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## 3i Infrastructure plc sells its stake in Anglian Water Group

15 DECEMBER 2017

3i Infrastructure plc (“3i Infrastructure” or the “Company”) announces that it has agreed to sell its stake in Anglian Water Group (“AWG”), the parent company of Anglian Water, the supplier of water and water recycling services to over six million domestic and business customers in the east of England and Hartlepool. The acquirer is a consortium of Dalmore Capital and GLIL Infrastructure LLP (the infrastructure investment joint venture between five local Government pension funds).

The sale is conditional on certain third party consents and completion is expected in early 2018. Estimated gross proceeds for 3i Infrastructure are approximately £395 million. This compares to a valuation of £288 million at 30 September 2017.

3i Infrastructure acquired its stake upon its IPO in 2007, following the take-private of AWG in 2006 by a consortium of investors. In the period since the original acquisition, AWG has invested over £4 billion to replace ageing infrastructure, improve resilience and address the imbalance between supply and demand in one of the UK’s driest regions. Through its innovative Love Every Drop strategy, AWG has reduced service interruptions, pollution incidents and leakage to record low levels. For the financial year to March 2016, AWG ranked second among the Water and Sewerage Companies in Ofwat’s Customer Service Survey.

AWG’s commitment to responsible development was recognised when it was named Responsible Business of the Year 2017 by Business in the Community. AWG employs 4,500 people and, in December 2017, it was ranked second in Glassdoor’s list of the top 20 best places to work in the UK.

Richard Laing, Chairman of 3i Infrastructure plc, commented, “AWG was part of 3i Infrastructure’s seed portfolio and has proved a good investment for the Company over the past ten years. We believe that now is an appropriate time for the Company to realise its stake. Subject to completion of this sale and that of Elenia, 3i Infrastructure expects to have a significant cash balance by the end of the first quarter of 2018. Consistent with our policy of managing our balance sheet efficiently, the Board of Directors will be considering the potential for returning surplus cash to shareholders.”

Phil White, Managing Partner and Head of Infrastructure, 3i Investments plc, commented, “We would like to thank CEO Peter Simpson, his management team and the staff at AWG for their dedication and achievements during our period of ownership, supported by the 3i team and our co-shareholders. AWG is an exceptional company and we wish the team well for the future.

“We have developed a good pipeline of potential opportunities for 3i Infrastructure that are consistent with the Company’s return objectives, and we expect to progress several of these over the coming months.”

3i Infrastructure's 10.3% stake is held by 3i Osprey LP alongside a further 4.7% held on behalf of other investors. 3i Osprey LP is selling its entire 15% stake.

-ENDS-

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## **Notes to editors:**

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

3i Infrastructure plc is a Jersey-incorporated, closed-ended investment company, listed on the London Stock Exchange and regulated by the Jersey Financial Services Commission. The Company is a long-term investor in infrastructure businesses and assets. The Company's market focus is on economic infrastructure and greenfield projects in developed economies, principally in Europe, investing in operating businesses and projects which generate long-term yield and capital growth.

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.

### **About AWG**

Anglian Water is the largest water and water recycling company in England and Wales by geographic area, serving more than six million customers. It covers a region that stretches from the Humber north of Grimsby to the Thames estuary, and from Buckinghamshire to Lowestoft. The population it serves is one of the fastest growing in the UK, in a region that receives just two-thirds the country's average rainfall. The company is Business in the Community's Responsible Business of the Year for 2017, and received a Queens Award for Enterprise for Sustainable Development in 2015.