Q1 Trading Statement

For the period to 30 June 2018

Embargoed until 7:00am on 26 July 2018

Highlights

- Inflows in the first quarter were €4.8bn. 2018/19 fundraising is weighted to the first quarter of the financial year; €3.7bn has been raised for Europe Fund VII
- Total AUM 15% higher at €32.9bn and third party fee earning AUM 20% higher at €25.2bn
- Fund deployment remains strong across strategies
- All funds on course to meet or exceed their return hurdle rates

Benoit Durteste, CEO, said:

“As anticipated, the new financial year has started strongly with AUM breaking €30bn driven by fundraising for Europe Fund VII which is currently 48% larger than its predecessor fund. The size of the fund demonstrates our ability to scale our proven strategies.

“Our increasing size and market presence is allowing us to source attractive investment opportunities for our funds, without compromising on our investment discipline. Our focus remains on deploying capital and raising new funds, while selectively using our balance sheet to add to our range of scalable strategies.”

Business review

Total AUM increased 15% over the three months to 30 June 2018 to €32.9bn, including our €2.3bn balance sheet investment portfolio. Europe Fund VII has a higher fee rate than its predecessor fund and, with fees charged on committed capital, is resulting in an immediate increase in our profits. We have a healthy fundraising pipeline but as expected, current year fundraising has been weighted to the first quarter of the financial year.

Third party AUM by strategic asset class at 30 June 2018 was as follows:

	Corporate Investments €m	Capital Market Investments €m	Real Asset Investments €m	Secondary Investments €m	Total Third Party AUM €m
At 31 March 2018	13,873	7,683	3,509	1,469	26,534
Additions	3,977	479	374	-	4,830
Realisations	(630)	(63)	(338)	-	(1,031)
FX and other	108	188	(37)	50	309
At 30 June 2018	17,328	8,287	3,508	1,519	30,642
Fee earning AUM - at 30 June 2018	12,829	8,268	2,769	1,331	25,197

In addition to Europe Fund VII, we completed fundraising for our North American Private Debt Fund with an additional €280m taking it to its maximum size of US$1.35bn, including $150m from the balance sheet. We also closed one European CLO and saw further inflows for ICG Longbow Fund V.

We have continued to source attractive investments and deployed capital in the quarter while maintaining our disciplined investment culture in a competitive investment market. The total amount of capital deployed on behalf of our direct investment funds was £887m in the quarter (three months to 30 June 2017: £454m). The direct investment funds are investing as follows, based on third party funds raised at 30 June 2018:

Strategic asset class	Fund	% invested at 30 June 2018	% invested at 31 March 2018	Assets in fund at 30 June 2018	Deals completed in Q1
Corporate Investments	ICG Europe Fund VI	86%	81%	15	1
Corporate Investments	North American Private Debt Fund	87%	85%	19	1
Corporate Investments	Senior Debt Partners III[1]	25%	16%	6	2
Corporate Investments	Asia Pacific Fund III	89%	77%	7	1
Real Asset Investments	ICG Longbow Real Estate Fund V	7%	n/a	2	2
Secondary Investments	Strategic Secondaries II	69%	54%	9	2

[1] Co-mingled fund, excluding mandates

During the quarter we have also signed, subject to completion, a further four deals which will take ICG Europe Fund VI to 100% invested, and ICG Europe Fund VII to 28% invested, thereby providing an excellent start to the investment period for one of our largest funds.

With 94% of our AUM in closed end funds, outflows occur with the realisation of the underlying portfolio companies. The pace of realisations remained healthy as investors continue to take advantage of market liquidity to sell assets and lock in performance.

The balance sheet investment portfolio of £2,028m at 30 June 2018 increased 7% in the quarter (31 March 2018: £1,898m) with new investments offset by the realisation of older assets.

The balance sheet remains well funded with available cash and unutilised bank lines of £519.1m at 30 June 2018 (31 March 2018: £729.7m) and no material refinancing requirements in the next 12 months. Balance sheet utilisation will increase with the payment of the final ordinary dividend on 7 August 2018, funding commitments to third party funds as they deploy capital, and support in developing our new infrastructure and real estate strategies.

Enquiries

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This Trading Statement contains information which, prior to this announcement was inside information.

About ICG

ICG is a specialist asset manager with over 29 years' history. We manage €32.9bn of assets in third party funds and proprietary capital, principally in closed end funds. Our strategy is to grow our specialist asset management activities to deliver increased shareholder value. Our goal is to generate income and consistently high returns whilst protecting against investment downside for our fund investors. We seek to achieve this through our expertise in investing across the capital structure. We combine flexible capital solutions, local access and insight with an entrepreneurial approach to give us a competitive edge in our markets. We operate across four asset classes - corporate, capital market, real asset and secondary investments. In addition to growing existing strategies, we are committed to innovation and pioneering new strategies across these asset classes where the market opportunity exists to deliver value to our fund investors and increase shareholder value.

We are listed on the London Stock Exchange (ticker symbol: ICP) and provide investment management and advisory services in support of our strategy and goal through a number of regulated subsidiaries, further details of which are available at: www.icgam.com.