



FALFURRIAS CAPITAL

FOR IMMEDIATE RELEASE

Falfurrias Agrees to Sell Investment Advisor Dorsey Wright to Nasdaq

Transaction Marks Successful Exit for Investors in Private Equity Firm's Inaugural Fund

CHARLOTTE, N.C. (Jan. 5, 2015) — Falfurrias Capital Partners, a Charlotte-based private equity firm focused on investing in growth-oriented middle-market companies, today announced it has signed a definitive agreement to sell its ownership interest in Dorsey, Wright & Associates to Nasdaq.

Dorsey Wright, a market leader in data analytics, passive indexing and smart beta strategies, provides investment expertise and research to professional advisors and active investors worldwide on a subscription basis, and its investment models also power exchange-traded funds (ETFs) and mutual funds. Dorsey Wright's asset management business has more than tripled in the past three years to nearly \$6 billion, including its largest ETF, the \$1.6 billion PowerShares DWA Momentum Portfolio (NYSE: PDP), which has significantly outperformed the S&P 500 index since inception in 2007 and achieved a top-decile ranking among ETFs in its Morningstar category.

Additionally, DWA launched the First Trust Dorsey Wright Focus 5 (NASDAQ: FV), which became the most successful ETF launch during 2014 by attracting more than \$1.2 billion in assets in less than 10 months.

Subject to customary conditions and approvals, Nasdaq will acquire Dorsey Wright for \$225 million funded through a mix of debt and cash on hand. The transaction is expected to close in the first quarter of 2015.

Falfurrias Capital Partners, founded by former Bank of America Chairman and CEO Hugh McColl Jr. and former Bank of America CFO Marc D. Oken, invested in Dorsey Wright in 2011 as part of a strategy of leveraging the firm's expertise and contacts in the financial services industry. With the sale, Falfurrias successfully exits the last platform investment backed by the firm's initial fund, Falfurrias Capital Partners I.

"Falfurrias Capital Partners invested in Dorsey Wright because we believed the firm's track record, innovative culture, and superb management team led since our investment by Tom Dorsey and Tammy Derosier all added up to tremendous growth potential," said Mr. Oken, managing partner of Falfurrias Capital Partners. "We are excited for Dorsey Wright and pleased with this successful outcome for our investors."

“Falfurrias has been an excellent partner in facilitating Dorsey Wright’s growth, from both a strategic and a financial perspective,” said Mr. Dorsey. “The Falfurrias team worked closely with our senior management to create value and position Dorsey Wright for the future. We are excited about the opportunities our partnership with Nasdaq offers to provide index, ETF and advisor solutions on a global basis.”

Falfurrias was advised on the transaction by Wells Fargo Securities LLC (financial) and McGuireWoods LLP (legal).

About Dorsey, Wright & Associates

Dorsey, Wright & Associates (DWA) is an independent and privately owned registered investment advisory firm based in Richmond, Virginia. Since its founding in 1987 by Tom Dorsey and Watson Wright, Dorsey Wright has been a leading advisor to Wall Street and investment managers worldwide. Dorsey Wright provides three essential services for clients: comprehensive investment research and analysis, professional money management for financial advisors and individuals, and sub-advisory and licensing services to mutual funds and ETF providers. For more information, visit www.dorseywright.com.

About NASDAQ

Nasdaq (Nasdaq:NDAQ) is a leading provider of trading, exchange technology, information and public company services across six continents. Through its diverse portfolio of solutions, Nasdaq enables customers to plan, optimize and execute their business vision with confidence, using proven technologies that provide transparency and insight for navigating today's global capital markets. As the creator of the world's first electronic stock market, its technology powers more than 70 marketplaces in 50 countries, and 1 in 10 of the world's securities transactions. Nasdaq is home to more than 3,500 listed companies with a market value of over \$8.8 trillion and more than 10,000 corporate clients. To learn more, visit www.nasdaq.com/ambition_or_business.nasdaq.com

About Falfurrias Capital Partners

Falfurrias Capital Partners is a Charlotte-based private equity investment firm founded in 2006 by Hugh McColl Jr., former chairman and CEO of Bank of America, and Marc Oken, former CFO of Bank of America. The firm is focused on acquiring or investing in a diverse portfolio of growth-oriented middle-market companies. By leveraging the extensive strategic and operational experience and business relationships of the firm’s principals, Falfurrias Capital Partners is positioned to be a value-added partner for both its portfolio companies and its limited partners. For more information, visit www.falfurriascapital.com.

Media Contact: David Coburn, Luquire George Andrews, (704) 552-6565, coburn@lgapr.com

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