

COTE D'IVOIRE, ALIOS FINANCE
Credit Rating Note
July 2016

Category of values	Rating scale	Currency	Current rating	Previous rating	Outlook
Long-term	Local currency	CFA	BBB+	N/A	Stable
Short-term	Local currency	CFA	A1	N/A	Stable

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Basic financial data

In million CFA	2011	2012	2013	2014	2015
Total balance sheet	49 870	66 336	64 013	63 330	65 145
Interbank claims	4 732	4 954	2 039	5 755	4 762
Loans and advances to customers *	39 648	51 269	53 065	50 151	51 967
Interbank liabilities	23 890	30 311	28 528	30 624	30 960
Deposits from customers	3 894	4 817	4 598	4 382	5 180
Debt represented by a security	11 133	15 338	16 325	13 400	11 331
Equity	6 432	7 064	6 146	6 979	6 986
Interest margin **	3 046	5 250	5 793	6 408	5 099
Net banking product	3 216	5 191	5 605	6 254	5 033
Net result	-1 014	698	-845	901	77

* Including leasing claims on customers

** Including the interest margin on leasing operations

Introduction

Societe Africaine de Credit Automobile, abbreviated SAFCA, is an Ivorian public limited company established in 1956, with trade name Alios Finance Côte d'Ivoire.

It is the first private financial institution in West Africa and is listed on the Regional Stock Exchange since 26 September 1998.

Alios Finance is approved by the UMOA Banking Commission.

Its share capital as at 31 December 2015 amounted to CFA 1,299,160,000 and is held at 51.88% by Alios Finance S.A.

The company has representation offices in Cote d'Ivoire, Mali and Burkina Faso.

Justification of the rating and outlooks

Long-term: Protection factors are appropriate and are regarded as sufficient to ensure prudent investments. However, risks are highly variable during economic cycles.

Short-term: There is very high assurance for timely repayment. Liquidity factors are strong and are supported by good protection factors of key elements. Risk factors are very low.

Key performance factors

The rating is based on the following positive factors:

- strategy of portfolio expansion and restructuring by 2018;
- a leading position in the sub-regional market;
- operating performance has generally improved during the period under review, despite a slight decline in 2015;
- risk management is improving;
- business is guided by a regulatory framework in the process of reform;
- support of shareholders;
- conformity of prudential ratios;
- good financing flexibility;

Below are the major rating factors regarded as negative:

- business strongly impacted by the post-election crisis;
- growing competition with a new entrant in the market in 2015, and banks developing leasing operations;
- unstable net result under the impact of portfolio loss experience;
- profitability to be recovered