

H1 2013

Key Metrics for Recent Technology and Life Sciences Initial Public Offerings

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Survey Introduction and Background

This is a half-yearly update of our full 2011-2012 IPO survey available at fenwick.com/iposurvey. We provide this report to our clients and friends interested in understanding recent IPO activity of technology and life sciences companies. This information comprises a number of tables and charts reflecting selected statistics that we believe provide useful information about activity in these markets. This is followed by the listing of technology and life sciences IPOs priced in the first half of 2013. We hope that you find this useful. Please contact Daniel J. Winnike at dwinnike@fenwick.com or Jeffrey R. Vetter at jvetter@fenwick.com if you care to discuss this information or, as always, contact members of your client service team for more information.

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Survey Results

The first half of 2013 culminated with Q2 representing the strongest quarter for technology and life sciences IPOs in more than 10 quarters. The life sciences sector was especially active, with 18 offerings in the first half of the year. Life sciences IPOs were at the top end of the scale in terms of size of the offering. Zoetis, a wholly owned subsidiary of Pfizer, raised more than \$2.2 billion and Quintiles Transnational raised more than \$900 million. Life sciences IPOs were also at the lower end in terms of size, with three offerings each raising less than \$50 million. The largest technology offering, Tableau Software, raised \$250 million.

Technology deals tended to show upward pricing momentum through the process, with 33.3% of the 2013 offerings pricing above, 53.3% within and 13.3% below their red herring range and 86.7% closing above their offering price in first day trading. Of the life sciences offerings, 11.2% priced above, 44.4% within and 44.4% below their red herring range, with several offerings featuring an IPO price that was more than 35% below the red herring midpoint. Life sciences IPOs fared better on their first day of trading with 72.2% closing up. Further reflective of these trends, approximately 63% of technology deals featured an aggregate value in the \$50–\$100 million range at the red herring stage, but at final pricing half of the deals fell into the \$75–\$125 million range and only 12% were in the \$50–\$75 million range. Among life sciences deals in the first half of 2013, 55% were in the \$50–\$75 million range at the red herring stage, while at final pricing 55% of deals were in the \$25–\$75 million range.

JOBS Act Implications

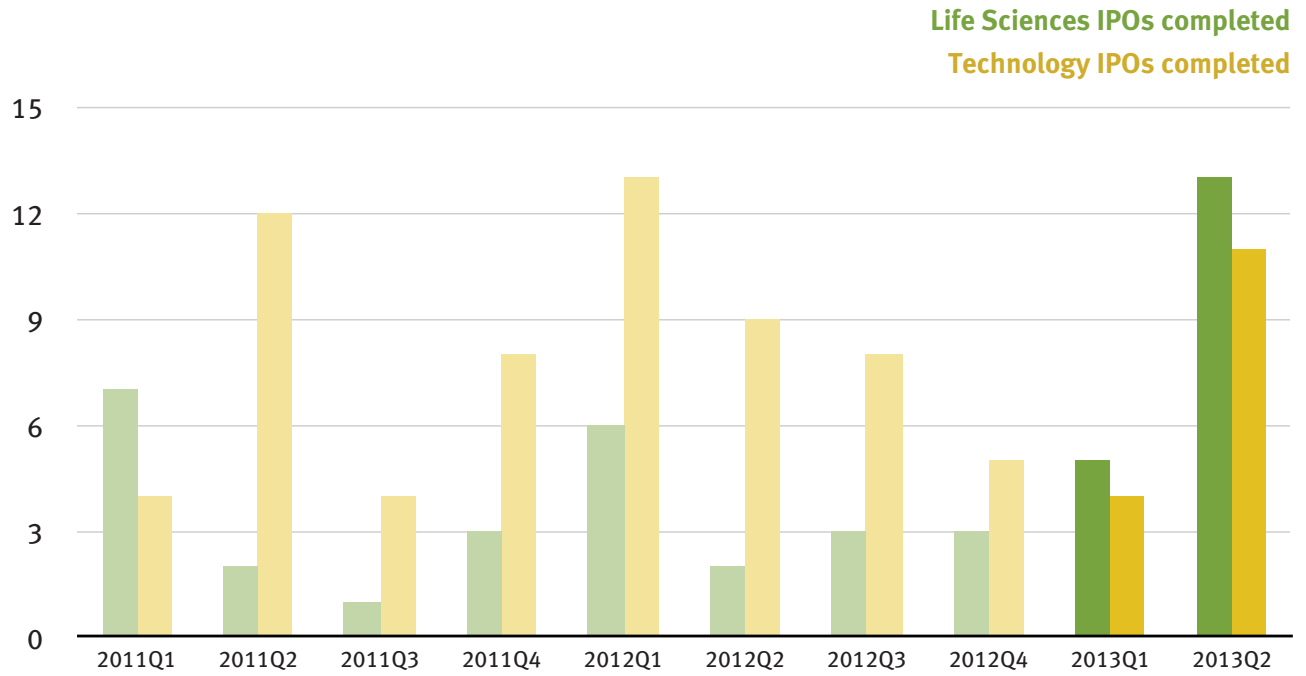
In a post-JOBS Act era, it is interesting to note that among the 33 IPOs considered in this survey, five issuers who were otherwise eligible to avail themselves of the SEC’s confidential submission process, elected not to do so. Another five issuers didn’t qualify under the JOBS Act – four submitted public filings prior to the law’s April 5, 2012 enactment and a fifth issuer, Zoetis, was the lone issuer that did not to qualify as an “emerging growth company” due to revenues in excess of \$1 billion. Among the 23 issuers who filed confidentially, four elected to only make one confidential submission prior to their first public filing of the S-1, meaning that they elected not to take full advantage of the new confidential submission process.

Also of note was that many of the IPOs from the first half of 2013 had been initially submitted to or filed with the SEC in either late 2012 or early 2013, suggesting that most of the IPOs during the first half of 2013 progressed on a normal track, rather than having a “backlog” of IPOs that had cleared the SEC, waiting for a market window to open. Most of the filings appeared to follow the standard SEC review track, with some registration statements being declared effective in as little as 2.5 months, with others taking 3-5 months to progress through the SEC review process.

Offerings Completed

The table below shows the number of technology and life sciences IPOs completed through the first half of 2013.

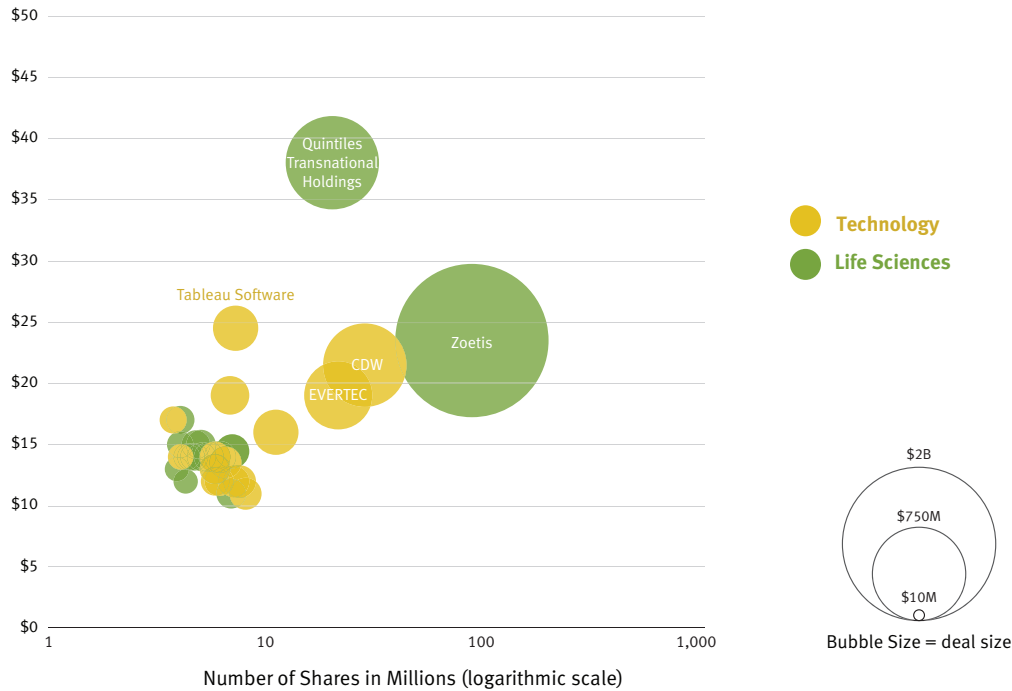
IPOS PER QUARTER 2011—FIRST HALF 2013



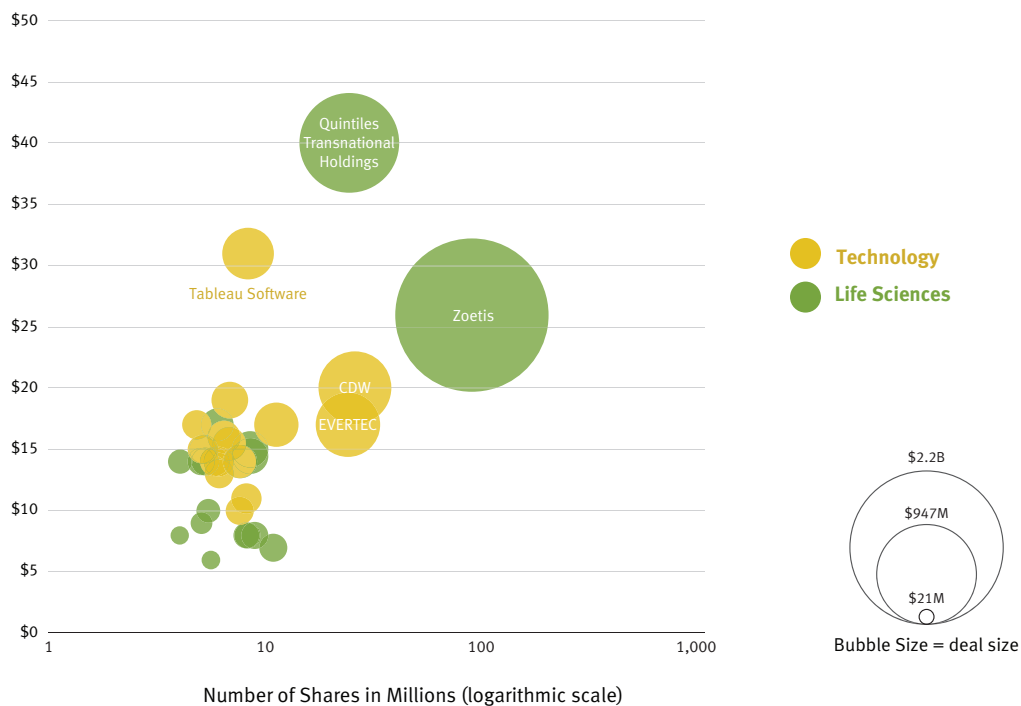
Size of Offerings 2013, First Half

The following scatter graph tables plot all technology and life sciences IPOs completed in the first half of 2013 in terms of the initial offering price per share and number of shares offered. The first table shows these statistics at the red herring stage for the offerings and the second table is based on actual pricing of the offering.

RED HERRING DEAL COMPARISON (MIDPOINT PRICE): 2013, FIRST HALF



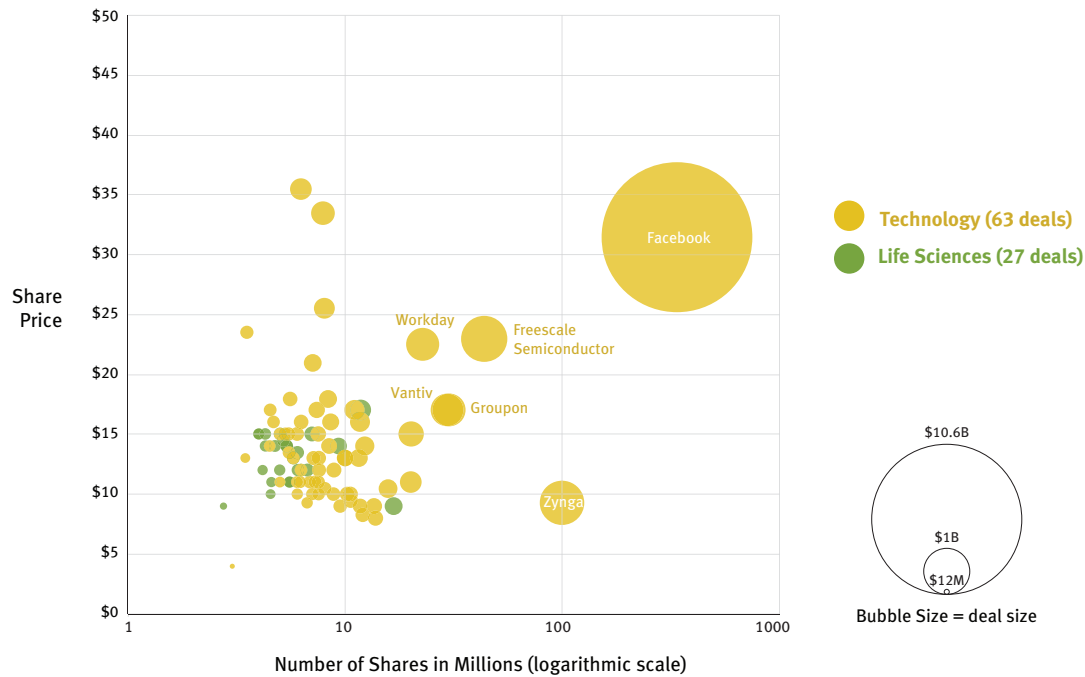
IPO DEAL COMPARISON: 2013, FIRST HALF



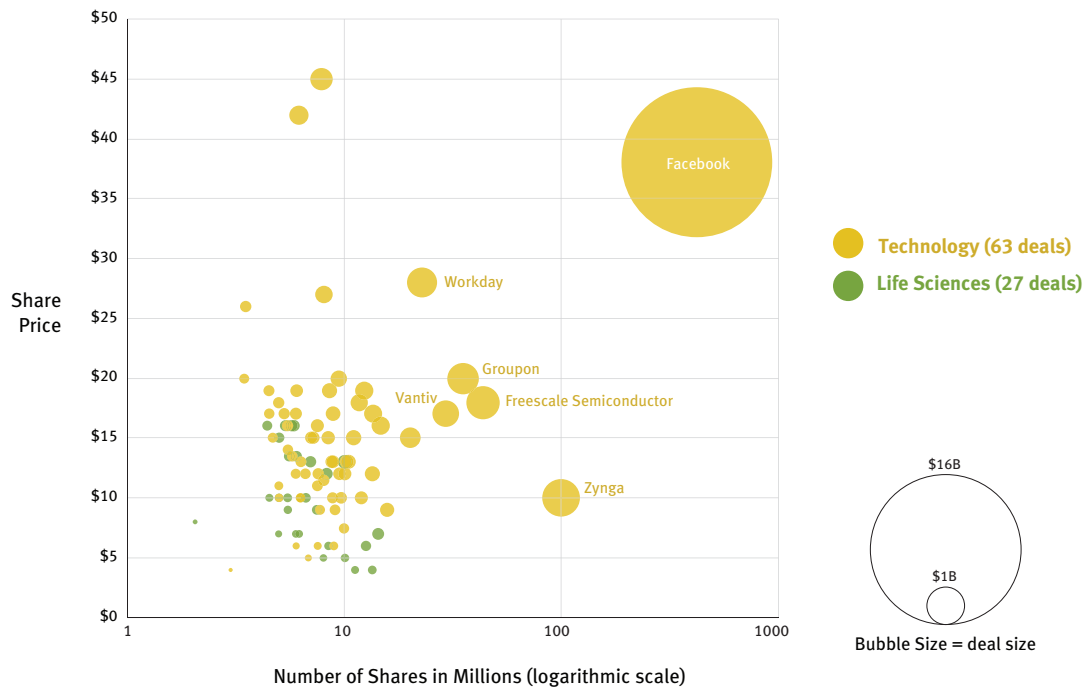
Size of Offerings 2011-2012

The following scatter graph tables plot all technology and life sciences IPOs completed in 2011 and 2012 in terms of the initial offering price per share and number of shares offered. The first table shows these statistics at the red herring stage for the 2011 and 2012 offerings and the second table is based on actual pricing of the offering.

RED HERRING DEAL COMPARISON (MIDPOINT PRICE): 2011-2012



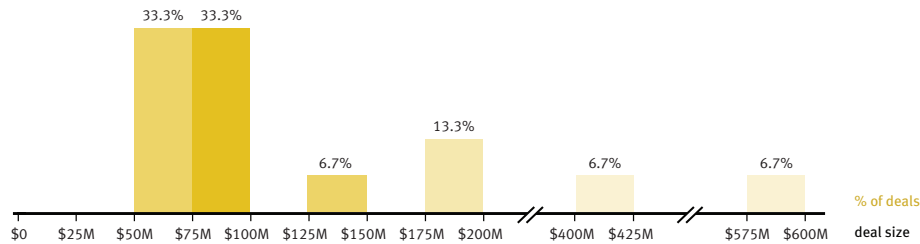
IPO DEAL COMPARISON: 2011-2012



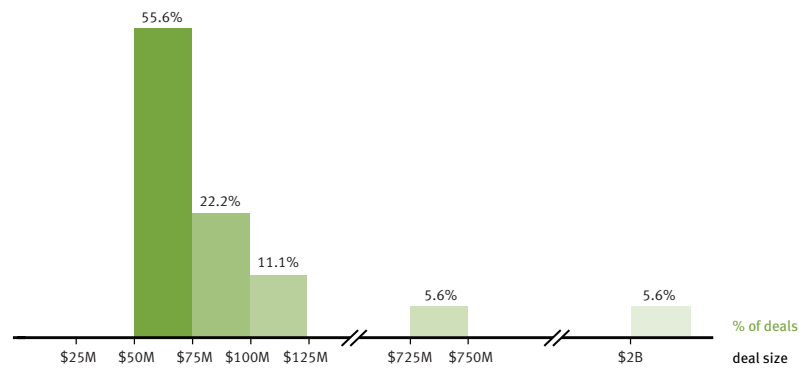
Aggregate Amount Raised 2013, First Half

The following tables provide information about aggregate deal size at the red herring stage and based on the actual pricing of the offering. The first two tables provide information for tech and life sciences company offerings at the red herring stage and the second two tables provide information for tech and life sciences offerings based on the actual pricing.

DISTRIBUTION OF DEAL SIZE (RED HERRING MIDPOINT): 2013, FIRST HALF

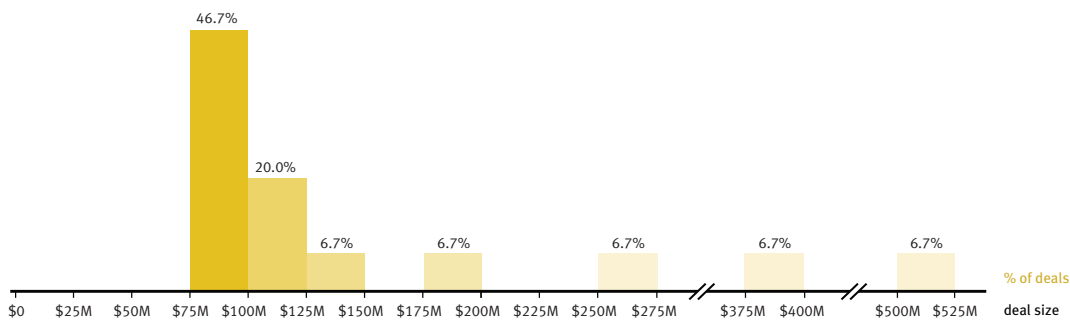


Technology Deal Size Distribution

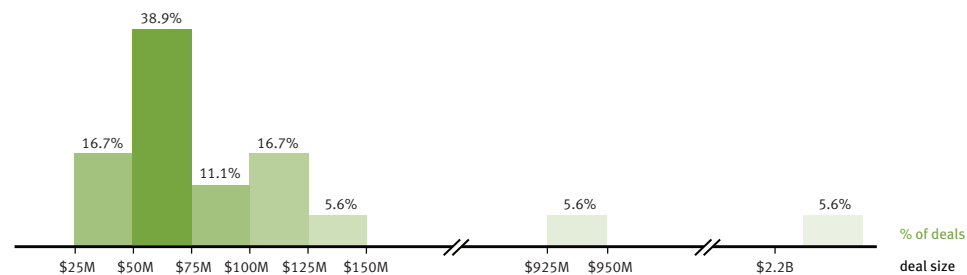


Life Sciences Deal Size Distribution

DISTRIBUTION OF DEAL SIZE (FINAL IPO PRICE): 2013, FIRST HALF



Technology Deal Size Distribution

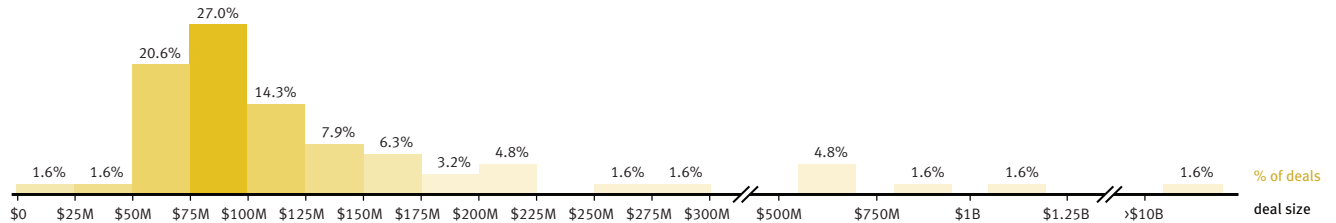


Life Sciences Deal Size Distribution

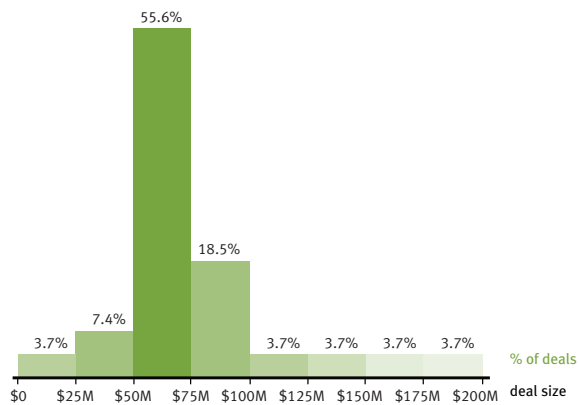
Aggregate Amount Raised 2011-2012

The following tables provide information about aggregate deal size at the red herring stage and based on the actual pricing of the offering. The first two tables provide information for tech and life sciences company offerings at the red herring stage and the second two tables provide information for tech and life sciences offerings based on the actual pricing.

DISTRIBUTION OF DEAL SIZE (RED HERRING MIDPOINT): 2011-2012

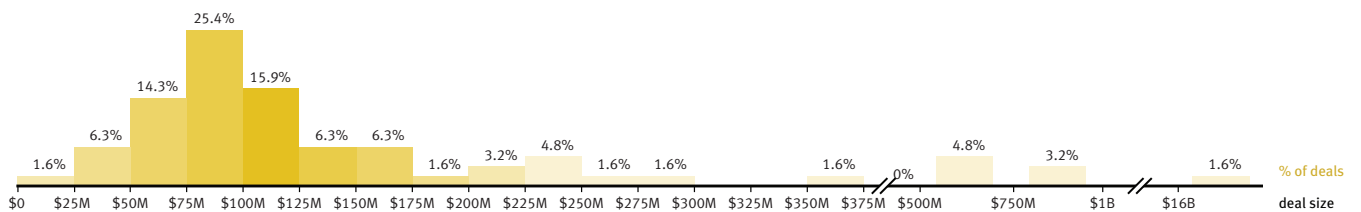


Technology Deal Size Distribution

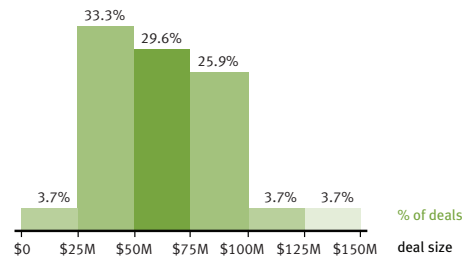


Life Sciences Deal Size Distribution

DISTRIBUTION OF DEAL SIZE (FINAL IPO PRICE): 2011-2012



Technology Deal Size Distribution

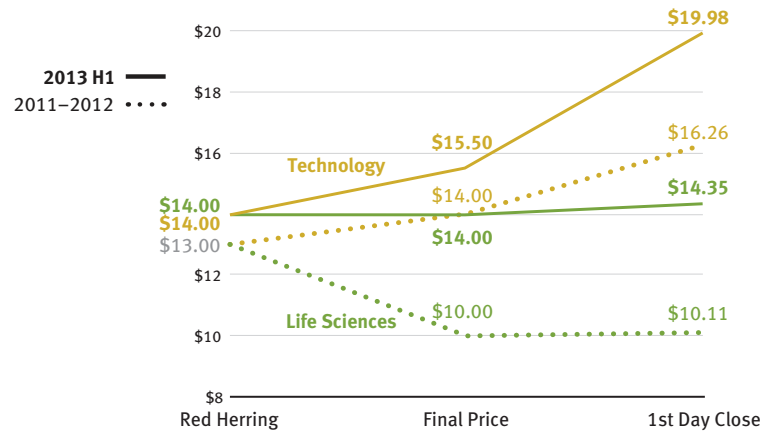


Life Sciences Deal Size Distribution

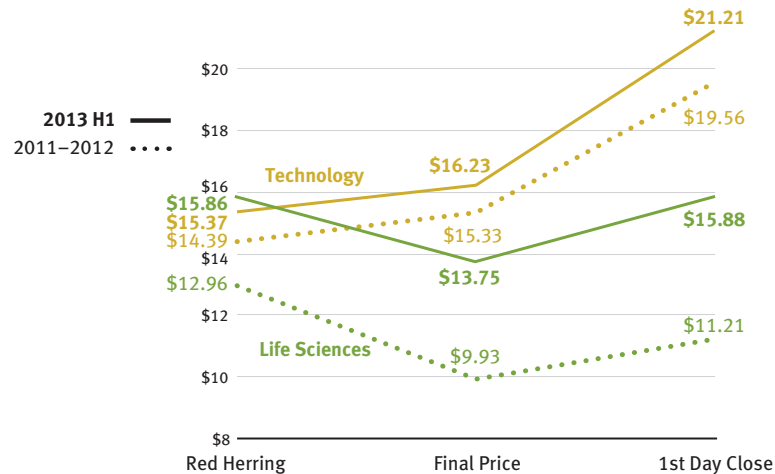
Price Changes Between the Red Herring and Initial Offering Price

Estimating the offering price for the IPO in the red herring prospectus and pricing the IPO upon completion of marketing efforts are processes that are equal parts science and art. The tables below show the median and average prices for tech and life sciences IPOs from the red herring stage to the actual public offering price to the close price on the first day of trading.

**MEDIAN PRICES FOR LIFE SCIENCES & TECHNOLOGY IPO DEALS
2013, FIRST HALF**



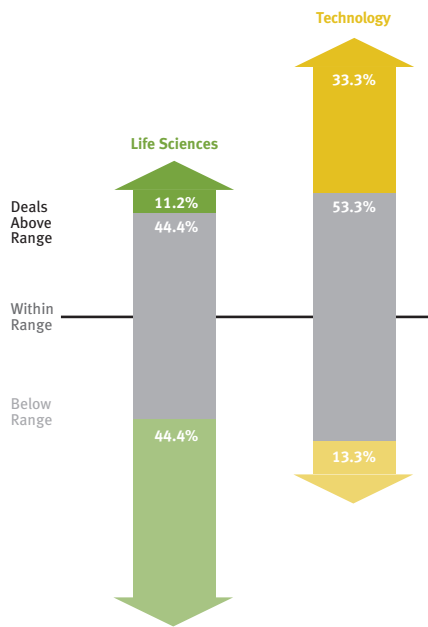
**AVERAGE PRICES FOR LIFE SCIENCES & TECHNOLOGY IPO DEALS
2013, FIRST HALF COMPARED TO 2011-2012**



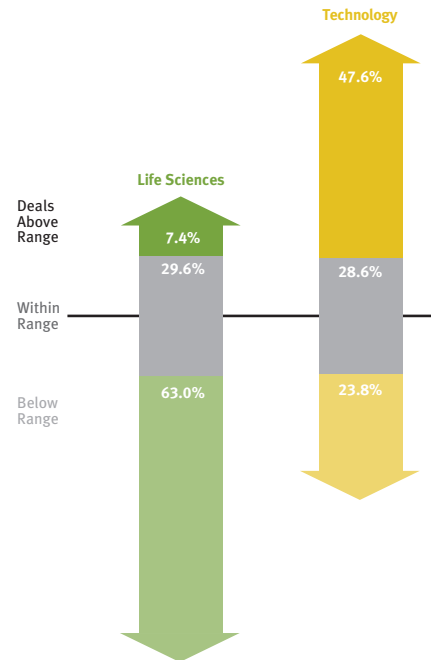
Price Changes (continued)

The first two tables show the percentage of technology and life sciences deals with a final IPO price that falls above, within and below the red herring range in H1 2013 compared with the 2011-2012 time period. The lower table shows the percentage of technology and life sciences deals that closed up or closed down on their first day of trading in H1 2013.

**RELATION OF FINAL IPO PRICE TO ORIGINAL RED HERRING RANGE (% OF DEALS)
2013, FIRST HALF**



**RELATION OF FINAL IPO PRICE TO ORIGINAL RED HERRING RANGE (% OF DEALS)
2011-2012**



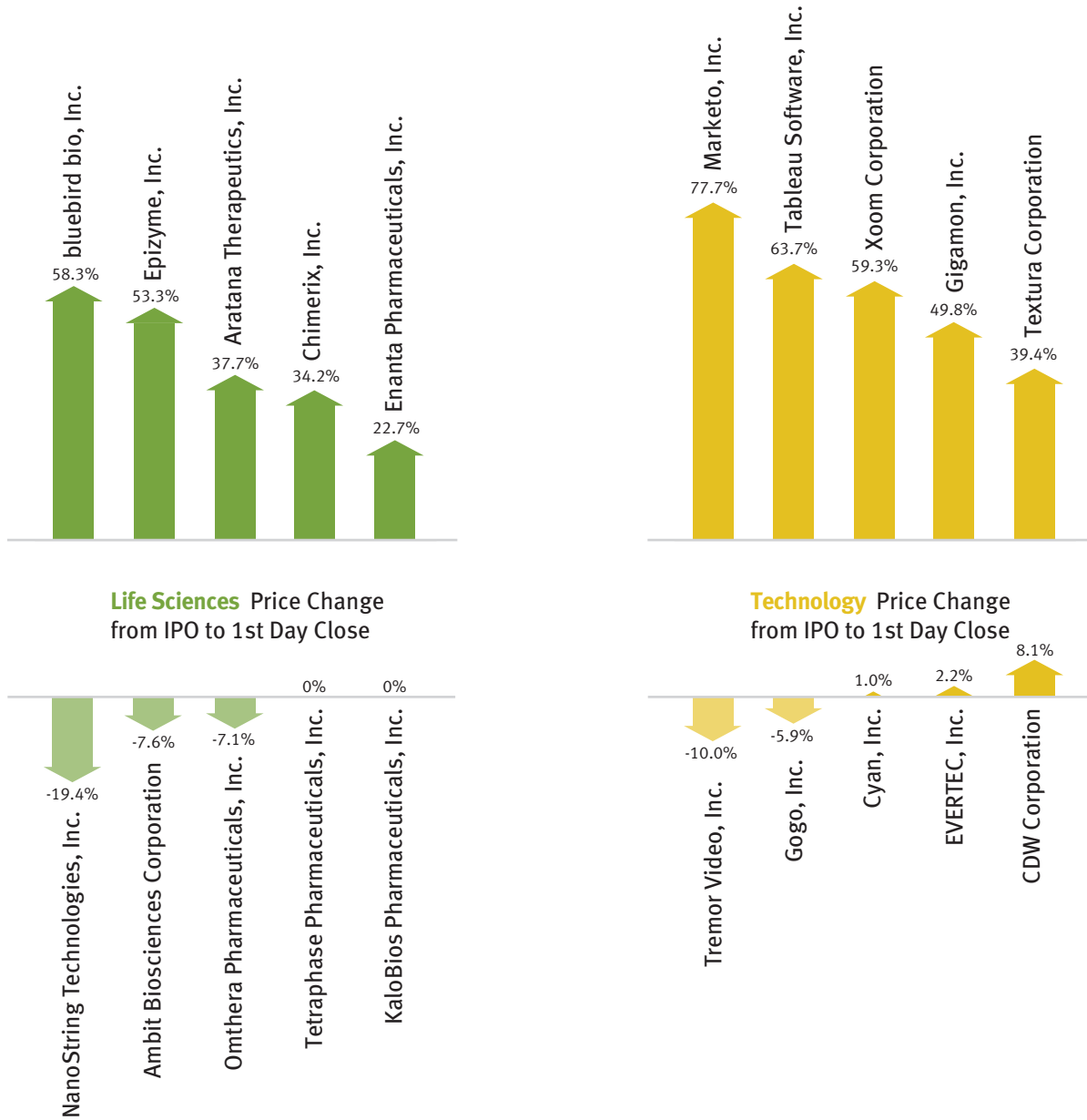
**RELATION OF PRICE AT 1ST DAY CLOSE TO FINAL IPO PRICE (% OF DEALS)
2013, FIRST HALF**



Price Changes *(continued)*

The tables below show the five technology and life sciences company offerings with the largest percentage gain and loss on the first day of trading.

BIGGEST MOVERS - IPO PRICE TO PRICE AT 1ST DAY CLOSE 2013, FIRST HALF



Price Changes (continued)

The tables below show the five technology and life sciences company offerings with the largest percentage increase, and largest percentage decrease, from the red herring midpoint to actual initial public offering price.

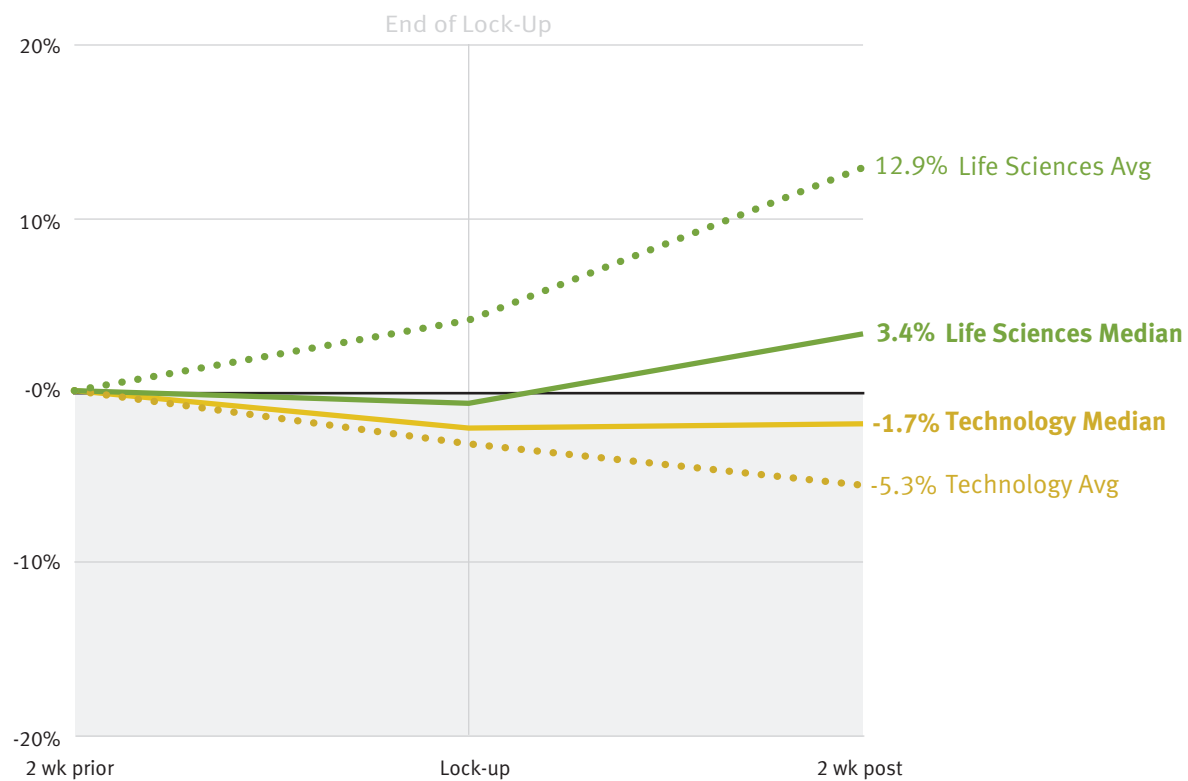
BIGGEST MOVERS - RED HERRING PRICE TO FINAL IPO PRICE 2013, FIRST HALF



Price Changes Around the Expiration of the Lock-Up

In order to assist the development of an orderly market for the shares being offered, IPO underwriters require the stockholders of the offering company to agree not to sell shares of the company's common stock for a specified period without the underwriters' consent. Customarily this period is 180 days and applies equally to all holders delivering the "lock-up" agreement, although in a few instances the lock up may roll off in stages and different holders may be subject to different restrictive periods. Upon expiration of the lock-up period, there generally is an influx of "supply," as pre-IPO stockholders have their first ability to sell shares into the public market. The table below shows the average and median changes in the closing trading price of the subject company shares for the period beginning two weeks prior, and ending two weeks following, the scheduled expiration of the lock-up period for lock-ups expiring in the first half of 2013.

PERCENT CHANGE OF SHARE PRICES SURROUNDING END OF LOCK-UP PERIOD
2013, FIRST HALF



List of Offerings: First Half 2013¹

The following table presents the technology and life sciences offerings priced in the first half of 2013.

COMPANY NAME TICKER SYMBOL	PRIMARY INDUSTRY	PRICED	FINAL SHARES ²	FINAL PRICING	FINAL DEAL SIZE
KaloBios Pharmaceuticals, Inc. NasdaqGM:KBIO	Life Science	1/2013	8,750,000	\$8.00	\$70,000,000
LipoScience, Inc. NasdaqGM:LPDX	Life Science	1/2013	5,000,000	\$9.00	\$45,000,000
Xoom Corporation NasdaqGS:XOOM	Technology	2/2013	6,325,000	\$16.00	\$101,200,000
Zoetis Inc. NYSE:ZTS	Life Science	2/2013	86,100,000	\$26.00	\$2,238,600,000
Enanta Pharmaceuticals, Inc. NASDAQ:ENTA	Life Science	3/2013	4,000,000	\$14.00	\$56,000,000
Marin Software Incorporated NYSE:MRIN	Technology	3/2013	7,500,000	\$14.00	\$105,000,000
Model N, Inc. NYSE:MODN	Technology	3/2013	6,740,000	\$15.50	\$104,470,000
Silver Spring Networks Inc. NYSE:SSNI	Technology	3/2013	4,750,000	\$17.00	\$80,750,000
Tetraphase Pharmaceuticals, Inc. NasdaqGM:TTPH	Life Science	3/2013	10,714,286	\$7.00	\$75,000,002
Chimerix, Inc. NasdaqGM:CMRX	Life Science	4/2013	7,320,000	\$14.00	\$102,480,000
EVERTEC, Inc. NYSE:EVTC	Technology	4/2013	25,263,159	\$20.00	\$505,263,180
Omthera Pharmaceuticals, Inc. ³ NasdaqGM:OMTH	Life Science	4/2013	8,000,000	\$8.00	\$64,000,000
Rally Software Development Corp. NYSE:RALY	Technology	4/2013	6,000,000	\$14.00	\$84,000,000
Ambit Biosciences Corporation NasdaqGM:AMBI	Life Science	5/2013	8,125,000	\$8.00	\$65,000,000
ChannelAdvisor Corporation NYSE:ECOM	Technology	5/2013	5,750,000	\$14.00	\$80,500,000
Cyan, Inc. NYSE:CYNI	Technology	5/2013	8,000,000	\$11.00	\$88,000,000
Epizyme, Inc. NasdaqGM:EPZM	Life Science	5/2013	5,142,000	\$15.00	\$77,130,000
Insys Therapeutics, Inc. NasdaqGM:INSY	Life Science	5/2013	4,000,000	\$8.00	\$32,000,000
Marketo, Inc. NasdaqGS:MKTO	Technology	5/2013	6,059,509	\$13.00	\$78,773,617
Portola Pharmaceuticals, Inc. NasdaqGM:PTLA	Life Science	5/2013	8,422,758	\$14.50	\$122,129,991

¹The survey does not include offerings on the OTC Bulletin Board, Nasdaq Capital Market, or those with proceeds of less than \$10 million.

²Final share numbers do not reflect any exercise of the over-allotment option.

³Agreed to be acquired on May 27, 2013.

COMPANY NAME TICKER SYMBOL	PRIMARY INDUSTRY	PRICED	FINAL SHARES ²	FINAL PRICING	FINAL DEAL SIZE
Receptos, Inc. NasdaqGM:RCPT	Life Science	5/2013	5,200,000	\$14.00	\$72,800,000
Quintiles Transnational Holdings Inc. NYSE:Q	Life Science	5/2013	23,684,210	\$40.00	\$947,368,400
Tableau Software, Inc. NYSE:DATA	Technology	5/2013	8,200,000	\$31.00	\$254,200,000
Aratana Therapeutics, Inc. NasdaqGM:PETX	Life Science	6/2013	5,750,000	\$6.00	\$34,500,000
bluebird bio, Inc. NasdaqGS:BLUE	Life Science	6/2013	5,941,176	\$17.00	\$100,999,992
CDW Corporation NasdaqGS:CDW	Technology	6/2013	23,250,000	\$17.00	\$395,250,000
Esperion Therapeutics, Inc NasdaqGM:ESPR	Life Science	6/2013	5,000,000	\$14.00	\$70,000,000
Gigamon Inc. NYSE:GIMO	Technology	6/2013	6,750,000	\$19.00	\$128,250,000
Gogo Inc. NasdaqGS:GOGO	Technology	6/2013	11,000,000	\$17.00	\$187,000,000
NanoString Technologies, Inc. NasdaqGM:NSTG	Life Science	6/2013	5,400,000	\$10.00	\$54,000,000
PTC Therapeutics Inc. NasdaqGS:PTCT	Life Science	6/2013	8,372,000	\$15.00	\$125,580,000
Textura Corporation NYSE:TXTR	Technology	6/2013	5,000,000	\$15.00	\$75,000,000
Tremor Video, inc. NYSE:TRMR	Technology	6/2013	7,500,000	\$10.00	\$75,000,000

Methodology

Data points used in the compilation and analysis of this information were gathered using a variety of resources, including, but not limited to, filings made with the U.S. Securities and Exchange Commission, lock-up expiration dates from EDGAR Online IPO Deal Data, and daily stock trading price data. The exact dates upon which lock-ups expired were estimated based on disclosure in the prospectuses and may further be approximate in the case of dates falling on holidays or weekends. Companies were assigned to the Technology and Life Sciences sectors based on SIC codes and other company descriptors.

The information in the tables and charts regarding offering size does not reflect any exercise of the underwriters' over-allotment, or green shoe, option. Information at the red herring stage is based on midpoint of the range, and on the number of shares offered, as reflected on the cover page of the first preliminary, or red herring, prospectus. The information regarding the actual offering size is based on the price to the public and the aggregate number of shares offered as reflected on the cover page of the final prospectus. The closing price on the first day of trading is the closing price on the company's primary exchange on the first day of public trading of the shares following the pricing of the offering.

Disclaimer

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Sign-Up Information

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