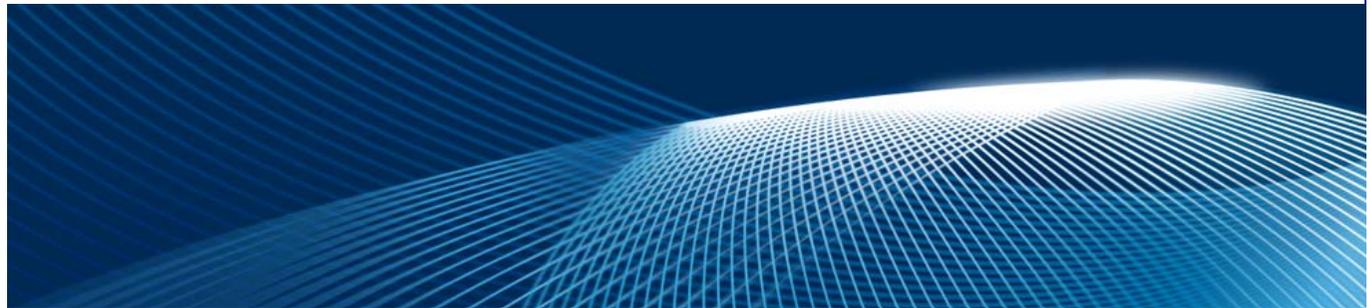
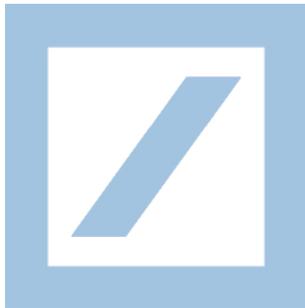


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Reaching Out to Investors: Effective Roadshows

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A Passion to Perform.

Deutsche Bank



1. Reaching Out to Investors

2. 2009 in Perspective

Reaching Out to Investors

Hitting the Road!

What are the primary methods of investor communications?

- Investor website
- Press releases
- Conference calls/webcasts
- Conferences
 - presentation tracks
 - panel discussions on a sector or regional theme
 - one-on-one meetings
- Group functions
- Roadshows

What other high impact events should be considered?

Site visits and analyst days can:

- Broaden appeal to investors
- Differentiate delivery of message
- Whole investor days including top management as well as the divisional heads (incl. webcast)
- Site visits help the investor get a better understanding of the company's core business
- Roundtable discussions with senior management can be organized in the main cities of the most important capital markets' main cities (London, New York, local market financial center)
- Presentations on the specific divisions in the framework of analyst meetings after the publication of results

Why roadshow now?

- Accessibility, responsiveness, transparency are critical at this juncture
- Credibility is key
- Direct communication with top shareholders is a priority
- Market conditions and impact on the investment community also provide select opportunities for targeting new investors
- Communications during this period sets the tone for future relationships
- Intelligent targeting and outreach can pay rewards in the future
- Insights into market conditions and sentiment are important internally

Organizing a roadshow – who does it?

- Sellside with analyst coverage
- Non-covering broker
- ADR/GDR Bank
- Investor relations firm
- Companies directly

What are the factors to consider in comparing different approaches to roadshows?

- Familiarity with the company
- Distribution capacity
- Investment opinion vs. marketing approach
- Who is the client?
- Range of associate products / services
- Cost to company

What are sellside firms taking into consideration in terms of coverage and marketing decisions?

- Where traded
- Liquidity
- Market capitalization
- Marketability
- Ability to provide differentiated coverage or investment/trading call
- Ability to get paid

Sellside firms have a limited number of companies they can cover, however your company can still benefit from roadshow support with or without coverage!

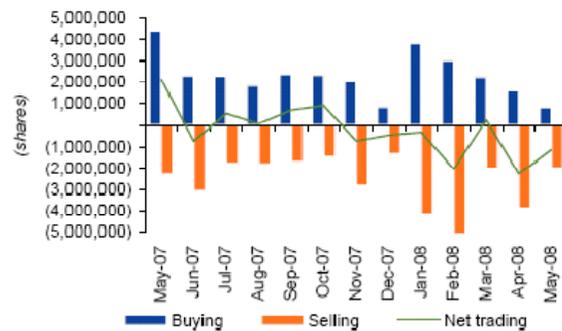
What should companies look for in a broker when partnering for success?

- Review the coverage universe and your company's position within it
- Match broker specialty and client base to the part of your investor base you want to increase – regional approach, sector focus, turnover, location of investor, domestic interest, cap size specialty
- Evaluate flexibility in matching the opportunity from the broker side with a company's investor relations strategy and goals
- Gauge the character of the sales team – ie commitment to the company and understanding of the story
- Consider the ease of communication and timely communication

How brokers within their banker's secrecy are able to help you

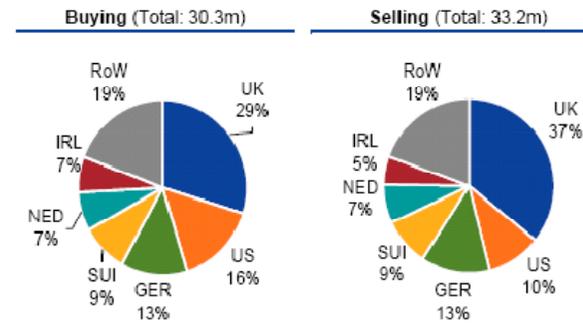
A broker will not be able to explicitly tell you who bought/sold your share but can include them in your roadshows

Net trading activity (LTM)



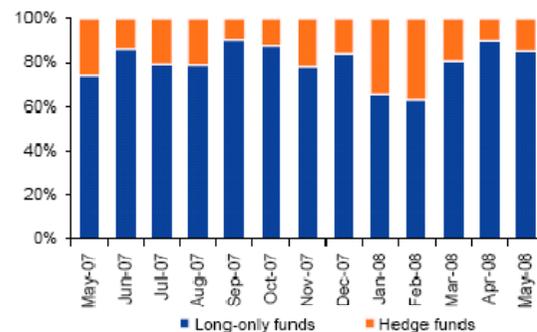
Source: Deutsche Bank

Regional split of investors (LTM)



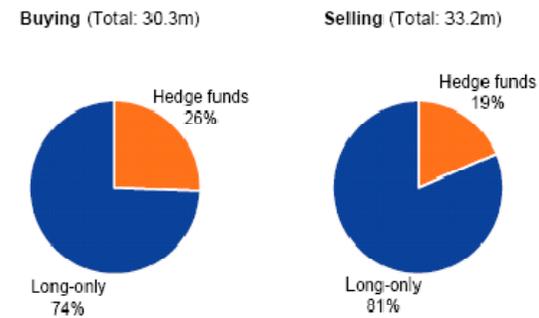
Source: Deutsche Bank

Split of trading activity by investor type (LTM)



Source: Deutsche Bank

Type split of investors (LTM)



Source: Deutsche Bank

What are investors looking for when accessing management?

- Introduction to an investment opportunity
- Update on a company strategy and financials – post-results / corporate activity
- Competitive insight into specific markets and industries
- Commentary on financial crisis and economic impact to company, sector, country, as well as financial and operational flexibility under different scenarios

Try to roadshow when it will be of relevance to the institutions, not just the company, and remember to create a dialogue with the investor!

Preparing for meetings

- Ensure proper briefing on:
 - investment style, turnover, AUM, investment decision making process or timeframes, any relevant fund restrictions or mandates
 - attitude towards and knowledge level of the industry, region, peers, and the company itself
 - current status as a shareholder or past holding, if applicable
 - technical factors
- Use the broker to pre-brief institutions on:
 - Management
 - Current issues
 - Purpose of roadshow
- Consider sending out slides ahead of the meeting, along with investor pack materials

Effective use of management time – maximise the resource

■ Creating an ideal schedule

- Balance the need to see existing holders with the desire to access new investors and create new buyers
- Use a combination of one-to-ones and group meetings
- Schedule as many meetings as possible within the logistics, but don't schedule meetings for the sake of it
- Understand how strenuous the process is, use a two-man speaking teams to keep management as fresh as possible

■ Use the right team

- Suitably senior (CEO/CFO) to see top shareholders
- IRO for missionary meetings and smaller shareholders
- Consistency is key – can take 2-3 years to build a track record and solid credibility

■ Manage the meeting

- Reconfirm the level of institutional knowledge at the outset of the meeting
- Presentation format should be flexible to cater for different levels of understanding
- Presentations should last 20-30 minutes with plenty of time for Q&A
- Clarify any next steps or follow-up, assess addition to company's distribution list

Short-term follow-up

- Encourage institutions to feedback any comments either to the broker or the company's IR contact
 - the investment thesis
 - company strategy
 - view on valuation
 - management or IRO communication and credibility
 - catalysts to buy, sell or adjust a position

- Immediate purchases of shares should not be anticipated
 - weightings/sector allocation may drive investor behaviour
 - investors may put a stock on their 'watch list' for a period before investing
 - institutions may need to seek investment board approval
 - investors looking for a more attractive stock price entry point can be an important source of future demand should share prices drop

Long-term follow-up

- **Prioritisation of investors**
 - Following a 20/80 model, knowing that 20% of your shareholders influence 80% of the trading flow and/or changes in the shareholder structure
 - Segmentation of Top 20 - 50 investors, with whom IR stays in a regular contact (maybe once a week). Similar treatment as most important sell-side analysts are treated
- **Implementation of an investor database (incl. all important information as e.g. meeting notes, last contact date, major investor concerns, etc)**
- **Continuous identification of additional target investors**
- **Periodic review of surveys and white papers**
- **Semi-annual or yearly shareholder identification projects**
- **Participation in annual awards and rankings (IR Magazine, IR Society UK, IRGR etc.)**
- **Yearly or bi-annual perception studies**

2009 in Perspective

The Impact on Roadshows

Marketing your equity: developments this quarter

- Market recovery: bear market rally or “real” turn in the market ?

- Institutional investors return to buying
 - New decision makers are common (visit owners again)
 - Less inter-segment differentiation (comparable ownership analysis works)
 - Substantial “dry powder” to invest (cash levels historically high)

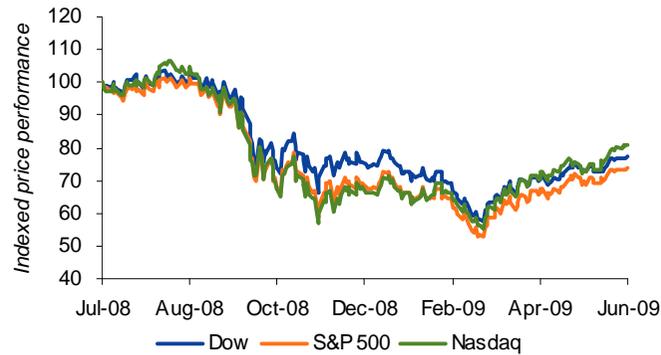
- Hedge funds, smaller, operate cautiously and differently

- Management teams re-emerging to visit investors

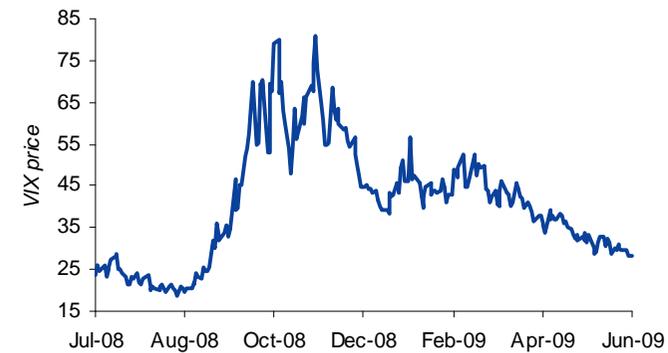
- Europe and Canada remain the best opportunities for new investment

Current equity market conditions

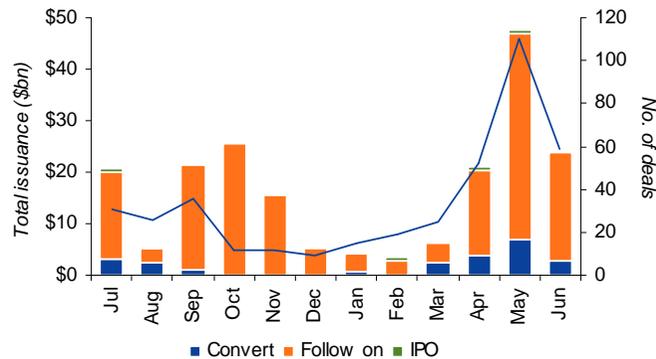
Primary equity indices



Volatility index

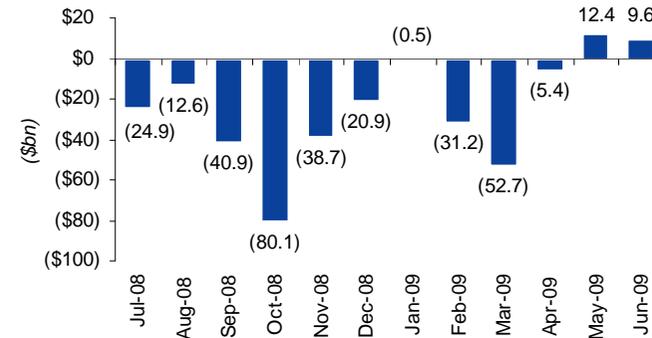


Equity issuance

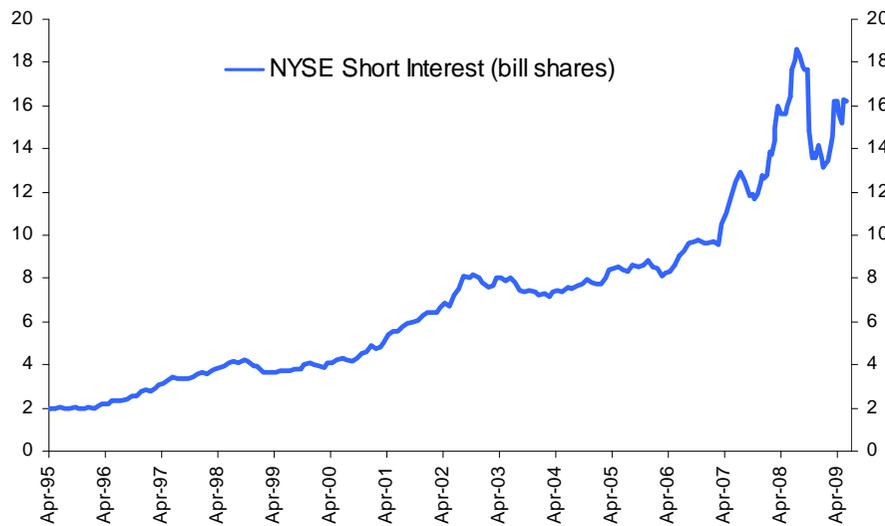
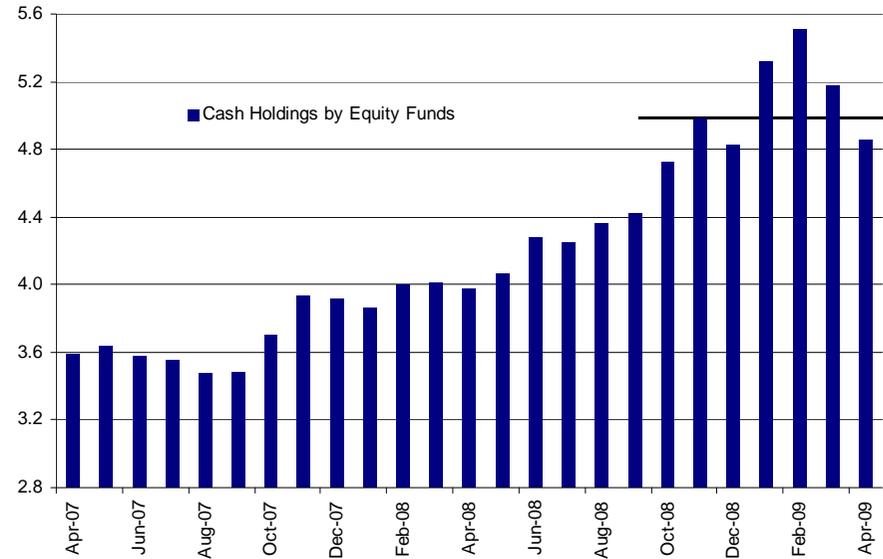
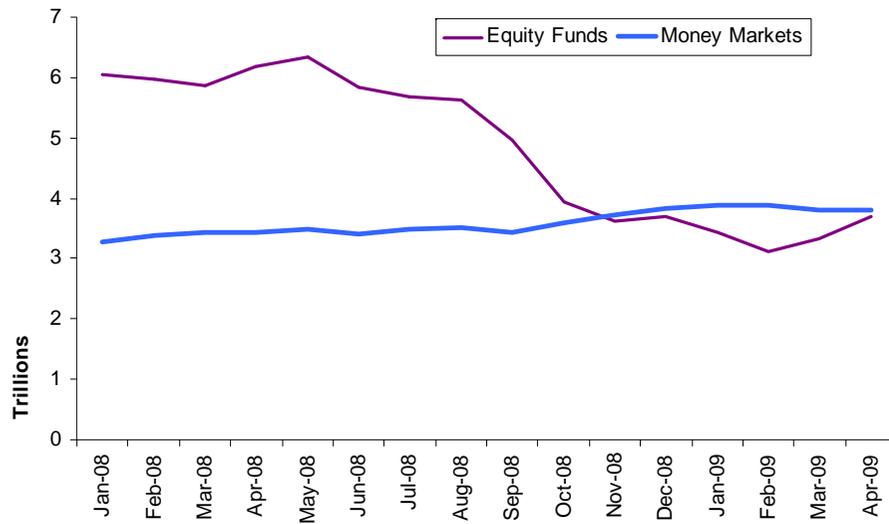


Source: CapitalIQ, Deutsche Bank Capital Markets and TrimTabs

Monthly fund flows



Reasons for equity optimism



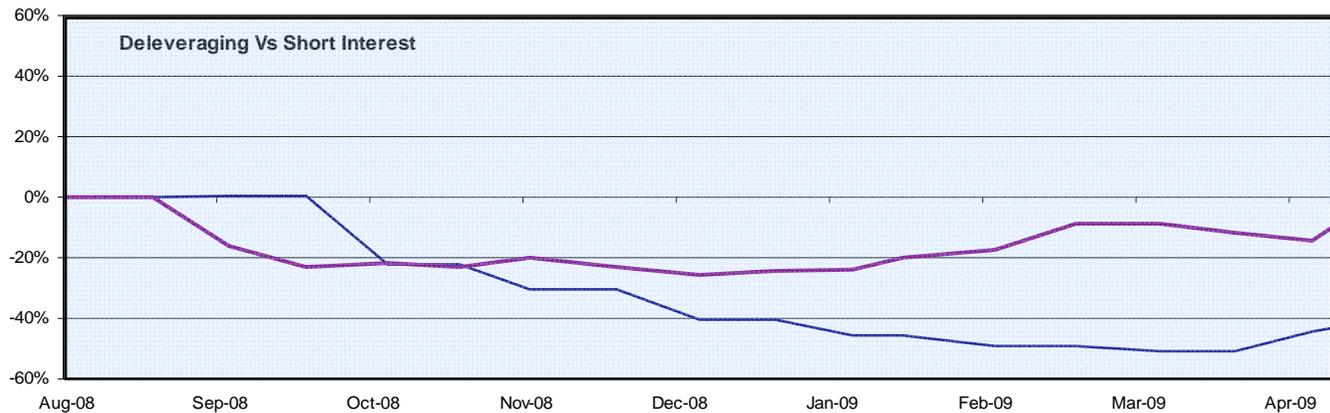
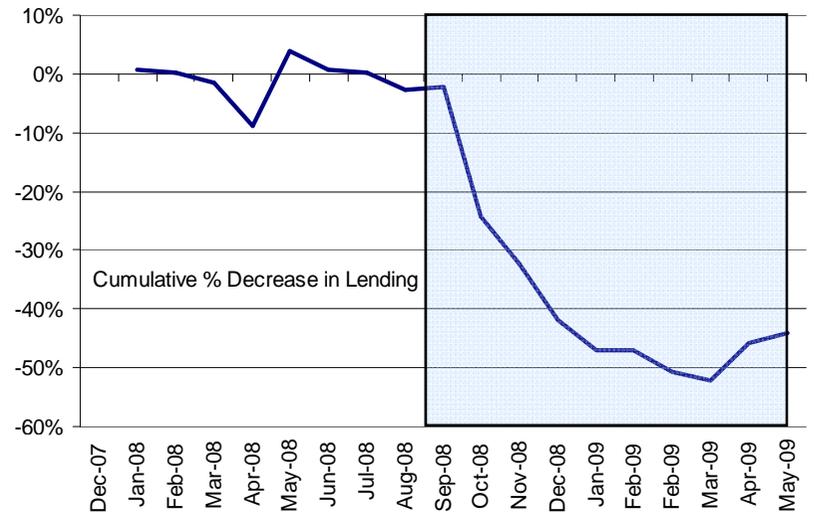
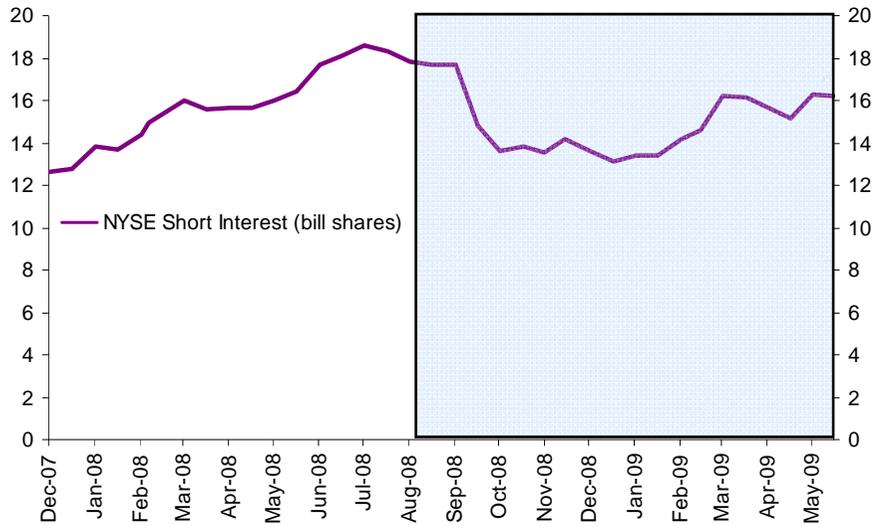
- Cash holdings were at an 8 year high in February
- Money market funds have more assets than equity funds for the first time since Feb 1993
- Short interest remains historically high
 - Hedge fund outlook
 - Substantial potential demand

Key findings of Deutsche Bank Hedge Fund survey

Deutsche Bank's 2009 Alternative Investment Survey incorporates the responses of more than 1,000 investors, including pension funds, insurance companies and fund of fund companies, representing some USD 1.1 trillion in assets globally. This is the most extensive survey of hedge fund investor sentiment in the industry

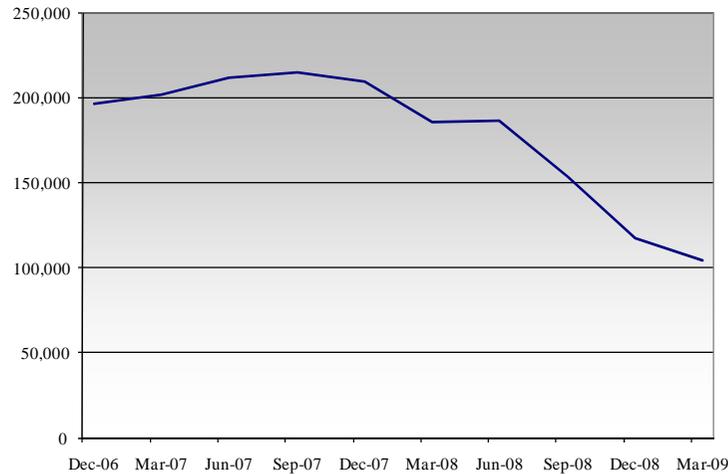
- While the hedge fund industry has become smaller over the past year, it remains a key asset class for a large numbers of investors -72% of respondents continuing to believe that investing in hedge funds is a useful way to diversify their portfolios.
- Shifts in investor attitudes may impact operational strategies. Appetite for leverage has decreased significantly. Some 72% of investors have reduced their exposure to leverage, and 63% are not interested in applying leverage to their own portfolios.
- A premier league of hedge funds seems to be emerging with half the respondents investing in hedge funds with an average of between USD 800m and USD 4bn AUM, and a decrease in investors putting money into funds with less than USD 100m.
- Investor appetite for managed accounts has increased, with 43% of investors now considering making a proportion of their investments through managed accounts.
- In terms of manager selection, risk management has moved up to become the second most important factor, with transparency becoming a top 5 factor for the first time ever. Historically, investors have indicated the "3 Ps": Performance, Philosophy and Pedigree.

Short interest vs hedge fund deleveraging

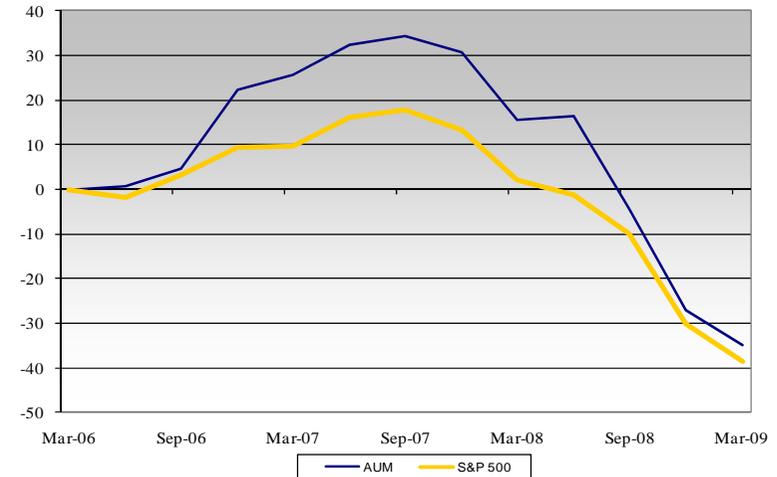


Mutual fund ownership dynamics

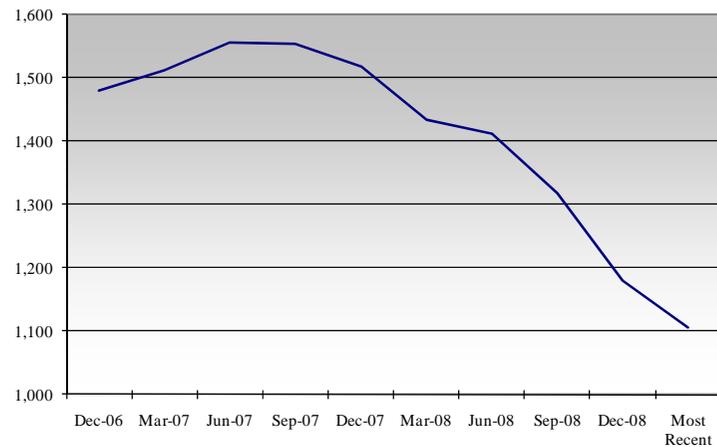
Average Filed Assets Under Management (\$mm)



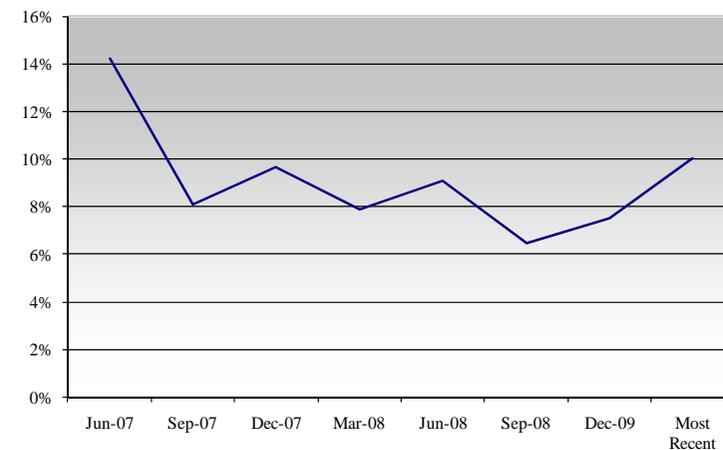
Cumulative % Change - AUM vs S&P 500



Average # of positions greater than USD 5M



% New Positions in Overall Portfolio



Thank you!