



## **Fiera Capital makes an offer to acquire London-based Charlemagne Capital Limited**

*The objectives are to:*

- **Create a strong European platform for Fiera Capital**
- **Broaden offering with emerging and frontier market strategies**
- **Deliver adjusted earnings per share accretion**

**MONTREAL / LONDON, UNITED KINGDOM – September 30, 2016** – Fiera Capital Corporation (“Fiera Capital” or the “Firm”) (TSX: FSZ), a leading independent asset management firm, announced today that an agreement has been reached on the terms of a recommended cash transaction comprising an offer (by way of scheme of arrangement) by Fiera Capital to acquire the entire share capital of Charlemagne Capital Limited (“Charlemagne Capital”), an independent asset manager, and the payment of a special dividend by Charlemagne Capital.

If the Offer is completed, it would provide Fiera Capital with an entry into the emerging and frontier markets asset class and create a European platform to enhance the growth and distribution of Fiera Capital’s existing investment strategies.

“The acquisition of Charlemagne Capital would be an important step in advancing our global presence by teaming up with a high quality emerging and frontier markets specialist, with an excellent track record of performance, a proven team of investment professionals and a strong culturally aligned management team,” said Jean-Guy Desjardins, Chairman and Chief Executive Officer of Fiera Capital. “The addition of emerging and frontier markets strategies to our strong global offering in equities would benefit our clients who are consistently looking for diversification opportunities.”

Charlemagne Capital was established in 2000 and today has assets under management in excess of US\$2 billion.

“Fiera Capital is a performance driven, client-focused firm with a strong emphasis on teamwork. As such, Fiera Capital has committed to preserve and support the culture and infrastructure of Charlemagne Capital,” said Jayne Sutcliffe, Chief Executive Officer of Charlemagne Capital. “Our Board believes that this transaction is an excellent solution for our broad range of institutional and wealth management investors, who will benefit from being part of Fiera Capital

with its complementary culture, financial strength and North American distribution network. In our view, as the fund management industry evolves, investors will increasingly take comfort from entrusting assets with a firm which has a strong balance sheet, diversified product offering and global distribution.”

For more information on the transaction and for the definition of any undefined capitalized terms used please see the public announcement entitled “Recommended Cash Transaction by Fiera Capital Corporation and Charlemagne Capital Limited”, the full text of which can be found under the “Investors” tab at: <http://www.fieracapital.com> (the “2.7 Public Announcement”).

### **Building a European distribution network**

The Offer, if completed, would allow Fiera Capital to benefit from a strong European presence and build upon the strategy of expanding its global footprint. Fiera Capital currently operates outside of North America with mandates and distribution channels in South Africa, Japan, Australia and the U.K. as well as select European markets.

“Over the years, Charlemagne Capital has developed an effective European distribution network in both the institutional and wealth management segments,” said Sylvain Brosseau, Global President and Chief Operating Officer of Fiera Capital. “This strategic acquisition would add complementary expertise to our existing platforms and strengthen the ability to serve our North American clients while providing Charlemagne Capital access to Fiera Capital’s existing distribution network.”

Moreover, this transaction would provide increased opportunities for the expansion of Fiera Capital’s existing strategies in the United Kingdom and Europe. The transaction is expected to provide low single digit accretion to adjusted earnings per share (“EPS”) in the 2017 fiscal year.

### **Transaction Summary**

Under the terms of the Transaction, Charlemagne Capital shareholders will be entitled to receive 14 pence in cash in aggregate for each Charlemagne Capital share. The 14 pence is composed of 11 pence in cash for each Charlemagne Capital share and a special dividend of 3 pence per Charlemagne Capital share conditional on the Scheme becoming effective.

The 14 pence per Charlemagne Capital share represents a premium of approximately:

- (i) 16.7 per cent. to the Closing Price of 12 pence per Charlemagne Capital Share on 29 September 2016, being the last Business Day prior to this announcement;
- (ii) 20.8 per cent. to the volume weighted average Closing Price of 11.59 pence per Charlemagne Capital Share for the 30 trading days ended 29 September 2016;
- (iii) 37.3 per cent. to the volume weighted average Closing Price of 10.20 pence per Charlemagne Capital Share for the 90 trading days ended 29 September 2016; and

- (iv) 43.1 per cent. to the volume weighted average Closing Price of 9.78 pence per Charlemagne Capital Share for the 180 trading days ended 29 September 2016.

The 11 pence per share to be paid by Fiera Capital together with the Special Dividend of 3 pence per share, values the transaction at approximately £40.7 million.

To date, Fiera Capital has received irrevocable undertakings from shareholders of Charlemagne Capital in respect of a total of 122,613,472 Charlemagne Capital shares, representing approximately 42.15 per cent of its issued share capital.

The Offer is subject to a number of Conditions, including regulatory approvals.

The Offer is proposed to be implemented by means of a Court-approved scheme of arrangement.

The Offer is expected to be completed after the Conditions have been satisfied.

For more information, please consult the 2.7 Public Announcement, which can be found under the investor tab at: <http://www.fieracapital.com>.

### **Conference Call**

A conference call with senior executives to discuss the transaction will be held, Friday, September 30, 2016, at 10:00 A.M. Eastern Time, by phone at 1-888-231-8191 (North America toll-free number) or 0-800-051-7107 (United Kingdom toll-free number), conference ID: 89402003. 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 October 7, 2016 by dialing 1-855-859-2056 (North America) or 403-451-9481 (United Kingdom) and entering access code 89402003.

### **About Fiera Capital Corporation**

Fiera Capital is an independent, full service, multi-product investment firm, providing investment advisory and related services, with over C\$109 billion AUM as of June 2016. Fiera Capital offers multi-style investment solutions through diversified investment strategies to institutional investors, private wealth clients and retail investors. Fiera Capital and its subsidiaries have approximately 460 employees, including over 150 investment professionals, with offices in Montreal, Toronto, Calgary, Vancouver, Halifax, New York, Boston, Dayton, Los Angeles and San Francisco. Fiera Capital shares are traded under the ticker FSZ.TO on the Toronto Stock Exchange.

Fiera Capital is primarily regulated by the AMF in Québec. 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). Registration with the SEC does not imply a certain level of skill or training.

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 Charlemagne Capital Limited**

Charlemagne Capital is a specialist emerging markets equity investment manager with US\$2.2 billion AUM at 31 August 2016, whose principal activity is the provision of emerging markets asset management products and services. Its operations are based in the Isle of Man and London with a branch office in Germany. Its operating subsidiaries are regulated by the IoM FSA, the FCA and the SEC. For more information, visit [www.charlemagnecapital.com](http://www.charlemagnecapital.com)

### **Forward-Looking Statements**

This announcement contains a number of forward-looking statements relating to Fiera Capital and Charlemagne Capital with respect to, among other matters, the following: financial condition; results of operations; the respective businesses of Fiera Capital and Charlemagne Capital; the economic conditions in which Fiera Capital and Charlemagne Capital operate; benefits of the Transaction and management plans and objectives. Fiera Capital and Charlemagne Capital consider any statements that are not historical facts to be "forward-looking statements". Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, identify forward looking statements. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by them.

With respect to Fiera Capital, 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. Due to such risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

With respect to management expectations regarding accretion on adjusted EPS resulting from this transaction in 2017, financial performance is based on information available to management and certain assumptions, including the accuracy of Charlemagne Capital's financial statements, the level of client assets under management with Charlemagne Capital following the acquisition, as well as assumptions regarding the growth in Charlemagne Capital'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.

Forward-looking statements only speak as of the date on which they are made, and the events discussed herein may not occur. Subject to compliance with applicable law and regulation, neither Fiera Capital nor Charlemagne Capital undertake any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise.

### **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).

### **No profit forecast**

Any statements in this announcement regarding the benefits of the transaction are not and do not constitute a profit forecast for any period, nor should any statements be interpreted to mean that earnings or earnings per share will necessarily be greater or lesser than the historical published earnings per share of Fiera Capital or Charlemagne Capital as appropriate.

### **For further information, please contact:**

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