15 May 2025

3i Group plc announces results for the year to 31 March 2025

A year of consistently strong growth

- **Total return of £5,049 million or 25%** on opening shareholders' funds (2024: £3,839 million, 23%) and **NAV per share of 2,542 pence** (31 March 2024: 2,085 pence). This includes a 27 pence per share loss on foreign exchange translation.
- **Our Private Equity business delivered a gross investment return ("GIR") of £5,113 million or 26%** (2024: £4,059 million, 25%). This result was driven primarily by Action's continued strong performance in FY2025. Royal Sanders, our other longer-term hold investment, also produced a very strong return, driven by organic and acquisitive growth. We saw good growth across several of our other consumer and private label, industrial and healthcare portfolio companies. Trading in our services and software portfolio has been resilient, despite a cautious IT spending environment. Market-specific challenges continue to impact a small number of portfolio companies.
- **Action generated a GIR of £4,551 million, or 32%, on its opening value**. It delivered annual revenue growth of 22%, like-for-like ("LFL") sales growth of 10.3% and EBITDA growth of 29% in 2024. The business has started 2025 well, with net sales of €3,521 million (first three periods of 2024: €3,004 million), operating EBITDA of €464 million (first three periods of 2024: €397 million) and LFL sales growth of 6.2% in the first three periods of 2025 (P3 2025 which ended on 30 March 2025). The LTM run-rate EBITDA to P3 2025, totalled €2,328 million (LTM run-rate EBITDA to 31 March 2024: €1,848 million), representing a 26% increase on the same period last year. This strong performance supported value growth of **£4,324 million** for Action in the year, in addition to realised proceeds and dividend distributions to 3i of **£1,597 million**.
- At the end of week 19 (11 May 2025), Action's year-to-date LFL sales growth was 6.8% and 76 new stores had been added. At that date, Action's cash balance was €427 million.
- The **Private Equity** team **invested £1,177 million** in the year, including £768 million in a further stake in Action, £318 million in new investments in Constellation, WaterWipes and OMS Prüfservice, £39 million in a further investment in Royal Sanders and £54 million in the further development of ten23 health. Our Private Equity portfolio companies completed 12 bolt-on acquisitions, only one of which required further funding from 3i.
- The **Private Equity** team generated **£659 million** of realised proceeds from the realisations of nexeye and WP, both generating money multiples of 2.0x or higher.
- **Our Infrastructure business generated a GIR of £52 million, or 3%** (2024: £99 million, 7%). This performance was driven principally by a good level of dividend and interest income alongside value growth from our infrastructure funds, which more than offset subdued share price performance from our 29% stake in 3i Infrastructure plc ("3iN").
- In total across the Group, we received **£2.4 billion** of cash proceeds from the portfolio. We ended the year with liquidity of £1,323 million, net debt of £771 million and gearing of 3%.
- **Total dividend of 73.0 pence per share** for FY2025, with a second FY2025 dividend of 42.5 pence per share to be paid in July 2025 subject to shareholder approval.

Simon Borrows, 3i's Chief Executive, commented:
"FY2025 was another successful year for 3i, continuing our track record of consistently delivering strong shareholder returns, against what remains a challenging macro-economic and geopolitical backdrop.

Our FY2025 result was underpinned by the powerful compounding growth from our long-term hold assets Action and Royal Sanders, and by the performance of several other larger portfolio companies. This reinforces our conviction in allocating additional capital to our best performing assets. We remain confident in our ability to compound growth across the portfolio in the years to come."

Financial highlights

	Year to/as at 31 March 2025	Year to/as at 31 March 2024
Group		
Total return	**£5,049m**	£3,839m
Operating expenses	**£(150)m**	£(147)m
Operating cash profit	**£469m**	£467m

Realised proceeds	**£1,837m**	£888m
Gross investment return	**£5,211m**	£4,168m
– As a percentage of opening 3i portfolio value	**24 %**	23 %
Cash investment	**£1,182m**	£593m
3i portfolio value	**£25,579m**	£21,636m
Gross debt	**£(1,194)m**	£(1,202)m
Net debt	**£(771)m**	£(806)m
Gearing[1]	**3 %**	4 %
Liquidity	**£1,323m**	£1,296m
Net asset value	**£24,611m**	£20,170m
Diluted net asset value per ordinary share	**2,542p**	2,085p
Total dividend per share	**73.0p**	61.0p

1 Gearing is net debt as a percentage of net assets.

ENDS

For further information, please contact:

Silvia Santoro	
Group Investor Relations Director	Tel: 020 7975 3258
Kathryn van der Kroft	Tel: 020 7975 3021
Communications Director	

For further information regarding the announcement of 3i's annual results to 31 March 2025, including a live webcast of the results presentation at 10.00am, please visit www.3i.com.

Notes to editors

3i is a leading international investment manager focused on mid-market Private Equity and Infrastructure. Our core investment markets are Europe and North America. For further information, please visit: www.3i.com.

Notes to the announcement of the results

Note 1

All of the financial data in this announcement is taken from the Investment basis financial statements. The statutory accounts are prepared under IFRS for the year to 31 March 2025 and have not yet been delivered to the Registrar of Companies. The statutory accounts for the year to 31 March 2024 have been delivered to the Registrar of Companies. The auditor's reports on the statutory accounts for these years are unqualified and do not contain any matters to which the auditor drew attention by way of emphasis or any statements under section 498(2) or (3) of the Companies Act 2006. This announcement does not constitute statutory accounts.

Note 2

Copies of the Annual report and accounts 2025 will be posted to shareholders on or soon after Wednesday 28 May 2025.

Note 3

This announcement may contain statements about the future including certain statements about the future outlook for 3i Group plc and its subsidiaries ("3i"). These are not guarantees of future performance and will not be updated. Although we believe our expectations are based on reasonable assumptions, any statements about the future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

Note 4

Subject to shareholder approval, the proposed second dividend is expected to be paid on Friday 25 July 2025 to holders of ordinary shares on the register on Friday 20 June 2025. The ex-dividend date will be Thursday 19 June 2025.

Chair's statement

"I am pleased to report that 3i delivered another strong set of results in the financial year to 31 March 2025, consistent with our excellent track record of growth since the restructuring in 2012."

FY2025 marks another strong year for 3i and is our fifth consecutive year of annual returns exceeding 20%. This sustained performance highlights our ability to generate consistent, long-term compounding growth, while continuing to enhance our dividend, despite ongoing macro-economic challenges and geopolitical uncertainties.

Performance

In our financial year to 31 March 2025 ("FY2025"), the Group generated a total return of £5,049 million (2024: £3,839 million) or 25% (2024: 23%) on opening shareholders' funds. Net asset value ("NAV") increased to 2,542 pence per share (31 March 2024: 2,085 pence per share).

Action remained on its impressive growth trajectory and was the primary driver of the Group's performance in FY2025. Royal Sanders, another long-term hold asset, also performed strongly, alongside a number of our other larger assets in the broader portfolio, more than offsetting weaker trading for an isolated number of companies with specific end-market challenges. We also saw a step up in our transaction activity across our portfolio, with a number of new investments and strong realisations, against what remains a difficult environment across the private market.

Market environment

The global economic environment remained difficult for most of our financial year, shaped by ongoing geopolitical tensions and subdued growth across most major economies. Against this backdrop, consumer sentiment remains cautious, with affordability still a key driver of spending behaviour. Our value-for-money and private label businesses maintained a strong focus on the customer and all performed well during FY2025. Action delivered another year of sector-leading results across its key performance indicators and continued momentum in its European store roll-out. We once again took the opportunity to increase our stake in Action in FY2025. Across the broader portfolio we saw good performance from a number of our larger assets across the healthcare, industrial and infrastructure sectors.

The global M&A market experienced an improvement in our financial year, as inflation and interest rates stabilised. While transaction activity increased across most sectors, investor sentiment remained cautious reflecting geopolitical uncertainties. We maintained a highly selective and cautious approach to capital deployment and realisations in the year. Our activity centred on strategic reinvestments within our portfolio, new investments in sectors we know well and targeted bolt-on acquisitions for several of our existing portfolio companies. We also completed three realisations across our portfolios at or beyond a money multiple of 2x.

Dividend

Our policy is to maintain or grow the dividend year on year, subject to the strength of our balance sheet and the outlook for investments and realisations. Cash generation remains strong, with cash inflows of £2.4 billion from our portfolio companies in FY2025.

In line with our policy and in recognition of the Group's financial performance, the Board recommends a second FY2025 dividend of 42.5 pence (2024: 34.5 pence), subject to shareholder approval, which will take the total dividend to 73.0 pence (2024: 61.0 pence).

Based on the recommended dividend and the expected payment in July 2025, we will have paid a total of £4.6 billion to shareholders in dividends since our restructuring was announced in June 2012, growing our total dividend by a compound annual growth rate of 18% over this period.

Board and people

We were pleased to welcome Hemant Patel to the Board on 3 February 2025 as an additional non-executive Director. He is the Chief Financial Officer of Whitbread plc and brings deep and highly relevant financial and commercial experience from his different roles in retail and consumer businesses.

Sustainability

We were pleased to announce in May 2024 that our near-term science-based emissions reduction targets ("science-based targets") had been validated by the Science Based Targets initiative ("SBTi") in March 2024. These targets cover our direct greenhouse gas ("GHG") emissions (Scope 1 and 2, market-based), as well as those related to our portfolio. We have made significant progress in relation to our portfolio engagement target, with seven portfolio companies across 3i Group and 3i Infrastructure plc ("3iN") having set approved science-based targets as at 31 March 2025, including most notably Action.

Outlook

We enter FY2026 with a carefully constructed portfolio that is underpinned by two very strong long-term hold assets that are delivering consistent compounding growth and a broader portfolio that is operating in sectors that have proven their resilience through many periods of market disruption.

Whilst we expect the ongoing market uncertainty to disrupt transactions across the wider private market, we will continue to be disciplined in our approach to new investment and realisations under these conditions in FY2026.

David Hutchison
Chair
14 May 2025

Chief Executive's statement

"In FY2025, we generated a total return on shareholders' funds of £5,049 million, or 25%, ending the year with a NAV per share of 2,542 pence. This is the fifth consecutive year we have delivered a total return over 20%; over this same period, our average annual total return was 30%."

FY2025 was another successful year for 3i, continuing our track record of consistently delivering strong shareholder returns, against what remains a challenging macro-economic and geopolitical backdrop.

Our FY2025 result was underpinned by the powerful compounding growth from our long-term hold assets Action and Royal Sanders, and by the performance of several other larger portfolio companies. This reinforces our conviction in allocating additional capital to our best performing assets.

Amid some improvement in private market transaction activity, we maintained a highly selective and disciplined investment approach, strategically deploying capital into several existing and new portfolio companies. We also executed a number of strong realisations across Private Equity and Infrastructure, which met or exceeded our target money multiple return of 2x.

Action continued to be the main driver of the Group's overall financial performance in FY2025, underpinned by another excellent year of earnings growth, substantial cash generation and strategic expansion. This result was particularly impressive, as the business operated against a backdrop of muted economic growth across many of its markets. As a result of this strong performance Action undertook another refinancing and pro-rata buyback exercise, returning significant proceeds to 3i. 3i, in turn, recycled a portion of these proceeds into further Action equity. Additionally, we completed the final payment of the associated carried interest liability, ensuring that the full economic benefit of Action's performance is now passed through to shareholders with no dilution. Royal Sanders, our other long-term hold asset, continued its impressive trajectory of organic growth, coupled with further value-accretive bolt-on acquisitions.

Our proprietary capital model and disciplined balance sheet strategy offer a distinct competitive advantage in navigating an increasingly complex macro-economic and geopolitical landscape. We have remained extremely disciplined in capital deployment, completing three new Private Equity investments in sectors that we know well. We also continued our focus on deploying capital into some of our most successful portfolio companies. Our Private Equity portfolio companies remained acquisitive, completing 12 bolt-on acquisitions.

In Infrastructure, 3iN completed a strong realisation at a money multiple of 3.6x, two sizeable refinancings and further investments across two portfolio companies, whilst our North American Infrastructure Fund ("NAIF") completed three bolt-on acquisitions through existing portfolio companies.

We generated total realised proceeds and portfolio income of £2.4 billion across our portfolios in FY2025, including £1.6 billion of total refinancing and dividend proceeds from Action and two strong Private Equity realisations, both at sterling money multiples of 2x or greater.

Private Equity performance

In the year to 31 March 2025, our Private Equity portfolio, including Action, generated a GIR of £5,113 million, or 26% on opening value (2024: £4,059 million or 25%). In the last 12 months ("LTM") to the end of 31 December 2024, 97% of our portfolio companies by value grew earnings.

Long-term hold portfolio companies

Action

Action generated a GIR of £4,551 million, or 32%, on its opening value.

Action, Europe's fastest-growing non-food discount retailer and our largest portfolio company, delivered strong growth in 2024, underpinned by its customer-centric value-for-money proposition. Action's commitment to consistently share the benefits of scale with customers, through highly competitive pricing and a dynamic and flexible product assortment, enabled the business to reduce prices across 2,000 products in 2024. As a result, Action maintained, and in a number of markets increased, its price advantage over its competitors in 2024.

In the 12 months to 29 December 2024, Action generated net sales of €13,781 million (2023: €11,324 million) 22% ahead of 2023, and like-for-like ("LFL") sales growth of 10.3% (2023: 16.7%). Transaction volumes accounted for 102% of the LFL sales growth over the year as the business benefitted from new customer gains and more frequent visits from existing customers. Operating EBITDA was €2,076 million (2023: €1,615 million) in 2024, 29% ahead of 2023. Action's improved EBITDA margin of 15.1%, compared to 14.3% in the previous year, reflects scale benefits and its continuous focus on cost control.

Action added 352 new stores in 2024, another store opening record, taking its total store footprint to 2,918 at 29 December 2024. The largest contributions to store growth in the year were from some of Action's more recent expansion markets, such as Italy and Spain, which added 65 and 40 new stores respectively, whilst Action's newest country, Portugal, opened a further 10 stores. Importantly, the payback period for new stores remains materially below one year. Action's estimate of additional white space potential, in existing and identified in-scope countries, increased to c.4,850 stores, including Switzerland, where the first store opened in April 2025.

In the first three periods of 2025 (P3 2025 ending 30 March 2025), Action added a further 49 new stores, meaning the business had 2,967 stores across 12 countries at that date.

To support its vast and growing store network, Action continues to invest in its IT infrastructure, systems and distribution channels. In 2024, the business opened two new distribution centres ("DCs") in Illescas, Spain and Altedo, Italy, increasing its DC network to 15 across Europe, with a further three new DCs planned for 2025. Action also invested in a new enterprise resource planning ("ERP") system, which was successfully implemented at the end of 2024. The implementation had a minor impact on store availability in the first quarter of 2025 and the issues were resolved by March 2025.

Action continues to make good progress in delivering its sustainability programme, which is focused on the four pillars of people, planet, product and partnerships. It created over 10,000 jobs in 2024, and continues to invest in its people. It delivered a 51% reduction of CO_2 emissions from its own operations (Scope 1 and 2) against 2021 and 90% of its electricity is now sourced from renewables. The business continues to improve its product circularity and expand its community partnerships. For further details on Action's sustainability progress, see the Sustainability section of our Annual report and accounts 2025.

Action continued to optimise its debt profile throughout the year. In July 2024, it successfully completed a refinancing event with proceeds used for a capital restructuring. The company raised €2.1 billion equivalent of incremental term debt, comprising a US$1.5 billion term loan and a €700 million term loan. At the same time, it undertook a pro-rata share redemption, returning £1,164 million in gross proceeds to 3i. Alongside some existing LPs in the 3i 2020 Co-Investment Programme, 3i took the opportunity to increase its ownership in Action. Including a subsequent small purchase of an LP stake, 3i reinvested £768 million into Action, increasing its gross equity stake from 54.8% to 57.9%.

In November 2024 and March 2025, Action completed leverage-neutral amend-and-extend and repricing transactions across all €6.6 billion of its senior-term debt facilities. This extended maturities on €2,545 million of Action's term debt and delivered approximately €33 million in recurring annual interest cost savings.

Action's conversion of EBITDA to free cash flow remains strong, with cash conversion of 81% in 2024. The business made two dividend distributions to all shareholders in December 2024 and March 2025, returning £433 million to 3i. In total, 3i received over £1.6 billion in cash from Action in FY2025. After paying the dividends, Action had a cash balance of €347 million as of 30 March 2025 and a net debt-to-run-rate earnings ratio of 2.7x.

At 31 March 2025, we valued our 57.9% stake in Action at £17,831 million. This valuation reflects the continued strong growth in Action's LTM run-rate EBITDA, its low leverage and an unchanged LTM run-rate EBITDA valuation multiple of 18.5x, net of the liquidity discount. Further detail on the Action run-rate EBITDA methodology can be found in the Private Equity business review in our Annual report and accounts 2025. We benchmark our long-term, through-the-cycle view on Action's multiple against a broad peer group of discounters, with a higher weighting towards the top quartile subset of North American value-for-money retailers, noting that Action's operating KPIs continue to be better than those of its peer group.

In the first three periods of 2025, Action delivered net sales of €3,521 million and operating EBITDA of €464 million, both 17% ahead of the same period last year, primarily driven by the increased volume of transactions. LFL sales growth was 6.2% and the operating EBITDA margin was 13.2%.

Royal Sanders

Showing its strategic potential, Royal Sanders generated strong performance in 2024, driven by volume growth and prior bolt-on acquisitions, including Karium which completed earlier in the year. At the end of FY2025, Royal Sanders completed the acquisition of Treaclemoon, an established UK-based value-for-money personal care brand with a strong strategic fit with its existing portfolio of brands. This was Royal Sanders' eighth bolt-on acquisition since 3i's investment. These strategic acquisitions, combined with strong operational execution, have contributed significantly to Royal Sanders' performance and success.

Private Equity portfolio companies

During the year, we refined our Private Equity sector-led investment, origination and active management approach, aligning our resources to focus on the consumer and private label, healthcare, industrial and services and software sectors.

Healthcare portfolio companies

Cirtec Medical delivered strong top-line growth in 2024, fuelled by increasing customer demand across its product portfolio and enhanced operational efficiency. The business made good progress on several key initiatives in the year and maintains a robust pipeline of new opportunities across its target markets.

The broader bioprocessing market experienced an anticipated recovery in demand through the second half of 2024 and into the first quarter of 2025, as post-pandemic destocking subsided. Against this backdrop, **SaniSure** saw a solid rebound in bookings while also making substantial progress on multiple strategic initiatives and investing to strengthen its long-term market position.

Our contract development and manufacturing organisation ("CDMO") **ten23 health** is making good progress in establishing itself as a significant presence in the pharmaceutical industry. We continued to support this platform, investing a further £54 million in FY2025. The remaining business of **Q Holding**, Q Medical Devices, also performed well in the year.

Consumer and private label portfolio companies

European Bakery Group ("**EBG**") maintained resilient performance during the year, despite persistent pressures on input pricing and wage inflation. Following robust cash generation, EBG returned £22 million to 3i within 12 months of its additional investment in support of the acquisition of coolback in 2023.

Audley Travel performed strongly across its US and UK markets in 2024. Its order book into 2025 is strong, albeit we are monitoring the impact on US travel sentiment, following heightened uncertainty in US policy. **MPM** continued to grow well across its markets in 2024. Whilst MPM has a significant presence in the US, we expect the business to be able to mitigate the impacts of current proposed changes in US tariffs.

Mepal delivered encouraging performance across its omnichannel offering and **Luqom** made good progress in operational and financial delivery in 2024 and continues to win market share in a relatively subdued market. The prolonged impact of low discretionary consumer confidence continued to impact the franchisee base in some countries for **BoConcept** for the majority of 2024. Recent order intake in the final quarter of 2024 and into the start of 2025 has been more stable.

Industrial portfolio companies

After a challenging 2023, **Tato**'s sales volumes and profitability recovered well in 2024, despite relatively muted demand across its end-markets and a more challenging competitive environment. The business continues to generate a good level of cash flow, and returned a further £13 million of dividends to 3i in FY2025, meaning we have received £75 million in total dividend distributions over the last seven years. **AES** delivered another year of consistent financial, strategic and operational performance, as a result of increased demand across energy and industrials, its most prominent markets. The business continued to target strategic acquisitions, completing two bolt-on acquisitions in FY2025, and also returned dividends of £4 million to 3i. **Dynatect**'s performance was stable, despite delays in the ramp-up of a significant contract.

Services and software portfolio companies

Against a fairly muted third-party maintenance ("TPM") market, **Evernex** saw a positive TPM top-line performance in 2024 and remains well positioned for an anticipated normalisation of market conditions in the near term. Also operating in the IT services market, **MAIT**'s 2024 outcome was resilient despite a more cautious climate among customers. The business completed another three bolt-on acquisitions in FY2025, taking its total to 13 since we first invested in 2021. Since our investment in **xSuite** in 2022, the business has made good progress in its development towards a SaaS model. During the year, we invested £5 million to support xSuite's bolt-on acquisition of tangro, which is also performing well.

Due to persisting market uncertainty, the expected recruitment process outsourcing market recovery has not yet materialised. As a result, **Wilson** continued to see significant challenges across its markets. Although the business continues to generate new wins and optimise its operations, we expect the near term to remain difficult. We invested £6 million to support the business during the year and recognised an unrealised value reduction of £88 million.

Private Equity investment

The Private Equity transaction market saw a steady improvement in 2024 driven by easing debt markets and stabilising interest rates. Our investment approach remained disciplined and consistent, as we continued to use our network and local expertise to source high-quality, well-priced opportunities, including value-enhancing bolt-on acquisitions for our portfolio companies.

In addition to the reinvestment in Action, in FY2025 we completed three new private equity investments totalling £318 million. We invested £121 million in **WaterWipes**, a global, premium, limited ingredient wet wipe brand, reinforcing our strategy of backing international branded consumer businesses. Our £98 million investment in **Constellation**, a specialist in hybrid cloud and cybersecurity managed services, aligns with our focus on IT services. We have a long and successful investment track record in inspection and testing, and we were pleased to invest £99 million in **OMS Prüfservice**, a leading provider of electrical testing services for B2B customers in the DACH region.

Across the Private Equity portfolio, we completed 12 bolt-on acquisitions in the year for six portfolio companies, the majority of which were self-funded.

Private Equity realisations

We completed two significant realisations during the year, generating total proceeds of £659 million. Since acquiring **nexeye** in 2017, the company has driven growth both organically and through a buy-and-build strategy, expanding its store base from approximately 400 to over 700 across five countries. As a result, both sales and EBITDA doubled under our ownership. This realisation, which completed in July 2024, delivered a modest profit over its 31 March 2024 valuation, generating proceeds of £382 million. When combined with distributions received during our ownership, this resulted in a sterling money multiple of 2.0x.

We also completed the realisation of **WP**, an asset we had held since 2015. Throughout our ownership, we supported its international growth strategy by expanding into new product categories and executing four bolt-on acquisitions, nearly doubling its EBITDA. The transaction generated total proceeds of £280 million, including interest income of £3 million, reflecting an 18% profit over its 31 March 2024 valuation. Including the £45 million received earlier in our ownership period, this resulted in a sterling money multiple of 2.2x

Infrastructure performance

In the year to 31 March 2025, our Infrastructure portfolio generated a GIR of £52 million, or 3% on the opening portfolio value (2024: £99 million, 7%), reflecting good performance from our infrastructure funds and increased dividend income primarily from **3iN**. However, this result was significantly impacted by 3iN's share price performance that continues to underwhelm, with a decrease of 3% in the year to 318 pence at 31 March 2025, even though the underlying 3iN portfolio continues to trade well and deliver strong realisations, at good uplifts to opening value.

In the year to 31 March 2025, 3iN generated a total return on opening NAV of 10.1%, again exceeding its 8 to 10% return objective, and delivered its dividend target of 12.65 pence, a 6.3% increase on last year. 3iN's underlying portfolio continues to benefit from its exposure to long-term sustainable growth trends.

Our proprietary capital investment in **Smarte Carte** achieved record-high revenue and EBITDA in 2024, driven by strong performance across its business segments. Notably, the company's new long-term carts contract at London's Heathrow Airport performed well.

Scandlines performance

The performance of Scandlines was resilient in FY2025, and our investment generated a GIR of £46 million, or 9% of opening portfolio value (2024: £10 million, 2%). Leisure revenues were strong, whilst freight volumes were softer compared to the prior year. The business continued to be cash generative and returned £22 million of dividends to 3i. Since our reinvestment in 2018, we have received £232 million of total distributions.

Sustainability

We continue to make good progress on our climate agenda. Our science-based targets, which cover our direct GHG emissions and those associated with our portfolio, were approved by the SBTi in March 2024. We are particularly pleased with the progress we made in FY2025 towards the achievement of our portfolio engagement target, which involves 3i using its influence to encourage portfolio companies to set their own science-based targets. Seven of our portfolio companies across 3i Group and 3iN have now set approved science-based targets. Notably, Action had its near-term science-based targets approved in February 2025.

We continue to refine our assessment of climate-related risks and opportunities in our investment and portfolio management processes. This helps us support portfolio companies in positioning themselves on the right side of the climate transition, while safeguarding 3i and its portfolio companies from a broad range of operational, commercial and reputational risks. In addition to our focus on climate-related issues, we have also improved our assessment of nature considerations within our portfolio, alongside our continued focus on human rights.

Charitable donations

3i continues to support charities which relieve poverty, address homelessness, promote education and youth development and support elderly and disabled people. We donated £1.2 million across these initiatives as part of our ordinary charitable activities. Our portfolio companies also supported a variety of charities relevant to them and their operations, with donations totalling £4.8 million.

Balance sheet and foreign exchange movement

Our proprietary capital strategy affords us the benefit of agility in capital deployment and flexibility in holding periods, which puts us in a good position to optimise returns over the long term. We successfully executed the final payments of the carried interest liability related to Action, totalling £428 million over the year. This marks an important milestone for the Group and our shareholders, eliminating a substantial financial obligation from the balance sheet and ensuring that going forward, Action's returns flow through to shareholders with no dilution.

We ended FY2025 with net debt of £771 million and 3% gearing, after returning £625 million of cash dividends to shareholders in the year and with liquidity, including our undrawn RCF, of £1,323 million. We remain disciplined on costs and generated an operating cash profit of £469 million in the year, or £36 million excluding dividends received from Action. Due to the strengthening of sterling against the euro and US dollar in the year, we recorded a total foreign exchange translation loss of £259 million (March 2024: £316 million loss), including a gain on foreign exchange hedging of £82 million (March 2024: £116 million gain).

In April 2025, we increased the notional value of the Group's Euro foreign exchange hedging programme by €400 million, securing favourable rates, taking our total Euro hedge to €3.0 billion.

Outlook

We expect the market environment in FY2026 to remain complex, with heightened geopolitical uncertainty as major economies respond to changes in US policy.

Over many years we have deliberately allocated our capital into some of our best performing assets, such as Action and Royal Sanders, as well as assets in sectors such as value-for-money, private label consumer, healthcare and infrastructure, all of which have proven their resilience over many years of market shocks and headwinds. This provides us with confidence in the overall portfolio's ability to continue to operate effectively through volatile conditions and generate resilient returns for our shareholders. Similarly, over the same period of time, our policy of taking a long-term view on valuation multiples has been consistently applied across market peaks and troughs. This approach remains very relevant in the current market conditions.

We expect transaction activity across the private market to be slower over the near term given the increased macro-economic and geopolitical uncertainty. We will maintain our pricing discipline and continue to be highly selective across new investment and realisation opportunities as we continue to optimise long-term value growth for our shareholders.

We remain confident in our ability to compound growth across the portfolio in the years to come, and I would like to close by thanking the team at 3i and the teams in our portfolio companies for another year of strong performance.

Simon Borrows
Chief Executive
14 May 2025

Private Equity

At a glance

Gross investment return

£5,113m
or 26%

(2024: £4,059m or 25%)

Cash investment

£1,177m

(2024: £556m)

Realised proceeds

£1,827m

(2024: £866m)

Portfolio dividend income

£450m

(2024: £439m)

Portfolio growing earnings

97%[1]

(2024: 93%)

Portfolio value

£23,558m

(2024: £19,629m)

1 LTM adjusted earnings to 31 December 2024. Includes 30 portfolio companies.

We invest our proprietary capital in mid-market businesses headquartered in Europe and North America. Once invested, we work closely with our portfolio companies to deliver ambitious growth plans and aim to compound value from our best investments over the longer term.

Against a complex and uncertain macro-economic and geopolitical environment across Europe and the US, our Private Equity portfolio delivered a GIR of £5,113 million, or 26%, on the opening portfolio value (2024: £4,059 million or 25%) in the year to 31 March 2025. This return included a £273 million foreign exchange translation loss, net of a gain from foreign exchange hedging.

Action had another very strong year and was the principal driver of the return, generating GIR of £4,551 million or 32% of its opening value. We also received significant realised proceeds from Action, with a portion of these proceeds reinvested to acquire an additional stake in the business. Our other long-term hold Private Equity asset, Royal Sanders, delivered another year of strong organic and acquisitive growth.

Across the remaining portfolio, a number of assets within the consumer and private label sectors performed well and we saw an encouraging trajectory for several of our healthcare assets. The majority of our industrial assets continue to pay cash dividends and performed well, whilst our services and software assets were largely resilient against a difficult IT market backdrop. We saw underperformance from a limited number of assets exposed to weaker end markets.

We maintained disciplined pricing, completing three new investments, invested further capital across several existing portfolio companies and enhanced our existing portfolio through 12 strategic bolt-on acquisitions. In addition to proceeds received from Action, we also generated significant realised proceeds from the exit of two portfolio companies at money multiples of 2x or greater.

Overall, the Private Equity portfolio value increased to £23,558 million at 31 March 2025 (31 March 2024: £19,629 million).

Table 1: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Realised profits over value on the disposal of investments	**50**	—
Unrealised profits on the revaluation of investments	**4,803**	3,874
Dividends	**450**	439
Interest income from investment portfolio	**69**	80
Fees receivable	**14**	7
Foreign exchange on investments	**(340)**	(437)
Movement in fair value of derivatives	**67**	96
Gross investment return	**5,113**	4,059
Gross investment return as a % of opening portfolio value	**26%**	25%

Investment and realisation activity

We maintained a selective and disciplined investment approach, allocating £881 million to our existing portfolio companies and £318 million across three new investments.

In July 2024, **Action** raised €2.1 billion through a refinancing event and completed a capital restructuring with a pro-rata share redemption. As a result, 3i received total proceeds of £1,164 million. Alongside several existing LPs in the 2020 Co-Investor Programme, 3i took the opportunity to acquire an additional stake in Action. Including a small subsequent purchase of an existing LP stake later in the year, 3i reinvested £768 million, increasing its gross equity stake from 54.8% to 57.9%.

In July 2024, we invested £98 million to acquire **Constellation**, a hybrid cloud and cybersecurity managed services provider based in France. In addition to Endexar, which was acquired on closing, Constellation has completed three bolt-on acquisitions since our investment and remains well positioned to be a key consolidator in a fragmented French IT services market. In January 2025, we invested £121 million for the acquisition of **WaterWipes**, a global, premium, limited ingredient, natural wet wipe brand focused on the baby category, with new product innovation in the adult category. Finally, in February 2025, we completed the £99 million investment in **OMS Prüfservice**, the largest specialised service provider in testing of electrical systems and equipment for B2B customers in the DACH region.

We invested a further £54 million in **ten23 health**, as we continue to develop the CDMO platform and a further £39 million in **Royal Sanders**. We also provided £6 million of capital to support **Wilson** through challenging trading conditions. **EBG** returned £22 million of funding within 12 months of our investment to support its acquisition of coolback in 2023.

Our buy-and-build strategy remains fundamental to the successful delivery of the investment case for many of our portfolio companies. In FY2025, we completed 12 bolt-on acquisitions across six portfolio companies, with only one requiring additional 3i investment. Further details of selected bolt-on acquisitions can be found in the Private Equity business review section of our Annual report and accounts 2025.

We completed two realisations in FY2025, generating total proceeds of £659 million. In July 2024 we completed the sale of **nexeye** for proceeds of £382 million, achieving a modest profit over its 31 March 2024 valuation. When combined with distributions received during our investment period, this resulted in a sterling money multiple of 2.0x. We also completed the realisation of **WP** in October 2024, delivering total proceeds of £280 million which, including interest income of £3 million, represented an 18% premium to its 31 March 2024 valuation. Including the £45 million received earlier in our ownership, this resulted in a sterling money multiple of 2.2x. Further details for both of these portfolio companies can be found in our Annual report and accounts 2025.

In total, in the year to 31 March 2025, our Private Equity team invested £1,177 million (2024: £556 million) and generated total proceeds of £1,827 million (2024: £866 million).

Investments

	Portfolio company	Business description	Date	Proprietary capital investment £m
New investment	**Constellation**	IT managed services provider	July 2024	98
	WaterWipes	Global, premium, natural wet wipe brand	January 2025	121
	OMS Prüfservice	Specialised service provider for electrical equipment testing	February 2025	99
	Total new investment			**318**
Reinvestment	**Action**	General merchandise discount retailer	Various	768
	Total reinvestment			**768**
Other further investment	**ten23 health**	Biologics focused CDMO	Various	54
	Royal Sanders	Private label and contract manufacturing producer of personal care products	October 2024	39
	Other	Various	Various	4
	Total other further investment			**97**
Further investment to finance portfolio bolt-on acquisitions	**xSuite**	tangro: Specialist in inbound document management software	June 2024	5
	Total further investment to finance portfolio bolt-on acquisitions			**5**
Further investment to support portfolio companies	**Wilson**	Global provider of recruitment process outsourcing and other talent solutions	Various	6
	Other	Various	Various	5
	Total further investment to support portfolio companies			**11**
FY2025 Private Equity gross investment				**1,199**
Return of investment	**European Bakery Group**	Industrial bakery group specialised in bake-off bread and snack products	July 2024	(22)
	Total return of investment			**(22)**
FY2025 Private Equity net investment				**1,177**

Investments continued

	Portfolio company	Name of acquisition	Business description of bolt-on investment	Date
Private Equity portfolio bolt-on acquisitions funded from the portfolio company balance sheets	**MAIT**	CAD 'N ORG	Provider of software and consulting services	April 2024
	MAIT	ISAP	Provider of consulting services	April 2024
	Royal Sanders	Karium	Platform of established brands across the hair care, body care and skin care categories	June 2024
	AES	Condition Monitoring Services	Reliability service provider	August 2024
	Constellation	ILKI	Cloud architecture specialist	October 2024
	AES	PSS Marine Seal	Manufacturer of advanced sealing solutions tailored for the marine industry	October 2024
	Evernex	Ultra Support	UK-based third-party maintenance provider	November 2024
	MAIT	TFH Technical Services	Consulting provider specialising in the implementation and use of product lifecycle management software solutions	November 2024
	Constellation	Feelserv	Hybrid cloud managed services	January 2025
	Constellation	Armonie	Hybrid cloud managed services	February 2025
	Royal Sanders	Treaclemoon	Value-for-money personal care brand	February 2025

Realisations

Investment	Country	Calendar year first invested	3i realised proceeds £m	Profit in the year[1] £m	Profit over opening value[2] %	Money multiple[3]	IRR
Full realisations							
nexeye	Netherlands	2017	382	10	3%	2.0x	10%
WP	Netherlands	2015	277	42	18%	2.2x	9%
Total realisations			659	52			
Refinancing							
Action	Netherlands	2011	1,164	–	– %	n/a	n/a
Other realisations							
Other	n/a	n/a	4	(2)	n/a	n/a	n/a
Total Private Equity realisations			**1,827**	**50**			

1 Cash proceeds realised in the period less opening value.
2 Profit in the year over opening value.
3 Cash proceeds over cash invested. Money multiples are quoted on a GBP basis.

Long-term hold portfolio companies: Action and Royal Sanders

As detailed in the Chief Executive's statement and in the Action case study, Action delivered another year of very strong performance and we reflected this in our valuation of Action at 31 March 2025.

At 31 March 2025, Action was valued using its LTM run-rate EBITDA to the end of P3 2025 of €2,328 million, which includes the usual adjustment to reflect stores opened in the last 12 months.

Action continues to outperform the peers we use to benchmark its performance across its most important KPIs, supporting our valuation multiple of 18.5x net of the liquidity discount (31 March 2024: 18.5x).

Action ended P3 2025 with cash of €347 million and a net debt to run-rate earnings ratio of 2.7x, after paying two dividend distributions in FY2025, of which 3i received £433 million.

At 31 March 2025, the valuation of our 57.9% stake in Action was £17,831 million (31 March 2024: 54.8%, £14,158 million) and we recognised unrealised profits from Action of £4,324 million (March 2024: £3,609 million) as shown in Table 3.

Table 2: Action financial metrics

Financial metrics	**Last 12 periods to P12 2024 (29 December 2024) €m**	Last 12 periods to P12 2023 (31 December 2023) €m
Net sales	**13,781**	11,324
LFL sales growth	**10.3%**	16.7%
Operating EBITDA	**2,076**	1,615
Operating EBITDA margin	**15.1%**	14.3%
Net new stores added	**352**	303
	First 3 periods to P3 2025 (30 March 2025) €m	First 3 periods to P3 2024 (31 March 2024) €m
Net sales	**3,521**	3,004
LFL sales growth	**6.2%**	9.8%
Operating EBITDA	**464**	397
Operating EBITDA margin	**13.2%**	13.2%
Net new stores added	**49**	42
	Last 12 periods to P3 2025 (30 March 2025) €m	Last 12 periods to P3 2024 (31 March 2024) €m
Run-rate EBITDA	**2,328**	1,848

Royal Sanders, a leading European private label and contract manufacturing producer of personal care products, was the largest contributor to our Private Equity performance growth in FY2025, excluding Action. The company delivered strong organic growth across its customers in 2024. Royal Sanders has been a driving force in consolidating a highly fragmented industry, successfully executing eight bolt-on acquisitions since our investment, including the acquisitions of Karium and Treaclemoon in FY2025. The bolt-on acquisitions have outperformed their initial investment cases and the business has a strong pipeline of other targets.

Consumer and private label portfolio companies

EBG saw solid trading across all three of its platforms (Dutch Bakery, coolback, Panelto) in 2024, demonstrating its resilience amongst an unfavourable input pricing environment and pressure on wage inflation.

MPM saw good top-line growth in 2024, driven primarily by increased volumes across its key markets. The US, its largest market, continues to see strong sales development and there is significant headroom to scale it further, including through the online channel. While US tariffs have the potential to introduce some volatility across the whole premium wet cat food category, management has a robust strategy to navigate the situation. **Audley Travel**'s reputable brand and customer loyalty continued to support its strong performance in 2024. Whilst the business has good coverage on bookings into 2025, we remain cautious on the outlook for its US market, following the heightened uncertainty in US policy and impact on US travel sentiment.

Mepal saw good commercial performance in 2024, with volume growth across its retail partners and its e-commerce offering. **Luqom** continues to make an encouraging recovery and gained market share in 2024. The business saw top-line growth across all of its regions with particularly impressive performance from Southern and Eastern Europe, supported by nine new local webshops. **BoConcept** continues to operate in a challenging consumer market.

Performance in 2024 was softer, as a result of lower footfall in stores and net store closures. Recent order intake has been more positive. In February 2025, we passed our holding in **YDEON** to Tikehau Capital for no proceeds.

Healthcare portfolio companies

Our healthcare portfolio saw good commercial momentum in 2024. **Cirtec Medical** delivered strong performance across the majority of its core sites in 2024, driven by elevated demand from its key customers. The business won a number of attractive programmes in 2024, which have the potential to be significant revenue contributors in the near to medium term. **SaniSure** saw demand patterns normalise for the majority of its business lines through the second half of 2024, as the bioprocessing market stabilised following a period of prolonged destocking after the pandemic. Over the last two years, the business has made significant investment in long-term initiatives and operational excellence that is already delivering good momentum.

ten23 health continued to make good progress. Its Basel site continues to develop well, with a number of new programmes signed from new and existing customers. Its existing Visp site is expected to achieve 100% utilisation in 2025, following a facility remediation at the end of 2024, which will facilitate the fulfilment of its strong order book. Q Medical Devices (**Q Holding**) performed well in 2024, with good demand from most of its customers across its business units.

Industrial portfolio companies

Our industrial portfolio delivered good overall performance in the year. **Tato** saw good volume growth and improved margin performance in 2024, despite operating in a market that is showing relatively muted demand and a tougher regulatory and competitor dynamic. Tato's cash conversion remained strong and we received £13 million of dividends in FY2025. **AES** produced another good result in 2024, as end-market conditions improved and the business continued to make gains on larger competitors in its sector. The business also completed two bolt-on acquisitions in FY2025, strengthening its offering in North America. Cash generation remained strong, and we recorded dividends of £4 million from the business in FY2025. **Dynatect** delivered a stable performance in the year, despite delays in the ramp-up of a key contract.

Services and software portfolio companies

The global third-party IT equipment maintenance market was weaker in 2024, largely as a result of a dip in acquired new equipment in 2020-21, which is then typically serviced three to four years post-acquisition. Operating in this market, **Evernex** saw positive performance in 2024 and the business completed the acquisition of Ultra Support, a pure third-party maintenance player for data centres, servers and networking equipment in the UK. **MAIT**'s buy-and-build strategy continued in 2024, with the business completing a further three bolt-on acquisitions at accretive multiples. The business maintained a good level of overall performance, despite weaker market demand across IT solutions. **xSuite** had a good 2024, characterised by annualised software bookings growth, and we have reflected its progress towards a SaaS model via its valuation multiple. Its recent acquisition of tangro is already delivering a positive contribution.

The recruitment market has experienced a very challenging two years. More recent geopolitical uncertainty has pushed out expectations of a near-term market recovery. Operating in this environment has proved challenging. As a result, **Wilson** has seen significant pressure on its top line and overall profitability. Whilst it continues to generate new wins, it has undertaken a number of operational initiatives and efficiencies to ensure the business is well positioned to ramp up quickly when the wider market rebounds. We have reflected the challenges Wilson has experienced through our valuation, resulting in a total unrealised value reduction of £88 million for FY2025. During the year, arrivia and Redweek legally separated, and we retained our stake in **Redweek**. arrivia is no longer part of the 3i portfolio.

Overall, 97% of the portfolio by value grew LTM adjusted earnings in the year (31 March 2024: 93%). Table 4 shows the earnings growth of our top 20 Private Equity investments.

Excluding Action, the Private Equity portfolio valued on an earnings basis generated £642 million (2024: £689 million) of value growth from performance increases, offsetting £138 million of performance decreases (2024: £368 million).

Table 3: Unrealised profits on the revaluation of Private Equity investments[1] in the year to 31 March

	2025 £m	2024 £m
Earnings based valuations		
Action performance	**4,324**	3,609
Performance increases (excluding Action)	**642**	689
Performance decreases (excluding Action)	**(138)**	(368)
Multiple increases	**30**	68
Multiple decreases	**(30)**	(107)
Other bases		
Discounted cash flow	**(19)**	(13)
Other movements on unquoted investments[2]	**–**	46
Quoted portfolio	**(6)**	(50)
Total	**4,803**	3,874

1 Further information on our valuation methodology, including definitions and rationale, is included in the Portfolio valuation – an explanation section in our Annual report and accounts 2025.
2 Includes value movements for ten23 valued on the Sum of the parts basis.

Table 4: Portfolio earnings growth of the top 20 Private Equity[1] investments

	Number of companies	3i value at 31 March 2025 £m
<0%	**2**	432
0-9%	**9**	2,230
10-19%	**2**	470
20-29%	**3**	18,868
≥30%	**4**	927

1 Includes top 20 Private Equity companies by value excluding ten23 health. This represents 97% of the Private Equity portfolio by value (31 March 2024: 96%). Last 12 months' adjusted earnings to 31 December 2024 and Action based on LTM run-rate earnings to the end of P3 2025.

Leverage

Our Private Equity portfolio is funded with all-senior debt structures, with long-dated maturity profiles. As at 31 March 2025, 91% of portfolio company debt was repayable from 2028 to 2032.

Average leverage across the portfolio was 2.9x (31 March 2024: 2.7x). Excluding Action, leverage across the portfolio was 3.5x (31 March 2024: 3.9x).

Table 5: Ratio of net debt to adjusted earnings[1]

	Number of companies	3i value at 31 March 2025 £m
<1x	**1**	41
1-2x	**3**	403
2-3x	**6**	18,639
3-4x	**5**	1,484
4-5x	**1**	110
5-6x	**3**	1,289
>6x	**2**	40

1 This represents 93% of the Private Equity portfolio by value (31 March 2024: 91%). Quoted holdings, ten23 health and companies with net cash are excluded from the calculation. Net debt and adjusted earnings at 31 December 2024 and Action based on LTM run-rate earnings to the end of P3 2025.

Multiple movements

When selecting multiples to value our portfolio companies, we take a long-term, through-the-cycle approach and consider a number of factors including recent performance, outlook and bolt-on activity, comparable recent market transactions and exit plans, and the performance of quoted comparable companies. At each reporting date, our valuation multiples are considered as part of a robust valuation process, which includes independent challenge throughout, including from our external auditor, culminating in the quarterly Valuations Committee of the Board.

Global markets saw a strong rally in 2024, as inflation stabilised and central banks began easing interest rates. However, the start of 2025 has been marked by increased volatility, driven by geopolitical uncertainty and shifting trade policies.

Against this backdrop, we have remained cautious in considering the valuation multiples we use for our portfolio companies. We increased the multiple for two of our portfolio companies in the year to reflect their performance against their respective investment cases and adjusted four multiples downwards, largely to reflect trading and the dynamics of their respective end-markets. In total, we recognised a net nil unrealised value movement from multiple movements in the year (March 2024: £39 million loss). At 31 March 2025, our current weighted average post-discount multiple (excluding Action) was 13.4x (31 March 2024: 13.0x).

We have made no changes to our approach to the valuation of Action. Action's performance and KPIs continue to compare favourably to its peer group's, which consists of North American and European value-for-money retailers. This supports our post-discount valuation multiple of 18.5x, which is unchanged from the prior year. We take comfort from the fact that Action's continued growth meant that its valuation at 31 March 2024 translated to only 14.7x (post-discount) the run-rate EBITDA achieved one year later. Based on the valuation at 31 March 2025, a 1.0x movement in Action's post-discount multiple would increase or decrease the valuation of 3i's investment by £1,129 million.

Quoted portfolio

Basic-Fit is the only quoted investment in our Private Equity portfolio. In 2024, Basic-Fit's memberships increased by 12% year-on-year and it added 173 clubs to its network.

Our remaining 5.7% stake in Basic-Fit was valued at £60 million at 31 March 2025 (31 March 2024: £67 million), following an 8.8% decrease in its share price to €18.86 (31 March 2024: €20.68).

Sum of the parts

At 31 March 2025, ten23 health was valued on a sum of the parts basis, using a discounted cash flow ("DCF") methodology for its operating lines. We continued to invest in the platform during the year and the business is making good progress across each of its operating lines.

Assets under management

The assets under management of the Private Equity portfolio, including third-party capital, increased to £31.9 billion (31 March 2024: £27.5 billion), primarily due to unrealised value movements in the year.

Table 6: Private Equity assets by sector as at 31 March 2025

Sector	Number of companies	3i carrying value 2025 £m
Action (Consumer)	1	17,831
Consumer & Private Label	12	2,498
Healthcare	4	1,361
Industrial	5	915
Services & Software	14	953
Total	**36**	**23,558**

Infrastructure

At a glance

Gross investment return
£52m
or 3%
(2024: £99m or 7%)

AUM
£6.3bn
(2024: £6.7bn)

Cash income
£106m
(2024: £113m)

We manage funds investing principally in mid-market economic infrastructure in Europe and North America. Infrastructure is a defensive asset class that provides a good source of income and fund management fees for the Group as well as long-term capital gains.

Our Infrastructure portfolio generated a GIR of £52 million, or 3% on the opening portfolio value (2024: £99 million, 7%). This performance was principally driven by a good level of dividend and interest income alongside value growth from our infrastructure funds, which more than offset the subdued share price performance of our quoted stake in **3iN**.

3iN's underlying portfolio continues to deliver good performance, and 3iN completed a significant realisation in the year, achieving an impressive money multiple of 3.6x, reaffirming the strong market demand for high-quality infrastructure assets. In addition, 3iN successfully executed two significant refinancings which returned cash proceeds and completed two strategic further investments and a syndication within its portfolio companies.

Our North American Infrastructure Fund ("**NAIF**") continued to advance its buy-and-build strategy, with two portfolio companies completing three acquisitions, further enhancing their growth trajectory and operational scale.

Table 7: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Realised profits / (losses) over value on the disposal of investments	**1**	(4)
Unrealised profits on the revaluation of investments	**17**	72
Dividends	**37**	35
Interest income from investment portfolio	**12**	11
Fees payable	**(4)**	(6)
Foreign exchange on investments	**(11)**	(9)
Gross investment return	**52**	99
as a % of opening portfolio value	**3%**	7%

Fund management

3iN

3iN generated a total return on opening NAV of 10.1% for the year to 31 March 2025, ahead of its total return target of 8% to 10% per annum, and delivered its dividend target of 12.65 pence per share, a 6.3% increase on last year.

This result was driven by good performance and momentum across the majority of 3iN's portfolio companies, as the portfolio continues to benefit from long-term growth drivers.

TCR saw further strong performance in 2024, with higher rental volumes across its ground support equipment. The business increased its global footprint with 22 more airports and has significant white space ahead of it. In February 2025, TCR closed a refinancing, returning a £60 million distribution to 3iN.

Tampnet's North Sea and Gulf of Mexico fibre operations performed well. It continues to win new contracts, including the first fibre-backed contract in the Mexican deepwater. Utilisation rates were good across **ESVAGT**'s fleet of service operation vessels and the business is well positioned in its sector and markets to capitalise on the positive trajectory in the offshore wind market in Europe and more recently in South Korea. **Oystercatcher**, the holding company for the stake in Advario Singapore, successfully completed a debt raise in the year, enabling a distribution to 3iN of £108 million.

DNS:NET is seeing improved performance in its fibre rollout, albeit we remain cautious on the outlook for the sector. In January 2025, 3iN completed an investment of €24 million in the business to continue to fund the fibre roll-out. **Infinis** delivered a strong result as it saw higher than expected levels of exported power from its captured landfill methane business. Other notable contributors include **Future Biogas** and **FLAG** (formerly Global Cloud Xchange).

The portfolio has a small number of portfolio companies experiencing softer trading. **SRL** experienced a downturn in activity in 2024, as a result of reduced UK local authority capital expenditure. Whilst the market remains challenging, the overall outlook into the second half of 2025 is improving. **Ionisos** also performed below our expectations, due to volume weakness in the German construction industry.

In January 2025, 3iN completed the realisation of its 33% stake in **Valorem** for net proceeds of €310 million, generating a 21% gross annual IRR and a 3.6x gross money multiple. 3iN also completed two transactions with **Future Biogas**; in August 2024, Future Biogas acquired majority control in a portfolio of six anaerobic digestion facilities for £68 million, of which £30 million was funded by 3iN. In September 2024, 3iN syndicated 23% of its stake in Future Biogas for proceeds of £30 million, at a 15% uplift to 31 March 2024 value.

As investment manager to 3iN, in FY2025, we recognised a management and support services fee of £51 million (2024: £51 million) and a NAV-based performance fee of £29 million (2024: £41 million). This performance fee comprised a third of the potential performance fee for each of FY2025, FY2024 and FY2023, after the performance hurdle was met in each year.

North American Infrastructure Fund (“NAIF”)

The NAIF delivered resilient performance and saw a good level of bolt-on activity in FY2025.

Regional Rail generated growth organically, by transporting increased product volumes, and through continued bolt-on activity. The acquisition of Cincinnati Eastern Railroad during the year added 70 miles of track in Ohio. Regional Rail also completed the buyout of a minority stake in its Canadian rail operations. **EC Waste** performed well across its transfer station and landfill segments. **Amwaste** saw mixed trading in the year. The business completed two bolt-on acquisitions including C&C Sanitation and Waste Away Environmental, furthering both collection and post-collection services in Southeast United States. In February 2025, the NAIF completed the sale of its minority stake in **Shared Tower**.

Assets under management

Infrastructure AUM decreased to £6.3 billion (31 March 2024: £6.7 billion), reflecting the sale of our European Operational Projects Fund capability in May 2024, and the decrease in the share price of 3iN. This was partially offset by good performance across NAIF and 3i Managed Infrastructure Acquisitions Fund (“3i MIA”). We generated fee income of £61million from our Infrastructure fund management activities in the period (2024: £68 million).

3i’s proprietary capital infrastructure portfolio

The Group’s proprietary capital infrastructure portfolio consists of its 29% quoted stake in 3iN, its investment in Smarte Carte and direct stakes in other managed funds.

Quoted stake in 3iN

At 31 March 2025, our 29% stake in 3iN was valued at £856 million (31 March 2024: £879 million), as its share price decreased by 3% year on year to 318 pence (31 March 2024: 327 pence). As a result, we recognised an unrealised value loss of £23 million (2024: unrealised profit of £38 million). This was offset by £33 million of dividend income in FY2025 (2024: £31 million).

North American Infrastructure proprietary capital

Smarte Carte delivered strong performance in 2024, supported by steady US domestic and international passenger traffic. Its carts business outperformed the prior year, driven by the successful execution of a new long-term contract at London’s Heathrow Airport and continued benefits from improved pricing economics that Smarte Carte shares with its airport partners. Additionally, Smarte Carte made significant progress in expanding its international footprint and advancing various business development initiatives. This includes the successful rollout of 450 new United States Postal Service lockers and securing several ancillary service wins across its international locations.

At 31 March 2025, Smarte Carte was valued at £308 million on a DCF basis (31 March 2024: £306 million). We also received cash interest income of £6 million in the year from the business.

Table 8: Assets under management as at 31 March 2025

Fund/strategy	Close date	Fund size	3i commitment/ share	Remaining 3i commitment	% invested[2] at 31 March 2025	AUM[3] £m	Fee income earned in 2025 £m
3iN[1]	Mar-07	n/a	£856m	n/a	**n/a**	**2,933**	**51**
3i MIA	Jun-17	£698m	£35m	£5m	**87%**	**1,733**	**4**
3i managed accounts	various	n/a	n/a	n/a	**n/a**	**776**	**4**
North American Infrastructure Fund	Dec-23[4]	US$744m	US$300m	US$73m	**77%**	**561**	**2**
Smarte Carte	Nov-17	n/a	n/a	n/a	**n/a**	**308**	**–**
Total						**6,311**	**61**

1 AUM based on the share price at 31 March 2025.
2 % invested is the capital deployed into investments against the total Fund commitment.
3 We retained a proprietary stake in Alba EOPF (formerly 3i EOPF), following the sale of our operational projects infrastructure fund capability in May 2024. It has been excluded from the table above.
4 First close completed in March 2022. Final close completed in December 2023.

Table 9: Infrastructure portfolio movement for the year to 31 March 2025

Investment	Valuation	Opening value at 1 April 2024 £m	Investment £m	Disposals at opening book value £m	Unrealised profit/(loss) £m	Other movements[1] £m	Closing value at 31 March 2025
3iN	Quoted	879	–	–	(23)	–	**856**
Smarte Carte	DCF	306	–	–	5	(3)	**308**
North American Infrastructure Fund[2]	DCF	199	3	(9)	18	(4)	**207**
3i MIA	Fund	71	–	–	17	–	**88**
Alba EOPF	Fund	33	1	–	–	(1)	**33**
Total		1,488	4	(9)	17	(8)	**1,492**

1 Other movements include foreign exchange.
2 Includes Regional Rail, EC Waste, Amwaste. Shared Tower was divested in the year.

Scandlines

At a glance

Gross investment return

£46m
or 9%

(2024: £10m or 2%)

Dividend income

£22m

(2024: £25m)

We first invested in Scandlines in 2007, increasing our stake in 2013, before realising our holding in 2018, returning £835 million of proceeds at a money multiple of 7.7x. We subsequently reinvested £529 million in a 35% stake in Scandlines in 2018. Since our reinvestment, Scandlines has returned total cash proceeds of £232 million, 44% of our reinvestment, and is held on a longer-term basis to generate capital and income returns.

Performance

Scandlines performed resiliently in FY2025, generating a GIR of £46 million, or 9% of opening portfolio value (2024: £10 million, 2%).

Leisure revenues performed strongly, achieving record levels over the peak summer period. Freight volumes were softer due to a weak macro-economic environment in Germany and Scandinavia, whilst reduced consumer purchasing power in Sweden negatively impacted one-day shopping volumes.

The business continues to be cash generative, resulting in the receipt of £22 million of dividend income in FY2025 (2024: £25 million).

Scandlines is making good progress with its sustainability agenda. For further details, see the Sustainability section of our Annual report and accounts 2025.

We continue to value Scandlines on a DCF basis, with a value of £529 million at 31 March 2025 (31 March 2024: £519 million).

Foreign exchange

We hedge the balance sheet value of our investment in Scandlines. We recognised a £10 million loss on foreign exchange translation (2024: loss of £15 million), offset by a £15 million fair value gain (2024: gain of £20 million) from derivatives in our hedging programme.

Table 10: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Unrealised profits/ (losses) on the revaluation of investments	**19**	(20)
Dividends	**22**	25
Foreign exchange on investments	**(10)**	(15)
Movement in fair value of derivatives	**15**	20
Gross investment return	**46**	10
Gross investment return as a % of opening portfolio value	**9%**	2%

Financial review

Highlights - Investment basis

Gross investment return	Operating profit before carried interest	Total return
£5,211m	**£5,098m**	**£5,049m**
(2024: £4,168m)	(2024: £4,077m)	(2024: £3,839m)
Total return on opening shareholders' funds	**Diluted NAV per share at 31 March 2025**	**Total dividend**
25%	**2,542p**	**73.0p**
(2024: 23%)	(31 March 2024: 2,085p)	(31 March 2024: 61.0p)

Table 11: Total return for the year to 31 March

Investment basis	2025 £m	2024 £m
Realised profits/(losses) over value on the disposal of investments	**51**	(4)
Unrealised profits on the revaluation of investments	**4,839**	3,926
Portfolio income		
Dividends	**509**	499
Interest income from investment portfolio	**81**	91
Fees receivable	**10**	1
Foreign exchange on investments	**(361)**	(461)
Movement in the fair value of derivatives	**82**	116
Gross investment return	**5,211**	4,168
Fees receivable from external funds	**64**	72
Operating expenses	**(150)**	(147)
Interest receivable	**18**	13
Interest payable	**(65)**	(61)
Exchange movements	**20**	29
Other income	**–**	3
Operating profit before carried interest	**5,098**	4,077
Carried interest		
Carried interest and performance fees receivable	**29**	62
Carried interest and performance fees payable	**(81)**	(305)
Operating profit before tax	**5,046**	3,834
Tax charge	**(1)**	(2)
Profit for the year	**5,045**	3,832
Re-measurements of defined benefit plans	**4**	7
Total comprehensive income for the year ("Total return")	**5,049**	3,839
Total return on opening shareholders' funds	**25%**	23%

Investment basis and Alternative Performance Measures ("APMs")

In our Strategic report, we report our financial performance using our Investment basis. We do not consolidate our portfolio companies as private equity and infrastructure investments are not operating subsidiaries. IFRS 10 sets out an exception to consolidation and requires us to fair value other companies in the Group (primarily intermediate holding companies and partnerships). As explained in the Investment basis, Reconciliation of Investment basis and IFRS sections below, the total comprehensive income and net assets are the same under our audited IFRS financial statements and our Investment basis. The Investment basis is simply a "look through" of IFRS 10 to present the underlying performance and we believe it is more transparent to readers of our Annual report and accounts.

In October 2015, the European Securities and Markets Authority ("ESMA") published guidelines about the use of APMs. These are financial measures such as KPIs that are not defined under IFRS. Our Investment basis is itself an APM, and we use a number of other measures which, on account of being derived from the Investment basis, are also APMs.

Further information about our use of APMs, including the applicable reconciliations to the IFRS equivalent where appropriate, is provided at the end of the Financial review and should be read alongside the Investment basis to IFRS reconciliation. Our APMs are gross investment return as a percentage of the opening investment portfolio value, cash realisations, cash investment, operating cash profit, net cash/(debt) and gearing.

Realised profits/losses

We generated total realised proceeds of £1,837 million (2024: £888 million) primarily from Action's capital restructuring and the sales of nexeye and WP. The latter sales were the driver of the £50 million realised profits generated in Private Equity (2024: loss of £4 million from Infrastructure).

Unrealised value movements

We recognised an unrealised profit of £4,839 million (2024: £3,926 million). Action's continued strong performance contributed £4,324 million (2024: £3,609 million). We also saw good contributions from Royal Sanders and a number of our other Private Equity investments including Audley Travel, MPM, Tato, Cirtec Medical and EBG offsetting a negative contribution principally from WilsonHCG. Our infrastructure portfolio saw positive contributions from our infrastructure funds, offset by the decrease in the share price of our quoted investment in 3iN.

Further information on the Private Equity, Infrastructure and Scandlines valuations is included in the business reviews.

Table 12: Unrealised value movements on the revaluation of investments for the year to 31 March

Investment basis	**2025 £m**	2024 £m
Private Equity	**4,803**	3,874
Infrastructure	**17**	72
Scandlines	**19**	(20)
Total	**4,839**	3,926

Portfolio income

Portfolio income increased to £600 million for the year (2024: £591 million), primarily due to dividend income of £509 million (2024: £499 million), predominantly from Action. Other notable contributions include interest income from our portfolio companies, the majority of which is non-cash and a good level of portfolio fees from Private Equity which reflected a number of new investments in FY2025.

Fees receivable from external funds

Fees receivable from external funds were £64 million in FY2025 (2024: £72 million). 3i receives a fund management fee from 3iN, which amounted to £51 million in FY2025 (2024: £51 million).

The remaining fee income received in the year of £13 million (2024: £21 million) includes fees from 3i MIA, our North American Infrastructure Fund and our management of the 3i 2020 Co-investment Programme related to Action.

Operating expenses

Operating expenses increased in the year to £150 million (2024: £147 million) driven by a higher share-based payment charge reflecting the strong performance of 3i's share price during the year, which was offset by lower administration expenses and delayed staff recruitment.

Interest payable

The Group recognised interest payable of £65 million (2024: £61 million). Interest payable includes interest on the Group's loans and borrowings and amortisation of capitalised fees.

Operating cash profit

We generated an operating cash profit of £469 million in the year (2024: £467 million). Cash income increased to £598 million (2024: £594 million), principally due to an increase in dividend income, which included £433 million of cash dividends from Action (2024: £375 million). We also received cash dividends from 3iN, Scandlines and Tato, as well as cash fees from our external funds. Excluding the dividends received from Action, the operating cash profit was £36 million (2024: £92 million).

We paid cash operating expenses of £129 million (2024: £127 million) in the year. Cash operating expenses were lower than the £150 million (2024: £147 million) of operating expenses recognised in the Consolidated statement of comprehensive income as a result of share-based payments and other non-cash expenses.

Table 13: Operating cash profit for the year to 31 March

Investment basis	**2025 £m**	2024 £m
Cash fees from external funds	**65**	74
Cash portfolio fees	**7**	12
Cash portfolio dividends and interest	**526**	508
Cash income	**598**	594
Cash operating expenses[1]	**(129)**	(127)
Operating cash profit	**469**	467

1 Cash operating expenses include operating expenses paid and lease payments.

Carried interest and performance fees

We receive carried interest and performance fees from third-party funds and 3iN. We also pay carried interest and performance fees to participants in plans relating to returns from investments. These are received and/or paid subject to meeting certain performance conditions and when cash proceeds have been received following a realisation, refinancing event or other cash distribution and performance hurdles are passed in cash terms. Due to the passage of time between investment and realisation, the schemes are usually active for a number of years and their participants include both current and previous employees of 3i. In Private Equity (excluding Action), we typically accrue net carried interest payable of c.12% of GIR, once the performance hurdle is achieved, based on the assumption that all investments are realised at their balance sheet value.

The overall strong performance of the Private Equity portfolio resulted in a £70 million increase in the carried interest payable expense. During the year, we reduced our carried interest and performance fees payable liability following the full crystallisation of the remaining carried interest liability of £428 million relating to Action. Going forward, we have no carried interest dilution to our 57.9% gross stake in Action.

In Infrastructure, 3iN pays a performance fee based on its NAV on an annual basis, subject to a hurdle rate of return. The continued strong performance of the assets held by 3iN resulted in the recognition of £29 million (2024: £62 million) of performance fees receivable, with £42 million received during the year.

Overall, the effect of the income statement charge of £81 million (2024: £305 million), cash payments of £521 million (2024: £778 million), as well as currency translation meant that the balance sheet carried interest and performance fees payable was £360 million (31 March 2024: £818 million).

Table 14: Carried interest and performance fees for the year to 31 March

	Investment basis Statement of comprehensive income		Investment basis Statement of financial position	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Carried interest and performance fees receivable				
Private Equity	**–**	–	**4**	5
Infrastructure	**29**	62	**29**	42
Total	**29**	62	**33**	47
Carried interest and performance fees payable				
Private Equity	**(70)**	(262)	**(348)**	(803)
Infrastructure	**(11)**	(43)	**(12)**	(15)
Total	**(81)**	(305)	**(360)**	(818)

Table 15: Carried interest and performance fees paid in the year to 31 March

Investment basis cash flow statement	**2025 £m**	2024 £m
Carried interest and performance fees cash paid		
Private Equity	**510**	745
Infrastructure	**11**	33
Total	**521**	778

Net foreign exchange movements

The Group recorded a total foreign exchange translation loss of £259 million including the impact of foreign exchange hedging in the year (March 2024: £316 million loss), as a result of sterling strengthening by 2% against the euro and US dollar.

At 31 March 2025, the notional value of the Group's forward foreign exchange contracts was €2.6 billion and $1.2 billion. The €2.6 billion includes the €600 million notional value of the forward foreign exchange contracts related to the Scandlines hedging programme. In April 2025, we completed a further €400 million of forward foreign exchange contracts to increase the notional value of the Group's euro foreign exchange hedging programme to €3.0 billion, reflecting increases in euro cash flows and capitalising on attractive hedge rates.

Including the impact from foreign exchange hedging, 79% of the Group's net assets are denominated in euros or US dollars. Based on the Group's net assets at 31 March 2025, including the impact from foreign exchange hedging, a 1% movement in euro and US dollar foreign exchange rates would impact the total return by £182 million and £12 million, as shown in Table 16 below.

Table 16: Net assets[1] and sensitivity by currency at 31 March

				Pre-hedging update	**Post-hedging update[3]**
	FX rate	**£m**	**%**	**1% sensitivity £m**	**1% sensitivity £m**
Sterling	**n/a**	**4,942**	**20**	**n/a**	
Euro[2]	**1.1935**	**18,257**	**74**	**182**	**179**
US dollar[2]	**1.2908**	**1,211**	**5**	**12**	
Danish krone	**8.9040**	**177**	**1**	**2**	
Other	**n/a**	**24**	**–**	**n/a**	

1 The Group's foreign exchange hedging is treated as a sterling asset within the above table.
2 The sensitivity impact calculated on the net assets position includes the impact of foreign exchange hedging.
3 Sensitivity based on net assets at 31 March 2025 including the impact of the additional €400 million in the hedging programme.

Pension

The Group completed the buy-out of its UK defined benefit plan ("the Plan") during the year, meaning that the buy-in policies were converted into individual annuity policies held in each Plan member's name, thereby fully removing the defined benefit obligation. The remaining assets held by the Plan are those surplus assets that were not needed to complete the buy-out, less expected wind-up costs.

Tax
The Group's parent company continues to operate in the UK as an approved investment trust company. An approved investment trust is a UK investment company which is required to meet certain conditions set out in the UK tax rules to obtain and maintain its tax status. This approval allows certain investment profits of the Company, broadly its capital profits, to be exempt from tax in the UK. Income and expenditure, excepting those exempt returns in the Company, are both subject to taxation. The Group's tax charge for the year was £1 million (2024: £2 million) with no top-up tax payable under Pillar 2.

The Group's overall UK tax position for the financial year is dependent on the finalisation of the tax returns of the various corporate and partnership entities in the UK group.

Balance sheet and liquidity
At 31 March 2025, the Group had net debt of £771 million (31 March 2024: £806 million) and gearing of 3% after the receipt of cash income of £598 million and net cash proceeds of £659 million offsetting the payment of carried interest and performance fees of £521 million and Group dividend payments of £625 million.

The Group had liquidity of £1,323 million as at 31 March 2025 (31 March 2024: £1,296 million), comprising cash and deposits of £423 million (31 March 2024: £396 million) and an undrawn RCF of £900 million.

The investment portfolio value increased to £25,579 million at 31 March 2025 (31 March 2024: £21,636 million), mainly driven by unrealised profits of £4,839 million in the year.

Further information on investments and realisations is included in the Private Equity, Infrastructure and Scandlines business reviews.

Table 17: Simplified consolidated balance sheet at 31 March

Investment basis Statement of financial position	**2025 £m**	2024 £m
Investment portfolio	**25,579**	21,636
Gross debt	**(1,194)**	(1,202)
Cash and deposits	**423**	396
Net debt	**(771)**	(806)
Carried interest and performance fees receivable	**33**	47
Carried interest and performance fees payable	**(360)**	(818)
Other net assets	**130**	111
Net assets	**24,611**	20,170
Gearing[1]	**3 %**	4 %

1 Gearing is net debt as a percentage of net assets.

Going concern
The Annual report and accounts 2025 were prepared on a going concern basis. The Directors made an assessment of going concern, taking into account the Group's current performance and the outlook, and performed additional analysis to support the going concern assessment. Further details on going concern can be found in the Resilience statement in our Annual report and accounts 2025.

Dividend
The Board has recommended a second FY2025 dividend of 42.5 pence per share (2024: 34.5 pence), taking the total dividend for the year to 73.0 pence per share (2024: 61.0 pence). Subject to shareholder approval, the dividend will be paid to shareholders in July 2025.

Key accounting judgments and estimates

A key judgement is the assessment required to determine the degree of control or influence the Group exercises and the form of any control to ensure that the financial treatment of investment entities is accurate. The introduction of IFRS 10 resulted in a number of intermediate holding companies being presented at fair value, which has led to reduced transparency of the underlying investment performance. As a result, the Group continues to present a non-GAAP Investment basis set of financial statements to ensure that the commentary in the Strategic report remains fair, balanced and understandable. The reconciliation of the Investment basis to IFRS is shown on pages 76 to 78 in our Annual report and account 2025.

In preparing these accounts, the key accounting estimate is the carrying value of our investment assets, which is stated at fair value.

Given the importance of the valuation of investments, the Board has a separate Valuations Committee to review the valuation policy, process and application to individual investments. However, asset valuations for unquoted investments are inherently subjective, as they are made on the basis of assumptions which may not prove to be accurate. At 31 March 2025, 96% by value of the investment assets were unquoted (31 March 2024: 96%).

Investment basis

Consolidated statement of comprehensive income

for the year to 31 March

	2025 £m	2024 £m
Realised profits/(losses) over value on the disposal of investments	**51**	(4)
Unrealised profits on the revaluation of investments	**4,839**	3,926
Portfolio income		
Dividends	**509**	499
Interest income from investment portfolio	**81**	91
Fees receivable	**10**	1
Foreign exchange on investments	**(361)**	(461)
Movement in the fair value of derivatives	**82**	116
Gross investment return	**5,211**	4,168
Fees receivable from external funds	**64**	72
Operating expenses	**(150)**	(147)
Interest receivable	**18**	13
Interest payable	**(65)**	(61)
Exchange movements	**20**	29
Other income	**–**	3
Operating profit before carried interest	**5,098**	4,077
Carried interest		
Carried interest and performance fees receivable	**29**	62
Carried interest and performance fees payable	**(81)**	(305)
Operating profit before tax	**5,046**	3,834
Tax charge	**(1)**	(2)
Profit for the year	**5,045**	3,832
Other comprehensive income		
Re-measurements of defined benefit plans	**4**	7
Total comprehensive income for the year (“Total return”)	**5,049**	3,839

Consolidated statement of financial position

as at 31 March

	2025 £m	2024 £m
Assets		
Non-current assets		
Investments		
Quoted investments	**916**	946
Unquoted investments	**24,663**	20,690
Investment portfolio	**25,579**	21,636
Carried interest and performance fees receivable	**–**	2
Other non-current assets	**33**	36
Intangible assets	**2**	4
Retirement benefit surplus	**63**	61
Property, plant and equipment	**18**	4
Right of use asset	**41**	49
Derivative financial instruments	**46**	83
Total non-current assets	**25,782**	21,875
Current assets		
Carried interest and performance fees receivable	**33**	45
Other current assets	**49**	53
Current income taxes	**2**	1
Derivative financial instruments	**91**	82
Cash and cash equivalents	**423**	396
Total current assets	**598**	577
Total assets	**26,380**	22,452
Liabilities		
Non-current liabilities		
Trade and other payables	**(7)**	(50)
Carried interest and performance fees payable	**(333)**	(280)
Loans and borrowings	**(1,194)**	(1,202)
Derivative financial instruments	**(4)**	–
Retirement benefit deficit	**(17)**	(21)
Lease liability	**(42)**	(45)
Deferred income taxes	**(1)**	(1)
Provisions	**(2)**	(2)
Total non-current liabilities	**(1,600)**	(1,601)
Current liabilities		
Trade and other payables	**(137)**	(136)
Carried interest and performance fees payable	**(27)**	(538)
Lease liability	**(3)**	(4)
Current income taxes	**(1)**	(3)
Provisions	**(1)**	–
Total current liabilities	**(169)**	(681)
Total liabilities	**(1,769)**	(2,282)
Net assets	**24,611**	20,170
Equity		
Issued capital	**719**	719
Share premium	**792**	791
Other reserves	**23,181**	18,752
Own shares	**(81)**	(92)
Total equity	**24,611**	20,170

Consolidated cash flow statement

for the year to 31 March

	2025 £m	2024 £m
Cash flow from operating activities		
Purchase of investments	**(1,182)**	(603)
Proceeds from investments	**1,841**	883
Net cash flow from derivatives	**113**	69
Portfolio interest received	**11**	8
Portfolio dividends received	**515**	500
Portfolio fees received	**7**	12
Fees received from external funds	**65**	74
Carried interest and performance fees received	**44**	58
Carried interest and performance fees paid	**(521)**	(778)
Operating expenses paid	**(123)**	(121)
Co-investment loans (paid)/received	**(40)**	42
Tax paid	**(3)**	(3)
Other cash income	**1**	3
Other cash expenses	**(11)**	–
Interest received	**18**	13
Net cash flow from operating activities	**735**	157
Cash flow from financing activities		
Issue of shares	**1**	1
Dividends paid	**(625)**	(541)
Proceeds from long-term borrowing	**–**	422
Lease payments	**(6)**	(6)
Interest paid	**(60)**	(40)
Net cash flow from financing activities	**(690)**	(164)
Cash flow from investing activities		
Purchase of property, plant and equipment	**(16)**	(3)
Net cash flow from investing activities	**(16)**	(3)
Change in cash and cash equivalents	**29**	(10)
Cash and cash equivalents at the start of year	**396**	412
Effect of exchange rate fluctuations	**(2)**	(6)
Cash and cash equivalents at the end of year	**423**	396

Background to Investment basis financial statements

The Group makes investments in portfolio companies directly, held by 3i Group plc, and indirectly, held through intermediate holding company and partnership structures ("Investment entity subsidiaries"). It also has other operational subsidiaries which provide services and other activities such as employment, regulatory activities, management and advice ("Trading subsidiaries"). The application of IFRS 10 requires us to fair value a number of intermediate holding companies that were previously consolidated line by line. This fair value approach, applied at the intermediate holding company level, effectively obscures the performance of our proprietary capital investments and associated transactions occurring in the intermediate holding companies.

The financial effect of the underlying portfolio companies and fee income, operating expenses and carried interest transactions occurring in Investment entity subsidiaries are aggregated into a single value. Other items which were previously eliminated on consolidation are now included separately.

To maintain transparency in our report and aid understanding we introduced separate non-GAAP "Investment basis" Statements of comprehensive income, financial position and cash flow in our 2014 Annual report and accounts. The Investment basis is an APM and the Strategic report is prepared using the Investment basis as we believe it provides a more understandable view of our performance. Total return and net assets are equal under the Investment basis and IFRS; the Investment basis is simply a "look through" of IFRS 10 to present the underlying performance.

Reconciliation of Investment basis and IFRS

A detailed reconciliation from the Investment basis to IFRS basis of the Consolidated statement of comprehensive income, Consolidated statement of financial position and Consolidated cash flow statement is shown on the following pages.

Reconciliation of Investment basis and IFRS

Reconciliation of consolidated statement of comprehensive income

for the year to 31 March

	Notes	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m	Investment basis 2024 £m	IFRS adjustments 2024 £m	IFRS basis 2024 £m
Realised profits/(losses) over value on the disposal of investments	1,2	**51**	**(46)**	**5**	(4)	5	1
Unrealised profits on the revaluation of investments	1,2	**4,839**	**(1,027)**	**3,812**	3,926	(1,184)	2,742
Fair value movements on investment entity subsidiaries	1	**–**	**953**	**953**	–	861	861
Portfolio income							
Dividends	1,2	**509**	**(96)**	**413**	499	(136)	363
Interest income from investment portfolio	1,2	**81**	**(52)**	**29**	91	(62)	29
Fees receivable	1,2	**10**	**3**	**13**	1	2	3
Foreign exchange on investments	1,3	**(361)**	**116**	**(245)**	(461)	223	(238)
Movement in the fair value of derivatives		**82**	**–**	**82**	116	–	116
Gross investment return		**5,211**	**(149)**	**5,062**	4,168	(291)	3,877
Fees receivable from external funds		**64**	**–**	**64**	72	–	72
Operating expenses	1,4	**(150)**	**1**	**(149)**	(147)	1	(146)
Interest receivable	1,4	**18**	**(3)**	**15**	13	(4)	9
Interest payable		**(65)**	**–**	**(65)**	(61)	–	(61)
Exchange movements	1,3	**20**	**57**	**77**	29	23	52
Income from investment entity subsidiaries	1	**–**	**21**	**21**	–	21	21
Other (expense)/income	1,4	**–**	**(1)**	**(1)**	3	–	3
Operating profit before carried interest		**5,098**	**(74)**	**5,024**	4,077	(250)	3,827
Carried interest							
Carried interest and performance fees receivable		**29**	**–**	**29**	62	–	62
Carried interest and performance fees payable	1,4	**(81)**	**67**	**(14)**	(305)	254	(51)
Operating profit before tax		**5,046**	**(7)**	**5,039**	3,834	4	3,838
Tax charge	1	**(1)**	**–**	**(1)**	(2)	–	(2)
Profit for the year		**5,045**	**(7)**	**5,038**	3,832	4	3,836
Other comprehensive income							
Exchange differences on translation of foreign operations	1,3	**–**	**7**	**7**	–	(4)	(4)
Re-measurements of defined benefit plans		**4**	**–**	**4**	7	–	7
Other comprehensive income for the year		**4**	**7**	**11**	7	(4)	3
Total comprehensive income for the year ("Total return")		**5,049**	**–**	**5,049**	3,839	–	3,839

The IFRS basis is audited and the Investment basis is unaudited.

Notes to the Reconciliation of consolidated statement of comprehensive income above:

1 Applying IFRS 10 to the Consolidated statement of comprehensive income consolidates the line items of a number of previously consolidated subsidiaries into a single line item "Fair value movements on investment entity subsidiaries". In the "Investment basis" accounts we have disaggregated these line items to analyse our total return as if these Investment entity subsidiaries were fully consolidated, consistent with prior years. The adjustments simply reclassify the Consolidated statement of comprehensive income of the Group, and the total return is equal under the Investment basis and the IFRS basis.

2 Realised profits, unrealised profits and portfolio income shown in the IFRS accounts only relate to portfolio companies that are held directly by 3i Group plc and not those portfolio companies held through Investment entity subsidiaries. Realised profits, unrealised profits and portfolio income in relation to portfolio companies held through Investment entity subsidiaries are aggregated into the single "Fair value movement on investment entity subsidiaries" line. This is the most significant reduction of information in our IFRS accounts.

3 Foreign exchange movements have been reclassified under the Investment basis as foreign currency asset and liability movements. Movements within the Investment entity subsidiaries are included within "Fair value movements on investment entities".

4 Other items also aggregated into the "Fair value movements on investment entity subsidiaries" line include operating expenses, interest receivable, other(expense)/income and carried interest and performance fees payable.

Notes to the Reconciliation of consolidated statement of financial position on the next page:

1 Applying IFRS 10 to the Consolidated statement of financial position aggregates the line items into the single line item “Investments in investment entity subsidiaries”. In the Investment basis we have disaggregated these items to analyse our net assets as if the Investment entity subsidiaries were consolidated. The adjustment reclassifies items in the Consolidated statement of financial position. There is no change to the net assets, although for reasons explained below, gross assets and gross liabilities are different. The disclosure relating to portfolio companies is significantly reduced by the aggregation, as the fair value of all investments held by Investment entity subsidiaries is aggregated into the “Investments in investment entity subsidiaries” line. We have disaggregated this fair value and disclosed the underlying portfolio holding in the relevant line item, i.e., quoted investments or unquoted investments. Other items which may be aggregated include carried interest, other assets and other payables, and the Investment basis presentation again disaggregates these items.

2 Intercompany balances between Investment entity subsidiaries and trading subsidiaries also impact the transparency of our results under the IFRS basis. If an Investment entity subsidiary has an intercompany balance with a consolidated trading subsidiary of the Group, then the asset or liability of the Investment entity subsidiary will be aggregated into its fair value, while the asset or liability of the consolidated trading subsidiary will be disclosed as an asset or liability in the Consolidated statement of financial position for the Group.

3 Investment basis financial statements are prepared for performance measurement and therefore reserves are not analysed separately under this basis.

Reconciliation of consolidated statement of financial position

as at 31 March

	Notes	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m	Investment basis 2024 £m	IFRS adjustments 2024 £m	IFRS basis 2024 £m
Assets							
Non-current assets							
Investments							
Quoted investments	1	**916**	**(60)**	**856**	946	(67)	879
Unquoted investments	1	**24,663**	**(7,163)**	**17,500**	20,690	(6,497)	14,193
Investments in investment entity subsidiaries	1,2	**–**	**6,916**	**6,916**	–	5,804	5,804
Investment portfolio		**25,579**	**(307)**	**25,272**	21,636	(760)	20,876
Carried interest and performance fees receivable	1	**–**	**–**	**–**	2	1	3
Other non-current assets	1	**33**	**(6)**	**27**	36	(8)	28
Intangible assets		**2**	**–**	**2**	4	–	4
Retirement benefit surplus		**63**	**–**	**63**	61	–	61
Property, plant and equipment		**18**	**–**	**18**	4	–	4
Right of use asset		**41**	**–**	**41**	49	–	49
Derivative financial instruments		**46**	**–**	**46**	83	–	83
Total non-current assets		**25,782**	**(313)**	**25,469**	21,875	(767)	21,108
Current assets							
Carried interest and performance fees receivable		**33**	**–**	**33**	45	–	45
Other current assets	1	**49**	**–**	**49**	53	(6)	47
Current income taxes		**2**	**–**	**2**	1	–	1
Derivative financial instruments		**91**	**–**	**91**	82	–	82
Cash and cash equivalents	1	**423**	**(11)**	**412**	396	(38)	358
Total current assets		**598**	**(11)**	**587**	577	(44)	533
Total assets		**26,380**	**(324)**	**26,056**	22,452	(811)	21,641
Liabilities							
Non-current liabilities							
Trade and other payables	1	**(7)**	**1**	**(6)**	(50)	45	(5)
Carried interest and performance fees payable	1	**(333)**	**304**	**(29)**	(280)	250	(30)
Loans and borrowings		**(1,194)**	**–**	**(1,194)**	(1,202)	–	(1,202)
Derivative financial instruments		**(4)**	**–**	**(4)**	–	–	–
Retirement benefit deficit		**(17)**	**–**	**(17)**	(21)	–	(21)
Lease liability		**(42)**	**–**	**(42)**	(45)	–	(45)
Deferred income taxes		**(1)**	**–**	**(1)**	(1)	–	(1)
Provisions		**(2)**	**–**	**(2)**	(2)	–	(2)
Total non-current liabilities		**(1,600)**	**305**	**(1,295)**	(1,601)	295	(1,306)
Current liabilities							
Trade and other payables	1	**(137)**	**4**	**(133)**	(136)	2	(134)
Carried interest and performance fees payable	1	**(27)**	**15**	**(12)**	(538)	514	(24)
Lease liability		**(3)**	**–**	**(3)**	(4)	–	(4)
Current income taxes		**(1)**	**–**	**(1)**	(3)	–	(3)
Provisions		**(1)**	**–**	**(1)**	–	–	–
Total current liabilities		**(169)**	**19**	**(150)**	(681)	516	(165)
Total liabilities		**(1,769)**	**324**	**(1,445)**	(2,282)	811	(1,471)
Net assets		**24,611**	**–**	**24,611**	20,170	–	20,170
Equity							
Issued capital		**719**	**–**	**719**	719	–	719
Share premium		**792**	**–**	**792**	791	–	791
Other reserves	3	**23,181**	**–**	**23,181**	18,752	–	18,752
Own shares		**(81)**	**–**	**(81)**	(92)	–	(92)
Total equity		**24,611**	**–**	**24,611**	20,170	–	20,170

The IFRS basis is audited and the Investment basis is unaudited. Notes: see previous page.

Reconciliation of consolidated cash flow statement

for the year to 31 March

	Notes	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m	Investment basis 2024 £m	IFRS adjustments 2024 £m	IFRS basis 2024 £m
Cash flow from operating activities							
Purchase of investments	1	**(1,182)**	**1,032**	**(150)**	(603)	97	(506)
Proceeds from investments	1	**1,841**	**(734)**	**1,107**	883	(340)	543
Amounts paid to investment entity subsidiaries	1	**–**	**(1,537)**	**(1,537)**	–	(674)	(674)
Amounts received from investment entity subsidiaries	1	**–**	**865**	**865**	–	580	580
Net cash flow from derivatives		**113**	**–**	**113**	69	–	69
Portfolio interest received	1	**11**	**(5)**	**6**	8	(3)	5
Portfolio dividends received	1	**515**	**(95)**	**420**	500	(134)	366
Portfolio fees received		**7**	**–**	**7**	12	–	12
Fees received from external funds		**65**	**–**	**65**	74	–	74
Carried interest and performance fees received		**44**	**–**	**44**	58	–	58
Carried interest and performance fees paid	1	**(521)**	**498**	**(23)**	(778)	725	(53)
Operating expenses paid	1	**(123)**	**1**	**(122)**	(121)	–	(121)
Co-investment loans (paid)/received	1	**(40)**	**5**	**(35)**	42	(37)	5
Tax paid		**(3)**	**–**	**(3)**	(3)	–	(3)
Other cash income	1	**1**	**–**	**1**	3	(1)	2
Other cash expenses	1	**(11)**	**1**	**(10)**	–	–	–
Interest received	1	**18**	**(3)**	**15**	13	(4)	9
Net cash flow from operating activities		**735**	**28**	**763**	157	209	366
Cash flow from financing activities							
Issue of shares		**1**	**–**	**1**	1	–	1
Dividends paid		**(625)**	**–**	**(625)**	(541)	–	(541)
Proceeds from long-term borrowing		**–**	**–**	**–**	422	–	422
Lease payments		**(6)**	**–**	**(6)**	(6)	–	(6)
Interest paid		**(60)**	**–**	**(60)**	(40)	–	(40)
Net cash flow from financing activities		**(690)**	**–**	**(690)**	(164)	–	(164)
Cash flow from investing activities							
Purchase of property, plant and equipment		**(16)**	**–**	**(16)**	(3)	–	(3)
Net cash flow from investing activities		**(16)**	**–**	**(16)**	(3)	–	(3)
Change in cash and cash equivalents	2	**29**	**28**	**57**	(10)	209	199
Cash and cash equivalents at the start of year	2	**396**	**(38)**	**358**	412	(250)	162
Effect of exchange rate fluctuations	1	**(2)**	**(1)**	**(3)**	(6)	3	(3)
Cash and cash equivalents at the end of year	2	**423**	**(11)**	**412**	396	(38)	358

The IFRS basis is audited and the Investment basis is unaudited.

Notes to the Reconciliation of consolidated cash flow statement above:

1 The Consolidated cash flow statement is impacted by the application of IFRS 10 as cash flows to and from Investment entity subsidiaries are disclosed, rather than the cash flows to and from the underlying portfolio. Therefore in our Investment basis financial statements, we have disclosed our cash flow statement on a "look through" basis, in order to reflect the underlying sources and uses of cash flows and disclose the underlying investment activity.

2 There is a difference between the change in cash and cash equivalents of the Investment basis financial statements and the IFRS financial statements because there are cash balances held in Investment entity subsidiaries.

Alternative Performance Measures ("APMs")

We assess our performance using a variety of measures that are not specifically defined under IFRS and are therefore termed APMs. The APMs that we use may not be directly comparable with those used by other companies. Our Investment basis is itself an APM. The explanation of and rationale for the Investment basis and its reconciliation to IFRS is provided above. The table below defines our additional APMs.

Purpose	Calculation	Reconciliation to IFRS
Gross investment return as a percentage of opening portfolio value		
A measure of the performance of our proprietary investment portfolio.	It is calculated as the gross investment return, as shown in the Investment basis Consolidated statement of comprehensive income, as a % of the opening portfolio value.	The equivalent balances under IFRS and the reconciliation to the Investment basis are shown in the Reconciliation of the consolidated statement of comprehensive income and the Reconciliation of the consolidated statement of financial position respectively. **For further information see the Group KPIs in our Annual report and accounts 2025.**
Cash realisations		
Cash proceeds from our investments support our returns to shareholders, as well as our ability to invest in new opportunities.	The cash received from the disposal of investments in the year as shown in the Investment basis Consolidated cash flow statement.	Reconciliation to IFRS The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated cash flow statement. **For further information see the Group KPIs in our Annual report and accounts 2025.**
Cash investment		
Identifying new opportunities in which to invest proprietary capital is the primary driver of the Group's ability to deliver attractive returns.	The cash paid to acquire investments in the year as shown on the Investment basis Consolidated cash flow statement.	Reconciliation to IFRS The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated cash flow statement. **For further information see the Group KPIs in our Annual report and accounts 2025.**
Operating cash profit		
By covering the cash cost of running the business with cash income, we reduce the potential dilution of capital returns.	The cash income from the portfolio (interest, dividends and fees) together with fees received from external funds less cash operating expenses and leases payments as shown on the Investment basis Consolidated cash flow statement. The calculation is shown in Table 13 of the Financial review.	Reconciliation to IFRS The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated cash flow statement. **For further information see the Group KPIs in our Annual report and accounts 2025.**
Net (debt)/cash		
A measure of the available cash to invest in the business and an indicator of the financial risk in the Group's balance sheet.	Cash and cash equivalents plus deposits less loans and borrowings as shown on the Investment basis Consolidated statement of financial position.	
Gearing		
A measure of the financial risk in the Group's balance sheet.	Net debt (as defined above) as a % of the Group's net assets under the Investment basis. It cannot be less than zero.	The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated statement of financial position.

Audited financial statements

Consolidated statement of comprehensive income

for the year to 31 March

	Notes	2025 £m	2024 £m
Realised profits over value on the disposal of investments		**5**	1
Unrealised profits on the revaluation of investments		**3,812**	2,742
Fair value movements on investment entity subsidiaries		**953**	861
Portfolio income			
Dividends		**413**	363
Interest income from investment portfolio		**29**	29
Fees receivable		**13**	3
Foreign exchange on investments		**(245)**	(238)
Movement in the fair value of derivatives		**82**	116
Gross investment return		**5,062**	3,877
Fees receivable from external funds		**64**	72
Operating expenses		**(149)**	(146)
Interest receivable		**15**	9
Interest payable		**(65)**	(61)
Exchange movements		**77**	52
Income from investment entity subsidiaries		**21**	21
Other (expense)/income		**(1)**	3
Operating profit before carried interest		**5,024**	3,827
Carried interest			
Carried interest and performance fees receivable		**29**	62
Carried interest and performance fees payable		**(14)**	(51)
Operating profit before tax		**5,039**	3,838
Tax charge		**(1)**	(2)
Profit for the year		**5,038**	3,836
Other comprehensive income that may be reclassified to the income statement			
Exchange differences on translation of foreign operations		**7**	(4)
Other comprehensive income that will not be reclassified to the income statement			
Re-measurements of defined benefit plans		**4**	7
Other comprehensive income for the year		**11**	3
Total comprehensive income for the year		**5,049**	3,839

	Notes	2025	2024
Earnings per share			
Basic (pence)	2	**522.0**	397.9
Diluted (pence)	2	**520.6**	396.7

The Notes to the accounts section forms an integral part of these financial statements.

Consolidated statement of financial position

for the year to 31 March

	2025 £m	2024 £m
Assets		
Non-current assets		
Investments		
Quoted investments	**856**	879
Unquoted investments	**17,500**	14,193
Investments in investment entity subsidiaries	**6,916**	5,804
Investment portfolio	**25,272**	20,876
Carried interest and performance fees receivable	**–**	3
Other non-current assets	**27**	28
Intangible assets	**2**	4
Retirement benefit surplus	**63**	61
Property, plant and equipment	**18**	4
Right of use asset	**41**	49
Derivative financial instruments	**46**	83
Total non-current assets	**25,469**	21,108
Current assets		
Carried interest and performance fees receivable	**33**	45
Other current assets	**49**	47
Current income taxes	**2**	1
Derivative financial instruments	**91**	82
Cash and cash equivalents	**412**	358
Total current assets	**587**	533
Total assets	**26,056**	21,641
Liabilities		
Non-current liabilities		
Trade and other payables	**(6)**	(5)
Carried interest and performance fees payable	**(29)**	(30)
Loans and borrowings	**(1,194)**	(1,202)
Derivative financial instruments	**(4)**	–
Retirement benefit deficit	**(17)**	(21)
Lease liability	**(42)**	(45)
Deferred income taxes	**(1)**	(1)
Provisions	**(2)**	(2)
Total non-current liabilities	**(1,295)**	(1,306)
Current liabilities		
Trade and other payables	**(133)**	(134)
Carried interest and performance fees payable	**(12)**	(24)
Lease liability	**(3)**	(4)
Current income taxes	**(1)**	(3)
Provisions	**(1)**	–
Total current liabilities	**(150)**	(165)
Total liabilities	**(1,445)**	(1,471)
Net assets	**24,611**	20,170
Equity		
Issued capital	**719**	719
Share premium	**792**	791
Capital redemption reserve	**43**	43
Share-based payment reserve	**35**	42
Translation reserve	**1**	(6)
Capital reserve	**21,257**	17,154
Revenue reserve	**1,845**	1,519
Own shares	**(81)**	(92)
Total equity	**24,611**	20,170

The Notes to the accounts section forms an integral part of these financial statements

David Hutchison
Chair
14 May 2025

Consolidated statement of changes in equity

for the year to 31 March

2025	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Translation reserve £m	Capital reserve[1] £m	Revenue reserve[1] £m	Own shares £m	Total equity £m
Total equity at the start of the year	719	791	43	42	(6)	17,154	1,519	(92)	20,170
Profit for the year	–	–	–	–	–	4,535	503	–	5,038
Exchange differences on translation of foreign operations	–	–	–	–	7	–	–	–	7
Re-measurements of defined benefit plans	–	–	–	–	–	4	–	–	4
Total comprehensive income for the year	–	–	–	–	7	4,539	503	–	5,049
Share-based payments	–	–	–	16	–	–	–	–	16
Release on exercise/forfeiture of share awards	–	–	–	(23)	–	–	23	–	–
Exercise of share awards	–	–	–	–	–	(11)	–	11	–
Ordinary dividends	–	–	–	–	–	(425)	(200)	–	(625)
Issue of ordinary shares	–	1	–	–	–	–	–	–	1
Total equity at the end of the year	719	792	43	35	1	21,257	1,845	(81)	24,611

1 Refer to Note 19 in our Annual report and accounts 2025 for the nature of the capital and revenue reserves.

2024	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Translation reserve £m	Capital reserve[1] £m	Revenue reserve[1] £m	Own shares £m	Total equity £m
Total equity at the start of the year	719	790	43	31	(2)	14,044	1,327	(108)	16,844
Profit for the year	–	–	–	–	–	3,309	527	–	3,836
Exchange differences on translation of foreign operations	–	–	–	–	(4)	–	–	–	(4)
Re-measurements of defined benefit plans	–	–	–	–	–	7	–	–	7
Total comprehensive income for the year	–	–	–	–	(4)	3,316	527	–	3,839
Share-based payments	–	–	–	27	–	–	–	–	27
Release on exercise/forfeiture of share awards	–	–	–	(16)	–	–	16	–	–
Exercise of share awards	–	–	–	–	–	(16)	–	16	–
Ordinary dividends	–	–	–	–	–	(190)	(351)	–	(541)
Issue of ordinary shares	–	1	–	–	–	–	–	–	1
Total equity at the end of the year	719	791	43	42	(6)	17,154	1,519	(92)	20,170

1 Refer to Note 19 in our Annual report and accounts 2025 for the nature of the capital and revenue reserves.

The Notes to the accounts section forms an integral part of these financial statements.

Consolidated cash flow statement
for the year to 31 March

	2025 £m	2024 £m
Cash flow from operating activities		
Purchase of investments	**(150)**	(506)
Proceeds from investments	**1,107**	543
Amounts paid to investment entity subsidiaries	**(1,537)**	(674)
Amounts received from investment entity subsidiaries	**865**	580
Net cash flow from derivatives	**113**	69
Portfolio interest received	**6**	5
Portfolio dividends received	**420**	366
Portfolio fees received	**7**	12
Fees received from external funds	**65**	74
Carried interest and performance fees received	**44**	58
Carried interest and performance fees paid	**(23)**	(53)
Operating expenses paid	**(122)**	(121)
Co-investment loans (paid)/received	**(35)**	5
Tax paid	**(3)**	(3)
Other cash income	**1**	2
Other cash expenses	**(10)**	–
Interest received	**15**	9
Net cash flow from operating activities	**763**	366
Cash flow from financing activities		
Issue of shares	**1**	1
Dividends paid	**(625)**	(541)
Proceeds from long-term borrowing	**–**	422
Lease payments	**(6)**	(6)
Interest paid	**(60)**	(40)
Net cash flow from financing activities	**(690)**	(164)
Cash flow from investing activities		
Purchases of property, plant and equipment	**(16)**	(3)
Net cash flow from investing activities	**(16)**	(3)
Change in cash and cash equivalents	**57**	199
Cash and cash equivalents at the start of the year	**358**	162
Effect of exchange rate fluctuations	**(3)**	(3)
Cash and cash equivalents at the end of the year	**412**	358

The Notes to the accounts section forms an integral part of these financial statements.

Material accounting policies

Reporting entity

3i Group plc (the “Company”) is a public limited company incorporated and domiciled in England and Wales. The consolidated financial statements (“the Group accounts”) for the year to 31 March 2025 comprise the financial statements of the Company and its consolidated subsidiaries (collectively, “the Group”).

The Group accounts have been prepared and approved by the Directors in accordance with section 395 of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its Company statement of comprehensive income and related Notes.

A Basis of preparation

The Group and Company accounts have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards. The financial statements are presented to the nearest million sterling (£m), the functional currency of the Company.

The Group and Company did not implement the requirements of any new standards in issue for the year ended 31 March 2025.

The IASB introduced a new IFRS Accounting Standard IFRS 18 to replace IAS 1 Presentation of Financial Statements. This new standard establishes detailed requirements for classifying and aggregating income and expenses in the income statement, as well as disclosure obligations for management defined performance measures. The standard applies for annual reporting periods beginning on or after 1 January 2027; however, it has not yet been endorsed for use in the UK.

Going concern

These financial statements have been prepared on a going concern basis as disclosed in the Directors’ report. The Directors have made an assessment of going concern for a period of at least 12 months from the date of approval of the accounts, taking into account the Group’s current performance, financial position and the principal and emerging risks facing the business.

The Directors’ assessment of going concern, which takes into account the business model (further detail in our Annual report and accounts 2025) and the Group’s liquidity of £1,323 million, indicates that the Group and parent company will have sufficient funds to continue as a going concern, for at least the next 12 months from the date of approval of the accounts. As detailed within the Financial review earlier in this document, on the Investment basis the Group covers its cash operating expenses of £129 million at 31 March 2025, with cash income generated by our Private Equity and Infrastructure businesses and Scandlines of £598 million at 31 March 2025. The Group’s liquidity comprises cash and deposits of £423 million (31 March 2024: £396 million) and an undrawn multi-currency facility of £900 million (31 March 2024: £900 million), which has no financial covenants.

As a proprietary investor, the Group has a long-term, responsible investment approach, and is not subject to external pressure to realise investments before optimum value can be achieved. The Board has the ability to take certain actions to help support the Group in adverse circumstances. Mitigating actions within management control during extended periods of low liquidity include, for example, drawing on the existing RCF or temporarily reducing new investment levels. The Group manages liquidity with the aim of ensuring it is adequate and sufficient, by regular monitoring of investments, realisations, operating expenses and portfolio cash income and there have been no post balance sheet changes that would be materially detrimental to liquidity. The Directors are of the opinion that the Group’s cash flow forecast is sufficient to support the Group given the current market, economic conditions and outlook.

Having performed the assessment on going concern, the Directors considered it appropriate to prepare the financial statements of the Company and Group on a going concern basis, and have concluded that the Group has sufficient financial resources, is well placed to manage business risks in the current economic environment, and can continue operations for a period of at least 12 months from the date of issue of these financial statements.

B Basis of consolidation

In accordance with IFRS 10, the Company meets the criteria as an investment entity and therefore is required to recognise subsidiaries that also qualify as investment entities at fair value through profit or loss. It does not consolidate the investment entities it controls. Subsidiaries that provide investment-related services, such as advisory, management or employment services, are not accounted for at fair value through profit and loss and continue to be consolidated unless those subsidiaries qualify as investment entities, in which case they are recognised at fair value.

Subsidiaries are entities controlled by the Group. Control, as defined by IFRS 10, is achieved when the Group has all of the following:

- power over the relevant activities of the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to affect those returns through its power over the investee.

The Group is required to determine the degree of control or influence the Group exercises and the form of any control to ensure that the financial treatment is accurate.

Subsidiaries are fully consolidated from the date on which the Group effectively obtains control. All intragroup balances and transactions with subsidiaries are eliminated upon consolidation. Subsidiaries are de-consolidated from the date that control ceases.

The Group comprises several different types of subsidiaries. For a new subsidiary, the Group assesses whether it qualifies as an investment entity under IFRS 10, based on the function the entity performs within the Group. For existing subsidiaries, the Group annually reassesses the function performed by each type of subsidiary to determine if the treatment under IFRS 10 exception from consolidation is still appropriate. The types of subsidiaries and their treatment under IFRS 10 are as follows:

General Partners ("GPs") – Consolidated

General Partners provide investment management services and do not hold any direct investments in portfolio assets. These entities are not investment entities.

Investment managers/advisers – Consolidated

These entities provide investment-related services through the provision of investment management or advice. They do not hold any direct investments in portfolio assets. These entities are not investment entities.

Holding companies of investment managers/advisers – Consolidated

These entities provide investment related services through their subsidiaries. Typically they do not hold any direct investment in portfolio assets and these entities are not investment entities.

Limited partnerships and other intermediate investment holding structures – Fair valued

The Group makes investments in portfolio assets through its ultimate parent company, as well as through other limited partnerships and corporate subsidiaries, which the Group has created to align the interests of the investment teams with the performance of the assets, through the use of various carried interest schemes. The purpose of these limited partnerships and corporate holding vehicles, many of which also provide investment-related services, is to invest for investment income and capital appreciation. These partnerships and corporate subsidiaries meet the definition of an investment entity and are accounted for at fair value through profit and loss.

Portfolio investments – Fair valued

Under IFRS 10, the test for accounting subsidiaries takes wider factors of control as well as actual equity ownership into account. In accordance with the investment entity exception, these entities have been held at fair value with movements in fair value being recognised in profit or loss.

Associates – Fair valued

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments that are held as part of the Group's investment portfolio are carried in the Consolidated statement of financial position at fair value even though the Group may have significant influence over those companies.

Further detail on our application of IFRS 10 can be found in the Reconciliation of Investment basis to IFRS section.

C Critical accounting judgements and estimates

The reported results of the Group are sensitive to the accounting policies, assumptions and estimates that underpin the preparation of its financial statements. UK company law and IFRS require the Directors, in preparing the Group's financial statements, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. The Group's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. The actual outcome may be materially different from that anticipated.

(a) Critical judgements

In the course of preparing the financial statements, one judgement has been made in the process of applying the Group's accounting policies, other than those involving estimations, that has had a significant effect on the amounts recognised in the financial statements as follows.

I. Assessment as an investment entity

The Board has concluded that the Company continues to meet the definition of an investment entity, as its strategic objective of investing in portfolio investments and providing investment management services to investors for the purpose of generating returns in the form of investment income and capital appreciation remains unchanged.

(b) Critical estimates

In addition to these significant judgements the Directors have made one estimate, which they deem to have a significant risk of resulting in a material adjustment to the amounts recognised in the financial statements within the next financial year. The detail of this estimates is as follows:

I. Fair valuation of the investment portfolio

The investment portfolio, a material group of assets of the Group, is held at fair value. Details of valuation methodologies used and the associated sensitivities are disclosed in Note 13 Fair values of assets and liabilities in our Annual report and accounts 2025. Given the importance of this area, the Board has a separate Valuations Committee to review the valuations policies, process and application to individual investments. A report on the activities of the Valuations Committee (including a review of the assumptions made) is included in the Valuations Committee report in our Annual report and accounts 2025.

In the comparative year carried interest payable was a critical estimate. Following the payment of £521 million of carried interest this year and the sensitivity being immaterial, carried interest payable is no longer considered a critical estimate for the year to 31 March 2025.

D Other accounting policies

(a) Gross investment return

Gross investment return is equivalent to "revenue" for the purposes of IAS 1. It represents the overall increase in net assets from the investment portfolio net of deal-related costs and includes foreign exchange movements in respect of the investment portfolio. The substantial majority is investment income and outside the scope of IFRS 15. It is analysed into the following components with the relevant standard shown where appropriate:

i. Realised profits or losses over value on the disposal of investments are the difference between the fair value of the consideration received in accordance with IFRS 13 less any directly attributable costs, on the sale of equity and the repayment of interest income from the investment portfolio, and its carrying value at the start of the accounting period, converted into sterling using the exchange rates in force at the date of disposal. See Note 2 in our Annual report and accounts 2025 for more details.

ii. Unrealised profits or losses on the revaluation of investments are the movement in the fair value of investments in accordance with IFRS 13 between the start and end of the accounting period converted into sterling using the exchange rates in force at the date of fair value assessment. See Note 3 in our Annual report and accounts 2025 for more details.

iii. Fair value movements on investment entity subsidiaries are the movements in the fair value of Group subsidiaries which are classified as investment entities under IFRS 10. The Group makes investments in portfolio assets through these entities which are usually limited partnerships or corporate subsidiaries. See Note 12 in our Annual report and accounts 2025 for more details.

iv. Portfolio income is that portion of income that is directly related to the return from individual investments. It is recognised to the extent that it is probable that there will be economic benefit and the income can be reliably measured. The following specific recognition criteria must be met before the income is recognised:
   - Dividends from equity investments are recognised in profit or loss when the shareholders' rights to receive payment is established;
   - Interest income from the investment portfolio is recognised as it accrues. When the fair value of an investment is assessed to be below the principal value of a loan, the Group recognises a provision against any interest accrued from the date of the assessment going forward until the investment is assessed to have recovered in value; and
   - The accounting policy for fee income is included in Note 4 in our Annual report and accounts 2025 for more details.

v. Foreign exchange on investments arises on investments made in currencies that are different from the functional currency of the Company, being sterling. Investments are translated at the exchange rate ruling at the date of the transaction in accordance with IAS 21. At each subsequent reporting date, investments are translated to sterling at the exchange rate ruling at that date.

vi. Movement in the fair value of derivatives relates to the change in fair value of forward foreign exchange contracts which have been used to minimise foreign currency risk in the investment portfolio. See Note 17 in our Annual report and accounts 2025 for more details.

(b) Foreign currency translation

For the Company and those subsidiaries and associates whose balance sheets are denominated in sterling, which is the Company's functional and presentational currency, monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are translated into sterling at the closing rates of exchange at the balance sheet date. Foreign currency transactions are translated into sterling at the average rates of exchange over the year and exchange differences arising are taken to profit or loss.

The statements of financial position of subsidiaries, which are not held at fair value, denominated in foreign currencies are translated into sterling at the closing rates. The statements of comprehensive income for these subsidiaries and associates are translated at the average rates and exchange differences arising are taken to other comprehensive income. Such exchange differences are reclassified to profit or loss in the period in which the subsidiary or associate is disposed of.

(c) Treasury assets and liabilities

Short-term treasury assets, and short and long-term treasury liabilities are used in order to manage cash flows.

Cash and cash equivalents comprise cash at bank and amounts held in money market funds which are readily convertible into cash and there is an insignificant risk of changes in value. Financial assets and liabilities are recognised in the balance sheet when the relevant Group entity becomes a party to the contractual provisions of the instrument. Derecognition occurs when rights to cash flows from a financial asset expire, or when a liability is extinguished.

Notes to the accounts

1 Segmental analysis

Operating segments are the components of the Group whose results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The Chief Executive, who is considered to be the chief operating decision maker, managed the Group on the basis of business divisions determined with reference to market focus, geographic focus, investment funding model and the Group's management hierarchy. A description of the activities, including returns generated by these divisions and the allocation of resources, is given in the Strategic report. For the geographical segmental split, revenue information is based on the locations of the assets held. To aid the readers' understanding we have split out Action, Private Equity's largest asset, into a separate column. Action is not regarded as a reported segment as the chief operating decision maker reviews performance, makes decisions and allocates resources to the Private Equity segment, which includes Action.

The segmental information that follows is presented on the basis used by the Chief Executive to monitor the performance of the Group. The reported segments are Private Equity, Infrastructure and Scandlines.

The segmental analysis is prepared on the Investment basis. The Investment basis is an APM and we believe it provides a more understandable view of performance. For more information on the Investment basis and a reconciliation between the Investment basis and IFRS can be found in the Reconciliation of Investment basis and IFRS section earlier in this document.

Investment basis **Year to 31 March 2025**	**Private Equity £m**	*Of which Action £m*	**Infrastructure £m**	**Scandlines £m**	**Total[3] £m**
Realised profits over value on the disposal of investments	**50**	–	**1**	**–**	**51**
Unrealised profits on the revaluation of investments	**4,803**	*4,324*	**17**	**19**	**4,839**
Portfolio income					
Dividends	**450**	*433*	**37**	**22**	**509**
Interest income from investment portfolio	**69**	–	**12**	**–**	**81**
Fees receivable	**14**	*5*	**(4)**	**–**	**10**
Foreign exchange on investments	**(340)**	*(255)*	**(11)**	**(10)**	**(361)**
Movement in the fair value of derivatives	**67**	*44*	**–**	**15**	**82**
Gross investment return	**5,113**	*4,551*	**52**	**46**	**5,211**
Fees receivable from external funds	**3**	–	**61**	**–**	**64**
Operating expenses	**(98)**	–	**(49)**	**(3)**	**(150)**
Interest receivable					**18**
Interest payable					**(65)**
Exchange movements					**20**
Other income					**–**
Operating profit before carried interest					**5,098**
Carried interest					
Carried interest and performance fees receivable	**–**	–	**29**	**–**	**29**
Carried interest and performance fees payable	**(70)**	–	**(11)**	**–**	**(81)**
Operating profit before tax					**5,046**
Tax charge					**(1)**
Profit for the year					**5,045**
Other comprehensive income					
Re-measurements of defined benefit plans					**4**
Total return					**5,049**
Realisations[1]	**1,827**	*1,164*	**10**	**–**	**1,837**
Cash investment	**(1,177)**	*(768)*	**(4)**	**(1)**	**(1,182)**
Net divestment/(investment)	**650**	*396*	**6**	**(1)**	**655**
Balance sheet					
Opening portfolio value at 1 April 2024	**19,629**	*14,158*	**1,488**	**519**	**21,636**
Investment[2]	**1,318**	*768*	**4**	**1**	**1,323**
Value disposed	**(1,777)**	*(1,164)*	**(9)**	**–**	**(1,786)**
Unrealised value movement	**4,803**	*4,324*	**17**	**19**	**4,839**
Foreign exchange and other movements	**(415)**	*(255)*	**(8)**	**(10)**	**(433)**
Closing portfolio value at 31 March 2025	**23,558**	*17,831*	**1,492**	**529**	**25,579**

Please refer to footnotes on the following page.

Segmental analysis continued

1 Realised proceeds may differ from cash proceeds due to timing of cash receipts. During the year, Private Equity recognised £1,827 million of realised proceeds, of which £1 million related to withholding tax. In addition, £5 million of cash proceeds were received, which had been recognised as realised proceeds in FY2024.

2 Includes capitalised interest.

3 The total is the sum of Private Equity, Infrastructure and Scandlines, "Of which Action" is part of Private Equity.

Interest receivable, interest payable, exchange movements, the tax charge and re-measurements of defined benefit plans are not managed by segment by the chief operating decision maker and therefore have not been allocated to a specific segment.

Investment basis Year to 31 March 2024	Private Equity £m	*Of which Action £m*	Infrastructure £m	Scandlines £m	Total[4] £m
Realised losses over value on the disposal of investments	–	*–*	(4)	–	(4)
Unrealised profits/(losses) on the revaluation of investments	3,874	*3,609*	72	(20)	3,926
Portfolio income					
Dividends	439	*377*	35	25	499
Interest income from investment portfolio	80	*–*	11	–	91
Fees receivable	7	*6*	(6)	–	1
Foreign exchange on investments	(437)	*(332)*	(9)	(15)	(461)
Movement in the fair value of derivatives	96	*58*	–	20	116
Gross investment return	4,059	*3,718*	99	10	4,168
Fees receivable from external funds	4		68	–	72
Operating expenses	(92)		(52)	(3)	(147)
Interest receivable					13
Interest payable					(61)
Exchange movements					29
Other income					3
Operating profit before carried interest					4,077
Carried interest					
Carried interest and performance fees receivable	–		62	–	62
Carried interest and performance fees payable	(262)		(43)	–	(305)
Operating profit before tax					3,834
Tax charge					(2)
Profit for the year					3,832
Other comprehensive income					
Re-measurements of defined benefit plans					7
Total return					3,839
Realisations[1]	866	*762*	22	–	888
Cash investment[2]	(556)	*(455)*	(36)	(1)	(593)
Net divestment/(investment)	310	*307*	(14)	(1)	295
Balance sheet					
Opening portfolio value at 1 April 2023	16,425	*11,188*	1,409	554	18,388
Investment[3]	683	*455*	36	1	720
Value disposed	(866)	*(762)*	(26)	–	(892)
Unrealised value movement	3,874	*3,609*	72	(20)	3,926
Foreign exchange and other movements	(487)	*(332)*	(3)	(16)	(506)
Closing portfolio value at 31 March 2024	19,629	*14,158*	1,488	519	21,636

1 Realised proceeds may differ from cash proceeds due to timing of cash receipts. During the year, Private Equity recognised £866 million of realised proceeds, of which £5 million relates to withholding tax.

2 Cash investment per the segmental analysis is different to cash investment per the cash flow due to a £10 million investment in Private Equity which was recognised in FY2023 and paid in FY2024.

3 Includes capitalised interest.

4 The total is the sum of Private Equity, Infrastructure and Scandlines, "Of which Action" is part of Private Equity.

Interest receivable, interest payable, exchange movements, other income, the tax charge and re-measurements of defined benefit plans are not managed by segment by the chief operating decision maker and therefore have not been allocated to a specific segment.

Segmental analysis continued

Investment basis **Year to 31 March 2025**	**Europe** **£m**	**North America** **£m**	**Other** **£m**	**Total** **£m**
Realised profits over value on the disposal of investments	**50**	**1**	**–**	**51**
Unrealised profits/(losses) on the revaluation of investments	**4,853**	**(11)**	**(3)**	**4,839**
Portfolio income	**588**	**13**	**(1)**	**600**
Foreign exchange on investments	**(316)**	**(44)**	**(1)**	**(361)**
Movement in fair value of derivatives	**65**	**17**	**–**	**82**
Gross investment return	**5,240**	**(24)**	**(5)**	**5,211**
Realisations	**1,826**	**11**	**–**	**1,837**
Cash investment	**(1,118)**	**(64)**	**–**	**(1,182)**
Net divestment/(investment)	**708**	**(53)**	**–**	**655**
Balance sheet				
Closing portfolio value at 31 March 2025	**23,431**	**2,126**	**22**	**25,579**

Investment basis Year to 31 March 2024	Europe £m	North America £m	Other £m	Total £m
Realised losses over value on the disposal of investments	(1)	(3)	–	(4)
Unrealised profits on the revaluation of investments	3,919	7	–	3,926
Portfolio income	579	12	–	591
Foreign exchange on investments	(416)	(44)	(1)	(461)
Movement in fair value of derivatives	88	28	–	116
Gross investment return	4,169	–	(1)	4,168
Realisations	865	22	1	888
Cash investment	(532)	(61)	–	(593)
Net (investment)/divestment	333	(39)	1	295
Balance sheet				
Closing portfolio value at 31 March 2024	19,485	2,124	27	21,636

2 Per share information

The calculation of basic net assets per share is based on the net assets and the number of shares in issue at the year end. When calculating the diluted net assets per share, the number of shares in issue is adjusted for the effect of all dilutive share awards. Dilutive share awards are equity awards with performance conditions attached, see Note 26 in our Annual report and accounts 2025.

	2025	2024
Net assets per share (£)		
Basic	**25.49**	20.92
Diluted	**25.42**	20.85
Net assets (£m)		
Net assets attributable to equity holders of the Company	**24,611**	20,170

	2025	2024
Number of shares in issue		
Ordinary shares	**973,398,978**	973,366,445
Own shares	**(7,979,305)**	(8,997,664)
	965,419,673	964,368,781
Effect of dilutive potential ordinary shares		
Share awards	**2,665,677**	3,104,739
Diluted shares	**968,085,350**	967,473,520

The calculation of basic earnings per share is based on the profit attributable to shareholders and the weighted average number of shares in issue. The weighted average shares in issue for the year to 31 March 2025 are 965,214,237 (2024: 964,007,876). When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effect of all dilutive share awards. The diluted weighted average shares in issue for the year to 31 March 2025 are 967,799,507 (2024: 966,901,059)

	2025	2024
Earnings per share (pence)		
Basic	**522.0**	397.9
Diluted	**520.6**	396.7
Earnings (£m)		
Profit for the year attributable to equity holders of the Company	**5,038**	3,836

3 Dividends

	2025 pence per share	2025 £m	2024 pence per share	2024 £m
Declared and paid during the year				
Ordinary shares				
Second dividend	**34.50**	**332**	29.75	286
First dividend	**30.50**	**293**	26.50	255
	65.00	**625**	56.25	541
Proposed dividend	**42.50**	**408**	34.50	332

The Group introduced a simplified dividend policy in May 2018. In accordance with this policy, subject to maintaining a conservative balance sheet approach, the Group aims to maintain or grow the dividend each year. The first dividend has been set at 50% of the prior year's total dividend.

The dividend can be paid out of either the capital reserve or the revenue reserve subject to the investment trust rules, see Note 19 in our Annual report and accounts 2025 and the statement of changes in equity on previous pages for details of reserves.

The distributable reserves of the Company are £10,488 million (31 March 2024: £8,282 million) and the Board reviews the distributable reserves bi-annually, including consideration of any material changes since the most recent audited accounts, ahead of proposing any dividend. The Board also reviews the proposed dividends in the context of the requirements of being an approved investment trust. Shareholders are given the opportunity to approve the total dividend for the year at the Company's Annual General Meeting. Details of the Group's continuing viability and going concern can be found in the Risk management section of our Annual report and accounts 2025.

20 large investments

The 20 investments listed below account for 95% of the portfolio at 31 March 2025 (31 March 2024: 95%). One portfolio company has been excluded due to commercial sensitivity. All investments have been assessed to establish whether they classify as accounting subsidiaries under IFRS and/or subsidiaries under the UK Companies Act. This assessment forms the basis of our disclosure of accounting subsidiaries in the financial statements.

The UK Companies Act defines a subsidiary based on voting rights, with a greater than 50% majority of voting rights resulting in an entity being classified as a subsidiary. IFRS 10 applies a wider test and, if a Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee then it has control, and hence the investee is deemed an accounting subsidiary. Controlled subsidiaries under IFRS are noted below. None of these investments are UK Companies Act subsidiaries.

In accordance with Part 5 of The Alternative Investment Fund Managers Regulations 2013 ("the Regulations"), 3i Investments plc, as AIFM, requires all controlled portfolio companies to make available to employees an annual report which meets the disclosure requirements of the Regulations. These are available either on the portfolio company's website or through filing with the relevant local authorities.

Investment Description of business	Business line Geography First invested in Valuation basis	**Residual cost[1] March 2025 £m**	Residual cost[1] March 2024 £m	**Valuation[2] March 2025 £m**	Valuation[2] March 2024 £m	Relevant transactions in the year
Action* General merchandise discount retailer	Private Equity Netherlands 2011 Earnings	**1,877**	1,108	**17,831**	14,158	£1,164 million of capital restructuring proceeds, £433 million cash dividends received and reinvestment of £768 million
Royal Sanders* Private label and contract manufacturing producer of personal care products	Private Equity Netherlands 2018 Earnings	**204**	165	**865**	580	Acquisition of Karium in June 2024 and Treaclemoon in February 2025. £39m further investment
3i Infrastructure plc* Quoted investment company, investing in infrastructure	Infrastructure UK 2007 Quoted	**305**	305	**856**	879	£33 million dividend received
Cirtec Medical* Outsourced medical device manufacturing	Private Equity US 2017 Earnings	**172**	172	**614**	586	
Scandlines Ferry operator between Denmark and Germany	Scandlines Denmark/ 2018 DCF	**531**	530	**529**	519	£22 million dividend received
AES Manufacturer of mechanical seals and provider of reliability services	Private Equity UK 1996 Earnings	**30**	30	**419**	403	£4 million dividend received. Acquired Condition Monitoring Services in August 2024 and PSS Marine Seal in October 2024
Tato Manufacturer and seller of specialty chemicals	Private Equity UK 1989 Earnings	**2**	2	**382**	335	£13 million dividend received
Evernex* Provider of third-party maintenance services for data centre infrastructure	Private Equity France 2019 Earnings	**332**	316	**350**	331	Acquired Ultra Support in November 2024

Investment Description of business	Business line Geography First invested in Valuation basis	**Residual cost[1] March 2025 £m**	Residual cost[1] March 2024 £m	**Valuation[2] March 2025 £m**	Valuation[2] March 2024 £m	Relevant transactions in the year
SaniSure* Manufacturer, distributor and integrator of single-use bioprocessing systems and components	Private Equity US 2019 Earnings	**76**	76	**324**	334	
Smarte Carte* Provider of self-serve vended luggage carts, electronic lockers and concession carts	Infrastructure US 2017 DCF	**196**	194	**308**	306	£6 million interest income received
European Bakery Group* Industrial bakery group specialised in bake-off bread and snack products	Private Equity Netherlands 2021 Earnings	**63**	84	**278**	267	Return of funding of £22 million
Audley Travel* Provider of experiential tailor-made travel	Private Equity UK 2015 Earnings	**338**	303	**276**	192	
ten23 health* Biologics focused CDMO	Private Equity Switzerland 2021 Other	**183**	129	**250**	192	£54 million further investment
Luqom* Online lighting specialist retailer	Private Equity Germany 2017 Earnings	**273**	262	**218**	222	
Q Holding* Manufacturer of catheter products serving the medical device market	Private Equity US 2014 Earnings	**162**	162	**172**	150	
xSuite* Accounts payable process automation specialist focused on the SAP ecosystem	Private Equity Germany 2022 Earnings	**98**	93	**122**	98	£5 million invested to support the acquisition of tangro in June 2024
BoConcept* Urban living designer	Private Equity Denmark 2016 Earnings	**131**	121	**121**	133	
WaterWipes* Global, premium, natural wet wipe brand	Private Equity UK 2025 Price of recent investment	**121**	—	**117**	—	Acquired in January 2025
MAIT* IT services provider of PLM & ERP software applications and IT infrastructure solutions for larger SME clients in the DACH region	Private Equity Germany 2021 Earnings	**53**	53	**110**	100	Acquired CAD 'N ORG and ISAP in April 2024, and TFH Technical Services in November 2024
Dynatect* Manufacturer of engineered, mission critical protective equipment	Private Equity US 2014 Earnings	**65**	65	**108**	130	
		5,212	4,170	**24,250**	19,915	

* Controlled in accordance with IFRS.

1 Residual cost includes cash investment and interest, net of cost disposed.

2 Valuation represents our unrealised value at the relevant date and does not include any realised proceeds and dividends received under our ownership.

List of Directors and their functions

The Directors of the Company and their functions are listed below:

David Hutchison, Chairman
Simon Borrows, Chief Executive and Executive Director
James Hatchley, Group Finance Director and Executive Director
Jasi Halai, Chief Operating Officer and Executive Director
Stephen Daintith, Independent non-executive Director
Lesley Knox, Senior Independent non-executive Director
Coline McConville, Independent non-executive Director
Peter McKellar, Independent non-executive Director
Hemant Patel, Independent non-executive Director
Alexandra Schaapveld, Independent non-executive Director

By order of the Board
K J Dunn
Company Secretary
14 May 2025

Registered Office: 1 Knightsbridge, London, SW1X 7LX

Glossary

Alternative Investment Funds ("AIFs") At 31 March 2025, 3i Investments plc as AIFM, managed seven AIFs. These were 3i Group plc, 3i Growth Capital B LP, 3i Growth Capital C LP, 3i Europartners Va LP, 3i Europartners Vb LP, 3i Managed Infrastructure Acquisitions LP and 3i Infrastructure plc.

Alternative Investment Fund Manager ("AIFM") is the regulated manager of AIFs. Within 3i, these are 3i Investments plc and 3i Investments (Luxembourg) SA.

Approved Investment Trust Company This is a particular UK tax status maintained by 3i Group plc, the parent company of 3i Group. An approved Investment Trust company is a UK company which meets certain conditions set out in the UK tax rules which include a requirement for the company to undertake portfolio investment activity that aims to spread investment risk and for the company's shares to be listed on an approved exchange. The "approved" status for an investment trust must be agreed by the UK tax authorities and its benefit is that certain profits of the company, principally its capital profits, are not taxable in the UK.

Assets under management ("AUM") A measure of the total assets that 3i has to invest or manages on behalf of shareholders and third-party investors for which it receives a fee. AUM is measured at fair value. In the absence of a third-party fund in Private Equity, it is not a measure of fee generating capability.

B2B Business-to-business.

Board The Board of Directors of the Company.

CAGR is the compound annual growth rate.

Capital redemption reserve is established in respect of the redemption of the Company's ordinary shares.

Capital reserve recognises all profits and losses that are capital in nature or have been allocated to capital. Following changes to the Companies Act, the Company amended its Articles of Association at the 2012 Annual General Meeting to allow these profits to be distributable by way of a dividend.

Carried interest payable is accrued on the realised and unrealised profits generated taking relevant performance hurdles into consideration, assuming all investments were realised at the prevailing book value. Carried interest is only actually paid when the relevant performance hurdles are met and the accrual is discounted to reflect expected payment periods.

Carried interest receivable The Group earns a share of profits from funds which it manages on behalf of third parties. These profits are earned when the funds meet certain performance conditions and are paid by the fund once these conditions have been met on a cash basis. The carried interest receivable may be subject to clawback provisions if the performance of the fund deteriorates following carried interest being paid.

CDMO stands for a contract development and manufacturing organisation.

Company 3i Group plc.

DACH The region covering Austria, Germany and Switzerland.

DCF Discounted cash flow.

Discounting The reduction in present value at a given date of a future cash transaction at an assumed rate, using a discount factor reflecting the time value of money.

EBITDA is defined as earnings before interest, taxation, depreciation and amortisation and is used as the typical measure of portfolio company performance.

EBITDA multiple Calculated as the enterprise value over EBITDA, it is used to determine the value of a company.

Executive Committee The Executive Committee is responsible for the day-to-day running of the Group.

Fair value movements on investment entity subsidiaries The movement in the carrying value of Group subsidiaries, classified as investment entities under IFRS 10, between the start and end of the accounting period converted into sterling using the exchange rates at the date of the movement.

Fair value through profit or loss ("FVTPL") is an IFRS measurement basis permitted for assets and liabilities which meet certain criteria. Gains and losses on assets and liabilities measured as FVTPL are recognised directly in the Statement of comprehensive income.

Fee income (or Fees receivable) is earned for providing services to 3i's portfolio companies and predominantly falls into one of two categories. Negotiation and other transaction fees are earned for providing transaction related services. Monitoring and other ongoing service fees are earned for providing a range of services over a period of time.

Fees receivable from external funds are earned for providing management and advisory services to a variety of fund partnerships and other entities. Fees are typically calculated as a percentage of the cost or value of the assets managed during the year and are paid quarterly, based on the assets under management to date.

Foreign exchange on investments arises on investments made in currencies that are different from the functional currency of the Company. Investments are translated at the exchange rate ruling at the date of the transaction. At each subsequent reporting date investments are translated to sterling at the exchange rate ruling at that date.

Gross investment return ("GIR") includes profit and loss on realisations, increases and decreases in the value of the investments we hold at the end of a period, any income received from the investments such as interest, dividends and fee income, movements in the fair value of derivatives and foreign exchange movements. GIR is measured as a percentage of the opening portfolio value.

Interest income from investment portfolio is recognised as it accrues. When the fair value of an investment is assessed to be below the principal value of a loan, the Group recognises a provision against any interest accrued from the date of the assessment going forward until the investment is assessed to have recovered in value.

International Financial Reporting Standards ("IFRS") are accounting standards issued by the International Accounting Standards Board ("IASB"). The Group's consolidated financial statements are prepared in accordance with UK adopted international accounting standards.

Investment basis Accounts prepared assuming that IFRS 10 had not been introduced. Under this basis, we fair value portfolio companies at the level we believe provides useful comprehensive financial information. The commentary in the Strategic report refers to this basis as we believe it provides a more understandable view of our performance.

IRR Internal Rate of Return.

Key Performance Indicator ("KPI") is a measure by reference to which the development, performance or position of the Group can be measured effectively.

Like-for-like compare financial results in one period with those for the previous period.

Liquidity includes cash and cash equivalents (as per the Investment basis Consolidated cash flow statement) and undrawn RCF.

Money multiple is calculated as the cumulative distributions plus any residual value divided by paid-in capital.

Net asset value ("NAV") is a measure of the fair value of our proprietary investments and the net costs of operating the business.

Operating cash profit is the difference between our cash income (consisting of portfolio interest received, portfolio dividends received, portfolio fees received and fees received from external funds as per the Investment basis Consolidated cash flow statement) and our operating expenses and lease payments (as per the Investment basis Consolidated cash flow statement).

Operating profit includes gross investment return, management fee income generated from managing external funds, the costs of running our business, net interest payable, exchange movements, other income, carried interest and tax.

Organic growth is the growth a company achieves by increasing output and enhancing sales internally.

Portfolio income is that which is directly related to the return from individual investments. It is comprised of dividend income, income from loans and receivables and fee income.

Proprietary Capital is shareholders' capital which is available to invest to generate profits.

Public Private Partnership ("PPP") is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies.

Realised profits or losses over value on the disposal of investments is the difference between the fair value of the consideration received, less any directly attributable costs, on the sale of equity and the repayment of loans and receivables and its carrying value at the start of the accounting period, converted into sterling using the exchange rates at the date of disposal.

Revenue reserve recognises all profits and losses that are revenue in nature or have been allocated to revenue.

Revolving Credit Facility ("RCF") The Group has access to a credit line which allows us to access funds when required to improve our liquidity.

Run-rate is a financial performance metric, which captures the future predicted growth of a portfolio company's financial performance.

Segmental reporting Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive who is considered to be the Group's chief operating decision maker. All transactions between business segments are conducted on an arm's length basis, with intrasegment revenue and costs being eliminated on consolidation. Income and expenses directly associated with each segment are included in determining business segment performance.

Share-based payment reserve is a reserve to recognise those amounts in retained earnings in respect of share-based payments.

SORP means the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts.

Syndication is the sale of part of our investment in a portfolio company to a third party, usually within 12 months of our initial investment and for the purposes of facilitating investment by a co-investor or portfolio company management in line with our original investment plan. A syndication is treated as a negative investment rather than a realisation.

Total return comprises operating profit less tax charge less movement in actuarial valuation of the historic defined benefit pension scheme.

Total Shareholder Return ("TSR") is the measure of the overall return to shareholders and includes the movement in the share price and any dividends paid, assuming that all dividends are reinvested on their ex-dividend date.

Translation reserve comprises all exchange differences arising from the translation of the financial statements of international operations.

Unrealised profits or losses on the revaluation of investments is the movement in the carrying value of investments between the start and end of the accounting period converted into sterling using the exchange rates at the date of the movement.