



Press Release

Invesco to expand its ability to meet client needs by acquiring Guggenheim Investments' ETF business

Invesco

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Atlanta, Sept. 28, 2017 – Invesco Ltd. (NYSE: IVZ) announced today that it has entered into a definitive agreement to acquire Guggenheim Investments' exchange-traded funds (ETF) business, which includes \$36.7 billion of assets under management (as of Aug. 31, 2017). The acquisition will bring a broad array of funds that expands Invesco's active, passive and alternative capabilities, enhancing the firm's ability to provide solutions that help clients achieve their investment objectives.

Invesco will hold a conference call to discuss the acquisition of Guggenheim Investments' ETF business at 8:30 a.m. ET on Friday, Sept. 29. Those wishing to participate are invited to call using the information listed below in the section headed, "Conference call details."

Under the terms of the agreement, Invesco would acquire Guggenheim Investments' ETF business for \$1.2 billion in cash. The transaction will be funded using a combination of cash and debt. The transaction is expected to close in the second quarter, pending necessary third-party approvals, including certain regulatory matters and requisite ETF board and ETF shareholder approvals.

The acquisition will complement Invesco's market-leading ETFs capability and strengthen our ability to help meet the needs of institutional and retail clients in the US and across the globe, which will contribute further to the growth and long-term success of our business. With the addition, Invesco's ETF assets under management would total more than \$196 billion globally (as of Aug. 31, 2017). Specifically, we believe the acquisition will further:

- **Expand** the depth, breadth and diversity of Invesco's traditional and smart beta ETFs;
- **Strengthen** the competitiveness of our US Wealth Management Intermediaries business while providing additional scale and relevance in the growing ETF market globally;
- **Broaden** and deepen our relationships with client platforms;
- **Accelerate** our ability to offer an expanded range of ETFs to the institutional market;
- **Build** on our existing self-indexing capability; and
- **Leverage** the scale of our existing platform to create operational efficiencies (e.g., combined capital markets function for ETFs).

"We've built and managed Invesco over many years with a single focus: to help clients achieve their investment objectives," said Martin L. Flanagan, president and CEO of Invesco. "Guggenheim Investments' ETF business is highly complementary to Invesco's, and will enable us to provide one of the industry's most comprehensive and innovative ranges of smart beta ETFs, including fixed income, equal-weight and self-indexed product offerings. The acquisition further expands our ability to build better, more diversified portfolios through our solutions capability, and enhances the range of capabilities available via Jemstep, our advisor-focused digital solution. The addition enhances our ability to help meet client needs, which will help further accelerate the growth of our business."

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“This combination will further strengthen our market share and position by providing greater access to key channels and expanding the scale and relevance of our global ETF business,” added Dan Draper, global head of ETFs at Invesco. “The addition builds on our existing self-indexing capability and brings the highly popular BulletShares[®] ETFs, both of which will further strengthen our ability to help clients achieve their investment objectives.”

“Guggenheim Investments remains committed to delivering strong, risk-adjusted performance to clients by employing our rigorous and repeatable investment processes, as well as executing sound fundamental research and analysis,” said Jerry W. Miller, president of Guggenheim Investments. “With today’s announcement, Guggenheim Investments takes an important step in its growth strategy by sharpening its focus on core strengths, including active portfolio management, across both our institutional strategies and other retail businesses. We are confident that Guggenheim ETF shareholders will find in Invesco the right partner and platform for our suite of distinctive and innovative ETF products, including one of the industry’s leading equal-weight ETF offerings.”

Citigroup Global Markets acted as financial advisor to Guggenheim Investments.

Conference call details

Invesco will hold a conference call to discuss the acquisition of Guggenheim Investments’ ETF business at 8:30 a.m. ET on Friday, Sept. 29. Those wishing to participate should call:

US & Canada toll-free: 866-617-1526
International: 210-795-0624

You may access the presentation at www.invesco.com.

An audio replay will be available approximately one hour after the call. You may access the audio replay by dialing:

US & Canada: 800-365-0092
International: 402-998-1061

About Invesco Ltd.

Invesco is an independent investment management firm dedicated to delivering an investment experience that helps people get more out of life. NYSE: IVZ; www.invesco.com.

PowerShares and Jemstep are wholly owned indirect subsidiaries of Invesco Ltd.

About Guggenheim Investments

Guggenheim Investments is the global asset management and investment advisory division of Guggenheim Partners with more than \$242 billion¹ in total assets across fixed income, equity, and alternative strategies. We focus on the return and risk needs of insurance companies, corporate and public pension funds, sovereign wealth funds, endowments and foundations, consultants, wealth managers, and high-net-worth investors. Our 275+ investment professionals perform rigorous research to understand market trends and identify undervalued opportunities in areas that are often complex and underfollowed. This approach to investment management has enabled us to deliver innovative strategies providing diversification opportunities and attractive long-term results.

¹Guggenheim Investments total asset figure is as of 08.31.2017. The assets include leverage of \$11.6bn for assets under management and \$0.4bn for assets for which we provide administrative services. Guggenheim Investments represents the following affiliated investment management businesses of Guggenheim Partners, LLC: Guggenheim Partners Investment Management, LLC, Security Investors, LLC, Guggenheim Funds Investment Advisors, LLC, Guggenheim Funds Distributors, LLC, Guggenheim Real Estate, LLC, GS GAMMA Advisors, LLC, Guggenheim Partners Europe Limited, and Guggenheim Partners India Management.



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This release and the presentation may include “forward-looking statements.” Forward-looking statements include information concerning future results of our operations, expenses, earnings, liquidity, cash flow and capital expenditures, industry or market conditions, AUM, acquisitions, debt and our ability to obtain additional financing or make payments, regulatory developments, demand for and pricing of our products and other aspects of our business or general economic conditions. In addition, words such as “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates,” “projects,” “forecasts,” and future or conditional verbs such as “will,” “may,” “could,” “should,” and “would” as well as any other statement that necessarily depends on future events, are intended to identify forward-looking statements.

Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. There can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks described in our most recent Form 10-K and subsequent Forms 10-Q, filed with the Securities and Exchange Commission.

You may obtain these reports from the SEC’s website at www.sec.gov. We expressly disclaim any obligation to update the information in any public disclosure if any forward-looking statement later turns out to be inaccurate.