

ECOBANK COTE D'IVOIRE

Analysis of the activities of a credit institution

Credit Rating Note

Validity: 30 April 2018- 31 March 2019

Category of values	Rating scale	Currency	Current rating	Previous rating	Expiry date	Outlook
Long Term	Local Currency	CFA	AA-	A+	31/03/2019	Stable
Short-Term	Local Currency	CFA	A1	A1	31/03/2019	Stable

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Basic financial data:

In million CFA	2016	2017
Total balance sheet	1 332 410	1 481 710
Interbank claims	236 958	244 547
Advances to customers	554 037	666 001
Interbank debts	485 940	459 165
Customer deposits	739 976	857 464
Fonds propres	62 228	114 664
Interest margin	18 434	15 952
Net banking income	69 997	76 888
Net result	21 898	26 549

Introduction

ECOBANK COTE D'IVOIRE, in abbreviated form "ECOBANK", is a commercial bank established in 1989 by the Group ECOBANK TRANSNATIONAL INCORPORATED (ETI) following the acquisition of the assets of Chase Manhattan Bank.

It is the second subsidiary established by ETI after ECOBAN TOGO in 1988.

Its head office is located at Abidjan-Plateau, Place de la Republique, Avenue Houdaille, ECOBANK Building.

In September 2017, ECOBANK made a public offering on the WAEMU financial market to sell shares for 45,000 million CFA francs. This transaction marked the increase of capital by 5,625 million CFA francs. As a result, its share capital amounts to CFA 27 525 million as at end of 2017.

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

Key performance factors

The rating is based on the following positive factors:

- Sustained position on the market in general;
- Increase in equity following the entry in the stock market;
- A rise in operating performance indicators;
- Continuation of the digitalization strategy;
- Improved quality of the credit portfolio;
- Good financing flexibility;

Main factors of fragility of credit quality:

- Decline in market share due to increased competition;
- Decline in intermediation margin due to significant reliance on BCEAO resources;
- Decrease in liquidity ratio;