

# Portfolio and other information

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## 20 large investments

The 20 investments listed below account for 94% of the portfolio at 31 March 2023 (31 March 2022: 93%). 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 <sup>1</sup> March 2023 £m	Residual cost <sup>1</sup> March 2022 £m	Valuation March 2023 £m	Valuation March 2022 £m	Relevant transactions in the year
<b>Action*</b> General merchandise discount retailer	Private Equity Netherlands 2011/2020 Earnings	<b>653</b>	623	<b>11,188</b>	7,165	£325 million cash dividend received £30 million further as part of the 2020 Co-investment Programme
<b>3i Infrastructure plc*</b> Quoted investment company, investing in Infrastructure	Infrastructure UK 2007 Quoted	<b>305</b>	305	<b>841</b>	934	£29 million dividend received
<b>Scandlines</b> Ferry operator between Denmark and Germany	Scandlines Denmark/ Germany 2018 DCF	<b>530</b>	530	<b>554</b>	533	£38 million dividend received
<b>Cirtec Medical*</b> Outsourced medical device manufacturing	Private Equity US 2017 Earnings	<b>172</b>	172	<b>552</b>	513	Acquisition of Precision Components from Q Holding in January 2023
<b>Tato</b> Manufacturer and seller of specialty chemicals	Private Equity UK 1989 Earnings	<b>2</b>	2	<b>411</b>	407	£12 million dividend recorded
<b>nexeye*</b> Value-for-money optical retailer	Private Equity Netherlands 2017 Earnings	<b>269</b>	269	<b>393</b>	345	
<b>SaniSure*</b> Manufacturer, distributor and integrator of single-use bioprocessing systems and components	Private Equity US 2019 Earnings	<b>76</b>	76	<b>389</b>	277	Acquisition of Twinsburg from Q Holding in December 2022
<b>Royal Sanders*</b> Private label and contract manufacturing producer of personal care products	Private Equity Netherlands 2018 Earnings	<b>136</b>	136	<b>369</b>	297	
<b>AES Engineering</b> Manufacturer of mechanical seals and support systems	Private Equity UK 1996 Earnings	<b>30</b>	30	<b>351</b>	269	£5 million dividend recorded

## 20 large investments continued

Investment Description of business	Business line Geography First invested in Valuation basis	Residual cost <sup>1</sup> March 2023 £m	Residual cost <sup>1</sup> March 2022 £m	Valuation March 2023 £m	Valuation March 2022 £m	Relevant transactions in the year
<b>Evernex*</b> Provider of third-party maintenance services for data centre infrastructure	Private Equity France 2019 Earnings	<b>299</b>	285	<b>305</b>	291	Acquisitions of XS International and Integra in September 2022
<b>Smarte Carte*</b> Provider of self-serve vended luggage carts, electronic lockers and concession carts	Infrastructure US 2017 DCF	<b>189</b>	187	<b>300</b>	207	£10 million distribution received
<b>WP*</b> Global manufacturer of innovative plastic packaging solutions	Private Equity Netherlands 2015 Earnings	<b>257</b>	239	<b>274</b>	234	
<b>Luqom*</b> Online lighting specialist retailer	Private Equity Germany 2017 Earnings	<b>245</b>	196	<b>271</b>	448	£34 million further investment in June 2022 to provide funding for the acquisition of Brumberg
<b>WilsonHCG*</b> Global provider of recruitment process outsourcing and other talent solutions	Private Equity US 2021 Earnings	<b>83</b>	77	<b>196</b>	115	£6 million further investment in January 2023 to provide funding for the acquisition of Personify
<b>MPM*</b> An international branded, premium and natural pet food company	Private Equity UK 2020 Earnings	<b>153</b>	139	<b>181</b>	162	
<b>Audley Travel*</b> Provider of experiential tailor-made travel	Private Equity UK 2015 Earnings	<b>271</b>	243	<b>162</b>	117	
<b>BoConcept*</b> Urban living designer	Private Equity Denmark 2016 Earnings	<b>110</b>	99	<b>160</b>	184	
<b>Dynatect*</b> Manufacturer of engineered, mission critical protective equipment	Private Equity US 2014 Earnings	<b>65</b>	65	<b>128</b>	102	
<b>Basic-Fit</b> Discount gyms operator	Private Equity Netherlands 2013 Quoted	<b>11</b>	11	<b>121</b>	129	
<b>Q Holding*</b> Manufacturer of catheter products serving the medical device market	Private Equity US 2014 Earnings	<b>162</b>	162	<b>117</b>	398	Received proceeds of £332 million following the disposals of QSR, Precision Components and Twinsburg in the year
		<b>4,018</b>	3,846	<b>17,263</b>	13,127	

\*Controlled in accordance with IFRS.

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

# Portfolio valuation – an explanation

## Policy

The valuation policy is the responsibility of the Board, with additional oversight and annual review from the Valuations Committee. The policy is reviewed at least annually, with the last update in January 2023. Our policy is to value 3i's investment portfolio at fair value and we achieve this by valuing investments on an appropriate basis, applying a consistent approach across the portfolio. The policy ensures that the portfolio valuation is compliant with the fair value guidelines under IFRS and, in so doing, is also compliant with the IPEV guidelines. The policy covers the Group's Private Equity, Infrastructure and Scandlines investment valuations. Valuations of the investment portfolio of the Group and its subsidiaries are performed at each quarter end.

Fair value is the underlying principle and is defined as "the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date" (IPEV guidelines, December 2022). Fair value is an estimate and, as such, determining fair value requires the use of judgement.

The quoted assets in our portfolio are valued at their closing bid price at the balance sheet date. The majority of the portfolio, however, is represented by unquoted investments.

## Private Equity unquoted valuation

To arrive at the fair value of the Group's unquoted Private Equity investments, we first estimate the entire value of the company we have invested in – the enterprise value. We then apportion that enterprise value between 3i, other shareholders and lenders.

### Determining enterprise value

The enterprise value is determined using one of a selection of methodologies depending on the nature, facts and circumstances of the investment.

Where possible, we use methodologies which draw heavily on observable market prices, whether listed equity markets or reported merger and acquisition transactions, and trading updates from our portfolio.

As unquoted investments are not traded on an active market, the Group adjusts the estimated enterprise value by a liquidity discount. The liquidity discount is applied to the total enterprise value and we apply a higher discount rate for investments where there are material restrictions on our ability to sell at a time of our choosing.

Note 13 Fair values of assets and liabilities outlines in more detail the range of valuation methodologies available to us, as well as the inputs and adjustments necessary for each. Through effective margin management, operational efficiencies and organic and acquisitive growth, the portfolio, on the whole, has navigated well through the macroeconomic conditions. We have considered the fair value of our investments on a case-by-case basis considering historical, current and forward looking data. Where forward-looking data forms the base of a valuation, the accuracy, reliability and maintainability of these forecasts has been considered.

### Apportioning the enterprise value between 3i, other shareholders and lenders

Once we have estimated the enterprise value, the following steps are taken:

- (1) We subtract the value of any claims, net of free cash balances that are more senior to the most senior of our investments.

- (2) The resulting attributable enterprise value is apportioned to the Group's investment, and equal ranking investments by other parties, according to contractual terms and conditions, to arrive at a fair value of the entirety of the investment. The value is then distributed amongst the different loan, equity and other financial instruments accordingly.
- (3) If the value attributed to a specific shareholder loan investment in a company is less than its carrying value, a shortfall is implied, which is recognised in our valuation. In exceptional cases, we may judge that the shortfall is temporary; to recognise the shortfall in such a scenario would lead to unrepresentative volatility and hence we may choose not to recognise the shortfall.

### Other factors

In applying this framework, there are additional considerations that are factored into the valuation of some assets.

### Impacts from structuring

Structural rights are instruments convertible into equity or cash at specific points in time or linked to specific events. For example, where a majority shareholder chooses to sell, and we have a minority interest, we may have the right to a minimum return on our investment.

Debt instruments, in particular, may have structural rights. In the valuation, it is assumed third parties, such as lenders or holders of convertible instruments, fully exercise any structural rights they might have if they are "in the money", and that the value to the Group may therefore be reduced by such rights held by third parties. The Group's own structural rights are valued on the basis they are exercisable on the reporting date.

### Assets classified as "terminal"

If we believe an investment has more than a 50% probability of failing in the 12 months following the valuation date, we value the investment on the basis of its expected recoverable amount in the event of failure. It is important to distinguish between our investment failing and the business failing; the failure of our investment does not always mean that the business has failed, just that our recoverable value has dropped significantly. This would generally result in the equity and loan components of our investment being valued at nil. Value movements in the period relating to investments classified as terminal are classified as provisions in our value movement analysis.

### Infrastructure unquoted valuation

The primary valuation methodology used for unquoted Infrastructure investments is the discounted cash flow method ("DCF"). Fair value is estimated by deriving the present value of the investment using reasonable assumptions of expected future cash flows and the terminal value and date, and the appropriate risk-adjusted discount rate that quantifies the risk inherent to the investment. The discount rate is estimated with reference to the market risk-free rate, a risk-adjusted premium and information specific to the investment or market sector.

### Scandlines unquoted valuation

Scandlines is valued on a DCF basis. This is consistent with the Infrastructure methodology.

# Information for shareholders

## Financial calendar

Ex-dividend date	Thursday 22 June 2023
Record date	Friday 23 June 2023
Annual General Meeting	Thursday 29 June 2023
Second FY2023 dividend to be paid	Friday 28 July 2023
Half-year results (available online only)	November 2023
First FY2024 dividend expected to be paid	January 2024

## Information on ordinary shares

Shareholder profile: Location of investors at 31 March 2023

UK	60 %
North America	23 %
Continental Europe	14 %
Other international	3 %

## Share price

Share price at 31 March 2023	1,685
High during the year 31 March 2023	1,685
Low during the year 17 June 2022	1,059

## Dividends paid in the year to 31 March 2023

Second FY2022 dividend, paid 22 July 2022	27.25p
First FY2023 dividend, paid 11 January 2023	23.25p

## Balance analysis summary

Range	Number of holdings			Balance as at 31 March 2023			
	Individuals	Corporate bodies	Number of shares	% shares	Total holdings	Individual shares	Corporate shares
1–1,000	9,788	170	4,219,145	0.43	9,958	4,160,430	58,715
1,001–10,000	4,135	380	10,510,652	1.08	4,515	8,958,830	1,551,822
10,001–100,000	108	505	22,460,317	2.31	613	2,377,186	20,083,131
100,001–1,000,000	6	375	133,175,909	13.68	381	1,314,758	131,861,151
1,000,001–10,000,000	–	147	384,543,340	39.51	147	–	384,543,340
10,000,001–highest	–	16	418,403,587	42.99	16	–	418,403,587
<b>Total</b>	<b>14,037</b>	<b>1,593</b>	<b>973,312,950</b>	<b>100.00</b>	<b>15,630</b>	<b>16,811,204</b>	<b>956,501,746</b>

The table above provides details of the number of shareholdings within each of the bands stated in the register of members at 31 March 2023.

It should be noted that because many individuals and institutions hold shares through nominees (such as brokers, investment managers or investment platforms) the actual number of beneficial owners of shares will be greater than the numbers of holdings in the above table.

**Information for shareholders** continued**The Common Reporting Standard**

Tax legislation under the Organisation for Economic Co-operation and Development (“OECD”) Common Reporting Standard for Automatic Exchange of Financial Account Information requires investment trust companies to provide personal information about certain investors who hold shares in investment trusts to HMRC. As an investment company, 3i Group plc is therefore required to provide information annually to HMRC on certain certificated shareholders and corporate entities. This information includes country of tax residency as well as details of shares held and dividends received. HMRC may in turn exchange the information with the tax authorities of another country or countries in which the shareholder may be tax resident, where those countries (or tax authorities in those countries) have entered into agreements to exchange financial account information. Certain shareholders have been and will in future be sent a certification form for the purposes of collecting required information.

**Boiler room and other scams**

Shareholders should be wary of any unsolicited investment advice, offers to buy shares at a discounted price or offers to buy 3i shareholdings. These fraudsters use persuasive and high-pressure tactics to lure shareholders into scams. We have become aware of what appears to be an increase in calls to current and former 3i shareholders.

The Financial Conduct Authority (“FCA”) has found that victims of share fraud are often seasoned investors with victims losing an average of £20,000.

Please keep in mind that firms authorised by the FCA are unlikely to contact you unexpectedly with an offer to buy or sell shares. You should consider getting independent financial or professional advice before you hand over any money or even share any information with them.

If you receive any unsolicited approaches or investment advice, you should proceed with caution. Steps that you might wish to take could include the following:

- always ensure the firm is on the FCA Register and is allowed to give financial advice before handing over your money. You can check at [www.fca.org.uk/register](http://www.fca.org.uk/register);
- double-check the caller is from the firm they say they are – ask for their name and telephone number and say you will call them back. Check their identity by calling the firm using the contact number listed on the FCA Register. This is important as there have been instances where an authorised firm’s website has been cloned but with a few subtle changes, such as a different phone number or false email address;
- check the FCA’s list of known unauthorised overseas firms. However, these firms change their name regularly, so even if a firm is not listed it does not mean they are legitimate. Always check that they are listed on the FCA Register; and
- if you have any doubts, call the FCA Consumer Helpline on 0800 111 6768. If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme.

**Annual reports and Half-yearly reports online**

If you would prefer to receive shareholder communications electronically in future, including annual reports and notices of meetings, please visit our Registrars’ website at [www.shareview.co.uk/clients/3isignup](http://www.shareview.co.uk/clients/3isignup) and follow the instructions there to register.

The 2023 Half-yearly report will be available online only. Please register to ensure you are notified when it becomes available at [www.3i.com/investor-relations/financial-news](http://www.3i.com/investor-relations/financial-news).

More general information on electronic communications is available on our website at <https://www.3i.com/investor-relations/shareholder-centre/>.

**Investor relations enquiries**

For all investor relations enquiries about 3i Group plc, including requests for further copies of the Annual report and accounts, please contact:

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Telephone +44 (0)20 7975 3131

email [IRTeam@3i.com](mailto:IRTeam@3i.com)

or visit the Investor relations section of our website at [www.3i.com/investor-relations](http://www.3i.com/investor-relations), for full up-to-date investor relations information, including the latest share price, results presentations and financial news.

**Registrars**

For shareholder administration enquiries, including changes of address please contact:

Equiniti  
Aspect House  
Spencer Road  
Lancing  
West Sussex, BN99 6DA

Telephone 0371 384 2031

Lines are open from 8.30am to 5.30pm, Monday to Friday (international callers +44 121 415 7183).

# Glossary

**3i 2013-2016 vintage** includes Aspen Pumps, Audley Travel, Basic-Fit, Dynatect, Kinolt, ATESTEO, JMJ, Q Holding, WP, Scandlines further (completed in December 2013), Christ, Geka, Óticas Carol and Blue Interactive.

**3i 2016-2019 vintage** includes BoConcept, Cirtec Medical, Formel D, nexeye, arrivia, Luqom, Havea, Royal Sanders, Magnitude Software and Schlemmer.

**3i 2019-2022 vintage** includes Evernex, SaniSure, YDEON, MPM, WilsonHCG, Dutch Bakery, ten23 health, insightsoftware, MAIT, Mepal and Yanga.

**3i 2022-2025 vintage** includes xSuite, Digital Barriers, Konges Sløjð and VakantieDiscounter.

**3i Buyouts 2010-2012 vintage** includes Action, Amor, Element, Etanco, Hilite, OneMed and Trescal.

**3i Growth 2010-2012 vintage** includes Element, Hilite, BVG, Go Outdoors, Loxam, Touchtunes and WFCI.

**Alternative Investment Funds ("AIFs")** At 31 March 2023, 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. 3i Investments (Luxembourg) SA as AIFM, managed one AIF, 3i European Operational Projects SCSp.

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

**APAC** The Asia Pacific region.

**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.

**Company** 3i Group plc.

**DACH** The region covering Austria, Germany and Switzerland.

**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.

**EMEA** The region covering Europe, the Middle East and Africa.

**Executive Committee** The Executive Committee is responsible for the day-to-day running of the Group (see page 98).

**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.

**Glossary** continued

**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.



**Glossary** continued

**Performance fee receivable** The Group earns a performance fee from the investment management services it provides to 3i Infrastructure plc ("3iIN") when 3iIN's total return for the year exceeds a specified threshold. This fee is calculated on an annual basis and paid in cash early in the next financial year.

**Portfolio effect** is the level of risk based on the diversity of the investment portfolio.

**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.

**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.