

TREASURY GROUP LIMITED COMPLETION OF MERGER WITH NORTHERN LIGHTS CAPITAL GROUP

Highlights

- Merger of Treasury Group Limited and Northern Lights Capital Group completes as at 25 November 2014
- Simultaneous completion of the transactions to acquire additional interests in Seizert and Aether
- Creates a diversified international portfolio with approximately A\$50.0 billion in funds under management across 21 boutiques
- Expands distribution capabilities across international markets and provides cross-selling opportunities
- Strengthens investment capabilities improving access to deal flow in international markets
- Positions the merged group as a leader in the multi-boutique asset management sector

Treasury Group Limited (“Treasury Group” (ASX: TRG)) and Northern Lights Capital Group (“Northern Lights”) today announce completion of the previously announced transaction to merge both companies into an international multi-boutique funds management group. All regulatory approvals required for the transaction to proceed and other conditions have been satisfied to allow completion with effective date of 25 November 2014.

Focus and attention has now turned to integration of management and operations and the achievement of initial cross-selling, investment and other short term goals.

Group Structure

A new Australian trust (“the Merger Trust”) has been formed which, at completion, is owned 61.22% by Treasury Group and 38.78% by Northern Lights. The Merger Trust holds interests in the portfolio of boutiques (ranging from

traditional equities to alternatives and private equity) which collectively have approximately A\$50.0 billion of FUM as of September 30, 2014.

At completion, USD 47.0m of debt was drawn down by a wholly owned subsidiary of the Merger Trust to fund the upfront cash consideration payable in relation to the acquisition of additional equity in Seizert and Aether. As announced previously (ASX: TRG 5/8/14), deferred consideration is payable by the Merger Trust. USD 7.0m of deferred consideration will be paid to Seizert by 30 November 2014, with a remaining USD 31.8m of deferred consideration payable by the Merger Trust over the period to 2019. Contingent vendor finance and earn-out amounts may also become payable in future years if performance targets are met.

Treasury Group has retained all existing franking credits and expects to be able to continue to pay franked dividends to its shareholders in the future.

The effective date for the merger is 25 November 2014. As such, for the half year to 31 December 2014, Treasury Group expects to report financial results reflecting approximately 5 weeks of post-merger performance and 21 weeks of pre-merger performance.

Management and Operations

Management and operations will be integrated and the business will be operated as one group under the direction of a common board of directors including Andrew McGill (Managing Director), Tim Carver and Paul Greenwood (Executive Directors). Mike Fitzpatrick continues as Chairman. Existing Treasury Group non-executive directors will continue on the Board and are joined by Jeff Vincent, CEO of Laird Norton Company, and Gilles Guerin, CEO of BNP Paribas Capital Partners.

Upon completion of the transaction, the distribution team has significantly

strengthened, providing existing and potential future partners with client access across global institutional and intermediary markets.

Initially, Treasury Group and Northern Lights Capital Group will continue to operate under their existing names and brands.

Andrew McGill, Managing Director and CEO, commented:

“We are pleased to have satisfied all conditions and requirements to complete our merger with Northern Lights. The merger is a very significant milestone for both companies and provides a platform for continued earnings growth in years to come. The combined business delivers strong global distribution and investment capabilities which will benefit shareholders, clients and boutique partners alike.”

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About the Merged Group

Treasury Group and Northern Lights Capital Group is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors and partners. We apply our strategic resources, including capital, institutional distribution capabilities and operational expertise to help our partners excel. After the merger, Treasury Group and Northern Lights Capital Group collectively has approximately A\$50 billion under management across a global platform of 21 boutique asset managers, as of September 30, 2014.