

February Recap

- US-listed IPOs accelerated in February as deal volume more than doubled y/y to sixteen from seven. Activity, however, was heavily concentrated in the first half of the month, as only one IPO priced in the last two weeks of February. Total proceeds for the month rose to \$4.3B, from the year-ago \$1.2B, on the back of Kinder Morgan's \$2.9B offering. Excluding Kinder Morgan, IPOs are trending smaller, with proceeds averaging \$93mm compared with \$170mm in the year-ago February, amid a slew of smaller healthcare offerings as well as a pair of IPOs from China.

- The outperformance of US-based IPOs diverged further in February as their US-listed international counterparts ended the month with a negative return. The International 25 Index fell more sharply than the US-Based 25 Index ahead of the resignation of Egyptian President Mubarak, as five Chinese-domiciled issuers saw price drops of at least 3% on 2/9 or 2/10. Though international IPO proceeds have risen almost 8-fold y/y, these deals sport offer-to-currents of only 2.3% compared with an average of 12.6% for US-based initial offerings. The top three laggards among index members emphasize this trend, though the Leaders & Laggards table indicates aftermarket performance of deals from China continues to vary widely.

- Looking at the backlog (pg. 2), the current six-month queue lags that of 2010 on a volume basis, with 61 deals to last year's 80. However, by stated proceeds, the current pipeline slightly eclipses its predecessor with \$14.3B to last year's \$14.1B. The bump is due in part to a mounting number of large (\$500mm+) PE-backed offerings. Billion-dollar deals from HCA Holdings and Freescale Semiconductor, both taken private during the LBO era, lead the backlog. Technology also packs the pipeline with 10 deals, including a high-profile offering from Pandora.

Activity & Performance Statistics for US-Listed IPOs

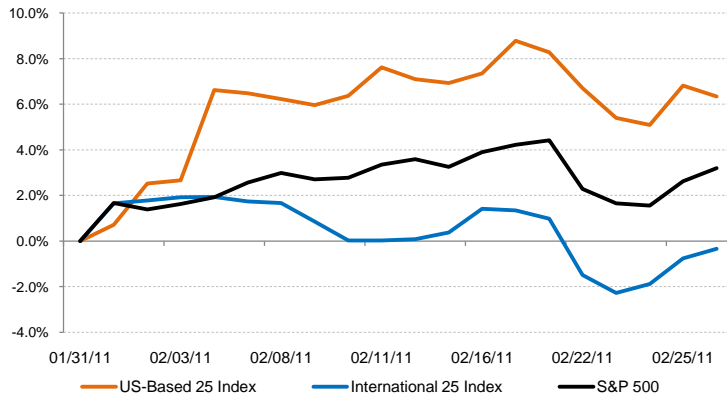
Year-over-Year Summary Statistics

Issuer Group	2011			2010			YoY % Δ			- 2011 Performance -			
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
US-Based IPOs	18	10	8 ↑	7,299.5	1,812.1	302.8 ↑	3	10	5	9.6	1.5	0.2	12.6
International IPOs	6	2	4 ↑	870.4	109.9	691.9 ↑	-	6	-	0.9	3.8	1.5	2.3
YTD Total	24	12	12 ↑	8,169.9	1,922.0	325.1 ↑	3	16	5	7.4	2.1	0.7	10.0

Year-over-Year Activity by Month

Month	2011			2010			YoY % Δ			- 2011 Performance by Month -			
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
January	8	5	3 ↑	3,906.4	732.6	433.2 ↑	1	4	3	8.4	2.4	0.7	9.5
February	16	7	9 ↑	4,263.5	1,189.4	258.4 ↑	2	12	2	7.0	1.9	-	10.2
March	-	13	-	-	2,120.6	-	-	-	-	-	-	-	-
April	-	15	-	-	1,885.2	-	-	-	-	-	-	-	-
May	-	10	-	-	1,009.1	-	-	-	-	-	-	-	-
June	-	10	-	-	1,795.6	-	-	-	-	-	-	-	-
July	-	9	-	-	1,934.4	-	-	-	-	-	-	-	-
August	-	11	-	-	1,242.3	-	-	-	-	-	-	-	-
September	-	7	-	-	1,043.7	-	-	-	-	-	-	-	-
October	-	21	-	-	2,836.5	-	-	-	-	-	-	-	-
November	-	19	-	-	18,370.6	-	-	-	-	-	-	-	-
December	-	18	-	-	3,223.6	-	-	-	-	-	-	-	-

Ipree IPO Indices: 1-Month Trailing Performance †



Trailing 1-Month Performance Summary

Index	1-Mo Return (%)	Avg Daily % Δ	1-Mo Daily Std. Dev.	Best Day % Δ	Worst Day % Δ
US-Based 25 Index	6.35	0.30	1.19	3.87	-1.46
International 25 Index	-0.34	0.03	0.85	1.65	-2.45
S&P 500 Index	3.20	0.11	0.82	1.67	-2.05

Year-over-Year Activity by Sector

Sector	2011			2010			YoY % Δ			- 2011 Performance by Sector -			
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
Energy	1	-	1 ↑	2,864.0	-	-	-	-	1	3.5	1.0	-	1.4
Consumer Cyc.	3	2	1 ↑	1,836.2	172.5	964.4 ↑	-	1	2	14.2	-0.6	2.8	16.8
Financials	4	3	1 ↑	1,245.5	544.7	128.7 ↑	1	2	1	1.2	-0.4	-2.4	0.7
REIT	2	3	-1 ↓	817.3	499.0	63.8 ↑	1	1	-	1.5	0.5	0.1	3.0
Technology/Telecom	5	-	5 ↑	516.1	-	-	-	4	1	11.7	9.8	1.1	21.5
Healthcare	7	1	6 ↑	469.3	187.5	150.3 ↑	1	6	-	6.7	-3.3	-	4.6
Industrials	1	1	-	314.3	243.8	28.9 ↑	-	1	-	9.1	12.5	2.3	11.6
Materials	1	2	-1 ↓	107.3	274.6	-60.9 ↓	-	1	-	9.6	10.5	-	27.7
Consumer Non-Cyc.	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-

Year-over-Year Activity by Leading Bookrunners

Broker	2011			2010			YoY % Δ			- 2011 Performance by Bookrunner -			
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
Goldman Sachs	5	6	-1 ↓	2,018.3	480.3	320.2 ↑	1	-	4	10.4	-0.8	0.2	10.4
Barclays PLC	3	1	2 ↑	1,541.3	91.2	NM ↑	-	2	1	3.3	1.0	4.1	4.0
Morgan Stanley	5	4	1 ↑	811.7	216.3	275.2 ↑	-	2	3	12.0	1.9	1.4	13.7
Deutsche Bank	7	2	5 ↑	751.4	130.6	475.5 ↑	1	4	2	6.4	9.9	2.4	14.4
BoFA Merrill Lynch	5	3	2 ↑	596.3	202.1	195.0 ↑	-	4	1	6.1	8.5	0.9	17.0
Citi	5	2	3 ↑	479.0	78.7	508.7 ↑	1	3	1	4.7	5.0	2.3	10.0
J.P. Morgan	3	8	-5 ↓	399.8	503.7	-20.6 ↓	-	1	2	13.6	3.0	6.4	16.1
Credit Suisse	2	2	-	352.4	112.5	213.2 ↑	-	1	1	8.9	8.2	4.3	13.2
Wells Fargo	2	-	2 ↑	227.9	-	-	-	2	-	0.8	0.0	0.1	1.5
FBR Capital	1	-	1 ↑	179.2	-	-	-	1	-	0.6	0.6	-	2.2

Leaders & Laggards

Trade Date	Issuer	Sector	Country	1-Day Price Δ %	Offer/Curr Δ %
12/08/10	Youku.com Inc.	Consumer Cyc.	China	161.3	217.4
11/03/10	SodaStream International Ltd.	Consumer Non-Cyc.	Israel	20.6	113.3
02/02/11	NeoPhotonics Corp.	Technology/Telecom	United States	20.5	68.7
12/08/10	E-Commerce China Dangdang Inc.	Consumer Cyc.	China	86.9	57.2
11/10/10	RDA Microelectronics, Inc.	Technology/Telecom	China	19.4	47.8
Average				61.7	100.9

Trade Date	Issuer	Sector	Country	1-Day Price Δ %	Offer/Curr Δ %
11/23/10	China Xiniya Fashion Limited	Consumer Cyc.	China	-9.5	-58.5
10/26/10	Mecox Lane Limited	Consumer Cyc.	China	56.9	-47.8
12/10/10	Lentuo International Inc.	Consumer Cyc.	China	4.8	-38.9
02/11/11	AceIRx Pharmaceuticals, Inc.	Healthcare	United States	-9.0	-26.1
12/15/10	GAIN Capital Holdings, Inc.	Financials	United States	-1.7	-14.2
Average				8.3	-37.1

Note: Leaders & Laggards universe includes members of the US-Based 25 Index or the International 25 Index

Year-over-Year Activity by Geography

Domicile Region	2011			2010			YoY #			- 2011 Performance by Geography -			
	#	#	Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ	Below	Within	Above	Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
North America	18	10	8 ↑	7,299.5	1,812.1	302.8 ↑	3	10	5	9.6	1.5	0.2	12.6
Asia/Pacific	3	2	1 ↑	125.0	109.9	13.7 ↑	-	3	-	-1.5	0.9	-1.8	-1.8
Europe	2	-	2 ↑	431.1	-	-	-	2	-	0.6	3.8	4.1	3.7
Latin America	1	-	1 ↑	314.3	-	-	-	1	-	9.1	12.5	2.3	11.6
Rest of World	-	-	-	-	-	-	-	-	-	-	-	-	-

Domicile Country

United States	18	10	8 ↑	7,299.5	1,812.1	302.8 ↑	3	10	5	9.6	1.5	0.2	12.6
Netherlands	2	-	2 ↑	431.1	-	-	-	2	-	0.6	3.8	4.1	3.7
Brazil	1	-	1 ↑	314.3	-	-	-	1	-	9.1	12.5	2.3	11.6
China	3	2	1 ↑	125.0	109.9	13.7 ↑	-	3	-	-1.5	0.9	-1.8	-1.8

Most Recent IPOs

File Date	Trade Date	Issuer	Sector	Country	Proceeds (\$M)	Price vs. Range	1-Day Price Δ %	Offer/ Curr Δ %	
1 12/22/10	02/25/11	Solar Senior Capital Ltd.	Financials	United States	160.0	Within	-2.0	-2.5	
2 01/04/11	02/15/11	Zuoan Fashion Limited	Consumer Cyc.	China	42.0	Within	0.6	2.9	
3 11/12/10	02/11/11	AcelRx Pharmaceuticals, Inc.	Healthcare	United States	40.0	Within	-9.0	-26.1	
4 11/23/10	02/11/11	Kinder Morgan, Inc.	Energy	United States	2,864.0	Above	3.5	1.4	
5 12/03/10	02/10/11	Fluidigm Corp.	Healthcare	United States	75.0	Within	3.9	3.7	
6 08/09/10	02/09/11	Summit Hotel Properties, Inc.	REIT	United States	253.5	Below	-0.6	0.5	
7 08/12/10	02/09/11	Gevo, Inc.	Materials	United States	107.3	Within	9.6	27.7	
8 08/12/10	02/08/11	Imperial Holdings, Inc.	Financials	United States	179.2	Within	0.6	2.2	
9 01/29/10	02/04/11	BG Medicine, Inc.	Healthcare	United States	35.0	Within	15.0	22.1	
10 08/17/10	02/04/11	Endocyte, Inc.	Healthcare	United States	75.0	Within	28.8	22.7	
							Average	5.0	5.5

Activity in the Backlog

Key Backlog Statistics

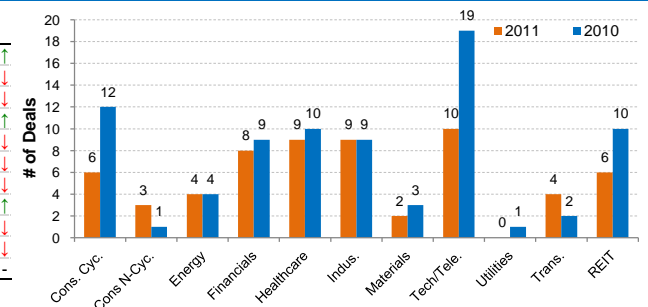
Issuer Group	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ
US IPOs	49	71	-22 ↓	13,239.5	12,477.1	6.1 ↑
International IPOs	12	9	3 ↑	1,072.0	1,614.7	-33.6 ↓
Total	61	80	-19 ↓	14,311.5	14,091.8	1.6 ↑

Backlog by Deal Size

Deal Size	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ
\$500M or More	7	4	3 ↑	7,616.5	2,200.4	246.1 ↑
\$300 to \$500M	6	9	-3 ↓	1,991.3	3,196.5	-37.7 ↓
\$100 to \$300M	25	40	-15 ↓	3,568.8	7,046.4	-49.4 ↓
Less than \$100M	23	27	-4 ↓	1,135.0	1,648.5	-31.1 ↓

Backlog by Sector

Sector	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ
Healthcare	9	10	-1 ↓	4,286.5	844.8	407.4 ↑
REIT	6	10	-4 ↓	2,644.5	2,810.4	-5.9 ↓
Technology/Telecom	10	19	-9 ↓	2,057.0	2,226.3	-7.6 ↓
Energy	4	4	-	1,615.0	1,239.0	30.3 ↑
Financials	8	9	-1 ↓	978.8	1,266.0	-22.7 ↓
Consumer Cyc.	6	12	-6 ↓	895.0	1,675.5	-46.6 ↓
Industrials	9	9	-	889.8	2,487.9	-64.2 ↓
Transportation	4	2	2 ↑	695.0	432.0	60.9 ↑
Consumer Non-Cyc.	3	1	2 ↑	170.0	276.0	-38.4 ↓
Materials	2	3	-1 ↓	80.0	634.0	-87.4 ↓
Utilities	-	1	-1 ↓	-	200.0	-



Top February Filings

File Date	Expected Date	Issuer	Sector	Country	Proceeds (\$M)
1 02/11/11	Undisclosed	Freescale Semiconductor Ltd.	Technology/Telecom	United States	1,150.0
2 02/02/11	Undisclosed	RLJ Lodging Trust	Financials	United States	550.0
3 02/14/11	Undisclosed	Inland Western Retail Real Estate Trust	Financials	United States	350.0
4 02/24/11	Undisclosed	Home Loan Servicing Solutions, Ltd.	Financials	Cayman	316.3
5 02/28/11	Undisclosed	New Mountain Finance Corporation	Financials	United States	200.0
6 02/25/11	Undisclosed	Advanced BioHealing Inc	Healthcare	United States	200.0
7 02/14/11	Undisclosed	The Active Network, Inc.	Technology/Telecom	United States	150.0
8 02/02/11	Undisclosed	Thermon Group Holdings, Inc.	Industrials	United States	143.8
9 02/11/11	Undisclosed	Pandora Media, Inc.	Technology/Telecom	United States	100.0
10 02/08/11	Undisclosed	ADS Tactical, Inc.	Consumer Cyc.	United States	100.0

Top 10 IPOs in the Backlog

File Date	Expected Date	Issuer	Sector	Country	Proceeds (\$M)
1 12/22/10	03/09/11	HCA Holdings, Inc.	Healthcare	United States	3,534.0
2 02/11/11	Undisclosed	Freescale Semiconductor Ltd.	Technology/Telecom	United States	1,150.0
3 12/14/10	Undisclosed	Frac Tech Services, Inc.	Energy	United States	690.0
4 10/06/10	Undisclosed	Eola Property Trust	Financials	United States	675.0
5 02/02/11	Undisclosed	RLJ Lodging Trust	Financials	United States	550.0
6 12/21/10	Undisclosed	Schottenstein Realty Trust, Inc.	Financials	United States	517.5
7 01/14/11	Undisclosed	Kosmos Energy Ltd.	Energy	United States	500.0
8 12/13/10	Undisclosed	Lone Pine Resources Inc.	Energy	Canada	375.0
9 02/14/11	Undisclosed	Inland Western Retail Real Estate Trust	Financials	United States	350.0
10 09/28/10	Undisclosed	GNC Holdings, Inc.	Consumer Cyc.	United States	350.0

IPO Brief Notes

The IPO Brief tracks offering statistics and aftermarket performance of IPOs satisfying the following criteria:

- Must be publicly traded on a US-based stock exchange
- Must raise initial proceeds greater than or equal to \$20M

IPOs that are excluded from the report include:

- Closed End Funds (CEF)
- Special Purpose Acquisition Companies (SPAC)
- Private Investments in Public Equity (PIPE)
- Private Placements / 144A
- Unit Offerings

Other Notes:

Offer vs. File range statistics are based on the most recent amended file range. Proceeds do not include any exercised over-allotment. "US-Based IPOs" are US-domiciled and "US-listed." "International IPOs" are non-US domiciled and US-listed. Proceeds by bookrunner are apportioned proceeds. The backlog tracks deals filed or amended within a trailing 180-day period.

† IPO Indexing Methodology

The Ipreo IPO indices track trailing one-month price performance of the 25 most-recent US-domiciled IPOs, and the 25 most-recent non-US domiciled ("International") IPOs (members of both constituents must be listed on US-based exchange). Exclusions from the constituent groups are detailed above.

Trailing price performance is calculated by taking an un-weighted average of daily percent changes across a given historical date's 25 US and 25 International most-recent IPOs. The 25 US and 25 International constituents may not remain consistent over the full 30-day period, and can adjust daily to accommodate new IPO or release old IPOs falling out of the relevant grouping. The un-weighted average daily percent change is then applied to a base value of 100 given to each index, including the benchmark S&P 500. The basic indexing formula is given below:

$$\text{Index Value (Day Current)} = \text{Index Value (Prior Day)} \times \left(1 + \frac{\text{Avg Current Day \% } \Delta}{100} \right)$$

About Ipreo Capital Markets

Ipreo Capital Markets Analytics is a consultative service focused on providing strategic intelligence on the equity capital markets. Our dedicated team of experienced analysts combine best-of-breed data and innovative solutions to help clients understand the new issuance market and win mandates for both marketed and non-marketed deals.

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