

COTE D'IVOIRE, PALMCI SA
Credit rating note
November 2014

Category of values	Rating scale	Currency	Current rating	Previous rating	Outlook
Long-term	Regional	FCFA	A-	A-	Stable
Short-term	Regional	FCFA	A1-	A1-	Stable

Bloomfield Investment Corporation
Tel: + (225) 20 21 57 47/49
Fax: + (225) 20 21 57 51
Jean Paul TONGA, Operations Manager
p.tonga@bloomfield-investment.com
Yannick YAPI, Financial Analyst
y.yapi@bloomfield-investment.com
Joeata KETY, Financial Analyst
j.kety@bloomfield-investment.com
www.bloomfield-investment.com
Basic data

(In million FCFA)	31.12.12	31.12.13
Fixed assets	92 895	95 694
Cash and cash-equivalents	12 380	5 191
Gross financial debt*	35 233	32 363
Equity	85 628	84 291
Net cash flow	11 085	161
Turnover	161 639	131 280
Gross operating surplus	44 940	28 083
Operating result	34 683	15 756
Financial result	-3 405	-1 969
Net profit after tax	24 159	11 030

*: * Excluding financial reserves for risk and charges

Introduction

Born from the privatization of the State-owned company PALMINDUSTRIE, on 1 January 1997, PALMCI is a public limited company with a capital of CFA 20.4 billion.

Its main business is the production and marketing of raw palm oil and its by-products.

Listed at the regional stock exchange (BRVM) since 1999, its capital consists of 7,729,658 shares with a face value of CFA 2.640 each:

PALMCI's main shareholders include SIFCA and NAUVU, which hold 52.51% and 25.5% of the capital respectively.

Justification of the rating and outlooks

Long-term: High credit quality. Protection factors are good. However, risk factors are more variable and more significant in periods of economic pressure.

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 minor.

Key performance factors

The rating is based on the following positive factors:

- Maintenance of the leading position;
- Proven (quality) support of the main shareholder;
- Maintenance of financial balance and a positive net cash flow;
- Improved financial autonomy and creditworthiness;
- Maintenance of short and long term financial flexibility;
- Ongoing improvement of the governance framework;
- Low risk of sudden change;
- Good prospects for resumption of business growth.

Below are the main rating factors regarded as negative:

- Level of activity is dependent on global palm oil prices;
- Decline in operating and financial performance;
- Increasing competition;
- Lack of actual regulation on the entry of competitors in the sector;
- Management of palm bunch productions from village farms needs to be optimized during peak period.
- A fragile security situation in Cote d'Ivoire