Listing on the Stock Exchange

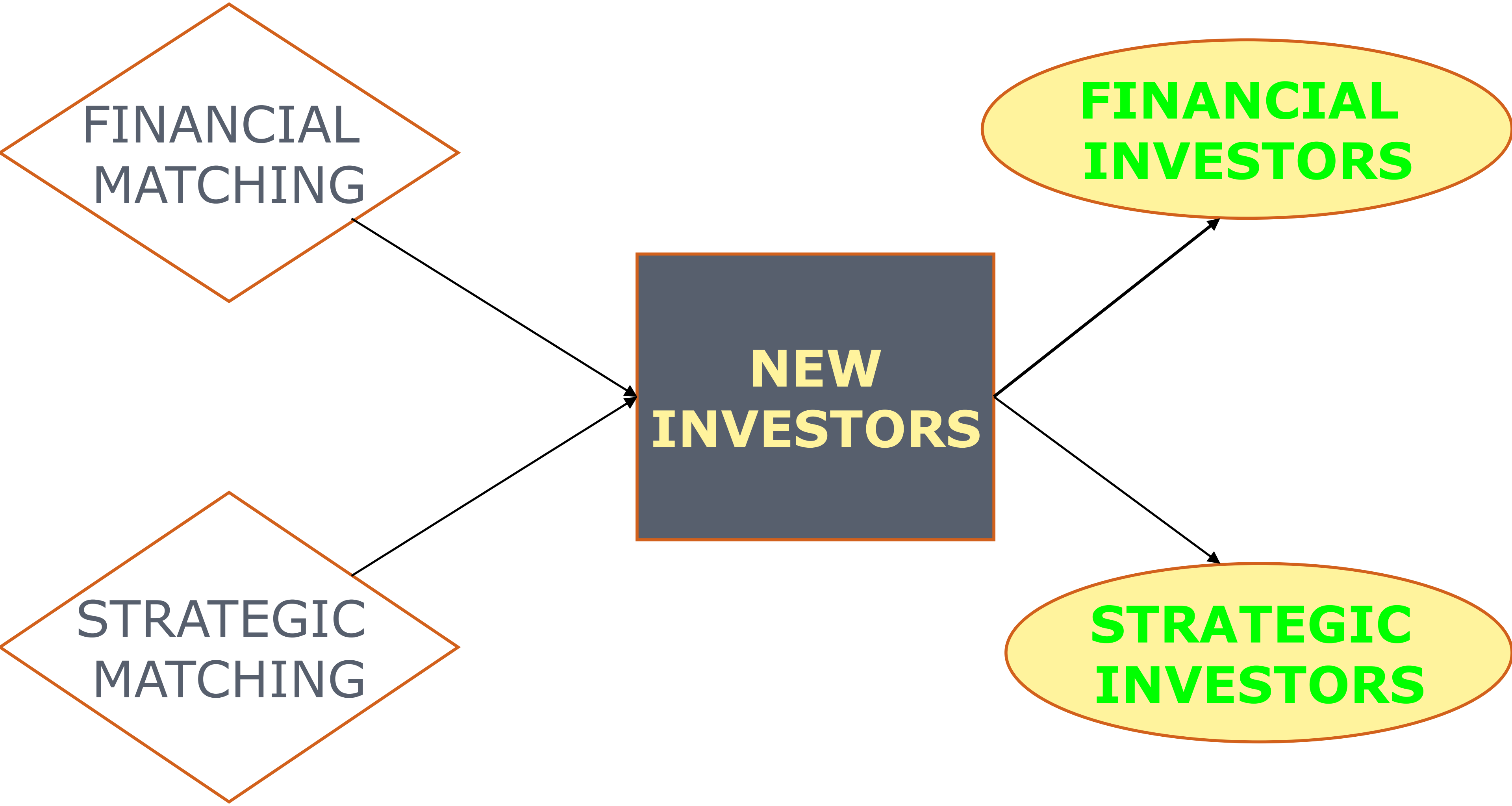
Dr. Nick Demos

October 20, 2010

Issuer's Dilemma

Pre IPO-Indicators

Indicator 1: Matching with New Investors



Where Financial-Strategic-Private-Retail Investors Are?

Indicator 2: Institutional Investors

Financial Characteristics

- **Liquidity**
- **Market Capitalization**
- **3-year Revenue and EPS Growth**
- **Consensus Earnings Estimate**
- **Net Profit margin**
- **P/E Ratio**
- **Price to Book Ratio**

Non Financial Characteristics

- **Quality of Management***
- **Quality of Products and Services**
- **Level of Customer Satisfaction**
- **Strength of Corporate Culture**
- **Quality of Investor Communications**
- **Effectiveness of Compensation Policies**

Buying Shares

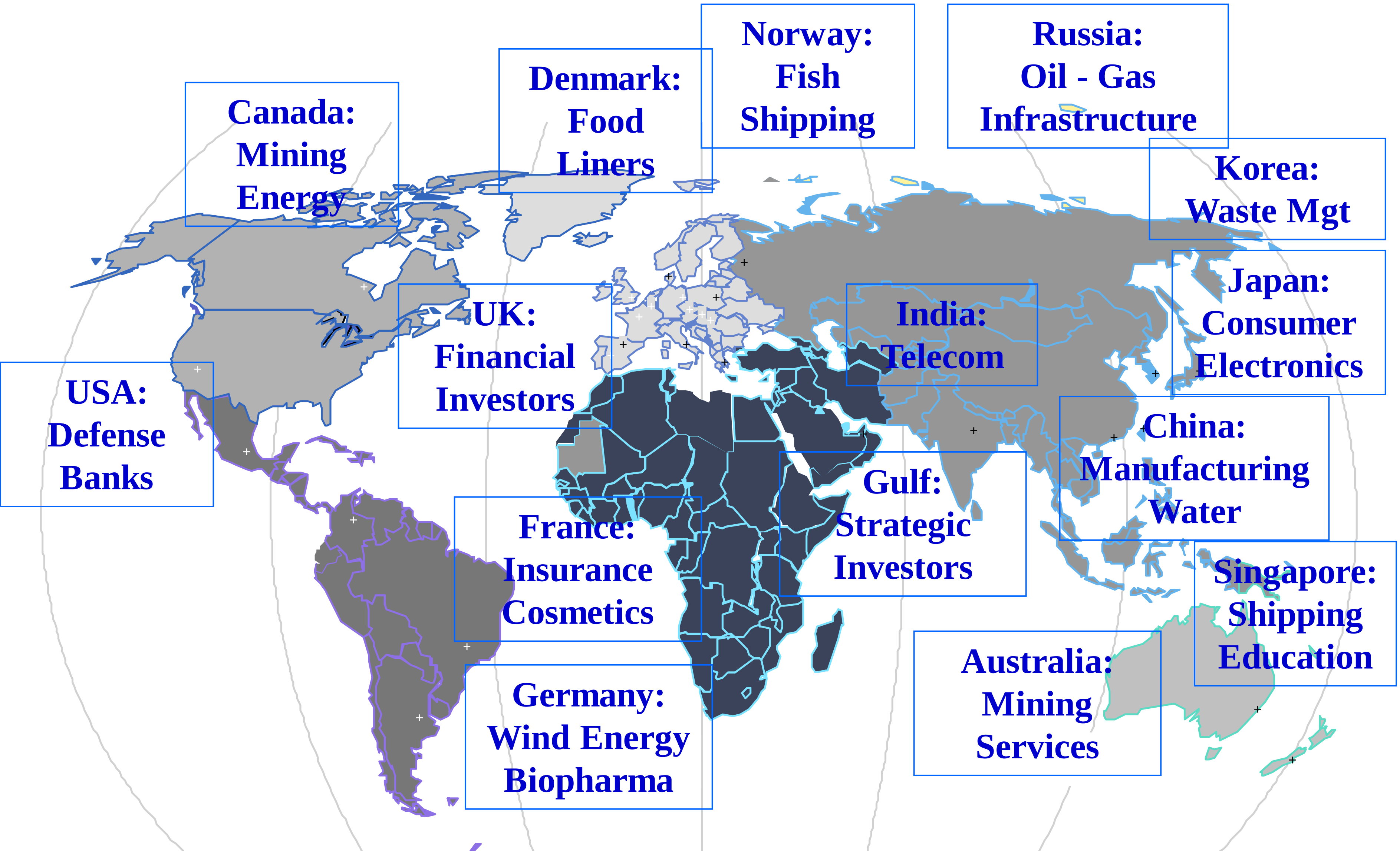
*"THE MANAGEMENT IS BRILLIANT"

Francesco Conte, Portfolio Manager, JP Morgan Chase Fleming

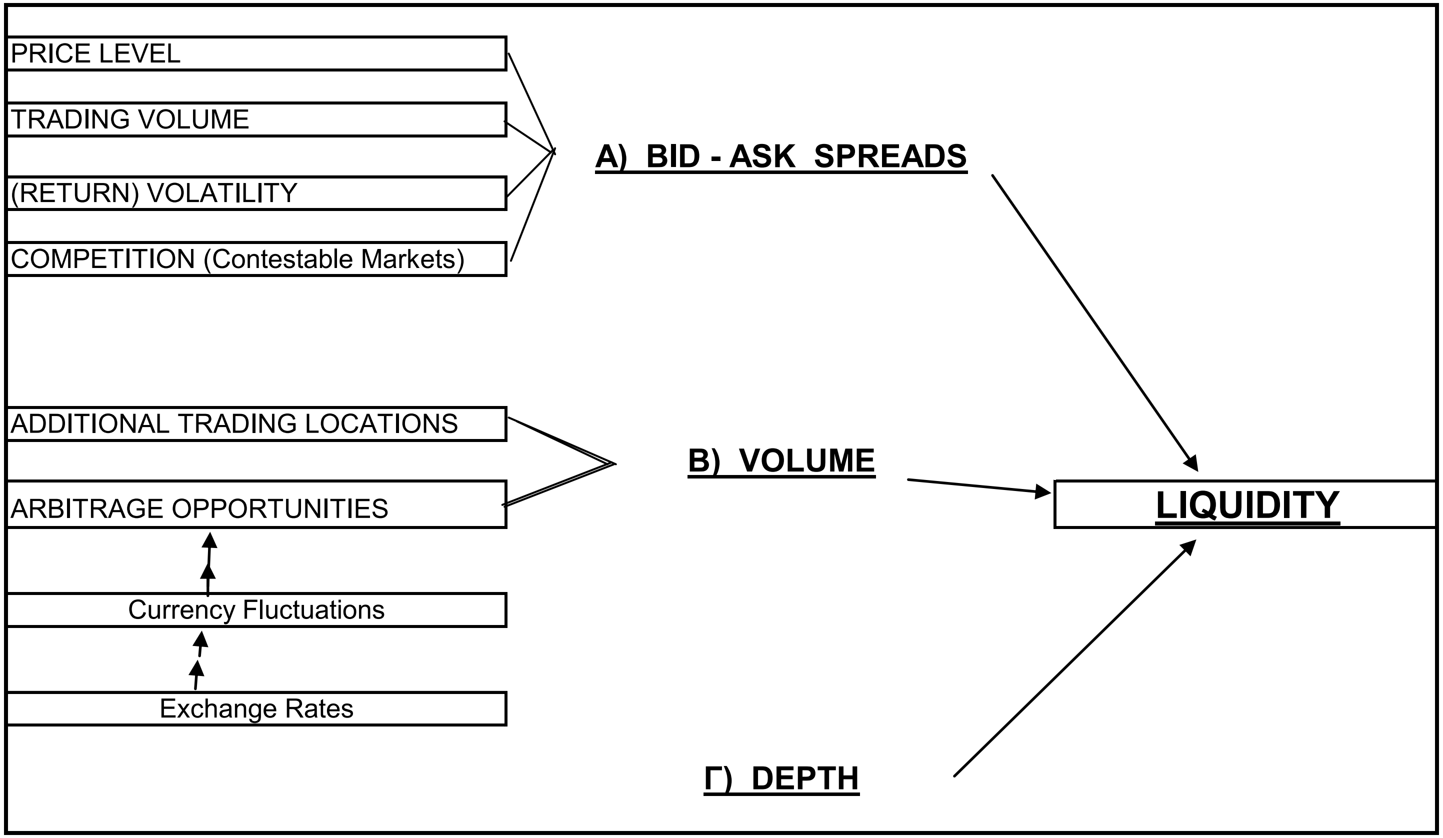
Indicator 3: Follow Private-Retail money

Retail Fund Volume (bn €)	2007
Greece	25
Switzerland	79
Spain	171
GB	275
Japan	288
Italy	361
Germany	382
Luxemburg	767
France	806
U.S.	6.095

Indicator 4: Targeting Strategic Investors



Indicator 5: Liquidity concerns



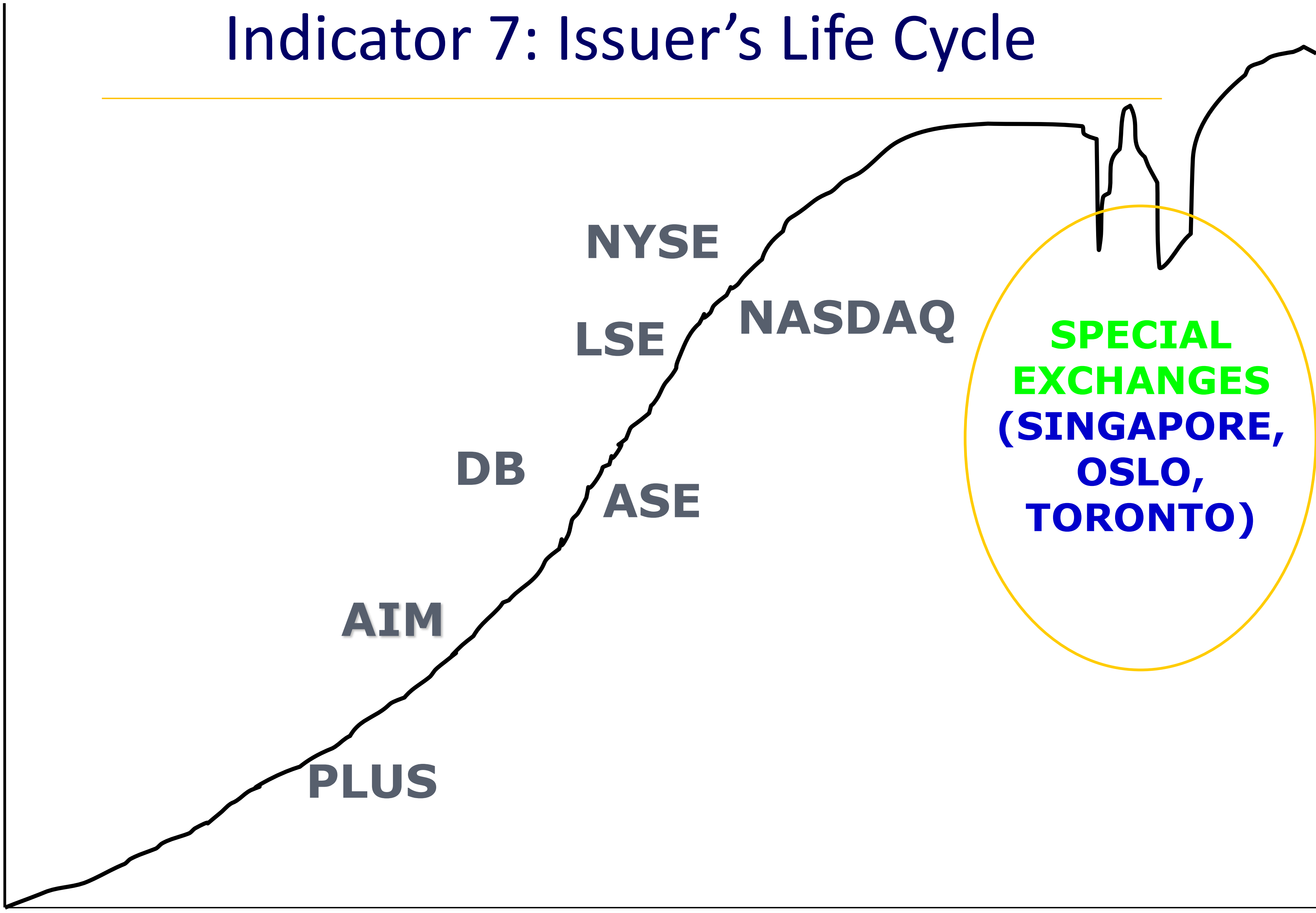
Be aware of Liquidity

Indicator 6: Visibility

Visibility affects	◆ Local and global market awareness ◆ Soft and hard information flows ◆ Knowledge and education of management ◆ Firm evaluation ◆ Stock liquidity, marketability, trading,… ◆ Stock price ◆ Equity shareholding ◆ Market players participation ◆ Industry knowledge ◆ Investment decisions

Focus on Visibility

Indicator 7: Issuer's Life Cycle



During IPO

Selection 1: Plan for 3 phases

1) Pre-IPO	**Underwriter A**	**Underwriter B**	**Underwriter C**
LEGAL AND REGULATORY FRAMEWORK			
LISTING FEE			
LEGAL FEES			
AUDITORS FEES			
OUT-OF-POCKET-EXPENSES			
CAPABILITIES			
1) On-IPO			
BANKS SYNDICATE			
OFFERING ROADSHOWS			
TARGETTING AND SHARE DISTRIBUTION			
PRICE SELECTION			
OUT-OF-POCKET-EXPENSES			
1) After-IPO			
FILLINGS			
STOCK EXCHNAGE AND SEC REGULATIONS			
RELATIONSHIP ROADSHOWS			
PROACTIVE ROADSHOWS			
LEGAL FEES			
OUT-OF-POCKET-EXPENSES			

Regulated and Standardized markets

CONTINUING OBLIGATIONS LIST

Notify / send to the Company Announcements Office (of LSE) of:

- Six copies of Annual Reports, Interim Reports, Auditor's Report, and any other publication within six months of the end of the financial period.
- Any major new developments (that might affect the financial position of the Issuer.
- Any information sent to other Stock Exchanges (Equivalent Information).
- Any changes in Capital Structure (major shareholders).
- Any information on dividends.
- Any information concerning the shareholders (meetings, voting, etc.)
- Any change in the Depositary Receipts in public hands.
- Finally, pay the annual charges to the LSE.

Selection 2: Offering Cost Structure

Offering cost structure					
A. Offering Advisers	IPO	Secondary Offering	Underwriter's estimation	Company's estimation	Management's opinion
LB					
α) Offering prospectus, etc					
Business Plan - Feasibility Study	32	20			
Prospectus	17	20			
Evaluation	17				
β) Costs					
7 months X 6	42				
5 months X 10		50			
γ) Success Bonus					
0,270% X 96.000.000	260				
0,225% X 160.000.000 (Max 400)		360			
δ) Out-of pocket expenses					
Total	368	360			
B. Legal Advisers					
α) Legal Office A	20	36			
β) Legal Office B	7	137			
γ) Legal Office C		18			
Γ. Auditors					
α) Auditor A	34,2	32			
β) Auditor B	22,4	15			
γ) Auditor C		14			
Δ. Roadshow Consultants					
INTERNATION PRESENTATION		110			
IMAGINATION		154			
E.Printer					
MERRILL BURRUPS		30			
Printer B		42			

“The banks serve the interests of their Investors”

- Check carefully the engagement letter with the banks
- Select actively the syndicate - prevent collusion – manage conflict
- Control bookrunner behaviour (trading, allocation)
- Be part of your valuation
- Audit and control feedback from Investors
- Enlarge the pool of targeted Investors
- Optimize pricing and sustain aftermarket performance

Selection 3: Selecting IR Firms

EVALUATION CRITERIA

Thursday 20/10/10 **Beauty Contest PR/IR firms**

		Related Greek Experience	Local Rep./ Office	Dual Proposal	Key Messages	Media Plan	Cost Structure	Writing Articles	Writing Speeches
9:00	Citigate Dewe Rogerson								
9:45	Shandwick								
10:30	College Hill								
11:15	Financial Dynamics								
12:00	Finsbury								
15:00	Publicom-Spot								
	Subtotal A								
		Specialised in Media comp.							
9:00	Citigate Dewe Rogerson								
9:45	Shandwick								
10:30	College Hill								
11:15	Financial Dynamics								
12:00	Finsbury								
15:00	Publicom-Spot								
	Subtotal B								
	Total Points								

Range of points / marks:

5	**Best**
4	**Good**
3	**Mediocre**
2	**Insufficient**
1	**Poor**

Selection 4: Selecting Stock Exchange

	NASDAQ	NYSE
A) MONETARY COSTS		
1) LISTING FEES	**(The total upfront costs were paid by the issuer)**	
Original fee	5.000	36.800
Fees based on shares issued	64.375	57.250
Total upfront fees	**69.375**	**94.050**
Annual Continuing Fee	**12.460**	**35.000**
2) OTHER COSTS		
2.1) BROKERAGE COMMISSIONS		
		More expensive
2.2) TRADE EXECUTION COSTS		
(They represent a **Hidden** Cost)	Intermediation increases transaction costs	Direct public interaction reduces transaction costs
Charged implicitly through the	Customer orders are executed at the qoute	
prices at which trades are		
completed		
Difficult to estimate		
3) TRADING SYSTEM		
	Dealer-driven Market	Auction-driven Market
	Market Makers	Trades result from the matching of investor orders
	Dealers buy and sell from inventory mostly	Specialist Trading
	The Issuer should have many Market Makers	Superior Execution
	(Inter Dealer Trading) ←→ **Public Order---Dealer-Dealer-Dealer---Public Order** → ← (Buy from Dealer) (Sell to Dealer)	**Public Order** **Public Order** ←→ Public Orders trade directly with each other

After IPO

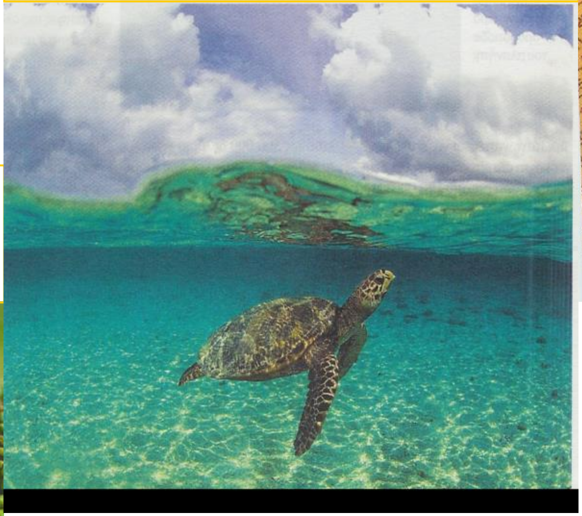
Objective 1: Follow the six steps

- Increase **Visibility** – *"Be on the Radar Screen"*
- Establish *Management & Company* **Credibility**
- Raise (Investors) **Interest**
- Increase share **Liquidity**
- Attract & Retain **Capital**
- Increase **Stock Price** & Capitalization

Some Companies follow shorter paths…

Capital

Liquidity



Visibility

Objective 2: Targeting Strategically

A)	ANALYSTS		
1	SELL-SIDE GLOBAL ANALYSTS	MEDIA	SMALL CAP
2	SELL-SIDE AMERICAN ANALYSTS	ENTERTAINMENT	MEDIUM CAP
3	BUY-SIDE GLOBAL ANALYSTS	TELECOM	EMERGING
4	BUY-SIDE AMERICAN ANALYSTS	INTERNET	EUROPEAN
5	OBJECTIVE ANALYSTS	FOOD	
6	SELL-SIDE GREEK ANALYSTS	BIOTECH	
7	BUY-SIDE GREEK ANALYSTS	ENERGY	
B)	GREEK FUND MANAGERS		
1	EQUITY GREEK FUND MANAGERS		
2	FIXED INCOME GREEK FUND MANAGERS		
3	OTHER GREEK FUND MANGERS		
Γ)	ANGLO FUND MANAGERS		
1	LONDON FUND MANAGERS		
2	USA FUND MANAGERS		
	NEW YORK FM		
	BOSTON FM		
	ATLANTIC REGION FM		
	FLORIDA		
	MID WEST FM		
	PACIFIC REGION FM		
3	CANADIAN FUND MANAGERS		
Δ)	ROW FUND MANAGERS		
1	GLOBAL FUND MANAGERS		
	EDINBROUGH-SCOTLAND		
	FRANKFURT-GERMANY		
	PARIS-FRANCE		
	MILANO-ITALY		
	HOLLAND		
	SWISS		
	MADRID-SPAIN		
	DENMARK		
	BELGIUM		
	SWEDEN		
	IRELAND		
	AUSTRIA		
	CZECH		
	TURKEY		
	FAR EAST		
	BERMUDA		
	CYPRUS		
	ARAB WORLD		
	BALKAN		
	LATIN AMERICA		

E)	BOND AGENCIES-ANALYSTS-FMs-BANKERS	
1	BOND HOLDERS	
2	BOND AGENCIES	
3	BOND ANALYSTS	
4	BOND FUND MANAGERS	
5	BOND BANKERS	
ΣΤ	MARKETING-SALES	
1	RETAIL BROKERS	
2	REGISTERED REPRESENTATIVES	
3	GREEK MARKET MAKERS	
4	AMERICAN MARKET MAKERS	
5	TRADERS	
6	SALES DESKS	
7	BANKERS	
Z)	RETAIL	
1	RETAIL INVESTORS	
H)	MEDIA RELATIONS	
1	FINANCIAL MEDIA	
	FOREIGN MEDIA	
	GREEK MEDIA	
2	WIRES	
3	ASSOCIATIONS	
I)	OTHER	
1	GDRs-ADRs-STOCK EXCHANGES	
2	CONSULTANTS - IR	
3	LAWYERS	
4	BACK-UP	
5	ASSOCIATIONS-RESEARCH	
6	VENTURE CAPITAL	
7	CUSTODIANS	

Objective 3: The Ultimate

Convert

targeted potential investors to shareholders

Conclusion

Focus on Capital raising not on Listing