

27 March 2009

## 3i Infrastructure plc – Pre-close period briefing

3i Infrastructure plc (“3i Infrastructure” or “the Company”) will be holding discussions with analysts and investors ahead of its close period for the year ending 31 March 2009. This statement sets out the information for the period from 1 April 2008 to 26 March 2009 that will be covered in those discussions. 3i Infrastructure expects to announce its results for the year ending 31 March 2009 in early May 2009.

Peter Sedgwick, Chairman of 3i Infrastructure, said: “The market opportunity for infrastructure investment remains attractive, despite the constraints of tighter credit markets. With its strong balance sheet, 3i Infrastructure is well positioned to take advantage of this opportunity. However, the Company will continue to invest cautiously.”

### Highlights

- £157 million invested since 1 April 2008, mainly in a portfolio of junior debt investments and in a stake in the Krishnapatnam Port Company Limited (through the 3i India Infrastructure Fund)
- £26 million in realised profits generated from the sale of Alma Mater and I<sup>2</sup>
- Overall performance of portfolio assets remains satisfactory, with continued strong income generation
- Current cash balances of £393 million, including proceeds from the sale of Alma Mater and I<sup>2</sup>

### 1. Investment and realisation activity

#### *Investment*

The Company has made net investment of £156.6 million from 1 April 2008 to 26 March 2009.

Investment relates mainly to a further draw down of US\$32.9 million (£23.2 million) by the 3i India Infrastructure Fund from the Company to fund an investment in Krishnapatnam Port Company Ltd (“KPCL”) and the investment of £114.7 million in a portfolio of five investments in junior debt instruments issued by infrastructure businesses.

KPCL has been awarded a 30-year concession (extendable to 50 years) to develop, operate and maintain the Krishnapatnam port. The port is a natural, deep water, all-weather port with 12 km of quays in the state of Andhra Pradesh, on a landlord port model. Inaugurated last July, the port is expected to handle about 100 million tonnes of bulk cargo when fully completed.

In total, the 3i India Infrastructure Fund has now drawn down 41.2% of the Company's US\$250 million commitment.

During the period, the Company also funded further drawdowns by I<sup>2</sup> and Alma Mater (before divestment) and by Alpha Schools, totalling £21.6 million.

#### *Realisations*

The Company generated realised proceeds of £177.6 million from 1 April 2008 to the date of this statement, at an uplift of £25.9 million over opening valuation at the start of the financial year.

On 9 January 2009, the Company completed the sale of its 31.17% interest in Infrastructure Investors LP ("I<sup>2</sup>") for a total consideration of £163.7 million (net of costs). A final income distribution of £3.0 million was received from I<sup>2</sup> prior to the sale. Of the consideration, £135.5 million was received as cash, with the balance of £28.2 million in unsecured loan notes. This consideration represents an uplift of £44.8 million over cost and, including the final income distribution, an increase of £16.2 million over the asset valuation in the Company's most recently published half-yearly results to 30 September 2008.

On 11 July 2008, the Company completed the sale of its interest in the Alma Mater Fund, receiving proceeds of £41.9 million. This represents an uplift of £15.0 million over the asset cost of £26.9 million and a £4.0 million uplift over the asset valuation at 31 March 2008.

## 2. Portfolio and returns

Overall, the performance of the portfolio assets remains satisfactory, with continued strong income generation. During the period, the investment portfolio has generated significant realised profits through the sale of Alma Mater and I<sup>2</sup> and income from dividends and interest.

As usual, an important element in the determination of the results for the year to 31 March 2009 will be the detailed valuation exercise carried out on the investment portfolio as at that date. As outlined in more detail in the Company's Interim Management Statement, published on 30 January 2009, the net asset value at 31 March 2009 will be influenced by a number of market and macro-economic factors, including the mark-to-market valuation volatility of the junior debt portfolio and of the quoted equity investments, movements in foreign exchange rates and trends in interest and inflation rates.

3i Infrastructure will issue its results for the year to 31 March 2009, including the net asset value as at that date, in early May 2009.

## 3. Balance sheet

The completion of the Placing and Open Offer in July and proceeds from the sale of Alma Mater and I<sup>2</sup> have contributed to an increase in the Company's cash balance from £253.7 million at 31 March 2008 to £392.6 million at 26 March 2009.

Ends

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**This statement aims to give an indication of 3i Infrastructure's performance and development from 1 April 2008 to 26 March 2009. These indications reflect the Board's current view. They are subject to a number of risks and uncertainties and could change. In particular, an important element in the determination of the Company's results for the period to 31 March 2009 is the detailed valuation exercise being carried out on its investment portfolio as at that date. The final results for the period to 31 March 2009, due to be reported in May 2009, may differ accordingly. Factors which could cause or contribute to such differences include, but are not limited to, general economic and market conditions and specific factors affecting the financial prospects or performance of individual investments within 3i Infrastructure's portfolio.**

*This release is not an offer of 3i Infrastructure plc securities for sale in the United States and 3i Infrastructure plc securities may not be offered or sold in the United States absent registration or an exception from registration. Any public offering of 3i Infrastructure plc securities in the United States would be made by means of a prospectus that could be obtained from 3i Infrastructure plc and would contain detailed information about 3i Infrastructure plc, its management and its financial statements. 3i Infrastructure plc is not currently making any public offering in the United States and no such prospectus has been issued.*