Private Equity
Capital Markets Seminar

15 June 2015

Simon Borrows, Chief Executive

Agenda

08.30 for 09.00	Registration and coffee
09.00 to 09.10	**Introduction** by Simon Borrows
09.10 to 10.10	**Scandlines** ▪ Introduction by Peter Wirtz ▪ Presentation by Steve Ridgway, Chairman and Per Madsen, CFO of Scandlines ▪ Q&A session
10.10 to 10.40	Coffee break
10.40 to 11.40	**Basic-Fit** ▪ Introduction by Pieter de Jong ▪ Presentation by Rene Moos, CEO of Basic-Fit ▪ Q&A session
11.40 to 11.45	**Closing remarks**

FY 2015 – stronger and more resilient with good momentum across the group

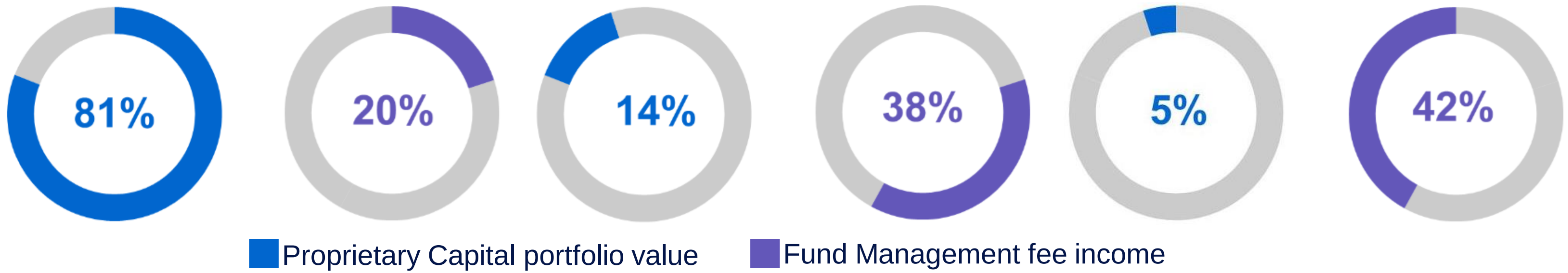
Group	Total return on equity of **20%** NAV of 396p/share (2014: 348p)	AUM of **£13.5bn** Up 4% from last year	**£28m** operating cash profit Up from £5m last year
Business lines	**Private Equity** **£831m** realisation proceeds **£369m** cash invested	**Infrastructure** **20%** gross investment return **£47m** cash income	**Debt Management** **£2.4bn** new AUM raised **£34m** fee income

Our business model – Private Equity drives capital returns

Private Equity

Infrastructure

Debt Management



Private Equity	Infrastructure	Debt Management
Employs the majority of 3i's proprietary capital	**Increasingly a third-party fund management business**	**Primary driver of third-party fund management business**

Total AUM of £13.5bn and Proprietary Capital of £3.9bn at 31 March 2015

Our strategy in Private Equity

- **Clear geographic and sector focus**
  - UK, northern Europe and north America
  - industrials, consumer and business services
- **Strict return and pricing filters**
  - 2x return target over 3-5 years
  - opportunity to exceed that from bucket 1 assets
- **Value creation through earnings growth**
  - leverage network to implement growth strategies through internationalisation/M&A
  - double earnings through holding period

Capable of generating material investment returns from good origination, asset management and well planned exits

An increasingly valuable Private Equity portfolio

	The buckets	Selected examples	% of value FY2015	% of value FY2014
1	**Longer-term hold and value creation**	Action, Element, **Basic-Fit**, **Scandlines**	c. 60%	c. 42%
2	**Strong performers; position for sale over the next few years**	Hilite, Vedici, LHI, Dynatect	c. 15%	c. 30%
3	**Manage intensively; potential value upside**	Azelis, Mémora, OneMed	c. 15%	c. 26%
4	**Low or nil-valued assets**	Boomerang, Indiareit, Nimbus	c. 1%	c. 2%
5	**Quoted assets**	Quintiles, Refresco, Eltel	c. 9%	n/a

Strong 19% weighted average earnings growth driven by buckets 1 and 2

An introduction to Scandlines

Peter Wirtz
Partner, 3i Private Equity

3i has a successful track record in Germany and the Nordic region

3i can deploy cross-border teams to source and manage international investments. Our Scandlines team draws from the expertise of our Frankfurt and Stockholm offices

- **Frankfurt office since 1984**
  - 8 investment professionals
  - c.€2.2bn of equity invested since 2001
  - Assets account for >20% of the current private equity portfolio
- **Stockholm office since 2001**
  - 5 investment professionals
  - c.€2.3bn of equity invested since establishment

Structure of 3i's investment

- **2007**: 3i (Eurofund V), ACP and Deutsche Seerederei (DSR) purchase Scandlines from Deutsche Bahn and the Danish government
- **2010**: 3i and ACP buy out DSR's holding
- **2013**: 3i purchases ACP's 49% holding as a follow-on
- Eurofund V currently holds 96% of the business; balance held by management team

3i's direct holding, as at 31 March 2015

- Direct holding: 55%; value: £262m
- Total cost/residual cost: £140m/£114m

Scandlines is a large ferry operator in the Baltic Sea

- Two high-frequency, large capacity routes between Germany and Denmark
  - Rødby – Puttgarden
  - Gedser – Rostock
- Two land-based retail shops
  - Puttgarden
  - Rostock
- Three ports under full onership
- Revenues of €445m in FY2014*

* Excluding discontinued business

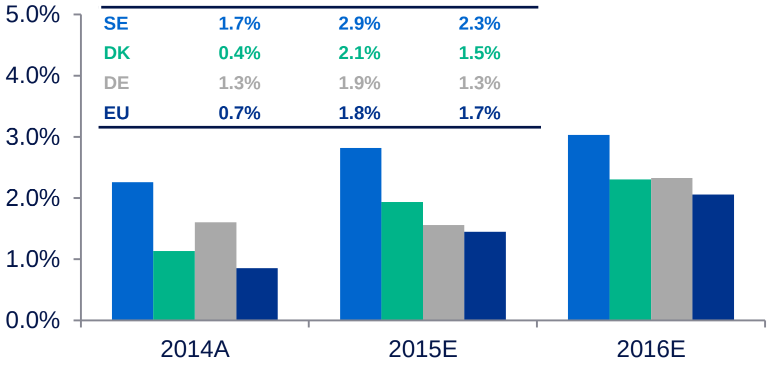
Why did we invest in Scandlines?

- Opportunity to capitalise on strong position in a stable market, with good cash generation
- Clear value creation levers
  - fixed cost reductions by eliminating double functions in Denmark/Germany
  - leverage strong market position to drive positive like-for-like volume growth on all routes
  - divestment of non-core businesses
- Position Scandlines as an attractive investment for infrastructure investors

Scandlines operates in stable and resilient markets

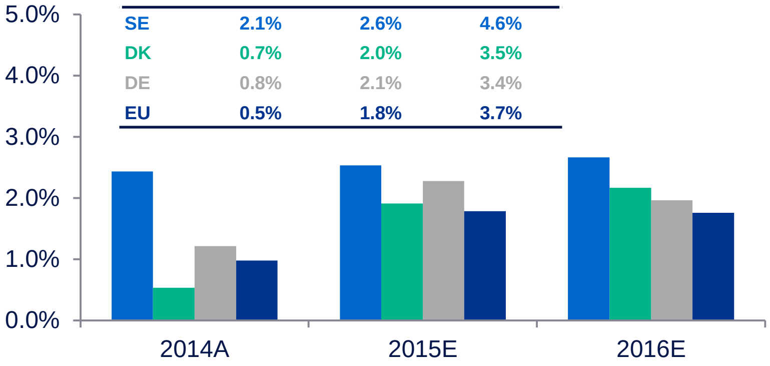
Real GDP growth (y-o-y change in %)

CAGR:	'04-14A	'14-16E	'16-19E
SE	1.7%	2.9%	2.3%
DK	0.4%	2.1%	1.5%
DE	1.3%	1.9%	1.3%
EU	0.7%	1.8%	1.7%

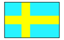


Consumer expenditures (y-o-y change in %)

CAGR:	'04-14A	'14-16E	'16-19E
SE	2.1%	2.6%	4.6%
DK	0.7%	2.0%	3.5%
DE	0.8%	2.1%	3.4%
EU	0.5%	1.8%	3.7%



Macroeconomic summary

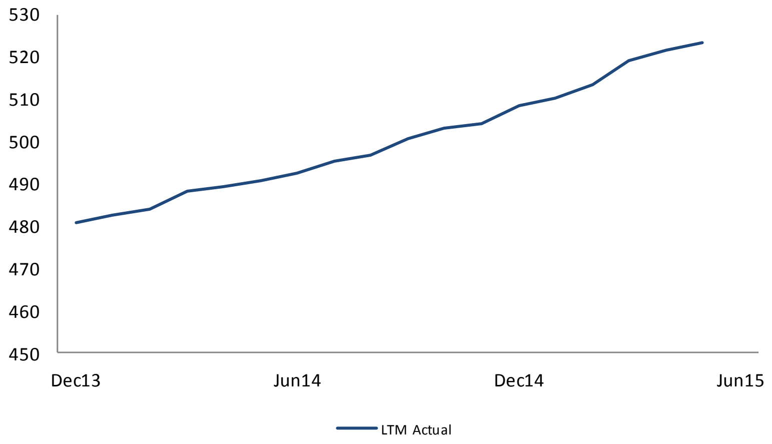
Country	GDP per capita CAGR '12-14A	GDP per capita 2014 A(US$)	Consumer confidence 2014A	Unemployment rate 2014A	Inflation (y-o-y change) 2014A	Inflation (y-o-y change) 2016E	Government bond yield 10 years	Country rating Moody's / Fitch	Import / Export CAGR '12-16E
	2.2%	45,813	High	7.9%	(0.2%)	1.4%	1.81%	Aaa / AAA	4.0% / 3.2%
	1.2%	44,631	High	6.5%	0.6%	1.2%	1.75%	Aaa / AAA	3.2% / 2.8%
	1.7%	44,190	High	5.0%	0.8%	1.8%	1.39%	Aaa / AAA	4.5% / 3.6%

Source: OECD Economic Outlook (June 2015), Euromonitor, FactSet (as of 12 June 2015)
Note Forecasts 2014-16E based on OECD, 2016-19E based on Euromonitor

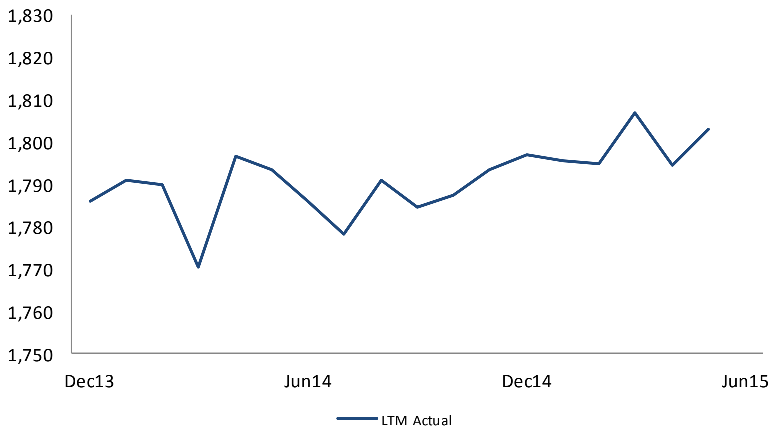
Performance trends and underlying drivers

Volume trends are positive

Cargo volumes (k) LTM (all routes)



Car volumes (k) LTM (all routes)



- Continuous strong volume growth
- Volume growth driven by GDP and intra-European trade; has outgrown GDP growth by 2-3x

- Stable volumes over recent years
- Yield management strategy

Performance trends and underlying drivers

Disposal of Joint Venture on Helsingor-Helsingborg route

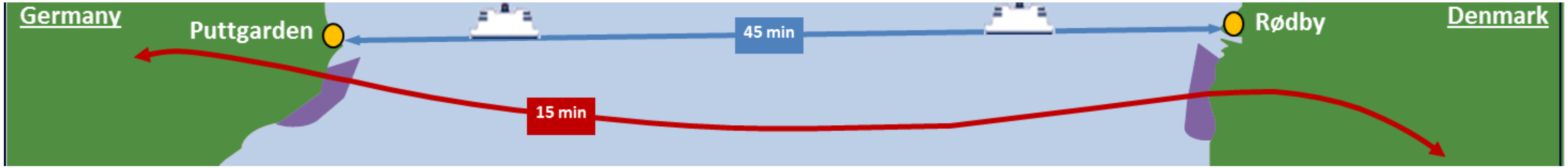
- Scandlines operated the HeHe route in a joint venture (50/50) with Stena Line Oresund AB since 2000
- The JV set-up was sub-optimal, and made the achievement of significant cost and revenue synergies challenging

Disposal of JV

- Took advantage of strong market conditions in the infrastructure market to agree sale to First State Investments
- Following bilateral discussions, Scandlines and its JV partners Stena Lines signed and closed a 100% disposal of the business in January 2015

- Achievements:
  - valuation >10x EV/EBITDA
  - resolved complex JV set-up, resulting in a “cleaner”, more digestible asset
  - amendment of debt package in parallel
  - proceeds to 3i of c.£47m

Fehrmarn Belt Fixed Link



- **Agreement between Germany and Denmark to build the Fehrmarn Belt Fixed Link reached in 2008**
- **Substantial infrastructure project**
  - investment of c.€8-9bn on the Danish side
  - additional investment of c.€2bn on the German side
- **High complexity**
  - co-ordination between multiple stakeholders
  - technically complex – largest immersed tunnel in the world
- **Official timetable postponed twice**
  - initially from 2018 to 2021
  - currently awaiting new timetable, but recent comments from politicians suggest an opening in 2024 at the earliest

Steve B. Ridgway

Chairman, Scandlines

- 30 years of experience with Virgin Atlantic, including as CEO between 2001 and 2013

- Valuable contribution to developing Scandlines' strategic yield management, as well as its retail and catering services, on-board and in its land-based retail shops

- Strong engagement with 3i and the Scandlines management team

Appointed in January 2014, following 3i's acquisition of ACP's stake

Per Madsen

CFO, Scandlines

- Joined Scandlines in August 2012 as CFO
- Previously worked as CFO of Copenhagen Airport and held senior positions at The Coca Cola Company
- Holds a master´s degree in auditing and accounting from Copenhagen Business School
- >25 years of business experience

Introduction to Scandlines

Steve Ridgway, Chairman and Per Madsen, CFO

June 2015

THERE IS SOMETHING ABOUT SAILING

Scandlines

Scandlines

‘Clear progress by driving operational excellence’

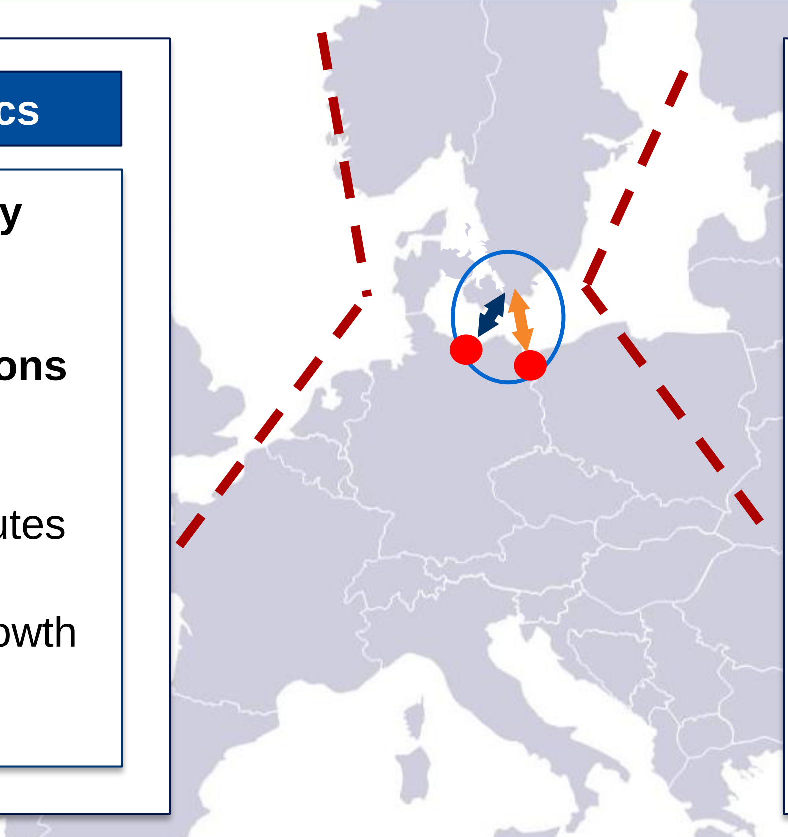
Agenda:

1. Scandlines is a focused, short sea route specialist
2. Our onwards journey – creating further value
3. How to compete against a fixed link on Fehmarn Belt

Scandlines is the essential connection between Scandinavia and Continental Europe – route of choice for cars and freight

Market dynamics

- **Situated uniquely** bridging **some of Europe's most prosperous regions**
- Compete against **longer and less frequent** ferry routes and a fixed link
- **Stable** market growth



Puttgarden-Rødby

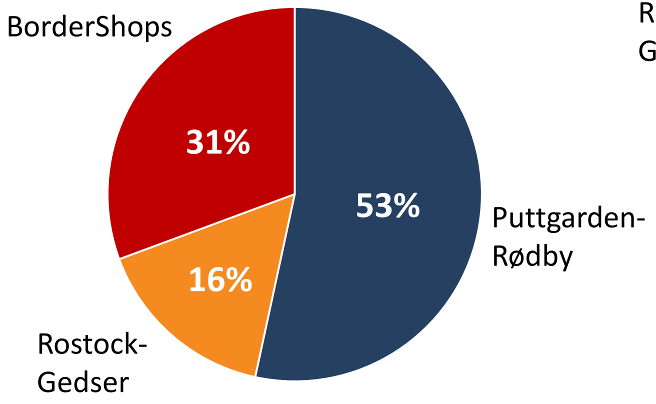
Rostock-Gedser

BorderShops

- 8 million customers
- 2 short sea routes
- Operate 7 ferries
- Own 3 ports
- Own 2 border shops
- 1.500 employees

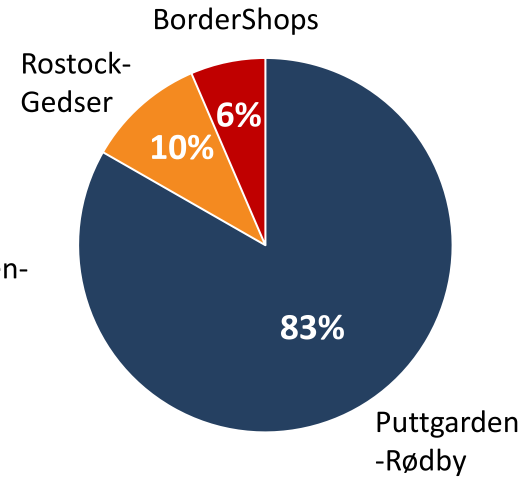
While Puttgarden–Rødby route is the largest financial contributor, earnings are split between different customer segments

Revenue split by route



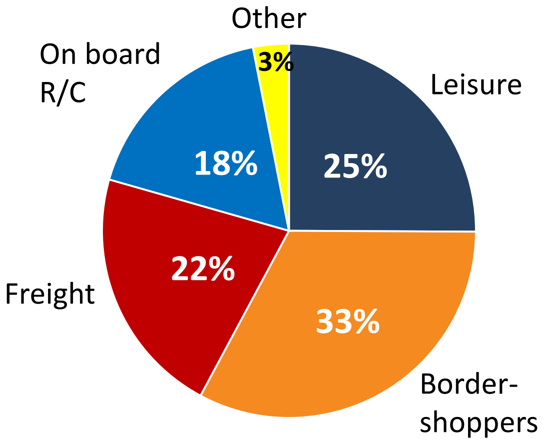
2014A: €445m*

EBITDA split by route



2014A: €138m*

Revenue split by segment



2014A: €445m*

Note: 2014 numbers exclude discontinued business

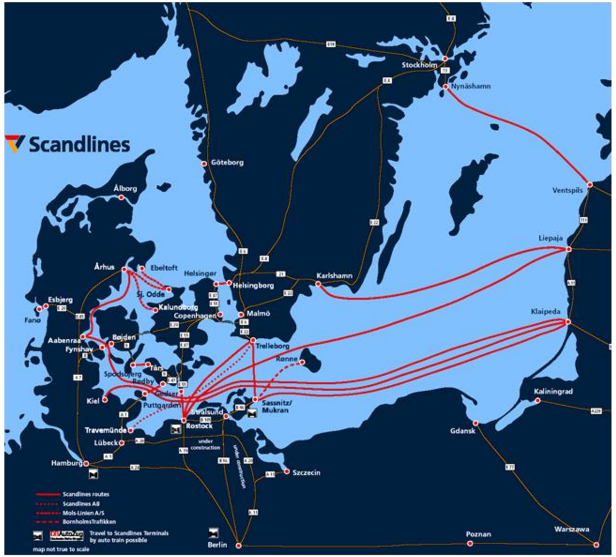
Scandlines 2006 – an unfocused state-owned company with multiple businesses (20 routes in total)

30% stake in listed ferryCo

Denmark domestic ferries

DE-DK short sea routes

BorderShop Puttgarden



Baltic freight routes

Buildings and parking lots

JV stake in DK-SE short sea route

Scandlines 2015 – a focused short sea route specialist (2 routes in total)

30 % stake in listed ferryCo

Baltic freight routes

Denmark domestic ferries

Buildings and parking lots

DE-DK short sea routes

BorderShop Puttgarden

BorderShop Rostock

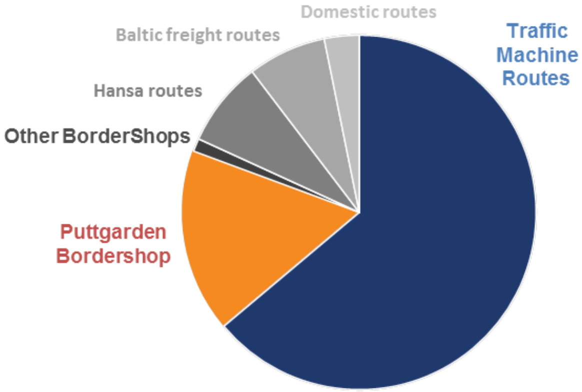
JV stake in DK-SE short sea route

Scandlines is a more profitable business today despite sale of a large proportion of activities since 2006

From a state-owned company with multiple businesses…

…to a short sea specialist with focus on the most attractive routes

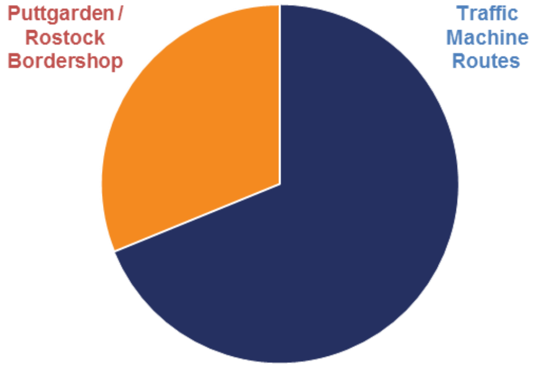
Revenue split 2006



Total revenue (2006):	€546m
Total EBITDA (2006):	€131m
# of routes (2006)	20 routes

Revenue split 2014

(excluding discontinued DK-SE JV)



Total revenues (2014):	€445m*
Total EBITDA (2014):	€138m*
# of routes (2014)	2 routes*

Note: 2014 numbers exclude discontinued business

Clear focus on 3 types of customers

Leisure travelers – stable and predictable

- 30-35% of revenue
- Seasonal holiday traffic with large degree of predictability
- Typically 35-55 years old and above average disposable income

Clear focus on 3 types of customers

Shoppers – optimising asset base

- 35-40% of revenue
- Generate traffic year round
- 50-60% price advantage to domestic SE/DK market
- Puttgarden is one of the world's largest border shops

Clear focus on 3 types of customers

Freight – high growth potential

- ~25% of revenue
- Economic demand
- Customers are commercial decision makers
- Scandlines in strong position to gain market share

5.9% vol growth 2014

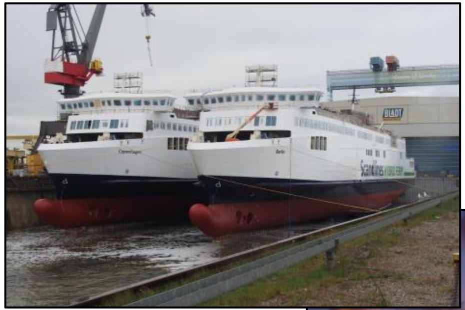
A well invested asset base – modern fleet on Puttgarden-Rødby and new vessels to be introduced on Rostock-Gedser this year

Puttgarden-Rødby

- 4 double ended hybrid ferries from 1997 with at least 20 year lifetime left
- Commercial areas fully refurbished 2011-2015

Rostock-Gedser

- 2 new vessels to replace current ones in 2015
- Harbours fully upgraded in 2012 (new check-in, marshalling area and ramps)

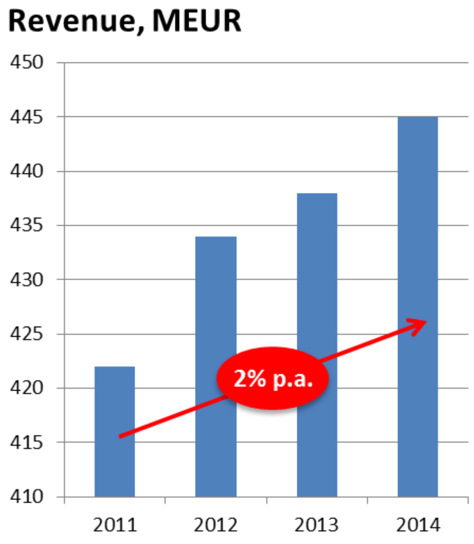


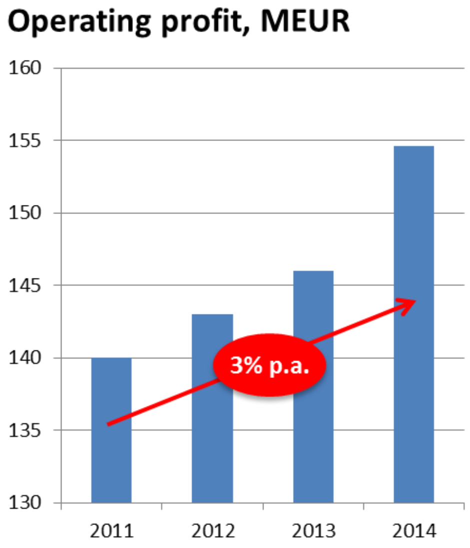
Scandlines is a resilient and cash generative business – stable revenue development combined with improved operating margins

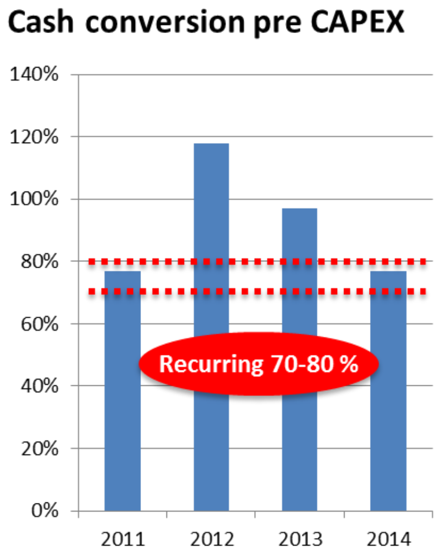
Consistent annual revenue growth – 2% p.a. on average …

… with improvement in operating margin – profit growth of 3% p.a. on average

… combined with a cash generative business model







Note: Development of continuing business

Agenda:

1 Scandlines is a focused, short sea route specialist

2 Our onwards journey – creating further value

3 How to compete against a fixed link on Fehmarn Belt

Our onwards journey – executing a clear strategy

2007-2013	2013-
Restructuring	**Set a clear strategy for growth**

- Become a focused short sea route operator – sale of adjacent business areas
- Improve internal processes, market understanding and data quality
- Secure a well invested asset base

- Develop growth strategy
- Execute on key strategic projects

A clear strategy focused on four key themes

5 year strategic themes:	Customer focus			Cost focus
	1 **Leisure:** Capture moderate growth	2 **Freight:** Continued strong growth	3 Lead **environ-mental change** in the Baltic Sea	4 Business **efficiency**

Clear set of projects in place to achieve strategy

- **SMILE loyalty programme**
- **Green investment roadmap**
- **Introduce new vessels on Rostock-Gedser**
- **Increase business efficiency**

SMILE – capturing loyalty

Target: Increase revenue

Improve sales efficiency, cross selling and upselling	Increase basket size, frequency and volume

- From mass marketing to direct communication
- SMILE customer programme launched June 2014
- 140,000 member database in less than a year

Lead environmental change – a clear commercial benefit

Being at the forefront creates several benefits

Cost savings	▪ **Positive business case** (from 0.5 to 5 years payback) – fuel efficiency and lower maintenance ▪ We have been able to better adjust to new sulphur regulations
Brand value	▪ Generates **large interest and positive feedback** from customers and employees ▪ **High profile – articles in printed media** and **television coverage** on hybrid ferry investment ▪ Growing political awareness of ferries' environmental potential
Funding	▪ **Funding available** ▪ Pilot action funding achieved on largest investment (50% EU funding)

Prinsesse Benedikte – the world's largest hybrid ferry

Built in 1997, hybrid since August 2013

Co-financed by the European Union
Trans-European Transport Network (TEN-T)

THERE IS SOMETHING ABOUT SAILING

Scandlines

Clear green investment roadmap providing commercial benefits

Today — **Hybrid Ferries**

Diesel generator

Battery bank

2015-2017 — **Plugin Hybrid Ferries**

Diesel generator

Battery bank

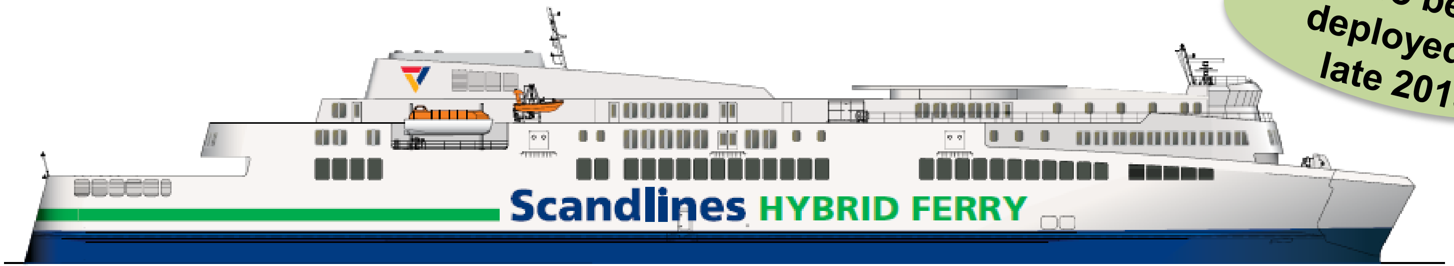
Charging in harbour

2018- — **Zero Emission Ferries**

Charging in harbour

3-4 battery banks

New vessels for Rostock-Gedser to capture growth



To be deployed in late 2015

Capture market growth and gain market share

- Rostock-Gedser **offers largest growth potential** covering central and eastern European corridors – especially for freight
- **Removal of current capacity constraint**
- **Improved customer experience**

Increased business efficiency

- **Replacement** of 35 year old vessels
- Double up on **capacity**
- **Lower cost base** – smaller crew, increased fuel efficiency and lower maintenance

Increase business efficiency by reducing inherited complexity

Adjustment of land-based headcount

- Legacy setup with two equally large headquarters
- A much simpler business today
- From develop to maintain

Agenda:

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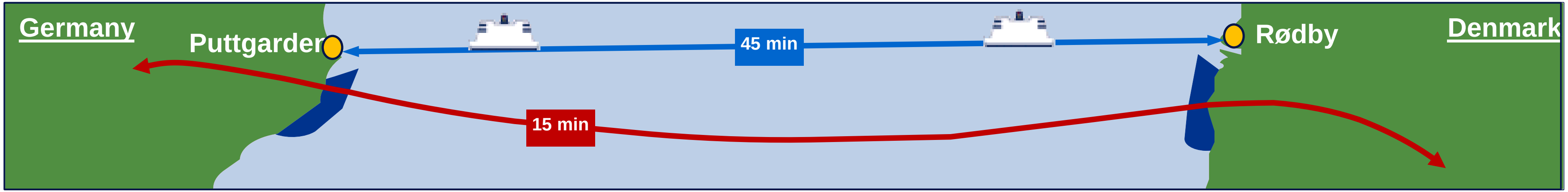
A fixed link is planned next to the Puttgarden-Rødby service – opening date still uncertain



Project history

- **In 2008 Germany and Denmark reached agreement** to build the Fehmarn Belt Fixed Link
- **Largest Danish infrastructure project requiring €8-9bn** investment on the Danish side and additional €2bn on the German side
- **Highly complex project – multiple stakeholders in Denmark and Germany** and **technically challenging – longest immersed tunnel in the world**
- **The official timetable has already been postponed twice** in the past, initially from 2018 to 2021 and while we are awaiting a new timetable, politicians are now expecting an opening earliest in 2024

A fixed link will impact our business – but a viable case for competing

Scandlines is increasingly well prepared

Scalable cost structure	▪ **From full service provider to low cost provider** ▪ **Ability to tailor schedule to demand** – i.e. lower number of departures from 34,000 to 24,000 offering high frequency in peak hours only
Focus on price sensitive customers	▪ **Freight** – cost focused and achieve mandatory resting break ▪ **Border shopping** – we market this product and it is all about savings ▪ **Leisure** – 20-30% of these customers are price sensitive
Legal case against tunnel	▪ **Ensure that state aided fixed link does not misuse EU funding and state aid to drive out competition** ▪ **5 separate EU state aid complaints filed against project**

Outlook 2015 – continued stable growth combined with impact of strategic projects

Historic - 2011-2014	2015E
▪ Revenue: 2 % p.a. ▪ Operating profit: 3 % p.a.	▪ Revenue: 3-5 % ▪ Operating profit: 3-5 %

Conclusion – Scandlines continues to be an attractive investment

- **Well established infrastructure business in stable market**
  - **Unique position**
  - **Strong financials**
  - **Well invested asset base**
- **Clear strategy in place to create further value**
  - **Customer loyalty, green investments, new vessels and increased business efficiency**
- **Well prepared for tunnel competition**
- **Outlook from historic 2-3 % to 3-5 % growth**

Scandlines

‘Clear progress by driving operational excellence’

Basic-Fit

Pieter de Jong

Partner, Managing Director, 3i Benelux

3i has a successful track record in the Benelux

Amsterdam office since 1998

- **Amsterdam office since 1998**
- Invested >€1.3bn of equity; >40% IRR since 2001 on 16 investments
- Eight investment professionals

Selected Benelux investments

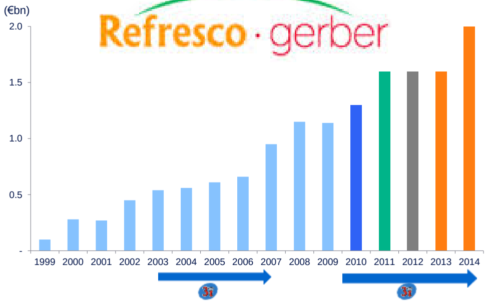
ACTION
Refresco · gerber
BASIC-FIT
ABX LOGISTICS
DOCKWISE
HYVA
EURO-DIESEL we secure your power
De Telefoongids
element™

3i's investment strategy is to grow successful companies internationally, leveraging on the international growth experience. Basic-Fit lies in the sweet-spot.

BASIC-FIT

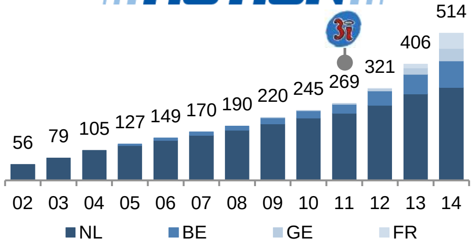
Current Benelux consumer portfolio evidence strategy

Leading European bottler of soft drinks and fruit juices



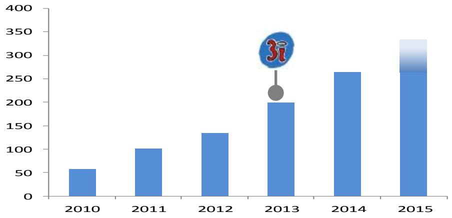
€25m to €2,000m sales in 16 years in low growth industry

Leading European non-food discount stores



Winning Benelux format – now winning internationally

Leading European budget gym operator



Winning Dutch format – now winning internationally

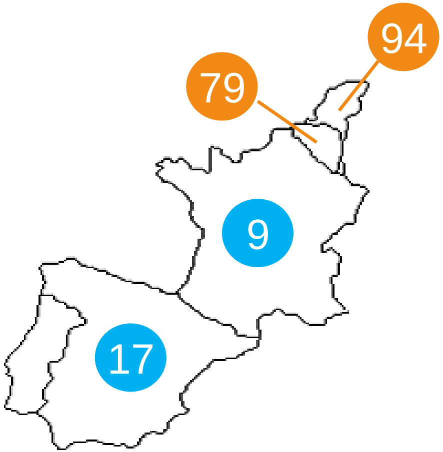
2010

2011

2013

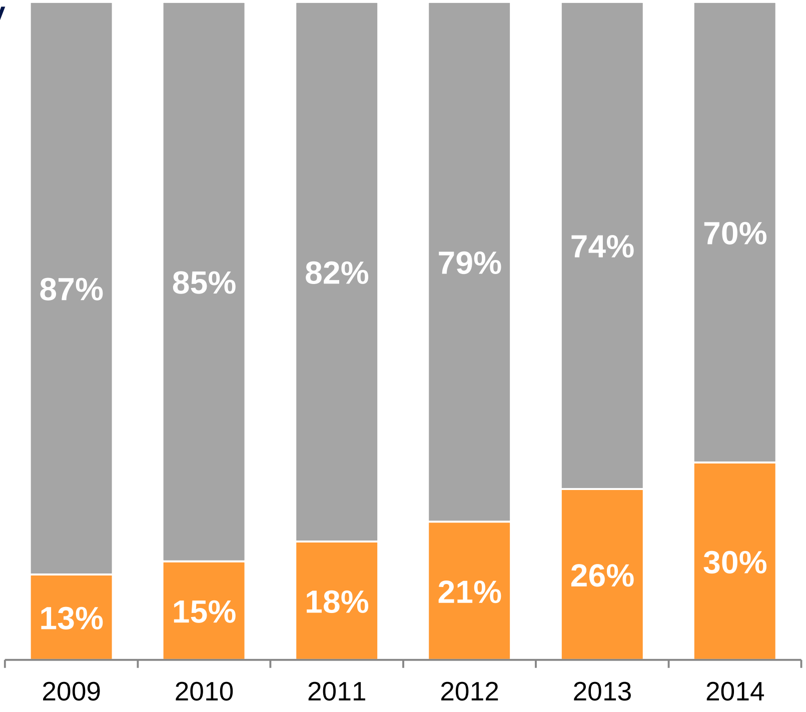
Basic-Fit at the time of investment

- Fast growing budget gym operator with a strong value proposition
- Growing Basic Fit presence in Benelux, and some clubs in France and Spain
- 199 clubs at time of investment
- Company in transition
- Strong growth ambitions of management



Basic-Fit operates in an attractive market

- Seamless fit with our investment strategy
- Clear evidence of growing budget fitness markets in Netherlands and Belgium
- Growth is driven by 2 consumer trends:
  - Lifestyle and well-being
  - Polarisation
- Fragmented industry in target markets
- Improvement potential



Budget segment share, NL

3i key differentiators enabled us to unlock the deal

- Local team gained access
  - Team had tracked competitors since 2008
  - We knew the situation of the shareholder base
  - Developed strong relationship with management
  - Led to exclusive due diligence period
- Clear investment strategy
  - Looking for opportunities in “value” segment
  - Track record as an international growth investor
- International network
  - Local support in Belgium, France and Spain
  - Ronald van der Vis introduced via the 3i BLN as Chairman

BASIC-FIT

Investment hypothesis confirmed, performance above plan

Clear market leader in the Benelux	✓	More than 3x number of clubs of #2
Fast growing discount market segment with ample headroom	✓	Fitness penetration increasing with discount fitness increasing market share
New club openings and ingrowth drive profit growth	✓	Ingrowth of new club openings above plan
Roll-out potential in the Benelux and beyond	✓	Roll-out exceeding investment case

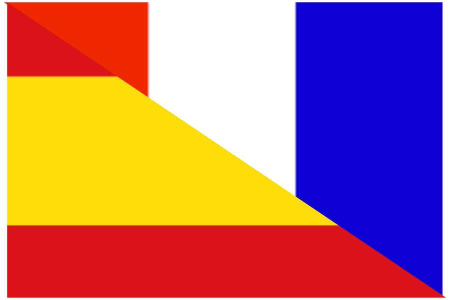
Excellent partnership with management

Adding ~100 clubs in first 18 months of investment

- Added 100 clubs
- vs 10 new openings p.a. in base case

New club design

Opening new clubs in France and Spain



Completed pricing project

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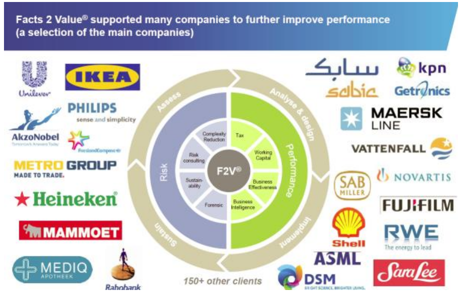
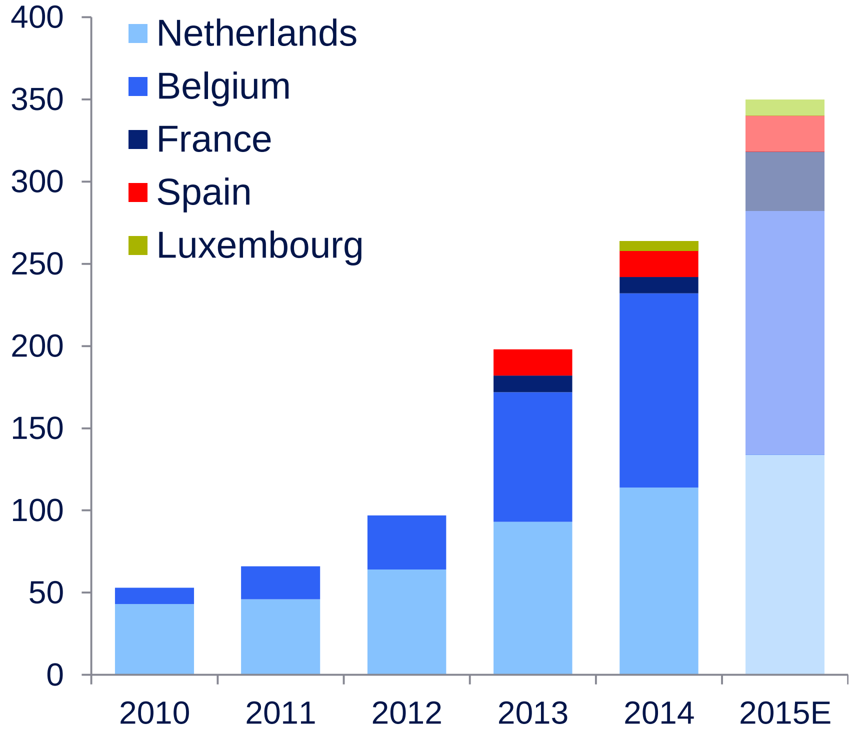
Organisational readiness assessment



And…

Numerous other projects

Growth has accelerated since 3i's investment, and will continue going forward



Objectives going forward:

- Fill in white spots Benelux
- Accelerate growth in France and Spain
- Create best value proposition for consumer

"This is just the beginning"

Rene Moos

Rene Moos

CEO Basic-Fit

From professional tennis player…

to successful entrepreneur in fitness

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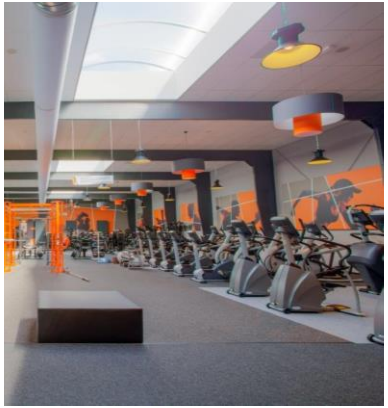
Structure of 3i's investment

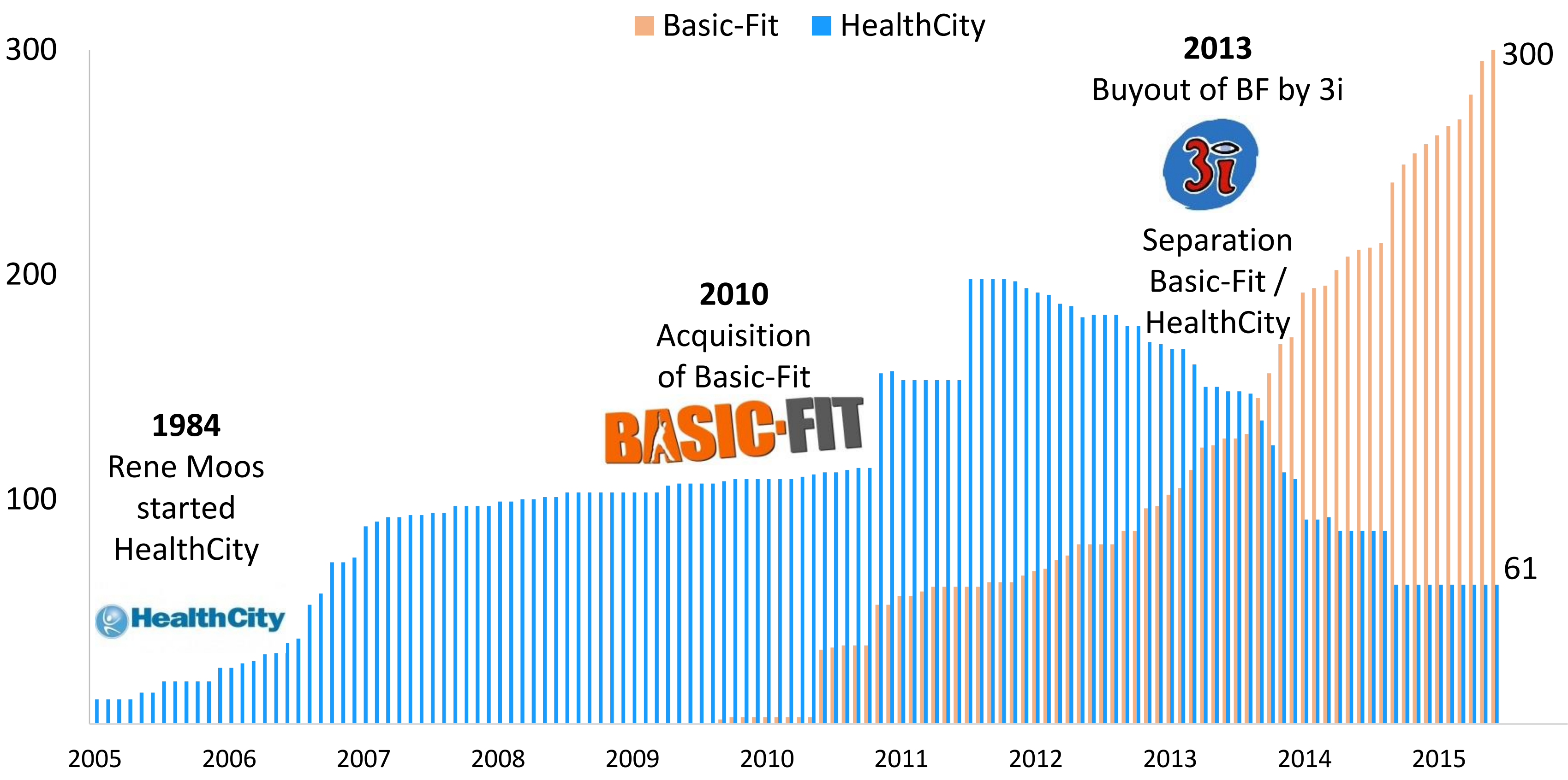
- Year invested: 2013
- Holding: 44% (balance held by co-investors and management)
- Value at 31 March 2015: £102m
- Residual cost at 31 March 2015: £91m



BASIC-FIT – 3I GROUP PLC CAPITAL MARKETS DAY

15 June 2015

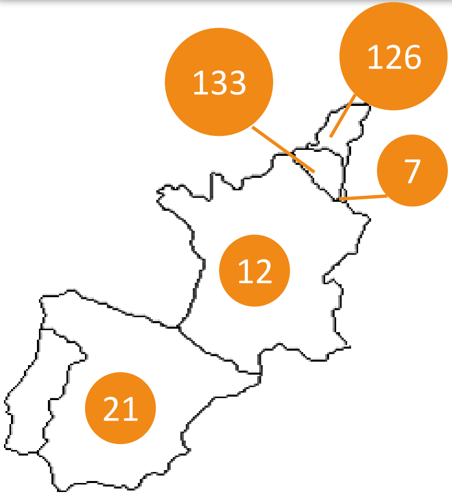
31 Years Track Record of Profitable Growth in the Fitness Industry



BASIC-FIT: LARGEST EUROPEAN BUDGET GYM OPERATOR

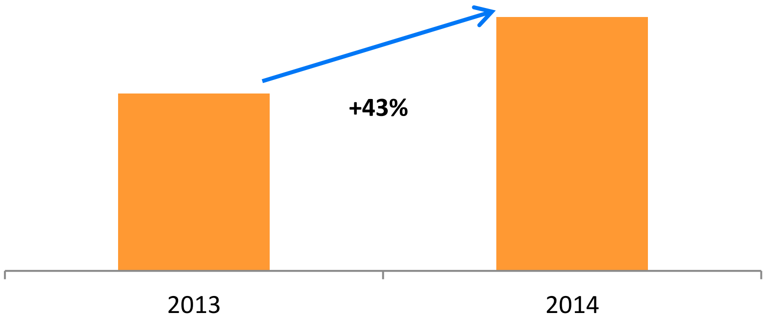
- Family membership from €15.99 per month
- No frills, but
  - High quality equipment and facilities
  - Long opening hours
  - Group lessons
  - Virtual cycling
  - Personal Trainers
  - Flexible membership
- Value proposition attracts new customer groups

Club portfolio at June 2015

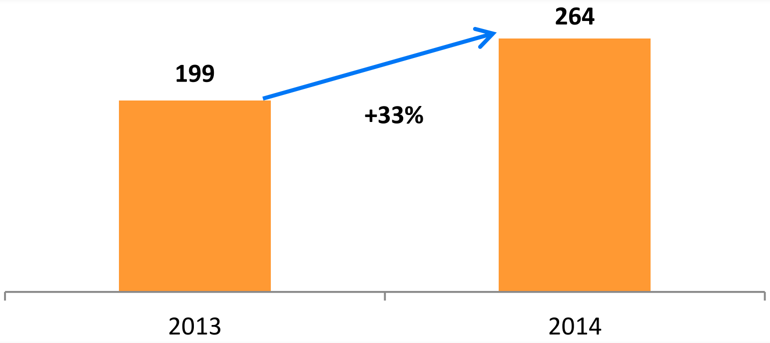


Strong Financial and Operational Performance in 2014

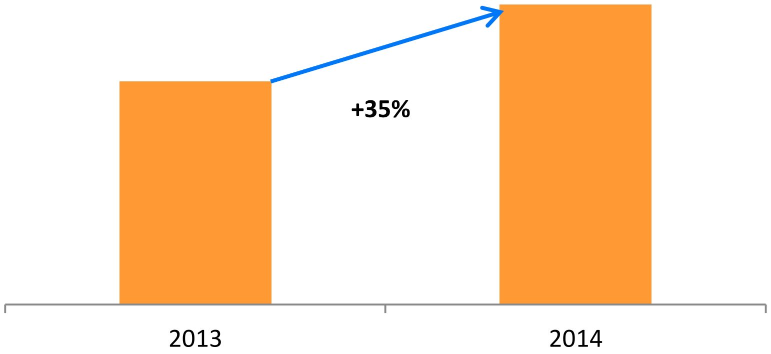
Members



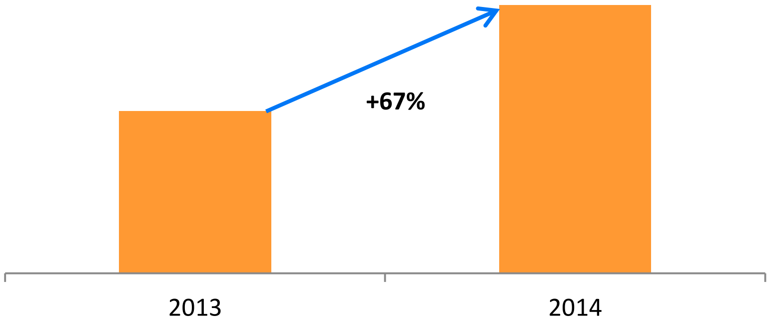
of clubs



Sales



EBITDA



Standardised Club Concept

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High Quality Equipment, Supplied by Matrix and TechnoGym

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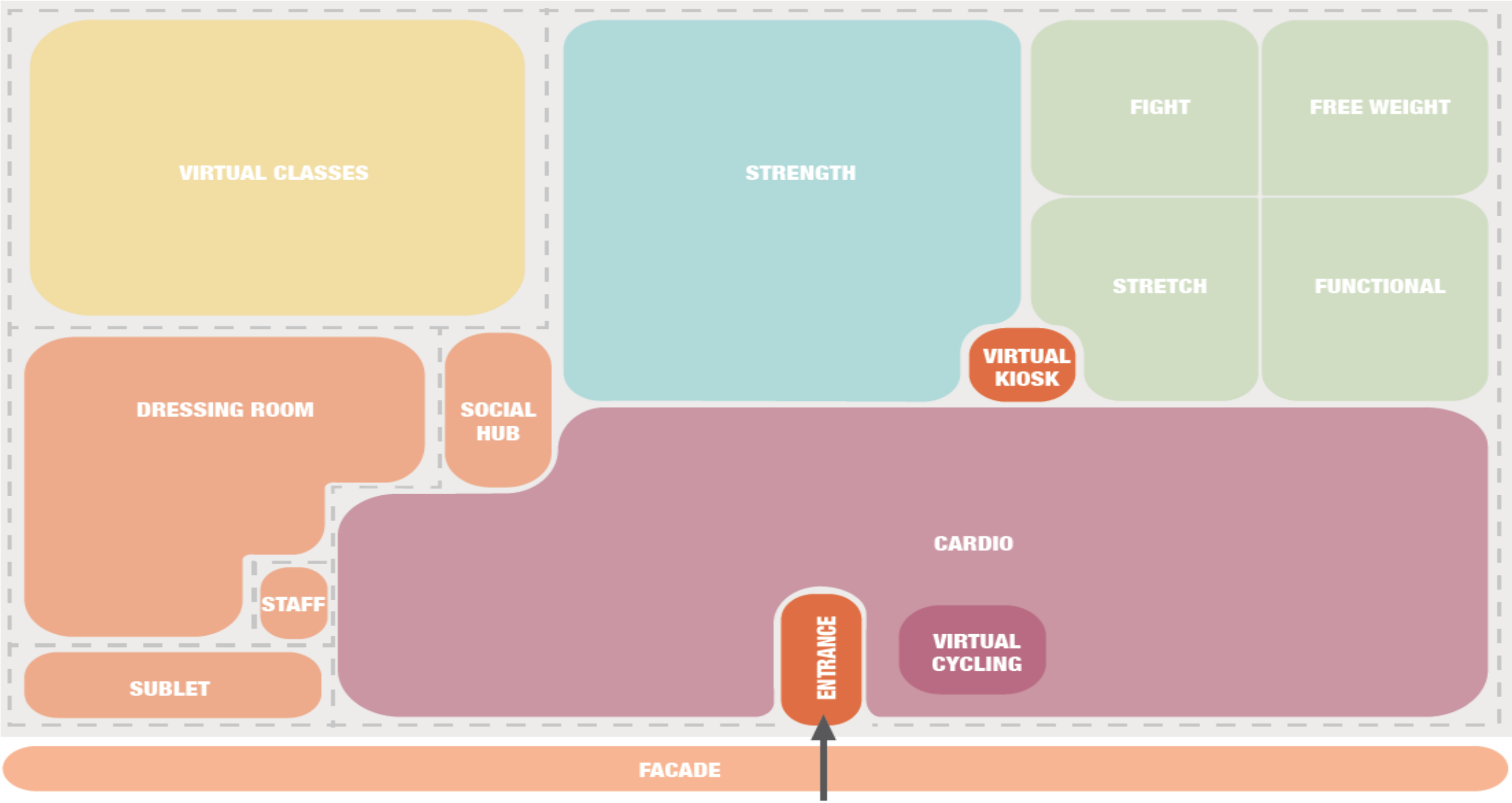
Zoning Based on 1,500m2 Club Format



Budget Fitness: Differentiated Low Prices Based On Good Core Offering

Budget model: good core, differentiated lower prices - enabled by cutting "nice to haves" and attracting higher volumes

	Mid-market	Budget
Reception	✓	✓
Change rooms/Free showers	✓	✓
Weight & Non-Cardio	✓	✓
Cardio	✓	✓
Swimming Facilities	✓	✗
Tennis/Squash Courts	✓	✗
Health & Wellbeing	✓	✗
Bar/Restaurant	✓	✗
Office	✓	✗
Capex requirement	**€2m - €3m**	**€0.7m - €1m**

"Nice to haves"

Relatively low capital requirements driving high Return on Capital Employed

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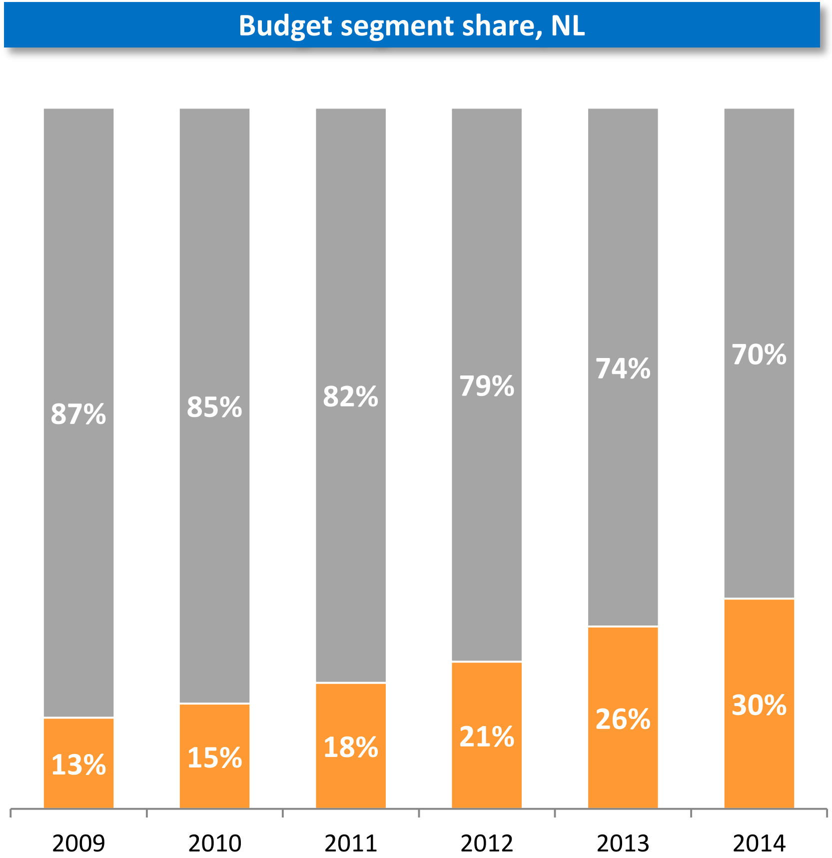
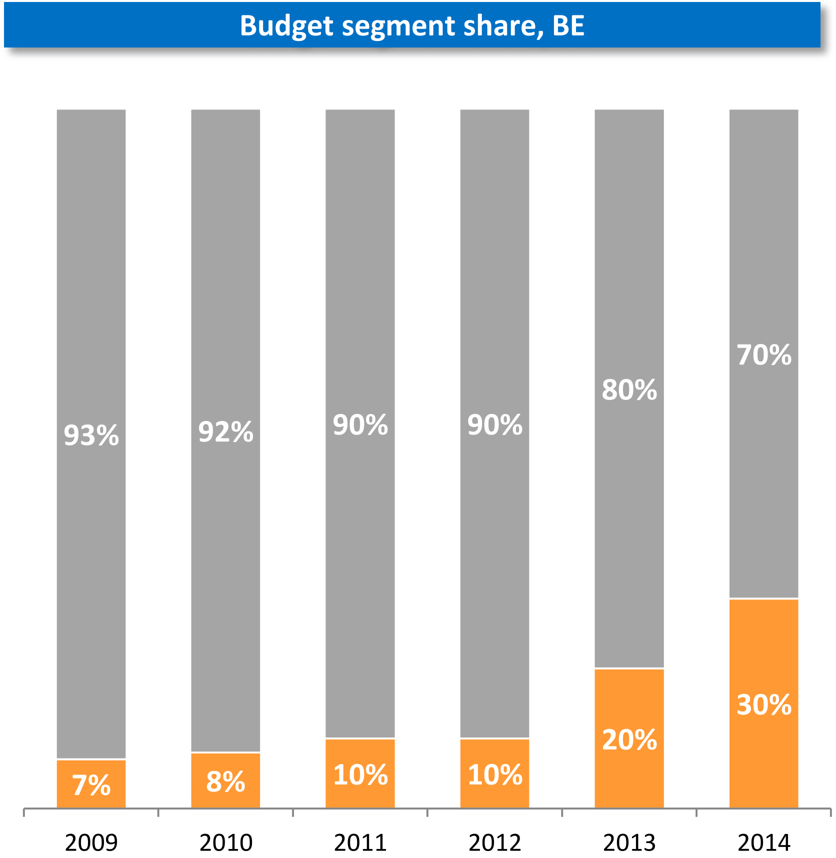
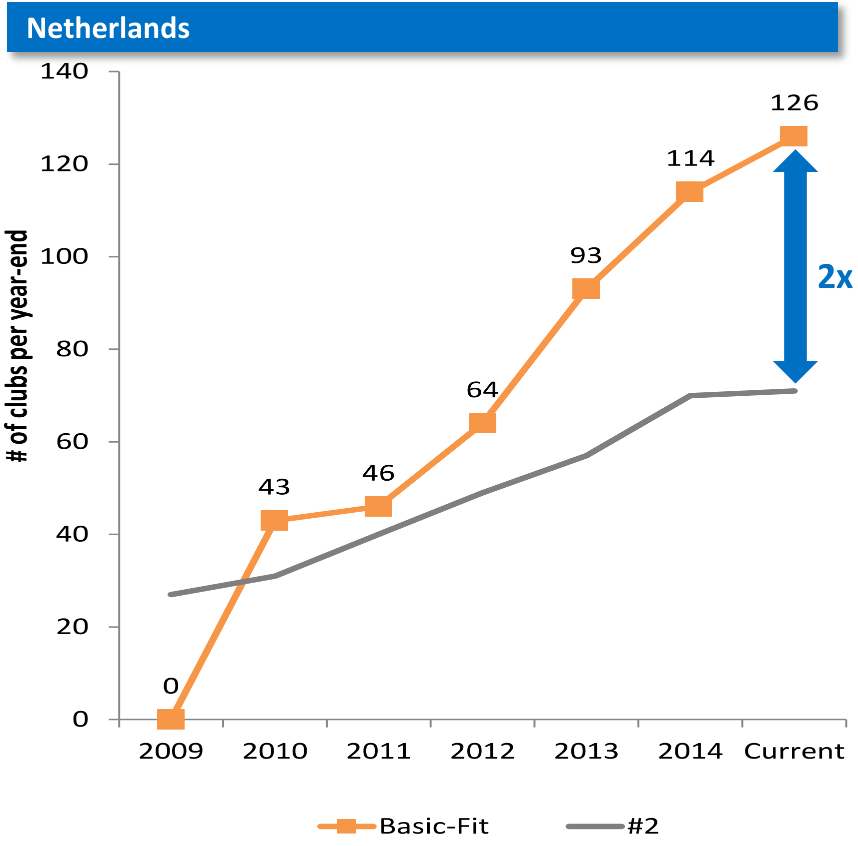
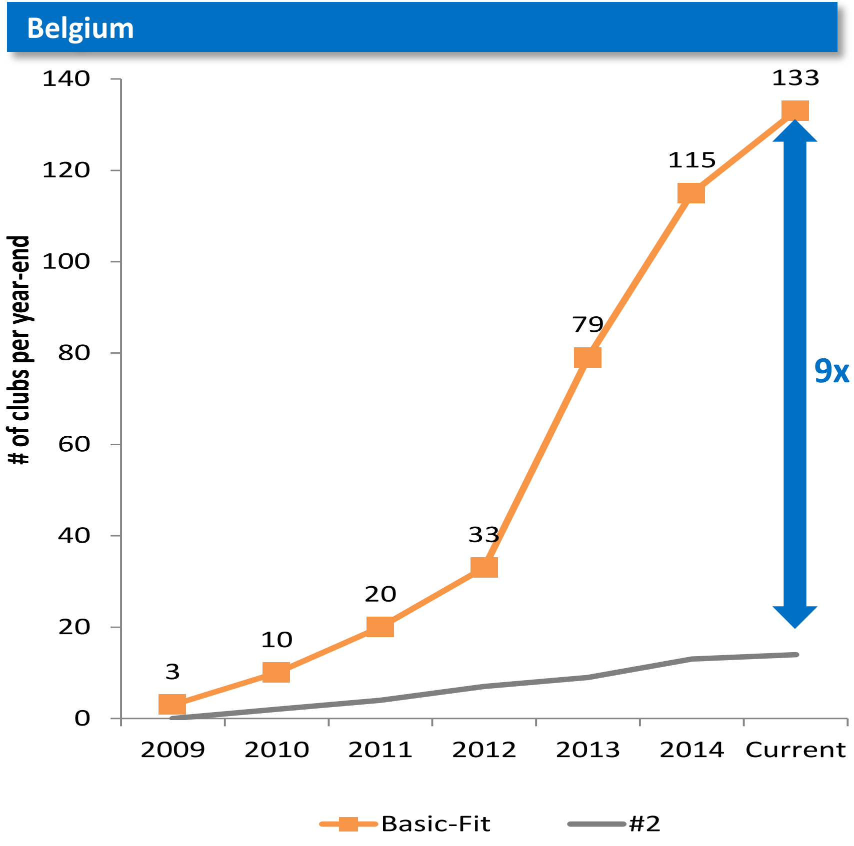
Structural Growth in Budget Fitness Segment with 20 %+ CAGR





Basic-Fit: Clear Market Leader, Outperforming Competition in Growing Markets





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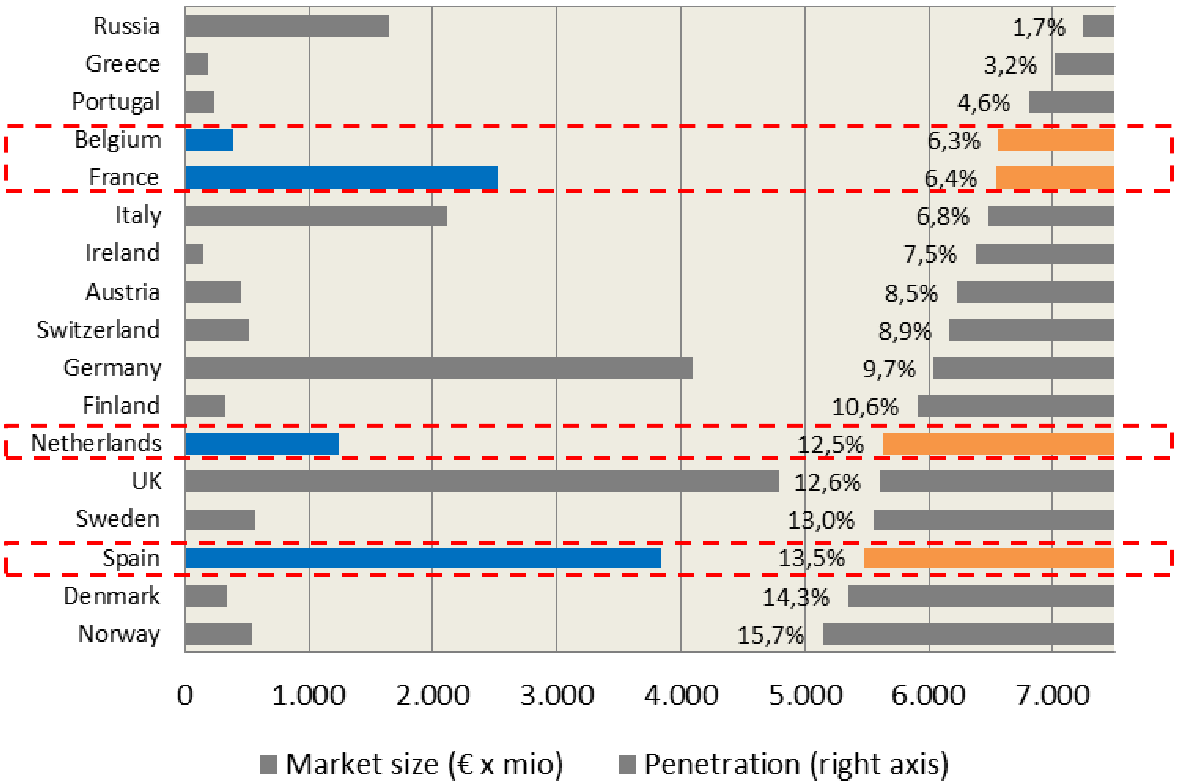
France and Spain have a Market Structure similar to Netherlands and Belgium

Market size & Penetration



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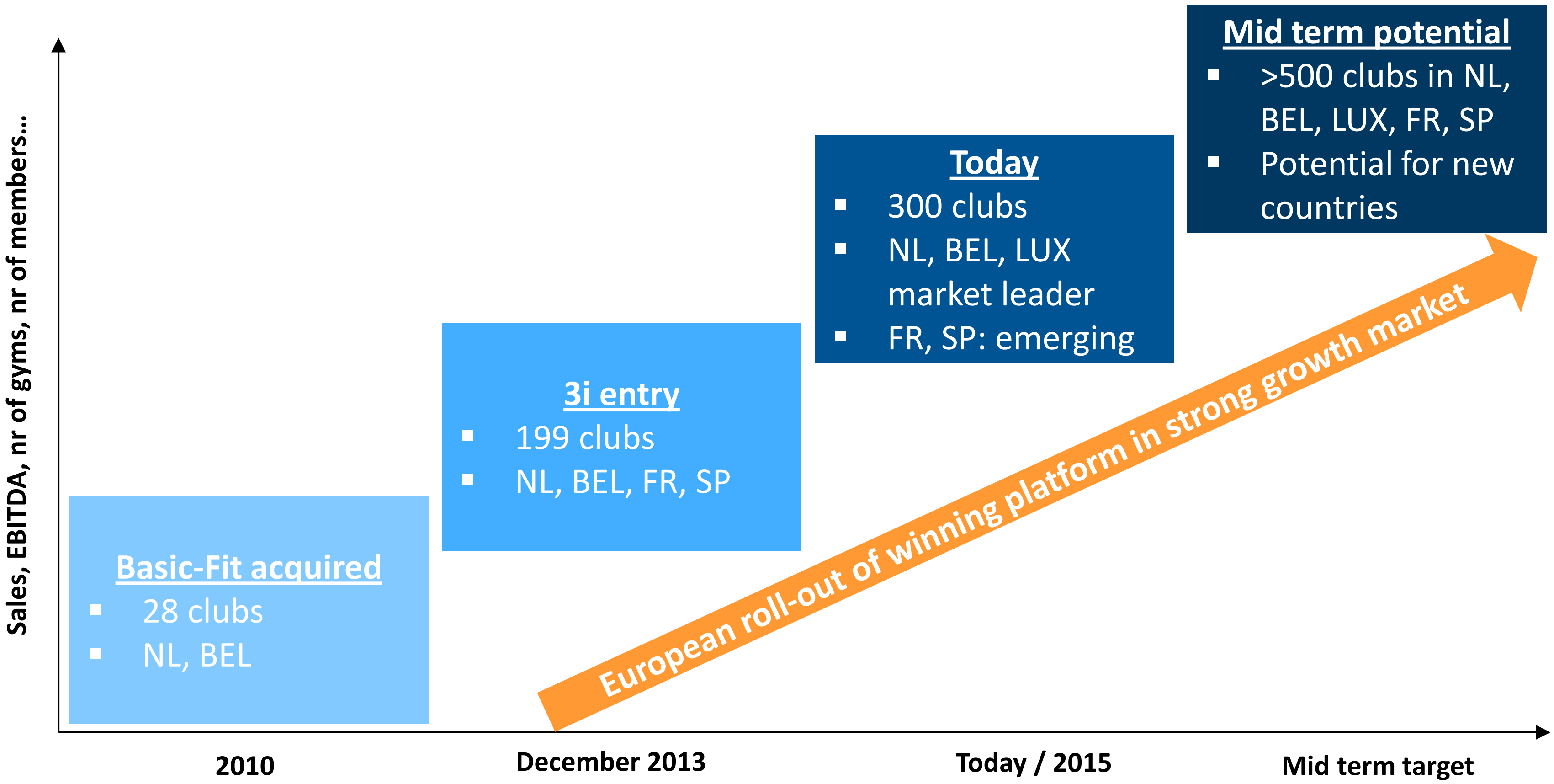
Good Progress on Operational Projects – Social Hub: Driver of Secondary Income

Good Progress on Operational Projects – Strong Focus on Innovation

Outlook: Continued International Growth



BASIC-FIT