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INFRACAPITAL EXPANDS EXISTING JOINT VENTURE WITH ENEL X TO INVEST IN ENERGY EFFICIENCY ASSETS IN SPAIN

- *The Spanish partnership will expand Infracapital and Enel X's Italian joint venture platform, Cogenio, launched in December 2018*

Infracapital, the infrastructure equity investment arm of M&G, has agreed to acquire a portfolio of around 200 Industrial Energy Solutions ("IES") assets for Spanish industrial clients from the Spanish subsidiary of Enel, Europe's largest utility company. IES helps clients meet energy efficiency, carbon and cost reduction targets through a range of projects such as cogeneration and electrical infrastructure.

This is Infracapital's second investment in Spain, and the first project for Infracapital Greenfield Partners I LP ("IGP I" or the "Fund") in the country. IGP I's strategy is to invest, deliver and operate essential greenfield infrastructure assets in late stage development, construction and expansion phases across a variety of sectors to meet the changing needs of society and support long-term economic growth across Europe. The acquisition will expand Infracapital and Enel X's Cogenio joint venture, a platform launched in Italy in December 2018 to develop energy efficiency projects for commercial and industrial clients.

Infracapital will acquire an 80% stake in the newly created Spanish company which will leverage Enel X's specialist knowledge of and strong presence in the Spanish energy efficiency market to source new investment opportunities. Enel X will acquire the remaining 20%. In this partnership IGP I will provide capital to fund future growth while Enel X, through its Spanish arm Endesa X, will operate the existing projects and develop the new ones. The assets in the portfolio benefit from contracted cashflows with industrial clients and Enel X, through Endesa X, has a strong identified development pipeline of further IES projects in Spain.

Michele Armanini, Managing Director at Infracapital, said:

"Enel X's strong customer relationships, track record and experience in developing and operating energy assets makes it an attractive partner in Spain. The portfolio is an exciting addition to the Cogenio platform and we look forward to continuing our successful partnership with Enel Group as we build a leading industrial energy solutions platform across Southern Europe, delivering sustainable growth and value for our investors. This acquisition aligns with our strategy of building platform businesses across Europe and demonstrates the growing greenfield investment opportunity in the region. We will continue to leverage our strong relationship with industrial partners in IGP I's successor strategy, Infracapital Greenfield Partners II."

Francesco Venturini, CEO of Enel X, said:

"We are continuing to grow in the distributed generation and energy efficiency segments, tapping France as well as the Iberian region and replicating the model we already launched in Italy with the same partner, around one year ago. The shift in the energy paradigm, which has given centrality to customers during the



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transition towards a low-carbon world, provides us with the ideal framework for growth through this innovative business model. Looking ahead, we are expecting to sign more deals of this kind, in order to maximize the innovative solutions offered to our business customers wishing to play an active role in the energy transition.”

- ENDS -

Media enquiries

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About Infracapital

Infracapital invests in, builds and manages a diverse range of essential infrastructure to meet the changing needs of society and support long-term economic growth. We take an active role in all of our investments, whether nascent or large, to fulfil their potential and ensure they are adaptable and resilient. Our approach creates value for our investors, as we target investments with the scope for stable and sustainable growth. Our portfolio companies work closely with the communities where they are based, to the benefit of all stakeholders. Infracapital is well positioned to deliver the significant investment required to help build the future. The founder-led team of experienced specialists has worked with more than 45 companies around Europe and has raised and managed over £5 billion across five funds.

Infracapital is part of M&G, a leading European savings and investments business. M&G manages the long-term savings of more than 7 million people and is a major investor in the UK and in the global economy. Total assets under management are £341 billion (as at 30 June 2019).

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