



## Fiera Capital reports first quarter 2021 results

/NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR  
DISSEMINATION IN THE UNITED STATES/

- Assets under management (“AUM”) of \$172.9 billion as at March 31, 2021
- Q1 2021 net earnings of \$23.0 million; net earnings of \$12.0 million in Q1 2020
- Adjusted net earnings<sup>1,2</sup> of \$37.5 million in Q1 2021; \$20.5 million in Q1 2020
- Adjusted EBITDA<sup>1</sup> of \$47.5 million in Q1 2021; \$43.5 million in Q1 2020
  - First quarter Adjusted EBITDA margin of 28.7%; Q1 2020 margin of 26.9%
- \$7.1 million of shares repurchased in the first quarter through the Company’s Normal Course Issuer Bid (“NCIB”); \$10.1 million since inception of the NCIB
- Dividend declared of \$0.21 per share in May 2021, payable in June 2021

**Montreal, May 6, 2021** – Fiera Capital Corporation (TSX: FSZ) (“Fiera Capital” or the “Company”), a leading independent asset management firm, today announced its financial results for the first quarter ended March 31, 2021. Financial references are in Canadian dollars unless otherwise indicated.

<i>(in \$ thousands except where otherwise indicated)</i>	Q1 2021	Q4 2020	% change	Q1 2020	% change
<b>End of period AUM</b> <i>(in \$ billions)</i>	<b>172.9</b>	181.9	(4.9)%	159.5	8.4 %
<b>IFRS Financial Measures</b>					
Total revenues	<b>165,611</b>	195,886	(15.5)%	161,657	2.4 %
Base management fees	<b>156,468</b>	163,580	(4.3)%	154,824	1.1 %
Net earnings (loss)	<b>23,023</b>	(709)	<i>nmf</i>	12,022	91.5 %
<b>Non-IFRS Financial Measures</b>					
Adjusted EBITDA <sup>1</sup>	<b>47,500</b>	60,954	(22.1)%	43,451	9.3 %
<i>Adjusted EBITDA margin</i> <sup>1</sup>	<b>28.7 %</b>	31.1 %	(240 bps)	26.9 %	180 bps
Adjusted net earnings <sup>1,2</sup>	<b>37,526</b>	49,238	(23.8)%	20,471	83.3 %

\*nmf: not meaningful

“Since the beginning of the year, several important developments have evolved in line with our high probability scenario for a rapid economic recovery in 2021. Optimism regarding the trajectory for growth gathered notable momentum as investors braced for massive fiscal spending in the United States, while the global vaccination rollout brought forward the timeline for a return to economic normalcy and reinvigorated our outlook,” said Jean-Guy Desjardins, Chairman of the Board and Chief Executive Officer. “In light of our economic outlook, we are very pleased with our first quarter results and the solid footing on which we started the year.”

“Adjusted EBITDA of \$47.5 million increased by \$4.0 million dollars year over year, and the corresponding margin increased by 180 basis points. These results demonstrate the traction we are making towards executing on our strategic priorities, and in particular, the progress made in increasing the Company’s operating leverage as we continue enhancing our client interaction model,” said Jean-Philippe Lemay, Global President and Chief Operating Officer. “Notably, with an attractive and diversified private markets offering, as well as the recent addition of a seasoned Global Equity team with a first-class track record and ample room to grow, our competitive investment platform is uniquely positioned to leverage the steady demand for our investment strategies.”

“Delivering value to shareholders through optimized capital allocation remains an ongoing priority for Fiera Capital. The sale of Bel Air, which was done with the objective of better aligning our private wealth operations, helped to further reduce the Company’s financial leverage during the quarter. In addition, we paid \$7.1 million in the form of share repurchases during the first quarter, bringing total value returned to shareholders through the NCIB launched last July to \$10.1 million,” said Lucas Pontillo, Executive Vice President and Global Chief Financial Officer. “I am also pleased to announce that the board has approved a dividend of 21 cents per share, payable on June 15.”

## Assets Under Management (in \$ millions, unless otherwise indicated)

Distribution channel	AUM as at			Quarter-over-Quarter Change		Year-over-Year Change	
	Mar. 31, 2021	Dec. 31, 2020	Mar. 31, 2020	\$	%	\$	%
Institutional	89,211	89,411	74,931	(200)	(0.2)%	14,280	19.1 %
Financial Intermediaries	69,915	71,074	59,074	(1,159)	(1.6)%	10,841	18.4 %
Private Wealth	13,769	21,368	25,535	(7,599)	(35.6)%	(11,766)	(46.1)%
<b>Total<sup>1</sup></b>	<b>172,895</b>	<b>181,853</b>	159,540	(8,958)	(4.9)%	13,355	8.4 %

	Dec. 31, 2020	New	Net Contributions	Lost	Net Organic Growth*	Market	Foreign Exchange Impact	Acquisitions/ Dispositions	Mar. 31, 2021
Institutional	89,411	1,412	29	(476)	965	(873)	(292)	—	89,211
Financial Intermediaries	71,074	1,072	922	(470)	1,524	(167)	(459)	(2,057)	69,915
Private Wealth	21,368	713	53	(150)	616	224	(172)	(8,267)	13,769
<b>AUM - end of period<sup>1</sup></b>	<b>181,853</b>	3,197	1,004	(1,096)	<b>3,105</b>	(816)	(923)	(10,324)	<b>172,895</b>

1) AUM includes committed, undeployed capital of \$1.7 billion as at March 31, 2021 and December 31, 2020, and \$1.4 billion as at March 31, 2020.

\* Net Organic Growth represents the sum of New, Lost and Net Contributions

## AUM at March 31, 2021 was \$172.9 billion compared to:

- **\$159.5 billion as at March 31, 2020, an increase of \$13.4 billion, or 8.4%.**

Higher AUM was primarily driven by market appreciation of \$32.6 billion and new mandates of \$11.7 billion. New mandates were generated across each of the Company's distribution channels for equity, fixed income and private alternative strategies, as well as for multi-strategy mandates.

These increases were partly offset by lost mandates of \$8.2 billion and redemptions from existing clients of \$1.4 billion, which included \$2.9 billion of lost mandates and redemptions from Bel Air Investment Advisors ("Bel Air") in the second half of 2020 following the departure of an advisory team. Foreign exchange movements had an unfavourable impact of \$7.1 billion as a result of the weaker U.S. dollar.

Excluding the impact of Bel Air redemptions, the Company generated net organic growth of \$5.0 billion during the twelve-month period.

AUM was also impacted by dispositions relating to previously announced transactions, consisting of:

- the sale of the rights to manage the retail mutual funds of Fiera Investments LP on June 26, 2020 (\$1.2 billion);
- the sale of Wilkinson Global Asset Management ("WGAM") on December 31, 2020 (\$2.7 billion);
- the sale of Bel Air announced on March 1, 2021 (\$8.3 billion); and
- the termination of the revenue sharing arrangement with City National Rochdale ("CNR") with regards to the Fiera Capital Emerging Markets Fund (the "Emerging Markets Fund") (\$2.1 billion).

These transactions impacted AUM by \$14.2 billion during the twelve-month period ended March 31, 2021.

Committed, undeployed capital was \$1.7 billion as at March 31, 2021, compared to \$1.4 billion as at March 31, 2020.

- **\$181.9 billion as at December 31, 2020, a decrease of \$9.0 billion, or 4.9%.**

The Company experienced strong net organic growth of \$3.1 billion during the quarter as a result of net sales across each of its three distribution channels. Notably, this included \$3.2 billion in new mandates won in Canada, the United States and Europe for investment strategies spanning the range of the Company's asset classes. This was partly offset by fixed income markets and foreign exchange movements which had an unfavourable impact of \$1.7 billion during the quarter.

AUM was also impacted by dispositions relating to previously announced transactions, consisting of the sale of Bel Air and the termination of the revenue sharing arrangement with CNR with regards to the Emerging Markets Fund. These transactions impacted AUM by \$10.3 billion during the first quarter.

The Company had \$1.7 billion of committed, undeployed capital as at March 31, 2021, relatively unchanged from December 31, 2020.

Note: Certain totals, subtotals and percentages may not reconcile due to rounding.

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

	THREE-MONTH PERIODS ENDED		
	Mar. 31, 2021	Dec. 31, 2020	Mar. 31, 2020
<b>AUM (in \$ billions)</b>	<b>172.9</b>	181.9	159.5
<b>Average AUM (in \$ billions)</b>	<b>178.2</b>	178.9	167.7
<b>Revenues</b>			
Base management fees	<b>156,468</b>	163,580	154,824
Performance fees	<b>1,432</b>	22,608	3,251
Share of earnings (loss) in joint ventures and associates	<b>562</b>	1,558	(249)
Other revenues	<b>7,149</b>	8,140	3,831
<b>Total revenues</b>	<b>165,611</b>	195,886	161,657
<b>Expenses</b>			
Selling, general and administrative expenses ("SG&A")	<b>121,400</b>	140,236	118,328
All other net expenses	<b>21,188</b>	56,359	31,307
	<b>142,588</b>	196,595	149,635
<b>Net earnings (loss)</b>	<b>23,023</b>	(709)	12,022
<b>Attributable to</b>			
The Company's shareholders	<b>22,234</b>	(983)	7,581
Non-controlling interest	<b>789</b>	274	4,441
<b>Net earnings (loss)</b>	<b>23,023</b>	(709)	12,022
<b>Earnings</b>			
Adjusted EBITDA <sup>1</sup>	<b>47,500</b>	60,954	43,451
Net earnings (loss)	<b>23,023</b>	(709)	12,022
Adjusted net earnings <sup>1,2</sup>	<b>37,526</b>	49,238	20,471
<b>Basic per share</b>			
Adjusted EBITDA <sup>1</sup>	<b>0.45</b>	0.58	0.42
Net earnings (loss)	<b>0.21</b>	(0.01)	0.07
Adjusted net earnings <sup>1,2</sup>	<b>0.36</b>	0.47	0.20
Weighted average shares outstanding (in thousands)	<b>104,425</b>	104,518	102,715
<b>Diluted per share</b>			
Adjusted EBITDA <sup>1</sup> (*)	<b>0.40</b>	0.58	0.41
Net earnings (loss)	<b>0.20</b>	(0.01)	0.07
Adjusted net earnings <sup>1,2</sup> (*)	<b>0.32</b>	0.47	0.19
Weighted average shares outstanding (in thousands)	<b>118,968</b>	104,518	107,289

(\*) The non-IFRS measures basic and diluted Adjusted EBITDA and Adjusted net earnings per share are calculated using the same weighted average number of shares outstanding as the basic and diluted net earnings (loss) per share figures, respectively, calculated in accordance with IFRS, regardless of net earnings or net loss.

## Revenues

### Q1 2021 Total revenues were \$165.6 million compared to:

- **\$161.7 million in Q1 2020, an increase of \$3.9 million, or 2.4%.**

The increase was primarily due to:

- higher base management fees as a result of an increase of \$10.5 billion in average AUM year over year; and
- a \$5.1 million loss on foreign exchange forward contracts in the prior year.

These increases were partly offset by \$16.3 million of lower revenue from the sale of the rights to manage Fiera Investments' retail mutual funds in June 2020, the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

- **\$195.9 million in Q4 2020, a decrease of \$30.3 million, or 15.5%.**

The decrease was mainly the result of:

- \$21.2 million of lower performance fees, due to the timing of when performance fees are recognized; and
- approximately \$11.1 million of lower revenue from the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

## SG&A

### SG&A were \$121.4 million for Q1 2021 compared to:

- **\$118.3 million in Q1 2020, an increase of \$3.1 million, or 2.6%.**

The increase was primarily due to higher employee compensation related costs, which was partly offset by the sale of the rights to manage Fiera Investments' retail mutual funds, as well as the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund, which together contributed to reducing SG&A by approximately \$12.1 million and lower travel and marketing costs.

Cost savings of approximately \$5 million realized in connection with the global operating model introduced in June 2020 were redeployed to certain key functions in order to help accelerate future growth.

- **\$140.2 million in Q4 2020, a decrease of \$18.8 million, or 13.4%.**

The decrease was primarily due to lower employee compensation related expenses mainly as a result of the timing of recognition of associated expenses as well as lower professional fees. In addition, the sales of WGAM and Bel Air contributed to reducing SG&A by a further \$7.2 million over the comparative period.

SG&A includes share-based compensation expense of \$3.3 million for the three months ended March 31, 2021, compared to \$5.3 million for the three months ended December 31, 2020. The decrease stems primarily from the vesting of stock options and PSU BU's during the fourth quarter of fiscal 2020 and forfeitures that were incurred during the first quarter of fiscal 2021.

## **Net earnings (loss) attributable to the Company's shareholders**

**Net earnings attributable to the Company's shareholders were \$22.2 million, or \$0.21 per share basic and \$0.20 per share diluted, for Q1 2021 compared to:**

- **Net earnings attributable to the Company's shareholders of \$7.6 million, or \$0.07 per share (basic and diluted), in Q1 2020.**

The \$14.6 million increase in net earnings was primarily due to the following:

- a \$16.7 million gain on the sale of a business and impairment of assets held for sale related to the sale of Bel Air and an impairment charge on an asset management contract in connection with the Emerging Markets Fund; and
- lower interest on long-term debt, lease liabilities and other financial charges of \$8.9 million.

These increases were partly offset by a \$13.5 million increase in accretion and change in fair value of purchase price obligations and other compared to the first quarter of 2020.

The above includes the impact of approximately \$5.0 million from the sale of the rights to manage Fiera Investments' retail mutual funds, the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

- **Net loss attributable to the Company's shareholders of \$1.0 million, or \$(0.01) per share (basic and diluted), in Q4 2020.**

The \$23.2 million increase was mainly the result of:

- an impairment charge of \$66.4 million recognized in the fourth quarter of 2020 to reduce the carrying value of the intangible asset in connection with asset management contracts related to the Emerging Markets Fund following the termination of the revenue sharing arrangement with CNR, and partly offset by a \$49.3 million reduction in the carrying value of the related purchase price obligation. The reduction in the carrying value of the CNR purchase price obligation reduced accretion expense during the first quarter of 2021 by \$4.5 million, resulting in a combined increase in net income of approximately \$21.6 million compared to the fourth quarter of 2020;
- \$18.8 million in lower SG&A in the first quarter of 2021, primarily due to lower employee related expenses, lower professional fees and the impact from the sales WGAM and Bel Air; and
- the recognition of a \$16.7 million gain on the sale of a business and impairment of assets held for sale as a result of the sale of Bel Air, partly offset by an impairment charge to reduce the carrying value of the asset management contract related to the Emerging Markets Fund.

These increases were partly offset by:

- lower revenues of \$30.3 million mainly from lower performance fees as a result of the timing of the recognition of performance fees; and
- a \$7.0 million gain recognized in the fourth quarter of 2020 due to a gain on the disposition of WGAM, partly offset by an impairment charge related to the assets of Bel Air as a result of their classification as *assets held for sale* as at December 31, 2020.

The above includes the impact of approximately \$6.5 million from the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

### **Adjusted EBITDA**

**Adjusted EBITDA for Q1 2021 was \$47.5 million, or \$0.45 per share basic and \$0.40 per share diluted compared to:**

- **\$43.5 million, or \$0.42 per share (basic) and \$0.41 per share (diluted) for Q1 2020, an increase of \$4.0 million, or 9.2%.**

The increase was primarily due to \$3.9 million of higher revenues.

The sale of the rights to manage Fiera Investments' retail mutual funds, the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund impacted Adjusted EBITDA by approximately \$4.2 million over the comparative period.

- **\$61.0 million or \$0.58 per share (basic and diluted) in Q4 2020, a decrease of \$13.5 million, or 22.1%.**

The decrease was primarily due to lower revenues of \$30.3 million, mainly from lower performance fees as a result of the timing of the recognition of performance fees, which was partly offset by a decrease in SG&A, excluding share-based compensation, of \$16.8 million, mainly from lower employee compensation related costs.

The above includes the impact of approximately \$3.8 million from the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

### **Adjusted net earnings**

**Adjusted net earnings for Q1 2021 were \$37.5 million or \$0.36 per share basic and \$0.32 per share diluted, compared to:**

- **\$20.5 million, or \$0.20 per share (basic) and \$0.19 per share (diluted) for Q1 2020, an increase of \$17.0 million, or 82.9%.**

The \$17.0 million increase stemmed mainly from:

- lower interest on long-term debt, lease liabilities and other financial charges of \$8.9 million;
- higher revenues of \$3.9 million; and
- \$3.7 million of lower distributions, primarily related to Fiera Real Estate UK.

The above includes the impact of approximately \$4.1 million from the sale of the rights to manage Fiera Investments' retail mutual funds, the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

- **\$49.2 million, or \$0.47 per share (basic and diluted) in Q4 2020, a decrease of \$11.7 million, or 23.8%.**

The \$11.7 million decrease was primarily due to lower revenues of \$30.3 million mainly from lower performance fees as a result of the timing of the recognition of performance fees, partly offset by:

- a decrease in SG&A, excluding share-based compensation, of \$16.8 million, mainly from lower employee compensation related costs; and
- a \$1.6 million decrease in the impact of income taxes.

The above includes the impact of approximately \$4.1 million from the sales of WGAM and Bel Air, and the termination of the revenue sharing arrangement with CNR in connection with the Emerging Markets Fund.

Additional details relating to the company's operating results can be found on our [Investor Relations web page](#) under *Quarterly Reports - Management Discussion and Analysis*.

## Subsequent Event

### I. Dividends Declared

On May 5, 2021, the Board of Directors declared a quarterly dividend of \$0.21 per Class A Share and Class B Special Voting Share of the Corporation, payable on June 15, 2021 to shareholders of record at the close of business on May 18, 2021. The dividend is an eligible dividend for income tax purposes.

## Conference Call

### Live

Fiera Capital will hold a conference call at 10:30 a.m. (EDT) on Thursday, May 6, 2021, to discuss its financial results. The dial-in number to access the conference call from Canada and the United States is 1-866-865-3087 (toll-free) and 1-647-427-7450 from outside North America (access code: 9568909).

The conference call will also be accessible via [webcast](#) in the [Investor Relations](#) section of Fiera Capital's website, under *Events and Presentations*.

### Replay

An audio replay of the call will be available until May 13, 2021 by dialing 1-855-859-2056 (toll free), access code 9568909.

The webcast will remain available for three months following the call and can be accessed in the [Investor Relations](#) section of the website under *Events and Presentations*.

## Footnotes

- 1) Earnings before interest, taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EBITDA per share, Adjusted net earnings and Adjusted net earnings per share (basic and diluted) are not standardized measures prescribed by International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be comparable to similar measures presented by other companies. We have included non-IFRS measures to provide investors with supplemental measures of our operating and financial performance. We believe non-IFRS measures are important supplemental metrics of operating and financial performance because they highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. Securities analysts, investors and other interested parties frequently use



non-IFRS measures in the evaluation of issuers, many of which present non-IFRS measures when reporting their results. Management also uses non-IFRS measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets and to assess its ability to meet future debt service, capital expenditure and working capital requirements.

For reconciliation to, and a description of, the Company's non-IFRS Measures, please refer to page 31 of the Company's Management, Discussion and Analysis for the three months ended March 31, 2021.

## 2) Attributable to the Company's shareholders

### Forward-Looking Statements

This document may contain forward-looking statements relating to future events or future performance and reflecting 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. Forward-looking statements may include comments with respect to Fiera Capital's objectives, strategies to achieve those objectives, expected financial results, and the outlook for Fiera Capital's businesses and for the Canadian, American, European, Asian and other global economies. Such statements reflect management's current beliefs and are based on factors and assumptions it considers to be reasonable based on information currently available to management and may typically be identified by terminology such as "believe", "expect", "plan", "anticipate", "estimate", "may increase", "may fluctuate", "predict", "potential", "continue", "target", "intend" or the negative of these terms or other comparable terminology and similar expressions of future or conditional verbs, such as "will," "should," "would" and "could."

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions, forecasts, projections, expectations or conclusions will not prove to be accurate. The uncertainty created by the COVID-19 pandemic has heightened such risk given the increased challenge in making predictions, forecasts, projections, expectations, or conclusions.

As a result, the Company does not guarantee that any forward-looking statement will materialize and readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors, many of which are beyond Fiera Capital's control, could cause actual events or results to differ materially from the predictions, forecasts, projections, expectations, or conclusions expressed in such forward-looking statements which include, but are not limited to, risks relating to performance and investment of AUM, AUM concentration within limited number of strategies, reputational risk, regulatory compliance, information security policies, procedures and capabilities, litigation risk, insurance coverage, third-party relationships, growth and integration of acquired businesses, AUM growth, key employees and other factors described in the Company's Annual Information Form for the year ended December 31, 2020, Consolidated Financial Statements and Management's Discussion and Analysis for the three and twelve-month periods ended December 31, 2020 and in other documents filed on [www.sedar.com](http://www.sedar.com) from time to time.

The preceding list of important factors is not exhaustive. When relying on forward-looking statements in this document and any other disclosure made by Fiera Capital, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Fiera Capital does not undertake to update or revise any forward-looking statements, whether written or oral, that may be

made from time to time by or on its behalf in order to reflect new events or circumstances, except as required by applicable laws.

## About Fiera Capital Corporation

Fiera Capital is a leading independent asset management firm with a growing global presence and approximately C\$172.9 billion in assets under management as of March 31, 2021. The Company delivers customized and multi-asset solutions across public and private market asset classes to institutional, financial intermediary and private wealth clients across North America, Europe and key markets in Asia. Fiera Capital's depth of expertise, diversified investment platform and commitment to delivering outstanding service are core to our mission of being at the forefront of investment management science to create sustainable wealth for clients. Fiera Capital trades under the ticker FSZ on the Toronto Stock Exchange. [www.fieracapital.com](http://www.fieracapital.com)

Headquartered in Montreal, Fiera Capital, with its affiliates in various jurisdictions, has offices in over a dozen cities around the world, including New York (U.S.), London (UK), and Hong Kong (SAR).

In the U.S., asset management services are provided by the Company's affiliates who are investment advisers that are registered with the U.S. Securities and Exchange Commission (SEC) or exempt from registration. Registration with the SEC does not imply a certain level of skill or training. For details on the particular registration of, or exemptions therefrom relied upon by, any Fiera Capital entity, please consult this [webpage](#).

Additional information about Fiera Capital Corporation, including the Company's annual information form, is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### For more information:

#### **Analysts and investors**

Mariem Elsayed  
Director, Investor Relations and Public Affairs  
Fiera Capital Corporation  
514 954-6619  
[melsayed@fieracapital.com](mailto:melsayed@fieracapital.com)

#### **Media inquiries**

Alex-Anne Carrier  
Senior Advisor, External Communications  
Fiera Capital Corporation  
514 692-5714  
[acarrier@fieracapital.com](mailto:acarrier@fieracapital.com)