

September Recap

- IPOs disappeared from US exchanges in September, as zero companies went public, down from eight a year ago. The drought marked the first month without an IPO since January 2009, during the height of the recession. Despite being shut out in September, strong volume in the IPO markets earlier in 2011 means that year-to-date IPO count remains slightly up year-over-year, with 99 deals in 2011, compared with 96 a year ago. US-listed YTD IPO proceeds are also up from 2010, nearly doubling to \$29.6B in 2011 from only \$14.9B last year.
- Amid the prolonging IPO drought, the average constituent age of both indices continued to rise, capturing activity deeper into the aftermarket. While periods of heavy deal flow may benefit from the frequent upside of first-day pops, an older basket of IPOs will tend to trade more in-line with broader markets. The US-based index reported its second straight monthly decrease (-7.7%), while the International-based index had its worst monthly performance year-to-date (-22.1%) in September. China's Osssen Innovation and NetQin Mobile were the worst performers, falling to -67.8% and -65.9% below their initial offer prices, respectively. The S&P 500 outperformed both indices despite shedding 6.1% over the month, capping off the worst quarterly decline since the 2008 financial crisis.
- Despite the volatility and macroeconomic concerns that prevailed in global markets at the end of Q2, several large filings helped expand the backlog in September, most notably FTS International's billion-dollar plus IPO filing. Elsewhere in the Energy pipeline, Platinum Energy Solutions filed for a \$300M IPO, causing the sector as a whole to climb to second place for total proceeds filed in the current pipeline. The Tech sector, however, still remains in the spotlight, with 31 deals and \$5.5B in the pipeline, including billion-dollar offerings from Zynga and Avaya.

Activity & Performance Statistics for US-Listed IPOs

Year-over-Year Summary Statistics

Issuer Group	2011	2010	YoY #	2011	2010	YoY \$	Offer vs. File Range			Avg % Δ	Avg % Δ	Avg % Δ	Avg % Δ
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	1-Day	1-Wk	1-Mo	Off/Curr
US-Based IPOs	78	73	5 ↑	23,940.9	10,844.0	120.8 ↑	14	41	23	11.5	0.3	-2.1	-10.7
International IPOs	21	23	-2 ↓	5,698.8	4,095.6	39.1 ↑	5	12	4	11.1	-3.1	-8.9	-34.4
YTD Total	99	96	3 ↑	29,639.6	14,939.6	98.4 ↑	19	53	27	11.4	-0.5	-3.5	-15.7

Year-over-Year Activity by Month

Month	2011	2010	YoY #	2011	2010	YoY \$	Offer vs. File Range			Avg % Δ	Avg % Δ	Avg % Δ	Avg % Δ
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	1-Day	1-Wk	1-Mo	Off/Curr
January	8	5	3 ↑	3,906.4	732.6	433.2 ↑	1	4	3	8.4	2.4	1.1	-22.6
February	16	7	9 ↑	4,263.5	1,189.4	258.4 ↑	2	12	2	7.0	1.6	0.6	-23.4
March	6	13	-7 ↓	4,915.9	2,120.6	131.8 ↑	1	2	3	33.7	-3.0	-2.8	-15.4
April	20	16	4 ↑	4,945.6	2,137.2	131.4 ↑	4	10	6	8.7	1.1	1.3	-9.9
May	21	11	10 ↑	6,216.7	1,367.8	354.5 ↑	6	12	3	9.9	-2.9	-10.6	-23.9
June	10	10	0 -	1,882.8	1,795.6	4.9 ↑	2	6	2	6.3	-1.9	5.6	-8.1
July	14	12	2 ↑	2,572.3	2,718.6	-5.4 ↓	2	4	8	21.5	-2.1	-14.9	-5.3
August	4	11	-7 ↓	936.5	1,242.3	-24.6 ↓	1	3	0	0.9	3.4	-0.9	-13.9
September	0	8	-8 ↓	0.0	1,110.2	NM	0	0	0	-	-	-	-
October	-	21	-	-	2,836.5	-	-	-	-	-	-	-	-
November	-	19	-	-	18,370.6	-	-	-	-	-	-	-	-
December	-	19	-	-	3,523.6	-	-	-	-	-	-	-	-

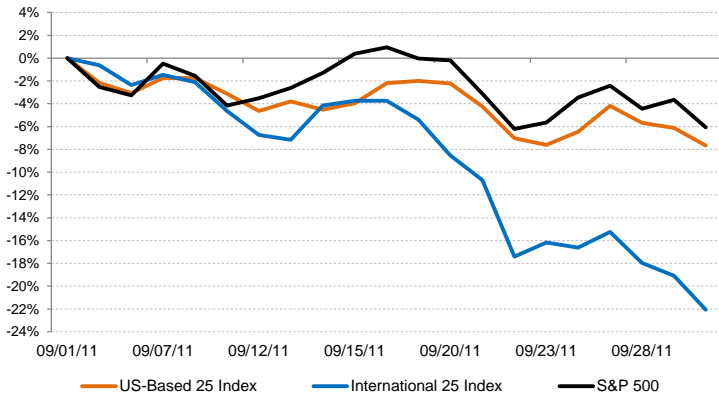
Year-over-Year Activity by Sector

Sector	2011	2010	YoY #	2011	2010	YoY \$	Offer vs. File Range			Avg % Δ	Avg % Δ	Avg % Δ	Avg % Δ
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	1-Day	1-Wk	1-Mo	Off/Curr
Energy	11	7	4 ↑	5,565.0	1,887.4	194.8 ↑	2	6	3	2.7	-0.1	-6.6	-17.7
Technology/Telecom	23	24	-1 ↓	5,170.8	2,623.8	97.1 ↑	4	10	9	20.0	-3.8	-7.8	-27.6
Healthcare	12	10	2 ↑	4,900.8	728.6	572.7 ↑	3	9	-	6.4	-1.9	0.5	-6.9
Consumer Cyc.	11	12	-1 ↓	4,287.9	1,378.2	211.1 ↑	1	6	4	17.7	1.1	-2.2	-14.9
Financials	12	15	-3 ↓	2,791.5	2,587.7	7.9 ↑	2	9	1	-0.2	-1.0	-1.0	-23.9
REIT	7	7	0 -	1,961.0	1,155.8	69.7 ↑	3	3	1	-3.0	0.8	-0.8	-18.7
Transportation	5	4	1 ↑	1,566.0	795.6	96.8 ↑	1	2	2	11.9	1.4	-0.7	-10.3
Industrials	7	6	1 ↑	1,469.4	1,572.6	-6.6 ↓	1	4	2	26.3	2.3	-4.1	12.3
Consumer Non-Cyc.	5	3	2 ↑	946.1	807.0	17.2 ↑	-	2	3	24.5	-0.3	-14.0	-4.9
Materials	5	7	-2 ↓	907.6	1,151.1	-21.2 ↓	2	1	2	5.3	6.7	8.0	-14.5
Utilities	1	1	0 -	73.5	252.0	-70.8 ↓	-	1	-	-0.1	3.7	-4.1	-1.8

Year-over-Year Activity by Leading Bookrunners

Broker	2011	2010	YoY #	2011	2010	YoY \$	Offer vs. File Range			Avg % Δ	Avg % Δ	Avg % Δ	Avg % Δ
	#	#	Δ	(\$M)	(\$M)	% Δ	Below	Within	Above	1-Day	1-Wk	1-Mo	Off/Curr
Goldman Sachs	25	27	-2 ↓	4,171.3	1,794.5	132.4 ↑	4	6	15	20.5	-0.6	-0.3	-6.8
Morgan Stanley	35	33	2 ↑	4,072.2	2,507.5	62.4 ↑	5	13	17	16.2	-2.0	-3.0	-6.3
Barclays PLC	19	15	4 ↑	3,371.7	1,272.1	165.0 ↑	5	7	7	10.5	0.5	-1.5	-10.6
J.P. Morgan	28	26	2 ↑	2,823.8	1,505.5	87.6 ↑	6	10	12	16.6	-1.0	-2.2	-8.9
BofA Merrill Lynch	27	21	6 ↑	2,797.7	1,473.0	89.9 ↑	6	15	6	13.6	1.9	-3.0	-9.5
Citi	25	15	10 ↑	2,656.9	1,063.7	149.8 ↑	4	13	8	12.1	0.4	-2.1	-13.6
Deutsche Bank	24	18	6 ↑	2,656.6	945.1	181.1 ↑	5	15	4	9.0	0.9	-2.4	-22.5
Credit Suisse	19	20	-1 ↓	2,107.6	1,219.9	72.8 ↑	4	11	4	3.7	0.7	0.1	-27.0
Wells Fargo	11	6	5 ↑	1,305.7	356.5	266.3 ↑	3	8	-	2.2	1.9	-2.3	-15.1
UBS AG	10	14	-4 ↓	533.0	922.1	-42.2 ↓	5	4	1	9.1	-0.7	-1.8	-23.2

Ipreo 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	-7.66	-0.40	1.41	2.43	-2.90
International 25 Index	-22.07	-1.28	2.30	3.24	-7.50
S&P 500 Index	-6.06	-0.34	1.83	2.86	-3.19

Leaders & Laggards

Trade Date	Issuer	Sector	Country	1-Day		Offer/Curr Δ %	Trade Date	Issuer	Sector	Country	1-Day		Offer/Curr Δ %
				Price Δ %	Offer/Curr Δ %						Price Δ %	Offer/Curr Δ %	
07/27/11	Dunkin' Brands Group, Inc.	Consumer Non-Cyc.	United States	46.6	44.8		12/21/10	Osssen Innovation Co. Ltd.	Materials	China	-5.6	-67.8	
07/20/11	Zillow, Inc.	Technology/Telecom	United States	78.9	37.5		05/05/11	NetQin Mobile Inc.	Technology/Telecom	China	-19.1	-65.9	
06/24/11	KIOR, Inc.	Materials	United States	0.0	33.2		05/04/11	Renren Inc.	Technology/Telecom	China	28.6	-64.9	
04/14/11	Arcos Dorados Holdings Inc.	Consumer Cyc.	Argentina	24.7	29.9		02/15/11	Zuoan Fashion Limited	Consumer Cyc.	China	0.6	-62.7	
08/11/11	Carbonite, Inc.	Technology/Telecom	United States	23.5	22.0		02/03/11	Trunkbow International Holdings Limited	Technology/Telecom	China	-5.2	-57.8	
				Average	34.7	33.5					Average	-0.1	-63.8

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 (\$M)	2010 (\$M)	YoY \$ % Δ	- 2011 Performance by Geography -						
	#	#	Δ				Offer vs. File	Range	Avg % Δ	Avg % Δ	Avg % Δ	Avg % Δ	
North America	79	75	4 ↑	24,135.9	11,651.5	107.1 ↑	15	41	23	11.3	0.3	-2.3	-11.2
Asia/Pacific	12	17	-5 ↓	1,862.8	1,776.2	4.9 ↑	1	9	2	14.3	-6.5	-13.8	-43.0
Europe	6	4	2 ↑	2,077.5	1,511.9	37.4 ↑	3	2	1	5.1	-2.2	-1.9	-27.0
Latin America	2	-	2 ↑	1,563.5	-	-	-	1	1	16.9	12.1	3.3	3.1
Rest of World	-	-	-	-	-	-	-	-	-	-	-	-	-

Domicile Country

Domicile Country	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ	Offer vs. File	Range	Avg % Δ	Avg % Δ	Avg % Δ	Avg % Δ	
United States	77	71	6 ↑	23,670.9	10,667.5	121.9 ↑	14	41	22	11.5	0.3	-2.2	-11.0
China	12	15	-3 ↓	1,862.8	1,543.7	20.7 ↑	1	9	2	14.3	-6.5	-13.8	-43.0
Netherlands	2	2	0	431.1	1,044.8	-58.7 ↓	-	2	-	0.6	3.8	3.4	-1.8
Brazil	1	-	1 ↑	314.3	-	-	-	1	-	9.1	12.5	4.0	-23.6
Bermuda	1	1	0	270.0	91.5	194.9 ↑	-	-	1	10.4	-0.8	4.2	11.6

Most Recent IPOs

File Date	Trade Date	Issuer	Sector	Country	Proceeds (\$M)	Price vs. Range	1-Day Price Δ %	Offer/Curr Δ %
1 11/09/10	08/17/11	Tudou Holdings Ltd.	Consumer Cyc.	China	174.0	Within	-11.9	-56.2
2 05/11/11	08/11/11	Carbonite, Inc.	Technology/Telecom	United States	62.5	Within	23.5	22.0
3 05/25/11	08/11/11	SandRidge Permian Trust	Energy	United States	540.0	Below	0.0	-6.1
4 03/31/11	08/04/11	American Capital Mortgage Inv. Corp.	REIT	United States	160.0	Within	-8.0	-15.4
5 03/30/11	07/29/11	C&J Energy Services, Inc.	Energy	United States	333.5	Above	5.2	-44.9
6 08/03/10	07/28/11	Horizon Pharma, Inc.	Healthcare	United States	49.5	Below	1.7	-29.9
7 04/08/11	07/28/11	Wesco Aircraft Holdings, Inc.	Industrials	United States	315.0	Below	-0.5	-27.7
8 04/12/11	07/28/11	The Chefs' Warehouse, Inc.	Consumer Non-Cyc.	United States	135.0	Within	16.7	-20.0
9 04/28/11	07/28/11	Teavana Holdings, Inc.	Consumer Non-Cyc.	United States	121.4	Above	63.5	14.1
10 04/16/10	07/27/11	Tangoe, Inc.	Industrials	United States	87.7	Within	16.5	14.3
						Average	10.7	-15.0

Activity in the Backlog

Key Backlog Statistics

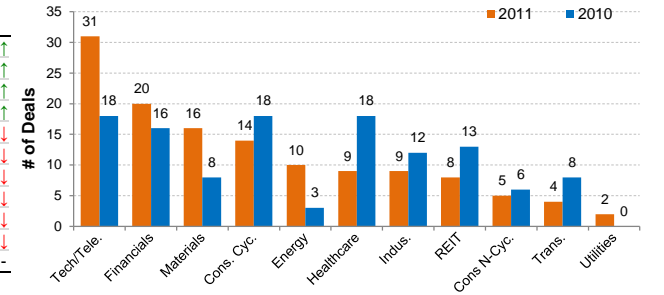
Issuer Group	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ
US IPOs	120	104	16 ↑	25,622.0	41,813.2	-38.7 ↓
International IPOs	8	16	-8 ↓	645.2	1,343.4	-52.0 ↓
Total	128	120	8 ↑	26,267.3	43,156.6	-39.1 ↓

Backlog by Deal Size

Deal Size	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ
\$500M or More	11	10	1 ↑	8,612.5	26,415.1	-67.4 ↓
\$300 to \$500M	15	13	2 ↑	5,225.0	4,723.9	10.6 ↑
\$100 to \$300M	72	57	15 ↑	10,557.5	9,630.3	9.6 ↑
Less than \$100M	30	40	-10 ↓	1,872.3	2,387.4	-21.6 ↓

Backlog by Sector

Sector	2011 #	2010 #	YoY # Δ	2011 (\$M)	2010 (\$M)	YoY \$ % Δ
Technology/Telecom	31	18	13 ↑	5,536.0	1,965.5	181.7 ↑
Energy	10	3	7 ↑	3,915.0	665.0	488.7 ↑
Financials	20	16	4 ↑	3,792.5	2,523.1	50.3 ↑
Materials	16	8	8 ↑	3,502.5	1,575.1	122.4 ↑
REIT	8	13	-5 ↓	3,086.3	4,347.4	-29.0 ↓
Consumer Cyc.	14	18	-4 ↓	2,471.3	21,327.6	-88.4 ↓
Industrials	9	12	-3 ↓	1,496.8	1,852.2	-19.2 ↓
Healthcare	9	18	-9 ↓	883.3	6,251.1	-85.9 ↓
Transportation	4	8	-4 ↓	638.0	2,076.3	-69.3 ↓
Consumer Non-Cyc.	5	6	-1 ↓	545.8	573.3	-4.8 ↓
Utilities	2	-	2 ↑	400.0	-	-



Top September Filings

File Date	Expected Date	Issuer	Sector	Country	Proceeds (\$M)
1 09/09/11	Undisclosed	FTS International, Inc.	Energy	United States	1,150.0
2 09/15/11	Undisclosed	Enova International, Inc.	Financials	United States	500.0
3 09/27/11	Undisclosed	Platinum Energy Solutions, Inc.	Energy	United States	300.0
4 09/14/11	Undisclosed	Ares Commercial Real Estate Corp.	REIT	United States	250.0
5 09/09/11	Undisclosed	Restoration Hardware Holdings, Inc.	Consumer Cyc.	United States	150.0
6 09/01/11	Undisclosed	Sanchez Energy Corp.	Utilities	United States	150.0
7 09/22/11	Undisclosed	Fulcrum BioEnergy, Inc.	Materials	United States	115.0
8 09/20/11	Undisclosed	Elevance Renewable Sciences, Inc.	Materials	United States	100.0
9 09/19/11	Undisclosed	FX Alliance Inc.	Technology/Telecom	United States	100.0
10 09/16/11	Undisclosed	Mascoma Corp.	Materials	United States	100.0

Top 10 IPOs in the Backlog

File Date	Expected Date	Issuer	Sector	Country	Proceeds (\$M)
1 09/09/11	Undisclosed	FTS International, Inc.	Energy	United States	1,150.0
2 07/01/11	Undisclosed	Zynga Inc.	Technology/Telecom	United States	1,000.0
3 06/09/11	Undisclosed	Avaya Holdings Corp.	Technology/Telecom	United States	1,000.0
4 04/21/11	Undisclosed	Momentive Performance Materials Holdings	Materials	United States	862.5
5 07/26/11	Undisclosed	Morgan Properties Trust	REIT	United States	800.0
6 06/02/11	Undisclosed	Groupon, Inc.	Consumer Cyc.	United States	750.0
7 04/29/11	Undisclosed	WPX Energy, Inc.	Energy	United States	750.0
8 05/25/11	Undisclosed	Rexnord Corp.	Industrials	United States	700.0
9 04/05/11	Undisclosed	PIMCO REIT, Inc.	REIT	United States	600.0
10 09/15/11	Undisclosed	Enova International, Inc.	Financials	United States	500.0

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)
- Equity Unit Offerings
- Private Placements / 144A

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

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