# Greenhill

*An Investment Bank Focused Exclusively on Advising Clients*

**Q1 2021 Results**

**April 29, 2021**

# Forward-Looking Statements

- Statements contained in this Presentation that are not based on current or historical fact are forward-looking in nature. Such forward-looking statements are based on current plans, estimates and expectations and are made pursuant to the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on known and unknown risks, assumptions, uncertainties and other factors. For a further discussion of such factors, you should read the Company’s Forms 10-K, Forms 10-Q, subsequent Forms 8-K and other periodic reports filed with the Securities and Exchange Commission. The Company’s actual results, performance, or achievements may differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

# Why Invest in Greenhill?

- Well known and respected brand for advice
- Strong culture of teamwork and excellence
- Increasingly diversified revenue sources
- Global capabilities
- Loyal and growing client base
- Minimal regulatory risks
- Minimal capital needs
- History of high profit margins and strong cash flow generation
- Focused on growth of talent, revenue, profit and cash flow
- Employees aligned with shareholders (own ~50% of equity value) *

* As of March 31, 2021. Includes restricted stock ownership.

# How Greenhill Differs from Independent Advisor Peers

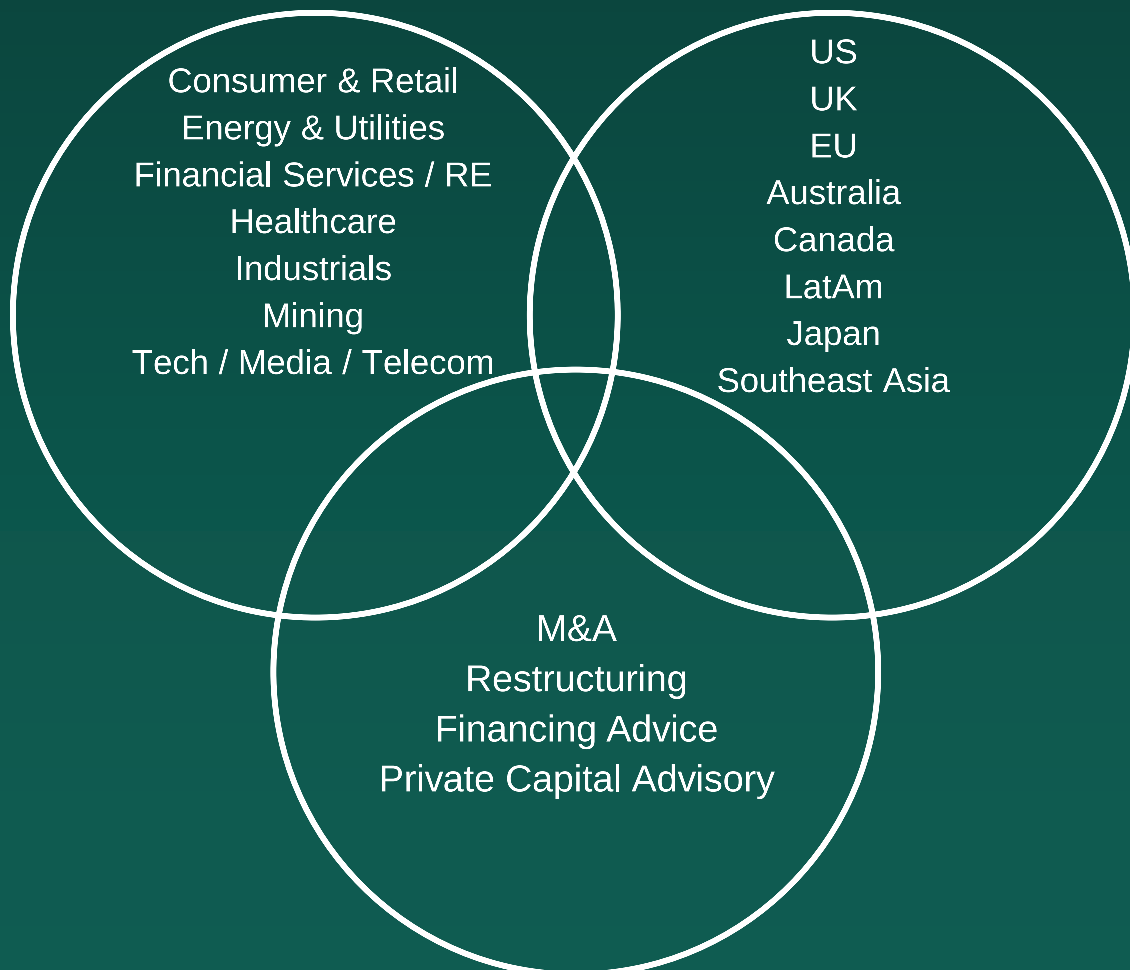
- Older, more established brand than most
- Earlier international presence than most
- Longest public company track record
- Smaller / more room to grow
- Value creation potential via deleveraging
- Greater employee ownership than any peer
- Highly collegial, “One Firm” culture
- Currently valued at meaningful discount to peers

# Scope of the Firm

- 25 years old (17 as a public company)
- Pure financial advisory business
  - Fully aligned with clients
  - Focused on high value added / high fee services
- Global business, focused on developed markets
- 70* Managing Directors
  - Large core of 10+ year veterans
  - Healthy mix of recruited and homegrown talent

* Reflects announced recruits who are scheduled to join.

# Diversified Sources of Revenue



# Long History of Maintaining Repeat Clients

DANONE
Ball
EMERSON
Bupa
TEGNA
renewi
LONMIN
CYPRESS
LION
AO Smith
IFF
TESCO
Inchcape
ANTIN INFRASTRUCTURE PARTNERS
Cerner
TAL
Shanks
SUPERVALU
GANNETT
gsk GlaxoSmithKline
TSYS
AA
Super Retail Group
MANN+HUMMEL
greencore
WHSmith
KIDMAN RESOURCES
CANOPY GROWTH
MCDERMOTT
CAPVIS
WILLBROS
TEVA
Brookfield
experian
Ladbrokes

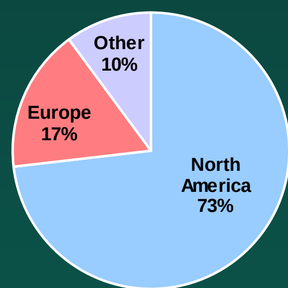
Note: Selected transaction clients for which we have advised on multiple announced transactions 2016-now

# Continually Adding New Clients as Well

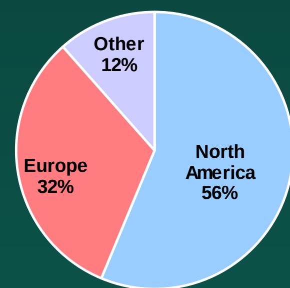
Note: Selected first-time transaction clients 2016-now

# Strong History of Regional Revenue Diversity

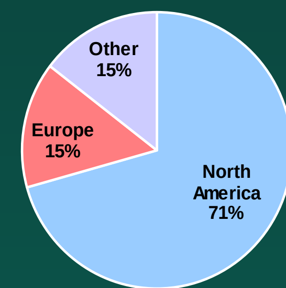
**2017**



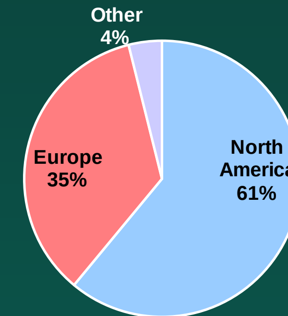

**2018**




**2019**




**2020**

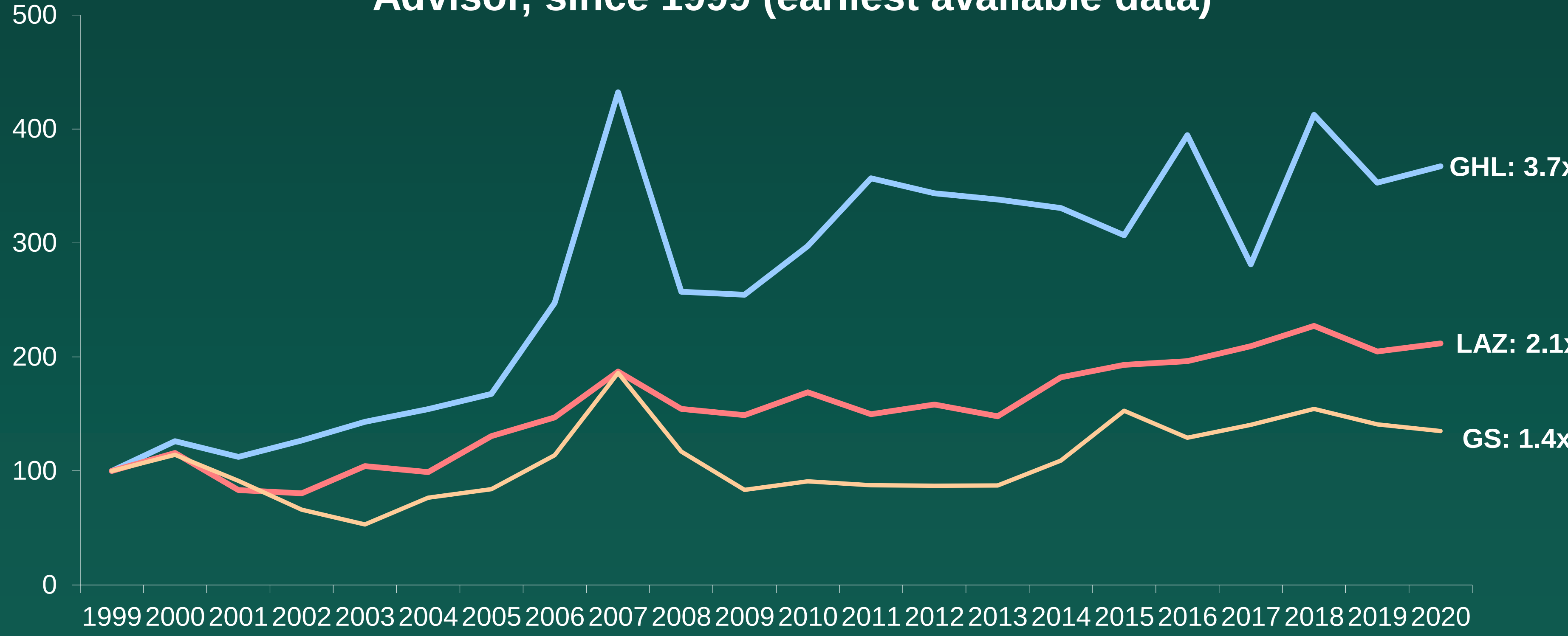



| | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|
| $1mm+ Clients | 58 | 82 | 72 | 67 |
| Deal Announcements per Website | 41 | 71 | 63 | 60 |

Note: Geographic breakout represents revenue by client location

# Long History of Market Share Gains Despite Year to Year Variability

## Advisory Revenue vs Largest M&A Advisor and Largest Independent Advisor, since 1999 (earliest available data)




Source: Company filings and releases

# Update on Impact of Covid 19 on Operations

- No team health issues impacting Firm capabilities
- Team working effectively from home or, increasingly, our offices
- Quality of work for clients consistent with past practice
- Continuing to execute and complete assignments, win new assignments and maintain client dialogues

# Q1 Financial Results

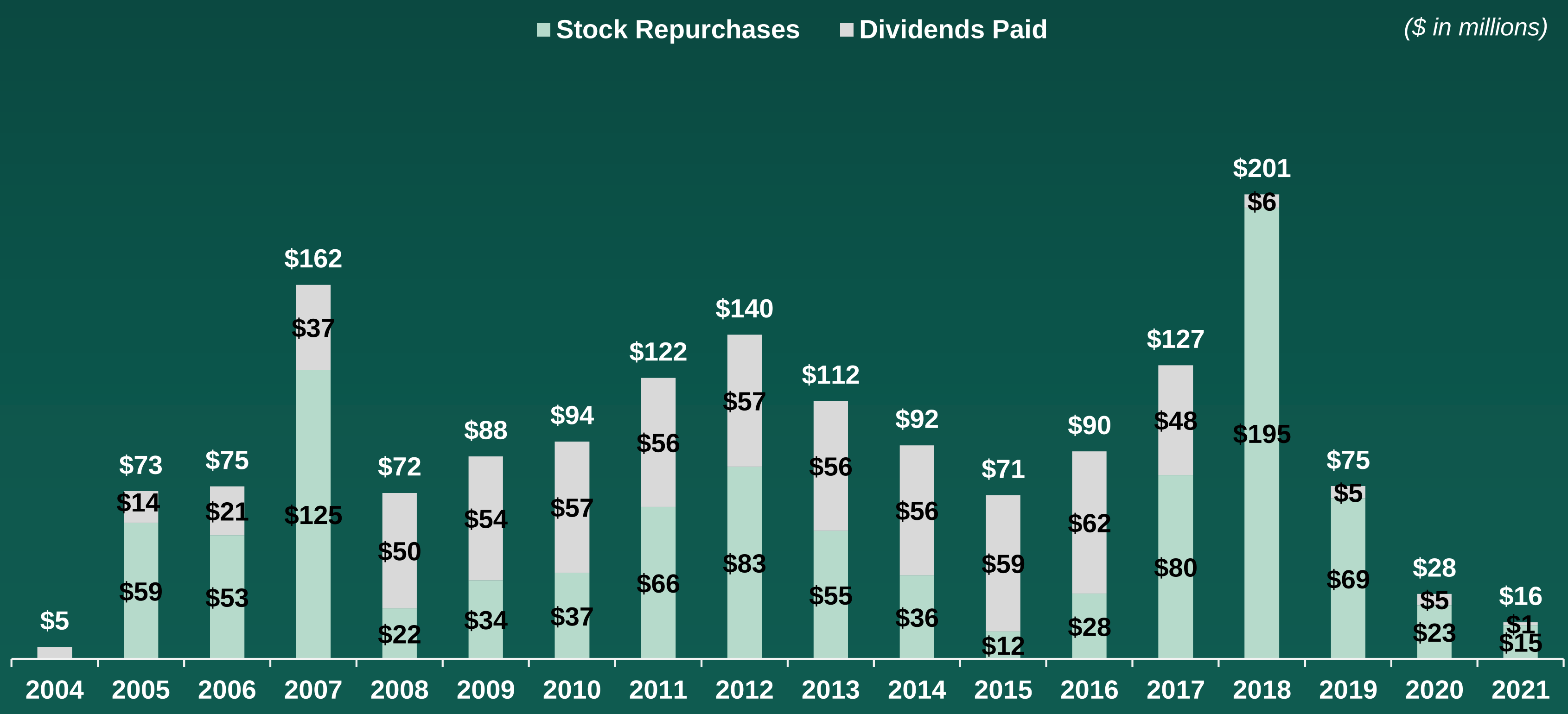
- Revenue $69mm, up 3% vs last year
- Compensation ratio 69%, above annual target
  - Remain focused on target for full year
- Non-compensation costs lower, in target range
- EPS 9 cents, vs loss last year

# Expense Outlook Going Forward

| | |
|---|---|
| Compensation Expense: | Percentage of revenue, targeted at 55-60% on annual basis |
| Non-compensation Operating Expenses: | Largely fixed $ amount, targeted at $55-60mm annually |
| *Operating Margin* | *Targeting 25% of revenue on annual basis* |
| Interest Expense: | Currently ~3.4% rate, with expense declining as debt is repaid |
| Taxes: | Expected rate in mid 20%s in normal operating environments |

# Strong History of Generating/Returning Capital

- $1.6 billion* in dividends / share repurchases since 2004 IPO




*As of March 31, 2021. Includes purchases of share equivalents via tax withholding on vesting RSUs.

# Balance Sheet with Strong Liquidity and Declining Debt

- Cash of $88mm at quarter end
- Debt of $327mm (net debt of $239mm) at quarter end
  - Repaid additional $20mm debt post quarter end
- Quarterly interest expense $3.2mm pre-tax
- Very modest debt repayment obligations until 2024 maturity
- Objective to reduce leverage via both debt repayment and growth in EBITDA

# Update on Recapitalization / Repurchase Plan (Announced Sept. 2017)

- Dividend reduced to fund large share repurchase and increase employee ownership
- Borrowed $350mm on attractive terms
  - Increased to $375mm at reduced cost in 2019 refinancing
- $20mm combined equity investment by Chairman & CEO
  - Plus $16mm in open market repurchases
- Additional equity incentive grants to key people
  - 5 year cliff vest
- Announced major share repurchase plan, later upsized
  - In aggregate, repurchased $321mm* in open market purchases and tender offers
  - For 2021**, Board authorized $50mm in purchases of shares/share equivalents ($35.5mm remaining)

* As of March 31, 2021
** Through January 2022

# Why Did We Do Our Recapitalization?

- Management viewed stock as significantly undervalued
- Equity investor sentiment too negative
- Could borrow at very attractive cost
- Created catalyst to pivot to next chapter in Firm history
  - Increased employee ownership
  - High grade and expand team
  - Tighter cost controls
- Created leveraged upside potential for employees and shareholders

# Strategic Plan Going Forward

- Maintain historic client-focused business model and strong culture
- Increase scale and productivity of team
  - Good YTD progress on robust recruiting plan
- Substantially increase scale and diversity of revenue sources
  - Historically strong global M&A franchise
  - Substantially enlarged Restructuring business
  - Increasing breadth of financing advisory roles
  - Private Capital Advisory for institutional investors / fund sponsors
  - Enhanced focus on financial sponsor clients for all services
- Maintain expense discipline
- Focus primarily on deleveraging, with prudent ongoing share repurchases

***Goal is maximizing the leveraged upside potential for the benefit of our shareholders and team***