

# London as a Global Capital Raising & Investment Destination

10<sup>th</sup> Annual Capital Link  
Shipping, Marine Services & Offshore Forum

12 September 2017



**London**  
Stock Exchange





# London – A Leading Global Financial Centre

## Strong capital raising backdrop

- ✓ Robust capital raising across equity, fixed income, ETPs and funds, including by int'l companies, in the past year.
- ✓ London is the largest centre for IPO and Follow-On equity capital (\$29.6bn raised) in H1 2017 in Europe.
- ✓ Record year for funds in 2017YTD. £8.4bn raised since July 2016, (over 50% by US-based funds).

**£360bn**

Capital raised on LSE  
plc's since July 2016

## The deepest pools of international investor capital

- ✓ London's history, global connectivity, experience and innovation underpin its unique position in global markets.
- ✓ Issuers operating in over 100 countries represented in London; and the most number of international companies listed.
- ✓ Deep liquid multi-currency markets with over 37% of global currency trading.
- ✓ Leading centre for internationally managed equity assets (over £2tn invested in international equities).

**75%**

Of revenues of FTSE 100  
companies come from  
outside the UK<sup>1</sup>

## Our regulatory framework promotes stability

- ✓ An internationally respected regulatory environment, stable market infrastructure and diverse investor base.
- ✓ Passporting is less frequently used for UK capital raises – only 5% of equity prospectuses and 10% of all prospectuses are passported outwards – versus other EU countries including Ireland, Luxembourg and Germany.
- ✓ Innovations include the Masala, Dim Sum, Sukuk and Green bond markets – global products with a global investor base.

**48%**

by value of investors in  
LSE listed securities  
domiciled outside UK

## London's wider ecosystem underpins its resilience

- ✓ The UK's key strength is its breadth of investors, innovative large and small companies, experience and global talent, which sustains deep pools of liquidity.
- ✓ LSEG supports the ecosystem through its services, sustainable financing initiatives and range of execution mechanisms.

**\$10bn**

Raised by funds in  
London YTD (55 FO's and  
17 IPO's). Of which \$7.7bn  
from UK issuers and  
\$2.3bn from Overseas  
issuers.



# An Attractive Choice For Global Companies

**Global companies come to London to meet global investors.**

London has remained the most international stock market following the EU referendum. Since July 2016, there have been:

## 659 equity deals

Raised £42 billion in 8 currencies.

## 1,712 debt securities

Raised £310 billion in 28 currencies.

## 137 ETPs listings

On-book trading of £415 million in 3 currencies.

## Funds raise £8.4bn

Listed funds and REITs raise over £8bn initial and follow-on capital, with new innovations across different sectors e.g. real estate, entertainment.

## 183 int'l issuers

Equity transactions from 41 countries raising £11.6 billion of the total.

## 35 countries

1,149 debt transactions representing issuers from 35 countries raising £161 billion of the total.

## 26 int'l ETP issuers

Overall including 2 new Chinese issuers and 1 new US issuer – ICBC Credit Suisse, GF International and Fidelity.

## US Funds raise £4.6bn

Including: Pershing Square Holdings and Biopharma Credit, Vietnam Enterprise Investments



# Recent Highlights & Key Transactions



## £9.4bn

2017 YTD has seen a total of over £9.4bn money raised through IPOs on Main Market and AIM – £3.8bn more than for the whole of 2016

## 68

There have been 68 IPOs on LSE in 2017 YTD – compared to 65 in the whole of 2016

## 68%

68% of 2017 YTD IPOs are currently trading up



## 29

There have been 29 IPOs on AIM in 2017 YTD, raising over £1.4bn



POLYUS



*Eddie Stobart*



Bank of Cyprus



## ELITE

Currently the programme totals >600 companies



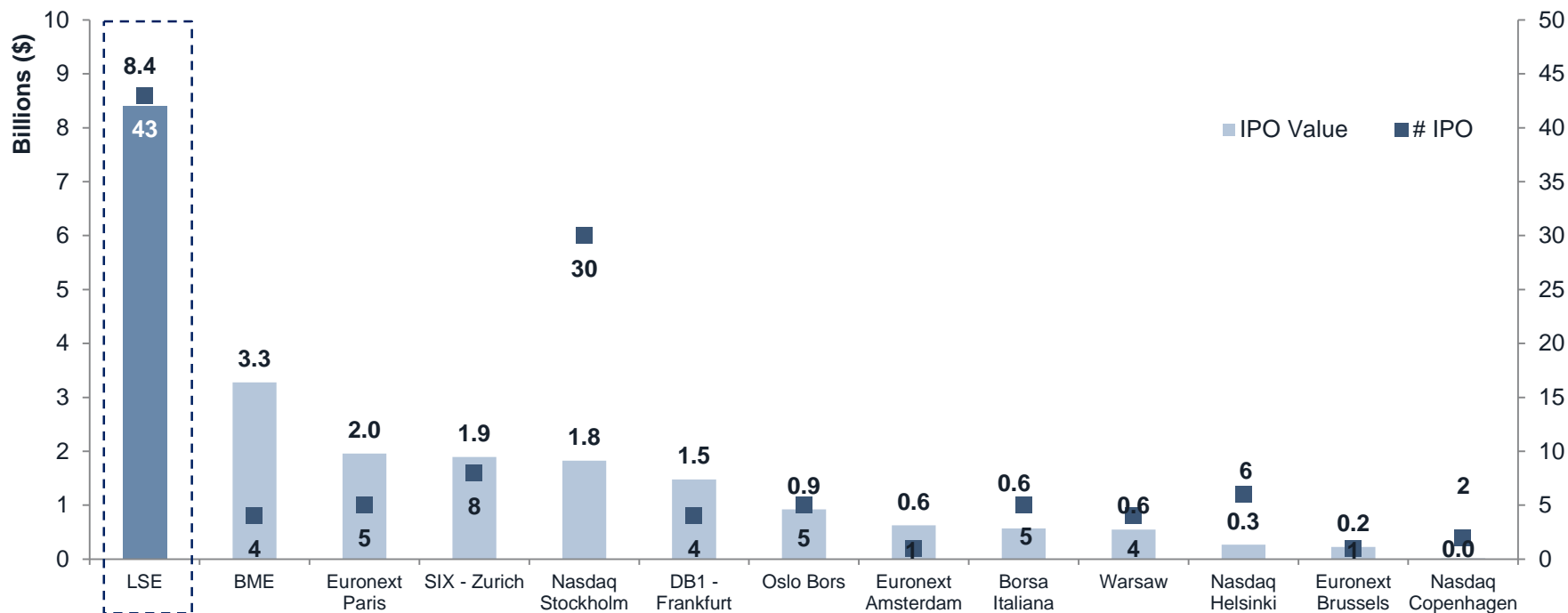
xafinity

BIOPHARMA CREDIT PLC



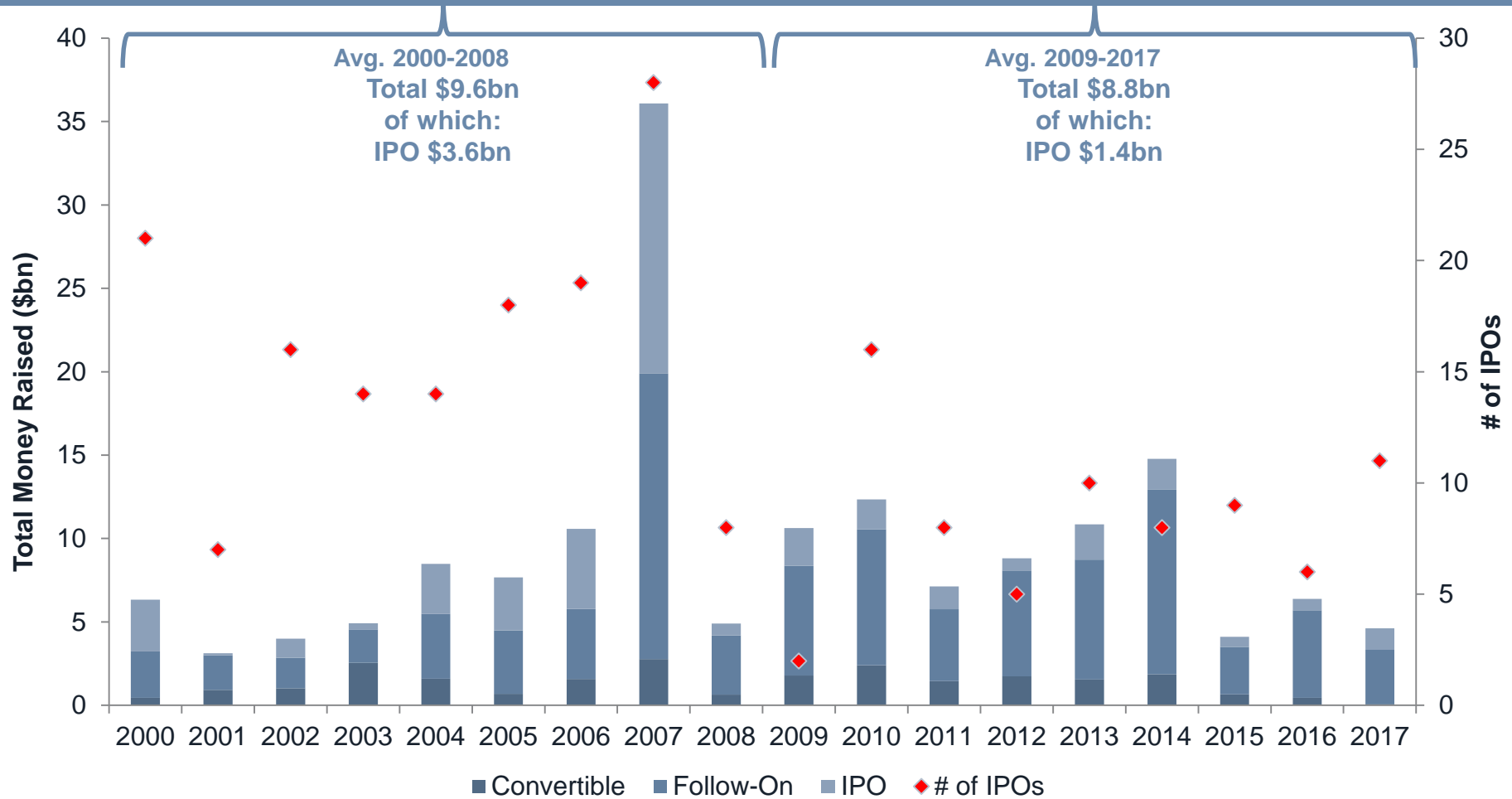
# Leader in Europe by IPO Equity Capital Raised

LSE saw more IPOs and equity capital raised at IPO than any other European financial centre (H1 2017)





# Shipping Sector: Global Equity Raising



Source: Bloomberg, September 2017

# Global ECM Activity IPOs

## Global Marine, Shipping and Transportation Services



**London**  
Stock Exchange

- Globally, since the start of 2017, there have been 11 IPO's raising \$1.3bn, with an average deal value of \$116m
- Global Ports Holding raised \$206m on LSE in May 2017, the largest shipping IPO in EMEA YTD

### Top 10 largest IPO's since September 2016

| Pricing Date     | Deal Type  | Offer Size (USDm) | Exchange                                           | Company                           | Company Description                                                                        | Industry Group                     |
|------------------|------------|-------------------|----------------------------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------|------------------------------------|
| 04-Aug-17        | IPO        | 231               | Bombay<br>India - National Stock Exchange          | Cochin Shipyard Ltd               | Shipyard operator.                                                                         | Transportation-Ship                |
| 16-Mar-17        | IPO        | 231               | Shanghai                                           | Guangzhou Port Co Ltd             | Provider of port operation services.                                                       | Transportation-Ship                |
| <b>12-May-17</b> | <b>IPO</b> | <b>206</b>        | <b>London</b>                                      | <b>Global Ports Holding plc</b>   | <b>Port operator.</b>                                                                      | <b>Transportation-Ship</b>         |
| 05-May-17        | IPO        | 162               | Oslo                                               | Fjord1 AS                         | Provider of transportation services.                                                       | Transportation-Ship                |
| 20-Apr-17        | IPO        | 100               | Norwegian Fund Broker Association                  | MPC Container Ships AS            | Investment company with a focus on small-size container ships between 1,000 and 3,000 TEU. | Transportation-Ship                |
| 13-Jan-17        | IPO        | 50                | Shenzhen - Chinext                                 | Changshu Ruite Electric Co Ltd    | Manufacturer of switchgear and switchboard apparatus for ships.                            | Computers & Electronics-Components |
| 11-May-17        | IPO        | 50                | Norwegian Fund Broker Association                  | Navios Maritime Containers Inc    | Shipping company focused on the container sector of the maritime industry.                 | Transportation-Ship                |
| 21-Dec-16        | IPO        | 30                | MAI - Market for Alternative Investment (Thailand) | AMA Marine Co Ltd                 | Liquid tanker vessel operation and marine logistics company.                               | Transportation-Ship                |
| 10-May-17        | IPO        | 27                | Cambodia Stock Exchange                            | Sihanoukville Autonomous Port     | Development and management of Sihanoukville Special Economic Zone.                         | Transportation-Ship                |
| 06-Mar-17        | IPO        | 23                | Jakarta                                            | PT Nusantara Pelabuhan Handal Tbk | Operator of container terminal.                                                            | Transportation-Ship                |

Source: Dealogic, September 2017

Dealogic Company Business Description filtered for: Marine, Maritime, Shipping, Cargo, Tanker etc.

# Global ECM Activity Further Issues

## Global Marine, Shipping and Transportation Services



**London**  
Stock Exchange

- Globally, over the past year there have been 42 further issues raising \$2.9bn, with an average deal value of \$70m
- Cobham plc priced the largest further offering in the sector on the London market, a \$671m rights issue

### Top 10 largest Further Issues since September 2016

| Pricing Date | Deal Type | Offer Size (USDm) | Exchange         | Company                                 | Company Business Description                                                                                                                                      | Industry Group            |
|--------------|-----------|-------------------|------------------|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 05-May-17    | Follow-On | 671               | London           | Cobham plc                              | Manufacturer of communication equipment for the aviation and maritime sector and provider of engineering services.                                                | Telecom-Wireless/Cellular |
| 11-Jul-17    | Follow-On | 286               | Frankfurt Prime  | Hapag-Lloyd AG                          | Provider of international container liner shipping.                                                                                                               | Transportation-Ship       |
| 20-Apr-17    | Follow-On | 202               | Oslo             | Wallenius Wilhelmsen Logistics ASA      | Shipping company with operations in international liner traffic, tankers and bulk carriers, car carrying, ship agencies, ship management and offshore activities. | Transportation-Ship       |
| 24-May-17    | Follow-On | 200               | New York         | Scorpio Tankers Inc                     | Provider of marine transportation of petroleum products.                                                                                                          | Transportation-Ship       |
| 31-Aug-17    | Follow-On | 155               | Singapore        | Yangzijiang Shipbuilding (Holdings) Ltd | Shipbuilder of a broad range of commercial vessels, including containerships, bulk carriers, and multi-purpose cargo vessels.                                     | Transportation-Ship       |
| 26-Sep-16    | Follow-On | 110               | New York         | Nordic American Tankers Ltd             | Shipping company that owns and charters tankers for oil transportation.                                                                                           | Transportation-Ship       |
| 10-Feb-17    | Follow-On | 101               | Oslo             | Songa Bulk AS                           | Shipping company.                                                                                                                                                 | Transportation-Ship       |
| 26-Oct-16    | Follow-On | 101               | Kuala Lumpur     | Yinson Holdings Bhd                     | Holding company engaged in land, marine transportation and logistics services.                                                                                    | Transportation-Road       |
| 09-Dec-16    | Follow-On | 100               | New York<br>Oslo | Frontline Ltd                           | Oil tanker owner and operator.                                                                                                                                    | Transportation-Ship       |
| 25-May-17    | Follow-On | 96                | New York         | Costamare Inc                           | Shipping company.                                                                                                                                                 | Transportation-Ship       |

Source: Dealogic, September 2017

Dealogic Company Business Description filtered for: Marine, Maritime, Shipping, Cargo, Tanker etc.





# London's Shipping Ecosystem

Galbraith's, headquartered in London, has been at the forefront of shipbroking since 1847.



Global Ports Holding is the world's largest cruise port operator.



Established in London in 1883 Howe Robinson has since grown into one of the largest privately-owned dry-cargo and containership broking houses in the world.

is the world's leading provider of integrated shipping services, bringing our connections and experience to an international client base.



London has a strong ecosystem for shipping and infrastructure companies thanks to its long naval and industrial history



Cobham is a leading global and technology services innovator respected for providing solutions to the most challenging problems, from deep space to the depths of the ocean.



The Baltic Exchange, headquartered in London, is the world's only independent source of maritime market information for the trading and settlement of physical and derivative shipping contracts.

In the 17th century, London's importance as a trade centre led to an increasing demand for ship and cargo insurance. Edward Lloyd's coffee house became recognised as the place for obtaining marine insurance and this is where the Lloyd's that we know today began. Lloyd's is now the world's specialist insurance market.



BMS Harris & Dixon Marine is a marine insurer with roots in the marine market dating back to 1797

# London Listed Industrial, Marine Transportation Services companies



**London**  
Stock Exchange

| LSE Market               | AIM   | Main Market | Main Market – SFS | PSM   | Grand Total |
|--------------------------|-------|-------------|-------------------|-------|-------------|
| Number of Companies      | 6     | 18          | 2                 | 2     | 28          |
| Sum of Market Caps (\$m) | 1,059 | 22,811      | 1,131             | 3,352 | 28,353      |



NOVOROSSISK COMMERCIAL  
SEA PORT PJSC  
Market Cap  
\$ 2.6 bn



CLARKSONS  
Market Cap  
\$ 1.1 bn



BBA Aviation  
Market Cap  
\$ 4.1 bn



BRAEMAR ACM  
SHIPBROKING  
Market Cap  
\$ 0.12 bn

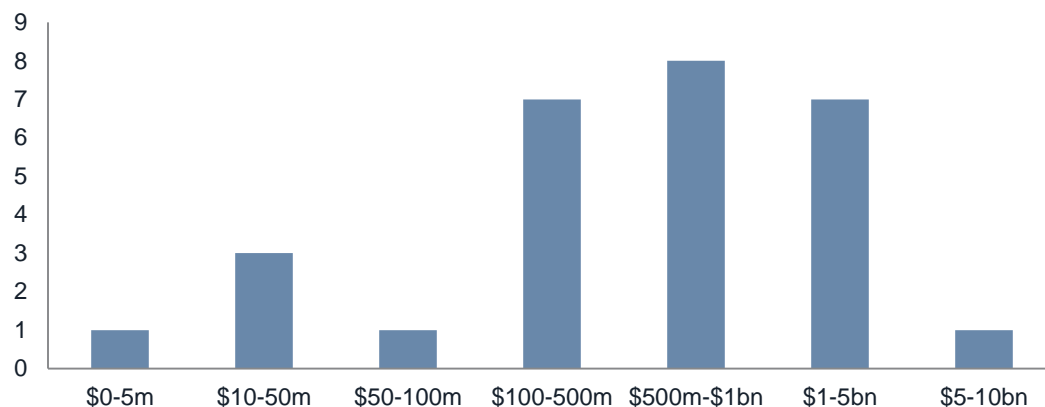


James Fisher and Sons plc  
Marine Services Worldwide  
Market Cap  
\$ 0.98 bn



YANG MING  
YANG MING MARINE TRANSPORT CORP.  
Market Cap  
\$ 0.84 bn

**Industrial Transportation Sector by Market Cap**



Source: LSE data, Dealogic, Bloomberg, September 2017

# Contact us



**Tom Attenborough**

Head of International Business Development – Primary Markets

+44 (0) 207 797 3747

TAttenborough@lseg.com



**Axel Kalinowski**

Business Development Manager – Continental Europe

+44 (0) 207 797 4108

AKalinowski@lseg.com



**London**

---

Stock Exchange Group