



Press Release

28 March 2018

ACTIVITY OF INFRASTRUCTURE FUNDS MANAGED IN FRANCE IN 2017

At end-2017:

**€52 billion in assets under management
to finance infrastructure transactions.**

In 2017:

€6.8 billion raised.

**€7.7 billion invested in 206 transactions,
a majority in Europe and across a wide variety of sectors.**

The AFG (French Asset Management Association) and France Invest (Association of Investors for Growth) today published the results of a study on the activity of infrastructure funds managed in France in 2017. This first joint edition was conducted among 23 member firms of the two associations that manage equity or bond infrastructure funds located in France, and which account for 88% of the active members and 90% of the amounts managed in this market segment.

Alain Rauscher, Chairman of the France Invest Infrastructure Club, emphasises that “*infrastructure financing through investment funds is a recent activity in France. This segment, created in the middle of the last decade, has in only 10 years built up a pool of more than €50 billion that has been or will be invested in infrastructure companies. These companies cover a wide range of sectors that relate to citizens' daily life. It is crucial to continue to attract French and foreign investors to this asset class and to maintain the current momentum to make the Paris financial market a leading European focal point in infrastructure financing*”.

René Kassis, Chairman of the AFG Infrastructure Financing Commission, adds: “*the results of this survey are a testament to the major role that the French asset management industry plays in Europe which, while mobilising sources of long-term financing that are crucial to develop infrastructure, provides the participating investors with investment solutions that meet their needs. This role also rounds out the centre of excellence that is the Paris financial market in terms of infrastructure investment, alongside builders, market participants, bankers and lawyers with expertise in this area*”.

At end-2017, €52 billion in capital managed by infrastructure funds

- At end-2017, assets under management in infrastructure funds managed in France amounted to €52 billion. 67% corresponds to past or future equity investment in infrastructure transactions, and 33% in debt financing.
- Out of the €52 billion, €32 billion has already been deployed: two-thirds in equity investments in 374 companies; one-third in debt financing in 213 assets.
- The sector therefore has €20 billion in “dry powder” to invest in the coming years.
- More than half of the asset management companies in this market segment individually manage more than one billion euros.

In 2017, fundraising amounted to €6.8 billion

- In 2017, €6.8 billion was raised by infrastructure funds, of which 62% in equity and 38% in debt.



Equity

- 10 asset management companies specialised in infrastructure raised €4.2 billion in equity. This comes on top of the funds raised by private equity funds, members of France Invest, to support the growth of start-ups, SMEs and mid-caps.
- Seven asset management companies raised more than €200 million.
- 82% of inflows came from insurance companies/mutual insurance companies and pension funds.
- 44% came from foreign investors.

Debt

- €2.6 billion was raised in debt.
- These inflows were concentrated by asset management companies that raised more than €500 million.
- 92% was raised from insurers and 80% from French investors.

In 2017, €7.7 billion invested in 206 transactions

- In 2017, €7.7 billion was deployed by infrastructure funds, of which 58% in equity and 42% in debt.
- In equity as in debt, two-thirds of the investments and financing concern tickets of less than €20 million.

Equity

- €4.5 billion was invested in equity in 122 companies.
- France accounted for 54% of the companies supported and 20% of the amounts invested. The rest of Europe accounted for 36% of the companies and 55% of the amounts invested.
- For more than half of the companies, the investments were in brownfield projects¹ (52% in terms of number and 61% of the amounts).

Debt

- €3.2 billion in debt financing in 84 assets.
- Europe (excluding France) accounted for 71% of the assets financed and 77% of the financing.
- A large majority of the assets financed were brownfield projects¹ (77% in terms of number and 87% of the amounts).

Diversity of sectors

- In equity as in debt, the financing of infrastructure transactions concerned all sectors: renewable energy, transport, conventional energy, social infrastructure, telecommunications and environment.
- A significant number of the transactions were in renewable energies and a considerable amount was dedicated to transport.

¹ - Brownfield: Financing of already existing and operational infrastructure, for the purpose of renovation and development.

The study "Activity of infrastructure funds managed in France in 2017" is available on www.franceinvest.eu and www.afg.asso.fr.

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About France Invest

France Invest comprises almost all the private equity teams operating in France. It has over 300 active members and almost 200 associate members. Through its compliance, control and best practices development mission, it is one of only two associations recognised by the French financial markets authority (AMF), and membership in the association by management companies is one of the conditions for authorisation. It is the only industry association specialising in private equity. France Invest's priorities include promoting the position and role of private equity, actively participating in its development by serving as a hub for the entire industry and establishing best practices, methods and tools for professional and responsible shareholder conduct. For more information: www.franceinvest.eu

About AFG

The French Asset Management Association (AFG) represents the French asset management industry. Our members include all market participants working for individual investors or collective investment schemes. Its members are portfolio management companies, entrepreneurial firms or subsidiaries of financial groups. The profession, represented by around 630 companies, manages almost €4,000 billion, of which almost €2,350 billion in the form of financial management of collective funds. This management makes a significant contribution to the financing of the real economy, particularly by providing equity to French companies and by financing SMEs via private equity and small- and mid-cap funds. For more information: www.afg.asso.fr