



STABLE 2019 RESULTS AND A SOLID BALANCE SHEET

- ▶ Client assets up by 3% to CHF 173 billion
- ▶ Our real assets platform reached CHF 16 billion in assets under management at end-2019, illustrating our conviction-driven investment house strategy.
- ▶ Stable gross operating income of CHF 131 million
- ▶ Net consolidated earnings of CHF 44 million
- ▶ First-rate financial strength with a solvency ratio of nearly 23% and excess equity of nearly CHF 650 million.

Following the delisting of Edmond de Rothschild (Suisse) S.A. and the simplification of its legal structure in 2019, the data below includes the results of Edmond de Rothschild (France) as of 1 September 2019.

Assets managed by the Group reached CHF 173 billion at the end of 2019, up 3% compared to the same period the previous year, reflecting the evolution of the financial markets. Edmond de Rothschild (Suisse) S.A. experienced an outflow of CHF 2.4 billion, primarily from overlay and equities lines, over the same period. For its part, the private banking business experienced net positive inflow and the real assets platform grew significantly to exceed 16 billion in assets under management at the end of 2019. In this respect, the latest fund raising from international investors in the infrastructure debt strategy, BRIDGE, brought the amounts under management to CHF 2.8 billion. Regarding Private Equity, the SMART Estate strategy, which repositions obsolete buildings by capitalising on new trends, was a great success with private clients, while the real estate platform, Edmond de Rothschild REIM, continued to expand and diversify, reaching CHF 11.4 billion.

In addition, the Group's assets managed according to responsible investment principles continued to grow and reached CHF 10.7 billion at the end of 2019:

- › 95% of assets in private equity strategies are managed based on responsible investment criteria. The goal is to reach 100% in 2020;
- › One of the infrastructure debt strategies has received the GreenFin label;
- › Three collective investment funds have been awarded a Socially Responsible Investment label: one equities fund, one credit fund and one convertibles fund, which is the first French fund in this asset class to receive this type of label.
- › 1.7 billion in two listed property funds are also managed based on SRI principles

The quality of Edmond de Rothschild's management strategies was again recognised with the Best Fund over 3 and 5 years award for EdR Fund Emerging Credit given by Thomson Reuters Lipper Fund (Europe, France, Switzerland, Austria, UK, Germany, Netherlands).

At CHF 784 million, revenue increased by 13% compared to last year. Excluding changes in the scope of consolidation, revenue was down compared to the 2018 financial year (-4%). The strategic directions implemented over the past years have ensured revenue levels and absorbed the refocusing on our target clientele, growing risk aversion of clients and decreasing activity in the exchange markets.

Expenses increased by 14% in 2019 due to the integration of Edmond de Rothschild (France). Excluding this change in the scope of consolidation, expenses were down nearly 5% thanks to careful management of personnel expenses and of other operating expenses to focus our investments on our growth areas.

Overall, gross operating income was CHF 131 million, up by nearly 10%. Gross operating income is stable at constant scope.

Net consolidated profit reached CHF 43.9 millions for 2019. It was CHF 222 million in 2018 taking into account very high exceptional items resulting from property sale and leaseback transactions in Switzerland and the disposal of the holdings in Rothschild & Co.

An annual dividend of CHF 50 million will be proposed to the General Meeting.

The Edmond de Rothschild Group continues to benefit from a solid balance sheet which, combined with conservative risk management, enabled a consolidated solvency ratio of nearly 23% at the end of December 2019, a level significantly above the legal minimum (12%) and reflecting excess equity of nearly CHF 650 million.

“Our asset management business suffered from a lack of investors’ interest in equities and overlay lines in 2019. The strength of private banking inflow in all territories and the strong growth of our real assets’ strategies confirmed the relevance of our strategy. We were able to pursue our efforts over the period to increase our agility while remaining focused on meeting the needs of our institutional and private clients. The current environment requires greater care. We have mobilised to guarantee the health of our employees, the continuity of our business activities and service to our clients”, stated Vincent Taupin, Chief Executive Officer of the Edmond de Rothschild Group.

Ariane de Rothschild, Chairwoman of the board of directors of the Edmond de Rothschild Group, added that: *“in a profoundly changing industry, we are convinced of the relevance of our positioning and we are determined to make investment a vector for change while providing our clients with innovative products and solutions. Our great financial strength gives us the freedom we need to invest in our model and grow through acquisitions”.*

ABOUT EDMOND DE ROTHSCHILD GROUP

As a conviction-driven investment house founded on the belief that wealth should be used to build the world of tomorrow, Edmond de Rothschild specialises in Private Banking and Asset Management and caters to an international clientèle of families, entrepreneurs and institutional investors. The group is also active in Corporate Finance, Private Equity, Real Estate and Fund Services.

Its resolutely family-run nature gives Edmond de Rothschild the independence necessary to offer bold strategies and long-term investments, rooted in the real economy.

Created in 1953, the Group now has CHF 173 billion in assets under management, 2,700 employees and 32 locations worldwide.

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