Results for the year to 31 March 2011

5 May 2011

Agenda

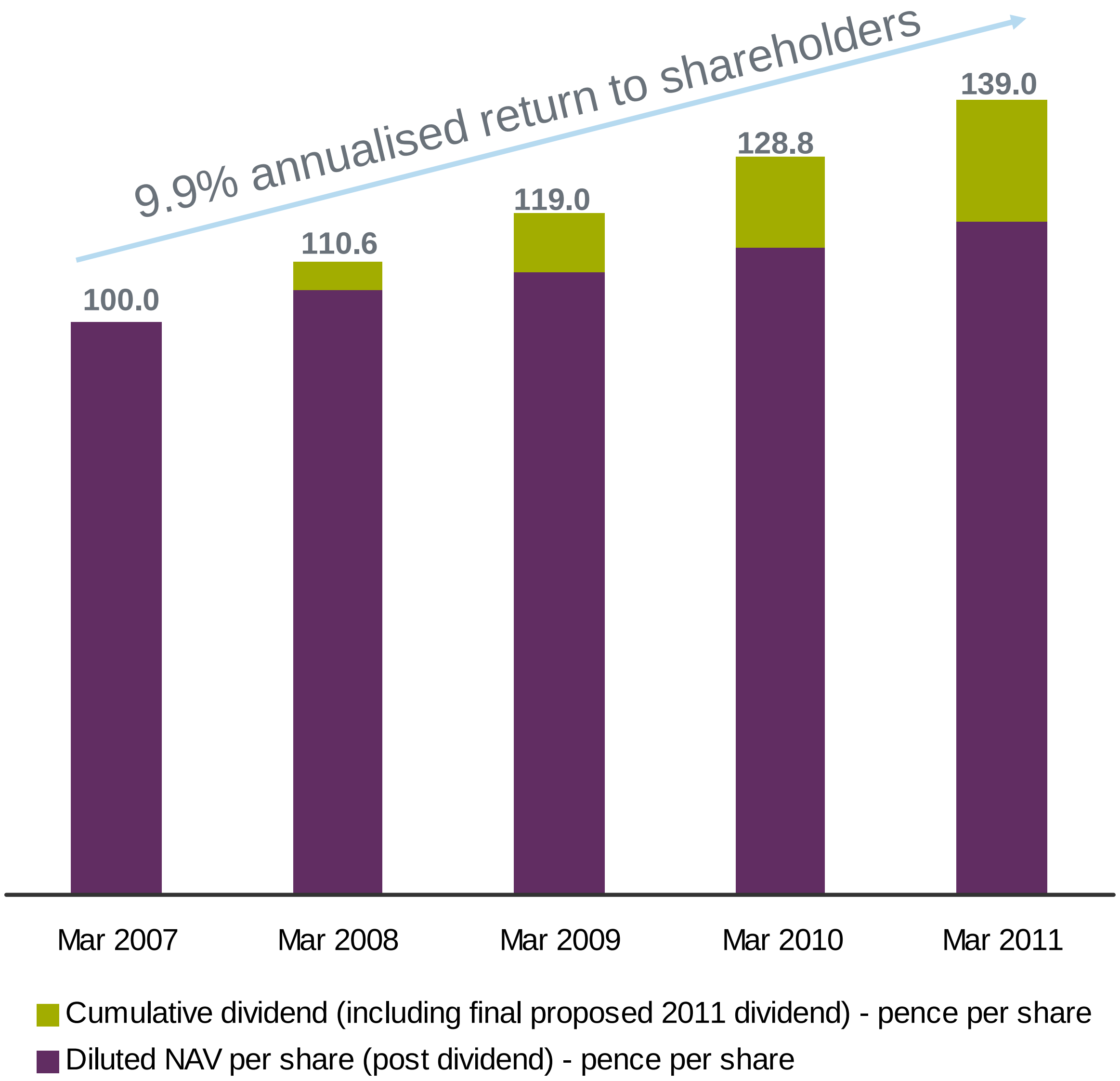
Chairman's highlights	**Peter Sedgwick** Chairman, 3i Infrastructure plc
Financial review	**Stephen Halliwell** CFO, Infrastructure, 3i Investments plc
Portfolio and strategy update	**Cressida Hogg** Managing Partner, Infrastructure, 3i Investments plc

Chairman’s highlights

Peter Sedgwick
Chairman, 3i Infrastructure plc

Chairman's highlights

- Steady NAV progression – 9.2% total return on shareholders' equity
- Strong portfolio income generation - £69.3m
- Total dividend per share of 5.72p, 5% of opening NAV
- Renewed momentum in investment activity - £186m invested in Eversholt and in the 3i India Infrastructure Fund
- New £200m revolving credit facility signed
- Investment advisory agreement and investment exclusivity for 3iN extended



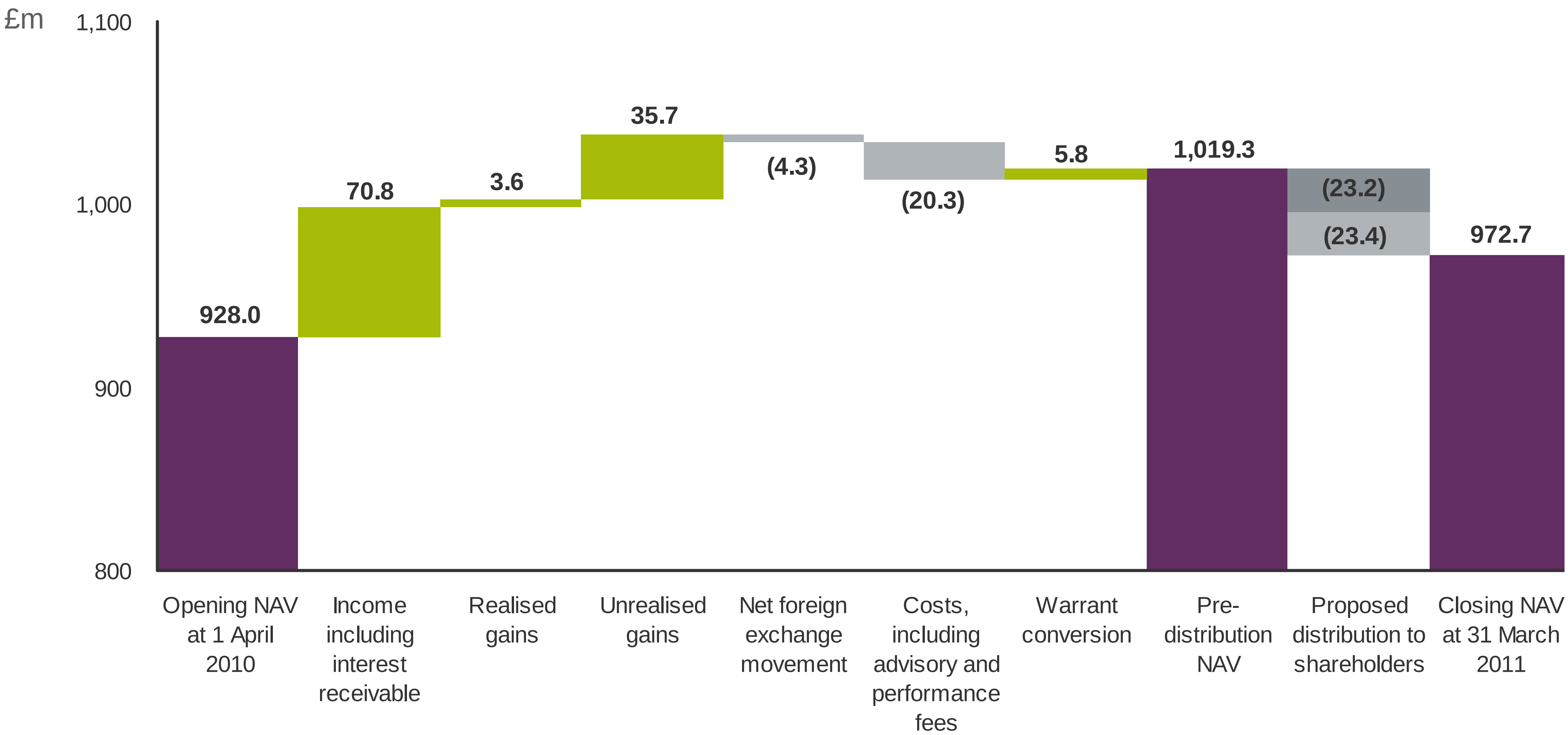
Continued growth in returns to shareholders and significant investment momentum

Financial review

Stephen Halliwell
CFO, Infrastructure, 3i Investments plc

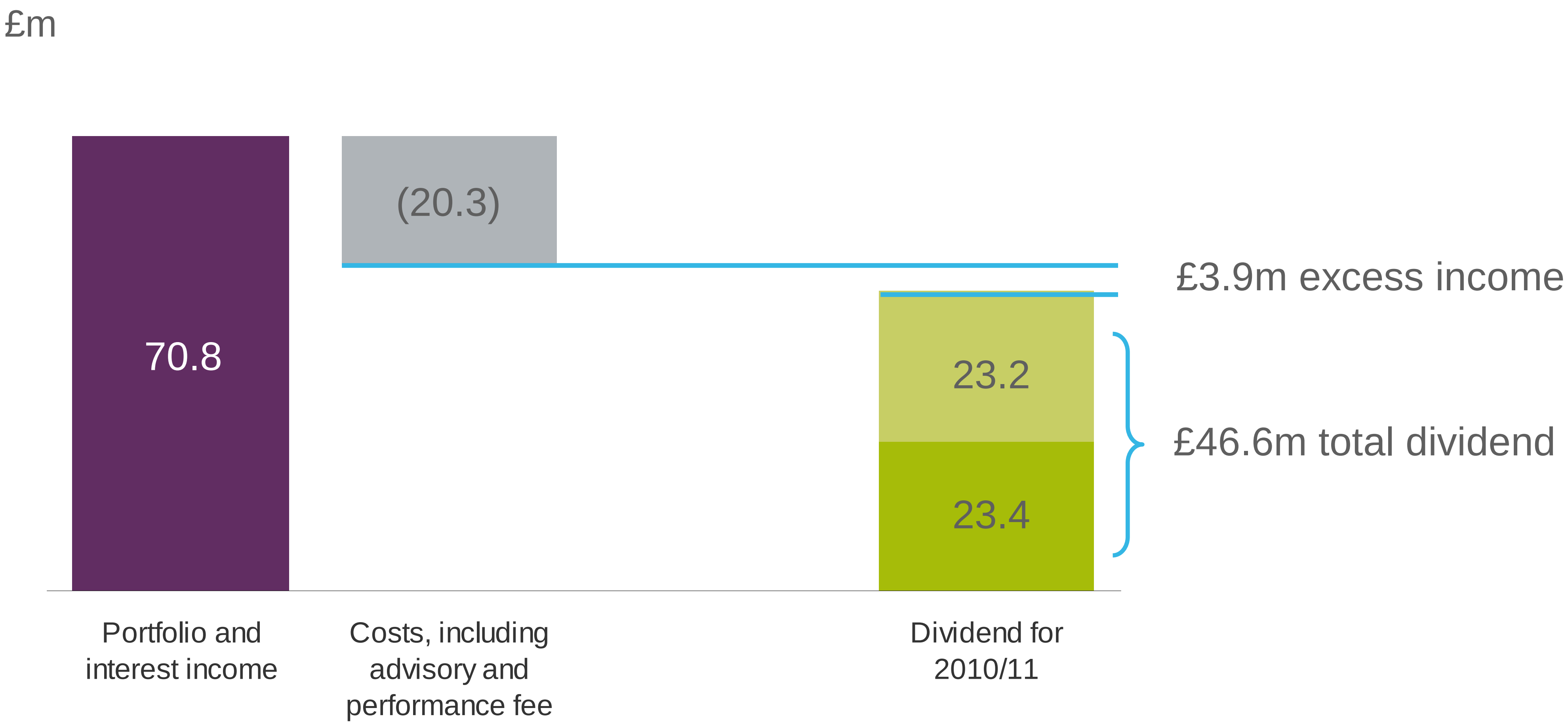
Reconciliation of movements in NAV

- Total return of £85.5m, or 9.2% of shareholders' equity
- Fully diluted, post dividend NAV: 117.4p per share



Return underpinned by strong income generation

Dividend cover

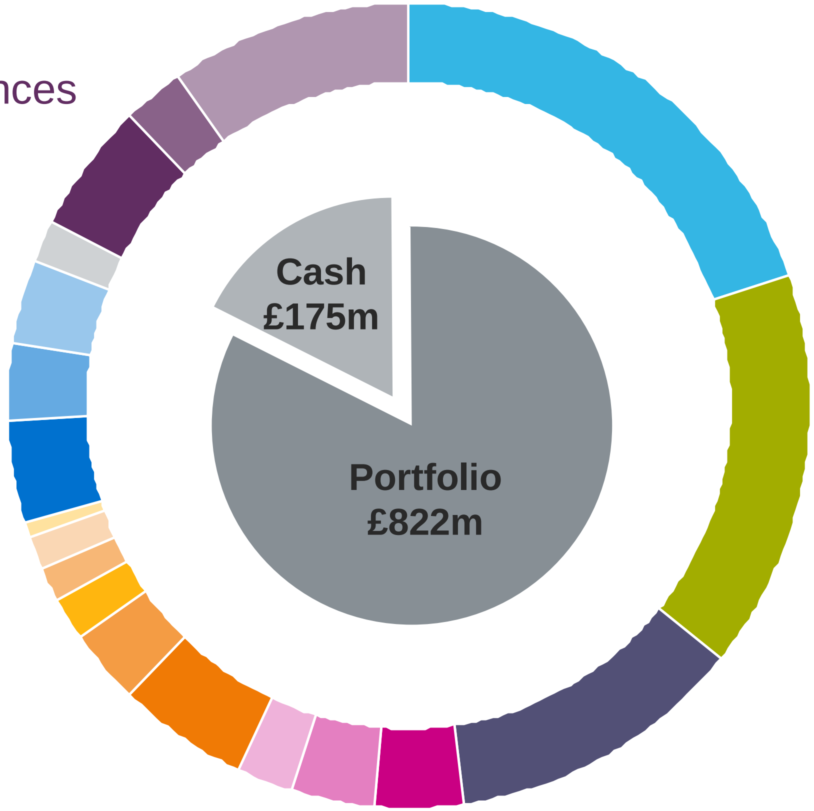


Dividend and costs amply covered by strong income generation in the year

17 assets
invested

£822m
portfolio value

£175m
cash balances



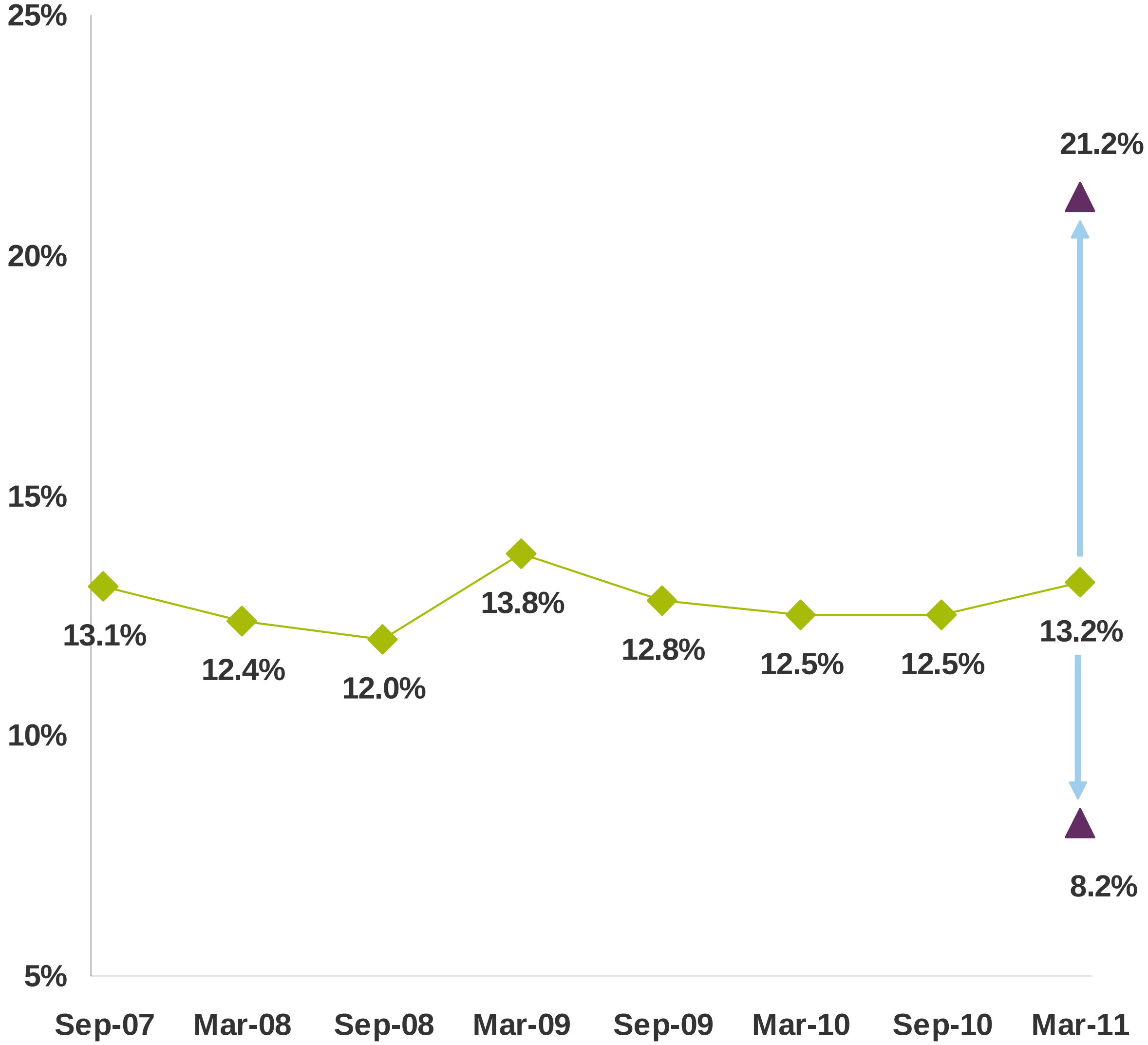
	Value at 31 March 2011 (£m)	Value at 31 March 2010 (£m)
AWG	196	194
Eversholt	161	-
Oystercatcher	119	119
Junior debt portfolio		
TDF	37	33
NGW Arqiva	32	30
Thames Water	21	17
Viridian (1)	-	43
3i India Infrastructure Fund		
Adani Power	53	58
Krishnapatnam Port	31	27
Soma Enterprise	16	13
KMC Roads	15	-
GVK Energy	14	-
Ind-Barath Utkal	6	-
PFI portfolio		
Elgin (16 projects)	40	39
I^2 Loan notes	32	30
Octagon	31	29
Alpha Schools (11 schools)	18	16
T2C	nil	nil
Total portfolio asset value	**822**	**648**
Cash committed to India	54	95
Cash committed to final dividend	23	27
Free cash	98	192
Total cash	**175**	**314**

Portfolio value and cash balances of £997m

Macroeconomic drivers and sensitivities

- Discount rate
- Inflation
- Foreign exchange

Weighted average discount rate



Weighted average has increased due to acquisition of Eversholt and new assets in 3i IIF

Underlying discount rates unchanged, with two exceptions:

- Krishnapatnam Port now fully operational
- Some projects in Soma Enterprise have progressed through construction phase

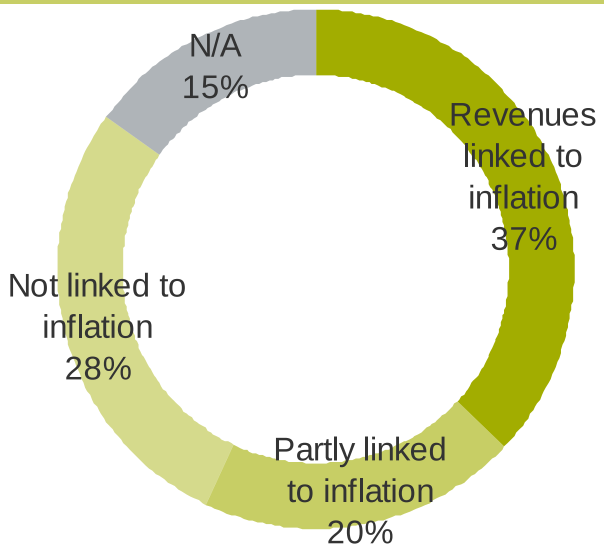
Sensitivity	-1% point	+1% point
Change in each portfolio asset's discount rate	£57.7m	£(50.5)m

Majority of underlying discount rates unchanged year-on-year

Inflation and forex exposure at 31 March 2011

3i Infrastructure plc

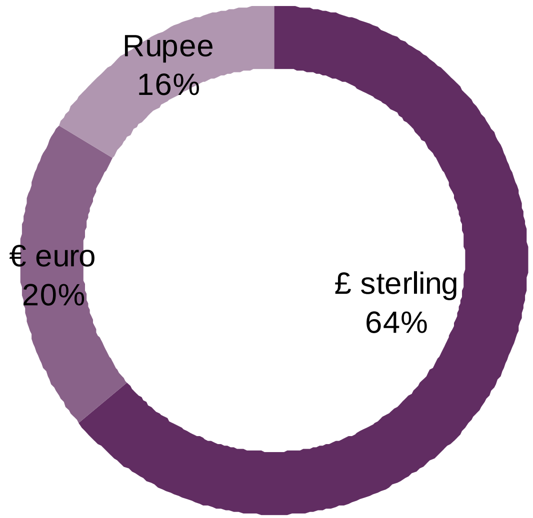
Inflation[1]



- 57% of portfolio benefits from inflation linkage
- £7.5m impact this year of rise in inflation to 5.3% at March 2011

Sensitivity	+1% point	-1% point
Change in inflation (UK RPI, RPIX or local measure) over underlying assumption for next two years	£7.1m	£(9.7)m

Foreign exchange



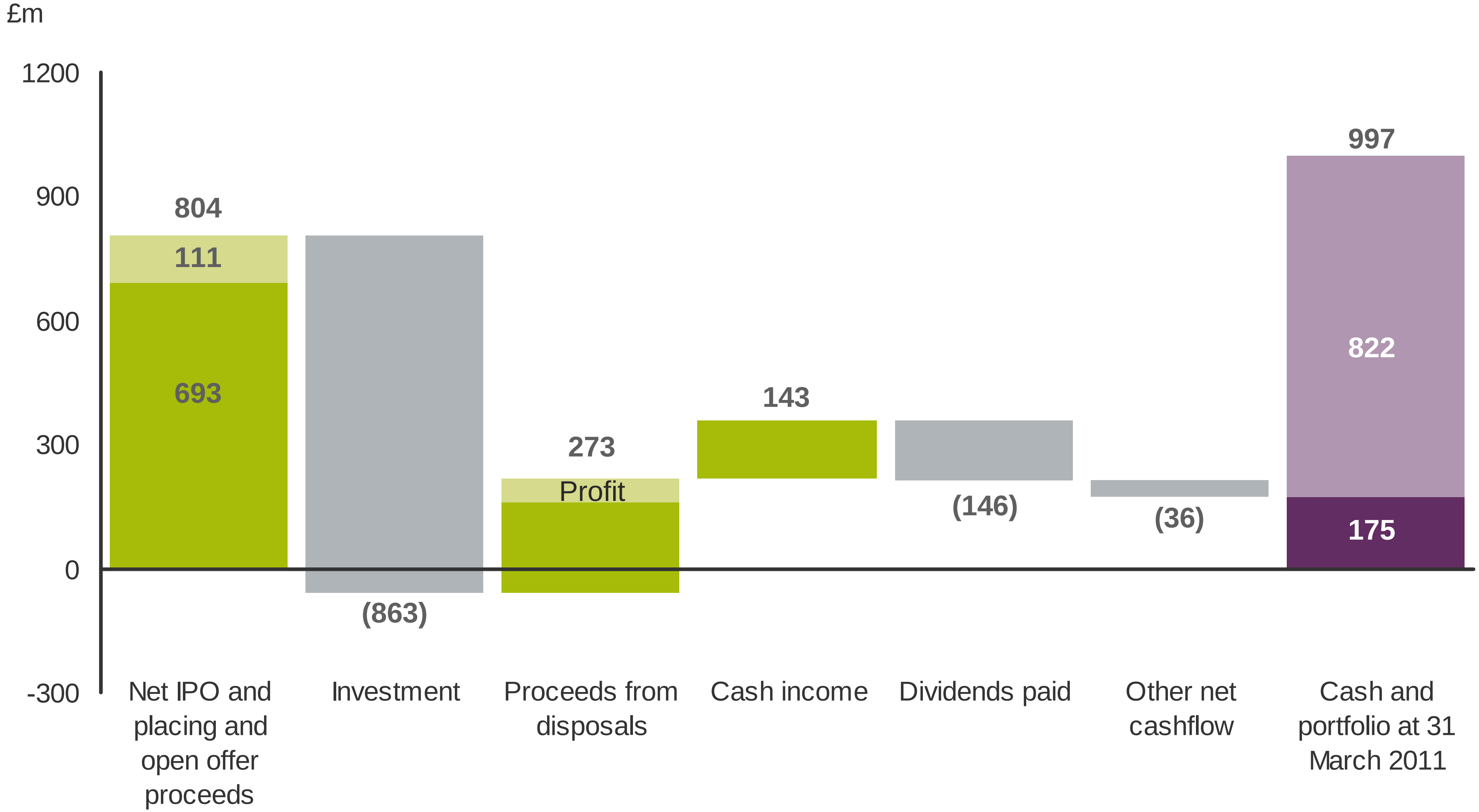
- 36% of portfolio value in non-sterling
- Only 18% unhedged by portfolio value
- £(4.3)m impact this year of foreign exchange movement

Sensitivity	+5%	-5%
Change in foreign exchange rate compared to sterling	£6.3m	£(6.0)m

(1) For European assets only

Portfolio cash generation

3i Infrastructure plc



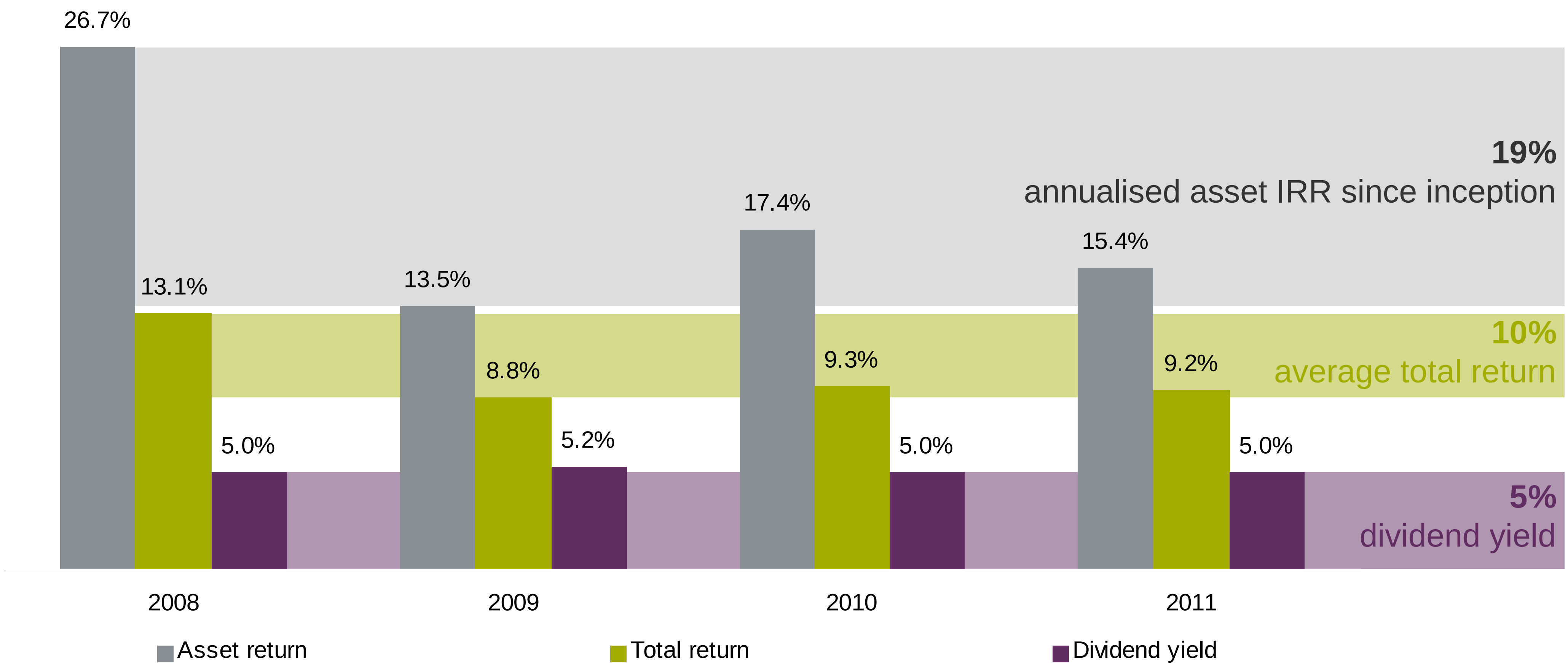
Strong cash generation from the portfolio

19% annualised asset IRR

Historic returns and KPIs

KPIs

Total return	12% net, when fully invested
Dividend	5% of opening NAV



Asset return of 19%, on track to deliver 12% net total return objective when fully invested

Portfolio and strategy update

Cressida Hogg
Managing Partner, Infrastructure, 3i Investments plc

Themes for infrastructure investment

1	Non-core disposals	• Corporates and financial institutions still reducing leverage • Resources redeployed on core activities
2	Public sector budget constraints	• Private sector investment in infrastructure increasing through – privatisations – PFI / PPP-style transactions
3	Policy drivers	• Infrastructure spending as a tool for economic stimulus • “Green economy”
4	Market stabilisation	• Greater consensus on fundamentals and projections • Increased transaction volumes in GDP sensitive sectors
5	Secondaries	• Infrastructure funds selling assets to prove fund valuations • Opportunities from refinancings
6	India	• Growing infrastructure deficit • Political momentum behind infrastructure development

Conditions for investment

- Deal volumes up due to increased confidence
- Debt remains available at relatively attractive terms
- Demand for capital market debt issued by infrastructure companies strong
- Inflation beneficial for some assets

- Low transaction volumes in some geographies
- Macro uncertainty
- Outlook for inflation and interest rates
- Outlook for growth
- Increased competition for assets / surplus capital
- Pricing pressure

Strong track record and experience important in increasingly competitive market

Investment approach

1 Rigorous approach to investment

- Proprietary knowledge and networks in target sectors / geographies
- Operational understanding of target assets
- Execution skills (structuring, financing, consortium building)
- Rigorous due diligence

Consistent investment strategy

2 Best-in-class portfolio management

- Active involvement with portfolio companies to deliver improvements in operational performance
- Board representation
- Selective approach to realisations

Drive income generation from portfolio companies

3 Investing for long-term value creation

- Active involvement with portfolio companies to encourage capital investment for long-term value accretion
- In-depth understanding of market and sector dynamics and of long-term value drivers

Drive capital growth from value accretive projects

Consistent investment strategy

3i Infrastructure plc

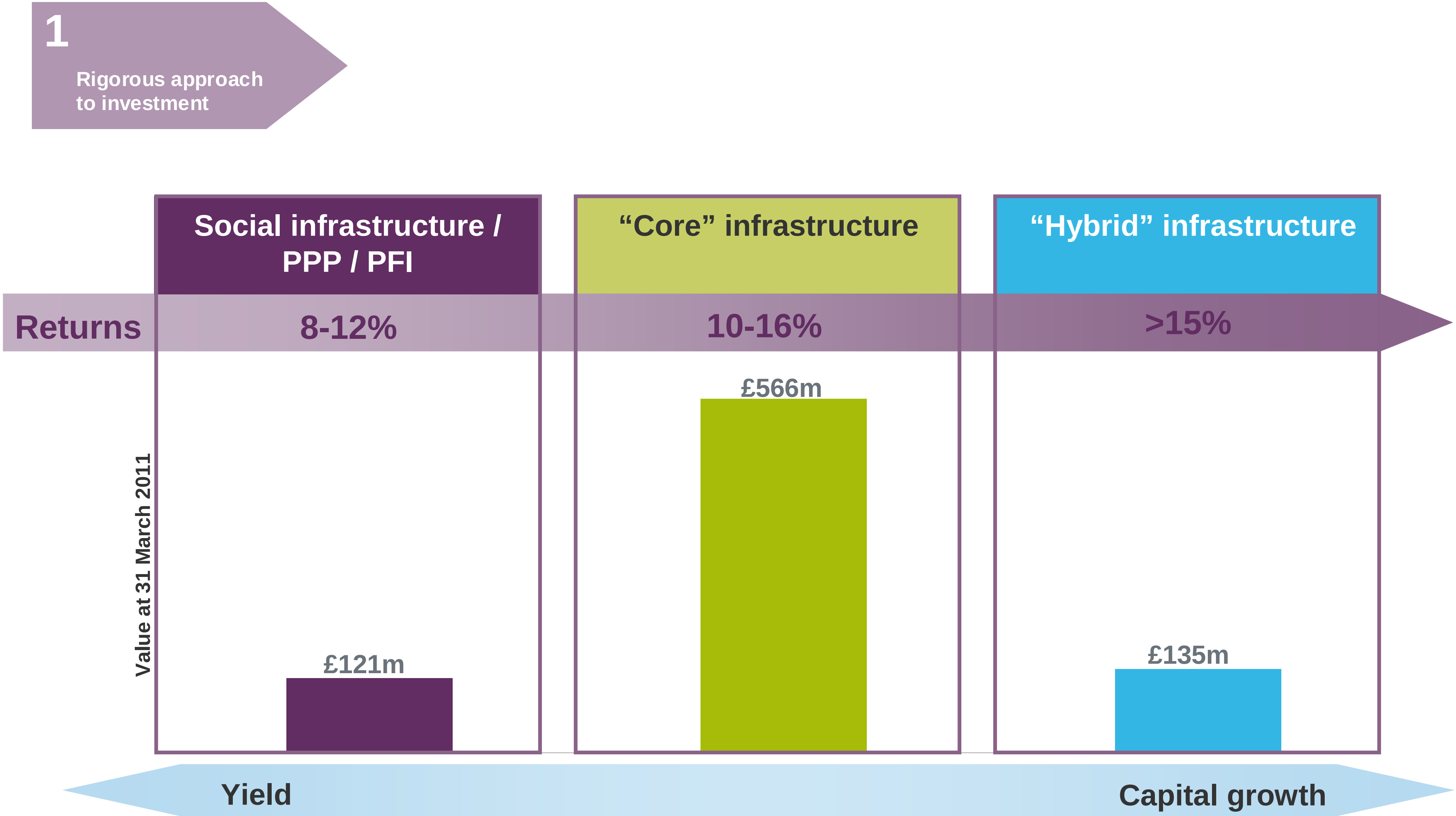
1
Rigorous approach to investment

	Social infrastructure / PPP / PFI	"Core" infrastructure	"Hybrid" infrastructure
Returns	**8-12%**	**10-16%**	**>15%**
	• High inflation correlation • Mainly government-backed revenue streams • Lower risk / return profile • Strong yield when fully operational	• Low volume / market / GDP risk • Quasi monopolies / regulatory protection • Asset-backed, with low volatility across economic cycles	• Higher risk characteristics – Country risk – Market / volume risk – GDP correlation • Operational expertise in managing the assets more important

Yield ⟷ **Capital growth**

3i Infrastructure aims to build a diversified portfolio, generating both yield and capital growth

Consistent investment strategy (cont.)



Portfolio weighted towards mature "core" assets, in line with return objectives

Consistent investment strategy - India

1

Rigorous approach to investment

- Two new investments in the power sector (GVK Energy, Ind-Barath Utkal) – attractive due to enduring power deficit
- One new investment in the roads sector (KMC Roads) – attractive due to government focus on relieving congestion
- Consistent with strategy in India:
  - Targeted sector focus on power, roads, ports and airports
  - Partnership with local entrepreneurs with established track record of delivery
- Origination and execution reliant on Investment Adviser's:
  - Network and contacts
  - Understanding of sector fundamentals

Systematic asset mapping in sector targets and geographies

Consistent investment strategy - Eversholt

1 Rigorous approach to investment

2 Best-in-class portfolio management

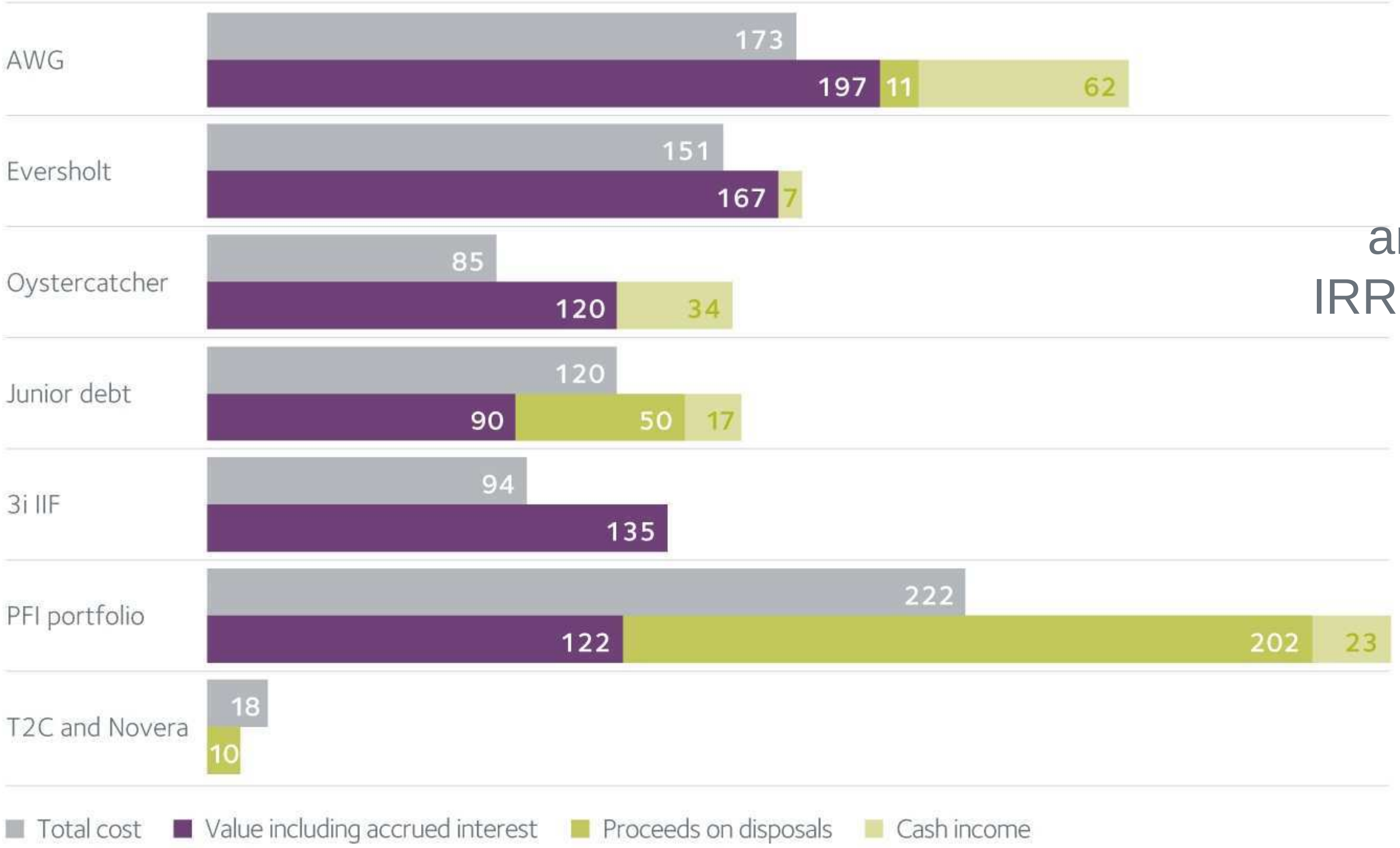
- Consistent with strategy of building a portfolio weighted towards "core" infrastructure
- Market access and execution skills key to success of the deal:
  - Early exclusivity / strong partners
  - Understanding of asset and value drivers
  - Financing skills
- Comprehensive 100-day post acquisition programme:
  - New chairman
  - Most of the acquisition debt refinanced through three public bonds (£1.1bn), long dated and priced on attractive terms, reducing refinancing risk and interest costs

"Core" asset. Significant origination and execution skills required

Drive income from portfolio assets

2
Best-in-class portfolio management

Portfolio asset returns through holding period (£m)



19%
annualised asset IRR since inception

Driving income from the portfolio, realising profits selectively

Drive capital growth - Oystercatcher

3

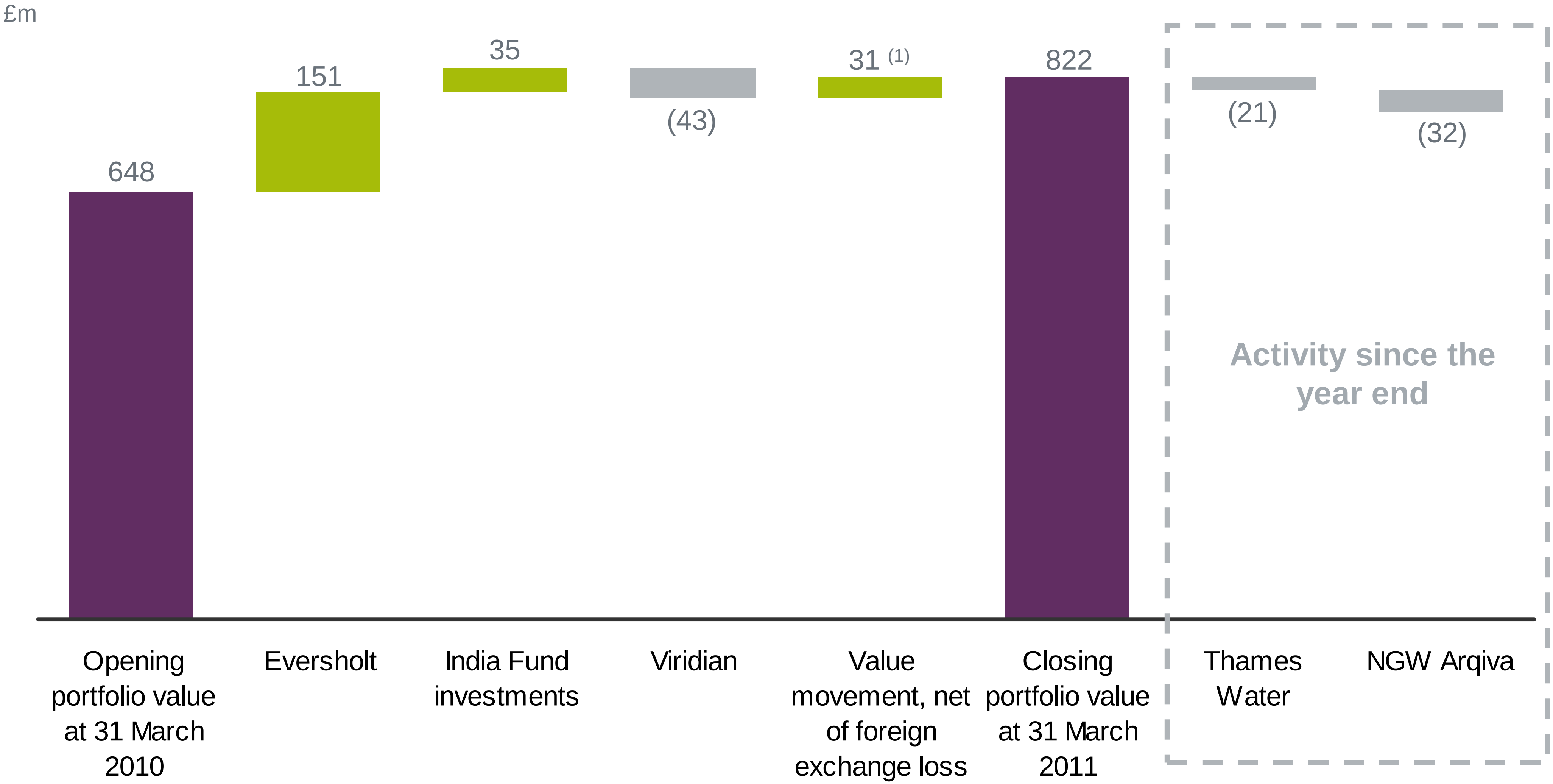
Investing for long-term value creation

- Since 3iN first invested, the three terminals increased total capacity by 12% and throughput by 25%
- Projects include:
  - Singapore – 160,000 m^3 expansion project to accommodate demand from adjacent refineries and petrochemical industry approved in 2008
  - Amsterdam – 42,000 m^3 expansion project to provide dedicated storage for biodiesel products for a new production facility approved in 2009
  - Malta – investment in a new 13,000 m^3 tank recently approved
- 3iN / investment adviser actively involved in assessing of capital expenditure project proposals

Encouraging portfolio companies to deploy capital in projects that deliver long-term value accretion

Investment and divestment activity in the year

3i Infrastructure plc



(1) Includes £1.2m capitalised interest from I² loan notes

Note: investments shown at cost, divestments at opening value. Actual cash proceeds from the disposals are: Viridian, £46.8m, Thames Water, £21.2m, NGW Arqiva, £34.2m

Summary for the year

Strong portfolio performance, delivering

- Steady NAV progression
- Strong income
- Solid track record of asset returns and of returns to shareholders

Transformational activity in the year

- New investment in Eversholt Rail Group - a “core” infrastructure asset, immediately accretive to NAV and income
- Three new investments through the India Fund, providing increased exposure to the attractive Indian power generation and road sectors
- Crystallising value from the junior debt portfolio

Progressing to the next phase of the Company’s development

- Building pipeline for the current financial year, maintaining a highly selective approach
- Continued focus on “core” infrastructure assets
- Financing flexibility to take advantage of market opportunity

Case studies

Anglian Water Group

Equity interest	10.3%
Income in the year	£27.0m
Asset total return in the year	£29.3m

Investment rationale

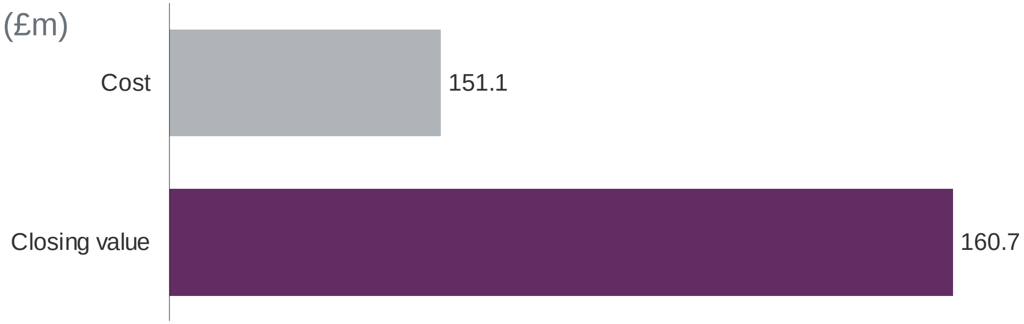
- Regulated near-monopoly position in its geographical area for provision of water supply and wastewater treatment
- Stable and predictable earnings through RPI-linked tariffs
- Largely predictable operating costs

Valuation drivers

- Strong income generation
- Positive inflation trends
- Implementation of new regulatory settlement for 2010-2015 period

Other developments

- Maintained a top two place in Ofwat's Overall Performance Assessment for third year running
- Implementation of operational efficiencies programme on track



Equity interest	33.3%
Investment in the year	£151.1m
Income in the year	£6.5m
Asset total return in the year	£16.1m

Investment rationale

- Mature, profitable transport asset with stable contracted revenues and a strong market position
- Positive fundamentals, with new rolling stock procurement restricted by budgetary constraints and fleets fully leased out

Valuation drivers

- Reduction of interest costs and financing risk from refinancing of acquisition debt through new public bonds
- Good operational performance since acquisition

Other developments

- New chairman appointed since acquisition
- Three new public bonds issued, for a total of £1.1bn, to refinance most of the acquisition debt. All are long dated, priced attractively, and attracted significant public demand

Oystercatcher

Equity interest	45.0%
Income in the year	£13.7m
Asset total return in the year (1)	£14.5m

(1) Includes a £1.0m unrealised exchange loss.

Investment rationale

- Long-term demand for oil storage capacity, coupled with shortage of competing supply and low customer turnover
- Strong market position in key trading hubs
- Defensive position, reliable cash flows

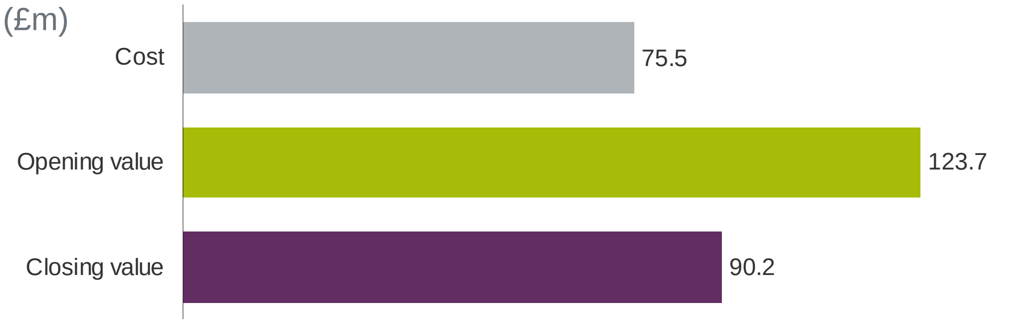
Valuation drivers

- Performance in line or ahead of expectations
- High throughput levels and full capacity utilisation
- Income received in the period

Other developments

- EBITDA up by 2.7% for the year to December 2010 compared to prior year

Junior debt portfolio



Divestment in the year	£43.2m
Profit on disposal	£3.6m
Income in the year	£6.3m
Asset total return in the year (1)	£19.6m

(1) Includes a £0.3m unrealised exchange loss.

Investment rationale

- Core infrastructure businesses
- Investment at prices below par, delivering attractive equity-like returns and strong levels of cash yield

Valuation drivers

- Mark-to-market valuation of underlying tranches up 12.1% in the year
- Yield on portfolio running at average of 5.2% on 31 March 2011 valuation. Yield to maturity was 9.6% on valuation at 31 March 2011
- Reported financial performance of underlying investments in line with Company's expectations

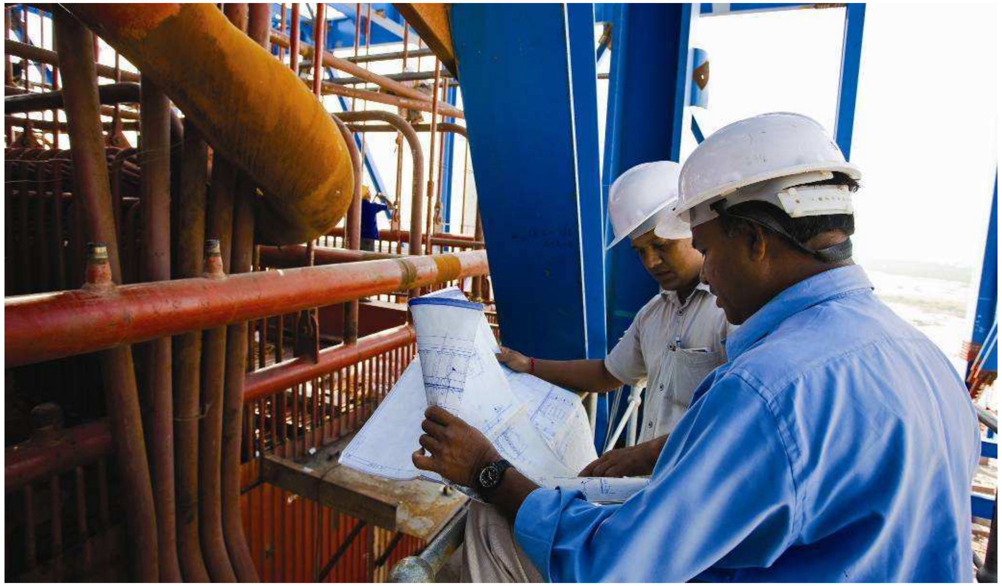
Other developments

- Viridian junior debt holding sold in October 2010

Developments since the year end

- Thames Water refinanced at par in April 2011
- NGW Arqiva junior debt holding sold in April 2011

3i India Infrastructure Fund



Partnership interest	20.9%
Investment in the year	£35.2m
Asset total return in the year (1)	£1.6m

(1) Includes a £5.9m unrealised exchange loss.

Investment rationale

- Favourable macro outlook in India
- Infrastructure deficit provides opportunity for private investment
- Fund investment at no additional cost to the Company

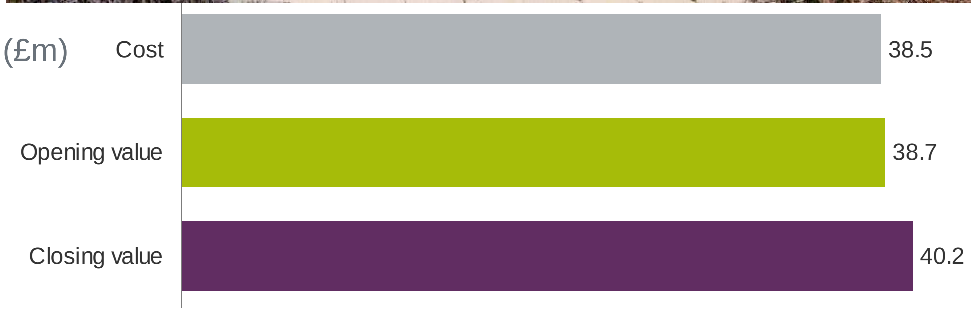
Valuation drivers

- Assets performing well, according to plan
- Mark-to-market valuation of Adani Power broadly flat in the year
- Foreign exchange fluctuations weighed on sterling valuation

Other developments

- Investment in GVK Energy announced in November 2010
- Investments in KMC Roads and Ind-Barath Utkal announced in March 2011

Elgin



Equity interest	49.9%
Income in the year	£3.3m
Asset total return in the year	£4.8m

Investment rationale

- Lower risk, index-linked cash flows
- Fully operational portfolio
- Strong partner in Robertson

Valuation drivers

- Stable operational performance
- Impact of higher inflation
- Income received in the period

Other developments

- Midlothian Hospital, still in construction at acquisition, completed and handed over in August 2010, six weeks ahead of schedule

Octagon

Equity interest	36.8%
Income in the year	£3.1m
Asset total return in the year	£5.4m

Investment rationale

- Investment in a mature asset
- Provides the Company with a stable, long-term income stream with RPI linkage

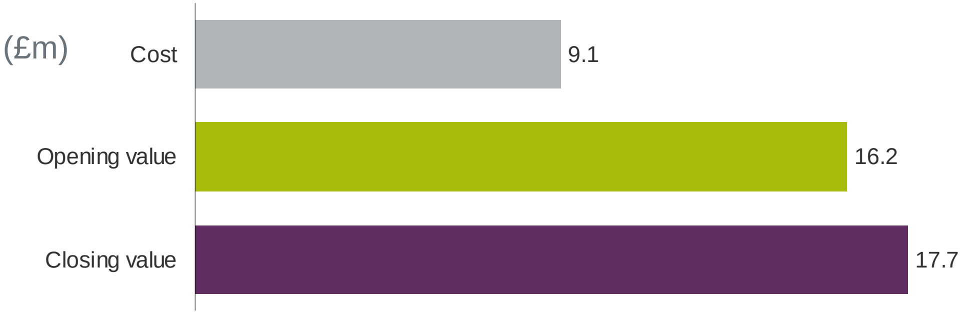
Valuation drivers

- Stable operational performance
- Impact of higher inflation
- Income received in the period

Other developments

- Hospital awarded the top "excellent" rating by National Patient Safety Agency in all categories of assessment (catering, cleanliness, privacy & dignity) for third year running

Alpha Schools



Equity interest	50.0%
Income in the year	£1.4m
Asset total return in the year	£2.9m

Investment rationale

- 11 fully operational school projects
- Provides the Company with a stable, long-term revenue stream with RPIX linkage

Valuation drivers

- Stable operational performance
- Impact of higher inflation
- Income received in the period

Other developments

- All schools operating successfully
- Handover of the remaining sports pitches progressing as growing conditions permit

T2C

Equity interest	16.7%
Asset total return in the period	-

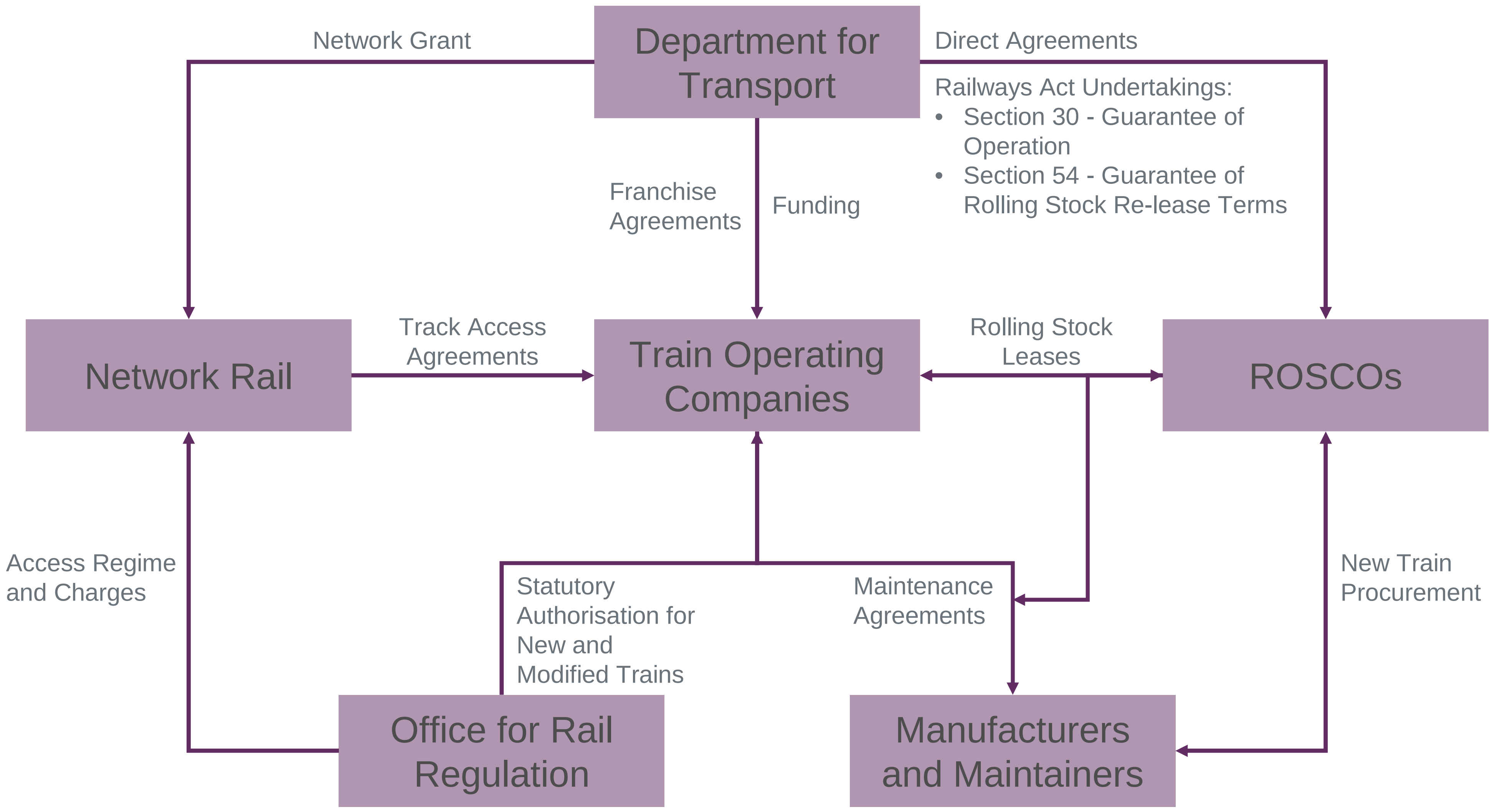
Valuation drivers

- Full provision taken against the asset in March 2010, which remains valued at nil reflecting delays in construction
- Significant progress achieved in construction and commissioning of the plant
- All three lines have achieved first fire in the year – plant progressing towards practical completion in the summer

Other developments

- Discussions over necessary restructuring of financing arrangements are continuing

UK rail industry structure



Additional financial information

Valuation summary

(£m)	Valuation 31/3/10	Invt in the year	Divt in the year	Value movt	Foreign exchange movt	Valuation 31/3/11	Profit on disposal	Income in the year(1)	Asset total return in the year
AWG	193.6			2.3		**195.9**		27.0	**29.3**
Eversholt	-	151.1		9.6		**160.7**		6.5	**16.1**
3i India Infrastructure Fund	97.9	35.2		7.5	(5.9)	**134.7**		-	**1.6**
Oystercatcher	118.8			1.8	(1.0)	**119.6**		13.7	**14.5**
Junior debt portfolio	123.7		(43.2)	10.0	(0.3)	**90.2**	3.6	6.3	**19.6**
Elgin	38.7			1.5		**40.2**		3.3	**4.8**
I^2 loan notes	30.4	1.2(2)		-		**31.6**		2.5	**2.5**
Octagon	28.8			2.3		**31.1**		3.1	**5.4**
Alpha Schools	16.2			1.5		**17.7**		1.4	**2.9**
T2C	0.0			-		**0.0**		-	**-**
	648.1	187.5	(43.2)	36.5	(7.2)	**821.7**	3.6	63.8	**96.7**

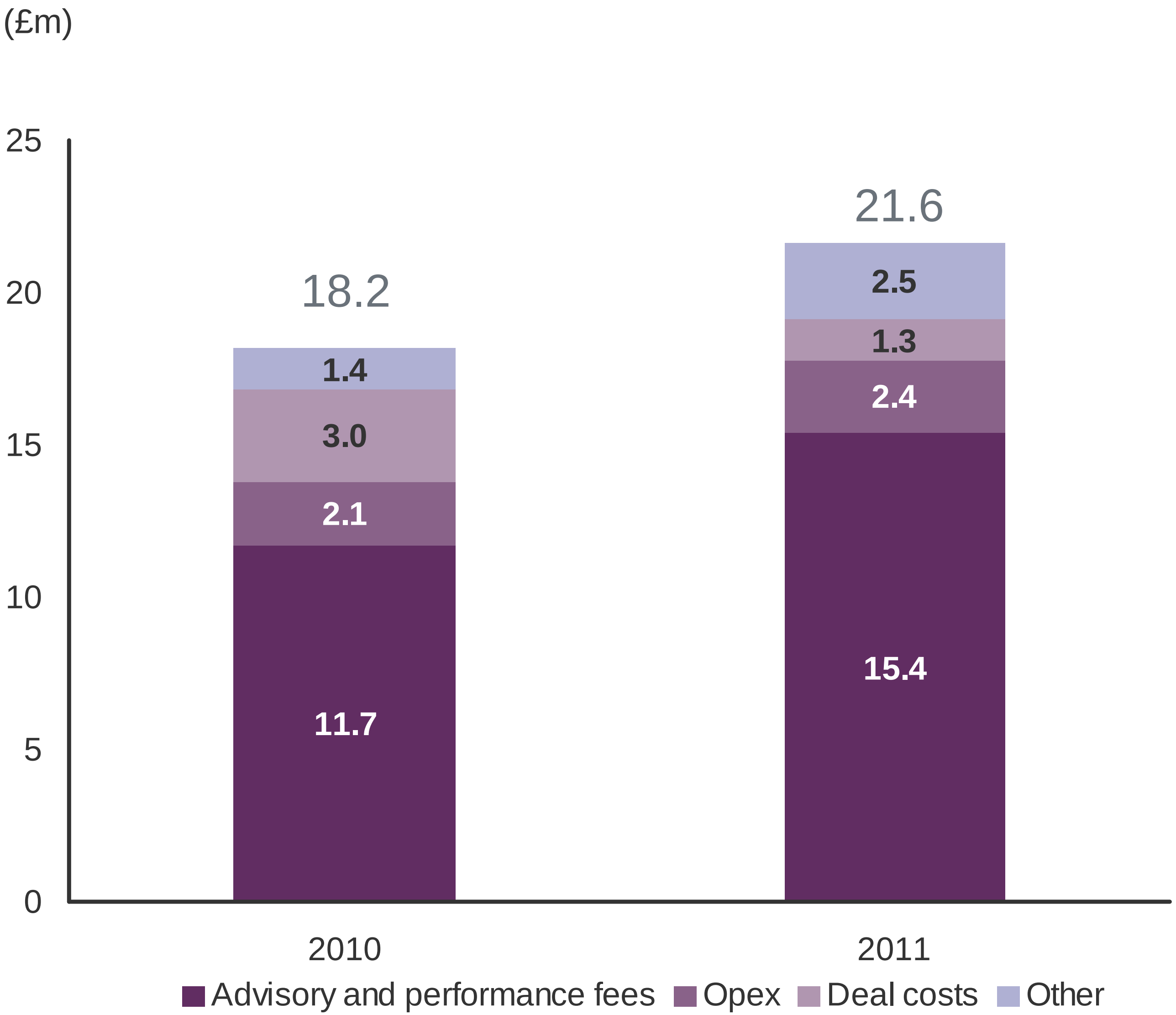
(1) Relates to dividend and interest income. For Eversholt, an additional £6.8 million was received as a fee

(2) Capitalised loan note interest

Foreign exchange movement

Impact of foreign exchange movements on portfolio value Year to 31 March 2011	(£m)
Translation of asset £ / €	(1.3)
Translation of asset £ / US$	(5.9)
Foreign exchange losses on investments	**(7.2)**
Asset valuation US$ / rupee	0.8
Movement in the fair value of derivative financial instruments (£/€ hedging)	2.1
Other foreign exchange movements	**2.9**
Net foreign exchange loss	**(4.3)**

Costs


(£m)
25
20
15
10
5
0
18.2
1.4
3.0
2.1
11.7
21.6
2.5
1.3
2.4
15.4
2010
2011
Advisory and performance fees
Opex
Deal costs
Other

Total return for the year to 31 March 2011

(£m)	Investment basis 31 March 2011	Investment basis 31 March 2010	Consolidated basis 31 March 2011
Realised profits	3.6	7.1	3.6
Unrealised profits	36.5	66.8	31.8
Foreign exchange losses	(7.2)	(10.4)	(0.3)
Capital return	**32.9**	**63.5**	**35.1**
Portfolio income	69.3	27.3	94.5
Interest receivable	1.5	2.4	1.5
Investment return	**103.7**	**93.2**	**131.1**
Fees and operating expenses	(20.3)	(15.2)	(32.1)
Movements in the fair value of derivative financial instruments	2.1	4.5	(7.3)
Exchange difference on translation of foreign ops	-	-	(6.8)
Profit attributable to minority interests	-	-	(12.7)
Total return	**85.5**	**82.5**	**86.8**
Total return as a % of shareholders' equity	**9.2%**	**9.3%**	**9.3%**

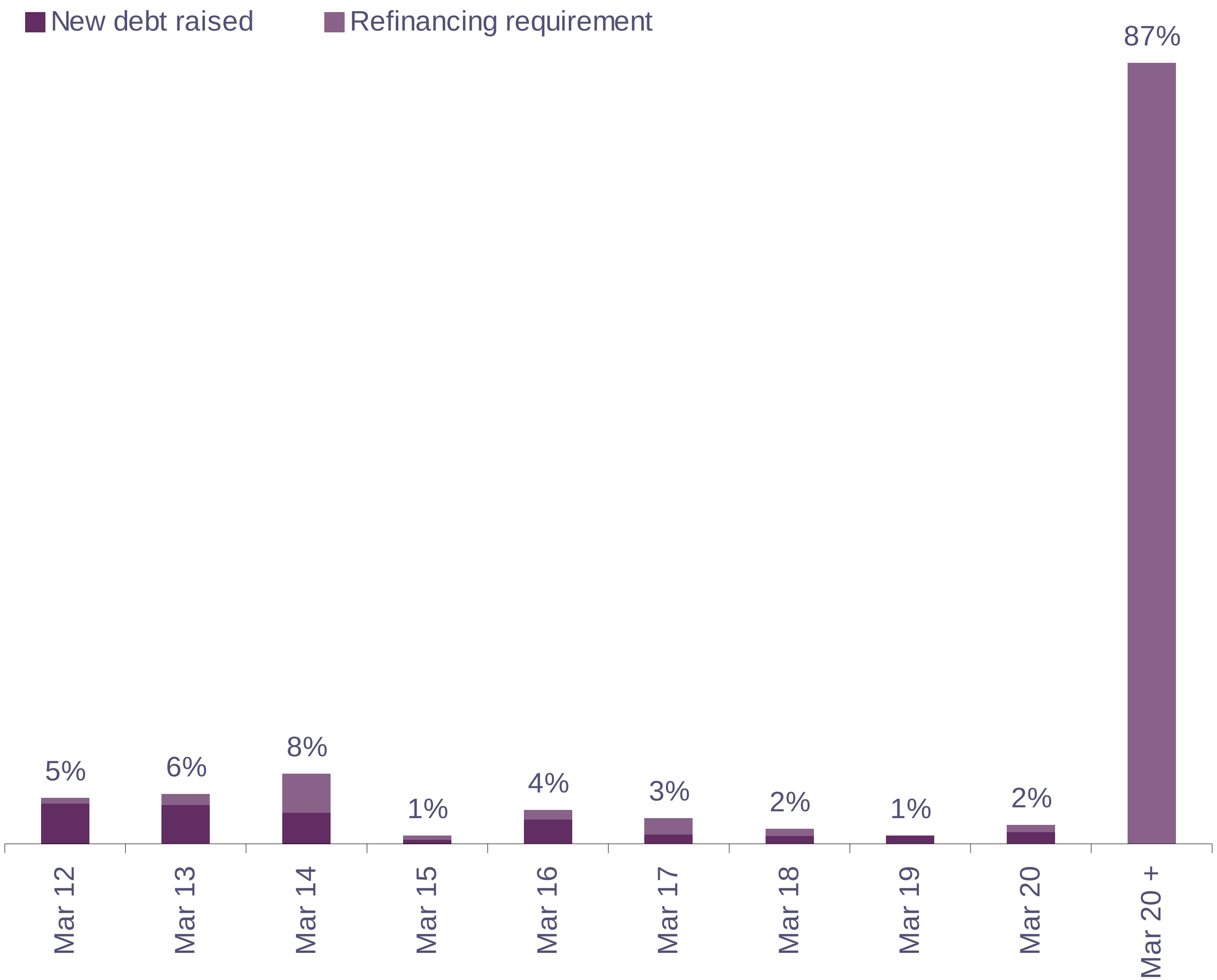
Balance sheet

(£m)	Investment basis As at 31 March 2011	Investment basis As at 31 March 2010	Consolidated basis As at 31 March 2011
Investment portfolio	821.7	648.1	1,093.3
Other net assets/(liabilities)	(0.2)	(7.0)	(9.7)
Cash and cash equivalents	174.6	313.7	176.3
Borrowings	-	-	(167.9)
Net assets	**996.1**	**954.8**	**1,092.0**
Shareholders' equity	996.1	954.8	1,000.7
Minority interest	-	-	91.3
Total shareholders' equity	**996.1**	**954.8**	**1,092.0**
Diluted NAV per share (pence)	**120.3**	**116.3**	**120.9**

Refinancing requirement at 31 March 2011

3i Infrastructure plc

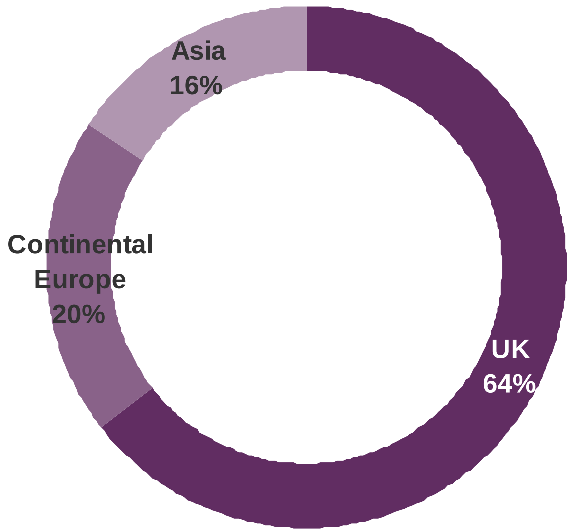
Annual refinancing and new debt as a % of existing committed debt



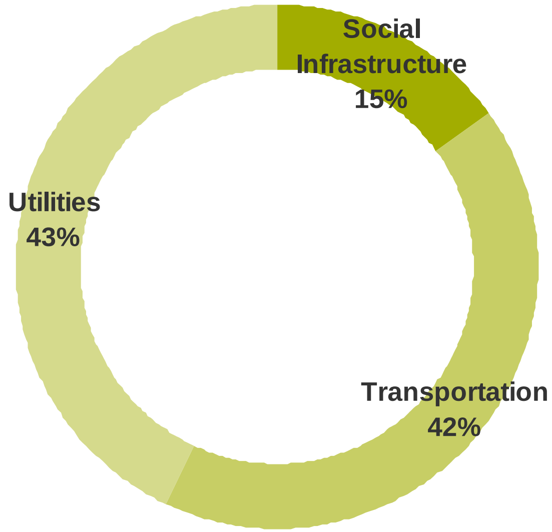
- Very limited refinancing / new debt required in the short term
- 87% of existing committed debt due post 2020

Asset diversification

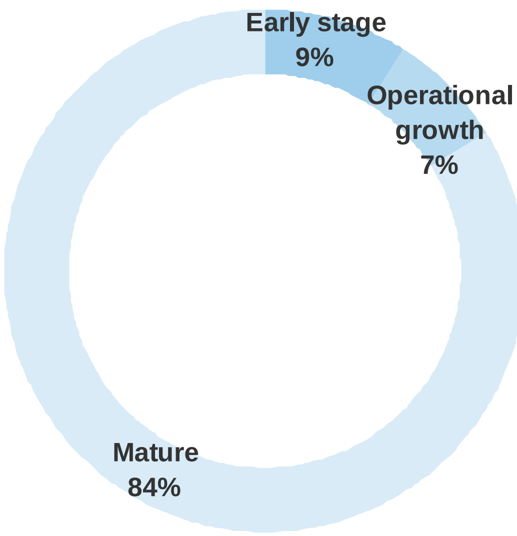
By geography



By sector



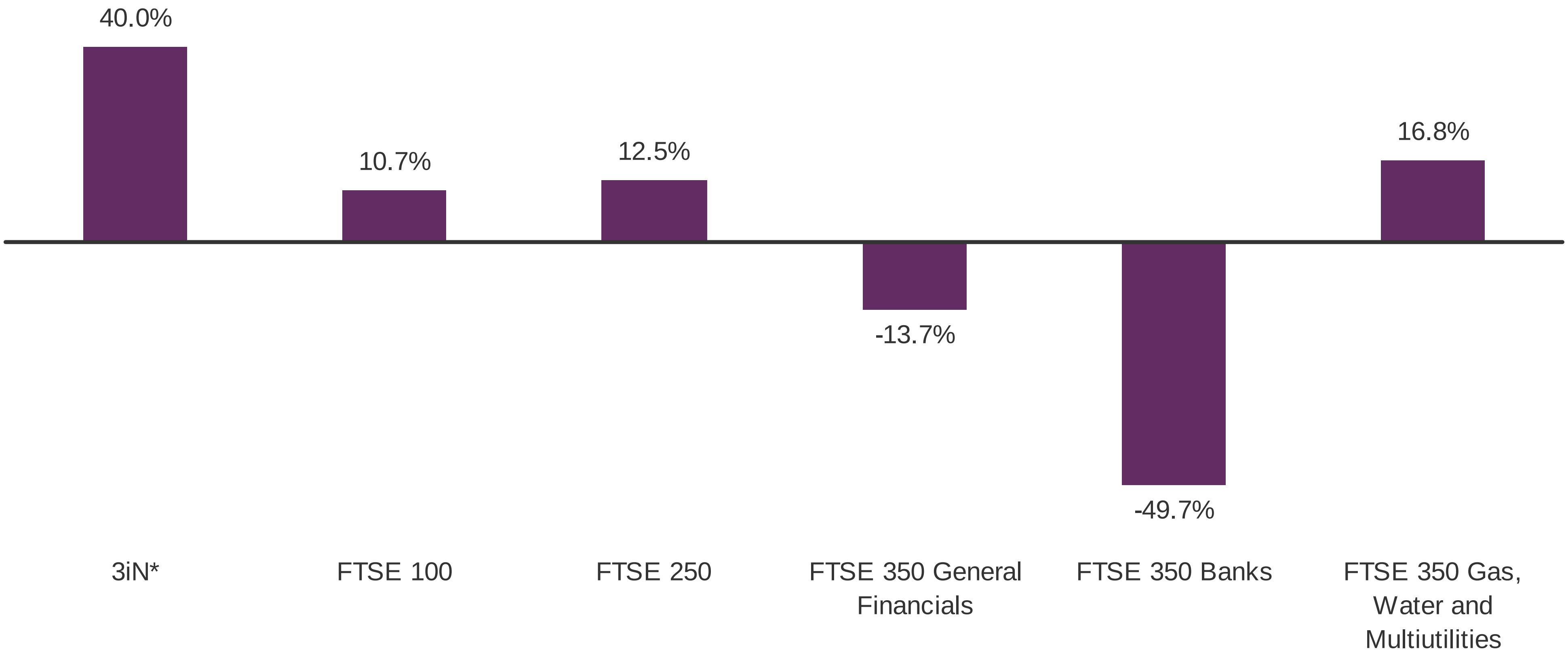
By maturity



Total shareholder return

3i Infrastructure plc

Total shareholder return (31 March 2007 – 31 March 2011)



*3i Infrastructure TSR calculated using IPO price of 100 pence per share

Note: calculated as share price performance with net dividends reinvested in security /index (source: Bloomberg)

About 3i Infrastructure plc

Governance and fees

Board of Directors

- Independent Chairman, five independent non-executive directors and one 3i Group appointed non-executive director
- Committed to observe requirements of the UK Corporate Governance Code
- Responsibilities:
  - Acts as investment committee / approves investment opportunities
  - Responsible for determination and supervision of investment policy
  - Supervises the monitoring of investments

3i Investments
(Investment Adviser)

- Advises the Board on:
  - Origination and completion of investments
  - Realisation of investments
  - Funding requirements
  - Management of the portfolio

Fees

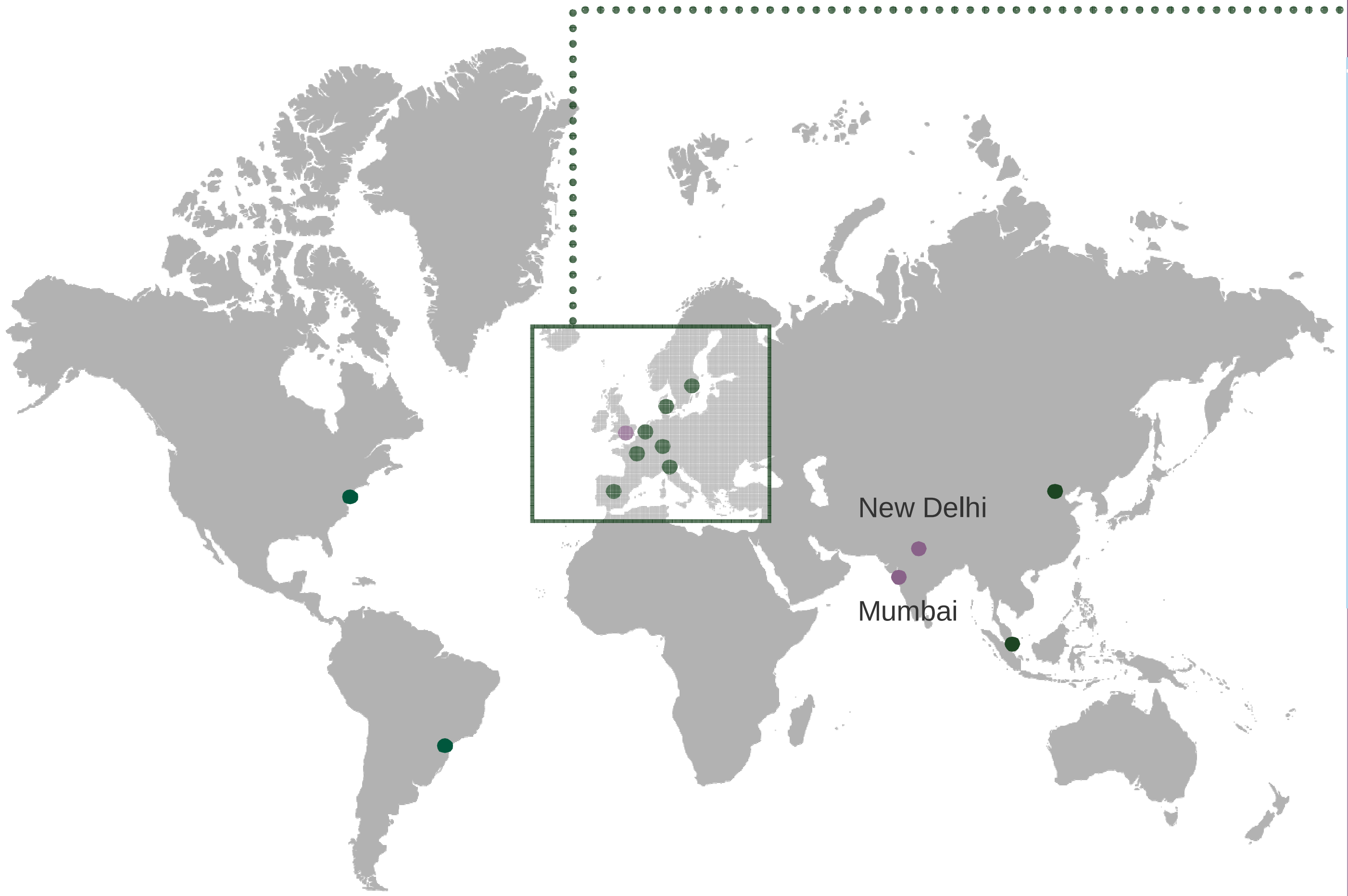
- Advisory fee of 1.5% of Gross Investment Value, reducing to 1.25% for assets held for more than five years
- Performance fee of 20% of the growth in Net Asset Value, above a hurdle of 8%

Asset intensive businesses that provide essential services

Transport	Utilities	Social Infrastructure
Airports	Power generation	Primary and secondary PFI
Ports	Power transmission	Public Private Partnerships
Ferries	Electricity & gas distribution	Government accommodation
Toll roads	Waste processing	Healthcare
Rail & bus	Water	Education
Oil transportation & storage	Communication networks	Defence

Predictable cashflows match investors' long-term liabilities

Internationally connected



Europe

- Infrastructure Team operates from 3 offices in key markets
- Access to a global network based in 13 countries
- Access to wider network of investment professionals worldwide

Executives based in London, Mumbai and New Delhi

Senior members of the investment advisory team


Cressida Hogg


Neil King


Phil White


Girish Baliga


Samir Palod


Stephen Halliwell


Anil Ahuja


Deepak Bagla