



# Rothschild & Co - North America

March 2019

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# 1

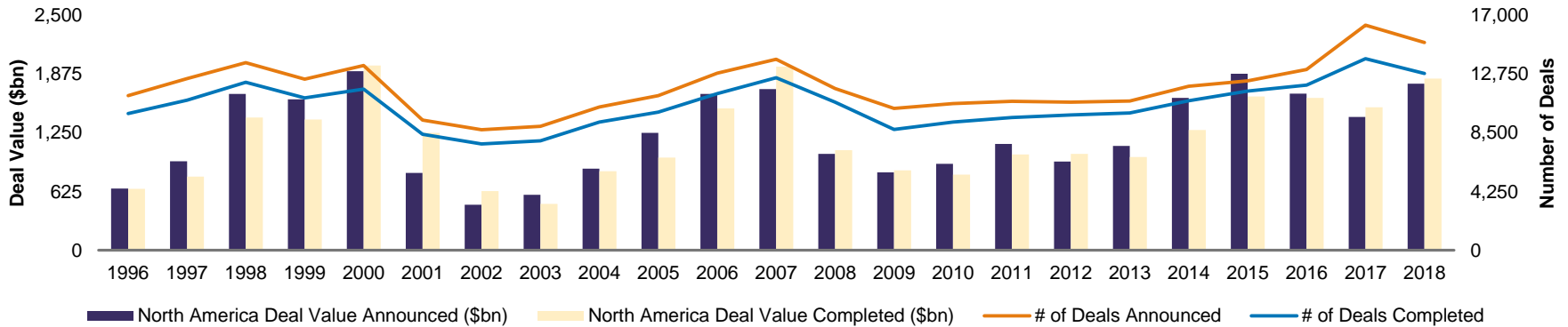
## North America M&A Market Summary



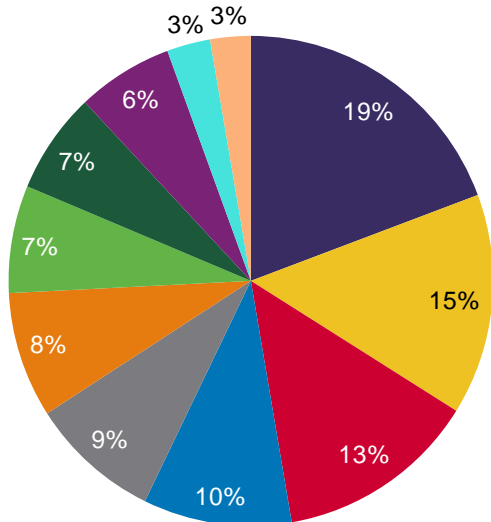
# North America<sup>1</sup> M&A Market Overview

M&A deal value continues to grow through the cycle

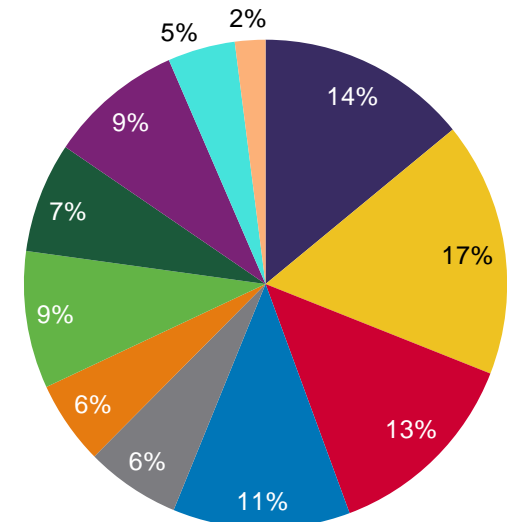
North America M&A at cycle peak levels<sup>2</sup>



2014-2018 Target industry by announced value<sup>2</sup>



2014-2018 Fee pool by sector<sup>2</sup>



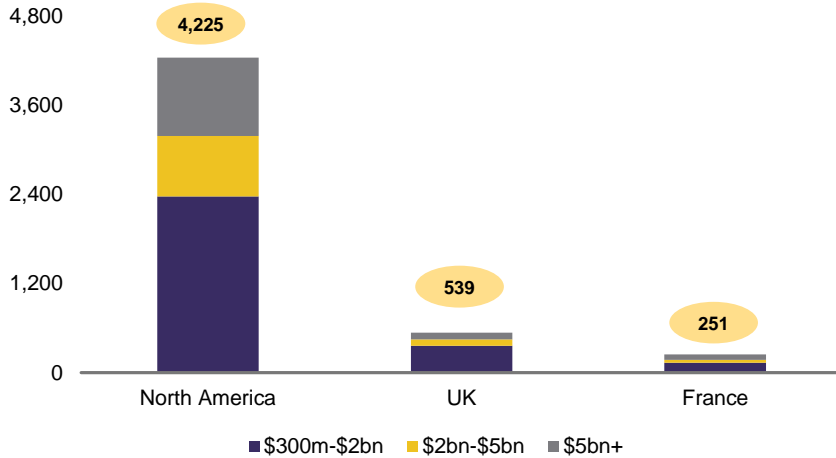
Notes  
 1 North America defined as United States and Canada  
 2 Source Thomson Reuters



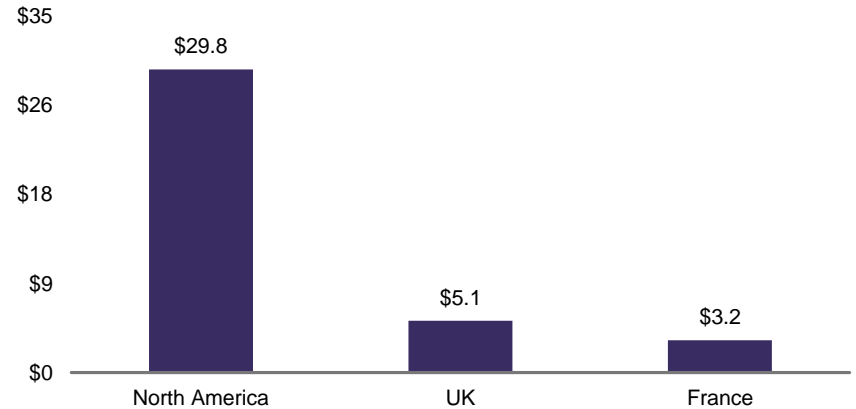
# North America<sup>1</sup> Market Size in Perspective

North America market size relative to key European markets underscores Rothschild & Co's growth opportunity

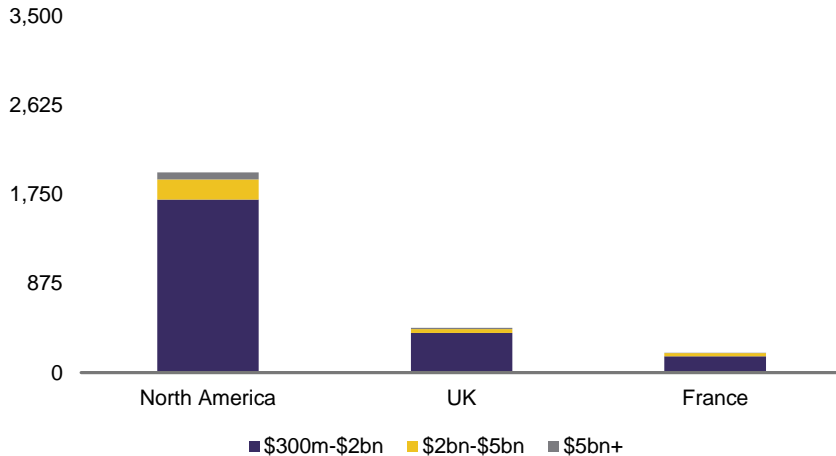
# of public companies by market cap<sup>2</sup>



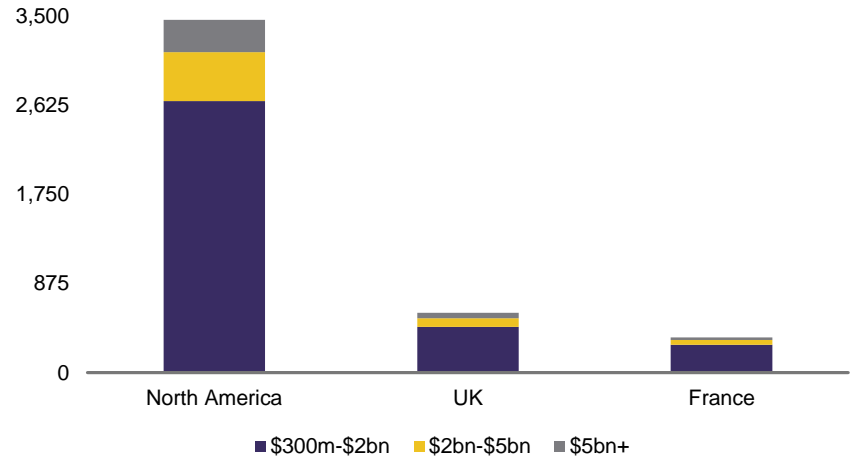
Size of respective fee pool 2018 (\$bn)<sup>3</sup>



Private acquirer or target announced # of deals 2013-2018<sup>4</sup>



Public acquirer or target announced # of deals 2013-2018<sup>4</sup>



**Notes**

- 1 North America defined as United States and Canada
- 2 Source Bloomberg as of 03/11/2019
- 3 Source Thomson Reuters, Any involvement completed for respective country, based on imputed fee pool of top 25 advisors
- 4 Source Thomson Reuters as of 03/11/2019

# 2

## Rothschild & Co - North America Overview



# Progress to Date

Since 2014

**32**  
New MDs<sup>1</sup>

**3 New Offices**

Los Angeles (2014)  
Chicago (2016)  
Palo Alto (2018)

## New Capabilities

A&D

Auto

Business Services

BPO/Tech Services

Chemicals

Debt Advisory

Distribution

Financial Sponsors

Consumer,  
Food & Beverage

Retail

Healthcare

FIG (Insurance)

Paper & Packaging

Technology  
(Software)

**97%**  
Increase in Total Deal Value<sup>2</sup>

**42%**  
Increase in Total Number of Deals<sup>2</sup>

**39%**  
Increase in Average Deal Size<sup>2</sup>

**59%**  
Increase in Market Share<sup>2</sup>

<sup>1</sup> Represents additions from FY 2014 onward; includes 25 hired, 6 promoted and 1 seconded

<sup>2</sup> Based on Thomson Reuters Any US or Canadian Involvement Announced

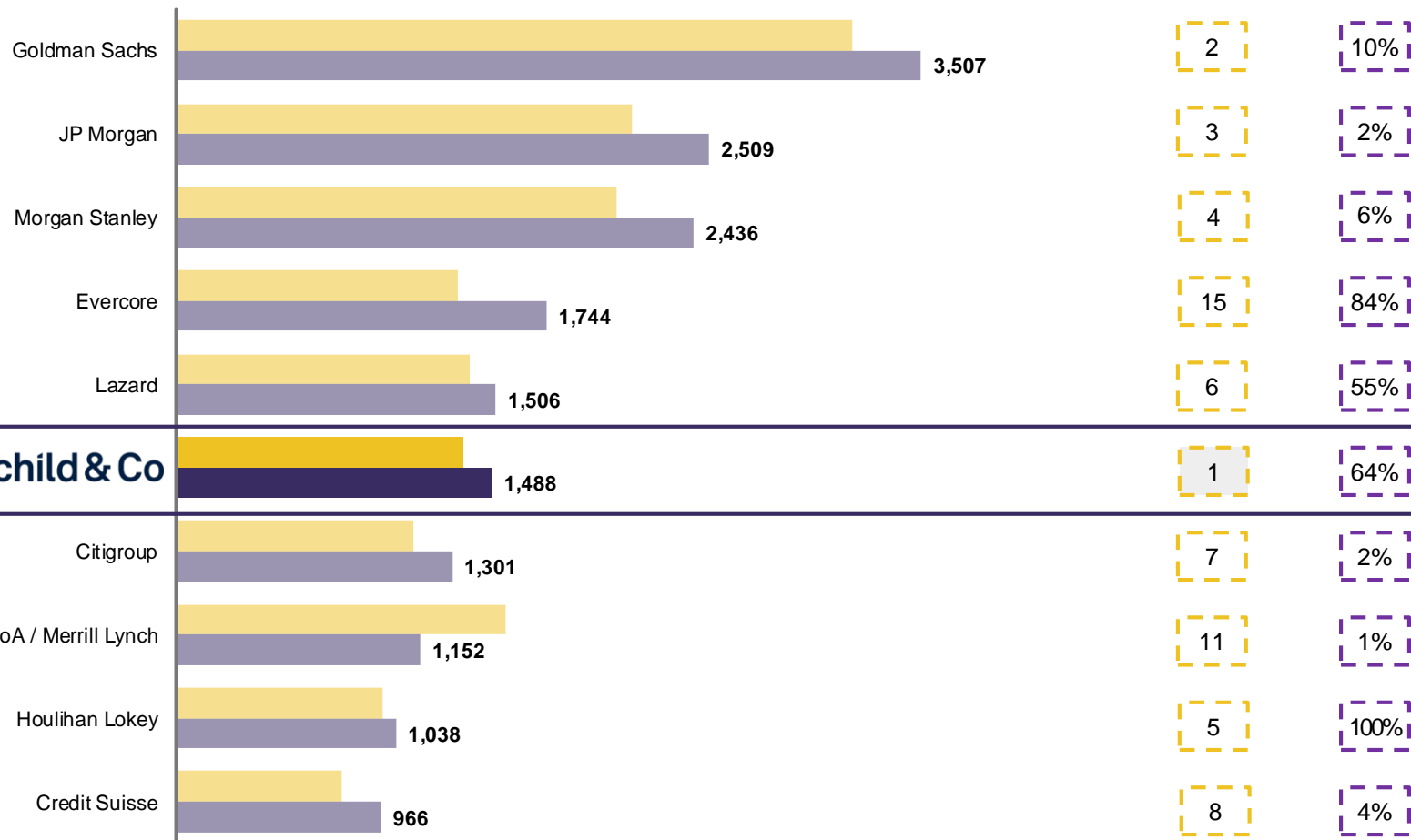




# Leading Position: 6<sup>th</sup> Position by Revenue and 1<sup>st</sup> by Number of Deals

Substantial momentum and upside ahead from a growing North America platform

Ranking by advisory revenue (in \$bn) and number of deals – 12m to December 2018



■ 12m to Dec 17 ■ 12m to Dec 18

Ranking by # of Deals

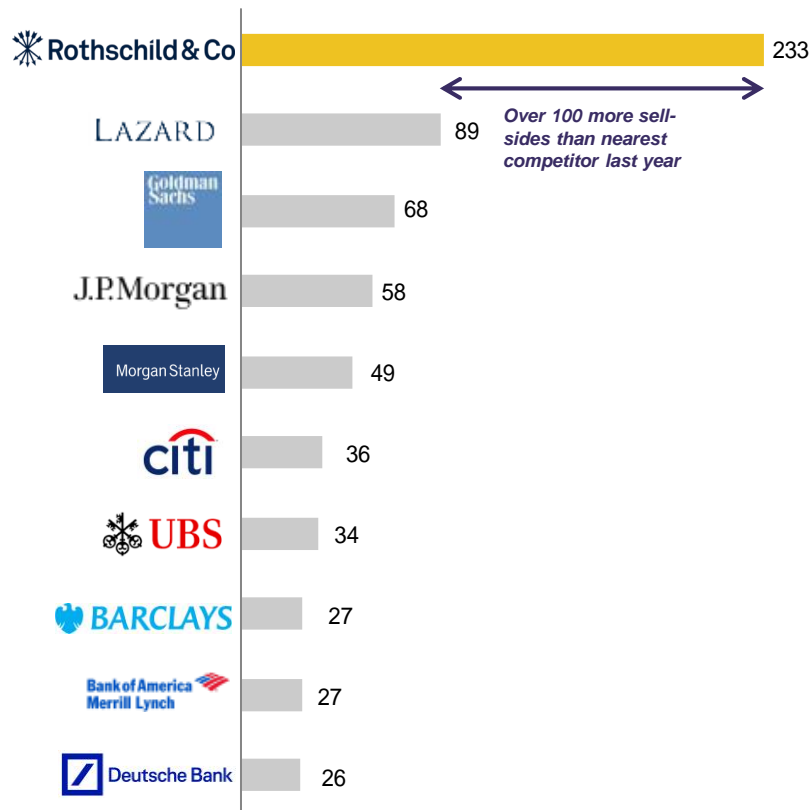
Advisory as % of Total Revenue



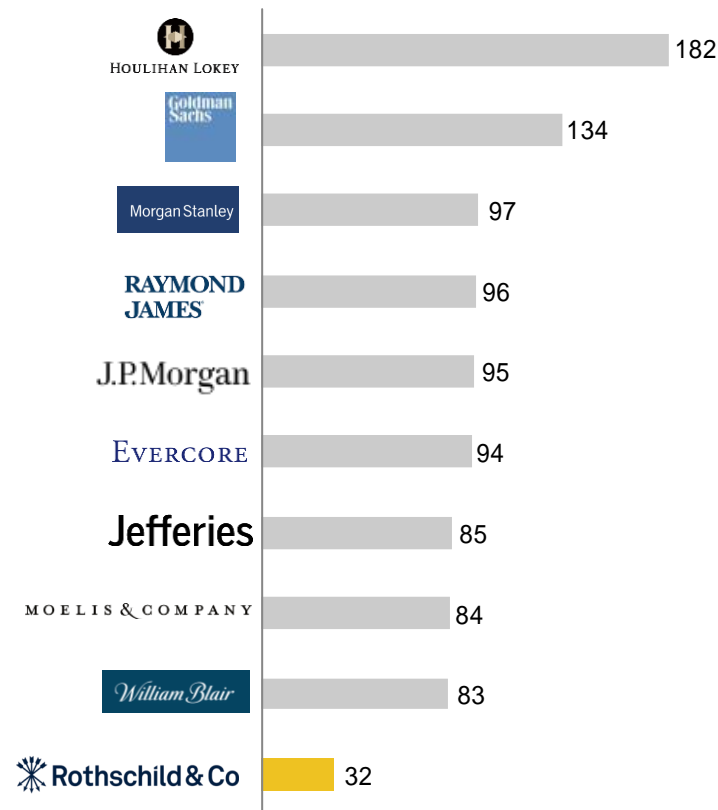
# Large Opportunity for Growth in North America<sup>1</sup>

Most experienced sell-side advisor in Europe with an expanding platform in North America

2018 European sell-sides<sup>2</sup> – Top 10 advisers



2018 North America sell-sides<sup>2</sup> – Top 10 advisers



*Consistently advising on over 100 successful sell-sides per year in Europe*

Notes

- 1 North America defined as United States and Canada
- 2 Source Thomson Reuters, Announced Deals, target primary region



# Positive League Table Movement

## North America<sup>1</sup> Target Completed M&A<sup>2</sup>

2014			2018		
Rank	Financial Advisor	Vol (\$bn)	Rank	Financial Advisor	Vol (\$bn)
1	Goldman Sachs & Co	400.6	1	Morgan Stanley	665.7
2	JP Morgan	386.0	2	Goldman Sachs & Co	622.5
3	Barclays	367.4	3	JP Morgan	533.1
4	Morgan Stanley	359.0	4	Citi	511.2
5	Bank of America Merrill Lynch	355.4	5	Barclays	456.5
6	Citi	238.8	6	Bank of America Merrill Lynch	443.6
7	UBS	197.7	7	Lazard	298.9
8	PJT Partners Inc	141.9	8	Credit Suisse	262.7
9	Guggenheim Securities LLC	136.9	9	Evercore Partners	239.8
10	Jefferies LLC	121.4	10	Centerview Partners LLC	210.1
11	Credit Suisse	111.5	11	Allen & Co Inc	192.3
12	Deutsche Bank	105.4	12	Perella Weinberg Partners LP	170.0
13	RBC Capital Markets	92.0	13	Moelis & Co	117.2
14	Lazard	88.0	14	<b>Rothschild &amp; Co</b>	<b>113.2</b>
15	Evercore Partners	73.3	15	RBC Capital Markets	103.2
16	Centerview Partners LLC	65.4	16	UBS	98.6
17	Wells Fargo & Co	62.3	17	Deutsche Bank	94.6
18	Moelis & Co	52.0	18	Guggenheim Securities LLC	81.0
19	Perella Weinberg Partners LP	41.7	19	Wells Fargo & Co	79.7
20	Greenhill & Co, LLC	37.3	20	Jefferies LLC	70.0
31	<b>Rothschild &amp; Co</b>	<b>15.2</b>			

### Notes

- 1 North America defined as United States and Canada
- 2 Source Thomson Reuters



# Consistently Strong Restructuring Market Position

Restructuring practice will meaningfully benefit from recent M&A platform investments

## Rothschild & Co positioning in the US restructuring market<sup>1</sup> (US completed restructurings)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ranking	#8	#4	#6	#6	#8	#4	#5	#7	#4	#6
# of deals	20	18	11	7	9	9	4	8	17	8
Deal value (\$bn)	\$18bn	\$50bn	\$6bn	\$4bn	\$25bn	\$27bn	\$5bn	\$48bn	\$45bn	\$31bn
Market share <sup>2</sup>	12%	11%	9%	8%	7%	10%	6%	7%	16%	9%

## Involvement in landmark and complex US restructurings<sup>3</sup>


**Puerto Rico**



Advised the Government of Puerto Rico on the restructuring of its liabilities

Current


**Seadrill**



Advised an ad hoc group of unsecured bondholders on Seadrill's Chapter 11 case

2018


**Energy Future Intermediate Holdings**



Advised EFIH second-lien noteholders on EFIH's Chapter 11 case

2018

**Caesars Entertainment**



Advised an Ad Hoc Committee of First Lien Term Loan Lenders

2017

**SunEdison**



Advised SunEdison on its Chapter 11 restructuring

2017

**American Airlines**



Advised American Airlines on its Chapter 11 restructuring and merger with US Airways

2013

### Notes

- 1 Source Thomson Reuters
- 2 Market share by number of deals of top advisors
- 3 Dates represent year of emergence / completion



# North American<sup>1</sup> Platform Transformation

GA North America has experienced meaningful growth in key performance metrics

	<u>2014</u>	<u>2018</u>	<u>% Increase</u>
GA North America # of MDs	25 <sup>2</sup>	38	52%
GA North America Deal Value <sup>3</sup>	\$43bn	\$86bn	97%
GA North America # of Deals <sup>3</sup>	76	108	42%
Market Share <sup>3</sup> - Announced Value	2.4%	3.9%	59%
Deal Distribution <sup>4</sup>			<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #1a2b5a; margin-right: 5px;"></span> \$100m-\$500m</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #f0e68c; margin-right: 5px;"></span> \$500m-\$1.0bn</li> <li><span style="display: inline-block; width: 15px; height: 15px; background-color: #a6a6a6; margin-right: 5px;"></span> &gt;\$1.0bn</li> </ul>

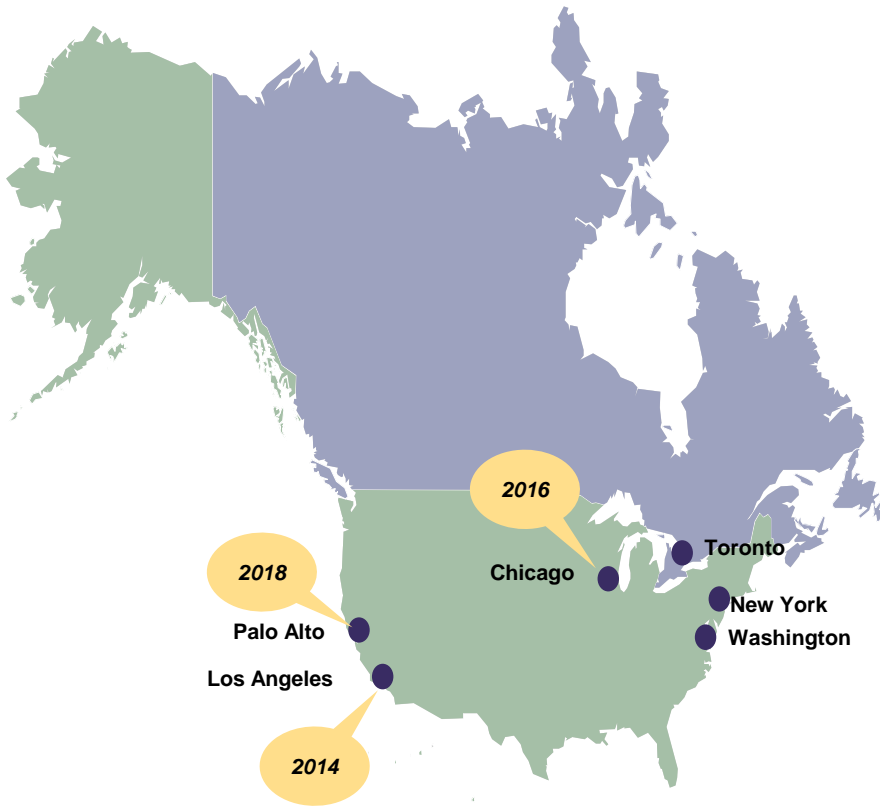
**Notes**

- 1 North America defined as United States and Canada
- 2 Represents Fiscal Year 2015, best proxy for calendar year 2014
- 3 Source Thomson Reuters, Any US or Canadian Involvement Announced
- 4 Source Thomson Reuters Any US or Canadian Involvement Announced based on number of deals



# North America<sup>1</sup> Footprint Snapshot

Highly successful regional office approach consistent with global strategy



## Firm Wide

- c.1,090 bankers (c.220 MDs)
- Total Deal Value<sup>2</sup>: **\$255bn**



## North America

- c.185 bankers (38 MDs)
- Total Deal Value<sup>3</sup>: **\$86bn**



## Chicago

- 14 bankers (4 MDs)
- Total Deal Value<sup>4</sup>: **\$7.4bn**



## Los Angeles

- 21 bankers (4 MDs)
- Total Deal Value<sup>4</sup>: **\$8.1bn**

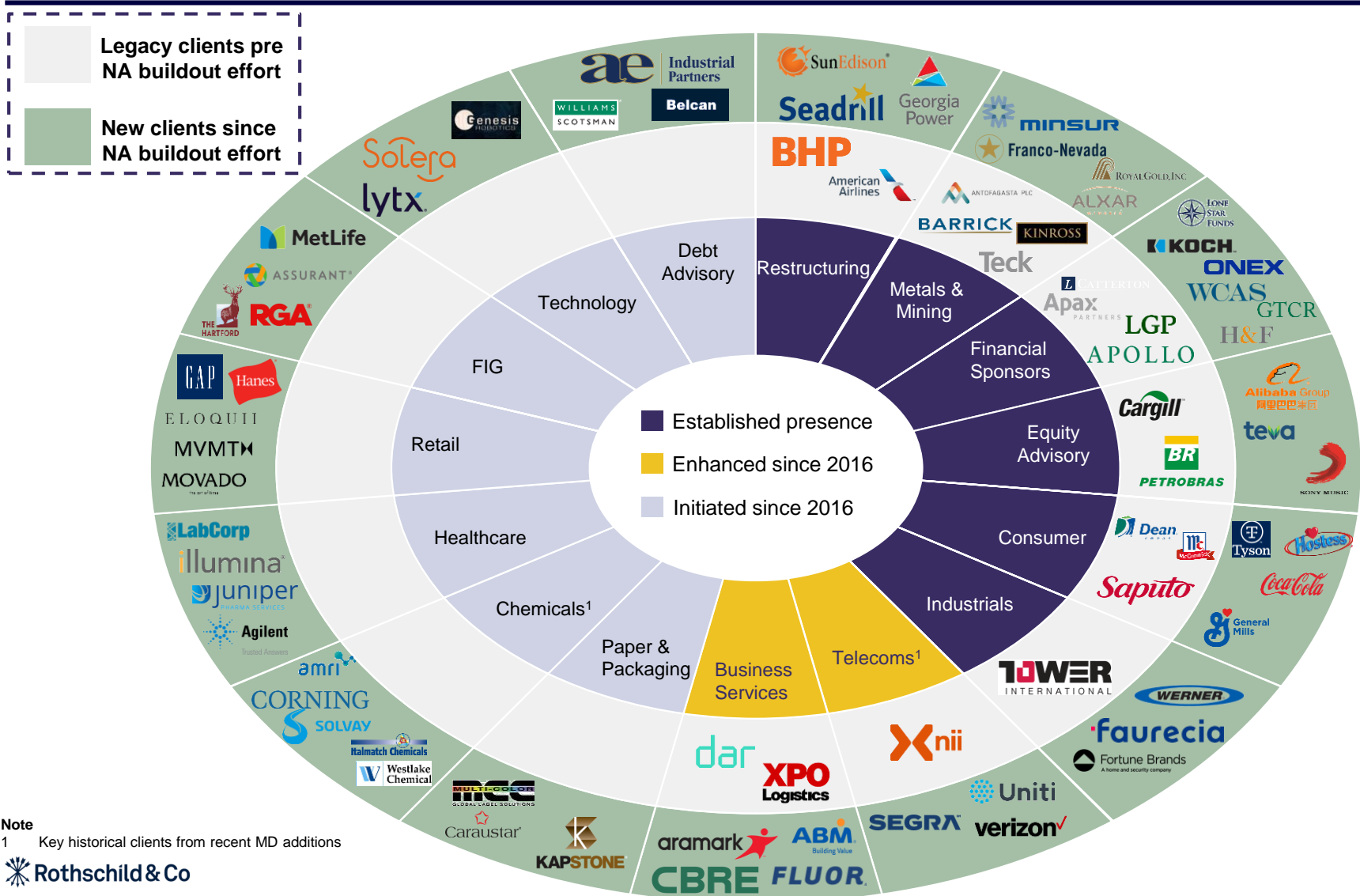


Notes: Clients from varying years

- 1 North America defined as United States and Canada
- 2 Source Thomson Reuters Worldwide Announced 2018
- 3 Source Thomson Reuters Any US or Canadian Involvement Announced 2018
- 4 Based on Rothschild & Co internal reporting for 2018



# Broadening Coverage Footprint has Allowed us to Market to a Vast Array of New Clients



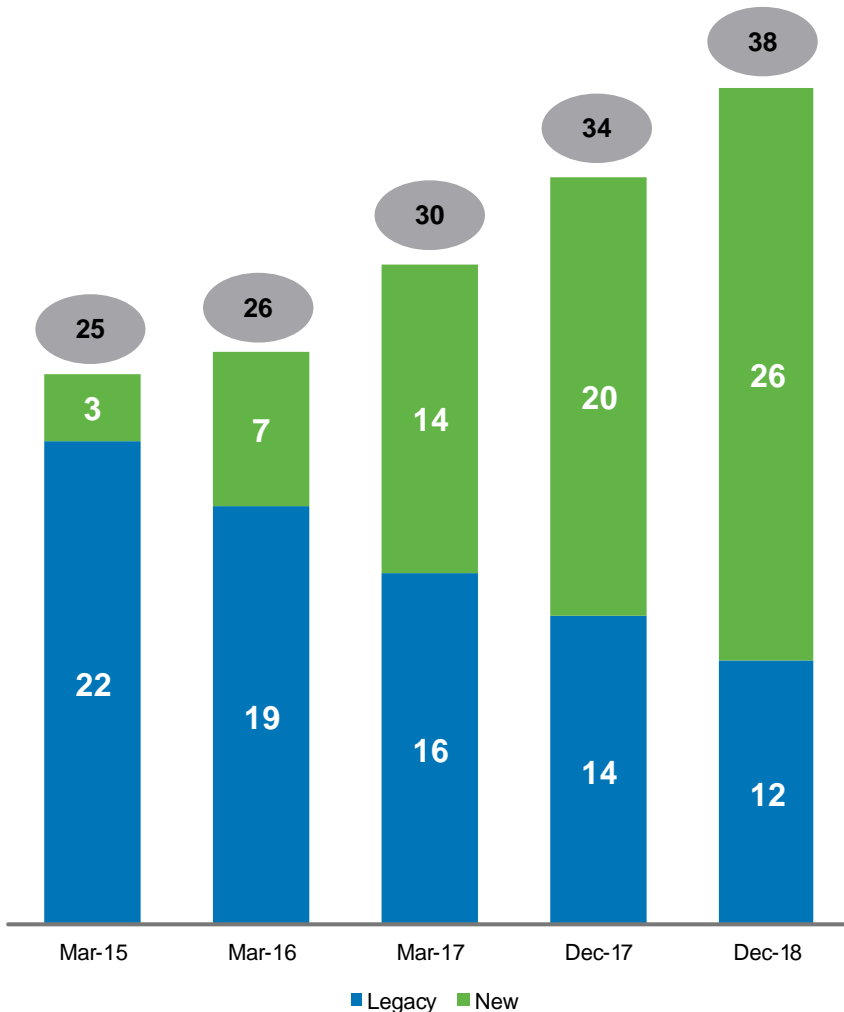
Note  
1 Key historical clients from recent MD additions



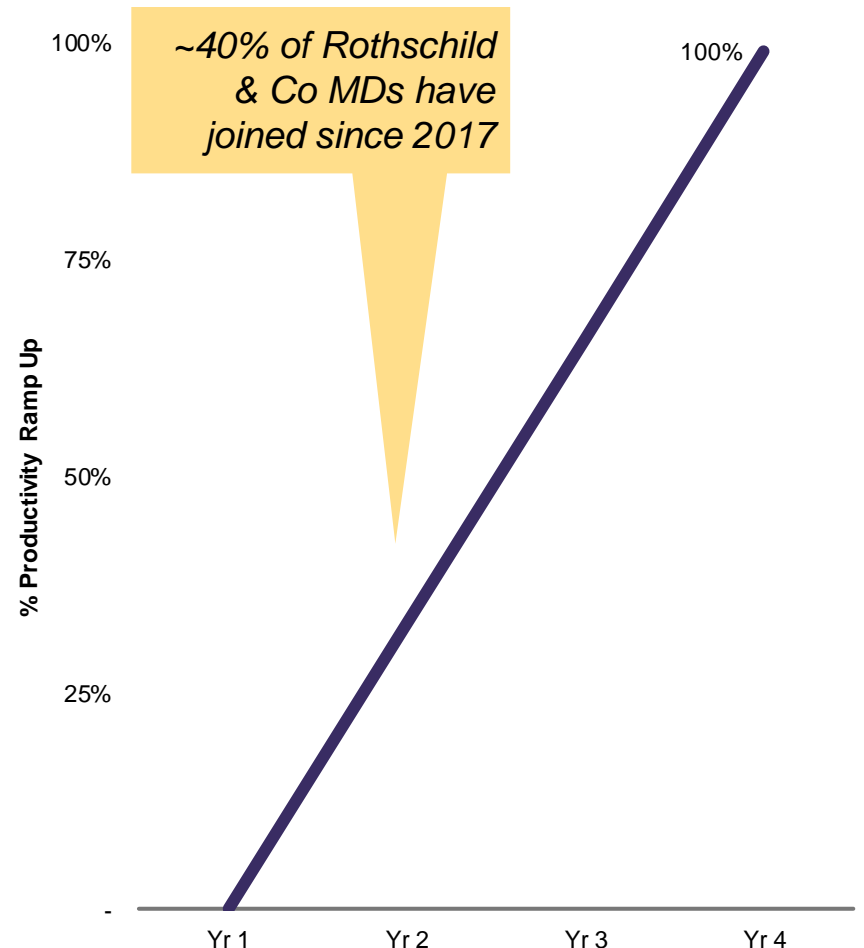
# GA North America<sup>1</sup> New MD Productivity

GA North America is only just beginning to reap the benefits of senior talent investments

New MD hires since FY 2014<sup>2</sup>



New MD productivity



<sup>1</sup> North America defined as United States and Canada

<sup>2</sup> Fiscal Year pre 2017 represents year ending March 31<sup>st</sup> Rothschild & Co changed to a calendar fiscal year in 2017. FY 17 represents a 9 month stub