



Press release

Paris, 29 June 2018

Rothschild & Co and Edmond de Rothschild announce the signing of an overall agreement

In keeping with the family values, "Concordia, Industria and Integritas", Rothschild & Co and Edmond de Rothschild have reached an agreement on the use of their respective brands in order to continue growing their businesses and their customers.

As part of this agreement, the Edmond de Rothschild Group will continue to develop its business under the Edmond de Rothschild brand. The Rothschild & Co Group will use the name Rothschild & Co, adopted as a company name since 2015. Rothschild Martin Maurel will be used to identify the private banking and asset management activities of Rothschild & Co from France, Belgium and Monaco. Neither group may use the name Rothschild on its own in any form whatsoever in the future.

The two groups have also agreed to work together to protect the family name in the banking sector. They are thereby putting a definitive end to the litigation between them, before the *Tribunal de Grande Instance* in Paris.

In addition, the two groups will unwind all of their cross-shareholdings. These mainly include: 8.4% of the capital of Edmond de Rothschild held by Rothschild Holding AG (Rothschild & Co's holding company in Switzerland), 9.5% of the capital of Rothschild Holding AG held by Edmond de Rothschild and 5.7% of the capital of Rothschild & Co held by Edmond de Rothschild.

As a result of this unwinding, Edmond de Rothschild will deliver 1.9 million Rothschild & Co shares to Rothschild Holding AG as settlement for the difference in value in respect of the investments in Edmond de Rothschild and in Rothschild Holding AG. Rothschild & Co, for its part, will purchase from Edmond de Rothschild all of the remaining 2.5 million Rothschild & Co shares in its possession for €75 million in cash. The Edmond de Rothschild and Rothschild & Co shares are valued on the basis of their market values (respectively CHF 17,000 and € 30). Finally, transactions (of immaterial amounts) relating to other minority interests will be settled in cash.

Overall, Rothschild & Co and Rothschild Holding AG will acquire 4.4m of Rothschild & Co's own shares. These shares will be held over the coming three to four years to finance future share options under the equity scheme and the remuneration of certain Rothschild & Co employees in accordance with the regulations and will result, in the short term, in a mild accretion to EPS.

As an illustration, in respect of the Group's CET 1 ratio, the pro forma impact as at December 2017 would be to reduce this from 18.7% to 17.3%. The shares purchased, however, would be reissued as described above and would contribute, together with retained profits, to the improvement of the CET1 ratio.

The cash required to finance this transaction will come from existing resources.

The transactions will be completed subject to the usual regulatory conditions, and a waiver from the French stock market authority (*Autorité des Marchés Financiers* (AMF)), based on article 234-9 6° of the AMF General Regulations, due to the increase of percentage of voting rights of Rothschild Concordia SAS, a member of the family concert.

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About Rothschild & Co

With a team of c.3,500 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 €154,895,024. Paris trade and companies registry 302 519 228. Registered office: 23 bis avenue de Messine, 75008 Paris, France.