EFG HERMES REPORTS FULL YEAR 2013 NORMALIZED GROUP EARNINGS OF EGP427 MILLION; ON TOTAL OPERATING REVENUE OF EGP2.2 BILLION

Cairo, March 27th, 2014 – EFG Hermes reported today normalized Group net profit after tax and before minority of EGP96 million in 4Q2013 up from a loss of EGP21 million a year earlier. The Group operating revenue rose 42% Y-o-Y to EGP637 million in 4Q2013. Total assets stood at EGP67.4 billion at the end of FY2013.

Key Highlights

4Q2013

- The Group net operating profit rose 302% to reach EGP163 million, resulting in a Group net operating profit margin of 26% for the quarter. Adjusting for the Investment Bank non-cash one-off charges booked below the operational line and the one-off operating expenses, the Group would have reported a normalized net profit after tax and before minority interest of EGP96 million versus a loss of EGP21 million a year earlier.
- The Investment Bank was profitable at the operational level, reporting a net operating profit of EGP18 million versus a loss of EGP60 million a year earlier, on higher revenue generated from most business lines.
- During the quarter, management decided to undertake the second phase of its balance sheet cleanup, which is a process that it started in 2Q2013. The actions, all of which are non-cash in nature, have resulted in one-off losses but will ultimately result in a clean book going into 2014.
- As a result of this strategy, the Investment Bank reported a net loss after tax and before minority of EGP617 million, impacted by EGP616 million of non-cash goodwill impairment charges, non-cash changes in FV of investment property and one-off operating expenses.
- Normalizing our earnings for the one-off charges, the investment bank's net loss after tax and before minority interest would be limited to EGP1 million (almost breakeven) as compared to a loss of EGP72 million a year earlier.
- Credit Libanais reported a net profit of USD16.8 million, up 71% Y-o-Y, boosted by strong NII and trading income.

FY2013

- The Group net operating profit rose 30% Y-o-Y to reach EGP610 million, reflecting a net operating profit margin of 28%. However, the Group bottom line was impacted by one-off charges and gains booked during the year, and adjusting for those charges/gains of EGP761 million, the Group would have reported a net profit after tax and before minority of EGP427 million as compared to EGP211 million a year earlier, a growth in normalized earnings of over 100%.
- Backed by higher revenue generated in FY2013, the Investment Bank managed to remain profitable operationally, with net operating profit reaching EGP30 million versus a loss of EGP23 million in FY2012.
- Credit Libanais reported a net profit of USD68.6 million, a 12% Y-o-Y increase, driven mainly by a 9% Y-o-Y increase in NII and by virtually flat Y-o-Y total operating expenses. The bank's total assets stood at USD8.4 billion and generated an ROAE of 12.1% in FY2013.

Khalid Ellaicy
Chief Financial Officer
kellaicy@efg-hermes.com
Tel: +20 2 3535 6551

Hanzada Nessim
Head of Investor Relations
Strategy & Investor Relations
hnessim@efg-hermes.com
Tel: +20 2 3535 6502

Nada Al-Hamalawy
Associate Vice President
Strategy & Investor Relations
nalhamalawy@efg-hermes.com
Tel: +20 2 3535 6453

Investor Relations Contacts
investor-relations@efg-hermes.com
Tel: +20 2 3535 6710
Fax: +20 2 3535 7017

Listings & Symbols
The Egyptian Exchange
Reuters code: HRHO.CA
Bloomberg code: HRHO EY

London Stock Exchange (GDRs)
Reuters code: HRHOq.L
Bloomberg code: EFGD LI

I. FINANCIAL PERFORMANCE

i. Group Financial Performance

	Group EFG Hermes Financial Highlights							
in EGP million	**4Q13**	**3Q13**	**4Q12**	Q-o-Q	Y-o-Y	**FY13**	**FY12**	Y-o-Y
Group Operating Revenue	**637**	**528**	**447**	21%	42%	**2,165**	**1,828**	18%
Investment Bank	266	191	157	39%	69%	830	694	20%
Commercial Bank	371	337	290	10%	28%	1,335	1,134	18%
Group Operating Expenses	**473**	**359**	**407**	32%	16%	**1,555**	**1,360**	14%
Investment Bank	248	176	217	40%	14%	799	717	12%
Commercial Bank	226	182	190	24%	19%	756	643	17%
Group Net Operating Profit	**163**	**169**	**41**	-3%	302%	**610**	**468**	30%
Investment Bank	18	14	(60)	23%	N/M	30	(23)	N/M
Commercial Bank	146	155	100	-6%	45%	579	491	18%
Group Net Operating Margin	**26%**	**32%**	**9%**			**28%**	**26%**	
Investment Bank	7%	8%	N/M			4%	N/M	
Commercial Bank	39%	46%	35%			43%	43%	
Group NPAT (before minority interest)	**(520)**	**116**	**(21)**	N/M	N/M	**(335)**	**211**	N/M
Investment Bank	(617)	(8)	(72)	N/M	N/M	(786)	(133)	N/M
Commercial Bank	97	124	51	-22%	90%	451	344	31%
Normalized Group NPAT (before minority interest)	**96**	**116**	**(21)**	N/M	N/M	**427**	**211**	102%
Investment Bank	(1)	(8)	(72)	N/M	N/M	(24)	(133)	N/M
Commercial Bank	97	124	51	-22%	90%	451	344	31%

Source: EFG Hermes Management Accounts

The Group reported a net operating profit of EGP163 million and a Group net operating profit margin of 26% in 4Q2013, with the Investment Bank and the Commercial Bank being profitable on the operational level.

One-off charges on the Investment Bank level resulted in a Group net loss after tax and before minority interest of EGP520 million. However, if we exclude the non-cash one-off charges of EGP605 million and the one-off operating expenses of EGP11 million booked by the Investment Bank in 4Q2013, the Group would have reported a normalized net profit after tax and before minority interest of EGP96 million versus a loss of EGP21 million a year earlier.

For FY2013, the Group net operating profit rose 30% Y-o-Y to EGP610 million and the Group net operating profit margin reached 28%, boosted by higher Y-o-Y revenue generated by the Investment Bank and the Commercial Bank. Group net loss after tax and before minority interest came at EGP335 million, however if we adjust for the one off charges and gains booked by the Investment Bank during FY2013, Group normalized net profit after tax and before minority would be higher 102% Y-o-Y at EGP427 million.

ii. Investment Bank Financial Performance

in EGP million	4Q13	3Q13	4Q12	Q-o-Q	Y-o-Y	FY13	FY12	Y-o-Y
	Investment Bank Financial Highlights							
Total Operating Revenue	266	191	157	39%	69%	830	694	20%
Total Operating Expenses	248	176	217	40%	14%	799	717	12%
Net Operating Profit	18	14	(60)	23%	-130%	30	(23)	-233%
Net Operating Margin	7%	8%	N/M			4%	N/M	
NPAT (before minority interest)	(617)	(8)	(72)	N/M	N/M	(786)	(133)	N/M
Normalized NPAT (before minority interest)	**(1)**	**(8)**	**(72)**	N/M	N/M	**(24)**	**(133)**	N/M

Source: EFG Hermes Management Accounts

On the operational level, 4Q2013 was a profitable quarter for the Investment Bank. The Investment Bank reported a net operating profit of EGP18 million versus a loss of EGP60 million a year earlier.

The bottom line however was impacted by non-cash goodwill impairment charges and non-cash change in fair value of investment property totaling to EGP605 million. Excluding the aforementioned charges and the one-off expenses of EGP11 million booked during the quarter, the normalized net loss after tax and before minority interest would be limited to EGP1 million in 4Q2013 (almost breakeven) as compared to a loss of EGP72 million in 4Q2012.

Net changes in the FV of the investment property portfolio, namely the Index Tower, amounted to a charge of EGP84 million. While the remaining EGP521 million mainly relates to goodwill impairment associated to the acquisition of IFA in Kuwait, the Omani subsidiary and Flemming CIIC in Egypt. It is important to note that all of these items are non-cash in nature and are one-offs related to a balance sheet clean up.

For FY2013, normalizing our earnings by adjusting for the one-off charges of EGP785 million (including impairments, one-off operating expenses, change in FV of investment property) and the capital gain of EGP24 million related to the sale of the old headquarters in Dokki, the net loss after tax and before minority interest would be EGP24 million versus a loss figure of EGP133 million in FY2012.

in EGP million	4Q13	3Q13	4Q12	Q-o-Q	Y-o-Y	FY13	FY12	Y-o-Y
	Investment Bank Revenue							
Brokerage	**75**	**66**	**65**	15%	16%	**282**	**240**	17%
Egypt	44	37	53	18%	-16%	159	179	-11%
Regional	31	28	12	10%	155%	123	61	102%
Asset Management	**102**	**39**	**45**	158%	124%	**207**	**121**	71%
Egypt	22	9	27	139%	-20%	52	56	-7%
Regional	80	30	18	164%	345%	155	65	138%
Investment Banking	**13**	**12**	**4**	15%	255%	**40**	**122**	-67%
Egypt	10	0	3	N/M	186%	25	122	-80%
Regional	3	11	0	-70%	N/M	15	0	N/M
Private Equity (Egypt)	**28**	**22**	**31**	26%	-11%	**134**	**110**	22%
Capital Markets & Treasury Operations	**47**	**52**	**12**	-9%	295%	**167**	**102**	64%
Total Operating Revenue	**266**	**191**	**157**	39%	69%	**830**	**694**	20%

*Brokerage revenues highlighted above represent entities and not markets.

Source: EFG Hermes Management Accounts

Revenue generated from most business lines saw a Y-o-Y improvement, with operating revenue rising 69% to EGP266 million in 4Q2013. Asset Management division had a very strong quarter with revenue rising 124% Y-o-Y to EGP102 million in 4Q2013, driven by equity funds outperformance (Regional and Egypt centric funds) which enabled the division to book decent incentive fees in 4Q2013.

The firm revenue generation capabilities were resilient in FY2013, with total operating revenue rising 20% to EGP830 million in FY2013 supported by an improvement in revenue generated from all business lines with the exception of the Investment Banking division. Weakened capital markets activity and loss of investment appetite impacted the Investment Banking revenue which declined to EGP40 million in FY2013 as opposed to a strong comparable year, FY2012, when revenue reached EGP122 million.

iii. Investment Bank Operating Expenses

In EGP million	4Q13	3Q13	4Q12	Q-o-Q	Y-o-Y	FY13	FY12	Y-o-Y
	Investment Bank Operating Expenses							
Employee Expenses	**192**	**129**	**163**	48%	17%	**587**	**495**	18%
Employee Expenses/Operating Revenue	72%	68%	104%			71%	71%	
Employee Expenses/Operating Expenses	77%	73%	75%			73%	69%	
Number of Employees	808	808	901	0%	-10%	808	901	-10%
Other Operating Expenses	**56**	**47**	**54**	19%	4%	**212**	**221**	-4%
Other Operating Expenses/Operating Revenue	21%	25%	34%			26%	32%	
Other Operating Expenses/Operating Expenses	23%	27%	25%			27%	31%	
Total Operating Expenses	**248**	**176**	**217**	40%	14%	**799**	**717**	12%

Source: EFG Hermes Management Accounts

Total operating expenses rose 14% Y-o-Y to EGP248 million in 4Q2013, however excluding the one-off expenses of EGP11 million booked during 4Q, total operating expenses would have increased by 9% Y-o-Y.

The increase in operating expenses was mainly triggered by higher employee expenses which rose 17% Y-o-Y to EGP192 million in 4Q2013. However, the quarter included one-off employee expenses of EGP3 million associated with the restructuring that the company was undergoing in FY2013.

Other operating expenses rose 4% Y-o-Y to EGP56 million in 4Q2013, and excluding the one-off expenses of EGP8 million related to third party fees and other expenses, other operating expenses would decline 11% Y-o-Y, mirroring the cost saving initiatives outlined during the year.

Of other operating expenses, consultancy and service fees declined 13% Y-o-Y to EGP13.9 million, travel expenses fell 22% Y-o-Y to EGP5.1 million, general expenses contracted 14% Y-o-Y to EGP3.2 million, and telephone/fax/mobile expense declined 46% Y-o-Y to EGP1.4 million. On the other hand, occupancy rose 8% Y-o-Y to EGP11.8 million, data communication expense was up 27% Y-o-Y to EGP7.3 million, office expenses rose 55% Y-o-Y to EGP8.0 million and promotional and advertising expenses added 90% Y-o-Y to EGP4.8 million driven by an increase in the events expenses during 4Q2013.

In FY2013, total operating expenses rose 12% Y-o-Y to EGP799 million, on higher employee expenses. Employee expenses rose 18% Y-o-Y to EGP587 million, however if we exclude the one-off expenses of EGP33.2 million, related to the restructuring program that the company successfully completed in FY2013, employees expenses would be higher 12% Y-o-Y.

Other operating expenses declined 4% Y-o-Y to EGP212 million, however if we exclude the one-off expenses of EGP37.3 million, other operating expenses would decline 21% Y-o-Y, in line with the cost saving policy implemented during the year. Worth mentioning that a significant part of those one-off expenses relate to legal and third party fees in relation to the execution of the QInvest transaction.

Adjusting for all one-off expenses of EGP70.5 million booked during the year, total operating expenses, would be only higher 2% Y-o-Y in FY2013. This reflects the ongoing success of management in implementing a successful cost optimization plan.

II. OPERATIONAL PERFORMANCE

i. Brokerage

The Brokerage operations closed the year on a strong footing, with total executions rising 11% Q-o-Q to USD7.1 billion in 4Q2013; and reaching USD27.2 billion in FY2013, higher 46% than FY2012 figures.

Consequently, improved executions in 4Q2013 were reflected in Brokerage revenue, which rose 15% Q-o-Q to EGP75 million on the back of higher revenue generated from Egypt and higher executions in the UAE markets.

For FY2013, total Brokerage revenue rose 17% Y-o-Y to EGP282 million on higher executions witnessed across all regional markets (with the exception of Egypt).

	Brokerage Revenue							
in EGP million	4Q13	3Q13	4Q12	Q-o-Q	Y-o-Y	FY13	FY12	Y-o-Y
Egypt	44	37	53	18%	-16%	159	179	-11%
UAE	17	13	3	37%	564%	49	15	229%
KSA	3	3	1	-4%	137%	12	7	57%
Oman	2	3	1	-12%	101%	12	5	153%
Kuwait	7	8	6	-19%	11%	45	30	49%
Jordan	1	1	1	8%	44%	6	4	61%
Total Revenue	**75**	**66**	**65**	15%	16%	**282**	**240**	17%

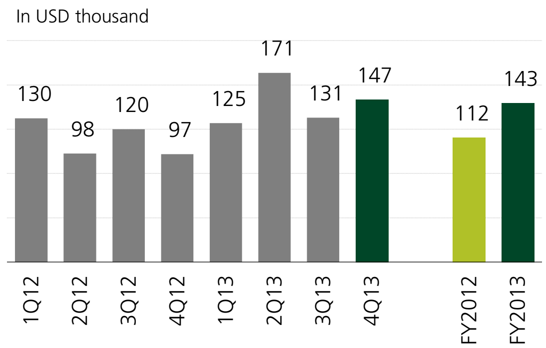
*Revenue highlighted above represents entities and not markets.

Source: EFG Hermes Management Accounts

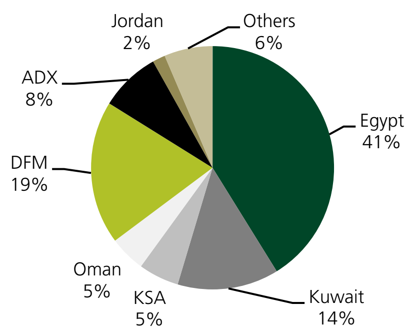
In terms of pure market commissions, Egypt represents 41% of total Brokerage commissions in 4Q2013, while the regional markets represent the remaining 59%.

Average daily commissions rose 12% Q-o-Q and 28% Y-o-Y for FY2013.

Average Daily Commissions



Commissions Breakdown by Market



Brokerage Market Share & Executions

in USD million	4Q13	3Q13	4Q12	Q-o-Q	Y-o-Y	FY13	FY12	Y-o-Y
Egypt								
Market share	24.5%	29.1%	27.0%	-4.6%	-2.5%	29.1%	28.5%	0.6%
Executions	1,273	1,400	1,390	-9.1%	-8.4%	4,710	5,672	-17.0%
UAE - DFM								
Market share	12.7%	9.0%	15.2%	3.7%	-2.6%	10.8%	12.4%	-1.6%
Executions	1,796	1,206	345	48.9%	420.6%	4,658	1,636	184.7%
UAE - ADX								
Market share	10.1%	8.9%	17.0%	1.1%	-6.9%	10.9%	13.8%	-2.9%
Executions	778	532	247	46.2%	215.0%	2,511	837	200.0%
KSA								
Market share	1.0%	0.9%	0.4%	0.1%	0.7%	0.7%	0.3%	0.4%
Executions	1,015	740	288	37.2%	252.4%	2,935	1,460	101.0%
Kuwait								
Market share	24.3%	23.2%	22.7%	1.0%	1.6%	23.3%	26.5%	-3.1%
Executions	1,481	1,798	1,392	-17.6%	6.4%	9,269	6,494	42.7%
Oman								
Market share	13.3%	14.0%	12.3%	-0.7%	1.0%	14.0%	13.5%	0.5%
Executions	207	188	86	10.1%	140.7%	823	373	120.6%
Jordan								
Market share	6.7%	8.1%	6.8%	-1.4%	-0.1%	5.3%	6.3%	-0.9%
Executions	50	47	47	6.4%	6.4%	228	167	36.5%

*Executions in Qatar, Bahrain, Morocco and Lebanon represent an additional 7% of total Brokerage executions in 4Q13 and FY13.

Source: EFG Hermes and Regional Exchanges

Egypt: EFG Hermes maintained its strong share of foreign institutional participation commanding an average market share of 65% of foreign institutional activity; however, foreign investors' participation in the market remained low averaging 12% versus the retail participation of 75-80% in the market. The firm has also managed to create a strong retail franchise that is far reaching in Egypt and that compensates it in terms of daily trading for the slower activity on the part of the institutional clients.

Excluding special transactions, EFG Hermes Brokerage market share came at 24.5% in 4Q2013 and 29.1% in FY2013, cementing the number one ranking position for the quarter and the full year; and comfortably outperforming the following broker by 58%.

UAE – Dubai: EFG Hermes market share improved to 12.7% in 4Q2013 versus 9.0% a quarter earlier on the DFM, reflecting higher institutional business market share which doubled Q-o-Q to reach 7.9% in 4Q2013. The firm's ranking came in 6th place in 4Q2013 versus 7th place in 3Q2013.

UAE – ADX: Similarly, on the ADX, EFG Hermes market share rose to 10.1% from 8.9% a quarter earlier supported by an improvement in the institutional business, which rose to 7.7% from 5.8% in 3Q2013. The firm's ranking came in 6th place in 4Q2013 versus 7th place in 3Q2013.

Saudi Arabia: The team's focus on growing the GCC institutional and HNWI business in the KSA market reaped its fruit, with the firm's market share reaching 1.0% in 4Q2013 and a number one ranking position among foreign brokerage firms.

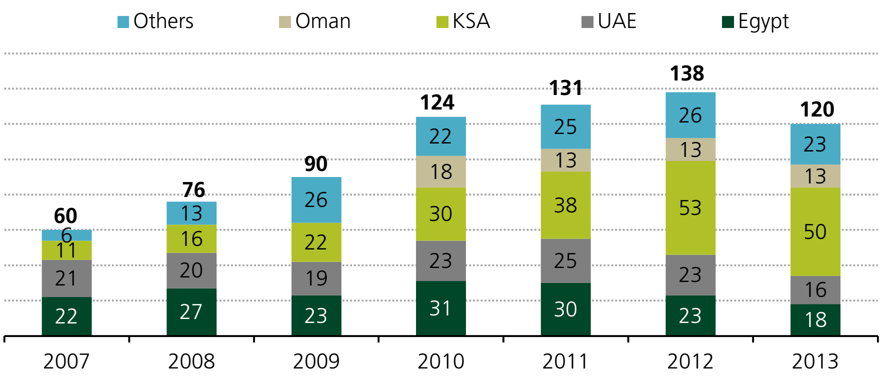
Kuwait: The firm's market share rose to 24.3% in 4Q2013 compared to 23.3% a quarter earlier. However, executions declined during the quarter, mirroring thinner trading volumes in 4Q2013, as compared to 3Q2013. Ranking was stable at 2nd place in 4Q2013.

Oman: EFG Hermes market share declined marginally to 13.3% in 4Q2013 as compared to 14.0% in 3Q2013, mainly as a result of a noticeable decrease in the GCC clients and local institutions activity in the market. The firm maintained its 7th place ranking in 4Q2013.

Jordan: EFG Hermes market share declined to 6.7% in 4Q2013 from 8.1% a quarter earlier, as foreign investor activity retrenched over 4Q2013. The firm's ranking came at 11th place in 4Q2013.

ii. Research

Research Coverage Universe



Source: EFG Hermes

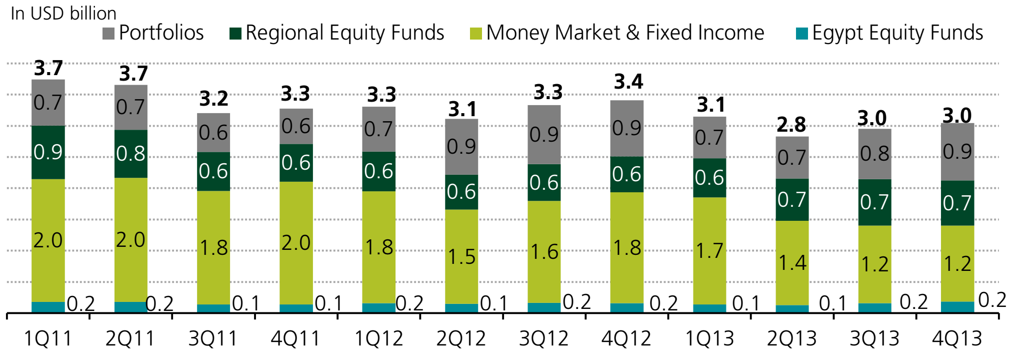
The Research department coverage reached 120 companies at the end of 4Q2013, distributed across the region (Egypt 18, UAE 16, KSA 50, Kuwait 7, Oman 13, Qatar 8, Lebanon 3, Morocco 3, Jordan 1 and Netherlands 1). Currently EFG Hermes covers 58% of the regional market capitalization.

The research department covers 11 economies from a macro level and 8 countries in terms of regular strategy notes. In addition, the research team issues regular publications, including daily morning round-ups, after end of session wrap-ups and a regional monthly product.

EFG Hermes Research offers investors the research portal. Available to EFG Hermes clients, Research Online provide both simple and advanced search functionality and access to EFG Hermes Research's full three-year product archive.

iii. Asset Management

Development of Assets under Management



Source: EFG Hermes Asset Management

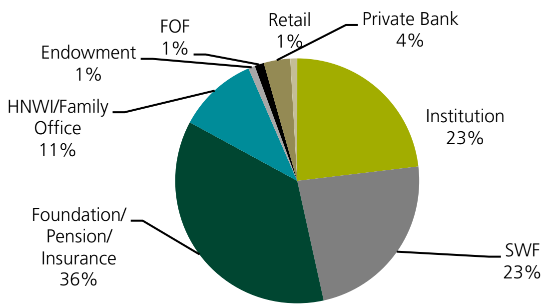
EFG Hermes AuMs reached USD3.0 billion at the end of FY2013, up 3% Q-o-Q. Markets appreciation was the driver for the increase in AuMs, representing 6% of total AuMs, however on the other side, net outflows from local money market funds (MMFs) and redemptions from one of our regional funds represented 3%.

Egypt equity funds and portfolios together with the regional portfolios performed well during the quarter, with their total AUMs rising 14% Q-o-Q, triggered by strong markets appreciation which represented 13%, and coupled with net cash inflows,+1%. Alternatively, redemptions by one of our clients covering for commitments elsewhere impacted Regional equity funds AuMs, which declined 3% Q-o-Q. Local money market funds (MMFs) net outflows reached 2% of total AuMs during the quarter.

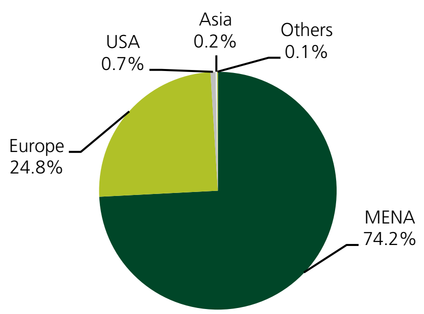
For FY2013, Asset Management AuMs declined 8% Y-o-Y. New MMFs regulations which were introduced by the Central Bank of Egypt during the first half of FY2013 and caps the size of those funds, combined with redemptions in fixed income portfolios as one of our client decided to manage his own funds in house, and the abovementioned redemption in one of our regional equity funds pressured our AuMs growth. Local MMFs, fixed income funds and portfolios AuMs declined 37% over FY2013. On the other hand, equity funds and portfolios had a good year, with collective AuMs rising 37% over the same period, largely driven by markets appreciation which represented 30% of the increase and net cash inflows representing the remaining 7%.

The strategy of maintaining a diversified client base while targeting more long-term and institutional clients remains the team main focus. During 4Q2013, institutional clients accounted for 23.0% of total AuMs compared to 21.8% last quarter and HNWI/Family Office accounted for 10.5% from 9.7% a quarter earlier. Meanwhile, SWF clients represented 23.3% of total AuMs versus 23.8% a quarter earlier and Foundation/Pension/Insurance clients contribution declined to 36.2% versus 36.8% last quarter.

Assets under Management by Type of Client



Assets under Management by Geography



In terms of funds origination, investor mix changed in 4Q2013. MENA-based clients represented 74.2% from 72.4% a quarter earlier and USA-based clients contribution rose to 0.7% from 0.2% in 3Q2013. Alternatively, Europe-based clients represented 24.8% from 26.4% a quarter earlier; and Asia-based clients represented 0.2% from 0.9% in 3Q2013.

iv. Investment Banking

During 4Q2013, EFG Hermes Investment Banking team closed a landmark transaction: the rights issue of Palm Hills for Developments S.A.E. The rights issue was a capital increase directed towards PHD original shareholders however the team along with the other advisors were able, for the first time in Egypt, to successfully implement the tradable rights on the Egyptian Stock Exchange ("EGX") setting a precedent for other similar transactions to follow. The tradable rights allowed new investors to participate in the rights issue by virtue of buying the rights to subscribe from the original shareholders who wouldn't exercise their right.

Despite the current political instability in the country and the uncertainty in the market, the EGP600 million offering attracted significant demand with impressive subscription ratios. The first subscription round covered 95.7% of the offered shares while the second subscription round exemplified a considerable demand for the remaining 13 million offered shares with approximately a 32 times oversubscription.

The Investment Banking division successfully managed to execute and close four other transactions in 2013, despite the testing circumstances surrounding the Egyptian and the regional markets. The team closed two transactions that had continued from 2012; the USD43 million private placement for Wadi Degla for Investments S.A.E., and the acquisition of Japan Tobacco International of Al Nakhla Tobacco in Egypt, the team's second advisory assignment with global giant Japan Tobacco International. Also, the team advised Dubai Group on the USD164 million sale of 100% of Dubai First, a leading UAE based consumer finance company, to First Gulf Bank. Furthermore, the team was able to successfully execute the technical listing of the Bank of London and Middle East on the Nasdaq Dubai Exchange. In FY2013 the Investment Banking team acted as the Financial Advisor to Altimo Holdings & Investments Limited when launched a mandatory tender offer on the EGX in their attempted USD1.8 billion acquisition of a direct stake in Orascom Telecom Holding, now Global Telecom Holding, however the transaction was not completed.

The department has a healthy pipeline of mandates to look forward to in 2014. The team was able to generate substantial advisory mandates in 2013 across new sectors and industries which are expected to lead to a strong performance in 1Q2014. A number of mandates have been secured in the GCC region mainly across the UAE and Saudi Arabia. Additionally, the team continues to be committed to maintaining their leading market position in Egypt, as there is a good chance of closing in the current improving business environment. The Investment Banking department has a strong pipeline in Egypt, with a number of potential IPOs in the preparation phase.

v. Private Equity

Assets under management at the end of 4Q2013 stood at USD0.7 billion post the expiration of ECP III's investment period in 3Q2012. The team is negotiating a number of exits at different stages that would potentially provide solid returns to investors as well as significantly contribute to the firm's profitability.

InfraMed Infrastructure fund remains committed to investing further in Egypt. Most recently, the team entered a process to invest in a sizeable wind asset in Egypt; negotiations are ongoing. Further, the team continues to track Egyptian PPP and BOT opportunities that have been slightly delayed because of political turbulences. In Turkey, InfraMed continues to seek investments in the energy sector. The Moroccan team, has not yet been able to close a transaction, however there are a few opportunities shortlisted.

III. COMMERCIAL BANK

In USD million	4Q13	3Q13	2Q13	1Q13	4Q12	Q-o-Q	Y-o-Y	FY13	FY12	Y-o-Y
	Key Financial Highlights and Ratios									
Balance Sheet:										
Total Assets	8,359	8,136	8,025	8,002	7,948	3%	5%	8,359	7,948	5%
Cash and due from banks	2,155	2,022	2,026	2,089	2,088	7%	3%	2,155	2,088	3%
Loans	2,599	2,526	2,420	2,386	2,234	3%	16.3%	2,599	2,234	16%
Deposits	7,158	6,996	7,024	7,046	6,961	2%	2.8%	7,158	6,961	3%
Shareholders' Equity:	766	746	626	633	619	3%	24%	766	619	24%
Tier 1 capital	676	657	538	546	529	3%	28%	676	529	28%
Tier 2 capital	90	89	88	86	90	1%	0%	90	90	0%
P&L:										
Net Interest Income:	40.9	33.7	32.5	29.7	30.8	22%	33%	136.8	125.5	9%
Interest Income	117.7	109.5	111.5	102.9	115.8	7%	2%	441.6	417.8	6%
Interest Expense	(76.7)	(75.9)	(79.0)	(73.2)	(85.0)	1%	-10%	(304.8)	(292.3)	4%
Net F&C Income	8.4	10.2	10.0	8.7	10.3	-17%	-18%	37.4	36.3	3%
Trading Income	4.5	4.0	3.6	6.3	7.4	14%	-39%	18.5	21.8	-15%
Total Operating Income	**55.7**	**48.2**	47.1	44.8	**48.9**	16%	14%	**195.8**	**185.7**	5%
Net Provisions	(2.7)	(0.1)	(1.0)	(0.7)	(2.3)	N/M	18%	(4.5)	(2.4)	86%
Net Operating Income	**53.0**	**48.1**	46.2	44.0	**46.6**	10%	14%	**191.3**	**183.3**	4%
Staff Cost	19.6	16.0	15.6	15.3	16.5	22%	19%	66.4	62.4	6%
General Expenses	11.3	10.2	9.4	8.7	14.2	11%	-20%	39.6	42.4	-7%
Total Operating Expenses	**32.7**	**27.9**	26.8	25.8	**32.8**	17%	0%	**113.2**	**112.2**	1%
Net Income	**16.8**	**17.9**	17.7	16.2	**9.8**	-6%	71%	**68.6**	**61.1**	12%
Ratios:										
Net Interest Margin	1.8%	1.7%	1.6%	1.6%	1.7%	0.1	0.0	1.8%	1.7%	0.0
Cost-to-income*	57.5%	57.1%	56.7%	57.3%	60.1%	0.4	-2.7	57.5%	60.1%	-2.7
Loans-to-deposits	36.3%	36.1%	34.5%	33.9%	32.1%	0.2	4.2	36.3%	32.1%	4.2
NPL / Gross Loans	3.4%	3.4%	3.6%	3.8%	4.0%	0.1	-0.5	3.4%	4.0%	-0.5
Provision Cover	84.2%	85.7%	85.3%	92.4%	90.8%	-1.5	-6.6	84.2%	90.8%	-6.6
ROAE (after- tax)	12.1%	12.2%	13.1%	12.2%	12.9%	-0.1	-0.8	12.1%	12.9%	-0.8
ROAA (after-tax)	0.8%	0.9%	0.9%	0.8%	0.8%	0.0	0.0	0.8%	0.8%	0.0
Core Tier 1 Capital Ratio**	13.3%	10.9%	10.9%	11.6%	11.6%	N/A	1.7	13.3%	11.6%	1.7
Total Capital Adequacy Ratio**	14.9%	12.8%	12.8%	13.7%	13.7%	N/A	1.2	14.9%	13.7%	1.2

** Including extraordinary items*
*** Calculations for FY2013 ratios include net profits, however subject to General Assembly's approval*
Source: Credit Libanais

i. Results in Context

Within an extremely difficult business environment due to the major geopolitical turmoil in the region, Credit Libanais continues to deliver stable results, while strengthening further its capital base and streamlining its liquidity profile.

Credit Libanais delivered a solid 12% net income increase Y-o-Y demonstrating growth in most of the revenue lines and keeping operating expenses virtually flat.

Above average loan growth, admittedly at declining spreads due to rising competition, and modest growth in fees & commissions income, offset declines in interest income from maturing securities, preserving NIM at 1.8%, flat Y-o-Y.

Results Q-o-Q:

Credit Libanais posted a net profit after tax (NPAT) for 4Q2013 of USD16.8 million, a 6% decline Q-o-Q.

The results were driven mainly by a 22% increase Q-o-Q in NII and to a lesser extent by increases in trading income, rising 14% Q-o-Q. These increases were reflected in the total operating income which rose 16% Q-o-Q to USD55.7 million. This was partially offset by an above average increase in provisions, general expenses and the end of year (all budgeted) increases in staff expenses, ie other social payments and benefits.

Results Y-o-Y:

Net profit after tax (before the dividend payment of the preferred shares) for the FY2013 came at USD68.6 million, a 12% increase Y-o-Y, driven mainly by a 9% Y-o-Y increase in NII and more specifically by virtually flat Y-o-Y total operating expenses.

Net operating income rose 4% Y-o-Y to USD191.3 million in FY2013, while total operating expenses were contained to only a 1% Y-o-Y increase.

The above results were reached through a modest increase Y-o-Y of 5% in the bank’s total assets to USD8.4 billion, driven by a well above peers Y-o-Y loan growth of 16% and a Y-o-Y deposit growth of only 3%. This resulted in a record loans/deposits ratio of 36.3%.

Cost/Income ratio closed the year flat to last year at 57.5% (if we exclude the one-off items), as productivity of branches still remains below peers. NPL ratio remained broadly flat from last year while ROAE declined by 0.8 points to 12.1% mainly due to the recent USD100 million capital increase through the issue of preferred shares. CL total capital adequacy ratio is now 14.17% i.e.1.37 percentage points higher Y-o-Y, while Capital Tier 1 ratio reached 12.54% i.e. an increase of 1.64 percentage points Y-o-Y, excluding annual profits. The addition of the annual profits, after distribution of dividends, will boost further the bank's capital ratios.

ii. Selected Financial & Qualitative Information

Assets

Total assets closed the year at USD8.4 billion, up 3% Q-o-Q and 5% Y-o-Y, largely on strong loan book growth.

Composition of assets was virtually unchanged Q-o-Q. Over FY2013, loans contribution to the total assets compositions continued to grow, with loans increasing to 31.1% of total assets at the end of FY2013 from 28.1% a year earlier. Securities decreased to 40.3% from 42.7% of total assets and cash decreased to 25.8% from 26.3% at the end of FY2012.

Total assets allocation changed slightly over 4Q2013. In FY2013, total assets allocation by business line all changed, with corporate banking accounting for 16.8% up from 13.5% at the end of FY2012 and retail accounting for 20.5% from 19.8%, on the account of capital markets and treasury and investment banking which declined to 61.7% and 1.1% respectively, compared to 65.5% and 1.2%, respectively, a year earlier.

Loans

Total Loans rose to USD2.6 billion at the end of 4Q2013, an increase of 3% Q-o-Q and 16% Y-o-Y.

Loans by Type

In USD million	**4Q13**	**3Q13**	2Q13	1Q13	**4Q12**	Q-o-Q	Y-o-Y
Loans	**2,599**	**2,526**	2,420	2,386	**2,234**	**2.9%**	**16.3%**
Corporate	1,308	1,268	1,172	1,158	993	3.2%	31.8%
Retail	1,011	976	970	964	930	3.5%	8.7%
SME	280	281	278	264	312	-0.2%	-10.1%

Source: Credit Libanais

Loan growth by type: The growth in the loan book over 4Q2013 was driven by growth in retail and corporate loans, increasing 3.5% and 3.2% Q-o-Q, respectively. Meanwhile, the growth in the loan book over the year was in line with the bank's strategy of growing the corporate loans, which grew 31.8% over the year.

Loan distribution by type: Loan book distribution was broadly unchanged Q-o-Q. Over FY2013, corporate loans contribution to total loans increased to 50.3% from 44.4% a year earlier on the account of the SMEs and retail loans which declined to 10.8% and 38.9% respectively from 14.0% and 41.6%, respectively, at the end of FY2012.

Loan distribution by sector: On a quarterly basis, the loans distribution across sectors was broadly stable. In FY2013, personal & consumer loans and loans to the trading sector retreated slightly to represent 44.7% and 26.9% of the total loan book, respectively. While Loans to the industrial and the construction sectors loans contribution rose to account for 15.8% and 9.9% respectively at the end of the year.

Loan quality: NPL ratio was stable over 4Q2013, standing at 3.4% at the end of FY2013 compared to 4.0% a year earlier. Provision cover was at 84.2% at the end of 4Q2013 versus 85.7% a quarter earlier and 90.8% a year earlier.

Loans by currency: The loan book was split at the end of the year at 37/63 between local and foreign currency, with a marginal change Q-o-Q and Y-o-Y.

Deposits

Deposits rose to USD7.2 billion at the end of 4Q2013, an increase of 2% Q-o-Q and 3% Y-o-Y.

Deposits By Type

In USD million	**4Q13**	**3Q13**	2Q13	1Q13	**4Q12**	Q-o-Q	Y-o-Y
Deposits	**7,158**	**6,996**	7,024	7,046	**6,961**	2.3%	2.8%
Savings	4,155	4,174	4,216	4,168	4,084	-0.5%	1.7%
Term	2,221	2,036	2,026	2,119	2,141	9.1%	3.8%
Sight	783	786	782	759	736	-0.4%	6.4%

Source: Credit Libanais

Deposits contribution by type: The growth in deposits during 4Q2013 was attributed to a 9.1% increase in term deposits. In FY2013, growth in sight deposits was the highest, adding 6.4% Y-o-Y, followed by term deposits and savings deposits, increasing 3.8% and 1.7%, respectively. At the end of the year, saving deposits represented 58.0% of the total deposit base, while term deposits and sight deposits represented 31.0% and 10.9%, respectively.

Deposits by sector: By the end of 4Q2013, deposits were split 92/8% between retail and corporate, respectively.

Deposits by currency: Deposits split at the end of the year was at 46/54 between local and foreign currency, with a marginal change Q-o-Q and Y-o-Y.

Loans/Deposits ratio: The loans/deposits ratio reached a record high of 36.3% at the end of FY2013. The Bank's aggressive strategy of growing loans faster than deposits in FY2013 was reflected in the loans/deposits ratio which grew by 4.2 points from 32.1% at the end of FY2012.

Net Interest income

Net Interest Income rose 22% Q-o-Q to reach USD40.9 million in 4Q2013, driven by low deposit growth and the inclusion in interest income of one-off charges related to lower cost (subsidized) refinancing of USD93 million of existing loans. Interest income rose 7% Q-o-Q while interest expense rose only 1% Q-o-Q.

For the same reasons, Net Interest Income grew 9% Y-o-Y to USD136.8 million in FY2013, as loans grew 16% Y-o-Y and deposits growth was restricted to 3% Y-o-Y.

Fee & Commission Income

Fees and commissions came at USD8.4 million in 4Q2013, down 17% Q-o-Q. The Q-o-Q decrease in fees and commissions is a result of weaker economic activity in the country.

In FY2013, fees and commissions reached USD37.4 million, a modest increase of 3% Y-o-Y.

Trading income

Trading Income rose 14% Q-o-Q to USD4.5 million in 4Q2013, mainly on higher gains on investments in the trading portfolio.

For FY2013, trading income declined 15% Y-o-Y to USD18.5 million, as FY2012 was a high comparable year including a one-off gain of USD6 million related to sale of investments. If we exclude the one off gain, trading income would increase by 17% Y-o-Y.

Net Provisions

Net provisions for the fourth quarter reached USD2.7 million versus USD0.1 million a quarter earlier; thus pushing net provisions for the year to USD4.5 million up from USD2.4 million in FY2012.

CL ended the quarter with an NPL ratio of 3.4% and a coverage ratio of 84.2%.

Net Operating Income (i.e. after provisions)

Net operating income came at USD53.0 million in 4Q2013, up 10% Q-o-Q. In FY2013, NOI rose 4% to reach USD191.3, largely on higher net interest income which offset the higher provisions booked Y-o-Y in FY2013.

Total Operating Expenses

Total operating expenses rose 17% Q-o-Q to USD32.7 million in 4Q2013 on the back of higher employee expenses (+22%) and to a lesser extent higher general expenses (+11%). The increase in employee expenses was driven by the new Collective Agreement of the Employees and the Employers of the Lebanese Banking Sector which entails increasing employees' benefits and other related charges.

For the FY2013, total operating expenses were broadly flat, up 1% Y-o-Y at USD113.2 million.

Net Income

Net income declined 6% Q-o-Q to USD16.8 million in 4Q2013 on higher operating expenses, lower fees and commissions and higher provisions.

Net income for FY2013 came at USD68.6 million, up 12% Y-o-Y, supported by higher operating income.

Cost/Income Ratio

Cost-to-income saw an increase Q-o-Q to 57.5% at the end of 4Q2013, as expenses rose in 4Q2013.

For FY2013, cost/income declined to 57.5% from 60.1% as FY2012 included a number of one-off expenses.

Net Interest Margin

NIM improved slightly to 1.8% from 1.7% in FY2012, mainly as a result of interest income expansion and interest expense containment.

Branch Productivity and Efficiency ratios

Branch Productivity

	4Q13	3Q13	2Q13	1Q13	4Q12	Q-o-Q	Y-o-Y
Employees/Branch	23	23	23	23	23	-1.0%	-1.1%
Loans/Branch (USD mn)	37	36	35	34	32	2.9%	16.3%
Deposits/Branch (USD mn)	102	100	100	101	99	2.4%	2.9%

Source: Credit Libanais

iii. International Operations

High level financial highlights:

SENEGAL

Credit International reported a net profit of USD130.4 thousand in 4Q2013 versus a net loss of USD165.5 thousand in 3Q2013.

For FY2013, Credit International reported a net loss of USD69.2 thousand versus a net loss of USD147.1 thousand a year earlier.

Balance sheet highlights:

Total Assets: USD65.4 million

Loans : USD35.4 million

Deposits : USD39.8 million

IRAQ

The Iraq operations reported a net loss of USD2.0 million in 4Q2013 versus a net profit of USD1.1 million in 3Q2013.

In FY2013, Iraq operations reported USD2.4 million versus USD0.8 million in FY2012, driven by foreign exchange income.

Balance sheet highlights:

Total Assets: USD46.6 million

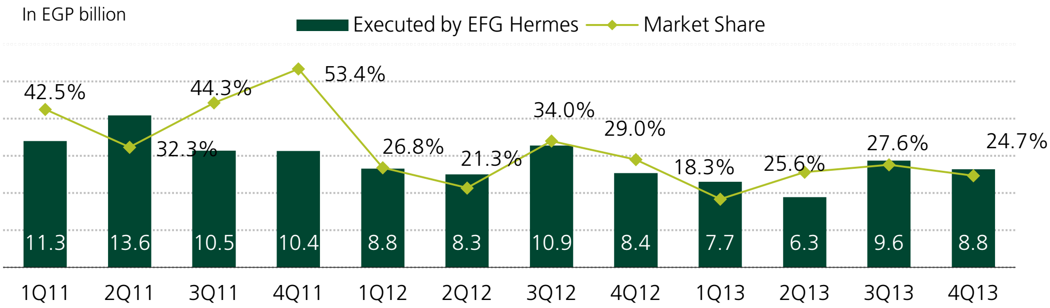
Loans : USD5.0 million

Deposits : USD9.6 million

IV. ANNEX

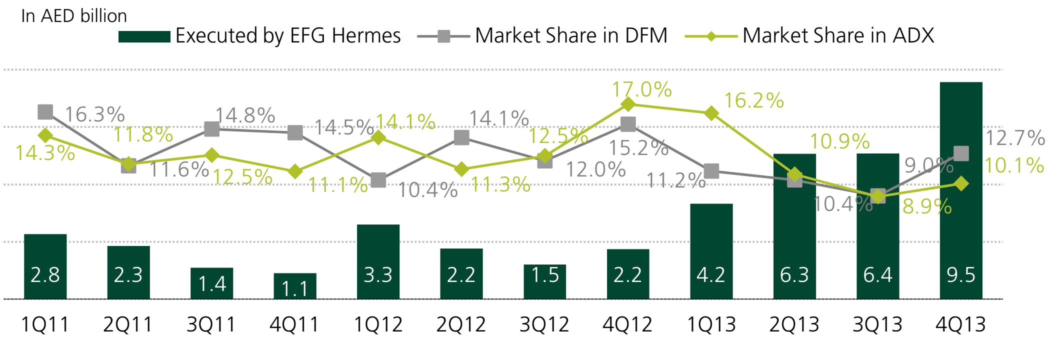
Markets Performance and EFG Hermes Executions & Market Shares

Egypt:



It was another good quarter for the Egyptian equities, with the Hermes Financial Index (HFI) gaining 16% Q-o-Q. Meanwhile, volumes declined 18% Q-o-Q, as 3Q2013 was a relatively strong comparable base.

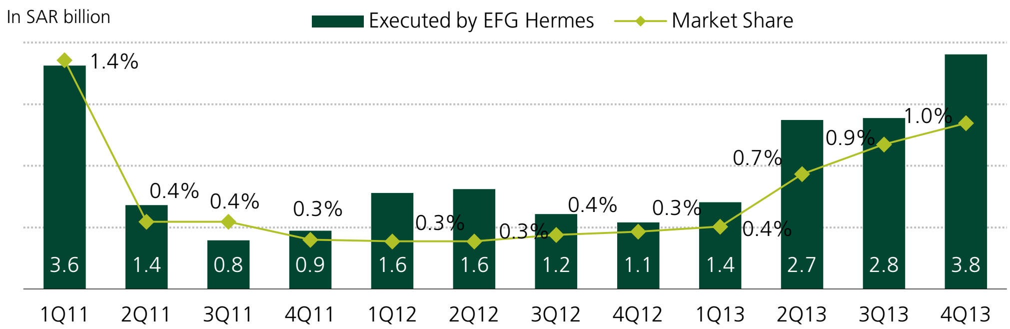
UAE



DFM: Adding to the past three quarters, the DFM closed the last quarter of the year with strong performance. The Dubai Financial Market General Index (DFMGI) gained 22% and volumes rose 6% Q-o-Q.

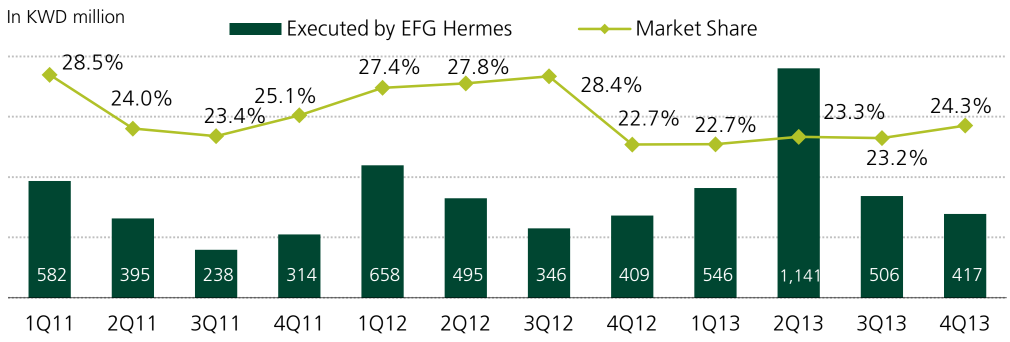
ADX: The Abu Dhabi market had a run in 4Q2013, with the Abu Dhabi Index (ADI) rising 12% Q-o-Q and volumes jumping 31% Q-o-Q.

KSA:



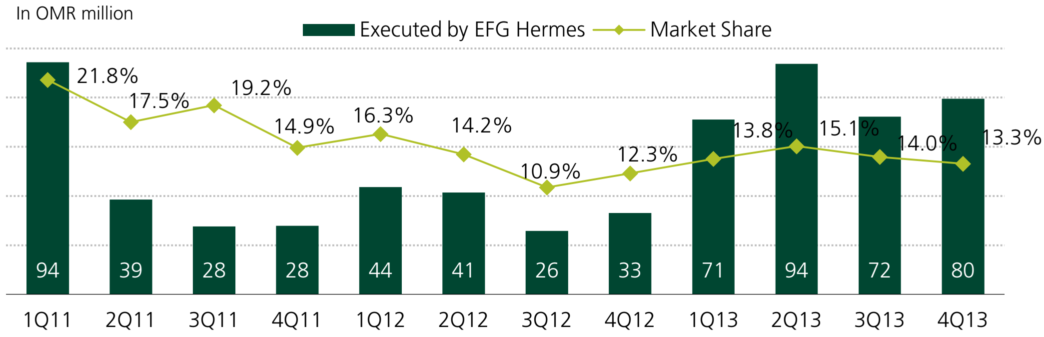
Volumes on the Tadawul market lost some steam, slipping 6% Q-o-Q, yet the Tadawul All Share Index (TASI) gained 7% Q-o-Q.

Kuwait:



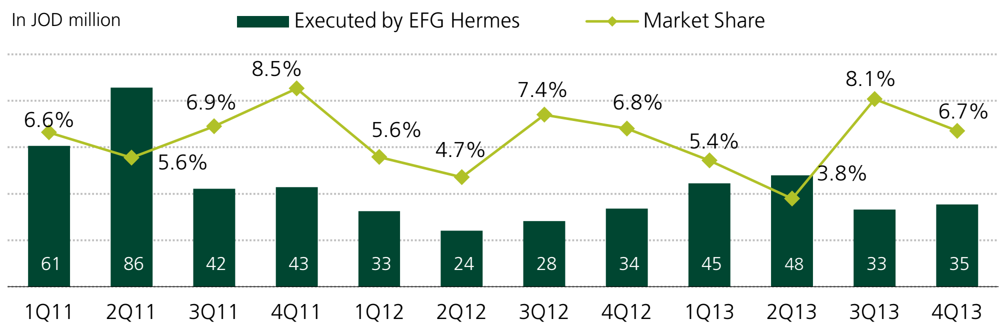
It was another weak quarter for the Kuwaiti market, with volumes declining 26% Q-o-Q and the KSE Index losing 3% Q-o-Q.

Oman:



It was relatively a quiet quarter for the Muscat Securities Market (MSM), with volumes increasing 6% Q-o-Q in 4Q2013 and the Muscat Securities Index (MSM30) adding 3% over the same period.

Jordan:



Activity on the Amman Stock Exchange improved in 4Q2013, with volumes rising 32% Q-o-Q and the Index rising 12% Q-o-Q.

In this earnings release EFG Hermes may make forward looking statements, including, for example, statements about the impact of balance sheet clean-up, our continued asset management strategy and focus, the investment banking pipeline, secured mandates, and anticipated 1Q2014 performance, the anticipated impact of private equity exits, investment strategy and transaction opportunities, the impact of annual profits on the bank's capital ratios, and other statements regarding management's expectations, strategic objectives, growth opportunities and business prospects. Such forward looking statements by their nature may involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by these statements. Examples may include financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions; and the effect of current, pending and future legislation, regulations and regulatory actions. Furthermore, forward looking statements contained in this document that reference past trends or activities should not be taken as a representation that such trends or activities will continue. EFG Hermes does not undertake any obligation to update or revise any forward looking statements.

Accordingly, readers are cautioned not to place undue reliance on forward looking statements, which speak only as of the date on which they are made.

This document is provided for informational purposes only. It does not constitute an offer to sell or a solicitation of an offer to buy any securities or interests described within it in any jurisdiction. We strongly advise potential investors to seek financial guidance when determining whether an investment is appropriate to their needs.

EFG Hermes Holding SAE has its address at Building No. B129, Phase 3, Smart Village – km 28 Cairo Alexandria Desert Road, 6 October and has an issued capital of EGP 2,867,422,500

Listings & Symbols
The Egyptian Exchange
Reuters code: HRHO.CA
Bloomberg code: HRHO EY
London Stock Exchange (GDRs)
Reuters code: HRHOq.L
Bloomberg code: EFGD LI

Bloomberg page: EFGH
Reuters pages: .EFGS .HRMS .EFGI .HFISMCAP .HFIDOM

EFG Hermes (Holding Main Office)
Building No. B129, Phase 3, Smart Village – km 28 Cairo Alexandria Desert Road, 6 October Egypt 12577
Tel +20 2 353 56 499
Fax +20 2 353 70 942

www.efghermes.com