

**Table 1****Mean First-day Returns and Money Left on the Table, 1990-2009**

The sample is IPOs with an offer price of at least \$5.00, excluding ADRs, unit offers, closed-end funds, REITs, partnerships, banks and S&Ls, and stocks not listed on CRSP (CRSP includes Amex, NYSE, and NASDAQ stocks). Proceeds excludes overallotment options, but includes the global offering size. The amount of money left on the table is defined as the offer price to closing market price on the first-day of trading, multiplied by the number of shares offered (excluding overallotment options) on a global basis.

Year	Number of IPOs	Mean First-day Return		Aggregate Amount Left on the Table	Aggregate Proceeds
		Equal-weighted	Proceeds-weighted		
1990	110	10.8%	8.1%	\$0.34 billion	\$4.27 billion
1991	287	11.9%	9.7%	\$1.50 billion	\$15.36 billion
1992	412	10.3%	8.1%	\$1.82 billion	\$22.61 billion
1993	509	12.7%	11.3%	\$3.52 billion	\$31.28 billion
1994	404	9.8%	8.5%	\$1.47 billion	\$17.36 billion
1995	458	21.2%	14.5%	\$4.38 billion	\$30.16 billion
1996	675	17.2%	16.1%	\$6.80 billion	\$42.25 billion
1997	473	14.1%	14.4%	\$4.54 billion	\$31.58 billion
1998	284	21.7%	15.5%	\$5.25 billion	\$33.80 billion
1999	477	70.9%	57.0%	\$36.94 billion	\$64.79 billion
2000	381	56.3%	45.6%	\$29.69 billion	\$65.07 billion
2001	79	14.2%	8.7%	\$2.97 billion	\$34.24 billion
2002	66	9.1%	5.1%	\$1.13 billion	\$22.03 billion
2003	62	12.1%	10.5%	\$1.00 billion	\$9.53 billion
2004	174	12.3%	12.2%	\$3.86 billion	\$31.53 billion
2005	160	10.2%	9.3%	\$2.64 billion	\$28.27 billion
2006	157	12.1%	13.0%	\$3.95 billion	\$30.48 billion
2007	160	13.9%	13.9%	\$4.95 billion	\$35.69 billion
2008	21	6.4%	24.8%	\$5.65 billion	\$22.76 billion
2009	41	9.8%	11.1%	\$1.46 billion	\$13.17 billion
1990-1998	3,613	14.8%	13.0%	\$29.63 billion	\$228.74 billion
1999-2000	858	64.4%	51.4%	\$66.64 billion	\$129.86 billion
2001-2009	920	11.9%	12.1%	\$27.60 billion	\$227.70 billion

**1990-2009      5,391      22.2%      21.1%      \$123.87 billion      \$586.30 billion**

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**Table 2****Mean First-day Returns, Categorized by Sales, for IPOs from 1980-2009**

Sales, measured in millions, are for the last twelve months prior to going public. All sales have been converted into dollars of 2003 purchasing power, using the Consumers Price Index. There are 7,436 IPOs, after excluding IPOs with an offer price of less than \$5.00 per share, units, REITs, ADRs, closed-end funds, banks and S&Ls, firms not listed on CRSP, and 30 firms with missing sales. Sales are from Thomson Financial's SDC, Dealogic, EDGAR, and the Graeme Howard-Todd Huxster collection of pre-EDGAR prospectuses. The average first-day return is 18.1%.

	<u>1980-1989</u>		<u>1990-1998</u>		<u>1999-2000</u>		<u>2001-2009</u>	
	Return	N	Return	N	Return	N	Return	N
0≤sales<\$10m	10.4%	424	17.4%	744	68.8%	334	6.1%	136
\$10m≤sales<\$20m	8.5%	255	18.4%	392	80.7%	138	8.3%	41
\$20m≤sales<\$50m	7.7%	495	18.7%	792	75.7%	154	13.5%	132
\$50m≤sales<\$100m	6.6%	353	12.9%	585	60.4%	87	16.8%	140
\$100m≤sales<\$200m	4.8%	238	11.9%	451	39.1%	58	14.7%	130
\$200m≤sales	3.4%	288	8.6%	641	22.6%	87	10.8%	341
All	7.2%	2,053	14.8%	3,605	64.4%	858	11.9%	920



## Table 4

### Median Age and Fraction of IPOs with VC and Buyout Backing, 1980-2009

There are 7,456 IPOs after excluding those with an offer price below \$5.00 per share, unit offers, ADRs, closed-end funds, partnerships, acquisition companies, REITs, bank and S&L IPOs, and firms not listed on CRSP. Missing numbers are supplemented by direct inspection of prospectuses on EDGAR, information from Dealogic for IPOs after 1991, Howard and Co.'s *Going Public: The IPO Reporter* from 1980-1985, and the Graeme Howard-Todd Huxster collection of IPO prospectuses for 1975-2006. Tech stocks are defined as internet-related stocks plus other technology stocks, not including biotech. Loughran and Ritter (2004) list the SIC codes in their appendix 3 and sources of founding dates in appendix 1. Age is defined as the year of the IPO minus the year of founding. For buyout-backed IPOs, the founding date of the predecessor company is used. VC-backed firms exclude private equity firms that are mainly buyout firms. Private equity (PE) or buyout-backed IPOs were restricted to "reverse LBOs" in the 1980s and 1990s. Jerry Cao has provided information on which IPOs are buyout-backed.

(table on the next page)

Year	Number of IPOs	IPOs w/ Missing Age	Median Age	VC-backed		Buyout-backed		Technology IPOs	
				No.	%	No.	%	No.	% VC-backed
1980	73	0	6	24	33%	n.a.	n.a.	23	61%
1981	197	0	8	56	28%	n.a.	n.a.	73	40%
1982	80	0	5	21	26%	n.a.	n.a.	42	36%
1983	449	1	7	115	26%	n.a.	n.a.	172	38%
1984	178	2	7.5	45	25%	n.a.	n.a.	51	51%
1985	185	0	8	38	21%	15	8%	35	46%
1986	397	3	7	78	20%	42	11%	74	42%
1987	291	7	6	69	24%	39	13%	59	66%
1988	102	0	7.5	33	32%	8	8%	26	62%
1989	113	2	7	40	35%	10	9%	34	65%
1990	110	4	8	44	40%	13	12%	30	77%
1991	287	3	9	111	39%	77	27%	70	63%
1992	412	3	9	139	34%	97	24%	111	60%
1993	509	8	8	172	34%	79	16%	123	70%
1994	404	1	8	132	33%	21	5%	114	56%
1995	458	0	7	183	40%	29	6%	195	57%
1996	675	0	7	259	38%	35	5%	264	56%
1997	474	1	8	126	27%	33	7%	169	42%
1998	284	0	7	73	26%	33	12%	112	47%
1999	477	0	4	267	56%	35	7%	368	65%
2000	381	0	6	239	63%	31	8%	261	68%
2001	79	0	12	29	37%	25	32%	23	70%
2002	66	0	14.5	14	21%	28	42%	20	45%
2003	62	0	11	24	39%	21	34%	17	59%
2004	174	0	8	78	45%	44	25%	61	66%
2005	160	0	11	45	28%	67	42%	45	49%
2006	157	0	13	53	34%	69	44%	46	52%
2007	160	0	9	65	41%	33	21%	72	61%
2008	21	0	14	9	43%	3	14%	5	80%
2009	41	0	15	12	29%	18	44%	11	55%
1980-1989	2,065	15	7	519	25%	n.a.	n.a.	589	46%
1990-1994	1,722	20	8	598	35%	287	17%	448	63%
1995-1998	1,891	0	7	641	34%	130	7%	740	52%
1999-2000	858	0	5	506	59%	66	8%	629	66%
2001-2009	920	0	10	329	36%	308	33%	300	58%
<b>1980-2009</b>	<b>7,456</b>	<b>35</b>	<b>8</b>	<b>2,593</b>	<b>35%</b>	<b>905</b>	<b>14%</b>	<b>2,706</b>	<b>57%</b>

**Table 5**  
**Number of U. S. IPOs with an offer price of greater than \$5.00**  
**that doubled (offer to close) in price on the first day of trading, 1997-2009**

<u>Quarter</u>	<u>Number</u>	<u>Quarter</u>	<u>Number</u>
1997, first	0	2003, first	0
1997, second	2	2003, second	0
1997, third	0	2003, third	0
1997, fourth	0	2003, fourth	0
1998, first	0	2004, first	0
1998, second	2	2004, second	1 (Jed Oil)
1998, third	3	2004, third	0
1998, fourth	7	2004, fourth	0
1999, first	19	2005, first	0
1999, second	24	2005, second	0
1999, third	27	2005, third	0 (Baidu.com is ADR)
1999, fourth	45	2005, fourth	0
2000, first	48	2006, first	1 (Chipotle Mexican)
2000, second	9	2006, second	0
2000, third	20	2006, third	0
2000, fourth	1 (Transmeta)	2006, fourth	1 (Nymex)
2001, first	0	2007, first	0
2001, second	0	2007, second	0
2001, third	0	2007, third	0
2001, fourth	0	2007, fourth	0
2002, first	0	2008, first	0
2002, second	0	2008, second	0
2002, third	0	2008, third	0
2002, fourth	0	2008, fourth	0
		2009, first	0
		2009, second	0
		2009, third	0
		2009, fourth	0

**Table 6**  
**Number of Initial Public Offerings, First-Day Return, and**  
**Revisions from the File Price Range by Cohort Year, 1990-2009**

Cohort Year	Number of IPOs	Percentage First-day Return	Percentage of IPOs with OP < Lo	Percentage of IPOs in the Middle	Percentage of IPOs with OP > Hi
1990	95	9.6	25.3	51.5	23.2
1991	263	11.0	20.2	55.5	24.3
1992	363	9.9	38.0	40.5	21.5
1993	458	11.6	21.4	54.4	24.2
1994	335	8.6	37.3	49.9	12.8
1995	387	19.9	19.9	45.0	35.1
1996	599	16.1	24.9	50.2	24.9
1997	421	13.8	29.9	46.1	24.0
1998	285	21.3	27.7	49.8	22.5
1999	466	70.2	14.8	37.6	47.6
2000	371	57.2	21.8	39.4	38.8
2001	77	14.3	26.0	57.1	16.9
2002	67	8.7	32.8	53.7	13.4
2003	65	12.4	15.4	55.4	29.2
2004	171	12.1	38.0	40.9	21.1
2005	160	10.1	34.4	43.1	22.5
2006	155	11.6	39.4	40.6	20.0
2007	157	14.3	32.5	41.4	26.1
2008	21	6.4	47.6	38.1	14.3
2009	43	10.6	32.6	41.9	25.6
<b>1990-2009</b>	<b>4,959</b>	<b>22.1</b>	<b>26.8</b>	<b>46.3</b>	<b>26.9</b>

Banks and S&Ls are included in this table. This table excludes IPOs with a midpoint of the original file price range of less than \$8.00, as well as unit offers, ADRs, closed-end funds, REITs, partnerships, acquisition companies (SIC=6799), and stocks not listed on CRSP (CRSP includes firms listed on the NYSE, Amex, and NASDAQ). If a \$5.00 offer price screen was used instead of the \$8.00 midpoint screen, the sample size would increase by, for example, 20 IPOs in 1999 and 13 in 2000. The file price range is the original file price range. Lo and Hi are the minimum and maximum of the original file price range. For 2005, the sample size of 161 firms is coincidentally the same as in other tables, because there are exactly as many IPOs with a file price range midpoint of less than \$8.00 that are deleted as there are banks and S&Ls that are added. Because the average first-day return is lower on the firms that are added than on those that are deleted, the 10.1% average first-day return in 2005 is less than the 10.2% reported in other tables, such as Table 1.

**Table 7**

**Percentage of IPOs relative to file price range:**

	<b>Below</b>	<b>Within</b>	<b>Above</b>
<b>1980-1989</b>	<b>30%</b>	<b>57%</b>	<b>13%</b>
<b>1990-1998</b>	<b>27%</b>	<b>49%</b>	<b>24%</b>
<b>1999-2000</b>	<b>18%</b>	<b>38%</b>	<b>44%</b>
<b>2001-2009</b>	<b>34%</b>	<b>45%</b>	<b>22%</b>
<b>1980-2009</b>	<b>28%</b>	<b>49%</b>	<b>23%</b>

**Average first-day returns relative to file price range:**

	<b>Below</b>	<b>Within</b>	<b>Above</b>
<b>1980-1989</b>	<b>0%</b>	<b>6%</b>	<b>20%</b>
<b>1990-1998</b>	<b>4%</b>	<b>11%</b>	<b>32%</b>
<b>1999-2000</b>	<b>9%</b>	<b>26%</b>	<b>121%</b>
<b>2001-2009</b>	<b>3%</b>	<b>10%</b>	<b>30%</b>
<b>1980-2009</b>	<b>3%</b>	<b>11%</b>	<b>51%</b>

The sample used in this table is described in Table 6.

**Table 8****Number of Offerings, Average First-day Returns, and  
Gross Proceeds of Initial Public Offerings in 1960-2009**

Data from 1960-1974 is taken from Table 1 of Roger Ibbotson, Jody Sindelar, and Jay R. Ritter's 1994 *Journal of Applied Corporate Finance* article "The Market's Problems with the Pricing of Initial Public Offerings" Vol. 7, No. 1 (Spring 1994), pp. 66-74. Data from 1975-2009 is compiled by Jay R. Ritter using Thomson Financial, Dealogic, and other sources. The 1975-1992 numbers are different from those reported in the *JACF* article because the published article included IPOs that did not qualify for listing on Nasdaq, the Amex, or NYSE (mainly penny stocks).

<b>Year</b>	<b>Number of Offerings<sup>1</sup></b>	<b>Average First-day Return<sup>2</sup></b>	<b>Gross Proceeds, \$ Millions<sup>3</sup></b>
1960	269	17.8%	553
1961	435	34.1%	1,243
1962	298	-1.6%	431
1963	83	3.9%	246
1964	97	5.3%	380
1965	146	12.7%	409
1966	85	7.1%	275
1967	100	37.7%	641
1968	368	55.9%	1,205
1969	780	12.5%	2,605
1970	358	-0.7%	780
1971	391	21.2%	1,655
1972	562	7.5%	2,724
1973	105	-17.8%	330
1974	9	-7.0%	51
1975	12	-0.2%	261
1976	26	1.9%	214
1977	15	3.6%	128
1978	19	12.6%	207
1979	39	8.5%	313
1980	75	13.9%	934
1981	197	6.2%	2,367
1982	82	10.6%	1,064
1983	524	8.9%	11,332
1984	222	2.5%	2,841
1985	214	6.2%	5,125
1986	481	6.0%	15,793
1987	344	5.6%	13,300
1988	130	5.4%	4,141
1989	122	7.8%	5,406

1990	115	10.5%	4,325
1991	295	11.7%	16,602
1992	416	10.2%	22,678
1993	527	12.7%	31,599
1994	412	9.8%	17,560
1995	461	21.1%	30,230
1996	688	17.2%	42,425
1997	487	14.0%	32,441
1998	318	20.2%	34,614
1999	486	69.7%	64,927
2000	382	56.2%	65,088
2001	79	14.2%	34,241
2002	70	8.6%	22,136
2003	67	12.3%	10,068
2004	184	12.2%	32,269
2005	168	10.1%	28,593
2006	162	11.9%	30,648
2007	162	13.8%	35,762
2008	21	6.4%	22,762
2009	43	10.6%	13,307
1960-69	2,661	21.2%	7,988
1970-79	1,536	7.1%	6,663
1980-89	2,391	6.8%	62,303
1990-99	4,205	21.0%	297,441
2000-09	1,338	24.4%	294,873
<b>1960-2009</b>	<b>12,111</b>	<b>16.9%</b>	<b>669,268</b>

<sup>1</sup> Beginning in 1975, the number of offerings excludes IPOs with an offer price of less than \$5.00, ADRs, best efforts, units, and Regulation A offers (small issues, raising less than \$1.5 million during the 1980s), real estate investment trusts (REITs), partnerships, and closed-end funds. Banks and S&Ls and non-CRSP-listed IPOs are included.

<sup>2</sup> First-day returns are computed as the percentage return from the offering price to the first closing market price.

<sup>3</sup> Gross proceeds exclude overallocation options but include the international tranche, if any. No adjustments for inflation have been made.

## Table 9

### Fraction of IPOs with Negative Earnings, 1980-2009

IPOs with an offer price below \$5.00 per share, unit offers, ADRs, closed-end funds, partnerships, acquisition companies, REITs, bank and S&L IPOs, and firms not listed on CRSP within six months of the offer date are excluded. When available, we use the earnings per share for the most recent twelve months (commonly known as LTM for last twelve months) prior to going public. When a merger is involved, we use the pro forma numbers (as if the merger had already occurred). When unavailable, we use the most recent fiscal year EPS numbers. Missing numbers are supplemented by direct inspection of prospectuses on EDGAR, and EPS information from Dealogic for IPOs after 1991, and Howard and Co.'s *Going Public: The IPO Reporter* from 1980-1985. Tech stocks are defined as internet-related stocks plus other technology stocks, not including biotech. Loughran and Ritter (2004) list the SIC codes in their appendix 3 and sources of founding dates in appendix 1. Updated listings of founding dates can be found on Jay Ritter's web site. (updated Jan. 11, 2010)

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Year	Number of IPOs	No. of IPOs with missing EPS	Percentage Tech Stocks	Percentage of IPOs with EPS<0	Mean First-day Returns	
					EPS<0	EPS≥0
1980	73	1	32%	26%	6.3%	16.6%
1981	197	4	37%	17%	8.1%	5.7%
1982	80	12	53%	22%	6.5%	10.9%
1983	449	5	38%	21%	14.6%	8.9%
1984	178	6	29%	16%	8.8%	1.8%
1985	185	2	19%	15%	5.2%	6.3%
1986	397	10	19%	21%	7.6%	5.4%
1987	291	7	20%	17%	5.0%	5.8%
1988	102	1	25%	17%	7.0%	5.3%
1989	113	0	30%	21%	8.9%	8.0%
1990	110	3	27%	15%	9.5%	10.9%
1991	287	6	24%	24%	9.4%	12.7%
1992	412	1	27%	29%	10.8%	10.0%
1993	509	1	24%	29%	12.6%	12.8%
1994	404	4	28%	26%	8.2%	10.4%
1995	458	1	43%	30%	21.6%	21.0%
1996	675	0	39%	41%	16.5%	17.7%
1997	474	1	36%	36%	12.9%	14.8%
1998	284	1	39%	46%	32.0%	13.2%
1999	477	1	77%	76%	80.8%	40.0%
2000	381	3	69%	81%	59.5%	43.7%
2001	79	0	29%	49%	15.3%	13.1%
2002	66	1	30%	46%	5.1%	12.2%
2003	62	0	27%	44%	10.8%	13.2%
2004	174	5	35%	50%	12.2%	12.9%
2005	160	0	28%	45%	7.3%	12.6%
2006	157	0	29%	40%	7.3%	15.4%
2007	160	0	45%	55%	13.8%	14.1%
2008	21	0	24%	43%	1.8%	9.8%
2009	41	0	27%	27%	13.6%	8.5%
1980-1989	2065	48	29%	19%	8.9%	6.7%
1990-1994	1722	15	26%	27%	10.6%	11.4%
1995-1998	1891	3	39%	38%	19.4%	17.3%
1999-2000	858	4	73%	78%	71.1%	41.4%
2001-2009	920	6	33%	47%	10.5%	13.1%
<b>1980-2009</b>	<b>7,456</b>	<b>76</b>	<b>36%</b>	<b>36%</b>	<b>27.9%</b>	<b>12.6%</b>