

# DJ AFH Financial Group Acquisition of Three IFA Businesses

TIDMAFHP

Acquisition of Three IFA Businesses

2 November 2011

GB00B4W5WQ08

AFH FINANCIAL GROUP PLC  
("AFH" or the "Company")

Acquisition of Three IFA Businesses

The Directors of AFH, a leading Discretionary Wealth Manager and Independent Financial Advisory ("IFA") firm, are pleased to announce that the Company has recently completed the acquisition of three Midlands-based IFA businesses for a total cash consideration of GBP371,500. These acquisitions are in line with the strategy set out in AFH's June 2011 Admission Document to take advantage of the opportunities arising from the fragmented nature of the IFA market and the additional burdens imposed on certain IFA's by the Retail Distribution Review, which comes into effect from 31 December 2012.

## HIGHLIGHTS:

- \* Three IFA businesses acquired for GBP371,500 in line with Admission Document
- \* Since June number of IFA's increased by 17%
- \* Acquisitions provide opportunities to sell additional advice related services to new clients
- \* Total staff up by 36% to over 100 since the beginning of the year
- \* Cash in bank and no debt

The three businesses acquired will add more than 1,300 new clients to the Company. The principal attraction for AFH, however, lies in the opportunity to provide advice and investment services to the new clients and the incremental increase in AFH's recurring revenues.

AFH is continuing to investigate a number of opportunities to acquire additional IFA's and expects to make further announcements in due course. Since its flotation in June 2011, AFH has increased the number of its IFA's by 17% and the Company expects to have more in place by the end of this year. Total staff at the Company has also grown by 36% to over 100.

The consideration for the acquisitions has been satisfied from AFH's existing resources.

Commenting on the acquisitions, Alan Hudson, Chairman and CEO of AFH, said:

"Today's acquisitions reaffirm the Company's stated intentions within the Admission Document at the time of flotation. It' been an incredibly active period since our June IPO this year, which has seen growth in all aspects of the Company. The acquisition of these three IFA businesses will result in a significant increase in recurring revenue, IFA's and additional advice related services. The Company has a healthy balance sheet and continues to carry no debt.

"The Company remains well placed to grow and, in line with the strategy set out at the time of our listing, we continue to seek to further our position through both organic and acquisitive growth. The Company expects to update the market on progress in this respect in due course".

The directors of AFH Financial Group PLC are responsible for the content of this announcement

Enquiries:

AFH Financial Group PLC  
Alan Hudson, Chairman and Chief Executive  
www.afhifs.co.uk

01527 577 775

St Helens Capital Partners LLP  
Mark Anwyl or Duncan Vasey

020 7368 6959

Yellow Jersey PR Limited  
Dominic Barretto  
Harry Fielder

07768 537 739  
07747 788 221

AFH Financial Group Plc

(END) Dow Jones Newswires

November 02, 2011 03:00 ET (07:00 GMT)