Invest Europe is the association representing Europe’s private equity, venture capital and infrastructure sectors, as well as their investors.

Our members take a long-term approach to investing in privately held companies, from start-ups to established businesses. They inject not only capital but dynamism, innovation and expertise. This commitment helps deliver strong and sustainable growth, resulting in healthy returns for Europe’s leading pension funds and insurers, to the benefit of the millions of European citizens who depend on them.

Invest Europe aims to make a constructive contribution to policy affecting private capital investment in Europe. We provide information to the public on our members’ role in the economy. Our research provides the most authoritative data on trends and developments in our industry.

Invest Europe is the guardian of the industry’s professional standards, demanding accountability, good governance and transparency from our members.

Invest Europe is a non-profit organisation with 25 employees based in Brussels, Belgium.

For more information please visit www.investeurope.eu
HIGHLIGHTS

New venture capital initiatives underline industry importance

New pan-European private equity database launched

Invest Week raises private equity’s profile with key European policymakers

“Through partnership and innovation, we successfully deliver improvements in the operating environment for our members.”

Michael Collins Chief Executive
Read Michael’s report on page 05
SECTION 1

OVERVIEW

Chairman’s overview 04
Chief Executive’s report 05
In a year when divisions opened across Europe and we saw increased political uncertainty, Invest Europe stuck steadfastly to its mission: delivering a better long term operating environment for the entire European private equity industry.

In the past 12 months, our association won key changes to regulation that will benefit venture capital, private equity and infrastructure funds, as well as the investors that back them and the companies in which they invest. At the same time, we delivered initiatives that elevated the profile and reputation of the industry, linking private equity with overarching European policy goals of increasing investment and diversifying sources of funding for European companies.

As fund managers, investors and industry advisers from around Europe, and the globe, our members might not always have precisely the same priorities. As professionals in venture capital, infrastructure and buyouts, we might not always have exactly the same needs. However, we will all surely recognise that the long term success of our business depends on the overall health of the private equity industry, its reputation, and its freedom to operate under favourable conditions across all Europe, and indeed globally.

That is why Invest Europe has always worked on behalf of all its members across all industry segments, from countries inside as well as outside the EU. In this year of heightened uncertainty, that has been at the forefront of our minds. Some of our members may be quite significantly impacted by Brexit, and some hardly at all. Invest Europe continues to work tirelessly in the interests of all members, driving forward long-term objectives and preparing the industry for the future.

I would like to thank all the members of Invest Europe’s board, platform councils and committees who have given their time to the association - it has been my pleasure to work with them as Chairman over the last 12 months. I would also like to thank Dörte Höppner, whose time as CEO came to an end in October 2016, for all of her efforts on behalf of the membership.

To succeed on members’ behalf, Invest Europe requires strong links with policymakers, a well-articulated message supported by data and evidence, and excellence in delivery. To this end, Invest Europe has continued to develop its dialogue with the European Commission, Council and Parliament, as exemplified by the inaugural Invest Week in Brussels last November. Our Professional Standards work promotes improvements in industry practice, including key environment, social and governance (ESG) topics, that demonstrate our commitment to building better and more responsible businesses. Our association’s raison d’être is to explain and champion our industry to policymakers and press, as well as other essential stakeholders such as investors and company management. All of this is underpinned by the robust data that Invest Europe collects.

These are but a few examples of the hugely positive long-term work by Invest Europe on behalf of all its members. And these efforts continue to deliver some important results. Recent successes include proposed changes to European Venture Capital Funds (EuVECA) rules that will open up the marketing passport to a wider number of fund managers. The creation of a venture capital fund of funds, with €400m of new EU money as its foundation, will facilitate institutional investor access to European venture capital. And the reduction of the risk weighting for infrastructure projects under Solvency II will help to draw more capital from insurers into the asset class.

We are optimistic about the future and our continuing influence on important developments for our industry. Invest Europe has already made extensive preparations for the planned review of the Alternative Investment Fund Managers Directive (AIFMD) and will be pushing for measures that further reduce cross-border barriers to private capital and improve the regulatory environment for private equity.

In a period of transition and significant uncertainty in Europe, Invest Europe is there for all its members across the continent and beyond. It is an essential resource for all aspects of European private equity providing guidance, driving progress and promoting all segments of our industry.

“Invest Europe works tirelessly in the interests of its members, helping to ensure that the whole industry continues to thrive.”
It has been a year of substantial achievements for Invest Europe and for the European private equity industry that we serve.

The launch of a new pan-European database, the inaugural Invest Week, and the creation of a €1.6bn pan-European venture capital fund of funds are among the milestones covered in this annual report.

Partnership is at the heart of how we as an association, and we as an industry, succeed – whatever the external environment. During the past 12 months we have, for example, been helping members think through the implications of the new political uncertainty that has emerged from the UK vote to leave the EU, and at the same time working with them to improve the day-to-day regulatory and operating environment for private equity.

And while we have delivered innovations in data, industry promotion and professional standards, we have been equally uncompromising in our emphasis on the tasks our members rely upon day in, day out, year on year.

Invest Europe owes its successes to the partnership between its dedicated team and its supportive members. We work seamlessly across functions – communications, research, member services, public affairs – and connect to other associations and stakeholders in Europe and around the world to deliver the best possible results. In January, we further strengthened the Invest Europe team with the appointment of Marc Nahum, an experienced private equity professional, as Membership Director, reflecting our drive to be an association attuned and responsive to the needs of our broad membership.

I would like to thank Gerry Murphy for his dedication to Invest Europe as Chairman over the past 12 months and welcome Marta Jankovic of APG Asset Management to the role. The coming year will provide further challenges to tackle and opportunities to maximise but with the continued support of our members I am confident that Invest Europe and the industry we represent will continue to thrive.
SECTION 2

HOW WE OPERATE

Governance structure
Invest Europe is committed to representing the interests of each segment of our membership fully and fairly. To achieve this, members are organised into four Platforms dedicated to supporting a specific member group - Limited Partner, Venture Capital, Mid-market and Large Buyout.

The Platforms are led by a Council composed of industry practitioners, elected by the membership. The Platform Chairman is elected from members of the Council and is ultimately responsible for ensuring that the Platform best represents its sector and membership. Each Platform also puts forward a representative to the Public Affairs Executive.

The Platforms are overseen by the Invest Europe Board of Directors. All segments of our membership are equally represented on the Board of Directors.

In addition, Invest Europe’s Platforms steer a number of Platform Groups, also composed of industry practitioners and reporting to the Platforms and Board of Directors.

Finally, there are several Roundtables representing certain sub-segments of one or more platforms.

**Invest Europe** is the voice of investors in privately-held companies in Europe. The industry that we represent includes private equity, infrastructure and venture capital as well as long-term investors such as pension funds and insurance companies.
## BOARD OF DIRECTORS 2016/2017

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Company/Platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Gerry Murphy</td>
<td>Blackstone</td>
</tr>
<tr>
<td>Past-Chairman</td>
<td>Max Römer</td>
<td>Quadriga Capital</td>
</tr>
<tr>
<td>Chairman-Elect</td>
<td>Marta Jankovic</td>
<td>APG Asset Management</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Christian Strain</td>
<td>Summit Partners</td>
</tr>
<tr>
<td>Vice-Chairs</td>
<td>Nenad Marovac</td>
<td>DN Capital</td>
</tr>
<tr>
<td></td>
<td>Rory Macmillan</td>
<td>The Carlyle Group</td>
</tr>
<tr>
<td></td>
<td>Max Römer</td>
<td>Quadriga Capital</td>
</tr>
<tr>
<td></td>
<td>Helen Steers</td>
<td>Pantheon</td>
</tr>
<tr>
<td>Members</td>
<td>Anne Fossemalle</td>
<td>EBRD</td>
</tr>
<tr>
<td></td>
<td>Michael Lee</td>
<td>Syngenta Ventures</td>
</tr>
<tr>
<td></td>
<td>Vanessa Maydon</td>
<td>Cirven</td>
</tr>
<tr>
<td></td>
<td>Fabien Prévost</td>
<td>Omnes Capital</td>
</tr>
<tr>
<td></td>
<td>Ekatarina Smirnyagina</td>
<td>Capricorn</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Venture Partners</td>
</tr>
</tbody>
</table>

*GERRY MURPHY*

**CHAIRMAN**

*MAX RÖMER*

**PAST-CHAIRMAN**

**MID-MARKET PLATFORM VICE-CHAIR**

*RENAD MAROVAC*

**VENTURE CAPITAL PLATFORM VICE-CHAIR**

*RORY MACMILLAN*

**LARGE BUYOUT PLATFORM VICE-CHAIR**

*HELEN STEERS*

**LIMITED PARTNERS PLATFORM VICE-CHAIR**

*CHRISTIAN STRAIN*

**TREASURER**
### Governance structure continued

#### Four platform groups

Members are organised into four **Platforms** dedicated to supporting a specific member group – Limited Partner, Venture Capital, Mid-market and Large Buyout.

<table>
<thead>
<tr>
<th>Platform Council</th>
<th>Vice-Chair</th>
<th>Members</th>
</tr>
</thead>
</table>
| **VENTURE CAPITAL PLATFORM COUNCIL** | Nenad Marovac | Max Bautin (IQ Capital Partners)  
Alex Brabers (Gimv)  
Christian Ehrenborg (IKEA GreenTech)  
Anne Glover (Amadeus Capital Partners)  
Hakan Goker (Merck Ventures)  
Christoph Junq (HV Holtzbrinck Ventures)  
Michael Lee (Syngenta Ventures)  
Jari Mieskonen (Conor Venture Partners)  
Stephan Morais (Caixa Capital)  
Cem Sertoğlu (Earlybird Venture Capital)  
Ekaterina Smirnyagina (Capicor)  
Rainer Strohmenger (Wellington Partners)  
Jan Westerhuys (Robert Bosch Venture Capital) |
| **MID-MARKET PLATFORM COUNCIL** | Max Römer | John Barber (Bridgepoint)  
Rikke Bertel (Avedon Capital Partners)  
Christian Cottier (Astorg)  
Craig Donaldson (Hg Capital)  
Manuel Hertweck (capiton AG)  
Henry Jackson (OpCapita)  
Martin Köder (Baitcap)  
José María Muñoz (MCH Private Equity Investments)  
Juha Peltola (Vaaka Partners)  
Fabien Prévost (Omnis Capital)  
Christian Strain (Summit Partners)  
Nino Tronchetti (Provera Ambienta)  
William Watson (Value4Capital)  
Ralph Wyss (Gilde Buy Out Partners) |
| **LIMITED PARTNERS PLATFORM COUNCIL** | Helen Steers | George Anson (HarbourVest Partners)  
Anne Fossemalle (EBRD)  
Lori Hall-Kimm (Canada Pension Plan Investment Board)  
John Holloway (European Investment Fund)  
Marta Jankovic (APG Asset Management)  
Rune Jepsen (QIC)  
Jesse de Klerk (RobecoSAM Private Equity)  
Michael Lindaeur (Allianz Capital Partners)  
David Lindstrom (MetLife Investments)  
Christina Pamber (Alcyon Holding)  
Marc Roijakkers (Blue Sky Group)  
Klaus Bjorn Rühne (ATP Private Equity Partners)  
Claus Stenbaek (Keyhaven Capital Partners)  
Angela Willetts (Capital Dynamics) |
| **EUROPEAN PRIVATE EQUITY ROUNDTABLE/LARGE BUYOUT PLATFORM COUNCIL** | Rory Macmillan | Tom Allen (Advent International)  
Geoffrey Bailhache (Blackstone)  
Ludo Bammens (Kohlberg Kravis Roberts)  
Christopher Crozier (Permira Advisors)  
Therése Lennhag (EQT)  
Vanessa Maydon (Cinven)  
Gerry Murphy (Blackstone)  
Klas Tikkanen (Nordic Capital) |

Permanent Guests:

- **VENTURE CAPITAL PLATFORM COUNCIL**
  - Gitte Bedford (Robert Bosch Venture Capital)  
  - Alain Partheons (Vesalius BioCap)  
  - Jan-Gisbert Schultze (Acton Capital Partners)  

- **MID-MARKET PLATFORM COUNCIL**
  - Catherine Brossard (Cerberus Capital)  

- **LIMITED PARTNERS PLATFORM COUNCIL**
  - Gitte Bedford (Robert Bosch Venture Capital)  
  - Alain Partheons (Vesalius BioCap)  
  - Jan-Gisbert Schultze (Acton Capital Partners)  

- **EUROPEAN PRIVATE EQUITY ROUNDTABLE/LARGE BUYOUT PLATFORM COUNCIL**
  - Catherine Brossard (Cerberus Capital)
Each platform is supported by sub-groups which deal with specific industry sectors.

**MID-MARKET PLATFORM GROUPS**

Central and Eastern European Taskforce
This taskforce undertakes initiatives specifically aimed at the development and promotion of private equity and venture capital in the Central and Eastern Europe (CEE) region. Among its accomplishments is its annual Central and Eastern Europe private equity statistic report.

Chair Robert Manz, Enterprise Investors

**VENTURE CAPITAL PLATFORM GROUPS**

Digital Agenda Taskforce
This group promotes the digital media sector in Europe by highlighting compelling cases of successful investments and exits. It also strives to create networking opportunities for venture capitalists active in this sector.

Chair Nenad Marovac, DN Capital

Life Sciences Taskforce
This new group focuses on making a case for the European Life Sciences industry. Focusing on the economic impact of venture capital-backed companies, the taskforce also helps create networking opportunities for venture capitalists active in this sector.

Chair Francesco de Rubertis, Index Ventures
Governance structure continued

GOVERNANCE STRUCTURE

CROSS-PLATFORM GROUPS

<table>
<thead>
<tr>
<th>Roundtables</th>
<th>Professional Standards Committee</th>
<th>Public Affairs Executive</th>
<th>Tax, Legal and Regulatory Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Shapes industry guidelines and working practices</td>
<td>Public Affairs strategic decision making body</td>
<td>Supports public affairs and the PAE</td>
</tr>
</tbody>
</table>

PROFESSIONAL STANDARDS COMMITTEE (PSC)

The PSC ensures that Invest Europe is at the forefront of creating and maintaining strong professional conduct guidelines and working practices for the industry in Europe. It is also responsible for responsible investment topics.

**Chairman** Simon Powell Advent International

**Vice-Chair** Dan Kjerulf Danske Private Equity

**Members**
- Blaise Duault PAI Partners
- Hélène Fauchier CNP Assurances
- Daniel Gregor Allianz Capital Partners
- Neil Harding 3i Group
- David Lindstrom MetLife Investments
- Jonathan Martin KPMG
- Alain Parthoens Vesalius Biocapital Partners
- John Renkema APG Asset Management
- Max Römer Quadriga Capital
- William Watson Value4Capital
- Simon Witney Debevoise & Plimpton

ROUNDTABLES

Roundtables are cross-Platform initiatives which are open to members from all segments facilitating the exchange of information and ideas.

**Single Family Office (SFO) Roundtable**
The SFO Roundtable represents the interests of the SFO community within Invest Europe. It works to attract new SFO members and provides tailored training courses and networking opportunities.

**Chair** Christina Pamberg Alcyon Holding

**Corporate Venture Capital (CVC) Roundtable**
The CVC Roundtable gives a voice to the increasingly influential corporate venture capital community. Its membership includes leading companies who are active in Europe and it has strong ties with similar networks in other countries, such as the US National Venture Capital Association’s Corporate Venture Group.

**Chair** Jan Westerhues Robert Bosch Venture Capital

**Growth Capital Roundtable**
The Growth Capital Roundtable provides a platform for Invest Europe members that are growth capital investors. The Roundtable facilitates the discussion and sharing of best practices among its members and seeks to promote growth capital as an asset class to institutional investors.

**Chair** Christian Strain Summit Partners

**Responsible Investment Roundtable**
The Responsible Investment Roundtable aims to promote responsible investment practices and the consideration of ESG issues within the Invest Europe membership and broader private equity community.

**Chair** Blaise Duault PAI Partners

**Infrastructure Roundtable**
The Infrastructure Roundtable provides a forum for our infrastructure members to address the policy issues affecting their operations and to collect data on their investment activities to inform future communications.

**Chair** Alain Rauscher Antin Infrastructure Partners

**Turnaround Roundtable**
The Turnaround Roundtable aims to raise awareness of the role of these specialised investors and promote the asset class to institutional investors.

**Co-Chair** Henry Jackson OpCapita
**Co-Chair** Catherine Brossard Cerberus

PUBLIC AFFAIRS EXECUTIVE

The PAE is the decision making body political advocacy work of those EU files that have a direct impact on all market segments of the industry.

**Chairman** Gerry Murphy Blackstone
Invest Europe Chairman

**Members**
- Anne Glover Amadeus Capital Partners
  Representing Invest Europe Venture Capital Platform
- Caroline Crowley OpCapita
  Representing Invest Europe Mid-Market Platform
- Roderick Macmillan Carlyle
  Representing Invest Europe Large Buyout Platform
- Sebastian Ippisch Allianz Capital Partners
  Representing Invest Europe Limited Partners Platform
- Michael Collins
  Representing Invest Europe
- Tim Hames
  Representing the British Private Equity and Venture Capital Association (BVCA)
- Ulrike Hinrichs
  Representing the German Private Equity and Venture Capital Association (BVK)
- Paul Perpêre
  Representing Association Française des Investisseurs en Capital (AFIC)
- Phil Bartram
  Travers Smith
  Representing the Invest Europe Tax, Legal & Regulatory Committee

**Guests**
- Max Römer Quadriga Capital
  Invest Europe Past-Chairman
- Marta Jankovic APG Asset Management
  Invest Europe Chairman-Elect
- Patricia Volhard Debevoise & Plimpton
  Representing the Financial Services and Regulatory Working Group
- Kristiina Vassilova EstVCA (Estonian Private Equity and Venture Capital Association)
  Forthcoming Estonian Presidency of the Council of the EU
### TAX, LEGAL & REGULATORY COMMITTEE (TLRC)

The TLRC deals with tax, legal and regulatory matters affecting European private equity and venture capital. Cooperating closely with the national associations, the Committee provides information, expert evidence and advice to Invest Europe and its members, and guides Invest Europe’s wider public and regulatory affairs activities by supporting the PAE. It helps to craft and provide input for Invest Europe position papers, as well as responses to relevant EU level consultations with an impact on, or of relevance to, the industry.

<table>
<thead>
<tr>
<th>Chairman</th>
<th>Phil Bartram Travers Smith</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice-Chair</td>
<td>Gilles Dusemon Arendt &amp; Medernach</td>
</tr>
<tr>
<td>Platform</td>
<td>Hugo Lauque Ardan</td>
</tr>
<tr>
<td>Representatives</td>
<td>Jay Modrall Norton Rose Fulbright, Benedikt Sudbrock Acton Capital Partners</td>
</tr>
<tr>
<td>Regional</td>
<td>Ana Sofia Batista Abreu Advogados</td>
</tr>
<tr>
<td>Guests</td>
<td>Ashkan Karimi Antin Infrastructure Partners, Kristel Raidla-Talur Cobalt Estonia</td>
</tr>
</tbody>
</table>

### CROSS-PLATFORM GROUPS

<table>
<thead>
<tr>
<th>Roundtables</th>
<th>Professional Standards Committee</th>
<th>Public Affairs Executive</th>
<th>Tax, Legal and Regulatory Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Represent members of certain sub-segments of one or more platforms</td>
<td>Shapes industry guidelines and working practices</td>
<td>Public Affairs strategic decision making body</td>
<td>Supports public affairs and the PAE</td>
</tr>
</tbody>
</table>

### GOVERNANCE STRUCTURE

- **Roundtables**: Represent members of certain sub-segments of one or more platforms.
- **Professional Standards Committee**: Shapes industry guidelines and working practices.
- **Public Affairs Executive**: Public Affairs strategic decision making body.
- **Tax, Legal and Regulatory Committee**: Supports public affairs and the PAE.

### Notes
1. Composition as at 31 March 2017
SECTION 3

WHAT WE DO

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry excellence</td>
<td>16</td>
</tr>
<tr>
<td>Political advocacy</td>
<td>18</td>
</tr>
<tr>
<td>Communications</td>
<td>20</td>
</tr>
<tr>
<td>Data &amp; research</td>
<td>22</td>
</tr>
<tr>
<td>Events</td>
<td>24</td>
</tr>
</tbody>
</table>
Invest Europe continued to update and develop new industry standards in 2016, with measures including guidance for placement advisers and GP-tailored due diligence materials for environmental, social and governance (ESG) issues. Our focus on the promotion of high standards enables Invest Europe members to rightfully claim to be world leaders not only in private equity, but more broadly across the business world.

Following the publication in 2015 of our extensively revised and improved Handbook of Professional Standards, we concentrated this year on developing complementary guidance for placement advisers – a part of the Invest Europe membership that plays a vital role in promoting private equity funds to investors across Europe and globally. Already available as a separate document on the Invest Europe website, these guidelines, created and updated by placement agent members in collaboration with fund manager and investor representatives, will be incorporated into the next update of the Handbook, which is due to be published later this year.

This will be one of a number of updates to the Handbook, reflecting the emergence of new issues as the industry grows and innovates and the evolving priorities of policymakers and other stakeholders. This work is well-advanced and will prepare the industry for what we believe from our close dialogue with regulators will be future regulatory challenges. By reviewing and developing our own high standards now, we can influence the policy debate and either head off new regulation or help to shape its details. We also intend to enlarge and tailor our Investor Reporting Guidelines to better represent the requirements of investors and fund managers in relation to venture capital funds, as well as funds of funds.

ESG Due Diligence Questionnaire for GPs

ESG is a field in which private equity has become a global leader. As general partners implement operational changes at portfolio companies, ESG is a key area of focus which can drive enhanced company performance and investor returns.

Invest Europe has continued to support the industry with best practice standards over the past year. We created the ESG Due Diligence Questionnaire for GPs, designed to support them in their consideration of ESG factors during the investment process, particularly at the due diligence stage, as well as after completion.

A product of Invest Europe’s Responsible Investment Roundtable, the document helps managers ask the right questions of portfolio companies in order to understand ESG standards and risks, and develop and enhance existing ESG processes. Used in conjunction with the Professional Standards Handbook, it provides a toolkit for managers to ensure their best practice is aligned with that expected by investors.
In January 2017, we conducted a very successful webinar on the GP ESG DDQ, which attracted almost 100 participants and received numerous press references, enhancing Invest Europe’s reputation as a leader in this field while providing vital knowledge.

Training
Keeping pace with today’s rapidly changing private equity industry can be challenging for new entrants and seasoned industry professionals alike. Serving members to that end is central to Invest Europe’s Industry Excellence work.

Through Training we offer a unique range of courses and master classes based on active learning, with up-to-date, real-life case studies, delivered by leading industry practitioners and academics. These courses provide unparalleled industry insight, debate and networking opportunities and cover areas such as valuation, fundraising and investor relations, and finance and administration.

In our continued effort to create high-quality training programmes, we work on new ways to deliver knowledge by developing e-learning possibilities for members and ensuring that both the content and our methods remain relevant and innovative at all times.

HIGHLIGHTS 2016/17

| Publication of revised guidance for Placement Advisers |
| Creation of Due Diligence Questionnaire for GPs, with a particular focus on ESG |
| 11 training courses delivered |
| LP outreach programme to recruit new investors to Professional Standards Committee |

2017/18 PRIORITIES

| Publication of 2017 Professional Standards Handbook to reflect current market practice and expected focus issues for policymakers, in turn influencing debate and outcomes for the private equity industry |
| Revision of Investor Reporting Guidelines to include more detail for venture capital and fund of funds |
| Further develop the link between professional standards publications and training with targeted and relevant training programmes for members |
| Develop e-learning possibilities for members |
| Continue close liaison with Principles for Responsible Investment (PRI) and other bodies to ensure Invest Europe remains a leader in ESG and industry best practice |

1,500

Over 1,500 copies downloaded of ESG Due Diligence Questionnaire
Our long-running efforts to position private equity with policymakers as a vital source of funding in Europe bore great fruit in 2016. The European Commission’s announcement of a new €1.6bn venture capital fund of funds programme and its proposal to reform the European Venture Capital Funds (EuVECA) Regulation, were notable public affairs successes in 2016.

We made positive progress on many other policy fronts. The removal of cross-border barriers to fundraising has long been a priority for Invest Europe. At the beginning of the year, we received confirmation from the European markets regulator (ESMA) that the practice of imposing ‘host fees’ on fund managers marketing their funds outside their home jurisdiction has ended and that no Member State should now be charging such fees. This is a tangible benefit for managers, removing a source of cost that in some cases was a meaningful barrier to cross-border fundraising. Encouragingly the Commission has made a commitment to investigate and remove, where possible, other barriers to such cross-border capital flows.

Ensuring that investor legislation does not discourage investment into private equity through inappropriate risk weightings has been another area of focus and success. In 2016, the Commission lowered the risk weighting for infrastructure projects under Solvency II and is now looking actively to reduce the risk weightings for infrastructure corporates. Work has also started on the risk weightings for private equity more generally.

On the tax front, the work of the OECD on its BEPS (Base Erosion and Profit Shifting) project has continued to occupy us, and particularly the proposed reforms to double tax treaties. Our lobbying has had some impact and the OECD has now proposed standards that look like they would be workable for our industry. It has been a long process involving numerous formal consultations and plenty of informal contact with those involved. But the signs are now more encouraging.

All these achievements in our ‘business as usual’ agenda have come during a period of considerable political uncertainty following the result of the Brexit vote in June. We have been helping members to understand the potential impact of the UK’s exit from the EU through regular dialogue and publications. As Brexit negotiations advance over the next 12 months, we will be working to minimise the potential negative impacts through our discussions with policymakers in Brussels.

“Following long-running efforts to position our industry as a vital source of funding, there are positive signs that EU policymakers appreciate the benefits our industry can bring.”

Anna Lekston
Head of Public Affairs
HIGHLIGHTS 2016/17

- Creation of new €1.6bn venture capital fund of funds for Europe
- Changes to EuVECA regulation to increase size of qualifying company investment, opening the regime to a wider group of small and mid-sized fund managers
- Lower capital charges for infrastructure projects under Solvency II, and commitment to investigate risk weighting for infrastructure corporates
- End to Member States’ practice of imposing host fees on fund managers marketing their funds outside their home jurisdictions
- Commitment from the European Commission to investigate and remove further barriers to cross-border flows of capital in the EU
- Helpful developments in OECD work on BEPS Action 6 Preventing Treaty Abuse
- IPOs by smaller companies facilitated as a result of changes to the Prospectus framework

2017/18 PRIORITIES

- Preparation for AIFMD review, including new research projects and active engagement with EU institutions and Invest Europe members
- Minimise potential impact of Brexit on members by influencing policymakers and discussions in Brussels
- Ensure adoption of revised EuVECA regulation that will enable more members to benefit
- Collaborate with Commission and industry on more detailed plans for VC Fund of Funds
- Finalisation of the Solvency II risk calibration project, and continued dialogue with European policymakers to shape their thinking in this area and secure lower charges for insurers’ investments in private equity
- Ensure that the ongoing debate on macroprudential measures and systemic risk does not have negative or unintended consequences on private equity
- Monitor international and EU work on combating tax avoidance to ensure it does not undermine private capital investment

VENTURE CAPITAL SUCCESS

Company and investor access to European venture capital will be improved thanks to two initiatives in which Invest Europe was instrumental. In the second half of 2016, we secured the creation of a venture capital fund of funds programme for Europe. The new fund (or funds) will be seeded with up to €400m of capital from the EU budget and the European Investment Fund (EIF).

This capital should act as a catalyst to draw three times as much from institutional investors, resulting in up to €1.6bn of funds for the sector. The money raised will then flow into best-in-class venture capital funds across Europe, helping them to scale up and provide more essential investment in young companies and new ideas. The project is progressing well with a manager or managers expected to be appointed before the summer of 2017.

At around the same time, the Commission proposals to improve take up of the EuVECA regime should also be finalised, allowing funds investing into companies of up to 499 employees to become eligible for the EuVECA label. The regulatory change will mean that many fund managers, who currently cannot meet the EuVECA criteria (for example due to their investment strategies) but are too small to bear the costs of the AIFMD regime, will now be able to apply for the EuVECA passport. This, in turn, will enable them to market their funds to investors across the EU, and along with the VC Fund of Funds initiative, should help to scale-up the VC industry in Europe.

Invest Europe has long championed these initiatives and will continue to work with the Commission, VC fund managers and investors to ensure that these important measures are adopted.
Communications

Following our rebranding as Invest Europe in 2015, last year was an opportunity to really embed our new brand identity – and everything it stands for – with stakeholders globally. Our work across top-level press, digital, events and investor engagement (among other strategies) was hugely successful at elevating both the profile and influence of Invest Europe. Not only have we increased our share of voice, but we have also put more weight behind that voice.

In the past year, Invest Europe has commented authoritatively on a wider range of topics than before. After the UK’s Brexit vote last June, we were quick to put together a series of communications to inform our members and help them prepare for changes. We worked closely with our public affairs team to prepare and support the launch of a Brexit guide. As a result of our efforts and our well-connected position in Brussels, Invest Europe was a go-to commentator for leading international media on the topic and generated over 65 pieces of positive coverage.

This is just one way in which the Invest Europe brand opened up access to top-tier media outlets and helped position our association as a thought-leader and expert on a wide variety of topics across financial services, macroeconomics and European politics.

Our identity, supported by engagement with policymakers, has also opened doors in Brussels. Invest Week put Invest Europe centre stage in the politically important discussion about driving investment into European companies, and increased our influence with key policymakers in the European Commission, Council and Parliament.

While developing the reputation of private equity globally, we also focused on how we communicate internally and with investors. We reviewed member communications to deliver more tailored content to specific member groups and have diversified the channels we use. Invest Europe also produced a private equity guide for pension funds, which was distributed to over 30,000 pension fund managers, helping increase awareness of the benefits of investing in private equity and venture capital.

“The Invest Europe brand is now fully embedded, helping position Invest Europe as financial services thought-leader and commentator on a broader range of industry, financial services, macroeconomic topics and politics.”

Lynn Nicholson
Communications Director
HIGHLIGHTS 2016/17
Invest Europe’s positive industry narrative reached a potential audience of several hundred million through media.
Invest Week surpassed expectations for attendance and impact with policymakers, press and other stakeholders.
Continued our work to increase awareness and understanding of the value of private capital to Europe’s economy through publications including the Infrastructure briefing, social media, the website, blogs, presentations and case studies.
Social media activity ranked in the top 5% of European trade associations (source: Cambre Associates).

2017/18 PRIORITIES
Continue to improve how we communicate with members through more targeted communications and member section of the website.
Enhance promotion to global investors, including reports and media campaigns around Invest Europe activities.
Plan and deliver successor Invest Week programme in Brussels.

INVEST WEEK
Invest Europe’s week-long programme of events – Invest Week – took place at the end of November 2016 in Brussels. The initiative exceeded expectation in terms of reach and impact, and we are currently making preparations for a successor programme towards the end of this year.
Invest Week received a total of 825 delegates across 16 separate events, including 152 attendees from EU institutions, most notably Commission representatives, parliamentarians, as well as regulators and government officials. Topics of discussion included “The case for investing in Europe” and “The impact of policy and regulation on growing companies”, with Invest Europe’s chief executive and chairman, leading private equity figures, Commission vice-presidents Jyrki Katainen and Valdis Dombrovskis, as well as entrepreneurs speaking at the events.
The programme helped Invest Europe deepen relationships with key policymakers, and also brought our organisation closer to international bodies, such as the American Chamber of Commerce to the EU and the US Mission to the EU. 28 separate organisations held events under the Invest Week banner or became official supporters, lifting the profile of Invest Europe and European private equity far beyond Europe.

| 825 | Attendees across 16 events |
| 152 | Representatives of EU institutions attended and spoke |
| 180 | Investment sector related organisations participated |
| 23  | Journalists attended |
| 13  | Members of the European Parliament participated |
| 3   | European Commissioners |

The event also provided an opportunity to cement relations with leading political and financial press. A media dinner and numerous press releases provided enormous scope to engage with journalists and helped generate positive coverage for the event – and the industry – in The Economist, Politico and the Wall Street Journal among others.

David Rubenstein, the Carlyle Group, speaks at the European Parliament.
Jyrki Katainen, European Commission Vice President for Jobs, Growth and Investment speaking at Funding Europe Through the Economic Cycle Roundtable.
This was the year in which our efforts to create a single, authoritative source for European private equity data came together. The European Data Cooperative (EDC), created by Invest Europe in partnership with national venture capital associations across Europe, went live in 2016 – the culmination of six years of work.

The creation of this pan-European database has been the priority for the research team for almost a decade. All our members - GPs, LPs and service providers - need robust, accurate and comprehensive data about the industry, and its provision is a key part of Invest Europe’s mission. The significant investment that we have made to develop this new system means that we can continue to produce data that gives the clearest possible picture of the private equity and venture capital industries in Europe.

This data is an essential component of the wider services that we offer to members and to the wider industry. The ability of our public affairs team to influence EU policymakers depends heavily on the availability of robust data and in the last year alone we have drawn on it extensively to shape the European Commission’s thinking on the new pan-EU venture capital fund of funds and on its work on Capital Markets Union (CMU). Our communications team also uses the data on a daily basis to explain to journalists and to wider stakeholders the positive role that private equity plays in the European economy.

It’s also a vital tool for us in selling European private equity to global investors. In the last year it was the basis for Invest Europe’s sales pitch for the European industry to institutional investors in Japan, Korea and the United States and was at the core of the Pension Fund Guide to private equity that we circulated to nearly 30,000 executives in pension funds.

Our membership also benefits directly from access to the data we gather. Every month, Invest Europe handles at least 30 custom data and research requests from members. The inquiries may focus on regions, countries or specific segments of the private equity and venture capital industry. The information we provide enables them to understand the market in which they operate better, and communicate with existing and prospective investors more clearly.

In short, we are proud of Invest Europe’s data and research programme. It has helped to create better regulatory conditions, to attract investors into the asset class, to educate and inform stakeholders, and to ensure that industry professionals know what is going on in their market.
HIGHLIGHTS 2016/17

Launch of pan-European database with over **800 fund managers** entering data into system

Publication of **2016 Private Equity activity report**, using EDC data for first time

**Use of data** to support Public Affairs successes on EuVECA and venture capital fund of funds

Data presented at **Investors’ Forum** and **Invest Week**, enhancing key communications initiatives

**40 member data requests** handled per month, helping improve industry knowledge and investor engagement

---

**2017/18 PRIORITIES**

- Gather feedback and implement improvements to EDC user interface
- Develop performance and economic data collection processes with the new database
- Roll out further content on members’ research library - now over 100 articles and studies on the Invest Europe website

---

**Pan-European Database**

The EDC is the largest non-commercial database of private equity and venture capital industry statistics of its kind. The database is jointly-operated by Invest Europe alongside 15 national private equity and venture capital associations. As such, it is a truly collaborative effort that collects data from fund managers in 33 countries across Europe.

In 2016, over 800 fund managers active in Europe submitted information into the database for the first time. Having one single database for multiple associations and users has saved them effort and time through submitting fundraising, investment and divestment information just once. The data we extract will be more robust as it follows a standardised methodology that is more easily compared across European countries.

We have received positive feedback from members and will be reviewing and integrating their suggestions for further improvements to the user experience over the coming year. In addition to consolidating the introduction of the EDC, we will progress our medium-term aims for the database. We are exploring actively how to capture performance. In addition, we will research and analyse information at portfolio company level to help us capture economic impact data.

---

**88%**

*of the European Market covered* in terms of capital under management (base €600bn) by the 2016 annual survey

**1,200**

Activity of over 1,200 private equity firms tracked in 2016

**500**

Over 500 downloads per month of annual Private Equity Activity report

**40**

Custom data and research requests for members handled each month
Member services

“Our conferences, events and training courses offer targeted content and unparalleled networking opportunities to audiences around Europe.”

Marc Nahum
Membership Director

Reaching our members with targeted, relevant and high quality conferences, events and training courses is of central importance to Invest Europe. As the world’s largest private equity association, we aim to deliver an unparalleled programme that provides our membership with networking, market intelligence, as well as the latest information and guidance on industry standards.

I joined Invest Europe in January – in the middle of the year in review – with the task to deliver the high standard of events that our members expect, and to look for ways to serve our membership better. During the period, we attracted more participants to our major conferences, including a 20% increase in first-time attendees at the Investors’ Forum in Geneva. It, and indeed all our major conferences, the CFO Forum, VC Forum, and Investors’ Seminar Asia, achieved very high satisfaction ratings from participants in our post-conference surveys.

This satisfaction reflects our continued commitment to providing high-quality speakers from the industry and the wider world, a first class agenda and the right mix of people attending. We kept an equal balance between LPs and GPs at the Investors’ Forum making it a great place for professional encounters, with over a hundred one-on-one meetings booked via the event networking platform (and many more organised bilaterally). We also delivered a 3:1 ratio of private equity operations professionals to service providers at the CFO Forum.

Reaching and satisfying target audiences are not only measures of success for our conferences, but also help to ensure that we can continue to work on behalf of our membership. As a not-for-profit organisation, Invest Europe invests the money raised from attendance and sponsorship back into provision of services for our members - whether that be better conferences and events or other promotional work, the provision of data, promoting industry excellence or our public affairs activities.

We have also changed the way in which we market our conferences. There were fewer blanket emails and more direct member engagement with the right target groups. We hope to further drive delegate numbers over the coming year by mapping the European investor landscape better.

Our responsibility to serve our members in Europe sends us much further afield. At Investors’ Seminar Asia our member delegation reached 200 LPs from Japan and South Korea, helping lift the profile and increase understanding of European private equity. We are reviewing Asia outreach to ensure this important programme continues to deliver maximum value to members.

1,000
Nearly 1,000 delegates participated in key conferences

100%
satisfaction among attendees at Invest Europe conferences
Forging partnerships for better events

Over the past year, we have been working on better and more targeted events for our members by teaming up with national private equity associations across Europe, as well as fellow international organisations and education bodies.

Successful examples of standalone events included our Single Family Office Day immediately prior to the Investors’ Forum, for which we once again partnered with INSEAD, as well as our Corporate Venture Capital Summit following the Venture Capital Forum in Sweden. These one-day events are popular and continue to grow allowing us to address important segments of the European private equity industry with tailored content and networking opportunities.

In addition, we brought delegates at the Investors’ Forum new information and thought-provoking debate through partnerships with Principles for Responsible Investment (PRI), Institutional Limited Partners Association (ILPA) and Level 20. These events, within the larger conference setting demonstrate our influence with stakeholders globally, and help our members to forge mutually beneficial partnerships with like-minded associations, underlining Invest Europe’s reputation as a leader in industry standards and best practice globally.

<table>
<thead>
<tr>
<th>KEY EVENTS</th>
<th>10%</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total increase of delegates (2016 total: 950)</td>
<td>growth in sponsorship revenue</td>
</tr>
<tr>
<td>CFO Forum</td>
<td>2016 Munich: 100 delegates</td>
<td>2015 Brussels: 107 delegates</td>
</tr>
</tbody>
</table>
Member Services continued

**Member events**
Invest Europe member networking events are an essential way for members to meet each other, make important contacts and share views and information about the industry. They are also a crucial means for Invest Europe to get feedback, hear concerns and understand specific member needs in different countries and regions around Europe. Over the past 12 months, we have arranged 14 networking events in different cities across Europe.

Such industry gatherings are targeted and valuable to members. Invest Europe’s Chairman’s Dinner series of member events are an important date in the calendar for many of our members and provide a formal setting for senior private equity executives to meet. Those dinners have met with significant success and we continue to broaden their reach.

Our focus on partnerships extends to our member networking programme. By teaming up with national private equity associations in the countries we visit across Europe, we are able to gather high profile, locally-important attendees and ensure good networking opportunities for our members. Our partnership this year with Sweden’s national association (SVCA), for example, included an opening cocktail party and start-up site visits to coincide with the Venture Capital Forum. We will continue this approach throughout the year and seek to arrange other events with local partners.

**HIGHLIGHTS 2016/17**

*Exceeded previous years’ revenues* across all conferences (Investors’ Forum, Investors’ Seminar Asia, CFO Forum, VC Forum), including a 20% increase in sponsorship revenues

*20% increase* in member firms attending Investors’ Forum for first time and *6% rise* in attendees from non-member firms

*100% satisfaction level* from post-event surveys to conference delegates

*Implemented new outreach process* that relies less on mass emails and focuses on increasing customer engagement

*Formed partnerships* with national private equity associations and international bodies to deliver members networking events and tailored content at conferences

**2017/18 PRIORITIES**

*Increase the numbers of LPs attending the Investors’ Forum by reaching out to more international investors*

*Deepen partnerships with international bodies including ILPA and PRI, as well as national private equity associations, in order to better align initiatives and resources*

*Review Asian outreach programme aims and objectives to ensure value for members*

*Deliver programme of targeted and relevant networking events for members across Europe*
### MEMBER EVENTS

<table>
<thead>
<tr>
<th>Event</th>
<th>City</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman's Dinner</td>
<td>Riga</td>
<td>01/06/16</td>
</tr>
<tr>
<td></td>
<td>London</td>
<td>15/06/16</td>
</tr>
<tr>
<td></td>
<td>Milan</td>
<td>22/11/16</td>
</tr>
<tr>
<td></td>
<td>Paris</td>
<td>14/03/17</td>
</tr>
<tr>
<td></td>
<td>London</td>
<td>25/01/17</td>
</tr>
<tr>
<td></td>
<td>Amsterdam</td>
<td>02/05/17</td>
</tr>
<tr>
<td></td>
<td>Stockholm</td>
<td>11/05/17</td>
</tr>
<tr>
<td>VC After Work</td>
<td>Berlin</td>
<td>07/07/16</td>
</tr>
<tr>
<td></td>
<td>Barcelona</td>
<td>28/06/16</td>
</tr>
<tr>
<td></td>
<td>Amsterdam</td>
<td>07/06/16</td>
</tr>
<tr>
<td>Breakfast Briefings</td>
<td>Paris</td>
<td>23/06/16</td>
</tr>
<tr>
<td></td>
<td>Copenhagen</td>
<td>20/05/16</td>
</tr>
<tr>
<td></td>
<td>Milan</td>
<td>23/11/16</td>
</tr>
<tr>
<td>Next Generation</td>
<td>Paris</td>
<td>23/06/16</td>
</tr>
</tbody>
</table>

**9 Cities visited**
SECTION 4

FINANCIALS

<table>
<thead>
<tr>
<th>Financial report</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial statements</td>
<td>31</td>
</tr>
<tr>
<td>Auditor’s report</td>
<td>34</td>
</tr>
</tbody>
</table>
Financial report

Profit and Loss
Operating expenses were €6,723,373 in 2016, 1% more than 2015’s total of €6,689,542.

Operating revenues decreased by 2% to reach €7,171,650 in 2016, compared to €7,292,963 in 2015.

The 2016 net operating profit before exceptional results was €448,277. This was due, in part, to some projects being moved and transferred into the 2017 Budget.

Projects initiated in 2015 have been finalized in 2016 for a total cost of €147,298, below Budget 2016.

The 2016 net accounting profit was €300,979.

Balance Sheet
The balance sheet total was €4,849,464 as at December 31, 2016.

The cash position was €4,089,912 as at December 31, 2016 compared to €3,757,228 as at December 31, 2015.

Reserves increased from €3,350,775 to €3,651,754 due to net accounting profit.

Budget 2017
For 2017, Invest Europe proposes a balanced budget before exceptional projects.

A contingency of €514k has been set aside in case political and market conditions – including those emerging from the UK decision to leave the EU - lead to a drop in membership or other revenues.

As in previous years, the Board will closely monitor the financial situation throughout the year.

€5.5m
2016 Membership revenues

€1.3m
2016 Events and Sponsorship revenues
# Financial statements

## PROFIT AND LOSS (€)

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL 2016</th>
<th>BUDGET 2016</th>
<th>ACTUAL 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership</td>
<td>1</td>
<td>5,513,291</td>
<td>5,620,000</td>
</tr>
<tr>
<td>Events</td>
<td>2</td>
<td>1,251,034</td>
<td>1,233,515</td>
</tr>
<tr>
<td>Sponsoring</td>
<td>2</td>
<td>257,000</td>
<td>260,000</td>
</tr>
<tr>
<td>Service fees</td>
<td></td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Bank interest and miscellaneous</td>
<td></td>
<td>17,320</td>
<td>15,000</td>
</tr>
<tr>
<td>Other revenue</td>
<td></td>
<td>73,004</td>
<td>51,500</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td></td>
<td><strong>7,171,650</strong></td>
<td><strong>7,240,015</strong></td>
</tr>
<tr>
<td>Personnel costs</td>
<td>3</td>
<td>2,984,597</td>
<td>3,261,000</td>
</tr>
<tr>
<td>Professional services</td>
<td></td>
<td>1,586,129</td>
<td>1,713,340</td>
</tr>
<tr>
<td>Housing costs</td>
<td></td>
<td>281,025</td>
<td>285,824</td>
</tr>
<tr>
<td>Accommodation events</td>
<td></td>
<td>400,069</td>
<td>368,855</td>
</tr>
<tr>
<td>Travel and representation</td>
<td></td>
<td>501,588</td>
<td>604,970</td>
</tr>
<tr>
<td>Communications</td>
<td></td>
<td>59,700</td>
<td>83,875</td>
</tr>
<tr>
<td>Printing and audio-visuals</td>
<td></td>
<td>165,755</td>
<td>178,980</td>
</tr>
<tr>
<td>Various office costs</td>
<td></td>
<td>490,232</td>
<td>446,631</td>
</tr>
<tr>
<td>Finance costs</td>
<td></td>
<td>28,220</td>
<td>22,200</td>
</tr>
<tr>
<td>Provision for doubtful debtors</td>
<td></td>
<td>150,000</td>
<td>155,000</td>
</tr>
<tr>
<td>Provisions/other costs</td>
<td></td>
<td>76,058</td>
<td>119,340</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td></td>
<td><strong>6,723,373</strong></td>
<td><strong>7,240,015</strong></td>
</tr>
<tr>
<td><strong>NET OPERATING RESULTS</strong></td>
<td></td>
<td><strong>448,277</strong></td>
<td><strong>0</strong></td>
</tr>
<tr>
<td>Projects from previous year completed in current year</td>
<td>147,298</td>
<td>230,000</td>
<td>112,322</td>
</tr>
<tr>
<td>Long term investment - European database project</td>
<td>0</td>
<td>0</td>
<td>122,500</td>
</tr>
<tr>
<td>Long term investment - Brand project</td>
<td>0</td>
<td>0</td>
<td>324,221</td>
</tr>
<tr>
<td>Long term investment - IPO index</td>
<td>0</td>
<td>0</td>
<td>28,200</td>
</tr>
<tr>
<td><strong>Total exceptional expenses</strong></td>
<td></td>
<td><strong>147,298</strong></td>
<td><strong>230,000</strong></td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td></td>
<td><strong>300,979</strong></td>
<td><strong>-230,000</strong></td>
</tr>
</tbody>
</table>

### Notes

1. Level of membership slightly below expectations
2. Events registrations and sponsoring aligned with expectations
3. Personnel costs below Budget given CEO succession
## Financial statements continued

### PROFIT AND LOSS (€)

<table>
<thead>
<tr>
<th></th>
<th>BUDGET 2017</th>
<th>ACTUAL 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership incl. contingency</td>
<td>4,916,000</td>
<td>5,513,291</td>
</tr>
<tr>
<td>Events</td>
<td>1,221,830</td>
<td>1,251,034</td>
</tr>
<tr>
<td>Sponsoring</td>
<td>312,000</td>
<td>257,000</td>
</tr>
<tr>
<td>Service fees</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Bank interest and miscellaneous</td>
<td>10,000</td>
<td>17,320</td>
</tr>
<tr>
<td>Other revenue</td>
<td>35,000</td>
<td>73,004</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>6,554,830</strong></td>
<td><strong>7,171,650</strong></td>
</tr>
<tr>
<td>Personnel costs</td>
<td>3,013,000</td>
<td>2,984,597</td>
</tr>
<tr>
<td>Professional services</td>
<td>1,578,210</td>
<td>1,586,129</td>
</tr>
<tr>
<td>Housing costs</td>
<td>283,000</td>
<td>281,025</td>
</tr>
<tr>
<td>Accommodation events</td>
<td>431,600</td>
<td>400,069</td>
</tr>
<tr>
<td>Travel and representation</td>
<td>451,080</td>
<td>501,588</td>
</tr>
<tr>
<td>Communications</td>
<td>57,960</td>
<td>59,700</td>
</tr>
<tr>
<td>Printing and audio-visuals</td>
<td>131,750</td>
<td>165,755</td>
</tr>
<tr>
<td>Various office costs</td>
<td>308,630</td>
<td>490,232</td>
</tr>
<tr>
<td>Finance costs</td>
<td>20,000</td>
<td>28,220</td>
</tr>
<tr>
<td>Provision for doubtful debtors</td>
<td>155,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Provisions/other costs</td>
<td>124,600</td>
<td>76,058</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>6,554,830</strong></td>
<td><strong>6,723,373</strong></td>
</tr>
</tbody>
</table>

#### NET OPERATING RESULTS

- **0**       | **448,277**

Projects from previous year completed in current year

- 135,000     | 147,298

### Notes

1. Membership fees include a contingency for the amount of 514K€ to cover for potential economic or political downturn
2. Various office costs included (i.) in 2016 a one-off IT project and (ii.) in 2017 savings given membership contingency
### Assets (€)

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2016</th>
<th>31 Dec 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost, less depreciation</td>
<td>37,294</td>
<td>7,942</td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares in EDC GmbH (33%)</td>
<td>8,329</td>
<td>8,329</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>1</td>
<td>126,539</td>
</tr>
<tr>
<td>Deposits and prepayments</td>
<td>8,481</td>
<td>8,481</td>
</tr>
<tr>
<td>VAT</td>
<td>46,084</td>
<td>58,837</td>
</tr>
<tr>
<td>Deferred charges</td>
<td>522,375</td>
<td>473,767</td>
</tr>
<tr>
<td>Accrued income</td>
<td>10,450</td>
<td>17,191</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>4,089,912</td>
<td>3,757,228</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,803,841</td>
<td>4,594,147</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,849,464</td>
<td>4,610,418</td>
</tr>
</tbody>
</table>

### Liabilities (€)

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2016</th>
<th>31 Dec 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>3,350,775</td>
<td>3,334,597</td>
</tr>
<tr>
<td>Attribution of profit (+)/loss (-)</td>
<td>300,979</td>
<td>16,178</td>
</tr>
<tr>
<td>Closing balance</td>
<td>3,651,754</td>
<td>3,350,775</td>
</tr>
<tr>
<td><strong>Provisions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7,250</td>
<td>6,372</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>471,419</td>
<td>420,575</td>
</tr>
<tr>
<td>VAT</td>
<td>17,338</td>
<td>15,879</td>
</tr>
<tr>
<td>Payroll accruals</td>
<td>2</td>
<td>370,062</td>
</tr>
<tr>
<td>Deferred income</td>
<td>1 &amp; 3</td>
<td>315,640</td>
</tr>
<tr>
<td>Capital contribution to leasehold improvement</td>
<td>4</td>
<td>16,000</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>1,190,460</td>
<td>1,253,271</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,849,464</td>
<td>4,610,418</td>
</tr>
</tbody>
</table>

**Notes**
1. Receivables primarily include the billing of sponsorship and registrations for the Investors Forum 2017.
2. The accrual is below last year’s explained by reduction in team numbers at year end vs. 2015.
4. Landlord capital contribution for the amount of 36K€ related to the office move and amortised on the period of the lease (9 years) since 2012.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fixed assets
Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of assets using the straight line method.

Cash or cash equivalent
Cash and cash equivalent are carried at nominal value.

Receivables
Receivables are carried at nominal value. Provisions are made for all receivables during the year if no explicit confirmation or certainty about payment is available.

Provisions
Provisions are recognised for probable obligations when a reliable estimate of the amount can be made.

Liabilities
Trade payables and payroll liabilities are carried at nominal value.

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. With respect to the rendering of services, revenue is recognised by reference to the stage of completion.

AUDITOR'S REPORT

To the members
We have audited the accompanying financial statements of Invest Europe AISBL/IVZW, which comprise the balance sheet as at 31 December 2016 and the income statement for the year then ended, and a summary of accounting policies and other explanatory information. The financial statements have been prepared by the board of directors in accordance with the recognition and measurement principles applicable in Belgium and the accounting policies presented in the notes.

Board of directors' responsibility for the preparation of the financial statements
The board of directors is responsible for the preparation of these financial statements in accordance with the recognition and measurement principles applicable in Belgium and the accounting policies presented in the notes, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion
In our opinion, the financial statements of Invest Europe AISBL/IVZW are prepared, in all material aspects, in accordance with the recognition and measurement principles applicable in Belgium and the accounting policies presented in the notes.

Basis for accounting
Without modifying our opinion, we draw the attention to the recognition and measurement principles applicable in Belgium and the accounting policies presented in the notes, which describe the basis for accounting. The financial statements are prepared within the framework of the annual report 2016/2017 of Invest Europe AISBL/IVZW. As a result, the financial statements may not be suitable for another purpose.

Zaventem, 27 April 2017

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV a.v.v.e. CVBA / SC s.r.l. SCRL
Represented by Pierre-Hugues Gonneley