HICL Infrastructure Company Limited

Annual Results Presentation

Year to 31 March 2013

22 May 2013

Introduction to HICL

A leading social & transportation infrastructure investment company

Structure

- Closed-end investment company registered in Guernsey with seven year trading history (IPO in March 2006)
- Market cap of £1.4bn (US$2.1bn)[1] with premium listing on London Stock Exchange
- Acquires and manages equity stakes in primarily operational social and transportation infrastructure projects
- A diversified portfolio of 83[2] projects
- Board of six independent directors
- InfraRed Capital Partners Limited is the Investment Adviser and Operator

Investment Attractions

- Long-term shareholder return target of approximately 7% p.a.[3] - (9.7%[1] p.a. since IPO)
- Attractive cash yield (5.5%[4]) with distributions fully cash-covered
- Focus on lower-risk, social and transportation infrastructure investments with public sector clients
- All assets are operational, predominantly availability-based, and principally located in the UK (90%)
- Steady, predictable cashflows (revenues and costs) with inflation linkage
- Low volatility and low correlation with broader equity market
- Competitive and clear fee structure

1. As at 31 March 2013. GBP/USD1.52 . Source: Thomson Reuters Datastream
2. As at 21 May 2013
3. Target return for investors participating in the most recent New Ordinary Share issue of February 2013. This is a target only and there is no assurance that this target will be met.
4. Based on 7.0p total dividends for FYE 31 March 2013 and share price of 126.5p at 31 March 2013.

Agenda

HICL
INFRASTRUCTURE

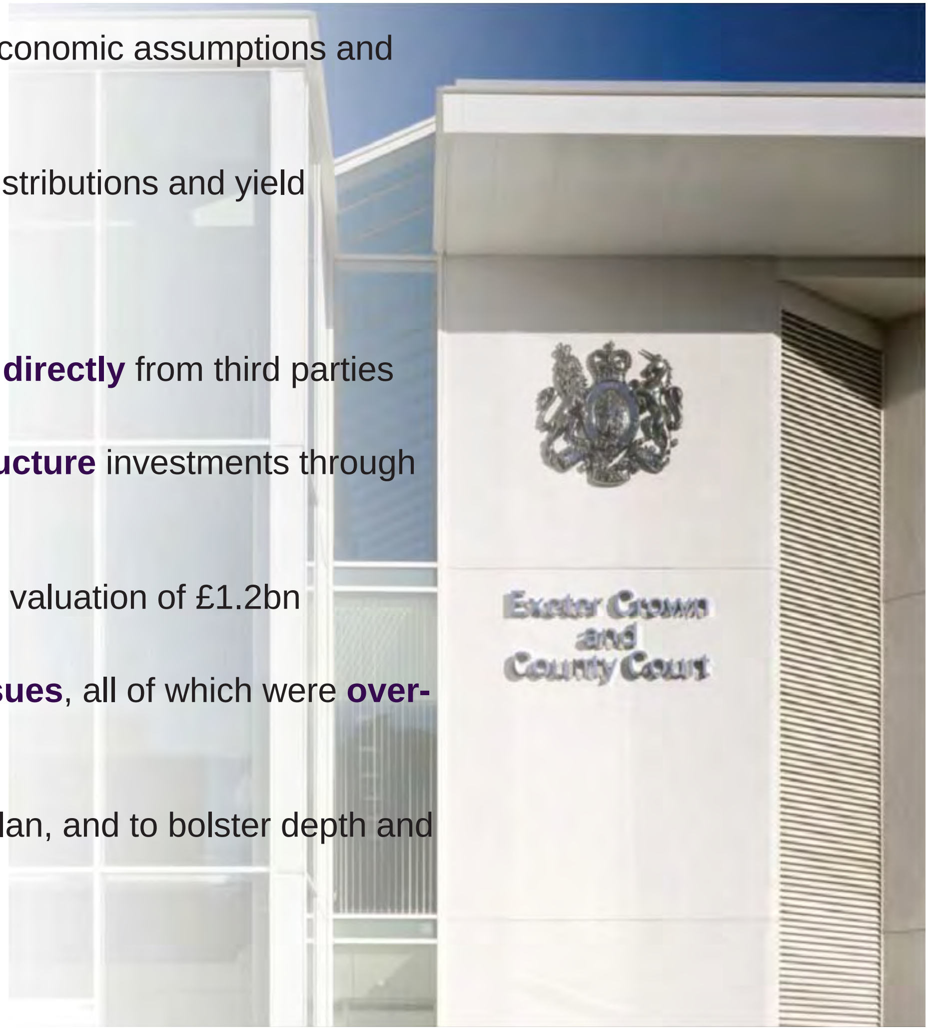
This presentation and subsequent discussion may contain certain forward looking statements with respect to the financial condition, results of operations and business of HICL Infrastructure Company Limited and its corporate subsidiaries (the "Group"). These forward-looking statements represent the Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Additional detailed information concerning important factors that could cause actual results to differ materially is available in our Annual Report & Consolidated Financial Statements for the year ended 31 March 2013 which will be available on the Company's website when printed and sent to shareholders and in the New Ordinary Share Prospectus of 26 February 2013 which is available from the Company's website.

Past performance is not a reliable indicator of future performance.

Summary Highlights for year to 31 March 2013

The Company continues to meet its stated investment objectives

- Portfolio delivered a **return of 8.9%**[1] (excluding changes in macro-economic assumptions and forex)
- Achieved long-term 7.0p per share dividend target; attractive cash distributions and yield
- Target distribution of **7.1p per share** in year to 31 March 2014
- 21 new investments totalling £278m of which **the majority sourced directly** from third parties
- Continued focus on **lower-risk, social and transportation infrastructure** investments through availability-based public sector concessions
- **Diverse portfolio** of 79 projects as at 31 March 2013 with Directors' valuation of £1.2bn
- Strong investor support through £273m of **NAV-accretive equity issues**, all of which were **over-subscribed**
- **Two new Directors recruited** as part of the long-term succession plan, and to bolster depth and breadth of the Board
- Healthy **pipeline of identified new investments**



[1] Based on Directors' valuation Return of £97.5m (for the 12 months to 31 March 2013) on a rebased portfolio net asset value of £1,097.9m – see page 21
[2] Source: Thomson Reuters Datastream as at 31 March 2013

Picture – Exeter Crown and Country Court

Highlights – Financial Performance

Good operating performance; long-term distribution target achieved

- Second interim dividend of 3.575p per share taking aggregate dividends for the year to 7.0p per share
- Strong portfolio performance again driven by cost efficiencies, asset enhancements and value-accretive acquisitions
- Cash receipts from portfolio companies in line with expectations
- Dividend cash covered 1.38 times (2012: 1.23 times)
- Ongoing Charges Percentage[2] 1.19% for the year (2012: 1.38%)

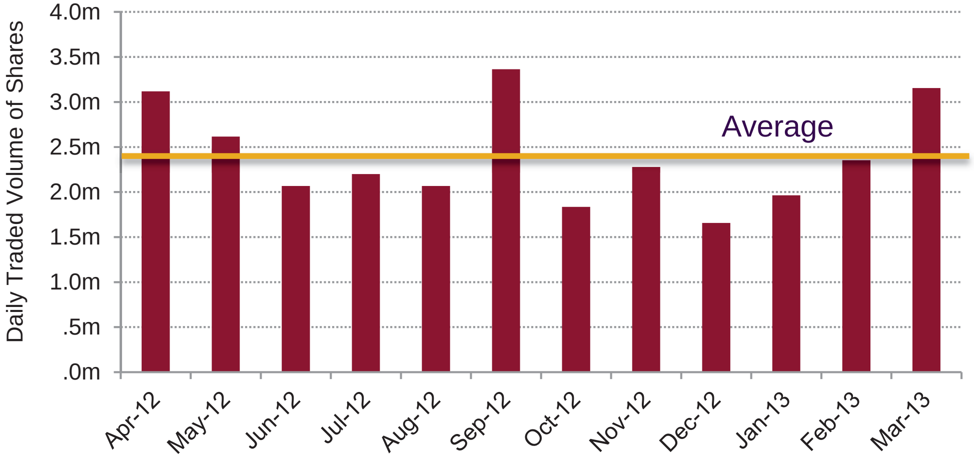
All figures stated on an investment basis	Year to 31 March 2013	Year to 31 March 2012
Profit before valuation movement	**£49.9m**	**£33.2m**
Valuation movements	£43.2m	£28.8m
Profit before tax	£93.1m	£62.0m
Earnings per share	**10.4p**	**9.8p**
Total dividend for the year	**7.00p**	**6.85p**
NAV per share (before second interim dividend) [1]	**120.0p**	**116.3p**
NAV per share (after second interim dividend)	**116.4p**	**112.8p**
Net cash	**£146.0m**	**£129.4m**

1 The NAV per share is that applicable to the 976m Ordinary Shares in issue as at 1 March 2013 (as the shares issued pursuant to the 140m capital raising in March 2013 were not eligible for the second interim dividend of 3.575p)
2 Ongoing Charges Percentage as defined by the AIC

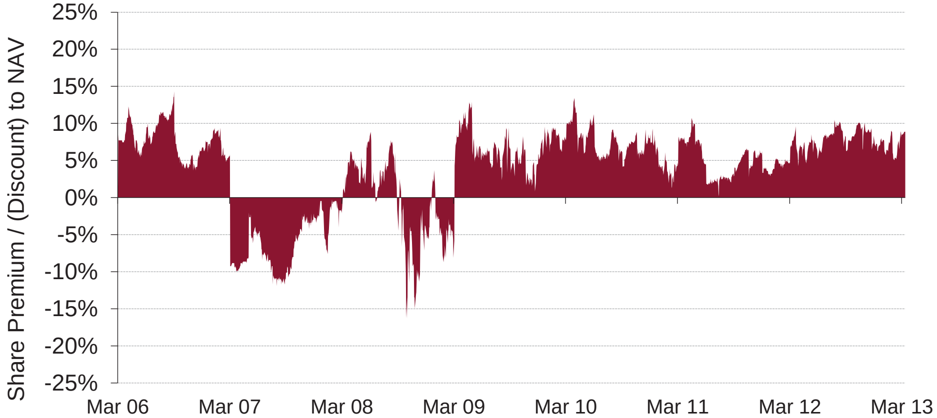
Highlights – Market Performance

Total shareholder return in year to 31 March 2013 was 14.7%[1], and 9.7%[2] p.a. since launch in March 2006

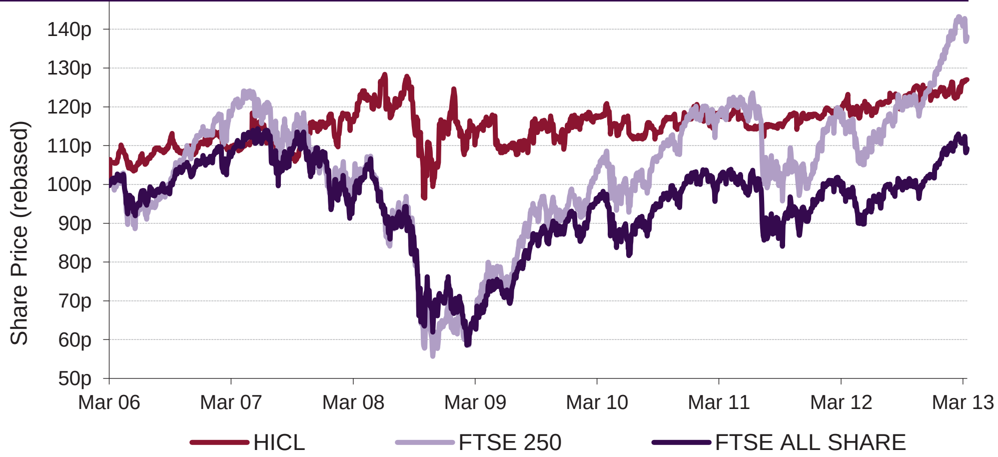
Ave. daily volume over last 12 months was 2.4m shares[3]



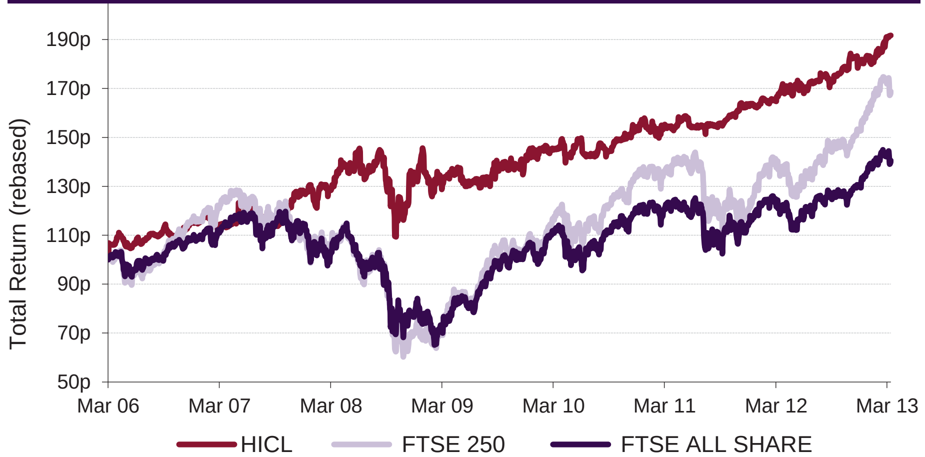
Shares have traded at a sustained premium to NAV[2]



Low correlation with the broader equity market[2]



Outperformance of FTSE250 (11%) and FTSE All Share (34%)[2]



1. Source: Thomson Reuters Datastream – year 1 April 2012 to 31 March 2013 2. Source: Thomson Reuters Datastream – period 28 March 2006 to 31 March 2013 3. Source: Bloomberg – 1 April 2012 to 31 March 2013
Past performance is not a reliable indicator of future performance. Investments can fluctuate in value.

Highlights – Sourcing and Investment

Continued strong transaction flow, especially through established relationships

- Acquired 10 new investments and 11 incremental stakes in existing investments during the 12 months to 31 March 2013
- Majority of acquisitions concluded through direct, sometimes exclusive, negotiations
- Total consideration of £278m
  - £75m from follow-on investments
- One disposal, Doncaster Schools PFI, for £5.3m, generating gain of £0.5m on the September 2012 valuation
- 79 investments at 31 March 2013 (70 at 31 March 2012)
  - further four investments acquired
  - Conditional Investments signed, but subject to consents/approvals (as at 21 May 2013)

New Investments in FYE 31 March 2013

Northwood MoD HQ
£30.6m for 50% stake in January 2013

Birmingham Hospitals
£34.6m for 30% stake in May 2012

Blackpool Whitegate Primary care Centre
£2.9m for 75% stake in July 2012

Highlights – Capital and Funding

£272.6m of new equity raised in the year

- Materially all of the £250m proceeds of the March 2012 C Share issue deployed as planned by 30 September 2012
- Subsequent investments funded through Ordinary Share tap issues in late November (119.0p) and early December (119.5p) totalling £105.3m
- With tap capacity fully utilised, acquisitions in January were funded through drawings under the Group's £100m revolving credit facility
- The consequent £30m net funding requirement was repaid out of the proceeds of the £167.3m New Ordinary Share issue in March 2013
- Further £36.1m of acquisitions up to 21 May 2013, and £27.5m earmarked for two further signed, but conditional, investments (University of Sheffield Accommodation and Bradford Schools Phase I)
- Currently circa £43.2m of funds available to fund the forward pipeline (before using Group debt facility)
- Directors expect new Ordinary Shares to deliver a total return of approximately 7.0% p.a. based on the issue price of 119.5p
- This equates to a cash dividend yield of 5.9% p.a. based on the 7.0p dividend declared in the year to 31 March 2013 and an issue price of 119.5p

Picture – Wooldale Centre for Learning

Portfolio Overview – Acquisition Activity

£278.0m of acquisitions in the year to 31 March 2013 driven by strong relationship network

Amount	Type	Stage	Project	Sector	Stake Acquired	Date
£39.0m	New	Operational	Connect	Transport	19.5%	May-12
£34.6m	New	Operational	Birmingham Hospitals	Health	30%	May-12
£15.0m	Follow-on	Operational	Colchester Garrison	Accommodation	14%	May-12
£2.9m	New	Operational	Blackpool Primary Care Facility	Health	75%	Jul-12
£10.4m[1]	Follow-on	Operational	Romford Hospital	Health	16.7%	Aug-12
	Follow-on	Operational	Fife Schools	Education	10%	
	Follow-on	Operational	Exeter Crown Courts	Fire, Law & Order	10%	
	Follow-on	Operational	Stoke Mandeville	Health	10%	
£4.9m[1]	Follow-on	Operational	Dorset Fire & Rescue	Fire, Law & Order	33%	Sep-12
	Follow-on	Operational	Ealing Care Homes	Health	16%	Sep-12
£3.9m	New	Operational	Fife Schools 2	Education	30%	Oct-12
£33.8m[1]	New	Operational	Birmingham & Solihull LIFT	Health	30%	Oct-12
	New	Operational	Staffordshire LIFT	Health	30%	
	Follow-on	Operational	Connect	Transport	9%	
£75.0m[1]	New	Operational	Edinburgh Schools	Education	100%	Dec-12
	New	Operational	Perth & Kinross Schools	Education	100%	
	New	Operational	West Lothian Schools	Education	37.5%	
£0.5m	Follow-on	Operational	Sussex Custody Centre	Fire, Law & Order	10.1%	Jan-13
£30.6m	New	Operational	Northwood UK Ministry of Defence HQ	Accommodation	50%	Jan-13
£21.2m	Follow-on	Operational	Highland Schools	Education	50%	Mar-13
£6.2m	Follow-on	Operational	West Lothian Schools	Education	37.5%	Mar-13
£278.0m						

[1] Aggregate value of consideration paid for multiple acquisitions announced on the same day.

Portfolio Overview – Acquisition Activity

Four acquisitions costing £36.1m completed during period from 31 March 2013 to 21 May 2013

- 50% equity and loan note interest in the Tameside General Hospital PFI project from Balfour Beatty Infrastructure Investments Limited for £16.0m. A 34 year PFI scheme costing £78m to design, construct and commission new-build facilities and associated site infrastructure.
- 60% equity and loan note interest in two LIFT companies, the Medway LIFT and the Redbridge & Waltham Forest LIFT for £9.8m. Together these LIFT companies have successfully developed seven new primary care facilities with a total development cost of approx. £50m.
- 33.3% equity and loan note interest in the HMP Addiewell Prison PFI project from Royal Bank Project Investments Limited for £10.3m. A £74m PFI scheme to design, build, finance and operate a new maximum security prison at Addiewell, Scotland. The concession is for 25 years.

Medway LIFT – Lordswood Community Healthy Living Centre

Tameside General Hospital

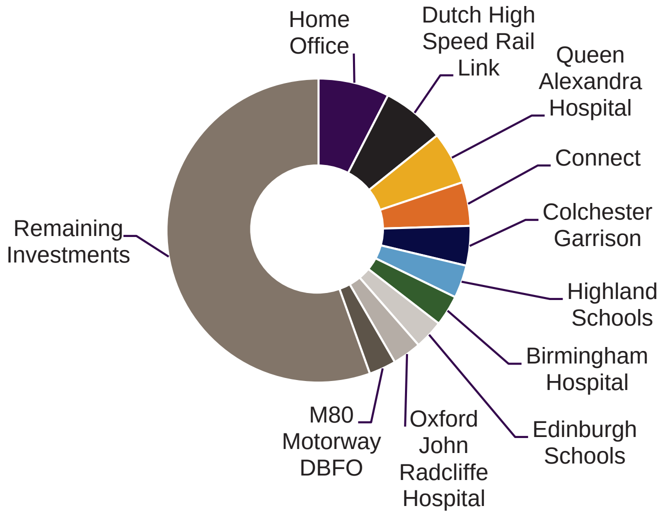
HMP Addiewell Prison

Redbridge & Waltham Forest LIFT Hainault Health Centre

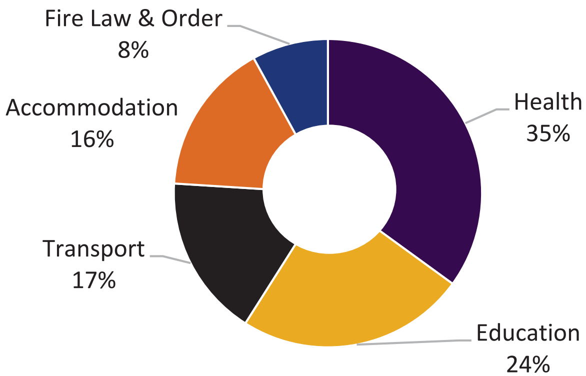
Portfolio Overview - Diversification

79 investments diversified by size, location and sector as at 31 March 2013

Size Breakdown[1] (Top 10 ~ 45%)



Sector Breakdown[1]



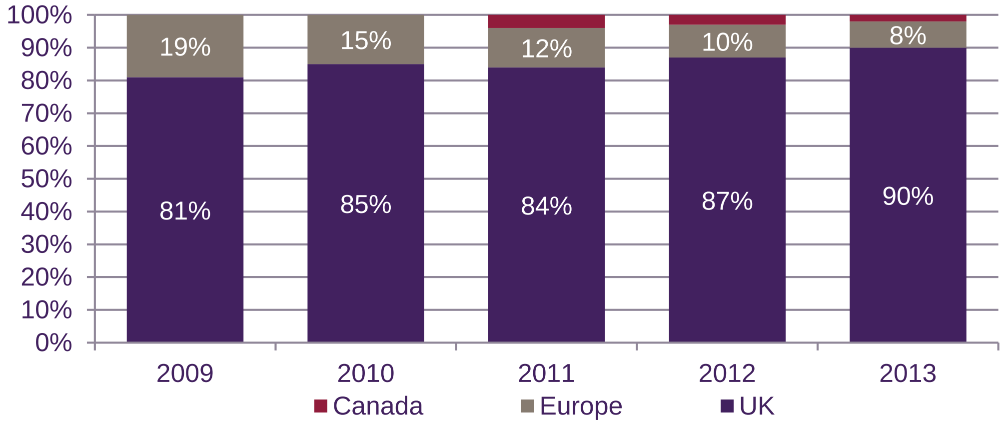
Social and transportation infrastructure concessions with public sector clients and predominantly availability-style contracts

[1] By value, using Directors' valuation as at 31 March 2013

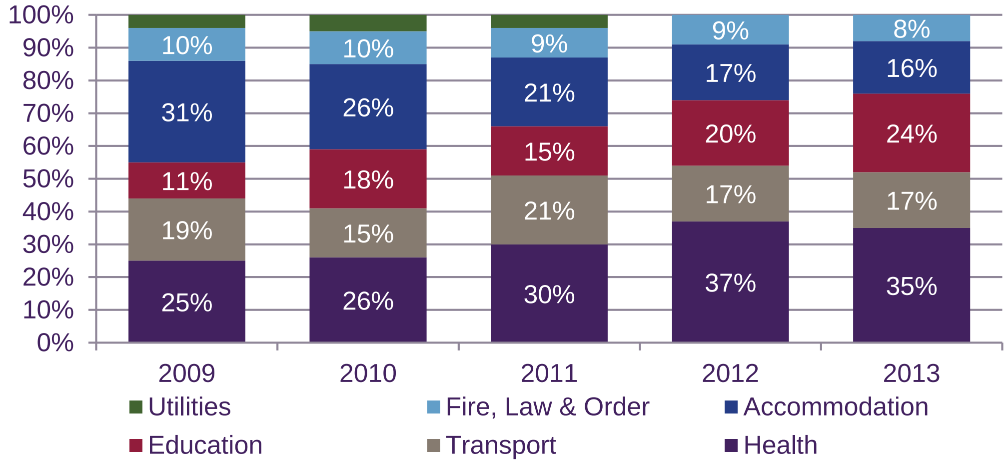
Portfolio Overview – Key Attributes

Evolution of the Group's portfolio – last 5 years to 31 March 2013[1]

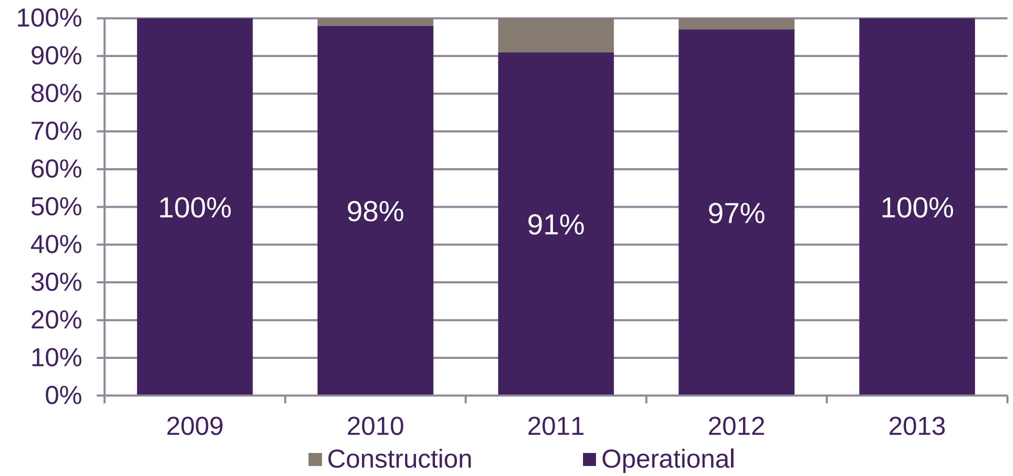
UK-focused portfolio



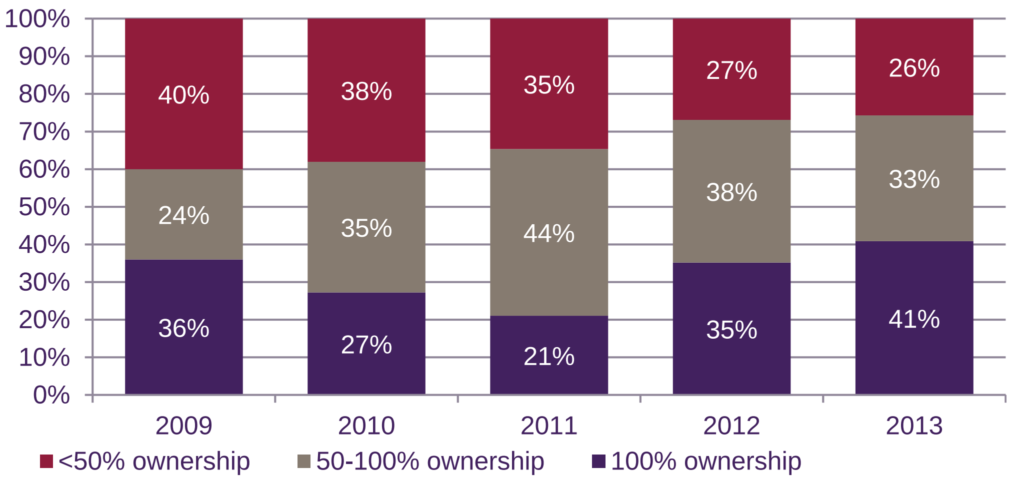
Good spread across social and transportation infrastructure



Focused on lower-risk operational projects

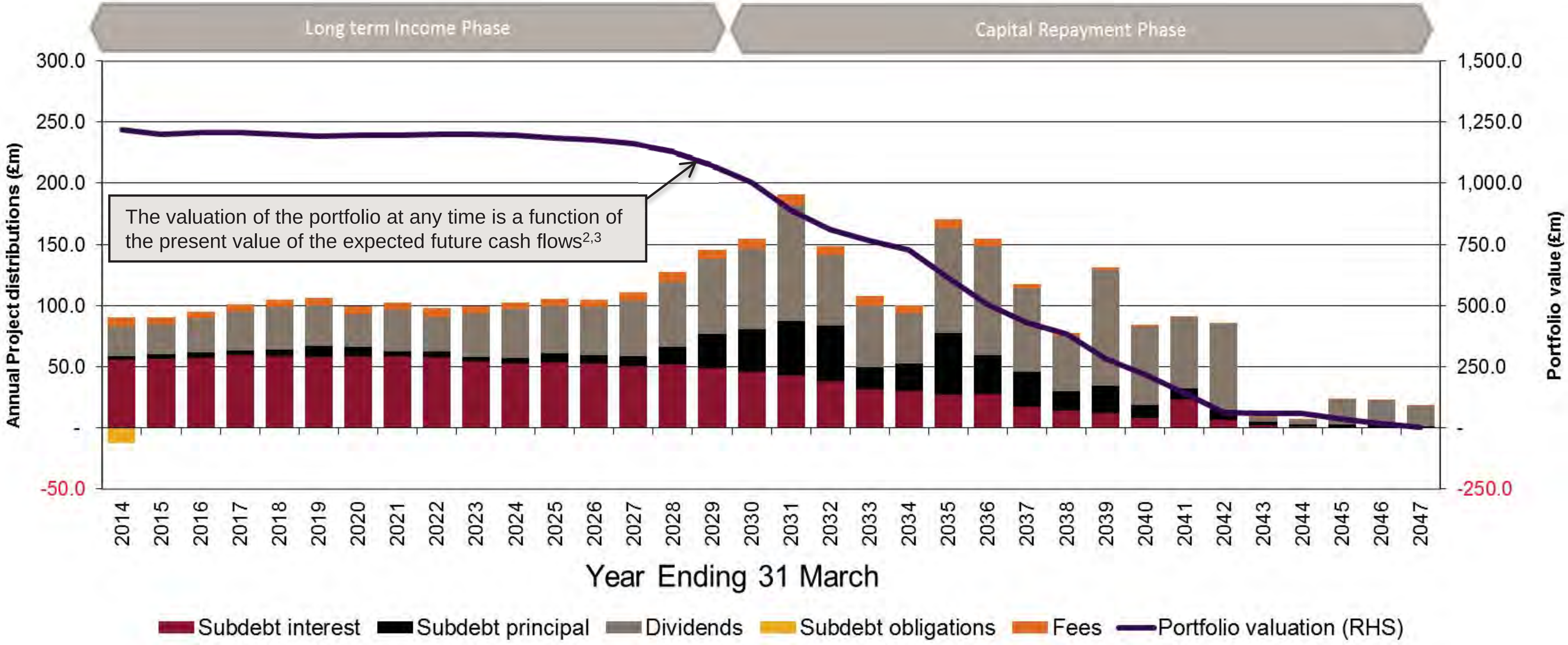


Opportunities to increase ownership stakes



[1] By value, using Directors valuation as at 31 March each year from 2009 to 2013

Portfolio Overview - Cashflow Profile[1]



Source: Investment Adviser

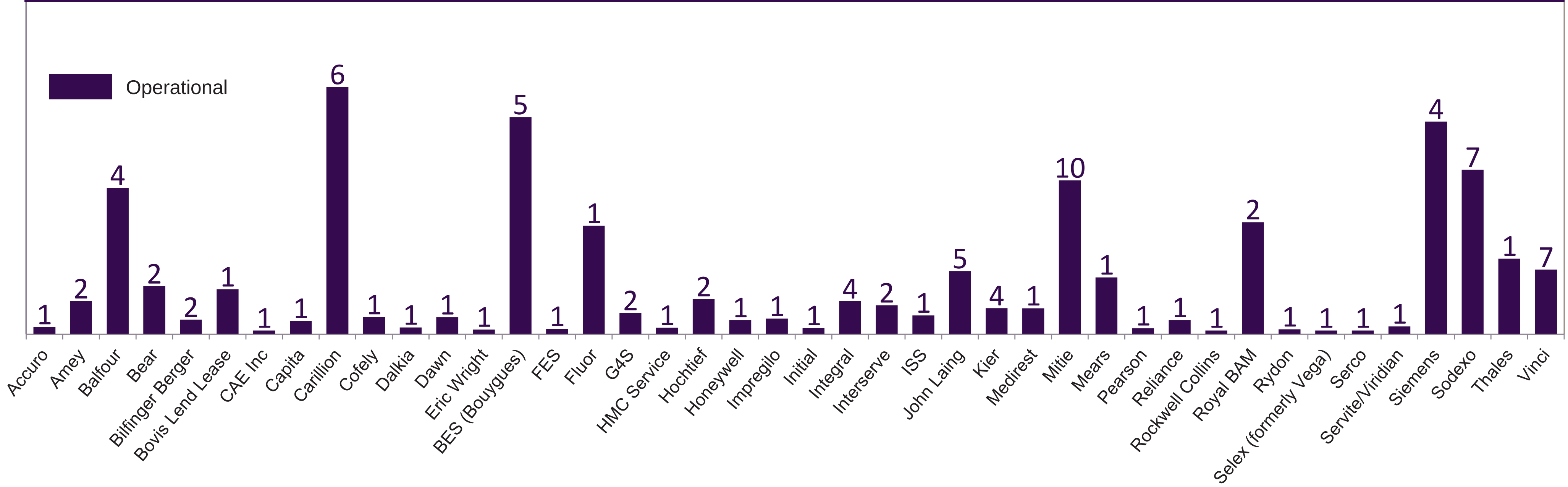
1. The illustration represents a target only as at 31 March 2013 and is not a profit forecast. There can be no assurance that this target will be met.
2. The illustration assumes a Euro to Sterling exchange rate of 0.84, a Canadian dollar to Sterling exchange rate of 0.65 and a weighted average discount rate of 8.4 per cent. per annum. These and value of the Group's portfolio may vary over time.
3. The valuation is of the portfolio of 79 investments and does not include other assets or liabilities of the Group, and assumes that during the period illustrated above (i) no new investments are purchased, (ii) no existing investments are sold and (iii) the Group suffers no material liability to withholding taxes, or taxation on income or gains

Portfolio Overview - Contractor Counterparty Exposure

Diversified spread of quality supply chain providers

- Counterparties performing
- Good spread ensures no over-reliance on single entity
- Quarterly reviews by Investment Adviser
- Acquisitions continue to increase counterparty diversity

Contractor exposure[1] (legend = number of projects)



[1] By value, as at 31 March 2013, using Directors' valuation. Some projects have more than one contractor so sum of the bars is greater than portfolio valuation.

Asset and Contract Management - Overview

Asset Management

- All projects now fully operational
  - Birmingham Hospitals acquired in construction in May 2012 and completed in August 2012
  - M80 Motorway in Scotland completed in December 2012
- Continuing active management of existing portfolio
  - Resolving operational issues involving the clients and/or the subcontractors
  - Building effective relationships with all parties
  - Group representation at all project company board meetings
- New investments performing to plan
- Greater engagement initiatives with local communities driven by project companies
- Home Office project won London Planning Awards for “Best Built Project – Five Years On”

Contract Management

- Good relationships with clients achieved through active engagement and inclusion in project meetings
- Cost saving initiatives are a regular item on the agenda
- Multiple variations proceeding – largest currently £19m
- Ongoing focus on ESG principles throughout the portfolio with good success in energy management

Picture – construction work at Barnet Hospital - variation

Asset and Contract Management - Examples

Dutch High Speed Rail Link, The Netherlands

- This project involved the design & construction of two new sections of high-speed rail track between Amsterdam and the Belgian border
- Noise attenuation is a critical issue with high speed rail lines and the Group is helping to facilitate a project variation comprising a pilot study in respective of different noise attenuation methodologies, especially on bends in the track
- This will involve testing rail dampening as well as noise absorption materials between, and at the side of, the tracks

Met Police Specialist Training Centre, London

- This specialist facility for public order training and specialist firearms training was completed in 2003
- In addition to specialist training arenas (planes, trains, tube station, stables, stadium) the centre accommodates 305 students plus classrooms. Canteen, leisure & fitness areas.
- A spend-to-save initiative costing several £m has resulted in an 11% energy consumption reduction and the generation of 85,323kWh of electricity through the installation of PV panels; a voltage optimiser; occupancy sensors; enhanced boiler strategies; and additional metering

Stoke Mandeville Hospital - Buckinghamshire

- Stoke Mandeville hospital is synonymous with spinal injuries and it is here that the Paralympic Games were founded by pioneering neurologist Professor Sir Ludwig Guttmann in 1948
- In recognition of this fact, in 2012 the shareholders funded the improvement of the landscaping at the front of the hospital and the construction of a new roundabout specifically to commemorate the London Paralympics
- A special dedication ceremony was held and Stoke Mandeville was the confluence point of the four Olympic torch routes before heading to the Olympic Stadium in London

Financial Review - Summary Income Statement

	Year to March 2013			Year to March 2012		
£m	**Investment basis**	**Consolidation adjustments**	**IFRS Basis**	**Investment basis**	**Consolidation adjustments**	**IFRS Basis**
Total Income	67.7	265.3	333.0	48.1	201.7	249.8
Expenses & finance costs	(17.8)	(271.9)	(289.7)	(14.9)	(214.0)	(228.9)
Profit/(loss) before valuation movement	**49.9**	**(6.6)**	**43.3**	**33.2**	**(12.3)**	**20.9**
Fair value movements	43.2	(31.1)	12.1	28.8	34.5	63.3
Tax and non-controlling interests	(0.1)	9.9	9.8	(0.1)	(1.3)	(1.4)
Earnings	**93.0**	**(27.8)**	**65.2**	**61.9**	**20.9**	**82.8**
Earnings per share	**10.4p**		**7.3p**	**9.8p**		**13.1p**

Financial Review - Expenses & net Finance Costs

HICL INFRASTRUCTURE

	Year to March 2013	Year to March 2012
£m	**Investment basis**	**Investment basis**
Interest income	(0.2)	(0.3)
Interest expense	3.2	2.4
Investment Adviser[1]	13.0	11.1
Auditor – KPMG – for the Group	0.3	0.2
Directors' fees and expenses	0.2	0.2
Other expenses[2]	1.3	1.3
Expenses & finance costs	**17.8**	**14.9**
Ongoing Charges Percentage[3]	**1.19%**	**1.38%**

1 Investment Adviser's fees include £1.7m relating to acquisitions made (financial and commercial due diligence).
2 Other expenses includes £0.2m related to third-party bid costs on unsuccessful bids.
3 Calculated using the methodology set out by the AIC.

Financial Review - Summary Balance Sheet

	As at March 2013			As at March 2012		
£m	Investment basis	Consolidation adjustments	IFRS basis	Investment basis	Consolidation adjustments	IFRS basis
Investments at fair value[1]	**1,200.4**	**(529.9)**	**670.5**	**902.0**	**(377.7)**	**524.3**
Non-current assets	-	3,009.1	3,009.1	-	2,224.3	2,224.3
Working capital	(11.7)	15.9	4.2	(12.0)	21.8	9.8
Net cash/(borrowings)	146.0	(1,770.3)	(1,624.3)	(116.3)	(1,357.0)	(1,473.3)
Other non-current liabilities	-	(739.8)	(739.8)	-	(498.6)	(498.6)
Non-controlling interests		(8.4)	(8.4)	-	(8.4)	(8.4)
Net assets[2] attributable to Ordinary Shares	**1,334.6**	**(23.4)**	**1,311.3**	**773.7**	**4.4**	**778.1**
NAV per Ordinary Share (before dividend)[3]	120.0p		117.9p	116.3p		117.0p
Net assets[4] attributable to C Shares	**n/a**	**n/a**	**n/a**	**246.8**	**-**	**246.8**
NAV per C Share	n/a	n/a	n/a	98.7p		98.7p

1. Investments at Fair Value at 31 March 2013 of £1,213.1m net of future investment commitments of £12.7m
2. Net assets attributable to the Group net of non-controlling interests
3. The NAV per share at 31 March 2013 is that applicable to the ordinary shares in issue as at 1 March 2013 (as the 140m shares issued pursuant to the capital raising in March 2013 were not eligible for the second interim dividend of 3.575p)
4. Being the £250m raised by way of C Shares in March 2012 less costs and held as cash on deposit

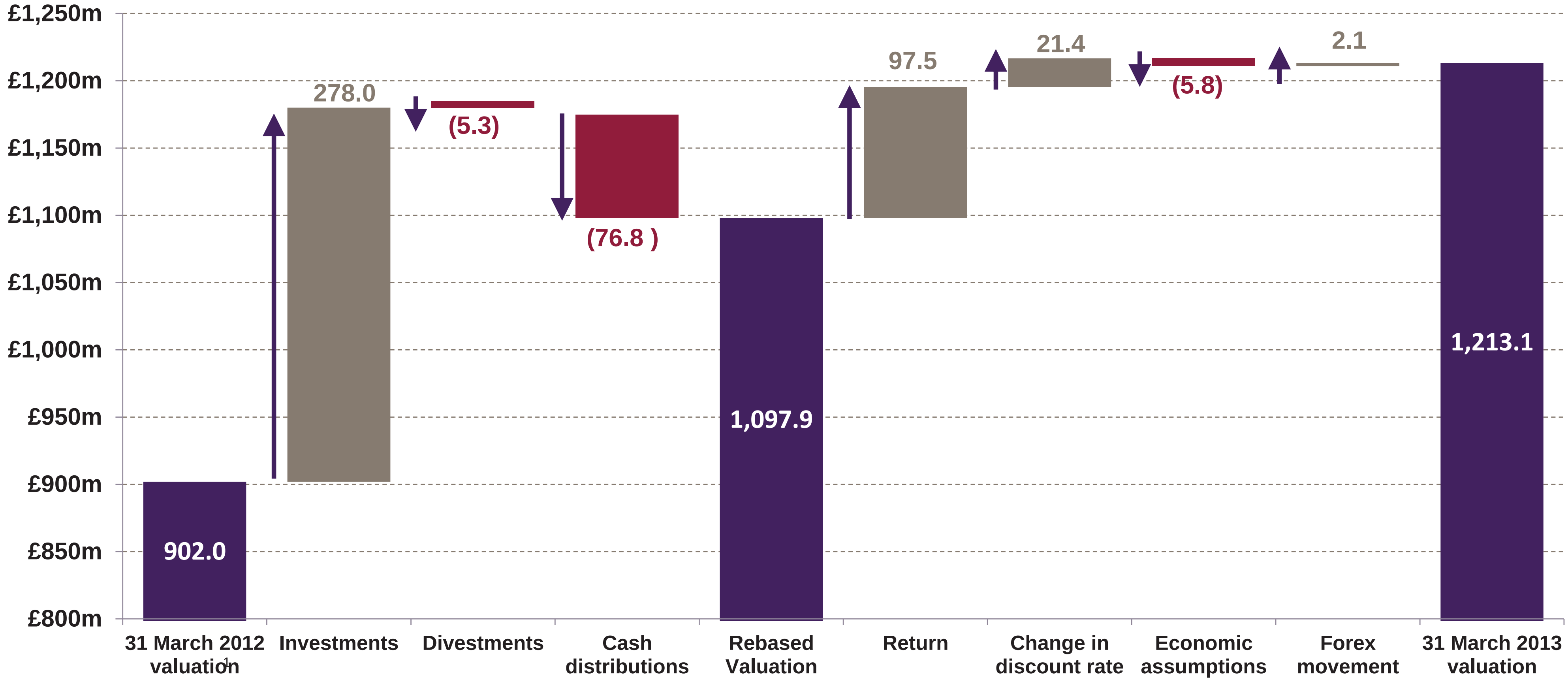
Financial Review - Summary Cash Flow

	Year to March 2013		Year to March 2012	
£m	**Investment basis**		**Investment basis**	
Net cash at start of period		**129.4**		**54.7**
Cash from investments[1]	78.2		51.2	
Operating and finance costs outflow	(13.9)		(10.2)	
Net cash inflow before acquisitions/financing		**64.3**		**41.0**
Disposal / Redemption of investment		3.9		30.0
Cost of new investments		(270.2)		(283.3)
Forex movement on borrowings/hedging[2]		(3.4)		2.9
Share capital raised net of costs		270.1		320.9
Distributions paid				
Attributable to operational investments	(46.6)		(33.2)	
Attributable to investments in construction	(1.5)		(3.6)	
		(48.1)		**(36.8)**
Net cash at end of period		**146.0**		**129.4**

1. The year to 31 March 2013 includes £1.4m gain on disposal of Doncaster Schools
2. Forex movements includes cash settlement and revaluation of euro and Canadian dollar borrowings/hedging at period end, as well as amortisation of debt issue costs of £1.7m (2012: £0.4m).

Financial Review - Analysis of Change in Directors' Valuation

Valuation movements driven by portfolio performance and accretive acquisitions



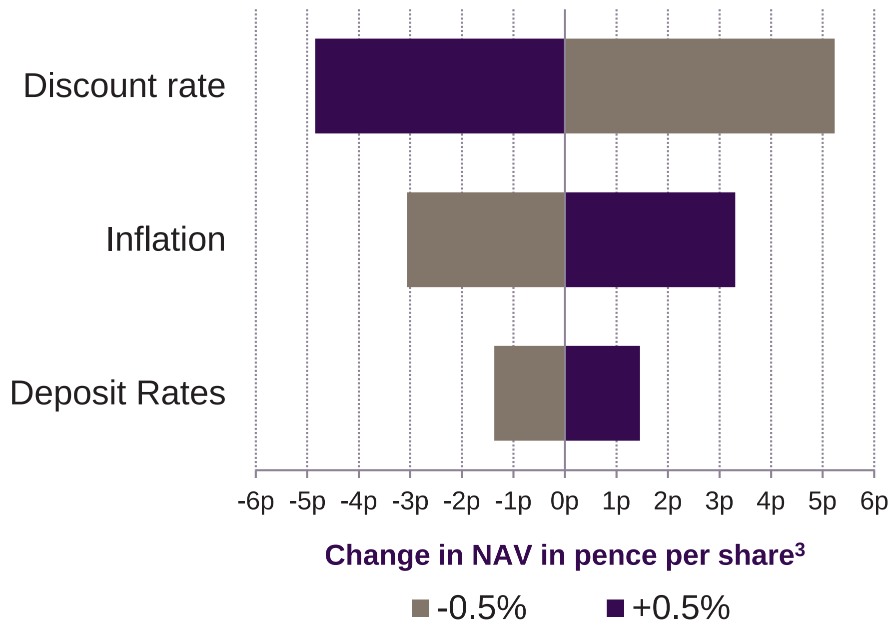
- "Return" comprises the unwinding of the discount rate; cost efficiencies in managing projects; value-accretive acquisitions; and variations.
- Portfolio return for year to 31 March 2013 is 8.9% (being £97.5m return on rebased Valuation of £1,097.9m)

Valuation – Key Assumptions

Key assumptions updated to reflect current consensus forecast

		31 March 2013	31 March 2012
Discount Rate	Weighted Average	8.4%	8.6%
Inflation[1]	UK (RPI[2] & RPIx[2]) Euro (CPI) Canada (CPI)	2.75% 2.00% 2.00%	2.75% 2.00% 2.00%
Deposit Rates	UK Short Term UK Long Term	1.0% to 31 Mar 2017 3.5% thereafter	1.0% to 31 Mar 2015 3.75% thereafter
Foreign Exchange	CAD / GBP EUR / GBP	0.65 0.84	0.63 0.83
Tax Rate	UK	23%	24%

Sensitivity to key macroeconomic assumptions



- If the annual inflation assumption is 3.75% pa (i.e. up 1.0%), expected return[4] from portfolio (before Group expenses) would increase from 8.4% to 9.0%

[1] Some project income fully indexed, whilst some partially indexed
[2] Retail Price Index and Retail Price Index excluding Mortgage Interest Payments
[3] Based on 1,116m shares in issue
[4] Return is expected gross internal rate of return

Valuation - Discount Rate Analysis

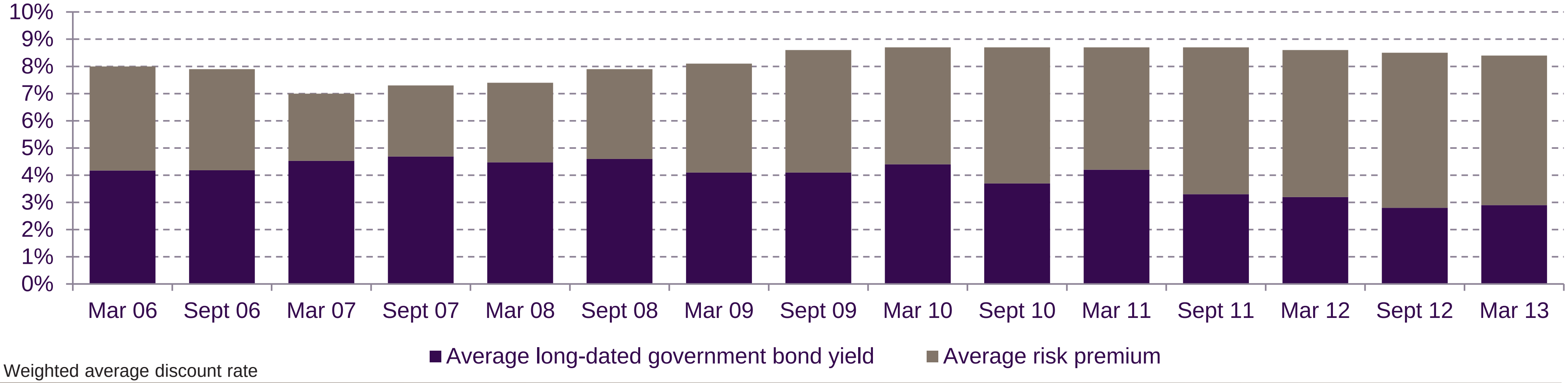
Directors' Valuation as at 31 March 2013

Market valuation of assets increased in the year

- Discount rates for projects range between 8.0% and 10.0%
- Weighted average discount rate of 8.4%, down from 8.6% at 31 March 2012
- Risk premium over long-dated government bonds increased 0.1% in the year to 5.5%

	Appropriate long-dated government bond yield		Risk Premium		Total discount rate[1] 31 Mar 2013	Total 31 Mar 2012
UK	2.9%	+	5.5%	=	8.4%	8.6%
Holland	2.4%	+	6.2%	=	8.6%	8.8%
Canada	2.5%	+	5.6%	=	8.1%	8.2%
Ireland	5.5%	+	4.5%	=	10.0%	11%
Portfolio	**2.9%**	+	**5.5%**	=	**8.4%**	**8.6%**

Discount rates since launch



[1] Weighted average discount rate

Market Developments – The Group's Investment Policy & Strategy

The Group's focus on social and transportation infrastructure remains unchanged

Main focus

- Social and transportation infrastructure (such as PPP/PFI/P3) concessions
  - Predominantly availability-based contracts
  - Countries with developed programmes:
    - UK, Europe, Canada, Australia
  - Project phase
    - Mainly operational
    - Some assets in construction to achieve element of NAV growth

Possible secondary interest

- Debt funding of infrastructure projects (without taking an equity interest), where attractively priced and appropriately structured
- Toll roads where there is proven demand history and an appropriate risk/return profile;
- Regulated utilities and transmission systems, if of an appropriate scale, and where long-term feed-in / off-take agreements are in place
- Operational renewable energy projects such as wind farms, solar parks or hydro-electric schemes, where there are suitable contractual structures in place which enable the Group to secure long-term income streams, comparable in nature to those in social infrastructure projects

What does not fit the current strategy

- Renewable energy projects where multiple variables combine to increase overall risk /return outside similar parameters to social infrastructure
- Demand–based 'economic' infrastructure , such as airports and ports, where revenue is function of usage and paid by users

Outside policy

- Non-core infrastructure
  - e.g. ferries, motorway service stations, care homes

Market Developments - Update

Secondary market active but primary market activity varies by geography

Positive developments in the secondary market as the asset class matures

- Continuing to see range of new investment opportunities which fit the Group's investment strategy
- Some social infrastructure debt being priced at levels which are beginning to look attractive
- Uncertainty removed as a result of 'no change' outcome of the Office of National Statistics' RPI review
- The UK Government demonstrated its commitment to existing PFI projects when faced with a financially struggling London healthcare trust
- Attractiveness of the asset class is encouraging new investors

Clarification of procurement methodology should help to unlock the UK primary market pipeline

- Successor to PFI – PF2 – launched in December 2012
  - Refinement of PFI in many areas to ensure more efficient procurement and greater value for money
  - Equity stakes from public sector and equity competition at final bid stages to reduce cost of capital
  - Positive for the economy and for the infrastructure sector, but limited progress to date
- 39 PFI projects still in procurement with capital costs of £5.4bn[1]
- 2012 National Infrastructure Plan – 576 projects worth £310bn
- New Priority School building programme commencing

Globally, pool of opportunities is increasing as countries develop their PPP/P3 procurement programmes

- Number of northern European markets active, with some activity
- Active programmes in Canada, USA and Australia, plus a number of countries seeking to utilise PPP as a procurement method

1. Data as at March 2012. Source: HM Treasury

Market Developments - Pipeline and Sourcing

Strong industry relationships and reputation continue to deliver

- Acquisitions over the last 12 months and in the pipeline have similar characteristics
  - Generally long-term social and transportation infrastructure investments
  - Mix of single assets and portfolios
  - Some processes at an advanced stage
- Evaluated around 50 new investment opportunities in detail over the last year
- Bid to acquire PPP investments in Belgium, France, Germany, and Holland in the year – lost to local investors
- Participated in 15 auction processes and been successful on three
- Careful bid cost management
- Successful focus on relationships leading to direct negotiations
- Developed a reputation and skill set that delivers:
  - funding available;
  - depth of resources for due diligence;
  - trust and reliability when it comes to delivery on time and on price
- Healthy pipeline with five exclusive opportunities worth over £100m
- Potential for further incremental follow-on investments of up to £150m over next three years

Summary

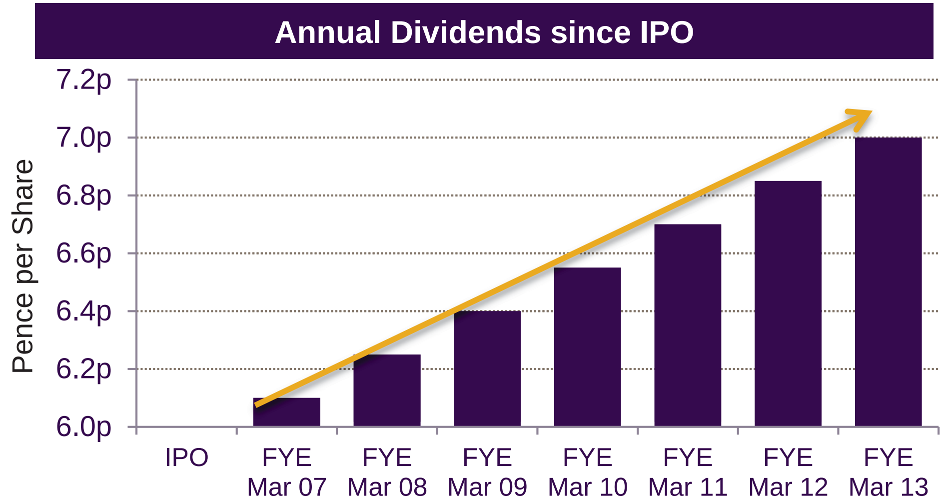
HICL INFRASTRUCTURE

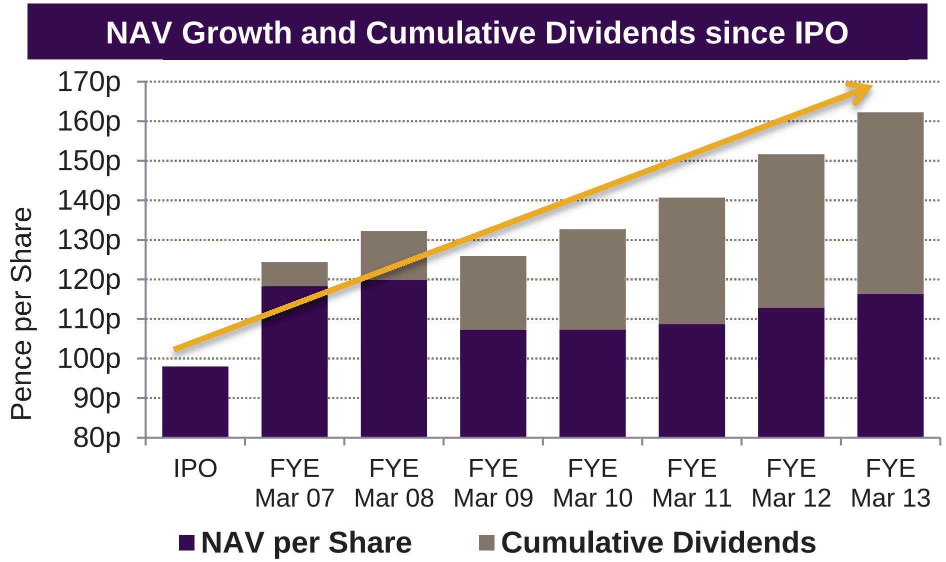
Portfolio performance

- Size and diversity of portfolio increasing, thereby generating further scale economies and reducing risk
- Assets performing and distributing cash to Group as expected
- Value growth through pro-active asset management, judicious acquisitions, and accretive equity issuance
- Steady pipeline of new investment opportunities from the market and from the existing portfolio
- March equity capital proceeds expected to be invested by the summer, ahead of plan

Distributions and Performance

- Target distribution of 7.0p per share for year to 31 March 2013 now met
- Total returns of 9.2% p.a. since IPO based on NAV growth plus dividends
- Supportive and evolving shareholder base
- Board has set target distribution for the year to 31 March 2014 of 7.1p per share



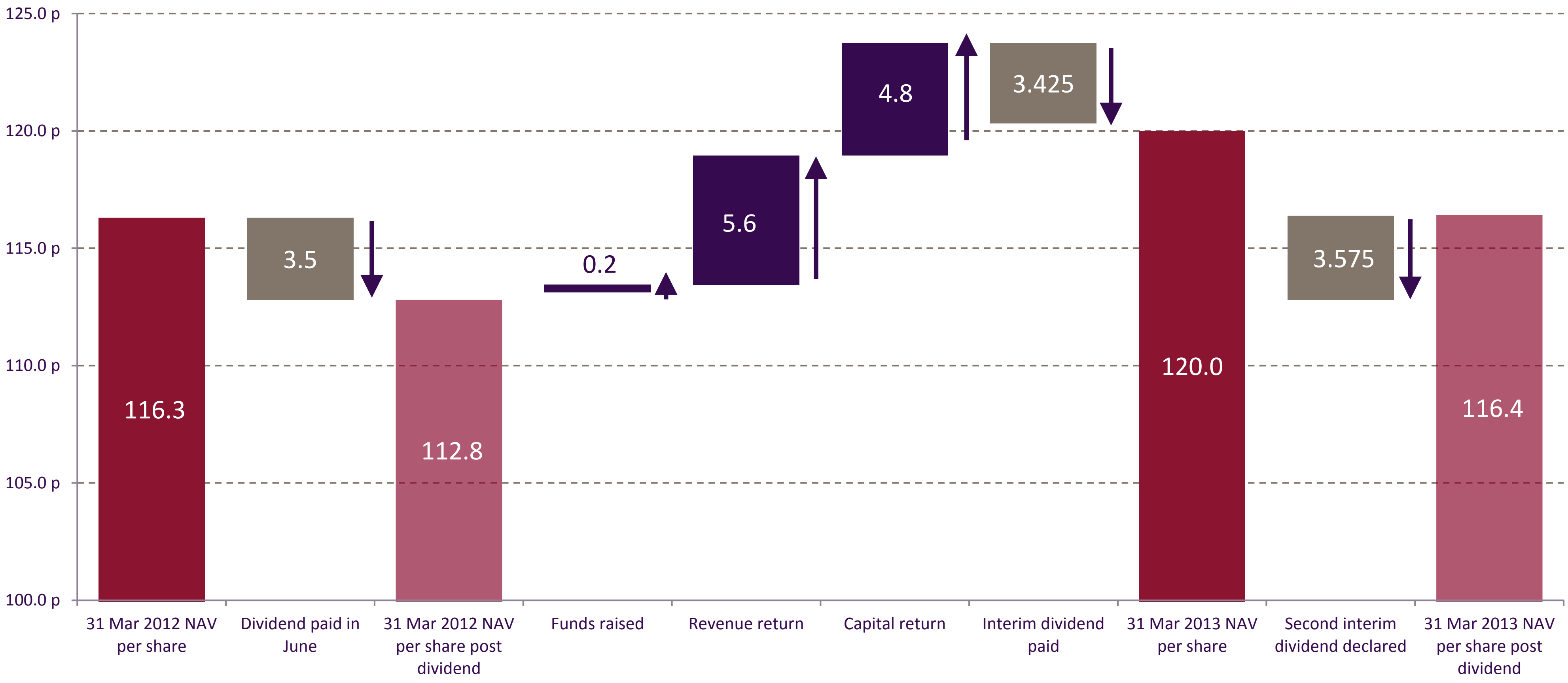


Appendix I

Additional Financial Information

Analysis of Change in NAV per Share

31 March 2012 to 31 March 2013



1. Increase in NAV per share due to ‘Funds raised’ arises from issuing shares at a premium to NAV and includes scrip dividends and is net of expenses

Valuation Methodology

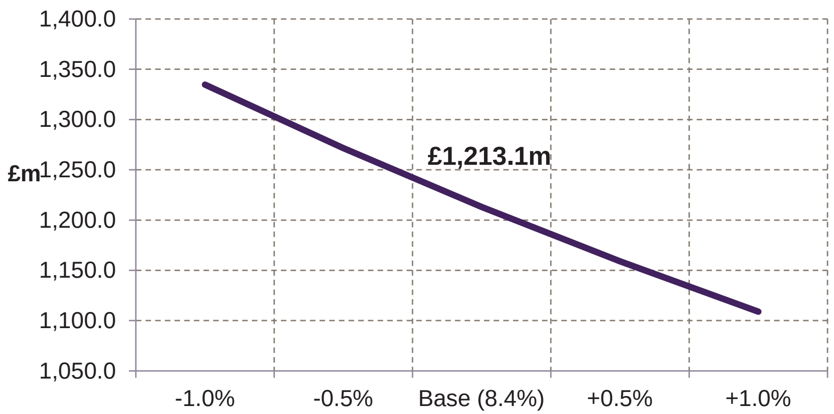
HICL INFRASTRUCTURE

The Company's valuation methodology is consistent with industry standard

- Semi-annual valuation and NAV reporting:
  - Carried out by Investment Adviser
  - Approved by Directors
  - Independent opinion for Directors from third-party valuation expert
- Non traded - DCF methodology on investment cash flows
  - Discount rate comprising risk free rate plus investment specific premium
    - For risk free, average of 20 and 30 year government bonds (matching concession lengths)
- Traded (not currently applicable): market quotation

Discount Rates

Weighted average rate of 8.4%[1]



	Directors' valuation	NAV per share
Valuation	**£1,213.1m**	**116.4p**
	Change	**Implied change in NAV per share**
+0.5% increase	**- £54.1m**	**- 4.8p**
-0.5% decrease	**+ £58.4m**	**+ 5.2p**

DCF rates for PFI/PPP/P3 assets have reduced by 0.2% in the year

For the PFI/PPP/P3 portfolio	Weighted average Government Bond yield	Weighted average risk premium	Weighted average discount rate	Weighted average const. phase premium	Weighted average ops. phase premium
31 March 2012	3.2%	5.4%	8.6%	5.8%	5.4%
30 September 2012	2.8%	5.7%	8.5%	6.2%	5.7%
31 March 2013	**2.9%**	**5.5%**	**8.4%**	**n/a**	**5.5%**

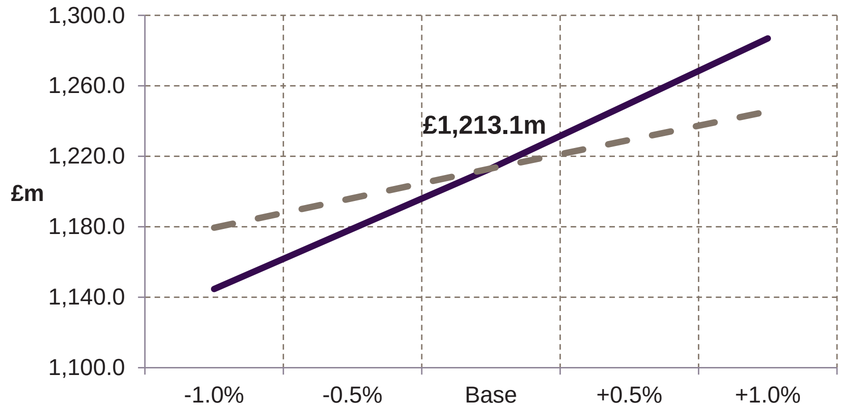
[1]Sensitivity analysis based on the 79 PFI/PPP/P3 investments as at 31 March 2013

Inflation

Positive inflation correlation

Sensitivity to inflation depends on a project's initial structuring[1]

- PFI/PPP/P3 projects' income and costs linked (partially or wholly) to RPI/RPIx[2] in UK and CPI in Holland, Canada and Ireland
  - Valuation based on 2.75% pa RPI/RPIx in UK and 2.0% pa CPI in EU and Canada
  - Availability payments fully or partially indexed to inflation
  - Operating costs also indexed to inflation
  - Financing costs can be indexed-linked and some projects have long-term RPI hedges in place



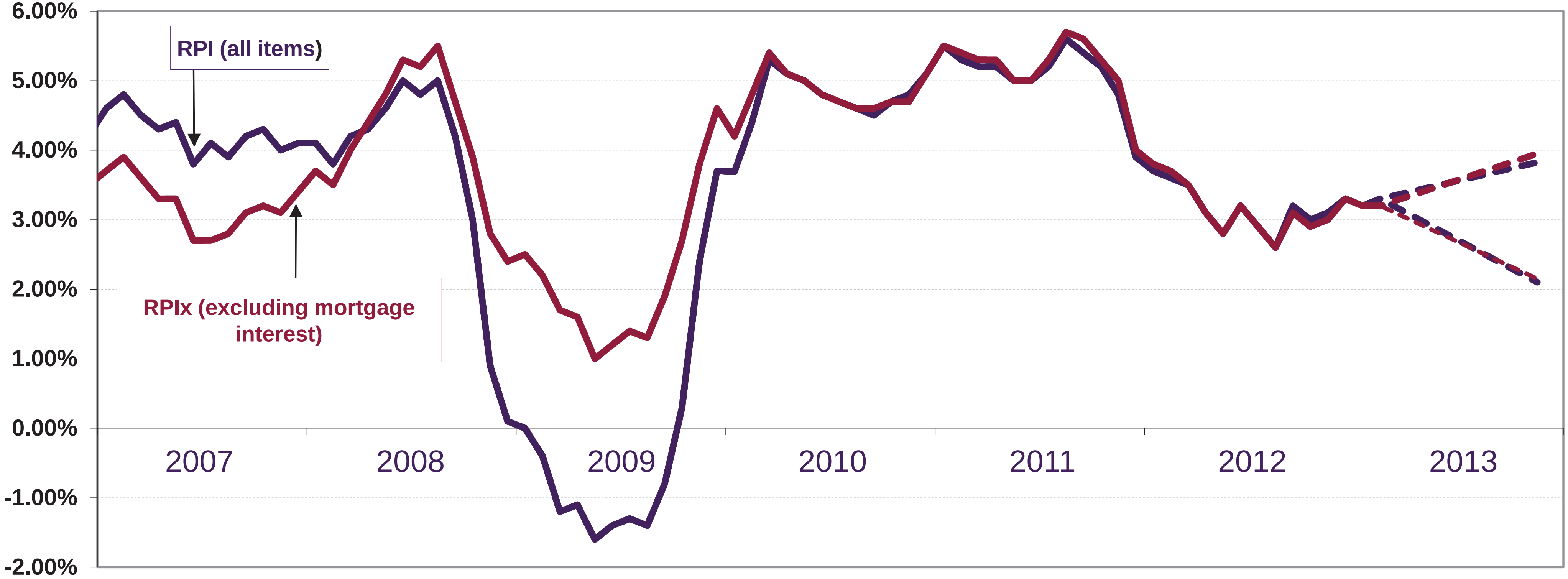
	Directors' valuation	NAV per share[3]
Valuation	£1,213.1m	116.4p
	Change	**Implied change in NAV per share**
+0.5% increase all years	+ £36.9m	+ 3.3p
-0.5% decrease all years	- £34.2m	- 3.1p

Purple line - Sensitivity changing assumption each and every year to maturity
Grey line Sensitivity changing assumption for next five years only – base case thereafter

[1] Analysis based on 20 largest PFI/PPP/P3 investments
[2] Retail Price Index and Retail Price Index excluding Mortgage Interest Payments

UK Inflation – Actual & Forecast

- UK RPI was 2.9% in April 2013, with a range of forecasts showing it rising slowly to declining over the next 12 months
- Valuation assumptions – simple proxy of possible outcomes
- In January 2013 the UK Office for National Statistics recommended no change to the way in which RPI is calculated



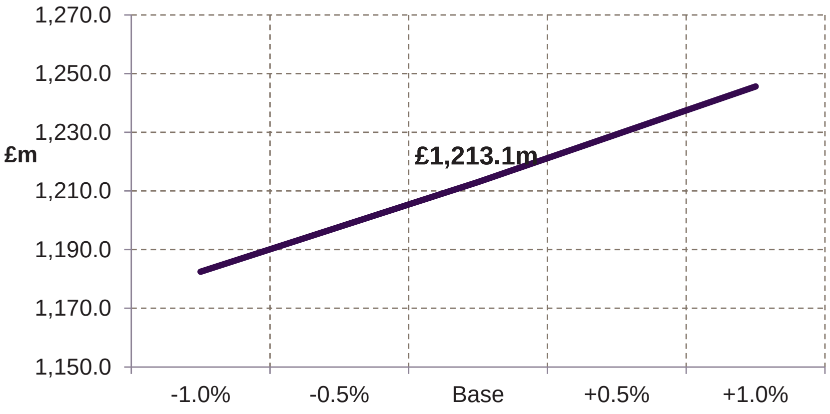
1. Source – Office for National Statistics, HM Treasury a comparison of independent forecasts March 2013

Deposit Rate Sensitivity

Positive deposit rate correlation

Positive sensitivity results from cash deposits held by project companies[1,2]

- Financing structure typically includes cash reserve accounts
  - e.g. Debt service reserve account, Lifecycle reserve account, Change in law reserve account
- Debt financing in each project hedged to interest rate exposure



	Directors' valuation	NAV per share[3]
Valuation	£1,213.1m	116.4p
	Change	**Implied change to NAV per share**
+0.5% increase all years	+ £16.3m	+ 1.5p
-0.5% decrease all years	- £15.3m	- 1.4p

[1] Analysis based on 20 largest PFI/PPP/P3 investments
[2] Changing all future periods assumption from the base assumption - all other assumptions unchanged

Appendix II

The Investment Adviser

Overview of InfraRed Capital Partners Ltd

InfraRed is the Investment Adviser and Operator

- InfraRed is the investment adviser to HICL and is authorised and regulated by the Financial Conduct Authority
- Strong, 15+ year track record in raising and managing 13 value-add infrastructure and real estate funds (including HICL)
- Currently c.US$6bn of equity under management
- Independent manager 80.1% owned by 28 partners following successful spin-out from HSBC Group in April 2011[1]
- London based, with offices in Hong Kong, New York, Paris and Sydney, with around 100 partners and staff
- Team of 17 professionals advising the Group, managing the investments and sourcing new investments

Infrastructure funds	Strategy	Amount (m)	Years	Status
Fund I	Unlisted , greenfield , capital growth	£125	2001-2006	Realised
Fund II	Unlisted , greenfield , capital growth	£300	Since 2004	Materially realised
HICL	Listed, secondary, income yield	£1,416[2]	Since 2006	Evergreen
Environmental Fund	Unlisted , greenfield , capital growth	€235	Since 2009	Investing
Fund III	Unlisted , greenfield , capital growth	US$1,217	Since 2011	Investing
Yield Fund	Unlisted , secondary, income yield	£500	Since 2012	Invested

Source: InfraRed
1. InfraRed is an indirect subsidiary of InfraRed Partners LLP which is 80.1% owned by 28 partners and 19.9% by HSBC Group
2. Market capitalisation as at 31 March 2013.

InfraRed – Team Skills and Experience

- Experienced infrastructure professionals with proven track record
  - Core team for HICL of 12
  - Four asset managers
  - Part of a wider infrastructure team of 43
- Wide range of skills and knowledge of
  - Assets in portfolio
  - Core target sectors
  - Corporate finance
  - M&A
  - Treasury management
- Detailed, ‘tried and tested’ investment processes
- Active asset management with regular review
- Proactive value management

InfraRed – Secondary Infrastructure Team

Extensive infrastructure experience across the investment team

Werner von Guionneau
CEO, InfraRed[1]

Tony Roper
Director, InfraRed[1]

Keith Pickard
Director, Infrastructure[1]

Erwan Fournis
Director, Infrastructure[1]

David Foot
Director, Infrastructure

Robin Hubbard
Director, Investor Relations

Chris Gill
Deputy CEO, InfraRed[1]

James O'Halloran
Investment Director

Amanda Caines
Investment Executive

Albane Psaume
Investment Executive

Eugene Kinghorn
Financial Controller

Tim Bowden
Investment Director

Gareth Craig
Director, InfraRed[1]

Xiaonan Chen
Analyst

Sean Watson
Analyst

Fabien Villacampa
Analyst

Maria Janusz
Management Accountant

Mark Woodhams
Director, InfraRed[1]

Geoff Quaife
Asset Manager

Mark Wayment
Asset Manager

Robert Newton
Asset Manager

Mark Holden
Asset Manager

[1] Member of the InfraRed Capital Partners Ltd HICL Investment Committee

Appendix III

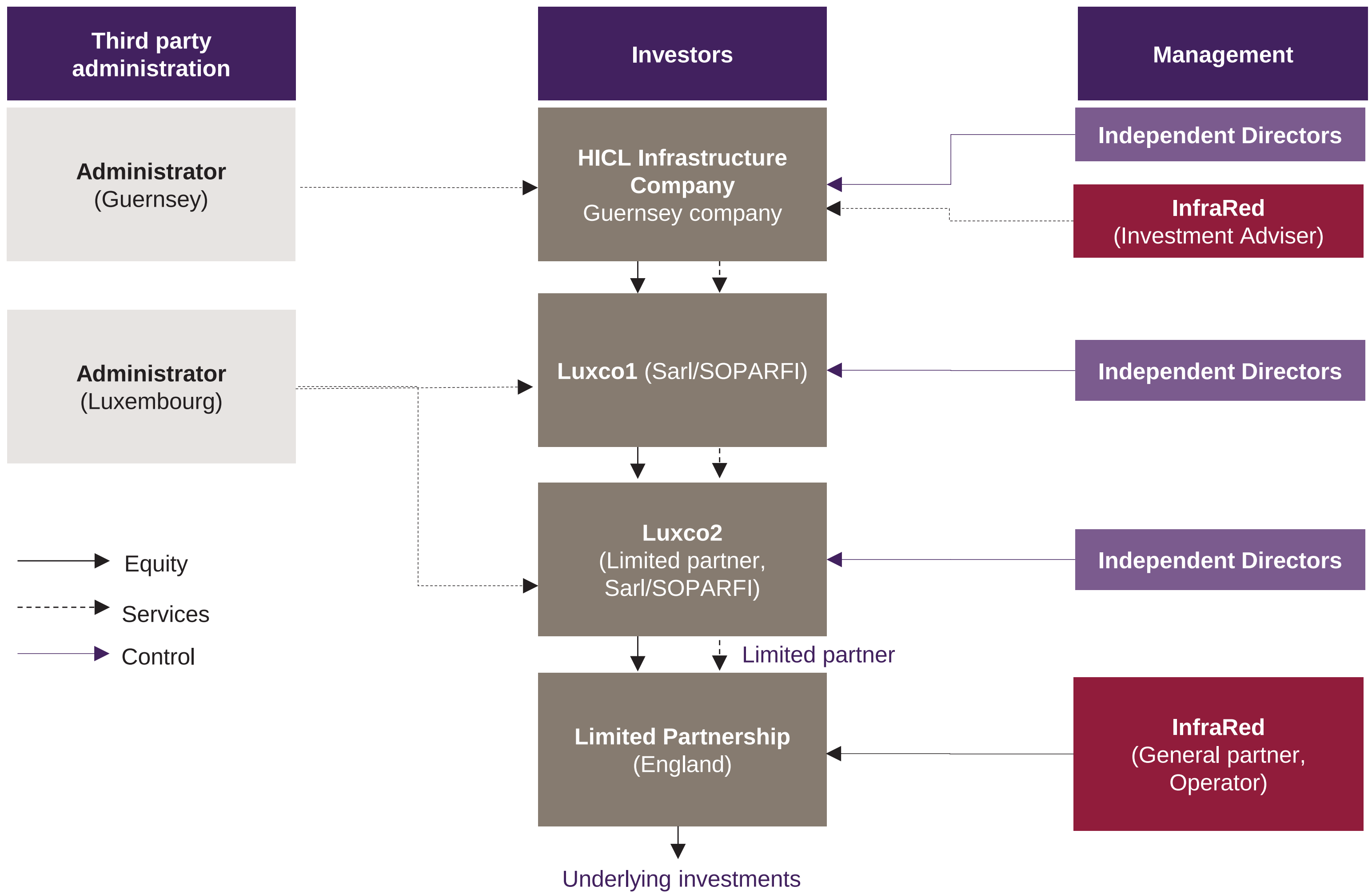
The Company

Investment and Capital Raising/Distribution History[1]

First year – period end 31 March 2007	Distributions
▲ Launch March 06 – raised £250m, purchased 15 investments worth £250m ▲ Acquired 2 new investments & 6 incremental stakes for £43.4m	▲ Interim 2.875p ▲ Second interim 3.225p ▲ **TOTAL 6.10p**
Second year – year end 31 March 2008	
▲ New £200m fund level 5 year revolving debt facilities ▲ Site visit January ▲ Acquired 10 new investments & 1 incremental stake £81.1m	▲ Interim 3.05p ▲ Second interim 3.20p ▲ **TOTAL 6.25p**
Third year – year end 31 March 2009	
▲ Successful £103.6m C share raising in May 2008 ▲ Site visit February ▲ Acquired 1 new investment & 5 incremental stakes for £30.7m	▲ Interim 3.125p ▲ Second interim 3.275 ▲ **TOTAL 6.40p**
Fourth year – year end 31 March 2010	
▲ Successful £80m C share raising in December 2009 ▲ Raised £48.1m through tap issues over the year ▲ Acquired 5 new investments & 4[2] incremental stakes for £68.0m	▲ Interim 3.20p ▲ Second interim 3.35p ▲ **TOTAL 6.55p**
Fifth year – year end 31 March 2011	
▲ Successful £110m C share raising in December 2010 ▲ Raised £46.5m through tap issues ▲ Acquired 5 new investments & 4 incremental stakes for £151.0m	▲ Interim 3.275p ▲ Second interim 3.425p ▲ **TOTAL 6.70p**
Sixth year – year to 31 March 2012	
▲ Raised £325.9m through tap issues and successful £250m C share ▲ Kemble Water Junior Loan repaid in April 2011 ▲ Acquired 33 new investments & 5 incremental stakes for £236.6m	▲ Interim 3.35p ▲ Second interim 3.50p ▲ **TOTAL 6.85p**
Seventh year – year to 31 March 2013	
▲ Raised £105.3m through tap issues and an oversubscribed £167.3m New Ordinary Share issue ▲ Acquired 10 new investments and 11 incremental stakes for £278.0m ▲ 1 disposal for £5.3m	▲ Interim 3.425p ▲ Second interim 3.575p ▲ **TOTAL 7.00p**

1. Past performance is not a reliable indicator of future performance
2. Includes the additional investment in the Helicopter Training Facility variation

Group Structure Diagram



What Defines Infrastructure

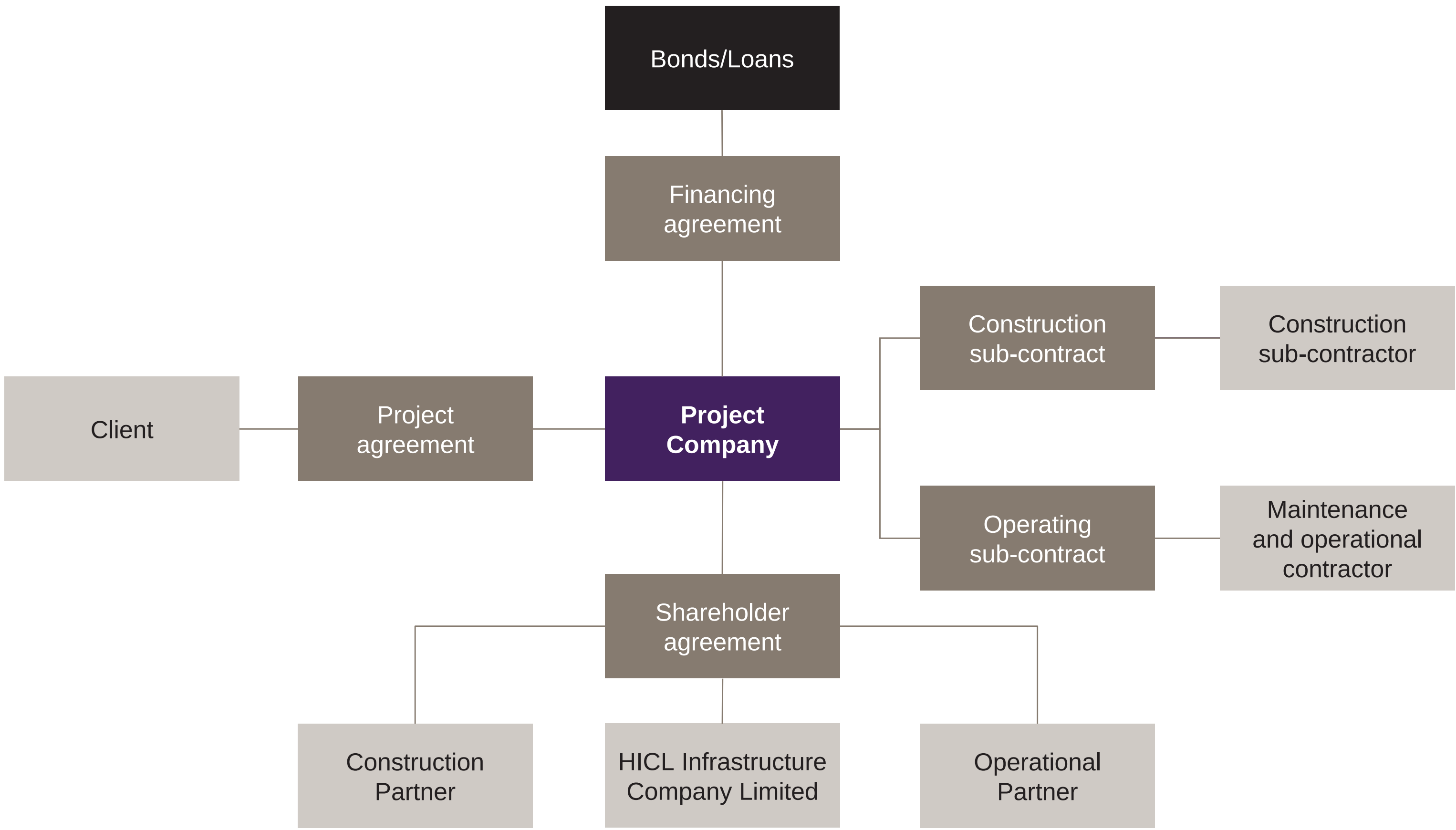
Low — **Revenue risk** — High

Risk class	Availability	Regulatory	Demand based	Market
Investment risks are incremental	▸ Operating costs ▸ Delivery (e.g. service performance)	+ Regulatory risk + Volume risk (low)	+ Volume risk (high) + Known pricing risk	+ Competitive risks
Examples				
	▸ Hospitals, schools, government accommodation ▸ Availability transport (e.g. road/rail)	▸ Energy distribution, transmission, storage ▸ Water, waste water ▸ Renewable energy (off-take or feed-in)	▸ Real toll roads, tunnels, bridges ▸ Light, heavy rail ▸ Airports ▸ Marine ports	▸ Merchant power (no off-take) ▸ Ferries ▸ Service stations ▸ Waste
	Lowest risk segment ('public assets')	**Largely resilient to economic cycle**	**Exposed to economic cycle**	**Private equity style exposure**

- Revenue risk is also heavily influenced by factors such as geographic jurisdiction and whether a project is operational or still under construction

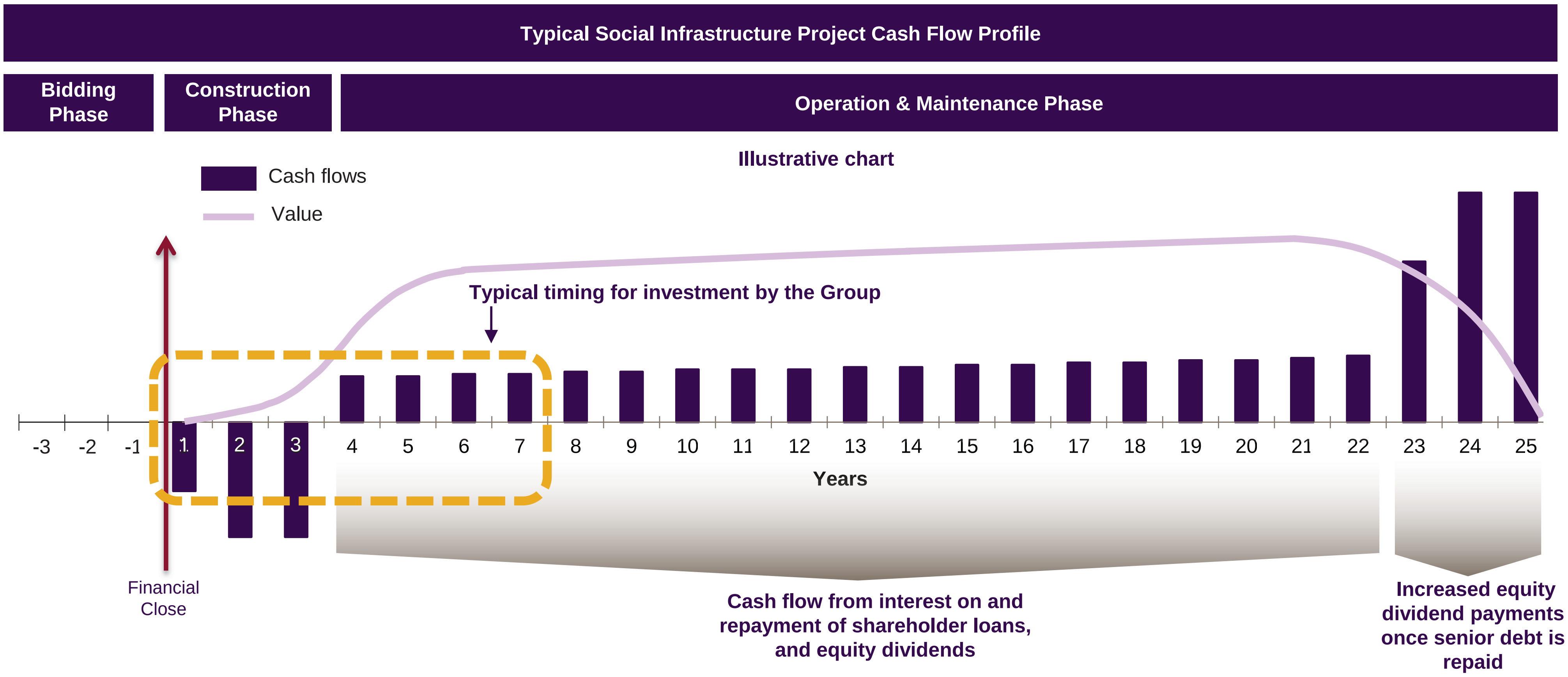
For a full list of risk factors please refer to pages 17-29 of HICL's New Ordinary Share Prospectus dated 26 February 2013

Typical Infrastructure Project Structure



Investment Cash Flow Profile over a Project's Life

Operational infrastructure projects benefit from long-term, predictable cash flows



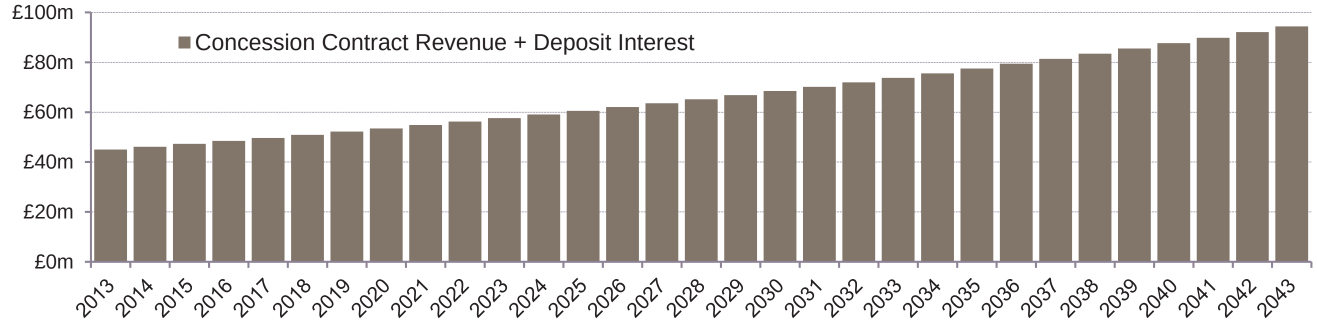
Source: InfraRed

Valuation - Methodology

Determining the net asset value of the portfolio and the Group (illustrative example)

HICL INFRASTRUCTURE

Forecast Project Inflows



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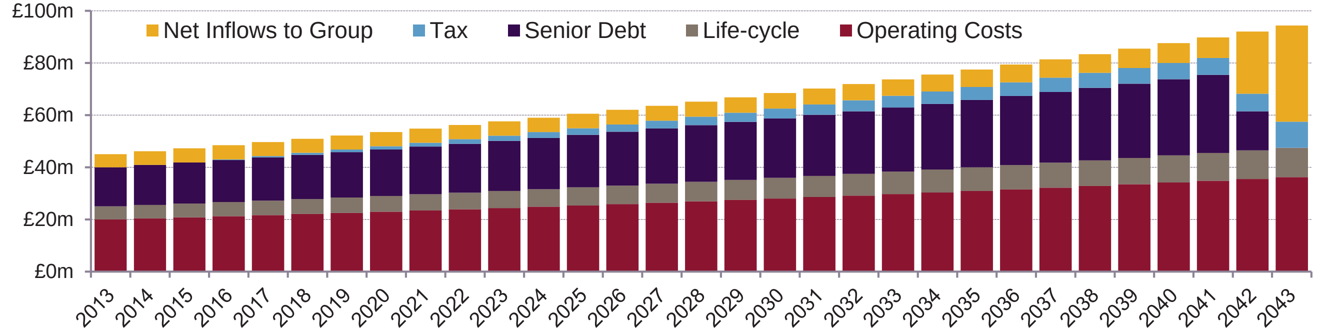
Forecast Project Outflows



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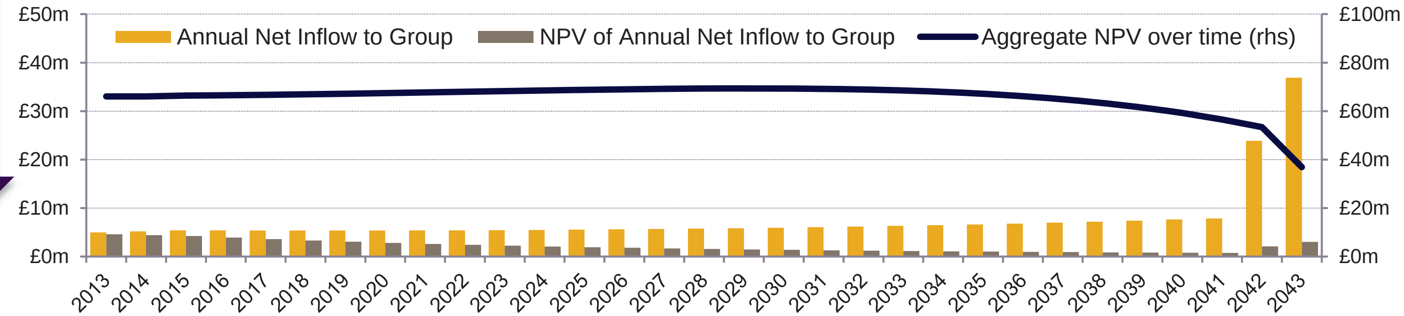
Net Inflow from Project to HICL



Key Variables/Assumptions

- Long-term Inflation Rate
- Deposit Interest Rate

- Whole-of-life concession revenue linked to inflation
- Interest income from cash reserves at individual project level

- Tax Rates

- Whole-of-life operating contracts fixed or linked to inflation
- Whole-of-life debt is fixed or inflation-linked
- Net Inflows to HICL in form of dividends, shareholder loan service & directors fees

- Discount Rate
- FX

- Net cashflows in GBP£ discounted to derive project valuation
- All project cashflows aggregated to give Directors' portfolio valuation
- Adjust for other Group net assets/liabilities to get Group NAV

Governance

- Independent board of six non-executive Directors
  - Approves and monitors adherence to strategy
  - Determines risk appetite
  - Oversees compliance with, and implementation of, regulation
  - Sets Group's policies
  - Monitors performance against objectives
  - Oversees capital raising (equity or debt) and deployment of cash proceeds
  - Appoints service providers and auditors

- Investment Adviser / Operator: InfraRed Capital Partners Limited, a subsidiary of InfraRed Partners LLP
  - Day-to-day management of portfolio
  - Utilisation of cash proceeds
  - Full discretion within agreed strategy over acquisitions and disposals (through Investment Committee)
  - Authorised and regulated by the Financial Conduct Authority

HICL Board

Two new Directors joined in May 2013

Graham Picken, Chairman

Graham, a UK resident, is an experienced banker and financial practitioner and has been Chairman of the Company since its launch. Appointed a non-executive director of Skipton Building Society in January 2012, he was formerly a non executive director of the Derbyshire Building Society, where he became Chief Executive in February 2008 and led the society to a merger with Nationwide Building Society in December 2008, before standing down at the end of March 2009. Until 2003, Graham's career spanned over thirty years with Midland and HSBC Banks where, before he retired, he was General Manager of HSBC Bank plc responsible for commercial and corporate banking (including specialised and equity finance).

John Hallam, Director

John, a Guernsey resident, is a former partner of PricewaterhouseCoopers having retired in 1999 after 27 years with the firm both in Guernsey and in other countries. He is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as an accountant in 1971. He is currently chairman of Dexion Capital Ltd and Partners Group Global Opportunities Ltd, as well as being a director of a number of other financial services companies, some of which are London-listed. He served for many years as a member of the Guernsey Financial Services Commission from which he retired in 2006 having been its Chairman for the previous three years.

Sarah Evans, Director

Sarah, a Guernsey resident, is a Chartered Accountant and a director of several other listed investment funds, as well as an unlisted fund of hedge funds and the Guernsey subsidiary of a global bank. She spent over six years with the Barclays Bank plc group from 1994 to 2001. During that time she was a treasury director and, from 1996 to 1998, was the Finance Director of Barclays Mercantile, where she was responsible for all aspects of financial control and operational risk management. Previously she ran her own consultancy business advising financial institutions on all aspects of securitisation. From 1982-88 she was with Kleinwort Benson, latterly as head of group finance.

Susie Farnon, Director

Sally-Ann Farnon (known as Susie), resident in Guernsey, is a fellow of the Institute of Chartered Accountants in England and Wales and qualified in She was a Banking and Finance Partner with KPMG Channel Islands from 1990 until 2001 and Head of Audit KPMG Channel Islands from 1999. She has served as President of the Guernsey Society of Chartered and Certified Accountants and as a member of The States of Guernsey Audit Commission and The Guernsey Public Accounts Committee. She is Vice-Chairman of The Guernsey Financial Services Commission and a Non-Executive Director of a number of property and investment companies. She is a director of several other public companies.

Chris Russell, Director

Chris is a Guernsey resident non-executive director of investment and financial companies in the UK, Hong Kong and Guernsey. He is Chairman of F&C Commercial Property Trust Ltd and a Deputy Chairman of the UK trade body, the Association of Investment Companies. Chris was formerly a director of Gartmore Investment Management Plc, where he was Head of Gartmore's businesses in the US and Japan. Before that he was a holding board director of the Jardine Fleming Group in Asia. He is a Fellow of the UK Society of Investment Professionals and a Fellow of the Institute of Chartered Accountants in England and Wales.

Ian Russell, Director

Ian Russell, CBE, is resident in the UK and is a qualified accountant. He was Finance Director and then CEO of Scottish Power plc and spent 8 years as Finance Director at HSBC Asset Management.

He is currently the Chairman of Johnston Press plc and a non-executive director of British Polythene Industries plc, Mercantile Investment Trust plc and British Assets Trust plc. Ian was previously a non-executive director of The Scottish Investment Trust plc.

Current Portfolio

Portfolio as at 21 May 2013

Education

- Barking & Dagenham Schools
- Boldon School
- Bradford Schools
- Conwy Schools
- Cork School of Music
- Croydon School
- Darlington Schools
- Defence Sixth Form College
- Derby Schools
- Doncaster Schools
- Ealing Schools
- Edinburgh Schools
- Fife Schools
- Fife Schools 2
- Haverstock School
- Health & Safety Labs
- Helicopter Training Facility
- Highland Schools PPP
- Irish Grouped Schools
- Kent Schools
- Manchester School
- Newport Schools
- North Tyneside Schools
- Norwich Schools
- Oldham Schools
- Perth & Kinross Schools
- Rhondda Schools
- Renfrewshire Schools
- Sheffield Schools
- South Ayrshire Schools
- West Lothian Schools
- Wooldale Centre for Learning

Fire, Law & Order

- Addiewell Prison
- Dorset Fire & Rescue
- Dorset Police
- D & C Firearms Training Centre
- Exeter Crown Courts
- Greater Manchester Police Stations
- Medway Police
- Metropolitan Police Training Centre
- South East London Police Stations
- Sussex Custodial Centre
- Swindon Police
- Tyne & Wear Fire Stations

Health

- Barnet Hospital
- Birmingham Hospitals
- Birmingham & Solihull LIFT
- Bishop Auckland Hospital
- Blackburn Hospital
- Blackpool Primary Care Facility
- Brentwood Community Hospital
- Central Middlesex Hospital
- Doncaster Mental Health Hospital
- Ealing Care Homes
- Glasgow Hospital
- Lewisham Hospital
- Medway LIFT
- Newton Abbott Hospital
- Nuffield Hospital
- Oxford Churchill Oncology
- Oxford John Radcliffe Hospital
- Pinderfields & Pontefract Hospitals
- Queen Alexandra Hospital
- Redbridge & Waltham Forest LIFT
- Romford Hospital
- Sheffield Hospital
- Staffordshire LIFT
- Stoke Mandeville Hospital
- Tameside General Hospital
- West Middlesex Hospital
- Willesden Hospital

Accommodation

- Colchester Garrison
- Health & Safety Headquarters
- Home Office
- Newcastle Libraries
- Oldham Library
- Northwood MoD HQ

Transport

- A249 Road
- A92 Road
- Connect PFI
- Dutch High Speed Rail Link
- Kicking Horse Canyon P3
- M80 Motorway DBFO
- NW Anthony Henday P3

Key:

- Portfolio at 31 March 2012
- Acquisition in year to 31 March 2013
- Acquired since 31 March 2013
- Additional stake acquired
- Disposal