EDISON

International Public Partnerships

Disciplined capital allocation

Investment companies
Infrastructure

26 August 2026

International Public Partnerships (INPP) has announced the agreed sale of its stakes in nine UK private-public partnership (PPP) projects for £58m, implying a premium to the last published valuation. The transaction provides a further example of the company's disciplined capital recycling programme, with realisations from mature assets funding investment in higher returning investment opportunities and share buybacks. This same capital discipline is evident in INPP's earlier decision not to invest further in toob and to transfer its equity interest to the debt holders for a de minimis amount. Despite the transfer, the company's guidance that it expects the June NAV per share to be broadly in line or marginally higher than at 31 December (151.5p) remains unchanged.

The agreed disposals involve nine UK PPP projects, comprising 15 schools spread across four London boroughs and delivered as part of the Building Schools for the Future (BSF) programme. This takes the total agreed or completed realisations over the last three years to more than £440m, equivalent to 17% of the portfolio, all in line with, or at a premium to, the relevant published valuations, providing evidence of the robustness of INPP's valuation process and published NAV. Over the same period, c £480m has been committed to reinvestment at a combined internal rate of return (IRR) of more than 11%, ahead of the portfolio's end-FY25 weighted average discount rate of 9.1%. Alongside portfolio reinvestment, INPP has repurchased more than £150m of shares at an accretive discount to NAV under its buyback programme of up to £225m that is expected to run until end-March 2027.

toob is a fibre-to-the-premise network operator and one of four digital infrastructure investments made by INPP during 2018. Two have since been fully realised and a third, Community Fibre, partially realised, each generating double-digit IRRs. Community Fibre (c 1.0% of NAV as at 31 December 2025) continues to perform well, reaching operational cash flow breakeven in Q126, and increasing customers to more than 450,000, positioning it among the UK's leading full-fibre alternative network operators. In recent months, INPP has highlighted the structural headwinds the UK's altnet market is facing and, in particular, the potential material adverse effect on toob's business, with valuation assumptions and underlying business plans updated accordingly. At end-FY25, the toob investment was valued at c £24m or 0.9% of NAV, and, following completion of the agreed transaction, INPP's remaining interest will be £2.6m, being an investment ranking pari passu with senior debt funding. The outcome at toob is disappointing, but not material to the wider investment case, and is best seen through the same lens of capital discipline.

INPP's NAV expectation for 30 June (H126) takes into account a range of external macroeconomic factors, including inflation, interest rates and foreign exchange movements, as well as the toob transaction. For FY26 and FY27, the company targets DPS growth of c 2.5% per year, to 8.79p and 9.01p, in line with its long-term annual growth rate of 2.5% or more. Beyond FY27, expected portfolio cash flows are sufficient to support continuing DPS growth of c 2.5% per year for at least the next 25 years without any requirement for additional investments, reflecting the long-duration, low-risk nature of the investment. Although the discount to NAV has narrowed considerably, the FY26e dividend yield of 6.3% and projected net return implied by the share price, based on anticipated future portfolio cash flows, of c 9% remain attractive when benchmarked against a fixed-coupon, 30-year UK gilt yield of c 5.8%.

Price		**140.60p**
Market cap		**£2,517m**
Total assets		**£2,756m**

[1]Total assets as at 31 December 2025.

NAV		151.5p

[1]NAV as at 31 December 2025.

Discount to NAV		7.2%
Current yield		6.3%

[1]Yield based on FY26 target DPS of 8.79p.

Shares in issue		1,790.2m
Code/ISIN		INPP/GB00B188SR50
Primary exchange		LSE
AIC sector		Infrastructure
Financial year end		31 December
52-week high/low	142.8p	110.1p

Fund objective

International Public Partnerships is an infrastructure investment company that listed in 2006. It invests in a diversified portfolio of global public infrastructure assets and businesses, with a focus on availability-based or regulated revenues. It aims to provide investors with a consistent and predictable return from assets that meet societal and environmental needs, both now and in the future.

Bull points

- Operates in a structurally supported sector.
- Financial returns are consistent and predictable, with good inflation linkage.
- Established, specialist, well-resourced manager with a global presence.

Bear points

- Higher capital costs are a headwind to new portfolio investment.
- Sector has de-rated with higher interest rates.
- Differing risk-return strategies and discount rates across the sector are difficult for investors to compare.

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