

### BOARD OF DIRECTORS

Chairman	Ian Russell CBE
SID	Frank Nelson
Director	Michael Bane
Director	Frances Davies
Director	Susie Farnon
Director	Simon Holden
Director	Kenneth D. Reid

### INVESTMENT MANAGER



InfraRed Capital Partners Ltd  
12 Charles II Street  
London SW1Y 4QU

InfraRed is a UK-based infrastructure and real estate manager with over US\$12bn of equity capital under management.

InfraRed is authorised and regulated by the Financial Conduct Authority and has offices in London, New York, Hong Kong, Seoul and Sydney. With over 150 staff globally it has more than 80 professionals dedicated to infrastructure investment and management.

### KEY STATISTICS

AT 28 JUNE 2019

(EXCEPT AS OTHERWISE STATED)

No. of Shares	1,791,142,767
Share Price	159.8p
Market Cap.	£2,862m
NAV <sup>1</sup>	£2,822m
NAV per Share <sup>1</sup>	157.5p
Premium to NAV <sup>2</sup>	1.5%
Target IRR (long-term) <sup>3</sup>	7-8% p.a.
Target Dividend per Share	8.25p (2019-20) 8.45p (2020-21)
Dividend Yield (prospective) <sup>4</sup>	5.1% p.a.
AIC Ongoing Charges Percentage <sup>5</sup>	1.08% p.a.

#### Footnotes:

<sup>1</sup> As at 31 March 2019

<sup>2</sup> Based on the NAV per Share of 157.5p (as above) and the Share Price of 159.8p as at 28 June 2019 (as above)

<sup>3</sup> As set out at 2006 IPO

<sup>4</sup> Based on the Target Dividend per Share (2019-20) and the Share Price as at 28 June 2019

<sup>5</sup> 12 months to 31 March 2019

<sup>6</sup> Return data relates to HICL Infrastructure Company Limited pre 31 March 2019

Source: InfraRed Capital Partners, unless stated otherwise

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

### INTRODUCTION

- ▶ A UK-listed investment company, HICL is a **long-term equity investor in infrastructure**, managing projects and assets which support communities and facilitate the delivery of essential public services.
- ▶ HICL's **diversified portfolio** uniquely combines relatively **low single asset concentration risk**, good **inflation correlation** and long-dated, **predictable cashflows**.
- ▶ Listed in 2006 on the London Stock Exchange, HICL has a **market capitalisation of c. £2.9bn** (at 28 June 2019).
- ▶ InfraRed Capital Partners Limited, a dedicated infrastructure and real estate investment manager (see left), acts as **Investment Manager**.

### INVESTMENT OBJECTIVES

- ▶ To provide investors with **long-term, stable income and to preserve the portfolio's capital value** over the long term.
- ▶ Focused on managing and growing a portfolio of infrastructure investments positioned at the **lower end of the risk spectrum**.
- ▶ Declared **dividends of 8.05p per share for the year to 31 March 2019**.
- ▶ Dividend guidance for the year to 31 March 2020 of **8.25p (+2.5% YoY)** and for the year to 31 March 2021 of **8.45p (+2.4% YoY)** respectively (this is a target only and not a profit forecast).

### INVESTMENT STRATEGY

- ▶ Target market segments are **PPP projects** (social and transportation projects), **regulated assets** (e.g. electricity transmission and distribution; water utilities), **demand-based assets** (e.g. toll road concessions) and an **opportunistic approach to corporate assets** with long-term counterparty arrangements (e.g. rolling stock).
- ▶ Current investments are **located primarily in the UK** (77% by value<sup>1</sup>), but also in Europe and North America.

### PORTFOLIO PERFORMANCE AND OUTLOOK

- ▶ The portfolio comprises stakes in **118 infrastructure assets<sup>1</sup>** (see Portfolio section of [www.hicl.com](http://www.hicl.com) for details).
- ▶ Investments have a **weighted average asset life of 29.5 years<sup>1</sup>**.
- ▶ Returns from the portfolio are **positively (0.8)<sup>1</sup> correlated to inflation**.
- ▶ **Cash yield to shareholders has been consistently 4.5+% p.a.**: dividends have been cash covered and have increased annually since IPO in 2006.
- ▶ Through selective acquisitions and asset management, **HICL has exceeded (from IPO in 2006 to 31 March 2019) its stated (at IPO) target return of 7-8% p.a.**
  - ▶ **Total shareholder return (NAV + Dividends) since IPO<sup>6</sup> of 9.4%**
- ▶ There is **higher political uncertainty in the UK** surrounding the continuing process to leave the EU as well as the Labour party's rhetoric around nationalisation, and **political risk therefore continues to be a material risk** that the Group's portfolio faces.
- ▶ Market demand for infrastructure investments in today's low interest rate environment remains high and **pricing discipline is of key importance**.

### PORTFOLIO VALUATION

- ▶ Investments are valued on a discounted cash flow (DCF) basis.
- ▶ A semi-annual portfolio valuation is provided by InfraRed and the Board benefits from an independent expert opinion from a third party.

# HICL INFRASTRUCTURE PLC (“HICL”)

Factsheet – June 2019



## COMPANY INFORMATION

Registered Address	12 Charles II Street London SW1Y 4QU
Listing	London (LSE)
Index Inclusion	FTSE 250, FTSE 350 FTSE All-Share
SEDOL	BJLP1Y7
Ticker	HICL.L
ISA / SIPP eligible?	Yes
Dividend Frequency	Quarterly
Financial Year End	31 March

## OTHER SERVICE PROVIDERS

### CORPORATE BROKERS

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### ADMINISTRATOR & SECRETARY

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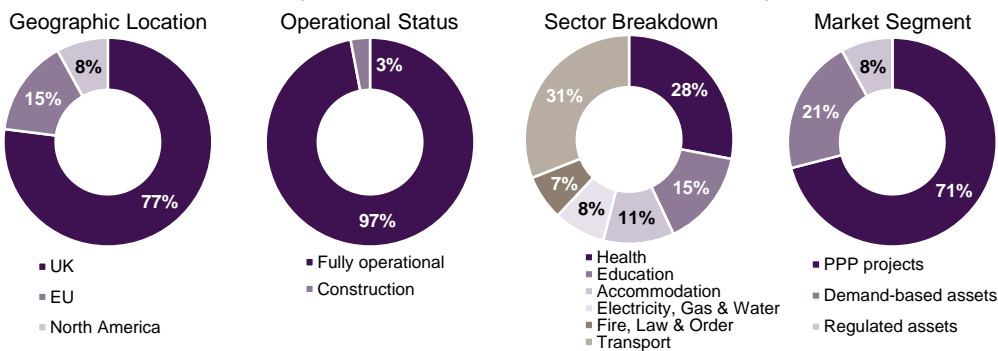
## CORPORATE CALENDAR

AGM	16 Jul 2019
Quarterly interim dividend announcements	29 May 2019 23 Jul 2019 14 Nov 2019 26 Feb 2020
Quarterly interim dividend payments	28 Jun 2019 30 Sep 2019 31 Dec 2019 31 Mar 2020
Interim Update Statements	Aug 2019 Feb 2020
Reporting period end	30 Sep 2019 (H1) 31 Mar 2020 (FY)
Results announced	Nov 2019 (H1) May 2020 (FY)

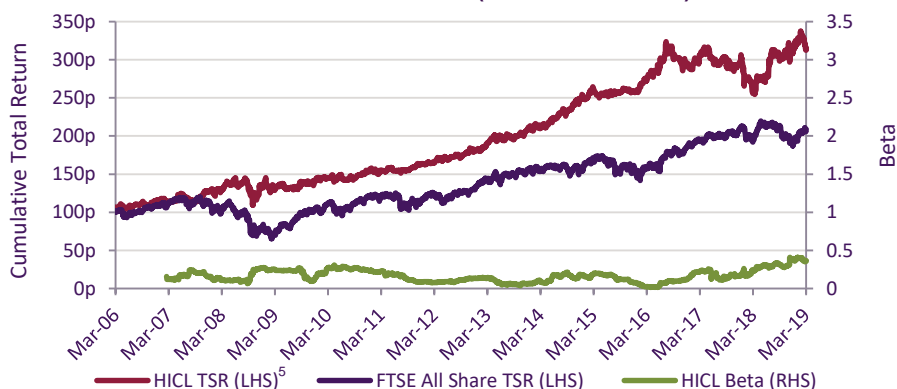
## RECENT HIGHLIGHTS

- ▶ The latest valuation<sup>1</sup> of the portfolio was £2,998.9m at 31 March 2019 (2018: £2,836.5m).
- ▶ NAV total return<sup>2</sup> was ahead of expectations at 10.8% for the year (2018: 5.7%).
- ▶ Shareholder approval and successful execution of domicile move from Guernsey to the UK, effective from 1 April 2019.
- ▶ £29m of value enhancements delivered in the year, including reaching construction milestones on the A9 Road and Breda Court (both the Netherlands), and Irish Primary Care Centres (Republic of Ireland).
- ▶ Healthy, diverse acquisition pipeline in place; HICL preferred bidder on three OFTOs (regulated assets) and the Investment Manager is actively pursuing a number of opportunities across HICL's target markets, including operational and greenfield PPP projects in Europe and North America, which would provide further geographic diversification in the portfolio.
- ▶ For further detail on the Company's results, recent transactions and other corporate announcements, please refer to [www.hicl.com/investor-relations](http://www.hicl.com/investor-relations).

## PORTFOLIO OVERVIEW (BASED ON PORTFOLIO VALUE OF 118 INVESTMENTS<sup>3</sup>)



## STRONG TOTAL SHAREHOLDER RETURN (vs FTSE ALL SHARE<sup>4</sup>) & LOW VOLATILITY



Total Shareholder Returns	31 March 2019	Since IPO (March 2006) <sup>6</sup>
TSR (share price + dividends)	20.7% (previous year)	9.2% p.a.
TSR (NAV + dividends)	10.8% (previous year)	9.4% p.a.

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

<sup>1</sup> As supported by a third-party valuation expert engaged by the Board

<sup>2</sup> NAV per share appreciation plus dividends paid

<sup>4</sup> FTSE index data rebased to 100 as at 29 March 2006

<sup>3</sup> Portfolio Overview charts are by value 31 March 2019 using

Directors' Valuation of £2,998.9m

<sup>5</sup> HICL data relates to HICL Infrastructure Company Limited pre 31

March 2019 and HICL Infrastructure PLC post 31 March 2019

<sup>6</sup> To 31 March 2019 (the latest valuation date for the Company)

### Disclaimer

The information in this document has been prepared by HICL Infrastructure PLC (the "Company") solely to give an overview of the Company. This document is being distributed in the United Kingdom only 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 document or any of its contents. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. The document is intended for information purposes only and does not constitute investment advice.

It is important to remember that **past performance is not a guide to future performance.**

Furthermore, the value of any investment or the income deriving from them may go down as well as up and you may not get back the full amount invested. There are no guarantees that dividend and return targets will be met.