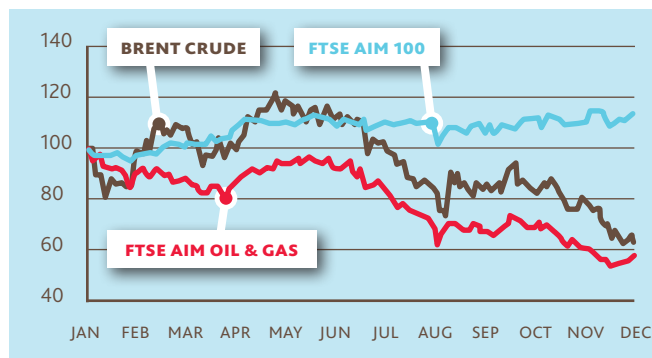
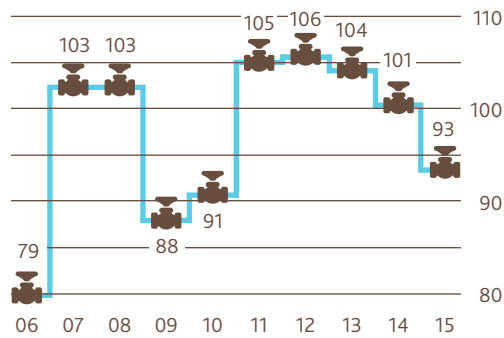
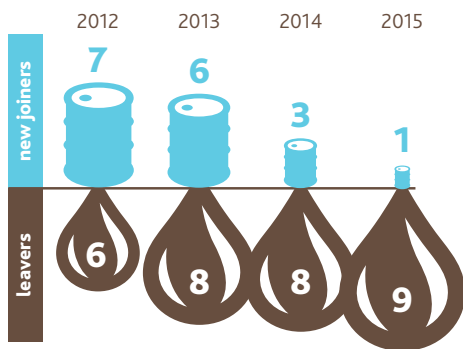


DRILLING DOWN 2016

A review of the performance of AIM listed oil and gas companies in 2015

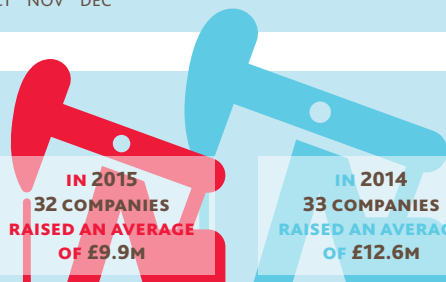
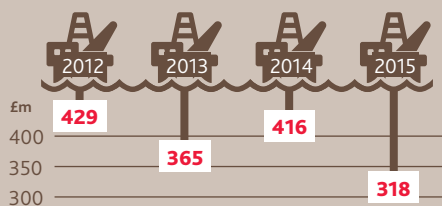
2015 saw the **largest number of leavers** since our survey started in 2012...

...but there are still **more AIM oil and gas companies** than in 2006



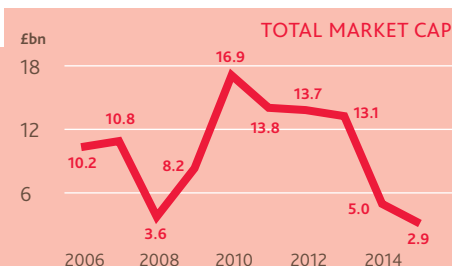
AIM oil & gas shares underperformed the FTSE AIM 100 and mirrored the trend in oil prices in 2015

Although funds for IPOs have dried up, secondary fundraisings have still been possible, albeit at lower levels than in recent years.



The number of oil and gas companies raising funds has remained stable but the average amount raised by each company was lower.

The reduction in market cap reflects the cyclicity of oil prices. Market values in 2015 (£2.9bn) are similar to levels in 2008 (£3.6bn).



OUR ADVICE FOR SURVIVING THE CURRENT MARKET

01 Put in place **tight cost control and cash management**

02 Consider **M&A opportunities** to realise value for shareholders

03 Try to secure **funding from alternative sources**, such as specialist investors and innovative partnering arrangements

04 Keep the market informed, make sure there are **no surprise announcements**

05 Review **your capital structure** to ensure it does not expose you to sudden liquidity issues

Find out more about how BDO can help you:

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