Argo Global Listed Infrastructure

COHEN & STEERS

Quarterly Investment Report / 30 September 2016

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 shareholders with a mix of long-term capital growth and dividend income.

Investment review from the portfolio manager

The following commentary from the portfolio manager covers the global listed infrastructure universe for the September 2016 quarter.

The environment for equities remained relatively benign in the September quarter, with a gradually improving global economy, a general absence of inflation and continued accommodative central bank policies. However, the prospect of rising U.S. interest rates dampened sentiment for certain higher yielding securities.

Among the individual infrastructure subsectors, midstream energy companies advanced amid a stronger global economic backdrop, increased confidence that industry fundamentals will continue to strengthen and speculation that the Organization of Petroleum Exporting Countries (OPEC) and non-OPEC oil exporters, including Russia, would agree to a production freeze. OPEC announced a production target at the end of September which, if enacted, would be its first output cut in eight years. The Williams Companies was a particularly strong performer, rising after cutting its dividend to strengthen its balance sheet and on news that Enterprise Products Partners was interested in acquiring the company subsequent to Williams' merger with Energy Transfer Equity being called off.

The more economically sensitive subsectors also outperformed in the quarter on the improved global picture. Marine ports rose on solid gains from several emerging market based companies. India's Adani Ports led the advance with a 26% return and International Container Terminal Services climbed 21% on rising container volumes in the Philippines and with the addition of new shipping line customers at several of the firm's terminals worldwide.

Among railways, freight operators advanced across the board on stronger economic conditions and improving freight volumes. Returns for passenger rails were much more muted. MTR benefited from improved sentiment regarding China and the likely favorable impact of investment flows into Hong Kong. Groupe Eurotunnel managed a small gain as investors shrugged off the prospect of reduced volumes resulting from the U.K.'s planned exit from the EU.

A number of airports in Europe and the Asia-Pacific region benefited from increased traffic volumes and better

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than expected results. One exception was Aeroports de Paris, which came under pressure due to the possible impact on tourism from the terrorist attacks in France. Several Mexico based companies also declined, due to profit taking following strong gains earlier in the year and as a result of the weaker peso.

The communications subsector produced mixed results. Among satellite companies, SES gained after reporting favorable results, Eutelsat rebounded following a sharp selloff earlier in the year, and Inmarsat declined materially. European cell tower owners generally advanced as long anticipated industry consolidation heated up. Crown Castle International, the most defensive of the U.S. based tower operators, declined as investors appeared to gravitate toward companies with exposure to faster growing emerging markets.

Toll road operators were generally higher, but the group as a whole declined as Transurban, which is by far the largest player in the space, fell along with other rate sensitive securities globally.

The more defensive infrastructure subsectors were pressured due to expectations of rising interest rates in the U.S. The impact on gas distribution companies from higher interest rates, however, was largely offset by gains in Japan based companies, which benefited from the stronger yen. For electric utilities, losses in U.S. based companies were similarly partially offset by Japan based integrated utilities, which rose in anticipation of the potential restart of idled nuclear power facilities.

Water utilities suffered the steepest declines in the quarter due to the outsized influence of U.S. based companies on the subsector, as interest rate expectations generally trumped company fundamentals. Latin American based water utilities, on the other hand, particularly in Brazil and Chile, enjoyed healthy gains in the period.

Portfolio performance

The largest contributor to relative performance was our substantial underweight in electric utilities, which declined in anticipation of higher U.S. interest rates. Our stock selection in railways also contributed, as Union Pacific and other stocks in the subsector rose sharply on an improving economic outlook.

A large detractor from relative performance was our stock selection and overweight in the gas distribution subsector.

We were overweight U.S. based companies Atmos Energy and Sempra Energy, which declined on rising interest rate expectations, as well as Italy's Snam Rete Gas, which fell after formally announcing its restructuring plans. Our underweight allocation to marine ports also detracted, as the subsector benefited from improved economic conditions. Our stock selection in toll roads further detracted. We were overweight Promotora y Operadora de Infraestructura, which was hurt by weakness in the Mexican peso. And we were underweight Abertis Infraestructuras, which outperformed the subsector.

Investment outlook

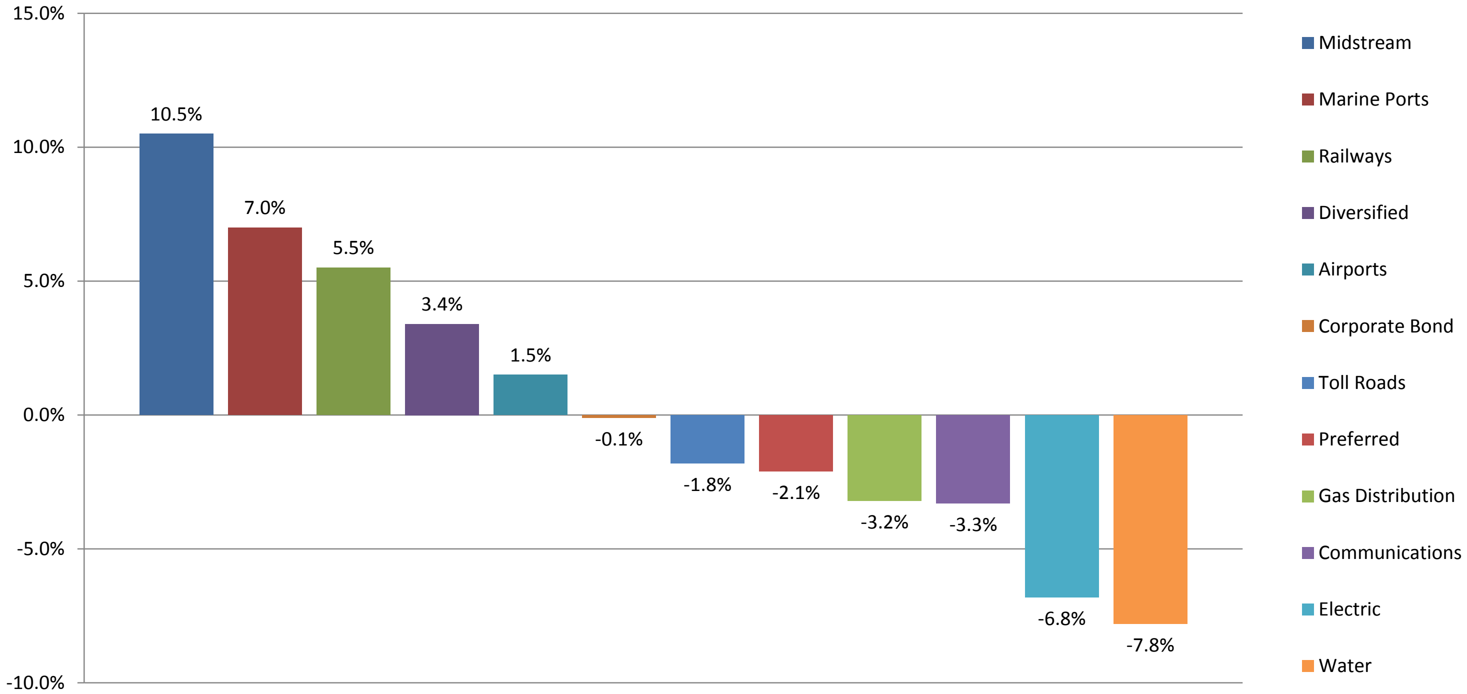
Gradually improving economies and continued highly accommodative central bank polices should, in our opinion, prove beneficial for infrastructure securities. Moreover, there are a number of looming events that could lead to increased stock market volatility in the coming months, depending on their outcome. Such volatility could bode well for infrastructure's relative performance as an asset class, should investors seek greater allocations in investments with relatively stable cash flows. These events include the U.S Presidential election and OPEC's conference in Vienna in November, as well as December's Fed policy setting meeting and Italy's constitutional reform referendum, which will in effect be a plebiscite on the euro-centric Renzi government's continued existence and could lead to a wider loss of confidence across the EU.

We generally remain underweight the more defensive infrastructure subsectors, due to their sensitivity to higher interest rates and because of regulatory hurdles in certain markets. We have increased our exposure to more cyclical companies in light of improving growth prospects globally. We are overweight the U.S., based on our favorable outlooks for certain subsectors, including freight rails, towers and midstream energy. Additionally, we have been adding to what we believe are attractive positions in emerging markets. We remain underweight Europe stemming from what we believe are rising political, social and economic risks.

On the subject of midstream energy, the recent OPEC production agreement is likely to be an important milestone. While the ultimate size of the production cut is still to be determined, we believe the accord sets a floor under the price of the commodity and could reduce risk for midstream energy companies. But by artificially boosting the price of crude to clear the current oil surplus, OPEC actually may run the risk of prolonging the cycle, as higher cost producers may step up their output, which could cause energy prices to trade within a tighter range than historically seen over the long term.

Index performance by subsector (A$)

for the quarter ended 30 September 2016



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

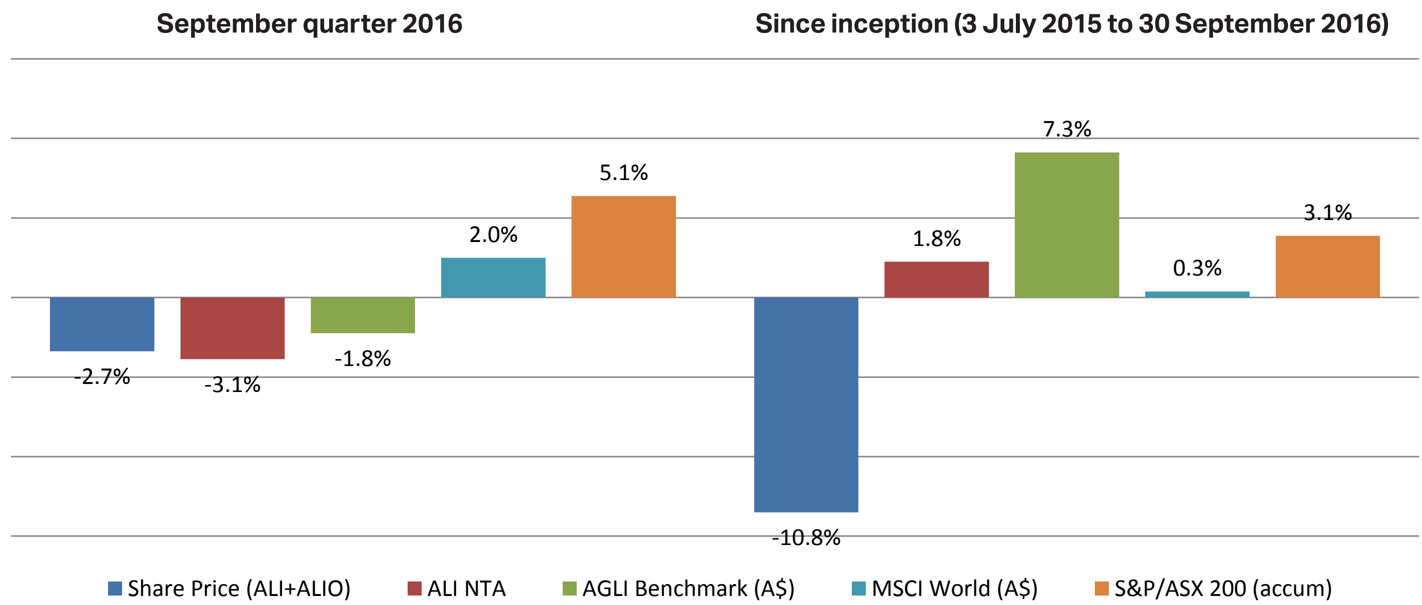
Source: BI-SAM Technologies, Inc. This analysis is to provide insight into the various factors contributing to the total return against results of the index. These are not the official results of the index. The information presented above does not represent the performance of any fund or other account 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.

Investment performance

Global listed infrastructure continued to produce positive returns in the September 2016 quarter, adding to the calendar year to date outperformance of global equities. The Australian dollar, however, continued to rally throughout the period, reducing the A$ index return by 3%. AGLI's net tangible asset backing fell 3.1% in the three months to 30 September.

The initial investment of the portfolio was made progressively over the month of July 2015, resulting in a relatively high cash allocation in that month. This has negatively impacted the relative performance since listing date, as the benchmark index performed very strongly in July 2015, up 6.8%.

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



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

Top 10 portfolio holdings

as at 30 September 2016

Security Name	Country of listing	Sector	Portfolio %	Index %
NextEra Energy Inc.	US	Integrated Electric	3.9	2.5
TransCanada Corp.	CAN	Midstream- C Corp	3.8	2.1
Transurban Group	AU	Toll Roads	3.6	3.0
Crown Castle International Corp.	US	Tower	3.6	1.7
American Tower Corporation	US	Tower	3.3	2.6
Kinder Morgan Inc.	US	Midstream- C Corp	3.1	2.4
PG&E Corporation	US	Regulated Electric	3.1	1.4
Union Pacific Corporation	US	Freight Rails	3.0	1.8
Sempra Energy	US	Gas Distribution	2.9	1.2
Edison International	US	Regulated Electric	2.5	1.0
			32.8	**19.7**

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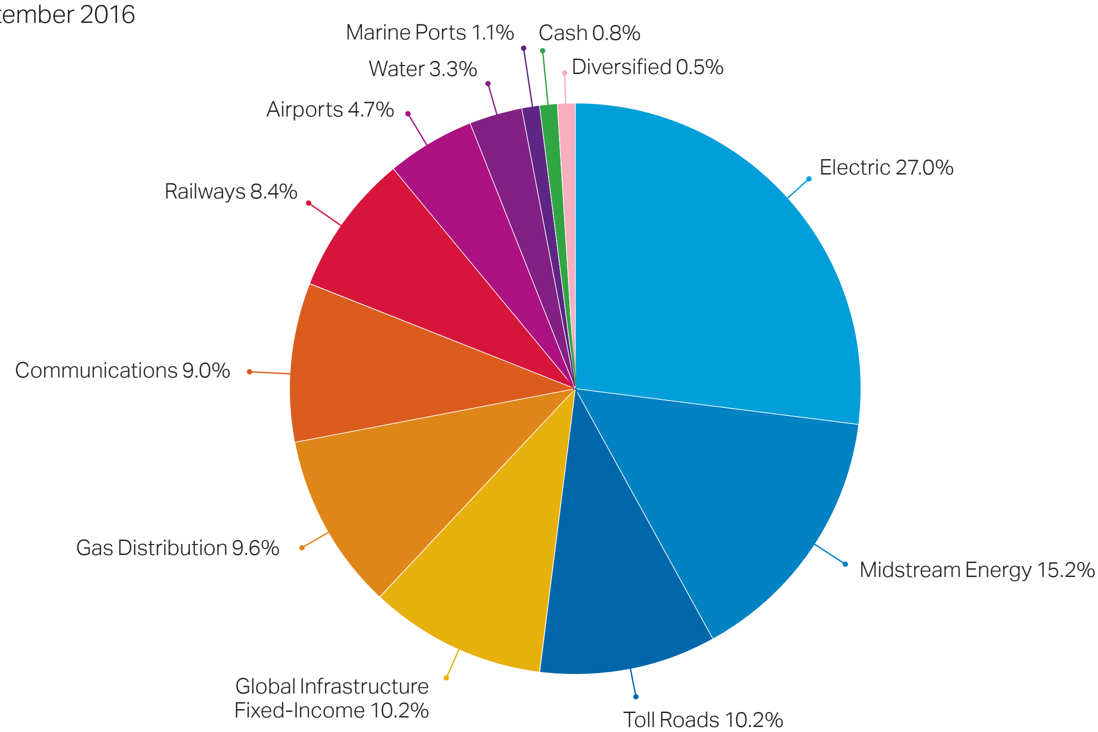
Subsector diversification

as at 30 September 2016



Geographic diversification by country of listing

as at 30 September 2016