



7 July 2022

## 3i Infrastructure plc – Q1 Performance update

*Resilient portfolio performing strongly; extension of credit facilities*

3i Infrastructure plc ('3iN' or the 'Company') is an investment company whose purpose is to invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders and having a positive impact on its portfolio companies and their stakeholders. This statement relates to the period from 1 April 2022 to 30 June 2022 (the 'Period').

### Highlights

- **Portfolio performing strongly:** Our portfolio companies have continued to perform in line with or ahead of expectations set at March 2022. The essential nature of the services provided by 3iN's portfolio companies ensures an element of pricing power that we expect to underpin a positive correlation between inflation and total portfolio value. 3iN's portfolio companies are also part-funded with debt that is not inflation-linked, often fixed at attractive long-term rates.
- **Further investment in TCR:** On 14 June 2022, 3iN announced that it had agreed to acquire the stake in TCR owned by funds managed by DWS for c.£334 million. This will result in 3iN increasing its holding from c. 48% to c. 96% of the equity in TCR, alongside management. Completion is subject to certain third party consents and is expected to take place in the final quarter of 2022.
- **Extension of credit facilities:** On 6 July 2022, the Company restructured and extended its existing Revolving Credit Facility ('RCF') to £900 million maturing in November 2024, comprising a base facility of £600 million and commitments under an accordion facility of £300 million.
- **Income as expected in the Period:** Total income and non-income cash was in line with expectations at £36 million in the Period. This compares with £22 million of income and non-income cash received in the same period last year.
- **Final FY22 dividend payment and FY23 target:** Payment of the final dividend for FY22 of 5.225 pence per share is due to be made on 11 July 2022. The Company is on track to deliver the FY23 dividend target of 11.15 pence per share, up 6.7% from FY22.
- **Net asset value ('NAV'):** The reported NAV of the Company at 31 March 2022, adjusted for the final dividend for FY22, is 298.1 pence per share. The TCR acquisition announced in the Period implies an increase in NAV of c.4 pence per share from aligning the value of the existing stake in TCR as reported at 31 March 2022.

Scott Moseley and Bernardo Sottomayor, Managing Partners and Co-Heads of European Infrastructure, 3i Investments plc, Investment Manager of the Company, commented: “The portfolio continues to perform strongly. We are delighted with the further investment in TCR which is consistent with our preference to invest further in existing portfolio companies. The extension of the RCF provides appropriate funding coverage of our investment commitments and is consistent with our strategy of maintaining an efficient balance sheet.”

## Portfolio update

**TCR** has continued to perform ahead of our expectations and has now returned to its pre-COVID EBITDA. The acquisition of DWS's 48% stake on 14 June 2022 will enable 3iN to take full advantage of future growth opportunities in airports around the world.

**ESVAGT** has outperformed our expectations since we increased our stake in February 2022. The Investment Manager will continue to work with ESVAGT's management team to capitalise on the growth potential in the offshore wind market, both in Europe and the US.

**Infinis** continues to perform strongly and benefit from higher power prices achieved on uncontracted volumes. Plans to develop solar energy generation and battery storage are moving ahead in line with expectations.

**Tampnet** has performed strongly in the Period driven by higher revenues from mobile units across the North Sea and the Gulf of Mexico, benefitting from the pick-up in offshore activity and the recent focus on energy security.

The remainder of the portfolio also performed well during the Period. The Company is on track to complete its investment in **GCX** during the summer.

The portfolio is delivering income in line with expectations. Total income and non-income cash was £36 million in the Period. This compares with £22 million of income and non-income cash received in the same period last year.

## Balance sheet

At 30 June 2022, the Company's cash balance was £77 million, with drawings of £135 million under the RCF. Subject to approval at the AGM on 7 July 2022, this cash balance will be reduced by payment of the final dividend of £47 million on 11 July 2022. The cash balance and drawings at 30 June 2022 include proceeds from the syndication of 16.9% of the Company's stake in **ESVAGT** of £91 million and from the sale of the **European projects portfolio** of £106 million, both of which completed during the Period.

Notice has been given to call the outstanding balance on the vendor loan note due from the sale of WIG in 2019. The Company expects to receive proceeds of £101 million in July 2022 including interest.

On 6 July 2022, the Company restructured and extended its existing RCF to £900 million maturing in November 2024, comprising a base facility of £600 million and commitments under an accordion facility of £300 million. The previous commitments under the one-year credit facility of £400 million to January 2023 have been cancelled. This provides increased flexibility over how and when to repay drawings under the facility, as well as longer term liquidity to make further investments.

Ends

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### **About 3i Infrastructure plc**

3i Infrastructure plc is a Jersey-incorporated, closed-ended investment company, an approved UK Investment Trust, listed on the London Stock Exchange and regulated by the Jersey Financial Services Commission. The Company's purpose is to invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders and having a positive impact on our portfolio companies and stakeholders.

3i Investments plc, a wholly-owned subsidiary of 3i Group plc, is authorised and regulated in the UK by the Financial Conduct Authority and is the investment manager of 3i Infrastructure plc.

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**This statement aims to give an indication of material events and transactions that have taken place in the period from 1 April 2022 to 30 June 2022 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.**