



3i Group plc Annual results to 31 March 2008 – case studies



Buyouts Case studies



Global Garden Products

New investment
 Location: Italy
 Sector: Consumer
 Website: www.ggp-group.com

First investment

3i's Eurofund V invested €260m in December 2007 to support the buyout, growth and development of Global Garden Products (GGP).

Nature of business

GGP is Europe's leading manufacturer of powered garden equipment, including lawnmowers, ride-on tractors and handheld equipment.

Results to 31 August	2007 (audited) €m
Sales	547
EBITDA	84
Net assets	207

Current trading

Sales and EBITDA in the current financial year to date are performing ahead of previous year's results for the same period.

Developments since 3i invested

The board of GGP has been strengthened through 3i's introduction of Paolo Antonietti as Chairman. 3i is also supporting GGP's plans for growing the business, particularly in new geographies. In January 2008, GGP announced the acquisition of Alpina Italia Spa, a company with a turnover of around €17m and the main distributor of GGP's Alpina brand in Italy.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity and loan	104	n/a
Valuation (cost basis)		
Equity and loan	116	n/a
Equity interest	34%	n/a
Income in the year	3	n/a

Inspicio

New investment
 Location: UK
 Sector: Business services
 Website: www.inspiciopl.com

First investment

3i's Eurofund V invested £164m in February 2008 to enable the public-to-private buyout of Inspicio.

Nature of business

Inspicio is a market-leading global provider of commodity, food and environmental testing and inspection services.

Results to 31 December	2007 (audited) £m
Sales	218
EBITDA	23
Net assets	9*

*Net of goodwill.

Current trading

The business continues to trade well, on the back of increased regulation and strong demand for global commodities.

Developments since 3i invested

3i is applying its sector expertise to support Inspicio's growth strategy. Since announcing an offer for the business in December 2007, Inspicio has made four strategic bolt-on acquisitions, as well as committing to a further capital expenditure plan to accelerate laboratory expansion.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity and loan	91	n/a
Valuation (cost basis)		
Equity and loan	91	n/a
Equity interest	38%	n/a
Income in the year	4	n/a

These case studies consist of the two largest investments and the two largest realisations (by value) completed in the year. We have also included the next largest investment in the portfolio.

For new investments, cost and valuation may differ due to the application of different exchange rates.

Where relevant, EBITDA represents operational EBITDA, excluding non-recurring items.



For further information on 3i's portfolio and cases studies please visit www.3i.com/investment-stories



Giochi Preziosi

Investment

Location: Italy

Sector: Consumer

Website: www.giochipreziosi.it

First investment

3i's Eurofund IV invested €126m in February 2006 to enable the buyout of Giochi Preziosi.

Nature of business

Giochi Preziosi is one of the world's leading toy businesses.

Results to 30 June

	2007 (audited) €m
Sales	723
EBITDA	79
Net assets	205

Current trading

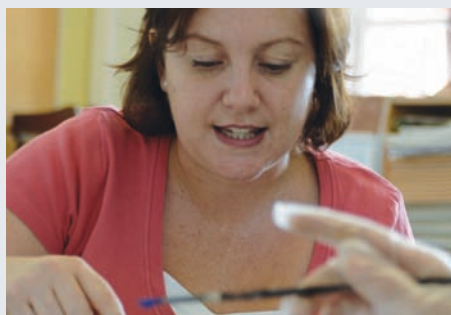
Giochi Preziosi has continued to improve its sales and profitability performance over the last year, building on its position as the market leader in Italy with around one quarter of market share.

Developments since 3i invested

3i has helped Giochi Preziosi make a number of senior appointments since investment through its global network. The sale and leaseback of the properties of Giochi Preziosi was also driven by 3i's value plan, and returned a cash inflow of €73m to enable the company to repay some of its borrowings. The number of employees of Giochi Preziosi has increased from 1,470 in 2004 to 1,717 in 2007.

In March 2008, an agreement was reached (subject to regulatory approval and a material adverse change clause) to sell Giochi Preziosi. This transaction would return €290m to 3i and investors in Eurofund IV, representing a money multiple of 2.3 times and a 45% IRR.

3i Group plc's investment	March 2008 €m	March 2007 €m
Cost		
Equity and loan	63	63
Directors' valuation		
(imminent sale/cost basis)		
Equity and loan	151	63
Equity interest	38%	38%
Income in the year	0	0



Care Principles

Realisation

Location: UK

Sector: Healthcare

Website: www.careprinciples.com

First investment

3i's Eurofund IV invested £54m in March 2005 to enable the management buyout of Care Principles. 3i Group plc held a minority position in the company since 1997.

Nature of business

Care Principles provides specialist assessment, treatment and rehabilitation for adults with learning difficulties, personality disorders and autistic spectrum disorders.

Results to 30 April

	2006 (audited) £m
Sales	69
EBITDA	14
Net assets	44

Developments since 3i invested

3i used its sector knowledge and experience in Healthcare to assist in the development of Care Principles. We introduced Paul Preston as CEO, and Nick Irens, formerly of another successful 3i buyout Westminster Healthcare, as Chairman. In 2005 3i helped Care Principles acquire Ermine Care, a provider of community-based specialist services. The company performed strongly and ahead of plan, and in July 2006 Care Principles was re-capitalised, returning £32m to 3i and Eurofund IV investors.

In July 2007, Care Principles was sold to Three Delta LLP for £275m, generating a 3.5 times money multiple for 3i and investors in Eurofund IV. Over 10 years, Care Principles has evolved from a start-up operation to a company with over 1,400 employees.

3i Group plc's return on investment	March 2008 £m	March 2007 £m
Cost		
Equity and loan	n/a	20
Realised value		
Equity and loan	111	23
Unrealised value		
Equity and loan	n/a	44
Equity interest	0%	43%
Income in the year	1	4



Coor Services Management

Realisation

Location: Sweden

Sector: Business services

Website: www.coor.com

First investment

3i's Eurofund IV invested €58m in December 2004 to enable the €131m buyout of Coor from Skanska.

Nature of business

Coor is a provider of Total Facilities Management in the Nordic region, with services including workplace support, property support, telephony and security and production support.

Results to 31 December

	2006 (audited) SEKm
Sales	3,745
EBITDA	309
Net assets	241

Developments since 3i invested

3i's network has assisted Coor in winning a number of significant contracts. The company has delivered on its plan to become the Nordic region market leader through organic growth and the €56m purchase of Celero from Volvo in 2005, which increased sales by more than 60%. During the three years of 3i's investment, the company's staff numbers grew from 1,800 to 3,700.

In December 2007, Coor was sold to Cinven, returning €370m to 3i and investors in Eurofund IV. This represents a 6.3 times money multiple and an IRR of 82% over the investment period.

3i Group plc's return on investment

	March 2008 £m	March 2007 £m
Cost		
Equity and loan	n/a	30
Realised value		
Equity and loan	158	0
Unrealised value		
Equity and loan	n/a	72
Equity interest	0%	38%
Income in the year	2	2



Quintiles

New investment
Location: US
Sector: Healthcare
Website: www.quintiles.com

First investment

3i and associated limited partners invested \$429m for a combined 15% minority stake in Quintiles in January 2008. This was to support the company's continued growth as part of a recapitalisation of the company.

Nature of business

Quintiles is the market leader in providing outsourced product development and commercialisation solutions and services to the pharmaceutical and biotech industries. Quintiles has played a role in developing each of the world's top 30 best-selling drugs and nine of the top 10 best-selling biotech products.

Results to 31 December	2006 (audited) \$m
Sales	1,921
EBITDA	243
Net assets	(448)

Current trading

Quintiles has performed to plan since 3i invested in January 2008.

Developments since 3i invested

3i is actively involved in supporting Quintiles' growth, utilising its strong global network and Healthcare sector expertise, as well as long-standing relationships with major pharmaceutical and biotech firms.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity and loan	100	n/a
Valuation (cost basis)		
Equity and loan	101	n/a
Equity interest	7%	n/a
Income in the year	3	n/a

Venture Production plc

New investment
Location: UK
Sector: Oil, gas and power
Website: www.venture-production.com

First investment

3i initially backed Venture Production in 1997 before its IPO and divested in 2002. Since receiving a minority stake as consideration on the sale of CH4 to Venture Production in 2006, 3i invested a total of £110m in Venture Production plc during August 2007. The aim is to support development in the UK and Netherlands sectors of the North Sea.

Nature of business

Venture Production is a UK North Sea oil and gas producer, focusing on development and enhancement of discovered and producing oil and gas fields.

Results to 31 December	2007 (audited) £m
Sales	358
EBITDA	267
Net assets	281

Current trading

During 2007, the company continued the development of its North Sea asset base, participating in the drilling of 11 new wells and bringing two new fields on stream.

Developments since 3i invested

Since the start of 2008, the company has announced seven acquisitions of which six have already been completed. These include the company's first add-on deal following its entry into the Dutch sector in 2006 and the acquisition of WHAM Energy plc, an AIM listed company, for £14m. Venture Production's debt facilities have expanded to £585m, giving a strong base to consolidate the company's position as a leading independent oil and gas company in the North Sea.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity and loan	111	0
Valuation (quoted basis)		
Equity and loan	127	24
Equity interest	23%	3%
Income in the year	3	0

These case studies consist of the two largest investments and the two largest realisations (by value) completed in the year. We have also included the next largest investment in the portfolio, which is also a new investment.

For new investments, cost and valuation may differ due to the application of different exchange rates.

Where relevant, EBITDA represents operational EBITDA, excluding non-recurring items.



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DNA Oy

New investment

Location: Nordic

Sector: Communications

Website: www.dnaoy.fi

First investment

3i invested €142m for a 13% stake in DNA Oy (formerly known as Finnet Oy) in May 2007, to support the expansion of DNA's product offerings.

Nature of business

DNA is an integrated telecommunications and cable TV network and services operator, operating in Finland, providing a full range of services.

Results to 31 December	2007
(Pro forma including businesses acquired in 2007)	(unaudited)
	€m
Sales	639
EBITDA	152
Net assets	299

Current trading

Currently the fastest growing mobile operator in Finland, DNA is building on its significant asset base and well-established reputation. The integration of the fixed-line businesses is being implemented as planned.

Developments since 3i invested

The focus since 3i invested has been on the integration of the local fixed-line networks and operations. This will enable DNA to provide broadband, voice telephony, cable television and IT services in addition to its current mobile offerings. DNA's market position has strengthened and the company now has a strong market position in wireless broadband provision.

3i Group plc's investment	March 2008	March 2007
	€m	€m
Cost		
Equity	97	n/a
Valuation (cost basis)		
Equity	113	n/a
Equity interest	13%	n/a
Income in the year	0	n/a



Clínica Baviera

Realisation

Location: Spain

Sector: Healthcare

Website: www.clinicabaviera.com

First investment

3i acquired a 32% interest in Clínica Baviera in May 2005 for €40m in order to enable both the organic and acquisitive growth of the business.

Nature of business

At the time of realisation, Clínica Baviera was the leading provider of refractive surgery and other ophthalmic treatments in Spain.

Results to 30 November	2006
	(audited)
	€m
Sales	59
EBITDA	21
Net assets	19

Developments since 3i invested

3i utilised its considerable Healthcare sector knowledge and experience to assist in the development of Clínica Baviera. During the period of 3i's investment, annual turnover rose from €43m to €59m, new clinics were opened and Clínica Londres was successfully acquired. Employment grew from 273 staff in late 2005 to 440 staff in early 2007. In April 2007, the company achieved a successful IPO on the Madrid Stock Exchange, generating proceeds for 3i of €96m. This represents a cash multiple of 2.6 times and an IRR of 62%.

3i Group plc's return on investment

	March 2008	March 2007
	€m	€m
Cost		
Equity and loan	n/a	27
Realised value		
Equity and loan	63	0
Unrealised value		
Equity and loan	n/a	62
Equity interest	0%	32%
Income in the year	0	3



Hayley Conference Centres

Realisation

Location: UK

Sector: Leisure

Website: www.hayley-conf.co.uk

First investment

In September 2005, 3i acquired a 46% stake in Hayley for £40m to support the company's plans for UK and international expansion.

Nature of business

At the time of realisation, Hayley was the leading provider of premium dedicated conference venues in the UK.

Results to 31 March	2006
	(audited)
	£m
Sales	42
EBITDA	14
Net assets	72

Developments since 3i invested

At sale, the company had eight UK sites and one under construction in France. Hayley was voted number 70 in the Sunday Times 100 Best Companies to Work For in 2006. Employee numbers rose from 754 in September 2005 to 833 in May 2007. The reputation of the business as a high-quality service provider led to the successful sale of the company to Principal Hotels in May 2007. This generated proceeds for 3i of £72m which, in addition to £46m re-gearing proceeds in November 2006, represents a cash multiple of 2.9 times and an IRR of 120%.

3i Group plc's return on investment

	March 2008	March 2007
	€m	€m
Cost		
Equity and loan	n/a	1
Realised value		
Equity and loan	72	46
Unrealised value		
Equity and loan	n/a	66
Equity interest	0%	46%
Income in the year	0	2



Fastbooking

New Investment
 Location: France
 Sector: Internet
 Website: www.fastbooking.org

First investment

In October 2007, 3i invested €27m in a late-stage investment to support Fastbooking in growing the business outside of France.

Nature of business

Fastbooking is a leading provider of advanced internet booking systems and marketing services for the hospitality industry, operating in Europe, Asia and North America.

Results to 31 December

	2007 (unaudited) \$m
Sales	17
EBITDA	3
Net assets	n/a

Current trading

Established in 2000, Fastbooking has over 3,500 client hotels world-wide, with over two million hotel room nights booked through its platform during 2007. The company has developed a global range of solutions designed to help hotels world-wide, especially 4 star and above, grow their internet sales and efficiently manage their electronic distribution strategy.

Developments since 3i invested

3i introduced Amal Amar (former CEO of SeLogger.com) to the board and he has been appointed to act as Chairman of Fastbooking. 3i also introduced Guillaume de Marcillac (former CFO of Expedia Corporate Travel) as the new CFO of Fastbooking.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity	19	n/a
Valuation (cost basis)		
Equity	21	n/a
Equity interest	47%	n/a
Income in the year	1	n/a

Healthcare Brands International

New Investment (Further)
 Location: UK
 Sector: Healthcare
 Website: www.healthcarebrandsinternational.com

First investment

3i first invested £3m in Healthcare Brands International ("HBI") alongside other investors as part of a second-round funding in July 2006. In December 2007, 3i invested a further £13m into HBI to support the company's growth.

Nature of business

HBI acquires, develops, and invests in differentiated healthcare products, primarily in the over-the-counter medicine market.

Results*	2007
Sales	n/a
EBITDA	n/a
Net assets	n/a

Current trading

HBI has been making acquisitions in products and brands in line with its strategy and is expecting trading to be in line with budget forecasts for 2007.

Developments since 3i invested

HBI's first brand, Sambucol, is trading well and is now available selectively across Europe and North America. In December 2007, HBI acquired Scandinavian Healthcare company Antula with the support of 3i's investment. Antula is a significant over-the-counter healthcare company in the Scandinavian market.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity	16	3
Valuation (cost basis)		
Equity	16	3
Equity interest	17%	17%
Income in the year	0	0

*No published results are available for HBI.

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Demand Media

Investment
Location: US
Sector: Internet
Website: www.demandmedia.com

First investment

3i invested \$40m in September 2006 to enable Demand Media to invest in future growth initiatives and acquisitions. A further \$20m was invested in September 2007.

Nature of business

Demand Media is a next-generation media platform company with significant media properties and one of the largest domain portfolios.

Results to 31 December	2006 (unaudited) \$m
Sales	79
EBITDA	19
Net assets	233

Current trading

Demand Media has continued to grow both revenue and EBITDA. The company has closely tracked its plan, while growing the business both organically and through acquisitions.

Developments since 3i invested

Since 3i invested, Demand Media has released its new media platform. In addition, it has successfully closed and integrated a number of acquisitions. In June 2007, Charles Hilliard, former President and CFO of United Online, was recruited to the position of CFO at Demand.

3i Group plc's investment	March 2008 £m	March 2007 £m
Cost		
Equity	31	21
Valuation (further/advance)		
Equity	41	20
Equity interest	*	8%
Income in the year	0	0

*Equity interest cannot be disclosed for legal or commercial reasons.

CSR plc

Realisation
Location: UK
Sector: Technology
Website: www.csr.com

First investment

3i invested £7.7m in Cambridge Silicon Radio Ltd ("CSR") over several rounds of funding between 1999 and 2002, after the company was formed as a spin-out from Cambridge Consultants Ltd.

Nature of business

CSR is a leading manufacturer of single-chip Bluetooth wireless devices.

Results to 31 December	2007 (audited) \$m
Sales	849
EBITDA	185
Net assets	509

Developments since 3i invested

3i assisted in the successful development of CSR from its founding through to its position as a market leader at the point of divestment. This assistance was provided through recruitment of several members of the board, backing further funding rounds and assisting with business negotiations with companies such as Intel Capital and Sony. CSR floated in 2004 and 3i supported the IPO and fund raising on the London Stock Exchange.

Over the course of 3i's investment, CSR returned a total of £75m, representing a 9.8 times money multiple and an IRR of 57%.

3i Group plc's return on investment	March 2008 £m	March 2007 £m
Cost		
Equity	n/a	1
Realised value		
Equity	20	7
Unrealised value		
Equity	n/a	16
Equity interest	0%	13%
Income in the year	0	0

Doc Morris.com

Realisation
Location: Germany
Sector: Technology
Website: www.docmorris.de

First investment

3i initially invested €1m in DocMorris.com when the company was founded in 1999 and has invested a total of €13m over the lifetime of the investment

Nature of business

DocMorris.com is a mail order company for pharmaceuticals, acting as a fully-authorized pharmacy in accordance with Dutch regulations.

Results to 31 December	2006 (audited) €m
Sales	172
EBITDA	*
Net assets	26

Developments since 3i invested

From its start up in 1999, DocMorris.com had 850,000 customers, employed 330 staff and was generating annual revenues of €172m at the point of 3i's divestment. The strategic shift to sell pharmaceutical products under the DocMorris brand and to set up a franchise system for stationary pharmacies attracted interest from potential buyers. In June 2007, DocMorris was sold to Celesio, Europe's largest pharmaceutical distributor. This generated over €60m for 3i, which represents a cash multiple of 5.3 times and an IRR of 59%.

3i Group plc's return on investment	March 2008 £m	March 2007 £m
Cost		
Equity and loan	n/a	8
Realised value		
Equity and loan	*	n/a
Unrealised value		
Equity and loan	n/a	8
Equity interest	*	*
Income in the year	0	0

*EBITDA, realised value and equity interest for the company cannot be disclosed for legal reasons.

