JLEN

John Laing Environmental Assets Group Limited

Interim results for the period ended 30 September 2014

20 November 2014

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Fund Characteristics

A diversified portfolio of operational environmental infrastructure projects

Portfolio	• Diversified portfolio of 7 wind, solar, waste and wastewater management projects in the UK with nine fully operational sites
Size	• 160 million shares with market cap of £168.8m (14 November 2014)
Investor returns	• Aim to provide investors with a target dividend of 6p per Ordinary Share, increasing progressively in line with inflation[(1)] • First interim dividend for period ended 30 September 2014 of 3.0p per share to be paid in December 2014 • Target IRR of 7.5% to 8.5% (net of fees and expenses)[(2)]
Gearing	• Gearing limits of 30% (Fund Level), 85% (PFI assets) and 65% (RE assets) [(4)] • £50m revolving credit facility raised October 2014 for future acquisitions • Gearing at 30 September 2014 - nil (Fund RCF), 65% (PFI assets) and 19% (RE assets) – overall 51%
Management	• Independent Board of five Directors • Experienced Investment Adviser John Laing Capital Management • Competitive fee structure – 1.0% of Adjusted Portfolio Value up to £0.5bn, 0.8% above £0.5bn[(3)]
Future Growth	• First Offer Agreement over pipeline of existing assets from John Laing with estimated value over the next 3 years of £245m • Active secondary market for third party asset purchases • Longer term flexibility to expand into other OECD countries

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.*
3. *Definition of 'Adjusted Portfolio Value' detailed on p.26. of Interim Accounts for period ended 30 September 2014.*
4. *Percentages are of Net Asset Value at Fund level and Gross Project Value at project level. Definition of Gross Project value detailed on slide 14.*

Highlights

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For the period ended 30 September 2014

- Successful Initial Public Offering (IPO) in March 2014 raised £160m (before expenses)
- IPO proceeds fully invested in seven environmental infrastructure assets comprising nine operational sites
- Net Asset Value (NAV) per share of 101.2 pence up from 98.0 pence at IPO
- Financial performance of Portfolio in line with expectations and ELWA contract performance maintained despite fire disruption at key facility
- Revolving Credit Facility of £50m signed in October 2014 giving flexibility for further acquisitions
- Interim dividend of 3.0 pence per share to be paid in December 2014 in line with our dividend policy

Portfolio Overview

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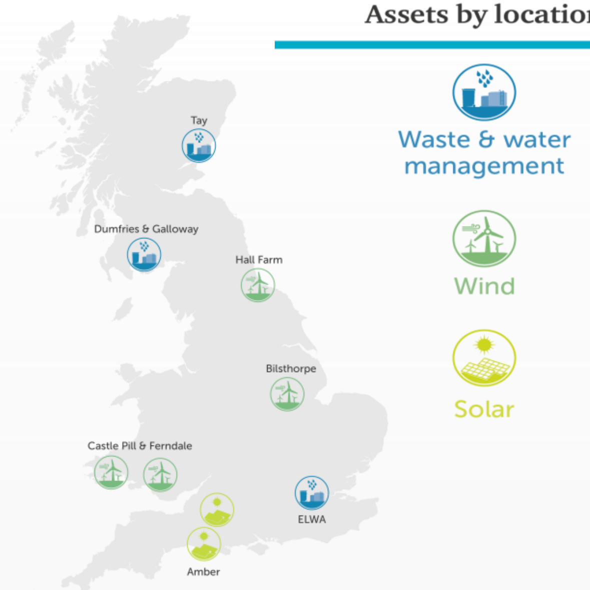
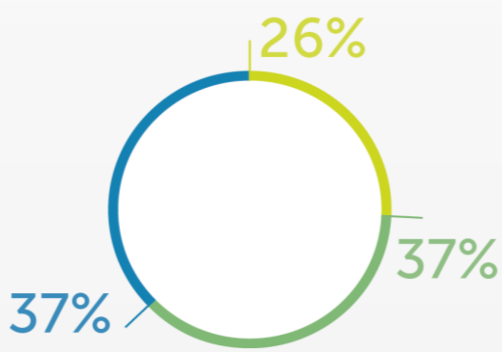
Diversified portfolio of environmental infrastructure assets with operating track record and balanced between wind, solar energy and waste and wastewater management

Name	Type	Stake	Comments
Amber	Solar	100%	10 MW under FIT regime
Bilsthorpe	Wind	100%	10 MW under ROC regime
Castle Pill & Ferndale	Wind	100%	10 MW under ROC regime
Dumfries and Galloway	Waste Mgmt	80%	PFI for Dumfries & Galloway council
ELWA	Waste Mgmt	80%	PFI for East London Waste Authority
Hall Farm	Wind	100%	25 MW under ROC regime
Tay	Waste Water	33%	PFI for Scottish Water

Assets by location



Sector share by value



Portfolio performance

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For the period ended 30 September 2014

- Financial performance of Portfolio generally in line with budget
- Good asset availability across all asset classes
- Wind speeds below expectations during summer and as a result generation 8.8% down over last 12 months
- Solar and waste/wastewater generation/volumes on or above budget
- ELWA contract performance maintained despite fire disruption at key facility
- Overall performance demonstrates benefit of diversified Portfolio and spread of risks across technologies

Balance sheet

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Summary – Investment basis

Balance sheet	30 September 2014 (£m)
Portfolio valuation	154.8
Cash	7.4
Net debtors/creditors	(0.3)
Net Assets	161.9
Number of shares in issue	160,000,000
Net asset value per share	101.2p
Net asset value per share at IPO	*98.0p*

Net Asset Value Movements

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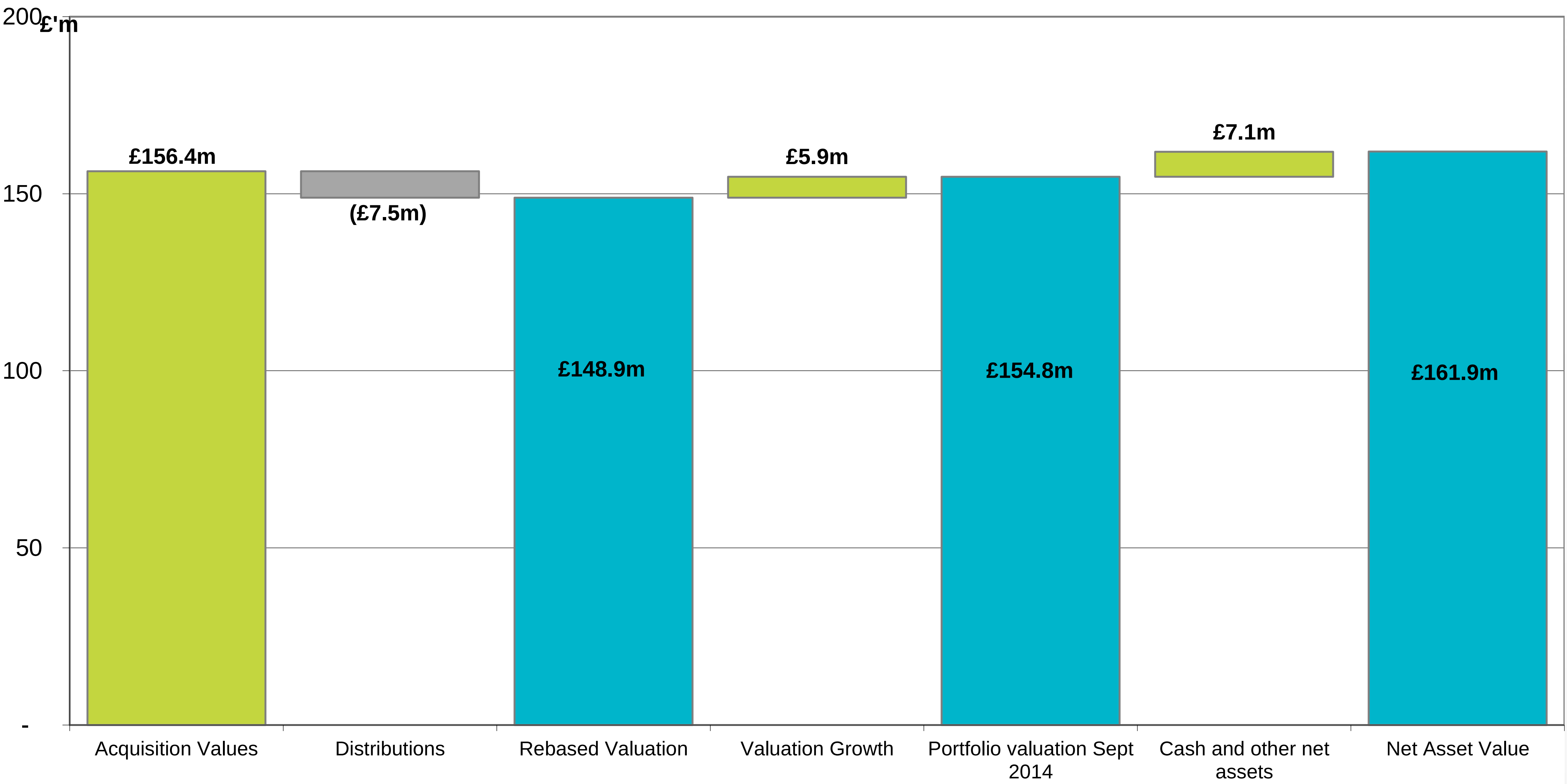
Period ended 30 September 2014



Sensitivity Analysis

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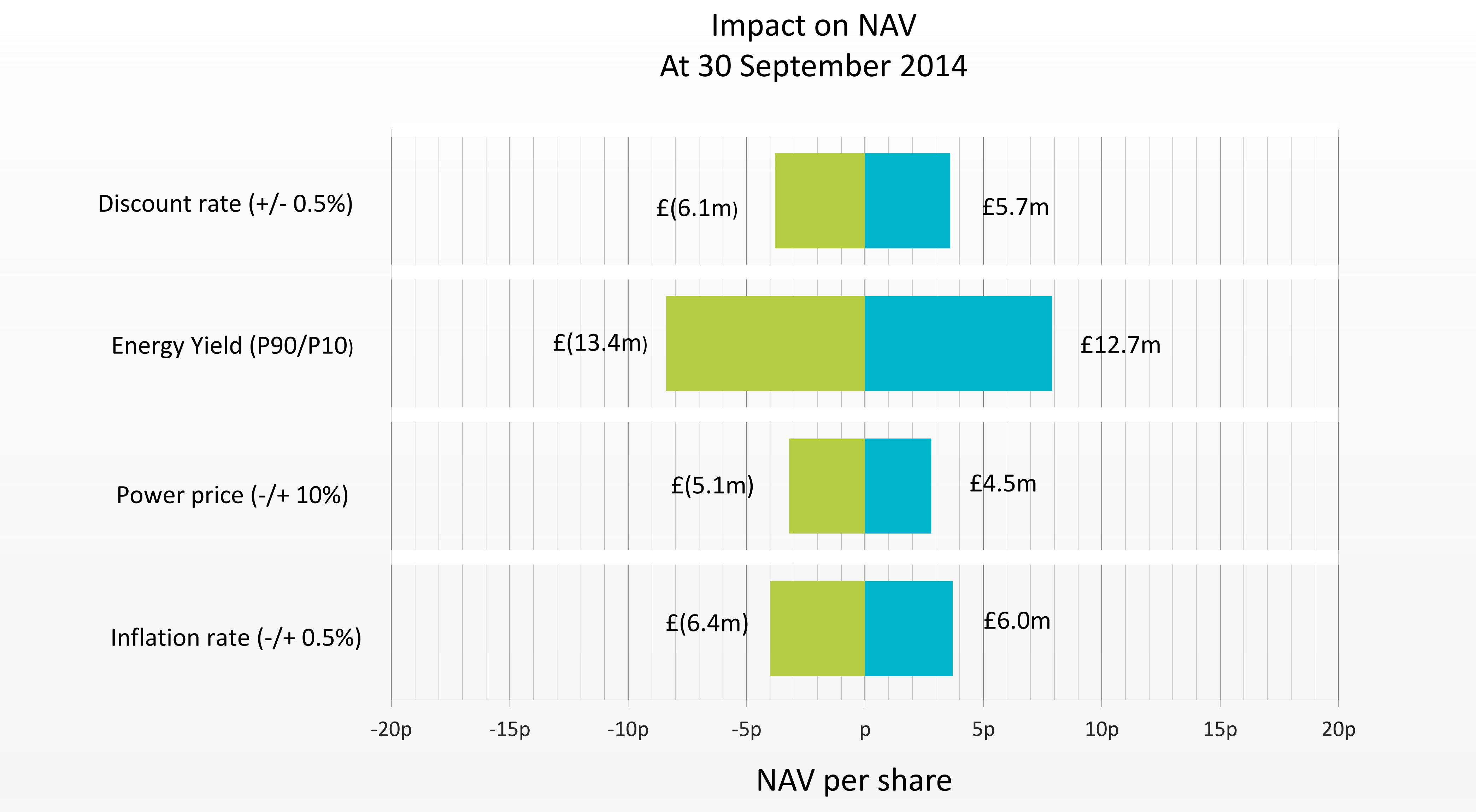

Cash Flow

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Cash flow summary – period ended 30 September 2014

	£m
Net issue proceeds from IPO	156.9
Acquisition of investment assets	(156.4)
Distributions from projects	7.5
Operating and other costs	(0.6)
Cash at 30 September 2014	7.4
Cash dividend cover	Approx 1.4 times

Conclusion

- Delivered on promises at IPO to be fully invested and to pay first interim dividend of 3.0 pence per share in December 2014
- Overall performance demonstrates benefit of diverse portfolio in managing operational risks
- £50m revolving credit facility raised in October 2014 to assist in funding further investments
- Strong level of acquisition opportunities across breadth of environmental infrastructure including estimated £245m pipeline under First Offer Agreement with John Laing

Q&A

Appendices

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Investment Policy

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 100% UK based) • 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.*

Dumfries and Galloway Waste Management

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Key Facts

Legal Name	• Shanks Dumfries and Galloway Limited
Current Ownership	• JLEN: 80%, Shanks: 20%
Type	• Waste management
Capacity[1]	• 122,000 tonnes
Concession	• Until 2029
Counterparty	• Dumfries and Galloway Council
Operator	• Shanks Waste Management Ltd
Revenue Mechanism	• Based on volume (with a contractual floor) and fixed price bands indexed by inflation
Debt Structure	• £25m facility. Repayment started in 2008 and final repayment due in 2025 • 100% of loan principal hedged via an interest rate swap
Historical Operational Record	• Good operating experience with minimal deductions
Start of Commercial Operations	• 2007

Location

Commentary

- Processes municipal waste from Dumfries and Galloway council
- Produces Solid Recovered Fuel and other products
- Acquired by John Laing in September 2010
- JLEN holds 100% of the shareholder loan

1. *Maximum contract tonnage before excess waste provisions.*

East London Waste Authority

Key Facts

Legal Name	• ELWA Limited
Current Ownership	• JLEN: 80%, Shanks: 20%
Type	• Waste management
Capacity[(1)]	• 700,000 tonnes
Concession	• Sites became operational in 2006 and 2007 • PFI concession agreement runs until 2027
Counterparty	• East London Waste Authority
Operator	• Shanks Waste Management Ltd
Revenue Mechanism	• Based on volume (with a contractual floor) and fixed price bands indexed by inflation
Debt Structure	• £138m facility, final repayment due in 2026 • Loan principal hedged via an interest rate swap
Historical Operational Record	• Good operating experience with minimal deductions
Start of Commercial Operations	• 2006

Location

Commentary

- Waste management plant for the East London Authority area (Barking, Dagenham, Havering, Newham and Redbridge)
- Produces Solid Recovered Fuel and other products
- Acquired by John Laing in September 2010
- JLEN holds 100% of the shareholder loan

1. *Maximum contract tonnage before excess waste provisions.*

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Tay Waste Water Treatment

Key Facts

Legal Name	• Catchment Tay Limited
Current Ownership	• JLEN 33% • Barclays Infrastructure Funds (52%) and Veolia Water UK (15%)
Type	• Wastewater treatment
Capacity	• c.72,000m^3 / day[1]
Concession	• 30-year concession from 1999 to 2029
Counterparty	• Scottish Water
Operator	• Veolia Water Operational Services (Tay) Ltd
Revenue Mechanism	• Index-linked service fee based on the volume of waste water treated • Tariff per cubic metre is split into three bands depending on the volume
Debt Structure	• Privately placed £103m 7.12% secured bonds due in 2028
Historical Operational Record	• Good operational record
Start of Commercial Operations	• 2001

Location

Commentary

- Located in Dundee and Arbroath, Scotland
- 1 Waste Water Treatment Plant
- 7 pumping stations
- 35km of sewer network main
- Approximately 72,000m^3 / day waste water treated for a population equivalent of c.250,000 from the Dundee and Arbroath areas

1. Refers to the Dry Weather Flow. Full treatment capacity is c.151,000m^3 / day

Amber Solar

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Key Facts

Legal Name	• Amber Solar Parks Limited
Current Ownership	• JLEN 100%
Capacity	• 9.8MW
Renewable Regime	• Feed in Tariff: 33.2p / kWh (from April 2013)
PPA	• SmartestEnergy Ltd
Revenue	• Revenue generated from receipt of Feed-in Tariff, wholesale power sales, sale of LECs and receipt of positive Embedded Benefits (if any). Feed-in tariff currently £332/MWh for FY 13/14
Net Output (Management Case)	• P50: 9.9 GWh
Panels	• Sunowe Photovoltaic[1]
O&M	• Axiom Solar Ltd (15 years)
Start of Commercial Operations	• Assets operating since late 2011, taken over 3rd July 2012

Location

Commentary

- Located in Five Oaks, West Sussex (4.8 MW) and Fryingdown, Hampshire (5.0 MW)
- Bought by John Laing in July 2012 as operating assets from private developer consortium
- Receives FIT at 33.2p / KWh (from April 2013, indexed to RPI) and the power price

1. Zhejiang Sunflower Light Energy Science & Technology LLC

Bilsthorpe Wind

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Key Facts

Legal Name	• Bilsthorpe Wind Farm Limited
Current Ownership	• JLEN 100%
Capacity	• 10.2 MW
Renewable Regime	• 1.0 ROC
PPA	• Statkraft
Revenue	• Revenue generated from wholesale power sales, sale of ROCs, LECs and receipt of positive Embedded Benefits (if any). Discounts applied to these revenue streams as part of PPA
Net Output (Management Case)	• P50: 23.1 GWh / 25.9%
Turbine	• REpower Systems SE
O&M	• REpower Systems SE (15 years)
Start of Commercial Operations	• March 2013

Location

Commentary

- Located in Nottinghamshire
- Bought by John Laing in October 2011 from Peel Energy as development phase projects – construction by John Laing
- 5 REpower MM82 turbines (2.05 MW)

Castle Pill & Ferndale Wind

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Key Facts

Legal Name	• Wind Assets LLP • Ferndale Wind Limited and Castle Pill Wind Limited
Current Ownership	• JLEN 100%
Capacity	• 9.6 MW
Renewable Regime	• 1.0 ROC
PPA	• Statkraft
Revenue	• Revenue generated from wholesale power sales, sale of ROCs, LECs and receipt of positive Embedded Benefits (if any). Discounts applied to these revenue streams as part of PPA
Net Output (Management Case)	• P50: 21.9 GWh / 26.0%
Turbine	• Enercon, EWT & Nordtank
O&M	• Emergya Wind Technologies B.V and Windtechs Limited (Castle Pill) & Enercon GmbH (Ferndale)
Start of Commercial Operations	• October 2009 (Castle Pill) and September 2011 (Ferndale)

Location

Commentary

- Located in Castle Pill, Milford Haven (3.2 MW) and Ferndale, Rhonda Valley (6.4 MW), South Wales
- Bought by John Laing in October 2013 as an operational project

Hall Farm Wind

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Key Facts

Legal Name	• Hall Farm Wind Farm Limited
Current Ownership	• JLEN 100%
Capacity	• 24.6 MW
Renewable Regime	• 1.0 ROC
PPA	• Statkraft
Revenue	• Revenue generated from wholesale power sales, sale of ROCs, LECs and receipt of positive Embedded Benefits (if any). Discounts applied to these revenue streams as part of PPA
Net Output (Management Case)	• P50: 52.1 GWh / 24.2%
Turbine	• REpower Systems SE
O&M	• REpower Systems SE (10 years)
Start of Commercial Operations	• April 2013

Location

Commentary

- Located in Routh, Beverley, East Yorkshire
- Bought by John Laing in November 2013 as an operational project