# Our investments

In 2015, Cinven had investments in 26 portfolio companies across three funds. All portfolio companies have global headquarters in Europe or significant European operations.

## Financial Services

Avolon
Guardian Financial Services
Heidelberger Leben Group
Partnership
Premium Credit

## Healthcare

AMCo
Medpace
Spire Healthcare
Synlab

## Consumer

Camaïeu
Maxeda

## Business Services

Coor
CPA Global
EnServe Group
Prezioso Linjebygg
Pronet

## Industrials

Avio
CeramTec
JOST
SLV
Tractel

## TMT

HEG
Northgate Public Services
Numericable Group
Ufinet
Visma

# Our investments

## Business Services


**CEO**
Mikael Stöhr

**Cinven representative**
Soren Christensen

**www.coor.com**

# Coor

**Integrated facilities management**

**Acquired**
Dec 2007

**HQ**
Sweden
(Nordic region)

**Sales**
€800m
12 months ending December 2015 (actual)

**Employees**
6,500
(approximate)

### The business in 2015

Following strong underlying revenue growth in Coor's integrated facilities management (IFM) division during 2014 and early 2015, Cinven chose to split the Coor business in two parts: IFM and Industrial Services. Coor IFM successfully listed on the NASDAQ Stockholm on 16 June 2015, at SEK38 per share. The IPO was several times oversubscribed despite wider stock market volatility, and priced just below the top of the range. The business significantly deleveraged as part of the IPO to less than three times EBITDA.

Coor IFM delivered strong growth during 2015, driven by good progress in Norway, Sweden and Denmark. The business continues to win significant new contracts especially in Norway driven by low oil prices accelerating the need for efficiencies through IFM outsourcing solutions.

Cinven retains Coor's Industrial Services business, now renamed Jernbro.

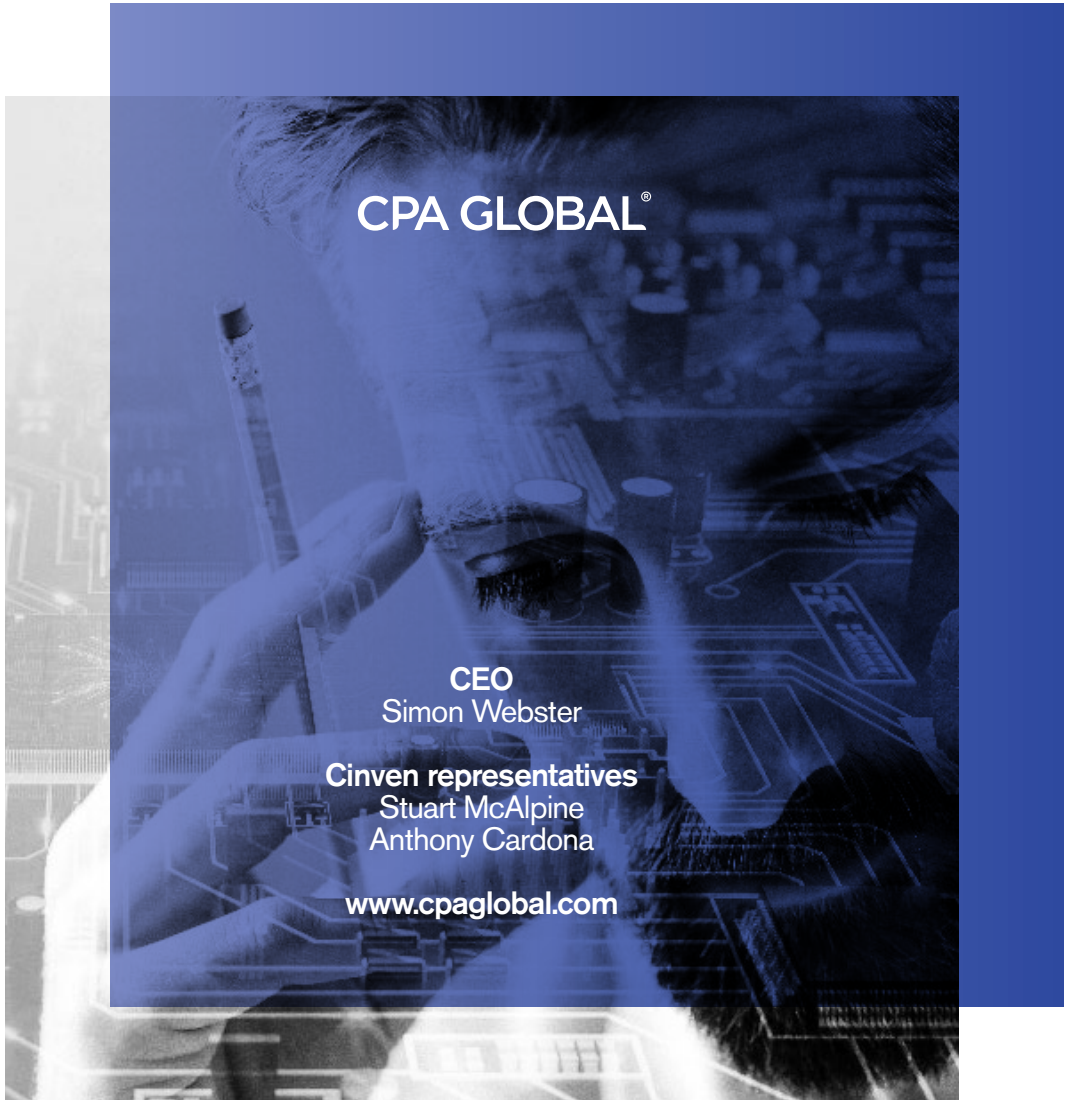
### Value creation

Cinven has worked closely with management to increase Coor's revenues as well as strengthen and diversify its offerings to create one of the most resilient Nordic facilities management platforms. This has included initiating a number of strategic acquisitions to accelerate the transformation of Coor from a Swedish to a pan-Nordic IFM provider across the region. The acquisition of Lujapalvelut doubled Coor's presence in Finland, while the acquisition of Addici strengthened and broadened its customer base into the SME sector.

During Cinven's ownership, the company also strengthened its leadership team, including the appointment of Mikael Stöhr as CEO.

# Our investments

## Business Services




## CPA Global

**Intellectual property management software, services, information and analytics**

**Acquired**
March 2012

**HQ**
Jersey
(global operations)

**Gross income**
£235m
12 months ending December 2015 (audited)

**Employees**
2,000
(approximate)

### The business in 2015

CPA Global continues to progress well under Cinven's ownership, and achieved strong earnings performance in 2015.

Cinven and management continue to work on a number of initiatives to accelerate growth with support from Cinven's Portfolio team, notably by investing in the CPA Global software offering, expanding into adjacent services, such as technical IP translations and providing an integrated proposition to cross-sell a full range of IP solutions.

In early October 2015, Simon Webster, a long-serving member of the senior management team, was appointed CEO.

In November 2015, CPA Global completed the strategic acquisition of Innography, a fast-growing and world-leading provider of patent information and analytics.

### Value creation

CPA Global has a fundamentally attractive business model, with high earnings visibility due to the large stock of patents managed by the company (it renews over 1.6 million patents annually, close to twice the volume of its nearest competitor). CPA Global also provides the IP management software that enables the core patent renewals business. This is also a stable, growing and global market, driven by the long-term growth in R&D expenditure and an increasing requirement to protect IP through patents. Given that IP protection is business-critical, irrespective of the economic environment, this affords CPA Global a highly defensive business model.

Cinven's investment strategy is to accelerate CPA Global's growth by developing a comprehensive set of solutions for IP professionals enabled by technology, and by expanding internationally. The business has invested significantly in software development and expanded into information and analytics to support and enhance the core business.

CPA Global has offices across Europe, North America and Asia, as well as substantial operations in India.

# Our investments

## Business Services


## EnServe Group

### Utility and energy outsourcing

**Acquired**
Dec 2010

**HQ**
UK

**Sales**
£186m
12 months ending April 2015 (actual)

**Employees**
1,450
(approximate)

**The business in 2015**
Following the successful divestiture of Enserve's core infrastructure support services businesses through a series of sales between 2011 and 2013, Cinven explored exit options for the remaining group. On the back of a focused strategy, successful realisation of cost savings and an improved growth trajectory, Cinven completed the sale of the remaining Enserve business in January 2016, significantly in excess of previous fund valuations.

**Value creation**
EnServe Group was acquired in a public-to-private transaction in December 2010. This was followed by a curbing of capital expenditure by some large utility providers following ownership changes, together with an increasingly competitive environment, resulting in margin pressure. In addition, the Billing division was subject to industry-wide in-sourcing of its services.

Cinven's Sector and Portfolio teams worked to mitigate these factors by introducing operational improvements and best practices in the areas of procurement and account management. Cinven also invested in the sales force effectiveness of the business' Energy division, Inenco, to optimise strong growth.

EnServe Group has been divested through a series of sales to corporate and financial acquirers. In February 2011, EnServe Group announced the sale of its Facilities Services Group business to NBGI Private Equity; in February 2012, EnServe Group announced the sale of its Utility Management Services (UMS) business to BCW Group; in April 2012, EnServe Group announced the sale of its Mechanical and Electrical Training business to Pearson; and in July 2013, EnServe Group announced the sale of its Energy division, Inenco Group, which had nearly doubled EBITDA under two and a half years of Cinven ownership.

# Our investments

## Business Services


## Prezioso Linjebygg

**Insulation, scaffolding and surface coating services**

**Acquired**
June 2012

**HQ**
France
(global operations)

**Sales**
€478m
12 months ending December 2015 (proforma)

**Employees**
5,500
(approximate)

**Value creation**
Cinven has been working with management to grow Prezioso's market share and expand into promising markets such as the North Sea, both through acquisition and organic growth. In particular, in early 2014 the company acquired Norwegian O&G services company, Linjebygg Offshore for NOK 326 million. In addition, the company introduced new senior managers and international best practices to build a world-class organisation able to continue delivering double digit growth.

**The business in 2015**
In the face of a prolonged depressed global oil price, Prezioso Linjebygg (Prezioso) continued to grow profits during 2015.

This success was driven by three factors: Prezioso's defensive model of providing mission critical, non-discretionary asset integrity services for existing facilities; the company along with Cinven's Portfolio and Sector teams working closely with management to mitigate the impact of the global oil price decline on Prezioso's business; and continuous market share gains across all geographies and business lines. The latter includes notably large contract wins with Statoil in Norway, doubling Prezioso's market share; with Total and Chevron in Western Africa; and with EDF in France.

In May 2016, on the back of strong organic performance, Cinven completed the successful sale of Prezioso to Altrad Group.

# Our investments

## Business Services


**Executive Chairman**
Alp Saul

**Cinven representatives**
Guy Davison
Yalin Karadogan

**www.pronet.com.tr**

## Pronet

### Electronic security and alarm systems

**Acquired**
Aug 2012

**HQ**
Turkey

**Sales**
$83m
12 months ending December 2015 (actual)

**Employees**
1,600
(approximate)

### The business in 2015

Pronet delivered a resilient performance in 2015, despite a worsening general environment for consumer-spending, and challenging foreign exchange markets that saw local currency depreciation of nearly 30%. Even though Pronet prices in US dollars, the business continued to increase its subscriber base, revenues and EBITDA (in US dollars) year-on-year.

Cinven and management continued to focus on improving productivity as well as reducing customer acquisition costs and maintenance overheads. This resulted in an improved cost structure and margin profile in 2015. The company remains focused on customer profitability, cash generation and net debt reduction.

In addition, during 2015, the company enhanced its management team with the appointments of a new CFO, HR Director and Sales Director.

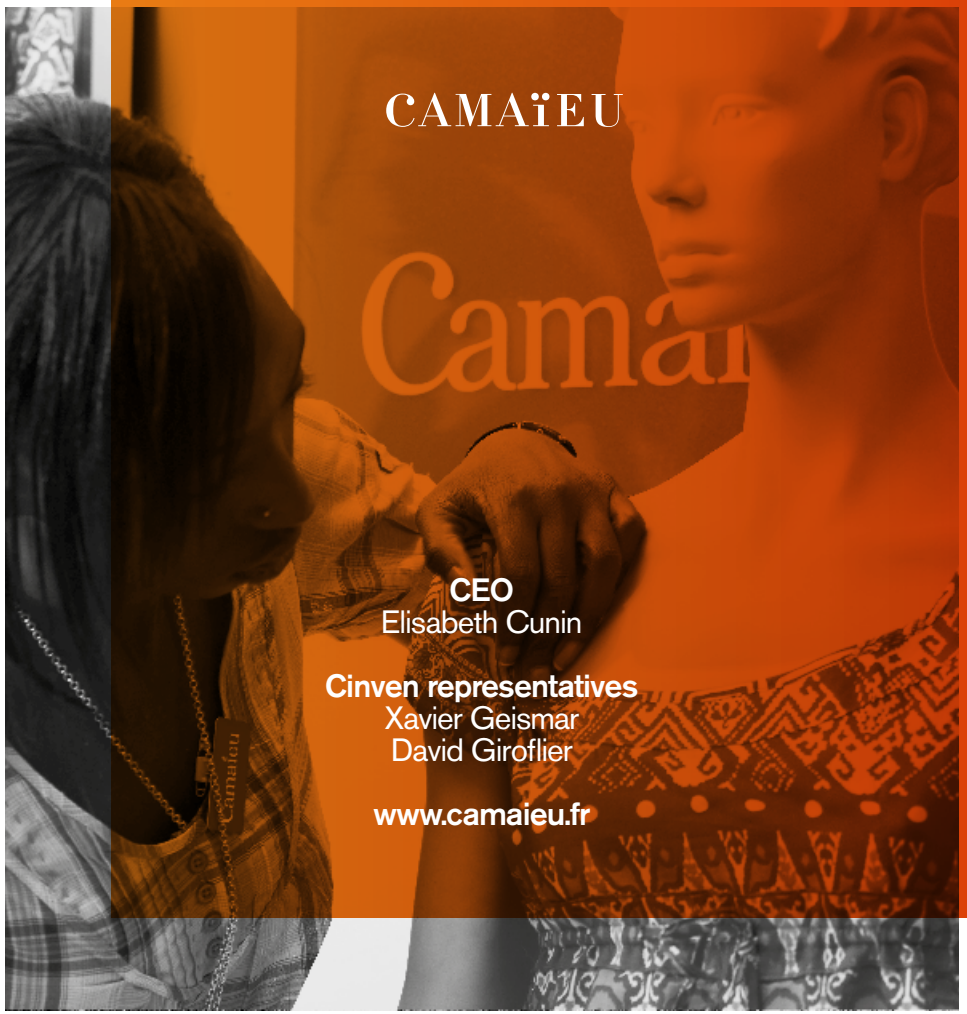
### Value creation

Cinven has been collaborating with management on a number of commercial and operational workstreams including the introduction of operational best practices, client acquisition and client servicing.

The Turkish monitored alarm market has significantly lower market penetration than European averages and is forecast to continue its significant growth, supported by rising disposable income, urbanisation and changing attitudes towards crime and security, with Pronet driving this growth in penetration. Pronet's business model combines a portfolio of installed alarm systems generating recurring monthly revenues and a direct sales team driving accretive growth. The company has presence throughout Turkey, through its direct sales offices as well as a network of dealers.

# Our investments

## Consumer




**CEO**
Elisabeth Cunin

**Cinven representatives**
Xavier Geismar
David Giroflier

**www.camaieu.fr**

## Camaïeu

**Clothing retailer**

**Acquired**
May 2007

**HQ**
France
(global operations)

**Sales**
€781m
12 months ending December 2015 (actual)

**Employees**
6,000
(approximate)

### The business in 2015

Camaïeu confronted a continuing weak consumer environment in France with a focus on operational improvement. This included a series of measures to protect like-for-like sales, and a move towards a more customer-centric model by further investment in customer relationship management.

Trading in the latter part of the year was challenging, and deteriorated further following the terrorist attacks in Paris, as consumer confidence fell, and was further exacerbated by record high temperatures seen across France and much of Europe in December.

Despite this, 2015 saw numerous positive developments at Camaïeu including the introduction of a new concept store, with a more modern identity, which will initially be rolled out at seven premises. In addition, the company launched a Polish e-commerce site to complement its 89 physical stores in Poland.

Also in 2015, Camaïeu launched 'L'Observatoire du-prêt-à-porter', a survey of French fashion trends and consumer habits, in order to better understand patterns of consumption and meet expectations.

### Value creation

Camaïeu has 992 stores, up from 557 at acquisition. Geographic exposure has been rebalanced so that in 2015 approximately 35% of stores were outside of France, compared to 24% prior to Cinven's acquisition.

# Our investments

## Consumer


**CEO**
Guy Colleau[1]

**Cinven representatives**[2]

**www.maxeda.com**

[1] Joined 1 May 2016
[2] Post restructuring, Cinven is no longer represented on the supervisory board of the operating entity.

## Maxeda

### DIY retailer

**Acquired**
Sept 2004

**HQ**
The Netherlands
(Benelux region)

**Sales**
€1,337m
12 months ending December 2015 (actual)

**Employees**
7,000
(approximate)

### The business in 2015

Maxeda DIY, the final remaining business of an investment that has returned 2.6x cost to-date, completed an 'amend and extend' of existing senior debt and a debt-for-equity swap of its subordinated debt in 2015. This resulted in mezzanine lenders taking a controlling position in the business, and Cinven funds only having a nominal remaining stake in the business.

### Value creation

At the time of acquisition, Maxeda was the largest non-food retailer in the Benelux region, operating across multiple retail segments including department stores, DIY, apparel and consumer electronics. Following a series of successful, value accretive divestments of retail formats under Cinven's ownership, the DIY division is the last remaining segment of the Maxeda group. The DIY business is a leading player in the Benelux region and comprises four key brands: Praxis and Formido in the Netherlands and Brico and Plan It in Belgium.

Cinven was attracted to Maxeda because it was a market leader in non-food retailing, but was underperforming across a number of metrics. During Cinven's ownership period, retailing best practice was implemented across all of Maxeda's formats. Value creation initiatives included improving customer service, selected store refurbishments and enhanced sourcing. These resulted in company-wide procurement, increased Asian sourcing, supported by Cinven's Portfolio team in Asia, and closer co-operation between the department stores.

# Our investments

## Financial Services


**CEO**
Domhnal Slattery

**Cinven representatives**
Caspar Berendsen
Maxim Crewe

**www.avolon.aero**

## Avolon

**Aircraft leasing**

**Acquired**
May 2010

**HQ**
Ireland
(global operations)

**Sales**
$360m
6 months ending June 2015 (actual)

**Employees**
55
(approximate)

### The business in 2015

In July 2015, Cinven agreed to sell its remaining 20% stake in Avolon to a strategic investor, Bohai Leasing, at $31 per share. The sale, which concluded in January 2016, followed Avolon's listing on the New York Stock Exchange in December 2014 at $20 per share, where Cinven chose to sell only 17.5% of its shares. The realisation takes Cinven's total return on investment to 2.3x cost.

### Value creation

Cinven's Financial Services team identified the aircraft leasing market as attractive in the wake of the financial crisis, because of low entry prices to a market with long-term structural growth. During our ownership, the company expanded into Asian markets, raised new equity from the Government of Singapore Investment Corporation (GIC) and launched Avolon Capital Partners, a Wells Fargo joint venture to build a US$500 million aircraft portfolio.

The company completed a US$333 million equity raise from existing and new investors, and a US$465 million debt raise from a banking consortium.

Avolon has offices in New York, Hong Kong, Singapore, Dubai and Shanghai. It focuses on the acquisition of the latest generation of narrow-body fuel-efficient aircraft.

# Our investments

## Financial Services


## Guardian Financial Services

**Consolidator of life insurance books**

**Acquired**
Nov 2011

**HQ**
UK

**Market Consistent Embedded Value**
€2,600m
6 months ending June 2015 (actual)

**Employees**
190
(approximate)

### The business in 2015

In November 2015, Cinven agreed the sale of Guardian Financial Services (Guardian) to a strategic acquirer for £1.6 billion. The transaction, which completed in January 2016, returned more than four times capital invested.

### Value creation

Cinven's investment in Guardian was the result of a thesis developed by our Financial Services team around consolidation in the fragmented closed life assurance sector, also recognising that closed life books enjoy highly visible and stable long-term cash flows.

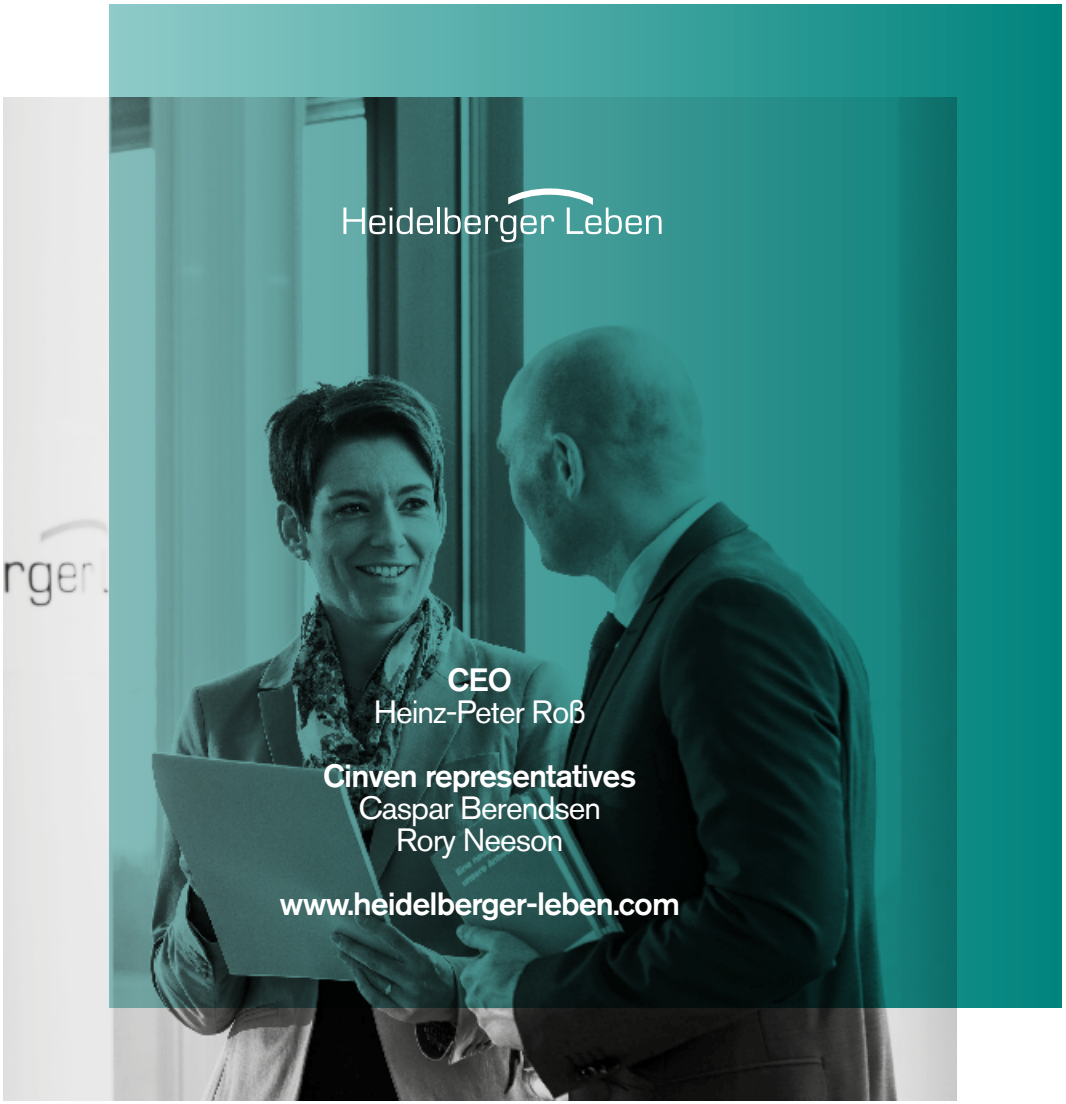
The Financial Services team identified Guardian as an ideal platform from which to consolidate the UK closed life insurance sector. In the four years of Cinven's ownership, Guardian became one of the most active consolidators in the UK and Ireland, completing three major acquisitions, including £4.9 billion of assets from Phoenix in 2012, £3.5 billion of assets from Allied Irish Bank and a further £1.7 billion of assets from Phoenix, both in 2014.

The company performed strongly during Cinven's ownership, led by an exceptional management team brought together by Cinven, and upgraded asset management processes and customer service. At the time of completion, the combined group managed around £17 billion assets, around 900,000 policies and a healthy balance sheet to continue its role as industry consolidator.

Guardian has provided life insurance and pensions products for nearly 200 years.

# Our investments

## Financial Services




## Heidelberger Leben Group

**Life insurance and retirement products**

**Acquired**
March 2014

**HQ**
Germany

**2015 Group Traditional Embedded Value**
€944m
At December 2015 (preliminary)

**Employees**
420
(approximate)

### The business in 2015

Heidelberger Leben Group (HL) has made a strong start under Cinven's ownership, with trading performance driven largely by the significant increase of assets under management, together with continued low lapse rates and reduced costs. Significant improvements were also made to the Group's IT infrastructure during the year. The integration of Skandia Germany has nearly been finalised with the migration of policies, to the new platform, planned for Q3 2016.

On the back of this strong trading, HL has returned c. 0.8x cost to date through a series of realisation events, of which €99 million, or 0.6x cost, had been returned to the fund by year-end. This included a refinancing, the sale of a derivative portfolio and the sale, agreed in August, of Skandia Austria to FWU AG for an Enterprise Value of €80 million.

Cinven believes that there is significant further consolidation potential in the German market. Cinven and management are focused on establishing strong internal M&A capabilities to identify, track and execute further value-accretive buy and build opportunities.

### Value creation

Cinven and management have made good headway on the Value Creation Plan including policy lapse management, group restructuring, IT improvements, cost saving opportunities and a revised asset management strategy.

The business has also strengthened its industry leading management team including a new CEO, COO, Chief Actuary, Chief Investment Officer, Chief Information Officer and non-executive appointments. In addition, the business has continued to build the broader management team, and since June 2014 has appointed a Head of Finance, a Head of Tax and a Head of HR.

In October 2014, HL acquired Skandia Germany and Austria for €220 million.

Cinven's Financial Services team identified HL as highly attractive as it represents an opportunity to create a life insurance consolidator in the attractive German-speaking region, following Cinven's successful consolidation of the UK sector with Guardian Financial Services. The investment is a strategic (80/20) partnership with Hannover Re, the third largest reinsurer worldwide.

# Our investments

## Financial Services


**CEO**
Steve Groves

**Cinven representative**
Peter Catterall

**www.partnership.co.uk**

## Partnership

**Provider of retirement solutions**

### Acquired
Aug 2008

### HQ
UK

### Total Income
£485m
12 months ending December 2015 (actual)

### Employees
510
(approximate)

### The business in 2015
In August 2015, the Boards of Partnership and Just Retirement, a UK-based peer, announced an all-share merger, which became unconditional in early 2016 and completed on 4 April 2016. The transaction is expected to realise significant synergies. Partnership and Just Retirement raised equity capital amounting in total to c. £150 million. As part of this, Cinven invested a further c. €20 million. Following the merger, Cinven holds a 19% stake in the merged entity, now called JRP Group.

The company believes that the enlarged entity will be able to accelerate the existing strategy of leveraging its unique intellectual property to write profitable new business in the UK retail, defined benefit, US care and South African individual retirement markets.

### Value creation
Cinven's Financial Services team identified Partnership in 2008 as a business with a competitive advantage in the provision of impaired, enhanced and long-term care annuity products for retirees, which provide a higher guaranteed rate of income than a standard annuity for people requiring long-term care.

The company floated in June 2013, in an IPO that was nine times over-subscribed. Cinven realised 1.9x the original cost of investment, while retaining a 49% stake in the business.

Following prolonged outperformance against its business plan, Partnership was materially impacted by unexpected UK budgetary reforms announced in March 2014, with new business volumes decreasing significantly ahead of the new regulations which came into effect on 5 April 2015. In preparation, Partnership focused on positioning itself to grow in the retail and defined benefit markets in the UK and to expand internationally, backed by a £100 million bond issue underwritten by Cinven. In May 2015, Partnership listed the bonds on the London Stock Exchange at par, converting the private placement into a public bond instrument.

# Our investments

## Financial Services


**CEO**
Tom Woolgrove

**Cinven representatives**
Peter Catterall
Maxim Crewe
Anthony Santospirito

**www.premiumcredit.co.uk**

## Premium Credit

**Specialty finance**

**Acquired**
Feb 2015

**HQ**
UK

**Sales**
£126m
12 months ending December 2015 (actual)

**Employees**
370
(approximate)

### The business in 2015

Premium Credit enjoyed solid revenue growth in its first year under Cinven's ownership, driven by the retail and small-to-mid-sized corporate divisions. EBITDA growth has been strong, driven by net advances (a measure of total customer lending) and revenue growth, coupled with cost base leverage.

### Value creation

Premium Credit is a leading UK provider of premium finance with a diversified customer base, broad distribution network and good reputation for high-quality service provision.

The company's products allow businesses and individuals to spread the cost of their annual insurance premiums over time. It also provides financing for the payment of annual fees such as professional fees, membership subscriptions, commercial service charges and school fees. Premium Credit has approximately two million customers and operates through a network of around 4,000 intermediaries.

Since completion, Cinven has significantly strengthened the company's management team, including the appointment of Tom Woolgrove as CEO from January 2016 and Colin Keogh as Chairman in 2015.

The company sees opportunity to drive increased penetration rates of premium finance, through better systems integration and processes, with intermediaries. It is currently upgrading its operating systems.

Supported by Cinven's Capital Markets team, the company capitalised on strong debt market conditions to re-price its financing arrangements in 2015, and has made progress in preparation for a public ABS issuance, including working with rating agencies to improve the company's credit rating.

# Our investments

## Healthcare


**CEO**
John Beighton

**Cinven representatives**
Supraj Rajagopalan
Alex Leslie
Matthew Norton

**www.AMColimited.com**

## AMCo

### Specialty pharmaceuticals

**Acquired**
Aug/Oct 2012

**Sales**
£166m
6 months ending June 2015 (actual)

**HQ**
UK
(global operations)

**Employees**
370
(approximate)

**The business in 2015**
AMCo is an international pharmaceutical company, focused on selling niche generic medicines to patients in more than 100 countries. Cinven created AMCo through a buy and build strategy of seven separate acquisitions in the niche generic space.

In October 2015, Cinven sold AMCo to a strategic acquirer, Concordia Healthcare Corp. for £2.3 billion, through a combination of cash, common shares of Concordia and a performance-based earn-out. The investment has so far yielded cumulative cash proceeds of 3.5x the cost of investment (i.e. excluding any remaining unrealised value).

**Value creation**
AMCo performed strongly under Cinven's ownership, delivering double digit organic EBITDA growth every year since acquisition. The business itself was created by the simultaneous acquisition and merger of Mercury Pharma and Amdipharm, two highly complementary niche generic pharma companies with diversified product portfolios and, given the age of the products, attractive reimbursement profiles.

The transformative merger created a truly global platform on to which Cinven added a further five bolt-ons, all of which were funded without the need for additional equity.

Together with management, Cinven also executed an international 'go-direct' strategy to drive geographic expansion, including deploying AMCo staff on the ground internationally, with support from Cinven's Portfolio team in Europe and Asia. In addition, 44 new products were launched in the three years under Cinven's ownership, with a bolstered pipeline of new products in development by the time of exit.

# Our investments

## Healthcare


**CEO**
Dr. August J. Troendle

**Cinven representatives**
Supraj Rajagopalan
Alex Leslie
Matthew Norton

**www.medpace.com**

## Medpace

### Contract pharmaceutical research

**Acquired**
April 2014

**HQ**
US
(global operations)

**Sales**
$320m
12 months ending December 2015 (actual)

**Employees**
2,000
(approximate)

**The business in 2015**
Medpace continued to perform well during 2015 and the business has grown significantly, particularly in Europe as it continues to internationalise to meet the demands for increasing global clinical trials.

Given the considerable growth opportunity for Medpace, 2015 saw a significant expansion of the workforce – with an increase of 35% since Cinven acquired the business – predominantly in clinical operations and administrative functions.

The company has attracted strong demand from pharma and biotech companies for clinical trials and it has significantly improved its ability to meet this backlog of demands, with its conversion rate improving year-on-year. A rapid growth in biotech funding in recent years means this important customer segment has the cash and appetite to use contract research services.

Given the company's strong performance during 2015, it has been able to pay down debt and deleverage the business by more than two turns since the business was acquired.

**Value creation**
The company's growth strategy is focused on several initiatives across the US, Europe and Asia. These include increasing the number of its strategic partnerships with pharma, biotech and medical device companies; improving its sales force effectiveness; and streamlining the project management of clinical trials to improve efficiencies.

Medpace is a global contract research organisation (CRO) providing management services to research and development departments of pharmaceutical, biotech and medical device clients, to help plan and oversee their clinical trials. The business model has attractive market growth dynamics and Medpace's particular focus is on small to mid-sized pharma and biotech companies who tend to be overlooked by larger CRO providers.

The investment was a thesis developed by our Healthcare team, which identified Medpace as one of the most attractive companies in the CRO sector. Medpace is headquartered in the US and has significant European operations.

# Our investments

## Healthcare


**CEO**
Rob Roger

**Cinven representatives**
Simon Rowlands
Supraj Rajagopalan*

**www.spirehealthcare.com**

* Formerly held board seat

## Spire Healthcare

### Hospital operator

**Acquired**
Aug 2007

**HQ**
UK

**Sales**
£450m
6 months ending June 2015 (actual)

**Employees**
10,900
(approximate)

**The business in 2015**
Cinven sold a 30% stake in Spire Healthcare in June 2015 to Remgro, the major shareholder of Mediclinic, a leading South African-based private hospital group. This was followed shortly after by the sale of the remaining 8% stake through an accelerated book-build. This was the last in a series of successful public market selldowns, during the year, following the company's IPO on the London Stock Exchange in July 2014. Cinven elected to retain its full stake at the point of flotation with subsequent sales between 50% and 70% above the IPO issue price.

In aggregate, Spire Healthcare generated a return of almost 2x the cost of investment.

From April 2015, a long-term agreement between Spire Healthcare and BUPA took affect, with a minimum term of four years and with prices agreed for six years.

**Business context**
Spire Healthcare has been transformed during Cinven's period of ownership, with the introduction of a new management team, capital investment in state-of-the-art equipment and an expansion of its hospital portfolio.

There remains a continued strong pipeline of potential new hospital and healthcare facility developments and a continued demand from the National Health Service for Spire Healthcare to undertake procedures.

Spire Healthcare works with 3,000 healthcare specialists to deliver personalised care with payor groups being private medical insurance, self-funded as well as from the National Health Service.

Prior to its flotation, Spire Healthcare was the second largest private hospital group in the UK, with 39 acute care hospitals and 13 outpatient clinics.

# Our investments

## Healthcare


**CEO**
Dr. Bartl Wimmer

**Cinven representatives**
Stuart McAlpine
Alex Leslie
Pierre Estrade

**www.synlab.com**

## Synlab

### Clinical diagnostic laboratories

**Acquired**
Aug/Oct 2015

**Sales**
€1,494m
12 months ending December 2015 (actual)

**HQ**
Germany
(European operations)

**Employees**
13,000
(approximate)

### The business in 2015

Synlab was created in 2015 following the transformative merger of Labco and Synlab to create the European champion in the diagnostics industry. The company is comprised of two separate Cinven acquisitions: that of France-based Labco acquired in August 2015 and Germany's Synlab acquired in October 2015.

These thesis-led investments harnessed Cinven's extensive experience of the diagnostics supply chain, through prior successful investments in Phadia and Sebia, Générale de Santé and Spire. Cinven's Healthcare team worked closely with our French and German Regional teams to develop a consolidation strategy and execute these acquisitions. Together, our Healthcare team and Regional teams built strong relationships with the respective management teams and sellers, and engaged in two parallel processes with the aim of bringing the assets together.

This enabled Cinven to enter into the Labco transaction rapidly and on a bilateral basis in May 2015. Cinven was then able to sign the acquisition of Synlab, from the position of a highly synergistic 'trade buyer' post the Labco acquisition. This combination of sector knowledge and local presence resulted in a very attractive combined entry price. The enlarged Group is the only truly pan-European clinical laboratories business operating across 35 countries with combined revenues of approximately €1.5 billion. Each year, Synlab undertakes more than 400 million diagnostic tests for nearly 50 million patients.

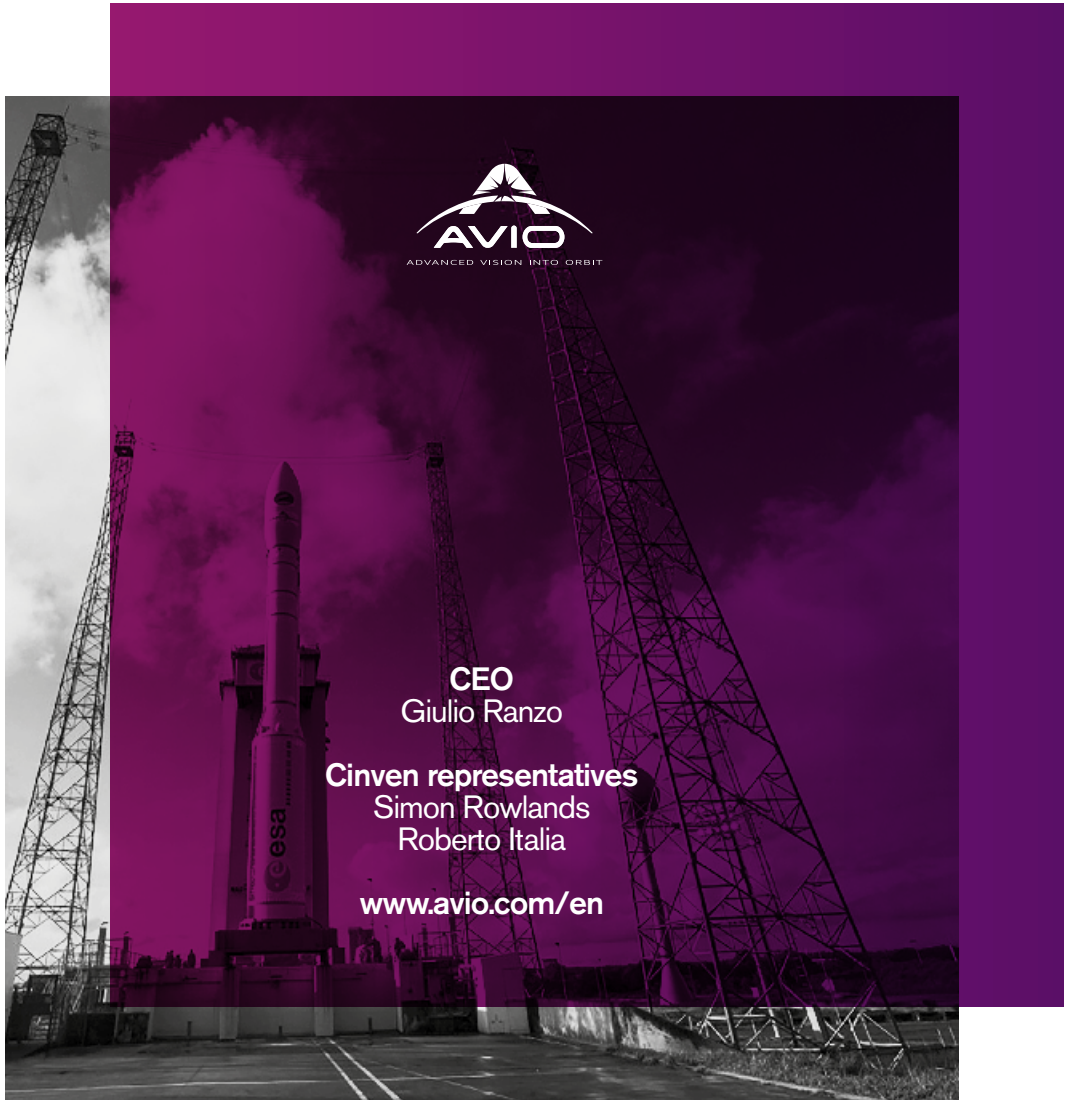
### Value creation

Following the acquisitions Cinven's Healthcare and Portfolio teams worked with Dr Wimmer, the CEO and founder of Synlab, and the rest of the management team to communicate changes to stakeholders. This ensured careful planning and integration of the two company's cultures and operations. By year-end, the merged business was on track to meet or exceed the synergy targets in the equity case.

Cinven, along with management, has reinvigorated M&A activity, given the considerable consolidation opportunities within the highly fragmented clinical diagnostic laboratory sector, and has a full pipeline of high-quality opportunities at attractive acquisition multiples. In parallel, Cinven and management are working on a number of initiatives to accelerate Synlab's organic growth and win market share, notably through medical innovation and improved customer service. In February 2016, Novo A/S, the holding company for the Novo Group, invested €215 million into Synlab.

# Our investments

## Industrials




**CEO**
Giulio Ranzo

**Cinven representatives**
Simon Rowlands
Roberto Italia

**www.avio.com/en**

## Avio

**Design and production of propulsion systems for space launchers and satellites**

**Acquired**
Dec 2006

**HQ**
Italy
(global operations)

**Sales**
€255m
12 months ending December 2015 (actual)

**Employees**
800
(approximate)

### The business in 2015

Following completion of the sale of Avio's Aviation business to GE in August 2013, returning 1.9x cost, Cinven retained ownership of Avio's Space Unit (Avio).

Avio enjoyed double-digit revenue growth during 2015 following increased volumes from the Vega, Ariane and Tactical Propulsion programmes, and saw a 33% increase in its order book.

In April 2015, Avio realised a further €122 million, following a refinancing by a group of Italian banks, increasing Cinven's return beyond 2x cost. As of 31 December 2015, Cinven retained approximately 55% in Avio.

Giulio Ranzo, former Head of Business Development at Avio Group, rejoined Avio as CEO in October 2015. Cinven continues to focus on optimising the performance and realisation options for the remaining Space business.

### Value creation

In addition to the Space Unit, at the time of acquisition, Avio was a leader in the design, manufacture and servicing of subsystems and components for commercial and military jet engines, partnering with original equipment manufacturers such as General Electric, Rolls-Royce and Pratt & Whitney. Avio also developed and supplied jet derivative engines and automation systems for naval and industrial applications and provided military and civil aero engine maintenance, repair and overhaul services.

Cinven's Industrials and Italian teams identified Avio as an undermanaged opportunity with defensive growth qualities due to the diversified aerospace group's exposure to long-term structural growth in markets such as defence and space launch. Cinven acquired the business outside of an auction process.

Under Cinven's ownership, the business focused on specific commercial relationships and building profitable Military and Space programmes that offered long-term contracts and operational improvements. In addition, Cinven supported Avio's internationalisation, with two joint ventures in China, Xian Aero Engine and Avic Harbin Dong'an Engine, both state-controlled leading aerospace businesses. Avio also made an acquisition in Brazil in 2011.

# Our investments

## Industrials


# CeramTec

**Manufacturer of high performance ceramics**

**Acquired**
Aug 2013

**HQ**
Germany
(global operations)

**Sales**
€501m
12 months ending December 2015 (actual)

**Employees**
3,600
(approximate)

### The business in 2015

CeramTec delivered resilient revenue and EBITDA growth in 2015, across both its Medical and Industrial divisions.

During the year, Cinven's Portfolio team collaborated with CeramTec's management to implement a number of measures to further grow the business. These included the appointment of a Head of Medical to develop the medical division including the promising R&D pipeline; as well as a project to improve the operational efficiencies within the Industrials division.

In May, CeramTec acquired US-based DAI Ceramics, which has been successfully integrated into the broader business. The acquisition provides CeramTec with a complementary product portfolio and geographic footprint and provides access to new end markets, such as aerospace.

Cinven continues to invest in CeramTec's management team, including the appointment of Henri Steinmetz as CEO in early 2016 while former CEO, Dr. Zimmermann, transitioned to an advisory role and a position on the company's German supervisory board.

### Value creation

Under Cinven's ownership, the Portfolio and Sector teams have collaborated with management to optimise commercial terms within the Medical and Industrial divisions; improve productivity and capital efficiency throughout the business; refocus the industrials portfolio on the products with the greatest growth potential; and pursue selective add-on opportunities, including the acquisition of DAI Ceramics.

Cinven's Industrials and Healthcare teams identified CeramTec as a highly attractive opportunity given its strong presence in diverse markets and its exceptionally high market share globally in critical ceramic hip joint prostheses components. In addition, the company demonstrated strong organic growth potential and a R&D pipeline. In recent years, CeramTec has successfully introduced around 50 new materials and 150 substantially modified materials to the market. This track record is set to continue with a number of promising projects, with attractive return prospects currently under way.

# Our investments

## Industrials


**CEO**
Lars Brorsen

**Cinven representatives**
Bruno Schick
Jan Schönfeld

**www.jost-world.com**

# JOST

## Truck component manufacturer

**Acquired**
Aug 2008

**HQ**
Germany
(global operations)

**Sales**
€669m
12 months ending December 2015 (actual)

**Employees**
2,900
(approximate)

### The business in 2015

JOST performed well in 2015. Strong performance in its core European market, excellent growth in both North America and Asia, and the contribution of recently acquired Mercedes Trailer Axles, all contributed to JOST's strong revenue growth, which was also enhanced by positive foreign exchange movements. The expansion of the business into North America continues to progress well, with JOST continuing to win further market share in the region.

During 2015, JOST's revenues increased by more than 20% following the acquisition of Mercedes Trailer Axles and EBITDA grew almost 10%.

On the back of this strong performance, Cinven's Capital Markets team led a refinancing of the business in December to optimise its capital structure with a lower cost of debt; to introduce additional operational flexibility for the business; and to return capital to investors. During the year, the integration of Mercedes Trailer Axles also continued smoothly.

### Value creation

JOST is considered the standard-setter in quality, safety and innovation in the manufacture and assembly of components for the articulated truck and trailer industry. The company demonstrates exceptionally high customer loyalty and brand reputation and has built a global diversified customer base. The company's long-term growth is underpinned by growing demand for transportation.

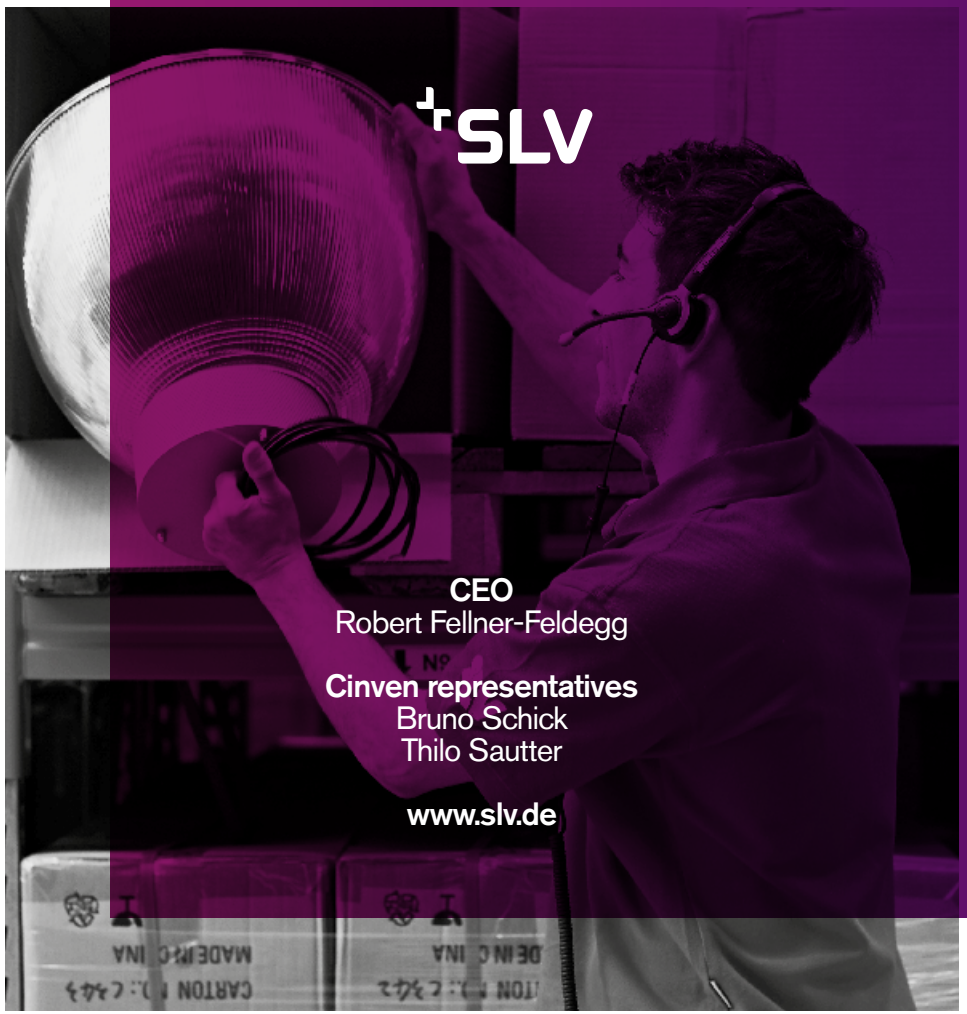
The unexpected collapse of Lehman Brothers in September 2008 had a material impact on lease financing markets, which are critical for the trucking industry, with the production of trailers falling up to 90%. In response to this extreme scenario, Cinven and the JOST management team swiftly implemented a series of wide-ranging initiatives such as a renegotiation of its financing arrangements and review of operational efficiencies.

Cinven invested c. €10 million, at preferential terms, to protect the company and support the smooth operational and financial recovery. In addition to protecting and preserving value during the downturn, Cinven has made significant progress on its original strategy for JOST. This included improvements to the company's operations and financial systems; continuing to build JOST's market position; expanding into underpenetrated, high growth geographies including China, India and Eastern Europe; and executing value accretive buy and build transactions.

In December, Cinven completed a refinancing of the business returning 14.5% of cost, increasing leverage to 3.6x LTM PF EBITDA. Prior to the refinancing, the company's leverage level had reduced significantly from 10.5x at the end of 2009 to 2x at the end of 2015.

# Our investments

## Industrials




**CEO**
Robert Fellner-Feldegg

**Cinven representatives**
Bruno Schick
Thilo Sautter

**www.slv.de**

# SLV

**Provider of residential and technical lighting products**

**Acquired**
May 2011

**HQ**
Germany
(global operations)

**Sales**
€177m
12 months ending December 2015 (proforma)

**Employees**
400
(approximate)

### The business in 2015

SLV enjoyed strong revenue growth during the year, improving its international sales processes, and generating double-digit growth within its subsidiaries. Trading in France, SLV's second largest market, grew significantly in the second half of the year, following the implementation of a number of strategic initiatives. In addition, SLV has started to drive growth in Germany, improving transparency and augmenting its sales approach, leading to an increase in sales of 10% in the fourth quarter.

The company also invested in marketing and personnel in select geographies, as well as in IT and supply chain, to position the company for sustainable future growth.

Following SLV's 2014 acquisition of Unex, a Swiss provider of LED lighting fixtures, the company acquired its Dutch partner Lagotronics in 2015 for an attractive valuation. This acquisition formed part of the company's 'forward integration' strategy that allows SLV to be closer to its clients and end-markets and to expand its brand reach.

The outlook is positive with continued development and growth potential.

### Value creation

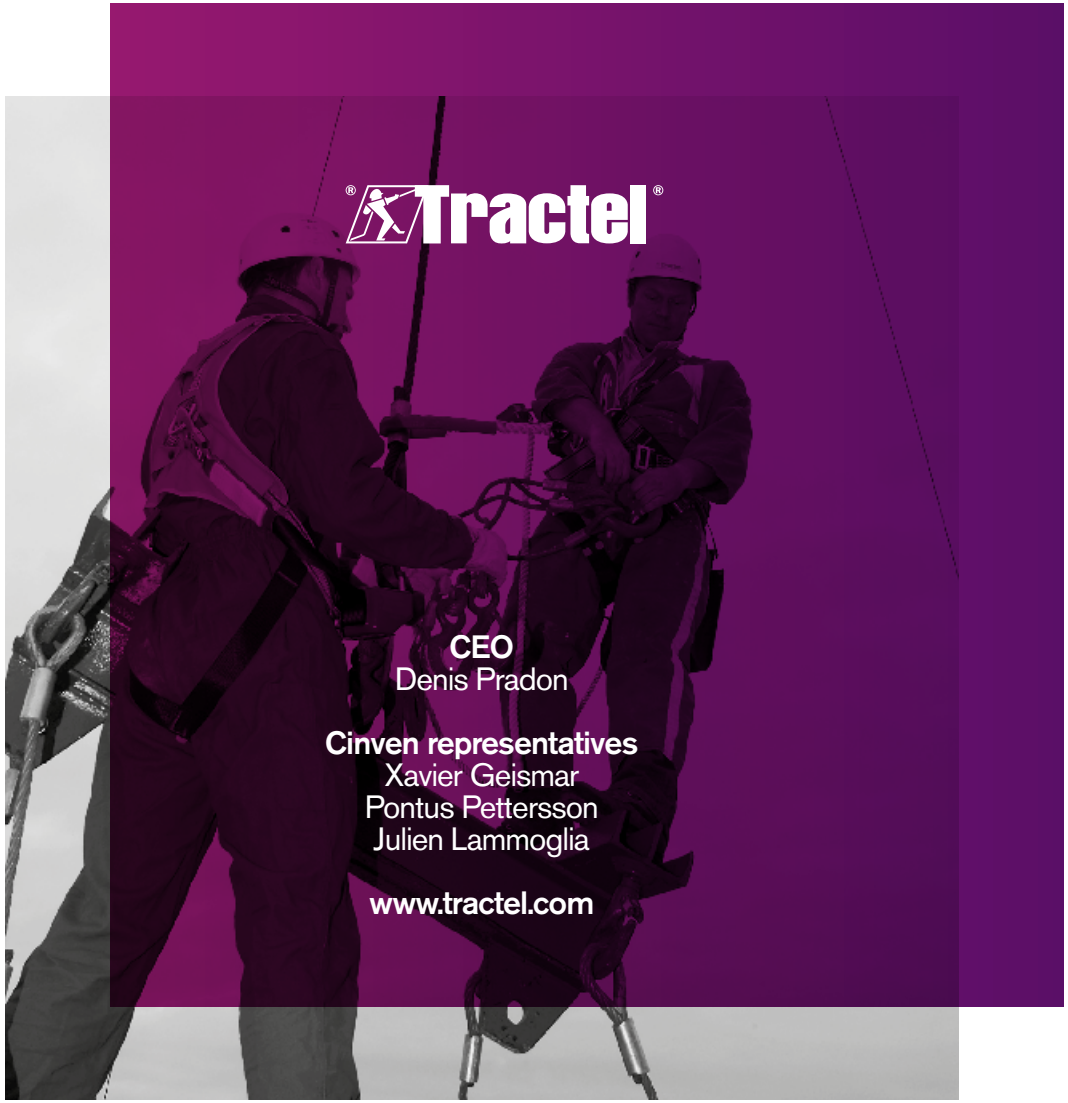
Cinven's Portfolio team has been working closely with SLV to execute the objectives set out in a Value Creation Plan. These include improving SLV's product development process by expanding both the product development and supply chain teams, and optimising the go-to-market time. In 2015, SLV introduced 950 new products compared to 373 in 2014.

The company has also implemented significant and wide ranging operational improvements to its reporting structure controls and systems. In addition SLV has adopted a more systematic approach – including sharing best practices and closer partner co-operation – to improve market penetration in those geographies covered by its partners.

SLV's diverse portfolio of c. 3,000 value for money, innovative lighting products is primarily sourced from Asian manufacturing partners. SLV distributes these products through a wide network of electricians, wholesalers, internet shops and other resellers, mostly in Europe.

# Our investments

## Industrials




**CEO**
Denis Pradon

**Cinven representatives**
Xavier Geismar
Pontus Pettersson
Julien Lammoglia

**www.tractel.com**

# Tractel

**Manufacturer of working-at-height products**

**Acquired**
Oct 2015

**HQ**
Luxembourg
(global operations)

**Sales**
€173m
12 months ending December 2015 (actual)

**Employees**
800
(approximate)

### The business in 2015

Tractel was acquired by Cinven in October, as a thesis-led investment developed by our Industrials team around protection equipment, and executed off-market by our local team in France, which pre-empted a sales process.

The business has strong cash generation and a positive outlook for its cyclical end-markets, as well as the potential to expand through strategic acquisitions. Providers of working-at-height equipment, such as Tractel, enjoy high barriers to entry, while delivering mission critical equipment to end-customers. The Cinven team developed a close relationship with management over the 18 months prior to the transaction, allowing Cinven to pre-empt the transaction, avoiding an auction process.

Cinven was well positioned to partner with Tractel's management team given its track record in France and its capability of creating a player of larger scale in more diverse geographies.

The acquisition of Tractel completed in October and while it is still early in the life of the investment, trading performance is positive.

During the year, Tractel generated strong revenue growth in North America and Germany. By the end of 2015, Tractel's order book had reached the highest levels in the company's history.

Cinven has made good progress implementing the value creation initiatives, which will strengthen Tractel's geographical offering and new product lines.

### Value creation

Cinven and management are focused on growing Tractel's business organically, and recently launched a significant sales force effectiveness project, aimed at increasing penetration in business segments that are sold through distributors.

Tractel is the leading player in the global market for working-at-height equipment. Established in 1941, Tractel is headquartered in Luxembourg and operates across Europe, North America and Asia with c. 800 employees, 8,000 distributors and distribution in more than 120 countries. Tractel designs, develops and distributes lifting and handling equipment, load measurement equipment, suspended platforms and height safety equipment.

Cinven and management are also actively working on potential value accretive add-on acquisition opportunities.

# Our investments

## TMT


# HEG

## Hosting and domain services

**Acquired**
Aug 2013

**HQ**
UK
(European operations)

**Sales**
€280m
12 months ending December 2015 (proforma)

**Employees**
1,225
(approximate)

### The business in 2015

HEG continued its strong trajectory in 2015, with all core divisions delivering growth. Managed Hosting and Mass Hosting exhibited particularly strong performance. The acquisition of intergenia completed in January, with anticipated synergies performing ahead of initial expectations.

In October, HEG acquired Paragon Internet Group, one of the UK's fastest growing hosting companies, for an enterprise value of €21 million. Paragon Internet Group has generated strong organic growth, and today hosts more than 1 million websites, for more than 120,000 customers.

Cinven's Portfolio team is involved with a number of initiatives, including the integration of add-on acquisitions, positioning and re-branding of the core brands, and sales force and marketing effectiveness. Cinven and management continue to evaluate a number of further potential add-on acquisitions. The outlook for the business remains positive.

### Value creation

The original acquisition of Host Europe Group (subsequently rebranded HEG) was the first acquisition of an overall consolidation strategy. This was originated by Cinven's TMT team that had identified hosting as an attractive and fragmented market.

Cinven has worked closely with management on its buy and build strategy, evaluating a number of add-on acquisition targets and executing four significant add-ons to date, including German mass hosting provider Telefonica Online Services, German mass hosting provider Domainfactory, German managed hosting provider intergenia, and UK mass hosting provider Paragon.

Cinven has also helped reshape HEG's organisation to ensure that it functions as an integrated group with clear organisational focus on the core business divisions Mass Hosting and Managed Hosting. Cinven has also enhanced the management team, including the promotion of the COO Patrick Pulvermüller to CEO, as well as appointing new divisional CEOs for both Mass Hosting and Managed Hosting.

Today, HEG offers its customers an end-to-end product suite including domain registration, application hosting, cloud hosting and managed hosting. Most of the company's revenues are generated in Germany and the UK, the two largest markets in Europe for internet domains and hosting services.

# Our investments

## TMT


## Northgate Public Services

**Software outsourcing and IT services**

**Acquired**
Dec 2014

**HQ**
UK
(global operations)

**Sales**
£182m
12 months ending December 2015 (actual)

**Employees**
2,300
(approximate)

### The business in 2015

Northgate Public Services' (NPS) police business had a positive year, with Athena, a UK national police collaboration software platform, launched in March, demonstrating good growth with strong feedback from local police forces. Athena is focused on the automation of police operations, increasing collaboration between police forces and managing core police investigation processes. It offers the most advanced collaboration platform in the UK, allowing different police forces to access each other's records and communicate more effectively. Other business divisions, such as healthcare market and social housing were more subdued during the year.

### Value creation

With the help of Cinven's Portfolio team, the carve-out of NPS from its former parent company is now complete. The Portfolio team has also been implementing Cinven's Value Creation Plan, which is focused on identifying opportunities for cross-selling products to existing customers and internationalising products such as its social housing and eligibility software products; as well as building on its existing presence in Canada and Australia.

During the year, NPS has further developed its comprehensive customer monitoring system, which will allow the company to improve customer engagement and implement best practices, particularly in the Local Government and social housing markets. Cinven and management are also targeting potential value accretive add-on acquisition opportunities.

Founded in 1969, NPS was a division of Northgate Information Services prior to Cinven's investment. NPS' customers include more than 400 local authorities; regional police forces; central government agencies such as NHS Trusts, the Department for Transport and the Home Office; and social housing providers.

# Our investments

## TMT


## Numericable Group / Altice

### Cable operator

**Acquired**
March 2005/
November 2005/
September 2007

**Sales**
€11,000m
12 months ending December 2015 (audited)

**HQ**
France

**Employees**
14,500
(approximate)

### The business in 2015

2015 marked the final full year of Cinven's ownership of Numericable Group / Altice (Numericable), the total proceeds of which reached €2.2 billion post year-end. Cinven sold down its final stake in March 2016, culminating in a 159% internal rate of return over an 11 year holding period and returning 4.7x cost.

### Value creation

Cinven's investment in Numericable fundamentally reshaped the industrial landscape of the French cable market. The TMT team identified the opportunity to invest in French cable assets, which were undermanaged, operating below industry benchmarks and fragmented.

Cinven's investment strategy was to consolidate the market while investing in the network to drive growth and increase the penetration of consumer entertainment packages.

Numericable was created by the acquisitions and subsequent merger of the telecom assets of France Télécom, Canal+ (Vivendi) and TDF (together renamed 'Numericable'), in March 2005 for €528 million, with Cinven taking a 70% stake. This was followed by the acquisition of Altice One, in November 2005, for €525 million; and Noos-UPC, acquired in July 2006 for €1.2 billion. In addition, Completel, a B2B provider, was acquired in September 2007 for €788 million, and was held as a standalone investment until just prior to Numericable's IPO.

Cinven introduced a world-class management team capable of leading market consolidation while implementing core operational improvements. The company invested heavily in its deep fibre network to drive growth and increase the penetration of digital television, broadband and telephony among existing subscribers.

In March 2008, Cinven and Altice sold a 37.8% stake to Carlyle.

In November 2013, the company floated on the NYSE Euronext Paris stock exchange, following which Cinven divested its stake through incremental sell-downs, including a conversion of all Numericable shares for Altice shares.

Cinven also championed the merger between Numericable and SFR, which was initiated in 2012 and subsequently completed in 2014, creating the largest business-to-consumer fixed fibre broadband operator in France.

Today, the business has an enterprise value of around €30 billion and is the leading alternative telecom operator in France.

# Our investments

## TMT


**CEO**
Iñigo García del Cerro Prieto

**Cinven representatives**
Jorge Quemada
Thomas Railhac

**www.ufinet.com**

## Ufinet

### Fibre operator

**Acquired**
June 2014

**HQ**
Spain
(global operations)

**Sales**
€149m
12 months ending December 2015 (actual)

**Employees**
260
(approximate)

**The business in 2015**
Ufinet performed strongly in 2015, with revenue growth driven by high demand for transmission services in Latin America – in particular Panama, Colombia and Costa Rica – and underpinned by resilient trading in Spain. Ufinet achieved a record level of new sales 2015.

Cinven and management put in place a systematic buy and build process and function, resulting in the first add-on acquisition in the company's history, of Reico, a telecoms provider in Costa Rica.

Since then, Ufinet has also acquired the fibre network of Horarada, a Spanish regional fibre operator.

**Value creation**
Following the carve-out of Ufinet from a Spanish utility provider to create a standalone entity, the company has developed 'lit' services in cities, to provide wholesale ethernet connectivity in Spain and Latin America. It has also undertaken a review of its commercial effectiveness, including the size of the sales force, its incentive systems, pricing policies, and payback and return criteria.

To support future growth, the business has expanded its network deployment, including increasing the number of buildings, data centres, and mobile towers connected to its network and entering adjacent countries.

In addition, Cinven has strengthened the management team, with the appointment of a new CFO, a new Head of Corporate Development, and José Antonio Tazón, the former CEO of Amadeus, a former Cinven investment, appointed as Chairman.

Cinven's TMT team identified the fibre optic industry as attractive, drawing on knowledge from previous investments in fixed line telecoms and web-hosting. In particular, Ufinet benefits from strong structural growth, as markets develop in Latin America and demand for high speed broadband increases in Spain. Ufinet has a unique network amounting to approximately 46,000 kilometres of fibre cable, and high barriers to entry.

# Our investments

## TMT


# Visma

## Business services software

**Acquired**
Aug 2014

**HQ**
Norway
(Nordic region)

**Sales**
€932m
12 months ending December 2015 (actual)

**Employees**
7,000
(approximate)

### The business in 2015

Visma had a strong year, with revenue growth driven by Visma's core software divisions and the positive impact of add-on acquisitions.

The company's SME and business process outsourcing divisions performed particularly well towards year-end with 'software-as-a-service' (SaaS) products continuing to be the strongest growth driver at Visma. In addition, the company's EBITDA grew organically, despite materially increased investment into Visma's sales, marketing and R&D.

Building on its long and proven track record of value-accretive M&A in the Nordics, Visma continued to consolidate the market, with seven add-on acquisitions completed during the fourth quarter alone. Visma has a strong forward-looking buy and build pipeline for 2016.

Each of the acquisitions has served to strengthen Visma's presence in specific geographic or product segments. For example, Visma acquired the leading Danish SaaS accounting software business, e-conomic, a large acquisition currently on track to meet or exceed the synergy targets, along with Danish SME payroll software company, PBJ. Visma also acquired a leading Swedish SaaS SME software company, SpeedLedger, further strengthening Visma's leading position in the smaller business accounting software market in Sweden.

### Value creation

Visma delivers enterprise resource planning software and services, including accounting, tax and payroll applications and services to more than 500,000 smaller companies, retailers and local authorities across the Nordic and Baltic regions.

Cinven has made good progress with management and fellow shareholders to capitalise on the significant growth opportunity arising from the transition to SaaS and to capitalise on the opportunity for further up-selling and cross-selling of Visma's products and services. This has been helped by the development of a proprietary internal database which aggregates all customer data across business units.