

Noah Holdings Ltd
Form 6-K
March 13, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2019

Commission File Number: 001-34936

Noah Holdings Limited

No. 1687 Changyang Road, Changyang Valley, Building 2

Shanghai 200090, People's Republic of China

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(Address of Principal Executive Offices)

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Indicate by check mark whether the registrant the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Noah Holdings Limited

By: /s/ Shang-yan Chuang
Shang-yan Chuang
Chief Financial Officer

Date: March 13, 2019

EXHIBIT INDEX

Exhibit 99.1 Press Release

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NOAH HOLDINGS LIMITED ANNOUNCES UNAUDITED PRELIMINARY

FINANCIAL RESULTS FOR THE FOURTH QUARTER AND FULL YEAR 2018

SHANGHAI, March 13, 2018 Noah Holdings Limited (Noah or the Company) (NYSE: NOAH), a leading wealth and asset management service provider in China with a focus on global investment and asset allocation services for high net worth individuals and enterprises, today announced its unaudited preliminary¹ financial results for the fourth quarter of 2018 and the full year ended December 31, 2018.

FOURTH QUARTER 2018 FINANCIAL HIGHLIGHTS

Net revenues for the fourth quarter of 2018 were RMB822.1 million (US\$119.6 million), a 13.8% increase from the corresponding period in 2017.

(RMB millions,

| except percentages) | Q4 2017 | Q4 2018 | YoY Change |
|---------------------------|--------------|--------------|--------------|
| Wealth management | 524.8 | 578.5 | 10.2% |
| Asset management | 166.8 | 160.2 | (3.9%) |
| Other financial services | 30.5 | 83.4 | 173.1% |
| Total net revenues | 722.1 | 822.1 | 13.8% |

Income from operations for the fourth quarter of 2018 was RMB159.7 million (US\$23.2 million), a 17.8% increase from the corresponding period in 2017.

(RMB millions,

| except percentages) | Q4 2017 | Q4 2018 | YoY Change |
|-------------------------------------|--------------|--------------|--------------|
| Wealth management | 79.7 | 118.4 | 48.6% |
| Asset management | 76.9 | 41.3 | (46.3%) |
| Other financial services | (20.9) | 0.0 | N.A. |
| Total income from operations | 135.7 | 159.7 | 17.8% |

Net income attributable to Noah shareholders for the fourth quarter of 2018 was RMB155.6 million (US\$22.6 million), a 1.7% increase from the corresponding period in 2017.

Non-GAAP² net income attributable to Noah shareholders for the fourth quarter of 2018 was RMB223.2 million (US\$32.5 million), a 29.2% increase from the corresponding period in 2017.

- ¹ As of the date of this press release, we are still in the process of reviewing the financial results of the funds of funds we manage and invest in as the general partner or manager. Any changes in the fair value of those investments could affect the income from equity in affiliates, net income, net income attributable to Noah shareholders, income per ADS and the balance of investments in affiliates in our consolidated financial statements. While not included in the unaudited preliminary fourth quarter 2018 financial results in this press release, we will include any such fair value adjustments in the audited consolidated financial statements in our 2018 Form 20-F and will make a subsequent announcement when our review concludes, as appropriate.
- ² Noah's Non-GAAP financial measures are its corresponding GAAP financial measures excluding the effects of all forms of share-based compensation and fair value changes of equity securities (unrealized) and adjusting for sale of equity securities, net of relevant tax impact. See "Reconciliation of GAAP to Non-GAAP Results" at the end of this press release.

FULL YEAR 2018 FINANCIAL HIGHLIGHTS

Net revenues in the full year 2018 were RMB3,289.6 million (US\$478.5 million), a 16.4% increase from the full year 2017.

(RMB millions,

| except percentages) | FY 2017 | FY 2018 | YoY Change |
|----------------------------|----------------|----------------|--------------|
| Wealth management | 2,126.3 | 2,306.0 | 8.5% |
| Asset management | 588.0 | 748.5 | 27.3% |
| Other financial services | 112.6 | 235.1 | 108.8% |
| Total net revenues | 2,826.9 | 3,289.6 | 16.4% |

Income from operations in the full year 2018 was RMB926.5 million (US\$134.8 million), a 19.2% increase from the full year 2017.

(RMB millions,

| except percentages) | FY 2017 | FY 2018 | YoY Change |
|-------------------------------------|--------------|--------------|--------------|
| Wealth management | 580.9 | 607.2 | 4.5% |
| Asset management | 302.9 | 353.2 | 16.6% |
| Other financial services | (106.8) | (33.9) | 68.3% |
| Total income from operations | 777.0 | 926.5 | 19.2% |

Net income attributable to Noah shareholders in the full year 2018 was RMB811.3 million (US\$118.0 million), a 6.3% increase from the full year 2017.

Non-GAAP net income attributable to Noah shareholders in the full year 2018 was RMB1,010.8 million (US\$147.0 million), a 20.7% increase from the full year 2017.

FOURTH QUARTER AND FULL YEAR 2018 OPERATIONAL UPDATES
Wealth Management Business

The Company's wealth management business offers financial products and provides comprehensive financial services to high net worth clients. Noah primarily distributes onshore and offshore fixed income, private equity, secondary market equity and insurance products.

Total number of registered clients as of December 31, 2018 was 260,285, a 39.3% increase from December 31, 2017.

Total number of active clients³ during the fourth quarter of 2018 was 4,717, a 24.8% decrease from the fourth quarter of 2017, due to lower transaction value, especially that of secondary market equity products. **Total number of active clients** during the full year 2018 was 13,628, a 7.1% increase from the full year 2017.

Aggregate value of financial products distributed during the fourth quarter of 2018 was RMB25.2 billion (US\$3.7 billion), a 10.7% decrease from the fourth quarter of 2017.

³ Active clients for our wealth management business refers to registered clients who purchased financial products provided or distributed by Noah during a given period.

| Product type | Three months ended December 31, | | | |
|-------------------------|---------------------------------------|---------------|-------------|---------------|
| | 2017 | | 2018 | |
| | (RMB in billions, except percentages) | | | |
| Fixed income | 15.3 | 54.5% | 20.2 | 80.3% |
| Private equity | 7.4 | 26.1% | 3.0 | 11.9% |
| Secondary market equity | 5.4 | 19.2% | 1.5 | 5.7% |
| Other products | 0.1 | 0.2% | 0.5 | 2.1% |
| All products | 28.2 | 100.0% | 25.2 | 100.0% |

Aggregate value of financial products distributed during the full year 2018 was RMB110.0 billion (US\$16.0 billion), a 6.3% decrease from the full year 2017.

| Product type | Twelve months ended December 31, | | | |
|-------------------------|---------------------------------------|---------------|--------------|---------------|
| | 2017 | | 2018 | |
| | (RMB in billions, except percentages) | | | |
| Fixed income | 71.7 | 61.1% | 75.5 | 68.6% |
| Private equity | 34.3 | 29.2% | 18.9 | 17.1% |
| Secondary market equity | 10.8 | 9.2% | 13.6 | 12.4% |
| Other products | 0.6 | 0.5% | 2.0 | 1.9% |
| All products | 117.4 | 100.0% | 110.0 | 100.0% |

Average transaction value per active client⁴ for the fourth quarter of 2018 was RMB5.3 million (US\$0.8 million), an 18.8% increase from the corresponding period in 2017. **Average transaction value per active client** for the full year 2018 was RMB8.1 million (US\$1.2 million), a 12.5% decrease from the full year 2017.

Coverage network included 313 service centers covering 83 cities as of December 31, 2018, up from 287 service centers covering 83 cities as of September 30, 2018, and 237 service centers covering 79 cities as of December 31, 2017.

Number of relationship managers was 1,583 as of December 31, 2018, a 1.5% increase from September 30, 2018 and an 18.6% increase from December 31, 2017.

Asset Management Business

The Company's asset management business, Gopher Asset Management Co., Ltd. (Gopher Asset Management or Gopher), is a leading alternative asset manager in China. Gopher Asset Management develops and manages private equity, real estate, secondary market equity, credit and other investments denominated in Renminbi and other currencies.

Total assets under management as of December 31, 2018 were RMB169.2 billion (US\$24.6 billion), a 3.1% increase from September 30, 2018 and a 14.1% increase from December 31, 2017.

⁴ Average transaction value per active client refers to the average value of financial products that were purchased by active clients during the period specified.

| Investment type | As of September 30, 2018 | | Asset Growth Expiration/ Redemption | | As of December 31, 2018 | |
|--------------------------------------|------------------------------------|--------|-------------------------------------|-----|-------------------------|--------|
| | (RMB billions, except percentages) | | | | | |
| Private equity | 96.9 | 59.0% | 3.4 | 0.1 | 100.2 | 59.2% |
| Credit | 40.3 | 24.6% | 4.5 | 5.4 | 39.4 | 23.3% |
| Real estate | 16.6 | 10.1% | 0.5 | 0.4 | 16.7 | 9.9% |
| Secondary market equity ⁵ | 4.9 | 3.0% | 1.4 | 0.1 | 6.2 | 3.6% |
| Other investments | 5.4 | 3.3% | 1.3 | | 6.7 | 4.0% |
| All Investments | 164.1 | 100.0% | 11.1 | 6.0 | 169.2 | 100.0% |

| Investment type | As of December 31, 2017 | | Asset Growth Expiration/ Redemption | | As of December 31, 2018 | |
|-------------------------|------------------------------------|--------|-------------------------------------|------|-------------------------|--------|
| | (RMB billions, except percentages) | | | | | |
| Private equity | 86.9 | 58.6% | 15.7 | 2.4 | 100.2 | 59.2% |
| Credit | 40.0 | 27.0% | 27.4 | 28.0 | 39.4 | 23.3% |
| Real estate | 11.6 | 7.8% | 11.8 | 6.7 | 16.7 | 9.9% |
| Secondary market equity | 6.2 | 4.2% | 3.7 | 3.7 | 6.2 | 3.6% |
| Other investments | 3.6 | 2.5% | 3.2 | 0.1 | 6.7 | 4.0% |
| All Investments | 148.3 | 100.0% | 61.8 | 40.9 | 169.2 | 100.0% |

Other Financial Services Business

The Company's other financial services business includes its lending services, online wealth management and payment technology services.

Ms. Jingbo Wang, Chairlady and CEO of Noah, said, "We are pleased with our 2018 full year results, and we have met the guidance we provided to the market. We have been upgrading our business model over the past few years, which we believe will make us less sensitive to economic cycles and be able to maintain sustainable growth in both revenues and net income."

FOURTH QUARTER 2018 FINANCIAL RESULTS

Net Revenues

Net revenues for the fourth quarter of 2018 were RMB822.1 million (US\$119.6 million), a 13.8% increase from the corresponding period in 2017, primarily driven by increased recurring service fees and other service fees.

Wealth Management Business

Net revenues from one-time commissions for the fourth quarter of 2018 were RMB240.9 million (US\$35.0 million), which was substantially the same as the corresponding period in 2017.

Net revenues from recurring service fees for the fourth quarter of 2018 were RMB297.9 million (US\$43.3 million), a 17.8% increase from the corresponding period in 2017. The increase was primarily due to the cumulative effect of financial products with recurring service fees previously distributed.

- ⁵ The asset expiration/redemption of secondary market equity investments also includes market appreciation or depreciation.

Net revenues from performance-based income for the fourth quarter of 2018 were RMB0.1 million (US\$21.2 thousand), compared with RMB10.6 million in the corresponding period of 2017. The decrease was primarily due to less performance-based income generated from secondary market equity products.

Net revenues from other service fees for the fourth quarter of 2018 were RMB39.6 million (US\$5.8 million), a 95.5% increase from the corresponding period in 2017, primarily due to the growth of value-added financial services within the wealth management segment, such as investor education and trust services.

Asset Management Business

Net revenues from recurring service fees for the fourth quarter of 2018 were RMB147.9 million (US\$21.5 million), a 5.0% increase from the corresponding period in 2017. The increase was primarily due to the increase in assets under management.

Net revenues from performance-based income for the fourth quarter of 2018 were RMB10.8 million (US\$1.6 million), compared with RMB19.1 million in the corresponding period of 2017, primarily due to a decrease in performance-based income from secondary market equity products.

Other Financial Service Business

Net revenues for the fourth quarter of 2018 were RMB83.4 million (US\$12.1 million), a 173.1% increase from the corresponding period in 2017. The increase was primarily due to the growth of the Company's lending business.

Operating costs and expenses

Operating costs and expenses for the fourth quarter of 2018 were RMB662.4 million (US\$96.3 million), a 12.9% increase from the corresponding period in 2017. Operating costs and expenses primarily consisted of compensation and benefits of RMB428.1 million (US\$62.3 million), selling expenses of RMB104.8 million (US\$15.2 million), general and administrative expenses of RMB94.9 million (US\$13.8 million) and other operating expenses of RMB51.7 million (US\$7.5 million).

Operating costs and expenses for the wealth management business for the fourth quarter of 2018 were RMB460.1 million (US\$66.9 million), a 3.4% increase from the corresponding period in 2017, primarily due to an increase in compensation and benefits and partially offset by a decrease in selling expense.

Operating costs and expenses for the asset management business for the fourth quarter of 2018 were RMB118.9 million (US\$17.3 million), a 32.2% increase from the corresponding period in 2017, primarily due to an increase in compensation and benefits as well as selling expenses for this business.

Operating costs and expenses for the other financial services business for the fourth quarter of 2018 were RMB83.4 million (US\$12.1 million), a 62.2% increase from the corresponding period in 2017 due to the expansion of the Company's lending business.

Operating Margin

Operating margin for the fourth quarter of 2018 was 19.4%, an increase from 18.8% for the corresponding period in 2017. The increase was mainly due to improved cost control.

Operating margin for the wealth management business for the fourth quarter of 2018 was 20.5%, compared with 15.2% for the corresponding period in 2017.

Operating margin for the asset management business for the fourth quarter of 2018 was 25.8%, compared with 46.1% for the corresponding period in 2017.

Income from operations for the other financial services business for the fourth quarter of 2018 was break-even, improving from a loss of RMB20.9 million for the corresponding period in 2017.

Investment Income

Investment income for the fourth quarter of 2018 was RMB6.5 million (US\$1.0 million), compared with RMB35.0 million in the corresponding period in 2017. The decrease was primarily due to changes in fair value of the Company's investments in equity securities. See Discussion of Recently Adopted Accounting Standard and Non-GAAP Financial Measures below for more details.

Income Tax Expenses

Income tax expenses for the fourth quarter of 2018 were RMB29.2 million (US\$4.2 million), a 16.8% decrease from the corresponding period in 2017. The decrease was primarily due to a lower effective tax rate.

Income from Equity in Affiliates

Income from equity in affiliates for the fourth quarter of 2018 was RMB2.5 million (US\$0.4 million), compared with RMB17.4 million in the corresponding period in 2017. We are still reviewing the financial results of the funds of funds we manage and invest in as the general partner. Any potential changes in fair value of those investments could affect the income from equity in affiliates.

Net Income

Net Income

Net income for the fourth quarter of 2018 was RMB151.4 million (US\$22.0 million), a 3.5% decrease from the corresponding period in 2017.

Net margin for the fourth quarter of 2018 was 18.4%, down from 21.7% for the corresponding period in 2017.

Net income attributable to Noah shareholders for the fourth quarter of 2018 was RMB155.6 million (US\$22.6 million), a 1.7% increase from the corresponding period in 2017.

Net margin attributable to Noah shareholders for the fourth quarter of 2018 was 18.9%, down from 21.2% for the corresponding period in 2017.

Net income attributable to Noah shareholders per basic and diluted ADS for the fourth quarter of 2018 was RMB2.61 (US\$0.38) and RMB2.54 (US\$0.37), respectively, down from RMB2.69 and RMB2.60 respectively, for the corresponding period in 2017.

Non-GAAP Net Income Attributable to Noah Shareholders

Non-GAAP net income attributable to Noah shareholders for the fourth quarter of 2018 was RMB223.2 million (US\$32.5 million), a 29.2% increase from the corresponding period in 2017.

Non-GAAP net margin attributable to Noah shareholders for the fourth quarter of 2018 was 27.1%, up from 23.9% for the corresponding period in 2017.

Non-GAAP net income attributable to Noah shareholders per diluted ADS for the fourth quarter of 2018 was RMB3.64 (US\$0.53), up from RMB2.92 for the corresponding period in 2017.

FULL YEAR 2018 FINANCIAL RESULTS

Net Revenues

Net revenues for the full year 2018 were RMB3,289.6 million (US\$478.5 million), a 16.4% increase from the full year 2017, primarily due to increases in recurring service fees and other service fees.

Wealth Management Business

Net revenues from one-time commissions for 2018 were RMB1,018.9 million (US\$148.2 million), a 6.7% decrease from 2017, primarily due to a decline in the transaction value of financial products purchased by active clients.

Net revenues from recurring service fees for 2018 were RMB1,130.0 million (US\$164.4 million), a 29.6% increase from 2017. The increase was primarily due to the cumulative effect of financial products with recurring service fees previously distributed by the Company.

Net revenues from performance-based income for 2018 were RMB44.1 million (US\$6.4 million), a 52.3% decrease from 2017, primarily due to a decrease in performance-based income from private equity products.

Net revenues from other service fees for 2018 were RMB113.0 million (US\$16.4 million), representing a 61.6% increase from 2017, primarily due to the growth of value-added financial services within the wealth management segment.

Asset Management Business

Net revenues from recurring service fees for 2018 were RMB637.8 million (US\$92.8 million), a 20.9% increase from 2017. The increase was primarily due to the increase in assets under management by the Company.

Net revenues from performance-based income for 2018 were RMB98.9 million (US\$14.4 million), a 107.5% increase from the year 2017, primarily due to an increase in performance-based income from real estate and secondary market equity funds.

Other Financial Services Business

Net revenues for the full year 2018 were RMB235.1 million (US\$34.2 million), a 108.8% increase from 2017. The increase was primarily due to the growth of the Company's lending services business.

Operating costs and expenses

Operating costs and expenses for the full year 2018 were RMB2,363.1 million (US\$343.7 million), a 15.3% increase from the full year 2017. Operating costs and expenses for the full year 2018 primarily consisted of compensation and benefits of RMB1,564.2 million (US\$227.5 million), selling expenses of RMB412.7 million (US\$60.0 million), general and administrative expenses of RMB279.4 million (US\$40.6 million) and other operating expenses of RMB169.4 million (US\$24.6 million).

Operating costs and expenses for the wealth management business for 2018 were RMB1,698.8 million (US\$247.1 million), a 9.9% increase from 2017, primarily due to an increase in compensation and benefits as well as selling expenses.

Operating costs and expenses for the asset management business for 2018 were RMB395.3 million (US\$57.5 million), a 38.6% increase from 2017, primarily due to an increase in compensation and benefits and a decrease in government subsidies.

Operating costs and expenses for the other financial services business for 2018 were RMB268.9 million (US\$39.1 million), a 22.6% increase from 2017 due to the expansion of the Company's lending business.

Operating Margin

Operating margin for the full year 2018 was 28.2%, compared to 27.5% for the full year 2017, mainly due to increased operating efficiency and reduced losses for the other financial services business.

Operating margin for the wealth management business for 2018 was 26.3%, compared to 27.3% for 2017.

Operating margin for the asset management business for 2018 was 47.2%, compared to 51.5% for 2017.

Operating loss for other financial services business for 2018 was RMB33.9 million (US\$4.9 million), compared to a loss of RMB106.8 million for 2017.

Investment Income

Investment income for the full year 2018 was RMB48.6 million (US\$7.0 million), a 27.8% decrease from the corresponding period in 2017. The decrease was primarily due to changes in fair value of equity securities. See Discussion of Recently Adopted Accounting Standard and Non-GAAP Financial Measures below for more details.

Income Tax Expenses

Income tax expenses for the full year 2018 were RMB222.3 million (US\$32.3 million), an 11.7% increase from the full year 2017, primarily due to an increase in taxable income offset in part by a lower effective tax rate.

Net Income

Net Income

Net income for the full year 2018 was RMB803.7 million (US\$116.9 million), a 5.5% increase from the full year 2017.

Net margin for the full year 2018 was 24.4%, compared to 27.0% for the full year 2017.

Net income attributable to Noah shareholders for the full year 2018 was RMB811.3 million (US\$118.0 million), a 6.3% increase from the full year 2017.

Net margin attributable to Noah shareholders for the full year 2018 was 24.7%, down from 27.0% for the corresponding period in 2017.

Net income attributable to Noah shareholders per basic and diluted ADS for the full year 2018 was RMB13.85 (US\$2.01) and RMB13.33 (US\$1.94), respectively, as compared to RMB13.49 and RMB12.95, respectively, for the full year 2017.

Non-GAAP Net Income Attributable to Noah Shareholders

Non-GAAP net income attributable to Noah shareholders for the full year 2018 was RMB1,010.8 million (US\$147.0 million), a 20.7% increase from the full year 2017.

Non-GAAP net margin attributable to Noah shareholders for the full year 2018 was 30.7%, compared to 29.6% for the full year 2017.

Non-GAAP net income attributable to Noah shareholders per diluted ADS for the full year 2018 was RMB16.58 (US\$2.41), compared to RMB14.18 for the full year 2017.

Balance Sheet and Cash Flow

As of December 31, 2018, the Company had RMB2,706.6 million (US\$393.7 million) in cash and cash equivalents, compared with RMB2,360.1 million as of September 30, 2018 and RMB1,906.8 million as of December 31, 2017.

Net cash inflow from the Company's operating activities during the fourth quarter of 2018 was RMB511.3 million (US\$74.4 million). Net cash inflow from the Company's operating activities during the full year 2018 was RMB1,029.4 million (US\$149.7 million), compared to RMB628.4 million during the full year 2017, driven by profit earned from business operations and enhanced collection of factoring receivables.

Net cash outflow from the Company's investing activities during the fourth quarter of 2018 was RMB188.4 million (US\$27.4 million). Net cash outflow from the Company's investing activities during the full year 2018 was RMB395.7 million (US\$57.5 million), compared to RMB833.9 million during the full year 2017. In 2018, this primarily consisted of net cash outflow for purchasing various investments and properties and equipment in the amount of RMB544.8 million, partially offset by cash inflow from net of loan disbursement of RMB149.1 million.

Net cash inflow from the Company's financing activities was RMB7.5 million (US\$1.1 million) in the fourth quarter of 2018. Net cash inflow from the Company's financing activities during the full year 2018 was RMB109.8 million (US\$16.0 million), compared to RMB791.8 million cash outflow during the full year 2017. The cash inflow for 2018 was mainly due to the proceeds related to share-based compensation and contribution of non-controlling interest.

Note to Financial Information

As of the date of this press release, we are still in the process of reviewing the financial results of the funds of funds we manage and invest in as the general partner or manager. Any changes in the fair value of those investments could affect the income from equity in affiliates, net income, net income attributable to Noah shareholders, income per ADS and the balance of investments in affiliates in our consolidated financial statements. While not included in the unaudited preliminary fourth quarter 2018 financial results in this press release, we will include any such fair value

adjustments in the audited consolidated financial statements in our 2018 Form 20-F and will make a subsequent announcement when our review conclude, as appropriate.

OTHER COMPANY DEVELOPMENTS

The Company also announced today that Mr. Yi Zhao has been appointed as Group President, succeeding Mr. Kenny Lam who has decided to depart Noah for new professional pursuits.

Mr. Zhao has more than twenty years of experience in the financial industry. He has been leading Noah's wealth management business since 2013 and implemented a series of core strategies, which led to robust growth in both transaction value and profitability for the segment. During his tenure as the head of our wealth management segment, he enhanced the management of our sales network and created an elite relationship managers program. Prior to joining Noah, Mr. Zhao worked for several insurance companies, including Ping An Insurance, AXA-Minmetals Assurance, and Great Wall Life Insurance. Mr. Zhao received his Bachelor's Degree from Shenyang Sports University.

Ms. Jingbo Wang, Chairlady and CEO of Noah, commented, "Mr. Zhao is an experienced veteran in the financial services industry and has worked with the Company for seven years. Under his leadership, our core wealth management business realized milestone achievements, which solidified our leading position in the industry. We are confident that in his new role he will continue to deliver meaningful impact and further strengthen Noah's competitive advantages. Meanwhile, we want to extend our warm appreciation to Kenny for his services during the last four years in planning and promoting key strategic initiatives of Noah. We respect his decision to return to Hong Kong to pursue new professional endeavors and sincerely wish him the best."

2019 FORECAST

The Company estimates that non-GAAP net income attributable to Noah shareholders for the full year 2019 will be in the range of RMB1.13 billion to RMB1.18 billion, an increase of 11.9% to 16.8% compared with the full year 2018. This estimate reflects management's current business outlook and is subject to change.

CONFERENCE CALL

Senior management will host a combined English and Chinese language conference call to discuss the Company's fourth quarter and full year 2018 unaudited financial results and recent business activities.

The conference call may be accessed with the following details:

Conference call details

Date/Time: Tuesday, March 12, 2019 at 8:00 p.m., U.S. Eastern Time

Wednesday, March 13, 2019 at 8:00 a.m., Hong Kong Time

Dial in details:

- United States Toll Free +1-888-317-6003

- Mainland China Toll Free 4001-206-115

- Hong Kong Toll Free 800-963-976

- International +1-412-317-6061

Conference Title: Noah Holdings Fourth Quarter and Full Year 2018 Earnings Call

Participant Entry No.: 1611659

Participants will need to dial in 10-15 minutes early and use this Entry Number in order to join the conference.

A telephone replay will be available starting one hour after the end of the conference call until March 19, 2019 at +1-877-344-7529 (US Toll Free) or +1-412-317-0088 (International Toll). The replay access code is 10129228.

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A live and archived webcast of the conference call will be available at Noah's investor relations website under the News & Events section at <http://ir.noahgroup.com>.

DISCUSSION OF RECENTLY ADOPTED ACCOUNTING STANDARD AND NON-GAAP MEASURES

On January 1, 2018, the Company adopted ASU 2016-01 Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, which requires that equity investments, except for those accounted for under the equity method or those that result in consolidation of the investee, be measured at fair value, with subsequent changes in fair value recognized in net income.

The accounting standard also includes a transition requirement on presentation that requires the amounts reported in accumulated other comprehensive income for equity securities that exist as of the date of adoption previously classified as available-for-sale to be reclassified to retained earnings.

As a result, upon adoption of this new standard, Noah recorded a cumulative effect adjustment from other comprehensive income to retained earnings of RMB251.6 million (US\$38.7 million), net of tax, for the unrealized gains related to equity securities previously classified as available-for-sale securities. This adjustment had no overall impact on shareholders' equity; however, since these net unrealized gains are now included within retained earnings, they will not appear as realized gains on Noah's consolidated income statement when sold.

The future impact to Noah's consolidated income statement from period to period will vary depending upon the level of volatility in the performance of the securities held in Noah's equity portfolio and the overall market. ASU 2016-01 does not affect the treatment of equity investments accounted for under the equity method or those that result in consolidation of the investee.

In addition to disclosing financial results prepared in accordance with U.S. GAAP, the Company's earnings release contains non-GAAP financial measures excluding the effects of all forms of share-based compensation and fair value changes of equity investments (unrealized) and adjusting for sale of equity securities, after including any current and deferred income tax expense impact of those adjustments. See "Reconciliation of GAAP to Non-GAAP Results" at the end of this press release.

The non-GAAP financial measures disclosed by the Company should not be considered a substitute for financial measures prepared in accordance with U.S. GAAP. The financial results reported in accordance with U.S. GAAP and reconciliation of GAAP to non-GAAP results should be carefully evaluated. The non-GAAP financial measures used by the Company may be prepared differently from and, therefore, may not be comparable to similarly titled measures used by other companies.

When evaluating the Company's operating performance in the periods presented, management reviewed the foregoing non-GAAP net income attributable to Noah shareholders and per diluted ADS and non-GAAP net margin attributable to Noah shareholders to supplement U.S. GAAP financial data. As such, the Company's management believes that the presentation of the non-GAAP financial measures provides important supplemental information to investors regarding financial and business trends relating to its results of operations in a manner consistent with that used by management.

ABOUT NOAH HOLDINGS LIMITED

Noah Holdings Limited (NYSE: NOAH) is a leading wealth and asset management service provider in China with a focus on global investment and asset allocation services for high net worth individuals and enterprises. In the full year 2018, Noah distributed RMB110.0 billion (US\$16.0 billion) of financial products. Through Gopher Asset Management, Noah had assets under management of RMB169.2 billion (US\$24.6 billion) as of December 31, 2018.

Noah's wealth management business primarily distributes onshore and offshore fixed income, private equity, secondary market equity and insurance products. Noah delivers customized financial solutions to clients through a network of 1,583 relationship managers across 313 service centers in 83 cities in mainland China, and serves the

international investment needs of its clients through offices in Hong Kong, Taiwan, United States, Canada, Australia and Singapore. The Company's wealth management business had 260,285 registered clients as of December 31, 2018. As a leading alternative asset manager in China, Gopher Asset Management manages private equity, real estate, secondary market equity, credit and other investments denominated in Renminbi and other currencies. The Company also provides other financial services, including lending services, online wealth management and payment technology services.

For more information, please visit Noah at ir.noahgroup.com.

FOREIGN CURRENCY TRANSLATION

In this announcement, the unaudited financial results for the fourth quarter of 2018 and the full year ended December 31, 2018 are stated in RMB. This announcement contains currency conversions of certain RMB amounts into US\$ at specified rates solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to US\$ are made at a rate of RMB6.8755 to US\$1.00, the effective noon buying rate for December 31, 2018 as set forth in the H.10 statistical release of the Federal Reserve Board.

SAFE HARBOR STATEMENT

This announcement contains forward-looking statements. These statements are made under the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as will, expects, anticipates, future, intends, plans, believes, estimates, confident a statements. Among other things, the outlook for 2019 and quotations from management in this announcement, as well as Noah's strategic and operational plans, contain forward-looking statements. Noah may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Noah's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause Noah's actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: its goals and strategies; its future business development, financial condition and results of operations; the expected growth of the wealth management and asset management market in China and internationally; its expectations regarding demand for and market acceptance of the products it distributes and manages; its expectations regarding keeping and strengthening its relationships with key clients; relevant government policies and regulations relating to its industry; its ability to attract and retain qualified employees; its ability to stay abreast of market trends and technological advances; its plans to invest in research and development to enhance its product choices and service offerings; competition in its industry in China and internationally; general economic and business conditions in China; and its ability to effectively protect its intellectual property rights and not to infringe on the intellectual property rights of others. Further information regarding these and other risks is included in Noah's filings with the U.S. Securities and Exchange Commission, including its annual reports on Form 20-F. All information provided in this press release and in the attachments is as of the date of this press release, and Noah does not undertake any obligation to update any such information, including forward-looking statements, as a result of new information, future events or otherwise, except as required under the applicable law.

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FINANCIAL AND OPERATIONAL TABLES FOLLOW

Noah Holdings Limited
Condensed Consolidated Balance Sheets
(unaudited)

| | September 30, 2018 RMB 000 | As of December 31, 2018 RMB 000 | December 31, 2018 USD 000 |
|---|----------------------------------|--|---------------------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | 2,360,111 | 2,704,091 | 393,294 |
| Restricted cash | | 2,500 | 364 |
| Short-term investments (including short-term investments measured at fair value of RMB162,153 thousands and RMB438,077 thousands, as of September 30, 2018 and December 31, 2018, respectively) | 213,153 | 450,477 | 65,519 |
| Accounts receivable and contract assets, net of allowance for doubtful accounts of nil as of September 30, 2018 and December 31, 2018 | 255,051 | 282,431 | 41,078 |
| Loans receivable, net | 688,890 | 620,219 | 90,207 |
| Amounts due from related parties | 625,948 | 572,201 | 83,223 |
| Loans receivable from factoring business | 23,943 | 18,893 | 2,748 |
| Other current assets | 455,958 | 453,269 | 65,925 |
| Total current assets | 4,623,054 | 5,104,081 | 742,358 |
| Long-term investments (including long-term investments measured at fair value of RMB860,828 thousands and RMB609,151 thousands, as of September 30, 2018 and December 31, 2018, respectively) | | | |
| Investment in affiliates | 895,328 | 1,025,065 | 149,090 |
| Property and equipment, net | 1,314,862 | 1,375,110 | 200,001 |
| Non-current deferred tax assets | 295,785 | 346,653 | 50,419 |
| Other non-current assets | 97,205 | 113,384 | 16,491 |
| | 23,093 | 49,971 | 7,266 |
| Total Assets | 7,249,327 | 8,014,264 | 1,165,625 |
| Liabilities and Equity | | | |
| Current liabilities: | | | |
| Accrued payroll and welfare expenses | 565,346 | 671,200 | 97,622 |
| Income tax payable | 67,170 | 54,296 | 7,897 |
| Amounts due to related parties | 1,691 | | |
| Deferred revenues | 172,171 | 142,925 | 20,788 |
| Other current liabilities | 420,508 | 722,652 | 105,105 |
| Total current liabilities | 1,226,886 | 1,591,073 | 231,412 |
| Non-current deferred tax liabilities | 51,256 | 67,092 | 9,758 |
| Convertible notes | 228,121 | 145,004 | 21,090 |
| Other non-current liabilities | 75,824 | 35,718 | 5,195 |

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| | | | |
|-------------------------------------|-----------|-----------|-----------|
| Total Liabilities | 1,582,087 | 1,838,887 | 267,455 |
| Equity | 5,667,240 | 6,175,377 | 898,170 |
| Total Liabilities and Equity | 7,249,327 | 8,014,264 | 1,165,625 |

Noah Holdings Limited

Condensed Consolidated Income Statements

(In RMB 000, except for USD data, per ADS data and percentages)

(unaudited)

| | Three months ended | | | Change |
|---|--------------------|------------------|-----------------|--------------|
| | December 31, | December 31, | December 31, | |
| | 2017 | 2018 | 2018 | |
| | RMB 000 | RMB 000 | USD 000 | |
| Revenues: | | | | |
| Revenues from others ^[1] : | | | | |
| One-time commissions | 130,462 | 173,814 | 25,280 | 33.2% |
| Recurring service fees | 170,738 | 142,435 | 20,716 | (16.6%) |
| Performance-based income | 9,006 | 147 | 21 | (98.4%) |
| Other service fees | 57,023 | 126,212 | 18,357 | 121.3% |
| Total revenues from others | 367,229 | 442,608 | 64,374 | 20.5% |
| Revenues from funds Gopher manages ^[1] : | | | | |
| One-time commissions | 113,572 | 69,098 | 10,050 | (39.2%) |
| Recurring service fees | 225,674 | 305,937 | 44,497 | 35.6% |
| Performance-based income | 20,833 | 10,861 | 1,580 | (47.9%) |
| Total revenues from funds Gopher manages | 360,079 | 385,896 | 56,127 | 7.2% |
| Total revenues | 727,308 | 828,504 | 120,501 | 13.9% |
| Less: business taxes and related surcharges | (5,194) | (6,401) | (931) | 23.2% |
| Net revenues | 722,114 | 822,103 | 119,570 | 13.8% |
| Operating costs and expenses: | | | | |
| Compensation and benefits | | | | |
| Relationship manager compensation | (167,363) | (162,638) | (23,655) | (2.8%) |
| Performance fee compensation | (11,291) | (3,800) | (553) | (66.3%) |
| Other compensations | (200,982) | (261,677) | (38,059) | 30.2% |
| Total compensation and benefits | (379,636) | (428,115) | (62,267) | 12.8% |
| Selling expenses | (111,516) | (104,765) | (15,237) | (6.1%) |
| General and administrative expenses | (79,271) | (94,938) | (13,808) | 19.8% |
| Other operating expenses | (41,274) | (51,710) | (7,521) | 25.3% |
| Government subsidies | 25,199 | 17,145 | 2,494 | (32.0%) |
| Total operating costs and expenses | (586,498) | (662,383) | (96,339) | 12.9% |
| Income from operations | 135,616 | 159,720 | 23,231 | 17.8% |

Other income:

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| | | | | |
|--|---------------|---------------|--------------|----------------|
| Interest income | 12,910 | 14,104 | 2,051 | 9.2% |
| Interest expense | (9,593) | (1,002) | (146) | (89.6%) |
| Investment income (loss), net | 34,983 | 6,547 | 952 | (81.3%) |
| Other income (expense) | 640 | (1,326) | (193) | (307.2%) |
| Total other income | 38,940 | 18,323 | 2,664 | (52.9%) |
| Income before taxes and income from equity in affiliates | 174,556 | 178,043 | 25,895 | 2.0% |
| Income tax expense | (35,081) | (29,203) | (4,247) | (16.8%) |

| | | | | |
|--|------------|------------|------------|---------|
| Income from equity in affiliates | 17,390 | 2,526 | 367 | (85.5%) |
| Net income | 156,865 | 151,366 | 22,015 | (3.5%) |
| Less: net loss attributable to non-controlling Interests | (2,339) | (4,273) | (621) | 82.7% |
| Less: effect on retained earnings caused by termination of redeemable non-controlling interest of a subsidiary | 6,201 | | | N.A |
| Net income attributable to Noah shareholders | 153,003 | 155,639 | 22,636 | 1.7% |
| Income per ADS, basic | 2.69 | 2.61 | 0.38 | (3.0%) |
| Income per ADS, diluted | 2.60 | 2.54 | 0.37 | (2.3%) |
| Margin analysis: | | | | |
| Operating margin | 18.8% | 19.4% | 19.4% | |
| Net margin | 21.7% | 18.4% | 18.4% | |
| Weighted average ADS equivalent ^[2] : | | | | |
| Basic | 56,782,875 | 59,676,698 | 59,676,698 | |
| Diluted | 61,147,734 | 61,590,911 | 61,590,911 | |
| ADS equivalent outstanding at end of period | 56,902,300 | 60,129,547 | 60,129,547 | |

[1] Starting from the first quarter of 2018, we report revenue streams in two categories revenues from funds Gopher manages and revenues from others, instead of the previous categories third-party revenues and related party revenues, to provide more relevant and accurate information. We also revised the comparative period presentation to conform to current period classification.

[2] Assumes all outstanding ordinary shares are represented by ADSs. Each ordinary share represents two ADSs.

Noah Holdings Limited

Condensed Consolidated Income Statements

(In RMB 000, except for USD data, per ADS data and percentages)

(unaudited)

| | Twelve months ended | | | Change |
|---|---------------------------------|---------------------------------|---------------------------------|--------------|
| | December 31, 2017 RMB 000 | December 31, 2018 RMB 000 | December 31, 2018 USD 000 | |
| Revenues: | | | | |
| Revenues from others ^[1] : | | | | |
| One-time commissions | 541,025 | 733,009 | 106,612 | 35.5% |
| Recurring service fees | 605,092 | 593,856 | 86,373 | (1.9%) |
| Performance-based income | 86,494 | 43,101 | 6,269 | (50.2%) |
| Other service fees | 195,073 | 361,886 | 52,634 | 85.5% |
| Total revenues from others | 1,427,684 | 1,731,852 | 251,888 | 21.3% |
| Revenues from funds Gopher manages ^[1] : | | | | |
| One-time commissions | 561,059 | 294,984 | 42,904 | (47.4%) |
| Recurring service fees | 802,761 | 1,182,693 | 172,016 | 47.3% |
| Performance-based income | 54,502 | 100,533 | 14,622 | 84.5% |
| Total revenues from funds Gopher manages | 1,418,322 | 1,578,210 | 229,542 | 11.3% |
| Total revenues | 2,846,006 | 3,310,062 | 481,430 | 16.3% |
| Less: business taxes and related surcharges | (19,098) | (20,454) | (2,975) | 7.1% |
| Net revenues | 2,826,908 | 3,289,608 | 478,455 | 16.4% |
| Operating costs and expenses: | | | | |
| Compensation and benefits | | | | |
| Relationship manager compensation | (616,064) | (633,599) | (92,153) | 2.8% |
| Performance fee compensation | (11,291) | (21,175) | (3,080) | 87.5% |
| Other compensations | (780,017) | (909,418) | (132,269) | 16.6% |
| Total compensation and benefits | (1,407,372) | (1,564,192) | (227,502) | 11.1% |
| Selling expenses | (320,462) | (412,720) | (60,028) | 28.8% |
| General and administrative expenses | (248,878) | (279,387) | (40,635) | 12.3% |
| Other operating expenses | (147,318) | (169,368) | (24,634) | 15.0% |
| Government subsidies | 74,156 | 62,583 | 9,102 | (15.6%) |
| Total operating costs and expenses | (2,049,874) | (2,363,084) | (343,697) | 15.3% |
| Income from operations | 777,034 | 926,524 | 134,758 | 19.2% |

Other income:

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| | | | | |
|--|---------------|---------------|---------------|---------------|
| Interest income | 45,020 | 69,841 | 10,158 | 55.1% |
| Interest expense | (24,128) | (10,028) | (1,459) | (58.4%) |
| Investment income (loss), net | 67,343 | 48,616 | 7,070 | (27.8%) |
| Other income (expense) | 3,542 | (23,356) | (3,397) | (759.4%) |
| Total other income | 91,777 | 85,073 | 12,372 | (7.3%) |
| Income before taxes and income from equity in affiliates | 868,811 | 1,011,597 | 147,130 | 16.4% |

| | | | | |
|--|----------------|----------------|----------------|-------------|
| Income tax expense | (199,085) | (222,320) | (32,335) | 11.7% |
| Income from equity in affiliates | 92,136 | 14,469 | 2,104 | (84.3%) |
| Net income | 761,862 | 803,746 | 116,899 | 5.5% |
| Less: net loss attributable to non-controlling Interests | (13,745) | (7,551) | (1,098) | (45.1%) |
| Less: income attributable to redeemable non-controlling interest of Subsidiary | 6,483 | | | N.A |
| Less: effect on retained earnings caused by termination of redeemable non-controlling interest of a subsidiary | 6,201 | | | N.A |
| Net income attributable to Noah shareholders | 762,923 | 811,297 | 117,997 | 6.3% |
| Income per ADS, basic | 13.49 | 13.85 | 2.01 | 2.7% |
| Income per ADS, diluted | 12.95 | 13.33 | 1.94 | 2.9% |
| Margin analysis: | | | | |
| Operating margin | 27.5% | 28.2% | 28.2% | |
| Net margin | 27.0% | 24.4% | 24.4% | |
| Weighted average ADS equivalent ^[2] : | | | | |
| Basic | 56,551,274 | 58,576,802 | 58,576,802 | |
| Diluted | 60,467,645 | 61,421,080 | 61,421,080 | |
| ADS equivalent outstanding at end of period | 56,902,300 | 60,129,547 | 60,129,547 | |

[1] Starting from the first quarter of 2018, we report revenue streams in two categories – revenues from funds Gopher manages and revenues from others, instead of the previous categories – third-party revenues and related party revenues, to provide more relevant and accurate information. We also revised the comparative period presentation to conform to current period classification.

[2] Assumes all outstanding ordinary shares are represented by ADSs. Each ordinary share represents two ADSs.

Noah Holdings Limited
Condensed Comprehensive Income Statements

(unaudited)

| | Three months ended | | | Change |
|---|----------------------|----------------------|----------------------|----------|
| | December 31, 2017 | December 31, 2018 | December 31, 2018 | |
| | RMB 000 | RMB 000 | USD 000 | |
| Net income | 156,865 | 151,366 | 22,015 | (3.5%) |
| Other comprehensive income, net of tax: | | | | |
| Change in foreign currency translation adjustments | (13,047) | 7,357 | 1,070 | (156.4%) |
| Fair value fluctuation of available-for-sale Investment, net of tax of nil | 243,655 | (47) | (7) | (100.0%) |
| Comprehensive income | 387,473 | 158,676 | 23,078 | (59.0%) |
| Less: Comprehensive loss attributable to non-controlling interests | (2,342) | (4,260) | (620) | 81.9% |
| Less: effect on retained earnings caused by termination of redeemable non-controlling interest of a subsidiary | 6,201 | | | N.A |
| Comprehensive income attributable to Noah shareholders | 383,614 | 162,936 | 23,698 | (57.5%) |

Noah Holdings Limited
Condensed Comprehensive Income Statements

(unaudited)

| | Twelve months ended | | | Change |
|---|----------------------|----------------------|----------------------|----------|
| | December 31, 2017 | December 31, 2018 | December 31, 2018 | |
| | RMB 000 | RMB 000 | USD 000 | |
| Net income | 761,862 | 803,746 | 116,899 | 5.5% |
| Other comprehensive income, net of tax: | | | | |
| Change in foreign currency translation adjustments | (33,876) | 75,752 | 11,018 | (323.6%) |
| Fair value fluctuation of available-for-sale investment, net of tax of nil | 252,706 | (1,429) | (208) | (100.6%) |
| Comprehensive income | 980,692 | 878,069 | 127,709 | (10.5%) |
| Less: Comprehensive loss attributable to non-controlling interests | (13,776) | (7,638) | (1,111) | (44.6%) |
| Less: Loss attributable to redeemable non-controlling interest of Subsidiary | 6,483 | | | N.A |

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| | | | | |
|--|---------|---------|---------|--------|
| Less: effect on retained earnings caused by termination of redeemable non-controlling interest of a subsidiary | 6,201 | | | N.A |
| Comprehensive income attributable to Noah shareholders | 981,784 | 885,707 | 128,820 | (9.8%) |

Noah Holdings Limited
Supplemental Information
(unaudited)

| | As of | | Change |
|---------------------------------|----------------------|----------------------|--------|
| | December 31, 2017 | December 31, 2018 | |
| Number of registered clients | 186,918 | 260,285 | 39.3% |
| Number of relationship managers | 1,335 | 1,583 | 18.6% |
| Number of cities under coverage | 79 | 83 | 5.1% |

| | Three months ended | | Change |
|--------------------------------------|--|-------------|---------|
| | December 31, December 31, | | |
| | 2017 | 2018 | |
| | (in millions of RMB, except number of active clients and percentages) | | |
| Number of active clients | 6,276 | 4,717 | (24.8%) |
| Transaction value: | | | |
| Fixed income products | 15,367 | 20,224 | 31.6% |
| Private equity products | 7,360 | 2,999 | (59.3%) |
| Secondary market equity products | 5,412 | 1,426 | (73.6%) |
| Other products | 48 | 521 | 981.4% |
| Total transaction value | 28,188 | 25,170 | (10.7%) |
| Average transaction value per client | 4.49 | 5.34 | 18.8% |

| | Twelve months ended | | Change |
|--------------------------------------|--|-------------|---------|
| | December 31, December 31, | | |
| | 2017 | 2018 | |
| | (in millions of RMB, except number of active clients and percentages) | | |
| Number of active clients | 12,720 | 13,628 | 7.1% |
| Transaction value: | | | |
| Fixed income products | 71,759 | 75,498 | 5.2% |
| Private equity products | 34,261 | 18,864 | (44.9%) |
| Secondary market equity products | 10,754 | 13,605 | 26.5% |
| Other products | 598 | 2,062 | 245.0% |
| Total transaction value | 117,371 | 110,030 | (6.3%) |
| Average transaction value per client | 9.23 | 8.07 | (12.5%) |

Noah Holdings Limited
Segment Condensed Income Statements
(unaudited)

| | Three months ended December 31, 2018 | | | Total RMB 000 |
|---|---|--|---|------------------|
| | Wealth Management Business RMB 000 | Asset Management Business RMB 000 | Other Financial Services Business RMB 000 | |
| Revenues: | | | | |
| Revenues from others: | | | | |
| One-time commissions | 173,415 | 399 | | 173,814 |
| Recurring service fees | 139,996 | 2,439 | | 142,435 |
| Performance-based income | 147 | | | 147 |
| Other service fees | 39,831 | 1,028 | 85,353 | 126,212 |
| Total revenues from others | 353,389 | 3,866 | 85,353 | 442,608 |
| Revenues from funds Gopher manages: | | | | |
| One-time commissions | 69,018 | 80 | | 69,098 |
| Recurring service fees | 159,812 | 146,125 | | 305,937 |
| Performance-based income | | 10,861 | | 10,861 |
| Total revenues from funds Gopher manages | 228,830 | 157,066 | | 385,896 |
| Total revenues | 582,219 | 160,932 | 85,353 | 828,504 |
| Less: business taxes and related surcharges | (3,751) | (730) | (1,920) | (6,401) |
| Net revenues | 578,468 | 160,202 | 83,433 | 822,103 |
| Operating costs and expenses: | | | | |
| Compensation and benefits | | | | |
| Relationship manager compensation | (162,215) | | (423) | (162,638) |
| Performance fee compensation | | (3,800) | | (3,800) |
| Other compensation | (152,045) | (80,332) | (29,300) | (261,677) |
| Total compensation and benefits | (314,260) | (84,132) | (29,723) | (428,115) |
| Selling expenses | (91,429) | (7,278) | (6,058) | (104,765) |
| General and administrative expenses | (52,444) | (27,838) | (14,656) | (94,938) |
| Other operating expenses | (15,241) | (1,722) | (34,747) | (51,710) |
| Government subsidies | 13,300 | 2,090 | 1,755 | 17,145 |
| Total operating costs and expenses | (460,074) | (118,880) | (83,429) | (662,383) |

| | | | | |
|-------------------------------|---------|--------|---|---------|
| Income from operations | 118,394 | 41,322 | 4 | 159,720 |
|-------------------------------|---------|--------|---|---------|

Noah Holdings Limited
Segment Condensed Income Statements
(unaudited)

| | Three months ended December 31, 2017 | | | |
|---|---|--|---|------------------|
| | Wealth Management Business RMB 000 | Asset Management Business RMB 000 | Other Financial Services Business RMB 000 | Total RMB 000 |
| Revenues: | | | | |
| Revenues from others: | | | | |
| One-time commissions | 130,190 | 272 | | 130,462 |
| Recurring service fees | 165,156 | 5,582 | | 170,738 |
| Performance-based income | 8,854 | 152 | | 9,006 |
| Other service fees | 20,397 | 5,643 | 30,983 | 57,023 |
| Total revenues from others | 324,597 | 11,649 | 30,983 | 367,229 |
| Revenues from funds Gopher manages: | | | | |
| One-time commissions | 112,656 | 916 | | 113,572 |
| Recurring service fees | 89,647 | 136,027 | | 225,674 |
| Performance-based income | 1,826 | 19,007 | | 20,833 |
| Total revenues from funds Gopher manages | 204,129 | 155,950 | | 360,079 |
| Total revenues | 528,726 | 167,599 | 30,983 | 727,308 |
| Less: business taxes and related surcharges | (3,911) | (840) | (443) | (5,194) |
| Net revenues | 524,815 | 166,759 | 30,540 | 722,114 |
| Operating costs and expenses: | | | | |
| Compensation and benefits | | | | |
| Relationship manager compensation | (166,699) | | (664) | (167,363) |
| Performance Fee Compensation | | (11,291) | | (11,291) |
| Other compensation | (117,186) | (53,406) | (30,390) | (200,982) |
| Total compensation and benefits | (283,885) | (64,697) | (31,054) | (379,636) |
| Selling expenses | (104,538) | (1,965) | (5,013) | (111,516) |
| General and administrative expenses | (54,695) | (22,379) | (2,197) | (79,271) |
| Other operating expenses | (22,800) | (3,992) | (14,482) | (41,274) |
| Government subsidies | 20,768 | 3,131 | 1,300 | 25,199 |
| Total operating costs and expenses | (445,150) | (89,902) | (51,446) | (586,498) |

| | | | | |
|--------------------------------------|--------|--------|----------|---------|
| Income (loss) from operations | 79,665 | 76,857 | (20,906) | 135,616 |
|--------------------------------------|--------|--------|----------|---------|

Noah Holdings Limited
Segment Condensed Income Statements
(unaudited)

Twelve months ended December 31,
2018

| | Wealth Management Business RMB 000 | Asset Management Business RMB 000 | Other Financial Services Business RMB 000 | Total RMB 000 |
|--|---|--|---|------------------|
|--|---|--|---|------------------|

Revenues:

Revenues from others:

| | | | | |
|-----------------------------------|------------------|---------------|----------------|------------------|
| One-time commissions | 731,424 | 1,585 | | 733,009 |
| Recurring service fees | 571,782 | 22,074 | | 593,856 |
| Performance-based income | 42,570 | 531 | | 43,101 |
| Other service fees | 113,570 | 8,225 | 240,091 | 361,886 |
| Total revenues from others | 1,459,346 | 32,415 | 240,091 | 1,731,852 |

Revenues from funds Gopher manages:

| | | | | |
|---|----------------|----------------|--|------------------|
| One-time commissions | 292,899 | 2,085 | | 294,984 |
| Recurring service fees | 564,228 | 618,465 | | 1,182,693 |
| Performance-based income | 1,739 | 98,794 | | 100,533 |
| Total revenues from funds Gopher manages | 858,866 | 719,344 | | 1,578,210 |

| | | | | |
|---|-----------|---------|---------|-----------|
| Total revenues | 2,318,212 | 751,759 | 240,091 | 3,310,062 |
| Less: business taxes and related surcharges | (12,206) | (3,228) | (5,020) | (20,454) |

| | | | | |
|---------------------|------------------|----------------|----------------|------------------|
| Net revenues | 2,306,006 | 748,531 | 235,071 | 3,289,608 |
|---------------------|------------------|----------------|----------------|------------------|

Operating costs and expenses:

Compensation and benefits

| | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|
| Relationship manager compensation | (631,234) | | (2,365) | (633,599) |
| Performance Fee Compensation | | (21,175) | | (21,175) |
| Other compensation | (534,516) | (251,923) | (122,979) | (909,418) |

| | | | | |
|-------------------------------------|-------------|-----------|-----------|-------------|
| Total compensation and benefits | (1,165,750) | (273,098) | (125,344) | (1,564,192) |
| Selling expenses | (367,589) | (22,200) | (22,931) | (412,720) |
| General and administrative expenses | (164,802) | (80,873) | (33,712) | (279,387) |
| Other operating expenses | (54,291) | (25,310) | (89,767) | (169,368) |
| Government subsidies | 53,620 | 6,148 | 2,815 | 62,583 |

| | | | | |
|------------------------------------|-------------|-----------|-----------|-------------|
| Total operating costs and expenses | (1,698,812) | (395,333) | (268,939) | (2,363,084) |
|------------------------------------|-------------|-----------|-----------|-------------|

| | | | | |
|--------------------------------------|---------|---------|----------|---------|
| Income (loss) from operations | 607,194 | 353,198 | (33,868) | 926,524 |
|--------------------------------------|---------|---------|----------|---------|

Noah Holdings Limited
Segment Condensed Income Statements
(unaudited)

Twelve months ended December 31,
2017

| | Wealth Management Business RMB 000 | Asset Management Business RMB 000 | Other Financial Services Business RMB 000 | Total RMB 000 |
|--|---|--|---|------------------|
|--|---|--|---|------------------|

Revenues:

Revenues from others:

| | | | | |
|-----------------------------------|------------------|---------------|----------------|------------------|
| One-time commissions | 539,938 | 1,087 | | 541,025 |
| Recurring service fees | 577,544 | 27,548 | | 605,092 |
| Performance-based income | 84,105 | 2,389 | | 86,494 |
| Other service fees | 70,390 | 10,712 | 113,971 | 195,073 |
| Total revenues from others | 1,271,977 | 41,736 | 113,971 | 1,427,684 |

Revenues from funds Gopher manages:

| | | | | |
|---|----------------|----------------|--|------------------|
| One-time commissions | 560,047 | 1,012 | | 561,059 |
| Recurring service fees | 300,352 | 502,409 | | 802,761 |
| Performance-based income | 9,019 | 45,483 | | 54,502 |
| Total revenues from funds Gopher manages | 869,418 | 548,904 | | 1,418,322 |

| | | | | |
|---|------------------|----------------|----------------|------------------|
| Total revenues | 2,141,395 | 590,640 | 113,971 | 2,846,006 |
| Less: business taxes and related surcharges | (15,128) | (2,599) | (1,371) | (19,098) |

| | | | | |
|---------------------|------------------|----------------|----------------|------------------|
| Net revenues | 2,126,267 | 588,041 | 112,600 | 2,826,908 |
|---------------------|------------------|----------------|----------------|------------------|

Operating costs and expenses:

Compensation and benefits

| | | | | |
|--|--------------------|------------------|------------------|--------------------|
| Relationship manager compensation | (611,550) | (4) | (4,510) | (616,064) |
| Performance Fee Compensation | | (11,291) | | (11,291) |
| Other compensation | (463,370) | (190,032) | (126,615) | (780,017) |
| Total compensation and benefits | (1,074,920) | (201,327) | (131,125) | (1,407,372) |
| Selling expenses | (295,798) | (9,271) | (15,393) | (320,462) |
| General and administrative expenses | (146,122) | (70,618) | (32,138) | (248,878) |
| Other operating expenses | (77,490) | (27,773) | (42,055) | (147,318) |
| Government subsidies | 49,008 | 23,848 | 1,300 | 74,156 |

| | | | | |
|---|--------------------|------------------|------------------|--------------------|
| Total operating costs and expenses | (1,545,322) | (285,141) | (219,411) | (2,049,874) |
|---|--------------------|------------------|------------------|--------------------|

| | | | | |
|--------------------------------------|---------|---------|-----------|---------|
| Income (loss) from operations | 580,945 | 302,900 | (106,811) | 777,034 |
|--------------------------------------|---------|---------|-----------|---------|

Noah Holdings Limited

Reconciliation of GAAP to Non-GAAP Results

(In RMB, except for per ADS data and percentages)

(unaudited) ⁶

| | Three months ended | | Change |
|--|---------------------------------|---------------------------------|--------|
| | December 31, 2017 RMB 000 | December 31, 2018 RMB 000 | |
| Net income attributable to Noah shareholders | 153,003 | 155,639 | 1.7% |
| Adjustment for share-based compensation related to: | | | |
| Share options | 10,796 | 12,862 | 19.1% |
| Restricted shares | 13,625 | 21,312 | 56.4% |
| Less: loss from fair value changes of equity securities (unrealized) | | (4,596) | N.A |
| Add: Gains from sales of equity securities | | 12,011 | N.A |
| Less: Tax effect of adjustments ⁷ | 4,739 | (16,730) | N.A |
| Non-GAAP net income attributable to Noah shareholders | 172,685 | 223,150 | 29.2% |
| Net margin attributable to Noah shareholders | 21.2% | 18.9% | |
| Non-GAAP net margin attributable to Noah shareholders | 23.9% | 27.1% | |
| Net income attributable to Noah shareholders per ADS, diluted | 2.60 | 2.54 | (2.3%) |
| Non-GAAP net income attributable to Noah shareholders per ADS, diluted | 2.92 | 3.64 | 24.7% |

⁶ Noah's Non-GAAP financial measures are its corresponding GAAP financial measures excluding the effects of all forms of share-based compensation and fair value changes of equity securities (unrealized) and adjusting for sale of equity securities, after including any income tax effect

⁷ Starting from the fourth quarter of 2018, we include current and deferred income tax expense impact of all non-GAAP adjustments to arrive at a non-GAAP measure. We also revised the comparative period presentation to conform to current period measurement.

Noah Holdings Limited
Reconciliation of GAAP to Non-GAAP Results**(In RMB, except for per ADS data and percentages)****(unaudited)**

| | Twelve months ended | | Change |
|--|---------------------------------|---------------------------------|----------|
| | December 31, 2017 RMB 000 | December 31, 2018 RMB 000 | |
| Net income attributable to Noah shareholders | 762,923 | 811,297 | 6.3% |
| Adjustment for share-based compensation related to: | | | |
| Share options | 51,054 | 45,973 | (10.0%) |
| Restricted shares | 42,581 | 66,790 | 56.9% |
| Less: loss from fair value changes of equity securities (unrealized) | | (39,557) | N.A |
| Add: Gains from sales of equity securities | | 45,240 | N.A |
| Less: Tax effect of adjustments | 19,185 | 1,966 | (110.2%) |
| Non-GAAP net income attributable to Noah shareholders | 837,373 | 1,010,823 | 20.7% |
| Net margin attributable to Noah shareholders | 27.0% | 24.7% | |
| Non-GAAP net margin attributable to Noah shareholders | 29.6% | 30.7% | |
| Net income attributable to Noah shareholders per ADS, diluted | 12.95 | 13.33 | 2.9% |
| Non-GAAP net income attributable to Noah shareholders per ADS, diluted | 14.18 | 16.58 | 16.9% |