

EFG HERMES REPORTS THIRD QUARTER 2018

GROUP EARNINGS OF EGP279 MILLION; ON OPERATING REVENUE OF EGP1.0 BILLION

Cairo, November 15th, 2018 – EFG Hermes reports third quarter 2018, with Group Earnings of EGP279 million on operating revenues of EGP1.0 billion. The Group total assets stood at EGP35 billion at the end of 3Q18.

Key Highlights

3Q2018

- ≡ A very solid 3Q18 set of results, with Group revenues increasing 24% Y-o-Y to EGP1.0 billion, underpinned by a solid operational performance, posted primarily by the sell-side and the NBFIs. Moreover, normalizing Group revenues by excluding non-recurring items in the comparable quarter, Group revenues would be up 64% Y-o-Y in 3Q18;
- ≡ Fee and commission revenues, which accounted for 82% of the Group revenues in 3Q18, rose 79% Y-o-Y to EGP847 million, supported by revenue growth delivered by all business lines with the exception of Private Equity - as the comparable quarter included abnormally high management fees;
- ≡ Another resilient quarter from the NBFIs, with revenues climbing 81% Y-o-Y to EGP286 million in 3Q18; largely due to a strong growth posted by Tanmeyah. The sell-side revenues increased 128% Y-o-Y to EGP440 million in 3Q18, driven mainly by superb Investment Banking revenues. Meanwhile, the buy-side revenues came flat Y-o-Y in 3Q18 at EGP121 million, as the higher Asset Management revenues was off-set by lower Private Equity revenues;
- ≡ Capital markets & treasury operations revenue, which represented the remaining 18% of the Group's total revenues in 3Q18, saw its revenues decline 49% Y-o-Y to EGP184 million in 3Q18. Albeit strong revenue growth from merchant banking activities and treasury operations; non-recurring gains in the comparable quarter weighted down on the Y-o-Y change;
- ≡ Group operating expenses rose 22% Y-o-Y (but -2% Q-o-Q) to EGP683 million in 3Q18, on higher employee expenses and other operating expenses required to keep up with the geographical and business lines expansion. However, employee expenses to operating revenues came at 42% in 3Q18; well below the 50% mark;
- ≡ The growing fee and commission revenues overshadowed the increase in operating expenses to result in a net operating profit of EGP348 million, up 27% Y-o-Y in 3Q18, and reflects a net operating profit margin of 34% in 3Q18. Consequently, the Group reported a net profit after tax and minority interest of EGP279 million in 3Q18, up 18% Y-o-Y;
- ≡ During the quarter, we disposed an additional 0.5% of Credit Libanais's shares, thus leaving us with 8.8% stake in the Bank.

For full report and financial statements, please click on the links on top of the page.

For further information:

Investor Relations Contacts

Email: investor-relations@efg-hermes.com

Group Head of IR, Budgeting and Reporting

Hanzada Nessim

Email: hnessim@efg-hermes.com

Tel: +20 (0)2 35356502

www.efg-hermes.com

Summary of Resolutions for the Board of Directors Meeting Held on 14/11/2018

Cairo, November 15th, 2018: EFG Hermes S.A.E. Board of Directors convened on Wednesday 14/11/2018 at 2:00 p.m. and:

1. Approved 3Q2018 Consolidated and standalone financial statements, along with the board report and the audit report.
2. Approved 3Q2018 internal audit and risk committee report.

For further information:

Investor Relations Department

Email: investor-relations@efg-hermes.com

Tel: +20 (0)2 35356710

Fax: +20 (0)2 3535 7017

Head of IR, Budgeting and Reporting- Hanzada Nessim

Email: hnessim@efg-hermes.com

Tel: +20 (0)2 35356502

Fax: +20(0)2 3535 7017

www.efg-hermes.com