



## **Fiera Capital more than doubles presence in U.S. institutional market with acquisition of Apex Capital Management**

- **Strengthens and expands U.S. investment management platform**
- **Broadens offering of U.S. growth equity investment strategies**
- **Acquires talent with long track record of superior investment performance**
- **Delivers double digit adjusted earnings per share accretion**

**MONTREAL / NEW YORK / DAYTON, OHIO – February 29, 2016** – Fiera Capital Corporation (“Fiera Capital” or the “Firm”) (TSX: FSZ), a leading independent asset management firm, announced today an agreement to acquire, via its wholly-owned subsidiary Fiera US Holding Inc., Apex Capital Management (“Apex”), a prominent U.S. growth equity manager with approximately US\$7.1 billion in assets under management (“AUM”) as at December 31, 2015. This transaction will more than double Fiera Capital’s presence in the U.S. institutional and sub-advisory retail markets and increase total AUM to over CAD\$111 billion.

“The acquisition of Apex is an important step in advancing our U.S. growth strategy by providing a meaningful complementary presence in the institutional and sub-advisory retail markets, small/mid cap (SMID), small cap and other growth strategies with a long track record of superior performance, and a proven team of investment professionals,” said Jean-Guy Desjardins, Chairman and Chief Executive Officer of Fiera Capital. “The addition of Apex to our outstanding team enhances our strong global capabilities in equities for the benefit of our clients.”

“Our team is excited to join Fiera Capital, a rapidly-growing independent investment management firm recognized for its client focus and investment performance. Our products and approach will blend smoothly into Fiera Capital’s platform, and together we will provide enhanced opportunities to our mutual client bases,” said Nitin Kumbhani, Founder and Chief Executive Officer of Apex.

Apex will become part of Fiera Capital’s U.S. division and Mr. Kumbhani will assume the role of Vice Chairman and Chief of Growth Equity Strategies of the Firm’s U.S. division.

“Apex’s expertise and top-quartile performance greatly enhance our presence in the U.S. marketplace with limited distribution overlap,” said Benjamin Thompson, President and Chief Executive Officer of Fiera Capital’s U.S. division. “This strategic acquisition adds

complementary expertise to our platform and strengthens our ability to serve our clients across the U.S.”

The transaction creates attractive financial benefits. It is expected to be immediately accretive, adding a 10% to 15% accretion to adjusted earnings per share (“EPS”) within the first full year post closing.

### **Financial Terms**

Total consideration for Apex will be US\$145 million (subject to post closing price adjustments usual for this type of transaction) of which US\$88 million will be paid in cash financed through a new US\$125 million term loan and the issuance of US\$57 million in Class A subordinate voting shares. The term loan will mature three years from closing and proceeds will be used to finance up to US\$88 million for this transaction and the remainder to refinance existing US\$ borrowings under the Firm's existing revolver credit facility. The Class A subordinate voting shares will be issued at a price equal to the thirty (30) day aggregate volume-weighted average share price on the Toronto Stock Exchange for the period of thirty (30) consecutive trading days ending on the second-to-last full trading day prior to the closing. The shares will be held in escrow, with 1/7<sup>th</sup> to be released each year over a seven-year period commencing on the first anniversary of the closing date. This will allow for continued alignment of interests as Apex’s key employees are also shareholders. Pursuant to the escrow agreement, the Fiera Capital shares issued to the Apex selling shareholders will not be voted until their release from escrow.

The acquisition, expected to close in April 2016, is subject to customary conditions, including applicable regulatory approvals and approval of the Toronto Stock Exchange.

### **Conference Call**

A conference call with senior executives to discuss the transaction will be held, Tuesday, March 1, 2016, at 10:00 A.M. Eastern Time, by phone at 1-888-231-8191 (toll-free), conference ID: 61675214. Media are invited to participate in the call on a listen-only basis.

The investor's presentation will be available on the website of Fiera Capital under the “Investors” tab.

The conference call recording will be available until March 8, 2016 by dialing 1-855-859-2056 and entering access code 61675214.

### **About Fiera Capital Corporation**

Fiera Capital Corporation is a leading North American independent asset management firm listed on the Toronto Stock Exchange. The Firm offers a wide range of traditional and alternative investment solutions, including depth and expertise in asset allocation. At December 31, 2015, Fiera Capital had over CAD\$100 billion in assets under management. The Firm delivers distinctive investment management capabilities to institutional, private wealth and retail clients in

Canada. In the U.S., asset management services are provided by its U.S. affiliates, which are investment advisers registered with the U.S. Securities and Exchange Commission. For more information, visit [www.fieracapital.com](http://www.fieracapital.com).

Additional information relating to the Firm, including the Firm's annual information form, is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **About Apex Capital Management**

Founded in 1987, Apex Capital Management is a U.S. growth equity manager with assets under management of approximately US\$7.1 billion as at December 31, 2015. The Apex team has a long history of delivering positive absolute returns to its clients specializing in SMID-Cap Growth and Small-Cap Growth equities. Apex is headquartered in Dayton, Ohio and is 100% employee-owned. Apex's client base is comprised of top institutional clients including public pension funds, defined contribution plans, foundations, endowments, corporations, government entities, and other organizations. Apex also caters to "corner office" advisors with large high-net-worth and institutional relationships (via SMAs, UMAs, wrap programs, and a SMID-Cap Growth mutual fund). For more information, visit [www.apexcm.com](http://www.apexcm.com)

### **Forward-Looking Statements**

This document may contain certain forward-looking statements. These statements relate to future events or future performance, and reflect management's expectations or beliefs regarding future events, including business and economic conditions and Fiera Capital's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend" or the negative of these terms, or other comparable terminology.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, readers should specifically consider various factors that may cause actual results to differ materially from any forward-looking statement.

These factors include, but are not limited to, market and general economic conditions, the nature of the financial services industry, and the risks and uncertainties detailed from time to time in Fiera Capital's interim and annual consolidated financial statements, and its Annual Report and Annual Information Form filed on [www.sedar.com](http://www.sedar.com). These forward-looking statements are made as of the date of this document, and Fiera Capital assumes no obligation

to update or revise them to reflect new events or circumstances.

With respect to management expectations regarding accretion on adjusted EPS resulting from this transaction in 2016, financial performance is based on information available to management and certain assumptions, including the accuracy of Apex's financial statements, the level of client assets under management with Apex following the acquisition, as well as assumptions regarding the growth in Apex's assets under management and realization of synergies. Actual results could differ depending on a number of factors, including the ability to retain key personnel following the acquisition, the ability to retain clients and assets under management following the acquisition, general market conditions and currency fluctuations.

These forward-looking statements are made as of the date of this document, and Fiera Capital assumes no obligation to update or revise them to reflect new events or circumstances.

### **Non-IFRS Measures**

This press release makes reference to adjusted EPS of Fiera Capital, which is a non-IFRS measure. Adjusted EPS is not a recognized measure under IFRS, does not have a standardized meaning under IFRS and is unlikely to be comparable to similar measures used by other companies. The rationale for the use of non-IFRS measures is presented in Fiera Capital's Management's Discussion and Analysis (MD&A), which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

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