
IPO Watch

Europe Q2 2017



€15.6bn

raised in Q2 2017

(Q2 2016: €10.9bn, 43% increase)

103 IPOs

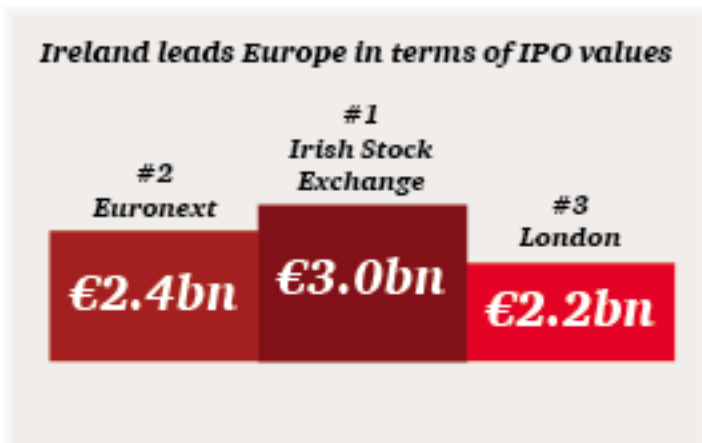
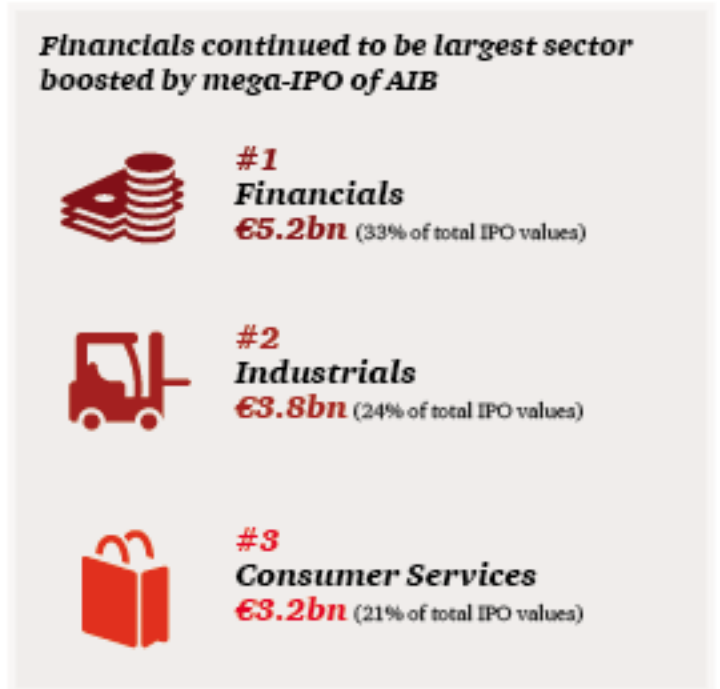
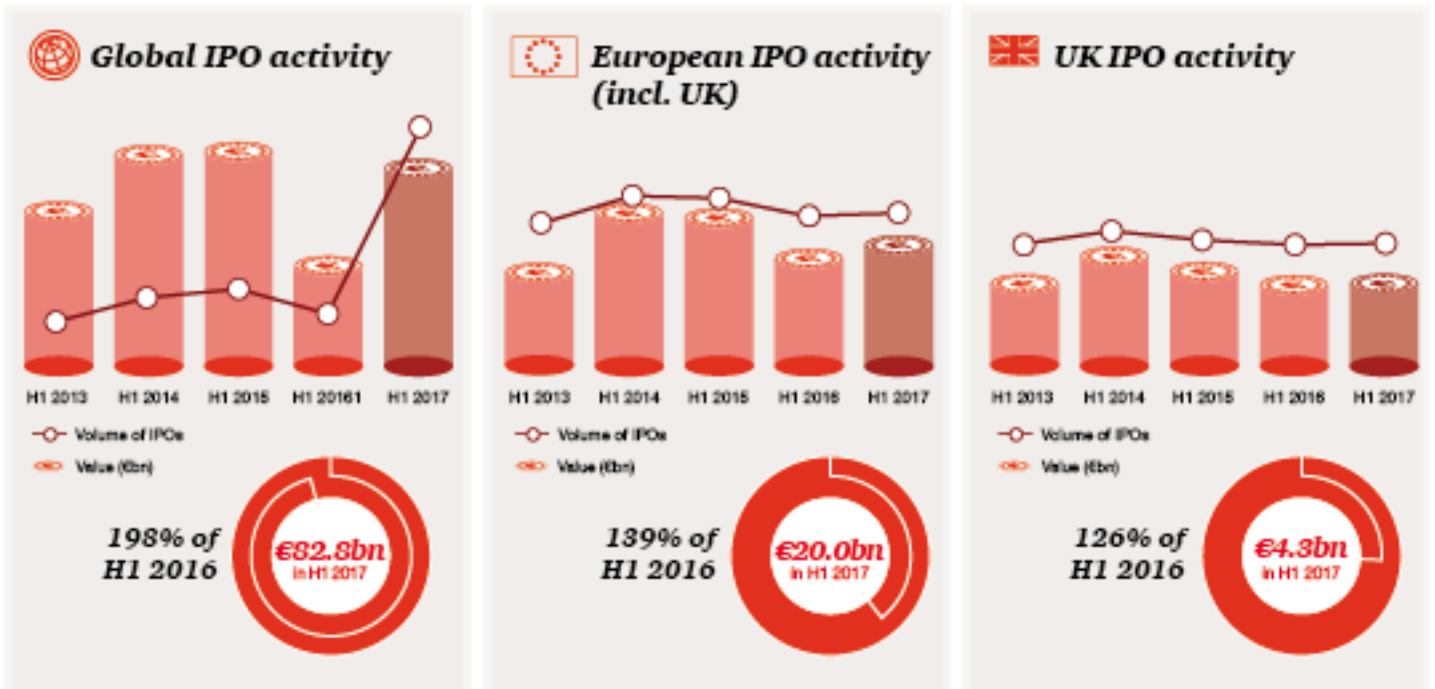
in Q2 2017 across Europe

(Q2 2016: 95 IPOs, 8% increase)

€215m

average offering value in Q2 2017, an
increase of 32% compared to €163m in
Q2 2016

Nasdaq Nordic was Europe's most active exchange in terms of volumes but an increase seen in cross-border IPO activity in London



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Outlook for 2017

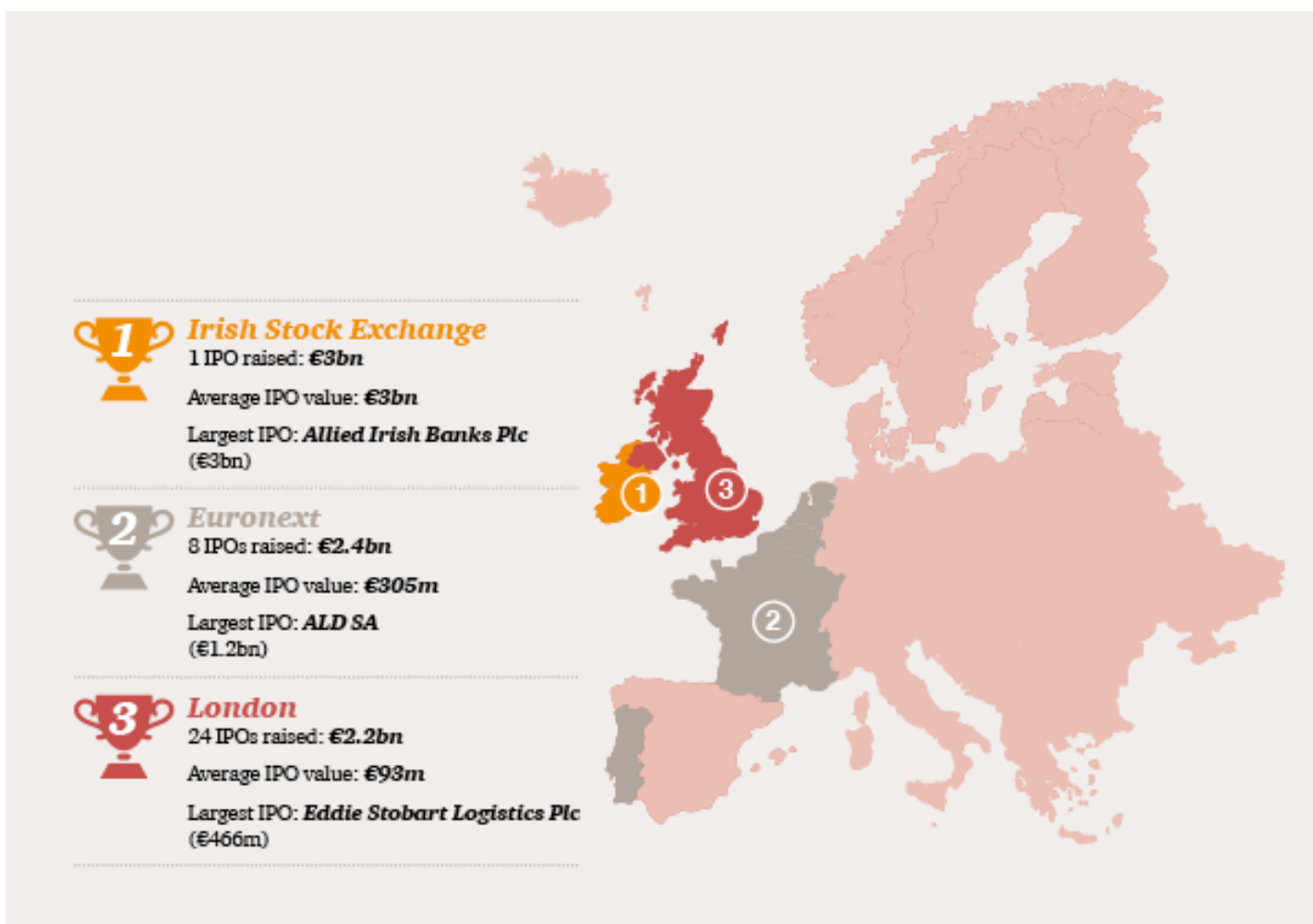
“With a number of IPOs pricing towards the end of the second quarter, the markets are proving resilient in the face of the forthcoming Brexit negotiations. As a sign of confidence, London is still able to attract cross-border IPOs as proved by the IPOs of ADES International, Global Ports and DP Eurasia. Investors do remain selective, however, but after the expected summer IPO hiatus, we expect IPO activity across Europe in the second half of the year to be relatively strong.”

Mark Hughes
Partner, UK Capital Markets Leader at PwC

European IPO trends

Irish Stock Exchange was largest in terms of values, supported by its only IPO of AIB; Nasdaq Nordic was the most active in terms of volume with 41 IPOs raising €1.6bn

Figure 1: Top 3 stock exchanges in Europe in Q2 2017 (by offering value)



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

“It is notable that even after the UK general election, investors are still reasonably confident about the future for UK companies, which may explain why London is still seeing healthy IPO activity. The ability for companies to adapt to uncertainty and changing situations will be vital to their success in these times. Our research also shows that UK companies need to communicate their cyber security strategy to ensure investors maintain trust in them, particularly given recent cyber attacks in the UK and elsewhere.”

Hilary Eastman
Head of investor engagement at PwC

European IPO trends

European IPO values increased by 39% in H1 2017, whilst volumes only increased by 8% signalling the presence of mega-IPOs*

Figure 2: European H1 IPO activity since 2008**

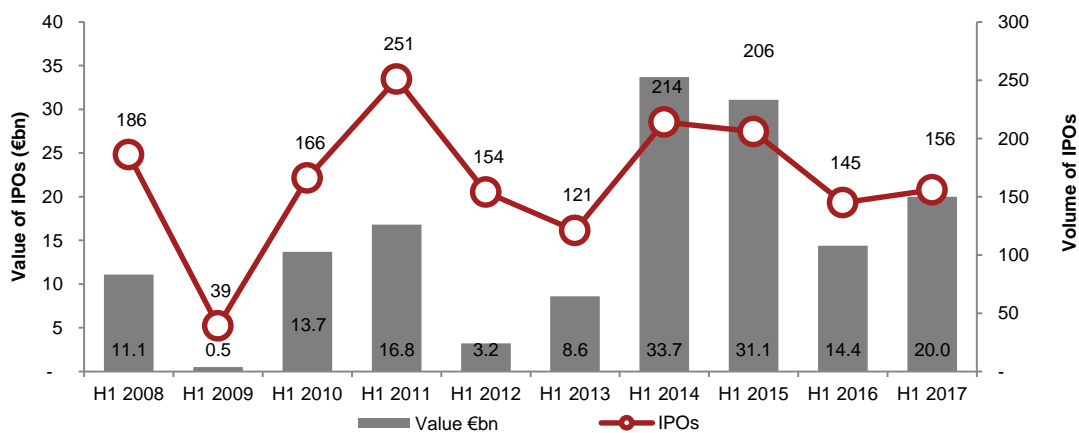
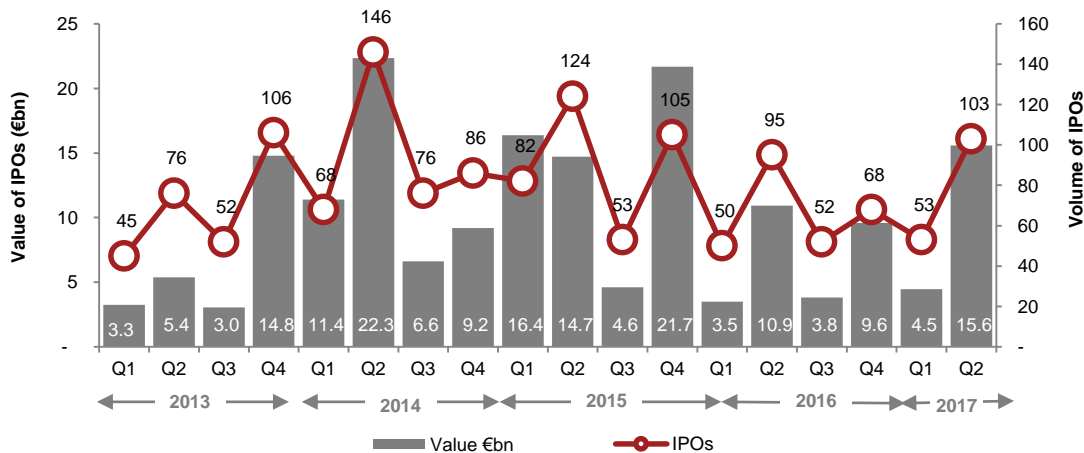


Figure 3: Quarterly European IPO activity since 2013



“The only story of the quarter is not the mega-IPO, but also the number of IPOs – 103 IPOs priced in the quarter making it the most active since Q4 2015 which saw 105 IPOs. There has been activity across the continent with IPOs from traditionally active exchanges such as the London Stock Exchange, Nasdaq Nordic and the Deutsche Börse, to less active exchanges such as the Borsa Istanbul and the Irish Stock Exchange. There has also been a good mix of sectors, although financials again contributed most in terms of values.”

Lucy Tarleton
 Director, UK Capital Markets Group at PwC

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

**Excludes greenshoe.

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

Market volatility

Volatility remains at consistently low levels. European indices level off towards the end of the period after reaching historic highs

Figure 4: Volatility tracked against IPO values

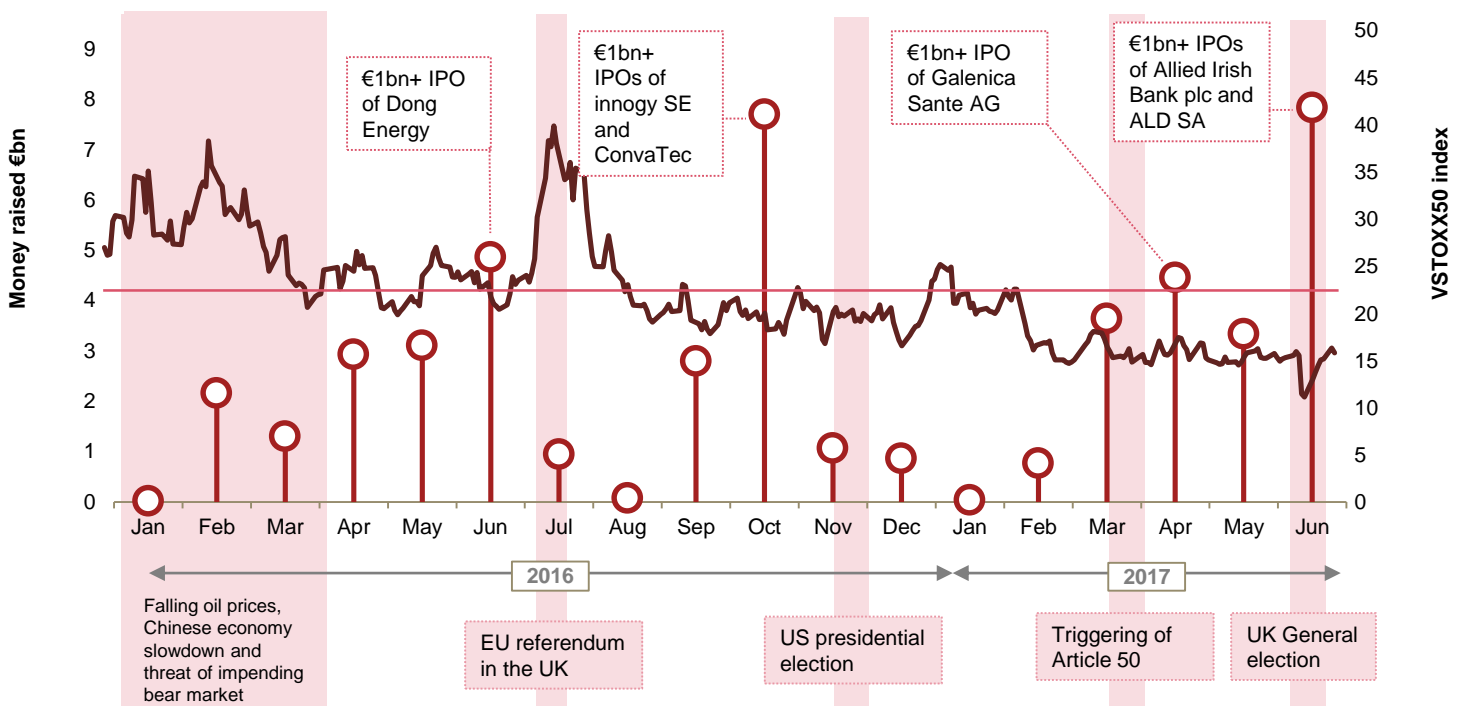
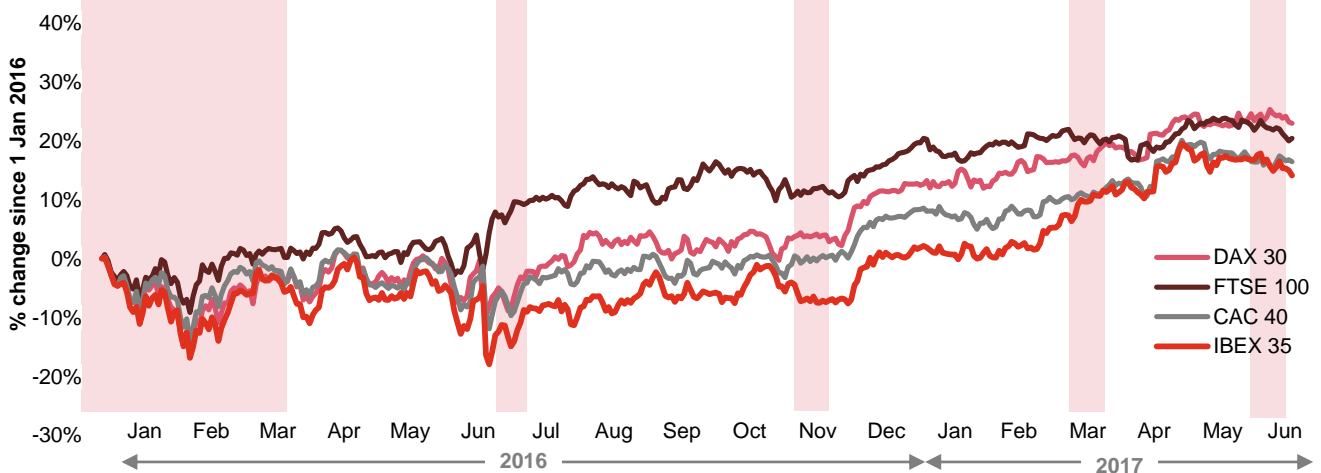


Figure 5: Historical performance of major market indices since January 2016



Source: Thomson Reuters as at 30 June 2017

Pricing of top 5 IPOs

A busy end to Q2 2017 as three of the top five IPOs priced in the final two weeks of the quarter

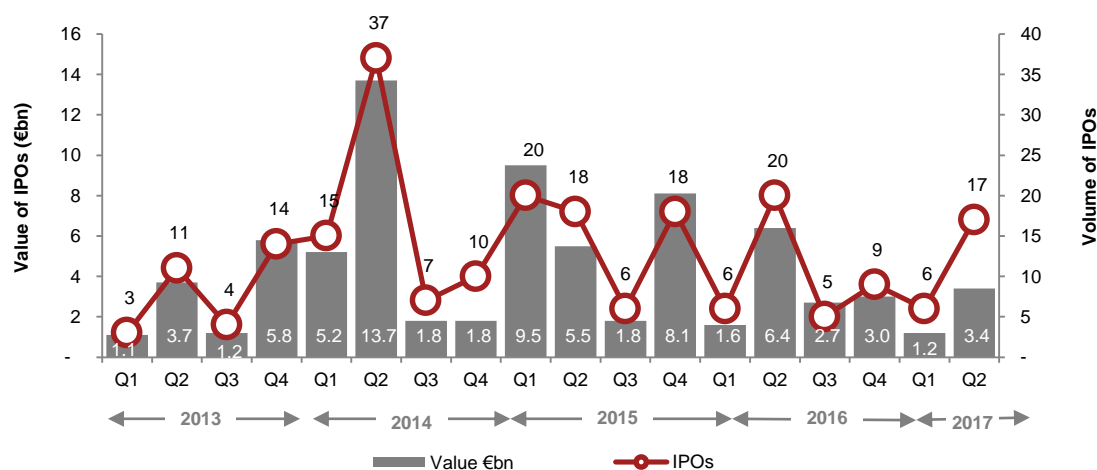
Figure 6: Top 5 IPOs in Q2 2017

	Allied Irish Banks plc	Galenica Sante AG	ALD SA	Gestamp Automocion SA	Delivery Hero Holding GmbH
Exchange	Irish Stock Exchange	SIX Swiss Exchange	Euronext – Paris	BME (Spanish Exchange)	Deutsche Börse
IPO date	23 June	7 April	16 June	7 April	30 June
Money raised (€m)	2,986	1,544	1,156	870	866
Price range	€3.90 - €4.90	CHF31.00 - CHF39.00	€14.20 - €17.40	€5.60 - €6.70	€22.00 - €25.50
Offer price	€4.40	CHF39.00	€14.30	€5.60	€25.50

European PE trends

The value of PE backed IPOs across Europe has fallen by almost 50% when compared to Q2 2016

Figure 7: Quarterly value and volume of European PE backed IPOs in Q1 since 2013



The sector story

Financials continued to be the largest sector accounting for 31% of H1 values raised due to the AIB IPO

Figure 8: IPO value by sector*

By offering value (€m)	H1 2016	Q1 2017	Q2 2017	H1 2017	Variance vs H1 2016
Financials	4,722	1,991	5,217	7,208	2,486
Industrials	2,769	1,690	3,798	5,488	2,719
Consumer Services	2,128	4	3,244	3,248	1,120
Consumer Goods	1,550	122	1,435	1,557	7
Technology	132	51	1,246	1,297	1,165
Health Care	340	514	404	918	578
Oil & Gas	112	61	227	288	176
Basic Materials	33	25	8	33	0
Telecommunications	10	-	11	11	1
Utilities	2,613	-	-	-	-
Total	14,409	4,458	15,590	20,048	5,639



Financials

23 IPOs raised in Q2 2017

€5.2bn*

Average IPO values**

€227m

Largest IPO:

**Allied Irish Bank
plc
€3.0bn**



Industrials

22 IPOs raised in Q2 2017

€3.8bn*

Average IPO values**

€147m

Largest IPO:

**ALD SA
€1.2bn**



Consumer Services

14 IPO raised in Q2 2017

€3.2bn*

Average IPO values**

€271m

Largest IPO:

**Galenica Sante
AG
€1.5bn**

*Excludes greenshoe

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

London focus – overview

London has shown it is able to attract cross-border IPOs with ADES International from Dubai and Global Ports from Turkey, both in the top five for the period

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

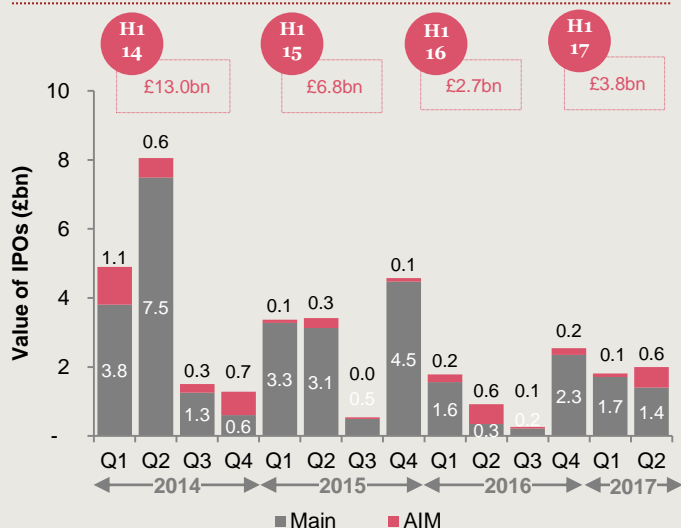


Figure 10: London IPO trends (by volume)

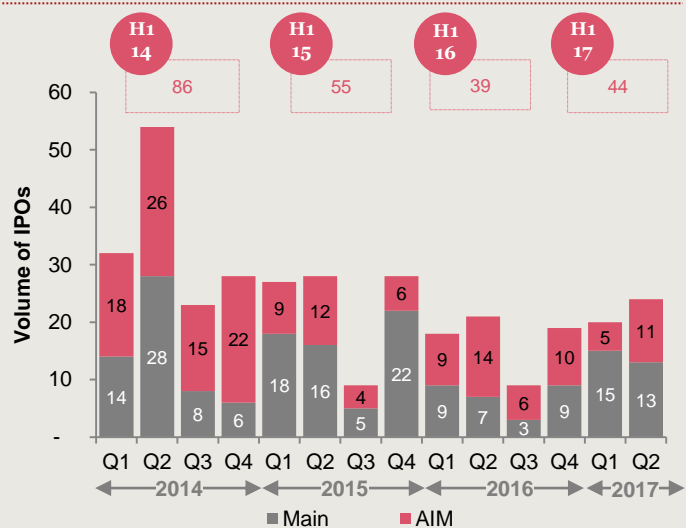


Figure 11: Top 5 UK IPOs in Q2 2017

Issuer	Value (£m)*	Sector	Market	PE backed
Eddie Stobart Logistics PLC	393	Industrials	AIM	Yes
Alfa Financial Software Holdings PLC	254	Technology	Main	No
PRS REIT PLC	250	Financials	Main	No
ADES International Holding Ltd	223	Oil & Gas	Main	No
Global Ports Holding PLC	154	Industrials	Main	No

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

Figure 12: London IPO value by sector*

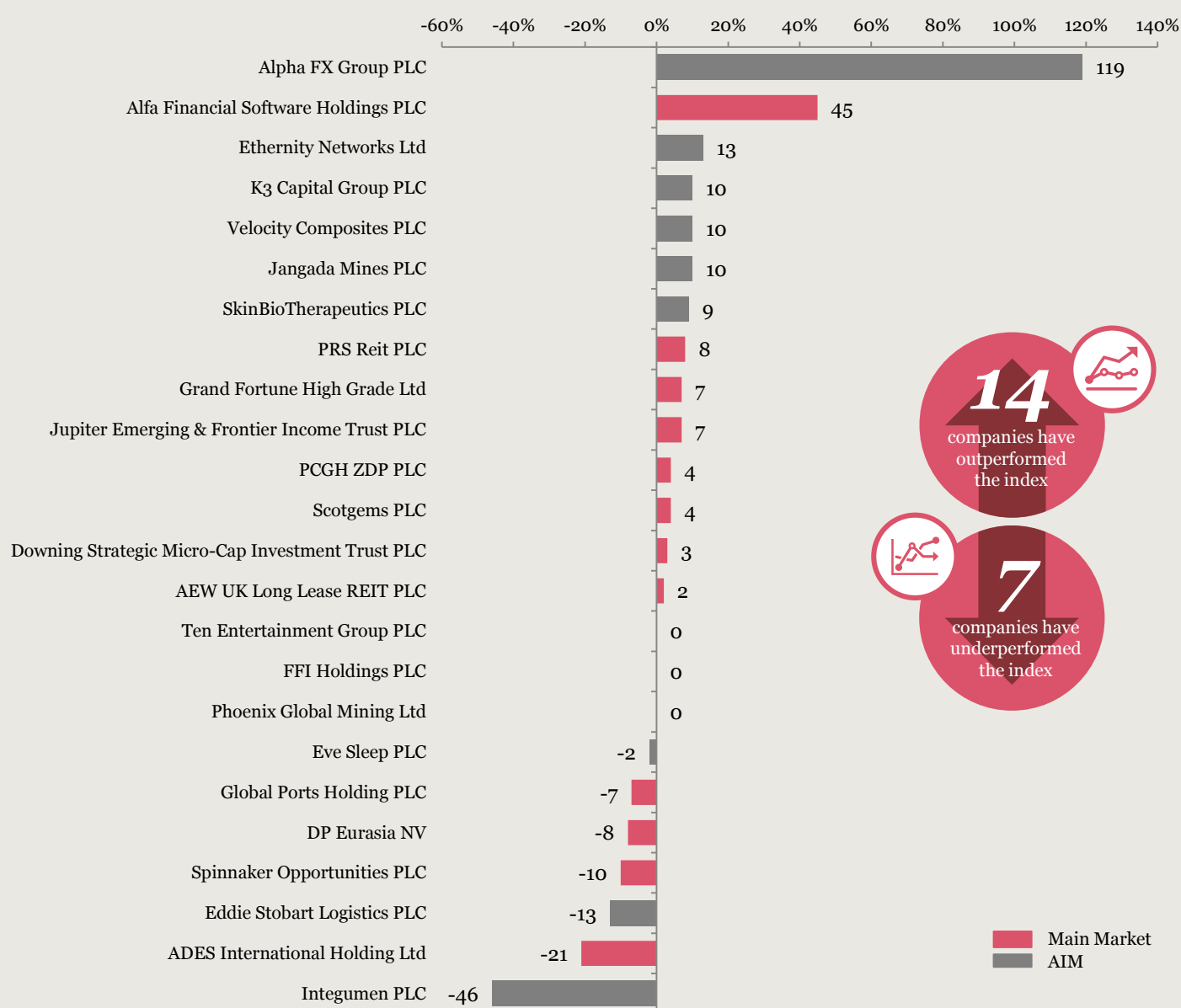
By offering value (£m)	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Variance vs. Q2 2016
Financials	269	40	618	1,574	653	384
Industrials	201	-	352	-	580	379
Technology	11	9	23	-	269	258
Oil & Gas	-	-	3	52	223	223
Consumer Services	284	188	-	-	175	(109)
Consumer Goods	119	27	23	53	37	(82)
Basic Materials	15	-	-	7	7	(8)
Health Care	22	2	1,524	121	5	(17)
Utilities	4	-	-	-	-	(4)
Total value (£m)	925	266	2,543	1,807	1,949	1,024

*Excludes greenshoe

London focus – relative performance of London IPOs

London IPOs performed well in Q2 2017 with 14 out of 24 IPOs out-performing the market

Figure 13: Share price performance of London IPOs relative to the FTSE all share index, from IPO to 30 June 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 30 June 2017

Global perspective

Europe hosted five of the top ten IPOs worldwide, with the Irish Stock Exchange's Allied Irish Banks IPO being the largest

Figure 14: Global IPO activity*

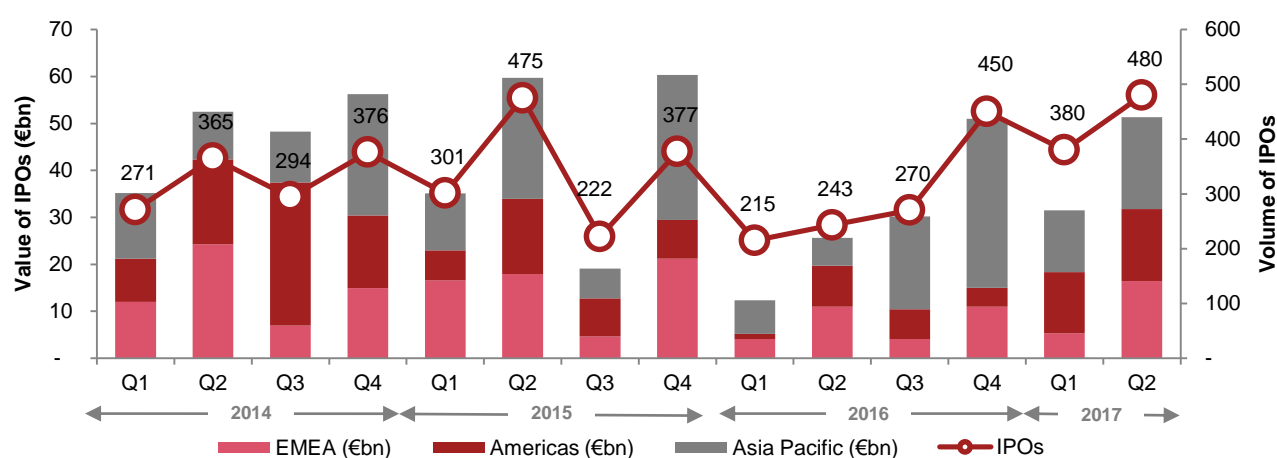


Figure 15: Top 10 global IPOs Q2 2017

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	Computers & Electronics
Jun-17	Altice USA Inc	1,721	NYSE	Telecommunications
Apr-17	Galenica Sante AG	1,544	SIX Swiss	Healthcare
May-17	Kinder Morgan Canada Ltd	1,159	Toronto	Oil & Gas
Jun-17	ALD SA	1,156	Euronext – Paris	Finance
Jun-17	Guangzhou Rural Commercial Bank Co Ltd	924	Hong Kong	Finance
May-17	ING Life Insurance Korea Ltd	908	Korea	Insurance
Apr-17	Gestamp Automocion SA	870	BME	Auto/Truck
Jun-17	Delivery Hero Holding GmbH	866	Deutsche Börse	Consumer Services

* Excludes greenshoe
Source: Dealogic

Appendix – IPOs by market

Appendix 1: European IPOs by market

Stock exchange	Q2 2016		Q3 2016		Q4 2016		Q1 2017		Q2 2017	
	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*
TOTAL										
Irish Stock Exchange	-	-	-	-	-	-	-	-	1	2,986
Euronext	13	2,986	5	406	4	60	5	80	8	2,437
London Stock Exchange	21	1,180	9	311	19	2,882	20	2,118	24	2,223
Nasdaq Nordic	33	3,436	9	2,196	24	1,418	13	406	41	1,578
BME (Spanish Exchange)	5	1,300	10	8	4	16	6	1,459	4	1,563
SIX Swiss Exchange	2	633	-	-	1	100	-	-	2	1,544
Deutsche Börse	2	17	4	72	2	4,645	2	235	3	1,049
Oslo Børs & Oslo Axess	4	90	1	12	1	185	1	7	4	821
Warsaw	8	92	5	4	7	147	2	1	6	542
Borsa Italiana	5	437	5	775	2	103	3	139	6	390
Borsa Istanbul	1	92	-	-	-	-	1	13	2	265
Bucharest	-	-	1	-	1	51	-	-	2	192
Prague	1	656	-	-	-	-	-	-	-	-
Luxembourg	-	-	2	48	-	-	-	-	-	-
Zagreb Stock Exchange	-	-	-	-	-	-	-	-	-	-
Wiener Börse	-	-	1	-	-	-	-	-	-	-
Sofia	-	-	-	-	2	31	-	-	-	-
Athens Stock Exchange	-	-	-	-	-	-	-	-	-	-
Budapest	-	-	-	-	1	9	-	-	-	-
Total	95	10,919	52	3,832	68	9,647	53	4,458	103	15,590
EU-REGULATED										
Irish Stock Exchange (Main)	-	-	-	-	-	-	-	-	1	2,986
Euronext	10	2,954	2	368	2	48	4	80	7	2,426
BME (Spanish Exchange) (Main)	3	1,300	-	-	-	-	2	1,459	2	1,558
SIX Swiss Exchange	2	633	-	-	1	100	-	-	2	1,544
London Main	7	432	3	249	9	2,652	15	2,001	13	1,543
Deutsche Börse (Prime and General Standard)	1	3	2	72	2	4,645	2	235	3	1,049
Oslo Børs	3	90	-	-	1	185	-	-	4	821
Warsaw (Main)	5	91	-	-	6	147	1	1	3	518
Borsa Italiana (Main)	2	378	1	759	-	-	1	130	2	282
Bucharest	-	-	-	-	1	51	-	-	2	192
Nasdaq Nordic (Main)	12	3,236	3	2,167	9	1,234	-	-	3	51
Prague	1	656	-	-	-	-	-	-	-	-
Zagreb Stock Exchange	-	-	-	-	-	-	-	-	-	-
Wiener Börse	-	-	-	-	-	-	-	-	-	-
Sofia	-	-	-	-	2	31	-	-	-	-
Athens Stock Exchange	-	-	-	-	-	-	-	-	-	-
Budapest	-	-	-	-	1	9	-	-	-	-
EU-regulated sub-total	46	9,773	11	3,615	34	9,102	25	3,906	42	12,970
EXCHANGE-REGULATED										
Nasdaq Nordic (First North)	21	200	6	29	15	184	13	406	38	1,527
London AIM	14	748	6	62	10	230	5	117	11	680
Borsa Istanbul	1	92	-	-	-	-	1	13	2	265
Borsa Italiana (AIM)	3	59	4	16	2	103	2	9	4	108
Warsaw (NewConnect)	3	1	5	4	1	-	1	-	3	24
Euronext (Alternext)	3	32	3	38	2	12	1	-	1	11
BME (Spanish Exchange) (MAB)	2	-	10	8	4	16	4	-	2	5
Luxembourg (MTF)	-	-	2	48	-	-	-	-	-	-
Oslo Axess	1	-	1	12	-	-	1	7	-	-
Deutsche Börse (Entry Standard)	1	14	2	-	-	-	-	-	-	-
Bucharest (AeRO)	-	-	1	-	-	-	-	-	-	-
Wiener Börsen (MTF)	-	-	1	-	-	-	-	-	-	-
Irish Stock Exchange (ESM)	-	-	-	-	-	-	-	-	-	-
Sofia	-	-	-	-	-	-	-	-	-	-
Exchange-regulated sub-total	49	1,146	41	217	34	545	28	552	61	2,620
Europe total	95	10,919	52	3,832	68	9,647	53	4,458	103	15,590

Appendix – Exchange activity by value

Appendix 2: IPO offering value by stock exchange*

Stock exchange offering value (€m)	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017
Irish Stock Exchange	-	-	-	-	2,986
London Stock Exchange Group	1,617	1,086	2,985	2,257	2,613
<i>London Stock Exchange</i>	1,180	311	2,882	2,118	2,223
<i>Borsa Italiana</i>	437	775	103	139	390
Euronext	2,986	406	60	80	2,437
<i>Euronext Amsterdam</i>	2,280	328	-	-	575
<i>Euronext Paris</i>	683	78	60	80	1,258
<i>Euronext Brussels</i>	23	-	-	-	604
<i>Euronext Lisbon</i>	-	-	-	-	-
Nasdaq Nordic	3,436	2,196	1,418	406	1,578
<i>Nasdaq Copenhagen</i>	2,301	2,113	-	-	12
<i>Nasdaq Stockholm</i>	869	83	953	376	1,365
<i>Nasdaq Helsinki</i>	232	-	427	30	198
<i>Nasdaq Iceland</i>	20	-	38	-	-
<i>Nasdaq Tallinn</i>	14	-	-	-	-
<i>Nasdaq Riga</i>	-	-	-	-	-
<i>Nasdaq Vilnius</i>	-	-	-	-	3
BME (Spanish Exchange)	1,300	8	16	1,459	1,563
SIX Swiss Exchange	633	-	100	-	1,544
Deutsche Börse	17	72	4,645	235	1,049
Oslo Børs & Oslo Axess	90	12	185	7	821
Warsaw	92	4	147	1	542
Borsa Istanbul	92	-	-	13	265
Bucharest Stock Exchange	-	-	51	-	192
Prague Stock Exchange	656	-	-	-	-
Luxembourg	-	48	-	-	-
Zagreb Stock Exchange	-	-	-	-	-
Wiener Börse	-	-	-	-	-
Sofia	-	-	31	-	-
Athens Stock Exchange	-	-	-	-	-
Budapest	-	-	9	-	-
Total	10,919	3,832	9,647	4,458	15,590

*Excludes greenshoe

Appendix – Exchange activity by volume

Appendix 3: IPO volume by stock exchange

Stock exchange	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017
Nasdaq Nordic	33	9	24	13	41
<i>Nasdaq Copenhagen</i>	2	1	-	-	2
<i>Nasdaq Stockholm</i>	25	7	20	12	34
<i>Nasdaq Helsinki</i>	4	-	3	1	4
<i>Nasdaq Iceland</i>	1	-	1	-	-
<i>Nasdaq Tallinn</i>	1	-	-	-	-
<i>Nasdaq Riga</i>	-	1	-	-	-
<i>Nasdaq Vilnius</i>	-	-	-	-	1
London Stock Exchange Group	26	14	21	23	30
<i>London Stock Exchange</i>	21	9	19	20	24
<i>Borsa Italiana</i>	5	5	2	3	6
Euronext	13	5	4	5	8
<i>Euronext Amsterdam</i>	5	1	-	1	1
<i>Euronext Paris</i>	7	4	4	4	5
<i>Euronext Brussels</i>	1	-	-	-	2
<i>Euronext Lisbon</i>	-	-	-	-	-
Warsaw	8	5	7	2	6
BME (Spanish Exchange)	5	10	4	6	4
Oslo Børs & Oslo Axess	4	1	1	1	4
Deutsche Börse	2	4	2	2	3
Borsa Istanbul	1	-	-	1	2
SIX Swiss Exchange	2	-	1	-	2
Bucharest Stock Exchange	-	1	1	-	2
Irish Stock Exchange	-	-	-	-	1
Prague Stock Exchange	1	-	-	-	-
Luxembourg	-	2	-	-	-
Zagreb Stock Exchange	-	-	-	-	-
Wiener Börse	-	1	-	-	-
Sofia	-	-	2	-	-
Athens Stock Exchange	-	-	-	-	-
Budapest	-	-	1	-	-
Total	95	52	68	53	103

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 April and 30 June 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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