TORTOISE ENERGY INFRASTRUCTURE CORP
Form 497
July 27, 2012
Table of Contents

PROSPECTUS SUPPLEMENT

(To prospectus dated April 5, 2012)

$30,000,000

Tortoise Energy Infrastructure Corporation

Common Stock

We have entered into a Controlled Equity Offering SM Sales Agreement (the Sales Agreement) with Cantor Fitzgerald & Co. (Cantor , or the Sales Agent) relating to our shares of common stock offered by this prospectus supplement and the accompanying prospectus. In accordance with the terms of the Sales Agreement, we may offer and sell from time to time shares of our common stock having an aggregate sales price of up to $30,000,000 through the Sales Agent.

We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded master limited partnerships (MLPs) in the energy infrastructure sector. Under normal circumstances, we invest at least 90% of our total assets (including assets obtained through leverage) in securities of energy infrastructure companies and invest at least 70% of our total assets in equity securities of MLPs. We are a nondiversified, closed-end management investment company. This prospectus supplement, together with the accompanying prospectus dated April 5, 2012, sets forth the information that you should know before investing.

Our currently outstanding shares of common stock are, and the shares offered pursuant to this prospectus supplement and accompanying prospectus will be, listed on the New York Stock Exchange (NYSE) under the symbol TYG. The last reported sale price of our common stock on July 20, 2012 was $41.16 per share. The net asset value (NAV) per share of our common stock at the close of business on July 20, 2012 was $35.68.

Sales of common stock, if any, will be made by means of ordinary brokers transactions on the NYSE or otherwise at market prices prevailing at the time of the sale, at prices related to the prevailing market prices or at negotiated prices. As of July 20, 2012, we have sold in this offering an aggregate of 87,846 shares of our common stock, representing net proceeds to us of $3,417,506.47, after payment of commissions of $34,520.27 in the aggregate.

Under the terms of the Sales Agreement, we will pay the Sales Agent a total commission up to 2.0% of the gross sales price per share for any common stock sold through the Sales Agent. If the Sales Agent engages in special selling efforts, as that term is used in Regulation M under the Securities Exchange Act of 1934, the Sales Agent will receive from us a commission agreed upon at the time of sale.

The Sales Agent is not required to sell any specific number or dollar amount of common shares, but will use its commercially reasonable efforts to sell the common shares offered by this prospectus supplement and the accompanying prospectus. There is no arrangement for common shares to be received in an escrow, trust or similar arrangement.

Investing in our common stock involves risks that are described in the Risk Factors section beginning on page 30 of the accompanying prospectus.

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Cantor Fitzgerald & Co.

The date of this prospectus supplement is July 27, 2012.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and the statement of additional information. We have not, and the Sales Agent has not, authorized anyone to provide you with different information. We are not making an offer of these securities where the offer is not permitted. The information appearing in this prospectus supplement, the accompanying prospectus and the statement of additional information is accurate only as of the dates on their respective covers. Our business, financial condition and prospects may have changed since such dates. We will advise investors of any material changes to the extent required by applicable law.

Table of Contents

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the statement of additional information contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and simila the negative of such terms. Such forward-looking statements may be contained in this prospectus supplement as well as in the accompanying prospectus. By their nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Several factors that could materially affect our actual results are the performance of the portfolio of securities we hold, the conditions in the U.S. and international financial, petroleum and other markets, the price at which our shares will trade in the public markets and other factors discussed in our periodic filings with the SEC.

Although we believe that the expectations expressed in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Risk Factors section of the prospectus accompanying this prospectus supplement. All forward-looking statements contained or incorporated by reference in this prospectus supplement or the accompanying prospectus are made as of the date of this prospectus supplement or the accompanying prospectus, as the case may be. Except for our ongoing obligations under the federal securities laws, we do not intend, and we undertake no obligation, to update any forward-looking statement. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933 (the 1933 Act).

Currently known risk factors that could cause actual results to differ materially from our expectations include, but are not limited to, the factors described in the Risk Factors section of the prospectus accompanying this prospectus supplement. We urge you to review carefully these sections for a more complete discussion of the risks of an investment in our common stock.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary contains basic information about us and the offering but does not contain all of the information that is important to your investment decision. You should read this summary together with the more detailed information contained elsewhere in this prospectus supplement and accompanying prospectus and in the statement of additional information, especially the information set forth under the heading Risk Factors beginning on page 30 of the accompanying prospectus. When used in this prospectus supplement, the terms we, us, and our refer to Tortoise Energy Infrastructure Corporation, unless specified otherwise.

The Company

We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded MLPs in the energy infrastructure sector. Our investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. For purposes of our investment objective, total return includes capital appreciation of, and all distributions received from, securities in which we invest regardless of the tax character of the distributions.

We are a nondiversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act). We were organized as a corporation on October 30, 2003, pursuant to a charter (the Charter) governed by the laws of the State of Maryland. Our fiscal year ends on November 30. We commenced operations in February 2004 following our initial public offering. Our common stock is listed on the NYSE under the symbol TYG. As of May 31, 2012, we had net assets of approximately $907.1 million attributable to our common stock. As of July 20, 2012 we had outstanding $73 million of our Mandatory Redeemable Preferred Stock due December 31, 2019 and approximately $195 million of our privately placed Senior Notes.

We have established an unsecured credit facility with U.S. Bank N.A. serving as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility, which currently allows us to borrow up to $85 million. Outstanding balances under the credit facility generally accrue interest at a variable annual rate equal to the one-month LIBOR rate plus 1.25%, with a fee of 0.20% on any unused balance of the credit facility. As of July 20, 2012 the current rate is 1.50%. The credit facility remains in effect through June 17, 2013. We may draw on the facility from time to time in accordance with our investment policies. As of July 20, 2012, we had outstanding $79.5 million under the credit facility.

Investment Adviser

Tortoise Capital Advisors, L.L.C., a registered investment adviser specializing in managing portfolios of investments in MLPs and other energy companies (the Adviser), serves as our investment adviser. As of June 30, 2012, the Adviser managed assets of approximately $7.7 billion in the energy sector, including the assets of publicly traded closed-end funds, an open-end fund and other accounts. The Adviser s investment committee is comprised of five portfolio managers. See Management of the Company in the accompanying prospectus.

The principal business address of the Adviser is 11550 Ash Street, Suite 300, Leawood, Kansas 66211.

Table of Contents

Recent Developments

Common Stock Distribution. On June 1, 2012, we paid a distribution in the amount of $0.56 per common share to stockholders of record as of May 23, 2012.

Amendment to Credit Facility. On June 18, 2012, we entered into an amendment to our credit facility with U.S. Bank, N.A. and a lending syndicate. The amendment extends the credit facility through June 17, 2013.

Table of Contents

The Offering

Common stock offered	Up to $30,000,000
Use of proceeds	We intend to use the net proceeds of this offering primarily to repay short-term debt outstanding under our credit facility and to invest in energy infrastructure companies in accordance with our investment objective and policies or for working capital purposes. See Use of Proceeds.
Risk factors	See the section titled Risk Factors and other information included in the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.
NYSE symbol	TYG
Stockholder transaction expenses:	
Sales load (as a percentage of offering price)	Up to 2.00%
Offering expenses borne by us (as a percentage of offering price)	0.43%
Dividend reinvestment plan fees(1)	None

(1) Stockholders will pay a transaction fee plus brokerage charges if they direct the Plan Agent to sell common stock held in a dividend reinvestment account. See Automatic Dividend Reinvestment and Cash Purchase Plan in the accompanying prospectus.

Example

This example replaces the example as set forth on page 9 of the accompanying prospectus with respect to this offering.

The following example illustrates the expenses that common stockholders would pay on a $1,000 investment in common stock assuming (1) a sales load of 2.00% and offering expenses of 0.43% of the offering price; (2) total annual expenses of 8.20% of net assets attributable to shares of common stock; (3) a 5% annual return; and (4) all distributions are reinvested at net asset value:

	1 Year	3 Years	5 Years	10 Years
Total Expenses Paid by Common Stockholders(1)	$ 103	$ 253	$ 393	$ 708

The example should not be considered a representation of future expenses. Actual expenses may be greater or less than those assumed. Moreover, our actual rate of return may be greater or less than the hypothetical 5% return assumed in the example.

(1) Includes deferred income tax expense.

ISSUANCE BELOW NET ASSET VALUE

The offering price per common share in this offering, after deducting all expenses of issuance, including the compensation paid to the Sales Agent, may be below our NAV per common share. The NAV of our currently outstanding shares of common stock will be diluted upon the issuance of any shares of common stock below NAV. At our Annual Meeting of Stockholders held on May 24, 2012, our stockholders granted us the authority to sell shares of our common stock for less than NAV, subject to certain conditions. See Description of Securities Common Stock Issuance of Additional Shares in the accompanying prospectus.

USE OF PROCEEDS

We intend to use the net proceeds of this offering primarily to repay short-term debt outstanding under our credit facility and to invest in energy infrastructure companies in accordance with our investment objective and policies or for working capital purposes.

CAPITALIZATION

The following table sets forth our capitalization: (i) as of May 31, 2012, (ii) pro forma to reflect the subsequent borrowing under our credit facility through July 20, 2012, the issuance of 61,389 shares of common stock under our at-the-market offering program during the period from June 1, 2012 through July 20, 2012 and the issuance of 33,964 shares of common stock pursuant to our dividend reinvestment plan on June 1, 2012; and (iii) pro forma as adjusted to reflect the issuance of shares offered hereby (assuming the sale of 644,994 common shares at a price of $41.16 per share (the last reported sale price of our common shares on the New York Stock Exchange on July 20, 2012)). Actual sales, if any, of our common shares, and the actual application of the proceeds thereof, under this prospectus supplement and the accompanying prospectus may be different than as set forth in the table below. In addition, the price per share of any such sale may be greater or less than $41.16, depending on the market price of our common stock at the time of any such sale. As indicated below, common stockholders will bear the offering costs associated with this offering.

	Actual May 31, 2012 (Unaudited)	Pro Forma (Unaudited)	Pro Forma as Adjusted (Unaudited)
Short-term debt:			
Unsecured credit facility: $85,000,000 available(1)	$ 45,300,000	$ 79,500,000	$ 53,597,006
Long-term debt:			
Tortoise Notes, denominations of $25,000 or any multiple thereof(2)	194,975,000	194,975,000	194,975,000
Preferred Stock:			
Mandatory Redeemable Preferred Shares, $10.00 stated value per share at liquidation; 7,300,000 shares authorized/outstanding actual, pro forma and pro forma as adjusted(2)	73,000,000	73,000,000	73,000,000
Net Assets Applicable to Common Stockholders Consist of:			
Capital Stock, $0.001 par value, 100,000,000 common shares authorized; 27,919,062 common shares issued and outstanding actual; 28,014,415 common shares issued and outstanding pro forma; 28,659,409 common shares issued and outstanding pro forma as adjusted(2)	27,919	28,014(3)	28,659(3)(5)
Additional paid-in capital	367,363,429	370,940,071(4)	396,842,420(4)(6)
Accumulated net investment loss, net of income taxes	(84,473,872)	(84,473,872)	(84,473,872)
Undistributed realized gain, net of income taxes	205,419,325	205,419,325	205,419,325
Net unrealized appreciation of investments, net of income taxes	418,760,060	418,760,060	418,760,060
Net assets applicable to common stockholders	$ 907,096,861	$ 910,673,598	$ 936,576,592

(1) We have an unsecured credit facility with U.S. Bank, N.A. and a lending syndicate that allows us to borrow up to $85 million. The amended credit facility expires on June 17, 2013. As of July 20, 2012, we had $79.5 million borrowed under our credit facility. The Pro Forma as Adjusted column reflects using all of the proceeds from this offering to repay short-term debt outstanding under our credit facility; however, we may use a portion of the proceeds to invest in energy infrastructure companies in accordance with our investment objective and policies.

Table of Contents

(2) None of these outstanding shares/notes are held by us or for our account.

(3) Reflects the issuance of 61,389 shares of common stock (aggregate par value $61) under our at-the-market offering program during the period from June 1, 2012 through July 20, 2012 and the issuance of 33,964 shares of common stock (aggregate par value $34) pursuant to our dividend reinvestment plan on June 1, 2012.

(4) Reflects the issuance of 61,389 shares of common stock during the period from June 1, 2012 through July 20, 2012 in an aggregate amount of $2,362,184 less $0.001 par value per share ($61) and the issuance of 33,964 shares of common stock pursuant to our dividend reinvestment plan on June 1, 2012 in an aggregate amount of $1,214,553 less $0.001 par value per share ($34).

(5) Pro forma as adjusted common stock reflects the issuance of 644,994 shares of common stock offered hereby (aggregate par value $645).

(6) Pro forma as adjusted additional paid-in capital reflects the proceeds from the issuance of shares of common stock offered hereby ($26,547,953), less $0.001 par value per share of common stock ($645), less the sales commission ($530,959) and less the estimated offering expenses borne by us ($114,000) related to the issuance of the shares of common stock in this offering.

Table of Contents

FINANCIAL HIGHLIGHTS

Information contained in the table below under the heading Per Common Share Data and Supplemental Data and Ratios shows our per common share operating performance. Except where noted, the information in this table is derived from our financial statements audited by Ernst & Young LLP, whose report on such financial statements is contained in our 2011 Annual Report and is incorporated by reference into the statement of additional information, both of which are available from us upon request. The information as of May 31, 2012, and for the period from December 1, 2011 through May 31, 2012, appears in our unaudited interim financial statements as filed with the SEC in our most recent stockholder report for the period ended May 31, 2012, which report is incorporated by reference into the statement of additional information, and both of which are available from us upon request. See Where You Can Find More Information in this prospectus supplement.

	Period from December 1, 2011 through May 31, 2012 *(Unaudited)*	**Year Ended November 30, 2011**	**Year Ended November 30, 2010**	**Year Ended November 30, 2009**	**Year Ended November 30, 2008**	**Year Ended November 30, 2007**
Per Common Share Data(1)						
Net Asset Value, beginning of period	$ 33.37	$ 32.91	$ 25.53	$ 17.36	$ 32.96	$ 31.82
Income (Loss) from Investment Operations						
Net investment loss(2)(3)	(0.29)	(0.77)	(0.66)	(0.16)	(0.29)	(0.61)
Net realized and unrealized gains (losses) on investments and interest rate swap contracts(2)(3)	0.51	3.35	10.10	10.65	(12.76)	4.33
Total income (loss) from investment operations	0.22	2.58	9.44	10.49	(13.05)	3.72
Distributions to Auction Preferred Stockholders						
Net investment income						
Return of capital			(0.01)	(0.19)	(0.40)	(0.39)
Total distributions to auction preferred stockholders			(0.01)	(0.19)	(0.40)	(0.39)
Distributions to Common Stockholders						
Net investment income						
Return of capital	(1.12)	(2.20)	(2.16)	(2.16)	(2.23)	(2.19)
Total distributions to common stockholders	(1.12)	(2.20)	(2.16)	(2.16)	(2.23)	(2.19)
Capital Stock Transactions						
Underwriting discounts and offering costs on issuance of common and auction preferred stock(4)					(0.01)	(0.08)
Premiums less underwriting discounts and offering costs on issuance of common stock(5)	0.02	0.08	0.11	0.03	0.09	0.08
Total capital stock transactions	0.02	0.08	0.11	0.03	0.08	
Net Asset Value, end of period	$ 32.49	$ 33.37	$ 32.91	$ 25.53	$ 17.36	$ 32.96
Per common share market value, end of period	$ 37.36	$ 39.35	$ 36.25	$ 29.50	$ 17.11	