

Investment Commitment and C Share Conversion

RNS Number : 9589B
GCP Infrastructure Investments Ltd
10 April 2013

10 April 2013

GCP Infrastructure Investments Limited

(the "Company" or "GCP")

Investments totalling £26 million and C Share Conversion

GCP, the UK's only listed infrastructure fund focused primarily on investments in UK infrastructure debt, is pleased to announce that on 9 April 2013 the Master Fund completed a transaction subscribing for loan notes with an average life of c.13 years and an aggregate value of £26 million (the "**Notes**"). The yield on the Notes will be c. 10.5 per cent. per annum, payable quarterly in arrears.

The Notes will be issued by GCP RHI Boiler 1 Limited, a single purpose company, which will use the proceeds to make a series of loans secured on a senior-ranking basis against a portfolio of commercial biomass boilers (the "**Boilers**").

All payments of both principal and interest in relation to the Notes are expected to be serviced from income arising from the use of the Boilers in the form of payments under the Renewable Heat Incentive ("**RHI**"). Payments under the RHI are made by Ofgem.

The acquisition of the Notes has been financed fully from available cash reserves.

Following the acquisition of the Notes the Master Fund has deployed around three quarters of the net new capital raised through the Company's £132.3 million placing and offer for subscription of C Shares (the "**C Share Issue**") which closed in October 2012.

As a result of the acquisition of these Notes, the value of investments of the Master Fund is expected to have exceeded 90 per cent. of the net asset value of the Master Fund and, therefore, in accordance with the terms of the C Share Issue, the Directors have determined that the Calculation Time (as defined in the C Share Issue prospectus) for the conversion of C Shares into Ordinary Shares is 9 April 2013 and, as a result, the conversion will be made on the basis of the respective net asset values of the C Shares and Ordinary Shares as at close of business on 9 April 2013.

Expected timetable

Conversion ratio announced	Tuesday, 16 April 2013
Record date for conversion and C Share register closes	5.30pm on Tuesday, 16 April 2013
Dealings in new Ordinary Shares commence	Wednesday, 17 April 2013
Crediting of CREST accounts with new Ordinary Shares	Wednesday, 17 April 2013
Share certificates in respect of new Ordinary Shares dispatched	Tuesday, 23 April 2013

Contacts

Gravis Capital Partners LLP

Stephen Ellis	+44 (0)20 7518 1495
Rollo Wright	+44 (0)20 7518 1493

Oriel Securities

Joe Winkley	+44 (0)20 7710 7600
Gareth Price	
Neil Winward	

Buchanan

Charles Ryland
Sophie McNulty
Louise Hadcocks

+44 (0)20 7466 5000

Notes to Editors

The Company

The Company is a closed-ended investment company that seeks to generate returns from senior and subordinated infrastructure debt and related and/or similar assets (the "Target Assets"). The Company achieves this by investing substantially all of its capital in GCP Infrastructure Fund Limited (the "Master Fund"), an open-ended investment company that holds the Target Assets. The Company is the majority shareholder of the Master Fund. The Company and the Master Fund are advised by Gravis Capital Partners LLP (the "Investment Adviser").

The Renewable Heat Incentive

The RHI is a Government environmental programme introduced in November 2011 that provides financial incentives to increase the uptake of renewable heat. Broadly speaking it provides a subsidy, payable for 20 years, to eligible, non-domestic renewable heat generators and producers of biomethane based in Great Britain. Ofgem is responsible for implementing and administering the scheme on behalf of the Department of Energy and Climate Change.

By providing a long-term financial incentive, the objective of the RHI is to significantly increase the proportion of heat generated from renewable sources. By driving change in a heat sector currently dominated by fossil fuel technologies, the RHI can help the UK meet EU targets to reduce carbon emissions and improve energy security. In addition there's also the wider potential of developing 'green jobs'.

Currently, the Renewable Heat Incentive is open to parties in the non-domestic sector which includes industrial, commercial, public sector and not-for-profit organisations with eligible installations and to producers of biomethane. In the context of the scheme, a non-domestic installation is a renewable heat unit that supplies large-scale industrial heating right down to small community heating projects. This includes for example small businesses, hospitals and schools, as well as district heating schemes for example where one boiler serves multiple homes.

This information is provided by RNS
The company news service from the London Stock Exchange

END

MSCUKANROKASRAR