

Infrastructure Deal Activity Slows in Q3 2018

The quarter sees fewer deals made, with small number of mega funds driving deal values

In Q3 2018, 506 infrastructure deals were completed, worth a combined \$83bn. Although Preqin expects these figures to rise by up to 10% as more information becomes available, the quarter nonetheless marks a further decline in the number of deals completed from Q2, which saw 663 deals completed. Deal value was on par with the \$62bn in deal value recorded in Q2, although it remains some distance below Q1, which saw \$102bn in deals announced. Deal values were driven by a small number of large transactions. In fact, in Q1-Q3 2018, 14% of deals have been worth \$1bn or more; in 2015, just 9% of deals were worth \$1bn or more. One of the largest deals this quarter was the acquisition of SCANA Corporation by Dominion for \$15bn.

For more information and analysis, see the full [Q3 2018 Infrastructure Deals factsheet here:](http://docs.preqin.com/reports/Preqin-Infrastructure-Deals-Q3-2018.pdf)

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Key Infrastructure Deals Facts:

- **In Q3 2018, 506 infrastructure deals were completed worth a combined \$83bn.** This is on par with deal values seen in Q2, when 663 deals were completed for \$90bn.
- Deal values were predominantly driven by a small number of large deals. **The top 10 largest alone accounted for \$46bn** – over half (55%) of total deal value in the quarter.
- **There were 204 deals made in North America worth \$36bn** and 174 deals in Europe for \$24bn in Q3. In Asia, there were 55 deals worth \$8.9bn.
- **Transactions made for renewable energy have accounted for the majority (57%) of deals** in Q1-Q3 2018, while deals in energy and utilities have each accounted for 12% of deals completed in that time.
- **Sixty-five percent of deals completed in Q3 were secondary stage transactions**, while greenfield and brownfield transactions account for 32% and 3% of deals respectively.
- **Deals of \$1bn or more accounted for 14% of transactions** in Q1-Q3 2018, while deals of less than \$100mn made up 43% of deals in that time.
- **The largest infrastructure deal completed in Q3 was the acquisition of SCANA Corporation by Dominion for \$15bn.**

Patrick Adefuye, Head of Real Assets:

“With deal values remaining level in Q3 2018, it seems very unlikely that the full year will rise to match levels seen through much of 2015-17. Since Q3 2015 all but two quarters have seen deal totals exceed \$100bn, with this quarter becoming the third period which doesn’t breach this mark. Perhaps of more concern is the decline in the number of deals announced – even as infrastructure fundraising is hitting all-time highs it appears that fund managers are struggling to effectively deploy capital into investment opportunities.”

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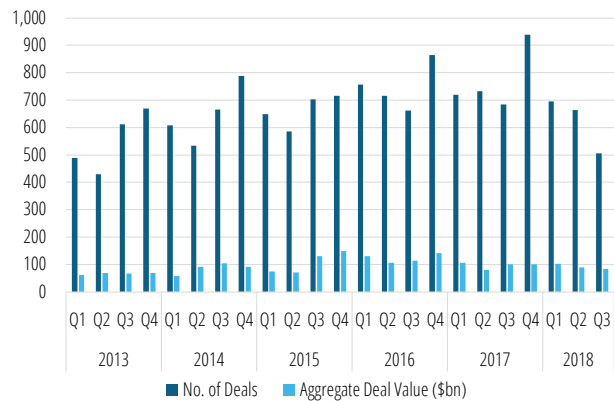
Preqin’s data and analysis is frequently presented at industry conferences, and is used in the global financial press and academic journals & white papers. We are always happy to support journalists by providing reports, custom data and one-on-one interviews.

For more information, contact our dedicated press team at press@preqin.com or call (+44) 20 3207 0265.

Q3 2018 INFRASTRUCTURE DEALS

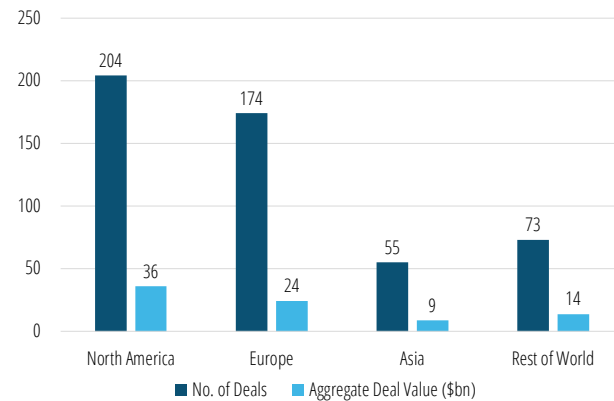
4 October 2018

Fig. 1: Global Quarterly Infrastructure Deals, Q1 2013 - Q3 2018



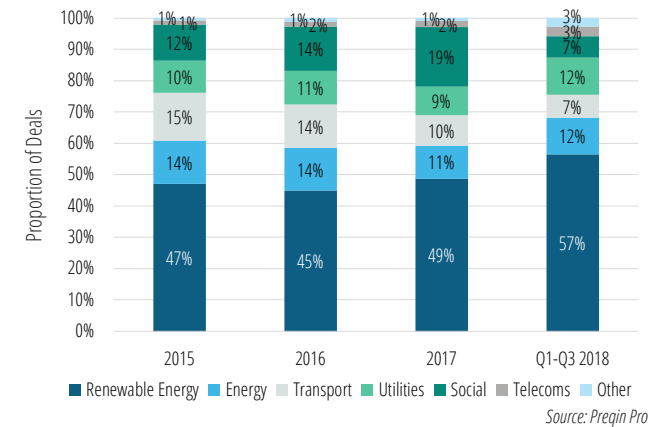
Source: Preqin Pro

Fig. 2: Infrastructure Deals in Q3 2018 by Region



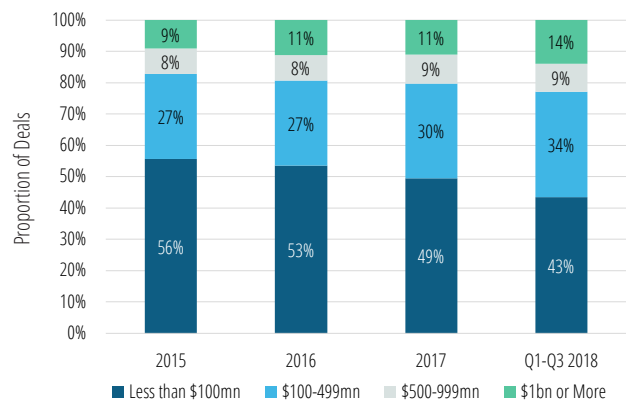
Source: Preqin Pro

Fig. 3: Infrastructure Deals by Primary Industry, 2015 - 2018 YTD



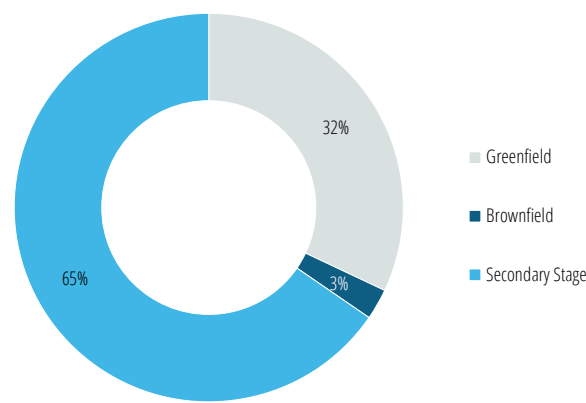
Source: Preqin Pro

Fig. 4: Infrastructure Deals by Value Band, 2015 - 2018 YTD



Source: Preqin Pro

Fig. 5: Infrastructure Deals in Q3 2018 by Project Stage



Source: Preqin Pro

KEY FACTS



506

No. of infrastructure deals announced globally in Q3 2018, down from 663 in Q2.



65%

Proportion of the number of deals in Q3 that were for secondary stage assets.



\$15bn

Value of largest deal announced in Q3, the acquisition of SCANA Corporation.

Q3 2018 INFRASTRUCTURE DEALS

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Fig. 6: 10 Largest Infrastructure Deals Announced Globally in Q3 2018

<u>Asset</u>	<u>Location</u>	<u>Primary Industry</u>	<u>Investor(s)</u>	<u>Deal Size (mn)</u>	<u>Stake (%)</u>	<u>Deal Date</u>
SCANA Corporation	US	Diversified	Dominion	15,000 USD	100	Jul-18
WestConnex Motorway	Australia	Toll Roads	Abu Dhabi Investment Authority, AustralianSuper, Transurban Group	9,260 AUD	51	Jul-18
Hornsea Project One	UK	Wind Power	Global Infrastructure Partners	4,460 GBP	50	Sep-18
Enercare	Canada	Utilities	Brookfield Asset Management	4,300 CAD	100	Aug-18
Canadian Natural Gas Portfolio	Canada	Natural Resources Pipelines	Brookfield Asset Management	4,300 CAD	100	Jul-18
United Group	Netherlands	Telecommunications	BC Partners	2,600 EUR	-	Sep-18
Wind Tre	Italy	Telecommunications	CK Hutchison	2,450 EUR	50	Jul-18
Victoria Land Titles and Registry	Australia	Government Buildings	First State Super	2,860 AUD	100	Aug-18
East West Pipeline	India	Natural Resources Pipelines	Brookfield Asset Management	140,000 INR	100	Sep-18
SAUR	France	Water Treatment	EQT	1,500 EUR	70	Jul-18

Source: Preqin Pro

LOOKING FOR MORE DATA AND ANALYSIS?

Preqin provides information, data and research on the infrastructure industry across fund performance, fundraising, fund managers, investors, deals, fund terms and more. If you have more detailed requests for infrastructure data or any questions, please contact us:

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