

**COTE D'IVOIRE, COMPAGNIE IVOIRIENNE D'ELECTRICITE (CIE)**
**Credit Rating Note**
**Validity: August 2019 - July 2020**

Category of values	Rating scale	Currency	Current rating	Previous rating	Expiry date	Outlook
Long-Term	Local Currency	CFA	AA+	AA+	31/07/2020	Stable
Short-Term	Local Currency	CFA	A1+	A1+	31/07/2020	Stable

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**Basic financial information**

(In million FCFA)	2017	2018
Fixed assets	84 596	109 560
Cash and cash-equivalents	68 350	28 633
Financial debt*	54 059	58 155
Equity	18 791	21 851
Net cash flow	-83 237	-125 727
Sales Revenue CIE	176 676	174 374
Gross Operating Surplus CIE	20 085	19 084
Operating Income	2 971	7 054
Net profit after taxes	1 987	4 929

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

\*\* Revised Syscohada proforma data

**Introduction**

The Compagnie Ivoirienne d'Electricité (CIE) is responsible for the national public service of production, transport, distribution, export and import of electrical energy in Ivory Coast, since October 25<sup>th</sup> 1990, by application of the decree N° 90-1389.

It was created on August 24<sup>th</sup> 1990 by the french group BOUYGUES and the french company EDF (Electricité de France), who holds 54% of its share capital.

The share capital of CIE is 14 billion CFA francs at the end of 2018.

**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 a 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:**

- An increase in the technical and financial performance indicators of the electricity sector;
- Management disruption risk under control;
- A global strategy focused on digitalization;
- A dynamic revenue optimization and cost control by dint of the "Plan Efficience Plus";
- A significant improvement in net income.

**Main factors of fragility of credit quality:**

- A decrease in the remuneration of the CIE;
- A unbalanced financial structure, bearing the weight of investments;
- An increase in the financial debt of the electrical energy sector;
- A fragile socio-political environment