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# WisdomTree to Expand Into Europe

*To Enter Europe Through Majority Stake in U.K. ETP Group Boost*

*ETF Market Veterans Hector McNeil and Nik Bienkowski to Lead Build-Out of WisdomTree Europe*

*WisdomTree and Boost Product Ranges to Serve European Investors, Largest ETP Market After U.S. With More Than \$400 Billion in AUM*

NEW YORK and LONDON, Jan. 31, 2014 (GLOBE NEWSWIRE) -- WisdomTree Investments, Inc. (Nasdaq:WETF), an exchange-traded fund ("ETF") sponsor and asset manager with \$33.7 billion in assets under management, announced today it will expand into Europe through a majority investment in U.K. based ETP provider Boost. WisdomTree will invest \$20 million in working capital to fund the build-out of a local European platform and operations to be led by ETF industry veterans Hector McNeil and Nik Bienkowski. Through this platform, WisdomTree intends to launch a select range of UCITS ETFs under the WisdomTree brand and continue to manage and grow the Boost lineup of short and leveraged fully collateralized ETPs under the Boost brand.

## ***Leading independent ETP group to provide local European solutions***

WisdomTree launched its first U.S. listed ETFs in June of 2006 and is the only publicly traded asset manager exclusively focused on the ETF industry. WisdomTree's range of 61 ETFs across Equities, Fixed Income, Currency Income and Alternatives asset classes has approximately \$33.7 billion in assets under management. WisdomTree is a market leader in fundamentally weighted ETFs, currency hedged equity ETFs and actively managed ETFs. In seven years, WisdomTree has become the fifth largest ETF provider in the U.S. and the eighth largest globally.

"We continue to successfully execute our growth plans in the U.S., the world's largest ETF market, and today's announcement marks the latest in a series of measured steps we have taken to participate in global ETF market growth," said WisdomTree CEO and President Jonathan Steinberg. "We have an important marketing relationship with the Compass Group to serve Latin America and we have made some of our ETFs available for sale in Mexico and Japan. As the second largest ETP market after the U.S., Europe is a strategically important market and is the next natural step given our stage of development. Europe will represent our most significant international effort to date, and we are pleased to enter this market with an accomplished team."

WisdomTree's Vice Chairman, Bruce Lavine, formerly the Head of iShares' European ETF business, added, "We believe Europe is poised for continued and significant ETF growth fueled by constructive regulatory changes and growing customer appreciation of the benefits

of the structure. For WisdomTree specifically, the demand for smart beta has never been stronger. The decision for us to expand in Europe is a natural one, and we look forward to working with Hector and Nik to provide clients with thoughtful local solutions."

### ***Boost and WisdomTree – a shared culture of innovation***

Prior to founding Boost, Europe's only specialized provider of short and leveraged ETPs, in late 2011, Hector McNeil and Nik Bienkowski held senior leadership positions at ETF Securities Limited – one of the world's leading, independent ETP providers and a pioneer in commodity investments – which they helped grow from the company's start-up to 70 employees globally and \$22 billion in AUM by 2010.

Hector McNeil and Nik Bienkowski added, "WisdomTree is an ETF success story and precisely the kind of innovative and entrepreneurial company we are excited to join. We look forward to continuing to grow the Boost ETP family under WisdomTree and we are pleased to lead the platform for WisdomTree's European ETF plans."

### ***Agreement summary***

-- **Platform formation:** WisdomTree to acquire Boost; form WisdomTree Europe to house WisdomTree and Boost product families

-- **Ownership:** WisdomTree to hold 75% ownership stake of new WisdomTree Europe entity; existing Boost shareholders to hold 25% combined ownership

-- **Leadership:** McNeil and Bienkowski to be named Co-CEOs of WisdomTree Europe

-- **Working capital infusion:** WisdomTree to provide \$20 million cash investment to fund European expansion over four years

-- **Deferred payout:** WisdomTree to acquire remaining 25% ownership from existing Boost shareholders at the end of four years. Payout formula:

- Based on European AUM at the end of four years
- Tied to WisdomTree's enterprise value over global AUM at the time of payout, and affected by profitability of European business
- Payment over two years

-- **Transaction close:** Subject to regulatory approval and other customary closing conditions, the transaction is expected to close in the first half of 2014

### **About WisdomTree**

WisdomTree Investments, Inc. is a New York-based exchange-traded fund ("ETF") sponsor and asset manager. WisdomTree currently offers 61 ETFs across Equities, Fixed Income, Currency Income and Alternatives asset classes. WisdomTree also licenses its indexes to third parties for proprietary products and promotes the use of WisdomTree ETFs in 401(k) plans. WisdomTree currently has approximately \$33.7 billion in ETF assets under management. For more information, please visit [www.wisdomtree.com](http://www.wisdomtree.com).

WisdomTree(R) is the marketing name for WisdomTree Investments, Inc. and its wholly

owned subsidiary WisdomTree Asset Management, Inc. WisdomTree Asset Management, Inc. is a registered investment advisor and is the investment advisor to the WisdomTree Trust and the WisdomTree ETFs. The WisdomTree Trust is a registered open-end investment company. Each WisdomTree ETF is a series of the WisdomTree Trust.

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