

PACIFIC CURRENT GROUP

14 December 2015

PACIFIC CURRENT GROUP INVESTS A\$44M IN CUSTOM INDEX PROVIDER

HIGHLIGHTS

- Investment in Aperio Group, LLC, a Sausalito, California-based investment management firm with more than A\$18.3 billion in funds under management
- Aperio focuses on customised index-based client solutions, specifically across Active Tax Management, Factor Tilts, and Socially Responsive Indexing/ESG investments
- Pacific Current Group will acquire a 23.4% minority equity interest, for a total consideration of US\$31.8 million (A\$44.2 million)¹
 - 50% consideration to be paid upon closing, with the remainder at the end of 2016
 - Pacific Current Group will hold 2 of 6 board seats in Aperio
- Aperio brings a solid long-term track record with significant growth potential across high-growth segments of the asset management industry
- Investment adds diversification to Pacific Current Group's current portfolio, while also providing value accretion upon completion

SYDNEY (14 December 2015) – Pacific Current Group (ASX: PAC, “Pacific Current”, previously Treasury Group / Northern Lights Capital Group), a global multi-boutique asset management firm, is pleased to announce it has entered into an agreement to acquire a 23.4% minority equity interest in Aperio Group, LLC (“Aperio”). Aperio is a Sausalito, California-based investment management firm managing A\$18.3 billion across highly customised index-based portfolios using Aperio's expertise in Active Tax Management, Factor Tilts, and ESG (Environmental, Social, and Governance) investments.

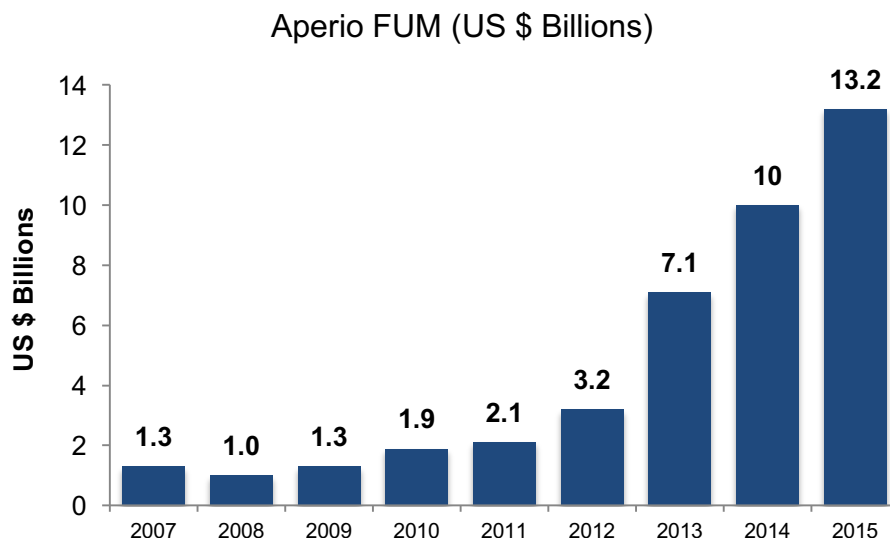
Aperio seeks to bring clarity, experience, and comprehensive investment management through a disciplined yet flexible approach to indexing. Through separately managed accounts, advanced processes, and sophisticated technology, Aperio offers a level of customisation unmatched in the industry. The firm's portfolios and processes reflect each client's individual risk tolerance, performance goals, and personal values / ESG preferences, all while offering the cost-saving benefits of indexing.

The firm was founded in 1999 by Patrick Geddes and Paul Solli and has grown to nearly 50 professionals. The two founders have always maintained majority control and will continue to do so after closing. Aperio has grown from US\$2 billion of funds under management to more than US\$13 billion over the last four years.

¹ \$0.72 USD/AUD

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Chart 1: FUM growth



“We have looked at an enormous number of investment opportunities and Aperio clearly stood out,” said Pacific Current Chairman, Mike Fitzpatrick. “A transaction of this size and quality validates the wisdom of our efforts to expand into a truly global multi-boutique investment firm.”

Tim Carver, CEO of Pacific Current, noted, “Demand for Aperio’s products has accelerated over the past 4 years and we are excited to be partnering with such an exceptional and credible management team that has built and scaled its business by placing client interests ahead of their own.”

He also noted that, “This investment repositions our portfolio with a significant earnings stream and growth potential, underpinned by a business positioned in some of the fastest growing segments of the asset management industry. We informed the market that we would redeploy the proceeds from the sale of RARE Infrastructure into compelling investments when we can find them, and we are confident that with this investment, we have achieved this.”

Patrick Geddes, Aperio CEO, added, “We are excited to partner with Pacific Current Group. Their sophisticated understanding of not only our business but also our culture allowed us to maintain control in ways that made them unique among other capital providers.”

The investment in Aperio aligns with Pacific Current’s investment strategy to continue to strengthen, expand and diversify the firm’s multi-asset global portfolio.

The transaction is expected to close the first business day of 2016.

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CONFERENCE CALL

Investors and analysts are invited to participate in a conference call at 9:00am AEDT on Tuesday 15 December 2015 to be hosted by Pacific Current Group's CEO, Tim Carver, and CIO, Paul Greenwood.

The dial-in details are as follows:

Location	Local Number
Australia	+61 2 8113 1400
Australia (toll free)	1800 554 798
New Zealand	0800 450 585
Singapore	800 6163 105
United Kingdom (London)	+44 203 691 9060
United Kingdom	0808 234 8407
USA (NYC)	+1 914 449 1588
USA other	1866 839 8029

Please quote the Conference ID: **9022869**

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ABOUT PACIFIC CURRENT GROUP // www.paccurrent.com

Pacific Current 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. As of 30 November 2015, Pacific Current Group has 19 boutique asset managers globally.

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ABOUT APERIO GROUP, LLC // www.aperiogroup.com

Aperio Group LLC, based in Sausalito, California, is a pioneer in designing and managing custom portfolios to track index benchmarks or deliver targeted risk, factor, geographic, or industry exposures customized to a client's specific tax situation, values, and/or desired economic exposure. As an investment advisor, Aperio works with both taxable and tax-exempt investors to track a broad range of US and international indexes.

This announcement is for informational purposes only and should not be considered a recommendation to buy or sell any types of securities.

Aperio's Form ADV Part 2A contains complete information regarding services and fees, which can be obtained at www.adviserinfo.sec.gov.