

## MZ Perspectives

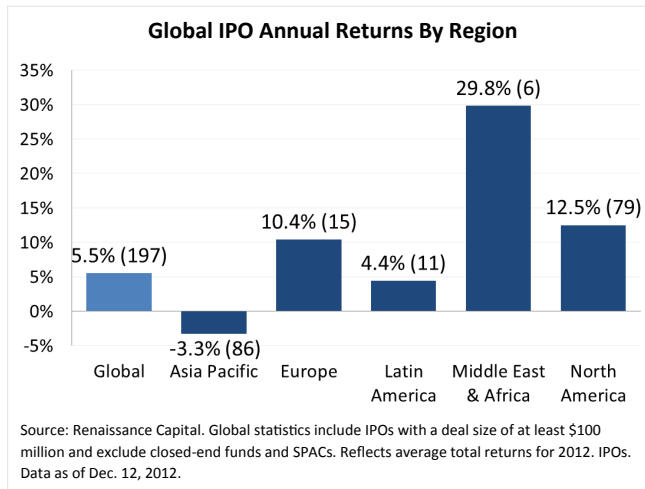
### 2012 IPO Year in Review

The global IPO market, challenged by several macroeconomic, geopolitical and capital markets headwinds, ended the year down almost 30% from a deal value perspective, the worst showing since the 2008 financial crisis. After a promising start to 2012, with several successful IPOs in technology and financial services, the IPO market turned decidedly negative after the much-anticipated Facebook IPO, the third-largest IPO of all time in the U.S., went awry on multiple fronts. The Asian IPO market, which experienced extraordinary growth in 2010 and 2011, pull back sharply in 2012 as concerns over China's slowing GDP growth and severe market declines in China's domestic stock market curtailed investors' appetite for new issues.

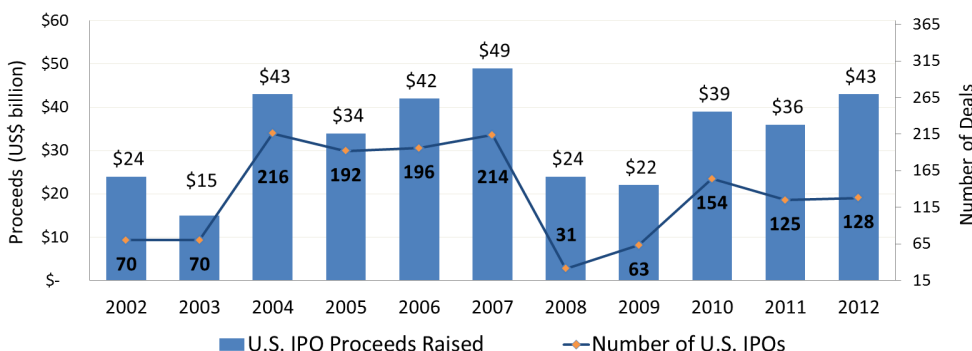


On average, Middle East and Africa IPOs generated the highest return in 2012, up almost 30%, while Asia Pacific had the worst return of any region with an average decline of 3%. Of the major global exchanges, NASDAQ and the Tokyo Stock Exchange were the only one with showing year-over-year growth in IPO volumes and deal values.

128 IPOs were completed in the U.S. last year compared to 125 in 2011. The average U.S. IPO returned 16.5%, a significant rebound from -9.8% in 2011, comfortably outpacing the Russell 3000's 12.7% return (through 12/14/12). The best performing IPOs included financial services software provider Guidewire Software (GWRE), early stage biopharmaceutical company Intercept Pharmaceuticals (ICPT), and mortgage servicer and originator Nationstar Mortgage Holdings (NSM).



### U.S. IPO Activity



Source: Renaissance Capital. Includes IPOs with a market cap of at least \$50 million and excludes closed-end funds and SPACs.

Continued, next page

### January 2013

Thanks for reading the January edition of our MZ Newsletter, focusing on a 2012 year in review and the fiscal cliff. Also please take a minute to visit us at [mzgroup.us](http://mzgroup.us) to learn more about our complete set of investor relations products and services.

-The MZ Team

### MZ Global News

[MZ Group publishes an article about Social Media for Investor Relations](#)  
12/10/2012

[MZ Group publishes a new article on Investor Relations](#)  
11/26/2012

[Manabi, Estácio and Grupo Solvi adopt BOARDVantage Portal](#)  
11/12/2012

[Uni-President Enterprises engages MZ Group as its IR website provider](#)  
10/24/2012

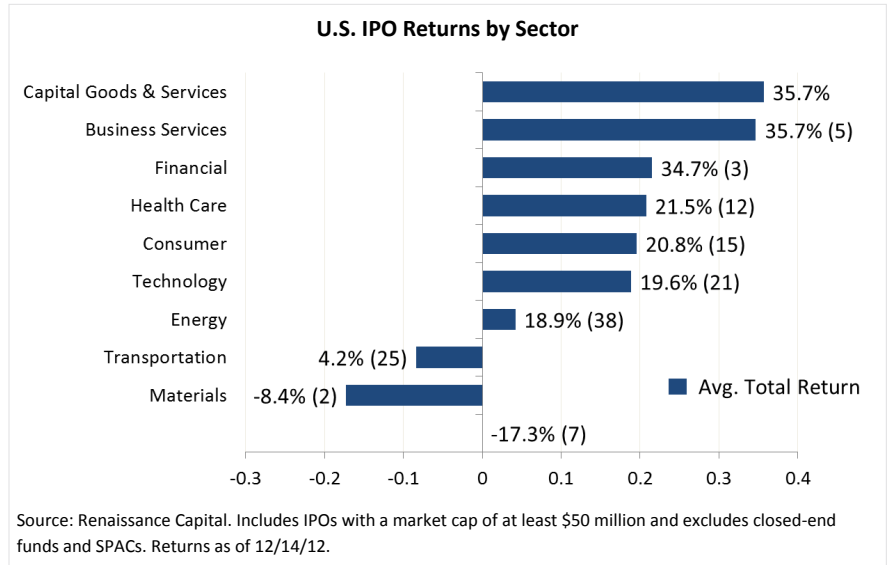
[BRIC Taiwan conducts 2012 Taipei Shopping Festival](#)  
10/23/2012

[MZ Group Sponsors 3rd Annual Australian Microcap Investment Conference in Melbourne, Australia on October 16-17](#)  
10/23/2012

## 2012 IPO Year in Review continued

Led by Facebook, technology IPOs garnered the top spot in terms of deal value for the second consecutive year, representing almost half of the total IPO deal value in the U.S. Reduced risk appetite from investors steered deal flow toward more established companies such as Homestreet (HMST), WageWorks (WAGE) and Restoration Hardware (RH) in the business services, consumer and financial services sectors.

With the IPO market constrained since 2008, private equity firms completed more deals overall in 2012 but committing a significantly lower amount per deal. Private equity firms completed 44 deals in 2012, up from 35 in 2011 while the average deal size fell to \$231 million from \$583 million, representing a 60% year-over-year decline. The decrease would have been even more significant without the Facebook IPO.



## Fiscal Cliff: Disaster Averted - Many Issues Remain Unresolved

In a last second Hail Mary, both the Senate and the House passed a compromise bill to avert most Americans from falling over the fiscal cliff. Aside from ending the temporary 2% payroll tax cut that has been in place for all employed Americans in the past two years, the other most immediate impact from the fiscal compromise are that the capital gains tax rate increasing from 15% to 20% and the income tax rate for individuals earning over \$400,000 per year and households earning over \$450,000 a year rising to 39.6%.

Capital markets focused on the short term implications of averting a disaster and staged a strong rally, with the S&P 500 and NASDAQ closing up 4.8% and 3.0%, respectively, in the first week of trading in 2013. However, media quickly turned their attention to issues that were not resolved in this bill.

- U.S. Debt Ceiling
- Entitlement Spending
- Automatic spending cuts to defense and other federal programs

Many commentators now believe that politicians emerged from this process even more divided and partisan than before. If this proves correct, it could create more uncertainty for consumers, businesses and policymakers. The fallout would assuredly result in higher volatility in nearly every asset class – currencies, commodities, equities, real estate and fixed income.

“By 2025, tax revenue will be able to pay for Medicare, Medicaid, Social Security, interest on the debt and nothing else. The rest — defense, medical research, highways, education, energy — will have to be financed by deficits. Social Security’s funding is predicted to run short in 2033, Medicare’s trust fund in 2024.”

- **Former White House Chief of Staff and current Chicago Mayor Rahm Emanuel**



**IR GLOBAL RANKINGS**  
Certificate of Excellence

The IR Global Rankings is the most comprehensive ranking system for investor relations websites, online annual report, corporate governance practices and financial disclosure procedures. The ranking is based on extensive technical proprietary research of publicly traded companies through a clear and transparent methodology and is supported by key global institutions such as Arnold & Porter; KPMG; MZ and Sodali.

**IR Global Rankings is pleased to announce the global results for 2012!**

[Winners list](#) 

[Click here to see 2012's Global Results](#)

## MZ Announcements

### MZ Client Roster Grows with Two New Client Additions

MZ is pleased to announce the addition of two new clients who have chosen to utilize MZ as their premier investor relations service provider:

#### Miller Energy Resources, Inc. (NYSE: MILL)

Miller Energy Resources is a high-growth oil and natural gas exploration, production and drilling company operating in multiple exploration basins in North America. Miller's focus is in the Cook Inlet area in Alaska and in the heart of Tennessee's prolific and hydrocarbon-rich Appalachian Basin including the Chattanooga Shale.



#### Mojave Gold Corporation

Mojave Gold Corporation is a privately owned US-based company engaged in exploring areas for potential gold or platinum group minerals mining, identifying several domestic and international sites of interest. Mojave is currently focused on mining Platinum Group Minerals in Guyana.



## Client Calendar

*Mid-Jan.* - **Swick Mining Services (SWK)**  
H1 FY 2013 Earnings Announce.

#### Miller Energy (MILL) Road Show

*Jan. 16* - San Diego

*Jan. 17* - Orange County

*Jan. 18* - Los Angeles

*Jan. 22-23* - New York City

*Jan. 24* - Denver

*Jan. 25* - Salt Lake City

*Jan. 20-21* - **Fission Energy Corp (FIS)**

[Vancouver Resource Conference](#)

Vancouver, B.C.

*Feb. 6* - **BOFI Holdings (BOFI)** Q2  
FY 2013 Earnings Announcement

*Week of Feb. 1st* - **Himax Technologies**  
(HIMX) FY 2012 Earnings  
Announcement

### MZ Market Intelligence—Introducing IRShareflow



## Shareflow

IRShareflow is an interactive, web-based surveillance tool for monitoring and evaluating trading activity. This powerful platform combines stock trading history, corporate events, and investor activity in "real-time".

By leveraging MZ's surveillance infrastructure, IRShareflow empowers corporate management with insight into the drivers of their stock, providing a visual understanding of important trends in shareholder makeup.

Understand the connection between who was active, when, how the stock was affected, and what catalyst surrounded that reaction. Be proactive in managing shareholders and provide answers to management's questions.

- Did institutions react to the earnings announcement, if so, how?
- Are there any major hedge fund accumulations in my stock?  
(Activism concerns)
- My stock underperformed on this trading session(s), who was holding it back? (or vice versa)
- If you just had a series of 1 on 1 meetings – did they garner any institutional interest?
- A Sell-Side analyst just initiated coverage or downgraded your stock– who reacted to it?
- Is my retail outreach program garnering interest?

To set up a demo, please contact **Ted Haberfield** at **760-755-2716** or [thaberfield@mzgroup.us](mailto:thaberfield@mzgroup.us)



**IRShareflow is an intuitive, easy to use web based surveillance tool, featuring:**

- Time Navigation Panel -
- Events Summary -
- Data Table -
- Institutional, Hedge Fund and Retail -
- Shareflow/Money Flow/Percentage Traded -
- Excel Export -

## MZ Group Announces Expansion into Australia

MZ recently announced that the Company is launching full service investor relations consulting and global corporate outreach services in Australia to capitalize on the vast growth opportunities there. Kevin Russeth, Annabel Murphy and Paul Kelly, based in MZ's office in Sydney, will spearhead MZ's efforts in Australia.

"We are extremely excited to launch our expansion into Australia," said Ted Haberfield, President of MZ North America. "With our focus on emerging life sciences, technology, natural resources and consumer companies worldwide, Australia is an ideal, untapped region for MZ. We have been thoroughly impressed with the number of high quality companies and management teams based in Australia. We look forward to helping Australian companies expand their global outreach efforts."

Mr. Russeth, Mr. Kelly and Ms. Murphy have 60 years of collective capital markets and investor relations experience in Australia. Having built strong relationships with analysts, bankers, corporate executives and investors who reside in Australia, Kevin, Paul and Annabel are intimately aware of the needs of Australian companies. They and MZ's clients will be supported by the global MZ teams in Asia, North America and Brazil to provide the local and international expertise.

"MZ has a terrific opportunity to provide a truly differentiated and value added service to Australian companies," said Kevin Russeth, Senior Vice President of MZ Australia. "Aside from their global presence and established track record, MZ also provides a turnkey solution for private and public companies looking to enhance their existing investor relations efforts. Rather than compete directly with local providers, MZ Australia will work side-by-side with existing strategic partners and internal IR teams to help maximize shareholder returns."



## Meet the Australia Team



**Kevin Russeth**  
Senior Vice President

Kevin leverages 28 years' combined experience in information technology,

financial services and as a C-level executive in private and public technology companies in both the United States and Australia. In his capacity as CEO and Director he has been involved in a broad cross section of activities including capital raising initiatives, merger and acquisition projects, investor communication and public relation programs as well as strategic enterprise management. He started his financial career in 1985 with New York based EF Hutton & Company having the opportunity work on both the buy and sell side for a number of large investment investment banks including Lehman Brothers, Merrill Lynch, Salomon Brothers, Smith Barney and CitiGroup.

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**Paul Kelly**  
Director of Development

Paul was appointed as Director of Development to MZ Group to help develop MZ in

Australia. He brings a wealth of experience to MZ Australia having been an adviser in the stockbroking industry for over 29 years. During that time he has been a retail adviser as well as an institutional equities and derivatives dealer, specializing in hedge funds and international risk arbitrage. Paul has lectured on equity and derivative markets for the Securities Derivatives and Industry Association (SDIA), Securities Institute of Australia (SIA) and the Australia Securities and Investment Commission (ASIC). Paul previously headed up the equity derivatives departments ANZ McCaughan and BZW Australia.

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**Annabel Murphy**  
Vice President

Annabel Murphy was appointed as Vice President to MZ Group to help develop MZ

in Australia. She has experience working in the public relations and marketing sector in Australia and abroad. In 2008, Annabel left Australia and relocated to Latin America and Spain where she lived and studied Spanish for 3 years. During her time abroad, Annabel worked in organizational roles at international events including the Higher Education Fair in Mexico City, World Travel Market in London and the multi-million dollar conference, Education Without Borders in Abu Dhabi. Annabel relocated to Sydney, Australia in 2010 where she has been working in investor and public relations for the resource sector before joining MZ.

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## MZ Group and OTC Markets announce partnership to fuel SME IPOs

### Specialist lists the indicators needed to manage a small business

MZ and OTC Markets have just announced a unified strategy to encourage demand for IPOs by small and medium-sized companies on the Bovespa Mais. "We are going to facilitate access for companies that want to open their capital to U.S. investors," explained Rodolfo Zabisky, CEO of @titude Global.



According to Zabisky, this initiative will give Brazilian SMEs access to investors who are already comfortable with this type of asset, resulting in two main benefits: more demand during the book building process (collection of investment intentions) and the higher valuation of Brazilian companies.

By means of this partnership, subsequent to their IPO, SMEs will be able to institute an ADR level 1 program for listing on the OTCQX, which currently contains eight Brazilian companies, including Cielo, JBS, Klabin and Hypermarcas. Also according to Zabisky, the companies will gain greater visibility, in turn fueling liquidity.

According to Andrew Kyzyk, Executive Director of OTC Markets, companies listed on the OTCQX have access to institutional and, in some cases, individual investors, without the regulatory cost of a complete listing (compliance with ADR levels 2 and 3 programs on the NYSE or NASDAQ, SEC regulations and Sarbanes-Oxley rules).

Kyzyk added that there is a group of investors in the USA (around 15% of the total) who specialize in microcaps, i.e. companies with a market capitalization of less than US\$100 million. Consequently, Brazilian SMEs would be targeted by these investors.

Zabisky affirmed that the SMEs should be first be listed on the Bovespa Mais before attracting qualified American investors through a structured 144A offering, a process in which MZ Group will act as a catalyst, identifying banks and brokers specializing in this segment, such as Maxim and Oppenheimer.

MZ North America's Senior Vice-President, John Mattio, pointed out that this strategy is aligned with the PAC-PME proposals. "We will be helping to resolve the main problems related to the current vicious cycle of Brazil's capital market: low demand for assets, combined with limited liquidity and greater intrinsic risk."



The MZ Group is a multinational company and the world's largest independent investor relations consulting (IR) and outreach, market intelligence, iMarketing and social media and technology solutions for private and public companies. Founded in 1999, the MZ Group focuses on innovation and personalized services, supported by its exclusive "one-stop-shop" business model. With offices in São Paulo, Chicago, Hong Kong, New York, Beijing, San Diego, Sydney, Shanghai and Taipei, the MZ Group has approximately 270 professionals who serve 530 clients in 10 countries.

MZ serves as a premier informational resource for institutional investors, brokers, analysts, private investors, and the media which creates a dynamic audience and assists in diversifying our clients' shareholder base.

Visit our North American website at [www.mzgroup.us](http://www.mzgroup.us)

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