

**COTE D'IVOIRE, SOCIETE DE DISTRIBUTION D'EAU
DE CÔTE D'IVOIRE (SODECI)**

Credit rating note

August 2014

Category of values	Rating scale	Currency	Current rating	Previous rating	Outlook
Long term	Regional	CFA	AA+	A+	Stable
Short-term	Regional	CFA	A1-	A2	Stable

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Basic data

(In million FCFA)	31.12.12	31.12.2013
Net fixed asset	19 009	20 908
Financial debts *	1 176	10 796
Total own capital	13 762	12 700
Cash and cash-equivalents	4 438	16 592
Turnover	65 271	76 744
Gross operating surplus	4 323	6 648
Operating result	1 120	3 230
Income from extr. Activities	5 688	443
Net result	4 538	2 448

*** Leasing and cash assets**
Introduction

Société de Distribution d'Eau de la Côte d'Ivoire (SODECI S.A.) is an Ivorian public limited company established in 1960 and listed at the Regional Stock Exchange (BRVM).

It has been entrusted, by the State of Côte d'Ivoire, with the national public service of urban distribution of drinking water in Côte d'Ivoire and the management of the public service of sanitation in the city of Abidjan as part of lease contracts.

Its 4.5 billion CFA capital is held at 46.07% by ERANOVE, 3.25% by the State of Côte d'Ivoire, 7.28% by the staff and 43.4% by various shareholders.

Justification of the rating and outlooks
Long term:

Protection factors are very strong. Any adverse change in the business, economic or financial conditions will increase investment risks even though very less significantly.

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:

- The context is favorable to business development;
- Continuous growth of business volumes expected to continue;
- Increasing presence and diversification of the company's operations in the sector;
- Increasing operating performance;
- Improved financial flexibility;
- Assumed very strong support from key shareholders;

Below are the major rating factors regarded as negative:

- An appeased socio-political situation in a stable but fragile security environment;
- Cash position negatively impacted by high State arrears;
- Water price to the consumers fixed by the leasing authority.