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Annual General Meeting

7 July 2004



Baroness Hogg Chairman





The Board of Directors



Dr John Forrest





Christine Morin-Postel





Rod Perry





Danny Rosenkranz





Tony Brierley





Brian Larcombe





Oliver Stocken





Michael Queen





Martin Gagen





Fred Steingraber



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Philip Yea

- A wide range of experience in industry and private equity
- Formerly with Investcorp
- Before that Finance Director of Diageo
- Proposed appointment widely welcomed by shareholders and analysts



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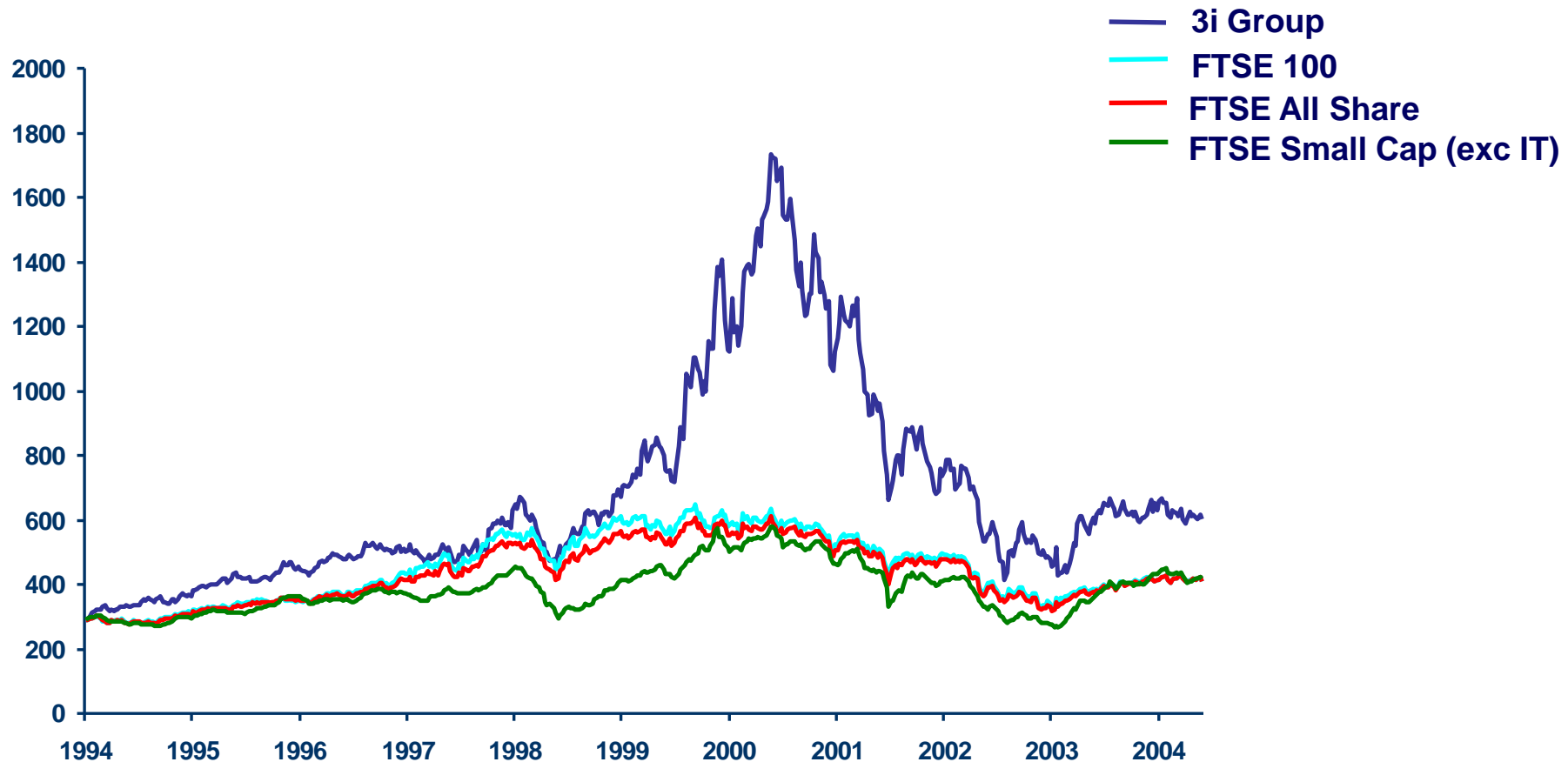


“3i delivers a strong overall performance.”

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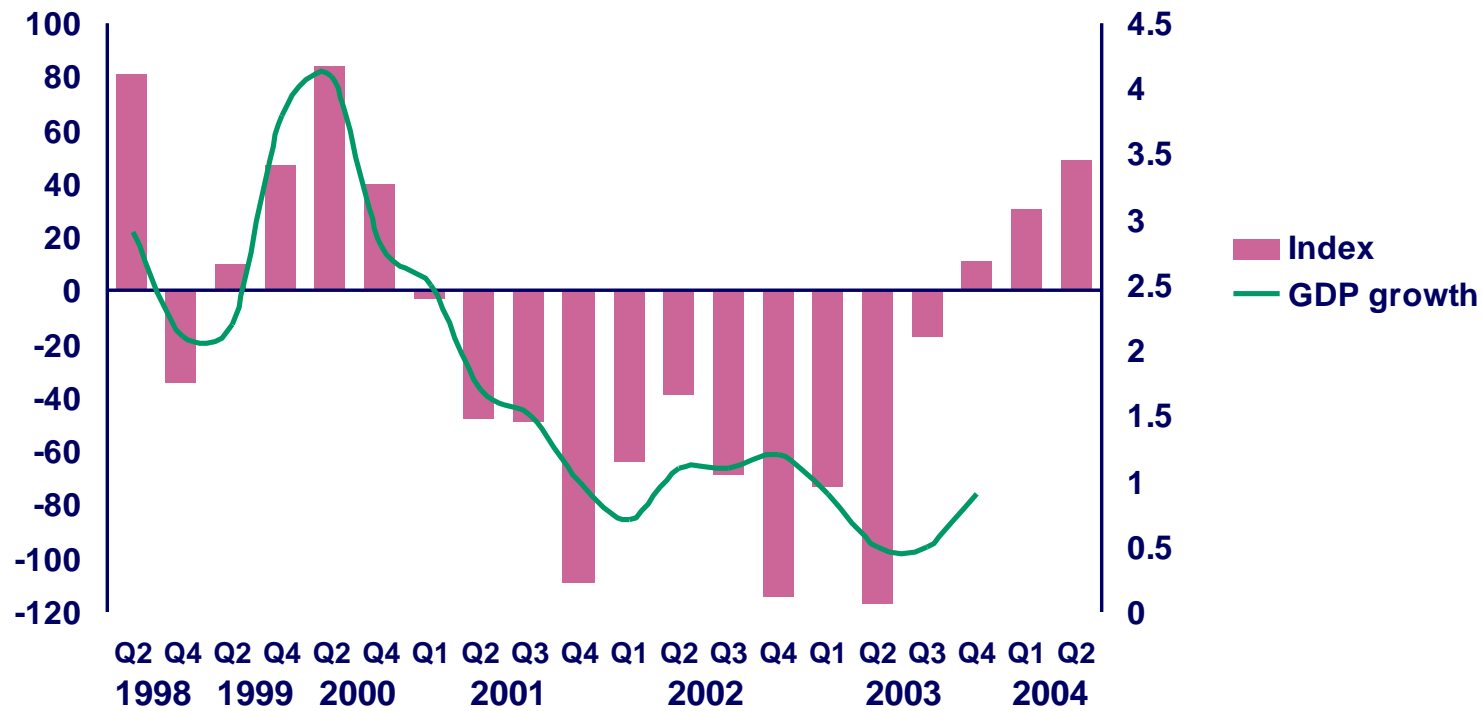
Share price since flotation



Source: Datastream



3i European Barometer Index





Investing in 3i - corporate responsibility



“3i is clearly positioned among the best in the financial services industry.”



“It is a real achievement to be one of the Companies that Count.”



Corporate
Responsibility





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Brian Larcombe Chief Executive



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Performance highlights – year to 31 March 2004

- Strategy delivering
- Significant pick up in investment activity
- Good flow of realisation profits
- An overall return of 18.1%



Total return by investment product

	2004 %*
Mid-market buy-outs	22.6%
Smaller buy-outs	22.1%
Growth capital	26.8%
Venture capital	(6.0)%

* % total return on opening shareholders' funds attributed to each product



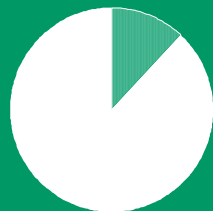
Venture capital

3i's venture capital business is focused on the healthcare, software, communications and electronics, semiconductors and advanced technologies ("ESAT") sectors.

Portfolio value

£533m

12%



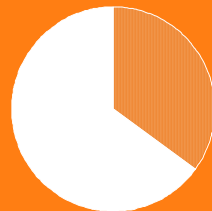
Growth capital

Our growth capital business is focused on high growth companies, expanding organically or through acquisition.

Portfolio value

£1,487m

35%



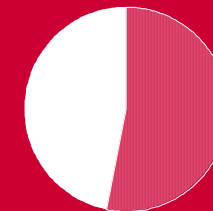
Buy-outs

3i's buy-out business is focused on the mid and smaller buy-out markets in Europe and Asia Pacific.

Portfolio value

£2,306m

53%



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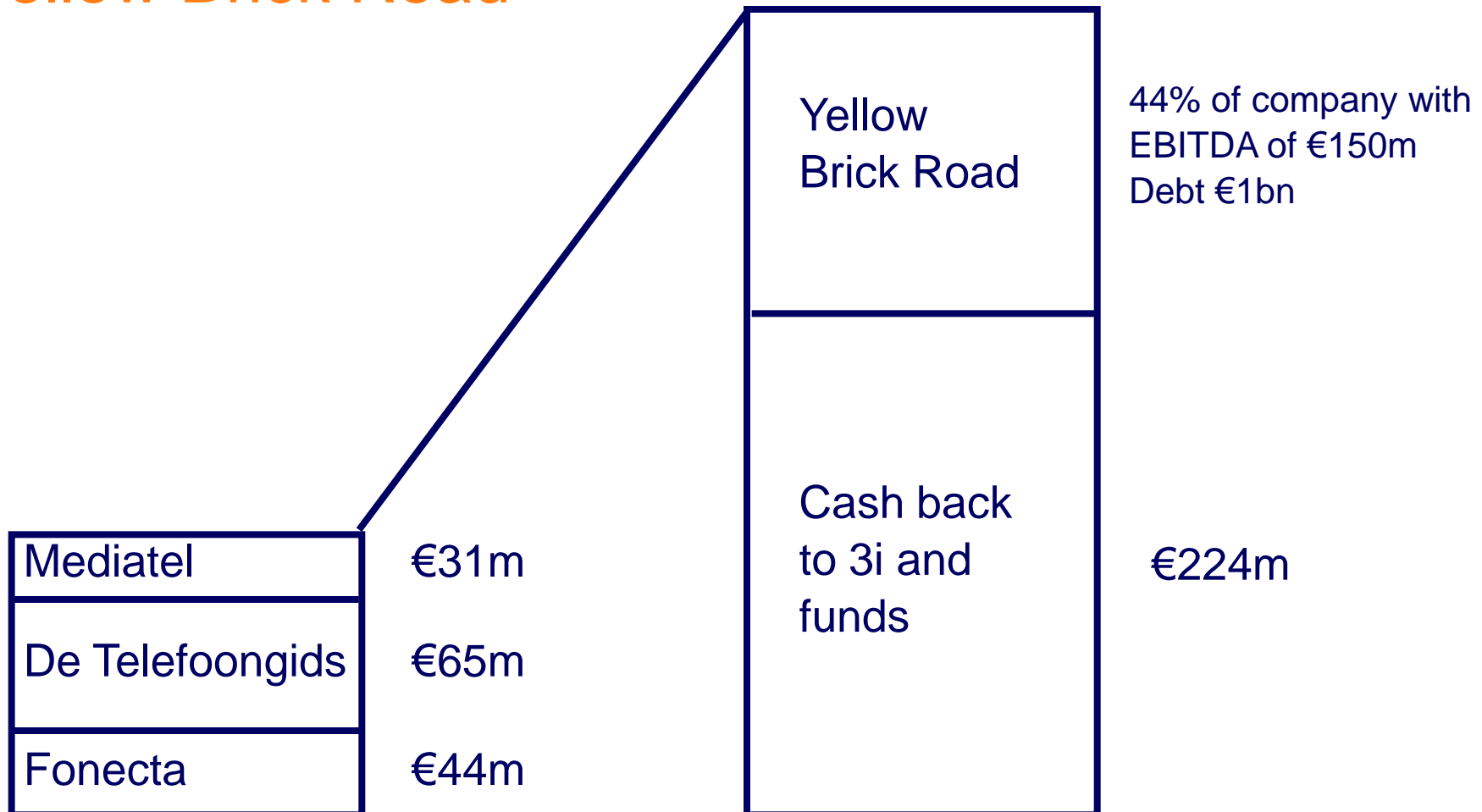


Directories





Yellow Brick Road



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Investing in 3i - our people





Investing in 3i - our network



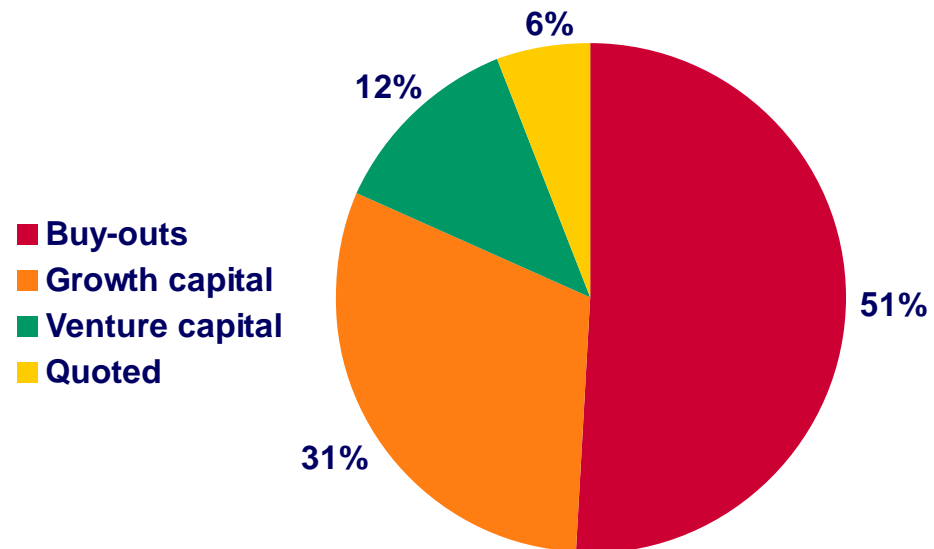
- Preferred deal flow
- Investment assessment
- Added value
- Enhanced exits

Aberdeen, Amsterdam, Barcelona, Birmingham, Boston, Bristol, Cambridge, Copenhagen, Dusseldorf, Frankfurt, Glasgow, Helsinki, Hong Kong, Leeds, London, Lyon, Madrid, Manchester, Menlo Park, Milan, Munich, Paris, Reading, Singapore, Stockholm, Stuttgart, Vienna, Zurich



Strategy

- Developing the business internationally
- Building a balanced investment business
- Using the network as our key competitive advantage
- Investing in growth companies



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Closing remarks

“3i is in great shape and is strongly positioned to grow value significantly in the years ahead.”



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Michael Queen Finance Director





Financial highlights

• Total return	£531m
• Total return on opening shareholders' funds	18.1%
• Net asset value per share	553p
• Final dividend	8.9p
• Realised profits on disposal	£228m
• New investment*	£979m

* New investment includes co-investment funds



Total return – key drivers

- Strong realisation profits £228m
- Good portfolio value growth £336m
- Income slightly lower £234m

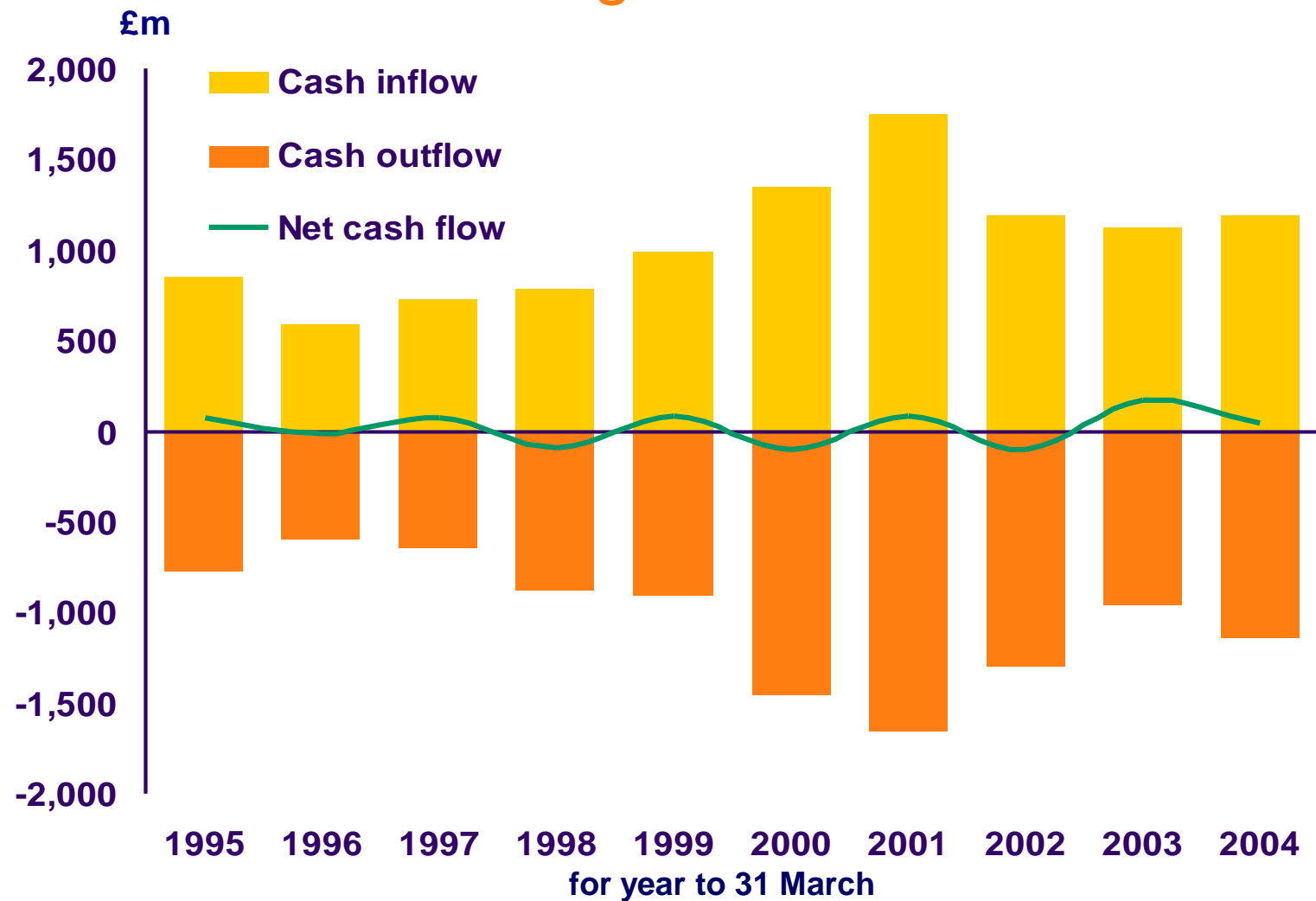


Balance sheet

	2003 £m	2004 £m
Investment assets	3,939	4,326
Other net assets	<u>10</u>	<u>5</u>
	<u>3,949</u>	<u>4,331</u>
Net borrowings	1,013	936
Shareholders' funds	<u>2,936</u>	<u>3,395</u>
	<u>3,949</u>	<u>4,331</u>
Gearing	35%	28%

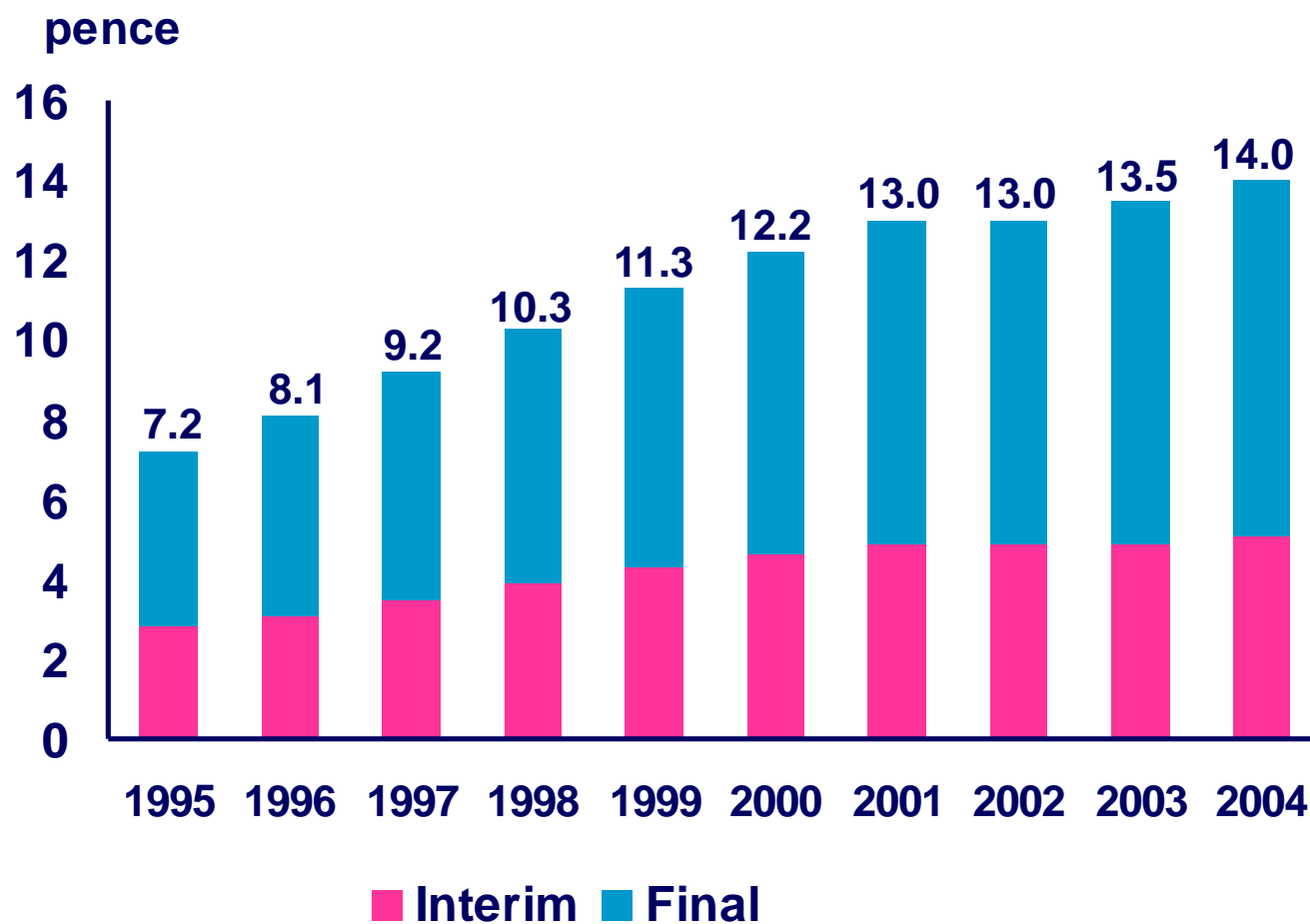


Net cash flow - long term trend





Dividend history





Financial summary

- Significant improvement in total return
- Net investor in the second half
- Strong balance sheet
- Excellent liquidity



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Nigel Jones
Ernst & Young



The Resolutions



Resolution 1

“THAT the Company’s Accounts for the year ended 31 March 2004 and the Directors’ report and Auditors’ report thereon be and they are hereby received and considered”

Proxy votes lodged for this Resolution:

98.73% For, 0.54% Discretionary, 0.27% Abstain and 0.46% Against

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Resolution 2

“THAT the Directors’ Remuneration report for the year ended 31 March 2004 be and it is hereby approved”

Proxy votes lodged for this Resolution:

87.88% For, 0.54% Discretionary, 6.25% Abstain and 5.33% Against



Resolution 3

“THAT a final dividend of 8.9 pence per share net be and it is hereby declared, payable to those shareholders whose names appeared on the Register of Members at close of business on 18 June 2004”

Proxy votes lodged for this Resolution:

99.45% For, 0.54% Discretionary, 0.01% Abstain and 0% Against

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Resolution 4

“THAT Baroness Hogg be and she is hereby reappointed as a Director of the Company”

Proxy votes lodged for this Resolution:

99.36% For, 0.55% Discretionary, 0.03% Abstain and 0.06% Against

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Resolution 5

“THAT Mr P E Yea be and he is hereby appointed as a Director of the Company”

Proxy votes lodged for this Resolution:

99.06% For, 0.55% Discretionary, 0.35% Abstain and 0.04% Against



Resolution 6

“THAT Ernst & Young LLP be and they are hereby reappointed as Auditors of the Company to hold office until the conclusion of the next General Meeting at which Accounts are laid before the Members”

Proxy votes lodged for this Resolution:

98.09% For, 0.55% Discretionary, 0.67% Abstain and 0.69% Against

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Resolution 7

“THAT the Board be and it is hereby authorised to fix the Auditors’ remuneration”

Proxy votes lodged for this Resolution:

99.21% For, 0.55% Discretionary, 0.02% Abstain and 0.22% Against



Resolution 8

"THAT executive Directors be and they are hereby authorised to participate in the incentive arrangements described in the notes relating to this Resolution 8 set out in the Notice of Annual General Meeting dated 14 May 2004"

Proxy votes lodged for this Resolution:

94.53% For, 0.55% Discretionary, 2.04% Abstain and 2.88% Against

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Resolution 9

To renew the Directors' authority to allot shares

(The full text of this Resolution is set out in the Notice of Meeting)

Proxy votes lodged for this Resolution:

98.80% For, 0.50% Discretionary, 0.47% Abstain and 0.23% Against

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Resolution 10

Special Resolution

To renew the Directors' authority to allot shares for cash

(The full text of this Resolution is set out in the Notice of Meeting)

Proxy votes lodged for this Resolution:

98.78% For, 0.55% Discretionary, 0.48% Abstain and 0.19% Against

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Resolution 11

Special Resolution

To renew the Company's authority to purchase its own shares

(The full text of this Resolution is set out in the Notice of Meeting)

Proxy votes lodged for this Resolution:

99.40% For, 0.56% Discretionary, 0.02% Abstain and 0.02% Against



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