Fiera Capital Acquires Leading High-Net-Worth and Institutional Investment Firm CGOV Asset Management

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

MONTREAL and TORONTO, March 23, 2018 /CNW Telbec/ - Fiera Capital Corporation (TSX: FSZ) ("Fiera Capital" or the "Company") and CGOV Asset Management ("CGOV") today announced that they have reached an agreement whereby Fiera Capital will acquire the business of CGOV, an Ontario-based investment management firm focused on high-net-worth and institutional investors with approximately C$5.3 billion in assets under management as of December 31, 2017.

"We are excited to combine CGOV with Fiera Capital to enhance our leading Canadian high-net-worth platform and further strengthen our institutional investment management capabilities. CGOV has a rich history of success and growth and brings a proven management team," said Jean-Guy Desjardins, Chairman of the Board and Chief Executive Officer of Fiera Capital.

"With a solid base in Ontario and Western Canada, the critical mass gained as a result of the transaction allows Fiera Capital to be a competitive force in the highly attractive high-net-worth segment across Canada. The transaction is Fiera Capital's strongest commitment yet to developing leading solutions for both existing and new high-net-worth clients," commented Jean-Phillipe Lemay, President and Chief Operating Officer of Fiera Capital's Canadian Division. "Together, we will clearly be stronger, and are excited about the prospect of also growing our institutional offering through the addition of CGOV's investment expertise within Fiera Capital's already strong investment platform."

Following completion of the transaction, CGOV partners and key employees will be joining Fiera Capital including Ted Ecclestone, who will lead Fiera Capital's Canadian Private Wealth team. Mr. Ecclestone has over 20 years of investment experience and joined CGOV in 2006, after holding senior roles at TAL Private Management and Rockwater Capital.

"The combination of the CGOV team with Fiera Capital is an exciting opportunity for CGOV and its clients. The transaction will provide a stable, long-term platform for our investment team to continue delivering value. It will also bring robust investment solutions to CGOV clients, including access to enhanced fixed income and private alternative strategies," commented Don Cranston, Founding Partner and Chairman of CGOV Asset Management.

Under the terms of the asset purchase agreement for the transaction, the purchase price totals $114.2 million (subject to customary post-closing price adjustments), of which 42% is payable in cash on closing and 58% is payable in Class A Subordinate Voting Shares of Fiera Capital ("Fiera Capital Class A Shares"). The Fiera Capital Class A Shares will be issued at a price equal to $11.91, being 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 ending on the last full trading day prior to the date of signature of the asset purchase agreement. The Fiera Capital Class A Shares shall be placed in escrow and released over a five year period following transaction closing subject to certain terms and conditions. Approximately 16.7% of the Fiera Capital Class A Shares placed in escrow will be released after a five year period only if Fiera Capital retains at least 80% of institutional assets under management of CGOV after a four year period following closing.

The transaction is expected to be modestly accretive (low to mid-single digit) to adjusted EPS within the first full year post closing. The transaction is expected to close in Q2 2018, and is subject to customary regulatory approvals, including the approval of the Toronto Stock Exchange.

On the closing date of the transaction, the seller will grant an option to Fiera Capital L.P. entitling Fiera Capital L.P. to purchase the Fiera Class A Shares at their market value at the time of exercise of such option in consideration for units of Fiera Capital L.P. Such purchase would be exempted from applicable take-over bid requirements under the private agreement exemption. Fiera Capital L.P. currently holds 495,629 Fiera Class A Shares and 19,444,490 Class B Special Voting Shares of Fiera Capital, representing, in the aggregate, 22.07% of all issued and outstanding shares of Fiera Capital.

Forward-Looking Statements

This announcement contains forward-looking statements. Past performance is no guarantee of future results. All investments pose the risk of loss. Fiera Capital considers 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 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 CGOV's financial statements, the level of CGOV client assets under management retained by Fiera Capital following the acquisition, as well as assumptions regarding the growth in CGOV assets under management transferred to Fiera Capital 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. 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 rational 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.

About CGOV Asset Management

Established in 1995, CGOV Asset Management is an Ontario-based investment manager that manages approximately C$5.3 billion on behalf of high-net-worth clients and institutions. CGOV services over 400 families and 45 institutions, including foundations as well as Indigenous Trusts. The team specializes in traditional equity strategies: Canadian Equity, Global Equity and Total Equity.

About Fiera Capital Corporation

Fiera Capital is a leading independent asset management firm with approximately C$128.9 billion in assets under management as of December 31, 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

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). 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.

SOURCE Fiera Capital Corporation

View original content: http://www.newswire.ca/en/releases/archive/March2018/23/c8739.html

%SEDAR: 00002284E

For further information: Investor relations: Daniel Richard, Senior Vice-President, Corporate Communications and Investors Relations, Fiera Capital Corporation, 514-954-6456, drichard@fieracapital.com; Media relations (English): Kaitlyn Nightingale, Edelman, 416-849-3147, kaitlyn.nightingale@edelman.com; Media relations (French): Audrey-Anne Desaulniers, Coordinator, Corporate Communications, Fiera Capital Corporation, 514-954-6675, aadesaulniers@fieracapital.com

CO: Fiera Capital Corporation

CNW 07:25e 23-MAR-18