



The Board of Directors met on September 27, 2018 under the chairmanship of Mr. Hicham BERRADA SOUNNI to review the activity and approve the consolidated and social financial statements at June 30, 2018

Results in line with the new strategic vision 2018-2020

As a major player in social housing in Morocco, Résidences Dar Saada started in 2018 a new phase of development of its activities. This new phase is marked by the design of a "New Generation" of social housing model, the development of the medium-standard housing with better finishing standards, and the creation of real estate projects in Sub-Saharan Africa.

The achievements of the Résidences Dar Saada group for the first semester are in line with the new strategic vision 2018-2020, confirming its ability to achieve the announced objectives.

CONSOLIDATED ACCOUNTS AT JUNE 30, 2018

MAD 101 millions
Net result

MAD 2 billion
Secured turnover

2 039 (+45%)
Presold units

39%
Gearing*

Net debt / (equity + net debt)

Commercial performance driven by a new generation of social housing

The first half of the year was marked by the launch of the concept of "social in duplex", of which the marketing was a great success preceded by a reorganization of the sales force. In fact, during the first half of 2018, the number of presold units is 2,039 units compared to 1,404 units for the first half of 2017, an increase of 45% compared to the same period of the year.

The value of the stock of units presold reaches MAD 2 billion at the end of June 2018.

The achievements of the first half in terms of presales comfort us in relation to the achievement of our forecasts announced for 2018 and which amount is nearly 5,000 units..

Stability of the activity

• Net result in line with announced objectives

Résidences Dar Saada achieved a turnover of MAD 411 million during the first half of 2018. This performance is achieved following the completion of 1,347 units, 86% of which are social projects. In fact, the last tranches of projects received in the first half of 2018 totaled barely 1,433, out of a total number of units to be received over the year of 4,800. Consequently, the annual turnover is not linearly timed and our forecasts in terms of turnover and net income are maintained given the completions of the second half and the level of pre-sales on the projects to be achieved.

The operating margin of the first half increases sharply, reaching 124 million dirhams, representing 30% of sales compared to 19% in the same period of the previous year. As a result, the net margin improved significantly with a net profit of 101 M DH representing 25% compared to 16% of turnover in the same period of the previous year.

In the same perspective, the net profit for the first half of the year remains in line with the announced annual net result, given the expected deliveries of units to be completed in the second half of 2018, reaching 3,369 units..

Development of the product mix in line with the strategic plan

• Consolidation of the medium-standard housing segment with better finishing standards

In line with our strategic vision 2018-2020, Résidences Dar Saada begun the development of the medium-standard housing segment and the activity in Sub-Saharan Africa.

Construction on two medium-standard housing projects in Casablanca is underway and the reception of the first part of around 500 units is planned for the second half of this year. In addition, the company has secured the acquisition of a 3.7 ha land in Casablanca in order to realize a third medium-standard housing project.

• Activity in Sub-Saharan Africa

In the 1st Semester, Dar Saada Résidences obtained the authorization for the construction of a real estate project consisting of 2 000 units on a property base of 40 Ha in Côte d'Ivoire. The first tranche of this project will be started in the second half of this year with the delivery of a first tranche since 2019.

Better cash flow thanks to the control of the debt, the stabilization of the investment and the fast recovery of receivables

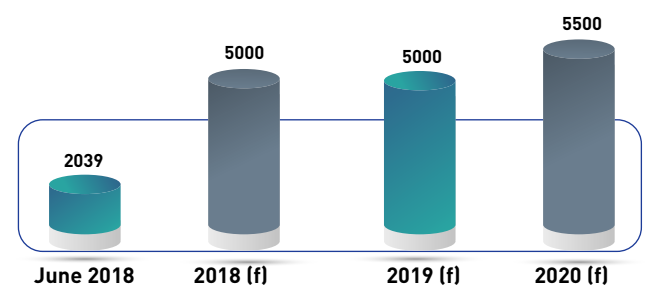
Résidences Dar Saada ensures the control of its balance sheet equilibrium for a better generation of cash, in accordance with its strategic vision 2018 - 2020.

Land acquisition : The company has a quality land reserve of about 1,075 ha, almost half of which is located on the Casablanca-Rabat region. During the first half of the year, the company acquired 1.5 Ha and secured the acquisition of 8.7 Ha in the city of Casablanca. The acquisition budget planned for 2020 is MAD 450 million, of which MAD 170 million is committed.

Gearing : At the end of June 2018, net debt amounted to MAD 2.5 billion, the same level of as at the end of 2017. The gearing remains under control and stands at 39%, taking into account the operation. of securitization of MAD 600 million, in line with the objectives of the strategic vision 2018-2020.

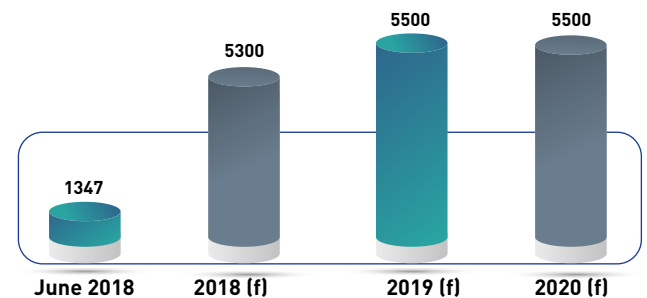
Receivables : Always under control, receivables totaled MAD 655 million at the end of June 2018, less than 5 months of turnover (of the 2nd half of 2017 and 1st half of 2018).

Units presold



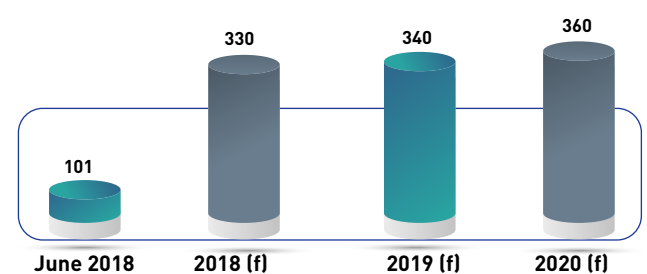
(f) Forecast

Delivery in units



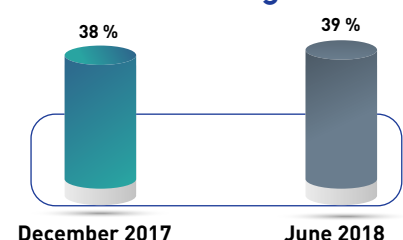
(f) Forecast

Net result (MAD million)



(f) Forecast

Gearing





CONSOLIDATED ACCOUNTS (IFRS)

I - STATEMENT OF FINANCIAL POSITION

Assets	In MAD	
	30/06/18	31/12/17
Goodwill	-	-
INTANGIBLE ASSETS	8 088	8 526
TANGIBLE ASSETS	98 260	96 278
INVESTMENT PROPRTY	-	-
Long term loan	-	-
Invertment in associates	-	-
Available-for-sale securities	50	50
Other financial assets	3 227	3 369
TOTAL FINACIAL ASSETS	3 277	3 419
Deferred tax assets	37 828	35 512
TOTAL NON-CURRENT ASSETS	147 453	143 736
Inventories and net outstandings	5 215 742	5 027 541
Net trade receivables	654 725	753 298
Other third parties	2 120 783	1 898 330
Receivables on disposals of short-term assets	-	-
Short term borrowing	-	-
Cash and cash equivaesnts	433 843	570 700
TOTAL CURRENT ASSETS	8 425 094	8 249 870
Non current available-for-sale assets	-	-
TOTAL ASSETS	8 572 547	8 393 606

LIABILITIES	In MAD	
	30/06/18	31/12/17
Capital	1 310 443	1 310 443
Issue and merger premiums	1 107 212	1 107 212
Reserves	1 412 722	1 223 891
Reserves related to the change in fair value of financial	-	-
Reserves related to employee benefits	-	-
Financial Year Result	100 962	330 359
Conversion differences	-	-
EQUITY GROUP SHARE	3 931 339	3 971 905
Minority Reserves	117	151
Minority Outcome	(55)	(34)
Minority shareholders' equity	63	117
EQUITY	3 931 401	3 972 022
Long term Perpetual Subordinated Notes	-	-
Bonds convertible into shares	-	-
Other long-term debt	1 997 248	2 071 105
Indebtedness linked to long-term financing Leases	62 543	62 055
Deferred tax liabilities	10 754	10 170
Provisions for non-current liabilities and charges	-	-
TOTAL NON-CURRENT LIABILITIES	2 070 545	2 143 330
Suppliers	590 254	680 185
Other Third Parties and corporate tax	1 057 916	713 029
Provisions for current liabilities and charges	147	288
Short-term financial debts (incl. Finance lease)	844 210	843 816
Banks	78 075	40 936
TOTAL CURRENT LIABILITIES	2 570 601	2 278 254
Liabilities relating to non-current assets aavailable for sale	-	-
TOTAL Liabilities	8 572 547	8 393 606

II- STATEMENT OF COMPREHENSIVE INCOME

Accounts	In MAD	
	30/06/18	30/06/17
Turnover	411 923	917 149
Other income from operations	76 900	(206 090)
REVENUES FROM ORDINARY ACTIVITIES	488 823	711 059
Purchases used and external charges	(323 583)	(474 357)
Staff costs	(39 076)	(40 989)
Taxes and duties	(3 040)	(23 135)
Other operating income and expenses	3 560	4 151
Net depreciation, amortisation and provisions	(3 098)	(3 388)
EXPENSES FROM ORDINARY ACTIVITIES	(365 238)	(537 718)
CURRENT OPERATING RESULT	123 586	173 342
Disposals of assets	(148)	(10)
Restructuring costs	-	-
Disposals of subsidiaries and equity investments	-	-
Negative Goodwill	-	-
Other non-current income & expenses	(4 029)	(6 590)
OPERATING INCOME	119 408	166 742
Financial result	(10 103)	(20 851)
Share in net income of investments accounted for under for under the equity	-	-
RESYLT BEFORE TAX OF INTERGROUP COMPANIESP	109 306	145 890
Corporate taxes	(10 130)	(1 668)
Deferred tax	1 732	2 324
NET INCOME OF CONSOLIDATED COMPANIES	100 907	146 546
Share in net income/loss of affiliates	-	-
NET INCOME OF CONTINUED OPERATIONS	100 907	146 546
Net result from discontinued operations	-	-
RESULTS OF THE CONSOLIDATED GROUP	100 907	146 546
Minority interests	(55)	(15)
NET INCOME GROUP SHARE	100 962	146 561
RESULTS OF THE CONSOLIDATED GROUP	100 907	146 546
Other comprehensive income	-	-
Currency translation	-	-
Reassessment of hedging derivatives	-	-
Reassessment available-for-sale financial assets	-	-
Reassessment of fixed assets	-	-
Actuarial gap on defined benefit plans	-	-
Share of comprehensive income of companies accounted for using the equity method, net of tax	-	-
Tax effect	-	-
Total other comprehensive income (after tax)	-	-
OVERALL RESULT	100 907	146 546
attributable to the Group	100 962	146 561
attributable to minority interests	(55)	(15)