27 September 2016

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 six months ending 30 September 2016. The data in this statement relates to the period from 1 April 2016 to 26 September 2016 (the "period").

Highlights

- The Company raised £385 million (gross of fees) of new equity on 8 June 2016, increased from the target size of £350 million. The offer was significantly oversubscribed.

- In a market which remains competitive, the Company achieved a strong level of investment in the period, completing four new investments from the Investment Adviser's previously identified pipeline for a total consideration of £287 million. Most of the proceeds from the equity raise have thus been deployed within four months. This compared to a total investment of £187 million for the six-month period ending 30 September 2015. Consistent with the Company's strategy, we have secured three investments in mid-market economic infrastructure businesses which can benefit from the Investment Adviser's engaged asset management approach and ability to deploy follow-on capital: Wireless Infrastructure Group ("WIG"), TCR and Valorem. In addition, the Company made an investment commitment to the Hart van Zuid greenfield PPP project in the Netherlands. These investments are expected to deliver attractive risk-adjusted returns, in line with the Company's objectives. Finally, the Company has been appointed as the preferred bidder and subsequently achieved commercial close for the A27/A1 greenfield PPP project in the Netherlands, with financial close expected shortly.

- The European portfolio continues to perform broadly in line with expectation, delivering planned cashflows and with the newer portfolio companies performing as expected since acquisition. The Investment Adviser is focused on actively managing the portfolio to maximise value and is currently executing the 100-day plans for the new investments made in the period. The India Fund remains focused on realisations: it achieved the sale of 85% of the holding in Adani Power and received the proceeds from the sale of Ind-Barath Utkal. The India Fund now represents less than 3% of the portfolio value.

- Portfolio income totalled £28.2 million in the period, in line with expectations. Further income of approximately £7.1 million is expected by 30 September 2016. Non-income cash of £12.5 million was received. This compares to portfolio income of £27.1 million and £0.2 million of non-income cash received in the six-month period ending 30 September 2015. The increase reflects a full period of income from the investments made in the second half of FY2016 as well as a contribution from the transactions which closed during the period.

- The Company's cash balance was £133.9 million at 26 September 2016 and the undrawn balance of its Revolving Credit Facility ("RCF") was £274.9 million. The Company has a good level of liquidity for future investment.

Richard Laing, Chairman of 3i Infrastructure, said: "The Company has had a busy first half. In a competitive market, we completed four new investments for a total consideration of £287 million and executed a successful capital raise. The Company's European portfolio continues to deliver income in line with expectations. Supported by our outlook for the European portfolio, including the new investments completed in the period, we remain on track to deliver a full year dividend for FY2017 of 7.55 pence per share."

Ben Loomes and Phil White, Managing Partners and Co-heads of Infrastructure, 3i Investments plc, Investment Adviser to the Company, added: "We have had a good start to the first half of FY2017, completing four investments from the pipeline that we had identified prior to raising equity. Most of the equity issue proceeds have now been deployed. Looking ahead, with interest rates remaining at all-time lows, we expect demand for infrastructure assets to remain strong across Europe as capital flows towards defensive sectors. Equity market volatility has increased during the period, reflecting the macro-economic uncertainty stemming from the outcome of the UK referendum. In these conditions, while we continue to see attractive opportunities, we will remain selective and focus on maintaining a balanced portfolio that maximises value for shareholders as well as an efficient balance sheet."

Investment and realisation activity

The Company completed four new investments across its key target markets in the period, for a total consideration of £287 million.

On 9 June 2016, the Company completed the acquisition of a 36% economic interest in WIG, investing approximately £75 million. WIG is an independent communications infrastructure provider headquartered in Scotland. The business builds and operates communication towers and other wireless infrastructure to enable the connection between networks and the communities that rely on their services.

On 27 July 2016, the Company completed an investment of approximately €200 million in TCR. Headquartered in Brussels, TCR is Europe's largest independent owner of airport ground support equipment ("GSE") and operates in over 100 airports. The equipment that TCR provides to its clients is critical infrastructure, without which some of Europe's busiest airports could not operate.

On 12 September 2016, the Company completed a €57 million investment in the renewable development and operating company Valorem. Headquartered in Bègles, France, Valorem is a leading independent renewable energy development and operating company, having developed over 480MW of capacity over the last 10 years. Valorem benefits from a critical mass of operating assets and a strong pipeline of further projects at a well advanced development stage.

The Company also announced on 29 April 2016 that it has committed to invest approximately €5 million to acquire a significant majority stake in Coeur du Sud B.V., a vehicle created for the Hart van Zuid greenfield project in Rotterdam, Netherlands. The €200 million project involves the renewal and revitalisation of the area surrounding the Zuidplein and Ahoy centres in Rotterdam.

Finally, on 29 June 2016, 3angle, a consortium comprising the Company, Fluor and Heijmans, was named as the preferred bidder for the design, build, management, maintenance and financing of the existing and new infrastructure of the A27 and A1 between Junction Utrecht North Intersection Eemnes and Junction Bunschoten-Spakenburg. The transaction reached commercial close in September 2016, with financial close expected shortly.

Portfolio and returns

The Company's European portfolio continues to perform in line with expectations. Portfolio income (dividends, interest receivable and any fees received from portfolio assets) totalled £28.2 million in the period. Non-income cash of £12.5 million was also received, which supports the Company's dividend. Further income of approximately £7.1 million is expected by 30 September 2016. The total increase of £20.5 million against the period to 30 September 2015 is in line with expectations, with a full period of income from investments made in FY2016 and a contribution from the new investments made in the period.

In June 2016, ESVAGT, a leading provider of offshore safety and support at sea, signed a binding agreement with Hess, a leading independent energy company, to provide safety and support services at the South Arne field in the Danish sector of the North Sea for a period of 12 years, continuing a successful 17 year partnership at the field. ESVAGT's services will be performed by a new, purpose-built vessel, scheduled for delivery in 2018. The 'ESVAGT Connector' vessel will provide support to Hess until the new vessel is delivered.

As usual, an important element of the determination of the Company's results for the six months to 30 September 2016 will be the valuation exercise carried out on the investment portfolio at that date. 3i Infrastructure expects to announce its results for the six months to 30 September 2016 on 3 November 2016.

Balance sheet

The Company manages its balance sheet and liquidity position actively, ensuring it maintains adequate liquidity to pursue new investment opportunities, while not diluting shareholder returns by holding surplus cash balances. At 26 September 2016, the Company had a cash balance of £133.9 million, and an undrawn balance under its RCF of £274.9 million. The RCF was drawn to complete the investment in WIG and subsequently repaid with the proceeds from the equity raise. The accordion feature of the RCF was exercised and subsequently cancelled during the period, and this remains available to be exercised again if required. The facility has been extended by a further year to May 2019.

Net of the Company's hedges, the Foreign Exchange impact has been positive for the first half of the financial year. The hedging policy remains unchanged, targeting a 95% hedge ratio of the EUR exposure and aiming to reduce the volatility of the Company's returns.

Ends

For information please contact:

Richard Laing	Chairman, 3i Infrastructure plc	+44 1534 847 410
Thomas Fodor	Investor enquiries	+44 20 7975 3469
Toby Bates	Media enquiries	+44 20 7975 3021

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.

This press release is not for distribution (directly or indirectly) in or to the United States, Canada, Australia or Japan and is not an offer of securities for sale in or into the United States, Canada, Australia or Japan. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or an exemption from registration under the Securities Act. Any public offering to be made in the United States will be made by means of a prospectus that may be obtained from the issuer or selling security holder and will contain detailed information about 3i Group plc, 3i Infrastructure plc, 3i India Infrastructure Fund and management, as applicable, as well as financial statements. No public offering in the United States is currently contemplated.

This statement aims to give an indication of material events and transactions that have taken place in the period from 1 April 2016 to 26 September 2016 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.