



14 May 2015

3i Group plc announces full year results to 31 March 2015

All three businesses are performing well

- Strong total return of 20% (£659m) in the year
- Good flow of Private Equity realisations with proceeds of £831m; continued selective investment of £369m in four transactions and strong earnings growth in the portfolio underpinned a £719m investment return
- Gross investment return of 20% in Infrastructure, which benefited from a 25% total shareholder return from 3i Infrastructure plc, its strongest performance since IPO
- Debt Management raised £2.4bn AUM during the year, closing 6 CLOs and diversifying its offering through the €250m first close of the European Middle Market Loan Fund
- Continued material improvement in cash income and ongoing operational efficiency led to operating cash profit of £28m
- Robust balance sheet with gross debt and interest costs reduced to £815m and £49m respectively. Net cash of £49m and nil gearing at 31 March 2015
- 14% increase in NAV to 396 pence per share, despite significant foreign exchange headwinds of £114m or 12 pence per share
- Proposed final dividend of 14.0 pence per share, bringing the total dividend for FY2015 to 20.0 pence per share, subject to shareholder approval

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

“This has been a strong year for 3i with all three of our businesses performing well. We have reshaped our business model and our shareholders are benefiting from attractive returns and dividends. We look forward with confidence.”

Financial highlights

	Year to/as at 31 March 2015	Year to/as at 31 March 2014
Group		
Total return	£659m	£478m
- Total return on opening shareholders' funds	19.9%	16.3%
Dividend per ordinary share	20.0p	20.0p
Operating expenses	£131m	£136m
- As a percentage of assets under management	1.0%	1.0%
Operating cash profit	£28m	£5m
Proprietary Capital		
Realisation proceeds	£841m	£677m
- Uplift over opening book value ¹	£145m/27%	£191m/45%
- Money multiple	2.0x	1.8x
Gross investment return ²	£805m	£665m
- As a percentage of opening 3i portfolio value	22.6%	20.2%
Operating profit ³	£721m	£539m
Cash investment	£474m	£337m
3i portfolio value	£3,877m	£3,565m
Gross debt	£815m	£857m
Net cash/(debt)	£49m	£(160)m
Gearing	nil	5%
Liquidity	£1,214m	£1,197m
Net asset value	£3,806m	£3,308m
Diluted net asset value per ordinary share	396p	348p
Fund Management		
Total assets under management	£13,474m	£12,911m
- Third party capital	£10,140m	£9,508m
- Proportion of third party capital	75%	74%
Total fee income	£125m	£127m
- Third-party fee income	£80m	£76m
Operating profit ³	£26m	£19m
Underlying Fund Management profit ^{3,4}	£33m	£33m
- Underlying Fund Management margin	26%	26%

¹ Uplift over opening book value excludes refinancings. The 2014 balance has been restated from £202m to £191m to exclude refinancings.

² Gross investment return includes portfolio fees of nil (2014: £3 million) allocated to Fund Management.

³ Operating profit for the Proprietary Capital and Fund Management activities excludes carried interest and performance fees payable/receivable, which is not allocated between these activities.

⁴ Excludes Fund Management restructuring costs of £1m and amortisation costs of £6m (2014: £8 million, £6 million).

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For further information regarding the announcement of 3i's annual results to 31 March 2015, 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, Infrastructure and Debt Management. 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 2015 and have not yet been delivered to the Registrar of Companies. The statutory accounts for the year to 31 March 2014 have been delivered to the Registrar of Companies. The auditors' 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 2015 will be distributed to shareholders on or soon after 26 May 2015.

Note 3

This announcement has been prepared solely to provide information to shareholders. It should not be relied on by any other party for any other purpose.

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 final dividend is expected to be paid on 24 July 2015 to holders of ordinary shares on the register on 19 June 2015.