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# Investment Week

## **LCA makes first consecutive NAV growth returns since its launch**

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Low Carbon Accelerator (LCA) has announced the first two consecutive quarters of NAV growth since its launch in 2006.

For the year ended 30 November 2009, the vehicle enjoyed a NAV per share of 50.3p in Q4, up from 44.9p in Q3.

Overall NAV increased 14% during the second half of the year to £43.28m. Two portfolio holdings account for £10.2m of this uplift.

Chief investment officer Steve Mahon says the improved returns were the result of taking a more concentrated approach to the portfolio at the end of 2008.

“In September 2008, we decided to no longer make new investments and reduce our portfolio to focus on the best performers,” he says.

“The better companies take three to four years to reach a certain maturity and we are getting to the point now where value is starting to become more tangible.”

In June, the company raised £10m which Mahon says will be primarily used to support existing investments in the areas of energy efficiency and energy generation.

“One reason for the fundraising is to defend our existing portfolio. We now have a strong cash position and we will allocate that to the best six companies,” he says.

However, Mahon says he is also planning a new investment in a wind and solar power developer.

“Solar is now a much more attractive investment. The UK Government is bringing in feed-in-tariffs and we have seen the price of solar technology come down dramatically,” he says.

<http://www.investmentweek.co.uk/investment-week/news/1593878/lca-makes-consecutive-nav-growth-returns-launch>