

6 May 2014

Fiducian Acquires \$66 million in Funds Under Advice

The Fiducian Group (ASX: FPS), is pleased to announce it has executed an agreement to acquire a quality financial planning business for \$1.31 million. Fiducian has no debt and this acquisition is being fully funded by cash and represents an additional \$66 million to Fiducian Financial Services' existing \$1.275 billion in funds under advice.

"This is the first acquisition of a client base we foreshadowed could occur, in our half year report to shareholders. We do not make acquisitions for the sake of market share, but rather to extract maximum benefit across the value chain in our vertically integrated financial services model" said Jai Singh, Manager Investment Projects.

"The clients will be serviced by our salaried Financial Planners and our due diligence suggests that many could benefit from the Fiducian holistic financial planning and multi manager services" said Singh.

"It is possible the acquisition could add up to \$400,000 per annum NPAT within 2 to 3 years which is material" said Singh.

The capital payment is being staggered over 2 financial years. After estimated cost synergies, the acquisition represents a 4x EBIT multiple and the realisation of any revenue synergy may result in significant earnings accretion for shareholders within 12 months.

As a matter of policy Fiducian does not disclose the names of Financial Planners that join it or sell their businesses and nor does it disclose the name of the dealer groups from which client bases are acquired.

Ends.

About Fiducian

The Fiducian Group is a specialist financial services organisation established in 1996. Fiducian provides financial services through five key areas: funds management, portfolio administration, information technology, financial planning and accounting/accountancy resourcing.

For further information, please contact:

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