

**COTE D'IVOIRE, SOCIETE DE DISTRIBUTION D'EAU
DE CÔTE D'IVOIRE (SODECI)**
Credit rating note
September (2013)

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

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Basic data

(In million FCFA)	31.12.11	31.12.12
Net fixed assets	29 849	19 009
Financial debts *	2 452	1 176
Total capitaux propres	11 654	13 762
Cash and cash equivalent	11 110	4 438
Turnover	49 109	65 271
Gross operating surplus	2 609	4 323
Operating result	-1 114	1 120
Income from extraordinary activities	2 848	5 688
Net result	1 700	4 538

* Lease credits 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 is in charge of 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 FINAGESTION, 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:

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 good assurance of timely repayment. Liquidity factors and key corporate elements are sound. Although current financing requirements seem to increase to the total financing requirement, access to the capital market is good. Risk factors are minor.

The rating is based on the following positive factors:

- Good growth prospects given the high social demand to be met;
- Continuation of structuring investments in a vital and strategic industry whose social, economic and political interest is established;
- Reinforcement of the role of SODECI in the development of the human hydraulics sector;
- An increasing business volume expected to continue;
- High-performance operations;
- Very good 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;
- A cash position dependent on the State's ability to pay its actual consumptions and to settle its arrears;
- Probable significant reform of the industry with an undetermined impact on SODECI;
- Water price to the consumers fixed by the leasing authority.