



# An introduction to the Rothschild businesses

 PARIS ORLÉANS



# Introducing the Group

The Rothschild Group is one of the world's largest independent financial advisory groups, employing approximately 2,800 people in 40 countries around the world.

We provide strategic, M&A, wealth management and fundraising advice and services to governments, companies and individuals worldwide.

There are three main arms to our Group – Global Financial Advisory, Wealth and Asset Management and Merchant Banking – as well as Banking & Asset financial businesses.

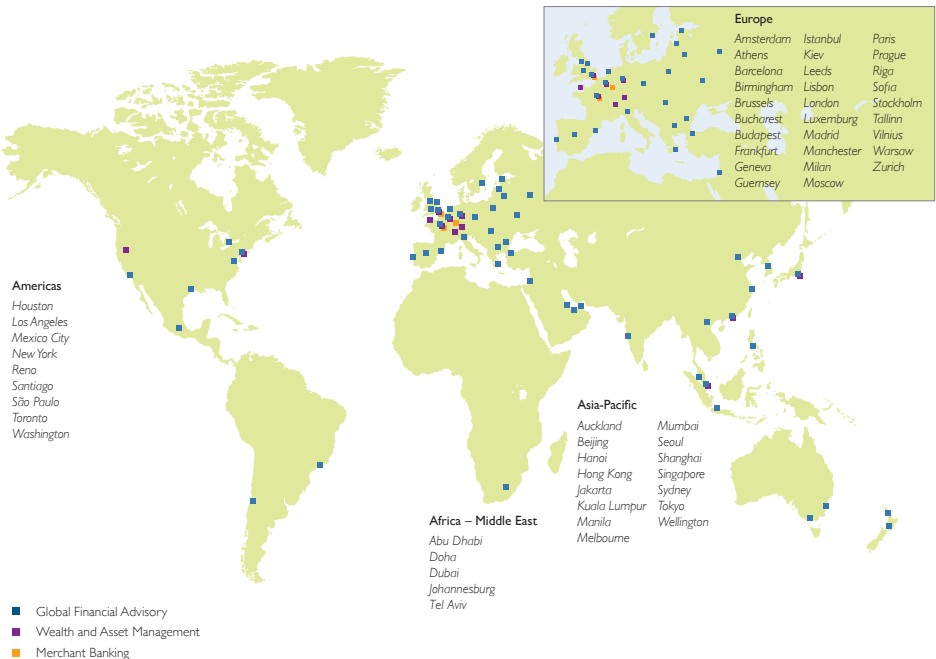
We are family-controlled and independent and have been at the centre of the world's financial markets for over 200 years.

From our historical roots in Europe we have developed a unique global footprint. Today we have full-scale advisory businesses across the world, including locally staffed offices in China, Brazil, India, the United States of America, the Middle East and Asia Pacific.

The Rothschild family motto 'Concordia, Integritas, Industria' translates as 'Harmony, Integrity, Industry'. This has underpinned the family's actions and remains central to our values today.

## World presence

We have 2,800 staff across 40 countries



# Key figures as at 31 March 2014

Employees **2,804**  
(2,764 as at 31 March 2013)

Revenues **€1,108m**  
(€1,147m as at 31 March 2013)

Operating income **€129m**  
(€157m as at 31 March 2013)

Shareholders' equity –  
Group share **€1,269m**  
(€1,225m as at 31 March 2013)

Market Capitalisation **€1,280m**  
(€1,262m as at 31 March 2013)

Global solvency ratio **18.3%**  
(under full Basel 3 rules)

# Global Financial Advisory

- **M&A and strategic advisory**
- **Financing advisory**
  - Debt advisory and restructuring
  - Equity advisory
- Worldwide platform with a presence in 40 countries
- Approximately 900 bankers, of which 180 are Managing Directors
- Adviser on approximately 450 transactions with a total value of \$430 billion
- 5<sup>th</sup> globally and 1<sup>st</sup> in Europe by number of completed M&A transactions<sup>(1)</sup>

<sup>(1)</sup> Source: Thomson Reuters, completed transactions.  
Excludes accountancy firms.

## Examples of M&A transactions



### Lafarge

- €60bn merger with Holcim to create LafargeHolcim
- Global leader in building materials manufacture



### Westfield

- Adviser on the separation of its US\$18bn international business and simultaneous A\$29bn merger of its Australian/NZ business with Westfield Retail Trust
- Global shopping centre group listed in Australia

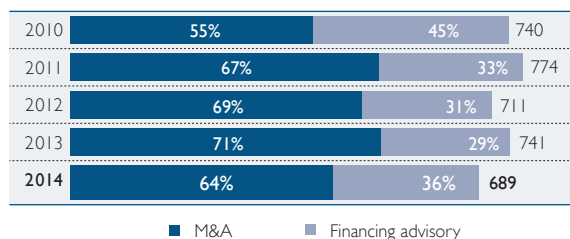


### American Airlines

- Chapter 11 restructuring and US\$34bn merger with US Airways
- US Airline Company

## Rothschild advisory revenue breakdown

(in millions of euros, as at 31 March)



“Rothschild continued to rank among the world's top advisers.”

## Advisory transaction volumes<sup>(1)</sup>

	Number			Value (in bn\$)		
	2013	2014	% change	2013	2014	% change
M&A	274	227	-17%	237	207	-13%
Financing Advisory	176	226	28%	173	223	29%
<b>Total</b>	<b>450</b>	<b>453</b>	<b>1%</b>	<b>410</b>	<b>430</b>	<b>5%</b>

<sup>(1)</sup> Source: Thomson Reuters, Dealogic, completed transactions. Rothschild analysis.

# Wealth & Asset Management

- **Wealth Management**
- **Asset Management**
- Strong European presence, and targeted extensions in Asia (Hong Kong, Singapore) and New York
- 104 Relationship Managers for Wealth Management
- 52 Investment Managers for Asset Management
- €42.3 billion in assets under management, of which 55% relate to Wealth Management and 45% to Asset Management

## Awards



### AM (Private Asset Managers) Awards 2014

- Winner, Client Service Quality - Ultra High Net Worth



### Wealth Briefing Awards 2013

- Winner, UK Private Bank - UHNW Team



### Lipper Fund Award 2014

- Best Bond Euro Corporates Fund over 3 years
  - R Euro Crédit C



### Banko Swiss Hedge Funds Awards 2014

- Best MultiStrategy Aggressive Bias Fund over 5 years
  - Xiphias Class XC EU

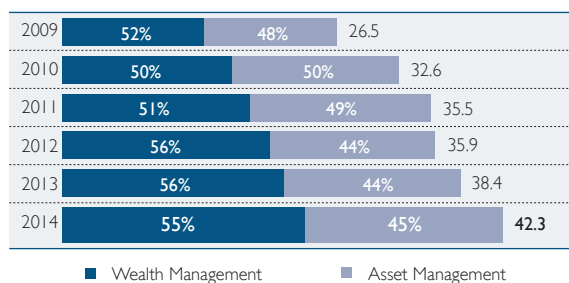


### Morningstar Awards 2014

- Best Euro Corporate Bond Fund
  - R Euro Crédit C

## Assets under management

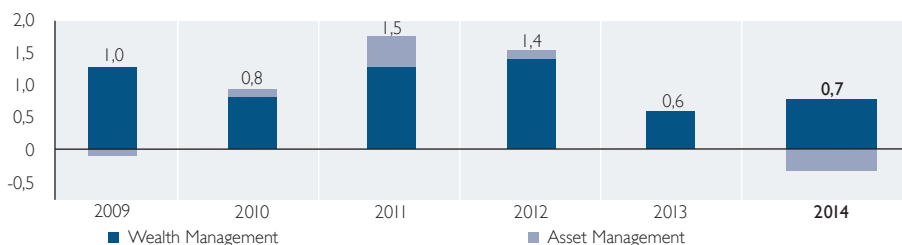
(in billions of euros, as at 31 March)



“ We work with more than 6,000 clients in 70 countries, and employ around 750 people. ”

## Net new assets over 6 years

(in billions of euro)

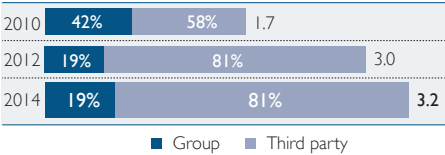


# Merchant Banking

- Private equity
- Private debt
- Solid position in France and the United Kingdom. Proprietary investments in emerging countries.
- 46 investment professionals
- €3.2 billion of assets under management of which 19% committed by the Group

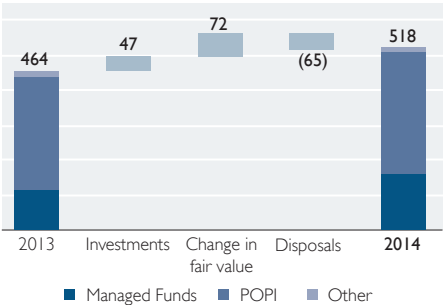
## Assets under management

(in billions of euros, as at 31 March)



## Change in the investment portfolio

(in millions of euros, as at 31 March)



“Our leadership generates quality deal flow and market insights for our Merchant Banking investment initiatives.”

## Merchant Banking strategies

Fund	Private equity			Private debt	
	FAPI	FASO	POPI	FACS	DFM <sup>(2)</sup>
Investment strategy	Growth/buy out /mid-market	Secondary small & mid-cap	Opportunistic /diversified	Junior credit	Senior credit /CLOs
Geography	Europe	Europe	Global	Europe	Europe
Vintage	2010	2012	N/A	2014	N/A
Size	€583m	€259m	€398m	€415m <sup>(1)</sup>	€1,464m

<sup>(1)</sup> Final closing of FACS occurred in May 2014.

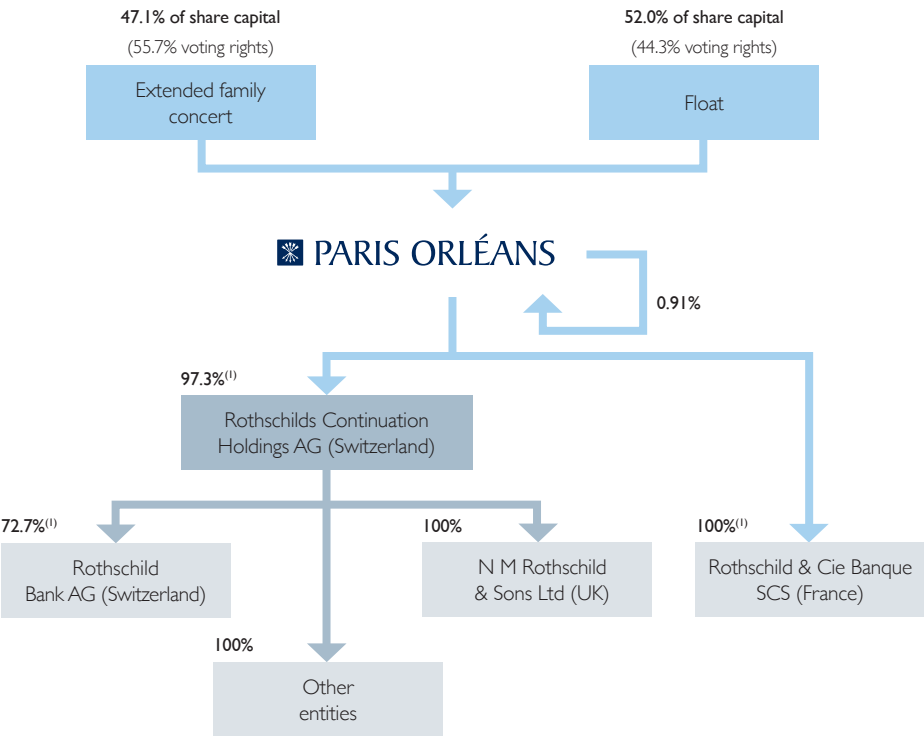
<sup>(2)</sup> DFM: Debt Fund Management.

# Governance

The Company's governance structure is based on an executive body, the Manager (PO Gestion), assisted by the Group Management Committee, and a supervisory body, the Supervisory Board.

<b>Management – PO Gestion</b> David de Rothschild Nigel Higgins Olivier Pécoux	<b>Group Management Committee</b> 14 members, split between: <ul style="list-style-type: none"> <li>■ Management (2)</li> <li>■ Business Heads (7)</li> <li>■ Support Heads (5)</li> </ul>	<b>Supervisory Board</b> 16 members, of which 10 are independent 3 specialised committees: <ul style="list-style-type: none"> <li>■ Audit Committee</li> <li>■ Strategy Committee</li> <li>■ Remuneration and Nomination Committee</li> </ul>
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Simplified organisation chart as at 15 September 2014



<sup>(1)</sup> Directly and indirectly through holding companies.

**Marie-Laure Becquart**  
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