



20<sup>th</sup> June 2017

## WHITEHELM CAPITAL INVESTS IN YORKSHIRE WATER HOLDCO LOAN

Leading independent infrastructure manager Whitehelm Capital (“Whitehelm”) has closed its investment in a junior loan issued by Kelda Finance (No.2), the first holding company of Yorkshire Water. Yorkshire Water is the fifth-largest water and sewerage company in the UK by both Regulatory Capital Value and number of customers served.

Whitehelm invested £45 million (c. A\$79 million) in the transaction on behalf of its investors, out of a total junior loan size of £145 million. The transaction follows the £50 million (c. A\$88 million) commitment to an acquisition loan issued by a leading UK Meter Asset Provider in April 2017.

These transactions bring Whitehelm’s investments in infrastructure debt to date to nearly £900 million (c. A\$1.5 billion), with an internal rate of return (IRR) of more than 10% and a history of no defaults or restructurings. Whitehelm focuses on investing in debt issued by defensive, non-cyclical infrastructure companies, targeting sectors that serve as the backbone for the provision of essential services such as water, gas, electricity, and transport.

### **Alexander Waller, Head of Infrastructure Debt, Whitehelm Capital, said**

“Whitehelm is pleased to support Yorkshire Water’s junior debt package. Yorkshire Water is one of the UK’s leading water and sewage companies, and another great addition to Whitehelm Capital’s portfolio of credit investments in high-quality core infrastructure businesses.”

“High-yield infrastructure debt continues to offer an excellent return compared to senior debt and big-ticket infrastructure equity. The return compression that has been evidenced in other parts of the infrastructure market has increased the relative attractiveness of high yield infrastructure debt – where we continue to see a strong pipeline of compelling opportunities.”

## ABOUT YORKSHIRE WATER

Yorkshire Water is the the fifth-largest water and sewerage company in the UK by both Regulatory Capital Value (£5,833 million as at end-March 2016), and by number of customers served (5.0 million). Yorkshire Water operates in a mature regulatory framework that enjoys both implicit and explicit support from the regulator, Ofwat. Yorkshire Water is subject to revenue regulation with five-yearly determinations, through which, regulated returns provide strong revenue visibility and low risk for investors, while the index-linked revenues provide an inflation hedge.

### HIGHLIGHTS

Whitehelm invests £45 million on behalf of its investors

Total junior loan size of £145 million

Whitehelm has invested nearly £900 million in infrastructure debt to date

## **ABOUT WHITEHELM CAPITAL**

Whitehelm is one of the world's most experienced independently-owned infrastructure investment managers. With an outstanding track-record spanning over 19 years, we have invested nearly £5.0 billion in 90 unlisted infrastructure investments, with nearly £3.4 billion returned to investors and £2.3 billion in assets currently under management. We have achieved strong returns across multiple market cycles and with an exceptional record of capital preservation.

Whitehelm Capital has strong capabilities in sourcing, executing and managing infrastructure debt investments for clients, investing nearly £900 million (c. A\$1.5 billion) across 40 infrastructure debt transactions since inception.

The company offers investment capabilities across a range of areas including unlisted infrastructure, listed infrastructure, infrastructure debt, emerging markets infrastructure, advisory and real estate.

**[www.WhitehelmCapital.com](http://www.WhitehelmCapital.com)**

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