ICG ENTERPRISE TRUST

Unaudited Interim Results

For the six months ended 31 July 2017

Embargoed until 7:00am on 9 October 2017

ICG Enterprise Trust plc ('ICG Enterprise' or the 'Company') presents its unaudited interim results for the six months ended 31 July 2017.

STRONG PERFORMANCE AND EXCELLENT PROGRESS AGAINST STRATEGIC GOALS

- **NAV per share of 937p - total return of 8.7% in the six months**
  - Continued strong operating performance and realisation activity across the portfolio
  - Largest 30 underlying companies generating earnings growth of 15%

- **Highly cash generative portfolio - record period of proceeds**
  - £117m received in the period; 20% of the opening portfolio value
  - Realisations at 36% uplift to carrying value; 3.1x multiple to cost

- **Selective investment into compelling opportunities**
  - £65m invested in the six months
  - Capital deployed into high conviction investments gaining momentum; 54% of new investment in H1
  - Flexibility to adapt investment mix according to where we see the best relative value

- **Strategic benefits of move to ICG continue to add significant value**
  - £16m co-investment in Domus Vi alongside ICG Europe VI
  - £8m co-investment in Visma alongside ICG Europe VI completed in September 2017
  - £24m of commitments to two US based managers
  - £10m secondary investment in restructuring of ICG Recovery Fund 2008B

- **Continued excellent short, medium and long-term outperformance**

Performance to 31 July 2017*	6 months	1 year	3 year	5 year	10** year
Net asset value per share (total return)	+8.7%	+20.1%	+45.9%	+77.4%	+120.7%
Share price (total return)	+8.1%	+29.5%	+38.2%	+116.0%	+102.2%
FTSE All-Share Index (total return)	+7.1%	+14.9%	+25.7%	+65.0%	+70.4%

* *All figures are on a Total Return basis*
** *As the Company changed its year end in 2010, the ten year figures are for the 121 month period to 31 July 2017.*

Jeremy Tigue, Chairman, commented:

"These results continue your Company's excellent long-term performance, with both the net asset value and share price outperforming the FTSE All-Share Index over one, three, five and ten years.

"I have been a Board member of the Company for almost a decade and have observed first-hand the evolution of the investment portfolio and the significant shareholder value created by the team's excellent long-term track record and highly selective investment approach.

"The team's move to ICG early in 2016 has allowed ICG Enterprise Trust to further build on its flexible mandate. I am delighted with the excellent progress we have made against a number of strategic goals and believe that the strategic benefits of the team's move to ICG will continue to add significant shareholder value and drive outperformance of the wider market."

Emma Osborne, Head of Private Equity Fund Investments, ICG, commented:

"The portfolio is well positioned with strong underlying profit growth and realisation activity continuing to drive performance.

"Whilst reinvesting capital in the current market is challenging, our flexible strategy enables us to adapt the mix of investments to where we see best relative value. In the half year our focus has been on high quality, defensive direct co-investments and secondary investments. We believe the portfolio is well positioned to continue to generate significant shareholder value."

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Important notes:

1. Included in this document are Alternative Performance Measures ("APMs"). APMs have been used if considered by the Board and the Manager to be the most relevant basis for shareholders in assessing the overall performance of the Company, and for comparing the performance of the Company to its peers and its previously reported results. The Glossary includes further details of APMs and reconciliations to IFRS measures, where appropriate.
2. In the Chairman's Statement, Manager's Review and Supplementary Information, reference is made to the "Portfolio". This is an APM. The Portfolio is defined as the aggregate of the investment portfolios of the Company and of its subsidiary limited partnerships. The rationale for this APM is discussed in detail in the glossary.
3. ICG Alternative Investment Limited, a regulated subsidiary of Intermediate Capital Group plc, acts as the Manager of the Company.
4. In the Chairman's Statement, Manager's Review and Supplementary Information, all performance figures are stated on a total return basis (i.e. including the effect of re-invested dividends), which is defined in the glossary.
5. Shares will trade without rights to the final dividend from 19 October 2017 ("ex-dividend date"). The last date for registering transfers to receive the dividend is 20 October 2017 ("record date").

Disclaimer

This report may contain forward looking statements. These statements have been made by the Directors in good faith based on the information available to them up to the time of their approval of this report and should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying such forward looking information.

These written materials are not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption therefrom. The issuer has not and does not intend to register any securities under the US Securities Act of 1933, as amended, and does not intend to offer any securities to the public in the United States. No money, securities or other consideration from any person inside the United States is being solicited and, if sent in response to the information contained in these written materials, will not be accepted. This report contains information which, prior to this announcement, was inside information.

CHAIRMAN'S STATEMENT

Strong performance and excellent progress against strategic goals

In my first interim report as Chairman, I am pleased to report that your Company has continued to build on its strong long-term performance and has made excellent progress against a number of strategic goals.

Continued outperformance

The growth in net asset value and share price has again outperformed the FTSE All-Share Index, with the net asset value per share increasing to 937p, a total return of 8.7%[1] and the share price generating a total return of 8.1%[1].

This performance was driven by both our high conviction portfolio of co-investments, secondary investments and ICG managed funds, as well as our third-party private equity funds, with the investment portfolio as a whole reporting a total return of 9.8%, including 1.1% of favourable currency movements. Unsurprisingly, given the strong exit environment, it was a record period for distributions, with the portfolio benefiting from 28 full realisations at an aggregate uplift of 36% to carrying value and a multiple of 3.1x cost.

These results continue your Company's strong long-term performance, with the growth in both the net asset value and share price outperforming the FTSE All-Share Index over one, three, five and ten years.

Strategic benefits of the move to ICG continue to add significant value

I have been a Board member of the Company for almost a decade and have observed first-hand the evolution of the investment portfolio and the significant shareholder value created by the team's excellent long-term track record and highly selective investment approach.

Our flexible mandate allows the team to enhance returns through proactively adjusting the portfolio's weighting to specific investment opportunities, dependent on market conditions. These high conviction investments are underpinned by a portfolio of leading private equity funds, which not only provide a diversified base of strong returns, but also insights and deal-flow for the high conviction portfolio.

With the team's move to ICG early in 2016, your Company now has access to a significantly deeper investment opportunity set. Since joining ICG, over £260m has been committed to new funds and co-investments of which more than 40% has been directly sourced from the wider ICG network. I expect this trend to continue. The team also now benefit from insights gained from interacting with the wider team at ICG, who are transacting with private equity managers or their portfolio companies worldwide on a regular basis through various strategies. These insights inform the management of the portfolio and give the team a competitive advantage when making new investments.

I am delighted with the progress we have made against a number of the strategic goals, including becoming more fully invested, broadening the geographic diversification and increasing the proportion of the portfolio directly managed by ICG.

I believe that the strategic benefits of the team's move to ICG will continue to add significant shareholder value and drive outperformance of the wider market.

Strong balance sheet

The record level of distributions in the first half has resulted in cash balances increasing to £75m, or 11% of net assets. Our long-term objective remains to be broadly fully invested through the cycle, but, as always, investment discipline is key and the team continues to be highly selective in adding new investments to the portfolio.

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[1] Including dividend of 10p paid in June 2017

The Company made five new commitments in the first half and uncalled commitments stood at £346m at July 2017. We expect these commitments to be drawn down over the coming three to five years. We have a strong balance sheet and a highly cash generative portfolio and are well positioned to fund our uncalled commitments and investment pipeline.

Accretive share buybacks

The Company bought back 882,437 shares at an average discount of 17.5%, adding 0.3% to the net asset value per share. The Board believe the Company has a high-quality portfolio with strong growth prospects and will continue to purchase shares on an opportunistic basis.

Interim dividend in line with guidance

The Board recognise that a reliable source of income is an important consideration for shareholders. Accordingly, an interim dividend of 10.0p per share will be paid on 3 November 2017. This is in line with the previously announced policy of paying a minimum dividend of 20.0p per share each year[2].

Well positioned to adapt to changing markets and capitalise on investment opportunities

Financial markets remain buoyant, notwithstanding macroeconomic and geopolitical uncertainties, with asset prices across many markets trading at record highs. As highlighted by the significant cash generation from our portfolio over recent years, private equity managers have taken advantage of these markets to realise assets and crystallise value. Whilst the current environment provides a fertile exit environment, maintaining investment discipline is key and our flexible investment mandate allows us to actively adapt to the market environment and focus on attractive investment opportunities across strategies and capital structures.

We have a portfolio of high quality assets, a disciplined and selective investment process, and an excellent track record of strong performance and conservative balance sheet management through multiple cycles. We are confident that we are well positioned to adapt to changing market conditions and capitalise on investment opportunities as they arise.

Jeremy Tigue

9 October 2017

[2] Subject to always having sufficient revenue and capital reserves

MANAGER'S REVIEW

Performance overview

Strong growth across the portfolio

The portfolio has continued to deliver strong performance, rising in value by 9.8% in sterling, or 8.7% on an underlying local currency basis in the six months. These returns build on the average 15% p.a.[3] growth the portfolio has generated over the last five years and have been driven by both operating performance and realisation activity.

Our underlying portfolio companies are performing well. Strategic change and operational improvements remain a key driver of earnings growth, which combined with a modest increase in valuation multiples, have translated into strong write-ups across the portfolio. In particular, our largest 30 investments, which represent 45% of the portfolio, continue to report strong earnings growth of 15%[4] and as we look across the entire portfolio, the growth and valuation trends are similar, reflecting the high quality of the portfolio overall.

This strong growth has been augmented by our managers continuing to take advantage of the benign exit environment to crystallise value. Almost a third of portfolio write-ups in the six months were driven by realisation activity and sales completed in the period were at an aggregate uplift to carrying value of 36% and a multiple of 3.1x cost.

	Six months ended 31 July 2017 £m
Opening Portfolio*	594.3
Third-party funds portfolio drawdowns	29.9
High conviction investments – ICG funds, secondary investments and co-investments	34.9
Total new investment	64.8
Realisation Proceeds	(117.1)
Net cash inflow	(52.3)
Underlying Valuation Movement*	51.7
% underlying Portfolio growth	*8.7%*
Currency movement	6.7
% currency movement	*1.1%*
Closing Portfolio*	**600.4**

* In this interim report 91% of the Portfolio is valued using 30 June 2017 (or later) valuations.
** Refer to the Glossary for reconciliation to the portfolio balance presented in the unaudited results

Portfolio overview

High conviction assets underpinned by portfolio of leading private equity funds

ICG Enterprise's portfolio is unique in the listed private equity sector in combining in-house directly controlled investments with those managed by third-parties, in each case both directly and through funds.

[3] In local currency

[4] Last 12 months to 30 June 2017

Our flexible mandate allows us to enhance returns through proactively taking overweight positions in attractive investment opportunities in our high conviction portfolio of ICG directly controlled investments, third party co-investments and secondary investments. The common theme in our high conviction portfolio is that we, or the wider ICG team, have made the decision to invest in the underlying company, unlike in a pure fund of funds model where the third-party managers make the underlying investment decisions. This is underpinned by a portfolio of leading private equity funds, providing a diversified base of strong returns and a valuable source of deal flow for our high conviction portfolio.

We believe that our strategy leads to a portfolio which strikes the right balance between concentration and diversification. While diversification at both the manager and company level reduces risk, concentration in our high conviction portfolio ensures that individual winners can make a difference to performance. The portfolio has exposure to more than 450 underlying companies, of which the largest 30 represent 45% of the portfolio value. The balance of the investments provides valuable insights, which in turn inform the management of the portfolio.

Investment category	% of portfolio
High conviction portfolio	
ICG	14.1
Third party co-investments	21.3
Third party secondary investments	8.0
Total High Conviction investments	**43.4**
Third party funds' portfolio	
Graphite Capital primary funds	12.4
Third party primary funds	44.2
Total diversified fund investments	**56.6**
Total	**100.0%**

High conviction portfolio of actively sourced investments

The high conviction portfolio accounted for 43% of value at the half year and our three to five-year target is to increase this weighting to around 50% to 60% of the portfolio. Almost a third of the portfolio is weighted towards third-party co-investments and secondary investments, which account for 21% and 8% respectively. These investments enhance returns through selectively investing in attractive investment opportunities, on an opportunistic basis.

The exposure to ICG managed investments increased to 14% in the first six months from less than 7% at the time ICG became Manager of the Company. Within the ICG weighting, we are invested in three of ICG's strategies with a focus on funds that have a bias to equity returns, targeting gross IRRs of at least 15% to 20% p.a. We would expect our exposure to ICG investments to increase to 20% to 30% over time as recent commitments are drawn and further funds added.

Portfolio of leading private equity funds

Our portfolio of private equity funds is made up of 38 leading private equity managers. As mentioned above, this portfolio provides a base of strong diversified returns and is a source of co-investment and secondary investment deal flow for the high conviction portfolio. The funds portfolio has a bias to mid-market and large cap European private equity managers, with the remainder focused on the US private equity market, and the latter is likely to increase in the short to medium term.

Investment activity

Record period for realisations at significant uplifts to carrying value and cost

Our managers took advantage of current market conditions to successfully realise 28 portfolio companies in the six months, generating proceeds of £117m, or 20% of the opening portfolio value. Distributions were at a 36% uplift to carrying value, and a multiple of 3.1x cost. These significant uplifts are consistent with the portfolio's track record; over the last five years, realisations from the portfolio have generated average uplifts of 32% and a multiple of 2.1x cost.

The largest realisation in the six months was the sale of Micheldever, the UK tyre distributor, which completed in February 2017 generating £36m of proceeds. Three other companies from the 30 largest underlying companies were also sold in the period: Quironsalud, Formel D and Proxes. In addition the disposal of Standard Brands, the manufacturer of domestic fire lighting products, was announced in July 2017 but did not complete until September.

Largest realisations in the six months to 31 July 2017

Investment	Manager	Year of investment	Realisation Type	Proceeds £m
Micheldever	Graphite Capital	2006	Trade	36.0
Formel D	Deutsche Beteiligungs	2013	Financial buyer	7.1
Proxes	Deutsche Beteiligungs	2013	Financial buyer	6.4
Quironsalud	CVC	2011	Trade	5.9
Parques Reunidos	Arle Capital	2007	Public sell down post IPO	3.8
Xella	PAI Partners	2008	Financial buyer	3.5
Cerba	PAI Partners	2010	Financial buyer	3.5
Findis	Activa	2011	Financial buyer	3.3
Autodata	Bowmark	2014	Trade	2.9
Host Europe Group	Cinven	2013	Trade	2.5
Total of 10 largest underlying realisations				**74.9**
Total realisations				**117.1**

Selective investment into compelling opportunities

As highlighted by the level of distributions from our portfolio, high pricing and intense competition for good quality assets has meant that the market for new investments is undoubtedly challenging. Our investment strategy allows us to be nimble. This gives us greater control over the portfolio, enabling us to increase exposure to companies we believe will outperform through the cycle, and the flexibility to adapt to market conditions and invest where we see the best relative value. We favour more defensive businesses; companies that are relatively uncorrelated to economic cycles and highly cash generative.

As always, it is important to maintain discipline and despite this challenging market we have been able to identify a number of attractive investment opportunities, investing a total of £65m in the first half compared with £128m in the year to January 2017. Of the capital invested, 54% was invested in high conviction investments, up from 39% in the year to January 2017 and we are encouraged by the broader range of deal flow we have been able to access since joining ICG, including from in-house strategies, namely:

- **ICG Europe (10% of the portfolio)**: mid-market buyout investments across the capital structure aiming for private equity returns with subordinated debt risk profile. Investments made in this strategy included a £16m co-investment in the acquisition of Domus Vi, and a £10m secondary investment in ICG Recovery Fund 2008B.

  Domus is our largest co-investment to date and is the third largest nursing home operator in Europe with leading market positions in France and Spain. The business and the management team were well known to ICG, which originally invested in the company in 2003. The business has delivered strong financial performance, with further organic growth underpinned by positive demographic and economic trends. The company has also demonstrated its ability to successfully execute significant acquisitions, creating a solid platform for further expansion across the fragmented European market.

- **ICG Strategic Secondaries (3% of the portfolio)**: mature vintage fund recapitalisations led by a specialist team whose innovative, direct investment style approach to this part of the market has resulted in the fund acquiring portfolios for highly attractive valuations of approximately 6x to 7x EBITDA across six transactions to date.

- **ICG Asia Pacific (1% of portfolio)**: mid-market buyout investments in subordinated debt and equity focused on the developed markets in the region.

As further outlined below, in addition to the investments in ICG strategies, we also completed £5m of third-party secondary investment in Oak Hill Funds II and III.

Largest underlying new investments in the six months to 31 July 2017

Investment	Description	Manager	Country	Cost £m
Domus	Operator of retirement homes	ICG	France	17.5
Gerflor *	Manufacturer of vinyl flooring	ICG	France	7.1
Cyxtera	Operator of data centres	BC Partners	USA	2.3
Allegro	Operator of online marketplace	Cinven / Permira	Poland	2.2
Stada	Manufacturer of generic prescription drugs	Cinven	Germany	2.0
Park Holidays	Operator of caravan parks	ICG	UK	1.9
Rough Country	Provider of off-road suspension	Gridiron	USA	1.5
CCC	Provider of auto collision software and service	Advent / Oak Hill	USA	1.4
Material Handling Systems	Provider of e-commerce/logistics infrastructure	Thomas H Lee	USA	1.1
Checkers	Operator of quick-service restaurants	Oak Hill	USA	1.1
Total of 10 largest underlying new investments				**38.1**
Total new investment				**64.8**

* Represents a secondary position via ICG Recovery Fund 2008B; Gerflor was already in the portfolio at 31 January.

Selective commitments to both ICG and third-party funds

We completed five new third-party fund commitments totalling £58m and increased the ICG Strategic Secondaries Fund commitment, resulting in a total of £66m of primary fund commitments. Two of the new third-party funds were raised by managers we have backed successfully for many years (CVC Capital Partners and Hollyport) while three are new to the portfolio (New Mountain, Oak Hill Capital Partners and Hg Capital).

All new commitments are to established managers with track records of investing and adding value through cycles. In the case of New Mountain and Oak Hill, these are both US mid to upper mid-market managers and the addition of these funds to the portfolio is consistent with our strategy of gaining more exposure to this part of the market. The Oak Hill IV commitment had two pre-existing portfolio companies and, in addition, we were able to secure a secondary position in the manager's two predecessor funds which was completed concurrently with the new fund commitment. Situations such as this suit our style of investment by applying our bottom-up, underlying company focused due diligence style and targeting opportunities with short term capital deployment opportunities alongside primary fund commitments. Since joining ICG, we have completed 15 new fund commitments of which five were late primary investments.

New commitments during the six months to 31 July 2017

Fund	Strategy	Geography	£m
Primary commitments			
CVC VII	Large buyouts	Europe/USA	20.9
Oak Hill IV	Mid-market buyouts	USA	12.0
New Mountain V	Mid-market buyouts	USA	11.5
ICG Strategic Secondaries II*	Secondary fund recapitalisations	USA/Europe	8.0
Hollyport VI	Mature secondary portfolios	Global	7.6
Hg Capital 8	Mid-market buyouts	Europe	5.5
Total primary commitments			65.5
Commitments relating to co-investments and secondary investments			8.7
Total new commitments			**74.2**

*The new commitment to ICG Strategic Secondaries II increased the existing exposure to this fund to take the total commitment to £27m at the end of the period.

Portfolio analysis

Modest increase in valuation multiples

Within the largest 30 companies, the valuation multiple has increased to 10.6x, up from 9.7x at the year end. This increase has been driven by a combination of a change in the mix and overall weightings of the largest underlying companies and a modest increase in aggregate multiples overall. Looking across the wider portfolio, the aggregate valuation multiples are in-line with our largest 30 companies.

The net debt/EBITDA ratio of the largest 30 companies increased to 4.1x from 3.6x, a result of the change of mix and weightings of the underlying companies.

Focus on mid-market companies

Our strategy is focused exclusively on the buyout segment of the private equity market, in which target companies are almost invariably established, profitable and cash generative. The portfolio is biased towards the mid-market (48%) and large deals (40%) which we view as more defensive, benefitting from experienced management teams and often leading market positions. The portfolio has no venture capital exposure.

Exposure to US increasing

The portfolio is focused on developed private equity markets: primarily continental Europe (39%), the UK and the US, with almost no emerging markets exposure. In line with one of our strategic objectives, our weighting to the US increased to 23% from 14% at the time of the move to ICG 18 months ago while the UK bias has reduced to 37% from 45% over the same period.

We expect both of these trends to gather pace as the benefits of being part of ICG's global alternative asset manager platform are further realised. We have a three to five-year target to increase the US focus to 30% to 40% of the portfolio. The US is the largest and most developed private equity market in the world, and we believe will provide the portfolio with attractive returns and further geographic diversification.

Sector bias towards structural growth

The portfolio is weighted towards structural growth, with 22% of the portfolio invested in the healthcare and education sectors and 17% in business services. The remainder of the portfolio is broadly split across the industrials (16%), consumer goods and services (16%) and leisure (12%) sectors with smaller weightings to the TMT and financials sectors.

Attractive and well balanced vintage year exposure

The portfolio has an attractive maturity profile which balances near term realisation prospects with a strong pipeline of medium to longer term growth.

Investments completed in 2014 or earlier, which are more likely to generate gains from realisations in the shorter-term, represent 57% of the portfolio. Against this, 43% of value is in investments made between 2015 and 2017, providing the portfolio with medium to longer term growth as value created within these businesses translates into gains.

Within the more mature holdings relatively little value remains in companies acquired prior to the financial crisis. At the half year only 9% fell within this category and the recently announced sale of Standard Brands, will reduce this weighting further.

Balance sheet and financing

Strong balance sheet and positive financing outlook

The exceptionally high level of distributions of £117m far outweighed capital deployed of £65m, resulting in an increase in cash balances to £75m from £39m.

Undrawn commitments of £346m compares with total liquidity of £180m, including the undrawn bank facility of £105m. Commitments therefore exceeded liquidity by £166m, or 25% of net asset value, which remains within the Company's historical conservative parameters.

Of the total undrawn commitments, funds in their investment period represented £254m, providing the Company with a good medium-term investment pipeline. Commitments are typically drawn down over a period of four to five years with approximately 10% to 15% retained at the end of the investment period to fund follow-on investments and expenses. If outstanding commitments were to follow a linear investment pace to the end of their respective remaining investment periods, we estimate that approximately £80m to £90m of commitments would be called over the next 12 months.

Our objective is to be broadly fully invested through the cycle while ensuring that we have sufficient liquidity to be able to take advantage of attractive investment opportunities as they arise.   We do not intend to be geared other than, potentially, for short term working capital purposes.

Outlook

Continued investment activity since the period end

Since July 2017, the portfolio has continued to generate a net cash inflow with realisations of £40m exceeding new investment of £26m. The sale of Standard Brands completed in September and the sales of CPA Global and ista were recently announced. The latter two realisations are expected to complete before the year end.

On the investment front, we completed a £8m co-investment alongside ICG Europe VI in Visma, the provider of accounting software and business process outsourcing services. This new investment takes the proforma value of our holding in Visma to £17m. The transaction completed in September.

Portfolio well positioned to continue to generate significant shareholder value

The market outlook continues to favour realisations despite a number of continuing macro uncertainties. Against this backdrop it is more challenging to redeploy the high levels of cash generated by the portfolio without diluting quality. Our strategy gives us the flexibility to adapt the mix of investment types according to where we see the best relative value. In the current market conditions, we remain focused on identifying new investment opportunities that we have a high conviction will generate superior returns through the cycle.

We have a high-quality portfolio, generating strong revenue and profit growth and we believe it is well positioned to generate significant shareholder value through the cycle.

Supplementary information

This section presents supplementary information regarding the Portfolio (see Manager's Review and the Glossary for further details and definitions).

The 30 largest underlying investments

The table below presents the 30 companies in which ICG Enterprise had the largest investments by value at 31 July 2017. These investments may be held directly or through funds, or in some cases in both ways. The valuations are gross and are shown as a percentage of the total investment Portfolio.

	Company	Manager	Year of investment	Country	Value as a % of Portfolio
1	**City & County Healthcare Group** Provider of home care services	Graphite Capital	2013	UK	3.2%
2	**DomusVi+^** Operator of retirement homes	ICG	2017	France	3.0%
3	**Standard Brands+¯** Manufacturer of fire lighting products	Graphite Capital	2001	UK	2.7%
4	**Froneri+^** Manufacturer and distributor of ice cream products	PAI Partners	2013	UK	2.2%
5	**Gerflor^** Manufacturer of vinyl flooring	ICG	2017	France	2.1%
6	**Education Personnel+^** Provider of temporary staff for the education sector	ICG	2014	UK	2.1%
7	**nGAGE** Provider of recruitment services	Graphite Capital	2014	UK	2.0%
8	**PetSmart+** Retailer of pet products and services	BC Partners	2015	USA	2.0%
9	**David Lloyd Leisure+** Operator of premium health clubs	TDR Capital	2013	UK	1.8%
10	**Frontier Medical+** Manufacturer of medical devices	Kester Capital	2013	UK	1.7%
11	**Skillsoft+** Provider of off the shelf e-learning content	Charterhouse	2014	USA	1.6%
12	**The Laine Pub Company+** Operator of pubs and bars	Graphite Capital	2014	UK	1.6%
13	**TMF^** Provider of management and accounting outsourcing services	Doughty Hanson	2008	Netherlands	1.5%
14	**CPA Global+** Provider of patent and legal services	Cinven	2012	UK	1.4%
15	**Roompot+** Operator and developer of holiday parks	PAI Partners	2016	Netherlands	1.4%

	Company	Manager	Year of investment	Country	Value as a % of Portfolio
16	**System One+**				
	Provider of specialty workforce solutions	Thomas H Lee Partners	2016	USA	1.4%
17	**Visma+**				
	Provider of accounting software and business outsourcing services	Cinven	2014	Norway	1.3%
18	**ICR Group**				
	Provider of repair and maintenance services to the energy industry	Graphite Capital	2014	UK	1.3%
19	**Beck & Pollitzer**				
	Provider of industrial machinery installation and relocation	Graphite Capital	2016	UK	1.2%
20	**Swiss Education+**				
	Provider of hospitality training	Invision Capital	2015	Switzerland	1.2%
21	**New World Trading Company**				
	Operator of distinctive pub restaurants	Graphite Capital	2016	UK	1.1%
22	**Cambium**				
	Provider of educational solutions and services	ICG	2016	USA	1.1%
23	**U-POL^**				
	Manufacturer and distributor of automotive refinishing products	Graphite Capital	2010	UK	1.0%
24	**Cognito+**				
	Supplier of communications equipment, software & services	Graphite Capital	2002	UK	1.0%
25	**Ceridian+**				
	Provider of payment processing services	Thomas H Lee Partners	2007	USA	0.9%
26	**Algeco Scotsman**				
	Supplier and operator of modular buildings	TDR Capital	2007	USA	0.8%
27	**inVentiv Health**				
	Provider of commercial solutions for healthcare companies	Advent	2016	USA	0.7%
28	**ista^**				
	Provider of heat and water submetering services	CVC	2013	Germany	0.7%
29	**AVS Group**				
	Manufacturer of traffic safety products	Fynamore Advisers	2013	Germany	0.7%
30	**Sky Betting and Gaming**				
	Operator of digital Betting and Gaming websites	CVC	2015	UK	0.7%
	Total of the 30 largest underlying investments				45.4%

[+] All or part of this investment is held directly as a co-investment or other direct investment.

^ All or part of this investment was acquired as part of a secondary purchase.

[−] Sale completed in September 2017

The 30 largest fund investments

The 30 largest funds by value at 31 July 2017 are:

	Fund	Year of commitment	Country/ region	Value £m	Outstanding commitment £m
1	**Graphite Capital Partners VIII ***				
	Mid-market buyouts	2013	UK	56.8	39.8
2	**BC European Capital IX ****				
	Large buyouts	2011	Europe	22.8	0.1
3	**CVC European Equity Partners V ****				
	Large buyouts	2008	Europe/USA	17.5	0.5
4	**ICG Europe VI ****				
	Mezzanine and equity in mid-market buyouts	2015	Europe	16.4	7.7
5	**Fifth Cinven Fund**				
	Large buyouts	2012	Europe	14.8	1.7
6	**Graphite Capital Partners VII * / ****				
	Mid-market buyouts	2007	UK	14.4	4.7
7	**Thomas H Lee Parallel Fund VI**				
	Large buyouts	2007	USA	13.8	1
8	**CVC European Equity Partners VI**				
	Large buyouts	2013	Global	11.7	8
9	**PAI Europe VI**				
	Mid-market and large buyouts	2013	Europe	11.6	8.1
10	**ICG Velocity Partners Co-Investor ****				
	Mid-market buyouts	2016	USA	10.8	2.2
11	**Bowmark Capital Partners IV**				
	Mid-market buyouts	2007	UK	9.9	-
12	**Deutsche Beteiligungs Fund VI**				
	Mid-market buyouts	2012	Germany	9.8	1
13	**Permira V**				
	Large buyouts	2013	Europe	9.8	0.9
14	**IK VII**				
	Mid-market buyouts	2013	Europe	9.6	0.4
15	**TDR Capital III**				
	Mid-market and large buyouts	2013	Europe	9.5	3.1
16	**Thomas H Lee Equity Fund VII**				
	Mid-market and large buyouts	2015	USA	8.9	9.3
17	**Doughty Hanson & Co V ****				
	Mid-market and large buyouts	2006	Europe	8.9	6.8
18	**TDR Capital II**				
	Mid-market and large buyouts	2006	Europe	8.8	0.9
19	**ICG Strategic Secondaries Fund II**				
	Secondary fund recapitalisations	2016	Europe/USA	8.7	19.3
20	**Nordic Capital Partners VIII**				
	Mid-market and large buyouts	2013	Nordic	8.7	3.2

	Fund	Year of commitment	Country/ region	Value £m	Outstanding commitment £m
21	**Hollyport Secondary Opportunities V**				
	Mature secondary portfolios	2015	Global	8.6	2.3
22	**ICG Europe V ** **				
	Mezzanine and equity in mid-market buyouts	2012	Europe	8.6	1.2
23	**Graphite Capital Partners VI ** **				
	Mid-market buyouts	2003	UK	8.2	2.1
24	**ICG European Fund 2006 B**				
	Mezzanine and equity in mid-market buyouts	2014	Europe	7.9	2.2
25	**One Equity Partners VI**				
	Mid-market buyouts	2016	USA/Europe	7.7	4.4
26	**PAI Europe V ** **				
	Mid-market and large buyouts	2007	Europe	7.5	1.1
27	**Steadfast Capital III**				
	Mid-market buyouts	2011	Europe	7	0.2
28	**Egeria Private Equity Fund IV**				
	Mid-market buyouts	2012	Europe	6.7	2.9
29	**Activa Capital Fund III**				
	Mid-market buyouts	2013	France	6.5	7
30	**Gridiron Capital Fund III**				
	Mid-market buyouts	2016	USA	5.9	5.9
	Total of the largest 30 fund investments			**357.8**	**148.0**
	Percentage of total investment Portfolio			**59.6%**	

* Includes the associated Top Up funds.
** All or part of an interest acquired through a secondary fund purchase.

Portfolio analysis

Closing Portfolio by type

Portfolio by investment type	% of value of underlying investments
Large buyouts	40.4%
Mid-market buyouts	47.9%
Small buyouts	7.5%
Other	4.2%
Total	**100.0%**

Portfolio by calendar year of investment	% of value of underlying investments
2017	9.8%
2016	19.7%
2015	13.9%
2014	20.3%
2013	15.4%
2012	5.3%
2011	2.6%
2010	3.2%
2009	1.2%
2008	2.4%
2007	2.5%
2006 and before	3.7%
Total	**100.0%**

Portfolio by sector	% of value of underlying investments
Healthcare and education	21.8%
Business services	17.1%
Consumer goods and services	16.5%
Industrials	16.1%
Leisure	12.1%
TMT	8.8%
Financials	4.9%
Other	2.7%
Total	**100.0%**

Portfolio by geographic distribution based on location of Company headquarters	% of value of underlying investments
UK	37.4%
North America	22.6%
Europe	38.7%
Rest of world	1.3%
Total	**100.0%**

Commitments analysis

The following tables analyse commitments at 31 July 2017. Original commitments are translated at 31 July 2017 exchange rates.

	Original commitment £m	Outstanding commitment £m	Average drawdown percentage	% of total outstanding commitments
Investment period not commenced	34.6	34.6	0.0%	10.0%
Funds in investment period	478.6	253.8	47.0%	73.4%
Funds post investment period	691.3	57.3	91.7%	16.6%
	1,204.5	**345.7**	**71.3%**	**100.0%**

Movement in outstanding commitments in six months ended 31 July 2017	£m
As at 1 February 2017	300.3
New primary commitments	65.5
New commitments relating to co-investments and secondary purchases	8.7
Drawdowns	(36.7)
Currency and other movements	7.9
As at 31 July 2017	**345.7**

Currency Exposure

	31 July 2017 £m	31 July 2017 %	31 January 2017 £m	31 January 2017 %
Portfolio*				
- Sterling	249.6	41.6%	269.1	45.3%
- Euro	164.9	27.5%	156.5	26.3%
- US dollar	127.0	21.1%	115.4	19.4%
- Other European	47.0	7.8%	41.5	7.0%
- Other	11.9	2.0%	11.8	2.0%
Total	**600.4**	**100.0%**	**594.3**	**100.0%**

*Currency exposure is calculated by reference to the location of the underlying Portfolio companies' headquarters.

	31 July 2017 £m	31 July 2017 %	31 January 2017 £m	31 January 2017 %
Outstanding commitments				
- Sterling	81.0	23.4%	77.5	25.8%
- Euro	178.1	51.5%	166.2	55.4%
- US dollar	84.6	24.5%	54.5	18.1%
- Other European	2.0	0.6%	2.1	0.7%
Total	**345.7**	**100.0%**	**300.3**	**100.0%**

Unaudited Results for the Six Months to 31 July 2017

Income Statement

	Half year to 31 July 2017			Half year to 31 July 2016			Year to 31 January 2017 (audited)		
	Revenue return	Capital return	Total	Revenue return	Capital return	Total	Revenue return	Capital return	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investment returns									
Income, gains and losses on investments	16,536	38,588	55,124	4,560	48,436	52,996	9,892	105,194	115,086
Deposit interest	22	–	22	163	–	163	242	–	242
Other income	–	–	–	–	–	–	17	–	17
Foreign exchange gains and losses	–	1,194	1,194	–	1,924	1,924	–	2,993	2,993
	16,558	**39,782**	**56,340**	**4,723**	**50,360**	**55,083**	**10,151**	**108,187**	**118,338**
Expenses									
Investment management charges	(899)	(2,697)	(3,596)	(736)	(2,061)	(2,797)	(1,552)	(4,657)	(6,209)
Other expenses	(1,042)	(541)	(1,583)	(588)	(567)	(1,155)	(1,638)	(1,145)	(2,783)
	(1,941)	**(3,238)**	**(5,179)**	**(1,324)**	**(2,628)**	**(3,952)**	**(3,190)**	**(5,802)**	**(8,992)**
Profit before tax	14,617	36,544	51,161	3,399	47,732	51,131	6,961	102,385	109,346
Taxation	(2,086)	2,086	-	(526)	526	–	(1,184)	787	(397)
Profit for the period	**12,531**	**38,630**	**51,161**	**2,873**	**48,258**	**51,131**	**5,777**	**103,172**	**108,949**
Attributable to:									
Equity shareholders	**12,531**	**38,630**	**51,161**	**2,873**	**48,258**	**51,131**	**5,777**	**103,172**	**108,949**
Basic and diluted earnings per share			73.52p			71.7p			153.43p

The columns headed 'Total' represent the Income Statement for the relevant financial periods and the columns headed 'Revenue' and 'Capital' are supplementary information, in line with the Statement of Recommended Practice for investment trusts issued by the Association of Investment Companies in November 2014. There is no Other Comprehensive Income.

Balance Sheet

	31 July 2017	31 July 2016	31 January 2017
			(audited)
	£'000	£'000	£'000
Non-current assets			
Investments held at fair value			
– Unquoted investments	482,442	392,496	491,099
– Quoted investments	2,475	–	364
– Subsidiary investments	91,889	60,823	80,718
	576,806	453,319	572,181
Current assets			
Cash and cash equivalents	73,609	110,314	38,522
Receivables	3,276	2,763	2,384
	76,885	113,077	40,906
Current liabilities			
Payables	3,031	851	354
Net current assets	73,854	112,226	40,552
Total assets less current liabilities	**650,660**	**565,545**	**612,733**
Capital and reserves			
Share capital	7,292	7,292	7,292
Capital redemption reserve	2,112	2,112	2,112
Share premium	12,936	12,936	12,936
Capital reserve	614,109	530,392	581,753
Revenue reserve	14,211	12,813	8,640
Total equity	**650,660**	**565,545**	**612,733**
Net asset value per share (basic and diluted)	936.7p	798.0p	871.0p

Cash Flow Statement

	Half year to 31 July 2017	Half year to 31 July 2016	Year to 31 January 2017 (audited)
	£'000	£'000	£'000
Operating activities			
Sale of portfolio investments	77,077	37,518	50,338
Purchase of portfolio investments	(42,242)	(26,192)	(102,621)
Interest income received from portfolio investments	12,329	3,134	7,263
Dividend income received from portfolio investments	4,185	513	2,629
Other income received	22	163	259
Investment management charges paid	(3,630)	(2,726)	(6,143)
Other expenses paid	(805)	(622)	(1,380)
Net cash inflow/ (outflow) from operating activities	46,936	11,788	(49,655)
Financing activities			
Bank facility fee	(876)	(518)	(1,089)
Purchase of shares into treasury	(5,207)	(2,412)	(6,201)
Equity dividends paid	(6,960)	(4,280)	(11,357)
Net cash outflow from financing activities	(13,043)	(7,210)	(18,647)
Net increase/ (decrease) in cash and cash equivalents	33,893	4,578	(68,302)
Cash and cash equivalents at beginning of period	38,522	103,831	103,831
Net increase/ (decrease) in cash and cash equivalents	33,893	4,578	(68,302)
Effect of changes in foreign exchange rates	1,194	1,905	2,993
Cash and cash equivalents at end of period	73,609	110,314	38,522

Statement of Changes in Equity

	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve £'000	Revenue reserve £'000	Total shareholders' equity £'000
Six months to 31 July 2017						
Opening balance at 1 February 2017	7,292	2,112	12,936	581,753	8,640	612,733
Profit for the period and total comprehensive income	–	–	–	38,630	12,531	51,161
Dividends paid or approved	–	–	–	–	(6,960)	(6,960)
Purchase of shares into treasury*	–	–	–	(6,274)	–	(6,274)
Closing balance at 31 July 2017	**7,292**	**2,112**	**12,936**	**614,109**	**14,211**	**650,660**

* 882,437 10p ordinary shares with an aggregate nominal value of £88,244 were purchased during the period and are held in treasury. Distributable reserves have been reduced by £6.3 million, being the consideration paid for these shares.

	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve £'000	Revenue reserve £'000	Total shareholders' equity £'000
Six months to 31 July 2016						
Opening balance at 1 February 2016	7,292	2,112	12,936	484,782	14,220	521,342
Profit for the period and total comprehensive income	–	–	–	48,258	2,873	51,131
Dividends paid or approved	–	–	–	–	(4,280)	(4,280)
Purchase of shares into treasury*	–	–	–	(2,648)	–	(2,648)
Closing balance at 31 July 2016	**7,292**	**2,112**	**12,936**	**530,392**	**12,813**	**565,545**

*458,426 10p ordinary shares with an aggregate nominal value of £45,843 were purchased during the period and are held in treasury. Distributable reserves have been reduced by £2.6 million, being the consideration paid for these shares.

	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve £'000	Revenue reserve £'000	Total shareholders' equity £'000
Year to 31 January 2017 (audited)						
Opening balance at 1 February 2016	7,292	2,112	12,936	484,782	14,220	521,342
Profit for the year and total comprehensive income	–	–	–	103,172	5,777	108,949
Dividends paid or approved	–	–	–	–	(11,357)	(11,357)
Purchase of shares into treasury*	–	–	–	(6,201)	–	(6,201)
Closing balance at 31 January 2017	**7,292**	**2,112**	**12,936**	**581,753**	**8,640**	612,733

* 982,345 10p ordinary shares with an aggregate nominal value of £98,235 were purchased during the period and are held in treasury. Distributable reserves have been reduced by £6.2 million, being the consideration paid for these shares.

Notes to the Interim financial report (Unaudited)

1 GENERAL INFORMATION

ICG Enterprise Trust plc (the 'Company') is registered in England and Wales and domiciled in England. The registered office is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU. The Company's objective is to provide shareholders with long term capital growth through investment in unquoted companies, mostly through private equity funds but also directly.

2 UNAUDITED INTERIM FINANCIAL STATEMENTS

This interim financial report does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year to 31 January 2017 were approved by the Board of Directors on 4 May 2017 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statements under section 498(2) or (3) of the Companies Act 2006.

This interim financial report has not been audited.

3 BASIS OF PREPARATION

The interim financial report for the six months ended 31 July 2017, comprising the interim financial statements, has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union.

The interim financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year to 31 January 2017, which have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.

The accounting policies applied are consistent with those of the annual financial statements for the year to 31 January 2017, as described in those annual financial statements. In order to reflect the activities of an investment trust company, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. In analysing total income between capital and revenue returns, the directors have followed the guidance contained in the Statement of Recommended Practice for investment trusts issued by the Association of Investment Companies in November 2014 (referred to as the 'SORP').

4 RECEIVABLES

The Company has access to committed bank facilities, which are undrawn. The set up costs in relation to these were capitalised and are recognised over the lives of the facilities on a straight line basis. At 31 July 2017, £721,561 of bank facility costs are included within receivables. Of this, £360,367 is expected to be amortised in less than one year.

5 DIVIDENDS

	Half year to 31 July 2017 £'000	Half year to 31 July 2016 £'000	Year to 31 January 2017 £'000
Final in respect of year ended 31 January 2016: 6.0p	–	4,280	4,280
Interim in respect of year ended 31 January 2017: 10.0p (PY: 5.0p) per share	–	–	7,077
Final in respect of year ended 31 January 2017: 10.0p (PY: 6.0p) per share	6,960	–	–
	6,960	4,280	11,357

An interim dividend for the year ended 31 January 2018 of 10 p per share will be paid on 3 November 2017.

6 SHARE CAPITAL

At 31 July 2017, 72,913,000 shares had been allocated, called up and fully paid. Of this total, the Company held 3,450,945 shares in treasury (31 July 2016: 2,044,589 and 31 January 2017: 2,568,508) leaving 69,462,055 shares not held in treasury, all of which have equal voting rights.

7 EARNINGS PER SHARE

	Half year to 31 July 2017	Half year to 31 July 2016	Year to 31 January 2017
Revenue return per ordinary share	18.01p	4.0p	8.13p
Capital return per ordinary share	55.51p	67.7p	145.30p
Earnings per ordinary share (basic and diluted)	73.52p	71.7p	153.43p
Weighted average number of shares	69,585,722	71,290,770	71,010,218

The earnings per share figures are based on the weighted average numbers of shares set out above.

8 FAIR VALUES ESTIMATION

IFRS 7 requires disclosure of fair value measurements of financial instruments categorised according to the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The valuation techniques applied to level 1 and level 3 assets are described in note 3 of the annual financial statements. No investments were categorised as level 2.

The following table presents the assets that are measured at fair value at 31 July 2017. The Company had no financial liabilities measured at fair value at that date.

	Level 1 £'000	Level 2 £'000	Level 3 £'000
Investments held at fair value			
Unquoted investments – indirect	–	–	370,079
Unquoted investments – direct	–	–	112,363
Quoted investments – direct	2,475	–	–
Subsidiary undertakings	–	–	91,889
Total investments held at fair value	2,475	–	574,331

The following table presents the assets that are measured at fair value at 31 January 2017. The Company had no financial liabilities measured at fair value at that date.

	Level 1 £'000	Level 2 £'000	Level 3 £'000
Investments held at fair value			
Unquoted investments – indirect	–	–	383,068
Unquoted investments – direct	–	–	108,031
Quoted investments – direct	364	–	–
Subsidiary undertakings	–	–	80,718
Total investments held at fair value	364	–	571,817

All unquoted and quoted investments are valued at fair value in accordance with IFRS 13.

The following table presents the changes in level 3 instruments for the six months to 31 July 2017.

Six months to 31 July 2017 (unaudited)	Unquoted investments (indirect) at fair value through profit or loss £'000	Unquoted investments (direct) at fair value through profit or loss £'000	Subsidiary undertakings £'000	Total £'000
Opening balance at 1 February 2017	383,068	108,031	80,718	571,817
Additions	32,149	9,617	6,161	47,927
Disposals	(73,884)	(9,989)	–	(83,873)
Gains and losses recognised in profit or loss	28,746	4,704	5,010	38,460
Closing balance at 31 July 2017	370,079	112,363	91,889	574,331
Total (losses)/ gains for the period included in income statement for assets held at the end of the reporting period	(1,087)	7,356	5,010	11,279

The following table presents the changes in level 3 instruments for the six months to 31 July 2016.

Six months to 31 July 2016 (unaudited)	Unquoted investments (indirect) at fair value through profit or loss £'000	Unquoted investments (direct) at fair value through profit or loss £'000	Subsidiary undertakings £'000	Total £'000
Opening balance at 1 February 2016	272,495	84,444	57,168	414,107
Additions	25,899	293	-	26,192
Disposals	(22,976)	(9,983)	(2,457)	(35,416)
Gains and losses recognised in profit or loss	28,770	13,554	6,112	48,436
Closing balance at 31 July 2016	304,188	88,308	60,823	453,319
Total gains for the period included in Income Statement for assets held at the end of the reporting period	18,278	6,291	6,112	30,681

The following tables present the changes in level 3 instruments for the year to 31 January 2017.

Year to 31 January 2017 (audited)	Unquoted investments (indirect) at fair value through profit or loss £'000	Unquoted investments (direct) at fair value through profit or loss £'000	Subsidiary undertakings £'000	Total £'000
Opening balance at 1 February 2016	272,495	84,444	57,168	414,107
Additions	94,116	8,365	12,097	114,578
Disposals	(49,920)	(11,889)	–	(61,809)
Gains and losses recognised in profit or loss	66,377	27,111	11,453	104,941
Closing balance at 31 January 2017	383,068	108,031	80,718	571,817
Total gains for the year included in Income Statement for assets held at the end of the reporting period	45,734	19,838	11,453	77,025

9 INVESTMENT MANAGEMENT CHARGES

The investment management charges for the periods ended 31 July 2017, 31 January 2017 and 31 July 2016 set out in the table below were payable to ICG Alternative Investment Limited. The Manager was a related party in those periods.

	Half year to 31 July 2017 Total £'000	Half year to 31 July 2016 Total £'000	Year to 31 January 2017 Total £'000
Investment management charges	3,596	2,797	6,209
Irrecoverable VAT	–	–	–
	3,596	2,797	6,209

Management fees amounted to 1.14% of the average net assets in the period. The management fee charged by the Manager is 1.4% of the value of invested assets and 0.5% of outstanding commitments to funds in their investment period, in both cases excluding funds managed by Graphite Capital (the 'Former Manager') and funds managed by ICG. No fee is charged on cash or liquid asset balances.

The allocation of the total investment management charges was unchanged in 2017 with 75% of the total allocated to capital and 25% allocated to income.

At 31 July 2017 management fees of £30,055 were accrued (31 July 2016: £70,847).

The table below sets out the management charges that the Company has borne in respect of its investments in funds managed by the Manager in periods when the Manager was a related party.

	Half year to 31 July 2017 £'000	Half year to 31 July 2016 £'000	Year to 31 January 2017 £'000
ICG Europe Fund V	55	40	320
ICG Europe Fund VI	161	37	299
ICG Europe Fund 2006B	26	–	94
ICG Strategic Secondaries Fund II	341	51	185
ICG Velocity Partners Co-Investor	81	–	115
ICG Asia Pacific III	97	–	124
ICG Recovery Fund 2008B	25	–	–
	786	128	1,137

10 RELATED PARTY TRANSACTIONS

Significant transactions between the Company and its subsidiaries are shown below:

Subsidiary	Nature of transaction	Half year to 31 July 2017 £'000	Half year to 31 July 2016 £'000	Year to 31 January 2017 £'000
ICG Enterprise Trust Limited Partnership	Increase / (decrease) in amounts owed to subsidiaries	6,383	(11)	3,338
	Income allocated	1,140	175	248
ICG Enterprise Trust (2) Limited Partnership	Increase / (decrease) in amounts owed to subsidiaries	2,303	(2,445)	1,683
	Income allocated	1,021	738	1,080
ICG Enterprise Trust Co - Investment Limited Partnership	Increase in amounts owed by subsidiaries	15,446	1	14,991
	Income allocated	8	-	204

	Amounts owed by subsidiaries			Amounts owed to subsidiaries		
Subsidiary	31 July 2017 £'000	31 July 2016 £'000	31 January 2017 £'000	31 July 2017 £'000	31 July 2016 £'000	31 January 2017 £'000
ICG Enterprise Trust Limited Partnership	–	–	–	35,092	25,360	28,709
ICG Enterprise Trust (2) Limited Partnership	36,939	33,233	36,939	5,247	-	2,944
ICG Enterprise Trust Co - Investment Limited Partnership	30,437	1	14,991	–	–	–

Amounts owed by subsidiaries represent funding provided by the Company to its subsidiaries to allow them to make investments. The balances will be repaid out of proceeds from their portfolios.

The value of subsidiary investments is shown net of an accrual for the interests of the Co-investors (ICG and certain of its executives, and, in respect of certain historic investments, the executives and connected parties of the Former Manager) in the co-investment incentive scheme. At 31 July 2017, £21.6m was accrued, an increase of £800,000 over the six months. During the six months, Co-investors invested £200,000 (six months to 31 July 2016: £63,000). Payments received by Co-investors amounted to £2,975,000, or 2.5% of £117.1m of proceeds received in the six months (six months to 31 July 2016: £882,000 or 1.9% of £45.5m proceeds received).

INTERIM MANAGEMENT REPORT AND STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company for the second half of the financial year are substantially the same as those disclosed in the Report and Accounts for the year ended 31 January 2017.

GOING CONCERN

The factors likely to affect the Company's ability to continue as a going concern were set out in the Report and Accounts for the year ended 31 January 2017. As at 31 July 2017, there have been no significant changes to these factors. Having reviewed the Company's forecasts and other relevant evidence, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the half-yearly financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors confirm that the interim financial statements have been prepared in accordance with IAS 34 as adopted by the European Union and that the business review includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months of the financial year and their impact on the interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months of the financial year and any material changes in the related-party transactions described in the last annual report.

On behalf of the Board

Jeremy Tigue, Chairman
9 October 2017

Glossary

Alternative Performance Measures ("APMs") are a term defined by the European Securities and Markets Authority as "financial measures of historical or future performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework".

APMs are used in this report if considered by the Board and the Manager to be the most relevant basis for shareholders in assessing the overall performance of the Company and for comparing the performance of the Company to its peers, taking into account industry practice. Definitions and reconciliations to IFRS measures are provided in the main body of the report or in this Glossary, where appropriate.

Co-investment incentive scheme accrual represents the estimated value of interests in the co-investment incentive scheme operated by the Company. At both 31 July 2017 and 31 January 2017, the accrual was estimated as the theoretical value of the interests if the Portfolio had been sold at its carrying value at those dates.

Drawdowns are amounts invested by the Company into funds when called by underlying managers in respect of an existing commitment.

EBITDA stands for earnings before interest, tax, depreciation and amortisation, which is a widely used valuation measure in the private equity industry.

Enterprise value is the aggregate value of a company's entire issued share capital and net debt.

FTSE All-Share Index Total return is the change in the level of the FTSE All-Share Index, assuming that dividends are re-invested on the day that they are paid.

Full realisations are exit events (e.g. trade sale, sale by public offering, or sale to a financial buyer) following which the residual exposure to an underlying company is zero or immaterial.

Funds in investment period are those funds which are able to make new investments under the terms of their fund agreements, usually up to five years after the initial commitment.

ICG is ICG Alternative Investment Limited, a regulated subsidiary of Intermediate Capital Group plc and the Manager of the Company

Net asset value per share Total Return is the change in the Company's net asset value per share, assuming that dividends are re-invested at the end of the quarter in which the dividend was paid.

Net debt is calculated as the total short term and long term debt in a business, less cash and cash equivalents.

Overcommitment
In order to achieve full or near full investment, it is usual for private equity fund investors to make commitments exceeding the amount of cash immediately available for investment. This is described as "overcommitment". When determining the appropriate level of overcommitment, careful consideration needs to be given to the rate at which commitments might be drawn down, and the rate at which realisations will generate cash from the existing portfolio to fund new investment.

Portfolio
In the financial statements, in accordance with IFRS 10 'Consolidated Financial Statements', "Investments at fair value" are stated net of balances receivable from subsidiary partnerships and the accrual for the co-investment incentive scheme.

In the Chairman's Statement, Manager's Review and Supplementary Information, reference is made to the "Portfolio", which represents the aggregate of the investment Portfolios of the Company and of its subsidiary limited partnerships. This is an APM. This presentation is consistent with the commentary in previous annual and interim reports. The Board and the Manager consider that this is the most relevant basis for shareholders to assess the overall performance of the Company and comparison with its peers.

The closest equivalent amount reported on the balance sheet is "investments at fair value". A reconciliation of these two measures is presented below.

£m	Investments at fair value as per balance sheet	Cash held by subsidiary limited partnerships	Balances receivable from subsidiary limited partnerships	Co-investment incentive scheme accrual	Portfolio
31 July 2017	576.8	(1.2)	3.2	21.6	600.4
31 January 2017	572.2	-	1.4	20.7	594.3

Post-crisis investments are defined as those completed in 2009 or later.

Pre-crisis investments are defined as those completed in 2008 or before, based on the date the original deal was completed, which may differ from when the Company invested if acquired through a secondary.

Realisation proceeds are amounts received by the Company in respect of the Portfolio, which may be in the form of capital proceeds or income such as interest or dividends.

Share price Total Return is the change in the Company's share price, assuming that dividends are re-invested on the day that they are paid.

Total Return is a performance measure that assumes the notional re-investment of dividends. This is a measure commonly used by the listed private equity sector and listed companies in general. In the Chairman's Statement, Manager's Review and Supplementary Information, all performance figures are stated on a total return basis

The tables below set out the share price and the net asset value per share growth figures for periods of one, three, five and ten years to the balance sheet date, on both an unadjusted basis (i.e. without dividends re-invested) and on a Total Return basis.

Unadjusted performance in years to 31 July 2017	1 year	3 year	5 year	10 year*
Net asset value per share	17.4%	37.5%	62.2%	93.4%
Share price	25.8%	28.2%	93.6%	70.4%
FTSE All-Share Index	10.7%	12.8%	38.2%	18.9%

Total Return performance in years to 31 July 2017	1 year	3 year	5 year	10 year*
Net asset value per share	20.1%	45.9%	77.4%	120.7%
Share price	29.5%	38.2%	116.0%	102.2%
FTSE All-Share Index	14.9%	25.7%	65.0%	70.4%

** As the Company changed its year end in 2010, the ten year figures are for the 121 month period to 31 July 2017.*

Underlying valuation movement is the change in the valuation of the Company's Portfolio, before the effect of currency movements.

Undrawn commitments are commitments that have not yet been drawn down (see definition of drawdowns).

Uplift on exit represents the increase in gross value relative to the underlying manager's most recent valuation prior to the announcement of the disposal. Excludes a small number of investments that were public throughout the life of the investment. May differ from uplift in the reporting period in certain instances.