EDISON

International Public Partnerships

Significant new investment opportunity

Investment companies
Infrastructure

29 July 2025

International Public Partnerships (INPP) has been selected as a preferred bidder on the Sizewell C nuclear power station, a landmark infrastructure project critical to strengthening the UK's energy security and to meeting the government's net zero targets. INPP will take a c 3% equity stake in the Sizewell C regulated company and has committed to invest c £250m over the next five years. It expects to fund this through capital recycling, with the share repurchase programme remaining in place. The investment is structured under a regulated model and is expected generate predictable, long-term, inflation-linked cash flows, protected against construction and nuclear-specific risks, and provide capital upside. We expect the ability to recycle capital into attractive, new, long-term investment opportunities, in addition to its immediately accretive share repurchases, to support a continued re-rating of INPP shares.

Price	**125.00p**
Market cap	**£2,302m**
Total assets	**£2,729m**
NAV	144.7p
[1]As at 31 December 2024	
Discount to NAV	13.6%
Current yield	6.7%
[1]Based on FY24 DPS of 8.37	
Shares in issue	1,841.7m
Code/ISIN	INPP/GB00B188SR50
Primary exchange	LSE
AIC sector	Infrastructure
Financial year end	31 December
52-week high/low	134.2p 105.2p

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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Attractive, low-risk and significant commitment

The company intends to invest around £50m per year over the next five years alongside the UK government, the Nuclear Liabilities Fund, La Caisse, EDF and Centrica to finance the construction, development and 60-year operations of the new nuclear plant. The plant will have the capacity to produce enough low-carbon electricity to meet 7% of the UK's forecast electricity needs when completed and operational, expected in the mid- to late 2030s. Selective sales of lower-returning assets will provide most of the funding for this and for the continuing up to £200m share repurchase programme, expected to run until March 2026, of which more than £80m has been executed to date. Asset realisations of more than £315m have already been successfully achieved over the past 24 months, all in line with or at a premium to the relevant published valuations, providing evidence of the quality of INPP assets and the robustness of INPP's valuation process.

Once the committed funds have been deployed, it is expected the investment will represent c 10% of the portfolio. INPP's participation is testament to the abilities of its investment adviser, Amber Infrastructure, to source and structure attractive opportunities at an early, higher-return stage of the investment cycle. The transaction is anticipated to close in Q425 and INPP expects the investment to deliver an attractive, fixed low-teens internal rate of return (IRR) during construction and early operations, then transitioning to a regulated return mechanism similar to Tideway. Maintaining the low-risk nature of its portfolio, the transaction is structured so that INPP's returns have no exposure to power price volatility or the demand economics of power generation and includes enhanced investor protection from construction overrun risks, even in severe downside scenarios and remote nuclear-specific risks.

Predictable returns

INPP shares have rallied strongly from March lows but are still 4% lower over one year. The discount to end-FY24 NAV has narrowed to 13.6%, but this compares with an average 4% premium from listing in 2006 to end 2022. Based on the 2025 target DPS of 8.58p, the shares are yielding 6.9%. The discount to NAV implies a total return to an investor, based on projected future portfolio cash flows as at end FY24 (hence including no benefit from this new investment), of 9.7% per year, which is more than 400bp above the UK 30-year gilt yield.

International Public Partnerships is a research client of Edison Investment Research Limited

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