

## Chairman's letter

We at Cinven have been encouraged by the global economy's gradual recovery.



Robin Hall  
Chairman

**The macroeconomic outlook has improved, and concerns about sovereign debt appear to have been fully priced in by the financial markets. At the micro level, corporate performance is on an improving track – a trend that has been reflected within our own portfolio. So while we do not underestimate the risks and remain fully prepared for continued volatility, we see convincing evidence that the economy's recovery will be sustained.**

Since 1988, Cinven has not deviated from its focus on European companies. We have maintained our commitment for the simple reason that we continue to see unexploited potential across the continent. Europe faces well-known challenges, such as its relatively slow growth and ageing population; but set against that, it is the world's largest economy,\* has a population of 500 million and is home to an impressive spread of world-class companies. The performance of our portfolio companies demonstrates that we can consistently find European companies that transcend the local economic environment.

With a multi-national investment team, a local presence in many European countries and deep sector knowledge at its disposal, Cinven is fully equipped to help top class European companies move to the next stage of their development. We help national and regional champions look over the horizon and extend their customer-base, operations and supply-chain within Europe, into Asia and globally. We add value to our companies at the operational level: our focus is on revenue growth as well as operational efficiency.

We also know how important it is to respect and work within Europe's value-system. Cinven's responsible investment approach is not just a moral imperative – it helps us to originate new transactions. It matters to the management teams we back, and also to our investors, many of which are public institutions with responsible investment policies of their own.

The Cinven way of doing business centres around long-term relationships built on trust. We value our reputation. We believe in acting with integrity, keeping our promises and being open about our aims and activities. Cinven and its portfolio companies comply with all applicable European transparency guidelines, making information available to our stakeholders through our annual

review and website. We maintain an active dialogue with our investors, keeping them fully informed about market developments, prospective transactions and the performance of our companies.

Cinven is known for continuity, stability and professionalism as well as performance. We have evolved a system of governance that has brought the business safely through a number of business cycles, and as a new generation succeeds Cinven's founding partners, we are managing the process carefully to ensure a smooth transition.

\*According to World Bank statistics