



Berenberg delivers another year of strong growth as investment continues

- Net profit for the year of € 90.2 million
- Equities revenue up 69% to € 240 million
- Record commission income of € 343 million, up 35.3%
- Significant expansion of equity platform

London/Hamburg. Berenberg, one of the leading privately owned banks in Europe, delivered another strong performance in 2017, with net profit for the year of € 90.2 million and a return on equity of 43%. The bank has continued to invest in future growth, expanding its headcount from 1,506 to 1,576, further strengthening its client offering.

“The introduction of MiFID II will reshape our industry and at Berenberg we view this is an opportunity,” said Hendrik Riehmer, Managing Partner. “While some of our peers have stripped back resource in their research capability, we have continued to invest across our equities platform.”

“Berenberg is now one of Europe’s biggest research houses and also has the largest sales team for European stocks,” added David Mortlock, Global Head of Investment Banking and Head of the UK London office. “We have the front line resource of a bigger bank with the client service culture of a boutique. This combination, along with our unique structure and heritage, has allowed us to take significant market share in recent years.” In 2017 Berenberg increased the number of equity analysts in London by 22% to 122 and the number of stocks under coverage rose by 136 to 770. “MiFID II is leading our clients to really analyse who is adding value to their investment process. Given the breadth and quality of our research and sales teams, we welcome this increased scrutiny,” Mortlock added. Berenberg has also made gains in trading. Riehmer said, “We have invested in our execution capabilities in preparation for MiFID II. I think

this is being reflected in the strong start we have made to 2018 with volumes traded up significantly.”

Berenberg also increased the number of US stocks under coverage to 97. “We intend to triple this figure within the next two years,” said Mortlock. “We are currently moving into new offices in New York which will allow us to triple US headcount to 150,” Mortlock added. “We view the US as a big long term opportunity and we have a very deliberate business plan.”

It was another strong year for Investment Banking, with further market share gains across Berenberg’s ECM business in the UK and Europe delivering a record 51 transactions (2016: 21) worth € 8.6 billion in total. This included 17 transactions in the UK, for clients as diverse as Victoria, Gym Group, DFS, Keywords, Alpha FMC, City Pub Group, Sabre, Sirius Real Estate and XLMedia. “We have an encouraging IPO pipeline for 2018 and our target is to more than double our number of UK corporate brokerships by the end of 2018 to 50”, said Mortlock. “The UK corporate broking market is crowded, but we don't feel anyone has platform quite like ours. We are disruptors.”

The bank also continued to expand its Wealth and Asset Management offering and made high profile hires, with the appointments of Henning Gebhardt as Head of Wealth and Asset Management, Matthias Born as CIO for equities, Peter Kraus as an expert in smaller quoted companies, and multi-asset expert Dr. Bernd Meyer as Chief Investment Strategist.

Preliminary Key Figures Bank		2016	2017
Net commission income	€ m	254	343
Net interest income*	€ m	165	67
Trading profit	€ m	34	21
Administrative expenses	€ m	323	348
thereof personnel expenses	€ m	191	211
Net profit for the year*	€ m	161	90
Equity	€ m	265	296
Tier 1 capital ratio	in %	13.4	14.1
Return on equity before taxes *	in %	95.8	43.0
Cost-income ratio*	in %	63.9	72.7
Total assets	€ b	4.7	4.7
Assets under management**	€ b	40.7	41.5
Employees**		1,506	1,576

* not comparable due to extraordinary income in 2016

** including subsidiary or Berenberg Group.

Notes to the editors: The net profit for the year is not comparable to 2016 as Berenberg has sold a share in Universal Investment in 2016. The earnings in 2017 are significantly better than the prior year result from an operational perspective.

Contacts:

Karsten Wehmeier

Director of Corporate Communication
Telephone +49 (40) 350 60-481
karsten.wehmeier@berenberg.de

Sandra Hülsmann

Press Officer
Telephone +49 40 350 60-8357
sandra.huelsmann@berenberg.de

About Berenberg

Founded in 1590, Berenberg is one of Europe's leading privately owned banks today, with 1,600 employees in its Wealth Management, Asset Management, Investment Banking and Corporate Banking divisions. Headquartered in Hamburg and led by managing partners, Berenberg maintains a strong presence in the financial centres of Frankfurt, London, New York, and Zurich.

Joh. Berenberg, Gossler & Co. KG
Neuer Jungfernstieg 20
20354 Hamburg · Germany
Phone +49 40 350 60-0
www.berenberg.com · info@berenberg.com