

# The EFG-Hermes Egypt Fund

April 30, 2007



EFG - Hermes

## ASSET MANAGEMENT FACT SHEET

We have promised and we delivered. After months of gathering steam, the real estate wagon has taken off leaving bystanders agonizing over the lost opportunity. Your NAV has gained 2.5% over the month of April 2007, bringing the fund's year-to-date return to 11.0% and outperforming the HFI by 3.5%.

Real estate stocks have exhibited the highest price gains over the month. The rally has continued into May owing to a 70% increase in the prices of land plots auctioned over the period from September 06 to May 07 along with the crowding effect of Arab developers.

Your second largest holding, Sixth of October Development and Investment Company (SODIC) announced its collaboration with Lebanese-based Solidaire, with the latter acting as consultant and advisor, to build a real estate project in Sheikh Zayed on 1.2 million sqm at a total cost of up to EGP 4 billion. During the month, the company had bid and won a 328 thousand sqm of land near its Sheikh Zayed plot, thus increasing its total land bank in that area to 4.5 million sqm.

Your largest contributor this month was the regional conglomerate Orascom Construction Industries (OCI), which added around 1% to your NAV. The regional giant recently won an EGP 760 million contract from the Cairo Electricity Production Company to build a thermal power plant south of Cairo. Continuing its successful expansion story, OCI will construct a greenfield cement plant in Syria with a total production capacity of 2 million tons at a total investment cost of approximately US\$ 440 million and will be operational in 2009.

Orascom Hotels and Development (OHD) reported strong 2006 results, with net income increasing by 62% to reach EGP 294 million, on the back of a healthy 43% growth in revenues to stand at EGP 963 million and improvement in its EBITDA margins by 70 bps to 30.5%.

As for the banking sector, Commercial International Bank (CIB) was among the largest contributors this month, attributing 0.5% to the performance. The bank announced first quarter consolidated results, with net income witnessing a growth of 42% to reach EGP 266 million. The strong performance came on the back of a 19% year on year rise in net interest income, recording EGP 255 million and a 76% increase in fees and commissions to reach EGP 160 million.

### Objective

The principal objective of the fund is long term capital appreciation through investing in Egyptian equity and equity related securities.

### Fund Performance

| Trailing Returns |       | Risk Overview |        |
|------------------|-------|---------------|--------|
| YTD              | 11.0% | No. Years ▲   | 8      |
| 1 Month          | 2.5%  | No. Years ▼   | 3      |
| 3 Months         | 16.0% | Best Yr ▲     | 130.7% |
| 1 Year           | 15.3% | Worst Yr ▼    | -39.2% |

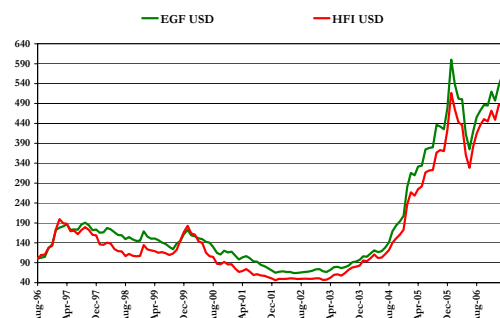
### Fund Information

|                |                      |
|----------------|----------------------|
| NAV per share  | USD 44.29            |
| Launch Date    | September 1996       |
| Listing        | Irish Stock Exchange |
| Structure      | Open Ended           |
| Management fee | 1.75%                |
| Incentive fee  | None                 |
| Benchmark      | None                 |

### Investment Information

|                         |   |
|-------------------------|---|
| Minimum Subscription    | USD 10,000  |
| Subscription/Redemption | Monthly   |
| ISIN                    | BMG2948Y1093  |
| Sedol                   | 0-306-504   |
| Reuters Code            | LCFR13, RSJA55, CLSA51, WDRIFMEA1, ABNFUNDS15, MLSV |

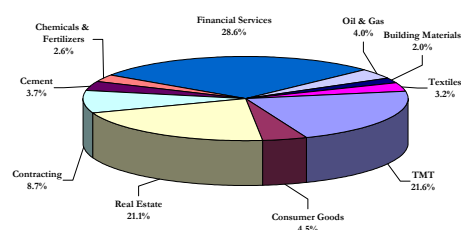
### Fund Relative Performance



### Top Holdings (%)

| Holding                               | % of NAV |
|---------------------------------------|----------|
| Orascom Telecom (OI)                  | 17.6%    |
| SODIC                                 | 11.0%    |
| El Watany Bank of Egypt               | 8.7%     |
| Commercial International Bank (CIB)   | 8.2%     |
| Orascom Construction Industries (OCI) | 7.1%     |

### Sector Allocation



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