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# *IPO Watch Europe Survey*

## Q3 2013

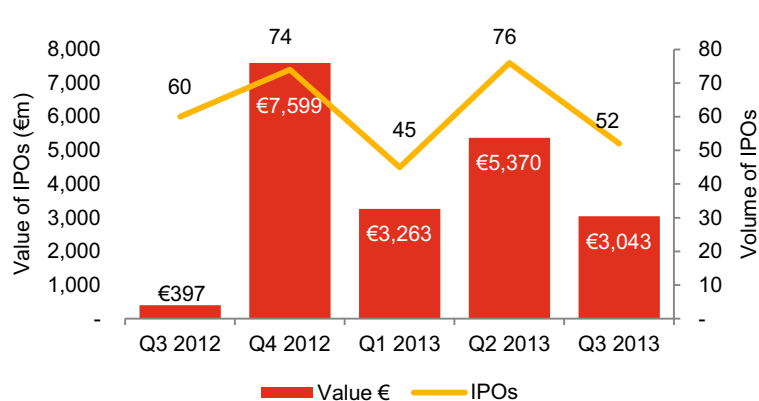


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## European IPO proceeds in Q3 2013 surpassed €3bn, bringing the total proceeds raised in the year to date to €11.7bn, exceeding the total €11.2bn raised in 2012

### Quarterly European IPO activity by value and volume



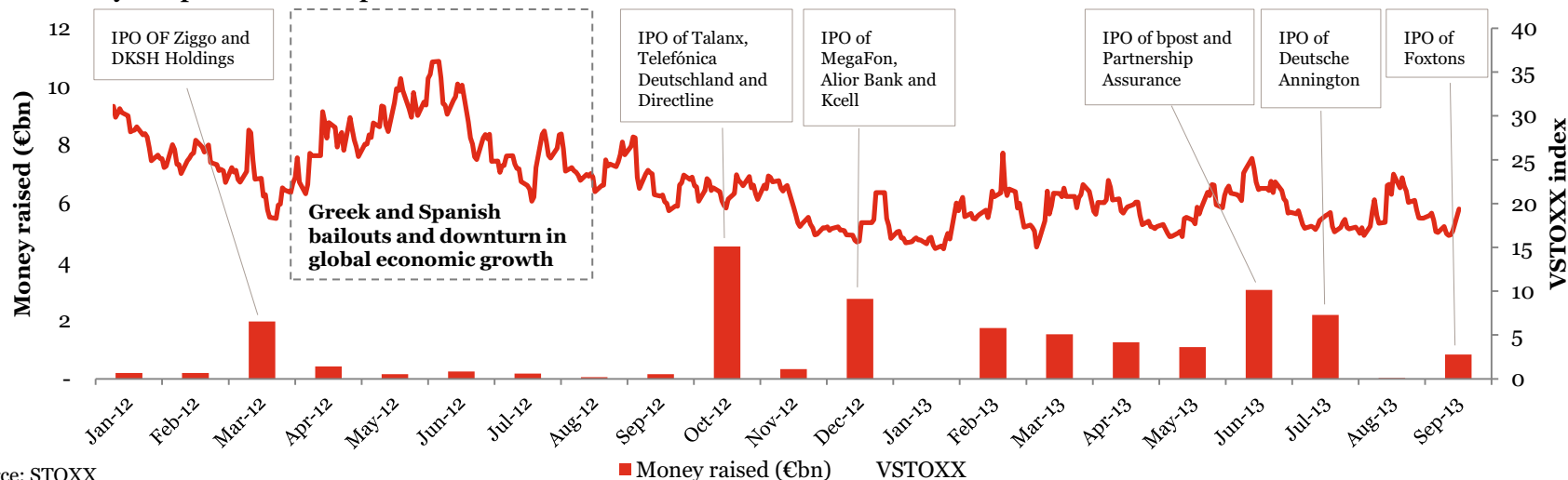
	Q3 2013	Q3 2012	Q2 2013
Total European listings comprise those with:			
<i>No money raised</i>	6	17	12
<i>Money raised</i>	46	43	64
<b>Total number of listings</b>	<b>52</b>	<b>60</b>	<b>76</b>
<b>Total money raised (€m)</b>	<b>3,043</b>	<b>397</b>	<b>5,370</b>
Average offering value (€m) *	66	9	84

\* Average offering value has been calculated based on total offering value over the number of listings raising money.

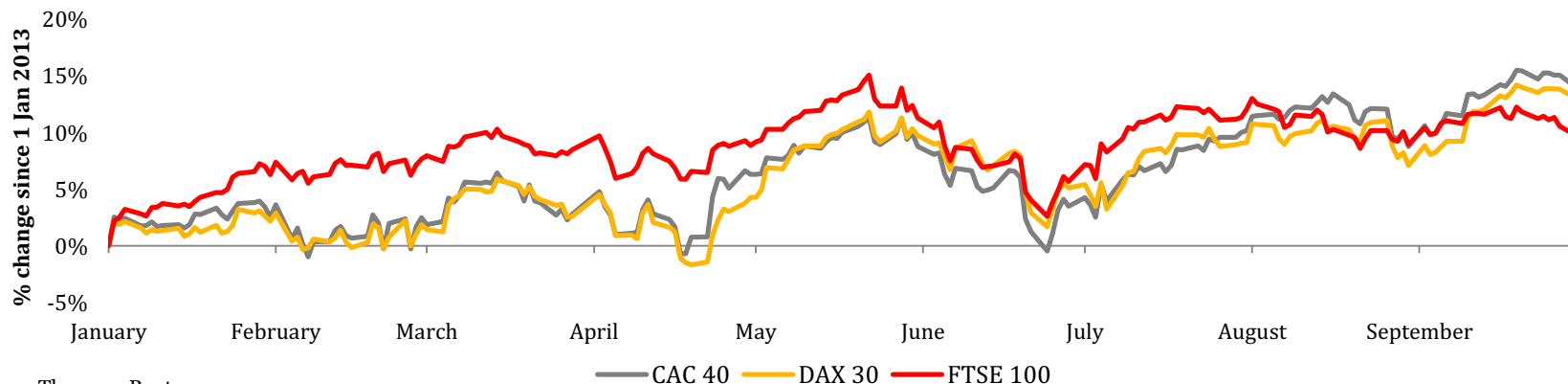
Note – The Q2 2013 data has been amended for supplementary data received from the London Stock Exchange to include €146m of proceeds raised by Al Noor Hospitals from the sell down by existing shareholders in addition to the proceeds from new shares previously included.

## Low volatility and improving European Market indices provide a positive backdrop for a healthy IPO pipeline

Volatility compared with IPO proceeds

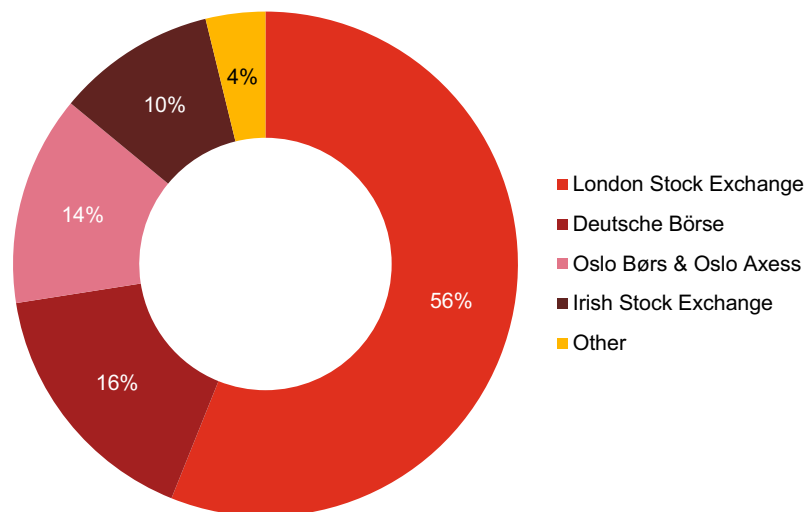


Historical performance of major market indices



## ***London maintained its position as the leading market for IPOs in Europe with 56% of the quarter's proceeds***

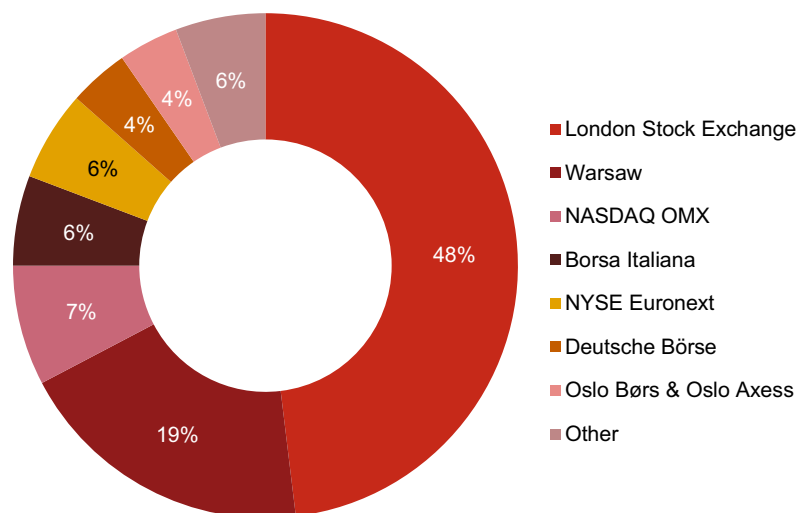
### **IPO offering value by exchange**



Stock exchange offering value (€m)	Q3 2013	Q3 2012	Q2 2013
London Stock Exchange	1,704	263	2,633
Deutsche Börse	500	26	714
Oslo Børs & Oslo Axess	409	-	12
Irish Stock Exchange	310	-	-
Borsa Italiana	58	7	318
NYSE Euronext	43	3	922
Warsaw	15	14	44
Borsa Istanbul	2	30	326
BME (Spanish Exchange)	2	-	-
NASDAQ OMX	-	-	371
Luxembourg	-	54	30
<b>Total</b>	<b>3,043</b>	<b>397</b>	<b>5,370</b>

***London hosted 48% of the quarter's listings with an average offering value of €68m, whilst Warsaw's 19% share raised an average of €2m per transaction***

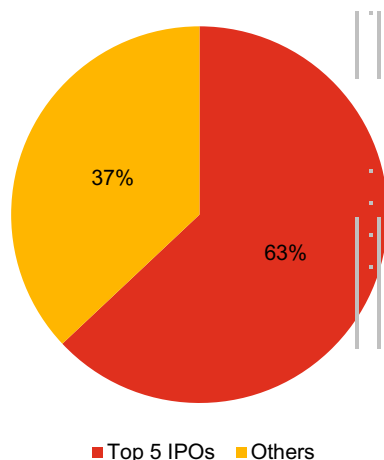
#### **IPO volume by exchange**



Stock exchange	Q3 2013	Q3 2012	Q2 2013
London Stock Exchange	25	14	25
Warsaw	10	26	18
NASDAQ OMX	4	4	10
Borsa Italiana	3	2	3
NYSE Euronext	3	1	9
Deutsche Börse	2	5	3
Oslo Børs & Oslo Axess	2	1	2
Borsa Istanbul	1	4	3
BME (Spanish Exchange)	1	-	1
Irish Stock Exchange	1	-	-
Luxembourg	-	2	2
<b>Total</b>	<b>52</b>	<b>60</b>	<b>76</b>

## *The top 5 IPOs accounted for two thirds of proceeds in the quarter, with the top two being private equity backed*

### Top five IPOs



<b>Q3 2013</b>	<b>€m raised</b>	<b>Sector</b>	<b>Market</b>	<b>Country of Origin</b>	<b>PE-backed</b>
Deutsche Annington Immobilien	500	Real Estate	Deutsche Börse	Germany	Yes
Foxtons Group	462	Real Estate	London	UK	Yes
The Renewables Infrastructure Group	348	Investment Company	London	Guernsey	No
Green REIT*	310	Investment Company	Irish Stock Exchange; London	Ireland	No
Odfjell Drilling	294	Oil & Gas	Oslo	Bermuda	No
<b>Total</b>	<b>1,914</b>				
<b>Q2 2013</b>	<b>€m raised</b>	<b>Sector</b>	<b>Market</b>	<b>Country of Origin</b>	<b>PE-backed</b>
bpost	812	Industrial Goods & Services	Euronext	Belgium	Yes
Platform Acquisition Holdings	682	Investment Company	London	BVI**	No
Partnership Assurance Group	569	Insurance	London	UK	Yes
Kion Group	414	Industrial Goods & Services	Deutsche Börse	Germany	Yes
CVC Credit Partners European	352	Investment Company	London	Jersey	No
<b>Total</b>	<b>2,829</b>				

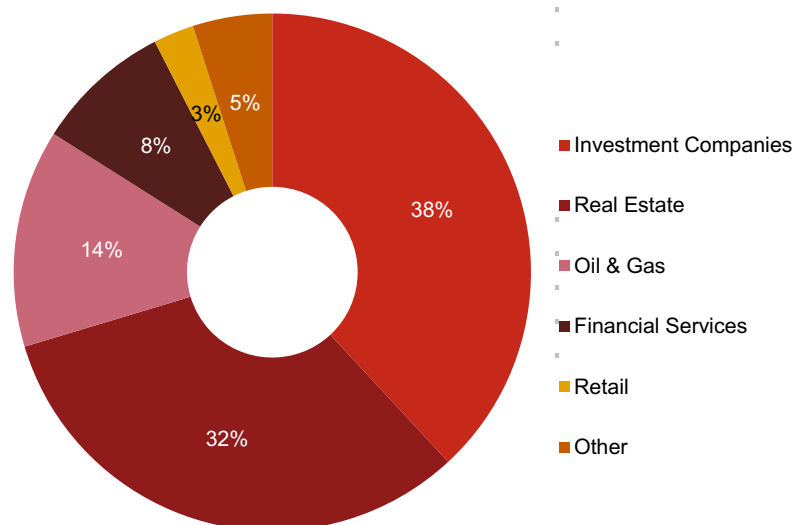
\* Dual listing with the majority of trading on the Irish Stock Exchange

\*\*British Virgin Islands

## Investment and real estate companies dominated the quarter raising 70% of IPO proceeds

### IPO value by sector

IPO value by sector (€m)



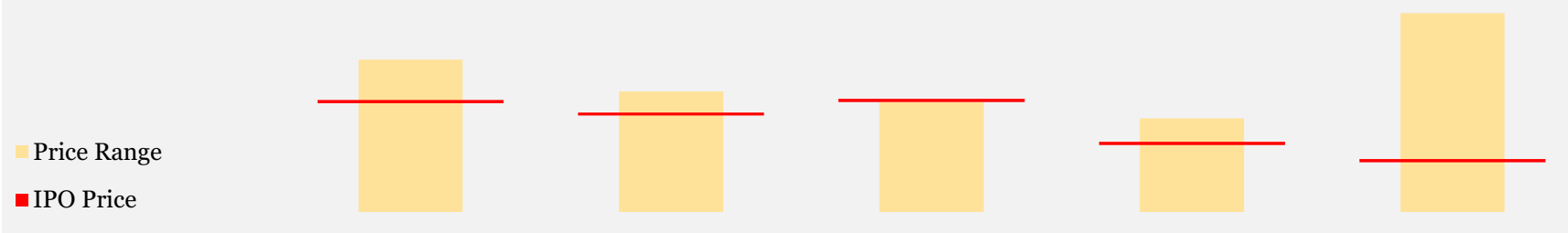
Sector (value of IPOs)	Q3 2013	Q3 2012	Q2 2013
Investment Companies	1,158	39	1,538
Real Estate	980	-	-
Oil & Gas	414	148	49
Financial Services	260	12	15
Retail	77	28	-
Pharmaceuticals & Biotech	59	13	25
Industrial Goods & Services	42	16	1,534
Technology	33	53	60
Mining	6	9	-
Personal & Household Goods	5	-	626
Media	5	-	1
Travel & Leisure	2	3	305
Food & Beverage	2	10	10
Insurance	-	-	597
Chemicals	-	35	339
Health Care	-	-	268
Automobiles & Parts	-	-	3
Telecommunications	-	19	-
Utilities	-	9	-
Construction & Materials	-	3	-
<b>Total value (€m)</b>	<b>3,043</b>	<b>397</b>	<b>5,370</b>



***Four of the top five UK IPOs in 2013 priced at the top of the quoted range, with all but esure outperforming the FTSE 100 in aftermarket trading***

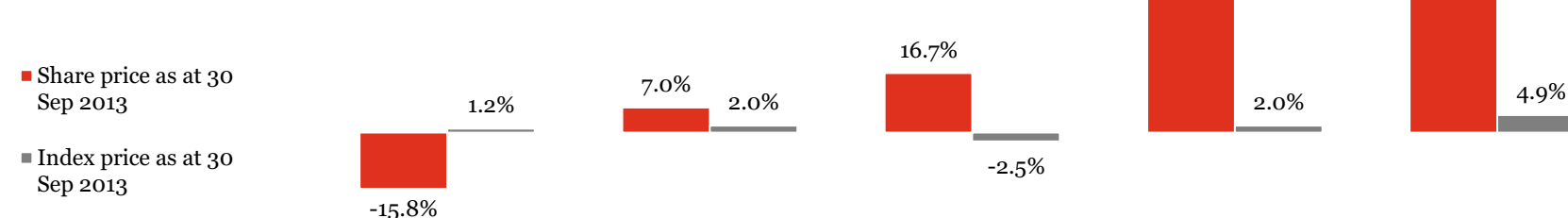
Top 5 (2013 YTD)	esure	Partnership Assurance	Foxtons	Crest Nicholson	Al Noor Hospitals
IPO date	27-March	12-June	20-September	18-February	26-June
PE backed	Yes	Yes	Yes	No	Yes
Money raised (€m)	703	569	462	261	259
Pricing range	£2.40 - £3.10	£3.25 - £4.00	£1.90 - £2.30	£1.95 - £2.30	£5.25 - £7.25
IPO price	£2.90	£3.85	£2.30	£2.20	£5.75

**IPO price versus range**



Source: Dealogic

**Post IPO performance**



Source: Dealogic

## Three of the top five European IPOs are trading ahead of both their IPO price and market indices

### Top 5 (2013 YTD)

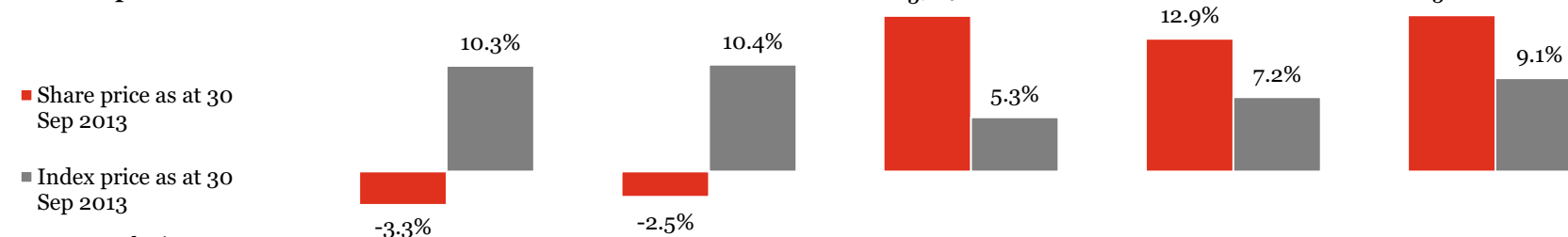
	<b>LEG Immobilien</b>	<b>bpost</b>	<b>Deutsche Annington</b>	<b>KION Group</b>	<b>Matas</b>
<b>Exchange</b>	Deutsche Börse	NYSE Euronext	Deutsche Börse	Deutsche Börse	OMX
<b>IPO date</b>	01-February	21-June	11-July	28-June	28-June
<b>PE backed</b>	No	Yes	Yes	Yes	Yes
<b>Money raised (€m)</b>	1,165	812	500	414	328
<b>Pricing range</b>	€41.00 – €47.00	€12.50 – €15.00	€16.50 – €17.00	€24.00 – €30.00	DKR100 – DKR120
<b>IPO price</b>	€44.00	€14.50	€16.50	€24.00	DKR115

### IPO price versus range



Source: Dealogic

### Post IPO performance



Source: Dealogic

## IPOs by market

	Q3 2013		Q3 2012		Q2 2013	
	IPOs	Offering value (€m)	IPOs	Offering value (€m)	IPOs	Offering value (€m)
<b>Stock exchange</b>						
<b>TOTAL</b>						
London Stock Exchange	25	1,704	14	263	25	2,633
Deutsche Börse	2	500	5	26	3	714
Oslo Børs & Oslo Axess	2	409	1	-	2	12
Irish Stock Exchange	1	310	-	-	-	-
Borsa Italiana	3	58	2	7	3	318
NYSE Euronext	3	43	1	3	9	922
Warsaw	10	15	26	14	18	44
Borsa Istanbul	1	2	4	30	3	326
BME (Spanish Exchange)	1	2	-	-	1	-
NASDAQ OMX	4	-	4	-	10	371
Luxembourg	-	-	2	54	2	30
SIX Swiss Exchange	-	-	1	-	-	-
<b>Total</b>	<b>52</b>	<b>3,043</b>	<b>60</b>	<b>397</b>	<b>76</b>	<b>5,370</b>
<b>EU-REGULATED</b>						
London Main	5	1,140	1	30	8	2,315
NYSE Euronext (Euronext)	2	43	-	-	7	849
Deutsche Börse (Prime and General Standard)	2	500	5	26	3	714
NASDAQ OMX (Main)	1	-	2	-	4	356
Borsa Italiana (Main)	-	-	-	-	1	269
Warsaw (Main)	2	10	2	9	3	41
Irish Stock Exchange	1	310	-	-	-	-
BME (Spanish Exchange) (Main)	-	-	-	-	1	-
Oslo Børs	2	409	1	-	-	-
SIX Swiss Exchange	-	-	1	-	-	-
<b>EU-regulated sub-total</b>	<b>15</b>	<b>2,412</b>	<b>12</b>	<b>65</b>	<b>27</b>	<b>4,544</b>
<b>EXCHANGE-REGULATED</b>						
Borsa Istanbul	1	2	4	30	3	326
London AIM and SFM	20	564	13	233	17	318
NYSE Euronext (Alternext)	1	-	1	3	2	73
Borsa Italiana (AIM)	3	58	2	7	2	49
Luxembourg (EuroMTF)	-	-	2	54	2	30
NASDAQ OMX (First North)	3	-	2	-	6	15
Oslo Axess	-	-	-	-	2	12
Warsaw (NewConnect) *	8	5	24	5	15	3
BME (Spanish Exchange) (MAB)	1	2	-	-	-	-
<b>Exchange-regulated sub-total</b>	<b>37</b>	<b>631</b>	<b>48</b>	<b>332</b>	<b>49</b>	<b>826</b>
<b>Europe total</b>	<b>52</b>	<b>3,043</b>	<b>60</b>	<b>397</b>	<b>76</b>	<b>5,370</b>

\* Cumulatively the WSE NewConnect raised €6.21m in Q3 2013. However, certain transactions raised an amount that rounded down to nil and the figure adjacent is the sum of the rounded values.

## ***The US continued to outperform both Europe and Hong Kong in Q3, supported by energy and healthcare IPOs which raised half of total proceeds***

### **US and Hong Kong overview**

<b>Stock exchange</b>	<b>Q3 2013</b>		<b>Q3 2012</b>		<b>Q2 2013</b>	
	<b>IPOs</b>	<b>Offering value (€m)</b>	<b>IPOs</b>	<b>Offering value (€m)</b>	<b>IPOs</b>	<b>Offering value (€m)</b>
US	63	8,921	30	5,256	63	10,117
Europe	52	3,043	60	397	76	5,370
Hong Kong	20	1,784	17	1,422	12	3,058

*Total US proceeds raised during the third quarter were €8.9 billion, bringing the total proceeds raised in the year to date to €24.8 billion. Excluding the Facebook IPO (which raised €12.5 billion in Q2 2012) the first three quarters of 2013 have seen an 72% increase in total proceeds raised compared to the same period in 2012.*

*Energy and healthcare were the strongest performing sectors in the third quarter, combining to represent 52% of US IPO value during the period. Whilst the total proceeds raised in Q3 2013 were less than the previous quarter, they represent a 70% increase on Q3 2012.*

*IPO activity in Hong Kong remained subdued in the third quarter with only a modest increase in proceeds raised compared to Q3 2012.*

*The US IPO pipeline is encouraging, with the anticipated IPO of Twitter and Chinese e-commerce group Alibaba both expected to raise multi-billions of dollars.*

# About IPO Watch Europe

*IPO Watch Europe surveys all new primary market equity IPOs on Europe's principal stock markets and market segments (including exchanges in Austria, Belgium, Denmark, France, Germany, Greece, the Netherlands, Ireland, Italy, Luxembourg, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Turkey and the UK) on a quarterly basis. Movements between markets on the same exchange and greenshoe offerings are excluded.*

*This survey was conducted between 1 July and 30 September 2013 and captures new market IPOs based on their transaction date. All market data is sourced from the stock markets themselves and has not been independently verified by PricewaterhouseCoopers LLP.*



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