

# ICG plc FY12 Results

22 May 2012

## ■ Operational highlights

- Progress on fund management platform: products and distribution in place
- AUM of €11.4bn
  - Down 3% due to CLO runoff, credit fund raising impacted by sovereign crisis
  - Mezzanine AUM up 7% (Fund V, Longbow)
- Portfolio companies showing resilience
- 8 exits at 1.9x and 22% IRR

## ■ Financial highlights

- FMC Profit before tax: £37.7m vs £35.9m in FY11
- Adjusted IC Profit before tax\*: £161.1m vs £154.2m in FY11
- Adjusted Group Profit before tax\*: £198.8\*m vs £190.4m in FY11
- Further debt extensions
- Full year dividend of 19 pence vs 18 pence last year

*\* Excluding £45.0m positive impact of one-off release of previously accrued costs as we terminated our MTIS remuneration scheme; and fair value movement on derivatives (FY12: nil; FY11: loss of £3.8m)*

# Market Update

# Marked Slowdown in Europe in H2



- Rapid deterioration of economic outlook and uncertainty over the Euro
- Sovereign crisis put a stop to 18 months of renewed activity in Europe
- Limited short term visibility due to volatility

# Long term trends remain favourable



- European LBO Market:
  - Withdrawals of European banks
  - European CLOs capacity reduces by €26 billion over the next two years
  - PE Dry Powder still unchanged at €175 billion
  
- US LBO market
  - Transaction volumes recovering
  - Highly competitive while volumes remain at lower levels
  
- Asia LBO Market
  - Region barely affected by crisis, less financing problems
  - More attractive in the sponsorless space
  
- Real Estate Commercial debt
  - Banks disengaging
  - No residual Legacy capacity as CMBS out of reinvestment periods

# Portfolio Update

# Exits

## Continued flow



- Slowdown in exits due to market volatility and less liquidity to support new transactions
- 8 investments exited (and one partial exit), £365m of repayments, £113m of PIK and £74m of capital gains

Vintage Year	Companies
2003	Raet
2006	Souriau, Tegel Foods
2007	Bureau van Dijk, Eismann, V Ships, Aster
2008	Au Bon Pain (partial exit)
2010	CPA Global

- Average Returns of 22%
- Cash Multiple 1.9x

# New Investments

## Slowdown in H2 due to environment



- £122m of new investments
  - Reinvestment in Tegel and BvD
  - New investment in HMG, Ventura and 2 investments in China
  
- Low volumes in Europe in H2 coupled with extremely cautious approach to investments given economic uncertainty
  
- Good momentum since year end
  - Invested in third bank portfolio of discounted loans and second sponsorless transaction in Australia
  - Exclusivity on two transactions, advanced stages on a number of others
  - Strong pipeline but visibility remains limited in volatile environment

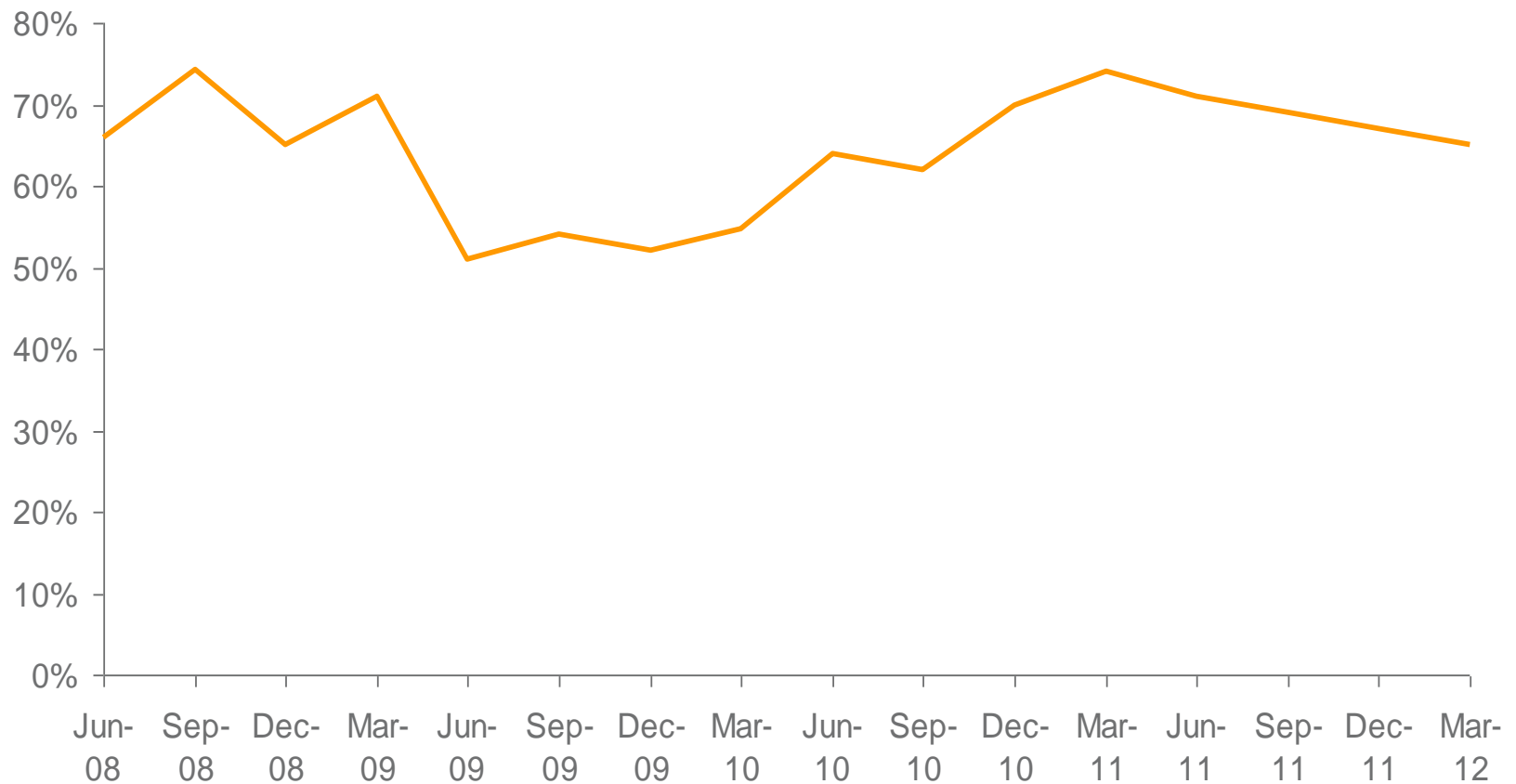


# Investment portfolio

## Performance vs. prior year shows resilience



Percentage of assets performing at or above prior year



# Top twenty assets

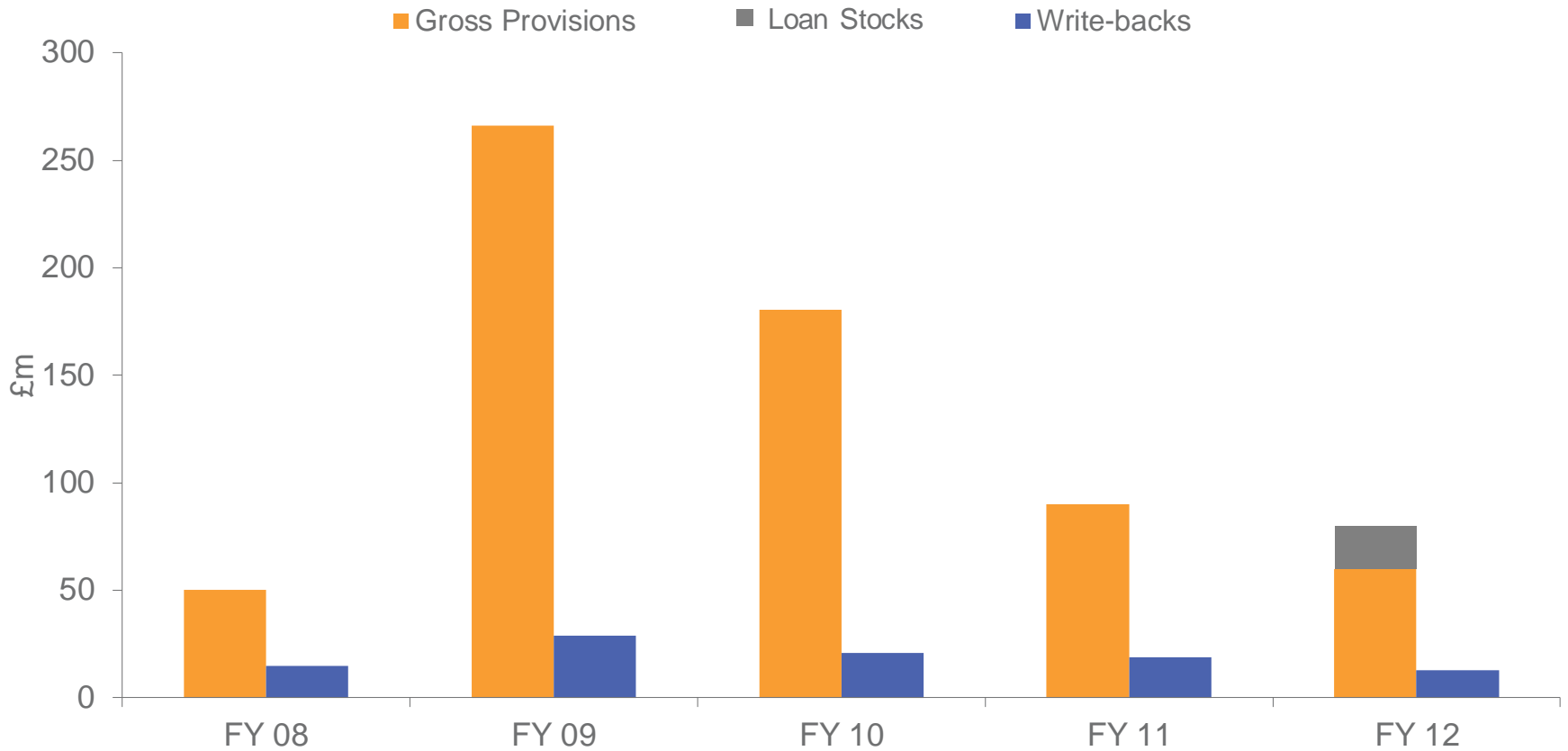
## Strong performance continues



Business	Country	Vs Last Year
Private clinic manager	France	↓
Textile rental and cleaning	France	↑
Inspection, certification and technological services	Spain	↑
Elderly care homes	Sweden	↑
Share registry and fund administration services	Australia	↑
Speciality chemicals for the construction industry	France	↑
Cattle tagging	UK	↑
Waste management solutions provider	UK	↑
Airport operator	UK	↑
PVC Flooring	France	↑
Supplier of fire protection systems and services	Germany	→
Drug development and manufacturer	France	↑
Provider of services and technical solutions for utilities	Germany	↑
Telephone networks	US	↑
Diversified fund of senior loans	Europe	
Auto Equipment	France	↓
Leisure & entertainment	Germany	↑
Software solutions	Italy	↑
Cinema operator	Australia	↓
Provider of security services	Italy	↑

# Provisions for Portfolio Companies

## Positive underlying trend in difficult environment



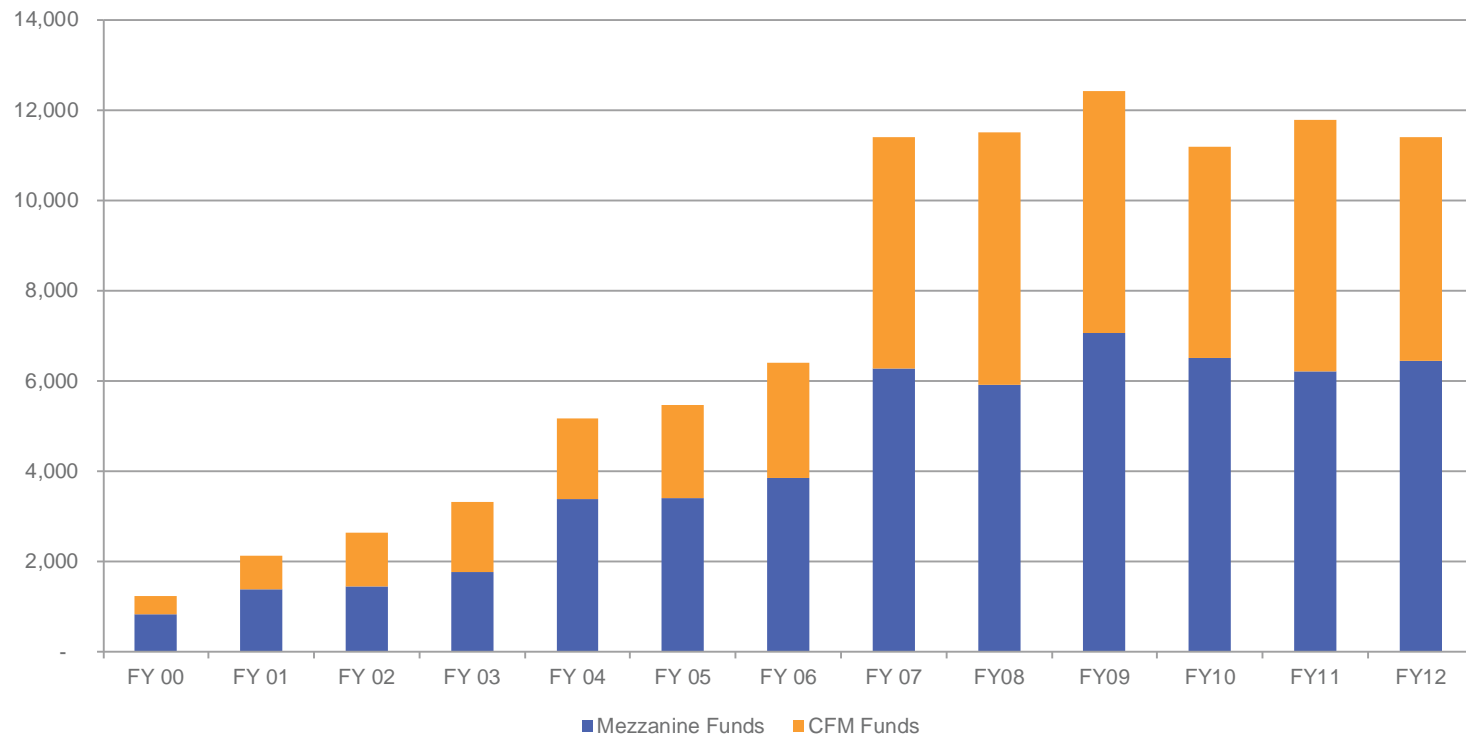
# Fund Management

# Third party funds under management



## ■ AUM of €11.4 bn

- Down 3% due to CLO runoff, credit fundraising impacted by sovereign crisis
- Mezzanine AUM up 7% (ICG Europe Fund V, ICG Longbow)



# Fund Management Company Growth

## Long term trend support our ambitions



- Institutions are increasingly drawn to alternative yield
  - Uncertainty makes cash distributions attractive
  - Regulatory frameworks makes equity a capital intensive asset class
  - Traditional fixed income asset classes generate low returns
- Good progress in building our platform
  - Distribution
  - Products

# Investor Management Group

## Strengthened distribution team



March 2010

- 2 full time staff
- Focus on servicing existing investors



March 2012

- 14 full time staff
  - 5 Distribution Executives with global reach
  - 8 sales support & client services
- Recruited new Head of Distribution
  - Andreas Mondovits
  - 20 years' experience
  - Previously worked at UBS GAM

# Delivering Alternative Yield

We offer attractive yield solutions to institutional investors



	Product	Net Yield
<b>Traditional Fixed Income</b>	German Government Bonds	0.9%
	Corporate Bonds	2.3%
<b>Alternative Yield</b>	Leveraged Loans	6–10%
	High Yield Bonds	12%
	Real Estate Mezzanine	14%
	Corporate Mezzanine	16%



# ICG Products

## Broadened offering



Product	Summary	Target Yield
ICG Europe Fund V	<ul style="list-style-type: none"> <li>ICG's latest European mezzanine fund</li> <li>Targeting final close of €2bn in July 2012</li> </ul>	16%
Senior Debt Partners	<ul style="list-style-type: none"> <li>Direct lending to European corporates</li> <li>Launch imminent</li> </ul>	10%
European Loan Fund	<ul style="list-style-type: none"> <li>Liquid European Senior Leveraged Loans</li> <li>Pooled vehicle open for commitments</li> </ul>	6-8%
High Yield Fund	<ul style="list-style-type: none"> <li>Liquid European High Yield Bonds</li> <li>Pooled UCITS vehicle since Dec-09</li> </ul>	8-12%
Total Credit	<ul style="list-style-type: none"> <li>Combined loans and bonds investments</li> <li>Launch imminent</li> </ul>	10%
Segregated Mandates	<ul style="list-style-type: none"> <li>A number of segregated mandates to invest with specific parameters (single or multi asset classes)</li> </ul>	5-15%

# Delivering Alternative Yield

## Organic growth through geographic expansion



Product	Net Yield	Europe	Asia	US
Leveraged Loans	6–10%	✓		
High Yield Bonds	12%	✓		
Real Estate Mezzanine	14%	UK		
Corporate Mezzanine	16%	✓	✓	IC only

# Delivering Alternative Yield

## Expansion into adjacent asset classes



- Real Estate Senior Debt
  - Longbow acquired in December 2010 – delivering ahead of expectations
  - Look at opportunities beyond UK mezzanine
  
- Asset-backed Securities
  
- Infrastructure
  
- Secondaries

# Priorities for Growth in FY 13



- Mezzanine
  - Final close on ICG Europe Fund V
  - Launch of Asia Pacific successor fund
  - Launch of ICG Longbow successor fund
  
- CFM
  - Launch Senior Debt Partners fund
  - Market segregated mandates and open ended funds
  
- US strategy
  
- Good momentum since year end but visibility limited

# Financial Overview

# Financial Highlights



- Pre-tax profit\* of £198.8m vs £190.1m in FY11
  - FMC Profit before tax: £37.7m vs £35.9m in FY11
  - IC Profit before tax\*: £161.1m vs £154.2m in FY11
  
- £227m of debt extension and agreed with our key banks, subject to documentation, to roll 2013 maturities to June 2016, current headroom of c. £505m
  
- Cash Core Income of £113.5m vs £106.7 in FY11; Dividend up 1p to 19p
  
- End of transition to new compensation schemes resulting in £45m accrual write back

*\*Excluding £45m one off release of MTIS costs previously accrued and fair value movement of derivatives*

# Segmental Reporting

## Strong underlying growth



	£m	March 2012	March 2011	March 2010
Fund Management Company	Fee income	91.2	81.8	76.4
	Other income	2.9	4.1	1.9
	Admin expenses	(56.4)	(50.0)	(40.3)
	<b>FM Profit</b>	<b>37.7</b>	<b>35.9</b>	<b>38.0</b>
Investment Company	Net Interest Income	183.5	179.8	209.7
	Div & other income	7.6	11.0	3.4
	Admin expenses	(62.7*)	(67.0)	(60.7)
	Impairments	(70.6)	(70.9)	(161.8)
	Net capital gains	103.3	101.3	77.1
	<b>IC Profit*</b>	<b>161.1</b>	<b>154.2</b>	<b>67.7</b>
	FVM derivatives	0.0	(3.8)	0.1
<b>Group</b>	<b>Profit before tax*</b>	<b>198.8</b>	<b>186.3</b>	<b>105.8</b>

\* Excluding £45 one-off release relating to termination of MTIS

# Third party AUM

## Good momentum in mezzanine funds



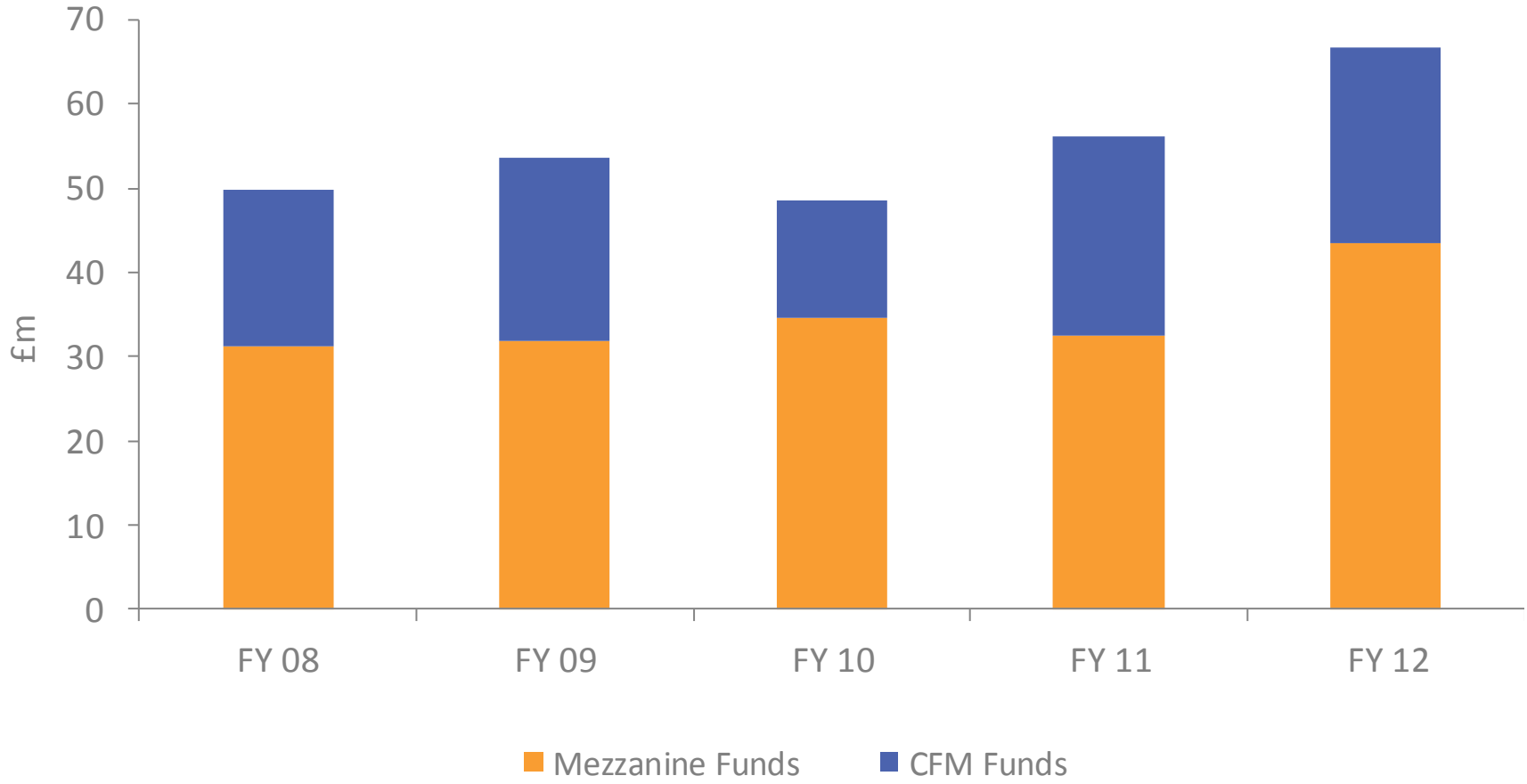
Third party AUM down 3% to €8.7bn due to older CLOs runoff, mezzanine AUM up 7%





# Third party fee income

## Growth in high margin funds drives fee income

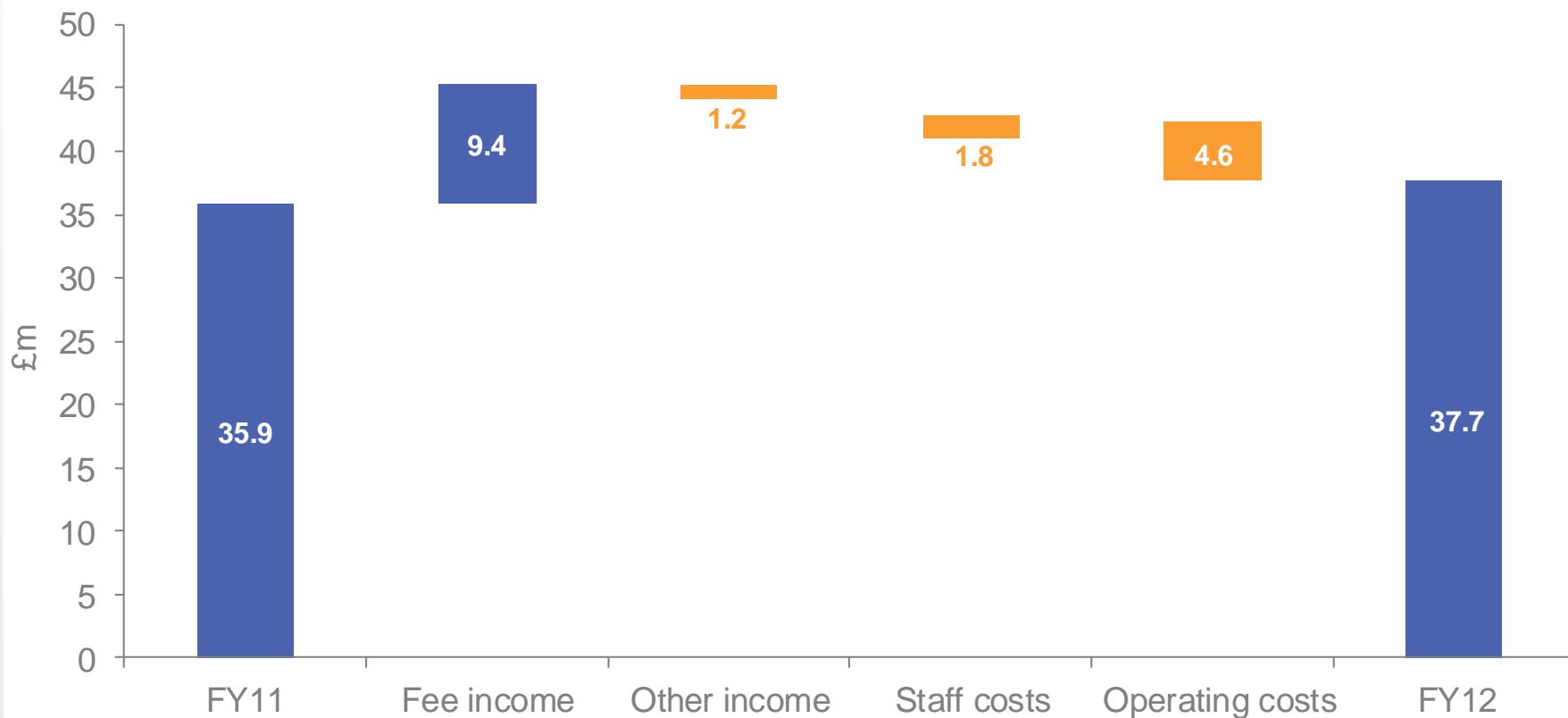


# Fund Management Company

## Increase in fee income drives FMC profit



Profit before tax of £37.7m, up 5%



# Net interest income analysis

## NII stable despite lower IC portfolio

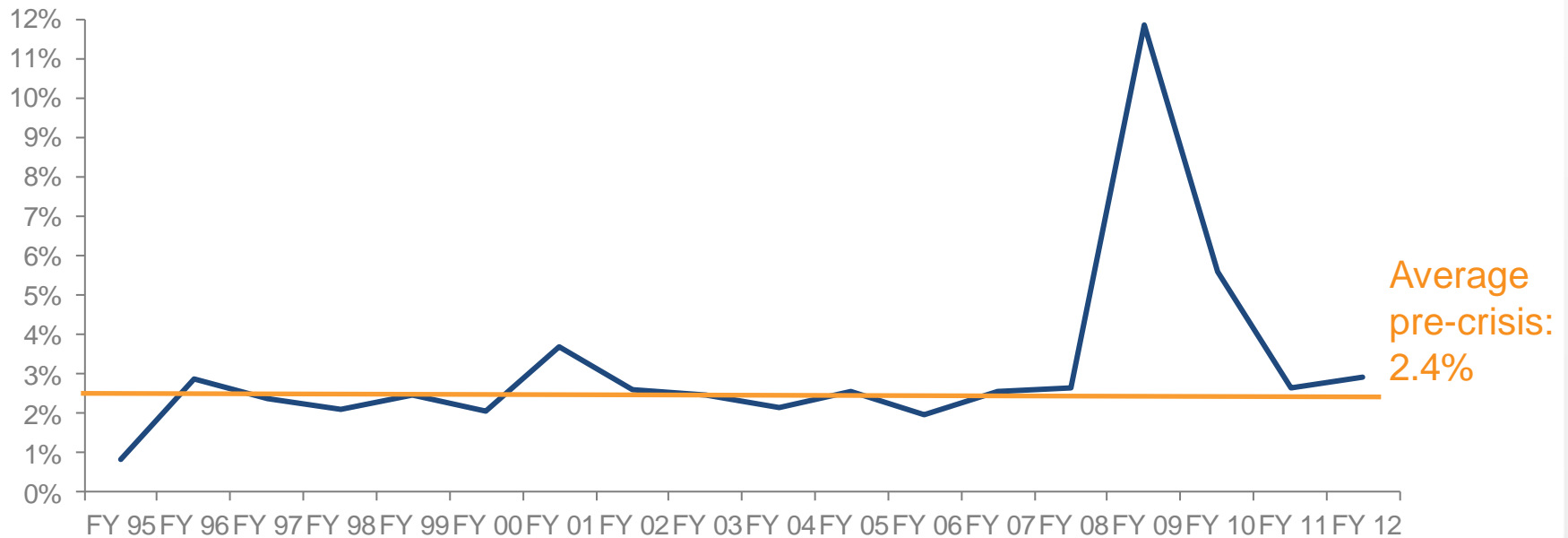


■ NII at £183.5m, up 2%



# Long terms provisions

Net provisions remains at historical average level



# Gains on Investments

High level of net gains maintained despite difficult market



£m	FY12	FY11
Realised gains	73.8	127.2
Unrealised gains	44.2	6.2
<b>Total gains</b>	<b>118.0</b>	<b>133.4</b>
MTIS	(14.7)	(31.0)
<b>Net gains</b>	<b>103.3</b>	<b>102.4*</b>

## ■ Unrealised gains

- Fair value increase on unrealised equity investments: £45.1m
- Fair value decrease on unrealised equity investments: £0.9m

\* Includes £1.1m gain on Resource Europe CLO acquisition (in FMC P&L)

# Top AFS and FVTPL assets

## Resilient equity portfolio



### ■ AFS assets

Company	Business	Country	Value at 31/03/12	Value at 30/09/11	Value at 31/03/11
Allflex	Livestock identification systems	UK	£65.4m	£47.9m	£24.2m
Intelsat	Fixed satellite services	USA	£45.6m	£59.2m	£32.7m
AAS Link	Share registry and fund administration	Australia	£15.9m	£19.9m	£5.9m
Meniszez	Food & Consumer Products	France	£14.8m	£15.2m	£14.9m
Cartiere/Lecta	Printing	Italy	£12.9m	£10.8m	£0.1m
Elior	Catering	France	£9.8m	£13.9m	£9.6m
Meyn	Chicken processing	Netherlands	£9.0m	£5.1m	£0.2m
AU Bon Pain	Catering	US	£8.4m	£5.8m	£6.5m

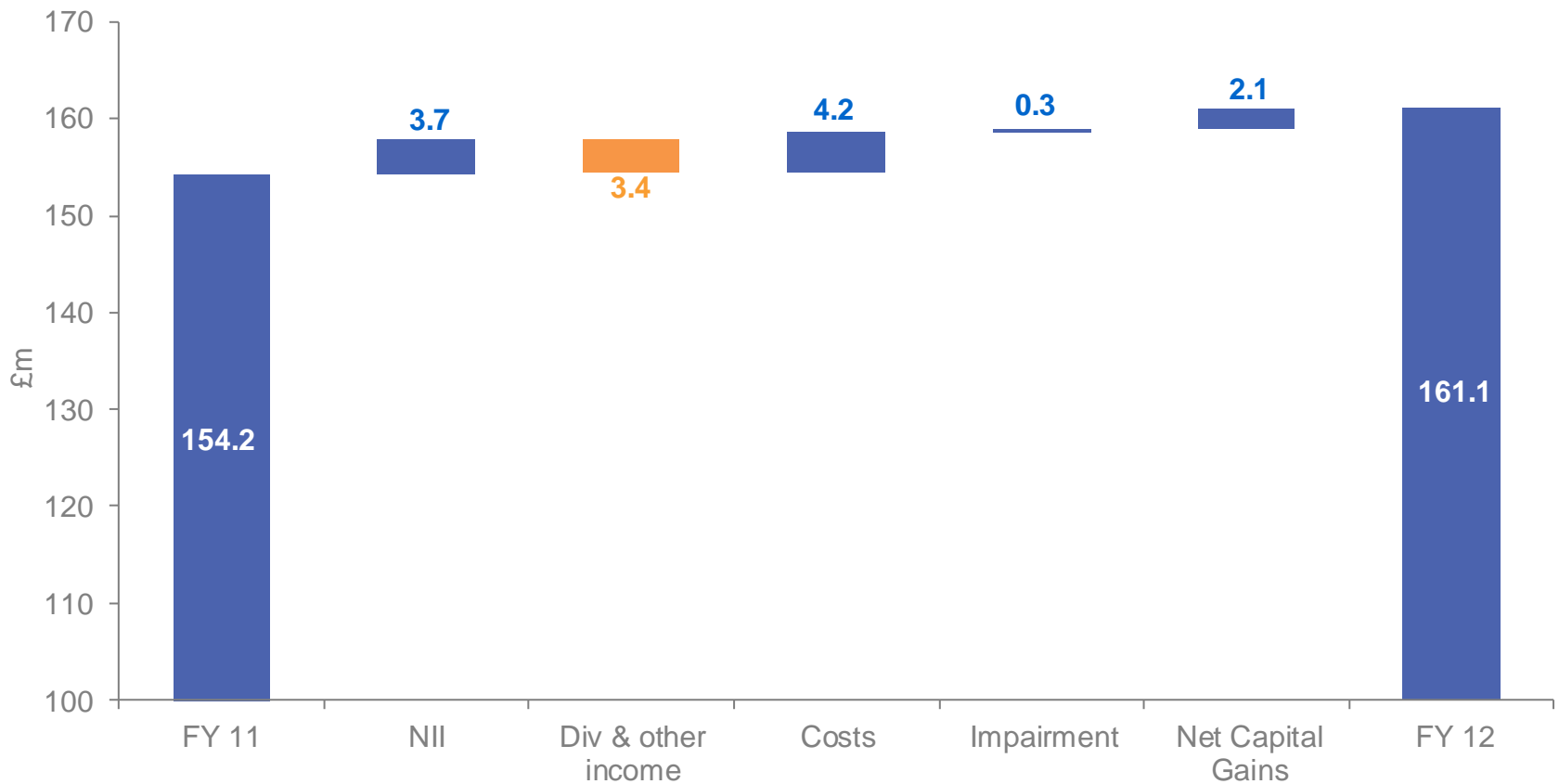
### ■ FVTPL assets

Company	Business	Country	Value at 31/03/12	Value at 30/09/12	Value at 31/03/11
Gerflor	PVC flooring	France	£13.1m	£12.4m	£12.4m

# Investment Company

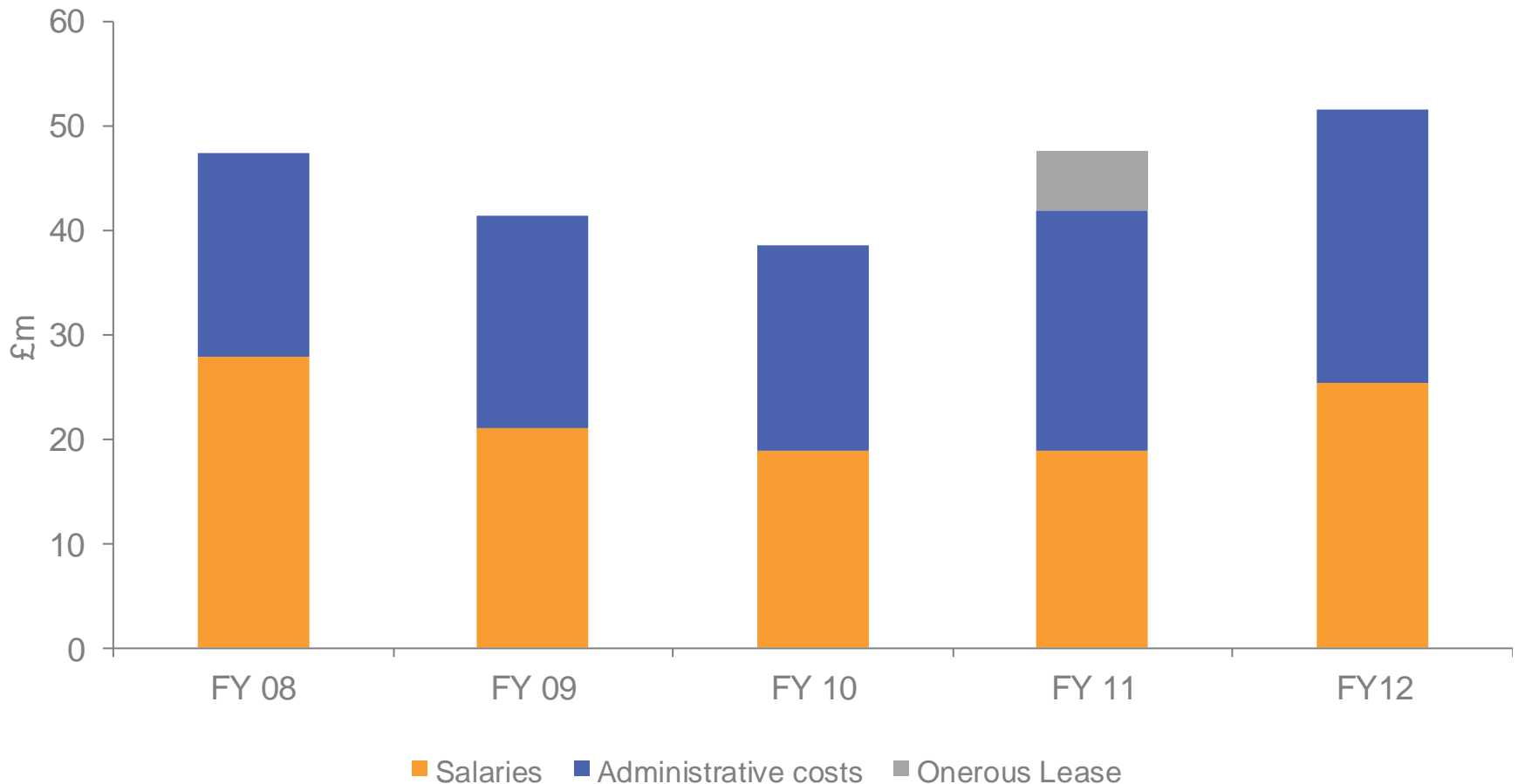


Profit before tax of £161.1m



# Operating costs excluding incentive schemes

## Salaries increase reflects growth of distribution group





# Incentive Schemes Excluding MTIS on gains

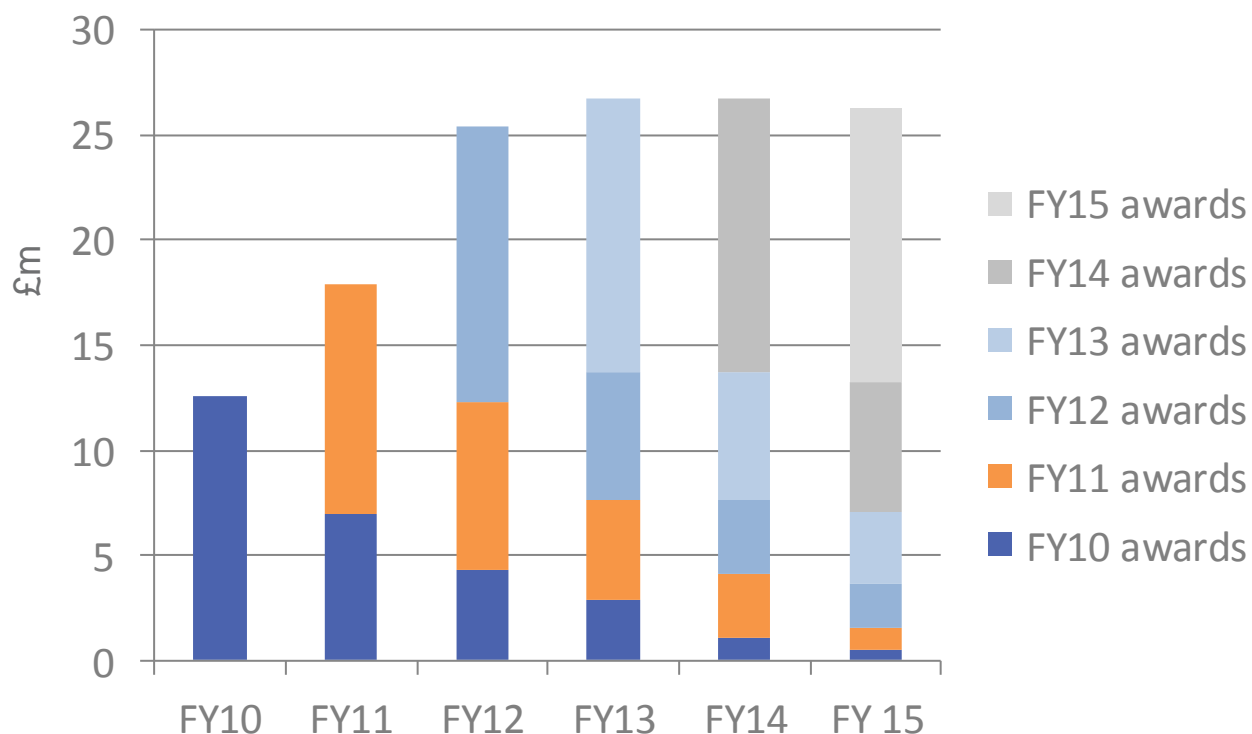


£m	FY12	FY11	FY10
FY10 Awards	4.3	9.6	12.6
FY11 Awards	12.6	10.9	-
FY 12 Accruals	14.6	-	-
<b>New Schemes</b>	<b>31.5</b>	<b>20.5</b>	<b>12.6</b>
<b>Old Schemes</b>	<b>11.5</b>	<b>23.3</b>	<b>29.5</b>
<b>Total</b>	<b>43.0</b>	<b>43.8</b>	<b>42.1</b>

# Long term P&L impact of incentive schemes (excluding balance sheet carry)



- Based on FY10 and FY11 and FY12 actual awards, and constant FY12 awards for future years
- Roll-out driven growth until FY15 included, but immaterial in FY14 & FY15



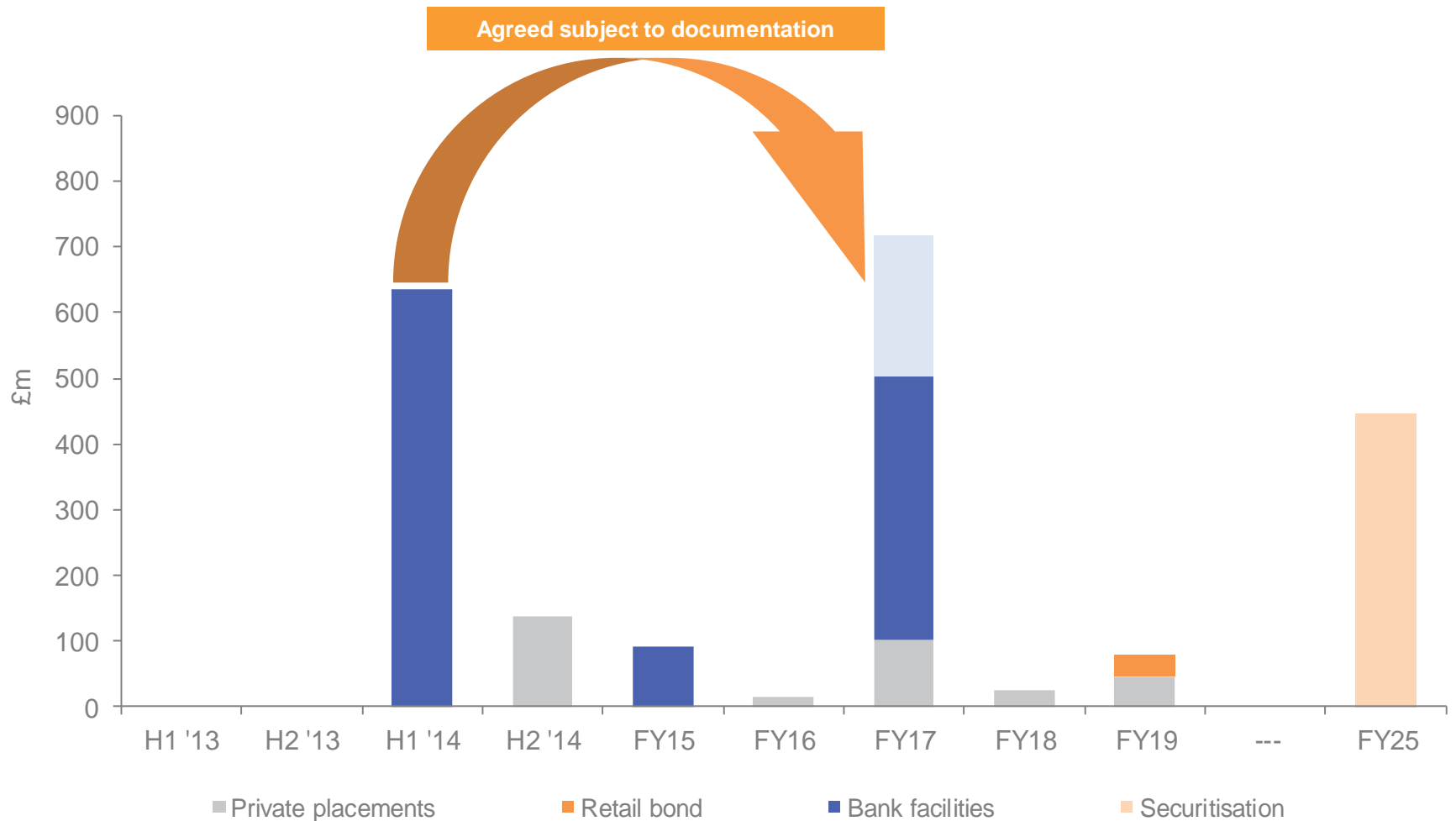
# Balance Sheet



	31 March 2012 £m	31 March 2011 £m
Loans & Investments	2,352	2,575
Net current assets/(liabilities)	78	(76)
	2,430	2,499
Shareholders' Funds	1,451	1,250
Borrowings	979	1,249
	2,430	2,499
ROE*	11.5%	10.8%
Gearing Ratio	66%	100%
Debt Facilities	1,806	2,033
Headroom at year end	827	785
Current Headroom	505	

\* Excluding the £45m one off

# Debt maturity profile



# Cash Flow Analysis

## Strong cash generation



£m	FY12	FY 11	FY 10
Operating cash flow	138.2	157.5	90.6
Cash flow relating to Capital Gains	41.7	121.9	79.3
Repayments & recoveries	368.6	368.6	217.3
Tax & others	(66.6)	(5.1)	(14.5)
<b>Free Cash flow</b>	<b>481.9</b>	<b>642.9</b>	<b>372.7</b>
New investments	123.3	315.9	98.2
Dividend	68.9	40.6	37.8
Net share proceeds	15.3	16.9	
Net debt reduction	274.4	269.5	236.7
<b>Cash Core Income</b>	<b>113.5</b>	<b>106.7</b>	<b>115.1</b>

## ■ FMC

- Higher fee income driven by ICG Europe Fund V and new funds
- Increase in costs as we continue to strengthen distribution team

## ■ IC

- Reduction in NII as price of debt increases
- Good momentum in new investments but environment remains unpredictable
- Further capital gains and realisation of PIK
- Provisions expected to remain at around historical average level

## ■ Operational highlights

- Progress on fund management platform: products and distribution in place
- AUM of €11.4bn
  - Down 3% due to CLO runoff, credit fund raising impacted by sovereign crisis
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# Appendix

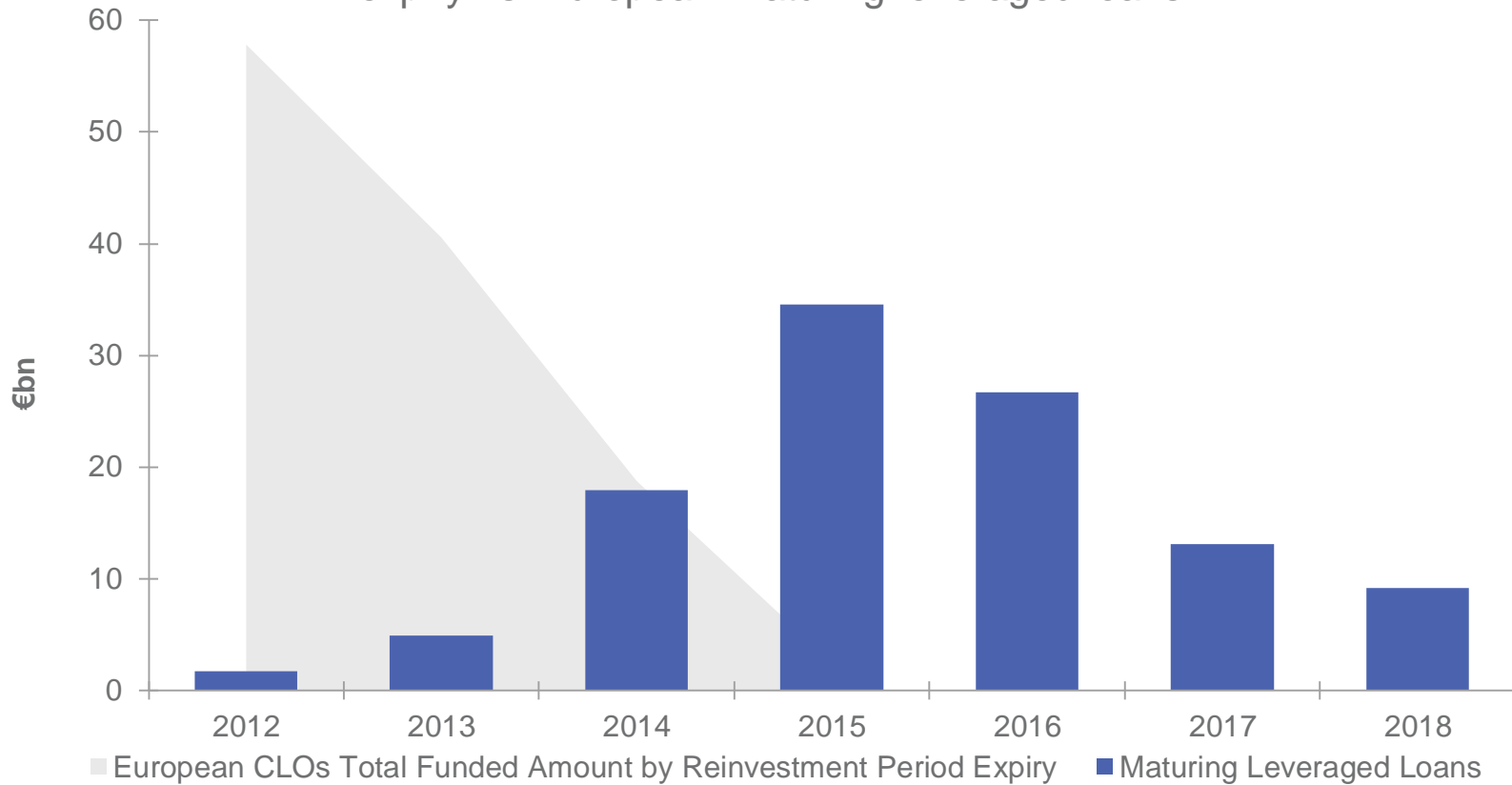


# Market Update

# Refinancing opportunities lie ahead



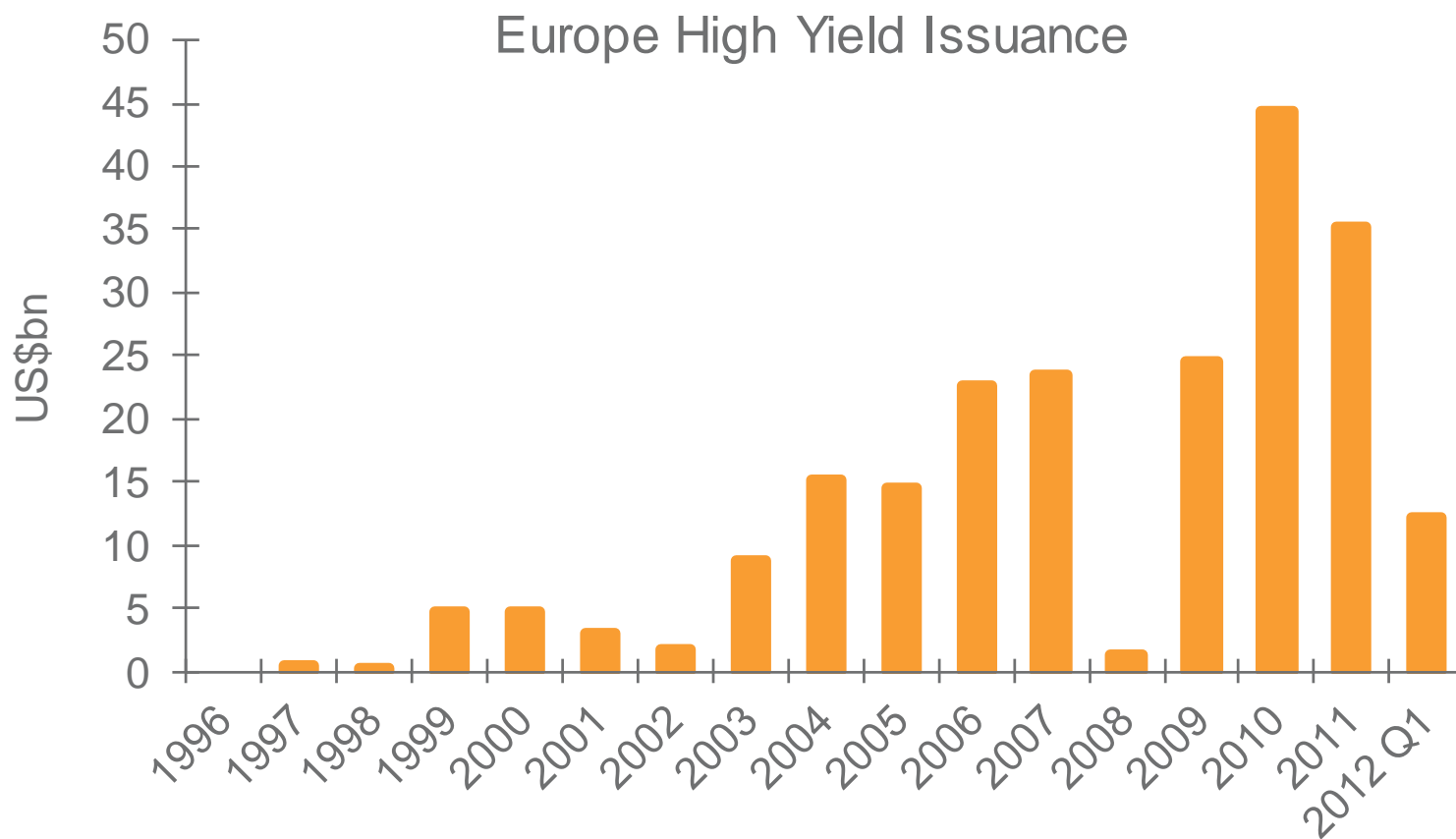
European CLOs funded amount by reinvestment period expiry vs. European maturing leveraged loans



Source: JPMorgan Structured Finance Research, INTEX, S&P European Leveraged Loan Index (ELLI), February 2012

# LBO Market

## Slowdown in High Yield issuance



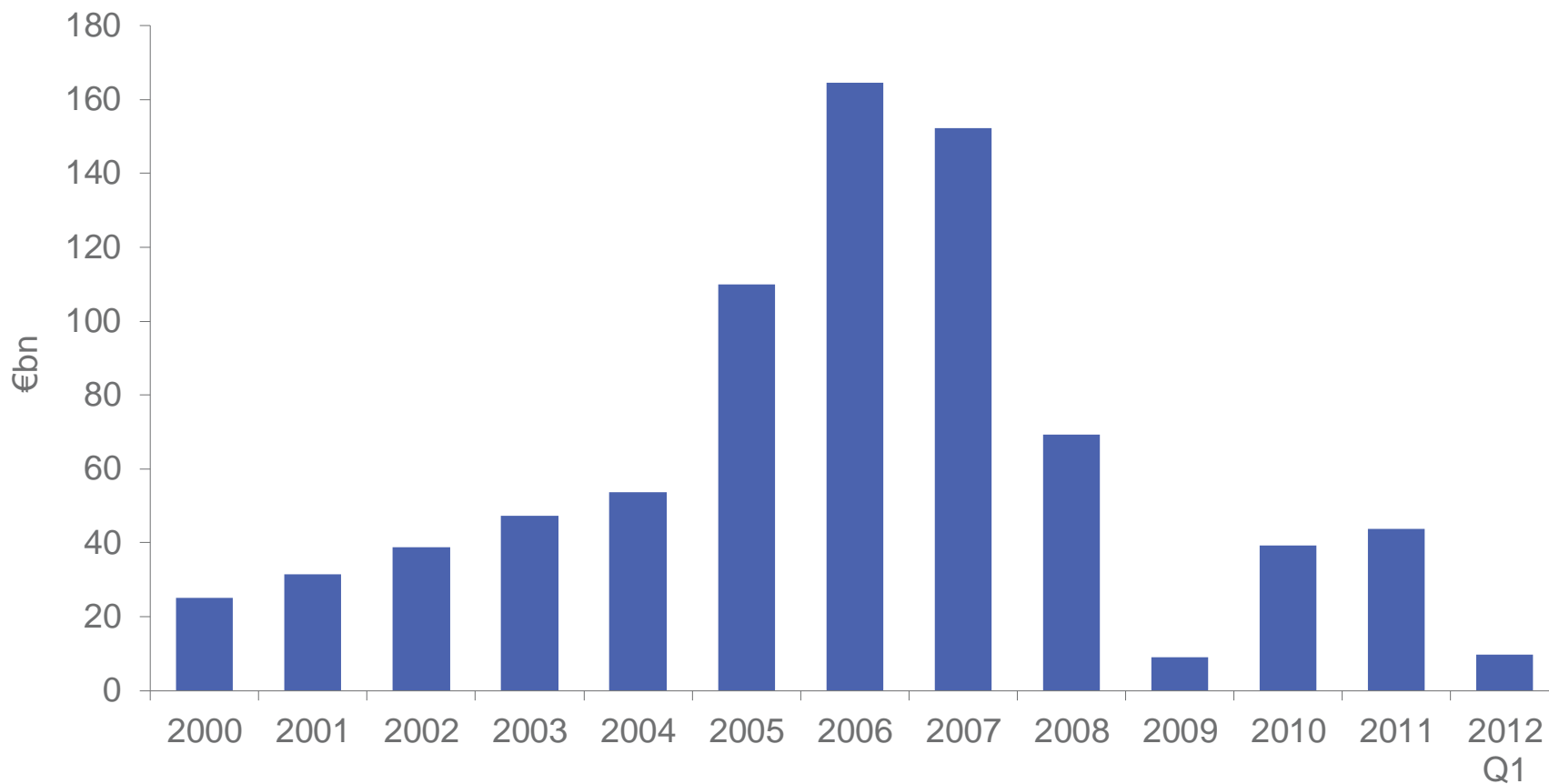
Source: S&P

# European LBO Volume

## Slowdown so far has prevailed into 2012

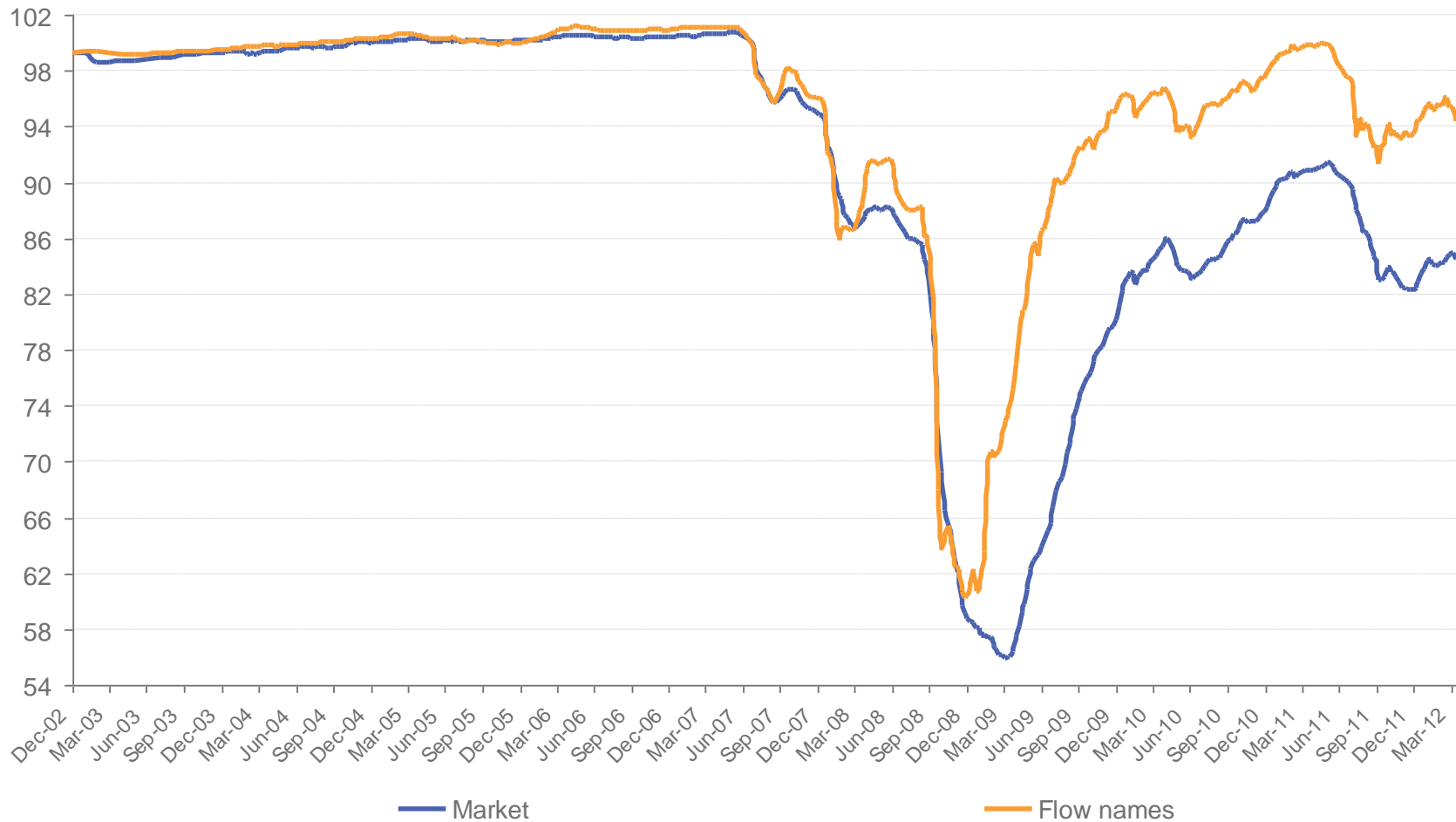


### Primary LBOs



Source: S&P

# Price of loans attractive again

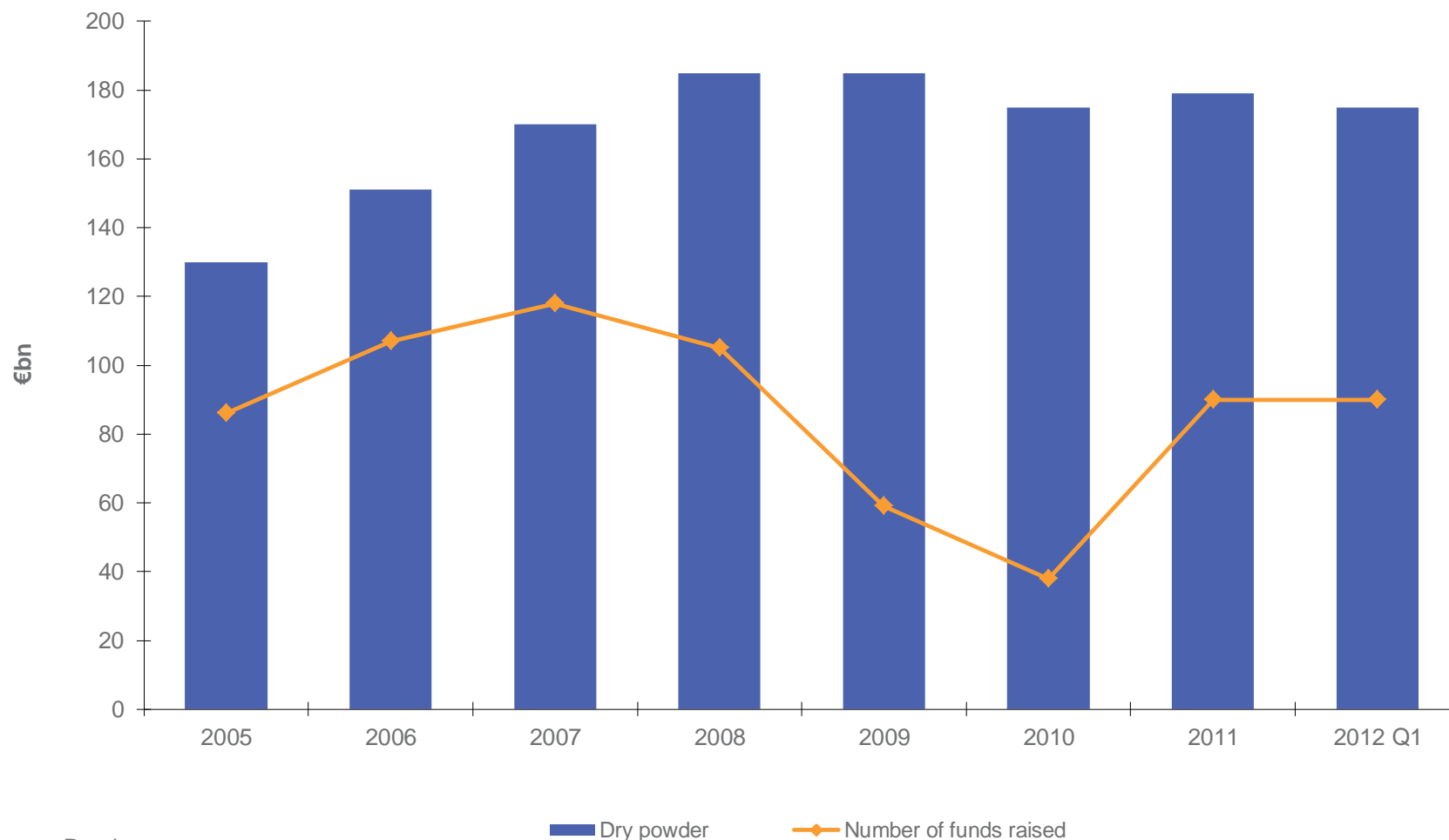


\*S&P European Leveraged Loan Index (ELLI) was calculated monthly during 2003 and weekly beginning 2004.

Source: S&P, European Secondary Pricing Source: Markit Loans

# LBO Market

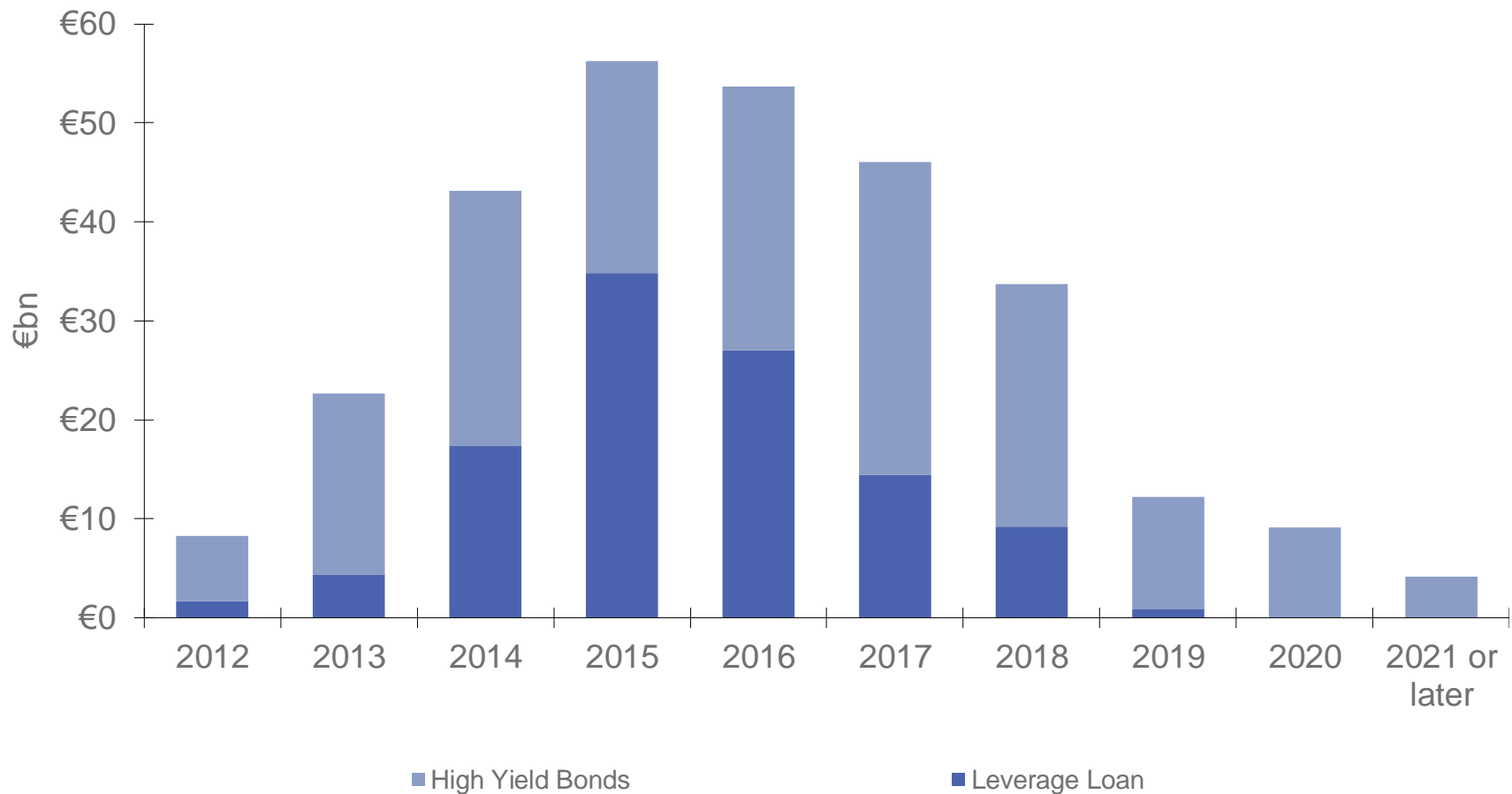
## European Significant Private Equity dry powder remains



Source: Preqin

# LBO Market

## European leveraged loans and HY bonds maturity profile



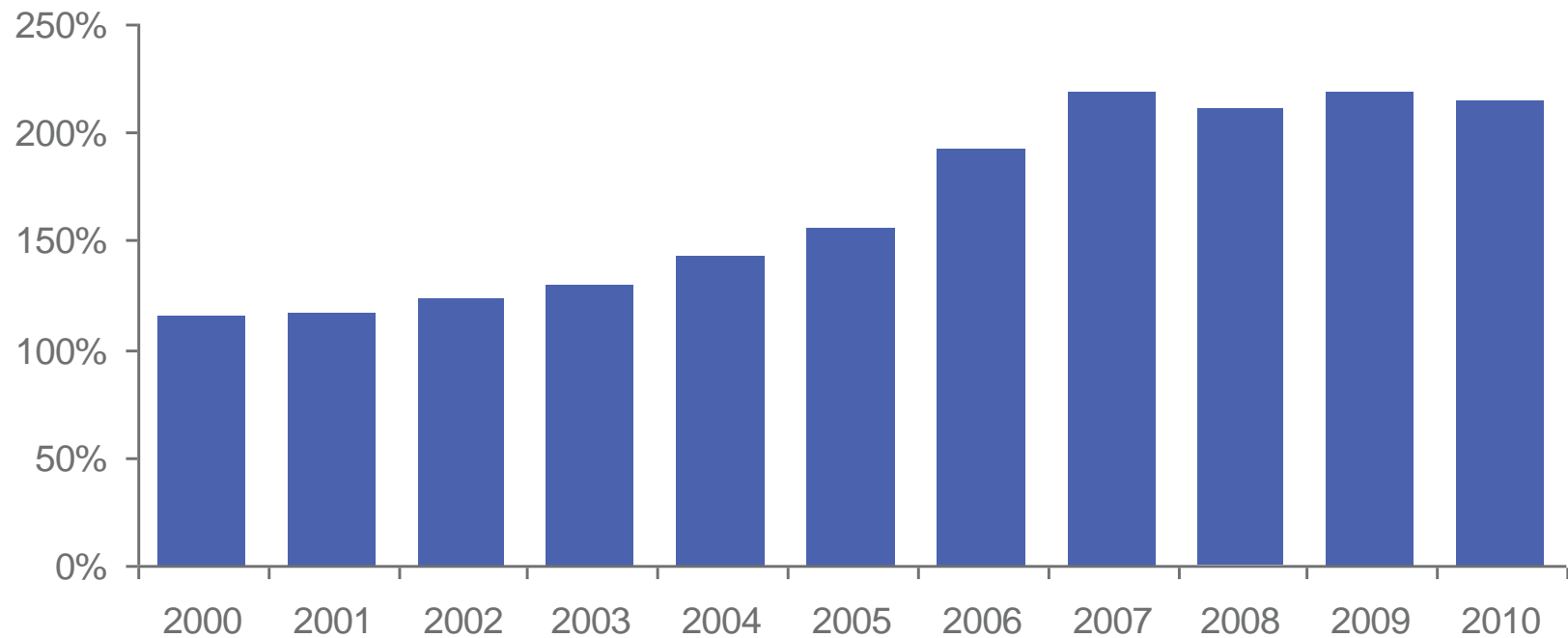
Source: S&P European Leveraged Loan Index (ELLI); Bank of America Merrill Lynch European High-Yield Bond Index, 5 April 2012; JP Morgan, March 2012

# LBO Market

## European banks need to degear



Total European Bank Assets / GDP

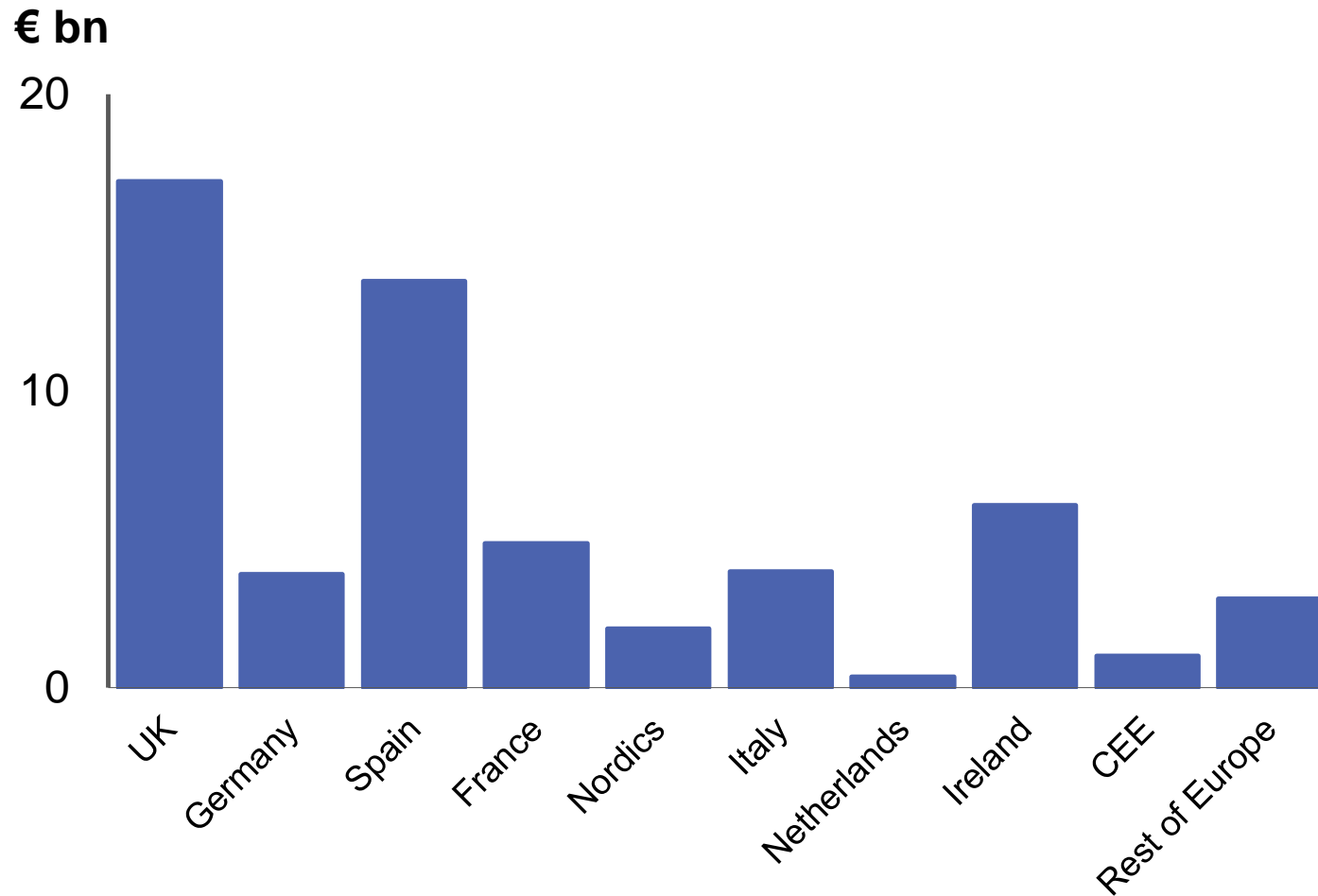


Source: ECB, December 2011



# Real Estate Market

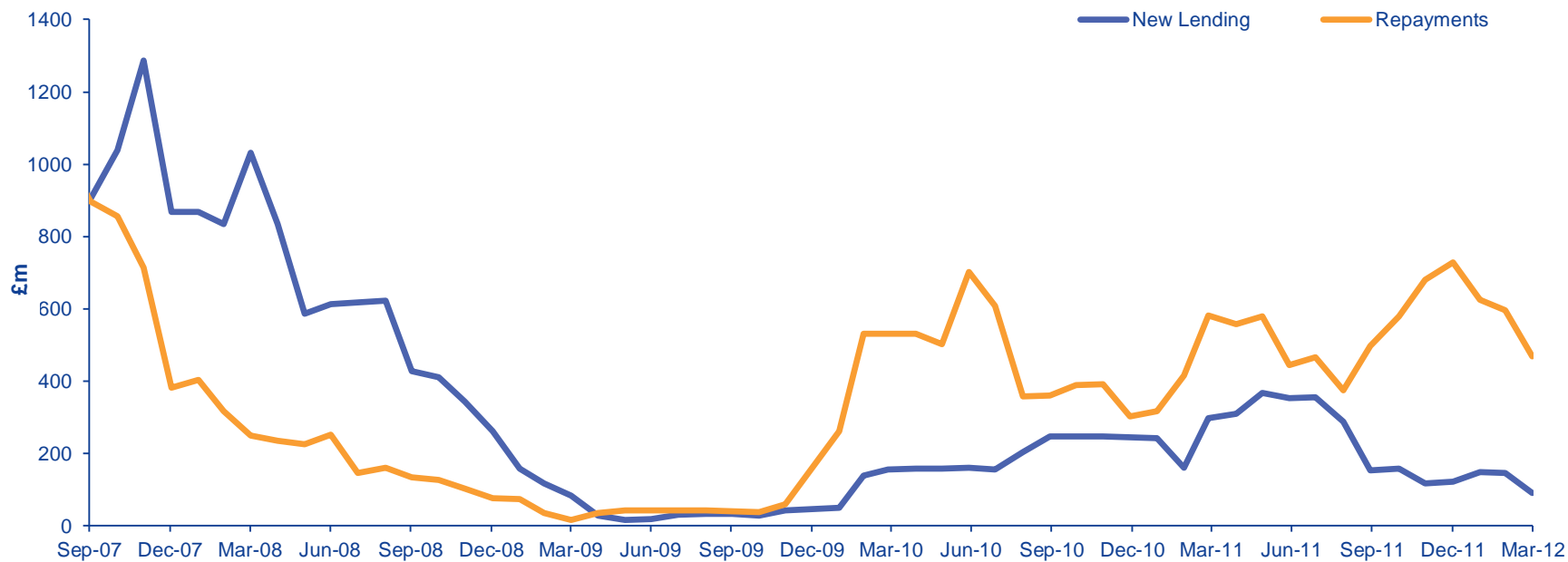
## European Debt Funding Gap 2012-13



Source: DTZ, May 2012

# Portfolio

# New Lending vs Repayments\*



\*6 months moving average

# Top ten equity assets



Business	Country	Vs Last Year
Livestock identification system	UK	↑
Fixed satellite services	US	↑
PVC Flooring	France	↑
Share registry and fund administration services	Australia	↑
Software solutions	Italy	↑
Utilities	Netherlands	↓
Business services	Belgium	↑
Inspection, certification and technological services	Spain	↑
Food & Consumer Product	France	↑
Retail	UK	↑

- Includes all equity classes: AFS, FVTPL and loan stock

# Top ten PIK assets



Business	Country	Vs Last Year
Healthcare	France	↓
Transport	UK	↑
Financial services	Australia	↑
Financial services	Australia	↑
Entertainment & Leisure	Australia	↑
Business Services	Italy	↑
Cinema owner and operator	Australia	↓
Catering	UK	↑
Pharmaceuticals & Chemicals	France	↑
Healthcare	Sweden	↑
Entertainment & Leisure	UK	↓

# Funds

# Mezzanine and Growth Capital Funds

## Fee structure



### Funds in investment period

Fund	Size	Equity	End of investment period	% Invested	Main fee
ICAP 08	\$0.6bn	\$0.6bn	April-2013	45%	1.5% on committed equity
RF08	€0.84bn	€0.64bn	Oct-2011	78%	1.5% on invested
EF V	€1.1bn	TBC	Sep-2016	12%	1.5% on committed

### Funds in realisation

Fund	Size	Equity	End of investment period	% Invested	Main fee	Carry
EF06	€1.75bn	€1.25bn	Nov-2011	93%	1.25% on invested	20 % of 20 over 8
IMP08	€0.13bn	€0.13bn	Feb-2010	96%	1.5% on invested	20 % of 20 over 8
EF03	€1.42bn	€0.67bn	Sep-2006	100%	1.5% on invested	28% of 20 over 8
ICAP 05	\$0.3bn	\$0.3bn	Apr-2008	91%	2.0% on invested	25 % of 20 over 8

# ICG Mezzanine Fund 2003

## Highlights



		<b>Levered</b>
<b>Summary</b>	Capital Invested	€1.34bn
		100%
<b>Portfolio</b>	Investments	80
	Invested Capital	€1.67bn
<b>Exits</b>	Assets	60
	Cost Invested	€1.2bn
	Money Multiples/IRR	1.5x / 17%
	Distribution	€833m
<b>Performance</b>	Gross IRR	14%
	Money Multiple	1.4x
	Average Life	50 months
	Net IRR	14%
	Net MM	1.6x

Source: ICG, as at 31 March 2012



# ICG European Fund 2006

## Highlights



<b>Summary</b>	Capital Invested	€1.75bn
		93%
<b>Portfolio</b>	Investments	47
	Invested Capital	€1.6bn
<b>Exits</b>	Assets	8
	Cost Invested	€357m
	Money Multiples/ IRR	1.9x / 26%
	LP Distribution	€275m
<b>Performance</b>	Gross IRR	11%
	Gross Money Multiple	1.4x
	Average Life	44 months
	Net IRR	9%
	Net MM	1.3x

Source: ICG, as at 31 March 2012

# ICG Recovery Fund 2008

## Highlights



<b>Summary</b>	Capital Invested	€1.16bn 78%
<b>Portfolio</b>	Investments Invested Capital	9 €901m
<b>Exits</b>	Assets Value Invested Money Multiples/IRR Distribution	1 €4.3m 2.9x/52% €38m
<b>Performance</b>	Gross IRR Money Multiples Average Life Net IRR Net MM	18% 1.3x 16 months 11% 1.2x

Source: ICG, as at 31 March 2012

# ICG Minority Partners Fund 2008

## Highlights



<b>Summary</b>	Capital Invested	€115m 96%
<b>Portfolio</b>	Investments Invested Capital	4 €121m
<b>Exits</b>	Assets Value Invested Money Multiples/IRR Distribution	3 €101m 2.2x / 48% €205m
<b>Performance</b>	Gross IRR Money Multiples Average Life Net IRR Net MM	37% 2.0x 33 months 27% 1.8x

Source: ICG, as at 31 March 2012

# Intermediate Capital Asia Pacific Mezzanine Fund 2005 Highlights



<b>Summary</b>	Capital Invested	\$300m 91%
<b>Portfolio</b>	Investments Invested Capital	8 \$277.4m
<b>Exits</b>	Assets Value Invested Money Multiples/IRR Distribution	4 \$129.4m 1.3x / 16% \$168.8m
<b>Performance</b>	Gross IRR Money Multiples Average Life Net IRR Net MM	14% 1.5x 48 months 13% 1.5x

Source: ICG, as at 31 March 2012

# Intermediate Capital Asia Pacific Fund 2008

## Highlights



<b>Summary</b>	Capital Invested	\$600m 45%
<b>Portfolio</b>	Investments Invested Capital	7 \$286m
<b>Exits</b>	Assets Value Invested Money Multiples/IRR Distribution	1 \$21.7m 1.4x / 16% \$94.2m
<b>Performance</b>	Gross IRR Money Multiples Average Life Net IRR Net MM	7% 1.1x 20 months 8% 1.2x

# New Funds

# Product Overview

## Senior Debt Partners & European Loan Fund



### Senior Debt Partners

- Exploiting market opportunity for direct lending in Europe
- Targeting buy-and-hold senior
- ICG arranged
- Targeting annual return of 10% and investment period of 36 months

### European Loan Fund

- Dublin-listed unit trust
- Invests primarily in Euro denominated senior leveraged loans
- Quarterly liquidity
- Different currency share classes available

# Product Overview

## Total Credit & High Yield Bond Fund



### Total Credit

- Investment solution to allow smaller investors to access a portfolio of combined loans, bonds & structured credit
- Interest from various investors, including local authorities and pension funds
- Targeting returns of 10%
- Anticipating first close in Summer 2012 and continued fundraising

### High Yield Bond Fund

- UCITS fund offering daily liquidity
- Investing in European High Yield Bonds
- Track record since December 2009
- Administered via UBS Liquid Alpha Platform
- ICG is the only high yield manager to have top quartile performance in both 2010 and 2011, based on the Lipper European HY rankings



## Segregated Mandates

- Manage a number of segregated mandates since 2006. Currently AUM for segregated mandates of €600 million
- Flexibility across asset classes (individual or combined)
- Deployed ICG Investor Extranet to allow enhanced reporting for investors
- Closed a large segregated mandate to invest in loans on behalf of a European bank

# Financial information

# Fee income



£m	FY12	FY 11
Mezzanine Fund Management fee income	43.5	32.4
Credit Fund Management fee income	23.2	23.7
<b>Third Party Funds fee income</b>	<b>66.7</b>	<b>56.1</b>
Investment Company fee income	24.5	25.7
<b>Total fee income</b>	<b>91.2</b>	<b>81.8</b>

# Mezzanine and Growth Capital Funds

## Third party fee income



Mezzanine and minority equity fee income in £m				
	FY12		FY11	
	<i>Mgmt Fee</i>	<i>Carried Interest</i>	<i>Mgmt Fee</i>	<i>Carried Interest</i>
Investing Europe	24.7	0.0	4.5	0.0
Investing Asia	5.3	0.0	5.4	0.0
Realisation Europe	5.0	7.0	19.4	1.3
Realisation Asia	1.5	0.0	1.8	0.0
<b>Total</b>	<b>36.5</b>	<b>7.0</b>	<b>31.1</b>	<b>1.3</b>

# Credit funds

## Fee income



### CFM Fee Income in £m

	FY12	FY11
Management & senior fees	7.5	6.7
Junior fees relating to the year	12.3	12.8
Junior fees relating to prior periods	1.9	3.8
Other performance fees	1.5	0.4
<b>Total</b>	<b>23.2</b>	<b>23.7</b>

# Incentive schemes excluding MTIS on capital gains



	Group	Segmental	
£m	FY 12	FM Co	Inv Co
<b>New Schemes</b>	<b>31.5</b>	<b>13.4</b>	<b>18.1</b>
<b>Old Schemes*</b>	<b>11.5</b>	<b>-</b>	<b>11.5</b>
<b>Total</b>	<b>43.0</b>	<b>13.4</b>	<b>29.6</b>

\* MTIS on rolled interest and shares options

# Remuneration Schemes – future year impacts



- Future P&L impact of FY10, FY11 and FY12 awards – Excluding Balance Sheet Carry

	FY13	FY14	FY15	FY16	FY17
£m	13.7	7.5	3.6	1.1	0.7

- BSC: Charge given percentage to interest income
  - FY13: 4%; FY15: 5%

# Remuneration Schemes

## Assets in BSC Scheme



Portfolio companies	Year of investment
EOS	FY11
Fort Dearborn	FY11
Team System	FY11
Quorn	FY11
Westbury Street Holdings (ex Baxter Storey)	FY11
Gerflor	FY11
Courtepaille	FY11
Tegel	FY12
BvD	FY12
Ventura Motors	FY12
HMG	FY12
Citic	FY12



# Impairments



£m	FY 12	FY 11	FY 10
Mezzanine and equity investment			
Gross impairment	83.5	89.8	180.4
Recoveries	(12.9)	(18.9)	(18.5)
<b>Net impairment</b>	<b>70.6</b>	<b>70.9</b>	<b>161.9</b>

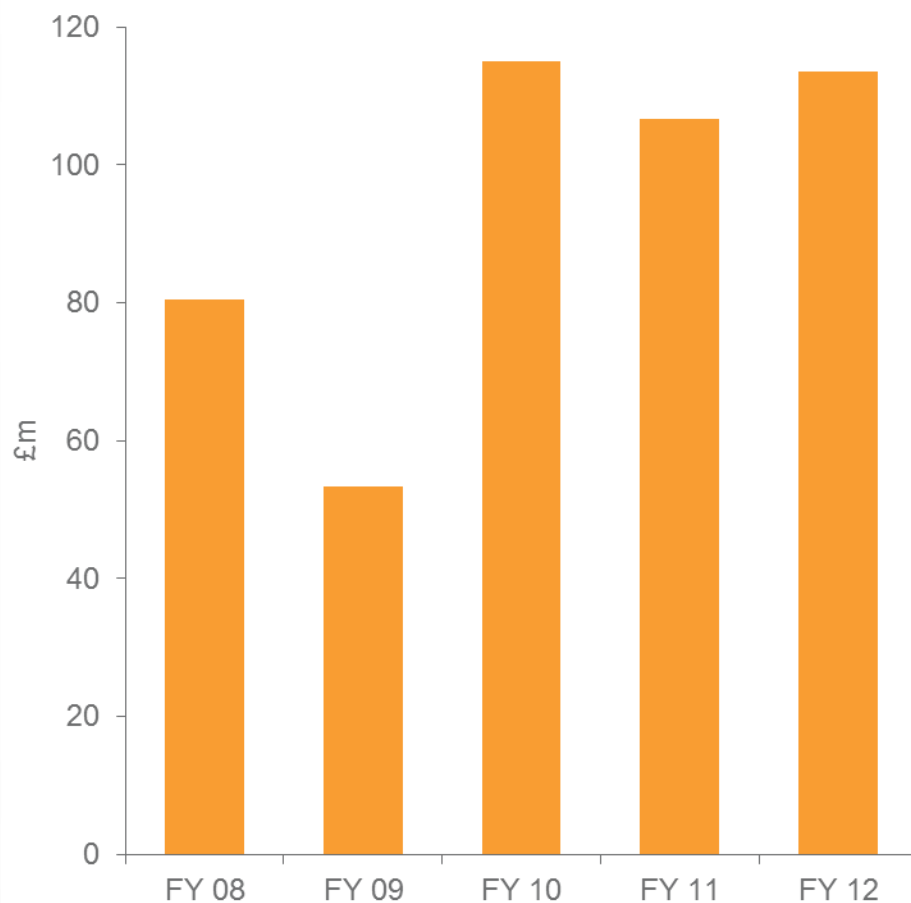
# Pre-tax Profits, Earnings Per Share & Dividends



	FY12	FY11
Adjusted pre tax profit*	£198.8m	£190.1m
Pre tax profit	£243.8m	£186.3m
Net profit	£187.6m	£128.1m
EPS	47.7p	32.6p
Adjusted EPS*	39.2p	33.2p
DPS	19.0p	18.0p

\* Adjusted for £45m one off release of previously accrued costs relating to MTIS and fair value movement on derivatives

# Cash core income



## Cash Core Income Calculation:

<b>Pre tax profit*</b>	£198.8m
<b>Less Capital Gains**</b>	£(103.3)m
<b>Plus provisions</b>	£70.6m
<b>Less Accrued PIK**</b>	£(146.5)m
<b>Plus PIK realised**</b>	£93.9m
<b>Cash Core Income</b>	£113.5m

\* Adjusted for £45m one off release of previously accrued costs

\*\* Net of MTIS

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