

Paris, 28 February 2019

### **Tikehau Capital beats its targets reaching €22 billion of assets under management at 31 December 2018**

- **The Group has more than doubled its assets under management in two years**
- **Organic growth of the asset management activity amounted to +31% in 2018**
- **The internationalisation of the investor client base continues**
- **The rebalancing of the business mix is speeding up**

At 31 December 2018, assets under management for Tikehau Capital totalled €22.0 billion, exceeding the target of €21 billion announced in September 2018. The year-on-year increase of €8.2 billion (+59%) includes the assets under management of Sofidy and ACE Management, for which the acquisitions were completed in December 2018.

Excluding these external growth transactions, the Group's assets under management totalled €16.5 billion at 31 December 2018, in line with the Group's target, with a substantial increase of €2.7 billion (+20%) year-on-year. This strong increase firstly reflects solid net inflows of +€3.7 billion, less distributions of -€1.1 billion, to which are added +€0.1 billion positive market effects.

#### **The asset management activity is driven by strong organic growth and strategic acquisitions**

At 31 December 2018, assets under management of Tikehau Capital's asset management activity amounted to €20.4 billion, in comparison to €11.4 billion in the previous year, up €9.0 billion. This change includes the consolidation of Sofidy and ACE Management at the end of December 2018, representing a total of €5.5 billion in assets under management. These acquisitions enable the Group to continue to rebalance its business mix whilst once again broadening its product offering and expertise.

Excluding acquisitions, the growth in assets under management for the asset management division amounted to +€3.5 billion (+31%). This strong increase on a like-for-like basis firstly reflects a particularly solid net inflow of +€4.3 billion, less distributions of -€1.0 billion, to which are added +€0.3 billion positive market effects.

2018 was notably marked by numerous successes recorded by the Group with international investors. Consequently, for the first time, fundraising abroad exceeded that from French investors, which remains important. The contribution from foreign investors contributing to the total assets under management amounted to 37% at end December 2018 up 10 percentage points.

#### Private Debt: €8.3 billion in assets under management as at 31 December 2018

Tikehau Capital's private debt activity is driven by the continuing strong attraction of investors for this asset class, coupled with the Group's expert position across all private debt strategies. Therefore, the assets under management for Tikehau's private debt division grew strongly over the 2018 financial year to reach €8.3 billion, up +€2.3 billion (+39%).

The change in assets under management for this activity for the 2018 financial year includes distributions of -€0.8 billion.

In the Direct Lending activity, the marketing of the fourth generation of Tikehau Direct Lending (TDL) funds continued during the fourth quarter of 2018. With Tikehau Direct Lending IV (TDL IV) as a flagship fund, the success of this new generation of funds<sup>1</sup> confirms Tikehau Capital's expert positioning in this segment.

In the Corporate Lending division, 2018 was notably marked by the launch of the Tikehau NOVO 2018 fund. This fund follows the NOVO 2 fund launched in 2013 and represents assets of €0.2 billion.

The Senior Loans activity grew further in 2018, with a +21% increase in assets under management.

Tikehau Capital also completed its fourth CLO during Q3 for €0.4 billion and launched the warehousing phase for its fifth CLO in Q4, bringing the total assets under management for this activity to €1.8 billion at end December 2018.

The Group also signed several mandates dedicated to private debt during the year, notably with international investors, and, with Groupama, launched the Groupama Tikehau Diversified Debt Fund (GTDDF), the first fund designed in partnership between two asset management companies with the aim of supporting the debt of French and European SMEs.

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<sup>1</sup> Cf. press release of 12 February 2019

### Real Estate: €7.6 billion in assets under management at 31 December 2018

The assets under management for Tikehau Capital's real estate activity amounted to €7.6 billion at end December 2018. This includes €5.1 billion of assets under management from the consolidation of Sofidy, the leading player in the real estate management landscape in France and Europe, for which the acquisition was completed in December 2018.

Excluding the Sofidy acquisition, the assets under management for the Real Estate activity amounted to €2.5 billion, up +€0.3 billion year-on-year (+11%) following the launch of the Group's first discretionary fund during the first half of 2018.

### Private Equity: €1.2 billion in assets under management as at 31 December 2018

The assets under management for the Private Equity division amounted to €1.2 billion at end December 2018. This includes €0.4 billion in assets under management from ACE Management, an asset management company dedicated to the aeronautical, defence and cyber security sectors, consolidated in December 2018.

Excluding this acquisition, the assets under management for the Private Equity activity amounted to close to €0.9 billion, up +€0.8 billion year-on-year. During the 2018 financial year, the Group notably announced the first closing of its energy transition fund launched with Total for an amount of €350 million. The Group also continues to market its capital development fund launched in 2018, which investment strategy consists in supporting growth companies via minority equity investments.

### Liquid Strategies: €3.3 billion in assets under management as at 31 December 2018

The assets under management for Liquid Strategies amounted to €3.3 billion at end December 2018. They are up +€0.1 billion (+5%) over the year, despite particularly difficult market conditions at end 2018.

Despite this broader context, the performance of the funds managed by the asset manager remained solid in 2018 compared to peers, particularly for the diversified InCA (Tikehau Income Cross Assets) fund.

### A prudent, targeted investment policy

The Group maintained strong investment momentum across its closed-end funds in 2018, demonstrating its prudent and selective investment approach.

Therefore, the investments made in 2018 through closed funds managed by Tikehau

Capital (representing 78% of the Group's at end December 2018, excluding acquisitions), amounted to € 2.3 billion, compared to €2.2 billion in 2017. This increase comes mainly from the Private Debt and Private Equity funds. The investments made by Liquid Strategies declined during the year, reflecting in particular the prudent approach demonstrated by the Group during a chaotic 2018.

In summary, Tikehau Capital deployed a total of €2.4 billion via the funds it manages, compared to €3.3 billion in 2017.

### Tikehau Capital continues to reinforce its asset management platform

In 2018, the Group continued to structure its asset management platform by reinforcing its teams, both in France and abroad through the acquisitions of Sofidy and ACE Management, and also through the recruitment of new talent and experienced hires across all of the Group's activities.

2018 was also marked by the opening of an office in New York, to step up the international expansion of the Group's investor base which will support the development of a strong presence in an important market.

The Group had almost 430 employees at end December 2018, including those of Sofidy and ACE Management. Excluding these acquisitions, there were 270 employees, up almost +29% compared to 31 December 2017 and +4% compared to 30 September 2018.

### The evolution of the assets under management for the investment activity confirms the implementation of the Group's strategy

The assets under management for the investment activity totalled €1.6 billion at end December 2018, compared to €2.4 billion at end December 2017.

This change mainly reflects the commitments made by Tikehau Capital in the Group's funds launched during the financial year, in-line with the Group's willingness to guarantee a strong alignment of its interests with those of its investor clients.

The total assets under management for the Group's Private Equity scope amounted to €2.8 billion at end December 2018, up significantly compared to end of September 2018, broken down into €1.2 billion for the asset management activity and €1.6 billion for the investment activity.

## Breakdown of assets under management as at 31 December 2018

	Assets Under Management at 31/12/2018*		Change compared to 30/09/2018		Change compared to 31/12/2017	
	Amounts (€ billion)	Weight (%)	As a %	In € billion	As a %	In € billion
Private debt	8.3	38%	+12%	+0.9	+39%	+2.3
Real Estate	7.6	35%	x3	+5.0	x3	+5.3
Liquid Strategies	3.3	15%	-10%	-0.4	+5%	+0.1
<i>Private Equity (a)</i>	1.2	5%	x2	+0.6	ns	+1.2
<b>Asset management activities</b>	<b>20.4</b>	<b>93%</b>	<b>+42%</b>	<b>+6.0</b>	<b>+79%</b>	<b>+9.0</b>
<b>Investment activities** (b)</b>	<b>1.6</b>	<b>7%</b>	<b>+3%</b>	<b>+0.0</b>	<b>ns</b>	<b>-0.8</b>
<b>Total assets under management</b>	<b>22.0</b>	<b>100%</b>	<b>+38%</b>	<b>+6.1</b>	<b>+59%</b>	<b>+8.2</b>
<i>Total Private Equity (a+b)</i>	2.8	13%	+28%	+0.6	+14%	+0.3

\* Including the acquisitions of Sofidy and ACE Management

\*\* Balance sheet investments

## Agenda

**21 March 2019** – Publication of the 2018 Annual Results (before stock market opening)

**15 May 2019** – Capital Markets Day, London

**22 May 2019** – General Shareholders' Meeting, Paris

### **About Tikehau Capital:**

Tikehau Capital is an asset management and investment group, which manages €22.0 bn of assets (as at 31 December 2018), with shareholders' equity of €2.3 bn (as at 30 June 2018). The Group invests in various asset classes (private debt, real estate, private equity and liquid strategies), including through its asset management subsidiaries, on behalf of institutional and private investors. Controlled by its managers, alongside leading institutional partners, Tikehau Capital employs 430 staff (as at 31 December 2018) in its Paris, London, Brussels, Madrid, Milan, New York, Seoul and Singapore offices.

Tikehau Capital is listed on the regulated market of Euronext Paris, Compartment A (ISIN code: FR0013230612; Ticker: TKO.FP)

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