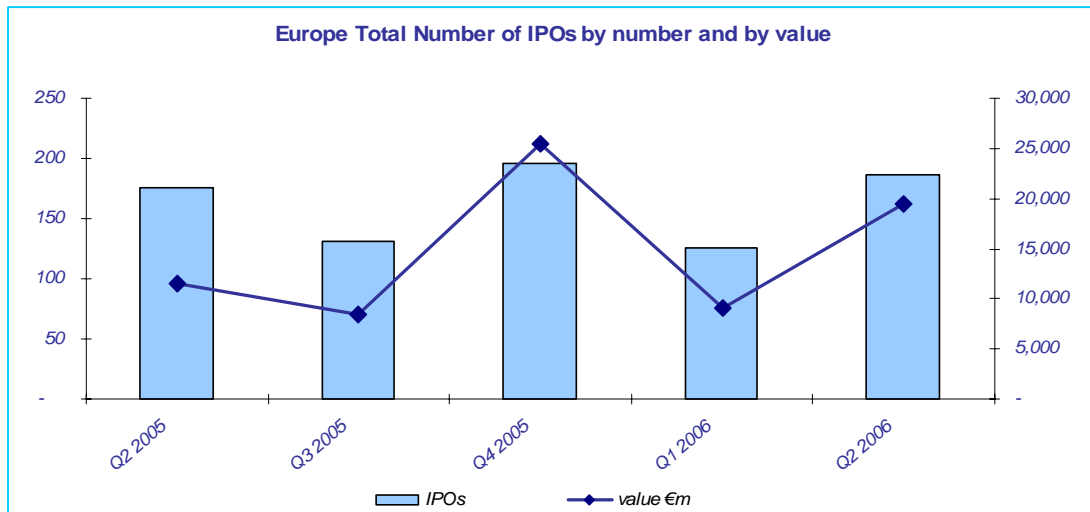
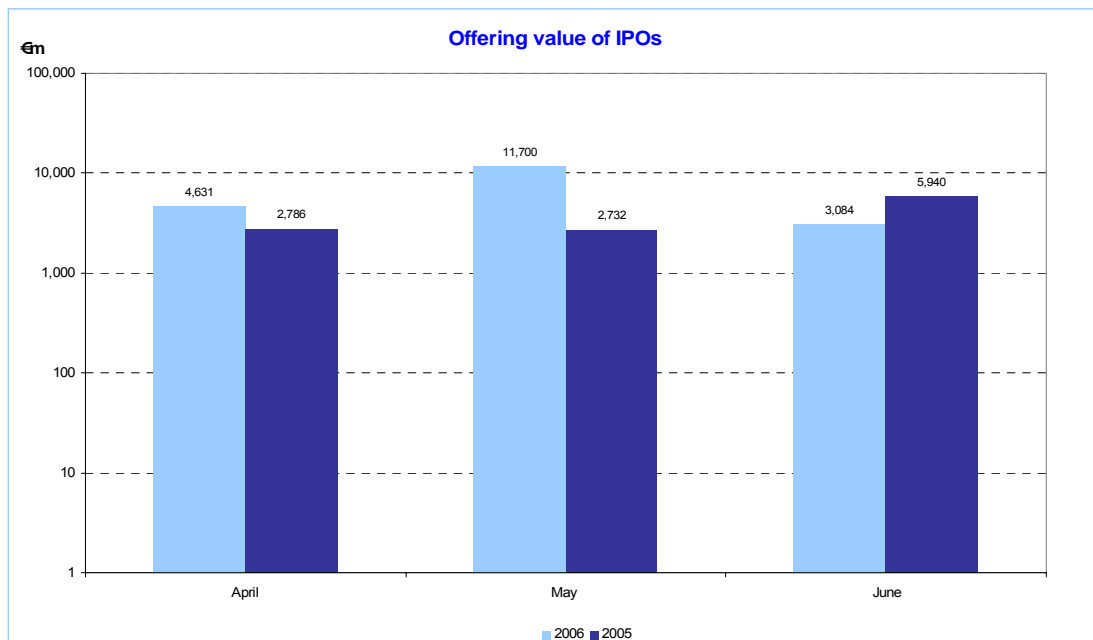


IPO Watch Survey Europe 2Q 2006 (April – June): Full Analysis

PricewaterhouseCoopers latest IPO Watch Europe survey, tracking volume and value of IPOs on Europe's main stock exchanges, shows a continuous upward trend in IPO activity in the second quarter of 2006, although there was some evidence of slow down in activity in June.



There were 187 IPOs in quarter two of 2006 compared with the 176 recorded in the same period in 2005 and the 126 recorded in quarter one of 2006. In volume terms, in quarter two of 2006 there was a 6% growth in the number of IPOs compared to the same period last year and 48% growth when compared to quarter one of 2006.

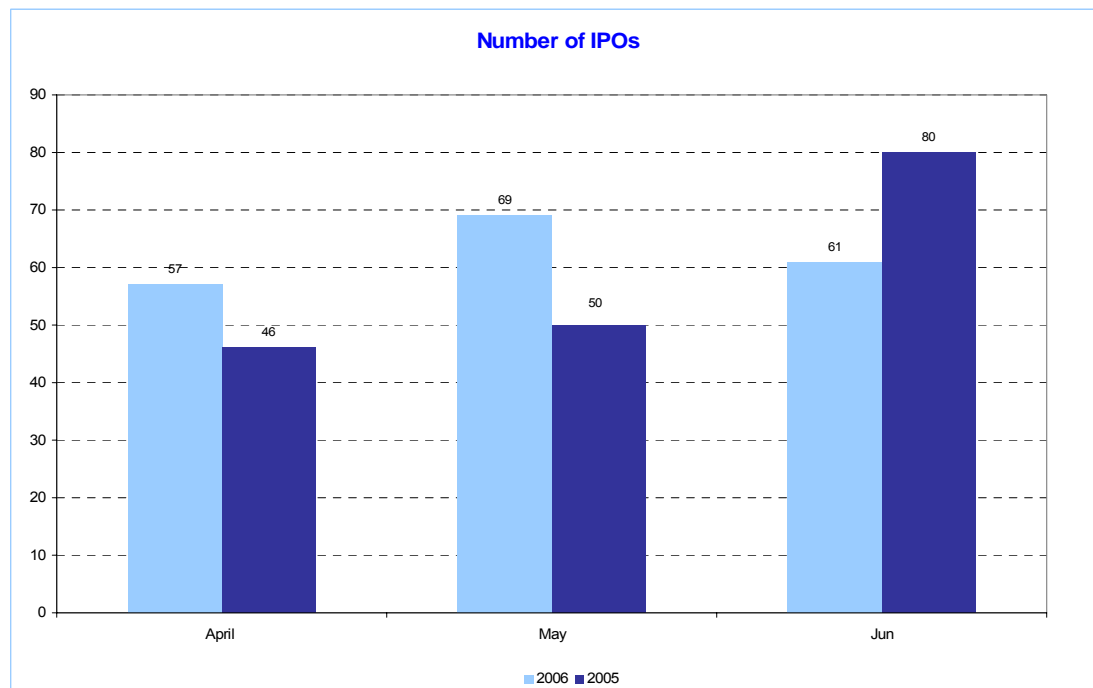


The total offering value increased by 69% to €19,415m in the second quarter of 2006, compared with €11,458m in the same period last year.

In accordance with our definition of an IPO we excluded certain investment companies from the above statistics. 44 investment companies raising €6,709m in the quarter have been excluded; 34 in London, five on OMX, three on Euronext, one each on ISE and SWX.

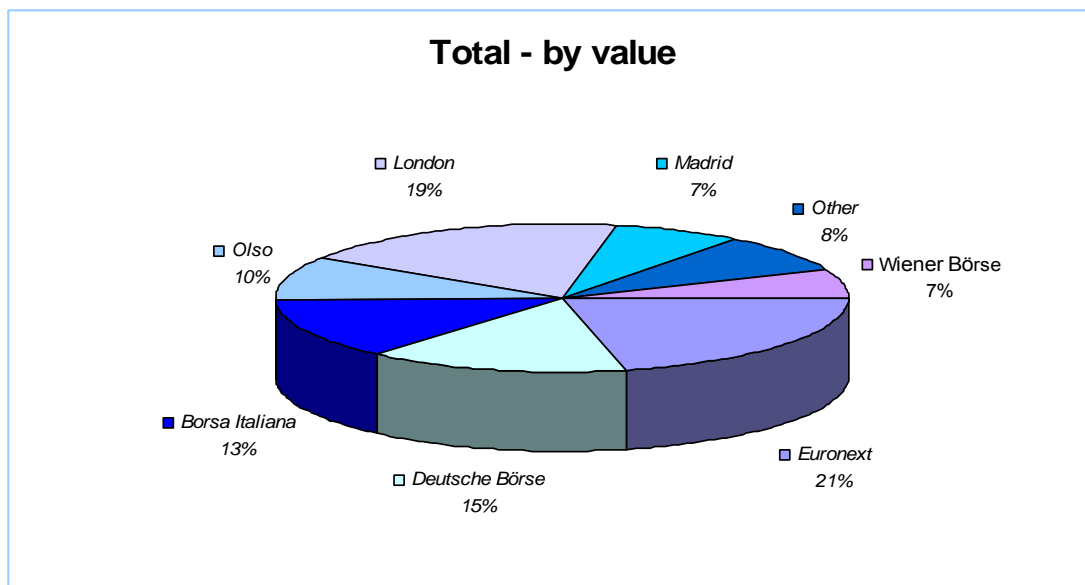
	Q2 2006	Q2 2005	Q1 2006
Total European listings comprise those which:			
- No money raised	21	29	16
- Money raised	166	147	110
Average offering value (€m)	117	78	83

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

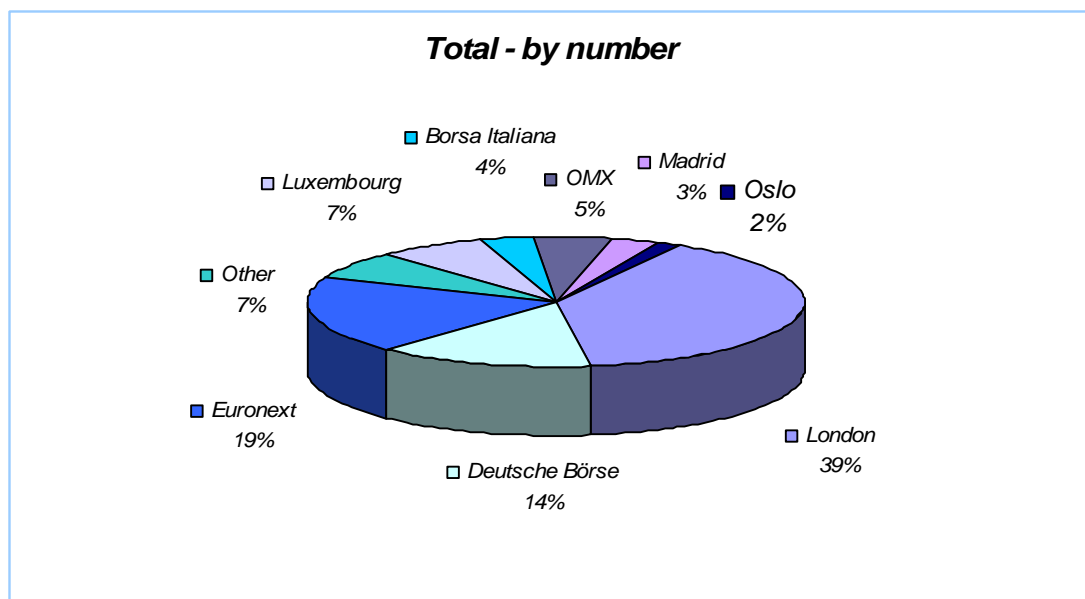


In terms of offering value, Euronext was the largest market this quarter, raising €4,157m compared with €1,519m in second quarter of 2005 and €310m in the first quarter of 2006.

The market with the second highest offering value was London raising €3,655m in the quarter. Deutsche Börse was third by offering value, where 26 IPOs raised €2,828m. The Borsa Italiana came fourth in value terms, raising €2,589m. Oslo Børs ranked fifth with three IPOs raising with €1,918m.



Although, London still leads in volume terms, its market share decreased to 39% from 59% in the previous quarter. The exchange regulated smaller companies' market, AIM, continued to drive activity accounting for 89% of total London IPOs and 35% of total European IPOs in the quarter.



International listings on European markets

Following on from a record (since our survey began in 2001) of 47 non-European IPOs in quarter four of 2005, Europe remains an attractive destination for international companies' IPOs. In quarter two of 2006, Europe hosted 33 non-European IPOs. International IPOs raised €1,719m of new money which accounts for 9% of the total money raised in the quarter which represents a significant decrease compared with €5,459m (60% of total money raised) in the previous quarter. The European exchanges were most popular with Indian companies, all 12 of which chose Luxembourg for their GDRs. After India, Europe was most attractive for Australian companies with five IPOs. Third most active was USA with four IPOs; all on AIM.

London was the most attractive market for international IPOs in the quarter. AIM attracted 17 of the 20 international IPOs which came to London which generated €908m in offering value. Luxembourg's EuroMTF was the second most attractive market for international companies with 13 non-European IPOs in total (12 from India and one from Taiwan). The largest international IPO was by a Taiwanese semiconductor manufacturer, Inotera Memories Inc, which raised €353m.

The second quarter of 2006 also saw 10 European companies IPO on European exchanges other than their home exchange. London attracted five of these IPOs; three from the Netherlands and one each Jersey and Ireland.

Analysis of the European exchanges

Stock Exchange	Company IPOs Q2- 2006	Offering Value (€m) Q2-2006	Company IPOs Q2- 2005	Offering Value (€m) Q2-2005	Company IPOs Q1- 2006	Offering Value (€m) Q1-2006
TOTAL						
Euronext	36	4,157	17	1,519	17	310
London	74	3,655	107	5,199	74	5,971
Deutsche Börse	26	2,828	2	651	11	467
Borsa Italiana	7	2,589	4	1,102	3	714
Oslo Børs	3	1,918	14	333	2	45
Madrid Exchange	6	1,435	-	-	-	-
Wiener Börse	3	1,214	2	977	-	-
Luxembourg	13	811	7	270	12	544
Athens Stock Exchange	1	612	-	-	-	-
OMX	9	68	11	683	6	1,024
WSE	5	61	9	522	-	-
SWX	3	37	3	202	1	-
ISE	1	30	1	-	1	43
Europe Total	187	19,415	176	11,458	126	9,075
Stock Exchange	Company IPOs Q2- 2006	Offering Value (€m) Q2-2006	Company IPOs Q2- 2005	Offering Value (€m) Q2-2005	Company IPOs Q1- 2006	Offering Value (€m) Q1-2006
EU REGULATED						
Euronext (Main)	9	3,987	10	1,476	4	219
Borsa Italiana	7	2,589	4	1,102	3	714
Deutsche Börse	11	2,493	2	651	3	438
London (Main)	8	1,938	13	3,714	9	4,471
Oslo Børs	3	1,918	14	333	2	45
Madrid Exchange	6	1,435	-	-	-	-
Wiener Börse	3	1,214	2	977	-	-
Athens Stock Exchange	1	612	-	-	-	-
OMX	9	68	11	683	6	1,024
WSE	5	61	9	522	-	-
SWX	3	37	3	202	1	-
Luxembourg	-	-	6	207	-	-
ISE	-	-	-	-	-	-
EU regulated sub-total	65	16,352	74	9,867	28	6,911
EXCHANGE REGULATED						
London (AIM)	66	1,717	94	1,485	65	1,500
London (PSM)	-	-	-	-	-	-
Luxembourg (EuroMTF)	13	811	1	63	12	544
Deutsche Börse (Entry Standard)	15	335	-	-	8	29
Euronext (Alternext)	17	167	6	43	9	90
Euronext (Marche Libre)	10	3	1	-	4	1
ISE (IEX)	1	30	1	-	1	43
Exchange regulated sub-total	122	3,063	102	1,591	98	2,164
Europe Total	187	19,415	176	11,458	126	9,075
* Agi Therapeutics dual listing (London (AIM) and ISE (IEX))						
**Lapp Plats dual listing (London (AIM) and ISE (IEX))						

Euronext gained leadership in value terms in the second quarter of 2006. It also saw two of the five largest IPOs of this quarter namely that of SNS Reaal (financial services company) and ADP (airport operator) which raised €1,190m and €1,117m respectively. The IPO of ADP was the latest of a number of privatisations last year by the French government.

London hosted the third largest IPO of the quarter, namely that of Debenhams Plc, a British department store chain, which raised €1,378m.

Overall, the Deutsche Börse attracted 26 IPOs in second quarter of 2006 which represents a significant increase compared with 11 IPOs in first quarter of 2006 and two IPOs in the second quarter of 2005. The exchange-regulated market of Deutsche Börse, the Entry Standard, saw an 88% increase in the number of IPOs when compared with the previous quarter. The offering value increased from €29m in previous quarter to €335m in this quarter.

The Borsa Italia recorded seven IPOs; including the largest IPO of this quarter namely that of Saras SpA, the largest independent petroleum refiner in the Mediterranean area, which raised €2,069m. This IPO accounted for 80% of the total money raised on Borsa Italiana and 11% of the total offering value in second quarter of 2006.

The Madrid Stock Exchange saw a significant turnaround in the second quarter of 2006 with six IPOs raising €1,435m compared with no activity in either the previous quarter or the second quarter of 2005.

In the second quarter of 2006, Warsaw Stock Exchange attracted five IPOs, raising €61m. This represents a significant increase compared to the previous quarter when no IPOs were recorded. However, the activity has dropped in value and volume terms when compared with the same period last year when nine IPOs raised €522m.

The Oslo Børs is ranked fifth this quarter in value terms where three IPOs raised €1,918m in the second quarter of 2006. Oslo Børs was also a host to the second largest IPO of the quarter, namely Renewable Energy Corporation, the largest producer of solar grade silicon and wafers for solar applications, which raised €1,791m.

The Athens Stock Exchange hosted one IPO, that of the Greek Postal Savings Bank. The IPO was part of the Greek government's program of structural change and aimed at increasing competitiveness within the banking sector. This IPO has raised €612m.

Sector breakdown

The industrial goods & services sector and the technology sector continue to dominate activity for the third quarter running, with 43 and 32 IPOs respectively.

The activity within the mining sector has modestly improved on the previous quarter as the number of IPOs increased from nine to 11 this quarter. However, there has been a 50% decrease compared with 22 mining IPOs in quarter two of 2005. It is still, however, too early to assess whether the tightening of the rules for mining companies on AIM has had an effect on new IPOs in this sector which to date has been one of the most active sectors on AIM.

Sector	Company IPOs Q2- 2006	Company IPOs Q2- 2005	Company IPOs Q1- 2006
Industrial Goods & Services	43	24	25
Technology	32	18	14
Media	17	12	6
Pharmaceuticals & Biotech	11	6	7
Mining	11	22	9
Financial Services	10	10	12
Real Estate	10	5	3
Oil & Gas	8	19	3
Personal & Household Goods	6	2	6
Construction & Materials	6	2	4
Food & Beverage	5	6	5
Travel & Leisure	5	11	8
Health Care	5	5	5
Retail	4	1	3
Chemicals	4	5	1
Basic Resources	3	4	4
Banks	3	7	1
Utilities	1	7	-
Telecommunications	1	7	9
Insurance	1	3	1
Automobiles & Parts	1	-	-
Total	187	176	126

The US Exchanges

In the second quarter of 2006 the US exchanges saw a decrease in IPO activity as well as a decrease in offering value when compared to the first quarter of 2006. Overall 51 IPOs took place, raising €8,270m compared with 56 IPOs raising €9,939m in the first quarter of 2006. However, the activity has increased in value and volume terms compared to the same period last year; an increase of 6% in volume and 57% in value terms. European exchanges once again have outperformed the US in both volume and value. Although NASDAQ dominated the US exchanges in volume terms with 35 IPOs, it raised €2,634m, which is less than half the amount raised on NYSE (14 IPOs raising €5,599m). Amex had two IPOs raising €37m. NYSE hosted the largest three IPOs of the quarter; the largest being that of Mastercard, the financial services company, which raised €1,904m. The second and third largest IPOs were the Complete Production Services and Vonage Holdings which raised €495m and €421m respectively. The US exchanges attracted three international IPOs, one each from Canada, Greece and Korea; which in total raised €310m.

Stock Exchange	Company IPOs Q2- 2006	Offering Value (€m) Q2-2006	Company IPOs Q2- 2005	Offering Value (€m) Q2-2005	Company IPOs Q1- 2006	Offering Value (€m) Q1-2006
NASDAQ	35	2,634	31	2,392	32	3,853
NYSE	14	5,599	13	2,823	16	5,367
AMEX	2	37	4	48	8	719
US Total	51	8,270	48	5,263	56	9,939

Russia

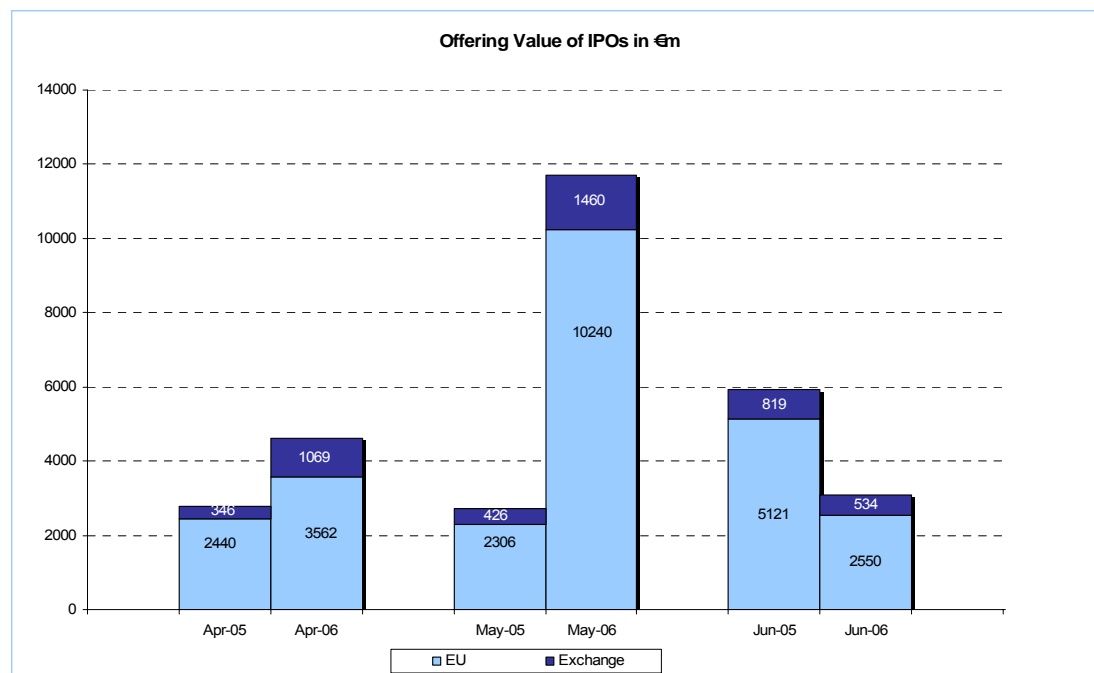
Although no money was raised, Russian domestic IPO activity has picked up this quarter, with six IPOs recorded. London's Main Market hosted one Russian IPO in the second quarter; that of Cherkizovo, a Russian meat producer, which raised €89m.

Contact us....

Tom Troubridge	+44 (0) 207 804 4723	tom.troubridge@uk.pwc.com
Richard Weaver	+44 (0) 207 804 3971	richard.weaver@uk.pwc.com
Stephanie Howel	+44 (0) 207 213 2421	stephanie.howel@uk.pwc.com

Additional data tables

Split between EU regulated and Exchange regulated markets



Five largest IPOs

Five largest IPOs of Q2 2006			
	€m raised	Sector	Market
SARAS	2,069	Industrial Goods & Services	Borsa Italiana
Renewable Energy Corporation	1,791	Technology	Oslo Børs
Debenhams Plc	1,378	Retail	London
SNS Reaal	1,190	Financial Services	Euronext
ADP	1,117	Industrial Goods & Services	Euronext
Five largest IPOs of Q2 2005			
	€m raised	Sector	Market
PartyGaming	1356	Travel & Leisure	London
Raiffeisen International	969	Banks	Wiener Börse
MTU Aero Engines	651	Industrial Goods & Services	Deutsche Börse
Toro Assicurazioni	614	Insurance	Borsa Italiana
Elia	595	Utilities	Euronext
Five largest IPOs of Q1 2006			
	€m raised	Sector	Market
Lotte Shopping	2,315	Retail	London
Comstar United Telesystem	823	Telecommunications	London
Trader Media East	462	Media	London
KappAhl Holding	447	Retail	OMX
Ansaldo	407	Industrial Goods & Services	Borsa Italiana