



PRESS RELEASE
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Tilney Bestinvest to acquire Towry

Combination will create one of the leading UK wealth management firms offering both financial planning and investment management

Tilney Bestinvest is pleased to announce that it has reached an agreement, subject to regulatory approval, to acquire Towry from majority shareholder Palamon Capital Partners for £600 million. The combination will create one of the leading UK wealth management firms offering clients award-winning investment management alongside highly skilled financial planning on a national scale. The combined business will have responsibility for over £20 billion of assets for affluent and high net worth clients.

The combination will bring together two well established and highly successful firms. The enlarged Tilney Bestinvest group will continue to use the Towry, Tilney and Bestinvest brands in different parts of the market while a review of future branding is undertaken. Peter Hall, Chief Executive Officer of Tilney Bestinvest, will lead the combined group.

The combined business comprising over 240 financial planners and 120 investment managers will operate from a network of more than 30 offices across the UK providing full national coverage. The group will offer a comprehensive range of services including investment management, investment advice, financial planning and, in Bestinvest, a state-of-the-art online service for self-directed investors. The majority of the assets will be managed with over 80 per cent. in discretionary investment management services. Over 40 per cent. of assets will be managed for clients with over £1 million.

The increased scale of the combined business will enable it to service clients locally across the UK through its extensive network of offices, offer a broader range of services and continue to make major investments in people, technology, systems and infrastructure to support clients with excellent service and investment performance.

Peter Hall, Chief Executive of Tilney Bestinvest, commented: "This is a transformational deal that will position the combined group as one of the leading UK wealth management firms providing both

financial planning and investment management services. Recent changes to pensions have increased further the need for high quality financial advice and investment management and together we will be well placed to help people in this complex area. The combination of Towry and Tilney Bestinvest is compelling because both firms share a culture of aiming to provide the very highest levels of professional and personal client service. We will combine the best of both firms to create market-leading expertise.”

Rob Devey, Chief Executive of Towry, said: “Towry and Tilney Bestinvest are an excellent fit with both firms having highly skilled teams that provide top quality financial planning and investment management services to clients. Moving forwards the combined business will be able to offer an even wider range of services for clients and career opportunities for employees in all parts of the UK. I am proud to have worked with Palamon to make Towry one of the national leaders in the UK wealth management sector. It has been my privilege to lead the Towry business over the last 2 years during which time we have more than doubled profitability whilst driving strong improvements in client satisfaction. I am confident that the enlarged Group will continue to thrive under Peter Hall’s leadership.”

Philip Muelder, Partner and co-head of the Financial Services team at Permira, added: “Since acquiring Bestinvest only two years ago with assets and revenues of £5 billion and £39 million, the Permira Funds have backed Peter Hall and his team to build one of the largest and fastest growing players in the UK wealth management market. The business has achieved this through a series of highly synergistic acquisitions and strong organic growth, which will be further enhanced by its recently launched joint venture with Saga. With over £20 billion of assets and £200 million of revenues once Towry is acquired, the group will have the scale to continue to invest to enhance its range of services for clients and will be well positioned to take advantage of the increasing demand for advice which presents significant growth opportunities.”

Daan Knottenbelt, Partner at Palamon, said, “It has been a tremendous experience to have executed a transformational growth strategy that saw Towry develop from a single office IFA in Marlow with £5 million of revenue to become one of the nation’s leading national wealth managers with revenues of more than £120 million and over £9 billion of assets under management. This is another great example of the power of Palamon’s growth equity investment strategy. Our congratulations go to the Towry senior executives and staff who over the years have worked with great diligence and passion to fulfil the potential of this remarkable success story.”

Towry was advised on the transaction by Evercore and Tilney Bestinvest was advised on the transaction by Citi.

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About Tilney Bestinvest

Tilney Bestinvest is a leading investment and financial planning firm, owned by staff and the Permira funds, that builds on a heritage of more than 150 years. We look after £11.4 billion of assets* on our clients' behalf and pride ourselves on offering the very highest levels of professional client service. We have a leading expertise in both investment management and financial planning and have delivered an excellent and consistent investment performance, having recently won the PAM award for best performance in cautious portfolios.

We offer a range of services for clients whether they would like to have their investments managed by us, require the support of a highly qualified adviser, prefer to make their own investment decisions or want to take more than one approach. We have a nationwide team of expert financial planners to help clients with all aspects of financial planning, including retirement planning.

We have won numerous awards, including Wealth Manager of the Year 2014, as voted by readers of the Financial Times and Investors Chronicle. We are pleased that our greatest source of new business is personal referrals from existing clients.

*On 5 February 2016, Tilney Bestinvest announced the acquisition of Ingenious Asset Management, a London-based discretionary investment manager with £1.8 billion under management. The transaction is expected to complete in April 2016, subject to regulatory approval.

For further information visit: www.tilneybestinvest.co.uk

About Towry

Towry is an established financial planning and wealth management business, owned by staff and funds managed by Palamon Capital Partners employing approximately 900 people in a network of offices across the UK. Towry acquired Ashcourt Rowan in May 2015 and together they have £9.1 billion of client assets under management or advice (as of 30 June 2015).

Towry provides financial planning, wealth advice and investment management services to private individuals, families and trustees. Towry advises on the key areas of personal finance, including pensions and retirement, inheritance tax planning and investments, as part of our personal financial planning service. Towry's aim is to help its clients make the right decisions about their financial future.

Towry is one of a small number of firms appointed by Camelot to provide holistic financial planning advice to National Lottery winners and has also been listed as one of Private Client Practitioner's Top 25 Most Admired Companies for 2015.

For further information visit: www.towry.com

About Palamon Capital Partners

Palamon Capital Partners, LP is an independent private equity partnership founded in 1999, which is focused on providing equity for European growth services companies. Palamon, as a pan-European investor, originates, executes and manages investments in the UK, Germany, Benelux, Italy, Spain, Norway, Denmark and Sweden. The Firm targets investments in companies where it can be the lead private equity provider and where it can provide strategic direction and partner with management to help build equity value. The Firm manages funds with €1.4 billion of equity capital for investment.

For further information visit: to www.palamon.com

About Permira

Permira is a global investment firm that finds and backs successful businesses with ambition.

Founded in 1985, the firm advises funds with a total committed capital of approximately €25 billion. The Permira funds make long-term investments in companies with the ambition of transforming their performance and driving sustainable growth. In the past 30 years, the Permira funds have made over 200 private equity investments in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology.

Investing in building new market leaders through bold acquisitions has been a successful strategy for the Permira funds in the Financial Services sector. During the last six months, the funds backed the mergers of Lowell and GFKL in the credit management sector and Just Retirement and Partnership in the lifetime income market.

Permira employs over 200 people in 14 offices across North America, Europe, the Middle East and Asia.

For further information visit: www.permira.com