

INVESTMENT IN 3I INDIA INFRASTRUCTURE FUND; RELATED PARTY TRANSACTION

3i Infrastructure Limited ("**3i Infrastructure**" or the "**Company**") announces a proposed investment in a fund (the "**Transaction**") being established by 3i Investments plc, a subsidiary of 3i Group plc ("**3i Group**"), to invest in the rapidly growing Indian infrastructure market (the "**Fund**"). The board believes that the Transaction is an attractive opportunity because it will offer the Company participation in a larger pool of investment capital, providing exposure to a diversified pool of assets and larger investments than the Company could access on its own account. The proposed investment in the Fund is an arrangement pursuant to which the Company and a "related party" (namely, (a) 3i Group, which is a "related party" because it is a "substantial shareholder" of the Company (holding 46.2 per cent. of the Ordinary Shares) and (b) 3i Investments plc (a subsidiary of 3i Group) by virtue of its appointment as investment adviser to the Company), each invests in another undertaking. As a result, under the UKLA's Listing Rules, the Transaction requires the prior approval of the Company's shareholders (the "**Shareholders**"). The Company has posted a circular to its Shareholders today, convening a meeting for Monday 10 September 2007, to propose a resolution to approve the Transaction.

It is proposed that 3i Infrastructure commits US\$250 million to the Fund. As announced by 3i Group today, 3i Group will commit a minimum of US\$250 million to the Fund. The Fund has a target size of US\$1 billion and, accordingly, other commitments will be sought from third party investors in order to achieve the target fund size.

The Company's investment policy is to build a diversified portfolio of equity (or equivalent) investments in entities owning infrastructure businesses and assets. The Company seeks investment opportunities globally but with an initial focus on Europe, North America and Asia. The Company is aiming to build a diverse investment portfolio that balances the different yield and capital growth characteristics of its underlying assets. In so doing, it will consider assets across sectors and the different stages of the assets' life cycle.

The Transaction gives Shareholders access to the fast growing Indian infrastructure market. The Company's directors expect that the demand for capital to invest in this market will be particularly strong as inadequate levels of existing infrastructure investment are estimated to be holding back the country's rapid economic growth by up to two per cent. per annum, and because the Indian government is actively encouraging foreign investment and private sector involvement. Shareholders will benefit from excellent access to investment opportunities through 3i Group's global office network and local team in Mumbai, its proposed Advisory Board for India and its strategic partnership with the government owned India Infrastructure Finance Company Limited.

The Company's investment policy allows 3i Infrastructure the flexibility to invest in fund structures if it considers that this represents the most appropriate and effective means of investing. The Company's investment in the Fund is consistent with the Company's investment strategy, as stated at the time of its floatation, that it would focus on Europe, North America and Asia as its primary investment geographies. The Company's directors believe that 3i Infrastructure's investment in the Fund represents an excellent opportunity for the Company to

gain access to a balanced portfolio of investments in the Indian infrastructure market, across different stages of the asset cycle as well as participation in larger infrastructure projects. The Fund's investment strategy is consistent with the Company's investment policy.

It is proposed that the Company and 3i Group will make their respective commitments to the Fund through parallel co-investment partnerships which will invest in all 3i Indian infrastructure opportunities in proportion to their respective commitments and on substantially similar terms. In due course other vehicles will be established as part of the Fund for investment by third party investors and members of 3i Group's Infrastructure investment team.

Peter Sedgwick, Chairman of 3i Infrastructure Limited said "At the time of the Company's flotation, we identified India as a potentially attractive area of investment given the expected demand for capital to invest in infrastructure. The Transaction represents an exciting opportunity for the Company to access this market through 3i Group's growing local investment team whilst benefiting from the scale and diversity of the Fund."

Notes to Editors

About 3i Infrastructure Limited

3i Infrastructure is a Jersey-incorporated, public close-ended investment company. Its purpose is to build a diversified portfolio of infrastructure investments for investors. 3i Infrastructure was incorporated on 16 January 2007 and listed on the London Stock Exchange on 13 March 2007.

About 3i Group plc

3i Group is a leading private equity and venture capital group. It focuses on buyouts, growth capital, venture capital, infrastructure and quoted private equity and invests across Europe, the United States and Asia. 3i Group was established in 1945 and listed on the London Stock Exchange in 1994. It is a constituent of the FTSE 100 and MSCI Europe indices.

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