

From Garry Wilson

## WELCOME

As we go to press European airspace is paralysed by an Icelandic volcanic eruption, Nick Clegg is touted as the most popular political party leader since Churchill, prompting fears of a hung parliament in the upcoming election, and most fear a double dip recession. It would appear that a 'wedge' of black swans are circling the UK. Yet Corporate UK seems to be doing very well, thank you very much, with failure rates, profit warnings and corporate earnings all turning out better than feared. That reflects our experience here at Endless - a portfolio in rude health, deal flow of much better quality than expected and a strong demand from acquirers to buy the companies in our portfolio that have been fixed. However we remain on guard at what is one of the most uncertain times in recent UK economic history.

In this issue of Oxygen we comment on one of our recent acquisitions - the 180 year old schoolwear business Trutex, a brand most people associate with memories of their first school uniform. Endless' recent acquisition is starting 'senior school' this year as we seek to take the business to the next level.

On the portfolio side you can read about the improving fortunes of Crown Paints and a fantastic achievement for Amco in the recent Sunday Times Buyout Track (4th nationwide no less). You can also read about the successful turnarounds and exits of DavyMarkham and Excelsyn which were both recently sold to overseas buyers - an increasing trend given sterling's recent weakness.

Indra Valeinis and Lucia Villamor here at Endless have written a piece on the role of women in business and on how a different approach than a Size 9 can bring results in turnaround and also Nick Leitch in Birmingham gives the Endless Market Outlook. Anyone trying to understand how Private Equity works might also find Darren Forshaw's piece on our recent investor conference interesting, as twelve investors gathered from around the world for an update on Endless Fund II which is producing market leading returns.

Finally, on a more light hearted note, check out why Endless are urging you all to Vote Clegg and read about the Buzzwords for 2010 including Covenant Mulligan and Inchpebble.

Hope you enjoy.

**Garry Wilson**  
*Managing Partner, Endless LLP*



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