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### **CONNECT 4 - 2008 – IPO Survey**

The world wide economic down turn hit home hard in Australia's IPO's market with a dramatic 80% fall in new listings from the previous record year.

There were 47 Initial Public Offerings announced in 2008 which sought to raise \$2.37B. This contrasts with 277 IPO's announced in 2007 which sought to raise \$11.19B.

The second half of the year crawled to a stand still with only 11 new listings announced after the 30<sup>th</sup> of June. A further 14 offerings were announced but subsequently withdrawn from the market.

Despite the resources boom coming to an end, Mining and Energy floats continued to dominate the proposed new listings with over half - 32 in total - of all new listings coming from these two sectors. This is still well down on last years total of 127 new floats in the mining industry.

The composition of new listings in 2008 continued to be skewed to the lower end of the market. A total of 35 proposed new listings - 70% - sought to raise \$10M or less.

The smaller IPO's also continued to favour the second tier advisory firms.

Accounting firm Grant Thornton were the leading Accounting Advisors with 7 IPO's to their credit. They were followed by HLB Mann Judd (5) and PKF & Stanton Partners with 4 new floats respectively.

Two out of the top 4 Accounting firms - Deloitte and KPMG - were represented as advisors 5 of the top 10 IPO's for the year.

The continued capital raisings for small mining companies assisted Perth based legal firm Steinpreis Paganin to claim top spot for the third year in a row with 11 new listings. They were followed by Hopgood Ganim (4 new floats) and DLA Phillips Fox with 3.

The following pages describe the IPO activity in Australia in 2008.

### **Legal Advisors – Steinepreis Paganin – Top Advisor**

For the third year in a row Perth based firm Steinepreis Paganin were the leading IPO legal advisors. They finished the year with 11 new listings which sought to raise \$57.40M. In a lean year, those 11 new listings accounted for nearly a quarter of all the new IPO's in 2008.

Hopgood Ganim finished second with 4 new listings seeking to raise \$77.50M.

DLA Phillips Fox was third with 3 IPOs which had a combined total of \$1,233.01M.

### **Accounting Advisors - Grant Thornton - Top Advisor**

In a year which saw the Top 4 Accounting Firms restricted to only the largest new listings, Grant Thornton finished with 7 floats which sought to raise \$52.00M.

They were followed by HLB Mann Judd with 5 and PKF & Stanton Partners with 4 new listings respectively.

The lack of new listings in 2008 reduced the available data and subsequent analysis associated with advisor activity. Consequently, Connect 4 has chosen to analyse the top 3 Accounting and Legal Advisors.

## 2008 IPO Summary

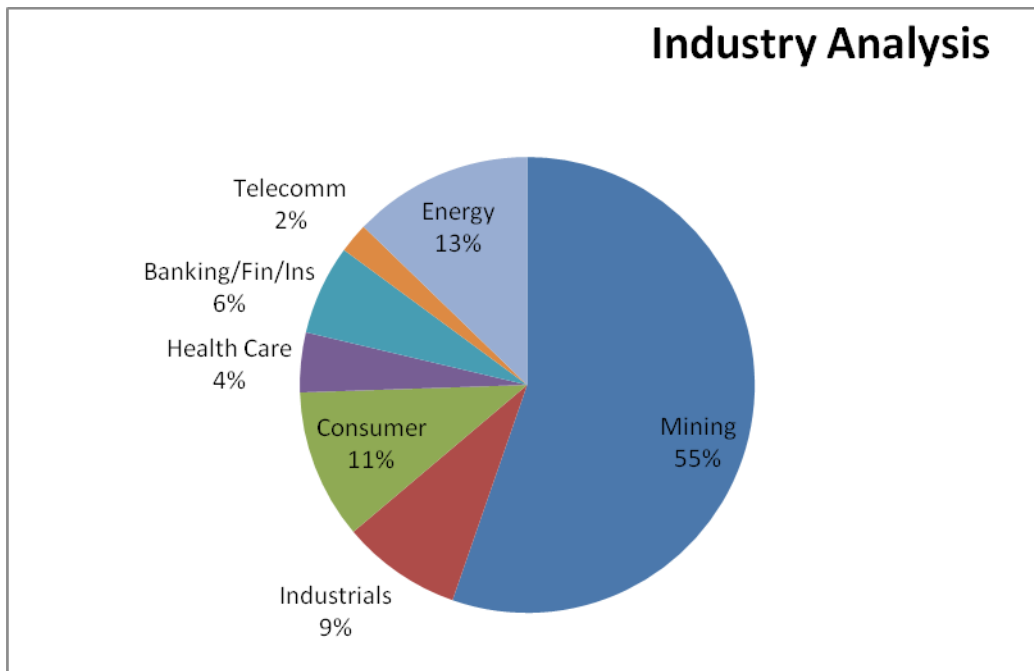
The following analysis provides an overview of IPO's which have been announced to the market in 2008.

CONNECT 4 tracks IPO activity according to the "Date of Application" in the ASX daily schedule. The number of new listings reflects IPO's which have applied for listing up to the 31<sup>st</sup> of December 2008. Listings which have been withdrawn from the market are not included.

The following tables and graphs illustrate these results.

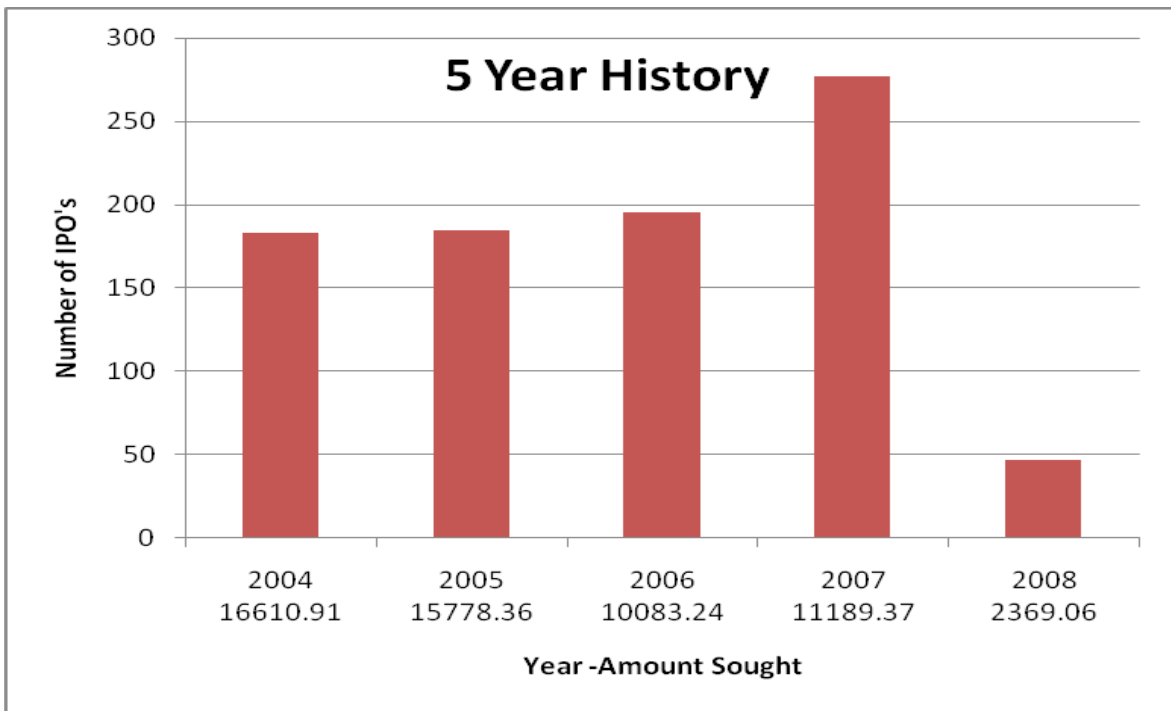
### Total IPO Market

Industry	Number	Amount Sought - \$M
Mining	26	285.30
Industrials	4	1292.26
Consumer	5	40.00
Health Care	2	15.00
Banking/Finance/Insurance	3	665.20
Telecommunications	1	4.50
Energy	6	108.50
<b>Total</b>	<b>47</b>	<b>2369.06</b>



**The TOP 10 IPO's For The Year 2008**

	<b>Company Name</b>	<b>Industry</b>	<b>Legal Adviser</b>	<b>Acct Adviser</b>	<b>Amt</b>
1	BrisConnections Unit Trusts	Industrials	Corrs / DLA Phillips Fox	Deloitte	1,226.01
2	Macquarie CPS Trust	Banking/Fin/ Insurance	Mallesons Stephen Jaques	KPMG	600.00
3	Ivanhoe Australia Ltd	Metals/Mining	Minter Ellison/ Greenwich	KPMG	125.00
4	Runge Ltd	Industrials	Dibbs Abbott Stillman	KPMG	50.25
5	Waratah Coal Inc	Energy	Hopgood Ganim	N/A	49.50
6	Credit Suisse GP100 – Australia Trust	Banking/Fin/ Insurance	Malleson Stephen Jaques	N/A	25.00
	Treyo Leisure & Entertainment Ltd	Industrials	Deacons	Grant Thornton	25.00
7	Coal Works Limited	Energy	Sparke Helmore	Nexia Court & Co	20.00
8	Caledon Resources Ltd	Metals/Mining	Blake Dawson	BDO	15.04
9	APAC Coal Limited	Energy	Steinepreis Paganin	Deloitte	15.00
	Queensland Mining Corporation Ltd	Metals/Mining	Gaye Associates	PKF	15.00
	Cape Aluminum Ltd	Metals/Mining	Hopgood Ganim	BDO	15.00
10	Southern Cross Goldfields Ltd	Metals/Mining	Blakiston & Crabb	Stanton Partners	10.00



**ACCOUNTING ADVISERS**

**Top 3 Accounting Firms**

		<b>No. of Floats</b>	<b>Total Amount Sought - \$M</b>
1	Grant Thornton	7	52.00
2	HLB Mann Judd	5	30.40
3	PKF	4	37.50
	Stanton Partners	4	22.40

**TOP 3 Accounting Firms Industry Summary**

<b>Industry</b>	<b>Grant Thornton</b>		<b>HLB Mann Judd</b>		<b>PKF</b>		<b>Stanton Partners</b>	
	<b>No.</b>	<b>Amt Sought</b>	<b>No.</b>	<b>Amt Sought</b>	<b>No.</b>	<b>Amt Sought</b>	<b>No.</b>	<b>Amt Sought</b>
Mining	3	12.00	3	12.40	2	25.00	3	12.40
Industrials	1	25.00	1	8.00	1	8.00	-	-
Consumer/Disc	-	-	-	-	-	-	-	-
Health Care	1	5.00	1	10.00	-	-	-	-
Banking/Finance/Ins	1	5.00	-	-	-	-	-	-
Info Tech / Telecom	-	-	-	-	1	4.50	-	-
Energy	1	5.00	-	-	-	-	1	10.00
<b>Total</b>	<b>7</b>	<b>52.00</b>	<b>5</b>	<b>30.40</b>	<b>4</b>	<b>37.50</b>	<b>4</b>	<b>22.40</b>

## LEGAL ADVISERS

### Top 3 Legal Firms

		No. of Floats	Total Amount Sought - \$M
1	Steinepreis Paganin	11	57.40
2	Hopgood Ganin	4	77.50
2	DLA Phillips Fox	3	1,233.01

### Top 3 Legal Firms Industry Summary

Industry	Steinepreis Paganin		Hopgood Ganin		DLA Phillips Fox	
	No.	Amt Sought	No.	Amt Sought	No.	Amt Sought
Mining	7	23.40	3	28.00	2	7.00
Industrials	1	8.00	-	-	1	1226.01
Consumer/Disc	1	6.00	-	-	-	-
Health Care			-	-	-	-
Banking/Finance/Ins	1	5.00	-	-	-	-
Info Tech / Telecom			-	-	-	-
Energy	1	15.00	1	49.50	-	-
<b>Total</b>	<b>11</b>	<b>57.40</b>	<b>4</b>	<b>77.50</b>	<b>3</b>	<b>1233.01</b>