



News release

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Pages	3

European IPO markets expected to have raised €28bn in 2016, as year of geopolitical shocks comes to an end

- *Nasdaq Nordic looks set to be Europe's most active exchange in terms of both value and volume, with three of the top 10 IPOs of the year*
- *In London, total IPO proceeds are expected to be down by approximately 60% compared to this time last year and volumes down by approximately 35%*
- *2016 has seen 34 withdrawn/postponed IPOs compared to 61 in 2015*

The European IPO market will end the year on a subdued note, with total annual proceeds down by approximately a half, standing at €28.4bn, and volumes down by approximately a quarter, according to latest figures by PwC. Notwithstanding this, PwC believes that the IPO market remains open, with liquidity available for the right companies and at the right price.

Mark Hughes, Capital Markets leader at PwC, says:

“As we move into 2017 investors will be looking at elections in France, Germany and the Netherlands, which have the potential to unsettle the IPO markets across Europe. Despite the uncertainty that this brings, the European IPO pipeline looks healthy, as investors seek out investment opportunities with compelling and well-supported equity stories. The pipeline of cross-border IPO activity is also beginning to build, with a number of international companies looking at listing in London.

As a result of the current economic and political outlook, investors will continue to be more selective, backing IPO candidates with an attractive valuation, a differentiated product and an equity story which is underpinned by strong performance. ”

Lucy Tarleton, Capital Markets director at PwC, adds:

“In Q4, London saw its largest IPO of the year with Convatec raising €1.7bn. The Convatec IPO was not without its obstacles as there had to be a compromise on price to get a deal done - a recurring theme during the second half of 2016.

“Despite the lower level of IPO volumes in London in 2016, as with previous quarters, AIM has seen healthy activity levels, with a number of new companies set to join the market before the end of the year.

“In continental Europe, Q4 was dominated by the mega IPO of Innogy, the renewable energy spin off of RWE, which in raising €4.5bn is set to be Europe’s largest of the year. Nasdaq Nordic is set to finish the year as Europe’s most active exchange both in terms of value and volume, as the Nordic IPOs benefit from the involvement of cornerstone investors, providing much needed investor support in uncertain times.”

2016 Top 3 Exchanges



*Excludes greenshoe

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

2016 Top five UK largest IPOs

Top 5 UK IPOs in 2016					
	ConvaTec	Metro Bank	CYBG	Civitas Social Housing	Countryside Properties
Exchange	Main	Main	Main	Main	Main
IPO date	26 October	10 March	8 February	18 November	17 February
Money raised (£m) incl. greenshoe	1,587	400	396	350	349
Price range (£)	2.25 – 2.75	Fixed price initially 24.00	1.75 – 2.35	1.00	2.25 - 2.75
Offer price (£)	2.25	20.00	1.80	1.00	2.25



Notes to editors:

- 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.
- Withdrawn/postponed IPOs according to dealogic which defines this as IPOs that have been announced then subsequently withdrawn or postponed.
- This survey was conducted between 1 January and 30 November 2016 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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