Ecofin Global Utilities and Infrastructure Trust plc

Interim Report 2017

Ecofin

Contents

Financial Highlights
as at 31 March, 2017

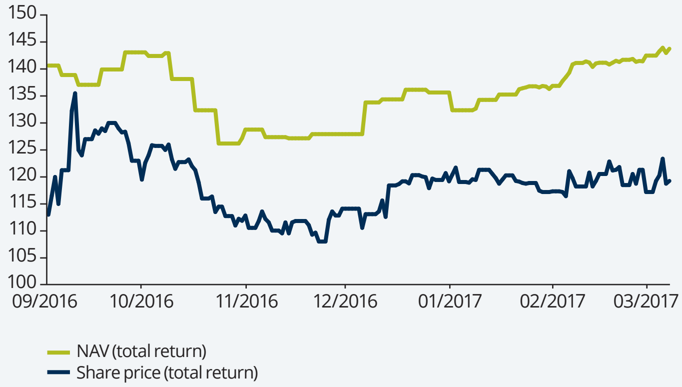
Summary	31 March 2017 (unaudited)	26 September 2016[1]	13 September 2016[1]
Net assets attributable to shareholders (£'000)	**128,882**	129,200	124,528
Net asset value ("NAV") per share	**140.28p**	140.63p	135.54p
Share price (mid-market)	**116.00p**	113.00p	
Discount to NAV	**17.3%**	19.6%	
Dividends paid per share	**3.2p**		
Dividend yield[2]	**5.5%**		
Gearing on net assets[3]	**3.1%**		

1. As at 13 September, 2016, the value of the pool of assets attributable to the Company, further to the scheme of reconstruction of Ecofin Water & Power Opportunities plc ("EWPO"), was £124,528,000 or 135.54 pence per share. This is the opening value for the Company's equity in the Condensed Statement of Changes in Equity on page 12. By 26 September, 2016, the date of issuance and admission of the Company's shares to trading, the value of the Company's assets had increased to £129,200,000 or 140.63 pence per share. The difference of £4,672,000 is reflected within the capital return during the period on the Condensed Statement of Comprehensive Income on page 10.
2. Dividends paid (annualised) as a percentage of share price.
3. Gearing is the Company's prime brokerage borrowings (including the net amounts due from brokers) less cash divided by net assets attributable to shareholders.

Performance	26 September 2016 to 31 March 2017 % change	13 September 2016 to 31 March 2017 % change	13 September 2016 to 26 September 2016 % change
Net assets attributable to shareholders	**-0.2%**	+3.5%	+3.8%
NAV per share	**-0.2%**	+3.5%	+3.8%
NAV per share total return*	**+2.2%**	+5.9%	
Share price	**+2.7%**		
Share price total return*	**+5.5%**		

* Total return includes dividends paid and reinvested.

NAV and share price
from admission to 31 March 2017



Chairman's Statement

for the period to 31 March, 2017

This is the first Interim Report for Ecofin Global Utilities and Infrastructure Trust plc (the "Company") which was incorporated on 27 June, 2016 and whose shares commenced trading on the London Stock Exchange on Monday, 26 September, 2016. The Company is a successor company to EWPO further to a scheme of reconstruction which was approved by EWPO's shareholders on 13 September, 2016.

Investment objective and policy

The Company's investment objective is to achieve a high, secure dividend yield on its portfolio and to realise long-term growth in the capital value of the portfolio for the benefit of shareholders, while taking care to preserve shareholders' capital.

The Company's assets are primarily invested in the equity and equity-related securities of utility and infrastructure companies in developed countries. The portfolio is diversified with respect to geography and sub-sectors of the global utility and infrastructure investment universe. The Company may also make use of gearing to enable it to earn a higher level of dividend income and to offer shareholders a geared return on their investment. The level of gearing is at the discretion of the Investment Manager but may not exceed 25% of the Company's net assets.

Investment and share price performance

The value of the pool of assets attributable to the Company on 13 September, 2016, further to the scheme of reconstruction of EWPO, was £124,528,000 or 135.54p per share. This is the opening value for the equity of the Company in the Condensed Statement of Changes in Equity on page 12.

By the time the Company's shares were issued to shareholders and admitted to trading on the London Stock Exchange on the morning of 26 September, 2016, the value of the Company's assets had increased by 3.8% to £129,200,000 or 140.63p per share. From this date until 31 March, 2017, the net assets of your Company rose by 2.2% and the price of an ordinary share increased by 5.5% on a total return basis. At the same time, UK utilities, as measured by the FTSE 350 Utilities index, fell by 2.7%, while US and European utilities rose 6.0% and 5.6%, respectively, all on a total return basis in sterling terms. Sterling was weak against the dollar over the period, with the pound falling 3.3% against the US dollar, but stronger against the euro (up 2.0%), notwithstanding some volatility in the last quarter of 2016. On average, 87% of your Company's investments over the period were denominated in currencies other than sterling – predominantly in the US dollar and the euro – and these positions were unhedged. The level of gearing averaged 9% of net assets during the half-year, and it varied between 0% and 17.7%.

These performance figures conceal a turbulent time for share prices in the sectors in which your Company invests, especially in the immediate aftermath of President Trump's election. With the prospect of extensive tax reform and a bundle of pro-growth policies in the US, global equity indices reached successive new highs but the shares of utilities and renewable energy companies swiftly fell out of favour: utilities because they were viewed as defensive investments and renewable energy companies because of uncertainty about the Trump administration's energy policies. Share price declines were most pronounced in the UK and European markets where utilities fell by 11.3% and 8.5% (total return in local currency terms), respectively, between the beginning of October and the end of November. US utilities declined by 5.4% (total return in local currency terms) in November, but following strong gains in the previous month.

By December, the tone in the markets was already changing and, reassuringly, the Investment Manager successfully capitalised on the strong recovery in the Company's sectors which began in December and continued through the first calendar quarter of this year. After a fall of nearly 11% in November, the Company's net assets increased by 12.9% from the beginning of December until 31 March, a gain which exceeded the performance of the MSCI World Index, the FTSE All-Share Index and the MSCI World Utilities Index over the four month period. The Company's share price, however, did not reflect the portfolio's progress.

Discount

The Company's share price traded at an average discount to NAV of 12.6% during the period. On 31 March, the share price closed at a 17.3% discount to NAV, in spite of the strong relative performance of the NAV over the previous months and the better performance of the global utilities and infrastructure sectors. Since 31 March, the discount to NAV has narrowed to 13.5% as at 23 May.

In the Company's prospectus, the Board set out its belief that the Company's investment policy would provide shareholders with an attractive proposition: a globally diversified portfolio of predominantly growth-oriented, regulated utilities and infrastructure companies which demonstrate strong free cash-flows and pay healthy dividends. This, the Board believed, would provide investors with an attractive balance between return and risk and, as a result, we expected the Company's shares to trade broadly in line with other income-oriented investment trusts.

The size of the discount to NAV at which the shares trade in the current market is, therefore, disappointing. In order to minimise uncertainty about the valuation of the portfolio, the Company began to publish its NAV on a daily basis in mid-February. The Company has also commissioned sponsored research which has just been distributed to the investment community. Finally, the Investment Manager is making a concerted effort to introduce the Company to new investors, including private client wealth managers. The Board will consider using share repurchases to help minimise the discount in the event that the shares trade over the longer term at a meaningful discount to NAV.

Dividends

The Board set out its intentions with respect to dividend payments in an announcement made on 6 October, 2016. In short, the Directors stated that the Company would target a dividend yield of at least 4% on net assets and resolved to pay quarterly dividends of 1.6p per share, or a total of 6.4p per share, to be paid in the Company's first financial year. Based on the Company's NAV at the end of the period, this represented a yield on NAV of 4.6%; based on the Company's share price on the same date, the prospective dividend yield was 5.5%.

The Board distributes all of the Company's net income and, if necessary, is able to supplement the revenue account with reserves of distributable capital. Given that the first interim dividend was paid shortly after the Company was admitted to trading, the Board did make use of capital reserves to support the dividend in the first half-year. The Board will continue to monitor the capacity of the businesses in the Company's portfolio to pay dividends and the Company's net income available for distribution. The Board also said in its announcement that it would review the dividend payments for the next financial year commencing on 1 October, 2017 with a view to having a progressive dividend policy.

Outlook

The Company's portfolio has gained good ground since the disarray in the utilities sector of last November. Some volatility in our sectors does present the Investment Manager with opportunities to uncover value amongst favoured business models and holdings. Since 31 March, 2017 and as at 23 May, the last NAV calculation date prior to the publication of this report, the NAV per share had increased by 1.8%. Year-to-date (since 31 December, 2016), the NAV per share has increased by 8.1%, before taking into consideration the dividend that has been paid to shareholders.

In time, the Company's share price should begin to reflect the prospects for earnings, cash flow and dividend growth amongst the Company's portfolio holdings. Since 31 March, the share price has increased by 6.5% as the discount to NAV has narrowed from 17.3% to 13.5%.

David Simpson
Chairman

26 May, 2017

Investment Manager's Report

Economy and markets

Financial markets were buoyed by optimism about the prospects for global growth and by a markedly greater appetite for risk during the Company's half-year to 31 March, 2017. Overall rates of global growth continued to be relatively moderate but good enough for equity markets, and there was some strengthening in momentum across Europe, increasing the likelihood of a better balance in global growth than has been seen in recent years. By October, the first full month of trading for the Company, the long downward trend in bond yields had reversed. This was evident in North America and the UK and also, more surprisingly, in Continental Europe, notwithstanding very subdued rates of inflation. Suggestions that the ECB might start to taper its QE programme by year-end contributed to the rise in yields, as did improved manufacturing figures and concerns about political risk in France. By November, the momentum in economic growth and in companies' earnings was accompanied by a surge of optimism about future growth, partly owing to a pick-up in industrial production and global trade and, more specifically, to the election of President Trump and his multitude of pro-US growth policies. Interest rates, which had been rising gently for some months, rose significantly in the US and elsewhere. Consumer confidence in the US soared. The election was interpreted as uniquely positive for spending, growth and earnings, and pointed to higher interest rates. Toward the end of the period, however, political uncertainties began to outweigh the economic uncertainties with which markets had been most concerned for several years. In the foreign exchange markets, the pound fell by 3.3% against the US dollar but rose by 2.2% against the euro over the half-year. (All data in this Investment Manager's Report relate to 26 September, 2016, the date of listing of the Company's shares.)

Portfolio developments

There have been few quiet moments in the infrastructure and utility sectors since the launch of the Company in September last year. These sectors, which typically are less volatile than the broad equity markets, have been in the limelight and have been greatly influenced by a number of macroeconomic and political developments, profit-taking and sector rotation.

Early in the period, the US Federal Reserve's more hawkish message led investors to be convinced that it would raise policy interest rates in December, and US regulated utilities gave away some of the significant outperformance they had produced during the first several months of 2016. There were similar moves in the Eurozone and in the UK where some regulated utilities were hard hit, reflecting an over-valuation of the bond market and, above all, Prime Minister Theresa May's harsher stance towards utilities' retail operations. Her statements on 'hard Brexit' negotiations with the EU also put pressure on sterling and spurred expectations of higher inflation, leading gilt yields higher.

Trump's election victory on 8 November and early hints of his policy priorities sent government bond yields in the US and Europe, and commodity prices, higher, placing further pressure on regulated utilities and long duration infrastructure operations. A 'risk-on' mood took hold in equity markets, and sectors which were perceived to be sensitive to long-term interest rates, such as utilities, were sold in favour of cyclical growth sectors. The move in US interest rates was replicated in Europe, not owing to inflation concerns but, instead, reflecting increased sovereign risk, and this depressed valuations. Sterling's strength against the dollar in November also had a negative impact on the portfolio's performance, given that most of the Company's portfolio is denominated in currencies other than sterling.

The Company's strategy is to invest in regulated utility and other economic infrastructure companies in OECD countries with progressive dividend policies, based on an investment thesis that spending on utility assets and infrastructure will accelerate in coming years and that much of this spending will be undertaken by regulated companies. A significant portion of this spending is expected to take place in the utility sector as ageing power plants are replaced and new transmission and distribution networks are built. Investments in renewable energy generation – which, for the first time ever in 2016 accounted for more than 50% of new capacity additions worldwide – are expected to be an important and growing part of spending by power companies.

We were sceptical that the confidence evidenced in markets about changes in US economic policy and the schedule for their implementation could be sustained. While we did not expect that November's market moves would completely reverse, we did believe that a stabilisation of the interest rate environment, in particular, would allow some high quality, defensive names (regulated utilities and long duration infrastructure) to perform very well as they bounced back from over-sold levels and valuations. We increased the Company's exposure to companies well positioned to benefit from greater infrastructure spending in the US, notably in gas mid-stream pipelines, water management and toll-roads, and we increased our exposure to companies which had been hard hit in the sell-off but which offer highly visible cash flows and sustainable dividends. We also felt reassured that the regulated businesses of utility and infrastructure companies would benefit from increased capex programmes and, in many cases, from higher inflation levels. The dividend yield of the Company's investment universe had drawn close to historic highs versus government bond yields both in the US and Europe, and we saw this de-rating of the sector as an opportunity to add to preferred names. We made significant purchases which included Williams Companies, Covanta and Sempra Energy in the US, and Ferrovial and Suez in Europe; we also added to UK water companies Severn Trent and Pennon. We sold and re-sized some positions: US regulated names Avangrid and Dominion Resources were sold and the holdings in US yieldcos Pattern Energy and 8point3 Energy Partners were reduced; in Europe, we trimmed Veolia and Flughafen Zuerich to make room for Innogy, Redes Energeticas Nacionais, Foresight Solar Fund and EDP Renovaveis.

Trump's scepticism about global warming and renewable energy triggered a sudden de-rating of renewable energy operators. We estimated that some of the moves were clearly over-done and used the weakness to increase our weighting of operators which earn their returns on an existing fleet of renewable assets, including yieldcos. We reiterated at the time that we believe the key driver for long-term growth in investment in renewables – not just in the US but worldwide – is not regulation but economics, driven by technological change and falling costs; wind and solar electricity generation in the US are now cheaper than coal generation and competitive with gas.

Performance

From the creation of the portfolio on 13 September, 2016 until 31 March, 2017, the NAV increased by 5.9% on a total return basis, and from admission of the Company's shares to trading it increased by 2.2% on a total return basis. There was considerable dispersion of returns from our sectors worldwide during the period: UK Utilities declined 2.7%, Continental European utilities rose 5.6% and US utilities rose 6.0%. The MSCI World Utilities Index rose by 4.9% (all total returns in sterling).

October and November of 2016 were difficult months for our sectors, and the performance of the Company reflected that. In sterling terms, UK and European utility indices both fell approximately 11% during those eight weeks; returns from US utilities were only modestly negative due largely to the strength of the dollar. As a result, the Company's NAV declined 8.3% during October and November while the broad global equity averages rose in the wake of Trump's victory. The MSCI World Index rose 3.4% in sterling terms while the FTSE All-Share Index, a natural alternative for sterling based investors, fell by 1.0%. Given that the Company has a geographically balanced stance strategically – approximately 45% of its assets are in North America, 45% are in Europe and 10% are in other developed and emerging markets – it underperformed the MSCI World Utilities Index, which is heavily oriented to US equities and the dollar, in October and November. Furthermore, the best performers in the Company's universe in Europe were largely commodity-oriented names to which the portfolio is strategically and purposefully under-exposed.

The subsequent four months of the period to 31 March, 2017 were considerably more encouraging and hopefully representative of the quality of the opportunities in the sector. The Company's NAV rose 5.1% in December and a further 7.4% in the first calendar quarter of 2017, a performance which reflected the pronounced improvement in share prices in our sectors, particularly in the Continental European markets where we had tactically increased the Company's exposure, and good stock selection in each geographic region, including in developing and emerging markets. During the first quarter of 2017, the pan-European and the North America segments of the portfolio increased 7.6% and 7.3%, respectively (in local currency terms), and outperformed their respective sector indices. Gains were recorded across all sub-sectors but the best recoveries were amongst renewables, especially NextEra Energy Partners and Algonquin Power & Utilities. The Company's investments in the 'rest of the world', i.e., outside North America and Europe, rose 9.6% over the same time. These investments are typically relatively small (1.5%-3.0% positions) and opportunistic; the average allocation during the half-year was 8% of the portfolio and this weighting comprised 6 names, all of which contributed positively to performance. These companies are domiciled in Australia, New Zealand, China, the Philippines and Brazil.

The other strong performers during the half-year included Italgas, Uniper, Enel, and E.ON in Europe. US holdings Edison International and Public Service Enterprise Group also performed well over the six months, although their contribution to the US portfolio was mostly in terms of capital preservation during the tumult in Q4 2016. Australia's large gas infrastructure business, APA Group, and Brazil's electricity transmission company, Transmissora Alianca de Energia Eletrica, were also amongst the portfolio's best performers.

Gearing

The level of borrowings – which are exclusively short-term borrowing from the Company's prime broker – ranged between nil at admission last September and 17% in November. The average gross portfolio exposure, or leverage on the net assets, was 9% during the period. By the end of March, and into April, after the pronounced gains in the European markets and with US markets hovering near all-time highs, we reduced the level of borrowings back to minimal levels. This also reflected our concern about political risk in the Netherlands and in France. We anticipate that a more 'normal' level of borrowings for the Company would result in a level of gearing on net assets of closer to 15-20% on average in order to reflect the positive and attractive 'carry' – i.e., the positive spread between the cost of the Company's borrowings and the expected dividend yield on selected names in our sectors.

Outlook

From the end of the Company's half-year on 31 March to 23 May, the Company's NAV increased by 1.8% while the price of its shares rose by 6.5% as the discount at which the shares trade narrowed from 17.3% to 13.5%. At the same time, in sterling terms, the MSCI World Index declined 0.1% and the MSCI World Utilities Index rose 1.7% as the pound gained 3.3% against the US dollar and declined 1.6% against the euro between 31 March and 23 May. In contrast, the FTSE All-Share Index rose by 3.5%.

In a global equity market characterised by relatively rich company valuations in the US, strong Eurozone markets responding to accelerating economic growth and renewed investor interest in emerging markets, we believe that the Company's portfolio is well – and defensively – positioned. It has low levels of gearing and is focused on companies which pay dividends, have strong cash flows and should be able to grow their dividends in real terms. It is also globally diversified with approximately 87% of its assets denominated in currencies other than sterling. Over the longer term the Company's portfolio should be well placed to benefit from a growth in spending on utility and infrastructure assets to replace ageing plant and equipment and to satisfy new demand.

Ecofin Limited
Investment Manager
26 May, 2017

Five Largest Holdings

as at 31 March, 2017

Suez

Water treatment and waste management

4.8% **of the portfolio**

Suez is a French based utility which operates in the water treatment and waste management businesses in over 70 countries. The company was formerly a division of Suez Group and was spun out as a stand-alone entity in 2008. Engie (formerly GDF Suez) is the largest shareholder with a 35% stake. The company's water treatment businesses include the operation of water treatment plants to produce drinking water, the distribution of water and the provision of waste water treatment facilities and solutions. The company also provides waste collection, sorting and recycling services to the private and public sectors. The recent announcement of its acquisition of GE Water expands the company's position in the US and in the Asia Pacific region, and increases its presence in industrial water, a high value-added segment of the water market.

Innogy

Renewable energy in Europe

4.7% **of the portfolio**

Innogy was formed in 2016, by IPO, as a new company owning the renewables, retail, and grid and infrastructure businesses of its parent, the German energy company RWE. RWE and its main competitor, E.ON, both restructured their operations last year reflecting the German government's program to phase out nuclear power in Germany and radically increase the proportion of power generation from renewable sources. Innogy, now 75% owned by RWE, is a regulated utility which provides electricity and natural gas to consumers.

SSE

UK electricity and gas production, distribution and supply

4.2% **of the portfolio**

SSE is the second largest British energy utility and the UK's largest generator of electricity from renewable sources. The company generates, distributes and supplies electricity and produces, distributes and supplies gas to customers in the United Kingdom and Ireland. SSE supplies electricity and gas to some 9.1 million homes, offices and businesses in the UK and Ireland and has a 33% interest in Scotia Gas Networks, the UK's second largest gas distribution company, which supplies gas to 5.8 million customers in Scotland and the South of England. SSE's renewable energy production is from hydro-electric and wind sources.

Williams Companies

US gas processing and transportation

3.7% **of the portfolio**

Williams Companies is an energy infrastructure company which, together with a master limited partnership which it controls, is engaged in the gathering, treatment and processing of natural gas, principally in Texas, Oklahoma and the Rocky Mountain region of the United States, and in interstate gas transportation. Williams operates some 15,000 miles of interstate pipelines and its crown jewel is one of the major natural gas pipelines in the US, TRANSCO, which connects several large producing regions in the Northeast with the major demand centers in the Southeast and Gulf Coast. Its pipelines deliver approximately 14% of the natural gas consumed in the United States.

Covanta

Waste-to-energy and waste management

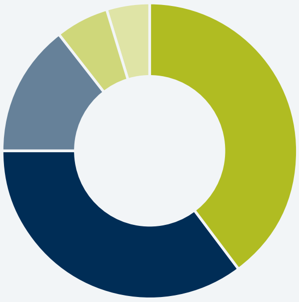
3.4% **of the portfolio**

Covanta, a US based company, is a leading provider of waste-to-energy services (circa 70% market share). The company generates revenues from waste disposal contracts with municipalities as well as from sales of the electricity and recycled metals produced as outputs. Covanta provides municipalities with an environmentally sustainable alternative to landfills for waste while also generating electricity.

Portfolio Analysis

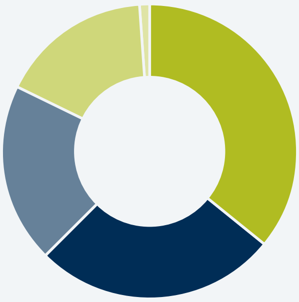
as at 31 March, 2017

By country or region



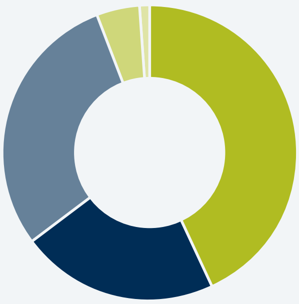
	31 March 2017 Fair value £'000	% of investments
North America	53,624	39.9
Continental Europe	47,399	35.3
UK	19,193	14.3
Other OECD	7,966	5.9
Total OECD	128,182	95.4
Emerging markets	6,188	4.6
Total	**134,370**	**100.0**

By sector



	31 March 2017 Fair value £'000	% of investments
Regulated utilities	48,196	35.9
Integrated utilities	36,062	26.8
Infrastructure	26,478	19.7
Renewables	22,162	16.5
Other	1,472	1.1
Total	**134,370**	**100.0**

By market capitalisation



	31 March 2017 Fair value £'000	% of investments
More than £10,000 million	57,873	43.1
£5,000 to £10,000 million	29,503	21.9
£1,000 to £5,000 million	39,456	29.4
£200 to £1,000 million	6,066	4.5
Other	1,472	1.1
Total	**134,370**	**100.0**

Portfolio Holdings
as at 31 March, 2017

Company	Country	Fair value £'000	% of investments
Suez	France	6,455	4.8
Innogy	Germany	6,284	4.7
SSE	UK	5,654	4.2
Williams Companies	US	4,939	3.7
Covanta	US	4,551	3.4
APA Group	Australia	3,976	3.0
Algonquin Power & Utilities	Canada	3,976	3.0
Snam Rete Gas	Italy	3,900	2.9
American Electric Power	US	3,790	2.8
Severn Trent	UK	3,661	2.7
Top ten investments		**47,186**	**35.2**
NextEra Energy Partners	US	3,614	2.7
Italgas	Italy	3,595	2.7
United Utilities Group	UK	3,581	2.7
Pennon Group	UK	3,540	2.6
Ferrovial	Spain	3,237	2.4
Public Service Enterprise Group	US	3,229	2.4
Brookfield Renewable Partners	Canada	3,199	2.4
DTE Energy	US	2,950	2.2
Uniper	Germany	2,907	2.2
Enel	Italy	2,848	2.1
Top twenty investments		**79,886**	**59.6**
Sempra Energy	US	2,497	1.9
Kinder Morgan	US	2,494	1.9
Energy Development Corp	Philippines	2,473	1.8
Engie	France	2,468	1.8
Plains GP Holdings	US	2,376	1.8
Infrareit	US	2,254	1.7
American Water Works	US	2,193	1.6
Iberdrola	Spain	2,190	1.6
8point3 Energy Partners	US	2,186	1.6
Transmissora Alianca	Brazil	2,170	1.6
Top thirty investments		**103,187**	**76.9**
Other investments: 19		**31,183**	**23.1**
Total		**134,370**	**100.0**

Condensed Statement of Comprehensive Income

	Notes	Period from 27 June 2016 to 31 March 2017 (unaudited) Revenue £'000	Capital £'000	Total £'000
Gains on investments held at fair value through profit or loss		–	6,005	6,005
Currency gains		–	152	152
Income	2	2,646	–	2,646
Investment management fee		(342)	(342)	(684)
Administration expenses		(467)	–	(467)
Net return from ordinary activities before finance costs and taxation		**1,837**	**5,815**	**7,652**
Finance costs		(23)	(23)	(46)
Return from ordinary activities before taxation		**1,814**	**5,792**	**7,606**
Taxation	3	(312)	–	(312)
Return from ordinary activities after taxation		**1,502**	**5,792**	**7,294**
Return per ordinary share (pence)	4	**1.63**	**6.31**	**7.94**

The total column of the Condensed Statement of Comprehensive Income is the profit and loss account of the Company. The revenue and capital columns are supplementary to this and are published under guidance from the Association of Investment Companies. All revenue and capital returns in the above statement derive from continuing operations. No operations were acquired (other than the initial roll-over pool of assets) or discontinued during the period ended 31 March, 2017. The Company has no recognised gains or losses other than those recognised in the Condensed Statement of Comprehensive Income and the Condensed Statement of Changes in Equity.

Condensed Statement of Financial Position

	Notes	As at 31 March 2017 (unaudited) £'000
Non-current assets		
Equity securities		132,944
Fixed-interest securities		1,426
Investments at fair value through profit or loss		134,370
Current assets		
Debtors and prepayments		559
Cash at bank		1,351
		1,910
Creditors: amounts falling due within one year		
Prime brokerage borrowings		(2,083)
Other creditors		(5,315)
		(7,398)
Net current liabilities		(5,488)
Net assets		128,882
Capital and reserves		
Called-up share capital	5	919
Special reserve		122,171
Capital reserve	6	5,792
Revenue reserve		–
Total shareholders' funds		128,882
NAV per ordinary share (pence)	7	140.28

Condensed Statement of Changes in Equity

	Period from 27 June 2016 to 31 March 2017 (unaudited)					
	Share capital £'000	Share premium account[1] £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance on incorporation[2]	–	–	–	–	–	–
Issue of ordinary shares	919	123,609	–	–	–	124,528
Cancellation of share premium account	–	(123,609)	123,609	–	–	–
Return on ordinary activities after taxation	–	–	–	5,792	1,502	7,294
Dividends paid (see note 8)	–	–	(1,438)	–	(1,502)	(2,940)
Balance at 31 March 2017	**919**	**–**	**122,171**	**5,792**	**–**	**128,882**

1. The share premium account was cancelled on 9 November, 2016. The resultant reserve may be used, where the Board considers it appropriate, by the Company for the purposes of paying dividends to shareholders and, in particular, smoothing payments of dividends to shareholders.
2. The Company was incorporated on 27 June, 2016. Ordinary shares were issued on 26 September, 2016.

As at 13 September, 2016, the value of the pool of assets attributable to the Company, further to the scheme of reconstruction of EWPO, was £124,528,000 or 135.54 pence per share. By 26 September, 2016, the date of issuance and admission of the shares to trading, the opening value of the Company's assets had increased to £129,200,000 or 140.63 pence per share due to market movements. The difference of £4,672,000 is reflected within the capital return during the period on the Condensed Statement of Comprehensive Income.

Condensed Statement of Cash Flows

	Period from 27 June 2016 to 31 March 2017 (unaudited) £'000
Net return before finance costs and taxation	7,652
Increase in accrued expenses	524
Overseas withholding tax	(316)
Deposit interest income (accounts basis)	(2)
Dividend income (accounts basis)	(2,602)
Fixed-interest income (accounts basis)	(42)
Realised gains on foreign exchange transactions	(152)
Dividends received (cash received)	2,091
Deposit interest received	2
Interest paid	(45)
Gains on investments	(6,005)
Increase in other debtors	(87)
Net cash flow from operating activities	**1,018**
Investing activities	
Purchases of investments	(72,727)
Sales of investments	72,456
Net cash used in investing activities	**(271)**
Financing activities	
Dividends paid	(2,940)
Share issue	1,461
Net cash used in financing activities	**(1,479)**
Decrease in cash	**(732)**
Analysis of changes in cash during the year	
Opening balance	–
Decrease in cash as above	(732)
Closing balances	**(732)**
Represented by:	
Cash at bank	1,351
Prime brokerage borrowings	(2,083)
	(732)

Notes to the Financial Statements

for the period 27 June, 2016 to 31 March, 2017

1. Accounting policies

(a) Basis of preparation

The condensed financial statements are in compliance with Financial Reporting Standard ("FRS") 104 Interim Financial Reporting and with the Statement of Recommended Practice for "Financial Statements of Investment Trust Companies & Venture Capital Trusts". The financial statements are prepared in sterling, which is the functional currency of the Company, rounded to the nearest £'000. They have also been prepared on a going concern basis and approval as an investment trust has been granted.

(b) Revenue, expenses and interest payable

Income from investments, including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend. Special dividends are credited to capital or revenue, according to the circumstances. The fixed returns on debt securities are recognised on a time apportionment basis so as to reflect the effective yield on the debt securities.

Interest income on cash and short-term deposits, expenses and interest payable are treated on an accruals basis. Expenses are charged to the revenue account except where they directly relate to the acquisition or disposal of an investment, in which case they are added to the cost of the investment or deducted from the sale proceeds; expenses are charged to the capital reserve where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the management fee and overdraft interest have been allocated 50% to the capital reserve and 50% to the revenue account.

(c) Investments

For the purposes of preparing the condensed financial statements, the Company has applied sections 11 and 12 of FRS 102 in respect of financial instruments. All investments are designated upon initial recognition as held at fair value through profit or loss. Investment transactions are accounted for on a trade date basis. Proceeds are measured at fair value, which are regarded as the proceeds of sale less any transaction costs. The fair value of the financial instruments in the Condensed Statement of Financial Position is based on their quoted bid price at the reporting date, without deduction of the estimated future selling costs. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Condensed Statement of Comprehensive Income as "Gains on investments held at fair value through profit or loss". Also included within this caption are transaction costs in relation to the purchase or sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase.

(d) Dividends payable

Dividends are recognised in the period in which they are paid.

(e) Nature and purpose of reserves

Share premium account

The balance classified as share premium includes the premium above nominal value received by the Company on issuing shares net of issue costs.

Special reserve

The special reserve arose following Court approval in November 2016 to transfer the £123,609,000 from the share premium account. This reserve is distributable and may be used, where the Board considers it appropriate, by the Company for the purposes of paying dividends to shareholders and, in particular, smoothing payments of dividends to shareholders. There is no guarantee that the Board will in fact make use of this reserve for the purposes of the payment of dividends to shareholders.

Capital reserve

Gains and losses on disposal of investments and changes in fair values of investments are transferred to the capital reserve. Foreign exchange differences of a capital nature are also transferred to the capital reserve. The capital element of the management fee and relevant finance costs are charged to this reserve. Any associated tax relief is also credited to this reserve.

Revenue reserve

This reserve reflects all income and costs which are recognised in the revenue column of the Condensed Statement of Comprehensive Income.

1. Accounting policies continued

(f) Foreign currency

Assets and liabilities in foreign currencies are translated at the rates of exchange ruling on the reporting date. Transactions involving foreign currencies are converted at the rate ruling on the date of the transaction. Gains and losses on the realisation of foreign currencies are recognised in the Condensed Statement of Comprehensive Income and are then transferred to the capital reserve.

(g) Taxation

The charge for taxation is based on the profit for the period to date and takes into account, if applicable, taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in future against which the deferred tax asset can be offset.

Due to the Company's status as an investment trust company and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

2. Income

	Period ended 31 March 2017 £'000
Income from investments	
UK dividends	285
Overseas dividends	2,317
Overseas fixed-interest	42
	2,644
Other income	
Deposit interest	2
Total income	**2,646**

3. Taxation

The taxation expense reflected in the Condensed Statement of Comprehensive Income is based on the estimated annual tax rate expected for the full financial year. The estimated annual corporation tax rate used for the year to 30 September, 2017 is an effective rate of 19.5%. This is above the current corporation tax rate of 19% because prior to 1 April, 2017 the prevailing corporation tax rate was 20%.

4. Returns per share

	Period ended 31 March 2017 p
Revenue return	1.63
Capital return	6.31
Total return	**7.94**

The returns per share are based on the following:

	Period ended 31 March 2017 £'000
Revenue return	1,502
Capital return	5,792
Total return	**7,294**
Weighted average number of ordinary shares	**91,872,247**

5. Ordinary share capital

	Number	£'000
Issued and fully paid		
Ordinary shares of 1p each	**91,872,247**	**919**

The Company was admitted to the Main Market of the London Stock Exchange on 26 September, 2016. The total number of ordinary shares in the Company in issue immediately following admission was 91,872,247, each with equal voting rights.

6. Capital reserve

The capital reserve reflected in the Condensed Statement of Financial Position at 31 March, 2017 includes gains of £6,981,000 which relate to the revaluation of investments held at the reporting date.

7. Net asset value

	As at 31 March 2017
Shareholders' funds	£128,882,000
Number of ordinary shares in issue at the period end	91,872,247
Shareholders' funds per share	**140.28p**

8. Dividends on ordinary shares

	Period ended 31 March 2017 £'000
First interim dividend for 2017 of 1.60p (paid on 16 December, 2016)	1,470
Second interim dividend for 2017 of 1.60p (paid on 28 February, 2017)	1,470
	2,940

A third interim dividend for 2017 of 1.60p will be paid on 31 May, 2017 to shareholders on the register on 5 May, 2017. The ex-dividend date was 4 May, 2017.

9. Transaction costs

During the period expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains on investments in the Condensed Statement of Comprehensive Income. The total costs were as follows:

	Period ended 31 March 2017 £'000
Purchases	186
Sales	129
	315

10. Fair value hierarchy

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company has early adopted Amendments to FRS 102 – Fair value hierarchy disclosures issued by the Financial Reporting Council in March 2016. The fair value hierarchy shall have the following classifications:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date

Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly

Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability

The financial assets and liabilities measured at fair value in the Condensed Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

As at 31 March 2017	Notes	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Equities	(a)	132,944	–	–	132,944
Bonds	(b)	1,426	–	–	1,426
Total		**134,370**	**–**	**–**	**134,370**

(a) Equities and preference shares

The fair value of the Company's investments in equities and preference shares has been determined by reference to their quoted bid prices at the reporting date. Equities and preference shares included in Level 1 are actively traded on recognised stock exchanges.

(b) Bonds

The fair value of the Company's investments in bonds has been determined by reference to their quoted bid prices at the reporting date. Bonds included in Level 1 are actively traded on recognised exchanges.

11. Transactions with the Investment Manager

The Company has an Agreement with Ecofin Limited for the provision of investment management services.

The management fee is calculated, on a quarterly basis, at 1.25% per annum of the net assets of the Company. The management fee is chargeable 50% to revenue and 50% to capital. During the period £684,000 of investment management fees were earned by the Investment Manager, of which £334,000 was payable to Ecofin Limited at the period-end.

12. Segmental information

The Company is engaged in a single segment of business, which is to invest in securities. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based on the Company as one segment.

Interim Management Report

There have been no related party transactions undertaken by the Company in the period to 31 March, 2017.

The principal risks and uncertainties that could have a material impact on the Company's performance have not changed from those set out in detail on pages 17 to 24 of the Company's Prospectus dated 6 July, 2016.

The Directors consider that the Chairman's Statement and the Investment Manager's Report on pages 2 to 6 of this Interim Report, the above disclosure on related party transactions and the Directors' Responsibility Statement below, together constitute the Interim Management Report of the Company for the period to 31 March, 2017 and satisfy the requirements of Disclosure Guidance and Transparency Rules 4.2.3 to 4.2.11 of the Financial Conduct Authority.

The Interim Report has not been reviewed or audited by the Company's Auditors.

Directors' Responsibility Statement

The Directors listed on page 20 of this Interim Report confirm that to the best of their knowledge:

(i) the condensed set of financial statements has been prepared in accordance with FRS 104 (Interim Financial Reporting) and give a true and fair review of the assets, liabilities, financial position and profit and loss of the Company as required by Disclosure Guidance and Transparency Rule 4.2.4 R;
(ii) the Interim Management Report includes a fair review, as required by Disclosure Guidance and Transparency Rule 4.2.7 R, of important events that have occurred during the period to 31 March, 2017 and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
(iii) the Interim Management Report includes a fair review of the information concerning related party transactions as required by Disclosure Guidance and Transparency Rule 4.2.8 R.

This Interim Report was approved by the Board on 26 May, 2017 and the Directors' Responsibility Statement was signed on its behalf by:

David Simpson
Chairman

26 May, 2017

Company Information

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David Simpson (Chairman)
Ian Barby
Iain McLaren
(Audit Committee Chairman)
Martin Nègre

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Share prices and NAV information
The Company's ordinary shares are traded on the London Stock Exchange.

	Ordinary shares
SEDOL number	BD3V464
ISIN number	GB00BD3V4641
Reuters ticker	EGL.L
Bloomberg ticker	EGL:LN

The Company releases its NAV to the London Stock Exchange daily. These announcements are available on the Reuters and Bloomberg news services, as is other information about the Company. They are also available on the Investment Manager's website **www.ecofin.co.uk**.

Prices of the Company's ordinary share are listed in the Financial Times under the London Share Service 'Investment Companies' section.

Interim Reports and other Company information
Copies of the Company's Interim Report are available from the Company Secretary.

The Investment Manager publishes a monthly report; availability of these reports is announced to the London Stock Exchange and posted on the Reuters and Bloomberg news services. The reports are also available on the Investment Manager's website **www.ecofin.co.uk**.

Share transactions
The Company's shares may be dealt in directly through a stockbroker or professional advisor acting on an investor's behalf.

Individual Savings Account ("ISA")
The Company's shares are eligible to be held in an ISA account subject to HM Revenue & Customs limits.

Registered in England & Wales No: 10253041

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