

BOSTON PRIVATE

WEALTH ▫ TRUST ▫ PRIVATE BANKING

Investor Presentation

Fourth Quarter – 2016

Clayton Deutsch
Chief Executive Officer

David Kaye
Chief Financial Officer
Chief Administrative Officer

Corey Griffin
Chief Executive Officer
Boston Private Wealth

Forward Looking Statements

This presentation contains financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Company’s management uses these non-GAAP measures in its analysis of the Company’s performance. These measures typically adjust GAAP performance measures to exclude significant gains or losses that are unusual in nature. Because these items and their impact on the Company’s performance are difficult to predict, management believes that presentations of financial measures excluding the impact of these items provide useful supplemental information that is essential to a proper understanding of the operating results of the Company’s core businesses. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures which may be presented by other companies.

Certain statements in this presentation that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties. These statements include, among others, statements regarding our strategy, evaluations of future interest rate trends and liquidity, prospects for growth in assets, and prospects for overall results over the long term. You should not place undue reliance on the Company’s forward-looking statements. You should exercise caution in interpreting and relying on forward-looking statements because they are subject to significant risks, uncertainties and other factors which are, in some cases, beyond the Company’s control. Forward-looking statements are based on the current assumptions and beliefs of management and are only expectations of future results. The Company’s actual results could differ materially from those projected in the forward-looking statements as a result of, among other factors, adverse conditions in the capital and debt markets and the impact of such conditions on the Company’s private banking, investment management and wealth advisory activities; changes in interest rates; competitive pressures from other financial institutions; the effects of weakness in general economic conditions on a national basis or in the local markets in which the Company operates; changes in the value of securities and other assets; changes in loan default and charge-off rates, the adequacy of loan loss reserves, or decreases in deposit levels necessitating increased borrowing to fund loans and investments; changes in government regulation; the risk that goodwill and intangibles recorded in the Company’s financial statements will become impaired; the risk that the Company’s deferred tax asset may not be realized; risks related to the identification and implementation of acquisitions, dispositions and restructurings; and changes in assumptions used in making such forward-looking statements, as well as the other risks and uncertainties detailed in the Company’s Annual Report on Form 10-K, as updated by the Company’s Quarterly Reports on Form 10-Q and other filings submitted to the Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made. The Company does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made.

Agenda

- » Boston Private: An appealing business and economic model
 - Wealth Management
 - Private Banking

- » Our return targets

- » Appendix

BPFH: A Premier Wealth Management and Private Banking Company

WEALTH MANAGEMENT

Fee-Based Wealth Advisory

KLS: New York, Los Angeles

BOS: San Francisco, Palo Alto

- Boutique-based comprehensive financial planning, portfolio construction and asset allocation
- Nationwide reach, referral-driven, growing clientele

Proprietary Investment Management

Anchor Capital: Boston

DGHM: New York

- Proprietary, active asset management
- Value-driven investors
- Individual and institutional clientele

Wealth Management & Trust

Boston Private Wealth: Boston, Los Angeles, San Francisco Bay, Florida, and Wisconsin

- Robust wealth management offering including proprietary fixed income, actively managed equities, asset allocation and trust capabilities
- HNW and select institutional clientele; Bank-driven referrals

PRIVATE BANKING

Residential Mortgage

Boston Private : All Bank markets

- High service jumbo mortgage
- Superior economics

Commercial Lending

Boston Private: All Bank markets

- Commercial lending and related services for private companies, partnerships and non-profit institutions
- Strong cross-sell to Deposit Services and Boston Private Wealth

Deposit Services and Cash Management

Boston Private : All Bank markets

- Highly client-centered cash and liquidity management
- Strong referral links to all Boston Private business lines; deep client loyalty

Two Distinct Business Models Drive Value

Metric	Wealth Management	Private Bank & HoldCo	BPFH
Q4 2016 annualized earnings ^(1,2)	\$1.3	\$66.8	\$68.1
Q4 2016 annualized EPS contribution	\$0.01	\$0.80	\$0.81
Tangible common equity ⁽²⁾	\$11.5	\$540.0	\$551.5
TBV/share	\$0.14	\$6.45	\$6.59
Capital requirements:	Minimal	Intensive	

Notes:

(1) Net Income after Series D Preferred Dividends.

(2) Dollars in millions.

Our Strategy for Increasing Value

Revenue Mix Management

Drive fee revenue growth, with a particular focus on Wealth Management expansion and generation of Banking fees in excess of NII growth

Disciplined Expense Management

Tightly manage expenses, and create positive operating leverage in excess of margin compression

Efficient Capital Management

Continue to de-risk; achieve a top quartile risk profile, and fine tune leverage with efficient capital management

Deliver greater cash return to shareholders while adequately reinvesting in our Company's businesses

Wealth Management

Wealth Advisory	Investment Management	Wealth Management & Trust
KLS Professional Advisors Bingham, Osborn & Scarborough	Anchor Capital Dalton, Greiner, Hartman & Maher	Boston Private Wealth

- » Steady fee-based revenue stream
 - Wealth Management fees⁽¹⁾ account for 38% of Q4 16 revenue
- » \$27.5 bn in AUM
- » Q4 16 EBITDA margin of 25%⁽²⁾

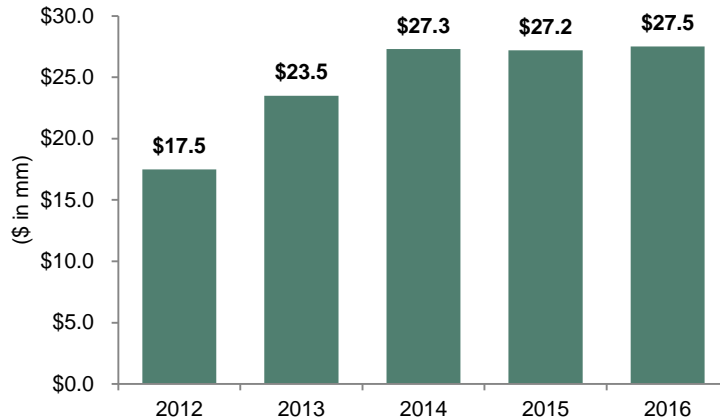
Notes:

(1) Includes Wealth Advisory Fees, Investment Management Fees, and Wealth Management and Trust Fees

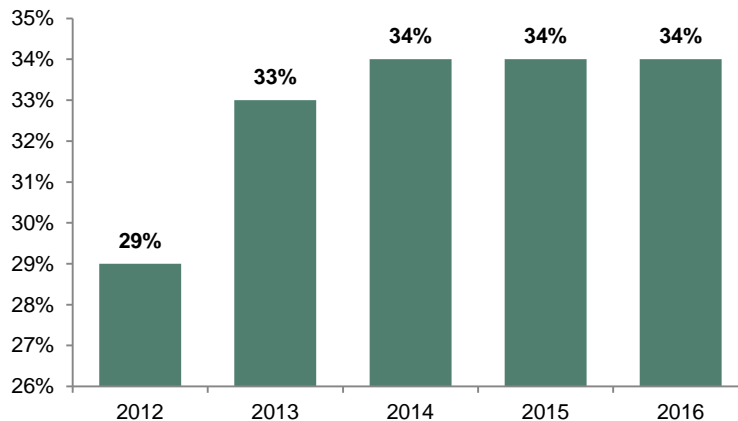
(2) Excludes impairment of goodwill

Attractiveness of Fee-Based Revenue Stream

Investment Management and Wealth Advisory Pre-Tax Income



Investment Management and Wealth Advisory EBITDA Margin



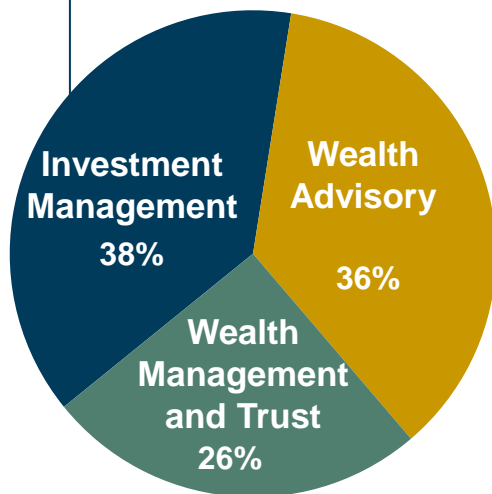
Comments

- » **Capital-light businesses**
 - No additional capital needed for growth
 - Stable, significant stream of unrestricted cash flow
- » **Stable source of revenue**
 - Diversifies NII exposure
 - Less volatile than overall equity market
- » **Strong profit margins**
 - Expand well in growth cycle
 - Demonstrated operating leverage/margin expansion

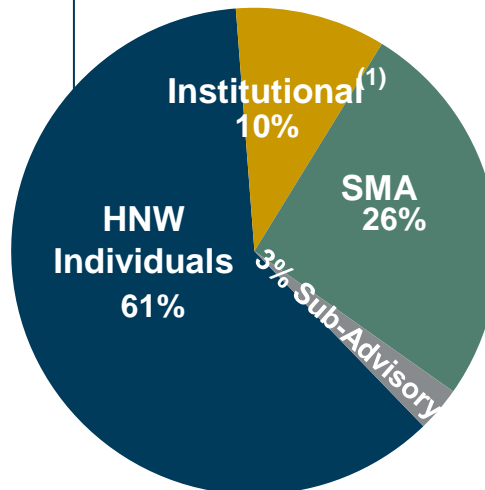
Our Wealth Management Group Platform: A Diverse Portfolio

\$27.5 Billion of AUM

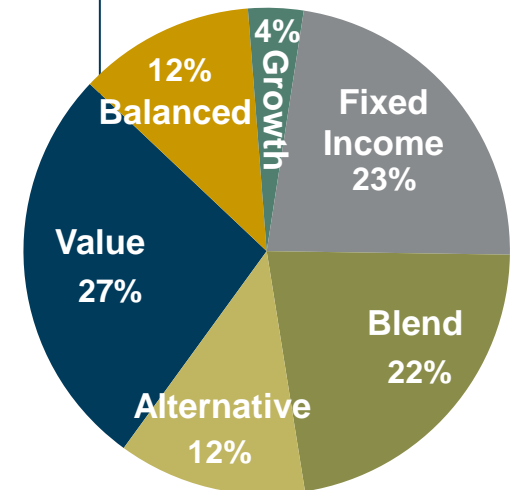
By Source



By Client Type



By Asset Class

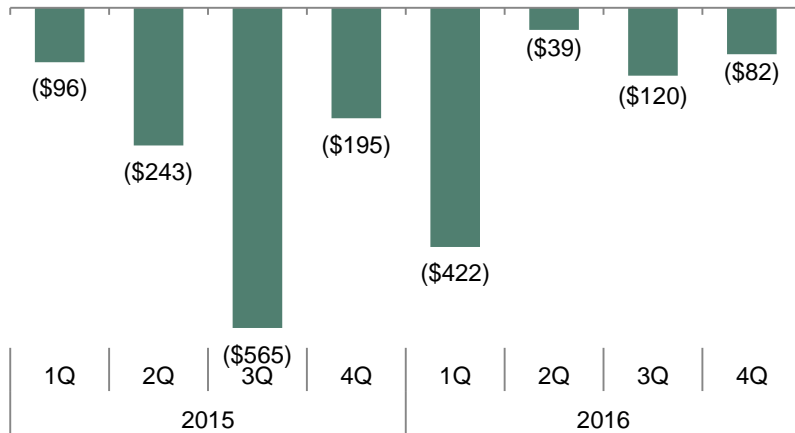


Notes:

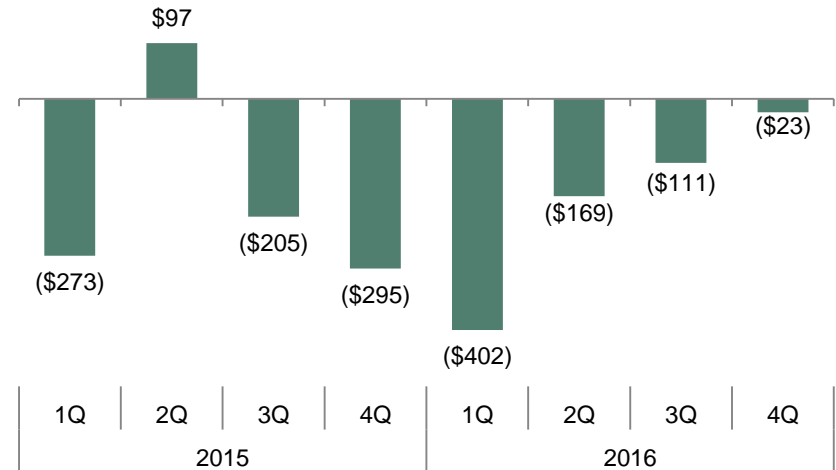
(1) Corporate, ERISA, Foundations/ Endowments, & Public.

Segment AUM Net Flows

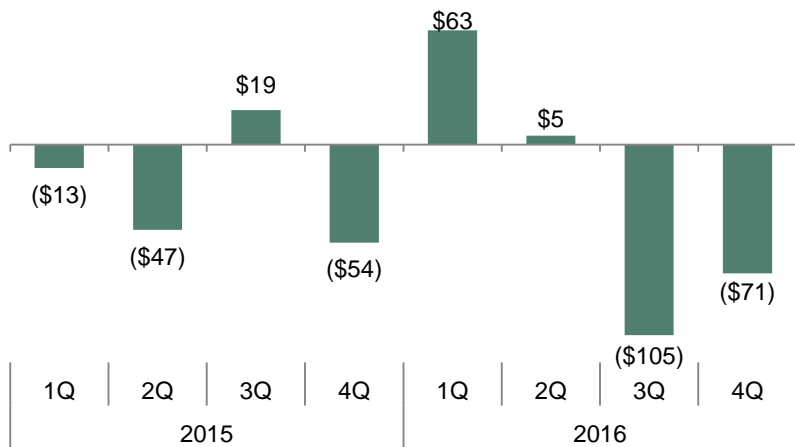
Wealth Management & Trust (\$ in mm)



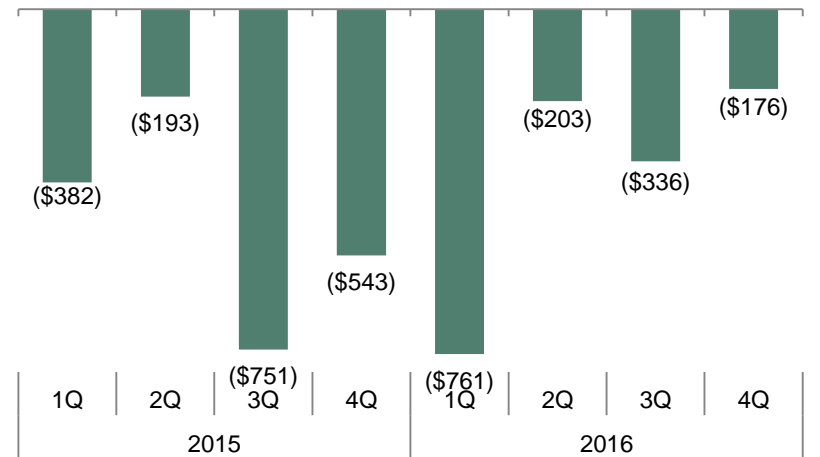
Investment Management (\$ in mm)



Wealth Advisory (\$ in mm)

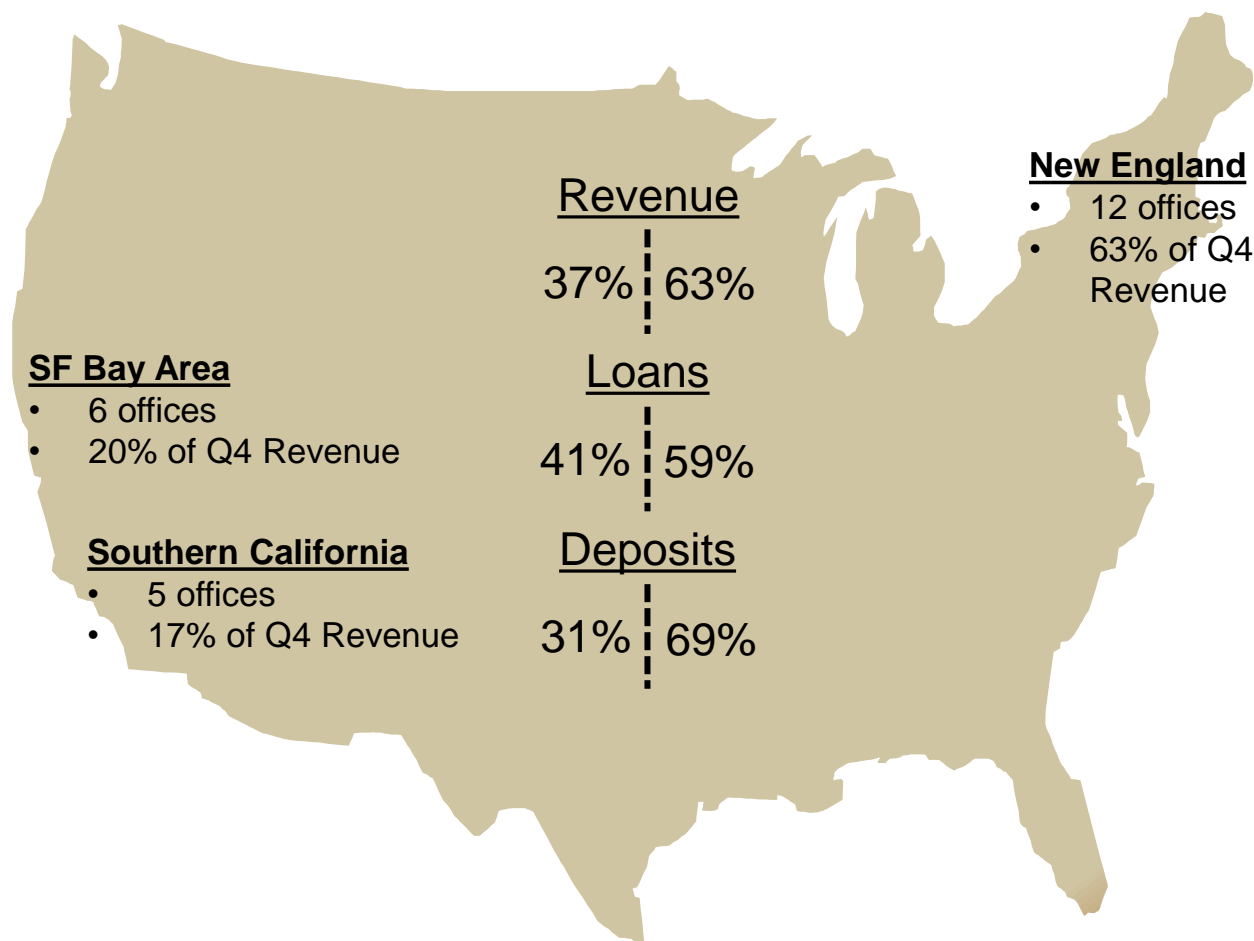


Consolidated (\$ in mm)



Private Banking

Boston Private Bank: Fully integrated and branded as of September 2012



- » Vision is to be the premier provider of Wealth Management & Trust and Private Banking services
- » Emphasis on core deposit and fee-based revenue growth, supported by growth in commercial and residential lending
- » Expanded leadership team to include West Coast representation
- » Implemented new incentives and cross-sell initiative
- » Full service Beverly Hills Private Banking and Wealth Management office now open

Private Banking

- » Represents 63%⁽¹⁾ of Company revenue
- » \$7.8 bn Private Banking balance sheet
- » \$6.1 bn in loans; \$6.2 bn in deposits
- » Attractive risk profile with:
 - Steady and steep reduction in problem assets
 - High level of reserves and low charge-offs relative to industry and peers
- » Capital build:
 - Bank-only Tier 1 ratio of 11.64%
- » Bank-only NIM in Q4 16 of 2.91%

Notes:

(1) Excludes Private Bank Wealth Management & Trust Fees.

Boston Private Target Client Segments

High Net Worth Individuals

- Entrepreneurs
- Executives
- Family Wealth
- Baby Boomers/Retirees

Privately Held Businesses

- C&I (preferred industries)
- Professional Service Firms

Private Partnerships

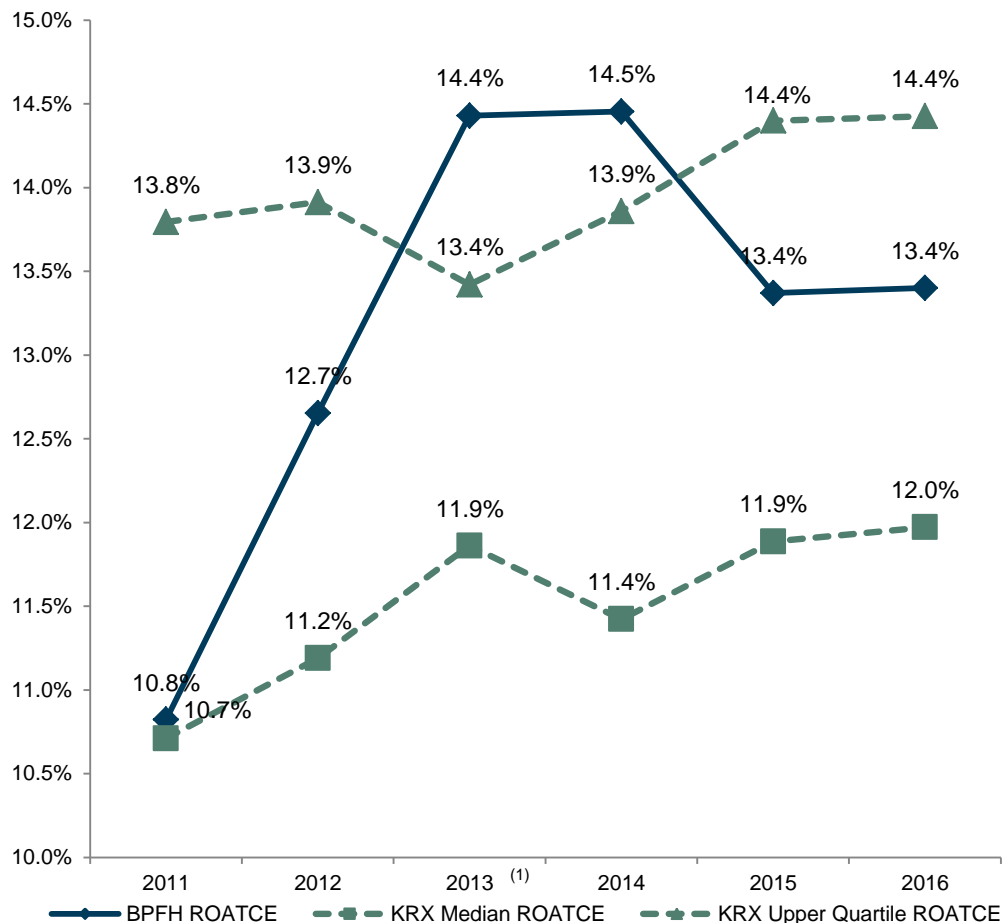
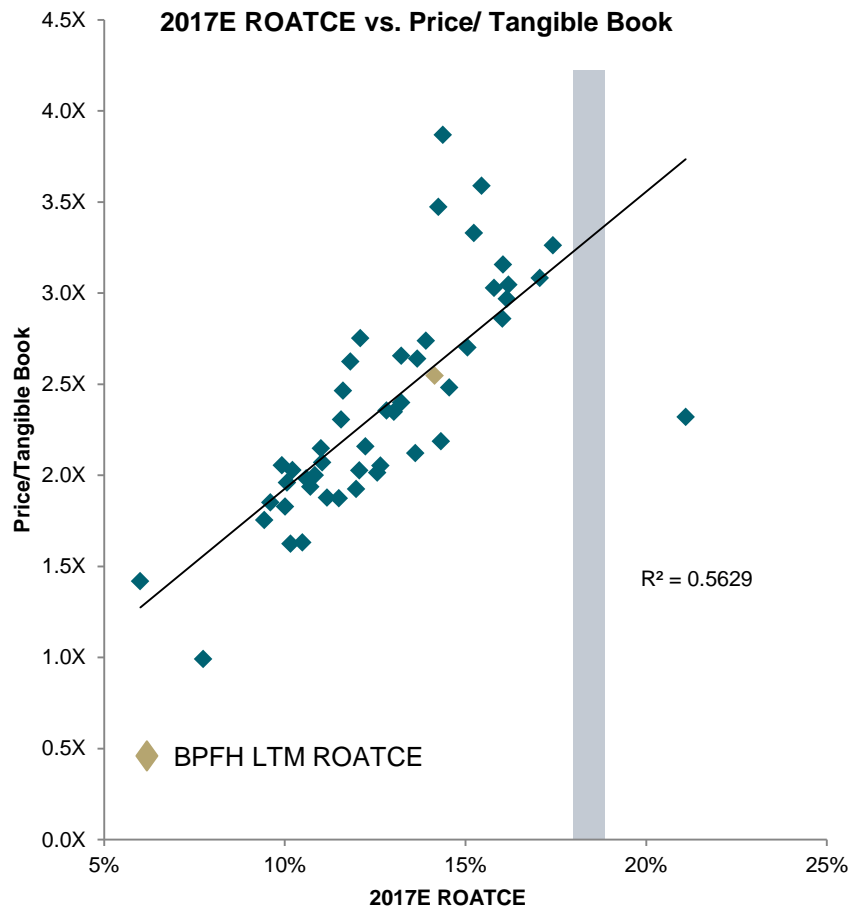
- Venture Capital
- Hedge Funds
- Private Equity
- Real Estate Inv/Dev

Non-Profits

- Educational
- Foundations/Endowments
- Health & Human Services

- » \$3 - \$30 million of financial assets
 - “Sweet spot” is \$3 - \$15 million
 - Selection factors favor us
- » Appeal of targeted segments includes:
 - Stable growth
 - » Historically 1.5x – 3x GDP
 - Lower risk
 - » Better loan loss rates, capital-light advisory activities
 - Superior profitability
 - » Relationship size and longevity, pricing flexibility
- » Basis of differentiation:
 - Distinctive client service
 - Private Banker stability; relationship management focus
 - Superb execution
 - Delivery of cross-enterprise client development expertise

Our Primary Focus is to Increase ROATCE



Approximately 50% of executive variable compensation is tied to ROACE performance

Notes:

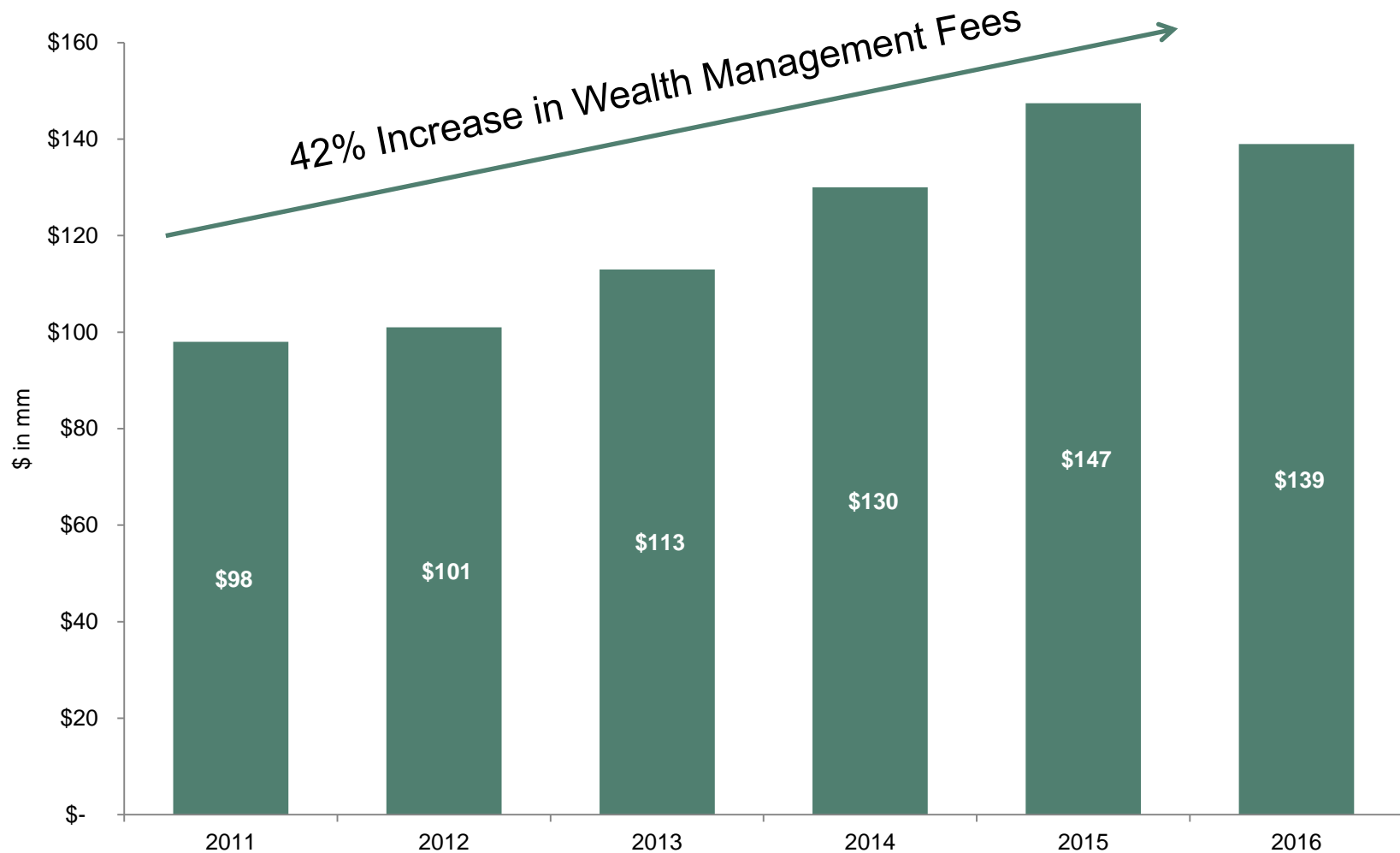
(1) Excludes gain on sale of Pacific Northwest offices.

Data based on KBW Regional Bank Index consensus estimates as of 1/23/17.

Steps to Attain Target Return Levels

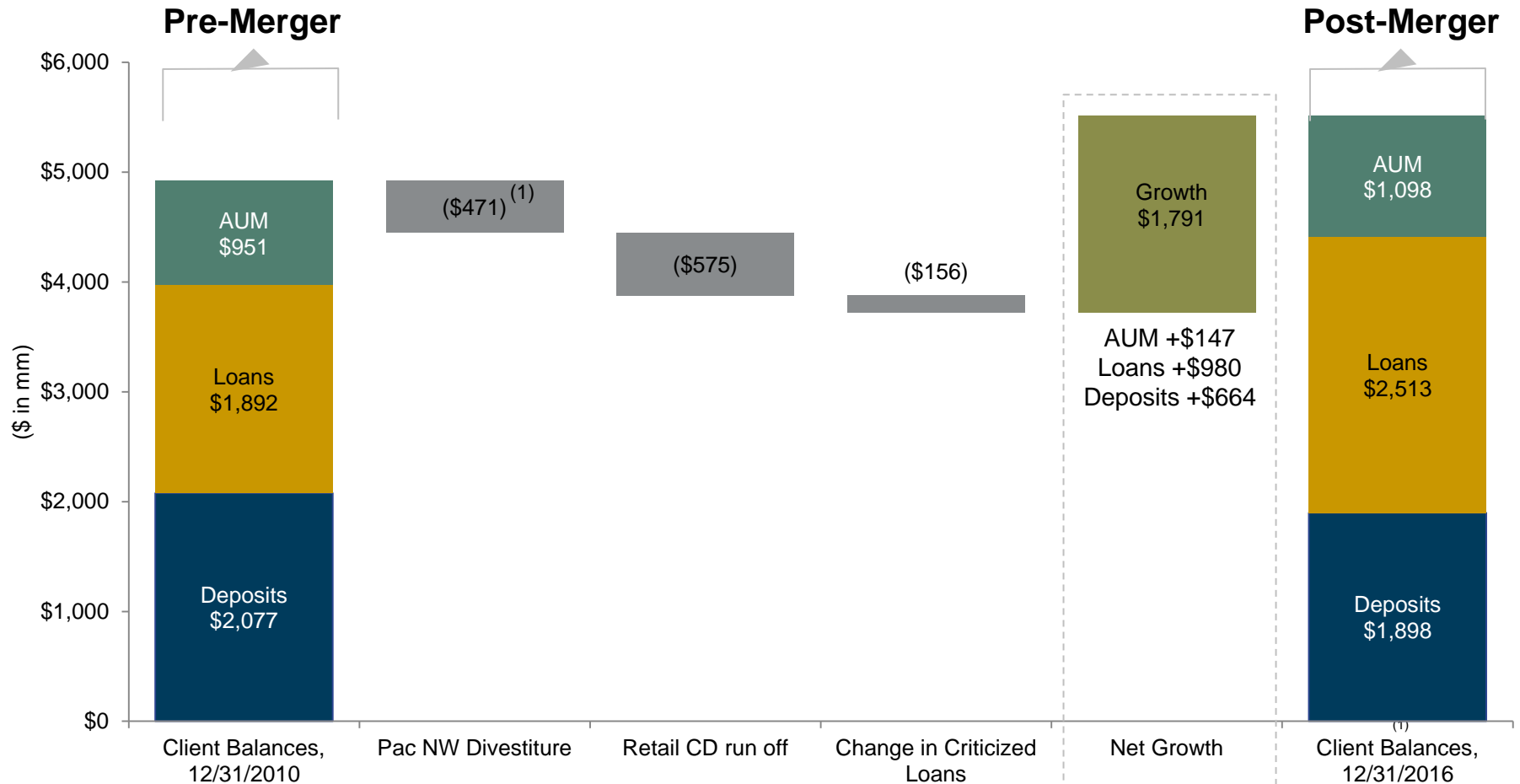
1. Expand Wealth Management & Trust activity
2. Drive West Coast client expansion
3. Tightly manage expenses
4. Manage risk
5. Efficiently manage capital

1. Expand Wealth Management Activity



2. Drive West Coast Client Expansion

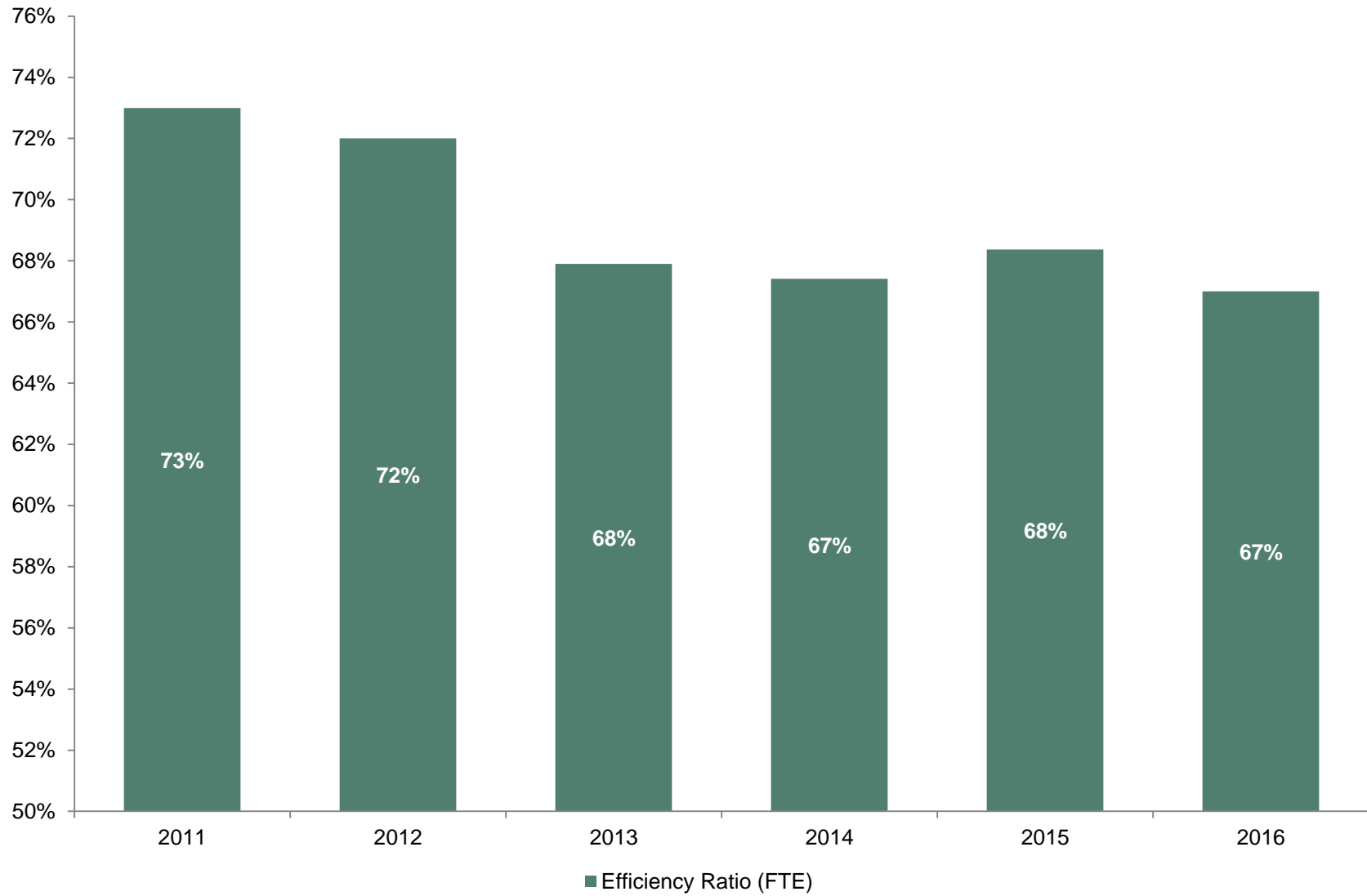
Excluding Purposeful Reduction Initiatives and Banyan Acquisition, Private Bank West Coast Client Balances Growing at 5% CAGR



Notes:

(1) Includes \$203 mm in loans and \$268 mm in deposits as of 12/31/10.

3. Tightly Manage Expenses

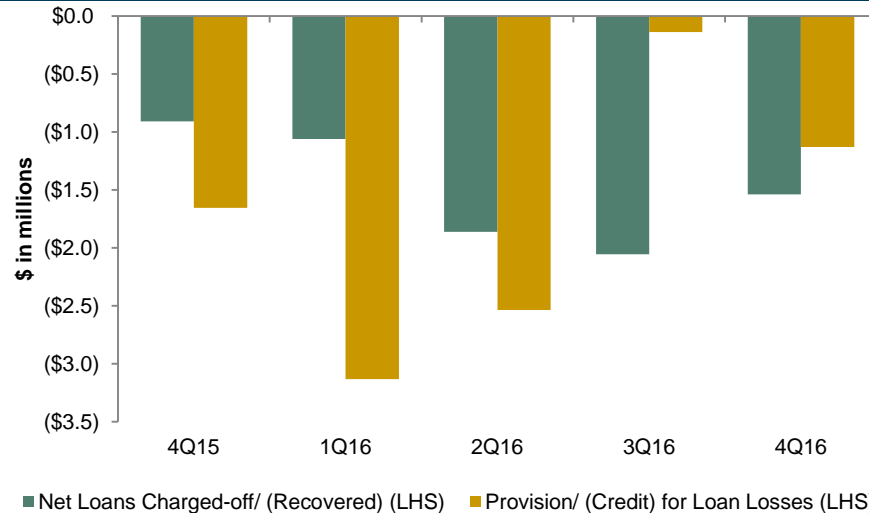


Notes:

(1) Excludes intangible amortization, restructuring, and impairment of goodwill

4. Manage Risk: Asset Quality

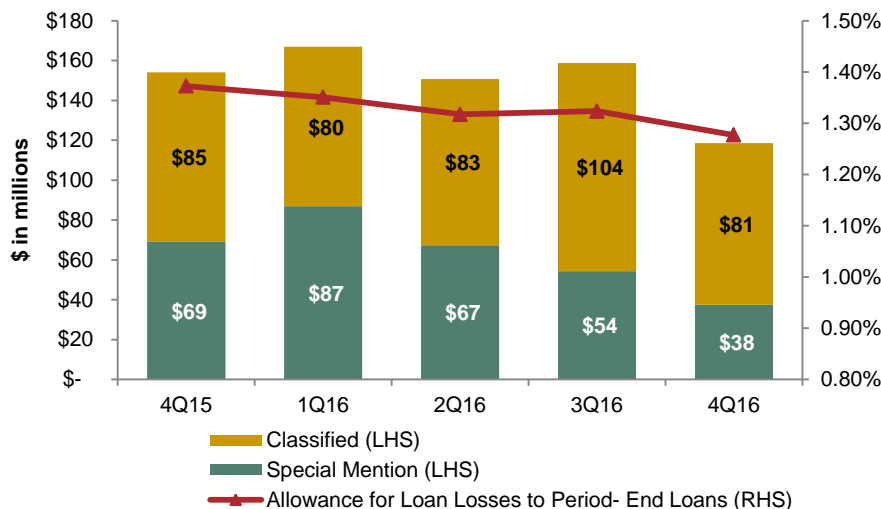
Net Charge-offs & Provision for Loan Losses



Comments

- » Our provision for loan loss continues to closely track our quarterly Net-Charge Offs / Net-Recoveries
- » The Company recorded a provision credit of \$1.1 million compared to \$1.5 million of Net-Charge Offs / Net Recoveries

Criticized Loans & Allowance for Loan Losses

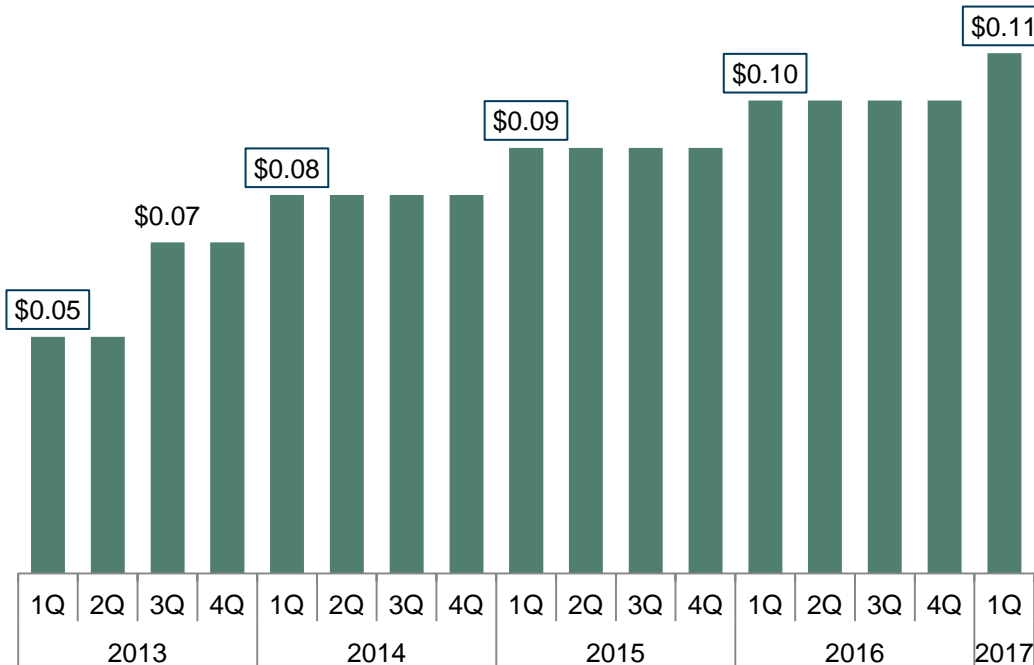


- » Criticized Loans decreased 25% linked quarter and 23% year-over-year.
- » Allowance for Loan Loss as a percent of Total Loans finished the quarter at 1.28%.

5. Capital Return Strategy: Dividends

Quarterly Dividend to Common Shareholders

Fifth consecutive annual increase



Comments

Increased Common Dividend

- » Board of Directors approved a 10% increase in the Common Dividend from \$0.10 per common share to \$0.11 payable in the first quarter of 2017
- » Distributed \$0.40 per share in 2016

Initiated common share repurchase

- » Completed \$9 million of share repurchases in 2016

Total Return to Shareholders

- » 59% of earnings in 2016 returned to common shareholders in the form of dividends and share repurchases

Summary: Our Beliefs

- » Our focus on private clients affords us attractive growth and return opportunities
- » Our business mix is attractive and provides an important element of revenue diversification
- » Our balance sheet, capital base and risk profile are strong and will continue to improve
- » Our network and brand are important assets upon which to build and represent opportunities to expand our client base
- » Our non-bank wealth management businesses are important contributors

APPENDIX

Consolidated Performance Metrics

Quarterly Performance Metrics

(\$ in millions except per share data)

	4Q16	3Q16	4Q15
Return on Average Common Equity	9.1%	10.2%	8.1%
Return on Average Tangible Common Equity	12.8%	14.3%	11.9%
Core Fee Income Ratio	40%	42%	43%
Efficiency Ratio (FTE) ¹	62%	65%	72%
Tier 1 Common Equity Ratio	10.0%	10.0%	9.8%
Total AUM	\$27,557	\$27,527	\$27,595
Diluted EPS	\$0.19	\$0.22	\$0.17

Full Year Performance Metrics

(\$ in millions except per share data)

	FY 2016	FY 2015
Return on Average Common Equity	9.44%	9.01%
Return on Average Tangible Common Equity	13.38%	13.34%
Diluted EPS	\$0.81	\$0.74

(1) Efficiency Ratio (FTE) excludes amortization of intangibles, impairment of goodwill, and restructuring

Consolidated Income Statement

	(\$ in millions)				
				% Change	
	4Q16	3Q16	4Q15	LQ	Y/Y
Net Interest Income	\$51.5	\$49.9	\$48.1	3%	7%
Core Fees and Income	38.5	37.9	37.1	2%	4%
Total Other Income	5.5	2.1	0.6	NMF	NMF
Total Revenue	\$95.5	\$89.9	\$85.9	6%	11%
Operating Expenses	\$62.3	\$61.7	67.4	1%	(8%)
Impairment of Goodwill	\$9.5	-	-	NMF	NMF
Total Expenses	\$71.8	\$61.7	\$67.4	16%	7%
Pre-tax Pre-Provision Income	\$23.6	\$28.2	\$18.5	(16%)	28%
Provision Expense / (Credit)	(1.1)	(0.1)	(1.7)	NMF	NMF
Pre-tax Income from Continuing Operations	\$24.8	\$28.4	\$20.1	(13%)	23%
Taxes	7.2	8.7	5.6	(16%)	29%
Discontinued Operations	1.2	1.0	1.5	13%	(19%)
NCI	1.1	1.1	0.9	3%	25%
Net Income	\$17.6	\$19.6	\$15.0	(11%)	17%

Memo: Notable Items

Less: Gain on sale of offices	\$2.9
Add back: Goodwill impairment	\$9.5
Tax effect at 35% statutory rate	(\$2.3)
Adjusted Net Income (non-GAAP)	\$21.9

Comments

- » Total Revenue increased 6% linked quarter driven by increases in Net Interest Income and Total Other Income
- » Total Other Income was positively impacted by a \$2.9 million gain on the sale of two offices and \$2.2 million of other items including a market value adjustment of derivatives
- » Effective tax rate in 4Q16 was 29% compared to 31% in 3Q16 and 28% in 4Q15

Consolidated Expense Trends

(\$ in millions)					
	4Q16	3Q16	4Q15	% Change	
				LQ	Y/Y
Expenses:					
Salaries and employee benefits	\$39.7	\$40.9	\$39.5	(3%)	0%
Occupancy and equipment	10.0	9.5	10.0	5%	1%
Professional services	2.8	2.3	3.8	20%	(27%)
Marketing and business development	2.0	1.6	4.0	25%	(49%)
Contract services and data processing	1.7	1.9	1.5	(7%)	16%
Amortization of intangibles	1.5	1.6	1.8	(2%)	(14%)
FDIC insurance	0.7	0.7	1.1	1%	(33%)
Restructuring	-	-	2.0	NMF	NMF
Goodwill Impairment	9.5	-	-	NMF	NMF
Other	3.8	3.2	3.7	21%	2%
Total Expenses	\$71.8	\$61.7	\$67.4	16%	7%
Memo:					
<i>Notable Items</i>					
Add back: Restructuring	-	-	2.0	NMF	NMF
Add back: Goodwill Impairment	9.5	-	-	NMF	NMF
Adjusted Operating Expenses (non-GAAP)	\$62.3	\$61.7	\$65.4	1%	(5%)

Comments

- » Total Expenses increased 16% linked quarter primarily due to \$9.5 million goodwill impairment
- » \$9.5 million pre-tax non-cash impairment charge related to Wealth Management & Trust segment in connection with annual goodwill impairment testing
- » Excluding Notable Items, Total Operating Expenses increased 1% linked quarter, while decreasing 5% year-over-year

Consolidated Income Statement – Full Year

(\$ in millions)			% Change
	FY 2016	FY 2015	Y/Y
Net Interest Income	\$200.4	\$185.8	8%
Core Fees	151.7	157.1	(3%)
Total Other Income	7.1	4.1	74%
Total Revenue	\$359.2	\$346.9	4%
Total Expenses	\$265.0	\$255.2	4%
Pre-tax Pre-Provision Income	\$94.3	\$91.8	3%
Provision Expense / (Credit)	(6.9)	(1.6)	NMF
Pre-tax Income from Continuing Operations	\$101.2	\$93.3	8%
Taxes	31.0	30.4	2%
Discontinued Operations	5.5	6.4	(14%)
NCI	4.2	4.4	(6%)
Net Income	\$71.6	\$64.9	10%
Diluted EPS	\$0.81	\$0.74	9%

Comments

Total Revenue increased 4%

- » Net Interest Income increased 8% primarily due to balance sheet growth and lower cost of borrowing
- » Core Fees decreased 3% to \$152 million in 2016 driven by lower AUM offset by higher Other Banking fee Income

Total Expenses increased 4% to \$265 million

Provision Credits increased

Net Income increased 10%

Private Bank Performance Highlights

	(\$ in millions)				
	4Q16	3Q16	4Q15	% Change	
				LQ	Y/Y
Net Interest Income	\$52.1	\$50.4	\$49.1	3%	6%
Core Fees	2.5	3.6	1.9	(31%)	31%
Total Other Income	5.3	1.9	0.5	NMF	NMF
Total Revenue	\$60.0	\$55.9	\$51.5	7%	16%
Operating Expenses	\$31.3	\$30.4	\$32.1	3%	(2%)
Pre-tax Pre-Provision Income	\$28.7	\$25.5	\$19.4	12%	48%
Provision Expense / (Credit)	(1.1)	(0.1)	(1.7)	NMF	NMF
Pre-tax Income	\$29.8	\$25.6	\$21.1	16%	41%
Taxes	9.5	8.2	6.9	15%	37%
Net Income	\$20.3	\$17.4	\$14.1	17%	44%

Comments

- » Net Interest Income increased 3% linked quarter and 6% year-over-year
- » Core Fees declined linked quarter due to lower swap fee income
- » Total Other Income for the quarter was positively impacted by:
 - » \$2.9 million gain on the sale of two office locations
 - » \$2.2 million of other items including market value adjustment of derivatives
- » Operating Expenses decreased 2% year-over-year driven by lower Occupancy and Marketing expenses and offset by higher Salaries
- » Net Income increased 17% linked quarter and 44% year-over-year

Key Statistics

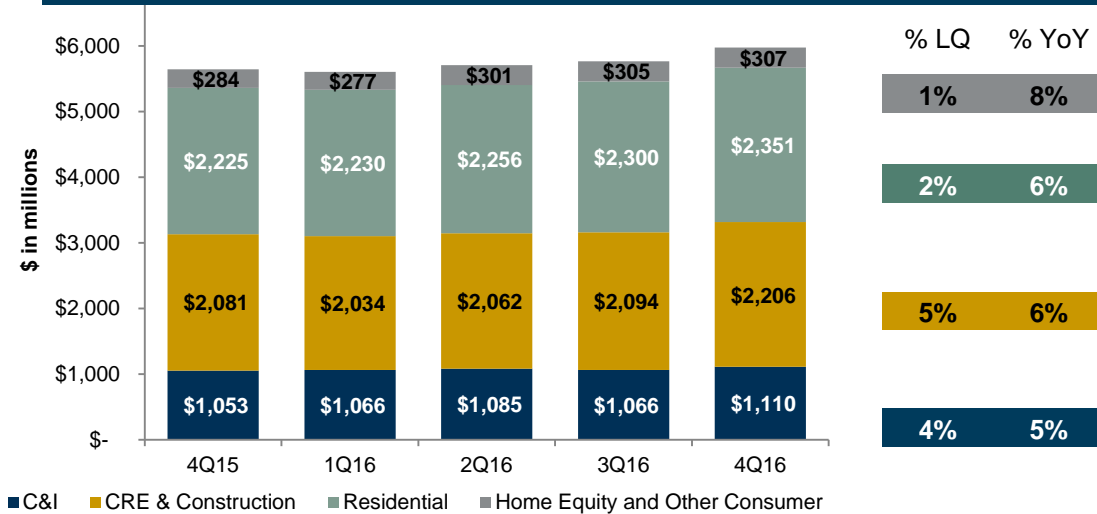
	4Q16	3Q16	4Q15
Efficiency Ratio (FTE)	50%	52%	58%
Net Interest Margin	2.91%	2.92%	2.94%
Average Loan-to-Deposits Ratio ¹	98%	96%	94%

Notes:

(1) Reflects bank subsidiary only.

Balance Sheet Highlights

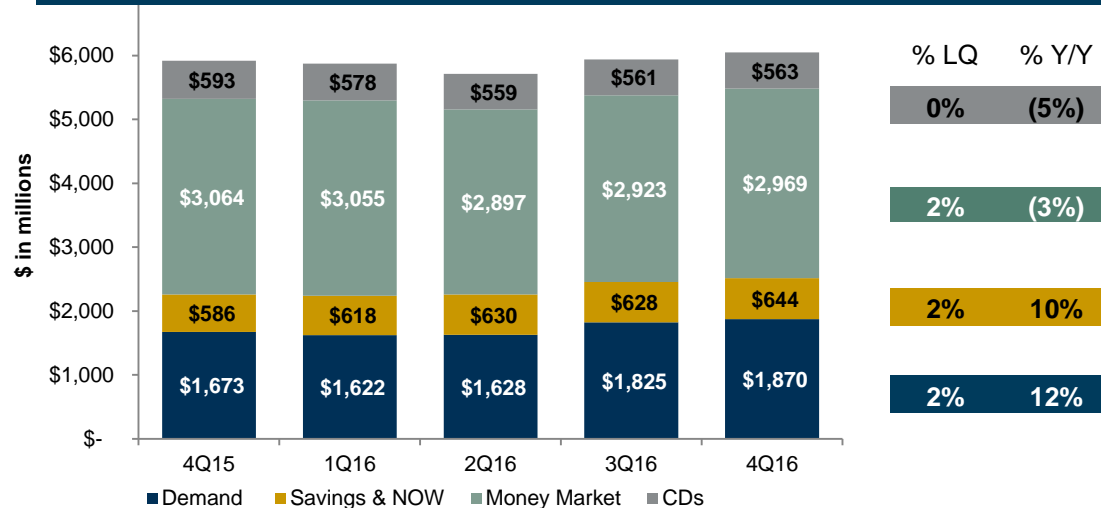
Average Loans



Comments

- » Total Average Loans increased 6% year-over-year to \$6.0 billion
- » Growth driven by Residential (+6%), CRE & Construction (+6%), and C&I (+5%)

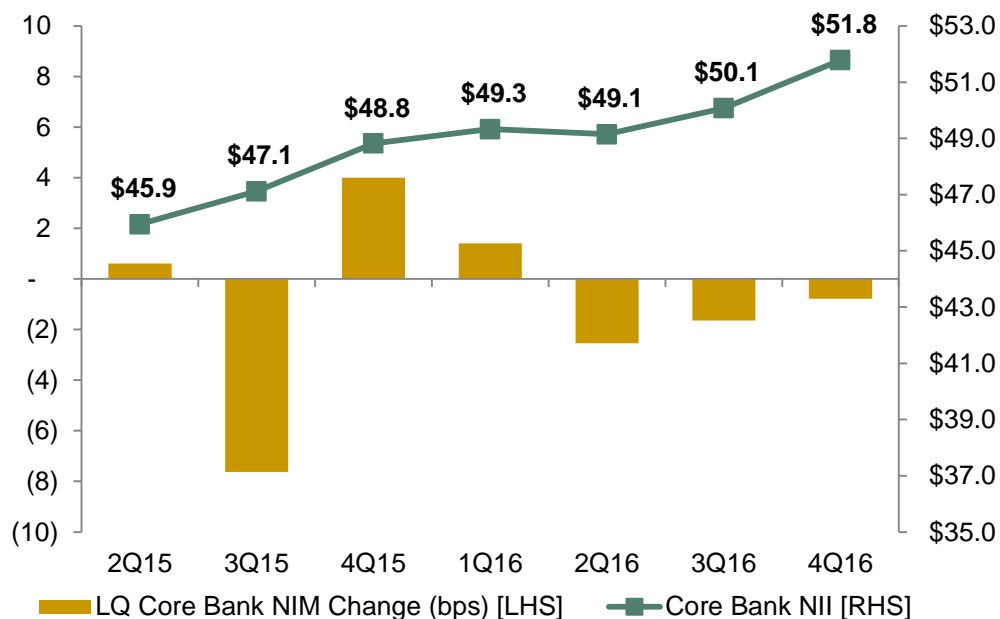
Average Deposits



- » Total Average Deposits increased 2% year-over-year to \$6.0 billion
- » The divestiture of \$104 million of deposits impacted fourth quarter of 2016 Average Total Deposits
- » Demand (+12%) and Savings (+10%) both posted strong year-over-year growth

Private Banking Net Interest Margin

Core Bank NIM vs. Core Bank NII (\$ in mm)



Comments

- » Core Bank NII continued its growth trend, increasing to \$51.8 million
- » Excluding interest recovered on previous nonaccrual loans, Core Net Interest Margin decreased one basis point to 2.89%
- » Cost of Funds Including DDA decreased to 0.36% as a result of the continued mix shift to Demand Deposit accounts

Core Bank Yield/ Cost

	4Q15	1Q16	2Q16	3Q16	4Q16
Cash and Investments	1.97%	2.12%	2.13%	2.09%	2.14%
Loans	3.62%	3.66%	3.58%	3.55%	3.51%
Interest-Bearing Deposits	0.40%	0.39%	0.40%	0.40%	0.39%
Total Interest-Bearing Liabilities	0.52%	0.51%	0.52%	0.51%	0.50%
Cost of Funds Including DDA	0.38%	0.38%	0.39%	0.37%	0.36%
Net Interest Margin (FTE)	2.94%	3.01%	2.95%	2.92%	2.91%
Core Net Interest Margin (FTE)	2.93%	2.94%	2.92%	2.90%	2.89%

Wealth Management & Trust Performance Highlights

	(\$ in millions)				
	4Q16	3Q16	4Q15	% Change	
				LQ	Y/Y
Total Revenue	\$11.1	\$10.9	\$11.8	2%	(6%)
Operating Expenses*	13.4	12.3	13.1	9%	3%
Restructuring	-	-	2.0	NMF	NMF
Impairment of Goodwill	9.5	-	-	NMF	NMF
Total Expenses	\$22.9	\$12.3	\$15.1	86%	52%
Pre-tax Income/ (Loss)	(\$11.8)	(\$1.4)	(\$3.3)	NMF	NMF
Taxes	(4.8)	(0.5)	(1.3)	NMF	NMF
Net Income/ (Loss)	(\$7.0)	(\$0.8)	(\$2.0)	NMF	NMF
Memo:					
Pre-tax Income/ (Loss)	(11.8)	(1.4)	(3.3)	NMF	NMF
Depreciation & Amortization	1.1	1.1	0.8	(1%)	31%
EBITDA	(\$10.8)	(\$0.3)	(\$2.5)	NMF	NMF
<i>Notable Items:</i>					
Add back: Restructuring	-	-	2.0	NMF	NMF
Add back: Impairment of Goodwill	9.5	-	-	NMF	NMF
Adjusted EBITDA	(\$1.2)	(\$0.3)	(\$0.5)	NMF	NMF
Tax Impact of Add Backs	(3.3)	-	(0.7)	NMF	NMF
Adjusted Net Income/ (Loss)	(\$0.8)	(\$0.8)	(\$0.7)	6%	(21%)

Comments

- » Revenue increased 2% linked quarter to \$11.1 million due to higher asset based fees and new Family Office business mandates
- » Excluding the Goodwill Impairment, Operating Expenses increased 9% linked quarter primarily due to higher salary expenses
- » **Note:** Wealth Management & Trust segment operates under the Boston Private brand as Boston Private Wealth

BOSTON PRIVATE
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Key Statistics

	4Q16	3Q16	4Q15
Net Flows (\$ in mm)	(\$82)	(\$120)	(\$195)
Total AUM (\$ in mm)	\$7,008	\$7,334	\$7,976
Reported EBITDA Margin	(97%)	(3%)	(21%)
Adjusted EBITDA Margin	(11%)	(3%)	(4%)

Wealth Management & Trust Performance Highlights

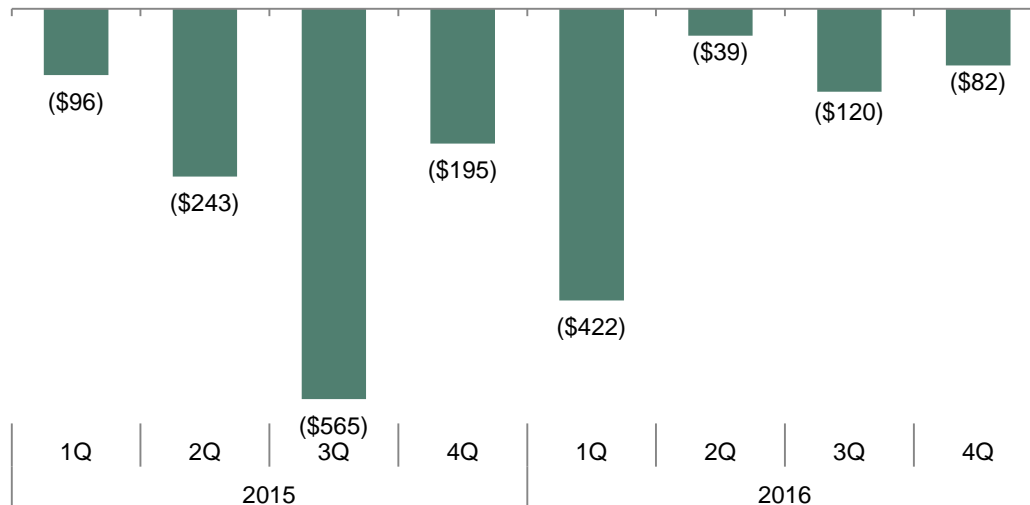
Wealth Management & Trust - New Business Flows (\$ in millions)



Comments

- » Fourth quarter New Business Flows rebounded to \$201 million
- » Full year 2016 New Business Flows were \$954 million, a record year for the segment

Wealth Management & Trust - Net Flows (\$ in millions)



- » Fourth quarter Net Flows improved sequentially due to lower levels of client attrition and increased New Business
- » Net Flows have averaged negative \$80 million in the past three quarters compared to an average of \$394 million from 3Q15 to 1Q16

Investment Management Performance Highlights

	(\$ in millions)				
	4Q16	3Q16	4Q15	% Change	
				LQ	Y/Y
Total Revenue	\$12.4	\$10.7	\$10.9	16%	14%
Operating Expenses	\$9.0	\$8.0	\$8.2	12%	10%
Pre-tax Income	\$3.5	\$2.7	\$2.7	27%	29%
Taxes	1.1	0.9	0.9	24%	23%
NCI	0.6	0.5	0.4	23%	51%
Net Income	\$1.7	\$1.3	\$1.4	30%	26%
Memo EBITDA:					
Pre-tax Income	\$3.5	\$2.7	\$2.7	27%	29%
Depreciation & Amortization	0.7	0.7	0.8	0%	(12%)
EBITDA	\$4.2	\$3.5	\$3.5	21%	19%

Comments

- » Total Revenue increased by 14% year-over-year and 16% linked quarter due to \$1.4 million of performance fees
- » Operating Expenses were higher 10% year-over-year driven by higher Salary Expense
- » Segment EBITDA margin of 34% remains above the 30% target

Key Statistics

	4Q16	3Q16	4Q15
Net Flows (\$ in mm)	(\$23)	(\$111)	(\$295)
Total AUM (\$ in mm)	\$10,571	\$10,176	\$9,952
EBITDA Margin	34%	32%	32%
Pre-Tax Margin	28%	26%	25%

Wealth Advisory Performance Highlights

	(\$ in millions)				
	4Q16	3Q16	4Q15	% Change	
				LQ	Y/Y
Total Revenue	\$12.6	\$12.8	\$12.6	(1%)	(0%)
Operating Expenses	\$7.0	\$9.0	\$8.2	(23%)	(15%)
Pre-tax Income	\$5.6	\$3.8	\$4.4	48%	29%
Taxes	2.3	1.4	1.7	63%	31%
NCI	0.5	0.6	0.5	(13%)	3%
Net Income	\$2.8	\$1.8	\$2.1	58%	34%
Memo EBITDA:					
Pre-tax Income	\$5.6	\$3.8	\$4.4	48%	29%
Depreciation & Amortization	0.4	0.4	0.5	(1%)	(16%)
EBITDA	\$6.0	\$4.2	\$4.8	44%	25%

Comments

- » Total Revenue decreased 1% linked quarter and was flat year-over-year
- » Operating Expenses decreased linked quarter due to lower compensation expense

Key Statistics

	4Q16	3Q16	4Q15
Net Flows (\$ in mm)	(\$71)	(\$105)	(\$54)
Total AUM (\$ in mm)	\$9,989	\$10,028	\$9,688
EBITDA Margin	48%	33%	38%
Pre-Tax Margin	45%	30%	35%