



Rothschild & Co - Equity story

January 2017

Contents

Sections

1	Overview	3
2	Rothschild Global Advisory	7
3	Rothschild Merchant Banking	12
4	Rothschild Private Wealth & Rothschild Asset Management	17
5	Financials	22
6	Why invest in Rothschild & Co?	28

Appendices

A	Appendices	31
---	------------	----

Disclaimer

This presentation has been prepared solely for information purposes and must not be construed as or considered as constituting or giving any investment advice. It does not take into account, in any way whatsoever, the investment objectives, financial situation or specific needs of its recipients.

This presentation and its contents may not be copied or disseminated, in part or as a whole, without prior written consent of Rothschild & Co.

This presentation may contain forward-looking information and statements pertaining to Rothschild & Co SCA ("Rothschild & Co"), its subsidiaries (together, the "Rothschild & Co Group") and its and their results. Forward-looking information is not historical. It reflects objectives that are based on management's current expectations or estimates and is subject to a number of factors and uncertainties, that could cause actual figures to differ materially from those described in the forward-looking statements including those discussed or identified in the documentation publicly released by Rothschild & Co, including its annual report.

Rothschild & Co does not undertake to update such forward-looking information and statements unless required by applicable laws and regulations. Subject to the foregoing, Rothschild & Co has no obligation to update or amend such information and statements, neither as a result of new information or statements, nor as a result of new events or for any other reason.

No representation or warranty whatsoever, express or implied, is made as to the accuracy, completeness, consistency or the reliability of the information contained in this document. It may not be considered by its recipients as a substitute to their judgment.

This presentation is qualified in its entirety by the information contained in Rothschild & Co' financial statements, the notes thereto and the related annual financial report. In case of a conflict, such financial statements, notes and financial reports must prevail. Only the information contained therein is binding on Rothschild & Co and the Rothschild & Co Group. If the information contained herein is presented differently from the information contained in such financial statements, notes and reports, only the latter is binding on Rothschild & Co and the Rothschild & Co Group.

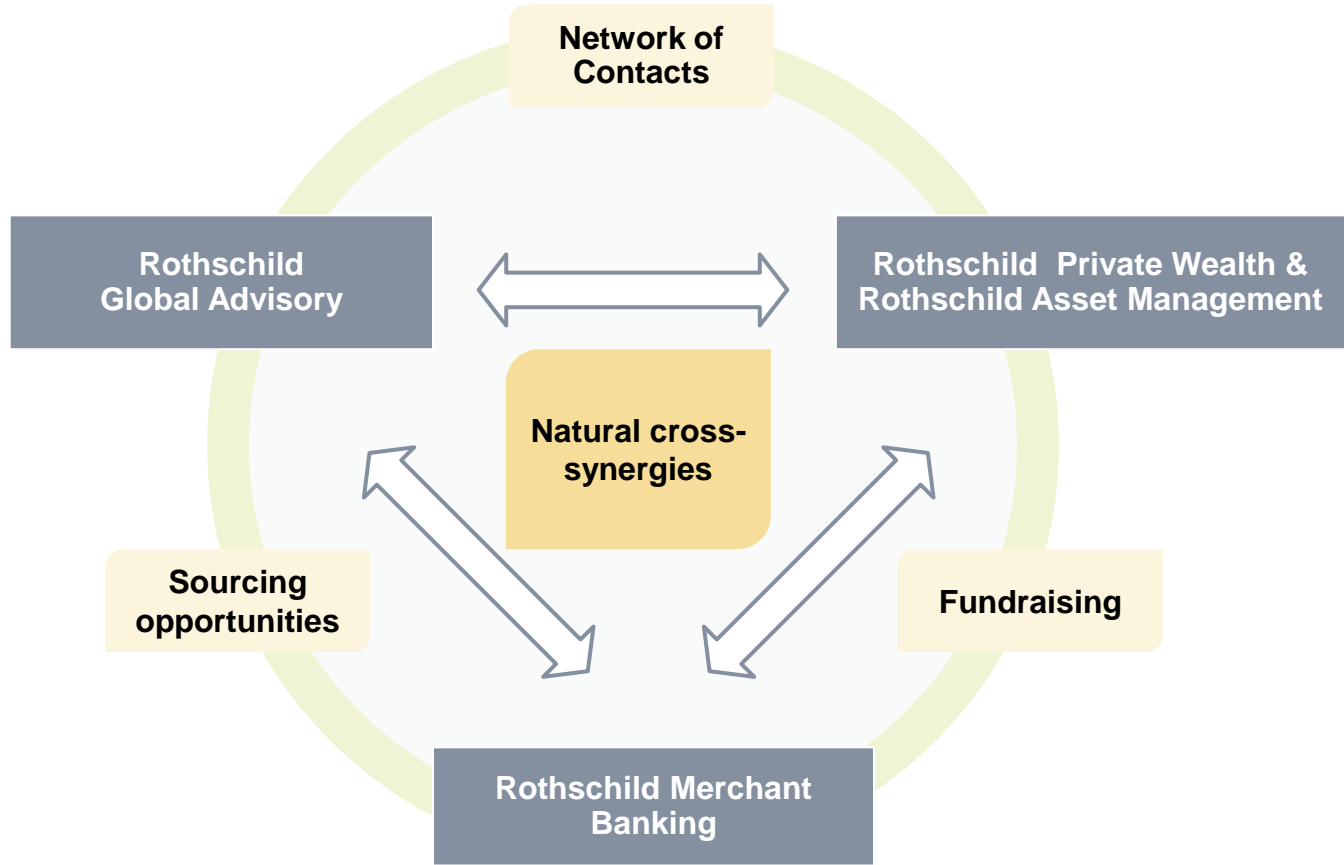
For more information on Rothschild & Co: www.rothschildandco.com; www.rothschild.com

Rothschild & Co investment case

1	Rothschild brand & value creation long term	<ul style="list-style-type: none">■ Listed parent of the Rothschild & Co Group benefiting from strong corporate governance■ A family controlled business focused on long term growth■ Alignment of interests between shareholders, Rothschild family and management
2	Established business model targeting growth	<ul style="list-style-type: none">■ Three core businesses:<ul style="list-style-type: none">➤ Rothschild Global Advisory with a worldwide franchise➤ Rothschild Merchant Banking➤ Rothschild Private Wealth & Rothschild Asset Management
3	High operating leverage	<ul style="list-style-type: none">■ Cost discipline and productivity■ Complementary activities with synergies
4	Financial strength	<ul style="list-style-type: none">■ Strong financial position and solvency ratios
5	Objectives of Shareholder return	<ul style="list-style-type: none">■ Return on tangible equity of between 10% to 15% through the cycle■ Progressive dividend policy



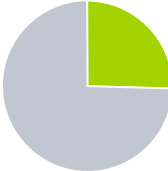
A value driven investment leveraged for growth

1. Overview



Cross fertilisation gives a real competitive advantage, with maximum benefits for Entrepreneurs

Business model

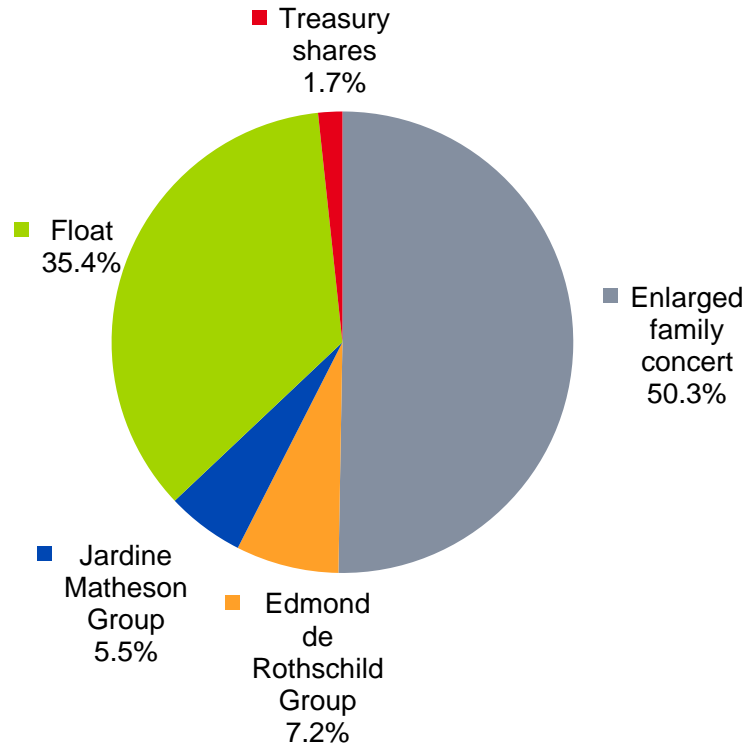
	Rothschild Global Advisory	Rothschild Merchant Banking	Rothschild Private Wealth & Rothschild Asset Management
Portfolio of solutions	<p>Lead independent advisory firm</p> <ul style="list-style-type: none"> ■ M&A and strategic advisory ■ Debt and restructuring advisory ■ Equity advisory 	<ul style="list-style-type: none"> ■ Private equity funds ■ Private debt funds ■ Proprietary portfolio 	<ul style="list-style-type: none"> ■ Wealth Management ■ Asset Management ■ Trust services
Position	<ul style="list-style-type: none"> ■ Highly recognised franchise benefiting from critical mass ■ Very well poised to benefit from ongoing recovery in global M&A 	<ul style="list-style-type: none"> ■ Fast growing business ■ c.€6bn assets under management 	<ul style="list-style-type: none"> ■ European stronghold ■ Foothold in other promising markets ■ €50bn of AuM
Average 3 years revenue per annum	 <p>€870m 66%</p>	 <p>€109m 8%</p>	 <p>€341m 26%</p>

3 resilient pillars with strong potential

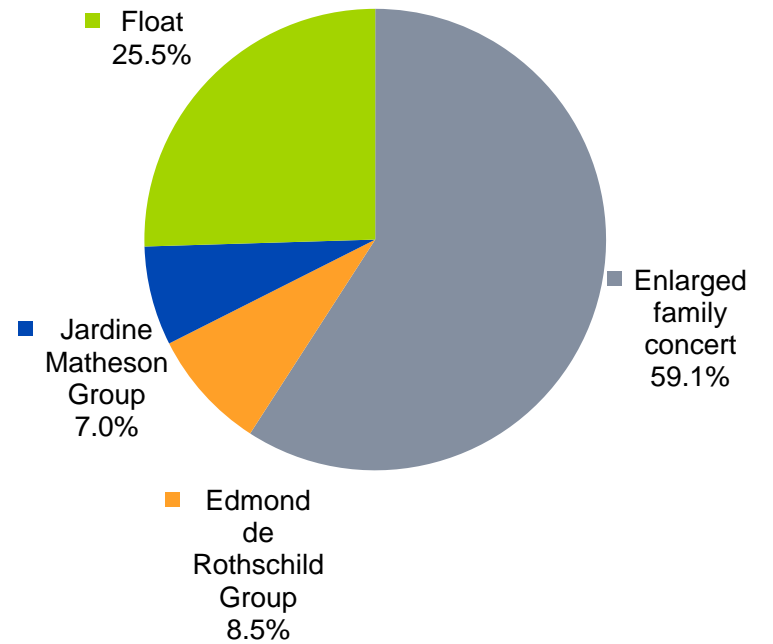
Shareholding structure as at 2 January 2017

Facing Page 5

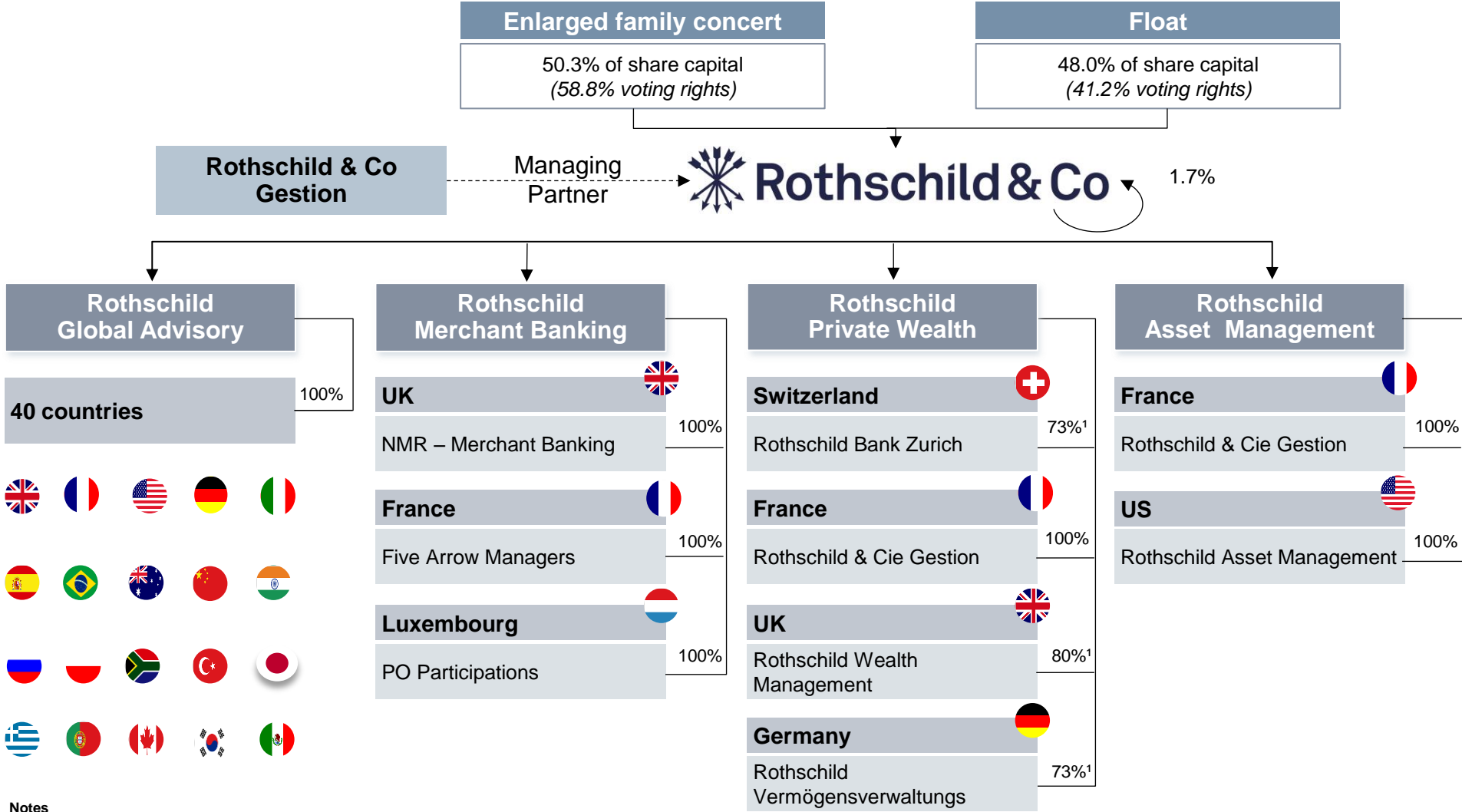
Share capital



Voting rights































Rothschild & Co at a glance



Notes
 1 Minority interests held by the Rothschild family

Rothschild & Co Supervisory Board and Committees

Member	Supervisory Board	Specialised Committees			
		Audit Committee	Strategy Committee	Remuneration and Nomination Committee	Risk Committee
Eric de Rothschild – French	 				
André Lévy-Lang – French	 				
François Henrot – French ¹					
Dr. Daniel Daeniker – Swiss					
Sylvain Héfès – French				 	
Angelika Gifford – German					
Arielle Malard de Rothschild – French					
Lucie Maurel-Aubert – French					
Carole Piwnica – Belgian					
Anthony de Rothschild – British					
Jacques Richier – French					
Sipko Schat – Dutch					 
Peter Smith – British		 			
Luisa Todini – Italian					
Adam Keswick - British					

 Chairman  Vice-Chairman  Independent member  Non independent member

Corporate governance

1 Group management

Rothschild & Co Gestion, Managing Partner of Rothschild & Co

- David de Rothschild, Chairman,
- Alexandre de Rothschild, Vice-chairman
- Nigel Higgins and Olivier Pécoux, CEOs

Group management committee (GMC) with 12 members split between:

- CEOs (2)
- Business heads (6)
- Support heads (4)

**Accomplished
management team**

2 Board and committees

A **Supervisory board** composed of:

- 15 recognised professionals, including 9 independent members
- 7 different nationalities
- High profile individuals

4 specialised committees:

- Audit Committee
- Risk Committee
- Strategy Committee
- Remuneration & Nomination Committee

**Strong governance complying
with best practice**

3 Aligned shareholders and senior management

An Equity Scheme was introduced in October 2013 for 57 senior employees from 10 countries

Extended to 10 new senior employees in December 2015

**Alignment
of interests**

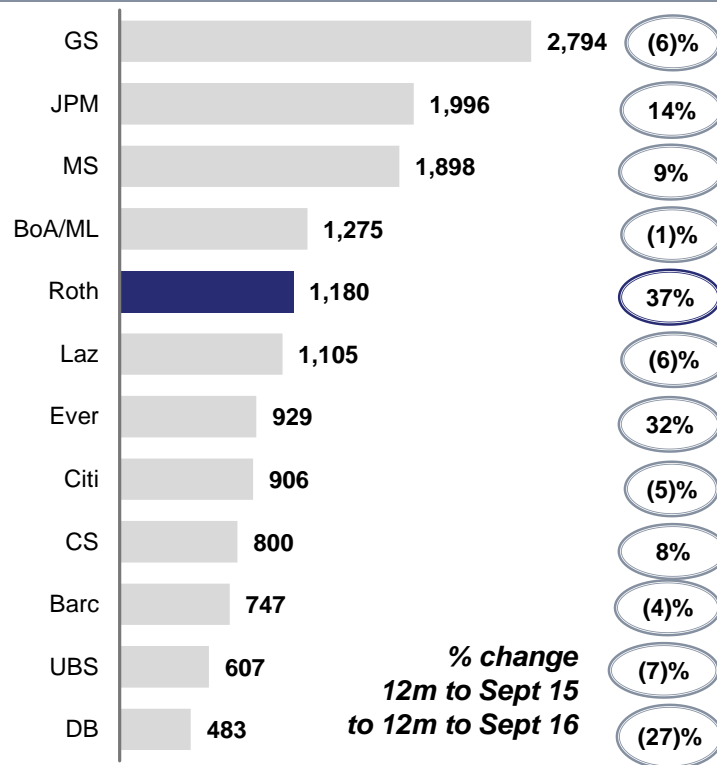
Strong corporate governance complying with highest standards

2. Rothschild Global Advisory

Ranking by advisory revenue

Advisory revenue – 12 months to September 2016

Global advisory revenue (in \$m)



Source : Companies filing

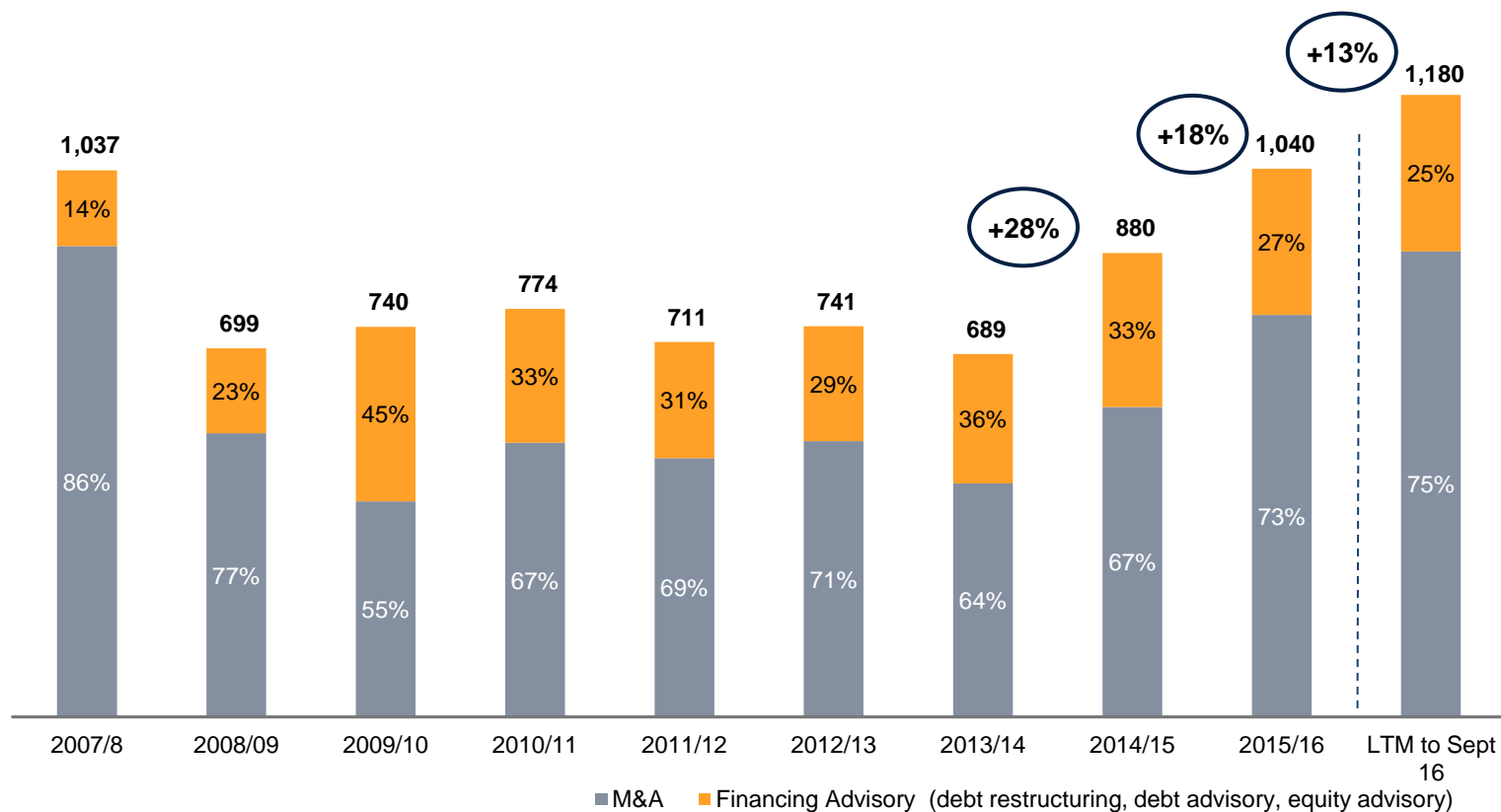
Highlights

- Top ranked world GA adviser excluding US
- Development of the US platform in domestic M&A and cross border (recruitment of 10 MDs over the last 3 years)
- Strong rankings
 - #1 ¹ globally, in EMEA and Europe
 - plus #1 in France, Germany, the Benelux and the UK¹
- Successful year for M&A advisory:
 - market leadership in Europe
 - advising on landmark, high-profile transactions
- Continued growth of debt advisory and restructuring business, advising on more transactions
- Strong European equity advisory

¹ Source: Thomson Reuters, by number of announced and completed transactions

**#5 globally by revenue –
one position improvement from March 2016**

Revenue progression (in €m)



**Resilience over the cycle due to
complementary mix of M&A and Financing Advisory**

Key figures

<i>(in €m)</i>	2013/14	2014/15	2015/16	12m to Sept 15	12m to Sept 16	Var %
Revenue	689	880	1,040	864	1,180	37%
M&A	443	588	763	608	883	45%
Financing Advisory	246	292	277	256	297	16%
Profit before tax	71	139	167	129	191	48%
<i>PBT margin ¹</i>	12%	16%	17%	15%	18%	
<i>Compensation ratio</i>	67.1%	65.4%	66.0%	n/a	n/a	
<i>Bankers</i>	851	860	940	860	1,032	
<i>of which MDs</i>	184	186	197	186	213	

¹ PBT margin would be 13% if US investments included - 2015/2016: 16. - H1 2015/2016: 12%. Our US investment costs are expected to be around €20m for the full year 2016/2017, which represents approximately 2% of the Global Advisory revenue

**Strong momentum for both revenue
and profit before tax**

Strategy and objectives

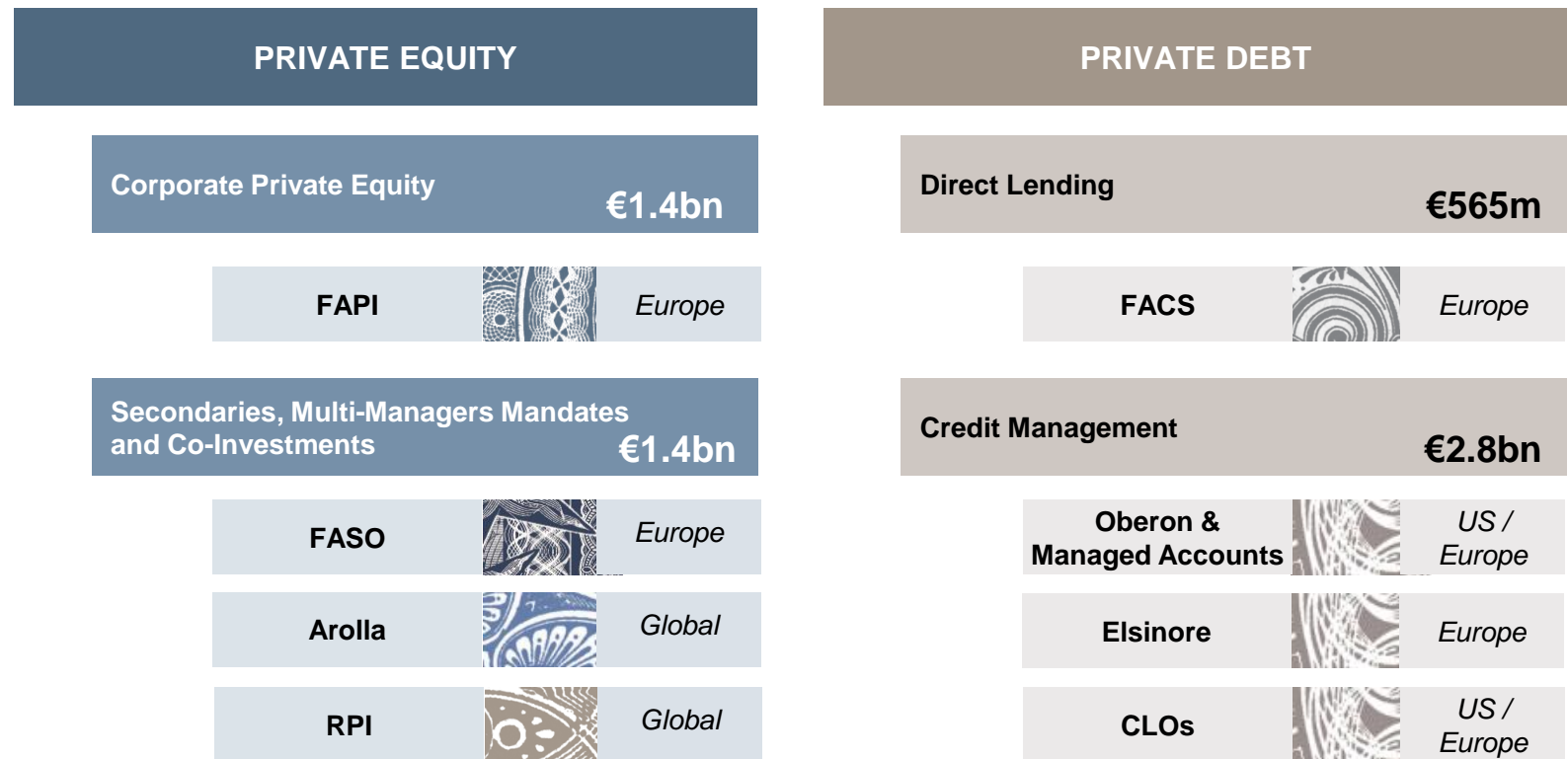
1	USA: continued investment to strengthen presence
2	Europe: increase market share and deepen market penetration in countries where the Group does not yet have a leading position
3	RoW: maintain strong presence in Asia, Pacific, Latin America and Middle east to support cross-border M&A transactions
4	Enhance cross selling synergies between businesses
5	Maintain headcount and cost discipline by optimising the operating model in each region
6	Manage compensation ratio during the cycle

**Rothschild Global Advisory objective:
PBT margin of low to mid-teens through the cycle**

3. Rothschild Merchant Banking

Rothschild Merchant Banking offerings

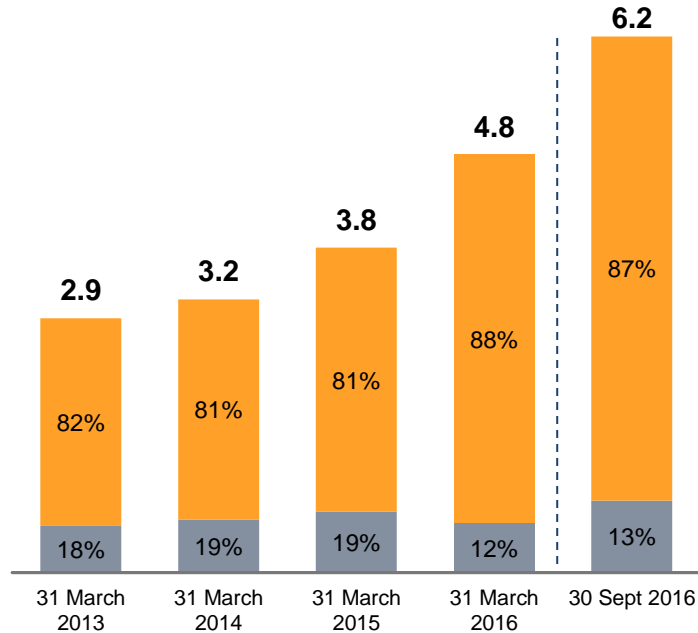
Investment arm of the Rothschild & Co Group



c. €6bn of Asset under management
(of which 13% from the Group) via a range of targeted mid-cap funds

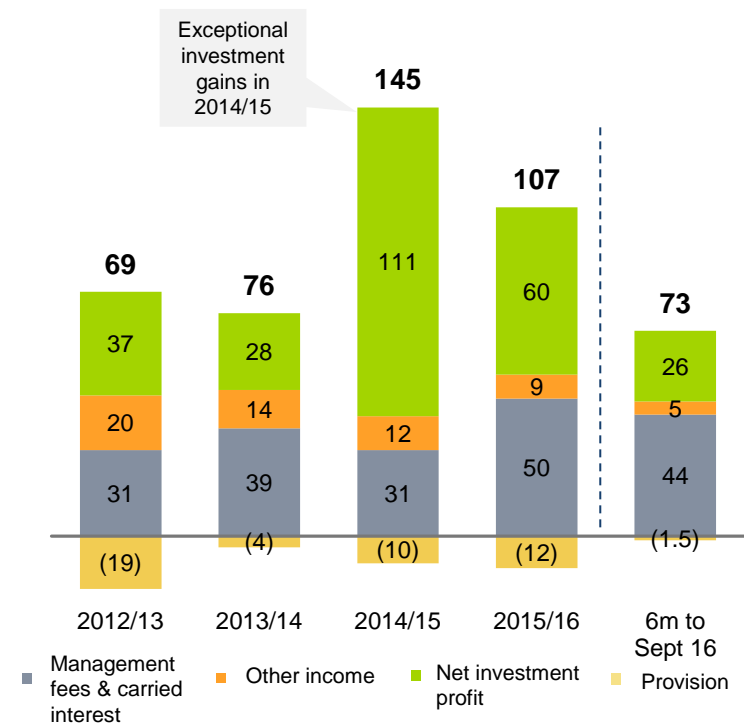
Assets under Management & revenue

AuM progression (in €bn)



Note
Assets under management comprise committed capital where a managed fund is still in its investment period, and includes net asset value after the investment period has expired.

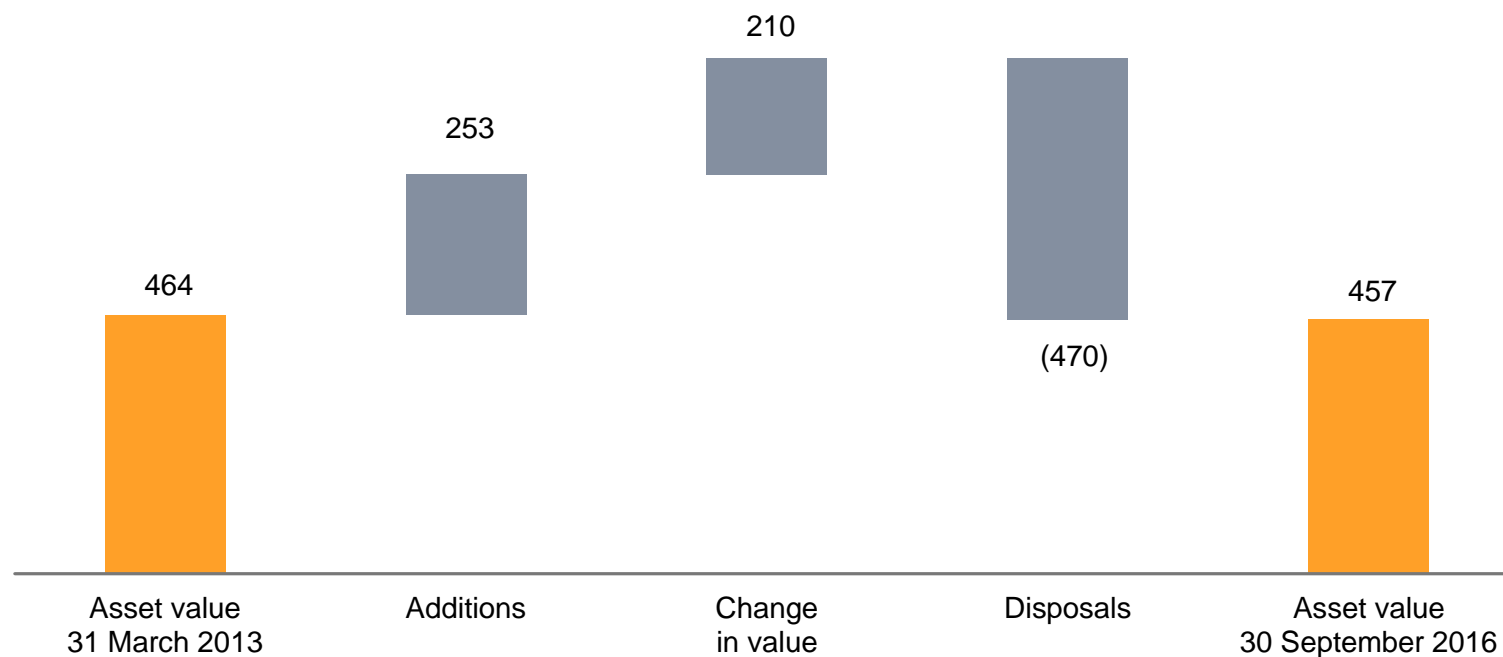
Breakdown of revenue (in €m)



Fee based revenue driven by AuM growth, investment performance as well as carried interest

Value Creation for the Group

Change in balance sheet portfolio value (in €m)



**Strong value creation enables solid cash generation
while maintaining constant capital at work**

Key figures

<i>(in €m)</i>	2013/14	2014/15	2015/16	average 3 previous years	12m to Sept 16	Var %
Revenue	74	145	107	109	112	3%
o/w net investment gains	28	111	60	66	44	(34)%
o/w other income incl. carried interest	14	15	11	13	28	112%
o/w impairments	(4)	(10)	(12)	(8)	(11)	29%
<i>Net asset value of Group private equity assets</i>	<i>518</i>	<i>508</i>	<i>438</i>		<i>457</i>	
<i>Investment professionals</i>	<i>46</i>	<i>52</i>	<i>64</i>		<i>65</i>	

**Ability to generate significant returns
but unusually high levels of investment gains in 2014/2015**

Strategy

1

Grow AuM by raising new funds targeted at specific opportunities

2

Maintain significant capital at work (“skin in the game”) in our funds and investment programs of c.€500m

3

Remain selective in our investment decisions & focus on areas where we enjoy a distinct advantage

4

Generate attractive returns with limited correlation to general market movements through a mix of management fees, capital gains and carry

4. Rothschild Private Wealth & Rothschild Asset Management

Overview

Rothschild Private Wealth (AuM figures - as at 30 September 2016)

France and Belgium	€19.0bn of AuM ¹
UK and Channel Islands	€7.3bn of AuM
Switzerland and RoW	€12.5bn of AuM

126 Relationships managers and investment professionals

Niche player for high net worth individuals, focused on a small number of products to “preserve wealth”

Strong planning capability

Private client lending offering for existing clients

Rothschild Asset Management (AuM figures - as at 30 September 2016)

Paris	€15.0bn of AuM ²
New York	€6.3bn of AuM (\$7.1bn)

62 Investment and sales managers

High conviction strategy with expertise in US / euro equities, euro fixed income and diversified funds

Open architecture and solutions:

- Funds
- Funds of funds and dedicated mandates

Risk based investment solutions

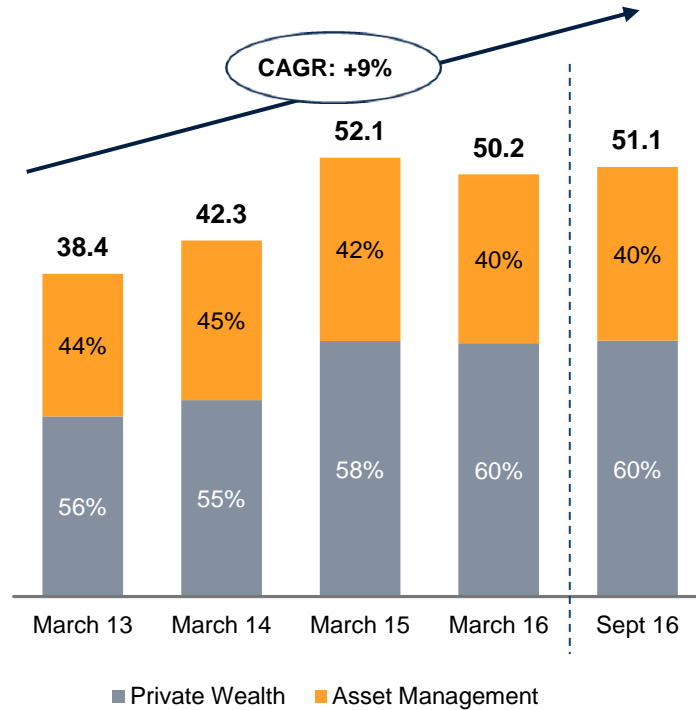
¹ Including €8.4bn from CFMM following the merger of CFMM and R&Co on 2 January 2017

² Including €1.2bn from CFMM

Assets under Management

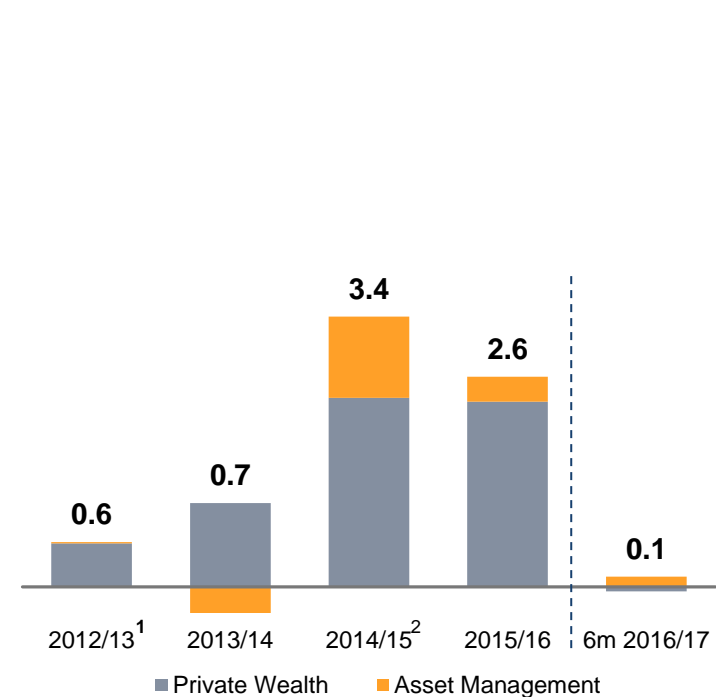
Facing Page 19

AuM progression (in €bn)



1 March 2016: Market effect, FX impact and reclassification of assets accounted for €4.5bn of the decline

Net new Assets (in €bn)



1 2012/13 includes €0.8 billion inflow related to the merger with HDF Finance in France
 2 2014/15 excludes €1.9 billion outflow related to the transfer of accounts from Sélection R in France

Strong growth in AuM overtime

Strong track record of attracting new business

Key figures

<i>(in €m)</i>	2013/14	2014/15	2015/16	12m to Sept 15	12m to Sept 16	Var %
Revenue	307	336	379	368	372	1%
<i>Average Bps</i>	76	71	74	79	75	(5)%
AuM (in €bn)	42.3	52.1	50.2	48.3	51.1	6%
<i>NNA</i>	0.7	3.4	2.6	2.7	2.0	
<i>Front office for WM</i>	104	111	113	117	126	
<i>Front office for AM</i>	52	62	67	63	62	



Steady growth of revenue thanks to strong increase in AuM

Zoom on the merger in Private Wealth in France

Merger between R&Co and Compagnie Financière Martin Maurel

In addition to their existing strengths in portfolio management, the two groups are highly complementary

Attractions of Rothschild & Co

- Wealth structuring skills
- UHNWI expertise
- M&A services geared to families and entrepreneurs
- Investment management capabilities and distribution
- Proven track-record of investing in non listed assets (private equity and private debt)

Attractions of CFMM

- Critical size with c.€10bn of AuM
- Wide range of products for private banking clients
- Integrated corporate model including lending offerings
- Complementary range of funds distributed to private banking
- Regional footprint in the most dynamic and wealthy regions of France



+



A new brand for private banking in France:

Rothschild Martin Maurel

The new group would have a real competitive advantage

Zoom on the merger in Private Wealth

Financial & legal terms & impacts

Valuation	<ul style="list-style-type: none">■ €240m (on a 100% basis – cum 2015 dividend)■ Implied 1.16x P/BV 2015 and 12.8x FY15 PER
Payment conditions	<ul style="list-style-type: none">■ New R&Co shares for 61.9% of total (6,107,976 new shares created)■ Cash leg for 38.1% of total through external financing (€88.3m)
EPS accretive	<ul style="list-style-type: none">■ EPS accretive for the first full financial year post merger, pre synergies
Synergies	<ul style="list-style-type: none">■ Up to €10-15m PBT I impact over time
Solvency position	<ul style="list-style-type: none">■ Pro-forma CET1 ratio expected post transaction of c.18%, well above regulatory requirements
Reinforced Rothschild & Co business mix	<ul style="list-style-type: none">■ Around €100m of recurring revenues to be added to existing Private Wealth & Asset Management revenues of Rothschild & Co (c.€379m as of FY 2015/2016)■ Building further earnings resilience for the Group and diversification away from Global Financial Advisory

Exceptional opportunity to enhance value for shareholders

4.1 Strategy and objectives

1	Focus on wealth preservation, wealth planning and client service
2	Targeting significant growth from increased market share in onshore European markets and selected offshore markets
3	Merger between Rothschild & Co and Compagnie Financiere Martin Maurel : unique opportunity to create a leading independent private bank in France
4	Focus on existing core strengths: <ul style="list-style-type: none">■ High conviction euro equity and bonds■ US equity■ Long-only and alternative manager selection
5	Rationalise product portfolio in other areas
6	Continue to move from being a vendor of investment product to a provider of investment service
7	Look to expand our distribution channels through third parties in sectors where our wealth management experience is relevant

5. Financials

Comments

Improving operating margin	<ul style="list-style-type: none"> ■ Revenue growth ■ Costs savings initiatives ■ Targeted headcount optimisation 																																																
Compensation costs	Target of an adjusted compensation ratio: in low 60%'s through the cycle																																																
Exceptionals impact on Net Income – Group share	<table border="1"> <thead> <tr> <th style="text-align: left;"><i>(In €m)</i></th> <th style="text-align: right;">2012/13</th> <th style="text-align: right;">2013/14</th> <th style="text-align: right;">2014/15</th> <th style="text-align: right;">2015/16</th> <th style="text-align: right;">30/09/2016</th> </tr> </thead> <tbody> <tr> <td>UK asset finance sale</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">(97)</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Long-standing shareholding impairment</td> <td style="text-align: right;">31</td> <td style="text-align: right;">18</td> <td style="text-align: right;">2</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>IT outsourcing costs</td> <td style="text-align: right;">-</td> <td style="text-align: right;">11</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Legacy legal provisions (including DoJ)</td> <td style="text-align: right;">5</td> <td style="text-align: right;">16</td> <td style="text-align: right;">16</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Deferred tax asset write off</td> <td></td> <td style="text-align: right;">6</td> <td style="text-align: right;">9</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Others (pensions credit, sale of property, swap settlement cost)</td> <td style="text-align: right;">(14)</td> <td style="text-align: right;">(8)</td> <td style="text-align: right;">(11)</td> <td style="text-align: right;">-</td> <td style="text-align: right;">13</td> </tr> <tr> <td>Total exceptionals items</td> <td style="text-align: right;">22</td> <td style="text-align: right;">43</td> <td style="text-align: right;">16</td> <td style="text-align: right;">(97)</td> <td style="text-align: right;">13</td> </tr> </tbody> </table>	<i>(In €m)</i>	2012/13	2013/14	2014/15	2015/16	30/09/2016	UK asset finance sale	-	-	-	(97)	-	Long-standing shareholding impairment	31	18	2	-	-	IT outsourcing costs	-	11	-	-	-	Legacy legal provisions (including DoJ)	5	16	16	-	-	Deferred tax asset write off		6	9	-	-	Others (pensions credit, sale of property, swap settlement cost)	(14)	(8)	(11)	-	13	Total exceptionals items	22	43	16	(97)	13
	<i>(In €m)</i>	2012/13	2013/14	2014/15	2015/16	30/09/2016																																											
	UK asset finance sale	-	-	-	(97)	-																																											
	Long-standing shareholding impairment	31	18	2	-	-																																											
	IT outsourcing costs	-	11	-	-	-																																											
	Legacy legal provisions (including DoJ)	5	16	16	-	-																																											
	Deferred tax asset write off		6	9	-	-																																											
	Others (pensions credit, sale of property, swap settlement cost)	(14)	(8)	(11)	-	13																																											
Total exceptionals items	22	43	16	(97)	13																																												
Non-controlling interests	Comprise Rothschild family shareholders in the Swiss based Wealth Management business, the profit share distributed to French partners and interest on perpetual debt																																																
FX impact	<p>2015/16: FX effects positive on revenue (€68m) and negative on Net income – Group share (€4m)</p> <p>6m to Sept 2016: FX effects negative on revenue (€36m) and negative on Net income – Group share (€2m)</p>																																																

5.1 Summary P&L

<i>(in €m)</i>	2013/14	2014/2015	2015/2016	6 months 2016/17
Revenue	1,108	1,403	1,589	802
Staff costs	(699)	(820)	(954)	(473)
Administrative expenses	(251)	(257)	(267)	(129)
Depreciation and amortisation	(36)	(36)	(37)	(17)
Impairments	7	(22)	(12)	(1)
Operating Income	129	268	319	182
Profit before tax	107	317	422	187
Consolidated net income	64	254	357	160
Net income - Group share	8	144	232	67
Net income - Group share excl. exceptionals	51	160	142	80
<i>Earnings per share</i>	<i>0.11 €</i>	<i>2.08 €</i>	<i>3.37 €</i>	<i>0.97 €</i>
<i>EPS excl. exceptionals</i>	<i>0.74 €</i>	<i>2.31 €</i>	<i>2.07 €</i>	<i>1.15 €</i>

Strong momentum over the last recent financial years

6 months
2016/2017

(in €m)	Global Advisory	Private Wealth & Asset Management and Merchant Banking	Other ¹	IFRS Reconciliation ²	6 months to Sept 2016
Revenues	537	252	16	(3)	802
Operating expenses	(466)	(205)	(30)	82	(619)
Impairments	-	-	1	(2)	(1)
Operating income	71	47	(13)	77	182
Exceptional charges / (profits)	10	4	-	-	14
Operating income without exceptional items	81	51	(13)	77	196

6 months
2015/2016

(in €m)	Global Advisory	Private Wealth & Asset Management and Merchant Banking	Other ¹	IFRS Reconciliation ²	6 months to Sept 2015
Revenues	397	255	38	(11)	679
Operating expenses	(350)	(194)	(59)	44	(559)
Impairments	-	-	2	(3)	(1)
Operating income	47	61	(19)	30	119
Exceptional charges / (profits)	4	-	8	-	12
Operating income without exceptional items	51	61	(11)	30	131

5.2 Performance by business

2015/2016

(in €m)	Global Advisory	Private Wealth & Asset Management and Merchant Banking	Other ¹	IFRS Reconciliation ²	2015/2016
Revenues	1,040	487	56	6	1,589
Operating expenses	(873)	(404)	(101)	121	(1,257)
Impairments	0	(1)	(2)	(10)	(13)
Operating income	167	82	(47)	117	319
Exceptional charges / (profits)	13	0	8	(10)	11
Operating income without exceptional items	180	82	(39)	107	330
<i>Operating margin %</i>	16%	17%			21%

2014/2015

(in €m)	Global Advisory	Private Wealth & Asset Management and Merchant Banking	Other ¹	IFRS Reconciliation ²	2014/2015
Revenues	880	482	63	(22)	1,403
Operating expenses	(741)	(348)	(99)	75	(1,113)
Impairments	0	0	(15)	(7)	(22)
Operating income	139	134	(51)	46	268
Exceptional charges / (profits)	0	0	0	14	14
Operating income without exceptional items	139	134	(51)	60	282

¹ Other comprises central costs, Legacy businesses, including Banking & Asset Finance and other

² This analysis is prepared from non IFRS data used internally for assessing business performance then adjusted to conform to the Group's statutory financial accounting policies. IFRS reconciliation mainly includes items that relate to the treatment of profit share paid to French partners as non-controlling interests; accounting for deferred bonuses over the period that they are earned; the application of IAS 19 (R) for defined benefit pension schemes; and reallocation of impairments and certain operating expenses.

5.3 Compensation

<i>(in €m)</i>	12m to March 2014	12m to March 2015	12m to March 2016	6 months 2016/17	6 months 2015/16
Revenue	1,108	1,403	1,589	802	679
Total staff costs ¹	(734)	(887)	(1,031)	(546)	(454)
Compensation ratio	66.2%	63.2%	64.9%	68.0%	66.8%
Adjusted Compensation ratio	66.2%	64.3%	62.8%	66.6%	65.5%

1 Total staff costs include profit share paid to French Partners and effects of accounting for deferred bonuses over the period in which they are earned and exclude redundancy costs and revaluation of share-based employee liability

2 The adjusted compensation ratio include effects from FX, joiner costs, decline of Merchant Banking revenue and US investment costs (compensation earned in respect of the first financial reporting period of employment plus any make-wholes payable in the reporting period)

- Discipline on the management of compensation ratio
- Group compensation ratio includes the effects of deferred bonus accounting

Compensation ratio: Low 60%'s through the cycle

Summary balance sheet

<i>(in €bn)</i>	30/09/2016	31/03/2016	Var
2 Cash and amounts due from central banks	2.8	3.5	(0.7)
2 Cash placed with banks	1.4	1.2	0.2
Loans and advances to customers	1.6	1.5	0.1
3 <i>of which Private client lending</i>	1.4	1.3	0.1
<i>of which Legacy lending book</i>	0.2	0.2	-
Debt and equity securities	1.5	1.5	-
Other assets	1.2	1.3	(0.1)
Total assets	8.5	9.0	(0.5)
1 Due to customers	5.0	5.5	(0.5)
Other liabilities	1.4	1.5	(0.1)
Shareholders' equity - Group share	1.5	1.5	-
Non-controlling interests	0.6	0.5	0.1
Total capital and liabilities	8.5	9.0	(0.5)

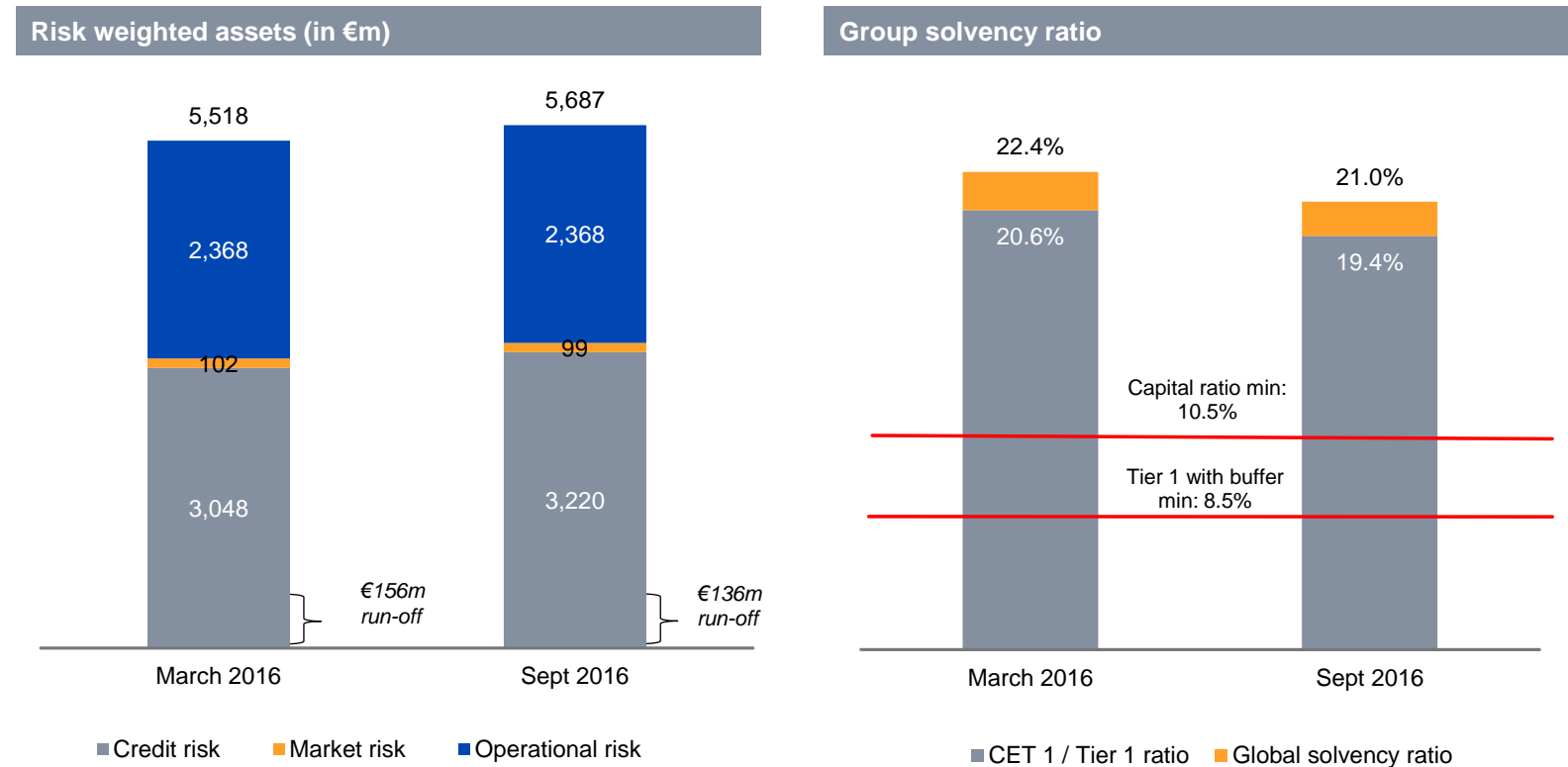
1 Customer deposits from clients mainly in Switzerland

2 Surplus cash is placed in central banks and banks

3 Private client lending (Lombard and mortgages) is developing in line with our Private Wealth strategy

5.4 Solvency ratios

Risk weighted assets and ratios under full application of Basel 3 rules



- Retirement of UK banking licence in September 2016 result in loss of T2 capital
- Ratios are comfortably above minimum requirements imposed by Basel 3
- Management considers Merchant Banking requires additional capital beyond Basel 3
- On a pro forma basis, following the merger with Compagnie Financière Martin Maurel, the CET 1 ratio would be c.18%

5.5 Dividends

	2013/14	2014/15	2015/16
Earnings per share	€0.11	€2.08	€3.37
Dividend per share ¹	€0.50	€0.60 +20%	€0.63 +5%
Payout ratio	455%	29%	19%
Payout ratio excl. FALG sale	455%	29%	32%

- Continued increase in dividend reflecting strong growth in profitability
- Average payout % over the last 3 years of 31%
- No dividend in shares
- We are targeting a progressive dividend policy over time in order to avoid the potential negative effect of results volatility and our desire to reinvest the capital release from the FALG disposal, as demonstrated by the recent merger with Compagnie Financière Martin Maurel

6. Why invest in Rothschild & Co?

Financial targets

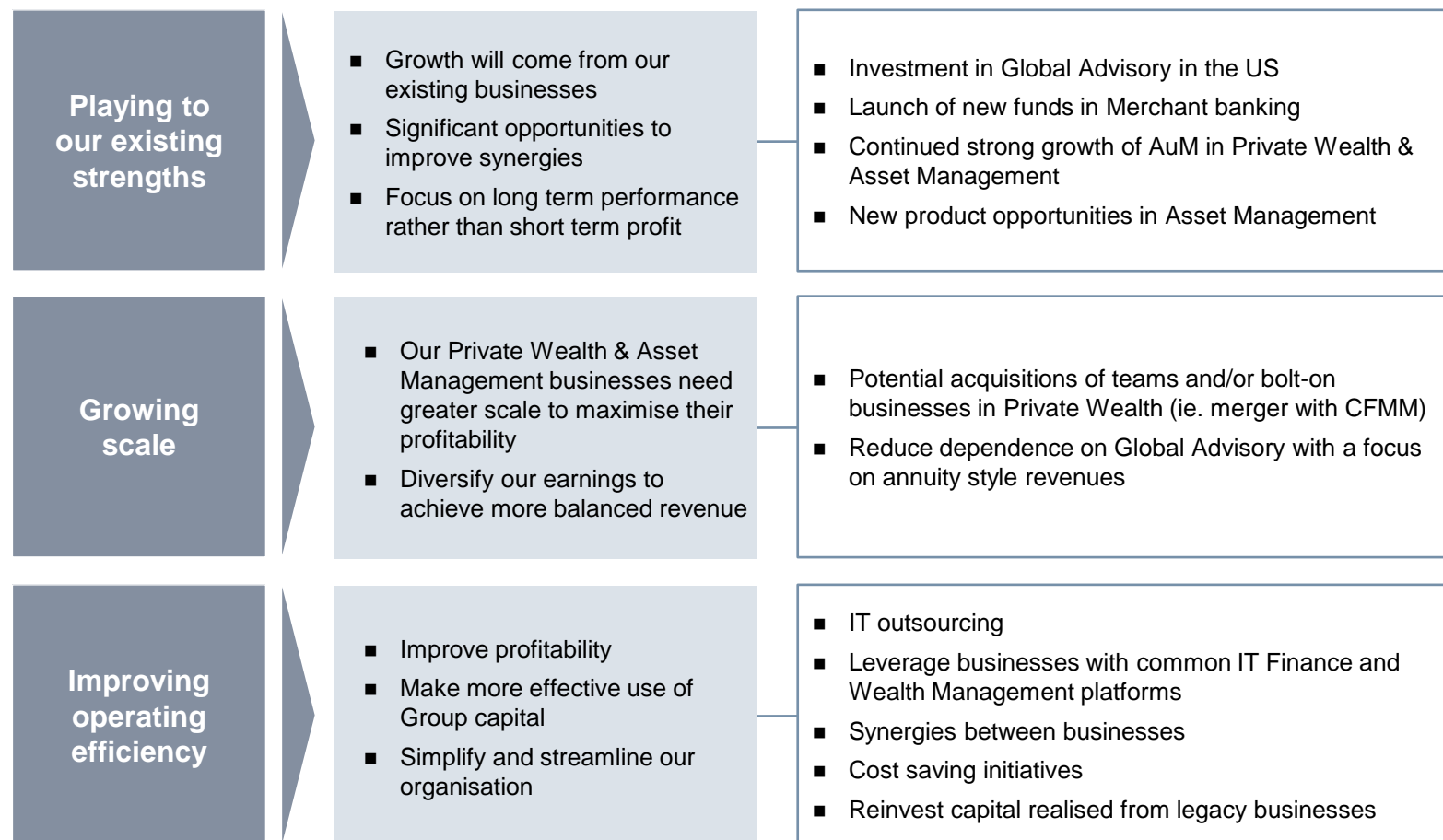
	Medium-term objectives	6m 2016/2017	2015/2016
Compensation ratio	Low 60%s through the cycle	66.6% ¹	62.8% ¹
Return on tangible equity	Between 10% to 15% through the cycle	13.1% ²	11.4%
RGA: Profit before tax margin	Low to mid-teens through the cycle	15.1% ³	17.3% ³

¹ As adjusted – see slide 24

² ROTE based on Net income – Group share excl. exceptionals items. Would be 11% if exceptionals included (2015/2016: 37.1% ; H1 2015/2016: 6.9%)

³ RGA PBT margin excluding US investments. Would be 13.2% if US investments included (2015/2016: 16.1% ; H1 2015/2016: 11.8%)

Management's strategic focus



Rothschild & Co: key investment considerations

1

Creating value over the long term with strong governance, controlled by Rothschild family with an alignment of interests with management

2

Strong momentum for the three businesses

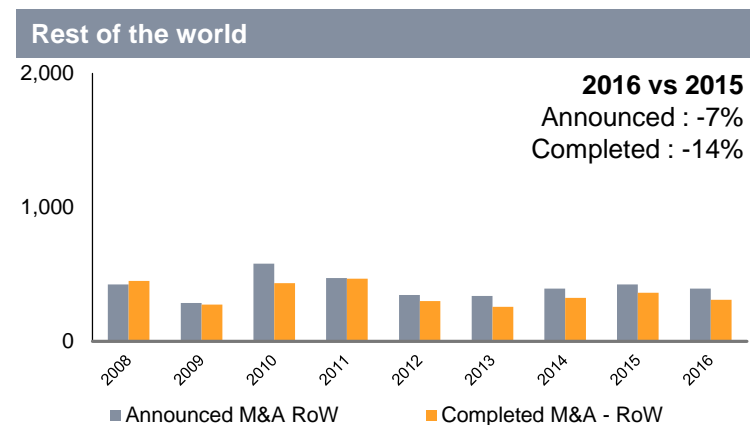
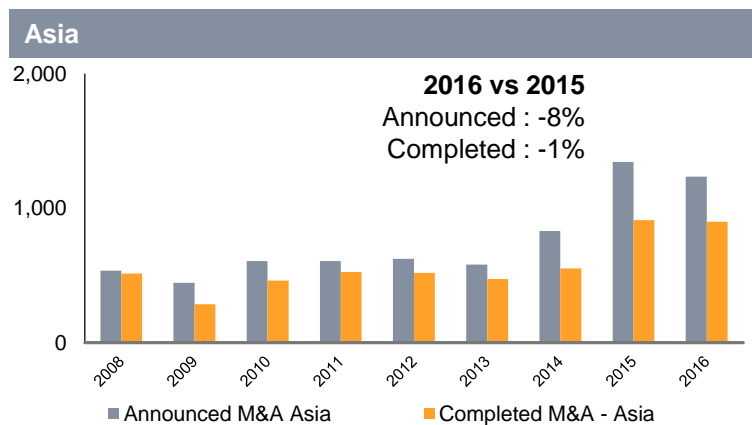
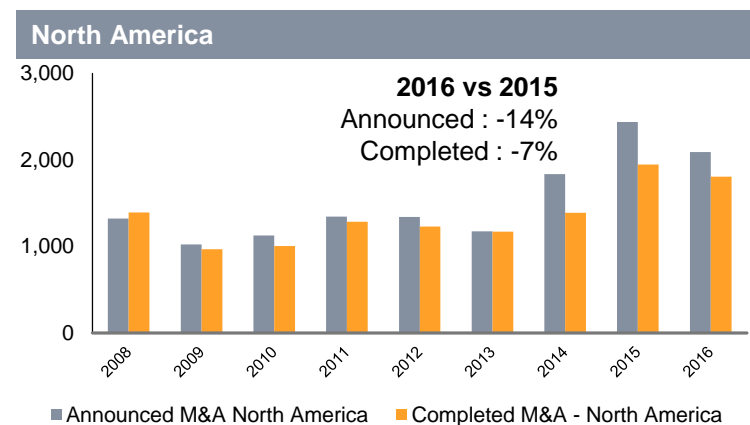
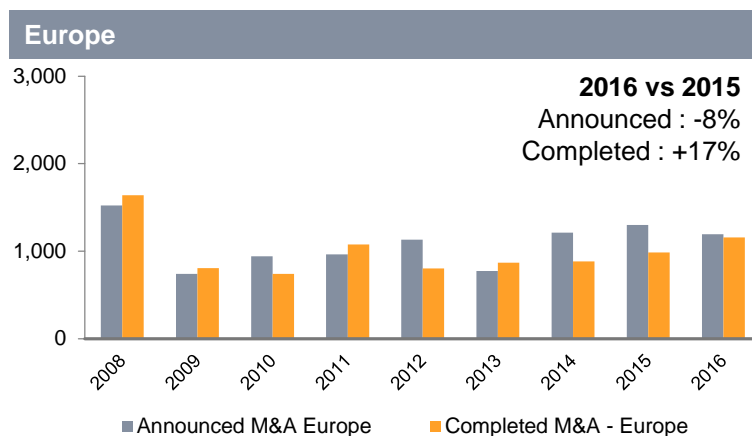
3

Translating into higher profitability and return to shareholders

A value driven investment leveraged for growth

Appendix A. Appendices

M&A deal values (US\$bn)



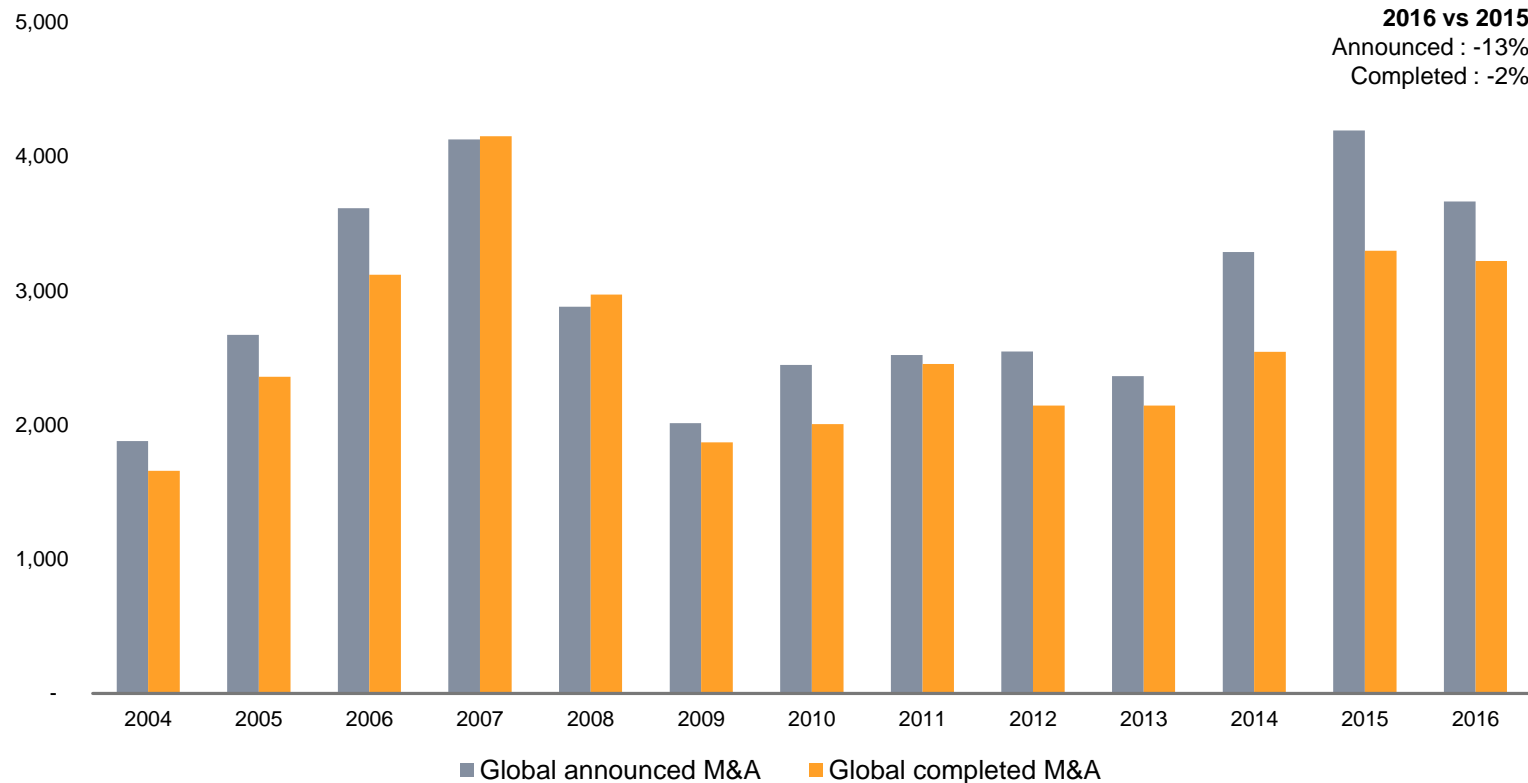
Source Thomson Reuters

Verizon deal has been excluded from European data due to the size (\$130bn – announced in 2013 and completed in 2014)

Global M&A market

Pick up of volumes of transaction

Global M&A deal values (US\$bn)



Source Thomson Reuters

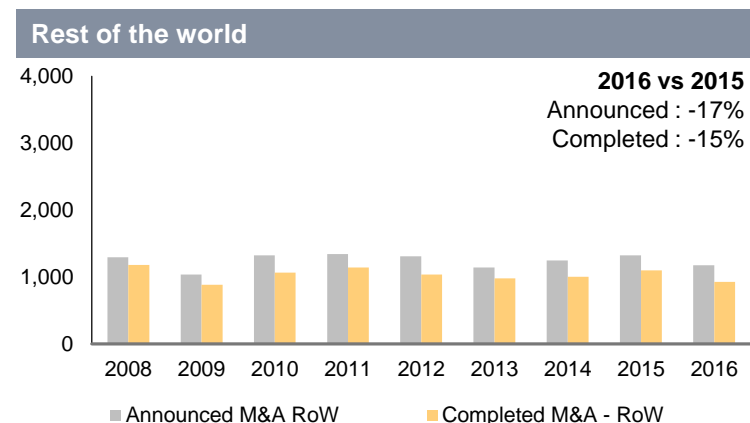
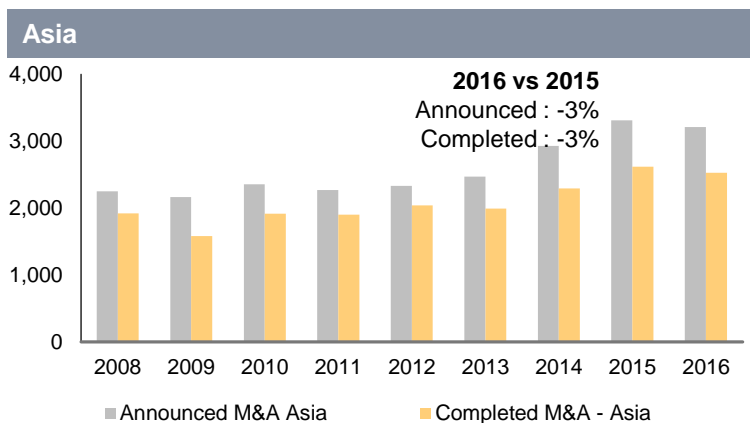
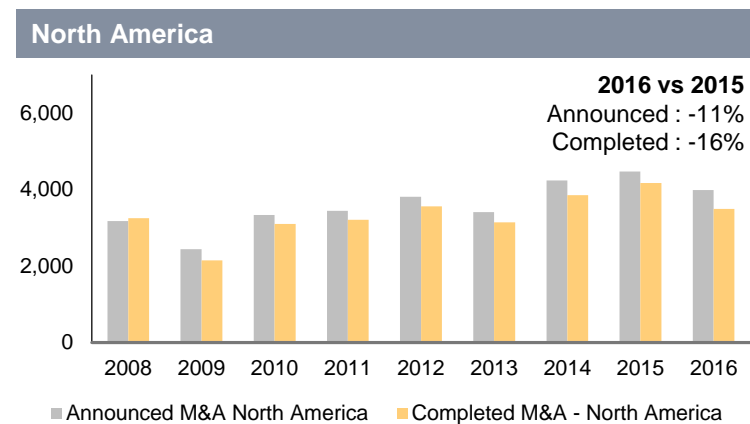
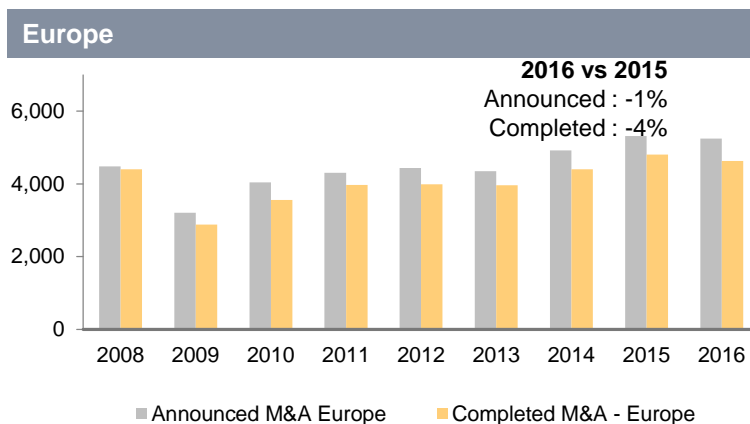
Deal Values > \$10bn

	2014	2015	%
Announced	705	1,940	175%
Completed	468	954	104%

o/w US

Announced	505	1,424	182%
Completed	224	686	206%

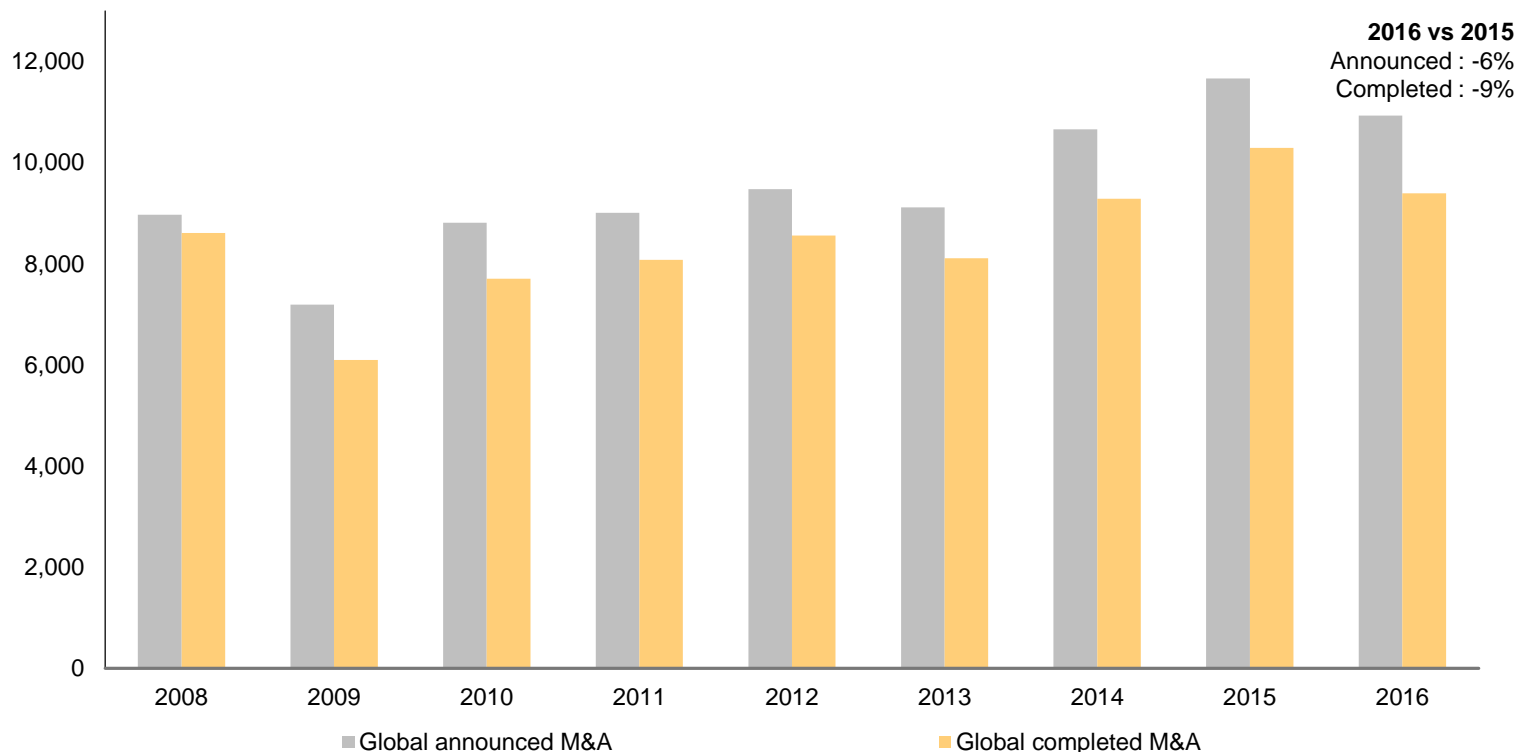
M&A deal number



Source Thomson Reuters

Global M&A market

Global M&A deal number



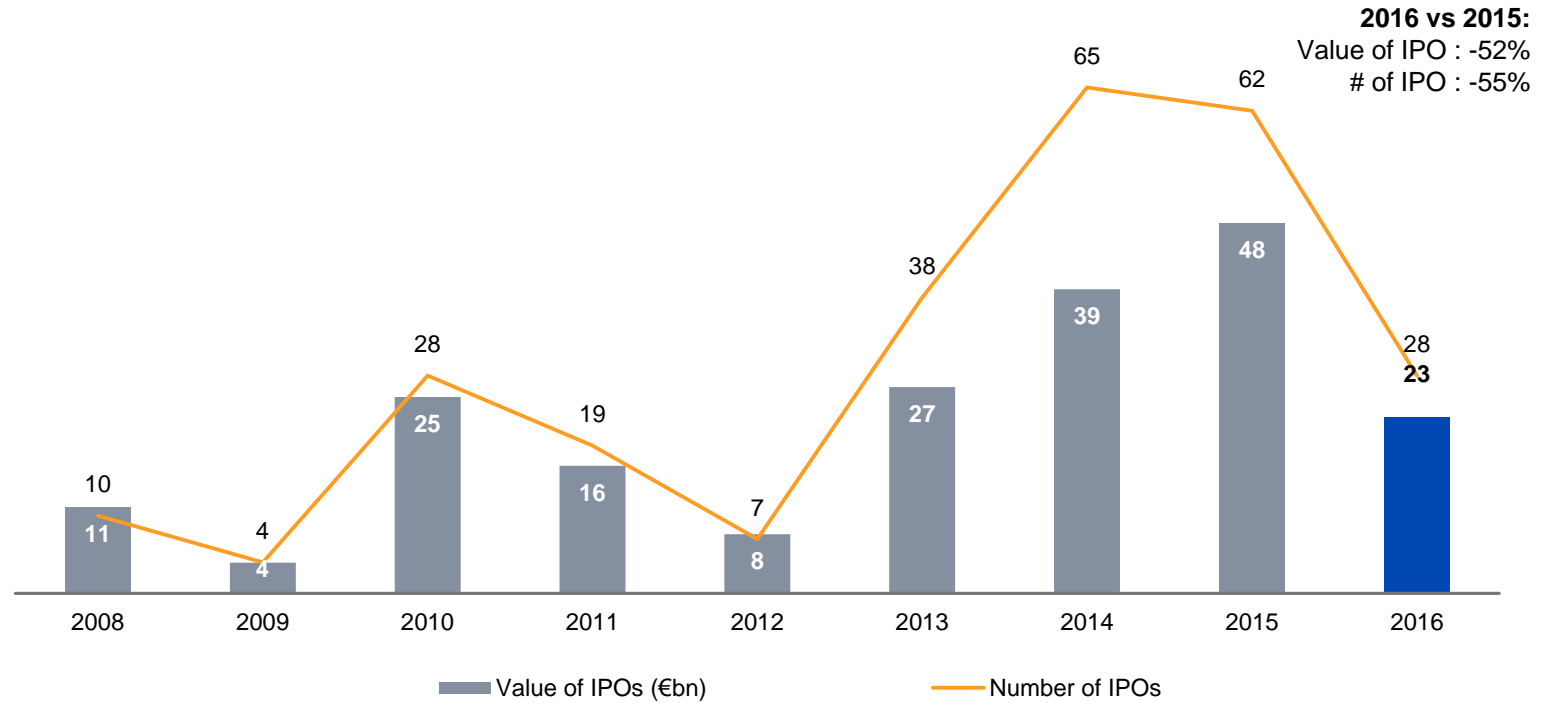
<u>Deal number > \$10bn</u>			
	2014	2015	%
Announced	31	71	129%
Completed	19	42	121%

<u>o/w US</u>			
	2014	2015	%
Announced	20	51	155%
Completed	12	29	142%

Source Thomson Reuters

Global IPO market

















IPO volumes in Europe since 2008 (> €200m)



Source : Dealogic

















Our key achievements (1/2)

M&A and strategic advisory – Recent major transactions

Company	Deal	Country	Sector	Value
	US\$4.5bn disposal of US merchant generation portfolio		Energy and Power	US\$4.5bn
	US\$66bn all-cash offer to acquire Monsanto		Industrial Materials	US\$66bn
	Sale of a 25% stakes in the CA group's regional banks for €18bn		FIG	US\$20bn
	Strategic asset swap between Boehringer Ingelheim and Sanofi for a total value of €22.8bn		Healthcare	US\$25bn
	US\$13bn combination with FMC Technologies to create TechnipFMC		Energy and Power	US\$13bn
	€7.3bn acquisition of SABMiller CEE from AB InBev		Consumer	US\$7.8bn
	US\$3bn purchase of spectrum from the Indian government		TMT	US\$3bn
	Acquisition of AB InBev's US\$3.15bn equity stake in Coca-Cola Beverages Africa and other bottling interests		Consumer	US\$3.2bn




Our key achievements (2/2)

Financing advisory – Recent major transactions

Company	Deal	Country	Sector	Value
 ISOLUX CORSAÑ	€2.2bn Financial Restructuring and Homologation Process		Infrastructure	US\$2.5bn
 SORGENIA	€2.1bn debt restructuring		Energy and Power	US\$2.2bn
 ODEBRECHT Agroindustrial	US\$3.3bn debt restructuring		Oil and Gas	US\$3.3bn
 華潤啤酒(控股)有限公司 China Resources Beer (Holdings) Company Limited	US\$1.2bn rights issue		Consumer	US\$1.2
 vallourec	€1bn equity issuance and strategic partnership with NSSMC		Oil and Gas	US\$1.1bn
 ATHENE	US\$1.24bn IPO by Athene Holding		FIG	US1.2bn
 RWE The energy to lead	€4.6bn IPO of innogy on Frankfurt Stock Exchange		Energy and Power	US\$5.1bn
 L&Q East FRAMES	Debt advice on £4.7bn refinancing and £1.25bn 52years swaps and embedded swaps portfolio restructuring		Property and Construction	US\$6bn

Private Debt

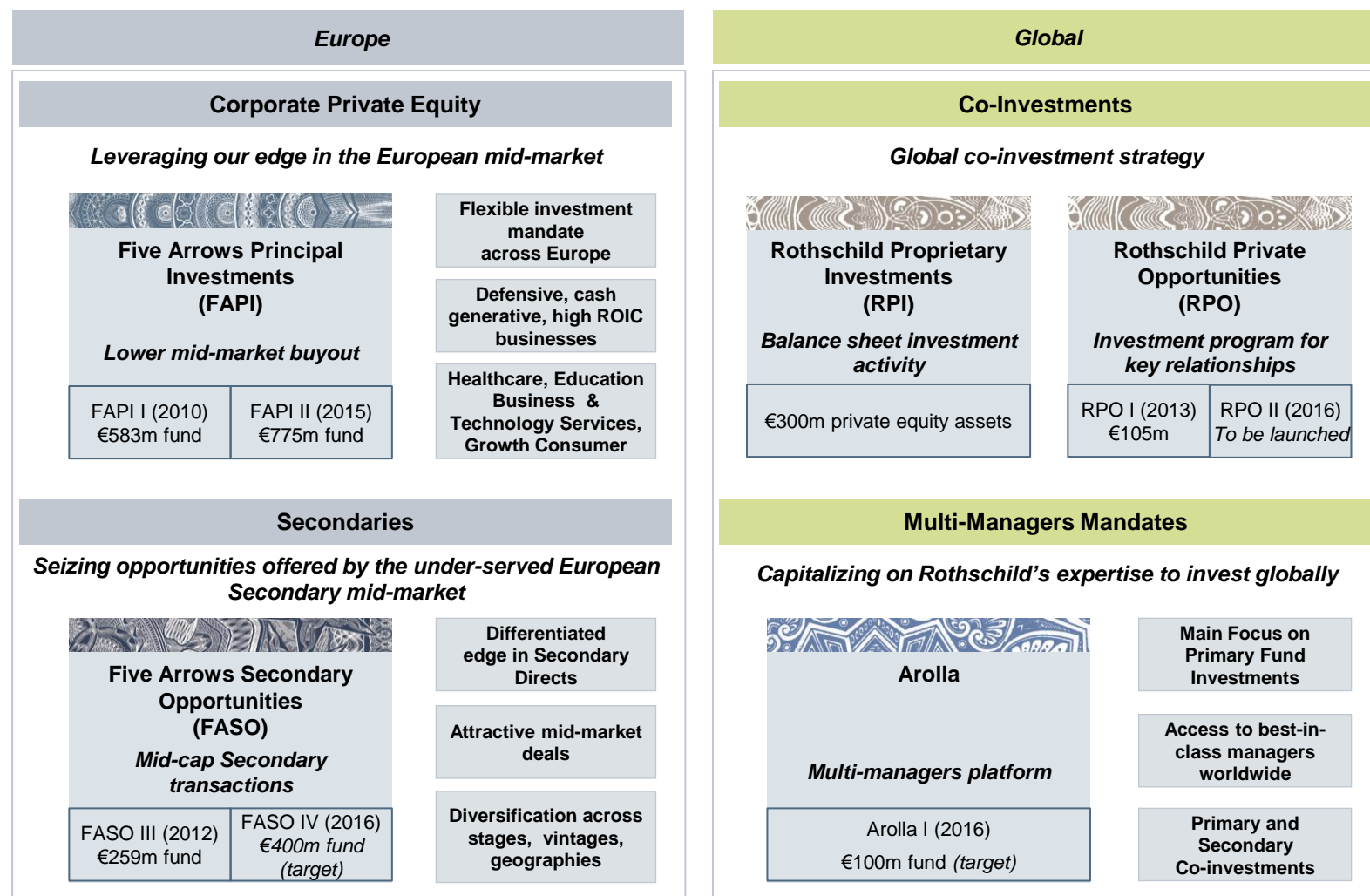
From junior to senior debt as well as CLOs across the globe

<i>Europe</i>	<i>Global</i>									
Direct Lending	Credit Management									
<i>Structuring European mezzanine and junior credit financings</i>	<i>Active portfolio management of senior secured credits in US & Europe</i>	<i>US & European CLO Management</i>								
 Five Arrows Credit Solutions (FACS) <i>European junior credit</i>	 Oberon Credit Investment & Managed Accounts <i>€620m European unlevered senior credits</i>	 CLO Management <i>c.€2.2bn of global CLO vehicles</i>								
FACS I (2014) €415m fund	Oberon I (2013), Oberon II (2015), Oberon III (ongoing)	<table border="1"> <tr> <td style="text-align: center;">Europe: Contego, Dalradian</td> <td style="text-align: center;">US: Ocean Trails¹</td> </tr> </table>	Europe: Contego, Dalradian	US: Ocean Trails ¹						
Europe: Contego, Dalradian	US: Ocean Trails ¹									
<table border="1"> <tr> <td style="text-align: center;">Attractive European junior debt structures</td> <td style="text-align: center;">Timely market opportunity</td> <td style="text-align: center;">Risk management focus</td> </tr> </table>	Attractive European junior debt structures	Timely market opportunity	Risk management focus	<table border="1"> <tr> <td style="text-align: center;">Deep credit analysis across 400 names</td> <td style="text-align: center;">Leading senior secured leveraged credits</td> <td style="text-align: center;">Active portfolio management</td> <td style="text-align: center;">25+ years of experience</td> <td style="text-align: center;">Global expertise</td> <td style="text-align: center;">Focus on larger LBOs</td> </tr> </table>	Deep credit analysis across 400 names	Leading senior secured leveraged credits	Active portfolio management	25+ years of experience	Global expertise	Focus on larger LBOs
Attractive European junior debt structures	Timely market opportunity	Risk management focus								
Deep credit analysis across 400 names	Leading senior secured leveraged credits	Active portfolio management	25+ years of experience	Global expertise	Focus on larger LBOs					

¹ Operated by Los Angeles based West Gate Horizons Advisors LLP, owned by Rothschild North America


















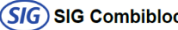






Private Equity

Focus on mid-caps through primary, secondary, co-investments and multi-managers

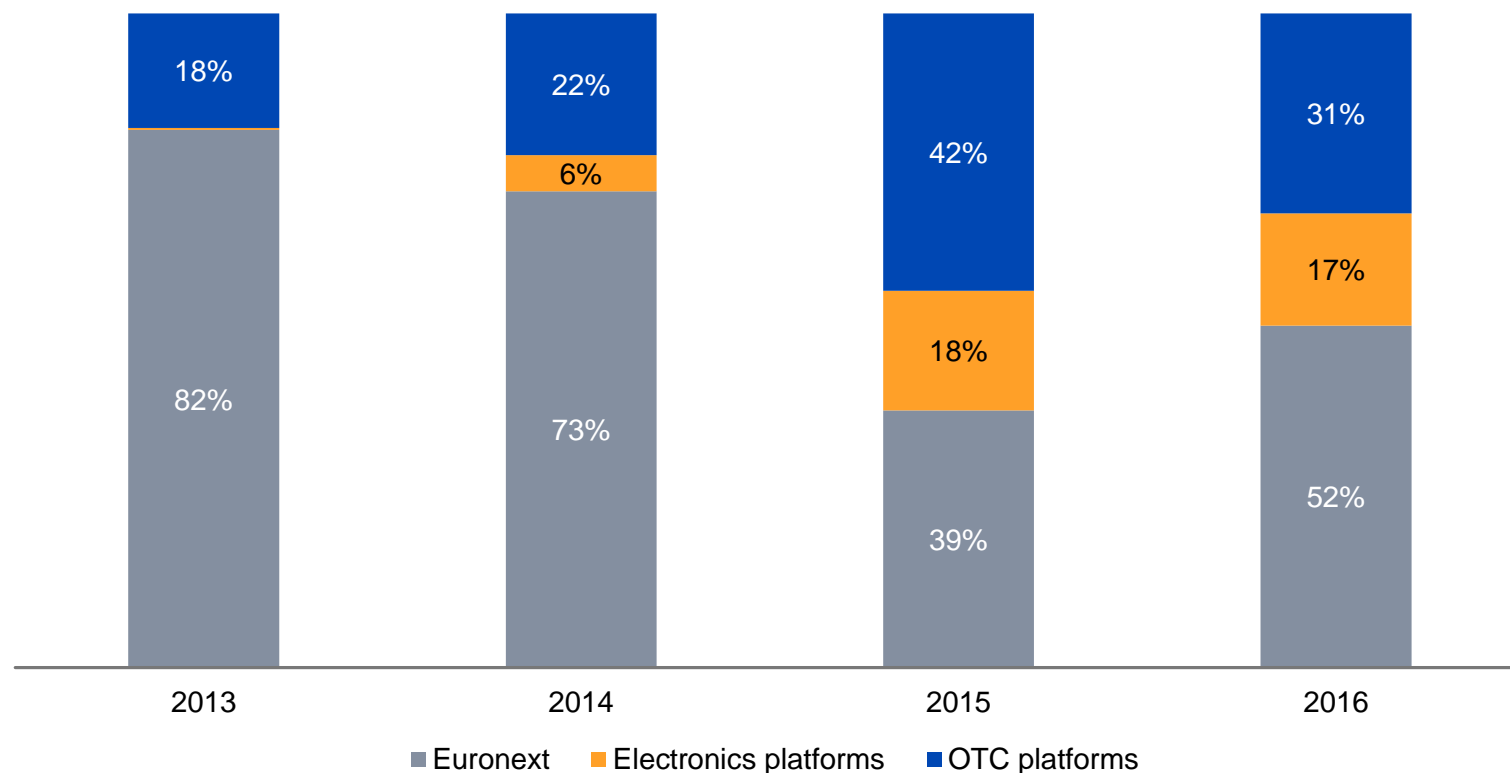


Merchant banking

A history of long term value creation in the mid-cap segment

Selected sample of transactions					
Private Equity			Private Debt		
 <p>Privately-managed nurseries France</p>	 <p>International diagnostics business UK</p>	 <p>Specialized education and care UK</p>	 <p>Provider of IT support and cloud services France</p>	 <p>Automotive maintenance and repair operator France</p>	 <p>Nuclear measurement tools Global</p>
 <p>Healthcare group purchasing organization Germany</p>	 <p>Travel management company USA</p>	 <p>Telecoms tower operator Africa</p>	 <p>Specialized education and care UK</p>	 <p>Debt collection services company UK</p>	 <p>Cinema operator France</p>
 <p>IT infrastructure & data management software Global</p>	 <p>Advertising company China</p>	 <p>Fresh food specialist retailer France</p>	 <p>Multi-regional chain for routine laboratory France</p>	 <p>Specialist retailer of beauty products Germany</p>	 <p>Manufacturer of aseptic carton packaging Switzerland</p>
 <p>Database for the automotive aftermarket UK</p>	 <p>Legal, tax & accounting information provider Denmark</p>	 <p>Provider of patient safety software UK</p>	 <p>Manufacturer of hearing-aids Germany</p>	 <p>Classifieds advertiser Germany</p>	 <p>European discount retailer Netherlands</p>

Rothschild & Co volume by trading platforms



Electronic and OTC platforms gain market share due to several block trades on Rothschild & Co shares