

### CORPORATE DETAILS

#### Registered Address

HICL INFRASTRUCTURE COMPANY LTD  
1 Le Truchot  
St Peter Port  
Guernsey  
GY1 1WD

Chairman Graham Picken  
Director Sarah Evans  
Director Susie Farnon  
Director John Hallam  
Director Frank Nelson  
Director Chris Russell  
Director Ian Russell

### COMPANY INFORMATION

Listing	London SE
Index Inclusion	FTSE250 FTSE All-Share
SEDOL	BOT4LH6
Ticker	HICL.L
ISA / SIPP eligible?	Yes
Dividend Frequency	Quarterly (see over)
Financial Year End	31 March

### KEY STATISTICS

AT 31 MAY 2015

(EXCEPT AS OTHERWISE STATED)

No. of Shares	1,267,744,626
Share Price	153.0p
Market Cap.	£1,939.6m
NAV <sup>1</sup>	£1,709.7m
NAV per Share <sup>1,2</sup>	134.8p
Premium to NAV <sup>3</sup>	13.5%
Target IRR (long-term) <sup>4</sup>	7% p.a.
Target Dividend per Share (2015-16)	7.45p
Dividend Yield (prospective) <sup>5</sup>	4.9% p.a.
AIC Ongoing Charges Percentage <sup>6</sup>	1.14% p.a.

<sup>1</sup> NAV based on 31 Mar. 2015 valuation

<sup>2</sup> NAV per Share post fourth quarterly interim dividend of 1.87p per share to be paid on 30 Jun. 2015

<sup>3</sup> Based on the NAV per Share (post div.) as at 31 Mar. 2015 and the Share Price as at 31 May 2015

<sup>4</sup> As set out in the Feb. 2013 prospectus based on a 119p.5p issue price

<sup>5</sup> Based on the Target Dividend per Share (2015-16) and the Share Price as at 31 May 15<sup>4</sup>

<sup>6</sup> Based on the 2014-15 FY period

**Past performance is not a guide to future performance**

Source: InfraRed Capital Partners, Thomson Reuters Datastream and Bloomberg

### INTRODUCTION

- ▶ An investment company registered in Guernsey, investing in a portfolio of infrastructure projects generating **stable, inflation-linked cash flows on an attractive risk-adjusted basis**. It **listed in 2006** on the London Stock Exchange and now has a **market capitalisation of c.£2bn**.
- ▶ Experienced board of seven independent directors (see left), while the investment adviser is InfraRed Capital Partners Limited (see over for details).

### INVESTMENT OBJECTIVES

- ▶ Seeks to provide investors with **long term distributions**, at levels that are sustainable, and to **preserve the capital value** of its investment portfolio over the long term with **potential for capital growth**.
- ▶ The Board has **revised upwards its target distribution for the year to 31 March 2016 to 7.45p per share**. Any subsequent increases will be subject to regular reviews of the macro-economic outlook and operating performance and only sanctioned if the Board feels they are sustainable in the long-term, thereby avoiding volatility for shareholders.

### CURRENT INVESTMENT STRATEGY

- ▶ Focused strategy on **social infrastructure** (public sector availability contracts relating to schools, hospitals and public buildings) and **transportation infrastructure** (such as road and rail concessions), rather than economic infrastructure (such as airports and ports) where there is typically much higher demand/volume risk and/or counterparty risk.
- ▶ Assets in construction comprise seven in number (5% by value) at 31 March, and may continue to increase further to promote capital growth for the portfolio, subject to maintaining a satisfactory running yield.
- ▶ Social and transportation infrastructure programmes are being developed by a number of countries and the Investment Adviser continues to assess a pipeline of potential new investment opportunities in the UK as well as other developed markets such as Australia, North America and selective European countries.
- ▶ Acquiring incremental stakes in existing investments will continue as they are typically value-accretive.

### PORTFOLIO, PERFORMANCE AND OUTLOOK

- ▶ The investment portfolio comprises stakes in **100 infrastructure projects** (see Portfolio tab of www.hicl.com) which are mainly **operational, social and transportation infrastructure schemes** with public sector clients, producing **long-term, partially inflation-linked project revenues** with a weighted average concession life of c.21 years. Ten largest investments represent 40% of the portfolio by value.
- ▶ The Group's predominantly availability-based contracts mean that there is **limited exposure to variation in GDP** or reliance on usage of the assets. HICL shares have displayed a **low correlation with the public equity market and even utilities** (see chart overleaf).
- ▶ Dividends have been cash covered with an annual dividend increase since IPO such that the **cash yield to shareholders has been consistently over 4.5% p.a.**
- ▶ Since April 2009 the shares have traded at a premium to last reported Net Asset Value per share. Liquidity continues to increase as the market cap has risen with the current **average daily share trading volume of c.2m shares**.
- ▶ Through selective acquisitions and asset management HICL has, to date, **exceeded its stated (at IPO) target return of 7-8% p.a.** (total shareholder return statistics provided overleaf).

### PORTFOLIO VALUATION

- ▶ Investments valued on a **discounted cash flow (DCF) basis** given the contractual nature of the cashflows. A semi-annual portfolio valuation is provided by the Investment Adviser, and the Board benefits from a **private independent expert opinion** from a third party.

### INVESTMENT ADVISER



INFRARED CAPITAL PARTNERS LTD  
12 CHARLES II STREET  
LONDON SW1Y 4QU

INFRARED IS A UK BASED  
INFRASTRUCTURE AND REAL ESTATE  
MANAGER WITH OVER US\$8BN OF  
EQUITY CAPITAL UNDER MANAGEMENT.

INFRARED IS AUTHORISED AND  
REGULATED BY THE FINANCIAL  
CONDUCT AUTHORITY AND HAS  
OFFICES IN LONDON, NEW YORK,  
PARIS, HONG KONG, SEOUL AND  
SYDNEY. WITH OVER 120 STAFF  
GLOBALLY IT HAS 50 PROFESSIONALS  
DEDICATED TO INFRASTRUCTURE  
INVESTMENT AND MANAGEMENT.

### OTHER SERVICE PROVIDERS

#### ADMINISTRATOR & SECRETARY

DEXION CAPITAL (GUERNSEY) LTD  
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### CORPORATE CALENDAR – 2015/16

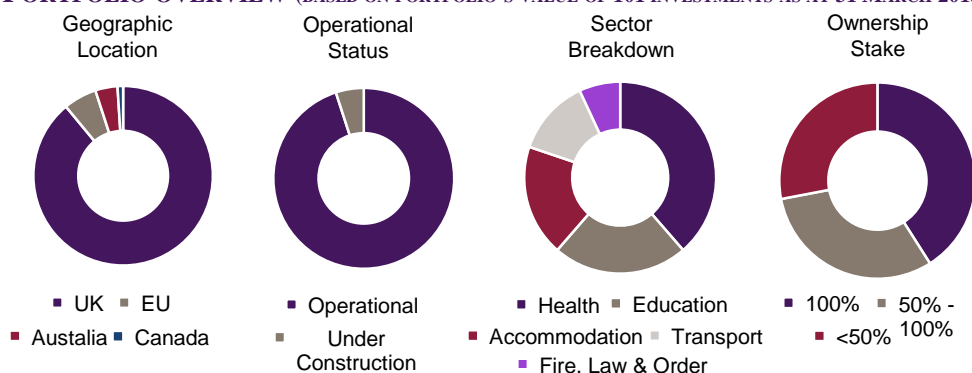
AGM	21 Jul. 2015
Quarterly interim dividend announcements	Jul. 2015 Nov. 2015 Feb. 2016 May 2016
Quarterly interim dividend payments	30 Sep. 2015 31 Dec. 2015 31 Mar. 2016 30 Jun. 2016
Quarterly Update Statements	Aug. 2015 Feb. 2016
Reporting period end	30 Sep. 2015 (H1) 31 Mar. 2016 (FY)
Results announced	Nov. 2015 (H1) May 2016 (FY)

**Past performance is not a guide to future performance**

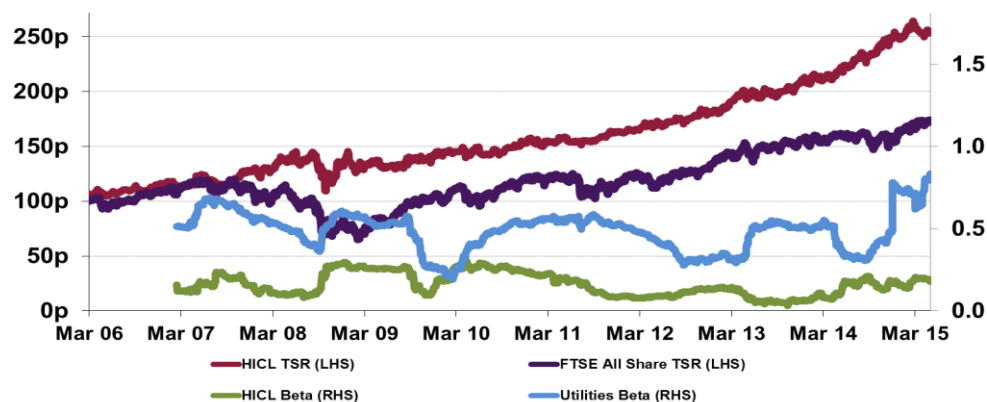
### RECENT NEWS

- ▶ Since the Company's financial year end, the Group disposed of one small investment (Fife Schools) for £7.3m and acquired two incremental stakes in existing investments for an aggregate consideration of £16m. As at 31 May 2015, the Company had a net funding requirement of £8m.
- ▶ The weighted average discount rate was 7.9% as at 31 March 2015, the most recent valuation date, down 0.3% over the financial year due principally to increased market demand for this type of infrastructure asset, particularly in the UK.
- ▶ The Board increased the fourth quarterly interim dividend to 1.87p (from an 1.82p target), delivering an aggregate dividend of 7.30p per share for the year to 31 March 2015, as well as announcing revised dividend guidance of 7.45p per share for the 12 months to 31 March 2016.
- ▶ For further detail on the Company's results, recent acquisitions and other corporate announcements please refer to the Investor Relations section of the HICL website ([www.hicl.com/investor-relations](http://www.hicl.com/investor-relations)).

### PORTFOLIO OVERVIEW (BASED ON PORTFOLIO'S VALUE OF 101 INVESTMENTS AS AT 31 MARCH 2015)



### HICL – STRONG TOTAL SHAREHOLDER RETURN (VS FTSE ALL SHARE<sup>1</sup>) AND LOW VOLATILITY (EVEN RELATIVE TO UTILITIES)



#### Shareholder Returns to 31 May 2015

	Last 12 months	Since IPO (March 2006)
Total Shareholder Return (share price + dividends)	17.3%	10.8% p.a.
Total Shareholder Return (NAV <sup>2</sup> + dividends)	15.4%	9.7% p.a.

Source: All data for charts and tables sourced from Thomson Reuters Datastream and Bloomberg, other than the Portfolio Overview charts (which are produced by the Company)

<sup>1</sup> FTSE 250 index data rebased to 100 as at 29 March 2006

<sup>2</sup> NAV as at 31 March 2015, the latest valuation date for the Company

#### Disclaimer

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