



16 May 2019

3i Group plc announces results for the year to 31 March 2019

Strong performance across our business

- **Total return of £1,252 million or 18%** on opening shareholders' funds (March 2018: £1,425 million, 24%) and **NAV per share of 815 pence** (31 March 2018: 724 pence) after paying 37 pence of dividends in the year
- Our Private Equity business continues to perform well, with underlying earnings growth underpinning a **gross investment return of £1,148 million or 20%**. This was driven by assets including Action, Cirtec Medical, Audley Travel, Aspen Pumps and Formel D
- In competitive markets the Private Equity team maintained its cautious approach to pricing, **deploying proprietary capital of £332 million**, including two new investments. We intensified our focus on M&A activity by our portfolio companies and completed eight bolt-on acquisitions in total during the year, most of which were self-funded. We also re-invested £529 million into Scandlines for a 35% stake
- Our Infrastructure business had another outstanding year. 3i Infrastructure plc ("3iN") generated a **total shareholder return of 33%** as a result of good underlying portfolio performance and the realisation of XLT. Proceeds from XLT and cash in the business were redeployed by the team in three new investments
- Realisations remained strong, with **proceeds of £1,242 million, or £713 million** after the £529 million reinvestment in Scandlines
- **Total dividend of 35 pence per share** for FY2019, with a dividend of 20 pence per share to be paid in July 2019 subject to shareholder approval

Simon Borrows, 3i's Chief Executive, commented:

"3i continued to perform well in FY2019, delivering a total return of 18%, supported by good earnings growth across our Private Equity portfolio and by excellent returns from our Infrastructure team. In very competitive markets, we remained disciplined investors and focused on our buy-and-build platforms.

FY2020 appears to be starting in a similar way to FY2019, with significant political and market uncertainty and a growing tide of funds looking to invest in our markets. We remain cautious in this environment, which will lead us to be careful about the pricing of new investments and to deploy further capital in companies we already know well.

The Group's portfolio of investments is positioned well and has good momentum for further growth. We have a clear strategic focus and will use our active management processes to deliver another good year of progress for our shareholders."

Financial highlights

	Year to/as at 31 March 2019	Year to/as at 31 March 2018
Group		
Total return	£1,252m	£1,425m
Operating expenses	£126m	£121m
Operating cash profit	£46m	£11m
Realisation proceeds	£1,242m	£1,323m
Gross investment return	£1,407m	£1,552m
- As a percentage of opening 3i portfolio value	21%	27%
Cash investment	£859m	£827m
3i portfolio value	£7,553m	£6,657m
Gross debt	£575m	£575m
Net cash	£495m	£479m
Gearing ¹	nil	nil
Liquidity	£1,420m	£1,404m
Net asset value	£7,909m	£7,024m
Diluted net asset value per ordinary share	815p	724p

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

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For further information regarding the announcement of 3i's annual results to 31 March 2019, including a live videocast 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 northern 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 2019 and have not yet been delivered to the Registrar of Companies. The statutory accounts for the year to 31 March 2018 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 2019 will be distributed to shareholders on or soon after 28 May 2019.

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 19 July 2019 to holders of ordinary shares on the register on 14 June 2019. The ex-dividend date will be 13 June 2019.