

Woodland Creation- How do we make it pay?

18 October 2017



Introduction to FIM

A rich heritage in real asset backed investment, originating in timberland

- Established in 1979, FIM is now the leading timberland investment manager in the UK with a wealth of knowledge in land use and value creation
- Trusted sustainable asset management for long term private clients, family offices and institutional investors
- £850 million in funds under management across a range of real asset investments
- FIM currently manages 80,000 hectares of commercial timberland in over 200 forests
- Advance into renewable energy ten years ago was a natural evolution of enhancing its timberland portfolio value
- Intimate industry knowledge and broad relationship base enables unique origination of investment opportunities
- Alternative investment manager specialising in timberland and renewable energy investments.



FIM's Timberland Funds - Management

- FIM takes investment decisions on behalf of investors
- FIM is authorised and regulated by the FCA
- FIM provides fund management services to the funds, under AIFMD
- FIM prepares cash flows, production forecasts and a budget on an LP level and woodland managers prepare a budget at the property level
- FIM acts in the best interest of the investors at all times
- Management of Conflicts of Interests
- Proven asset acquisition capability, decision making approved through an Investment Committee.



Funded Majority of new large productive woodlands in UK



- Land is expensive; Prices supported by agricultural subsidy.
- Application process is time consuming, expensive and high risk.
- Establishment costs are high especially taking into account mitigation matters (e.g. broadleaves in treeshelters)



How do we generate the financial returns?

- Grant aid helps reduce net establishment cost- effectively state paying for environmental benefits.
- Revenue from future timber sales.
Area of Sitka spruce x YC x timber price
- Capital value of land
Future area of Sitka spruce x future YC x future timber price
(less costs)
discounted using time and cost of capital



Gentlemen. It all depends on this article.



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