

EFG HERMES REPORTS SECOND QUARTER 2019

GROUP EARNINGS OF EGP304 MILLION; ON OPERATING REVENUE OF EGP1.1 BILLION

Cairo, August 8th, 2019 – EFG Hermes reports second quarter 2019, with Group Earnings of EGP304 million on operating revenues of EGP1.1 billion. The Group Total assets stood at EGP38.6 billion at the end of 2Q19.

Key Highlights

2Q2019

- ≡ Another buoyant quarter for EFG Hermes, with the Group growing its bottom line by roughly 50% for the second quarter and the first half of the year. Group net profits crossed the three hundred million pounds for another quarter, reporting a net profit after tax and minority interest of EGP304 million in 2Q19, up 49% Y-o-Y, driven by higher net profit reported by the Investment Bank and the NBFIs;
- ≡ Group revenues increased 13% Y-o-Y to reach EGP1.1 billion in 2Q19, driven by strong revenue growth delivered by the NBFIs platform, which contribution to the Group's revenues reached 31% in 2Q19;
- ≡ Fees and commissions, which represented 75% of the Group revenues in 2Q19, rose 15% Y-o-Y to EGP784 million, underpinned by Tanmeyah's robust revenue growth;
- ≡ The NBFIs platform continues to deliver strong results, with its revenues climbing 73% Y-o-Y to EGP322 million in 2Q19. Tanmeyah was the main contributor to that growth with its revenues increasing 83% Y-o-Y to EGP275 million in 2Q19;
- ≡ Sell-side revenues inched up 4% Y-o-Y to EGP364 million in 2Q19, on higher Brokerage revenues and despite lower Investment Banking revenues;
- ≡ The buy-side revenues declined 31% Y-o-Y to EGP98 million in 2Q19, despite Private Equity's revenues climbing on higher management fees, as Asset Management revenues declined on lower incentive fees;
- ≡ Capital markets & treasury operations revenue contribution to the Group's total revenues came at 25% in 2Q19, with its revenues increasing 6% Y-o-Y to EGP267 million. Revenues were supported by net interest earned;
- ≡ The increase in the Group operating expenses was confined to a single digit, increasing 9% Y-o-Y to EGP672 million in 2Q19, on higher employee expenses and other operating expenses related to Tanmeyah's headcount expansion, the increase in its portfolio and higher number of branches as compared to a year earlier. Moreover, Employee expenses to operating revenues came at 45% in 2Q19;
- ≡ The Group's revenue growth surpassing the increase in expenses, for a second quarter, thus reporting a net operating profit of EGP379 million, up 21% Y-o-Y in 2Q19 and a net operating profit margin of 36%

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