

Q2'14 Global IPO update

January – June 2014



Building a better
working world

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Data for Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June; data is up to 17 June 2014, 5:00 a.m. UK time.

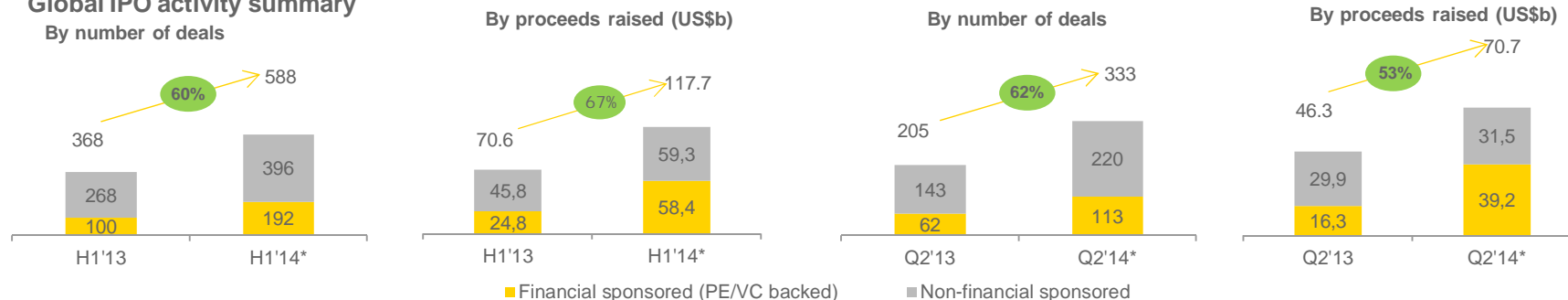
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H1'14* saw a 67% increase in proceeds and a 60% increase in the number of IPOs, compared with H1'13

Global IPO activity summary



Top three IPO deals (by capital raised) during H1'14*

Issuer name	Domicile country	Specific industry	Exchange	Proceeds (US\$m)	% of global capital
HK Electric Investments Ltd	Hong Kong, China	Power	Hong Kong (HKEx)	3,111.0	2.6%
Japan Display Inc	Japan	Electronics	Tokyo (TSE)	3,085.0	2.6%
Ally Financial Inc	United States	Other financials	New York (NYSE)	2,556.1	2.2%

Top three PE-backed IPOs (by capital raised) during H1'14*

Issuer name	Domicile country	Specific industry	Exchange	Proceeds (US\$m)	% of global capital
Ally Financial Inc	United States	Other financials	New York (NYSE)	2,556.1	2.2%
AA plc	United Kingdom	Professional services	London (LSE)	2,322.1	2.0%
Santander Consumer USA Holdings Inc	United States	Credit institutions	New York (NYSE)	2,045.8	1.7%

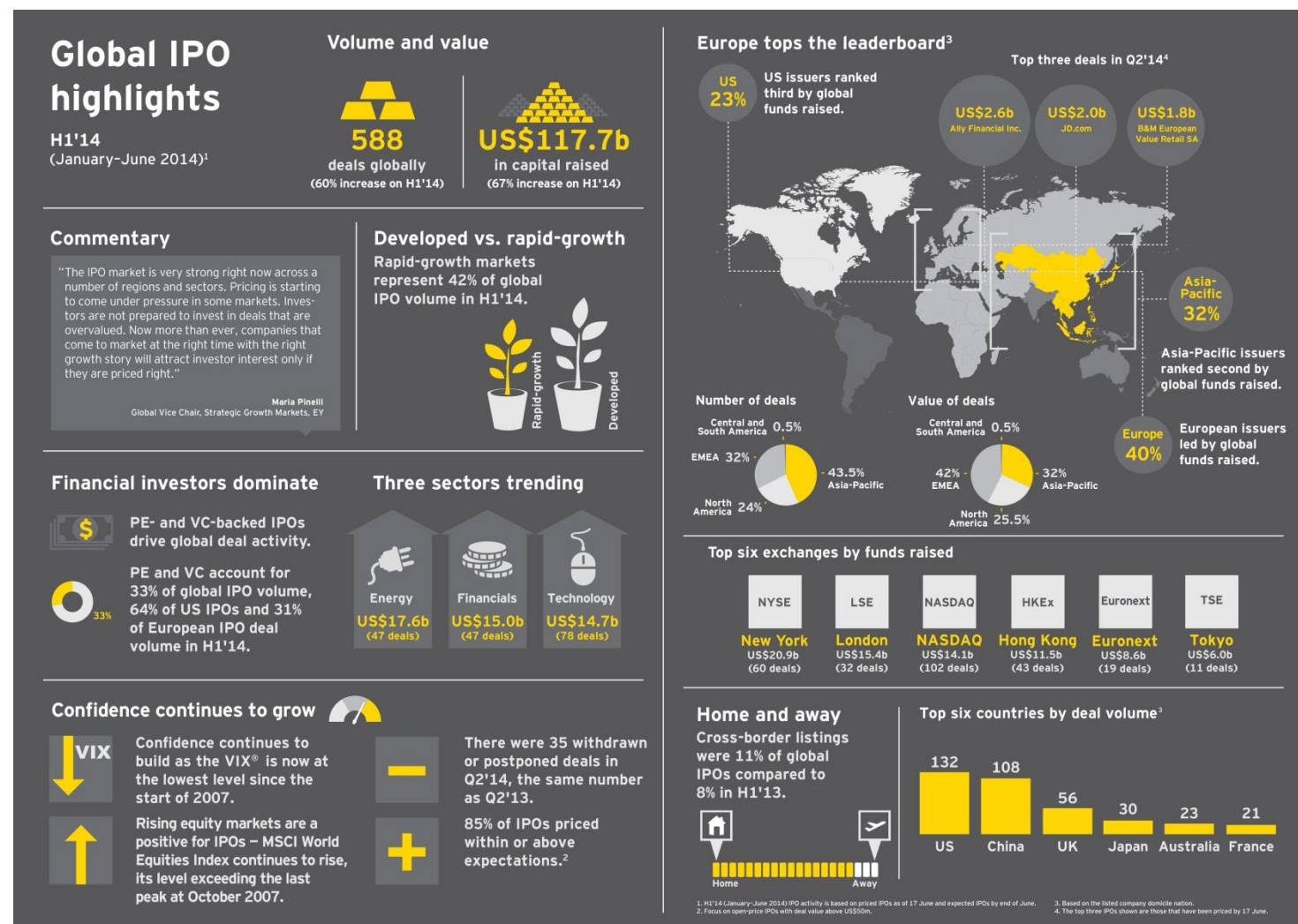
Top three VC-backed IPOs (by capital raised) during H1'14*

Issuer name	Domicile country	Specific industry	Exchange	Proceeds (US\$ m)	% of global capital
JD.com Inc	China	Internet and catalog retailing	NASDAQ	2,047.0	1.7%
Just Eat plc	United Kingdom	Internet software and services	London (LSE)	599.0	0.5%
King Digital Entertainment plc	United Kingdom	Software	New York (NYSE)	499.5	0.4%

*Data includes effective IPOs up to 17 June 2014 and expected IPOs till 30 June 2014.

Global IPO activity

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1. H1'14 (January-June 2014) IPO activity is based on priced IPOs as of 17 June and expected IPOs by end of June.
2. Focus on open-priced IPOs with deal value above US\$50m.
3. Based on the listed company domicile nation.
4. The top three IPOs shown are those that have been priced by 17 June.

Key factors and Q3'14 outlook

Global IPO activity shows strength and increased stability

Factors driving H1'14 activity

- ▶ Global IPO activity continued to climb in the second quarter after a bumper start to the year with the strongest first quarter since 2011.
- ▶ EMEIA exchanges led by capital raised while Asia-Pacific exchanges led by deal numbers in H1'14. US exchanges saw a stand-out H1'14 — for the first time in more than 10 years, Q2'14 was the third consecutive quarter with more than 70 IPOs on US exchanges. IPO activity was slower for Central and South America.
- ▶ Globally, PE and VC are prime drivers of global IPO activity accounting for 33% of global deal numbers, this compares with 64% of US IPOs and 31% of European IPOs in H1'14. PE and VC continue to seize the opportunity presented by the wide open IPO window to realize gains for investors.

H2'14 outlook

- ▶ The second half of 2014 is likely to be characterized by a period of normalization for the global IPO market.
- ▶ Global IPO will be driven mainly by the US, UK, Eurozone, Middle East, Greater China, Japan and Australia. PE and VC-backed IPOs will continue to be a key driver.
- ▶ For US and EMEIA exchanges, PE/VC backed exits and increasing cross border listings will continue to fuel the IPO market.
- ▶ Momentum in Asia-Pacific in H2'14 is expected to continue driven by the Mainland Chinese, Hong Kong, Japanese and Australian markets.
- ▶ Outlook in South America slowly improves with more IPOs from Mexico and from Brazil where the government recently unveiled measures to help small and mid-size companies tap capital markets.
- ▶ We expect significant uptick of IPOs from the financial, real estate, technology and consumer products and services sectors.

Note: The EY Global IPO Trends 2014 Q2 covers global IPO activity

“The IPO market is very strong across a number of regions and sectors and all the indicators are that this upward trend is sustainable. Pricing is starting to come under pressure in some markets. Investors are not prepared to invest in deals that are over-valued. Now more than ever, companies which come to market at the right time with the right growth story will only attract investor interest if they are priced right.”

Maria Pinelli,
Global Strategic Growth Markets Leader, EY

“Investor confidence has been bolstered by the relatively strong after-performance of companies that have recently gone public compared to returns in the equity markets more generally. With a solid pipeline of IPO-ready businesses across a broad range of geographic markets and from multiple sectors in the second half of 2014, there is no shortage of supply. This will increase the pressure on pricing as investors will be wary of over-optimistic valuations.”

Maria Pinelli,
Global Strategic Growth Markets Leader, EY

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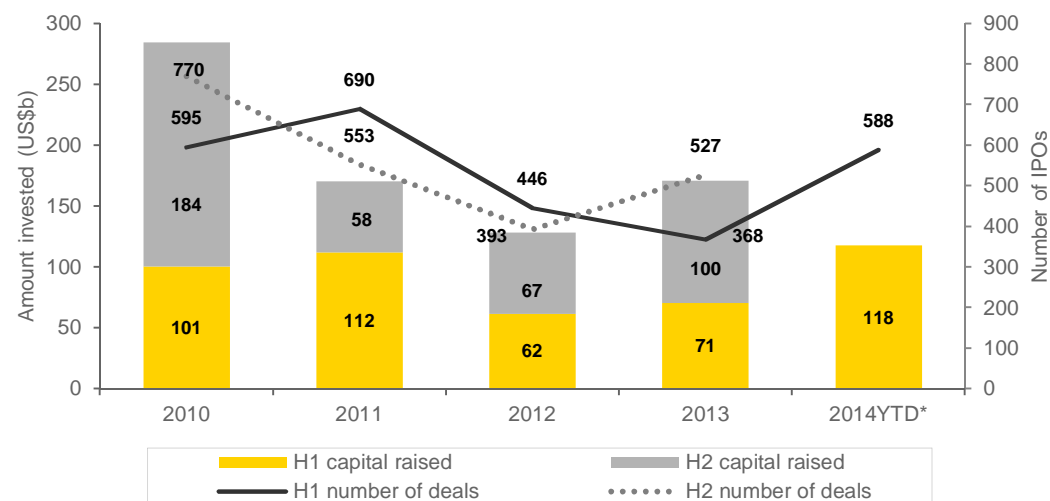
Data for Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June; data is up to 17 June 2014, 5:00 a.m. UK time.

Global IPO activity trends

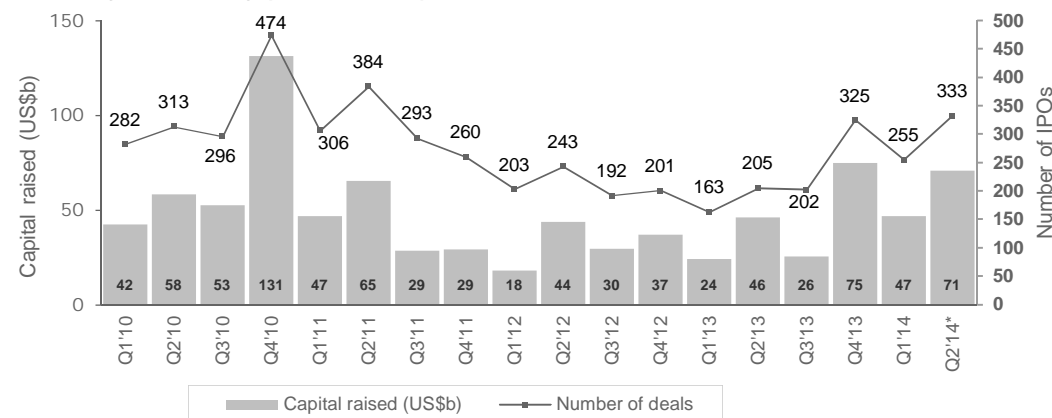
IPO activity saw a significant increase in H1'14* compared with H1'13, primarily due to strong activity levels in EMEIA, US and Greater China

- ▶ There was a 60% increase in IPO deal volume and close to a 67% increase in proceeds raised during H1'14*, compared with H1'13. H1'14, in fact, saw the highest IPO capital raised recorded in the first half of a year since 2007.
- ▶ IPO activity remained strong in Q2'14*, recording the highest quarterly deal volume since Q2'11. Compared with Q1'14, the number of IPOs increased by 31%. Volume was up 62% compared with the corresponding quarter last year.
- ▶ Q2'14* saw more than a 50% jump in proceeds raised, compared with both Q1'14 and Q2'13. However, while the average deal size increased from US\$184.4m in Q1'14 to US\$212.3m in Q2'14*, the value was down, although marginally, compared with Q2'13 (US\$225.7m).
- ▶ In line with the historical trend, 85% of global IPOs in H1'14* were priced within or above their initial filing range, indicating that broadly, investor sentiment remained strong due to the improving global macroeconomic environment.
- ▶ With IPOs outperforming in developed markets and mega IPOs expected from rapid growth markets, especially China (Alibaba Inc. is expected to be the biggest deal since Facebook), strong IPO activity is expected to continue for the remainder of 2014.

Global IPO activity (2010-2014YTD)

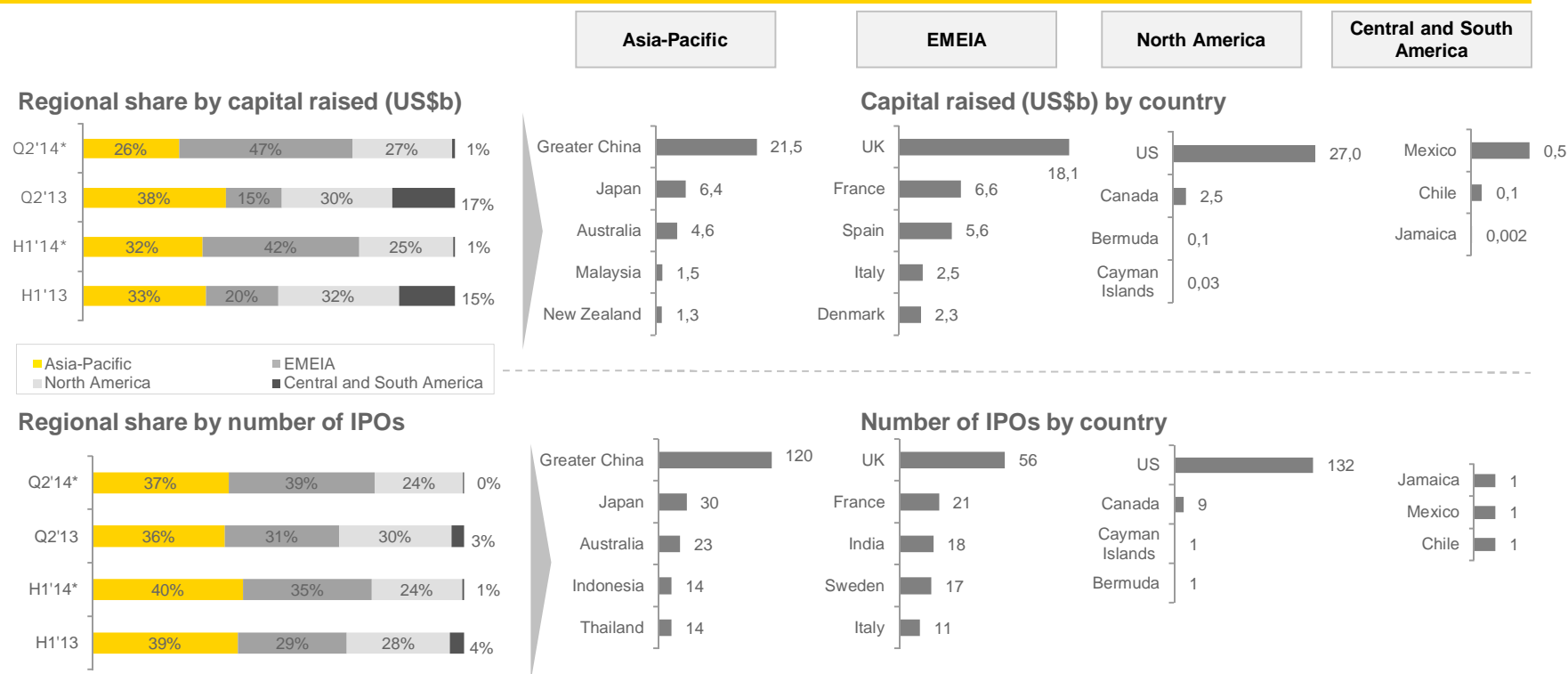


Quarterly IPO activity (Q1'10-Q2'14*)



Regional analysis — summary

EMEIA issuers dominated global IPO activity in H1'14* in terms of proceeds raised; Asia-Pacific issuers led in terms of number of IPOs



- ▶ The US led in terms of total proceeds raised (US\$27.0b); Greater China¹ (US\$21.5b) and UK (US\$18.1b) were ranked second and third, respectively.
- ▶ There were 21 deals with capital raised above US\$1b. Five of those IPOs, accounting for 7% of capital raised globally, were from the US.
- ▶ US (132 deals) dominated the global IPO landscape in terms of deal number, followed by Greater China¹ (120 deals) and the UK (56 deals), which ranked second and third, respectively.
- ▶ Developed countries accounted for 72.7% of the total global capital raised and 58.3% of the number of deals globally.

¹Greater China issuers includes Mainland China (108 deals raised US\$17.7b) and Hong Kong (11 deals raised US\$597.7m).

*Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June.

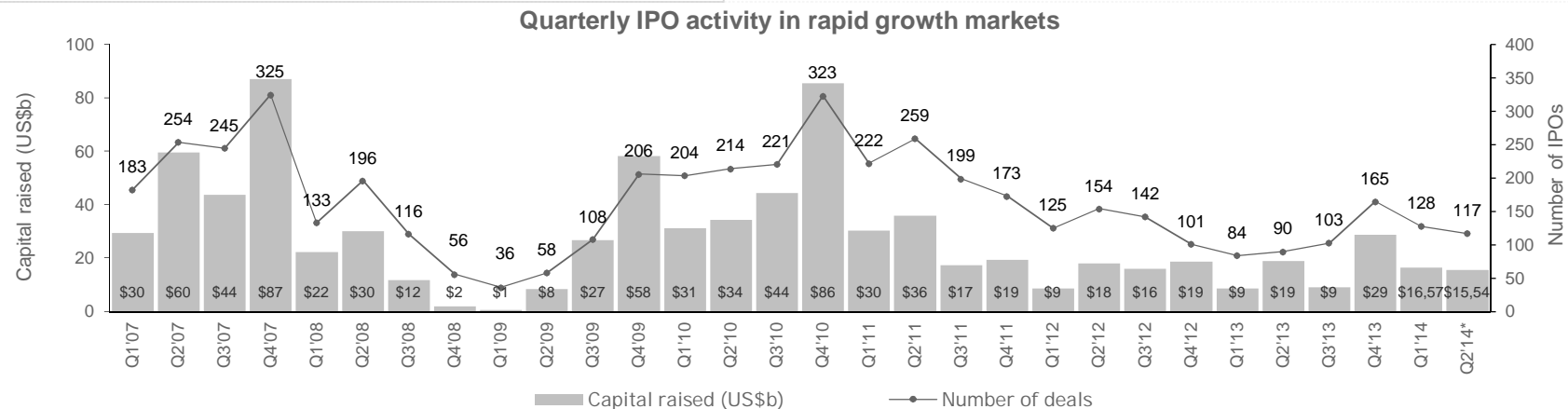
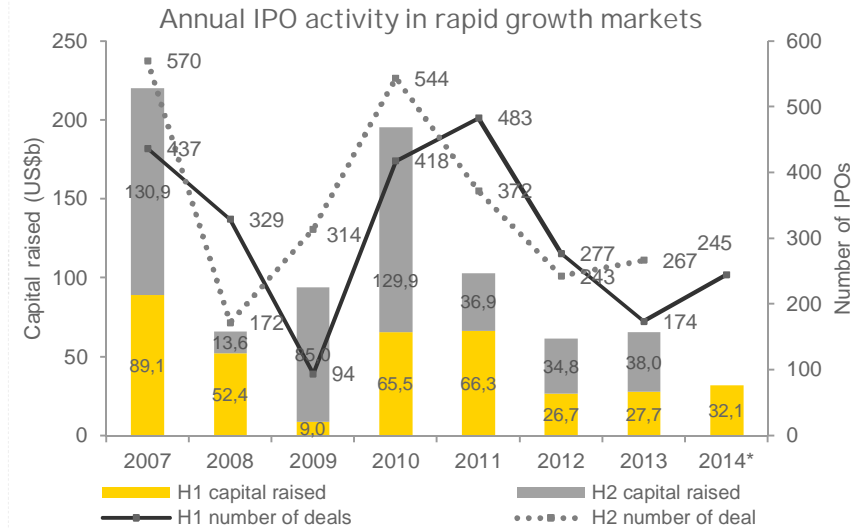
Based on the listed company domicile.

Data up to 17 June 2014, 5:00 a.m. UK time

Rapid growth markets IPO activity

Volume is 40.8% higher and proceeds is up by 15.9% but average deal size decreased by 17.7% in H1'14* compared with H1'13

- ▶ In H1'14*, rapid growth markets companies accounted for 27.3% of proceeds raised and 41.7% of the number of IPOs globally. This is a drop on H1'13 when these countries accounted for 39.2% of total proceeds and 47.3% of total deals.
- ▶ Although accounting for a lower proportion of global deal activity by volume and value, IPO activity from rapid growth markets' companies nevertheless saw an increase of 15.9% in terms of proceeds raised and 40.8% in the number of deals in H1'14* (245 deals raising US\$32.1b). In the corresponding period last year, 174 deals raised US\$27.7b.
- ▶ In H1'14* China accounted for 55.3% of proceeds among the rapid growth markets and 44.1% of the number of deals when compared with H1'13 (US\$4.1b raised via 11 deals).
- ▶ Energy was the key sector in H1'14 for rapid growth markets in terms of proceeds raised (US\$6.4b). The industrials sector led the pack in terms of number of deals (39).

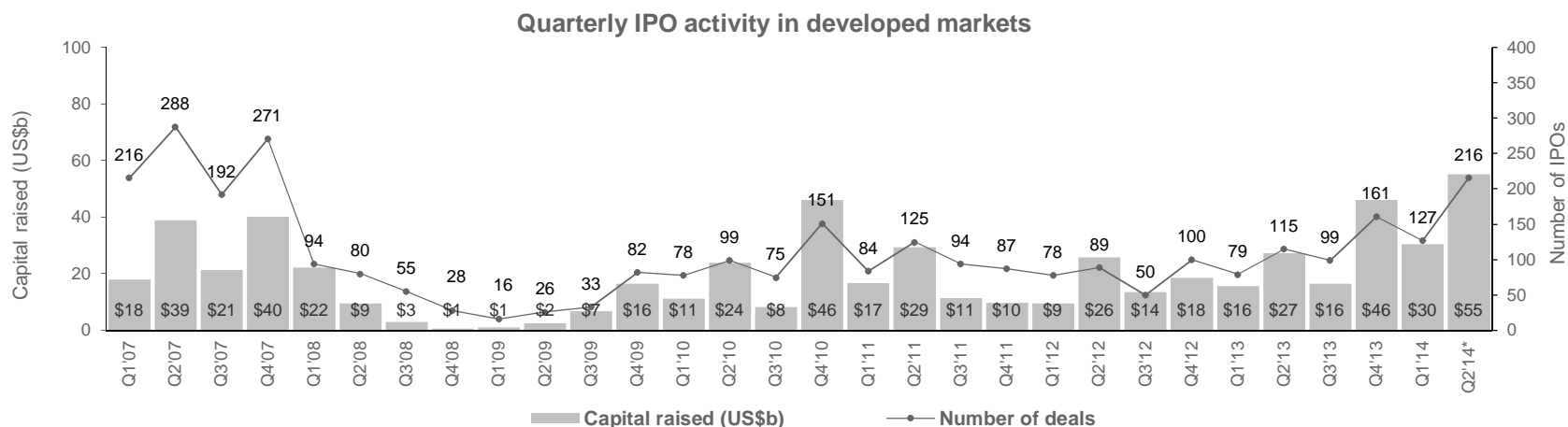
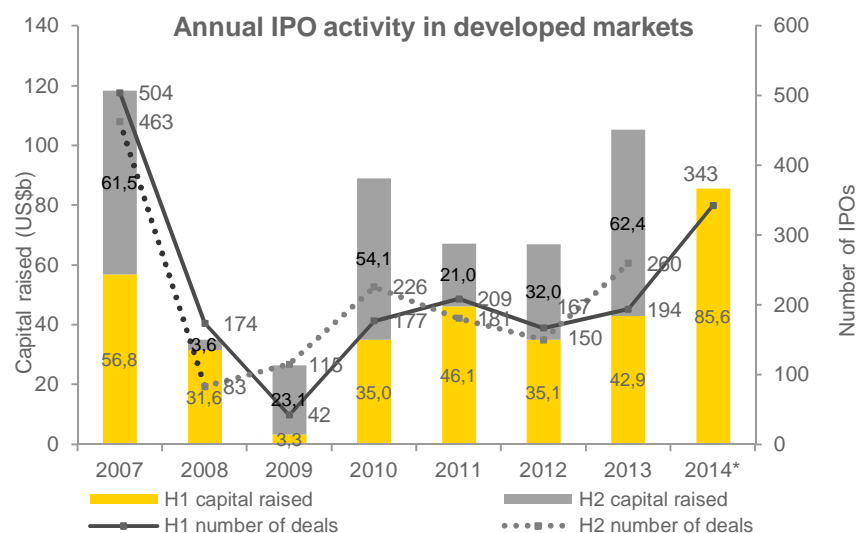


Please see the Appendix for the definition of rapid growth markets. Based on the listed company domicile.

Developed markets IPO activity

Volume is 58.3% higher, proceeds up 72.7%, average deal size increased by 12.8% in H1'14* compared with H1'13

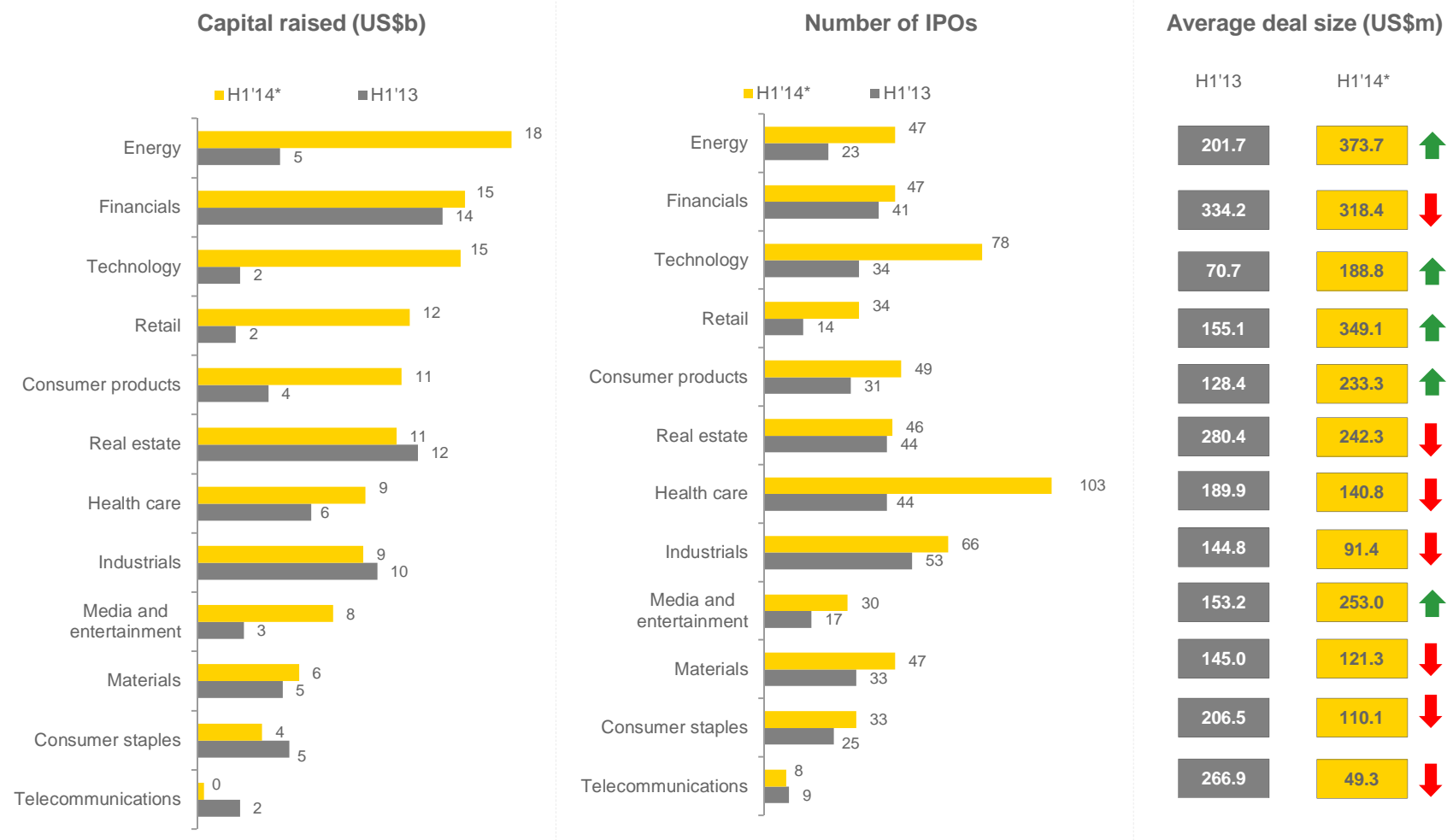
- ▶ In H1'14*, developed markets companies accounted for 72.7% of proceeds raised and 58.3% of the number of IPOs globally. This is an increase on H1'13 when these countries accounted for 60.8% of total proceeds and 52.7% of total deals.
- ▶ IPO activity from developed markets' companies saw an increase of 99.5% in terms of proceeds raised and 76.8% in the number of deals in H1'14* (343 deals raising US\$85.6b) compared with H1'13 (194 deals raising US\$42.9b).
- ▶ In H1'14* the US accounted for 31.6% (US\$27.0b) of proceeds among the developed markets and 38.5% (132 deals) of the number of deals when compared with H1'13 (US\$21.2b raised via 86 deals).
- ▶ Financials was the key sector in H1'14 for developed growth markets in terms of proceeds raised (US\$12.8b). The health care sector led the pack in terms of number of deals (89).



Please see the Appendix for the definition of rapid growth markets. Based on the listed company domicile.

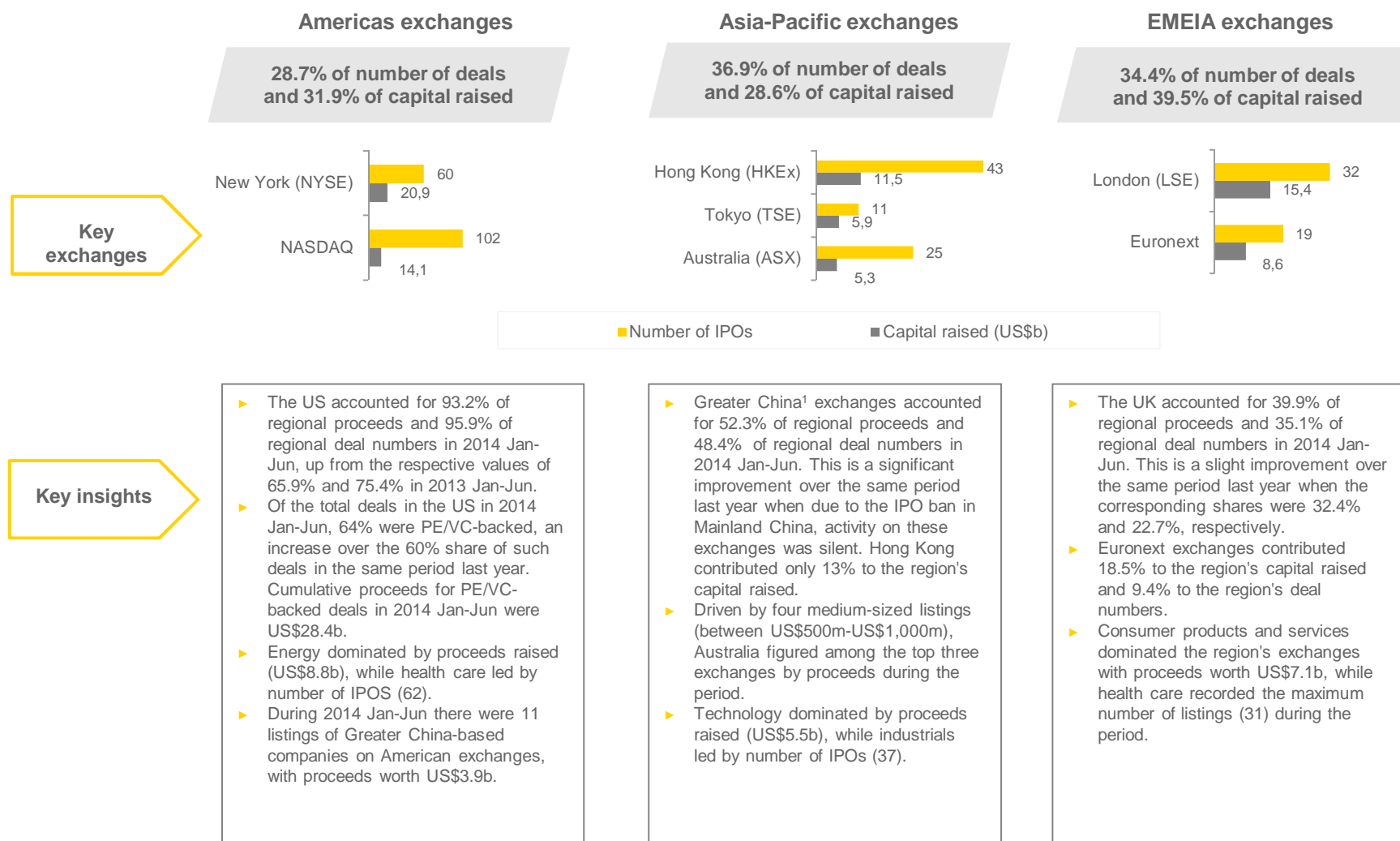
Industry analysis

Energy led global activity in H1'14* by proceeds, health care dominated the pack by number of IPOs



Stock exchange analysis-: summary

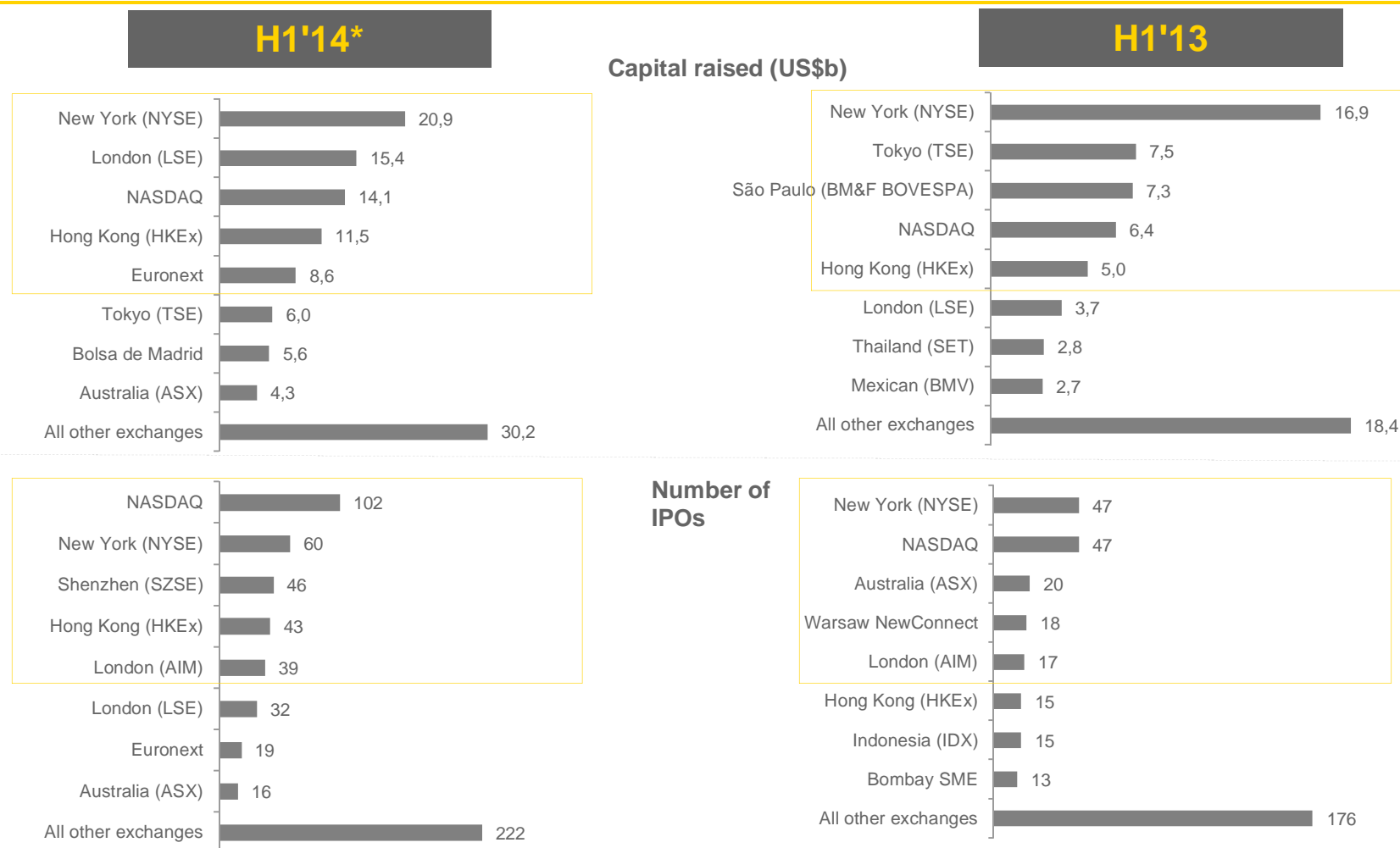
Asia-Pacific exchanges led the global IPO market by deals, while EMEIA exchanges raised close to 40% of global capital



Data based on domicile of the exchange, regardless of the listed company domicile. ¹Greater China includes Mainland China, Hong Kong, Macau and Taiwan.

Stock exchange analysis

New York Stock Exchange led in terms of capital raised while NASDAQ led in terms of number of deals in H1'14*

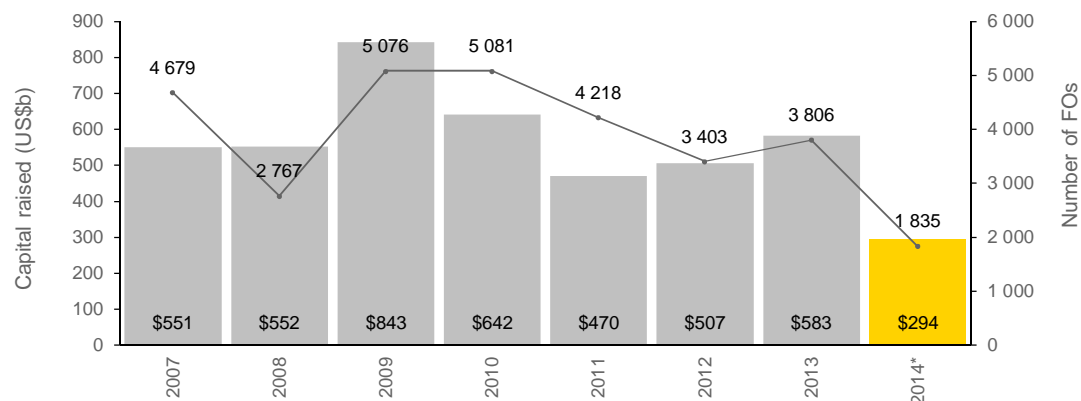


Data based on domicile of the exchange, regardless of the listed company domicile. Euronext includes Euronext (Amsterdam), Euronext (Paris) and Lisbon, NASDAQ OMX includes Copenhagen and Stockholm, Shenzhen includes Shenzhen (SZSE) and Shenzhen (Chinext).

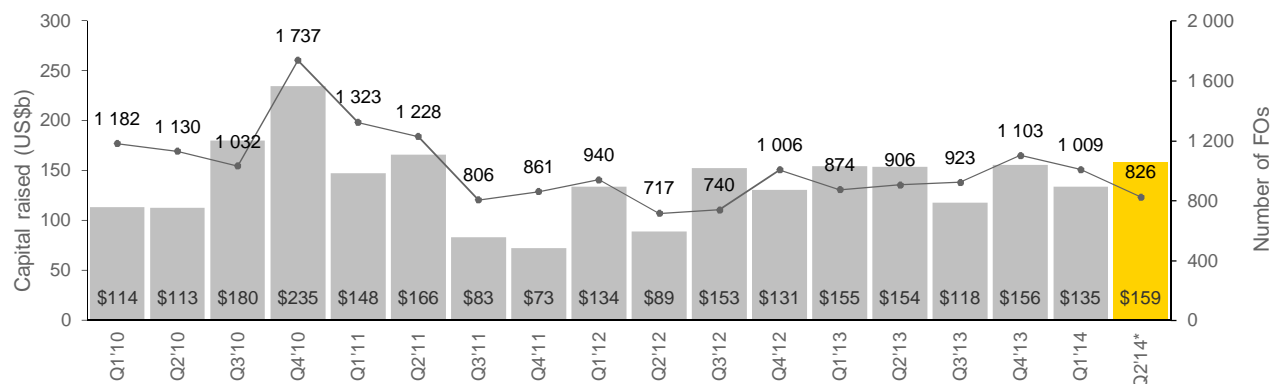
Follow-on activity

Follow-on offerings constituted 73% of global equity capital markets activity in H1'14* by number of deals, while IPOs constituted 19%

Yearly follow-on activity



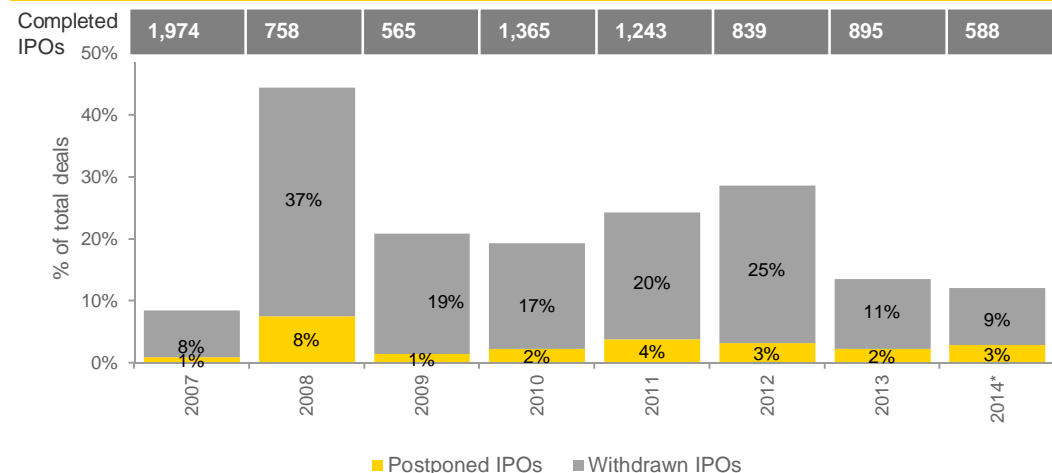
Quarterly follow-on activity



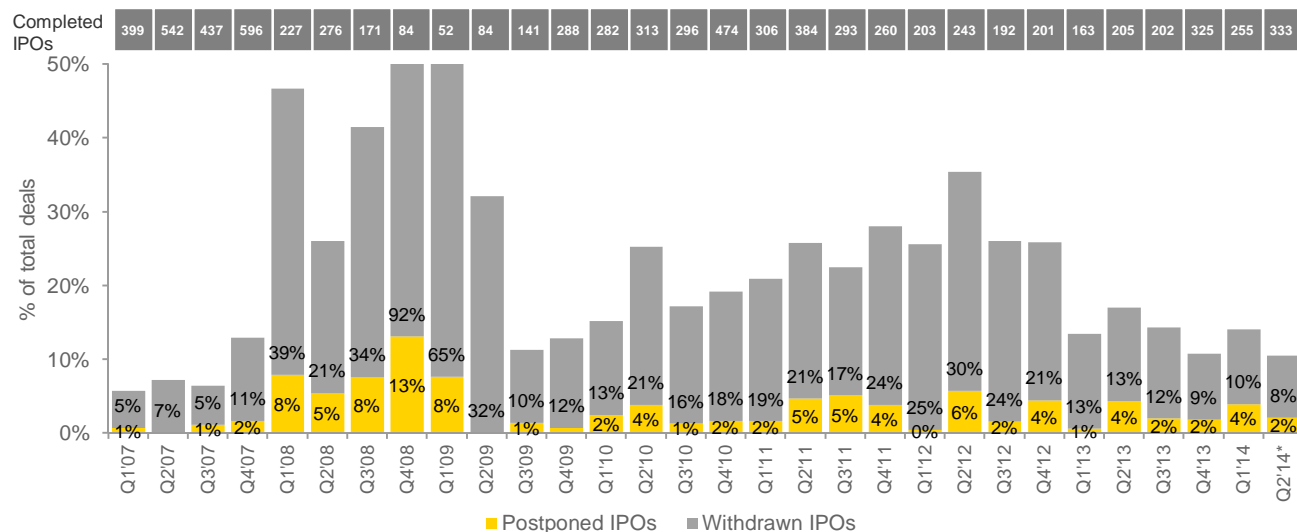
- ▶ While overall follow-on activity rose by deal numbers in H1'14 (1835 deals in H1'14 vs 1780 deals in H1'13), it decreased by capital raised (US\$293.6b vs US\$308.5b) compared with H1'13.
- ▶ In H1'14, there were 49 deals with capital raised above US\$1b — 37 from developed markets and 12 from rapid growth markets. In comparison, H1'13 had 54 deals with capital raised above US\$1b — 38 from developed markets and 16 from rapid growth markets.
- ▶ While in H1'14, the top three stock exchanges by capital raised were New York (US\$65.4b via 219 deals), NASDAQ (\$48.0b via 228 deals) and London (US\$20.6b via 63 deals). In H1'13 the picture was largely the same although Hong Kong beat London into third spot.
- ▶ The top three sectors by capital raised were financials, energy and industrials in both H1'13 and H1'14. In H1'14, we saw financials (US\$67.9b via 142 deals), energy (US\$43.8b via 224 deals) and industrials (US\$39.5b via 223 deals) while in H1'13, the top three sectors were financials (US\$64.1b via 141 deals), energy (US\$46.0b via 232 deals) and industrials (US\$44.6b via 184 deals).
- ▶ Q2'14 saw US\$159.1b raised via 826 deals as compared with US\$153.9b raised via 906 deals in Q2'13.

IPO withdrawals/postponements

Proportion of withdrawn and postponed deals against completed IPOs is 10% for Q2'14 compared with 14% in Q1'14



Quarterly withdrawn and postponements



Comparing Q2'14 with Q2'13: There were seven postponed and 28 withdrawn IPOs in Q2'14*.

Of the 35 deals:

- ▶ The majority were from the US (12), followed by United Kingdom (6) and Australia (3).
- ▶ 15 deals were PE-backed; three were VC backed.
- ▶ Seven deals were expected to list on the New York Stock Exchange and five on the NASDAQ.
- ▶ The majority were from the industrials and financials sectors (five each) followed by health care and technology sectors (four each).
- ▶ Market conditions was the most popular reason for withdrawing or postponing a listing.
- ▶ In comparison, there were nine postponed and 26 withdrawn IPOs in Q2'13.

Comparing H1'14* with H1'13:

- ▶ There were 17 postponed and 54 withdrawn deals in H1'14 as compared with 10 postponed and 47 withdrawn deals in H1'13.
- ▶ There was an overall 24.6% increase in withdrawal and postponement activity in H1'14 as compared with H1'13.

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Asia-Pacific IPO activity trends

IPO activity rose by 64% in terms of deal numbers and 45% capital raised in H1'14 compared to H1'13

Overview

- ▶ IPO activity in Asia-Pacific saw a significant jump in H1'14*, both in terms of value and volume, after recording subdued activity in the first half of 2012 and 2013 .
- ▶ The 64% increase in volume and 45% increase in value on H1'13 was primarily due to reopening of equity markets in mainland China and activity on Hong Kong exchanges almost doubling compared with year-ago levels.
- ▶ On a quarterly basis, however, despite a 54% increase in number of deals in Q2'14* compared with the corresponding quarter last year, the proceeds raised declined by 18%, largely due to slow activity on Japanese and South East Asian exchanges.
- ▶ IPO activity in Q2'14* was slower compared with Q1'14 (recorded a q-o-q decline of 6% in volume and 24% in value) due to the absence of megadeals (more than US\$1b) during the current quarter.

Key deals

- ▶ The IPO of state-owned bullet train maker China CNR Corp Ltd, that raised US\$1.2b on the Hong Kong stock exchange (HKEx), was the largest deal during Q2'14*. This was the only deal that exceeded the US\$1b mark this quarter in contrast with the three deals (HK Electric Investments Ltd (US\$3.1b), Japan Display Inc, (US\$3.1b) and Harbin Bank Co Ltd (US\$1.1b) recorded during the last quarter.
- ▶ During Q2'14*, cross-border activity within the region started to pick up slowly, recording two deals compared with only one in Q1'14 and three in Q2'13. Interestingly, both of the Q2'14* deals were listed on ASX, coming from Mainland Chinese companies.
- ▶ In terms of proceeds raised, ASX emerged as the key exchange after HKEx during Q2'14* with 16 listings that raised US\$3.7b. The proceeds raised on ASX this quarter were more than five times the amount generated in the same period last year.

PE/VC backed-deals

- ▶ Q2'14* saw a significant increase in financial sponsored deals compared with the corresponding quarter last year. While the number of PE-backed deals increased from 7 in Q2'13 to 16 in the current quarter, the proceeds increased from US\$562.8m to reach US\$4.4b during the same period. For H1'14*, while the number of PE-backed deals increased to 22 from 18 in H1'13, the proceeds grew almost five times to reach US\$5.5b in the first half of 2014.
- ▶ A similar trend was seen in VC-backed deals, with 11 deals raising US\$323m in Q2'14* as compared with 7 deals that raised US\$181m in Q2'13.
- ▶ The higher financial sponsored activity in 2014YTD indicates the PE/VC investors are increasingly looking to exit mature assets in their portfolios to capitalize on otherwise improving equity markets.

Outlook

- ▶ Mainland China's plans to have only about 100 more IPOs through to the end of the year will continue to impact companies that are looking to raise new capital locally and PE investors that are seeking to exit.
- ▶ However, the IPO outlook in Australia remains positive, driven by its rising equity markets and recently listed deals posting higher returns. Moreover, with big IPO deals in the pipeline (Healthscope Ltd and Medibank Private), the Australian market is expected to drive IPO activity in the Asia-Pacific region.

"Asia-Pacific continues to attract investor interest from around the world. The strength of the region is the diversity of its markets, and with a robust pipeline spanning markets including Mainland China, Hong Kong, Japan and Australia, we expect significant levels of IPO activity through the remainder of the year. However, the IPO outlook for the next six months is expected to be more volatile, continuing to be fuelled by individual countries' dynamics and sentiment across the region."

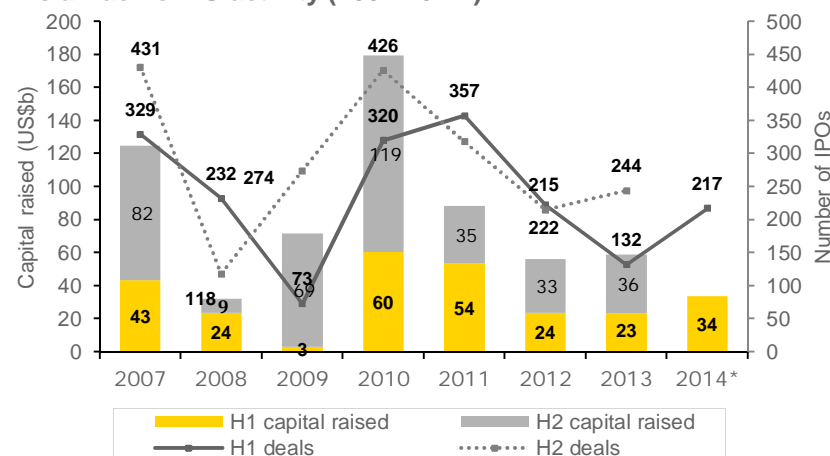
Ringo Choi,
Asia-Pacific IPO Leader, EY

¹Based in IPO activity on Asia-Pacific stock exchanges. Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data is up to 17 June 2014, 5:00AM UK time

Asia-Pacific IPO activity trends

IPO activity rebounded in H1'14*, both in terms of value and volume, when compared with levels seen in H1'13 and H1'12

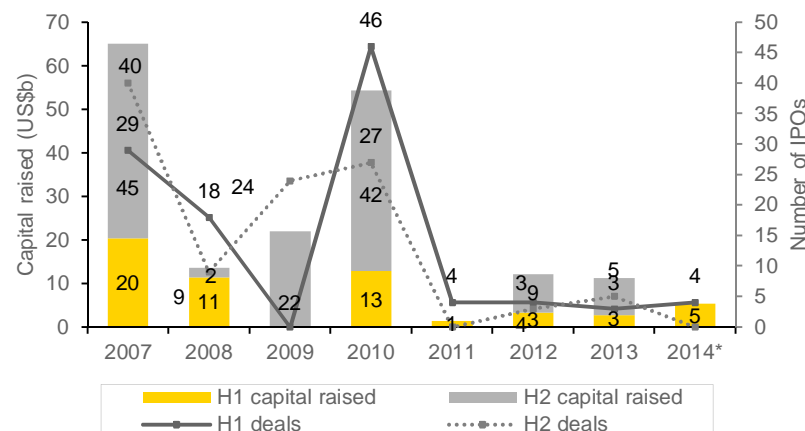
Asia-Pacific IPO activity (2007-2014*)



H1'14* Asia-Pacific IPOs by sector

Sectors	Number of deals	Proceeds US\$m
Technology	30	5,524.3
Energy	12	5,410.4
Industrials	37	3,945.8
Real estate	18	3,821.8
Materials	26	2,901.2
Consumer staples	20	2,692.9
Consumer products	24	2,516.5
Financials	14	2,425.2
Retail	13	1,836.4
Media and entertainment	11	1,327.3
Health care	9	1,181.1
Telecommunications	3	81.7
Grand Total	217	33,664.5

Former SOE IPO activity in Asia-Pacific (2007-2014*)



IPO pricing and performance: H1'14* IPOs

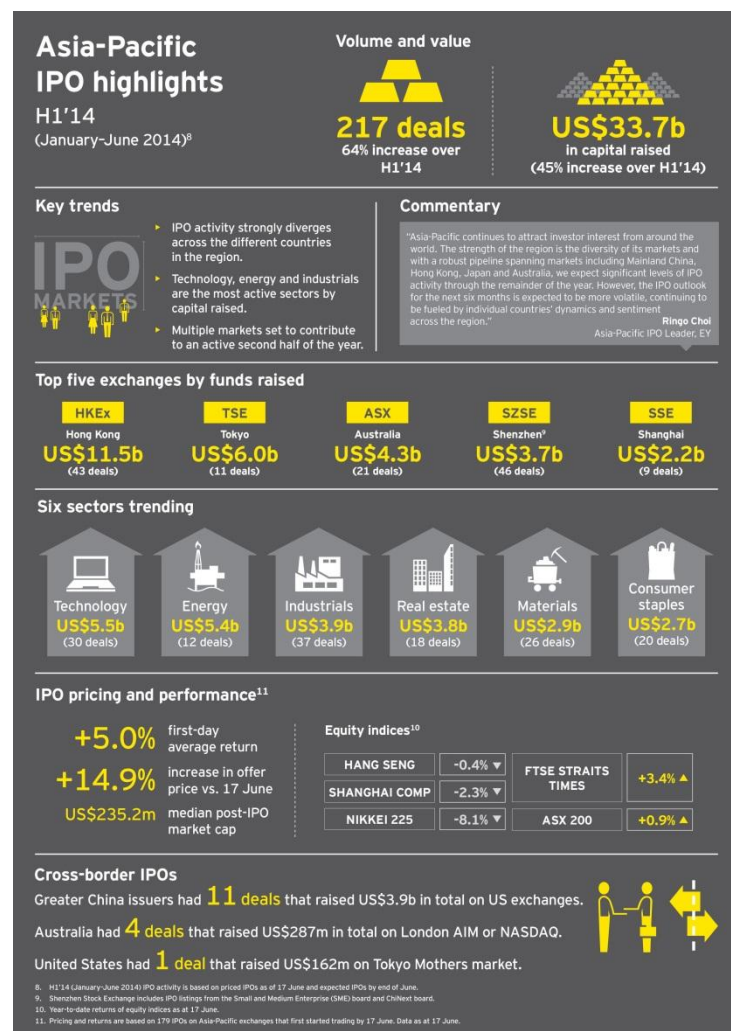
Measures ²	H1* IPOs
% of IPOs priced within or above initial pricing range	99%
First day average return	+5.01%
% change of offer price vs 17 th June	+14.90%
Median post-IPO market cap	US\$235.2m
Hang Seng - 2014YTD returns	-0.4%
Shanghai Comp - 2014YTD returns	-2.3%
Nikkei 225 - 2014YTD returns	-8.1%

¹Based in IPO activity on Asia-Pacific stock exchanges. Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data is up to 17 June 2014, 5:00AM UK time

²Pricing and returns are based on 179 IPOs on Asia-Pacific exchanges that have started trading by 17 June. Data as of 17 June.

Asia-Pacific¹ and Greater China² IPO activity

To access these two infographics in PDF format, please go to EY's IPO webpages on ey.com to access the *EY Global IPO trends 2014 Q2* report



¹Based in IPO activity on Asia-Pacific stock exchanges. ²Based in IPO activity on Greater China stock exchanges (i.e., Shanghai, Shenzhen – Mainboard, SME and ChiNext, Hong Kong Stock Exchange – Main Board and GEM and Taiwanese Stock Exchange).

EMEIA IPO activity trends

IPO activity by proceeds jumped by 4x in H1'14* compared with H1'13; June recorded highest activity since Nov 2012.

Overview

- ▶ EMEIA IPO activity continued to improve through H1'14*, supported by improving macroeconomic conditions and strengthening economic fundamentals in the region.
- ▶ Capital raised was up by close to 4x over the period, while the number of IPOs increased by 83.6%, highlighting that the uptick in activity that was initiated in the latter half of 2013 has been carried through at an accelerated pace into H1'14*.
- ▶ Activity for the month of June (55 IPOs worth US\$20.3b) was the highest monthly activity for the H1'14* period.
- ▶ IPO activity in Q2'14* was significantly higher than in the previous five quarters, both in terms of value and volume. When compared with Q2'13, capital raised and IPO numbers in Q2'14* increased by 6x and 2x, respectively. When compared with the previous quarter, while the number of deals increased by 85%, the proceeds were almost twice those recorded in Q1'14.

Key deals

- ▶ During H1'14*, the largest listing is expected to be of France-based Altice SA for US\$2.0b.
- ▶ The region saw several mega listings during H1'14*. Nine of the top 10 listings were worth more than US\$1b in H1'14* compared with only four of the top ten listings during H1'13. Most of big deals seen in 2014* were recorded in Q2'14*.
- ▶ Three of the top five listings during Q2'14* were of EMEIA-based corporations – two from the UK and one from Spain.
- ▶ The region also saw significant cross-border activity in H1'14* compared with year ago levels. The number of deals increased from 10 in H1'13 to 27 during the first half of 2014, while proceeds grew almost ten times (to US\$5.5b from US\$532m) during the same period.

PE/VC backed-deals

- ▶ Many PE and VC investors, keen to capitalize on improving market sentiment in EMEIA, are actively pushing out companies in 2014 to take advantage of the wide-open IPO window.
- ▶ The number of PE/VC-backed IPOs went up to 51 in H1'14*, from 17 in the same period last year. At the same time, proceeds increased by close to 3x over the same period. This was primarily due to a large number of PE deals that were recorded in H1'14* – while H1'13 saw 16 PE-backed deals, the first half of 2014 recorded 46 PE-backed deals.
- ▶ Even on a q-o-q basis, the number of PE/VC-backed IPOs and proceeds increased by 83% and 2x, respectively, in Q2'14* compared with Q1'14.

Outlook

- ▶ The outlook for EMEIA remains positive and macroeconomic indicators hint at improving growth momentum and a sustained recovery in the medium term.
- ▶ Fearing the risks of deflation, the ECB lowered the interest rates to record low levels in June 2014. Amid a persistently low interest rate environment, investors are willing to take greater risk and are turning to equities and IPOs in the search for above-inflation investments.

“With main equity indices still trending upwards, low volatility, a positive economic environment and supportive monetary policy from central banks, the IPO window remains wide open in EMEIA. The main drivers of IPOs are PE and VC businesses looking to realize value from exits, with the health care, industrials, financial and energy sectors in particular showing strongly, accounting for 48% of total European IPO volumes.”

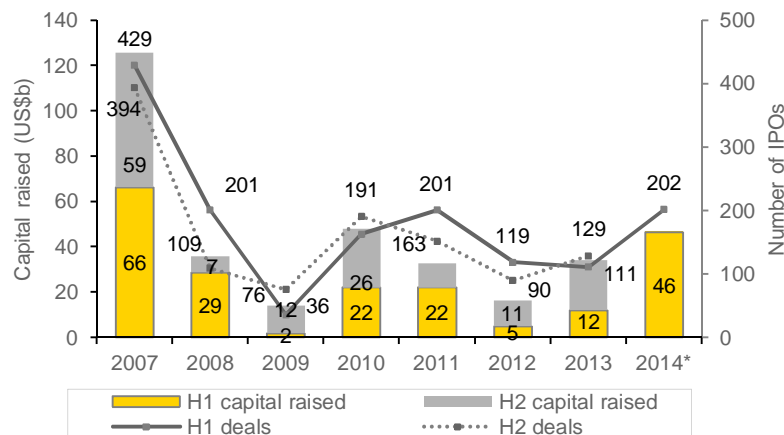
Dr. Martin Steinbach,
EMEIA IPO Leader, EY

¹Based in IPO activity on EMEIA stock exchanges. Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data is up to 17 June 2014, 5:00AM UK time

EMEIA¹ IPO activity trends

EMEIA IPO activity on both the main markets and junior markets improved significantly in H1'14*

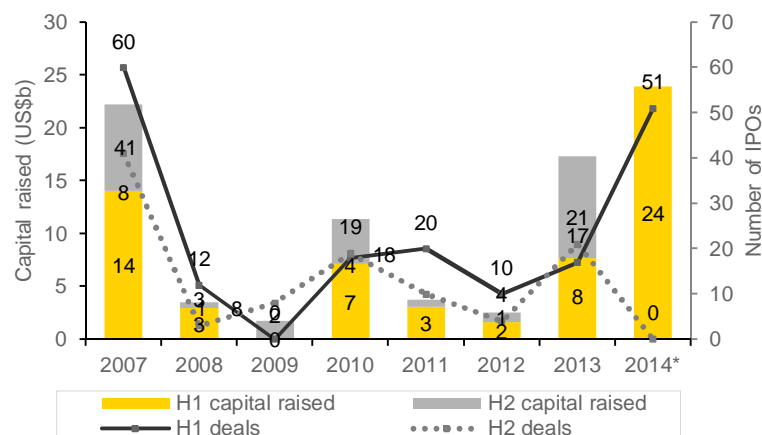
Annual EMEIA IPO activity (2007-2014*)



H1'14* EMEIA IPOs by sector

Sectors	Number of deals	Proceeds US\$m
Consumer products	16	7,130.8
Retail	16	6,973.5
Financials	20	6,524.1
Real estate	20	5,459.1
Media and entertainment	14	5,145.0
Industrials	21	4,250.8
Health care	31	3,818.6
Energy	19	3,267.9
Materials	16	1,821.1
Technology	14	946.4
Consumer staples	11	831.7
Telecommunications	4	300.2
Grand Total	202	46,469.1

EMEIA financial sponsor-backed IPO activity (2007-2014*)



IPO pricing and performance: H1'14* IPOs

Measures ²	2014 Jan-Jun* IPOs
% of IPOs priced within or above initial pricing range	98%
EMEIA Main market IPOs - First day average return	23.9%
EMEIA Main market IPO - % change of offer price vs. 17 th June	24.0%
EMEIA Main market IPO - Median post-IPO market cap	US\$337m
FTSE 100 – 2014YTD returns	0.3%
DAX – 2014YTD returns	3.9%
CAC – 2014YTD returns	5.6%

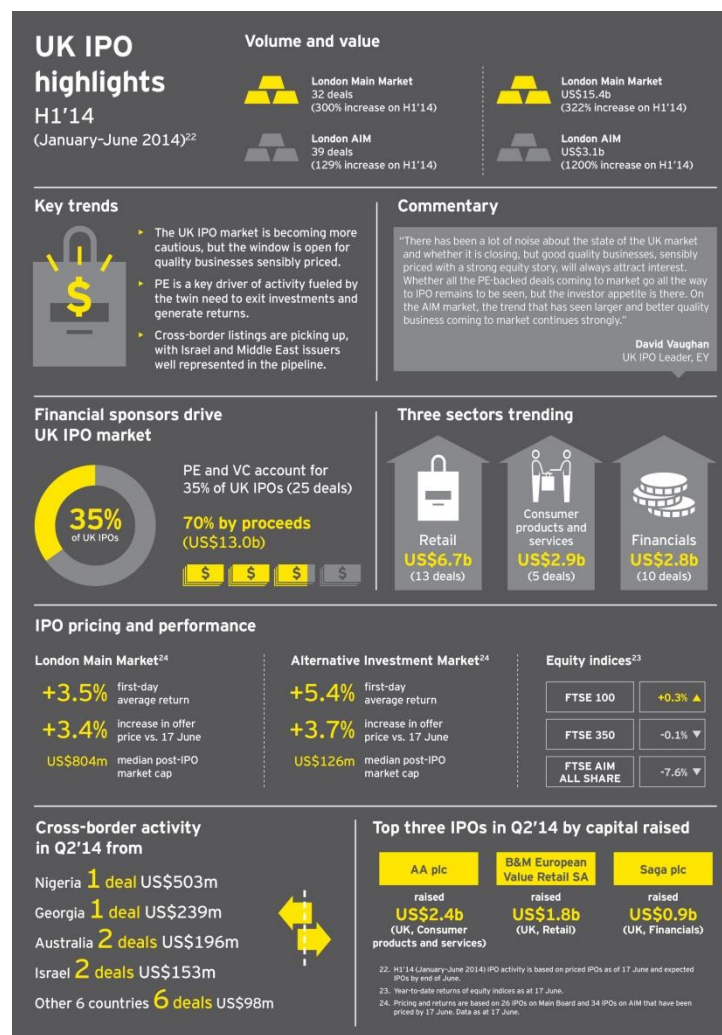
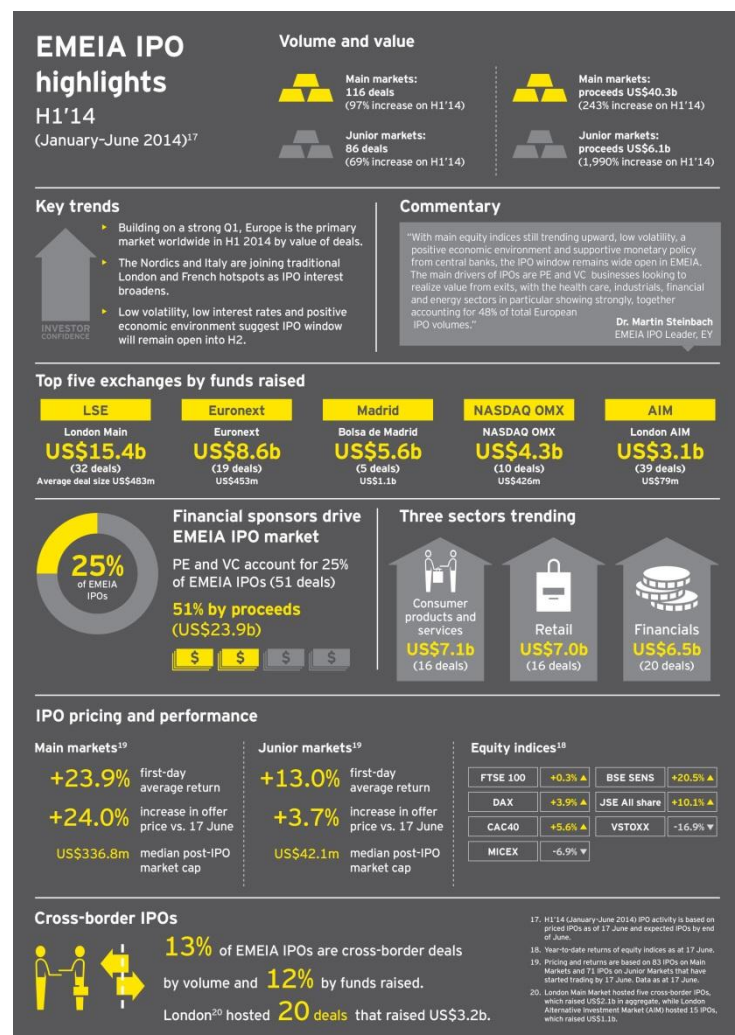
¹Based in IPO activity on EMEIA stock exchanges. Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data is up to 17 June 2014, 5:00AM UK time

²Pricing and returns are based on 83 IPOs on the main market and 71 IPOs on junior markets that have started trading by 17 June. Data as of 17 June.

See Appendix for definitions of main market and junior market.

EMEIA¹ and UK² IPO activity

To access these two infographics in PDF format, please go to EY's IPO webpages on ey.com to access the *EY Global IPO trends 2014 Q2* report



¹Based in IPO activity on EMEIA stock exchanges. ²Based in IPO activity on London Main Market and Alternative Investment Market (AIM).

US IPO activity¹ trends

IPO activity improved significantly in H1'14*; deal numbers and proceeds were up by 70.5% and 50%, respectively, compared to H1'13.

Overview

- ▶ The US saw an increase of 70.5% and 50% in terms of the number of deals and proceeds raised, respectively (162 deals raising US\$35b in H1'14* compared with 95 deals raising US\$23.3b in H1'13).
- ▶ On a quarterly basis, IPO numbers and proceeds were up by 28% and 93% in Q2'14 compared with Q1'14. With respect to Q2'13, numbers and proceeds were up 47% and 56%, respectively.
- ▶ The average deal size in the region in H1'14* was US\$216.2m, a decrease of 12% from H1'13 (US\$245.9m), driven by an increase in IPO numbers.

Key deals

- ▶ The largest deal for H1'14 as well as Q2'14 was US-based Ally Financial Inc. (US\$2.5b), closely followed by China-based retail company JD.com Inc. (US\$2.0b).
- ▶ The US recorded 32 cross-border deals in H1'14, up from 13 in the H1'13 period (Q1'13 did not see any cross-border deals). Notably, the proceeds raised quadrupled during the same period as H1'14 saw two megadeals (more than US\$1b). These were China-based JD.com worth US\$2.0b and Markit Ltd. worth US\$1.3b, that was listed on NASDAQ in Q2'14.
- ▶ Q2'14 saw significantly higher cross-border deals compared with Q1'14 and Q2'13. While the volume increased to 20 in Q2'14 from 12 in Q1'14 and 13 in Q2'13, proceeds almost tripled in the current quarter compared with levels recorded in Q1'14 and Q2'13.

PE/VC backed-deals

- ▶ PE/VC-backed IPO activity was much stronger in H1'14, compared with H1'13. The number of such IPOs increased to 104 from 57 and capital raised was up by close to 2x.
- ▶ Q2'14 saw a significant jump in financial-sponsored activity compared with levels recorded during the same period a year ago. Deal volume increased to 54 from 41 in Q2'13 and proceeds raised increased 66% during the same period. In fact, on a quarterly basis, Q2'14 recorded the highest number of financial-sponsored deals (54) since Q1'13.
- ▶ PE and VC rule the IPO markets as they seize the open IPO window to exit aging investments and realize value for investors.

Outlook

- ▶ The US IPO market is booming. Rising confidence means investors are becoming more daring by favoring the more innovative companies that offer higher risks and higher returns.
- ▶ Strong exit activity in the US is likely to continue through 2014 driven by the robust performance of VC-backed IPOs which have reached their highest level since 2000 in 2014YTD.
- ▶ Cross-border IPOs in 2014* are expected to reach their highest level since 2007 as companies from China, Europe and the rest of the world seek to ride the momentum of the US capital markets. The IPO deal of China-based e-commerce giant Alibaba Group, which is expected to be the biggest tech IPO surpassing Facebook, is also planning to list on one of the key US exchanges – NYSE or NASDAQ.

“The US IPO market is hot and a strong pipeline combined with improving economic fundamentals point to sustained activity for the second half of the year. However, growing concerns regarding over-valuations and pressure on aftermarket performance suggest that investors may deploy their money more cautiously going forward. Pricing is coming under greater scrutiny and companies with appropriate valuations are more likely to receive market acceptance.”

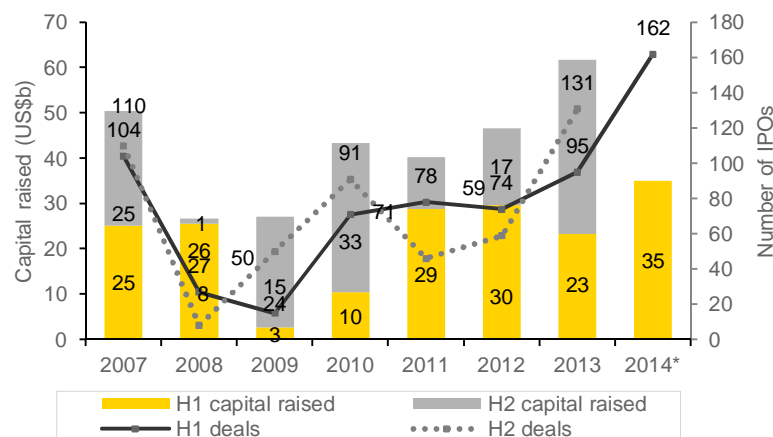
Jackie Kelley,
Americas IPO Leader, EY

¹Based in IPO activity on US stock exchanges. Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data is up to 17 June 2014, 5:00AM UK time.

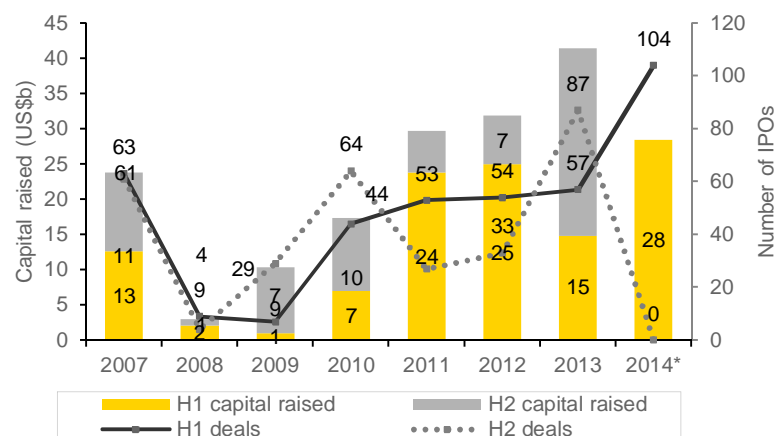
US IPO activity¹ trends

Financial sponsor-backed activity picked up pace as PEs and VCs seized exit opportunities

Annual US IPO activity (2007-2014*)



US financial sponsor-backed IPO activity (2007-2014*)



H1'14* US IPOs bv sector

Sectors	Number of deals	Proceeds US\$m
Technology	32	8,055.1
Energy	14	7,336.5
Financials	12	5,752.7
Health care	63	4,409.4
Retail	5	3,059.6
Consumer products	9	1,785.7
Real estate	7	1,322.5
Media and entertainment	4	1,115.2
Industrials	8	1,095.9
Materials	5	978.8
Consumer staples	2	109.7
Telecommunications	1	12.5
Grand Total	162	35,033.6

IPO pricing and performance: H1'14* IPOs

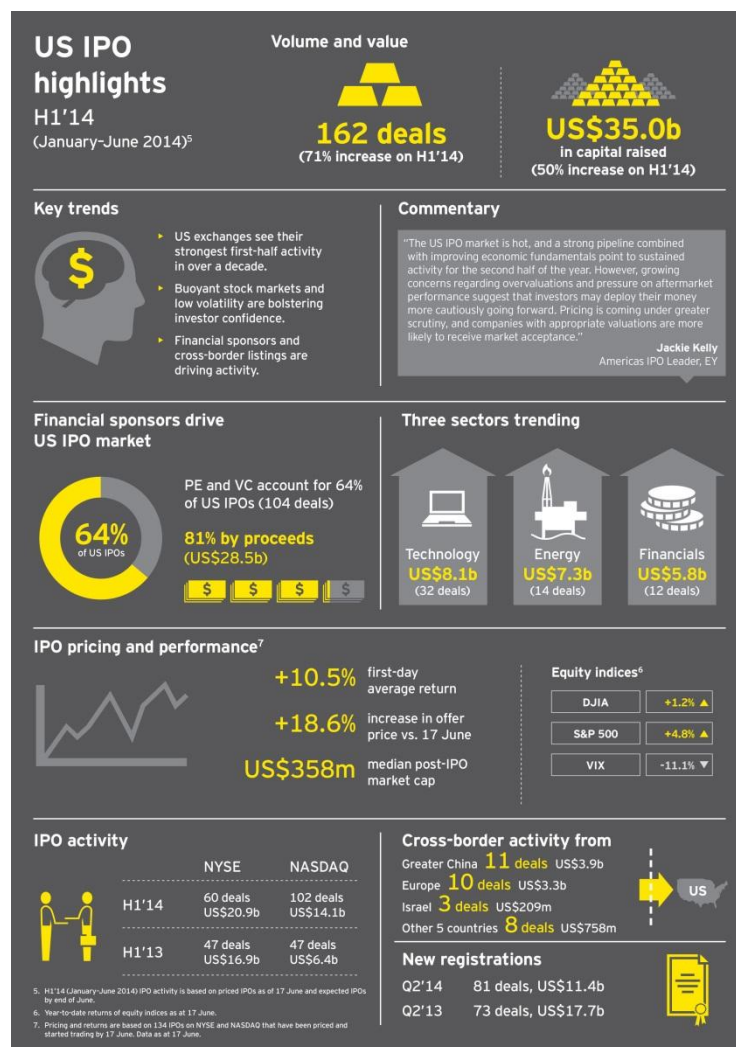
Measures ²	2014 Jan-Jun* IPOs
% of IPOs priced within or above initial filing range	63%
First day average return	10.5%
% change of offer price vs 17 June	18.6%
Median post-IPO market cap	US\$358m
S&P 500 – 2014YTD returns	+4.8%
DJIA – 2014YTD returns	+1.2%
CBOE VIX index – change from 1 Jan	-11.1%

¹Based in IPO activity on US stock exchanges: NYSE, NASDAQ and NYSE – AMEX

²Pricing and returns are based on 134 IPOs on NYSE and NASDAQ that have started trading by 17 June. Data as of 17 June.

US IPO activity¹

To access this infographics in PDF format, please go to EY's IPO webpages on ey.com to access the *EY Global IPO trends 2014 Q2* report



¹Based in IPO activity on US stock exchanges: NYSE, NASDAQ and NYSE – AMEX

Section	Content	Slides
1	2014 January – June* highlights	4 – 6
2	Global IPO activity trends <ul style="list-style-type: none"> ▶ Global analysis ▶ Rapid growth and developed market analysis ▶ Industry analysis ▶ Stock exchange analysis ▶ Follow-on activity ▶ IPO withdrawals and postponements 	8 – 16
3	IPO activity by regions Asia-Pacific (includes Japan) EMEIA Americas	18 – 26
4	PE-backed IPO activity	28 – 31
5	Appendices	33 – 45

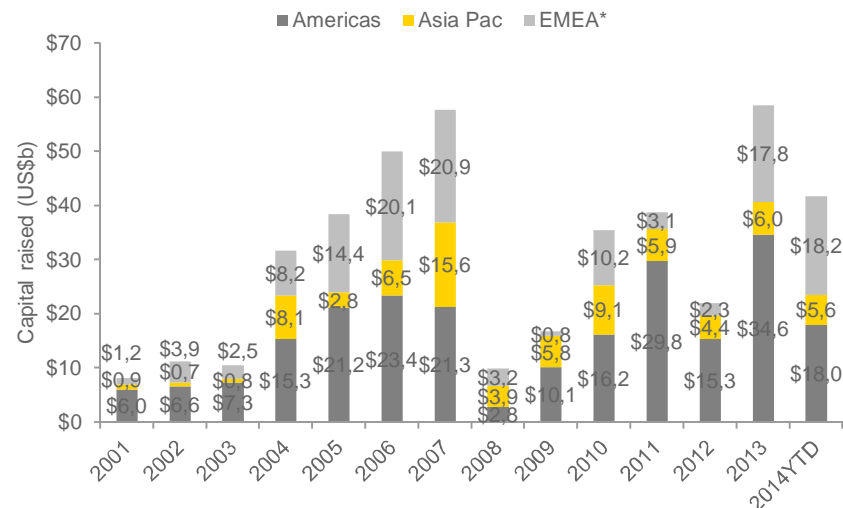
All data contained in this document is sourced to Dealogic and EY unless otherwise noted.

Data for Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June; data is up to 17 June 2014, 5:00AM UK time.

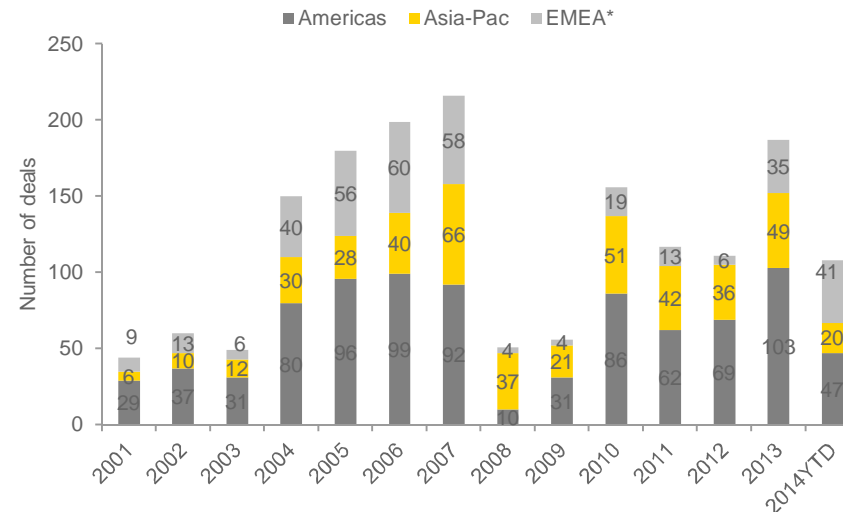
Global PE IPO activity trends

PE-backed IPOs on pace for another record year

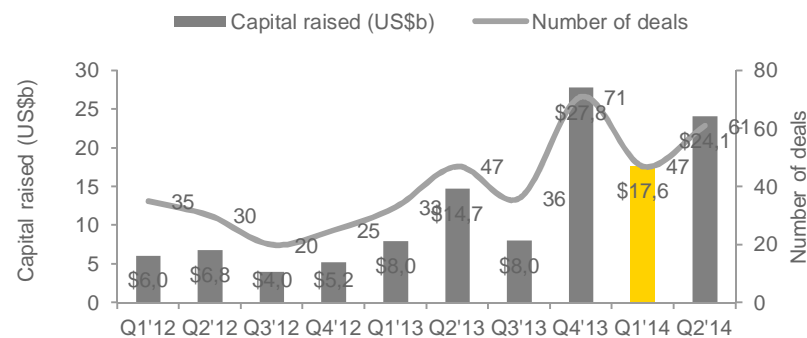
Annual global PE-backed IPOs by region (capital raised)



Annual global PE-backed IPOs by region (number of deals)



Quarterly PE-backed IPO activity (2012-2014)



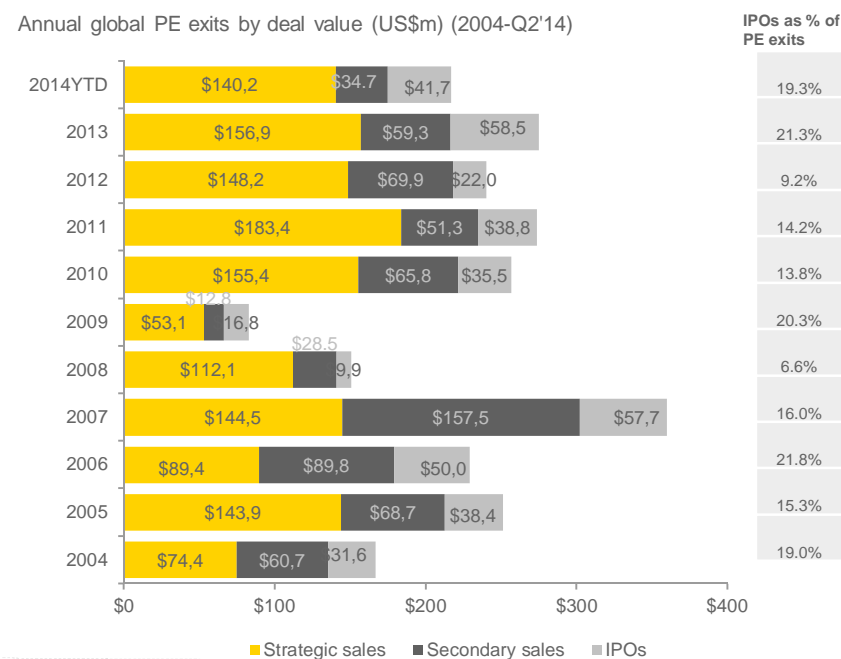
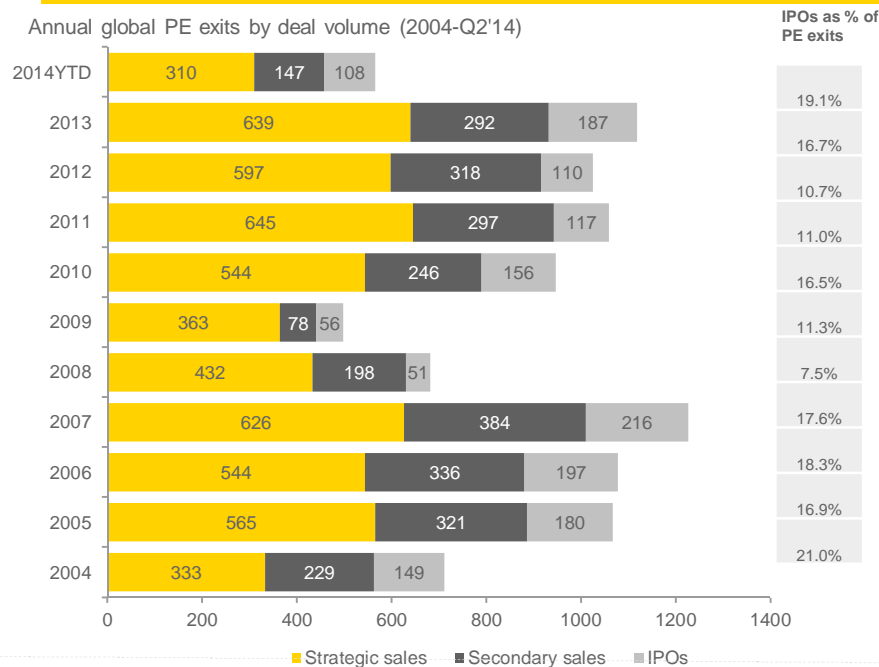
*EMEA refers to Europe, Middle East and African exchanges. India is included within Asia-Pacific.

Key insights

- ▶ Robust equities markets and strong investor sentiment has led to one of the most active global IPO markets for PE-backed deals in years.
- ▶ Private equity is taking advantage of the strong market to list firms acquired over the last several years, particularly from 2006-07.
- ▶ The industry is currently on pace to exceed the record activity seen in 2013 for PE-backed IPOs (US\$58.5b raised across 187 deals). Through mid-June in 2014, companies backed by PE firms priced 108 IPOs raising US\$41.8b.
- ▶ The strong market has emboldened others to join the queue. Currently there are more than 100 companies in the PE IPO pipeline. In aggregate, they could raise nearly US\$30b. This is the highest the pipeline has been in a long time.

Global PE exit trends

PE exits via IPO rose to new highs in 2013



Key insights

- ▶ Exits are an area of significant focus for the PE industry. For the last several years, a concern has been that exit activity was insufficient to liquidate the portfolio that had accumulated during the boom years over a timeframe that was consistent with the standard PE model.
- ▶ However, with exit activity tracking for a record year, PE is pulling itself out of the “danger zone” in terms of being unable to provide liquidity and distributions back to LPs. Indeed, among the new issues that are facing PE firms is how to deploy the large amounts of capital that are being reinvested back into the asset class.
- ▶ Last year it was largely the IPO markets that were driving exit activity. While they continue to be strong, trade sales are now increasing as well.

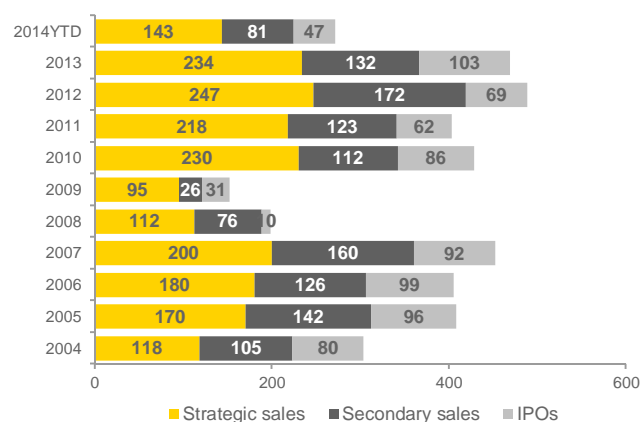
“Strategic sales” are sales to corporations (i.e., M&A) while “secondary sales” are sales to other PE firms.

*2014YTD shows IPOs that have been priced by 17 June. This does not include expected June IPO listings.

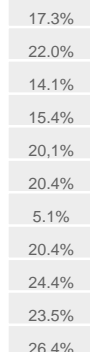
PE exit trends by region

IPOs are currently the most important exit route in EMEA. IPO activity in the Americas continues to be robust, but strategic sales are increasing.

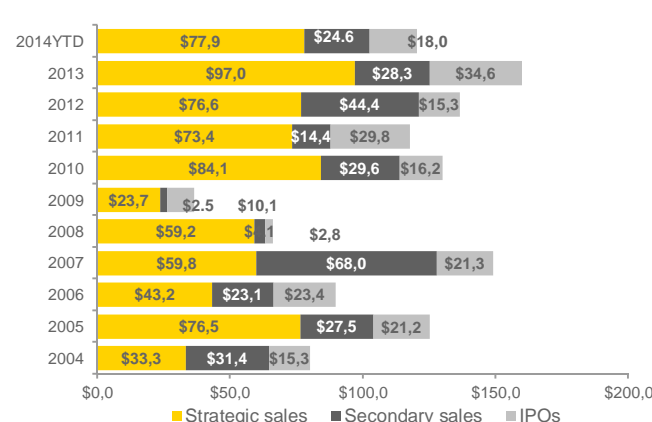
Americas PE exits by deal volume (2004-Q2'14)



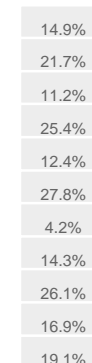
IPOs as % of PE exits



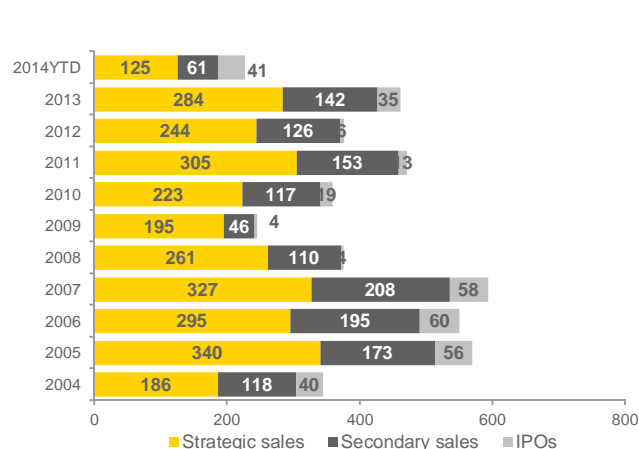
Americas PE exits by deal value (US\$m) (2004-Q2'14)



IPOs as % of PE exits



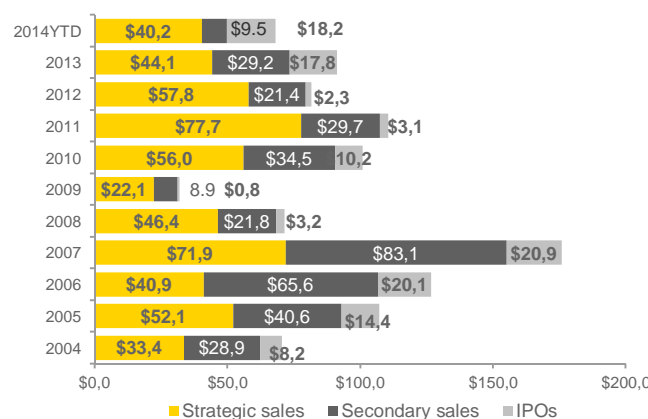
EMEA PE exits by deal volume (2004-Q2'14)



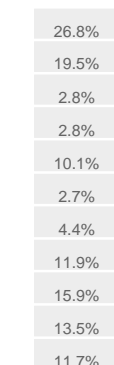
IPOs as % of PE exits



EMEA PE exits by deal value (US\$m) (2004-Q2'14)



IPOs as % of PE exits



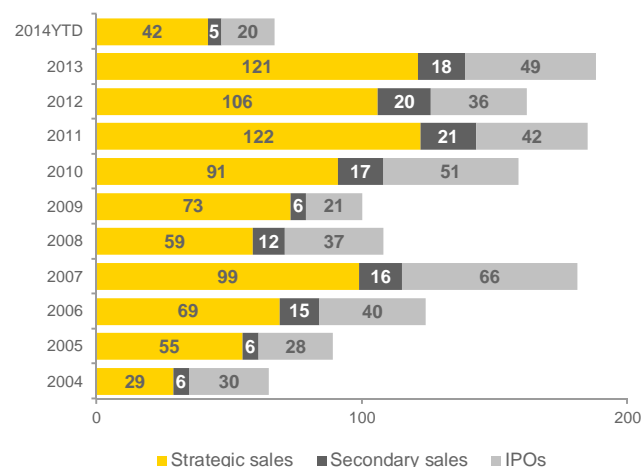
"Strategic sales" are sales to corporations (i.e. M&A) while "secondary sales" are sales to other PE firms.

*2014YTD shows IPOs that have been priced by 17 June. This does not include expected June IPO listings.

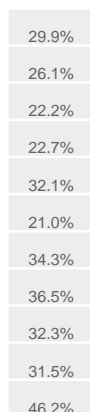
PE exit trends by region

IPOs are becoming a more popular exit route in Asia-Pacific, after the re-opening of the Mainland China IPO markets.

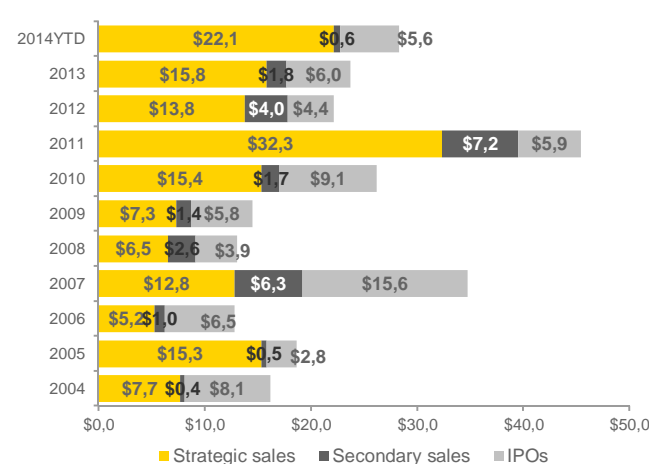
Asia-Pacific PE exits by deal volume (2004-Q2'14)



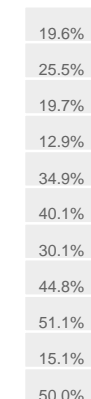
IPOs as % of PE exits



Asia-Pacific PE exits by deal value (US\$m) (2004-Q2'14)



IPOs as % of PE exits



Key insights

- ▶ EMEA has seen particular strength. To date, firms focused on the region have sold more than 220 companies with a combined value of US\$70.5b.
- ▶ IPOs are currently the most important exit route in EMEA. Two years ago, IPOs made up less than 2% of EMEA exits and less than 3% of the total value exited. Currently, IPOs account for over 18% of the number of exits and more than a quarter of the value.
- ▶ However, secondaries also remain an important part of the market. Over the last five years, they have accounted for approximately 1/3 of PE M&A exits, a trend which has continued in 2014.
- ▶ In China, with the IPO window effectively closed throughout 2013, firms had to decide whether to wait out the shutdown or pursue alternative exits such as trade sales and secondary buyouts. However, the reopening of the market has prompted a new wave of PE-backed deals. To date, PE firms have listed 20 companies in the Asia-Pac region – of those, one was on mainland China exchanges. With China's regulatory agencies now actively pursuing market-driven reforms designed to streamline the listing process, mainland venues should become even more accommodative to PE-backed offerings.
- ▶ IPO activity in the Americas continues to be robust, with likely markets operating at or near full capacity. As a result, trade sales are representing a larger proportion of PE exits as strategic acquirers move in from the sidelines.

"Strategic sales" are sales to corporations (i.e. M&A) while "secondary sales" are sales to other PE firms.

* 2014YTD shows IPOs that have been priced by 17 June. This does not include expected June IPO listings.

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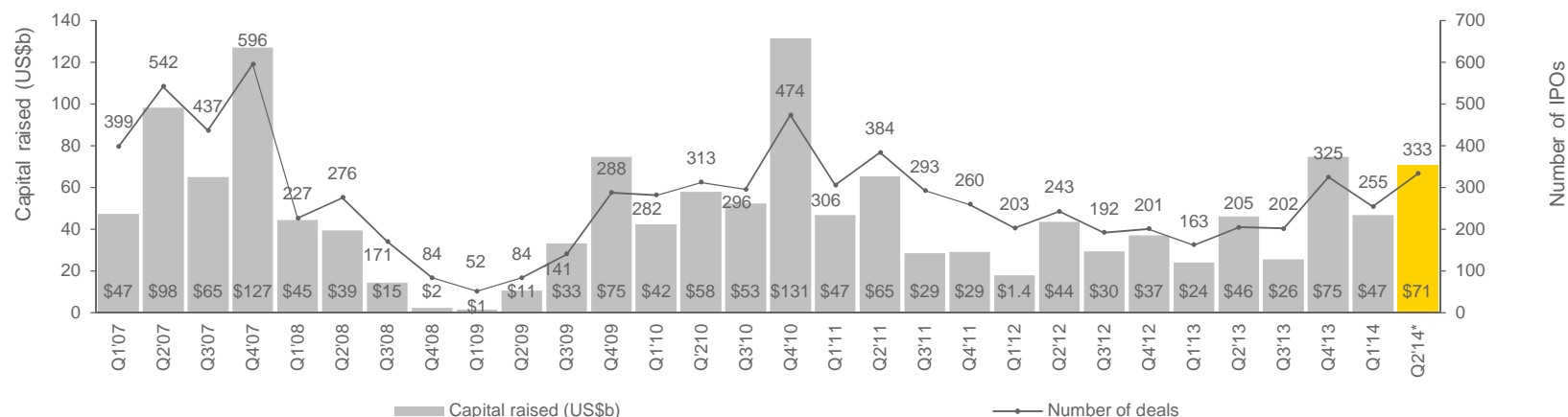
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Data for Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June; data is up to 17 June 2014, 5:00AM UK time.

Global IPO activity trends

IPO activity continues to increase in Q2'14*, both in terms of deal numbers and capital raised compared with Q1'14 and Q2'13

Quarterly IPO activity (Q1'07—Q2'14*)



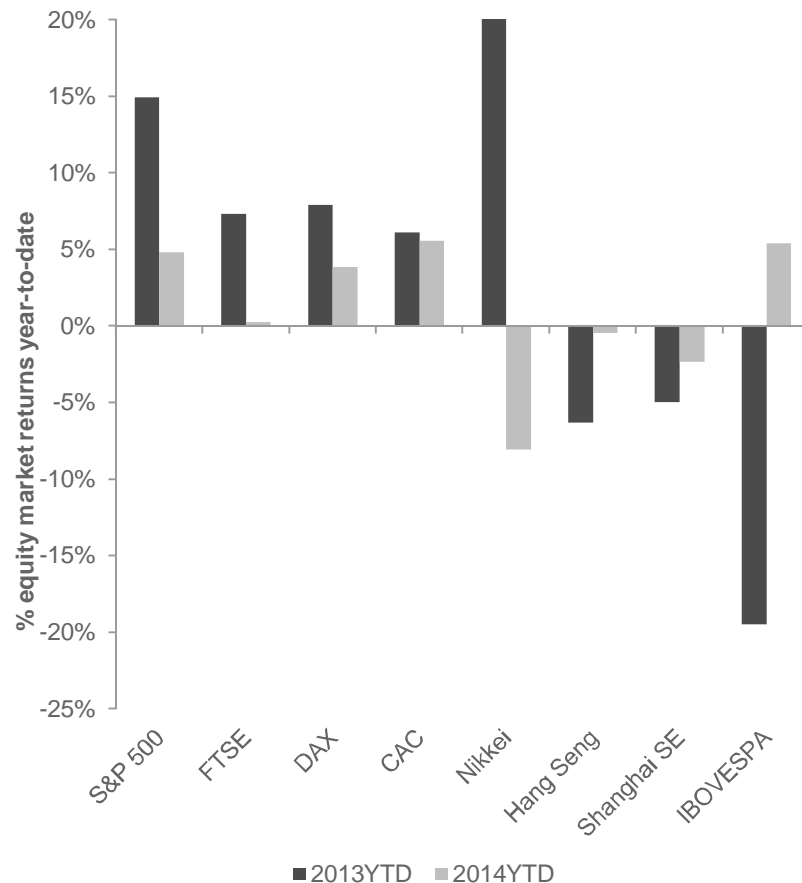
- ▶ For Q2'14*, the number of IPOs increased by 30.6% and the proceeds raised increased by 50.4%, compared with Q1'14. Compared with Q2'13, the increases in the number of IPOs and proceeds were 62.4% and 52.8%, respectively.
- ▶ Q2'14 recorded 14 megadeals (IPOs raising more than US\$1b), double the number in Q1'14 (7) and slightly more than those recorded in Q2'13 (12). US-based Ally Financial Inc.'s US\$2.5b listing was the largest IPO for Q2'14 and the third-largest IPO for 2014 so far.
- ▶ Q2'14* was the most active second quarter in terms of number of IPOs since Q2'11, with 333 IPOs worth US\$70.7b.
- ▶ June saw 154 listings, the highest monthly deal numbers recorded in the first half of 2014.

*Data includes effective IPOs up to 17 June 2014 and expected IPOs till 30 June 2014.

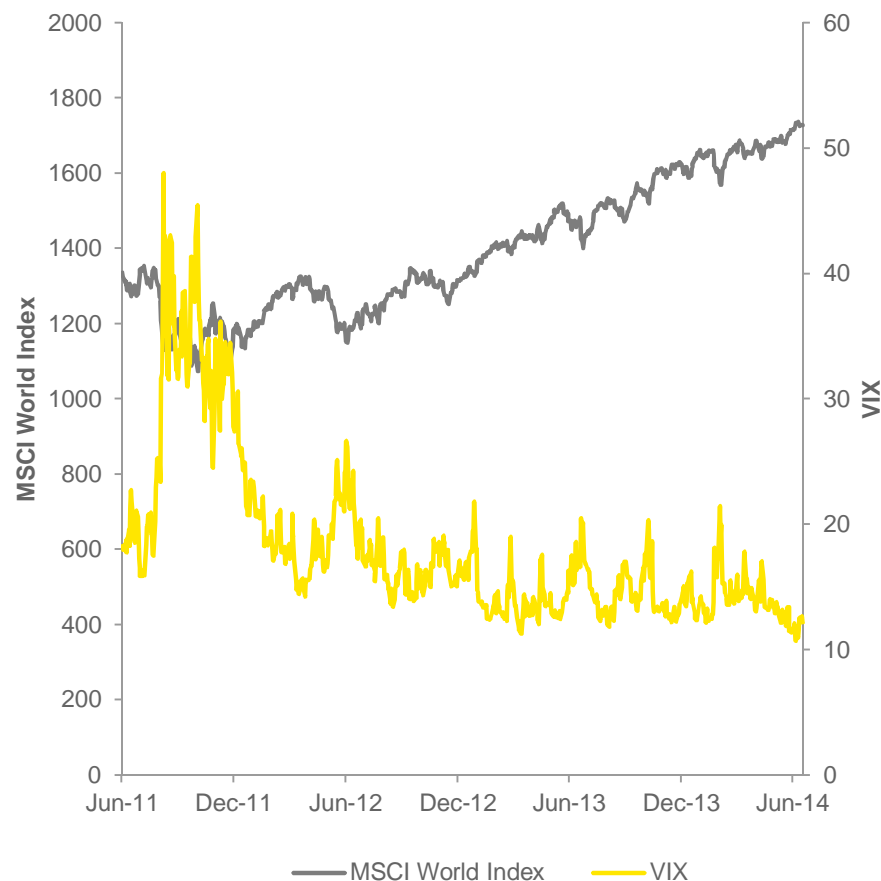
Global IPO activity trends

Investor confidence returned after the higher volatility we saw in February this year has declined in Q2'14.

Year-to-date equity market returns – major indices



MSCI World Index Market Performance vs CBOE VIX Index®



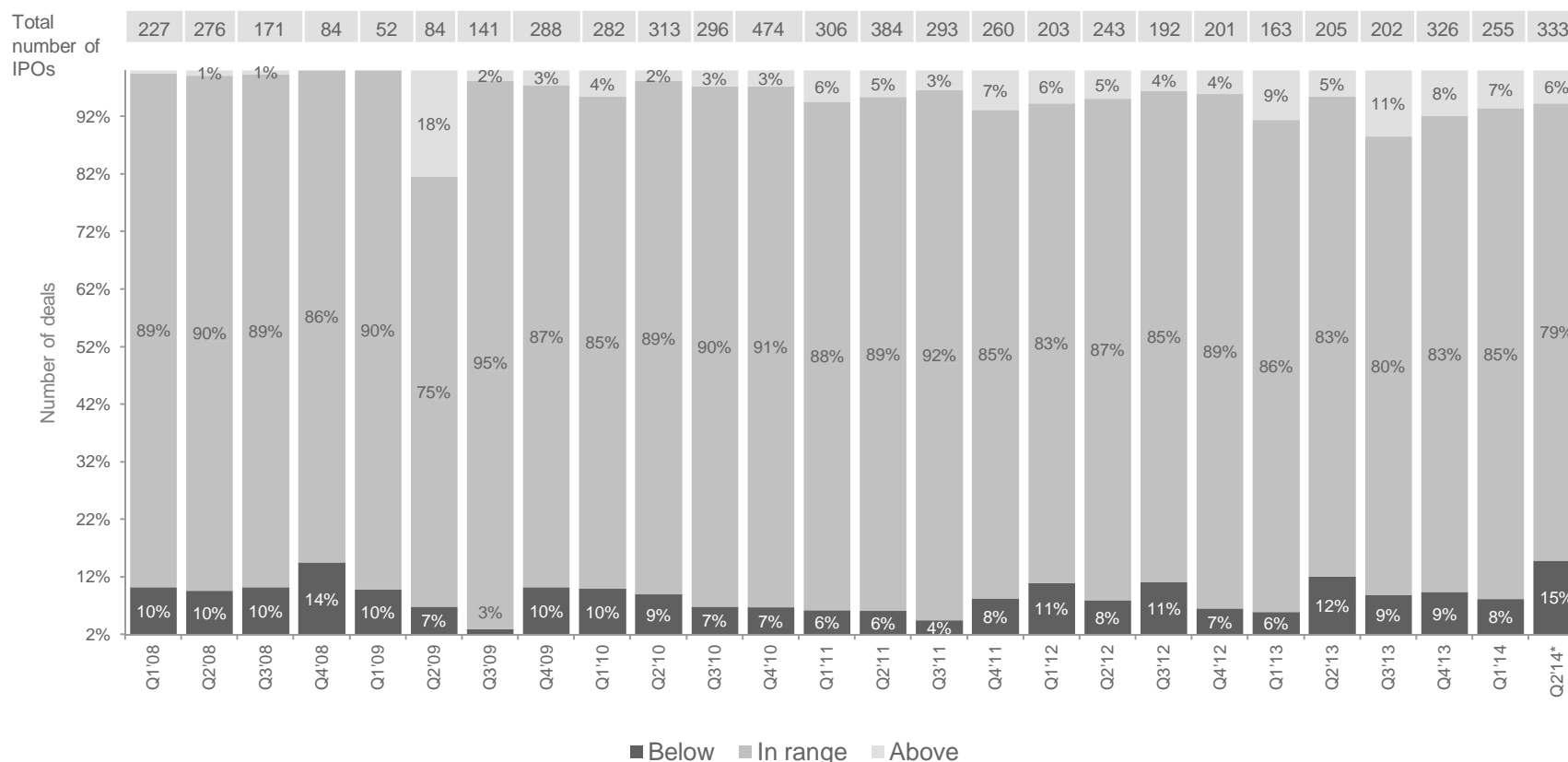
Year-to-date returns data as at 17 June 2014. Source: S&P Capital IQ

Data as at 17 June 2014. Source: S&P Capital IQ.

Pricing range

85% of global IPOs¹ were priced within or above the initial filing range in Q2'14* compared with 92% in Q1'14

83% of global IPOs in 2014* so far were priced within their initial filing range, 6% were priced above their initial filing range, and 11% of IPOs were priced below their initial filing range.



¹Chart shows the number of open-price IPOs with deal value above US\$50m that are priced above, below or within their initial filing range. For 3% of IPOs, this range is not applicable.

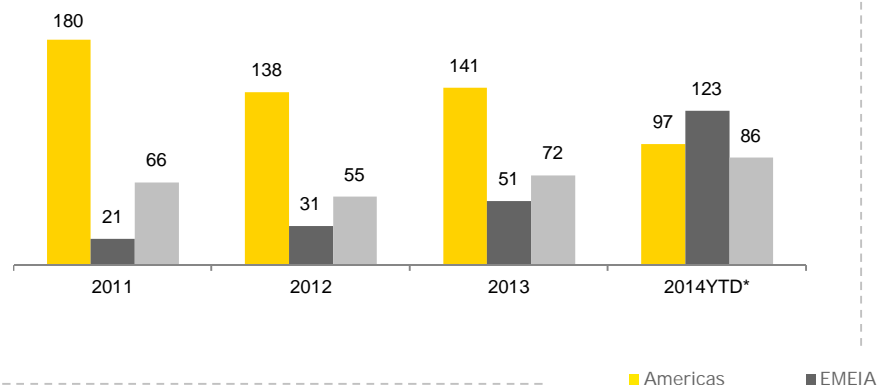
*Data includes effective IPOs up to 17 June 2014 and expected IPOs till 30 June 2014.

Global IPO activity trends on main and junior markets

Median values on main markets show increasing trend in Asia-Pacific and EMEIA between 2011 and 2014*

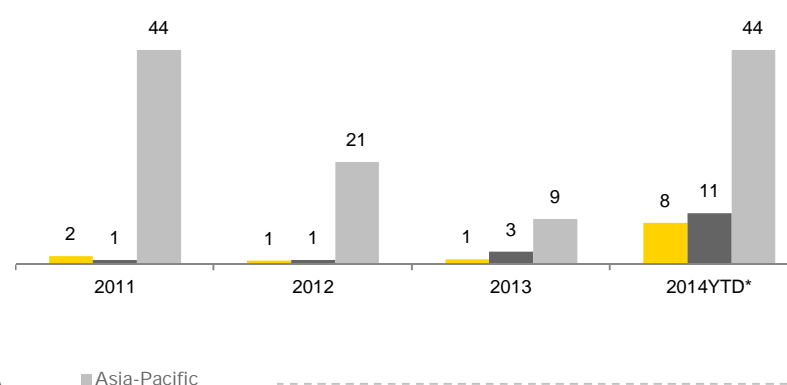
Main markets

Annual median deal size by region (US\$m)

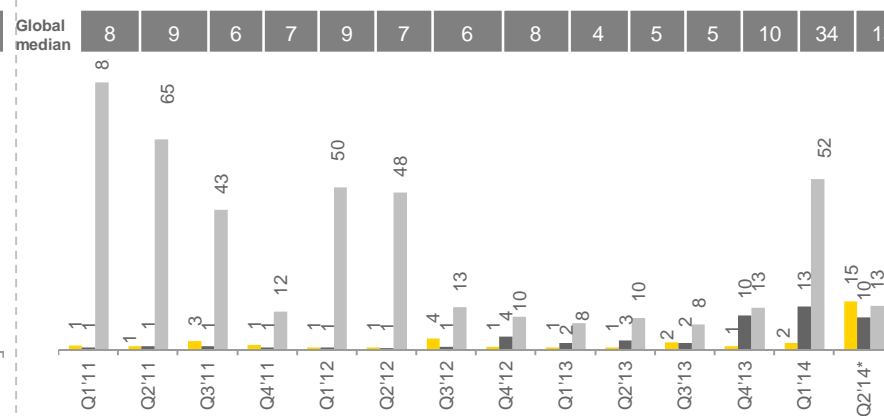
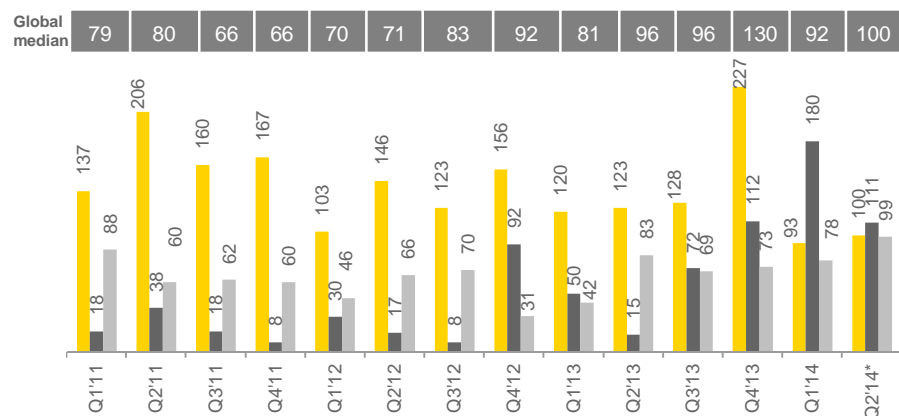


Junior markets

Annual median deal size by region (US\$m)



Quarterly median deal size by region (US\$m)



Please see the Appendix for the definition of main markets and junior markets

Appendix: key global IPO statistics (US\$)

	2010	2011	2012	2013	H1'14 ⁵
Number of deals	1,365	1,243 (▼ 9% ¹)	839 (▼ 33% ²)	895 (▲ 7% ³)	588
Capital raised	\$284.6b	\$170.2b (▼ 40% ¹)	\$128.6b (▼ 24% ²)	\$171.1b (▲ 33% ³)	\$117.7b
Average deal size	\$208.5m	\$137.0m	\$153.3m	\$191.1m	\$200.2m
PE-backed IPOs	155 deals, \$35.9b	119 deals, \$38.3b	107 deals, \$19.4b	185 deals, \$58.3b	125 deals, \$50.9b
VC-backed IPOs	129 deals, \$13.7b	143 deals, \$17.3b	92 deals, \$23.2b	129 deals, \$14.1b	88 deals, \$10.7b
Top 5 sectors (number of deals)	Materials (301) Industrials (244) Technology (177) Consumer staples (110) Health care (106)	Materials (271) Industrials (215) Technology (146) Energy (101) Consumer products ⁴ (98)	Materials (143) Industrials (135) Technology (115) Energy (63) Consumer staples (58)	Industrials (117) Technology (115) Real estate (100) Health care (100) Financials (92)	Health care (102) Technology (78) Industrials (66) Consumer products ⁴ (49) Financials (47)
Top 5 sectors (capital raised)	Financials (\$79.9b) Industrials (\$58.2b) Materials (\$39.5b) Energy (\$22.0b) Technology (\$21.0b)	Materials (\$29.2b) Industrials (\$27.0b) Energy (\$20.8b) Financials (\$15.9b) Technology (\$15.5b)	Technology (\$23.1b) Industrials (\$20.2b) Financial (\$19.4b) Real estate (\$12.5b) Energy (\$12.1b)	Financials (\$28.6b) Real estate (\$27.0b) Energy (\$22.0b) Industrials (\$18.9b) Health care (\$12.4b)	Energy (\$17.6b) Financials (\$15.0b) Technology (\$14.7b) Retail (\$11.9b) Consumer products ⁴ (\$11.4b)
Top 5 exchanges (number of deals)	Shenzhen – SME (205) Shenzhen – ChiNext (116) Australian (93) Hong Kong (87) New York (82)	Warsaw – New Connect (136) Shenzhen – ChiNext (128) Shenzhen – SME (115) Australian (101) Hong Kong (68)	New York (78) Shenzhen – ChiNext (74) Warsaw - New Connect (62) Shenzhen (55) NASDAQ (54)	New York (116) NASDAQ (109) Hong Kong (76) London AIM (54) Australia (52)	NASDAQ (102) New York (60) Hong Kong (43) London AIM (39) London (32)
Top 5 exchanges (capital raised)	Hong Kong (\$67.9b) New York (\$34.7b) Shenzhen (\$30.2b) Shanghai (\$17.8b) Tokyo (\$14.3b)	New York (\$30.5b) Hong Kong (\$25.3b) Shenzhen (\$15.7b) Shanghai (\$15.1b) London (\$13.9b)	New York (\$24.0b) NASDAQ (\$22.6b) Tokyo (\$12.2b) Hong Kong (\$11.5b) Bursa Malaysia (\$7.6b)	New York (\$45.8b) Hong Kong (\$21.4b) NASDAQ (\$15.8b) London (\$12.9b) Tokyo (\$9.3b)	New York (\$20.9b) London (\$15.4b) NASDAQ (\$14.1b) Hong Kong (\$11.5b) Tokyo (\$6.0b)

¹Percentage change from 2010 to 2011

²Percentage change from 2011 to 2012

³Percentage change from 2012 to 2013

⁴Consumer products includes consumer services

Please see Appendix for the list of stock exchanges

⁵H1'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data up to 17 June 2014, 5:00 AM UK time.

Appendix: Q2'14* top 20 IPOs by capital raised

Issue month	Issuer name	Domicile	Sector	Issuer business description	Capital raised (US\$m)	Exchange(s)	Type of IPO
April	Ally Financial Inc.	United States	Financials	Provider of automotive and mortgage finance.	2,556.1	New York (NYSE)	PE-backed IPO
June	AA plc	United Kingdom	Consumer products	Automobile clubs, road and travel services; offers breakdown services, travel and holiday reservations, car and home insurance.	2,322.1	London (LSE)	PE-backed IPO
June	Merlin Properties SOCIMI SA	Spain	Real estate	Spanish REIT (SOCIMI).	2,062.8	Bolsa de Madrid	
May	JD.com Inc.	China	Retail	Online shopping website.	2,047.0	NASDAQ	VC-backed IPO
June	B&M European Value Retail SA	United Kingdom	Retail	General merchandise discount retailer.	1,812.8	London (LSE)	PE-backed IPO
May	Applus Services SA	Spain	Health care	Testing, inspection and certification company.	1,684.8	Bolsa de Madrid	PE-backed IPO
May	PrairieSky Royalty Ltd.	Canada	Energy	Oil and gas royalty trust.	1,534.2	Toronto (TSX)	
April	IMS Health Holdings Inc.	United States	Technology	Information, services and technology company focused on the health care industry.	1,495.0	New York (NYSE)	PE-backed IPO
June	Markit Ltd.	United Kingdom	Technology	Provides financial information services platform.	1,314.1	NASDAQ	PE-backed IPO
June	Euronext NV	Netherlands	Financials	Integrated cross-border European exchange.	1,263.0	Euronext (Paris)	

¹Q2'14* is based on priced IPOs as of 17 June and expected IPOs by end of June. Data up to 17 June 2014, 5:00 AM UK time.

Appendix: Q2'14* top 20 IPOs by capital raised (continued)

Issue month	Issuer name	Domicile	Sector	Issuer business description	Capital raised (US\$m)	Exchange(s)	Type of IPO
May	China CNR Corp Ltd.	China	Industrials	Engaged in the manufacturing of railway and railroad equipment.	1,214.7	Hong Kong (HKEx)	
June	Coface SA	France	Financials	Provider of credit insurance and trade financing.	1,156.9	Euronext (Paris)	
June	Elior SCA	France	Media and entertainment	Provider of contract catering and related support services.	1,153.4	Euronext (Paris)	PE-backed IPO
June	Eclipse Resources Corp.	United States	Energy	Exploration and production company engaged in the acquisition and development of oil and natural gas properties.	1,045.4	New York (NYSE)	PE-backed IPO
June	Fineco Banca SpA	Italy	Financials	Provider of online banking and brokerage services.	993.1	Borsa Italiana (AIM)	
June	Memorial Resource Development Corp.	United States	Energy	Oil and natural gas exploration company.	935.2	NASDAQ	PE-backed IPO
May	Spotless Group Holdings Ltd.	Australia	Consumer products and services	Facilities management and laundry services provider.	930.2	Australia (ASX)	PE-backed IPO
June	Saga plc	United Kingdom	Financials	A UK-based provider of insurance, financial services, health advice and travel planning, targeted at the 50 and above age group.	927.6	London (LSE)	PE-backed IPO
May	Parsley Energy Inc.	United States	Energy	Oil extractor and producer.	925.0	New York (NYSE)	PE-backed IPO
June	Com Hem Holding AB	Sweden	Media and entertainment	Provider of TV, broadband and fixed telephony services .	861.7	NASDAQ OMX Stockholm	PE-backed IPO

Total capital raised by top 20 IPOs in Q2'14 US\$28.2b
Total global capital raised in Q2'14: US\$70.7b
% of top 20: 39.9%

¹Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June.
Data up to 17 June 2014, 5:00 AM UK time.

Appendix: H1'14* top 20 IPOs by capital raised

Issue month	Issuer name	Domicile	Sector	Issuer business description	Capital raised (US\$m)	Exchange(s)	Type of IPO
January	HK Electric Investments Ltd	Hong Kong, China	Energy	Share stapled business trust with a focus on the power utility industry in Hong Kong.	3,111.0	Hong Kong (HKEx)	
March	Japan Display Inc.	Japan	Technology	Manufacturer of small and medium-sized electronic displays for the consumer, industrial and medical industries.	3,085.0	Tokyo (TSE)	
April	Ally Financial Inc.	United States	Financials	Provider of automotive and mortgage finance.	2,556.1	New York (NYSE)	PE-backed
June	AA plc	United Kingdom	Consumer products	Automobile clubs, road and travel services. Offers breakdown services, travel and holiday reservations, car and home insurance.	2,322.1	London (LSE)	PE-backed
June	Merlin Properties SOCIMI SA	Spain	Real estate	Spanish real estate investment trust (SOCIMI).	2,062.8	Bolsa de Madrid	
May	JD.com Inc.	China	Retail	Online shopping website.	2,047.0	NASDAQ	VC-backed
January	Santander Consumer USA Holdings Inc.	United States	Financials	Consumer finance company focused on vehicle finance and unsecured consumer lending products.	2,045.8	New York (NYSE)	PE-backed
January	Altice SA	France	Media and entertainment	Multinational cable and telecommunications company.	2,042.8	Euronext (Amsterdam)	
June	B&M European Value Retail SA	United Kingdom	Retail	General merchandise discount retailer.	1,812.8	London (LSE)	PE-backed
March	ISS A/S	Denmark	Consumer products	Facility services company, provides various cleaning, support, property, catering, security and facility management services.	1,752.1	NASDAQ OMX (Copenhagen)	PE-backed

¹H1'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data up to 17 June 2014, 5:00 AM UK time.

Appendix: H1'14* top 20 IPOs by capital raised (continued)

Issue month	Issuer name	Domicile	Sector	Issuer business description	Capital raised (US\$m)	Exchange(s)	Type of IPO
May	Applus Services SA	Spain	Health care	Testing, inspection and certification company.	1,684.8	Bolsa de Madrid	PE-backed
May	PrairieSky Royalty Ltd.	Canada	Energy	Oil and gas royalty trust.	1,534.2	Toronto (TSX)	
April	IMS Health Holdings Inc.	United States	Technology	Information, services and technology company focused on the health care industry.	1,495.0	New York (NYSE)	PE-backed
June	Markit Ltd.	United Kingdom	Technology	Provides financial information services platform.	1,314.1	NASDAQ	PE-backed
June	Euronext NV	Netherlands	Financials	Integrated cross-border European exchange.	1,263.0	Euronext (Paris)	
May	China CNR Corp Ltd.	China	Industrials	Engaged in the manufacturing of railway and railroad equipment.	1,214.7	Hong Kong (HKEx)	
June	Coface SA	France	Financials	Provider of credit insurance and trade financing.	1,156.9	Euronext (Paris)	
June	Elior SCA	France	Media and entertainment	Provider of contract catering and related support services, such as Health care hospitality, specialized cleaning, as well as facilities management.	1,153.4	Euronext (Paris)	PE-backed
March	Harbin Bank Co Ltd.	China	Financials	Provides corporate banking, personal banking and treasury operations.	1,130.2	Hong Kong (HKEx)	
January	Rice Energy Inc.	United States	Energy	Independent natural gas and oil company specializing in gas collection from shale formations.	1,050.0	New York (NYSE)	PE-backed

¹H1'14 is based on priced IPOs as of 17 June and expected IPOs by end of June.
Data up to 17 June 2014, 5:00 AM UK time.

Total capital raised by top 20 IPOs in H1'14 US\$ 35.8b
Total global capital raised in H1'14: US\$117.7b
% of top 20: 30.4%

Appendix: definitions

- ▶ The data presented in the *Q2'14 Global IPO update* and press releases are from Dealogic and EY. Q2'14 is based on priced IPOs as of 17 June and expected IPOs by end of June. Data is up to 17 June, 5:00 AM UK time.
- ▶ For the purposes of these reports and press releases, we focus only on IPOs of operating companies and define an IPO as a company's first offering of equity to the public.
- ▶ This report includes only those IPOs for which Dealogic and EY offer data regarding the issue date (the day the offer is priced and allocations are subsequently made), trading date (the date on which the security first trades) and proceeds (funds raised, including any over-allotment sold). Postponed IPOs, or those which have not yet been priced, are therefore excluded. Over-the-counter (OTC) listings are also excluded.
- ▶ In an attempt to exclude non-operating company IPOs such as trusts, funds and special purpose acquisition companies (SPACs), companies with the following Standard Industrial Classification (SIC) codes are excluded:
 - ▶ 6091: Financial companies that conduct trust, fiduciary and custody activities
 - ▶ 6371: Asset management companies such as health and welfare funds, pension funds and their third-party administration as well as other financial vehicles
 - ▶ 6722: Companies that are open-end investment funds
 - ▶ 6726: Companies that are other financial vehicles
 - ▶ 6732: Companies that are grant-making foundations
 - ▶ 6733: Asset management companies that deal with trusts, estates and agency accounts
 - ▶ 6799: Special purpose acquisition companies (SPACs)
- ▶ We also applied the above SIC exclusion criteria for the follow-on activity analysis.
- ▶ In our analysis, unless stated otherwise, IPOs are attributed to the domicile of the company undertaking an IPO. The primary exchange on which they are listed is as defined by Dealogic and EY research.
- ▶ A foreign listing is where the stock exchange nation of the company is different from the company's domicile (i.e., issuer's nation).
- ▶ For IPO listings on HKEx, SSE, SZE, TSE & Tokyo MOTHERS, Korea's KRX and KOSDAQ, Thailand's SET and MAI, Indonesia IDX, WSE, NewConnect, TSX and TSX-V exchanges, we use their first trading date in place of issue date.

Appendix: definitions

▶ **Geographic definitions:**

- ▶ Asia includes Bangladesh, Greater China, Indonesia, Japan, Laos, Malaysia, Philippines, Singapore, South Korea, Sri Lanka, Thailand and Vietnam
- ▶ Greater China includes Mainland China, Hong Kong, Macau and Taiwan only
- ▶ Asia-Pacific includes Asia (as stated above) plus Australia, New Zealand, Fiji and Papua New Guinea
- ▶ Central and South America includes Argentina, Bermuda, Brazil, Chile, Colombia, Ecuador, Jamaica, Mexico, Peru and Puerto Rico
- ▶ EMEA includes Armenia, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Isle of Man, Italy, Kazakhstan, Luxembourg, Lithuania, Netherlands, Norway, Pakistan, Poland, Portugal, Russian Federation, Spain, Sweden, Switzerland, Turkey, Ukraine and United Kingdom plus the Middle East and Africa countries listed below
- ▶ Middle East includes Bahrain, Iran, Israel, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen
- ▶ Africa includes Algeria, Botswana, Egypt, Ghana, Kenya, Madagascar, Malawi, Morocco, Namibia, Rwanda, South Africa, Tanzania, Tunisia, Uganda, Zambia and Zimbabwe
- ▶ North America consists of the United States and Canada
- ▶ **Emerging markets or rapid-growth markets** include issuers from Argentina, Armenia, Bangladesh, Bolivia, Brazil, Bulgaria, Chile, Colombia, Croatia, Cyprus, Egypt, Ethiopia, Greater China, Hungary, India, Indonesia, Ireland, Israel, Kenya, Kuwait, Kazakhstan, Laos, Lithuania, Malaysia, Mauritius, Mexico, Namibia, Pakistan, Peru, Philippines, Poland, Qatar, Russian Federation, Saudi Arabia, Sierra Leone, Singapore, Slovenia, South Africa, South Korea, Sri Lanka, Tanzania, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, Vietnam, Zambia.
- ▶ **Developed markets** include issuers from Australia, Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Greece, Guernsey, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom and United States.
- ▶ **State-owned enterprise (SOE)** privatizations refers to former state-owned entities that have completed their IPO listings to become public companies.
- ▶ Many stock exchanges have set up **main markets and junior markets**. **Main markets** are where medium and large IPOs (by capital raised) are usually listed and traded. **Junior markets** are where small-cap companies or smaller IPOs are listed or traded. Stock exchanges without junior markets are classified as main markets.
- ▶ **Junior markets** include:
 - ▶ Americas: American, Canadian National Stock Exchange, Toronto Venture Exchange and Jamaica
 - ▶ Asia-Pacific: Malaysia ACE Market, Bombay SME, Hong Kong Growth Enterprise Market, Japan JASDAQ, Korea KOSDAQ, Thailand Market for Alternative Investment, National SME, Shenzhen ChiNext, Singapore Catalist, Tokyo Mothers
 - ▶ EMEA: Alternext, London Alternative Investment Market, Germany's Frankfurt Entry Standard, Spain's Mercado Alternativo Bursatil, NASDAQ OMX First North, Warsaw New Connect, Johannesburg Alternative Market

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