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### **Infrastructure flotation shows Ocado how it is done**

A company providing debt finance for school and hospital building projects is on track to float on the London stock market this week, in a listing that has been overshadowed by the more troubled Ocado flotation.

Applications for shares in GCP Infrastructure Investments have reached about £40 million, well above the £35 million minimum, ensuring that it will list on the main market on Thursday. The offer closes today, with £50 million targeted.

GCP, advised by Gravis Capital Partners, is using the money to lend to Private Finance Initiative projects and has attracted investors with the aim of paying an 8 per cent dividend yield.

The listing comes as Ocado, the online supermarket, struggled to win much interest from retail investors. Applications for between £5 million and £10 million of stock are understood to have been received last night as the deadline for retail applications closed, compared with a target of £60 million.

However, Ocado's advisers are confident of strong demand from institutional investors, particularly American technology funds. Ocado hopes to raise £400 million, giving it a total value of £800 million to £1.1 billion.

Investors and analysts have been deeply divided over the share offering. There is a growing view it will be priced tomorrow evening towards the bottom of the indicative 200p-275p price range.

If there is insufficient demand, the £200 million of shares being sold by existing shareholders will be first to be scaled back.