

GREATER Manchester Pension Fund (GMPF) is to invest in the country's fourth largest water company.

GLIL Infrastructure LLP (GLIL) and Dalmore Capital (Dalmore) have agreed to acquire a 15 per cent interest in Anglian Water Group (AWG) from London-based investment company 3i, to be split between them.

GLIL is a £1.2billion infrastructure investment joint-venture between GMPF, the London Pensions Fund Authority, Merseyside Pension Fund, West Yorkshire Pension Fund and Lancashire County Pension Fund.

AWG manages water services in the East of England and Hartlepool, supplying two million households and 124,000 businesses.

GLIL and Dalmore say that AWG is one of the best managed companies in the water sector and capable of delivering benefits for investors and customers.

Kieran Quinn, Chairman of Greater Manchester Pension Fund (GMPF) said: "GLIL was formed to enable UK Local Government pension funds to seek strong opportunities to invest in essential UK infrastructure assets and we are delighted to be acquiring such an exceptionally well-run company, meeting our strict investment criteria."

Michael Ryan, chief executive of Dalmore Capital, said: "AWG is an excellent fit within our core investment strategy, which targets UK infrastructure businesses that deliver long-term predictable inflation-linked cash flows, with robust cash yield. At a time when regulators are challenging investors on returns, we are delighted to be investing in one of the best performing and best run UK water companies."

Dalmore Capital is an independent fund management company that invests in the UK infrastructure market.