

Investments totalling £7 million

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GCP Infrastructure Investments Ltd
27 May 2014

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GCP Infrastructure Investments Limited
("GCP" or "the Company")
Investment totalling £7 million
c. 18 year loan notes yielding c.9%

GCP, the only listed fund focused on investments in UK infrastructure debt, is pleased to announce the completion of a transaction subscribing for loan notes with a term of c.18 years and an aggregate value of £7 million (the "Notes"). The yield on the Notes is c. 9% per annum.

The Notes will be issued by GCP Hydro 1 Limited, a single purpose company, and the proceeds from the issue of the Notes will be used to make a senior loan secured against the cash flows arising from an operational 1.99 MW Hydropower scheme in Scotland.

All payments of both principal and interest in relation to the Notes are expected to be serviced from income arising under the UK Government's Feed-In Tariff Scheme.

The acquisition of the Notes has been financed from available cash reserves. Following this investment £23m (29%) of the C Share capital raised in March 2014 will have been invested.

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Notes to Editors

The Company

The Company is a closed-ended London Stock Exchange-listed investment company that seeks to generate returns from senior and subordinated infrastructure debt and related and/or similar assets. The Company is advised by Gravis Capital Partners LLP.

The Project

The project is a medium size (1.99MW) run of river Hydropower scheme located in Scotland. It has been operational for 2 years and is exceeding its initial output expectations. It benefits from payments for the electricity generated under the UK Government's Feed-In Tariff Scheme at a generation tariff of 12.82p per kWh and in addition is able to sell the electricity generated to the market under a separate power purchase agreement.

The Feed-In Tariff Scheme

The Feed-In Tariff scheme was introduced by the UK Government with effect from April 2010 to encourage the use of energy in the UK from renewable sources (including hydropower). The scheme guarantees to electricity producers a fixed price for electricity produced from renewable sources for a term of 20 years, inflating at RPI.

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