

Renaissance Capital reports strong FY 2017 results

- Net profit from core business – \$15.6mn, up 43% YoY
- Operating income – up 8% YoY to \$145mn
- Equity-to-assets ratio – at 15%
- Total assets and equity – \$3,260mn and \$486mn

23 April 2018 – Renaissance Capital, a leading emerging and frontier markets investment bank, today announced its IFRS financial results for the full year ending 31 December 2017. During the reporting period, net profit from the core business increased by 43% YoY to \$15.6mn.

In 2017, the Firm grew operating income by 8% YoY to \$145mn, with Renaissance Capital benefiting from and helping to drive increased capital markets activity in its core geographies. The increased operating income was mainly led by the impressive performance of the Firm's derivatives business, the revenue of which more than doubled in the reporting period. The Firm's revenue increase was also supported by its fixed income, currencies and commodities (FICC) division (revenue up 78% YoY), cash equities (21%) and healthy growth in the investment banking business (up 43% YoY), with debt capital markets part being the main driver.

Renaissance Capital's operating expenses were up by 8% YoY to \$121.7mn, as a result of investment in personnel and new hires to meet growing client demand and to capitalise on market opportunities.

The Firm's equity-to-assets ratio stood at a healthy 15%. Total assets and equity amounted to \$3,260mn and \$486mn, respectively, as of 31 December 2017.

Dmitry Razumov, General Director at ONEXIM Group, commented: "It's been ten years since ONEXIM entered into a strategic partnership and invested in Renaissance Capital. During this period we have witnessed a series of important milestones for the Firm, including successfully surviving the global financial crisis, fully turning around its operations and returning to profitability, all while fighting off a range of market disruptions and sector challenges. Today, we see a much stronger Firm, an independent, renewed, robust, agile investment bank, truly pioneering in the frontier markets space and providing a unique offering to its global investor client base. ONEXIM Group remains fully committed to further supporting Renaissance Capital and is excited to witness the Firm's future growth."

Christophe Charlier, Chairman at Renaissance Capital, commented: "Since my appointment as Chairman of the Board of Directors last year, I have been privileged to have had the opportunity to meet and work with Renaissance Capital's team and clients across its core regions. This has granted me an overview of the truly outstanding and varied work carried out by our diverse employees across our offices. At Renaissance Capital, we see a range of excellent opportunities across emerging and frontier markets. Despite recent market volatility and geopolitical issues, we still truly believe in the underlying value of the Russian market and are confident in its resilience, while we are also excited by Egypt as a truly fascinating growth story set to take off in the years to come. In sub-Saharan Africa, Nigeria and Ghana are expected to be among the strongest performers and Renaissance Capital's teams on the ground are well-positioned to service our clients in these regions."

Ruslan Babaev, Co-CEO at Renaissance Capital, added: "We are pleased to report strong 2017 results, which come after an excellent year for Renaissance Capital's capital markets activity, highlighting our unrivaled market offerings in emerging and frontier economies. We have led and executed a number of unique transactions, including the first corporate issue for a foreign borrower in the Russian domestic rouble market for Kazakhstan Temir Zholy, the state railway company of the Republic of Kazakhstan; the first-ever local currency international bond issue out of Georgia for Bank of Georgia; the debut \$350mn issue for Eurotorg, a privately owned retailer in Belarus; a \$400mn international bond issuance for Fidelity Bank plc, a leading commercial bank in Nigeria; and the debut corporate infrastructure bond for Viathan Group, Nigeria's largest captive and embedded power producer among others. On the ECM front, Renaissance Capital's team worked on a range of significant deals over the past year, such as the IPO of Obuv Rossii, the leading



Russian footwear retailer in the mid-price segment; and the IPO of Waberer's International, the largest vehicle operator in international full truckload transportation in Europe and the leading logistics company in Hungary as well as on accelerated bookbuild offerings for domestic and international companies. We plan to continue growing and reinforcing our positions in the Firm's core regions, and capitalise on the opportunities arising in global emerging and frontier markets."

Anna Vyshlova, Co-CEO at Renaissance Capital, noted: "Our strong financial performance is a result of a continuous campaign for providing career development opportunities, promoting internal people and strengthening our team globally with the best professionals. In 2017 we made a number of important hires, including Petr Molchanov, Head of Investment Banking, Russia & the CIS, Andrey Volkovskiy, Head of Financial Institutions Investment Banking; Alexander Burgansky as Head of Oil & Gas Research and Alexander Fonarkov as Head of International Equity Trading in London as well as three hires in New York. We have progressed with the opening of our office in Cairo, having hired Ahmed Hafez as Head of MENA Research and his team. We were recognised as the top Frontier Brokerage in the prestigious Extel Survey in 2017, and were named the Best Bank in Frontier Markets by Global Finance magazine this year. On behalf of the management team, I would like to thank all of our employees for their great efforts, teamwork, dedication and passion for our business. We are incredibly grateful and look forward to another year of market-leading performance and growth across all of our key geographies."

About Renaissance Capital

Renaissance Capital is a leading emerging and frontier markets investment bank providing access to 50 markets across the globe with operations in Africa, Central and Eastern Europe, the Middle East, North America and Asia. Founded in 1995, the Firm has established market-leading positions in each of its core businesses – equity and debt capital markets, M&A, markets business division, including equity & equity derivatives, fixed income, FX & FX derivatives, commodities and REPO & financing; as well as Research, and prime brokerage. It has one of the largest EEMEA distribution and execution platforms with Sales and Trading teams present in London, Moscow, New York, Johannesburg, Cape Town, Lagos, Nairobi, Cairo and Dubai. Renaissance Capital employs top-ranked analysts who provide comprehensive EEMEA stock coverage and was ranked as the Best Bank in Frontier Markets in 2018 by [Global Finance Magazine](#) and No.1 Frontier Markets brokerage firm in the [Extel Survey 2017](#). Renaissance Capital is owned by ONEXIM Group. For more information, please visit www.rencap.com/eng/

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