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Funds on the Road

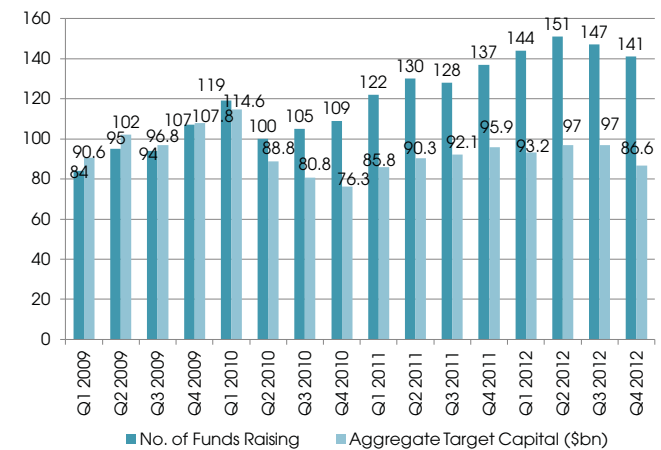
As of Q4 2012, there are 141 unlisted infrastructure funds on the road, targeting an aggregate \$86.6bn in institutional investor capital. This represents a 4% drop from the number of infrastructure funds in market at the start of Q3 2012 and an 11% reduction in total capital sought by fund managers. This can be attributed to the closure of several unlisted infrastructure funds in Q3 2012, combined with fewer vehicles being launched during the quarter. Those new funds being launched are also targeting lower and perhaps more realistic levels of capital.

Fig. 11 illustrates the growth of the unlisted infrastructure fund market since its low point in Q4 2010. The total number of funds available for investment peaked in Q2 2012, when 151 unlisted infrastructure funds were targeting an aggregate \$97bn. The general rise in the number of unlisted infrastructure funds on the road over the past 18 months illustrates the growing LP and GP interest in the infrastructure space, although the plateau in aggregate capital sought shows that fund managers are generally targeting lower levels of capital. The average target size of an unlisted infrastructure fund in market currently stands at \$645mn, lower than the \$700mn average in both Q4 2011 and Q4 2010, and considerably lower than the \$1bn average in Q4 2009.

Europe is the most prominent primary geographic focus of infrastructure funds on the road both in terms of number and aggregate capital targeted. As shown in Fig. 12, 53 Europe-focused infrastructure funds are currently in market targeting an aggregate \$37.9bn. North America is also a significant centre of activity, with 29 North America-focused infrastructure funds currently targeting an aggregate \$20.2bn. Europe and North America-focused funds account for a significant 58% of the total number of funds currently on the road and 67% of total capital targeted by fund managers globally. North America-focused funds have an average target size of \$697mn; the average Europe-focused vehicle is seeking to raise \$715mn. There are 25 Asia-focused funds in market targeting \$12.4bn, while 34 funds are primarily focused on other areas, such as South America, Africa and the Middle East.

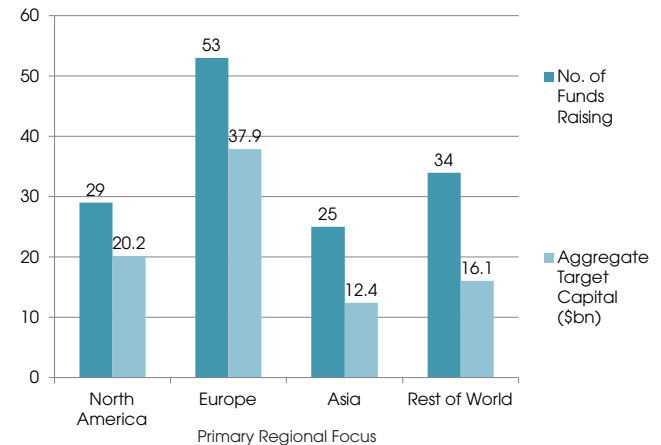
Fig. 13 shows the five largest infrastructure funds on the road at the beginning of Q4 2012. Global Infrastructure Partners II was the largest such fund; however, the vehicle reached an

Fig. 11: Unlisted Infrastructure Funds on the Road by Quarter, Q1 2009 - Q4 2012*



Source: Preqin Infrastructure Online

Fig. 12: Breakdown of Unlisted Infrastructure Funds on the Road by Primary Geographic Focus*



Source: Preqin Infrastructure Online

\$8.25bn final close on 2 October 2012, surpassing the \$6.5bn GS Infrastructure Partners I as the largest infrastructure fund ever raised. Alinda Global Core Infrastructure Fund is now the largest vehicle on the road, seeking \$3bn from investors.

*Though it was on the road at the beginning of Q4 2012, Global Infrastructure Partners II reached an \$8.25bn final close on 2 October 2012. GIP II is not included in Fig. 11 and Fig. 12.

Fig. 13: Top Five Unlisted Infrastructure Funds on the Road by Target Size*

Fund	Firm	Target Size (mn)	Firm Location
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
First State European Diversified Infrastructure Fund	Colonial First State Global Asset Management/First State Investments	1,500 EUR	Australia

Source: Preqin Infrastructure Online