



3i Group plc – Interim Management Statement

6 July 2011

3i Group plc (“3i”), an international investor in private equity, infrastructure and debt management, today issues its Interim Management Statement in accordance with FSA Disclosure and Transparency Rule 4.3. This statement relates to the three month period from 1 April 2011 to 30 June 2011.

Michael Queen, 3i’s Chief Executive, said:

“We have made a good start to the year with a significant increase in the level of investment during the period. These new investments and a strong pipeline combined with our confidence in the portfolio, provide a positive outlook for the business.”

1. Investment and Realisations

Investment in the three month period was £233 million (2010: £105 million). This included £158 million of new investments, £36 million of further investment with the balance being capitalised interest. New investments included £112 million in Hilite, £17 million into GO Outdoors and £13 million into World Freight Company International. Infrastructure investment of £33 million relates to the conversion of 3i Infrastructure plc warrants, awarded at the company’s Initial Public Offering in 2007.

Investment for the quarter by business line was as follows:

Investment £m	3 months ended	3 months ended
	30 June	30 June
	2011	2010
Private Equity		
Buyouts	137	90
Growth Capital	63	4
Infrastructure	33	-
Debt Management	-	11
Non-core activities	-	-
Total	233	105

Total investment does not include the expected investment in Action, a leading retailer in the Netherlands.

Realisation proceeds were £337 million (2010: £79 million), the largest of which were the sales of Hyva (£180 million), Norma (£74 million) and RBG (£46 million).

Realisation proceeds by business line were as follows:

Realisations £m	3 months ended	
	30 June	30 June
	2011	2010
Private Equity		
Buyouts	310	1
Growth Capital	22	46
Infrastructure	-	-
Debt Management	-	13
Non-core activities	5	19
Total	337	79

Total proceeds do not include the expected sales proceeds from the sale of Ålö and KemFine, which together will be around £175 million.

2. China RMB allocation

Building on a strong track record in China, 3i has been chosen to participate in a Pilot Programme by the Shanghai government allowing 3i to freely convert up to \$100 million into renminbi to make investments in China without the need for any exchange control approvals.

3. Cash flow and Balance sheet

The Group had cash, cash deposits and undrawn committed facilities of £1,910 million at 30 June 2011 (31 March 2011: £1,846 million). Net debt decreased from its year end level of £522 million to £471 million, recognising the net inflows from investments and realisations, together with other operating expenses.

On 30 June, 3i successfully replaced its current £300 million October 2012 facility with a new £450 million multi currency revolving credit facility. The banking group has been extended and the facility will mature in June 2016.

Ends

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This statement aims to give an indication of material events and transactions that have taken place during the period from 1 April 2011 to 30 June 2011 and their impact on the financial position of 3i Group plc. These indications reflect the Board's current view. They are subject to a number of risks and uncertainties and could change. Factors which could cause or contribute to such differences include, but are not limited to, general economic and market conditions and specific factors affecting the financial prospects or performance of individual investments within 3i's portfolio.