

APPLICABLE PRICING SUPPLEMENT



INCA

INFRASTRUCTURE FINANCE CORPORATION LIMITED

(Incorporated with limited liability in South Africa)

(Registration number 1996/001482/06)

Issue of ZAR 160,000,000 Subordinated Notes due 30 April 2020 INJ02

Under its ZAR 10,000,000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Programme Memorandum dated 1 February 2006 (the “**Programme Memorandum**”). This Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

DESCRIPTION OF THE NOTES

1. Issuer	Infrastructure Finance Corporation Limited
2. Stock Code	INJ02
3. Status of Notes	Subordinated Ranking <i>pari passu</i> with existing subordinated debt (i.e. INJ01)
4. Tranche No.	1
5. Series No.	1
6. Aggregate Nominal Amount	ZAR 160,000,000
7. Form of Notes	Listed Registered Notes
8. Interest/Payment Basis	Floating Rate
9. Issue Date	30 April 2010
10. Specified Denomination	Notes shall be issued in minimum denominations of ZAR 1,000,000
11. Issue Price	ZAR 160,000,000
12. Interest Commencement Date	30 April 2010
13. Redemption Date	30 April 2020
14. Final Redemption Amount	100% of the Aggregate Nominal Amount

15. Last Date to Register
17h00 on 20 July, 20 October, 20 January and 19 April.
16. Books Closed Period(s)
The Register will be closed from 21 July to 31 July, 21 October to 31 October, 21 January to 31 January and 20 April to 30 April.
17. Default Rate
Prime rate of FirstRand Bank Limited in respect of any amount due and payable (whether capital or interest) calculated and compounded on a monthly basis from due date until date of payment.
ZAR
Following Business Day
18. Specified Currency
Following Business Day
19. Applicable Business Day Convention
FLOATING RATE NOTES
20. (a) Interest Payment Date(s)
31 July, 31 October, 31 January and 30 April.
(b) Interest Period(s)
Each period from, and including, one Interest Payment Date to but excluding, the next Interest Payment Date commencing on 30 April 2010.
- (d) Rate of Interest
3-month ZAR-JIBAR-SAFEX plus Margin
(g) Other terms relating to the method of calculating interest (e.g. day count fraction, rounding up provision, if different from Condition 5)
Actual / 365
21. Manner in which the Rate of Interest is to be determined
Screen Rate Determination
22. Margin
6,35% for the first 5 (five) years from the Issue Date, and thereafter a Step-up Margin in accordance with item 34 (*Other Provisions*)
23. If Screen Determination
(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)
3-month ZAR-JIBAR-SAFEX
(b) Interest Rate Determination Date(s)
30 April, 31 July, 31 October and 31 January (Following Business Day convention applies).
(c) Relevant Screen page and Reference Code
Reuters page SAFEX code ZA01209 or any successor page

**PROVISIONS REGARDING
REDEMPTION/MATURITY**

24. Issuer's Optional Redemption

Yes, provided that the Issuer shall not be entitled to redeem the Notes

within 24 (twenty four) months of the Issue Date

(a) Optional Redemption Date

Subject to 24(a) and 24(b) below, the date specified in writing by the Issuer to the Noteholder which date shall be on any day after the 2 (two) years following the Issue Date

(b) Optional Redemption Amounts

Without derogating from any other amounts due to the Noteholders under this Applicable Pricing Supplement, where the Optional Redemption Date is on an Interest Payment Date, the aggregate of the Par value of the Notes and the applicable redemption penalty as stipulated in item 24(c) below

Where the Optional Redemption Date is not on an Interest Payment Date, the aggregate of the Par value of the Notes, the accrued and unpaid interest amounts up to the Payment Day and the applicable redemption penalty as stipulated in item 24(c) below

(c) Redemption penalties:

The redemption penalty shall be payable once in a period stipulated below for all redemptions in that period

The once-off penalties payable for each period shall be:

- (i) 1% of the Aggregate Nominal Amount outstanding for redemptions which occur within the period commencing 24 (twenty four) months and 1 (one) day after the Issue Date, and ending 36 (thirty six) months after the Issue Date; or

- (ii) 0.5% of the Aggregate Nominal Amount outstanding for redemptions which occur within the period commencing 36 (thirty six) months and 1 (one) day after the Issue Date, and ending 48 (forty eight) months after the Issue Date; or

- (iii) 0.25% of the Aggregate

25. Protective Mechanisms:

(a) Dividend Restrictions

Nominal Amount outstanding for redemptions which occur within the period commencing 48 (forty eight) months and 1 (one) day after the Issue Date, and ending 60 (sixty) months after the Issue Date

Yes

(i) The Issuer hereby agrees that it shall not declare and/or pay any ordinary dividends, in cash, in specie or in kind, or make any distribution to shareholders or to repay any shareholder loans, or pay cash out for any other redemption or purchase of ordinary equity unless the following capital adequacy thresholds (the “**Capital Adequacy Thresholds**”) are met and maintained at all times:

- (a) the Total Capital of the Issuer, as a percentage of the Issuer’s Total Assets, does not fall below 9% (nine percent); or
- (b) the Core Tier 1 Capital of the Issuer, as a percentage of the Issuer’s RWA, does not fall below 16%; or
- (c) all the IN102 Notes issued by the Issuer, as a percentage of the Issuer’s Total Equity, do not exceed 50%.

- (ii) Should the Capital Adequacy Thresholds be breached, the Issuer hereby undertakes that it shall withhold the payment of any such amounts envisaged in item 25(a)(i) above until such time as the Capital Adequacy Thresholds are met and maintained for a continuous period of not less than 6 (six) months, and the Issuer has received written notice from the Noteholders under this Pricing Supplement confirming that the Noteholders are satisfied that

the Capital Adequacy Thresholds are being met and maintained or until such time as the Noteholders have received in full all amounts owing to the Noteholders under this Pricing Supplement.

- (iii) On each Interest Determination Date or on the Noteholders written request (a “**Calculation Request**”), the Calculation Agent shall calculate whether or not the Issuer has complied with the Capital Adequacy Thresholds and shall provide such calculations (including the methodology) to the Noteholders under this Pricing Supplement by no later than 17h00 on each such Interest Determination Date or such date stipulated in the Calculation Request.

- (iv) Should the Noteholders dispute in writing (a “**Dispute Notice**”) to the Issuer, the calculations regarding compliance with the Capital Adequacy Thresholds, the dispute shall be referred to a mutually agreed upon independent accounting or auditing expert (the “**Auditing Expert**”) for a final determination which will be binding on all parties. Should the parties fail to agree on an Auditing Expert within a reasonable time (and in any event no later than 14 (fourteen) business days after receipt by the Issuer of the Dispute Notice, then the president of the South African Institute of Chartered Accountants will be appointed as the Auditing Expert for purposes of such determination.

- (v) Without derogating from the rights of the Noteholders in items 25(a)(iii) or 25(a)(iv) above, the Noteholders shall be

entitled pursuant to sending a Calculation Request, to have their own independently appointed accounting or auditing expert (the “**Noteholder’s Auditing Expert**”) perform the calculations stipulated in item 25(a)(i) above. The Issuer hereby undertakes to provide the Noteholder’s Auditing Expert with all the necessary and reasonable access to the Issuer’s accounting records as is required for such calculations. The costs for the Noteholder’s Auditing Expert shall be borne by the Noteholders.

Definitions:

“**Core Tier I Capital**” means Total Equity minus Unrealised Fair Value Reserve;

“**RWA**” means risk weighted assets as per the Basel II capital accord and the South African banks regulations (Banks Act: Regulations relating to Banks, published under Government Notice R3 in the Government Gazette 30629 of 1 January 2008);

“**Subordinated Borrowed Funds**” means the subordinated borrowed funds as reflected in the Issuer’s balance sheet and management accounts, as the case may be;

“**Total Capital**” means Total Equity plus Subordinated Borrowed Funds, including the Aggregate Nominal Amount outstanding under this Pricing Supplement;

“**Total Assets**” means total assets as reflected in the Issuer’s balance sheet and management accounts, as the case may be;

“**Total Equity**” means total ordinary

equity as reflected in the Issuer's balance sheet and management accounts, as the case may be;

"Unrealised Fair Value Reserve" means the unrealised fair value reserve as reflected in the Issuer's balance sheet and management accounts, as the case may be;

26. Representations, Warranties and Undertakings

The Issuer hereby undertakes to the Noteholders that it shall not for so long as the INJ02 Notes are outstanding, without the written consent of the Noteholders (which consent shall not be unreasonably withheld) enter into any agreements or other arrangements with any or all of the Issuer's shareholders whereby any or all of the shareholders may extend any form of loan funding to the Issuer, other than loans that rank senior to the INJ02s on market related terms.

GENERAL

27. Calculation Agent Issuer

28. Transfer Secretary Computershare Investor Services
2004 (Pty) Ltd

29. Paying Agent Issuer

30. Additional selling restrictions None

31.	(a)	International Securities Identification Number (ISIN)	ZAG000077066
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(b)	Stock Code	INJ02
32.	Exchange	The JSE Limited

33. Governing law (if the laws of the Republic of South Africa are not applicable) Republic of South Africa

34. Credit Rating assigned to Notes (if any) No

If yes, rating agency and credit rating

35. Other provisions Yes

34.1. Interest Step-up Yes

(a) Interest rate step-up date 30 April 2015

(b) Step-up Margin 800 bps per annum

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS

36. Paragraph 3(5)(a)

The ultimate borrower is Infrastructure Finance Corporation Limited.

37. Paragraph 3(5)(b)

The Issuer is a going concern and can in normal circumstances be reasonably expected to meet its commitments under the Notes.

38. Paragraph 3(5)(c)

The auditor of the Issuer is Deloitte & Touche.

39. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR4 807,000,000 commercial paper and
- (ii) to the best of the Issuer's knowledge and belief, the Issuer estimates to issue ZAR 240,000,000 of commercial paper during the current financial year, ending 30 June 2010.

40. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement. Investors should independently make their own evaluation, analysis and determination in respect of the Issuer and the instrument and consult any independent advisors (if required).

41. Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements, except that Moody's changed INCA's rating to Baa1.za for long-term debt and to P-2.za for short-term debt and that these ratings remain on review for further possible downgrade.

42. Paragraph 3(5)(g)

The Notes will be listed.

43. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

44. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured.

45. Paragraph 3(5)(j)

Deloitte & Touche, the auditors of the Issuer, have confirmed that nothing has come to their attention which indicates that this issue will not comply with the relevant provisions of the Commercial Paper Regulations.

Application is hereby made to list this issue of Notes as from 30 April 2010.

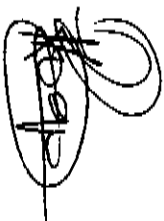
Signed at Worcester on 28 April 2010

INFRASTRUCTURE FINANCE CORPORATION LIMITED

Issuer



By: Digne du-Pont-Bouma
Duly authorised



By: Péggie Boeco
Duly authorised