...) ;
- EMT Levage: hiring and sale of hoisting equipment and special transport;
- EMT Bâtiment: construction of buildings any trade;
- EMT Routes: construction of roads;
- EMT Agrégats: exploitation of careers.

(c) Activities of Para-hotel management

The activity of para-hotel management is carried out by ALGEST which developed an expert testimony in para-hotel management and intervenes for this reason in management and marketing of the apartments and the villas entrusted in rental management and in the installation of structures of marketing for the units in rental management.

Partie IV. FINANCIAL ANALYSIS OF ALLIANCES GROUP

I. Analysis of the Consolidated Income statement- accounts

The following table presents the main consolidated indicators of group Alliances profits & losses statement in last three financial years:

In KMAD	2010	2010 pro forma	2011	2011 pro forma	Var 11-10 pro forma	2012	Var 12-11 pro forma
Turnover	2 611 800	2 637 959	4 341 075	4 341 075	64,6%	4 003 387	-7.8%
Change in product inventories	933 806	975 235	1 003 933	1 003 933	2.9%	2 100 880	>100.0%
Assets manufactured by the company itself	2 577	2 577	21 022	21 022	>100.0%	13 144	-37.5%
Production	3 548 183	3 615 771	5 366 030	5 366 030	48.4%	6 117 412	14.0%
- Consumed operating Supplies	2 134 658	2 202 816	3 367 846	3 367 846	52.9%	3 996 477	18.7%
- Other external expenses	240 003	240 789	260 851	260 851	8.3%	321 496	23.2%
Consumables of the year	2 374 661	2 443 605	3 628 697	3 628 697	48.5%	4 317 974	19.0%
Added Value	1 173 522	1 172 166	1 737 333	1 737 333	48.2%	1 799 438	3.6%
- Taxes	22 567	22 652	61 059	61 059	>100.0%	30 670	-49.8%
- Employees expenses	264 285	265 425	343 085	343 085	29.3%	432 573	26.1%
Gross Operating Income	886 670	884 089	1 333 189	1 333 189	50.8%	1 336 195	0.2%
+ Other operating revenues	25 785	25 785	32 639	32 639	26.6%	0	-100.0%
- Other operating expenses	22 929	22 929	1 626	1 626	-92.9%	7 247	>100.0%
+ operating reversals. expenses transfer	1645	1 646	159 793	159 793	>100.0%	99 787	-37.6%
- Operating amortizations and depreciations	96 648	96 777	169 844	169 844	75.5%	94 535	-44.3%
Operating income	794 523	791 814	1 354 152	1 354 152	71.0%	1 334 200	-1.5%
<i>Operating income/Turnover</i>	<i>30.4%</i>	<i>30.0%</i>	<i>31.2%</i>	<i>31.2%</i>	<i>1.2pts</i>	<i>33.3%</i>	<i>2.1pts</i>
+ Financial revenues	22 086	22 331	13 047	13 047	-41.6%	43 176	>100.0%
- Financial expenses	217 892	218 119	298 965	298 965	37.1%	465 899	55.8%
Financial income	-195 806	-195 787	-285 919	-285 919	na	-422 723	47.8%
Current income before taxes	598 717	596 027	1 068 233	1 068 233	79.2%	911 477	-14.7%
+ Non current revenues	157 443	158 162	181 298	181 298	14.6%	462 261	>100.0%
- Non current expenses	132 667	133 989	111 054	111 054	-17.1%	131 194	18.1%
Non current income before taxes	24 776	24 174	70 245	70 245	>100.0%	331 067	>100.0%
Total income before taxes	623 493	620 201	1 138 478	1 138 478	83.6%	1 242 544	9.1%
- Corporate taxes	167 506	167 616	166 615	166 615	-0.6%	108 979	-34.6%
- Differed taxes	-285	-287	-23 794	-23 794	>100.0%	4 956	-120.8%
- Amortization of goodwill	23 708	28 394	39 603	39 603	39.5%	49 962	26.2%
+ Reversals on amortizations of goodwill	0	4 686	13 808	13 808	>100.0%	10 457	-24.3%
Net consolidate income	432 564	429 163	969 863	969 863	>100.0%	1 089 104	12.3%
Incomes of associates	-654	-654	3 129	3 129	ns	1 630	-47.9%
Consolidated net income	431 910	428 509	972 992	972 992	>100.0%	1 090 735	12.1%
<i>Consolidates net income/Turnover</i>	<i>16.5%</i>	<i>16.2%</i>	<i>22.4%</i>	<i>22.4%</i>	<i>6.2pts</i>	<i>27.2%</i>	<i>4.8pts</i>
Net income. Group share	423 681	422 661	832 041	774 700	96.9%	874 949	12.9%
Minority interests	8 229	5 849	140 951	198 292	>100.0%	215 785	8.8%

Source: Alliances Développement Immobilier

II. Balance sheet – Consolidated accounts

II.1. Main indicators of the consolidated balance sheet for the years 2011 pro forma and 2012

The following table presents the main consolidated indicators of group Alliances balance sheet in 2010, 2010 Proforma and 2011; 2012:

In KMAD	2011	2011 pro forma	2012	Var 12-11 pro forma
Assets				
Total fixed assets	1 902 845	1 902 845	1 950 804	2.5%
<i>Total fixed assets / Total assets</i>	<i>11.4%</i>	<i>11.1%</i>	<i>9.3%</i>	<i>-1.8pts</i>
Goodwill	688 551	688 551	679 554	-1.3%
Intangible fixed assets	12 479	12 479	13 433	7.6%
Tangible fixed assets	946 060	946 060	994 302	5.1%
Financial fixed assets	179 269	179 269	180 288	0.6%
Equity method securities	5 727	5 727	4 547	-20.6%
Differed taxes assets	70 758	70 758	78 681	11.2%
Current assets	14 302 581	14 836 606	18 432 210	24.2%
<i>Current assets / Total assets</i>	<i>86.1%</i>	<i>86.5%</i>	<i>88.2%</i>	<i>1.7pts</i>
Inventories	6 723 678	7 257 703	9 707 260	33.8%
Liabilities of the current assets	7 488 117	7 488 117	8 264 597	10.4%
<i>Suppliers, advances and installments</i>	<i>699 159</i>	<i>699 159</i>	<i>395 453</i>	<i>-43.4%</i>
<i>Customers</i>	<i>4 452 375</i>	<i>4 452 375</i>	<i>5 104 911</i>	<i>14.7%</i>
<i>Staff</i>	<i>1 570</i>	<i>1 570</i>	<i>1 430</i>	<i>-8.9%</i>
<i>Debtor's state</i>	<i>1 810 907</i>	<i>1 810 907</i>	<i>2 144 191</i>	<i>18.4%</i>
<i>Shareholders accounts</i>	<i>80 067</i>	<i>80 067</i>	<i>136 362</i>	<i>70.3%</i>
Other receivables	326 572	326 572	366 383	12.2%
<i>Adjustment-Assets</i>	<i>117 466</i>	<i>117 466</i>	<i>115 866</i>	<i>-1.4%</i>
Securities and investment values	90 786	90 786	460 152	>100%
Treasury – Assets	414 951	414 951	509 396	22.8%
<i>Treasury Assets / Total assets (in %)</i>	<i>2.5%</i>	<i>2.4%</i>	<i>2.4%</i>	<i>0.0pts</i>
Total Assets	16 620 377	17 154 402	20 892 210	21.8%
Equity & liabilities				
Long term resources	8 987 994	9 192 372	12 492 140	35.9%
<i>Long term resources / Total equity & liabilities (en %)</i>	<i>54.1%</i>	<i>53.6%</i>	<i>59.8%</i>	<i>6.2pts</i>
Equity (group share)	3 436 671	3 545 707	4 064 369	14.6%
<i>Equity capital</i>	<i>1 210 000</i>	<i>1 210 000</i>	<i>1 210 000</i>	<i>0.0%</i>
<i>Issue Premiums</i>	<i>643 500</i>	<i>643 500</i>	<i>643 500</i>	<i>0.0%</i>
<i>Consolidated Reserves</i>	<i>751 104</i>	<i>917 480</i>	<i>1 335 922</i>	<i>45.6%</i>
<i>Currency Translation adjustments</i>	<i>26</i>	<i>26</i>	<i>-3</i>	<i><-100%</i>
<i>Net Income (group share)</i>	<i>832 041</i>	<i>774 700</i>	<i>874 949</i>	<i>12.9%</i>
Minority interest	518 755	576 096	896 360	55.6%
Bonds redeemable in shares	-	-	1 000 000	NS
Financial debt	4 687 017	4 725 017	6 066 216	28.4%
Liabilities differed taxes	299 089	299 089	430 027	43.8%
Long term provisions for liabilities and	46 462	46 462	35 169	-24.3%

costs

Current liabilities	5 838 754	5 955 424	6 337 184	6.4%
<i>Current liabilities/Total equity & liabilities (in %)</i>	<i>35.1%</i>	<i>34.7%</i>	<i>30.3%</i>	<i>-4.4pts</i>
Suppliers payables	2 094 473	2 126 397	2 492 642	17.2%
Customers advances and installments	2 215 924	2 263 121	1 789 164	-20.9%
Employees and social organisms payables	35 790	35 790	39 721	11.0%
Tax payables	891 334	891 334	1 000 128	12.2%
Assets adjustment accounts	193 236	193 236	288 920	49.5%
Shareholders accounts	225 262	225 262	545 047	>100%
Other Debts	84 683	122 233	122 396	0.1%
Other Provisions for liabilities and charges	98 051	98 051	59 164	-39.7%
Overdrafts	1 793 627	2 006 606	2 062 886	2.8%
<i>Overdrafts / Total equity & liabilities (in %)</i>	<i>10.8%</i>	<i>11.7%</i>	<i>9.9%</i>	<i>-1.8pts</i>
Total equity liabilities	16 620 377	17 154 402	20 892 210	21.8%

Source: Alliances Développement Immobilier

II.2. Main indicators of the consolidated balance sheet for the financial year 2010 pro forma and 2011

The following table presents the main consolidated indicators of group Alliances balance sheet in 2010. 2010 Pro forma and 2011:

In KMAD	2010	2010 pro forma	2011	Var. 11/10 pro forma
Assets				
Total fixed assets	1 245 764	1 288 386	1 902 845	47.7%
<i>Total fixed assets / Total assets (in %)</i>	<i>11.2%</i>	<i>11.3%</i>	<i>11.4%</i>	<i>0.2pts</i>
Goodwill	639 140	681 733	688 551	1.0%
Intangible fixed assets	10 956	10 958	12 479	13.9%
Tangible fixed assets	456 181	456 207	946 060	107.4%
Financial fixed assets	83 955	83 956	179 269	113.5%
Equity method securities	20 847	20 847	5 727	-72.5%
Differed taxes assets	34 685	34 685	70 758	104.0%
Current assets	9 128 592	9 520 830	14 302 581	50.2%
<i>Current assets / Total assets (in %)</i>	<i>82.3%</i>	<i>83.3%</i>	<i>86.1%</i>	<i>2.8pts</i>
Inventories	5 617 715	5 963 453	6 723 678	12.7%
Liabilities of current assets	3 500 891	3 547 392	7 488 116	111.1%
<i>Suppliers, advances and adjustments</i>	<i>302 093</i>	<i>314 929</i>	<i>699 159</i>	<i>>100.0%</i>
<i>Customers</i>	<i>2 050 373</i>	<i>2 051 720</i>	<i>4 452 375</i>	<i>>100.0%</i>
<i>Staff</i>	<i>36</i>	<i>44</i>	<i>1 570</i>	<i>>100.0%</i>
<i>Debtor state</i>	<i>886 065</i>	<i>913 570</i>	<i>1 810 907</i>	<i>98.2%</i>
<i>Shareholders accounts</i>	<i>90 448</i>	<i>90 448</i>	<i>80 067</i>	<i>-11.5%</i>
Other receivables	121 383	123 560	326 572	>100.0%
Investment securities	50 493	53 121	117 466	>100.0%
Securities and investment values	9 986	9 986	90 786	NS
Cash and cash equivalent	721 173	626 476	414 951	-33.8%
<i>Cash and cash equivalent / Total assets (in %)</i>	<i>6.5%</i>	<i>5.5%</i>	<i>2.5%</i>	<i>-3.0pts</i>
Total assets	11 095 529	11 435 692	16 620 377	45.3%
Equity & liabilities				
Long term resources	5 983 057	6 218 402	8 987 994	44.5%
<i>Long term resources / Total equity & liabilities (in %)</i>	<i>53.9%</i>	<i>54.38%</i>	<i>54.08%</i>	<i>-0.3pts</i>
Equity (group share)	2 722 599	2 721 667	3 436 671	26.3%
<i>Equity capital</i>	<i>1210000</i>	<i>1210000</i>	<i>1 210 000</i>	<i>0.0%</i>
<i>Issue Premiums</i>	<i>643 500</i>	<i>643 500</i>	<i>643 500</i>	<i>0.0%</i>
<i>Consolidated Reserves</i>	<i>445 423</i>	<i>445 512</i>	<i>751 104</i>	<i>68.6%</i>
<i>Currency Translation adjustments</i>	<i>-5</i>	<i>-5.386</i>	<i>26</i>	<i>-582.7%</i>
<i>Net Income (group share)</i>	<i>423 681</i>	<i>422 661</i>	<i>832 041</i>	<i>96.9%</i>
Minority interest	121 005	328 595	518 755	57.9%
Financial debt	2 828 961	2 841 356	4 687 017	65.0%
Liabilities differed taxes	268 848	285 139	299 089	4.9%
Long term provisions for liabilities and charges	41 644	41 644	46 462	11.6%
Current liabilities	3 424 163	3 528 981	5 838 754	65.5%
<i>Current liabilities / Total equity & liabilities (in %)</i>	<i>30.9%</i>	<i>30.9%</i>	<i>35.1%</i>	<i>4.3pts</i>
Suppliers payables	1 210 176	1 219 797	2 094 473	71.7%
Customers advances and installments	1 444 927	1 513 824	2 215 924	46.4%
Employees and social organisms payables	23 884	23 922	35 790	49.6%
Tax payables	341 817	345 302	891 334	158.1%
Assets adjustment accounts	138 976	139 271	193 236	38.7%
Shareholders accounts	117 038	139 519	225 262	61.5%
Other Debts	61 430	61 430	84 683	37.9%

Other Provisions for liabilities and charges	85 916	85 916	98 051	14.1%
Overdrafts	1 688 309	1 688 309	1 793 627	6.2%
<i>Overdrafts / Total equity & liabilities (in %)</i>	<i>15.2%</i>	<i>14.8%</i>	<i>10.8%</i>	<i>-4.0pts</i>
Total equity liabilities	11 095 529	11 435 692	16 620 377	45.3%

Source: Alliances Développement Immobilier

Partie V. RISK FACTORS

The integrated management of risks is a continuous process in the group Alliances, genuine shutter in the global strategy, and a priority of the Board of Directors.

The investors are invited to take into account all the sector of activity risks described in the present Prospectus. They represent the inherent risks to Alliances group.

I. Risks related to the sector of activity

I.1. Risks related to the economic environment

The results and the growth prospects of “Alliances Développement Immobilier” are strongly influenced by the national economic conditions, by the international economic growth and by the level of interest rates.

However, Alliances group knew how to diversify its businesses and, by the same occasion, its income sources:

- Property development which gathers three independent markets:
 - Golfic, tourist one and second homes ;
 - Social ;
 - High standard residential.
- The performance of service which consists of the assistance in the realization of hotels and residential on behalf of investors ;
- Construction (roads, dams, buildings...).

I.2. Risks related to competition

The absence of barriers at the entry level combined with the favorable perspectives that the sector offers, is continuously attracting several operators on the real estate market. The multiplication of players, as well national as international, could cause:

- an erosion of margins, consequence of an increasing competition ;
- an increase in the cost of land in certain zones which is due to a strong demand of the property developers;
- a more difficult access to financing sources;
- a more restricted choice of the subcontractors.

I.3. Risks related to the change of the tax systems

The evolution of the tax regulation and in particular the reduction in the tax incentives granted to investors and to purchasers could have a negative influence on the real estate market and could consequently influence the financial situation of the sector operator.

However, the risk is restricted since the measurements established by 2010 law of finance are guaranteed until 2020, and thus offering a tax stability within the framework of social housing construction.

II. Risks related to the field of activity of Alliances Développement Immobilier

II.1. Risks related to the increase in the land cost

Attractive credit terms combined with an important deficit in housing have caused the accentuation of the demand and, hence, the establishment of the cost of land in urban area in a growing trend for a few more years.

In the same way, the cost of land in touristic areas could also continue to increase as it has these last years, drawn in by an exacerbated competition between operators of the sector, as well as by a strong demand.

The increase in the cost of land would have a direct impact on the margins generated by Alliances Développement Immobilier. This risk would be more important if the company did not manage to reflect this increase on the final prices applied to the sale.

In order to attenuate this risk, it is advisable to note, at the level of Alliances Développement Immobilier :

- The importance of the land reserves made secured by the Company;

- The signature of investment convention within the framework of public – private partnerships for the realization of many programs of golf resorts, and programs of intermediate housing, allowing Alliances Développement Immobilier to benefit from a stock of additional significant land ;
- The strong presence of the company on segments of the market such as the top-of-the-range golf resorts or high standing real estate. These segments are characterized by a less sensitivity of the demand to prices, compared to segments such as the social housing or the intermediate housing.

In addition, at the national scale, the public authorities consider the widening of the urban perimeter of several cities of the kingdom as well as the creation of 15 new towns by 2020. The land available should consequently increase significantly, thus attenuating the rise in costs of land.

II.2. Risks related to sub-contracting

Within the framework of the real estate programs initiated by Alliances Développement Immobilier, the latter calls outsourcing companies for housing construction. For this purpose, Alliances Développement Immobilier prepares specifications considering the realization dates as well as the quality of the required services. The subcontracting project is subject to restricted tender offers for preselected companies, on the basis of their reference and their capacities.

A risk factor would rise from the unavailability of sufficient number of companies qualified to be able to satisfy the requirements related to the specifications in terms of quality of the services or completion deadlines. This risk, potentially induced by the multiplication of the competitors, could also have consequences on the prices charged by the subcontractors.

Nevertheless, and in order to attenuate this risk, it is advisable to announce that Alliances Développement Immobilier established with its partners a trust relationship based on a rigorous respect of payment deadlines.

Moreover, the group carries out since 2006, a prospection of international partners of quality in order to limit the risk related to a possible deficiency of companies qualified on the national level.

Lastly, the group has since June 2009, a division called “construction”.

II.3. Risks related to the variations of the real estate market

A decrease in the national or foreign demand (due to the international conjuncture) would influence in a negative way the health of the sector in general, and the volume of business of Alliances Développement Immobilier.

Nevertheless, it is advisable to recall that the market is characterized by an increasing demand in residences which is explained partly by an increase in demography and a phenomenon of massive rural depopulation caused by recurring droughts since the 1980s. This accelerated urbanization was accompanied by an anarchistic development of cities, related to a lack of infrastructures reception involving an important deficit in housing which rose by 840,000 units for an annual production of about 122,000 residences on the national scale.

Moreover, in precondition to the starting of important real estate projects, Alliances Développement Immobilier conducts a relevant market study upstream in order to be sure of the commercial success of the project on the one hand and to choose an adapted positioning on the other one.

At last, one of the key elements of the strategy adopted by Alliances Développement Immobilier consists in privileging in its range of products known as liquid to the products image of intermediate housing, and this, in a logic of risk diversification.

III. Financial Risks

III.1. Risks related to the interest rates

A significant rise of the debtor interest rates applied to the credit contracted by the purchasers would constitute a restrictive factor as for the households demand for housing.

It would thus result a relatively important potential impact from it on the turnover of Alliances Développement Immobilier and more particularly on volume from business generated by the segment of intermediate housing.

To attenuate this risk, it should be emphasized that Alliances group systematically signs conventions with its banking partners so that the future purchasers of its products can be given credits at attractive rates.

III.2. Risks related to financing sources access

The development of the group necessarily passes by external financing needs. Alliances Développement Immobilier finances its needs through its equities, the credit lines and by the customers advances. In theory, the company manages to anticipate its growing needs in financing.