

Infrastructure Fundraising Slows in Q3 2012

**Six unlisted infrastructure funds held a final close in Q3 2012 raising an aggregate \$2.7bn;
A further 10 funds held an interim close raising an additional \$14bn**

Although just six unlisted infrastructure funds held a final close in Q3 2012, raising \$2.7bn in investor capital, a considerable \$14bn was raised by those funds holding an interim close during the quarter. The aggregate capital raised by funds holding a final close in Q3 2012 was 48% lower than in Q2, but the capital raised by funds holding an interim close was 33% higher. This shows that infrastructure fund managers continue to attract fresh fund commitments despite fewer vehicles reaching a final close at present.

- Six unlisted infrastructure funds reached a final close in Q3 2012 having raised an aggregate \$2.7bn. This is down from Q2 2012 when 11 funds closed raising a combined \$5.2bn.
- EnCap Flatrock Midstream Fund II was the largest infrastructure vehicle to close in Q3 2012. The fund closed in July on \$1.79bn.
- Other funds to reach a final close in Q3 2012 included the \$625mn Philippine Investment Alliance for Infrastructure and the JPY 9bn TM Nippon Solar Energy Fund.
- 10 infrastructure funds reached an interim close during the quarter, raising an aggregate \$14bn.
- 142 unlisted infrastructure funds are currently in market, targeting \$91.6bn in investor capital. 51% of these funds have held at least one interim close, having raised an aggregate \$29bn towards their overall targets.
- Global Infrastructure Partners II remains the largest infrastructure fund currently in market. It held a \$7.5bn third close in July 2012 and has already surpassed the \$6.5bn GS Infrastructure Partners I as the largest infrastructure fund ever raised. It plans to reach its \$8bn hard cap in the coming months.
- 47 deals were reported by unlisted infrastructure fund managers in Q3 2012, up from 42 completed in Q2.

Please see factsheet following this release for more data on historical fundraising and largest funds.

Comment:

“Investor appetite for infrastructure funds remains strong. This is shown by the healthy amount of capital raised by funds holding either a final or interim close in Q3 2012, and this looks set to continue in the coming year. In a recent Preqin infrastructure investor study, a significant 78% of surveyed respondents intended to make additional infrastructure investments in the coming 12 months, with 36% planning to make multiple fund commitments. However, institutional investors remain extremely cautious when making new fund commitments in the current market environment. It is therefore unsurprising that more infrastructure funds are holding interim closes in 2012 as opposed to final closes, and we can expect this trend to continue going forward. The fundraising market is very congested and with investors following a more conservative investment strategy, it is likely that many funds will be on the road for an extended period of time before reaching a final close.”

Elliot Bradbrook, Manager of Infrastructure Data

For more information and analysis, please see the PDF factsheet that follows.

Note to Editors:

- Preqin is spelled without the letter ‘U’ after the ‘Q’, the company name being an amalgamation of the former name, Private Equity Intelligence.

About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

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Q3 2012 Infrastructure Fundraising and Deals

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Fig. 1: Top Five Unlisted Infrastructure Funds in Market by Target Size

Fund	Firm	Target Size (mn)	Firm Location
Global Infrastructure Partners II	Global Infrastructure Partners	8,000 USD	US
Alinda Global Core Infrastructure Fund	Alinda Capital Partners	3,000 USD	US
RREEF Pan-European Infrastructure Fund II	RREEF Infrastructure	2,000 EUR	UK
Harbourmaster Infrastructure Debt Fund	Harbourmaster Capital Management	2,000 EUR	Ireland
Macquarie European Infrastructure Fund IV	Macquarie Infrastructure and Real Assets (MIRA)	1,500 EUR	Australia

Fig. 2: Unlisted Infrastructure Funds in Market over Time

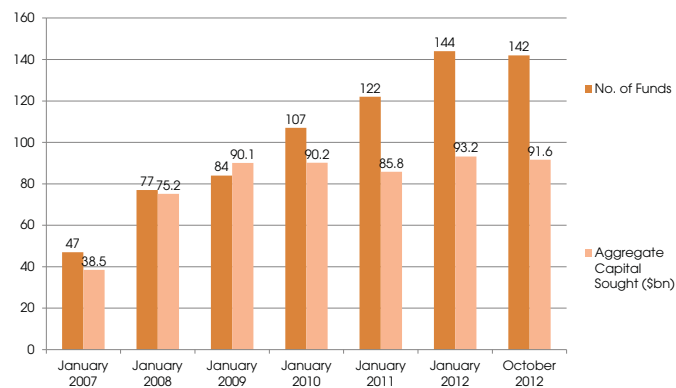


Fig. 4: Unlisted Infrastructure Fundraising by Quarter, Q1 2008 - Q3 2012

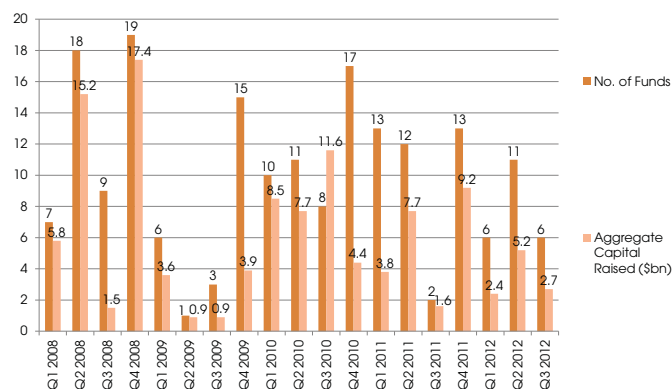


Fig. 3: Unlisted Infrastructure Funds in Market by Fund Status

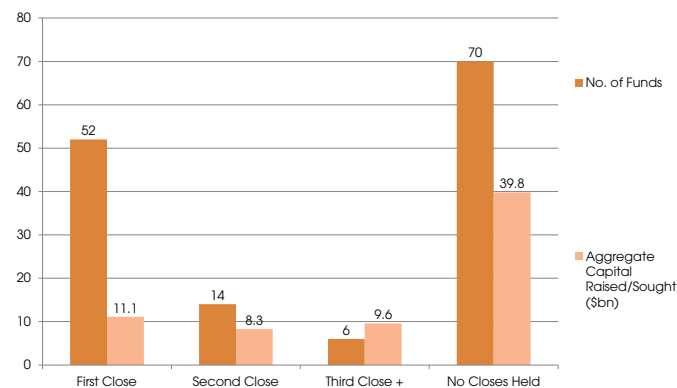
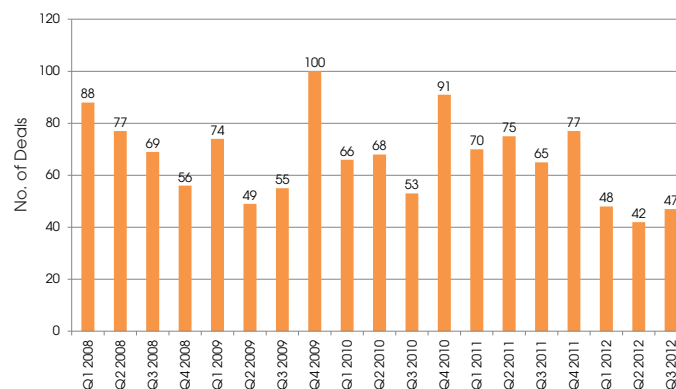


Fig. 5: Number of Deals Made by Unlisted Infrastructure Fund Managers by Quarter, Q1 2008 - Q3 2012



Q2 2012 vs Q3 2012 Fundraising:

- Six unlisted infrastructure funds reached a final close in Q3 2012 having raised an aggregate \$2.7bn. This is down from Q2 2012 when 11 funds closed raising a combined \$5.2bn.
- EnCap Flatrock Midstream Fund II was the largest infrastructure vehicle to close in Q3 2012. The fund closed in July on \$1.79bn.
- Other funds to reach a final close in Q3 2012 included the \$625mn Philippine Investment Alliance for Infrastructure and the JPY 9bn TM Nippon Solar Energy Fund.

Interim Closes and Outlook:

- 10 infrastructure funds reached an interim close during the quarter, raising an aggregate \$14bn.
- 142 unlisted infrastructure funds are currently in market, targeting \$91.6bn in investor capital. Fifty-one percent of these funds have held at least one interim close, having raised an aggregate \$29bn towards their overall targets.
- Global Infrastructure Partners II remains the largest infrastructure fund currently in market. It held a \$7.5bn third close in July 2012 and has already surpassed the \$6.5bn GS Infrastructure Partners I as the largest infrastructure fund ever raised. It plans to reach its \$8bn hard cap in the coming months.

Q3 2012 Deals:

- 47 deals were reported by unlisted infrastructure fund managers in Q3 2012, up from 42 completed in Q2.



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