



## **Fiera Capital acquires 80% interest in Palmer Capital as it further expands its footprint in Europe**

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

**Montreal and London, December 21, 2018** – Fiera Capital Corporation (TSX: FSZ) (“Fiera Capital” or the “Firm”), a leading independent asset management firm, announced today that it has reached an agreement for the acquisition of an 80% interest in Palmer Capital Partners Limited (“Palmer Capital”), a leading UK focused real estate investment manager, based in London, UK. The acquisition will be made through Fiera Capital’s wholly owned subsidiary, Fiera Properties Limited (“Fiera Properties”), its dedicated real estate investment management company, which provides direct real estate investment opportunities to institutional investors, foundation and endowment clients, and high net worth individuals.

Palmer Capital, founded in 1992, has over £800 million in assets under management with an additional £215.5 million managed through the joint ventures of eight regional property companies in which it is a minority shareholder (as at 30<sup>th</sup> September 2018). It will remain independently managed but will become the UK arm of Fiera Properties, part of Fiera Capital’s alternative asset offerings. Ray Palmer, the founder of Palmer Capital, will remain the Executive Chairman and Alex Price, Chief Executive Officer, will continue to run the day to day strategy and operations of the business.

“Palmer Capital is a perfect fit for us as we look to further grow our footprint outside of North America,” said **Vincent Duhamel, Global President and Chief Operating Officer, Fiera Capital**. “This is a strategic acquisition with a growing business in Europe and the United Kingdom – key areas of focus for us as we expand globally. We have grown significantly over the last decade by acquiring stakes in best in class boutique firms, underpinning them with operational and strategic support and leaving their talented investment professionals to focus their time and skill on delivering strong positive investment performance.”

**John Valentini, President and Chief Executive Officer, Fiera Private Alternative Investments, added:** “This transaction, which sees Fiera Capital taking a long-term view of the UK real estate market, is very much in line with our strategy of expanding our current service offering in alternative strategies and provides an excellent platform for both Fiera Properties and Palmer Capital to expand their domestic businesses and become part of a coordinated and growing global business. The combined business significantly expands the range of offerings to our existing client bases.”

This acquisition marks Fiera Capital’s first acquisition of a real estate investment management business outside of Canada and its second acquisition in the UK market following its acquisition

of boutique fund manager Charlemagne Capital in 2017. Expanding globally, in March 2018 Fiera Capital increased its presence in Asia with the acquisition of Clearwater Capital Partners.

**Chief Executive Officer of Palmer Capital, Alex Price, commented:** “We are delighted to become the UK arm of the Fiera Properties business, and to use this strategic alliance to improve the service we can give to our clients. We also welcome the opportunity to more easily access North American capital seeking access to the UK, a market where we see opportunity in 2019. From a cultural, product and philosophical view point, ourselves and Fiera Properties are very similar and we look forward to continuing to support the growth of our backed property companies, our client portfolios and Fiera Properties in the UK.”

Under the terms of the purchase agreement for the acquisition, the 80% interest to be acquired by Fiera Capital has an equity value of £40 million and an enterprise value of £30 million, subject to post-closing price adjustments. Of the purchase price payable by Fiera Capital, £10 million will be payable in Class A Subordinate Voting Shares of Fiera Capital ("Fiera Capital Class A Shares"), to be issued at a price equal to the volume weighted average price of the Fiera Capital Class A Shares on the Toronto Stock Exchange for the period of 10 consecutive trading days preceding the date that is two business days prior to closing. The Palmer Capital management shareholders will retain a 20% equity interest in Palmer Capital.

The transaction is expected to be immediately accretive, adding single digit accretion to adjusted earnings per share within the first full year post-closing.

The transaction is subject to regulatory approval and is expected to close in the first quarter of 2019. The transaction will increase Fiera Capital's headcount in the UK to over 100.

### **Forward-Looking Statements**

This announcement contains forward-looking statements. These statements relate to future events and reflect management's expectations or beliefs regarding such future events, based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as “may”, “will”, "plans", "believes", "expects", "aims", "intends", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof.

With respect to management expectations regarding accretion resulting from this transaction in 2019, financial performance is based on information available to management and certain assumptions, including the accuracy of Palmer Capital's financial statements, the level of Palmer Capital assets under management retained following the acquisition, as well as assumptions regarding the growth in Palmer Capital 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 and general market conditions.

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.

### **Non-IFRS Measures**

This press release makes reference to adjusted earnings per share (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 the 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).

### **About Fiera Capital Corporation**

Fiera Capital Corporation is a global independent asset management firm with over C\$143 billion in AUM as at September 30, 2018 delivering customized multi-asset solutions across traditional and alternative asset classes to institutional, retail and private wealth clients across North America, Europe and key markets in Asia. Fiera Capital strives to be at the forefront of investment-management science and is passionate about creating sustainable wealth for clients. 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 who are investment advisers that are registered with the U.S. Securities and Exchange Commission (SEC). Further, the Firm's affiliates Fiera Capital (UK) Limited and Fiera Capital (IOM) Limited are both registered as investment advisers with the SEC. Fiera Capital (UK) Limited is authorized and regulated by the Financial Conduct Authority in the United Kingdom and Fiera Capital (IOM) Limited is licensed 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).

### **About Fiera Properties Limited**

Fiera Properties is a Canadian real estate investment management company that provides direct real estate investment opportunities to institutional investors, foundation and endowment clients, and high net worth investors. As part of Fiera Capital's alternative asset offerings, Fiera Properties is a team of experienced real estate practitioners backed with the kind of support that empowers it to offer innovative solutions to its clients' investment challenges.

Fiera Properties currently manages approximately C\$3 billion of commercial real estate in Canada through its investment funds and accounts. They provide strategies from Core through Opportunistic in both equity and debt and across all major sectors (as at November 30<sup>th</sup>, 2018).

### **About Palmer Capital**

Palmer Capital is a UK focused real estate investment management company with over £800 million in AUM as at September 30, 2018. Founded in 1992, the company has approximately 26 years of experience in direct real estate.

The business has two distinct divisions – minority shareholdings in eight regional property companies and the fund management of pooled and segregated property vehicles. Palmer Capital's AUM is split 56% in Enhanced Return strategies and 44% in Core strategies over approximately 60 projects and has 4.2 million square feet under management (with a further 600,000 square feet within Palmer Capital's property company joint ventures). Palmer Capital has 27 staff within its headquarters based in London and a further 45 people located across the UK within the firm's regional property companies.

### **For further information:**

Mariam Elsayed  
Director, Investors Relations and Public Affairs  
Fiera Capital Corporation  
+1 514 954-6619  
[melsayed@fieracapital.com](mailto:melsayed@fieracapital.com)

### **Media contacts:**

**United Kingdom & Europe**  
Ged Brumby  
Smithfield  
+44 20 3047 2527  
[gbrumby@smithfieldgroup.com](mailto:gbrumby@smithfieldgroup.com)

**North America**  
Stephanie Ronson  
Edelman  
+1 647 252-2859  
[stephanie.ronson@edelman.com](mailto:stephanie.ronson@edelman.com)

Emily Cullen  
Smithfield  
+44 20 3047 2530  
[ecullen@smithfieldgroup.com](mailto:ecullen@smithfieldgroup.com)