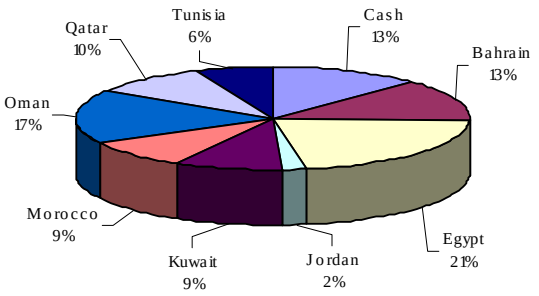
The EFG-Hermes Middle East and Developing Africa Fund Limited

11 August 2004 *Covering July 2004*

The MEDA Fund has continued to rise in July, adding 2.1% to it's NAV during the month to stand at USD11.38. The markets witnessed divergence in their performance with the Egyptian market rallying on the back of change in the ministry cabinet and enthousiasm in the telecom sector specially that the the Minister of CIT was appointed the Prime Minister. Despite the fact the Qatari market dropped 3.8%, our holding their, **QTel**, not only bucked the market's dropp but also reserved a place among the month's best performer adding 18% to its close boosted by a series of good news as it won Oman license then it announced healthy growth in 1H04 profits. In Morocco we have subscribed for **Banque Centrale Populaire** IPO at a price of Dh680 and shortly after it was traded on the Casablanca Stock Exchange it reached a price of Dh770, we have also continued selling **Managem** to close our position. In Oman, the market was flat on fear of profit taking after a long lasting rally. In Kuwait, the market continued to improve on the back of the continuous rise in the energy prices, this was sensed in our holdings, specially **NBK** and **Burgan Bank** which jumped 12.5% and 10.5% respectively during the month.

Top 10 Holdings	% Net Assets
OCI	9.8%
Qtel	9.6%
OT	5.8%
Alliance Housing Bank	5.5%
Bank Muscat	5.5%
Lafarge Maroc	5.0%
Bahrain Commercial Facilities	4.0%
National Bank of Bahrain	3.6%
Banque De L'Habitat	3.5%
Burgan Bank	3.2%

Asset Allocation by Country



BACKGROUND:

The EFG-Hermes Middle East and Developing Africa Fund Limited is an investment company incorporated in Bermuda for the purpose of providing Shareholders with the opportunity of investing indirectly in the Middle East and Developing Africa.
EFG-Hermes Financial Management (Egypt) Limited (HFM), a wholly owned subsidiary of EFG Hermes Holding Company, is the investment manager. EFG-Hermes (UK) acts as investment advisor to HFM.

ADMINISTRATION, SECRETARY AND REGISTRAR:

MQ Services Limited
Chancery Hall, 52 Reid Street, Hamilton, HM12, Bermuda.
Tel: 1441-295-9294 Fax: 1441-292-8899

SEDOL Code:

0-675-970

Bloomberg Ticker: EFGMEAF BH

THE FOLLOWING MAKE A MARKET IN THE FUND'S SHARES:

UBS Warburg / Mr. David Bliff	Tel: 44-207-568-4587	**REUTERS PAGE:** WDRIFMEA1
Jefferies International Limited / Mr. Norman C. Crighton	Tel: 44-207-618-3620	**REUTERS PAGE:** JEF03
LCF Rothschild Securities/ Ms. Claire Heathfield	Tel: 44-207-845-5960	**REUTERS PAGE:** EDRG
JP Morgan / Mr. Richard Crawford / Simon Ronan	Tel: 44-207-742-8463/8497	**REUTERS PAGE:** RSJA55
ABN-AMRO/ Mr. Andrew Cade	Tel: 44-207-678-5413	**REUTERS PAGE:** ABNFUND15

Shares can be redeemed on a quarterly basis and subscribed for on a monthly basis from June 2000. The subscription price is the last published NAV for the month plus a front-end charge of up to 2%. The redemption price is the last published NAV for the month less a charge of up to 4%. During the life of the fund redemption charges ranged between 0 and 2% and are a function of the liquidity of the portfolio at time of redemption. Redemption requests have to be submitted to MQ Services 14 working days before month end. Subscription requests have to be submitted to MQ Services 7 working days before month end.

FACT FILE:

First launched: August 1999
Fund restructured to MENA Fund in 2002

NAV as of end of May 2004 US$ 11.38

The company distributed dividends of:
US$ 0.19 per share as of 30 November 2000
US$ 0.21 per share as of 17 December 2002

ENQUIRIES:

EFG-Hermes Asset Management

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This update does not constitute an offer of shares and should not be relied upon by any person acquiring or otherwise dealing in shares of the company. Subscription of shares in the company may only currently be made on the terms of the Placing Memorandum of the company. It should be noted that investment in the fund is only suitable for sophisticated investors who are aware of the risks of investing in The EFG-Hermes Middle East and Developing Africa Fund Limited and should be regarded as long term. Please remember that past performance is not necessarily a guide to the future. Market and currency movements may cause the value of shares and the income from them to fluctuate and you may get back less than you invested when you decide to sell your share.