AIM Advisers, Inc.
Maximizing Present & Future Value

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

U.S. Company IPO and Secondary Offering Activity 2008 vs. 2007

Highlights

- Number of IPOs and aggregate funds raised drop by 82% and 81%, respectively
- Average funds raised for 'operating companies' increases from £23m to £31m
- £780m raised from IPOs for 26 U.S. companies across 16 industries since 2007
- U.S. 'operating companies' account for 17% of all operating company IPOs since 2007
- U.S. 'operating companies' account for 22% of funds raised since 2007
- IPO dilution increases slightly from 31% to 33%

- Secondary offering market holds firm for U.S. companies with an average of £7m
- £500m raised from secondary offerings for 36 U.S. companies since 2007
- 50% of all U.S. companies on AIM have completed at least one secondary since 2007

- Selling shareholder activity continues at historic levels
- U.S. accredited investor and Qualified Institutional Buyer participation moderates

IPOs

While AIM has certainly not been immune to the global slowdown in IPOs, the codification of the AIM Rules for Nominated Advisers in early 2007 has increased the scrutiny of prospective new entrants by Nomads since the Nomad vouches to the London Stock Exchange as to a company's suitability for admission to AIM. In addition, the trend which began in 2006, and continued throughout 2007, of a significant number of Special Purpose Acquisition Corporations (SPACs) and Investment and Real Estate Funds completing IPOs on AIM, has largely come to an end. These factors cause the overall market metrics to be misleading; therefore, the following tables distinguish between the market as a whole, which includes 'investment vehicles', and the 'operating companies' on a stand-alone basis.

The overall market had a higher proportion of 'investment vehicle' IPOs in 2007 than in 2008 at 39% and 29%, respectively. While the number of IPOs decreased substantially during 2008, the average funds raised for 'operating companies' increased slightly to £19 million.

Entire Market All Companies	Number of IPOs	Gross Funds Raised (in £ billions)	Average Funds Raised (in £ millions)
2007	182	6.26	34
2008	38	0.92	24

Exclusive of SPACs and Investment and Real Estate Funds:

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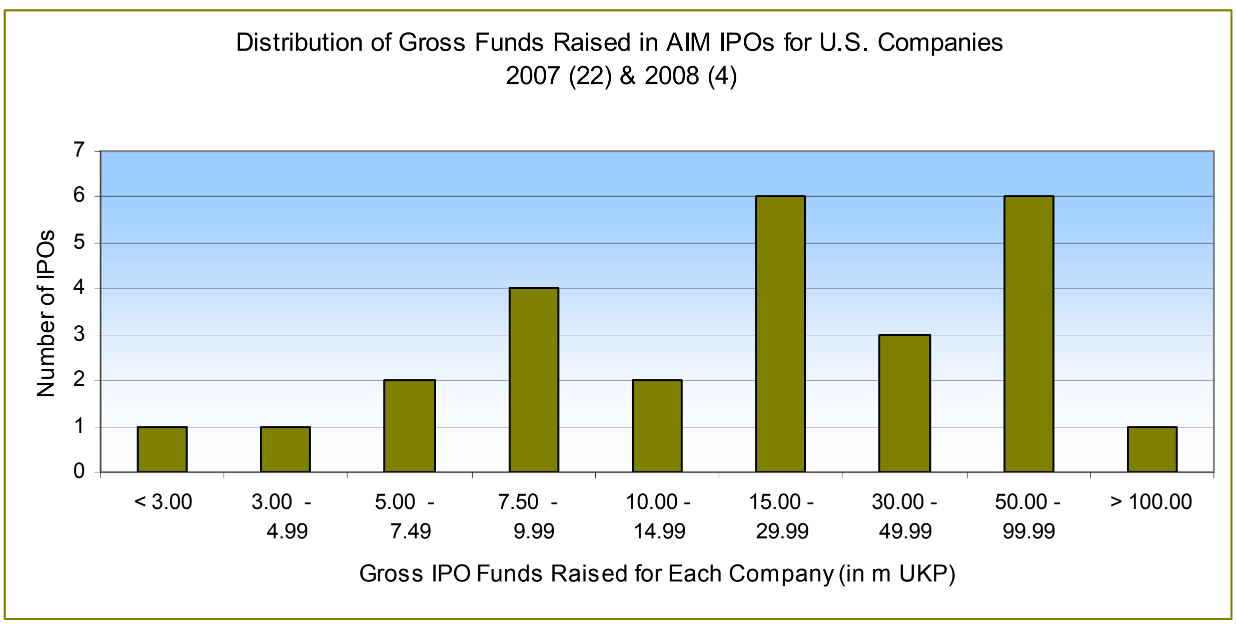
Entire Market 'Operating Companies'	Number of IPOs	Gross Funds Raised (in £ billions)	Average Funds Raised (in £ millions)
2007	111	1.99	18
2008	27	0.52	19

The U.S. companies were relatively immune from the 'investment vehicle' IPO phenomenon with only three in 2007 and none in 2008. While the limited number of U.S. company IPOs in each year makes it difficult to draw firm conclusions, it is believed that an upward trend will persist from the £24 million average raised by the 50 U.S. 'operating companies' that completed IPOs on AIM from 2005 – 2007. Investors continue to seek larger, more mature companies.

U.S. Companies All Companies	Number of IPOs	Gross Funds Raised (in £ millions)	Average Funds Raised (in £ millions)
2007	22	657	30
2008	4	123	31

U.S. Companies 'Operating Companies'	Number of IPOs	Gross Funds Raised (in £ millions)	Average Funds Raised (in £ millions)
2007	19	431	23
2008	4	123	31

Since 2007, 26 U.S. companies have raised an aggregate of £780 million via IPOs on AIM with 65% raising between £5 million and £50 million. It should be noted that of the IPOs that individually raised more than £50 million, almost half (3 of 7) were for 'investment vehicles'.



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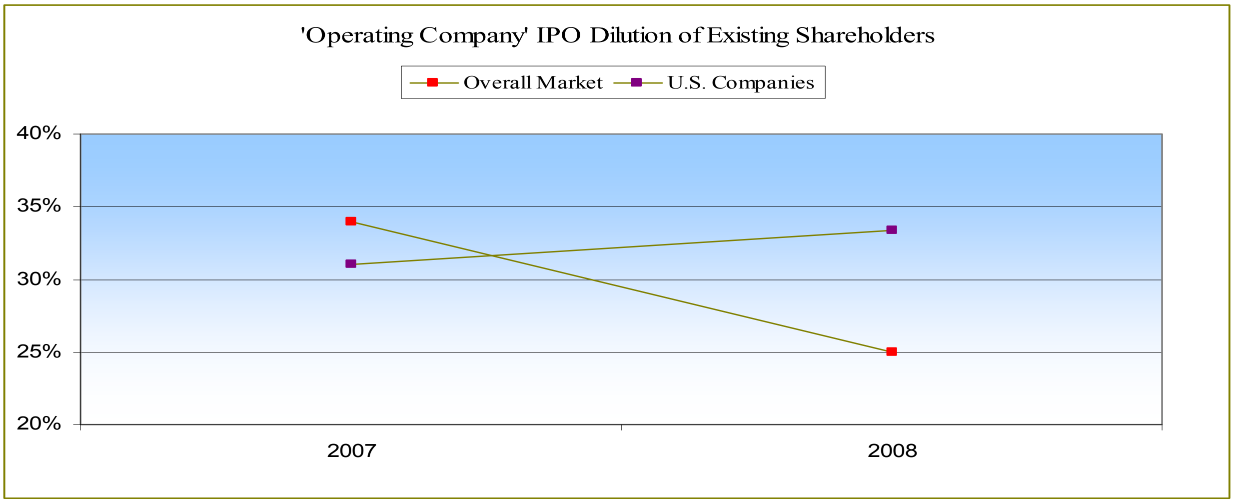
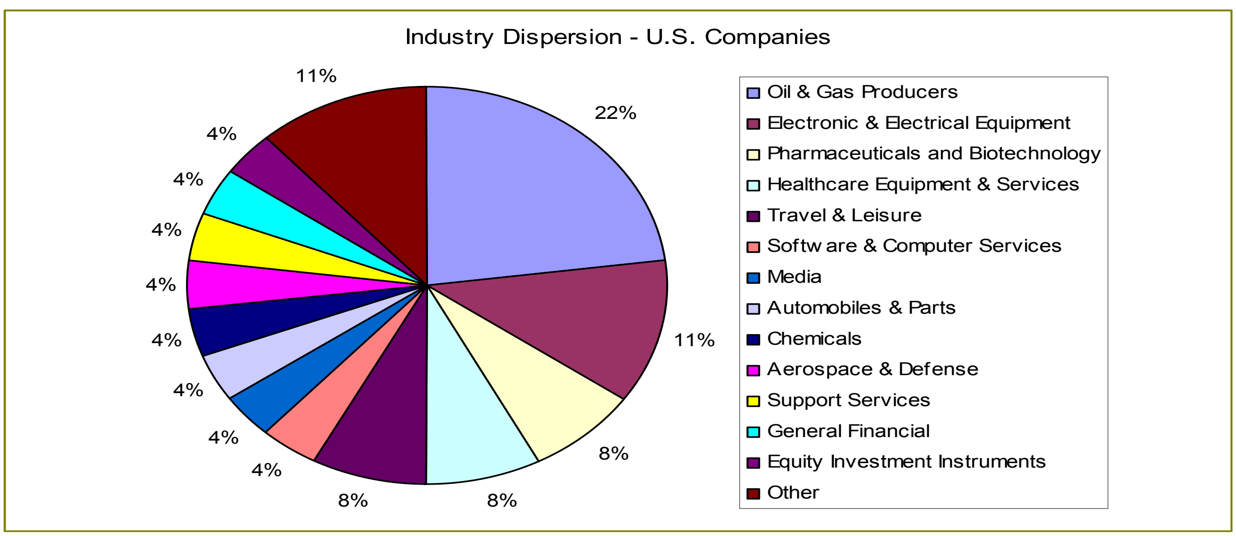
Dilution

As noted in the opening paragraph, market conditions have been challenging and, separately, Nomads have increased their scrutiny of prospective new entrants. The natural consequence of these two factors is that the quality of the companies being admitted to AIM has increased and, as a result, the IPO dilution of existing shareholders has decreased. Since the decrease in dilution for the overall market has been significant and the dilution for the U.S. companies has been relatively steady, it may be that the U.S. companies have, on average, typically been of higher quality with more compelling business propositions and stronger management teams, however, the limited number of IPOs during 2008 makes it difficult to draw firm conclusions.



Industry Dispersion

The 16 industries in which the 26 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" company in the chart below is a zero emissions vehicle manufacturer, the "Chemicals" company is developing compounds for the health and growth of plants and agricultural and the "Aerospace & Defense" company is a developer and manufacturer of composite armor products for commercial and military uses.



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Secondary Offerings

The secondary offering market for U.S. companies on AIM has been healthy and remarkably consistent; however, there were some large transactions that slightly skew the results. The first is a £50 million NASDAQ listing during 2007 of a U.S. company that completed a £25 million IPO on AIM in 2003. This is considered a secondary offering on AIM. The second is a U.S. company which raised £101 million in two secondary offerings during 2008. When these are excluded from the table below, the average for 2007 and 2008 is £7.50 million and £6.40 million, respectively. 50% of all U.S. companies have completed at least one secondary since 2007.

All U.S. Companies	Number of Secondary Offerings	Gross Funds Raised (in £ millions)	Average Funds Raised (in £ millions)
2007	29	260	8.97
2008	27	236	8.74

Selling Shareholder Activity

The ability of existing shareholders to sell some or all of their holdings in an AIM IPO depends on a variety of factors; the most important of which are the strength of the company and the level of investor support. Historically, from 2005 – 2007, 22% of U.S. company IPOs on AIM included selling shareholders who were often either founders of the company, longstanding members of executive management or the board or 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. There were three such transactions during 2007 and two during 2008 which is consistent with historic levels. In one of the 2008 transactions, the Chairman and President, who had been with the company since 1969, sold 30% of his stake for £26 million.

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 since 2004; 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. One such transaction occurred during 2007 in which executive management and certain non executive directors and employees realized £9 million for themselves as part of a £17 million secondary offering. There were no such transactions during 2008.

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. Historically, from 2005 – 2007, they have provided 20% of the funding for U.S. company IPOs on AIM and 20% of the secondary offering funds raised for those companies. During 2007, four U.S. companies completed IPOs raising an aggregate of £151 million with £89 million coming from U.S. accredited investors and QIBs. There were no such transactions during 2008. In terms of secondary offerings, 39% of the funds raised for U.S. companies were provided by U.S. accredited investors and QIBs during 2007; however, this is skewed by the £50 million NASDAQ listing discussed above and would have otherwise been 25%. During 2008, U.S. accredited investors and QIBs participated in 19% (5 of 27) of the secondary offerings, contributing 40% of the total funds raised, however, this too is skewed by £76 million of the £101 million discussed above and would have otherwise been only 11%.