

22 APR 2024 Naimish Keswani

ICG targets €10bn for flagship corporate fund

- Fund follows a flexible strategy across capital structure
- Follows Fund VIII, which closed with €8.1bn
- Prior LPs include Virginia Retirement System, Tennessee, and Alaska

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ICG is looking to raise €10bn for its next flagship corporate fund, With Intelligence has learned.

The ICG Europe Fund IX will invest in Western European middle-market and upper middle-market companies.

The London-based manager looks for companies across sectors with enterprise values of €500m to €3bn, deploying between €250m to €700m per portfolio company.

The firm has a flexible investment strategy across three investment channels: sponsored LBOs, corporate unsponsored transactions, and opportunistic situations, according to investor documents seen by With.

Historically, investments have been made across the capital structure as it allows for the optimization of the risk-return profile of each investment.

The prior fund, the ICG Europe VIII closed in 2022 with €8.1bn in capital commitments.

According to With Intelligence data, known investors in the fund include the Virginia Retirement System (€300m), the Tennessee Consolidated Retirement System (€200m), and the Alaska Permanent Fund Corporation (\$75m).

As of June 2023, Fund VIII had invested €3.3bn across nine companies.

The firm been expanding its marketing and client relations capabilities, indicated by CEO Benoît Durteste last year, as it anticipates a market comeback in 2024. However, the firm's European head of business development Ingo Heinen departed for a role at Schrodgers in February this year.

Recent notable hires include ex-BlackRock VP Lauren Korosec in Toronto, ex-Capital Group pro Michael Bowman in California, and ex-Riverside MD Patricia Riordan Chalian in New York.

Other funds in the market from ICG include the Strategic Equity Fund V, which invests in GP-led secondaries, the North American Credit Partners III, which makes direct lending investments in junior and mezzanine debt of predominantly US-based companies.

Recent closes include a \$1.6bn raise for its oversubscribed LP-led secondaries strategy, and a £200m haul for its debut life sciences strategy from the British Business Bank and Phoenix Group.

ICG has \$86.3bn in assets under management across corporate, credit, and real assets strategies. The firm declined to comment.