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About AIM Advisers
AIM Advisers helps small and medium-sized, growth-oriented U.S. companies complete IPOs on the Alternative Investment Market (AIM) of the London Stock Exchange. AIM Advisers also provides a range of services to the 56 U.S.-based companies that are already listed on AIM.

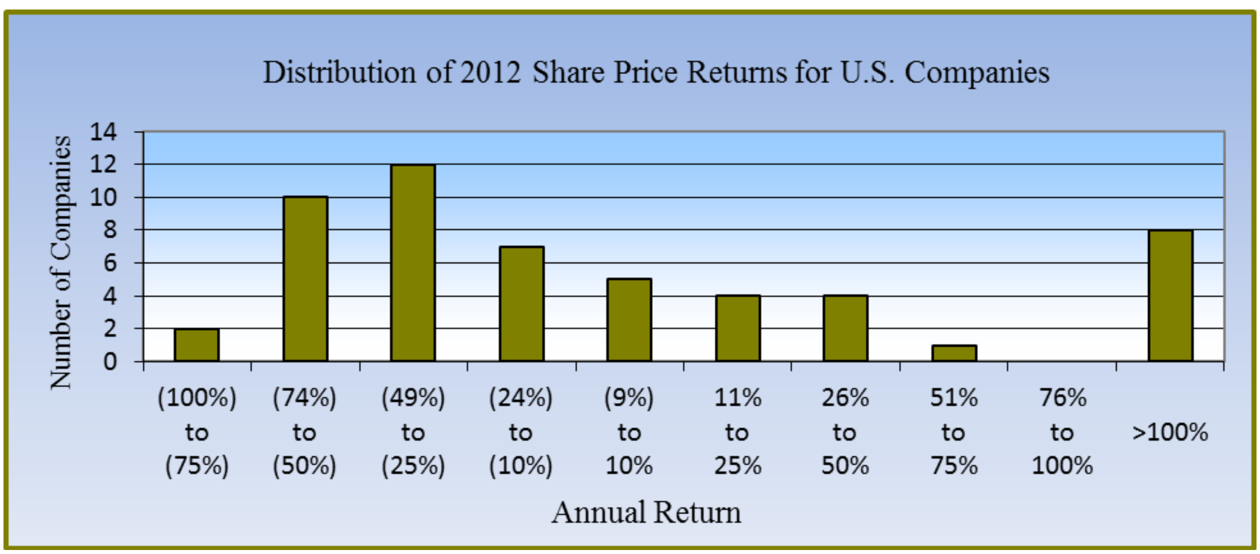
U.S. Company Performance – Share Price and Liquidity – 2012

Highlights

- U.S. domiciled companies* achieve a weighted return of 7%
- Foreign domiciled U.S. operating companies** achieve a weighted return of 15%
- FTSE AIM All-Share Index only gained 2%
- Significant liquidity difference between U.S. and foreign domiciled U.S. companies

There were 23 U.S. domiciled and 33 foreign domiciled U.S. operating companies listed on AIM as of the beginning and end of 2012. During 2012, three companies delisted, two joined via IPO and one joined via Admission. Of the three U.S. companies that left AIM; one was acquired by its largest shareholder (30%) at the market price as a result of the company's exposure to MF Global as a large customer and, more importantly, a significant creditor and the other two simply never developed their businesses to sufficient scale and, as a result, suffered from a low market cap and lack of trading liquidity in their shares. The U.S. company that joined AIM via Admission was, and still is, listed on the Australian Securities Exchange and raised capital in London the month after having its shares admitted to trading on AIM.

The three U.S. companies that left AIM and the three that joined during 2012 are not included in the chart and analysis below because the effect on the share price return analysis would be immaterial. The bifurcation of the share price returns during 2012, with 24 of the 53 companies losing 25% or more of their value and eight posting triple digit returns, is reminiscent of 2010.



* U.S. operating companies listed on AIM directly through a U.S. entity.
** U.S. operating companies listed on AIM through a U.K. or tax efficient jurisdiction with central operations and/or decision making in the U.S.

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The weighted returns in the table below were calculated using the average market capitalizations of the companies during the year, similar to how an index fund would calculate returns.

Index	Unweighted	Weighted
U.S. Domiciled Companies	4%	7%
Foreign Domiciled Companies	27%	15%
FTSE AIM All-Share Index	N/A	2%

The weighted return contributions for the U.S. domiciled companies were tightly packed between +3% and -4%, with three exceptions, where 5%, 5% and 17% weighted gains were achieved (absolute gains of 220%, 429% and 188%). Two of the gainers simply achieved commercial success coming out of the Global Financial Crisis and the other is a biotech company that completed its U.S. IPO on NYSE MKT, the small cap tier of NYSE Euronext (the old NYSE AMEX) during 2011 and achieved some clinical trial and related regulatory success.

The weighted return contributions for the foreign domiciled U.S. operating companies were also tightly packed between +1% and -3%, with three exceptions, where 2%, 6% and 9% weighted gains were achieved (absolute gains of 473%, 365% and 29%). One of the gainers is an oil and gas shale play that gained commercial traction, the other modified its business model and launched some new technology in the oil and gas services space and the final gainer is simply one of the largest companies on AIM. It is noteworthy that the unweighted return of 27% for the foreign domiciled U.S. operating companies exceeded the weighted return of 15%, which is indicative of investors identifying the other three triple digit gainers from the smaller end of the high-quality U.S. companies listed on AIM.

In terms of average monthly liquidity (see the table below), the foreign domiciled U.S. operating companies outperformed the U.S. domiciled companies on both measures and the AIM market as a whole on one of two measures. In more normal times, all of the weighted results exceed all of the unweighted results, reflecting the positive relationship between a company's liquidity and its market capitalization. The unweighted results represent the level of monthly liquidity that the average company can expect to achieve.

The reversal of this relationship for both categories of U.S. companies indicates that relative trading volumes were larger for companies with smaller market capitalizations. For the U.S. domiciled companies, the reversed relationship is the result of investors exiting smaller companies in which they are no longer comfortable with the risk/reward relationship, as evidenced by the unweighted share price return of 4% being less than the weighted share price return of 7%. For the foreign domiciled U.S. operating companies, the reversed relationship indicates a strong bias towards investment in smaller companies that are viewed positively and/or as undervalued, as evidenced by the unweighted share price return of 27% exceeding the weighted share price return of 15%.

Average Monthly Liquidity	Foreign Domiciled U.S. Operating Companies	U.S. Domiciled Companies	Entire AIM Market
Weighted	1.56%	1.37%	4.96%
Unweighted	4.15%	1.43%	3.08%

AIM Advisers, Inc.
Maximizing Present & Future Value

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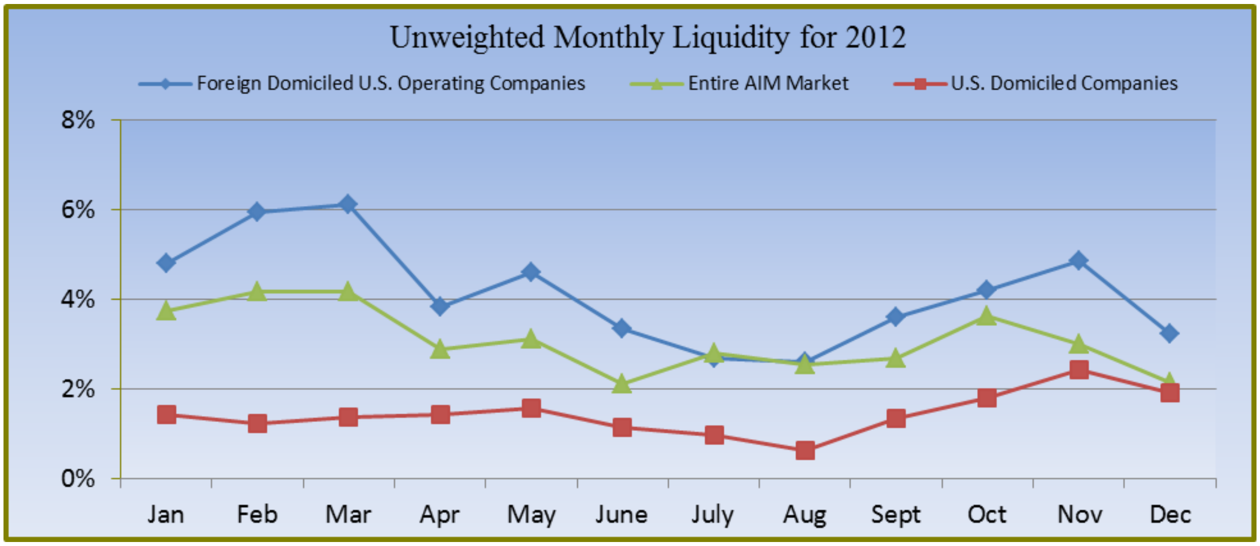
The chart below provides the monthly detail of the unweighted liquidity for each of the three categories in the table on the previous page. Liquidity was strong during the first three months of 2012; however, an escalation of the Eurozone crisis, the Queen's Diamond Jubilee and the Olympics caused a pullback in liquidity through the summer, with a rebound in autumn.



From a U.S. perspective, the key takeaway from the chart above is that there is a liquidity advantage for U.S. companies that list on AIM via a U.K. holding company. The four main reasons being:

1. Once the Reg. S period expires, the IPO shares can trade directly within CREST
2. Pre-IPO shares not subject to Reg. S can immediately trade directly within CREST
3. Articles of incorporation fully conform to U.K. law, providing comfort to U.K. investors
4. Institutional investors only allocate a portion of their investments to non-U.K. companies

Nevertheless, irrespective of where a company is domiciled, liquidity can be improved. The reasons for a lack of liquidity are often company specific and not obvious. As a consequence, thoughtful and thorough investigation is needed in order to formulate actionable solutions. Several strategic decisions can be taken during the planning of the IPO to minimize the risk of lack of liquidity becoming a problem in the first instance; including, selection of the most appropriate Nomad, Broker(s), financial PR/IR firm and Independent Equity Research firm.