

General meeting



27 May 2009



Baroness Hogg
Chairman



- To authorise the increase in the Company's authorised share capital
- To authorise the allotment of relevant securities in respect of the Rights Issue
- To authorise the disapplication of pre-emption rights in respect of the Rights Issue (Special Resolution)
- To authorise the amendment to The 3i Group Discretionary Share Plan



Michael Queen
Chief Executive



Analysis of 3i

- Strategically advantaged core businesses
- High-quality underlying portfolio
- Conservative valuation approach
- Level of debt too high

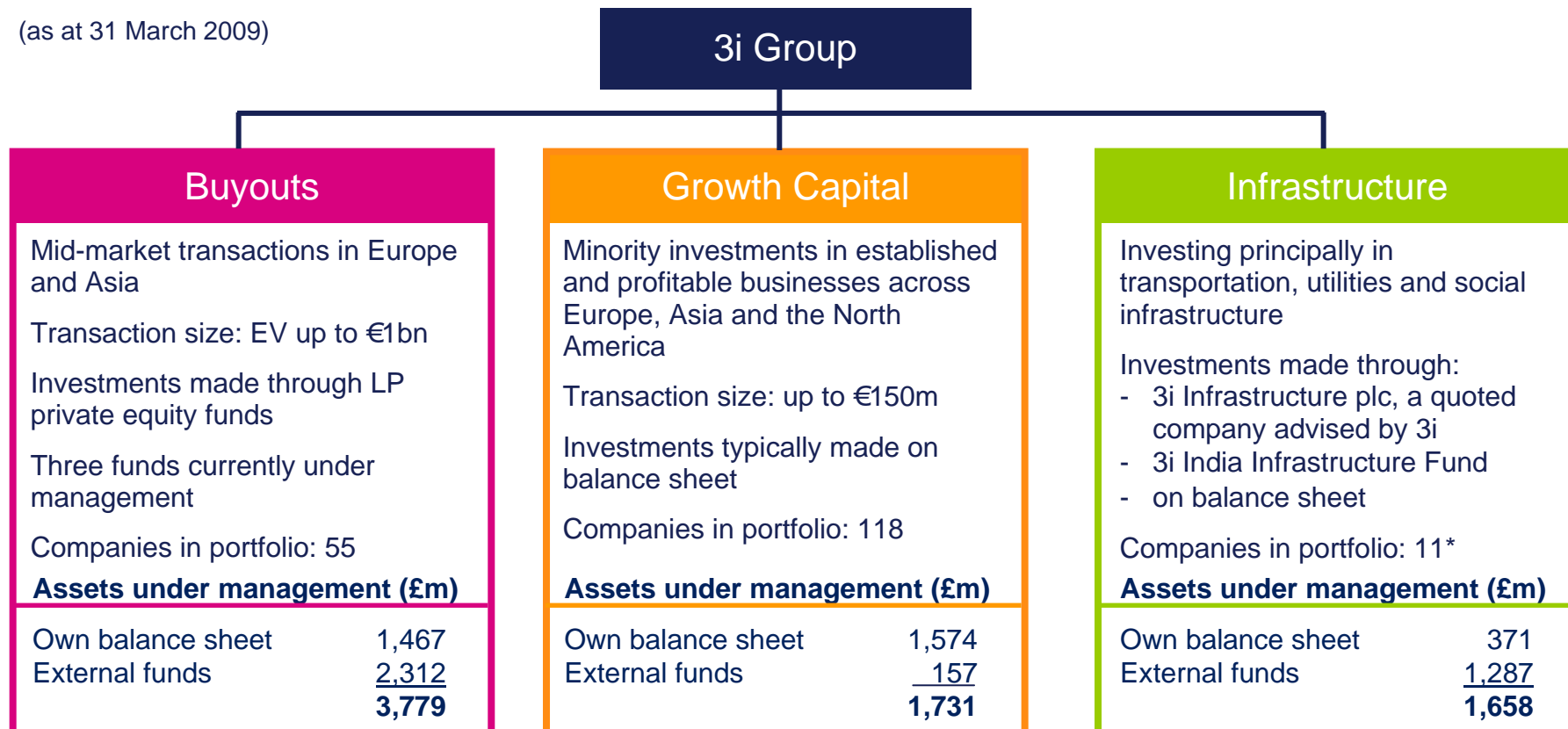
Priorities

- Preserve and optimise existing portfolio
- Reduce net debt to about £1bn over next 12/15 months
- Position the business for the upturn
- Grow external funds under management

A focused private equity business



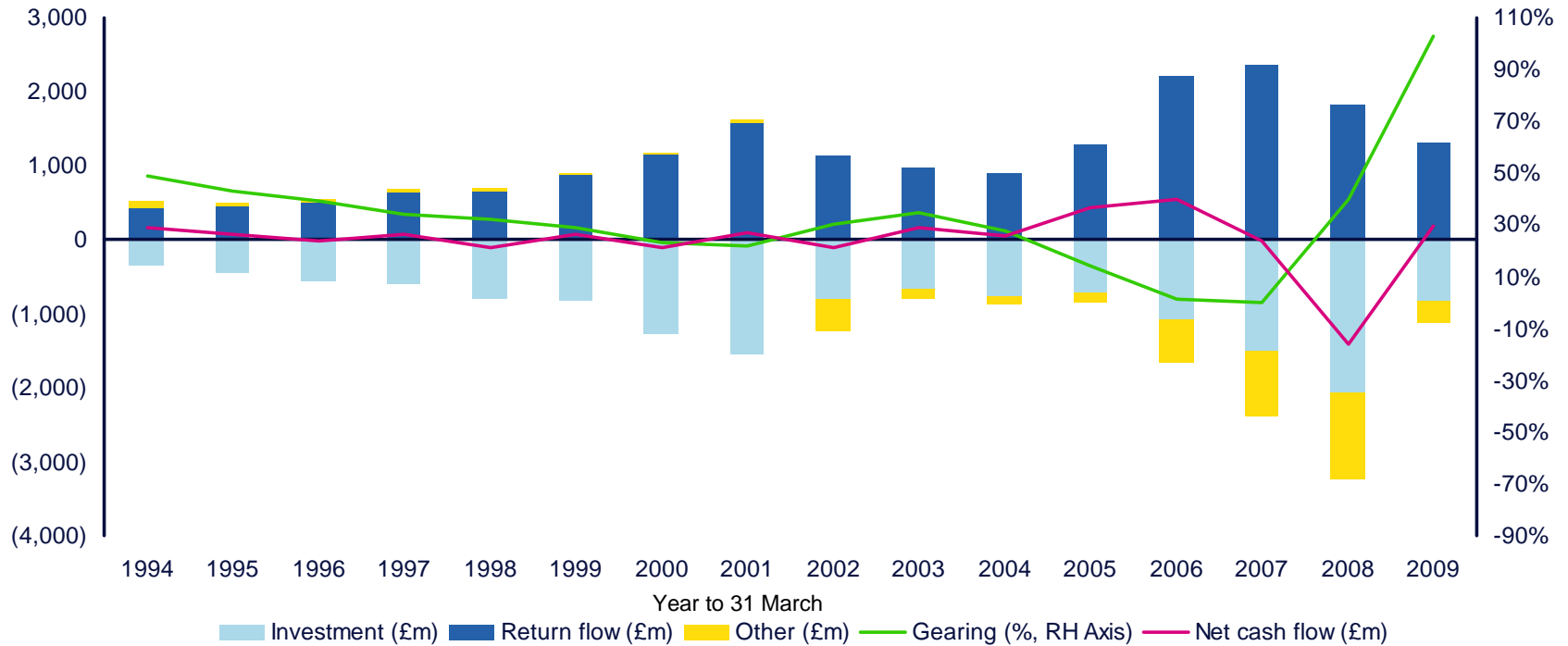
(as at 31 March 2009)



* Includes 4 investments directly held by 3i

Note: 3i's non-core portfolio includes: Venture Capital (£314m), SMI (£153m), holding in 3i Quoted Private Equity plc (£171 million).

Strong cash flow generation



Demonstrated capacity to generate cash through economic cycles and periods of market volatility.

- £1.3 billion realisations, including £366m in last quarter
- Acquisition of 3i QPE plc, generating £110m of net cash proceeds
- Action to reduce expenses by c.15%
- Sale of 9.5% of 3i Infrastructure (£61m)
- CIO role created
- Fundraising generating net cash of £699m

Pro forma* net debt £1.1 billion

* On the basis of the rights issue of £732m (pre expenses) and post QPE transaction

- Equity capital raising of £732m
- The fundraising will:
 - reduce pro forma* net debt to £1.1 billion
 - reduce pro forma* gearing from 103% to 42%
 - strengthen the balance sheet to protect against further falls in value
 - support investment grade rating
 - enable the Group to manage existing portfolio over time to maximise returns
 - provide capital for new investment assets at a valuation low point
- Dividend to be reset to retain more flexibility
- Significant new investment by employees alongside shareholders

* Pro forma figures reflect 31/3/09 position adjusted for QPE transaction and assumed equity fundraising of £732m (pre expenses)



	March 2009 pro forma* £m	March 2009 £m	March 2008 £m
Investment assets	4,022	4,050	6,016
Other net liabilities	(276)	(276)	(321)
	<u>3,746</u>	<u>3,774</u>	<u>5,695</u>
Net borrowings	1,103	1,912	1,638
Equity	<u>2,643</u>	<u>1,862</u>	<u>4,057</u>
	<u>3,746</u>	<u>3,774</u>	<u>5,695</u>
Gearing	42%	103%	40%

* On the basis of the fundraising of £732m (pre expenses) and post QPE transaction

- Target is a conservative capital structure:
 - want to significantly reduce net debt to approximately £1bn
 - target an investment grade rating in order to enable access to debt capital markets
 - lower net debt reduces financial risk and returns volatility
- Our gross debt has:
 - no material maturities within the next 12 months
 - no covenants
 - is attractively priced
- Pro forma* liquidity post rights issue and QPE is £1.8bn

* On the basis of the fundraising of £732m (pre expenses) and post QPE transaction



Reduced
risk

Strengthens equity base
Ratings security
Reduced leverage



Increased
returns
potential

More flexibility on realising assets at better prices
New investment opportunities

- Market leading business
- Conservative funding strategy to protect and enhance shareholder value
- Rights issue will:
 - materially accelerate reaching objective of reducing net debt to approximately £1 billion
 - facilitate maintenance of an investment grade rating
 - enable the Group to manage existing portfolio over time to maximise returns
 - provide capital for new investment assets at a valuation low point



Questions

General Meeting Poll Card

Resolutions	For	Against	Abstain
1 To authorise the increase in share capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 To authorise the allotment of relevant securities in respect of the Rights Issue.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 To authorise the disapplication of pre-emption rights in respect of the Rights Issue (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 To authorise the amendment to The 3i Group Discretionary Share Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Signature			



Proxy votes lodged for this Resolution:

94.86% For, 0.06% Discretionary, 0.96% Against and 4.12% Abstain

To authorise the increase in the Company's authorised share capital.

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



Proxy votes lodged for this Resolution:

94.77% For, 0.06% Discretionary, 1.05% Against and 4.12% Abstain

To authorise the allotment of relevant securities
in respect of the Rights Issue.

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



Proxy votes lodged for this Resolution:

94.43% For, 0.07% Discretionary, 1.36% Against and 4.14% Abstain

Special Resolution

To authorise the disapplication of pre-emption rights in respect of the Rights Issue.

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



Proxy votes lodged for this Resolution:

95.09% For, 0.07% Discretionary, 0.62% Against and 4.22% Abstain

To authorise the amendment to The 3i Group
Discretionary Share Plan.

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





Kevin Dunn
Company Secretary



