



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

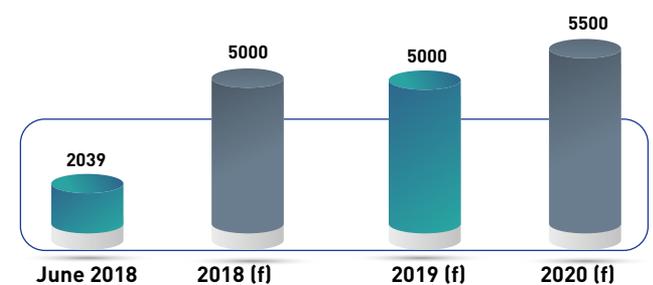
Résidences Dar Saada ensures the control of its balance sheet equilibrium for a better generation of cash, in accordance with its strategic vision 2018 - 2020.

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.

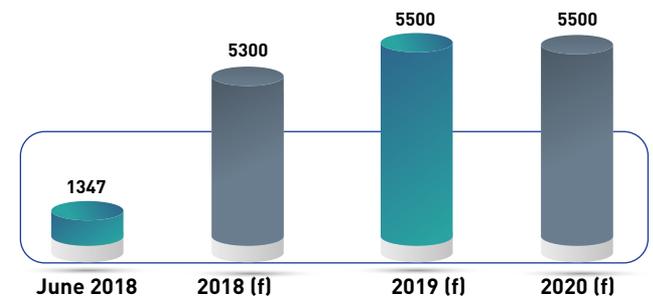
Receivables : Always under control, receivables totaled MAD 655 million at the end of June 2018, less than 5 months of turnover (of the 2nd half of 2017 and 1st half of 2018).

Units presold



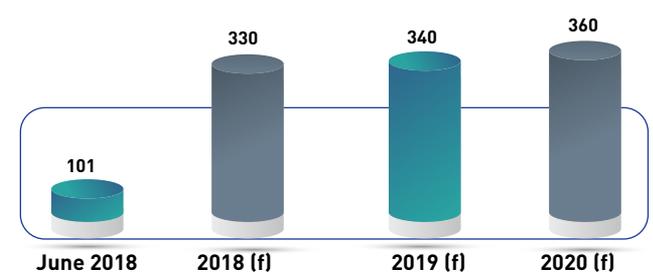
(f) Forecast

Delivery in units



(f) Forecast

Net result (MAD million)



(f) Forecast

Gearing





SOCIAL ACCOUNTS

in MAD

in MAD

Assets	June 30, 2018			December 31, 2017
	Gros	Depreciation and provisions	Net	Net
NON-VALUE FIXED ASSETS (A)	73 646 059,55	51 201 617,27	22 444 442,28	29 739 048,24
Preliminary charge	37 888 750,45	36 682 935,42	1 205 815,03	5 855 710,08
Expenses to be spread over several years	35 757 309,10	14 518 681,85	21 238 627,25	23 883 338,16
Bond repayment premiums	0,00	0,00	0,00	0,00
INTANGIBLE ASSETS (B)	12 158 404,28	4 158 132,75	8 000 271,53	8 117 326,17
Fixed assets in research and development	0,00	0,00	0,00	0,00
Patents, trademarks, rights and similar securities	7 456 404,28	4 158 132,75	3 298 271,53	3 415 326,17
Commercial Fonds	4 702 000,00	0,00	4 702 000,00	4 702 000,00
Other intangible assets	0,00	0,00	0,00	0,00
TANGIBLE ASSETS (C)	35 860 987,08	20 645 337,08	15 215 650,00	15 762 585,49
Lands	0,00	0,00	0,00	0,00
Constructions	21 298 437,61	10 354 498,99	10 943 938,62	11 466 182,75
Technical installations, equipment and tools	1 664 532,90	692 474,48	972 058,42	848 856,84
Transport equipment	245 067,73	220 040,17	25 027,56	33 898,46
Furniture, office equipment and amenities	12 652 948,84	9 378 323,44	3 274 625,40	3 413 647,44
* Other tangible assets	0,00	0,00	0,00	0,00
Tangible assets in progress	0,00	0,00	0,00	0,00
FINANCIAL ASSETS (D)	379 191 808,05	0,00	379 191 808,05	379 333 808,05
Fixed loans	0,00	0,00	0,00	0,00
Other financial claims	21 221 710,56	0,00	21 221 710,56	21 363 710,56
Equity Securities	357 970 097,49	0,00	357 970 097,49	357 970 097,49
Other intangible securities	0,00	0,00	0,00	0,00
FOREIGN EXCHANGE DIFFERENCES - ASSETS (E)	0,00	0,00	0,00	0,00
Decrease in fixed receivables	0,00	0,00	0,00	0,00
Increase in financial debts	0,00	0,00	0,00	0,00
TOTAL I (A+B+C+D+E)	500 857 258,96	76 005 087,10	424 852 171,86	432 952 767,95
STOCKS (F)	3 864 878 792,63	0,00	3 864 878 792,63	3 666 652 995,65
Merchandise	0,00	0,00	0,00	0,00
Materials and supplies, consumables	705 091 168,62	0,00	705 091 168,62	632 425 029,22
Current Revenues	1 428 843 554,25	0,00	1 428 843 554,25	1 292 673 222,15
Intermediate and residual revenues	0,00	0,00	0,00	0,00
Finished products	1 730 944 069,76	0,00	1 730 944 069,76	1 741 554 744,28
CREANCES DE L'ACTIF CIRCULANT (G)	2 889 169 766,30	0,00	2 889 169 766,30	2 942 200 014,41
TRADING ASSETS RECEIVABLES	123 993 855,51	0,00	123 993 855,51	14 611 055,81
Suppliers, Debtors, Advances and Down Payments	559 883 303,07	0,00	559 883 303,07	637 928 385,76
Customers and related accounts	89 051,53	0,00	89 051,53	81 785,98
Staff	472 957 470,75	0,00	472 957 470,75	573 110 814,41
State	0,00	0,00	0,00	0,00
Other debtors	1 494 170 844,10	0,00	1 494 170 844,10	1 489 631 605,47
Accruals and prepayments - Assets	238 075 241,34	0,00	238 075 241,34	226 836 366,98
INVESTMENT SECURITIES (H)	0,00	0,00	0,00	0,00
FOREIGN EXCHANGE DIFFERENCES (current items)	0,00	0,00	0,00	0,00
TOTAL II (F+G+H+I)	6 754 048 558,93	0,00	6 754 048 558,93	6 608 853 010,06
TREASURY - ASSETS	314 457 454,34	0,00	314 457 454,34	420 161 355,45
checks and cash values	253 103 992,72	0,00	253 103 992,72	230 444 560,14
Banks, TG and post office banks	61 283 271,12	0,00	61 283 271,12	189 571 056,27
Cash account for advances and credits	70 190,50	0,00	70 190,50	145 739,04
TOTAL III	314 457 454,34	0,00	314 457 454,34	420 161 355,45
ALL TOTAL I+II+III	7 569 363 272,23	76 005 087,10	7 493 358 185,13	7 461 967 133,46

Liabilities	June 30, 2018		December 31, 2017	
EQUITY				
* Share capital	1 310 442 500,00		1 310 442 500,00	
* Unpaid subscribed capital				
* Share, merger or contribution premiums	1 139 413 865,28		1 139 413 865,28	
* Revaluation Surplus	0,00		0,00	
* Legal reserve	116 915 467,95		107 423 560,52	
* Other reserves	404 614 776,30		404 614 776,30	
* Retained earnings [2]	1 069 377 046,00		1 030 558 594,82	
* Net income pending allocation [2]	0,00		0,00	
* Net income for the financial year [2]	72 210 184,52		189 838 148,61	
TOTAL SHAREHOLDERS' EQUITY (A)	4 112 973 840,05		4 182 291 445,53	
QUASI-EQUITY (B)	0,00		0,00	
* Investment grants	0,00		0,00	
* Regulated provisions	0,00		0,00	
FINANCIAL DEBTS (C)	1 892 666 216,71		1 963 079 251,68	
* Bond borrowings	250 000 000,00		250 000 000,00	
* Other financial debts	1 642 666 216,71		1 713 079 251,68	
LONG-TERM PROVISIONS FOR LIABILITIES AND CHARGES (D)	0,00		0,00	
* Risk provisions	0,00		0,00	
* Expense provisions	0,00		0,00	
FOREIGN CURRENT EXCHANGE DIFFERENCES (E)	0,00		0,00	
* Increase in long term receivables	0,00		0,00	
* Decrease in financial debts	0,00		0,00	
Total II(A+B+C+D+E)	6 005 640 056,76		6 145 370 697,21	
DEBT OF CURRENT LIABILITIES	1 409 461 315,94		1 275 375 692,40	
* Suppliers and Accounts payable	531 434 809,31		615 725 356,95	
* Creditor clients, advances and down payments	306 772 079,33		243 566 071,87	
* Staff	10 883 211,64		6 085 805,42	
* Social Organization	2 802 710,97		2 819 618,69	
* State	196 462 810,04		232 902 923,45	
* Partner accounts	67 534 323,85		7 113 717,97	
* Other creditors	228 654 146,14		112 868 964,06	
* Regularization accounts - Liabilities	64 917 224,66		54 293 233,99	
OTHERS PROVISIONS FOR RISKS AND COMMITMENTS (G)	147 000,00		285 000,00	
FOREIGN CURRENT EXCHANGE DIFFERENCES - LIABILITIES (Current)	35 206,27		0,00	
Total II (F+G+H)	1 409 643 522,21		1 275 660 692,40	
TREASURY-LIABILITY	78 074 606,16		40 935 743,85	
* Discount credit	0,00		0,00	
* Short-term loans	20 000 000,00		40 000 000,00	
* Banks (Accounts payable)	58 074 606,16		935 743,85	
TOTAL III	78 074 606,16		40 935 743,85	
TOTAL GENERAL I+II+III	7 493 358 185,13		7 461 967 133,46	

in MAD

Revenue and Expense accounts

	OPERATIONS			
	Allocated for period 1	On the FY before 2	June 30, 2018 3=2+1	December 31, 2017 4
I OPERATING INCOME				
Sales of goods (in the unaltered)	0,00	0,00	0,00	0,00
Sale of good and services produced	257 323 423,92	0,00	257 323 423,92	598 165 982,54
Change in stocks of products	74 239 376,94		74 239 376,94	-165 230 986,26
Fixed assets manufactured by the company for itself	0,00	0,00	0,00	0,00
General Operating Expenses	0,00	0,00	0,00	0,00
Other Operating Revenue	0,00	0,00	0,00	0,00
Operating write-backs: Transfer of the expendi	285 000,00	0,00	285 000,00	659 660,00
Total I	331 847 800,86	0,00	331 847 800,86	433 594 656,28
II OPERATING EXPENSES				
Cost of goods sold	0,00	0,00	0,00	0,00
Purchases consumed of materials and supplies and works	134 314 818,85	615,00	134 315 433,85	263 247 410,03
Other external costs	54 191 843,01	1 326 457,13	55 518 300,14	57 378 174,55
Taxes and duties	1 286 538,30	379 205,83	1 665 744,13	13 194 010,10
Staff costs	39 046 556,54	0,00	39 046 556,54	40 988 783,35
Other operating expenses	0,00	0,00	0,00	0,00
Operating Provisions	9 286 644,59	0,00	9 286 644,59	8 239 365,57
Total II	238 126 401,29	1 706 277,96	239 832 679,25	383 047 743,60
III OPERATING PROFIT (I-II)	92 015 121,61	0,00	92 015 121,61	50 546 912,68
IV FINANCIAL INCOME				
Income from equity securities and other investment	0,00	0,00	0,00	0,00
Exchange Gains	0,00	0,00	0,00	12 607,67
Interests and other financial income	11 038 591,62	0,00	11 038 591,62	16 331 274,36
Financial reversals: transfer expenses	53 674 851,84	0,00	53 674 851,84	61 702 854,92
Total IV	64 713 443,46	0,00	64 713 443,46	78 046 736,95
V FINANCIAL EXPENSES				
Interest Expenses	71 139 529,75	0,00	71 139 529,75	76 617 094,27
Foreign exchange loss	0,00	0,00	0,00	10 108,84
Other financial expenses	0,00	0,00	0,00	0,00
Financial endowments	0,00	0,00	0,00	0,00
Total V	71 139 529,75	0,00	71 139 529,75	76 627 203,11
VI FINANCIAL RESULT (VI-IV)	-6 426 086,29	0,00	-6 426 086,29	1 419 533,84
VII CURRENT INCOME (III+VI)	85 589 035,32	0,00	85 589 035,32	51 966 446,52
VIII NON-CURRENT INCOME				
Income from sales of fixed assets	80 833,33	0,00	80 833,33	41 666,67
Balance subsidies	0,00	0,00	0,00	0,00
Times on capital grants	0,00	0,00	0,00	0,00
Non-current income	1 773,90	14 389,52	16 163,42	11 395,78
Non-current write-backs - transfer of charges	0,00	0,00	0,00	0,00
Total VIII	82 607,23	14 389,52	96 996,75	53 062,45
IX NON-RECURRING EXPENSES				
Net amortization of assets sold	228 911,48	0,00	228 911,48	17 630,55
Granted Subsidies	0,00	0,00	0,00	0,00
Other non-current expenses	4 044 391,07	0,00	4 044 391,07	5 340 359,71
Non-current depreciation, amortization and provision	0,00	0,00	0,00	0,00
Total IX	4 273 302,55	0,00	4 273 302,55	5 357 990,26
X NON-CURRENT INCOME (VIII - IX)	-4 176 305,80	0,00	-4 176 305,80	-5 304 927,81
XI INCOME BEFORE TAXES (VII+X)	81 412 729,52	0,00	81 412 729,52	46 661 518,71
XII INCOME TAXES	9 202 545,00	0,00	9 202 545,00	1 181 580,00
XIII NET INCOME (XI-XII)	72 210 184,52	0,00	72 210 184,52	45 479 938,71
XIV TOTAL REVENUE (I+IV+VIII)	396 658 241,07	0,00	396 658 241,07	511 694 455,68
XV TOTAL EXPENSES (II+V+IX+XII)	324 448 056,55	0,00	324 448 056,55	466 214 516,97
XVI NET INCOME (Total income - Total expenses)	72 210 184,52	0,00	72 210 184,52	45 479 938,71



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)