

PRESS RELEASE**max.xs financial services AG wins 3rd sales mandate in 2010**

The Full-service financial sales organization max.xs takes over the third party fund distribution in Germany and Austria for the First Private Investment Management KAG mbH. The management of both Frankfurt-based companies announced the strategic co-operation today. By outsourcing sales activities to max.xs, First Private gains a more effective, scalable and cost efficient access to the highly fragmented intermediary market.

Frankfurt am Main, 27. September 2010 – First Private is an independent asset management partnership and a pioneer in systematic investing. First Private has been pursuing active, quantitative investment strategies in the areas of equity and absolute return since 1991. The partners founded the firm after many successful years as the investment team of Salomon Brothers. Since then, First Private was named Best Equity Manager and was awarded with Best Equity Fund Awards and Excellence in Institutional Asset Management several times. max.xs CEO Frank Alexander de Boer sees the agreement with First Private as an important step to further complement max.xs' attractive product portfolio for investors. Earlier this year, Veritas Investment Trust GmbH, a leading German ETF Fund-of-Fund Manager, outsourced part of its sales activities and sales team to max.xs.

A clear message to foreign asset managers

According to Mr. de Boer, these co-operations send a clear message to foreign asset managers who want to grow business in Germany and Austria: do not try to do it yourself. "In spite of substantial investments in sales capacity, there are only a few non-domestic asset managers with relevant assets under management in the German-speaking markets today." In addition to the challenges of market fragmentation and competitiveness, foreign asset managers have to overcome higher marginal sales costs, higher organizational and cultural complexities and a longer learning curve than their local peers who know these markets inside out. "The rationale for mandating a specialized sales organization is even more evident for foreign players as it is for First Private and Veritas."

Industry trends decrease sales scalability and increase sales costs

Increasing requirements regarding performance and investment processes force asset managers to specialize and increase dependence on limited performance drivers. This negatively impacts sales momentum and scalability throughout market cycles. Increasing regulatory and market requirements drive up product development, marketing and maintenance costs and go at the expense of net margin, reducing ROI. De Boer: "Investing in own sales capacity is generally less efficient and less effective, it increases capital risk and undesired balance sheet effects."



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About max.xs

max.xs financial services AG is an independent, full service sales organization, specialized in the business-to-business sales process of financial products. Through a network of approximately 27.000 financial intermediaries, max.xs offers asset management firms and insurance companies immediate and efficient access to the German speaking markets. max.xs is thus decreasing market barriers and increasing strategic options, both for market launches and for optimising existing sales efforts. max.xs is based in Frankfurt am Main, Germany.