ELDORADO GOLD CORP /FI
Form 6-K
July 28, 2004

**FORM 6K**

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**Report of Foreign Issuer**

**Pursuant to Rule 13a-16 or 15d-16 of**
**the Securities Exchange Act of 1934**

For the month of **July 27, 2004**

Commission File Number **001-31522**

**Eldorado Gold Corporation**
(Translation of registrant's name into English)

**Suite 920 - 1055 West Hasting Street**
**Vancouver, British Columbia V6E 2E9**
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F

Form 20-F ____ Form 40-F X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ______

**Note:** Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ______

**Note:** Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ___ No _X_

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b) 82 ---_____

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**ELDORADO GOLD CORPORATION**

Date: July 27, 2004

/s/ Dawn Moss
Dawn Moss, Corporate Secretary

**June 30, 2004** **Report to Shareholders**

**Suite 1188 - 550 Burrard Street**

**Vancouver, British Columbia**

**V6C 2B5**

**Phone: (604) 687-4018**

**Fax: (604) 687-4026**

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July 23, 2004

**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company s management.

The Company s independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity s auditor.

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**Eldorado Gold Corporation**

**Consolidated Balance Sheets**

| **(Expressed in thousands of U.S. dollars)** | | June 30, 2004 (Unaudited) | | December 31, 2003 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | $ | 86,754 | $ | 105,465 |
| Accounts receivable | | 4,145 | | 3,213 |
| Inventories | | 5,342 | | 5,623 |
| | | 96,241 | | 114,301 |
| Property, plant and equipment | | 28,231 | | 23,784 |
| Mineral properties and deferred development | | 44,111 | | 32,287 |
| Investments and advances | | 1,224 | | 1,258 |
| | $ | 169,807 | $ | 171,630 |
| **LIABILITIES** | | | | |
| Current Liabilities | | | | |
| Accounts payable and accrued liabilities | $ | 4,845 | $ | 7,164 |
| | | 4,845 | | 7,164 |

| | | |
|---|---|---|
| Asset retirement obligation | 7,387 | 7,172 |
| Contractual severance obligation | 477 | 318 |
| Deferred gain (loss) | - | (329) |
| Future income taxes | 1,939 | 3,830 |
| | 14,648 | 18,155 |
| **SHAREHOLDERS' EQUITY** | | |
| Share capital (Note 3) | 445,235 | 444,665 |
| Contributed surplus | 1,094 | 1,094 |
| Stock based compensation | 4,868 | 1,418 |
| Deficit | (296,038) | (293,702) |
| | 155,159 | 153,475 |
| | $ 169,807 | $ 171,630 |

Approved by the Board

*"Paul N. Wright"*

Director

Approved by the Board

*"Robert Gilmore"*

Director



**Eldorado Gold Corporation**
**Consolidated Statements of Operations and Deficit**
**(Expressed in thousands of U.S. dollars except per share amounts)**

| | Three months ended | | Six months ended | |
|---|---|---|---|---|
| | June 30, 2004 (Unaudited) | June 30, 2003 (Unaudited) | June 30, 2004 (Unaudited) | June 30, 2003 (Unaudited) |
| **Revenue** | | | | |
| Gold sales | $ 6,894 | $ 9,022 | $ 15,867 | $ 18,188 |
| Interest and other income | 365 | 326 | 1,332 | 608 |
| | 7,259 | 9,348 | 17,199 | 18,796 |
| **Expenses** | | | | |
| Operating costs | 5,250 | 5,785 | 11,515 | 10,835 |
| Depletion, depreciation and amortization | 1,064 | 2,565 | 2,123 | 5,129 |
| General and administrative | 1,124 | 991 | 2,369 | 2,029 |
| Exploration expense | 798 | 370 | 1,725 | 620 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Interest and financing costs | | - | | 188 | | - | 380 |
| Stock based compensation expense | | 134 | | 193 | | 3,450 | 915 |
| Accretion expense | | 108 | | 101 | | 215 | 203 |
| Gain on disposal of investments and advances | | - | | - | | (37) | - |
| Writedown of investments and advances | | - | | 94 | | - | 94 |
| Foreign exchange loss (gain) | | 1,715 | | (2,469) | | 1,951 | (4,736) |
| | | 10,193 | | 7,818 | | 23,311 | 15,469 |
| **Profit (loss) before income taxes** | | (2,934) | | 1,530 | | (6,112) | 3,327 |
| Taxes | | | | | | | |
| Current | | 58 | | (83) | | 1,903 | (201) |
| Future | | 1,203 | | - | | 1,873 | - |
| **Net income (loss) for the period** | $ | (1,673) | $ | 1,447 | $ | (2,336) | $ 3,126 |
| Deficit at the beginning of the period: | | (294,365) | | (246,990) | | (293,702) | (248,669) |
| Deficit at the end of the period | $ | (296,038) | $ | (245,543) | $ | (296,038) | $ (245,543) |
| **Weighted average number of shares outstanding** | | 254,698,452 | | 212,756,916 | | 254,467,638 | 211,364,448 |
| **Basic and Diluted Income (loss) per share - U.S.$** | $ | (0.01) | $ | 0.01 | $ | (0.01) | $ 0.02 |
| **Basic and Diluted Income (loss) per share - CDN.$** | $ | (0.01) | $ | 0.01 | $ | (0.01) | $ 0.03 |

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**Eldorado Gold Corporation**

**Consolidated Statements of Cash Flows**

| **(Expressed in thousands of U.S. dollars)** | Three months ended | | Six months ended | |
|---|---|---|---|---|
| | June 30, 2004 (Unaudited) | June 30, 2003 (Unaudited) | June 30, 2004 (Unaudited) | June 30, 2003 (Unaudited) |
| **Cash flows from operating activities** | | | | |
| Net income (loss) for the period | $ (1,673) | $ 1,447 | $ (2,336) | $ 3,126 |
| Items not affecting cash | | | | |
| Depletion, depreciation and amortization | 1,064 | 2,565 | 2,123 | 5,129 |
| Future income taxes | (1,203) | - | (1,873) | - |
| Interest and financing costs | - | 41 | - | 86 |
| Writedown of investments and advances | - | 94 | - | 94 |
| Amortization of hedging (gain ) loss | - | (635) | 329 | (1,315) |
| Stock based compensation expense | 134 | 193 | 3,450 | 915 |
| Contractual severance expense | 79 | - | 159 | - |

| | | | | |
|---|---|---|---|---|
| Accretion expense | 108 | 101 | 215 | 203 |
| Foreign exchange loss (gain) | 669 | (3,059) | 1,185 | (5,489) |
| | (822) | 747 | 3,252 | 2,749 |
| (Increase) in accounts receivable | (163) | (832) 5,206,350 | | |

| | | |
|---|---|---|
| FPL Group Capital, Inc., 6.650%, 06/15/2067 | 1,029,000 | 956,970 |
| Illinois Power Co., 9.750%, 11/15/2018 | 2,000,000 | 2,598,492 |
| IPALCO Enterprises, Inc., 7.250%, 04/01/2016(2) | 2,000,000 | 2,020,000 |
| NiSource Finance Corp., 10.750%, 03/15/2016 | 5,000,000 | 6,408,875 |
| North American Energy Alliance LLC, 10.875%, 06/01/2016(2) | 2,800,000 | 2,968,000 |
| NRG Energy, Inc., 8.500%, 06/15/2019 | 6,000,000 | 5,992,500 |
| PPL Capital Funding, Inc., 6.700%, 03/30/2067 | 6,000,000 | 5,190,000 |
| Sierra Pacific Resources, 6.750%, 08/15/2017 | 3,000,000 | 3,030,741 |
| Wisconsin Energy Corp., 6.250%, 05/15/2067 | 3,450,000 | 3,182,625 |
| WPS Resources Corp., 6.110%, 12/01/2066 | 1,000,000 | 870,000 |
| | | 51,768,843 |
| Refining — 2.0%(1) | | |
| United States — 2.0%(1) | | |
| Holly Corp., 9.875%, 06/15/2017(2) | 3,000,000 | 3,075,000 |
| Total Corporate Bonds (Cost $97,234,385) | | 101,501,387 |
| Master Limited Partnerships and Related Companies — 52.3%(1) | | |
| Crude/Refined Products Pipelines — 25.4%(1) | | |
| United States — 25.4%(1) | | |
| Buckeye Partners, L.P. | 25,300 | 1,487,387 |
| Enbridge Energy Management, L.L.C.(3) | 284,339 | 14,214,115 |
| Holly Energy Partners, L.P. | 27,549 | 1,173,312 |
| Kinder Morgan Management, LLC(3)(4) | 282,415 | 16,196,500 |
| Magellan Midstream Partners, L.P. | 21,600 | 977,184 |
| NuStar Energy L.P. | 32,600 | 1,870,914 |
| Plains All American Pipeline, L.P. | 16,500 | 914,265 |
| Sunoco Logistics Partners L.P. | 26,481 | 1,797,001 |
| | | 38,630,678 |
| Natural Gas/Natural Gas Liquids Pipelines — 15.5%(1) | | |
| United States — 15.5%(1) | | |
| Boardwalk Pipeline Partners, LP | 120,000 | 3,592,800 |
| Duncan Energy Partners L.P. | 243,900 | 6,217,011 |
| El Paso Pipeline Partners, L.P. | 35,600 | 921,684 |
| Energy Transfer Equity, L.P. | 37,600 | 1,215,232 |
| Energy Transfer Partners, L.P. | 107,700 | 4,984,356 |
| Enterprise Products Partners L.P. | 33,600 | 1,100,736 |
| ONEOK Partners, L.P. | 66,600 | 4,039,290 |
| Spectra Energy Partners, LP | 26,960 | 808,261 |
| Williams Pipeline Partners L.P. | 23,645 | 690,197 |
| | | 23,569,567 |

See accompanying Notes to Financial Statements.

## Schedule of Investments (Continued)
February 28, 2010
(Unaudited)

| | Shares | Fair Value |
|---|---|---|
| Natural Gas Gathering/Processing — 6.7%(1) | | |
| United States — 6.7%(1) | | |
| Copano Energy, L.L.C. | 93,200 | $ 2,218,160 |
| DCP Midstream Partners, LP | 85,200 | 2,625,864 |
| MarkWest Energy Partners, L.P. | 56,700 | 1,677,186 |
| Targa Resources Partners LP | 132,417 | 3,310,425 |
| Western Gas Partners LP | 15,300 | 327,114 |
| | | 10,158,749 |
| Propane Distribution — 4.7%(1) | | |
| United States — 4.7%(1) | | |
| Inergy, L.P. | 200,900 | 7,256,508 |
| Total Master Limited Partnerships and Related Companies (Cost $62,198,811) | | 79,615,502 |
| Short-Term Investment — 0.0%(1) | | |
| United States Investment Company — 0.0%(1) | | |
| Fidelity Institutional Government Portfolio — Class I, 0.03%(5) (Cost $22,611) | 22,611 | 22,611 |
| Total Investments — 119.0%(1) (Cost $159,455,807) | | 181,139,500 |
| Long-Term Debt Obligations — (13.1%)(1) | | (20,000,000) |
| Interest Rate Swap Contracts — (0.2%)(1) | | |
| $27,000,000 notional — Unrealized Depreciation(6) | | (297,073) |
| Other Assets and Liabilities — (5.7%)(1) | | (8,611,351) |
| Total Net Assets Applicable to Common Stockholders — 100.0%(1) | | $ 152,231,076 |

(1) Calculated as a percentage of net assets applicable to common stockholders.
(2) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of $25,672,512, which represents 16.9% of net assets. See Note 7 to the financial statements for further disclosure.
(3) Security distributions are paid-in-kind.
(4) All or a portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts.
(5) Rate indicated is the current yield as of February 28, 2010.
(6) See Note 10 of the financial statements for further disclosure.

See accompanying Notes to Financial Statements.

## STATEMENT OF ASSETS & LIABILITIES
February 28, 2010
(Unaudited)

| | | |
|---|---|---|
| **Assets** | | |
| Investments at fair value (cost $159,455,807) | $ | 181,139,500 |
| Receivable for Adviser expense reimbursement | | 44,171 |
| Interest and dividend receivable | | 2,260,660 |
| Receivable for investments sold | | 4,493,783 |
| Prepaid expenses and other assets | | 231,783 |
| Total assets | | 188,169,897 |
| **Liabilities** | | |
| Payable to Adviser | | 279,751 |
| Payable for investments purchased | | 4,046,114 |
| Accrued expenses and other liabilities | | 215,883 |
| Unrealized depreciation of interest rate swap contracts | | 297,073 |
| Short-term borrowings | | 11,100,000 |
| Long-term debt obligations | | 20,000,000 |
| Total liabilities | | 35,938,821 |
| Net assets applicable to common stockholders | $ | 152,231,076 |
| **Net Assets Applicable to Common Stockholders Consist of:** | | |
| Capital stock, $0.001 par value; 6,931,555 shares issued and outstanding (100,000,000 shares authorized) | $ | 6,932 |
| Additional paid-in capital | | 130,664,711 |
| Undistributed net investment income | | — |
| Undistributed net realized gain | | 172,752 |
| Net unrealized appreciation of investments and interest rate swap contracts | | 21,386,681 |
| Net assets applicable to common stockholders | $ | 152,231,076 |
| Net Asset Value per common share outstanding (net assets applicable to common stock, divided by common shares outstanding) | $ | 21.96 |

## STATEMENT OF OPERATIONS
Period from December 1, 2009 through February 28, 2010
(Unaudited)

| | | | |
|---|---|---|---|
| **Investment Income** | | | |
| Distributions from master limited partnerships | $ | 901,271 | |
| Less return of capital on distributions | | (782,459) | |
| Net distributions from master limited partnerships | | 118,812 | |
| Interest from corporate bonds | | 1,857,572 | |
| Dividends from money market mutual funds | | 32 | |
| Total Investment Income | | 1,976,416 | |
| **Operating Expenses** | | | |
| Advisory fees | | 422,220 | |
| Professional fees | | 46,934 | |
| Administrator fees | | 18,074 | |
| Directors' fees | | 17,500 | |
| Reports to stockholders | | 15,258 | |
| Registration fees | | 6,355 | |
| Fund accounting fees | | 5,918 | |

| | |
|---|---|
| Franchise fees | 4,931 |
| Stock transfer agent fees | 3,008 |
| Custodian fees and expenses | 1,310 |
| Other operating expenses | 3,832 |
| Total Operating Expenses | 545,340 |
| Interest expense | 174,052 |
| Amortization of debt issuance costs | 9,354 |
| Other leverage expenses | 17,137 |
| Total Leverage Expenses | 200,543 |
| Total Expenses | 745,883 |
| Less expense reimbursement by Adviser | (66,666) |
| Net Expenses | 679,217 |
| Net Investment Income | 1,297,199 |
| Realized and Unrealized Gain (Loss) on Investments and Interest Rate Swaps | |
| Net realized gain on investments | 1,455,916 |
| Net realized loss on interest rate swap settlements | (131,063) |
| Net realized gain on investments and interest rate swaps | 1,324,853 |
| Net unrealized appreciation of investments | 9,644,252 |
| Net unrealized appreciation of interest rate swap contracts | 101,038 |
| Net unrealized appreciation of investments and interest rate swap contracts | 9,745,290 |
| Net Realized and Unrealized Gain on Investments and Interest Rate Swaps | 11,070,143 |
| Net Increase in Net Assets Applicable to Common Stockholders Resulting from Operations | $ 12,367,342 |

See accompanying Notes to Financial Statements.

## STATEMENT OF CHANGES IN NET ASSETS

| | Period from December 1, 2009 through February 28, 2010 (Unaudited) | Period from July 31, 2009(1 through November 30, |
|---|---|---|
| Operations | | |
| Net investment income | $ 1,297,199 | $ 1,156,4 |
| Net realized gain on investments and interest rate swaps | 1,324,853 | 103,9 |
| Net unrealized appreciation of investments and interest rate swap contracts | 9,745,290 | 11,641,3 |
| Net increase in net assets applicable to common stockholders resulting from operations | 12,367,342 | 12,901,7 |
| Distributions to Common Stockholders | | |
| Net investment income | (1,439,063) | (1,082,3 |
| Net realized gain | (1,152,101) | |
| Return of capital | — | (1,494,3 |
| Total distributions to common stockholders | (2,591,164) | (2,576,7 |
| Capital Stock Transactions | | |
| Proceeds from initial public offering of 6,850,000 common shares | — | 137,000,0 |
| Underwriting discounts and offering expenses associated with the issuance of common stock | — | (6,439,0 |
| Issuance of 33,074 and 42,408 common shares from reinvestment of distributions to stockholders, respectively | 665,524 | 794,4 |
| Net increase in net assets, applicable to common stockholders, from capital stock transactions | 665,524 | 131,355,4 |
| Total increase in net assets applicable to common stockholders | 10,441,702 | 141,680,4 |
| Net Assets | | |
| Beginning of period | 141,789,374 | 108,9 |
| End of period | $ 152,231,076 | $ 141,789,3 |
| Undistributed net investment income, at the end of period | $ — | $ 141,8 |

(1) Commencement of Operations.

See accompanying Notes to Financial Statements.

## STATEMENT OF CASH FLOWS

Period from December 1, 2009 through February 28, 2010
(Unaudited)

| | | |
|---|---|---|
| Cash Flows From Operating Activities | | |
| Distributions received from master limited partnerships | $ | 901,271 |
| Interest and dividend income received | | 1,519,819 |
| Purchases of long-term investments | | (14,195,345) |
| Proceeds from sales of long-term investments | | 14,714,627 |
| Proceeds from sales of short-term investments, net | | 10,280 |
| Payments on interest rate swaps, net | | (131,063) |
| Interest received on securities sold, net | | 103 |
| Interest expense paid | | (185,229) |
| Operating expenses paid | | (460,870) |
| Net cash provided by operating activities | | 2,173,593 |
| Cash Flows From Financing Activities | | |
| Advances from revolving line of credit | | 10,000,000 |
| Repayments on revolving line of credit | | (10,200,000) |
| Debt issuance costs | | (47,943) |
| Distributions paid to common stockholders | | (1,925,650) |
| Net cash used in financing activities | | (2,173,593) |
| Net change in cash | | — |
| Cash — beginning of period | | — |
| Cash — end of period | $ | — |
| | | |
| Reconciliation of net increase in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities | | |
| Net increase in net assets applicable to common stockholders resulting from operations | $ | 12,367,342 |
| Adjustments to reconcile net increase in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities: | | |
| Purchases of long-term investments | | (18,170,115) |
| Return of capital on distributions received | | 782,459 |
| Proceeds from sales of long-term investments | | 19,072,366 |
| Proceeds from sales of short-term investments, net | | 10,280 |
| Net unrealized appreciation of investments and interest rate swap contracts | | (9,745,290) |
| Net realized gain on investments | | (1,455,916) |
| Amortization of market premium, net | | 91,051 |
| Amortization of debt issuance costs | | 9,354 |
| Changes in operating assets and liabilities: | | |
| Increase in interest and dividend receivable | | (364,033) |
| Increase in prepaid expenses and other assets | | (5,762) |
| Increase in receivable for investments sold | | (4,493,783) |
| Increase in payable for investments purchased | | 4,046,114 |
| Increase in payable to Adviser, net of expense reimbursement | | 10,421 |
| Increase in accrued expenses and other liabilities | | 19,105 |
| Total adjustments | | (10,193,749) |
| Net cash provided by operating activities | $ | 2,173,593 |
| Non-Cash Financing Activities | | |
| Reinvestment of distributions by common stockholders in additional common shares | $ | 665,524 |

See accompanying Notes to Financial Statements.

## FINANCIAL HIGHLIGHTS

| | Period from December 1, 2009 through February 28, 2010 (Unaudited) | Period from July 31, 2009(1) through November 30, 2009 |
|---|---|---|
| Per Common Share Data(2) | | |
| Net Asset Value, beginning of period | $ 20.55 | $ — |
| Public offering price | — | 20.00 |
| Underwriting discounts and offering costs on issuance of common stock | — | (0.94) |
| Income from Investment Operations: | | |
| Net investment income | 0.19 | 0.17 |
| Net realized and unrealized appreciation of investments and interest rate swap contracts | 1.60 | 1.70 |
| Total increase from investment operations | 1.79 | 1.87 |
| Less Distributions to Common Stockholders: | | |
| Net investment income | (0.21) | (0.16) |
| Net realized gain | (0.17) | — |
| Return of capital | — | (0.22) |
| Total distributions to common stockholders | (0.38) | (0.38) |
| Net Asset Value, end of period | $ 21.96 | $ 20.55 |
| Per common share market value, end of period | $ 20.20 | $ 19.18 |
| Total Investment Return Based on Market Value(3) | 7.29% | (2.17)% |
| Total Investment Return Based on Net Asset Value(4) | 8.87% | 4.82% |
| Supplemental Data and Ratios | | |
| Net assets applicable to common stockholders, end of period (000's) | $ 152,231 | $ 141,789 |
| Ratio of expenses to average net assets before waiver(5) | 2.03% | 1.96% |
| Ratio of expenses to average net assets after waiver(5) | 1.85% | 1.79% |
| Ratio of net investment income to average net assets before waiver(5) | 3.35% | 2.38% |
| Ratio of net investment income to average net assets after waiver(5) | 3.53% | 2.55% |
| Portfolio turnover rate(5) | 41.41% | 2.97% |
| Short-term borrowings, end of period (000's) | $ 11,100 | $ 11,300 |
| Long-term debt obligations, end of period (000's) | $ 20,000 | $ 20,000 |
| Per common share amount of long-term debt obligations outstanding, at end of period | $ 2.89 | $ 2.90 |
| Per common share amount of net assets, excluding long-term debt obligations, at end of period | $ 24.85 | $ 23.45 |
| Asset coverage, per $1,000 of principal amount of long-term debt obligations and short-term borrowings(6) | $ 5,895 | $ 5,530 |
| Asset coverage ratio of long-term debt obligations and short-term borrowings(6) | 590% | 553% |

(1) Commencement of Operations.
(2) Information presented relates to a share of common stock outstanding for the entire period.
(3) Not annualized. Total investment return is calculated assuming a purchase of common stock at the beginning of period (or initial public offering price) and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to the Company's dividend reinvestment plan.
(4) Not annualized. Total investment return is calculated assuming a purchase of common stock at the beginning of period (or initial public offering price) and a sale at net asset value on the last day of the period. The calculation also assumes reinvestment of distributions at actual prices pursuant to the Company's dividend reinvestment plan.
(5) Annualized for periods less than one full year.
(6) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations and short-term borrowings at the end of the period divided by long-term debt obligations and short-term borrowings outstanding at the end of the period.

See accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS (Unaudited)
February 28, 2010

1. Organization

Tortoise Power and Energy Infrastructure Fund, Inc. (the "Company") was organized as a Maryland corporation on July 5, 2007, and is a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the "1940 Act"). The Company's primary investment objective is to provide a high level of current income, with a secondary objective of capital appreciation. The Company seeks to provide its stockholders with a vehicle to invest in a portfolio consisting primarily of securities issued by power and energy infrastructure companies. The Company commenced operations on July 31, 2009. The Company's stock is listed on the New York Stock Exchange under the symbol "TPZ."

2. Significant Accounting Policies

A. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, recognition of distribution income and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

B. Investment Valuation

The Company primarily owns securities that are listed on a securities exchange or over-the-counter market. The Company values those securities at their last sale price on that exchange or over-the-counter market on the valuation date. If the security is listed on more than one exchange, the Company uses the price from the exchange that it considers to be the principal exchange on which the security is traded. Securities listed on the NASDAQ will be valued at the NASDAQ Official Closing Price, which may not necessarily represent the last sale price. If there has been no sale on such exchange or over-the-counter market on such day, the security will be valued at the mean between the last bid price and last ask price on such day.

The Company may invest up to 15 percent of its total assets in restricted securities. Restricted securities are subject to statutory or contractual restrictions on their public resale, which may make it more difficult to obtain a valuation and may limit the Company's ability to dispose of them. Investments in private placement securities and other securities for which market quotations are not readily available will be valued in good faith by using fair value procedures approved by the Board of Directors. Such fair value procedures consider factors such as discounts to publicly traded issues, time until conversion date, securities with similar yields, quality, type of issue, coupon, duration and rating. If events occur that affect the value of the Company's portfolio securities before the net asset value has been calculated (a "significant event"), the portfolio securities so affected will generally be priced using fair value procedures.

An equity security of a publicly traded company acquired in a direct placement transaction may be subject to restrictions on resale that can affect the security's liquidity and fair value. Such securities that are convertible into or otherwise will become freely tradable will be valued based on the market value of the freely tradable security less an applicable discount. Generally, the discount will initially be equal to the discount at which the Company purchased the securities. To the extent that such securities are convertible or otherwise become freely tradable within a time frame that may be reasonably determined, an amortization schedule may be used to determine the discount.

The Company generally values debt securities at prices based on market quotations for such securities, except those securities purchased with 60 days or less to maturity are valued on the basis of amortized cost, which approximates market value.

The Company generally values its interest rate swap contracts using industry-accepted models which discount the estimated future cash flows based on the stated terms of the interest rate swap agreement by using interest rates currently available in the market, or based on dealer quotations, if available.

C. Security Transactions and Investment Income

Security transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses are reported on an identified cost basis. Interest income is recognized on the accrual basis, including amortization of premiums and accretion of discounts. Dividend and distribution income is recorded on the ex-dividend date. Distributions received from the Company's investments in master limited partnerships ("MLPs") generally are comprised of ordinary income, capital gains and return of capital from the MLPs. The Company allocates distributions between investment income and return of capital based on estimates made at the time such distributions are received. Such estimates are based on historical information available from each MLP and other industry sources. These estimates may subsequently be revised based on actual allocations received from MLPs after their tax reporting periods are concluded, as the actual character of these distributions is not known until after the fiscal year end of the Company.

For the period from December 1, 2009 through February 28, 2010, the Company estimated the allocation of investment income and return of capital for the distributions received from MLPs within the Statement of Operations. For this period, the Company has estimated the allocation of distributions to be approximately 13 percent investment income and approximately 87 percent return of capital.

D. Distributions to Stockholders

Distributions to common stockholders are recorded on the ex-dividend date. The Company intends to make monthly cash distributions of its investment company income to common stockholders. In addition, on an annual basis, the Company intends to distribute capital gains realized during the fiscal year in the last fiscal quarter. The amount of any distributions will be determined by the Board of Directors. Distributions to stockholders are recorded on the ex-dividend date. The character of distributions made during the year may differ from their ultimate characterization for federal income tax purposes. Distributions paid to stockholders in excess of investment company taxable income and net realized gains will be treated as return of capital to stockholders. For the year ended November 30, 2009, the Company's distributions to common stockholders for tax purposes were comprised of 58 percent return of capital and 42 percent ordinary income. The tax character of distributions paid to common stockholders for the current year will be determined subsequent to November 30, 2010.

E. Federal Income Taxation

The Company intends to qualify as a regulated investment company ("RIC") under the U.S. Internal Revenue Code of 1986, as amended (the "Code"). As a result, the Company generally will not be subject to U.S. federal income tax on income and gains that it distributes each taxable year to stockholders if it meets certain minimum distribution requirements. The Company is required to distribute substantially all of its income, in addition to other asset diversification requirements. The Company is subject to a 4 percent non-deductible U.S. federal excise tax on certain undistributed income unless the Company makes sufficient distributions to satisfy the excise tax avoidance requirement. The Company invests in MLPs, which generally are treated as partnerships for federal income tax purposes. As a limited partner in the MLPs, the Company reports its allocable share of the MLP's taxable income in computing its own taxable income.

Notes to Financial Statements (Unaudited)
(Continued)

The Company has adopted financial reporting rules regarding recognition and measurement of tax positions taken or expected to be taken on a tax return. The Company has reviewed all open tax years and major jurisdictions and concluded that there is no impact on the Company's net assets and no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on a tax return. As of November 30, 2009, open Federal tax years include the years from November 30, 2007 to November 30, 2009.

F. Organization Expenses, Offering and Debt Issuance Costs

The Company was responsible for paying all organizational expenses, which were expensed as incurred. Offering costs related to the issuance of common stock are charged to additional paid-in capital when the stock is issued. Debt issuance costs related to long-term debt obligations are capitalized and amortized over the period the debt is outstanding.

G. Derivative Financial Instruments

The Company uses derivative financial instruments (principally interest rate swap contracts) to manage interest rate risk. The Company has established policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. The Company does not hold or issue derivative financial instruments for speculative purposes. All derivative financial instruments are recorded at fair value with changes in fair value during the reporting period, and amounts accrued under the agreements, included as unrealized gains or losses in the Statement of Operations. Cash settlements under the terms of the interest rate swap agreements and termination of such agreements are recorded as realized gains or losses in the Statement of Operations.

H. Indemnifications

Under the Company's organizational documents, its officers and directors are indemnified against certain liabilities arising out of the performance of their duties to the Company. In addition, in the normal course of business, the Company may enter into contracts that provide general indemnification to other parties. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred, and may not occur. However, the Company has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

I. Recent Accounting Pronouncement Standard on Fair Value Measurement

On January 21, 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2010-06, Improving Disclosures about Fair Value Measurements, which amends FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, and requires additional disclosures regarding fair value measurements. Specifically, the amendment requires reporting entities to disclose (i) the input and valuation techniques used to measure fair value for both recurring and nonrecurring fair value measurements, for Level 2 or Level 3 positions, (ii) transfers between all levels (including Level 1 and Level 2) will be required to be disclosed on a gross basis (i.e. transfers out must be disclosed separately from transfers in) as well as the reason(s) for the transfer, and (iii) purchases, sales, issuances, and settlements must be shown on a gross basis in the Level 3 rollforward rather than as one net number. The effective date of the amendment is for interim and annual periods beginning after December 15, 2009; however, the requirement to provide the Level 3 activity for purchases, sales, issuances, and settlements on a gross basis will be effective for interim and annual periods beginning after December 15, 2010. At this time, the Company is evaluating the impact of the amendment to the financial statements.

3. Concentration of Risk

Under normal circumstances, the Company intends to invest at least 80 percent of total assets (including assets obtained through potential leverage) in equity securities of companies that derive more than 50 percent of their revenue from power or energy operations. The Company will invest a minimum of 60 percent of our total assets in fixed income securities, which may include up to 25 percent of its assets in non-investment grade rated fixed income securities. In determining application of these policies, the term "total assets" includes assets obtained through leverage. Companies that primarily invest in a particular sector may experience greater volatility than companies investing in a broad range of industry sectors. The Company may, for defensive purposes, temporarily invest all or a significant portion of its assets in investment grade securities, short-term debt securities and cash or cash equivalents. To the extent the Company uses this strategy, it may not achieve its investment objective.

4. Agreements

The Company has entered into an Investment Advisory Agreement with Tortoise Capital Advisors, L.L.C. (the “Adviser”). Under the terms of the agreement, the Company pays the Adviser a fee equal to an annual rate of 0.95 percent of the Company’s average monthly total assets (including any assets attributable to leverage) minus accrued liabilities (other than debt entered into for purposes of leverage and the aggregate liquidation preference of outstanding preferred stock) (“Managed Assets”), in exchange for the investment advisory services provided. The Adviser has agreed to a fee waiver of 0.15 percent of average monthly Managed Assets for the period from July 31, 2009 through July 31, 2010, a fee waiver of 0.10 percent of average monthly Managed Assets for the period from August 1, 2010 through July 31, 2011, and a fee waiver of 0.05 percent of average monthly Managed Assets for the period from August 1, 2011 through July 31, 2012.

The Company has engaged U.S. Bancorp Fund Services, LLC to serve as the Company’s administrator. The Company pays the administrator a monthly fee computed at an annual rate of 0.04 percent of the first $1,000,000,000 of the Company’s Managed Assets, 0.03 percent on the next $1,000,000,000 of Managed Assets and 0.02 percent on the balance of the Company’s Managed Assets.

Computershare Trust Company, N.A. serves as the Company’s transfer agent, dividend paying agent, and agent for the automatic dividend reinvestment and cash purchase plan.

U.S. Bank, N.A. serves as the Company’s custodian. The Company pays the custodian a monthly fee computed at an annual rate of 0.004 percent on the average daily market value of the Company’s portfolio assets, subject to a minimum annual fee of $4,800, plus portfolio transaction fees.

5. Income Taxes

It is the Company’s intent to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute all of its taxable income. Accordingly, no provision for federal income taxes is required in the financial statements.

The amount and character of income and capital gain distributions to be paid, if any, are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles. These differences are primarily due to differences in the timing of recognition of gains or losses on investments. Permanent book and tax basis differences, if any, may result in reclassifications to undistributed net investment income (loss), accumulated net realized gain (loss) and additional paid in capital.

## Notes to Financial Statements (Unaudited)
(Continued)

As of November 30, 2009, the components of accumulated earnings on a tax basis were as follows:

| | |
|---|---|
| Unrealized appreciation | $11,818,538 |
| Other temporary differences | (35,283) |
| Accumulated earnings | $11,783,255 |

As of February 28, 2010, the aggregate cost of securities for federal income tax purposes was $159,194,681. The aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was $21,944,819, the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was $0 and the net unrealized appreciation was $21,944,819.

6. Fair Value of Financial Instruments

Various inputs are used in determining the value of the Company's investments. These inputs are summarized in the three broad levels listed below:

Level 1 — quoted prices in active markets for identical investments

Level 2 — other significant observable inputs (including quoted prices for similar investments, market corroborated inputs, etc.)

Level 3 — significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table provides the fair value measurements of applicable Company assets and liabilities by level within the fair value hierarchy as of February 28, 2010. These assets and liabilities are measured on a recurring basis.

| | | Fair Value Measurements at Reporting Date Using | | |
|---|---|---|---|---|
| Description | Fair Value at February 28, 2010 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Assets | | | | |
| Debt Securities: | | | | |
| Corporate Bonds(a) | $101,501,387 | $ 5,206,350 | $96,295,037 | $ — |
| Total Debt Securities | 101,501,387 | 5,206,350 | 96,295,037 | — |
| Equity Securities: | | | | |
| Master Limited Partnerships and Related Companies(a) | 79,615,502 | 79,615,502 | — | — |
| Total Equity Securities | 79,615,502 | 79,615,502 | — | — |
| Other: | | | | |
| Short-Term Investment(b) | 22,611 | 22,611 | — | — |
| Total Other | 22,611 | 22,611 | — | — |
| Total Assets | $181,139,500 | $84,844,463 | $96,295,037 | $ — |
| Liabilities | | | | |
| Interest Rate Swap Contracts | $ 297,073 | $ — | $ 297,073 | $ — |
| Total | $180,842,427 | $84,844,463 | $95,997,964 | $ — |

(a) All other industry classifications are identified in the Schedule of Investments.

(b) Short-term investment is a sweep investment for cash balances in the Company at February 28, 2010.

Valuation Techniques

In general, and where applicable, the Company uses readily available market quotations based upon the last updated sales price from the principal market to determine fair value. This pricing methodology applies to the Company's Level 1 investments.

Some debt securities are fair valued using a market value obtained from an approved pricing service which utilizes a pricing matrix based upon yield data for securities with similar characteristics or from a direct written broker-dealer quotation from a dealer who has made a market in the security. This pricing methodology applies to the Company's Level 2 investments.

Interest rate swap contracts are valued by using industry-accepted models which discount the estimated future cash flows based on a forward rate curve and the stated terms of the interest rate swap agreement by using interest rates currently available in the market, or based on dealer quotations, if available, which applies to the Company's Level 2 liabilities.

7. Restricted Securities

Certain of the Company's investments are restricted and are valued as determined in accordance with procedures established by the Board of Directors, as more fully described in Note 2. The table below shows the principal amount, acquisition date(s), acquisition cost, fair value and percent of net assets which the securities comprise at February 28, 2010.

| Company | Principal Amount | Acquisition Date(s) | Acquisition Cost | Fair Value | Fair Value as Percent of Net Assets |
|---|---|---|---|---|---|
| DCP Midstream LLC, 9.750%, 03/15/2019 | $4,000,000 | 08/07/09-08/27/09 | $ 4,769,350 | $ 5,068,588 | 3.3% |
| Enogex LLC, 6.250%, 03/15/2020 | 3,000,000 | 02/26/10 | 3,079,770 | 3,034,884 | 2.0 |
| Gibson Energy ULC/GEP Midstream Finance Corp., 10.000%, 01/15/2018 | 2,250,000 | 01/13/10-01/29/10 | 2,210,870 | 2,193,750 | 1.4 |
| Holly Corp., 9.875%, 06/15/2017 | 3,000,000 | 10/21/09-01/07/10 | 3,120,000 | 3,075,000 | 2.0 |
| IPALCO Enterprises, Inc., 7.250%, 04/01/2016 | 2,000,000 | 11/03/2009 | 2,015,000 | 2,020,000 | 1.3 |
| Midcontinent Express Pipelines, LLC, 6.700%, 09/15/2019 | 5,000,000 | 09/09/2009 | 4,993,200 | 5,262,290 | 3.5 |
| North American Energy Alliance, LLC, 10.875%, 06/01/2016 | 2,800,000 | 09/24/09-10/08/09 | 2,895,000 | 2,968,000 | 2.0 |
| Southern Star Central Gas Pipeline, Inc., 6.000%, 06/01/2016 | 2,000,000 | 08/24/2009 | 1,970,000 | 2,050,000 | 1.4 |
| | | | $25,053,190 | $25,672,512 | 16.9% |

Notes to Financial Statements (Unaudited)
(Continued)

8. Investment Transactions

For the period from December 1, 2009 through February 28, 2010, the Company purchased (at cost) and sold securities (proceeds received) in the amount of $18,170,115 and $19,072,366 (excluding short-term debt securities), respectively.

9. Long-Term Debt Obligations

The Company has $20,000,000 aggregate principal amount of Series A private senior notes (the “Notes”) outstanding. The Series A Notes were issued on November 6, 2009 and have a maturity date of November 6, 2014. Holders of the Notes are entitled to receive quarterly cash interest payments at an annual rate that results each quarter based on the 3-month LIBOR plus 1.87 percent. The Notes are not listed on any exchange or automated quotation system.

The Notes are unsecured obligations of the Company and, upon liquidation, dissolution or winding up of the Company, will rank: (1) senior to all of the Company’s outstanding preferred shares (if any); (2) senior to all of the Company’s outstanding common shares; (3) on parity with any unsecured creditors of the Company and any unsecured senior securities representing indebtedness of the Company and (4) junior to any secured creditors of the Company.

The Notes are redeemable in certain circumstances at the option of the Company. The Notes are also subject to a mandatory redemption if the Company fails to meet asset coverage ratios required under the 1940 Act or the rating agency guidelines if such failure is not waived or cured. At February 28, 2010, the Company was in compliance with asset coverage covenants and basic maintenance covenants for its senior notes.

At February 28, 2010, fair value of the Series A Notes approximates the carrying amount because the distribution rate fluctuates with changes in interest rates available in the current market. The following table shows the maturity date, notional/carrying amount, current rate as of February 28, 2010, and the weighted-average rate for the period from December 1, 2009 through February 28, 2010.

| Series | Maturity Date | Notional/ Carrying Amount | Current Rate | Weighted-Average Rate |
|---|---|---|---|---|
| Series A | November 6, 2014 | $20,000,000 | 2.12% | 2.14% |

10. Interest Rate Swap Contracts

The Company has entered into interest rate swap contracts in an attempt to protect itself from increasing interest expense on its leverage resulting from increasing short-term interest rates. A decline in interest rates may result in a decline in the value of the swap contracts, which may result in a decline in the net assets of the Company. In addition, if the counterparty to the interest rate swap contracts defaults, the Company would not be able to use the anticipated receipts under the swap contracts to offset the interest payments on the Company’s leverage. At the time the interest rate swap contracts reach their scheduled termination, there is a risk that the Company would not be able to obtain a replacement transaction, or that the terms of the replacement would not be as favorable as on the expiring transaction. In addition, if the Company is required to terminate any swap contract early due to the Company failing to maintain a required 300 percent asset coverage of the liquidation value of the outstanding senior notes or if the Company loses its credit rating on its senior notes, then the Company could be required to make a termination payment, in addition to redeeming all or some of the senior notes. Details of the interest rate swap contracts outstanding as of February 28, 2010, are as follows:

| Counterparty | Maturity Date | Notional Amount | Fixed Rate Paid by the Company | Floating Rate Received by the Company | Asset (Liability) Derivatives |
|---|---|---|---|---|---|
| Wachovia Bank, N.A. | 11/06/2011 | $ 6,000,000 | 1.12% | 1 month U.S. Dollar LIBOR | $ (37,787) |
| Wachovia Bank, N.A. | 11/06/2012 | 5,000,000 | 1.81% | 3 month U.S. Dollar LIBOR | (54,374) |

| | | | | | |
|---|---|---|---|---|---|
| Wachovia Bank, N.A. | 11/06/2012 | 1,000,000 | 1.73% | 1 month U.S. Dollar LIBOR | (10,362) |
| Wachovia Bank, N.A. | 11/06/2014 | 15,000,000 | 2.66% | 3 month U.S. Dollar LIBOR | (194,550) |
| | | $ 27,000,000 | | | $ (297,073) |

The Company is exposed to credit risk on the interest rate swap contracts if the counterparty should fail to perform under the terms of the interest rate swap contracts. The amount of credit risk is limited to the net appreciation of the interest rate swap contracts, if any, as no collateral is pledged by the counterparty.

The unrealized appreciation of interest rate swap contracts in the amount of $101,038 is included in the Statement of Operations for the period ended February 28, 2010. Cash settlements under the terms of the interest rate swap contracts in the amount of $131,063 are recorded as realized losses for the period ended February 28, 2010. The total notional amount of all open swap agreements at February 28, 2010 is indicative of the volume of this derivative type.

11. Credit Facility

The Company has a revolving loan commitment amount of $18,000,000 that matures on September 14, 2010. U.S. Bank, N.A. serves as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility. Outstanding balances on the credit facility accrue interest at a variable annual interest rate equal to one-month LIBOR plus 2.00 percent and unused portions of the credit facility accrue a non-usage fee equal to an annual rate of 0.25 percent.

The average principal balance and interest rate for the period during which the credit facility was utilized during the period ended February 28, 2010 was approximately $11,300,000 and 2.23 percent, respectively. At February 28, 2010, the principal balance outstanding was $11,100,000 at an interest rate of 2.23 percent.

Under the terms of the credit facility, the Company must maintain asset coverage required under the 1940 Act. If the Company fails to maintain the required coverage, it may be required to repay a portion of an outstanding balance until the coverage requirement has been met. At February 28, 2010, the Company was in compliance with the terms of the credit facility.

12. Common Stock

The Company has 100,000,000 shares of capital stock authorized and 6,931,555 shares outstanding at February 28, 2010. Transactions in common stock for the period ended February 28, 2010, were as follows:

| | |
|---|---|
| Shares at November 30, 2009 | 6,898,481 |
| Shares issued through reinvestment of distributions | 33,074 |
| Shares at February 28, 2010 | 6,931,555 |

13. Subsequent Events

The Company has performed an evaluation of subsequent events through April 15, 2010, which is the date the financial statements were issued, and found that there are no material events to disclose.

## Additional Information (Unaudited)

### Director and Officer Compensation

The Company does not compensate any of its directors who are "interested persons," as defined in Section 2(a)(19) of the 1940 Act, nor any of its officers. For the period ended February 28, 2010, the aggregate compensation paid by the Company to the independent directors was $18,250. The Company did not pay any special compensation to any of its directors or officers.

### Forward-Looking Statements

This report contains "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. 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 the Company's actual results are the performance of the portfolio of investments held by it, the conditions in the U.S. and international financial, petroleum and other markets, the price at which shares of the Company will trade in the public markets and other factors discussed in filings with the SEC.

### Proxy Voting Policies

A description of the policies and procedures that the Company uses to determine how to vote proxies relating to portfolio securities owned by the Company is available to stockholders (i) without charge, upon request by calling the Company at (913) 981-1020 or toll-free at (866) 362-9331.

The Company has not yet been required to file a Form N-PX disclosing its proxy voting record. Once the Company has made that initial filing (for the period ending June 30, 2010), it will be required to make such filings on an annual basis and information regarding how the Company voted proxies will be available without charge by calling us at (913) 981-1020 or toll-free at (866) 362-9331. You will also be able to access this information on the SEC's Web site at http://www.sec.gov.

### Form N-Q

The Company files its complete schedule of portfolio holdings for the first and third quarters of each fiscal year with the SEC on Form N-Q. The Company's Form N-Q is available without charge upon request by calling the Company at (866) 362-9331 or by visiting the SEC's Web site at www.sec.gov. In addition, you may review and copy the Company's Form N-Q at the SEC's Public Reference Room in Washington D.C. You may obtain information on the operation of the Public Reference Room by calling (800) SEC-0330.

The Company's Form N-Qs are also available on the Company's Web site at www.tortoiseadvisors.com.

### Statement of Additional Information

The Statement of Additional Information ("SAI") includes additional information about the Company's directors and is available upon request without charge by calling the Company at (866) 362-9331 or by visiting the SEC's Web site at www.sec.gov.

### Certification Disclosure

The Company's Chief Executive Officer has submitted to the New York Stock Exchange an initial CEO certification in connection with its initial public offering and will submit the first annual certification in 2010 as required by Section 303A.12(a) of the NYSE Listed Company Manual.

The Company will file with the SEC the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

### Privacy Policy

In order to conduct its business, the Company collects and maintains certain nonpublic personal information about its stockholders of record with respect to their transactions in shares of the Company's securities. This information includes the stockholder's address, tax identification or

Social Security number, share balances, and distribution elections. We do not collect or maintain personal information about stockholders whose share balances of our securities are held in "street name" by a financial institution such as a bank or broker.

We do not disclose any nonpublic personal information about you, the Company's other stockholders or the Company's former stockholders to third parties unless necessary to process a transaction, service an account, or as otherwise permitted by law.

To protect your personal information internally, we restrict access to nonpublic personal information about the Company's stockholders to those employees who need to know that information to provide services to our stockholders. We also maintain certain other safeguards to protect your nonpublic personal information.

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STOCK SYMBOL
Listed NYSE Symbol: TPZ



Tortoise Capital Advisors' Public Investment Companies

| Name | Ticker/ Inception Date | Primary Target Investments | Investor Suitability | Total Assets as of 3/31/10 ($ in millions) |
|---|---|---|---|---|
| Tortoise Power and Energy Infrastructure Fund, Inc. | TPZ July 2009 | U.S. Power and Energy Investment Grade Debt and Dividend-Paying Equity Securities | Retirement Accounts Pension Plans Taxable Accounts | $187 |
| Tortoise Energy Infrastructure Corp. | TYG Feb. 2004 | U.S. Energy Infrastructure | Retirement Accounts Pension Plans Taxable Accounts | $1,244 |

| | | | | |
|---|---|---|---|---|
| Tortoise Energy Capital Corp. | TYY<br>May 2005 | U.S. Energy Infrastructure | Retirement Accounts<br>Pension Plans<br>Taxable Accounts | $658 |
| Tortoise North American Energy Corp. | TYN<br>Oct. 2005 | U.S. Energy Infrastructure | Retirement Accounts<br>Pension Plans<br>Taxable Accounts | $166 |
| Tortoise Capital Resources Corp. | TTO<br>Dec. 2005<br>(Feb. 2007 – IPO) | U.S. Energy Infrastructure<br>Private and Micro Cap<br>Public Companies | Retirement Accounts<br>Pension Plans<br>Taxable Accounts | $89<br>(as of 2/28/10) |