



First half results presentation

17 November 2020



Key highlights

Strong fundraising in an off-cycle year and accelerating pace of deployment

€2.6bn

Fundraising

€2.1bn

Deployed

€10.8bn

Dry powder

Results reflect embedded growth and increasing diversification of business model

€46.1bn

AUM up 2% on March '20

£90m

FMC profit up 6%

£103m

IC profit up 56%

Robust and diversified balance sheet – profit growth drives increased dividend

22

Strategies

£1bn

Liquidity

0.67x

Net gearing

Interim ordinary dividend up 13% to 17p per share

Powerful model combining predictable fee income and growth

We are building a leading global private markets business

- ▶ Exceptional long term track record is our key asset and differentiator
- ▶ Closed end and long duration funds provide excellent visibility of future growth
- ▶ Balance sheet capital is a competitive advantage enabling further diversification and growth through new strategies
- ▶ Market trends are highly supportive, with increasing supply and demand combined with polarization favouring larger managers

Continuing to strengthen our ESG commitments through the pandemic

Responsible investing

- ▶ 100% of AUM covered by responsible investing policy
- ▶ >100 deals declined at the screening stage for ESG reasons
- ▶ TCFD disclosures included in Annual Report
- ▶ Climate framework tool developed for use in assessing all new deals
- ▶ Founding signatory of UK network: Initiative Climat International (iCI)

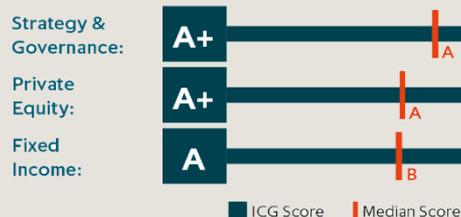


Industry recognition

Signatory of:



ICG's UNPRI Assessment Results 2020



ICG's Commitment to Climate Change



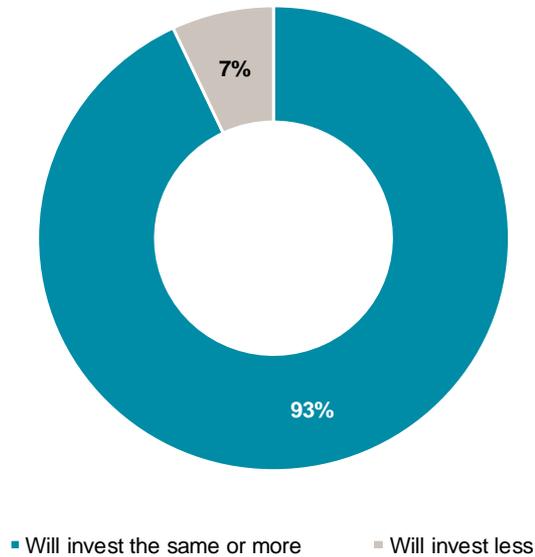
2020 Responsible Investing Report available on www.icgam.com

Societal role

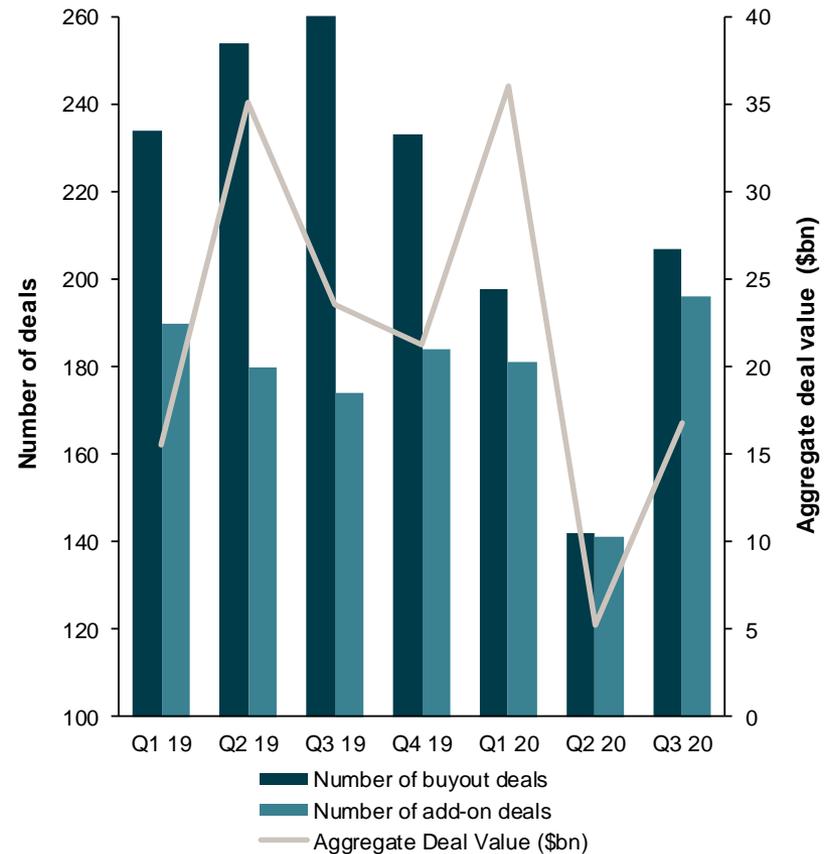
- ▶ Significant Covid-19 response initiatives across ICG portfolio companies including:
 - ▶ Switching manufacturing facilities to produce PPE
 - ▶ Donating food supplies
 - ▶ Staff redeployed to provide food delivery to hospitals
- ▶ ICG donated over £300,000 to support Covid-19 relief efforts
- ▶ Partnership with Think Forward, a youth employability charity, and Education Endowment Fund
- ▶ Supporting gender diversity as Level 20 and BUCS Women's Hockey sponsors
- ▶ Joined the #100blackinterns initiative in September 2020

Long-term industry tailwinds

Sentiment towards alternatives remains positive



Deal activity rebounding in Europe

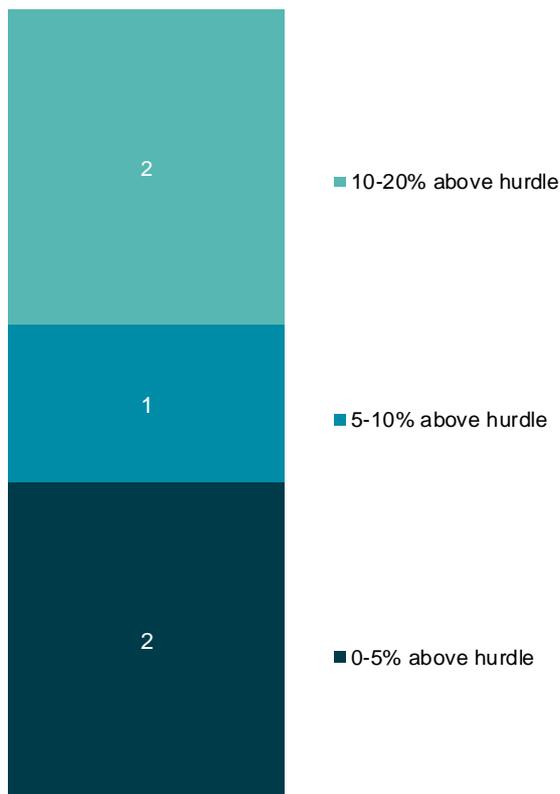


Covid resilient portfolios supporting long-term fund performance

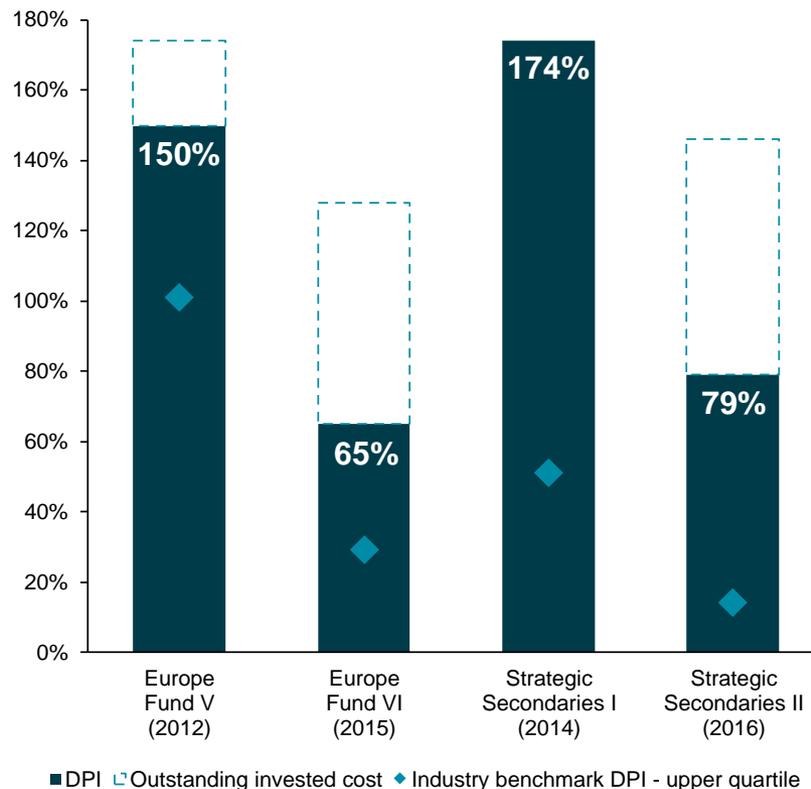
- ▶ Regular portfolio impact assessment from March onwards alongside management, with frequent client updates
- ▶ Performance recovered more quickly than expected with most companies trading at, or ahead of, pre-Covid levels
- ▶ Significant dry powder available to support portfolio companies if required in the future
- ▶ Focus quickly turned to value creation initiatives, including new product development and M&A activity
- ▶ Portfolio mix supports fund performance, with good diversification and focus on technology, healthcare and education sectors

Disciplined approach to realisations anchors performance

H1 21 realised assets; performance against hurdle

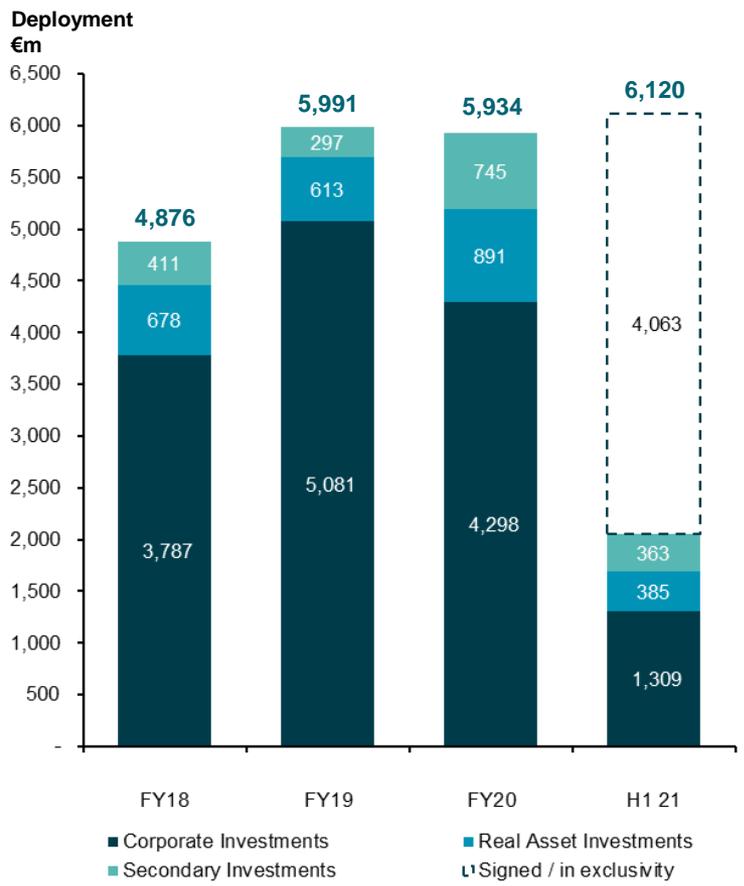


Gross distributions relative to paid in capital

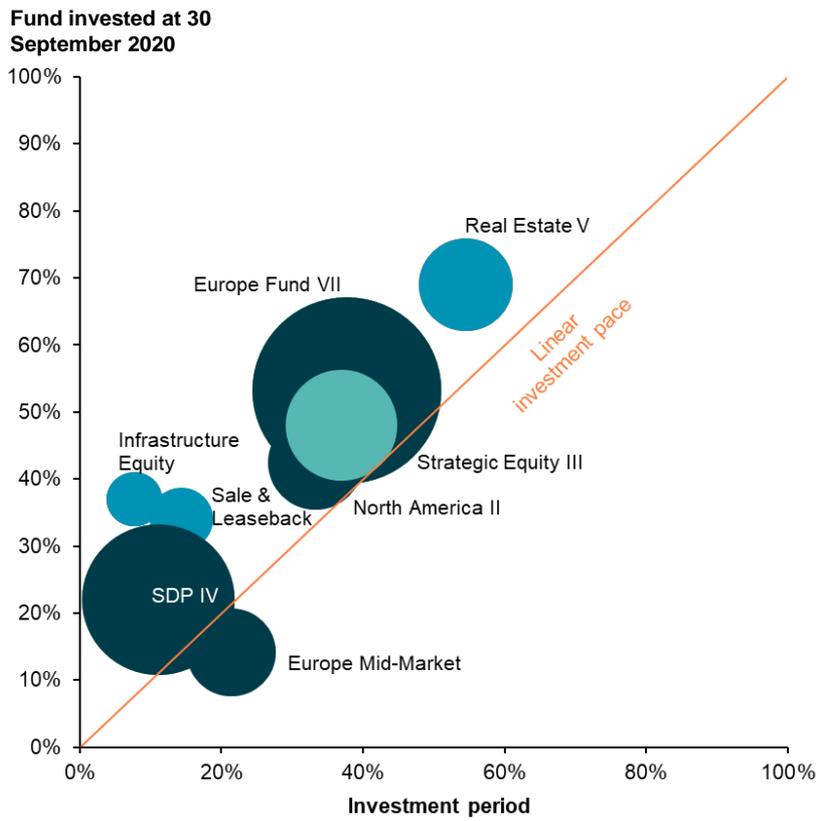


Strong deployment bodes well for future fundraising

Deployment trend

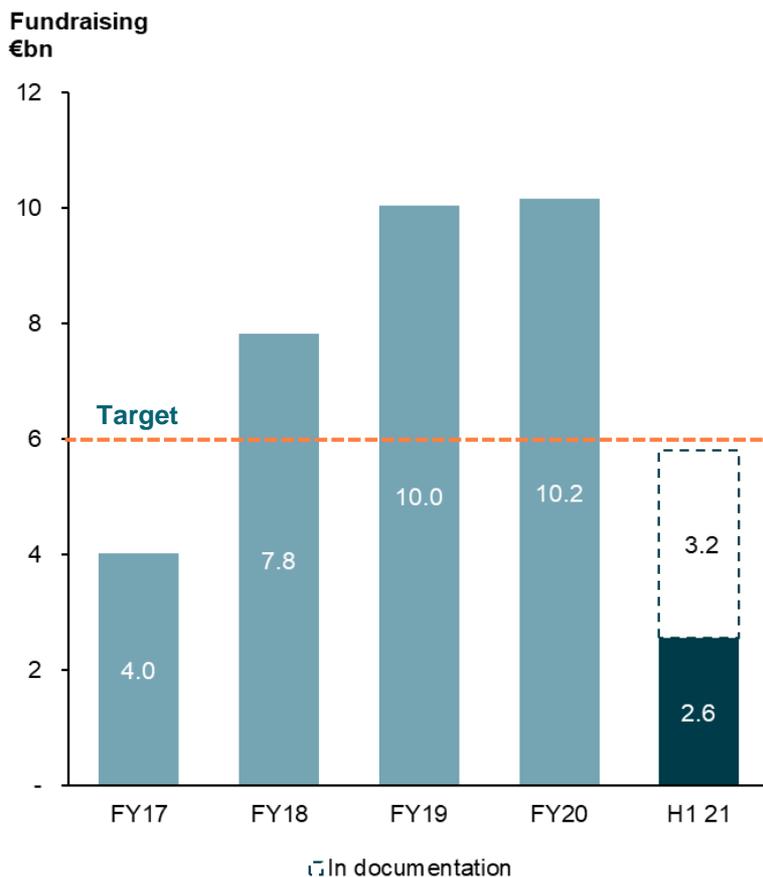


Fund investment pace versus linear profile



Fundraising ahead of expectations in an off-cycle year

Fundraising trend



Funds raised in H1 21 by strategy (€m)



Accelerated fundraising plan provides positive momentum for continued profit growth

	Corporate Investments	Capital Market Investments	Real Asset Investments	Secondary Investments
Established strategies	<p>Senior Debt Partners IV to complete</p> <p>Europe Fund VIII to launch in FY22</p> <p>Asia Pacific IV to complete</p>	<p>US CLO closed in November</p> <p>Launch CLOs when market permits in FY22</p>		<p>Strategic Equity IV launched</p>
Emerging strategies	<p>Recovery Fund II fundraising ongoing</p>	<p>Open-ended liquid funds fundraising ongoing</p>	<p>Real Estate Debt Fund VI about to be launched (now with a Pan-European focus)</p>	
New strategies (Covid-19 impacting fundraising)	<p>North America Private Equity expected to launch in FY22</p>		<p>Infrastructure Equity and Sale & Leaseback continue to fundraise</p>	<p>LP Secondaries expected to launch in FY22</p>

Financial Review



Strong performance underpins growth

Average LTM Fee earning AUM



Management fees



FMC profit before tax



Closed end fund model provides excellent fee visibility

Cumulative management fee visibility



Other income

Performance fees

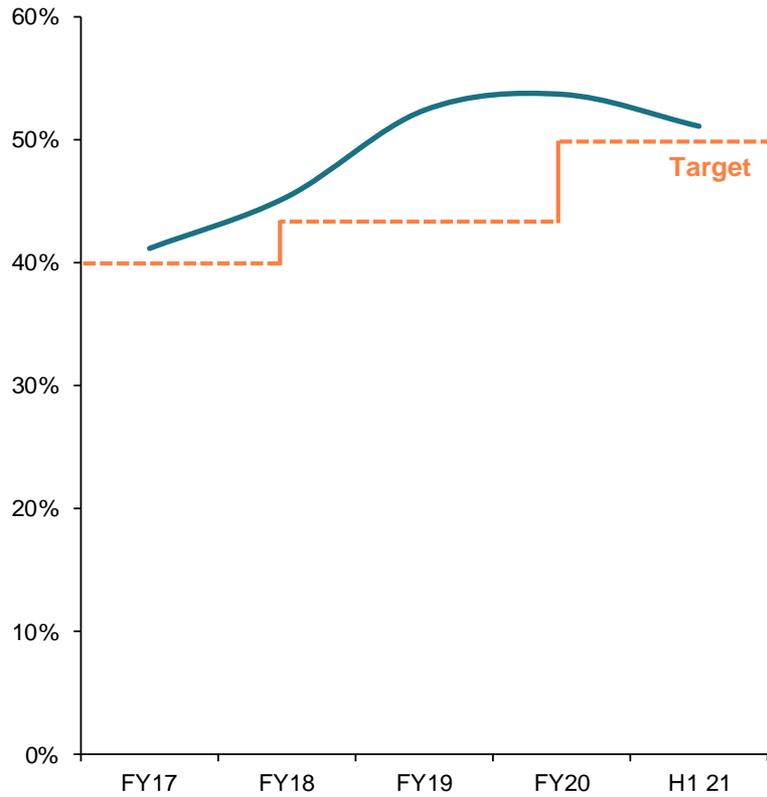
- ▶ £15.5m, representing 10% of H1 21 total third party fee income; in line with our long-term guidance
- ▶ Europe Fund VI performance fees recognised for first time
- ▶ Only recognised when highly probable
- ▶ Recognition dependent on the visibility of future realisations

CLO dividends

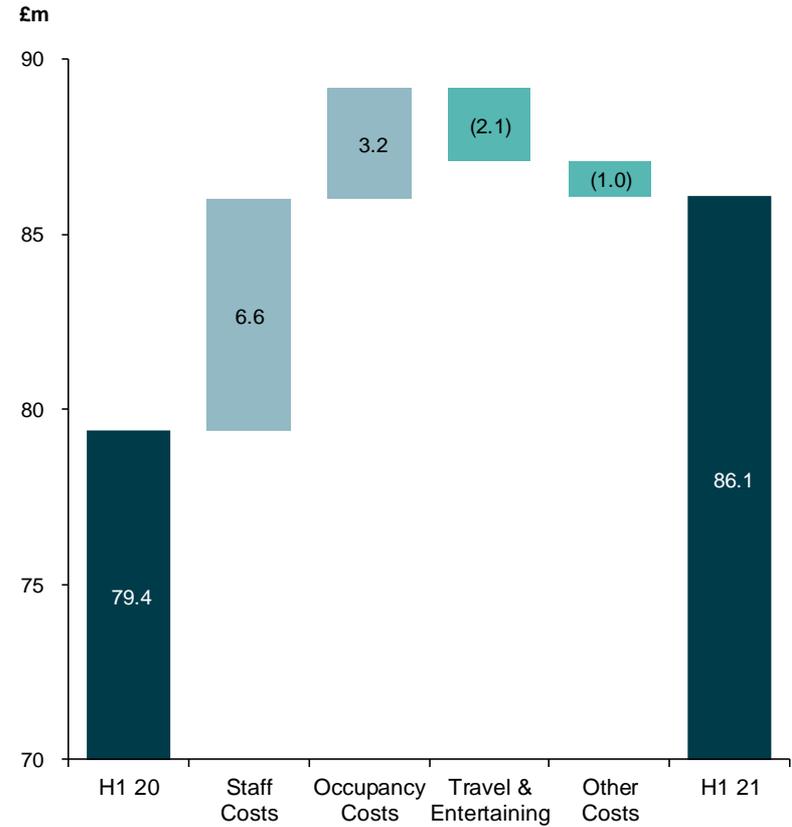
- ▶ £11.7m, representing 7% of H1 21 total income
- ▶ As expected, temporarily lower in FY21 due to Covid related credit rating downgrades
- ▶ Dependent on CLOs meeting credit rating tests

Operating margin remains above target

Operating margin trend



Operating costs waterfall



Diversified and robust balance sheet

Diversification



Net gearing

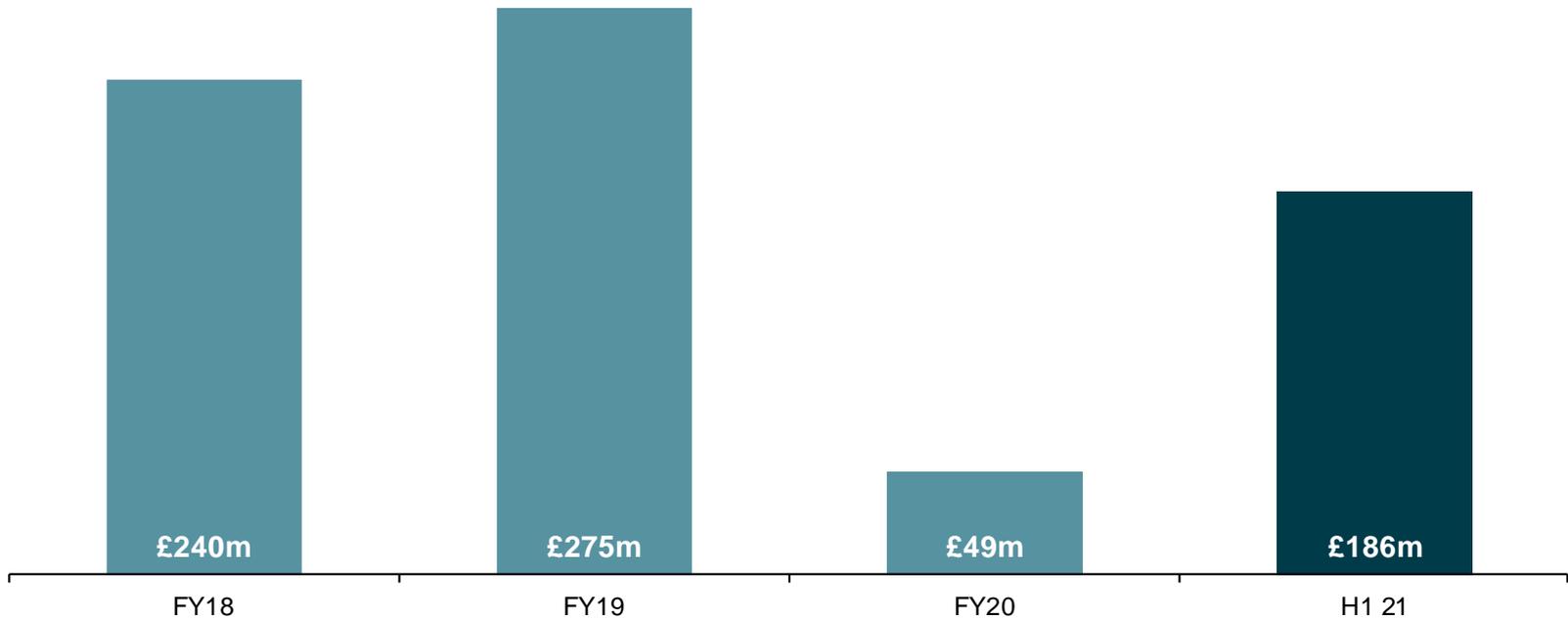
0.67x

Liquidity

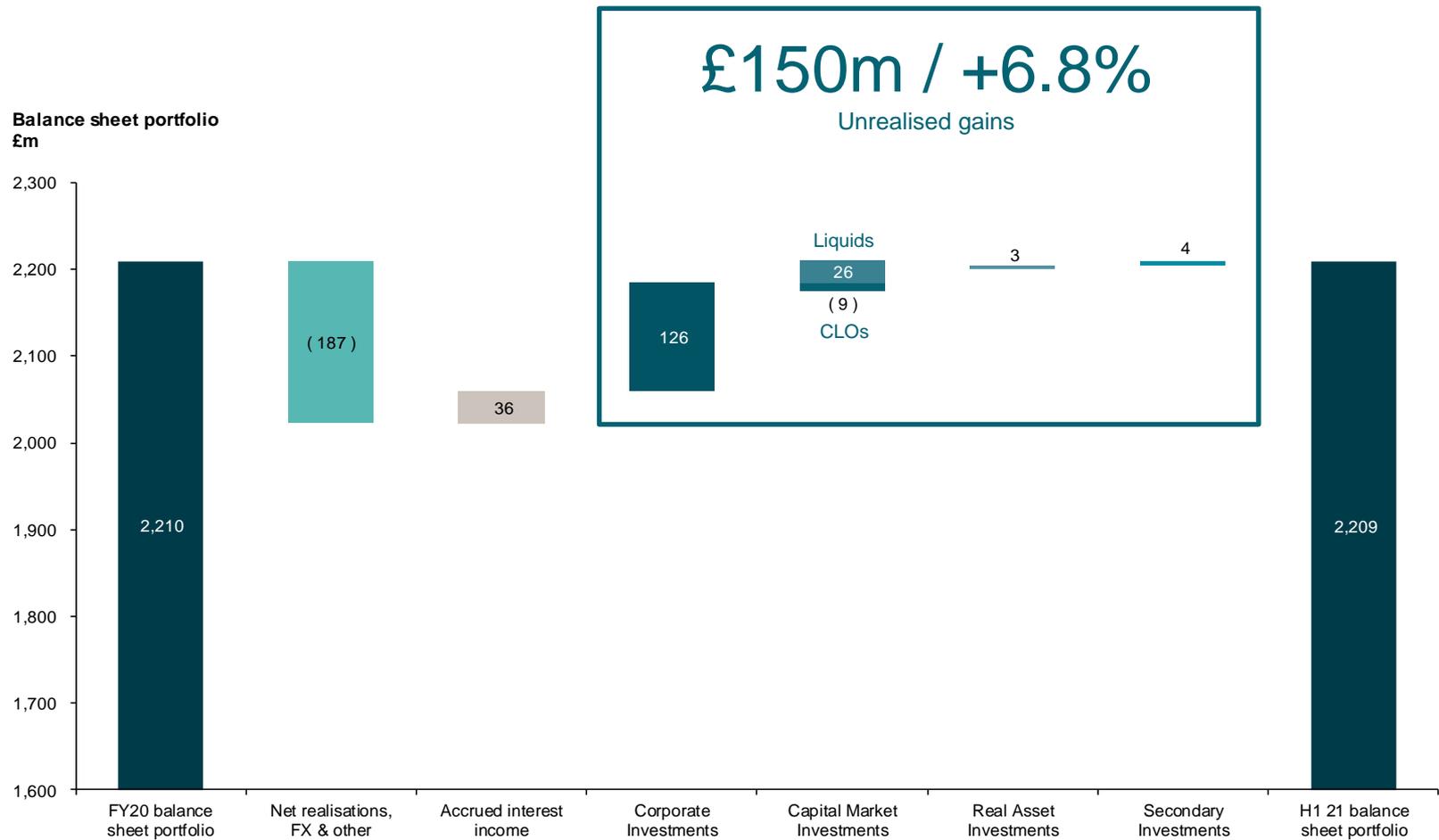
£1.0bn

Net investment returns rebound from March '20 lows

Net investment returns trend



Recovery of portfolio valuations



Well diversified investment portfolio

Capital market funds

13%

Risk retention investments

8%

Investment in liquid strategies

Direct investment funds

300+

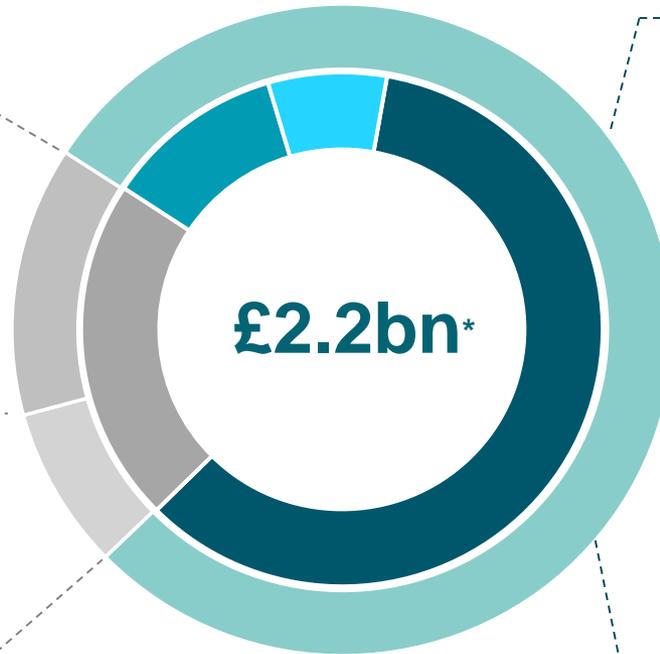
Companies

37

Sectors

33

Countries



■ Corporate Investments

■ Capital Market Investments

■ Real Asset Investments

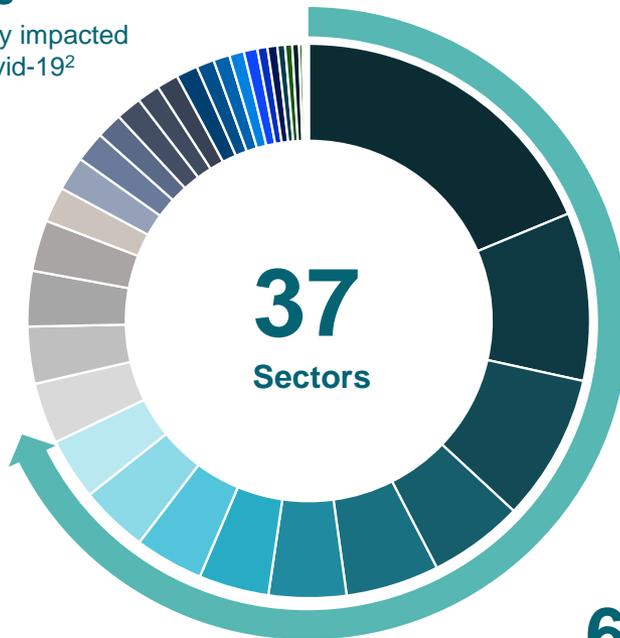
■ Secondary Investments

Low exposure to sectors directly impacted by Covid-19

Balance sheet split by sector¹

5%

Directly impacted
by Covid-19²



68%

Top 10 sectors

Top 10 sectors

- Healthcare
- IT Services
- Real Estate
- Diversified Services
- Fire Products
- Manufacturing
- Education
- Financial Services
- Software
- Food Products

Guidance

▶ **Fundraising:**

- ▶ We now expect to raise c€6bn in FY21, in line with our well established long-term fundraising plan
- ▶ FY22 expected to be materially higher as fundraising for flagship European and Strategic Equity funds brought forward
- ▶ Long-term guidance of €6bn per annum over a three year rolling basis maintained

▶ **FMC operating margin:**

- ▶ Long-term guidance of FMC operating margin in excess of 50% unchanged

▶ **Performance fees:**

- ▶ FY21 performance fees expected to be at the lower end of our long-term guidance of 10-15% of total third party fees

▶ **Net investment return:**

- ▶ Improvement in valuations in H1, but market remains uncertain
- ▶ Balance sheet returns aligned to fund returns; highly confident of long-term performance of our funds

▶ **Net gearing:**

- ▶ Expect to maintain below our guidance of 0.8x-1.2x in FY21 reflecting the current economic environment

▶ **Dividends:**

- ▶ No change; committed to progressive policy representing 80%-100% of post tax FMC profit

Wrap up



Positioned for significant long-term growth and shareholder value creation

- 1 Performance**

30 year track record of consistent, exceptional performance through cycles and a history of launching successful new strategies
- 2 Deployment**

Recent fundraising and significant dry powder enables us to pursue attractive investment opportunities for our clients
- 3 Fundraising**

Strong deployment bodes well for future fundraising, accelerating successor flagship funds
- 4 Industry tailwinds**

Industry growth opportunity accelerating in the wake of the current crisis combined with a flight to larger, diversified managers
- 5 Shareholder value**

Resilient business model, with duration and diversification, supporting attractive dividend growth and shareholder value creation

We are building a **leading global private markets** business

Disclaimer

The materials being provided to you are intended only for informational purposes and convenient reference and may not be relied upon for any purpose. This information is not intended to provide, and should not be relied upon, for accounting, legal, tax advice or investment recommendations although information has been obtained from and is based upon sources that Intermediate Capital Group plc ("ICG plc") considers reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions, projections and estimates constitute the judgment of ICG plc as of the date of the materials and are subject to change without notice. ICG plc disclaims and hereby excludes all liability and therefore accepts no responsibility for any loss (whether direct or indirect) arising for any action taken or not taken by anyone using the information contained therein. These materials are not intended as an offer or solicitation with respect to the purchase or sale of any security or investment interest and may not be relied upon in evaluating the merits of investing in any investment interests. These materials are not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. Neither ICG plc or any of its affiliates makes any representation or warranty, express or implied as to the accuracy or completeness of the information contained herein, and nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance.

These materials (including their contents) are confidential, being for use only by the persons to whom they are issued. Distribution of these materials to any person other than the person to whom this information was originally delivered and to such person's advisors is unauthorised and any reproduction of these materials, in whole or in part, or the disclosure of any of their contents, without the prior consent of ICG plc or its affiliates is prohibited. This communication is limited to and directed to those persons invited to the presentation. It is therefore only directed at professional clients, as defined by the financial conduct authority. Any other persons should not seek to rely upon the information contained herein. Collective investment schemes referred to herein are not regulated for the purposes of the UK's financial services and markets act 2000 and are not available to members of the general public. ICG plc is listed on the London Stock Exchange (LSE:ICP). ICG Alternative Investment Limited (ICG AIL) is a wholly-owned subsidiary of ICG plc and is authorised and regulated by the UK Financial Conduct Authority [FRN:606186], ICG Luxembourg SARL (ICG Lux), is a wholly-owned subsidiary of ICG plc and is authorised and regulated by the Luxembourg Commission de Surveillance du Secteur Financier.

These materials are not for publication, release or distribution in and may not be taken or transmitted into the United States of America, Canada, Japan, South Africa or Australia and may not be copied, forwarded, distributed or transmitted in or into the United States of America, Canada, Japan or Australia or any other jurisdiction where to do so would be unlawful. The distribution of these materials in any other jurisdictions may be restricted by law and persons into whose possession these materials come should inform themselves about, and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the laws of the United States, Canada, Japan or Australia or any other such jurisdiction.

These materials do not and are not intended to constitute, and should not be construed as, an offer, inducement, invitation or commitment to purchase, subscribe to, provide or sell any securities, services or products of ICG plc in any jurisdiction or to provide any recommendations for financial, securities, investment or other advice or to take any decision.