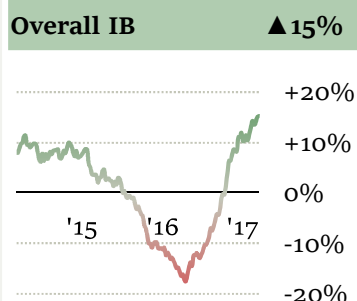




GROWTH SCORECARD

U.S. IB Fee Pool



Product Trend

| | |
|---------------|------|
| ECM | ▲44% |
| LevFin | ▲23% |
| M&A | ▲2% |
| IG Corp. Debt | ▼4% |

Competitive Trend

| | |
|---------------------|------|
| Non-Bank Lenders | ▲40% |
| Full-Svc Indp. IBs | ▲23% |
| N. American Banks | ▲23% |
| Mega-Boutiques | ▲15% |
| Asian Banks | ▲15% |
| Trad. Boutiques | ▲14% |
| Euro. Bulge-Bracket | ▲13% |
| European Banks | ▲12% |
| U.S. Bulge-Bkt | ▲11% |

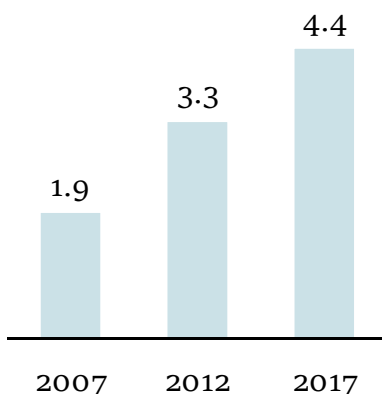
U.S. market; Growth in IB fees for last 12M vs. 12M ending a year ago

IN FOCUS: GROWING NUMBER OF IPO BOOKRUNNERS

Underwriting IPOs is not nearly as profitable as it used to be

U.S. IPOs Under \$500m

of Bookrunners per IPO



Median Fees Per Bookrunner



- The number of bookrunners per IPO in the U.S. has been steadily inflating for the last 10 years
- Underwriting spreads are holding steady, but looming IPO automation could be a catalyst for fee compression
- As underwriters cope with compression in underwriting fees, pressure to cut costs will likely accelerate

GROWTH LEADERS: M&A >\$5b

Top 3 Banks by Y/Y Growth in IB Fees

- | | | |
|------------|-------|--|
| • Barclays | ▲110% | Adviser on 3 of 4 largest deals (Dell/EMC, BAT/Reynolds, Sunoco/ETP) |
| • Evercore | ▲92% | Windfall paydays from Abbott/St. Jude and Medivation/Pfizer |
| • Moelis | ▲19% | Strong showing in LTM but suffers from inconsistency in this segment |