PARIS ORLÉANS

Release *Paris, 25 November 2014*

Half year results

2014/2015

Strong first half year performance across our core businesses

- Strong overall revenue for the first half year: €673 million compared to €493 million in first half year 2013/2014
  - Global Financial Advisory revenue up 38% compared to the same period in the prior year. M&A revenue up 26% and Financing advisory revenue up 64%
  - Wealth & Asset Management revenue increased by 8% driven by a rise of assets under management. Thanks to positive markets (€3.4 billion) and a good net inflow (€2.1 billion), assets under management rose by 14% to €45.2 billion compared to the first half year of 2013/2014
  - Merchant Banking revenues increased significantly to €88 million due to higher investment profits and dividends
- Significant improvement in operating income: €147 million compared to €52 million in first half year 2013/2014
- Net income - Group share of €79 million compared to a loss of €13 million in first half year 2013/2014
- Earnings per share of €1.15 for the first six months 2014/2015 versus a loss per share of €0.19 in first half year 2013/2014

"We are pleased with the Group's results in the first half year of 2014/2015" stated Nigel Higgins and Oliver Pécoux, Co-Chief Executive Officers of the Group. *"We saw solid overall revenue growth in the first half year and significant improvements in our Global Financial Advisory and Merchant Banking businesses.*

These very good results reflect higher than normal levels of realisations in Merchant Banking which means that we expect the second half year results to be less favourable than in the first half. More generally, we note the uncertain economic conditions in which we operate, but as a Group we are well placed to manage the volatility in our markets and to deliver sustainable performance in the long term."

PARIS ORLÉANS

Summary Income Statement

(in €m)	Page	2013/2014 6 months	2014/2015 6 months	*Var*	*Var %*
Revenues	**3 - 6**	**493**	**673**	***180***	***37%***
Staff costs	6	(314)	(382)	*(68)*	*(22)%*
Administrative expenses	6	(111)	(116)	*(5)*	*(5)%*
Depreciation and amortisation		(17)	(18)	*(1)*	*(6)%*
Impairments	6	1	(10)	*(11)*	*n/a*
Operating Income		**52**	**147**	***95***	***183%***
Other income / expense (net)	6	4	29	*25*	*625%*
Impairment of EDR (Suisse)		(22)	(3)	*19*	*85%*
Profit before tax		**34**	**173**	***139***	***408%***
Income tax	6	(23)	(36)	*(13)*	*(57)%*
Consolidated net income		**11**	**137**	***126***	***n/a***
Non-controlling interests	6	(24)	(58)	*(34)*	*(142)%*
Net income - Group share		**(13)**	**79**	***92***	***708%***
Earnings per share		*(0.19€)*	*1.15€*		

The Supervisory Board of Paris Orléans SCA met on 25 November 2014 to review the consolidated financial statements for the half year from 1 April 2014 to 30 September 2014; these accounts had been previously approved by PO Gestion SAS, Managing Partner of Paris Orléans.

Business activities

We have two main activities within our Group: Global Financial Advisory which focuses on providing advice in the areas of M&A, debt, restructuring and equity; and Asset Management in a broad sense which comprises Wealth & Asset Management and Merchant Banking. In addition, we have a Banking & Asset Finance business which predominantly relates to the legacy banking business.

Global Financial Advisory

Global Financial Advisory revenue was €412.9 million, up 38% compared to the same period in the prior year. This represents our best first half year since the financial crisis. In comparison, for the six months to September 2014, global completed M&A deal values were up 10% and global completed deal numbers were down 3% compared to the same period in the prior year[1].

M&A advisory revenue was €257.4 million and Financing advisory revenue was €155.5 million for the 6 months to September 2014, compared to €204.6 million and €95.0 million respectively for the same period in the prior year. Revenue performance was particularly strong in our European businesses. We saw significant improvements across all product areas.

In M&A advisory, we remained among the lead advisers by volume, ranking 5th globally by number of completed deals[2]. In Europe we continue to be the market leader, advising on more deals than any of our competitors – a position we have held for more than a decade[2]. We advised on many of the most high-profile transactions to complete during the six months to September 2014, reflecting our integrated global model which provides us with a competitive advantage with regards to complex cross-border transactions.

In Financing advisory, during the six months to September 2014 we advised on 19 IPOs including the largest IPO in history, and continued to advise on more European equity assignments than any other independent adviser[3]. We also continue to be highly active in large and complex debt advisory and restructuring situations.

For further examples of Rothschild's advisory assignments, please refer to Appendix 2.

Wealth and Asset Management

Wealth & Asset Management increased revenue by 8% to €155.5 million during the first six months of 2014/2015 compared to the same period last year (€143.7 million). This growth was mostly driven by a rise in assets under management.

Assets under management increased by 14% to €45.2 billion as at 30 September 2014 (€39.7 billion as at 30 September 2013) due to net inflows of €2.1 billion and market appreciation of €3.4 billion. The net inflows were driven by Wealth Management largely in the UK and by Asset Management in France.

Our European onshore Wealth Management business is growing in terms of assets under management and revenues, with strong asset inflows, combined with positive market performance. The recovery in equity markets had a positive impact on assets under management, as clients became more active.

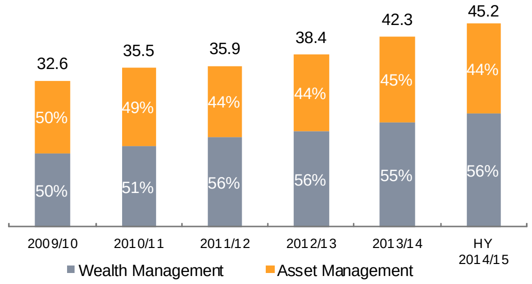
Continuing pressures on our businesses, including those from increased regulation, have not changed our previously announced strategic focus of developing a more systematic approach to winning new clients as well as strengthening our organisation. Investments have been made in London in the Investment team and in Paris and Brussels in the Commercial teams. The pipeline for new assets remains strong.

Our institutional Asset Management business is seeing the first benefits of the past investment in European developments.

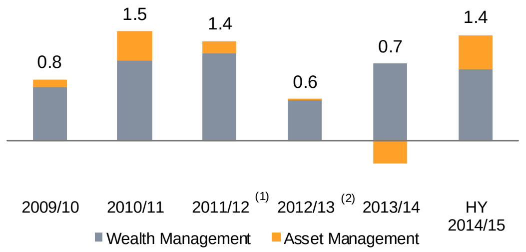
---

[1] Source : Thomson Reuters
[2] Source : Thomson Reuters, completed basis in the 6 months to September 2014 excludes accounting firms
[3] Source : Dealogic

Assets under Management (in €bn)



Net new assets (in €bn)



(1) 2011/12: net new assets exclude the outflow of €1.5 billion of assets under management linked to the partial sale of Sélection R in France.

(2) 2012/13: net new assets include the inflow of €0.8 billion of assets under management linked to the merger with HDF Finance in France

Merchant Banking

Merchant Banking recorded excellent revenues of €87.5 million during the first six months to September 2014, (€26.0 million in the same period last year). The period-on-period increase is largely attributable to the profit made by Paris Orléans Proprietary Investments on the sale of several of its investments including Beaugrenelle (the Parisian shopping mall) in April 2014 and Fircosoft (the Paris-based global sanctions screening software group) in September 2014.

Merchant Banking revenues break down as follows:

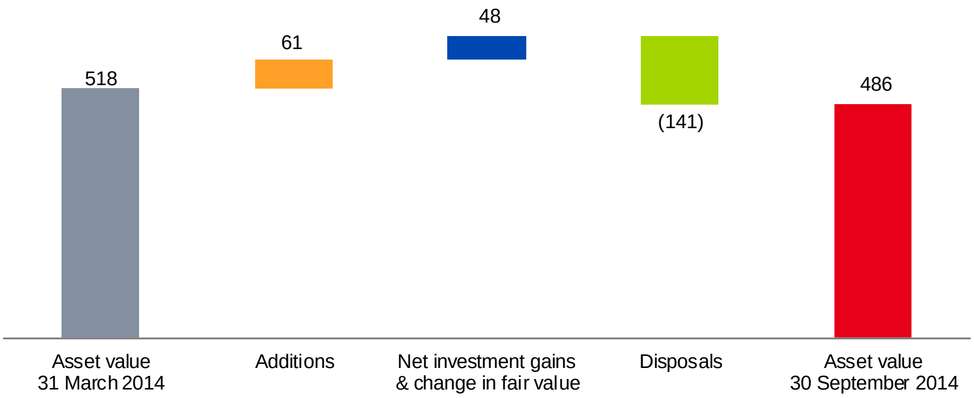
- €15.6 million of management fees (€16.6 million for six months to September 2013),
- €60.8 million of net investment gains (€2.8 million for six months to September 2013),
- €11.4 million of other investment income, including interest and dividends (€9.8 million for six months to September 2013);
- less €0.3 million of provisions (€3.2 million for six months to September 2013).

During the first six months to September 2014, the division invested €61 million, of which €45 million was in equity and debt funds managed by Merchant Banking and €16 million was in Paris Orléans proprietary investments. Disposals generated proceeds of €141 million.

Merchant Banking asset value of Group's private equity assets

	31/03/2013	**30/09/2013**	**31/03/2014**	**30/09/2014**
Managed private funds	116	139	158	173
Paris Orléans Proprietary investments & other	348	326	360	313
Total gross assets	**464**	**465**	**518**	**486**

Changes in the asset value over six months (in €m)



Oberon II, the senior debt fund successor to Oberon I (which raised €200 million of capital) held its first close in September 2014 with €173 million of capital and completed a second closing, raising a further €60 million at the end of October 2014. It expects to hold a final close in early 2015 at around €300 million of capital. Contego II, the successor CLO to Contego has raised €360 million.

The success of the deployment of the first fund FAPI ("Five Arrows Principal Investments"), combined with a strong current exit pipeline, has allowed the team to start the process of launching its successor fund FAPI II. FAPI II will continue to build on the successful investment strategy of FAPI, chasing successful mid-market companies across Europe able to deliver resilient growth and strong cash flows.

Banking & Asset Finance

The legacy banking book continues to reduce in line with our plans to exit the corporate lending business. Legacy drawings fell to €302 million as at 30 September 2014, down from €470 million as at 30 September 2013 (€396 million as at 31 March 2014).

Operating expenses

Staff costs

For the six months ended 30 September 2014, staff costs were €382 million compared to €314 million for the same period in the prior year. Overall Group headcount was up from 2,776 as at 30 September 2013 to 2,857 as at 30 September 2014.The staff costs increase of €68 million is largely due to higher variable staff compensation in connection with stronger revenues in Global Financial Advisory.

Administrative expenses

For the first six months to September 2014, administrative expenses were €116 million compared to €111 million for the same period in 2013/2014. The increase is largely due to FX exchange rate effects (£ / € especially) and various IT project investments.

Impairment charges and loan provisions

For the first six months to September 2014, impairment charges and loan provisions were €10 million compared to almost nil for the same period in 2013/2014. Of this amount, €3 million are related to the legacy banking book, the remainder largely relates to Global Financial Advisory receivables and Merchant Banking impairments on specific debt investments.

Other income / expense

For the first six months to September 2014, other income and expense was €29 million compared to €4 million for the same period in 2013/2014. The increase is largely attributable to the profit made by Paris Orléans Proprietary Investments on the sale of Fircosoft in September 2014 (the Paris-based global sanctions screening software group).

Income taxes

For the six months ended 30 September 2014, the income tax charge was €36 million, made up of a current tax charge of €32 million and deferred tax charge of €4 million, giving a reported tax rate of 20.8%. The effective tax rate would have been 19.8% without the Edmond de Rothschild (Suisse) impairment and amounts relating to prior year.

Non-controlling interests

For the six months ended 30 September 2014, the charge for Non-controlling interests was €58 million compared to €24 million for the same period in 2013/2014. The increase is largely due to higher partners' profit share in France in connection with much higher profitability in the French operations.

Liquidity – Capital

The Group continues to maintain a high level of liquidity. At 30 September 2014, cash placed with central banks and banks accounted for 57% of total assets (54% at March 2014).

Shareholders' equity, excluding Non-controlling interests, increased from €1,269 million as at 31 March 2014 to €1,317 million as at 30 September 2014, mainly due to the profit for the half year (€79 million) less dividends payable (€36 million).

Group solvency ratio

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:

	31/03/2014	30/09/2014	Full Basel 3 minimum with the CCB [1]
Core Tier 1 = Tier 1 ratio	15.9%	16.1%	8.5%
Global solvency ratio	18.3%	18.5%	10.5%

1 : CCB = Capital Conservation Buffer

Source: PO - unaudited figures

Outlook

The M&A market was relatively strong in the first half of the financial year. Although we expect revenues to continue to benefit from the good momentum in the second half year of 2014/2015, they are likely to be at a lower level than in the first half year. Continuing economic uncertainty makes it difficult to predict the medium term outlook for M&A.

Our Merchant Banking business will continue to capitalise on future opportunities to invest and to dispose of assets. However disposal profits in second half year of 2014/2015 will not be at the exceptional levels seen in the first-half year.

We remain focused on our priorities of improving profitability, cost discipline and capturing the synergies between our three core businesses. The Group's stable, long-term shareholding structure, its solid financial position and the quality of its people will allow it to continue to develop. Because of this, the Group remains confident in its ability to deliver stronger returns to shareholders in the longer term.

Appendix 1: Quarterly progression of revenues

In €m		2013/2014	2014/2015	*Var %*
Global Financial Advisory	1st quarter	141.6	216.2	*+53%*
	2nd quarter	158.0	196.7	*+24%*
	YTD	**299.6**	**412.9**	***+38%***
Asset Management [1]	1st quarter	82.9	114.4	*+38%*
	2nd quarter	86.8	128.6	*+48%*
	YTD	**169.7**	**243.0**	***+43%***
Other [2]	1st quarter	13.3	16.7	*+26%*
	2nd quarter	12.7	12.2	*-4%*
	YTD	**26.0**	**28.9**	***+11%***
Statutory adjustments	1st quarter	(0.6)	-	*n/a*
	2nd quarter	(1.8)	(11.5)	*n/a*
	YTD	**(2.4)**	**(11.5)**	***n/a***
Total Group Revenues	**1st quarter**	**237.2**	**347.3**	***+46%***
	2nd quarter	**255.7**	**326.0**	***+27%***
	YTD	**492.9**	**673.3**	***+37%***

[1] Asset Management comprises Wealth & Asset Management and Merchant Banking business

[2] Other comprises Central cost, legacy businesses, including Banking & Asset Finance, and other

Appendix 2: Global Financial Advisory track record

Major transactions completed in the six months to 30 September 2014

Rothschild advised the following clients:

M&A and strategic advisory

- Westfield, owner of one of the world's largest shopping centre portfolios, on the separation of its international business (US$18 billion) and simultaneous merger of its Australian / New Zealand business with Westfield Retail Trust (A$29 billion, Australia)
- Volkswagen, the leading automobile manufacturer, on its public tender offer to Scania's minority shareholders (€6.7 billion, Germany and Sweden)
- Nestlé, world leader in nutrition, health and well-being, on its disposal to L'Oréal of an 8.0% stake in L'Oréal (€6.0 billion) in exchange for 50% stake in Galderma and cash (€3.4 billion, Switzerland and France)
- Rumo Logística, the Brazilian logistics service company, on its merger with América Latina Logística (US$4.7 billion, Brazil)
- PSA Peugeot Citroën, the global car manufacturer, on the strengthening of industrial partnership with Dongfeng Motor, capital increase (€3.0 billion), and renewal of its revolving credit facility (€2.7 billion, France and China)
- Rolls Royce, a world-leading provider of power systems and services, on its acquisition of a 50% stake in Rolls-Royce Power Systems (Tognum) from Daimler (€2.4 billion, United Kingdom and Germany)
- Woolworths, a South African-based retail group, on its cross-border acquisition of David Jones, including debt, equity and hedging advice (A$2.1 billion, South Africa and Australia)
- AZ Electronic Materials, the UK-listed producer of specialty chemical materials for the electronics market, on the recommended cash offer by Merck (£1.6 billion, United Kingdom and Germany)
- Shuanghui International, global leader in animal protein, on its revised tender offer for Campofrio in conjunction with Sigma Alimentos (€1.1 billion, China and Spain)

Financing advisory

- Alibaba, the largest online and mobile commerce company in the world, on its IPO on the New York Stock Exchange (US$25 billion, China and United States)
- United Company RUSAL, a leading global aluminium producer, on the amend and extend of its Pre-Export Financing facilities (US$5.2 billion, Russia)
- Al Jaber, the diversified Middle Eastern conglomerate, on its debt restructuring (US$4.5 billion)
- Shell, a global group of energy and petrochemical companies, on its underwritten block trade of a 9.5% stake in Woodside (A$3.2 billion, United Kingdom and Australia)
- Punch Taverns (adviser to Association of British Insurers), a leading leased pub company in the UK, on its restructuring (£2.6 billion, United Kingdom)
- KGHM, a leading global copper and silver producer, on its revolving credit facility with a club of 19 banks (US$2.5 billion, Poland)
- Rede Energia, the Brazilian electricity distribution concessions investor, on its debt restructuring (US$2.3 billion) and sale to Energisa (Brazil)

- Grupo BFA / Bankia, the Spanish commercial bank, on the sell-down of its 4.9% stake in Iberdrola (€1.5 billion, Spain)
- WM Morrison, the UK's fourth largest food retailer, on the refinancing of its existing revolving credit facility (£1.3 billion, United Kingdom)
- Applus Services, the Spanish business services Group, and The Carlyle Group on the IPO of Applus on the Madrid Stock Exchange (€1.2 billion, Spain)

Financial calendar

- 12 February 2015 after market close — Financial information for the third quarter of FY 2014/2015
- 24 June 2015 after market close — Financial year 2014/2015 results

About Paris Orléans, the parent company of the Rothschild Group

Paris Orléans operates in the following areas:

- *Global Financial Advisory provides advisory services for mergers and acquisitions, debt financing and restructuring, and equity capital markets;*
- *Wealth & Asset Management, and*
- *Merchant Banking which comprises third party private equity and private debt business and proprietary investments.*

Paris Orléans SCA is a French partnership limited by shares (société en commandite par actions) with a share capital of €142,208,216. Paris trade and companies registry 302 519 228. Registered office: 23 bis avenue de Messine, 75008 Paris, France. Paris Orléans is listed on NYSE Euronext in Paris, Compartment A - ISIN Code: FR0000031684.

Investor relations

Marie-Laure Becquart
mlb@paris-orleans.com
Tél. : +33 (0)1 53 77 65 10
www.paris-orleans.com

Press and Media

France
DGM Conseil - + 33 1 40 70 11 89
Michel Calzaroni - m.calza@dgm-conseil.fr
Olivier Labesse - labesse@dgm-conseil.fr

United Kingdom
Smithfield - + 44 20 7360 4900
John Kiely - jkiely@smithfieldgroup.com
Alex Simmons - asimmons@smithfieldgroup.com