Duff & Phelps Select Energy MLP Fund Raises $485 Million in Initial Public Offering

New closed-end fund provides opportunity for total return from energy-related investments

HARTFORD, Conn. and CHICAGO, June 26, 2014 /PRNewswire/ -- Virtus Investment Partners (NASDAQ: VRTS), which operates a multi-boutique asset management business, today announced that Duff & Phelps Select Energy MLP Fund Inc. (NYSE: DSE), a closed-end fund that is managed by Duff & Phelps Investment Management Co., raised $485 million in a common stock offering. Assuming full exercise of the underwriters' overallotment option, which may or may not occur, the fund will have raised approximately $555 million in gross proceeds. Its shares began trading today on the New York Stock Exchange under the symbol "DSE."

The fund seeks to provide shareholders with a high level of total return resulting from a combination of current tax-deferred distributions and capital appreciation by investing primarily in publicly traded master limited partnerships (MLPs) in the energy sector. Targeted investments include midstream MLPs across all market caps that specialize in the gathering, processing and transportation of natural gas, oil, refined products, or other energy sources. Under current market conditions, the fund intends to use financial leverage, which it anticipates will initially take the form of a credit facility.

"We believe the U.S. energy industry is in the early stages of a renaissance and expect the country will become a major energy exporter through the production of natural gas, crude oil, and natural gas liquids," said Nathan I. Partain, president and chief investment officer at Duff & Phelps Investment Management. "MLPs are capitalizing on the build-out of necessary infrastructure related to this resurgence in U.S. energy production, and we think significant infrastructure investment is likely to continue for a decade or more. DSE can give investors exposure to investments in MLPs, which have historically produced attractive risk-adjusted returns compared with traditional income-generating asset classes."

David D. Grumhaus, Jr., senior vice president of Duff & Phelps Investment Management, who has more than 21 years of investment industry experience, including the past 10 years as a portfolio manager of an energy- and utility-focused fund, is the lead portfolio manager and Charles J. Georgas, CFA, senior MLP analyst, who specializes in midstream energy MLPs, is the co-portfolio manager.

"This new fund leverages Duff & Phelps' long experience and proven leadership in utility and infrastructure investing to give investors the opportunity to benefit from the secular growth of the U.S. energy economy," said Barry Mandinach, executive vice president, and head of distribution at Virtus Investment Partners. "Duff & Phelps has more than 30 years of experience managing income-producing securities, and is highly respected for its consistent investment approach and stewardship of clients' assets."

The underwriting syndicate was led by Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC.

About Duff & Phelps Investment Management
Duff & Phelps Investment Management Co., which manages more than $9.9 billion in mutual fund and institutional assets, including $5.6 billion in closed-end funds, as of April 30, 2014, has been a leader in investing in real estate investment trusts, infrastructure and utility companies and in developing and managing focused investment strategies for specialized clients, including nuclear decommissioning trusts. It is an affiliated manager of Virtus Investment Partners.

About Virtus Investment Partners
Virtus Investment Partners (NASDAQ: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors. Virtus offers access to a variety of investment styles across multiple disciplines to meet a wide array of investor needs, and provides products and services through affiliated managers and select subadvisers, each with a distinct investment style, autonomous investment process and individual brand. Its affiliated managers include Cliffwater Investments, Duff & Phelps Investment Management, Euclid Advisors, Kayne Anderson Rudnick Investment Management, Kleinwort Benson Investors International,Newfleet Asset Management, Newfound Investments, Rampart Investment Management, and Zweig Advisers. Additional information can be found at virtus.com.

This news release contains statements that are not historical facts, referred to as "forward looking statements." Such forward looking statements are subject to various risks and uncertainties. The fund's actual future results may differ significantly from those stated in any forward-looking statement, depending on factors such as changes in securities or financial markets or general economic conditions, the continuation of investment advisory, administrative and service contracts, and other risks discussed in the fund's prospectus and from time to time in the fund's filings with the Securities and Exchange Commission.

The fund is a newly organized closed-end management investment company with no operating history. Investors should consider the investment objective and policies, risks, charges and expenses of the fund carefully before investing. For a prospectus which contains this and other information relevant to an investment in the fund, please contact your securities representative. Investors should read the prospectus carefully before investing.

This document is not an offer to sell securities or the solicitation of an offer to buy securities, nor shall there be any sale or offer of these securities in any jurisdiction where such sale or offer is not permitted.

Shares of closed-end funds usually trade on a national stock exchange. Similar to other stocks, the fund's share price will fluctuate with market conditions and, at the time of sale, may be worth more or less than the original investment. Shares of closed-end funds often trade at a discount to their net asset value. There can be no assurance that the fund will achieve its investment objective or earn a return on its assets.

Risks of investing in the fund: Investments in Master Limited Partnerships may be impacted by tax law changes, regulation, or factors affecting underlying assets. When a fund leverages its portfolio, the value of its shares may be more volatile and all other risks may be compounded. The market price of equity securities may be affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. Securities in the fund may go up or down in response to the prospects of individual companies and general economic conditions. Price changes may be short or long term.

Past performance is not a guarantee of future results.

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SOURCE Virtus Investment Partners, Inc.; Duff & Phelps Select Energy MLP Fund Inc.