

DJ AFH Financial Group Amendment - Acquisition of Further IFA Businesses

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17 December 2012
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AFH Financial Group PLC
("AFH" or the "Company")

Acquisition of Further IFA Businesses

In the announcement released by the Company this morning, the consideration paid for the acquisition of Racol Financial Limited was incorrectly stated as being GBP160,000. The actual consideration paid by the Company was GBP240,000. The correct text of the announcement is set out below.

"AFH, winner of the PLUS-SX Newcomer of the Year 2012 award and a leading independent financial advisory ("IFA") and wealth management firm, today announces the acquisition of a further two IFA businesses, Seager Financial Consultancy Limited ("Seager Financial") and Racol Financial Services Limited ("Racol Financial"). AFH has now successfully completed 12 acquisitions since its IPO in June 2011.

Redditch-based Seager Financial, formerly a member of the Lighthouse Network, was acquired on 1 December 2012 for a cash consideration of GBP31,000. The founder of Seager Financial, Ian Seager, has stepped down from his role as an IFA with the business but has joined the Business Development Team at AFH.

Racol Financial, whose client base is in Buckinghamshire, was acquired on 14 December 2012 for a cash consideration of GBP240,000; Racol Financial was formerly a member of the On-line Partnership. Ray Collingridge, the founder of Racol Financial, is retiring from the industry, but his daughter will transfer across to AFH and continue as an IFA.

Together, these acquisitions provide AFH with a significant number of additional high net worth clients,

which will drive incremental, high margin business for the Company's advisers, who now number 100.

Commenting today, Alan Hudson, Chairman and Chief Executive of AFH, stated: "Today's transactions continue our strategy of growing the business both organically and through select and opportune acquisitions. Moreover, these deals demonstrate the ongoing opportunities that are stemming from the Retail Distribution Review and underline AFH's commanding position in a highly fragmented sector. I am delighted with the overall performance of the Company and my team in the last twelve months and I look forward with confidence to 2013".

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

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(END) Dow Jones Newswires

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