

GLUSKIN SHEFF + ASSOCIATES INC. TO ACQUIRE BLAIR FRANKLIN ASSET MANAGEMENT

June 2, 2014

TORONTO, ONTARIO

Gluskin Sheff + Associates Inc. (“Gluskin Sheff” or the “Company”) today announced that it has entered into an agreement to acquire all of the outstanding shares of Blair Franklin Asset Management Holdings Inc., the parent company of Blair Franklin Asset Management Inc. (“Blair Franklin”).

Founded in 2003, Blair Franklin is one of Canada’s leading boutique asset management firms specializing in fixed income with approximately \$625 million in assets under management. The Blair Franklin team has a long history of delivering positive absolute returns to its clients through its two funds, the Blair Franklin Global Credit Fund and the Blair Franklin Global Rates Fund. Blair Franklin’s team of investment professionals has over 150 years of combined experience, and has specialized knowledge and risk management capabilities in both Canadian and global fixed income markets.

The Company has agreed to pay \$15,000,000 in cash plus 1,900,000 Common Shares of the Company to the sellers, subject to certain customary adjustments. 712,500 of the Common Shares issued to the sellers at closing will be subject to a minimum one-year holding period. The remaining 1,187,500 Common Shares will be held in escrow for two years and are subject to claw-back pursuant to a purchase price adjustment based on the assets under management at the end of this period. Closing of the transaction is subject to certain closing conditions, including the approval of the Toronto Stock Exchange and other securities regulatory approvals/non-objections, and is expected to occur in the third quarter of calendar 2014.

The transaction is expected to be accretive to the Company’s earnings per share in the first year, excluding amortization and any non-recurring items arising from the transaction.

Following the closing and subject to regulatory approval, Peter Zaltz, Blair Franklin’s Managing Director & Chief Investment Officer, will take on the role of Executive Vice-President & Head of Fixed Income and will be appointed to Gluskin Sheff’s Management Committee, and Thomas C. MacMillan, Chair of Blair Franklin, will be appointed to the Company’s Board of Directors.

“Adding the talents and portfolio offerings of the Blair Franklin team to our own outstanding team enhances our global capabilities and broadens the ways in which we can earn strong risk-adjusted returns for our clients in the fixed income markets,” commented Jeremy Freedman, President & Chief Executive Officer of Gluskin Sheff. “Gluskin Sheff and Blair Franklin have remarkably similar cultures – a shared passion for excellence both in investment results and client service; deep and direct alignment with clients through significant investment in their own investment portfolios; and a focus on generating strong absolute risk-adjusted returns over the long term, while protecting capital.”

“The combination of the Blair Franklin team with Gluskin Sheff, a firm that has earned a reputation for delivering exceptional client service and strong risk-adjusted investment returns over its 30-year history, is an exciting and tremendous development for our clients and our team members,” commented Peter Zaltz, Managing Director & Chief Investment Officer of Blair Franklin. “The shared values and philosophies, and complementary strengths and offerings of Gluskin Sheff and Blair Franklin, will ultimately be of great benefit to the clients of both firms.”

A conference call will be held on Monday, June 2, 2014 at 9:00 a.m. EDT. A question and answer period will follow.

The telephone numbers for the conference call are:

Local/International: (647) 788-4945

Toll Free: (855) 223-2840

Conference ID: 54738090

Please connect at least 15 minutes prior to the scheduled start time.

The toll free telephone number to listen to the call after it is completed (Instant Replay) is (855) 859-2056. The Conference ID for the Instant Replay is 54738090 followed by the number sign (#). The Instant Replay will be available until midnight, June 16, 2014.

Presentation materials referenced during the call will be available on the website of the Company at: <http://www.gluskinsheff.com/Firm/TSXGS>.

Founded in 1984, Gluskin Sheff + Associates Inc. is one of Canada's pre-eminent wealth management firms serving high net worth private clients and institutional investors. Gluskin Sheff offers equity and fixed income investment portfolios in addition to being one of the largest managers of alternative investments in Canada. The Company's Common Shares are listed on the Toronto Stock Exchange under the symbol "GS". For more information about the Company, please visit our website at www.gluskinsheff.com.

**For more information, please contact:
David R. Morris
Chief Financial Officer and Secretary
1.416.681.6036**

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws relating to the Company's acquisition of Blair Franklin, including statements regarding the terms, conditions and timing of the proposed transaction. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with a transaction, that the ultimate terms of the transaction will differ from those that currently are contemplated, that the transaction may take longer to complete than anticipated and that the transaction will not be successfully completed for any reason. The statements in this news release are made as of the date of this release and, except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, its financial or operating results or its securities or any of the properties that we manage or in which we may have an interest.

Non-IFRS Measures

Included in this news release are certain financial terms (including EBITDA and AUM) that are not measures recognized under International Financial Reporting Standards (IFRS). These non-IFRS measures do not have any standardized meanings prescribed by IFRS and should not be considered alternatives to net income or any other measure of performance determined in accordance with IFRS. Therefore, these non-IFRS measures are unlikely to be comparable to similar measures presented by other issuers. For additional information regarding the Company's use of non-IFRS measures, including the calculation of these measures, please refer to the "Non-IFRS financial measures" section of the Company's Management's Discussion and Analysis and its financial statements available on the Company's website and on the SEDAR website located at www.sedar.com.