

# THE PIPES REPORT

NEWS, INFORMATION, AND ANALYSIS OF PRIVATE INVESTMENTS IN PUBLIC EQUITY

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## YEAR IN REVIEW

### Last Half of 2009 May Point to Revival in 2010

by Dan Lonkevich

Two thousand and nine may turn out to be an inflection point, providing some optimism to the beleaguered PIPE market, investment bankers, investors and attorneys say.

After a dismal showing in 2008, the PIPEs market declined by 5.7% in 2009 in terms of number of deals, making it the slowest year since 2002. The number of deals fell to 1,072 in 2009 from 1,137 the year before.

The market showed some life in the fourth quarter, however, with 81% more transactions than in the year-earlier quarter.

After the crushing financial collapse of 2008, many hedge funds that invested in PIPEs saw their capital slashed by redemptions or closed up shop altogether. Companies, meanwhile, avoided issuing equity as stock prices fell to their lowest levels since 2003.

In the year since, however, the Russell

2000 Index of small cap stocks has run up by 27%, allowing prospective PIPE issuers to do deals at more favorable valuations. Hedge funds, meanwhile, are starting to see capital trickle back in. Now, the PIPEs market may be on its way to produce “a normal number of deals” in 2010, said John Borer, the head of investment banking at **Rodman & Renshaw**, the PIPE market’s most active placement agent. A normal level of activity would be in the range of 1,200 and 1,500 deals, he said.

“The last two quarters really heated up, and it has continued into 2010,” said David Mickelson, president of **Mickelson Capital Consulting** in Oceanside, Calif., and manager of the Micro PIPE Fund. “The deals we’re looking at have the same level of risk, but they’re priced well with a lot of the risks mitigated. That bodes well for investors. We’re very bullish.”

The PIPE market has been further aided by the debt market’s collapse. Equity may be the only alternative for many companies to raise capital this year, as the banks remain largely closed to prospective borrowers. Borer said he expects that to be the case for the next two years.

The 1,072 PIPEs completed in 2009 raised a total of \$36.7 billion, according to PrivateRaise, DealFlow Media’s data service. The average PIPE raised \$28.4 million.

#### Smaller Deals

The dollars raised last year were less than a third of the \$118.6 billion brought in with PIPEs in 2008. The average deal raised \$89.3 million that year, as major financial firms including **Citigroup**, **UBS** and **Morgan Stanley** used private placements to recapitalize themselves.

In 2009, the largest PIPEs were **Berkshire Hathaway’s** and **Kuwait Investment Authority’s** purchase of \$4 billion in convertible preferred stock from **Dow Chemical** in April, and Abu Dhabi-based **Aabar Investments’** purchase of \$2.52 billion in common stock from **Daimler AG** in March.

In the fourth quarter, there were 363 private placements recorded by PrivateRaise, which tracks deals that raise \$1 million or more. That compares to 201 PIPEs in the year-earlier quarter.

The recent quarter saw only \$10.1 billion raised in the PIPE market, however. That was less than a third of the \$36.5 billion raised in the year-earlier quarter, which saw Morgan Stanley’s \$7.84 billion PIPE, a \$6.59 billion private placement by **Barclays** and a \$5 billion PIPE by **Goldman Sachs**.

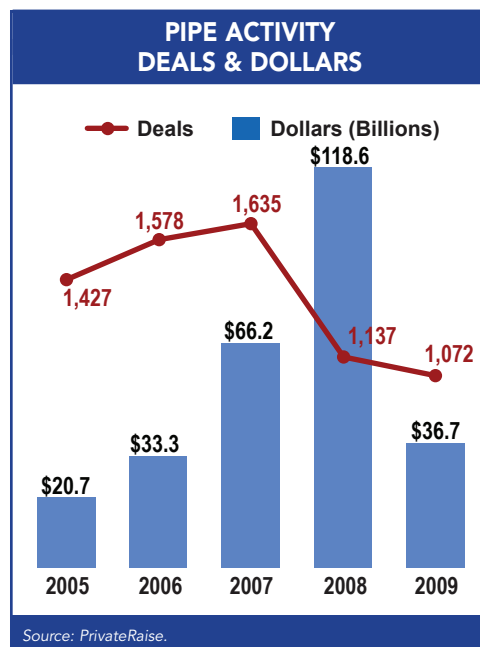
In the recent quarter, the average deal raised \$21.6 million, compared with \$147.9 million a year earlier.

The largest private placements in the fourth quarter of 2009 were **China Investment Corp.’s** agreement in November to buy \$1.58 billion in common stock from power company **AES Corp.**, and wireless Internet provider **Clearwire’s** private placement of \$1.5 billion with **Sprint Nextel** and other partners.

#### Rise of the Registered Direct

The PIPE market’s comeback in the fourth quarter manifested largely in demand for registered direct offerings.

There were 92 private placements of preregistered shares in the quarter, raising \$2.06 billion, or an average of \$22.4 million each. That was more than three times the 28 registered direct offerings that were placed in the fourth quarter of 2008. They



raised only \$1.12 billion or an average of \$39.9 million each.

In all of 2009, there were 267 registered directs that raised \$5.85 billion, or an average of \$22 million each. That was more than double the 111 registered direct placements in 2008, which raised \$4.81 billion or an average of \$43.4 million each.

Private placements of preregistered stock gained popularity after the market crash as investors grew more risk-averse. Investing in registered direct transactions gave them shares that were immediately tradable, rather than illiquid unregistered stock.

The market for registered direct private placements was also given a boost by a rule change issued by the Securities and Exchange Commission in February 2008. Before the rule change, a company had to have a market capitalization of at least \$75 million to pre-register securities on a Form S-3 shelf registration statement. Now the SEC allows smaller companies to register stock with a Form S-3 shelf filing, so long as the companies meet other requirements. Those include that their shares are traded on a national exchange and that they are not shell companies.

With the new rule in effect for all of 2009, the average market cap of companies issuing registered directs shrunk to \$211.9 million from \$551.9 million the year before.

The biggest registered directs of 2009 were motion control manufacturer **Regal-Beloit Corp.**'s placement of \$156.3 million in common stock in August, arranged by **Robert W. Baird & Co.**; **Franklin Street Properties**' placement of \$119.6 million in October, arranged by Baird; and Chinese electric motor manufacturer **Harbin Electric**'s placement of \$115 million in August, arranged by **Roth Capital Partners**.

Registered direct transactions

still made up only 25% of the total PIPEs market last year, however.

And some investors expect their popularity to wane this year.

Mitch Levine, CEO of **Enable Capital Management** in San Francisco, said that the registered direct market has grown overcrowded and better terms are now available on unregistered PIPEs.

"We were very active in the registered direct market and relatively inactive in the unregistered market," he said. But today, "the ripest side of the market is the unregistered. It's a buyers' market akin to 2003 and 2004."

There were only 805 unregistered PIPEs completed in 2009, down from 1,026 in 2008 and the smallest number since PrivateRaise began tracking the market in 2001. Last year's unregistered PIPEs raised a total of \$30.9 billion, or an average of \$30 million each. That was less than a third of the \$113.7 billion raised through unregistered PIPEs in 2008, when the average deal size was \$93.5 million.

As investors have shied away from the unregistered PIPE market over the

past year, it appears that deal terms have largely improved. In the second quarter, the average unregistered PIPE was completed at a discount of only 7.5% to the issuing company's trading price before the PIPE. But in the third quarter, the average discount expanded to 9.7%. By the fourth quarter, the average discount had grown to 13.4%.

Registered directs, meanwhile, offered an average discount of only 10.3% in the fourth quarter. Warrants were included in only 43.5% of registered directs, but were available in 49.1% of unregistered PIPEs.

Terms of PIPE deals will remain "onerous" for companies for the foreseeable future, said David Feldman, an attorney with the law firm of **Feldman LLP** in New York. "The days of three PIPE funds bidding for your offering are over."

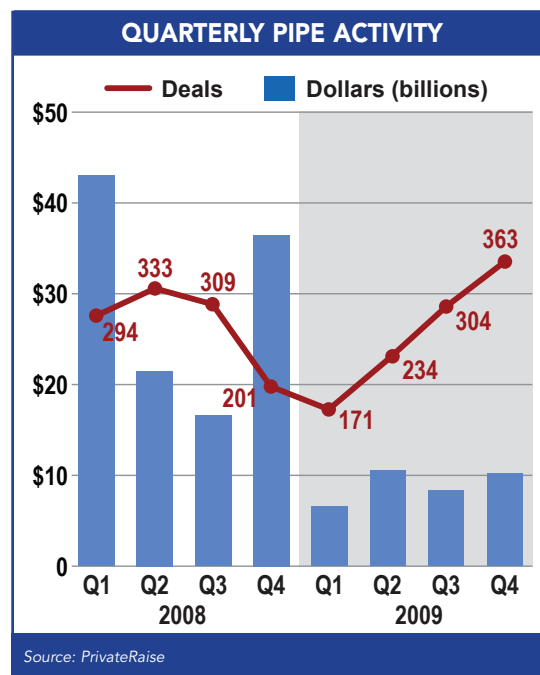
Still, some market players expect investors to continue gravitating to the relative safety of registered direct offerings and confidentially marketed public offerings (CMPOs). A CMPO is a financing that is marketed as a registered direct private placement but is then flipped into a public offering before it closes.

"We're seeing a few more unregistered deals," said Joseph Smith, an attorney with the law firm of **Weinstein Smith** in New York. "I'd be surprised to see anything but RDs and CMPOs dominate in 2010."

Other market players expect to see investors look to boost return by investing in more convertible securities, rather than common stock.

"The margins investors were getting in 2009 were getting tight," said Ele Klein, an attorney with the law firm **Schulte Roth & Zabel** in New York. "There's a good chance that in 2010 investors will be looking for structured deals with convertible debt as always the most favorable."

Common stock was the security issued in 60% of the PIPEs transacted in 2009. Convertible



## FEATURE STORY

## Year in Review

preferred stock was issued 13.1% of deals while convertible debt was issued in 12.9%.

In the fourth quarter alone, common stock was issued in 66.1% of transactions, while convertible preferred stock was issued in 12.1% and convertible debt was issued in 9.9%.

Health care was the most popular industry for PIPE investors last year. There were 338 private placements by health care companies raising total capital of \$5.07 billion, for an average of \$15.1 million each. The biggest health care PIPEs were **Johnson & Johnson's** strategic investment of \$443.8 million in the common stock of Dutch vaccine maker **Crucell NV** in September, private equity firm **Warburg Pincus's** investment of \$115 million in **Inspire Pharmaceuticals** in August, and hedge fund manager **Deerfield Management's** purchase of \$100 million in non-convertible debt and warrants from **Arena Pharmaceuticals** in July.

Technology was the second biggest industry for PIPE investment in 2009, with 166 deals totaling \$4.19 billion, or an average of \$25.4 million each. The energy industry had 116 deals totaling \$2.04 billion, for an average of \$17.7 million each.

In the fourth quarter, there were 91 health care deals totaling \$1.2 billion and 57 technology deals totaling \$2.63 billion. Basic materials was the third biggest industry for the PIPE market last quarter, with 49 deals totaling \$712.3 million.

Hedge funds continued to be the dominant investors in the PIPE market last year, making 734 investments that were worth a total of \$3.92 billion. Private equity and

venture capital funds made 274 PIPE investments worth \$4.69 billion. Individual investors participated in 126 placements totaling \$399.8 million.

**Downsview Capital, Iroquois Capital** and **Hudson Bay Capital Management** were the top three PIPE investors in 2009 by number of deals. Downsview participated in 31 deals worth \$70.7 million. Iroquois invested in 27 deals worth \$60.9 million. Hudson Bay participated in 22 deals worth \$63.3 million.

Measured by dollar value, China Investment Corp. was the biggest PIPE investor of 2009, as it participated in two deals worth a total of \$3.08 billion. Berkshire Hathaway was the second biggest PIPE investor by dollars, with its \$3 billion financing of Dow Chemical. Aabar was third with its \$2.52 billion investment in Daimler AG.

The top placement agents of 2009 by number of deals were Rodman & Renshaw, Roth Capital, and **Piper Jaffray & Co.** Rodman advised on 74 transactions, which raised \$1.18 billion, or an average of \$16 million each. Newport Beach, Calif.-based Roth advised on 26 deals that raised \$731.8 million. Piper arranged 22 PIPEs worth \$723.4 million.

Ranked by dollar value of deals arranged, **Calyon Securities USA** was the top placement agent of 2009, as it raised \$1.72 billion in two deals including a \$1.7 billion private placement of convertible bonds by Luxembourg-based steel producer **ArcelorMittal** in April. **Societe Generale Group** was the no. 2 placement agent by dollars raised with \$1.7 billion, as it acted as co-agent for ArcelorMittal's deal. Rodman & Renshaw was the third biggest placement agent by dollar value.

The top legal counsel to PIPE investors, based on number of deals, were Schulte Roth & Zabel, which advised on 39 transactions worth \$722.3 million; **Greenberg Traurig**, which worked on 32 deals worth \$630.2 million; and **Latham & Watkins**, with 13 PIPEs worth \$1.42 billion.

Among legal counsel to PIPE issuers, **Sichenzia Ross Friedman Ference** was the top firm of 2009, advising on 43 transactions worth \$209.9 million. **Cooley Godward Kronish** advised on 30 transactions, worth \$638.7 million. Latham & Watkins and Boston-based **Goodwin Procter** each advised issuers on 17 transactions. ■

Senior Editor Dan Lonkevich may be reached at dan@deal-flow.com.

Most Active Industries in 2009	Deals	Dollars (M)
Health Care	338	\$5,071
Technology	166	\$4,190
Energy	116	\$2,037
Industrial	104	\$5,372
Basic Materials	102	\$8,989
Financial Institutions	86	\$4,238
Consumer/Retail	76	\$2,036
Telecommunications	33	\$2,550
Media	27	\$1,294
Real Estate	24	\$973

Most Active Investor Types in 2009	Investments	Dollars (M)
Hedge Fund	734	\$3,916
Private Equity/Venture Capital	274	\$4,692
Individual Investor	126	\$400
Miscellaneous	108	\$103
Corporation/Strategic	103	\$4,421
Corporate Insider/Affiliate	98	\$229
Financial Institution	78	\$4,390
Mutual Fund	48	\$104
Broker-Dealer	21	\$21
Foreign Investment House	18	\$56
Insurance Company	14	\$755
Sovereign Wealth Fund	10	\$6,902

## TRANSACTION ACTIVITY FOR 2009

PIPES ISSUANCE BY SECURITY TYPE				PIPES BY ISSUER MARKET CAPITALIZATION			
Security Type	#	Total \$	Avg. \$	Issuer Market Cap	#	Total \$	Avg. \$
Common Stock	642	\$19,780,903,109	\$30,811,376	Less than \$50 m	507	\$3,533,758,470	\$6,997,542
Pref: Conv	140	\$8,026,700,225	\$57,333,573	\$50 m - \$99 m	195	\$3,367,469,530	\$17,269,075
Pref: non-Conv	6	\$380,206,000	\$63,367,667	\$100 m - \$249 m	185	\$4,558,766,996	\$24,911,295
Debt: Conv	138	\$3,609,192,996	\$26,153,572	\$250 m - \$499 m	89	\$3,871,237,588	\$43,497,052
Debt: non-Conv	57	\$2,455,645,653	\$43,081,503	\$500 m - \$999 m	44	\$3,035,015,039	\$68,977,615
Other: Conv	3	\$49,550,000	\$16,516,667	\$1 b - \$4.9 b	35	\$5,494,726,227	\$156,992,178
Prepaid Warrant	7	\$134,622,355	\$19,231,765	Greater than \$5 b	11	\$12,861,533,240	\$1,169,230,295
Equity Line	77	\$2,299,254,704	\$31,496,640	<b>Totals</b>	<b>1,066</b>	<b>\$36,722,507,090</b>	<b>\$34,578,632</b>
Unknown	2	\$12,000,000	\$6,000,000				
<b>Totals</b>	<b>1,072</b>	<b>\$36,748,075,042</b>	<b>\$34,408,310</b>				

TOTAL PLACEMENTS (ISSUER MARKET CAPITALIZATION & SECURITY TYPE)							
Security Type	Less \$50 m	\$50 m - \$99 m	\$100 m - \$249 m	\$250 m - \$499 m	\$500 m - \$999 m	\$1 b - \$4.9 b	Greater \$5 b
Common Stock	238	124	142	69	31	29	6
Pref: Conv	85	26	11	6	5	4	2
Pref: non-Conv	4	-	2	-	-	-	-
Debt: Conv	92	24	9	3	5	1	2
Debt: non-Conv	31	10	6	6	3	1	-
Other: Conv	-	-	2	1	-	-	-
Prepaid Warrant	4	1	2	-	-	-	-
Equity Line	51	10	11	4	-	-	1
Unknown	2	-	-	-	-	-	-

TOTAL DOLLARS RAISED/SECURED (ISSUER MARKET CAPITALIZATION & SECURITY TYPE)							
Security Type	Less \$50 m	\$50 m - \$99 m	\$100 m - \$249 m	\$250 m - \$499 m	\$500 m - \$999 m	\$1 b - \$4.9 b	Greater \$5 b
Common Stock	\$1,201	\$1,120	\$2,652	\$2,471	\$1,653	\$4,515	\$6,156
Pref: Conv	\$572	\$1,013	\$252	\$418	\$640	\$630	\$4,500
Pref: non-Conv	\$45	-	\$335	-	-	-	-
Debt: Conv	\$651	\$159	\$179	\$65	\$298	\$50	\$2,196
Debt: non-Conv	\$226	\$573	\$214	\$698	\$444	\$300	-
Other: Conv	-	-	\$31	\$19	-	-	-
Prepaid Warrant	\$14	\$10	\$111	-	-	-	-
Equity Line	\$813	\$491	\$785	\$200	-	-	\$10
Unknown	\$12	-	-	-	-	-	-

PIPE ACTIVITY - BY PRICE TYPE									
Security Type	Fixed-Price			Reset-Price			Variable-Price		
	#	Total \$m	Avg. \$m	#	Total \$m	Avg. \$m	#	Total \$m	Avg. \$m
Common Stock	634	\$19,662.76	\$31.01	8	\$118.15	\$14.77	-	-	-
Pref: Conv	124	\$7,714.85	\$62.22	13	\$194.20	\$14.94	2	\$116.00	\$58.00
Debt: Conv	116	\$2,807.08	\$24.20	14	\$666.77	\$47.63	8	\$135.35	\$16.92
Other: Conv	2	\$31.00	\$15.50	-	-	-	1	\$18.55	\$18.55
Prepaid Warrant	7	\$134.62	\$19.23	-	-	-	-	-	-
Equity Line	3	\$309.00	\$103.00	-	-	-	62	\$1,912.25	\$32.97
<b>Totals</b>	<b>886</b>	<b>\$30,659.31</b>	<b>\$34.60</b>	<b>35</b>	<b>\$979.11</b>	<b>\$27.97</b>	<b>73</b>	<b>\$2,182.15</b>	<b>\$31.63</b>

All data is based on proprietary information from PrivateRaise, a service of DealFlow Media. Data includes PIPEs that are at least US\$1.0 million and have been executed by public corporations domiciled in the U.S. or by public, foreign companies that have a primary listing or a significant or consistent trading presence on a U.S. stock exchange or market. Data is updated based on availability of public disclosures (e.g. press releases and SEC filings) and has been obtained from sources deemed reliable, including certain third party sources. However, DealFlow Media cannot guarantee the accuracy and completeness of this information. League tables exclude equity lines, corporate investors, and PIPEs executed by foreign-based issuers that trade on the Over-The-Counter market (Pink Sheets).

## LEAGUE TABLES

## THE PIPEs REPORT

## LEAGUE TABLES FOR 2009

## INVESTMENT MANAGERS

## RANKED BY TOTAL DOLLARS INVESTED

Rank	Investment Manager	Total \$m	Avg. \$m	#
1	China Investment Corporation Ltd.	\$3,080.91	\$1,540.45	2
2	Berkshire Hathaway Inc.	\$3,000.00	\$3,000.00	1
3	Aabar Investments PJSC	\$2,519.15	\$2,519.15	1
4	Kuwait Investment Authority	\$1,000.00	\$1,000.00	1
5	Nippon Life Insurance Company	\$500.00	\$500.00	1
5	PNC Financial Services Group	\$500.00	\$500.00	1
7	BC Partners, Inc.	\$425.00	\$212.50	2
8	Rio Tinto plc	\$388.03	\$388.03	1
9	Clayton, Dubilier & Rice, Inc.	\$375.00	\$187.50	2
10	Warburg Pincus LLC	\$330.00	\$82.50	4
11	Harbert Management Corp.	\$325.00	\$325.00	1
12	Kohlberg Kravis Roberts & Co.	\$300.00	\$300.00	1
13	Matlin Patterson Global Advisers	\$275.00	\$275.00	1
14	Alberta Investment Management	\$230.53	\$115.26	2
15	Fairfax Financial Holdings Limited	\$200.00	\$200.00	1
16	Yucaipa Companies, LLC	\$190.00	\$95.00	2
17	Badger Capital, LLC	\$180.00	\$90.00	2
17	New-Wave Investment Holding Co.	\$180.00	\$180.00	1
19	Paulson & Co., Inc.	\$177.90	\$88.95	2
20	Deerfield Management Company	\$176.42 *	\$29.40 *	7
21	Deep Water Holdings, LLC	\$160.00	\$160.00	1
22	Annaly Capital Management, Inc.	\$158.00	\$52.67	3
23	Rhone Group LLC	\$152.98	\$76.49	2
24	EPCO Holdings, Inc.	\$150.00	\$150.00	1
25	J.P. Morgan Chase & Co.	\$144.60	\$48.20	3

\* EXCLUDES transactions where Investment Amount has not yet been disclosed

## RANKED BY # OF INVESTMENTS

Rank	Investment Manager	Total \$m	Avg. \$m	#
1	Downsview Capital, Inc.	\$70.74 *	\$2.36 *	31
2	Iroquois Capital L.P.	\$60.90 *	\$2.54 *	27
3	Hudson Bay Capital Management	\$63.33 *	\$3.02 *	22
4	BAM Capital LLC	\$93.71 *	\$5.21 *	19
5	Heights Capital Management, Inc.	\$75.14	\$4.70	16
6	Midsummer Capital, LLC	\$8.76	\$0.67	13
6	Rockmore Capital	\$8.39 *	\$0.70 *	13
8	Vicis Capital, LLC	\$39.25 *	\$3.93 *	12
9	Jayhawk Capital Management LLC	\$10.88 *	\$1.09 *	11
10	Empery Asset Management, LP	\$16.41 *	\$2.05 *	10
11	Wellington Management Company	\$122.29 *	\$17.47 *	9
11	Tisch Financial Management	\$33.06 *	\$4.13 *	9
11	Special Situations Funds	\$27.95	\$3.11	9
11	Straus Capital Management, L.L.C.	\$5.00 *	\$0.63 *	9
11	LH Financial Services Corp.	\$2.80 *	\$0.40 *	9
16	Federated Equity Funds	\$24.44 *	\$6.11 *	8
16	Silver Rock Group	\$1.36 *	\$0.23 *	8
16	Gemini Strategies, LLC	\$0.70 *	\$0.23 *	8
19	Deerfield Management Company	\$176.42 *	\$29.40 *	7
19	UBS AG	\$29.74	\$4.25	7
19	Ramius Capital Group, LLC	\$19.29	\$2.76	7
19	Guerrilla Capital Management	\$7.57	\$1.08	7
23	Frost Group, LLC	\$69.24	\$11.54	6
23	Boxer Asset Management, Inc.	\$6.14 *	\$1.23 *	6
23	Ancora Capital Inc.	\$1.60 *	\$0.32 *	6

\* EXCLUDES transactions where Investment Amount has not yet been disclosed

## PLACEMENT AGENTS

## RANKED BY TOTAL DOLLARS RAISED

Rank	Placement Agent	Total \$m	Avg. \$m	#
1	Calyon Securities USA, Inc.	\$1,721.31	\$860.66	2
2	Societe Generale Group	\$1,695.83	\$1,695.83	1
3	Rodman & Renshaw, LLC	\$1,183.00	\$15.99	74
4	Deutsche Bank AG	\$747.68	\$93.46	8
5	Roth Capital Partners, LLC	\$731.81	\$28.15	26
6	Piper Jaffray & Co.	\$723.37	\$32.88	22
7	Lazard	\$629.29	\$33.12	19
8	Canaccord Capital Corp.	\$564.42	\$31.36	18
9	Robert W. Baird & Co. Incorporated	\$509.97	\$72.85	7
10	Goldman, Sachs & Co.	\$452.70	\$226.35	2
11	RBC Capital Markets	\$439.98	\$33.84	13
12	Oppenheimer & Co. Inc.	\$368.24	\$26.30	14
13	Macquarie Capital Advisors	\$356.51	\$178.25	2
14	JMP Group, Inc.	\$326.81	\$46.69	7
15	Cowen and Company, LLC	\$311.67	\$28.33	11
16	Leerink Swann & Company	\$296.29	\$49.38	6
17	FBR Capital Markets & Co., Inc.	\$260.00	\$260.00	1
18	SunTrust Robinson Humphrey	\$250.00	\$250.00	1
19	Brean Murray, Carret & Co., LLC	\$246.84	\$27.43	9
20	Sandler O'Neill & Partners, L. P.	\$244.12	\$48.82	5
21	Thomas Weisel Partners LLC	\$219.64	\$15.69	14
22	Barclays Capital Inc.	\$215.96	\$53.99	4
23	Raymond James & Associates, Inc.	\$215.15	\$71.72	3
24	Merriman Curhan Ford & Co.	\$194.47	\$17.68	11
25	FIG Partners, L.L.C.	\$184.53	\$61.51	3

## RANKED BY # OF PLACEMENTS

Rank	Placement Agent	Total \$m	Avg. \$m	#
1	Rodman & Renshaw, LLC	\$1,183.00	\$15.99	74
2	Roth Capital Partners, LLC	\$731.81	\$28.15	26
3	Piper Jaffray & Co.	\$723.37	\$32.88	22
4	Lazard	\$629.29	\$33.12	19
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9	RBC Capital Markets	\$439.98	\$33.84	13
10	Cowen and Company, LLC	\$311.67	\$28.33	11
10	Merriman Curhan Ford & Co.	\$194.47	\$17.68	11
10	Chardan Capital Markets, LLC	\$83.73	\$7.61	11
13	Ladenburg Thalmann & Co., Inc.	\$123.82	\$12.38	10
14	Brean Murray, Carret & Co., LLC	\$246.84	\$27.43	9
15	Deutsche Bank AG	\$747.68	\$93.46	8
15	Needham & Company, Inc.	\$176.09	\$22.01	8
17	Robert W. Baird & Co. Incorporated	\$509.97	\$72.85	7
17	JMP Group, Inc.	\$326.81	\$46.69	7
17	Dundee Securities Corporation	\$75.81	\$10.83	7
20	Leerink Swann & Company	\$296.29	\$49.38	6
20	Jefferies & Company Inc.	\$149.91	\$24.99	6
20	Wedbush Morgan Securities, Inc.	\$138.70	\$23.12	6
20	Maxim Group, LLC	\$103.88	\$17.31	6
20	Dawson James Securities	\$47.59	\$7.93	6
20	Garden State Securities, Inc.	\$20.42	\$3.40	6

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## LEAGUE TABLES

## THE PIPEs REPORT

## LEAGUE TABLES FOR 2009

## INVESTOR LEGAL COUNSEL

## RANKED BY TOTAL DOLLARS ADVISED

Rank	Investor Legal Counsel	Total \$m	Avg. \$m	#
1	Gibson, Dunn & Crutcher, LLP	\$5,497.51	\$2,748.75	2
2	Munger, Tolles & Olson LLP	\$4,075.00	\$2,037.50	2
3	Cleary, Gottlieb, Steen & Hamilton	\$1,902.91	\$475.73	4
4	Paul, Weiss, et al	\$1,532.51	\$766.25	2
5	Morrison & Foerster LLP	\$1,518.51	\$506.17	3
6	Torys LLP	\$1,500.00	\$1,500.00	1
7	Davis Polk & Wardwell	\$1,497.51	\$1,497.51	1
7	King & Spalding LLP	\$1,497.51	\$1,497.51	1
7	Sabin, Bermant & Gould LLP	\$1,497.51	\$1,497.51	1
10	Latham & Watkins LLP	\$1,422.75	\$109.44	13
11	Sullivan & Cromwell LLP	\$904.75	\$100.53	9
12	Schulte Roth & Zabel LLP	\$722.27	\$18.52	39
13	Weil, Gotshal & Manges LLP	\$650.00	\$325.00	2
14	Greenberg Traurig, LLP	\$630.24	\$19.70	32
15	Willkie Farr & Gallagher LLP	\$531.50	\$132.87	4
16	Wachtell, Lipton, Rosen & Katz	\$500.00	\$500.00	1
17	Simpson, Thacher & Bartlett LLP	\$495.00	\$61.87	8
18	Debevoise & Plimpton LLP	\$450.00	\$225.00	2
19	Shearman & Sterling LLP	\$443.03	\$147.68	3
20	Baker Botts, L.L.P.	\$430.00	\$215.00	2
21	Sidley Austin LLP	\$300.00	\$150.00	2
22	K & L Gates	\$200.00	\$200.00	1
23	Barack Ferrazzano, et al	\$180.00	\$90.00	2
24	Kleinberg, Kaplan, Wolff & Cohen	\$177.90	\$88.95	2
25	Cravath, Swaine & Moore LLP	\$175.00	\$175.00	1

## RANKED BY # OF PLACEMENTS ADVISED

Rank	Investor Legal Counsel	Total \$m	Avg. \$m	#
1	Schulte Roth & Zabel LLP	\$722.27	\$18.52	39
2	Greenberg Traurig, LLP	\$630.24	\$19.70	32
3	Latham & Watkins LLP	\$1,422.75	\$109.44	13
4	Weinstein & Smith, LLP	\$48.44	\$4.04	12
5	Lowenstein Sandler PC	\$128.68	\$12.87	10
6	Sullivan & Cromwell LLP	\$904.75	\$100.53	9
7	Simpson, Thacher & Bartlett LLP	\$495.00	\$61.87	8
8	Seward & Kissel LLP	\$151.29	\$25.21	6
8	Bingham McCutchen LLP	\$90.22	\$15.04	6
8	Grushko & Mittman, P.C.	\$8.67	\$1.44	6
11	Mintz, Levin, et al	\$173.61	\$34.72	5
11	O'Melveny & Myers LLP	\$131.60	\$26.32	5
11	Goodwin Procter LLP	\$79.74	\$15.95	5
11	Finn Dixon & Herling LLP	\$75.00	\$15.00	5
11	Troutman Sanders LLP	\$69.50	\$13.90	5
16	Cleary, Gottlieb, Steen & Hamilton	\$1,902.91	\$475.73	4
16	Willkie Farr & Gallagher LLP	\$531.50	\$132.87	4
16	Kirkland & Ellis LLP	\$125.00	\$31.25	4
16	Ropes & Gray LLP	\$62.80	\$15.70	4
16	Ellenoff Grossman and Schole LLP	\$27.00	\$6.75	4
16	Cooley Godward Kronish LLP	\$22.01	\$5.50	4
16	Quarles & Brady Streich Lang LLP	\$18.50	\$4.63	4
23	Morrison & Foerster LLP	\$1,518.51	\$506.17	3
23	Shearman & Sterling LLP	\$443.03	\$147.68	3
23	Katten Muchin Rosenman LLP	\$165.00	\$55.00	3

## ISSUER LEGAL COUNSEL

## RANKED BY TOTAL DOLLARS ADVISED

Rank	Issuer Legal Counsel	Total \$m	Avg. \$m	#
1	Shearman & Sterling LLP	\$4,190.58	\$1,047.65	4
2	Skadden, Arps, et al	\$2,854.76	\$203.91	14
3	Simpson, Thacher & Bartlett LLP	\$2,675.41	\$297.27	9
4	Davis Wright Tremaine LLP	\$1,616.51	\$323.30	5
5	Stikeman Elliott LLP	\$1,545.60	\$772.80	2
6	Kirkland & Ellis LLP	\$1,497.51	\$1,497.51	1
7	Wachtell, Lipton, Rosen & Katz	\$1,120.02	\$160.00	7
8	Wilson Sonsini Goodrich & Rosati	\$776.40	\$55.46	14
9	Cooley Godward Kronish LLP	\$638.73	\$21.29	30
10	Latham & Watkins LLP	\$461.43	\$27.14	17
11	K & L Gates	\$419.93	\$28.00	15
12	Goodmans LLP	\$388.03	\$388.03	1
12	Paul, Weiss, et al	\$388.03	\$388.03	1
14	Morgan, Lewis & Bockius LLP	\$362.00	\$22.62	16
15	Edwards Angell Palmer & Dodge	\$333.32	\$37.04	9
16	WilmerHale	\$326.81	\$36.31	9
17	Loeb & Loeb LLP	\$305.55	\$27.78	11
18	Sullivan & Cromwell LLP	\$290.83	\$58.17	5
19	Kutak Rock LLP	\$280.32	\$140.16	2
20	O'Melveny & Myers LLP	\$270.29	\$33.79	8
21	Cahill Gordon & Reindel LLP	\$266.40	\$53.28	5
22	Mayer Brown LLP	\$264.78	\$88.26	3
23	Greenberg Traurig, LLP	\$253.12	\$23.01	11
24	Dewey & LeBoeuf LLP	\$241.50	\$120.75	2
25	Pillsbury Winthrop Shaw Pittman	\$230.52	\$15.37	15

## RANKED BY # OF PLACEMENTS ADVISED

Rank	Issuer Legal Counsel	Total \$m	Avg. \$m	#
1	Sichenzia Ross Friedman Ference	\$209.89	\$4.88	43
2	Cooley Godward Kronish LLP	\$638.73	\$21.29	30
3	Latham & Watkins LLP	\$461.43	\$27.14	17
3	Goodwin Procter LLP	\$229.33	\$13.49	17
5	Morgan, Lewis & Bockius LLP	\$362.00	\$22.62	16
6	K & L Gates	\$419.93	\$28.00	15
6	Pillsbury Winthrop Shaw Pittman	\$230.52	\$15.37	15
6	DLA Piper	\$190.40	\$12.69	15
9	Skadden, Arps, et al	\$2,854.76	\$203.91	14
9	Wilson Sonsini Goodrich & Rosati	\$776.40	\$55.46	14
11	Loeb & Loeb LLP	\$305.55	\$27.78	11
11	Greenberg Traurig, LLP	\$253.12	\$23.01	11
11	Stradling Yocca Carlson & Rauth	\$188.66	\$17.15	11
11	Mintz, Levin, et al	\$155.02	\$14.09	11
15	Hogan & Hartson L.L.P.	\$152.31	\$15.23	10
15	Morrison & Foerster LLP	\$126.64	\$12.66	10
15	Richardson & Patel, LLP	\$42.77	\$4.28	10
18	Simpson, Thacher & Bartlett LLP	\$2,675.41	\$297.27	9
18	Edwards Angell Palmer & Dodge	\$333.32	\$37.04	9
18	WilmerHale	\$326.81	\$36.31	9
18	Ropes & Gray LLP	\$104.47	\$11.61	9
18	Law Offices of Stephen M. Fleming	\$13.10	\$1.46	9
23	O'Melveny & Myers LLP	\$270.29	\$33.79	8
23	Dorsey & Whitney LLP	\$130.86	\$16.36	8
25	Wachtell, Lipton, Rosen & Katz	\$1,120.02	\$160.00	7

All data is based on proprietary information from PrivateRaise, a service of DealFlow Media. Data includes PIPEs that are at least US\$1.0 million and have been executed by public corporations domiciled in the U.S. or by public, foreign companies that have a primary listing or a significant or consistent trading presence on a U.S. stock exchange or market. Data is updated based on availability of public disclosures (e.g. press releases and SEC filings) and has been obtained from sources deemed reliable, including certain third party sources. However, DealFlow Media cannot guarantee the accuracy and completeness of this information. League tables exclude equity lines, corporate investors, and PIPEs executed by foreign-based issuers that trade on the Over-The-Counter market (Pink Sheets).

# LEAGUE TABLES

# THE PIPEs REPORT

## LEAGUE TABLES FOR 2009

### PLACEMENT AGENT LEGAL COUNSEL


#### RANKED BY TOTAL DOLLARS ADVISED

Rank	Placement Agent Legal Counsel	Total \$m	Avg. \$m	#
1	Weinstein & Smith, LLP	\$993.08	\$13.24	75
2	Goodwin Procter LLP	\$826.48	\$26.66	31
3	DLA Piper	\$491.00	\$44.64	11
4	Proskauer Rose LLP	\$441.92	\$19.21	23
5	Latham & Watkins LLP	\$238.68	\$34.10	7
6	Choate, Hall & Stewart LLP	\$159.41	\$19.93	8
7	Ropes & Gray LLP	\$158.46	\$52.82	3
8	O'Melveny & Myers LLP	\$157.52	\$78.76	2
9	Quarles & Brady Streich Lang LLP	\$156.33	\$156.33	1
10	Cleary, Gottlieb, Steen & Hamilton	\$115.00	\$115.00	1
11	Lowenstein Sandler PC	\$103.43	\$8.62	12
12	Bracewell & Giuliani, L.L.P.	\$103.38	\$34.46	3
13	Cravath, Swaine & Moore LLP	\$100.00	\$100.00	1
13	Shearman & Sterling LLP	\$100.00	\$100.00	1
15	Winston & Strawn LLP	\$92.25	\$46.13	2
16	K & L Gates	\$88.69	\$12.67	7
17	Davis Polk & Wardwell	\$86.25	\$86.25	1
18	Kaye Scholer, LLP	\$83.84	\$41.92	2
19	Faegre & Benson LLP	\$78.43	\$39.21	2
20	Simpson, Thacher & Bartlett LLP	\$65.00	\$65.00	1
21	Sichenzia Ross Friedman FERENCE LLP	\$64.96	\$12.99	5
22	Morrison & Foerster LLP	\$56.00	\$18.67	3
23	WilmerHale	\$45.52	\$45.52	1
24	Hogan & Hartson L.L.P.	\$45.26	\$45.26	1
25	Stradling Yocca Carlson & Rauth	\$38.25	\$19.13	2

#### RANKED BY # OF PLACEMENTS ADVISED

Rank	Placement Agent Legal Counsel	Total \$m	Avg. \$m	#
1	Weinstein & Smith, LLP	\$993.08	\$13.24	75
2	Goodwin Procter LLP	\$826.48	\$26.66	31
3	Proskauer Rose LLP	\$441.92	\$19.21	23
4	Lowenstein Sandler PC	\$103.43	\$8.62	12
5	DLA Piper	\$491.00	\$44.64	11
6	Choate, Hall & Stewart LLP	\$159.41	\$19.93	8
7	Latham & Watkins LLP	\$238.68	\$34.10	7
7	K & L Gates	\$88.69	\$12.67	7
9	Sichenzia Ross Friedman FERENCE LLP	\$64.96	\$12.99	5
10	Ropes & Gray LLP	\$158.46	\$52.82	3
10	Bracewell & Giuliani, L.L.P.	\$103.38	\$34.46	3
10	Morrison & Foerster LLP	\$56.00	\$18.67	3
10	Ellenoff Grossman and Schole LLP	\$8.62	\$2.87	3
14	O'Melveny & Myers LLP	\$157.52	\$78.76	2
14	Winston & Strawn LLP	\$92.25	\$46.13	2
14	Kaye Scholer, LLP	\$83.84	\$41.92	2
14	Faegre & Benson LLP	\$78.43	\$39.21	2
14	Stradling Yocca Carlson & Rauth	\$38.25	\$19.13	2
14	Paul, Hastings, Janofsky & Walker LLP	\$25.12	\$12.56	2
14	Fraser Milner Casgrain LLP	\$11.52	\$5.76	2
14	Wollmuth Maher & Deutsch LLP	\$9.04	\$4.52	2
14	Cassels Brock & Blackwell LLP	\$7.73	\$3.86	2
23	Quarles & Brady Streich Lang LLP	\$156.33	\$156.33	1
23	Cleary, Gottlieb, Steen & Hamilton	\$115.00	\$115.00	1
23	Cravath, Swaine & Moore LLP	\$100.00	\$100.00	1

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