

COTE D'IVOIRE, COMPAGNIE IVOIRIENNE D'ELECTRICITE (CIE)
Credit rating note
August 2014

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

Bloomfield Investment Corporation
Telephone: + (225) 20 21 57 41
Fax: + (225) 20 21 57 47
TONGA Jean Paul, Operations Manager
p.tonga@bloomfield-investment.com
YAPI Yannick, Financial Analyst
y.yapi@bloomfield-investment.com
www.bloomfield-investment.com
Basic financial information

| (In million FCFA) | 31.12.12 | 31.12.2013 |
|---------------------------|----------|------------|
| Fixed assets | 38 543 | 45 840 |
| Cash and cash equivalents | 6 383 | 8 886 |
| Financial debts* | 37 232 | 38 655 |
| Own capital | 25 195 | 25 108 |
| Net cash flow | -816 | 6 667 |
| CIE turnover | 128 051 | 129 246 |
| Gross operating surplus | 3 919 | 9 088 |
| Operating result | 8 893 | 10 286 |
| Net profit after tax | 8 394 | 8 285 |

* Consisting of advances on consumption and financial provisions for risks and charges

Introduction

Established on 24 August 1990 by the French group BOUYGUES and the French company EDF (Électricité De France), Compagnie Ivoirienne d'Electricité (CIE) is the concessionaire for the national public service of production, transportation, distribution, exportation and importation of electrical power in Côte d'Ivoire since 25 October 1990, pursuant to decree no.90-1389.

Its capital amounts to CFA 14 billion and is held at 54% by FRANOVE (former FINAGESTION), 15% by the State of Côte d'Ivoire and 31% by various shareholder.

Justification of the rating and outlooks
Long-term:

Very high credit quality. 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 of timely repayment. Liquidity factors are excellent and are supported by good protection factors of key elements. Risk factors are minor.

The rating is based on the following positive factors:

- A still high potential of power-supply coverage with a current access rate of 26% and an increasing demand for electricity;
- Government's will to facilitate the development of the sector;
- Improved efficiency of distribution and operating performance;
- Significant reduction of the sector's financial deficit;
- Improvement of the ability to generate cash flow from the operations
- Strengthening of the net cash flow in the sector
- Excellent short, medium and long term financial flexibility
- Assumed very strong support from key shareholders;

Below are the major rating factors regarded as negative:

- Relative stability of the socio-political climate and still fragile security environment
- Power grid overloaded because of the obsolescence of power distribution infrastructures and lines
- Increase in the average power-cut time affecting the quality of the product.
- Slight decline in the net result by 1%
- Almost impossible to assess own cash at CIE
- Sector highly exposed to country risk.