

Equity Primary Markets and Trading Report

European market data update

Q1: 2016

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Highlights

Comprehensive data source with updated statistics on equity primary markets and trading in Europe (EU 28 member countries and Switzerland)

Main findings:

- **Equity underwriting** in European exchanges accumulated in 1Q 2016, a total of € 20.8 bn in proceeds, a decrease of 66.2% from the value originated in 4Q 2015 (€ 61.6 bn). Equity underwriting encompasses Initial Public Offerings (IPOs), convertible securities and follow-on offerings.
- **Mergers and Acquisitions (M&A) between European companies¹** totalled € 158.3 bn in 1Q 2016, an increase of almost 100% from the value observed in 4Q 2015 (€ 79.2 bn). Of this, the acquisition of BG Group plc by Royal Dutch Shell plc accounted for 38% of the total deal value during the quarter. Excluding this deal, the increase against 4Q 2015 stood at 23% QoQ.
- **Equity trading activity** in European main markets and MTFs accumulated in 1Q 2016, a total of € 3.3 tn in turnover value, a decrease of 3.4% from the value observed in 1Q 2015 (€ 3.4 tn) but 10.6% above the turnover value in 4Q 2015 (€ 3.0 tn).
- **Market capitalisation** of European shares stood at € 10.7 tn at the end of 1Q 2016, a decrease of 8% from the value observed in December 2015 (€ 11.7 tn).

European Equity activity (EU 28 member countries and Switzerland)²

	1Q 16	1Q 15	2Q 15	3Q 15	4Q 15	2015 FY	% Change 1Q16 YtD	% Change 1Q16 QoQ
Equity underwriting (€ bn)	20.8	60.9	52.0	27.5	61.6	202.0	-65.8%	-66.2%
IPOs	3.1	17.4	12.9	4.0	18.2	52.5	-82.0%	-82.8%
Follow-on offerings	11.7	42.2	32.6	21.1	38.4	134.3	-72.3%	-69.6%
Convertible securities	6.0	1.3	6.5	2.4	4.9	15.2	361.3%	21.1%
Mergers and Acquisitions (€ bn)	267.4	210.0	225.3	181.3	203.6	820.3	27.3%	31.3%
European firms acquiring non-European firms	51.1	27.0	59.0	19.5	68.1	173.7	89.0%	-25.0%
Non-European firms acquiring European firms	58.0	60.4	62.9	57.9	56.3	237.5	-3.9%	3.0%
Intra European deals	158.3	122.6	103.4	104.0	79.2	409.1	29.1%	99.9%
Equity turnover value (€ tn)	3.3	3.4	3.3	3.3	3.0	13.1	-3.4%	10.6%
Main Markets	1.65	1.80	1.74	1.70	1.52	6.8	-8.5%	8.7%
MTFs	1.68	1.64	1.60	1.58	1.49	6.3	2.3%	12.6%
Market Capitalisation of domestic listed shares (€ tn)								
European (EU28 and Switzerland)	10.7	12.3	11.9	11.0	11.7	11.7	-12.8%	-8.0%
EU 28	9.5	10.9	10.5	9.7	10.3	10.3	-12.7%	-7.8%
Euro Zone	5.8	6.7	6.4	5.9	6.3	6.3	-13.3%	-7.8%

Source: Dealogic, Bats Chi-X, FESE, World Federation of Exchanges, LSEG, ECB, NASDAQ Nordic, Bucharest Stock Exchange and CEESEG - Prague

Underwriting and M&A data retrieved for this report on 19 April 2016

¹ Completed M&A between European firms as acquiring and target companies

² Euro zone market cap updated as of February 2016.

Detailed findings and commentary

Detailed findings

Issuance: equity underwriting and IPOs

In 1Q 2016, equity underwriting on European exchanges³ accumulated a total of € 20.8 bn, a decrease of 66.2% from the value originated in 4Q 2015 (€61.6 bn). Equity underwriting was led by follow-on offerings which accumulated a total of € 11.7 in capital raising, followed by convertible securities (€ 6.0 bn) and IPOs (€3.1 bn).

IPO activity fell during 1Q 2016, with a quarterly decrease of 82.8% from € 18.2 bn in 4Q 2015 to € 3.1 bn in 1Q 2016 and an annual decrease of 82.0% (€ 17.4 bn in 1Q 2015). The decrease in capital raising was possibly attributed to the market volatility during the quarter, where the implied volatility of Euro Stoxx 50 constituent shares reached a maximum of 38 bps in February (from an average of 24 bps in 2015).

IPO activity in 1Q 2016 was led by listings on trading venues located in the United Kingdom (LSE and AIM), accumulating a total of €1.96 bn in proceeds (or 16 deals). Listings on NASDAQ OMX Main Market and First North accumulated € 0.86 bn (12 deals), while German exchanges totalled € 0.3 bn in IPO proceeds (2 deals).

By industries, Computers & Electronics companies led IPO activity in 1Q 2016, with € 0.58 bn in proceeds during the quarter (8 deals). Finance companies stood second in IPO activity with € 0.54 bn in proceeds (3 deals), followed by consumer products companies with € 0.48 bn in proceeds (1 deal).

Mergers and Acquisitions (M&A) in Europe

In 1Q 2016, a total of 2,703 M&A deals were completed where either the target or the acquiring company were located in Europe, aggregating € 267 bn in deal value including debt.

These figures are comparable with a total of 2,500 deals during 4Q 2015, aggregating € 203.6 bn in deal value.

Intra-European M&A activity

M&A deals between European firms (as target and acquiring companies) accumulated € 158.3 bn in deal value in 1Q 2016, doubling the value observed in 4Q 2015 (€ 79.2 bn). The acquisition of BG Group plc by Royal Dutch Shell plc accounted for 38% of the deal value of completed transactions during the quarter (or € 60.6 bn).

Sponsor deals (backed by Private Equity firms) represented 11% of the cumulative deal value observed during 1Q 2016 (€ 17 bn). Add-on deals by portfolio companies of Private Equity firms represented 1% of the quarterly value (€ 2 bn), while strategic deals accumulated 88% of the total annual deal volume (€ 139 bn).

"In 1Q 2016, equity underwriting on European exchanges accumulated a total of € 20.8 bn, a decrease of 66.2% from the value originated in 4Q 2015 (€ 61.6 bn)."

³ EU28 countries and Switzerland

A total of € 74.4 bn of M&A deals between European firms were announced in 1Q 2016, a decrease of 64% from the value announced during 4Q 2015 (€ 209 bn) and slightly below the value announced in 1Q 2015 (€ 76.3 bn).

Size of the European equities trading market

Market capitalisation of shares listed on European exchanges (EU 28 + Switzerland) finalised the quarter at €10.7 tn⁴, a decrease of 8.0% from the market value of December 2015 (€ 11.7 tn). Of this value, market capitalisation of Euro zone exchanges stood at €5.8 tn, a decrease of 7.8% from 4Q 2015 (€ 6.3 tn).

As of March 2016, a total of 11,239 companies were listed on European exchanges, a decrease from the outstanding number observed at the end of 2015 (11,385).

Turnover ratios of European exchanges and MTFs, calculated as the annualised turnover value as proportion of market capitalisation, stood on average at 124% in 1Q 2016 (103% in 4Q 2015)⁵.

Valuation ratios and indices

Equity valuations of listed companies on European exchanges fell during 1Q 2016.

The price-to-book ratio of Stoxx 600 constituent companies fell from 1.71 in December 2015 to 1.62 in March 2016.

CAC 40 French shares index accumulated losses of 5.4% QoQ during 1Q 2016; the Spanish composite IBEX 35 dropped 8.6% QoQ; DAX 30 fell 7.24% QoQ (with a decrease in the average PE ratio from 15.4 in 4Q 2015 to 14.6 in 1Q 2016); while the FTSE 100 reported a quarterly drop of 1.1% YoY.

Major upcoming regulatory, legislative and policy initiatives

There several regulatory initiatives that are currently being considered at the European and national level with expected impact on the equities trading and capital markets performance. Some of the key initiatives currently being developed are:

- MiFID II/R
- Market Abuse Directive/Regulation (MAD/MAR)
- FCA's Wholesale competition review
- Basel III
- CSDR
- Prospectus Regulation

AFME and its members are actively contributing on all of these and other initiatives.

“M&A deals between European firms accumulated € 158.3 bn in deal value during 1Q 2016, doubling the value observed in 4Q 2015 (€ 79.2 bn)”

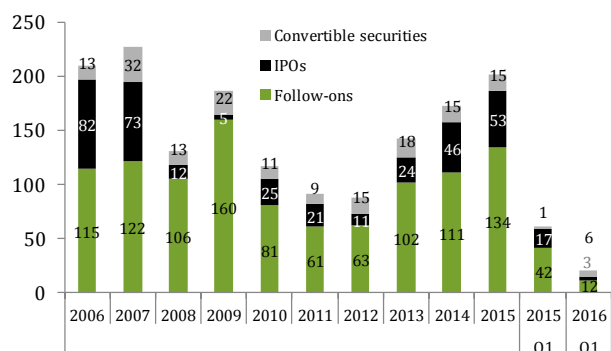
⁴ The value of euro area listed shares issued by euro area residents is updated as of February 2016.

⁵ Turnover values during the last two months of each year are usually the lowest of the year. This seasonality may partially explain the low turnover ratio in 4Q 2015.

1 Issuance

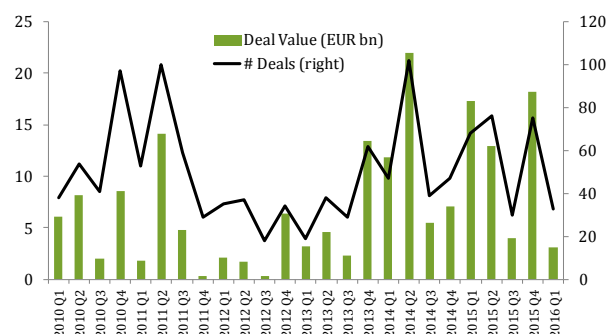
Equity instruments issuance in European exchanges

1.1 Equity underwriting (€bn)



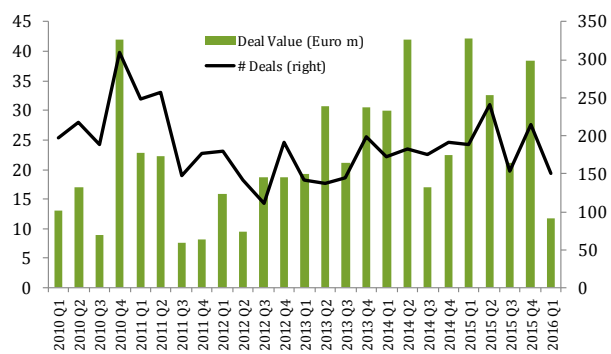
Source: Dealogic

1.2 IPOs (€bn)⁶



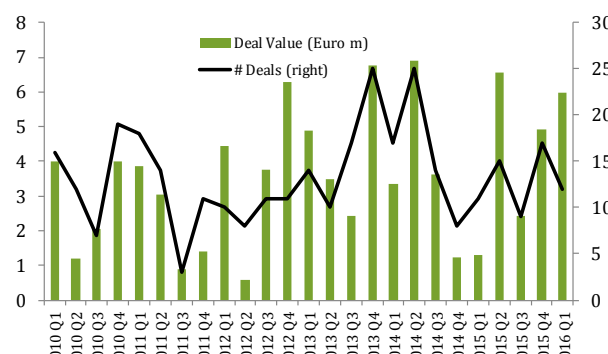
Source: Dealogic

1.3 Follow-on offerings (€bn)



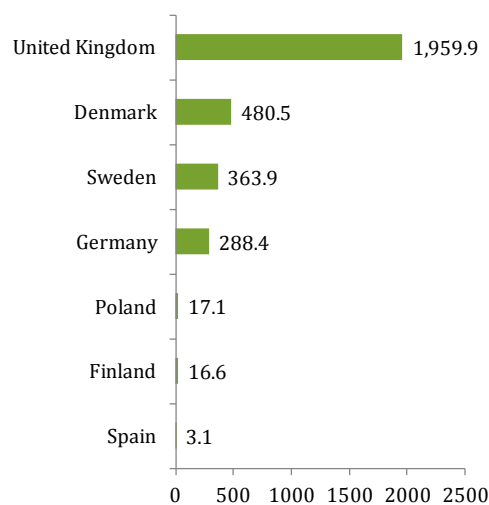
Source: Dealogic

1.4 Convertible securities (€bn)



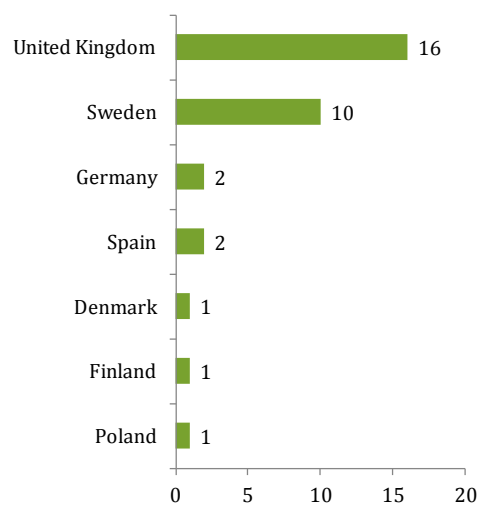
Source: Dealogic

1.5 IPO proceeds by country of exchange: 1Q 2016 (€mn)⁷



Source: Dealogic

1.6 Number of IPOs by country of exchange: 1Q16⁸



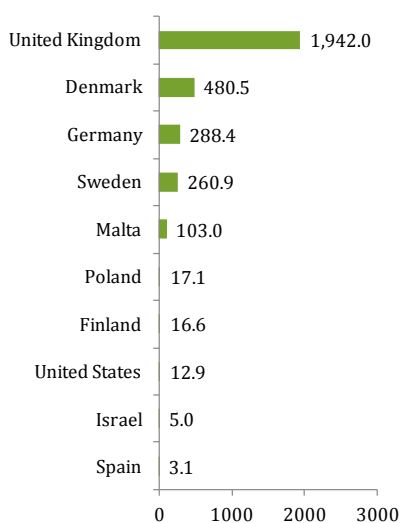
Source: Dealogic

⁶ Excludes introductions and re-admissions.

⁷ Multiple exchanges relate to dual listings

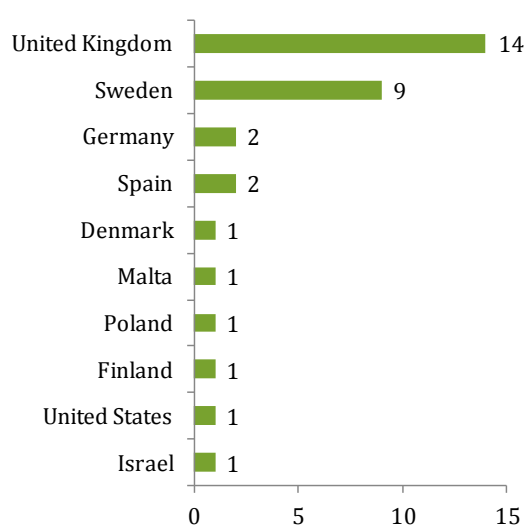
⁸ Multiple exchanges relate to dual listings

1.7 IPOs by nationality of issuer: 1Q 2016 (€mn)



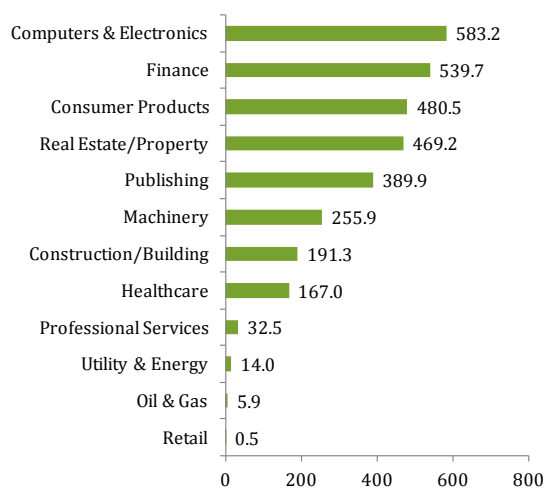
Source: Dealogic

1.8 Number of IPOs by nationality of issuer: 1Q 2016



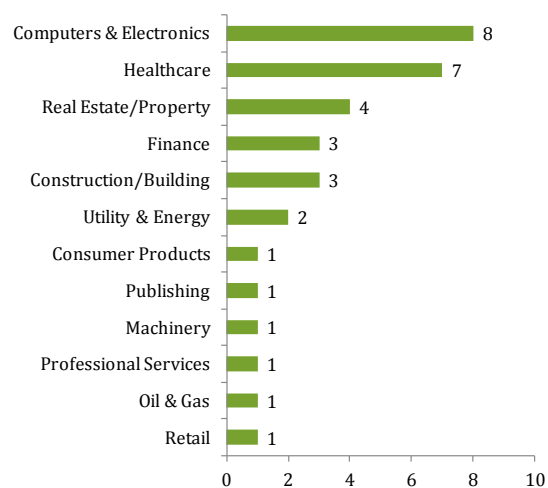
Source: Dealogic

1.9 IPOs by industry of issuer: 1Q16 (€mn)



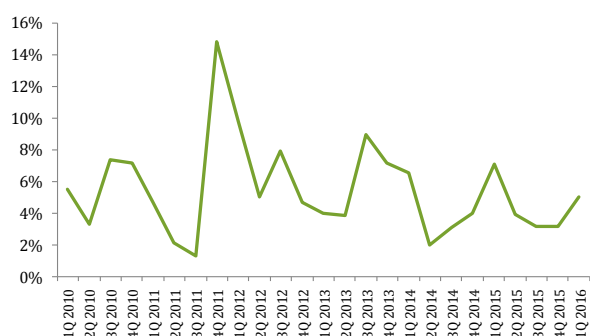
Source: Dealogic

1.10 Number of IPOs by industry of issuer: 1Q16



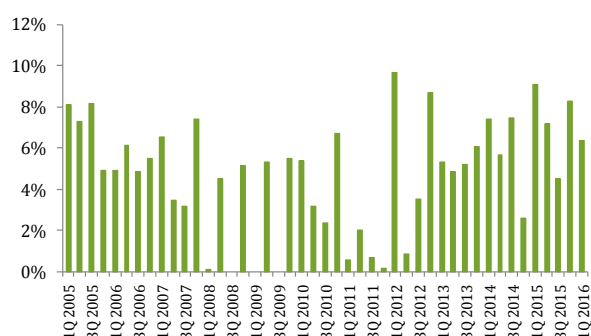
Source: Dealogic

1.11 Median percentage difference between offer price and 1-Day closing price of IPOs



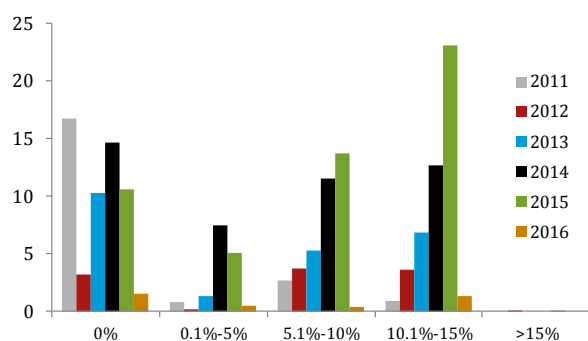
Source: Dealogic

1.12 Overallotment as proportion of quarterly IPO proceeds



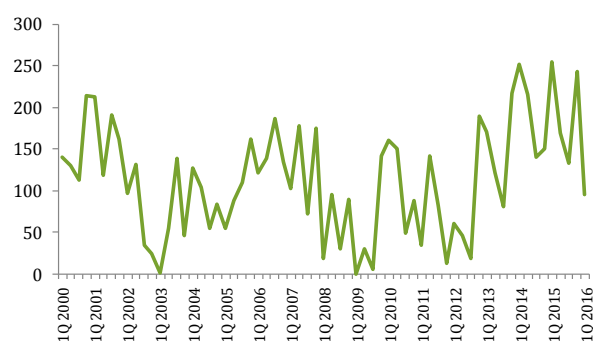
Source: Dealogic

1.13 IPOs by proportion of exercised overallotment (€ bn)



Source: Dealogic

1.14 Average proceeds per IPO (€mn)



Source: Dealogic

1.15 IPOs by value of proceeds

		Value of Proceeds (€ bn)					
		1Q 16	1Q 15	2Q 15	3Q 15	4Q 15	2015 FY
<10m	0.0	0.1	0.1	0.0	0.1	0.3	0.2
≥ € 10m, <€100m	0.3	0.6	1.2	0.4	0.6	2.8	2.9
≥ € 100m, <€1bn	2.8	7.0	8.4	1.4	7.2	24.0	28.3
≥ € 1bn	0.0	9.7	3.2	2.2	10.4	25.4	14.9
Total	3.1	17.4	12.9	4.0	18.2	52.5	46.3

		Number of Deals					
		1Q 16	1Q 15	2Q 15	3Q 15	4Q 15	2015 FY
<10m	12	21	21	10	34	86	60
≥ € 10m, <€100m	12	19	27	13	14	73	84
≥ € 100m, <€1bn	9	24	26	5	23	78	81
≥ € 1bn	0	4	2	2	4	12	10
Total	33	68	76	30	75	249	235

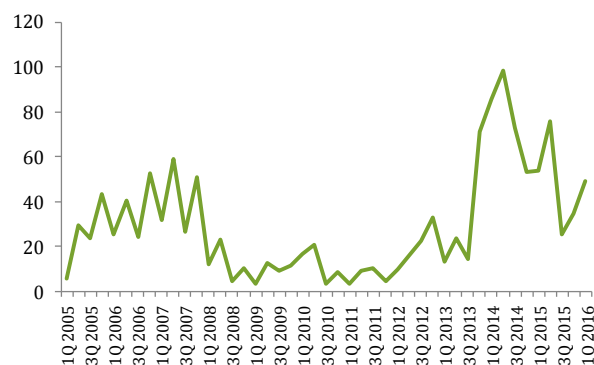
Source: Dealogic

1.16 Number of IPOs by market value of issuing firm (pre-deal market value)

		Number of Deals					
		1Q 16	1Q 15	2Q 15	3Q 15	4Q 15	2015 FY
<200m	24	45	48	23	51	167	156
≥ € 200m, <€1bn	5	16	21	4	15	56	48
≥ € 1bn	4	6	7	3	9	25	28
Undisclosed	0	1	0	0	0	1	3
Total	33	68	76	30	75	249	0

Source: Dealogic

1.17 Median market value of IPO issuing firms (€ mn, pre-deal market value)



Source: Dealogic

1.18 IPOs by listing venue (€ mn)⁹

Venue	1Q 16	1Q 15	2Q 15	3Q 15	4Q 15	2015	2014
Alternext Brussels & Paris	0	0	0	0	7	7	0
Alternext Paris	0	52	18	19	20	109	55
Athens Stock Exchange	0	0	0	0	0	0	35
BME: Barcelona, Bilbao, Madrid & Valencia	0	0	0	0	0	0	411
BME: Madrid	0	4,702	3,613	0	0	8,316	4,329
BME: Mercado Alternativo Bursatil (MaB)	3	0	99	14	9	122	0
Börse München	0	0	0	0	1	1	0
Bucharest Stock Exchange (BVB) & LSE	0	0	0	0	0	0	444
Budapest Stock Exchange	0	0	0	0	0	0	3
Bulgarian Stock Exchange – Sofia	0	0	0	0	6	6	0
Deutsche Börse (Frankfurt Entry)	0	0	0	0	9	9	1,405
Deutsche Börse (Frankfurt General & Warsaw Stock Exchange)	0	0	0	0	0	0	1
Deutsche Börse (Frankfurt Prime & Hamburg)	0	0	0	0	265	265	0
Deutsche Börse (Frankfurt Prime & Luxembourg)	0	0	0	0	0	0	430
Deutsche Börse (Frankfurt Prime)	288	621	802	2,635	2,698	6,756	1,822
Euronext Amsterdam	0	1,776	0	599	4,329	6,705	5,992
Euronext Amsterdam & Brussels	0	0	0	35	44	79	0
Euronext Amsterdam, Brussels & Paris	0	0	0	0	0	0	845
Euronext Brussels	0	0	304	0	88	392	638
Euronext Brussels & Paris	0	37	0	0	0	37	40
Euronext Lisbon	0	0	0	0	0	0	141
Euronext Paris	0	965	2,109	45	1,867	4,986	3,555
Irish Stock Exchange (ISE)	0	302	0	0	0	302	200
Irish Stock Exchange (ISE) & Euronext Paris	0	0	0	0	0	0	19
London AIM	301	178	342	64	152	736	3,134
London AIM & Irish Stock Exchange (ISE)	0	0	92	0	0	92	265
LSE	1,659	5,022	2,537	335	6,436	14,330	14,920
LSE & Cairo	0	0	247	0	0	247	0
LSE & Johannesburg	0	0	0	0	153	153	0
LSE & Moscow Interbank Currency Exchange (MICEX)	0	0	0	0	0	0	712
LSE & Nigerian Stock Exchange	0	0	0	0	0	0	391
NASDAQ OMX Copenhagen	480	193	0	0	0	193	1,681
NASDAQ OMX Helsinki	0	195	80	26	53	353	0
NASDAQ OMX Stockholm	131	907	2,149	0	1,935	4,992	2,908
NASDAQ OMX First North - Finland	17	39	64	0	5	108	66
NASDAQ OMX First North - Finland & Stockholm	0	4	0	0	0	4	15
NASDAQ OMX First North - Stockholm	228	172	112	18	72	373	102
Prague Stock Exchange & Warsaw Stock Exchange	0	0	0	0	30	30	0
Prague Stock Exchange & Wiener Börse	0	0	0	0	0	0	14
SIX Swiss Exchange	0	2,148	0	169	0	2,317	1,247
Stockholm - Aktie Torget	5	2	14	7	4	26	16
Warsaw Stock Exchange	17	11	315	43	58	427	294
Warsaw Stock Exchange - NewConnect	0	1	0	0	1	3	4
Wiener Börse	0	0	0	0	0	0	194
Zagreb Stock Exchange	0	26	0	0	0	26	12
Grand Total	3,129	17,354	12,897	4,008	18,243	52,503	46,341

Source: Dealogic

⁹ Multiple exchanges relate to dual listings

1.19 Number of IPOs by listing venue¹⁰

Venue	1Q 16	1Q 15	2Q 15	3Q 15	4Q 15	2015	2014
Alternext Brussels & Paris					1	1	
Alternext Paris		4	2	2	3	11	7
Athens Stock Exchange							1
BME: Barcelona, Bilbao, Madrid & Valencia							1
BME: Madrid		3	4			7	6
BME: Mercado Alternativo Bursatil (MaB)	2		2	3	3	8	
Börse München					1	1	
Bucharest Stock Exchange (BVB) & LSE							1
Budapest Stock Exchange							1
Bulgarian Stock Exchange – Sofia					1	1	
Deutsche Börse (Frankfurt Entry)					1	1	2
Deutsche Börse (Frankfurt General & Warsaw Stock Exchange)							2
Deutsche Börse (Frankfurt Prime & Hamburg)					1	1	
Deutsche Börse (Frankfurt Prime & Luxembourg)							1
Deutsche Börse (Frankfurt Prime)	2	2	3	4	5	14	6
Euronext Amsterdam		3		1	2	6	5
Euronext Amsterdam & Brussels				1	1	2	
Euronext Amsterdam, Brussels & Paris							1
Euronext Brussels			3		1	4	2
Euronext Brussels & Paris		1				1	1
Euronext Lisbon							1
Euronext Paris		5	5	2	2	14	17
Irish Stock Exchange (ISE)		1				1	1
Irish Stock Exchange (ISE) & Euronext Paris							1
London AIM	9	11	9	4	6	30	74
London AIM & Irish Stock Exchange (ISE)			1			1	1
LSE	7	17	8	4	16	45	41
LSE & Cairo			1			1	
LSE & Johannesburg					1	1	
LSE & Moscow Interbank Currency Exchange (MICEX)							1
LSE & Nigerian Stock Exchange							1
NASDAQ OMX Copenhagen	1	1				1	2
NASDAQ OMX Helsinki		1	1	1	2	5	
NASDAQ OMX Stockholm	2	4	8		6	18	12
NASDAQ OMX First North - Finland	1	2	3		1	6	2
NASDAQ OMX First North - Finland & Stockholm		1				1	1
NASDAQ OMX First North - Stockholm	4	5	10	1	11	27	7
Prague Stock Exchange & Warsaw Stock Exchange					1	1	
Prague Stock Exchange & Wiener Börse							1
SIX Swiss Exchange		1		1		2	6
Stockholm - Aktie Torget	4	2	11	3	3	19	11
Warsaw Stock Exchange	1	1	5	2	5	13	11
Warsaw Stock Exchange - NewConnect		2		1	1	4	5
Wiener Börse							1
Zagreb Stock Exchange		1				1	1
Grand Total	33	68	76	30	75	249	235

Source: Dealogic

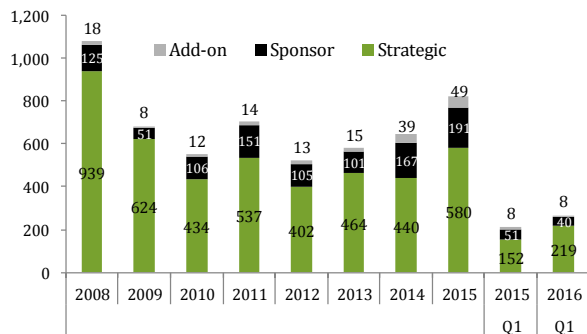
¹⁰ Multiple exchanges relate to dual listings

2 Mergers and Acquisitions

Deals where the target or the acquiring company is located in Europe

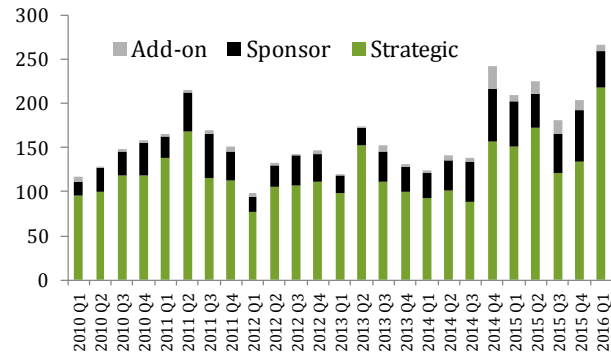
€ BILLIONS

2.1 Completed M&A by type of deal: full-year and selected quarters¹¹



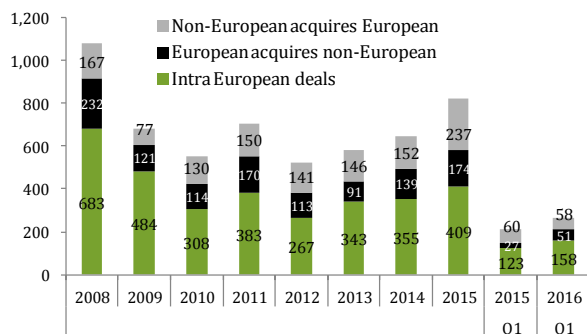
Source: Dealogic

2.2 Completed M&A by type of deal: quarterly



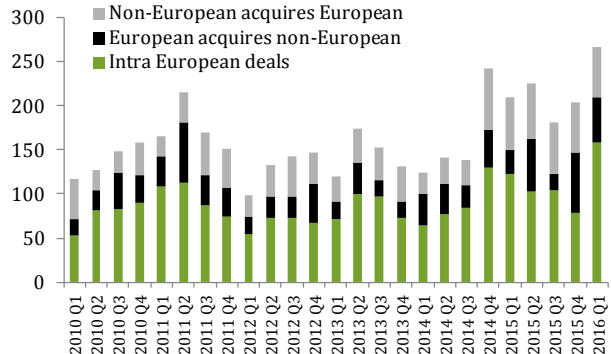
Source: Dealogic

2.3 Completed M&A by acquiring party: full-year and selected quarters¹²



Source: Dealogic

2.4 Completed M&A by acquiring party: quarterly



Source: Dealogic

2.5 Deal value of completed European M&A deals (€ bn)

	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014
Strategic	219.1	151.6	173.1	120.8	134.1	579.6	440.0
Sponsor	40.2	50.6	38.1	44.2	58.4	191.2	167.1
Add-on	8.1	7.8	14.1	16.4	11.2	49.5	39.1
TOTAL	267.4	210.0	225.3	181.3	203.6	820.3	646.2
European firms acquiring non-European firms	51.1	27.0	59.0	19.5	68.1	173.7	138.9
Non-European firms acquiring European firms	58.0	60.4	62.9	57.9	56.3	237.5	151.8
Intra Europe deals	158.3	122.6	103.4	104.0	79.2	409.1	355.5
TOTAL	267.4	210.0	225.3	181.3	203.6	820.3	646.2

Source: Dealogic

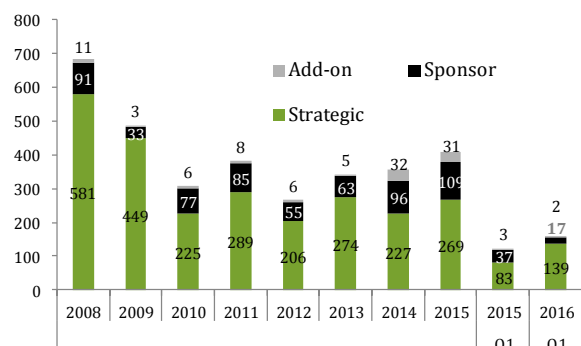
¹¹ Sponsor deals refer to M&A deals where the acquirer or the seller company is a private equity firm. Add-on transactions are deals where acquirer or the seller company is a portfolio company of a private equity firm. Strategic deals are between two non private equity firms.

¹² Intra European deals refer to completed deals where both the acquiring and target companies are located in Europe. "Non-European acquires European" are deals where a company located outside Europe acquires a company located in Europe. "European acquires non-European firm" are M&A completed transactions where the acquiring party is European and the target company is located outside Europe

Intra European deals (target and acquiring companies located in Europe)

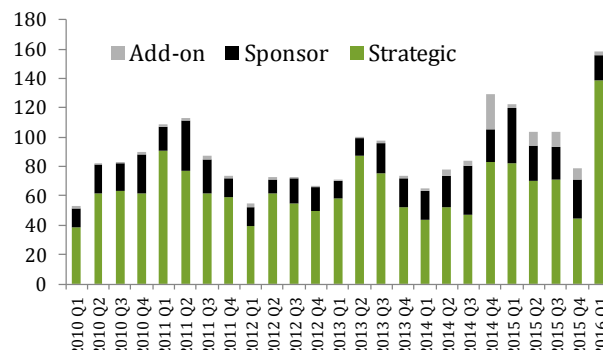
€ BILLIONS

2.6 Completed M&A by type of deal: annual and selected quarters¹³



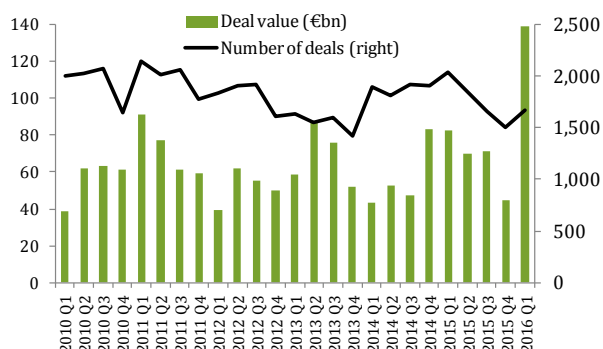
Source: Dealogic

2.7 Completed M&A by type of deal: quarterly¹⁴



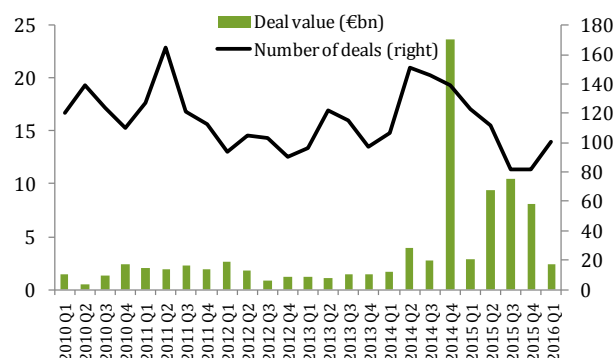
Source: Dealogic

2.8 Completed strategic M&A



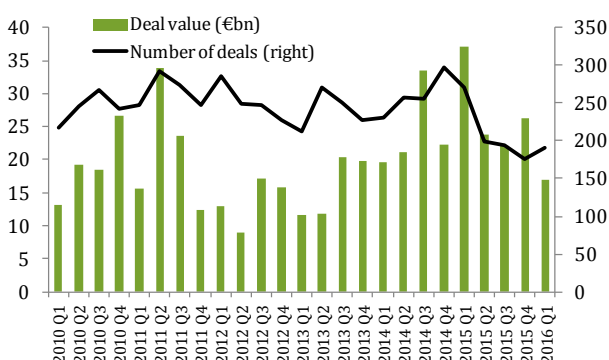
Source: Dealogic

2.9 Completed add-on M&A



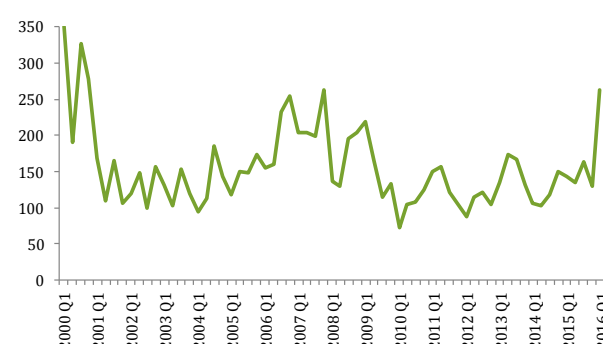
Source: Dealogic

2.10 Sponsor M&A



Source: Dealogic

2.11 Average value of completed M&A



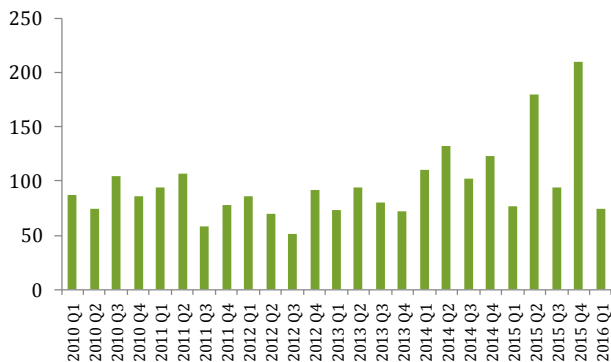
Source: Dealogic

¹³ Sponsor deals refer to M&A deals where the acquirer or the seller company is a private equity firm. Add-on transactions are deals where acquirer or the seller company is a portfolio company of a private equity firm. Strategic deals are between two non private equity firms.

¹⁴ Sponsor deals refer to M&A deals where the acquirer or the seller company is a private equity firm. Add-on transactions are deals where acquirer or the seller company is a portfolio company of a private equity firm. Strategic deals are between two non private equity firms.

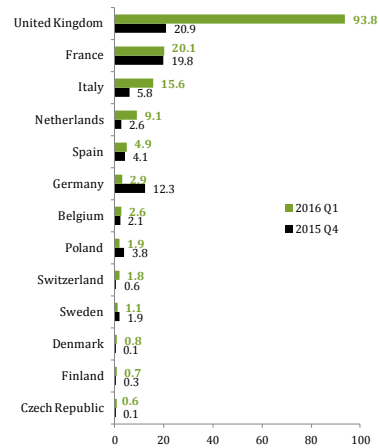
€ BILLIONS

2.12 Announced M&A¹⁵



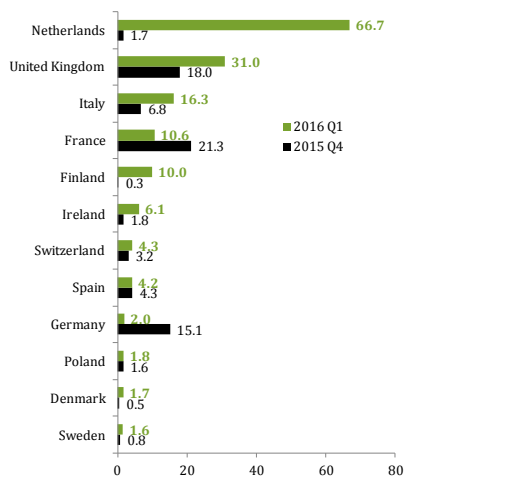
Source: Dealogic

2.13 Completed M&A by nationality of target firm (selected countries)



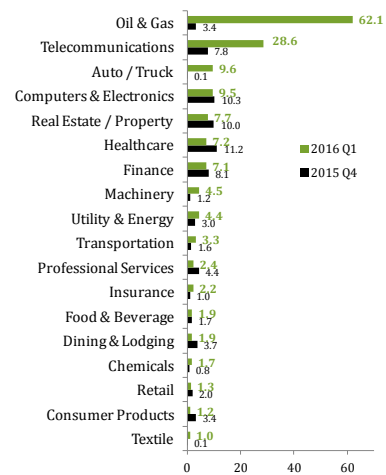
Source: Dealogic

2.14 Completed M&A by nationality of acquirer (selected countries)



Source: Dealogic

2.15 Completed M&A by industry of target firm



Source: Dealogic

2.16 Completed intra European M&A transactions by size of deal (€ bn)

Value of deals (€bn)

	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015
> €1bn	124.4	71.5	50.6	64.2	27.4	213.7
€ 500m to € 1bn	11.3	17.1	15.6	15.2	21.9	69.8
€ 250m to € 500m	6.9	12.5	16.1	5.6	12.9	47.1
€ 100m to € 250m	8.9	12.5	12.0	10.1	9.0	43.5
€ 50m to € 100m	2.7	3.5	3.7	4.1	3.2	14.5
€ 25m to € 50m	1.8	2.9	2.6	2.1	2.2	9.9
€ 10m to € 25m	1.4	1.4	1.8	1.6	1.8	6.5
< € 10m	1.0	1.3	1.0	1.0	0.8	4.1
Undisclosed	-	-	-	-	-	-
Total	158.3	122.6	103.4	104.0	79.2	409.1

Number of deals

	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015
15	15	18	21	15	15	69
16	16	25	23	23	32	103
18	18	36	46	17	37	136
60	60	76	77	62	58	273
38	38	50	50	60	47	207
52	52	84	73	62	64	283
92	92	93	111	99	108	411
310	310	479	367	298	248	1,392
1,363	1,363	1,576	1,388	1,303	1,158	5,425
1,964	1,964	2,437	2,156	1,939	1,767	8,299

Source: Dealogic

¹⁵ Announced deals include completed, pending completion or partially completed transactions. Values are presented at date of announcement.

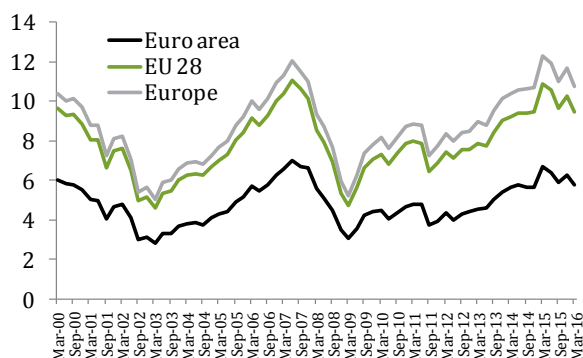
2.17 Completed intra European M&A transactions by location of acquiring and target company (1Q 16, € mn)

Location of Acquiring Company	Location of Target Company																															
	AT	BE	BU	CR	CY	CZ	DK	EE	FI	FR	DE	GR	HU	IE	IT	LV	LI	LU	MT	NE	PL	PT	RO	SK	SL	ES	SW	CH	UK	Total		
	Austria	0.3																	62.9											63.2		
	Belgium		598.6							74.4	7.0																26.8			19.7	726.5	
	Bulgaria			5.8																											5.8	
	Croatia																					22.3				2.1					24.4	
	Cyprus																														-	
	Czech Republic						608.6															2.0									610.6	
	Denmark							708.1				88.0																897.3			1,693.4	
	Estonia								151.5																						151.5	
	Finland						28.0		1.5	697.0	9,112.7											102.5						10.7			9,952.4	
	France		675.9					22.9			8,378.6	755.0		27.5		87.3														681.2	10,628.4	
	Germany	7.0		11.5						1.5		1,068.1			325.0		52.0				206.4			65.0	175.0					51.9	1,963.3	
	Greece													14.0																		14.0
	Ireland														232.2															5,885.7	6,117.8	
	Italy							103.3			1,125.5	22.0				14,935.5														82.1	16,268.4	
	Latvia																23.5															23.5
	Lithuania																	2.4	61.1													63.5
	Luxembourg											1.4				60.0	115.0														19.6	196.0
	Malta																							60.5					3.5		64.0	
	Netherlands										35.0	47.3									5,237.4	3.4					454.1	55.0	186.6	60,723.6	66,742.3	
	Poland													0.3								1,755.1										1,755.4
	Portugal																						1.5					71.7				73.2
	Romania																							29.3								29.3
	Slovak Republic																															
	Slovenia																										23.0					23.0
	Spain										64.0					409.0							108.0					3,609.1				4,190.1
	Sweden		30.0								168.9	494.6				68.0												17.7	721.8		110.6	1,611.7
	Switzerland	2.0									1.0											1.6	53.0					172.0	120.3	1,783.8	2,214.0	4,347.7
	United Kingdom	2.2	1,325.0			155.0					1,124.2	442.1			13.8						3,664.6	24.1	113.0	12.7				40.0	16.7	24,053.3	30,986.7	
Total	11.5	2,629.5	17.3	-	155.0	636.6	834.4	153.0	698.5	20,084.3	2,925.5	-	41.8	571.0	15,559.8	192.9	61.1	-	62.9	9,108.4	1,911.1	275.5	167.6	175.0	479.2	4,889.6	1,059.5	1,783.8	93,841.6	158,326.0		

Source: Dealogic

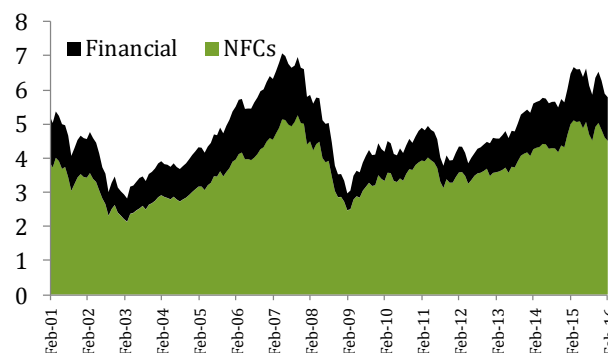
3 Outstanding and trading

3.1 Domestic market capitalisation of listed shares (€ Tn)



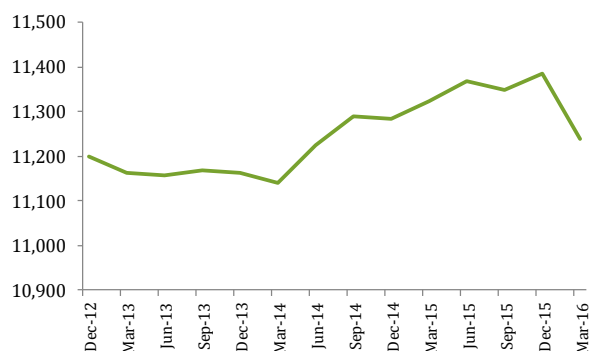
Source: ECB, Datastream, FESE, NASDAQ Nordic, LSEG, World Federation of Exchanges, Bucharest Stock Exchange and CEESEG – Prague

3.2 Value of euro-denominated listed shares issued by euro area residents (€ Tn)



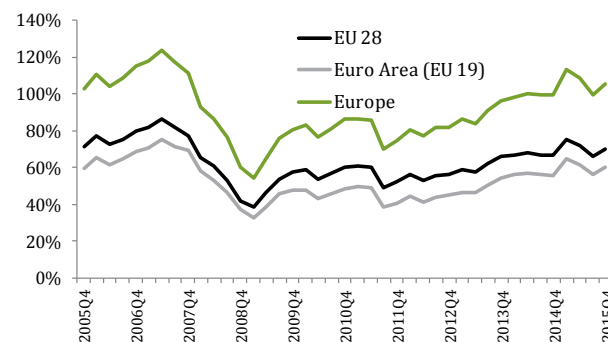
Source: ECB

3.3 Number of listed companies in Europe



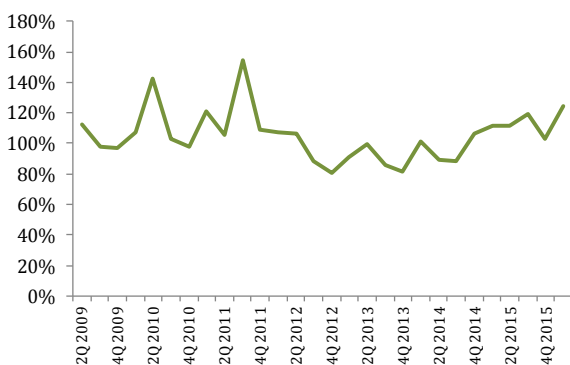
Source: ECB, Datastream, FESE, NASDAQ Nordic, LSEG, WFE, Bucharest Stock Exchange and CEESEG – Prague

3.4 Domestic market capitalisation of listed shares as proportion of GDP (%)¹⁶



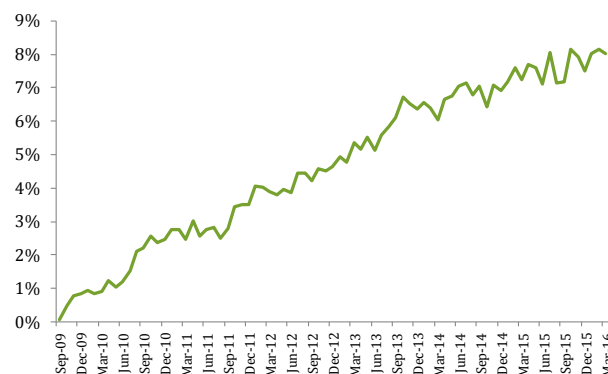
Source: ECB, Datastream, FESE, NASDAQ Nordic, LSEG, WFE, Bucharest Stock Exchange, CEESEG – Prague, Swiss Federal Statistical Office and Eurostat

3.5 Turnover ratio of European shares: Dark and Lit (Annualised turnover value/Market capitalisation)



Source: BATS CHI-X, ECB, Datastream, FESE, NASDAQ Nordic, LSEG, WFE, Bucharest Stock Exchange and CEESEG - Prague

3.6 Value traded in dark pools as proportion of turnover in Exchanges and MTFs¹⁷

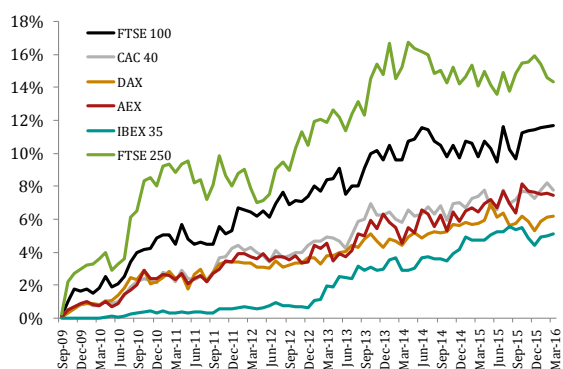


Source: BATS CHI-X

¹⁶ GDP available only as of 4Q15

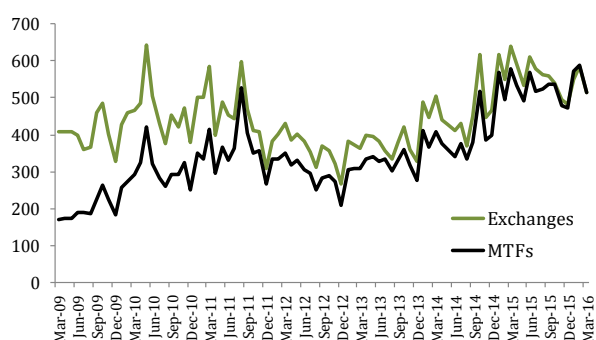
¹⁷ GDP available only as of 4Q15

3.7 Dark trading of indexed shares as proportion of total turnover (dark and lit)- selected indices



Source: BATS CHI-X

3.8 Monthly turnover value on European exchanges and MTFs (€ bn)¹⁸

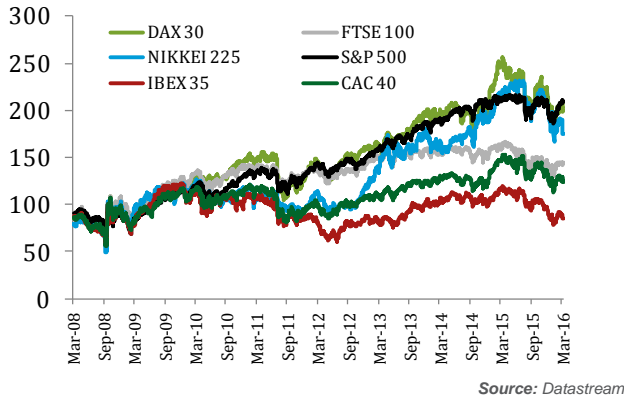


Source: BATS CHI-X

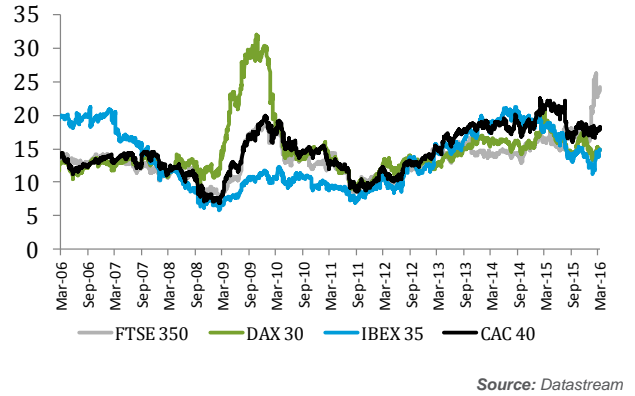
¹⁸ Under MTFs, the following are aggregated: Aquis, BLINK MTF, Burgundy, BXE Book, CXE Book, Equiduct, ICAP BlockCross, Instinet, Blockmatch, ITG Posit, Liquidnet, NEURO, Nomura NX, NYSE Arca, Pipeline, Quote MTF, SIGMA X MTF, SLS, Smartpool, TOM MTF, Turquoise, UBS MTF, Xetra, and Xetra International.

4 Valuation indices and ratios

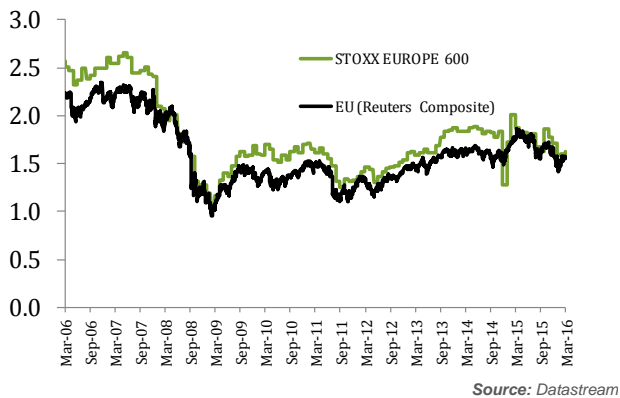
4.1 Price indices of selected stock exchanges (Sep 2007 = 100)



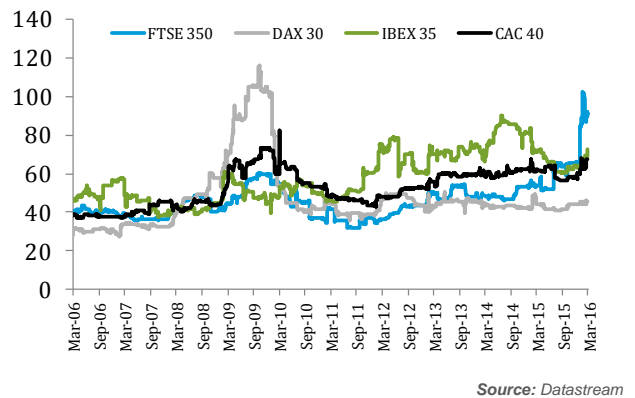
4.2 Price per earnings ratio (PE ratio) of shares listed in selected European exchanges



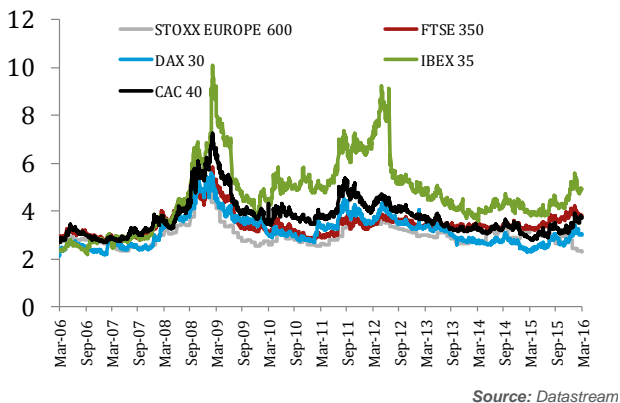
4.3 Price-to-book ratio of shares listed in Stoxx 600 and EU average



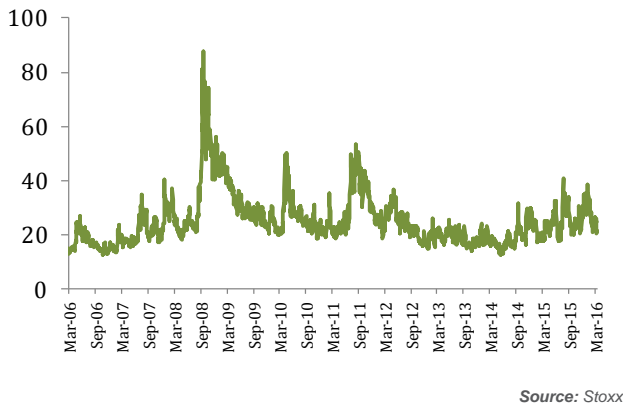
4.4 Dividend payout ratio of shares listed in selected exchanges (Dividends/Earnings per share)



4.5 Dividend yield ratio of shares listed in selected exchanges (Dividend/Price)



4.6 Implied volatility of constituent shares of Euro Stoxx 50 (VSTOXX)



Summary of the Methodologies Adopted for this Report

1. Issuance

1.1. – 1.4. Equity underwriting

The graphs covering historical issuance in Europe are denominated in EUR billions.

Historical equity underwriting volumes are calculated by adding the proceeds from Initial Public Offerings (IPOs), Follow-On offerings and Convertible securities issued in exchanges located in the European Union (EU 28) + Switzerland.

The member countries of the European Union + Switzerland are maintained during the sample period. The group of countries include: Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden the UK and Switzerland.

IPOs proceeds include overallotment proceeds (greenshoe), although the value of proceeds is disaggregated in the supporting data file.

IPOs exclude “introductions” (listings unaccompanied by a sale of securities) and re-admissions.

Value and volume data are sourced from Dealogic. All figures comply with Dealogic’s standards of rank eligibility.

1.5 – 1.10, 1.15 and 1.18-1.19 IPOs by exchange, nationality of the issuing company and industry of issuing company

Issuance values are denominated in nominal EUR billion. The figures illustrate the value of proceeds and number of deals of IPOs issued in European exchanges, aggregating by nationality of the exchange (charts 1.5-1.6 and 1.16), nationality of the issuing company (charts 1.7.-1.8.) and industry of the issuing company (charts 1.9- 1.10).

The aggregated values include overallotment proceeds (greenshoe).

Data are sourced from Dealogic comply with Dealogic’s standards of rank eligibility.

1.11. Difference between offer price and 1-day market price

The chart illustrates the quarterly median of the difference between offer price and closing price one day after the IPO was issued.

The deals taken into consideration are all the carried out in European exchanges during the quarter.

Deals where the 1-day closing price or the offer prices are not available were not included in the calculation.

1.12. – 1.13 Overallotment proceeds

The graph illustrates the value of greenshoe investment in IPOs as proportion of aggregate proceeds in a given quarter. The proportion is illustrated on a weighted average basis.

All IPOs are taken into consideration for purposes of the chart, even if greenshoe investment was not disclosed or if it was nil in a given deal.

Chart 1.13 aggregates IPO proceeds by proportion of exercised overallotment of each deal. Deals with undisclosed or nil overallotment are aggregated under 0% category.

1.14 Average proceeds per IPO

The graph shows the average amount of proceeds (including overallotment) per IPO during the quarter.

1.16 -1.17 IPO by market value of issuing firm

Graph 1.16 shows the number of IPO deals by the pre-deal market value of the issuing firm. In few instances the market value was not disclosed or was not available; these cases were classified as “undisclosed”.

Graph 1.17 shows the median pre-deal market value of IPO issuing firms.

Data are sourced from Dealogic.

2. Mergers and Acquisitions (M&A) and Private Equity

2.1-2.5 Deals where the target or acquiring companies are located in Europe

The charts aggregate deal values of M&A transactions where European companies are either target or acquiring parties in the transaction.

Charts 2.1-2.2 disaggregate deal values by type of deal: Sponsor, strategic and add-ons.

Sponsor deals represent M&A transactions where the acquisition or sale is carried out by a Private Equity (PE), but not by a portfolio company of a PE firm. Strategic mergers are deals where both the target and the acquired company are not PE firms. Add-on deals are transactions where either the acquirer or seller companies are portfolio companies of a PE firm. M&A include both financial and trade sales.

Charts 2.3-2.4 aggregate deal values by the location of the acquiring and target parties. Intra European deals refer to completed deals where both the acquiring and target companies are located in Europe. “Non-European acquires European” aggregates M&A completed transactions where a company located outside Europe acquires a company located in Europe. “European acquires non-European firm” are M&A completed transactions where the acquiring party is European and the target company is located outside Europe.

Europe is defined as in section 1 (EU 28 + Switzerland).

2.5-2.10 Completed M&A deals between European companies

The charts illustrate the quarterly deal values of completed Mergers and Acquisitions (including debt) where the target and acquiring companies are domiciled in Europe (EU 28 + Switzerland).

Deal values are denominated in EUR billions.

Sponsor, strategic and add-on deals are defined as explained in charts 2.1-2.5.

The figures are aggregated by quarter when the deals were completed.

Value and volume data are sourced from Dealogic and comply with Dealogic’s rank eligibility criteria.

2.11. Average deal value

This graph illustrates the average deal value of by quarter of completed M&A deals where the target and acquiring companies are located in Europe.

The average is calculated as the ratio of deal values in a quarter as proportion of number of deals that reported non-null deal values. Due to reporting limitations, the ratio is different from dividing total deal values by total number of deals given that several deals do not report deal value or the data are missing.

2.12. Announced M&A

This graph illustrates announced deal values (including debt) of completed, pending completion or partially completed deals, where the target company is located in Europe (EU 28 + Switzerland).

The announced values are aggregated by sponsor, add-on and strategic deals, as described in previous section.

Announced values are aggregated on the basis of the announcement date of deals.

2.13. - 2.15. Completed M&A by nationality and industry

The figures represent the most recent quarter’s value of completed M&A deals of European target firms, aggregating by nationality of target firm (charts 2.8.), nationality of acquiring firm (chart 2.9.) and industry of target firm (chart 2.10.).

Deal values are denominated in nominal EUR billion. Data are sourced from Dealogic and comply with rank eligibility criteria.

2.16. Completed M&A by deal size

The table aggregates the value and number of completed M&A deals by completed deal size (including debt) in nominal Euros. M&A deals where the target company is located in Europe are aggregated.

3. Outstanding

3.1. – 3.4. Market capitalisation

The graph illustrates the EUR trillion amount of market capitalisation of European (EU 28+ Switzerland), EU 28 and Euro zone (EU 19) exchanges. The composition of EU 28 and EU 19 countries remains constant throughout the sample period.

Graph 3.4 illustrates the market capitalisation of listed shares in Europe, EU 28 and EU 19 exchanges as proportion of nominal GDP. GDP is sourced from Eurostat and the Swiss Federal Statistical Office in its quarterly form. For purposes of this chart, the denominator is calculated as the sum of the past four quarters nominal seasonal adjusted GDP values.

Swiss GDP is converted to Euros using ECB EURCH exchange rate at the end of each quarter.

3.2 Euro-denominated listed shares

This graph illustrates the outstanding amounts of euro-denominated quoted shares issued by euro area residents, by sector of issuer. The figures are denominated in EUR nominal trillions.

Quoted shares include all shares with prices quoted on a recognised stock exchange or other form of regulated market. Quoted shares comprise all financial assets which represent property rights in corporations or quasi-corporations. These financial assets generally entitle the holder to a share in the profits of the corporations or quasi-corporations and to a share in their net assets in the event of liquidation. Quoted shares are valued and reported at market values.

The data are sourced from the ECB.

3.3. Number of listed companies

This chart aggregates the number of listed companies in European exchanges by Domestic and Foreign firms. Data are sourced from FESE, the World Federation of Exchanges, and LSEG.

Data are aggregated by adding individual exchanges' reported figures.

3.5. Turnover ratio

The chart illustrates the quarterly turnover ratio of EU 28 stock exchanges and selected MTFs calculated as the ratio of four times the quarterly turnover value as proportion of the market capitalisation at the end of the quarter.

The figures are presented on a weighted average basis of EU 28 exchanges and MTFs.

The following MTFs were selected as representative of the off-exchange market: Aquis, BLINK MTF, Burgundy, BXE Book, CXE Book, Equiduct, ICAP BlockCross, Instinet, Blockmatch, ITG Posit, Liquidnet, NEURO, Nomura NX, NYSE Arca, Pipeline, Quote MTF, SIGMA X MTF, SLS, Smartpool, TOM MTF, Turquoise, UBS MTF, Xetra, and Xetra International.

OTC transactions are not included due to potential double counting between TRFs.

3.6. - 3.7. Dark pools turnover

The chart illustrates the monthly value traded in dark pools as proportion of turnover in Exchanges and MTFs (Dark and Lit). For dark pool trading, the same MTFs selected for chart 3.5 were taken into consideration.

Chart 3.7 illustrates the aggregate proportion of dark pool trading of the constituent shares of the selected indices.

Data are sourced from BATS Chi-X.

3.8. MTFs turnover

The chart illustrates the quarterly turnover in EUR value in selected MTFs where data was available: Aquis, BLINK MTF, Burgundy, BXE Book, CXE Book, Equiduct, ICAP BlockCross, Instinet, Blockmatch, ITG Posit, Liquidnet, NEURO, Nomura NX, NYSE Arca, Pipeline, Quote MTF, SIGMA X MTF, SLS, Smartpool, TOM MTF, Turquoise, UBS MTF, Xetra, and Xetra International.

provided by Datastream, which for purposes of comparability are converted into a price index with January 2008 as base (Jan-08 = 100).

4.2. - 4.6. Valuation ratios

These graphs illustrate several valuation ratios of selected price indices of European shares.

PE ratios are calculated as the ratio of market prices as proportion of market-expected annual earnings. The ratios are sourced from Datastream.

Price-to-book ratio represents the average ratio of share market prices as proportion of book prices of Stoxx 600 listed companies and a PanEuropean index of European shares compiled by Thomson Reuters Datastream.

VSTOXX 50 index is the market-implied volatility of STOXX 50 listed shares, sourced from Stoxx.

4. Valuation

4.1. Price indices of listed shares

This graph represents price data for selected European exchanges selected as benchmarks in the respective jurisdictions. The price calculations are

Annex

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