



PRESS RELEASE

AZIMUT'S AUSTRALIAN SUBSIDIARY, AZ NEXT GENERATION ADVISORY, ACQUIRES PRIORITY ADVISORY GROUP REACHING A\$ 2.6bn (€ 1.75bn) IN TOTAL AUM

Milan, 12th April 2016

Azimut today signed a binding sale and purchase agreement to acquire the entire capital of **Priority Advisory Group ("PAG")** via its Australian subsidiary, AZ Next Generation Advisory Pty Ltd ("**AZ NGA**"). The agreement includes a share swap of 47% of PAG's equity for AZ NGA shares and a progressive buy back of these shares over the next ten years. The remaining 53% stake will be paid to the founding partners in cash over a period of two years. This latest agreement follows the deals reached with Eureka Whittaker Macnaught ("**EWM**"), Pride Advice ("**Pride**"), Lifestyle Financial Planning Services ("**LFPS**"), Financial Lifestyle Partners ("**FLP**"), Harvest Wealth ("**HW**"), Wise Planners ("**WP**"), RI Toowoomba ("**RIT**"), Empowered Financial Partners ("**EFP**") and Wealthwise ("**WW**") and is a continuation of AZ NGA's objective of consolidating high quality Australian financial practices providing wealth management services to retail, HNW and institutional clients in Australia.

AZ NGA was established in November 2014 and is part of **Azimut Group**, Italy's leading independent asset manager, established in 1989 and today **operating in 15 countries with more than € 37.4bn in AuM** (equivalent to A\$ 55.5bn).

PAG was initially founded in 1987 by Russel Marx and Alan Krowitz and operates out of Chastwood – on Sydney's North Shore. Larry Fingleson took over as Managing Director in 2002 and will continue to lead the group in conjunction with his senior leadership team including David Gibson and Zvi Teichtahl. The leadership group have all agreed to long term contracts to ensure continuity of service. PAG comprises a team of 14 staff including 5 Financial Planners, and 4 Client Service Managers. **PAG is responsible for A\$ 389 million (€ 262mn) of funds under advice** and provides a comprehensive range of financial advisory services including investment and asset allocation advice, retirement planning, insurance, strategic financial planning advice, aged care, and philanthropic services.

Over the past decade PAG has been acknowledged within the industry as a leading advice firm, with each of its team being acknowledged individually for their advisory contribution to the industry and community and charitable causes .

The total value of the transaction considering both the cash and share swap entails a purchase price of around A\$ 9mn (equivalent to € 6mn). The closing of the transaction is expected to occur in April 2016 upon satisfaction of some conditions precedent provided in the sale and purchase agreement. PAG operates under the Australian Financial Services License regime overseen by ASIC; the acquisition is not subject to the approval of the local authority.

Paul Barrett, AZ NGA CEO states: *"Priority Advisory Group have established a wonderful reputation as Trusted Advisers on Sydney's North Shore. Russell and Alan started the business nearly 3 decades ago with a modern vision and Larry and the team have continued this on. The PAG business has established a great balance between corporatisation of the business and at the same time delivering value-based financial*

advice. We are thrilled with the latest addition to the AZ NGA family and look forward to assisting Larry and the team to achieve their goals”.

Larry Fingleson said, “Growth and succession are ordinarily viewed through the Shareholder or advisors perspective. Our Board and Shareholders have chosen to partner with AZ NGA because we believe that the transaction is first and foremost in our clients best interest and it ensures that for at least the next 10 years the Priority Advisory Business is supported and secure as we build and develop solutions that are best of breed, enabling us to support our clients’ goals and aspirations. Both Paul Brain and Paul Barrett have been a pleasure to work with through the process and the whole Priority Family looks forward to working with the AZ NGA and Azimut Group”.

Pietro Giuliani, Chairman and CEO of Azimut Holding, comments: “PAG’s addition to AZ NGA demonstrates the attractiveness of the business model Azimut is pursuing in Australia. The organic growth we are envisaging coupled with the widening of the partnership to other high quality financial practices put us ahead of our local business plan. We look to overcome the A\$ 3bn AuM mark soon thanks to a solid and visible pipeline for the rest of 2016”.

AZ NGA announced its first acquisition on May 8th, 2015, when it acquired EWM. This was followed by the acquisition of the Pride Group on May 27th 2015, LFPS on July 15th 2015, FLP on September 24th 2015, Wise Planners on October 19th 2015, Harvest Wealth on November 25th 2015, RIT on December 14th, EFP on January 29th 2016, Wealthwise on March 2nd 2016 and now PAG. AZ NGA has shortlisted a number of financial planning firms for further potential consolidation.

** Based on a AUD/EUR exchange rate of 1/0.6739*

Azimut is Italy’s leading independent asset manager (active since 1989). The Parent Company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZMI.MI) and, among others, is a member of the main Italian index FTSE MIB and of the Eurostoxx 600. The shareholder structure includes over 1,400 managers, employees and financial advisors, bound by a shareholders’ agreement that controls ca. 14% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with Registered Offices in Italy, Luxembourg, Ireland, China (Hong Kong and Shanghai), Monaco, Switzerland, Taiwan, Brazil, Singapore, Mexico, Australia, Turkey, Chile. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian hedge funds, as well as being active in the discretionary management of individual investment portfolios. Azimut Consulenza SIM, through its divisions, distributes Group and third party products in Italy via a network of financial advisors while Azimut Global Counseling provides consulting services. Overseas main operations are AZ Fund (founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset and the Irish AZ Life Ltd, which offers life insurance products.

Priority Advisory Group is a financial planning business providing investment and asset allocation advice, retirement planning, insurance, corporate superannuation, and strategic financial planning advice to its client base. The company operates in Sydney, Australia. PAG operates under the Australian Financial Services License regime overseen by the Australian Securities & Investment Commission.

AZ NGA, Azimut Australian subsidiary, has been established in Australia since 2014 in order to create a financial planning business by consolidating local practices of financial advisors. The company will progressively open up its shareholding base to incorporate key staff and partners, while retaining Azimut as the majority shareholder of this venture.

AZIMUT HOLDING SpA – www.azimut.it

INVESTOR RELATIONS

Vittorio Pracca tel +39.02.8898.5853 +39.342.0368994
Gabriele Blei tel +39.02.8898.5849 +39.340.532.9911

MEDIA RELATIONS

Viviana Merotto tel +39.02.8898.5026
+39.338.7496248