TYG
LISTED
NYSE

Yield

Growth

Quality

2008 Annual Report

November 30, 2008

Tortoise Energy Infrastructure Corp.

...Steady Wins®

Company at a Glance

Tortoise Energy Infrastructure Corp. is a pioneering closed-end investment company investing primarily in equity securities of publicly-traded Master Limited Partnerships (MLPs) operating energy infrastructure assets.

Investment Goals: Yield, Growth and Quality

We seek a high level of total return with an emphasis on current distributions paid to stockholders.

In seeking to achieve **yield,** we target distributions to our stockholders that are roughly equal to the underlying yield on a direct investment in MLPs. In order to accomplish this, we maintain our strategy of investing primarily in energy infrastructure MLPs with attractive current yields and growth potential.

We seek to achieve distribution **growth** as revenues of our underlying companies grow with the economy, with the population and through rate increases. This revenue growth generally leads to increased operating profits, and when combined with internal expansion projects and acquisitions, is expected to provide attractive growth in distributions to us. We also seek distribution growth through capital market strategies involving timely debt and equity offerings by Tortoise Energy that are typically primarily invested in MLP issuer direct placements.

We seek to achieve **quality** by investing in companies operating energy infrastructure assets that are critical to the U.S. economy. Often these assets would be difficult to replicate. We also back experienced management teams with successful track records. By investing in Tortoise Energy, our stockholders have access to a portfolio that is diversified through geographic regions and across product lines, including natural gas, natural gas liquids, crude oil and refined products.

About Energy Infrastructure Master Limited Partnerships

MLPs are limited partnerships whose units trade on public exchanges such as the New York Stock Exchange (NYSE), the NYSE Alternext US and NASDAQ. Buying MLP units makes an investor a limited partner in the MLP. There are currently more than 70 MLPs in the market, mostly in industries related to energy and natural resources.

Tortoise Energy invests primarily in MLPs and their affiliates in the energy infrastructure sector. Energy infrastructure MLPs are engaged in the transportation, storage and processing of crude oil, natural gas and refined products from production points to the end users. Our investments are primarily in mid-stream (mostly pipeline) operations, which typically produce steady cash flows with less exposure to commodity prices than many alternative investments in the broader energy industry. With the growth potential of this sector along with our disciplined investment approach, we endeavor to generate a predictable and increasing distribution stream for our investors.

A Tortoise Energy Investment Versus a Direct Investment in MLPs

Tortoise Energy provides its stockholders an alternative to investing directly in MLPs and their affiliates. A direct MLP investment potentially offers an attractive distribution with a significant portion treated as return of capital, and a historically low correlation to returns on stocks and bonds. However, the tax characteristics of a direct MLP investment are generally undesirable for tax-exempt investors such as retirement plans. Tortoise Energy is structured as a C Corporation — accruing federal and state income taxes, based on taxable earnings and profits. Because of this innovative structure, pioneered by Tortoise Capital Advisors, institutions and retirement accounts are able to join individual stockholders as investors in MLPs.

Additional features of Tortoise Energy include:

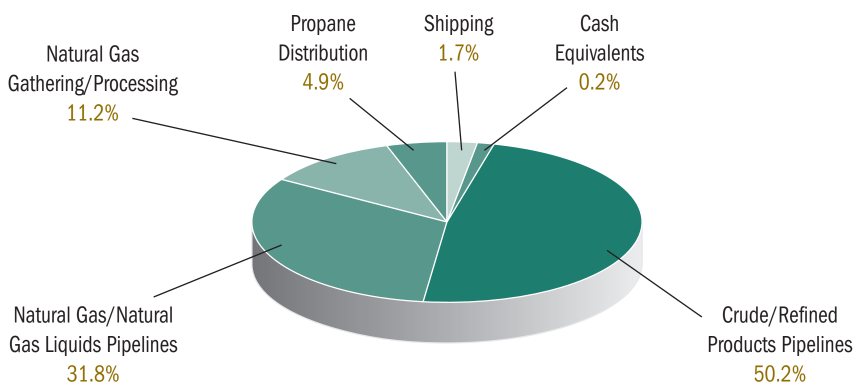
- One Form 1099 per stockholder at the end of the year, thus avoiding multiple K-1s and multiple state filings for individual partnership investments;
- A professional management team, with nearly 100 years combined investment experience, to select and manage the portfolio on your behalf;
- The ability to access investment grade credit markets to enhance stockholder return; and
- Access to direct placements and other investments not available through the public markets.

Summary Financial Information *(Unaudited)*

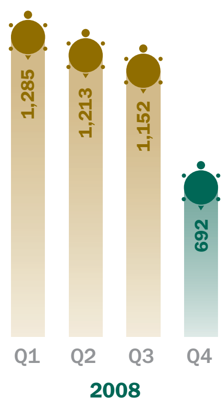
Year Ended November 30	2008
Market value per share	$ 17.11
Net asset value per share	17.36
Total net assets	407,031,320
Net unrealized depreciation of investments (excluding interest rate swap contracts) before income taxes	(457,740,559)
Net unrealized depreciation of investments and interest rate swap contracts after income taxes	(272,520,024)
Net investment loss	(10,886,735)
Net realized loss on investments and interest rate swaps after income taxes	(7,847,392)
Total investment return based on market value(1)	(42.5)%

(1) See footnote 7 to the Financial Highlights on page 13 for further disclosure.

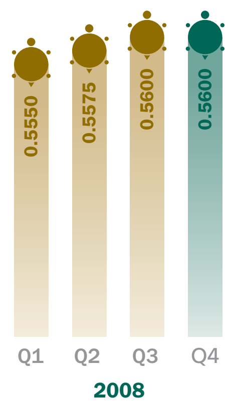
Allocation of Portfolio Assets
November 30, 2008 (Unaudited)
(Percentages based on total investment portfolio)



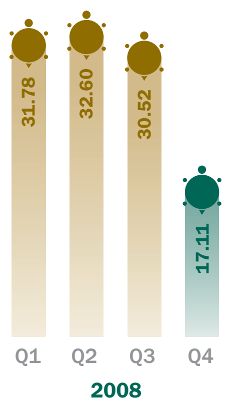
Total Assets
(dollars in millions)



Common Dividends
(in dollars)



Closing Stock Price
(in dollars)



(Unaudited)

YIELD GROWTH

Target attractive current distributions paid to stockholders

An industry with real, hard assets and increasing demand from economic and population growth

January 13, 2009

Dear Fellow Stockholders,

We began our 2008 fiscal year recognizing early signs of weakness in the credit markets, but we did not anticipate the dramatic change in MLP valuations that were experienced during the last quarter. Throughout the year we maintained our belief that MLPs could offer steady increases in distributions even in the midst of an overall economic slowdown. We believe growth will be driven by the critical role played by MLPs to transport, process and store energy for an economy and population that are expected to steadily increase over the longer term.

At the beginning of the year, the auction rate securities markets began to fail and we responded by refinancing a significant portion of our debt with long-term, fixed-rate notes placed with institutions. However, during October and November our capital structure was adversely impacted by the deepening problems in the broad market and resulting dramatic decline in valuations of our MLP investments. This situation required us to sell some investments and pay off leverage in order to comply with the coverage ratios as mandated by the Investment Company Act of 1940 and our loan documents. These sales adversely impact our long-term distribution-paying capacity.

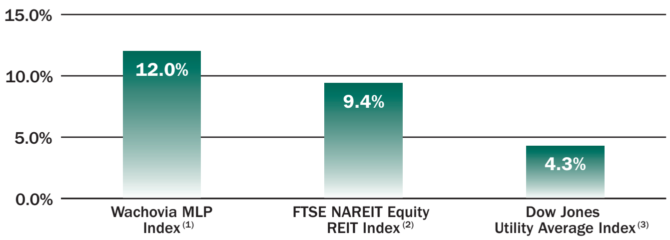
Master Limited Partnership Investment Overview and Outlook

Against a very difficult backdrop of broad, global economic recession, major institution failures and bailouts, and the accompanying collapse of most major asset class valuations, MLPs were further challenged by selling pressure from deleveraging and unwinding of total return swaps. The MLP market, represented by the Wachovia MLP Index, reflected a total return of -32.0 percent for the fourth quarter ended Nov. 30, 2008 and -35.6 percent for the twelve months ended Nov. 30, 2008. These returns are based on market value, including the reinvestment of quarterly distributions. Despite these conditions, 43 of 73 MLP companies increased distributions in their third quarter ended Sept. 30, 2008.

We believe the fundamentals of the pipeline companies, which represent 82 percent of our portfolio as of Nov. 30, 2008, remain intact. These companies offer low commodity price exposure, modest leverage ratios, ample liquidity and adequate distribution coverage ratios to sustain distributions in a prolonged recessionary environment. On the other hand, the recent fundamentals of the gathering and processing sector, which represented 11 percent of our portfolio as of Nov. 30, 2008, have deteriorated due to sharp declines in commodity prices and processing margins during the second half of 2008. While the gathering and processing companies in our portfolio seek to reduce their cash flow volatility using hedging strategies, as well as maintaining relatively higher distribution coverage ratios, it may become challenging for these companies to sustain current distribution levels if low commodity prices extend for periods beyond their current hedge positions.

MLP distribution yields continue to compare favorably to similarly risked assets including REITs and utilities, as indicated by the following chart.

Distribution Comparison



We expect overall MLP distribution growth to moderate in 2009 as a consequence of higher costs of capital, challenging credit markets and the overall economic slowdown. Of course, the current economic slowdown, if sustained for a long period, could result in a decline in the distributions we receive. However, the assets operated by MLPs provide essential services and exhibit high barriers to entry. We expect pipeline MLPs to sustain their distributions despite a U.S. economic recession and a worldwide economic slowdown. In the long term, we expect annual end user demand for energy to grow by one percent. In addition, MLPs have already announced capital projects of more than $27 billion which should drive distribution growth in the longer term.

Performance Review

For the quarter ended Nov. 30, 2008, our stock price declined along with the lower valuations for the MLP sector. Our total return for the quarter was -42.1 percent and our total return for the fiscal year was -42.3 percent. These returns are based on market value, including the reinvestment of quarterly distributions.

Our total assets decreased from $1,262 million on Nov. 30, 2007 to $692 million on Nov. 30, 2008. This decrease resulted primarily from the decrease in the value of our investments and from the sale of investments to reduce our leverage, which occurred primarily in the fourth quarter. Presently, the total cost basis of our investments for financial statement reporting purposes exceeds the fair value we are reflecting on our Statement of Assets and Liabilities. That, when combined with our realized losses and net operating losses, results in a deferred tax asset. As a result, our Statement of Assets and Liabilities reflects a deferred tax asset of $16.9 million, or approximately $0.72 per share. A deferred tax asset is the benefit the company has determined will be realized in future periods under generally accepted accounting principles.[4]

A majority of the MLPs in our portfolio increased their distributions to us this year. Our MLP investments as of Nov. 30, 2008, increased their distributions an average of 12.1 percent for the fiscal year as compared to the prior year, an indication that we were correct in our belief that MLPs would sustain distributions during the economic weakness experienced in 2008. However, we do not believe these growth rates in distributions will be sustained this year.

(Unaudited)

QUALITY

Strategic asset selection
of stable recurring revenue streams
by an experienced management team

We paid a distribution of $0.56 per common share ($2.24 annualized) to our stockholders on Nov. 28, 2008, our 16th consecutive quarterly distribution since full investment of initial public offering proceeds. This is the same distribution we paid last quarter, and is a 1.4 percent increase over the distribution paid in the same quarter of the prior year, representing an annualized yield of 13.1 percent based on the closing price of $17.11 on Nov. 30, 2008. For tax purposes, 100 percent of distributions paid in fiscal year 2008 were treated as return of capital. Based upon our current expectations, we believe our portfolio companies will continue to pay us distributions which will allow quarterly distributions to our stockholders of not less than $0.54 during fiscal year 2009. Of course, any distribution paid to our stockholders will depend on the actual performance of our investments, our costs of leverage and other operating expenses and will be subject to the approval of our Board and compliance with asset coverage requirements of the Investment Company Act of 1940 Act and the covenants of our leverage agreements.

While we believe the longer term distribution growth will return for our stockholders, we are cognizant of the uncertain and volatile economic environment that presently exists. While economic factors we cannot control will impact the health of the MLP sector, we will continue to manage toward the goal of distribution growth to our stockholders. We also acknowledge that we and the MLPs in which we invest are experiencing more uncertainty than in previous years which make any predictions difficult.

Leverage Review

Over the course of the year, we reduced our total leverage outstanding from $458 million to $280 million at Nov. 30, 2008. Our remaining leverage consisted of $210 million in fixed rate senior notes and $70 million in preferred stock. The preferred shares have an extended rate period through 2010, so we currently have no leverage subject to the seven- or 28-day auction rate market. Subsequent to the end of our 2008 fiscal year, we redeemed $40 million of our Series E private notes.

At Nov. 30, 2008, our total leverage represented 40.5 percent of total assets, including deferred tax. We are, and intend to remain, in compliance with our asset coverage ratios under the Investment Company Act of 1940 and our basic maintenance covenants, and will continue to report our ratios to you weekly on our Web site as long as the market value of our holdings remains volatile.

Investment Review

Although the weakened market in fiscal 2008 limited our ability to finance MLP growth projects at previous levels, we completed a $7.5 million direct placement in Copano Energy, L.L.C., a $5 million direct placement in El Paso Pipeline Partners, L.P., and invested $2.9 million in the IPO of Western Gas Partners LP. We have completed 55 direct placement and IPO purchases totaling approximately $567 million since our inception in February 2004.

Conclusion

We have taken significant steps to manage through a difficult quarter and year. We have responded to weak valuations by decreasing leverage, and have fixed the rates on most of the remaining leverage. During the year we were able to moderately increase our distributions to our stockholders. While we expect the next year to be challenging for almost every industry, including the energy infrastructure sector, we continue to believe the flow of energy commodities remains critical to our economy and that the long term prospects for MLP investments is attractive.

Sincerely,
The Managing Directors
Tortoise Capital Advisors, L.L.C.
The adviser to Tortoise Energy Infrastructure Corp.

H. Kevin Birzer   Zachary A. Hamel   Kenneth P. Malvey

Terry Matlack   David J. Schulte

(1) As of 11/28/08. The Wachovia MLP Index is a float-adjusted, capitalization-weighted index of energy master limited partnerships with a market capitalization of at least $200 million at the time of inclusion.

(2) As of 11/30/08. The FTSE NAREIT Equity REIT Index is an unmanaged capitalization-weighted index of all equity real estate investment trusts. It is not possible to invest directly in an index. Includes return of capital component, if any.

(3) As of 11/30/08. The Dow Jones Utility Average Index is an unmanaged price-weighted index composed of stocks of 15 utility companies listed on the New York Stock Exchange. It is not possible to invest directly in an index.

(4) Because TYG is a taxpaying entity (like banks and other financial institutions), financial statements reflect deferred tax assets or liabilities according to generally accepted accounting principles. This differs for many closed-end funds that are qualified as regulated investment companies (RIC). The accounting for a RIC does not result in deferred taxes because it is not a taxpaying entity. A RIC still discloses the amount of any unrealized loss on investment cost. Additional information on our deferred taxes is included in Management's Discussion and Note 5 in our Notes to Financial Statements.

(Unaudited)

Key Financial Data *(Supplemental Unaudited Information)*

(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding Distributable Cash Flow and Selected Operating Ratios is supplemental non-GAAP financial information, which we believe is meaningful to understanding our operating performance. The Selected Operating Ratios are the functional equivalent of EBITDA for non-investment companies, and we believe they are an important supplemental measure of performance and promote comparisons from period-to-period. Supplemental non-GAAP measures should be read in conjunction with our full financial statements.

	Year Ended November 30,		2007	2008			
	2007	2008	Q4(1)	Q1(1)	Q2(1)	Q3(1)	Q4(1)
Total Distributions Received from Investments							
Distributions received from master limited partnerships	$64,255	$72,930	$17,075	$18,455	$18,502	$18,763	$17,210
Dividends paid in stock	10,554	11,724	3,082	3,092	2,837	2,962	2,833
Dividends from common stock	76	78	26	21	21	22	14
Short-term interest and dividend income	651	344	328	71	130	96	47
Total from investments	75,536	85,076	20,511	21,639	21,490	21,843	20,104
Operating Expenses Before Leverage Costs and Current Taxes							
Advisory fees, net of expense reimbursement	10,571	9,352	2,735	2,612	2,560	2,416	1,764
Other operating expenses	1,626	1,540	466	332	373	352	483
	12,197	10,892	3,201	2,944	2,933	2,768	2,247
Distributable cash flow before leverage costs and current taxes	63,339	74,184	17,310	18,695	18,557	19,075	17,857
Leverage costs(2)	22,110	27,416	7,687	7,982	8,059	6,407	4,968
Current income tax expense	345	828	118	190	190	224	224
Distributable Cash Flow(3)	$40,884	$45,940	$ 9,505	$10,523	$10,308	$12,444	$12,665
Distributions paid on common stock	$40,702	$48,536	$10,365	$11,426	$11,504	$12,478	$13,128
Distributions paid on common stock per share	2.1875	2.2325	0.5525	0.5550	0.5575	0.5600	0.5600
Payout percentage for period(4)	99.6%	105.7%	109.0%	108.6%	111.6%	100.3%	103.7%
Net realized gain (loss), net of income taxes	26,631	(7,847)	12,581	2,750	(609)	3,424	(13,412)
Total assets, end of period	1,261,638	692,183	1,261,638	1,285,116	1,212,938	1,151,531	692,183
Average total assets during period(5)	1,267,902	1,115,737	1,291,387	1,264,450	1,217,415	1,159,099	897,579
Leverage (long-term debt obligations, preferred stock and short-term borrowings)(6)	458,050	280,000	458,050	454,700	410,700	396,750	280,000
Leverage as a percent of total assets	36.3%	40.5%	36.3%	35.4%	33.9%	34.5%	40.5%
Unrealized appreciation (depreciation) net of income taxes, end of period	247,696	(24,824)	247,696	224,274	228,022	179,840	(24,824)
Net assets, end of period	618,412	407,031	618,412	637,749	626,341	613,913	407,031
Average net assets during period(7)	659,996	573,089	634,928	608,322	616,498	600,096	466,664
Net asset value per common share	32.96	17.36	32.96	30.98	30.35	27.55	17.36
Market value per share	32.46	17.11	32.46	31.78	32.60	30.52	17.11
Shares outstanding	18,760,441	23,442,791	18,760,441	20,587,891	20,634,877	22,282,025	23,442,791
Selected Operating Ratios(8)							
As a Percent of Average Total Assets							
Total distributions received from investments	5.96%	7.63%	6.37%	6.88%	7.02%	7.50%	9.01%
Operating expenses before leverage costs and current taxes	0.96%	0.98%	0.99%	0.94%	0.96%	0.95%	1.01%
Distributable cash flow before leverage costs and current taxes	5.00%	6.65%	5.38%	5.94%	6.06%	6.55%	8.00%
As a Percent of Average Net Assets							
Distributable cash flow(3)	6.19%	8.02%	6.00%	6.96%	6.65%	8.25%	10.92%

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, recurring agent fees, interest rate swap expenses and distributions to preferred stockholders.

(3) "Net investment income (loss), before income taxes" on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow (DCF): increased by the return of capital on MLP distributions and the value of paid-in-kind distributions, non-recurring agent fees and amortization of debt issuance costs; and decreased by distributions to preferred stockholders, current taxes paid, and realized and unrealized gains (losses) on interest rate swap settlements.

(4) Distributions paid as a percentage of Distributable Cash Flow.

(5) Computed by averaging month-end values within each period.

(6) There were no outstanding borrowings on the short-term credit facility as of November 30, 2008.

(7) Computed by averaging daily values within each period.

(8) Annualized for periods less than one full year. Operating ratios contained in our Financial Highlights are based on net assets and include current and deferred income tax expense and leverage costs.

The information contained in this section should be read in conjunction with our Financial Statements and the Notes thereto. In addition, this report contains certain forward-looking statements. These statements include the plans and objectives of management for future operations and financial objectives and can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," or "continue" or the negative thereof or other variations thereon or comparable terminology. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors that could cause actual results and conditions to differ materially from those projected in these forward-looking statements are set forth in the "Risk Factors" section of our public filings with the SEC.

Overview

Tortoise Energy Infrastructure Corp's goal is to provide a growing distribution stream to our investors. We seek to provide our stockholders with an efficient vehicle to invest in the energy infrastructure sector. While we are a registered investment company under the Investment Company Act of 1940, as amended (the "1940 Act"), we are not a "regulated investment company" for federal tax purposes. Our distributions do not generate unrelated business taxable income (UBTI) and our stock may therefore be suitable for holding by pension funds, IRAs and mutual funds, as well as taxable accounts. We invest primarily in MLPs through private and public market purchases. MLPs are publicly traded partnerships whose equity interests are traded in the form of units on public exchanges, such as the NYSE or NASDAQ.

Company Update

During the 4th quarter 2008, market values of MLPs, along with many other equity securities, experienced substantial declines. As a result, our capital structure was adversely impacted, which required us to selectively liquidate portfolio holdings and redeem portions of our leverage. While this strengthened our ability to comply with our coverage ratios, it has weakened our ability to grow our distributions to stockholders. Our results discussed below reflect the impact of market value declines and net portfolio sales through reduced income and expenses.

As outlined in our letter to stockholders and in the following discussion, we have taken significant steps to manage through a difficult period. While we expect the next year to be challenging for almost every industry, including the energy infrastructure sector, we continue to believe the flow of energy commodities remains critical to our economy and that the long-term prospect for MLPs is attractive.

Critical Accounting Policies

The financial statements are based on the selection and application of critical accounting policies, which require management to make significant estimates and assumptions. Critical accounting policies are those that are both important to the presentation of our financial condition and results of operations and require management's most difficult, complex, or subjective judgments. Our critical accounting policies are those applicable to the valuation of investments, tax matters and certain revenue recognition matters as discussed in Note 2 in the Notes to Financial Statements.

Determining Distributions to Stockholders

Our portfolio generates cash flow from which we pay distributions to stockholders. Our Board of Directors considers our distributable cash flow ("DCF") in determining distributions to stockholders. Our Board of Directors reviews the distribution rate quarterly, and may adjust the quarterly distribution throughout the year. Our goal is to declare what we believe to be sustainable increases in our regular quarterly distributions. We have targeted to pay at least 95 percent of DCF on an annualized basis.

Determining DCF

DCF is simply distributions received from investments less expenses. The total distributions received from our investments include the amount received by us as cash distributions from MLPs, paid-in-kind distributions, and dividend and interest payments. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Each are summarized for you in the table on page 4 and are discussed in more detail below.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: GAAP recognizes that a significant portion of the cash distributions received from MLPs are treated as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, recurring agent fees, distributions to preferred stockholders and realized and unrealized gains (losses) on interest rate swap settlements as leverage costs, as well as current taxes paid.

Distributions Received from Investments

Our ability to generate cash is dependent on the ability of our portfolio of investments to generate cash flow from their operations. In order to maintain and grow distributions to our stockholders, we evaluate each holding based upon its contribution to our investment income, our expectation for its growth rate, and its risk relative to other potential investments.

We concentrate on MLPs we believe can expect an increasing demand for services from economic and population growth. We seek well-managed businesses with hard assets and stable recurring revenue streams. Our focus remains primarily on investing in fee-based service providers that operate long-haul, interstate pipelines. We further diversify among issuers, geographies and energy commodities to seek a distribution payment which approximates an investment directly in energy infrastructure MLPs. In addition, most energy infrastructure companies are regulated and utilize an inflation escalator index that factors in inflation as a cost pass-through. So, over the long-term, we believe MLPs' distributions will outpace inflation and interest rate increases, and produce positive returns. However, during the last year the economy has been retrenching. Many economists are forecasting a decline in consumer capital spending which may lead some MLPs to slow distribution growth or possibly reduce distributions.

Total distributions received from our investments for the 4th quarter 2008 was approximately $20.1 million, representing a 2 percent decrease as compared to 4th quarter 2007 and an 8 percent decrease as compared to 3rd quarter 2008. These changes reflect the result of net portfolio sales for the 4th quarter 2008 and year ended 2008. Total distributions received from investments will be reduced by the sale of investments to reduce our leverage.

Expenses

We incur two types of expenses: (1) operating expenses, consisting primarily of the advisory fee; and (2) leverage costs. On a percentage basis, operating expenses before leverage costs and current taxes were an annualized 1.01 percent of average total assets for the 4th quarter 2008 as compared to 0.99 percent for the 4th quarter 2007 and 0.95 percent for the 3rd quarter 2008. Advisory fees for the 4th quarter 2008, net of expense reimbursement, decreased 27 percent from 3rd quarter 2008 as a result of

(Unaudited)

reduced average managed assets, while other operating expenses, primarily professional fees, increased 37 percent during the same period, primarily as a result of non-recurring expenses associated with the reduction of leverage. The expense reimbursement of 0.10 percent of average monthly managed assets expires after February 28, 2009, as agreed upon at commencement of operations in 2004.

Leverage costs consist of four major components: (1) the direct interest expense on our Tortoise Notes and short-term credit facility; (2) the agent fees, which are the marketing and rating agency costs for the leverage; (3) the realized and unrealized gain or loss on our interest rate swap settlements; and (4) distributions to preferred stockholders.

Total leverage costs for DCF purposes were approximately $5.0 million for the 4th quarter 2008 as compared to $7.7 million for the 4th quarter 2007 and $6.4 million for the 3rd quarter 2008, as detailed below.

	4Q 07	3Q 08	4Q 08
Interest expense	$ 4,764,462	$ 4,476,983	$ 3,771,701
Agent fees	257,906	83,794	78,578
Net realized and unrealized (gain)/loss on interest rate swap settlements	(281,991)	265,945	–
Distributions to preferred stockholders	2,946,572	1,580,036	1,117,970
Total leverage costs	$ 7,686,949	$ 6,406,758	$ 4,968,249
Average outstanding leverage (in millions)	$ 478.2	$ 397.5	$ 318.0

The average annualized total cost of leverage (total leverage costs divided by average outstanding leverage) was 6.28 percent for the 4th quarter 2008 as compared to 6.41 percent for the 3rd quarter 2008, and 6.45 percent for 4th quarter 2007. The decrease of 13 basis points from 3rd quarter 2008 to 4th quarter 2008 is the net result of a decrease in our cost of long-term leverage, increase in the use of our bank line of credit, and the elimination of swap settlement costs.

Our effective cost of fixed-rate leverage as of November 30, 2008 was 6.39 percent including the $210 million aggregate Series A and E Notes, $70 million notional amount of outstanding auction rate securities that have extended auction reset dates, and agent fees. This rate may vary as Notes are redeemed or mature, or extended auction rate leverage is reset or refinanced. This rate does not include balances on our bank line of credit which typically accrue interest at a variable annual rate equal to one-month LIBOR plus 0.75 percent. Additional information on our leverage and restructuring is included in the Liquidity and Capital Resources section below.

While historically we utilized interest rate swap contracts in an attempt to reduce a portion of the interest risk arising from our auction rate leverage, we have now terminated all of our swap contracts as a result of changes in our leverage structure. Information on swap contracts is outlined in Note 12 in our Notes to Financial Statements.

Distributable Cash Flow

For 4th quarter 2008, our DCF was approximately $12.7 million, an increase of 33 percent as compared to 4th quarter 2007 and 2 percent as compared to 3rd quarter 2008. These increases are the net result of lower total distributions received from investments which were more than offset by reduced expenses, primarily advisory fees and leverage costs, as outlined above. We paid a distribution of $13.1 million, or 103.7 percent of DCF, during the quarter. On a per share basis, we declared a $0.56 distribution on November 10, 2008. This is an increase of 1.4 percent as compared to 4th quarter 2007 and is equal to the distribution paid in 3rd quarter 2008. For the fiscal year ended November 30, 2008, we paid a total distribution of $2.2325 per share representing 105.7 percent of DCF. This is an increase of approximately 2 percent as compared to total distributions of $2.1875 per share for the fiscal year ended November 30, 2007.

Factoring in recent portfolio sales to fund leverage reductions, moderate to no increases in projected distribution income from MLPs, the management fee change and our cost of leverage, we currently expect to pay quarterly distributions to our stockholders of not less than $0.54 during fiscal year 2009. This represents a current estimate and is subject to change based upon actual results and Board approval.

Liquidity and Capital Resources

We had total assets of $692 million at fiscal year end. Our total assets reflect the value of our investments, which are itemized in the Schedule of Investments. It also reflects cash, interest and other receivables, deferred tax asset and any expenses that may have been prepaid. During 4th quarter 2008, total assets decreased from approximately $1.151 billion to $692 million, a decrease of $459 million. This change was primarily the result of unrealized depreciation of investments of approximately $351 million (excluding return of capital on distributions during the quarter), net MLP portfolio sales of $76 million, the sale of $50 million in cash equivalents and net proceeds of approximately $26.5 million from the issuance of 1,100,000 common shares completed during the quarter.

As a result of the substantial decline in our market value and the need to maintain our asset coverage ratios, we redeemed the $50 million Series B Notes and paid off the $66.8 million balance on our short-term credit facility during 4th quarter 2008. In addition, we deposited $20.4 million in escrow to partially fund the $40 million Series E Notes redemption completed on December 3, 2008. These actions were funded through sales of MLPs and cash equivalents and proceeds from the common stock issuance. Details of these transactions are disclosed in our Notes to Financial Statements.

Total leverage outstanding at November 30, 2008 of $280 million is comprised of $210 million in senior notes and $70 million in preferred shares. Total leverage decreased approximately $117 million during the quarter and $157 million including the $40 million notes redemption completed on December 3, 2008. Total leverage represented 40.5 percent of total assets, above our target ratio of 33 percent of total assets. In the future, our leverage ratio could be favorably impacted by increases in MLP values to historical norms, issuance of equity and the sale of securities to reduce leverage.

We have used leverage to acquire MLPs consistent with our investment philosophy. The terms of our leverage are governed by regulatory and contractual asset coverage requirements that arise from the use of leverage. Under the 1940 Act, we may not pay distributions to our common stockholders if we do not meet a 300 percent asset coverage ratio for debt and 200 percent asset coverage ratio for debt and preferred shares after payment of the distribution, and we may not pay distributions on our preferred shares if we fail to meet a 200 percent asset coverage ratio on our debt. Under the agreement with our bank lenders, if portfolio values decline such that we no longer meet the asset coverage ratios under the 1940 Act, we must repay a portion of our bank line until we meet the coverage requirement. Further, under the terms of our institutional senior notes and preferred shares, if we fail to meet basic maintenance ratios as of any valuation date (generally Fridays) or fail to satisfy the 1940 Act asset coverage as of the last business day of any month, we could be subject to mandatory redemption of the senior notes or preferred shares if such failure is not waived or cured. In some cases we may be delayed in paying common stock or preferred share distributions until such coverage ratios can be met.

As disclosed in Section 18 of the 1940 Act, the 300 percent asset coverage ratio for debt is equal to total assets less all liabilities and indebtedness not represented by debt divided by debt. The 200 percent asset coverage ratio for preferred shares is equal to the same numerator as the 300 percent test divided by the sum of debt and preferred shares. Deferred tax assets are a component of total assets in calculation of these ratios.

Taxation of our Distributions and Deferred Taxes

We invest in partnerships which generally have larger distributions of cash than the accounting income which they generate. Accordingly, the distributions include a return of capital component for accounting and tax purposes. Distributions declared and paid by us in a year generally differ from taxable income for that year, as such distributions may include the distribution of current year taxable income or return of capital.

The taxability of the distribution you receive depends on whether we have annual earnings and profits. If so, those earnings and profits are first allocated to the preferred shares and then to the common shares.

In the event we have earnings and profits allocated to our common shares, all or a portion of our distribution will be taxable at the 15 percent Qualified Dividend Income ("QDI") rate, assuming various holding requirements are met by the stockholder. The portion of our distribution that is taxable may vary for either of two reasons: first, the characterization of the distributions we receive from MLPs could change annually based upon the K-1s we receive and become less return of capital and more in the form of income. Second, we could sell an MLP investment and realize a gain or loss at any time. It is for these reasons that we inform you of the tax treatment after the close of each year as the ultimate result is undeterminable until the year is over.

As a result of the net investment loss for the fiscal year and partnership losses passed through on K-1's from our MLP investments, we had no earnings and profits for the year ended November 30, 2008. For book and tax purposes, distributions to stockholders for the fiscal year ended 2008 were comprised of 100 percent return of capital. This information will be reported to stockholders on Form 1099-DIV and is available on our web site at www.tortoiseadvisors.com.

The unrealized gain or loss we have in the portfolio is reflected in the Statement of Assets and Liabilities. At November 30, 2008, our investments at value are $651 million, with an adjusted cost of $692 million. The $41 million difference reflects unrealized depreciation that would be realized for financial statement purposes if those investments were sold at those values. The Statement of Assets and Liabilities reflects either a deferred tax liability or deferred tax asset depending primarily upon unrealized gains (losses) on investments, realized gains (losses) on investments and net operating losses. At November 30, 2008, the balance sheet reflects a deferred tax asset of approximately $17 million or $0.72 per share.

The deferred tax asset of approximately $17 million reflects the benefit we have determined will be realized in future periods under generally accepted accounting principles. Realization of a deferred tax asset is dependent on whether there will be sufficient future taxable income within the carryforward periods to realize a portion or all of the deferred tax benefit. The carryforward period for ordinary losses to offset ordinary income is 20 years while capital losses can be carried forward 5 years to offset capital gains. A valuation allowance against the deferred tax asset is needed when, based on the weight of the available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized. Our valuation allowance policy is based upon our estimation of potential future taxable income and is in conformity with generally accepted accounting principles. If we do not believe we can use a deferred tax asset in a relatively short period, in our case three years or less, we create a valuation allowance against the current gross deferred tax asset. At November 30, 2008, we had a gross deferred tax asset of approximately $17 million, against which there was no valuation allowance. Our Adviser does not charge an advisory fee based upon net deferred tax assets. Details of our deferred taxes are disclosed in Note 5 in our Notes to Financial Statements.

(Unaudited)

November 30, 2008

	Shares	Fair Value
Master Limited Partnerships and Related Companies — 159.6%[1]		
Crude/Refined Products Pipelines — 80.3%[1]		
United States — 80.3%[1]		
Buckeye Partners, L.P.	415,074	$ 15,241,517
Enbridge Energy Partners, L.P.	713,745	20,163,296
Enbridge Energy Partners, L.P.[2][3]	1,077,832	30,071,502
Holly Energy Partners, L.P.	417,370	8,351,574
Kinder Morgan Management, LLC[3]	1,465,107	60,435,664
Magellan Midstream Partners, L.P.	1,763,298	52,934,206
NuStar Energy L.P.	1,023,389	40,730,882
NuStar GP Holdings, LLC	131,228	2,131,143
Plains All American Pipeline, L.P.	1,290,831	44,133,512
SemGroup Energy Partners, L.P.	342,162	906,729
Sunoco Logistics Partners L.P.	848,733	37,743,157
TEPPCO Partners, L.P.	516,918	11,728,869
TransMontaigne Partners L.P.	167,900	2,350,600
		326,922,651
Natural Gas/Natural Gas Liquids Pipelines — 50.9%[1]		
United States — 50.9%[1]		
Boardwalk Pipeline Partners, LP	939,693	19,912,095
El Paso Pipeline Partners, L.P.	1,061,700	18,728,388
El Paso Pipeline Partners, L.P.[2]	291,000	5,031,390
Energy Transfer Equity, L.P.	557,310	9,190,042
Energy Transfer Partners, L.P.	1,537,995	50,953,774
Enterprise GP Holdings L.P.	67,993	1,270,109
Enterprise Products Partners L.P.	2,038,861	43,570,460
ONEOK Partners, L.P.	182,821	8,524,943
Spectra Energy Partners, LP	445,470	8,909,400
TC PipeLines, LP	1,271,206	28,691,119
Williams Pipeline Partners L.P.	836,875	12,343,906
		207,125,626
Natural Gas Gathering/Processing — 17.8%[1]		
United States — 17.8%[1]		
Copano Energy, L.L.C.	1,238,789	14,877,856
Copano Energy, L.L.C.[2][4]	285,740	2,820,254
Crosstex Energy, L.P.	477,740	2,856,885
Crosstex Energy, L.P.[2][4]	193,767	1,104,472
DCP Midstream Partners, LP	406,850	3,336,170
Duncan Energy Partners L.P.	392,298	5,068,490
Exterran Partners, L.P.	322,193	3,502,238
MarkWest Energy Partners, L.P.	2,201,640	28,114,943
Targa Resources Partners LP	321,426	2,786,763
Western Gas Partners LP	205,075	2,748,005
Williams Partners L.P.	393,200	5,520,528
		72,736,604
Propane Distribution — 7.8%[1]		
United States — 7.8%[1]		
Inergy, L.P.	1,846,374	$ 30,723,663
Inergy Holdings, L.P.	49,715	1,019,158
		31,742,821
Shipping — 2.8%[1]		
Republic of the Marshall Islands — 0.6%[1]		
Teekay LNG Partners L.P.	156,200	2,186,800
United States — 2.2%[1]		
K-Sea Transportation Partners L.P.	596,470	9,096,168
		11,282,968
Total Master Limited Partnerships and Related Companies (Cost $689,975,459)		649,810,670
Short-Term Investment — 0.4%[1]		
United States Investment Company — 0.4%[1]		
First American Government Obligations Fund — Class Y, 1.08%[5] (Cost $1,595,930)	1,595,930	1,595,930
Total Investments — 160.0%[1] (Cost $691,571,389)		651,406,600
Other Assets and Liabilities — 8.8%[1]		35,624,720
Long-Term Debt Obligations — (51.6%)[1]		(210,000,000)
Preferred Shares at Redemption Value — (17.2%)[1]		(70,000,000)
Total Net Assets Applicable to Common Stockholders — 100.0%[1]		$ 407,031,320

(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 $39,027,618 which represents 9.6% of net assets. See Note 7 to the financial statements for further disclosure.
(3) Security distributions are paid-in-kind.
(4) Non-income producing.
(5) Rate indicated is the 7-day effective yield as of November 30, 2008.

See accompanying Notes to Financial Statements.

Statement of Assets & Liabilities

November 30, 2008

Assets	
Investments at fair value (cost $691,571,389)	$ 651,406,600
Cash	394,952
Restricted cash	20,400,000
Receivable for Adviser expense reimbursement	124,390
Receivable for investments sold	1,113,696
Dividend receivable	6,802
Deferred tax asset	16,887,860
Prepaid expenses and other assets	1,848,475
Total assets	692,182,775
Liabilities	
Payable to Adviser	1,181,699
Distribution payable to common stockholders	1,680,593
Accrued expenses and other liabilities	1,636,318
Current tax liability	652,845
Long-term debt obligations	210,000,000
Total liabilities	215,151,455
Preferred Stock	
$25,000 liquidation value per share applicable to 2,800 outstanding shares (15,000 shares authorized)	70,000,000
Net assets applicable to common stockholders	$ 407,031,320
Net Assets Applicable to Common Stockholders Consist of:	
Capital stock, $0.001 par value; 23,442,791 shares issued and outstanding (100,000,000 shares authorized)	$ 23,443
Additional paid-in capital	436,876,844
Accumulated net investment loss, net of income taxes	(33,228,383)
Undistributed realized gain, net of income taxes	28,183,595
Net unrealized depreciation of investments, net of income taxes	(24,824,179)
Net assets applicable to common stockholders	$ 407,031,320
Net Asset Value per common share outstanding (net assets applicable to common stock, divided by common shares outstanding)	$ 17.36

Statement of Operations

Year Ended November 30, 2008

Investment Income	
Distributions from master limited partnerships (including $3,587,680 from affiliates)	$ 72,536,827
Less return of capital on distributions (including $2,995,638 from affiliates)	(59,264,490)
Net distributions from master limited partnerships	13,272,337
Dividends from common stock	77,647
Dividends from money market mutual funds	344,437
Other income	393,333
Total Investment Income	14,087,754
Operating Expenses	
Advisory fees	10,452,137
Administrator fees	467,293
Professional fees	445,374
Directors' fees	151,976
Custodian fees and expenses	125,994
Reports to stockholders	121,397
Fund accounting fees	80,121
Registration fees	70,151
Stock transfer agent fees	9,937
Other expenses	67,430
Total Operating Expenses	11,991,810
Interest expense	16,724,005
Amortization of debt issuance costs	2,318,044
Agent fees	534,357
Total Interest, Debt Issuance and Agent Fees	19,576,406
Total Expenses	31,568,216
Less expense reimbursement by Adviser	(1,100,225)
Net Expenses	30,467,991
Net Investment Loss, before Income Taxes	(16,380,237)
Current tax expense	(260,089)
Deferred tax benefit	5,753,591
Income tax benefit, net	5,493,502
Net Investment Loss	(10,886,735)
Realized and Unrealized Gain (Loss) on Investments and Interest Rate Swaps	
Net realized gain on investments (including $67,244 from affiliate)	2,946,248
Net realized loss on interest rate swap settlements	(1,827,861)
Net realized loss on termination of interest rate swap contracts	(13,983,513)
Net realized loss, before income taxes	(12,865,126)
Deferred tax benefit	5,017,734
Net realized loss on investments and interest rate swaps	(7,847,392)
Net unrealized depreciation of investments	(457,740,559)
Net unrealized appreciation of interest rate swap contracts	10,967,363
Net unrealized depreciation, before income taxes	(446,773,196)
Deferred tax benefit	174,253,172
Net unrealized depreciation of investments and interest rate swap contracts	(272,520,024)
Net Realized and Unrealized Loss on Investments and Interest Rate Swaps	(280,367,416)
Distributions to Preferred Stockholders	(8,341,046)
Net Decrease in Net Assets Applicable to Common Stockholders Resulting from Operations	$(299,595,197)

See accompanying Notes to Financial Statements.

Statement of Changes in Net Assets

Year Ended November 30

	2008	2007
Operations		
Net investment loss	$ (10,886,735)	$ (12,470,739)
Net realized gain (loss) on investments and interest rate swaps	(7,847,392)	26,630,652
Net unrealized appreciation (depreciation) of investments and interest rate swap contracts	(272,520,024)	51,659,116
Distributions to preferred stockholders	(8,341,046)	(7,250,380)
Net increase (decrease) in net assets applicable to common stockholders resulting from operations	(299,595,197)	58,568,649
Distributions to Common Stockholders		
Net investment income	–	–
Return of capital	(48,536,120)	(40,702,410)
Total distributions to common stockholders	(48,536,120)	(40,702,410)
Capital Stock Transactions		
Proceeds from shelf offerings of 4,527,450 and 1,927,915 common shares, respectively	138,775,832	68,101,321
Underwriting discounts and offering expenses associated with the issuance of common stock	(5,468,353)	(2,311,224)
Underwriting discounts and offering expenses associated with the issuance of preferred stock	(40,250)	(1,408,368)
Issuance of 154,900 and 100,461 common shares from reinvestment of distributions to stockholders, respectively	4,648,241	3,730,843
Net increase in net assets, applicable to common stockholders, from capital stock transactions	137,915,470	68,112,572
Cumulative effect of adopting Financial Accounting Standards Board Interpretation No. 48 (Note 5)	(1,165,009)	–
Total increase (decrease) in net assets applicable to common stockholders	(211,380,856)	85,978,811
Net Assets		
Beginning of year	618,412,176	532,433,365
End of year	$ 407,031,320	$ 618,412,176
Accumulated net investment loss, net of income taxes, at the end of year	$ (33,228,383)	$ (21,176,639)

See accompanying Notes to Financial Statements.

Statement of Cash Flows

Year Ended November 30, 2008

Cash Flows From Operating Activities	
Distributions received from master limited partnerships	$ 72,536,827
Interest and dividend income received	419,300
Purchases of long-term investments	(63,757,617)
Proceeds from sales of long-term investments	156,139,140
Purchases of short-term investments, net	(1,431,537)
Payments on interest rate swaps, net	(17,534,435)
Other income received	393,333
Interest expense paid	(16,055,073)
Income taxes paid	(830,359)
Operating expenses paid	(11,712,393)
Net cash provided by operating activities	118,167,186
Cash Flows From Financing Activities	
Advances from revolving line of credit	258,200,000
Repayments on revolving line of credit	(296,250,000)
Issuance of common stock	138,775,832
Redemption of preferred stock	(115,000,000)
Issuance of long-term debt obligations	150,000,000
Redemption of long-term debt obligations	(175,000,000)
Cash deposited in escrow account for retirement of long-term debt obligations	(20,400,000)
Common and preferred stock issuance costs	(5,411,618)
Debt issuance costs	(602,854)
Distributions paid to common stockholders	(43,456,574)
Distributions paid to preferred stockholders	(8,627,020)
Net cash used in financing activities	(117,772,234)
Net change in cash	394,952
Cash – beginning of year	–
Cash – end of year	$ 394,952

Reconciliation of net decrease in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities	
Net decrease in net assets applicable to common stockholders resulting from operations	$ (299,595,197)
Adjustments to reconcile net decrease in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities:	
Purchases of long-term investments	(63,757,617)
Return of capital on distributions received	59,264,490
Proceeds from sales of long-term investments	149,994,400
Purchases of short-term investments, net	(1,431,537)
Deferred tax benefit	(185,024,497)
Effect of FIN 48 adoption	(1,165,009)
Net unrealized depreciation of investments and interest rate swap contracts	446,773,196
Net realized gain on investments	(2,946,248)
Amortization of debt issuance costs	2,318,044
Distributions to preferred stockholders	8,341,046
Changes in operating assets and liabilities:	
Increase in interest, dividend and distribution receivable	(2,784)
Decrease in prepaid expenses and other assets	232,903
Decrease in receivable for investments sold	6,144,740
Decrease in payable for termination of interest rate swap contracts	(1,722,483)
Increase in current tax liability	594,739
Decrease in payable to Adviser, net of expense reimbursement	(767,777)
Increase in accrued expenses and other liabilities	916,777
Total adjustments	417,762,383
Net cash provided by operating activities	$ 118,167,186
Non-Cash Financing Activities	
Reinvestment of distributions by common stockholders in additional common shares	$ 4,648,241

See accompanying Notes to Financial Statements.

Financial Highlights

	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Per Common Share Data[2]					
Net Asset Value, beginning of period	$ 32.96	$ 31.82	$ 27.12	$ 26.53	$ –
Public offering price	–	–	–	–	25.00
Underwriting discounts and offering costs on issuance of common and preferred stock[3]	(0.01)	(0.08)	(0.14)	(0.02)	(1.23)
Premiums less underwriting discounts and offering costs on offerings[4]	0.09	0.08	–	–	–
Income (loss) from Investment Operations:					
Net investment loss[5][6]	(0.29)	(0.61)	(0.32)	(0.16)	(0.03)
Net realized and unrealized gains (losses) on investments and interest rate swap contracts[5][6]	(12.76)	4.33	7.41	2.67	3.77
Total increase (decrease) from investment operations	(13.05)	3.72	7.09	2.51	3.74
Less Distributions to Preferred Stockholders:					
Net investment income	–	–	–	–	–
Return of capital	(0.40)	(0.39)	(0.23)	(0.11)	(0.01)
Total distributions to preferred stockholders	(0.40)	(0.39)	(0.23)	(0.11)	(0.01)
Less Distributions to Common Stockholders:					
Net investment income	–	–	–	–	–
Return of capital	(2.23)	(2.19)	(2.02)	(1.79)	(0.97)
Total distributions to common stockholders	(2.23)	(2.19)	(2.02)	(1.79)	(0.97)
Net Asset Value, end of period	$ 17.36	$ 32.96	$ 31.82	$ 27.12	$ 26.53
Per common share market value, end of period	$ 17.11	$ 32.46	$ 36.13	$ 28.72	$ 27.06
Total Investment Return Based on Market Value[7]	(42.47)%	(4.43)%	34.50%	13.06%	12.51%
Supplemental Data and Ratios					
Net assets applicable to common stockholders, end of period (000's)	$ 407,031	$ 618,412	$ 532,433	$ 404,274	$ 336,553
Ratio of expenses (including current and deferred income tax (benefit) expense) to average net assets before waiver[8][9][10]	(26.73)%	11.19%	20.03%	9.10%	15.20%
Ratio of expenses (including current and deferred income tax (benefit) expense) to average net assets after waiver[8][9][10]	(26.92)%	11.00%	19.81%	8.73%	14.92%
Ratio of expenses (excluding current and deferred income tax (benefit) expense) to average net assets before waiver[8][9][11]	5.51%	4.75%	3.97%	3.15%	2.01%
Ratio of expenses (excluding current and deferred income tax (benefit) expense) to average net assets after waiver[8][9][11]	5.32%	4.56%	3.75%	2.78%	1.73%
Ratio of expenses (excluding current and deferred income tax (benefit) expense), without regard to non-recurring organizational expenses, to average net assets before waiver[8][9][11]	5.51%	4.75%	3.97%	3.15%	1.90%
Ratio of expenses (excluding current and deferred income tax (benefit) expense), without regard to non-recurring organizational expenses, to average net assets after waiver[8][9][11]	5.32%	4.56%	3.75%	2.78%	1.62%
Ratio of net investment loss to average net assets before waiver[8][9][11]	(3.05)%	(3.24)%	(2.24)%	(1.42)%	(0.45)%
Ratio of net investment loss to average net assets after waiver[8][9][11]	(2.86)%	(3.05)%	(2.02)%	(1.05)%	(0.17)%

See accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

(Continued)

	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit (expense), before waiver[8][9][10]	29.19%	(9.68)%	(18.31)%	(7.37)%	(13.37)%
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit (expense), after waiver[8][9][10]	29.38%	(9.49)%	(18.09)%	(7.00)%	(13.65)%
Portfolio turnover rate[8]	5.81%	9.30%	2.18%	4.92%	1.83%
Short-term borrowings, end of period (000's)	–	$ 38,050	$ 32,450	–	–
Long-term debt obligations, end of period (000's)	$210,000	$235,000	$165,000	$165,000	$110,000
Preferred stock, end of period (000's)	$ 70,000	$185,000	$ 70,000	$ 70,000	$ 35,000
Per common share amount of long-term debt obligations outstanding, at end of period	$ 8.96	$ 12.53	$ 9.86	$ 11.07	$ 8.67
Per common share amount of net assets, excluding long-term debt obligations, at end of period	$ 26.32	$ 45.49	$ 41.68	$ 38.19	$ 35.21
Asset coverage, per $1,000 of principal amount of long-term debt obligations and short-term borrowings[12][13]	$ 3,509	$ 3,942	$ 4,051	$ 3,874	$ 4,378
Asset coverage ratio of long-term debt obligations and short-term borrowings[12][13]	351%	394%	405%	387%	438%
Asset coverage, per $25,000 liquidation value per share of preferred stock[14]	$170,225	$108,569	$215,155	$169,383	$265,395
Asset coverage, per $25,000 liquidation value per share of preferred stock[13][15]	$ 64,099	$ 58,752	$ 74,769	$ 68,008	$ 83,026
Asset coverage ratio of preferred stock[13][15]	256%	235%	299%	272%	332%

(1) Commencement of Operations.

(2) Information presented relates to a share of common stock outstanding for the entire period.

(3) Represents the dilution per common share from underwriting and other offering costs for the year ended November 30, 2008. Represents the effect of the issuance of preferred stock for the year ended November 30, 2007. Represents the dilution per common share from underwriting and other offering costs for the year ended November 30, 2006. Represents the effect of the issuance of preferred stock for the year ended November 30, 2005. Represents $(1.17) and $(0.06) for the issuance of common and preferred stock, respectively, for the period from February 27, 2004 through November 30, 2004.

(4) Represents the premium on the shelf offerings of $0.34 per share, less the underwriting and offering costs of $0.25 per share for the year ended November 30, 2008. Represents the premium on the shelf offerings of $0.21 per share, less the underwriting and offering costs of $0.13 per share for the year ended November 30, 2007. The amount is less than $0.01 per share, and represents the premium on the secondary offering of $0.14 per share, less the underwriting discounts and offering costs of $0.14 per share for the year ended November 30, 2005.

(5) The per common share data for the periods ended November 30, 2008, 2007, 2006, 2005 and 2004 do not reflect the change in estimate of investment income and return of capital, for the respective period. See Note 2C to the financial statements for further disclosure.

(6) The per common share data for the year ended November 30, 2008 reflects the cumulative effect of adopting FIN 48, which was a $1,165,009 increase to the beginning balance of accumulated net investment loss, or $(0.06) per share. See Note 5 to the financial statements for further disclosure.

(7) Not annualized. Total investment return is calculated assuming a purchase of common stock at the beginning of the 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.

(8) Annualized for periods less than one full year.

(9) The expense ratios and net investment income (loss) ratios do not reflect the effect of distributions to preferred stockholders.

(10) For the year ended November 30, 2008, the Company accrued $260,089 for current tax expense and $185,024,497 for deferred income tax benefit. The Company accrued $42,516,321, $71,661,802, $24,659,420 and $30,330,018 for the years ended November 30, 2007, 2006 and 2005 and for the period from February 27, 2004 through November 30, 2004, respectively, for current and deferred income tax expense.

(11) The ratio excludes the impact of current and deferred income taxes.

(12) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations, short-term borrowings and preferred stock at the end of the period divided by long-term debt obligations and short-term borrowings outstanding at the end of the period.

(13) As of November 30, 2008, the Company had restricted cash in the amount of $20,400,000 to be used to redeem long-term debt obligations with a par value of $20,000,000, which are excluded from these asset coverage calculations. See Note 15 to the financial statements for further disclosure.

(14) Represents value of total assets less all liabilities and indebtedness not represented by preferred stock at the end of the period divided by preferred stock outstanding at the end of the period, assuming the retirement of all long-term debt obligations and short-term borrowings.

(15) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations, short-term borrowings and preferred stock at the end of the period divided by long-term debt obligations, short-term borrowings and preferred stock outstanding at the end of the period.

See accompanying Notes to Financial Statements.

1. Organization

Tortoise Energy Infrastructure Corporation (the "Company") was organized as a Maryland corporation on October 29, 2003, 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 investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. The Company seeks to provide its stockholders with an efficient vehicle to invest in the energy infrastructure sector. The Company commenced operations on February 27, 2004. The Company's stock is listed on the New York Stock Exchange under the symbol "TYG."

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. The Company values those securities at their last sale price on that exchange on the valuation date. If the security is listed on more than one exchange, the Company will use the price of 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 NASDAQ on such day, the security will be valued at the mean between bid and ask price on such day.

The Company may invest up to 30 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 will 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 a fair value procedure.

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 determined for the discount.

Effective December 1, 2007, the Company adopted Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ("SFAS 157"). SFAS 157 defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles and expands disclosures about fair value measurements. SFAS 157 is applicable in conjunction with other accounting pronouncements that require or permit fair value measurements, but does not expand the use of fair value to any new circumstances. More specifically, SFAS 157 emphasizes that fair value is a market based measurement, not an entity-specific measurement, and sets out a fair value hierarchy with the highest priority given to quoted prices in active markets and the lowest priority to unobservable inputs. The Company's adoption of SFAS 157 did not have a material impact on its financial condition or results of operations. See Note 6 — Fair Value of Financial Instruments for further disclosure.

The Company generally values short-term 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 MLP. The Company records 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 information 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, 2006 through November 30, 2007, 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 had estimated approximately 14 percent as investment income and approximately 86 percent as return of capital. Subsequent to November 30, 2007, the Company reclassified the amount of investment income and return of capital it recognized based on the 2007 tax reporting information received from the individual MLPs. This reclassification amounted to an increase in pre-tax net investment income of approximately $3,542,000 or $0.151 per share ($2,161,000 or $0.092 per share, net of deferred tax expense); a decrease in unrealized appreciation of investments of approximately $3,882,000 or $0.166 per share ($2,368,000 or $0.101 per share, net of deferred tax benefit) and an increase in realized gains on investments of approximately $340,000 or $0.015 per share ($207,000 or $0.009 per share, net of deferred tax expense) for the year ended November 30, 2008.

D. Distributions to Stockholders

Distributions to common stockholders are recorded on the ex-dividend date. The Company may not declare or pay distributions to its common stockholders if it does not meet asset coverage ratios required under the 1940 Act or the rating agency guidelines for its notes and preferred stock following such distribution. The character of distributions to common stockholders made during the year may differ from their ultimate characterization for federal income tax purposes. For the year ended November 30, 2008, the Company's distributions for book and tax purposes were comprised of 100 percent return of capital.

Distributions to preferred stockholders are based on variable rates set at auctions, normally held every 28 days unless a special rate period is designated. The Company may not declare or pay distributions to its preferred stockholders if it does not meet a 200 percent asset coverage ratio for its notes or the rating agency basic maintenance amount for the notes following such distribution. Distributions to preferred stockholders are accrued on a daily basis for the subsequent rate period at a rate determined on the auction date. Distributions to preferred stockholders are payable on the first day following the end of the rate period or the first day of the month if the rate period is longer than one month. For the year ended November 30, 2008, the Company's distributions for book and tax purposes were comprised of 100 percent return of capital.

E. Federal Income Taxation

The Company, as a corporation, is obligated to pay federal and state income tax on its taxable income. Currently, the highest regular marginal federal income tax rate for a corporation is 35 percent; however, the Company anticipates a marginal effective rate of 34.5 percent due to expectations of the level of taxable income relative to the federal graduated tax rates, including the tax rate anticipated when temporary differences reverse. The Company may be subject to a 20 percent federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax.

The Company invests its assets primarily 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. The Company's tax expense or benefit is included in the Statement of Operations based on the component of income or gains (losses) to which such expense or benefit relates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized.

On December 1, 2007, the Company adopted the provisions of the Financial Accounting Standards Board Interpretation No. 48 ("FIN 48"), *Accounting for Uncertainty in Income Taxes.* FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. For additional information regarding the adoption of FIN 48, see Note 5 – Income Taxes.

F. Organization Expenses, Offering and Debt Issuance Costs

The Company is responsible for paying all organizational expenses, which were expensed as incurred. Offering costs related to the issuance of common and preferred stock are charged to additional paid-in capital when the stock is issued. Offering costs (excluding underwriter commissions) of $110,097, $140,823, $140,896 and $115,000 were charged to additional paid-in capital for the issuance of common stock in December 2007, February 2008, June 2008 and September 2008, respectively. Offering costs of $21,000 and $19,250 related to the issuance of preferred stock in April 2007 and August 2007, respectively, were charged to additional paid-in capital during the year ended November 30, 2008. Debt issuance costs related to long-term debt obligations are capitalized and amortized over the period the debt is outstanding. The amount of such capitalized costs for the Series E Senior Notes issued in April 2008 was $553,854.

G. Derivative Financial Instruments

The Company may use derivative financial instruments (principally interest rate swap contracts) in an attempt 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 derivative instruments included as unrealized gains or losses in the accompanying Statement of Operations. Monthly cash settlements under the terms of the derivative instruments and the termination of such contracts are recorded as realized gains or losses in the accompanying 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

In March 2008, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 161 ("SFAS 161"), *Disclosures about Derivative Instruments and Hedging Activities – an amendment of FASB Statement No. 133,* which requires enhanced disclosures about an entity's derivative and hedging activities. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments; (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The Company does not have any outstanding derivative instruments at November 30, 2008 and the adoption of SFAS 161 is not expected to have an impact on the Company's financial statements and related disclosure.

3. Concentration of Risk

The Company's investment objective is to seek a high level of total return with an emphasis on current distributions paid to its stockholders. Under normal circumstances, the Company intends to invest at least 90 percent of its total assets in securities of energy infrastructure companies, and to invest at least 70 percent of its total assets in equity securities of MLPs. The Company will not invest more than 10 percent of its total assets in any single issuer as of the time of purchase. The Company may invest up to 25 percent of its assets in debt securities, which may include below investment grade 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 and excluding any net deferred tax asset) minus accrued liabilities (other than net deferred tax liability, 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. Effective March 1, 2006 through February 28, 2009, the Adviser has agreed to waive or reimburse the Company for fees and expenses in an amount equal to 0.10 percent of the average monthly Managed Assets of the Company.

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 0.015 percent on the first $100,000,000 of the Company's portfolio assets and 0.01 percent on the balance of the Company's portfolio assets.

5. Income Taxes

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting and tax purposes. Components of the Company's deferred tax assets and liabilities as of November 30, 2008, are as follows:

Deferred tax assets:	
Net operating loss carryforwards	$32,875,544
Net unrealized losses on investment securities	14,710,504
Deferred expense associated with interest rate swap terminations	1,935,322
Organization costs	4,465
	49,525,835
Deferred tax liabilities:	
Basis reduction of investment in MLPs	32,637,975
Total net deferred tax asset	$16,887,860

At November 30, 2008, a valuation allowance was not recorded because the Company believes it is more likely than not that there is an ability to realize its deferred tax assets based on the Company's estimates of future taxable income. The determination not to record a valuation allowance was primarily based on the amount and timing of distributions to be received from portfolio companies. Any adjustments to those estimates will be made in the period such determination is made.

Total income tax benefit differs from the amount computed by applying the federal statutory income tax rate of 34.5 percent to net investment loss and realized and unrealized losses on investments and interest rate swap contracts before taxes for the year ended November 30, 2008, as follows:

Application of statutory income tax rate	$(164,226,403)
State income taxes, net of federal tax effect	(10,805,621)
Foreign taxes, net of federal tax effect	895,217
Change in state income taxes, including elimination of reserve for unrecognized tax benefits for state income taxes	(10,627,601)
Total income tax benefit	$(184,764,408)

Total income taxes are computed by applying the federal statutory rate plus a blended state income tax rate. During the period, the Company re-evaluated its overall federal and state income tax rate, decreasing it from 39.00 percent to 36.77 percent, primarily due to the elimination of the reserve for unrecognized tax benefits as discussed below. The cumulative effect of adopting FIN 48 was a $1,165,009 increase to the beginning balance of accumulated net investment loss.

On December 1, 2007, the Company re-evaluated its anticipated state tax positions, resulting in a reclass of approximately $15 million from deferred tax liability to other liabilities as a result of the implementation of FIN 48 and related to anticipated rates at which state taxes are expected to be paid versus reserved. The Company's policy is to record interest and penalties on uncertain tax positions as part of tax expense. No interest or penalties were accrued at November 30, 2008 or for the year then ended. All tax years since inception remain open to examination by federal and state tax authorities. The following table shows a reconciliation of the beginning and ending amount of unrecognized tax benefits.

Unrecognized tax benefits:	
Balance at December 1, 2007	$ 15,387,454
Reductions relating to tax positions taken in prior years	(15,387,454)
Balance at November 30, 2008	$ –

Management determined the reserve for unrecognized tax benefits is not necessary when the net temporary differences represent future deductible amounts rather than future taxable amounts. The Company does not expect any change in such amount of unrecognized tax benefits to be recorded over the next twelve months subsequent to November 30, 2008.

For the year ended November 30, 2008, the components of income tax benefit include current foreign tax expense (for which the federal tax effect is reflected as a deferred tax benefit) of $1,415,854, federal alternative minimum tax of $9,244, and other current federal and state income tax benefits (net of federal tax effect) of $1,148,952 and $16,057, respectively, and deferred federal and state income tax benefit (net of federal tax effect) of $174,234,933 and $10,789,564, respectively. As of November 30, 2008, the Company had a net operating loss for federal income tax purposes of approximately $89,829,000. The amount of the net operating loss generated in the year ending November 30, 2008 of $47,625,000 was reflected as a tax benefit for such year. The net operating loss may be carried forward for 20 years. If not utilized, this net operating loss will expire as follows: $2,883,000, $15,979,000, $22,275,000, $1,067,000 and $47,625,000 in the years ending November 30, 2024, 2025, 2026, 2027 and 2028, respectively. As of November 30, 2008, an alternative minimum tax credit of $67,228 was available, which may be credited in the future against regular income tax. This credit may be carried forward indefinitely.

As of November 30, 2008, the aggregate cost of securities for federal income tax purposes was $602,626,047. At November 30, 2008, the aggregate gross unrealized appreciation for all securities in which there was an excess of fair value over tax cost was $146,801,415, the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over fair value was $98,020,862 and the net unrealized appreciation was $48,780,553.

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 by level within the fair value hierarchy as of November 30, 2008. These assets are measured on a recurring basis.

		Fair Value Measurements at Reporting Date Using		
Description	Fair Value at November 30, 2008	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments	$651,406,600	$612,378,982	$35,102,892	$3,924,726

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3) for Investments
	For the year ended November 30, 2008
Fair value beginning balance	$ –
Total unrealized losses included in net decrease in net assets applicable to common stockholders	(8,776,655)
Net purchases, issuances and settlements	7,500,675
Return of capital adjustments impacting cost basis of security	–
Transfers into Level 3	5,200,706
Fair value ending balance	$ 3,924,726

Upon adoption of FAS 157, the Company utilized an end of reporting period method for determining transfers into or out of Level 3 for quarterly reporting purposes through August 31, 2008. Under this method, the fair value of the asset (or liability, as applicable) at the end of the period was disclosed as a transfer into or out of Level 3, gains or losses for an asset that transferred into Level 3 during the period were excluded from the reconciliation, and gains or losses for an asset that transferred out of Level 3 were included in the reconciliation. The Company has determined that the beginning of reporting period method provides greater transparency of the effect that unobservable inputs have on fair value measures and, accordingly, this method is the basis for presenting the rollforward in the preceding table. Under this method, the fair value of the asset at the beginning of the period will be disclosed as a transfer into or out of Level 3, gains or losses for an asset that transfers into Level 3 during the period will be included in the reconciliation, and gains or losses for an asset that transfers out of Level 3 will be excluded from the reconciliation.

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 number of units held, acquisition date, acquisition cost, fair value per unit and percent of net assets which the securities comprise at November 30, 2008.

Investment Security		Number of Units	Acquisition Date	Acquisition Cost	Fair Value Per Unit	Fair Value as Percent of Net Assets
Copano Energy, L.L.C.	Class D Common Units	285,740	3/14/08	$ 7,500,675	$ 9.87	0.7 %
Crosstex Energy, L.P.	Series D Subordinated Units	193,767	3/23/07	5,000,002	5.70	0.3
El Paso Pipeline Partners, L.P.	Common Units	291,000	9/30/08	4,999,962	17.29	1.2
Enbridge Energy Partners, L.P.	Class C Common Units	1,077,832	4/02/07	50,000,000	27.90	7.4
				$67,500,639		9.6 %

The carrying value per unit of unrestricted common units of Copano Energy, L.L.C. was $35.90 on March 7, 2008, the date of the purchase agreement and date an enforceable right to acquire the restricted Copano Energy, L.L.C. units was obtained by the Company. The carrying value per unit of unrestricted common units of El Paso Pipeline Partners, L.P. was $16.07 on September 30, 2008, the date of the purchase agreement and date an enforceable right to acquire the restricted El Paso Pipeline Partners, L.P. units was obtained by the Company.

8. Investments in Affiliates

Investments representing 5 percent or more of the outstanding voting securities of a portfolio company result in that company being considered an affiliated company, as defined in the 1940 Act. There were no affiliated securities held by the Company as of November 30, 2008. A summary of affiliated transactions for each company which was an affiliate during the year ended November 30, 2008, is as follows:

	Share Balance 11/30/07	Gross Additions	Gross Reduc-tions	Realized Gain (Loss)	Gross Distri-butions Received	November 30, 2008 Share Balance	November 30, 2008 Value
Holly Energy Partners, L.P. (1)	427,070	$ –	$199,795	$ 67,244	$1,256,804	417,370	$ 8,351,574
K-Sea Transportation Partners L.P. (2)	612,800	–	241,374	(67,142)	1,851,724	596,470	9,096,168
MarkWest Energy Partners, L.P. (3)	2,201,640	–	–	–	5,372,002	2,201,640	28,114,943
		$ –	$441,169	$ 102	$8,480,530		$45,562,685

(1) Not deemed an affiliate as of November 30, 2008; $315,115 non-affiliated distributions received.

(2) Not deemed an affiliate as of November 30, 2008; $67,142 non-affiliated realized losses incurred, $460,668 non-affiliated distributions received.

(3) Not deemed an affiliate as of November 30, 2008; $4,117,067 non-affiliated distributions received.

9. Investment Transactions

For the year ended November 30, 2008, the Company purchased (at cost) and sold securities (proceeds) in the amount of $63,757,617 and $149,994,400 (excluding short-term debt securities and interest rate swaps), respectively.

10. Long-Term Debt Obligations

The Company has $60,000,000 aggregate principal amount of auction rate senior notes (Series A) and $150,000,000 aggregate principal amount of private senior notes (Series E), (collectively, the "Notes") outstanding. The Series E Notes were issued on April 10, 2008. Holders of the auction rate senior notes are entitled to receive cash interest payments at an annual rate that may vary for each rate period as determined by the auction. In the event that there are not enough bidders in the auction at rates below the maximum rate as prescribed by the terms of the Series A Notes, the auction fails. When an auction fails, the rate paid to continuing or new bidders is set at the maximum rate. A failed auction does not cause an acceleration of, or otherwise have any impact on, outstanding principal amounts due or affect the security's liquidation preference. In the event of a failed auction, interest continues to be paid at the maximum rates and times determined in the indenture. The maximum rate based on the Series A Notes' current ratings is 200 percent of the greater of: (i) the applicable AA Composite Commercial Paper Rate or the applicable Treasury Index Rate or (ii) the applicable LIBOR as of the date of the auction.

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; (2) senior to all of the Company's outstanding common shares; (3) on a 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 November 30, 2008, the Company was in compliance with asset coverage covenants and basic maintenance covenants for its senior notes.

On March 4, 2008, the Company fully redeemed its Series C Notes in the amount of $55,000,000. The weighted-average interest rate for the period from December 1, 2007 through March 4, 2008 (date of redemption) was 5.98 percent. This rate does not include commissions paid to the auction agent which are included in agent fees in the accompanying Statement of Operations. The unamortized balance of capitalized costs was expensed and resulted in a loss on early redemption in the amount of $745,922 which is included in amortization of debt issuance costs in the accompanying Statement of Operations.

On April 25, 2008, the Company fully redeemed its Series D Notes in the amount of $70,000,000. The weighted-average interest rate for the period from December 1, 2007 through April 25, 2008 (date of redemption) was 6.07 percent. This rate does not include commissions paid to the auction agent which are included in agent fees in the accompanying Statement of Operations. The unamortized balance of capitalized costs was expensed and resulted in a loss on early redemption in the amount of $838,100 which is included in amortization of debt issuance costs in the accompanying Statement of Operations.

On September 12, 2008, the Company fully redeemed its Series B Notes in the amount of $50,000,000. The weighted-average interest rate for the period from December 1, 2007 through September 12, 2008 (date of redemption) was 7.00 percent. Commissions paid to the agent at the time in which the special rate period commenced were amortized over the special rate period and are included in agent fees in the accompanying Statement of Operations. The unamortized balance of capitalized costs was expensed and resulted in a loss on early redemption in the amount of $610,711 which is included in amortization of debt issuance costs in the accompanying Statement of Operations.

Estimated fair value of the Series A and Series E Notes was calculated using the spread between the AAA corporate finance debt rate and the U.S. Treasury rate with an equivalent maturity date plus the average spread between the current rates and the AAA corporate finance debt rate. At November 30, 2008, the total spread was applied to the equivalent U.S. Treasury rate for each series and future cash flows were discounted to determine estimated fair value. The table on the following page shows the maturity date, notional/carrying amount, estimated fair value, current rate as of November 30, 2008, the weighted-average rate for the year ended November 30, 2008 and the typical rate period for each series of Notes outstanding at November 30, 2008. The Company may designate a rate period that is different than the rate period indicated in the table on the following page.

Series	Maturity Date	Notional/ Carrying Amount	Estimated Fair Value	Current Rate	Weighted-Average Rate	Rate Period
Series A	July 15, 2044	$ 60,000,000	$ 58,178,400	6.75%(1)	6.75%	28 days (1)
Series E	April 10, 2015	150,000,000	136,604,536	6.11%	6.11%(2)	Fixed
		$210,000,000	$194,782,936			

(1) Special rate period effective September 5, 2007 through September 4, 2012.
(2) Rate period from April 10, 2008 (date of issuance) through November 30, 2008.

The rates shown in the table above for Series A do not include commissions paid to the auction agent which are included in agent fees in the accompanying Statement of Operations. At the time the special rate period commenced, the Company paid commissions for Series A Notes in the amount of $240,000, which are being amortized over the special rate period. For each subsequent rate period, the interest rate will be determined by an auction conducted in accordance with the procedures described in the Series A Notes' prospectus. The Notes are not listed on any exchange or automated quotation system.

At November 30, 2008, the Company had $20,400,000 of restricted cash held in escrow which was designated to fund the partial redemption of outstanding senior notes. These amounts are excluded from the asset coverage and basic maintenance coverage calculations. See Note 15 for further disclosure.

11. Preferred Stock

The Company has 15,000 authorized shares of preferred stock, of which 2,800 shares are currently outstanding. The preferred stock has rights determined by the Board of Directors. The holders of preferred stock have voting rights equal to the holders of common stock (one vote per preferred share) and will vote together with the holders of shares of common stock as a single class except on matters affecting only the holders of preferred stock or the holders of common stock.

The preferred stock has a liquidation value of $25,000 per share plus any accumulated, but unpaid distributions, whether or not declared. Holders of the preferred stock are entitled to receive cash distribution payments at an annual rate that may vary for each rate period as determined by the auction. In the event that there are not enough bidders in the auction at rates below the maximum rate as prescribed by the terms of the preferred stock, the auction fails. When an auction fails, the rate paid to continuing or new bidders is set at the maximum rate. A failed auction does not cause a mandatory redemption or affect the security's liquidation preference. In the event of a failed auction, distributions continue to be paid at the maximum rates and times determined in the articles supplementary. The maximum rate on preferred stock based on current ratings is 200 percent of the greater of: (i) the applicable AA Composite Commercial Paper Rate or the applicable Treasury Index Rate or (ii) the applicable LIBOR as of the date of the auction.

The preferred stock is redeemable in certain circumstances at the option of the Company. Under the Investment Company Act of 1940, the Company may not declare dividends or make other distributions on shares of common stock or purchases of such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding preferred stock would be less than 200 percent. The preferred stock is 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 November 30, 2008, the Company was in compliance with asset coverage covenants and basic maintenance covenants for its preferred stock.

On May 1, 2008, May 29, 2008 and July 24, 2008, the Company redeemed MMP III Stock at liquidation value in the amounts of $15,000,000, $10,000,000 and $35,000,000, respectively. On April 30, 2008, May 28, 2008 and July 23, 2008, the Company redeemed MMP IV Stock at liquidation value in the amounts of $15,000,000, $10,000,000 and $30,000,000, respectively.

Estimated fair value of Auction Preferred I and Auction Preferred II Stock was calculated using the spread between the AA corporate finance debt rate and the U.S. Treasury rate with an equivalent maturity date plus the average spread between the current rates and the AA corporate finance debt rate. At November 30, 2008, the total spread was applied to the equivalent U.S. Treasury rate for each series and future cash flows were discounted to determine estimated fair value. The table below shows the number of shares outstanding, aggregate liquidation preference, estimated fair value, current rate as of November 30, 2008, the weighted-average rate for the year ended November 30, 2008 and the typical rate period for each series of preferred stock outstanding at November 30, 2008. The Company may designate a rate period that is different than the rate period indicated in the table below.

Series	Shares Outstanding	Aggregate Liquidation Preference	Estimated Fair Value	Current Rate	Weighted-Average Rate	Rate Period
Auction Preferred I Stock	1,400	$35,000,000	$33,656,771	6.25%(1)	6.25%	28 days (1)
Auction Preferred II Stock	1,400	35,000,000	33,669,522	6.25%(2)	6.25%	28 days (2)
	2,800	$70,000,000	$67,326,293			

(1) Special rate period effective September 13, 2007 through September 12, 2010.
(2) Special rate period effective September 9, 2007 through September 8, 2010.

The rates shown in the table above do not include commissions paid to the auction agent which are included in agent fees in the accompanying Statement of Operations. At the time the special rate periods commenced, the Company paid commissions for Auction Preferred I Stock and Auction Preferred II Stock in the amount of $175,000 and $178,500, respectively, which are being amortized over the rate periods.

12. Interest Rate Swap Contracts

The Company entered into interest rate swap contracts in an attempt to protect itself from increasing interest and dividend expense on its leverage resulting from increasing short-term interest rates. At November 30, 2008, the Company had no outstanding swap contracts.

The table below shows the notional amount at November 30, 2007, maturity date, fixed rate paid by the Company, floating rate received by the Company, termination date(s) and the realized loss on the termination of the interest rate swap contracts with U.S. Bank, N.A. for the year ended November 30, 2008.

Notional Amount at 11/30/2007	Maturity Date	Fixed Rate Paid by the Company	Floating Rate Received by the Company	Termination Date(s)	Realized Loss on Termination
$55,000,000	4/21/2012	4.99%	1 month U.S. Dollar LIBOR	3/14/2008	$ (3,489,698)
55,000,000	5/1/2014	4.54%	1 week U.S. Dollar LIBOR	4/18/2008	(2,888,567)
30,000,000	11/12/2020	5.20%	1 month U.S. Dollar LIBOR	4/29/2008, 6/25/2008	(1,730,156)
35,000,000	11/18/2020	5.21%	1 month U.S. Dollar LIBOR	4/29/2008	(2,627,744)
60,000,000	4/21/2013	5.03%	1 month U.s. Dollar LIBOR	6/25/2008	(1,891,817)
50,000,000	7/12/2011	4.64%	1 month U.s. Dollar LIBOR	7/2/2008	(1,355,531)
					$(13,983,513)

13. Common Stock

The Company has 100,000,000 shares of capital stock authorized and 23,442,791 shares outstanding at November 30, 2008. Transactions in common stock for the years ended November 30, 2007 and 2008 were as follows:

Shares at November 30, 2006	16,732,065
Shares sold through shelf offerings	1,927,915
Shares issued through reinvestment of distributions	100,461
Shares at November 30, 2007	18,760,441
Shares sold through shelf offerings	4,527,450
Shares issued through reinvestment of distributions	154,900
Shares at November 30, 2008	23,442,791

14. Credit Facility

On March 22, 2007, the Company entered into an agreement establishing a $150,000,000 unsecured credit facility maturing on March 21, 2008. On March 20, 2008, the Company entered into an extension of its unsecured credit facility. The amended credit agreement provides for a revolving credit facility of up to $92,500,000 that can be increased to $160,000,000 if certain conditions are met. The amended credit facility terminates on March 20, 2009. Under the terms of the credit facility, 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 generally will accrue interest at a variable annual rate equal to one-month LIBOR plus 0.75 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.

The average principal balance and interest rate for the period during which the credit facility was utilized during the year ended November 30, 2008 was approximately $34,600,000 and 3.83 percent, respectively. At November 30, 2008, the Company had no outstanding borrowings under the credit facility.

15. Subsequent Event

On December 3, 2008, the Company partially redeemed the Series E Notes in the amount of $40,000,000. The redemption was funded with $20,400,000 of restricted cash and the use of the credit facility. The Company paid a premium of $800,000 upon redemption.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Tortoise Energy Infrastructure Corporation

We have audited the accompanying statement of assets and liabilities of Tortoise Energy Infrastructure Corporation (the Company), including the schedule of investments, as of November 30, 2008, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for the periods indicated therein. These financial statements and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2008, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Tortoise Energy Infrastructure Corporation at November 30, 2008, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 5 to the financial statements, the Company adopted the provisions of Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes,* on December 1, 2007.

Ernst & Young LLP

Kansas City, Missouri
January 20, 2009

Company Officers and Directors *(Unaudited)*

November 30, 2008

Name and Age*	Position(s) Held with Company, Term of Office and Length of Time Served	Principal Occupation During Past 5 Years	Number of Portfolios in Fund Overseen by Director(1)	Other Positions Held by Director
Independent Directors				
Conrad S. Ciccotello (Born 1960)	Director since 2003	Tenured Associate Professor of Risk Management and Insurance, Robinson College of Business, Georgia State University (faculty member since 1999); Director of Graduate Personal Financial Planning Programs; formerly, Editor, "Financial Services Review," (2001-2007) (an academic journal dedicated to the study of individual financial management); formerly, faculty member, Pennsylvania State University (1997-1999). Published several academic and professional journal articles about energy infrastructure and oil and gas MLPs.	6	None
John R. Graham (Born 1945)	Director since 2003	Executive-in-Residence and Professor of Finance (Part-time), College of Business Administration, Kansas State University (has served as a professor or adjunct professor since 1970); Chairman of the Board, President and CEO, Graham Capital Management, Inc. (primarily a real estate development, investment and venture capital company) and Owner of Graham Ventures (a business services and venture capital firm); Part-time Vice President Investments, FB Capital Management, Inc. (a registered investment adviser), since 2007. Formerly, CEO, Kansas Farm Bureau Financial Services, including seven affiliated insurance or financial service companies (1979-2000).	6	Kansas State Bank
Charles E. Heath (Born 1942)	Director since 2003	Retired in 1999. Formerly, Chief Investment Officer, GE Capital's Employers Reinsurance Corporation (1989-1999); Chartered Financial Analyst ("CFA") designation since 1974.	6	None

(1) This number includes TYY, TYN, TTO, two private investment companies and the Company. Our Adviser also serves as the investment adviser to TYY, TYN, TTO and two private investment companies.

** The address of each director and officer is 11550 Ash Street, Suite 300, Leawood, Kansas 66211.*

Company Officers and Directors *(Unaudited)*

November 30, 2008

Name and Age*	Position(s) Held with Company, Term of Office and Length of Time Served	Principal Occupation During Past 5 Years	Number of Portfolios in Fund Overseen by Director(1)	Other Positions Held by Director
Interested Directors and Officers(2)				
H. Kevin Birzer (Born 1959)	Director and Chairman of the Board since 2003	Managing Director of our Adviser since 2002; Partner, Fountain Capital Management (1990-present); Vice President, Corporate Finance Department, Drexel Burnham Lambert (1986-1989); formerly, Vice President, F. Martin Koenig & Co., an investment management firm (1983-1986); CFA designation since 1988.	6	None
Terry Matlack (Born 1956)	Director and Chief Financial Officer since 2003	Managing Director of our Adviser since 2002; Full-time Managing Director, Kansas City Equity Partners, L.C. ("KCEP") (2001-2002); formerly, President, GreenStreet Capital, a private investment firm (1998-2001); Chief Compliance Officer of the Company from 2004 through May 2006 and of each of TYY and TYN from their inception through May 2006; Treasurer of each of the Company, TYY and TYN from their inception to November 2005; Assistant Treasurer of the Company, TYY and TYN from November 2005 to April 2008, of TTO and one of the two private investment companies from their inception to April 2008, and of the other private investment company since its inception; CFA designation since 1985.	6	None
David J. Schulte (Born 1961)	President and Chief Executive Officer since 2003	Managing Director of our Adviser since 2002; Full-time Managing Director, KCEP (1993-2002); President and Chief Executive Officer of TYY since 2005; Chief Executive Officer of TYN since 2005 and President of TYN from 2005 to September 2008; Chief Executive Officer of TTO since 2005 and President of TTO from 2005 to April 2007; President of the two private investment companies since 2007; Chief Executive Officer of one of the two private investment companies since 2007 and of the other private investment company from 2007 to December 2008; CFA designation since 1992.	N/A	None
Zachary A. Hamel (Born 1965)	Senior Vice President since April 2007	Managing Director of our Adviser since 2002; Partner, Fountain Capital Management (1997-present); Senior Vice President of TYY and TTO since 2005 and of TYN and the two private investment companies since 2007; Secretary of each of the Company, TYY, TYN and TTO from their inception to April 2007; CFA designation since 1998.	N/A	None
Kenneth P. Malvey (Born 1965)	Senior Vice President since April 2007; Treasurer since November 2005	Managing Director of our Adviser since 2002; Partner, Fountain Capital Management (2002-present); formerly Investment Risk Manager and member of Global Office of Investments, GE Capital's Employers Reinsurance Corporation (1996-2002); Treasurer of TYY and TYN since November 2005, of TTO since September 2005, and of the two private investment companies since 2007; Senior Vice President of TYY and TTO since 2005, and of TYN and the two private investment companies since 2007; Assistant Treasurer of the Company, TYY and TYN from their inception to November 2005; Chief Executive Officer of one of the private investment companies since December 2008; CFA designation since 1996.	N/A	None

(1) This number includes TYY, TYN, TTO, two private investment companies and the Company. Our Adviser also serves as the investment adviser to TYY, TYN, TTO and two private investment companies.
(2) As a result of their respective positions held with our Adviser or its affiliates, these individuals are considered "interested persons" within the meaning of the 1940 Act.
** The address of each director and officer is 11550 Ash Street, Suite 300, Leawood, Kansas 66211.*

Director and Officer Compensation

The Company does not compensate any of its directors who are interested persons nor any of its officers. For the year ended November 30, 2008, the aggregate compensation paid by the Company to the independent directors was $146,000. 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 and information regarding how the Company voted proxies relating to the portfolio of securities during the 12-month period ended June 30, 2008 are available to stockholders (i) without charge, upon request by calling the Company at (913) 981-1020 or toll-free at (866) 362-9331 and on the Company's Web site at www.tortoiseadvisors.com; and (ii) on the SEC's Web site at 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.

Certifications

The Company's Chief Executive Officer submitted to the New York Stock Exchange in 2008 the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

The Company filed with the SEC, as an exhibit to its most recently filed Form N-CSR, 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.

Automatic Dividend Reinvestment and Cash Purchase Plan

The Company's Automatic Dividend Reinvestment and Cash Purchase Plan (the "Plan") allows participating common stockholders to reinvest distributions, including dividends, capital gains and return of capital in additional shares of the Company's common stock and allows registered holders of the Company's common stock to make optional cash investments, in accordance with the Plan, on a monthly basis.

If a stockholder's shares are registered directly with the Company or with a brokerage firm that participates in the Company's Plan, all distributions are automatically reinvested for stockholders by the Agent in additional shares of common stock of the Company (unless a stockholder is ineligible or elects otherwise). Stockholders holding shares that participate in the Plan in a brokerage account may not be able to transfer the shares to another broker and continue to participate in the Plan. Stockholders who elect not to participate in the Plan will receive all distributions payable in cash paid by check mailed directly to the stockholder of record (or, if the shares are held in street or other nominee name, then to such nominee) by Computershare, as dividend paying agent. Distributions subject to tax (if any) are taxable whether or not shares are reinvested.

Any single investment pursuant to the cash purchase option under the Plan must be in an amount of at least $100 and may not exceed $5,000 per month unless a request for waiver has been granted. A request for waiver should be directed to the Company at 1-866-362-9331 and the Company has the sole discretion to grant any requested waiver. Optional cash investments may be delivered to the Agent by personal check, by automatic or electronic bank account transfer or by online access at www.computershare.com. The Company reserves the right to reject any purchase order. Stockholders who hold shares in street or other nominee name who want to participate in optional cash investments should contact their broker, bank or other nominee and follow their instructions. There is no obligation to make an optional cash investment at any time, and the amount of such investments may vary from time to time. Optional cash investments must be received by the Agent no later than two business days prior to the monthly investment date (the "payment date") for purchase of common shares on the next succeeding purchase date under the Plan. Scheduled optional cash purchases may be cancelled or refunded upon a participant's written request received by the Agent at least two business days prior to the purchase date. Participants will not be able to instruct the Agent to purchase common shares at a specific time or at a specific price.

If on the distribution payment date or the purchase date for optional cash investments, the net asset value per share of the common stock is equal to or less than the market price per share of common stock plus estimated brokerage commissions, the Company will issue additional shares of common stock to participants. The number of shares will be determined by the greater of the net asset value per share or 95 percent of the market price. Otherwise, shares generally will be purchased on the open market by the Agent as soon as possible following the payment date or purchase date, but in no event later than 30 days after such date except as necessary to comply with applicable law. There are no brokerage charges with respect to shares issued directly by the Company as a result of distributions payable either in shares or in cash or as a result of optional cash investments. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Agent's open-market purchases in connection with the reinvestment of distributions or optional cash investments. If a participant elects to have the Agent sell part or all of his or her common stock and remit the proceeds, such participant will be charged a transaction fee of $15.00 plus his or her pro rata share of brokerage commissions on the shares sold.

Participation is completely voluntary. Stockholders may elect not to participate in the Plan, and participation may be terminated or resumed at any time without penalty, by giving notice in writing, by telephone or Internet to Computershare, the Plan Agent, at the address set forth below. Such termination will be effective with respect to a particular distribution if notice is received prior to such record date.

Additional information about the Plan may be obtained by writing to Computershare Trust Company, N.A, P.O. Box 43078, Providence, R.I. 02940-3078. You may also contact Computershare by phone at (312) 588-4990 or visit their Web site at www.computershare.com.

Approval of the Investment Advisory Agreement

In approving the renewal of the Investment Advisory Agreement in November 2008, the independent directors ("Directors") of the Company requested and received extensive data and information from the Adviser concerning the Company and the services provided to it by the Adviser under the Investment Advisory Agreement. In addition, the Directors requested and received data and information from the Adviser, which also included information from independent, third-party sources, regarding the factors considered in their evaluation.

Factors Considered

The Directors considered and evaluated all the information provided by the Adviser. The Directors did not identify any single factor as being all-important or controlling, and each Director may have attributed different levels of importance to different factors. In deciding to renew the agreement, the Directors' decision was based on the following factors.

Nature, Extent and Quality of Services Provided. The Directors considered information regarding the history, qualification and background of the Adviser and the individuals responsible for the Adviser's investment program, the adequacy of the number of the Adviser personnel and other Adviser resources and plans for growth, use of affiliates of the Adviser, and the particular expertise with respect to energy infrastructure companies, MLP markets and financing (including private financing). The Directors concluded that the unique nature of the Company and the specialized expertise of the Adviser in the niche market of MLPs made it uniquely qualified to serve as the advisor. Further, the Directors recognized that the Adviser's commitment to a long-term investment horizon correlated well to the investment strategy of the Company.

Investment Performance of the Company and the Adviser, Costs of the Services To Be Provided and Profits To Be Realized by the Adviser and its Affiliates from the Relationship, and Fee Comparisons. The Directors reviewed and evaluated information regarding the Company's performance (including quarterly, last twelve months, and from inception) and the performance of the other Adviser accounts (including other investment companies), and information regarding the nature of the markets during the performance period, with a particular focus on the MLP sector. The Directors also considered the Company's performance as compared to comparable closed end funds for the relevant periods.

The Adviser provided detailed information concerning its cost of providing services to the Company, its profitability in managing the Company, its overall profitability, and its financial condition. The Directors have reviewed with the Adviser the methodology used to prepare this financial information. This financial information regarding the Adviser is considered in order to evaluate the Adviser's financial condition, its ability to continue to provide services under the Investment Advisory Agreement, and the reasonableness of the current management fee, and was, to the extent possible, evaluated in comparison to other closed end funds with similar investment objectives and strategies.

The Directors considered and evaluated information regarding fees charged to, and services provided to, other investment companies advised by the Adviser (including the impact of any fee waiver or reimbursement arrangements and any expense reimbursement arrangements), fees charged to separate institutional accounts by the Adviser, and comparisons of fees of closed-end funds with similar investment objectives and strategies, including other MLP investment companies, to the Company. The Directors noted that the fee charged to the Company (0.95 percent of the Company's average monthly Managed Assets) is below the average of the fees charged in comparable closed end MLP funds. The Directors also considered the Adviser's existing contractual agreement to waive fees and expenses in the amount of 0.10 percent of average monthly Managed Assets through February 2009. The Directors concluded that the fees and expenses that the Company is paying under the Advisory Agreement are reasonable given the quality of services provided under the Advisory Agreement and that such fees and expenses are comparable to, and in many cases lower than, the fees charged by advisors to comparable funds.

Economies of Scale. The Directors considered information from the Adviser concerning whether economies of scale would be realized as the Company grows, and whether fee levels reflect any economies of scale for the benefit of the Company's stockholders. The Directors concluded that economies of scale are difficult to measure and predict overall. Accordingly, the Directors reviewed other information, such as year-over-year profitability of the Adviser generally, the profitability of its management of the Company specifically, and the fees of competitive funds not managed by the Adviser over a range of asset sizes. The Directors concluded the Adviser is appropriately sharing any economies of scale through its competitive fee structure and through reinvestment in its business to provide stockholders additional content and services.

Collateral Benefits Derived by the Adviser. The Directors reviewed information from the Adviser concerning collateral benefits it receives as a result of its relationship with the Company. They concluded that the Adviser generally does not use the Company's or stockholder information to generate profits in other lines of business, and therefore does not derive any significant collateral benefits from them.

The Directors did not, with respect to their deliberations concerning their approval of the continuation of the Investment Advisory Agreement, consider the benefits the Adviser may derive from relationships the Adviser may have with brokers through soft dollar arrangements because the Adviser does not employ any such arrangements in rendering its advisory services to the Company. Although the Adviser may receive research from brokers with whom it places trades on behalf of clients, the Adviser does not have soft dollar arrangements or understandings with such brokers regarding receipt of research in return for commissions.

Conclusions of the Directors

As a result of this process, the independent directors, assisted by the advice of legal counsel that is independent of the Adviser, taking into account all of the factors discussed above and the information provided by the Adviser, unanimously concluded that the Investment Advisory Agreement between the Company and the Adviser is fair and reasonable in light of the services provided and should be renewed.

Office of the Company and of the Investment Adviser

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Managing Directors of Tortoise Capital Advisors, L.L.C.

H. Kevin Birzer
Zachary A. Hamel
Kenneth P. Malvey
Terry Matlack
David J. Schulte

Board of Directors of Tortoise Energy Infrastructure Corp.

H. Kevin Birzer, Chairman
Tortoise Capital Advisors, L.L.C.

Terry Matlack
Tortoise Capital Advisors, L.L.C.

Conrad S. Ciccotello
Independent

John R. Graham
Independent

Charles E. Heath
Independent

ADMINISTRATOR

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CUSTODIAN

U.S. Bank, N.A.
1555 North Rivercenter Drive, Suite 302
Milwaukee, Wis. 53212

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Husch Blackwell Sanders LLP
4801 Main St.
Kansas City, Mo. 64112

INVESTOR RELATIONS

(866) 362-9331
info@tortoiseadvisors.com

STOCK SYMBOL

Listed NYSE Symbol: TYG

This report is for stockholder information. This is not a prospectus intended for use in the purchase or sale of fund shares. ***Past performance is no guarantee of future results and your investment may be worth more or less at the time you sell.***

Tortoise Capital Advisors' Public Investment Companies

Name	Ticker/ Inception Date	Primary Target Investments	Investor Suitability	Total Assets as of 11/30/08 ($ in millions)
Tortoise Energy Infrastructure Corp.	TYG Feb. 2004	U.S. Energy Infrastructure	Retirement Accounts Pension Plans Taxable Accounts	$692
Tortoise Energy Capital Corp.	TYY May 2005	U.S. Energy Infrastructure	Retirement Accounts Pension Plans Taxable Accounts	$414
Tortoise North American Energy Corp.	TYN Oct. 2005	U.S. Energy Infrastructure	Retirement Accounts Pension Plans Taxable Accounts	$75
Tortoise Capital Resources Corp.	TTO Dec. 2005 (Feb. 2007 – IPO)	U.S. Energy Infrastructure Private and Micro Cap Public Companies	Retirement Accounts Pension Plans Taxable Accounts	$162 (as of 8/31/08)

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Tortoise Energy Infrastructure Corp.

...Steady Wins®

Tortoise Capital Advisors, L.L.C.

Investment Adviser to

Tortoise Energy Infrastructure Corp.

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