EFG-Hermes Enters Kuwaiti Market through a Strategic Partnership with Kuwait Invest Company

In continuation of the strategy to expand its regional presence, EFG-Hermes announces that it has entered the highly promising Kuwaiti market through the acquisition of an equity interest in Offset Holding KSC from Kuwait Invest Company for KWD 33.42 million (approximately US$126 million).

The transaction will give EFG-Hermes and Kuwait Invest Company a 90% stake in Gulf Financial Brokerage Company, one of the leading brokerage companies on the Kuwait Stock Exchange. Under the terms of the agreement EFG-Hermes will assume management and operational control of Gulf Financial Brokerage Company and will appoint senior executives at the firm, whose brand name will change to **EFG-Hermes IFA.**

Gulf Financial Brokerage Company had a market share of 26% during the second quarter of 2008 and net profit after tax of KWD 2.9 million (USD 11.1 million) during the first 6 months of 2008 reflecting a PE of 12.6 times based on annualized 6-months 2008 earnings.

EFG-Hermes IFA