Argo Global Listed Infrastructure

COHEN & STEERS

Quarterly Investment Report / 30 September 2017

Argo Global Listed Infrastructure Limited (AGLI) is a listed investment company which was established in 2015 to provide investors with exposure to a diversified portfolio of securities in the global listed infrastructure sector, contained within the simple and easily tradeable structure of an ASX-listed investment company. The investment objective is to provide a total return for long-term investors, consisting of capital growth and dividend income, and to provide important diversification benefits for Australian investors.



AGM and investor roadshow report

We recently completed a series of investor meetings in major capital cities around Australia following the 2017 Annual General Meeting, to meet with shareholders and promote the Company to other potential investors. The meetings included presentations from AGLI's Chairman, Managing Director and a Senior Portfolio Manager from Cohen & Steers. The slides shown in the meetings can be accessed at https://www.argoinfrastructure.com.au/assets/docs/asx-announcements/AGLI-2017-AGM-slides-for-ASX-23.10.17.pdf.

The key messages from the AGM and investor roadshow discussions were:

- Global listed infrastructure is performing well and in the short time of AGLI's history has shown the defensive characteristics that we had expected (see the Correlation chart on page 2).
- After a slow start in 2015-16, when the manager was wrong-footed on US interest rate increases, the investment performance has significantly improved this calendar year (see the Total Returns chart on page 3).
- AGLI is profitable and is paying sustainable, if not conservative, dividends to shareholders, initially based on the dividend revenue we receive from the portfolio less the expenses incurred by the Company.
- However, the share price is still trading at a substantial discount to the underlying NTA value per share. Reducing this discount is a very important area of focus for the Company, and the intended measures highlighted in the meetings to help address this are:
  - → Increased marketing activities and resources
  - → Regular engagement with independent research analysts and ratings agencies
  - → The investment mandate has been simplified to remove the 10% fixed interest component
  - → Capital management initiatives, including an on-market buy-back facility
  - → Direct shareholder and investor communications
- The long term investment thematic for the global listed infrastructure sector continues to be very attractive as the privatisation of government infrastructure assets gathers pace overseas. Demand for the sector is also expanding due to being increasingly considered as a separate asset class by professional investors.

Overview

Global listed infrastructure continued to perform well in the September quarter, adding to strong gains for the calendar year to date. We are at last seeing evidence of synchronized global economic growth and with economic data generally exceeding expectations during the quarter, the global economy expanded at its fastest pace in seven years.

Most infrastructure subsectors rose over the quarter, with the more economically sensitive groups including railways, toll roads and marine ports leading the advance.

Toll roads also benefited from hopes of further sector consolidation following the A$25 billion takeover bid for Spain's Abertis by Italy's Atlantia, which if successful will create Europe's largest toll road operator. AGLI holds both stocks in its portfolio.

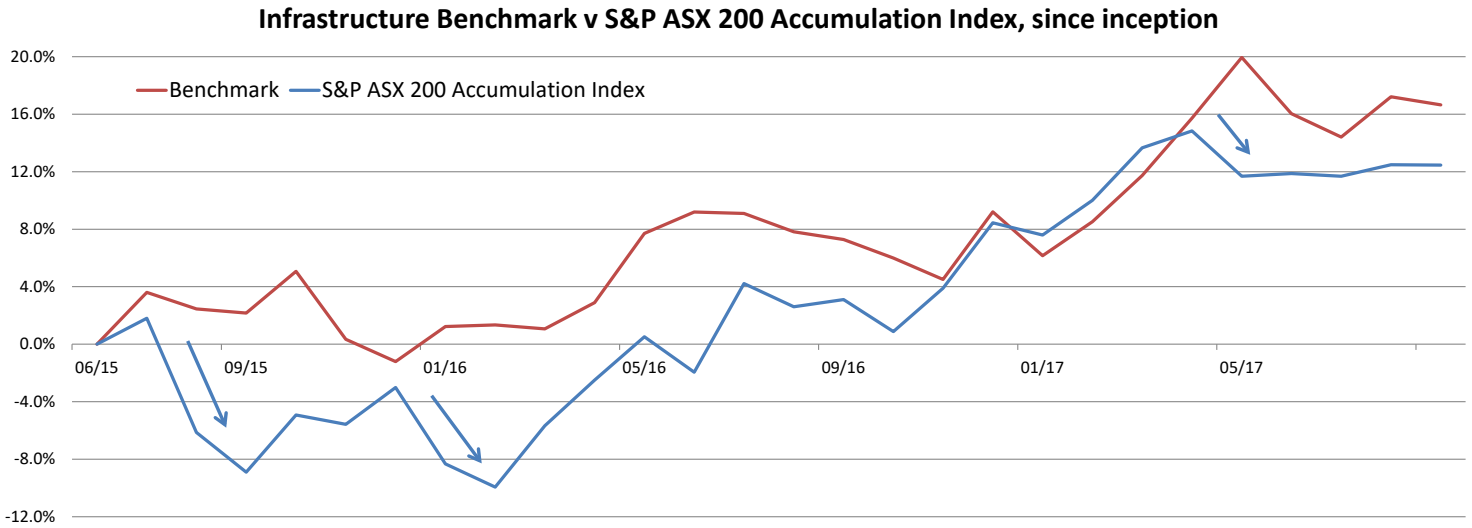
The midstream energy subsector (chiefly pipelines) rebounded from weakness in the first half of the calendar year, as crude oil prices rose to two year highs.

Outlook comments

In the short term, interest rates are expected to climb gradually in developed markets worldwide in response to economic growth, reduced monetary stimulus and modestly rising inflation. At this stage, Europe's outlook is preferred to that of the US in general, as Europe's strengthening labour market conditions are bolstering consumer confidence, whereas the US stands at a later stage in the economic and monetary cycles. The communications tower sectors across both regions are well positioned to benefit from strong demand growth for wireless data services (refer Stock Snapshot on page 3).

AGLI is intended to be a long-term investment. Global listed infrastructure in general has produced favourable returns for a long period of time, performing in line or better than broader global equity markets. We feel this is very encouraging considering the volatility in global equity markets and we remain confident in the long-term prospects for the asset class.

Correlation with Australian equities

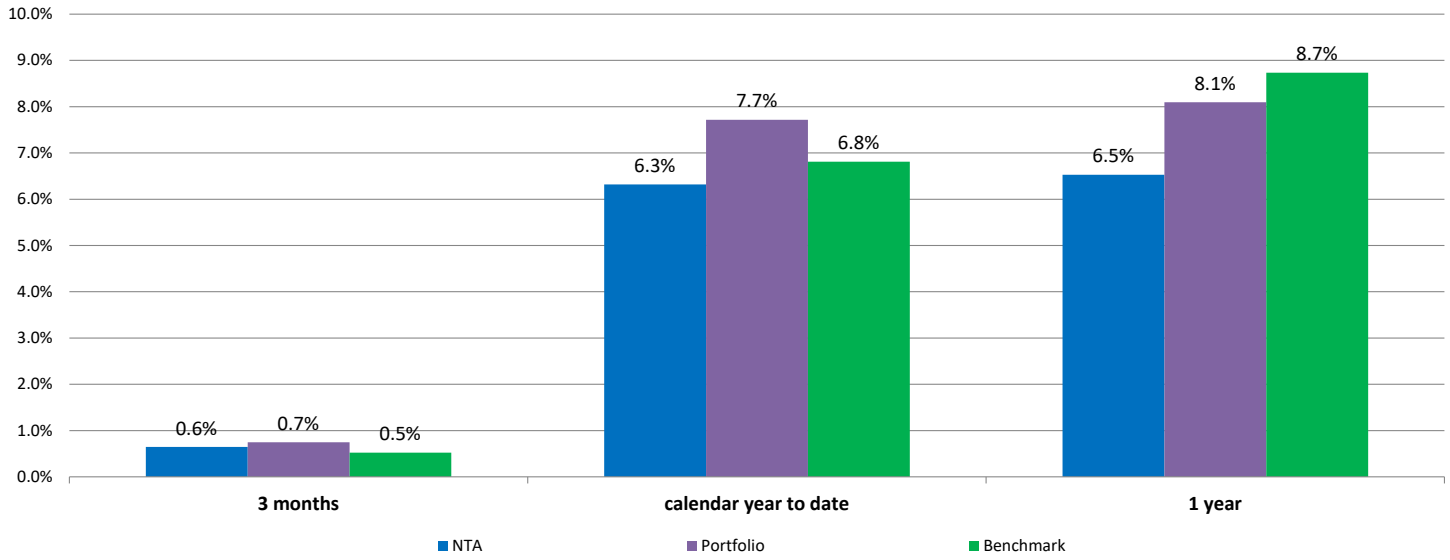


AGLI Benchmark - the A$ blended benchmark of 90% of the FTSE Global Core Infrastructure 50/50 Index and 10% of the Merrill Lynch Fixed Rate Preferred Securities Index. Inception date is 3 July 2015.

Total Returns

The chart below shows that AGLI's NTA rose by 0.6% over the quarter, slightly outperforming the benchmark. For the calendar year to date the NTA has returned +6.3% to close at $2.05 on 30 September. The share price closed at $1.74 and this discount to NTA is discussed in the AGM and roadshow section earlier in this report.

AGLI's investment performance is updated as part of the monthly NTA release to the ASX and on the website www.argoinfrastructure.com.au, which remains the best source for information on the company.



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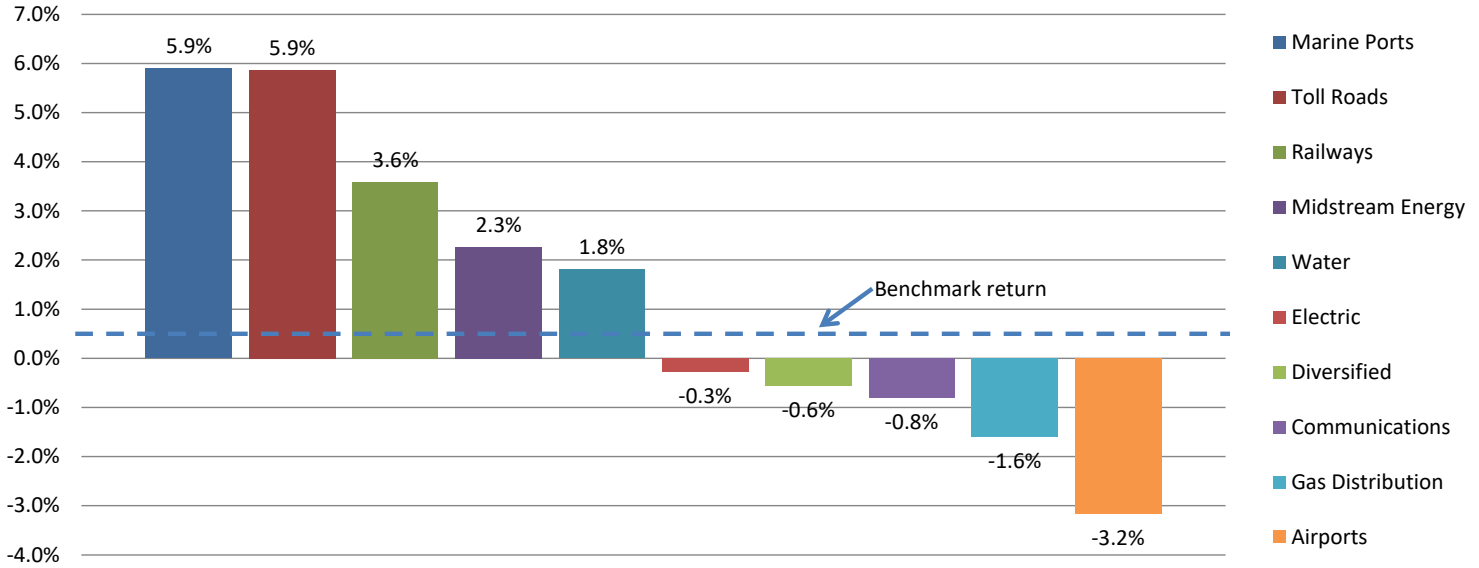
Stock Snapshot

AMERICAN TOWER®

- → Leading global operator of wireless telecommunications towers
- → Leases capacity to wireless carriers on over 150,000 sites across five continents
- → Benefits from strong demand for telecom towers, driven by rapid growth in data usage
- → Incumbent advantage, with non-cyclical asset base and high barriers to competitor entry
- → AGLI's third largest portfolio holding
- → www.americantower.com

Index performance by subsector (A$)

for the quarter ended 30 September 2017



Index: Blended Benchmark: 90% FTSE Global Core Infrastructure 50/50 Net + 10% BofA ML Fixed Rate Preferred Index (in A$)

Source: BI-SAM Technologies, Inc. This analysis is to provide insight into the various factors contributing to the total return against results of the index. These are not the official results of the index. The information presented above does not represent the performance of any fund or other account managed or serviced by Cohen & Steers, and there is no guarantee that investors will experience the type of performance listed above. An investor cannot invest directly in an index, and index performance does not reflect the deduction of fees, expenses or taxes. Data quoted represents past performance, which is no guarantee of future results.

Top 10 portfolio holdings

as at 30 September 2017

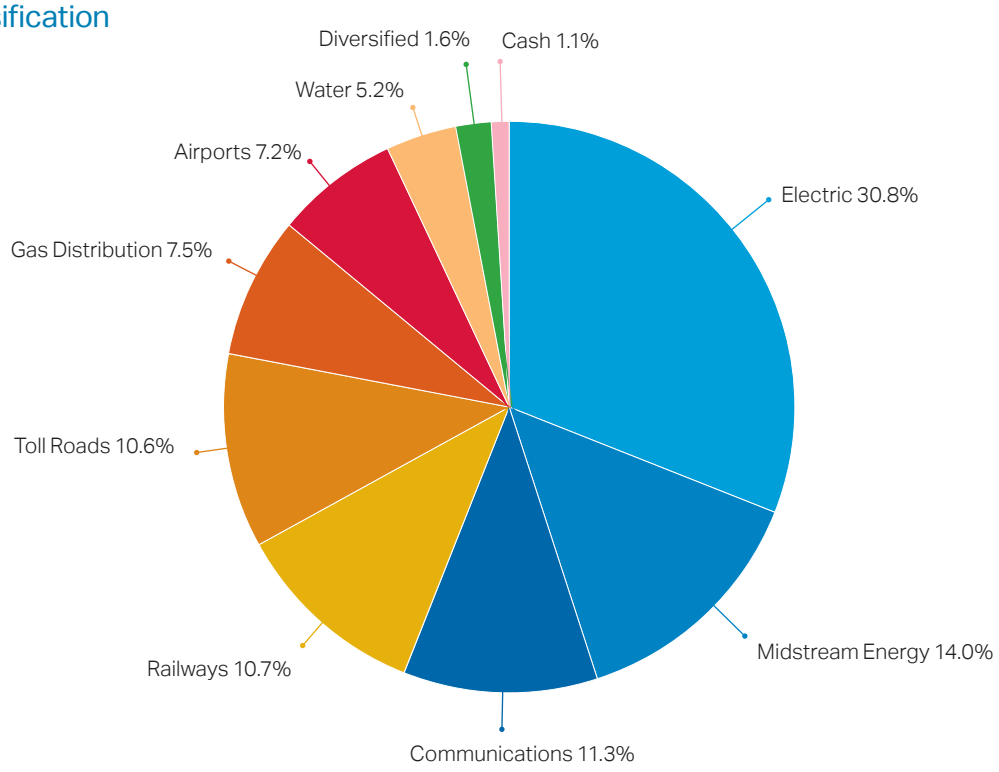
Security Name	Country of listing	Subsector	Portfolio %	Index %
Crown Castle International	US	Communication Towers	5.1	2.3
NextEra Energy	US	Integrated Electric	4.9	3.2
American Tower	US	Communication Towers	4.3	3.3
Sempra Energy	US	Gas Distribution	3.1	1.3
Xcel Energy	US	Regulated Electric	3.1	1.1
Kinder Morgan	US	Midstream- C Corp	2.8	2.1
Union Pacific	US	Freight Rails	2.6	1.9
Pembina Pipeline	CAN	Midstream- C Corp	2.5	0.6
Atlantia	ITALY	Toll Roads	2.5	2.4
CLP Holdings	HK	Regulated Electric	2.5	0.8
			33.4	**19.0**

Past performance is no guarantee of future results. The views and opinions in the preceding commentary are as of the date of publication and are subject to change. There is no guarantee that any market forecast set forth in this presentation will be realized. This material should not be relied upon as investment advice, does not constitute a recommendation to buy or sell a security or other investment and is not intended to predict the performance of any investment.

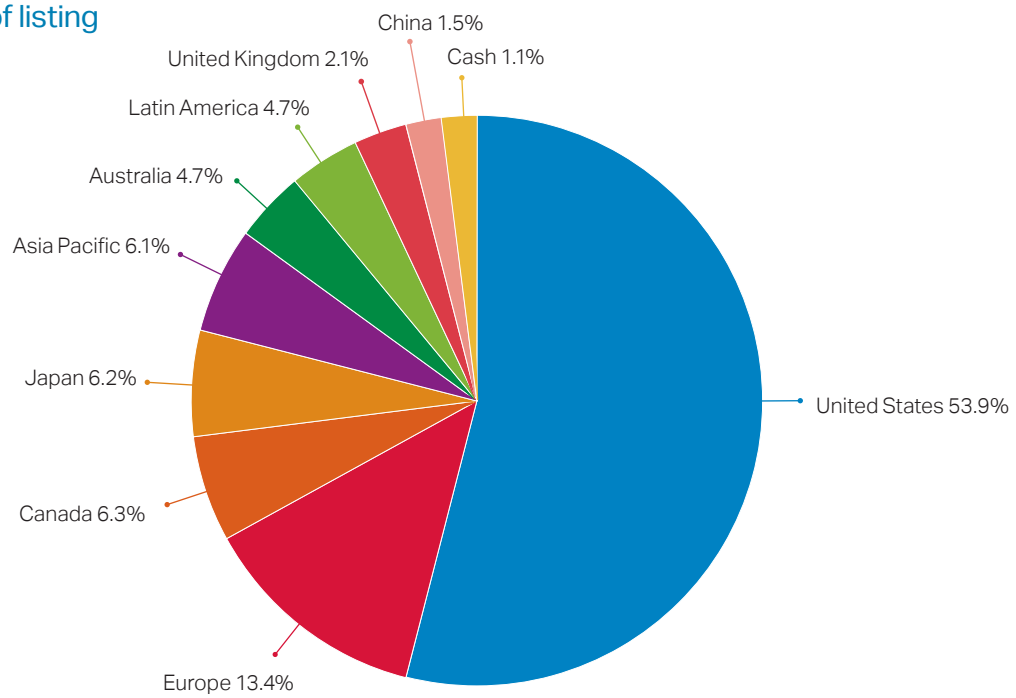
Sector classification of securities in the index determined by the investment advisor.

This index information is not representative of any Cohen & Steers account and no such account will seek to replicate an index. You cannot invest directly in an index.

Subsector diversification



Geographic diversification by country/region of listing



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