

Press release

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Partners Group provides initial assessment of impact of US tariffs on its portfolio

Partners Group, one of the largest firms in the global private markets industry, today provides an initial assessment of the impact of the trade tariffs introduced on 2 April by the US government on its investment portfolio.¹ The firm reviewed >75 active direct assets across its private equity and infrastructure businesses and found only a small proportion with meaningful exposure to the tariffs.

Within private equity, Partners Group estimates the tariffs will lead to a 1-3% decrease in the aggregate EBITDA of its direct portfolio on an NAV-weighted basis. At this stage, our estimate is based solely on the direct impact of the announced tariffs; the actual development of portfolio company earnings will depend on a variety of economic and business factors. Overall, Partners Group's initial assessment shows companies representing 93% of the aggregate value² of the portfolio are either out of scope of the tariffs or expected to see only a modest impact on their earnings (71% at <1% of EBITDA; 22% at 1-4% of EBITDA). Amongst the remaining 7% of its private equity portfolio, most companies are exposed to a potential drop in earnings of 5-10% of EBITDA, after factoring in immediate mitigation measures such as price adjustments and reshoring of procurement and manufacturing. Only one portfolio company, representing <1% of aggregate portfolio value, is expected to experience a decrease as significant as 10-20% of EBITDA.

As Partners Group's infrastructure portfolio is not exposed to tariffs through trade, the firm focused on identifying which direct assets were likely to be impacted via their immediate supply chains. Initial analysis shows that only six out of 36 assets are anticipated to have direct supply chain exposure to the new tariffs. However, it is anticipated that tariff-driven cost increases for future development projects at these assets can be passed through to off-take customers given the strong demand for their services. For projects already in construction, an initial assessment indicates that returns will not be materially impacted.

On the client side, Partners Group maintains a disciplined portfolio and risk management framework that has been tested through multiple economic cycles. The firm's focus on building bespoke solutions,

¹ This assessment is based solely on the known implications of the tariff introductions and increases announced by the US government on 2 April. It remains too early to assess the broader impacts of potential retaliatory measures from other countries and more general implications for economic growth. Additionally, the review of portfolio assets focuses only on direct impacts from the tariffs; it does not take into account any potential indirect impacts.

² Analysis based on net asset values of investments across Partners Group's Direct Equity lead platform as of 31 December 2024.

such as mandates and evergreen funds, for its clients means it has a meaningful proportion of AuM³ in programs that are diversified across sectors, regions or even investment instruments. The combination of effective liquidity management tools, rigorous fair and current value valuation processes, and a diversified and sticky client base means the firm's suite of evergreen funds maintains a healthy level of liquidity.

Roberto Cagnati, Chief Risk Officer and Head of Portfolio Solutions, states: *"Partners Group is built differently to other private markets firms due to our early focus on providing differentiated client solutions. As a result, we have substantial experience of steering fund portfolios through crises – for example, several of our evergreen funds have a 20+-year track record that encompasses the Global Financial Crisis and the Covid pandemic. We have emerged stronger from every market cycle to-date, thanks to our prioritization of sustainable growth with prudent risk management. We have conviction that this approach will stand us in good stead for the duration of this period of market volatility too."*

David Layton, Partner and Chief Executive Officer, says: *"Our Global Investment Committee has underweighted investments with significant cross-border exposure for several years in view of rising geopolitical tensions; similarly, the reshoring of manufacturing and supply chains has been a longstanding feature of our ownership strategy. Consistent with our transformational investing approach, we will partner with the boards of our portfolio companies to test and refine each respective strategy in the coming weeks, and make changes where required. We are confident in the resilience and financial strength of our portfolio and in our ability to build businesses in challenging environments, generating attractive returns for our clients."*

About Partners Group

Partners Group is one of the largest firms in the global private markets industry, with around 1'800 professionals and over USD 150 billion in overall assets under management. The firm has investment programs and custom mandates spanning private equity, private credit, infrastructure, real estate, and royalties. With its heritage in Switzerland and its primary presence in the Americas in Colorado, Partners Group is built differently from the rest of the industry. The firm leverages its differentiated culture and its operationally oriented approach to identify attractive investment themes and to transform businesses and assets into market leaders. For more information, please visit www.partnersgroup.com or follow us on [LinkedIn](#).

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