

Strong investor demand for diversified infrastructure strategies

Third infrastructure fund from Golding raises €215 million at first closing

Munich, 13th December 2018 – Golding Capital Partners (Golding) has received commitments of €215m at the first close of its infrastructure investment programme Golding Infrastructure 2018. Originally launched in 2012 and now in the third generation, the Golding infrastructure programme already looks back on two successfully invested funds. Golding thus underlines its position as one of Europe’s leading independent providers of infrastructure investments.

Golding Infrastructure 2018 will follow a conservative investment strategy aimed at generating early distributions and an attractive overall portfolio return of 7 to 8 % p.a. net IRR. The fund intends to build a broadly diversified portfolio of some 200 infrastructure projects in the main European and North American markets. At the same time the portfolio will cover all relevant sectors, including energy, transport, utilities and social infrastructure. Investments are planned in around 15 infrastructure funds (primaries and secondaries), with a focus on conservative core / core plus investments, brownfield projects and selected co-investments. Co-investments add particular value for institutional investors, because they make it possible to target a specific geography or sector and to accelerate the portfolio construction.

Golding has received commitments from a total of 20 institutional investors for the first closing of the current investment programme. They include insurers, pension funds, banks and savings banks. Almost 80 per cent of the commitments are from existing investors in the two predecessor funds. “We are delighted by the strong interest and the renewed expression of trust from our investors. We have maintained our conservative strategy and demonstrated that it enables us to build high-performance portfolios that generate early yield”, says Hubertus Theile-Ochel, Managing Partner at Golding. “Our long-standing relationships and the substantial volume of our combined commitments make us an attractive partner, also for managers in high demand. This enables us to generate significant advantages for our investors. We have already subscribed to three high-calibre funds for our investors”, adds Dr Matthias Reicherter, Chief Investment Officer at Golding. Further investments are under review for the months ahead. Altogether, the portfolio will be built up over about three years with broad diversification.

The attractiveness of infrastructure as an asset class has led to greater competition. “In the current market, infrastructure funds increasingly have to identify and complete complex transactions whilst correctly evaluating project risks in order to deliver the returns and level of distributions that investors are seeking. Deal flow is becoming more and more the defining issue. Only experienced teams are able to deal responsibly with the complexity and earn an attractive risk-adjusted return”, explains Reicherter. To keep delivering the performance investors are looking for, the Infrastructure team at Golding concentrates on specialised fund managers with a sophisticated strategy, deep market knowledge and a broad network, who are able to identify attractive deals and complete complex transactions and, even when faced with greater competition.

"The current environment calls for know-how and market access. Despite tough competition and the enormous volume of investment surging onto global capital markets, Golding has been able to secure attractive investments – including primaries and complex structured secondaries, as well as co-investments. Since the beginning of the year we have successfully invested approximately €800 million in the infrastructure asset class alone", commented Jeremy Golding, Founder and Managing Partner of Golding.

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Golding Capital Partners GmbH is one of the leading independent asset managers for private equity, private debt and infrastructure in Europe. With a team of some 90 professionals at its offices in Munich, Luxembourg, New York and Tokyo, Golding Capital Partners helps institutional investors to develop their investment strategy and manages more than €7 billion in assets. Its more than 160 institutional investors include insurance companies, pension funds, foundations and banks, savings banks and cooperative banks.

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