



## **Fiera Capital reports second quarter 2017 results and increases quarterly dividend**

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- **Assets under management reached \$125.7 billion, a 15% year-over-year increase**
- **Revenues grew 46% on a year-over-year basis**
- **Adjusted EBITDA per share<sup>(1)</sup> of \$0.35, a 9% year-over-year increase**
- **Net earnings per share of \$0.01, impacted mainly by special settlement of share-based compensation**
- **Adjusted net earnings per share<sup>(1)</sup> of \$0.30, an 11% year-over-year increase**
- **6% increase in quarterly dividend to \$0.18**

**Montreal, August 11, 2017** – Fiera Capital Corporation (TSX: FSZ) (“Fiera Capital” or the “Firm”), a leading independent asset management firm, today announced its financial results for the second quarter ended June 30, 2017.

"With strong new client inflows in the second quarter amplified by favourable market performance, we are pleased to report our assets under management have grown to \$125.7 billion as at June 30, 2017," said Jean-Guy Desjardins, President and Chief Executive Officer of Fiera Capital. "The second quarter also saw the Firm deliver particularly strong revenue growth, driven primarily from our U.S. division as well as from our newly established private alternative investments division."

"During the quarter, the Firm made important additions to its global leadership team, most notably introducing Monique F. Leroux as Strategic Advisor and Member of the Strategic Development Committee, appointed Jean-Philippe Lemay as President and COO of the Canadian Division and David Sadkin as President of Bel Air Investment Advisors LLC. We expect these additions, along with other key internal investments made during the period, will contribute to continued organic growth in revenues, enable us to achieve our goal of \$200 billion in assets under management by the end of 2020, and deliver value to our shareholders," added Mr. Desjardins.

## Assets Under Management (in \$ millions)

Markets	AUM AS AT		
	June 30, 2017	March 31, 2017	June 30, 2016
<b>Institutional</b>	<b>65,451</b>	62,106	53,110
<b>Private Wealth</b>	<b>26,408</b>	26,264	23,164
<b>Retail</b>	<b>33,799</b>	33,693	32,862
<b>Total</b>	<b>125,658</b>	122,063	109,136

Assets under management (“AUM”) amounted to \$125.7 billion as at June 30, 2017, representing an increase of \$16.6 billion, or 15%, compared to \$109.1 billion as at June 30, 2016, and an increase of \$3.6 billion, or 3%, from \$122.1 billion as at March 31, 2017.

During the second quarter, the Firm won \$3.8 billion in new mandates, mainly in the institutional and private wealth sectors, partially offset by \$1.5 billion in net outflows. New AUM revenues stem primarily from Global Equity and Private Alternative mandates. Also, during the quarter markets had a favourable impact of \$2.6 billion whereas foreign exchange rate variation had a negative impact of \$1.3 billion on the Firm’s total AUM.

## Revenues

Revenues for the second quarter ended June 30, 2017, were \$109.3 million, representing an increase of \$34.3 million, or 46%, compared to \$75.0 million for the same period last year. The year-over-year increase in revenues is mainly due to the acquisitions of Apex Capital Management (“Apex”), Charlemagne Capital Limited (“Charlemagne”) as well as the inclusion of the Private Alternative division, combined with organic growth, mostly from the institutional and private wealth clientele.

Revenues for the second quarter increased by \$8.7 million, or 8.7%, compared to \$100.6 million from the previous quarter. The increase in revenues is mainly attributable to higher base management fees from organic growth, namely in the institutional and retail sectors.

## Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”) <sup>(1)</sup>

Adjusted EBITDA for the second quarter was \$28.5 million, representing an increase of \$5.0 million, or 21%, compared to \$23.5 million for the comparable period in 2016, and an increase of \$3.3 million, or 13%, compared to \$25.2 million from the previous quarter ended March 31, 2017. The sequential increase was mainly due to higher base management fees resulting from organic growth, partially offset by higher variable compensation expenses and other operating expenses to support business growth. In the short term, the net effect from the increase in selling, general and administrative expenses, is estimated to impact adjusted EBITDA margin<sup>(1)</sup> and earnings before income taxes margin<sup>(2)</sup> by approximately 2%.

Adjusted EBITDA per share<sup>(1)</sup> was \$0.35 (basic) and \$0.34 (diluted) for the second quarter ended June 30, 2017, compared to \$0.32 (basic and diluted) for the corresponding quarter ended June 30, 2016, and to \$0.31 (basic) and \$ 0.30 (diluted) for the previous quarter ended March 31, 2017.

### Net Earnings and Adjusted Net Earnings<sup>(1)</sup>

The Firm recorded net earnings attributable to the Company's shareholders of \$0.9 million, or \$0.01 per share (basic and diluted), for the second quarter, versus \$7.9 million, or \$0.11 per share (basic and diluted), for the quarter ended June 30, 2016, and net earnings attributable to the Company's shareholders of \$4.4 million, or \$0.05 per share (basic and diluted), for the quarter ended March 31, 2017. The decrease in net earnings over the last quarter is mainly due to special compensation arrangements concluded in the quarter as well as restructuring, integration and other costs.

Adjusted net earnings<sup>(1)</sup> attributable to the Company's shareholders for the quarter ended June 30, 2017, amounted to \$24.5 million, or \$0.30 per share (basic) and \$0.29 (diluted), compared to \$19.6 million, or \$0.27 per share (basic) and \$ 0.26 (diluted), for the same period in 2016, and to \$20.7 million, or \$0.25 per share (basic and diluted) for the previous quarter ended March 31, 2017. Adjusted net earnings for the quarter ended June 30, 2017, reflected net earnings, excluding \$19.1 million, or \$0.23 per share (basic and diluted), of non-cash items<sup>(1)</sup> (net of income taxes where applicable), as well as \$4.6 million, or \$0.06 per share (basic and diluted) of acquisition and restructuring, integration and other costs (net of income taxes) for the quarter ended June 30, 2017.

### Dividend

The Board of Directors declared a dividend of \$0.18 per Class A subordinate voting share and Class B special voting share of Fiera Capital. The dividend is payable on September 20, 2017, to shareholders of record at the close of business on August 23, 2017. The dividend is an eligible dividend for income tax purposes.

### Second Quarter Business Highlights

- **Departure of Global President and Chief Operating Officer** — April 13, 2017. The Board of Directors of Fiera Capital announced that it had accepted the resignation of Sylvain Brosseau as Global President and Chief Operating Officer. Mr. Brosseau continues to be a member of Fiera Capital's Board of Directors.

- **New Global Equity Focused Mutual Fund in the U.S. Market** – May 3, 2017. The Firm launched a new Fiera Capital Global Equity Focused Fund in the U.S. market. The Fund is invested in a concentrated portfolio of the Global Equity Team’s highest conviction ideas from across global, developed, and select emerging markets and seeks to achieve capital appreciation.
- **New Appointments in Management Team** – May 31, June 9 and June 14, 2017.
  - Fiera Capital announced that **Jean-Guy Desjardins**, Chairman of the Board and Chief Executive Officer, now assumes the position of President of the Firm. **John Valentini** was appointed Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division and **François Bourdon** was appointed Global Chief Investment Officer.
  - **Jean-Philippe Lemay** was promoted to President and Chief Operating Officer (COO) of Fiera Capital’s Canadian Division, while maintaining his responsibilities as Chief Investment Officer.
  - **Monique F. Leroux** joined Fiera Capital as Strategic Advisor and member of the Strategic Development Committee. In her role, Ms. Leroux supports the senior management as well as its divisions’ management teams in their development, positioning and strategic planning.
- **Canadian Equity Team’s Disclosure of Historical Performance** – June 30, 2017. Fiera Capital Canadian Equity Team received third-party Global Investment Performance Standards (GIPS) verification and can now disclose the team’s solid four-year performance track record while it was responsible for the management of \$3 billion in AUM in Canadian equity mandates at a large insurance company.
- **Launch of new Global Agriculture Fund** – June 30, 2017. Fiera Comox officially launched their Global Agriculture fund. Subsequent closings are expected in the coming months and quarters.

### Subsequent Events

- **David Sadkin Appointed President of Bel Air Division** – August 7, 2017. David Sadkin was appointed President of Bel Air Investment Advisors LLC.

## Second quarter 2017 Financial and Operating Results

The following table provides selected financial information for the three-month period ended June 30, 2017, compared to the quarter ended March 31, 2017, and the same period in 2016, as well as the six-month periods ended June 30, 2017, and 2016.

### Key Financial Highlights (in \$ thousands except as indicated per share data)

	THREE-MONTH PERIODS ENDED			SIX-MONTH PERIODS ENDED	
	June 30, 2017	March 31, 2017	June 30, 2016	June 30, 2017	June 30, 2016
<b>AUM (in \$ millions)</b>	<b>125,658</b>	122,063	109,136	<b>125,658</b>	109,136
<b>Revenues</b>					
Base management fees and other revenues	<b>108,147</b>	100,042	72,665	<b>208,189</b>	138,577
Performance fees – Traditional assets	<b>1,209</b>	527	646	<b>1,736</b>	935
Performance fees – Alternative assets	<b>(7)</b>	5	1,672	<b>(2)</b>	1,755
<b>Total revenues</b>	<b>109,349</b>	100,574	74,983	<b>209,923</b>	141,267
<b>Expenses</b>					
SG&A <sup>(*)</sup> and external managers expenses	<b>87,797</b>	78,048	54,032	<b>165,845</b>	107,709
All other net expenses	<b>21,048</b>	18,173	12,648	<b>39,221</b>	21,343
	<b>108,845</b>	96,221	66,680	<b>205,066</b>	129,052
<b>Net earnings</b>	<b>504</b>	4,353	8,303	<b>4,857</b>	12,215
<b>Attributable to:</b>					
The Company's shareholders	<b>877</b>	4,428	7,901	<b>5,305</b>	15,181
Non-controlling interest	<b>(373)</b>	(75)	402	<b>(448)</b>	(2,966)
<b>Net earnings</b>	<b>504</b>	4,353	8,303	<b>4,857</b>	12,215
<b>Earnings</b>					
Adjusted EBITDA	<b>28,480</b>	25,199	23,510	<b>53,679</b>	39,667
Net earnings	<b>494</b>	4,353	8,303	<b>4,847</b>	12,215
Adjusted net earnings <sup>(**)</sup>	<b>24,525</b>	20,662	19,647	<b>45,188</b>	36,599
<b>Basic per share</b>					
Adjusted EBITDA	<b>0.35</b>	0.31	0.32	<b>0.66</b>	0.54
Net earnings	<b>0.01</b>	0.05	0.11	<b>0.07</b>	0.21
Adjusted net earnings <sup>(**)</sup>	<b>0.30</b>	0.25	0.27	<b>0.55</b>	0.50
<b>Diluted per share</b>					
Adjusted EBITDA	<b>0.34</b>	0.30	0.32	<b>0.64</b>	0.54
Net earnings	<b>0.01</b>	0.05	0.11	<b>0.06</b>	0.21
Adjusted net earnings <sup>(**)</sup>	<b>0.29</b>	0.25	0.26	<b>0.54</b>	0.50

(\*) SG&A: Selling, general and administrative expenses

(\*\*) Adjusted net earnings exclude a net gain of \$5.8 million from the gain on acquisition of control of investment in a joint-venture recorded in the second quarter of 2016.

## Conference Call

Fiera Capital will hold a conference call at 2:30 p.m. (EDT) on Friday, August 11, 2017, to discuss its financial results. The dial-in number to access the conference call from Canada and the United States is 1-888-231-8191 (toll-free), from outside North America is 1-647-427-7450, conference ID: 48082593.

The conference call will also be accessible via [webcast](#) in the Investors Relations section of Fiera Capital's website ([www.fieracapital.com](http://www.fieracapital.com)), under Events.

A replay of the call will be available until August 17, 2017. The telephone number to access the replay of the call is 1-855-859-2056 (toll-free), access code 48082593. The replay will also be available in the Investors Relations section of the Website under Events, in the days following the event.

## Non-IFRS Measures (International Financial Reporting Standards)

- (1) Earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA and adjusted EBITDA per share, adjusted net earnings and adjusted net earnings per share as well as non-cash items are not standardized measures prescribed by IFRS. These non-IFRS measures do not have any standardized meaning and may not be comparable to similar measures presented by other companies. Please refer to the “Non-IFRS Measures” Section of the Company’s MD&A for definition and reconciliation with IFRS measures, available at [www.fieracapital.com](http://www.fieracapital.com)
- (2) We define earnings before income taxes margin as the ratio of earnings before income taxes over revenues.

## 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 condensed and annual consolidated financial statements, and its latest 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.

### **About Fiera Capital Corporation**

Fiera Capital is a leading independent asset management firm with more than CAD\$125 billion in assets under management as at June 30, 2017. The Firm provides institutional, retail and private wealth clients with access to full-service integrated money management solutions across traditional and alternative asset classes. Clients and their portfolios derive benefit from Fiera Capital's depth of expertise, diversified offerings and outstanding service. Fiera Capital trades under the ticker FSZ on the Toronto Stock Exchange. [www.fieracapital.com](http://www.fieracapital.com)

In the U.S., asset management services are provided by the Firm's U.S. affiliates, Bel Air Investment Advisors LLC and Fiera Capital Inc., investment advisers that are registered with the U.S. Securities and Exchange Commission (SEC). Further, Charlemagne Capital (UK) Limited and Charlemagne Capital (IOM) Limited are both registered as investment advisers with the SEC. Charlemagne Capital (UK) Limited is authorized and regulated by the Financial Conduct Authority in the United Kingdom and Charlemagne Capital (IOM) Limited is licenced by the Isle of Man Financial Services Authority. Registration with the SEC does not imply a certain level of skill or training. Additional information about Fiera Capital Corporation, including the Firm's annual information form, is available on SEDAR at [www.sedar.com](http://www.sedar.com).

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