

BNP Paribas Investment Partners takes 40 per cent stake in Antin Infrastructure Partners

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BNP Paribas Investment Partners has taken a 40 per cent stake in Paris-based Antin Infrastructure Partners, while Antin IP's managing partners own the remaining 60 per cent. Antin IP's first fund, launched in July with a €1bn target, has received i€300m from BNP Paribas.

BNP Paribas and Antin IP believe that while the infrastructure sector will not be immune to the global downturn, it will be one of the few sectors that will still see decent deal flow and quality opportunities over the next few months. The decision to launch the infrastructure fund was made back in 2007.

Antin IP is a specialist manager of European infrastructure funds with a management team independent from BNP Paribas. However, the team expects to benefit from its relationship with BNP Paribas and the bank's resources.

Alain Rauscher, chairman of Antin IP and a managing partner, said, 'The association with BNP Paribas Investment Partners gives us the benefit of the support of a major corporate and investment bank, which is particularly active in infrastructure. By combining this backing with independent governance, we avoid conflicts of interest and offer our investors the best of both worlds.'

Chantal Mazzacurati, head of the alternative management and private equity division and a member of the executive committee at BNP Paribas Investment Partners, added, 'Infrastructure funds are an excellent way to diversify a traditional portfolio. In addition to performance, which has low correlation to other asset classes, infrastructure provides exposure to quasi-monopolistic sectors with high barriers to entry, good cash flow, and which provide a hedge against inflation.'

Antin IP's first fund invests in unlisted assets across Europe, including CEE, and targets an IRR of 15 per cent. It focuses on four segments of the infrastructure sector: transport (roads, airports, ports), energy and environment (transport, distribution and storage of energy, transmission of electricity, renewable energy - wind farms, biomass, solar energy, water distribution, purification plants, waste treatment), telecoms (GSM towers, satellites, fibre-optic networks) and social infrastructure.

The new fund has already made two investments, one in Porterbrook (one of the UK rail industry's three rolling stock leasing companies) and another in Bina Istra (a motorway contractor in Croatia).

Mark Crosbie, managing partner of Antin IP, commented, 'Growth in the world's population and rising water, electricity and renewable energy consumption favour increased spending on infrastructure in the medium and long term. Moreover, waves of privatisation as well as government deficits and budget constraints are strengthening demand for private investments.'