ICG ENTERPRISE TRUST

Unaudited Preliminary Results

For the 12 months ended 31 January 2019

Embargoed until 7:00am on 15 April 2019

STRONG PORTFOLIO PERFORMANCE DELIVERS DOUBLE DIGIT GROWTH

- **NAV per share of 1,057p - total return of 12.4%[1] in the year**
  - Growth driven by strong profit growth and realisation uplifts

- **10th consecutive year of double digit underlying Portfolio growth**
  - 15.0%[1] constant currency return on the investment Portfolio; 16.6%[1] return in sterling
  - 16% average LTM earnings growth from Top 30 Companies; 46% of the Portfolio
    - Top 30 Dominated by high conviction investments
  - £163m of proceeds received
  - Realisations at 35%[1] uplift to carrying value; 2.4x[1] multiple to cost

- **Continued selective investment into compelling opportunities**
  - £158m of new capital deployed; 50% into high conviction investments
  - Focus remains on defensive growth, structural downside protection and relative value
  - Five co-investments completed; two alongside ICG and three alongside third party managers
  - £162m committed to 10 primary funds; four new relationships

- **Strategic benefits of move to ICG continue to add significant value**
  - ICG managed investments now represents 20% of the Portfolio
  - Flexible mandate to invest across the capital structure providing downside protection
  - Continued geographic diversification; US now represents 26% of the Portfolio

- **Further realisations since the year end and a strong pipeline of new opportunities**
  - £19m of distributions and £12m of calls paid[1]
  - Commitments to two new US mid-market manager relationships and one existing European manager
    - $20m commitment to AEA Investors, $15m to Gryphon Investors and €20m to Cinven VII

[1] Alternative Performance Measure

[2] As at 31 March 2019

- **Strong balance sheet**
  - Closing net asset value of £731m; investment portfolio represents 95% of net asset value
  - Cash balance of £61m; uncalled commitments of £411m
  - £211m total liquidity (including £150m undrawn bank facility)[2]
    - New €176m (£150m) bank facility agreed; more favourable terms and matures in two equal tranches in April 2021/2022
    - Enlarged facility further strengthens financial position and provides greater flexibility to take advantage of investment opportunities

- **Annual dividend of 22p**
  - Final dividend of 7p, taking total dividends for the year to 22p
  - 4.8% increase on previous year and 2.7% yield on year end share price

- **Continued short, medium and long-term outperformance of public markets**

Performance to 31 January 2019	1 year	3 year	5 year	10* year
Net asset value per share (total return)	12.4%	53.7%	74.7%	172.9%
Share price (total return)	3.0%	62.8%	67.2%	431.1%
FTSE All-Share Index (total return)	-3.8%	28.5%	31.2%	148.3%

All performance figures are stated on a total return basis (i.e. including the effect of re-invested dividends)
**As the Company changed its year end in 2010, the ten-year figures are for the 121-month period to 31 January 2019.*

Emma Osborne, ICG, commented:

"The portfolio has delivered its 10th consecutive year of double digit underlying growth, driven by continued strong profit growth and valuation uplifts on realisations.

"Against the current backdrop of high valuations for new investments and continuing macro uncertainties we remain highly selective in redeploying cash generated by the portfolio. We have a strong pipeline of new opportunities and believe the portfolio is well positioned to continue to generate shareholder value."

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2 Proforma for new €176m (£150m) bank facility signed in April 2019

Comparison to prior year

	31 Jan 2019	31 Jan 2018
NAV	1,057p	959p
Realisations in the 12 months	£163m	£227m
Realisations – uplift to carrying value	35%	40%
Realisations – multiple to cost	2.4x	2.7x
Capital deployed	£158m	£142m
% of Capital deployed into high conviction investments	50%	42%
New primary fund commitments	£162m	£110m

Notes

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. The rationale for the APMs is discussed in detail in the Manager’s Review.

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 Manager’s Review. The Glossary includes a reconciliation of the Portfolio to the most relevant IFRS measure.

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).

ICG Alternative Investment Limited, a regulated subsidiary of Intermediate Capital Group plc, acts as the Manager of the Company.

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.

Strong growth across the Portfolio delivers another year of double-digit growth

Strong underlying earnings growth and realisations at material uplifts to carrying value have driven another year of double-digit growth and I am delighted to report a strong set of results. NAV per share increased from 959p to 1,057p, a 12.4% total return, significantly outperforming the loss from the FTSE All-Share of -3.8%.

Continued progress towards strategic goals

We continue to make excellent progress towards our strategic goals. In particular becoming more fully invested, increasing our weighting towards high conviction investments and becoming more geographically diverse.

The Portfolio[3] now represents 95% of net assets versus 82% three years ago. By increasing the capital invested in individual co-investments, we have been able to increase capital deployment without being any less selective as the team recycle the record levels of proceeds from the Portfolio into compelling opportunities.

We have a target for high conviction investments to represent 50% - 60% of the Portfolio and this year they made up 50% of capital deployed, up from 42% in the previous year and 33% in 2016. A key driver of this has been the increase in proprietary deal-flow from ICG. Over the last five years, high conviction investments have generated a return of 19% p.a.[4] in local currencies, and we expect them to continue to produce strong returns.

The Portfolio is more geographically diverse. In particular, we have made a number of new commitments and co-investments in the US, which now represents 26% of the portfolio. The US is the largest private equity market in the world, and over the medium term, we expect US investments to represent 30% to 40% of the Portfolio.

Dividend

We know that a reliable source of income is important for shareholders so last year we committed to a progressive annual dividend policy and quarterly payments. In line with this, we are proposing a final dividend of 7p, which, together with the three interim dividends of 5p each, will take total dividends for the year to 22p. This is a 4.8% increase on the prior year dividend of 21p and a 2.7% yield on the year-end share price.

Strengthening of the ICG Enterprise team and succession

ICG continue to invest in the development of the investment team, which has benefitted significantly from the enhanced support and oversight provided by ICG, as a leading alternative asset manager.

The team has grown over the last three years. We now have an investment team with over 60 years’ combined experience in private equity, which is supported by oversight from ICG on the Investment Committee, which includes ICG’s Chief Investment Officer and Chief Executive, Benoît Durteste, and Andrew Hawkins, ICG’s Head of Private Equity Solutions. We also have a strong dedicated team in legal, finance and IR and access to a number of specialist shared resources, including risk, treasury, compliance and IT.

[3] In the Chairman’s Statement, Manager’s Review and Supplementary Information, reference is made to the “Portfolio”. 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

[4] Net of management fees and carried interest

Emma Osborne, who has led the Company's investment team since 2004, will be moving to a senior adviser role within ICG at the end of 2019. Over the last 14 years, Emma has built a strong multi-disciplined investment team with significant private equity expertise and a strong track record of outperformance. As a senior adviser, she will remain on the Investment Committee to provide oversight of the Portfolio. ICG is in the process of identifying Emma's successor, and with her assistance, we expect that person to transition into the leadership of the investment team in the second half of this year. Emma has provided excellent leadership of the team and I am delighted we will continue to benefit from her involvement.

Continued evolution of the Board

We have worked closely over the last few years to ensure that changes to the Board strike the right balance between continuity and succession.

As part of this process, Alastair Bruce joined the Board in May 2018 and became Chairman of the Audit Committee in February of this year. Andrew Pomfret will be retiring from the Board at the forthcoming AGM having served for over eight years, and I would like to thank Andrew for his wise counsel and guidance.

Jane Tufnell will join the Board later this month. She brings extensive financial services and investment management experience to the Board, and I welcome her. We expect to appoint one further non-executive director during the course of this year and I intend to step down from the Board during 2020, when I will have served on the Board for 12 years. We will continue to evolve the Board and make further appointments, as appropriate.

A cautious and selective approach remains key in the current environment

The macro-economic backdrop remains uncertain, geopolitical risks are increasing, and volatility is rising. Against this backdrop, the Manager remains patient and selective in deploying capital, focusing on opportunities that the team has a high conviction will outperform and in sectors with non-cyclical growth drivers. In the case of our ICG investments, many of these investments also have the benefit of structural downside protection, which we believe will serve us well should the macro-economic environment deteriorate.

I am confident our differentiated portfolio, highly selective approach and focus on delivering consistently strong returns will continue to generate significant growth well in excess of public markets.

Jeremy Tigue
12 April 2019

MANAGER'S REVIEW

Performance overview

Profit growth and realisations drive 10th consecutive year of double-digit underlying growth

Continued strong operating performance and realisations at significant uplifts to carrying value generated a return of 15.0% in local currencies, or 16.6% in Sterling. These results represent the 10th consecutive year of double-digit underlying portfolio growth, over which time period the Portfolio return has averaged 16.4% p.a. in local currencies. Approximately 35% of the valuation gain in the year came from realisations and IPOs.

Movement in the portfolio £m	**Year ended 31 Jan 2019**	**Year ended 31 Jan 2018**
Opening Portfolio*	600.7	594.4
Third-party funds portfolio drawdowns	79.2	82.3
High conviction investments – ICG funds, secondary investments and co-investments	78.4	59.6
Total new investment	157.6	141.9
Realisation Proceeds	(163.0)	(226.6)
Net cash (inflow)/outflow	(5.4)	(84.7)
Underlying Valuation Movement**	90.4	97.7
Currency movement	9.1	(6.7)
Closing Portfolio*	694.8	600.7
% underlying Portfolio growth (local currency)	15.0%	16.4%
% currency movement	1.6%	(1.1%)
% underlying Portfolio growth (Sterling)	16.6%	15.3%

* Refer to the Glossary for reconciliation to the portfolio balance presented in the unaudited results.

** 91% of the Portfolio is valued using 31 December 2018 (or later) valuations (Jan 18: 94%).

Portfolio overview

High conviction investments underpinned by a portfolio of leading funds

Our Portfolio combines investments managed by ICG and those managed by third parties, in both cases through funds and directly and at 31 January 2019 was valued at £695m (31 Jan 18: £601m).

Third party funds were valued at £407m (31 Jan 18: £349m) providing the Portfolio with a base of strong diversified returns and also deal flow for our high conviction portfolio. The underlying funds have a bias to mid-market and large-cap European and US private equity managers and over the last five years this portfolio has generated a return of 13.1% p.a. in local currencies.

High conviction investments, which includes those managed directly by ICG as well as our third party co-investments and secondary funds, were valued at £288m (31 Jan 18: £252m). These are underlying companies that we have proactively increased exposure to where we have a high conviction they will outperform and over the last five years these investments have generated a local currency return of 19.0% p.a. We have a strategic goal of increasing the weighting of these investments to 50% - 60% of the Portfolio.

Investment category	31 Jan 2019 % of Portfolio	31 Jan 2018 % of portfolio
High conviction investments		
ICG managed investments	20	18
Third party co-investments	16	17
Third party secondary investments	5	7
Total High conviction investments	***41***	***42***
Third party funds' portfolio		
Graphite Capital primary funds	15	15
Third party primary funds	44	43
Total diversified fund investments	***59***	***58***
Total	**100**	**100**

Top 30 companies dominated by high conviction investments and generating double digit earnings growth

Our largest 30 underlying companies ("Top 30") represent 46% of the Portfolio by value (31 Jan 18: 47%), and are weighted towards our high conviction investments, which make up 70% of the Top 30 by value.

The Top 30 performed well in the year, reporting average LTM earnings growth of 16% and revenue growth of 13%. It is particularly encouraging that a third of these companies are generating LTM earnings growth in excess of 20%, driven by both organic growth and M&A activity.

Over the year, the valuation multiples of the Top 30 increased marginally from 10.6x to 10.9x, a reflection of the change of mix and weightings ,rather than an increase in aggregate multiples overall. The net debt/EBITDA ratio remained flat at 4.2x, although mix and weightings also had an impact with the majority of companies de-levering in the year on a like-for-like basis.

Compared with the portfolio as a whole, the Top 30 have a higher weighting to larger deals and to the healthcare and education sectors reflecting our strong focus on defensive growth in our co-investments.

Realisations[5]

Continued strong realisation activity at significant uplifts to carrying value and cost

The Portfolio continued to be highly cash generative in the year as our underlying managers took advantage of the sustained favourable exit environment, generating proceeds of £153m[6]. While this is lower than the record £217m, generated in the year to January 2018, at 26% of the opening Portfolio, cash generation remained relatively high.

The realisation of 60 companies completed at an average uplift of 35%[7] to the previous carrying value, which is consistent with the long term trend of significant uplifts being generated when companies are sold. The average return multiple of 2.4x cost was also strong, reflecting a number of highly successful

[5] Refer to Financials section within highlights for comparative information.

[6] Refers to proceeds generated from underlying portfolio (excludes secondary sales)

[7] Uplift figure excludes publically listed companies that were exited via multiple share sales.

investments realised in the year with over a third by number being sold for more than 3.0x cost. Over the last five years exits have averaged 33% uplift to carrying value and a multiple of 2.3x cost.

The sale of Cambium by the ICG Strategic Equity team was by far the most significant realisation in terms of both total proceeds (£18.6m) and the gain in the year (+113%). Cambium, which provides educational software for US schools, was acquired as part of a fund restructuring transaction in 2016 and was sold in December 2018 for 4.8x the original cost, a gross IRR of 82%.

IPOs also contributed to performance, with three companies listed during the year. The most significant of these was Ceridian, a global human capital management software company, in which we co-invested in 2007 alongside Thomas H Lee. The company floated in April 2018 at $22 per share and at the year end the share price had risen to $41. Over the course of the year the value of our holding in Ceridian increased by 178% which moved it from the 27th largest underlying company at the start of the year to the 8th at January 2019.

In addition to sales by our underlying managers, we completed a secondary sale of our interest in GCP Europe Fund II and the co-investment in Frontier Medical alongside it, which generated a further £10m of proceeds. These investments have performed well and we took the opportunity to lock-in a strong return at a time when we perceived the downside risks to outweigh the further upside potential. This transaction highlights our active approach to managing the portfolio.

From our largest 30 underlying companies at the start of the year, six were fully realised including: Cambium from the ICG portfolio; The Laine Pub Company, Swiss Education and Frontier Medical, from our third party co-investment portfolio; and CeramTec and TMF from the third party funds portfolio, including a secondary investment in the latter company.

New investments

Selective investment into high conviction opportunities

We invested a total of £158m in the year, up from £142m in the year to January 2018. Half of new investment was into our high conviction portfolio, up from 42% in the year to January 2018. Investments sourced through the ICG network accounted for 27% of capital deployed, including two co-investments and a secondary investment, totalling £22m, sourced from three of the in-house teams we partner with. We also completed three co-investments and a secondary alongside our third party managers, totalling £35m, all of which were US based.

Co-investments have always been a feature of our strategy and have performed strongly over multiple cycles. Over the last three years we have increased capital deployed in individual co-investments, allowing us to increase deployment, while at the same time not being any less selective.

Our focus remains on defensive growth businesses with high cash flow conversion which have demonstrated resilience to economic cycles. The investments with the ICG Europe and Asia Pacific subordinated debt and equity teams also feature a combination of investments across the capital structure which provides an element of downside protection. While defensive growth and structural downside protection are our key areas of focus, we also remain alert to opportunities where we can find relative value in the current challenging market, usually as a result of unusual transaction dynamics. Relative value is a feature of investments made by the ICG Strategic Equity team which completed five transactions in the year at an average entry multiple significantly below the market average.

The three largest new investments made in the year were:

- ***Minimax*** (a global provider of fire protection systems and services) alongside ICG Europe, in which we invested £17m. ICG has a 12 year history with this business and is the sole institutional equity provider in the most recent management buyout

- ***IRI*** (a market leading provider of "must-have" data and predictive analytics to consumer goods manufacturers) co-investment alongside New Mountain Capital, in which we invested £11m
- ***Endeavor Schools*** (a US schools operator) co-investment alongside education investment specialist Leeds Equity Partners, in which we invested £8m

10 new fund commitments to both existing and new manager relationships

We completed 10 new fund commitments in the year totalling £162m. In addition, we committed £20m to a new ICG Strategic Equity transaction, and a number of other commitments relating to co-investments and secondaries, taking the total of new commitments in the year to £185m.

Three of the new funds, totalling £73m, are managed by ICG including the addition of a fourth ICG strategy to our Portfolio with a $10m commitment to ICG's North American Private Debt Fund II. The fund invests in subordinated debt and equity of US private equity-backed mid-market companies, targeting gross annualised returns of 13% to 17% with low downside risk. We also committed €40m to ICG Europe VII and $40m to ICG Strategic Equity III, strategies the Company has backed since 1989 and 2016 respectively.

Of the seven third-party fund commitments, three are to European managers we have invested with for many years (Graphite Capital, Bowmark Capital and Bain Capital). We also added four new manager relationships of which three are focused on the US mid-market (The Jordan Company, Tailwind Capital and Five Arrows Capital Partners) and one on the European mid-market (Five Arrows Principal Investments). The Portfolio is increasing geographically diverse; of our 28 core manager relationships, nine are US managers and over the medium term we expect our weighting to the US market to increase to 30% - 40% of the Portfolio.

Four of the 10 new funds have already led to co-investments or secondaries highlighting the effectiveness of our strategy of leveraging manager relationships for high conviction investments.

The £20m committed alongside ICG Strategic Equity is part of a $1bn transaction backing the spin-out of Standard Chartered's private equity team in Asia and comprising a diversified portfolio of over 30 companies. This transaction is expected to complete in the first half of 2019.

Portfolio analysis[8]

Focus on mid-market companies

The Portfolio is biased towards mid-market (47%) and large deals (45%) which we view as more defensive than smaller deals, benefiting from experienced management teams and often market leading positions. Our definition of large deals in a private equity context is those with an entry transaction size of over €500m, which would be small or mid cap for a public company.

Portfolio becoming more geographically diverse

The Portfolio is focused on developed private equity markets: primarily continental Europe (39%), the UK (31%) and the US (26%). Investments in the Asia Pacific region represent 4% of value, which is primarily in developed Asian markets through ICG's Asia Pacific subordinated debt and equity team, while there is minimal emerging markets exposure. In line with one of our strategic objectives, our weighting to the US has increased from 14% at the time of the move to ICG in 2016. Over the same period, the UK bias has reduced from 45%. We expect both of these trends to gain momentum as the benefits of being part of ICG's global alternative asset manager platform are further realised.

[8] Refer to supplementary information at the end of this review for comparative information.

Bias towards sectors with non-cyclical growth drivers

The Portfolio is weighted towards sectors that primarily have non-cyclical growth drivers, such as demographics, increasing regulation and the provision of "must-have" data. 21% of the Portfolio is invested in healthcare and education and 16% in business services with the remainder of the portfolio broadly spread across the industrial (21%), consumer goods and services (14%), leisure (9%) and technology (10%) sectors.

Attractive and well-balanced vintage year exposure

The Portfolio's maturity profile balances near-term realisation prospects with a strong pipeline of medium to longer-term growth. Investments completed in 2015 or earlier, which are more likely to generate gains from realisations in the shorter-term, represent 42% of the Portfolio. Against this, 58% of value is in investments made in 2016 or later, providing the Portfolio with medium to longer term growth potential as value created within these businesses translates into gains.

Balance sheet and financing

Strong balance sheet

At the year end the Portfolio represented 95% of net assets, an increase from 90% at 31 January 2018. Becoming more fully invested, without compromising the quality of the Portfolio, was one of our key strategic objectives at the time of the move to ICG when the investment level was 82%.

In managing the Company's balance sheet 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.

£m	31 Jan 2019	31 Jan 2018
Portfolio*	695	601
Cash	61	78
Net obligations	(25)	(15)
Net assets	**731**	**664**
Portfolio as % of net assets	95.0%	90.4%

* Refer to the Glossary for reconciliation to the portfolio balance presented in the unaudited results and definition of net obligations.

Undrawn commitments of £411m provide the Company with a robust medium-term investment pipeline. If outstanding commitments, which are typically drawn down over a period of four to six years, follow a linear investment pace to the end of their respective remaining investment periods, we estimate that approximately £90m would be called over the next 12 months. Including realisation proceeds likely to be generated in the next 12 months, this leaves significant available capital for high conviction investments over and above the investments that will be made by our underlying funds.

£m	31 Jan 2019	31 Jan 2018
Outstanding commitments	411	321
Total available liquidity (including facility)	(164)	(182)
Overcommitment (including facility)	247	139
Overcommitment % of net asset value	34%	21%

At 31 January 2019, commitments exceeded available liquidity by £247m, or 34% of net assets. Since the year end, we have further strengthened the Company's financial position by agreeing a new bank facility

of €176m (£150m), which matures in two equal tranches in April 2021 and April 2022. This enlarged facility gives greater flexibility to take advantage of investment opportunities. The negotiation of the new facility was led by ICG's dedicated treasury team and has been agreed on more favourable terms than our prior facility. Pro forma for this new facility, overcommitment at the year end would have been 27%.

Outlook

Further realisations and a strong pipeline of new opportunities

Since the year end, the Portfolio has continued to generate cash proceeds, with £12m of distributions received in the two months to 31 March 2019. Against this, we have paid £19m in capital calls and have recently committed to two new US mid-market managers ($15m to Gryphon Investors and $20m to AEA Investors) and one existing European relationship (€20m to Cinven VII). We have a strong pipeline of further opportunities with a number of co-investments under review and several new and existing private equity manager relationships fundraising this year, providing us with a wide choice of new fund opportunities.

Portfolio well positioned to generate significant shareholder value

The Portfolio is highly cash generative and against the current backdrop of high valuations for new investments and continuing geopolitical uncertainties, we remain cautious in re-deploying capital. Our flexible mandate allows us to adapt the mix of new investment to evolving market conditions and where we see the best relative value. The proprietary opportunities sourced through the ICG network, which have the additional benefit of structural downside protection, are proving to be particularly attractive and these are becoming a more significant part of the Portfolio.

We have a high quality Portfolio that is increasingly geographically diverse, and believe it is well positioned to continue to generate shareholder value.

ICG Private Equity Fund Investments Team
12 April 2019

Supplementary information (unaudited)

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

The 30 largest underlying companies

The table below presents the 30 companies in which ICG Enterprise had the largest investments by value at 31 January 2019. 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	3.4%
2	**DomusVi+**				
	Operator of retirement homes	ICG	2017	France	3.2%
3	**Minimax+**				
	Supplier of fire protection systems and services	ICG	2018	Germany	2.6%
4	**Froneri+^**				
	Manufacturer and distributor of ice cream products	PAI Partners	2013	UK	2.5%
5	**Visma+**				
	Provider of accounting software and accounting outsourcing services	Cinven & ICG	2014 & 2017	Europe	2.4%
6	**Roompot+**				
	Operator and developer of holiday parks	PAI Partners	2016	Netherlands	2.2%
7	**Yudo+**				
	Manufacturer of components for injection moulding	ICG	2018	South Korea	2.2%
8	**Ceridian+**				
	Provider of payroll and human capital software	Thomas H Lee Partners	2007	USA	2.0%
9	**nGAGE**				
	Provider of recruitment services	Graphite Capital	2014	UK	2.0%
10	**Beck & Pollitzer**				
	Provider of industrial machinery installation and relocation	Graphite Capital	2016	UK	1.9%
11	**ICR Group**				
	Provider of repair and maintenance services to the energy industry	Graphite Capital	2014	UK	1.8%
12	**System One+**				
	Provider of specialty workforce solutions	Thomas H Lee Partners	2016	USA	1.8%
13	**Education Personnel+^**				
	Provider of temporary staff for the education sector	ICG	2014	UK	1.7%
14	**IRI+**				
	Provider of data and predictive analytics to consumer goods manufacturers	New Mountain	2018	USA	1.7%
15	**Gerflor^**				
	Manufacturer of vinyl flooring	ICG	2011	France	1.6%

	Company	Manager	Year of investment	Country	Value as a % of Portfolio
16	**PetSmart+**				
	Retailer of pet products and services	BC Partners	2015	USA	1.4%
17	**YSC**				
	Provider of leadership consulting and management assessment services	Graphite Capital	2017	UK	1.3%
18	**Endeavor Schools+**				
	Operator of schools	Leeds Equity Partners	2018	USA	1.3%
19	**U-POL^**				
	Manufacturer and distributor of automotive refinishing products	Graphite Capital	2010	UK	0.9%
20	**PSB Academy+**				
	Provider of private tertiary education	ICG	2018	Singapore	0.9%
21	**Cognito+^**				
	Supplier of communications equipment, software & services	Graphite Capital	2002 & 2014	UK	0.8%
22	**Compass Community**				
	Provider of fostering services and children residential care	Graphite Capital	2017	UK	0.8%
23	**Abode Healthcare+**				
	Provider of hospice and healthcare services	Tailwind Capital	2018	USA	0.8%
24	**Random42**				
	Provider of medical animation and digital media services	Graphite Capital	2017	UK	0.7%
25	**Skillsoft+**				
	Provider of off the shelf e-learning content	Charterhouse	2014	USA	0.7%
26	**David Lloyd Leisure+**				
	Operator of premium health clubs	TDR Capital	2013	UK	0.7%
27	**New World Trading Company**				
	Operator of distinctive pub restaurants	Graphite Capital	2016	UK	0.7%
28	**LeafFilter**				
	Provider of gutter protection solutions	Gridiron	2016	USA	0.7%
29	**Alerian^**				
	Provider of data and investment products focused on natural resources	ICG	2018	USA	0.6%
30	**Atlas for Men**				
	Retailer of outdoor clothing	Activa	2016	France	0.4%
	Total of the 30 largest underlying investments				45.7%

+ 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.

The 30 largest fund investments

The table below presents the 30 largest funds by value at 31 January 2019. The valuations are net of any carried interest provision.

	Fund	Year of commitment	Country/ region	Value £m	Outstanding commitment £m
1	**Graphite Capital Partners VIII ***				
	Mid-market buyouts	2013	UK	89.0	16.9
2	**ICG Europe VI ****				
	Mezzanine and equity in mid-market buyouts	2015	Europe	22.7	3.4
3	**BC European Capital IX ****				
	Large buyouts	2011	Europe/USA	18.6	0.5
4	**CVC European Equity Partners VI**				
	Large buyouts	2013	Europe/USA	17.7	0.4
5	**Thomas H Lee Equity Fund VII**				
	Mid-market and large buyouts	2015	USA	14.5	3.1
6	**One Equity Partners VI**				
	Mid-market buyouts	2016	Europe/USA	13.7	0.6
7	**PAI Europe VI**				
	Mid-market and large buyouts	2013	Europe	13.6	0.9
8	**ICG Strategic Secondaries Fund II**				
	Secondary fund restructurings	2016	USA/Europe	13.5	14.9
9	**CVC European Equity Partners V ****				
	Large buyouts	2008	Europe/USA	13.1	0.5
10	**Activa Capital Fund III**				
	Mid-market buyouts	2013	France	12.8	3.0
11	**Graphite Capital Partners VII * / ****				
	Mid-market buyouts	2007	UK	12.5	4.7
12	**Gridiron Capital Fund III**				
	Mid-market buyouts	2016	USA	11.1	3.5
13	**Resolute II ****				
	Mid-market buyouts	2018	USA	10.7	2.4
14	**Permira V**				
	Large buyouts	2013	Europe/USA	10.4	1.4
15	**TDR Capital III**				
	Mid-market and large buyouts	2013	Europe	10.1	2.2
16	**Advent Global Private Equity VIII**				
	Large buyouts	2016	Europe/USA	9.6	4.4
17	**Fifth Cinven Fund**				
	Large buyouts	2012	Europe	9.3	1.4
18	**IK VII**				
	Mid-market buyouts	2013	Europe	8.6	0.4
19	**Sixth Cinven Fund**				
	Large buyouts	2016	Europe	8.2	9.5
20	**Hollyport Secondary Opportunities V**				
	Tail-end secondary portfolios	2015	Global	8.0	2.3

	Fund	Year of commitment	Country/ region	Value £m	Outstanding commitment £m
21	**ICG Asia Pacific Fund III**				
	Mezzanine and equity in mid-market buyouts	2016	Asia Pacific	8.0	4.7
22	**Silverfleet II**				
	Mid-market buyouts	2014	Europe	7.4	4.8
23	**Bowmark Capital Partners IV**				
	Mid-market buyouts	2007	UK	7.4	-
24	**Nordic Capital Partners VIII**				
	Mid-market and large buyouts	2013	Europe	7.4	1.3
25	**Hollyport Secondary Opportunities VI**				
	Tail-end secondary portfolios	2017	Global	7.3	3.1
26	**ICG European Fund 2006 B****				
	Mezzanine and equity in mid-market buyouts	2014	Europe	6.8	2.2
27	**Bain Capital Europe IV**				
	Mid-market buyouts	2014	Europe	6.5	1.6
28	**Thomas H Lee Parallel Fund VI**				
	Mid-market and large buyouts	2007	USA	6.3	1.0
29	**Deutsche Beteiligungs Fund VI**				
	Mid-market buyouts	2012	Germany	6.2	0.9
30	**Bowmark Capital Partners V**				
	Mid-market buyouts	2013	UK	6.2	1.8
	Total of the largest 30 fund investments			**397.2**	**97.8**
	Percentage of total investment Portfolio			57.2%	

* Includes the associated Top Up funds.

** All or part of an interest acquired through a secondary fund purchase.

Portfolio analysis

Closing Portfolio by value

Portfolio by investment type	% of value of underlying investments 31 January 2019	% of value of underlying investments 31 January 2018
Large buyouts	44.7%	42.4%
Mid-market buyouts	47.2%	48.1%
Small buyouts	4.6%	8.2%
Other	3.5%	1.3%
Total	**100.0%**	**100.0%**

Portfolio by calendar year of investment	% of value of underlying investments 31 January 2019
2019	0.3%
2018	20.1%
2017	20.0%
2016	17.9%
2015	9.8%
2014	11.9%
2013	9.2%
2012	2.8%
2011	1.4%
2010	1.7%
2009	1.1%
2008	0.3%
2007	2.7%
2006 and before	0.8%
Total	**100.0%**

Portfolio by sector	% of value of underlying investments 31 January 2019	% of value of underlying investments 31 January 2018
Healthcare and education	20.8%	22.4%
Industrials	20.6%	17.4%
Business services	15.8%	15.6%
Consumer goods and services	13.6%	14.7%
TMT	11.8%	10.2%
Leisure	8.7%	12.1%
Financials	5.5%	4.9%
Other	3.2%	2.7%
Total	**100.0%**	**100.0%**

Portfolio by geographic distribution based on location of company headquarters	% of value of underlying investments 31 January 2019	% of value of Underlying investments 31 January 2018
Europe	38.8%	40.0%
UK	30.9%	35.2%
North America	25.9%	21.8%
Rest of world	4.4%	3.0%
Total	**100.0%**	**100.0%**

Commitments analysis

The following tables analyse commitments at 31 January 2019. Original commitments are translated at 31 January 2019 exchange rates.

Total undrawn commitments

	Original commitment £'000	Outstanding commitment £'000	Average drawdown percentage	% of commitments
Investment period not commenced	21,231	21,231	0.0%	5.2%
Funds in investment period	488,484	319,482	34.6%	77.7%
Funds post investment period	875,421	70,449	92.0%	17.1%
Total	1,385,136	411,162	70.3%	100.0%

Movement in outstanding commitments in year ended 31 January 2019	£m
As at 1 February 2018	321.2
New primary commitments	162.1
New commitments relating to co-investments and secondary purchases	23.3
Drawdowns	(99.8)
Secondary disposals	(2.2)
Currency and other movements	6.6
As at 31 January 2019	**411.2**

New commitments during the year to 31 January 2019

Fund	Strategy	Geography	£m
Primary commitments			
ICG Europe Fund VII	Mid-market buyouts	Europe	34.6
ICG Strategic Equity III	Secondary fund restructurings	Global	31.3
Graphite Capital Partners IX	Mid-market buyouts	UK	30.0
Bowmark Capital Partners VI	Mid-market buyouts	UK	12.5
Resolute IV	Mid-market buyouts	USA	11.4
Tailwind Capital Partners III	Mid-market buyouts	USA	11.3
Five Arrows Principal Investments III	Mid-market buyouts	Europe	8.9
Five Arrows Capital Partners	Lower middle-market buyouts	North America	7.7
ICG North American Private Debt Fund II	Subordinated debt and mezzanine	North America	7.4
Bain Capital Europe V	Mid-market buyouts	Europe	7.0
Total primary commitments			162.1
Commitments relating to co-investments and secondary investments			23.3
Total new commitments			**185.4**

Currency exposure

Portfolio[1]	31 January 2019 £m	31 January 2019 %	31 January 2018 £m	31 January 2018 %
Sterling	241.9	34.8	235.8	39.3
Euro	190.8	27.5	174.3	29.0
US Dollar	173.3	25.0	119.6	19.9
Other European	53.8	7.7	49.8	8.3
Other	35.0	5.0	21.2	3.5
Total	**694.8**	**100.0**	**600.7**	**100.0**

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

Outstanding commitments	31 January 2019 £m	31 January 2019 %	31 January 2018 £m	31 January 2018 %
– Sterling	83.3	20.3	63.2	19.7
– Euro	172.2	41.9	170.0	52.9
– US Dollar	153.9	37.4	86.1	26.8
– Other European	1.8	0.4	1.9	0.6
Total	**411.2**	**100.0**	**321.2**	**100.0**

Realisation activity

Investment	Manager	Year of investment	Realisation type	Proceeds £m
Cambium	ICG	2016	Financial buyer	18.6
The Laine Pub Company	Graphite Capital	2014	Trade	10.7
David Lloyd Leisure	TDR Capital	2013	Recapitalisation	10.4
TMF	Doughty Hanson	2008	Financial buyer	8.3
Swiss Education	Invision Capital	2015	Financial buyer	6.5
Corporate Risk Holdings	ICG	2017	Trade	4.0
Minimax	ICG	2014	Financial buyer	3.8
CeramTec	Cinven	2013	Financial buyer	3.8
Sky Betting and Gaming	CVC	2015	Trade	3.7
Ufinet	Cinven	2014	Financial buyer	3.2
Total of 10 largest underlying realisations				**73.0**
Total realisations				**163.0**

Investment activity

Investment	Description	Manager	Country	Cost[1] £m
Minimax	Supplier of fire protection systems and services	ICG	Germany	17.4
IRI	Provider of data and predictive analytics to consumer goods manufacturers	New Mountain	USA	11.5
Endeavor Schools	Operator of schools	Leeds Equity Partners	USA	8.1
PSB Academy[2]	Provider of private tertiary education	ICG	Singapore	6.9
Abode Healthcare	Provider of hospice and healthcare services	Tailwind Capital	USA	5.1
Alerian	Provider of data and investment products focused on natural resources	ICG	USA	3.5
IRIS	Provider of business critical software and services to the accountancy and payroll sectors	ICG	UK	3.2
Nurture Landscapes	Provider of grounds maintenance, landscape construction and gritting services	Graphite Capital	UK	2.3
Etanco	Manufacturer of fixing/fastening systems for the construction market	ICG	France	2.0
GFL	Provider of diversified environmental solutions	BC Partners	Canada	1.6
Total of 10 largest underlying new investments				**61.6**
Total new investment				**157.6**

[1] Represents ICG's indirect exposure (share of fund cost) plus any amounts paid for co-investments in the period.
[2] Represents a new co-investment during the period. PSB Academy was already in the portfolio as at 31 January 2018 via a primary holding in ICG Asia Pacific III.

Principal Risks and uncertainties

Risk management

The Board is responsible for risk management and determining the Company's overall risk appetite. The Audit Committee assesses and monitors the risk management framework and specifically reviews the controls and assurance programmes in place.

Principal risks and uncertainties

The execution of the Company's investment strategy is subject to risk and uncertainty and the Board and Manager have identified
a number of principal risks to the Company's business.

The Company considers its principal risks (as well as a number of underlying risks comprising each principal risk) in four categories:

Investment Risks – the risk to performance resulting from ineffective or inappropriate investment selection, execution, monitoring.

External Risks – the risk of failing to deliver the Company's strategic objectives due to external factors beyond the Company's control.

Operational Risks – the risk of loss or missed opportunity resulting from a regulatory failure or the failure of people, processes or systems.

Financial Risks – the risks of adverse impact on the Company due to having insufficient resources to meet its obligations or counterparty failure and the impact any material movement in foreign exchange rates may have on underlying valuations.

Other risks, including reputational risk, are seen as potential outcomes of the core principal risks materialising. These risks are managed as part of the overall risk management of the Company.

A comprehensive risk assessment process is undertaken regularly to re-evaluate the impact and probability of each risk materialising and the financial or strategic impact of the risk. Where the residual risk is determined to be outside of appetite, appropriate action is taken. Further information on risk factors is set out within the Financial Statements.

Risk appetite

The Board acknowledges and recognises that in the normal course of business the Company is exposed to risk and that it is willing to accept a certain level of risk in managing the business to achieve its targeted returns.

As part of its risk management framework, the Board considers its risk appetite in relation to each principal risk and monitors this on an ongoing basis. Where a risk is approaching or is outside the tolerance set, the Board will consider the appropriateness of actions being taken to manage the risk.

In particular, the Board has a very low tolerance for financing risk with the aim to ensure that even under the most severe stress scenario, the Company is likely to meet its funding requirements and financial obligations. Similarly, the Board has a low-risk tolerance concerning operational risks including legal, taxation, regulatory and business process and continuity risk.

RISK	IMPACT	MITIGATION	CHANGE IN THE YEAR
Investment			
Investment performance The Manager selects the fund investments and direct co-investments for the Company's Portfolio. The underlying managers of those funds in turn select individual investee companies.	Poor origination, investment selection and monitoring by the Manager and/or third party managers could significantly affect the performance of the portfolio.	The Manager has a highly selective investment approach and disciplined process, which is overseen by ICG Enterprise's Investment Committee within the Manager, which comprises a balance of skills and perspectives. Further, the Company's	↔

The origination, investment selection and management capabilities of both the Manager and the third party managers are key to the performance of the Company.		Portfolio is diversified reducing the likelihood of a single investment decision impacting portfolio performance.	
Valuation In valuing its investments in private equity funds and unquoted companies and publishing its NAV, the Company relies to a significant extent on the accuracy of financial and other information provided by the underlying managers to the Manager. There is the potential for inconsistency in the valuation methods adopted by the managers of these funds and companies and for valuations to be misstated	Incorrect valuations being provided would lead to an incorrect overall NAV.	The Manager carries out a formal valuation process involving a quarterly review of third party valuations, verification of the latest audited reports, as well as a review of any potential adjustments that are required to ensure the valuation of the underlying investments are in accordance with the fair market value principles required under International Financial Reporting Standards (“IFRS”).	↔
Foreign exchange The Company has continued to expand its geographic diversity by making investments in a number of countries. Accordingly, a number of investments are denominated in US dollars, euros and other currencies as well as sterling.	At present, the Company does not hedge its foreign exchange exposure. Therefore, movement in exchange rates between these currencies may have a material effect on the underlying valuations of the investments and performance of the Company.	The Board regularly reviews the Company’s exposure to currency risk and reconsiders possible hedging strategies on an annual basis. Furthermore, the Company’s multicurrency bank facility permits the borrowings to be drawn in euros and US dollars, if required.	↑
External			
Political and macroeconomic uncertainty Political and macroeconomic uncertainty, including impacts from the EU referendum or similar scenarios, could impact the environment in which the Company and its investment portfolio companies operate.	Changes in the macro-economic or political environment could significantly affect the performance of existing investments (and valuations) and prospects for realisations. In addition, it could impact the number of credible investment opportunities the Company can originate.	The Manager actively monitors these developments, with the support of a dedicated in-house economist and professional advisers where appropriate, to ensure it is prepared for any potential impacts (to the extent possible).	↔

Private equity sector The private equity sector could fall out of favour with investors leading to a reduction in demand for the Company’s shares.	A change in sentiment to the sector has the potential to damage the Company’s reputation and impact the performance of the Company’s share price and widen the discount the shares trade at relative to NAV per share, causing shareholder dissatisfaction.	Private equity has outperformed public markets over the long term and it has proved to be an attractive asset class through various cycles. The Manager is active in marketing the Company’s shares to a wide variety of investors to ensure the market is informed about the Company’s performance and investment proposition. The Board monitors the discount to NAV and considers appropriate solutions to address any ongoing or substantial discount to NAV, including share buybacks.	↔
Operational **Regulatory, legislative and taxation compliance** Failure by the Manager to comply with relevant regulation and legislation could have an adverse impact on the Company, or adherence to such could become onerous. This includes the Corporate Governance Code, Corporation Tax Act 2010, the Companies Act, the Alternative Investment Fund Managers Directive, accounting standards, investment trust regulations and the Listing Rules and Disclosure Guidance and Transparency Rules.	If applicable law and regulations are not complied with, the Company could face regulatory sanction and penalties as well as a significant damage to its reputation.	The Board is responsible for ensuring the Company’s compliance with all applicable regulations. Monitoring of this compliance, and regular reporting to the Board thereon, has been delegated to the Manager. The Manager’s in-house legal counsel, supported by the Compliance and Risk functions, provides regular updates to the Board covering relevant changes to legislation and regulation. The Manager and the Board ensure compliance with applicable regulation and legislation occurs in an effective manner.	↔
People Loss of key investment professionals at the Manager could impair the Company’s ability to deliver its investment strategy if replacements are not found in a timely manner.	If the Manager’s investment team were not able to deliver, investment opportunities could be missed or misevaluated, while existing investment performance may suffer.	The Manager regularly updates the Board on team developments and succession planning. The Manager places significant focus on developing key individuals to ensure that there is a pipeline of potential succession candidates internally. External appointments are also	↑

		considered if that best satisfies the business needs at the appropriate time. The Company’s investment team within the Manager has always taken a team-based approach to decision-making which helps to mitigate against key person risk. In addition, no one investment professional has sole responsibility for an investment or fund manager relationship and, to ensure that insights and knowledge are widely spread across the investment team, the team meets weekly to discuss all potential new investments and the overall performance of the portfolio. The Manager’s compensation policy is designed to minimise turnover of key people. In addition, the senior investment professionals are required to co-invest alongside the Company for which they are entitled to a share of investment profits if performance hurdles are met, which aids retention.	
The Manager and other third party advisers, including business processes and continuity The Company is dependent on third parties for the provision of all systems and services. In particular, the Company is dependent on the business processes of the Manager, Administrator and Depositary operating effectively. These systems support key business functions. Control failures and gaps in these systems and services could result in a loss or damage to the Company.	A significant failure of or disruption to the Manager, Administrator or Depositary’s processes could result in, among other things, financial losses, an inability to perform business critical functions, regulatory censure, legal liability and reputational damage.	The Audit Committee formally assesses the internal controls of the Manager, the Administrator and Depositary on an annual basis to ensure adequate controls are in place. The assessment in respect of the current year is discussed in the Report of the Audit Committee within the Annual Report. The Management Agreement and agreements with other key service providers are subject to notice periods that are designed to provide the Board with adequate time to put in place alternative arrangements.	↔

Information security The Company is dependent on effective information technology systems at both the Manager and Administrator. These systems support key business functions and are an important means of safeguarding sensitive information.	A significant disruption to these IT systems, including breaches of data confidentiality or cybersecurity, could result in, among other things, financial losses, an inability to perform business critical functions, regulatory censure, legal liability and reputational damage.	Application of the Manager's and Administrator's information security policies is supported by a governance structure and a risk framework that allows for the identification, control and mitigation of technology risks. The adequacy of the systems and controls the Manager and Administrator have in place to mitigate the technology risks is continuously monitored and subject to regular testing. The effectiveness of the framework is periodically assessed.	↔
Financial			
Financing The Company has outstanding commitments that may be drawn down at any time in excess of total liquidity to private equity funds. The ability to fund this difference is dependent on receiving cash proceeds from investments (the timing of which are unpredictable) and the availability of financing facilities.	If the Company encountered difficulties in meeting its outstanding commitments, there would be significant reputational damage as well as risk of damages being claimed from managers and other counterparties. It is also possible that the Company might need to raise new equity to fund its outstanding commitments.	The Manager monitors the Company's liquidity and covenants on a frequent basis, and undertakes cash flow monitoring, and provides regular updates on these activities to the Board. Commitments are expected to be mostly deployed over a five year period. If necessary the Company can reduce the level of co-investments and secondary investments, which are discretionary, to preserve liquidity for funding its commitments. The Company could also dispose of assets. The Company signed a new €176m (£150m), multi-currency bank facility on 2 April 2019. The new facility matures in 2021/2022. The total available liquidity as at 31 January 2019 stood at £164.5m, comprising £60.6m in cash balances and £103.9m in undrawn bank facilities. As a result, the available financing along with the private equity portfolio exceeded the outstanding commitments by a factor of 2.0 times.	↓

↑ Increase

↓Decrease

↔Stable

CHANGES IN RISK

Foreign Exchange ↑

The risk relating to Foreign Exchange exposure has been rated as increased due to the increased volatility of sterling and the strategic choice to increase the portion of the portfolio which is invested in the United States (and therefore denominated in US dollars), as well as the Company's exposure to the euro through its European investment programme.

People ↑

As noted in the Chairman's statement,
the head of the Company's investment team is transitioning to a senior adviser role at the end of 2019 and her successor is currently being sought. As a result of this exercise, the Board believe that the risk in respect of People is currently heightened. The Board anticipates this risk to return to stable once her successor is appointed.

Financing ↓

There has been a reduction in the risk relating to Financing as the Company's bank facility has been extended on improved terms.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Accordingly, the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Company law also requires that the directors do not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the relevant period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS, as adopted by the European Union, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Company's financial statements, Article 4 of the International Accounting Standards Regulation (EC) No 1606/2002. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Having taken advice from the Audit Committee, the directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Each of the directors confirm that, to the best of their knowledge:

• the financial statements, which have been prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and

• the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board

Jeremy Tigue
Chairman

12 April 2019

Income statement (unaudited)

		Year to 31 January 2019			Year to 31 January 2018		
	Notes	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Investment returns							
Income, gains and losses on investments		5,753	85,769	91,522	22,257	60,124	82,381
Deposit interest		156	–	156	59	–	59
Other income		60	–	60	70	–	70
Foreign exchange gains and losses		–	938	938	–	826	826
		5,969	**86,707**	**92,676**	**22,386**	**60,950**	**83,336**
Expenses							
Investment management charges		(1,996)	(5,988)	(7,984)	(1,791)	(5,374)	(7,165)
Other expenses		(1,851)	(1,052)	(2,903)	(1,659)	(1,075)	(2,734)
		(3,847)	**(7,040)**	**(10,887)**	**(3,450)**	**(6,449)**	**(9,899)**
Profit before tax		**2,122**	**79,667**	**81,789**	**18,936**	**54,501**	**73,437**
Taxation		(260)	260	–	(2,435)	2,294	(141)
Profit for the year		**1,862**	**79,927**	**81,789**	**16,501**	**56,795**	**73,296**
Attributable to:							
Equity shareholders		**1,862**	**79,927**	**81,789**	**16,501**	**56,795**	**73,296**
Basic and diluted earnings per share	4			118.12p			105.56p

The columns headed 'Total' represent the income statement for the relevant financial years and the columns headed 'Revenue return' and 'Capital return' are supplementary information, in line with the

Statement of Recommended Practice for Financial Statements of Investment Trust Companies and Venture Capital Trusts issued by the Association of Investment Companies. There is no Other Comprehensive Income.

Balance sheet (unaudited)

	Notes	31 January 2019 £'000	31 January 2018 £'000
Non-current assets			
Investments held at fair value			
Unquoted investments		519,806	478,362
Quoted investments		1,655	1,733
Subsidiary investments		148,611	96,392
		670,072	**576,487**
Current assets			
Cash and cash equivalents		60,626	78,389
Receivables		548	10,410
		61,174	**88,799**
Current liabilities			
Payables		386	963
Net current assets		60,788	87,836
Total assets less current liabilities		**730,860**	**664,323**
Capital and reserves			
Share capital		7,292	7,292
Capital redemption reserve		2,112	2,112
Share premium		12,936	12,936
Capital reserve		708,520	630,738
Revenue reserve		–	11,245
Total equity		**730,860**	**664,323**
Net asset value per share (basic and diluted)	**6**	**1,056.5p**	**959.1p**

Cash flow statement (unaudited)

	Notes	Year to 31 January 2019 £'000	Year to 31 January 2018 £'000
Operating activities			
Sale of portfolio investments		135,461	160,712
Purchase of portfolio investments		(101,790)	(99,601)
Net cash flows to subsidiary investments[1]		(32,427)	(12,824)
Interest income received from portfolio investments		3,994	15,967
Dividend income received from portfolio investments		1,883	6,230
Other income received		216	129
Investment management charges paid		(7,956)	(7,090)
Other expenses paid		(1,749)	(1,456)
Net cash (outflow)/inflow from operating activities		**(2,368)**	**62,067**

Financing activities

Bank facility fee		(1,081)	(1,320)
Purchase of shares into treasury		(709)	(7,810)
Equity dividends paid	5	(14,543)	(13,896)
Net cash outflow from financing activities		**(16,333)**	**(23,026)**
Net (decrease)/increase in cash and cash equivalents		**(18,701)**	**39,041**
Cash and cash equivalents at beginning of year		78,389	38,522
Net (decrease)/increase in cash and cash equivalents		(18,701)	39,041
Effect of changes in foreign exchange rates		938	826
Cash and cash equivalents at end of year		**60,626**	**78,389**

[1] Note that cash flows from investments in subsidiaries were included within sales of portfolio investments in the 2018 Annual Report. These cash flows are now shown separately within net cash flows to subsidiary investments.

Statement of changes in equity (unaudited)

Company	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Realised capital reserve £'000	Unrealised capital reserve £'000	Revenue reserve £'000	Total shareholders' equity £'000
Year to 31 January 2019							
Opening balance at 1 February 2018	7,292	2,112	12,936	313,550	317,188	11,245	664,323
Profit for the year and total comprehensive income	–	–	–	37,227	42,700	1,862	81,789
Dividends paid or approved	–	–	–	(1,436)	–	(13,107)	(14,543)
Purchase of shares into treasury	–	–	–	(709)	–	–	(709)
Closing balance at 31 January 2019	**7,292**	**2,112**	**12,936**	**348,632**	**359,888**	**–**	**730,860**

Company	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Realised capital reserve £'000	Unrealised capital reserve £'000	Revenue reserve £'000	Total shareholders' equity £'000
Year to 31 January 2018							
Opening balance at 1 February 2017	7,292	2,112	12,936	355,946	225,807	8,640	612,733
Profit for the year and total comprehensive income	–	–	–	(34,586)	91,381	16,501	73,296
Dividends paid or approved	–	–	–	–	–	(13,896)	(13,896)
Purchase of shares into treasury	–	–	–	(7,810)	–	–	(7,810)
Closing balance at 31 January 2018	**7,292**	**2,112**	**12,936**	**313,550**	**317,188**	**11,245**	**664,323**

Notes to the financial statements (unaudited)

1) General information

These financial statements relate to ICG Enterprise Trust plc ("the Company"). ICG Enterprise Trust plc 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 financial report

This 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 2018 were approved by the Board of Directors on 15 May 2018 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.

Statutory accounts for the year to 31 January 2019 will be delivered to the Registrar of Companies following the Company's Annual General Meeting which will be held at The Exhibition Room, Goldsmiths' Hall at 3.00pm on 27 June 2019.

The financial information for the year ended 31 January 2019 has been prepared in accordance with the Companies Act 2006 as applicable to companies using International Financial Reporting Standards ("IFRS") and the Statement of Recommended Practice ("SORP") as amended in November 2014 and updated in February 2018 with consequential amendments issued by the Association of Investment Companies.

3) Basis of preparation

IFRS comprises standards and interpretations approved by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee as adopted in the European Union as at 31 January 2019.

These financial statements have been prepared on a going concern basis and on the historical cost basis of accounting, modified for the revaluation of certain assets at fair value.

The principal accounting policies adopted are set out below. These policies have been applied consistently throughout the current and prior year. In order to reflect the activities of an investment trust company, supplementary information which analyses the income statement between items of 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 SORP as follows:

- Capital gains and losses on investments sold and on investments held arising on the revaluation or disposal of investments classified as held at fair value through profit or loss should be shown in the capital column of the income statement.
- Returns on any share or debt security for a fixed amount (whether in respect of dividends, interest or otherwise) should be shown in the revenue column of the income statement.
- The Board should determine whether the indirect costs of generating capital gains should also be shown in the capital column of the income statement. If the Board decides that this should be so, the management fee should be allocated between revenue and capital in accordance with the Board's expected long term split of returns, and other expenses should be charged to capital only to the extent that a clear connection with the maintenance or enhancement of the value of investments can be demonstrated.

The accounting policy regarding the allocation of expenses is set out in note 1(i).

In accordance with IFRS 10 (amended), the Company is deemed to be an investment entity on the basis that:

(a) it obtains funds from one or more investors for the purpose of providing investors with investment management services;

(b) it commits to its investors that its business purpose is to invest funds for both returns from capital appreciation and, investment income; and
(c) it measures and evaluates the performance of substantially all of its investments on a fair value basis.

As a result, the Company's subsidiaries are deemed to be investment entities and are included in subsidiary investments classified as held at fair value through profit or loss.

Investments

All investments are designated upon initial recognition as held at fair value through profit or loss (described in these financial statements as investments held at fair value) and are measured at subsequent reporting dates at fair value. Changes in the value of all investments held at fair value, which include returns on those investments such as dividends and interest, are recognised in the income statement and are allocated to the revenue column or the capital column in accordance with the SORP (see note 1(a)). More detail on certain categories of investment is set out below. Given that the subsidiaries and associates are held at fair value and are exposed to materially similar risks as the Company, we do not expect the risks to materially differ from those disclosed in the Annual Report.

Unquoted investments

Fair value for unquoted investments is established by using various valuation techniques.

Funds and co-investments are valued at the underlying investment manager's valuation where this is consistent with the requirement to use fair value.

Where this is not the case, adjustments are made or alternative methods are used as appropriate. The most common reason for adjustments is to take account of events occurring after the date of the manager's valuation, such as realisations.

The fair value of direct unquoted investments is calculated in accordance with the 2018 International Private Equity and Venture Capital Valuation Guidelines. The primary valuation methodology used is an earnings multiple methodology, with other methodologies used where they are more appropriate.

Quoted investments

Quoted investments are held at the last traded bid price on the balance sheet date. When a purchase or sale is made under contract, the terms of which require delivery within the timeframe of the relevant market, the contract is reflected on the trade date.

Subsidiary undertakings

The investments in the subsidiaries are recognised at fair value through profit and loss.

The valuation of the subsidiaries takes into account an accrual for the estimated value of interests in the co-investment incentive scheme. Under these arrangements, ICG and certain of its executives and, in respect of certain historic investments, the executives and connected parties of Graphite Capital Management LLP (the "Former Manager") (together "the Co-investors"), are required to co-invest alongside the Company, for which they are entitled to a share of investment profits if certain performance hurdles are met. These arrangements are discussed further in the Report of the Directors. At 31 January 2019, the accrual was estimated as the theoretical value of the interests if the portfolio had been sold at the carrying value at that date.

Associates

Investments which fall within the definition of an associate under IAS 28 (Investments in associates) are accounted for as investments held at fair value through profit or loss, as permitted by that standard.

The Company holds an interest (including indirectly through its subsidiaries) of more than 20% in a small number of investments that may normally be classified as subsidiaries or associates. These investments are not considered subsidiaries or associates as the Company does not exert control or significant influence over the activities of these companies/partnerships as they are managed by other third parties.

4) Earnings per share

	Year ended	Year ended

	31 January 2019	31 January 2018
Revenue return per ordinary share	**2.69p**	23.76p
Capital return per ordinary share	**115.43p**	81.80p
Earnings per ordinary share (basic and diluted)	**118.12p**	105.56p

Revenue return per ordinary share is calculated by dividing the revenue return attributable to equity shareholders of £1.9m (2018: £16.5m) by the weighted average number of ordinary shares outstanding during the year.

Capital return per ordinary share is calculated by dividing the capital return attributable to equity shareholders of £79.9m (2018: £56.8m) by the weighted average number of ordinary shares outstanding during the year.

Basic and diluted earnings per ordinary share are calculated by dividing the earnings attributable to equity shareholders £81.8m (2018: £73.3m) by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of ordinary shares outstanding (excluding those held in treasury) during the year was 69,243,466 (2018: 69,435,737). There were no potentially dilutive shares, such as options or warrants, in either year.

5) Dividends

	Year ended 31 January 2019 £'000	Year ended 31 January 2018 £'000
Second interim dividend in respect of year ended 31 January 2018 of 5.0p (Prior year: interim dividend 10.0p) per share	3,463	6,936
Final dividend in respect of year ended 31 January 2018 of 6.0p (Prior year: 10.0p) per share	4,156	6,960
First quarterly dividend in respect of year ended 31 January 2019 of 5.0p per share	3,463	–
Second quarterly dividend in respect of year ended 31 January 2019 of 5.0p per share	3,461	–
Total	14,543	13,896

The Company paid a third quarterly dividend of 5.0p per share in March 2019. The Board has proposed a final dividend of 7.0p per share (totalling £4,840,644) in respect of the year ended 31 January 2019 which, if approved by shareholders, will be paid on 26 July 2019, to shareholders on the register of members at the close of business on 5 July 2019.

6) Net asset value per share

The net asset value per share is calculated as the net assets attributable to shareholders of £730.9m (2018: £664.3m) and on 69,177,055 (2018: 69,262,055) ordinary shares in issue at the year end. There were no potentially dilutive ordinary shares, such as options or warrants, at either year end. Calculated on both the basic and diluted basis the net asset value per share was 1,056.5p (2018: 959.1p).

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.

Buyout funds are funds that acquire controlling interests in companies with a view towards later selling those companies or taking them public.

Compound Annual Growth Rate ("CAGR") represents the annual growth rate of an investment over a specified period of time longer than one year.

Carried interest is equivalent to a performance fee. This represents a share of the profits that will accrue to the underlying private equity managers, after achievement of an agreed preferred return.

Co-investment is a direct investment in a company alongside a private equity fund.

Co-investment incentive scheme accrual represents the estimated value of interests in the co-investment incentive scheme operated by the Company. At both 31 January 2019 and 31 January 2018, the accrual was estimated as the theoretical value of the interests if the Portfolio had been sold at its carrying value at those dates.

Commitment represents the amount of capital that each limited partner agrees to contribute to the fund which can be drawn at the discretion of the general partner.

Discount arises when the investment trust shares trade at a discount to NAV. In this circumstance, the price that an investor pays or receives for a share would be less than the value attributable to it by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV. For example, if the NAV was 100p and the share price was 90p, the discount would be 10%.

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 performance 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 platform investments under the terms of their fund agreements, usually up to five years after the initial commitment.

General Partner ("GP") is the entity managing a private equity fund that has been established as a limited partnership. This is commonly referred to as the Manager.

Hedging is an investment technique designed to offset a potential loss on one investment by purchasing a second investment that is expected to perform in the opposite way.

High conviction portfolio comprises co-investments, ICG managed funds and secondary fund investments.

Initial Public Offering ("IPO") is an offering by a company of its share capital to the public with a view to seeking an admission of its shares to a recognised stock exchange.

Internal Rate of Return ("IRR") is a measure of the rate of return received by an investor in a fund. It is calculated from cash drawn from and returned to the investor together with the residual value of the investment.

Last Twelve Months ("LTM") refers to the time frame of the immediately preceding 12 months in reference to a financial metric used to evaluate the Company's performance.

Limited Partner ("LP") is an institution or individual who commits capital to a private equity fund established as a limited partnership. These funds are generally protected from legal actions and any losses beyond the original investment.

Limited Partnership includes one or more general partners, who have responsibility for managing the business of the partnership and have unlimited liability, and one or more limited partners, who do not participate in the operation of the partnership and whose liability is ordinarily capped at their capital and loan contribution to the partnership. In typical fund structures, the general partner receives a priority profit share ahead of distributions to limited partners.

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

Management Buyin ("MBI") is a change of ownership, where an incoming management team raises financial backing, normally a mix of equity and debt, to acquire a business.

Management Buyout ("MBO") is a change of ownership, where the incumbent management team raises financial backing, normally a mix of equity and debt, to acquire a business it manages.

Net asset value per share ("NAV") is the value of the Company's net assets attributable to one ordinary share. It is calculated by dividing "shareholders' funds" by the total number of ordinary shares in issue. Shareholders' funds are calculated by deducting current and long-term liabilities, and any provision for liabilities and charges, from the Company's total assets.

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 refers to where private equity fund investors make commitments exceeding the amount of cash immediately available for investment. 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 represents the aggregate of the investment Portfolios of the Company and of its subsidiary limited partnerships. This 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 January 2019	**670.1**	**–**	**–**	**24.7**	**694.8**
31 January 2018	576.5	–	1.7	22.5	600.7

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.

Preferred return is the preferential rate of return on an individual investment or a portfolio of investments, which is typically 8% per annum.

Premium occurs when the share price is higher than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets.

Public to private ("P2P") is the purchase of all of a listed company's shares using a special-purpose vehicle funded with a mixture of debt and unquoted equity.

Quoted company is any company whose shares are listed or traded on a recognised stock exchange.

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.

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 valuation gains in the reporting period in certain instances due to timing differences.

Secondary investments occur when a Company purchases existing private equity fund interests and commitments from an investor seeking liquidity.

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.

The table below sets 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 a Total Return basis.

Total Return performance in years to 31 January 2019	**1 year**	**3 year**	**5 year**	**10 year***
Net asset value per share	12.4%	53.7%	74.7%	172.9%
Share price	3.0%	62.8%	67.2%	431.1%
FTSE All-Share Index	-3.8%	28.5%	31.2%	148.3%

* As the Company changed its year end in 2010, the ten year figures are for the 121 month period to 31 January 2019.

Undrawn commitments are commitments that have not yet been drawn down

Unquoted company is any company whose shares are not listed or traded on a recognised stock exchange.

Valuation multiples are earnings or revenue multiples applied in valuing a business enterprise

Venture capital refers to investing in companies at a point in that company's life cycle that is either at the concept, start-up or early stage of development.