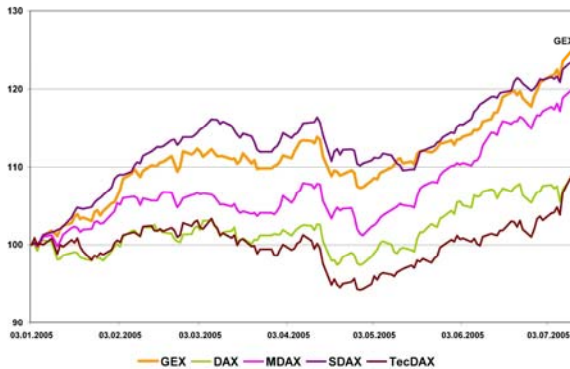


Dear CEFS newsletter subscriber,
you will find two short descriptions of current CEFS projects and a selection of CEFS news in this issue of our quarterly newsletter. For complementary information, please visit our website at <http://www.cefs.de>.

German Entrepreneurial Index (GEX)



The GEX is a joint development of Deutsche Börse Group and CEFS introduced in January 2005. It reflects the performance of German Small- and Mid-sized-Companies in their post-IPO phase. The GEX is the best performing index in 2005. With an increase of +24% (as of 12.07.2005) it outperformed all other major German stock indices (SDAX +23%, MDAX +20%, TecDAX +9% and DAX +8%). The traded volume of certificates and warrants issued on the GEX amounted to more than 24.000.000€ (as of 8.06.2005).

News

Teaching Award 2004 of the Bavarian State Minister of Sciences, Research and Arts

We are proud to announce that Dr. Thomas Goppel, Bavarian State Minister of Sciences, Research and Art, accorded his 2004 Teaching award to Univ.-Prof. Dr. Dr. Ann-Kristin Achleitner. The award ceremony is going to be held at the University of Passau on 13th of July.

[more information](#)

Heinz Ansmann Stiftung - Award 2005

We are proud to announce that the Heinz Ansmann-Stiftung decided to accord this year's award to Dr. Anna Magdalena Haslinger, a former doctoral student of Univ.-Prof. Dr. Dr. Ann-Kristin Achleitner. The Heinz Ansmann-Stiftung is a foundation at the Cologne University that aims to foster research in the fields of equity financing for German companies. Dr. Haslinger's work combines excellence in academic prospects and a high degree of applicability in corporate practice. It is titled "Lock-up-Periode und Eigenkapitalplatzierung bei Wachstumsunternehmen (Lock-up-period and Equity placement for growth companies)".

[more information](#)

Best paper Award of the association "Hochschullehrer für Betriebswirtschaftslehre e.V."

We are pleased to announce that Priv.-Doz. Dr. Niklas Wagner (Managing Director at CEFS) won the Best Paper Award for his joint publication "Non-linear Term Structure Dependence: Copula Functions, Empirics, and Risk Implications" in collaboration with Dr. Markus Junker and Dr. Alex Szimayer. The goal of main function of this award is to encourage members of the association to present their findings to an international audience. The award ceremony was part of the conference of the association on 21st of May in Kiel at the Christian-Albrechts-Universität.

[more information](#)

Nasdaq IPOs around Market Peak in 2000

The question as to whether equity markets reside in a potential hot issue or cold issue market regime plays an essential role in the initial equity financing activity of young corporations. Given such potential market regimes, young corporations may initiate timing activities in order to influence the initial pricing of their shares and thereby entrepreneurs and venture capitalists try to take advantage of potential windows of opportunity.

In his paper Priv.-Doz. Dr. Niklas Wagner, CEFS managing director, examines the Nasdaq IPOs during the pre-peak (hot) and post-peak (cold) internet bubble years 2000 to 2002.

The findings suggest that that pre-peak average initial underpricing was higher. In addition, overpricing risk was lower in the hot issue markets. However, reported company profitability in the listing-year appears higher on average for cold issue IPOs.

The final paper will be part of an upcoming Elsevier publication "Initial Public Offerings: An International Perspective" (forthcoming, January 2006).