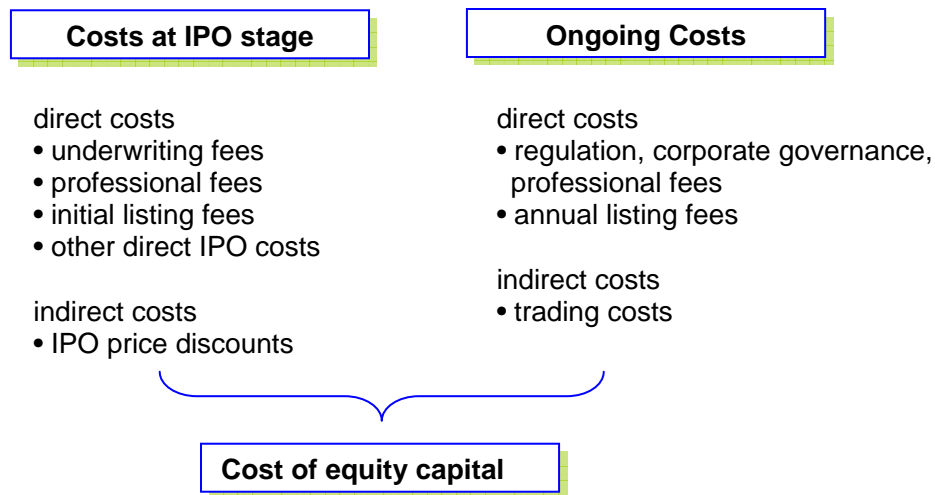


# The comparative cost of equity fundraising

**Figure 1 The costs of raising equity capital**



Source: Oxera.

**Figure 2 IPO underwriting fees in different markets (%)**

	Number of observations	Value-weighted average	Gross spread (%) Equally weighted average	Median
UK	56	2.2	3.8	3.6
France	50	2.9	3.7	3.0
Germany	88	3.4	4.5	4.0
Belgium	12	2.9	3.1	2.5
Netherlands	54	3.8	4.3	3.7
Portugal	12	3.5	3.5	3.5
<b>Total Europe</b>	469	3.0	3.8	4.0
USA	6573	5.2	7.5	7.0

Source: Torstila (2003)

**Figure 3 Underwriting fees for domestic and foreign IPOs**

	Domestic companies		Foreign companies	
	Sample size	Gross spread (%)	Sample size	Gross spread (%)
UK—Main Market	28	3.3	5	3.5
UK—AIM	43	3.5	8	4.9
USA—NYSE	74	6.5	14	5.6
USA—Nasdaq	192	7.0	28	7.0
Euronext	7	1.8	-	-
Deutsche Boerse	6	3.0	-	-

Source: Oxera calculations based on Bloomberg

**Figure 4 IPO (AIM market) and pre-IPO Costs Comparison**

Funds raised	IPO Costs		pre-IPO Costs
	Average costs	% funds raised	% funds raised
£0-2m	£0.35m	24.9%	7%
£2-5m	£0.68m	17.4%	
£5-10m	£1.15m	14.7%	
£10m +	£3.82m	8.2%	

### About Orbiso

Orbiso, a global leader in China-focus professional services, is committed to providing unique China business practices in financial services advisory, management consulting, and marketing & strategic communications services.

Further information about Orbiso Global and our services, please visit: [www.orbiso.com](http://www.orbiso.com)

Alternatively, you can contact us:

Address: 49 Queen Victoria Street, London, EC4N 4SA

Email: [info@orbiso.com](mailto:info@orbiso.com)

Tel: +44(0) 207 653 1988

Fax: +44(0) 207 300 7201

MSN: [orbiso@hotmail.com](mailto:orbiso@hotmail.com)