

Infrastructure Ends 2011 on Fundraising High

Seven funds closed in Q4 2011 having raised a combined \$8bn, half of the total capital raised all year.

Consistent year for deal flow, with final total reaching 226 deals.

Thirty-eight infrastructure funds closed during 2011 having raised a combined \$16bn, Preqin data reveals. This is significantly less than the \$31.8bn that was raised by the 41 funds that closed in 2010.

2011 proved to be a solid year for infrastructure deals, with 226 being completed by unlisted infrastructure fund managers during the course of the year. This figure is likely to surpass the 256 deals completed in 2010 once more information is made available by fund managers, although the total is unlikely to rise significantly. Fifty deals were completed in Q4 2011, slightly fewer than in previous quarters.

Infrastructure in 2011:

- Q4 was the strongest quarter for fundraising; half of the annual total was raised in the last three months of the year.
- By number, the most funds closed in Q2 – 10 funds closed having raised a combined \$3bn.
- Fundraising floundered in Q3, when just two funds closed having raised a total of \$1.6bn.
- The largest fund to have closed in 2011 was ArcLight Energy Partners Fund V, which closed in November on \$3.31bn.
- Q2 was the strongest quarter for deals; 64 were completed between April and June.
- The deals market continues to be restricted by contracted credit markets, although deal flow did remain steady in 2011.

Infrastructure into 2012:

- The largest fund currently in market is Global Infrastructure Partners II, which is targeting \$5bn.
- There are 144 funds in market seeking an aggregate \$93.2bn.
- A mid-2011 survey showed that 78% of investors were considering making at least one commitment to an infrastructure fund in the following 12 months. This suggests that managers are likely to enjoy at least a degree of success in fundraising in 2012.

Comment:

The private infrastructure market enjoyed a consistent year in 2011, both in terms of fundraising and deal flow. Although fundraising did not reach the levels seen in 2010, the majority of capital raised in 2011 was fresh capital (i.e. not secured prior to the downturn), showing that institutional investors are still looking to make new commitments to unlisted infrastructure funds. A further \$13.1bn was also raised by funds holding interim closes in 2011, which shows good momentum within the current market. Despite this, infrastructure fundraising will remain tough in the coming year and only those managers offering the most attractive opportunities will be successful.

The total number of deals completed by unlisted infrastructure fund managers in 2011 is likely to surpass the number of deals completed in 2010 once more information filters through from fund managers. This shows that infrastructure deal flow continues to steadily improve despite ongoing issues with regard to the availability of affordable long-term debt financing.

Elliot Bradbrook – Manager, Infrastructure Data



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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Preqin Research Report 2011 Infrastructure Fundraising and Deals

Fig. 1: Unlisted Infrastructure Fundraising by Quarter, Q1 2007 - Q4 2011

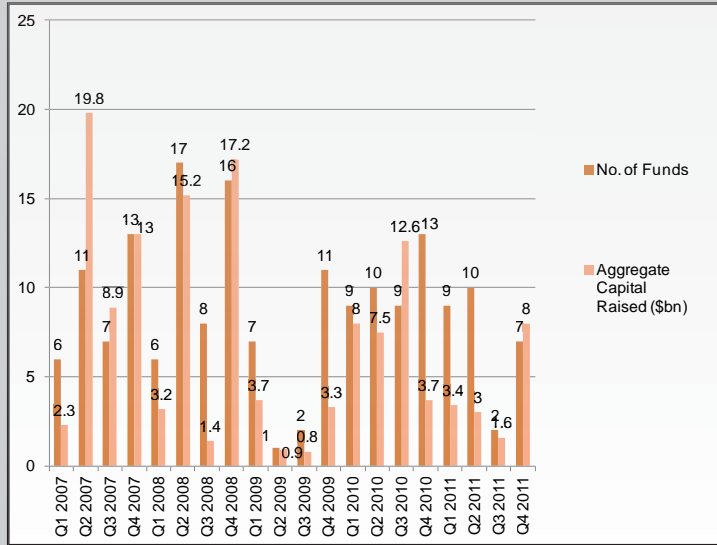


Fig. 2: Split of Aggregate Capital Raised by Region, 2004 - 2011

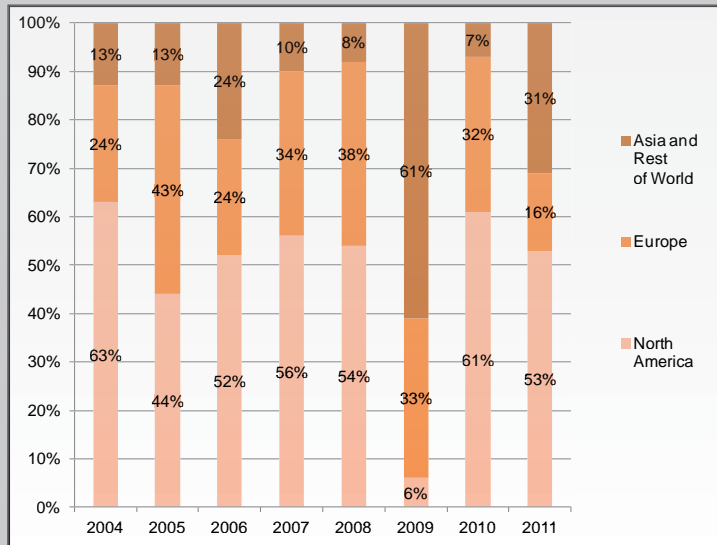


Fig. 3: Infrastructure Funds in Market by Quarter, Q1 2009 - Q1 2012

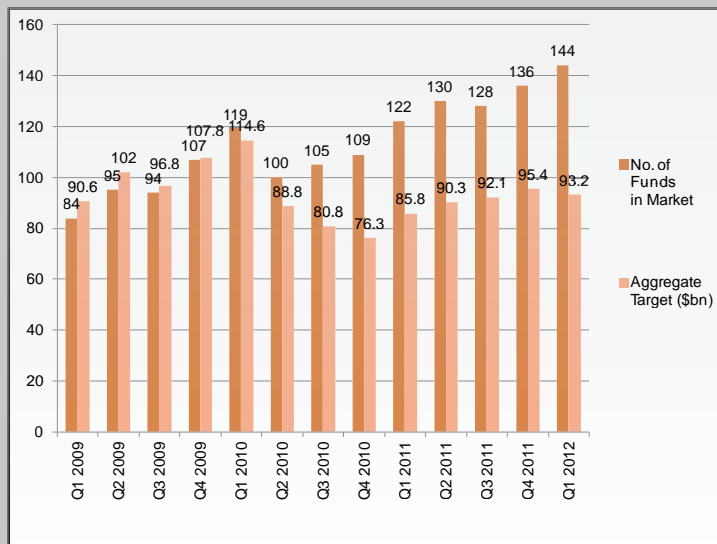
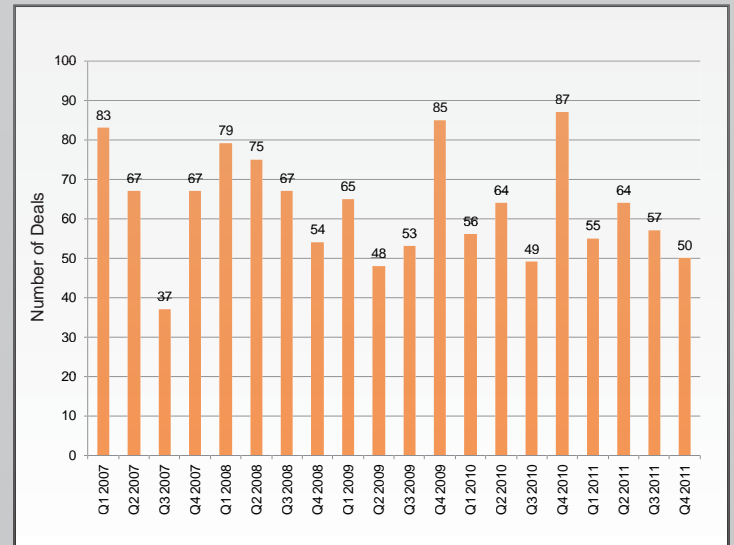


Fig. 4: Top Five Infrastructure Funds in Market by Target Size

Fund	Firm	Target Size (mn)	Manager Location
Global Infrastructure Partners II	Global Infrastructure Partners	5,000 USD	US
Highstar Capital Fund IV	Highstar Capital	3,500 USD	US
Alinda Global Core Infrastructure Fund	Alinda Capital Partners	3,000 USD	US
CVC European Infrastructure Fund	CVC Infrastructure	2,000 EUR	UK
RREEF Pan-European Infrastructure Fund II	RREEF Infrastructure	2,000 EUR	UK

Fig. 5: Quarterly Number of Deals Made by Unlisted Infrastructure Fund Managers, Q1 2007 - Q4 2011



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- Fund Performance
- Fundraising
- Investor Profiles
- Fund Terms
- Fund Manager Profiles
- Deals

Our services and products are the most comprehensive resource available to infrastructure professionals today, and are relied upon by the majority of leading infrastructure firms and many other professionals from around the world.

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