

PROSPECTUS SUMMARY

ALLIANCES DARNA COMPANY

**ALLIANCES DARNA BOND ISSUE APPROVED BY THE SHARHOLDERS GENERAL MEETING
HELD ON 09/05/2012**

NUMBER OF SECURITIES TO BE ISSUED	10,000
FACE VALUE PER BOND	MAD 100,000
TOTAL ISSUE AMOUNT	MAD 1,000,000,000

Advisor and overall coordinator



Lead manager of the underwriting syndicate



Co-Lead manager of the underwriting syndicate



Approval of the *Conseil Déontologique des Valeurs Mobilières* (Financial Authority)

In accordance with the CDVM Circular effective since 1 April 2012, adopted pursuant to article 14 of Dahir1-93-212 of 21 September 1993 on the *Conseil Déontologique des Valeurs Mobilières* (CDVM) and the information required by legal persons making public offerings, as amended and supplemented, the original of the present prospectus was approved by CDVM on 03 August 2012 under reference number VI/EM/027/2012.

WARNING

The Securities Council approved a prospectus related to Alliances Darna bond issue on August 3th, 2012.

The Securities Council approval neither implies endorsement of the issue's worthiness nor authenticates the information presented. It was granted after reviewing adequacy and consistency of the information given in the context of the issue proposed to investors.

The prospectus approved by the Securities Council can be consulted at any time:

- In Alliances Darna headoffices at: - Zone d'Aménagement Touristique Agdal, Résidence Al Qantar Marrakesh 40 000 ;
- At BCP Establishment headoffice, 101, Bd. Zerktouni – Casablanca ;
- At CDG Capital Establishment headoffice, Tour Mamounia, Place My Hassan – Rabat ;
- At Upline Securities, 37, Boulevard Abellatif Ben Kaddour, Casablanca, 20 050, Tel.: (0522) 997171;
- On the Securities Council website (www.cdvm.gov.ma);
- At the Stock Exchange headquarters and on its website www.casablanca-bourse.com;

I. OVERVIEW OF THE ISSUE

I.1. OBJECTIVES OF THE ISSUE

The social and intermediate housing sector is a booming market characterized by a significant increase in the production of dwellings in response to a growing demand driven by a proactive State policy in the context of reducing the housing shortage.

Alliances Darna, which has had a presence in this market segment since 2006, currently has 21 building projects under development.

Through this bond issue, the Alliances Darna company aims to achieve the following objectives:

- To diversify the company's external funding sources;
- To meet the working capital requirements resulting from the development of the various projects;
- To continue the consolidation of the strategic landholding reserve initiated in 2010;
- To maintain a positive cash position that will enable the company to grasp additional land acquisition opportunities and also develop building projects;
- To have leverage at optimal cost and meet occasional Alliances Darna Group cash requirements;
- To consolidate its image among institutional investors through a higher profile in the capital market.

I.2. INFORMATION ON THE SECURITIES TO BE ISSUED

1. CHARACTERISTICS OF BLOCK A BONDS: VARIABLE-RATE BONDS LISTED IN CASABLANCA STOCK EXCHANGE

The characteristics of block A bonds are as follows:

Nature of securities	Bonds listed in the Casablanca Stock Exchange, dematerialized by registration with the central depository (Maroclear) and with book entry with authorized affiliates.
Legal form	Bearer
First listing procedure	Direct listing under articles 1.2.6 and 1.2.22 of the Stock Exchange General Regulations.
Block ceiling	MAD 1,000,000,000
Maximum number of securities to be issued	10,000
Face value per bond	MAD 100,000
Maturity	5 years
Subscription period	From 17 August 2012 to 23 August 2012 included
Vesting date	31 August 2012
Due date	31 August 2017
Risk premium	Between 130 & 145 bps

Issuance price	At par, i.e., MAD 100,000 at vesting date
Allocation method	French allocation with priority to block B & D with fixed rate.
Negotiability of securities	Freely tradable on Casablanca Stock Exchange. There are no restrictions on the free negotiability of these bonds imposed by the conditions of issuance.
Security listing	<p>The bonds in block A will be listed in the Casablanca Stock Exchange and will therefore be the subject of an application for admission to the Casablanca Stock Exchange bond compartment.</p> <p>Their listing date in the bond compartment under code 990160 and ticker OB160 is planned for 28 August 2012.</p> <p>To be listed in Casablanca stock exchange, the total amount allocated to blocks A and B must be at least 20 million dirhams. If at the end of the subscription period the total of the amounts allocated to blocks A and B is less than 20 million dirhams, subscriptions to the blocks will be cancelled.</p>
Interest rate determination date	<p>The coupon rate will be adjusted annually on the anniversary of the vesting day, i.e., on 31 August of each year.</p> <p>The new rate will be communicated to the Stock Exchange by the <i>BanqueCentralePopulaire</i> (BCP) at the latest 5 Stock Exchange working days before the anniversary. The adjusted rate will be announced in the Stock List (<i>Bulletin de la Cote</i>) of the Casablanca Stock Exchange.</p>
Nominal rate of interest	<p>The nominal interest rate is revisable annually at anniversary date.</p> <p>For the first year, the nominal interest rate's the 1 year full rate (actuarial rate) calculated from the secondary BDT curve as published the 16 August 2012 by Bank Al-Maghrib; The reference rate so obtained will be increased by a risk premium between 130-145 bps.</p> <p>On each anniversary, the reference rate will be the full 1 year rate, calculated from the last secondary BDT curve published by Bank Al-Maghrib preceding the coupon anniversary by at least five Stock Exchange working days.</p>
Reference rate calculation method	<p>The reference rate will be calculated using the linear interpolation method by taking the two points surrounding the full 1 year maturity. The linear interpolation will be carried out after converting the rate immediately below the 1 year maturity (monetary basis) into the equivalent actuarial rate.</p> <p>The calculation formula is:</p> $(1+(\text{monetary rate} \times \text{exact no. of days}/360))^{(k/\text{exact no. of day})-1}$ <p>OR $k = \text{no. of days between anniversary date and next coupon payment date}$.</p>
Coupon payment	<p>The coupons shall be paid annually on the anniversaries of the vesting day of the issue, i.e., on 29 August each year. The payment shall be made on the day itself or on the first working day thereafter if the 31 August is not a working day.</p> <p>The interest will be calculated using the following formula: [face value x nominal rate]. Interest will cease to accrue from the day on which the principal is repaid by Alliances Darna. There can be no deferral of interest in the context of this bond issue.</p>

Repayment of principal	<p>The Alliances Darna Company bond issue will be the subject of a bullet repayment of the principal.</p> <p>In the event of a merger, demerger or partial contribution of assets in relation to the Alliances Darna Company during the term of the issue that results in the universal transfer of assets to the benefit of a different legal entity, the rights and obligations in respect of the bonds will be automatically transferred to the legal entity subrogated to the Alliance Daran Company's rights and obligations.</p>
Early repayment	<p>The Alliances Darna Company commits itself to making no early repayment during the life of the bonds in this issue.</p> <p>However, Alliances Darna reserves the right to buy back bonds in the secondary market, provided that the legislation and regulations so allow. These repurchases will have no consequences for subscribers wishing to retain their bonds until the normal maturity, and will have no impact on the normal amortization schedule. Bonds repurchased in this manner will be cancelled.</p>
Assimilation clause	<p>There is no assimilation of the bonds that are the subject of the present prospectus with bonds in any previous issue.</p> <p>In the event that the Alliances Darna Company should later issue new securities with rights identical in all respects to block A bonds, it may, without requiring the consent of bearers of the earlier bonds, undertake the assimilation of all securities from successive issues, thus unifying all management and negotiation transactions for such bonds.</p>
Ranking / Subordination	<p>The bonds issued by the Alliances Darna Company and the interest thereon are direct, general, unconditional and unsubordinated commitments on the part of the Issuer, with equal rank between them and all other debts, present and future, of the Issuer, that are neither secured, nor preferred under law, and are of fixed term.</p>
Guarantee	<p>The bonds issued by the Alliances Darna Company are not the subject of any particular guarantee.</p>
Rating	<p>The present bond issue has not been the subject of a rating request.</p>
Applicable law / jurisdiction	<p>Moroccan law, with the <i>Tribunal de Commerce</i> (Commercial Court) of Casablanca being the competent jurisdiction.</p>
Representation of bondholders	<p>While awaiting the General Assembly of bondholders, the Alliances Darna Company's Board of Directors has appointed Mr. Laurent SABLE as temporary representative.</p> <p>This decision shall take effect from the opening of the subscription period. It is specified that the temporary representative appointed is the same for blocks A, B, C and D of this issue, these blocks being grouped into a single mass.</p>

2. CHARACTERISTICS OF BLOCK B BONDS: FIXED-RATE BONDS LISTED IN CASABLANCA STOCK EXCHANGE

The characteristics of block B bonds are as follows:

Nature of securities	Bonds listed in the Casablanca Stock Exchange, dematerialized by registration with the central depository (Maroclear) and with book entry with authorized affiliates.
Legal form	Bearer
First listing procedure	Direct listing under articles 1.2.6 and 1.2.22 of the Stock Exchange General Regulations.
Block ceiling	MAD 1,000,000,000
Maximum number of securities to be issued	10,000
Face value per bond	MAD 100,000
Maturity	5 years
Subscription period	From 17 August 2012 to 23 August 2012 included
Vesting date	31 August 2012
Due date	31 August 2017
Risk premium	Between 145 & 160 bps
Issuance price	At par, i.e., MAD 100,000 at vesting date
Allocation method	French allocation with priority to block B & D with fixed rate.
Negotiability of securities	Freely tradable on Casablanca Stock Exchange. There are no restrictions on the free negotiability of these bonds imposed by the conditions of issuance.
Security listing	<p>The bonds in block B will be listed in the Casablanca Stock Exchange and will therefore be the subject of an application for admission to the Casablanca Stock Exchange bond compartment. Their listing date in the bond compartment under code 990161 and ticker OB161 is planned for August 28, 2012.</p> <p>To be listed in Casablanca stock exchange, the total amount allocated to blocks A and B must be at least 20 million dirhams. If at the end of the subscription period the total of the amounts allocated to blocks A and B is less than 20 million dirhams, subscriptions to the blocks will be cancelled.</p>
Nominal interest rate	<p>Fixed rate</p> <p>The nominal interest rate is determined with reference to the five-year BDT rate calculated from the secondary BDT curve of the 16 August 2012 as published by Bank Al-Maghrib, plus a risk premium between 145 & 160 bps.</p> <p>The reference rate will be calculated using the linear interpolation method by taking the two points surrounding the full 5-year maturity (actuarial basis).</p>

Coupon payment	<p>The coupons shall be paid annually on the anniversaries of the vesting day of the issue, i.e., on 31 August each year. The payment shall be made on the day itself or on the first working day thereafter if 31 August is not a working day.</p> <p>The interest will be calculated using the following formula: [face value x nominal rate]. Interest will cease to accrue from the day on which the principal is repaid by Alliances Darna. There can be no deferral of interest in the context of this bond issue.</p>
Repayment of principal	<p>The Alliances Darna Company bond issue will be the subject of a bullet repayment of the principal.</p> <p>In the event of a merger, demerger or partial contribution of assets in relation to the Alliances Darna Company during the term of the issue that results in the universal transfer of assets to the benefit of a different legal entity, the rights and obligations in respect of the bonds will be automatically transferred to the legal entity subrogated to the Alliance Darna Company's rights and obligations.</p>
Early repayment	<p>The Alliances Darna Company commits itself to making no early repayment during the life of the bonds in this issue.</p> <p>However, Alliances Darna reserves the right to buy back bonds in the secondary market, provided that the legislation and regulations so allow. These repurchases will have no consequences for subscribers wishing to retain their bonds until the normal maturity, and will have no impact on the normal amortization schedule. Bonds repurchased in this manner will be cancelled.</p>
Assimilation clause	<p>There is no assimilation of the bonds that are the subject of the present prospectus with bonds in any previous issue.</p> <p>In the event that the Alliances Darna Company should later issue new securities with rights identical in all respects to block B bonds, it may, without requiring the consent of bearers of the earlier bonds, undertake the assimilation of all securities from successive issues, thus unifying all management and negotiation transactions for such bonds.</p>
Ranking / Subordination	<p>The bonds issued by the Alliances Darna Company and the interest thereon are direct, general, unconditional and unsubordinated commitments on the part of the Issuer, with equal rank between them and all other debts, present and future, of the Issuer, that are neither secured, nor preferred under law, and are of fixed term.</p>
Guarantee	<p>The bonds issued by the Alliances Darna Company are not the subject of any particular guarantee.</p>
Rating	<p>The present bond issue has not been the subject of a rating request.</p>
Applicable law / jurisdiction	<p>Moroccan law, with the <i>Tribunal de Commerce</i> (Commercial Court) of Casablanca being the competent jurisdiction.</p>
Representation of bondholders	<p>While awaiting the General Assembly of bondholders, the Alliances Darna Company's Board of Directors has appointed Mr. Laurent SABLE as temporary representative.</p> <p>This decision shall take effect from the opening of the subscription period. It is specified that the temporary representative appointed is the same for blocks A, B, C and D of this issue, these blocks being grouped into a single mass.</p>

3. CHARACTERISTICS OF BLOCK C BONDS: VARIABLE-RATE BONDS NOT LISTED IN CASABLANCA STOCK EXCHANGE

The characteristics of block C bonds are as follows:

Nature of securities	Bonds not listed in the Casablanca Stock Exchange, fully dematerialized by registration with the central depository (Maroclear) and with book entry with authorized affiliates.
Legal form	Bearer
Listing	Not listed.
Block ceiling	MAD 1,000,000,000
Maximum number of securities to be issued	10,000
Face value per bond	MAD 100,000
Maturity	5 years
Subscription period	From 17 August 2012 to 23 August 2012 included
Vesting date	31 August 2012
Due date	31 August 2017
Risk premium	Between 130-145 bps
Issuance price	At par, i.e., MAD 100,000 at vesting date
Allocation method	French allocation with priority to block B & D with fixed rate.
Negotiability of securities	Private trading. There are no restrictions on the free negotiability of these bonds imposed by the conditions of issuance.
Interest rate determination date	The coupon rate will be adjusted annually on the anniversary of the vesting day, i.e., on 31 August each year. The new rate will be communicated by BCP in a legal announcements newspaper at the latest 5 Stock Exchange working days before the anniversary.
Nominal rate of interest	The nominal interest rate is revisable annually at anniversary date. For the first year, the nominal interest rate's the 1 year full rate (actuarial rate) calculated from the secondary BDT curve of 16 August 2012 as published by the Bank Al-Maghrib, plus a risk premium of 130-145 bps. On each anniversary, the reference rate will be the full 1 year rate calculated from the last secondary BDT curve published by Bank Al-Maghrib preceding the coupon anniversary by at least five Stock Exchange working days. The reference rate so obtained will be increased by a risk premium between 130 & 145 bps. This rate will be communicated by BCP at the latest five Stock Exchange working days before the anniversary, and will be announced in a legal announcements newspaper.
Reference rate calculation method	The reference rate will be calculated using the linear interpolation method by taking the two points surrounding the full 52-week maturity. The linear interpolation will be carried out after converting the rate immediately below the 1 full year maturity (monetary basis) into the equivalent actuarial rate.

	<p>The calculation formula is:</p> $(1 + (\text{monetary rate} \times \text{exact no. of days} / 360))^k - 1$ <p>OR $k = \text{no. of days between anniversary date and next coupon payment date}$</p>
Coupon payment	<p>The coupons shall be paid annually on the anniversaries of the vesting day of the issue, i.e., on 31 August each year. The payment shall be made on the day itself or on the first working day thereafter if 31 August is not a working day.</p> <p>The interest will be calculated using the following formula: [face value x nominal rate]. Interest will cease to accrue from the day on which the principal is repaid by Alliances Darna. There can be no deferral of interest in the context of this bond issue.</p>
Repayment of principal	<p>The Alliances Darna Company bond issue will be the subject of a bullet repayment of the principal.</p> <p>In the event of a merger, demerger or partial contribution of assets in relation to the Alliances Darna Company during the term of the issue that results in the universal transfer of assets to the benefit of a different legal entity, the rights and obligations in respect of the bonds will be automatically transferred to the legal entity subrogated to the Alliance Daran Company's rights and obligations.</p>
Early repayment	<p>The Alliances Darna Company commits itself to making no early repayment during the life of the bonds in this issue.</p> <p>However, Alliances Darna reserves the right to buy back bonds in the secondary market, provided that the legislation and regulations so allow. These repurchases will have no consequences for subscribers wishing to retain their bonds until the normal maturity, and will have no impact on the normal amortization schedule. Bonds repurchased in this manner will be cancelled.</p>
Assimilation clause	<p>There is no assimilation of the bonds that are the subject of the present prospectus with bonds in any previous issue.</p> <p>In the event that the Alliances Darna Company should later issue new securities with rights identical in all respects to block C bonds, it may, without requiring the consent of bearers of earlier bonds, undertake the assimilation of all securities from successive issues, thus unifying all management and negotiation transactions for such bonds.</p>
Ranking / Subordination	<p>The bonds issued by the Alliances Darna Company and the interest thereon are direct, general, unconditional and unsubordinated commitments on the part of the Issuer, with equal rank between them and all other debts, present and future, of the Issuer, that are neither secured, nor preferred under law, that are of fixed term.</p>
Guarantee	<p>The bonds issued by the Alliances Darna Company are not the subject of any particular guarantee.</p>
Rating	<p>The present bond issue has not been the subject of a rating request.</p>
Applicable law / jurisdiction	<p>Moroccan law, with the <i>Tribunal de Commerce</i> (Commercial Court) of Casablanca being the competent jurisdiction.</p>
Representation of bondholders	<p>While awaiting the General Assembly of bondholders, the Alliances Darna Company's Board of Directors has appointed Mr. Laurent SABLE as temporary representative.</p> <p>This decision shall take effect from the opening of the subscription period. It is specified that the temporary representative appointed is the same for blocks A, B, C and D of this issue, these blocks being grouped into a single mass.</p>

4. CHARACTERISTICS OF BLOCK D BONDS: FIXED-RATE BONDS NOT LISTED IN CASABLANCA STOCK EXCHANGE

The characteristics of block D bonds are as follows:

Nature of securities	Bonds not listed in the Casablanca Stock Exchange, fully dematerialized by registration with the central depository (Maroclear) and with book entry with authorized affiliates.
Legal form	Bearer
Listing	Not listed.
Block ceiling	MAD 1,000,000,000
Maximum number of securities to be issued	10,000
Face value per bond	MAD 100,000
Maturity	5 years
Subscription period	From 17 August 2012 to 23 August 2012 included
Vesting date	31 August 2012
Due date	31 August 2017
Risk premium	Between 145 & 160 bps
Issuance price	At par, i.e., MAD 100,000 at vesting date
Allocation method	French allocation with priority to block B & D with fixed rate.
Negotiability of securities	Private trading. There are no restrictions on the free negotiability of these bonds imposed by the conditions of issuance.
Nominal interest rate	Fixed rate The nominal interest rate is determined with reference to the five-year BDT rate calculated from the secondary BDT curve of the 16 August 2012 as published by Bank Al-Maghrib, plus a risk premium between 145 & 160 bps. The reference rate will be calculated using the linear interpolation method by taking the two points surrounding the full 5-year maturity (actuarial basis).
Coupon payment	The coupons shall be paid annually on the anniversaries of the vesting day of the issue, i.e., on 31 August each year. The payment shall be made on the day itself or on the first working day thereafter if 31 August is not a working day. The interest will be calculated using the following formula: [face value x nominal rate]. Interest will cease to accrue from the day on which the principal is repaid by Alliances Darna. There can be no deferral of interest in the context of this bond issue.

Repayment of principal	<p>The Alliances Darna Company bond issue will be the subject of a bullet repayment of the principal.</p> <p>In the event of a merger, demerger or partial contribution of assets in relation to the Alliances Darna Company during the term of the issue that results in the universal transfer of assets to the benefit of a different legal entity, the rights and obligations in respect of the bonds will be automatically transferred to the legal entity subrogated to the Alliance Darna Company's rights and obligations.</p>
Early repayment	<p>The Alliances Darna Company commits itself to making no early repayment during the life of the bonds in this issue.</p> <p>However, Alliances Darna reserves the right to buy back bonds in the secondary market, provided that the legislation and regulations so allow. These repurchases will have no consequences for subscribers wishing to retain their bonds until the normal maturity, and will have no impact on the normal amortization schedule. Bonds repurchased in this manner will be cancelled.</p>
Assimilation clause	<p>There is no assimilation of the bonds that are the subject of the present prospectus with bonds in any previous issue.</p> <p>In the event that the Alliances Darna Company should later issue new securities with rights identical in all respects to block D bonds, it may, without requiring the consent of bearers of earlier bonds, undertake the assimilation of all securities from successive issues, thus unifying all management and negotiation transactions for such bonds.</p>
Ranking / Subordination	<p>The bonds issued by the Alliances Darna Company and the interest thereon are direct, general, unconditional and unsubordinated commitments on the part of the Issuer, with equal rank between them and all other debts, present and future, of the Issuer, that are neither secured, nor preferred under law, that are of fixed term.</p>
Guarantee	<p>The bonds issued by the Alliances Darna Company are not the subject of any particular guarantee.</p>
Rating	<p>The present bond issue has not been the subject of a rating request.</p>
Applicable law / jurisdiction	<p>Moroccan law, with the <i>Tribunal de Commerce</i> (Commercial Court) of Casablanca being the competent jurisdiction.</p>
Representation of bondholders	<p>While awaiting the General Assembly of bondholders, the Alliances Darna Company's Board of Directors has appointed Mr. Laurent SABLE as temporary representative.</p> <p>This decision shall take effect from the opening of the subscription period. It is specified that the temporary representative appointed is the same for blocks A, B, C and D of this issue, these blocks being grouped into a single mass.</p>

I.3. ISSUE SCHEDULE

Order	Stage	At the latest
1	Receipt of the complete issue record by Casablanca Stock Exchange	03 Août 2012
2	Issuance of the issue approval notice and schedule by Casablanca Stock Exchange	03 Août 2012
3	Receipt by Casablanca Stock Exchange of the prospectus approved by CDVM	03 Août 2012
4	Publication in the Stock Exchange Official List of the notice of admission of the bonds issued in blocks A and B.	06 Août 2012
5	Publication of the prospectus extract in a legal announcement newspaper	08 Août 2012
6	Publication of the reference rates in a legal announcement newspaper	17 Août 2012
6	Opening of the subscription period	17 Août 2012
7	Closure of the subscription period	23 Août 2012
8	Receipt of the issue results by Casablanca Stock Exchange as well as rates retained for each block	24 Août 2012
9	<ul style="list-style-type: none">• Listing of the bonds• Announcement of the results of the issue in the Stock Exchange Official List• Registration of the issue in the Stock Exchange	28 Août 2012
10	Publication of the results of the issue in a legal announcements newspaper	30 Août 2012
11	Settlement / Delivery	31 Août 2012

I.4. UNDERWRITING SYNDICATE

Type of financial intermediary	Name and address
Financial Advisor and overall Coordinator	Upline Corporate Finance 37 BdAbdellatif Ben Kaddour, Casablanca Tel. +212 522 997171
Lead manager of the underwriting syndicate	Banque Centrale Populaire 101 Boulevard Zerktouni, Casablanca Tel. +212 522 200407
Co-Lead of the underwriting syndicate	CDG Capital Tour Mamounia, Place My Hassan, Rabat Tél : 05 37 66 90 00
Paying agent establishment insuring the issues financial services	Banque Centrale Populaire 101 Boulevard Zerktouni, Casablanca Tel. +212 522 200407
Central depository	Maroclear No. 18, Cité Laia, Route d'El Jadida, Casablanca Tel. +212 522 983131
Establishment responsible for registering the issue in Casablanca Stock Exchange	Upline Securities 37 Bd Abdellatif Ben Kaddour, Casablanca Tel. +212 522 997171

II. INFORMATION CONCERNING THE ISSUER

II.1. GENERAL OVERVIEW

Description

	Description
Corporate name	Alliances Darna. (Short form "Al Darna")
Head Office	Zone d'Aménagement Touristique Agdal, Résidence Al Qantara, Marrakesh 40 000.
Telephone	+212 524 381515
Fax	+212 524 381930
E-mail	info@alliancesdarna.ma
Website	www.alliancesdarna.ma
Legal form	<i>Private limited company</i> under Law 17-95 of 30 August 1996 on business corporations as amended and supplemented by Law 20-05 of 23 May 2008.
Date of incorporation	November 2006.
Life	Life was set at 99 years, except in the cases of early dissolution or extension provided for by the articles of association and/or the law.
Social purpose	The purpose of the company is as follows:
<i>Article 3 of statutes</i>	<ul style="list-style-type: none"> ▪ The acquisition and management, by all legal means, of all undeveloped land or land under structures to be demolished and any real or personal rights and property; ▪ On that land, to carry out any and all subdivision operations, and to build thereon any and all structures for dwelling houses or for commercial, professional, industrial or administrative use; ▪ The promotion of the tourism and construction sectors through the study, design, implementation, construction, management of any and all businesses or companies and the direct and indirect marketing of any product associated with the activities of the aforementioned sectors; ▪ To make use of the corporate assets derived from the sale, leasing or personal use of plots and structures; ▪ In order to achieve the corporate purpose thus defined, to take any holdings or interests, through partial contributions, merger contributions, subscriptions to or purchases of securities in any existing company or company being incorporated that has a similar or related purpose; and ▪ More generally, any and all operations directly or indirectly connected in whole or in part with any one or more of the operations listed above, so as to facilitate, promote or develop the company's activity and also any and all direct or indirect holdings of any kind in businesses pursuing similar or related ends.
Financial year	The company's financial year begins on 1 January and ends on 31 December.
Nominal share capital as of 31/12/2011	A total of MAD 857,000,000 divided into 8,570,000 shares with a par value of MAD 100.
Places where legal documents may be consulted	Corporate, accounting and legal documents that must by law or Company statute be consulted at Alliances Darna's company headquarters.
Trade and commerce registry number	Marrakesh Register of Companies no. 35623.

	Description
Legislation and regulations applicable to the Company	<p>Owing to its legal form, the company is governed by Moroccan law, including in particular Law 17-95 promulgated by Dahir 1-96-124 of 30 August 1996 on private limited companies, as amended and supplemented by Law 20-05 of 23 May 2008.</p> <p>Owing to its activity, the company is governed by the following legislative texts:</p> <ul style="list-style-type: none"> ▪ Law 25-90 promulgated by Dahir 1-92-7 of 17 June 1992 on housing estates, housing units and severances; ▪ Dahir of 12 August 1913 setting forth the Code of Obligations and Contracts, supplemented by Law 44-00 of 3 October 2002 on the sale of property for future completion; ▪ Law 18-00 of 3 October 2002 on the co-ownership status of constructed buildings; ▪ Article 19 of the Finance Act 2008 establishing tax exemptions for property developers; ▪ Article 92 of the Finance Act 2010 establishing new tax exemptions for property developers; <p>Owing to its issuance of commercial paper, the company is governed by the following legislative texts:</p> <ul style="list-style-type: none"> ▪ Dahir 1-95-03 of 26 January 1995 promulgating Law 35-94 concerning certain debt securities; ▪ The General Regulations of the Central Depository approved by Decree of the Minister of the Economy and Finance no. 932-98 of 16 April 1998 and amended by Decree of the Minister of the Economy, Finance, Privatization and Tourism no. 1961-01 of 30 October 2001; ▪ Dahir on Law 1-93-212 of 21 September 1993 on the Securities Council (CDVM) and the information required of legal persons making public offerings, as amended and supplemented by Laws n°34-96, 29-00, 52-01 et 45-06) ; ▪ The General Regulations of CDVM as approved by Decree of the Minister of the Economy and Finance no. 882-08 of 14 April 2008; ▪ Dahir on Law 1-96-246 of 9 January 1997 promulgating Law 35-96 on the creation of a central depository and the institution of a general procedure for the book entry of certain securities (amended by Law 43-02);
Competent Court in the event of litigation	Marrakesh Commercial Court.
Applicable taxation regime	<p>Alliances Darna is governed by Common Law commercial and fiscal legislation. It is subject to Corporation Tax at the rate of 30%. Its transactions are subject to 20% VAT.</p> <p>Alliances Darna also enjoys tax benefits under the 2010 and 2008 Finance Acts.</p>

Source: Alliances Darna

II.2. SHAREHOLDING STRUCTURE

The following table gives the shareholding structure of Alliances Darna as of 31 December 2011:

Name/corporate name of shareholder	31/12/2011	
	Number of shares	% capital and voting rights
Alliances Développement Immobilier (member of the Board of Governors)	8,569,975	100%
<u>Physical persons on the Board of Governors</u>	15	0%
Mr. Mohamed Alami NAFAKH LAZRAQ	10	0%
Mr. Mohamed Mustafa NAFAKH LAZRAQ	5	0%
Mr. Ahmed AMLOUL	0	0%
<u>Other shareholders</u>	10	0%
Mr. Jamal HAMD AOUI	5	0%
Mr. Karim BELMAACHI	0	0%
Mr. Hakim CHERRADI	5	0%
Total	8,570,000	100%

Source: Alliances Darna

The shareholding structure of Alliances Darna remained unchanged on 30 June 2012 relative to financial year 2011.

II.3. BOARD OF GOVERNORS

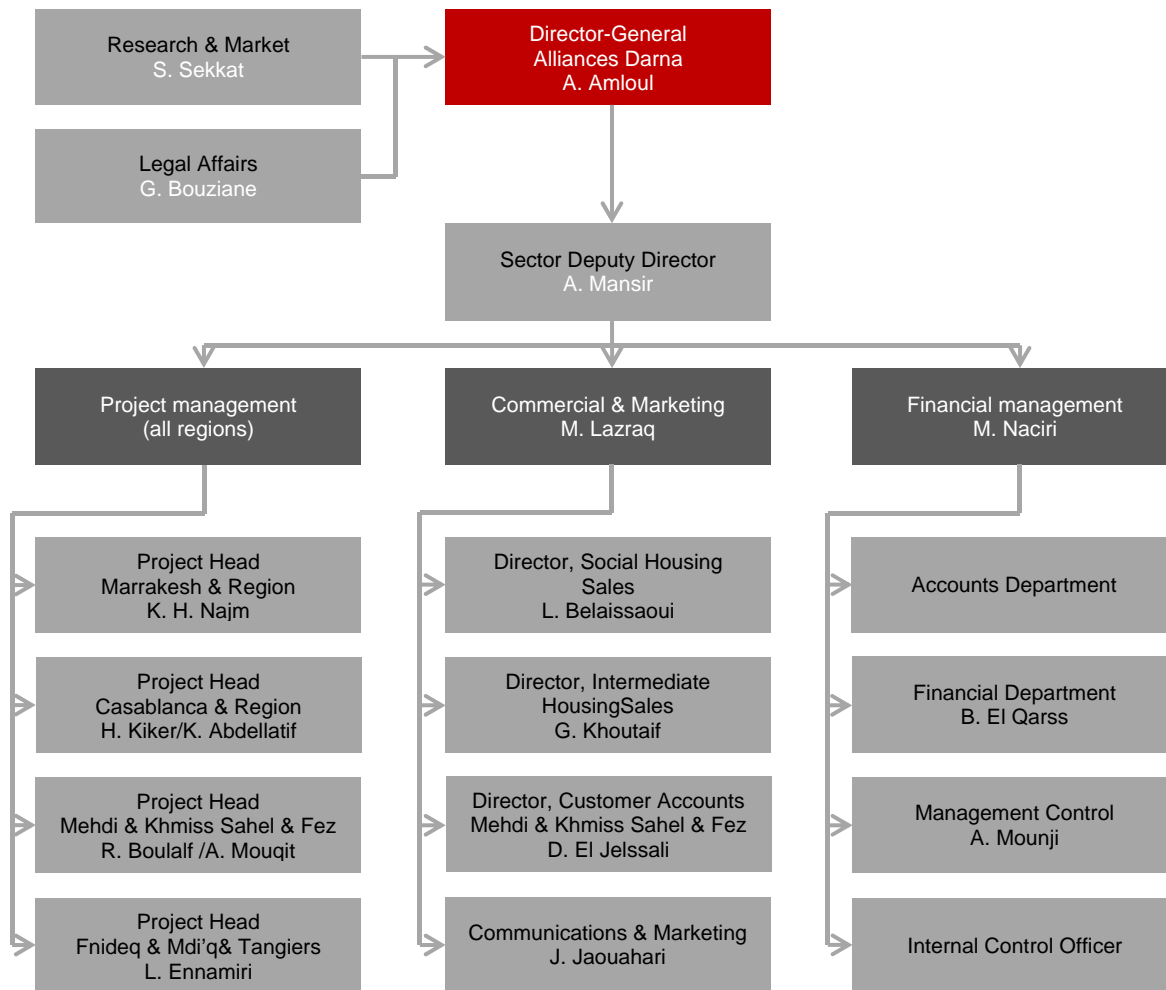
As of 30 April 2012, the composition of the Board of Governors was as follows:

Name	Role	Start of renewed term of office	End of mandate	Relationship
Mr. Mohamed Alami Nafakh Lazraq	Chairman /President Director-General	29 June 2009	AGMon FY 2014	Founder
Mr. Ahmed Amloul	Administrator ¹ / Director-General	24 May 2007	AGM on FY 2012	None
Alliances Développement Immobilier represented by Mr. Karim Belmaachi	Administrator	29 June 2009	AGM on FY 2014	None
Mr. Mustafa Nafakh Lazraq	Administrator	24 May 2007	AGM on FY 2012	Brother

Source: Alliances Darna

¹ Note du traducteur: Cf. organigramme.

II.4. FUNCTIONAL ORGANIZATIONAL DIAGRAM



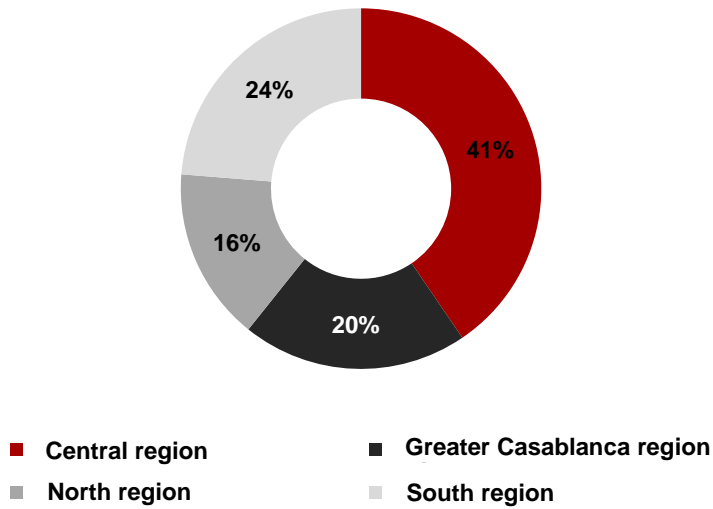
Source: Alliances Darna

II.5. ACTIVITIES OF ALLIANCES DARNA

In 2008, Alliances Darna broke ground on the Chwiter project in Marrakesh, which was planned to deliver 15,143 housing units and lots over an area of 215 hectares.

The Company has also developed and started several other projects, 21 in all at 2011 year end.

The geographical distribution of Alliances Darna's development projects (in numbers of housing units) is as follows:



Source: Alliances Darna

Alliances Darna's projects are located in major urban centres where a major part of the demand for social housing is concentrated:

- 41% in the Central region (Rabat-Kénitra-Fez axis)
- 20% in the Greater Casablanca region
- 16% in the North region (Tangiers-Tetouan axis)
- 24% in the South region (Marrakesh)

The following table show the distribution of turnover per Group subsidiary over the 2009, 2010 and 2011 financial years.

Company/project	Turnover	Units	Turnover	Units	Turnover	Units	TOTAL	
	(000 MAD)	delivered	(000 MAD)	delivered	(000 MAD)	delivered	Turnover	Units sold
	2009		2010		2011			
NAJILA company	-	-	-	-	1508655	5917	1508655	5917
Riyad Hay Hassani	-	-	-	-	1118033	4357	1118033	4357
Riyad Sidi Moumen	-	-	-	-	390622	1560	390622	1560
ALAOUAYEL company	-	-	-	-	511111	2031	511111	2031
Riyad Bernoussi	-	-	-	-	511111	2031	511111	2031
MAREMCO company	128598	499	244395	546	239557	707	612550	1752
Chwiter	128598	499	244395	546	239557	707	612550	1752
ALDARNA company	-	-	476813	2778	531998	1962	1008811	4740
Mehdiya	-	-	454252	2659	510030	1852	964282	4511
Chwiter	-	-	22561	119	21968	110	44529	229
ONI company	-	-	21389	-	-	-	21389	-
Bab Sebta	-	-	21389	-	-	-	21389	-
Others	16628	-	33807	-	16157	-	66592	-
TOTAL	145226	499	776404	3324	2807478	10617	3729108	14440

Source : Alliances Darna

Over the past three financial years, Alliances Darna has delivered 14,400 units for a total turnover of 3,729.1 million dirhams.

In 2009, the Alliances Darna Group delivered 499 units, on the Chwiter project carried out by the Maremco company, for a sales figure of 128.5 million dirhams.

In 2010, the consolidated turnover of Alliances Darna was 776.4 million dirhams, essentially from deliveries in the Mehdiya and Chwiter projects.

In 2011, the Group delivered 10,617 units under the Riyad Hay Hassani, Riyad Sidi Moumen and Riyad Bernoussi projects and through continuing deliveries under the Chwiter and Mehdiya projects, bringing the sales figure for 2011 to 2,807.4 million dirhams.

III. RISK FACTORS

The integrated management of risk is an ongoing process within the Alliances Darna Group, a real part of its overall strategy and a high priority for the Board of Governors.

Investors are urged to take into consideration all the risks described in the prospectus. These are risks that are inherent to the Alliances Darna Group's sector of activity.

III.1. RISK FROM THE ECONOMIC ENVIRONMENT

Alliances Darna's results and prospects for growth are heavily influenced by national economic conditions, construction material costs, and interest rate levels.

This risk is nevertheless limited because Alliances Darna operates exclusively in the intermediate housing sector, which is a national priority.

III.2. COMPETITION RELATED RISK

The absence of barriers to entry to the sector and the prospects for good profits to be made in it has had and continues to have the effect of attracting many operators into the housing construction market. The high growth in the number of operators, both Moroccan and international, could result:

- In eroding profit margins as a consequence of more and more intense competition;
- In increasing land prices in some areas where there is strong demand from property developers;
- In more difficult access to funding;
- In a more limited selection of subcontractors.

The Alliances Darna group offers high-quality products that are standardized, and has many assets to keep it in the lead.

III.3. RISK ASSOCIATED WITH TAX SYSTEM EVOLUTION

Changes in the tax regulations and in particular a reduction in the tax advantages granted to investors and purchasers could have a negative impact on the housing market and as a result affect the financial situations of the operators in the sector. Nevertheless, the risk is small as the measures in the 2010 Finance Act are guaranteed up to 2020, so there is fiscal stability in the social housing construction sector.

III.4. RISK FROM RISING LAND PRICES

Attractive credit conditions together with a significant housing shortage have had the effect of boosting demand and setting the cost of land in urban areas on a marked upwards trend for the past several years.

Rising land prices have a direct effect on Alliances Darna's margins. This risk is all the greater for social housing governed by the 2010 Finance Act as sales prices are limited to a maximum of MAD 250,000 before tax.

It should be noted that to reduce this risk, Alliances Darna:

- Has secured significant reserves of land;
- Has signed investment agreements in the context of public-private partnerships to carry out many intermediate housing projects, and therefore benefits from a significant additional stock of land.

In addition, at the national level, the authorities are planning to extend the outer limits of several of the Kingdom's cities and also to create 15 new towns by 2020. The stock of land available for building will increase significantly as a result, which will rein in the increase in land prices.

III.5. RISK FROM SUBCONTRACTING

For the development programmes it initiates, Alliances Darna uses subcontractors to build the housing. To do this, Alliances Darna develops a set of specifications setting forth the deadlines for completion and also the quality of the services required, which it then submits to a restricted tendering process among companies that have been preselected on the basis of their capabilities and their references.

One risk factor would be for qualified companies capable of meeting the requirements of the bid sheet in terms of service quality and timeliness not to be available in sufficient numbers. This risk, which could potentially arise as a result of the growing numbers of competitors, could also have consequences in terms of the prices demanded by the subcontractors.

Nevertheless, and in order to reduce this risk, it should be noted that Alliances Darna has built up relationships of confidence with its partners that are based in particular on strict compliance with payment deadlines.

Moreover, since 2006 the Group has been scouting for high-quality partners internationally so as to limit the risk from a possible shortage of qualified companies in Morocco.

In addition, since June 2009 the Group has had a "Construction" centre.

III.6. RISK FROM FLUCTUATIONS IN THE HOUSING MARKET

A drop in demand would have a negative impact on the health of the sector in general, and on Alliance Darna's turnover.

Nevertheless, it should be borne in mind that the market shows increasing demand for housing as a result partly of demographic factors and also the phenomenon of massive rural exodus as a result of the recurrent droughts since the 1980s. This rapid urbanization has gone hand in hand with unplanned and chaotic development of cities as a result of a lack of infrastructure to cope with the influx, resulting in a significant shortfall in housing that in 2010 rose to some 1,070,000 units whereas annual production was in the order of 122,000 dwellings nationwide.

In addition, prior to breaking ground on any large-scale development project, Alliances Darna carries out beforehand a relevant market study in order to satisfy itself, first, that the project will be a commercial success, and second, to select a suitable location.

Limits to the development of the social housing' supply

According the Federation of National Property Developers (FNPI), the overall deficit housing is estimated at 608 000 units of per end 2011. Therefore, the potential of the development of the real estate sector is important.

However, some factors hindering the acceleration, including:

- **Deficit in exploitable offer' supply**

Much of the demand for housing is situated in city limits' area. But the non-buildable land availability des (registration, serviced, etc.) in urban areas causes a significant increase in the price of land assets, thereby reducing the flexibility of developers wishing to invest in the social sector. This higher-bid prices is particularly marked in the major urban centers of Casablanca, Rabat and Marrakech. In addition, delays in enacting patterns of urban land accentuate the deficit in exploitable land.

- **The slowness of the administrative procedures:**

The administrative delays, when issuing authorizations to subdivide, to parcel, building or housing permits up to one year results in delays in delivery of projects, thus impacting rising production costs .

- **Sub-skills of the workforce:**

The property sector has one of the ratios of labor weaker in the economy. In addition, over two thirds of the sector workforce has no formal education. Both elements involved contribute to limit the productivity of developers.

- **Lack of dynamism in the rental market**

The supply of rental housing meets over a third of demand in urban areas. But the lack of tax incentives for the rental sector, the increase in disputes between landlords and tenants and complexity of administrative procedures for resolving conflicts have led to a disengagement on the part of owners and investors.

- **Impact of informal**

The heavy weight of the informal housing production (about 80% according to the Minister of Housing and Urban Development) is an obstacle to the real estate development' sector.

- **Sensitivity to the economic environment**

The real estate sector is particularly sensitive to the following factors:

- Fluctuations in raw materials price, sales price being capped at 250 000 DH ,
- The increase of the cement tax to 150 dirhams per ton ;
- The high price level which represents an obstacle to access to property particularly in a context of crisis ;
- The non-diversification of the housing offer, which should meet a diverse demand, not necessarily interested in the social the housing market only ;
- The regional concentration of production, by rate and type of housing, which represents a challenge in the orientation of the production according to regional needs ;

The government authorities made a series of strategic directions to address the social housing issues. These measures relate to the following:

- The promotion of a new land bank that relies on the expansion of the land market by facilitating access to new exploitable land in the new the urbanized areas and of the areas that are part of the progressive development program ;
- The active involvement of the financial system in the funding of housing ;
- The establishment of partnerships between public authorities and property developers to strengthen links between the two parties;
- -The rationalization of real estate taxation and its adaptation to local conditions to propel the investment in the housing sector.

In addition, a mediation commission was instituted to accompany investments in this sector. This commission, composed of ministerial Committee (Ministry of the Interior, Ministry of economy and finance and the Ministry of Habitat), was charged of monitoring and follow-up of the implementation of the undertaken measures. The commission's objective is to accompany real estate developers in the various phases of their projects, listen to them and understand the encountered problems.

III.7. INTEREST RATE RISKS

A significant rise in interest rates on the loans taken out by purchasers would be a limiting factor on demand for housing.

This could have a relatively major potential impact on Alliances Darna's sales.

It should be emphasized that in order to reduce this risk Alliances Darna systematically signs agreements with its bank partners so that future purchasers of its products can benefit from credit at attractive rates of interest.

III.8. RISK FROM RESTRICTED ACCESS TO FUNDING

For the Group to develop, external sources of finance are required. Alliances Darna finances itself through own funds, lines of credit and client advances. In principle, Alliances Darna successfully meets its increasing funding needs with some room to spare.

IV. ALLIANCES DARNA SUMMARY CONSOLIDATED STATEMENTS OF ACCOUNT

IV.1. CONSOLIDATED BALANCE SHEET

The table below shows the principal indicators in Alliances Darna's consolidated balance sheet for 2009–2011.

In MDH	2009	2010	Var 10/09	2011	Var 11/10
Goodwill acquisition	33 385	76 522	>100%	161 594	>100%
Intangible fixed assets	180	328	82%	281	-14%
Tangible fixed assets	2 937	5 521	88%	7 474	35%
Financial fixed assets	12	85	>100%	105	24%
Differed tax assets	1 995	10 508	>100%	11 376	8%
Fixed assets	38 509	92 964	>100%	180 829	95%
Inventories	1 122 279	2 934 619	>100%	3 714 452	27%
Receivables	55 880	348 742	>100%	1 911 506	>100%
Payables	12 082	31 710	>100%	423 846	>100%
Staff	132	50	-62%	265	>100%
Taxes	82 131	210 737	>100%	853 844	>100%
Parteners ' accounts	0	31 311	N.a	312	-99%
Other receivables	7 133	20 108	>100%	227 287	>100%
Prepaid expenses	4 726	24 965	>100%	74 942	>100%
Current assets	1 284 678	3 602 557	>100%	7 206 769	100%
Cash	45 416	170 597	>100%	202 758	19%
<i>Total Assets</i>	<i>1 368 603</i>	<i>3 866 118</i>	<i>>100%</i>	<i>7 590 356</i>	<i>96%</i>

In MDH	2009	2010	Var 10/09	2011	Var 11/10
Stockholders' equity	112 356	649 418	>100%	1 919 402	196%
Capital	50 000	294 011	>100%	857 000	>100%
Consolidated reserves	-1 044	62 346	N.a	225 010	>100%
Net income of the financial year	63 400	293 061	>100%	837 392	>100%
Minority interests	2	14 021	>100%	414 507	>100%
Long term debt	163 486	655 471	>100%	1 165 445	78%
Differed Taxes	0	79 702	N.a	91 185	14%
Provisions	0	0	N.a	8 819	N.a
Accounts payable to suppliers	139 770	343 280	>100%	1 184 498	>100%
Accounts payable to clients	232 601	358 691	54%	457 953	28%
Staff	1 202	3 661	>100%	4 476	22%
Other provisions	-1	0	100%	0	N.a
State	75 869	128 158	69%	592 981	>100%
Partners' accounts	50 132	96 596	93%	153 397	59%
Other creditors	208 750	945 464	>100%	219 614	-77%
Adjustment Accounts – Liability	9 117	24 039	>100%	57 893	>100%
Current liability	717 440	1 899 889	>100%	2 670 811	41%
Short term debt	375 319	567 617	51%	1 320 186	>100%
<i>Total Liability</i>	<i>1 368 603</i>	<i>3 866 118</i>	<i>>100%</i>	<i>7 590 356</i>	<i>96%</i>

Source: Alliances Darna

IV.2. CONSOLIDATED MANAGEMENT ACCOUNTS

The table below shows the historical management account data for Alliances Darna for financial years 2009, 2010 and 2011.

In 000 MAD	2009	2010	Change 10/09	2011	Change 11/10	Average annual growth 11/09
Turnover	145 226	776 404	>100%	2 807 478	>100%	>100%
Change in product inventory	438 003	699 142	60%	242 931	-65%	-26%
Production	583 229	1 475 546	>100%	3 050 409	>100%	>100%
Purchases of materials and supplies consumed	408 151	960 421	>100%	1 848 792	92%	>100%
Other external charges	31 587	47 987	52%	83 311	74%	62%
Consumption for financial year	439 738	1 008 408	>100%	1 932 103	92%	>100%
Value added	143 491	467 138	>100%	1 118 306	>100%	>100%
<i>Value added/Turnover</i>	<i>98,81%</i>	<i>60,17%</i>	<i>-38,6pts</i>	<i>39,83%</i>	<i>-20,3pts</i>	
Duties and taxes	145	8510	>100%	27289	>100%	>100%
Personnel costs	13 500	23 009	70%	35 823	56%	63%
Gross operating profit	129 846	435 619	>100%	1 055 194	>100%	>100%
<i>GOP/Turnover</i>	<i>89,40%</i>	<i>56,10%</i>	<i>-33,3pts</i>	<i>37,59%</i>	<i>-18,5pts</i>	
Other operating revenues	2 314	19 118	>100%	0	-100%	-100%
Other operating charges	0	4541	Ns	0	-100%	Ns
Reversals, expense transfers	0	26229	Ns	119 297	>100%	Ns
Operating expenses	734	1203	64%	28 732	>100%	>100%
Operating income	131 426	475 222	>100%	1 145 759	>100%	>100%
<i>Operating income/Turnover</i>	<i>90,50%</i>	<i>61,21%</i>	<i>-29,2pts</i>	<i>40,81%</i>	<i>-20,4pts</i>	
Financial revenues	921	1139	24%	1 101	-3%	9%
Financial expenses	37 740	108 398	>100%	128 425	18%	84%
Financial result	-36 819	-107 259	>100%	-127 324	-66%	-16%
Current profit before tax	94 607	367 963	>100%	1 018 435	>100%	>100%
Non-current profit	-27	6 749	Ns	77 278	>100%	Ns
Profit before tax	94 580	374 712	>100%	1 095 713	>100%	>100%
Tax on profits	29 762	75 620	>100%	125 618	66%	>100%
Deferred taxes	-340	-1795	>100%	-7947	<100%	<100%
Amortization of goodwill	1 757	7 856	>100%	3 203	-59%	35%
Reversals of amortization of goodwill	0	3	Ns	8 819	>100%	
Earnings after tax	63 401	293 031	>100%	983 659	>100%	>100%
<i>Net earnings/Turnover</i>	<i>43,66%</i>	<i>37,74%</i>	<i>-5,91pts</i>	<i>35,04%</i>	<i>-2,70pts</i>	
Group net income	63 400	293 061	>100%	837 392	>100%	>100%
Minority interests	1	-30	<100%	146 267	>100%	>100%

Source: Alliances Darna

WARNING

The information above is only some of the information given in the prospectus approved by the *Conseil Déontologique des Valeurs Mobilières (CDVM)* under reference no. VI/EM/027/2012 on 3th August 2012. CDVM recommends that the prospectus made available to the public in French be read in its entirety.