JLEN

John Laing Environmental Assets Group Limited

Results for the six months to 30 September 2016

23 November 2016

Overview of JLEN

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Investment profile	• Diversified portfolio of environmental infrastructure projects - long-term, predictable, wholly or partially inflation linked cash flows • Invest in operational projects with well-established technologies and demonstrable track record of operational performance • Currently 18 wind, solar, waste and wastewater management projects in the UK and France
Investor returns	• Sustainable dividend, paid quarterly, targeted to increase progressively in line with inflation. Target dividend for year to March 2017 6.14p[1] • Target net IRR of 7.5% to 8.5% over longer term[2]
Management	• Independent Board of five non-executive directors • Experienced Investment Adviser: John Laing Capital Management
Future Growth	• First Offer Agreement over pipeline of existing assets from John Laing • Active secondary market for third party asset purchases

1. *This is an annualised target only and not a profit forecast. There can be no assurance that this target will be met or that the Company will make any distributions at all.*
2. *On IPO issue price. These are targets only and not profit forecasts. There can be no assurance that these targets will be met or that the Company will make any distributions at all.*

Highlights

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- NAV per ordinary share of 98.3 pence (March 2016: 96.7 pence) – increase per share primarily due to increased electricity prices during the period
- Portfolio value of £320.7m (March 2016: £264.5m)
- Three acquisitions totalling £52m, bringing number of investments to 18 and capacity of the renewable energy assets in the JLEN portfolio to 173.4MW
- Successful equity fund raise in May 2016 raising gross proceeds of £35.2m. Further £16.3m raised to September 2016 and £6.6m post period end under tap issuance programme announced in July 2016
- Revolving credit facility increased from £65m to £75m in July 2016; £65m drawn at period end
- Operational and financial performance for the period to 30 September 2016 broadly in line with budget after allowing for lower irradiation levels and technical issues at Branden and Monksham solar parks
- Total dividends declared of 3.07 pence per ordinary share for the six months to 30 September 2016, in line with target set out in the 2016 Annual Report

Portfolio Overview as at 30 September 2016

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Waste & Water Management

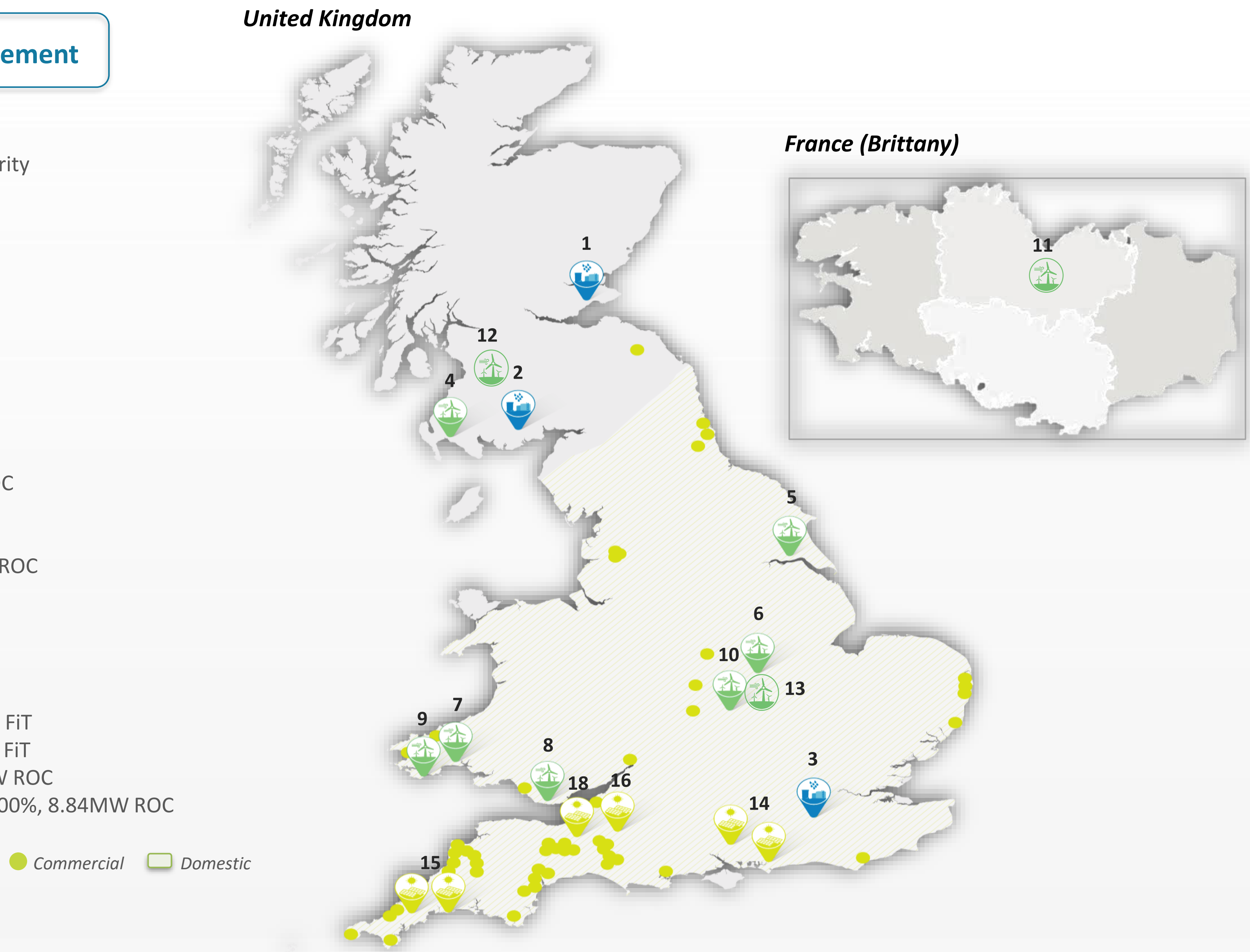
1) ***Tay*** – 33%, PFI for Scottish Water
2) ***D&G*** – 80%, PFI for Council
3) ***ELWA*** – 80%, PFI for Waste Authority

Wind

4) ***Carscreugh*** – 100%, 15MW ROC
5) ***Hall Farm*** – 100%, 25MW ROC
6) ***Bilsthorpe*** – 100%, 10MW ROC
7) ***Castle Pill*** – 100%, 3.2MW ROC
8) ***Ferndale*** – 100%, 6.4MW ROC
9) ***Wear Point*** – 100%, 8.2MW ROC
10) ***Burton Wold*** – 100%, 14.4MW ROC
11) ***Le Placis Vert*** – 100%, 4MW, FiT
12) ***Dungavel*** – 100%, 26MW, 0.9ROC
13) ***New Albion*** – 100%, 14.4MW, 0.9ROC

Solar

14) ***Amber Fryingdown*** – 100%, 5MW FiT
Amber Five Oaks – 100%, 4.8MW FiT
15) ***Branden Victoria*** – 100%, 5.89MW ROC
Branden Luxulyan/Treddinick – 100%, 8.84MW ROC
16) ***Monksham*** – 87%*, 10.7MW ROC
17) ***Panther***– 100%, 6.5MW FiT
18) ***Pylle*** - 100%, 5MW FiT



* *Effective economic interest*

Acquisitions and pipeline

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Acquisitions

- ***Dungavel wind farm***
  Purchased in June 2016 and located in South Lanarkshire, South West Scotland. 13 Vestas 2MW V80 turbines with a total generating capacity of 26MW. Accredited for 0.9 ROCs.

- ***New Albion wind farm***
  Purchased in July 2016 and located near Kettering, Northamptonshire. Seven Senvion MM92 turbines with a total generating capacity of 14.4MW. Accredited for 0.9 ROCs.

- ***Le Placis Vert wind farm***
  Acquired in July 2016 and located in Brittany in northwest France. Five Enercon E-53 turbines with a total generating capacity of 4MW. Accredited under 15-year FiT regime.

Pipeline

- Strong level of acquisition opportunities across breadth of environmental infrastructure including estimated £420m pipeline under First Offer Agreement with John Laing to 31 December 2019

Portfolio analysis at 30 September 2016

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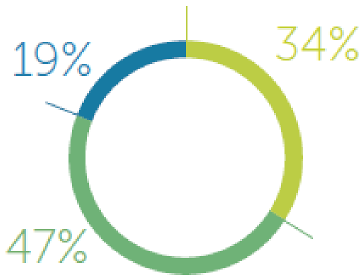
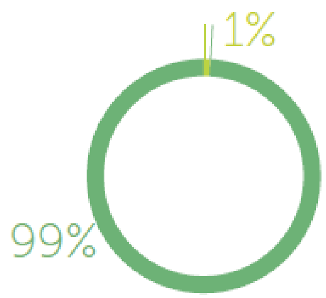
Portfolio value split by sector



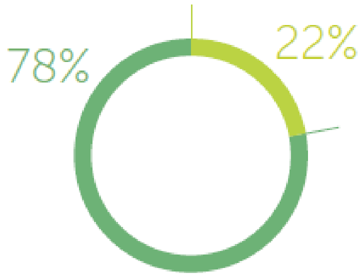
Solar
Wind
Waste & wastewater

Portfolio value split by geography



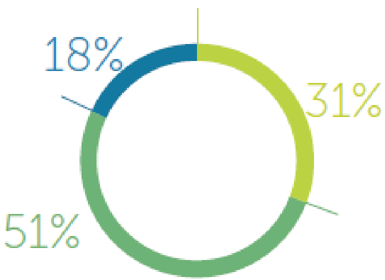
France
UK

Portfolio value split by remaining asset life (years)



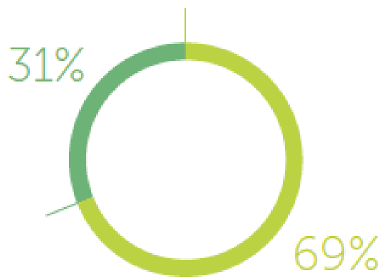
11 to 20 years
21 to 30 years

Portfolio distributions split by revenue type(1)



Electricity price
Green benefits
PFI

Portfolio distributions split by inflation linkage(1)



Inflation linked
Non-inflation linked

[1]*Based on project revenues from volumes/generation during the year and assumes project cash flow distributions reflect revenue spilt at each project.*

Portfolio performance

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- Good availability across all asset classes apart from Branden & Monksham solar due to technical issues and a lightning strike
- Wind generation in line with budget. Solar generation 5% below budget due to low irradiation and 7% due to issues at Branden & Monksham
- Waste and wastewater volumes on or above budget – ELWA contract performance maintained and full operations resumed in August 2016
- Improvement during the period in short-term and long-term electricity price forecasts. 3% overall improvement over 25 years on time weighted average basis.
- Total distributions from projects in line with budget
- Overall performance again demonstrates benefit of a diversified portfolio and spread of risks across technologies and revenue sources

Balance sheet

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Summary – Investment basis

	30 September 2016 (£m)	31 March 2016 (£m)
Portfolio valuation	320.7	264.5
Cash	15.7	6.2
Net debtors	0.2	1.0
Revolving credit facility	(65.0)	(54.8)
Net assets	**271.6**	**216.9**
Number of shares in issue	276,356,435	224,356,435
Net asset value per share	98.3p	96.7p

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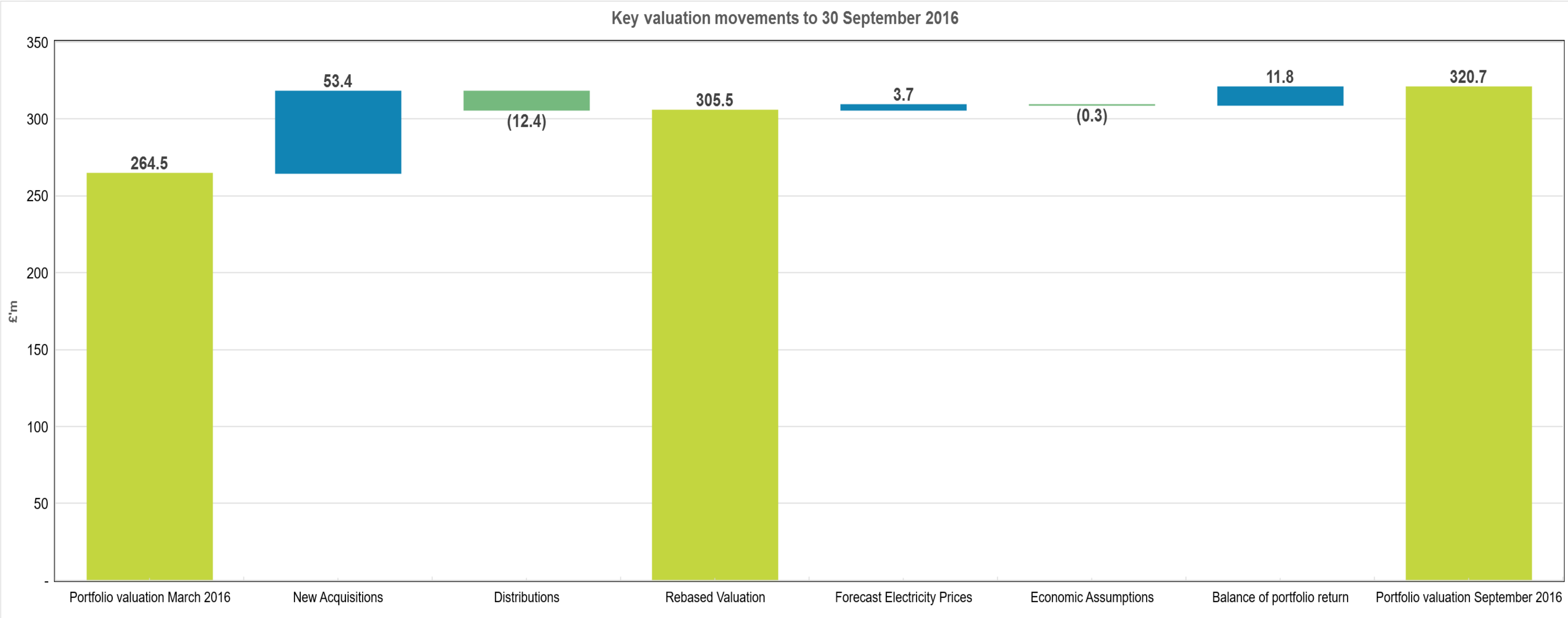
Portfolio valuation movements

Six months to 30 September 2016



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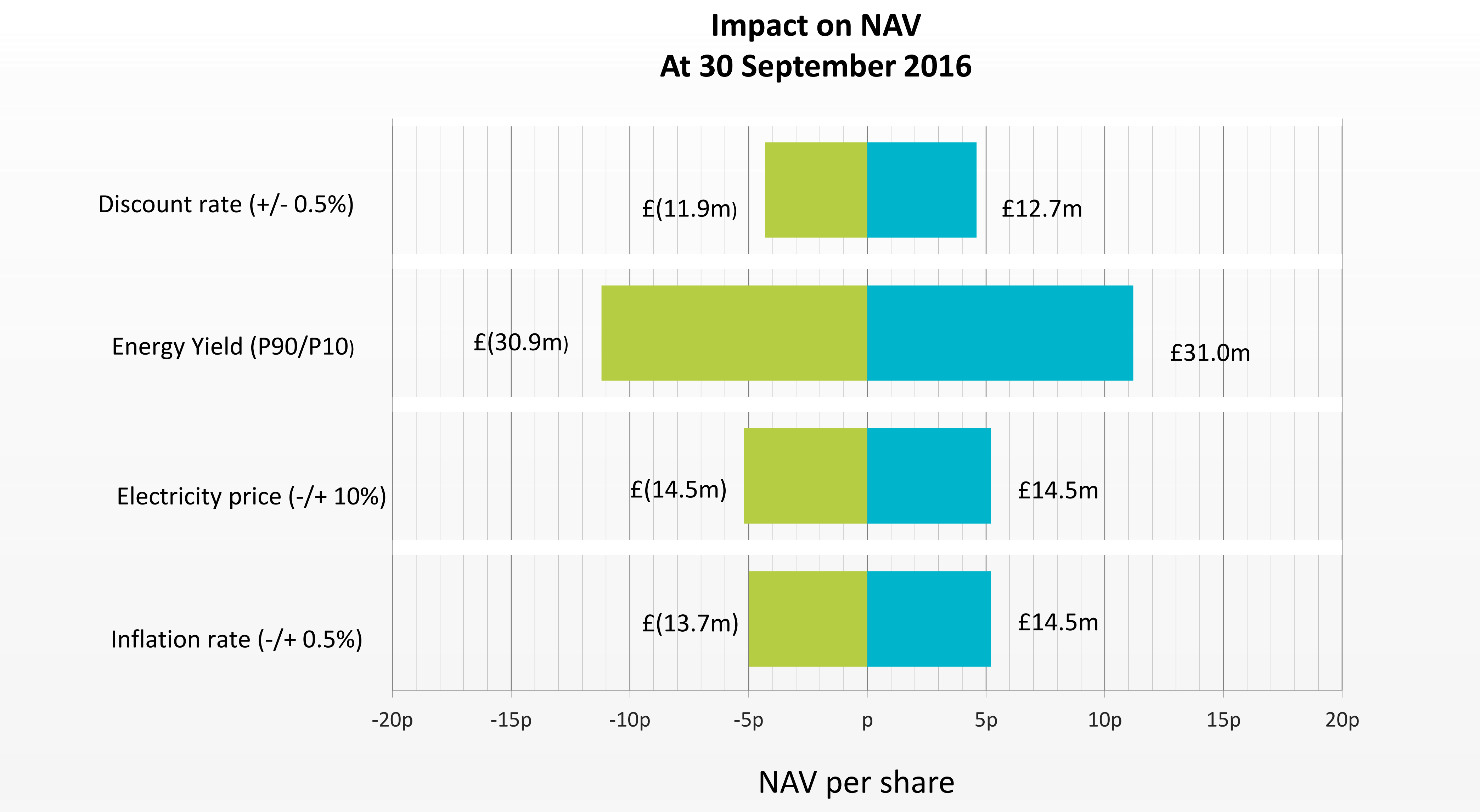
Portfolio valuation – key assumptions

- **Generation** – assumes base case of "P50" level of electricity output for renewable assets based on technical advisors analysis
- **Electricity prices**
  - ➢ for the next 2 years fixed prices or short term market forward prices
    - generation weighted average fixed prices, pre PPA discount, winter 2016 £44/MWh (85% coverage) and summer 2017 £39/MWh (65% coverage)
    - market forward average for next 2 seasons £44/MWh for winter and £38/MWh for summer
  - ➢ then central case forecasts from established market consultant
- **Economic** – Inflation 2.1% for 2016 then 2.75% from 2017 onwards. France 1.5%
- **Discount rates** – reduction to overall WADR of 8.4% (31 March 2016: 8.2%) – reflects change in overall mix between sectors due to wind acquisitions during the period. No change to individual discount rate assumptions made at 31 March 2016.
- Includes further value enhancement from refinancing of bank debt in new UK wind assets

NAV sensitivity analysis



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Group cash flow

Summary – six months to 30 September 2016

	£m
Cash at 31 March 2016	**6.2**
Net share issue proceeds	49.9
Acquisition of investment assets (net)	(51.4)
Borrowings under credit facility	10.2
Distributions from projects	12.4
Operating and other costs	(3.4)
Acquisition costs	(0.7)
Dividends paid	(7.5)
Cash at 30 September 2016	**15.7**

Funding

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- £75m revolving credit facility
  - facility increased from £65m to £75m in July 2016
  - £65m drawn at 30 September 2016 – reduced to £53m from proceeds of post period-end tap issues in October 2016
- Project-level gearing across portfolio 43.4% (31 March 2016: 43.6%)
  - renewable energy assets 32.0% (31 March 2016: 27.1%)
  - PFI processing assets 61.2% (31 March 2016: 62.2%)
  - Increase in RE gearing due to acquisition of levered wind farms in period
- Overall fund gearing, including RCF drawn balance, 53.7% (31 March 2016: 53.9%)

Conclusion

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- Continue to deliver on promises at IPO in March 2014
- Increase in NAV per share reflects improved forecasts for electricity prices
- Successful equity fund raise in June 2016 raising £35.2m, with a further £22.9m raised under the tap issuance programme (including £6.6m post the period end)
- Revolving credit facility increased from £65m to £75m in July 2016; £65m drawn at period end
- Total dividends declared of 3.07 pence per ordinary share for half year to 30 September 2016, in line with target set out in the 2016 Annual Report. Target dividend for year to 31 March 2017 6.14p[1]
- Strong level of acquisition opportunities across breadth of environmental infrastructure including estimated £420m pipeline under First Offer Agreement with John Laing to 31 December 2019

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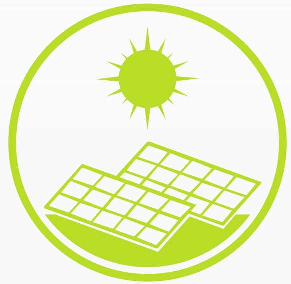
Q&A

Appendices



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Fund Governance and Terms

The Fund	• Domiciled in Guernsey • Independent Board of Directors • Chapter 15, premium listing on LSE
Investment Adviser	• John Laing Capital Management Limited • FCA authorised and regulated • Advisers dedicated to the fund and highly experienced • Monitors and reviews projects
Base Fee	• 1.0% of Adjusted Portfolio Value(1) up to and including £0.5bn • 0.8% of Adjusted Portfolio Value(1) over £0.5bn
Performance Fee	• No performance fee
Asset Origination Fee	• No origination fee
Investment Adviser Terms	• 4 years followed by rolling 1 year notice
Discount Control	• The Company can buy up to 14.99% p.a. of the ordinary shares in issue at prices below the estimated prevailing NAV per ordinary share where the Directors believe such purchases will result in an increase in the NAV per ordinary share
Continuation Vote	• Would take place if shares trade at a significant discount to Net Asset Value per share for a prolonged period of time

1. *"Adjusted Portfolio Value" means the sum of the Fair Market Value of the Investment Portfolio, plus any cash owned by or held by or to the order of the Fund plus the aggregate amount of payments made to Shareholders by way of dividend in the quarterly period ending on the relevant Valuation Day, less any other liabilities (excluding any borrowings) and any Uninvested Cash (each to the extent that it has not already been deducted). Uninvested Cash refers to the net proceeds of any equity or debt capital raising by the Company that is held in cash or near cash instruments until such time as such net proceeds are invested by the Fund in Investment Interests.*

Investment Policy

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JLEN's investment policy is to invest in Environmental Infrastructure projects that have the benefit of long-term, predictable cash flows

Sector	• Environmental Infrastructure projects that utilise natural or waste resources or support more environmentally-friendly approaches to economic activity, which could involve: ▪ Renewable energy generation (including solar, wind, hydropower and biomass) ▪ Supply and treatment of water ▪ Treatment and processing of waste ▪ Projects that promote energy efficiency • All projects to have the benefit of long-term, predictable, wholly or partially inflation-linked cash flows supported by long-term contracts or stable regulatory frameworks
Geography	• At least 50% of the portfolio by value will be based in the UK (current portfolio is over 99% UK based by value) • Investments in projects that are located only in OECD countries
Operational	• No more than 15% of the Net Asset Value ("NAV") will be attributable to projects in construction and not yet fully operational • Intention to invest in projects underpinned by well-established technologies with significant track record of use in other projects with demonstrable operational performance
Single Asset Limit	• No more than 30% of NAV invested in a single asset post-acquisition
Gearing	• Asset level: no more than 65% of Gross Project Value[1] for Renewable Energy projects and no more than 85% of Gross Project Value for PFI / PPP projects • Fund level: no more than 30% of NAV immediately post-acquisition; any acquisition debt intended to be repaid periodically by equity raising

1. *"Gross Project Value" means in respect of each Project Entity, the Fair Market Value of the Investment Interests in such Project Entity acquired or to be acquired by the Fund as increased by the amount of any financing held within the relevant Project Entity.*

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