

PRESS RELEASE

AZIMUT'S AUSTRALIAN SUBSIDIARY, AZ NEXT GENERATION ADVISORY, ACQUIRES FARROW HUGHES MULCAHY REACHING A\$5.6bn (€ 3.8bn) IN TOTAL AUM

Milan, 24th August 2017

AZ Next Generation Advisory today signed a binding sale and purchase agreement to acquire the entire capital of **Farrow Hughes Mulcahy Financial Services Pty Ltd ("FHM")**. The agreement includes a share swap of 49% of Farrow Hughes Mulcahy's equity for AZ NGA shares and a progressive buy back of these shares over the next ten years. The remaining 51% 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**"), Wealthwise ("**WW**"), Priority Advisory Group ("**PAG**"), Sterling Planners ("**SP**"), Logiro Unchartered Pty Ltd ("**Logiro**"), On-Track Financial Solutions ("**On-Track**"), Menico Tuck Parrish ("**MTP**") and Peters and Partners ("**P&P**") and is a continuation of AZ NGA's objective of consolidating high quality Australian financial services practices providing wealth management and accounting 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 16 countries with more than €47 billion (ca. A\$70 billion) in AuM** at the end of July 2017.

The Farrow Hughes Mulcahy team has been providing wealth advice to clients for over twenty five years and is responsible for approximately A\$734 million (€491 million) of client funds. The business currently has eight advisers and they specialise in advising large Australian corporations on their workplace superannuation arrangements and providing services to senior executives and high net worth individuals. FHM offers a full suite of advisory services to clients in Australia including wealth accumulation, retirement planning, insurance, and strategic financial planning advice.

The total value of the transaction considering both the cash and share swap entails a purchase price of around A\$9.3mn (equivalent to €6.2mn). FHM 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: *"FHM are a natural fit for AZ NGA as the team is lead by highly experienced Financial Planners in Craig Hughes and Daniel Mulcahy supported by General Manager Michael Furness. They have an exciting growth plan which we will be able to assist with"*

Craig Hughes said, *"We're delighted to be the newest members of the AZNGA group and we look forward to sharing experiences and learning and growing alongside the rest of the AZNGA community. With Az NGA as our partner we can continue to deliver exceptional outcomes to our clients and stakeholders."*

Daniel Mulcahy added, *"Its great to be able to secure our futures using this long term succession solution and "de-risk" our succession in a volatile, competitive market. This, combined with being part of a group of planners whom we respect and admire, make us every excited about the future of FHM."*

Sergio Albarelli, CEO of Azimut Holding, comments: *"We are very proud and satisfied with the development of our Australian business which now accounts for one third of the total AuM we manage outside of Italy and has contributed to position the Group's total AuM managed by our international operations at almost 22%. The numbers we produce out of Australia are more and more solid and are supporting our growth path within Australia as well as in all the countries we are present in. We will continue to pay strong attention and diligence towards our international strategy which is now part of our key pillars."*

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 2015, EFP on January 29th 2016, Wealthwise on March 2nd 2016, Priority Advisory Group on April 12th 2016, Sterling Planners on 29th April 2016, Logiro on 29th July 2016, On-Track on November 3rd 2016, MTP on May 10th 2017, P&P on 12th May 2017 and now FHM. AZ NGA has shortlisted a number of financial planning firms for further potential consolidation.

** Based on a AUD/EUR exchange rate of 1/0.67*

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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 (AZM.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 over 15% 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, Chile, USA, UAE and Turkey. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR, following the demerger by incorporation of Azimut Consulenza SIM, 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 Management SA (founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset and the Irish AZ Life DAC, which offers life insurance products.

Farrow Hughes Mulcahy is a financial planning business providing investment and asset allocation advice, retirement planning, insurance, and strategic financial planning advice to its client base. The company operates in North Sydney, Australia. Farrow Hughes Mulcahy 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.