

Dear Clients and Colleagues,

As we begin 2018, I want to thank you for continuing to entrust our firm with your most challenging and sophisticated legal needs.

2017 Overview: Haynes and Boone had a highly productive year in 2017 through the skill and dedication of our lawyers, who worked to find practical solutions to your legal challenges. We are acutely aware that we can succeed only to the extent that we continue to steadfastly focus on your critical, evolving needs.

Our work resulted in record revenue. We saw demand for our services increase across the board, particularly in our corporate M&A, capital markets, energy, funds, finance, real estate and litigation practices.

We also added exceptional talent across the firm in 2017, hiring 81 lawyers, including leading partners in Houston, New York, Palo Alto and Washington, D.C. In London, we doubled our partner headcount last year, which enabled us to provide clients with even greater English law capabilities.

In 2017, we also passed major tests of our resolve: Our Houston office overcame the challenges of Hurricane Harvey and our Mexico City office withstood a major earthquake. Fortunately, all of our employees emerged safe from the disasters. Our firm came together to provide emotional, spiritual and monetary support to colleagues as they handled pressing client matters without interruption. Our firm and individual responses to these events reinforced for me what is so special about Haynes and Boone.

Looking Forward: We expect another successful year in 2018. With our typically strong balance sheet, we again are able to invest in ambitious initiatives to better serve you. Some of these initiatives include technology upgrades to provide you with more effective and efficient service; increased use of data analytics to help you better assess legal risks; succession planning to help ensure the seamless handling of your matters; and recruiting, retention and leadership programs to achieve greater diversity and inclusivity.

We are also focused on our next long-term planning effort, thanks to our success at realizing much of our "2020 Plan," which we developed years ago to guide and benchmark the growth of our firm. Now, a diverse committee of our firm's next generation of leaders is busy formulating Haynes and Boone's "2025 Plan." The Plan will serve as our long-term blueprint for remaining a leading law firm that provides exceptional service to our clients globally. The plan will map our strategy for achieving disciplined growth in our key industry sectors and geographic markets. We will leverage technology to maximize client value and develop and manage our talent to ensure we maintain a diverse cross-section of lawyers who have the skills and values required to solve our clients' legal challenges.

Founding Values: As we continuously evolve, we must remain true to our character, which was shaped by our founders. We are uniquely fortunate to have firm co-founder Mike Boone, who last year celebrated his 50th year practicing law, as an example who continues to provide guidance and inspiration to our firm.

When Dick Haynes and Mike formed Haynes and Boone in 1970, they vowed to build a firm that would handle complex corporate legal matters and, above all else, would focus on the well-being and interests of our clients. Early on, they hired the most-qualified lawyers – from all walks of life – and created a compensation system to reward lawyers for collaborating with their colleagues to efficiently and effectively deliver legal services. We recognize that we are stronger, smarter and more successful when we work together as a team for our clients' success.



Dick and Mike also vowed to grow their upstart firm in a methodical fashion, adding talent only as their clients' needs dictated, and only to the extent that they could recruit lawyers who shared the firm's values. Our clients continue to benefit from that philosophy.

Mike exudes the humility that has permeated our culture. His brand of servant leadership – to avoid self-aggrandizement and to derive satisfaction primarily from our clients' successes, not his own – remains a hallmark of our firm.

From a two-lawyer firm in 1970, Haynes and Boone now is home to more than 600 lawyers who serve clients from 15 offices worldwide. We owe much of this growth to our partner, mentor and visionary, Mike Boone. The guiding principle he and Dick embraced when the firm started remains true today. If you show clients that you really care about them, they will stay with you through growth years, lean years and in between. While we cannot know all that the future holds, you can be certain that our firm will continue to follow Mike's lead and stay committed to the core tenets he has helped establish.

Thank you again for your business and friendship. In 2018, as in years past, I plan to visit as many clients as possible. I would love to hear from you if you would like to meet. In any event, I welcome any feedback at any time. Here is my direct phone number: +1 (214) 651-5610.

Tim Powers

Managing Partner

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