

## 2015 investment activity

**We delivered an excellent performance in 2015 through successful realisations and maintaining new investment momentum.**

Cinven generated strong realised proceeds during 2015, through full exits, partial exits and distributions. In particular, the sales of AMCo, Guardian Financial Services and Numericable Group were three of the most successful investments in Cinven's 25+ year history.

Meanwhile, Cinven invested around €1.5 billion<sup>1</sup> in five new portfolio companies and made 21 major add-on acquisitions.

### Substantial exits in 2015

<b>Company</b> <b>Numericable Group / Altice</b>	<b>Date invested</b> March 2005	<b>Completion date</b> March 2016 <sup>2</sup>
<b>Sector team</b> TMT	<b>Divestment type</b> Stockmarket disposal / corporate acquirer	<b>Enterprise value</b> €29bn
		<b>Realised proceeds</b> €2.2bn
		<b>Money multiple</b> 4.7x

A landmark investment that transformed the French cable industry and provided a 159% IRR over 11 years and 4.7x cost – one of the largest ever European private equity returns. Cinven introduced new management and supported Numericable Group in its sector consolidation and investment in next-generation triple play services. Numericable Group's enterprise value today is 55 times that of the first regional operator Cinven acquired in 2005.

<b>Company</b> <b>Spire Healthcare</b>	<b>Date invested</b> August 2007	<b>Completion date</b> July 2015
<b>Sector team</b> Healthcare	<b>Divestment type</b> Stockmarket disposal / corporate acquirer	<b>Enterprise value</b> £1.2bn <sup>3</sup>
		<b>Realised proceeds</b> €1.1bn
		<b>Money multiple</b> 1.8x

Cinven invested in new services in this UK hospitals operator, driving organic growth and broadening its offer. The cost of procedures and central costs were optimised following synergies from add-on acquisitions and new build hospitals; Cinven also invested in the development of facilities to increase theatre capacity and scanning equipment and developed a joint venture with Cancer Partners UK. Spire floated in July 2014. Cinven sold down its remaining stake at significant value uplifts, including a sale to South Africa's Mediclinic, which acquired a c. 30% stake in Spire in July 2015.

<b>Company</b> <b>Avolon</b>	<b>Date invested</b> May 2010	<b>Completion date</b> January 2016 <sup>1</sup>
<b>Sector team</b> Financial Services	<b>Divestment type</b> Stockmarket disposal / corporate acquirer	<b>Enterprise value</b> \$7.6bn
		<b>Realised proceeds</b> €439m
		<b>Money multiple</b> 2.3x

Cinven invested in this aircraft leasing business in the wake of the financial crisis. Following investment in new aircraft and international expansion, the company listed on the New York Stock Exchange in December 2014 at \$20 per share. At IPO, Cinven only sold 17.5% of its shares. In January 2016, Cinven sold its remaining 20% stake to Bohai Leasing, at \$31 per share generating an overall return of 2.3x cost on the investment.

<b>Company</b> <b>Guardian Financial Services</b>	<b>Date invested</b> November 2011	<b>Completion date</b> January 2016 <sup>1</sup>
<b>Sector team</b> Financial Services	<b>Divestment type</b> Corporate acquirer	<b>Enterprise value</b> £1.6bn
		<b>Realised proceeds</b> €1.6bn
		<b>Money multiple</b> 4.2x

Cinven's Financial Services team's consolidation thesis in the fragmented closed life assurance sector led to the identification of Guardian Financial Services, which Cinven backed to roll-up major closed-life books over a four-year ownership period. This culminated in a business with £17 billion of assets, around 900,000 policies and a healthy balance sheet. This made it highly attractive to Admin Re which acquired the business. The sale generated a €1.2 billion capital gain.

<b>Company</b> <b>AMCo<sup>2</sup></b>	<b>Date invested</b> August 2012	<b>Completion date</b> October 2015
<b>Sector team</b> Healthcare	<b>Divestment type</b> Corporate acquirer	<b>Enterprise value</b> £2.3bn
		<b>Realised proceeds</b> €1.3bn <sup>3</sup>
		<b>Money multiple</b> 3.9x

AMCo was created by the simultaneous acquisition and merger of Amdipharm and Mercury Pharma, companies with diversified and attractive product portfolios. AMCo made five further add-on acquisitions to drive geographic expansion and create a global business, while launching 44 new products. The investment has returned cash proceeds of 3.5x cost, and Cinven retains a significant minority stake in the listed acquirer, Concordia Healthcare Corp.

<sup>1</sup> Includes ERGO Italia and Kurt Geiger which completed post-2015 year-end

<sup>2</sup> Distributions during 2013-2016, with a final distribution in July 2016

<sup>3</sup> Market capitalisation at 31 December 2015

<sup>1</sup> Sale agreed in 2015

<sup>2</sup> Cinven funds retain a rolled-over interest in acquirer company Concordia Healthcare

<sup>3</sup> Realised proceeds to date, excludes remaining unrealised value

## 2015 investment activity

continued

### New investments in 2015

<b>Company</b> <b>Premium Credit</b>	<b>Date invested</b>	<b>Sector team</b>	Premium Credit is an insurance premium finance company that enables individuals and businesses to spread the cost of upfront premiums. Its products are a key source of funding for consumers and smaller businesses in the purchase of often mandatory products, such as motor, home or fire insurance.
	February 2015	Financial Services	
	<b>Regional team</b>	<b>Transaction value</b>	
	UK & Ireland	£462m	

<b>Company</b> <b>Synlab</b>	<b>Date invested</b>	<b>Sector team</b>	Cinven simultaneously acquired and merged Synlab, a German headquartered provider of human and veterinary laboratory services and environmental analysis, and Labco a major European provider of medical diagnostic laboratories based in France. The enlarged Group, Synlab, is now the leading European operator of laboratory diagnostics.
	August/ October 2015	Healthcare	
	<b>Regional team</b>	<b>Transaction value</b>	
	Germany France	Not disclosed	

<b>Company</b> <b>Tractel</b>	<b>Date invested</b>	<b>Sector team</b>	Tractel is a specialist provider of working-at-height equipment. It operates globally through a network of 8,000 industrial distributors and is a worldwide leader in the majority of its niche markets.
	October 2015	Industrials	
	<b>Regional team</b>	<b>Transaction value</b>	
	France	Not disclosed	

<b>Company</b> <b>ERGO Italia<sup>1</sup></b>	<b>Date agreed</b>	<b>Sector team</b>	ERGO Italia is a specialist provider of life and non-life insurance products in Italy. Cinven's acquisition follows its thesis of consolidating regional closed life insurance books, a strategy successfully executed through other investments such as Guardian Financial Services (UK) and Heidelberger Leben Group (Germany).
	November 2015	Financial Services	
	<b>Regional team</b>	<b>Transaction value</b>	
	Italy	Not disclosed	

<sup>1</sup> Completed June 2016

<b>Company</b> <b>Kurt Geiger<sup>1</sup></b>	<b>Date agreed</b>	<b>Sector team</b>	Kurt Geiger is a leading footwear and accessories company and is the largest retailer of luxury footwear in Europe. It sells through multiple channels to a global market.
	December 2015	Consumer	
	<b>Regional team</b>	<b>Transaction value</b>	
	UK & Ireland	Not disclosed	

<sup>1</sup> Completed February 2016

### Major add-on acquisitions in 2015

Investment	Add-on 1	Add-on 2	Add-on 3
<b>AMCo</b>	Primegen	Boucher and Muir	
<b>CeramTec</b>	DAI Ceramics		
<b>CPA Global</b>	Innography		
<b>HEG</b>	intergenia	Paragon Internet Group	
<b>SLV</b>	Lagotronics		
<b>Ufinet</b>	Reico		
<b>Visma</b>	e-economic	SpeedLedger	PBJ ... and 10 more

### Our portfolio

In 2015, Cinven had 26 portfolio companies across three funds. Our latest, the Fifth Cinven Fund continues its strong performance, delivering aggregate portfolio revenue and EBITDA growth of 9% and 13% on a LTM basis to 31 December 2015, respectively.