Overseas listing opportunities for fast-growing companies seeking to raise capital — the route to Europe

IPO and listing services for Indian entrepreneurs
Why be listed overseas?
For fast-growing Indian companies seeking to raise capital, an IPO in Europe can be a superior route to funding growth. While challenging markets will come and go, companies that are well prepared will be best placed to leverage the windows of IPO opportunity whenever they open.

Many Indian companies have joined the European capital markets and launched successful global depository receipts (GDR) offerings.

An IPO in Europe by means of issues of GDRs can raise the capital needed to accelerate growth. It also enables your business and finance strategies to be harmonized and will boost your company’s efforts to internationalize and capitalize on positive spillover effects for the core business.

... test the water and check the possibilities of making an overseas IPO in Europe in order to achieve market leadership

Exploring options India – Europe
... join up with our cross-border capital market experts

What first steps have other Indian companies taken prior to their highly successful IPOs?

Familiarize yourself with the benefits and characteristics provided by Europe
- Have a delegation from your company visit the European capital market landscape in order to gain a first-hand impression
- Get in touch with the relevant intermediaries for your IPO
- Meet representatives from Indian companies already listed in Europe to get direct feedback from other entrepreneurs

Prepare early with the right setup and infrastructure
- Begin the IPO readiness process early. Winning companies are ready to act when the IPO window of opportunity opens
- Commit internal resources to the IPO process
- Build a quality management team, robust financial and business infrastructures, corporate governance and an investor relations strategy that will attract the right investors

Build a superior IPO team
- Use experts to bridge capital markets knowledge between India and Europe
- Create a team familiar with Indian transactions
- Find the right set of advisors in Europe in relevant IPO disciplines and with industry expertise
Decide on the best listing venue

... consider a listing with GDRs in Europe to ring the bell on the Frankfurt, Zurich or Vienna Stock Exchanges.

**Listing venue decision**

You’ve decided to go public and now you need to map out all the necessary steps and tasks. But first you have to define your goals in order to determine the specific requirements for your IPO or secondary listing. And that means determining which capital market or listing zone (the Americas, Europe/EMEIA, Asia), and which stock exchange and segment will actively promote your company’s strategy. Up to now, companies have as a rule chosen their home market as the location for their primary listing.

But, as the saying goes, the exception proves the rule – many high-profile businesses have gone public abroad. What’s more, secondary listings are again on the rise – albeit for different reasons. And an additional stock exchange listing, particularly in Europe, is becoming increasingly important for a company’s strategy.

From a strategic perspective, exchanges in Germany, Switzerland and Austria (GSA) can provide sector expertise in many industry groups to raise brand recognition alongside well known market leaders and brands. Key sectors are clean technology, automotive, high-tech engineering, industrial goods and the life science sector.

**What are the key characteristics?**

Europe offers a balanced regulation for the life cycle of Indian companies. Indian entrepreneurs can choose between two major types of IPO and market segments in Germany, Switzerland and Austria with high liquidity, investor awareness and market credibility.

---

**Main markets**

- Quarterly reports (Germany, Austria)
- Corporate calendar
- Analysts conference
- Annual and interim report based on IFRS
- Disclosure of directors' dealings and ad hoc disclosure
- Shareholders’ stake and takeover reporting
- Prospectus for public offering

**Junior markets**

- Relevant corporate filings
- Annual and interim reports pursuant to local GAAP or IFRS
- Corporate calendar and corporate profile online
- Insider trading rules
- Market abuse rules
- Takeover rules
- Option: Prospectus for public offering or exposé for private placement

---

**Efficient and reliable IPO process**

- Predictability: No target group assessment (e.g., revenue or profit tests)
- 6 to 12 months IPO execution period
- Fast and reliable vetting and approval process with the national regulator within 20 days
- EU passporting allows share placement and investor marketing throughout Europe
- Reporting and communication in English
- No formal lockup requirement

... secure the benefits of relevance for your objectives with the right listing venue
Our IPO and listing services for Indian companies
... every journey starts with a single step

IPO Competence Center
- IPO Readiness Diagnostics
- IPO Repair and Prepare Services
- IPO Integrated Execution Offering

Capital Market Cross-Border Services
- Intercultural Cross-Border Support
- Inbound and Outbound Issuer Services
- Transaction Services

Audit and Financial Advisory Services
- Statutory Audit and IFRS Conversion
- Certified Investor Relations Education
- CFO and Supervisory Board Training

Listing Services
- Liquidity Creation
- Long-Term Incentive and Stock Option Plans
- Compliance and Corporate Governance

As a first step, the IPO readiness assessment and diagnostics stage are key to becoming a listed company.
Your partner in Frankfurt: IPO Competence Center
... in tune with your business objectives

What is the IPO readiness report?
All relevant topics in comprehensive format

▶ A report covering all the following areas: IPO strategy, financials, tax, legal, internal control, risk management, corporate governance, leadership and IT

▶ Evaluates the company in order to establish if and when it will be IPO ready

For each area, a clear and consistent overview of:

▶ Current status of the company with a focus on open points that stand in the way of an IPO

▶ Proposed action including a corresponding timeline

How does it assist Indian companies?
Benefit from rich knowledge and experience

▶ Combines the knowledge and experience of all subject-matter professionals

▶ Offers the company insights from professionals with strong IPO know-how

▶ Identifies the open issues and recommends necessary action points

▶ Supports the company in planning and prioritizing the action needed to be IPO ready

▶ Offers an independent opinion of the current IPO status of the company

▶ Prepares the company for success as a public company after the IPO

An executive summary provides a quick overview of the most relevant issues.

... contact us for more information – we look forward to working with you
Your IPO contacts:

Our IPO team in India, Germany, Switzerland and Austria.

Ernst & Young, India

Rajaraman Balachander
Partner
IPO Leader India
Assurance Services
Ernst & Young LLP
Golf View Corporate Tower B,
Sector-42, Sector Road,
Gurgaon 12202, India
Phone +91 124 464 4080
Mobile +91 98100 62802
balachander.r@in.ey.com

Mayank Rastogi
Partner
Private Equity and Transaction
Advisory Services
Ernst & Young Pvt. Ltd.
14th Floor, The Ruby,
29 Senapati Bapat Marg, Dadar (West),
Mumbai-400 028, India
Phone +91 22 6192 0850
Fax +91 22 6192 1000
Mobile +91 97690 06323
mayank.rastogi@in.ey.com

Ernst & Young, Germany/Switzerland/Austria

Dr. Martin Steinbach
Executive Director
IPO Leader GSA
Financial Accounting Advisory Services
Ernst & Young GmbH
Mergenthalerallee 3-5,
65760 Eschborn/Frankfurt, Germany
Phone +49 6196 996 11574
Fax +49 181 3943 11574
Mobile +49 160 939 11574
martin.steinbach@de.ey.com

Hermann Mühleck
Executive Director
Head of German Business Center India
Financial Accounting Advisory Services
Ernst & Young GmbH
Mergenthalerallee 3-5,
65760 Eschborn/Frankfurt, Germany
Phone +49 6196 996 27369
Fax +49 181 3943 27369
Mobile +49 160 939 27369
hermann.muehleck@de.ey.com

Pramit Metha
Partner
Head of India Business Network GSA
Assurance Services
Ernst & Young AG
Maagplatz 1,
8010 Zurich, Switzerland
Phone +41 58 286 3494
Mobile +41 58 289 3494
pramit.mehta@ch.ey.com

... we will support you
to facilitate a smooth IPO process
for your company
About Ernst & Young
Ernst & Young is a global leader in assurance, tax, transaction and advisory services. Worldwide, our 152,000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients and our wider communities achieve their potential.

Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit www.ey.com

© 2011 EYGM Limited
All Rights Reserved.

BKL 1111

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Limited nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.