

# Financial information

## 1<sup>st</sup> quarter

2012/2013

### Group net banking income by activity

in €m	FY 2012/2013 1 <sup>st</sup> quarter	FY 2011/2012 1 <sup>st</sup> quarter
Global Financial Advisory and Specialist Finance	142.9	212.5
Wealth Management and Asset Management	73.3	79.5
Investment Activities	35.1	15.2
<b>Group Total</b>	<b>251.3</b>	<b>307.2</b>

*Net banking income is presented for each of the Group's core businesses: Global Financial Advisory and Specialist Finance, Wealth Management and Asset Management, and Investment Activities.*

### **Global Financial Advisory and Specialist Finance**

Income from our Global Financial Advisory and Specialist Finance businesses for the first quarter of 2012/13 was down 33% compared to the same quarter in the prior year due to a combination of lower market activity and the timing of transaction completions.

In M&A, Rothschild advised on a number of large, complex transactions completing in the quarter. In Debt Advisory and Restructuring, we continue to have strong deal flow. In Equity Advisory, despite difficult markets, the business continues to benefit from, and act as, a feeder for the rest of Global Financial Advisory.

Whilst the uncertain global economic climate is affecting activity levels across the industry, we believe that our approach of providing impartial, creative and long term ideas and advice to clients across a range of products and industry sectors, coupled with our global franchise, positions us well going forward.

### ***Wealth Management and Asset Management***

At the end of June 2012, assets under management of the Group amounted to €36.6 billion against €37.1 billion at the end of March 2012.

Revenues for the first quarter of 2012/13 reduced compared to the same quarter in the prior year due to difficult market conditions.

Looking ahead, we continue to expect to successfully convert the asset pipeline into positive net client inflows over the course of the year, mainly on the Wealth Management side of the business, although increasing taxes and low investment returns are adversely affecting clients' willingness to invest.

Furthermore, the recently announced merger of Rothschild & Cie Gestion and HDF Finance multi-management activities, to form Rothschild HDF Investment Solutions, is expected to benefit the Group's performance in the longer term.

### ***Investment Activities***

Investment Activities generated net banking income of €35.1 million over the quarter. The increase compared to the same period in 2011/12 of €19.9 million is largely due to higher dividend income from investments and capital gains on asset disposals.

The outlook for our proprietary private equity activity remains encouraging, particularly in emerging markets. However, given the increasingly difficult economic conditions we do not believe that the disposals and capital gains generated in the first quarter will be representative of the full-year position.

Investments made by our merchant banking funds continue to grow. Fund raising for the Five Arrows Secondary Opportunities III fund successfully completed in July 2012, reaching a total commitment of €259 million, higher than the initial target of €200 million.

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**About Paris Orléans, the parent company of the Rothschild group**

Paris Orléans operates in three areas:

- *Global Financial Advisory provides advisory services for mergers and acquisitions, debt financing and restructuring, and equity capital markets;*
- *Wealth Management and Asset Management, including institutional asset management;*
- *Investment Activities comprise proprietary investments and merchant banking funds*

*Paris Orléans SCA is a French partnership limited by shares (société en commandite par actions) with a share capital of €141,806,058, Paris business and companies registry number 302 519 228 and registered office at 23 bis avenue de Messine, 75008 Paris, France.*

*Paris Orléans is listed on NYSE Euronext in Paris, Compartment B.*

*Main share*

*ISIN Code: FR0000031684*

*MNEMO: PAOR*

*Secondary share*

*ISIN Code: FR0011267830*

*MNEMO: PAONV*

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**Financial calendar**

- 27 September 2012: Annual General Meeting of shareholders
- 30 November 2012: Results for the six months to 30 September 2012