

## MEDIA RELEASE

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The Premier of Victoria, John Brumby today launched Plenary Investment Management; a new funds management joint venture between Plenary Group and Pinnacle Investment Management.

Plenary Investment Management has been established to provide institutional investors with access to the growing pipeline of social infrastructure opportunities in Australia.

Mr Brumby said that social infrastructure was a key part of capital investment for all Governments, and Victoria was no exception.

“Projects like the new Melbourne Convention Centre – delivered as a PPP – are great examples of how PPPs are delivering vital, innovative and sustainable infrastructure projects.

“Victoria has led Australia in the development of a national market for PPPs and has developed a culture of public private collaboration. We are committed to continue to use the Partnerships Victoria framework to deliver social infrastructure projects for our state.”

Mr John O’Rourke, Principal, Plenary Group, said the new fund will be capped at A\$500m and “seeded” with a diversified portfolio of existing Plenary Group assets.

“We are confident the fund will appeal to institutional investors who haven't been in a position to engage in resource intensive PPP bidding processes and/or had access to social infrastructure projects of sufficient size to warrant investment”, Mr O’Rourke said.

Social Infrastructure is proving to be an attractive option for private capital investment given its growing global pipeline and the surety of steady payment streams and long term returns.

“As a specialist social infrastructure business in the PPP sector we continue to build our portfolio to a significant scale both in our home market and in Canada where we have over \$1.5 billion in hospital projects under development”, Mr O’Rourke said.

Plenary Group’s business model centres on creating long term equity value through the active management of assets at all key stages; through construction, commissioning and operations. In its five year history Plenary has retained the equity in its PPP assets. The portfolio is performing to expectations and is now providing predictable, inflation linked payment streams.

“The new fund is structured to allow investors access to long term opportunities that benefit from Plenary Group’s proven capacity to manage assets. At the same time it will enable Plenary to bid for the largest projects in the market”, Mr O’Rourke said.

Plenary Group will retain a majority position in Plenary Investment Management ensuring consistent management of assets through their lifecycle on behalf of fund investors and Governments.

Mr O’Rourke said he thought a key differentiator for Plenary Investment Management will be the way it will align the interests of Plenary with the interests of investors through low base

fees, a commitment to be a cornerstone investor in the fund, and its focus on long term operational performance of the assets.

“We have put a lot of thought into overcoming some of the flaws that have been exposed in fund models in the economic infrastructure space”, he said.

The timing is good for our business having reached a point of critical mass and proven performance that co-incides with a pipeline of large scale projects and investor appetite for quality, predictable 25-30 year returns from the asset class.

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**NOTE:**

Plenary Investment Management was established by Plenary Group and Pinnacle Investment Management (“Pinnacle”) to provide institutional investors with access to the growing pipeline of social infrastructure opportunities both in Australia and offshore.

Plenary Group is a leading specialist social infrastructure business in the Australian marketplace. Since its establishment, Plenary Group has originated ten social infrastructure assets with a value of over A\$2.8 bn. These assets include the landmark Melbourne Convention Centre, Casey Hospital in Victoria and other assets in various Australian States as well as in Canada. Plenary Group operates offices in Australia (Sydney, Melbourne and Adelaide), Canada (Vancouver, Toronto and Edmonton) and in Singapore, with a combined staff of more than 80.

Pinnacle Investment Management is Australia’s pre-eminent “house of boutiques” – a sponsor of high quality investment management firms. Plenary Investment Management is the seventh specialist investment manager under the Pinnacle umbrella which together manage more than \$4 bn.