

Comment on Budget Statement

RNS Number : 6481S
GCP Infrastructure Investments Ltd
09 July 2015

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GCP Infrastructure Investments Limited

("the Company")

Comment on Budget Statement

The Board of Directors of the Company has noted the Chancellor's statements in yesterday's Budget relating to the removal of the Climate Change Levy exemption for certain renewable energy projects from 1 August 2015.

Gravis Capital Partners LLP, the investment adviser to the Company, has conducted a preliminary review of the potential impact of these statements on the assets of the Company. It is the view of the Board, as advised by the investment adviser, that a minority (by value) of the projects against which the Company has provided debt will see a modest reduction in the forecast net cashflows available to service such debt during the period to 2022.

However, it is the opinion of the investment adviser that these reductions will not have a material impact on the ability of the projects to service such debt. As a result, it is the view of the Board, as advised by the investment adviser, that the cashflows expected to arise from the investments held by the Company will be wholly unaffected by the removal of the Climate Change Levy exemption.

Ian Reeves, the chairman of the Company, commented "The Company offers shareholders exposure to subordinated PFI debt and related assets including renewable energy. Its focus on investing in debt instruments ensures that the Company benefits from an element of protection whereby equity holders in investee projects suffer the first loss arising from any reduction in projects' free cash flows. In light of yesterday's announcement of a reduction in the level of public sector support for certain renewable energy projects, it is pleasing to see that the fundamentally conservative approach of the Company in providing debt to such projects leaves the Company essentially unaffected by that announcement".

Contact details:

Gravis Capital Partners LLP

Stephen Ellis +44 (0)20 7518 1495

Rollo Wright +44 (0)20 7518 1493

Stifel Nicolaus Europe Limited

Neil Winward +44 (0)20 7710 7600

Mark Bloomfield

Tunga Chigovanyika

Cenkos Securities

Dion Di Miceli +44 (0)20 7397 1921

Tom Scrivens +44 (0)20 7397 1915

Buchanan

Charles Ryland +44 (0)20 7466 5000

Victoria Watkins

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.

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