
IPO Watch Europe

2015



€57.4bn

IPO proceeds raised in 2015 up 16%
from the €49.6bn raised in 2014

364 IPOs

in 2015 across Europe, down from 376 IPOs
in 2014

€248m

average offering value in 2015, an
increase of 27% on the €196m in 2014



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Outlook for 2016

As we start this year, the global and economic landscape has changed dramatically from last year. Volatility is the new norm and this may make the outlook for IPOs in Europe more uncertain.

Against that back drop we expect 2016 first half European IPO proceeds to fall back from the levels (€31.1bn) seen in H1 2015. Having said that, the IPO market will still be open to companies with resilient equity stories.

The key trends and factors to look out for over the coming year are:

Market correction or economic recession?

The start of 2016 has seen continued falling oil prices, the ripple effect of Chinese growth slowdown and the threat of an impending bear market. In PwC's 19th Annual Global CEO Survey, only 27% of business leaders were confident that global economic growth would improve, down from 37% in the prior year. This compares to 30% in the UK, down from 41% last year. The success of an IPO is very much linked to macro events, and therefore if investors are nervous this can stall the pipeline of companies coming to market. While we appear to be witnessing more of a stock market recession rather than the start of a full blown economic recession, macro-economic factors will continue to be closely monitored by investment banks, companies and investors alike before future issuers decide whether to go ahead or to wait for another IPO window.

Big will continue to dominate

Following the resurgence in 2015 of big IPOs, it is expected that more €1bn+ IPOs will come to market in 2016 and we believe a number of IPO candidates are waiting in the wings.

M&A as an alternative to listings

Market stability due to increased confidence in a strengthening global economy and low borrowing costs were the ideal conditions for an active M&A market in early 2015. As we move into 2016, the landscape has changed and the current climate may make it more challenging to complete the same mega M&A deals that we saw last year. If the M&A market shrinks, this takes away some of the optionality that was available to issuers. Additionally, as the cost of funding increases gradually, so may the spread of valuations between private and public exits.

Continuation of privatisations

2016 looks set to be the year of the privatisation, with a wave of candidates expected to access the IPO markets across a number of sectors and countries.

PE activity will stabilise

After a significant uptick in proceeds raised from PE backed IPOs, we would expect this to settle back to pre 2014 levels. There are a number of highly attractive candidates in the pipeline but there is still the threat that the IPO could be thwarted by other buyers or a jittery market.

“As the curtains close on 2015, it is really the giant IPOs of Aena, ABN AMRO and Worldpay, all raising €3+ bn and with good after market performance, which made headlines. These larger IPOs will continue to be a dominant feature in 2016's London IPO market, with Clydesdale Bank the first bigger listing of this year.

Looking forward, 2016 will feature companies demonstrating strong and predictable growth stories with more focus than ever before on the longer term outlook.

The technology and financials sectors will be strongly evident, but the IPO market will have to overcome the adversity of rock bottom oil prices, increasing interest rates and continued exchange rate volatility. While I remain optimistic about UK growth, we are living in complicated times and it remains to be seen if the market can recover from its current bout of indigestion.”

Mark Hughes

Partner, UK Capital Markets Leader at PwC

2015 – the most successful year since 2007

Following a summer of disruption, the European IPO market rounded out the year with a bit of a bang – with total annual proceeds increasing by 16% year on year.

2015 was dominated by 14 **mega IPOs** raising more than €1bn, the highest number since 2007 when 18 issuers raised over €1bn. It was these large deals which really contributed to the rise in proceeds in comparison to 2014.

Privatisations were also a feature of the year with 3 out of the top 5 IPOs being state run companies sold to the private sector or a return of the company to the public markets - Aena, ABN AMRO and Poste Italiane.

Although London was down 16% over all, **London remained the largest exchange** by annual proceeds, primarily due to mega IPOs. As a result, 2015 saw the average deal size rise to €244m, the highest since 2011 (€288m), when the jumbo IPO of Glencore completed.

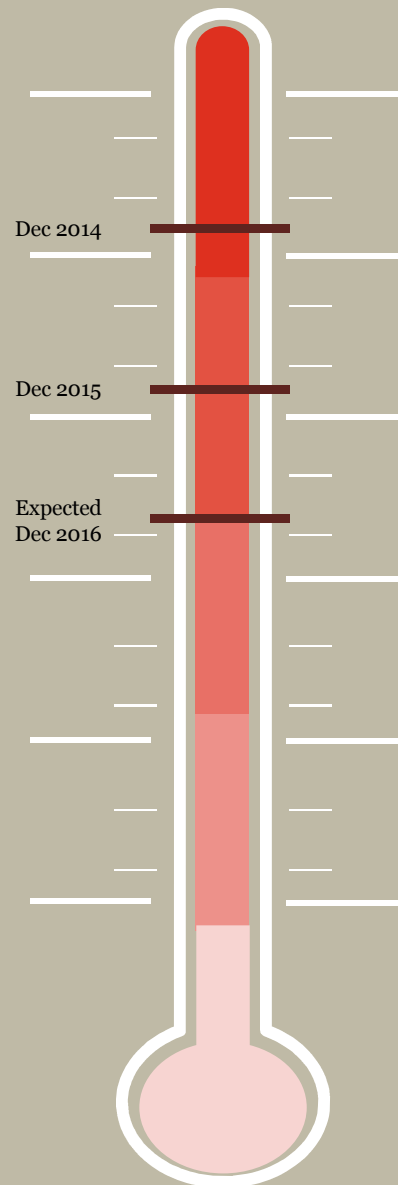
While European PE activity remained constant, London PE backed IPO activity marginally increased and **London PE backed proceeds surged**. This was due to AutoTrader and Worldpay, which were two of the largest PE backed IPOs ever.

Whilst 2015 was not breath-taking, it is important to remember that a 16% increase in proceeds was achieved in a year where oil prices dropped dramatically, tensions in the Middle East remained a concern and uncertainty about the Chinese growth prospects caused the stock markets to plunge. It remains to be seen how these macro-economic factors and investor confidence will affect the IPO pipeline in 2016.

“It has been a turbulent start to the new year- as we see falling equities, tumbling of oil prices and rising geopolitical tension - which is a recipe for a shaky start to the IPO calendar. Having said that I do think we will see the financial markets calm down and that the outlook for the rest of 2016 will not be as gloomy. Attention will be how realistic pricing will be on those Companies seeking to list, the stability of their growth stories and their ability to weather such storms. My expectation is that activity will remain relatively constant but with continued focus on pricing.”

Peter Whelan
Partner, Equity Advisory Leader at PwC

Market sentiment: some heat has come out of the IPO market in 2015



Falling oil prices



Increased volatility



Reduced global growth prospects



Jittery stock market indices



Investors demand liquidity



Political and economic instability

2015 European IPO trends

IPO proceeds up 16%, with €57.4bn raised annually and average deal size increasing by 27%

Figure 1: Quarterly European IPO activity by value and volume

	2014	2015	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Total European listings comprise those with:						
Less than \$5m raised	109	115	17	44	20	34
Greater than \$5m raised	267	249	65	80	33	71
Total number of listings	376	364	82	124	53	105
Money raised excl. greenshoe (€m)	49,551	57,392	16,375	14,724	4,620	21,673
Exercised greenshoe (€m)	3,048	4,361	1,614	962	264	1,521
Total money raised (€m)	52,599	61,753	17,989	15,686	4,884	23,194
Average offering value (€m)*	196	248	276	196	148	326

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

“As we start 2016, a cold chill has descended across pretty much every market globally – this is certainly a more complex climate to that of 2015 and indeed 2014. We rounded off last year with six bumper IPOs, which really saved the day from an annual IPO proceeds standpoint and actually took us to the highest IPO proceeds since 2007. But that stat really does mask the fact that overall it was not a particularly memorable year for London IPOs.

This year, I would expect to see the number of companies coming to market to marginally decline, as investors continue to scrutinise investment opportunities and those that can wait, will wait. Having said that, I think 2016 proceeds will be bolstered by the continuing trend of mega deals (the too-big-to-miss-out sentiment) and that we will see a recovery towards the middle of the year. However, the effect on Europe of the expected election paralysis in the US market remains to be seen.”

Viv Maclachlan
Director in the UK Capital Markets Group at PwC

2015 European IPO trends

After an eerily quiet third quarter, Q4 delivered €21.7bn from just over 100 IPOs

Figure 2: European IPO activity since 2007*

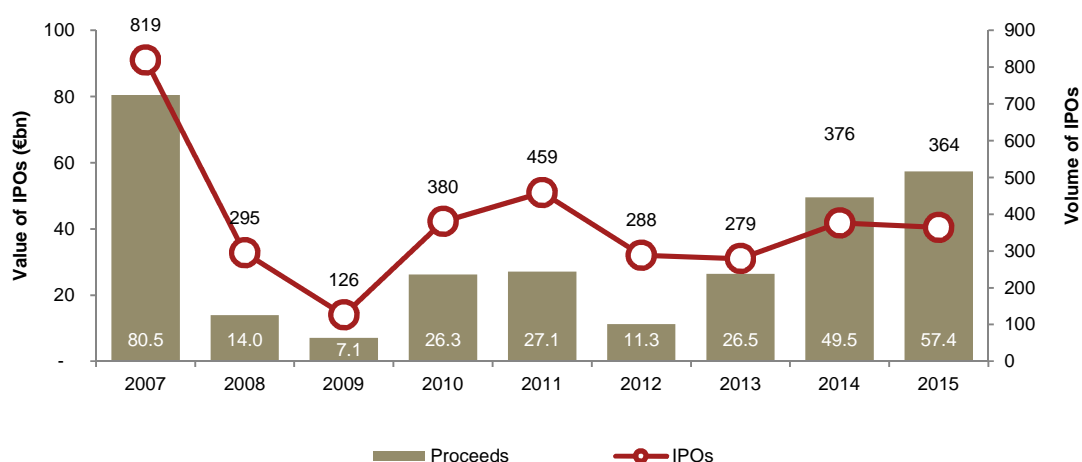
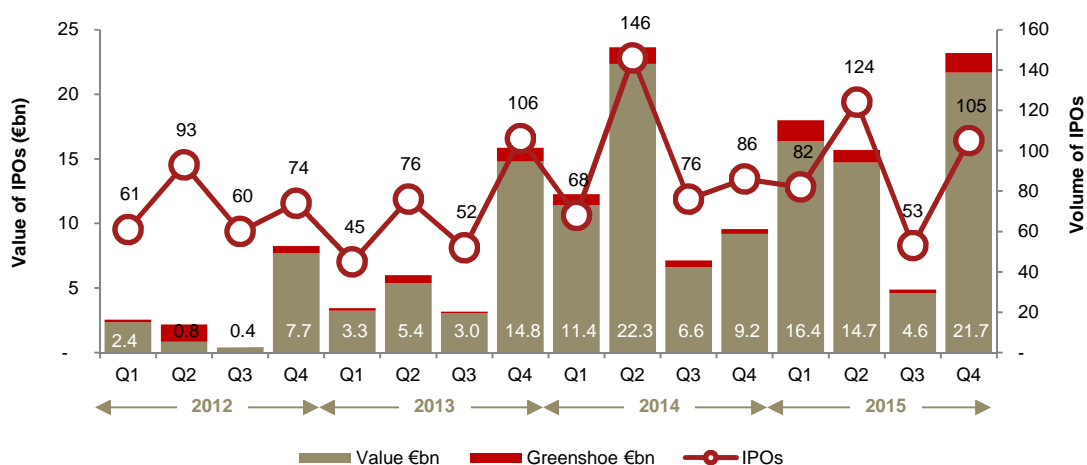


Figure 3: Quarterly European IPO activity since 2012



*Excludes greenshoe.

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

Market volatility

Chinese contagion and tumbling oil prices presented challenging trading conditions, leading to large sell downs in both bonds and equities

Figure 4: Volatility compared to IPO proceeds

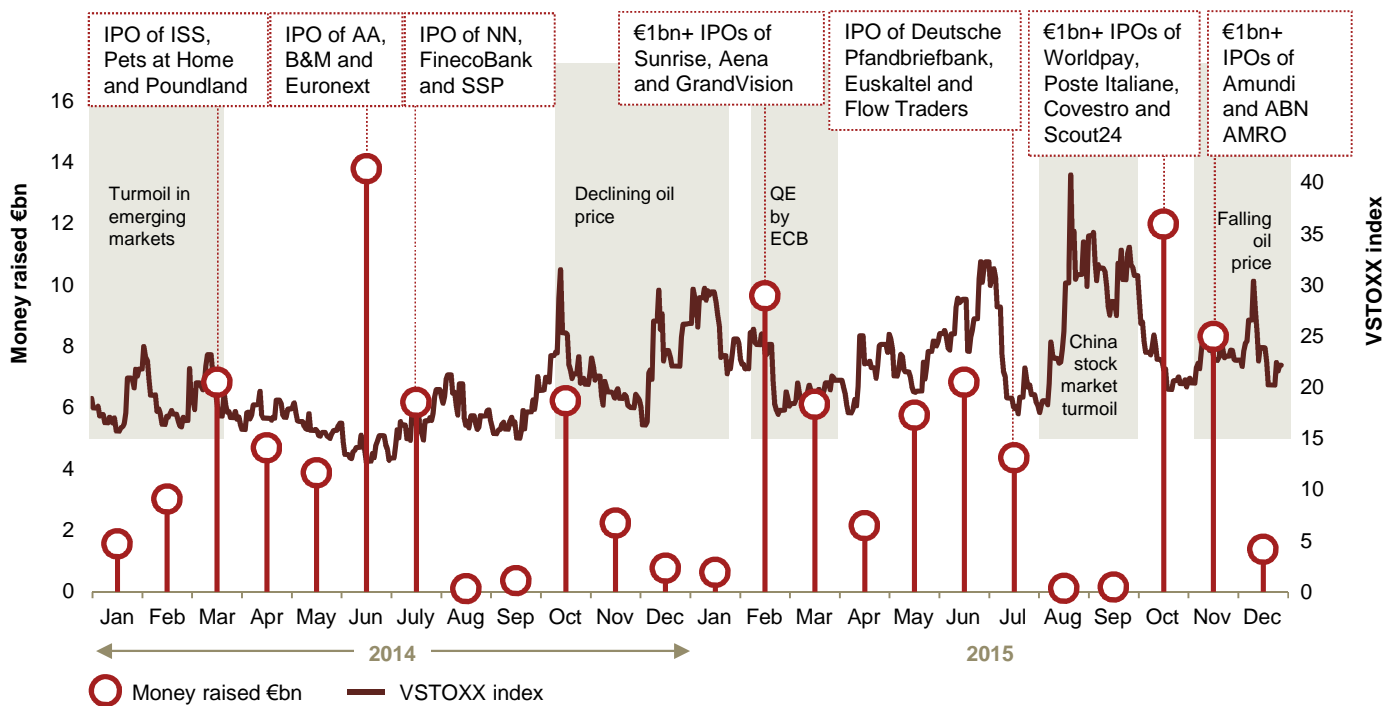
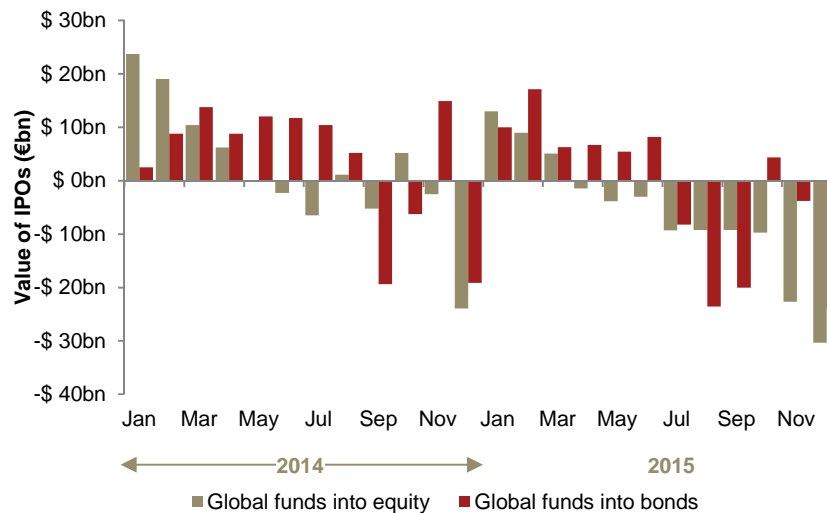


Figure 5: Rotation into bonds and equity (US)



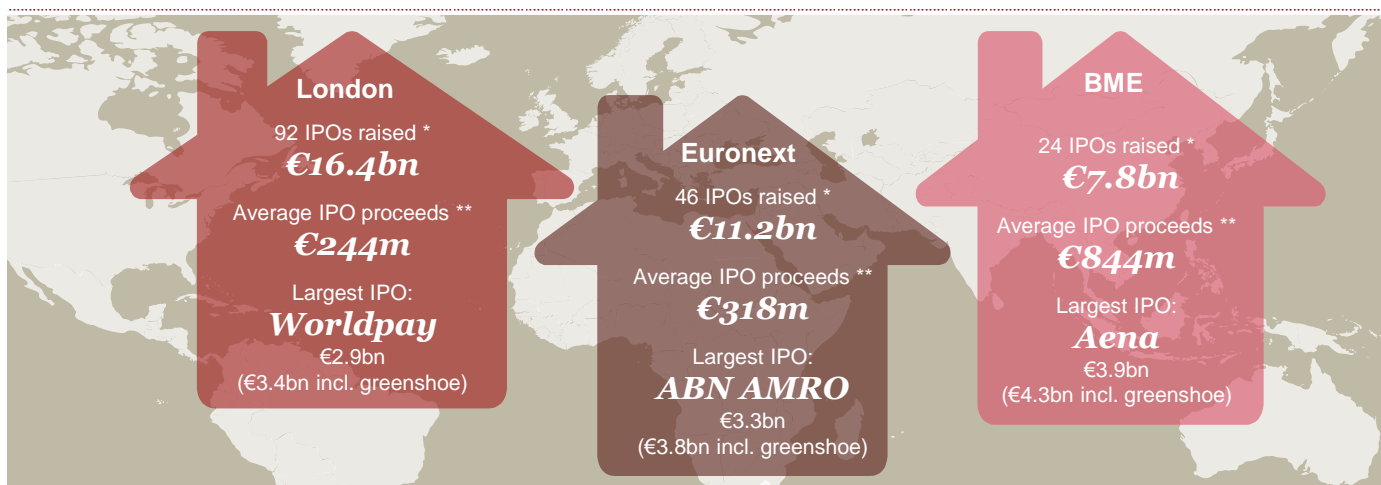
Exchange activity by value

Continental European exchanges witnessed significant increases in proceeds raised while London declined by 16%

Figure 6: IPO offering value by stock exchange*

Stock exchange offering value (€m)	2014	2015	Move	Q1 2015	Q2 2015	Q3 2015	Q4 2015
London Stock Exchange	19,394	16,370	↓	4,648	4,697	747	6,278
Euronext	10,495	11,228	↑	2,637	2,267	618	5,706
Euronext Amsterdam	5,479	6,113	↑	1,696	-	554	3,863
Euronext Paris	4,250	4,720	↑	909	1,999	64	1,748
Euronext Brussels	636	395	↓	32	268	-	95
Euronext Lisbon	130	-	↓	-	-	-	-
BME (Spanish Exchange)	4,514	7,794	↑	4,310	2,593	867	24
Deutsche Börse	3,565	6,795	↑	573	728	1,539	3,955
NASDAQ OMX	4,524	5,905	↑	1,416	2,447	91	1,951
OMX Stockholm	2,929	5,216	↑	1,040	2,268	61	1,847
OMX Helsinki	135	409	↑	208	114	30	57
OMX Copenhagen	1,460	168	↓	168	-	-	-
OMX Iceland	-	112	↑	-	65	-	47
OMX Tallinn	-	-	-	-	-	-	-
OMX Vilnius	-	-	-	-	-	-	-
Borsa Italiana	2,593	5,265	↑	490	993	581	3,201
SIX Swiss Exchange	1,155	2,039	↑	1,882	-	157	-
Oslo Børs & Oslo Axess	1,572	1,078	↓	57	587	-	434
Warsaw	313	440	↑	8	313	18	101
Irish Stock Exchange	483	394	↓	302	92	-	-
Borsa Istanbul	253	42	↓	16	7	2	17
Zagreb Stock Exchange	-	36	↑	36	-	-	-
Sofia	-	6	↑	-	-	-	6
Bucharest Stock Exchange	444	-	↓	-	-	-	-
Wiener Börse	194	-	↓	-	-	-	-
Athens Stock Exchange	35	-	↓	-	-	-	-
Prague Stock Exchange	14	-	↓	-	-	-	-
Budapest	3	-	↓	-	-	-	-
Total	49,551	57,392	↑	16,375	14,724	4,620	21,673

Figure 7: Top 3 stock exchanges in Europe in 2015 (by offering value)



*Excludes greenshoe

**Average proceeds has been calculated on total proceeds including greenshoe, excluding listings raising less than \$5m

Exchange activity by volume

In Continental Europe proceeds increased by a whopping 36% while activity only increased by 14%, demonstrating the impact of the mega IPO

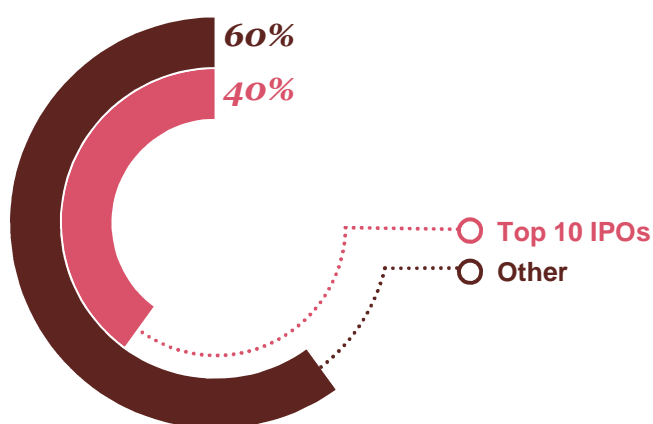
Figure 8: IPO volume by stock exchange

Stock exchange offering volume	2014	2015	Move	Q1 2015	Q2 2015	Q3 2015	Q4 2015
London Stock Exchange	137	92	↓	27	28	9	28
Euronext	41	46	↑	13	13	7	13
Euronext Amsterdam	6	8	↑	3	-	2	3
Euronext Paris	32	32	-	9	10	5	8
Euronext Brussels	2	6	↑	1	3	-	2
Euronext Lisbon	1	-	↓	-	-	-	-
BME (Spanish Exchange)	13	24	↑	3	5	8	8
Deutsche Börse	17	23	↑	3	7	5	8
NASDAQ OMX	62	90	↑	18	37	9	26
OMX Stockholm	53	72	↑	14	30	7	21
OMX Helsinki	7	11	↑	3	3	2	3
OMX Copenhagen	2	2	-	1	-	-	1
OMX Iceland	-	3	↑	-	2	-	1
OMX Tallinn	-	1	↑	-	1	-	-
OMX Vilnius	-	1	↑	-	1	-	-
Borsa Italiana	26	27	↑	6	7	7	7
SIX Swiss Exchange	6	3	↓	1	1	1	-
Oslo Børs & Oslo Axess	17	8	↓	1	5	-	2
Warsaw	35	33	↓	2	16	6	9
Irish Stock Exchange	3	2	↓	1	1	-	-
Borsa Istanbul	13	6	↓	3	1	1	1
Zagreb Stock Exchange	-	2	↑	2	-	-	-
Sofia	-	1	↑	-	-	-	1
Bucharest Stock Exchange	1	5	↑	2	2	-	1
Wiener Börse	2	1	↓	-	1	-	-
Athens Stock Exchange	1	-	↓	-	-	-	-
Prague Stock Exchange	1	1	-	-	-	-	1
Budapest	1	-	↓	-	-	-	-
Total	376	364	↓	82	124	53	105

Top 10 IPOs in Europe

2015 was the first year since 2007 when more than 10 IPOs raised €1bn+ and Q4 hosted 5 of the top 10, raising a staggering 22% of total annual proceeds

Figure 9: Top 10 IPOs (by offering value) in 2015



“2015 heralded the return of ABN AMRO to the public markets, the second largest IPO of the year and the largest we have seen on the Euronext Exchange for many years. The IPO market has been through a lot since ABN AMRO was subject to the world’s biggest takeover back in 2007, and its re-listing feels like a right of passage.

Overall, European IPOs had a really exciting year and I would expect to see a number of companies preparing to list on Euronext Amsterdam in the coming months. However I would be remiss in not pointing out that continued increases in geopolitical tensions and volatility could postpone such listings.”

Martin Coenen

Partner in the Dutch Capital Markets Group at PwC

Figure 10: Top 10 IPOs in 2015

Trading date	Issuer	€m (excl. greenshoe)	€m (incl. greenshoe)	Sector	Market	Country of operations	PE backed
Feb-15	Aena	3,875	4,262	Industrials	BME	Spain	✗
Nov-15	ABN AMRO	3,337	3,838	Financials	Euronext Amsterdam	Netherlands	✗
Oct-15	Worldpay	2,913	3,350	Industrials	London	United Kingdom	✓
Oct-15	Poste Italiane	3,058	3,112	Financials	Borsa Italiana	Italy	✗
Mar-15	AutoTrader	1,937	2,227	Consumer Services	London	United Kingdom	✓
Feb-15	Sunrise Communications	1,882	2,148	Telecommunications	SIX Swiss	Switzerland	✓
May-15	Cellnex Telecom	1,946	2,141	Telecommunications	BME	Spain	✗
Nov-15	Amundi	1,501	1,671	Financials	Euronext Paris	France	✗
Oct-15	Covestro	1,500	1,500	Basic Materials	Deutsche Börse	Germany	✗
Jul-15	Deutsche Pfandbriefbank	1,086	1,156	Financials	Frankfurt	Germany	✗
Total		23,035	25,405				

Pricing and performance

The 5 largest IPOs of 2015 outperformed the indices and 2 closed out the year 80% up on the offer price

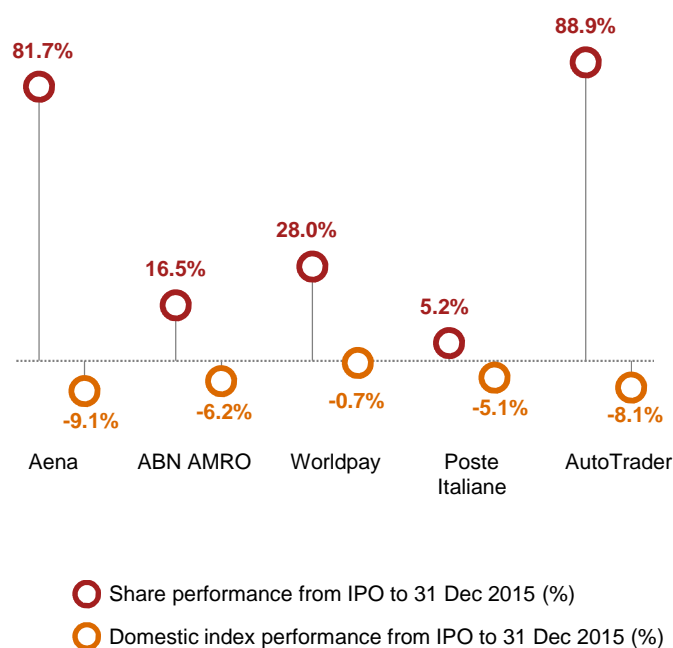
Figure 11: Top 5 IPOs in 2015

	Aena	ABN AMRO	Worldpay	Poste Italiane	AutoTrader
Exchange	BME	Euronext Amsterdam	London	Borsa Italiana	London
IPO date	11 Feb	20 Nov	16 Oct	27 Oct	19 Mar
Deal specifics	Privatisation	Privatisation	PE backed	Privatisation	PE backed
Money raised (€m) incl. greenshoe	4,262	3,838	3,350	3,112	2,227
Price range	€43.00 - €55.00	€16.00 - €20.00	£2.25 - £2.60	€6.00 - €7.50	£2.00 - £2.50

Figure 12: Offer price versus initial price range of top 5 IPOs



Figure 13: Performance of top 5 IPOs



The sector story

Financials continue to dominate, fuelled by ABN AMRO and Poste Italiane, whilst the increase in the Industrials sector is purely down to the Aena IPO

Figure 14: IPO value by sector*

By offering value (€m)	2014	2015	Increase / (decrease)	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Financials	18,739	20,500	1,761	2,402	4,479	3,216	10,403
Industrials	9,032	13,162	4,130	5,427	2,967	85	4,683
Consumer Services	12,100	6,298	(5,802)	3,138	1,998	170	992
Telecommunications	2,290	5,441	3,151	1,887	2,743	764	47
Consumer Goods	1,753	4,017	2,264	1,131	923	38	1,925
Health Care	2,337	2,971	634	1,252	709	247	763
Technology	1,121	2,969	1,848	664	888	83	1,334
Basic Materials	572	1,546	974	21	1	13	1,511
Utilities	638	444	(194)	435	5	4	-
Oil & Gas	969	44	(925)	18	11	-	15
Total	49,551	57,392	7,841	16,375	14,724	4,620	21,673

"It was another exciting year for the financial sector with 116 financial institutions raising over €20 billion. The year ahead will hopefully be as active with Clydesdale already completing its listing here in London, the continued march of bank privatisations and a number of challenger banks and fintech companies rumoured to be waiting to launch. This is a really exciting time for the sector as we wait to see whether these disrupters really do shake up and challenge the incumbents and provide an exciting equity story for future investors."

Richard Weaver
Partner in the UK Capital Markets Group at PwC



Financials

116 IPOs raised in 2015

€20.5bn *

Average IPO proceeds **

€265m

Largest IPO:

ABN AMRO

€3,337m

(€3,838m incl. greenshoe)



Industrials

70 IPO raised in 2015

€13.2bn *

Average IPO proceeds **

€328m

Largest IPO:

Aena

€3,875m

(€4,262m incl. greenshoe)



Consumer services

38 IPOs raised in 2015

€6.3bn *

Average IPO proceeds **

€225m

Largest IPO:

AutoTrader

€1,937

(€2,227m incl. greenshoe)

*Excludes greenshoe

** Average proceeds has been calculated on total proceeds including greenshoe, excluding listings raising less than \$5m

European PE trends

The prominence of PE backed IPOs rose slightly in 2015 to nearly half of all IPOs by volume

Figure 15: Value of European PE backed IPOs as a percentage of total European IPO value*

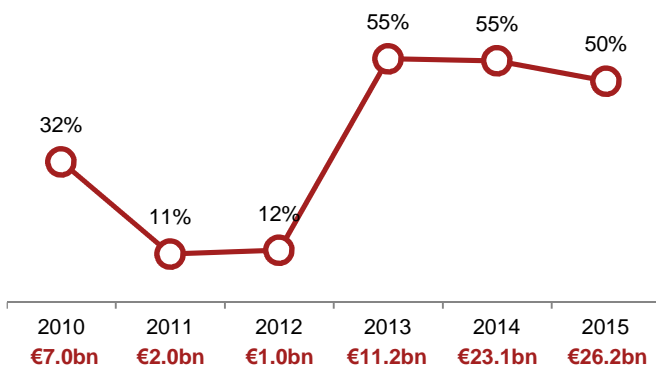
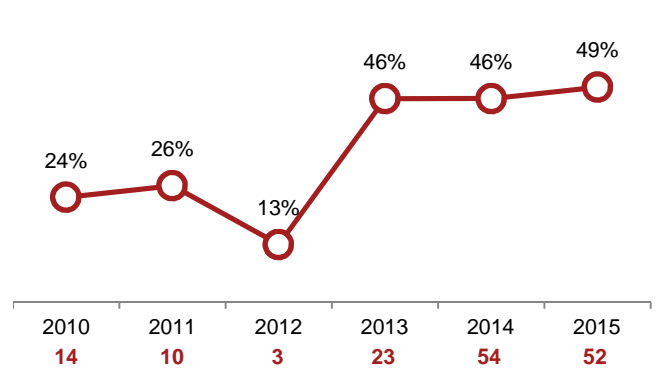


Figure 16: Volume of European PE backed IPOs as a percentage of total European IPOs *



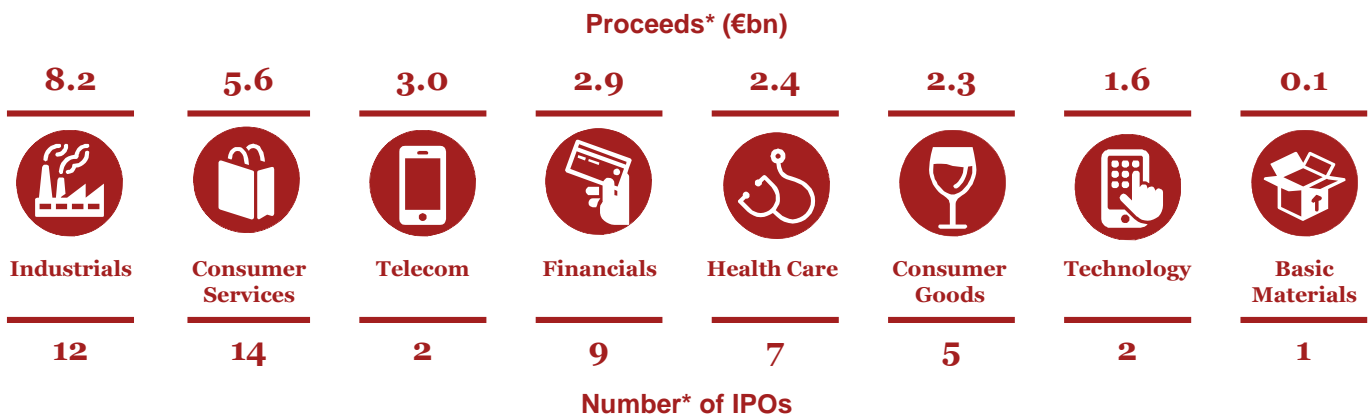
“2015 was a fantastic year for PE exits, either through IPOs or trade sales. Although there were a number of IPO candidates which ended up proceeding down the sale route, we still saw a number of headline grabbing IPOs such as Worldpay and AutoTrader here in London and Sunrise Communications in Switzerland, each raising €2bn+.

Given the degree of economic and market uncertainty at the moment - which makes it just plain difficult to predict what we will see in the coming six months - I think we will probably see a slower start to the year for both IPOs and mid size M&A. But, having said that I do believe that the PE backed IPO pipeline remains strong and, after a brief hiatus, volumes will pick up towards the end of the year as private and public valuations converge and stability returns to public markets.”

James Fillingham

Partner, Transaction Services at PwC

Figure 17: European PE backed IPOs by industry (2015, €bn)



* IPOs raising over \$50m, excludes closed-end funds, SPACs, SPVs, Capital Pool companies, Investment Managers, REITs, Royalty Trusts
Source: Dealogic and Bloomberg

London focus – Overview

London retained its no.1 position, despite a drop of 16% in terms of money raised

Figure 18: London IPO trends (by offering value) *

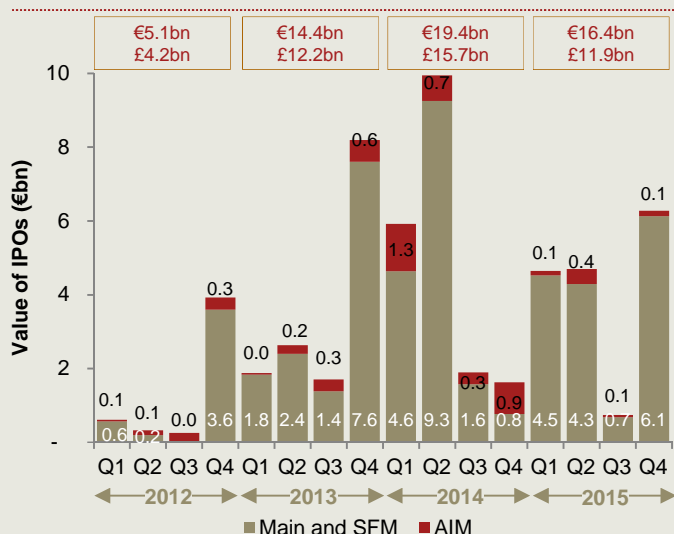
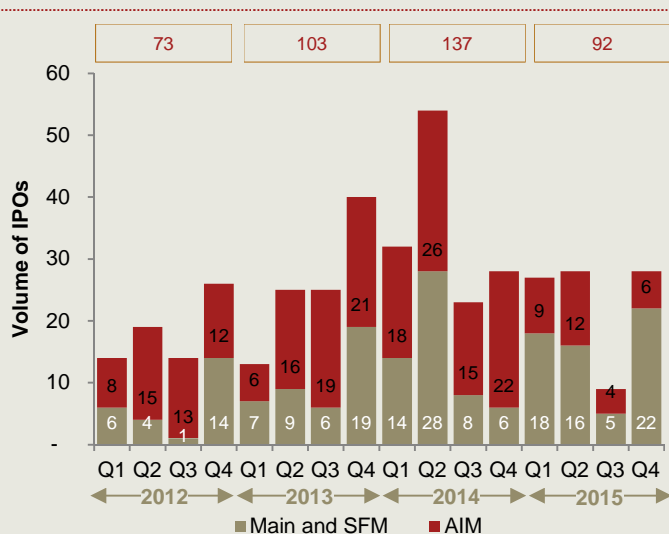


Figure 19: London IPO trends (by volume)



2015 got off to a good start but then the general election in May and the turmoil in China slowed the activity down for the rest of the year.

In 2015, 92 IPOs raised £11.9bn or €16.4bn in London, making it once again the most active IPO market in Europe even though proceeds were down 16% from 2014.

Notably, 2015 was a strong year for fund listings which accounted for 25% of total London IPO proceeds and were up 23% compared to 2014.

IPOs have shown strong aftermarket performance with 43 of the 51 IPOs that raised more than \$50m, trading above their offer price and an average performance of 16%.

The presence of large companies was also felt in London, where 15 of last year's IPOs had joined the FTSE250 by the end of the year.

“External economic factors could continue to hit investor sentiment in the first quarter of 2016, and that together with questions over interest rate rises in the UK, elections in the US and France, as well as Brexit may mean that the volume and value of IPOs in the UK will be level or down on 2015. However a number of UK companies have already announced their intentions to float, and despite the volatility in the markets there will always be investors looking for opportunities to invest in good businesses.”

Lucy Tarleton

Director in the UK Capital Markets Group at PwC

Figure 20: Top 10 UK IPOs in 2015

Issuer	Proceeds (£m)		Sector	PE backed
	Excl. greenshoe	Incl. greenshoe		
Worldpay Group	2,160	2,484	Industrials	✓
AutoTrader	1,387	1,594	Consumer Services	✓
Woodford Patient Capital Trust	800	800	Financials	✗
Sophos Group	352	405	Technology	✓
McCarthy & Stone	336	387	Consumer Goods	✓
Ibstock	308	354	Industrials	✓
Cain Homes	292	322	Consumer Goods	✗
Equiniti	317	317	Industrials	✓
Wizz Air Holdings	269	309	Consumer Services	✓
John Laing Group	249	267	Financials	✗

*Excludes greenshoe.

Source: London Stock Exchange

London focus – Pricing and performance

If a pound had been invested in each of the largest 5 IPOs in London you would have made £1.75

Figure 21: IPO price versus published price range of top 5 UK IPOs, 2015

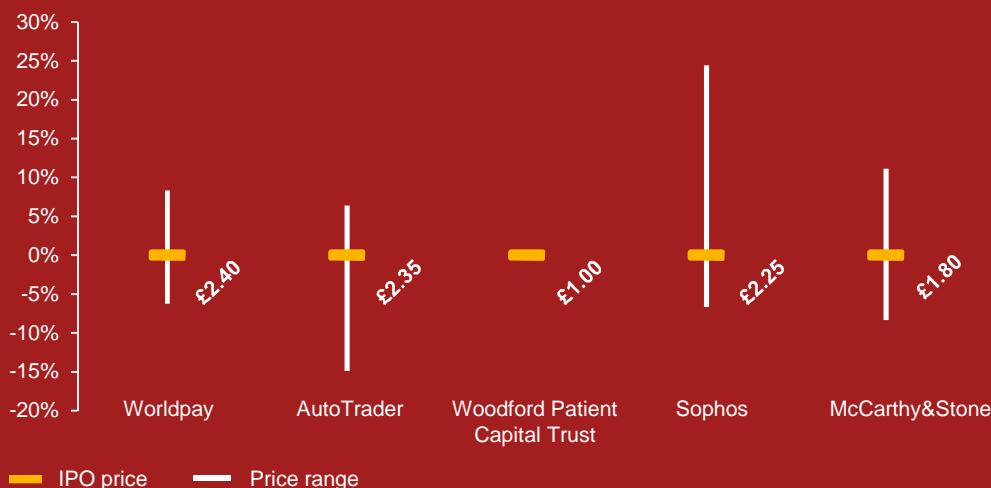
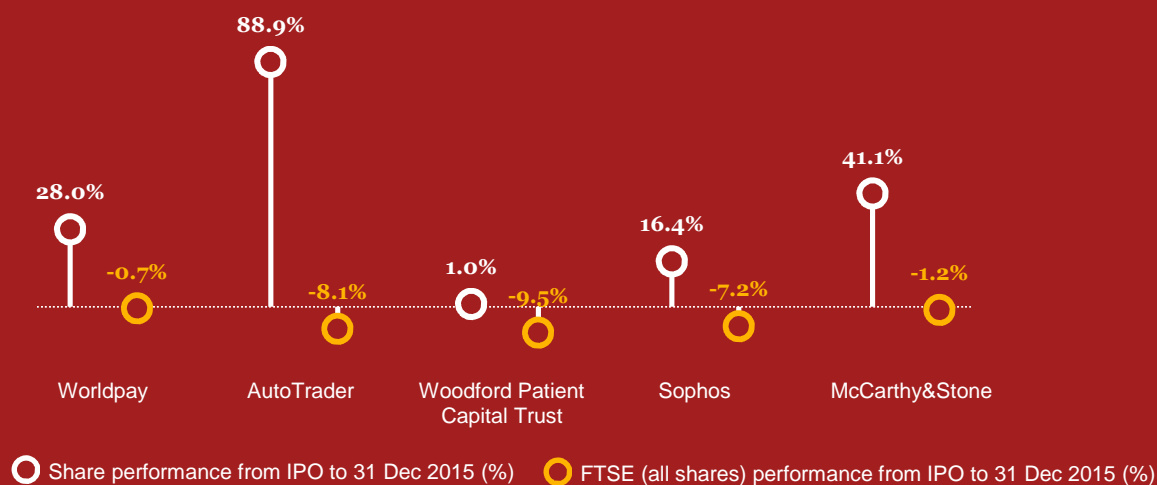
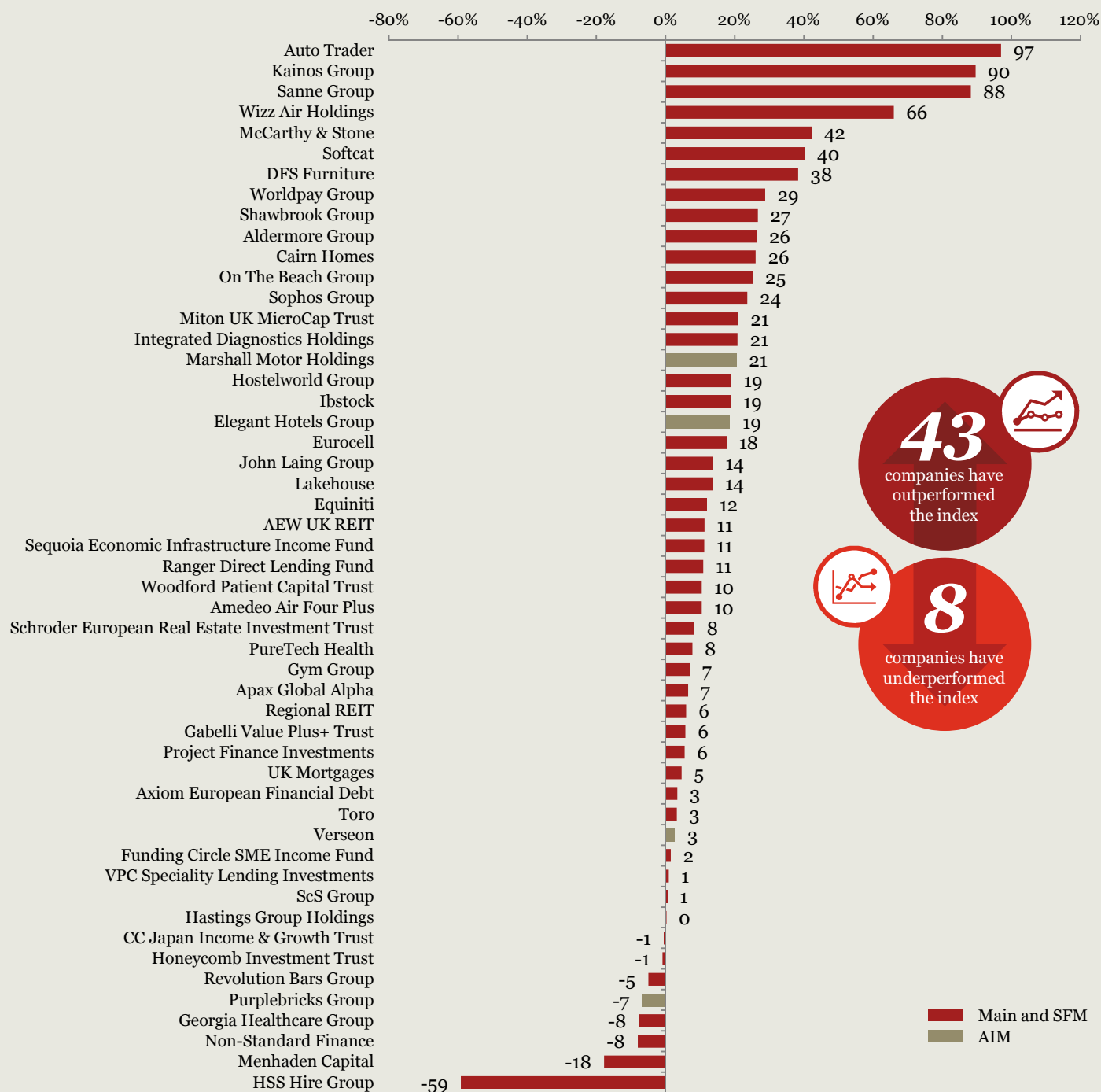


Figure 22: Performance of top 5 UK IPOs, 2015



London focus - Relative performance of London IPOs

Figure 23: Share price performance of London IPOs relative to the FTSE all share index, from IPO to 31 Dec 2015 (%)



Note: Threshold of \$50m proceeds | Relative performance based on the FTSE All Share Index for Main Market and SFM listed companies and FTSE AIM All Share index for AIM quoted companies
Source: Dealogic and Thomson Reuters as of 31 Dec 2015

London focus - PE trends

Nearly 90% of London IPO proceeds* were from PE backed IPOs, with the bumper IPOs of Worldpay and AutoTrader accounting for 52% of this

Figure 24: Value of London PE backed IPOs as a percentage of total London IPO value*

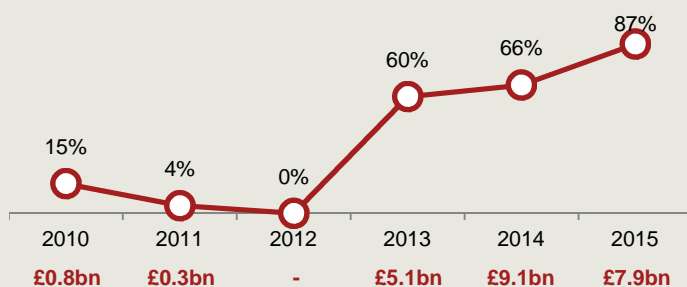


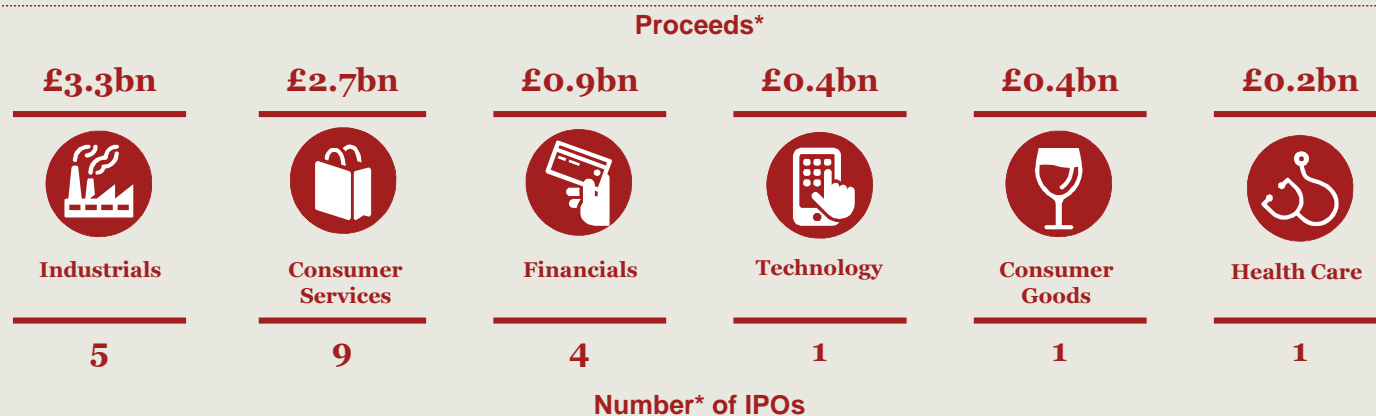
Figure 25: Volume of London PE backed IPOs as a percentage of total London IPOs*



Figure 26: Top 10 London PE backed IPOs in 2015

Trading date	Issuer	£m excl. greenshoe	£m incl. greenshoe	Sector	Market	Country
Q4	Worldpay	2,160	2,484	Industrials	London	UK
Q1	AutoTrader	1,387	1,594	Consumer Services	London	UK
Q2	Sophos	352	405	Technology	London	UK
Q4	McCarthy & Stone	336	387	Consumer Goods	London	UK
Q4	Ibstock	308	354	Industrials	London	UK
Q4	Equiniti	317	317	Industrials	London	UK
Q1	Wizz Air Holdings	269	309	Consumer Services	London	Hungary
Q1	Aldermore	226	260	Financials	London	UK
Q2	Shawbrook	218	250	Financials	London	UK
Q1	Integrated Diagnostics Holdings	198	228	Health Care	London	Egypt

Figure 27: London PE backed IPOs by industry in 2015



* UK IPOs raising over \$50m, excludes closed-end funds, SPACs, SPVs, Capital Pool companies, Investment Managers, REITs, Royalty Trusts
Source: Dealogic, Bloomberg

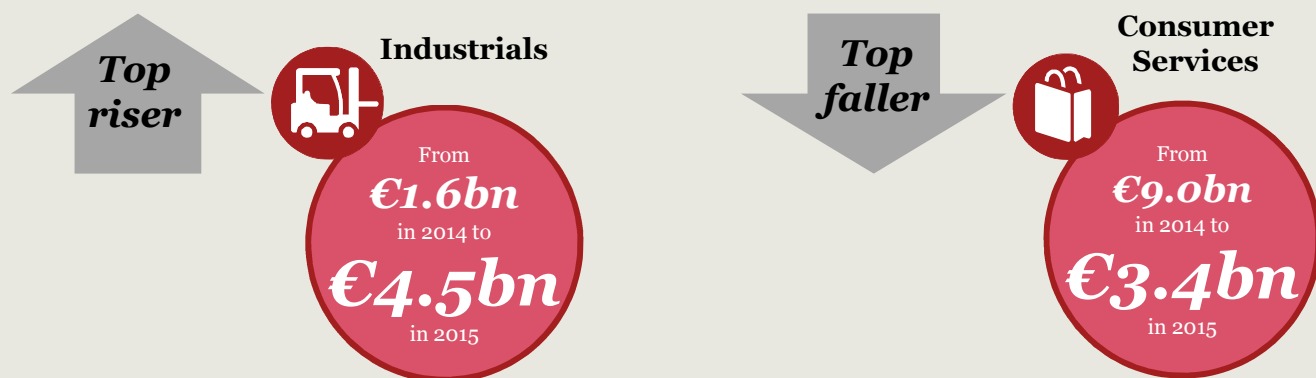
London focus – The sector story

Financials keep their supremacy and, together with Industrials and Consumer Services accounts for 86% of total proceeds

Figure 28: London IPO value by sector *

By offering value (€m)	2014	2015	Increase / (decrease)	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Financials	5,600	6,282	682	1,466	2,977	540	1,299
Industrials	1,613	4,495	2,882	375	345	-	3,775
Consumer Services	9,047	3,356	(5,691)	2,758	107	132	359
Consumer Goods	508	996	488	12	509	-	475
Technology	393	794	401	4	495	75	220
Health Care	1,160	434	(726)	20	264	-	150
Basic Materials	11	13	2	13	-	-	-
Utilities	12	-	(12)	-	-	-	-
Telecommunications	341	-	(341)	-	-	-	-
Oil & Gas	709	-	(709)	-	-	-	-
Total value (€m)	19,394	16,370	(3,024)	4,648	4,697	747	6,278

Figure 29: Top rising and falling industries in the UK



Financials have seen a strong year with 25 fund listings raising £3.3bn or €2.4bn as well as two of the 'challenger banks' Aldermore and Shawbrook, raising £0.3bn each - a trend that is likely to continue.

Consumer services fell back to its 2013 levels – the large Retail PE-exits seen

in 2014 having pushed Consumer services proceeds.

2015 has also been a strong year for the wider technology sector with Worldpay being the largest UK fintech IPO of the year, valued at £4.8bn raising £2.5bn and Sophos being the largest software IPO in UK history, which raised £0.4bn, valuing it at £1.0bn.

“The tech sector had a relatively uneventful year for public fund raising, mainly due to the ability of our best UK fast growing tech companies to take advantage of the significant amount of private capital available and opting to remain out of public scrutiny. Should this funding source face challenges in 2016 or later and with a number of businesses reaching scale, I would expect some tech companies to take the step into public life – but only if the cost:benefits make sense.”

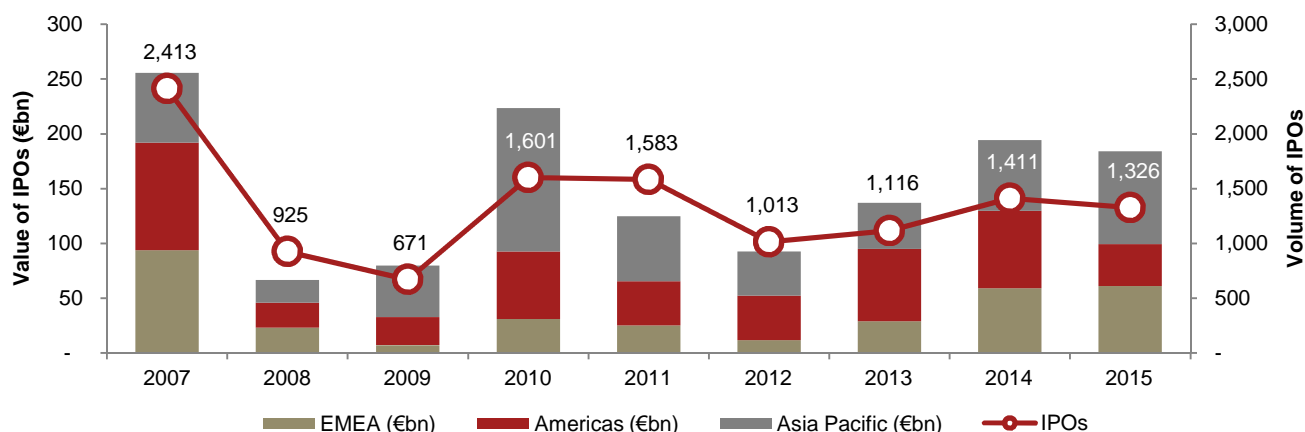
Brian Henderson
Partner, Fast growth Companies Leader at PwC

* Excludes greenshoe

Global perspective - Overview

The global top 10 is dominated by privatisations and 5 of the 10 largest IPOs listed in Europe

Figure 30: Global IPO activity *



Global IPO proceeds decreased by 5% year-on-year, driven by a slowing US IPO market which was unable to maintain its 2013 and 2014 levels.

Asia Pacific, which saw a 31% increase in IPO proceeds, and Europe led the way in 2015. This is also reflected in the top 10 global IPOs where two Japanese privatisations feature at the top. Half of the top 10 listed in Europe, with only one of the largest IPOs last year listing in the US.

Cross-border IPO activity fell dramatically last year from €36.7bn in 2014 to only €7.1bn and the number of deals dropped by c.30%.

There have been 19 cross-border IPOs within Europe raising €2.2bn. London attracted six European cross-border IPOs (€1.1bn) and Stockholm proved itself as the hub for the Nordic region with 5 cross-border listings raising €0.5bn.

In addition there were 13 inbound IPOs from outside Europe raising a total of €0.9bn. Almost half of these issuers were Asian companies listing in London, four came from other EMEA regions and three were US issuers.

Finally, there were 8 European outbound IPOs. All of these listed in the US with the €0.9bn Ferrari IPO being the largest.

Figure 31: Global IPO activity by region

Stock exchange region offering value (€m) *	2014	2015
EMEA total	59,568	61,107
Europe	49,551	57,392
Middle East	8,752	1,452
Africa	1,208	1,798
Other EMEA	57	465
Americas total	70,643	38,299
US	65,612	32,515
Canada	3,706	3,783
Latin America	1,325	2,001
Asia Pacific total	64,429	84,625
Hong Kong	22,581	30,530
Australia	12,742	5,714
China	9,827	22,967
Japan	8,394	13,862
Singapore	1,850	325
Other Asia	9,035	11,227
Total global	194,640	184,031

Figure 32: Top 10 global IPOs in 2015

Issuer	€m (incl. greenshoe)	Exchange	Privatisation
Japan Post Holdings	5,179	Tokyo	Yes
Japan Post Bank	4,411	Tokyo	Yes
Guotai Junan Securities	4,373	Shanghai	No
Aena	4,262	BME	Yes
ABN AMRO	3,838	Euronext	Yes
Worldpay	3,350	London	No
Poste Italiane	3,112	Borsa Italiana	Yes
First Data	2,478	New York	No
China Huarong Asset Management	2,239	Hong Kong	No
AutoTrader	2,227	London	No

* Excludes greenshoe

Source: Dealogic, European IPO Watch, US Capital Markets Watch, Greater China IPO Watch, Africa Capital Markets Watch, India Capital Markets Watch

Global perspective - Cross-border IPOs

Cross-border IPO activity has significantly decreased

Figure 33: Cross-border IPO activity, 2006-2015

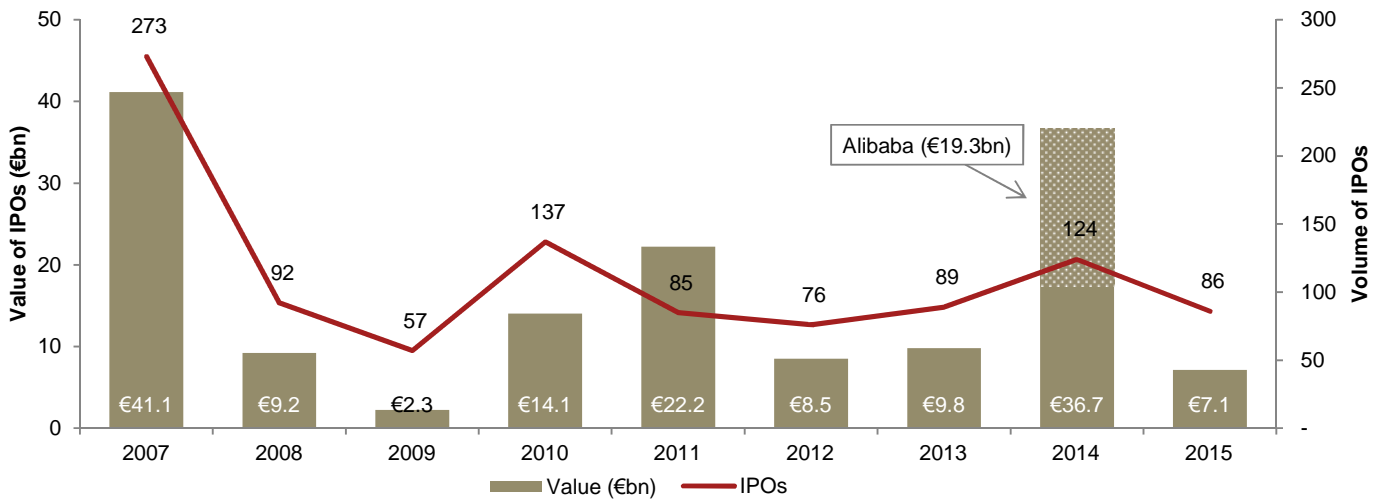
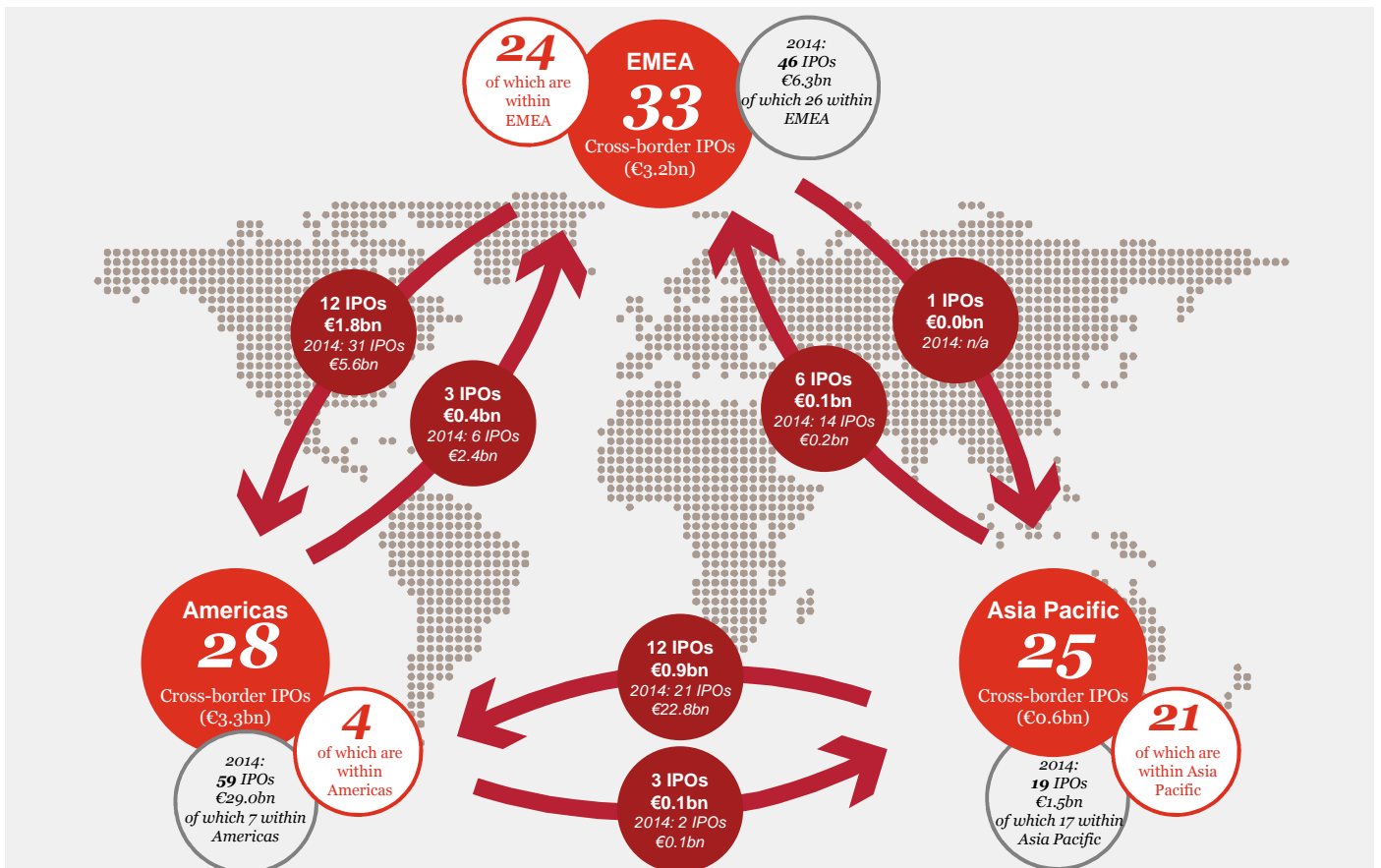


Figure 34: A shift to the West, cross-border IPO activity in 2015



Source: Dealogic

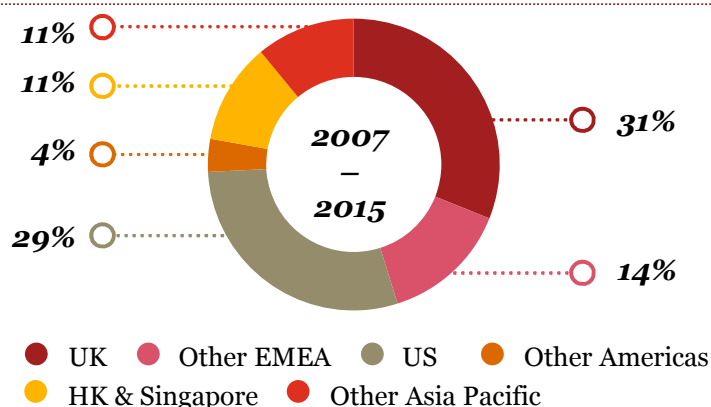
Global perspective - Cross-border IPOs

Figure 35: Cross-border activity in 2015 between the top 10 (by number) issuing countries and selected exchanges

Issuer nationality	Exchange nationality								Total by issuer nationality 2015	Total by issuer nationality 2014
	By number of IPOs	New York	London	Other European	Australia	Singapore	Hong Kong	Other exchanges		
Australia	2	1	-	-	-	-	-	-	3	4
China	9	2	-	5	1	-	-	-	17	22
Denmark	1	-	4	-	-	-	-	-	5	4
Finland	-	1	2	-	-	-	-	-	3	-
France	1	1	1	-	-	-	-	-	3	3
Ireland	1	2	-	-	-	-	-	-	3	3
Israel	4	1	-	-	1	-	-	-	6	16
Malaysia	-	2	-	1	2	-	-	-	5	4
Singapore	-	-	-	4	-	1	-	-	5	3
United Kingdom	3	-	1	-	-	-	-	-	4	6
United States	-	3	-	3	-	-	1	-	7	6
Other issuer nationalities	5	5	6	3	-	2	4	-	25	53
Total by exchange 2015	26	18	14	16	4	3	5	-	86	n/a
Total by exchange 2014	58	29	16	6	5	2	8	-	n/a	124

Issuer nationality	Exchange nationality								Total by issuer nationality 2015	Total by issuer nationality 2014
	By value (€m)	New York	London	Other European	Australia	Singapore	Hong Kong	Other exchanges		
Australia	564	13	-	-	-	-	-	-	577	190
China	354	22	-	56	168	-	-	-	600	22,338
Denmark	110	-	36	-	-	-	-	-	146	238
Finland	-	14	415	-	-	-	-	-	429	-
France	80	71	37	-	-	-	-	-	188	1,704
Ireland	37	624	-	-	-	-	-	-	661	284
Israel	325	37	-	-	16	-	-	-	379	1,409
Malaysia	-	23	-	7	27	-	-	-	57	362
Singapore	-	-	-	28	-	6	-	-	34	37
United Kingdom	315	-	32	-	-	-	-	-	346	2,780
United States	-	352	-	53	-	-	9	-	414	2,487
Other issuer nationalities	1,515	826	545	85	-	161	185	-	3,317	4,872
Total by exchange 2015	3,300	1,982	1,065	228	212	167	194	-	7,148	n/a
Total by exchange 2014	28,930	2,401	3,843	307	624	224	374	-	n/a	36,702

Figure 36: Exchanges attracting cross-border IPOs as a percentage of total number of cross-border IPOs (2007-2015)



"It felt that 2015 did not really live up to expectations after the boom in 2014. The big stories in 2015 were the cooling of the US IPO markets after the frenetic activity in 2013 and 2014, and the fallout from concerns over slowing China growth particularly the extreme market correction which occurred in August. Despite a reasonably buoyant first half, falling markets and increased volatility threatened to close the IPO market which then proved more resilient than expected. Against this backdrop it was remarkable that the year ended so strongly – indeed many of the largest IPOs of the year occurred in Q4, a reflection of the quality of those companies."

Clifford Tompsett
Partner, Head of the Global IPO Centre

Source: Dealogic

Appendix

Appendix - IPOs by market

Appendix 1: European IPOs by market

Stock exchange	2014		2015		Q1 2015		Q2 2015		Q3 2015		Q4 2015	
	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*	IPOs	Value (€m)*
TOTAL												
London Stock Exchange	137	19,394	92	16,370	27	4,648	28	4,697	9	747	28	6,278
Euronext	41	10,495	46	11,228	13	2,637	13	2,267	7	618	13	5,706
BME (Spanish Exchange)	13	4,514	24	7,794	3	4,310	5	2,593	8	867	8	24
Deutsche Börse	17	3,565	23	6,795	3	573	7	728	5	1,539	8	3,955
NASDAQ OMX	62	4,524	90	5,905	18	1,416	37	2,447	9	91	26	1,951
Borsa Italiana	26	2,593	27	5,265	6	490	7	993	7	581	7	3,201
SIX Swiss Exchange	6	1,155	3	2,039	1	1,882	1	-	1	157	-	-
Oslo Børs & Oslo Axxess	17	1,572	8	1,078	1	57	5	587	-	-	2	434
Warsaw	35	313	33	440	2	8	16	313	6	18	9	101
Irish Stock Exchange	3	483	2	394	1	302	1	92	-	-	-	-
Borsa Istanbul	13	253	6	42	3	16	1	7	1	2	1	17
Zagreb Stock Exchange	-	-	2	36	2	36	-	-	-	-	-	-
Sofia	-	-	1	6	-	-	-	-	-	-	1	6
Prague	1	14	1	-	-	-	-	-	-	-	1	-
Bucharest	1	444	5	-	2	-	2	-	-	-	1	-
Wiener Börse	2	194	1	-	-	-	1	-	-	-	-	-
Athens Stock Exchange	1	35	-	-	-	-	-	-	-	-	-	-
Budapest	1	3	-	-	-	-	-	-	-	-	-	-
Total	376	49,551	364	57,392	82	16,375	124	14,724	53	4,620	105	21,673
EU-REGULATED												
London Main and SFM	56	16,235	61	15,640	18	4,529	16	4,295	5	684	22	6,132
Euronext	29	10,434	28	11,115	9	2,587	9	2,250	4	599	6	5,679
BME (Spanish Exchange) (Main)	7	4,457	7	7,662	2	4,310	3	2,588	1	764	1	-
Deutsche Börse (Prime and General Standard)	13	2,164	19	6,786	2	573	6	728	4	1,539	7	3,946
NASDAQ OMX (Main)	16	4,107	29	5,115	6	1,127	11	2,107	1	26	11	1,855
Borsa Italiana (Main)	5	2,390	10	5,000	2	468	2	924	4	517	2	3,091
SIX Swiss Exchange	6	1,155	3	2,039	1	1,882	1	-	1	157	-	-
Oslo Børs	11	1,501	5	1,020	1	57	2	529	-	-	2	434
Warsaw (Main)	13	306	14	434	1	7	5	308	1	18	7	101
Irish Stock Exchange (Main)	1	200	2	394	1	302	1	92	-	-	-	-
Zagreb Stock Exchange	-	-	2	36	2	36	-	-	-	-	-	-
Prague	1	14	1	-	-	-	-	-	-	-	1	-
Sofia	-	-	1	6	-	-	-	-	-	-	1	6
Wiener Börse	2	194	1	-	-	-	1	-	-	-	-	-
Bucharest	1	444	-	-	-	-	-	-	-	-	-	-
Athens Stock Exchange	1	35	-	-	-	-	-	-	-	-	-	-
Budapest	1	3	-	-	-	-	-	-	-	-	-	-
EU-regulated sub-total	163	43,639	183	55,247	45	15,878	57	13,821	21	4,304	60	21,244
EXCHANGE-REGULATED												
London AIM	81	3,159	31	730	9	119	12	402	4	63	6	146
NASDAQ OMX (First North)	46	417	61	790	12	289	26	340	8	65	15	96
Borsa Italiana (AIM)	21	203	17	265	4	22	5	69	3	64	5	110
BME (Spanish Exchange) (MAB)	6	57	17	132	1	-	2	5	7	103	7	24
Oslo Axxess	6	71	3	58	-	-	3	58	-	-	-	-
Euronext (Alternext)	12	61	18	113	4	50	4	17	3	19	7	27
Borsa Istanbul	13	253	6	42	3	16	1	7	1	2	1	17
Deutsche Börse (Entry Standard)	4	1,401	4	9	1	-	1	-	1	-	1	9
Warsaw (NewConnect)	22	7	19	6	1	1	11	5	5	-	2	-
Bucharest (AeRO)	-	-	5	-	2	-	2	-	-	-	1	-
Irish Stock Exchange (ESM)	2	283	-	-	-	-	-	-	-	-	-	-
Exchange-regulated sub-total	213	5,912	181	2,145	37	497	67	903	32	316	45	429
Europe total	376	49,551	364	57,392	82	16,375	124	14,724	53	4,620	105	21,673

* Excludes greenshoe



Contacts

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 January and 31 December 2015 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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