



PRESS RELEASE

7 March 2018

CONSOLIDATED NET INCOME OF EDMOND DE ROTHSCHILD (SUISSE) S.A. ON 31.12.2017: 30% NET INCOME GROWTH, ON A PROFORMA BASIS

Results that confirm the strength of our model:

- **Consolidated net profit up to CHF 76 million, up nearly 30%, on a proforma basis (excluding Edmond de Rothschild Bahamas in 2016, a published 20% increase).**
- **Gross operating income rose 12% and cost income ratio improved by almost 2 points, on a proforma basis.**
- **Client assets peak at an all-time high of CHF 137.4 billion.**
- **Strong financial position with a solvency ratio of 28%, which is well above the legal minimum of 12%, and a capital surplus of almost CHF 630 million.**
- **A proposed dividend of CHF 75 million, up 11%.**

“Our financial results demonstrate the relevance of our strategy: to make Edmond de Rothschild into a distinct, conviction-driven investment house, refocused and attractive to investors who value our distinctiveness and the unique character of our know-how. I am proud of the work our teams have accomplished. We are sounder than ever and driven by a spirit of conquest”, says Ariane de Rothschild, Chairman of the Group’s Executive Committee.

Edmond de Rothschild (Suisse) S.A. has embarked upon an ambitious transformation plan that is based on :

- Focusing on segments of the relevant markets where we have critical mass.
- Reinforcing of our distinctiveness and strong investment beliefs around our House View. Our SRI (Socially Responsible Investment) open-ended funds, Credit and European Equities, were notable in 2017 for the quality of their performance. Our expertise in infrastructure debt was awarded in

PRESS CONTACT:

EDMOND DE ROTHSCHILD (SUISSE) S.A.
Stefania Mercuri
F. +41 58 818 98 72
M. +41 75 434 98 56
s.mercuri@edr.com



2017 at the “European Pension Awards” in the category “Infrastructure Manager of the Year”. In 2017, Edmond de Rothschild added to its range of specialised expertise, particularly in real estate through the acquisition of Cording - enabling the Group to exceed CHF 8.5 billion in assets under management in the Real Estate range.

- Accelerating the convergence between our businesses, our expertise and our platforms in order to better service our clients.
- In-depth work on our brand rewarded by the “Wealth Briefing Swiss Awards” in February 2018.

Revenues of Edmond de Rothschild (Suisse) S.A. increased by +2.2% on a proforma basis (+0.5% for the published figures).

- Assets reached a record high of CHF 137.4 billion and increased by 16%, driven in particular by the growth in assets under management, the complete integration of the activities of Edmond de Rothschild Asset Management (Suisse) S.A. as of 30 September 2017 and a market effect of +11%. Lastly, refocusing the Group’s client-base and on its priority markets had a CHF 2.5 billion negative impact on assets under management.
- The quality of its fund management was acclaimed once again in 2017.
 - The Edmond de Rothschild Fund Emerging Credit fund has been recognised as the best Swiss and European fund in the Bonds Emerging Markets Global Corporates category (by Thomson Reuters Lipper).
 - Two of our funds were awarded five stars by Morningstar: the diversified Edmond de Rothschild Fund Income Europe and the Edmond de Rothschild Fund Emerging Credit.
 - The Edmond de Rothschild Fund Convertible Europe All Caps fund won the 2017 Management Globe in France.
- The partnerships established in Asia and Latin America witnessed a strong year of development.

In this context of significant transformation and investment, expenses were stable (-0.9% +0.0% proforma basis) and amounted to CHF 530 million.

- 2017 was marked by the launch of a new banking platform in Switzerland, in partnership with ASSL. This migration is the cornerstone of the evolution of our private banking operating model that will continue by being rolled out to other entities of Edmond de Rothschild (Suisse) S.A.
- The number of employees reached 1,796 by the end of 2017, up more than 1%, confirming the attractiveness of Edmond de Rothschild (Suisse) S.A. to talents across all our markets.
- A sale and leaseback transaction on Swiss real estate, in anticipation of the Group’s long-term needs, was announced in December 2017 and finalised in February 2018.

Gross operating income amounted to CHF 128.4 million, up 12% on a proforma basis, with an improvement in the operating ratio of almost 2 points compared to 2016. Consolidated net profit at CHF 76 million is up nearly 30% on a proforma basis and a dividend of CHF 75 million will be proposed at the Annual General Meeting, up 11%.

Edmond de Rothschild (Suisse) S.A. continues to benefit from a solid and liquid balance sheet which, combined with conservative risk management, enables a consolidated solvency ratio of 28% at the end of

PRESS CONTACT:

EDMOND DE ROTHSCHILD (SUISSE) S.A.
Stefania Mercuri
F. +41 58 818 98 72
M. +41 75 434 98 56
s.mercuri@edr.com



December 2017, well above the legal minimum (12%), reflecting a capital surplus of nearly CHF 630 million.

Emmanuel Fiévet, Chief Executive Officer of Edmond de Rothschild (Suisse) S.A., says: *“Our 2017 results reflect the dynamism and commitment of all our teams to the transformation of Edmond de Rothschild (Suisse) S.A. We focused on improving our offering, strengthening our client services and the efficiency of our business model. In a volatile, complex and uncertain environment, the importance of personal relationships, convictions and the value of impartial and independent advice have never been more relevant. Delivering the values of the Edmond de Rothschild group to our clients is what drives our teams every day. Our financial strength, and the commitment and long-term vision of our family shareholder, ensure that we will continue to differentiate ourselves and therefore better serve our clients.”*

GOVERNANCE

During the meeting of 7 March 2018, the Board of Directors of Edmond de Rothschild (Suisse) S.A., Luc Argand announced his decision not to renew his term of office, which will expire at the next General Meeting on 24 April 2018. He will remain a member of the Board of Directors of Edmond de Rothschild Holding. Benjamin and Ariane de Rothschild would like to thank Luc Argand for his commitment during this time.

The Board of Directors will propose the appointment of François Pauly, during the General Meeting. He is currently a Director and Vice-Chairman of the Board of Directors of Edmond de Rothschild (Europe), as well as Director of Edmond de Rothschild Holding.

Emanuela Bonadiman, Head of Human Resources at Edmond de Rothschild (Suisse) S.A. and at Edmond de Rothschild Group and Member of the Executive Committee of these entities, has decided to leave the Group for personal reasons. We thank her for her contribution and wish her every professional and personal success in the future. *Ad interim* Cynthia Tobiano will assume the supervision of the Human Resources teams.

2018 FORECAST

In this highly volatile geopolitical, economic and stock market environment, prudence remains the order of the day in 2018. We must remain vigilant and continue to adapt to this constantly changing context.

We will continue the modernisation of our platform, as well as the deployment of our strategy of convergence between our businesses to capitalise on our expertise and our know-how.

PRESS CONTACT:

EDMOND DE ROTHSCHILD (SUISSE) S.A.
Stefania Mercuri
F. +41 58 818 98 72
M. +41 75 434 98 56
s.mercuri@edr.com



About the Edmond de Rothschild group

Edmond de Rothschild is an ambitious, independent family-run investment house which specialises in private banking and asset management based on the idea that wealth should be used to create tomorrow's world. In all its activities, the Group focuses on bold strategies and long-term investments which are rooted in the real economy – infrastructure, healthcare, biotechnology and impact investing. Founded in 1953, the Group has been managed since 2015 by Baroness Ariane de Rothschild as President of the Executive Committee. The Group's Swiss hub is spearheaded by Edmond de Rothschild (Suisse) S.A., a publicly traded Swiss company. The Group has CHF 182 billion in assets under management, 2,600 employees and 27 sites worldwide as of 31 December 2017. It is also active in corporate finance, private equity and fund administration.

PRESS CONTACT:

EDMOND DE ROTHSCHILD (SUISSE) S.A.
Stefania Mercuri
F. +41 58 818 98 72
M. +41 75 434 98 56
s.mercuri@edr.com