EDISON

International Public Partnerships

Increased NAV and enhanced growth potential

Investment companies
Infrastructure

18 September 2026

International Public Partnerships' (INPP's) interim results (H126) show another period of strong operational and financial performance. The company's diversified portfolio of lower-risk essential infrastructure assets, with government-backed, availability-based or regulated revenues, underpins highly predictable cash flows with strong inflation linkage. As a result, DPS has increased every year since listing in 2006, at a rate of at least 2.5% per year. Projected portfolio cash flow is sufficient to cover future growth, at the same rate for at least the next 25 years, without any need for further investment. However, the opportunities for attractive investment are strong, and the capital recycling programme continues to enhance both the duration and the level of expected future cash returns.

INPP is well on track to meet its FY26 DPS target of 8.79p, fully covered by operational net cash flow, and continues to expect an increase to 9.01p for FY27. Despite the high level of macroeconomic uncertainty, increasing inflation and sharply higher government bond yields, H126 NAV per share increased 1.9p, or 1.3%, to 153.4p. Adjusting for DPS paid, the NAV total return was 6.2p or an annualised 8.2%. The portfolio weighted average discount rate was left unchanged at 9.1%, supported by transaction evidence across the market and reflecting an increase in bond yields and a reduction in risk premium. The global reach and strong market presence of INPP's investment manager, Amber Infrastructure (Amber), provides a valuable insight into market pricing and the robustness of the company's valuations has been demonstrated by its asset sales experience. Realisations of over £440m since June 2023, one side of INPP's capital recycling strategy, have all been at or above valuations. Over the same period, c £480m has been invested or committed at an average internal rate of return (IRR) of more than 11%, ahead of the portfolio's end-FY25 weighted average discount rate of 9.1%. Commitments include the yet to conclude Moray West OFTO (£65m) where INPP is the preferred bidder. 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 September 2027. As a direct result of this recycling, the weighted average life of the portfolio has increased from 37 years to 41 years and the linkage of expected cash flows to inflation has strengthened. A 1.0% per year increase in the long-term inflation assumption is now expected to increase cash flows by 0.8% compared with 0.7% in June 2023.

A key element in the successful redeployment of capital at attractive returns continues to be Amber's ability to successfully source and structure projects at an early stage, when there is less competition. Under the regulated asset base (RAB) model used by Tideway and Sizewell C, approved construction spending earns an inflation-linked regulated return funded by customer bills, allowing investors to receive cash returns before the assets become operational and their regulated, inflation-linked revenues commence.

Over the past 12 months, INPP shares have increased c 15%, generating a shareholder total return of c 23%. The discount to NAV has narrowed considerably but remains at c 9% and the projected net return implied by the current share price, based on anticipated future portfolio cash flows, is an attractive c 9%, still well ahead of the 30-year UK gilt yield, now approaching 6%. Dividends are a core component of this return and the FY26e dividend yield is 6.3%, with good visibility of long-term growth, uncorrelated with economic activity, and with strong inflation protection.

Not intended for persons in the EEA.

Price		**140.00p**
Market cap		**£2,505m**
Total assets		**£2,758m**

[1]Total assets as at 30 June 2026

NAV		153.4p

[1]NAV as at 30 June 2026

Discount to NAV		8.7%
Current yield		6.3%

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

Shares in issue		1,789.9m
Code/ISIN		INPP/GB00B188SR50
Primary exchange		LSE
AIC sector		Infrastructure
Financial year end		31 December
52-week high/low	142.8p	110.5p

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.

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