



31 March 2014

3i Infrastructure plc – Pre-close update

3i Infrastructure plc (“3i Infrastructure” or “the Company”) announces its trading update as it enters the close period for the year ending 31 March 2014. This statement provides an update on investment activity, portfolio performance and cash balances since 31 December 2013, as at 28 March 2014.

Peter Sedgwick, Chairman of 3i Infrastructure, said: “The European portfolio has continued to perform well and to deliver good levels of income. While the India Fund remains affected by a number of macro-economic and market issues, its performance overall stabilised in the second half of the year.”

Phil White and Ben Loomes, Managing Partners for Infrastructure, 3i Investments plc, added: “As set out last year, over time the Company is targeting a portfolio comprising at least 75-80% core infrastructure investments, with the balance invested in PPP projects, with an emphasis on primary investments. The new investment in the Mersey Gateway Bridge primary PPP project, along with the investment in the Dutch National Military Museum completed at the end of 2013, demonstrates the value of the Investment Adviser’s acquisition of Barclays’ European PPP investment platform. In addition to seeing a good pipeline of primary PPP projects, we continue to see attractive opportunities in the core infrastructure market, which remains the Company’s key area of focus. ”

	1 April 2013 to 31 December 2013 / As at 31 December 2013 ¹	1 April 2013 to 28 March 2014 / As at 28 March 2014
New investment ²	£69.3m	£83.4m
Proceeds and repayments	£0.4m	£11.3m ³
Income ⁴	£64.3m	£80.9m
Cash balances	£96.5m	£90.1m ⁵

1. The Company’s latest Interim Management Statement, published on 24 January 2014, covered the nine months to 31 December 2013.
2. Includes new investment commitments.
3. Includes £10.9 million due from Eversholt Rail Group.
4. Excludes fees payable on investment activities.
5. Includes cash-in-transit of £33.1 million from Eversholt Rail Group.

Investment activity

Since the last Interim Management Statement in January 2014, 3i Infrastructure made a new investment in the Mersey Gateway Bridge primary PPP project (“Mersey Gateway Bridge”). On 28 March 2014, the Company committed to invest £13.1 million (alongside Fomento de Construcción y Contratas (“FCC”), a Spanish construction company) into an entity which will hold a 25% interest in the Mersey Gateway Bridge project. The Mersey Gateway Bridge project involves the design, build, finance and operation of a 1km tolled bridge across the river Mersey in Liverpool, as well as 9km of approach roads, against availability-based payments commencing from 2017. The bridge will aim to relieve traffic on the existing congested Silver Jubilee Bridge, which is currently the only road crossing point between Liverpool and Warrington. Construction is expected to commence in April 2014, with completion expected in the spring of 2017.

There were no asset realisations since the last Interim Management Statement, however the Company is due to receive proceeds of £10.9 million from Eversholt Rail Group on 31 March 2014 following a partial repayment of its shareholder loan.

Portfolio and returns

The Company's European portfolio continues to perform well operationally and financially. The portfolio generated income of £80.9 million in the period from 1 April 2013 to 28 March 2014, increased from £64.3 million for the nine months to 31 December 2013.

As usual, an important element of the determination of the Company's results for the year to 31 March 2014 will be the valuation exercise carried out on the investment portfolio as at that date. 3i Infrastructure expects to announce its results for the year to 31 March 2014 in May 2014.

As part of the ongoing regulatory review, in January 2014 Ofwat announced its proposal to reduce the weighted average cost of capital for the water industry in the next regulatory period. The Investment Adviser continues to work closely with the portfolio company, Anglian Water Group, on its business plan to address that challenge. Ofwat's Final Determination is expected to be published in December 2014.

The valuation of the Company's holding in the 3i India Infrastructure Fund at 31 March 2014 will be influenced by a number of market factors, including foreign exchange fluctuations and movements in the share price of Adani Power Limited. The exchange rate of the Indian rupee against sterling since 30 September 2013 is broadly unchanged, and the share price in Adani Power Limited has increased by 50%. As a result, overall the Board anticipates that the performance of the Fund will have stabilised over the second half of the year.

Balance sheet

At 28 March 2014, the Company had cash balances of £57.0 million and a further £33.1 million cash-in-transit from Eversholt Rail Group, expected to be received before the Company's year end. In total, this is marginally lower than the £96.5 million reported at 31 December 2013, reflecting the payment of the £29.5 million interim dividend, investment activity and cash income receipts from the portfolio.

Ends

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3i Infrastructure plc is a Jersey-incorporated, closed-ended investment company that invests in infrastructure businesses and assets and is regulated by the Jersey Financial Services Commission. The Company is building a diversified portfolio of infrastructure investments, with a focus on Europe. As of 30 September 2013, 3i Infrastructure had a portfolio of 15 investments valued at £964 million, and net assets of £1,078 million. The Company listed on the London Stock Exchange in March 2007, raising £703 million in an initial public offering and a further £115 million in a subsequent placing and open offer in July 2008, and is a constituent of the FTSE 250 index.

3i Investments plc, a wholly-owned subsidiary of 3i Group plc, is authorised and regulated in the UK by the Financial Conduct Authority and acts as Investment Adviser to 3i Infrastructure plc.

The financial information in this statement is prepared according to the Investment Basis of reporting, as defined in the Company's 2013 Annual Report. The Company anticipates that it will adopt IFRS10 and the Investment Entities Amendments in respect of the year ending 31 March 2014.

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This statement aims to give an indication of material events and transactions that have taken place during the period from 1 April 2013 to 28 March 2014 and their impact on the financial position of 3i Infrastructure plc. These indications reflect the Board's current view. They are subject to a number of risks and uncertainties and could change. Factors which could cause or contribute to such differences include, but are not limited to, general economic and market conditions and specific factors affecting the financial prospects or performance of individual investments within the portfolio of 3i Infrastructure plc.