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IPO Watch Europe Survey

Q1 2014



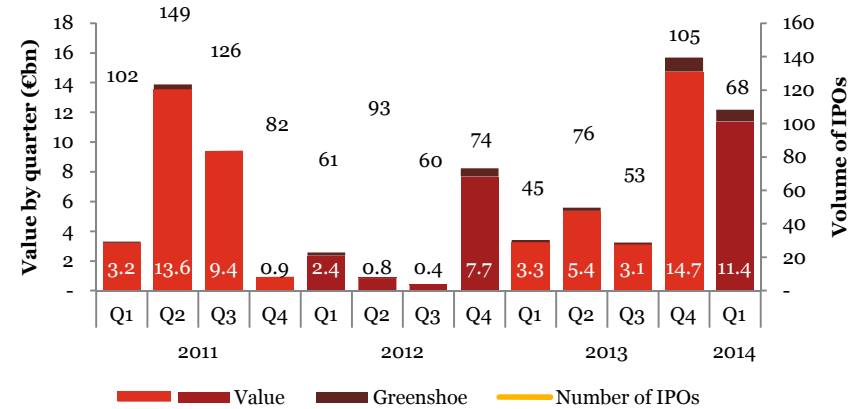
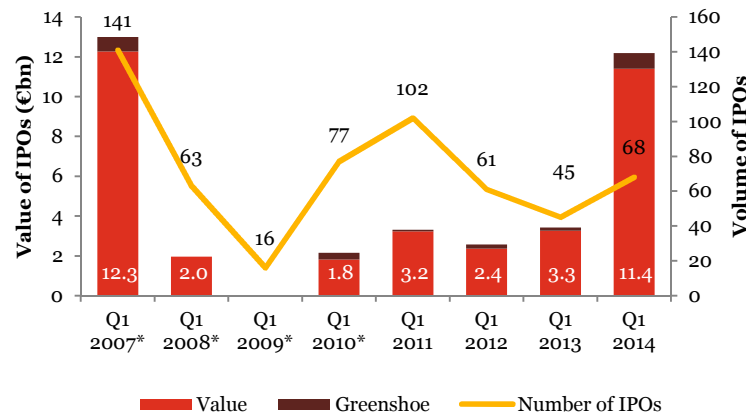
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European IPO proceeds, excluding over-allotments, reached €11.4bn in Q1 2014, marking the strongest first quarter performance since 2007

Long term European IPO activity by value and volume

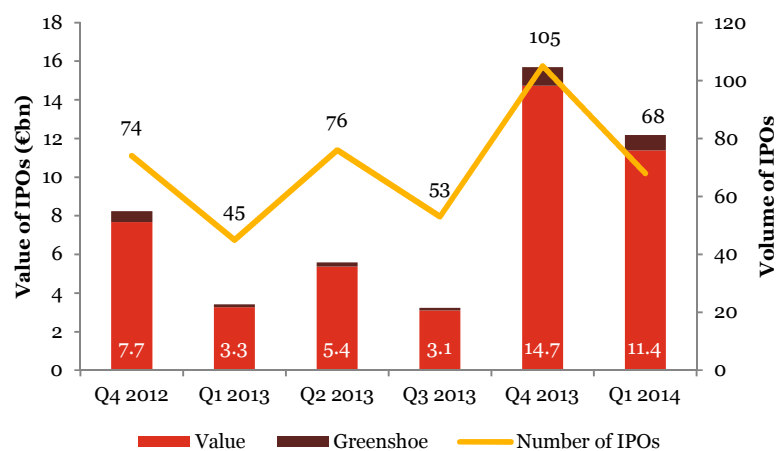


Sustained momentum across European equity markets supported the most successful first quarter in seven years. The €11.4bn of cash raised, excluding over-allotments, from IPOs in first quarter of 2014 surpassed the aggregate Q1 proceeds raised in the previous four years.

The first quarter was characterised by IPOs in the Retail and Real Estate sectors with 18 IPOs raising €5.2bn. The UK retail sector saw the IPOs of Lenta, Pets at Home, AO.com and Poundland. Hispania Activos Inmobiliarios SA and Lar Espana Real Estate Socimi SA demonstrated a reinvigorated Spanish real estate sector.

Q1 2014 exceeded expectations and saw total IPO proceeds of €12.2bn including over-allotments, equivalent to 44% of the total money raised throughout all of 2013

Quarterly European IPO activity by value and volume

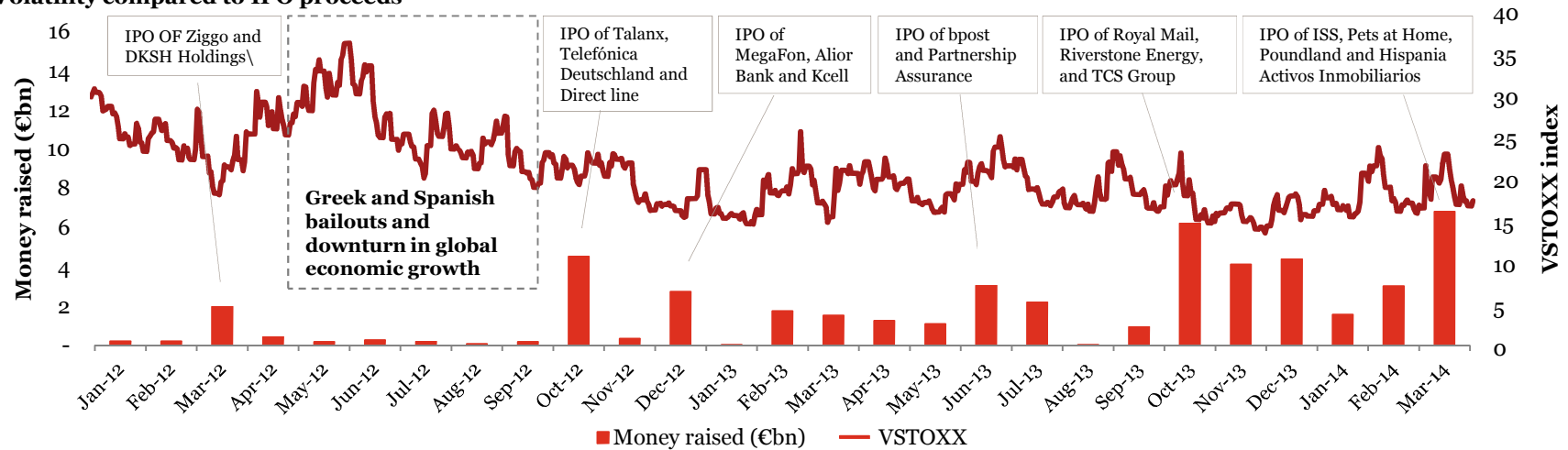


	Q1 2014	Q1 2013	Q4 2013	FY 2013
Total European listings comprise those with:				
Less than \$5m raised	19	30	27	118
Greater than \$5m raised	49	15	78	161
Total number of listings	68	45	105	279
Money raised excl. greenshoe (€m)	11,391	3,263	14,739	26,478
Exercised greenshoe (€m)	791	156	947	1,444
Total money raised (€m)	12,182	3,419	15,686	27,922
Average offering value (€m) *	248	227	201	173

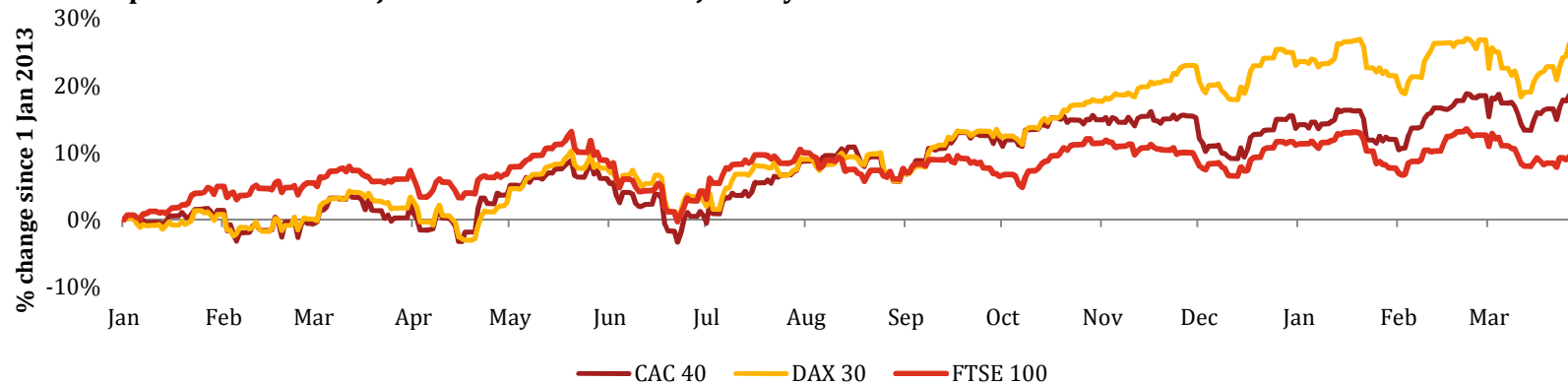
* Average offering value has been calculated based on total offering value, excluding listings raising less than \$5m

Volatility remained low and market indices continued to strengthen despite events such as the geopolitical turmoil in the Ukraine

Volatility compared to IPO proceeds



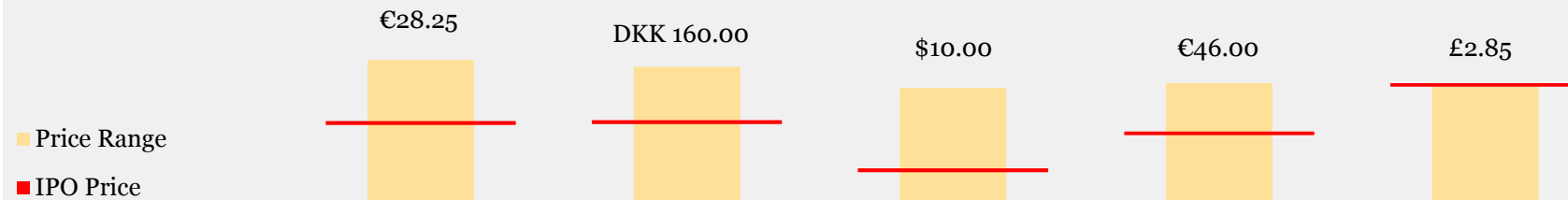
Historical performance of major market indices since January 2013



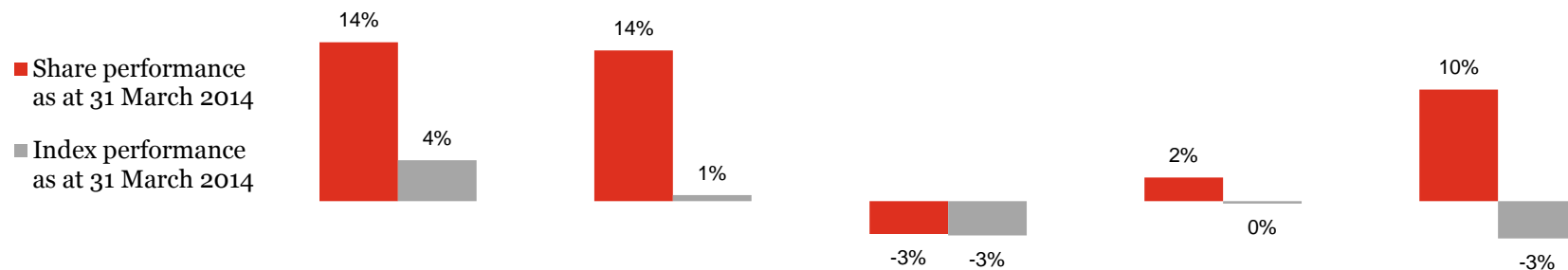
Only 1 of the top 5 IPOs priced at the top of its range. However, at the end of Q1 all but one were trading ahead of their IPO price and outperforming market indices

Top 5 (2014 YTD)	Altice	ISS	Lenta*	Gaztransport et Technigaz	AO World
Exchange	Euronext Amsterdam	NASDAQ OMX Nordic	London, MICEX	Euronext Paris	London
IPO date	31-Jan-14	13-Mar-14	28-Feb-14	27-Feb-14	26-Feb-14
PE backed	No	Yes	Yes	Yes	No
Money raised (€m)**	€1,501m	€1,263m	€712m	€659m	€590m
Pricing range	€24.75 - €31.25	DKK 140 - DKK 175	\$9.50 - \$11.50	€41 - €50	£2.35 - £2.85

IPO price versus range

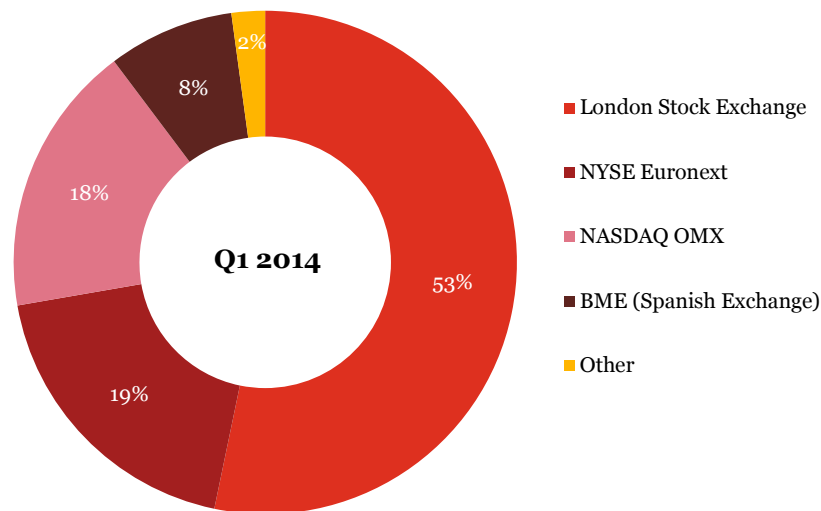


Post IPO performance



3 different markets hosted IPOs raising in excess of €1.0bn, reflecting a general uptick in market confidence across Europe

IPO offering value by exchange *



Stock exchange offering value (€m)	Q1 2014	Q1 2013	Q4 2013
London Stock Exchange	5,925	1,878	8,194
NYSE Euronext	2,113	3	2,026
NASDAQ OMX	1,947	-	505
BME (Spanish Exchange)	900	-	-
Irish Stock Exchange	265	-	415
Oslo Børs & Oslo Axess	147	41	479
Borsa Italiana	72	7	890
Warsaw	18	58	1,017
Borsa Istanbul	4	106	47
SIX Swiss Exchange	-	-	745
Bucharest	-	-	-
Deutsche Börse	-	1,165	30
Luxembourg	-	5	-
Total	11,391	3,263	14,739

Top 3 Exchanges

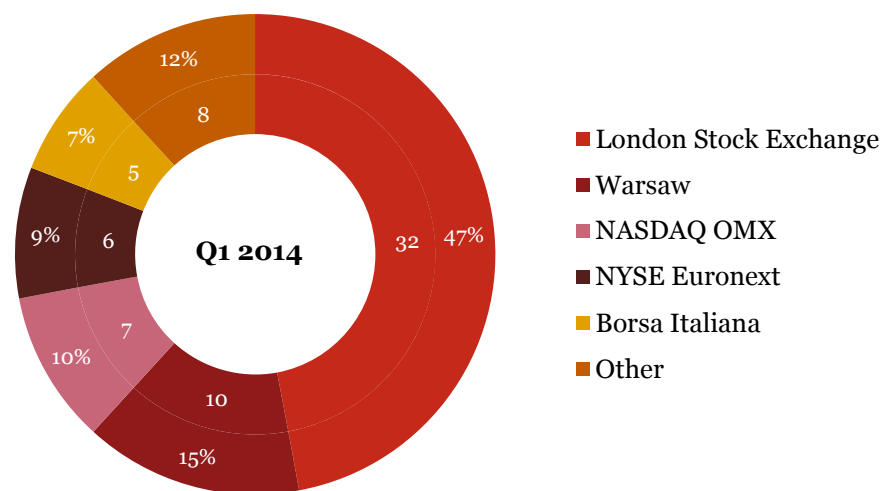
London Stock Exchange
32 IPOs raised €5.9bn
Average IPO proceeds €204m **
Largest IPO – Kennedy Wilson Europe Real Estate plc €1,017m (€1,128 m including greenshoe)

NYSE Euronext
6 IPOs raised €2.1bn
Average IPO proceeds €352m **
Largest IPO – Altice SA €1,305m (€1,501m including greenshoe)

NASDAQ OMX
7 IPO raised €1.9bn
Average IPO proceeds €486m **
Largest IPO – ISS €1,098m (€1,263m including greenshoe)

European markets generated 68 IPOs in the quarter, the highest number in a traditionally quiet first quarter since 2007

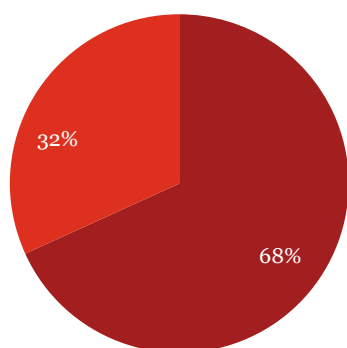
IPO volume by exchange



Stock exchange *	Q1 2014	Q1 2013	Q4 2013
London Stock Exchange	32	13	40
Warsaw	10	13	13
NASDAQ OMX	7	4	13
NYSE Euronext	6	3	11
Borsa Italiana	5	3	9
Borsa Istanbul	2	1	6
Oslo Børs & Oslo Axess	2	2	5
BME (Spanish Exchange)	2	-	-
Deutsche Börse	1	2	2
Irish Stock Exchange	1	-	2
Luxembourg	-	3	2
Bucharest Stock Exchange	-	-	1
SIX Swiss Exchange	-	-	1
Wiener Börse	-	1	-
Total	68	45	105

The top 10 IPOs in the quarter raised more than two thirds of total IPO proceeds, 5 of which were PE backed raising a combined €3.5bn

Top 10 IPOs



■ Top 10 IPOs ■ Others

10 largest IPOs of Q1 2014	€m*	Sector	Market	Country of Origin	PE Backed
Altice SA	1,305	Telecommunications	Euronext	France	No
ISS A/S	1,098	Industrials	OMX	Denmark	Yes
Kennedy Wilson Europe Real Estate plc	1,017	Financials	London	UK	No
Lenta Ltd	696	Consumer Services	London	Russia	Yes
Gaztransport & Technigaz SA - GTT	621	Industrials	Euronext	France	Yes
Pets at Home Group plc	589	Consumer Services	London	UK	Yes
AO World plc	513	Consumer Services	London	UK	No
Hispania Activos Inmobiliarios SA	500	Financials	BME	Spain	No
Poundland Group plc	451	Consumer Services	London	UK	Yes
Lar Espana Real Estate Socimi SA	400	Financials	BME	Spain	No

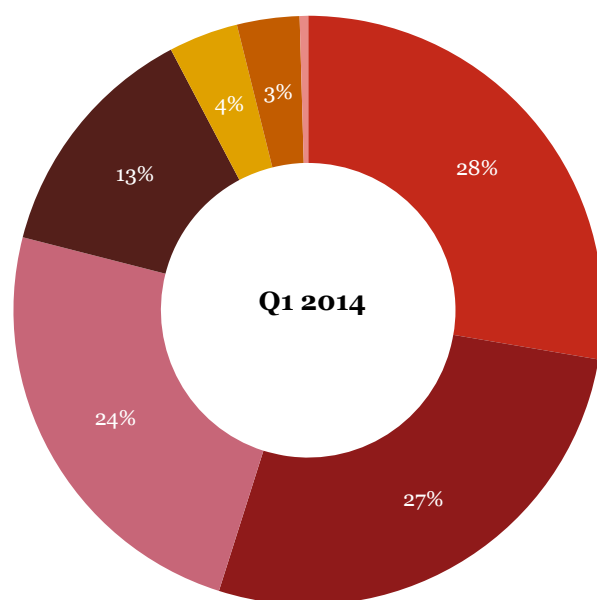
Total **7,190**

10 largest IPOs of Q4 2013	€m*	Sector	Market	Country of Origin	PE Backed
Royal Mail	2,032	Industrials	London	UK	No
Merlin Entertainments	1,141	Consumer Services	London	UK	Yes
Riverstone Energy	897	Financials	London	USA	No
TCS Group Holding	797	Financials	London	Russia	Yes
Cembra Money Bank	745	Financials	SIX Swiss	Switzerland	No
Moncler	681	Consumer Goods	Borsa Italiana	Italy	Yes
Numericable Group	652	Consumer Services	Euronext	France	Yes
CTT – Correios de Portugal	580	Industrials	Euronext	Portugal	No
Energa	515	Utilities	Warsaw	Poland	No
Tarkett	462	Industrials	Euronext	France	Yes

Total **8,449**

The quarter was dominated by the retail sector, within the Consumer services sector, and real estate sector, within the Financials sector, which raised €5.2bn combined and produced 7 of the top 10 IPOs in the quarter

IPO value by sector *



- Consumer Services ■ Financials
- Industrials ■ Telecommunications
- Health Care ■ Oil & Gas
- Other

Sector (IPO Proceeds)	Q1 2014	Q1 2013	Q4 2013
Consumer Services	3,153	18	2,124
Financials	3,100	2,917	5,547
Industrials	2,745	26	4,492
Telecommunications	1,514	-	8
Health Care	435	3	108
Oil & Gas	391	22	400
Utilities	25	-	798
Technology	19	14	228
Basic Materials	9	-	33
Consumer Goods	-	263	1,001
Total value (€m)	11,391	3,263	14,739

Consumer Services **

- 11 IPOs raised average IPO proceeds of €286m
- 8 of the 11 IPOs were Retail and raised a total of €2,811m
- Largest IPO – Lenta €696m (€712m including greenshoe)

Financials **

- 12 IPOs raised average IPO proceeds of €258m
- 6 of the 12 IPOs were Real Estate and raised a total of €2,350m
- Largest IPO – Kennedy Wilson Europe Real Estate plc €1,017m (€1,128m including greenshoe)

IPOs by market

Stock exchange	Q1 2014		Q1 2013		Q4 2013	
	IPOs	Offering value (€m)*	IPOs	Offering value (€m)*	IPOs	Offering value (€m)*
TOTAL						
London Stock Exchange	32	5,925	13	1,878	40	8,194
NYSE Euronext	6	2,113	3	3	11	2,026
Warsaw	10	18	13	58	13	1,017
Borsa Italiana	5	72	3	7	9	890
SIX Swiss Exchange	-	-	-	-	1	745
NASDAQ OMX	7	1,947	4	-	13	505
Oslo Børs & Oslo Axess	2	147	2	41	5	479
Irish Stock Exchange	1	265	-	-	2	415
Borsa Istanbul	2	4	1	106	6	47
Deutsche Börse	1	-	2	1,165	2	30
Luxembourg	-	-	3	5	2	-
Bucharest Stock Exchange	-	-	-	-	1	391
BME (Spanish Exchange)	2	900	-	-	-	-
Wiener Börse	-	-	1	-	-	-
Europe total	68	11,391	45	3,263	105	14,739
EU-REGULATED						
London Main	14	4,637	7	1,835	15	7,040
NYSE Euronext (Euronext)	6	2,113	1	-	9	2,013
Warsaw (Main)	2	17	1	57	7	1,015
Borsa Italiana (Main)	-	-	-	-	2	811
SIX Swiss Exchange	-	-	-	-	1	745
NASDAQ OMX (Main)	4	1,945	1	-	5	499
Oslo Børs	2	147	1	26	4	475
Irish Stock Exchange (Main)	-	-	-	-	1	365
Deutsche Börse (Prime and General Standard)	1	-	1	1,165	2	30
Luxembourg	-	-	-	-	1	-
Bucharest Stock Exchange	-	-	-	-	1	391
BME (Spanish Exchange) (Main)	2	900	-	-	-	-
Wiener Börse	-	-	1	-	-	-
EU-regulated sub-total	31	9,759	13	3,083	48	13,384
EXCHANGE-REGULATED						
London AIM and SFM	18	1,288	6	43	25	1,154
Borsa Italiana (AIM)	5	72	3	7	7	79
Irish Stock Exchange (ESM)	1	265	-	-	1	50
Borsa Istanbul	2	4	1	106	6	47
NYSE Euronext (Alternext)	-	-	2	3	2	13
NASDAQ OMX (First North)	3	2	3	-	8	6
Warsaw (NewConnect)	8	1	12	1	6	2
Oslo Axess	-	-	1	15	1	4
Luxembourg (EuroMTF)	-	-	3	5	1	-
BME (Spanish Exchange) (MAB)	-	-	-	-	-	-
Deutsche Börse (Entry Standard)	-	-	1	-	-	-
Exchange-regulated sub-total	37	1,632	32	180	57	1,355
Europe total	68	11,391	45	3,263	105	14,739

Both the US and Hong Kong markets made a solid start to the year building on the momentum gathered in 2013, however neither market could match Europe's €11.4bn of IPO proceeds.

US and Hong Kong overview

Stock exchange	Q1 2014		Q1 2013		Q4 2013	
	IPOs	Offering value (€m)*	IPOs	Offering value (€m)*	IPOs	Offering value (€m)*
Europe	68	11,391	45	3,263	105	14,739
US	71	8,007	34	5,836	77	17,630
Hong Kong	25	4,334	11	799	61	10,253

Total US proceeds raised during the fourth quarter topped €8.0 billion, an increase of 37% over the first quarter of 2013. Healthcare and in particular the Biotechnology and Biopharmaceutical sectors, dominated the first quarter with 35 IPOs, representing almost half of first quarter 2014 IPO volume.

Private equity activity soared in the US IPO market during Q1 2014, with a total of 53 PE-backed IPOs representing 75% of the quarter's activity.

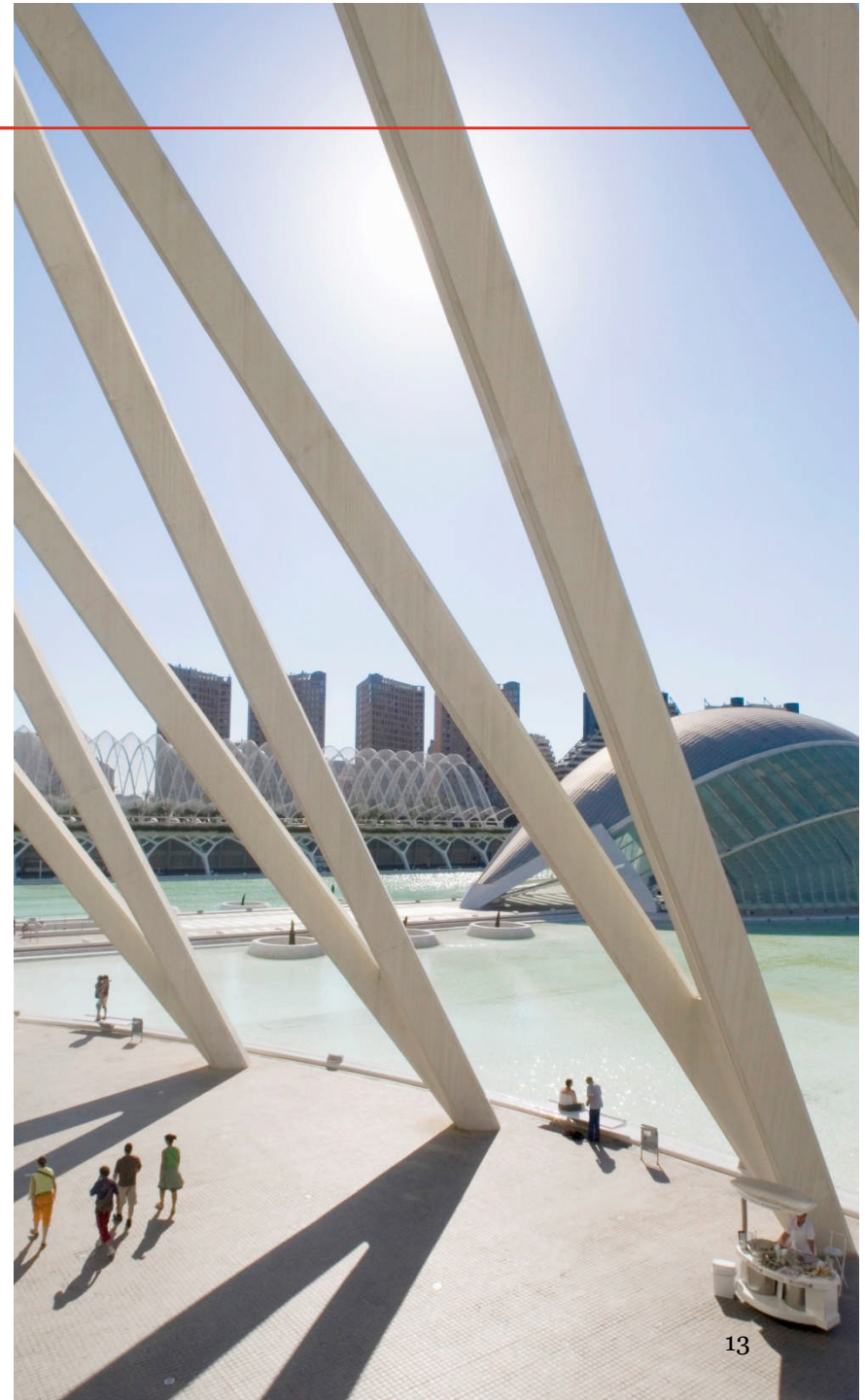
The US IPO pipeline remains robust with 108 companies publically filing for IPO in the quarter, the highest mark in any quarter since Q2 2011.

The Hong Kong IPO market picked up where is left off in 2013 with a strong Q1 2014 performance, IPO proceeds were more than 5 times greater than in Q1 2013.

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, 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 2014 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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