



**società italiana
per condotte d'acqua S.p.A.**
Fondata il 7 aprile 1880



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Infracapital agrees first infrastructure investment in Italy

- **Agreement to acquire 80% stake in PPP portfolio from Condotte**

Infracapital, the infrastructure investment arm of M&G Investments, has made an agreement to acquire an 80% stake in a Private Public Partnership (PPP) portfolio from Societa' Italiana Per Condotte d'Acqua S.p.A ("Condotte"), the third largest construction company in Italy.

The portfolio comprises both operational and greenfield assets that will provide core public services in the health, transport and security sectors. The portfolio, with a total capital value of over €700m, has an attractive risk-return profile, providing institutional investors with predictable cash flows for over 20 years.

Italy is one of the largest PPP markets in Europe and offers numerous opportunities in the social infrastructure space.

Andy Matthews, Greenfield Director, Infracapital, said:

"This transaction provides Infracapital with a high-quality platform of PPP projects in Italy, a country which has successfully embraced the PPP model and offers numerous opportunities in the social infrastructure space.

"We look forward to working closely with Condotte, one of the most experienced infrastructure partners in the region, to develop these assets and further projects within the Italian PPP market. The deal is indicative of the significant greenfield infrastructure investment opportunity in Italy and across Europe, where we hope to invest further in the coming years."

Isabella Bruno Tolomei Frigerio, President and CFO of Ferfina S.p.A. - Financial holding company of Condotte, said:

"With the strong demand for PPP projects in Italy and other European regions, we are excited to be working with Infracapital, a leading infrastructure investor, to create a high quality investment platform of scale. We see significant growth potential in healthcare, transport and accommodation PPP throughout Italy and we are well positioned to access these opportunities through this newly established platform."

The portfolio includes the following assets:

- Citta' della Salute, a new hospital in Milan due to start construction later this year;
- Vimercate Hospital, a hospital located in north of Milan;
- Empoli Hospital, a hospital located west of Florence;

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- Pisa People Mover, a shuttle train service connecting Pisa Airport to Pisa Centrale station;
- Careggi, a 10MWe tri-generation energy centre serving Careggi University Hospital in Florence;
- Bolzano prison, the first Italian PPP prison due to start construction later this year.

Infracapital will work closely with Condotte to apply best practice asset management and implement synergies across the portfolio.

- Ends -

Notes to Editors:

Enquiries

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About Infracapital

Infracapital is a leading European infrastructure investor, managed by M&G Investment Management, the European investment management arm of Prudential plc. Infracapital has raised and managed over £2.4 billion across four European infrastructure funds to date, and a team of over 30 professionals with investment, management and operational expertise. Infracapital's approach to investment offers long-term value through the acquisition and active management of a diversified portfolio of core European infrastructure assets. Target sectors include utilities, essential transportation, renewables and communications infrastructure.

www.infracapital.co.uk

About Condotte

Società Italiana Per Condotte d'Acqua S.p.A ("Condotte"), established in 1880, is currently among Italy's largest construction and engineering business with approximately 2,500 staff and a turnover of around €1.2bn turnover in 2015. Condotte provides road, railway, and civil and industrial buildings construction services in Europe, North America, South America, Asia, and Africa. It also provides construction services for marine works, dams, and water projects, as well as restoration services. [www.condotte.com]

Formed in the 1960s, Inso, wholly owned by Condotte is an industry leading contractor specializing in the design, build and management of projects in the health care, industrial and tertiary sectors. (www.inso.it)

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