

Press release

Paris, 11 March 2020

ACTIVITY OF INFRASTRUCTURE FUNDS MANAGED IN FRANCE IN 2019

In 2019:

- **€15.6 billion raised in 2019, 7% more than in 2018**
- **€10.9 billion was invested, an increase of 67% over 2018**

France Invest (Association of Investors for Growth) and AFG (French Asset Management Association) today published the results of a study on the activity of infrastructure funds managed in France in 2019. This third joint edition was carried out among 25 member firms of the two associations that manage equity or debt infrastructure funds in France, out of 27 surveyed, which represents 93% of the active members and 99.7% of the amounts managed in this market segment.

Alain Rauscher, Chairman of the France Invest Infrastructure Club, emphasises: *“In 2019, the amount raised by infrastructure funds established in France rose to €15.6 billion, over two-thirds of which was from foreign investors. Nearly 270 transactions were completed, representing an increase of 55% compared with last year. These figures demonstrate the momentum and the attractiveness of the asset class, which benefits from the historical expertise of the Paris market ecosystem in the financing and construction of infrastructure.”*

René Kassis, Chairman of the AFG Infrastructure Funds Commission, adds: *“With €70 billion in assets under management, up 25% on the previous year, the French asset management industry has confirmed its position as the European leader in infrastructure investment. The adoption of an ESG approach by almost all firms and the rapidly rising proportion of investments in renewable energy are an indication of the driving role played by French infrastructure fund managers in promoting responsible investment and the energy transition. Finance for digital infrastructure is also growing strongly, reflecting the massive digitalisation needs in the economy.”*

Capital activity in 2019

Fundraisings¹

- €9.9 billion raised by 11 asset management companies, 6 of which raised over €500 million.
- Insurance companies and mutual insurers, along with pension/retirement funds, remain the main subscribers, but we also note a sharp increase in investments by sovereign wealth funds, which are 2.4 times higher than in 2018.
- The proportion of funds raised from foreign investors remains high at 69% of total inflows (vs. 68% in 2018).

¹ The figures for capital raised by infrastructure funds are in addition to those published by France Invest for the private equity and private debt segments which finance the growth of start-ups, SMEs and mid-caps.



Investments

- €7.2 billion invested in 161 companies – a large increase over the €3.9 billion invested in 2018 – confirming that this market is driven by large transactions.
- Over three-quarters of the total (77%) was invested in energy (conventional and renewable) and transport.
- Europe (ex France) accounts for over half (54%) of the total invested and more than one-third (36%) of transactions.

Debt activity in 2019

Fundraisings¹

- €5.7 billion raised, a substantial rise over 2018 (€2.5 billion).
- Insurance companies and mutual insurers remain the main subscribers, accounting for 89% of total inflows.
- French subscribers continue to account for the majority of funds raised (54%). Funds raised from foreign investors are also up sharply, increasing by 2.6 times over the figure for 2018.

Investments

- €3.7 billion invested in 106 assets.
- Over three-quarters of the total was invested in energy (conventional and renewable) and transport.
- Large increase in investments in France, three times the figure for 2018. Overall, business remains mainly focused on Europe.

Assets under management at the end of 2019

- €71 billion in assets under management in infrastructure funds managed in France.
- Of this €71 billion, €45 billion has already been deployed (€28 billion in equity and €17 billion in debt financing).
- The sector therefore has €26 billion of dry powder that will be invested in the coming years.
- Overall, the infrastructure funds hold equity interests in 572 companies and debt investments in 364 assets.

The study “Activity of infrastructure funds managed in France in 2019” is available at www.franceinvest.eu and www.afg.asso.fr.

Press contacts

France Invest - Antoinette Darpy - +33 (0)6 72 95 07 92 - a.darpy@franceinvest.eu

AFG - Sylvie Aubry - +33 (0)1 44 94 94 07 - s.aubry@afg.asso.fr

About France Invest

France Invest comprises almost all the private equity teams operating in France. It has 330 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 the AFG

The French Asset Management Association (AFG) represents investment management professionals. Its members cover the full spectrum of asset management, encompassing both discretionary management and fund management. AFG's members are French asset management companies and include both boutique firms and subsidiaries of major financial groups. The French asset management sector comprises some 660 companies and manages nearly €4.2 trillion of assets, including €2.5 trillion in the form of mutual funds.

Asset management plays a vital role in financing the real economy, in particular by providing capital to French business and funding SMEs via private equity and through funds focusing on smaller companies and midcaps. For more information: www.afg.asso.fr