

# Annual General Meeting



**9 July 2013**

# Introduction

Peter Sedgwick  
Chairman





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- Review and business update
  - The resolutions

# Board of Directors

3i Infrastructure plc



**Peter Sedgwick**

Chairman



**Philip Austin**

Non-executive Director  
Senior Independent Director



**Sir John Collins**

Non-executive Director



**Paul Masterton**

Non-executive Director



**Ben Loomes**

Non-executive Director  
(from today)



**Florence Pierre**

Non-executive Director



**Paul Waller**

Non-executive Director



**Steven Wilderspin**

Non-executive Director  
Chairman of Audit Committee

# 2013 – a successful year for the Company

3i Infrastructure plc



- Achieved **good growth in NAV**, underpinned by the strong performance of the European portfolio, albeit with continued challenges in India
- Sold Alpha Schools for a **considerable uplift to cost** and ahead of carrying value
- Refinanced the Oystercatcher acquisition debt, **de-risking** the investment
- Agreed a new £200m revolving credit facility on **improved terms**
- Updated the financial objectives to a **total return of 10% per annum, of which 5.5% to be delivered through dividends** to shareholders

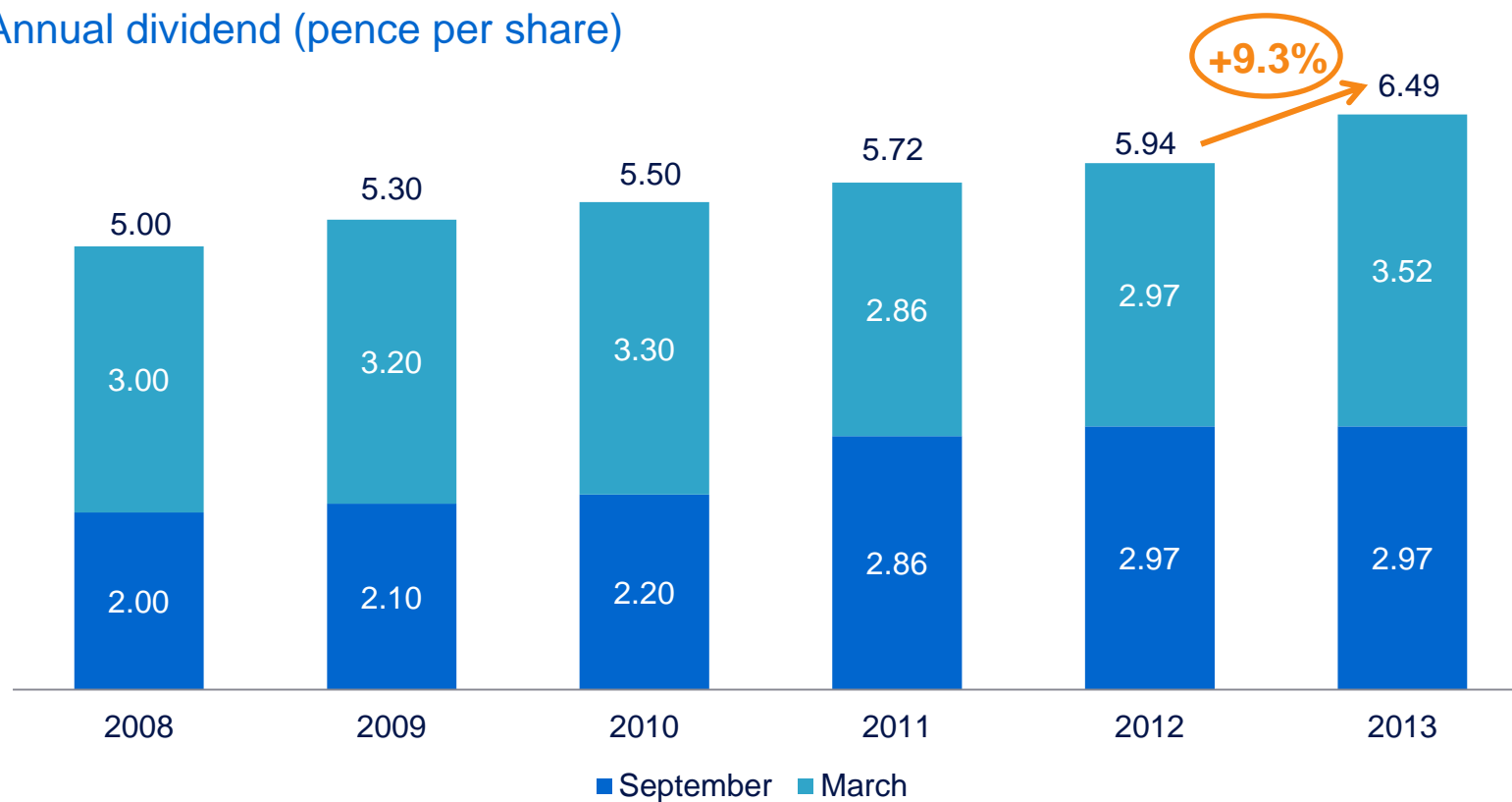
Strong performance allowed the Board to declare a 3.52p dividend for the second half, 6.49p in total for the year

# Dividend progression

3i Infrastructure plc



Annual dividend (pence per share)



Strong dividend progression

# Review and business update

Cressida Hogg



# A good start to the current financial year

## Interim Management Statement

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3i Infrastructure plc



- Invested £62 million in Cross London Trains, which will invest in rolling stock to be leased on the Thameslink line
- European portfolio assets continue to perform well, generating income of £17.9 million in the first quarter
- Current cash balances of £97.4 million, after investment in Cross London Trains and payment of the final dividend
- Renewed the £200 million revolving credit facility
- 3i Group's proposed acquisition of Barclays Infrastructure Funds Management to enhance market access for the Company



# New investment

## Cross London Trains (“XLT”)



- £61.8m investment in a 33.3% holding in XLT announced on 27 June 2013
- XLT established to finance and purchase a fleet of 115 Desiro City trains from Siemens plc to be leased to the Thameslink franchise operator
- 3i Infrastructure, Innisfree and Siemens Project Ventures are equal shareholders
- Siemens will be responsible for the manufacturing and ongoing maintenance of the trains
- Investment expected to deliver income to 3i Infrastructure from the current financial year

The investment in XLT, which will own a key element of London's commuter rail infrastructure, is a significant milestone for 3i Infrastructure and is consistent with our view of the market opportunity in primary projects

# 3i Group's strategic acquisition of Barclays' infrastructure fund management business

3i Infrastructure plc



## Overview of business

- AUM of c.£780m
- Manages number of unlisted funds investing in UK and European PPP and renewable energy projects
- Team based in London and Paris

## Strategic rationale

- ✓ Complements and broadens existing 3iN offering
- ✓ New team covers attractive and specialist market segment
- ✓ Experienced team with good track record
- ✓ Aligned to 3iN's target portfolio balance



- Demand for infrastructure assets continues to grow, as investors seek yield in a low interest rate environment
- As infrastructure M&A volumes remain muted, price points have risen across the infrastructure market, driving down projected returns
- Economies, particularly in Europe, struggle to recover, but this may result in PPP opportunities as governments try to stimulate growth
- India remains challenging due to slowing growth, a growing fiscal deficit and currency volatility – no successor fund in that market

## Outlook

- There are challenges, but the infrastructure market offers attractive opportunities for skilled investors
- We are seeing good investments in our focus markets of core infrastructure and PPP



<b>Core portfolio bedrock</b>	Diverse portfolio with strong track record of returns provides a bedrock for future development
<b>Target opportunities</b>	Attractive market opportunity in core infrastructure and PPP projects for skilled investors
<b>Return volatility</b>	Low return volatility in Europe diluted by higher volatility in returns from the India Fund
<b>Portfolio balance</b>	Portfolio to be rebalanced over time in favour of less volatile and higher yielding core and PPP infrastructure
<b>Specialist advisory skills</b>	Investment Adviser well placed to target the market opportunity and to drive value from the portfolio

Total return objective of **12%**, to be achieved over the long term

Annual distribution yield of **5%** of opening NAV

Annual total return objective of **10%** of opening NAV

Annual distribution yield of **5.5%** of opening NAV



- We have a portfolio and strategy in place to deliver a 10% annual return and the enhanced dividend objective with **reduced volatility**
- The European portfolio continues to deliver returns ahead of our expectations and provides a **bedrock for future development**
- The market in our focus northern European regions provides **attractive opportunities**
- With its **market leading track record** and with the addition of the BIFM team, the Investment Adviser is optimally placed to access these

# Resolutions

Peter Sedgwick  
Chairman





- 13 ordinary resolutions
  - Normal annual business (including dividend and auditor reappointment)
  - Directors submitting themselves for reappointment
  - Approval of Directors' remuneration report
  - Scrip Dividend Scheme
  
- 4 special resolutions
  - Dis-application of pre-emption rights
  - Amendments to the Articles of Association
  - Authorisation of share buy-back authority



## RESOLUTIONS

Please mark 'X' to indicate how you wish to vote

### Ordinary Resolutions

- |   | For                                 | Against                  | Vote Withheld            |
|---|-------------------------------------|--------------------------|--------------------------|
| 1. To receive and consider the Company's accounts for the year to 31 March 2013 and the auditors' report on those accounts.                         | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. To approve the Directors' remuneration report for the year to 31 March 2013.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To declare a final dividend of 3.52p per Ordinary Share.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. To re-elect Peter Sedgwick as a Director.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. To re-elect Philip Austin as a Director.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. To re-elect Sir John Collins as a Director.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. To re-elect Steven Wilderspin as a Director.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. To re-elect Paul Masterton as a Director   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. To elect Ben Loomes as a Director  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. To re-appoint Ernst & Young LLP as independent auditors of the Company, to hold office until the conclusion of the next annual general meeting. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. To authorise the Directors to determine the remuneration of the independent auditors.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

## RESOLUTIONS

Please mark 'X' to indicate how you wish to vote

- |   | For                                 | Against                  | Vote Withheld            |
|---|-------------------------------------|--------------------------|--------------------------|
| 12. To authorise the Directors to offer shareholders the right to elect to receive new ordinary shares in the Company (credited as fully paid) instead of cash, in respect of all or part of any dividend declared or paid in the period between the passing of this resolution and conclusion of the Annual General Meeting of the Company to be held in 2014 (the "Scrip Dividend Scheme"). | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. To authorise the Directors to capitalise the appropriate nominal amounts of new ordinary shares of the Company to be allotted pursuant to any elections under the Scrip Dividend Scheme.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- ### Special Resolutions
- |  |                                     |                          |                          |
|--|-------------------------------------|--------------------------|--------------------------|
| 14. To authorise the Directors to allot shares in the Company for cash up to an amount equal to five per cent of the Company's issued ordinary share capital (as at the date of the notice) as if pre-emption rights did not apply to the allotment. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. To amend Article 14.3 of the Company's Articles of Association in the manner set out in the notice of the meeting dated 30 May 2013  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. To amend the Company's Articles of Association by inserting a new Article as set out in the notice of the meeting dated 30 May 2013  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. To authorise the Company to make market purchases of ordinary shares in the capital of the Company.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



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# Resolutions 1-3

## Ordinary resolutions



1. “To receive and consider the Company’s accounts for the year to 31 March 2013 and the auditors’ report on those accounts”

[Proxy votes lodged for this Resolution](#)

99.97% For, 0.01% Discretionary, 0.02% Against and 0.00% Abstain

2. “To approve the Directors’ remuneration report for the year to 31 March 2013”

[Proxy votes lodged for this Resolution](#)

99.98% For, 0.01% Discretionary, 0.01% Against and 0.01% Abstain

3. “To declare a final dividend of 3.52p per Ordinary Share”

[Proxy votes lodged for this Resolution](#)

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

# Resolutions 4-6

## Ordinary resolutions

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### 4. “To re-elect Peter Sedgwick as a Director”

[Proxy votes lodged for this Resolution](#)

99.59% For, 0.01% Discretionary, 0.40% Against and 0.00% Abstain

### 5. “To re-elect Philip Austin as a Director”

[Proxy votes lodged for this Resolution](#)

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

### 6. “To re-elect Sir John Collins as a Director”

[Proxy votes lodged for this Resolution](#)

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

# Resolutions 7-9

## Ordinary resolutions

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### 7. “To re-elect Steven Wilderspin as a Director”

Proxy votes lodged for this Resolution

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

### 8. “To re-elect Paul Masterton as a Director”

Proxy votes lodged for this Resolution

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

### 9. “To elect Ben Loomes as a Director”

Proxy votes lodged for this Resolution

98.86% For, 0.02% Discretionary, 1.12% Against and 0.00% Abstain

# Resolutions 10-12

## Ordinary resolutions



10. “To re-appoint Ernst & Young LLP as independent auditors of the Company, to hold office until the conclusion of the next annual general meeting”

[Proxy votes lodged for this Resolution](#)

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

11. “To authorise the Directors to determine the remuneration of the independent auditors”

[Proxy votes lodged for this Resolution](#)

99.99% For, 0.01% Discretionary, 0.00% Against and 0.00% Abstain

12. “To authorise the Directors to offer shareholders the right to elect to receive new ordinary shares in the Company (credited as fully paid) instead of cash, in respect of all or part of any dividend declared or paid in the period between the passing of this resolution and conclusion of the Annual General Meeting of the Company to be held in 2014 (the “Scrip Dividend Scheme”)

[Proxy votes lodged for this Resolution](#)

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

# Resolution 13

## Ordinary resolutions

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13. “To authorise the Directors to capitalise the appropriate nominal amounts of new ordinary shares of the Company to be allotted pursuant to any elections under the Scrip Dividend Scheme”

Proxy votes lodged for this Resolution

99.98% For, 0.01% Discretionary, 0.01% Against and 0.00% Abstain

# Resolutions 14-15

## Special resolutions

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14. “To authorise the Directors to allot shares in the Company for cash up to an amount equal to five per cent of the Company’s issued ordinary share capital (as at the date of the notice) as if pre-emption rights did not apply to the allotment”

[Proxy votes lodged for this Resolution](#)

99.97% For, 0.02% Discretionary, 0.01% Against and 0.00% Abstain

15. “To amend Article 14.3 of the Company’s Articles of Association in the manner set out in the notice of the meeting dated 30 May 2013”

[Proxy votes lodged for this Resolution](#)

99.97% For, 0.02% Discretionary, 0.01% Against and 0.01% Abstain

# Resolutions 16-17

## Special resolutions

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16. “To amend the Company’s Articles of Association by inserting a new Article as set out in the notice of the meeting dated 30 May 2013”

[Proxy votes lodged for this Resolution](#)

99.97% For, 0.02% Discretionary, 0.01% Against and 0.01% Abstain

17. “To authorise the Company to make market purchases of ordinary shares in the capital of the Company”

[Proxy votes lodged for this Resolution](#)

95.29% For, 0.02% Discretionary, 4.69% Against and 0.03% Abstain

(The full text of the Resolutions are set out in the Notice of AGM)



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