
PRESS RELEASE

Paris, 13 February 2023

Concordia¹ confirms its intention to file a simplified tender offer for Rothschild & Co shares

Concordia, the holding company of the Rothschild family and the largest shareholder of Rothschild & Co, confirmed today its intention, previously announced on 6 February 2023, to file a simplified tender offer for the Rothschild & Co shares at a price of €48 per share (with right to distributions attached) with a view to requesting the implementation of a squeeze-out.

This proposed offer is based on the observation that Rothschild & Co's development does not require it to remain listed. None of the businesses of the Group needs access to capital from the public equity markets and their performance should be assessed over the long term. The status of a private company therefore appears more appropriate than that of a listed company.

This transaction aiming to create a fully private group meets Concordia's objective of holding a majority of Rothschild & Co's share capital and voting rights alone. The Rothschild family and its long-time partner, the Maurel family, would be joined in the capital by a limited number of families who share the same ambitions of supporting Rothschild & Co in the medium and long term. This transaction is also designed to reinforce the alignment of interests and will be an opportunity for Rothschild & Co's Partners to be gathered in a newly incorporated company (Rothschild & Co Partners) holding a significant and long-term stake in Rothschild & Co.

Prior to the filing of the offer, Rothschild & Co plans to propose to its shareholders, at the annual general meeting to be held on 25 May 2023, the payment of an ordinary dividend of €1.4 per share (which would be paid on 31 May 2023 with an ex-dividend date on 29 May 2023) and an exceptional distribution of reserves of €8.0 per share. Such exceptional distribution would be conditional upon Concordia's final decision to file the offer. The total amount of these two distributions would reduce the announced offer price by the same amount.

This offer price of €48.0 per share (with right to distributions attached) would reflect a premium of 19% over the last trading price on 3 February 2023, premiums of 27%, 34% and 36% respectively over the volume-weighted average prices 60, 120 and 180 trading days prior to that date, as well as a 15% premium over the historical high price reached on 13 January 2022. This offer price would result in a significant premium (13%) on adjusted tangible net assets per share (€42.4).

Concordia and the enlarged family concert currently hold 54.5% of the share capital and 66.8% of the voting rights of Rothschild & Co. In the context of this transaction, a new concert (the "Concert") would be formed and would include, alongside Concordia, a reduced number of families currently members of the concert (the Maurel family and Edouard de Rothschild who currently own respectively 5.5% and 5.3% of the share capital of Rothschild & Co); new members investing in connection with this transaction with a view to holding up to approximately 5% of the share capital (Groupe Industriel Marcel Dassault, Giammaria Giuliani (GG 1978 SICAF SIF – GG Strategic), Mousse Partners and Peugeot Invest); other investors and members of the English Rothschild family (including Hannah Rothschild) as well as Rothschild & Co Partners, who would hold up to 10% of the share capital of Rothschild & Co. The members of the Concert would be bound by an agreement providing in particular an eight-year lock up period and no put or call agreements afterwards.

Concordia has entered into a consortium agreement with the future members of the Concert and has signed commitment letters on a certain funds basis with two financing banks.

At the date of the filing of the offer, the Concert would hold approximately 60%² of the share capital.

¹ « Concordia » means the entity Rothschild & Co Concordia SAS, holding of the Rothschild family

² Estimation based on current shareholding

The filing of the offer and the draft offer document (*note d'information*) with the AMF would be completed subject to obtaining the required regulatory clearances and the payment of the distributions. It is expected to take place in mid-2023.

Disclaimer

This press release does not constitute an offer to purchase or a solicitation to sell the Rothschild & Co's securities in any country, including France. There is no certainty that the offer will be filed or opened.

In the event that the offer is filed with the AMF (French securities regulator), the documentation relating to the offer, which will be filed by Rothschild & Co Concordia and Rothschild & Co, will be submitted to the AMF, which will assess its compliance with the applicable legal and regulatory provisions.

The offer may only be opened once it has been cleared by the AMF.

The dissemination, publication or distribution of this press release may be subject to specific regulations or restrictions in certain countries.

The offer will not be directed to persons subject to such restrictions, either directly or indirectly, and may not be accepted from any country where the offer would be subject to such restrictions. Accordingly, persons in possession of this press release are required to inform themselves about and to comply with any local restrictions that may apply.

Appendix: Premia and multiples implied by the Offer price

		Value per share ¹ (€)	Premium implied by the Offer price (%)	Multiple implied by the Offer price (%)
Market references	Spot share price – 03/02/2023	40.3	+19.3%	
	VWAP ⁴ - 20 days	38.5	+24.6%	
	VWAP ⁴ - 60 days	37.9	+26.7%	
	VWAP ⁴ - 120 days	35.9	+33.5%	
	VWAP ⁴ - 180 days	35.4	+35.8%	
	Highest historical price (13/01/2022)	41.9	+14.7%	
Intrinsic references	Net Income Group Share 2022	7.9		6.1x
	Net Income Group Share 2023e ²	4.8		10.0x
	Book value ³ (dec-22)	48.5	(1.1%)	0.99x
	Tangible book value ³ (dec-22)	42.4	+13.3%	1.13x

Source FactSet au 03/02/2023

Notes

1. Based on a number of shares adjusted for dilutive instruments of 76.1m
2. Based on analysts' consensus as of 03/02/2023 (Net Income Group Share 2023e: €367m) (BNP Paribas Exane, CM-CIC, Kepler Cheuvreux, Oddo BHF)
3. Book value and Tangible book value group share as of 31/12/2022, adjusted for equity scheme instruments (fully diluted basis)
4. VWAP (Volume weighted average price) as at 03/02/2023

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About Rothschild & Co Concordia

Rothschild & Co Concordia is the largest direct shareholder of Rothschild & Co. All shareholders of Rothschild & Co Concordia are members of the Rothschild family.

Rothschild & Co Concordia is a French simplified joint-stock company (*société par actions simplifiée*) with a share capital of €165,186,969. Paris trade and companies registry number 499 208 932. Registered office: 23 bis avenue de Messine, 75008 Paris, France.