

DJ AFH Financial Group Elgar Financial Limited marks ninth acquisition since IPO

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AFH Financial Group PLC
("AFH" or the "Company"; together with its subsidiaries, the "Group")

Elgar Financial Limited marks ninth acquisition since IPO
(the "Acquisition")

AFH, winner of the PLUS-SX Newcomer of the Year 2012 award and a leading discretionary wealth management and independent financial advisory (IFA) firm, today announces the acquisition of Elgar Financial Limited ("Elgar"), a Hereford-based IFA. This acquisition marks AFH's ninth acquisition since its IPO last year.

Elgar, founded in 1992 by Andrew Sellers who is retiring due to ill health, has 70 active clients and a strong database with no other staff. The consideration for the Acquisition is GBP120,000 which has been satisfied in cash from the Company's existing resources.

Commenting today, Alan Hudson, Chairman and Chief Executive of AFH, stated: "Operationally, the Group has grown significantly in the period since the July Interim Results, where increased like-for-like revenues and recurring income of 20% and 29% respectively were reported. IFA adviser numbers have also grown from 53 at the time of flotation last year to 91 at the start of September. The Group remains profitable, cash generative and extremely well placed to take advantage of changes in the sector as a result of December's Retail Distribution Review.

"Today's ninth acquisition reaffirms the Board's stated intention to grow through both organic and acquisitive growth. The remaining months of 2012 and through to 2013 present an exciting time for the Group as it seeks to take advantage of the sector's rationalisation and consolidation, where it expects to be a major beneficiary of industry change".

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

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