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# **Westwood Holdings Group, Inc.**

Fourth Quarter 2015 Conference Call

*February 3, 2016*





WESTWOOD®

# Westwood Firm Overview As of December 31, 2015

*Our mission is to exceed client expectations through exceptional performance and ethical conduct.*

## Stable and Growing Firm<sup>1</sup>

Founded	AUM	Employees	Publicly Listed
1983	\$20.8B	168	NYSE: WHG 2002

## Experienced Investment Talent Aligned with Client Objectives

### Multi-investment team structure

- U.S. Value
- Global and Emerging Markets Equities
- Global Convertible Securities

**Deep, experienced investment staff**  
Over 50 investment professionals

**Alpha generation through active management**

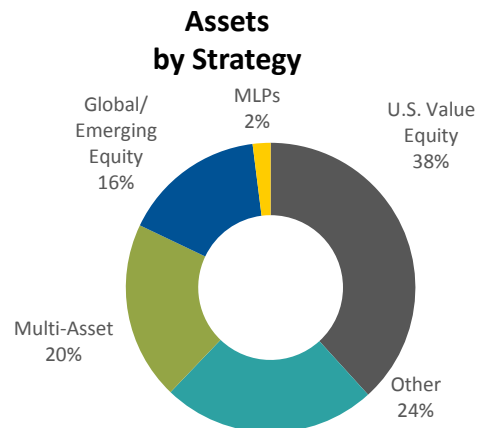
### Employee ownership culture

Employees and directors own equity, currently totaling 26%, no employee owns more than 5%

### Thoughtful growth strategy

Carefully manage capacity of investment strategies

**Creating solutions to meet client needs**

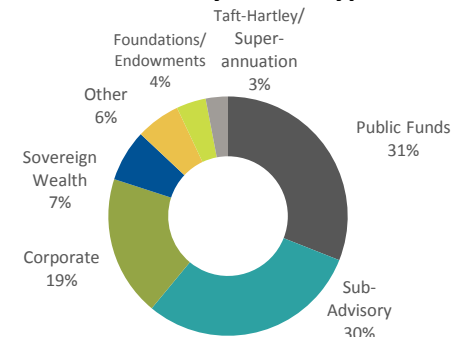


## Diversified Business

### Investment Vehicles

- Separate Accounts
- Mutual Funds
- UCITS
- Other Pooled Vehicles

## Institutional Separate Accounts by Client Type



<sup>1</sup>Westwood Management Corp. was founded and registered with the SEC in April 1983. Its parent company, Westwood Holdings Group, Inc., was launched as a public company in 2002, trading on the New York Stock Exchange under the symbol WHG. Except as otherwise noted, all references to or information about the “firm” or “Westwood” throughout this presentation describe Westwood Holdings Group, Inc. and its wholly owned subsidiaries, which include Westwood Management Corp., Westwood Trust, Westwood Advisors, LLC, and Westwood International Advisors Inc.

<sup>2</sup>The award was determined by compiling the results of the anonymous employee survey along with Westwood's corporate application. Employee survey responses were 60% of the overall score, and 40% was Westwood's corporate application that discussed employee benefits, culture, office space and other unique things about Westwood. Westwood was chosen as one of five asset managers in the “100 to 499 employees” category.

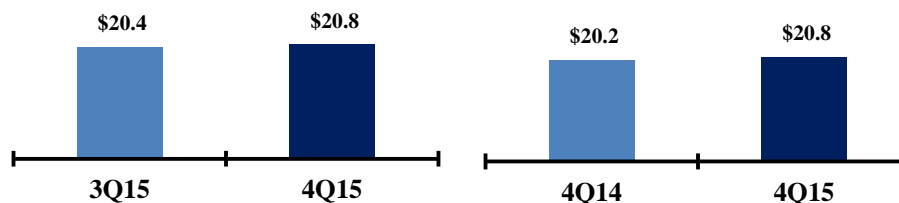
# Fourth Quarter 2015 Review

## Sequential Quarters

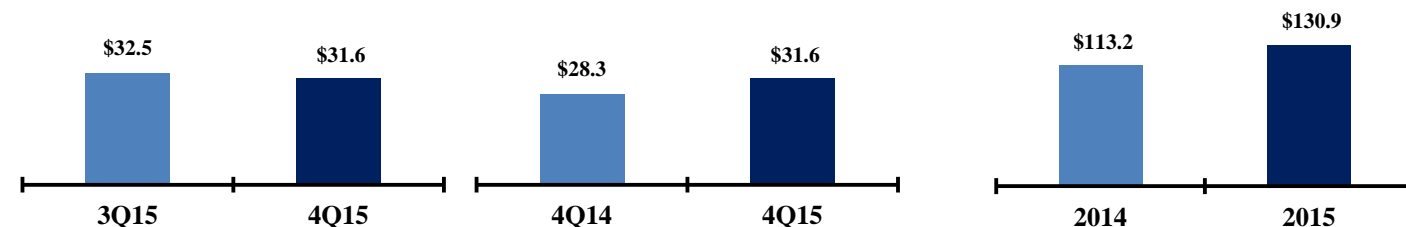
## Year over Year

## Fiscal Year

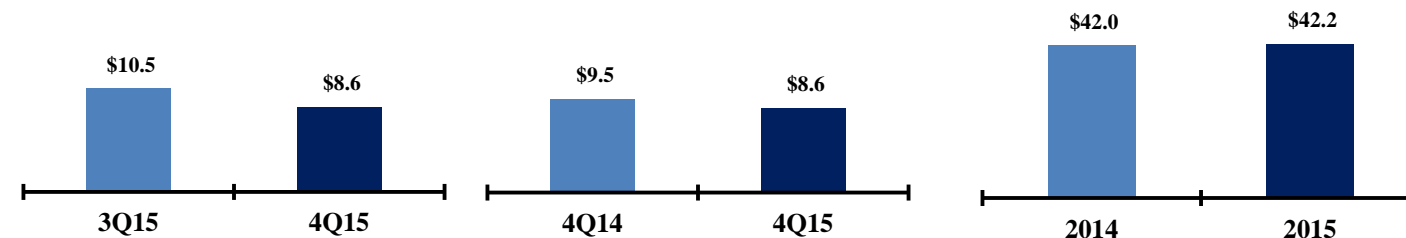
**AUM** <sup>(1)</sup>  
(\$ in billions)



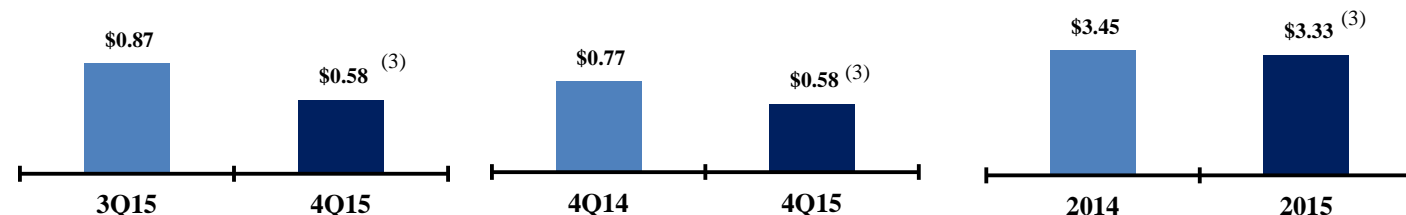
**Total Revenues** <sup>(2)</sup>  
(\$ in millions)



**Pretax Income**  
(\$ in millions)



**GAAP EPS**  
(Diluted)



(1) Assets under management. AUM for prior years has been revised for an immaterial error. See our 10-Q filed with the SEC on October 28, 2015.

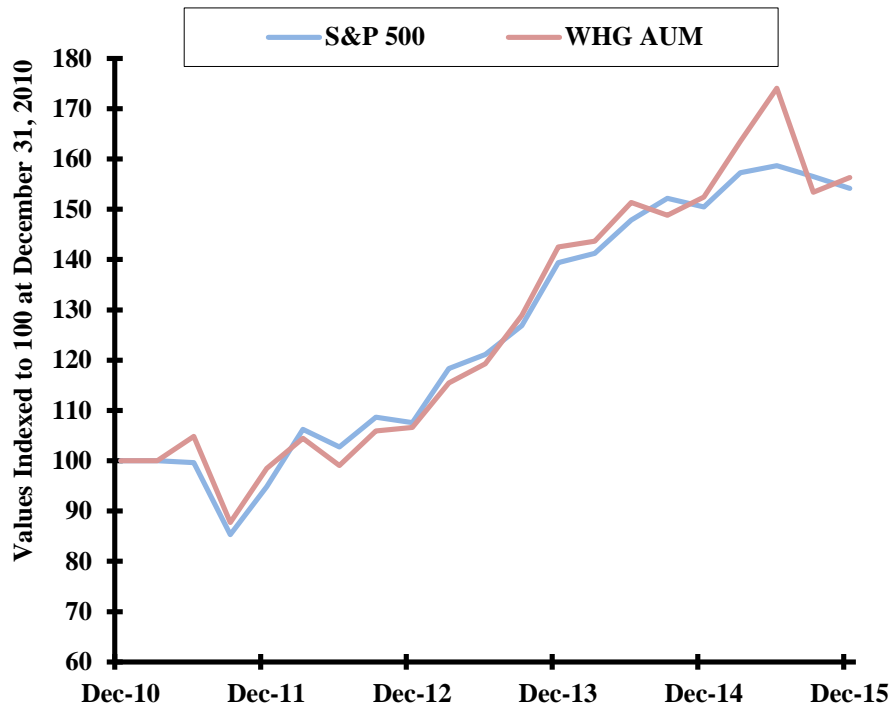
(2) Total revenue includes performance based fees of \$2.7M in 2015, \$3.8M in 2014, and \$0.5M in 4Q 2015.

(3) GAAP EPS includes a \$0.10 negative tax adjustment in 2015., a \$0.13 negative tax adjustment in 4Q 2015 and an \$0.08 non-cash compensation charge in 2015 and 4Q 2015.

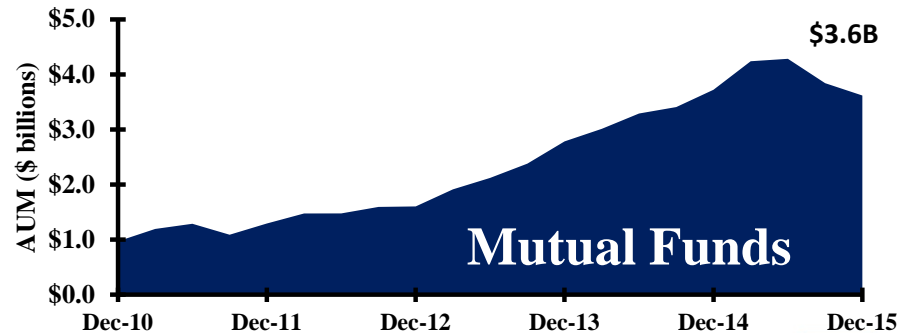
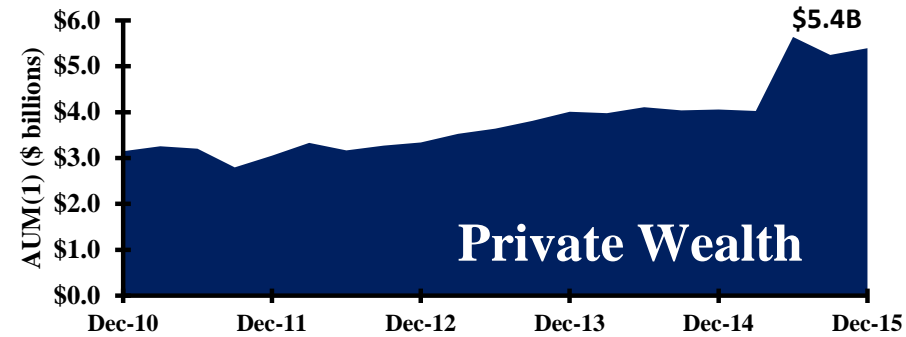


# Growth in Assets Under Management

## Five-Year AUM Growth vs. S&P 500

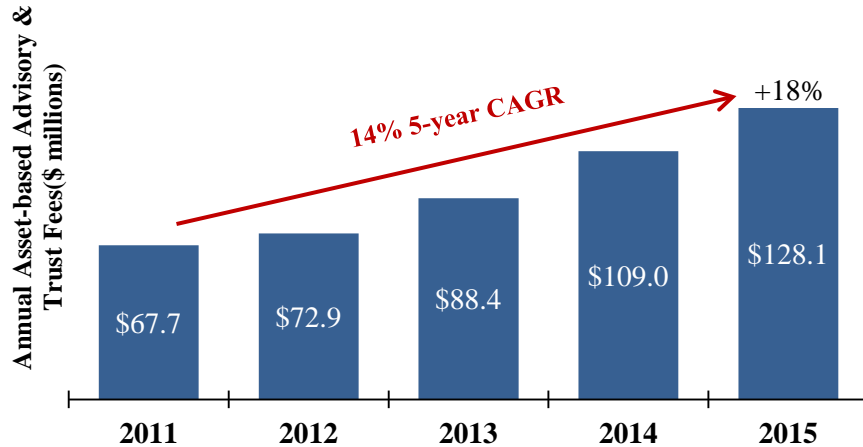


## \$20.8 Billion AUM at 12/31/15

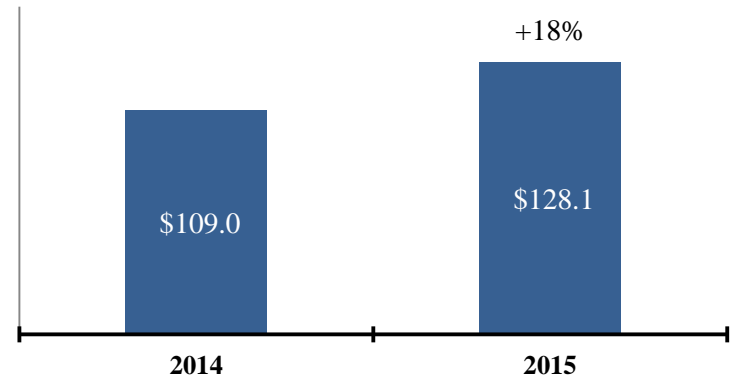


# Financial Trends

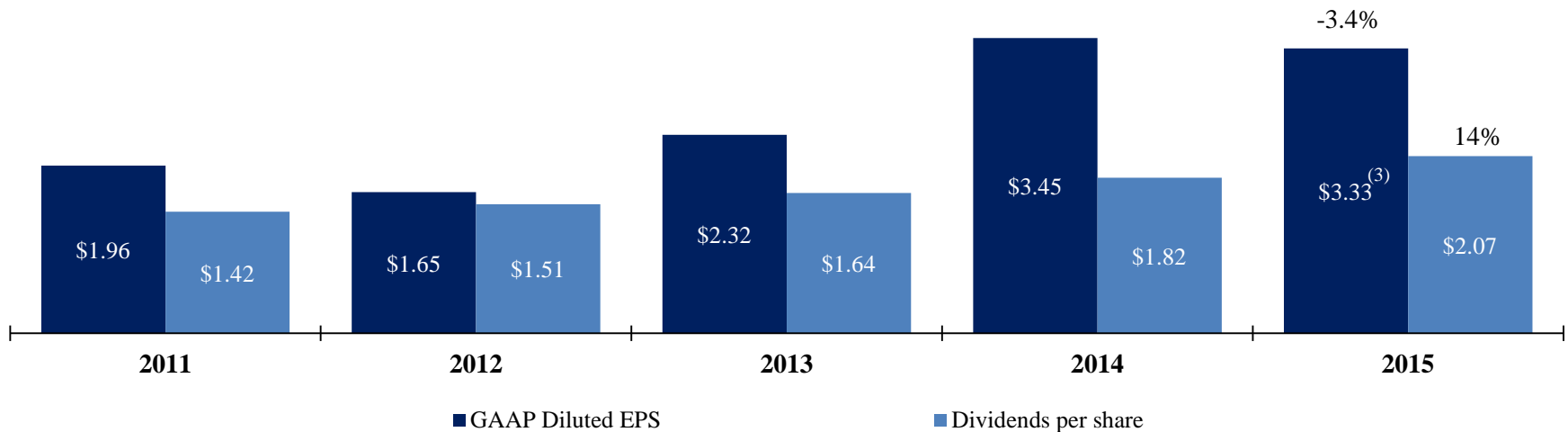
Fee Revenue <sup>(1)</sup> - Historical



Fee Revenue <sup>(1)</sup> – Fiscal Year



Earnings and Dividends <sup>(2)</sup> Per Share - Historical



(1) Asset based fee revenue, excluding performance fees.

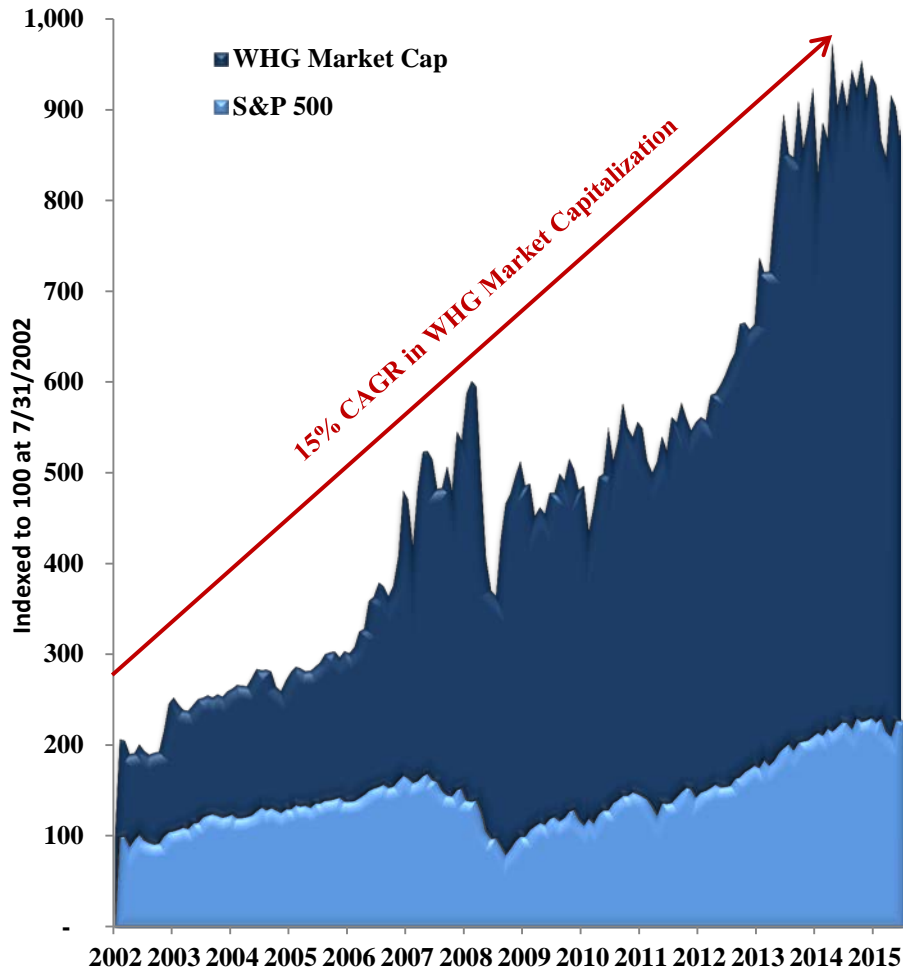
(2) Includes special dividends.

(3) GAAP Diluted EPS includes a \$0.10 negative tax adjustment in 2015., a \$0.13 negative tax adjustment in 4Q 2015 and an \$0.08 non-cash compensation charge in 2015 and 4Q 2015.

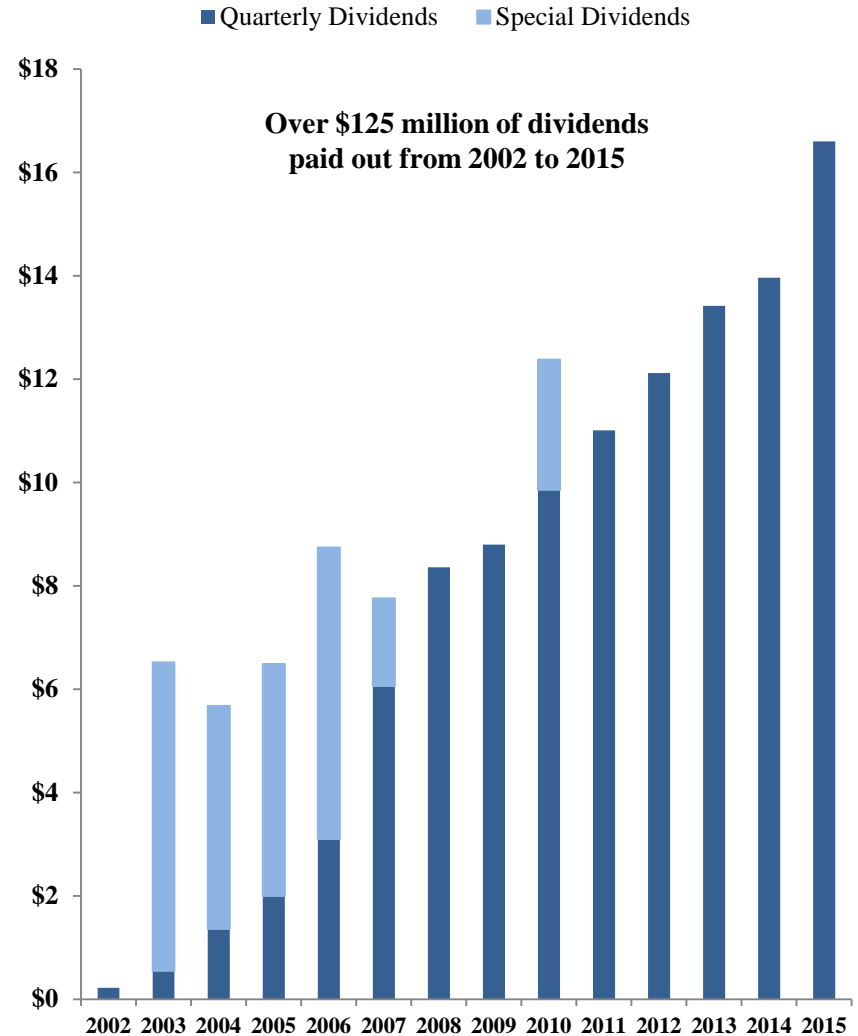


# Shareholder Value Creation

## WHG vs. S&P 500 Market Capitalization



## Annual Dividends (\$ in millions)



# Safe Harbor Statement

This presentation may include statements that are not purely historical facts, including, without limitation, statements about our expected future financial position, results of operations or cash flows, as well as other statements including, without limitation, words such as “anticipate,” “forecast,” “believe,” “plan,” “estimate,” “expect,” “intend,” “should,” “could,” “goal,” “may,” “target,” “designed,” “on track,” “comfortable with,” “optimistic” and other similar expressions, 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. Actual results and the timing of some events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors, including, without limitation: regulations adversely affecting the financial services industry; the composition and market value of our assets under management; competition in the investment management industry; our investments in foreign companies; our ability to develop and market new investment strategies successfully; our ability to pursue and properly integrate acquired businesses; litigation risks; our ability to retain qualified personnel; our relationships with current and potential customers; our ability to properly address conflicts of interest; our ability to maintain adequate insurance coverage; our ability to maintain an effective information systems; our ability to maintain effective cyber security; our ability to maintain an effective system of internal controls; our ability to maintain our fee structure in light of competitive fee pressures; our relationships with investment consulting firms; the significant concentration of our revenues in a small number of customers; and the other risks detailed from time to time in Westwood’s SEC reports, including but not limited to, its annual report on Form 10-K for the year ended December 31, 2014 and Form 10-Q for quarters ended March 31, 2015, June 30, 2015 and September 30, 2015. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Except as required by law, Westwood is not obligated to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events.

