

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 82 U.S.-based companies that are already listed on AIM.

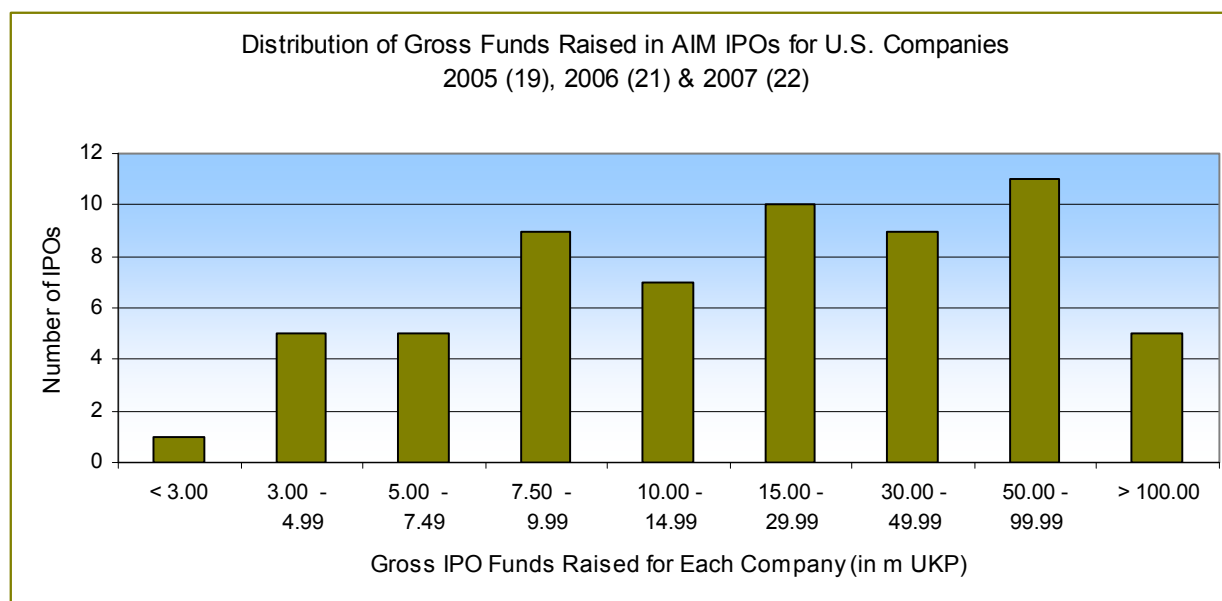
U.S. Company IPO and Secondary Offering Activity – 2005 to 2007

Highlights

- £2.1b raised in AIM IPOs for 62 U.S. companies across 20 industries
- Pace of secondary offerings increases from £105m to £180m to £260m; totaling £545m
- 22% of U.S. company IPOs on AIM included selling shareholders
- U.S. accredited investors and QIBs participate, provide 20% of IPO and secondary funds

IPOs

The 62 U.S. companies that completed IPOs on AIM during the last three years raised an average of £34 million with 75% raising between £7.5 million and £100 million.



Over the last three years, the average AIM IPO raised £27 million; however, it's important to distinguish between IPOs for 'operating companies' and 'investment vehicles'. The table below illustrates the dramatic impact that IPO funding of 'investment vehicles' had on the market.

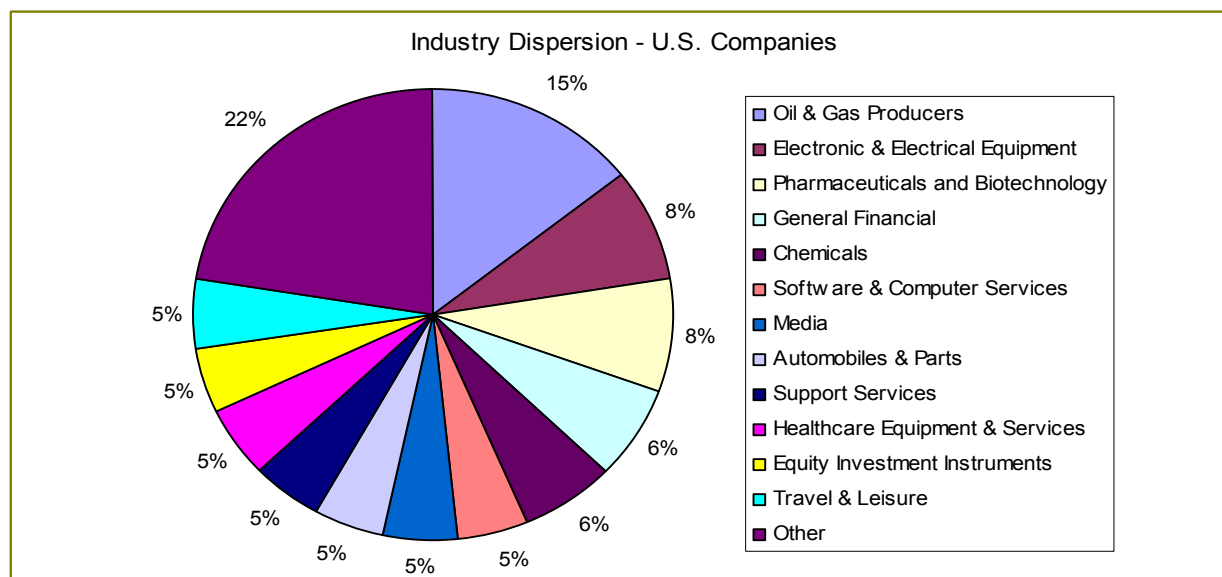
Entire Market 2005 - 2007	Number of IPOs	Gross Funds Raised (in £ billions)	Average Funds Raised (in £ millions)
'Investment Vehicles'	206	13.01	63
'Operating Companies'	589	8.20	14
Total	795	21.21	27

In contrast, the next table shows that a greater proportion of U.S. IPOs were for operating companies, raising an average of £24 million, 70% more than the market average of £14 million.

U.S. Companies 2005 - 2007	Number of IPOs	Gross Funds Raised (in £ billions)	Average Funds Raised (in £ millions)
'Investment Vehicles'	12	0.92	77
'Operating Companies'	50	1.19	24
Total	62	2.11	34

Industry Dispersion

The 20 industries in which the 62 U.S. companies operate are quite diverse; however, there is a concentration of oil and gas producers in Texas and concentrations in technology, including; computing, biotech and cleantech, between Boston and Washington D.C., in Florida and in California. In fact, the "Automobiles & Parts" companies in the chart below are fuel cell developers or zero emissions vehicle manufacturers.



Selling Shareholder Activity

14 of the 62 U.S. companies that completed IPOs on AIM during the last three years included selling shareholders who were often either founders of the company, longstanding members of executive management or the board of directors, commercial partners who had made a strategic investment in the company or VCs/PE Firms who invested in and nurtured the company for several years prior to its IPO. While selling shareholders are most common in conjunction with an IPO, U.S. company insiders have sold in the aftermarket in organized transactions on three occasions; twice as part of secondary offerings and once on a standalone basis. In all three instances, the companies were performing exceptionally well with the organized insider selling driven by a need to "satisfy excess demand" for the company's shares.

U.S. Accredited Investor and Qualified Institutional Buyer (QIB) Activity

U.S. accredited investors and QIBs are permitted to participate in AIM IPOs and secondary offerings. In fact, they provided 20% of the IPO funding, or £425 million, for the 62 U.S. companies that completed IPOs on AIM during the last three years. They also provided £100 million for U.S. company secondary offerings, again 20% of the total, over the last three years.

Secondary Offerings

The secondary offering market for U.S. companies on AIM has been strong, increasing from £105 million to £180 million to £260 million from 2005 to 2007 for a CAGR of 58%.

