

Press release

GAM to take a minority investment in leading macro manager QFS

- **GAM has reached an agreement in principle to take a minority investment in QFS, a leading US-based alternative asset manager whose roots go back to 1988.**
- **In this partnership, GAM will be responsible for the global distribution and marketing of the strategies managed by QFS.**
- **The launch of a new UCITS product within the GAM Star range, managed by QFS, is planned for the near future, expanding GAM's alternative onshore offering with a highly differentiated and strongly performing strategy.**

Zurich / London, 14 January 2013: GAM Group AG (GAM), a wholly owned subsidiary of GAM Holding AG, has reached an agreement in principle to enter into a partnership with QFS Asset Management L.P. (QFS), a US-based alternative asset management boutique that specialises in currency, global macro and fixed income strategies.

As part of the agreement, GAM will acquire a minority stake of approximately 30% in QFS. The partnership will see GAM and QFS work very closely together, with GAM being responsible for the global distribution and marketing of existing and new strategies managed by QFS.

Following the formal closure of the agreement, GAM plans to introduce a UCITS product based on QFS's flagship currency strategy in the coming months. Launched in March 1993 and trading in highly liquid instruments, the strategy has an outstanding track record of delivering uncorrelated alpha. Since inception, it has delivered net returns to clients of 10.75% per annum (as at 31 December 2012). Over the same period its correlation to both global bonds and global equities has been very modest, at less than 0.1, differentiating it from many other alternative strategies.

David M. Solo, CEO of GAM, said: "The partnership with QFS is consistent with our strategy of expanding our leading offering of single manager alternative strategies. We are delighted to work with such a high-calibre investment manager with demonstrated investment capabilities over such a long period of time, delivering exceptional returns through differing market cycles. We are convinced that its experience in managing liquid, non-correlated and high-performing strategies will prove highly appealing to our sophisticated investor base."

Karlheinz Muhr, Chairman and CEO of QFS, said: "GAM's global client base and its skills in delivering unique absolute return strategies to clients make them an ideal partner for us. We are excited about this partnership, which will benefit our current investors and expand our reach into new client segments."

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Notes to Editors

GAM

Established in 1983, GAM is an independent, active investment manager, delivering investment solutions to institutions, intermediaries, private clients and charities from offices in financial centres around the world. Its USD 48.0 billion (CHF 45.4 billion)¹ in assets under management spans approximately 60 separate investment strategies across equity, fixed income, absolute return, funds of hedge funds, discretionary portfolio management and tailored investment solutions. Its aim is to deliver strong, long-term returns for clients through some of the world's most talented investment managers. Its focus on performance, risk management, uncompromising investment standards and partnership with clients enables it to achieve that objective.

QFS

QFS is an institutional alternative asset management firm that applies financial theory and the scientific method to managing money. QFS employs 28 people and has over USD 1 billion of assets under management, including discretionary, non-discretionary, absolute return and risk advisory overlay mandates. An affiliate of QFS was founded in 1988.

¹ as at 30 June 2012.