

## **FIERA CAPITAL AND SCEPTRE INVESTMENT COUNSEL TO MERGE**

**Combined firm will manage \$30-billion of institutional, retail and private wealth assets**

**TORONTO AND MONTREAL, June 16, 2010** – Sceptre Investment Counsel Limited (“Sceptre”) (TSX: SZ) and Fiera Capital, Inc. (“Fiera”) today announced that they have signed a definitive agreement to merge the two companies. The new company will be named Fiera Sceptre (“Fiera Sceptre”). The merger will create a leading publicly traded, fast growing independent money manager with \$30 billion in assets under management (“AUM”), and will be accretive to earnings.

Fiera Sceptre will be one of only a handful of independent, full service, multi-product investment firms in Canada, offering clients a proven top tier track record in equity and fixed income management as well as depth and expertise in asset allocation and alternative investments. The merger will also provide Fiera Sceptre and its employees and shareholders with greater opportunities for growth.

### **Transaction Summary**

Under the agreement, Sceptre shareholders will exchange 14.0 million common shares for 14.0 million new Class A subordinate voting shares of Fiera Sceptre on a 1-for-1 basis. For their part, Fiera will exchange the entirety of its operating assets and related liabilities for 21.1 million Class B common shares of Fiera Sceptre, which will result in a total of 35.1 million Class A subordinate voting shares and Class B shares. After closing, Fiera will control approximately 60% of the outstanding shares of Fiera Sceptre.

Shareholders of the new company will then nominate and elect a new board of directors, which will initially consist of nine directors. Class A common shareholders will elect three directors, including the Lead Director. Class B shareholders (current Fiera shareholders) will elect six directors. In all other respects, Class A and Class B shares are the same.

The transaction will be completed as a plan of arrangement under the Business Corporations Act (Ontario), and is subject to the approval of holders of two-thirds of the votes cast by Sceptre common shareholders present in person or by proxy at the special meeting of Sceptre shareholders to be held to consider the transaction, along with court approval, regulatory approvals and other customary conditions.

Jean-Guy Desjardins, controlling shareholder of Fiera Capital, will become Chairman, Chief Executive Officer and Chief Investment Officer of Fiera Sceptre, and will be its controlling shareholder. Fiera President and Chief Operating Officer Sylvain Brosseau will become President and Chief Operating Officer of the combined firm. David Pennycook, currently President and Interim Chief Executive Officer of Sceptre, will become Vice-Chairman and Executive Vice-President.

Subsequent to shareholder approval and at the time of the share exchange at closing, a payment of \$0.60 per share, totalling \$8.4 million, will be paid in the form of a capital distribution to the Sceptre shareholders. Fiera Sceptre currently intends to maintain a dividend of \$0.06 per share per quarter, consistent with Sceptre's previous practice.

Concurrent with the closing of the merger, an entity controlled by Mr. Jean Monty, who is currently a minority shareholder of Fiera, will acquire 833,333 Class A shares of Fiera Sceptre at \$6 per share for a total investment of \$5 million.

The transaction is expected to close in late summer 2010.

### **Compelling Benefits for Clients and Shareholders**

“The two firms are an ideal fit for each other,” said W. Ross Walker, Chairman of the Board of Sceptre. “This transaction is accretive to Sceptre’s earnings and leverages the strengths of both companies to create a significant player in the investment management sector.”

“Jean-Guy Desjardins’ superb track record in building investment management businesses, including as founder and builder of TAL Global Asset Management, and as Chief Investment Officer at Fiera, was a key element in our decision to partner with him. Jean-Guy’s team has a proven record of growing investment management businesses and shareholder value through organic growth and acquisitions.”

“This transaction enhances the ability of both companies to deliver service and performance through the greater breadth and depth in product offerings and talent that it brings,” said Jean-Guy Desjardins, Chairman, Chief Executive Officer and Chief Investment Officer of Fiera Capital. “Fiera Sceptre brings best-in-class expertise and performance in complementary asset classes to our clients. Together, we offer our current and potential clients a track record of solid performance managing asset allocation and a wide range of equity, fixed income, and alternative investments.”

“At Fiera, we look forward to working closely with the Sceptre team to continue producing strong investment results for our clients and growing earnings for our shareholders,” he added.

Fiera Sceptre will maintain significant executive and investment teams in both Toronto and Montreal.

### **Recommendation of the Board of Directors**

TD Securities Inc., financial advisor to Sceptre, has provided its opinion that the consideration to be received by Sceptre shareholders is fair, from a financial point of view, to Sceptre shareholders. The Board of Directors, based upon its investigations, including its consideration of the fairness opinion, concluded that the transaction is in the best interests of Sceptre shareholders, and recommends that shareholders vote in favour of the transaction at the special meeting of shareholders.

### **Management Information Circular**

A management information circular containing details of the offer is expected to be mailed to shareholders of Sceptre in July 2010. A special meeting of shareholders to vote on the transaction is planned for late August or early September.

TD Securities Inc. is acting as Sceptre’s financial advisor and McCarthy Tétrault LLP is acting as Sceptre’s legal advisor. GMP Securities L.P. is acting as financial advisor to Fiera and Osler, Hoskin & Harcourt LLP are acting as Fiera’s legal advisors.

## **Conference call**

A conference call with analysts and portfolio managers to discuss this announcement will be held on Wednesday, June 16, 2010 at 11:00 a.m. Eastern Time, by telephone at 416-695-7806 or 1-888-789-9572, passcode 8630843. Please call in by 10:50 a.m. (EST). Management's comments will be posted on Fiera's and Sceptre's website shortly after the call.

## **About Sceptre Investment Counsel**

Sceptre Investment Counsel Limited is a leading Canadian independent investment management firm with assets under supervision of over \$7-billion. Sceptre's origins date back to 1955. Sceptre became a public company listed on the Toronto Stock Exchange in 1986. Sceptre's Pension and Institutional Fund group manages investment portfolios for a wide range of clients, including corporations, governments, hospitals, charitable foundations, endowments, universities and unions. Through its Wealth Management group, Sceptre provides discretionary funds and segregated account management for high net-worth individuals, and offers a family of eight mutual funds. [www.sceptre.ca](http://www.sceptre.ca)

## **About Fiera Capital**

Fiera is a Montreal-based privately held investment firm originally created as a result of a 2003 partnership between Desjardins Financial Group and Mr. Jean-Guy Desjardins together with a group of employees. Fiera Capital is one of Canada's leading independent, full-service, multi product investment firms, focused on delivering competitive and tailored multi-style investment solutions to its clientele, composed largely of institutional investors, mutual funds, religious and charitable organizations and high net worth investors. With unique expertise in asset allocation, equity and fixed income management and non-traditional investment solutions, Fiera currently manages over \$22-billion in assets. For the last twelve months ended March 31, 2010, Fiera had revenue of \$39.5-million and adjusted EBITDA of \$11.9-million. Over the last five years, Fiera's revenue has grown at a cumulative annual growth rate ("CAGR") of 24.6% and its AUM at a CAGR of 22.5%. At closing, Fiera will have no bank debt. [www.fieracapital.ca](http://www.fieracapital.ca)

## **Forward-looking Statements**

This document may contain certain forward-looking statements. These statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events including business and economic conditions and Sceptre's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend" or the negative of these terms or other comparable terminology.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, readers should specifically consider various factors that may cause actual results to differ materially from any forward-looking statement.

These factors include, but are not limited to, market and general economic conditions, the nature of the financial services industry and the risks and uncertainties detailed from time to time in Sceptre's interim and annual consolidated financial statements and its Annual Report and Annual Information Form filed on sedar.com. These forward-looking statements are made as of the date of this document, and Sceptre assumes no obligation to update or revise them to reflect new events or circumstances.

-30-

FOR FURTHER INFORMATION, PLEASE CONTACT

**Toronto:**

David Weiner  
NATIONAL Public Relations  
(416) 848-1633  
[dweiner@national.ca](mailto:dweiner@national.ca)

**Montreal:**

Roch Landriault  
NATIONAL Public Relations  
(514) 843-2345  
[rlandriault@national.ca](mailto:rlandriault@national.ca)