

HICL Infrastructure PLC

Introductory Presentation - the Investment Manager, HICL Overview & Recent Performance

Summer 2019



For Investment Professionals (as defined under FSMA 2000). Individuals without professional experience in matters relating to investments should not rely on this information.

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Past performance is not a reliable indicator of future performance

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HICL Infrastructure Company Limited ("HICL Guernsey") announced on 21 November 2018 that, following consultation with investors, the Board was of the view that it would be in the best interests of shareholders as a whole to move the domicile of the investment business from Guernsey to the United Kingdom. This and related proposals were put to shareholders at an Extraordinary General Meeting ("EGM") of HICL Guernsey. The change of domicile was approved by shareholders and subsequently effected by way of a scheme of reconstruction ("the Scheme") on 1 April 2019. As a result of the Scheme, HICL Guernsey transferred its assets to HICL Infrastructure PLC ("HICL UK"). HICL UK will continue the investment activities of HICL Guernsey, as it has an identical investment policy to that of HICL Guernsey. HICL Guernsey has subsequently entered voluntary liquidation. Financial results to 31 March 2019 throughout this presentation relate to HICL Guernsey's performance. Forward looking statements refer to HICL UK. "HICL" means HICL Infrastructure Company Limited ("HICL Guernsey") prior to 31 March 2019 and HICL Infrastructure PLC ("HICL UK") from 1 April 2019. "Group" means HICL and its subsidiaries.

Investment Manager

South West Hospital Enniskillen, UK

Overview of InfraRed Capital Partners Ltd (“InfraRed”)

InfraRed is the Investment Manager and Operator



- ▲ Strong, 25+ year track record of launching 19 infrastructure and real estate funds (including HICL and TRIG)
- ▲ Currently over US\$12bn of equity under management
- ▲ Independent manager owned by senior management team¹
- ▲ London based, with offices in Hong Kong, Mexico City, New York, Seoul and Sydney, with over 150 partners and staff
- ▲ InfraRed is a signatory of the Principles for Responsible Investment (PRI). These principles provide a voluntary framework to help institutional investors incorporate ESG issues into investment analysis, decision-making and ownership practices. In the annual assessment by PRI, InfraRed has achieved top ratings, standing well above industry standards for the last four consecutive years, with an A+ rating for its infrastructure business in its 2018 assessment

Infrastructure funds	Strategy	Amount (m)	Years	Status
Fund I	Unlisted, capital growth	£125	2001-2006	Realised
Fund II	Unlisted, capital growth	£300	2004-2015	Realised
HICL Infrastructure Company Limited (“HICL”)	Listed, income yield	£2,952 ²	Since 2006	Evergreen
Environmental Fund	Unlisted, capital growth	€235	Since 2009	Divesting
Fund III	Unlisted, capital growth	US\$1,200	Since 2011	Divesting
Yield Fund	Unlisted, income yield	£500	Since 2012	Invested
The Renewables Infrastructure Group (“TRIG”)	Listed, income yield	£1,837 ²	Since 2013	Evergreen
Fund V	Unlisted, capital growth	US\$1,200	Since 2017	Investing

Source: InfraRed

1. InfraRed is an indirect subsidiary of InfraRed Partners LLP which is owned by its partners

2. Market capitalisation as at 31 July 2019. Source: Thomson Reuters Datastream

InfraRed – Infrastructure Team Skills and Experience

- ▲ Proven track record in target markets of UK, Europe, North America, Latin America and Australia / New Zealand
- ▲ Focused teams including:
 - Origination and Transaction team responsible for sourcing, diligencing and acquiring new investment opportunities;
 - Asset Management team responsible for managing the portfolio;
 - Portfolio Management team responsible for financial reporting and management;
 - With support from Finance, Compliance and Risk
- ▲ Strong sector and geographic experience with in-depth technical, operational and investment knowledge

85+

infrastructure
professionals

5

continent
coverage

20+

spoken
languages



Investment Committee

Senior InfraRed team, experienced in making and managing infrastructure investments



Werner von Guionneau - Chief Executive Officer

Werner is the Chief Executive Officer of InfraRed and is one of InfraRed's Managing Partners. He is focused on developing strategy and driving the evolution and growth of the business.



Chris Gill - Deputy Chief Executive Officer

Chris joined InfraRed in 2008 as Deputy Chief Executive. Chris is one of InfraRed's Managing Partners. Chris has had extensive involvement with a variety of leverage, structured and cashflow based financings internationally.



Harry Seekings - Co-Head, Infrastructure

Harry joined InfraRed in 1998 and is one of InfraRed's Managing Partners. Harry has day-to-day responsibility for leading the team in relation to HICL.



Keith Pickard - Director, Infrastructure

Keith joined InfraRed in 2007 and is one of InfraRed's partners. Keith is currently responsible for managing the financial activities carried out by InfraRed for HICL.



Stewart Orrell - Director, Asset Management

Stewart joined InfraRed in November 2015 and is one of InfraRed's partners. Stewart is responsible for managing the activities of the asset management team.



Tony Roper - Senior Advisor

Tony joined InfraRed in 2006. Tony is a senior adviser to the infrastructure team and sits on a number of the infrastructure investment committees.

Infrastructure as an Asset Class

A9 Road, Netherlands

HICL's Target Market Segments

HICL segments the market using different but complementary revenue risk categories

PPP Projects (71% of Portfolio¹)

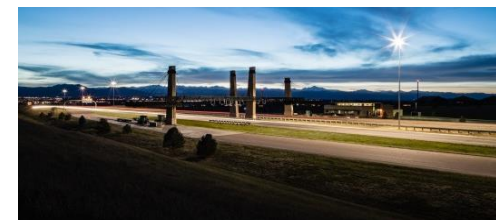
- ▲ Long-term contracts with strong public sector clients in developed economies
- ▲ Availability-based payment mechanisms produce revenues that are uncorrelated to the wider economy
- ▲ Long-term funding arrangements and maintenance contracts allocate risk to those parties that are best placed to manage it



Examples: hospitals, schools, government accommodation and availability transport (e.g. road / rail)

Demand-based assets (21% of Portfolio¹)

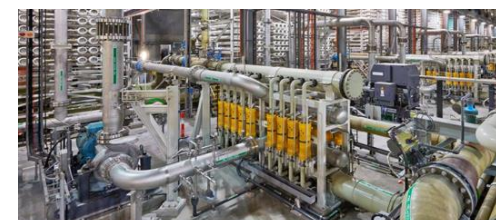
- ▲ Operational assets are at the lower end of the risk spectrum when featuring strong usage history or limited uncertainty in forecast demand
- ▲ Long-dated, good inflation correlation and returns at a premium to PPP projects
- ▲ Generally less sensitive to political and regulatory risks compared to PPP projects and regulated assets



Examples: operational toll roads, tunnels, bridges; student accommodation

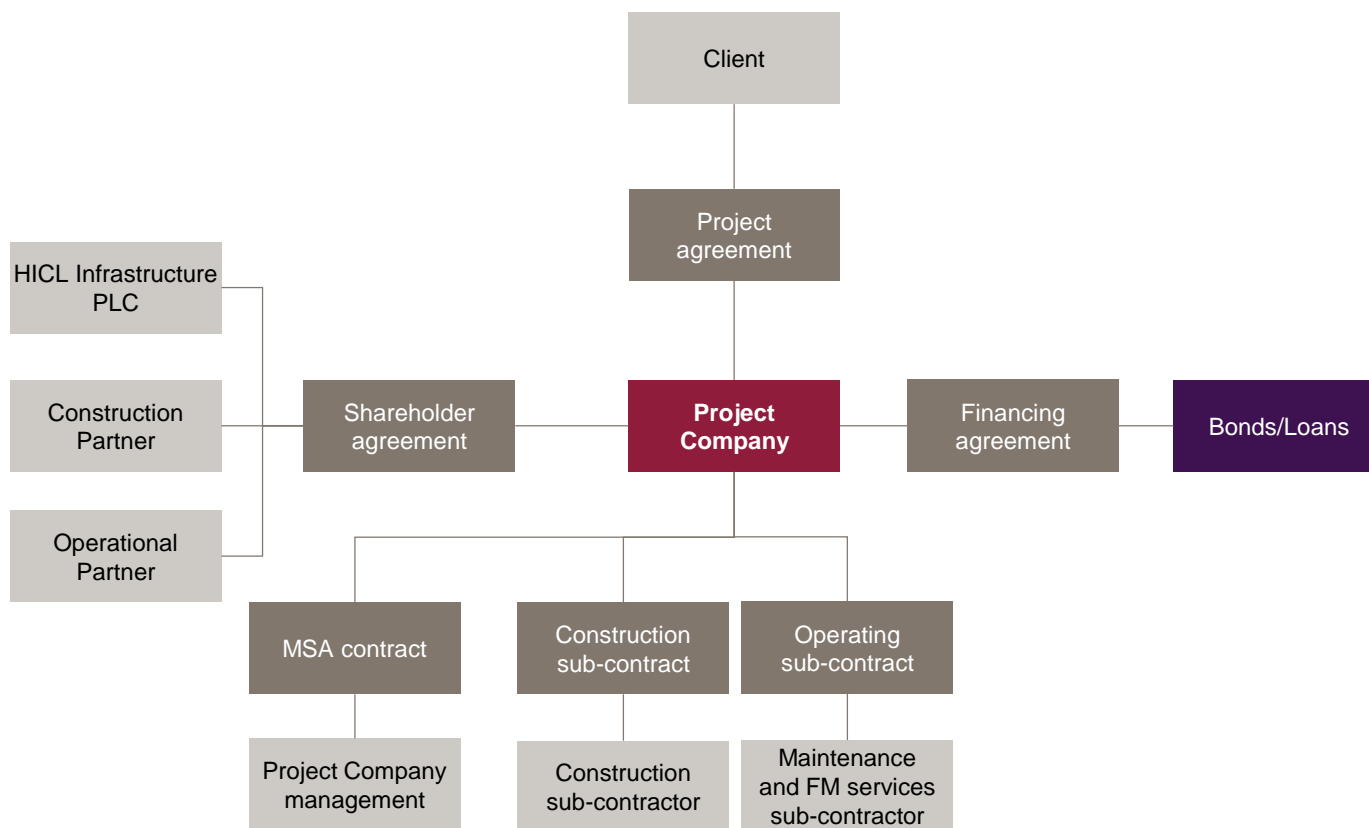
Regulated assets (8% of Portfolio¹)

- ▲ Essential assets that are regulated due to monopoly market positions
- ▲ Regulated assets have a complementary risk profile to PPP projects and demand-based assets
- ▲ Assets are subject to licence periods, where operational delivery risk is often retained by portfolio companies, reducing single counterparty exposure



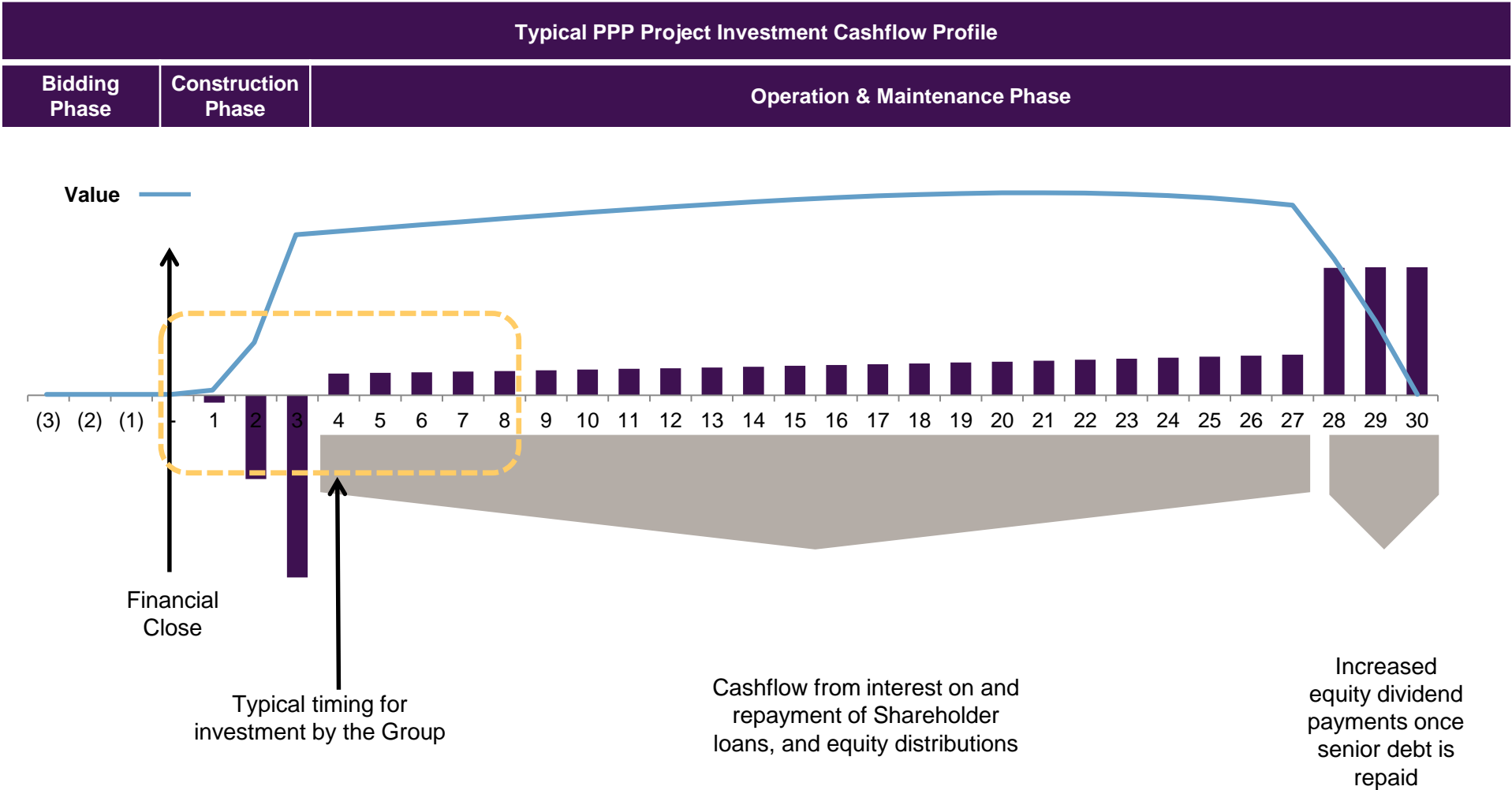
Examples: gas and electricity transmission and distribution; water utilities; district heating

Typical PPP Project Structure



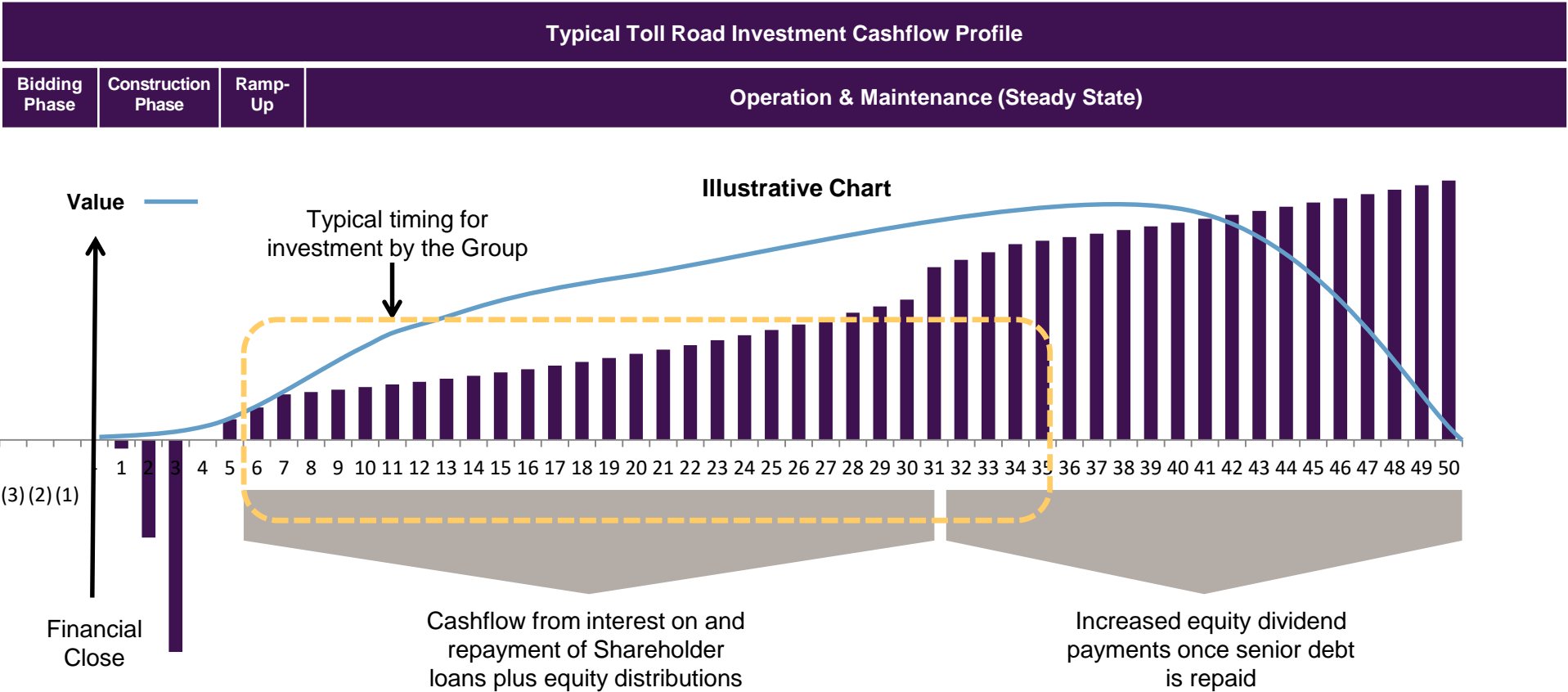
Illustrative Investment Cashflow Profile – PPP Project

Example: Social infrastructure return derived from an ‘availability’ revenue stream



Illustrative Investment Cashflow Profile – Demand-based Asset

Example: Toll road return derived from a demand-based asset revenue stream

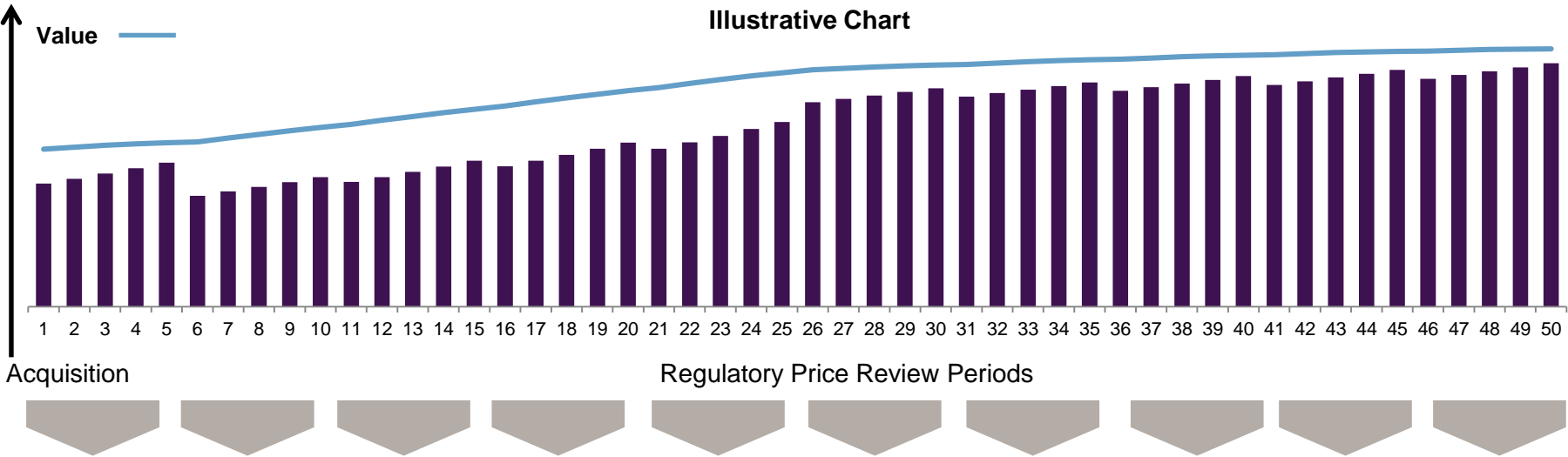


Illustrative Investment Cashflow Profile – Regulated Asset

Example: Utility company return derived from a regulated revenue stream

Typical Regulated Asset Investment Cashflow Profile

Operational Network



HICL Overview

Priority Schools North East, UK

Delivering Income from a Diversified Portfolio

Investment Proposition and Business Model¹

DELIVERING LONG-TERM, STABLE INCOME FROM A DIVERSIFIED PORTFOLIO OF INFRASTRUCTURE INVESTMENTS AT THE LOWER END OF THE RISK SPECTRUM



**Relatively low
single asset
concentration risk**

45%

Ten largest assets as a proportion of portfolio value at 31 March 2019

**Strong inflation
correlation**

0.8

Correlation of portfolio returns to inflation² at 31 March 2019

**Good cashflow
longevity**

29.5_{yrs}

Weighted avg asset life at 31 March 2019

1. HICL UK has adopted the Investment Policy, business model and the acquisition strategy of HICL Guernsey

2. If outturn inflation was 1% p.a. higher than the valuation assumption in each and every forecast period, the expected return from the portfolio (before Group expenses) would increase by 0.8%

HICL's Characteristics¹

Objective	<ul style="list-style-type: none">▲ To deliver long-term, stable income from a diversified portfolio of infrastructure investments▲ Focused on investments at the lower end of the risk spectrum, which generate inflation-correlated returns
History	<ul style="list-style-type: none">▲ IPO in 2006, 12 successive years of dividend growth▲ First infrastructure investment company to list on the main market of the London Stock Exchange▲ Member of the FTSE 250 index
Portfolio	<ul style="list-style-type: none">▲ 118 investments, as at 31 March 2019 (116 operational and two under construction)▲ Assets spread across six sectors and six countries
Net Asset Value	<ul style="list-style-type: none">▲ Directors' Valuation of £2,998.9m at 31 March 2019 (31 March 2018: £2,836.5m)²▲ NAV/share of 157.5p at 31 March 2019 (31 March 2018: 149.6p)▲ Directors' Valuation based on a weighted average discount rate of 7.2% (31 March 2018: 7.4%)
Board and Governance	<ul style="list-style-type: none">▲ Board comprises seven independent non-executive Directors▲ Investment Manager and Operator is InfraRed, a leading international investment manager focused on infrastructure and real estate
Fees and ongoing charges	<ul style="list-style-type: none">▲ Tapered annual management fee based on portfolio's Adjusted Gross Asset Value (GAV)³▲ Ongoing charges percentage (as defined by the Association of Investment Companies) of 1.08% at 31 March 2019 (31 March 2018: 1.08%)
Liquidity⁴	<ul style="list-style-type: none">▲ Good daily liquidity – average daily trading volume of over 3m shares▲ Tight bid / offer spread

1. Performance data for the year to 31 March 2019 relates to HICL Guernsey

2. Including £89.3m of future investment obligations (2018: £41.9m)

3. Annually: 1.1% on GAV up to £750m, 1.0% thereafter up to GAV of £1.5bn, 0.9% thereafter up to GAV of £2.25bn, 0.8% thereafter up to GAV of £3.0bn, and 0.65% thereafter; plus a £0.1m investment advisory fee

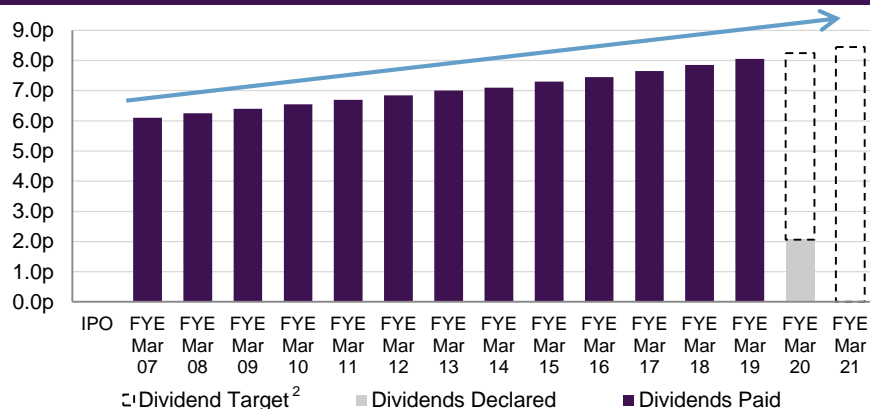
4. Source: Thomson Reuters Datastream, year to 31 March 2019

HICL's Track Record¹

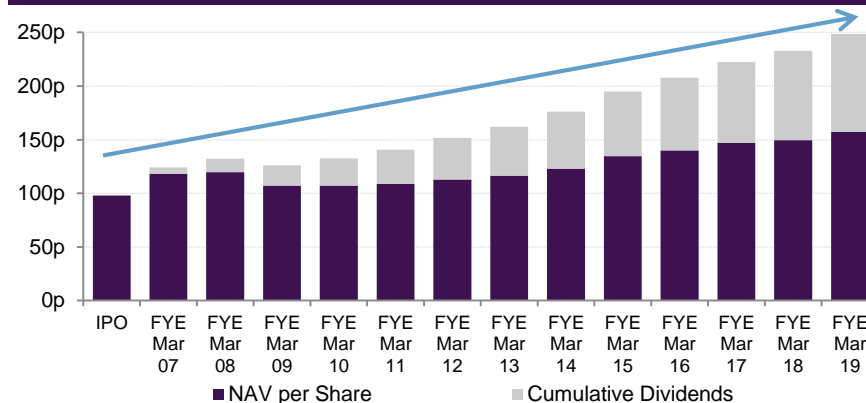
Consistent delivery over 13 years



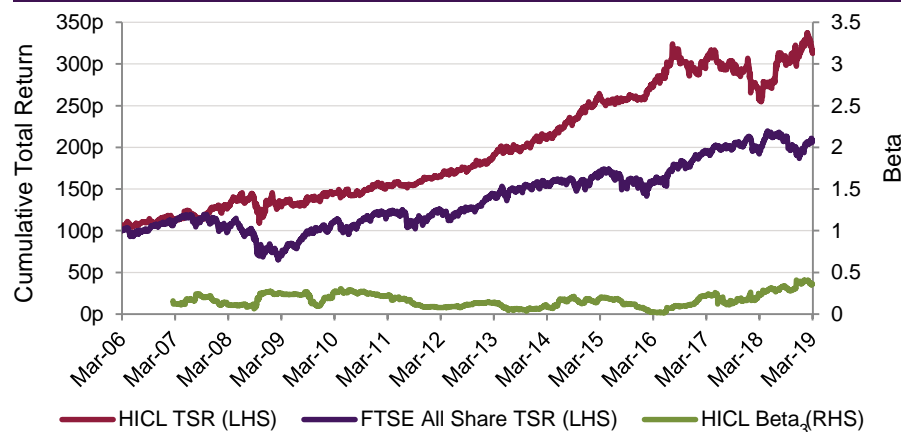
Dividend increased by 32% over 12 years



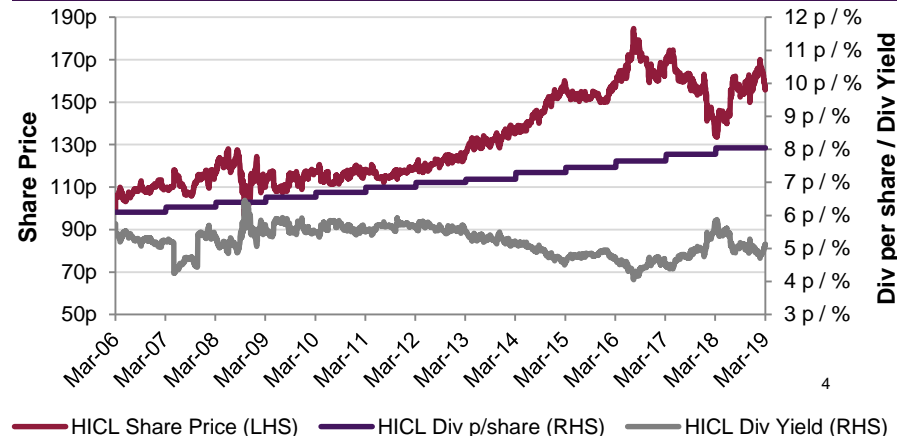
Total Return (NAV growth and dividends) of 9.4% p.a. since IPO



HICL has outperformed FTSE All Share while offering a low beta



Growing dividend has maintained a 4 - 6% yield



Source: InfraRed, Thomson Reuters Datastream.

1. HICL Guernsey prior to 31 March 2019 and HICL UK from 1 April 2019

2. This is a target only and not a profit forecast. There can be no assurance that this target will be met

Past performance is no indication of future returns. Capital at risk.

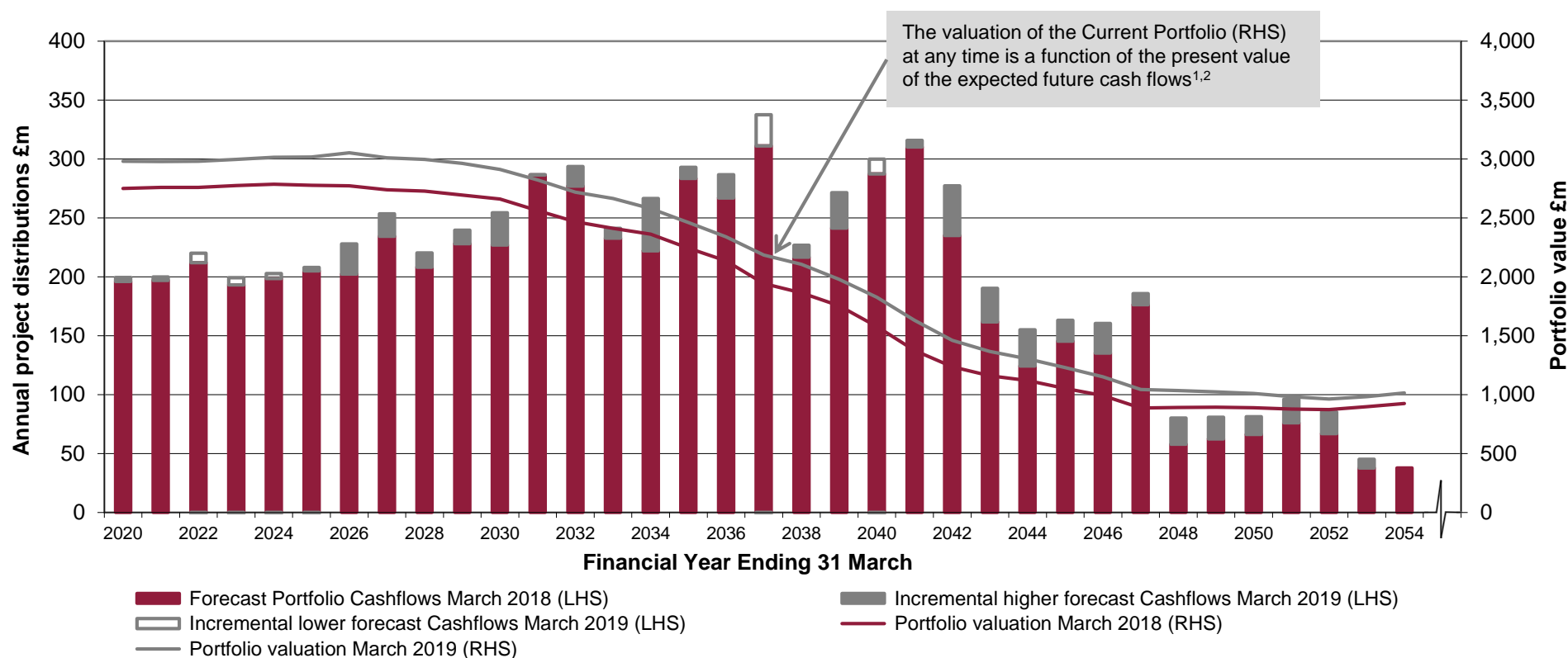
3. 250-day rolling beta

4. Dividend yield calculated based on historic dividend paid (shown on the graph in purple) divided by prevailing share price (shown on the graph in red)

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Portfolio Overview – Cash Flow Profile^{1,2}

- ▲ Forecast shows steady long-term cash flows combined with a stable portfolio valuation in the medium term
- ▲ Portfolio cash flows underpin two years of forward dividend guidance



1. Valuation considers cash flows beyond 2054, for example for Northwest Parkway 88 years of cash flows are assumed

2. Subject to certain other assumptions, set out in detail in HICL Guernsey's Annual Report for the year to 31 March 2019

Past performance is no indication of future returns. There can be no assurance that targets will be met or that investors will receive any return on their capital. Capital at risk.

Independent board of non-executive Directors

- ▲ Approves and monitors adherence to strategy
- ▲ Monitors risk through Risk Committee
- ▲ Additional committees in respect of Audit, Remuneration, Management Engagement, Nomination and Market Disclosure
- ▲ Monitors compliance with, and implementation of actions to address, regulation impacting 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 Manager: InfraRed

- ▲ Fulfils HICL UK's AIFM¹ responsibilities under the European Commission's Alternative Investment Fund Managers Directive
- ▲ All ongoing reporting
- ▲ Day-to-day management of portfolio within agreed parameters
- ▲ 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

1. Alternative Investment Fund Manager

Board of Directors

Non-executive Directors with a broad range of relevant experience and qualifications



Ian Russell, CBE - Chairman

Ian, HICL's Chairman, is resident in the UK and is a qualified accountant. He was Finance Director at Scottish Power plc then later CEO. Ian is chair of Scottish Futures Trust and Herald Investment Trust.



Frank Nelson - Senior Independent Director

Frank, a UK resident, is a qualified accountant. He was Finance Director of Galliford Try and previously at Try Group. Frank is the Senior Independent Director of McCarthy and Stone and Eurocell.



Susie Farnon - Audit Committee Chair

Sally-Ann (known as Susie), a Guernsey resident, is a Fellow of the Institute of Chartered Accountants in England and Wales, and is a director of the Association of Investment Companies.



Mike Bane - Remuneration Committee Chair

Mike, a Guernsey resident, is a chartered accountant with over 35 years of audit and advisory experience in the asset management industry including in relation to infrastructure investment companies.



Frances Davies - Director

Frances has more than 30 years of experience across various roles within the banking and asset management industries and is a non-executive director of JPMorgan Smaller Companies Investment Trust plc.



Simon Holden - Risk Committee Chair

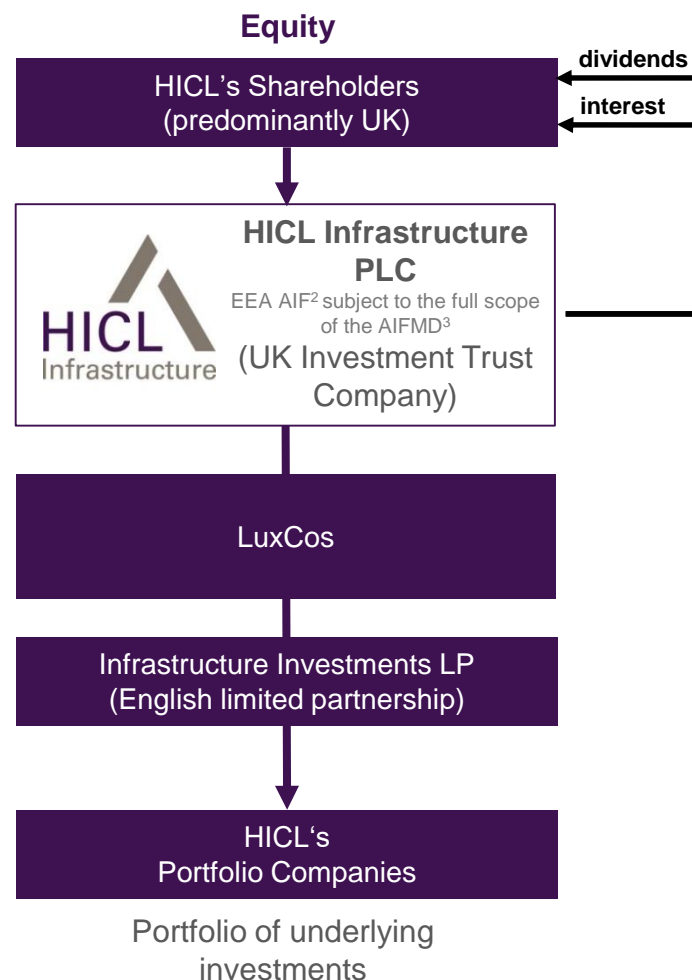
Simon, a Guernsey resident, brings Board experience from both private equity and portfolio company operations roles at Candover Investments then Terra Firma Capital Partners.



Kenneth D. Reid - Director

Kenneth, a Singapore resident, has more than 30 years international experience in infrastructure development, construction and investment.

HICL Group Structure Diagram



1. Independent of the Investment Manager
 2. Alternative Investment Fund, as defined by the EU's Alternative Investment Fund Managers Directive
 3. Alternative Investment Fund Managers Directive

Acquisition Strategy

Investment Policy unchanged since IPO in 2006¹

- ▲ Origination activity across all core market segments
- ▲ Market dynamics continue (principally competition for assets) - pricing discipline remains fundamentally important
- ▲ Will consider opportunities to enhance shareholder value through strategic disposals facilitating pursuit of opportunities to redeploy capital into more accretive acquisitions or managing funding

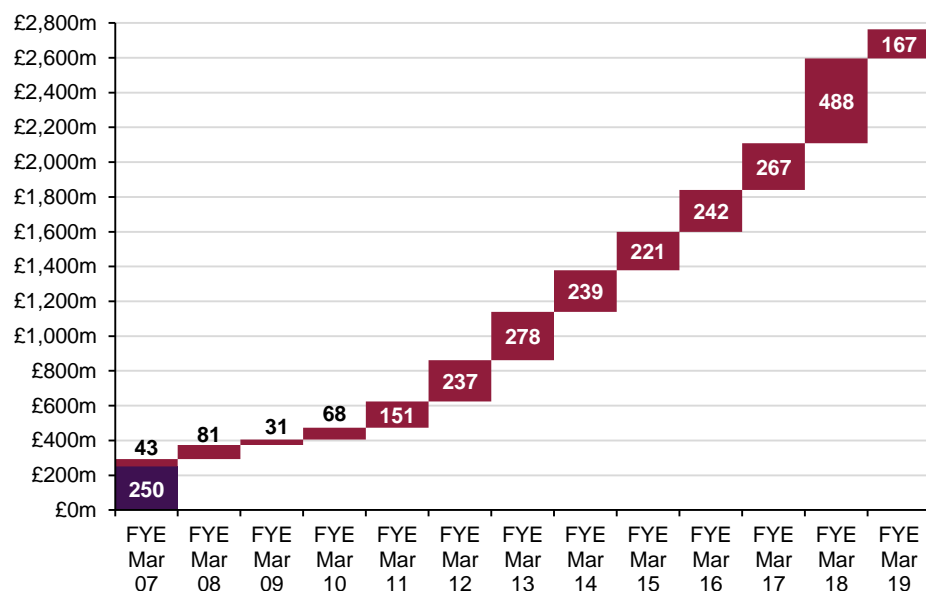
GEOGRAPHY	MARKET SEGMENT	ASSET QUALITY	OPPORTUNITY TO ADD VALUE
<p>Located in target markets</p> <ul style="list-style-type: none"> ▲ Europe / UK ▲ North America ▲ Australia / NZ 	<p>Generates long-term revenues</p> <ul style="list-style-type: none"> ▲ Principal focus: <ul style="list-style-type: none"> - PPP projects, e.g. availability payments - Regulated assets supported by clear robust regulatory framework - Demand-based assets with a track record of usage, downside protection or other mitigation of cashflow volatility ▲ Opportunistic approach: <ul style="list-style-type: none"> - Corporate assets with contracted revenues and acceptable covenant 	<p>At the lower end of the risk spectrum</p> <ul style="list-style-type: none"> ▲ Monopoly or essential asset / concession ▲ Long-term, stable cashflows built on: <ul style="list-style-type: none"> - Revenues with good visibility - Where relevant, good quality counterparties - Where possible, long-term debt financing at asset level 	<p>Enhances existing portfolio</p> <ul style="list-style-type: none"> ▲ Accretive on one or more metric: <ul style="list-style-type: none"> - Total return - Yield - Inflation-linkage - Asset life ▲ Pricing discipline ▲ Potential for upside ▲ Sustains prudent portfolio construction and diversification

1. HICL UK has adopted the Investment Policy of HICL Guernsey

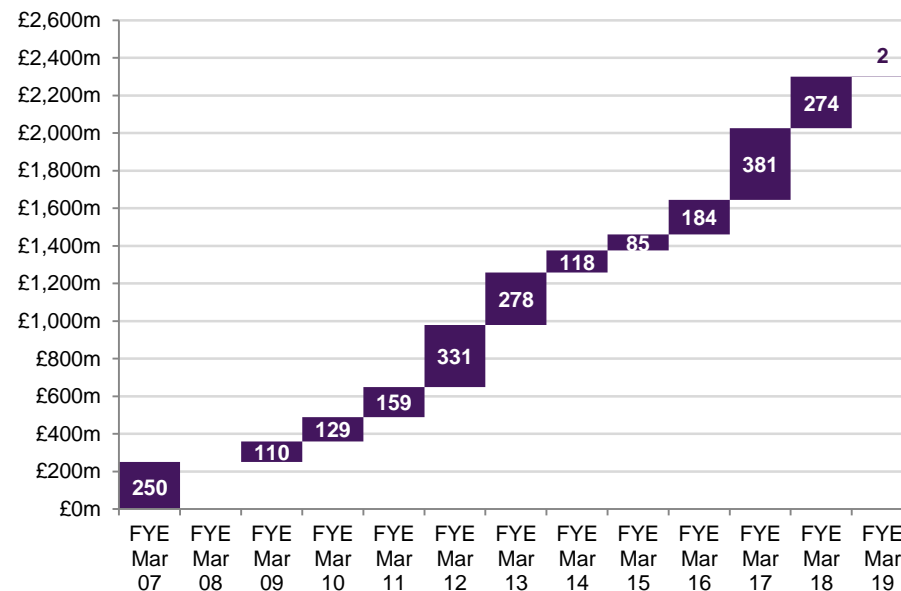
Investment and Capital Raising

- ▲ Acquisitions are identified which fit the Acquisition Strategy; facilitated by demand for HICL shares
- ▲ Acquisitions are initially debt-funded (using £400m committed Revolving Credit Facility at Group level), to avoid cash drag and to give shareholders visibility over the new investments, and then refinanced through equity issuance (subject to market conditions)
- ▲ HICL raised £250m at IPO and c.£2.0bn through subsequent share issues

193 Acquisitions¹ since IPO to 31 March 2018 totaling £2.78bn



Over £2.2bn of Equity Issuance from IPO to 31 March 2019²



1. Split into 118 investments, as at 31 March 2019. Excludes disposals, the proceeds of which have been reinvested

2. Includes primary and secondary issuance by way of tap and scrip issues

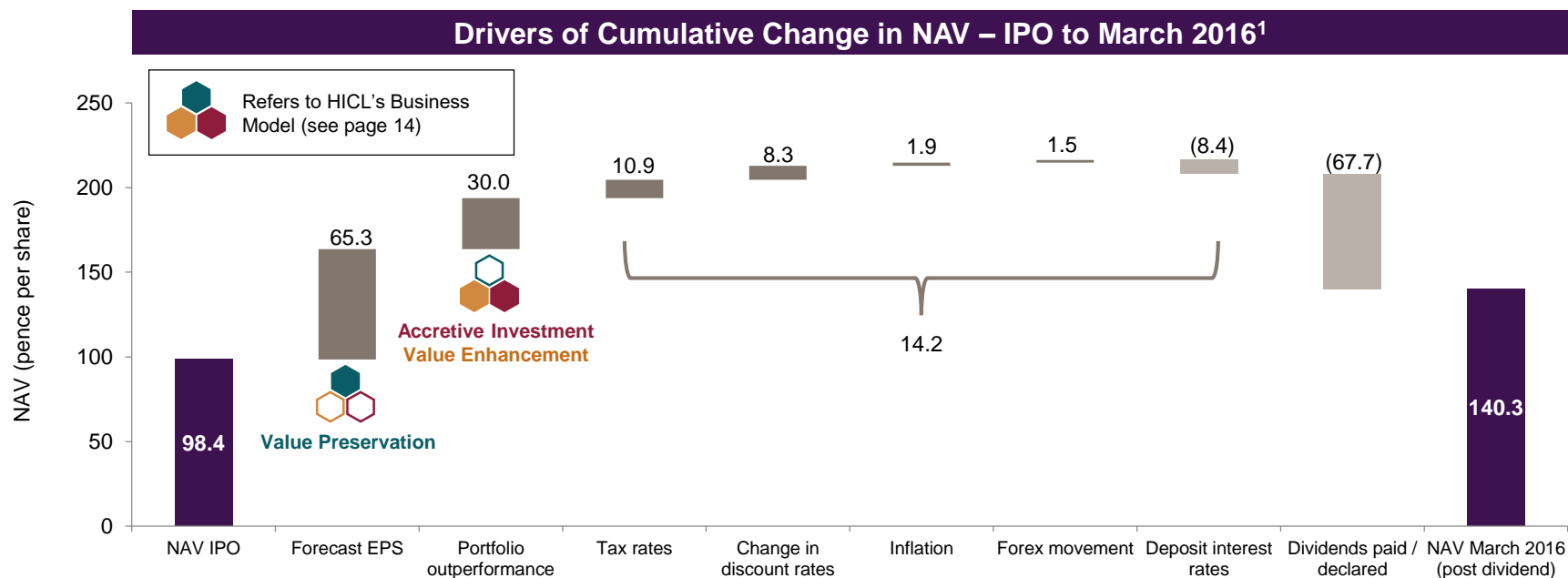
Case Study: A Decade of Outperformance

High Speed 1, UK

A Decade of Outperformance I

Significant NAV growth – IPO to 31 March 2016

- ▲ NAV growth to 31 March 2016 of 44.2p per share higher than expected at IPO
- ▲ NAV growth comprised of 30.0p due to Portfolio Outperformance and 14.2p due to economic factors and discount rates
- ▲ Economic factors largely driven by UK tax rate reduction from 30% at IPO to 18% in 2020 (as at March 2016)
- ▲ Effects of reduced discount rates have been offset by reduced deposit interest rates



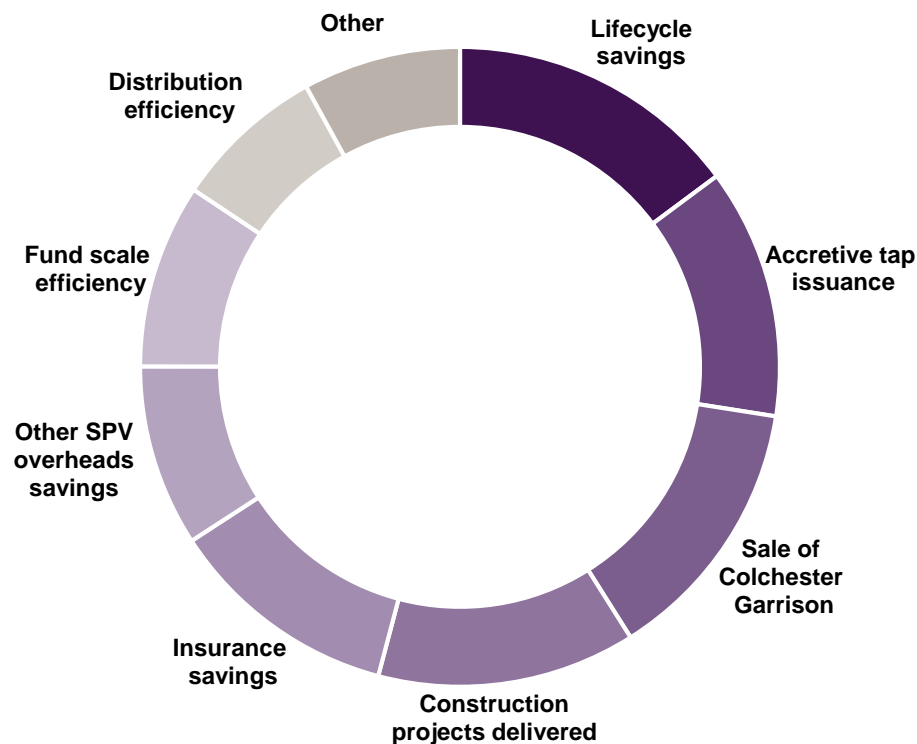
1. Source: InfraRed Capital Partners

A Decade of Outperformance II

Total return¹ of 9.5% p.a. vs. IPO target of 7-8% p.a. (IPO to 31 March 2016)

Portfolio Outperformance¹

- ▲ 30.0p per share of NAV outperformance
- ▲ Delivered by the Investment Manager's team
- ▲ Wide range of small incremental initiatives (see chart right) contributing to significant outperformance
- ▲ Acquisitions accretive to the existing portfolio
- ▲ Confident of opportunities to outperform in the future albeit potentially less than delivered historically



Source: InfraRed Capital Partners

1. On a NAV per share appreciation plus dividend paid basis for 10 years to 31 March 2016

Past performance is no indication of future performance. There can no assurance that investors will receive any return on their capital. Capital at risk.

Portfolio, Asset Management and Risk

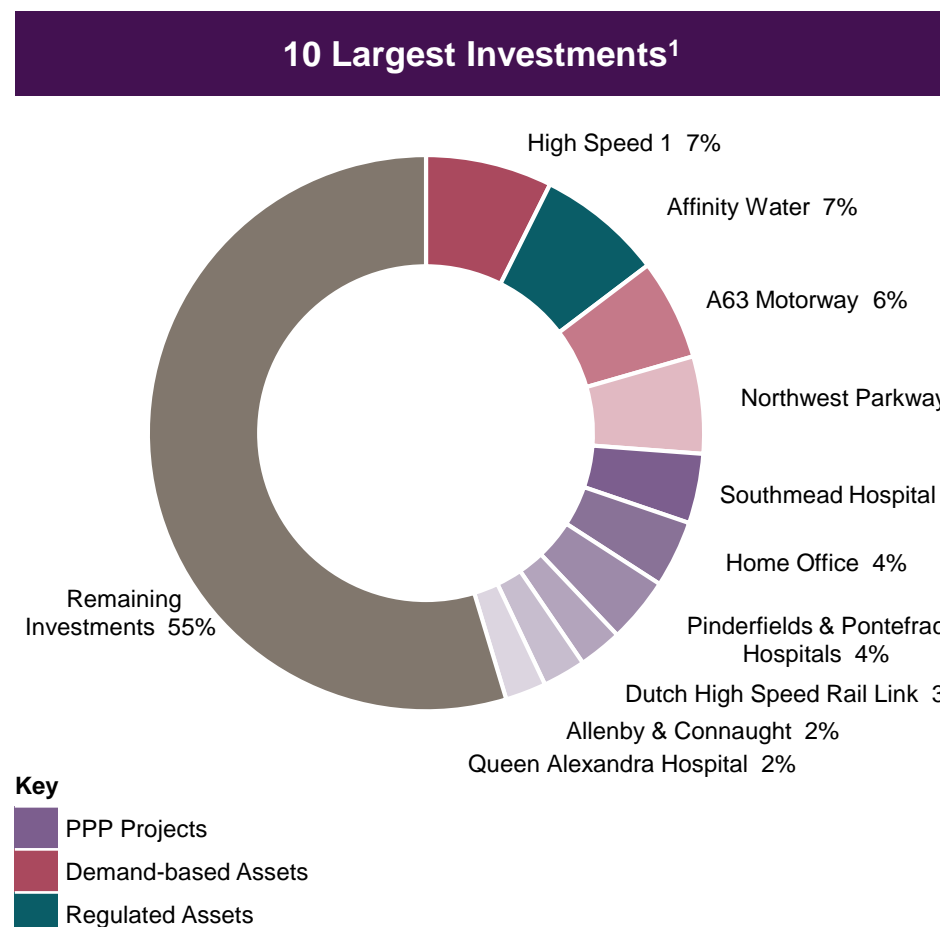
N17/18 Road, Ireland

Portfolio Metrics

Ten largest assets accounted for c. 45% of HICL Guernsey's portfolio¹

	31 March 2019 ¹	31 March 2018
Number of investments	118	116
Percentage of portfolio by value – 10 largest assets	45%	45%
Weighted average asset life²	29.5 years	29.5 years
Average remaining maturity of long-term debt financing³	17.5 years	17.6 years

▲ The discrepancy between asset life and debt maturity is caused predominantly by two assets, Affinity Water and Northwest Parkway, having asset lives that exceed available financing options in their respective markets



1. By value using Directors' Valuation of £2,998.9m as at 31 March 2019

2. Assumes a 100-year asset life for Affinity Water. Excluding Affinity Water and Northwest Parkway, the weighted average asset life of the portfolio would be 19.6 years

3. Excludes investment in A13 Senior Bonds

Portfolio Characteristics I

HICL's Portfolio, as at 31 March 2019¹

MARKET SEGMENT

Mar-19



Mar-18



	Mar-19	Mar-18
▲ PPP Projects	71%	74%
▲ Demand-based Assets	21%	18%
▲ Regulated Assets	8%	8%

GEOGRAPHIC LOCATION

Mar-19



Mar-18



	Mar-19	Mar-18
▲ UK	77%	80%
▲ Europe (exc UK)	15%	10%
▲ Australia	-	3%
▲ North America	8%	7%

A diversified investment proposition

- ▲ Diversification of the portfolio's risk profile between core infrastructure market segments, with 21% of the portfolio by value comprising six demand-based assets and 8% being two regulated assets
- ▲ At the time of the incremental acquisition of the A63, demand-based assets with returns correlated to GDP accounted for 19% of the portfolio by value, within the self-imposed 20% limit² previously communicated to shareholders
- ▲ Trend towards an increased exposure to non-UK investments over the medium-term continues

1. By value using Directors' Valuation of £2,998.9m as at 31 March 2019

2. Limit applied at the time of investment

Portfolio Characteristics II

HICL's Portfolio, as at 31 March 2019¹

OWNERSHIP STAKE

Mar-19



Mar-18



	Mar-19	Mar-18
▲ 100% ownership	25%	27%
▲ 50% - 100% ownership	32%	28%
▲ Less than 50% ownership	43%	45%

INVESTMENT STATUS

Mar-19



Mar-18



	Mar-19	Mar-18
▲ Fully operational	97%	99%
▲ Construction	3%	1%

SECTOR

Mar-19



Mar-18



	Mar-19	Mar-18
▲ Accommodation	11%	10%
▲ Education	15%	18%
▲ Electricity, Gas & Water	8%	11%
▲ Health	28%	28%
▲ Fire, Law & Order	7%	7%
▲ Transport	31%	26%

1. By value using Directors' Valuation of £2,998.9m as at 31 March 2019

Case Study: Carillion

Resolution substantially complete with minimal impact on stakeholders

44

Facilities

1,600+

Ex-Carillion and
public sector
seconded staff

99.5%

Infrastructure and
facility services
delivery

Weekly

Interaction with
central government
departments

“A potentially highly disruptive situation [has] been dealt with in an exceptionally skilful and professional manner, with the seamless transition to a new contractor going largely unnoticed by the wider Joint Headquarters population.”

Group Captain J. P. Sutton, Commanding Officer,
Northwood Headquarters

Responsible approach

- ▲ Safety was, and is, the number one priority
- ▲ Ensuring replacement contractors were on site, from the day of Carillion's liquidation, reassured staff and supply chain
- ▲ Transparency, of the good and the bad, was key to maintaining trust

Alignment of interest

- ▲ “Business-as-usual” expectations of clients consistent with delivering value preservation for investors
- ▲ Awareness of stakeholder needs helped prioritise action
- ▲ Service provision improved by setting clear expectations of replacement contractors

The partnership model

- ▲ Final financial impact: £33m (£27m released from original valuation impact), with associated costs funded from project companies' own cash flows
- ▲ Impact mitigated at no additional cost to public sector clients under these PPP contracts
- ▲ Demonstrates the sustainability of the partnership model, underpinned by expert, private-sector asset management



Counterparty risk

- ▲ Bouygues, Engie, Integral and Skanska secured as replacement contractors
- ▲ These were chosen with client endorsement, and on the basis of financial stability, relevant experience and performance track record
- ▲ Replacement long-term contracts restores risk transfer to the supply chain

Sustainable, Responsible Investment (“RI”)

Good environmental, social and governance are essential to long-term investment performance

A+¹

PRI ranking, for the fourth consecutive year

96%

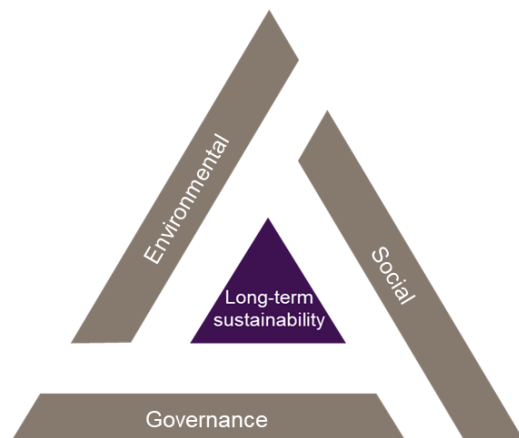
HICL’s portfolio companies’ RI survey response rate²

86%

of HICL’s portfolio companies have an ESG policy

60%

% of portfolio companies making voluntary contributions to charitable or community activities



- ▲ A sense of corporate social responsibility is reflected across HICL’s operational structure, including within the portfolio companies’ operations
- ▲ InfraRed also promotes an ethos of stewardship, responsibility and accountability, influencing via board seats on portfolio companies
- ▲ Client engagement is a key focus across the portfolio

Case Studies

Allenby and Connaught

- The project company organised a construction site visit for local school pupils to give an insight to construction and STEM career opportunities
- This included a Q&A session, and several female construction staff were available to talk about their career path into construction

Durham & Cleveland Police Tactical Training Centre (“TTC”)

- To deliver both cost savings for the client and environmental benefits, pre-used wooden doors from other projects in the InfraRed portfolio are recycled as training materials
- “*The TTC has an excellent working relationship with the PFI provider and this is one example of how that partnership has been able to further enhance the learning of the officers of Durham & Cleveland and other external forces who attend the centre.*”

Inspector Amanda Wilkinson, Office of the Police & Crime Commissioner for Cleveland

1. InfraRed infrastructure business’ rating, as assessed by the Principles for Responsible Investment (“PRI”)

2. Surveys are used to monitor and benchmark portfolio companies’ RI approach and initiatives, as reported by the portfolio company management teams

Political Risk

- ▲ Public sector counterparties and the role of independent regulators mean that political and regulatory risks are inherent in HICL's business model
- ▲ The final outcome of the process of the UK leaving the EU ("Brexit") remains unknown, and continues to create unhelpful political uncertainty
- ▲ There has been continuing evolution of thinking and policy on infrastructure financing in the UK: the Labour Party continues to table policies regarding nationalisation of public infrastructure; InfraRed will respond to the Infrastructure Finance Review Consultation and is engaged in constructive discussions with policy-makers
- ▲ The nationalisation narrative disregards not only the practical considerations, but also the transfer of significant operational risk to the private sector and the many benefits of private capital invested in the infrastructure that facilitates the delivery of public services. For example:
 - Since 1990, service indicators across the water sector in England and Wales have outperformed those in France, Ireland, Italy and Spain¹
 - Private sector productivity in the water sector is worth at least £3.2 billion in cost savings, which is reflected in customer bills²

1. <https://www.water.org.uk/wp-content/uploads/2018/12/GWI-International-sector-performance-comparisons.pdf>
2. <http://www.first-economics.com/privatepublicwater.pdf>

Construction Quality and Fire Safety

- ▲ InfraRed's Asset Management team prioritises safety with portfolio company management teams across the portfolio
- ▲ Construction quality of the PPP projects, e.g. fire-stopping and cladding systems, a key area of focus
- ▲ InfraRed proactively undertakes portfolio-wide, risk-based reviews to identify assets that require further investigation
- ▲ If defects are identified, portfolio companies follow-up to ensure rectification by subcontractors wherever possible

Counterparty Risk

- ▲ Procurement models such as PPP projects and demand-based concessions transfer to the private sector asset delivery risks such as construction and maintenance
- ▲ Subcontracting these risks to specialist counterparties mitigates the impact of these risks on equity investors in infrastructure
- ▲ In the event of a failure of a counterparty, delivery risk reverts to the PPP project company until a replacement subcontractor is found
- ▲ Core to mitigating the potential impact of a counterparty failure:
 - Awareness of key stakeholders and their needs to help prioritise response
 - Early preparation lessens both the service impact and the financial impact

Portfolio Valuation at 31 March 2019

Blackpool Primary Care Facility, UK

HICL's valuation methodology is rigorous and closely scrutinised

Semi-annual valuation and NAV reporting:

- ▲ Carried out by Investment Manager
- ▲ Independent opinion for Directors sourced from third-party valuation expert
- ▲ Final valuation approved by Directors

Non traded - DCF methodology on investment cash flows

- ▲ Discount rate reflects market pricing for the investments and comprises the yield for government bonds plus an investment-specific premium (balancing item)
 - For bond yield, average of 20 and 30 year government bonds (matching concession lengths)

Affinity Water

- ▲ DCF methodology with a terminal value assumed and a market discount rate applied to cash flows which incorporates forecast future regulatory outcomes as well as operational performance
- ▲ Regulated Capital Value multiple measures a company's Enterprise Value considered against comparable transaction data from the market and forms a useful cross-check to the DCF-derived valuation

Traded

- ▲ Traded securities are valued at the quoted market price (as is the case with the listed senior debt in the A13 Road project)

Key Valuation Assumptions

		Movement	31 March 2019	31 March 2018
Discount Rate	Weighted Average	↓	7.2%	7.4%
Inflation¹ (p.a.)	UK (RPI ² & RPIx ² /CPIH ³) Eurozone (CPI) Canada (CPI) USA (CPI)	↔	2.75% / 2.0% 2.0% 2.0% 2.0%	2.75% / 2.0% 1.0% to 2019, 2.0% thereafter 2.0% 2.0%
Interest Rates (p.a.)	UK Eurozone Canada USA	<i>Increase in UK/Eurozone delayed 1 year, Canada/USA long term rate decreased</i>	1.0% to 2022, 2.0% thereafter 0.5% to 2022, 1.5% thereafter 2.0% to 2021, 2.5% thereafter 2.0% to 2021, 2.5% thereafter	1.0% to 2021, 2.0% thereafter 0.5% to 2021, 1.5% thereafter 2.0% to 2021, 3.0% thereafter 2.0% to 2021, 3.0% thereafter
Foreign Exchange	EUR / GBP CAD / GBP USD / GBP	↕	0.86 0.57 0.77	0.88 0.55 0.71
Tax Rate (p.a.)	UK Canada USA Eurozone	↔ (Eurozone)	19% to 2020, 17% thereafter 26% and 27% (territory-dependent) 21% Federal & 4.6% Colorado State Various – no change apart from Netherlands tax rate reduces to 20.5% by 2025.	19% to 2020, 17% thereafter 26% and 27% (territory-dependent) 21% Federal & 4.6% Colorado State Various - no change apart from French tax rate (33.3% in 2018, 31% in 2019, 28% in 2020, 26.5% in 2021 and 25% thereafter with no 3% distribution tax)
GDP Growth (p.a.)	UK Eurozone USA	↔	2.0% 1.8% 2.5%	2.0% 1.8% 2.5%

1. Some portfolio company revenues are fully indexed, whilst some are partially indexed

2. Retail Price Index and Retail Price Index excluding Mortgage Interest Payments

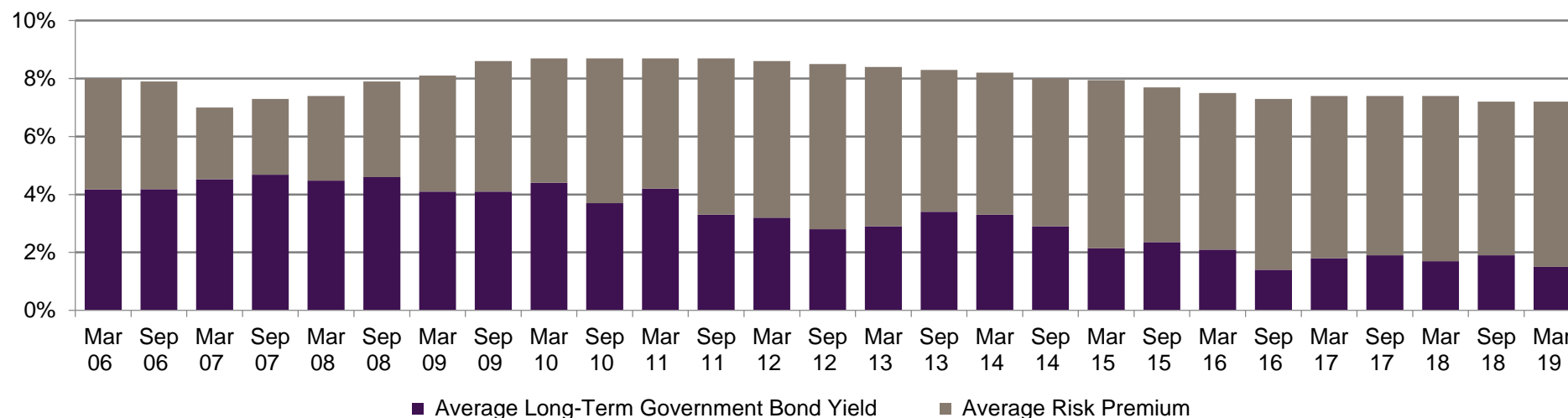
3. Consumer Prices Index including owner-occupiers' housing costs; used in the valuation of Affinity Water

Discount Rate Analysis

0.2% reduction in weighted average discount rates from 31 March 2018

- ▲ Discount rates for investments range between 6.4%¹ and 9.6%
- ▲ Implied risk premium over long dated government bonds unchanged over the year
- ▲ UK discount rate down 0.1% compared to 30 September 2018 due to unwinding of the discount rate premium on Carillion assets
- ▲ Eurozone discount rate up 0.1% compared to 30 September 2018 due to the greenfield Blankenburg Connection acquisition

	Appropriate Long-Term Government Bond Yield ²	Risk Premium		Total Discount Rate ³		
				31 March 2019	30 September 2018	31 March 2018
UK	1.5%	+	5.5%	= 7.0%	7.1%	7.4%
Eurozone	0.9%	+	6.4%	= 7.3%	7.2%	7.6%
N. America	2.6%	+	5.4%	= 8.0%	8.0%	8.2%
Portfolio	1.5%	+	5.7%	= 7.2%	7.2%	7.4%



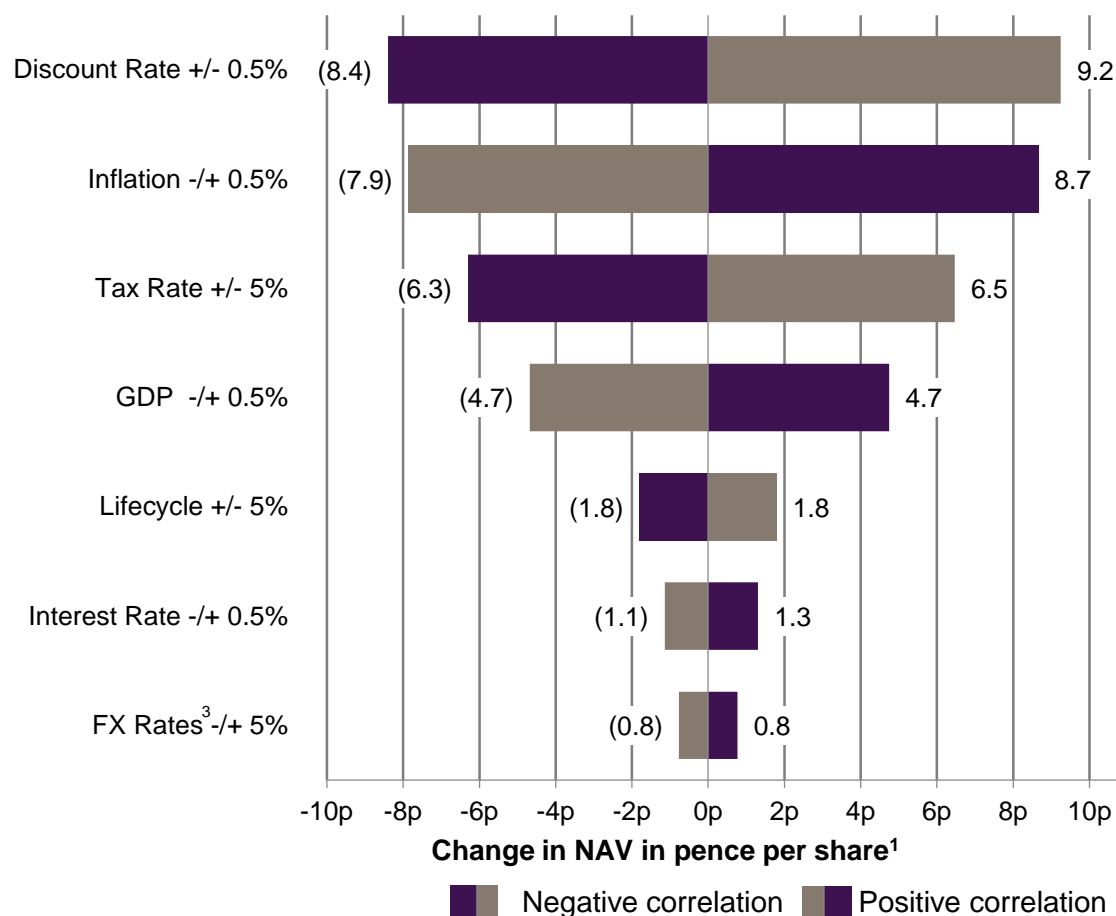
1. Excludes A13 Senior Bonds

2. The long-term government bond yield for a region is the weighted average for all of the countries in which the portfolio is invested in that region

3. Weighted-average discount rate

Key Valuation Sensitivities

Sensitivity to key macroeconomic assumptions



- ▲ The discount rate, FX rate and GDP sensitivities are based on analysis of the whole portfolio
- ▲ Remaining sensitivities are based on the largest 35 investments by value and then extrapolated across the whole portfolio
- ▲ If the rate of UK corporation tax was 5% higher in each and every forecast period, NAV per share would decrease by 4.9p
- ▲ The GDP sensitivity shows the impact of a 0.5% per annum change in GDP across the four assets² where revenues are to some degree correlated with economic activity
- ▲ If outturn GDP growth were 0.5% p.a. lower in all relevant geographies for all future periods than the valuation assumption, expected return⁴ from the portfolio (before Group expenses) would decrease 0.2% from 7.2% to 7.0%

1. NAV per share based on 1,791m ordinary shares in issue at 31 March 2019

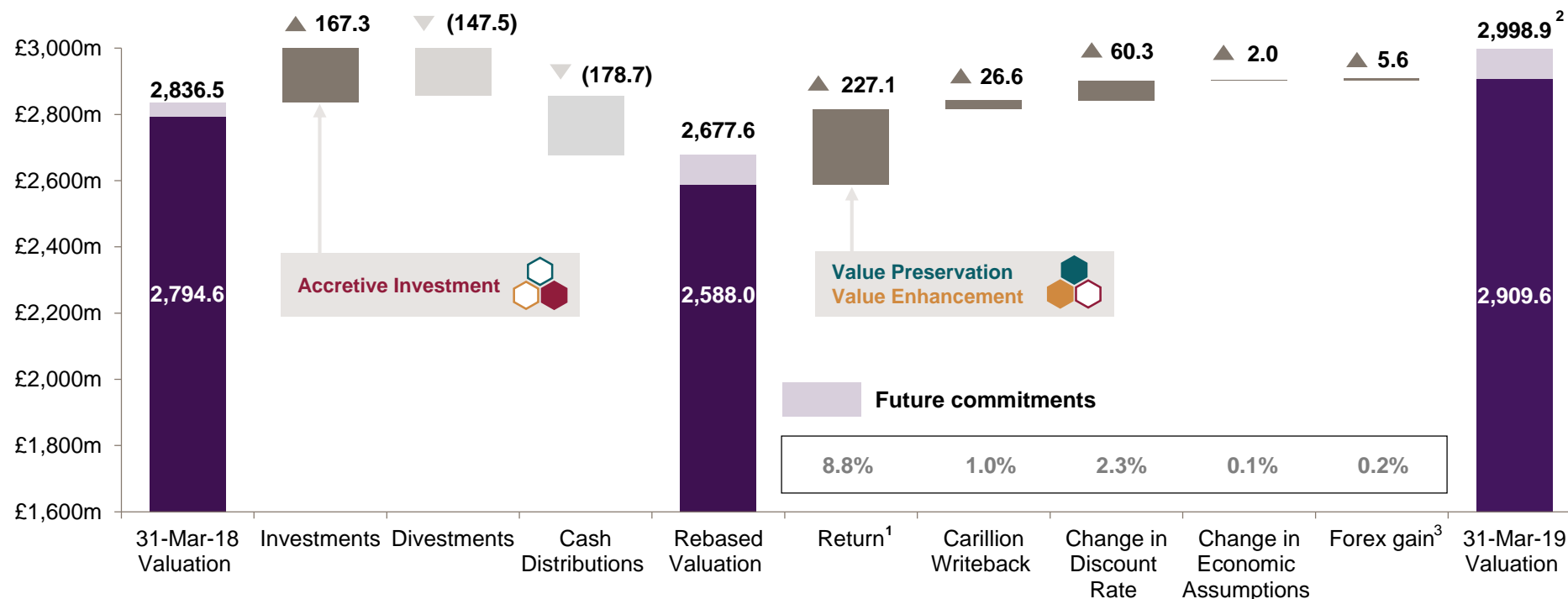
2. Assets subject to GDP movements are High Speed 1 (UK), Northwest Parkway (USA), A63 Motorway (France) and M1-A1 Link Road (UK)

3. Foreign exchange rate sensitivity is net of current Group hedging at 31 March 2019

4. Expected return is the expected gross internal rate of return from the portfolio before group expenses, there is no assurance that returns will be met

Analysis of Change in Directors' Valuation

Annual return¹ of 8.8% from the underlying portfolio




- ▲ Valuation blocks (purple) have been split on an Investment Basis² into investments at fair value (dark purple) and future commitments (light purple)
- ▲ The percentage movements have been calculated on the Rebased Valuation as this reflects the returns on the capital employed in the period
- ▲ 8.8% annual return¹ from the underlying portfolio

1. "Return" comprises the unwinding of the discount rate and portfolio outperformance, excluding the impact of changes in economic assumptions and discount rates, other than project specific changes such as projects moving from construction to steady-state operations

2. £2,998.9m reconciles, on an Investment Basis, to £2,909.6m Investments at fair value through profit or loss, through £89.3m of future commitments

3. FX movement net of hedging is a gain of £8.1m

Past performance is no indication of future returns. Capital at risk.



Recent Performance: 2019 Annual Results

Royal Canadian Mounted Police HQ, Canada

HICL
Infrastructure



Highlights I

For the year to 31 March 2019¹

10.8%

Total Shareholder Return

5.7% for the year to 31 March 2018
based on interim dividends paid plus
uplift in NAV per share in the year

£2,998.9m

Directors' Valuation²

Up from £2,836.5m at 31 March 2018

157.5p

NAV per share

Up 7.9p from 149.6p at 31 March 2018

1.27x

Dividend cash cover³

1.10x for the year to 31 March 2018

£167m

Acquisitions in the year⁴

£148m

Two strategic disposals

8.05p

2019 Dividend

8.25p and 8.45p

Dividend guidance⁵ reaffirmed
for 2020 and 2021

1. Performance data for the year to 31 March 2019 relates to HICL Guernsey
2. On an Investment Basis and includes £89.3m of future commitments. On an IFRS basis the portfolio of investments at fair value through profit or loss was £2,821.1m
3. Including profits on disposals of £34.0m. Excluding this, dividend cash cover would have been 1.03x

4. Including four new and two incremental investments
5. Expressed in pence per ordinary share for financial years ending 31 March. This is a target only and not a profit forecast. There can be no assurance that this target will be met

Past performance is no indication of future returns. Capital at risk.

Highlights II

Portfolio outperformance¹ underpinning strong NAV growth

Strategic progress

- ▲ Total shareholder return ahead of expectations at 10.8%²
- ▲ Value enhancements underpinned good financial performance:
 - Six investments and two strategic disposals – all value accretive
 - Construction completion on the A9 Road, Breda Court and Irish Primary Care PPP projects

Corporate domicile

- ▲ HICL Guernsey's shareholders approved the proposal to move the corporate domicile and tax residency of the Group's investment business to the UK; this move was successfully executed on 1 April 2019
- ▲ HICL's domicile and tax residency are aligned with the location of the majority of both its shareholders and its investments

Key risks

- ▲ Continued political uncertainty in the UK remains a key risk
- ▲ HICL well-positioned to withstand the potential economic impact of Brexit with a diversified portfolio, good inflation correlation and relative insensitivity to changes in the UK GDP growth rate
- ▲ Management of the impact of the Carillion liquidation substantially complete, with the final cost at c. £33m³

Governance

- ▲ Chris Russell reached his nine-year tenure and stepped down from the Board of HICL Guernsey on 31 March 2019
- ▲ Frances Davies appointed to the Board of HICL UK; with over 30 years of experience in the asset management industry, her skillset complements that of the continuing directors
- ▲ Following investor feedback on Resolution 4 passed at the EGM, management arrangements were further adjusted by removing the Acquisition Fee entirely

Outlook

- ▲ Whilst discipline around asset pricing remains critical, the Investment Manager is actively pursuing a number of opportunities, particularly across Europe and North America
- ▲ The Board and Investment Manager will assess market conditions when considering capital raising activity

1. As compared to base case assumptions

2. Calculated based on the uplift in NAV per share in the year plus dividends paid

3. £27m writeback against the £59m value reduction announced in January 2018

Past performance is no indication of future returns. Capital at risk.

Highlights III

Figures¹ presented on an Investment Basis²

£286m

Profit before tax

£122m for the year to 31
March 2018

7.2%

Weighted average discount rate

7.4% at 31 March 2018

£179m

Operating cash flow

£143m for the year to 31
March 2018

15.9p

Earnings per share

6.9p for the year to 31
March 2018

1.08%

Ongoing charges ratio³

1.08% for the year to 31
March 2018

£90m

Borrowings at 31 March 2019⁴

£135m at 31 March 2018

1. Performance data for the year to 31 March 2019 relates to HICL Guernsey

2. Investment Basis is the same basis as was applied in prior periods. See the 2019 Annual Report for HICL Guernsey for further details

3. Calculated in accordance with Association of Investment Companies' guidelines

4. Cash drawings under the Group's revolving credit facility ("RCF")

Past performance is no indication of future returns. Capital at risk.

Investment Activity

£167m of acquisitions and £148m of disposals

Acquisitions

Net Amount	Type	Stage	Project	Segment	Sector	Stake Acquired	Overall Stake	Date
€21m	New	Construction	Paris-Sud University (France)	PPP	Education	85%	85%	Apr-18
£6m	New	Operational	Belfast Metropolitan College (UK)	PPP	Education	75%	75%	Apr-18
£10m	New	Operational	Burbo Bank OFTO (UK)	Regulated	Electricity, Gas & Water	50%	50%	Apr-18
€62m	Incremental	Operational	A63 Motorway (France)	Demand-based	Transport	7%	21%	Jun-18
€6m	Incremental	Operational	N17/18 Road (Ireland)	PPP	Transport	8%	50%	Feb-19

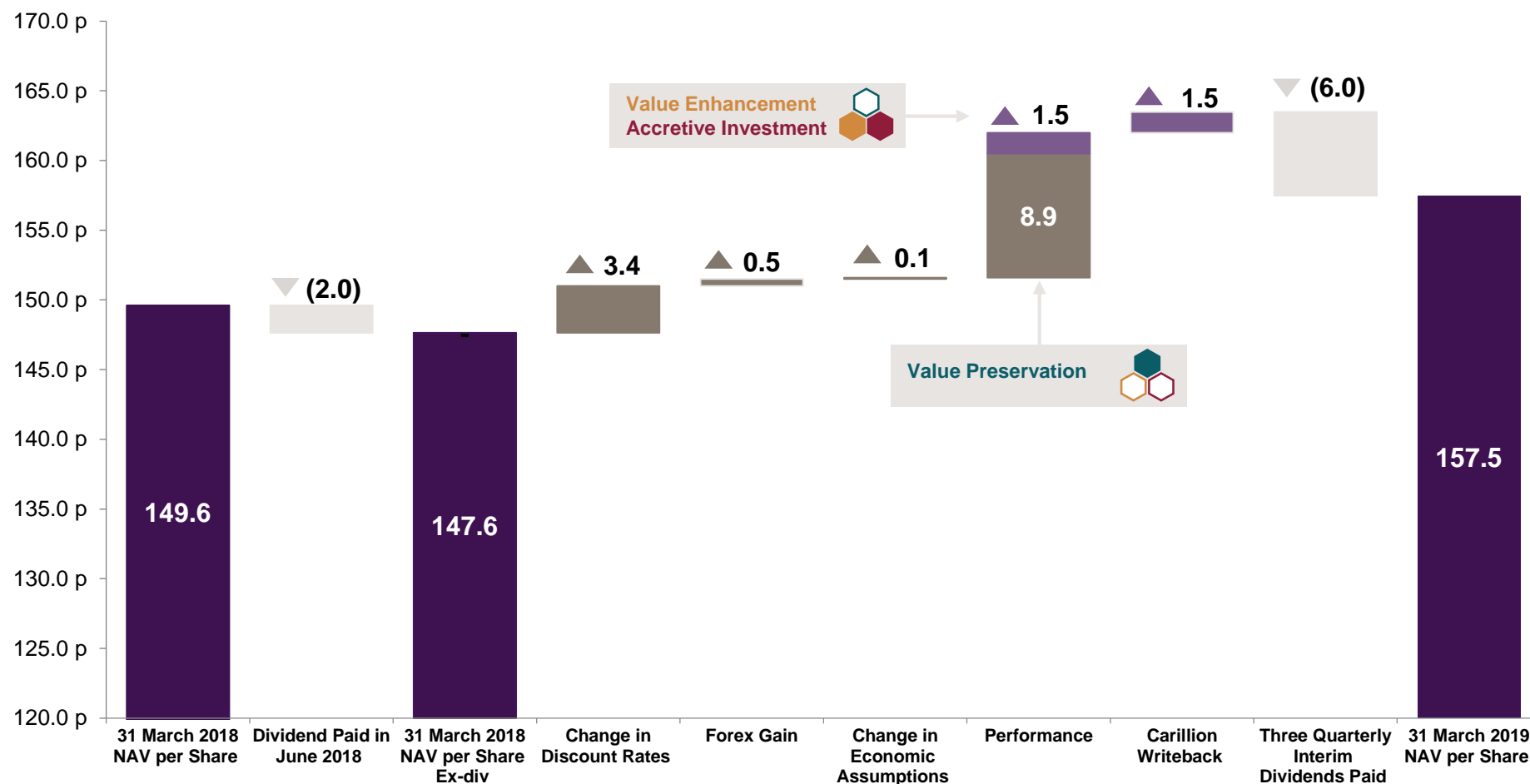
- ▲ Following the year end, HICL announced the acquisition of certain rights to make an investment in the Blankenburg Connection, a greenfield PPP project in the Netherlands, which had not completed before the year end. Under the arrangement, HICL has committed to invest c. £50m in the form of a deferred equity subscription

Disposals

Net Amount	Type	Stage	Project	Segment	Sector	Stake Sold	Remaining Stake	Date
£56m	Complete	Operational	Highland Schools (UK)	PPP	Education	100%	0%	Jul-18
£1m	Partial	Operational	Oldham Library (UK)	PPP	Accommodation	15%	75%	Jul-18
AUD 161m	Complete	Operational	AquaSure Desalination (Australia)	PPP	Electricity, Gas & Water	10%	0%	Nov-18

Analysis of Change in NAV per Share¹

1.5p outperformance in the financial year to 31 March 2019²



1. The sum of the movements (grey and light purple) may not equate to the overall change (dark purple bars), due to rounding

2. Performance data for the year to 31 March 2019 relates to HICL Guernsey

Past performance is no indication of future returns. Capital at risk.

Market

- ▲ Strong competition for high quality assets from unlisted investors
- ▲ Reasonable deal flow during the year across the Group's target market segments
- ▲ PPP secondary market activity is concentrated on Continental Europe and North America; UK and Australian markets have seen limited deal flow
- ▲ Wide range of regulated asset deal flow, from large utility-scale networks to smaller, 'last mile' independent networks and OFTOs

Outlook

- ▲ The Board and InfraRed are focusing HICL's acquisition strategy on core infrastructure market segments (PPP projects, regulated assets and demand-based assets)
- ▲ Current pipeline is healthy: operational and greenfield PPP projects, particularly in Europe and North America, and also several opportunities in the regulated asset market segment
- ▲ If portfolio growth leads to increased capacity to invest in demand-based assets with GDP correlated returns, while staying within the previously communicated limit¹, further investments may be considered
- ▲ The Board and InfraRed regularly assess both market conditions and the pipeline to manage funding activities for HICL, which may include capital raising when markets are receptive

1. Self-imposed limit on demand-based assets with returns correlated to GDP of 20% of portfolio value, applied at the time of investment

Concluding Remarks

Delivering Real Value.

- ▲ Strong NAV performance, delivered by adhering to a clear strategy:
 - Value preservation implemented proactively and successfully to mitigate the impact of the Carillion liquidation
 - Value enhancement initiatives at asset and portfolio level delivered upside
 - Accretive investments and disposals improved portfolio construction while managing funding position

- ▲ HICL UK offers a differentiated investment proposition
 - A diversified portfolio delivering core infrastructure investment characteristics:
 - Relatively low single asset concentration risk;
 - Strong correlation between portfolio returns and inflation¹; and
 - Good cash flow longevity
 - Long-term thinking, governance and oversight prioritised by the Board and InfraRed

- ▲ The Board and InfraRed believe the business model and strategic, long-term approach will continue to deliver value for shareholders:
 - Reaffirmation of dividend guidance²: 8.25p for the year ending 31 March 2020; and
 - 8.45p per share for the year ending 31 March 2021

1. If outturn inflation was 1% p.a. higher than the valuation assumption in each and every forecast period, the expected return from the portfolio (before Group expenses) would increase by 0.8%

2. This not a profit forecast; there can be no assurance that this target will be met or that investors will receive any return on their capital. Capital at risk

Appendix I

Company Information

Key Performance Indicators (“KPIs”)¹

KPI	Measure ¹	31 March 2019	31 March 2018	Objective	Commentary
Dividends	Aggregate interim dividends declared per share in the period	8.05p	7.85p	An annual distribution of at least that achieved in the prior year	Achieved
Total Return	NAV growth and dividends paid per share (since IPO)	9.4% p.a.	9.3% p.a.	A long-term IRR target of 7% to 8% as set out at IPO ²	Achieved
Cash-covered Dividends	Operational cash flow / dividends paid to shareholders	1.27x³	1.10x	Cash covered dividends	Achieved
Positive Inflation Correlation	Changes in expected portfolio return for 1% p.a. inflation change	0.8%	0.8%	Maintain positive correlation	Achieved
Competitive Cost Proposition	Annualised ongoing charges / average undiluted NAV ⁴	1.08%	1.08%	Efficient gross (portfolio) to net (investor) returns, with the intention to reduce ongoing charges where possible	Market competitive cost proposition

1. Performance data for the year to 31 March 2019 relates to HICL Guernsey. Refer to the Annual Report of HICL Guernsey for details of the measures and supporting information

2. Set by reference to the issue price of 100p per share, at the time of HICL Guernsey's IPO in March 2006

3. Including profits on disposals of £34.0m. Excluding this, dividend cash cover would have been 1.03x

4. Calculated in accordance with Association of Investment Companies guidelines; ongoing charges exclude non-recurring items such as acquisition cost

Past performance is no indication of future returns. Capital at risk.

Key Quality Indicators (“KQIs”)¹

KQI	Measure ¹	31 March 2019	31 March 2018	Objective	Commentary
Investment Concentration Risk	Percentage of portfolio value represented by the ten largest investments	45%	45%	Maintain a diversified portfolio of investments (thereby mitigating concentration risk) and, at all times, remain compliant with HICL's Investment Policy	Within acceptable tolerances
	Percentage of portfolio value represented by the single largest investment	7%	8%		
Risk/Reward Characteristics	Percentage of portfolio value represented by the aggregate value of projects with construction and/or demand-based risk ²	24%	19%	Compliance with HICL's Investment Policy	Achieved
Unexpired Concession Length	Portfolio's weighted average unexpired concession length	29.5 years	29.5 years	Seek where possible investments that maintain or extend the portfolio concession life	Achieved
Treasury Management	FX gain / (loss) as a percentage of the portfolio NAV	0.3%	(0.4%)	Maintain effective treasury management processes, notably: <ul style="list-style-type: none"> • Appropriate FX management (confidence in near-term yield and managing NAV gain / (loss) within Hedging Policy limits) • Efficient cash management (low net cash position) 	Achieved
	Cash less current liabilities on an Investment Basis as a percentage of the NAV	(0.3%)	0.3%		
Refinancing Risk	Investments with refinancing risk as a percentage of portfolio value	13%	16%	Manage exposure to refinancing risk	Improved

1. Performance data for the year to 31 March 2019 relates to HICL Guernsey. Refer to the Annual Report of HICL Guernsey for details of the measures and supporting information
2. More diversified infrastructure investments made with the intention 'to enhance returns for shareholders', as permitted by HICL's Investment Policy – namely pre-operational projects, demand based projects and/or other vehicles making infrastructure investments

Summary Financials of HICL Guernsey I

Figures presented on an Investment Basis¹



Income Statement	31 March 2019	31 March 2018
Total income	£324.1m	£161.7m
Fund expenses & finance costs	(£38.4m)	(£39.6m)
Profit before tax	£285.7m	£122.1m
Earnings per share²	15.9p	6.9p
Ongoing charges³	1.08%	1.08%

Balance Sheet (as at)	31 March 2019	31 March 2018
Investments at fair value⁴	£2,909.6m	£2,794.6m
NAV per share ² (before final dividend)	157.5p	149.6p
Final dividend	(2.0p) ⁵	(2.0p)
NAV per share (after interim dividend)	155.5p	147.6p

1. Investment Basis is the same basis as was applied in prior years. See the 2019 Annual Report for HICL Guernsey for further details

2. Earnings per share and NAV per share are the same under IFRS and Investment Basis

3. Calculated in accordance with Association of Investment Companies' guidelines

4. Directors' Valuation at 31 March 2019 of £2,998.9m net of £89.3m of future investment obligations (2018: 2,836.5m net of £41.9m)

5. Target dividend expected to be announced on 29 May 2019

Summary Financials of HICL Guernsey II

Figures presented on an Investment Basis¹



Cash Flow	31 March 2019	31 March 2018
Opening net cash	(£115.2m)	£82.2m
Net operating cash flow	£178.9m	£142.9m
Investments (net of disposals)	(£6.7m)	(£480.3m)
Equity raised (net of costs)	(£0.2m)	£265.8m
Forex movements and debt issue costs	(£0.5m)	£4.1m
Dividends paid	(£140.6m)	(£129.9m)
Net (debt) / cash	(£84.3m)	(£115.2m)
Dividend cash cover	1.27²x	1.10x

1. Investment Basis is the same basis as was applied in prior years. See the 2019 Annual Report for HICL Guernsey for further details

2. Including profits on disposals of £34.0m. Excluding this, dividend cash cover would have been 1.03x

Infrastructure Market Map

Schematic showing HICL's target markets and Investment Policy¹ Scope



Examples: hospitals, schools, government accommodation and availability transport (e.g. road / rail)



Examples: gas and electricity transmission and distribution; water utilities; district heating



Examples: rolling stock



Examples: operational toll roads, tunnels, bridges; student accommodation



1. The Investment Policy can be found on the HICL website

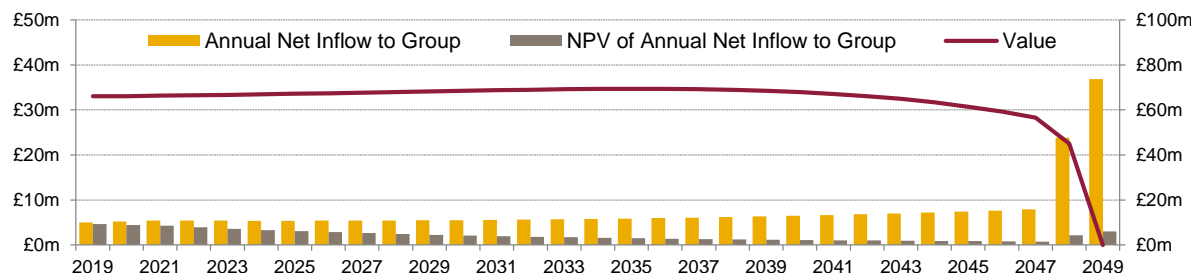
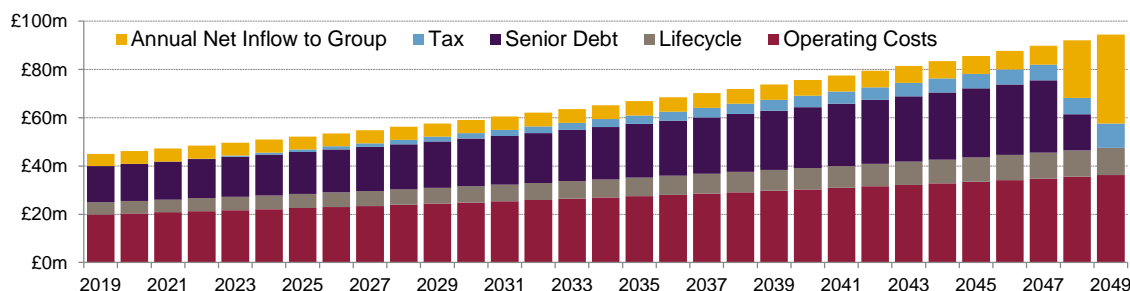
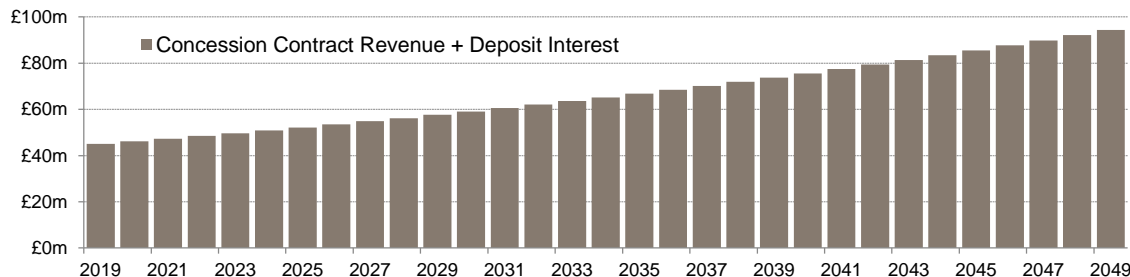
Diagram: The relative valuations attributed to the investments are illustrated in the size of the bubbles, and these are positioned relative to each other, within the relevant market segment, along an increasing risk / reward scale by reference to their prevailing discount rates as at 31 March 2019 with the risk / reward axis denoting increasing discount rates as one moves further from the centre of the diagram

Appendix II

Valuation

Valuation – Methodology

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



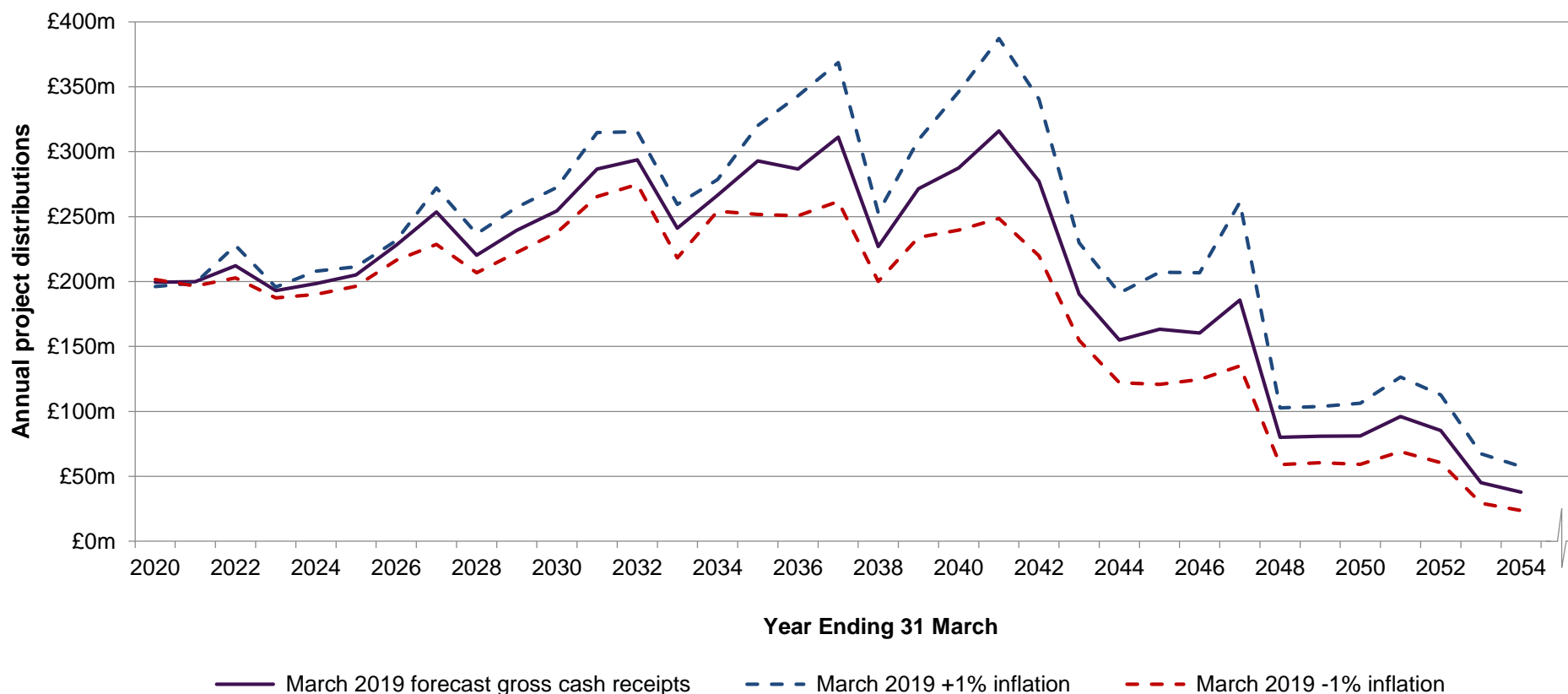
Key Variables / Assumptions

- ▲ Long-term Inflation Rate
- ▲ 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 & project co. directors' fees
- ▲ Discount Rate
- ▲ FX
- Net cash flows discounted to derive project valuation
- All project cash flows aggregated to give overall portfolio valuation
- Adjust for other Group net assets/liabilities to get Group NAV

Portfolio Cash Flow Sensitivity I

Inflation correlated returns for long-term investors^{1,2}

- ▲ If outturn inflation was 1.0% p.a. higher in all future periods than the rates in the valuation assumptions set out on page 58, the expected return from the portfolio³ (before Group expenses) would increase by 0.8% from 7.2% to 8.0%



1. Sensitivity based on forecast gross portfolio cash flows as at 31 March 2019

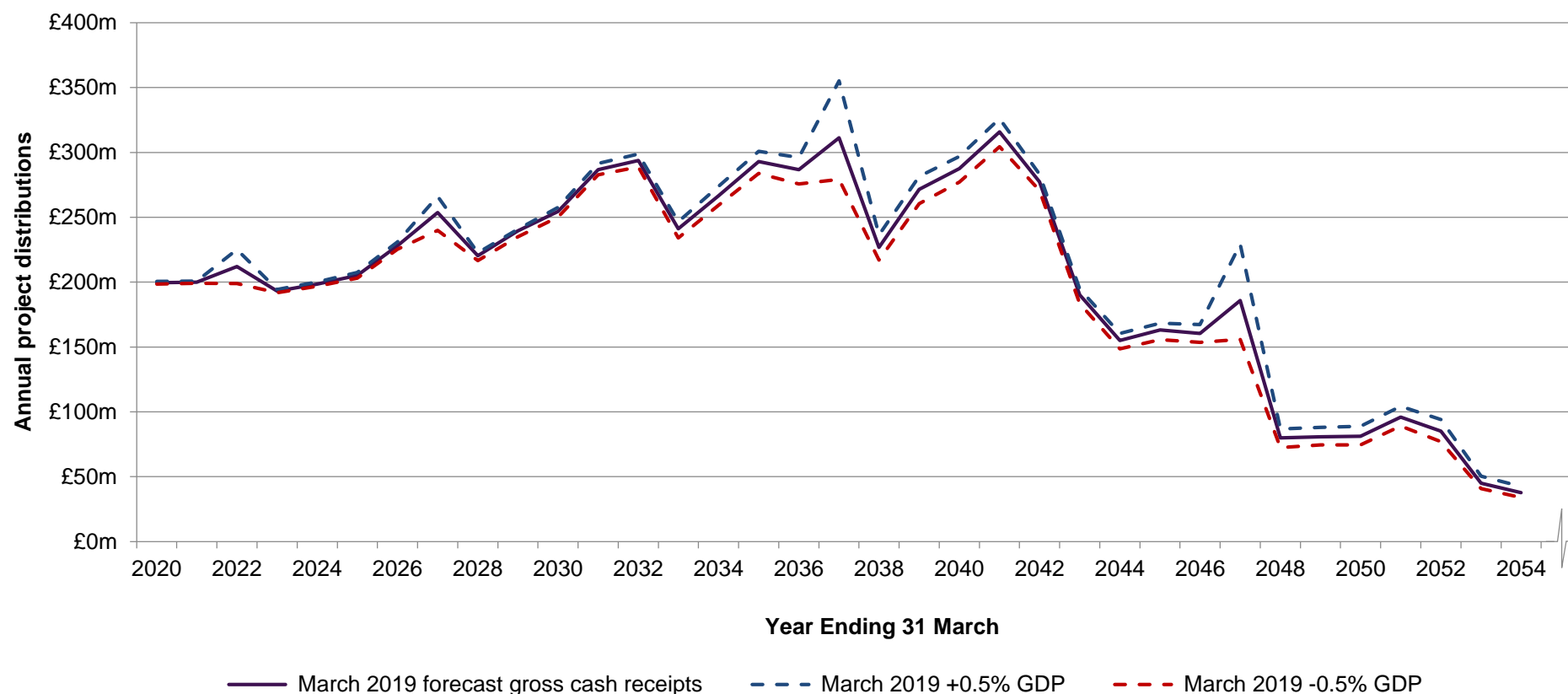
2. The illustration represents a target only and is not a profit forecast. There can be no assurance that this target will be met

3. Expected return is the expected gross internal rate of return from the portfolio before group expenses; there is no assurance that returns will be met or that investors will receive any return on their capital

Portfolio Cash flow Sensitivity II

Gross Domestic Product^{1,2}

- ▲ If GDP assumptions were 0.5% p.a. lower for all future periods, expected return from the portfolio³ (before Group expenses) decreases 0.2% from 7.2% to 7.0%
- ▲ Sensitivity based on forecast gross portfolio cash flows as at 31 March 2019



1. Sensitivity based on forecast gross portfolio cash flows as at 31 March 2019

2. The illustration represents a target only and is not a profit forecast. There can be no assurance that this target will be met

3. Expected return is the expected gross internal rate of return from the portfolio before group expenses; there is no assurance that returns will be met or that investors will receive any return on their capital

Hedging Foreign Exchange Risk

HICL hedges foreign exchange (“FX”) risk in relation to assets it owns where cash flows are denominated in currencies other than British Pounds

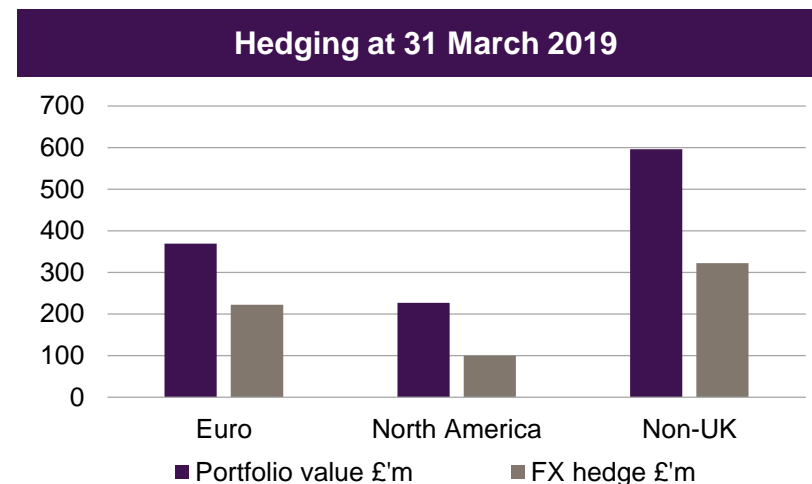
Hedging provides confidence in the near term yield and helps mitigate the impact on NAV per share of FX movements

Objective

- ▲ Manage FX risk as part of aim to provide sustainable long-term income
- ▲ Balancing FX risk and opportunity with cost of hedging

How

- ▲ Hedging investment income forecast for up to 24 months and portion of portfolio value through forward sales
- ▲ Borrowing in foreign currencies from revolving credit facility
- ▲ Regularly reviewing non-Sterling exposure and adjusting level of hedging



HICL's hedging policy

- ▲ Limit volatility of NAV per share to no more than 2% for a 10% movement in FX rates
- ▲ 0.2% net FX gain as percentage of NAV for year ended March 2019



Appendix III

Portfolio Management

Current Portfolio I

Portfolio of 118 assets¹

Education			15% of Directors' Valuation ²
Bangor & Nendrum Schools	Ealing Schools	Kent Schools	Renfrewshire Schools
Barking & Dagenham Schools	East Ayrshire Schools	Manchester School	Rhondda Schools
Belfast Metropolitan College	Ecole Centrale Supelec (France)	Newham BSF Schools	Salford & Wigan BSF Phase 1
Boldon School	Edinburgh Schools	Newport Schools	Salford & Wigan BSF Phase 2
Bradford Schools 1	Falkirk Schools NPD	North Ayrshire Schools	Salford Schools
Bradford Schools 2	Fife Schools 2	North Tyneside Schools	Sheffield Schools
Conwy Schools	Haverstock School	Norwich Schools	Sheffield BSF Schools
Cork School of Music (Ireland)	Health & Safety Labs	Oldham Schools	South Ayrshire Schools
Croydon School	Helicopter Training Facility	Paris-Sud University (France)	University of Bourgogne (France)
Darlington Schools	Highland Schools	Perth & Kinross Schools	West Lothian Schools
Defence Sixth Form College	Irish Grouped Schools (Ireland)	PSBP NE Batch	Wooldale Centre for Learning
Derby Schools			
Fire, Law & Order			7%
Addiewell Prison	Exeter Crown and County Court	Metropolitan Police Training Centre	Sussex Custodial Centre
Breda Court (Netherlands)	Gloucestershire Fire & Rescue	Royal Canadian Mounted Police HQ	Tyne & Wear Fire Stations
Dorset Fire & Rescue	Greater Manchester Police Stations	South East London Police Stations	Zaanstad Prison (Netherlands)
D&C Firearms Training Centre	Medway Police		
Transport			31%
A9 Road (Netherlands)	A249 Road	High Speed 1	N17/N18 Road (Ireland)
A13 Road	Blankenburg Connection (The Netherlands)	Kicking Horse Canyon (Canada)	Northwest Parkway (USA)
A63 Motorway (France)	Connect PFI	M1-A1 Link Road	NW Anthony Henday (Canada)
A92 Road	Dutch High Speed Rail Link	M80 Motorway	RD901 Road (France)

1. Includes the Blankenburg Connection PPP that was acquired post-period end

2. By value, at 31 March 2019, using the Directors' Valuation of £2,998.9m

Current Portfolio II

Portfolio of 118 assets¹



Health			28% of Directors' Valuation ²
Barnet Hospital	Doncaster Mental Health Hospital	Oxford John Radcliffe Hospital	South West Hospital Enniskillen
Birmingham Hospitals	Ealing Care Homes	Oxford Nuffield Hospital	Staffordshire LIFT
Birmingham & Solihull LIFT	Glasgow Hospital	Pinderfields & Pontefract Hospitals	Stoke Mandeville Hospital
Bishop Auckland Hospital	Hinchingbrooke Hospital	Queen Alexandra Hospital	Tameside General Hospital
Blackburn Hospital	Irish Primary Care Centres (Ireland)	Redbridge & Waltham Forest LIFT	West Middlesex Hospital
Blackpool Primary Care Facility	Lewisham Hospital	Romford Hospital	Willesden Hospital
Brentwood Community Hospital	Medway LIFT	Salford Hospital	
Brighton Hospital	Newton Abbot Hospital	Sheffield Hospital	
Central Middlesex Hospital	Oxford Churchill Oncology	Southmead Hospital	
Accommodation			11%
Allenby & Connaught	Miles Platting Social Housing	Northwood MoD HQ	Royal School of Military Engineering
Health & Safety Headquarters	Newcastle Libraries	Oldham Library	University of Sheffield Accommodation
Home Office			
Electricity Gas & Water			8%
Affinity Water	AquaSure Desalination PPP (Australia)	Burbo Bank OFTO	

Key

▲ New investment since 31 March 2018

▲ Incremental investment since 31 March 2018

▲ Disposal since 31 March 2018

▲ Partial disposal since 31 March 2018

▲ Completion due after period end 31 March 2019

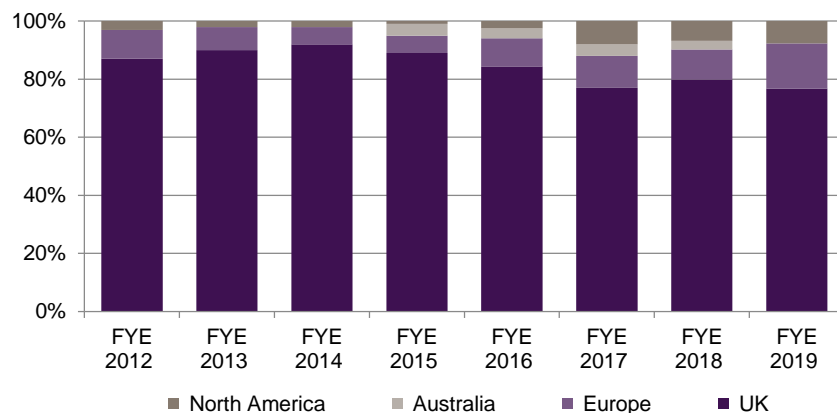
1. Includes the Blankenburg Connection PPP that was acquired post-period end

2. By value, at 31 March 2019, using the Directors' Valuation of £2,998.9m

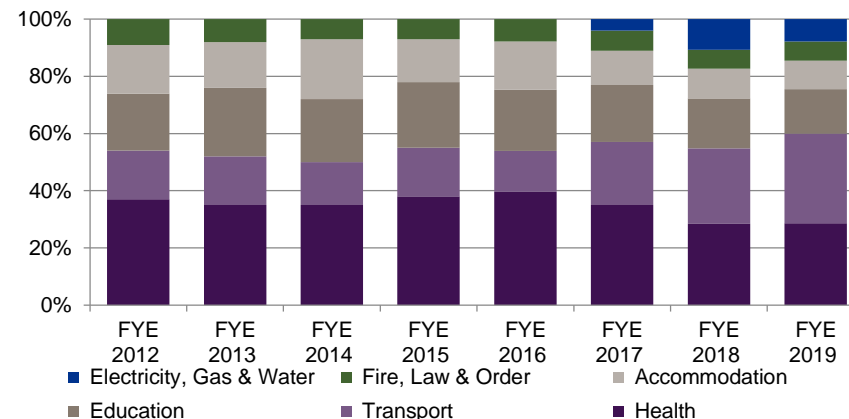
Portfolio – Key Attributes

Evolution of the Group's portfolio

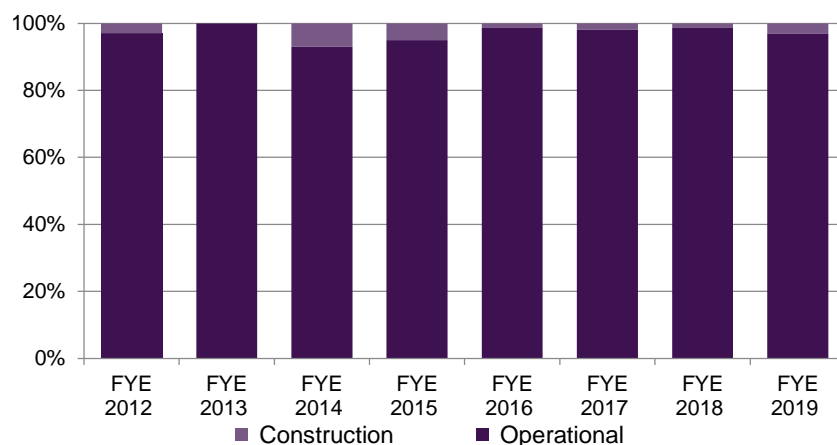
Geographically Diverse Portfolio



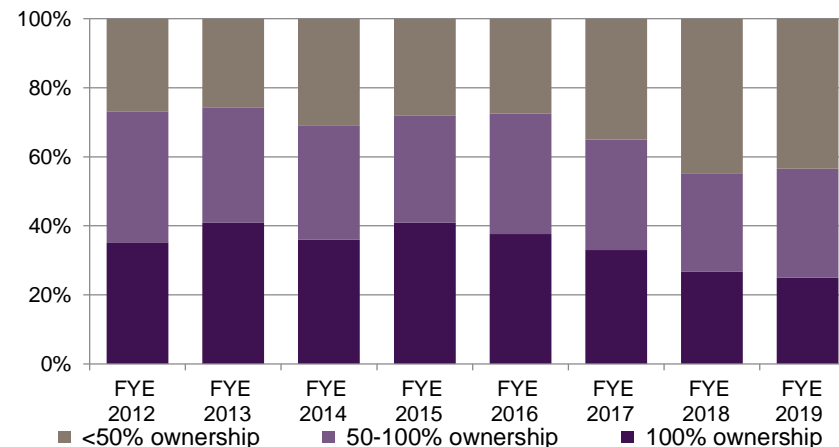
Diverse Sector Spread



Predominantly Operational Assets



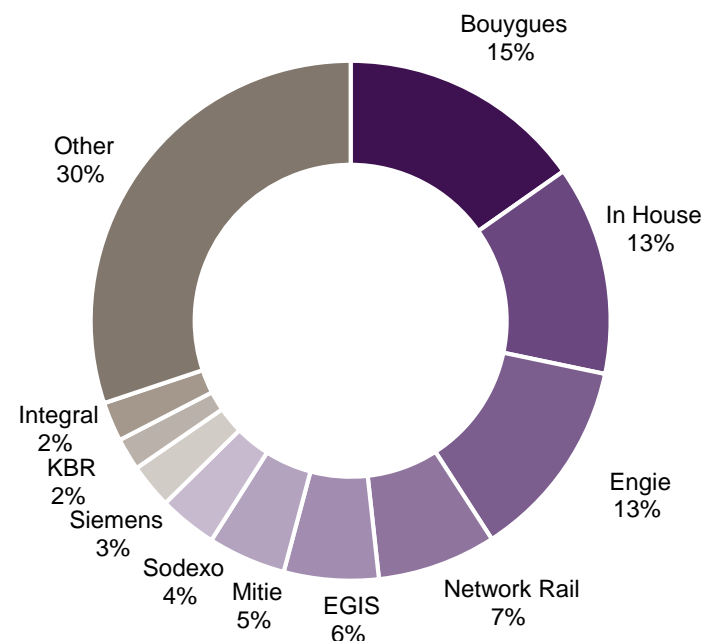
Opportunities to Increase Ownership Stakes



Facilities Management and Operations Counterparty Exposure

- ▲ Exposure is reviewed quarterly and reported to the Risk Committee by InfraRed
- ▲ Contingency plans are in place to address scenarios where material issues lead to a failure of service provision by a subcontractor
- ▲ “In House” represents Affinity Water and Northwest Parkway (USA)
- ▲ Bouygues, Engie, Skanska and Integral sourced by InfraRed's Asset Management team to replace Carillion on nine projects

10 Largest Facilities Management and Operations Counterparty Exposures¹

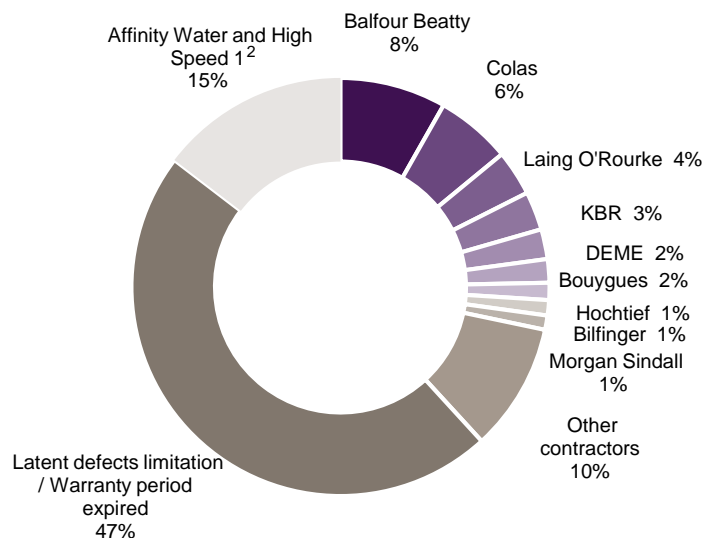


1. By value, at 21 May 2019 including one Carillion affected project, which completed its transition to a new long term arrangement since the balance sheet date, using Directors' Valuation. Where a project has more than one operations contractor in a joint and several contract, the better credit counterparty has been selected (based on analysis by InfraRed). Where a project has more than one operations contractor, not in a joint and several contract, the exposure is split equally among the contractors, so the sum of the pie segments equals the Directors' Valuation. Projects where Interserve or Kier are the facilities management contractor represent less than 2% and 1% of the portfolio, by value, respectively

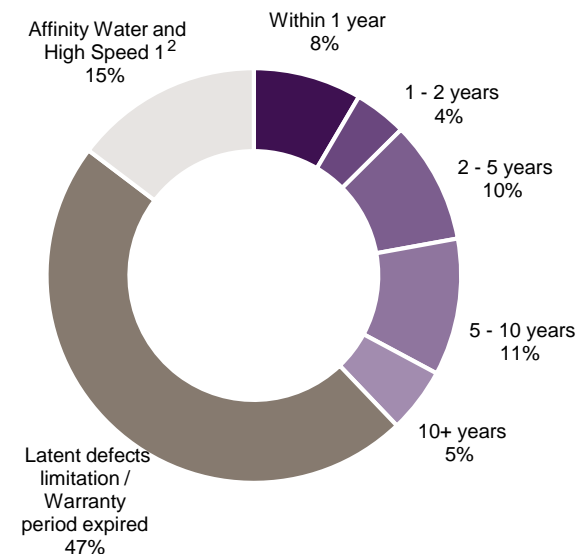
Construction Counterparty Exposure

- ▲ Following construction completion, the construction contractors are required to remediate construction defects for a specified period of time; in the UK the statutory period of limitations is 12 years
- ▲ As at 31 March 2019, 38% of the portfolio¹ benefited from this protection after having adjusted for those projects where Carillion was the construction contractor
- ▲ Where construction defects are detected within the defect limitations / warranty period, remediation is sought from the construction contractor; if negotiated solutions cannot reasonably be reached, then portfolio companies may seek to use contractual remedies to obtain resolution

10 Largest Construction Counterparty Exposures¹



Latent Defects Limitations / Warranty Periods Remaining¹



1. By value, at 31 March 2019, using Directors' Valuation. 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 Manager). Where a project has more than one operations contractor, not in a joint and several contract, the exposure is split equally among the contractors, so the sum of the pie segments equals the Directors' Valuation

2. Assets subject to regulatory regimes that help mitigate the potential impact of defects on equity