Over the past 25 years the Permira funds have made almost 200 private equity investments, always with a clear focus on driving transformation to build better businesses.

Since 2000 alone, the funds have returned around €14bn in cash to their investors despite the ups and downs of the economic cycles.
Contents

2010 year in review 2
Marking 25 years 1985-2010 19
Consumer 24
Technology, Media and Telecommunications 28
Industrials 34
Financial Services 38
Healthcare 40
Our governance and policies 43
Responsible and social investment 47
Portfolio in review 57
Operational transformation 58
Driving growth 62
Industry consolidation 68
International expansion 72
Appendix 76
Contact details 77
“The operating performance of the underlying portfolio improved rapidly during 2010. The funds’ companies were well positioned to accelerate their growth as the recovery took shape.”

Kurt Björklund, Co-Managing Partner
2010 saw a dramatic turnaround in the performance of the portfolio. The funds’ companies accelerated their growth as the recovery took shape, having slowed down in many cases during the recession. The companies were well positioned coming out of the downturn and thus were able to take advantage of improving conditions to achieve very strong operating performance. This translated into a >30% year-on-year increase in valuations across the portfolio. There was also good momentum in the funds’ new investment activity, with Permira IV making three new investments in the second half of the year. Each of these was into fast-growing and resilient businesses, generally acquired outside of the highly competitive processes that characterised much of the market activity in 2010. They were all identified by combining our local markets’ insight with the strong thematic approach of our sector specialists. The year also saw a pick-up in realisations as the funds were able to complete a number of exits and partial exits to generate strong cash returns for the investors again this year.

2010 also marked the firm’s 25th anniversary. Permira, originally known as Schroder Ventures, was established in London in 1985 and started expanding across continental Europe throughout the the years that followed. In 2002 the firm opened its first office in North America and then continued its international expansion by entering Asia in 2005.

Over the past 25 years the Permira funds have made almost 200 private equity investments, with a clear focus on driving real transformation to build better businesses. In the past five years alone, the funds have returned €8.3 billion in cash to their investors despite the ups and downs of the economic cycles. This provides us with a strong track record and a good platform to build on for the next 25 years.
Valuations across the funds increased strongly through the course of 2010. The €2.5bn uplift from year end 2009 was largely driven by substantial profit growth in the underlying portfolio companies. In total, sales in the portfolio were up 14% on the year and profits ("EBITDA") were up 27%. This evidences both the quality of the businesses and the proactive governance by their management both during and after the recession, which enabled quick and decisive action to be taken early on in the downturn. The companies acted swiftly to protect their margins, adapt their cost base and adjust their capital structure where necessary. Just as importantly, the portfolio companies continued investing throughout the recession and into the recovery so that they could grow market share and be ready to benefit from the economic recovery when it took hold.

Across the 14 companies in our latest fund, Permira IV, portfolio companies’ sales increased 20% while EBITDA rose 39% in 2010. This strong operating performance was delivered throughout most of the portfolio and was driven by the rapid growth of some of the larger investments which emerged strongly from the recession. Hugo Boss, Galaxy Entertainment and ProSiebenSat.1 reported record financial results in 2010 and enjoyed strong share price momentum with each increasing at least twofold during 2010. Others such as Provimi, NDS and Arysta LifeScience, which had proved resilient throughout the downturn, maintained their strong performance throughout 2010, often driven by further international expansion and market share gains in their core geographies. Finally, more recent investments such as Just Retirement continued to deliver strong financial results.

The more mature funds Permira Europe II and III have already distributed significant cash returns above the amounts of their initial commitments to investors. Their focus now is on driving further value with business transformation plans in the remaining companies and in realising these investments when the time is right. Many portfolio companies such as Birds Eye iglo, TDC, Acromas and Telepizza traded well throughout the downturn and represent further realisation prospects for the years ahead.
## Permira IV highlights

<table>
<thead>
<tr>
<th>Number of companies</th>
<th>Portfolio profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Predominantly international market leaders</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2010 sales and growth</th>
<th>2010 EBITDA and growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€16.3bn* +20% YOY</td>
<td>€3.3bn* +39% YOY</td>
</tr>
</tbody>
</table>

*Aggregated figure

<table>
<thead>
<tr>
<th>Total EV</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>€32.1bn</td>
<td>Currently being invested</td>
</tr>
</tbody>
</table>

*Aggregated figure
Hugo Boss reported strong sales and EBITDA growth and the best financial performance of its 88 years. This reflects both the rebound of the luxury goods sector and the considerable investment by management into growing its retail network and improving the supply chain. As outlined by CEO Claus-Dietrich Lars in a June 2010 public “guidance” presentation, the company aims to grow its EBITDA to €500 million by 2015 from €350 million in 2010 through organic growth and further international expansion particularly in Asia. The company is targeting at least 15% EBITDA growth for 2011 which sets it well on the path to achieving that objective.

Galaxy Entertainment’s share price staged a stellar recovery supported by a very strong Macau gaming market with revenues growing 58% from the previous year. It opened a new Asian-themed leisure and gaming resort on 15 May 2011.

ProSiebenSat.1 reported much improved financial results driven by the strong recovery in the German advertising market and the management’s outstanding work in driving efficiencies through the downturn. Its share price increased from €8.10 at the end of 2009 to €22.50 at 31 December 2010. The business announced the disposal of its Benelux activities in April 2011, which will result in a further reduction of the Group’s debt.

Provimi, the animal nutrition business, continued to deliver a solid performance driven in part by its expanding presence in fast-growing emerging markets. During the period, the company acquired a leading Mexican animal nutrition company thereby strengthening further its presence in Latin America. Since the year end, it announced the sale of its Pet Food business, which will complete its transformation into a focused animal nutrition business with strong growth momentum.

NDS, a global leader in media encryption technology, reported solid results and good contract wins in emerging markets. It also disposed of Open Bet for a cash consideration of £208 million. As a result the company was refinanced in April 2011 to significantly reduce the cost of its debt.

Just Retirement, the specialist UK life insurance group, also reported record results with Group embedded value more than doubling for the year to June 2010. The company’s products continue to be in very high demand and the firm has gained market share against its larger competitors.
New investments

2010 proved to be a good year in which to invest for the Permira funds. The environment was very competitive with cash-rich strategic and financial buyers both competing intensively to buy high quality companies and secondary buy-outs making up around half of the value of all new investments. In that environment, the Permira funds adopted a disciplined and highly selective approach to investing, making a priority of sourcing proprietary or minimally competitive investment opportunities and pursuing primary, high-growth companies with significant potential for operational transformation.

The Permira funds made four new investments during the period across key sectors and geographies. Birds Eye iglo (Permira Europe III) acquired Findus Italy, while Permira IV invested in three fast-growing companies in core sectors: online travel agency eDreams, medical technology business Creganna and satellite provider Asia Broadcast Satellite.

Investments completed in 2010

<table>
<thead>
<tr>
<th>Investment</th>
<th>Opportunity</th>
<th>Origination</th>
<th>Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Findus Italy</td>
<td>organic growth, operational improvement</td>
<td>industry network, existing portfolio company</td>
<td>significant portfolio company synergies</td>
</tr>
<tr>
<td>eDreams</td>
<td>organic growth and industry consolidation</td>
<td>proactive sector mapping</td>
<td>pre-empted competition</td>
</tr>
<tr>
<td>ABS</td>
<td>organic growth</td>
<td>local office network and deep satellite experience</td>
<td>minimally competitive</td>
</tr>
<tr>
<td>Creganna</td>
<td>organic growth</td>
<td>industry network</td>
<td>minimally competitive, early exclusivity</td>
</tr>
</tbody>
</table>

Birds Eye iglo bought Findus Italy from Unilever with the backing of the Permira funds. The acquisition has created the largest European frozen food business, well-diversified both by geography and product lines. Both businesses have a shared history as part of Unilever and are highly complementary. But while Birds Eye iglo’s performance has been transformed in the past four years through major investment in new product development and increased operational efficiency, Findus Italy could still benefit from a similar discipline and focus on its brand. The Birds Eye iglo management team aims to replicate Birds Eye iglo’s successful value growth with Findus Italy.
In August, the funds invested in leading southern European online travel agency **eDreams**. The company is present in Spain, Italy and Portugal, and has been growing rapidly as internet penetration increases in these regions. It still has considerable organic growth potential and is ideally placed to act as a European industry consolidator in a largely fragmented market. In early 2011 the company announced its proposed merger with two fast-growing rivals Go Voyages, owned by Axa Private Equity, and Opodo, owned by listed company Amadeus. On 30 May 2011, the European Commission approved the establishment of a joint venture between Permira funds and AXA PE which will create one of Europe’s largest group in the online travel agency sector through the combination of eDreams, GO Voyages and Opodo. The new group will become a major pan-European travel group with a strong focus and market positions on the online distribution of leisure flights where it will compete with both airlines and other online travel agencies.

In November, the funds completed the acquisition of fast-growing fixed-satellite services operator **Asia Broadcast Satellite** ("ABS"). Founded in 2006 by CEO Thomas Choi, ABS supplies bandwidth connectivity to broadcasting and telecom customers, serving over 80 customers in around 30 countries. ABS currently operates five satellites in orbit and its prime orbital locations cover 80% of the world’s population, with particularly strong presence in the high-growth markets of Asia, Russia, Africa and the Middle East. The Permira funds have significant experience in the satellite sector, having previously made successful investments in Inmarsat, a leading provider of global mobile satellite communications services (2003) and Intelsat, the leading provider of fixed satellite services worldwide (2005).

Also in November, the funds completed the first investment led by the new healthcare team with the acquisition of a majority stake in medical technology business **Creganna Tactx Medical** ("Creganna"). The company is a global provider of outsourced solutions and services to medical device manufacturers. It specialises in the design and manufacturing of delivery devices for minimally and less invasive therapies. It operates in growing markets driven by the increasing prevalence of minimally invasive surgery, a cost-effective and time-saving technique, and by the trend towards further outsourcing by medtech companies. The funds’ investment will support the management’s expansion strategy as the company continues to grow organically and look for further consolidation opportunities in its highly fragmented market.

**Highly differentiated origination**

All four investments illustrate the Permira funds’ differentiated approach to origination and their focus on business transformation. By combining the expertise of our local and sector teams, our funds were able to identify businesses with a potential for real change. Findus Italy is an excellent example. It is a classic corporate carve-out similar to many others the Permira funds have backed historically. The business will benefit from a more focused period of ownership and investment than is often the case being part of a much larger corporate. It will also benefit from being combined with Birds Eye iglo and becoming part of a larger frozen food platform.

**Fast-growing businesses**

The investments in ABS, eDreams and Creganna have a different profile, characterised by both the resilience of their underlying business models and the strength of their potential. All are supported by fundamental growth trends. eDreams is benefiting from the rapid shift to online travel services; Creganna is at the forefront of technological advances in surgical provision and provides solutions to address the mounting costs of healthcare; while the growth of ABS is driven by the rapidly increasing demand for satellite transmission capacity in the fast-growing economies.
Divestments

Divestment activity also picked up during the course of last year, with the Permira funds completing one full exit (Cognis) and two partial exits (TDC and Maxeda’s fashion group). All three businesses were successfully transformed and dramatically improved during the period of ownership and leverage was also significantly reduced ahead of divestment. Cognis and the four Maxeda fashion formats were acquired by three strategic buyers and two financial buyers, while a large stake in TDC was sold to institutional and retail investors on the Copenhagen Stock Exchange. The Permira funds’ ability to attract trade buyers for a number of their recent realisations is testament to their success in creating strategically desirable businesses.

2010 exit and partial disposals

<table>
<thead>
<tr>
<th>Cognis</th>
<th>Transformation highlights</th>
<th>Buyer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full exit</td>
<td>Complex carve-out from Henkel to form world leader in ‘green chemistry’</td>
<td>Trade</td>
</tr>
<tr>
<td></td>
<td>Outstanding performance through recession</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Major investment into R&amp;D and innovation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strategic refocus on faster growing market and geographies</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maxeda</th>
<th>Transformation highlights</th>
<th>Buyer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of fashion assets</td>
<td>Significant investment to transform retail positioning, upgrade the store networks and improve infrastructure and innovation</td>
<td>Three trade buyers and two financial buyers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TDC</th>
<th>Transformation highlights</th>
<th>Buyer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partial share offering</td>
<td>Refocusing on core Nordic business</td>
<td>Public markets</td>
</tr>
<tr>
<td></td>
<td>Improved customer focus</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Building a world-class operation and infrastructure</td>
<td></td>
</tr>
</tbody>
</table>

Unfortunately, following lengthy restructuring discussions with lenders, the funds lost their investments in Gala Coral and Principal Hayley. Both were severely impacted by the downturn and despite the funds’ best efforts to recapitalise them, a change of control became inevitable. Finally, since the year end, Wanhua Industrial Group, a strategic investor, has acquired full control over BorsodChem by exercising a call option which it was granted as part of the company’s financial restructuring in June 2010. This marked the full exit of the funds from this investment.
**Cognis – sale to BASF**
The successful sale of speciality chemicals company Cognis to leading chemical company BASF was completed in December 2010. During the nine years under the Permira funds’ ownership, the business was transformed into a global leader in personal care and ‘green chemistry’. Having divested its more cyclical non-core businesses in 2008, Cognis performed strongly throughout the crisis and, at the time of the sale, was on its way to deliver its best ever results in 2010. The company also laid a strong platform for sustained and above average growth by investing continuously in its R&D capabilities and innovation pipeline, including during the downturn, and by strengthening its presence in growth regions, especially Asia and Latin America. The company was also able to buy back significant amounts of debt at a discount with excess cash, thereby enhancing the funds’ ultimate return (see full case study on page 12).

**TDC – secondary share offering**
In December 2010, the consortium initiated the partial disposal of their interest in telecommunications company TDC through a secondary share offering on the Copenhagen Stock Exchange coupled with a share buy-back. This resulted in the ownership consortium reducing its stake in the company from 88% to approximately 59%. During the five years under the funds ownership, TDC was refocused as a leading Nordic telecoms operator with substantial efficiency improvements. Non-core assets were divested and a significant investment of approximately DKK12.5 billion (€1.7 billion) was made into its infrastructure. Net debt had also been substantially reduced ahead of the share offering to a level which created a suitable capital structure for the public markets (see full case study on page 14).

**Maxeda – disposal of the fashion assets**
In the last quarter of 2010, Dutch DIY and fashion retailer Maxeda agreed the sale of its four fashion companies: V&D and La Place, lingerie format Hunkemöller, department store De Bijenkorf and ladies’ fashion retailer M&S Mode. During the funds’ ownership significant investment was made into the businesses to transform their retail positioning, upgrade the store networks and improve their infrastructure this resulted in both sales and profit growth across the fashion division. Their resilience throughout the downturn and strong profitability made them very attractive to strategic and financial buyers alike. These disposals generated further cash returns to the investors from an already successful investment.
“The Cognis management team did an excellent job in restructuring the company and optimising the portfolio. Cognis has been very market driven and focused on the customer. This acquisition is an ideal fit for BASF.”

Dr. Jürgen Hambrecht, Chairman of the Board of Executive Directors of BASF SE
Cognis

Cognis is a worldwide supplier of speciality chemicals based on natural, renewable raw materials such as coconut and palm kernel oil. The company develops products and concepts for personal and home care, modern nutrition and high performance solutions for numerous industry sectors. Cognis underwent a radical transformation during the nine-year ownership of the Permira funds to become a global leader in “green chemistry”.

The company was formed in 1999 out of the German DAX-listed group Henkel, before being acquired by a company backed by the Permira funds and other financial investors in 2001. At the time, it was one of the largest ever private equity investments in Germany. The ambition from the outset was to create a standalone organisation focused on end markets rather than geographic areas, as well as increasing innovation so as to be able to address faster growing markets more effectively.

**Complex carve-out**
The first phase required the build-up of an independent business with its own functions and structures after a long period within the much larger Henkel organisation. This also involved establishing a world class management team and creating an independent corporate identity.

**Strategic refocus**
The non-core, cyclical business units Oleo and Pulcra were divested and the strategic priority was shifted to focus on dynamic, mega-trend driven growth markets such as “wellness” and “sustainability”. A market-driven organisational structure was set up to support this strategy.

**Investment in innovation and a platform for growth**
The company invested heavily into its R&D capabilities and innovation pipeline, as well as into fast-growing regions such as Asia and Latin America to build a platform for sustainable growth. It also made selective acquisitions and formed joint ventures to strengthen its market position and optimise its product portfolio.

**Constant focus on performance**
The company responded to the 2008 financial crisis and resulting recession proactively and emerged a stronger business. Management acted early by improving its cost position and operational efficiency with the result that it was one of very few chemical companies to report earnings growth in 2009. Cognis also took advantage of the market conditions to execute a debt buy-back programme which, combined with a strong focus on cash management, allowed the company to delever significantly its capital structure.

In December 2010, the company was sold to BASF, the world’s largest chemicals company.
2010 year in review

TDC partial disposal
TDC

TDC is a provider of communications solutions in Denmark with nearly nine million revenue generating units. It also has a significant presence in other markets across the Nordic region.

Danish Telecom operator TDC is a good example of transformational investing. The Permira funds financed the acquisition as part of a group of financial buyers of approximately 88% of the company as part of a group of financial buyers in December 2005. At the time TDC was listed on the Copenhagen Stock Exchange and a small proportion of its share capital remained listed after the acquisition. Under the ownership of the consortium the company was transformed from an under-performing telecom incumbent into a top European performer. It achieved near best-in-class operating performance with Group EBITDA margin increasing from c.30% to over 40% during the investment period.

**Focusing on the core**
Substantial value was created through the successful refocusing of its business on its core Nordic markets and a renewed focus on higher margin activities. Operations outside the Nordic region and low-margin non-core Nordic operations were sold. The latest divestment was the sale of Sunrise Communications in October 2010 which completed the transformation of TDC into a pure-play Nordic telecom business.

**Building a world class operation and infrastructure**
The company’s operations were significantly improved and streamlined with a clear focus on cost and complexity reduction. At the same time, TDC continued to invest in building a world class infrastructure which serves as Denmark’s communication backbone to both Danish residential and business customers.

**Improved customer focus**
Finally, the company adopted a multi-brand strategy enabling it to improve its customer focus and expand cross-selling and bundling activities. TDC also launched innovative new market-leading products which have resulted in greater customer choice and satisfaction.

**Partial disposal**
In December 2010, the consortium initiated the partial disposal of TDC through a secondary share offering onto the Copenhagen Stock Exchange coupled with a share buy-back. This resulted in the ownership consortium reducing its stake in the company from 88% to approximately 59%. Net debt had also been substantially reduced ahead of the share offering.
Changes in the regulatory environment

A number of regulatory developments affecting the private equity industry took shape in 2010 as governments continued to deal with the aftermath of the financial crisis. In Europe, the Alternative Investment Fund Managers directive was finally approved in November 2010 and is now being translated into national laws. Among its measures, it introduces further disclosure requirements and puts in place a European passport system to regulate the marketing of private equity funds to investors across Europe. In the US, The Dodd-Frank Wall Street Reform Act was passed which restricts banks’ ability to own and invest in private equity funds and could require private equity firms to register with the SEC.

We welcome regulation that is fair and guarantees a level playing field for our industry compared with other types of investors and owners. We also agree with the benefit of increased levels of transparency and adequate supervision. We have dedicated senior resources to ensure that our business can manage in the best possible way the increasing regulatory demands and compliance requirements. We believe that we are among the most transparent in the industry.

We have invested in resource in these areas over the past three years and are committed to maintaining market-leading regulatory positions as the standards evolve in the years to come. Independent of the emerging regulatory requirements, we also invested further in our ongoing initiative to increase levels of communication with our investors. This effort included a new online communication channel, a move to quarterly valuations from half-yearly, and the more regular use of conference calls, video and webcasts to provide updates at both fund and portfolio company level.
Environmental, social and governance ("ESG") initiatives

**Fund investment processes**
For 25 years, the Permira funds have been delivering value to investors by building better businesses. A concern for long-term sustainability is at the centre of what we do. Consideration of the environmental and social impact of our funds’ activities forms part of the investment processes and the way we think about the governance of the funds’ portfolio companies. We are currently in the process of reviewing and improving how we manage ESG to achieve best practice in this area. This effort focuses on formalising processes that have been carried out as part of a broader risk and value creation assessment in the past (see the responsible and social investment section on page 47).

**Portfolio company initiatives**
We also encourage and monitor our portfolio companies’ ESG initiatives and are pleased to report some real successes across the portfolio such as Provimi’s ground-breaking work to reduce greenhouse gas emissions from cattle farming and Birds Eye iglo Group’s work to support sustainable fishery practices (see case studies on page 54 and 55).

**Permira initiative**
Finally we support social entrepreneurs by co-funding and launching the Social Business Trust ("SBT"), a £10 million new social investment initiative launched in December 2010. Social Business Trust is a partnership of world class businesses combining their resources and expertise to help accelerate the growth of social enterprises. The six founding Partners of SBT are Bain & Company, Clifford Chance, Credit Suisse, Ernst & Young, Permira and Thomson Reuters. Over the next two years, SBT is looking to support 20 strong, sustainable social enterprises in the UK who want to scale up their operations. The goal of the project is to enable these social enterprises to meet the needs of one million additional people in the UK through the injection of £10 million in cash and in kind from the founding Partners to support the selected enterprises. At the beginning of 2011, SBT announced its first two investments in outstanding social enterprises Women Like Us and The Challenge Network. Further investments will follow during the course of 2011 (see SBT section on page 53).
Outlook

2011 is off to a good start on both the new investment front and our continuing effort to generate good cash returns for our investors. The vast majority of the funds’ portfolio companies continued to deliver strong operating performance throughout 2010. The investment pipeline is populated with interesting opportunities that are currently under detailed review and in April 2011 the funds announced the acquisition of industrial company BakerCorp. On the exit front, there is an encouraging level of interest from trade buyers in well-performing and resilient companies and the continued public markets recovery also bodes well for further divestment activity this year.

Although valuations improved very strongly throughout 2010, we believe we are still in the early stages of a broad sustained economic recovery as corporate investment recovers sharply, levels of unemployment gradually start declining across the Western world and strong growth in the emerging economies continues. We reported a further large increase in portfolio valuations for Q1 2011 and we expect further strong investment returns as this recovery gains pace and the portfolio companies continue to deliver on their value creation plans. We believe that this pace of global recovery will outweigh the clear need for governments in some countries to reduce public debt levels and the episodic event risk associated with the recovery. This backdrop should provide a broadly positive environment for our funds to continue investing in high-return transformational opportunities. We are mindful, however, that the recovery is fragile and the world is beset by more geopolitical risk than has been the case for many years. As such, we are very careful about how investments are structured and realistic about their prospects in a volatile environment.

“We expect further strong investment returns as the recovery gains pace and the portfolio companies continue to deliver on their value creation plans.”

Tom Lister, Co-Managing Partner
Marking 25 years

20  1985 - 2010 Highlights
21  25 years of successful private equity investment
23  Sector expertise
24  Consumer
28  TMT
34  Industrials
38  Financial Services
40  Healthcare
42  The next 25 years
Marking 25 years

Highlights

1985 - 2010 Highlights

Capital raised
€20bn

Private equity investments
196

Capital returned to the funds’ investors since 2000
€13.6bn

25 years of successful private equity investment

Over the past 25 years the Permira funds have raised approximately €20 billion from pension funds and other institutions and have made almost 200 private equity investments, with a clear focus on driving transformation to build better businesses. In the past five years alone, the funds have returned €8.3 billion in cash to their investors despite the ups and downs of the economic cycles. Our funds’ historic track record demonstrates that the private equity governance model can work as well in difficult times as in more benign ones.

Total cash returns to investors since inception

Source: Permira

1985-1997 €1.3bn
1998-2007 €11.3bn
2008-2010 €3.0bn
Last 25 years €15.6bn
European heritage – 1985 to 2001
Permira was founded in 1985 as a number of country-specific separate businesses operating under the Schroder Ventures brand. In 1996, the UK, French, German and Italian teams joined together to create Schroder Ventures Europe and in 1997 we raised our first pan-European fund. In 2001, the firm was renamed Permira.

Global reach – 2002 to 2010
In 2002, Permira began the process of expanding beyond its European roots with the opening of an office in New York, our first in North America. While continuing to expand its coverage in Northern and Southern Europe, the firm established its first Asian office in Tokyo in 2005 followed three years later by Hong Kong. The latest chapter in the firm’s expansion was the opening of an office on the west coast of the US in Menlo Park in 2008 to support the funds’ investments in the technology sector. Today the firm has a global infrastructure that matches the global reach of the funds’ investments.

“We are proud of the international team we have assembled. Our broad-based Partnership comprised of over 30 Partners has remained very stable over the years”
Carlos Mallo, Permira Partner, Head of People Group
An experienced team
We are proud of the team we have assembled over the years. We have a broad-based Partnership comprised of over 30 Partners with an average tenure of 12 years. Our team has remained very stable over the years and we still have six Partners today that have been with the firm for over 20 years. Our professionals come from 25 different countries and speak 23 languages. They come from a wide range of backgrounds and have considerable private equity, industrial, consulting, financial, legal and other business experience. They also combine a deep knowledge of their local markets with international experience.

An open Partnership
Permira is a broad and open Partnership which has already undergone several successful management successions since its inception. Permira believes in encouraging and rewarding international collaboration, teamwork and an entrepreneurial approach to both the funds’ investment activity and the development of the firm itself.

Our investment approach
For the past 25 years, the Permira funds have remained entirely focused on private equity investing. Although the size of investments the funds have made has increased over time, the focus has remained the same: making long-term investments in companies with the ambition of transforming their performance and driving sustainable growth. We believe that a period of private equity ownership can be an effective way to strengthen a company’s long-term prospects and help it reach its full potential. Permira professionals, with their wide range of backgrounds and nationalities, have the sector expertise and experience to support, through board participation, the management of the funds’ portfolio companies and help them realise their vision for the businesses they lead. Our international network of offices also helps support the global ambitions of the businesses owned by the Permira funds as they look to enter new markets, find acquisition targets or develop new customer and supplier relationships. Our funds’ investments provide them with access to the financial resources they need to invest and grow. We believe this is a powerful combination of knowledge, network and capital that can bring real benefits to businesses as they look to develop and thrive.
Sector expertise and local presence

The strength of our organisation relies on our local presence, sector expertise and transactional specialism and the way that we are able to mobilise energies across the firm for the benefit of the funds. We are an integrated firm and all our professionals contribute to the full breadth of our investment activity spanning all offices and sectors. As a result we are always able to move the right resource to the appropriate opportunities. This approach has delivered strong returns for our funds’ investors and our funds have a long history of building strong and successful businesses across multiple economic cycles.

Sector specialisation

<table>
<thead>
<tr>
<th>Sector</th>
<th>Investments</th>
<th>Invested</th>
<th>Team size</th>
<th>Investment highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>21</td>
<td>€6.2bn</td>
<td>22</td>
<td>HOMEBASE, maxeda, Iglo</td>
</tr>
<tr>
<td>TMT</td>
<td>27</td>
<td>€5.1bn</td>
<td>13</td>
<td>NDMS, Inmarsat, debtel</td>
</tr>
<tr>
<td>Industrials</td>
<td>17</td>
<td>€3.0bn</td>
<td>20</td>
<td>JAT Aviation, Provim</td>
</tr>
<tr>
<td>Financial Services</td>
<td>3</td>
<td>€1.4bn</td>
<td>14</td>
<td>Acromas, Justretirement</td>
</tr>
<tr>
<td>Healthcare</td>
<td>9</td>
<td>€0.4bn</td>
<td>12</td>
<td>Fiat, Sirona, Creganna</td>
</tr>
</tbody>
</table>

*Since 1997*
The Permira funds have a long track record of investing in the consumer sector, with particular focus on the retail, leisure, food and beverage and luxury goods industries. Since 1997, 37% of the Permira funds’ private equity investments have been in the consumer sector. Current consumer investments include companies with strong national or international brands such as Birds Eye iglo/Findus Italy, the European frozen food company; Telepizza, the Spanish pizza chain; New Look, the fashion retailer and Hugo Boss and Valentino, the international fashion brands.
Homebase

Homebase is the UK’s second largest home improvement retailer and is recognised for choice, style and customer service across the home enhancement market. It has more than 300 stores throughout the UK and Republic of Ireland, and sells over 30,000 products to more than 70 million customers per year. In March 2001 Homebase was acquired by the Permira funds from J Sainsbury plc, one of the country’s largest supermarket chains.

Complex investment process
Completing the investment in Homebase required a unique bidding approach. Permira’s investment professionals worked in partnership with J. Sainsbury and another retailer, Kingfisher (owner of B & Q), to divide up the business’ property portfolio so that the Permira funds were left with a more targeted store network, which would allow Homebase to refocus as a local, high-quality decorating and furnishings business.

Driving profitable growth
The goal was to develop a unique market position that would combine a focus on DIY with an extensive furnishings and decoration range – offering a ‘softer’ product range in a ‘high street’ store format with improved customer service. This meant a complete strategy change for Homebase, which would be required to maintain the footprint of its stores, but introduce new product ranges and mezzanine floors. A new management team focused on stabilising the performance of Homebase’s online offering, while the process of sourcing directly from Asia was accelerated, leading to lower costs and improved product availability. Homebase also invested in its store network, resulting in improved displays, store layout and customer service.

Improved performance and successful exit
This activity led to a significant improvement in Homebase’s performance. Sales rose from £1,274 million in March 2001, when the Permira funds acquired the business, to £1,380 million in December 2002, when the business was sold to a strategic buyer, GUS plc.

“Homebase required strong corporate partnerships and sector expertise from investment to exit. Homebase’s transformation and competitive repositioning not only secured its own future but also helped to promote the strategic ambitions of three further retailers: J. Sainsbury, Kingfisher and GUS.

Charles Sherwood and Cheryl Potter,
Permira Partners
eDreams

eDreams is a leading online travel agency in Spain, France, Italy and Portugal and has an increasing presence in 15 other countries around the world. It was acquired by a company backed by the Permira funds in August 2010.

An international online travel agency

eDreams operates a multi-channel marketplace that connects travel suppliers, such as airlines, hotels and car rental companies, with end customers and other travel agents. The Group was founded in 1999 by Javier Pérez-Tenessa and James Otis Hare and over time has transformed itself from a predominantly Spanish player into a diversified international online travel agency. International activities today represent a significant portion of total turnover.

A fast-growing industry

In the last five years, the online travel market has grown at more than 20% p.a. in Europe and is expected to experience significant further growth driven by a continued shift of consumers online. Over the past two years, and despite the general market crisis, eDreams has continued to grow through an increase in online penetration given convenience, access to a broad inventory and the ability to compare prices for travellers, which has more than offset the overall decrease in travel spend across Europe.

Market consolidation opportunity

eDreams has one of the best brands among European travel agents, one of the most comprehensive inventories of flight and other travel products and cutting edge search and pricing technologies. The company’s growth prospects are underpinned by relatively low levels of online penetration in core markets, such as Spain, Italy, France and Portugal, potential for further geographic expansion and further moves into non-flight business areas. Its its market position should also enable it to participate actively in the ongoing industry consolidation. eDreams performed strongly across all key markets in 2010, with EBITDA up 50% year-on-year to December and gained market share in all key countries. On 30 May 2011, the European Commission approved the establishment of a joint venture between Permira funds and AXA PE which will create one of Europe's largest group in the online travel agency sector through the combination of eDreams, GO Voyages and Opodo. The new group will become a major pan-European travel group with a strong focus and market positions on the online distribution of leisure flights where it will compete with both airlines and other online travel agencies.
Birds Eye iglo Group/Findus Italy

Birds Eye iglo Group (“BEIG”) is a branded European frozen food company that produces fish, vegetables, poultry and ready meals, including a number of iconic products such as Fish Fingers, Schlemmer Filets and Sofficini. The Group operates under three brands: Birds Eye (UK and Ireland), iglo (Germany, Austria, Belgium, the Netherlands and other countries) and Findus (Italy). BEIG was acquired by a company backed by the Permira funds from Unilever in November 2006. In October 2010, BEIG acquired the Findus Italy business, also from Unilever.

Investing in new product development
Since acquisition, the ambition of the business has been to restore top-line growth in core product categories whilst improving profitability levels. Innovation and product development are at the heart of this strategy and 2010 provided some examples of success. A new range of “iglo Poultry” was launched in Germany, the “Bake to Perfection” range was extended from fish into poultry as well as launched in some of the iglo countries and the “Field Fresh” range of vegetables were launched in the UK. As a result, BEIG delivered a resilient performance despite the challenging consumer environment, achieving EBITDA growth of 8% on a constant currency basis in 2010.

Creating a leading pan-European platform
The business made a transformational acquisition in 2010, acquiring Findus Italy from Unilever in October. This acquisition increases the size of the Group by c.40% and Italy is now the second largest country of operation after the UK. Findus is the No.1 branded frozen food business in Italy and has a very strong portfolio overlap with the Birds Eye and iglo brands, particularly in the healthy categories of fish and vegetables. The combined group will focus investment in the brands and support top-line growth through new product innovation and rejuvenation of existing products as well as increasing profitability through better execution. The first few months of trading under BEIG ownership have been promising with the business delivering ahead of expectations in 2010.
Technology, Media, Telecommunications

TMT is another key sector of focus for the funds. Since 1997, 32% of the Permira funds’ private equity investments have been in the TMT sector. Current investments include All3Media, the TV production company, NDS, the provider of technology services for pay-TV operators, ProSiebenSat.1, the pan-European broadcasting group, and TDC, the Danish telecoms operator.

Total investments by industry sector since 1997 (by cost)
debitel

debitel is a mobile phone services provider based in Germany. The company serves over 14 million customers and is the No.1 distribution platform for mobile phones in Germany. The company offers a wide range of telecommunication products, including mobile and fixed-line telephony as well as internet services.

debitel covers all German operators (T-Mobile, Vodafone, eplus and O2) and has a number of exclusive relationships with German retailers. debitel operates a retail network of more than 6,000 sites in Germany alone. debitel was acquired by a company backed by the Permira funds from Swisscom in June 2004. The value creation was based on three major levers:

Restructuring
debitel came out of a period of uncertainty with a failed participation in the German UMTS auction, a poor operational situation with many loss-making divisions and unstable relationships with its partners. After the investment by the Permira funds, debitel re-established reliable long-term partnerships with its key business partners and a “best in the industry” management team was introduced.

Focus and evolution of business model
A strong regional focus was placed on the German core market with the sale of debitel’s international sub-scale subsidiaries in Denmark, France and Slovenia. At the same time, the company improved its business model in Germany by instituting higher margin contracts with features typical of mobile virtual network operators and broadening the product spectrum.

Consolidation and market leadership
The company actively drove the consolidation of the German mobile telephony market. The acquisition of “dug”, the largest independent retailer of mobile telephony products in Germany, was key to growing debitel’s retail chain from around 80 at the time of the initial investment to more than 500 owned outlets by 2008. This growth allowed debitel to reduce its dependence significantly on indirect distribution channels. In July 2007, debitel acquired Talkline, the third largest mobile service provider, giving debitel 3.8 million additional customers. As a result debitel achieved market leadership, becoming the No.1 distribution platform of mobile phone services in Germany, ahead of Vodafone and T-Mobile. After becoming the clear market leader in the German mobile market, debitel attracted the interest of the Freenet Group, which was the second largest mobile service provider at that time. debitel was sold to Freenet in July 2008.

“The company actively drove the consolidation of the German mobile telephony market. As a result debitel achieved market leadership, becoming the No.1 distribution platform of mobile phone services in Germany, ahead of Vodafone and T-Mobile.”

Jörg Rockenhäuser,
Permira Partner
Inmarsat

Inmarsat is a leading provider of global mobile satellite communications services (“MSS”) and has been designing, implementing and operating satellite networks for 30 years. The company was established by the International Maritime Organization as the first provider of MSS, initially to offer communications and safety services to ships at sea. Based in London, the company today operates a fleet of 11 geostationary satellites, covering 36,000 km of the earth’s surface.

“By reaching agreements with the key corporate shareholders, the Permira funds were able to acquire the company while offering a price that was not the highest on the table. Ultimately the strong relationships of trust that were built with the owners of Inmarsat allowed the investment to be completed.”

Richard Sanders, Permira Partner
In December 2003, a company backed by the Permira funds, another financial investor and the strategic shareholders Telenor and Lockheed, acquired Inmarsat Ventures plc. At the time of acquisition the business was the No.1 player in a stable and growing market, with a strong reputation for technical excellence and identifiable growth in the mobile broadband market. However, the business had suffered from a fragmented ownership structure which inhibited its ability to grow.

**Complex acquisition**
Permira took time to understand Inmarsat, building relationships with the 83 corporates and government entities that constituted the shareholder base, so that the disparate motivations of the company’s owners could be identified. These discussions were led by Permira’s Stockholm office, which worked closely with Telenor, one of Inmarsat’s largest shareholders. Ultimately the strong relationships of trust that were built with the key corporate shareholders of Inmarsat – KPN, Deutsche Telekom and Telenor – allowed the transaction to be completed.

**World class management**
Following acquisition, Permira’s investment team worked with the company to put in place a clear and ambitious value creation plan and a new management team with the skills and ability to drive the plan forward. Andrew Sukawaty, the former CEO of Sprint PCS, was appointed as chief executive and chairman, while a new chief financial officer was appointed from a News Corporation subsidiary NDS (a company that would later join the Permira funds’ portfolio).

**Investing in technology**
Central to the management team’s growth plans for Inmarsat was a substantial capital expenditure programme. US$1.5 billion was invested in the design, launch and manufacture of the I-4 range of satellites – the most advanced commercial mobile communications spacecraft of their kind. Alongside the capital investment programme, Inmarsat’s management team implemented a cost reduction plan and also completed a sale-and-leaseback on its London headquarters.

**Performance improvement**
As a result of its investment programme, Inmarsat demonstrated a significant improvement in performance. After an initial decline (driven by a one-off fall in non-recurring revenue), sales and EBITDA both began to rise, while the launch of the first I-4 satellite in 2005 cemented the company’s market-leading position.

In March 2006 the Permira funds completed the sale of their holding in Inmarsat, following an IPO in June 2005. Today Inmarsat continues to thrive. Its shares have consistently outperformed the market and the business is now a member of London’s ‘blue chip’ FTSE 100 index.

Inmarsat’s performance demonstrates the strength of the Permira approach: strong local networks and sector expertise.
In the portfolio today
Technology
Media
Telecoms

NDS Group

NDS Group ("NDS") creates technologies and applications that enable pay-TV operators, telcos and mobile operators to deliver digital content securely to TV set-top boxes, digital video recorders, connected TVs, mobile devices and other multimedia devices. NDS software solutions are at the heart of the pay-TV industry, enabling content owners and aggregators to monetise their assets by leveraging pay business models such as subscription-based pay-TV service delivery, video-on-demand and paid downloads. In August 2008, the Permira funds agreed to acquire NDS in a public-to-private transaction. The acquisition of NDS was carried out in partnership with News Corporation, which maintains a significant interest in the business.

Leading software technologies
and R&D capability
The company’s growth prospects are supported by its leading software technologies and the growing global demand for its products. NDS has a strong track record in delivering market-leading security solutions and developing innovative new products. In 2010, the pay-TV industry continued to grow which benefited the company. NDS experienced solid volume growth in 2010, mostly due to higher volumes achieved at its largest clients, new client wins in China, Europe and the US cable markets, accentuated by positive foreign exchange effects. The company has made significant investment in its R&D and delivery organisations, to support its longer term growth objectives and sold non-core business OpenBet, its online gaming and betting technology subsidiary, allowing it to refinance debt on more attractive terms.

Strong growth prospects
Future growth will be driven by a strengthening of existing clients’ relationships, especially in emerging countries, new and recently won customers and the development of the business in the US cable market. NDS has been expanding its workforce globally with a particular focus on the US, China and India. NDS will also continue to investigate new areas of growth outside its core pay-TV market, especially in internet video.
Asia Broadcast Satellite

Asia Broadcast Satellite ("ABS") is one of the fastest growing premium satellite operators in the world. It supplies bandwidth connectivity to broadcasting, telecom and government customers, serving over 80 customers in around 30 countries. ABS’ prime orbital locations cover 80% of the world’s population, targeting high growth markets in Asia, Russia, Africa and the Middle East. It currently has five satellites in the fleet and one satellite in the pipeline, the new state-of-the-art high-powered ABS-2 scheduled to be launched in early 2013.

Targeting high growth emerging markets
Founded in 2006, ABS is a Fixed Satellite Services ("FSS") operator, which places satellites into geostationary orbit and provides transmission and broadcasting capabilities to TV and radio broadcasters, Internet Service Providers and telecom operators, allowing them to transmit information (video, radio, voice and data) across a broad region. ABS is currently operating in three orbital locations (75°E, 116°E and 146°E), with its flagship orbital slot 75°E being able to cover 80% of the world’s population. ABS’ footprint targets Asia, Russia, Africa and the Middle East, the highest growth emerging markets for FSS demand, driven by digitalisation, the extension of cellular networks and the deployment of large private corporate and public government networks.

Effective quasi-proprietary origination
ABS was originated by the effective cooperation of professionals from our local Hong Kong office and the satellite specialists within our TMT team based in Menlo Park, New York and Frankfurt. The process was helped early on by the participation of Jim Frownfelter, the ex-COO of a former Permira funds’ investment Intelsat.

Multiple growth opportunities
ABS is aiming to become a leading FSS operator within its footprint. To achieve this, ABS expects to launch the ABS-2 satellite at 75°E in 2013, which will introduce attractive new capacity into this region of high demand. ABS is also expected to strengthen its sales and marketing efforts to ensure a quick ramp-up of the fill rates and to grow its customer base following the launch of ABS-2. In addition, ABS will explore growth opportunities in its target markets through strategic partnerships, acquisitions and further additions to its existing fleet.
Industrials

Since 1985, the Permira funds have built up considerable expertise in investing in quality chemical and industrial assets. Our dedicated team of investment professionals focus on supporting our existing chemical and industrial portfolio companies and finding new opportunities in a variety of sub-sectors. Our global capability matches the international nature of our current portfolio of investments which include Arysta LifeScience, Marazzi and Provimi. Other recent investments have included: Aearo, the personal protection equipment business, Cognis, the speciality chemicals business, Jet Aviation, the business aviation services, and Hogg Robinson, the travel management services business.
Jet Aviation

Jet Aviation ("Jet") is a Swiss-based international business aviation services company. The company provides service, completions and refurbishment, engineering and fixed base operations, along with related aircraft management and charter services. In October 2005, after a three-year origination process, a company backed by the Permira funds acquired Jet from the company’s founding family. Following acquisition, the Permira funds backed an ambitious value creation plan, transforming a Swiss-centric family company into a global leader for business aviation services. The Permira funds helped Jet become more focused and efficient, establish a world class management team and invest significant capital to support growth.

**Operating improvement**

Immediately following acquisition, a programme office was established that focused on industrialisation and scalability of existing processes in the organisation, adding €35 million to EBITDA after only two years. To expand capacity, more than €60 million was invested in new facilities, leading to the construction of one of the largest aircraft hangars in Europe. Located at Basel’s EuroAirport, the new 9,600 square metre wide-body hangar took just seven months to complete and was opened in May 2008.

**International expansion**

Jet also expanded by making strategic acquisitions. In March 2006, it acquired Midcoast, a US-based aircraft maintenance and modification company, which expanded the company’s presence significantly in North America. In January 2008, Jet acquired US-based maintenance and completions company Savannah Air Center to strengthen Jet’s position further as a full business aviation service provider in North America. In total, under the funds ownership Jet invested US$300 million in its US business. Jet also expanded into new fast-growing markets. The company set up line maintenance operations in Moscow’s Vnukovo International Airport and moved forward with plans to open new facilities at Beijing’s Capital International Airport in partnership with Beijing-based Deer Air.

**Strong financial performance**

On a reported basis, sales grew at a CAGR of 25% from 2005 to 2007 and the value of the order pipeline at Jet increased from €50 million at the date of the fund’s investment to €1.2 billion by June 2008. The company’s workforce also grew by 70% to around 5,600 employees. At the time of the exit, Jet was one of the leading business aviation services companies in the world.

**Timely exit**

In August 2008, despite the global economic downturn, Jet was acquired by global defence and aviation group General Dynamics. The sale of Jet showed the resilience of demand from trade buyers for strategically attractive assets.

“The Permira funds allowed Jet to grow at a speed and with a determination which we could not have managed as a family-owned company. Furthermore, Permira supported the professionalisation of the business as a key enabler for the rapid expansion.”

Hirschmann family, Jet Aviation’s founding shareholders
Aearo Technologies

Aearo Technologies ("Aearo") is a global leader in the personal protection equipment industry. The company manufactures and sells technologically advanced hearing protection devices, communication headsets, non-prescription and prescription safety eyewear, face shields, reusable and disposable respirators, fall protection equipment and hard hats.

High quality innovative products
Through its speciality composites business, Aearo provides engineered system solutions using a wide array of proprietary materials to control excess noise, vibration, shock and thermal energy. Aearo has achieved leading global market positions in hearing and eye protection through the strength of its brand names such as E-A-R, Peltor and AOSafety, and its reputation for developing high quality, innovative products.

Rapid expansion
Following the funds’ investment in March 2006, Aearo achieved consistently impressive performance. Its revenue grew by over 20% and EBITDA increased by 26% during the period of ownership driven by the strong growth of its communications products and general industrial safety activities. The funds supported the expansion of the European business which enjoyed 30% organic growth since 2005. All along Aearo used its market-leading position to raise awareness and set standards for hearing protection around the world.

The Permira funds agreed to sell their stake in Aearo to 3M in November 2007. “Aearo complements and significantly broadens our core safety and personal protection business, a space which is growing fast and is of strategic importance to the company. The combination of 3M’s technology, our global reach and well-known safety brand with Aearo’s strong product portfolio and brands positions 3M as the global leader in personal protective equipment products. Our powerful international distribution network will enable us to enhance and leverage this asset going forward.”

George W Buckley, 3M Chairman, President and CEO said following the transaction.
Provimi

Provimi is a world leader in the growing market of animal nutrition, focusing on the high value-added inputs. Provimi produces a range of products and feed solutions serving the nutritional and health needs of many animals including: premix and speciality products for young animals and those with special dietary needs. Provimi is headquartered in Rotterdam, the Netherlands, and operates 80 production centres in 30 countries. The Permira funds acquired the company in April 2007. It was delisted from Euronext in November 2009.

Driving growth and innovation
Since the funds’ acquisition, the business has focused on improving its operations, refocusing its business on its core animal nutrition activities, establishing a group-wide R&D and innovation platform and driving growth in emerging markets. Following a resilient performance through the financial crisis the corporate focus has successfully shifted from efficiency initiatives, most notably cost base reductions and supply chain integration, towards realising an ambitious growth agenda that targets a doubling of historic gross margin growth. This is being achieved through improved customer focus and the centralisation of the innovation capability to ensure the delivery of superior product and service performance in all parts of the business. The group’s ability to offer superior nutritional solutions to its customers, strategically positioning itself in the centre of the value chain, has been delivering real competitive advantage.

International growth opportunities
The company aims to take advantage of strong international growth opportunities driven by the rise in protein consumption by populations globally. At the end of 2010 it acquired NASSA, a leading swine and shrimp feed producer in Mexico. This enabled the group to increase its footprint in Latin America and provided Provimi with an entry position into Mexico, the fourth largest feed market in the world. Mexico has an expanding population of 110 million and has grown GDP by an average of 4% p.a. over the last 20 years. Provimi intends to develop NASSA’s business in new areas such as poultry and ruminants. NASSA represents the largest acquisition in Provimi’s history and as such is an important milestone in the Permira funds’ investment strategy.

A focused fast growing business
Provimi continued trading strongly in 2010, with solid improvements in earnings driven by a good performance of the Latin American and Russian businesses. The sale of the non-core Pet Food division was announced since the year end, leaving Provimi well positioned as a focused animal nutrition business with strong growth opportunities.
Launched in 2008, the Financial Services industry team focuses on sourcing investment opportunities in asset and wealth management, P&C insurance and the financial infrastructure and services sectors. Today the Permira funds have two investments in this sector: Acromas and Just Retirement. Acromas is the holding group for Saga, the UK over 50’s affinity business, and The AA, and both derive a significant part of their revenues from selling insurance products. Just Retirement is a specialist financial services company that provides innovative financial solutions designed to meet the needs of people at or in retirement.
Just Retirement

Just Retirement (“JR”) is a specialist financial services business that provides financial solutions to clients in or approaching retirement. The company provides two products to those at or in retirement: enhanced annuities and equity release mortgages. Providing first class products and service to advisers and customers is something that Just Retirement has become recognised for and is a key factor that sets it apart from other financial services companies. It was acquired by the Permira funds in November 2009.

A market leader
Since launching in August 2004, JR has established market leadership in enhanced annuities – an annuity is a financial product that provides a secure way of converting personal pension savings into a guaranteed regular income during retirement. JR has strong underwriting data that allows it to offer better annuity rates (an “enhanced annuity”) relative to standard annuities for customers who have a medical condition and shortened life expectancy.

JR also has a strong presence in equity release mortgages. These products release the value tied up in a customer’s home to provide additional income in retirement. With the widely publicised lack of mortgage funding available in the market during the year, JR’s self-financing business model has allowed it to consolidate its position and generate attractive margins.

“Company of the Year”
The business has a strong reputation within the independent financial adviser (“IFA”) sector for providing first class service and high-quality products to its customers, being awarded the highest honour of “Company of the Year” amongst all life insurers, asset managers and mortgage lenders in 2009.

A fast-growing market
Future growth is underpinned by the fact that the company is expected to benefit from the ageing population in the UK and the increasing need for individuals to save for their retirement through personal and corporate defined contribution pension schemes. Under UK regulations at least 75% of pension funds must be used to purchase an annuity on retirement (before the age of 75) and currently about £12 billion is annuitised each year, growing at approximately 15% per annum. Enhanced annuities are a niche segment comprising just over 10% of the annuity market, but penetration is growing as IFAs and customers gain awareness of the product. Beyond their pension savings, a significant proportion of retirees’ wealth is tied up in their home and JR helps customers access this money through equity release mortgages. This market is also expected to grow as customers seek additional income to fund their retirement.

Focus on growth
JR has continued to perform well in 2010. JR’s strategy is to continue to take advantage of the underlying growth in the annuity and equity release mortgage markets, while investing in broadening distribution and the product range. In addition, there is potential to build JR into the pre-eminent retirement brand by broadening its product offering into adjacent areas including long-term care, life assurance and investment products. JR intends to develop and strengthen the business’s long-term growth prospects further in these areas, while investing in the operational infrastructure of the business to create scalability.
Permira set up a healthcare team in 2008 to pursue opportunities in this fast-growing sector. We believe that long-term demographic trends make this sector particularly attractive for private equity investments. The Permira funds have made several healthcare related investments in the past, including Sirona Dental Systems and Euro dental Holding, and aim to build on that existing expertise. The team focuses on identifying investment opportunities for the funds in a variety of sub-sectors including generics, speciality pharmaceuticals, CMOs, consumer-facing medical technology businesses and diagnostic companies.
Creganna-Tactx Medical (“Creganna”) is a leading global provider of outsourced solutions to medical device companies. Creganna specialises in the full spectrum of services from design through prototyping to manufacturing of delivery devices for minimally invasive surgery. The firm has a global presence with manufacturing sites in Ireland, the US, Singapore and Korea. Serving over 240 customers, Creganna is a preferred partner to the world’s leading medical device companies. It was acquired by a company backed by the Permira funds in November 2010.

This is the first healthcare investment since setting up a dedicated team. Permira’s global network, sector expertise and excellent transactional experience positioned the Permira funds as a strong partner for the vendor and management for the company’s next phase of growth.

Growth in minimally invasive surgery
Creganna operates in growing markets driven by the increased application of minimally invasive surgery and by the drive to outsourcing by medtech companies. The medical device industry is expected to grow at a high single digit CAGR over the next few years. Within this, the minimally invasive surgical devices market is expected to grow at a higher rate, c.10%. Faster recovery times, better patient outcomes and technological advances will increase the demand for minimally invasive procedures. In addition, outsourcing by the device manufacturers has grown from an estimated 10% penetration in 2002 to 28% in 2010 and this trend is expected to continue. The decision to outsource is driven by both cost and technological expertise. Shortening product lifecycles drive the medtech OEMs (original equipment manufacturers) to optimise their product offering by leveraging specialist suppliers with niche expertise. In light of the complexity of manufacturing and the need to accelerate time to market, OEMs are increasingly looking to outsource partners to provide niche capabilities.

An ambitious expansion strategy
The Permira funds’ investment will support the management’s expansion strategy as the company continues to grow organically and look for further consolidation opportunities in this highly fragmented market. The company plans to grow the business by continuing to focus on the minimally invasive surgery market. It will further develop its relationships with the existing customer base, including the development of new applications in the minimally invasive surgery area. In addition, acquisition opportunities are being assessed to add complementary technologies or services as appropriate.
As Permira reached this important milestone in its history, it is also worth reflecting about what the future will look like for the industry and the firm in a more heavily regulated environment and with the aftermath of the recent financial crisis in mind. We firmly believe that private equity’s patient capital will continue to be in high demand. Its ability to take a long-term view on business prospects and to offer greater stability than often volatile public markets makes it an effective form of ownership which can be very beneficial to companies at specific moments in their growth cycle or during particular periods of change. As our funds’ track record shows, significant value creation under private equity ownership is possible throughout economic cycles.

The funds will continue to focus on private equity investing as they have done successfully over the past 25 years. We will continue to seek proprietary and transformational investment opportunities for the Permira funds in sectors and geographies we know well. Europe, as a fragmented and complex market, remains attractive and we will also pursue our expansion in new territories, particularly in Asia where we have a strong team in place today.

The environment in which we operate has been changing rapidly but we have acted proactively and responsibly to accommodate and comply with those changes. In all we do we remain committed to serving the needs of our investors and their ultimate beneficiaries, primarily pension funds’ holders. We have always treated our funds’ investors as our partners and seek to maximise alignment of interest.

As such we believe ILPA, whose principles we endorse, has been useful in formalising best practice standards of engagement between LPs and GPs. We are also committed to achieving best-in-class levels of disclosure and transparency when dealing with our investors but also with broader stakeholders.

Permira’s track record was built on 25 years of consistent focus on transformational private equity investing by our funds. Our multi-geography, multi-sector team is well equipped to continue focusing on complex investment opportunities. This is a strong platform on which to build and we believe the Permira funds are well positioned to continue delivering strong returns in the years ahead.
Our governance and policies

44 Governance
45 The Board
46 Policies
We know that the way we do business is important and we are committed to maintaining the highest standards of governance throughout the firm globally. Our investors and business partners expect us to have operational procedures in place which enable the funds to comply with the laws and regulations in the places we operate. Regulators and governmental bodies also require our activities to be based on a robust set of procedures.

**Corporate governance**

Strong corporate governance is critical to our ability to maintain the highest standards at Permira.

**The Board**

Permira Holdings Limited is the group holding company. The Board of Permira Holdings Limited is responsible for the management and operation of the group. It is comprised of our two co-managing Partners, Kurt Björklund and Tom Lister, a further five Permira Partners, Damon Buffini, Veronica Eng, Carlos Mallo, Jörg Rockenhäuser and Charles Sherwood, and three non-executive directors, Nigel Carey, Vic Holmes and David Sullivan. The Board has overall responsibility for the operations of Permira.

**The Executive Group**

Our Executive Group, comprising Kurt Björklund, Tom Lister, Damon Buffini, Veronica Eng, Carlos Mallo, Jörg Rockenhäuser and Charles Sherwood, is responsible for day-to-day aspects of firm management, strategy and long-term planning.

**General Partner/Manager**

Each Permira Fund is managed by a General Partner or Manager which is responsible for investment and divestment decisions and portfolio management. Each General Partner/Manager has appointed an investment committee to advise it on these matters.

**Investment Committees**

Each Permira fund has a separate Investment Committee, which is responsible for advising the respective fund general Partners on investment and divestment decisions and the overall monitoring of the funds’ investments. The seven individuals who comprise the Executive Group also comprise the Investment Committee of Permira Europe III and Permira IV.
The Board

Kurt Björklund  
Co-Managing Partner

Tom Lister  
Co-Managing Partner

Damon Buffini  
Partner

Carlos Mallo  
Partner, Head of Spain

Nigel Carey  
Non-executive Director

Jörg Rockenhäuser  
Partner, Head of Germany

Veronica Eng  
Partner, Head of Asia

Charles Sherwood  
Partner

Vic Holmes  
Non-executive Director

David Sullivan  
Non-executive Director
Business policies

Global business policies
Permira has global policies to help us ensure that we manage and operate our business prudently while complying with applicable laws and regulations. We also have a robust set of business principles to guide the behaviour of all our professionals and underpin the way we operate. All Partners and employees of Permira are expected to conduct their activities in accordance with both the letter and the spirit of these principles.

Conflicts of interest
Every Partner and employee must be aware of the potential for conflicts of interest to arise and has responsibility to identify and manage such conflicts. We have in place internal policies and guidelines which seek to reduce the instances when conflicts of interest arise and address conflicts that do arise in a way that protects and deals fairly with the interests of those involved.

Our personal account dealing rules are an essential part of how we manage conflicts and how we ensure that confidential information is not misused. These rules help us avoid situations where personal interests might conflict with, or be seen to conflict with, the interests of our investors.

Anti-money laundering
Permira operates in a number of jurisdictions, all of which have adopted legislation and regulation requiring firms to have in place appropriate anti-money laundering procedures.

The firm adheres to strict anti-money laundering policies and all the necessary checks are carried out in respect of our activities and those of the funds we advise.

Confidentiality and security
We recognise that much of the work carried out at Permira is of a strictly confidential nature. We have clear confidentiality policies in place and all employees are required to act always in the best interests of the relevant Permira fund which includes safeguarding confidential information and taking sensible security precautions.

Risk management
Every Partner and employee, individually and collectively, has responsibility for risk management. This risk management responsibility includes safeguarding the financial position and reputation of the Permira funds and the global firm. Ultimate responsibility for risk management rests with Permira Holdings Limited’s Board. Day-to-day matters are delegated to the Executive Group and the co-managing Partners, who are assisted by Permira’s Chief Risk Officer.

The Chief Risk Officer is responsible for improving and standardising the firm’s risk management functions globally. The range of risks for which he is responsible includes reputational risk, operational risk, legal risk, regulatory risk and insurance matters. He is also responsible for compliance throughout the firm.
Responsible and social investment

48 Responsible investment
52 Social investment
54 Portfolio initiatives
Responsible investment – our approach

Building successful businesses with sound environmental, social and governance practices

For 25 years, the Permira funds have been delivering value to investors by building stronger better and more valuable businesses. A concern for their long-term sustainability is at the centre of what we do. As such, consideration of the environmental and social impact of our funds’ activities is embedded into the way we think about the governance of the funds’ portfolio companies.

The funds’ portfolio companies are often amongst the industry leaders in their countries of operation and have a significant number of employees. The companies in which the Permira funds are currently invested employ more than 160,000 people and have an enterprise value in excess of €60 billion. They are committed to deploy sound environmental, social and governance (ESG) practices in their own business operations as well as in their supply chains. Permira’s investment professionals work with the portfolio companies of the Permira funds, through board participation and in other ways, to provide strategic guidance for company management to bring about ESG improvements where appropriate.

Permira is committed to maintain the highest standards across all of our activities - a commitment which is the foundation of our global reputation. We believe that having a responsible and proactive approach to sustainability matters can positively impact on the performance and success of the funds’ portfolio companies. Permira has a robust set of Business Principles which form a key part of our commitment to corporate responsibility and which guide the behaviour of all of our professionals. All Partners and employees of Permira are expected to conduct their activities in accordance with both the letter and the spirit of these principles. We also expect each portfolio company of the Permira funds to be aware of these principles and to adopt their own responsible business principles.

Some examples of how the funds’ portfolio companies manage ESG matters are included in the following pages, which present a brief introduction to Provimi’s ground-breaking work to reduce greenhouse gas emissions from cattle farming and Birds Eye iglo Group’s work to support sustainable fishery practices.
Permira’s plans for 2011 include a drive to strengthen further and formalise our attention to ESG

At the heart of the funds’ transformational investment approach is a focus on all the key levers of driving business improvement, including environmental, social and governance (“ESG”) perspectives. Permira has established a team of senior professionals to develop practices that will ensure sound management of ESG matters are incorporated into the funds’ investment processes. This ESG Group, led by Executive Group member Jörg Rockenhäuser, includes members of our investment team, as well as members of our investor relations and risk management teams.

While Permira’s investment professionals have always encouraged the funds’ portfolio companies to promote sound management of relevant ESG matters, the firm launched a drive towards the end of 2010 under the guidance of the ESG Group to strengthen further its ESG practices. Our investment professionals are currently working with external consultants to develop practical and systematic ESG guidance materials suited for the funds’ investments in large global companies to use throughout the investment processes. This will increase the funds’ focus on creating value from sound ESG investment management going forward. We have also initiated a detailed ESG review of the funds’ portfolio companies.

“At the heart of the funds’ transformational investment approach is a focus on all the key levers of driving business improvement, including from environmental, social and governance perspectives.”

Jörg Rockenhäuser, Permira Partner
The funds’ ambition is to support portfolio companies in a proactive and timely manner to address material ESG risks and capture opportunities to create additional value in their businesses. This ambition will be further accentuated in the funds’ investment processes going forward. At the initial screening of a potential investment opportunity, Permira’s investment professionals assess the company against the firm’s Business Principles. During due diligence, relevant ESG risks and opportunities for improvements will be analysed by our investment team, with support from external specialist advisors as appropriate. Where there are issues or opportunities for improvement, our investment team will encourage company management to develop ESG initiatives to be implemented during the duration of the funds’ investment. Some improvements may be required immediately, for example if a portfolio company does not have sound labour practices or adequate health and safety standards. Other improvements may have a longer time horizon.

Throughout the investment period, Permira’s staff will review the implementation of the companies’ ESG initiatives and encourage management to identify further improvements. The funds’ approach is dedicated to achieving the company’s goals and creating sustainable value before crystallising that value through an exit. In this way, the funds’ long-term impact investment strategy can add value not only for the investors, but for the employees, customers and other stakeholders.

Permira engages with other investors and the broader business community to increase attention to ESG matters

Permira is an active member of the US Private Equity Growth Capital Council (PEGCC) and a signatory to their comprehensive responsible investment guidelines. Permira has also been involved with the UN PRI’s initiative, which has given us the opportunity both to learn from other investors and to influence our industry’s approach to responsible investment. We were engaged in the development of the “Walker guidelines on transparency and disclosure” in the UK and were early adopters of its recommendations. Permira is also a current member of Business in the Community in the UK.
Permira’s social investment initiatives

Permira works with a number of social initiatives to meet the desire of our professionals to engage with and give back to their communities. Permira’s social investment strategy operates in much the same way as our private equity business. We look for social enterprises that have unrealised potential and that could benefit from private equity support. In addition to providing funding, the Permira team draw on their expertise and experience to help charities and other organisations to address operational obstacles.

Permira is a member of the Private Equity Foundation (PEF), a leading venture philanthropy fund in the UK which works with carefully selected charities to empower young people to reach their full potential. Its investments address the NEET (young people not in education, employment or training) issue and include not just money but also pro bono expertise from the private equity community.

The firm supports Off Road Kids (ORK), a leading (non-profit) relief organisation for “Run-away Kids” in Germany. It has over 10 years experience in offering a second chance to over 1,000 German street kids and is the only area-wide relief organisation with streetworkers in Berlin, Hamburg, Dortmund and Cologne. Permira has been supporting a new project set up by CEO, Markus Seidel, designed to overhaul the German education system. It will create the country’s first academy for youth workers, thereby addressing a gap in the education system and reinforcing the core of the organisation’s charity work.
Social Business Trust

Permira is also a founding Partner of Social Business Trust ("SBT"), a UK social enterprise fund launched in December 2010 by social entrepreneur Adele Blakebrough, in partnership with five other world class businesses: Bain & Company, Clifford Chance, Credit Suisse, Ernst & Young and Thomson Reuters.

Permira and its partners share a common goal – to use their combined resources and experience to accelerate the growth of social enterprises by providing operational expertise and access to growth capital, thereby improving the lives of over a million of the UK’s most disadvantaged people.

SBT is committed to support 20 social enterprises in the UK who want to grow their organisations over the next five years. The goal is to enable these social enterprises to meet the needs of an additional one million people through the injection of £10 million of growth capital and skilled support from the founding Partners.

In exchange, SBT allows its founding Partner’s employees a chance to use their daily skills outside of their usual commercial context, thereby making a tangible positive contribution to Britain’s communities.

The fund is currently invested in Women Like Us, a social enterprise that helps women who want to find part-time work that fits with their family commitments and The Challenge Network, the UK’s largest provider of National Citizen Service programmes. Further investments are under review.

“Social enterprises face many of the pressures felt by any small entrepreneurial businesses today. Securing stable funding is getting considerably harder and they rarely have access to the business expertise they need to grow and maximise their social impact. Social Business Trust has been created to fill this gap. It will provide them with the funds, skills and confidence to be more ambitious about what they can achieve. We are looking forward to working closely with outstanding UK social enterprises to help them realise their full potential.”

Adele Blakebrough, CEO SBT, Damon Buffini, Chairman SBT
Birds Eye iglo Group is the market-leading frozen foods company in Europe and one of the pioneering firms in the frozen food industry globally. The company’s products include frozen vegetables, poultry, fish and prepared meals. In November 2006, the Permira funds invested in Birds Eye iglo Group. The funds’ support has helped the company introduce product innovations and restore growth for additional core product categories.

The evolution of Birds Eye iglo Group’s fish products illustrates its ability to improve upon an existing product in a sustainable and responsible manner and successfully roll out sales across new markets. As an example, Birds Eye iglo Group has improved upon its iconic fish finger product to promote sustainable fishing practices. In 2007, Birds Eye iglo Group pioneered the Omega-3 fish finger product with Marine Stewardship Council certified Alaskan pollock to help reduce the over-fishing pressure on cod stocks and to offer consumers a nutritious alternative to cod. Children, a core consumer group for fish fingers, are beneficiaries of Omega-3, a fatty acid contained in Alaskan pollock that has been shown to help brain development.

In 2009, Birds Eye iglo Group continued to build upon its track record in sustainable fisheries with the launch of the “Bake to Perfection” product line. This meal-in-a-bag includes seasoned fish that can be baked in less than 30 minutes, ideal for families. Once more diversifying away from cod, “Bake to Perfection” includes king prawns, North Atlantic haddock, Alaskan pollock, wild pink salmon or basa. Bake to Perfection now has a 20% market share of the natural fish market segment in the UK.

Birds Eye iglo Group has been a leader in sustainable fisheries for the past decade, supporting key international policy initiatives as well as national fishery improvement programs. The funds’ encouragement and support were important drivers behind Birds Eye iglo Group’s work to support sustainable fishery practices.
Cattle and sheep produce approximately 80 million metric tons of methane annually, accounting for 4% to 8% of total global greenhouse gas emissions related to human activities. Leading a research consortium in 2009, Provimi began investigating to see how a change in diet for dairy cows, beef cattle and sheep could reduce methane emissions. Provimi’s findings show that methane emissions from cattle digestion could be reduced by as much as 30% through the use of nitrate as an additive to feed.

In 2010, Provimi filed a worldwide patent for the use of nitrate as an additive to cattle feed. Provimi continues to research the safety of the additive for the animals, carefully undertaking food safety tests, as well as researching the viability of mass production. Given that the reduction of greenhouse gas emissions does not benefit farmers directly but society at large, the higher costs associated with the feed additive would need to be passed on to the consumer or be compensated through subsidies and/or financed by carbon credits.

“Provimi recognises that the sustainability of animal agriculture poses novel challenges for society and that researching the nutritional needs of animals and their impact on the environment will contribute to sustainable solutions for the long-term.”

Dr Luciano Roppa, Provimi’s Senior Vice President of the Feed Solutions Programme
<table>
<thead>
<tr>
<th>Total portfolio companies sales</th>
<th>Total portfolio companies EBITDA</th>
<th>Valuations</th>
</tr>
</thead>
<tbody>
<tr>
<td>€31bn</td>
<td>€7bn</td>
<td>Up &gt;30% year-on-year</td>
</tr>
</tbody>
</table>
Portfolio in review

58 Operational transformation
Freescale, Maxeda, ProSiebenSat.1, Seat PG, TDC

62 Driving growth
ABS, Creganna, Galaxy, Just Retirement, New Look, Sisal

68 Industry consolidation
Acromas, All3media, Arysta, Birds Eye iglo, eDreams

72 International expansion
Cortefiel, Hugo Boss, Marazzi, NDS, Provimi, Telepizza
ProSiebenSat.1

ProSiebenSat.1 Media AG ("P7S1") is the second-largest broadcasting group in Europe, reaching 78 million households. The company is present in 14 countries in Northern, Central and Eastern Europe. Its core business is broadcasting free-to-air television. The company owns Germany's largest family of advertising-financed TV stations and its channels also hold the No.2 and No.3 market positions in other key European markets. P7S1 is based in Munich and is listed on the German MDAX.

Building a content leader in Europe
Since its acquisition by a company backed by the Permira funds in 2007, P7S1 operations have been significantly transformed by internationalising its business via the acquisition of SBS and with a further focus on selective efficiency improvements and investing in new content and distribution activity to strengthen its position as a leading broadcasting group in Europe.
A successful turnaround
After the acquisition by the Group of SBS Broadcasting in July 2007, the combined entity faced a number of challenges resulting from a change in its advertising sales strategy and the considerable slowdown of the advertising market stemming from the economic crisis. In early 2009, a new CEO was put in place to take the appropriate actions to defend the business and position it for a strong recovery. This was achieved through strict cost control and an overhaul of its advertising sales model, which led to a strong market share recovery. In addition, the Group relocated the Sat.1 channel and a significant part of P7S1's Berlin operations to Munich. This integration of the German FreeTV channel family enabled a more effective use of the Group’s knowledge and resources and a better use of its stations’ creative potential.

Focus on growth initiatives
Following this 2009 performance turnaround, P7S1 was able to refocus its efforts on growth initiatives and driving advertising sales during 2010. The company successfully launched three new channels to expand its audience reach and generate additional revenues: “FEM3”, the first Hungarian female channel; “MAX”, a TV channel in Norway tailored specifically to young males; and “sixx”, the first German female channel.

Accelerating its diversification
P7S1 successfully continued its diversification by promoting new revenue models, e.g. Media for revenue share, a new business model that exchanges advertising time for a share of revenues, and by expanding its in-house content capabilities further through organic growth and selective acquisitions like Sultan Sushi in the Benelux or Kinetic Content in the US. In addition, in December 2010, P7S1 acquired the remaining stake in “maxdome”, leaving the company with full ownership of Germany’s largest video-on-demand portal.

Strong performance in 2010
P7S1 increased sales by 8.7% in 2010, benefiting from the economic upswing which led to strong increases in television advertising. This revenue increase, combined with the continued impact of cost efficiencies, allowed the company to deliver strong earnings growth in 2010. The German TV stations of P7S1 maintained a stable audience market share at 28.5% in 2010 in a very competitive market environment. P7S1 continued its strong focus on cost and efficiency management. It sold news channel N24 to its management and entered into a contractual agreement to secure long-term access to high-quality news programming for its stations.

Looking forward, P7S1 will continue to focus on broadening the distribution of its programmes across a growing range of media platforms, thereby increasing the availability of its content and opening up new markets and revenue sources.
Freescale

Freescale is a global leader in the design and manufacture of embedded semiconductors for the automotive, consumer, industrial, networking and wireless markets. The company has a broad portfolio of more than 14,000 products serving over 10,000 customers, including many of the world’s top original equipment manufacturers. Freescale has over 50 sales offices located in 26 countries.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2006</td>
<td>€12,604m</td>
<td>€3,144m</td>
</tr>
</tbody>
</table>

Sector: TMT (Technology)  
Fund: Permira IV
Maxeda

The end of 2010 saw the successful exit from all remaining Maxeda Fashion formats (V&D, de Bijenkorf, Hunkemöller and M&S). Following the exit from Fashion, Maxeda now trades as a market-leading Benelux DIY retailer. The Group owns four brand formats and operates c.350 stores in the Netherlands and Belgium. Praxis is the second largest DIY format in the Netherlands with 136 stores. Formido is a chain of 80 smaller Dutch DIY stores operated mainly under a franchise model. The Brico Group is the market leader in the Belgian DIY sector with a multi-format and multi-channel strategy, including Brico Plan-It, a chain of eight DIY mega stores. Brico also trades through the smaller Brico-City and Brico-Depot formats, focusing on inner city convenience stores and out-of-town professional trade stores respectively.

Date of investment
September 2004

Sector
Consumer (Retail)

Size of transaction
€2,517m

Sales to Dec 2010
€1,384m

Fund
Permira Europe III

Seat PG

Seat Pagine Gialle ("Seat PG") is a leading directory advertising provider and the largest web service player in Italy. The Group also has a significant presence in the UK, where the subsidiary TDL is the No.3 in classified directories with an estimated market share of 10% and in Germany, where the subsidiary Telegate is the No.2 provider of directory assistance services with a market share of 34%.

Date of investment
July 2003

Sector
TMT (Media)

Size of transaction
€5,650m

2010 sales
€1,111m

Fund
Permira Europe II

TDC

TDC is a provider of communications solutions in Denmark with nearly nine million revenue generating units. It also has a significant presence in other markets across the Nordic region.

Date of investment
December 2005

Sector
TMT (Telecoms)

Size of transaction
€13,400m

2010 sales
€3,511m

Fund
Permira Europe II
Permira Europe III
Driving growth

Galaxy Entertainment

Image courtesy of Galaxy Entertainment
A fast-growing market
The Macau gaming market grew by c.58% in 2010 to US$23 billion and continues to be supported by a strong macro economic backdrop in mainland China with GDP growth of c.10% in 2010. Macau’s growth prospects remain encouraging, with consensus at 20%+ for 2011.

Multiple expansion opportunities
Since acquisition, the Group has focused on increasing the profitability of its existing properties including the flagship StarWorld hotel and casino and ensuring that they maintain market share and profitable volume in an increasingly competitive environment. In addition, it has worked on completing the construction of the Galaxy Macau Resort, which includes 2,200 hotel rooms and one of the world’s largest casinos, within budget and in a timely manner. The Group is also seeking to create value-enhancing opportunities on the remaining Cotai land bank, through strategic partnerships with world-renowned hotel, leisure, retail and entertainment brands and to expand the Galaxy brand into other Asian leisure markets focusing on gaming, hotels and entertainment facilities.

Record financial performance
Due to strong revenue growth and focus on profitable gaming volume, Galaxy’s EBITDA continues to perform well ahead of prior years. 2010 EBITDA was up 78% on the year and the Group delivered its ninth consecutive quarter of EBITDA growth in Q1 2011. The Group also managed to maintain market share in its existing casino operations. Galaxy has a strong capital structure in place to support future growth having raised further financing during 2010 to fund the ongoing development of Galaxy’s non-gaming operations in Macau and general working capital. As a result, Galaxy’s share price performed strongly in 2010.

Further growth potential
In May 2011 the Group opened its Asian-themed integrated casino, hotel and leisure resort, Galaxy Macau, which has the potential to double the company’s EBITDA in coming years. In addition, Galaxy’s growth prospects, as one of Macau’s six licensed casino operators, are underpinned by its ownership of the largest land banks in Cotai, with further opportunities for development to cater for future demand.
Asia Broadcast Satellite

Asia Broadcast Satellite ("ABS") is a fast-growing Fixed Satellite Services operator based in Bermuda. It supplies bandwidth connectivity to broadcasting, telecom and government customers, serving over 80 customers in around 30 countries. ABS' prime orbital locations cover 80% of the world’s population, targeting high growth markets in Asia, Russia, Africa and the Middle East. It currently has five satellites in the fleet and one satellite in the pipeline, the new state-of-the-art high powered ABS-2 scheduled to be launched in early 2013.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>Sales to Dec 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2010</td>
<td>€184m</td>
<td>€40m</td>
</tr>
</tbody>
</table>

Sector: TMT (Technology) Fund: Permira IV
Creganna

Creganna Tactx Medical ("Creganna") is a leading global provider of outsourced solutions to medical device manufacturers. The company specialises in the design and manufacturing of delivery devices for minimally and less invasive therapies. It provides a complete range of solutions to assist over 240 medical device and life science companies to take products from concept design to full scale production and has specialist capabilities in metal hypotube shafts, medical balloons, extruded and braided tubing and micro-moulded components. The firm has a global presence with manufacturing sites in Ireland, the US and Singapore and long-standing customer relationships with 7 of the 10 top medtech companies.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2010</td>
<td>€223m</td>
<td>€92m</td>
</tr>
<tr>
<td>Sector</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>Permira IV</td>
<td></td>
</tr>
</tbody>
</table>
Just Retirement

Just Retirement ("JR") is a specialist financial services business that provides financial solutions to people in or approaching retirement. It was acquired by a company backed by the Permira funds in November 2009. The company provides two products to those at or in retirement: enhanced annuities and equity release mortgages ("ER"). Providing first class products and service to advisers and customers is something that Just Retirement has become recognised for and is a key factor that sets it apart from other financial services companies.

<table>
<thead>
<tr>
<th>Date of Investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2009</td>
<td>€298m</td>
<td>€1,134m</td>
</tr>
</tbody>
</table>

Sector: Financial Services
Fund: Permira IV
New Look

New Look is a European high-street apparel retailer with a strong presence in the UK and with own brand stores in Ireland, France, Belgium, the Netherlands and a growing franchise operation. The company is positioned as a fast fashion value retailer with a broad product offering that focuses on womenswear, but also includes footwear and accessories, as well as an expanding menswear and kidswear offer.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>Sales to Dec 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2004</td>
<td>€1,187m</td>
<td>€1,657m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sector</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer (Retail)</td>
<td>Permira Europe II</td>
</tr>
</tbody>
</table>

Sisal

Sisal is the No.2 gaming operator in Italy and the sixth largest lottery company in the world. The company operates in all segments of the gaming market including lotteries, betting, slot machines and bingo. Furthermore, Sisal has successfully developed and consolidated the service business (payments, mobile and pay-TV recharges) reaching 31% market share. Sisal has a network of 42,000 retailers in Italy.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2006</td>
<td>€1,348m</td>
<td>€440m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sector</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer (Leisure)</td>
<td>Permira Europe III</td>
</tr>
</tbody>
</table>
The All3Media management is pursuing a strategy of expansion and investment, taking advantage of a trend of rationalisation in the broadcast sector to position the company as one of the leading producers of entertaining and enjoyable content. Its growth plan is based on developing new programming and international formats, driving a shift in contribution from drama to entertainment formats. All3Media is also expanding in complementary areas, such as new media and advertiser funded content, both through organic growth and acquisitions. Since 2006, the business has continued to expand both organically and by acquiring additional complementary production companies.

Driving organic growth
All3Media has a strong heritage and production base in the UK, allowing it to sell its English language and international format content worldwide. The Group’s key programmes include: Hollyoaks; Wild at Heart; Midsomer Murders; Shameless; Peep Show; Skins; How To Look Good Naked; Shortland Street; the Emmy Award-winning drama Elizabeth; Are You Smarter Than A Fifth Grader?; Oscar-nominated Whale Rider; The Cube and The Only Way is Essex. Since acquisition the company has continued to build on this strong platform to expand its offering into new formats and genres.

International expansion via strategic acquisitions
The Group also has an expanding international presence with significant production activities in the Netherlands, Germany and New Zealand, as well as growing TV production companies in the US and Australia. The company has a good track record of growth via acquisition, which remains a strong focus. Since 2006, the company has acquired a number of production companies to strengthen its international presence including De Beeldbrigade (the Netherlands); MME Moviement (Germany); Maverick TV (UK); and Objective Productions (UK). In 2010 it acquired Optomen, one of the UK's top factual TV producers and leader of the food segment, thereby strengthening its range of TV genres. The transaction includes the acquisition of a JV between Optomen and Gordon Ramsay, One Potato Two Potato.

Geographic and genre diversification
In 2010, All3Media has continued to make progress on its strategy of diversifying its geographic base and genre mix as well as improving the quality of its portfolio and there continues to be a good balance of scripted and non-scripted revenues. Notable recent success has come in the development of a new scripted reality genre with the Only Way is Essex in the UK and X-Diaries in Germany as well as two other German dailies. For the first time, over half of revenue is now generated internationally. The Group has also continued to make further progress in the US with several successful commissions. In particular, the premiere of Undercover Boss was the most watched reality show in US TV history (38.6m viewers) and Kitchen Nightmares and Cash Cab also
launched successfully. The international distribution arm continued to see strong growth driven by a fast-expanding intellectual property library growing to 3,000 programme hours. The Group’s share of revenue from secondary income is now over 20% in 2010.

**Outlook**

In 2010, the market backdrop improved significantly with UK TV advertising revenue up over 10%. This has been reflected in All3Media’s performance with stronger trading momentum from the second half of the fiscal year and into 2011. In 2010, All3Media was voted No.1 UK international distributor by its peers in Broadcast Magazine, following on from its 2009 Queen’s award, recognising its outstanding achievement in international trade. Looking forward, the Group is well positioned to take advantage of improvements in the commissioning environment. It aims to boost growth by driving further expansion in the US, continuing to grow entertainment formats, increasing high margin secondary revenue and through further high growth acquisitions.
Arysta LifeScience

Arysta LifeScience is an agrochemicals company that produces a range of insecticides, fungicides and herbicides as well as a number of products for the healthcare and veterinary medicine markets. Created through the consolidation of the life-science divisions of Tomen Corporation and Nichimen Corporation, Arysta is the world’s largest, privately-held agrochemical business, marketing a portfolio of more than 150 crop protection products in over 125 countries. Arysta was acquired by an investment company owned by the Permira funds, in March 2008.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>Sales to Dec 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 2008¹</td>
<td>€1,948m</td>
<td>€962m</td>
</tr>
<tr>
<td>Sector</td>
<td>Fund</td>
<td>Fund</td>
</tr>
<tr>
<td>Industrials</td>
<td>Permira IV</td>
<td></td>
</tr>
</tbody>
</table>

¹Date of cashflow to holdco

Acromas

Acromas is the holding company for The AA and Saga, two of the UK’s most iconic brand names with long traditions that inspire high levels of customer loyalty. With 15 million members, The AA is the UK’s market leader in roadside assistance, attending over 3.5 million breakdowns every year. The AA is also one of the UK’s biggest names in insurance. Saga provides financial services to people aged over 50 in the UK, including motor and home insurance as well as personal financial products. Saga also offers a broad range of holidays and other travel services to its customers, including the famous Saga world cruises.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>Sales to Dec 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2004¹</td>
<td>€9,685m</td>
<td>€1,843m</td>
</tr>
<tr>
<td>Sector</td>
<td>Fund</td>
<td>Fund</td>
</tr>
<tr>
<td>Financial Services</td>
<td>Permira Europe III</td>
<td></td>
</tr>
</tbody>
</table>

¹Initial investment was in the AA. The merger to form Acromas was closed in Sep 2007
Birds Eye iglo

Birds Eye iglo Group ("BEIG") is a branded European frozen food company that produces fish, vegetables, poultry and ready meals, including a number of iconic products such as Fish Fingers, Schlemmer Filets and Sofficini. The Group operates under three brands: Birds Eye (UK and Ireland), iglo (Germany, Austria, Belgium, the Netherlands and other countries) and Findus (Italy). BEIG was acquired by a company backed by the Permira funds from Unilever in November 2006. In October 2010, BEIG acquired the Findus Italy business, also from Unilever.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of initial transaction</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2006</td>
<td>€1,891m</td>
<td>Permira Europe III</td>
</tr>
<tr>
<td>Sector</td>
<td></td>
<td>2010 sales</td>
</tr>
<tr>
<td>Consumer (Products)</td>
<td>(€2,768m including acquisition)</td>
<td>€1,100m</td>
</tr>
</tbody>
</table>

eDreams

eDreams is a leading online travel agency in Spain, Italy and Portugal and has an increasing presence in 15 other countries around the world. It operates a multi-channel marketplace that connects travel suppliers, such as airlines, hotels and car rental companies, with end-customers and other travel agents.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2010</td>
<td>€312m</td>
<td>€100m</td>
</tr>
<tr>
<td>Sector</td>
<td>Fund</td>
<td>Permira IV</td>
</tr>
<tr>
<td>Consumer (Leisure)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
International expansion
Hugo Boss
Valentino Fashion Group
Hugo Boss and Valentino Fashion Group

Hugo Boss and Valentino Fashion Group ("VFG") are two of the biggest names in the world of fashion with rich and diversified portfolios of products, which include clothing, accessories, and footwear for men and women. They both enjoy excellent brand awareness, strong product recognition and a consolidated global presence. Their respective managements are focused on driving further growth through product line extensions and an acceleration of their geographic expansions particularly in the US and Asia.

Hugo Boss - accelerating international expansion
As the luxury goods market continues to recover strongly, Hugo Boss is back focusing on growth. The Group has resumed its plans to further its expansion with a shift towards directly operated stores, maintain its focus on increasing its womenswear offering, reduce lead times and complexity while accelerating growth internationally, particularly in under-penetrated geographies such as the US and Asia. It has made strong progress in Asia by establishing a new joint venture in China with long-time franchise partner Rainbow Group, which will allow the Group to benefit from local market insight and infrastructure as well as access to new mall projects. The Group anticipates that China will represent the company’s third-largest market, behind Germany and the US in 2011.

2010 was a record year with adjusted EBITDA growth of 31% owing to strong top-line and earnings momentum in both the retail and wholesale channels. Growth should continue in 2011 owing to a solid order book for H1 2011 and a promising pipeline of new store openings. Management aims to achieve €2.5 billion sales and €500 million adjusted EBITDA by 2015 driven by retail expansion of 50-60 openings per year, further womenswear and accessories expansion and rapid growth in Asia and the US.

Valentino Fashion Group - improved offering and geographic expansion
After a difficult 2009, VFG has also resumed its growth plans. It has continued to improve its product range and extend it to include a larger offering of more accessible products at attractive price points. The business is also working on upgrading the Valentino retail network and accelerating its geographic expansion, particularly in Asia where its presence does not currently reflect the potential of the brand.

VFG returned to growth and profitability in 2010, mainly due to the positive results achieved by Valentino, with sales up 18% versus 2009, as a result of the new stylistic direction and improved offering across all the key product lines (prêt-à-porter, accessories and the more accessible line RED Valentino) which was well received by wholesale customers.

Looking forward, geographic expansion will remain a core driver for both businesses as Europe still represents 77% of sales today, while North America makes up 15% and fast-growing Asian markets only 8%. Strengthening their presence in the US and Asia is a priority for both Hugo Boss and VFG and represents a considerable growth opportunity for the years ahead.
Cortefiel

The Cortefiel Group (the “Group”) is a Spanish clothing retailer, operating a multi-format network with three main fascias: Cortefiel, Springfield and women’secret. The remaining portfolio consists of other smaller formats including Pedro del Hierro and Fifty Factory. Spanish operations account for 70% of earnings and in total the Group operates 1,705 points of sale and is present in 61 countries.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>Sales to Dec 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2005</td>
<td>€1,802m</td>
<td>€955m</td>
</tr>
<tr>
<td>Sector</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>Consumer (Retail)</td>
<td>Permira Europe II</td>
<td></td>
</tr>
</tbody>
</table>

Marazzi Group

Marazzi Group is the worldwide leader in the design, manufacturing and distribution of ceramic tiles. The company is a technological leader in the tiles sector and has a strong track record in design and innovation. The Group sells into 130 countries, with leadership in most of the markets in which it operates and has manufacturing facilities in all of its key areas of activity (Europe, the US and Russia) as well as direct distribution in Russia and the US.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2008</td>
<td>€1,387m</td>
<td>€818m</td>
</tr>
<tr>
<td>Sector</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>Industrials</td>
<td>Permira IV</td>
<td></td>
</tr>
</tbody>
</table>
NDS Group

NDS Group ("NDS") is the world’s leading provider of solutions and technologies to content owners and aggregators. NDS software solutions are at the heart of the pay-TV industry, enabling content owners and aggregators to monetise their assets by leveraging pay business models such as subscription-based pay-TV service delivery, pay-per-view and pay-per-download. In August 2008, the Permira funds agreed to acquire NDS in a public-to-private transaction. The acquisition of NDS was carried out in partnership with News Corporation, which maintains a significant interest in the business.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>Sales to Dec 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2009</td>
<td>€2,461m</td>
<td>€655m</td>
</tr>
</tbody>
</table>

Sector: TMT (Technology)
Fund: Permira IV

Provimi

Provimi is a world leader in the growing market of animal nutrition, focusing on the high value-added segments of the market. Provimi produces a range of products and feed solutions serving the nutritional and health needs of many animals including: premix; speciality products for young animals; and animals with special dietary needs. Provimi is headquartered in Rotterdam, the Netherlands, and operates 80 production centres in 30 countries.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2007</td>
<td>€1,721m</td>
<td>€1,615</td>
</tr>
</tbody>
</table>

Sector: Industrials
Fund: Permira IV

Telepizza

Telepizza is a Spanish home delivery and take-away pizza business that was founded in 1987 in a small Madrid pizza restaurant. Today, Telepizza operates around 630 outlets in Spain (both owned and franchised) that reach 12 million households. The company also has a presence in Portugal, Chile, Poland, Colombia and Central America, where it operates over 560 stores. Telepizza is the market leader in the pizza delivery market in Spain, with close to 70% share.

<table>
<thead>
<tr>
<th>Date of investment</th>
<th>Size of transaction</th>
<th>2010 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2006</td>
<td>€962m</td>
<td>€398m</td>
</tr>
</tbody>
</table>

Sector: Consumer (Retail)
Fund: Permira Europe III
Disclosure

This annual review forms the basis of Permira’s compliance with Walker’s guidelines for communication by private equity firms.

The UK office of Permira is headed by Ian Sellars. The source of our funds’ capital is detailed on our website www.permira.com. UK institutions account for approximately 34% of our most recent fund.

The following Permira funds’ UK portfolio companies report under the Walker guidelines: Acromas, BirdsEye iglo Group, NDS, New Look, Just Retirement. The following other companies publish regular financial reports: Freescale, Galaxy Entertainment Group, Hugo Boss and Valentino, Maxeda, ProSieben Sat.1, Seat PG, TDC.

Each of Permira Advisers, Permira Advisers (London) Limited, Permira Advisers LLP and Permira Debt Managers Limited are regulated in the United Kingdom by the Financial Services Authority. These entities, alongside the different entities in each of the geographies in which Permira is active, each individually act as advisers or consultants in relation to the Permira funds.

Permira also provides data to the BVCA to enable it to conduct enhanced research into the private equity industry.

Please note the following:

In this document, “Permira” means Permira Holdings Limited and its subsidiaries including the various entities which each individually act as advisers or consultants in relation to the Permira funds.

The valuation of remaining investments of the Permira funds has been calculated in accordance with the International Private Equity and Venture Capital Guidelines.

Portfolio company financial information has been converted based on the following exchange rates:

€1 = US$1.34, €1 = ¥108.80, €1 = HK$10.42, €1 = £0.86, €1 = DKK7.45

This document is made available for information only by the manager of Permira IV and the respective general Partners of Permira Europe I, Permira Europe II and Permira Europe III (the “Fund Managers”). This document should not be considered as a recommendation by Permira in respect of any investment fund managed or advised by Permira and does not contain all the information necessary to evaluate any such fund. Information contained in this document is believed by the Fund Managers to be accurate as at the date of this document however the Fund Managers accept no responsibility for such information and no reliance should be placed upon it.

Certain information contained herein regarding the Permira funds is aggregated information relating to a number of Permira funds or has been derived by Permira. Such information is not reflective of the performance of individual funds or portfolio companies of those funds and no investor will benefit from those aggregated or derived returns. Past performance information contained in this document is not an indication of future performance. Any statements of opinion or views contained herein and any projections, forecasts or statements relating to future events or the possible future performance of any Permira funds or portfolio companies represent the assessment of the Fund Managers on the basis of information available to them as at the date of this document. No representation or warranty is made or assurance given that any such statements, views, projections or forecasts are correct or that the objectives of such funds or businesses will be achieved.
Contact details

Frankfurt
Contact: Jörg Rockenhäuser
Permira Beteiligungsberatung GmbH
Bockenheimer Landstraße 33
60325 Frankfurt am Main
Tel: +49 69 97 14 66 0

Guernsey
Contact: Alistair Boyle
Permira (Guernsey) Limited
PO Box 503
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 6DJ
Tel: +44 1481 743200

Hong Kong
Contacts: Henry Chen and Alex Emery
Permira Advisers Limited
Room 2804, 28F
One Exchange Square
8 Connaught Place
Central Hong Kong
Tel: +852 3972 0800

London
Contact: Ian Sellars
Permira Advisers LLP
80 Pall Mall
London SW1Y 5ES
Tel: +44 20 7632 1000

Luxembourg
Contact: Séverine Michel
Permira Luxembourg S.à.r.l.
282, route de Longwy
L-1940 Luxembourg
Tel: +352 26 86 811

Madrid
Contact: Carlos Mallo
Permira Asesores S.L.
Plaza del Marques de Salamanca, 10
Primero Izquierdo
28006 Madrid
Tel: +34 91 4182499

Menlo Park
Contact: Brian Ruder
Permira Advisers L.L.C.
64 Willow Place
Suite 101
Menlo Park, CA 94025
Tel: +1 650 681 4701

Milan
Contact: Nicola Volpi
Permira Associati S.p.A.
Via San Paolo 10
20121 Milano
Tel: +39 02 7600 4740

New York
Contact: John Coyle
Permira Advisers L.L.C.
320 Park Avenue
33rd Floor
New York NY 10022
Tel: +1 212 386 7480

Paris
Contact: Benoit Vauchy
Permira Advisers SAS
6, rue Halévy
2nd Floor
F-75009 Paris
Tel: +33 1 42 86 63 78

Stockholm
Contact: Ola Nordquist
Permira Advisers KB
Birger Jarlsatan 12
114 34 Stockholm
Tel: +46 8 503 122 00

Tokyo
Contact: Yuji Kato
Permira Advisers KK
Akasaka Intercity Building 3F
1-11-44 Akasaka
Minato-ku 107-0052
Tokyo
Tel: +81 3 6230 2051