

ASX / Media Release

31 August 2020

Argo Infrastructure declares increased fully franked final dividend

Argo Global Listed Infrastructure Limited (ASX code: ALI) today announces an increased fully franked final dividend of 4.5 cents per share. The Company reports a full year accounting loss of \$9.3 million as a result of the downward revaluation of the investment portfolio to market value at 30 June 2020.

SUMMARY OF FINANCIAL RESULTS	2020	2019
Profit/(Loss)*	(\$9.3 million)	\$44.9 million
Final dividend per share (fully franked)	4.5 cents	4.0 cents
Full year dividends per share (fully franked)	7.5 cents	6.5 cents
Net tangible asset (NTA) backing per share^	\$2.27	\$2.50
Shareholders	9,495	9,206

* The Company's reported profit can be volatile as accounting standards require that operating income and realised profits and losses are added to, or reduced by, unrealised changes in the portfolio's market value from period to period.

^ After all costs, including fees and taxes.

COVID-19 IMPACTS ON INFRASTRUCTURE

Global listed infrastructure was not spared the effects of the global pandemic and induced downturn delivering a total return of -6.2%. However, within the asset class performance varied considerably, as some sectors were impacted by social distancing measures more than others. Transportation-related sectors fell sharply in response to travel restrictions and reduced trade, with airports, marine ports, toll roads and to a lesser extent, railways, all declining. Midstream energy stocks also fell, hit by the combination of supply and demand shocks in energy markets during the second half.

In stark contrast, the communications sector (towers and data centres) advanced strongly as working and learning from home drove a surge in data usage. Water and electric utilities also outperformed, with their essential service nature translating into stable cashflows. See ALI's June quarter investment report released to ASX for further details of sector-specific performance.

INVESTMENT PERFORMANCE

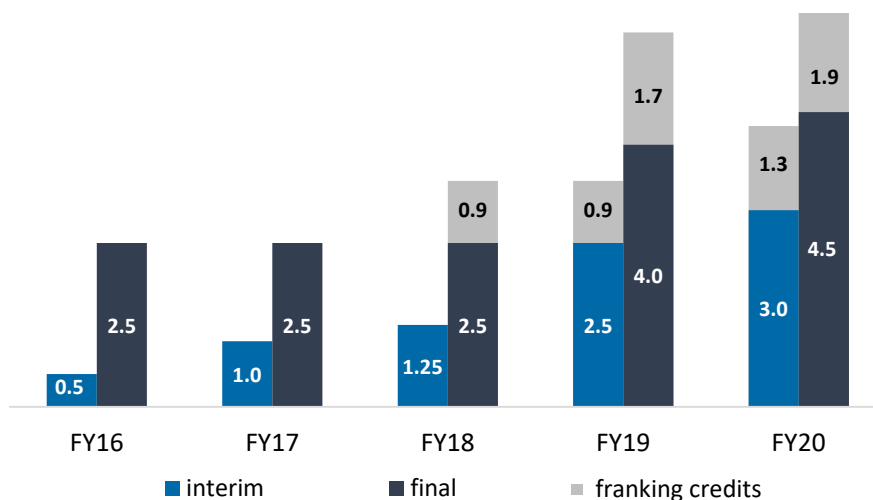
During an extremely volatile and challenging period for investment markets, the portfolio delivered a total return of -2.9% for the 12 months to 30 June 2020, well ahead of the benchmark which fell -6.2%. The portfolio also outperformed Australian shares (-7.7%), underscoring the global diversification benefits offered by Argo Infrastructure.

Importantly, at the height of the volatility in global equity markets, Argo Infrastructure demonstrated resilience in a crisis. During the March quarter when Australian shares plummeted -23.1%, ALI's portfolio return fell by just -6.5%, assisted by a sharp drop in the Australian dollar and outperformance by the portfolio manager, Cohen & Steers.

INCREASED FULLY FRANKED DIVIDENDS

The final dividend is Argo Infrastructure's fifth consecutive fully franked dividend. Annual dividends have increased +15.4% to 7.5 cents per share fully franked, another record high payment, demonstrating the Company's objective of generating sustainable total returns to shareholders consisting of dividends and long-term capital growth. Including this final dividend, dividends to shareholders since inception total 24.25 cents per share.

ANNUAL DIVIDENDS HISTORY cents per share



OUTLOOK

We maintain a cautious economic outlook and expect global activity resumption will remain under pressure until a coronavirus vaccine is widely available. Accordingly, Argo Infrastructure's portfolio is modestly defensively positioned with a focus on companies with the balance sheet strength and liquidity to endure a potentially protracted downturn. The portfolio is overweight communications, with the sector remaining the least financially impacted by the global pandemic and an ongoing beneficiary of the remote user trend.

Longer-term trends point to an optimistic outlook for global listed infrastructure. Compelling structural drivers, including supportive demographic trends, historic underinvestment and accelerated government expenditure on renewable energy, bode well for the asset class. With a strong balance sheet and no debt, Argo Infrastructure is well-positioned to capitalise on these prevailing conditions.

SHARE PURCHASE PLAN

Argo Infrastructure is considering offering a Share Purchase Plan to its shareholders in the near future. An announcement will be made to the ASX when the details are finalised.