

International Public Partnerships

Operational and strategic progress

International Public Partnerships' (INPP's) recent portfolio update, for the period 1 July 2025 to 12 December 2025, showed the portfolio continuing to perform well and in line with expectations. Capital allocation initiatives, aimed at substantially enhancing shareholder returns continue to make significant progress. Most recently, a minority stake in the Moray East OFTO has been sold at a premium to the last published fair value; the share repurchase programme has been increased and extended; and reinvestment includes the first investment in Sizewell C (S2C), which, when fully invested, is expected to be attractively accretive to expected returns and enhance both inflation linkage and portfolio longevity.

As discussed in detail in our recent [review](#) note, INPP is focused on actively managing its existing portfolio, to maximise financial and operational performance, alongside a disciplined capital allocation strategy. It continues to realise mature, lower growth assets, repurchase shares at below NAV and recycle capital into compelling high-value opportunities that offer the potential for higher returns, enhance the portfolio metrics and support the longer-term investment objectives. [The Moray East transaction](#) is expected to complete in Q126 and will realise c £42m in exchange for a 49% shareholding, with the sale price being at a premium to the last published valuation. During FY25, INPP announced c £130m of realisations and, including Moray East, the total since July 2023 is c £387m, with further capital recycling anticipated. The sales have all been at or above the most recent published valuation, validating and enhancing the published NAV. From the proceeds, more than £75m was allocated to share repurchases in FY25. In total, since the programme commenced in January 2024 and up to 7 January 2025, c £121m of shares have been repurchased, enhancing NAV per share by 1.4p. The buyback programme has now been increased to up to £225m (previously £200m) by 31 March 2027 (previously March 2026). Since the start of 2025, INPP has selectively reinvested c £40m, of which the largest part (£35m of a total £254m over five years) is the first tranche of its [investment into S2C](#), the UK's latest nuclear power station facility. S2C reached [financial close in November](#) and is expected to add c 0.3% per year to INPP's overall returns once fully invested.

Asset valuations and the calculation of NAV per share are sensitive to a range of external macroeconomic factors and assumptions as well as transaction prices observed in secondary markets. Taken together since June, including slightly positive effects from inflation and weaker sterling, volatile bond markets and positive asset market indications, INPP anticipates end-FY25 NAV per share to be broadly unchanged compared with H1.

INPP shares rallied strongly (16%) from the March low and generated an FY25 total return to c 13%. Nonetheless, based on the FY26 target DPS of 8.79p (+2.5%) the prospective dividend yield is 6.9%, and the expected cash flows from the existing portfolio alone are sufficient to meet progressively growing dividends for at least the next 20 years (25 years including S2C on a fully invested basis from 2030). These expected portfolio cash flows also provide a high level of positive inflation linkage, with a 1.0% per year increase in inflation above that assumed in the valuation, expected to increase investment returns by 0.7% per year (0.8% including S2C). Moreover, the shares can be acquired at a c 15% discount to NAV, which implies a total return to an investor, based on projected future portfolio cash flows, of c 10%, around 480bp above the UK 30-year gilt yield.

Investment companies
Infrastructure

9 January 2026

Price	125.00p
Market cap	£2,294m
Total assets	£2,755m
<small>¹As at 30 June 2025.</small>	
NAV	148.7p
<small>¹As at 30 June 2025.</small>	
Discount to NAV	14.9%
Current yield	6.8%
<small>¹Based on FY25 target DPS of 8.58p</small>	
Shares in issue	1,811.1m
Code/ISIN	INPP/GB00B188SR50
Primary exchange	LSE
AIC sector	Infrastructure
Financial year end	31 December
52-week high/low	127.8p 107.8p

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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