

# Aberdeen to Acquire Arden Asset Management to Enhance Global Hedge Fund Solutions Capability and Strengthen Alternatives Footprint in the U.S.

PHILADELPHIA, Aug. 4, 2015 /PRNewswire/ -- Aberdeen Asset Management Inc (Aberdeen) is pleased to announce it has entered into an agreement to acquire Arden Asset Management LLC (Arden), a provider of hedge fund solutions with offices in New York and London.

This acquisition is in line with Aberdeen's strategy to strengthen and grow its global alternatives platform encompassing multi-manager research and selection across hedge funds, private equity, and property along with direct investments in infrastructure projects. This means that Aberdeen can offer its clients access and exposure to high quality alternative investments across liquid strategies, private markets and real assets.

Arden is a hedge fund specialist that creates and manages hedge fund portfolios across the liquidity spectrum using its proprietary manager selection and portfolio construction processes. Arden advises on and manages assets on behalf of a wide range of clients, including corporate and state pension plans, sovereign wealth funds, global bank platforms and retail investors. In 2012, Arden launched an innovative, daily liquidity product into the US market providing diversified, alternative investment strategies allocating to many brand name underlying hedge fund managers. The business is complementary to Aberdeen's existing hedge fund solutions capability and the two teams will be fully integrated. This will position Aberdeen as a leading hedge fund investor with over 30 investment professionals and around \$11 billion of assets under management for the combined team.

The transaction provides key benefits to Aberdeen:

- Grows our alternatives platform and enhances Aberdeen's position in the US and global institutional investor market
- Immediate entry into portfolios of liquid alternative products in the US
- Adds US-based investment professionals, with an investment process which is highly complementary to Aberdeen's, broadening our global platform

The transaction is subject to regulatory approval from the UK FCA and notification to the Irish Central Bank. It is also subject to obtaining the approval of the Board of Trustees and shareholders of certain mutual funds. The aim is to complete the transaction during the fourth quarter of 2015.

In May, Aberdeen announced the acquisition of FLAG Capital Management, a manager of private equity and real asset solutions. Aberdeen's alternatives platform, overseen by Andrew McCaffery, Global Head of Alternatives, will have total assets under management of over \$30 billion following completion of both transactions.

Pakenham Partners and Willkie Farr & Gallagher LLP served as financial advisor and legal advisor to Aberdeen on this transaction. Morgan Stanley & Co. LLC and Davis Polk & Wardwell LLP served as financial advisor and legal advisor to Arden.

***Commenting on the transaction, Martin Gilbert, Chief Executive of Aberdeen Asset Management PLC, said: "Institutional investors are looking to hedge fund solutions to offer risk/return profiles not available via mainstream strategies and traditional asset classes. The acquisition of Arden emphasises further Aberdeen's commitment to diversifying its overall business and to growing its alternatives platform. The deal significantly strengthens our hedge fund solutions capability and expands our global client base. Arden's liquid alternatives platform in the US is particularly attractive as it provides investors with exposure to a portfolio of hedge fund-like strategies but importantly offers daily liquidity."***

*Commenting on the transaction, Averell Mortimer, CEO & Chairman of Arden, said: "We are thrilled to be joining Aberdeen, a leader in the global asset management industry. The deal creates a combined hedge fund platform with international reach overseen by an experienced team of investment and operational professionals. Becoming part of Aberdeen will enable us to share ideas and best practice that will assist in continuing to build on our proven track record of developing customized hedge fund and liquid alternative solutions for clients worldwide."*

## **Notes to Editors**

### **Aberdeen – simply asset management.**

Aberdeen is an independent asset management company. Formed out of a management buy-out in Aberdeen, Scotland, in 1983, we are now a FTSE 100 company operating on-the-ground in over 25 countries across Europe, Asia and the Americas.

We are defined by our pure focus on asset management, including equities, fixed income, property and multi-asset portfolios. All our investment solutions are driven by our commitment to straightforward, transparent investment approaches that stress intensive, first-hand research and a long-term view.

As of June 30, 2015, we manage assets of \$480 billion on behalf of institutional and private investors.

In the United States, Aberdeen Asset Management (AAM) is the marketing name for the following affiliated, registered investment advisers: Aberdeen Asset Management Inc., Aberdeen Asset Managers Ltd, Aberdeen Asset Management Ltd and Aberdeen Asset Management Asia Ltd, each of which is wholly owned by Aberdeen Asset Management PLC. "Aberdeen" is a U.S. registered service mark of Aberdeen Asset Management PLC.

### **About Arden Asset Management**

Arden Asset Management LLC is a hedge fund specialist that creates and manages hedge fund portfolios across the liquidity spectrum using our proprietary manager selection and portfolio construction processes.

Founded in 1993, Arden has launched a variety of private funds with different targeted investment objectives. The firm also customizes portfolios for large institutional investors with a variety of investment goals and guidelines and provides advisory services. In addition, Arden offers a family of registered funds including a closed-end fund, two mutual funds, and a UCITs fund for non-U.S. investors, all of which offer access to a wide range of strategies executed by accomplished hedge fund managers. Arden is 100% employee-owned and controlled with a global client base and offices in New York and London.

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