

IPO Watch Europe Q1 2017



€4.5bn

raised in Q1 2017

(Q1 2016: €3.5bn, 28% increase)

53 IPOs

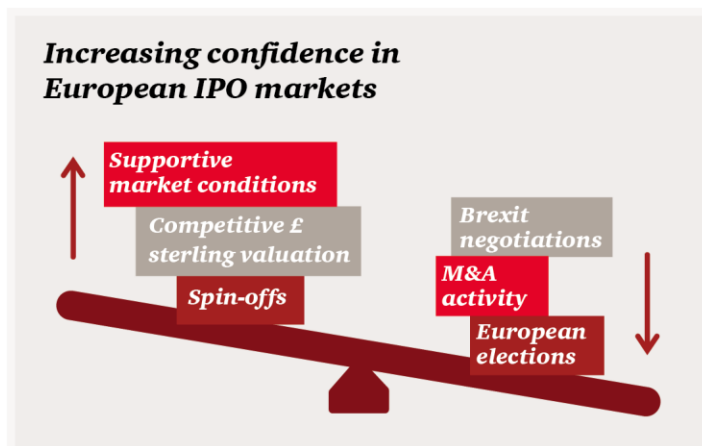
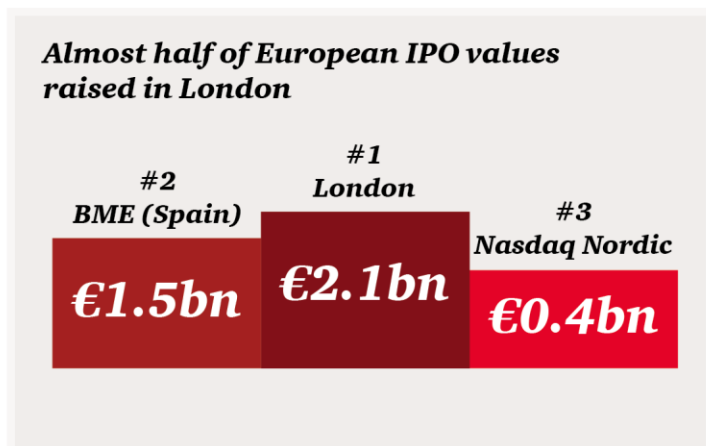
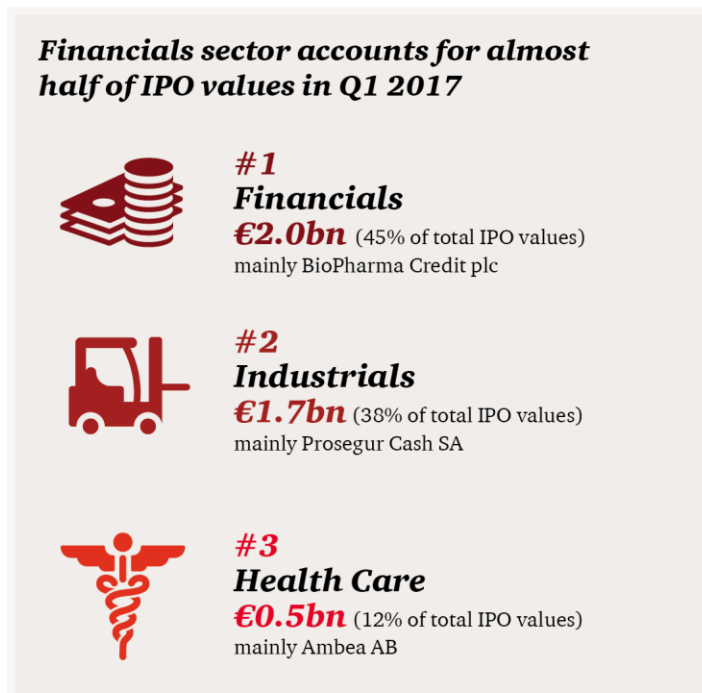
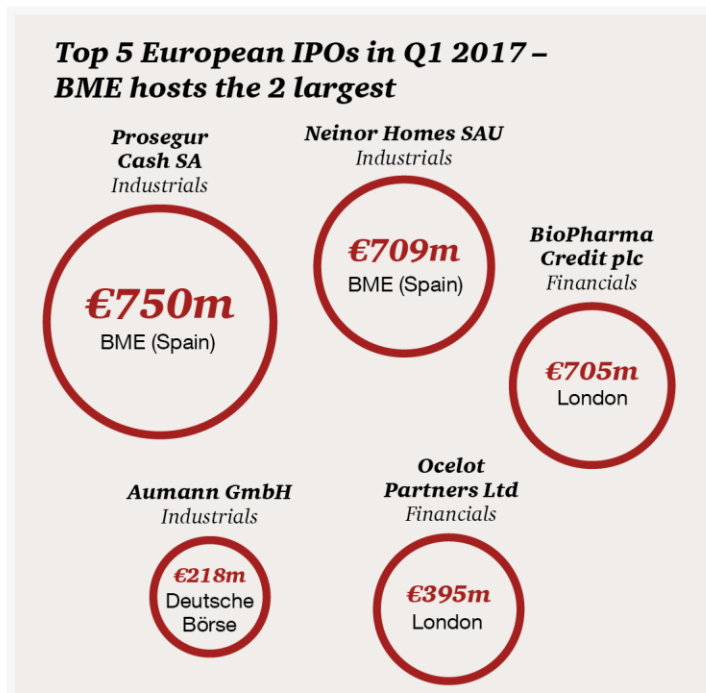
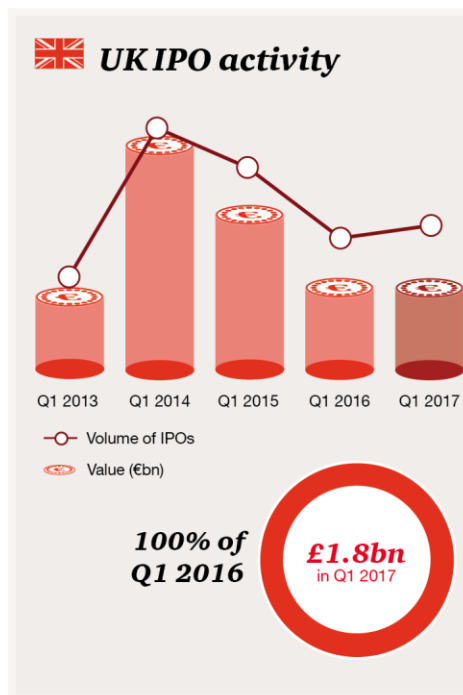
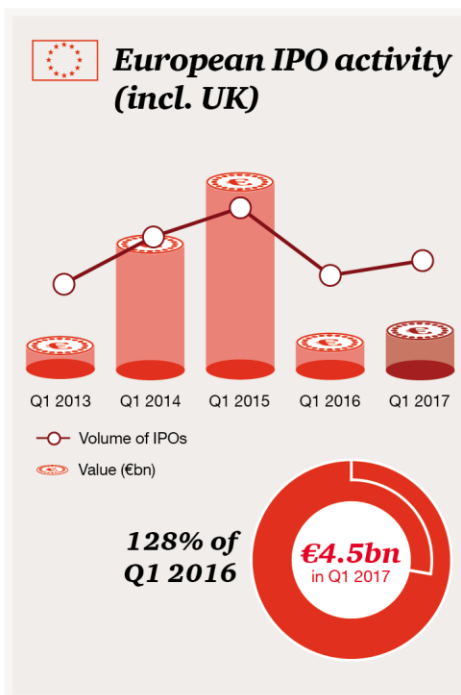
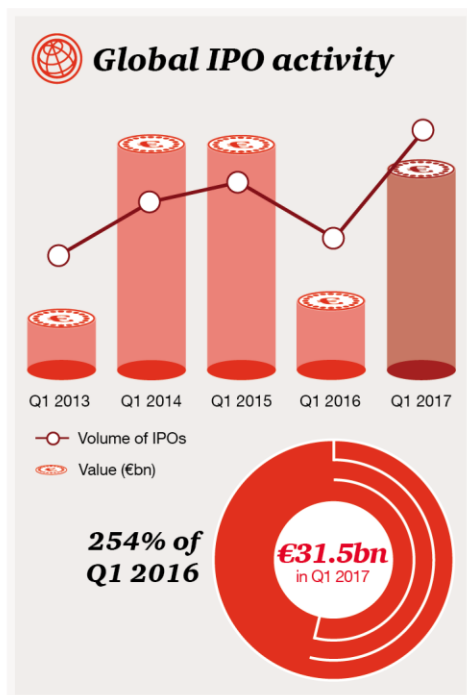
in Q1 2017 across Europe

(Q1 2016: 50 IPOs, 6% increase)

€143m

average offering value in Q1 2017, an
increase of 6% compared to €135m in
Q1 2016

London regains its position as Europe's most active exchange, although IPO activity remains subdued across Europe



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Outlook for 2017

“Q1 2017 numbers combined with a strong medium term pipeline of both domestic and foreign issuers, suggest that London is well placed to continue as Europe’s premier exchange as the UK negotiates its exit from the EU. Issuers will continue to be attracted to London by the liquidity of the financial markets, the depth and breadth of the investor base and the regulatory and business framework.”

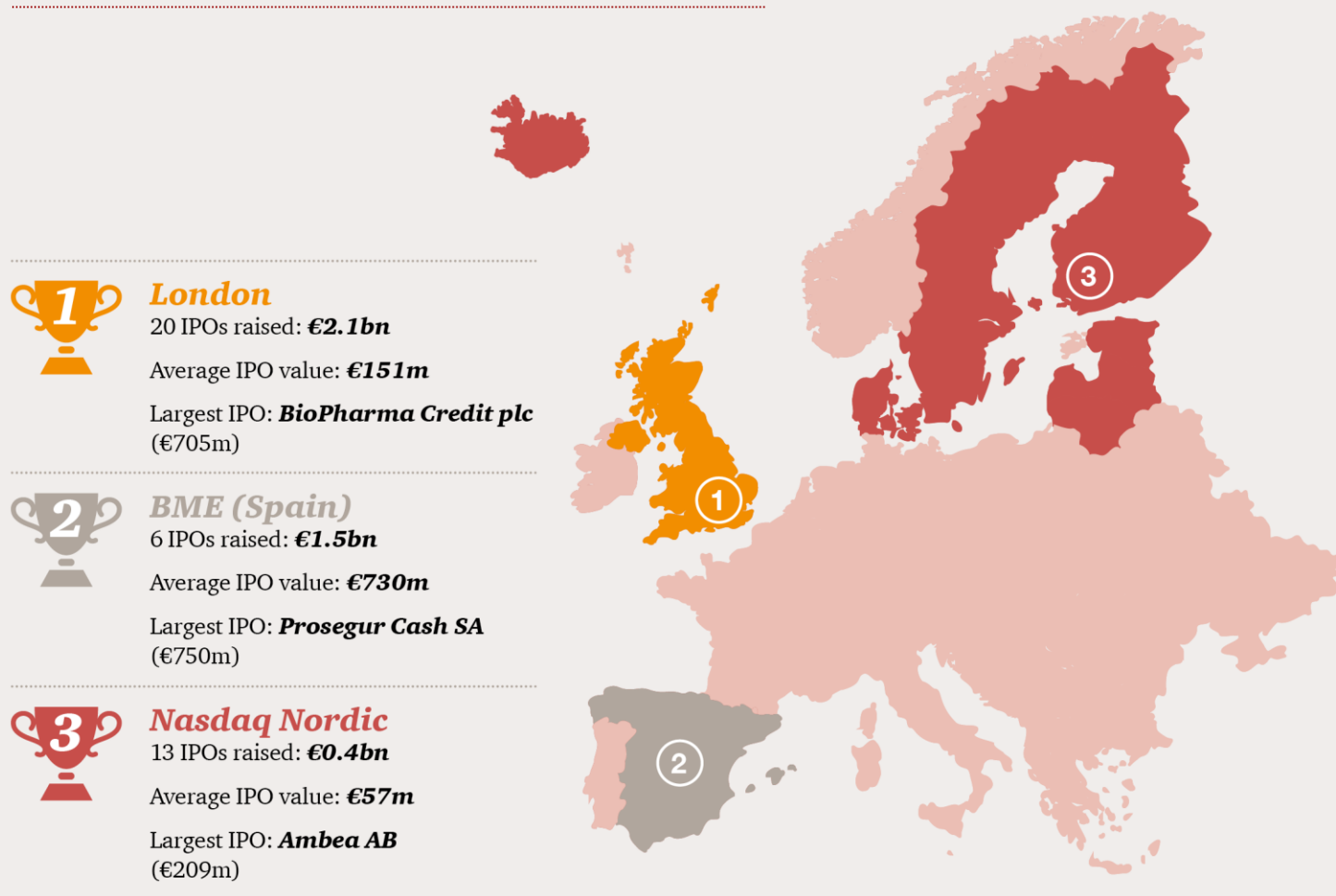
Mark Hughes

Partner, UK Capital Markets Leader at PwC

European IPO trends

London returned as the most active exchange in terms of both volumes and values, albeit at subdued levels of activity

Figure 1: Top 3 stock exchanges in Europe in Q1 2017 (by offering value)



Note: Excludes greenshoe. Average values have been calculated on total values excluding greenshoe, excluding listings raising less than €5m.

"After a difficult 2016 in which market volatility dampened IPO activity, resulting from the political crisis which gripped Spain, 2017 has jump-started the Spanish IPO markets. Q1 saw the sizable IPOs of Prosegur Cash and Neinor Homes. The conditions for IPOs in Spain are great, volatility is low and the IBEX has been on the rise since the start of the year. Should these conditions persist, the coming months will see more issuers coming to market."

Rocio Fernandez Funcia
Partner, Spain Capital Markets Leader at PwC

European IPO trends

European IPO volumes were in line with Q1 2016, however, IPO values increased, supported by large IPOs in Spain and London

Figure 2: European Q1 IPO activity since 2008*

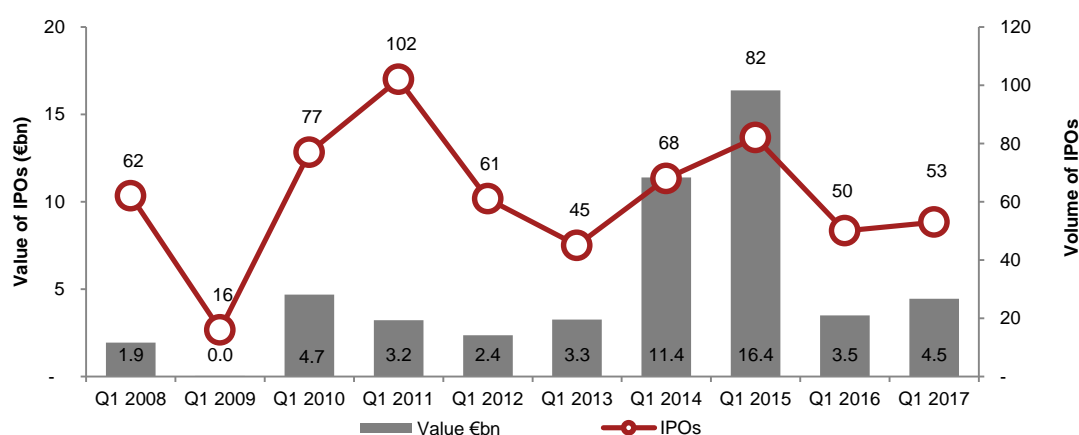
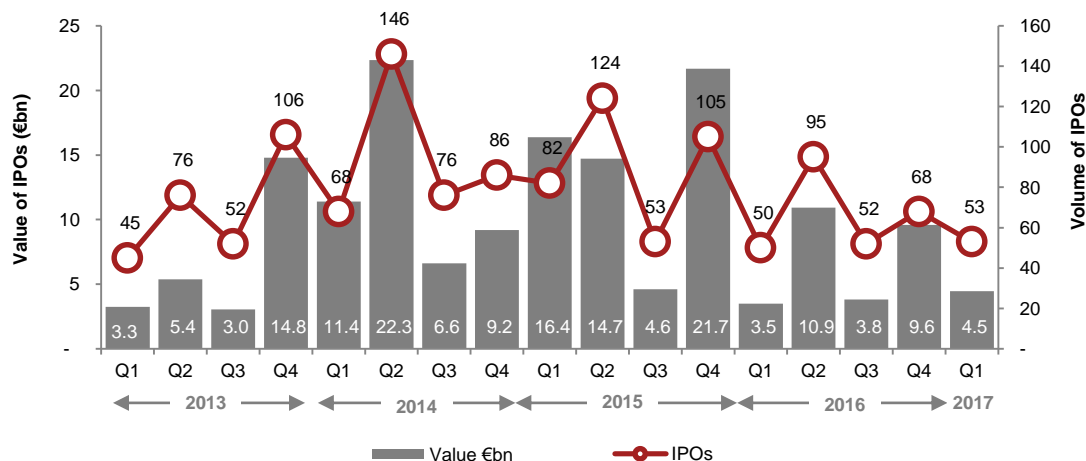


Figure 3: Quarterly European IPO activity since 2013



“While Q1 2016 was affected by political uncertainty and concerns over global economic growth, conditions this year have been more favourable for IPOs. Despite the lead up to the UK invoking Article 50 and the Dutch elections this quarter, the VSTOXX50 index, measuring market volatility, has remained low throughout the period. This combined with the low interest rate environment, and investors being keen to seek out and back IPOs with well supported compelling equity stories, means that a healthy pipeline of IPOs is beginning to emerge across the European continent.”

Lucy Tarleton

Director, UK Capital Markets Group at PwC

*Excludes greenshoe.

Note: Excludes IPOs on Borsa Istanbul, Zagreb Stock Exchange and Bucharest Stock Exchange pre 2011

Market volatility

Volatility has remained well below the period's average and European indices have been approaching all-time highs

Figure 4: Volatility tracked against IPO values

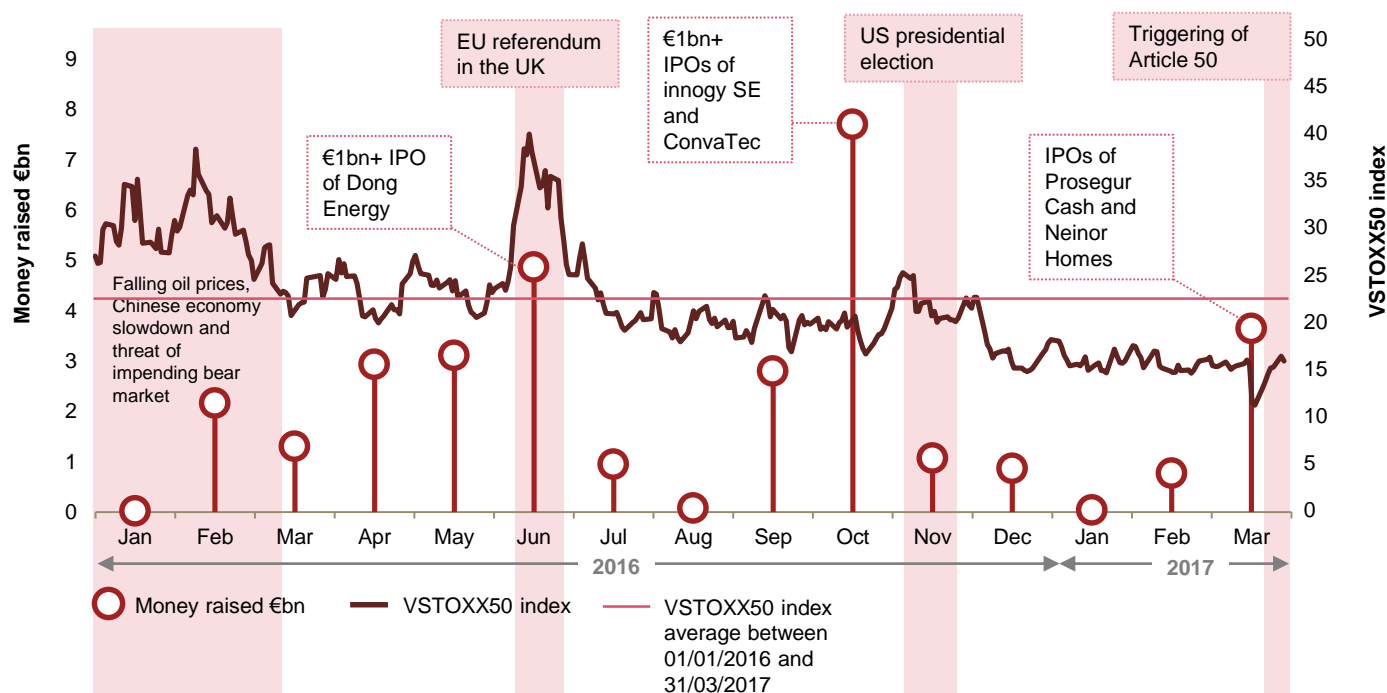
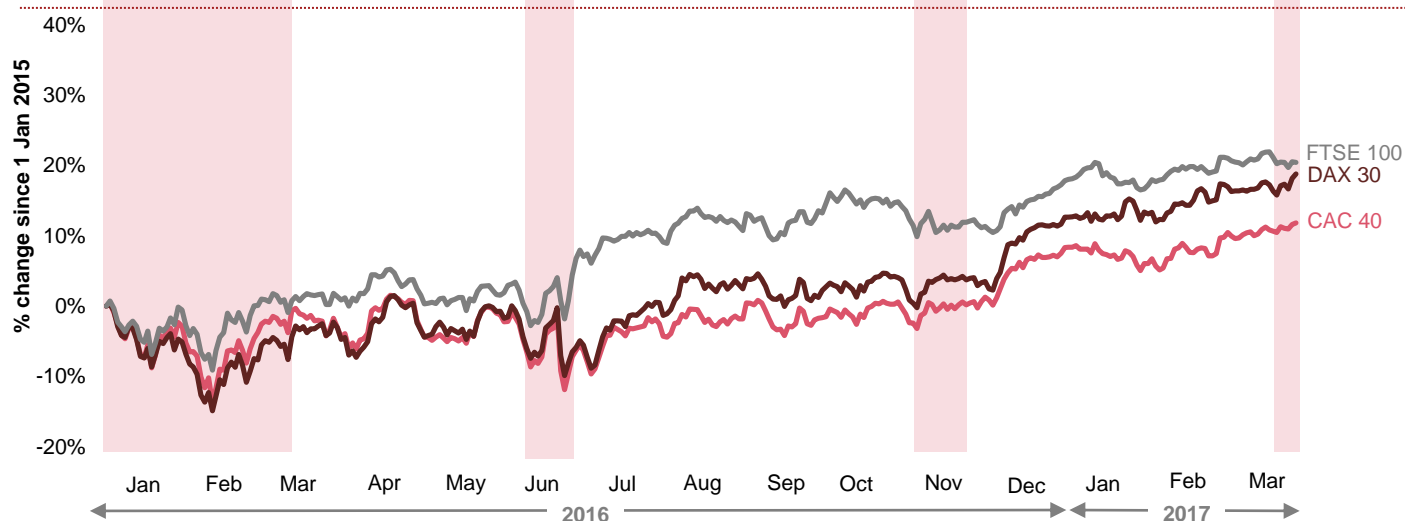


Figure 5: Historical performance of major market indices since January 2016



Pricing of top 5 IPOs

Busy end to the quarter, as all of the top 5 IPOs priced in March

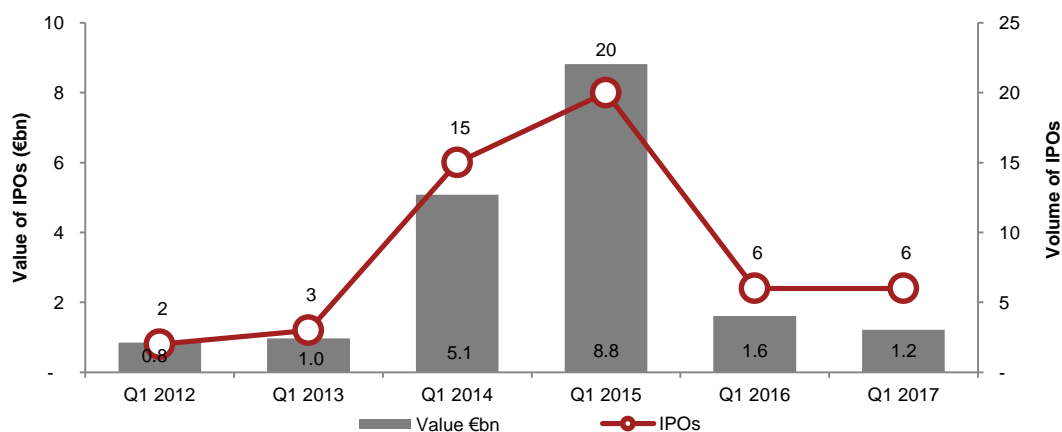
Figure 6: Top 5 IPOs in Q1 2017

	Prosegur Cash SA	Neinor Homes SAU	BioPharma Credit plc	Ocelot Partners Ltd	Aumann GmbH
Exchange	BME (Spanish Exchange)	BME (Spanish Exchange)	London	London	Deutsche Börse
IPO date	17 March	29 March	27 March	8 March	24 March
Money raised (€m)	750	709	705	395	218
Price range	€1.95 - €2.35	€16.46	\$1.00	\$10.00	€39.00 - €43.00
Offer price	€2.00	€16.46	\$1.00	\$10.00	€42.00

European PE trends

The value of PE backed IPOs across Europe has fallen by 25%, although volumes remain consistent

Figure 7: Value and volume of European PE backed IPOs in Q1 since 2012



The sector story

Financials continued to be the largest sector accounting for 45% of Q1 values raised

Figure 8: IPO value by sector*

By offering value (€m)	Q1 2016 Value (€m)	Q1 2016 Volume	Q2 2016 Value (€m)	Q2 2016 Volume	Q3 2016 Value (€m)	Q3 2016 Volume	Q4 2016 Value (€m)	Q4 2016 Volume	Q1 2017 Value (€m)	Q1 2017 Volume
Financials	1,323	15	3,399	29	2,218	18	1,022	15	1,991	22
Industrials	233	9	1,895	14	831	5	1,162	11	1,690	5
Health Care	186	9	154	12	95	7	1,916	11	514	10
Consumer Goods	872	4	678	10	31	3	246	7	122	3
Oil & Gas	-	-	112	1	16	2	42	2	61	3
Technology	45	4	87	9	38	8	139	13	51	5
Basic Materials	11	2	22	4	-	-	-	-	25	3
Consumer Services	551	4	2,218	12	603	7	145	4	4	1
Utilities	269	3	2,344	3	-	2	4,547	2	-	1
Telecommunications	-	-	10	1	-	-	428	3	-	-
Total	3,490	50	10,919	95	3,832	52	9,647	68	4,458	53



Financials

22 IPOs raised in Q1 2017

€2.0bn*

Average IPO values**

€181m

Largest IPO:

BioPharma Credit plc
€705m



Industrials

5 IPOs raised in Q1 2017

€1.7bn*

Average IPO values**

€423m

Largest IPO:

Prosegur Cash SA
€750m



Health Care

10 IPOs raised in Q1 2017

€0.5bn*

Average IPO values**

€72m

Largest IPO:

Ambea AB
€209m

*Excludes greenshoe

** Average values have been calculated based on total values excluding greenshoe, excluding listings raising less than €5m

London focus – overview

The financial sector dominated, accounting for 87% of all London values including a clean sweep of the London top 5

Figure 9: London IPO trends (by offering value)*

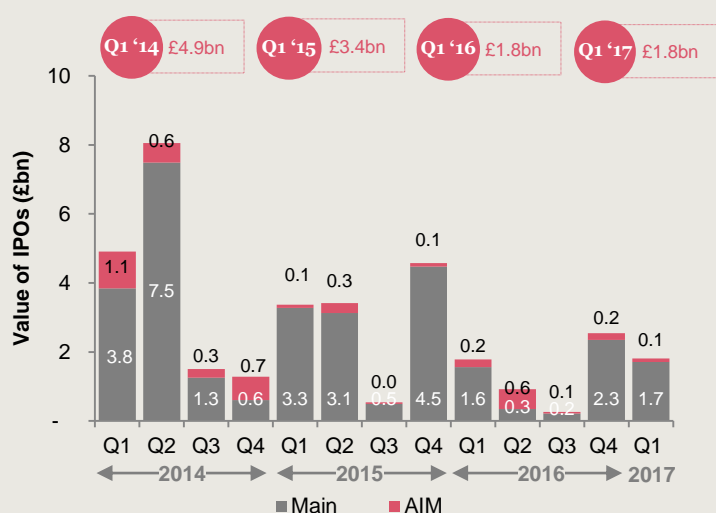


Figure 10: London IPO trends (by volume)

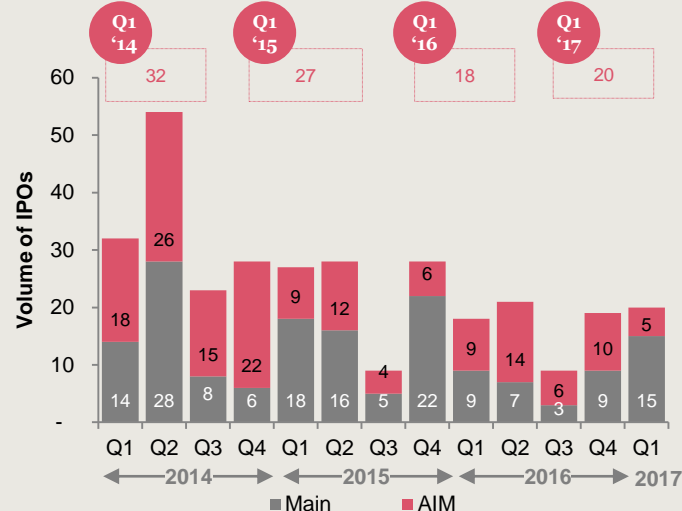


Figure 11: Top 5 UK IPOs in Q1 2017

Issuer	Value (£m)*	Sector	Market	PE backed
BioPharma Credit plc	610	Financials	Main	No
Ocelot Partners Ltd	342	Financials	Main	No
Xafinity Plc	180	Financials	Main	Yes
Impact Healthcare REIT Plc	146	Financials	Main	No
LXI REIT Plc	138	Financials	Main	No

Note: Ranking in £ sterling may be different from ranking in Euros due to exchange rate

Figure 12: London IPO value by sector*

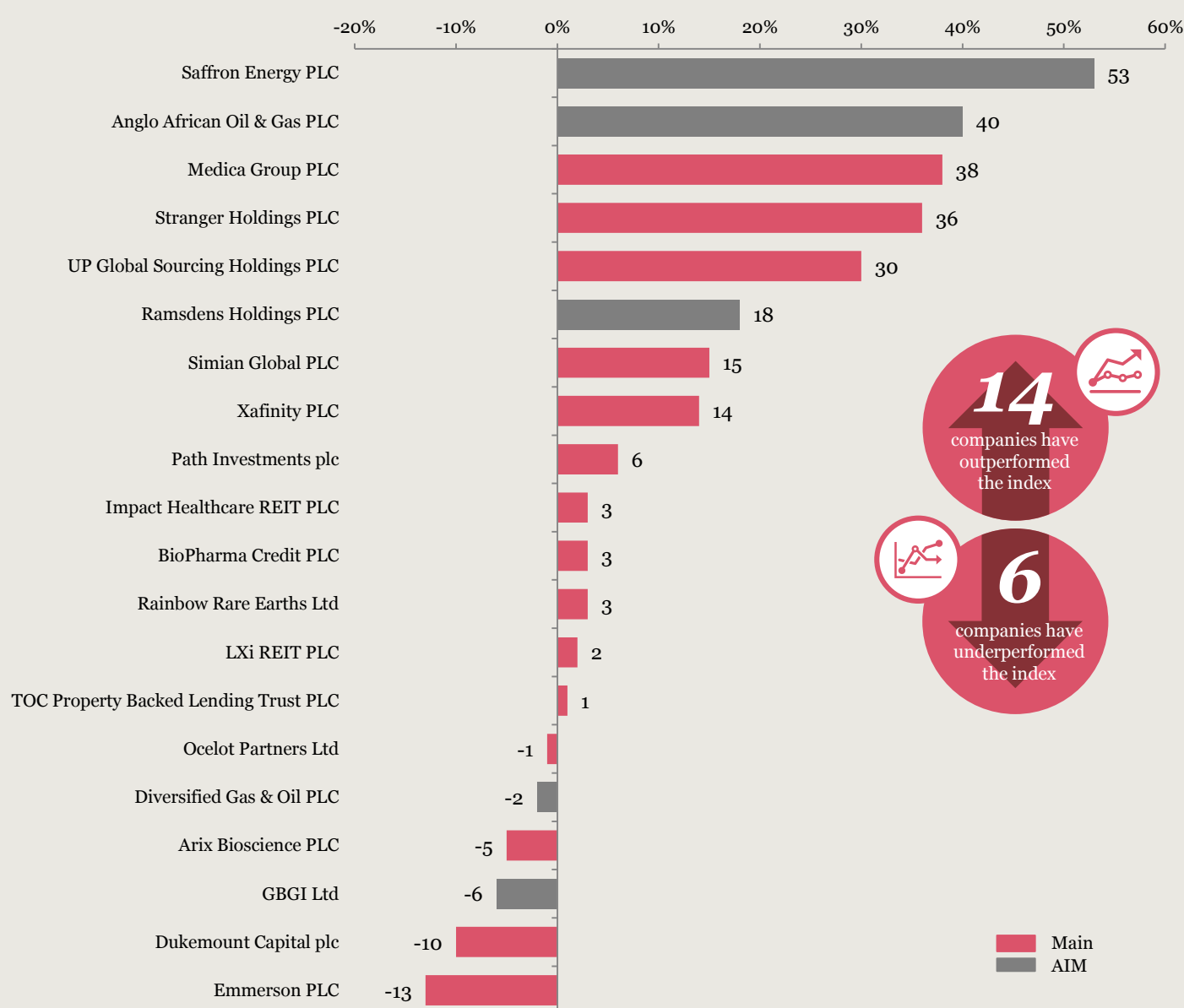
By offering value (£m)	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Variance vs. Q1 2016
Financials	983	269	40	618	1,574	591
Health Care	42	22	2	1,524	121	79
Consumer Goods	304	119	27	23	53	(251)
Oil & Gas	-	-	-	3	52	52
Basic Materials	-	15	-	-	7	7
Consumer Services	280	284	188	-	-	(280)
Industrials	132	201	-	352	-	(132)
Technology	35	11	9	23	-	(35)
Utilities	10	4	-	-	-	(10)
Total value (£m)	1,786	925	266	2,543	1,807	21

*Excludes greenshoe

London focus – relative performance of London IPOs

London IPOs performed well in Q1 2017 with 14 out of 20 IPOs out-performing the market

Figure 13: Share price performance of London IPOs relative to the FTSE all share index, from IPO to 31 March 2017 (%)



Note: Threshold of £5m | Relative performance based on the FTSE All Share Index for Main Market listed companies and FTSE AIM All Share index for AIM quoted companies

Source: Thomson Reuters as of 31 March 2017

Global perspective

New York hosted the two largest IPOs of the period however, Asia Pacific was the most active region in value and volume

Figure 14: Global IPO activity*

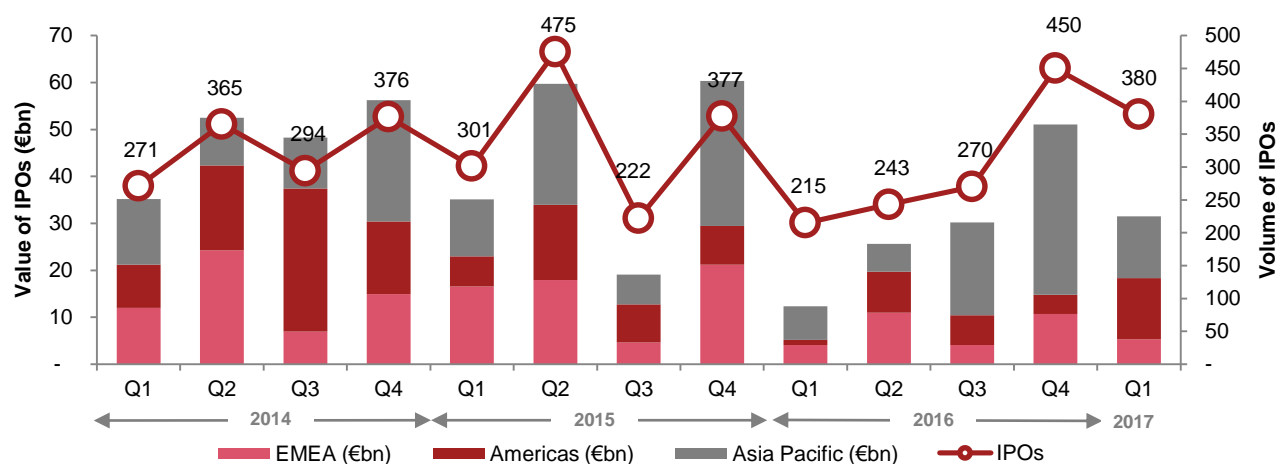


Figure 15: Top 10 global IPOs Q1 2017

Date	Issuer	Value (€m)*	Exchange	Sector
Mar-17	Snap Inc	3,209	NYSE	Computers & Electronics
Feb-17	Invitation Homes Inc	1,440	NYSE	Real Estate/Property
Mar-17	Silver Run Acquisition Corp II	833	Nasdaq	Finance
Mar-17	Prosegur Cash SA	750	BME	Professional Services
Feb-17	Beckle SAB de CV	735	Mexico	Food & Beverage
Mar-17	Neinor Homes SAU	709	BME	Real Estate/Property
Mar-17	BioPharma Credit plc	705	London	Finance
Mar-17	Sushiro Global Holdings Ltd	569	Tokyo	Dining & Lodging
Jan-17	JELD-WEN Holding Inc	536	NYSE	Construction/Building
Jan-17	Keane Group Inc	476	NYSE	Oil & Gas

* Excludes greenshoe
Source: Dealogic

Appendix – IPOs by market

Appendix 1: European IPOs by market

Stock exchange	Q1 2016		Q2 2016		Q3 2016		Q4 2016		Q1 2017	
	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*
TOTAL										
London Stock Exchange	18	2,327	21	1,180	9	311	19	2,882	20	2,118
BME (Spanish Exchange)	5	3	5	1,300	10	8	4	16	6	1,459
Nasdaq Nordic	14	811	33	3,436	9	2,196	24	1,418	13	406
Deutsche Börse	3	288	2	17	4	72	2	4,645	2	235
Borsa Italiana	2	28	5	437	5	775	2	103	3	139
Euronext	1	3	13	2,986	5	406	4	60	5	80
Borsa Istanbul	1	11	1	92	-	-	-	-	1	13
Oslo Børs & Oslo Axess	-	-	4	90	1	12	1	185	1	7
Warsaw	5	19	8	92	5	4	7	147	2	1
Prague	-	-	1	656	-	-	-	-	-	-
SIX Swiss Exchange	1	-	2	633	-	-	1	100	-	-
Luxembourg	-	-	-	-	2	48	-	-	-	-
Irish Stock Exchange	-	-	-	-	-	-	-	-	-	-
Zagreb Stock Exchange	-	-	-	-	-	-	-	-	-	-
Bucharest	-	-	-	-	1	-	1	51	-	-
Wiener Börse	-	-	-	-	1	-	-	-	-	-
Sofia	-	-	-	-	-	-	2	31	-	-
Athens Stock Exchange	-	-	-	-	-	-	-	-	-	-
Budapest	-	-	-	-	-	-	1	9	-	-
Total	50	3,490	95	10,919	52	3,832	68	9,647	53	4,458
EU-REGULATED										
London Main	9	2,026	7	432	3	249	9	2,652	15	2,001
BME (Spanish Exchange) (Main)	-	-	3	1,300	-	-	-	-	2	1,459
Deutsche Börse (Prime and General Standard)	3	288	1	3	2	72	2	4,645	2	235
Borsa Italiana (Main)	-	-	2	378	1	759	-	-	1	130
Euronext	-	-	10	2,954	2	368	2	48	4	80
Warsaw (Main)	1	17	5	91	-	-	6	147	1	1
Nasdaq Nordic (Main)	5	592	12	3,236	3	2,167	9	1,234	-	-
Prague	-	-	1	656	-	-	-	-	-	-
SIX Swiss Exchange	1	-	2	633	-	-	1	100	-	-
Oslo Børs	-	-	3	90	-	-	1	185	-	-
Irish Stock Exchange (Main)	-	-	-	-	-	-	-	-	-	-
Zagreb Stock Exchange	-	-	-	-	-	-	-	-	-	-
Wiener Börse	-	-	-	-	-	-	-	-	-	-
Sofia	-	-	-	-	-	-	2	31	-	-
Bucharest	-	-	-	-	-	-	1	51	-	-
Athens Stock Exchange	-	-	-	-	-	-	-	-	-	-
Budapest	-	-	-	-	-	-	1	9	-	-
EU-regulated sub-total	19	2,923	46	9,773	11	3,615	34	9,102	25	3,906
EXCHANGE-REGULATED										
Nasdaq Nordic (First North)	9	219	21	200	6	29	15	184	13	406
London AIM	9	301	14	748	6	62	10	230	5	117
Borsa Istanbul	1	11	1	92	-	-	-	-	1	13
Borsa Italiana (AIM)	2	28	3	59	4	16	2	103	2	9
Oslo Axess	-	-	1	-	1	12	-	-	1	7
Euronext (Alternext)	1	3	3	32	3	38	2	12	1	-
BME (Spanish Exchange) (MAB)	5	3	2	-	10	8	4	16	4	-
Warsaw (NewConnect)	4	2	3	1	5	4	1	-	1	-
Luxembourg (MTF)	-	-	-	-	2	48	-	-	-	-
Deutsche Börse (Entry Standard)	-	-	1	14	2	-	-	-	-	-
Bucharest (AeRO)	-	-	-	-	1	-	-	-	-	-
Wiener Börsen (MTF)	-	-	-	-	1	-	-	-	-	-
Irish Stock Exchange (ESM)	-	-	-	-	-	-	-	-	-	-
Sofia	-	-	-	-	-	-	-	-	-	-
Exchange-regulated sub-total	31	567	49	1,146	41	217	34	545	28	552
Europe total	50	3,490	95	10,919	52	3,832	68	9,647	53	4,458

Appendix – Exchange activity by value

Appendix 2: IPO offering value by stock exchange*

Stock exchange offering value (€m)	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
London Stock Exchange	2,327	1,180	311	2,882	2,118
BME (Spanish Exchange)	3	1,300	8	16	1,459
Nasdaq Nordic	811	3,436	2,196	1,418	406
Nasdaq Copenhagen	477	2,301	2,113	-	-
Nasdaq Stockholm	317	869	83	953	376
Nasdaq Helsinki	17	232	-	427	30
Nasdaq Iceland	-	20	-	38	0
Nasdaq Tallinn	-	14	-	-	-
Nasdaq Riga	-	-	-	-	-
Nasdaq Vilnius	-	-	-	-	-
Deutsche Börse	288	17	72	4,645	235
Borsa Italiana	28	437	775	103	139
Euronext	3	2,986	406	60	80
Euronext Amsterdam	-	2,280	328	-	-
Euronext Paris	3	683	78	60	80
Euronext Brussels	-	23	-	-	-
Euronext Lisbon	-	-	-	-	-
Borsa Istanbul	11	92	-	-	13
Oslo Børs & Oslo Axess	-	90	12	185	7
Warsaw	19	92	4	147	1
Prague Stock Exchange	-	656	-	-	-
SIX Swiss Exchange	-	633	-	100	-
Luxembourg	-	-	48	-	-
Irish Stock Exchange	-	-	-	-	-
Zagreb Stock Exchange	-	-	-	-	-
Bucharest Stock Exchange	-	-	-	51	-
Wiener Börse	-	-	-	-	-
Sofia	-	-	-	31	-
Athens Stock Exchange	-	-	-	-	-
Budapest	-	-	-	9	-
Total	3,490	10,919	3,832	9,647	4,458

*Excludes greenshoe

Appendix – Exchange activity by volume

Appendix 3: IPO volume by stock exchange

Stock exchange offering value (€m)	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
London Stock Exchange	18	21	9	19	20
Nasdaq Nordic	14	33	9	24	13
<i>Nasdaq Copenhagen</i>	1	2	1	-	-
<i>Nasdaq Stockholm</i>	10	25	7	20	12
<i>Nasdaq Helsinki</i>	2	4	-	3	1
<i>Nasdaq Iceland</i>	-	1	-	1	-
<i>Nasdaq Tallinn</i>	-	1	-	-	-
<i>Nasdaq Riga</i>	-	-	1	-	-
<i>Nasdaq Vilnius</i>	1	-	-	-	-
Euronext	1	13	5	4	5
<i>Euronext Amsterdam</i>	-	5	1	-	1
<i>Euronext Paris</i>	1	7	4	4	4
<i>Euronext Brussels</i>	-	1	-	-	-
<i>Euronext Lisbon</i>	-	-	-	-	-
BME (Spanish Exchange)	5	5	10	4	6
Borsa Italiana	2	5	5	2	3
Deutsche Börse	3	2	4	2	2
Warsaw	5	8	5	7	2
Borsa Istanbul	1	1	-	-	1
Oslo Børs & Oslo Axess	-	4	1	1	1
Prague Stock Exchange	-	1	-	-	-
SIX Swiss Exchange	1	2	-	1	-
Luxembourg	-	-	2	-	-
Irish Stock Exchange	-	-	-	-	-
Zagreb Stock Exchange	-	-	-	-	-
Bucharest Stock Exchange	-	-	1	1	-
Wiener Börse	-	-	1	-	-
Sofia	-	-	-	2	-
Athens Stock Exchange	-	-	-	-	-
Budapest	-	-	-	1	-
Total	50	95	52	68	53

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, Croatia, Denmark, France, Germany, Greece, the Netherlands, Ireland, Italy, Luxembourg, Norway, Poland, Portugal, Romania, Spain, Sweden, Switzerland, Turkey and the UK) on a quarterly basis. Movements between markets on the same exchange are excluded.

This survey was conducted between 1 January and 31 March 2017 and captures IPOs based on their first trading date. All market data is sourced from the stock markets themselves and has not been independently verified by PricewaterhouseCoopers LLP.



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