

## Tikehau Capital Q3 2024 announcement

### Solid fundraising and transaction activity supported by resilient fundamentals

#### Solid growth in Asset Management AuM<sup>1</sup>

**€46.7bn**

at 30 September 2024

**+13%**

YoY growth

**Dynamic and selective  
deployment**

**€3.9bn**

deployed YTD

**Successful realizations  
momentum**

**€1.3bn**

realized YTD

**Robust level of AM  
net new money**

**€4.8bn**

raised YTD

**In the first nine months of the year, Tikehau Capital's multi-local and diversified platform continued to demonstrate its resilience and strengths**

- Transaction activity remained robust with **€3.9bn of capital deployed** by the firm's closed-end funds and **€1.3bn of realizations** year-to-date;
- Capital raising momentum was strong with **€4.8bn** net new money raised by the Group's Asset Management business for the first nine months of the year, illustrating the Tikehau Capital's solid market positioning and its ability to address clients' evolving needs;
- Fundraising was driven by **Credit strategies** over the first nine months of the year, with an acceleration in **Private Equity** during the third quarter;
- The Group has further strengthened its sustainability-themed and impact platform, which comprised **€3.5bn of AuM specifically allocated to climate and biodiversity** at 30 September 2024;
- Tikehau Capital consolidated its **strategic partnership with Nikko Asset Management**, which made progress in building a stake in the Group;
- The Group has advanced its **cost optimization program** with a focus on reallocating resources to high-impact and fast-growing areas and talent, driving global expansion and innovation.

**Tikehau Capital is well-positioned to capture future growth with a robust fundraising and transaction pipeline and anticipates an acceleration in net inflows, which should grow by at least 10% in Q4 2024<sup>2</sup>.**

**The Group thus confirms that it anticipates an acceleration in revenue and profit generation for its Asset Management business in the second half of 2024.**

<sup>1</sup> Figures have been rounded for presentation purposes, which in some cases may result in rounding differences.

<sup>2</sup> Compared to Q4 2023.

AuM for Tikehau Capital's Asset Management business amounted to **€46.7bn** at 30 September 2024, up +9.2% compared to 31 December 2023 and up +12.8% compared to a year ago.

Group AuM at 30 September 2024 reached **€47.1bn**, up +9.3% compared to 31 December 2023 and +12.4% compared to a year ago.

## FUND DEPLOYMENT DRIVEN BY CREDIT STRATEGIES

Deployment for Tikehau Capital's closed-end funds reached €1.1bn in Q3 2024 and €3.9bn for the first nine months of the year. Discipline remained a core focus in a market which has not yet stabilized, as evidenced by a selectivity rate<sup>3</sup> of 98%, in line with the historical level.

Fund deployment (€m)	Q3 2024	Q3 2023	9m 2024	9m 2023
Credit	553	1,225	2,750	3,151
Real Assets	335	164	691	593
Private Equity	182	284	459	454
<b>Total Fund deployment</b>	<b>1,069</b>	<b>1,673</b>	<b>3,901</b>	<b>4,197</b>

Tikehau Capital's **Credit strategies** deployed €0.6bn, accounting for 52% of Q3 2024 deployment:

- In the quarter, the firm launched the warehouse of its **European CLO XIII** (€200m);
- The firm's **Direct Lending strategies** continued to benefit from an active deal flow, attributed to its pioneering position in Europe. Asset selection is key for the firm, and Tikehau Capital remained disciplined in its deployment, carefully managing leverage levels and maintaining stringent documentation standards:
  - On 1 October 2024, Tikehau Capital arranged a €165m unitranche facility to support the acquisition by Cinven of **Domia Group**, a leading player in the French private tutoring and home cleaning service. This transaction allows Tikehau Capital to be fully reimbursed for the existing unitranche, structured in 2018 to support the acquisition of Domia Group by IK Partners, while continuing to support the company with a new debt instrument on favourable terms.

Tikehau Capital's **Real Assets strategies** deployed €0.3bn, accounting for 31% of Q3 2024 deployment. The firm continued to leverage its robust origination capabilities across geographies to source compelling off-market investment opportunities, in an overall muted market:

- The third quarter was marked by the finalization of the acquisition of **26 commercial real estate assets from Groupe Casino** for over €200m<sup>4</sup>;
- On 31 July 2024, Tikehau Capital, via its value-add real estate strategy, acquired a **30,000 sqm office property in Berlin-Weissensee** from a private individual in an off-market transaction<sup>5</sup>.

<sup>3</sup> Selectivity rate presented as total declined deals / total screened deals.

<sup>4</sup> Please refer to press release dated 27 September 2024.

<sup>5</sup> Please refer to press release dated 2 October 2024.

Tikehau Capital's **Private Equity strategies** deployed €0.2bn, accounting for 17% of Q3 2024 deployment. The third quarter was marked by the finalization of the second investment of the firm's second vintage of its Decarbonization strategy, deploying approximately €130m in **CEBAT**<sup>6</sup>, an Italian utility infrastructure service provider specialized in the installation of utility networks and maintenance services critical for the enhancement and upgrade of electricity, water and telecommunication grids. The deployment of this strategy is progressing well, with this second investment demonstrating strong momentum, which bodes well for additional fundraising.

Looking ahead, Tikehau Capital benefits from a promising pipeline of deployment opportunities across asset classes. At 30 September 2024, Tikehau Capital had **€6.6bn of dry powder**<sup>7</sup> (compared to €6.9bn at 31 December 2023), supporting the funds managed by the firm to capture attractive investment opportunities.

## CONTINUED POSITIVE REALIZATIONS MOMENTUM

Realizations within Tikehau Capital funds amounted to €0.5bn in Q3 2024 and €1.3bn for the first nine months of the year, with a robust contribution of Credit.

Realizations (€m)	Q3 2024	Q3 2023	9m 2024	9m 2023
Credit	359	356	1,028	858
Real Assets	77	181	268	358
Private Equity	35	190	40	264
<b>Total realizations</b>	<b>472</b>	<b>727</b>	<b>1,336</b>	<b>1,480</b>

**Credit strategies** accounted for more than two-thirds of realizations in the quarter and over the nine months. Realizations were driven by the firm's Direct Lending, Corporate Lending and Tactical Strategies, corresponding to financing repayments. The third quarter was notably marked by the repayment of a £45m unitranche to **CLC Group**, a UK-based property refurbishment and asset maintenance contractor. In June 2023, the third vintage of the firm's Special Opportunities strategy provided this unitranche to support HIG Capital's acquisition of CLC Group. In August 2024, CLC Group acquired Axis, creating a leading national property maintenance specialist and initiating the refinancing of the existing debt.

Realizations in **Real Assets strategies** were mainly driven by asset disposals of mid-sized and granular assets from the firm's real estate vehicles, notably from portfolios of residential assets in Iberia and from individual sales of light industrial assets in France.

In **Private Equity strategies**, the third quarter was marked by the completion of the disposal of Tikehau Capital's stake in **Preligens**, a world leader in artificial intelligence for aerospace and defense, to Safran. This first exit of Tikehau Capital's third vintage of its cybersecurity strategy validates its approach of investing in fast-growing and emerging category leaders in the cybersecurity and defense sectors. These companies have the potential to become investment opportunities for both strategic and private equity buyers. This transaction generated a gross multiple of 2.4x (2.1x net multiple) and a gross IRR of 30% (18% net IRR)<sup>8</sup>.

<sup>6</sup> Please refer to press release dated 9 July 2024.

<sup>7</sup> Amounts available for investment at the level of the funds managed by the Group.

<sup>8</sup> Please refer to press release dated 2 September 2024.

In addition, during the third quarter, Tikehau Capital announced exclusive discussions with STS Metals to acquire **Brown Europe**<sup>9</sup>, specialized in wire drawing of high-performance alloys for the aerospace industry. This transaction would mark the first divestment from the first vintage of the Group's strategy dedicated to aerospace, affirming its leadership in the aerospace and defense sector, where Tikehau Capital invests in niche players with market leading positions to support their growth.

Despite a continued challenging exit environment, the Preligens disposal and prospective disposal of Brown Europe underscore the Group's relevant offering across key thematic verticals and reinforce its positioning for future fundraising efforts.

## NET NEW MONEY MAINTAINED AT A HIGH LEVEL

Tikehau Capital raised €1.4bn in Q3 2024 and €4.8bn for the first nine months of the year, a strong achievement in the current context, with a notable acceleration in Private Equity during the quarter. This performance underscores the firm's expanding reach and visibility, as well as its capability to meet the evolving needs of its clients. Fundraising for the Group's flagship strategies continued to progress well, reflecting client confidence and the Group's solid market positioning in long-term growth themes.

Net New Money (€m)	Q3 2024	Q3 2023	9m 2024	9m 2023
Credit	606	1,305	2,864	3,236
Real Assets	202	70	333	768
Capital Markets Strategies	35	45	672	153
Private Equity	563	8	887	557
<b>Total Net New Money</b>	<b>1,406</b>	<b>1,428</b>	<b>4,757</b>	<b>4,715</b>

In the third quarter, Net New Money was driven by the following developments:

- Additional fundraising for the sixth vintage of Tikehau Capital's Direct Lending strategy<sup>10</sup>, reaching approximately **€2.4bn** of AuM at 30 September 2024;
- The launch of the warehouse for the firm's European CLO XIII for **€200m**;
- Continued inflows for the Group's **third vintage of Special Opportunities strategy**, nearing the target of €1bn;
- AuM development in **Real Estate** driven by the acquisition of 26 commercial real estate assets from Groupe Casino, which attracted co-investments alongside the firm's flagship commingled fund;
- Continued momentum for the firm's **dated funds** within the Capital Markets Strategies;
- The launch of the second vintage of aerospace strategy with re-ups from the firm's corporate partners Airbus, Safran, Thales and Dassault Aviation, alongside Tikehau Capital. The fund's AuM reached approximately **€380m** at 30 September 2024;
- Additional third-party inflows for the firm's second vintage of **Private Equity Decarbonization** and fourth vintage of **Cybersecurity** strategies.

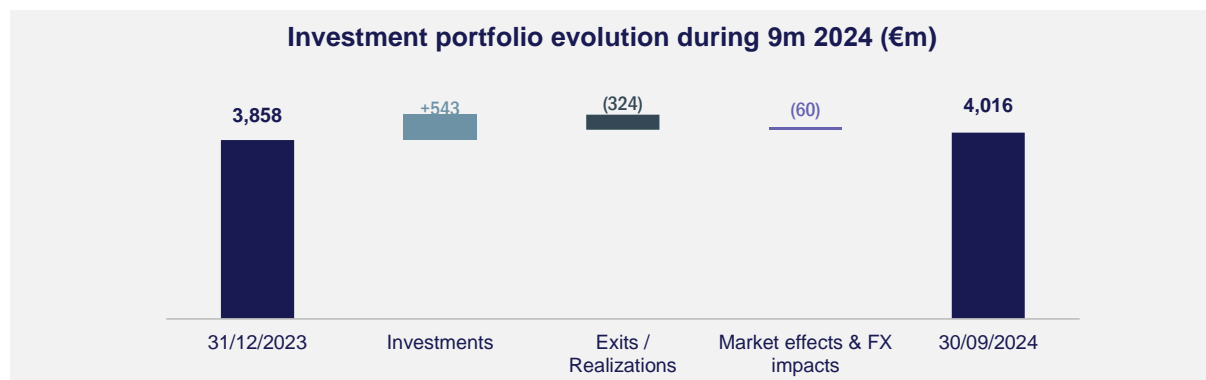
<sup>9</sup> Please refer to press release dated 25 July 2024.

<sup>10</sup> Including the flagship vehicle, bespoke mandates and side vehicles.

The Group has further strengthened its sustainability-themed and impact platform, which comprised **€3.5bn of AuM specifically allocated to climate and biodiversity** at 30 September 2024, representing a **39% year-over-year growth**. This puts Tikehau Capital on track to reach its target of exceeding €5bn by 2025.

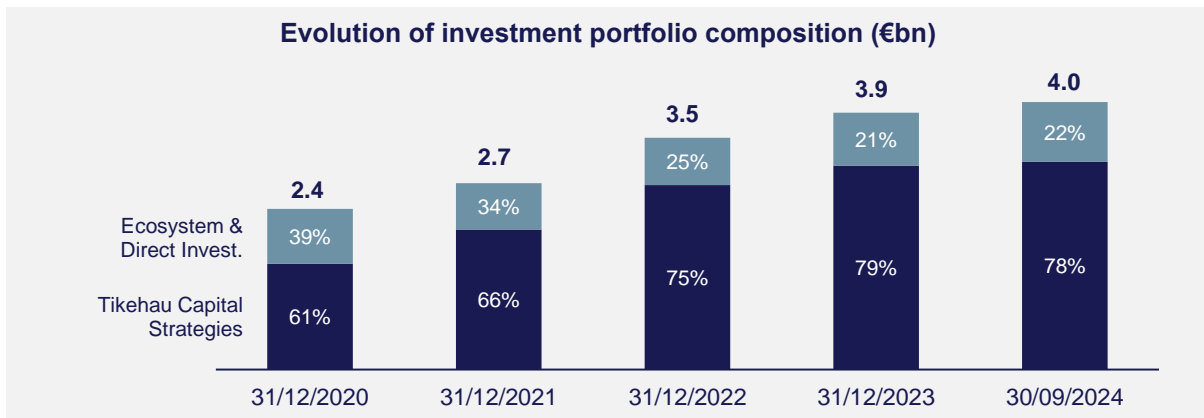
## AN INVESTMENT PORTFOLIO SERVING FUTURE GROWTH

- Tikehau Capital's **investment portfolio amounted to €4.0bn at 30 September 2024**, a stable level compared 31 December 2023. Over the first nine months of the year, the main variations in the portfolio were the following:
  - **€543m of capital calls and investments**, mainly into the Group's own Asset Management strategies (in particular CLOs, Private Equity and Real Assets strategies) and co-investments alongside its strategies;
  - **€324m of exits**, including returns of capital driven by the firm's Special Opportunities, Credit Secondaries and CLOs strategies;
  - **(€60)m** of fair value changes mainly resulting from market effects linked to the firm's listed REITs.



- Tikehau Capital's **investment portfolio at 30 September 2024 was comprised of:**
  - **€3.1bn** of investments in the Asset Management strategies developed and managed by the Group (78% of total portfolio<sup>11</sup>), generating a substantial alignment of interests with its investor-clients;
  - **€0.9bn** (22% of total portfolio) invested in ecosystem and direct investments, notably direct private equity investments, co-investments or investments in third-party funds, most of which aim at serving Tikehau Capital's Asset Management franchise globally.

<sup>11</sup> Includes investments in funds managed by Tikehau Capital and co-investments alongside Tikehau Capital Asset Management strategies.



## SHARE BUY-BACK

- Tikehau Capital announces that it has extended until 20 February 2025 (included), the date of the Group's 2024 annual results announcement, the share buy-back mandate, which was signed and announced on 19 March 2020 and extended until today.
- As of 22 October 2024, 5,888,004 shares were repurchased under the share buy-back mandate. The description of the share buy-back program (published in paragraph 8.3.4 of the Tikehau Capital Universal Registration Document filed with the French Financial Markets Authority on 21 March 2024 under number D. 24-0146) is available on the company's website in the Regulated Information section (<https://www.tikehaucapital.com/en/shareholders/regulated-information>).

## ADDITIONAL DEVELOPMENTS

### Partnership with Nikko Asset Management

- Following the finalization of its strategic partnership with Nikko Asset Management<sup>12</sup>, Tikehau Capital announces that Nikko Asset Management has made progress in building a position in the Group.
- This strategic partnership encompasses three key components designed to enhance both groups' global investment capabilities and presence through a distribution agreement, a co-GP dedicated to Asian private market strategies, and Nikko Asset Management taking an equity stake in Tikehau Capital.

<sup>12</sup> Please refer to press release dated 25 June 2024.

**Disciplined cost optimization**

- As outlined during its full-year 2023 results announcement, Tikehau Capital has advanced its cost optimization program, prioritizing high-impact and value-enhancing initiatives.
- The Group has taken measures to streamline overhead costs and central functions, while strategically reallocating resources to strengthen its core operations and support international expansion, with a focus on markets and asset classes that offer significant growth potential.
- In addition, the firm has maintained a disciplined approach to hiring, onboarding talent selectively to drive efficiency and foster innovation.
- The dual focus on efficiency and strategic reallocation is designed to create a stronger, more resilient business and improve operating leverage going forward.



## OUTLOOK

- Tikehau Capital is confident in its ability to navigate the current environment and remains focused on delivering its **mid-term growth objectives**, supported by improving fundraising conditions and a recovery in transaction activity, in line with the current evolution of market fundamentals.
- The firm continues to benefit from a robust fundraising pipeline resulting from its solid positioning across key long-term growth themes. Tikehau Capital thus confirms that it anticipates a step up in **net inflows in Q4 2024, and consequently an acceleration in revenue and profit generation for its Asset Management business in the second half of 2024.**



## CALENDAR

20 February 2025	FY 2024 results (before market open)
24 April 2025	Q1 2025 announcement (after market close)
30 April 2025	Annual General Meeting
30 July 2025	2025 half-year results (after market close)
23 October 2025	Q3 2025 announcement (after market close)

 ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management Group with €47.1 billion of assets under management (at 30 September 2024).

Tikehau Capital has developed a wide range of expertise across four asset classes (credit, real assets, private equity and capital markets strategies) as well as multi-asset and special opportunities strategies.

Tikehau Capital is a founder-led team with a differentiated business model, a strong balance sheet, proprietary global deal flow and a track record of backing high quality companies and executives.

Deeply rooted in the real economy, Tikehau Capital provides bespoke and innovative alternative financing solutions to companies it invests in and seeks to create long-term value for its investors, while generating positive impacts on society. Leveraging its strong equity base (€3.1 billion of shareholders' equity at 30 June 2024), the Group invests its own capital alongside its investor-clients within each of its strategies.

Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 767 employees (at 30 September 2024) across its 17 offices in Europe, the Middle East, Asia and North America.

Tikehau Capital is listed in compartment A of the regulated Euronext Paris market (ISIN code: FR0013230612; Ticker: TKO.FP). For more information, please visit: [www.tikehaucapital.com](http://www.tikehaucapital.com).

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**APPENDIX**

In €m	AuM at 30-09-2024		YoY change		QoQ change	
	Amount (€m)	Weight (%)	In %	In €m	In %	In €m
Credit	21,665	46%	+17%	+3,210	+1%	+223
Real Assets	13,388	28%	(4%)	(537)	+1%	+195
Capital Markets Strategies	5,570	12%	+26%	+1,141	+3%	+146
Private Equity	6,120	13%	+32%	+1,490	+10%	+550
<b>Asset Management</b>	<b>46,744</b>	<b>99%</b>	<b>+13%</b>	<b>+5,305</b>	<b>+2%</b>	<b>+1,115</b>
Investment activity	405	1%	(22%)	(114)	(15%)	(70)
<b>Total AuM</b>	<b>47,149</b>	<b>100%</b>	<b>+12%</b>	<b>+5,191</b>	<b>+2%</b>	<b>+1,045</b>

Q3 evolution In €m	AuM at 30-06-2024	Net new money	Distri- butions	Market effects	Change in scope	AuM at 30-09-2024
Credit	21,442	+606	(309)	(73)	-	21,665
Real Assets	13,193	+202	(74)	+68	-	13,388
Capital Markets Strategies	5,424	+35	-	+111	-	5,570
Private Equity	5,570	+563	(33)	+20	-	6,120
<b>Total Asset Management</b>	<b>45,629</b>	<b>+1,406</b>	<b>(417)</b>	<b>+126</b>	<b>-</b>	<b>46,744</b>

YTD evolution In €m	AuM at 31-12-2023	Net new money	Distri- butions	Market effects	Change in scope	AuM at 30-09-2024
Credit	19,549	+2,864	(861)	+164	(51)	21,665
Real Assets	13,464	+333	(451)	+42	-	13,388
Capital Markets Strategies	4,649	+672	(1)	+250	-	5,570
Private Equity	5,152	+887	(139)	+179	+41	6,120
<b>Total Asset Management</b>	<b>42,814</b>	<b>+4,757</b>	<b>(1,452)</b>	<b>+635</b>	<b>(10)</b>	<b>46,744</b>

LTM evolution In €m	AuM at 30-09-2023	Net new money	Distri- butions	Market effects	Change in scope	AuM at 30-09-2024
Credit	18,455	+4,113	(932)	+81	(51)	21,665
Real Assets	13,925	+288	(592)	(232)	-	13,388
Capital Markets Strategies	4,429	+743	(2)	+400	-	5,570
Private Equity	4,630	+1,397	(338)	+391	+41	6,120
<b>Total Asset Management</b>	<b>41,439</b>	<b>+6,540</b>	<b>(1,865)</b>	<b>+640</b>	<b>(10)</b>	<b>46,744</b>