

Investors Look to Put More Capital to Work in Infrastructure Development

Almost two-thirds of institutional investors surveyed by Preqin plan to invest more capital in infrastructure in the next 12 months

Research in this month's edition of Preqin's Infrastructure Spotlight reveals that institutional investors, such as public and private sector pension funds, have an overwhelmingly positive outlook towards infrastructure, with 63% planning to invest more capital in the asset class in the next 12 months than they did in the last 12 months. This demonstrates a potential for huge growth in the capital committed to infrastructure development by institutional investors; infrastructure funds closed in 2013 so far have already raised an aggregate \$17bn in capital commitments from investors, a 55% increase compared to the \$11bn that was raised by funds closed in the same period last year.

In addition, 58% of investors surveyed are planning to set aside a larger percentage of their total assets for investment in infrastructure in the longer term. This is a significantly higher proportion than is seen among investors in private equity, hedge funds or real estate, with 34%, 23% and 40% of investors in these asset classes respectively expecting to increase their allocations to their respective asset class in the longer term.

Other Key Facts:

- 93% of investors surveyed feel that their infrastructure fund investments have met or exceeded expectations over the past 12 months; this includes 29% of all respondents that feel their infrastructure investments exceeded expectations.
- 47% of infrastructure investors surveyed by Preqin plan to invest at least \$100mn in the asset class over the next 12 months; 12% plan to invest over \$500mn.
- 65% of investors surveyed named regulation as a key issue facing the infrastructure asset class in 2013/14; other important issues named include the economic environment (named by 54% of investors), performance (54%), and fees (50%).
- 67% of infrastructure investors surveyed are uncertain about regulations introduced in 2011-2013 and whether their impact on the industry will be beneficial; a further 16% believe they are not beneficial.

For more information and analysis, please see:

[https://www.preqin.com/docs/newsletters/inf/Preqin Infrastructure Spotlight September 2013.pdf](https://www.preqin.com/docs/newsletters/inf/Preqin_Infrastructure_Spotlight_September_2013.pdf)

Comment:

"Institutional investor appetite for infrastructure investments is strong; investors are increasingly satisfied with the performance of their infrastructure portfolios, and are looking to commit more capital to the asset class in the future. We are already seeing this appetite from pension funds and other institutional investors translate into increased fundraising for unlisted infrastructure funds, and we expect to see further growth in the amount of institutional capital being put to work in infrastructure development in the coming months and years."

Elliot Bradbrook, Manager of 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.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin's services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com

For more information, please contact: Elliot Bradbrook +44 (0)20 7397 9490 or ebradbrook@preqin.com

For general press information, please contact: Nicholas Jelfs +44 (0)20 7645 8882 or press@preqin.com

New York: One Grand Central Place, 60 E 42nd Street, Suite 2544, New York NY 10165 Tel: +1 212 350 0100

London: Equitable House, 47 King William Street, London EC4R 9AF Tel: +44 (0)20 7645 8888

Singapore: One Finlayson Green, #11-02, Singapore 049246 Tel: +65 6305 2200

San Francisco: 580 California Street, Suite 1638, San Francisco, CA 94104 Tel: +1 415 635 3580

Web: www.preqin.com / info@preqin.com