Press release – Half year results (April – September) for the 9 months financial period to December 2017

Paris, 28 November 2017

Solid half year results

- **Overall revenue** increased by €50 million (+6%) to €852 million for the six months to 30 September 2017 (6m to September 2016: €802 million)
  - **Rothschild Global Advisory:** revenue down by 8% to €492 million (6m to September 2016: €537 million) but still representing our second best year revenue performance for a first half period since the financial crisis
  - **Rothschild Private Wealth and Asset Management:** revenue up 37% to €247 million (6m to September 2016: €180 million) driven by Martin Maurel consolidation
  - **Rothschild Merchant Banking:** revenue up 34% to €97 million (6m to September 2016: €73 million) thanks to continuing value accretion combined with higher management fees. When compared to the average first half year revenue for the previous three periods, revenue is up 28%
- **Net income - Group share** excluding exceptionals[1] of €95 million, up 36% (6m to September 2016: €70 million) and Net income - Group share including exceptionals of €88 million, up 31% (6m to September 2016: €67 million)
- **Earnings per share (EPS)** excluding exceptionals of €1.28 (6m to September 2016: €1.01) and EPS including exceptionals of €1.18 (6m to September 2016: €0.97)
- Negative **foreign exchange translation effects** of €16 million on revenue but positive on Net income – Group share of €1 million

"We are satisfied to see that our profitability continues to progress, reflecting our focus on investing in our three core businesses, growing and developing our talent and offering the highest possible service to all our clients. For the first time and in the interests of better transparency for our shareholders, we are disclosing separately the profitability of our three businesses," said Nigel Higgins and Olivier Pécoux, Managing Partners of Rothschild & Co.

"Our Global Advisory business continues to perform well, despite global completed M&A activity reducing and we were pleased that our Financing Advisory business achieved good growth when compared to the same period last year. We maintain our leading position in Europe in both M&A advisory and Financing Advisory and remain a leading bank globally. Our pipeline for the end of the year in M&A remains strong.

"In Private Wealth and Asset Management, we have a clear roadmap to improve profitability which is already starting to produce beneficial results, with our operating margin increasing strongly when compared to previous years. Despite the challenging environment for this business, we are building revenue, reducing costs and refocusing the business. In France the integration of Martin Maurel is advancing to plan.

"We are particularly pleased with the strong revenue and profit growth in Merchant Banking. This recent business, launched in 2010, is now reaching a critical size where its contribution to the group is becoming significant."

----

[1] Exceptional items are integration costs related to the merger with Martin Maurel (6m to September 2017: €11 million versus 6m to September 2016 : €4 million)

1. Summary Income Statement

(in €m)	Page	6m to Sept 2017 [1]	6m to Sept 2016	*Var*	*Var %*
Revenue	**3 - 6**	**852**	**802**	***50***	***6%***
Staff costs	6	(488)	(473)	*15*	*3%*
Administrative expenses	6	(146)	(129)	*17*	*13%*
Depreciation and amortisation		(14)	(17)	*(3)*	*(18)%*
Impairments	6	(4)	(1)	*3*	*300%*
Operating Income		**200**	**182**	***18***	***10%***
Profit before tax		**206**	**187**	***19***	***10%***
Consolidated net income		**176**	**160**	***16***	***10%***
Net income - Group share		**88**	**67**	***21***	***31%***
Net income - Group share excl. exceptionals		**95**	**70**	***25***	***36%***
Earnings per share [2]		*1.18 €*	*0.97 €*	*0.21 €*	*21%*
EPS excl. exceptionals		***1.28 €***	***1.01 €***	***0.27 €***	***27%***
ROTE		*11.5%*	*11.1%*		
ROTE excl. exceptionals		***12.4%***	***11.6%***		

[1] *The foreign exchange translation effect between 6m to September 2016 and 6m to September 2017 is:*

- *a negative impact on revenue of €16 million*
- *a €1 million positive impact on Net income – Group share*

[2] *Diluted EPS is €1.15 (6m to September 2016: €0.96)*

An analysis of exceptional items is shown in Appendix B.

A description of Alternative Performance Measures is shown in Appendix G.

The Supervisory Board of Rothschild & Co SCA met on 28 November 2017 to review the consolidated financial statements from 1 April 2017 to 30 September 2017; these accounts had been previously approved by Rothschild & Co Gestion SAS, Managing Partner of Rothschild & Co.

2. Business activities

2.1 Rothschild Global Advisory

Our Rothschild Global Advisory business (Global Advisory) focuses on providing advice in M&A advisory, and Financing Advisory encompassing debt, restructuring and equity advisory.

For the six months to September 2017, Global Advisory revenue was €492 million, down 8% (6m to September 2016: €537 million), but representing our second best revenue performance for a first half year period since the financial crisis (6m to September 2016 was our record first half year revenue performance post crisis). For the last twelve months to September 2017, the business **ranked 6th by global advisory revenue**.

Operating income for the same period was €61 million representing a 12% operating margin (6m to September 2016: €71 million and 13% respectively). Consistent with expectations outlined in previous full year results announcements, the operating income margin includes ongoing investment in the development of our US M&A franchise; excluding this investment the margin would have been 14% (6m to September 2016: 15%).

M&A advisory revenue for the first six months was €314 million, down 21% compared to the same period in 2016/17, due to lower completions activity in the UK and some parts of Europe offset by improvements in France and North America. Despite this lower performance in M&A Advisory for the twelve months to September 2017, we **ranked 1st by completed deal numbers in Europe** and **2nd globally** by the same measure.

Financing Advisory revenue increased by 27% to €178 million in the six months to September 2017 (6m to September 2016: €140 million), with activity levels in our Debt and Restructuring Advisory businesses being particularly strong. In **Restructuring, we ranked 1st in Europe and 3rd globally by numbers** of completed transactions during the six month period. Equity Advisory revenue also rose in the six months to September 2017, as we maintained our position as **adviser on more European equity capital market assignments** than any other independent financial adviser.

The quality of our people is our principal competitive advantage and we continue to add to and strengthen our senior team. During the first six months of the financial year, five new Managing Directors joined our North America business, focused on clients in the Healthcare, Retail, Consumer and Technology Products sectors, the latter recruitment being alongside the forthcoming opening of our new office in Silicon Valley. We also made investments elsewhere in the period by opening two new offices: a new wholly owned subsidiary in Tokyo, employing the full team from our previous alliance partner Global Advisory Japan, as well as the establishment of a new office in Switzerland.

Rothschild & Co advised the following clients on significant advisory assignments that completed in the six months to September 2017:

- **Arnault Family Group** on its tender offer on minority shareholders of Christian Dior, with advice to Christian Dior on its disposal of Christian Dior Couture to LVMH (€12 billion and €6.5 billion, France)
- **Metro** on its demerger into METRO and CECONOMY (€15 billion, Germany)
- **Intel Corporation** on its acquisition of Mobileye (US$15.3 billion, United States and Israel)
- **Premier Oil** on its refinancing of debt facilities (US$3.8 billion, United Kingdom)
- **Irish Department of Finance** on its privatisation IPO of Allied Irish Banks (€3.4 billion, Ireland)
- **Ant Financial** on its debt raising (US$3.5 billion, China).

In addition, we continue to work on some of the largest and most complex announced transactions globally, including acting as financial advisor to:

- **Government of Puerto Rico** on its restructuring of financial claims and pension obligations (US$100 billion, United States)
- **Essilor** on its combination with Luxottica (€47 billion, France and Italy)
- **Zodiac Aerospace** on its combination with Safran (€35 billion, France)
- **Vodafone group** on its merger of Vodafone India with Idea Cellular (US$23 billion, UK and India)

- **Seadrill** on its chapter 11 restructuring (US$8.8 billion, Bermuda)
- **A.P. Moller-Maersk** on its sale of Maersk Oil to Total (US$7.45 billion, Denmark and France).

For further examples of Rothschild's completed and ongoing advisory assignments, please refer to Appendix F.

2.2 Rothschild Private Wealth & Asset Management

Rothschild Private Wealth & Asset Management (Private Wealth & Asset Management) is made up of Rothschild Martin Maurel (France, Belgium and Monaco); Rothschild Wealth Management & Trust (Switzerland, UK, Germany, Italy and Asia) and Rothschild Asset Management Inc. (North America).

Revenue for the six months to September 2017 was €247 million, up 37% (6m to September 2016: €180 million) mainly due to organic growth and the consolidation of Martin Maurel (representing €50 million of revenue).

In a highly evolving market that has been challenging on several fronts including regulatory change (MIFID II) and fee pressure from clients, we have undertaken a number of initiatives to build revenue, cut costs and refocus the business on its core activities.

This resulted in growth in profitability in this division with Operating income, excluding Martin Maurel integration costs of €11 million, rising to €38 million for the first six months to September 2017 (6m to September 2016: €3 million after excluding Martin Maurel integration costs of €4 million). This represents a 15% operating margin (6m to September 2016: 2%) significantly better than the previous years.

In July 2017, the legal merger of the two private banks in France of Rothschild & Co Group and Martin Maurel Group was completed and the French private bank activity is now operating under the name "Rothschild Martin Maurel". The operational integration is progressing as anticipated.

Assets under Management increased by 1% to €67.1 billion in the six months to September 2017 due to net inflows of €0.8 billion, market appreciation offset by negative exchange rate effects of €0.3 billion. Net new assets were driven by inflows of €1.0 billion in Private Wealth across all major geographies and outflows of €0.2 billion in Asset Management.

The table below presents the progress in assets under management.

In € billion	6m to September 2017	6m to September 2016	12m to September 2017
AuM opening	**66.6**	**50.2**	**51.1**
Martin Maurel merger	-	-	10.0
Net new assets	0.8	0.1	1.9
Market and exchange rate	(0.3)	0.8	4.1
AuM closing	**67.1**	**51.1**	**67.1**

2.3 Rothschild Merchant Banking

Rothschild Merchant Banking (Merchant Banking) is the investment arm of the Rothschild & Co group which deploys the firm's and third parties' capital in private equity and debt opportunities.

Merchant Banking generated revenue for the six months to 30 September 2017 of €97 million, up 34% (6m to September 2016: €73 million). When compared to the average first half year revenue for the last three periods, revenue is up 28%.

Revenue comprises two main sources:

- Recurring revenue of €31 million, made up of management fees net of placement fees (6m to September 2016: €26 million),
- Investment performance related revenue of €66 million (6m to September 2016: €47 million):
  - €16 million of carried interest (6m to September 2016: €16 million),
  - €51 million of realised and unrealised investment gains and dividends (6m to September 2016: €33 million),
  - less €1 million of provisions (6m to September 2016: €2 million).

Operating income rose to €65 million for the first six months to September 2017 (6m to September 2016: €48 million), representing a 67% operating margin, at the same level than the comparative period. To measure the performance of this investing business, we look at the RORAC (Return On Risk Adjusted Capital being adjusted profit before tax divided by an internal measure of risk capital invested in the business on a rolling 3 years basis). As at 30 September 2017, the RORAC was 25% (30 September 2016: 24%).

The increase of both revenue and operating income reflects the enduring strong performance of funds. The first primary private equity fund (FAPI I) continues to generate returns not only on the Group's investment therein but also through carried interest (performance fees) being earned. The successor fund (FAPI II) is starting to record investment returns as its portfolio grows and value accretion is recognised on earlier investments. In addition, both secondary private equity funds (FASO III and its successor fund FASO IV) contributed investment and carried interest returns. Finally, management fees have grown 23% year-on-year reflecting the increasing AuM of the division.

In the first six months of the year the Group's share of the investment made by the division amounted to €48 million, of which €30 million was the Group's own investments in funds managed by Merchant Banking, and €18 million in proprietary investments, including those made as part of the Rothschild Private Opportunities co-investment programme.

Disposals generated proceeds of €80 million principally following the sale of investments in Munters, a provider of humidity and climate control solutions (2.5x MOIC[1]), Kisimul, a specialised education and care provider (3.2x MOIC) and Baozun, a leading Chinese digital and e-commerce service partner (5.0x MOIC).

Evolution in asset value of the Group's Merchant Banking assets

(in €m)	30 September 2017	31 March 2017
Managed private funds	293	285
Rothschild proprietary investments & other	188	182
Total gross assets	**481**	**467**

Thanks to the team's developing performance in private equity and private debt, the division continues to expand its product offering.

During the first half year, within the private equity funds, Merchant Banking held the final closing of €195 million for Arolla, a global multi-manager private equity platform and, within the private debt funds, Five Arrows Direct Lending, European mid-market direct lending fund, completed a further closing to bring committed capital to €438 million. Rothschild Credit Management priced its latest CLO, a €360 million CLO (Contego IV) and raised €342 million in new commitments to its Oberon Strategy (unlevered senior secured credits).

Merchant Banking's assets under management were €6.7 billion as at 30 September 2017 compared to €6.2 billion as at 31 March 2017.

[1] MOIC stands for Multiple On Invested Capital

3. Consolidated financial results

3.1 Revenue

For the six months to 30 September 2017, revenue increased by €50 million (+6%) to €852 million (6m to September 2016: €802 million). The translation impact of exchange rate fluctuations resulted in a decrease in revenue of €16 million.

3.2 Operating expenses

Staff costs

For the six months to 30 September 2017, staff costs were €488 million (6m to September 2016: €473 million), representing an increase of €15 million. Of this, €22 million is due to the inclusion of Martin Maurel and an increase of €6 million in the other businesses. The translation impact of exchange rate fluctuations resulted in a decrease in staff costs of €13 million.

The Group's compensation ratio, which shows total staff costs as a percentage of revenues, was 65.1% as at 30 September 2017 (6m to September 2016: 68.0%). When adjusting for the effects of senior hiring in the US for the advisory business and exchange rates, the ratio decreased from 66.7% to 64.5% as at 30 September 2017.

Overall Group headcount increased to 3,503 as at 30 September 2017 from 3,410 as at 31 March 2017, largely due to new junior staff recruitment, mainly in Global Advisory.

Administrative expenses

For the six months to 30 September 2017, administrative expenses increased by €17 million to €146 million (6m to September 2016: €129 million). Of this, €16 million is due to the inclusion of Martin Maurel, €7 million relates to integration costs in respect of the merger with Martin Maurel group that we consider as an exceptional item (6m to September 2017: €11 million versus 6m to September 2016: €4 million) and a reduction of €3 million in the other businesses. The translation impact of exchange rate fluctuations resulted in a decrease in administrative expenses of €3 million.

Impairment charges and loan provisions

For the six months to 30 September 2017, impairment charges and loan provisions were €4 million, (6m to September 2016: €1 million). Of this amount, €3 million is related to the lending activities and the remainder mainly relates to Global Advisory receivables.

3.3 Other income / (expenses)

For the six months to 30 September 2017, other income and expense, which includes results from equity accounted companies, was a net income of €6 million (6m to September 2016: €5 million).

3.4 Income tax

For the six months to 30 September 2017, the income tax charge was €30 million, comprising a current tax charge of €34 million and a deferred tax credit of €4 million, giving a reported tax rate of 14.4% (6m to September 2016: income tax charge was €27 million giving a reported tax rate of 14.3%).

3.5 Non-controlling interests

For the six months to 30 September 2017, the charge for Non-controlling interests was €88 million (6m to September 2016: €93 million). This mainly comprises interest on perpetual subordinated debt and preferred dividends payable to French partners.

4. Financial structure

The Group continues to maintain a high level of liquidity. At 30 September 2017, cash placed with central banks and banks accounted for 46% of total assets (48% at 31 March 2017). The Group is regulated by the French Prudential and Resolution Authority (ACPR: *Autorité de Contrôle Prudentiel et de Résolution*) as a financial company (*Compagnie Financière*).

The ratios, set out below under full application of the Basel 3 rules, are comfortably ahead of the minimum requirement:

	30/09/2017	31/03/2017	Full Basel 3 minimum with the CCB (Capital Conservation Buffer)
Common Equity Tier 1 ratio	18.7%	18.2%	7.0%
Global solvency ratio	19.5%	19.1%	10.5%

5. Outlook

Overall, we expect in the last quarter (October to December 2017) that business performance will be slightly better than the run rate achieved in the first six months.

In Global Advisory, although market conditions for M&A remain positive, global completed M&A activity has been lower in 2017 compared to last year and this is not expected to change in the short term. Therefore we anticipate our revenue for the nine months to December 2017 to follow a similar year on year trend to that seen in the first six months.

In Private Wealth & Asset Management, Assets under Management should continue to improve subject to financial market conditions, and the Martin Maurel integration will drive further growth in France.

In Merchant Banking, we remain confident that assets under management will continue to increase and to deliver continuing strong results for the nine months to December 2017.

Financial calendar:

- 13 March 2018 — 9 months results to December 2017
- 15 May 2018 — 1st quarter revenue 2018 (January – March)
- 17 May 2018 — Annual General Meeting

For further information:

Investor Relations	Media Relations
Marie-Laure Becquart	Caroline Nico
Tel.: +33 (0)1 40 74 65 26	Tel.: +33 (0)1 40 74 43 44
marie-laure.becquart@rothschild.com	caroline.nico@rothschild.com

For more information, please visit the Group's websites: www.rothschildandco.com, www.rothschild.com

About Rothschild & Co

With a team of c.3,400 talented financial services specialists on the ground in over 40 countries across the world, our integrated global network of trusted professionals provide in-depth market intelligence and effective long-term solutions for our clients in Global Advisory, Private Wealth, Asset Management, and Merchant Banking. Rothschild & Co is family-controlled and independent and has been at the centre of the world's financial markets for over 200 years.

Rothschild & Co is a French partnership limited by shares (*société en commandite par actions*) listed on Euronext in Paris, Compartment A with a share capital of €154,645,024. Paris trade and companies registry 302 519 228. Registered office: 23 bis avenue de Messine, 75008 Paris, France.

A. Performance by business

(in €m)	Global Advisory	Private Wealth & Asset Management	Merchant Banking	Other business and corporate centre	IFRS reconciliation	6m to Sept 2017
Revenues	**492**	**247**	**97**	**20**	**(4)**	**852**
Operating expenses	(431)	(220)	(32)	(28)	63	(648)
Impairments	-	-	-	-	(4)	(4)
Operating income	**61**	**27**	**65**	**(8)**	**55**	**200**
Exceptional charges / (profits)	-	11	-	-	-	11
Operating income without exceptional charges / profit	**61**	**38**	**65**	**(8)**	**55**	**211**
Operating margin (excl. exceptional charges)	*12%*	*15%*	*67%*			*25%*

(in €m)	Global Advisory	Private Wealth & Asset Management	Merchant Banking	Other business and corporate centre	IFRS reconciliation	6m to Sept 2016
Revenues	**537**	**180**	**73**	**16**	**(4)**	**802**
Operating expenses	(466)	(181)	(24)	(30)	82	(619)
Impairments	-	-	-	-	(1)	(1)
Operating income	**71**	**(1)**	**49**	**(14)**	**77**	**182**
Exceptional charges / (profits)	-	4	-	-	-	4
Operating income without exceptional charges / profit	**71**	**3**	**49**	**(14)**	**77**	**186**
Operating margin (excl. exceptional charges)	*13%*	*2%*	*67%*			*23%*

IFRS reconciliation mainly reflects: 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 for defined benefit pension schemes; and reallocation of impairments and certain operating expenses.

B. Exceptional items

(in €m)	6m to Sept 2017			6m to Sept 2016		
	PBT	PATMI	*EPS*	PBT	PATMI	*EPS*
As reported	**206**	**88**	***1.18 €***	**187**	**67**	***0.97 €***
Exceptional item: Martin Maurel integration costs	(11)	(7)	*(0.10) €*	(4)	(3)	*(0.04) €*
Excluding "Exceptionals"	**217**	**95**	***1.28 €***	**191**	**70**	***1.01 €***

The 6 months to September 2016 included US investment costs as exceptional items. Management now considers them as on-going costs; therefore they are excluded from exceptional items. The Net income –Group share for the 6 months to September 2016 has been adjusted for this change from the one published a year ago.

C. FX rates

P&L

Rates	6m to Sept 2017	6m to Sept 2016	*Var*
€ / GBP	0.8786	0.8180	*7%*
€ / CHF	1.1072	1.0925	*1%*
€ / USD	1.1376	1.1230	*1%*

Balance sheet

Rates	30/09/2017	31/03/2017	*Var*
€ / GBP	0.8812	0.8553	*3%*
€ / CHF	1.1439	1.0706	*7%*
€ / USD	1.1822	1.0695	*11%*

D. Quarterly progression of revenue

In €m		9m 2017	2016/2017	Var
Rothschild Global Advisory	1st quarter	225.4	240.3	*(6%)*
	2nd quarter	266.7	296.3	*(10%)*
	Total	**492.1**	**536.6**	***(8%)***
Rothschild Private Wealth & Rothschild Asset Management	1st quarter	126.0	89.4	*+41%*
	2nd quarter	120.9	90.3	*+34%*
	Total	**246.9**	**179.7**	***+37%***
Rothschild Merchant Banking	1st quarter	47.0	55.8	*(15%)*
	2nd quarter	50.0	16.8	*+198%*
	Total	**97.5**	**72.6**	***+34%***
Other businesses and corporate centre	1st quarter	14.0	8.5	*+65%*
	2nd quarter	5.5	9.3	*(41%)*
	Total	**19.5**	**17.8**	***+10%***
IFRS reconciliation	1st quarter	(3.0)	(3.8)	*(21%)*
	2nd quarter	(0.7)	(0.4)	*n/a*
	Total	**(3.7)**	**(4.2)**	***(12%)***
Total Group Revenues	**1st quarter**	**409.9**	**390.2**	***+5%***
	2nd quarter	**442.4**	**412.3**	***+7%***
	Total	**852.3**	**802.5**	***+6%***

E. Summary balance sheet

(in €bn)	30/09/2017	31/03/2017	Var
Cash and amounts due from central banks	3.9	3.9	-
Cash placed with banks	1.6	1.9	*(0.3)*
Loans and advances to customers	3.0	2.9	*0.1*
of which Private client lending	*2.4*	*2.3*	*0.1*
Debt and equity securities	1.9	2.1	*(0.2)*
Other assets	1.4	1.4	-
Total assets	**11.8**	**12.2**	***(0.4)***
Due to customers	7.8	8.1	*(0.3)*
Other liabilities	1.7	1.8	*(0.1)*
Shareholders' equity - Group share	1.8	1.8	-
Non-controlling interests	0.5	0.5	-
Total capital and liabilities	**11.8**	**12.2**	***(0.4)***

The foreign exchange translation effect between 30 September 2017 and 31 March 2017 caused total assets to decrease by €0.4 billion.

F. Global Advisory transactions

Rothschild Global Advisory advised the following clients on notable transactions completed in the six months to 30 September 2017 and recently announced deals.

M&A

- Metro Group, the international wholesale and food retailer, on its demerger into METRO and CECONOMY (€15 billion, Germany)
- Intel, the world leader in the design and manufacturing of computing devices, on its acquisition of Mobileye (US$15.3 billion, United States, Israel)
- Arnault Family Group on its tender offer on minority shareholders of Christian Dior, the luxury fashion brand (€12 billion, France)
- SunEdison, the renewable energy development company, on its sale of a controlling stake in Terraform Power to Brookfield (US$6.6 billion, United States)
- Bain Capital and Cinven on their public takeover offer for STADA, the pharmaceuticals company (€5.4 billion, Germany)
- Vivendi, the media and content group, on its acquisition of Havas Group (€4.1 billion, France)
- SourceHOV, the transaction processing service, on its three-way merger to form Exela Technologies (US$2.8 billion, United States)
- LANXESS, the specialty chemicals company, on its all-cash acquisition of Chemtura (US$2.7 billion, Germany, United States)
- Advent International on its acquisition of Safran Identity & Security, the security technology company, and its combination with Oberthur Technologies (€2.4 billion, France, United States)
- Patron Capital on its disposal of Punch Taverns, the leading operator of pubs in the UK (£1.8 billion, UK)

Financing

- Ultra Petroleum, the independent energy and power company, on its Chapter 11 restructuring (US$6 billion United States)
- Premier Oil, the UK's largest independent oil and gas exploration and production company, on its amending and refinancing of debt facilities (US$3.8 billion, United Kingdom)
- Irish Department of Finance on its privatisation IPO of Allied Irish Banks (€3.4 billion, Ireland)
- Ant Financial, financial services data and technology company, on its debt raising (US$3.5 billion, China)
- Ministry of Finance of Ukraine on its 15-year Eurobond issue and tender offer on outstanding 2019 and 2020 Eurobonds (US$3 billion and US$1.6 billion respectively, Ukraine)
- Greece's Public Debt Management Agency on its bond issue and liability management exercise (€3 billion, €1.5 billion, Greece)
- U.S. Steel Canada, the leading integrated steel producer in Canada, on its restructuring and sale to Bedrock Industries (US$3.3 billion, Canada)
- NLFI, an entity created by the Dutch State, on its three consecutive sales of stakes in a.s.r. totaling c. 50.5% (€2.26 billion, Netherlands)
- Apollo Global Management and Athene, the retirement savings products company, on Athene's secondary offering (US$1.53 billion, United States)
- An ad hoc group of term lenders of Gymboree Corporation, the children's apparel retailer, on its Chapter 11 restructuring (US$1.1 billion, United States)

Announced

- Government of Puerto Rico on its restructuring of financial claims and pension obligations (US$100 billion, United States)
- Essilor, the world's leading ophthalmic lenses company, on its combination with Luxottica (€47 billion, France, Italy)
- Zodiac Aerospace, the aircraft equipment and systems company, on its combination with Safran (€35 billion, France)
- Vodafone Group, the world's largest telecommunications services provider, on the merger of Vodafone India and Idea Cellular (US$23 billion, India, United Kingdom)
- Seadrill, the offshore drilling company, on its Chapter 11 restructuring of Seadrill (US$8.8 billion, Bermuda)
- A.P. Moller-Maersk, the transport and infrastructure company, on its sale of Maersk Oil to Total (US$7.45 billion, Denmark, France)
- PAI and British Columbia Investment Management Corporation on the acquisition of Refresco, the leading independent bottler of soft drinks for retailers (€3.3 billion, Netherlands)
- Codelco, the Chilean state-owned copper mining company, on its dual-tranche issuance and associated liability management exercise (US$2.75 billion, Chile)
- BAWAG Group, the Austrian bank, and its shareholders on its IPO (€1.9 billion, Austria) – transaction completed in October
- ILVA, the Italian steel maker, on its disposal to ArcelorMittal and Marcegaglia (€1.8 billion, Italy, Luxumbourg)
- IP Group, the Intellectual property business, on its combination with Touchstone Innovations, and £200 million equity raise (£1.3 billion, United Kingdom)
- Sorgenia, the Italian electricity and natural gas operator, on its debt restructuring (€1.5 billion, Italy)
- Sasol, the integrated chemicals and energy company, on its Broad Based Black Economic Empowerment transaction (US$1.6 billion, South Africa)
- Ministry of Economy and Finance of Guinea on its term loan facilities (US$1.34 billion, Guinea)

G. Alternative performance measures (APM) - Article 223-1 of the AMF's General Regulation

Alternative Performance Measures	Definition	Reason for use	Reference to the data in the Press release / Investor presentation
Net income – Group share excluding exceptionals	Net income attributable to equity holders excluding exceptional items	To measure Net result Group share of Rothschild & Co excluding exceptional items of a significant amount	In the Press release, please refer to Appendix B.
EPS excluding exceptionals	EPS excluding exceptional items	To measure Earnings per share excluding exceptional items of a significant amount	In the Press release, please refer to Appendix B.
Adjusted compensation ratio	Ratio between adjusted staff costs divided by consolidated Net Banking Income of Rothschild & Co. Adjusted staff costs represent: 1. staff costs accounted in the income statement (which include the effects of accounting for deferred bonuses over the period in which they are earned as opposed to the "awarded" basis) 2. to which must be added the amount of profit share paid to the French partners 3. from which must be deducted redundancy costs, revaluation of share-based employee liabilities and business acquisition costs treated as employee compensation under IFRS - **which gives Total staff costs in calculating the basic compensation ratio** 4. from which the investment costs related to the recruitment of senior bankers in the United States must be deducted, 5. the amount of adjusted staff costs is restated by the exchange rate effect to offset the exchange rate fluctuations from one year to the next one - **which gives the adjusted staff costs for compensation ratio**.	To measure the proportion of Net Banking Income granted to all employees. Key indicator for competitor listed investment banks. Rothschild & Co calculates this ratio with adjustments to give the fairest and closest calculation to the one used by other comparable listed companies.	Please refer: in the Press release to § 3.2 Operating expenses / Staff costs and in the Investor presentation to slide 25
Return on Tangible Equity (ROTE) excluding exceptional items	Ratio between Net income - Group share excluding exceptional items and average tangible equity Group share over the period. Tangible equity corresponds to total equity Group share less intangible assets and goodwill. Average tangible equity over the period equal to the average between tangible equity as at 31 March 2017 and tangible equity as at 30 September 2017	To measure the overall profitability of Rothschild & Co excluding exceptional items on the equity capital in the business	In the Investor presentation release, please refer to slides 36 and 37
Business Operating margin	Each business Operating margin is calculated by dividing Profit before tax relative to revenue, business by business. It excludes exceptional items.	To measure business' profitability	Please refer to § 2.
Return on Risk Adjusted Capital (RORAC)	Ratio of an adjusted profit before tax divided by an internal measure of risk adjusted capital deployed in the business on a rolling 3 years basis. The estimated amount of capital and debt which management believes would be reasonable to fund the Merchant Banking business is consistent with its cautious approach to risk management. Based on the mix of its investment portfolio as of the reporting dates, management believes that this "risk-adjusted capital" (RAC) amounts to c. 70% of its net asset value and that the remainder could be funded by debt. This is based on 80% of equity exposures, 50% of junior credit exposures, 40% of CLO exposures in vertical strips and 33% of senior credit exposures being funded with capital. To calculate the RORAC, RMB profit before tax is adjusted by the cost of interest for the amount of notional debt (computed as per the above) and applying a margin (2.5% as at 30 September 2017) to give an adjusted profit before tax which when divided by the RAC gives the RORAC %. RORAC is based on a 3 year rolling period to account for the inevitable volatility in the financial results of RMB due to the timing of realisations and recognition of performance-based incentives such as carried interest.	To measure the performance of the Rothschild Merchant Banking business	In the Investor presentation release, please refer to slides 36 and 37