HICL Infrastructure Company Limited
Interim Results Presentation

Six months to 30 September 2012

21 November 2012

Agenda

Presentation	

Financial highlights

Six month's performance

- Interim dividend of 3.425p per share declared 15 November 2012
- Strong portfolio performance
- Dividend cash covered 1.6x (2011: 1.6x)
- Total expense ratio 1.19% for the period (year to 31 March 2012: 1.34%)

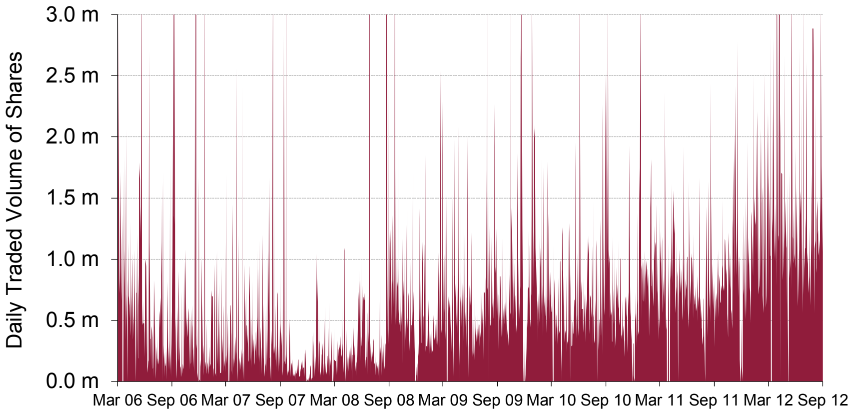
All figures stated on an investment basis	Six months to 30 September 2012	Six months to 30 September 2011
Profit before valuation movement	**£22.0m**	**£15.7m**
Valuation movements	£20.2m	£15.0m
Profit before tax[1]	£42.2m	£30.7m
Earnings per share	**4.9p**	**5.0p**
Interim dividend	**3.425p**	**3.35p**
	30 September 2012	31 March 2012
NAV per share (before interim dividend)	**117.6p**	**116.3p**
NAV per share (after interim dividend)	**114.2p**	**112.8p**

1 Consolidated IFRS profit before tax was £87.4m & consolidated profit attributable to the Company was £75.8m

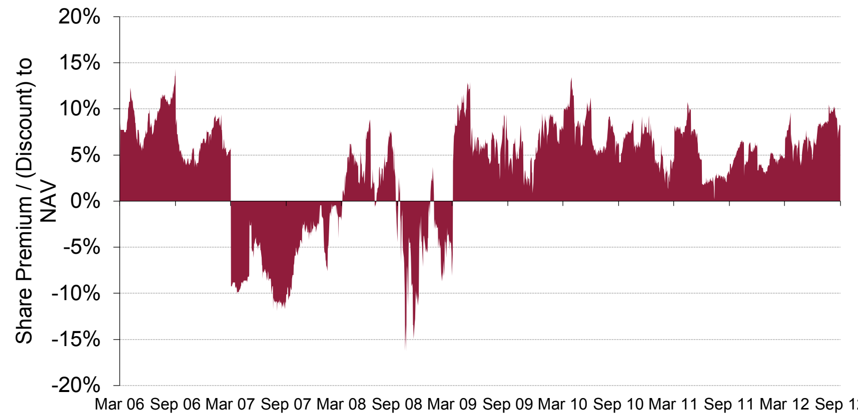
Strong stock performance and liquidity since IPO

Total shareholder return of 8.8% p.a.[1]

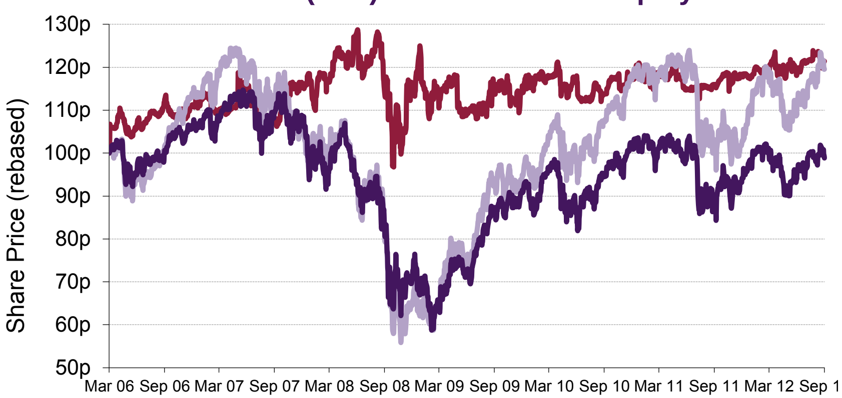
Average daily traded volume has increased to nearly 2m



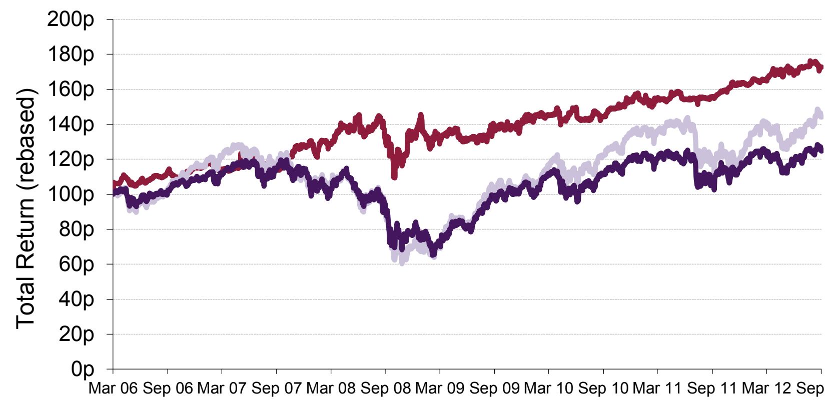
Shares trade at a small premium to NAV



Low correlation (0.04) with the broader equity market



Outperformance of FTSE250 (20%) and FTSE All Share (39%)



1. Source: Thomson Datastream – launch to 30 September 2012

All data for the period from 28 March 2006 until 28 September 2012. Source: Thomson Datastream. Past performance is not a reliable indicator of future performance. Investments can fluctuate in value.

Investment and financing highlights

New investment activity

- 3 new investments and 7 incremental stakes acquired for £106.4m in the six month period - no disposals
- Since 30 September 2012 three further new investments, one incremental stake, one contract signed and one disposal for aggregate net amount of £62.9m

Portfolio status as at 30 September 2012

- Portfolio of 73 investments with valuation of £1,015.9m as at 30 September 2012
  - All social or transport infrastructure
  - 72 operational investments, 1 in construction
  - 68 UK-based investments, 2 in Canada, 2 in Ireland and 1 in Holland
  - Average concession life of 22.8 years
  - Long-term debt financing with average remaining maturity of 21.1 years and interest rate risk hedged
  - Operational performance in line with business plans and cash receipts in line with forecasts

Portfolio status as at 21 November 2012

- 75 investments following acquisition of two LIFT projects and a schools PPP, as well as disposal of the Doncaster Schools project

Financing

- £100m 3 year[1] tranche of committed revolving credit facility in place
  - £50m 18 month tranche cancelled to remove on-going expense of commitment fees
- £33.2m cash balance at 30 September 2012 earmarked for interim dividend payable at the end of December 2012
- As at 21 November the Group had a net funding requirement of £61.5m, as a result of further investment commitments and a disposal since period end

Equity

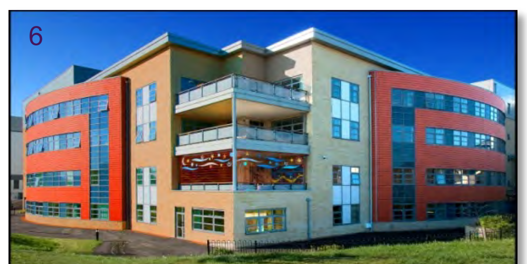
- C share converted in April with net proceeds deployed in the period to repay acquisition debt and finance new investments (£106.4m)
- Apart from scrip shares, no further equity issued in the period (885m shares in issue as at 30 September 2012)
- Able to raise further equity by way of tap issuance, for acquisitions made since period end. Total tap issuance capacity of 88.5m shares with £61.5m target before creating unallocated cash

[1] Three years from Feb 2012

New investments – during the period

Total investments of £106.4m made in the six months

- **May 2012**
  - Additional 14% stake in the Colchester Garrison[1] project for £15m. Group's interest now 56%.
  - Completion of the acquisition of a 19.5% interest in the Connect PFI project for £39.0m.
  - Acquisition of a 30% interest in the Birmingham Hospitals[2] project for £34.6m from a division of RBS.
- **July 2012**
  - Acquisition of a 75% interest in a primary care facility in Blackpool[3] for £2.9m.
- **August 2012**
  - Additional interests acquired in four PFI projects for a total consideration of £10m taking the Group's total interests in these projects to 66.67% on Romford Hospital[4], 44.4% on Fife Schools* and 100% on both Exeter Crown Courts[5] and Stoke Mandeville Hospital[6].
- **September 2012**
  - Acquisition for £4.9m of incremental stakes in Dorset Fire & Rescue[7] (final 33%) and Ealing Care Homes (further 16%).



* Due to complete shortly

New investments – since 30 September 2012

Further investment activity since period end

- **October 2012**
  - Acquisition of 30% stakes in two operational LIFT companies, the Birmingham & Solihull[1] LIFTCo and the Staffordshire[2] LIFTCo.
  - Further interest in the Connect PFI Project acquired giving the Group a 28.5% interest overall.
  - £3.9m acquisition from The Miller Group of a 30% interest in the Fife Schools 2 PPP, a 25 year concession for nine primary schools and one special education needs facility.


1

- **November 2012**
  - The Group has signed an unconditional contract to acquire a £30.6m investment in a UK PFI project, the details of which remain confidential pending completion.
  - Doncaster Schools PFI investment was sold for £5.3m in November, generating a small profit on disposal.

2

Total acquisitions (completed or contracted since period end) of £68.2m, less disposal of £5.3m and C share proceeds outstanding at 30 September 2012 gives the Group a net current funding requirement of £61.5m

As at 20 November 2012

Current portfolio

Portfolio as at 20 November 2012, showing changes since 31 March 2012

Education		Law & Order	Health		Accommodation	Transport
Barking & Dagenham Schools	Boldon School	Dorset Fire & Rescue	Barnet Hospital	Bishop Auckland Hospital	Colchester Garrison	A249 Road
Bradford Schools	Cork School of Music	Dorset Police	Birmingham Hospitals	Birmingham & Solihull LIFT	Health & Safety Headquarters	A92 Road
Conwy Schools	Croydon School	D & C Firearms Training Centre	Blackburn Hospital	Blackpool Primary Care Facility	Home Office	Connect PFI
Darlington Schools	Defence Sixth Form College	Exeter Crown Courts	Brentwood Community Hospital	Central Middlesex Hospital	Newcastle Libraries	Dutch High Speed Rail Link
Derby Schools	Doncaster Schools	GMPA Police Stations	Doncaster Mental Health Hospital	Ealing Care Homes	Oldham Library	Kicking Horse Canyon P3
Ealing Schools	Haverstock School	Medway Police	Glasgow Hospital	Lewisham Hospital		M80 Motorway DBFO
Fife Schools*	Fife Schools 2	MPA Firearms Training Facility	Newton Abbott Hospital	Nuffield Hospital		NW Anthony Henday P3
Health & Safety Labs	Helicopter Training Facility	MPA SEL Police Stations	Oxford Churchill Oncology	Oxford John Radcliffe Hospital		
Highland Schools PPP	Irish Grouped Schools	Sussex Custodial Centre	Pinderfields & Pontefract Hospitals	Queen Alexandra Hospital		
Kent Schools	Manchester School	Swindon Police	Romford Hospital	Sheffield Hospital		
Newport Schools	North Tyneside Schools	Tyne & Wear Fire Stations	Staffordshire LIFT	Stoke Mandeville Hospital		
Norwich Schools	Oldham Schools		West Middlesex Hospital	Willesden Hospital		
Rhondda Schools	Renfrewshire Schools					
Sheffield Schools	South Ayrshire Schools					
Wooldale Centre for Learning						

Key:

Portfolio at 31 March 2012	Disposal since 30 September 2012
Acquired since 31 March 2012	Acquired since 30 September 2012
Additional stake acquired since 31 March 2012	Additional stake acquired since 30 Sept 2012

* Contract to acquire additional stake in Fife signed but is yet to complete

Diversified portfolio

73 investments valued at £1,015.9m at 30 September 2012 - ten largest investments represent c.49% by value[1]

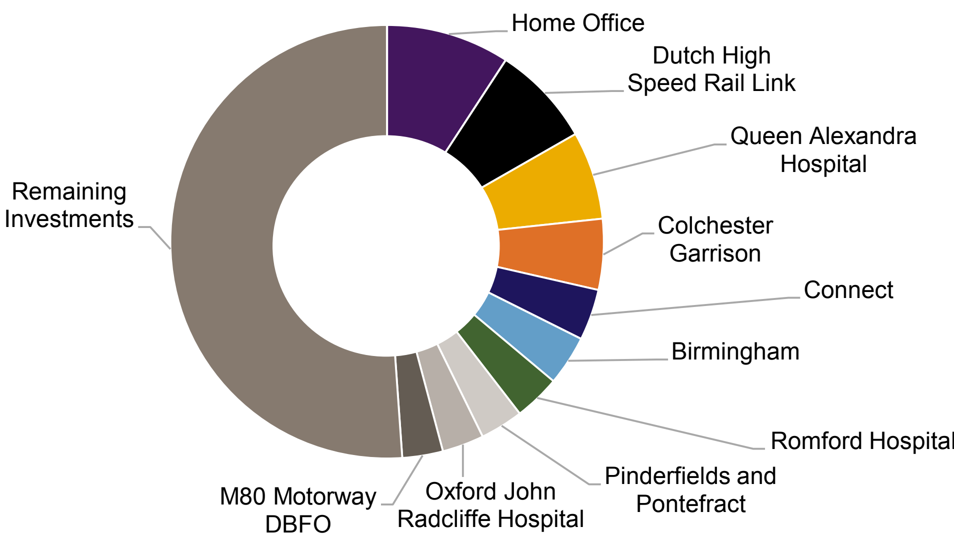
Home Office Headquarters

Dutch High Speed Rail Link

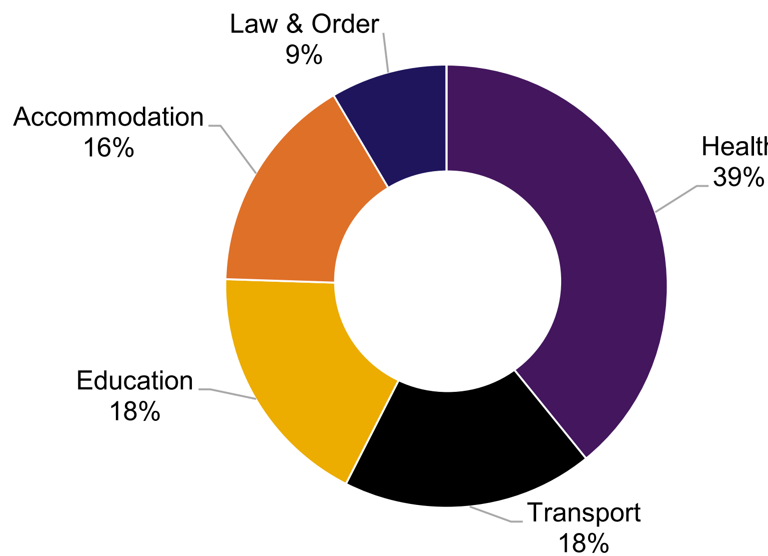
Colchester Garrison

Oxford John Radcliffe Hospital

Ten largest investments[1]



Focus on social infrastructure[1]

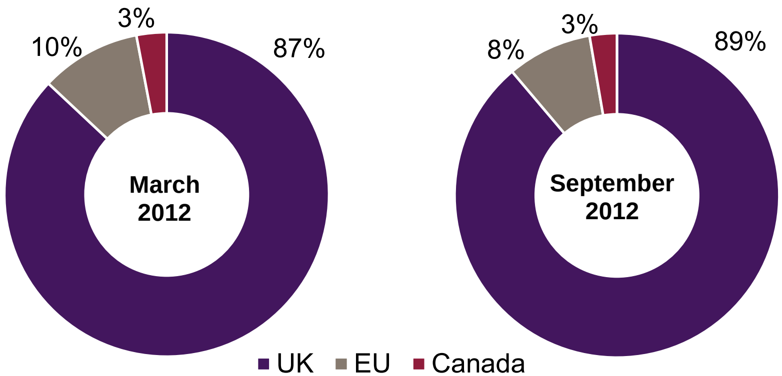


[1] By value, using Directors' valuation as at 30 September 2012

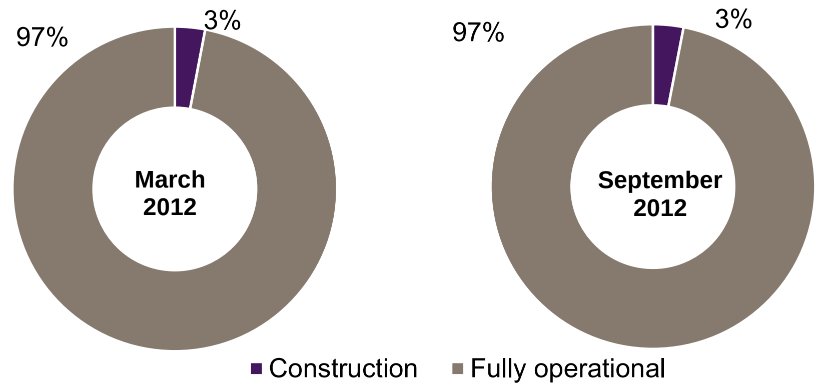
Stable, attractive portfolio

Evolution of portfolio from 31 March to 30 September 2012[1]

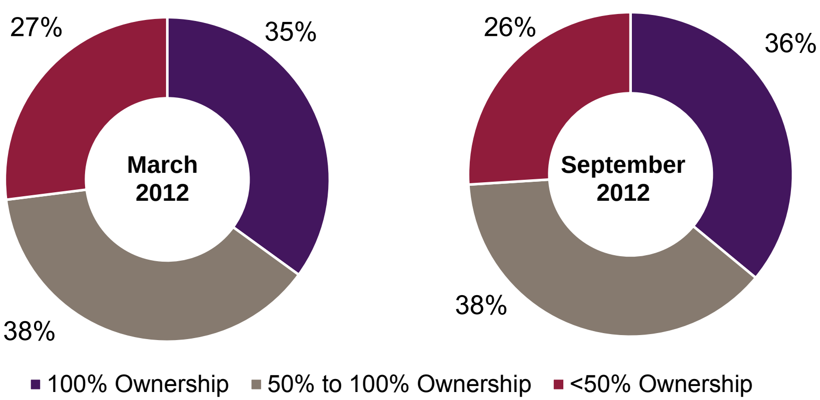
Geographic location



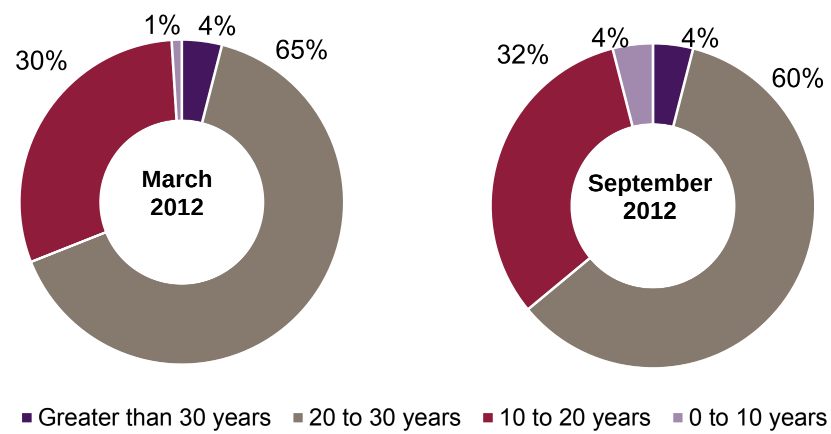
Investment Status



Ownership Analysis



Concession Length



1. By value, as at 31 March 2012 and 30 September 2012, using Directors' valuation

Asset and contract management update

Asset Management

- Active management of existing portfolio, and bedding in of new investments
  - Resolving operational issues involving the clients and/or the subcontractors
  - Building effective relationships with all parties
  - Representation at all project company board meetings
- Construction of Birmingham Hospitals completed
- M80 Motorway in Scotland open to traffic and operating as expected. Final completion expected shortly
- New investments performing to plan
- ESG considerations taken into account at all levels
- Home Office project won London Planning Awards for "Best Built Project – Five Years On"

Contract Management

- Good relationships with clients achieved through active engagement
- Client cost saving initiatives continue with more pilot schemes
- UK voluntary code on disclosure and variation protocols awaited
- Number of variations being delivered to meet Client's objectives
- In the UK, Secretary of State for Health has used powers available to change a management team to turn an NHS Trust around

Recent Contract Variations

Blackburn Hospital - Emergency Dept extension

Defence Sixth Form College - Bedroom enhancements

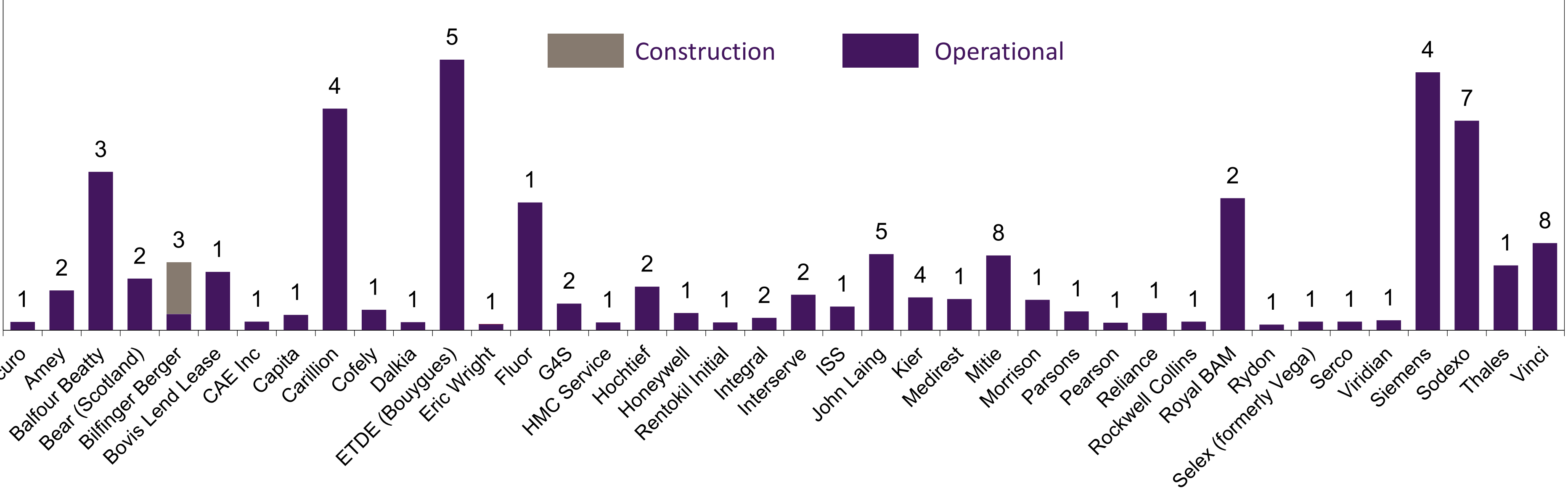
W Middlesex Hospital - A&E extension + M&E enhancements

Sub-contractor exposure

Diversified spread of quality supply chain providers

- Semi-annual Investment Adviser and Board review of counterparty exposure and credit risk
- All counterparties performing
- Good spread ensures no over-reliance on single entity
- Acquisitions have increased counterparty diversity

Contractor Exposure [1] **(number is no. of projects; size of bar is relative size of exposure)**



1. By value, as at 30 September 2012, using Directors' valuation.

Summary income statement

	Six months to 30 September 2012			Six months to 30 September 2011		
£m	**Investment basis**	**Consolidation adjustments**	**IFRS Basis**	**Investment basis**	**Consolidation adjustments**	**IFRS Basis**
Total Income	30.9	123.2	154.1	21.7	82.0	103.7
Expenses and finance costs	(8.9)	(128.9)	(137.8)	(6.0)	(86.9)	(92.9)
Profit/(loss) before valuation movement	**22.0**	**(5.7)**	**16.3**	**15.7**	**(4.9)**	**10.8**
Fair value movements	20.2	50.9	71.1	15.0	38.5	53.5
Tax and non-controlling interests	(0.1)	(11.5)	(11.6)	-	(5.5)	(5.5)
Earnings	**42.1**	**33.7**	**75.8**	**30.7**	**28.1**	**58.8**
Earnings per share	**4.9p**		**8.9p**	**5.0p**		**9.6p**

Expenses & finance costs

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	Six months to 30 September 2012	Six months to 30 September 2011
£m	**Investment basis**	**Investment basis**
Interest income	0.1	0.1
Interest expense	(2.1)	(0.8)
Investment Adviser fees	(6.1)	(4.7)
Auditor fees – KPMG – for the Group	(0.1)	(0.1)
Directors' fees and expenses	(0.1)	(0.1)
Other expenses	(0.6)	(0.4)
Expenses & finance costs	**(8.9)**	**(6.0)**
Total Expense Ratio (TER) [1]	**1.19%**	**1.27%**
Ongoing Charge Percentage [2]	**1.18%**	**1.30%**

1. Annualised, as at 30 September 2012 based on operating expenses of £6.9m less £0.7m one-off acquisition costs and NAV of £1,041.2m. Year to 31 March 2012 was 1.34%
2. Calculated using the methodology set out by the AIC

Summary balance sheet

	As at 30 September 2012			As at 31 March 2012		
£m	**Investment basis**	**Consolidation adjustments**	**IFRS basis**	**Investment basis**	**Consolidation adjustments**	**IFRS basis**
Investments at fair value	**1,015.9**	**(406.8)**	**609.1**	**902.0**	**(377.7)**	**524.3**
Other non-current assets	-	2,326.4	2,326.4	-	2,224.3	2,224.3
Working capital	(7.9)	23.6	15.7	(12.0)	21.8	9.8
Net cash/(borrowings)	33.2	(1,384.0)	(1,350.8)	(116.3)	(1,357.0)	(1,473.3)
Other non-current liabilities	-	(511.2)	(511.2)	-	(498.6)	(498.6)
Non-controlling interests	-	(10.0)	(10.0)	-	(8.4)	(8.4)
Net assets[1] attributable to Ordinary shares	**1,041.2**	**38.0**	**1,079.2**	**773.7**	**4.4**	**778.1**
NAV per share (before dividend)	117.6p		121.9p	116.3p		117.0p
Net assets[2] attributable to C Shares	**-**	**-**	**-**	**246.8**	**-**	**246.8**
NAV per C Share	-		-	98.7p		98.7p

1. Net assets attributable to the Group net of non-controlling interests
2. The C shares were converted into Ordinary shares in April 2012

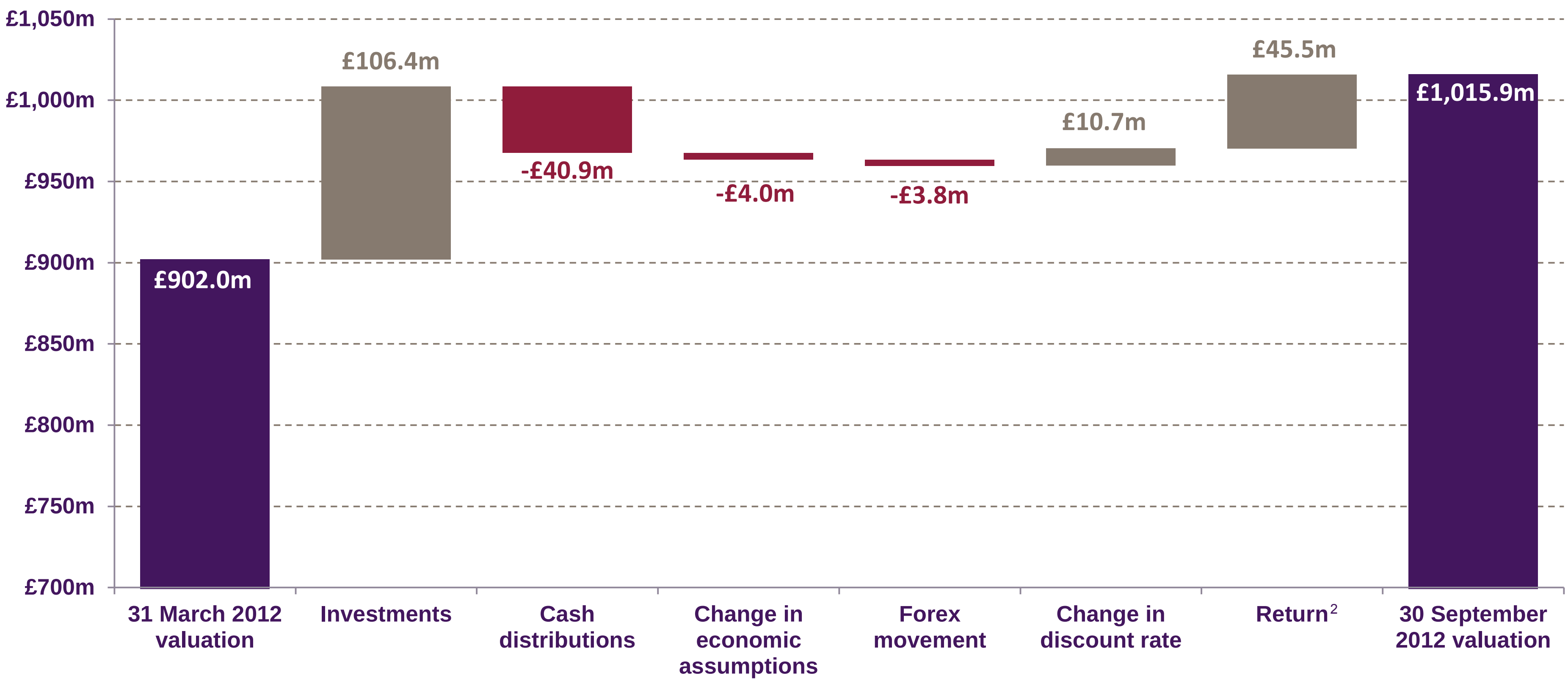
Summary cash flow

£m	Six months to 30 September 2012 Investment basis		Six months to 30 September 2011 Investment basis	
Net cash at start of period		**126.6**		**54.7**
Cash from investments	40.9		29.2	
Operating and finance costs outflow	(7.3)		(4.3)	
Net cash inflow before acquisitions/financing		**33.6**		**24.9**
Redemption of investment		-		30.0
Cost of new investments		(109.3)		(71.9)
Forex movement on borrowings/hedging[1]		2.6		1.0
Share capital raised net of costs		1.2		40.1
Distributions paid				
Relating to operational investments	(20.4)		(15.7)	
Relating to investments in construction	(1.1)		(2.4)	
		(21.5)		**(18.1)**
Net cash at end of period		**33.2**		**60.7**

1. Forex movements includes both cash settlement and revaluation of Euro and Canadian dollar borrowings/hedging at period end.

Analysis of change in Directors' valuation

Valuation movements driven by acquisitions and portfolio performance



1. To reconcile to the IFRS investments at fair value as at 30 September 2012, subsidiaries of £406.8m must be deducted.
2. The "Return" component includes the unwind of the discount rate; the impact of actual inflation above the valuation assumption; and the operational performance of the project companies

Discount rate analysis

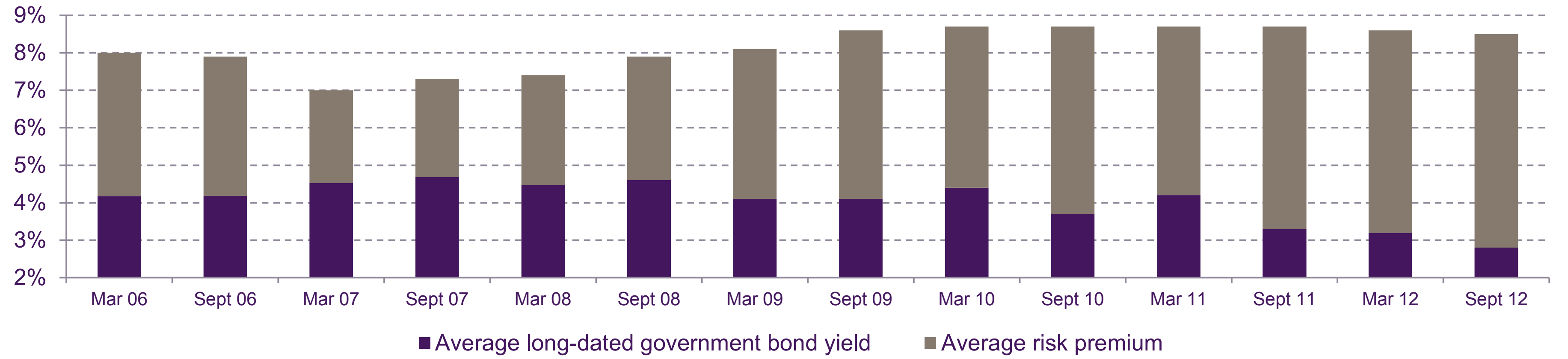
Average discount rate has reduced by 10 bps

Market valuation of assets did not move significantly in period

- Discount rates for projects range between 8.1% and 10.0%
  - Discount rate for UK operational projects reduced from 8.6% to 8.5%
  - Discount rate for construction projects remains at 9.0%
  - Weighted average rate of 8.5%

	Appropriate long-dated government bond yield		Risk Premium		Total discount rate 30 Sept 2012	Total 31 Mar 2012
UK	2.9%	+	5.6%	=	8.5%	8.6%
Holland	2.5%	+	6.2%	=	8.7%	8.8%
Canada	2.3%	+	5.8%	=	8.1%	8.2%
Ireland	5.5%	+	4.5%	=	10.0%	11.0%
Portfolio	**2.8%**	+	**5.7%**	=	**8.5%**	**8.6%**

Weighted average discount rates since launch



Key valuation assumptions

Key assumptions updated to reflect current consensus forecast

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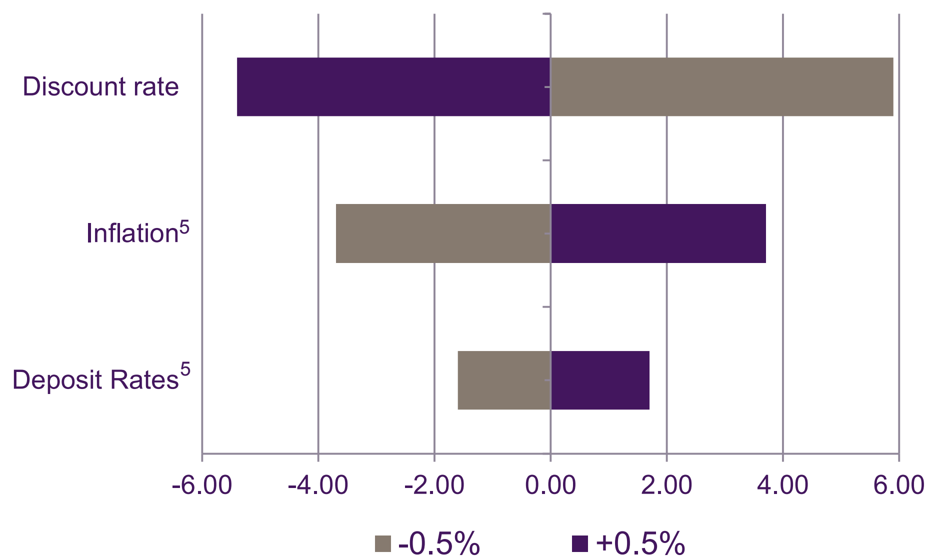
- **Inflation assumptions**[1]
  - UK 2.75% pa - both RPI[2] and RPIx[2] (March 2012: 2.75% pa)
  - EURO 2.00% pa (March 2012: 2.00% pa)
  - Canada 2.00% pa (March 2012: 2.00% pa)
- **Deposit rates (UK)**
  - 1.0% pa to 31 March 2016, 3.75% thereafter (March 2012: 1.0% pa to March 2015 and 3.75% thereafter)
- **Foreign exchange**
  - CAD$/GBP 0.63 (March 2012: 0.63)
  - EU€/GBP 0.80 (March 2012: 0.83)
- **Tax rate**
  - UK tax rate of 24% (March 2012: 24%)

- In UK, consultation on way RPI calculated underway – range of possible outcomes - impact on NAV too early to quantify
- If inflation is 3.75% pa (i.e. up 1.0% pa), expected return[4,5] from portfolio (before Group expenses) increases from 8.5% to 9.2%

Sensitivity to key macroeconomic assumptions (change NAV in pence/share)[3]



1. Some project income fully indexed, whilst others partially indexed
2. Retail Price Index and Retail Price Index excluding Mortgage Interest Payments
3. Based on 885m shares in issue
4. Return is expected IRR
5. Analysis is based on the Group's 20 largest investments, pro-rata for the whole portfolio

Market update

Secondary market active but primary market activity varies by geography

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Evolving dynamics and drivers in the secondary market

- New unlisted funds and direct investors increasing competition for social infrastructure assets
- UK construction firms and FM providers selling investments to realise value
- Some social infrastructure debt being priced at levels which makes it attractive

UK primary market pipeline limited

- 39 PFI projects still in procurement with capital costs of £5.4bn[1]
- New school building programme about to commence
- New debt solutions being developed and UK Government guarantee scheme announced
- New public sector infrastructure procurement model (successor to PFI) to be announced in Chancellor's Autumn Statement in December

Globally, a number of countries continue their PPP/P3 procurement programmes thus increasing pool of future opportunities

- Northern European markets are active, while investors generally shy away from the political risk of Southern Europe
- Active programmes in Canada, USA and Australia, plus a number of countries seeking to utilise PPP as a procurement model (e.g. Chile, Poland, Turkey, Brazil).

1. As at 31 March 2012. Source: HM Treasury

Market focus for further Investments

Main focus on social infrastructure remains unchanged

Main focus

- Social Infrastructure investments
  - Countries with developed programmes:
    - UK, Europe, USA, Canada, Australia
  - Project phase
    - Mainly operational
    - Some assets in construction to achieve an element of NAV growth

Of possible interest, if the risk/return characteristics are appropriate

- Social Infrastructure debt
- Toll roads where there is a proven demand history
- Regulated utilities and transmission systems, if appropriate scale
- Operational renewable energy projects
  - Need appropriate risk return characteristics & contractual revenues
  - Wind farms, solar parks, hydro schemes in EU

Outside Investment Policy

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

Differentiated origination approach

Benefits of wider InfraRed infrastructure businesses

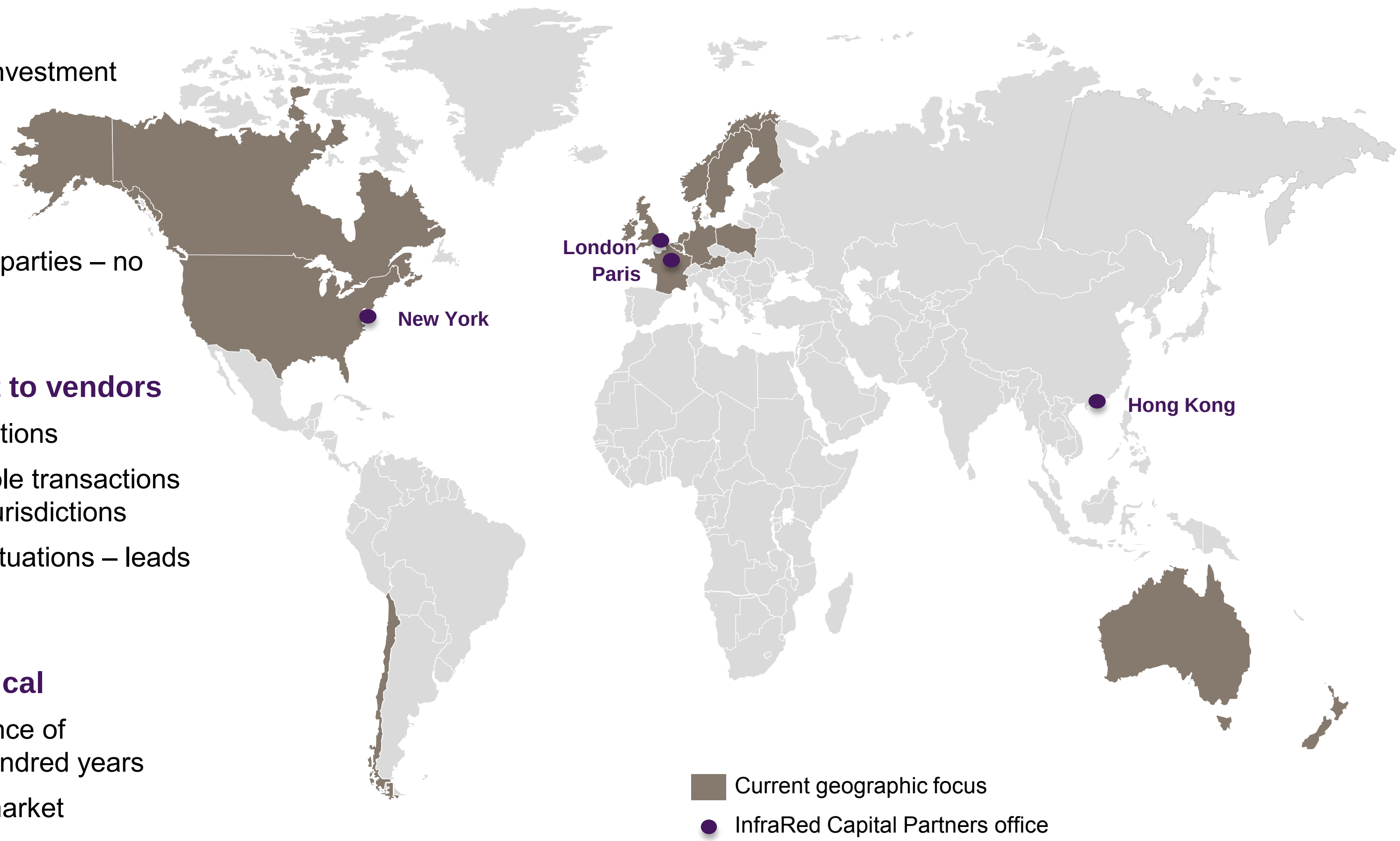
- Complementary greenfield PPP investment activity and relationships leads to good secondary opportunities
- Global network brings referral of opportunities to consider
- Majority of acquisitions from third parties – no valuation conflicts

Size and reliability is important to vendors

- Debt capital available for acquisitions
- Team capacity to manage multiple transactions with multiple assets in multiple jurisdictions
- Proven delivery in competitive situations – leads to further opportunities

Relationships increasingly critical

- Collective infrastructure experience of investment advisor of several hundred years
- Many transactions sourced off market
- Longest established listed fund

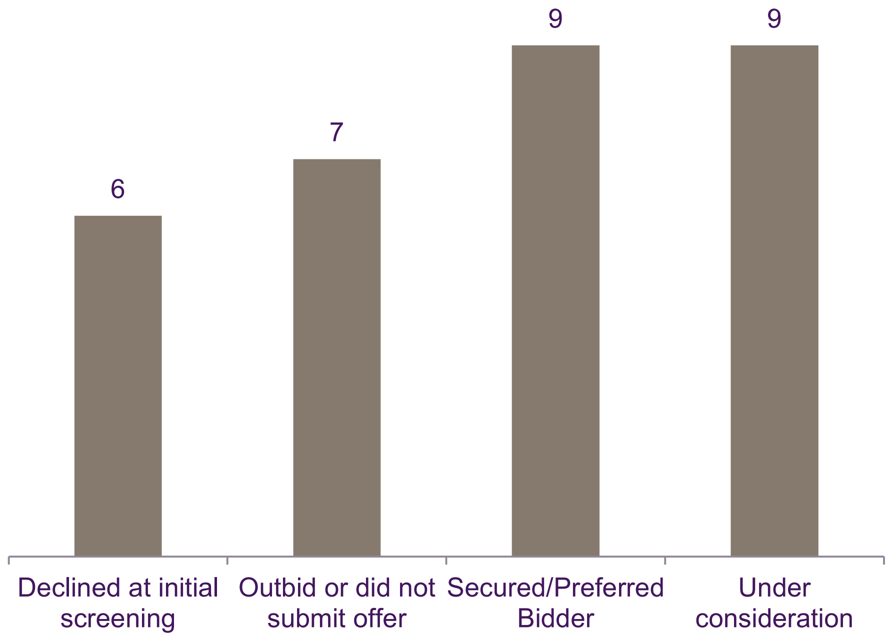


Current pipeline

Steady pipeline of new opportunities

- Many new types of investment opportunities, but still a cautious approach:
  - Social Infrastructure (PFI/PPP/P3) - operational and in construction
  - Renewable energy, toll roads, and infrastructure debt investments
  - Availability, contracted or proven-demand models being considered
  - Still mainly UK, but increasingly in EU, Australia and Canada
  - Both single assets and portfolios
  - Number of processes at an advanced stage
- Acquiring incremental stakes in existing investments will continue
- New vendors in the market balanced by new acquirers
  - More competition for larger assets / portfolios
  - Off-market potential via relationships with vendors

31 opportunities reviewed since April 2012



Summary

Portfolio Characteristics & Performance

- Diverse portfolio of 75[1] assets across multiple market segments and geographies
- Performing as expected with solid cash generation in period and an increase in NAV per share
- Healthy pipeline of new investment opportunities
- Continuing focus on the low-risk end of the infrastructure spectrum – operational social infrastructure in mature markets
- Potential for marginal portfolio rebalancing and diversification
- Emphasis on active asset and contract management

Capitalisation

- Current funding requirement of £61.5m, to be raised by tap issuance when appropriate
- Group's £100m revolving debt facility available for acquisitions
- Good investor spread and share liquidity

Distributions

- Interim dividend of 3.425p (scrip dividend alternative offered) with total of 7.0p per share still targeted[2] for year ending 31 March 2013
- Thereafter, 7.0p per share is sustainable and further increments will be considered as portfolio performance allows

1. As at 20 November 2012
2. The 7p distribution target is consistent with statements made at time of launch and the February 2012 C Share prospectus. This is a target only and is not a profit forecast. There can be no assurance that this target will be met

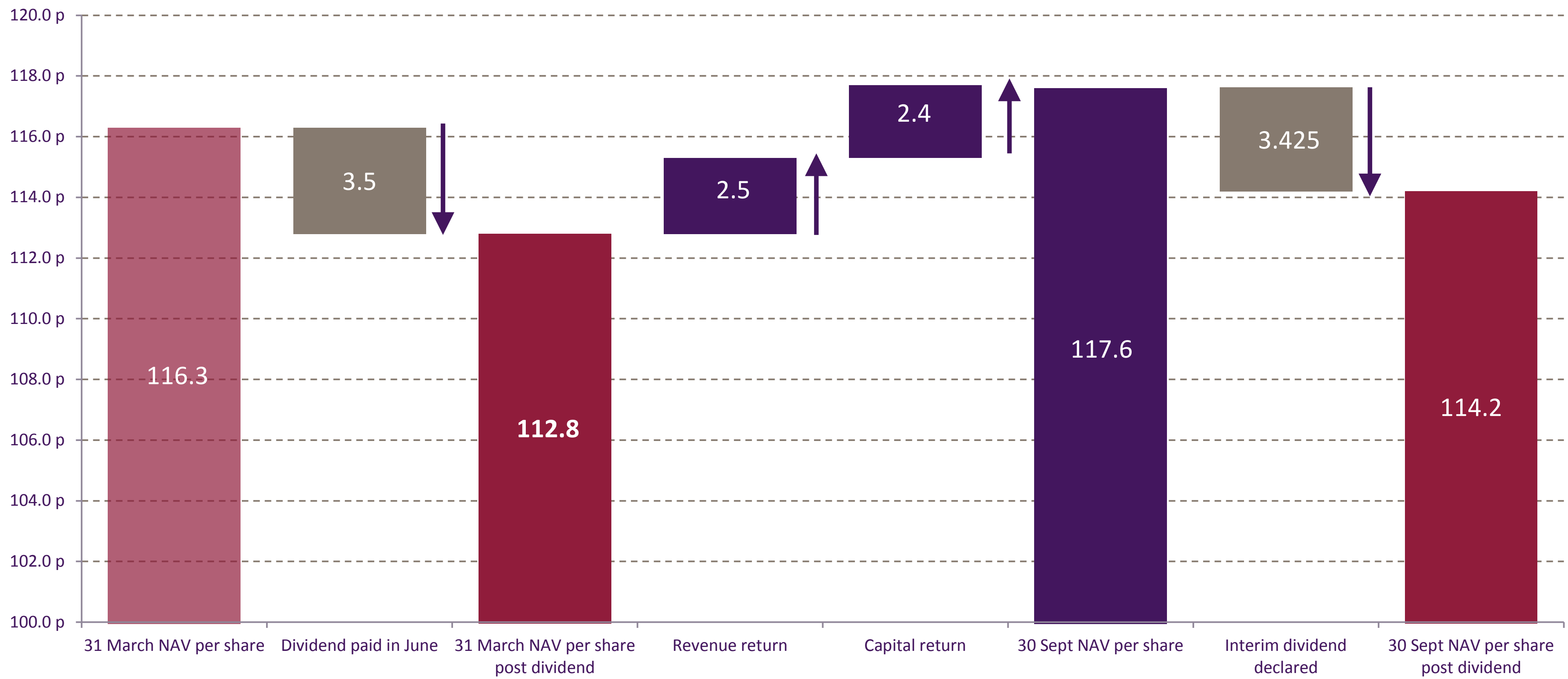
HICL INFRASTRUCTURE

Appendix I

Additional Financial Information

Analysis of change in NAV per share

31 March 2012 to 30 September 2012



Valuation methodology

HICL's valuation methodology is consistent with industry standard

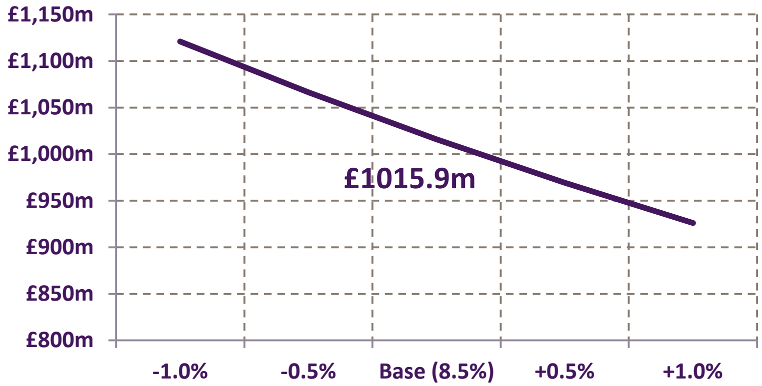
- Semi annual valuation and NAV reporting:
  - Carried out by Investment Adviser
  - Approved by Directors
  - Independent third party opinion for Directors

- Non traded - DCF methodology on investment cash flows
  - Discount rate comprising appropriate long-dated government bond yield plus investment specific premium
  - Appropriate government bond(s) chosen to match concession lengths

- Traded (not currently applicable): market quotation

Discount rates

Portfolio weighted average discount rate of 8.50%



	Directors' valuation	NAV per share
Valuation	**£1,015.9m**	**117.6p**
	Change	**Implied NAV per share**
+0.5% increase	**- £46.6m**	**- 5.3p**
-0.5% decrease	**+ £50.4m**	**+ 5.7p**

- DCF rates for PFI/PPP/P3 assets have remained flat in the period

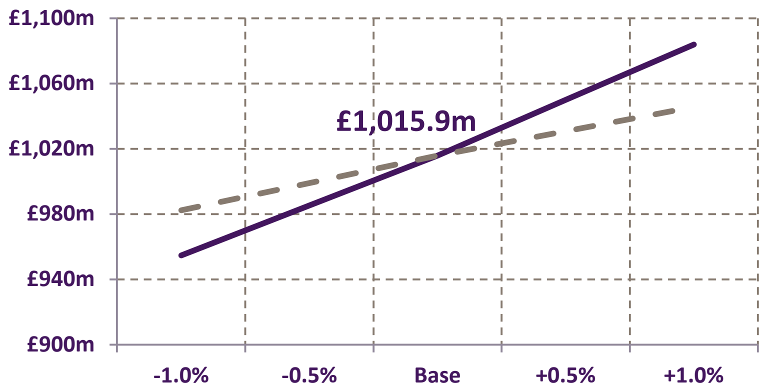
Date	Weighted average government bond yield	Weighted average risk premium	Weighted average discount rate	Weighted average const. phase premium	Weighted average ops. phase premium
31 March 2011	4.2%	4.5%	8.7%	5.1%	4.4%
30 September 2011	3.3%	5.4%	8.7%	5.8%	5.3%
31 March 2012	3.2%	5.4%	8.6%	5.8%	5.4%
30 September 2012	**2.8%**	**5.7%**	**8.5%**	**6.2%**	**5.7%**

1. Sensitivity analysis based on the 73 investments as at 30 September 2012

Positive inflation correlation

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

- PFI/PPP/P3 projects' income and costs linked to RPI/RPIx[3] in UK and CPI in Holland and Canada
  - 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



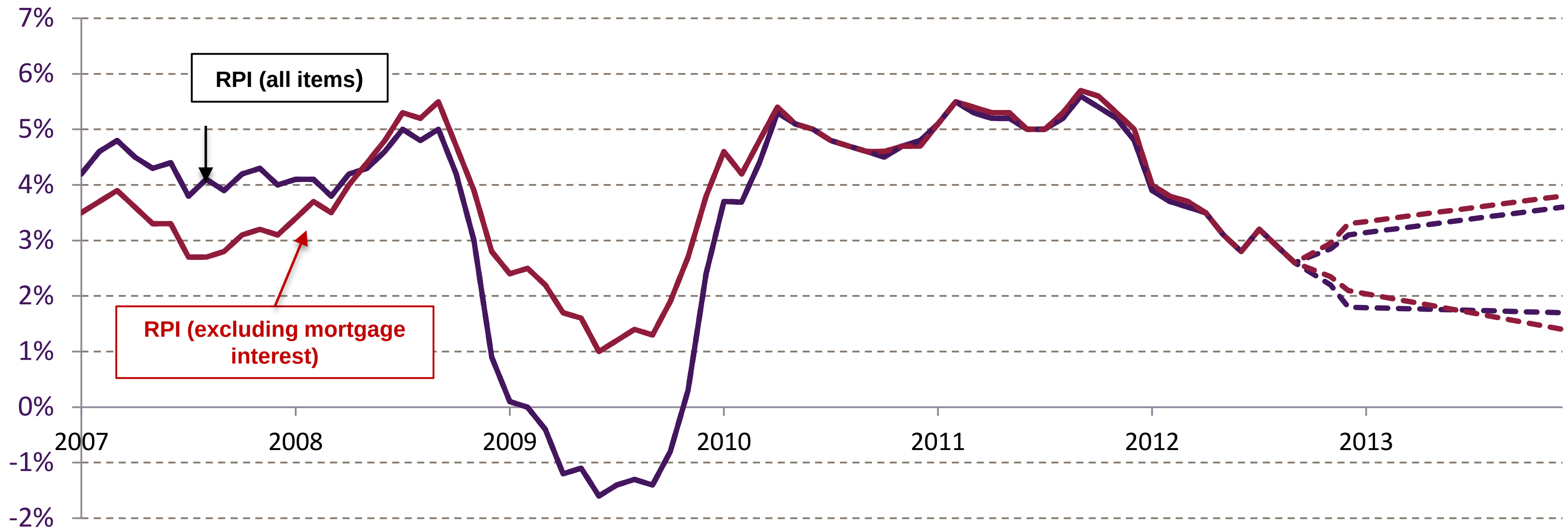
Purple line - Sensitivity changing assumption each and every year to maturity
Grey line - Sensitivity changing assumption for next five years only – base case thereafter

	Directors' valuation	NAV per share
Valuation	**£1,015.9m**	**117.6p**
Changing inflation assumption across whole portfolio[1]	**Change**	**Implied NAV per share**
+0.5% increase all years	**+ £34.0m**	**+3.8p**
-0.5% decrease all years	**- £30.6m**	**- 3.5p**
Changing inflation assumption of UK part of portfolio[2]	**Change**	**Implied NAV per share**
+0.5% increase all years	**+ £32.8m**	**+3.7p**
-0.5% decrease all years	**- £29.2m**	**- 3.3p**

1. Analysis is based on the Group's 20 largest investments, pro-rata for the whole portfolio
2. Analysis is based on the Group's 20 largest UK investments, pro-rata for the UK portfolio only
3. Retail Price Index and Retail Price Index excluding Mortgage Interest Payments

UK Inflation – actual & forecast

- UK RPI was 2.6% in September 2012, with forecasts showing it declining in next 15 months
- Wide range of forecasts
- Valuation assumptions – simple proxy of possible outcomes
- Consultation on how UK RPI is calculated underway

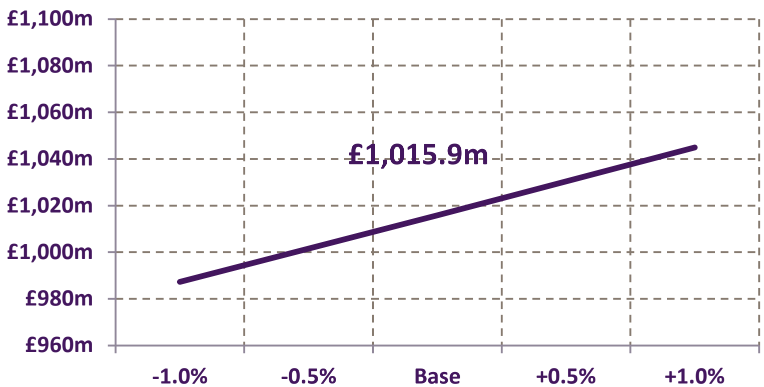


1. Source – Office for National Statistics, HM Treasury a comparison of independent forecasts September 2012

Deposit rate sensitivity

Positive sensitivity results from large cash deposit at projects' level[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



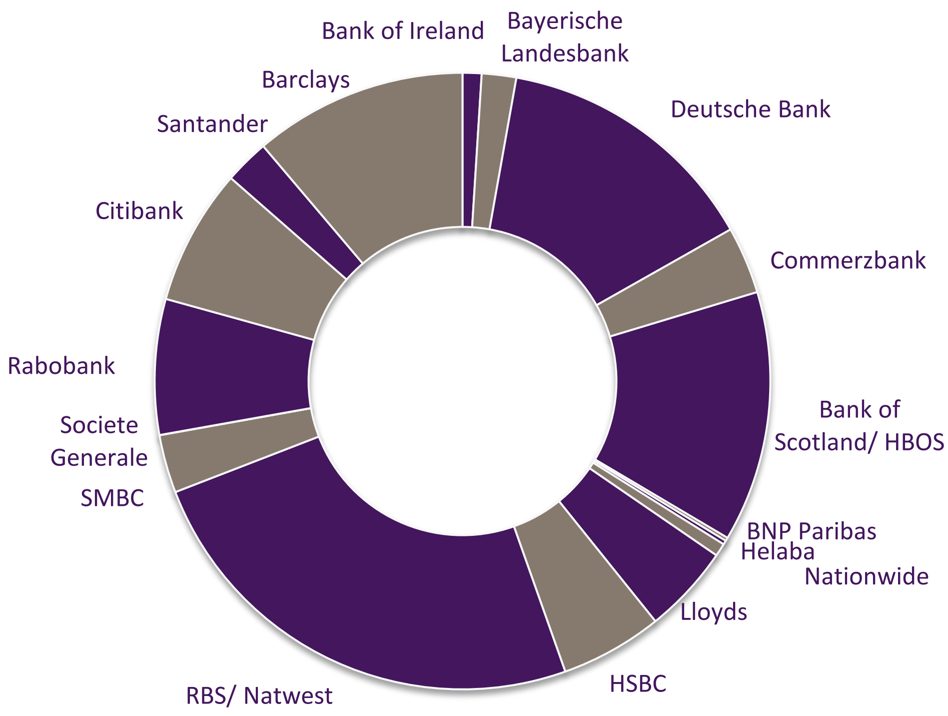
	Directors' valuation	NAV per share
Valuation	£1,015.9m	117.6p
	Change	**Implied NAV per share**
+0.5% increase all years	+ £14.6m	+ 1.6p
-0.5% decrease all years	- £14.3m	- 1.6p

1. Analysis based on 20 largest investments
2. Changing all future periods assumption from the base assumption - all other assumptions unchanged.

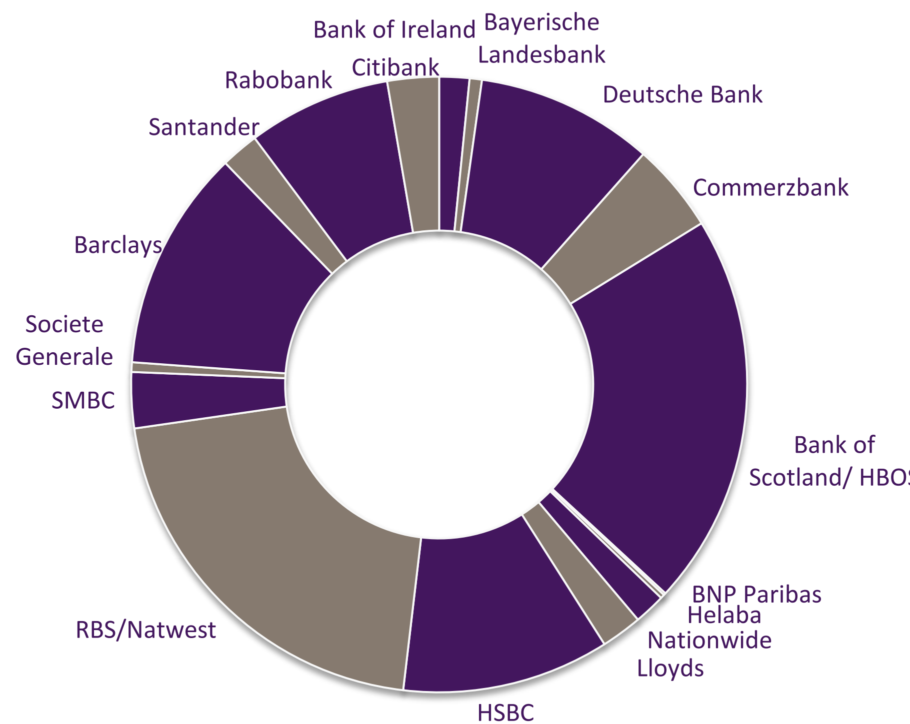
Risk management – cash deposit exposure

Analysis as at 30 September 2012

Exposure to banks by deposit value



Exposure to banks by project value



Based on analysis by the Investment Adviser of the portfolio as at 30 September 2012. The Deposit Value chart looks at £553m deposits made by projects (regardless of the Group's percentage holding) at 30 September 2012. The Project Value chart considers this exposure related to the Directors' Valuation of the portfolio as at 30 September 2012.

Appendix II

The Investment Adviser

The Investment Adviser - InfraRed Capital Partners Ltd

InfraRed's performance record and its continuity are key competitive differentiators

- InfraRed Capital Partners Ltd ("InfraRed") is the investment adviser to HICL and is authorised and regulated by the FSA
- Strong, 15+ year track record in raising and managing 11 value-add infrastructure and real estate funds
- Currently c.US$5bn of equity under management
- Independent manager 80% owned by 28 partners following successful spin-out from HSBC Group in April 2011
- London based, with offices in Hong Kong, New York and Paris and over 90 partners and staff
- Team of 17 professionals advising HICL, managing the investments and sourcing new investments
- Strong governance, risk management and transparency culture at HICL and InfraRed

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	Exiting
HICL	Listed, secondary, income yield	£1,074[1]	Since 2006	Evergreen
Environmental Fund	Unlisted , greenfield , capital growth	€235	Since 2009	Investing
Fund III	Unlisted , greenfield , capital growth	$1,215	Since 2011	Investing

1. As at 30 September 2012. Source: InfraRed, Market Data

InfraRed – infrastructure skills and experience

- Experienced infrastructure professionals with proven track record
  - Core team for HICL of 12
  - Four asset managers, with further recruitment planned
  - Part of a wider infrastructure team of 39
- 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 Capital Partners – Secondary Infrastructure team

Over 270 years combined infrastructure experience

Werner von Guionneau
CEO, InfraRed
Inv Committee[1]

Chris Gill
Deputy CEO, InfraRed
Inv Committee[1]

Tony Roper
Director, InfraRed
Inv Committee[1]

Keith Pickard
Director, Infrastructure
Inv Committee[1]

Erwan Fournis
Director, Infrastructure
Inv Committee[1]

Gareth Craig
Director, InfraRed
Inv Committee[1]

David Foot
Investment Director

James O'Halloran
Investment Director

Amanda Caines
Investment Executive

Eugene Kinghorn
Financial Controller

Maria Janusz
Management Accountant

Tim Bowden
Investment Director

Albane Psaume
Analyst

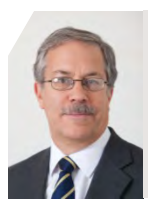
Xiaonan Chen
Analyst

Sean Watson
Analyst

Fabien Villacampa
Analyst

Geoff Quaife
Asset Management

Mark Wayment
Asset Management



Robert Newton
Asset Management

Mark Holden
Asset Management

Robin Hubbard
Investor Relations

1. member of the InfraRed Capital Partners Ltd HICL Investment Committee

Appendix III

The Company

Overview

The largest[1], most liquid and longest-established London-listed infrastructure company

Company	▲ Guernsey registered Investment Company
Listing	▲ Listed in March 2006 on Main Board of the London Stock Exchange with a premium listing (ticker: HICL.L), the Company strives to provide the highest standards of disclosure and transparency ▲ Part of FTSE 250 ▲ Shares have traded at a premium to NAV per share for over 3 years
Management	▲ Board of 4 independent directors ▲ Investment Adviser: InfraRed Capital Partners Ltd (authorised and regulated by the FSA)
Return	▲ Stated target 7% total return to shareholders based on an investment in the C Share issue in March 2012 ▲ Positive inflation correlation ▲ Low correlation to equities
Distributions	▲ Consistent annual growth of 0.15p per share p.a. for the last 5 years to 6.85p for year to 31 March 2012 ▲ Target 7.0p per share distribution for year to March 2013[2]
PFI/PPP concessions	▲ Long-term concessions, partially inflation-linked, with public sector or government backed revenue streams
Equity	▲ 885m shares in issue equating to a market cap of £1.07bn as at 30 September 2012
Debt financing	▲ £100m revolving 3 year debt facility at Group level allows new acquisitions to be made ▲ Multi-currency and with ability to use for letters of credit ▲ Lenders are The Royal Bank of Scotland and National Australia Bank

1. By invested assets
2. Investors should note that no assurance or guarantee can be given that this will be achieved

Investment and Capital Raising/Distribution History

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	▲ 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	▲ 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	▲ Interim 3.125p ▲ Second interim 3.275p ▲ **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 & 3 incremental stakes	▲ 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	▲ 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 – six months to 30 September 2012	
▲ Acquired 3 new investments and 7 incremental stakes for £106.4m	▲ Interim 3.425p

1. Past performance is not a reliable indicator of future performance

Reporting & Information

Regular investor communication with sector leading detailed disclosure

- Listed Company – complying with UKLA procedures and good corporate governance
- March year end – annual results announced in May and interims in November. AGM in July/August
- Interim distributions declared in May & Nov – paid June and Dec
- Two Interim Management Statements – Feb and Aug
- Website – www.hicl.com
- Factsheet – updated quarterly
- Investor meetings, lunches and site visits
- Broker coverage – covered by analysts from Canaccord Genuity[1], JP Morgan Cazenove, Numis, Oriel Securities, RBS and RBC

1. Broker to the company and formerly known as Collins Stewart

Governance

- Independent board of four non-executive Directors
  - Approves and monitors adherence to strategy
  - Determines risk appetite
  - Adherence to AIC code
  - Sets Group’s policies
  - Monitors performance against objectives
  - Oversees capital raising (equity or debt) and deployment of cash proceeds

- 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 over acquisitions and disposals (through Investment Committee)
  - Authorised and regulated by the FSA

HICL Board

Graham Picken
Chairman

Graham Picken is an experienced banker and financial practitioner and has been Chairman of the Company since its launch. Recently appointed a non-executive director of Skipton Building Society, 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.

Sarah Evans
Director

Sarah Evans is a Chartered Accountant and is a non-executive director of several other listed investment funds, as well as an unlisted fund of hedge funds. She is a member of the Institute of Directors. Sarah spent over six years with the Barclays Bank PLC group from 1994 to 2001. Prior to joining Barclays, Sarah ran her own consultancy business advising financial institutions on all aspects of securitisation. From 1982 to 1988 Sarah was with Kleinwort Benson, latterly as head of group finance.

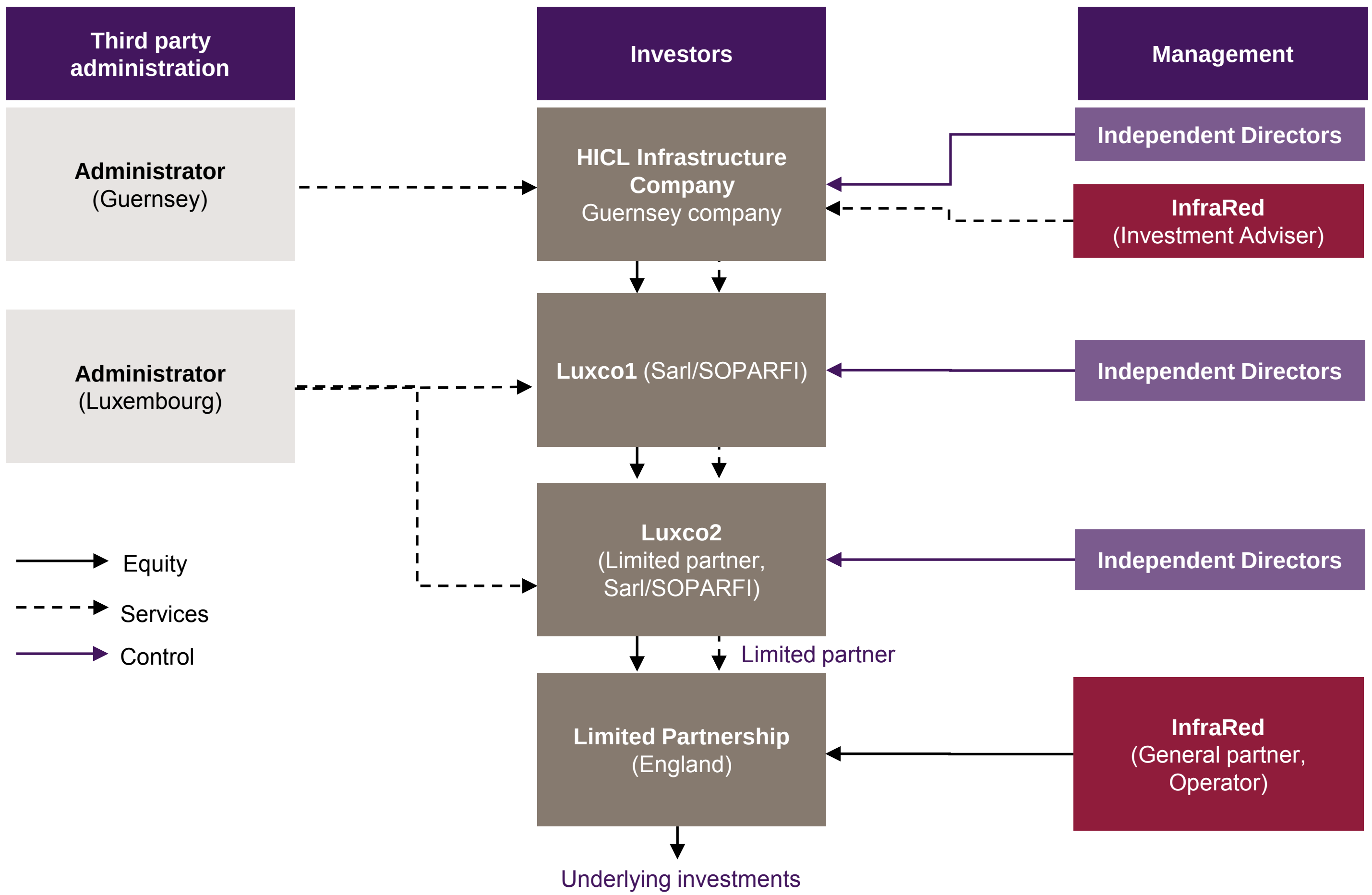
Chris Russell
Director

Chris is a Guernsey resident and a non-executive director of a number of investment and financial companies. He is also 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, and before that was a holding board director of the Jardine Fleming Group in Asia. He is a Fellow of the Society of Investment Professionals and a Fellow of the Institute of Chartered Accountants.

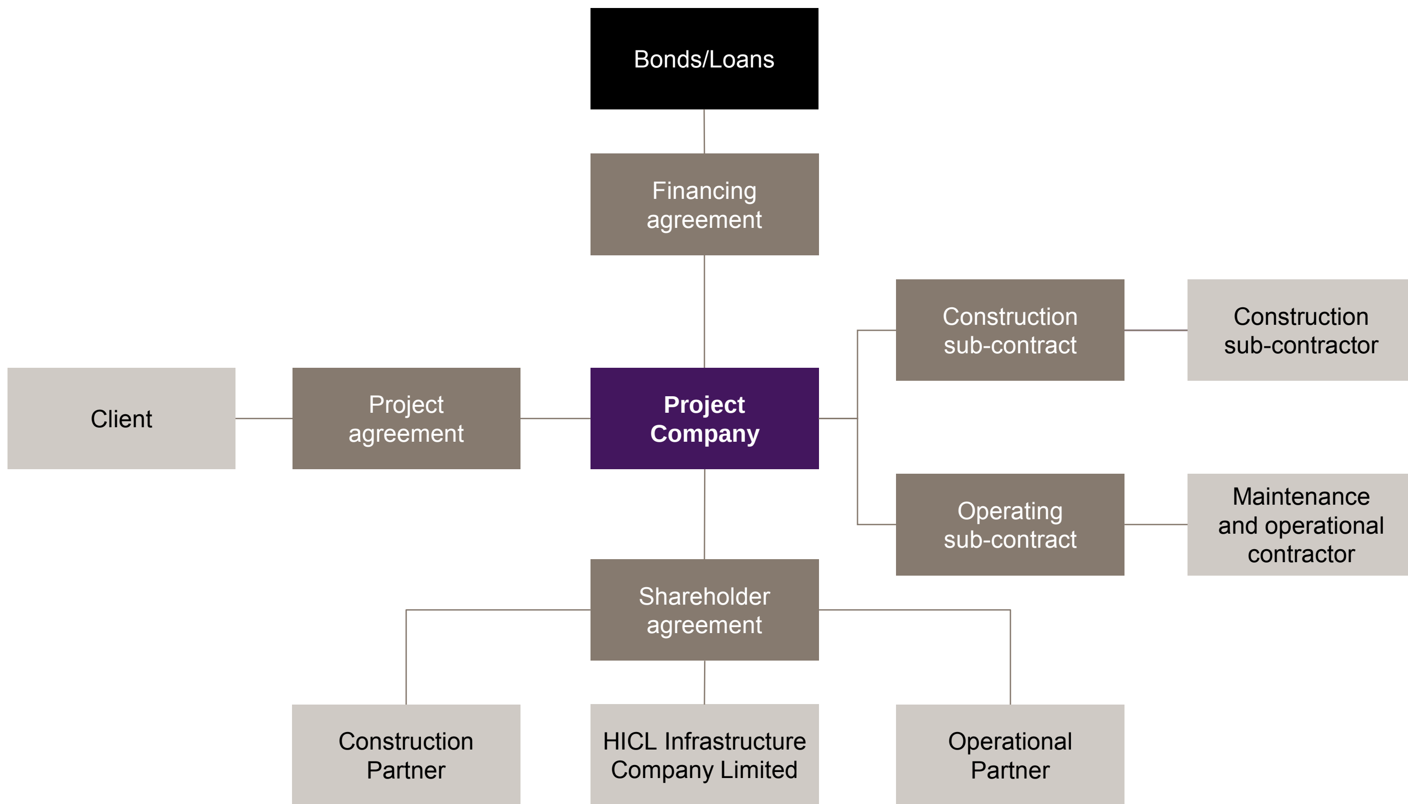
John Hallam
Director

John lives in Guernsey, is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as an accountant in 1971. He is a former partner of PricewaterhouseCoopers, having retired in 1999 after 27 years with the firm spent both in Guernsey and in other countries. John was, until January 2006, Chairman of the Guernsey Financial Services Commission and is currently a non-executive director of a number of financial services companies, some of which are listed on the LSE.

Group structure diagram

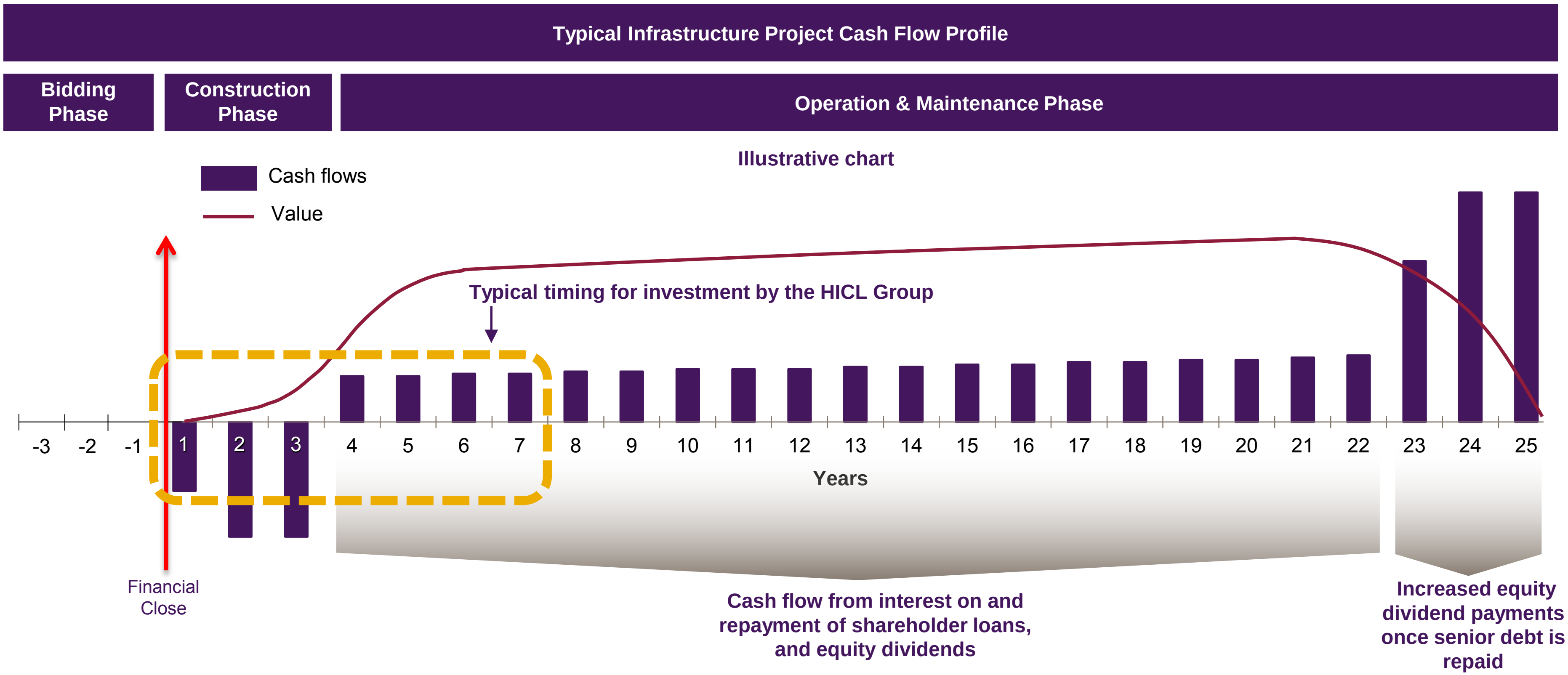


Typical infrastructure project structure



Investment profile

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



Source: InfraRed

Case study available from website

Kicking Horse Canyon