

FOR IMMEDIATE RELEASE

**QSG DELIVERS DOUBLE DIGIT POSITIVE RETURN SPREADS IN 2008**  
Firm Observes Broad Strategy Performance Shift in Second Half of Year

CHICAGO—Feb. 13, 2008—Quantitative Services Group LLC (QSG®) announced today that the majority of its multi-factor models delivered positive return spreads in 2008, illustrating impressive model resiliency in the face of a tumultuous last half of 2008. QSG's Deep Value Model was a top performer for 2008, muting the Earnings Momentum Model's strong 1st half ; the firm observed a distinct shift to valuation orientated strategies in autumn amid the market sell-off and the impact of de-leveraging.

QSG's Deep Value Model applied to a large cap universe (Russell 1000) delivered a cumulative spread return of 37.85%, recording its highest outperformance in November with a long-short return spread of 8.65%. QSG's popular Earnings Momentum Model, coming off stellar performance in 2007, delivered a positive return spread of 16.18% in 2008 across a large cap universe.

"Despite the challenges that faced investors in 2008, we are pleased that our multi-factor models delivered the benefits expected from a systematic approach to investing," said Tim Sargent, QSG President. "As our markets evolve, QSG will continue to investigate the changing nature of the equity markets from many dimensions so that our clients are prepared to succeed in today's volatile environment."

QSG's Small Cap Model delivered powerful discriminatory value over the final quarter of 2008 with a return spread of 25.30%. The QSG Relative Value Model recorded an outperformance of 36.22% in the final six months of 2008 when applied to the Russell 2000. The firm's Retail and REIT models also delivered impressive discriminatory value; the Retail Model recorded ten months of positive spread performance in 2008 and finished the year with an average monthly spread return of 2.43%. The REIT Model ended the year with an extraordinary long-short spread return of 23.60%, driven by solid second half performance. On a cumulative basis, the Retail and REIT Models delivered 29.17% and 28.08% respectively for the year.

QSG also announced the addition of a number of key people in 2008.

- **Dan Bukowski** joined the firm as Director of Research with more than 20 years of experience in the quantitative finance industry. He served Citigroup Asset Management in New York for eight years in roles managing investment teams around the globe.
- **George Bodine**, former Director of Trading for General Motors Asset Management, joined the firm as Director of Trading Research to lead the firm's growing trading analytics group.
- **Mike Stritch** also joined QSG as a Senior Quantitative Analyst from First Street Capital Partners. Stritch is a CFA who previously he held roles of increasing responsibility in research and portfolio management at the Bank of Montreal group of companies including Harris myCFO and Harris Private Bank.
- **Zhihui Tang, Ph.D.** joined the firm as a Senior Quantitative Analyst focusing primarily on the firm's extensive trading analytics offerings. Most recently, Tang developed and implemented an array of financial and economic models at International Monetary Fund in Washington DC.
- **Dan Skubiz** brings more than 15 years of buy-side industry experience managing both fundamental and quantitative based products to his role as QSG product consultant.. Most recently, Dan was a Senior Equity Analyst with St. Louis-based Missouri Valley Partners.
- **Marty Donnelly** joined QSG as a product consultant after almost a decade of providing institutional equity research to the financial community. As an equity sales person for firms such as Wachovia Securities, Avondale Partners, and most recently Stifel Nicolaus.

## Products and Programs

QSG announced the addition of QSG Edge™ to its product line in November, 2008. QSG Edge is a web-based stock ranking research tool providing daily ranking alerts to its extensive equity research product line. QSG Edge is designed to quickly uncover important thematic moves and track names relative to the competition. Driving the QSG Edge is the firm's research coverage of more than 10,000 securities around the globe, covering a full spectrum of equity strategies including earnings momentum, deep value, price momentum, relative value, historical growth and GARP.

As well, QSG released new stock selection models for Canadian equities in early 2008. These models demonstrated positive return spreads in all but one month, including December performance of Price Momentum (+9.67%) and Value Momentum (+8.99%). For the year, both models delivered an average spread return of 3.69% and 3.72% respectively.

In May, QSG announced that it had launched Quant-link.com, ([www.quant-link.com](http://www.quant-link.com)) a social networking site designed specifically to serve the needs of the quantitative finance community. Quant-Link.com allows registered users to network with other professionals, academics, and students by joining groups, browsing member profiles, and participating in discussions on relevant topics and publications.

#### About Quantitative Services Group LLC:

Quantitative Services Group LLC is a leading provider of independent global equity research, advanced trading cost analytics, and investment consulting services to institutional investors. QSG does not manage assets or offer execution services, allowing the firm to provide clients with unbiased, impartial research. They reserve the right to limit distribution of its products. QSG's products include QSG Edge™, Pre-Trade Analyst™, T-cost Pro™ Factor Analyst™, and Virtual Research Analyst™.

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