

Case Study



Planning and Measuring an International Roadshow

Optimizing Management Time and IR Resources During International Investor Outreach

SECTOR:

Technology

EXCHANGE:

NYSE

MARKET CAP:

Large Cap

The client's CEO and CFO are frequent travelers to Europe and Asia for business and have heard from peers and brokers that the sector is attracting new money from abroad. Due to limitations in public filings, they do not have a clear picture of their international shareholding. The CFO has participated in non-deal roadshows (NDRs) that the investor relations team has conducted in the past but has not seen any measure of the effort or results. The CFO wants to be able to:

- 01 Ensure that they are meeting the right investors
- 02 Measure both effort and results of the meetings

MiFID II gave this project added impetus as the client faces a future in which international outreach may rely less on the sell-side.

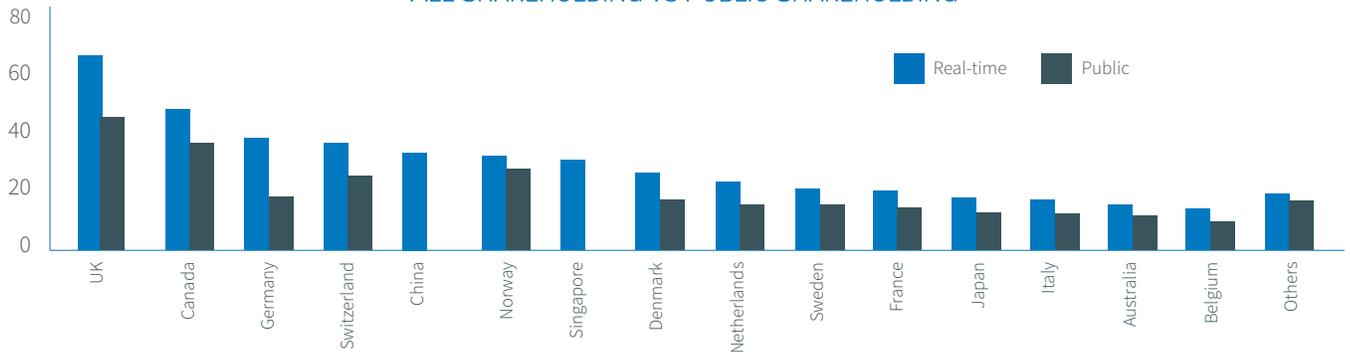
IPREO'S APPROACH

In order to establish a reliable benchmark, a deep-dive research into the client's international shareholder base was conducted. This included identifying current ownership by investors the client had interacted with historically through NDRs, industry conferences, and earnings conference calls. The exercise drew upon the global network of buy-side and custodial relationships cultivated by the international offices of Ipreo that support local issuer clients.

Using this exhaustive international shareholder list, Ipreo performed a comprehensive firm- and fund-level targeting analysis to identify which institutions made for strong outreach opportunities. Ipreo assessed how the client's fundamental profile compared to the securities already found within each investor's portfolio. To understand the extent to which a target can invest, Ipreo evaluated how many shares each investor could buy if it were to make the client a core holding. Based on how often each firm or contact engages with issuers of a similar capitalization, sector, and region, Ipreo factored in each investor's likelihood to meet when providing NDR recommendations.

The client partnered with Ipreo to plan a global NDR schedule, focusing not only on the metropolitan areas with high levels of current ownership, but also on those that presented a multitude of strong targeting opportunities.

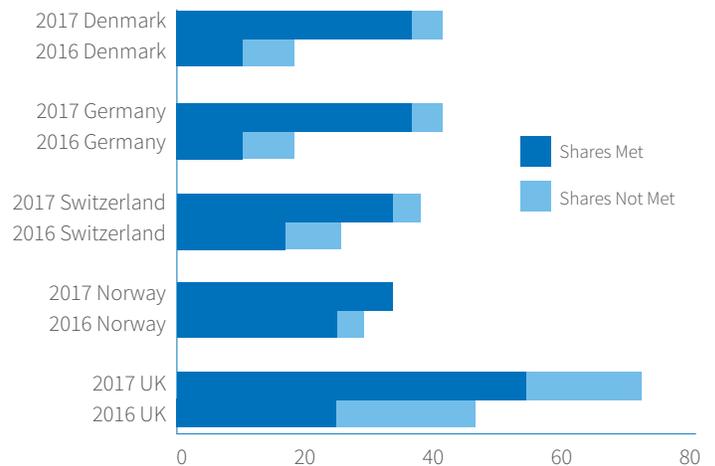
ALL SHAREHOLDING VS PUBLIC SHAREHOLDING



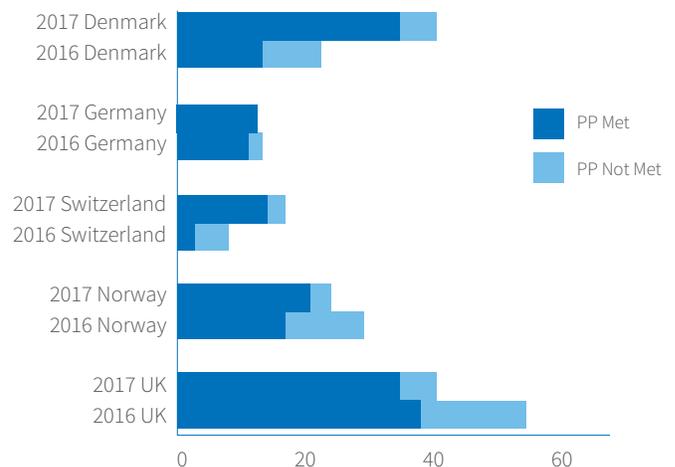
RESULTS & IMPLEMENTATION

- ▶ The benchmark international shareholder identification exercise identified significantly more shareholding in real-time than what was available in the public domain.
- ▶ Compared to previous outreach, this time, the client met with investors owning more shares and purchasing power.
- ▶ Armed with Ipreo’s recommended contacts at each firm, the client was able to establish relationships with analysts and portfolio managers most likely to initiate, maintain, or recommend an investment.
- ▶ Utilizing Ipreo’s pre-meeting attendee summaries, the client was able to prepare management with each investor’s critical investment drivers, current trends, and key metrics.
- ▶ Following outreach by the management and IR teams during the year, Ipreo conducted a second international shareholder identification exercise to compare with the results of the first benchmark exercise.
- ▶ Combining the shareholding changes with qualitative feedback obtained during the interactions provided the client with better understanding of the interactions and insight into the drivers of the buying and selling activity.

EUROPE – BY SHARES MET



EUROPE – BY PURCHASING POWER MET



CLIENT TESTIMONIAL

“ Ipreo’s results and recommendations were backed up by data at every stage which was key to making management, particularly my CFO, comfortable. We feel like we are not missing any important investors now. Most importantly, the “proof of the pudding” was in the consistent quality of the interactions we had with both shareholders and prospects. The responsiveness of the entire Ipreo team is amazing. Given how much we spend on travel and the value of management time, these services are a bargain . We will definitely use them again and potentially add on a perception study to qualitatively evaluate what we are doing in the market. ”

IPREO SERVICES USED:

-  GLOBAL MARKETS INTELLIGENCE
-  CORPORATE ANALYTICS

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