



Rathbones
Look forward

Rathbone Brothers Plc

Analyst Dinner – A brief look at the wealth industry

October 2016

What is a quality client service?

1. Investment performance
2. Client contact
3. Value for money
4. Efficient and reliable infrastructure



How can the proposition remain competitive?

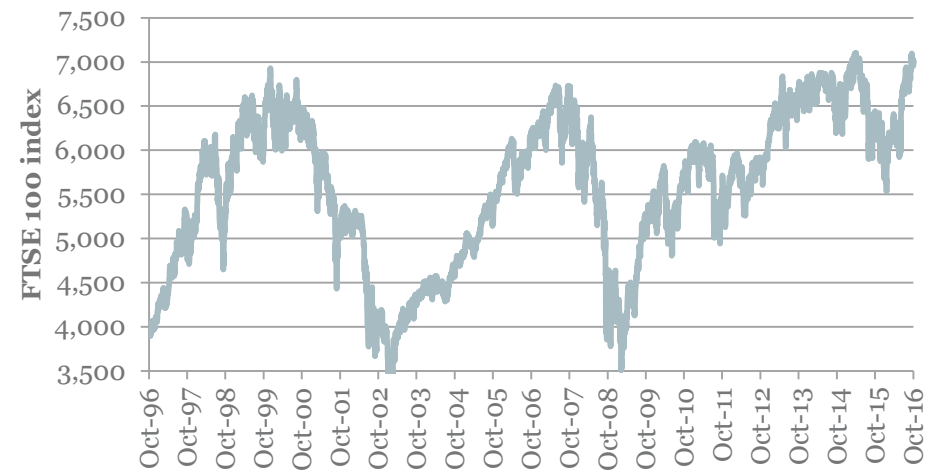
1. Advice led vs. investment led
2. Robo advice & online D2C investment propositions
3. Brand value
4. Client segmentation



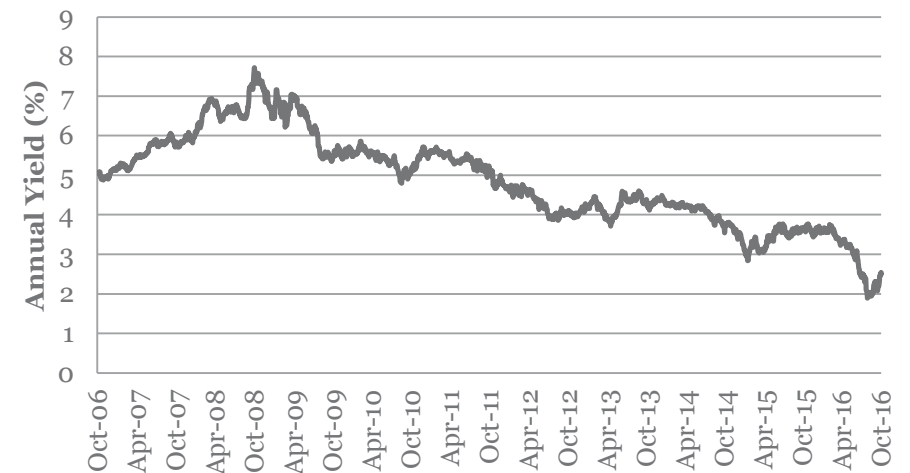
What is the best response to the macro environment?

1. Industry asset growth
2. Competition/the battle for distribution
3. Low interest rates
4. Consolidation and vertical integration

FTSE 100 over the last 20 years



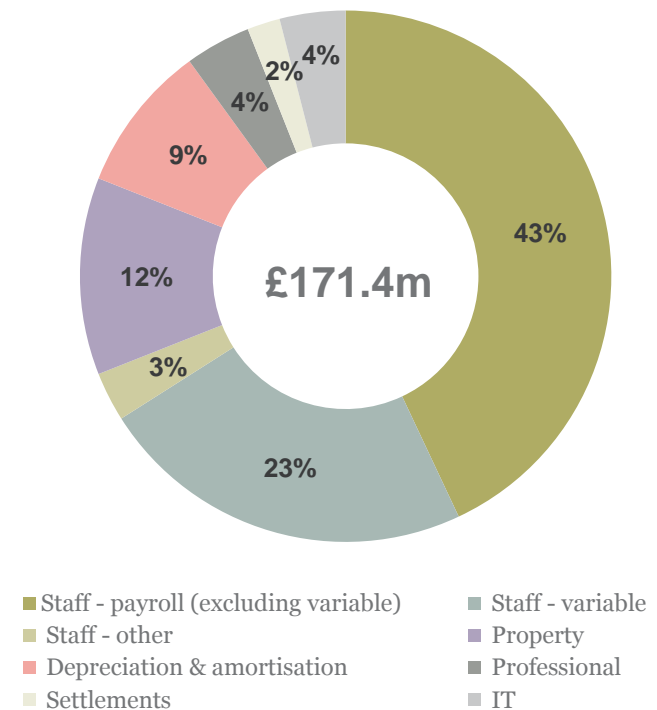
iBoxx £ Corporates AA 15+ - Annual Yield



How does the business model achieve cost efficiency?

1. Productivity of key resources
2. Balancing return and reward
3. Use of technology

Operating Expenses at 31 December 2015*



Historical Operating Margin

2012	2013	2014	2015	H1 2016
28.8%	28.6%	30.7%	30.7%	29.4%

Looking forward

Long term value will be derived from...

- Clarity on client segmentation and economics of relationship model
- Achieving a sustainable business model via organic growth/full service proposition
- Careful investment in technology for operational efficiency/scalability
- Management development with strategically aligned remuneration/incentives



Important information

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Past performance should not be seen as an indication of future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.

Information valid at date of presentation.

Tax regimes, bases and reliefs may change in the future.

Rathbone Brothers Plc is independently owned, is the sole shareholder in each of its subsidiary businesses and is listed on the London Stock Exchange.

Issued and approved by Rathbone Investment Management Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered office: Port of Liverpool Building, Pier Head, Liverpool, L3 1NW, Registered in England No. 01448919.

Rathbones and Rathbone Greenbank Investments are a trading names of Rathbone Investment Management Limited.

Rathbone Unit Trust Management Limited is authorised and regulated by the Financial Conduct Authority. Registered office: 1 Curzon Street, London W1J 5FB, Registered in England No. 02376568.

Rathbone Trust Company Limited is authorised and regulated by the Solicitors Regulation Authority.

Rathbone Investment Management International Limited is the registered business name of Rathbone Investment Management International Limited which is regulated by the Jersey Financial Services Commission. Registered Office: 26 Esplanade, St Helier, Jersey JE1 2RB. Company Registration No. 50503.

Rathbone Investment Management International Limited is not authorised or regulated by the Financial Conduct Authority or the Prudential Regulation Authority in the UK. Rathbone Investment Management International Limited is not subject to the provisions of the UK Financial Services and Markets Act 2000 and the Financial Services Act 2012; and, investors entering into investment agreements with Rathbone Investment Management International Limited will not have the protections afforded by that Act or the rules and regulations made under it, including the UK Financial Services Compensation Scheme. This document is not intended as an offer or solicitation for the purpose or sale of any financial instrument by Rathbone Investment Management International Limited.

No part of this document may be reproduced in any manner without prior permission.

© 2016 Rathbone Brothers Plc. All rights reserved.