

Market update - current trends on market

Liz Hardy
Manager, Continental Europe

Where ideas take off



2008 activity

- 115 new issues, raising £1,108m
- 1,551 further issues, raising £3,287m
- £49,427m value of shares traded



2009 activity year to date

- Lower new issues activity - 10 ytd to May, raising £224m.
- Increasing activity in May / June;
 - Admission of Max Property; raised £220m
 - Announcements of 5 new admissions;
 - Scheduled for end June / July
 - Expected to raised around £300m
- £1,034m further money raised



Feedback from market participants

- Further fundraising opportunities available;
 - £1,034m raised by AIM cos Jan-May 09
- Stabilisation in equity markets required for IPO pricing
- Recent improvement in mood in marketplace
- Significant volumes of IPOs unlikely before end 2009, however a strong pipeline in place
 - prepare early to take advantage of any upturn
- Utilities, retail and resources likely to be important
- Private equity exits expected to account for higher numbers than previous years.



Exchange activities

- VCT lobbying
 - Allow VCT's to invest on secondary markets rather than being restricted to new issues
 - Gross asset and employee limit tests should be increased
- Equity research
 - New equity research service for smaller companies launched March 2009
 - Developed from market feedback to address the need for greater coverage of smaller quoted companies
- Growth company investor days
 - 1 day meeting bringing together quoted companies and private client brokers
 - Similar programme planned for Europe
- Trading
 - New price list for trading services to encourage liquidity



Exchange activities

- Strategic developments
 - AIM Italia;
 - New market for small & mid-cap Italian companies
 - Modelled on AIM
 - 2 new companies joined in May 2009
 - Tokyo AIM;
 - A joint venture with TSE
 - Modelled on AIM, but aimed at professional investors only.