
IPO Watch Europe Q3 2017



€8.2bn

raised in Q3 2017

(Q3 2016: €3.8bn, 116% increase)

74 IPOs

in Q3 2017 across Europe

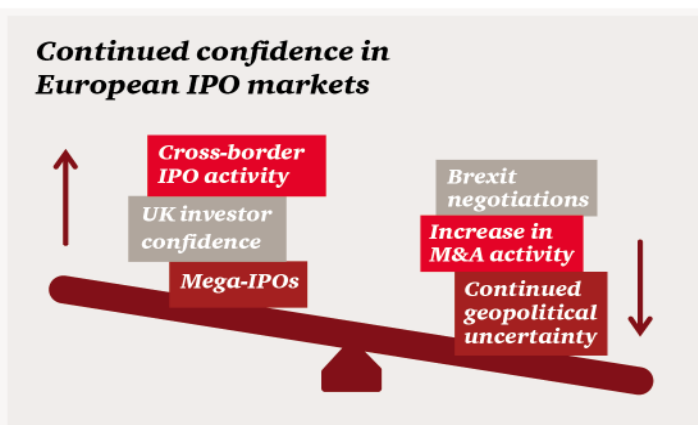
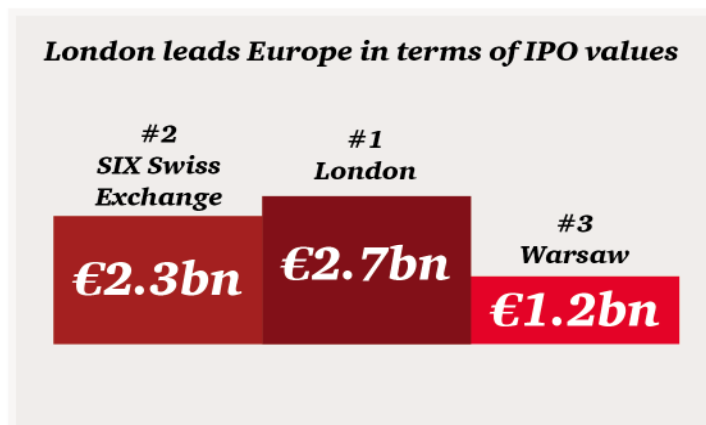
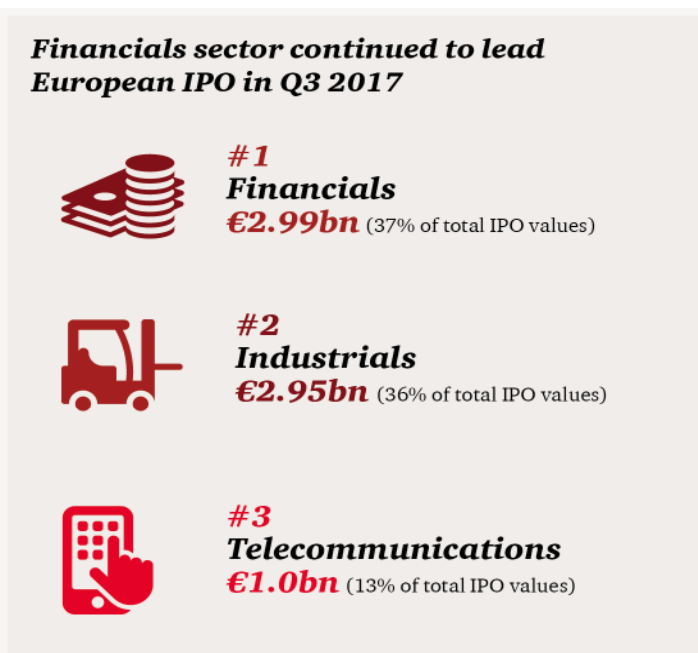
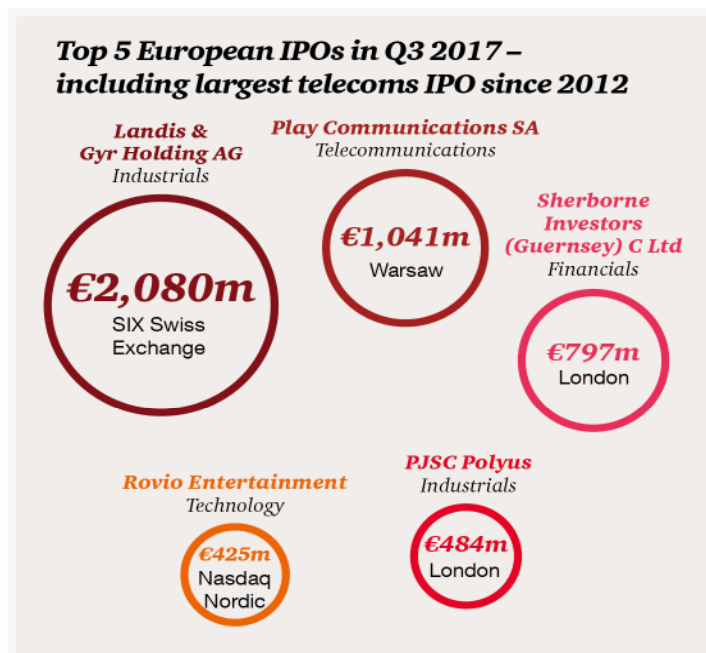
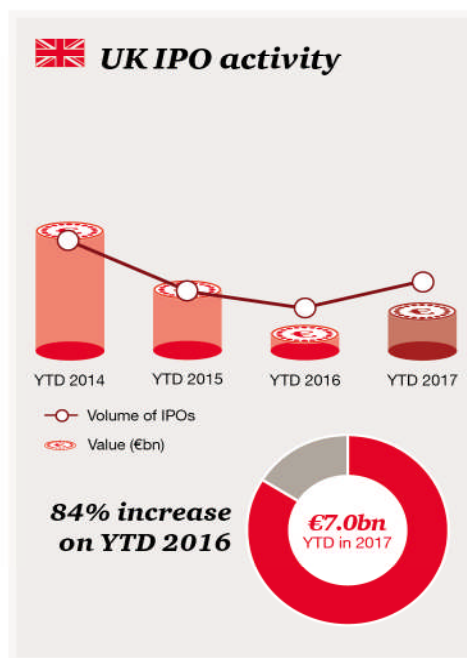
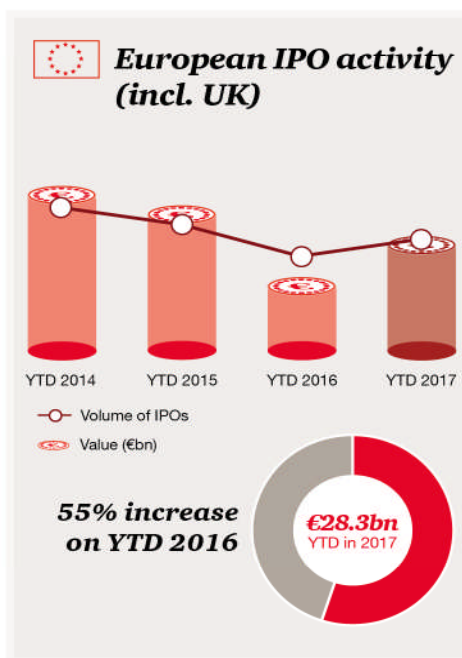
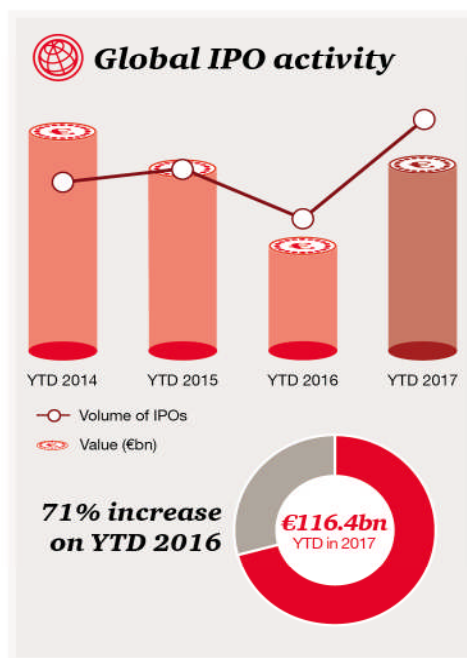
(Q3 2016: 52 IPOs, 42% increase)

€28.3bn

IPO Proceeds raised in YTD 2017

(YTD 2016: €18.2bn, 55% increase)

European IPOs gather momentum with London as the most active exchange



Contents

| | |
|-------------------------------------|-----------|
| European IPO trends | 4 |
| Market volatility | 6 |
| Pricing of top 5 IPOs | 7 |
| European PE trends | 7 |
| The sector story | 8 |
| London focus | |
| Overview | 9 |
| Relative performance of London IPOs | 10 |
| Global perspective | 11 |
| Appendix | 12 |
| Contacts | 16 |

Outlook for 2017

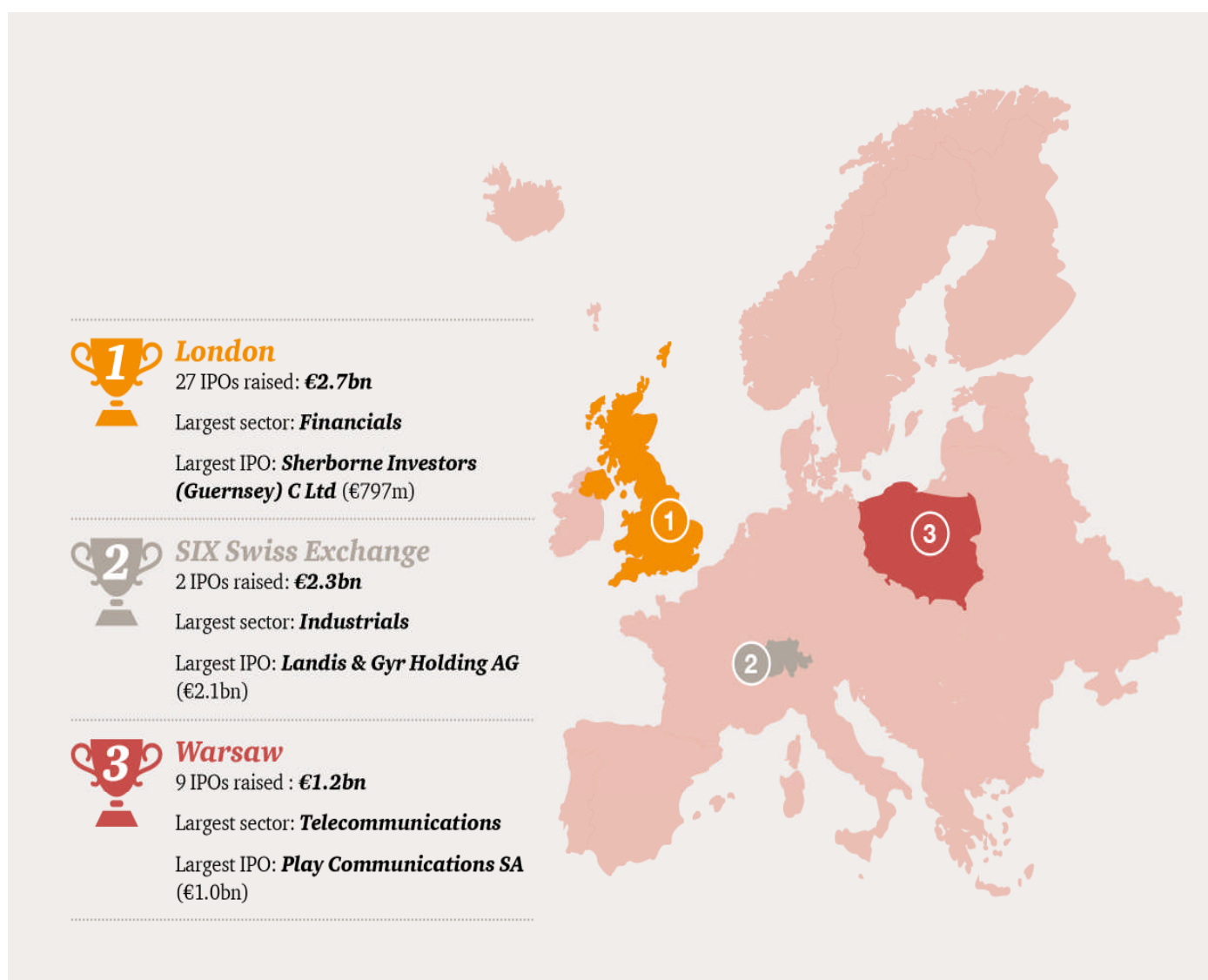
“We have seen European IPOs gathering momentum this year with money raised to date already above the €27.9bn raised in the whole of 2016. The year is set to finish on a high note with a number of high profile large IPOs set to launch in the coming weeks. However, with a number of companies undertaking dual-track processes, inevitably some of these companies may opt for a private sale process given the attractive valuations on offer.”

Mark Hughes
Partner, UK Capital Markets Leader at PwC

European IPO trends

The London Stock Exchange is the most active in terms of volume and the largest contributor to European IPO values, representing 33% of all European IPO proceeds raised

Figure 1: Top 3 stock exchanges in Europe in Q3 2017 (by offering value)



Note: Excludes greenshoe.

Source: Dealogic and Stock Exchanges

European IPO trends

Q3 2017 European IPO values and volumes have increased on Q3 2016, when activity was dampened following the UK's vote to leave the EU

Figure 2: European IPO activity since 2007 (YTD and full year)*

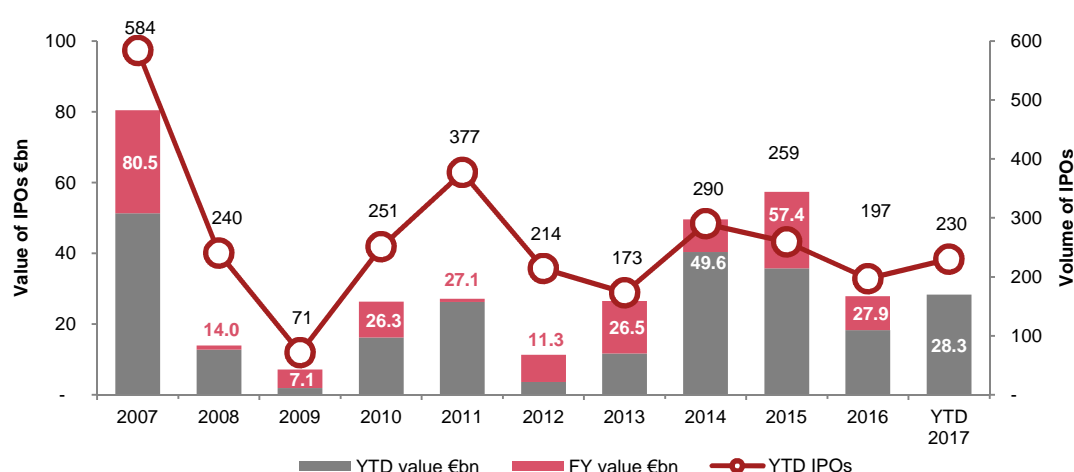
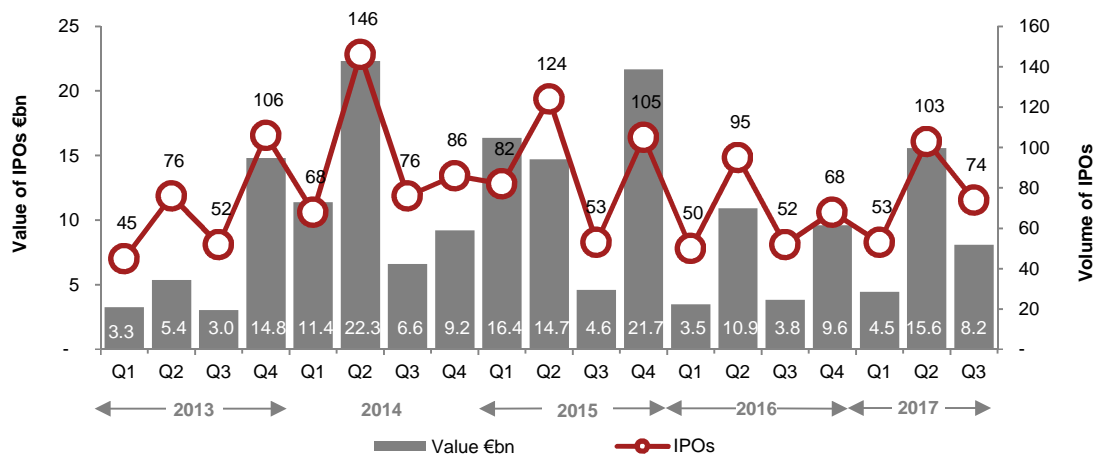


Figure 3: Quarterly European IPO activity since 2013



****Excludes greenshoe.**

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

Market volatility

Market volatility remains at low levels, while European indices remain stable

Figure 4: Volatility tracked against European IPO values

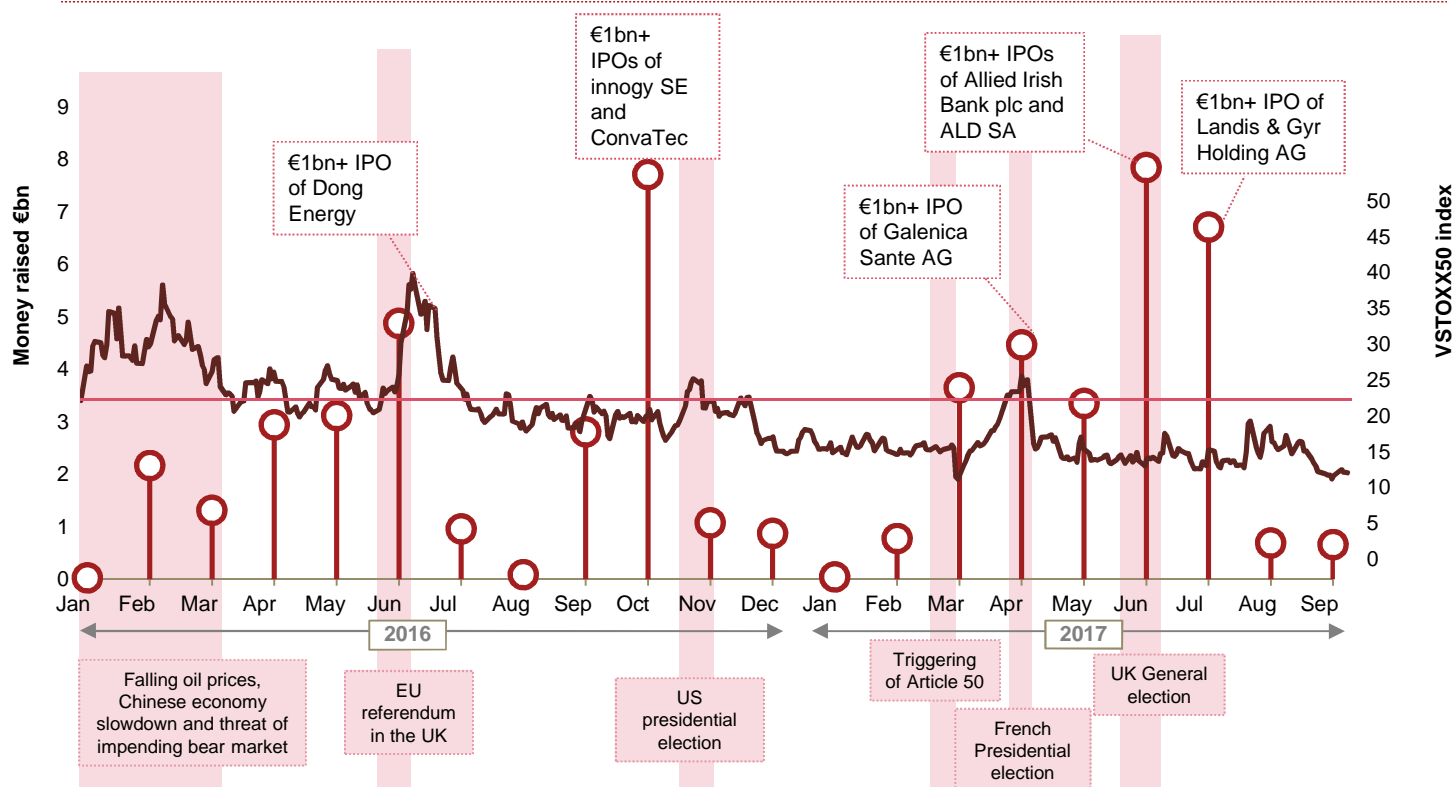
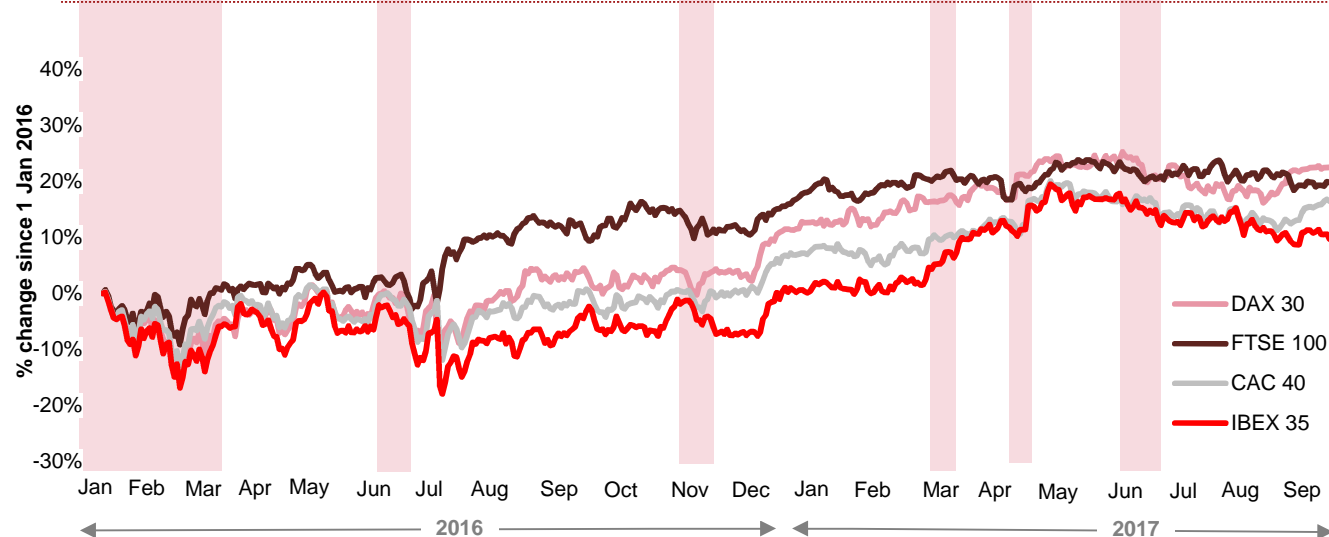


Figure 5: Historical performance of major European market indices since January 2016



Source: Thomson Reuters as at 29 September 2017

Pricing of top 5 IPOs

The Play Communications IPO represents the largest Polish IPO by a private company and is the largest European telecoms IPO since 2012

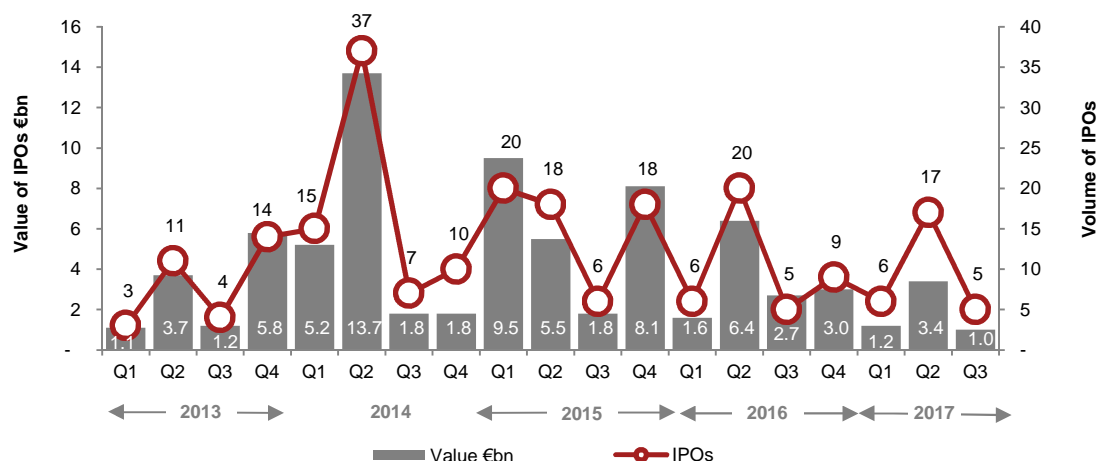
Figure 6: Top 5 European IPOs in Q3 2017

| | Landis & Gyr Holding AG | Play Communications SA | Sherborne Investors (Guernsey) C Ltd | PJSC Polyus | Rovio Entertainment Ltd |
|-------------------|-------------------------|------------------------|--------------------------------------|-------------------|-------------------------|
| Exchange | SIX Swiss Exchange | Warsaw | London | London | Nasdaq Nordic |
| IPO date | 21 July | 27 July | 12 July | 5 July | 29 September |
| Money raised (€m) | 2,080 | 1,041 | 797 | 484 | 425 |
| Price range | SFR70.00 – SFR82.00 | PLN34.00 - PLN44.00 | £1.00 | \$33.25 - \$35.30 | €10.25 - €11.50 |
| Offer price | SFR78.00 | PLN36.00 | £1.00 | \$33.25 | €11.50 |

European PE trends

The volume and value of PE backed IPOs remains subdued with a number of deals opting for private sale processes

Figure 7: Quarterly value and volume of European PE backed IPOs since 2013



The sector story

Industrials and financials represent the largest sectors in the quarter. The industrials sector has been supported by the mega-IPO of Landis & Gyr, while the financials sector has been supported by a number of real estate IPOs in London*

Figure 8: European IPO values by sector**

| By offering value (€m) | Q1 2017 | Q2 2017 | Q3 2017 | YTD 2017 | YTD 2016 | Variance vs YTD 2016 |
|------------------------|--------------|---------------|--------------|---------------|---------------|----------------------|
| Financials | 1,072 | 5,217 | 2,985 | 9,274 | 6,940 | 2,334 |
| Industrials | 1,192 | 3,244 | 2,951 | 7,387 | 2,959 | 4,428 |
| Telecommunications | - | 11 | 1,041 | 1,052 | 10 | 1,042 |
| Technology | 1,465 | 1,246 | 541 | 3,252 | 170 | 3,082 |
| Consumer Services | 4 | 3,798 | 397 | 4,199 | 3,372 | 827 |
| Consumer Goods | 122 | 1,435 | 206 | 1,763 | 1,581 | 182 |
| Health Care | 514 | 404 | 52 | 970 | 435 | 535 |
| Oil & Gas | 61 | 227 | 3 | 291 | 128 | 163 |
| Basic Materials | 128 | 8 | 1 | 137 | 33 | 104 |
| Utilities | - | - | - | - | 2,613 | (2,613) |
| Total | 4,558 | 15,590 | 8,177 | 28,325 | 18,241 | 10,084 |



Financials

32 IPOs raised
€2.99bn**

Largest IPO:
**Sherborne Investors
(Guernsey) C Ltd**
€797m



Industrials

12 IPOs raised
€2.95bn**

Largest IPO:
Landis & Gyr Holding AG
€2.1bn



Telecommunications

1 IPO raised
€1.0bn**

Largest IPO:
**Play Communications
SA**
€1.0bn

*Mega-IPOs are those raising in excess of €1bn

**Excludes greenshoe

London focus – overview

Continuing the trend experienced in H1 2017, the financials sector continues to dominate London IPOs, representing 60% of London IPO values

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

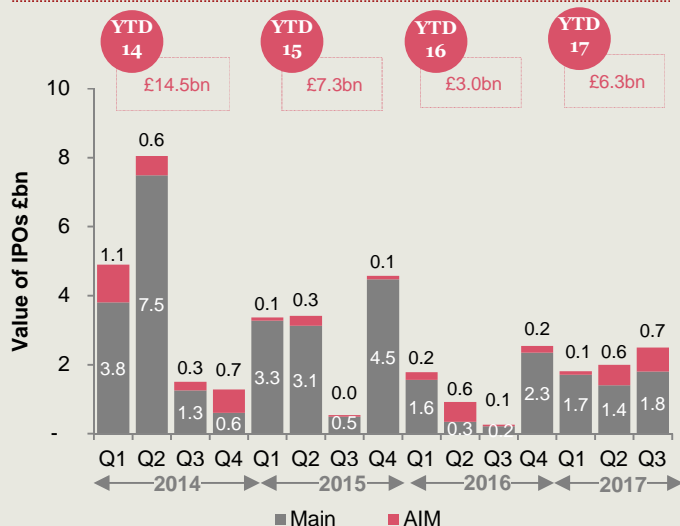


Figure 10: London IPO trends (by volume)

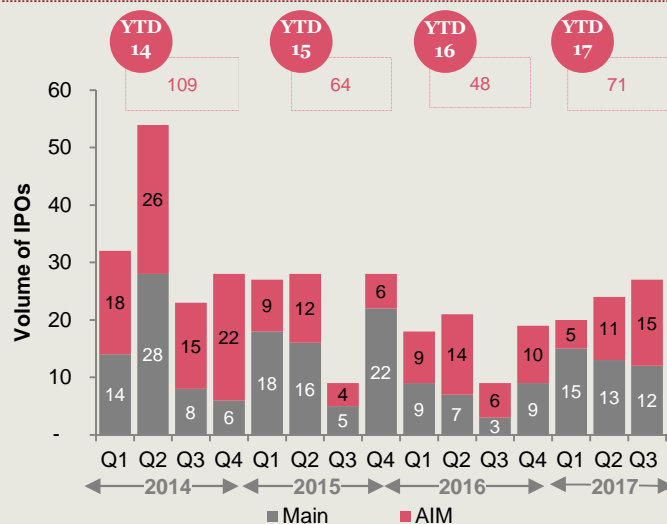


Figure 11: Top 5 London IPOs in Q3 2017

| Issuer | Value (£m)* | Sector | Market | PE backed |
|--------------------------------------|-------------|-------------|--------|-----------|
| Sherborne Investors (Guernsey) C Ltd | 700 | Financials | Main | No |
| PJSC Polyus | 551 | Industrials | Main | No |
| Triple Point Social Housing REIT plc | 200 | Financials | Main | No |
| Strix Group plc | 190 | Industrials | AIM | Yes |
| Residential Secure Income plc | 180 | Financials | Main | No |

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

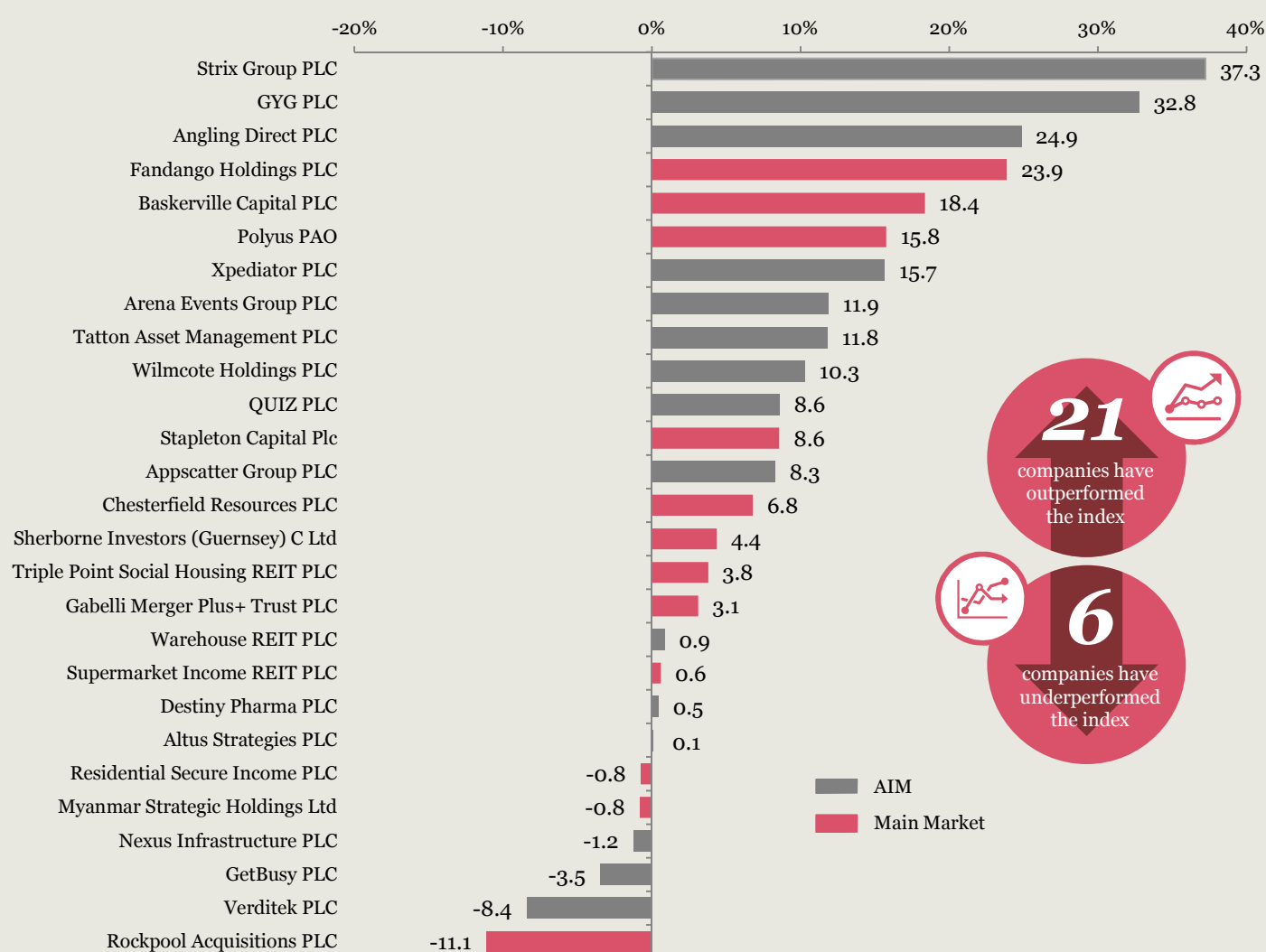
Figure 12: London IPO value by sector*

| By offering value (£m) | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Variance vs. Q3 2016 |
|------------------------|------------|--------------|--------------|--------------|--------------|----------------------|
| Financials | 40 | 618 | 784 | 653 | 1,504 | 1,464 |
| Industrials | - | 352 | 180 | 580 | 788 | - |
| Consumer Services | 188 | - | - | 175 | 172 | (16) |
| Health Care | 2 | 1,524 | 121 | 5 | 15 | 13 |
| Technology | 9 | 23 | 611 | 269 | 9 | - |
| Oil & Gas | - | 3 | 52 | 243 | 3 | - |
| Basic Materials | - | - | 7 | 7 | 1 | - |
| Consumer Goods | 27 | 23 | 53 | 37 | - | (27) |
| Total value | 266 | 2,543 | 1,808 | 1,969 | 2,492 | 2,226 |

London focus – relative performance of London IPOs

78% of London IPOs have out-performed the FTSE all share index

Figure 13: Share price performance of London IPOs relative to the FTSE all share index, from IPO to 29 September 2017 (%)



“London bounced back from the disappointing performance in Q3 2016 which was affected by the uncertainty and volatility arising from the UK’s EU referendum outcome. Q3 2017 was London’s most active third quarter by volume since 2011 when 29 IPOs raised €1.1bn. Looking ahead, the pipeline looks promising for London IPOs, which includes a number of international companies. If favourable conditions continue, Q4 should deliver a strong end to the year.”

Lucy Tarleton
Director, UK Capital Markets Group at PwC

Note: 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 29 September 2017

Global perspective

Global IPO values are down on Q3 2016, as a result of a decrease in Asia Pacific IPOs

Figure 14: Global IPO activity*

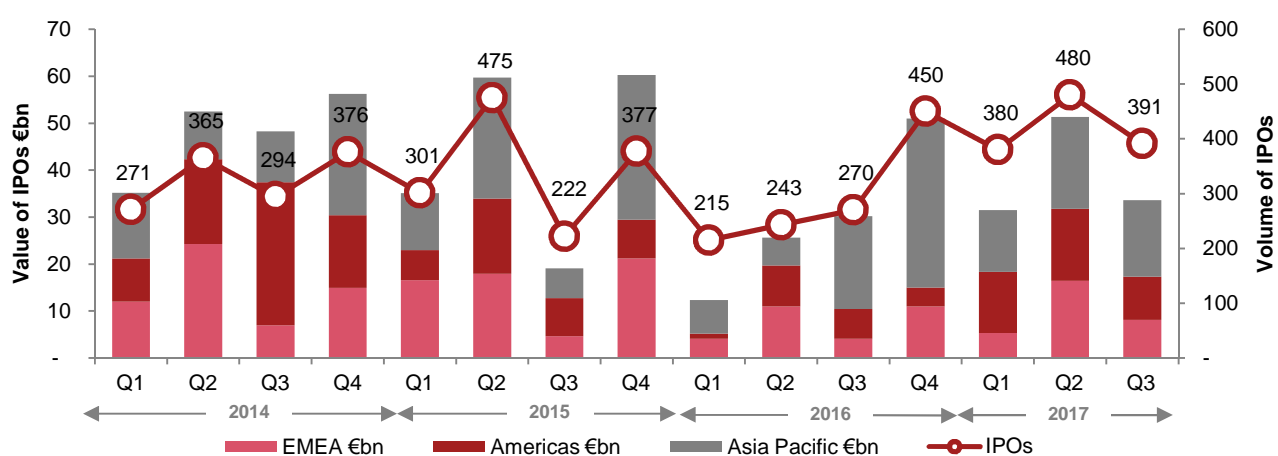


Figure 15: Top 10 global IPOs YTD 2017

| Date | Issuer | Value (€m)* | Exchange | Sector |
|--------|---------------------------------------|-------------|----------------------|------------------------|
| Jun-17 | Allied Irish Banks PLC | 2,986 | Irish Stock Exchange | Finance |
| May-17 | Netmarble Games Corp | 2,176 | Korea | Computer & Electronics |
| Jul-17 | Landis & Gyr Holding AG | 2,080 | SIX Swiss | Industrials |
| Jun-17 | Altice USA Inc | 1,721 | NYSE | Telecommunications |
| Apr-17 | Galenica Sante AG | 1,544 | SIX Swiss | Healthcare |
| Jul-17 | Netlink NBN Trust | 1,489 | Singapore | Telecommunications |
| Feb-17 | Invitation Homes Inc | 1,439 | NYSE | Finance |
| Sep-17 | ZhongAn Online P & C Insurance Co Ltd | 1,273 | Hong Kong | Insurance |
| Jul-17 | Atacadao SA | 1,217 | BM&FBOVESPA | Consumer Services |
| May-17 | Kinder Morgan Canada Ltd | 1,159 | Toronto | Oil & Gas |

* Excludes greenshoe
Source: Dealogic

Appendix – Exchange activity by value

Appendix 1: IPO offering value by stock exchange*

| Stock exchange offering value (€m) | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 |
|------------------------------------|--------------|--------------|--------------|---------------|--------------|
| London Stock Exchange Group | 1,086 | 2,985 | 2,254 | 2,613 | 3,557 |
| <i>London Stock Exchange</i> | 311 | 2,882 | 2,115 | 2,223 | 2,672 |
| <i>Borsa Italiana</i> | 775 | 103 | 139 | 390 | 885 |
| SIX Swiss Exchange | - | 100 | - | 1,544 | 2,280 |
| Warsaw | 4 | 147 | 1 | 542 | 1,227 |
| Nasdaq Nordic | 2,196 | 1,418 | 406 | 1,578 | 532 |
| <i>Nasdaq Helsinki</i> | - | 427 | 30 | 198 | 425 |
| <i>Nasdaq Stockholm</i> | 83 | 953 | 376 | 1,365 | 107 |
| <i>Nasdaq Copenhagen</i> | 2,113 | - | - | 12 | - |
| <i>Nasdaq Iceland</i> | - | 38 | - | - | - |
| <i>Nasdaq Tallinn</i> | - | - | - | - | - |
| <i>Nasdaq Riga</i> | - | - | - | - | - |
| <i>Nasdaq Vilnius</i> | - | - | - | 3 | - |
| Irish Stock Exchange | - | - | - | 2,986 | 270 |
| Deutsche Börse | 72 | 4,645 | 235 | 1,049 | 204 |
| Budapest | - | 9 | - | - | 73 |
| Oslo Børs & Oslo Axess | 12 | 185 | 7 | 821 | 29 |
| Euronext | 406 | 60 | 183 | 2,437 | 5 |
| <i>Euronext Paris</i> | 78 | 60 | 80 | 1,258 | 5 |
| <i>Euronext Amsterdam</i> | 328 | - | 103 | 575 | - |
| <i>Euronext Brussels</i> | - | - | - | 604 | - |
| <i>Euronext Lisbon</i> | - | - | - | - | - |
| BME (Spanish Exchange) | 8 | 16 | 1,459 | 1,563 | - |
| Borsa Istanbul | - | - | 13 | 265 | - |
| Bucharest Stock Exchange | - | 51 | - | 192 | - |
| Luxembourg | 48 | - | - | - | - |
| Wiener Börse | - | - | - | - | - |
| Sofia | - | 31 | - | - | - |
| Total | 3,832 | 9,647 | 4,558 | 15,590 | 8,177 |

*Excludes greenshoe

Appendix – Exchange activity by volume

Appendix 2: IPO volume by stock exchange

| Stock exchange | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 |
|------------------------------|-----------|-----------|-----------|------------|-----------|
| London Stock Exchange Group | 14 | 21 | 23 | 30 | 36 |
| <i>London Stock Exchange</i> | 9 | 19 | 20 | 24 | 27 |
| <i>Borsa Italiana</i> | 5 | 2 | 3 | 6 | 9 |
| Nasdaq Nordic | 9 | 24 | 13 | 41 | 11 |
| <i>Nasdaq Copenhagen</i> | 1 | - | - | 2 | - |
| <i>Nasdaq Stockholm</i> | 7 | 20 | 12 | 34 | 9 |
| <i>Nasdaq Helsinki</i> | - | 3 | 1 | 4 | 1 |
| <i>Nasdaq Iceland</i> | - | 1 | - | - | 1 |
| <i>Nasdaq Tallinn</i> | - | - | - | - | - |
| <i>Nasdaq Riga</i> | 1 | - | - | - | - |
| <i>Nasdaq Vilnius</i> | - | - | - | 1 | - |
| Warsaw | 5 | 7 | 2 | 6 | 9 |
| BME (Spanish Exchange) | 10 | 4 | 6 | 4 | 8 |
| Deutsche Börse | 4 | 2 | 2 | 3 | 3 |
| Euronext | 5 | 4 | 5 | 8 | 2 |
| <i>Euronext Amsterdam</i> | 1 | - | 1 | 1 | 1 |
| <i>Euronext Paris</i> | 4 | 4 | 4 | 5 | 1 |
| <i>Euronext Brussels</i> | - | - | - | 2 | - |
| <i>Euronext Lisbon</i> | - | - | - | - | - |
| SIX Swiss Exchange | - | 1 | - | 2 | 2 |
| Oslo Børs & Oslo Axess | 1 | 1 | 1 | 4 | 1 |
| Irish Stock Exchange | - | - | - | 1 | 1 |
| Budapest | - | 1 | - | - | 1 |
| Borsa Istanbul | - | - | 1 | 2 | - |
| Bucharest Stock Exchange | 1 | 1 | - | 2 | - |
| Luxembourg | 2 | - | - | - | - |
| Wiener Börse | 1 | - | - | - | - |
| Sofia | - | 2 | - | - | - |
| Total | 52 | 68 | 53 | 103 | 74 |

Appendix – IPOs by market

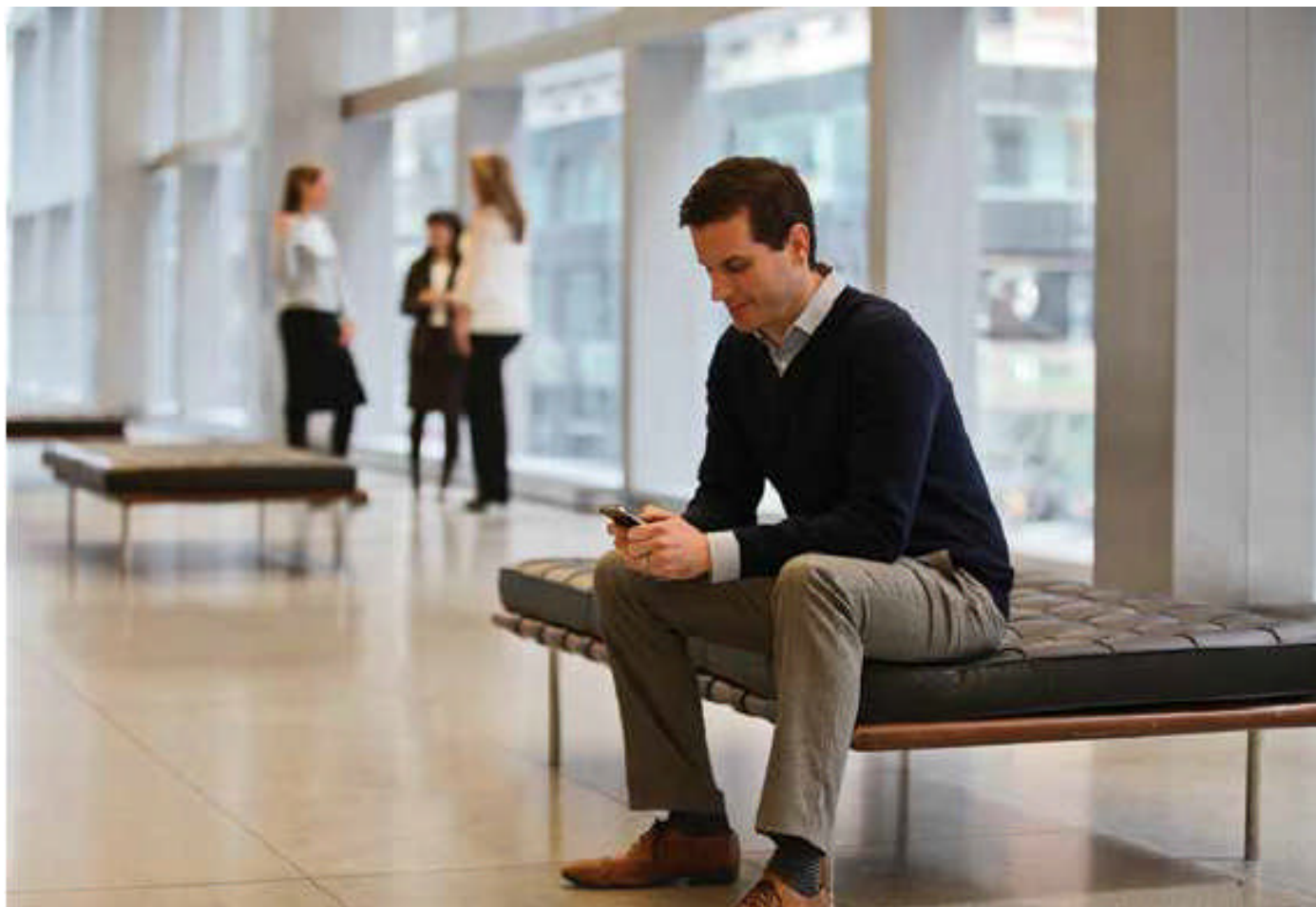
Appendix 3: European IPOs by market

| | Q3 2016 | | Q4 2016 | | Q1 2017 | | Q2 2017 | | Q3 2017 | |
|---------------------------------------------|-----------|--------------|-----------|--------------|-----------|--------------|------------|---------------|-----------|--------------|
| Stock exchange | IPOs | Value (€m)* | IPOs | Value (€m)* | IPOs | Value (€m)* | IPOs | Value (€m)* | IPOs | Value (€m)* |
| EU-REGULATED | | | | | | | | | | |
| SIX Swiss Exchange | - | - | 1 | 100 | - | - | 2 | 1,544 | 2 | 2,280 |
| London Main | 3 | 249 | 9 | 2,652 | 15 | 1,998 | 13 | 1,543 | 12 | 1,915 |
| Warsaw (Main) | - | - | 6 | 147 | 1 | 1 | 3 | 518 | 2 | 1,215 |
| Nasdaq Nordic (Main) | 3 | 2,167 | 9 | 1,234 | - | - | 3 | 51 | 1 | 425 |
| Borsa Italiana (Main) | 1 | 759 | - | - | 1 | 130 | 2 | 282 | 1 | 312 |
| Irish Stock Exchange (Main) | - | - | - | - | - | - | 1 | 2,986 | 1 | 270 |
| Deutsche Börse (Prime and General Standard) | 2 | 72 | 2 | 4,645 | 2 | 235 | 3 | 1,049 | 2 | 201 |
| Budapest | - | - | 1 | 9 | - | - | - | - | 1 | 73 |
| Oslo Børs | - | - | 1 | 185 | - | - | 4 | 821 | 1 | 29 |
| Euronext | 2 | 368 | 2 | 48 | 4 | 183 | 7 | 2,426 | 2 | 5 |
| BME (Spanish Exchange) (Main) | - | - | - | - | 2 | 1,459 | 2 | 1,558 | - | - |
| Bucharest | - | - | 1 | 51 | - | - | 2 | 192 | - | - |
| Wiener Börse | - | - | - | - | - | - | - | - | - | - |
| Sofia | - | - | 2 | 31 | - | - | - | - | - | - |
| EU-regulated sub-total | 11 | 3,615 | 34 | 9,102 | 25 | 4,006 | 42 | 12,970 | 25 | 6,725 |
| EXCHANGE-REGULATED | | | | | | | | | | |
| London AIM | 6 | 62 | 10 | 230 | 5 | 117 | 11 | 680 | 15 | 757 |
| Borsa Italiana (AIM) | 4 | 16 | 2 | 103 | 2 | 9 | 4 | 108 | 8 | 573 |
| Nasdaq Nordic (First North) | 6 | 29 | 15 | 184 | 13 | 406 | 38 | 1,527 | 10 | 107 |
| Warsaw (NewConnect) | 5 | 4 | 1 | - | 1 | - | 3 | 24 | 7 | 12 |
| Deutsche Börse (Scale) | 2 | - | - | - | - | - | - | - | 1 | 3 |
| BME (Spanish Exchange) (MAB) | 10 | 8 | 4 | 16 | 4 | - | 2 | 5 | 8 | - |
| Borsa Istanbul | - | - | - | - | 1 | 13 | 2 | 265 | - | - |
| Euronext (Alternext) | 3 | 38 | 2 | 12 | 1 | - | 1 | 11 | - | - |
| Luxembourg (MTF) | 2 | 48 | - | - | - | - | - | - | - | - |
| Oslo Axess | 1 | 12 | - | - | 1 | 7 | - | - | - | - |
| Bucharest (AeRO) | 1 | - | - | - | - | - | - | - | - | - |
| Wiener Börsen (MTF) | 1 | - | - | - | - | - | - | - | - | - |
| Exchange-regulated sub-total | 41 | 217 | 34 | 545 | 28 | 552 | 61 | 2,620 | 49 | 1,452 |
| Europe total | 52 | 3,832 | 68 | 9,647 | 53 | 4,558 | 103 | 15,590 | 74 | 8,177 |

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 July and 30 September 2017 and captures introductions as well as IPOs based on their first trading date. All market data is sourced from Dealogic and the stock markets themselves and has not been independently verified by PricewaterhouseCoopers LLP.



Contacts

Katherine Howbrook (Press office)

+44 (0) 20 7212 2711
katherine.j.howbrook@pwc.com

Mark Hughes

+44 (0) 20 7804 3824
mark.c.hughes@pwc.com

Lucy Tarleton

+44 (0) 20 7212 3856
lucy.c.tarleton@pwc.com

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2017 PricewaterhouseCoopers LLP. All rights reserved. In this document, "PwC" refers to PricewaterhouseCoopers LLP which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.