

# Q3 Trading Statement

For the period to 31 December 2020

Embargoed until 7:00am on 28 January 2021

## Very Positive Momentum in Fundraising and Deployment

Intermediate Capital Group plc (ICG or the Group) provides an update for the period to 31 December 2020.

### Highlights

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- Strong fundraising momentum continues: €2.0bn of Third Party AUM raised during the quarter. Fundraising for the full financial year expected to exceed €6bn, significantly ahead of our initial expectations for an off-cycle year
- Third Party AUM of €44.5bn: increase of 2% during the quarter and 12% since 31 December 2019
- Significant deployment: €2.1bn invested in the quarter and €6.2bn since 31 December 2019
- Portfolio performing well: benefitting from continued improvement in underlying performance, valuation environment, and underpinned by selective realisations
- Well capitalised balance sheet: £898m of available liquidity at 31 December 2020
- ESG-linked £550m RCF signed after the quarter end: refinancing existing facilities and further enhancing our long-standing focus on our broader positive impact on society

### Commenting, Benoit Durteste, CEO, said:

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“We maintained very positive momentum in our business through the third quarter, raising significant Third Party AUM and deploying a substantial amount of capital across all our strategic asset classes.

“Two of our flagship funds, Europe Fund VII and Strategic Equity III, were particularly active, and we were also pleased to see ongoing deployment in our more recently launched strategies such as Infrastructure Equity and Sale and Leaseback.

“Looking forward, we are well positioned to continue this trajectory. Our deployment rate and the performance of our funds through 2020 gives us confidence in our fundraising pipeline, and we are experiencing strong client demand for our strategies. Our global platform and our funds’ abilities to invest across the capital structure are strategic advantages to ICG, particularly at this point in the cycle, and we continue to invest in our capabilities to accelerate our future growth, most recently adding a Life Sciences team to enhance our capability in the Healthcare sector.

“While remaining alert to the current macro uncertainty, I am encouraged by the momentum I see across the business and I am looking forward to ICG continuing to deliver significant long-term growth and shareholder value.”

## Business review

Total AUM increased 2% during the quarter to €47.2bn. Third Party AUM drove this increase: we raised €2.0bn, bringing our total fundraising during the financial year to-date to €4.6bn and our Third Party AUM to €44.5bn. Our fundraising pipeline, including for Europe Fund VIII, remains on track.

Senior Debt Partners IV, which charges fees on invested capital, raised €1.1bn in the quarter and we continued to raise funds in our recently launched strategies, including Infrastructure Equity and Sale & Leaseback, both charging fees on committed capital. In addition, there were inflows for our liquid open-ended credit strategies (€0.3bn) and we closed one US CLO.

Growth in Third Party AUM continues to drive the growth in our Total AUM:

	31 December 2020	30 September 2020	31 March 2020
Third Party AUM	<b>€44,546m</b>	€43,688m	€42,829m
Balance sheet investment portfolio	<b>€2,657m</b>	€2,410m	€2,471m
Total AUM	<b>€47,203m</b>	€46,098m	€45,300m
<i>Balance sheet portfolio as a percentage of total AUM</i>	<b>5.6%</b>	5.2%	5.5%

Third Party Fee Earning AUM decreased 1% to €36.7bn since 30 September 2020, largely driven by some realisations in our Senior Debt Partners strategy.

Third Party AUM by strategic asset class at 31 December 2020 was as follows:

	Corporate Investments €m	Capital Market Investments €m	Real Asset Investments €m	Secondary Investments €m	Total €m
At 30 September 2020	21,347	14,314	4,884	3,143	<b>43,688</b>
Additions	1,112	653	79	172	<b>2,016</b>
Realisations	(350)	(108)	(206)	(52)	<b>(716)</b>
FX and other	(187)	(301)	89	(43)	<b>(442)</b>
<b>At 31 December 2020</b>	<b>21,922</b>	<b>14,558</b>	<b>4,846</b>	<b>3,220</b>	<b>44,546</b>
Third Party Fee Earning AUM at 30 September 2020	16,167	13,880	4,033	3,025	<b>37,105</b>
<b>Third Party Fee Earning AUM at 31 December 2020</b>	<b>15,523</b>	<b>13,852</b>	<b>4,172</b>	<b>3,103</b>	<b>36,650</b>

Our investment teams continued to source attractive opportunities across strategies and geographies, deploying €2.1bn during the quarter both in new acquisitions and in supporting our existing portfolio companies to make value-accretive bolt-on acquisitions as part of our commitment to providing capital to help companies grow.

Realisation activity during the quarter was strong as we selectively took advantage of opportunities to underpin the performance of our portfolio. We continue to see a healthy path for realisations across the portfolio.

The proportion of Third Party AUM invested across our Corporate Investments, Real Asset Investments and Secondary Investments strategic asset classes was as follows:

	% invested at 31 December 2020	% invested at 30 September 2020	Assets in fund at 31 December 2020	New deals completed in Q3
<b>Corporate Investments</b>				
ICG Europe Fund VII	65%	53%	10	2
Senior Debt Partners IV*	21%	16%	14	4
North American Private Debt Fund II	51%	42%	12	1
Asia Pacific Fund IV	22%	0%	1	1
Europe Mid-Market Fund	15%	14%	2	0
<b>Real Asset Investments</b>				
Sale & Leaseback	40%	26%	4	1
Infrastructure Equity	39%	28%	3	1
ICG Longbow Real Estate Fund V	80%	69%	18	3
<b>Secondary Investments</b>				
Strategic Equity III	67%	48%	8	3

\* Co-mingled fund, excluding mandates and undrawn commitments

The balance sheet investment portfolio was valued at £2,375m at 31 December 2020 (30 September 2020: £2,186m), with the increase largely driven by deployment to support our fund management activities and unrealised valuation gains, partially offset by realisations and FX moves. While subject to market conditions, based on the strong performance of our fund portfolio during the quarter, we are very positive on the outlook for the Investment Company's performance for this financial year. As the balance sheet invests solely to support our fund management activities, its size will fluctuate depending on the deal activity and performance of the funds in which it invests.

We remain well capitalised, with available cash and unutilised bank lines of £898m at 31 December 2020 (30 September 2020: £1,015m).

After the quarter end, we entered into a new £550m ESG-linked Revolving Credit Facility to replace our existing £500m Revolving Credit Facility and £50m bilateral facility. The facility, which has an initial term of three years with the possibility to extend for an additional two years, was oversubscribed by a syndicate of leading global financial institutions and provides us with a substantial liquidity cushion for the coming years. The terms are linked to specific targets for our carbon emissions and for integrating Climate Risk Assessments into our investment decisions, underlining our commitment to implementing meaningful measures to benefit the environment and society.

## Last Twelve Months' Performance

- Total AUM +11%, Third Party AUM +12%, Third Party Fee Earning AUM +6%
- €8.5bn Third Party AUM raised (compared to €8.3bn LTM to 31 December 2019)
- €6.2bn of capital deployed (compared to €5.0bn LTM to 31 December 2019)
- €3.4bn of realisations (compared to €2.3bn LTM to 31 December 2019)

## FYE March 2021 Results Date

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ICG will announce its Annual Results for the year ended 31 March 2021 on 8 June 2021. Further details will be published in due course.

## Enquiries

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## About ICG

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ICG provides capital to help companies grow. We are a global alternative asset manager with over 30 years' history, managing €47.2bn of assets in private debt, credit and equity, principally in closed-end funds.

We develop long-term relationships with our business partners to deliver value for shareholders, clients and employees, and use our position of influence to benefit the environment and society.

We operate across four strategic asset classes: corporate, capital market, real asset and secondary investments. In addition to growing existing strategies, we innovate and pioneer new strategies where the market opportunity exists.

ICG is listed on the London Stock Exchange (ticker symbol: ICP). Further details are available at: [www.icgam.com](http://www.icgam.com). You can follow ICG on LinkedIn.