HICL Infrastructure Company Ltd

Overview of the Company, its Investment Adviser and performance

Summer 2014

www.hicl.com

Important information

By attending the meeting where this presentation is made, or by reading the presentation slides, you agree to be bound by the following limitations:

This document is an advertisement and is not a prospectus. Any decision to purchase shares in HICL Infrastructure Company Limited (the "**Company**") should be made solely on the basis of the prospectus and trading updates published by the Company, which are available from the HCIL Website, www.hicl.com. The information in this document has been prepared by the Company solely to give an overview of the Company.

This document is being distributed in the UK to, and is directed only at, persons who have professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of, or a person falling within Article 49(2) (High Net Worth Companies, etc.) of, the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 of the United Kingdom (all such persons together being referred to as "**relevant persons**"). Any person who is not a relevant person should not act or rely on this presentation or this document or any of its contents. The information in this presentation is given in confidence and the recipients of this presentation should not engage in any behavior in relation to qualifying investments or related investments (as defined in the Financial Services and Markets Act 2000 ("**FSMA**") and the Code of Market Conduct made pursuant to FSMA) which would or might amount to market abuse for the purposes of FSMA.

In EU member states which have implemented on time and which have transitional arrangements for marketing, marketing of the Company which was permitted (either on the basis of a licence or an exemption) prior to the implementation of the Alternative Investment Fund Managers Directive (2011/61/EU) (the “AIFMD”) may continue (on the basis of the transitional provisions under Article 61 of the AIFMD as implemented into local law) until the end of the transitional period in the relevant member state. Where transitional arrangements do not/ no longer apply, the Company’s shares will only be offered to the extent that the Company: (i) is permitted to be marketed into the relevant EEA jurisdiction pursuant to either Article 36 or 42 of the AIFMD (if and as implemented into local law); or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither the Company, nor any of the Company's advisers or representatives, including its investment adviser, InfraRed Capital Partners Limited, shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Neither the Company nor any other person is under an obligation to keep current the information contained in this document.

This document has not been approved by the UK Financial Conduct Authority or any other regulator. This document does not constitute or form part of, and should not be construed as, an offer, invitation or inducement to purchase or subscribe for any securities nor shall it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. This document does not constitute a recommendation regarding the securities of the Company.

The information communicated in this document contains certain statements that are or may be forward looking. These statements typically contain words such as "expects" and "anticipates" and words of similar import. By their nature forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. An investment in the Company will involve certain risks. In particular, certain figures provided in this presentation rely in part on large and detailed financial models; there is a risk that errors may be made in the assumptions or methodology used in a financial model. The Company’s targeted returns are based on assumptions which the Company considers reasonable. However, there is no assurance that all or any assumptions will be justified, and the Company’s returns may be correspondingly reduced. In particular, there is no assurance that the Company will achieve its distribution and IRR targets (which for the avoidance of doubt are targets only and not profit forecasts). A summary of the material risks relating to the Company and an investment in the securities of Company are set out in the section headed "Risk Factors" in the February 2013 Prospectus.

The publication and distribution of this document may be restricted by law in certain jurisdictions and therefore persons into whose possession this document comes or who attend the presentation should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction. In particular, this document and the information contained herein, are not for publication or distribution, directly or indirectly, to persons in the United States (within the meaning of Regulation S under the US Securities Act of 1933, as amended (the "**Securities Act**")) or to entities in Canada, Australia or Japan. The securities of the Company have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except to certain persons in offshore jurisdictions in reliance on Regulation S. Neither these slides nor any copy of them may be taken or transmitted into or distributed in Canada, Australia, Japan or any other jurisdiction which prohibits the same except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of the United States or other national securities laws.

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 2014 available from the Company's website.

Past performance is not a reliable indicator of future performance.

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 15 value-add infrastructure and real estate funds (including HICL and TRIG)
- Currently over US$7bn of equity under management
- Independent manager 80.1% owned by 27 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 over 100 partners and staff
- Each fund has a clearly defined investment strategy and there is a clear 'conflict' policy

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 Infrastructure Company Limited ("HICL")	Listed, secondary, income yield	£1,650[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
The Renewables Infrastructure Group ("TRIG")	Listed , secondary, income yield	£400[2]	Since 2013	Evergreen

Source: InfraRed
1. InfraRed is an indirect subsidiary of InfraRed Partners LLP which is 80.1% owned by 27 partners and 19.9% by HSBC Group
2. Market capitalisation as at 1 June 2014

InfraRed – Team Skills and Experience

- Experienced infrastructure professionals with proven track record
- Well established and respected team
  - Recent additions to portfolio management, asset management and finance
  - Part of a wider infrastructure team of 50
- Detailed, 'tried and tested' investment processes
- Active asset management with regular asset reviews
- Proactive value management
- Wide range of skills, experience and knowledge of
  - Assets in the portfolio
  - Construction
  - Facilities management
  - Core target sectors
  - Corporate finance and M&A
  - Treasury management

InfraRed Capital Partners

The Infrastructure Asset Class

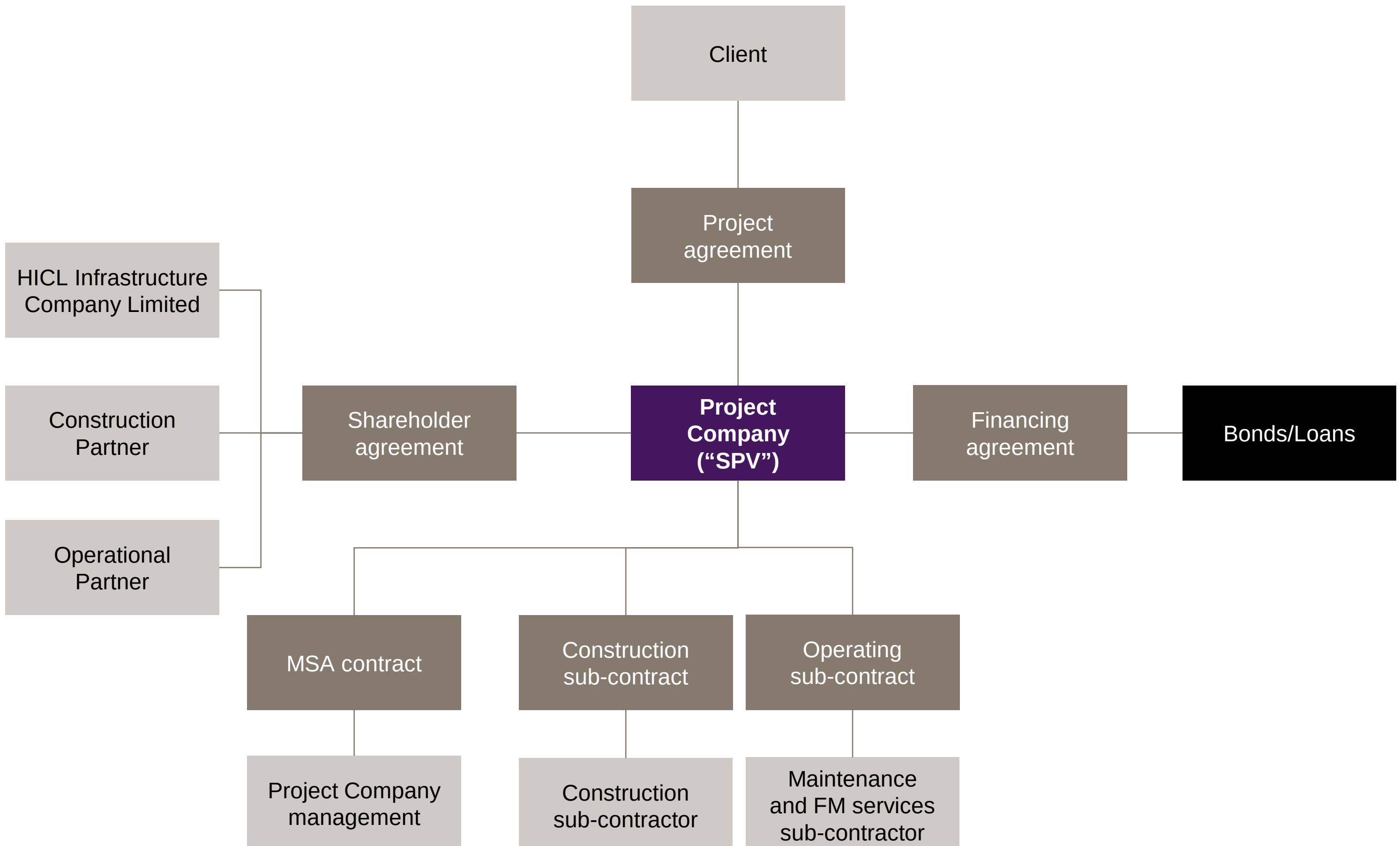
Low — Revenue risk — High

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

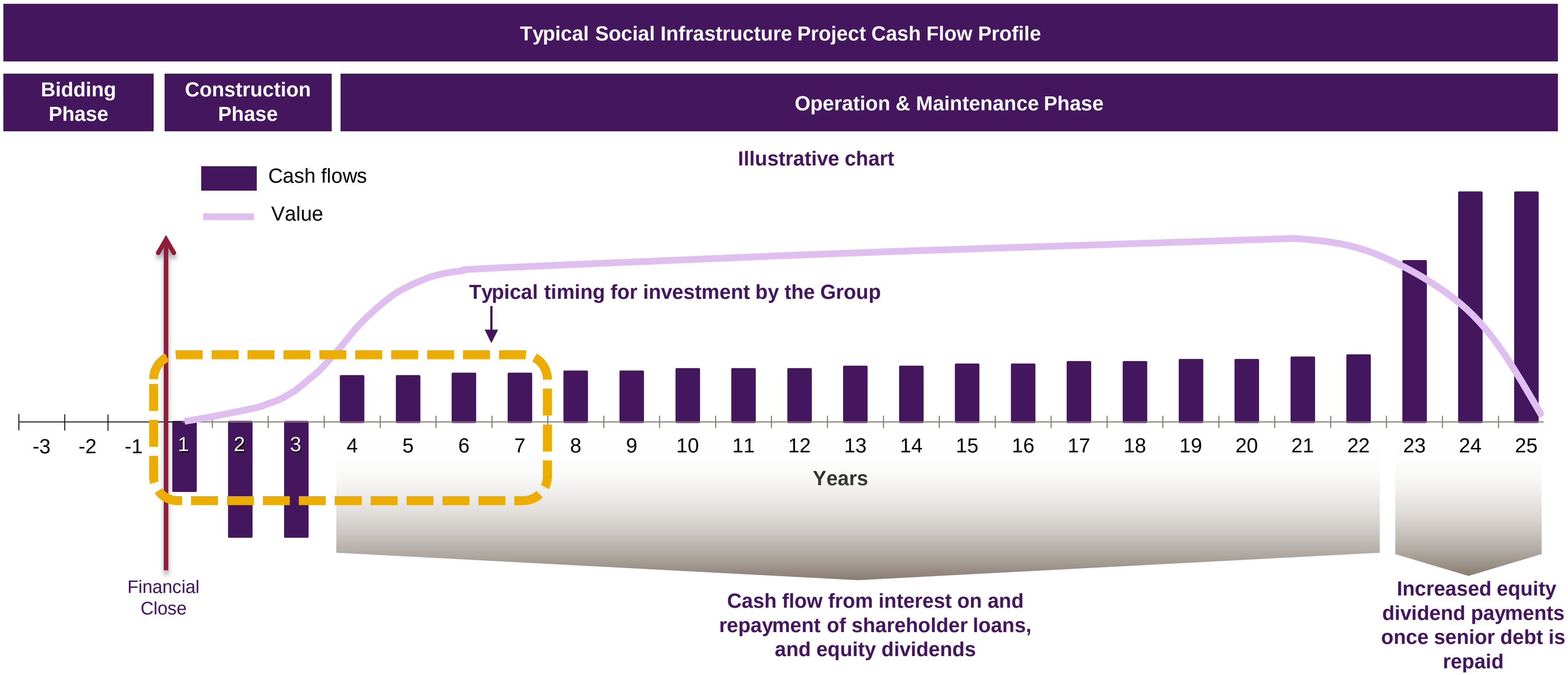
For a full list of risk factors please refer to pages 17-29 of HICL's New Ordinary Share Prospectus dated 26 February 2013

Typical Infrastructure Project Structure



Investment Cash Flow Profile over a Project's Life

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

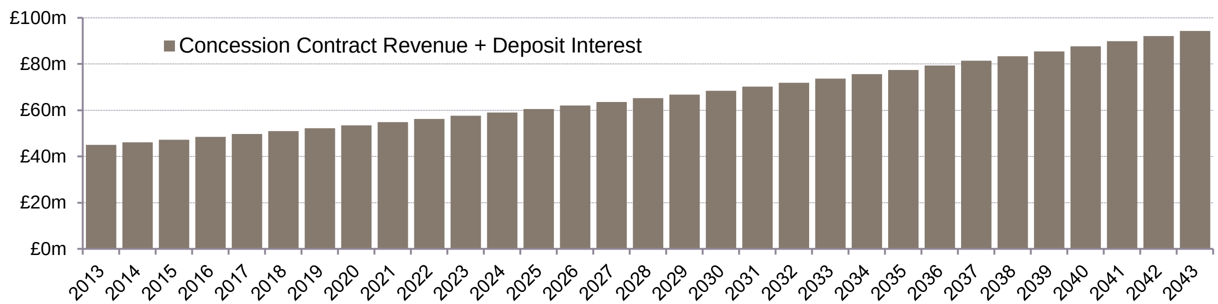


Source: InfraRed

Valuation - Methodology

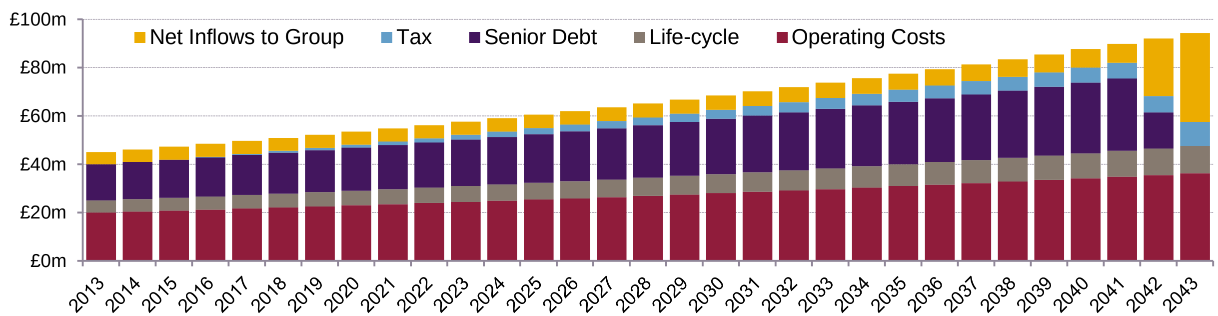
Determining the net asset value of the portfolio and the Group (illustrative example)

Forecast Project Inflows



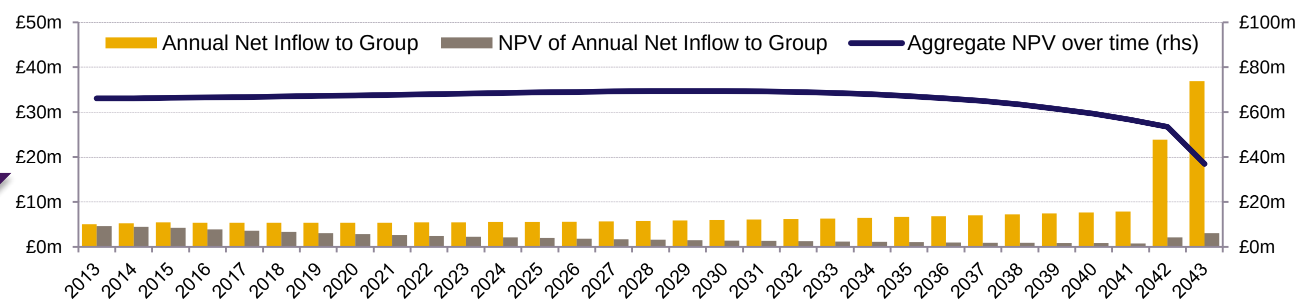
less

Forecast Project Outflows



equals

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

Introduction to HICL

A leading UK listed infrastructure investment company

Structure

- Closed-end investment company registered in Guernsey with over seven year trading history (IPO in March 2006)
- Premium listing on the London Stock Exchange
- Acquires and manages equity stakes in primarily operational social and transportation infrastructure projects
- A diversified portfolio of 96[1] projects with a valuation of £1.56bn[1]
- Board of seven independent directors
- InfraRed Capital Partners Limited is the Investment Adviser and Operator

Investment Attractions

- Long-term shareholder return target of approximately 7% p.a.[2] - (9.7%[3] p.a. since IPO)
- Attractive cash yield (5.3%[4]) with distributions fully cash-covered
- Market cap of £1.65bn with good share liquidity
- Focus on lower-risk, social and transportation infrastructure investments with public sector clients
- Assets are primarily operational, predominantly availability-based, and principally located in the UK
- 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 1 June 2014, using the Directors' valuation as at 31 March 2014 plus acquisitions at cost up to 1 June 2014
2. 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.
3. As at 31 March 2014. Source: Thomson Reuters Datastream
4. Based on 7.25p target dividends for FYE 31 March 2015 and share price of 135.9p at 31 March 2014.

Governance

- **Independent board of seven non-executive Directors**
  - Approves and monitors adherence to strategy
  - Intends to act as AIFM under the European Commission's Alternative Investment Fund Managers Directive
  - Determines risk appetite through formal Risk Committee
  - Monitors compliance with, and implementation of, regulation for HICL
  - 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 strategy determined by Board over acquisitions and disposals (through Investment Committee)
  - Authorised and regulated by the Financial Conduct Authority

HICL Board

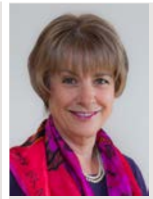
The Board comprises seven independent, non-executive Directors

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 PWC 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.

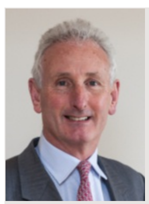
Susie Farnon, Director

Sally-Ann (known as Susie), a Guernsey resident , is a fellow of the Institute of Chartered Accountants in England and Wales and qualified in 1983. 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.

Frank Nelson, Director

Frank is a UK resident and a qualified accountant. He has over 25 years of experience in the construction, contracting, infrastructure and energy sectors, and was Finance Director of construction and house-building group Galliford Try Plc from 2000 until October 2012. He was previously Finance Director of Try Group Plc from 1987 up to the merger with Galliford in 2001. Following his retirement from Galliford Try, he took on the role of interim CFO of Lamprell plc, where he helped to complete a complex refinancing and turnaround, before leaving in October 2013.

Frank is currently a non-executive director of McCarthy and Stone and Thames Valley Housing Association.



Chris Russell, Director

Chris, a Guernsey resident, is a 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

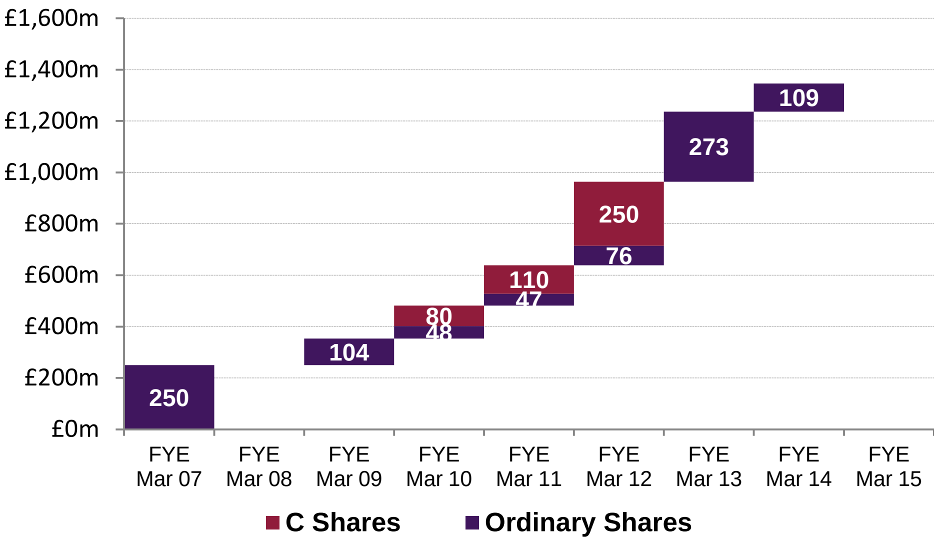
Ian is resident in the UK and is a qualified accountant. He was Finance Director and then CEO of Scottish Power plc and spent eight years as Finance Director at HSBC Asset Management. He is currently the Chairman of Johnston Press plc and a non-executive director of British Polythene Industries plc, Mercantile Investment Trust plc and British Assets Trust plc. Ian was previously a non-executive director of The Scottish Investment Trust plc.

Capital Raising Approach and History

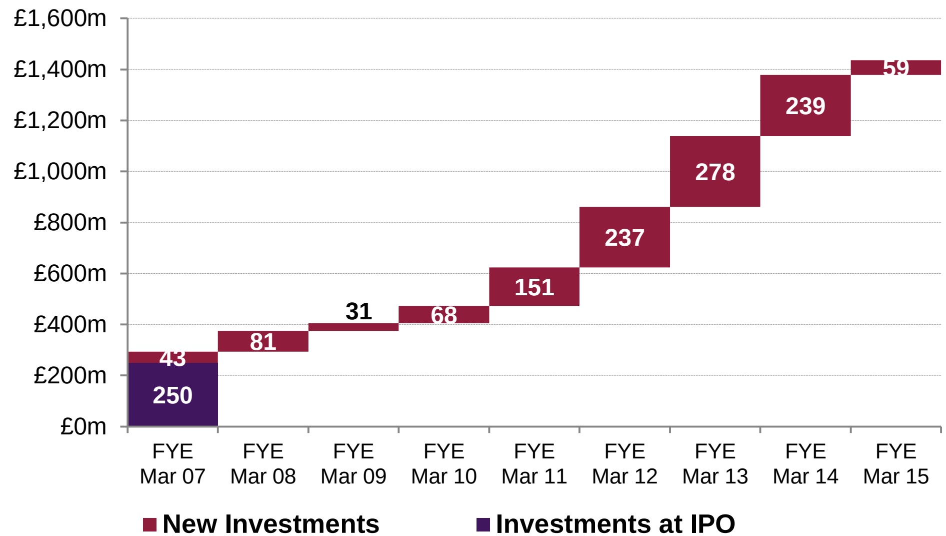
HICL's innovative financing approach has several benefits for shareholders

- HICL has raised c.£1.35bn of equity since launch in March 2006 - £250m at IPO and £1.1bn through subsequent share issues
- Acquisitions are normally debt-funded (using Group facility) initially to avoid cash drag and to give shareholders visibility over the new investments
- £150m committed revolving credit facility at Group level to finance acquisitions pending issuance of new equity
- Non-pre-emptive Ordinary Share "tap" issues (max. 10% of issued shared capital p.a.) are used to repay drawings for investments made
- Larger Ordinary Share or C Share issues to repay more significant drawings and, if appropriate, pre-fund pipeline investments

£1.35bn of Gross Equity Issuance since IPO to 1 June 2014



143 Acquisitions[1] since IPO to 1 June 2014 totaling £1.44bn



1.Split into 100 new investments and 43 acquisitions of incremental stakes in existing investments as at 1 June 2014.

Current Portfolio

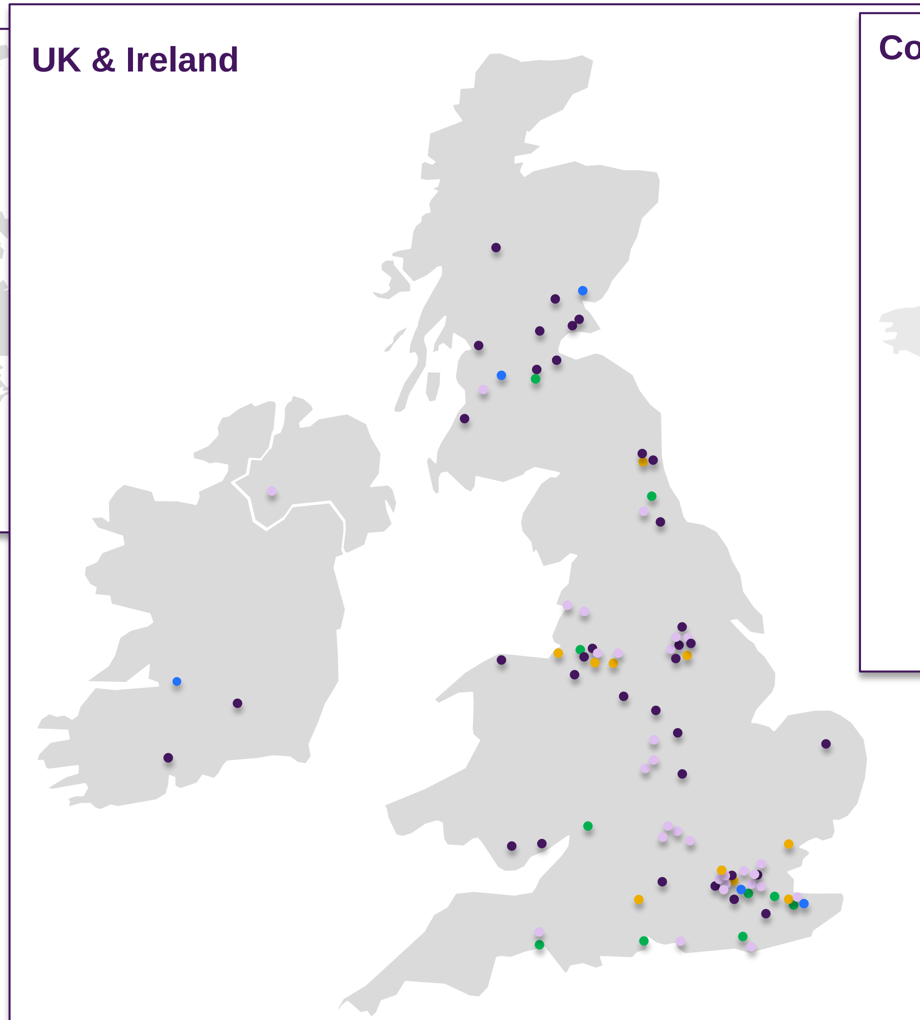
Portfolio of 96 investments as at 1 June 2014

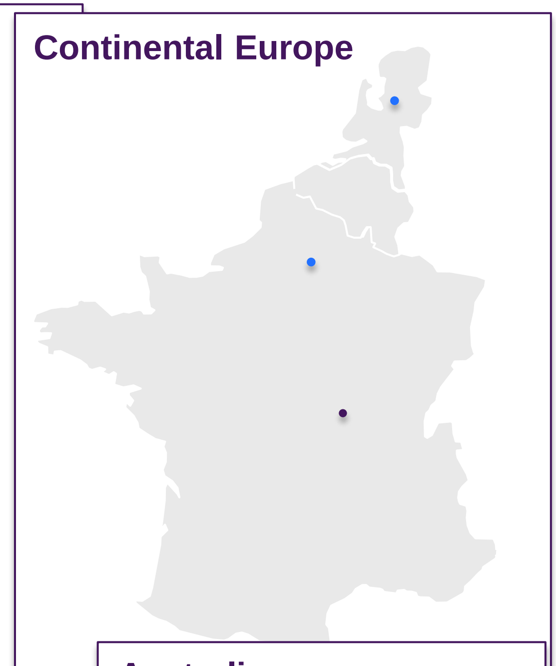
Education			Fire, Law & Order	Health		Accommodation	Transport
Barking & Dagenham Schools	Boldon School	Bradford Schools 1	Addiewell Prison	Barnet Hospital	Birmingham Hospitals	Allenby & Connaught MOD Accommodation	A249 Road
Bradford Schools 2	Conwy Schools	Cork School of Music	Dorset Fire & Rescue	Birmingham & Solihull LIFT	Bishop Auckland Hospital	AquaSure	A92 Road
Croydon School	Darlington Schools	Defence Sixth Form College	D & C Firearms Training Centre	Blackburn Hospital	Blackpool Primary Care Facility	Colchester Garrison	Connect PFI
Derby Schools	Ealing Schools	Edinburgh Schools	Exeter Crown Courts	Brentwood Community Hospital	Brighton Hospital	Health & Safety Headquarters	Dutch High Speed Rail Link
Falkirk Schools NPD	Fife Schools	Fife Schools 2	Gloucester Fire & Rescue	Central Middlesex Hospital	Doncaster Mental Health Hospital	Home Office	Kicking Horse Canyon P3
Haverstock School	Health & Safety Labs	Helicopter Training Facility	Greater Manchester Police Stations	Ealing Care Homes	Glasgow Hospital	Miles Platting Social Housing	M80 Motorway DBFO
Highland Schools PPP	Irish Grouped Schools	Kent Schools	Medway Police	Lewisham Hospital	Medway LIFT	Newcastle Libraries	N17/N18 Road
Manchester School	Newport Schools	North Tyneside Schools	Metropolitan Police Training Centre	Newton Abbot Hospital	Nuffield Hospital	Northwood MoD HQ	NW Anthony Henday P3
Norwich Schools	Oldham Schools	Perth & Kinross Schools	South East London Police Stations	Oxford Churchill Oncology	Oxford John Radcliffe Hospital	Oldham Library	RD901
Rhondda Schools	Renfrewshire Schools	Sheffield BSF Schools	Sussex Custodial Centre	Pinderfields & Pontefract Hospitals	Queen Alexandra Hospital	Royal School of Military Engineering	
Sheffield Schools	South Ayrshire Schools	University of Bourgogne	Tyne & Wear Fire Stations	Redbridge & Waltham Forest LIFT	Romford Hospital	University of Sheffield Accommodation	
West Lothian Schools	Wooldale Centre for Learning			Salford Hospital	Sheffield Hospital		
				South West Hospital, Enniskillen	Staffordshire LIFT		
				Stoke Mandeville Hospital	Tameside General Hospital		
				West Middlesex Hospital	Willesden Hospital		

Key: Portfolio as at 31 March 2014 | New investment acquired since 1 April 2014 | Incremental stake acquired since 1 April 2014

Portfolio Overview - Diversification

96 investments diversified by geography as at 1 June 2014



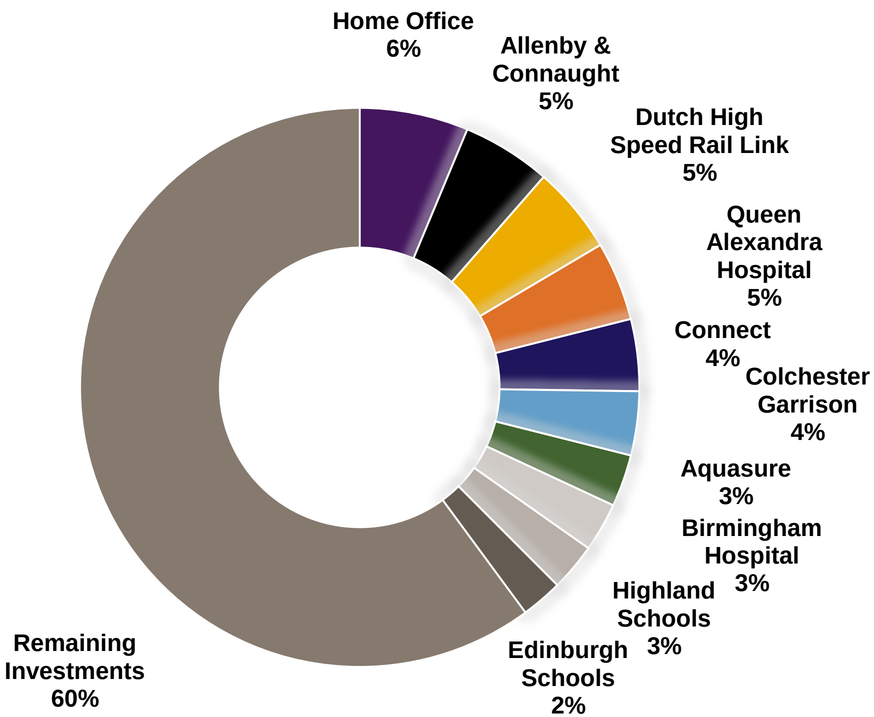


Key:
- Accommodation
- Transport
- Education
- Health
- Fire, Law & Order

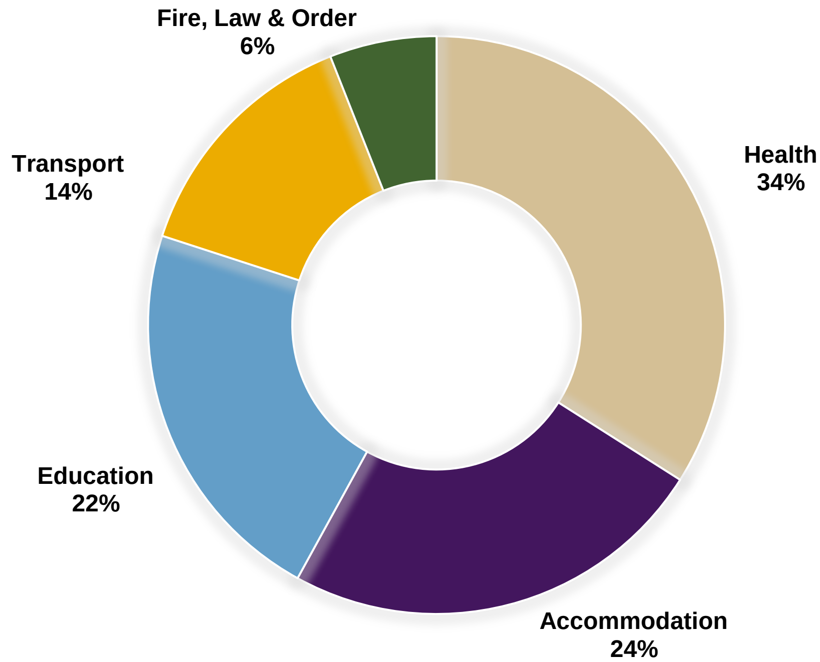
Portfolio Overview - Diversification

96 investments diversified by size and sector as at 1 June 2014

Size Breakdown



Sector Breakdown

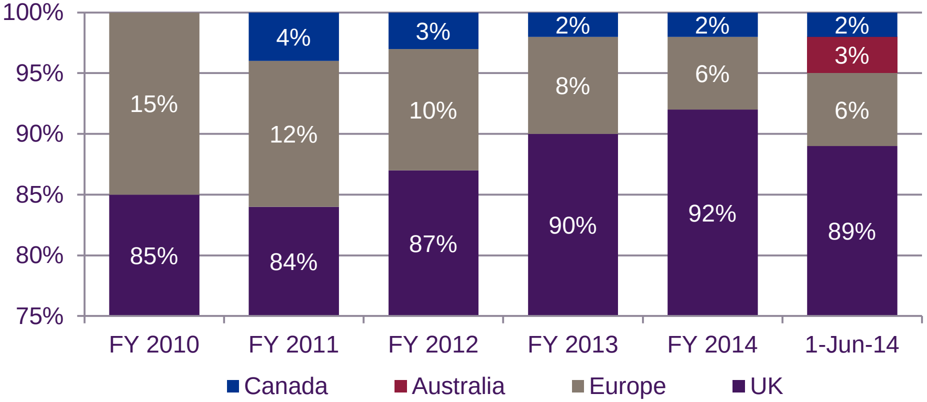


By value, using Directors' valuation as at 31 March 2014 plus acquisitions at cost to 1 June 2014

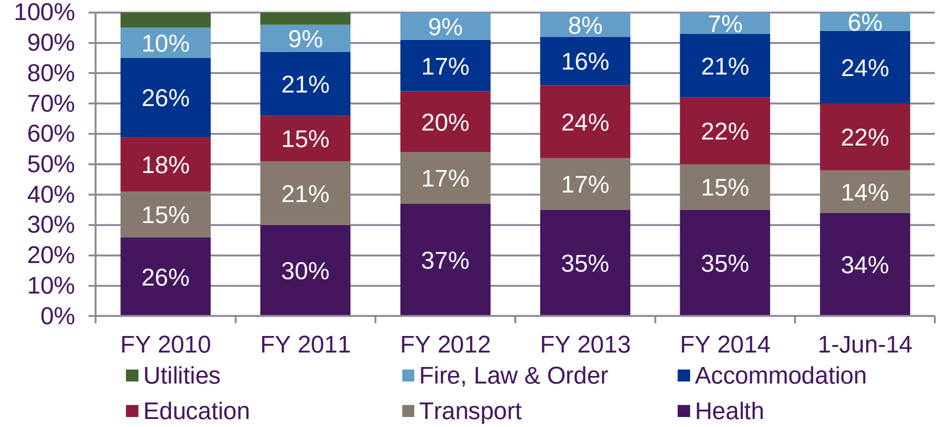
Portfolio Overview – Key Attributes

Evolution of the Group's portfolio – last 5 years to 1 June 2014[1]

UK-focused portfolio

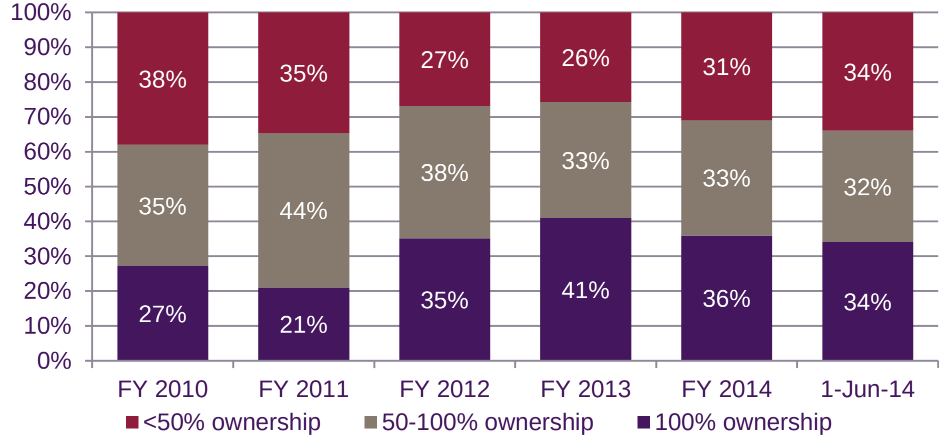


Good sector spread



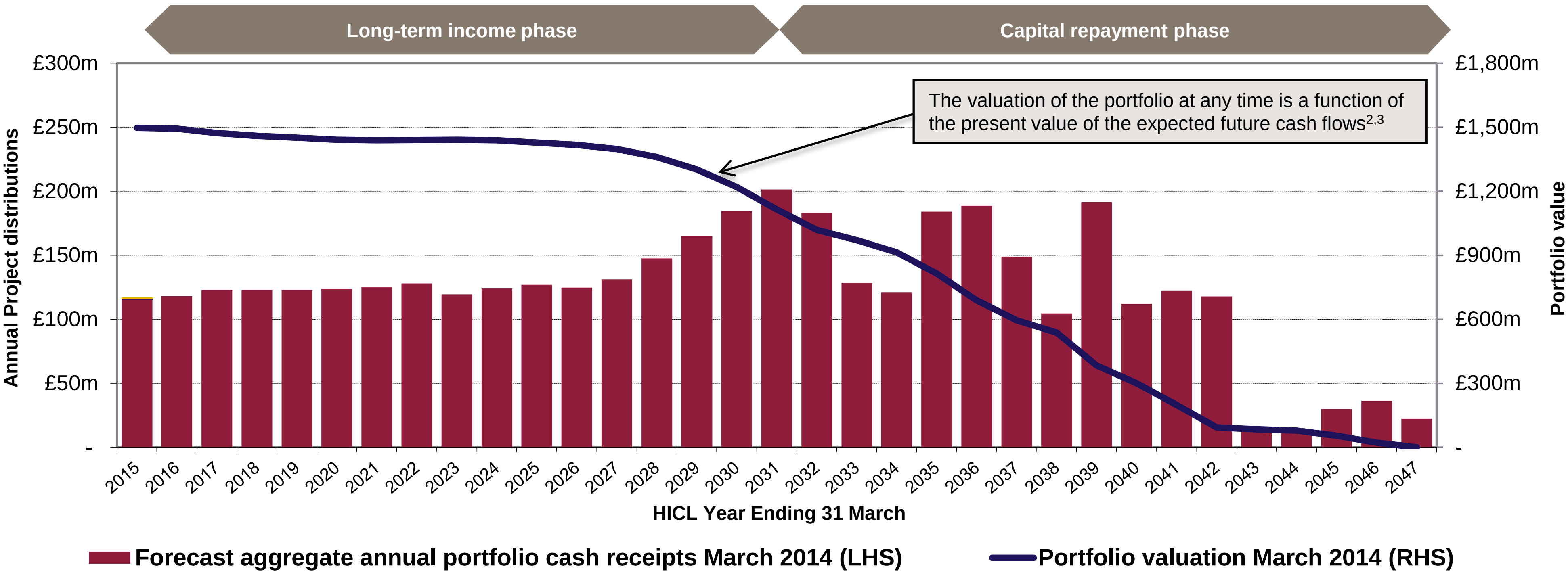
Predominantly operational projects

Opportunities to increase ownership stakes



[1] By value, using Directors' valuation as at 31 March each year from 2010 to 2014 plus acquisitions at cost to 1 June 2014

Portfolio - Cashflow Profile[1]



Source: Investment Adviser

1. The illustration represents a target only as at 31 March 2014 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 0.83, a Canadian dollar to Sterling exchange rate of 0.54 and a weighted average discount rate of 8.2 per cent. per annum. These and value of the Group's portfolio may vary over time.
3. The valuation is of the portfolio of 93 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
4. The profile above excludes subordinated debt contributions of £1m due in FYE 31.3.16 and £4m due in FYE 31.3.17

Asset, Portfolio and Contract Management - Overview

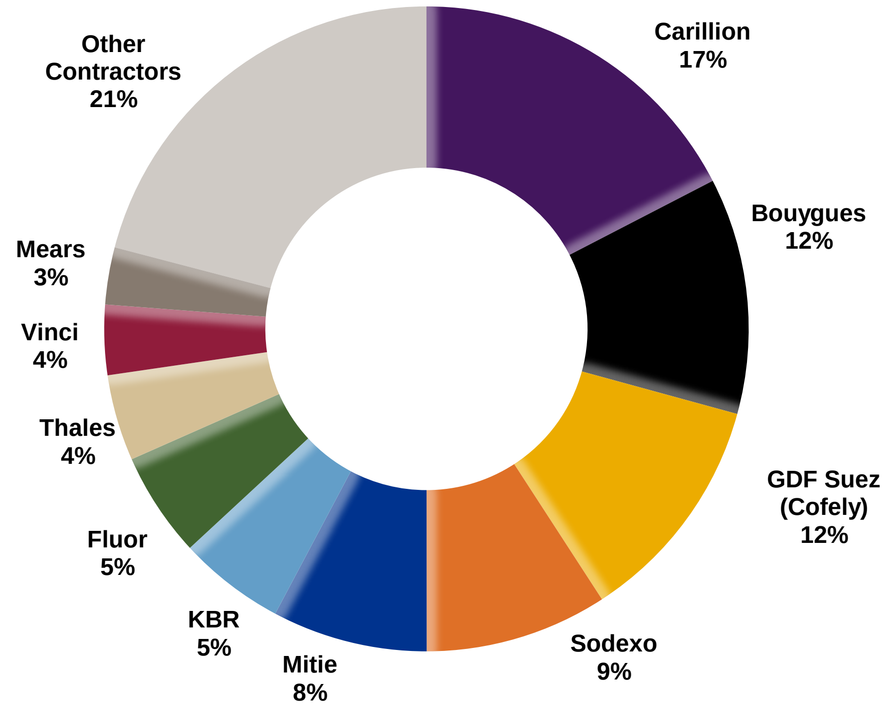
- Portfolio performing well with no material issues – number of small operational matters being worked through
- Five projects are under construction:
  - Allenby and Connaught Ministry of Defence Accommodation: construction completion expected summer 2014
  - RD901 road in France : financial close January 2014 with construction in progress
  - University of Bourgogne academic buildings : financial close July 2013 with construction in progress
  - Royal School of Military Engineering : construction completion scheduled for 2015
  - N17/N18 PPP road : financial close May 2014 with construction due to begin in June 2014
- Investment Adviser has recruited further asset management resource
- Active and regular engagement with all project stakeholders
- Continue to work with clients and contractors to drive cost efficiencies and utilise portfolio lessons learnt
- Continuing implementation and refinement of ESG principles within project companies

Picture – construction underway at the Royal School of Military Engineering

Portfolio Overview - Contractor Counterparty Exposure[1]

Diversified spread of quality supply chain providers

- Counterparties continue to perform
- Diversity of contractors ensures no over-reliance on any single entity
- Quarterly reviews by Investment Adviser
- Four providers have consolidated relevant businesses during the year (Balfour Beatty selling to GDF Suez, and John Laing to Carillion)

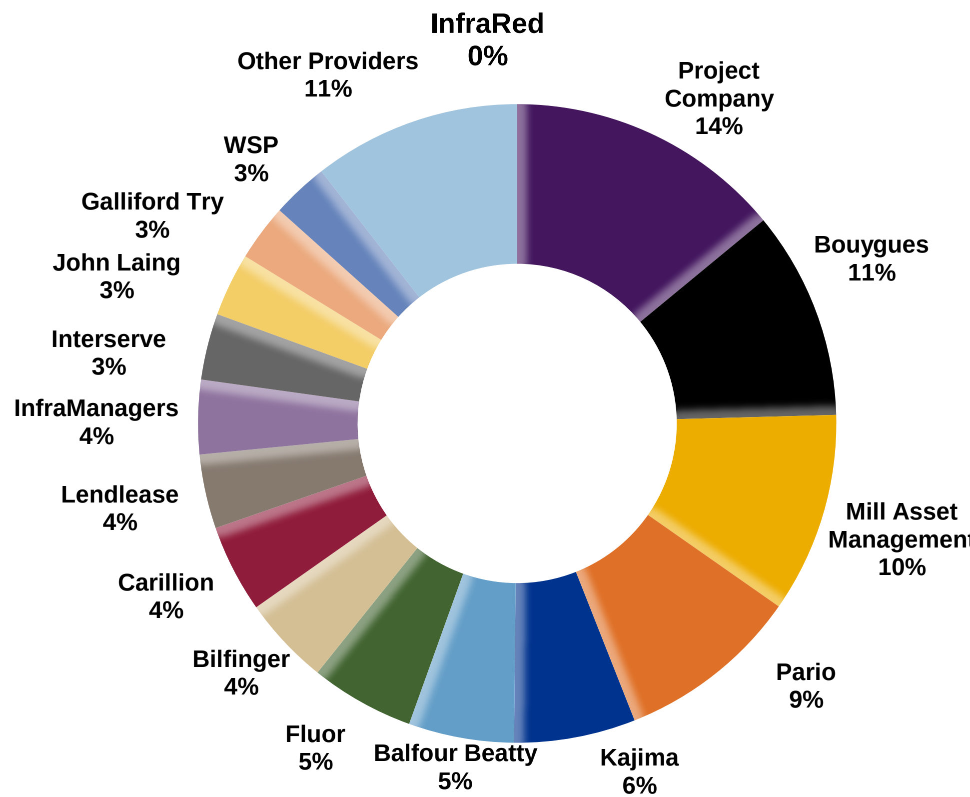


1 By value, as at 31 March 2014, using Directors' valuation
2 Ten largest exposures shown
3 Where a project has more than one operations contractor in a joint and several contract, the better credit counterparty has been selected (based on analysis by the Investment Adviser)
4 Where a project has more than one operations contractor, not in a joint and several contract, the exposures is split equally among the contractors, so the sum of the pie segments equals the Directors' valuation
5 There were four projects under construction as at 31 March 2014, Allenby & Connaught with Carillion and KBR as construction contractors on a joint and several basis, RSME with Carillion, and RD901 and University of Bourgogne with subsidiaries of Bouygues.

Portfolio Overview – Project Company Management Exposure[1]

Diversified spread of project company management

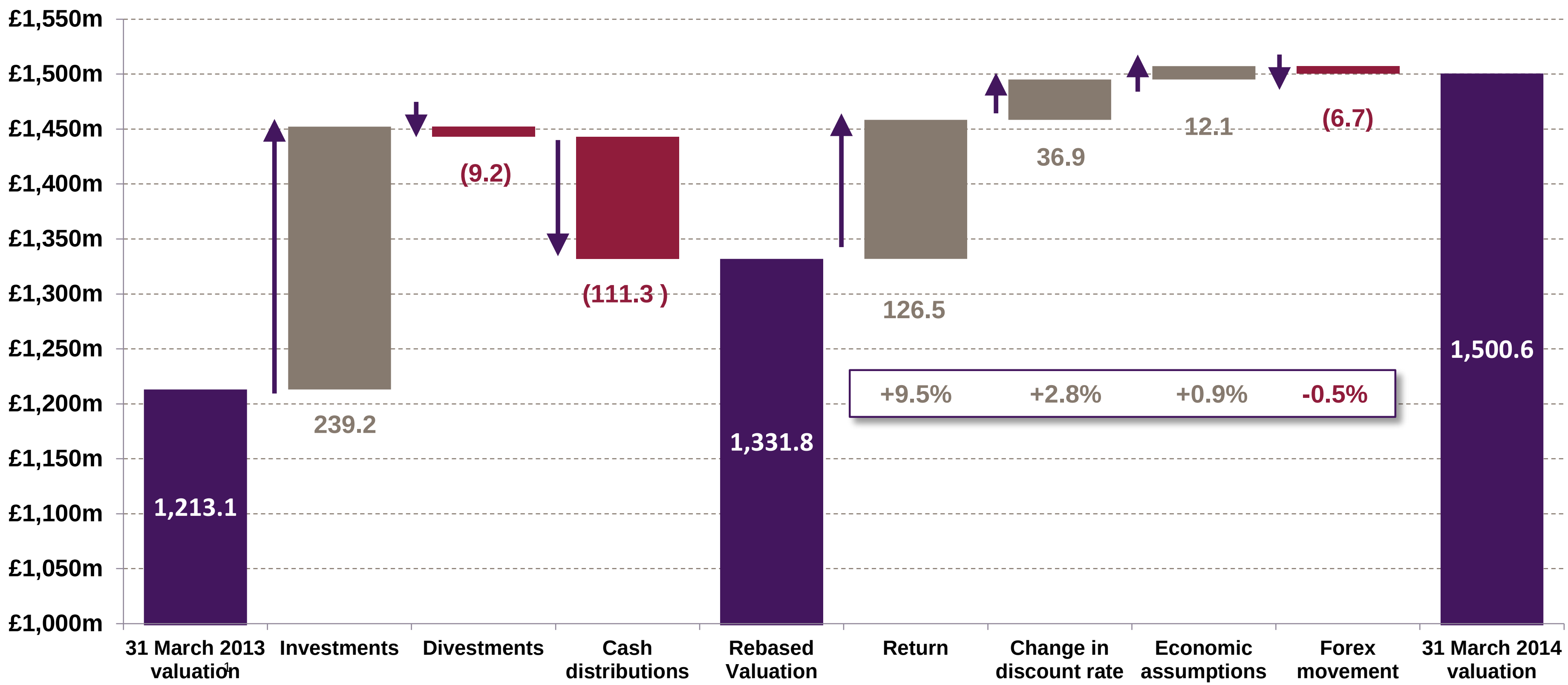
- Project company management teams continue to perform to expected standards
- Spread of providers ensures no over-reliance on single entity, team or individual
- InfraRed does not provide this type of management service
- Ongoing review by Investment Adviser of quality of service provided
- Implementing guidance on controls and good practice
- The Investment Adviser regularly engages with the main management team providers to ensure knowledge sharing across the portfolio



1. By value, as at 31 March 2014, using Directors' valuation
2. Fifteen largest exposures shown
3. In-house project company management includes: Allenby and Connaught, Colchester Garrison, Connect PFI, Falkirk Schools NPD and Helicopter Training Facility

Financial Review - Analysis of Change in Directors' Valuation 2013-14

Return driven by portfolio performance and accretive acquisitions



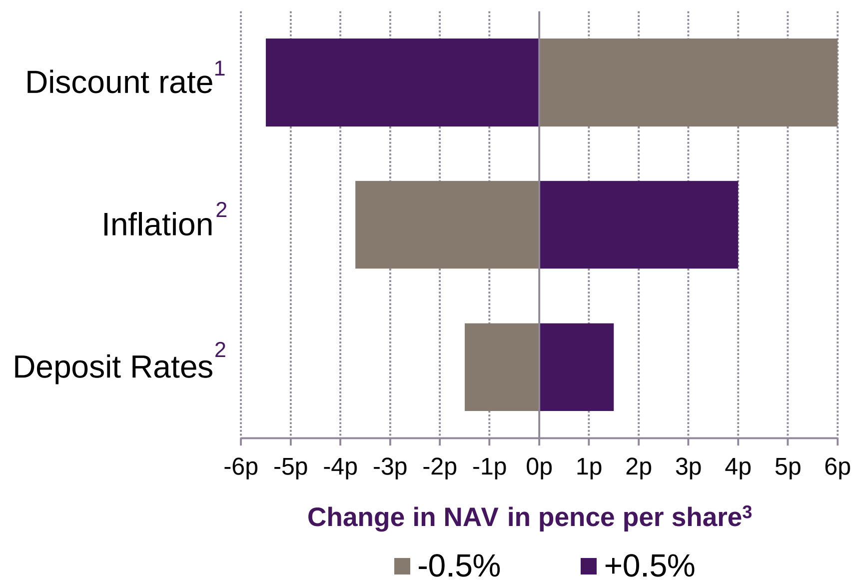
- Divestments includes £1.1m of profit on disposals
- "Return" comprises the unwinding of the discount rate; cost efficiencies in managing projects; value-accretive acquisitions; and variations
- Portfolio return for year to 31 March 2014 is 9.5% (being £126.5m return on rebased Valuation of £1,331.8m)

Valuation – Key Assumptions and Sensitivities

Key assumptions as at 31 March 2014 based on the knowledge of the Investment Adviser and third party advice

		31 March 2014	31 March 2013
Discount Rate	Weighted Average	**8.2%**	**8.4%**
Inflation[1]	UK (RPI[2] & RPIx[2]) Euro (CPI) Canada (CPI)	**2.75% p.a.** 2.00% p.a. 2.00% p.a.	**2.75% p.a.** 2.00% p.a. 2.00% p.a.
Deposit Rates	UK Short Term UK Long Term	1.0% p.a. to 31 March **2018** 3.5% p.a. thereafter	1.0% p.a. to 31 March **2017** 3.5% p.a. thereafter
Foreign Exchange	CAD / GBP EUR / GBP	0.54 0.83	0.65 0.84
Tax Rate	UK	**21%**	**23%**

Sensitivity to key economic assumptions



- If the annual inflation assumption is 3.75% (i.e. up 1.0%), expected return[4] from portfolio (before Group expenses) would increase from 8.2% to 8.8%

[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 1,207m shares in issue
[4] Return is expected gross internal rate of return

[1] Analysis of whole portfolio
[2] Analysis of 20 largest investments and results pro rata to the total portfolio value

Valuation – Additional Sensitivities

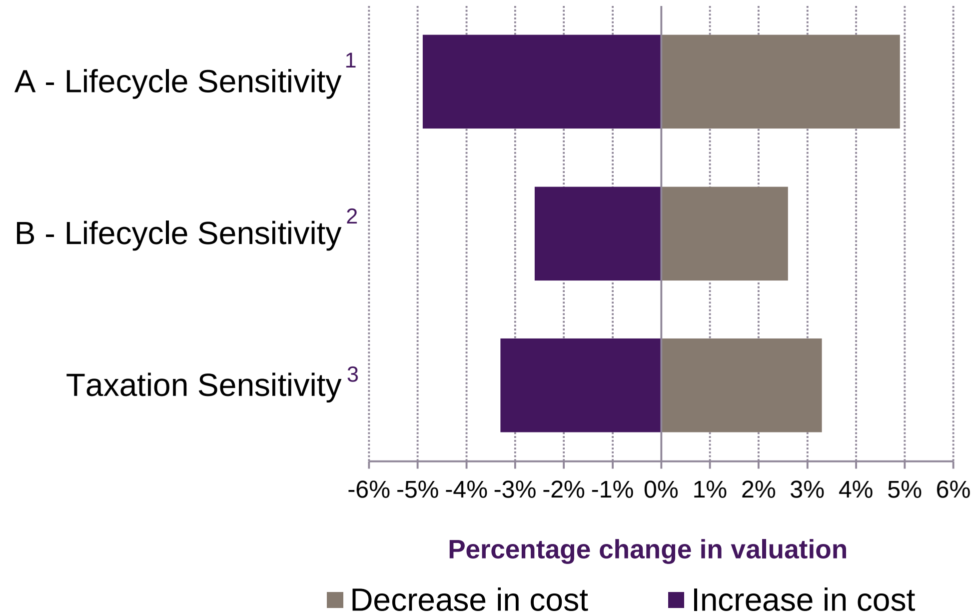
Sensitivities as at 31 March 2014

- Lifecycle (also called asset renewal or major maintenance) obligation can either be with project company or subcontracted to FM contractor
- Of 20 largest investments:
  - 11 have obligation with project company (and hence equity risk/opportunity)
  - Remaining 9 sub-contract obligation
- Sensitivities:

  A – change in valuation of 11 investments to changing lifecycle budgets by +/- 10% p.a.

  B – change in valuation across 20 largest investments to changing lifecycle budgets by +/- 10% p.a.
- Tax sensitivity shows changing tax rate across 20 largest investments by +/- 5% p.a.

Sensitivity showing percentage change in Valuation



[1] Lifecycle Sensitivity 1 is the percentage value impact on 11 of the 20 largest investments where the lifecycle risk sits with the project company. The percentage change is the movement in the value of those 11 investments as a result of a 10% change (+/-) in the existing profiled lifecycle expenditure

[2] Lifecycle Sensitivity 2 is the percentage value impact on all 20 investments as a result of a 10% change (+/-) in the existing profiled lifecycle expenditure

[3] Taxation Sensitivity is the percentage value impact on the 20 largest investments as a result of a 5% change (+/-) in the taxation rate assumption

Valuation - Discount Rate Analysis

Directors' Valuation as at 31 March 2014

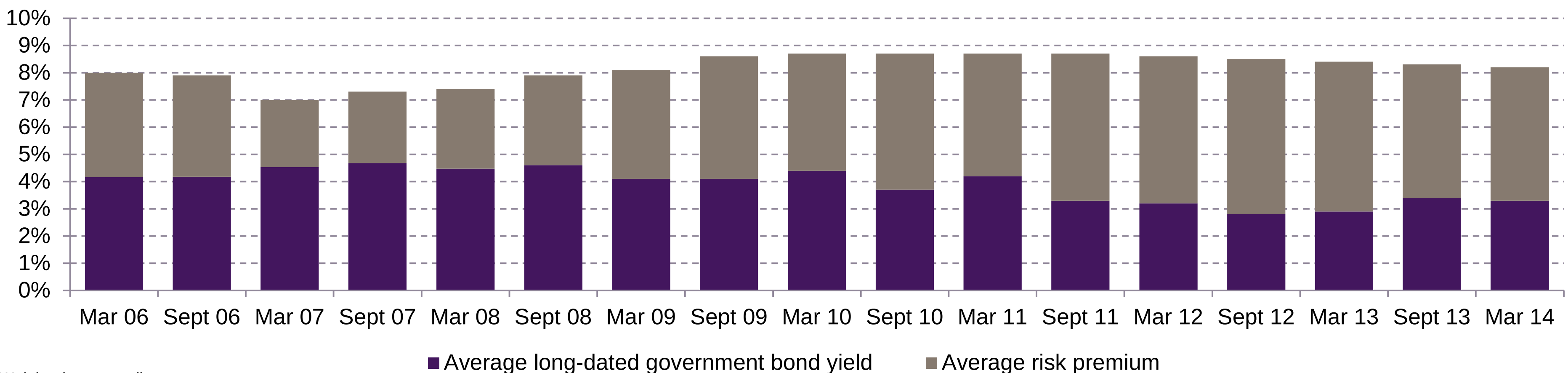
HICL INFRASTRUCTURE

Market valuation of assets increased in the year

- Discount rates for projects range between 7.8% and 11.0%
- Weighted average discount rate of **8.2%, down from 8.4**% at 31 March 2013
- Risk premium over long-dated government bonds reduced 0.6% in the year to 4.9%

	Appropriate long-dated government bond yield		Risk Premium		Total discount rate[1] 31 Mar 2014	Total 31 Mar 2013
UK	3.4%	+	4.8%	=	8.2%	8.4%
Canada	2.9%	+	5.0%	=	7.9%	8.1%
France	3.0%	+	7.6%	=	10.6%	n/a
Holland	2.5%	+	5.8%	=	8.3%	8.6%
Ireland	3.2%	+	5.8%	=	9.0%	10.0%
Portfolio	3.3%	+	4.9%	=	**8.2%**	**8.4%**

Discount rates since launch



[1] Weighted average discount rate

Financial Performance – Year to 31 March 2014

Good operating performance; distribution target achieved

- Second interim dividend of 3.60p per share taking total dividend for the year to 7.10p per share
- Cash receipts from investments ahead of projections
- Dividend cash covered 1.5 times (2013: 1.4 times)
- Ongoing Charges Percentage[1] - 1.15% for the year (2013: 1.19%)
- Target dividend remains 7.25p per share for year to 31 March 2015 – move to quarterly interim dividends

	Year to 31 March 2014	Change	Year to 31 March 2013 (restated)
Total income	**£175.7m**	+£64.6m (+58%)	**£111.1m**
Expenses	(£21.9m)	+£3.9m (+2%)	(£18.0m)
Tax	(£0.2)m	+£0.1m (+50%)	(£0.1m)
Post-tax profit (earnings)	£153.6m	+£60.6m (+65%)	£93.0m
Earnings per share	**13.1p**	+2.7p (+26%)	**10.4p**
Total dividend	**7.1p**	+0.1p (+1.4%)	**7.0p**

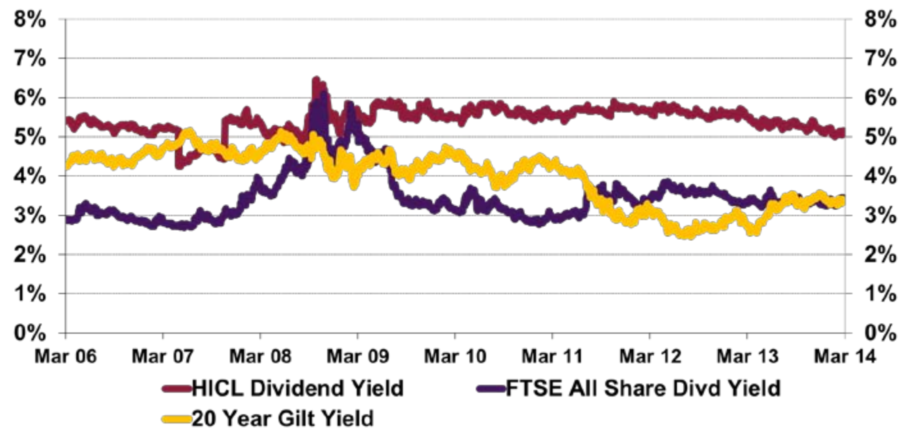
	Year to 31 March 2014	Change	Year to 31 March 2013 (restated)
NAV per share (after dividend)	**123.1p**	+6.7p (+5.8%)	**116.4p**
Net cash	**£42.7m**	(£103.3m) (-71%)	**£146.0m**

1 Ongoing Charges Percentage as defined by the AIC

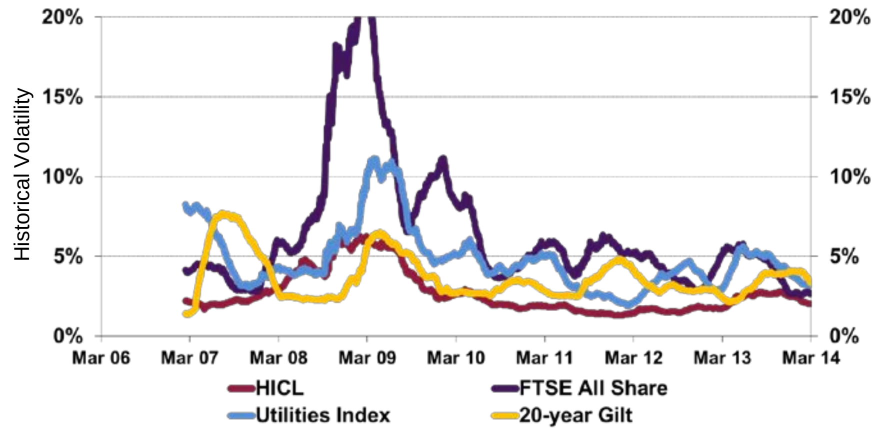
Market Performance – IPO to 31 March 2014

Total shareholder return[1] in year to 31 March 2014 was 10.3% and 9.7% p.a. since launch in March 2006

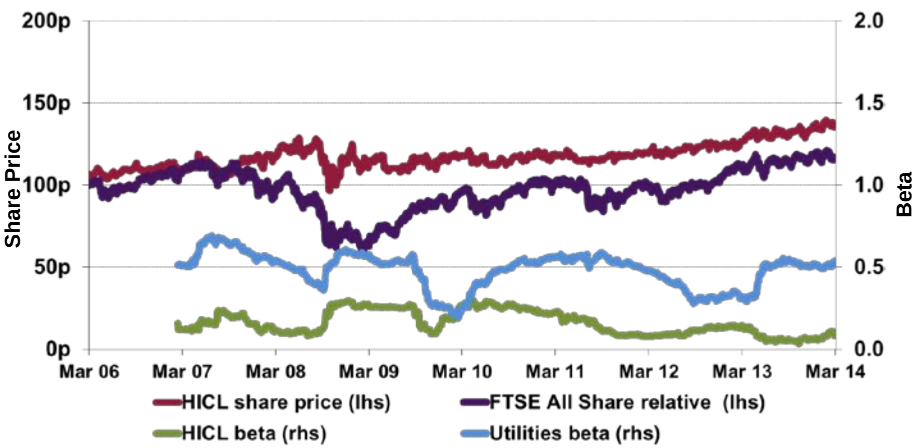
Stable, high dividend yield relative to the market and Gilts



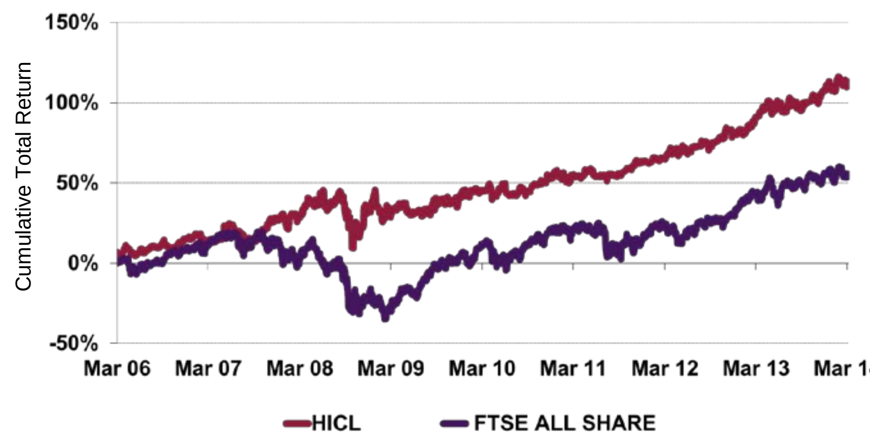
Low volatility relative to the market, utilities and Gilts



Low correlation with the market and utilities



Outperformance of FTSE



Source: Thomson Reuters Datastream. Past performance is not a reliable indicator of future performance. Investments can fluctuate in value.

1. Based on share price and dividends paid

Market Update and Pipeline

Reputation and relationships remain integral to success in a competitive market

Upward pricing pressure continuing and unlikely to abate in short term

- Investor interest in real assets increasing
- Infrastructure investments particularly in demand and interest is unlikely to dissipate even if rates rise in the medium term
- More vendors undertaking formal auction processes

Supply more constrained in the near term, but positive medium term outlook

- In the UK, PF2 and National Infrastructure Plan generating limited opportunities currently, but longer term looks promising
- Continuing number of corporate disposals of secondary stakes as sellers wish to recycle capital and realise gains
- The pool of secondary opportunities growing in Europe through new primary procurement
- US procurement varies by State, but is gradually building momentum and could be a significant medium to long-term opportunity

Despite competitive landscape, Group still well-positioned to capitalise on its reputation and global network of relationships

- Evaluated similar number of opportunities as previous year
- Only completed acquisitions which met the investment criteria – avoided overpaying; minimised abortive bid costs
- Outbid on a number of competitive bid processes – secured four investments in 18 auctions in which participated
- In year, increased number of investments overseas and with construction risk

HICL Group Strategy

Manage existing portfolio:

- Add value through active management
- Engage with public sector clients to generate cost savings

Source and evaluate investment opportunities which are:

- Predominantly social and transportation infrastructure
  - PFI/PPP/P3 concession contracts with public sector clients
  - Availability-based revenues with inflation-linkage
- Of possible interest, if risk/return appropriate:
  - infrastructure debt, transmission lines, small utilities and toll roads with mitigated traffic risk

Maintain position by:

- Adherence to clear, stated strategy and delivering target returns
- Focused investment strategy, with value accretive new investments
- Maintain pricing discipline
- Sourcing carefully, through relationships
- Achieving continued portfolio delivery

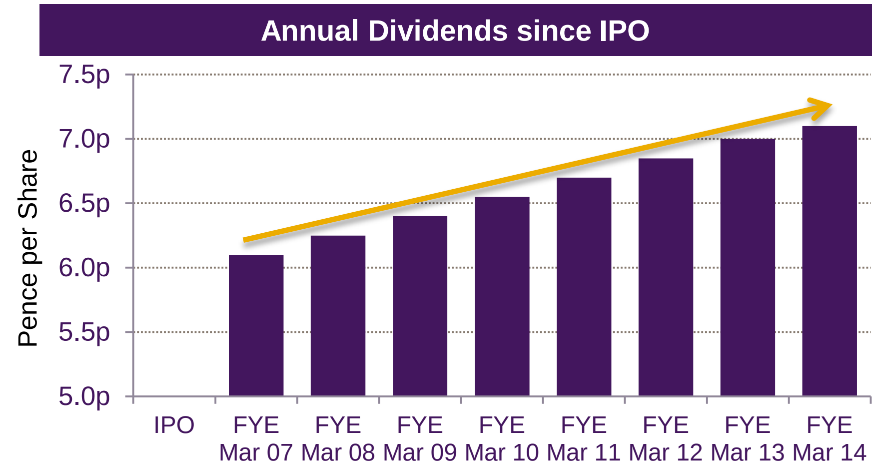
Summary

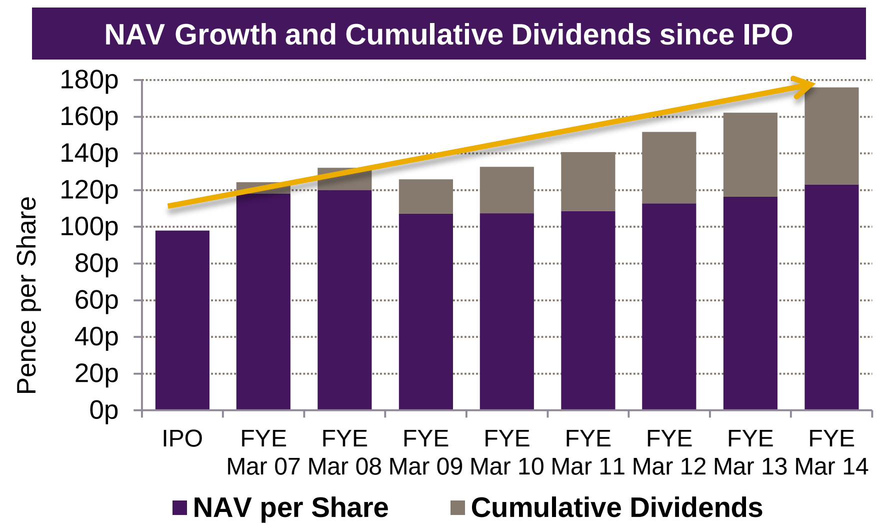
Group performance

- Quality, well-diversified portfolio
- Assets performing and distributing ahead of expectations in year
- Value growth through pro-active asset management, judicious acquisitions, and accretive equity issuance
- Seek further investment opportunities where they can be accretive to existing portfolio

Distributions and Performance

- Met target distribution of 7.1p per share for year to 31 March 2014
- Total returns of 11.9% p.a. in year on NAV growth plus dividends
- Deliver sustainable distributions – Board has reiterated target distribution for the year to 31 March 2015 of 7.25p per share
- Move to quarterly dividends
- Seek some further NAV growth from selective acquisitions and portfolio performance





Company's key performance indicators ("KPIs")

KPI	31 March 2014	31 March 2013	Target
Dividends declared in year	7.1p per share	7.0p per share	7.0p per share 2013 7.1p per share 2014
Total return in year (NAV per share growth plus dividends per share)	11.9%	9.4%	7% to 8% p.a. as set out at IPO
Total return in year (share price plus dividends per share)	10.3%	14.7%	7% to 8% p.a. as set out at IPO
Total return since IPO (NAV plus dividends per share)	9.1%	8.9%	7% to 8% p.a. as set out at IPO
Total return since IPO (share price plus dividends per share)	9.7%	9.7%	7% to 8% p.a. as set out at IPO
Cash cover in year	1.5 times	1.4 times	To be cash covered
Ongoing Charge in year	1.15%	1.19%	To reduce ongoing charges where possible
Weighted average discount rate	8.2%	8.4%	Market rate
Rebased growth	9.5%	8.9%	Seek to outperform the discount rate
Weighted average portfolio life	22.0 years	22.3 years	Seek to maintain, where possible, by suitable acquisitions
Weighted average life of portfolio project debt	20.3 years	20.7 years	Limit the refinancing risk in the portfolio
Ten largest investments as percentage of the portfolio by value	40%	45%	Seek to reduce to increase diversification
Largest investment (as percentage of portfolio valuation)	7%	8%	To be less than 20%
Inflation correlation of the portfolio (See Section 2.7 for details)	0.6% change in gross return for a 1.0% p.a. change in inflation	0.6% change in gross return for a 1.0% p.a. change in inflation	Maintain current correlation