HICL Infrastructure PLC

Interim Results Presentation: six months to 30 September 2019

20 November 2019

Important information

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

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

This document contains information provided solely as an update on the financial condition, results of operations and business of HICL Infrastructure PLC and their respective operations. This document has not been approved by a person authorised under the Financial Services and Markets Act 2000 ("FSMA") for the purposes of section 21 FSMA. The contents of this document are not a financial promotion and none of the contents of this document constitute an invitation or inducement to engage in investment activity. If and to the extent that this document or any of its contents are deemed to be a financial promotion, HICL ("HICL" meaning HICL Company Limited prior to 31 March 2019 and HICL Infrastructure PLC from 1 April 2019 onwards) is relying on the exemption provided by Article 69 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005/1529 in respect of section 21 FSMA. The recipients of this presentation should not engage in any behaviour in relation to financial instruments which would or might amount to an offence under the Market Abuse Regulation (EU) No. 596/2014.
No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither HICL, nor any of HICL's advisers or representatives, including its investment manager, InfraRed Capital Partners Limited, shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Neither HICL nor any other person is under an obligation to keep current the information contained in this document.

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

The publication and distribution of this document may be restricted by law in certain jurisdictions and therefore persons into whose possession this document comes or who attend the presentation should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction. In particular, this document and the information contained herein, are not for publication or distribution, directly or indirectly, to persons in the United States (within the meaning of Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")) or to entities in Canada, Australia or Japan. The securities of HICL have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except to certain persons in offshore jurisdictions in reliance on Regulation S. Neither these slides nor any copy of them may be taken or transmitted into or distributed in Canada, Australia, Japan or any other jurisdiction which prohibits the same except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of the United States or other national securities laws. In EU member states, HICL's shares will only be offered to the extent that HICL: (i) is permitted to be marketed into the relevant EEA jurisdiction; or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

An investment in HICL will involve certain risks. This presentation and subsequent discussion may contain certain forward looking statements with respect to the financial condition, results of operations and business of HICL and its corporate subsidiaries. These forward-looking statements represent HICL's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. HICL's targeted returns are based on assumptions which HICL considers reasonable. However, there is no assurance that all or any assumptions will be justified, and HICL's returns may be correspondingly reduced. In particular, there is no assurance that HICL will achieve its distribution and IRR targets (which for the avoidance of doubt are targets only and not profit forecasts). There can be no assurance that HICL will achieve comparable results to those contained in this document, that any targets will be met or that HICL will be able to implement its investment strategy. Additional detailed information concerning important factors that could cause actual results to differ materially is available in HICL Guernsey's Annual Report for the year ended 31 March 2019 available from HICL's website. Unless otherwise stated, the facts contained herein are accurate as at 30 September 2019.

Past performance is not a reliable indicator of future performance

Agenda

HICL's entire investment business was transferred from HICL Infrastructure Company Limited ("HICL Guernsey") to HICL Infrastructure PLC (the "Company") on 1 April 2019, by way of a scheme of arrangement as detailed in HICL Guernsey's Prospectus dated 4 March 2019. To enable an improved assessment of the Company's investment business comparative data in the below section (for the six months to 30 September 2018, and as at 31 March 2019) relates to HICL Guernsey, being the owner of HICL's investment business until 1 April 2019. All financial information from 1 April 2019 relates to the Company. Throughout "HICL" means HICL Infrastructure Company Limited prior to 31 March 2019 and HICL Infrastructure PLC from 1 April 2019.

Sustainable Business Model Delivers Long-term Income

HICL is differentiated, delivering core infrastructure investment characteristics

DELIVERING SUSTAINABLE INCOME FROM A DIVERSIFIED PORTFOLIO OF CORE INFRASTRUCTURE INVESTMENTS AT THE LOWER END OF THE RISK SPECTRUM

Low single asset concentration risk

46%

Ten largest assets as a proportion of portfolio value at 30 September 2019

Strong inflation correlation

0.8

Correlation of portfolio returns to inflation[2] at 30 September 2019

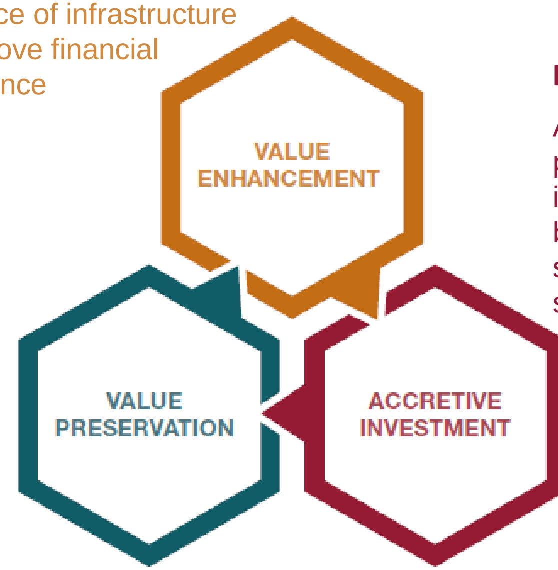
Good cashflow longevity

28.5yrs

Weighted avg asset life at 30 September 2019

Outperformance

Enhance communities' experience of infrastructure and improve financial performance



Resilience

A sustainable portfolio of investments that benefits from a strong, long-term social purpose

Active management

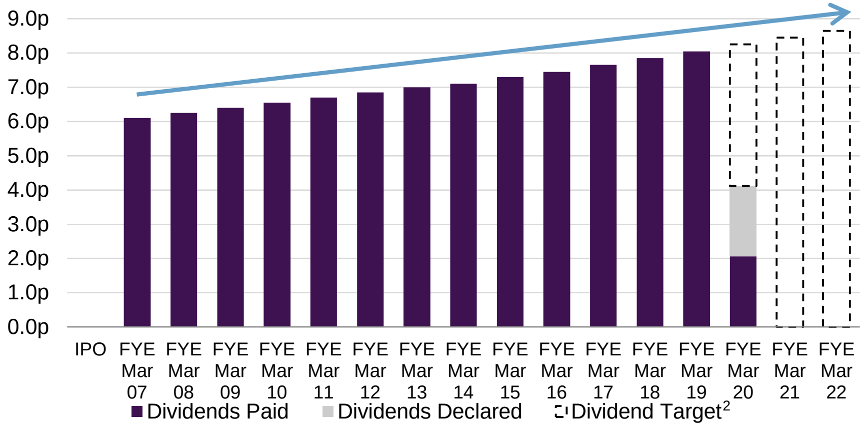
Deliver well-maintained infrastructure for end users and generate base case cash flows

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%

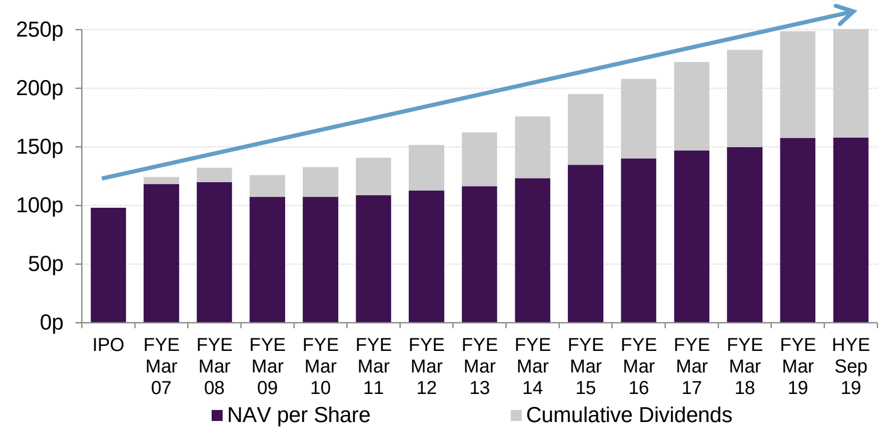
HICL's Track Record[1]

Consistent delivery over 13 years

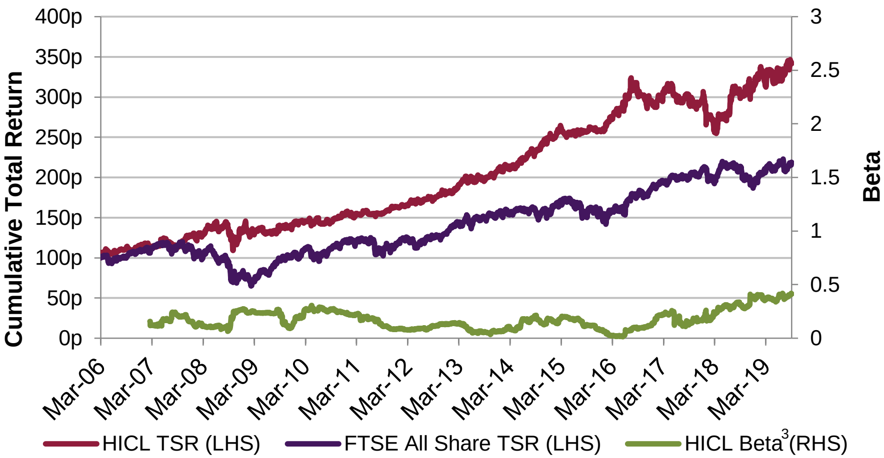
Dividend increased by 32% over 12 years



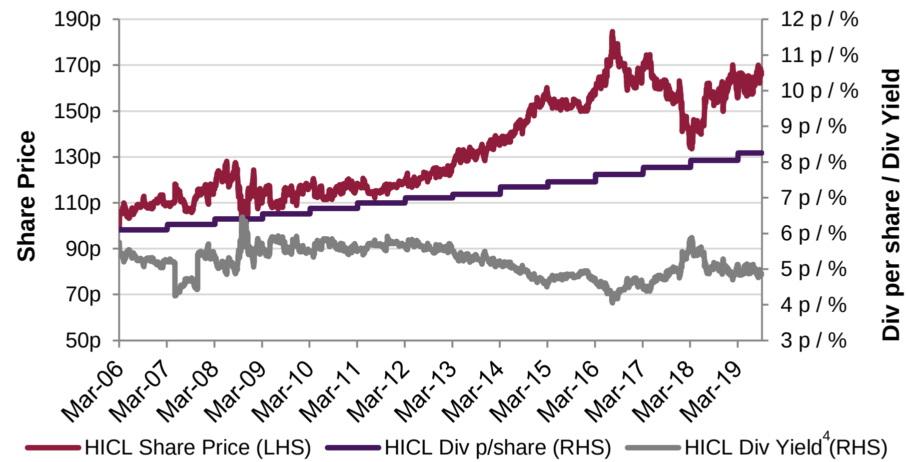
Total Return (NAV growth and dividends) of 9.3% p.a. since IPO



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 Infrastructure Company Limited prior to 31 March 2019, HICL Infrastructure PLC 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
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)

Past performance is not a reliable indicator of future performance

Interim Results

A9 Road, Netherlands

Strategic Focus

Delivering sustainable income from a diverse portfolio of core infrastructure investments

HICL Infrastructure

Performance

- ▲ Resilient portfolio performance underpinning continued NAV growth despite headwinds
  - NAV growth of 0.3p per share to 157.8p for the six months to 30 September 2019[1]
  - Solid cash flow, with dividend cover of 1.05x (1.06x at September 2018)

Portfolio optimisation

- ▲ Two accretive investments further increase portfolio diversification:
  - Investment in the in-construction Blankenburg Connection PPP project (the Netherlands) was finalised in the period
  - Race Bank OFTO, which supplies renewable energy from offshore windfarms to the UK grid, reached financial close following the period end
- ▲ Two strategic disposals announced after the period end, which take advantage of favourable market conditions, to enhance portfolio metrics and deliver additional shareholder value

Sustainable dividend

- ▲ On track to target dividend of 8.25p for the year to 31 March 2020, with 4.12p in dividends announced to date
- ▲ Predictable, stable cashflows from HICL's portfolio allow the Board to announce further dividend guidance[2]; 8.65p per share for the year to 31 March 2022

Outlook

- ▲ The Investment Manager continues to progress a healthy pipeline of core infrastructure opportunities

1. Past performance is not a reliable indicator of future performance
2. This is a target only and not a profit forecast. There can be no assurance that this target will be met

Performance Highlights

Resilient performance for the six months to 30 September 2019

157.8p **NAV per share** Up 0.3p from 157.5p at 31 March 2019	**5.7%** **Annualised Shareholder Return[1]** 15.0% for the six months to 30 September 2018	**New Dividend Guidance[2,4]** **8.65p for 2022** Reaffirmed Dividend Guidance[2,4] 8.45p for 2021 8.25p for 2020
7.1% **Weighted average discount rate** 7.2% at 31 March 2019	**1.09%** **Ongoing charges ratio[3]** 1.09% for the six months to 30 September 2018	**1.05x** **Dividend cash cover** 1.06x at 30 September 2018

1. Based on interim dividends paid plus uplift in NAV per share in the period
2. Expressed in pence per ordinary share for financial years ending 31 March
3. Calculated in accordance with Association of Investment Companies' guidelines

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

Past performance is not a reliable indicator of future performance

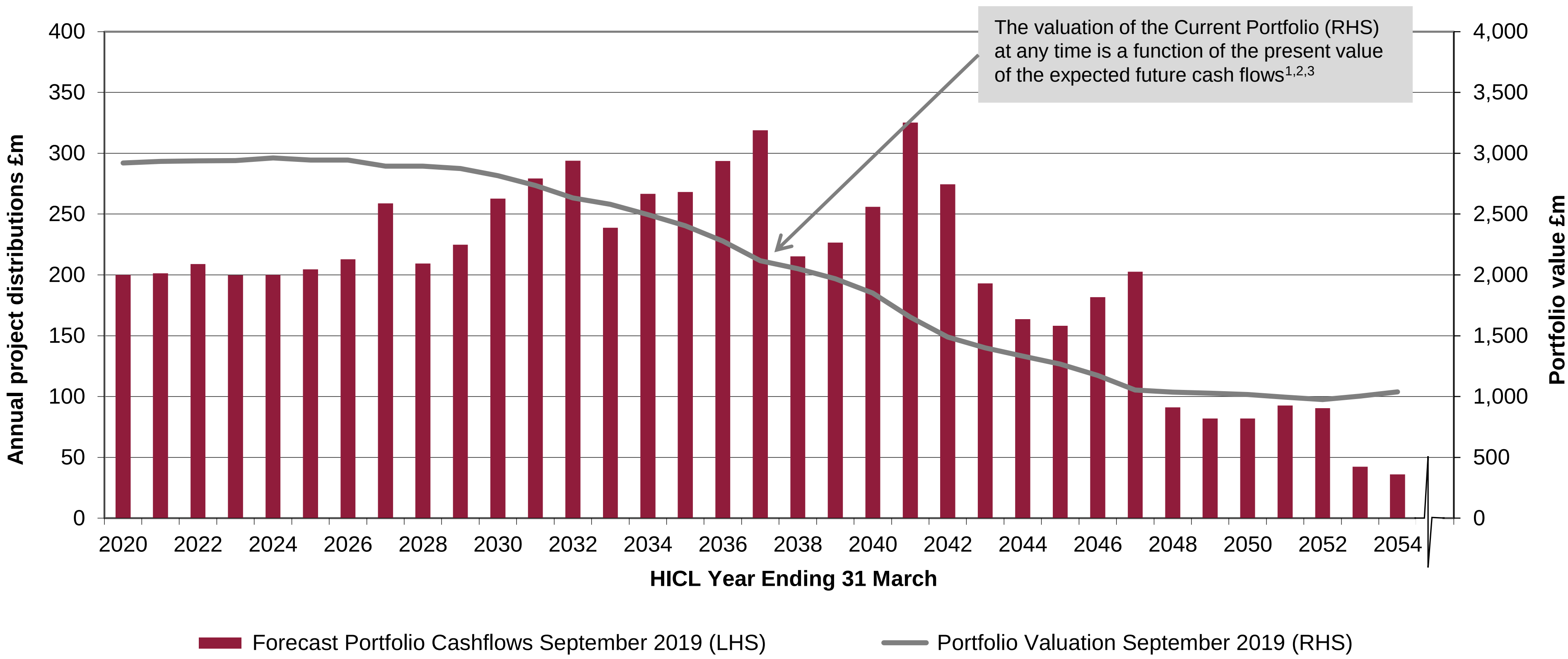
HICL Infrastructure

Valuation Overview and Sensitivities

N17/N18 Road, Ireland

Portfolio Overview – Cash Flow Profile[1,2,3]

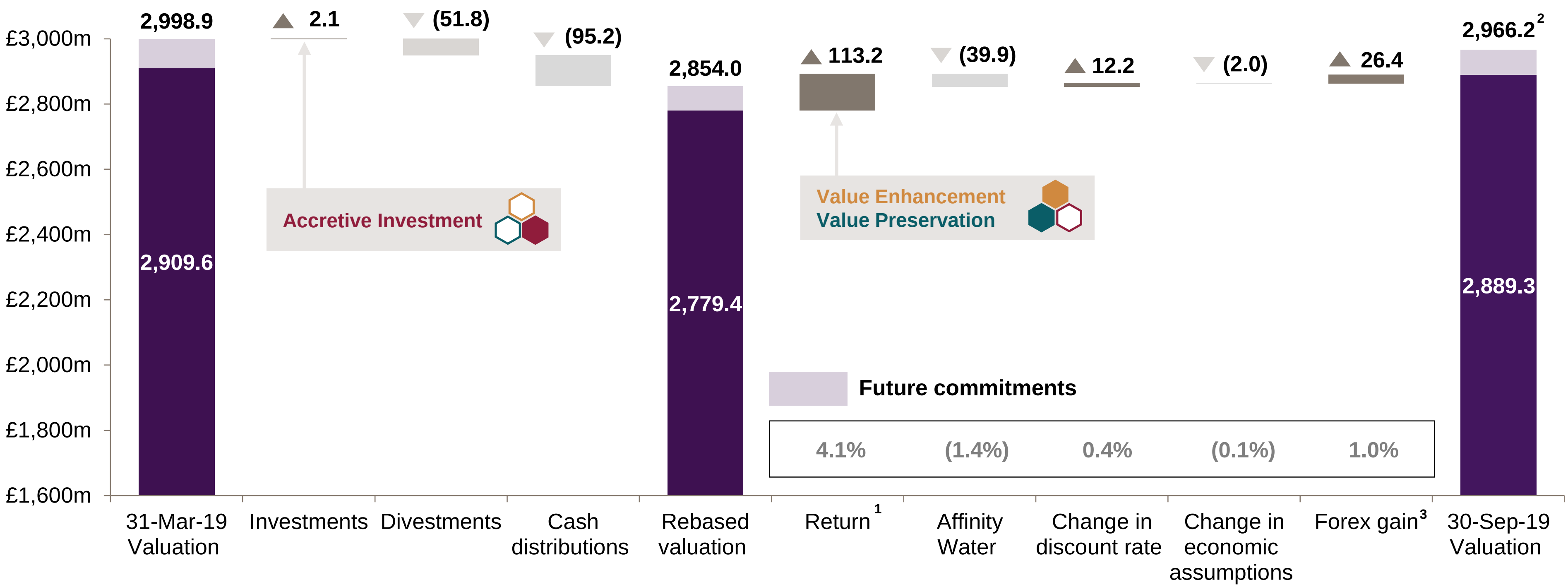
- Forecast shows steady long-term cash flows combined with a stable portfolio valuation in the medium term
- Portfolio cash flows underpin two years of forward dividend guidance



1. **The illustration represents a target only at 30 September 2019 and is not a profit forecast. There can be no assurance that this target will be met**
2. Valuation considers cash flows beyond 2054, for example for Northwest Parkway 87 years of cash flows are assumed
3. Subject to certain other assumptions, set out in detail in HICL's Interim Report for the six months to 30 September 2019

Analysis of Change in Directors' Valuation

Directors' Valuation of £2,966.2m as at 30 September 2019



- Valuation blocks (purple) have been split on an Investment Basis[2] 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

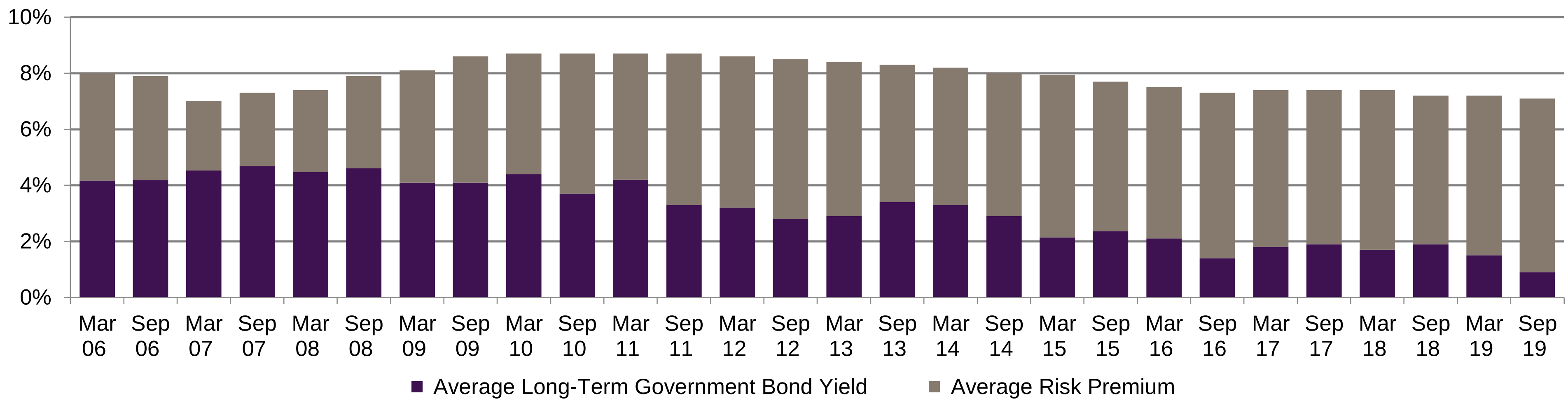
1. "Return" comprises the unwinding of the discount rate and portfolio outperformance, excluding the impact of changes in economic assumptions and discount rates, other than project specific changes such as projects moving from construction to steady-state operations
2. £2,966.2m excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and are due to complete by the end of the year, and reconciles, on an Investment Basis, to £2,889.3m Investments at fair value through £76.9m of future commitments
3. FX movement net of hedging is a gain of £15.8m

Discount Rate Analysis

0.1% reduction in weighted average discount rates from 31 March 2019

- Discount rates for investments range between 6.2%[1] and 9.3%
- UK discount rate up 0.1% compared to 31 March 2019 due to a rise in the discount rate applied to Affinity Water's valuation
- Eurozone discount rate down 0.2% due to government bond yield decreases
- North American discount rate down 0.2% due to observed transactional activity in Canada that implies a reduction in risk premiums

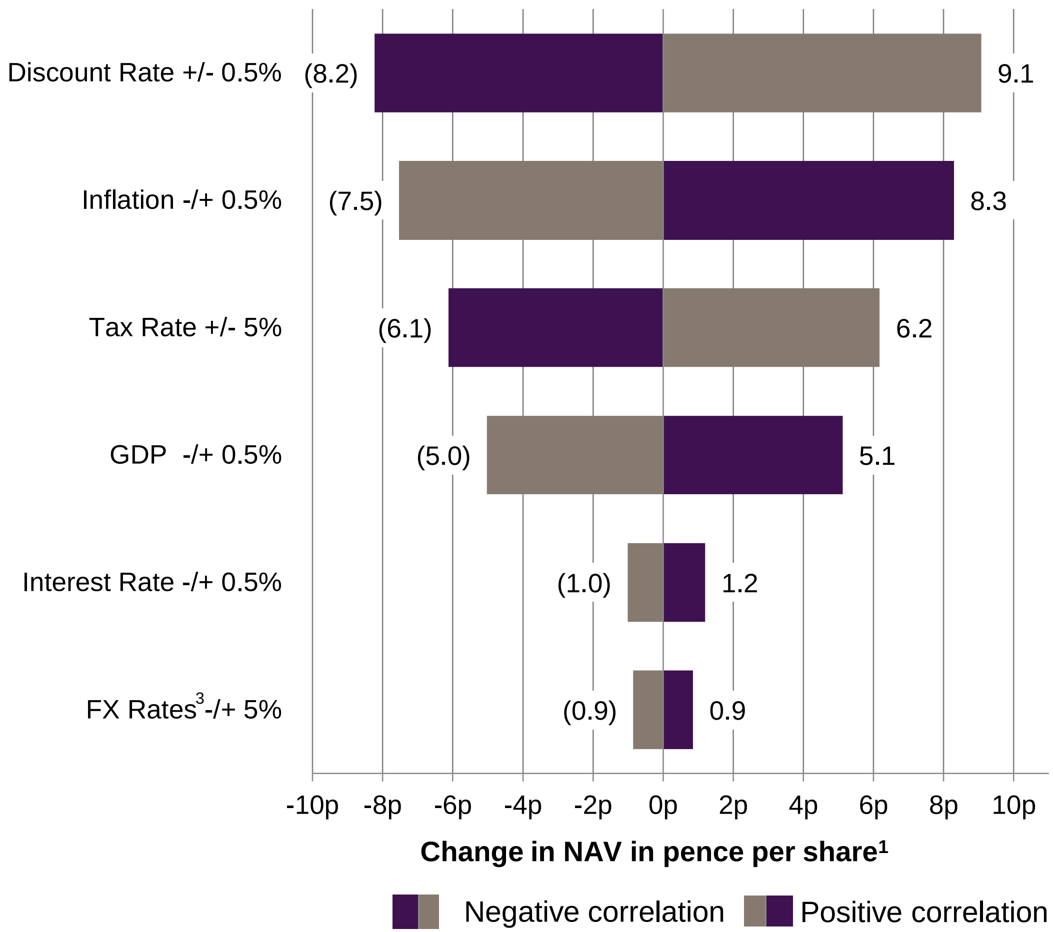
	Appropriate Long-Term Government Bond Yield[2]		Risk Premium		Total Discount Rate[3]		
					30 September 2019	31 March 2019	30 September 2018
UK	0.9%	+	6.2%	=	7.1%	7.0%	7.1%
Eurozone	0.1%	+	7.0%	=	7.1%	7.3%	7.2%
N. America	1.8%	+	6.0%	=	7.8%	8.0%	8.0%
Portfolio	**0.9%**	**+**	**6.2%**	**=**	**7.1%**	**7.2%**	**7.2%**



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. Source: Bloomberg
3. Weighted-average discount rate

Key Valuation Sensitivities

Sensitivity to key macroeconomic assumptions



- The FX rate and GDP sensitivities are based on the relevant affected assets, and the discount rate 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 4.6p.
- The GDP sensitivity shows the impact of a 0.5% per annum change in GDP across the four assets[2] 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 return[4] from the portfolio (before Group expenses) would decrease 0.2% from 7.1% to 6.9%

1. NAV per share based on 1,791m ordinary shares in issue at 30 September 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 30 September 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**

Portfolio Performance and Asset Management

University of Bourgogne, France

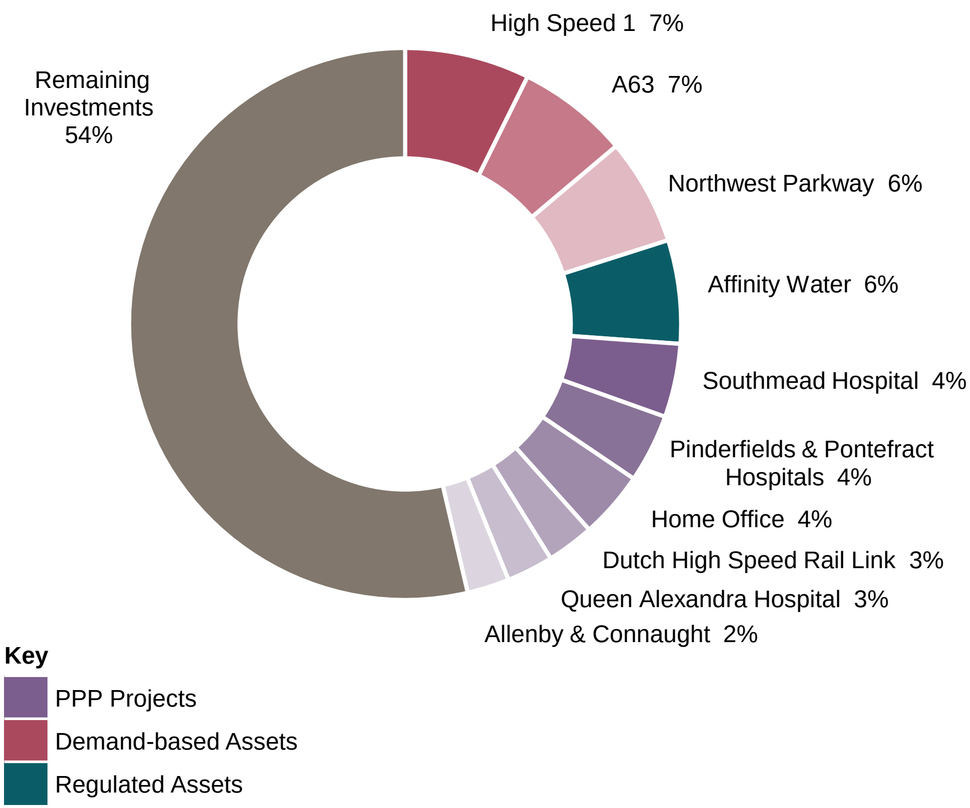
Portfolio Metrics

Ten largest assets accounted for c. 46% of the portfolio[1,2]

	30 September 2019[1,2]	31 March 2019
Number of investments	116	118
Percentage of portfolio by value – 10 largest assets	46%	45%
Weighted average asset life[3]	28.5 years	29.5 years
Average remaining maturity of long-term debt financing[4]	17.1 years	17.5 years

- The difference between asset life and debt maturity is predominantly due to two assets, Affinity Water and Northwest Parkway, having asset lives that exceed available financing options in their respective markets

10 Largest Investments[1,2]



1. By value using Directors' Valuation of £2,966.2m as at 30 September 2019
2. Excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and are due to complete by the end of the year; and excludes Race Bank OTFO which completed after the period end
3. 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 19.3 years
4. Excludes investment in A13 Senior Bonds

Portfolio Performance I

PPP projects represent 71% of the portfolio, by value

Investment rationale

- ▲ 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

Value Preservation and Enhancement

- ▲ PPPs remain at the heart of the Group's investment portfolio, representing 71% of the portfolio by value
- ▲ PPP contract variations enhance asset outcomes for clients, improve the end-user experience and/or create value for HICL's shareholders:
  - A new forensics lab was opened at Royal Canadian Mounted Police HQ during the period. Fully funded by the client, the construction and maintenance is being delivered through the existing PPP structure
  - Variations were completed at one of the portfolios UK hospital projects, remodelling the Ambulatory Emergency Care department and adding new retail facilities
- ▲ The delivery of construction PPP assets Paris-Sud University Accommodation (France) and Blankenburg Connection (The Netherlands) represents opportunity for future value enhancement in the portfolio

Royal Canadian Mounted Police HQ E Division, Canada

Portfolio Performance II

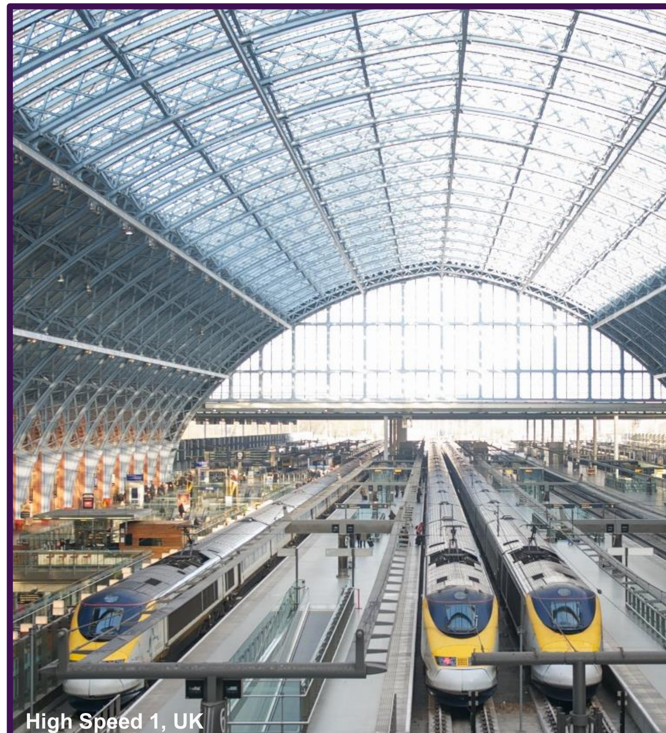
Demand-based assets represent 22% of the portfolio, by value

Investment rationale

- ▲ 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

Value Preservation and Enhancement

- ▲ Demand-based assets[1], representing 22% of the portfolio by value, performed well in the six months to 30 September 2019:
  - On the A63 Motorway (France) traffic was ahead of expectations
  - On Northwest Parkway (USA), traffic for the year was materially in excess of levels assumed in the 31 March 2019 valuation assumption
  - High Speed 1 ("HS1") performed in line with forecasts for the period
- ▲ HS1 has also submitted its five-year business plan for Control Period 3. Costs determined through the regulated mechanisms are passed down to the train operating companies and there is little impact on HS1's financial performance


High Speed 1, UK

1. High Speed 1 (UK); A63 Motorway (France); Northwest Parkway (USA); Sheffield University Student Accommodation (UK); Helicopter Training Facility (UK); M1-A1 Road (UK)

Portfolio Performance III

Regulated assets represent 7% of the portfolio, by value

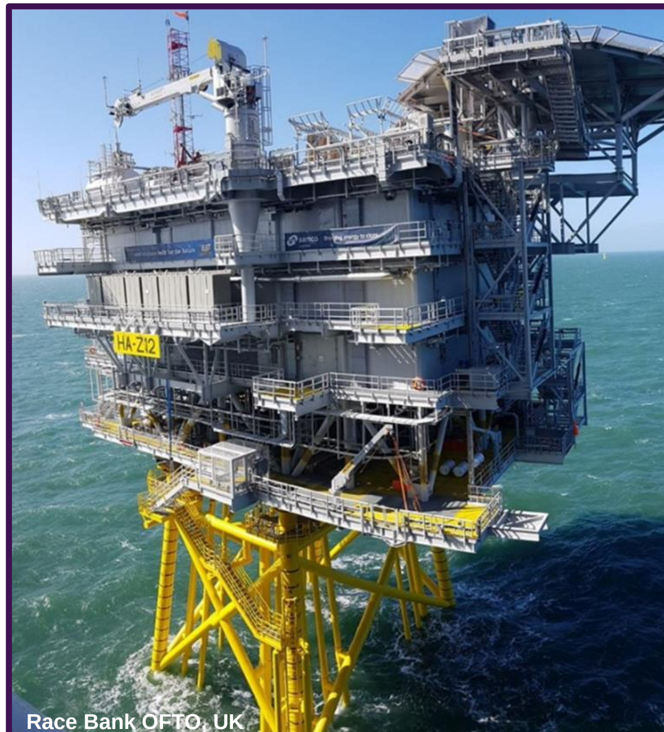
HICL Infrastructure

Investment rationale

- 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

Value Preservation and Accretive Investment

- OFTO are regulated assets that form part of the transmission network of renewable energy from offshore windfarms to the UK grid:
  - Following period end, HICL completed a new investment in its second OFTO, Race Bank
  - HICL is preferred bidder in respect of two further OFTOs (Galloper and Walney Extension) which are expected to reach financial close next year
- Ofwat published its draft determination on Affinity Water's business plan during the period:
  - The regulator accepted a number of Affinity's performance commitments, however elements of the feedback represent significant challenges for the company
  - The final determination will be published by Ofwat in December 2019



Race Bank OFTO, UK

Portfolio Characteristics I[1,2]

A diversified investment proposition

MARKET SEGMENT

Sep-19

Mar-19

	Sep-19	Mar-19
▲ PPP Projects	71%	71%
▲ Demand-based Assets	22%	21%
▲ Regulated Assets	7%	8%

GEOGRAPHIC LOCATION

Sep-19

Mar-19

	Sep-19	Mar-19
▲ UK	75%	77%
▲ Europe (exc UK)	17%	15%
▲ North America	8%	8%

INVESTMENT STATUS

Sep-19

Mar-19

	Sep-19	Mar-19
▲ Fully operational	97%	97%
▲ Construction	3%	3%

1. By value using Directors' Valuation of £2,966.2m as at 30 September 2019
2. Excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and is due to complete by the end of the year; and excludes Race Bank OTFO which completed after the period end

Portfolio Characteristics II[1,2]

A diversified investment proposition

OWNERSHIP STAKE

	Sep-19	Mar-19
▲ 100% ownership	26%	25%
▲ 50% - 100% ownership	32%	32%
▲ Less than 50% ownership	42%	43%

SECTOR

	Sep-19	Mar-19
▲ Accommodation	11%	11%
▲ Education	14%	15%
▲ Electricity, Gas & Water	7%	8%
▲ Health	29%	28%
▲ Fire, Law & Order	7%	7%
▲ Transport	32%	31%

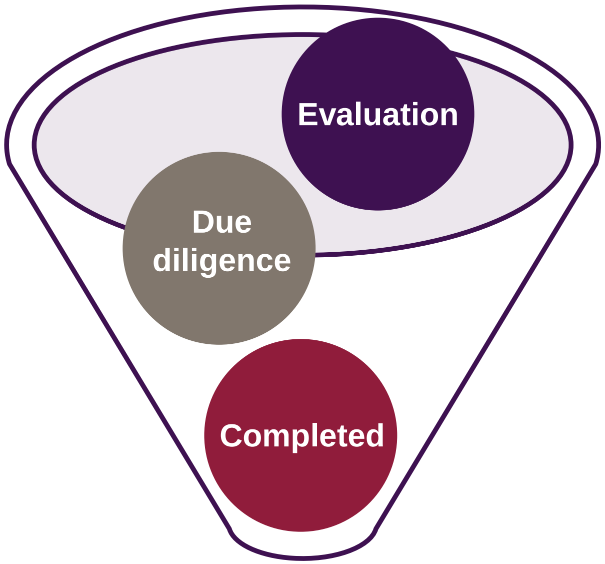
1. By value using Directors' Valuation of £2,966.2m as at 30 September 2019
2. Excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and is due to complete by the end of the year; and excludes Race Bank OTFO which completed after the period end

Investment Activity

Priority Schools Building Program North East Batch, UK

Acquisition Activity

Market coverage filtered by focused acquisition strategy and investment discipline



21
new deals reviewed in the period

9
transactions subject to detailed due diligence

2
investments completed[1] for HICL

Acquisitions

Net Amount	Type	Stage	Project	Segment	Sector	Stake Acquired	Overall Stake	Date
£50m[2]	New	Construction	Blankenburg Connection	PPP	Transport	70%	70%	Jul-19
£24m	New	Operational	Race Bank OFTO	Regulated	Electricity Gas & Water	49%	49%	Oct-19

1. Includes Race Bank OFTO which completed after the period end
2. Commitment to invest approximately £50m in the form of a deferred equity subscription

Risk and Risk Management

Zaanstad Prison, the Netherlands

Risk and Risk Management[1]

HICL Infrastructure

Political and Regulatory Risk

- A UK general election will be held in December 2019 and the outcome is uncertain
- During the period, the Investment Manager submitted evidence to the National Infrastructure Commission for its *The Future of Regulation Study* and a response to the *Infrastructure Finance Review Consultation* launched by HM Treasury and the Infrastructure and Projects Authority
- The final determination on Affinity Water's business plan for the 2019 Price Review ("PR19") for Asset Management Period 7 (April 2020 to March 2025) ("AMP7") will be published in December 2019

Brexit

- The final outcome of the process of the UK leaving the EU ("Brexit") remains unknown, and has contributed to ongoing political uncertainty
- For HICL, the impact is most likely to be contained to deviations from macro-economic assumptions used in the portfolio valuation and cash flow forecasts.
- Assets which may be directly impacted by a disorderly Brexit in the short term, such as HS1, have contingency plans in place to alleviate potential impacts
- HICL's investment proposition provides long-term investors with returns that have strong inflation linkage and a low correlation to UK GDP, which provides a measure of mitigation

1. The key risks and the strategies employed by InfraRed to manage and mitigate those risks have not changed materially from those set out in detail in Section 3.5 of the 2019 Annual Report for HICL Infrastructure Company Limited, which is available on the Company's website

Creating Sustainable Partnerships

HICL's portfolio of investments is in infrastructure at the heart of communities

SUSTAINABLE DEVELOPMENT GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

The Investment Manager creates sustainable partnerships for HICL that develop innovative infrastructure and build resilient cities and communities, aligned to the UN's Sustainable Development Goals ("SDGs")

11 SUSTAINABLE CITIES AND COMMUNITIES

Breadth of portfolio inherently supports a number of the SDGs:

3 GOOD HEALTH AND WELL-BEING

10 million
Over 10 million people with direct access to the healthcare facilities in the portfolio

7 AFFORDABLE AND CLEAN ENERGY

1.8 GW
Connecting offshore wind generation with enough capacity to power 1.7 million homes

4 QUALITY EDUCATION

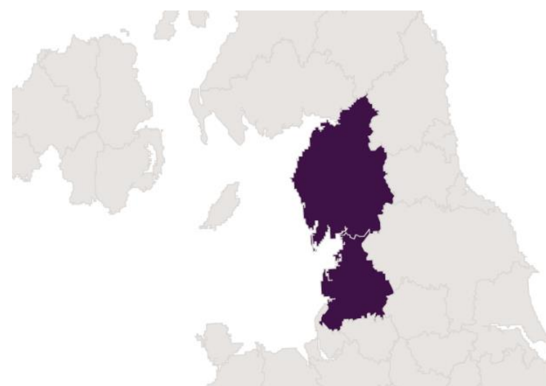
120,000
Over 120,000 student places across the school, college and university facilities in the portfolio

6 CLEAN WATER AND SANITATION

3.6 million
Population served by Affinity Water

E.g. Stakeholders living in the North West of England benefit from:

24,000 pupil places at 20 schools



16 police stations

over 2,000 beds across five hospitals

230,000 homes powered by the offshore wind energy from the Burbo Bank OFTO

https://www.un.org/sustainabledevelopment/

Market, Outlook and Concluding Remarks

Cork School of Music, Ireland

Market and Outlook

Market

- Continued high levels of demand from unlisted investors for good quality core infrastructure assets
- HICL is a long-term, buy-and-hold investor, but may take advantage of current favourable market conditions to undertake selective strategic disposals that improve portfolio metrics
- InfraRed remains focused on pricing discipline when assessing opportunities, to ensure that new acquisitions meet the Company's accretion tests

Outlook

- The pipeline is healthy with InfraRed progressing a number of opportunities including PPPs in Northern Europe and North America, and regulated assets on a selective basis, including additional OFTOs
- The Investment Manager also continues to consider assets with corporate offtake counterparties, such as rolling stock or metering businesses, when structured appropriately
- The infrastructure asset class has unique attractions for yield investors, particularly in an ongoing low interest rate environment

Concluding Remarks

Delivering Real Value.

HICL Infrastructure

- Resilient portfolio performance underpinning continued NAV growth
  - Significant value enhancement initiatives at both asset and portfolio level
  - Accretive investments and strategic disposals improved portfolio metrics while managing funding position
- A diversified portfolio positions the company well
- Predictable, stable cashflows from HICL's portfolio have allowed the Board to announce further target dividend guidance:
  - Reaffirmation of dividend guidance[1]:
    - 8.25p for the year ending 31 March 2020; and
    - 8.45p per share for the year ending 31 March 2021
  - Further guidance to 8.65p for the year ending 31 March 2022[1]
- The Company has a current funding requirement of c. £90m
- HICL has market-leading, differentiated characteristics, a diversified portfolio and a pipeline of opportunities for growth, meaning that the Company is well-positioned for the future

1. This is not a profit forecast; there can be no assurance that this target will be met

Appendix I
The Investment Manager

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[1]
- Independent manager owned by senior management team[2]
- 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 five consecutive years, with an A+ rating for its infrastructure business in its 2019 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 PLC (“HICL”)	Listed, income yield	£3,066[3]	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	£2,137[3]	Since 2013	Evergreen
Fund V	Unlisted, capital growth	US$1,200	Since 2017	Investing

Source: InfraRed
1. As at 30 September 2019
2. InfraRed is an indirect subsidiary of InfraRed Partners LLP which is owned by its partners
3. Market capitalisation as at 31 October 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 Execution 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+	5	20+
infrastructure professionals	continent coverage	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 Adviser
Tony joined InfraRed in 2006. Tony is a Senior Adviser to the infrastructure team and sits on a number of the infrastructure investment committees.

Fund Management

InfraRed's dedicated team with day-to-day responsibility for HICL

- The HICL Fund Management Team represents the interface between the Investment Manager and HICL's stakeholders
- The team has day-to-day responsibility for the activities that support HICL, including strategy development, investor relations and risk management of the portfolio

Appendix II
Company Information

HICL's Characteristics

HICL Infrastructure

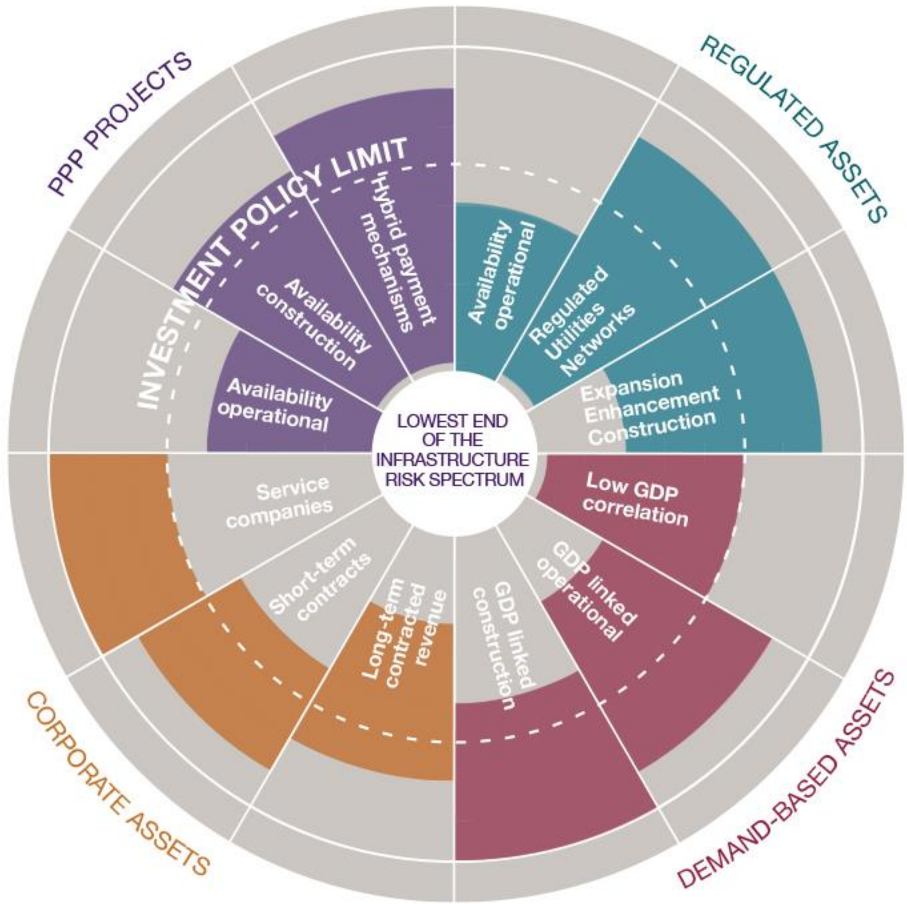
Objective	▲ To deliver long-term, stable income from a diversified portfolio of core infrastructure investments ▲ Focused on investments at the lower end of the risk spectrum, which generate inflation-correlated long-term returns
History	▲ IPO in 2006, 12 successive years of dividend growth ▲ First infrastructure investment company to list on the main market of the London Stock Exchange ▲ Member of the FTSE 250 index
Portfolio	▲ 116 investments, as at 30 September 2019 (114 operational and two under construction)[1] ▲ Assets spread across six sectors and seven countries
Net Asset Value	▲ Directors' Valuation of £2,966.2m at 30 September 2019 (31 March 2019: £2,998.9m)[2] ▲ NAV/share of 157.8p at 30 September 2019 (31 March 2019: 157.5p) ▲ Directors' Valuation based on a weighted average discount rate of 7.1% (31 March 2019: 7.2%)
Board and Governance	▲ 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	▲ 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 1.09% at 30 September 2019 (30 September 2018: 1.09%)
Liquidity[4]	▲ Good daily liquidity – average daily trading volume of over 3m shares ▲ Tight bid / offer spread

1. Excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and are due to complete by the end of the year; and excludes Race Bank OTFO which completed after the period end
2. Including £76.9m of future investment obligations (31 March 2019: £89.3m)
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 30 September 2019

Infrastructure Market Map

Schematic showing HICL's Investment Policy[1] Scope

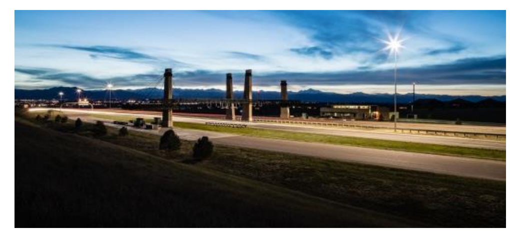
Examples: hospitals, schools, government accommodation and availability transport (e.g. road/rail)



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

HICL Infrastructure PLC Group Structure Diagram

Independent Directors[1]

- Governance
- Oversight
- Strategy

Investment Manager

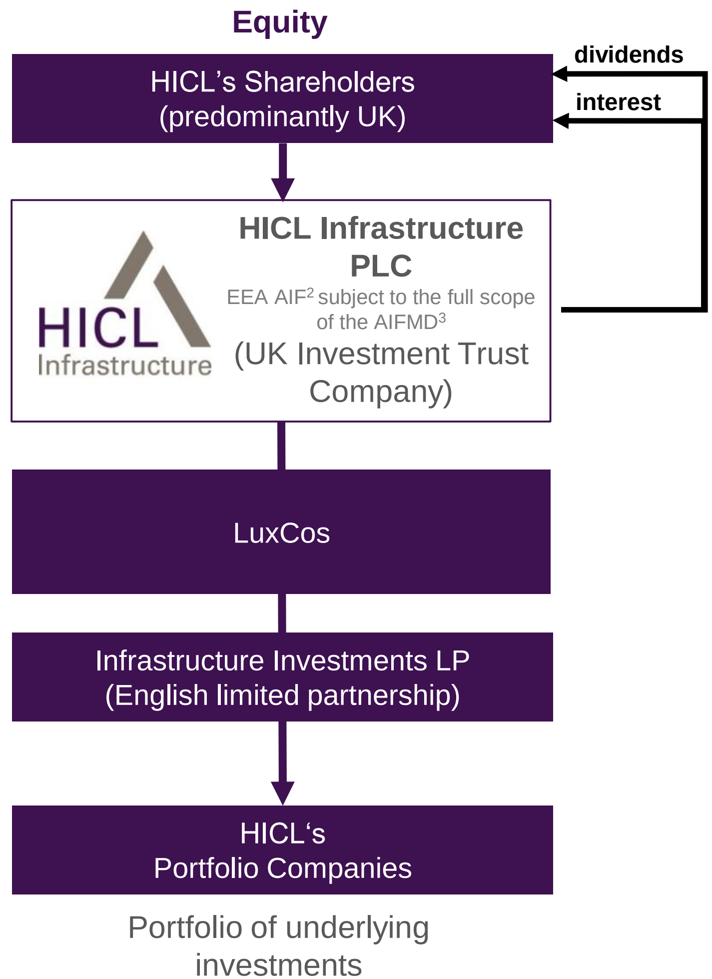
- HICL's AIFM
- Management
- Strategy
- Reporting
- Acquisition pipeline
- Asset Management
- Risk and Portfolio Management

Company Secretary

- Aztec Financial Services (UK) Limited

Advisers and Service Providers

- Legal
- Corporate Broking
- Public Relations



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

Governance

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's AIFM[1] 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 I

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 worked for Scottish Power plc between 1994 and 2006, initially as Finance Director and, from 2001, as its CEO. Prior to this, he spent eight years as Finance Director at HSBC Asset Management, in Hong Kong and London.

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 the construction and house-building group Galliford Try plc from 2000 until October 2012, having held the position at Try Group plc from 1987.

After Galliford Try, he took on the role of interim CFO of Lamprell plc in the UAE.

Following his retirement, Frank was appointed as the Senior Independent Director of McCarthy and Stone and Eurocell. He is also Chair of a privately owned contracting and property development group.

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 non-executive director of a number of property and investment companies.

Susie was a Banking and Finance Partner with KPMG Channel Islands from 1990 until 2001 and Head of Audit at KPMG Channel Islands from 1999. She has served as President of the Guernsey Society of Chartered and Certified Accountants, as a member of The States of Guernsey Audit Commission and as Vice-Chairman of The Guernsey Financial Services Commission, and is a director of the Association of Investment Companies.

Board of Directors II

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

Frances Davies
Director

Frances has more than 30 years of experience across various roles within the banking and asset management industries. Since 2007, she has been a partner of Opus Corporate Finance, a corporate finance advisory business. Prior to that she served as Head of Global Institutional Business at Gartmore Investment Management. Previously she held roles at Morgan Grenfell Asset Management and SG Warburg.

Frances currently serves as a non-executive director of JPMorgan Smaller Companies Investment Trust plc and Aegon Investments Ltd; an independent member of the Aviva With-Profits Committee; and is a member of the Hermes Property Unit Trust committee.

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. Since 2015, Simon has become an active independent director to listed investment company, private equity fund and trading company Boards.

Simon holds the DipIoD in Company Direction from the Institute of Directors, graduated from the University of Cambridge with an MEng and MA in Manufacturing Engineering and is an active member of Guernsey's GIFA, NED Forum and IP Commercial Group.

Kenneth D. Reid
Director

Kenneth, a Singapore resident, has more than 30 years international experience in infrastructure development, construction and investment. Initially with Kier Group, and then from 1990 with Bilfinger Berger AG, Ken served globally in various senior management roles, including as a member of the Group Executive Board of Bilfinger between 2007 and 2010.

Ken graduated in Civil Engineering from Heriot-Watt University with First Class Honours and then Edinburgh Business School with an MBA. He is a Chartered Engineer, a non-executive director of Sicon Limited, and a member of the Singapore Institute of Directors.

Mike Bane
Director

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. He led EY's services to the asset management industry in the Channel Islands and was a member of EY's EMEIA Wealth and Asset Management Board. Prior to EY, Mike was at PwC. Mike was president of the Guernsey Society of Charted and Certified Accountants from 2015 – 2017.

Mike graduated with a BA in Mathematics from the University of Oxford and is a long-standing member of the Institute of Chartered Accountants in England and Wales.

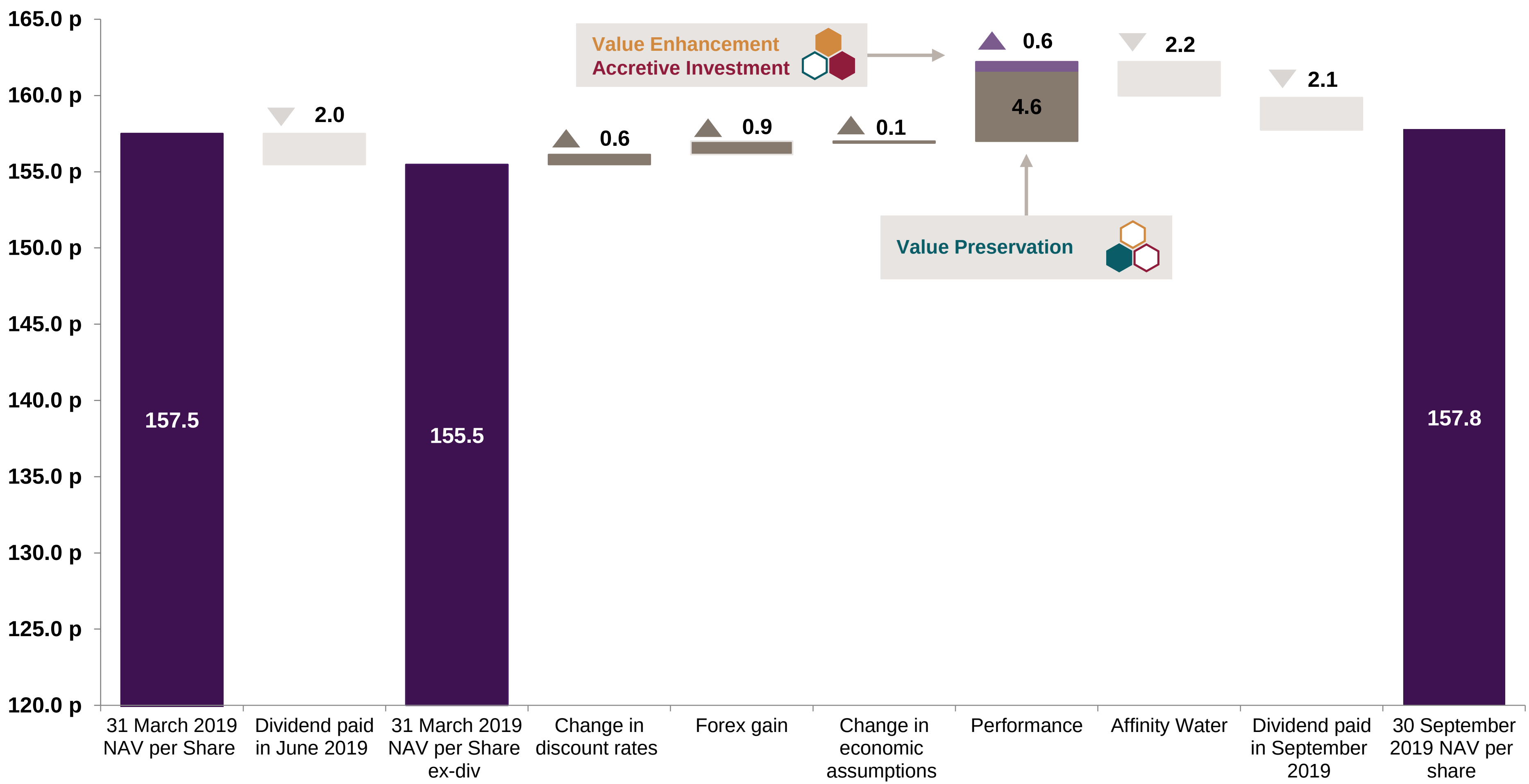
Key Performance Indicators ("KPIs")

KPI	Measure[1]	30 September 2019	30 September 2018	Objective	Commentary
Dividends[2]	Aggregate interim dividends declared per share in the period	**4.12p**	**4.02p**	An annual distribution of at least that achieved in the prior year	**Achieved**
Total Return[2]	NAV growth and dividends paid per share (since IPO)	**9.3% p.a.**	**9.5% p.a.**	A long-term IRR target of 7% to 8% as set out at IPO[1]	**Achieved**
Cash-covered Dividends	Operational cash flow / dividends paid to shareholders	**1.05x**	**1.06x**	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[3]	**1.09%**	**1.09%**	Efficient gross (portfolio) to net (investor) returns, with the intention to reduce ongoing charges where possible	**Market competitive cost proposition**

1. Set by reference to the issue price of 100p per share, at the time of HICL's IPO in March 2006
2. **Past performance is no indication of future returns. There can be no assurance than future targets will be met**
3. Calculated in accordance with Association of Investment Companies guidelines; ongoing charges exclude non-recurring items such as acquisition cost

Analysis of Change in NAV per Share[1]

Six months to 30 September 2019



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

Summary Financials I

Figures presented on an Investment Basis[1]

Income Statement	Six months to 30 September 2019	Six months to 30 September 2018
Total income	£97.9m	£211.0m
Fund expenses & finance costs	(£18.4m)	(£18.2m)
Profit before tax	£79.5m	£192.8m
Earnings per share[2]	**4.4p**	**10.8p**
Ongoing charges[3]	**1.09%**	**1.09%**

Balance Sheet (as at)	30 September 2019	31 March 2019
Investments at fair value[4]	**£2,889.3m**	**£2,909.6m**
NAV per share[2] (before final dividend)	157.8p	157.5p
Interim dividend	(2.06p)	(2.01p)
NAV per share (after interim dividend)	**155.8p**	**155.5p**

Comparative data in the tables above (for the six months to 30 September 2018, and as at 31 March 2019) relates to HICL Guernsey, being the owner of HICL's investment business until 1 April 2019

1. Investment Basis is the same basis as was applied in prior years. See the 2019 HICL Annual Report 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 30 September 2019 of £2,966.2m net of £76.9m of future investment obligations (31 March 2019: £2,998.9m net of £89.3m)

Summary Financials II

Figures presented on an Investment Basis[1]

Cash Flow	Six months to 30 September 2019	Six months to 30 September 2018
Opening net cash	(£84.3m)	(£115.2m)
Net operating cash flow	**£76.5m**	**£93.6m**
Investments (net of disposals)	(£18.0m)	(£60.5m)
Equity raised (net of costs)	(£0.7m)	(£0.2m)
Forex movements and debt issue costs	(£1.6m)	(£1.6m)
Dividends paid	(£73.1m)	(£70.3m)
Net (debt) / cash	**(£101.2m)**	**(£154.2m)**
Dividend cash cover	**1.05x**	**1.06x[2]**

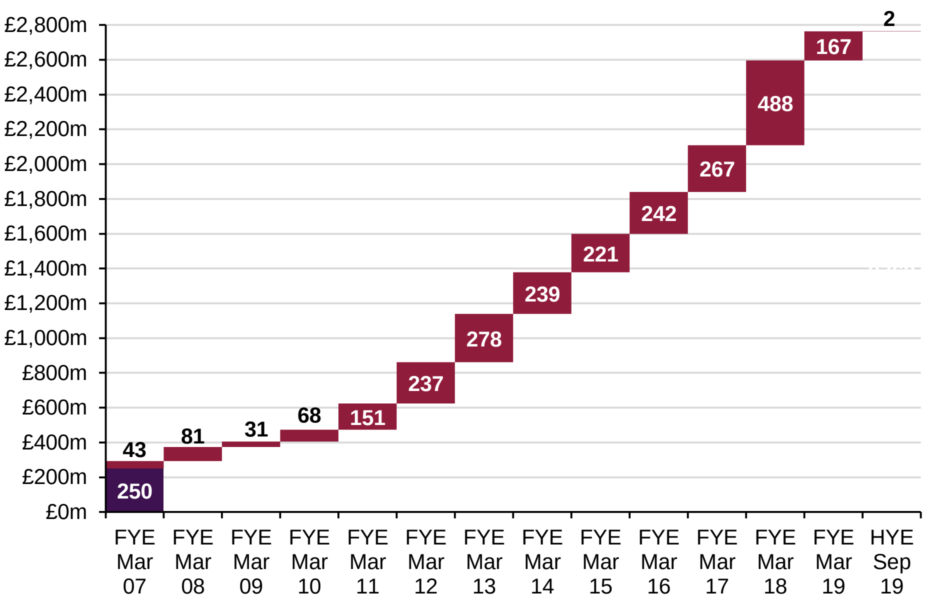
Comparative data in the table above (for the six months to 30 September 2018) relates to HICL Guernsey, being the owner of HICL's investment business until 1 April 2019

1. Investment Basis is the same basis as was applied in prior years
2. Excluding profit on disposals in the period of £18.9m. Including this, dividend cash cover would have been 1.33x

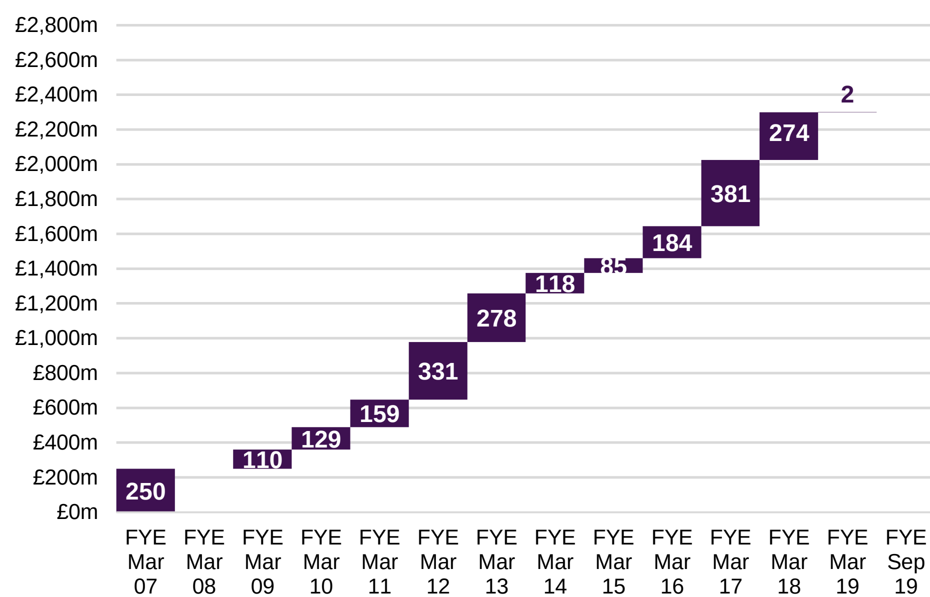
Investment and Capital Raising

- 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 initial IPO and c.£2.0bn through subsequent share issues

194 Acquisitions[1] since IPO to 30 September 2019 totaling £2.78bn



Over £2.2bn of Equity Issuance from IPO to 30 September 2019[2]



1. Split into 116 investments, as at 30 September 2019. Excludes disposals, the proceeds of which have been reinvested
2. Includes primary and secondary issuance by way of tap and scrip issues

Acquisition Strategy

Investment Policy unchanged since IPO in 2006

- Origination activity continued across all core market segments during the year
- Market dynamics continue (principally, strong competition for assets) - pricing discipline remains crucial
- 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

Located in target markets

- Europe / UK
- North America
- Australia / NZ

MARKET SEGMENT

Generates long-term revenues

- Principal focus:
  - 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
  - Corporate assets with contracted revenues and acceptable covenant

ASSET QUALITY

At the lower end of the risk spectrum

- Monopoly or essential asset / concession
- Long-term, stable cashflows built on:
  - Revenues with good visibility
  - Where relevant, good quality counterparties
  - Where possible, long-term debt financing at asset level

OPPORTUNITY TO ADD VALUE

Enhances existing portfolio

- Accretive on one or more metric:
  - Total return
  - Yield
  - Inflation-linkage
  - Asset life
- Pricing discipline
- Potential for upside
- Sustains prudent portfolio construction and diversification

Appendix III

The Investment Portfolio

Portfolio I

Portfolio of 116 assets[1]

Education — **14% of Directors' Valuation[2]**

Bangor & Nendrum Schools	Ealing Schools	Manchester School	Rhondda Schools
Barking & Dagenham Schools	East Ayrshire Schools	Newham BSF Schools	Salford & Wigan BSF Phase 1
Belfast Metropolitan College	Ecole Centrale Supelec (France)	Newport Schools	Salford & Wigan BSF Phase 2
Boldon School	Edinburgh Schools	North Ayrshire Schools	Salford Schools
Bradford Schools 1	Falkirk Schools NPD	North Tyneside Schools	Sheffield Schools
Bradford Schools 2	Fife Schools 2	Norwich Schools	Sheffield BSF Schools
Conwy Schools	Haverstock School	Oldham Schools	South Ayrshire Schools
Cork School of Music (Ireland)	Health & Safety Labs	Paris-Sud University (France)	University of Bourgogne (France)
Croydon School	Helicopter Training Facility	Perth & Kinross Schools	West Lothian Schools
Darlington Schools	Irish Grouped Schools (Ireland)	PSBP NE Batch	Wooldale Centre for Learning
Defence Sixth Form College	Kent Schools	Renfrewshire Schools	
Derby Schools			

Fire, Law & Order — **7%**

Addiewell Prison	Exeter Crown and County Court	Metropolitan Police Training Centre	Sussex Custodial Centre
Breda Court (the 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 (the Netherlands)
D&C Firearms Training Centre	Medway Police		

Transport — **32%**

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. Excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and is due to complete by the end of the year; and excludes Race Bank OTFO which exchanged after the period end
2. By value, at 30 September 2019, using the Directors' Valuation of £2,966.2m excluding Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and is due to complete by the end of the year; and excludes Race Bank OTFO which completed after the period end

Portfolio II

Portfolio of 116 assets[1]

Health			29% 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			7%
Affinity Water	Burbo Bank OFTO	Race Bank OFTO	

Key

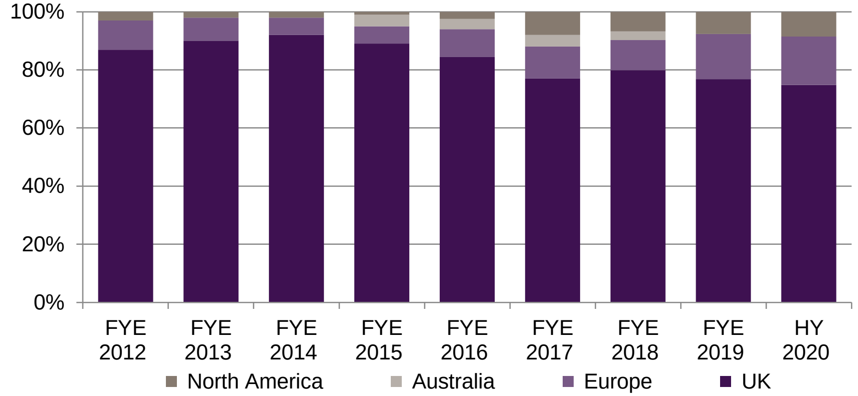
▲ New investment since 31 March 2019 ▲ Disposal announced after period end 30 September 2019 ▲ New investment after period end 30 September 2019

1. Excludes Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and is due to complete by the end of the year; and excludes Race Bank OTFO which exchanged after the period end
2. By value, at 30 September 2019, using the Directors' Valuation of £2,966.2m excluding Health & Safety Labs and Enniskillen Hospital PPP projects, which exchanged on 27 September 2019 and is due to complete by the end of the year; and excludes Race Bank OTFO which exchanged after the period end

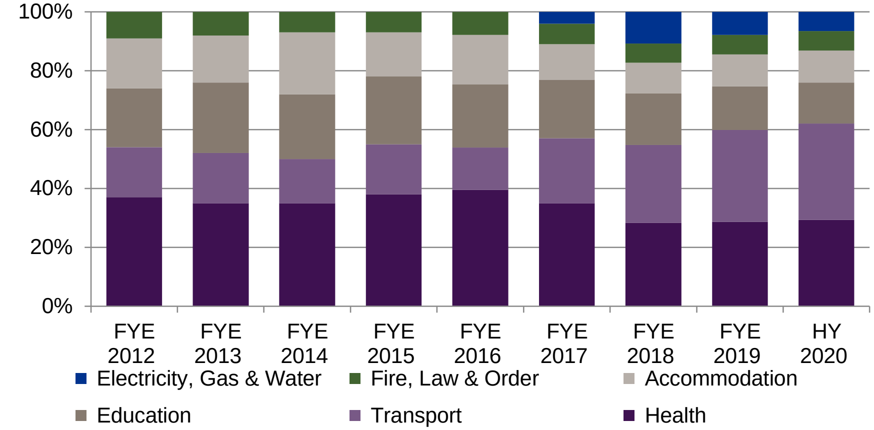
Portfolio – Key Attributes

Evolution of the Group's portfolio

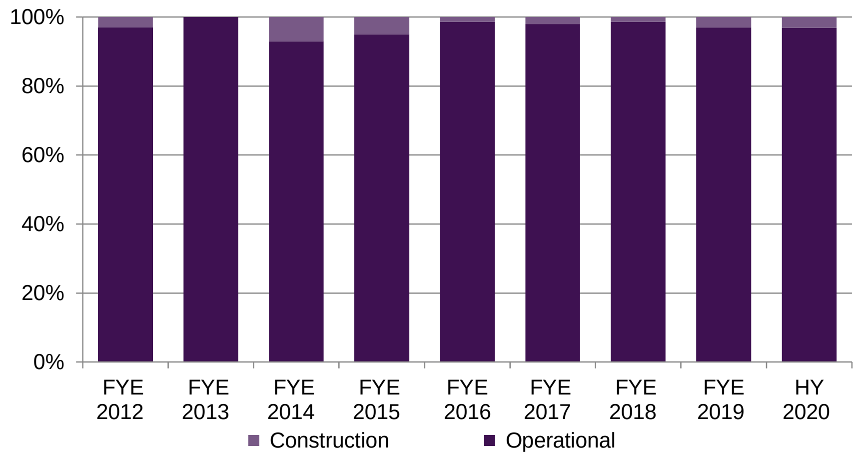
Geographically Diverse Portfolio



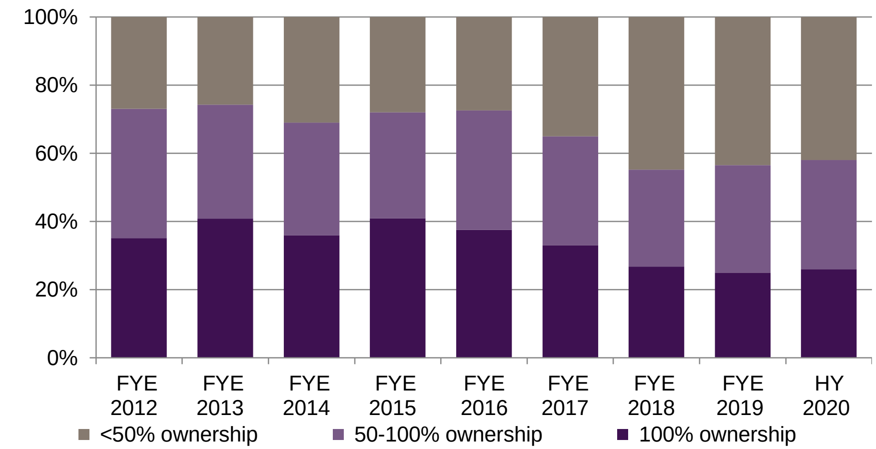
Diverse Sector Spread



Predominantly Operational Assets



Opportunities to Increase Ownership Stakes

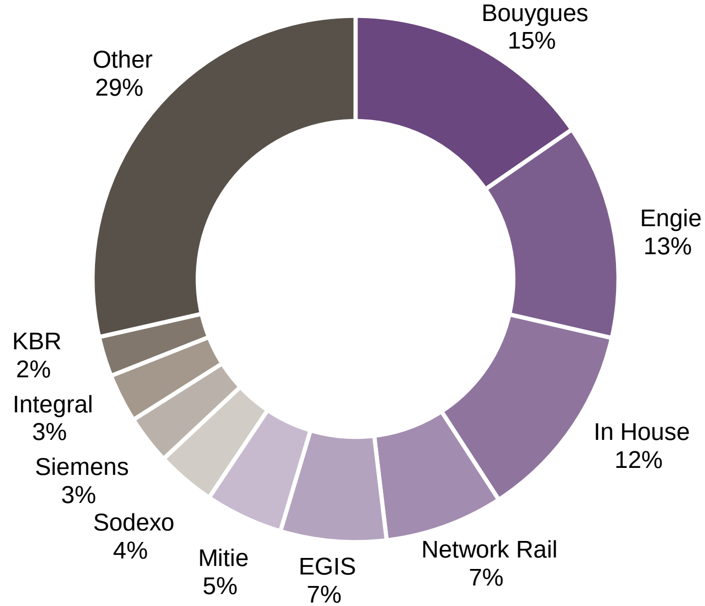


By value, using Directors' Valuation

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(UK) 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 Exposures[1]

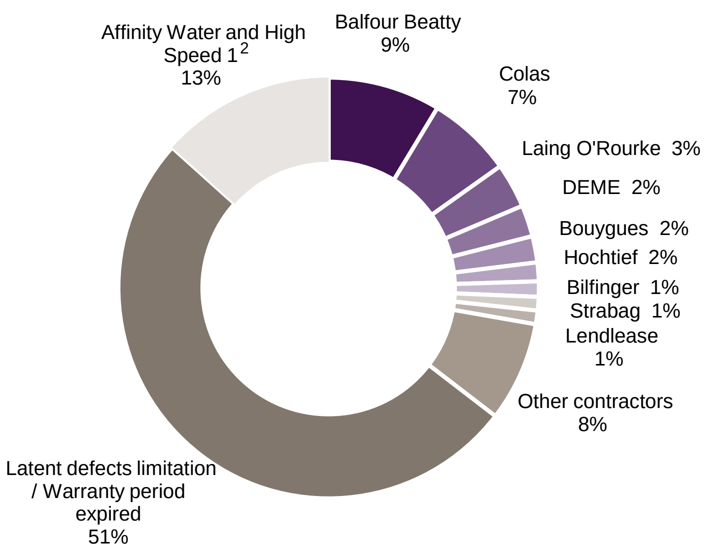


1. By value, at 30 September 2019. Where a project has more than one operations contractor in a joint and several contract, the better credit counterparty has been selected (based on analysis by InfraRed). Where a project has more than one operations contractor, not in a joint and several contract, the exposure is split equally among the contractors, so the sum of the pie segments equals the Directors' Valuation. Projects where Kier or Interserve are the facilities management contractor represent less than 2% and 1% of the portfolio, by value, respectively

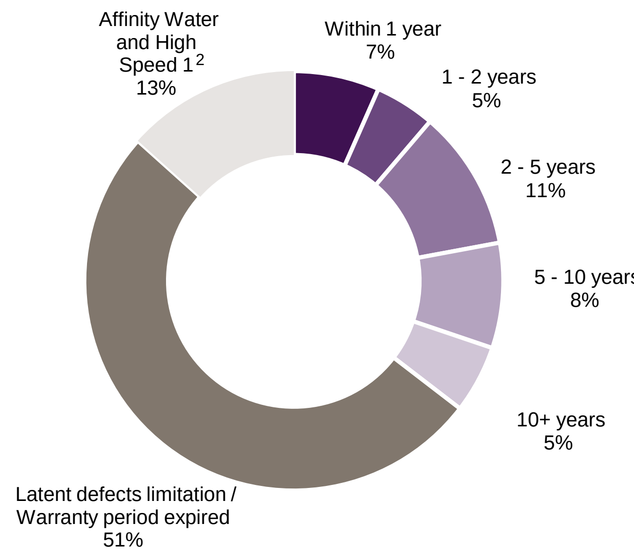
Construction Counterparty Exposure

- 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 30 September 2019, 35% of the portfolio[1] 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 Exposures[1]



Latent Defects Limitations / Warranty Periods Remaining[1]



1. By value, at 30 September 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

Appendix IV
Valuation Methodology

Valuation Methodology

HICL Infrastructure

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

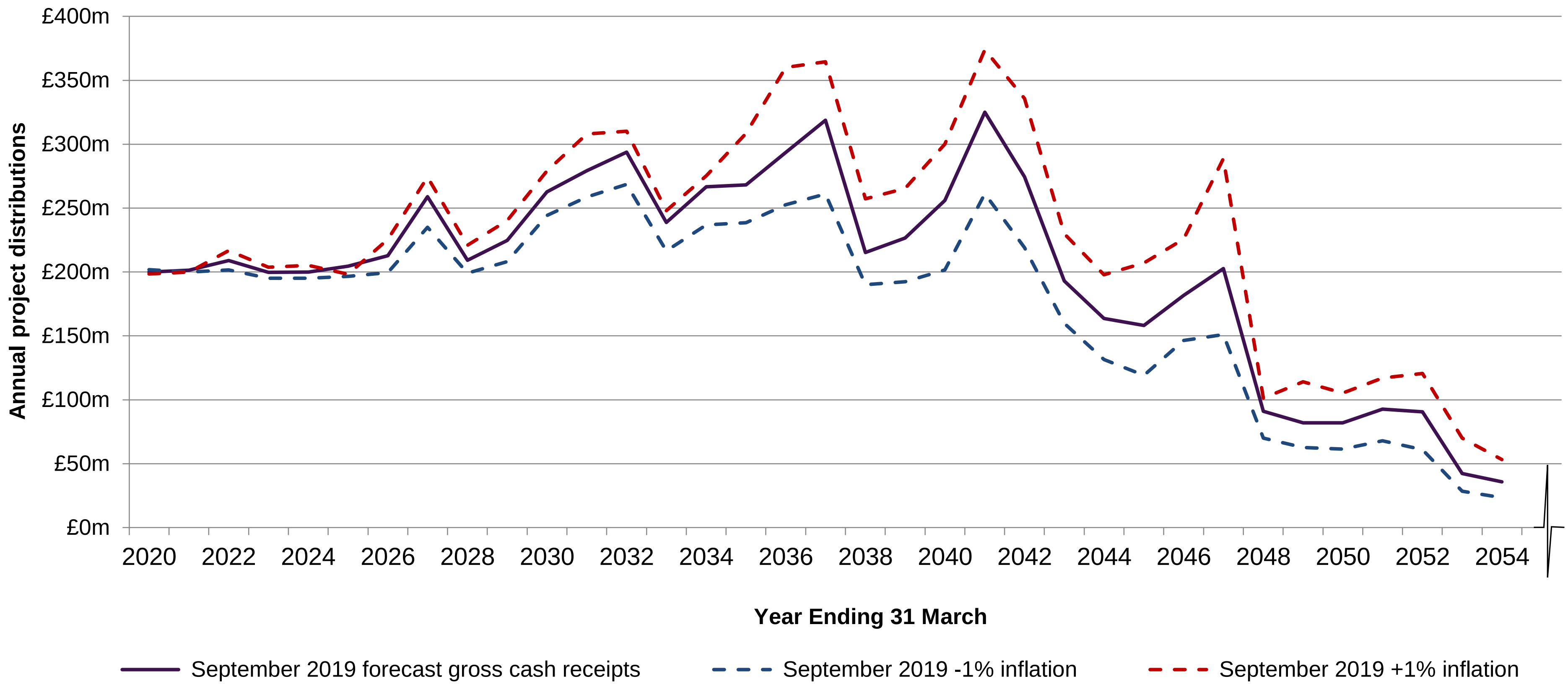
		Movement	30 September 2019	31 March 2019
Discount Rate	Weighted Average	↓	7.1%	7.2%
Inflation[1] (p.a.)	UK (RPI[2] & RPIx[2]/CPIH[3]) Eurozone (CPI) Canada (CPI) USA (CPI)	↔	2.75% / 2.0% 2.0% 2.0% 2.0%	2.75% / 2.0% 2.0% 2.0% 2.0%
Interest Rates (p.a.)	UK Eurozone Canada USA	*Eurozone long term rate decreased*	1.0% to 2022, 2.0% thereafter 0.5% to 2022, 1.0% thereafter 2.0% to 2021, 2.5% thereafter 2.0% to 2021, 2.5% thereafter	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
Foreign Exchange	EUR / GBP CAD / GBP USD / GBP	↑	0.89 0.61 0.81	0.86 0.57 0.77
Tax Rate (p.a.)	UK Canada USA	↔	19% to 2020, 17% thereafter 26% and 27% 21% Federal & 4.6% Colorado State	19% to 2020, 17% thereafter 26% and 27% 21% Federal & 4.6% Colorado State
	Eurozone	↑ *(Netherlands)*	Ireland 12.5% France 25% - 33.3% Netherlands 21.7% - 25%	Ireland 12.5% France 25% - 33.3% Netherlands 20% - 25%
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

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 slide 55, the expected return from the portfolio[3] (before Group expenses) would increase by 0.8% from 7.1% to 7.9%



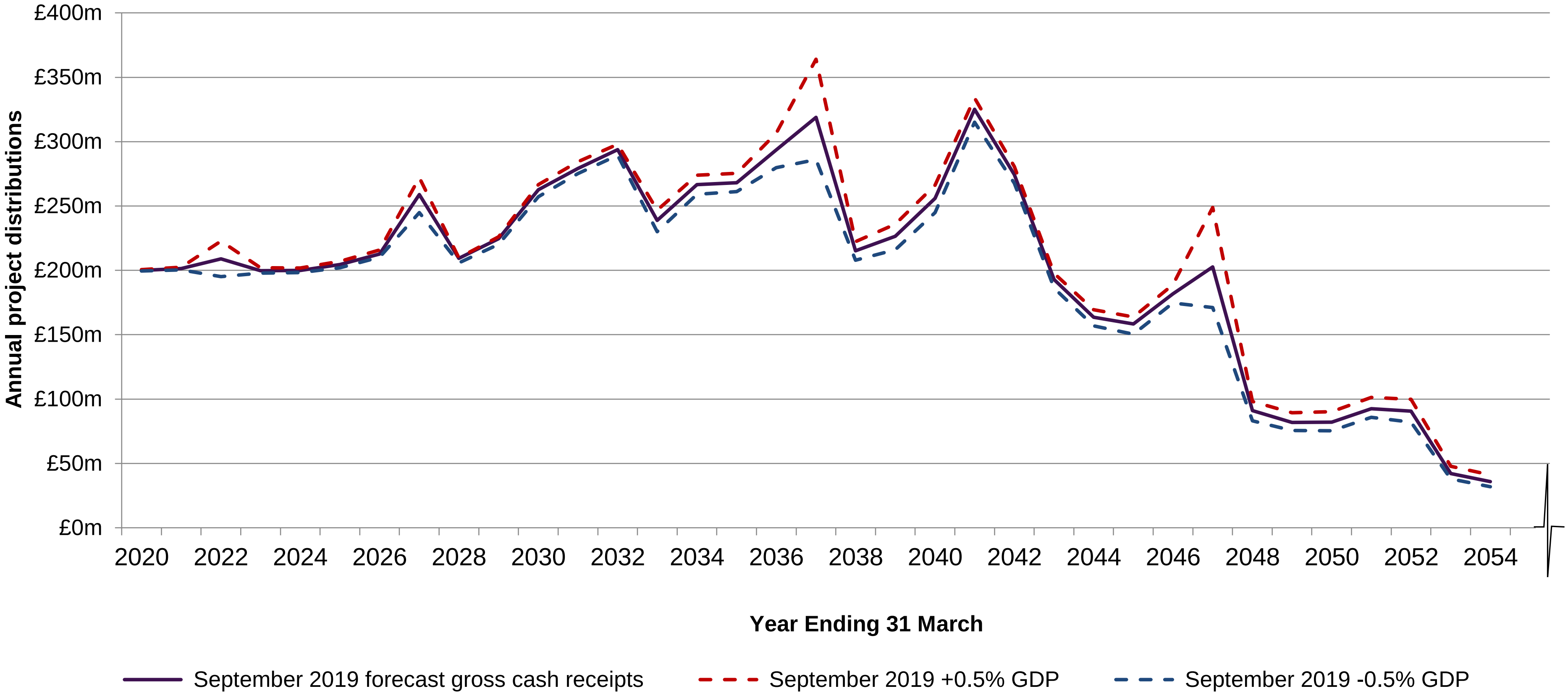
1. Sensitivity based on forecast gross portfolio cash flows as at 30 September 2019
2. The illustration represents a target only and is not a profit forecast. There can be no assurance that this target will be met

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

Portfolio Cash flow Sensitivity III

Impact of changes in Gross Domestic Product on portfolio cash flows[1,2]

- If GDP assumptions were 0.5% p.a. lower for all future periods, expected return from the portfolio[3] (before Group expenses) decreases 0.2% from 7.1% to 6.9%
- Sensitivity based on forecast gross portfolio cash flows as at 30 September 2019



1. Sensitivity based on forecast gross portfolio cash flows as at 30 September 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**

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

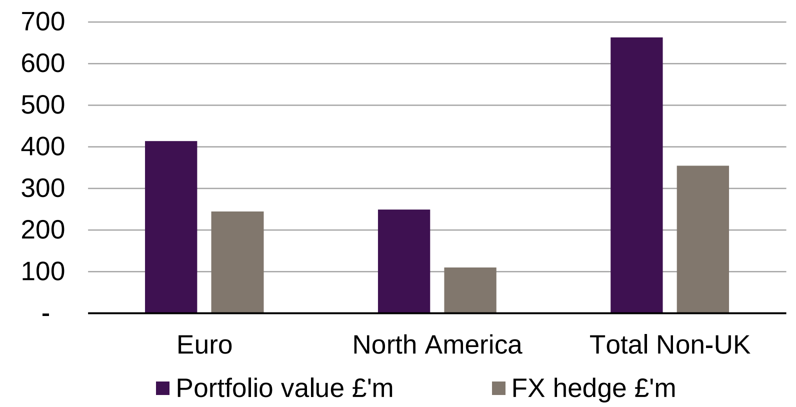
Objective

- 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

Hedging at 30 September 2019



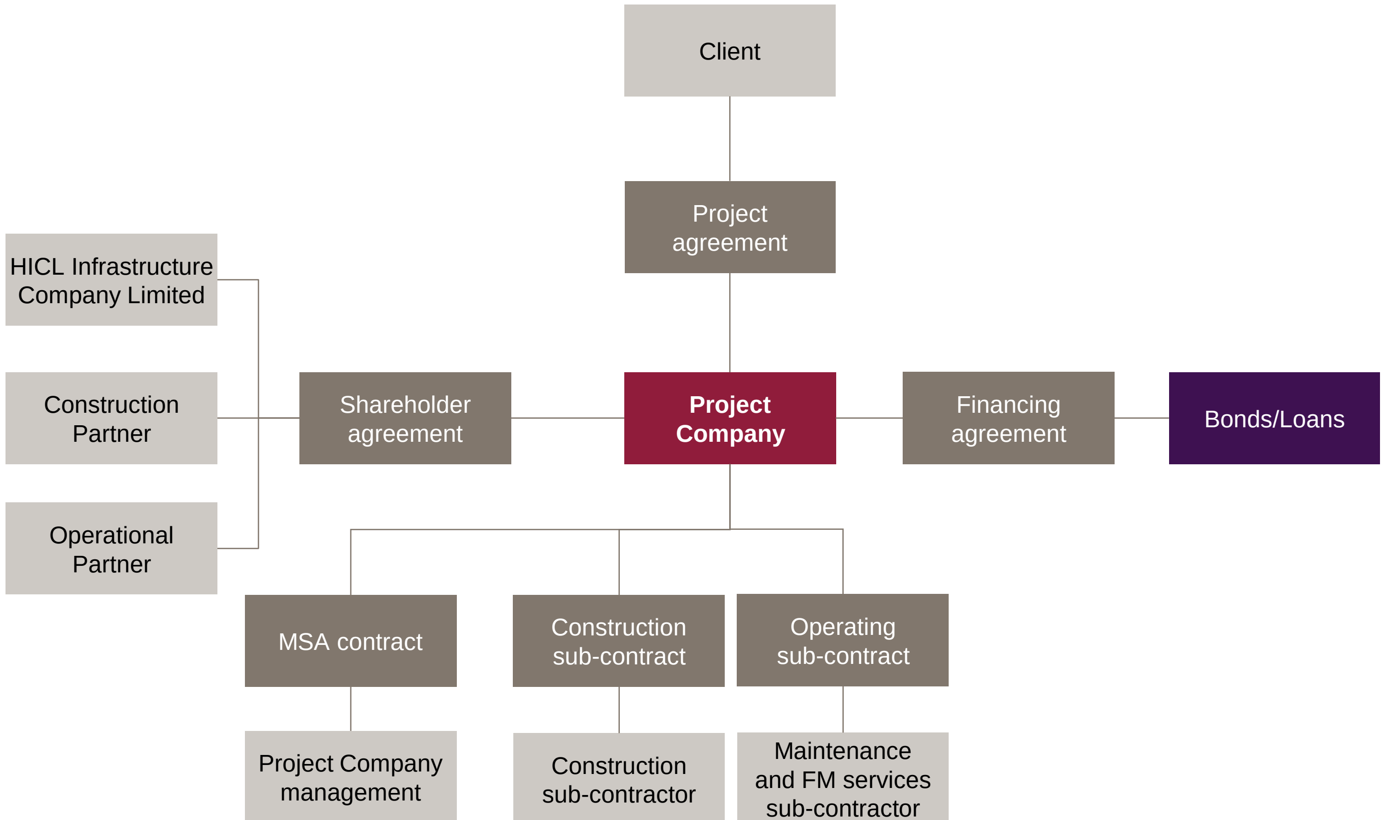
HICL’s hedging policy

- Limit volatility of NAV per share to no more than 2% for a 10% movement in FX rates
- 0.6% net FX gain as percentage of NAV for period ended September 2019

Appendix V

The Infrastructure Asset Class

Typical PPP project structure



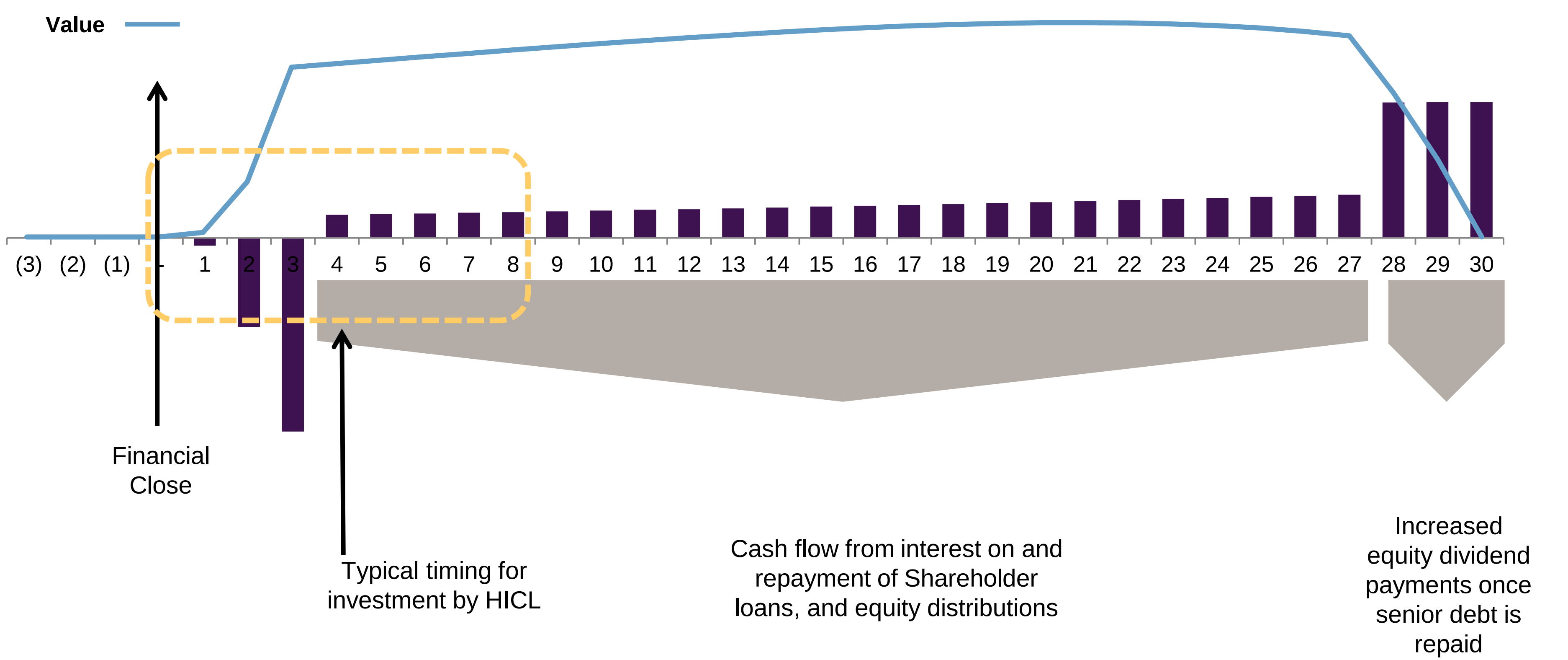
Source: InfraRed

Illustrative Investment Cash Flow Profile – PPP Project

Example: Social infrastructure return derived from an 'availability' revenue stream

HICL Infrastructure

Typical PPP Project Investment Cash Flow Profile		
Bidding Phase	Construction Phase	Operation & Maintenance Phase



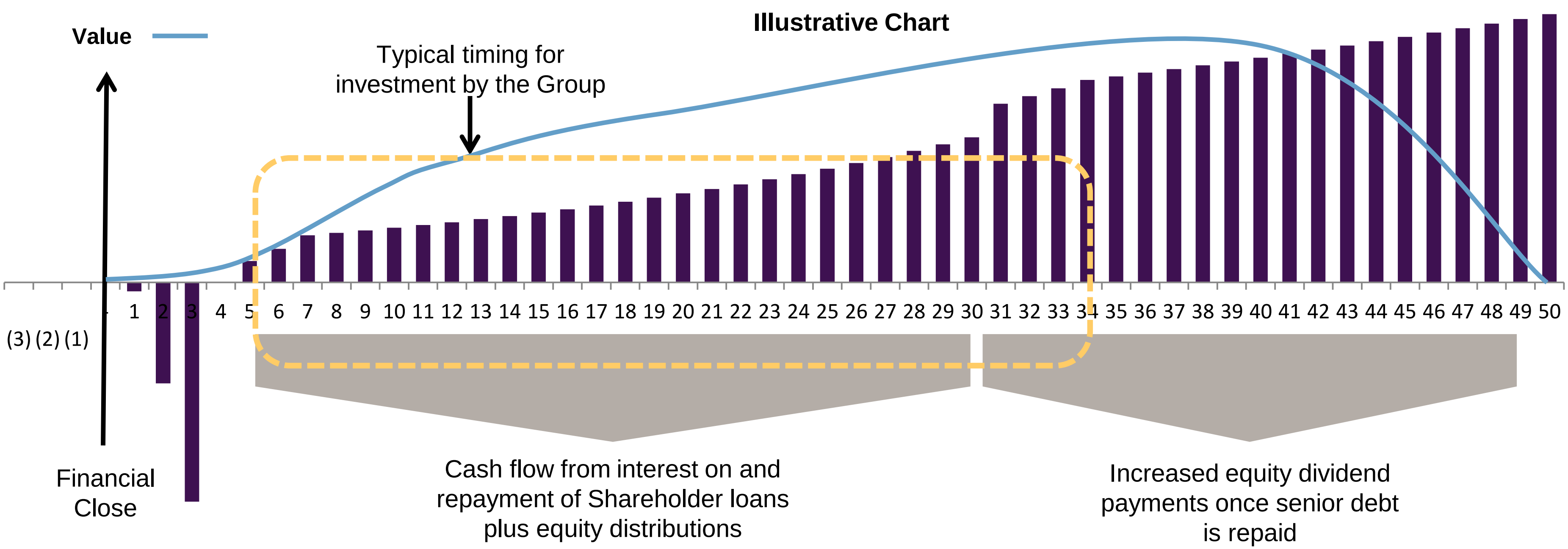
Source: InfraRed

Illustrative Investment Cash Flow Profile – Demand-based Asset

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

HICL Infrastructure

Typical Toll Road Investment Cash Flow Profile			
Bidding Phase	**Construction Phase**	Ramp-Up	**Operation & Maintenance (Steady State)**



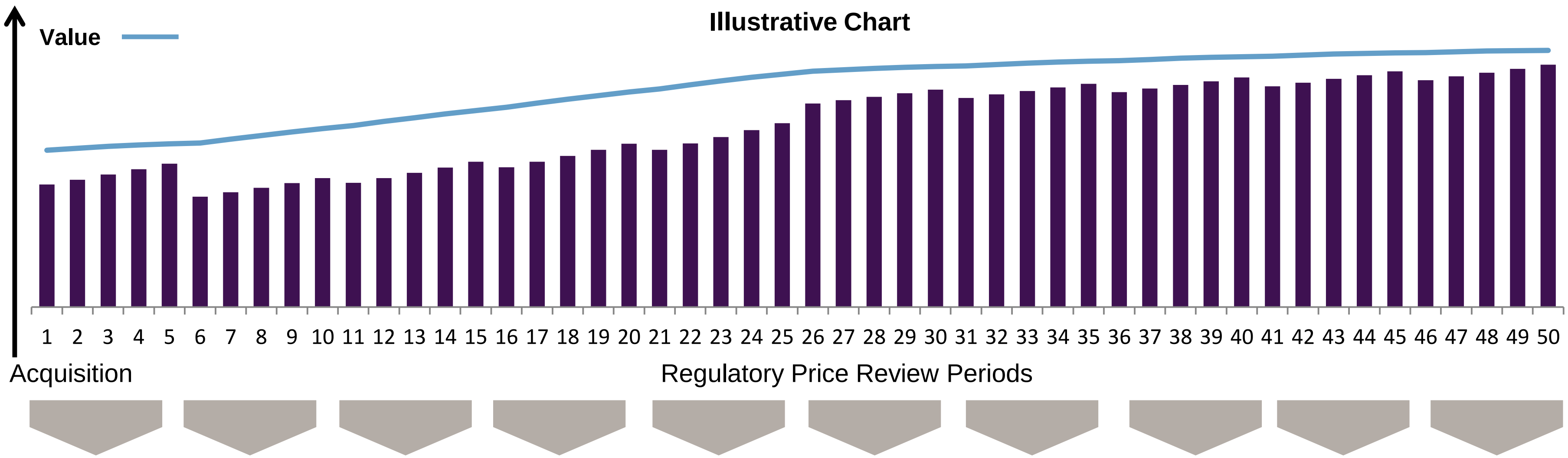
Source: InfraRed

Illustrative Investment Cash Flow Profile – Regulated Asset

Example: Utility company return derived from a regulated revenue stream

Typical Regulated Asset Investment Cash Flow Profile

Operational Network

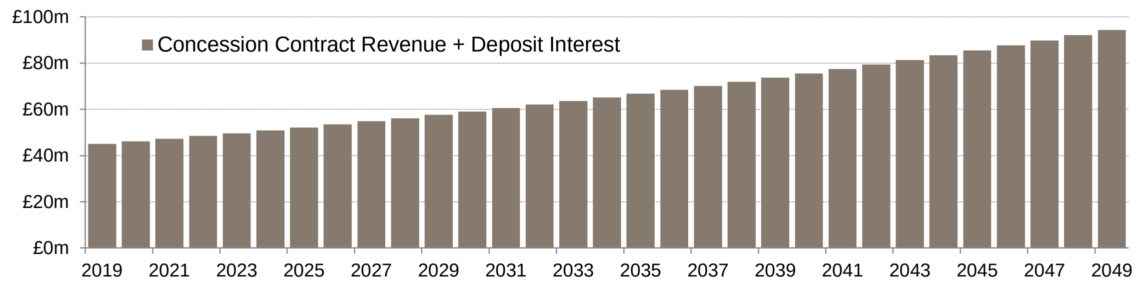


Source: InfraRed

Valuation – Methodology

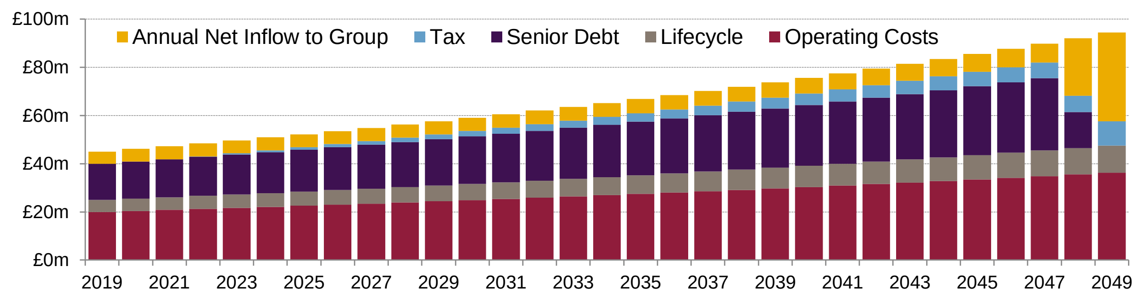
Determining the net asset value of the portfolio and the Group (PPP project example)

Forecast Project Inflows



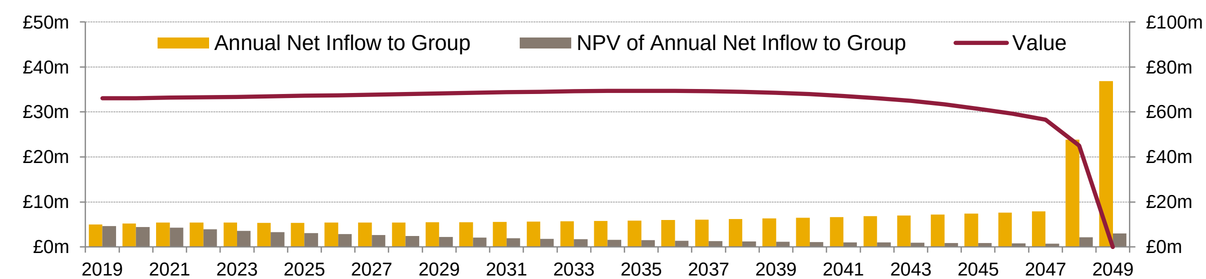
less

Forecast Project Outflows



equals

Net Inflow from Project to HICL



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

Source: InfraRed