Pillars of our model

- Focus exclusively on greenfield infrastructure projects
- Invest own capital
- Active management of projects through construction
- Once de-risked, projects sold and proceeds recycled into new projects
Our strategy for growth

- UK PFI know-how, going global
- Diversification and new sectors
- Embracing complexity
- Moving from opportunistic to strategic allocation of resources
Strong bidding activity

North America: Shortlisted & preferred bidder PPP positions
- I-75, Michigan
- Hurontario LRT, Ontario
- Hamilton Rail, Ontario
- Pennsylvania Broadband, Pennsylvania
- Michigan Labs, Michigan
- I-10 Mobile River Bridge, Alabama
- Santa Clara Water, California
- Belle Chasse Bridge, Louisiana
- Georgia Interstate Broadband Deployment, Georgia

Europe: PPP shortlistings
- Silvertown Tunnel, UK
- A9 BaHo, Netherlands
- Via15, Netherlands

Exclusive RE opportunities
- x 1

APAC: Exclusive RE opportunities
- x 2

Equity opportunity
- Shortlisted and PB PPP: c£375m
- Exclusive renewable energy: c£100m
Investment commitments on track

<table>
<thead>
<tr>
<th>Project</th>
<th>Region</th>
<th>PPP (£m)</th>
<th>RE (£m)</th>
<th>Total (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBTA Automated Fare Collection System</td>
<td>North America</td>
<td>17.5</td>
<td>---</td>
<td>17.5</td>
</tr>
<tr>
<td>A16 Road</td>
<td>Europe</td>
<td>21.7</td>
<td>---</td>
<td>21.7</td>
</tr>
<tr>
<td><strong>Total at 30 June 2018</strong></td>
<td></td>
<td><strong>39.2</strong></td>
<td>---</td>
<td><strong>39.2</strong></td>
</tr>
<tr>
<td>Fox Creek / Brantley Solar Farms</td>
<td>North America</td>
<td>---</td>
<td>30.0</td>
<td>30.0</td>
</tr>
<tr>
<td>IS54 and IS67 Solar Farms</td>
<td>North America</td>
<td>---</td>
<td>27.0</td>
<td>27.0</td>
</tr>
<tr>
<td>Sunraysia Solar Farm</td>
<td>Asia Pacific</td>
<td>---</td>
<td>59.0</td>
<td>59.0</td>
</tr>
<tr>
<td>Finley Solar Farm</td>
<td>Asia Pacific</td>
<td>---</td>
<td>41.0</td>
<td>41.0</td>
</tr>
<tr>
<td><strong>Total YTD</strong></td>
<td></td>
<td><strong>39.2</strong></td>
<td><strong>157.0</strong></td>
<td><strong>196.2</strong></td>
</tr>
</tbody>
</table>

- Guidance of approximately £250m for 2018 maintained
### Strong secondary market for operational assets

<table>
<thead>
<tr>
<th>Project</th>
<th>Purchaser</th>
<th>Total (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IEP Phase 1</td>
<td>Third party</td>
<td>232.0</td>
</tr>
<tr>
<td>Lambeth Social Housing</td>
<td>JLIF</td>
<td>9.5</td>
</tr>
<tr>
<td><strong>Total to date</strong></td>
<td></td>
<td><strong>241.5</strong></td>
</tr>
</tbody>
</table>

- Market supported by high level of institutional fund raising for investment in infrastructure assets
- Disposal processes underway in each geographic region
- 2018 guidance for realisations of approx. £250m maintained

(1) before costs of disposal
Anthony Phillips
Regional Managing Director - North America
Increasing investment in North America
US Federal context

Spending on Infrastructure by Type of Government ($bn)

Since early 2000s, downward trajectory in public spending on infrastructure

Est. Infrastructure Funding Gap from 2016 to 2025 ($tn)

Source: American Society of Civil Engineers, Congressional Budget Office
Procurement takes place at State and City level

Source: News articles
NA PPP market is evolving

- Existing portfolio
- Shortlist & PB
- Target pipeline
Renewables to account for over 50% of total installed capacity in the US by 2050

Source: Bloomberg New Energy Finance
Many states have renewable energy targets

Renewables portfolio standards by state

<table>
<thead>
<tr>
<th>State</th>
<th>RPS Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>2018: 100% by 2045², 2015: 50% by 2030</td>
</tr>
<tr>
<td>Nevada</td>
<td>2018: 50% by 2030², 2009: 25% by 2025</td>
</tr>
<tr>
<td>Arizona</td>
<td>2018: 50% by 2030², 2006: 15% by 2025</td>
</tr>
<tr>
<td>Connecticut</td>
<td>2018: 40% by 2030, 2013: 28% by 2020</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>2018: 40% by 2030¹, 2008: 25% by 2030</td>
</tr>
</tbody>
</table>

Source: 2017 Annual RPS Summary Report by Berkeley Lab
Notes:
1. RPS: solar carve-outs require that electricity suppliers must produce certain percentage of electricity from solar panels
2. IOU: Investor-owned utilities
Renewable energy investment process

1. Pre-Ready to Build
   Commence: Property rights and permitting, grid connection, Power Purchase Agreement

2. Commercial Close
   Secured: Property rights, consents to build and operate, grid and PPA

3. Notice to Proceed
   Commence raising of Construction finance, Tax Equity and Back-leverage Debt

4. Financial Close
   Achieve close on Tax Equity Financing and Debt
   Construction starts

5. Substantial Completion
   Commence of Operations. Tax Equity funding

---

John Laing
making infrastructure happen
Emerging sectors in North America
## Growing percentage of overall Group pipeline

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2016</th>
<th>31 Dec 2017</th>
<th>30 June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North America</strong></td>
<td>£1,859m</td>
<td>£2,150m</td>
<td>£2,300m</td>
</tr>
<tr>
<td><strong>Renewable Energy</strong></td>
<td>£733m</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PPP</strong></td>
<td></td>
<td></td>
<td>£1,567m</td>
</tr>
</tbody>
</table>

- **North America** shares:
  - 2016: 29%
  - 2017: 40%
  - 2018: 46%
- **Renewable Energy** shares:
  - 2016: 57%
  - 2017: 57%
  - 2018: 57%

---

**Note:**
- **£2,300m** is the total pipeline for 30 June 2018.
- The percentages change year over year in the North America region.
John Laing’s assets in North America

Existing portfolio
Preferred bidder
Asset Management in North America

**Managing Director**
- CEO
- Senior Investment Director

**Asset Director**
- Construction Director
- Construction Oversight Engineer
- O&M Director

**VP, Asset Management**
- PPP
- RE

**Project AM**

<table>
<thead>
<tr>
<th>Denver Eagle P3, Colorado</th>
<th>I-4 Ultimate, Florida</th>
<th>MBTA AFC 2.0, Massachusetts</th>
<th>I-75, Michigan</th>
<th>I-77 &amp; I-66 Managed Lanes</th>
<th>Wind and solar assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CEO</td>
<td>• CEO</td>
<td>• Chief Commercial Officer</td>
<td>• CEO</td>
<td>• Active Board membership</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Construction</td>
<td>• Chief Financial Officer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

**Corporate AM**
- Active Board membership
- Active Board membership
PPP contract structure

Governmental entity

Project Agreement 35 – 50 year concession

Special Purpose Vehicle (SPV)

Investor(s)

Shareholders’ Agreement

Finance Agreements

Senior Lender

Contractor

Fixed price

Operator

Fixed price, subject to indexation

Design & Build Agreement

O&M Agreement

Contractors / Service providers
I-4 Ultimate, Florida

Timeline

- 2013-14: Procurement by FDOT
- 2014: Original Interstate 4 built (Late 1950s)
- 2014: Financial Close
- 2021: Construction completion
- 2054: End of concession term
Project Overview

• 21 miles in central Florida through downtown Orlando
• Scope includes:
  • Reconstruction of mainline
  • Addition of four Express Lanes
  • Reconstruction of 15 major interchanges
  • Widening, addition and replacement of ~145 bridge structures
• $2.3 billion construction contract price
• 40-year concession
Contractual structure

Florida Department of Transportation

Concession Agreement

Shareholders 50/50
John Laing SKANSKA

SGL Constructors CJV: 40/30/30
SKANSKA GRANITE LANE

Design Joint Venture: 65/35
HDR JACOBS

Lenders
Senior Debt and TIFIA

Financing Agreements

Equity Contribution Agreement

D/B Agreement

O&M Agreement (Heads of Terms)

O&M DBi SICL

Concession Agreement

Equity Contribution Agreement

D/B Agreement

O&M Agreement (Heads of Terms)
I-4 Mobility Partners

CEO
Jan van de Meene
- JL experience: 8 years
- Transferred from our A-15 road project in the Netherlands

Chief Commercial Officer
Dan Norman
- JL experience: 2 years
- Multiple years of construction experience in Florida

Construction Director
Chief Financial Officer
O&M Director
Joe Morffi
- JL experience: 1 year
- Multiple years of experience in O&M delivery

Office Mgr. & Accounting

Construction Oversight Engineer
Christian Kyaing
- JL experience: 4 years
- On site construction and quality assurance

Construction Oversight Engineer

John Laing employees
Active asset management

Construction delays

- Leading commercial negotiations for extensions
- Pursuing valid claims
- Representing shareholder interests in settlement negotiations
- Helping the contractor find ways to accelerate the schedule
Active asset management

Quality management

• Dedicated project company resource, including external quality management consultants
• Identifying and managing non-conforming work
• Ensuring maintainability and operability of what is designed and built
• On-going quality oversight
Protecting and enhancing value

How do we do this on I-4?

- Key project company management resources on-the-ground
- Leading relationships with FDOT and contractor
- Engineers in the field ensuring construction quality and overseeing schedule
- Focusing on long-term operability and maintainability
- Managing lenders
- Identifying and delivering value enhancement opportunities
James Bramley
Asset Director – Asia Pacific

www.laing.com
PPP contract structure

Governmental entity

Project Agreement 35 – 50 year concession

Special Purpose Vehicle (SPV)

Investor(s)

Shareholders’ Agreement

Finance Agreements

Senior Lender

Design & Build Agreement

O&M Agreement

Contractor
Fixed price

Operator
Fixed price, subject to indexation

Contractors / Service providers
Project Challenges

- Delays and commercial disputes
- Political context & stakeholders
- Scope change
- Communication and behaviour
Case Study 1 – Royal Adelaide Hospital

• John Laing Holding 17.26 %
• Value of Holding: £50m - £75m\(^{(1)}\)

\(^{(1)}\) As at 30 June 2018
Case Study 1 – Royal Adelaide Hospital

Important issues faced

• Construction delays
• Commercial disputes
  • Relationships

Actions

Chairman & Deputy Chairman
Presence ‘on the ground’
Extra resource to manage
Mediation
Executive steering group
Banks, board and security holders
Case Study 2 – Sydney Light Rail

• John Laing Holding 32.5%
• Value of Holding: £50m - £75m\(^{(1)}\)

\(^{(1)}\) As at 30 June 2018
Case Study 2 – Sydney Light Rail

Important issues faced

- Construction delays
  - Scope change
- Commercial disputes
- Political drivers

Actions

- Partnership Committee Chairman
- Executive meetings - TfNSW
- Common understanding of issues
- SBLF Facility
- Facilitation
- Parliamentary inquiry
Case Study 2 – Sydney Light Rail
### APAC – Senior AM Team Members

<table>
<thead>
<tr>
<th>James Bramley</th>
<th>Duncan Jewell</th>
<th>Tom Brooks</th>
<th>George Karalis</th>
<th>Michael Cramb</th>
<th>Stephen Sabbatucci</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction / Major Projects</td>
<td>Renewable Energy / Major Projects</td>
<td>Project Finance / Valuation</td>
<td>Legal / Commercial / Compliance</td>
<td>Major Projects Delivery</td>
<td>Major Projects Delivery</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project</th>
<th>Project allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarence Correctional Facility</td>
<td>●</td>
</tr>
<tr>
<td>Auckland South Corrections Facility</td>
<td>●</td>
</tr>
<tr>
<td>Royal Adelaide Hospital</td>
<td>●</td>
</tr>
<tr>
<td>New Generation Rollingstock</td>
<td>●</td>
</tr>
<tr>
<td>Optus Stadium</td>
<td>●</td>
</tr>
<tr>
<td>Sydney Light Rail</td>
<td>●</td>
</tr>
<tr>
<td>Melbourne Metro</td>
<td>●</td>
</tr>
<tr>
<td>Hornsdale 1, 2, &amp; 3 Wind Farms</td>
<td>●</td>
</tr>
<tr>
<td>Kiata Wind Farm</td>
<td>●</td>
</tr>
<tr>
<td>Sunraysia Solar Farm</td>
<td>●</td>
</tr>
<tr>
<td>Finley Solar Farm</td>
<td>●</td>
</tr>
</tbody>
</table>
Patrick O’D Bourke
Group Finance Director
Decreasing UK exposure

<table>
<thead>
<tr>
<th>Date</th>
<th>Europe</th>
<th>UK</th>
<th>Asia Pacific</th>
<th>North America</th>
<th>Listed Investment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 Dec 2015</td>
<td>25%</td>
<td>50%</td>
<td>13%</td>
<td>10%</td>
<td>2%</td>
<td>£841m</td>
</tr>
<tr>
<td>30 June 2018</td>
<td>17%</td>
<td>31%</td>
<td>24%</td>
<td>27%</td>
<td>1%</td>
<td>£1,260m</td>
</tr>
</tbody>
</table>

Remaining UK portfolio (1)

- IEP Phase 2: > £225m
- Manchester Waste TPS Co: £50m - £75m
- Cramlington Biomass: £25m - £50m
- Speyside Biomass
- Alder Hey Children’s Hospital
- A130 road

(1) Values as at 30 June 2018
Illustration of impact of change in portfolio value discount rates

<table>
<thead>
<tr>
<th>Summary balance sheet</th>
<th>30 June 2018 (£m)</th>
<th>0.25% increase in discount rate</th>
<th>0.25% decrease in discount rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio value</td>
<td>1,259.7</td>
<td>(42.6)</td>
<td>44.8</td>
</tr>
<tr>
<td>Cash collateral</td>
<td>134.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-portfolio investments</td>
<td>0.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total investments</td>
<td>1,394.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other long term assets</td>
<td>0.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>110.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension surplus (IAS 19)</td>
<td>24.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>1,528.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Portfolio value is sensitive to the discount rate
- Weighted average discount rate at 30 June 2018 was 8.7%
- Recent movements in secondary market rates have been c25-30 basis points
- 0.25% change has an impact of +/-£45m
Illustration of impact of change in IAS 19 pension discount rates

- Present value of pension fund future liabilities based on discount rate derived from high quality corporate bond yields
- Discount rate at 30 June 2018 was 2.75%
- Sensitivity to 0.25% change is illustrated all other things being equal - sensitivity does not take account of hedging or change in value of pension fund assets

<table>
<thead>
<tr>
<th>Summary balance sheet</th>
<th>30 June 2018 (£m)</th>
<th>0.25% increase in discount rate</th>
<th>0.25% decrease in discount rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio value</td>
<td>1,259.7</td>
<td></td>
<td></td>
</tr>
<tr>
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<td></td>
<td></td>
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<tr>
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<tr>
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<td>110.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension surplus (IAS 19)</td>
<td>24.0</td>
<td>41.5</td>
<td>(44.1)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1,528.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working capital and other balances</td>
<td>(4.8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash borrowings</td>
<td>(11.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other retirement benefit obligations</td>
<td>(7.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>(23.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>1,505.4</td>
<td>41.5</td>
<td>(44.1)</td>
</tr>
</tbody>
</table>
Illustration of impact of change in foreign exchange rates

- At 30 June 2018, 69% of the portfolio was denominated in overseas currencies
- 5% movement of each relevant currency against Sterling would decrease or increase the value of investments in overseas projects by c£40m
- Cash collateral at 30 June 2018 related to USD $177m (£134.4m) which was fully hedged against changes in exchange rates
- Pension fund assets at 30 June 2018:
  - included £265.8m in overseas equities
  - 5% movement vs Sterling would increase/decrease value by c£13m all other things being equal

<table>
<thead>
<tr>
<th>Summary balance sheet</th>
<th>30 June 2018 (£m)</th>
<th>5% weakening of currency vs Sterling</th>
<th>5% strengthening of currency vs Sterling</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio value</td>
<td>1,259.7</td>
<td>(40.0)</td>
<td>40.0</td>
</tr>
<tr>
<td>Cash collateral</td>
<td>134.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-portfolio investments</td>
<td>0.4</td>
<td></td>
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</tr>
<tr>
<td>Total investments</td>
<td>1,394.5</td>
<td></td>
<td></td>
</tr>
<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>110.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension surplus (IAS 19)</td>
<td>24.0 (12.7)</td>
<td></td>
<td>13.9</td>
</tr>
<tr>
<td>Total Assets</td>
<td>1,528.7</td>
<td></td>
<td></td>
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<tr>
<td>Assets</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets</td>
<td>1,505.4 (52.7)</td>
<td></td>
<td>53.9</td>
</tr>
</tbody>
</table>
Illustration of impact of change in inflation rates

- Based on a sample of PPP investments, the Group estimates a 0.25% movement in inflation would result in a valuation movement of c£16.0m for its PPP investments at 30 June 2018.

- Inflation changes in one jurisdiction do not mean the same change in all jurisdictions in which the Group invests.

- Impact on renewable energy projects depends on whether energy prices react to changes in inflation.

- Changes in inflation also impact the pension fund liabilities and consequently the pension surplus all other things being equal - sensitivity does not take account of hedging or change in value of pension fund assets.

### Summary balance sheet

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2018 (£m)</th>
<th>0.25% Increase in inflation</th>
<th>0.25% Decrease in inflation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio value</td>
<td>1,259.7</td>
<td>16.0</td>
<td>(15.0)</td>
</tr>
<tr>
<td>Cash collateral</td>
<td>134.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-portfolio investments</td>
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</tr>
<tr>
<td>Net Assets</td>
<td>1,505.4</td>
<td>(16.3)</td>
<td>16.5</td>
</tr>
</tbody>
</table>
Other macro-economic factors

• Corporation tax rates
  • Changes in corporation tax rates impact the value of investments
  • Impact depends on specific tax rates in each jurisdiction in which we invest

• Deposit rates
  • Under project finance arrangements, projects in which we invest can hold significant cash balances
  • Changes in long-term deposit rate forecasts over the first half of 2018 in several jurisdictions led to a £0.3m increase in the portfolio value at 30 June 2018

• Power prices
  • At 30 June 2018, we estimate that a +/-5% movement in power price forecasts would have a value impact of approximately +/-£9.5m
Q & A