



# Capital Markets

Round-up to 30 September 2010

# Highlights at 30 September 2010

## AIM

### Decrease in total number of companies listed

- ▶ 1,204 companies listed at 30 September 2010, compared with 1,353 at the same time in 2009, a decrease of 149 (11.0%), and 1,293 companies at 31 December 2009, a decrease of 89 (6.6%).

### International companies

- ▶ 223 (18.5%) companies (by incorporation location) listed as at 30 September 2010, compared with 259 (19.1%) at the same time in 2009.
- ▶ 464 (38.5%) companies (by main operating location) listed as at 30 September 2010.

### Admissions so far in 2010.

- ▶ There have been 67 in 2010 YTD, compared with 18 in 2009 YTD and 36 in 2009 in total as follows:
  - ▶ 11 IPOs in Q3 2010 YTD compared to 2 in Q3 2009.
  - ▶ 23 IPOs compared to 4 in 2009 YTD and 13 in 2009 in total.
  - ▶ 10 introductions compared to 1 in 2009 YTD and 2 in 2009 in total.
  - ▶ 34 transfers/re-listings compared to 13 in 2009 YTD and 21 in 2009 in total.

### New Issues & Further fund raisings

- ▶ Total funds raised by new issues in 2010 YTD totalled £678m of which £521m was raised by IPO's. This compares to £343m raised by new issues in 2009 YTD and £740m in 2009 in total.
- ▶ Total funds raised by further issues in 2010 YTD totalled £3,106m compared to £2,791m in 2009 YTD and £4,861m in 2009 in total.

### Trading Turnover

- ▶ Turnover for 2010 YTD was £21,676m compared to £23,950m in 2009 YTD.
- ▶ The number of shares traded totalled 99,589m in 2010 YTD, a decrease of 31.6% from 145,639m in 2009 YTD.

### Total market capitalisation

- ▶ Market cap has increased £6.7bn from £58.9bn to £66.6bn in Q3 2010. This compares to £57bn as at 30 September 2009 and 31 December 2009, an increase of 16.0%.
- ▶ Average market capitalisation as at 30 September 2010 totalled £55m compared to £42m as at 30 September 2009 and £44m as at 31 December 2009
- ▶ 276 (22.9%) companies have market cap less than £5m (excluding suspended securities) compared to 339 (25.1%) as at 30 September 2009.
- ▶ 718 (59.6%) companies have market cap less than £25m (excluding suspended securities) compared to 856 (63.3%) as at 30 September 2009.

### Indices

- ▶ The AIM All Share increased in Q3 2010 18.2% and the FTSE 100 increased 10.7%.
- ▶ In 2010 YTD the AIM All Share has increased 19.6%. This compares to the FTSE 100 increase of 2.9%. AIM 100 and AIM 50 have increased by 21.7% and 19.0% respectively over the same period.

### De-Listings Slowing Down

- ▶ The number of departures from AIM appears to be slowing down.
- ▶ There have been 153 de-listings in 2010 YTD, compared with 215 in 2009 YTD, bringing the total since the start of 2008 to 705, of which 333 (47.2%) have had a market cap of less than £3m.

# Highlights at 30 September 2010 Continued

## Main Market

### Decrease in total number of companies listed

- ▶ 1,428 companies listed as at 30 September 2010, compared with 1,460 at the same time in 2009, a decrease of 32 (2.2%).
- ▶ 1,452 companies listed as at 31 December 2009, a decrease of 24 (1.6%).

### Admissions so far in 2010.

- ▶ There have been 47 in 2010 YTD, compared with 22 in 2009 YTD as follows:
  - ▶ 29 IPOs compared to 3 in 2009 YTD of which 17 have been by VCTs and general investment companies.
  - ▶ 8 Standard listed admissions (of which 2 were GDRs and 5 were outside of the UK) including 4 IPO's, 3 transfers from AIM and 1 introduction.
  - ▶ 9 introductions compared to 10 in 2009 YTD.
  - ▶ 9 transfers/re-listings compared to 9 in 2009 YTD.

### New Issues & Further fund raisings

- ▶ Total funds raised by new issues in 2010 YTD totalled £6,006m of which £1,007m relates to VCTs and general investment companies. This compares to £519m raised by new issues in 2009 YTD.
- ▶ Total funds raised by further issues in 2010 YTD totalled £10,714m compared to £57,576m in 2009 YTD (of which £27,246m related to funds raised by the banking sector).

### Total market capitalisation decreases in Q2 of 2010

- ▶ Market cap has increased £194m from £3,514bn as at 31 August 2010 to £3,708bn as at 30 September 2010. This compares to £3,351bn as at 30 September 2009, an increase of 10.7%, and up from £3,527bn as at 31 December 2009, an increase of 5.1%
- ▶ Average market capitalisation as at 30 September 2010 totalled:

	30 September 2010	30 September 2009	31 December 2009
All Companies	£2.60bn	£2.30bn	£2.43bn
Companies <£1bn	£169m	£155m	£154m
Companies <FTSE 350	£130m	£126m	£134m

### Trading Turnover

- ▶ Turnover for 2010 YTD was £1,000,793m compared to £1,114,777m in 2009 YTD.
- ▶ The number of shares traded totalled 306,841m in 2010 YTD, a decrease of 23.4% from 400,618m in 2009 YTD.



## AIM Round-up to 30 September 2010

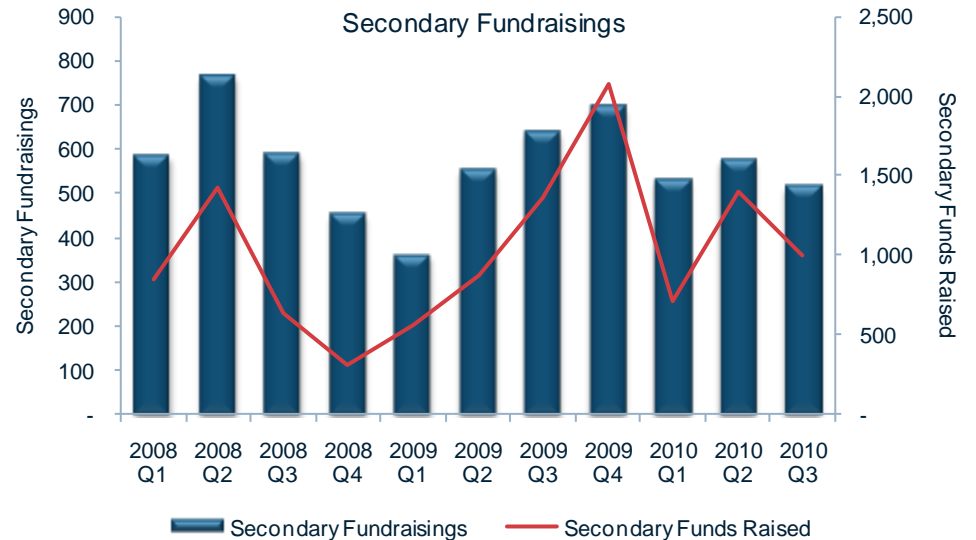
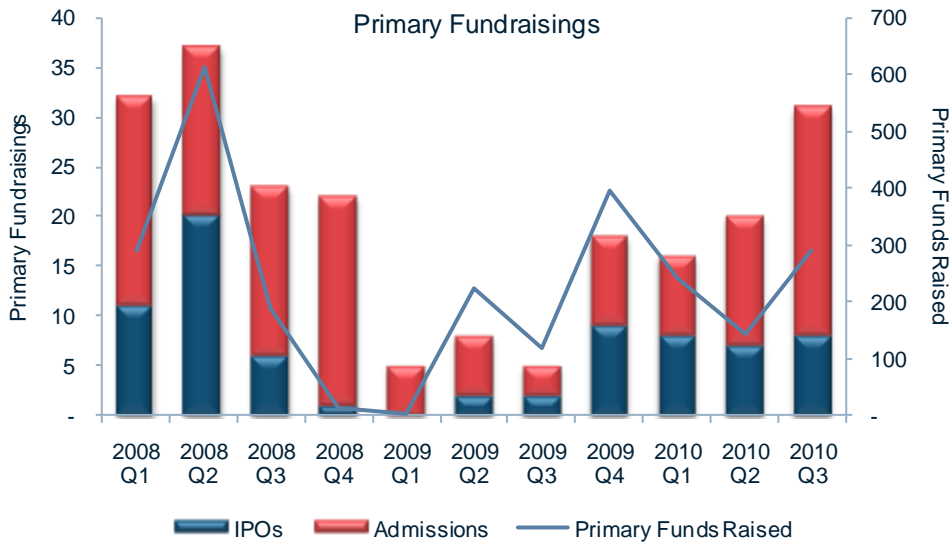
# Number of companies listed continues to decrease...

During the nine months to 30 September 2010, the total number of companies listed on AIM has fallen by a further 6.3% as a result of the number of de-listings exceeding the number of new admissions. In Q3 of 2010 the number of listed AIM companies fell to 1,211 the lowest number since June 2005.

	2008	2009	2009 YTD	2010 YTD
Total number of companies	1,550	1,293	1,353	1,204
Total market cap	£37,710m	£56,632m	£56,575m	£65,624m
Average market cap	£24m	£44m	£42m	£55m
Market cap of companies with a capitalisation below £250m	£32,833m	£37,733m	£38,980m	£37,298m
Average market cap of companies with capitalisations below £250m	£21m	£30m	£30m	£33m
Market cap of companies with a capitalisation above £250m	£4,877m	£18,899m	£17,595m	£28,325m
Average market cap of companies with capitalisations above £250m	£406m	£411m	£409m	£488m
Total number of admissions	115	36	18	67
Consisting of:				
Number of New Issues -Introductions	24	2	1	10
Number of New Issues - IPOs	38	13	4	23
Number of New Issues- Readmissions /Transfers (net)	53	21	13	34
Total new funds raised on admission	£1,108m	£740m	£343m	£678m
of which raised by IPOs	£917m	£610m	£256m	£521m
Average funds raised by IPOs	£24m	£47m	£64m	£23m
Number of further issues *	595	762	534	478
Total funds raised by further issues *	£3,204m	£4,861m	£2,791m	£3,106m
Average money raised by further issues *	£5m	£6m	£5m	£6m
Total funds raised	£4,312m	£5,601m	£3,134m	£3,784m

# Fundraising levels improving

Primary fundraisings have been improving. There have been 23 IPOs, 34 readmissions and 10 introductions in first nine months of 2010 raising £678m. There were only 4 IPO's, 13 readmissions and 1 introduction in the first nine months of 2009, raising £343m. Secondary fund raisings have remained relatively healthy at £3,106m for the first nine months of 2010 compared with £2,791m in the first nine months of 2009.



Source: Underlying data – London Stock Exchange

# First nine months of 2010

IPO's					
Date	Company	Broker	Money Raised £m	Market Value £m	
12/02/2010	OXFORD NUTRASCIENCE GROUP PLC	ZAI Corporate Finance Limited	1.10	8.12	
15/02/2010	KEA PETROLEUM PLC	RBC Capital Markets	6.00	36.77	
24/02/2010	SCOTGOLD RESOURCES LTD	Westhouse Securities LLP	0.70	5.40	
26/02/2010	EQUATORIAL PALM OIL PLC	Shore Capital & Corporate Limi	6.55	14.25	
04/03/2010	DIGITAL BARRIERS LTD	Investec Bank (UK) Limited	20.00	24.78	
09/03/2010	SHERBORNE INVESTORS(GUERNSEY) A LTD	RBS Hoare Govett Limited	105.00	105.00	
22/03/2010	CSF GROUP PLC	Cenkos Securities Limited	28.00	88.00	
29/03/2010	EMIS GROUP PLC	Evolution Securities Limited	50.00	137.08	
01/04/2010	BELLZONE MINING PLC	Canaccord Adams Limited	33.60	184.49	
01/04/2010	METMINCO LIMITED	Daniel Stewart & Company plc	9.34	44.35	
09/04/2010	Q RESOURCES PLC	Fairfax I.S. Limited	3.28	3.28	
12/04/2010	SQUARESTONE BRASIL LTD	Liberum Capital Limited	28.26	39.50	
09/06/2010	NORTHWEST INVESTMENT GROUP LTD	ZAI Corporate Finance Limited	3.00	3.33	
10/06/2010	NCONDEZI COAL CO LTD	Liberum Capital Limited	35.62	146.56	
30/06/2010	EASYDATE PLC	Cenkos Securities Limited	15.00	41.03	
28/07/2010	DP POLAND PLC	Seymour Pierce Limited	6.50	9.89	
29/07/2010	ARGOS RESOURCES LTD	Evolution Securities Limited	22.00	67.00	
03/08/2010	SURETRACK MONITORING PLC	Merchant Securities Limited	1.42	3.97	
19/08/2010	MASAWARA PLC	Cenkos Securities Limited	15.48	49.68	
20/08/2010	NBNK INVESTMENTS PLC	Cenkos Securities Limited	50.00	50.05	
14/09/2010	IENERGIZER LTD	Arden Partners	37.04	174.01	
17/09/2010	XCAP SECURITIES PLC	XCAP SECURITIES	5.00	17.45	
30/09/2010	CENTRAL ASIA METALS PLC	Mirabaud Securities	38.15	85.30	

Source: Underlying data – London Stock Exchange

# First nine months of 2010

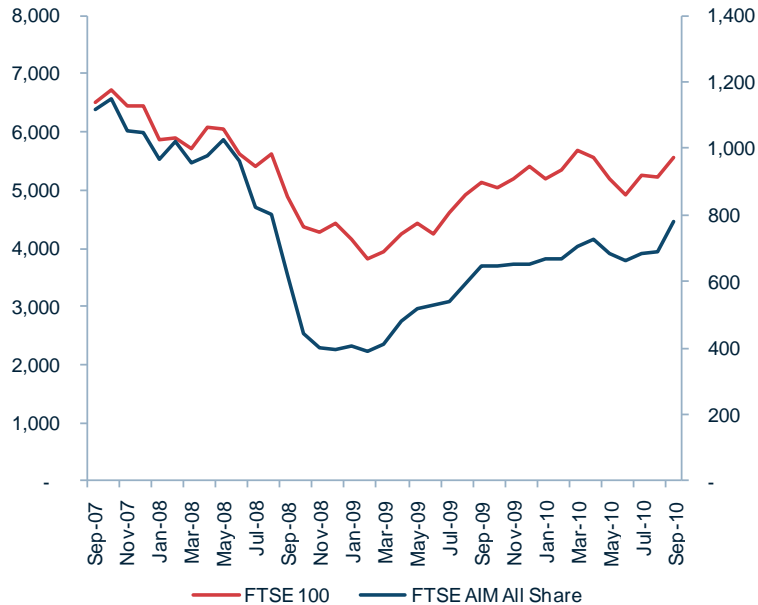
## Top Ten Further Issues

Date	Company	Sector	Money Raised £m
14/05/2010	PLATMIN LIMITED	Platinum & Precious Metals	171.98
18/06/2010	AFRICAN MINERALS LTD	General Mining	167.90
28/05/2010	GULF KEYSTONE PETROLEUM	Exploration & Production	114.23
28/07/2010	ITHACA ENERGY INC	Exploration & Production	97.24
07/01/2010	AVANTI COMMUNICATIONS GROUP PLC	Mobile Telecommunications	89.00
23/04/2010	SABLE MINING AFRICA LTD	Alternative Fuels	83.92
23/04/2010	PETROCELTIC INTERNATIONAL	Exploration & Production	81.00
11/02/2010	AFRICAN MINERALS LTD	General Mining	80.00
29/07/2010	AVANTI COMMUNICATIONS GROUP PLC	Mobile Telecommunications	70.00
28/04/2010	FAROE PETROLEUM PLC	Exploration & Production	69.82

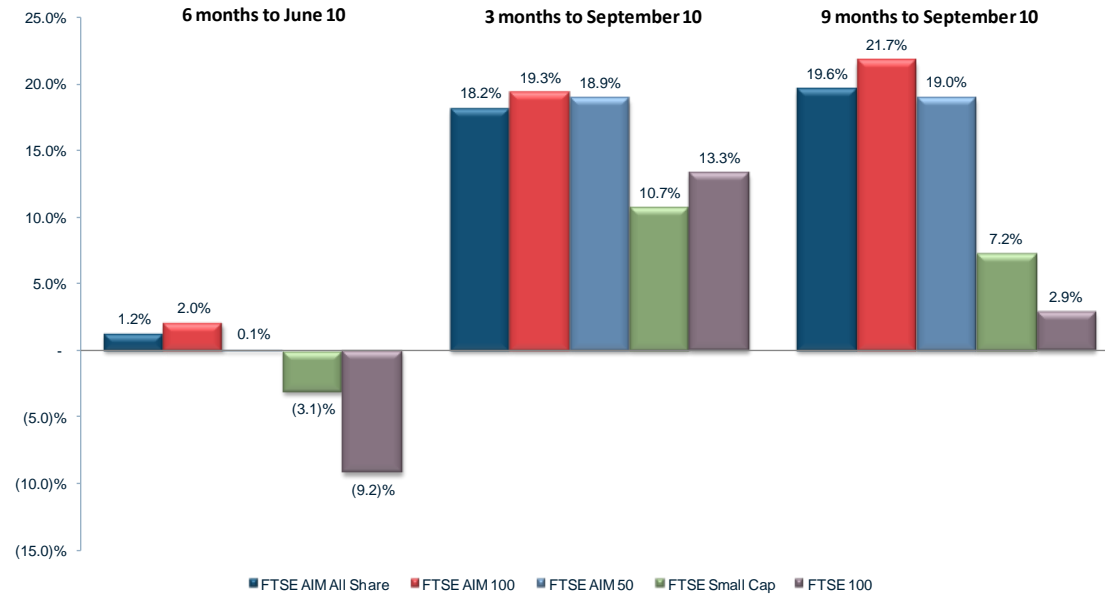
# Indices rebound in Q3 of 2010

AIM All Share has increased by 18.2% in Q3 2010 and the FTSE increased by 13.3% over the same period. The poor performance in Q2 has been eroded by the improvements seen in Q3 of 2010 building further on the gains made in Q1. Since 31 December the AIM All Share has outperformed the FTSE and increased by 19.6% whereas the FTSE 100 has only increased by 2.9%.

## Indices since September 2007



## Indices performance

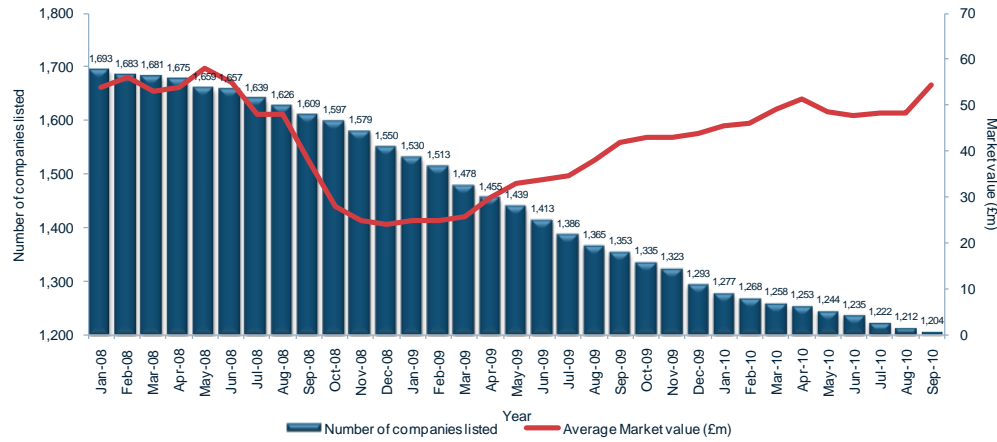


Source: Underlying data – London Stock Exchange

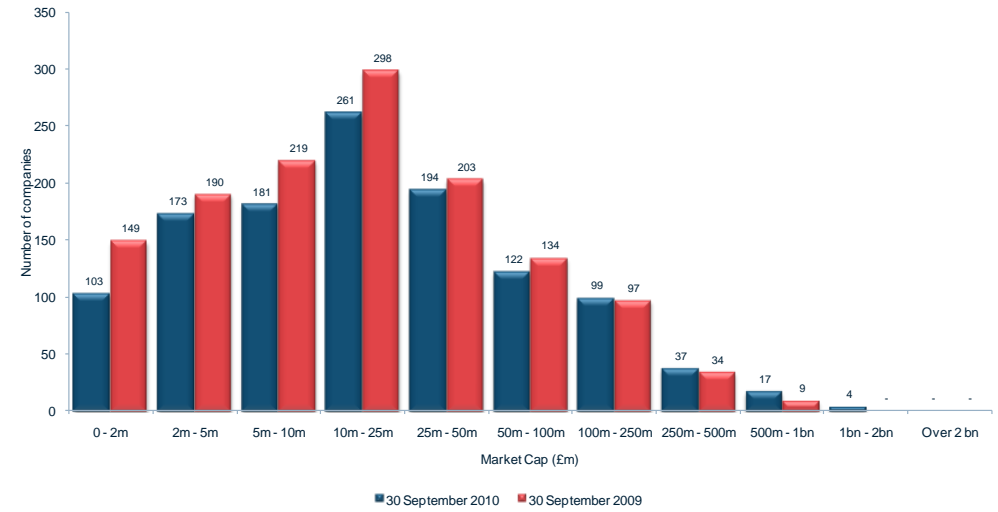
# Market capitalisation

Market capitalisation rebounded between Q2 and Q3 of 2010 increasing by 11.4%, from £58.9bn at 30 June 2010 to £65.6bn as at 30 September 2010. This compares to £56.6bn (an increase of 16%) as at 30 September 2009 and up from £56.6bn as at 31 December 2009, an increase of 16%. As at 30 September 2010 there were 276 companies with a market capitalisation under £5m, 457 companies with a market capitalisation of under £10m and 718 companies (representing 59.3%) with a market capitalisation below £25m (this excludes suspended securities).

## Average market cap since January 2008



## Market cap – 12 month comparison

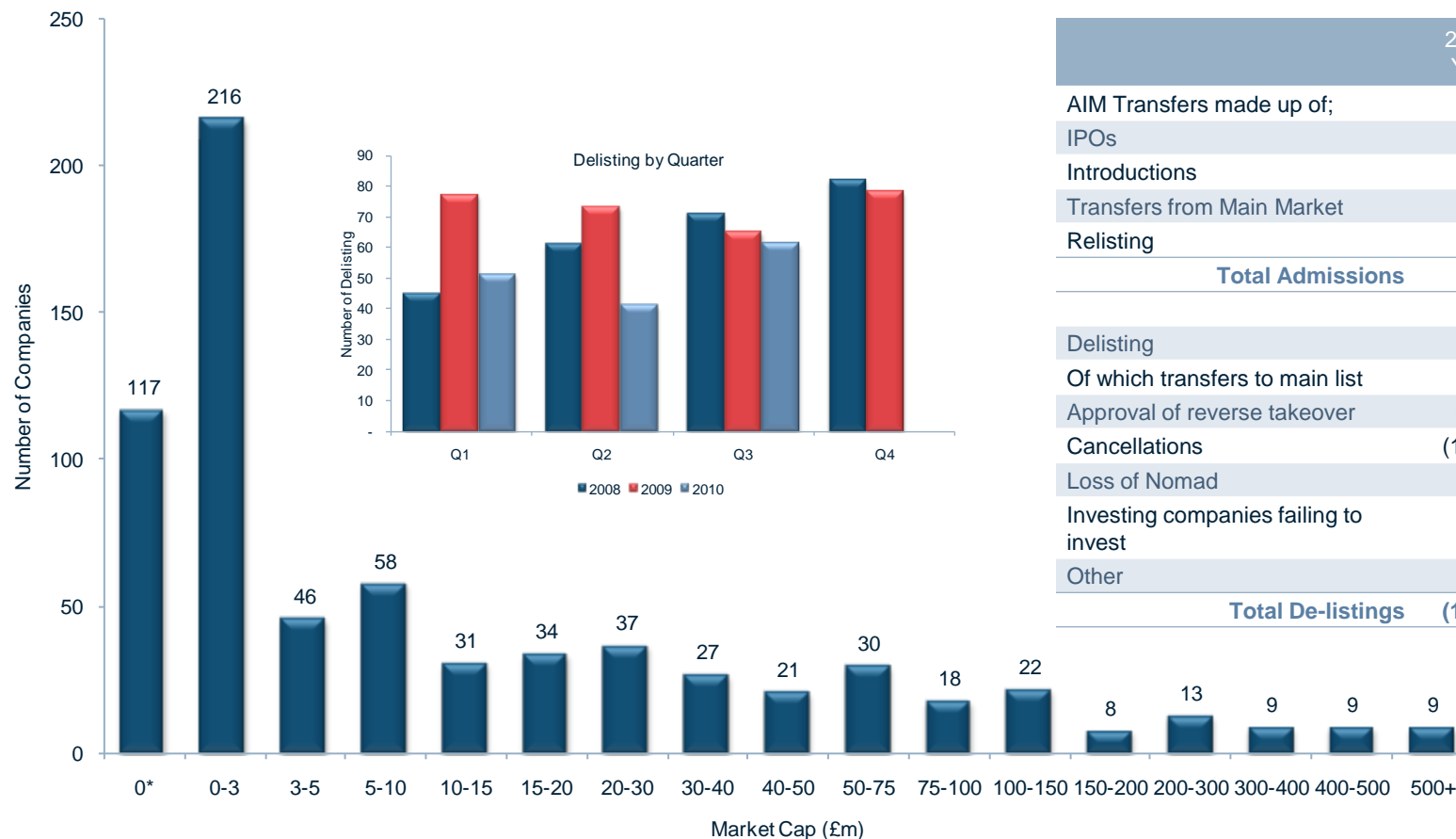


# Top 10 companies by market capitalisation at 30 September 2010

Company	Business sub-sector	Market Capitalisation £m
EUROPEAN GOLDFIELDS	Gold Mining	1,191.85
BANKERS PETROLEUM LTD	Exploration & Production	1,170.96
AFRICAN MINERALS LTD	General Mining	1,076.67
PLAYTECH LTD	Software	1,019.70
SONGBIRD ESTATES	Real Estate Holding & Development	989.86
GULF KEYSTONE PETROLEUM	Exploration & Production	946.70
ROCKHOPPER EXPLORATION	Exploration & Production	893.22
ASOS	Apparel Retailers	856.74
ALLIANCE PHARMA	Pharmaceuticals	832.64
INDUS GAS LTD	Exploration & Production	827.69

# De-listings declining

Since the start of 2008, there have been 705 de-listings, of which 333 (49%) have had a market cap under £3m.



	2010 YTD	2009 YTD	2009	2008
AIM Transfers made up of;				
IPOs	23	4	13	38
Introductions	10	1	2	24
Transfers from Main Market	6	1	3	8
Relisting	28	12	18	42
<b>Total Admissions</b>	<b>67</b>	<b>18</b>	<b>36</b>	<b>112</b>
Delisting				
Of which transfers to main list	(8)	(7)	(9)	(12)
Approval of reverse takeover	(26)	(11)	(17)	(38)
Cancellations	(107)	(143)	(198)	(156)
Loss of Nomad	(9)	(50)	(60)	(47)
Investing companies failing to invest	-	-	-	-
Other	(3)	(4)	(9)	(6)
<b>Total De-listings</b>	<b>(153)</b>	<b>(215)</b>	<b>(293)</b>	<b>(259)</b>

\*Those with a market cap £0m are most likely suspended securities



# AIM Round-up to 30 September 2010

International and domestic statistics

# Proportion of foreign companies remains constant

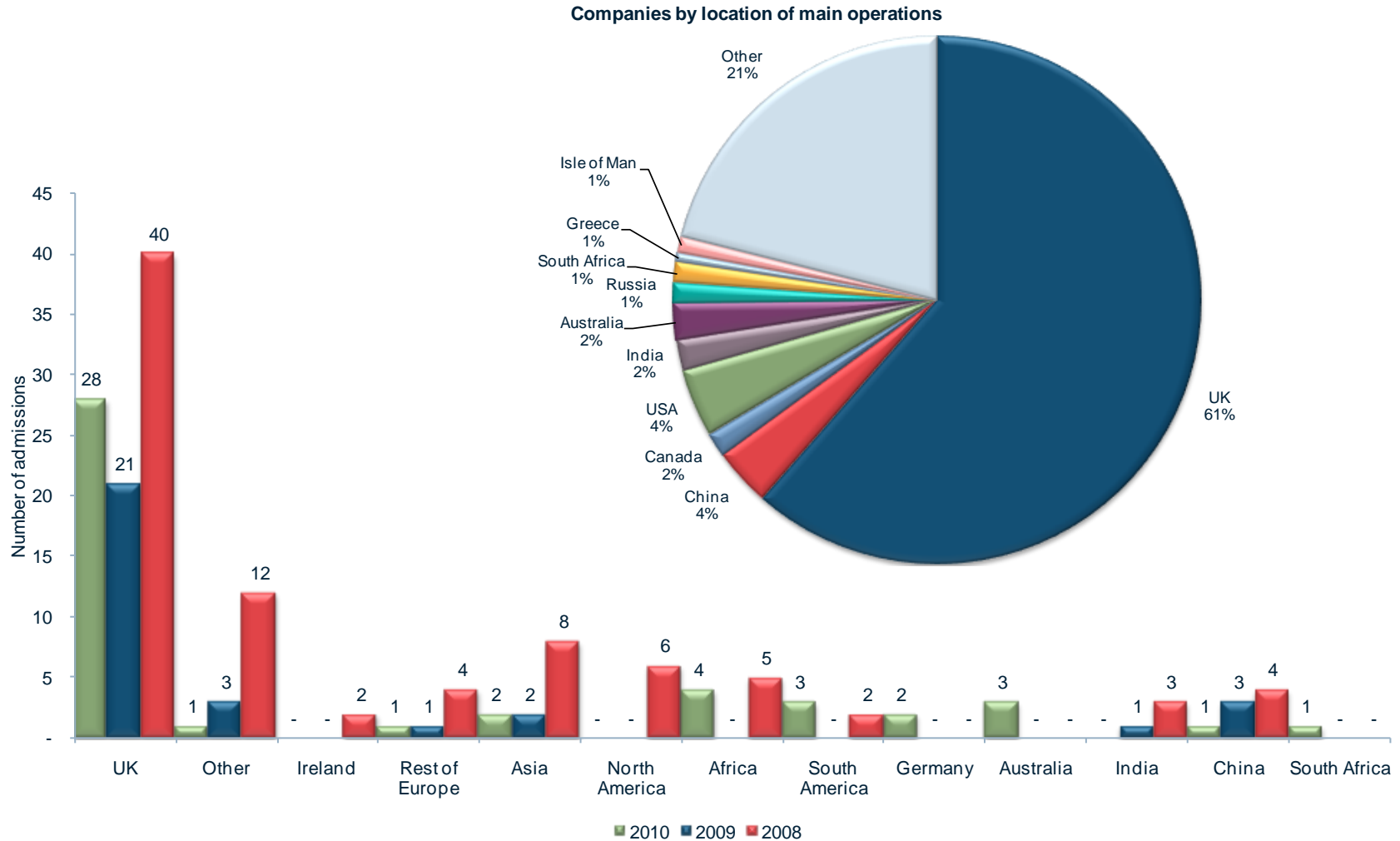
The number of foreign companies has decreased by 6.6% from 31 December 2009, although the proportion of foreign companies on AIM has remained at a constant 19% based on place of incorporation of the listed vehicle. There have been 5 overseas admissions in the first nine months of 2010.

	2008	2009	2009 YTD	2010 YTD
Total number of companies	1,550	1,293	1,353	1,204
Number of foreign companies *	317	241	259	223
Total number of new companies (exc transfers + readmissions)	62	15	5	33
of which were IPOs	38	13	4	23
Number of foreign IPOs *	14	4	-	5
Number of foreign introductions*	9	2	1	3
Total number of foreign new issues*	23	6	1	8
Total funds raised by IPOs	£917m	£610m	256	£521m
Total funds raised by foreign IPOs*	£365m	£19m	-	£71m
Average funds raised by IPOs	£24m	£47m	£64m	£23m
Average funds raised by foreign IPOs*	£26m	£5m	-	£14m

\*Foreign companies based on domicile of listed company and comprise those not registered un the UK, Channel Islands or the Isle of Man – Gee page 15 for analysis by country of operation

# Foreign companies by location of main operations

Aim continues to be diversified geographically with 39% of operations based overseas and increasing number of admissions outside of the UK





# Main Market Round-up to 30 September 2010

# Number of companies listed continues to decrease...

The total number of companies listed on the Main Market has continued to decrease as a result of the number of de-listings exceeding the number of new admissions. As at 30 September 2010 there were 1,435 Main Market companies, a decrease of 1.7% from 1,460 as at 30 September 2009.

	2008	2009	2009 YTD	2010 YTD
Total number of companies	1,500	1,452	1,460	1,428
Total market cap	£2,897bn	£3,527bn	£3,351bn	£3,708bn
Average market cap	£1.93bn	£2.43bn	£2.30bn	£2.60bn
Market cap of companies with a capitalisation below £1bn	£176bn	£180bn	£185bn	£193bn
Average market cap of companies with capitalisations below £1bn	£132m	£154m	£155m	£169m
Market cap of companies with a capitalisation above £1bn	£2,721bn	£3,347bn	£3,166bn	£3,516bn
Average market cap of companies with capitalisations above £1bn	£12.30bn	£12.00bn	£11.56bn	£12.16bn
Total number of admissions	66	34	22	47
Consisting of:				
Number of New Issues -Introductions	12	13	10	9
Number of New Issues - IPOs	32	7	3	29
Number of New Issues- Readmissions /Transfers (net)	22	14	9	9
Total new funds raised on admission	£6,050m	£693m	£519m	£6,006m
of which raised by IPOs	£6,050m	£590m	£416m	£6,006m
Average funds raised by IPOs	£189m	£84m	£139m	£207m
Number of further issues *	291	296	253	208
Total funds raised by further issues *	£60,438m	£73,805m	£57,576m	£10,714m
Average money raised by further issues *	£208m	£249m	£228m	£52m
Total funds raised	£66,487m	£74,498m	£58,095m	£16,719m

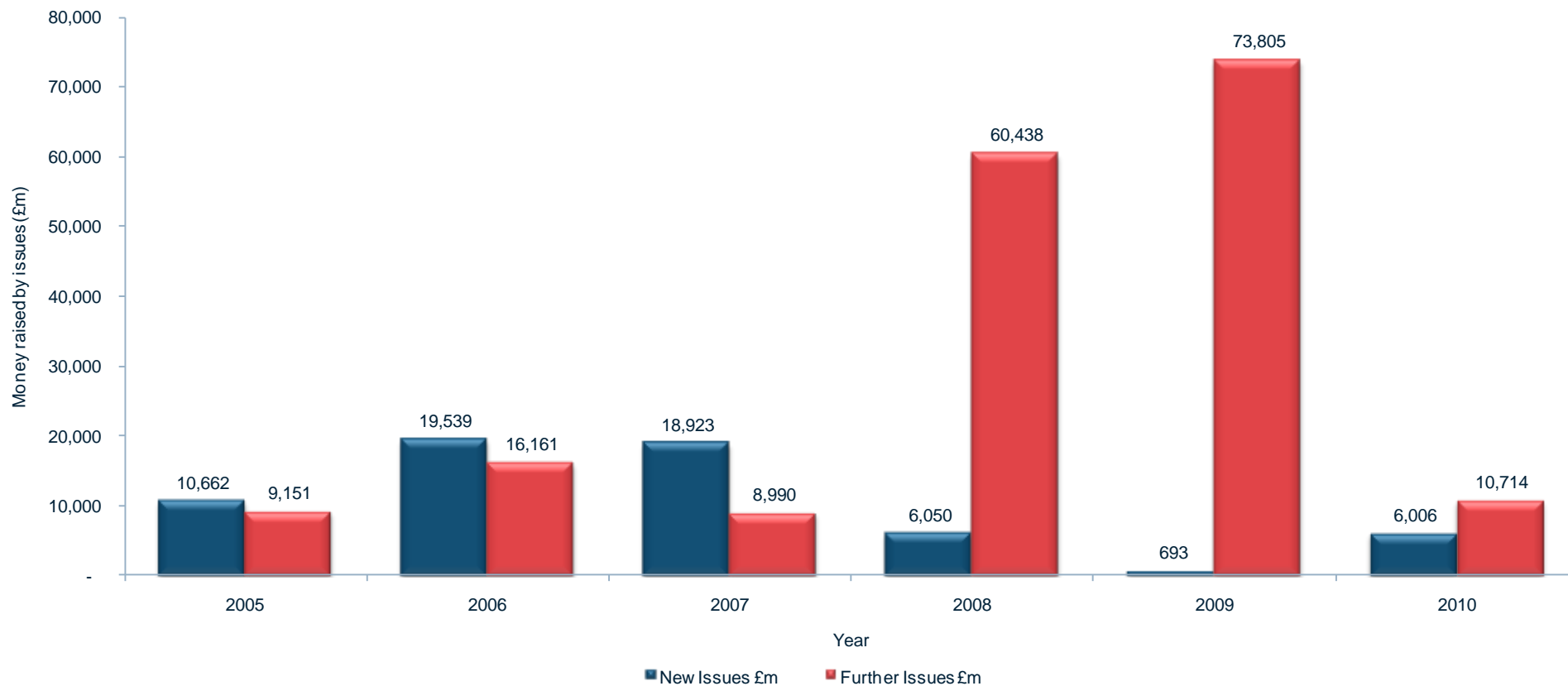
Source: Underlying data – London Stock Exchange

\* Excludes non-money raising issues

# Fundraising levels improving

There have been 29 IPOs in the first nine months of 2010 raising £6,006m, only 4 of which have been standard listing. This compares to a total of 7 IPOs in the whole of 2009 raising just £590m. Of the 29 IPOs 17 have been by VCTs of general investment companies raising £1,007m.

Secondary fund raising of £10,715m, in the first nine months of 2010, are significantly down in comparison to the same period in 2009 in which £57,576m was raised (of which £27,246m related to funds raised by the banking sector).



Source: Underlying data – London Stock Exchange

# First quarter of 2010

## IPO's

Date	Company	Sector	Market Value	Money raised
07/05/2010	ESSAR ENERGY PLC	Oil & Gas Producers	5,472.73	1,271.72
26/07/2010	OCADO GROUP PLC	Food & Drug Retailers	995.73	995.73
14/07/2010	VALLAR PLC	General Financial	687.18	687.18
24/03/2010	AFRICAN BARRICK GOLD LTD	Mining	2,324.89	581.22
19/04/2010	FIDELITY CHINA SPECIAL SITUATIONS	Equity Investment Instruments	460.00	460.00
09/02/2010	HORIZON ACQUISITION CO PLC	General Financial	400.05	400.05
21/06/2010	JUPITER FUND MANAGEMENT PLC	General Financial	755.20	253.76
29/07/2010	JPMORGAN GBL EMERG MKTS INC TST PLC	Company Bonds	200.00	200.00
24/03/2010	PROMETHEAN WORLD PLC	Technology Hardware & Equipment	400.00	185.75
24/03/2010	METRIC PROPERTY INVESTMENTS PLC	General Retailers	175.00	175.00

## Top ten Companies by market capitalisation at 30 September 2010

Company	Business sub-sector	Market Capitalisation £m
BANK OF AMERICA CORP	Banks	126,749
ROYAL DUTCH SHELL	Integrated Oil & Gas	118,420
HSBC HLDGS	Banks	112,258
TOTAL S.A	Integrated Oil & Gas	99,744
GENERAL ELECTRIC CO.	Diversified Industrials	98,393
JPMORGAN CHASE & CO	Banks	96,483
TOYOTA MOTOR CORP	Automobiles	86,206
VODAFONE GROUP	Mobile Telecommunications	82,499
BP	Integrated Oil & Gas	80,609
GAZPROM OAO	Integrated Oil & Gas	79,065

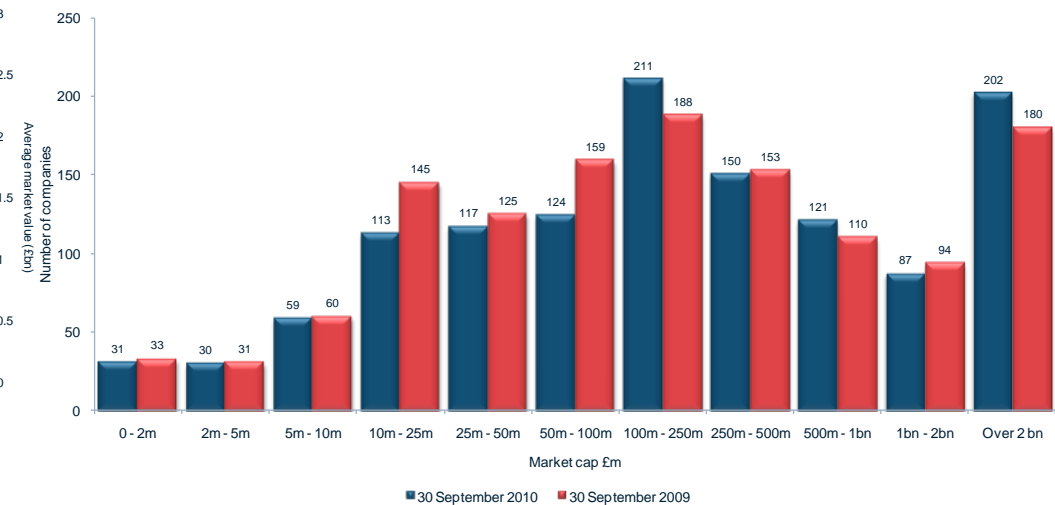
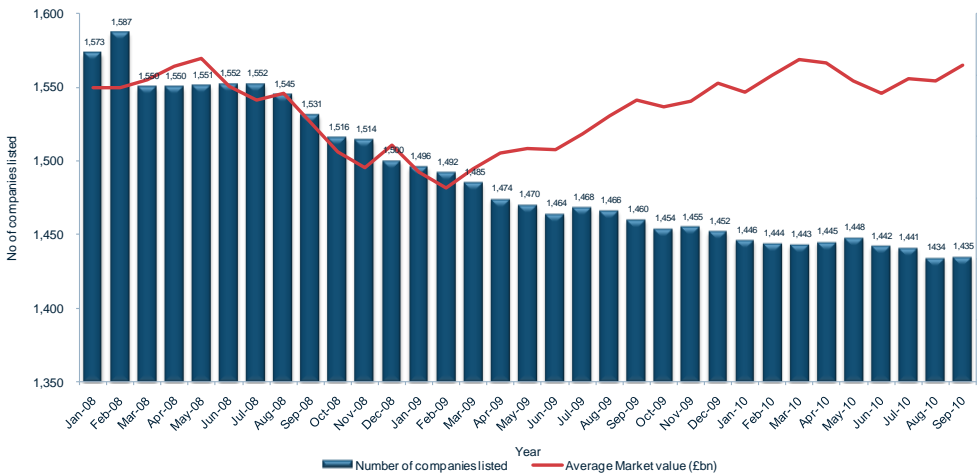
Source: Underlying data – London Stock Exchange

# Market capitalisation

Market cap between Q2 and Q3 of 2010 increased by 9.5%, from £3,386bn at 30 June 2010 to £3,708bn as at 30 September 2010. Although this compares to £3,350bn (an increase of 10.6%) as at 30 September 2009 and £3,527bn as at 31 December 2009, a increase of 5.1%.

## Average market cap since January 2008

## Companies by market capitalisation



Source: Underlying data – London Stock Exchange

# About Baker Tilly

Baker Tilly is acknowledged as a market leader acting for AIM companies as auditors and/or reporting accountants. It has recognised specialists in the legislation relating to the tax benefits that can be applicable to AIM companies and investors. We also act for over 100 Main Market companies.

Baker Tilly, who is represented on the AIM Advisory Group of the London Stock Exchange, has been voted AIM Accountant of the Year in the Growth Company Awards four times.

Baker Tilly is a leading independent firm of accountants and business advisers that specialises in providing an integrated range of services. We provide our growing and established business clients with audit, accountancy, personal and corporate taxation, VAT, management consultancy, corporate finance, IT advisory, restructuring and recovery and forensic services. The firm has national coverage through its network of offices and is represented internationally through its independent membership of Baker Tilly International.

2010 Baker Tilly UK Group LLP, all rights reserved.

Whilst every effort has been made to ensure the accuracy of these notes, the information contained in them cannot, by its nature, be comprehensive. No action should therefore be taken without first seeking specific professional advice.

Baker Tilly UK Audit LLP, Baker Tilly Tax and Advisory Services LLP, Baker Tilly Corporate Finance LLP, Baker Tilly Restructuring and Recovery LLP and Baker Tilly Tax and Accounting Limited are not authorised under the Financial Services and Markets Act 2000 but we are able in certain circumstances to offer a limited range of investment services because we are members of the Institute of Chartered Accountants in England and Wales. We can provide these investment services if they are an incidental part of the professional services we have been engaged to provide. Baker Tilly & Co Limited is authorised and regulated by the Financial Services Authority to conduct a range of investment business activities.