

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take you should consult your stockbroker, bank manager, solicitor, accountant or other appropriate professional adviser authorised for the purposes of the Financial Services and Markets Act 2000, or if you are not in the United Kingdom, another appropriately authorised professional adviser.

If you have sold or otherwise transferred all your holding of Ordinary Shares in HSBC Infrastructure Company Limited, please send this document, together with the enclosed Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold any part of your holding of Ordinary Shares in HSBC Infrastructure Company Limited, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Board of Directors of HSBC Infrastructure Company Limited which is set out on pages 3 to 5 of this document and which contains your Board's recommendation that you vote in favour of the resolutions to be proposed at the Extraordinary General Meeting referred to below.

Your attention is also drawn to the Notice of the Extraordinary General Meeting which is set out on page 6 of this document.

HSBC INFRASTRUCTURE COMPANY LIMITED

(an authorised closed-ended investment company incorporated in Guernsey with limited liability and with registered no. 44185)

Proposals for disapplication of pre-emption rights and name change

Notice of Extraordinary General Meeting

You will find set out on page 6 of this document a Notice of an Extraordinary General Meeting of HSBC Infrastructure Company Limited to be held at 1, Le Truchot, St Peter Port, Guernsey at 1.30 pm on 10 November 2010.

A Form of Proxy for use at the Extraordinary General Meeting is enclosed and, to be valid, should be completed, signed and returned so as to be received by the Company's UK Transfer Agent, PXS, 34 Beckenham Road, Beckenham, BR3 4TU as soon as possible but, in any event, so as to arrive no later than 1.30 pm on 8 November 2010.

The Company is a Guernsey domiciled authorised closed-ended investment scheme pursuant to Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and Rule 6.02 of the Authorised Closed-Ended Investment Scheme Rules 2008. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council has taken any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it in this document. The Company is listed on the London Stock Exchange under ticker symbol "HICL".

If you have a query concerning this document or the Extraordinary General Meeting, please telephone Capita Registrars between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday on 0871 664 0300 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0300 number cost 10 pence per minute from a BT landline (other network providers' costs may vary). Calls to this line from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot give any financial, legal or tax advice.

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Word and phrases defined in Part III of this document shall, unless the context otherwise requires, carry the same meaning throughout this document.

PART I

LETTER FROM THE CHAIRMAN HSBC INFRASTRUCTURE COMPANY LIMITED

(an authorised closed-ended investment company incorporated in Guernsey with limited liability
and with registered number 44185)

Directors:

Graham Picken (Chairman)
Sarah Evans
John Hallam
Chris Russell

Registered office:

1 Le Truchot
St Peter Port
Guernsey GY1 1WD

To holders of Ordinary Shares in the Company

21 October 2010

Dear Shareholder,

Introduction

The Company has today announced its intention to undertake an issue of C Shares by way of a Placing, Open Offer and Offer for Subscription (the "Issue"). The Board is now convening an Extraordinary General Meeting in order to seek approval from its shareholders for (i) a disapplication of the pre-emption rights attaching to C Shares under Article 9 of the Company's Articles of Incorporation and (ii) a change of name for the Company (together the "Proposals").

The Company has established its position as a leading London-listed infrastructure fund since its launch in March 2006, is a constituent of the FTSE 250 Index with a market capitalisation that has grown to over £550 million and, in the view of the Board, continues to constitute a highly attractive investment opportunity. The Company has a strong track record of over four years of consistent delivery on its investment policies with solid NAV performance, progressive growth in its annual distribution and continued delivery on a strong pipeline providing the opportunity for further investments across a range of sectors and geographies. This strong performance has been reflected in the Company's shares trading at a premium rating for more than eighteen months.

The purpose of this circular is to explain the background to, and reasons for the Proposals. Notice of the Extraordinary General Meeting at which Shareholders' approval for the Proposals will be sought is set out on pages 6 to 7 of this document.

C Share Issue and Disapplication of Pre-emption Rights

At the time of its most recent investor update published on 23 September, the Company indicated that the Investment Adviser was continuing to see a strong pipeline of investment opportunities and that the Group was in exclusive negotiations on a number of projects. Furthermore, it was noted that, if the pipeline of new investments proceeded as expected, the Board would seek to raise new monies before the end of 2010. In line with previous C Share issues, the Company would seek to raise funds to pay down the debt incurred in making new investments, in order to maintain the flexibility to grow its portfolio investments as and when suitable opportunities arise.

In light of the acquisitions recently announced by the Company, the Board has today confirmed that it intends to proceed with a further fundraising by way of a Placing, Open Offer and Offer for Subscription of C Shares. The inclusion of an Open Offer as part of the Issue ensures that a portion of the new share capital will be exclusively available in the first instance to existing shareholders in the Company. It is intended that the net proceeds of the Issue will be no greater than the aggregate of any amounts outstanding under the Group's debt facility and any outstanding commitments or allocations made by the Company prior to the close of the Issue.

It is anticipated that a prospectus relating to the Issue will be published by the Company in mid-November, with C Shares commencing trading in mid-December.

At the Company's Annual General Meeting in July, shareholders approved a resolution proposing the deletion of the Company's existing Articles and the adoption of revised Articles in their place. One of the changes introduced by the new Articles involved the creation of pre-emption rights in respect of the Company's share capital. This change was made in response to recent alterations to the Listing Rules of the UK Listing Authority, under which the Company is required to have pre-emption rights in place in order to maintain its position on the Official List; and, in addition, the Company's shares must benefit from pre-emption rights in order to be considered for inclusion in the FTSE All-Share Index.

The Board believes that it would be advantageous to seek a disapplication of pre-emption rights at this stage, so that the Company may proceed with the Issue as quickly and efficiently as possible. Shareholders are therefore now being asked to approve a disapplication of pre-emption rights in respect of up to 150 million C Shares. C Shares have been one of the Company's preferred methods of raising additional monies in the past, as they ensure that the full costs of the relevant issue are paid by C Share subscribers, as well as ensuring that those new subscribers gain exposure to the Company's existing portfolio by reference to its net asset value at a predetermined date. Under the terms of the Articles, any C Shares issued by the Company convert into Ordinary Shares on a NAV for NAV basis at the time of conversion. In this way, existing Ordinary Shareholders will suffer no dilution in net asset value terms as a result of any issue of C Shares or their conversion into Ordinary Shares.

The authority which the Board is seeking, namely to issue up to 150 million C shares, which will be issued at 100p per share, without the need to observe pre-emption rights, will expire on 31 March 2011 regardless of whether any C Shares have been issued before that time.

Resolution 1 in the Notice of Extraordinary General Meeting proposes the disapplication of pre-emption rights attaching to C Shares.

Change of Name

It was announced in June of this year that the management team of HSBC Specialist Investments Limited ("HSIL"), the infrastructure and real estate arm of the HSBC Group ("HSBC") and owner of the Company's Investment Adviser, HSBC Specialist Fund Management Limited, had agreed outline terms with HSBC for a change of ownership which would lead to the HSIL Businesses becoming independent. The process of obtaining the requisite consents and regulatory approvals is proceeding as planned, and it is envisaged that the transaction will be formally completed in early 2011.

As the Company's Investment Adviser, which forms part of the HSIL Businesses being acquired by the management team, will not be a subsidiary of the HSBC Group going forward, the trademark licence will be terminated and the Company will no longer have the right to use the HSBC name and the HSBC brand. The Board is therefore proposing that the name of the Company should be changed to "HICL Infrastructure Company Limited". The Board believes that this new name will, while dispensing with the HSBC brand, preserve the Company's identity and maintain recognition amongst investors and the wider marketplace.

On the basis that the resolution is passed, it is expected that the Company will change its name in early 2011. Resolution 2 in the Notice of Extraordinary General Meeting proposes the change of name. The Company will update the market as soon as it has further information on the timing of the proposed name change.

Extraordinary General Meeting

The implementation of the Proposals will require the passing of resolutions at the Extraordinary General Meeting, which has been convened for 1.30 pm on 10 November 2010. The Notice convening the Extraordinary General Meeting is set out at the end of this document.

Each of the resolutions will be proposed as a special resolution which, to be passed, requires at least 75 per cent. of the votes cast to be cast in favour of it.

All Shareholders of the Company are entitled to attend, speak and vote at the Extraordinary General Meeting and to appoint a proxy or corporate representative to exercise that right.

Action to be taken

A Form of Proxy is enclosed with this document for use by Shareholders at the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary General Meeting in person, you are requested either to complete the Form of Proxy and return it to PXS, 34 Beckenham Road, Beckenham, BR3 4TU in accordance with the instructions printed on it, or, if you hold your Shares in CREST, to utilise the CREST electronic proxy appointment service in accordance with the procedures set out on the Form of Proxy. In each case, proxy votes should be returned as soon as possible, but in any event no later than 1.30 pm on 8 November 2010.

Completion and return of proxy votes will not prevent you from attending and voting in person at the Extraordinary General Meeting should you wish to do so.

Recommendation

The Board believes that the proposals are in the best interests of the Company and Shareholders as a whole and unanimously recommend that Shareholders vote in favour of the special resolutions to be proposed at the Extraordinary General Meeting, as they intend to do in respect of their own beneficial holdings of Ordinary Shares which amount in aggregate to 252,202 Ordinary Shares (representing approximately 0.05 per cent of the existing issued ordinary share capital of the company).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'G Picken', with a stylized flourish at the end.

Graham Picken
Chairman

PART II

HSBC Infrastructure Company Limited (the "Company")

(an authorised closed-ended investment company incorporated in Guernsey with limited liability
and with registered number 44185)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of HSBC Infrastructure Company Limited (the "Company") will be held at 1, Le Truchot, St Peter Port, Guernsey on 10 November 2010 at 1.30 pm to consider and, if thought fit, pass the following resolutions, which will be proposed as special resolutions.

Special Resolutions

1. That the Board of Directors be and are hereby empowered to allot up to 150 million C Shares of the Company in issue for cash as if Article 9 of the Articles did not apply to any such allotment, provided that such authority shall expire on 31 March, 2011, and provided further that the Company may, before such expiry, make an offer or agreement which would or might require C Shares to be allotted after such expiry and C Shares may be allotted in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.
2. That the name of the Company be changed to "HICL Infrastructure Company Limited" when the trademark licence allowing the use of the HSBC name is terminated.

By Order of the Board

21 October 2010

Registered Office
1, Le Truchot
St Peter Port
Guernsey GY1 1WD
Channel Islands

Notes:

- (1) A member of the Company who is entitled to attend, speak and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies to attend, speak and on a poll or otherwise to vote in his or her place. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- (2) A form of proxy is enclosed which should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such authority) must be deposited with the Company's UK Transfer Agent, PXS, 34 Beckenham Road, Beckenham, BR3 4TU no later than 1.30 p.m. on 8 November 2010 and at any adjournment thereof at which the person named in the instrument proposes to vote. Completion of the form of proxy will not preclude a member from attending and voting in person.
- (3) To change your proxy instructions simply submit a new proxy form using the methods set out above and in the notes to the proxy form. Note that the cut-off date and time for receipt of a proxy form (see above) also apply in relation to amended instructions; any amended proxy form received after the relevant cut-off date and time will be disregarded. If you submit more than one valid proxy form, the form received last before the latest time for the receipt of proxies will take precedence.
- (4) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Company's Receiving Agent and UK Transfer Agent. In the case of a member which is an individual the revocation notice must be under the hand of the appointer or of his attorney duly authorised in writing or in the case of a member which is a company, the revocation notice must be executed under its common seal or under the hand of an officer of the company or an attorney duly authorised. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice.
- (5) The revocation notice must be received by 1.30 p.m. on 8 November 2010. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
- (6) Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Additional Notes

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting to be held 10 November 2010 and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

PART III

DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

"Articles"	means the articles of incorporation of the Company, as amended from time to time;
"Company"	means HSBC Infrastructure Company Limited;
"C Shares"	means C shares of 0.01 pence each in the Company;
"Directors" or "Board"	means the directors of the Company at any time or the Directors present at a duly convened meeting at which a quorum is present;
"Group"	means the Company and its subsidiaries;
"HSIL"	means HSBC Specialist Investments Limited, the owner of the Investment Adviser;
"HSIL Businesses"	means the infrastructure and property fund management businesses currently undertaken by subsidiaries of HSIL which will be acquired by a new entity controlled by the HSIL management team, and including a number (but not all) of the subsidiaries of HSIL including the Investment Adviser;
"Investment Adviser"	means HSBC Specialist Fund Management Limited;
"Issue"	means the proposed issue of C Shares;
"Ordinary Shares"	means shares of 0.01p each in the capital of the Company, classed as ordinary shares and having the rights attached thereto;
"Share"	means a C Share or an Ordinary Share, as the case may be; and
"Shareholders"	means the holders of Ordinary Shares.

FORM OF PROXY

HSBC Infrastructure Company Limited (the "Company")

(an authorised closed-ended investment company incorporated in Guernsey with limited liability
and with registered number 44185)

Form of Proxy for use by shareholders at the Extraordinary General Meeting of the Company to be held at 1, Le Truchot, St Peter Port, Guernsey at 1.30 p.m. on 10 November 2010, to consider and, if thought fit, pass the following resolutions.

I/We

.....
(full name(s) in block capitals)

of

.....
(address in block capitals)

member/members of the Company, hereby appoint the Chairman of the meeting (*See Note 1 overleaf*)

or, failing him,

.....

of

.....
(name and address of proxy in block capitals)

as my/our proxy to attend, speak, and on a poll, vote in my /our names(s) and on my/our behalf at the Extraordinary General Meeting of the Company to be held at 1, Le Truchot, St Peter Port, Guernsey at 1.30 p.m. on 10 November 2010 and at any adjournment thereof.

I/We wish my/our proxy to vote as indicated below in respect of the special resolutions to be proposed at the meeting. *Please indicate which way you wish your proxy to vote by ticking the appropriate box alongside each resolution. (See Note 2 below).*

	FOR	AGAINST	VOTE WITHHELD
SPECIAL RESOLUTIONS			
1. That the Board of Directors be and are hereby empowered to allot up to 150 million C Shares of the Company in issue for cash as if Article 9 of the Articles did not apply to any such allotment, provided that such authority shall expire on 31 March 2011, and provided further that the Company may, before such expiry, make an offer or agreement which would or might require C Shares to be allotted after such expiry and C Shares may be allotted in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.			
2. That the name of the Company be changed to HICL Infrastructure Company Limited when the trademark licence allowing the use of the HSBC name is terminated.			

Signature(*See Note 3 below*) Date.....2010

Print Name.....

NOTES:

1. If you wish to appoint as your proxy someone other than the Chairman of the meeting, cross out the words "the Chairman of the meeting" and write on the dotted line the full name and address of your proxy. The change should be initialled.
2. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he or she thinks fit on the special resolution and, unless instructed otherwise, the person appointed proxy may also vote or abstain from voting as he or she thinks fit on any other business (including amendments to the special resolution) which may properly come before the meeting.
3. This form must be signed and dated by the shareholder or his/her attorney duly authorised in writing. If the shareholder is a Company, it may execute under its common seal, by the signature of a director and its secretary or two directors or other authorised signatories in the name of the Company or by the signature of a duly authorised officer or attorney. In the case of joint holdings, any one holder may sign this form. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. To be valid, this form must be completed and lodged with the Company's UK Transfer Agent, PXS, 34 Beckenham Road, Beckenham, BR3 4TU together with the power of attorney or other authority (if any) under which it is signed or a copy of such authority certified notarially, not later than 1.30 pm on 8 November 2010.

ADDITIONAL NOTES

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting to be held on 10 November 2010 and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

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The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

For further information, please contact the Company Secretary, Dexion Capital (Guernsey) Limited - Karen Greening +44 (0) 1481 743947