



2019 ANNUAL GENERAL MEETING

21 OCTOBER 2019



**Investing
in Australia**

DISCLAIMER

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2019 FULL YEAR PROFIT

\$292.7m
profit

+33.7%
increase in profit

17c
final dividend fully
franked

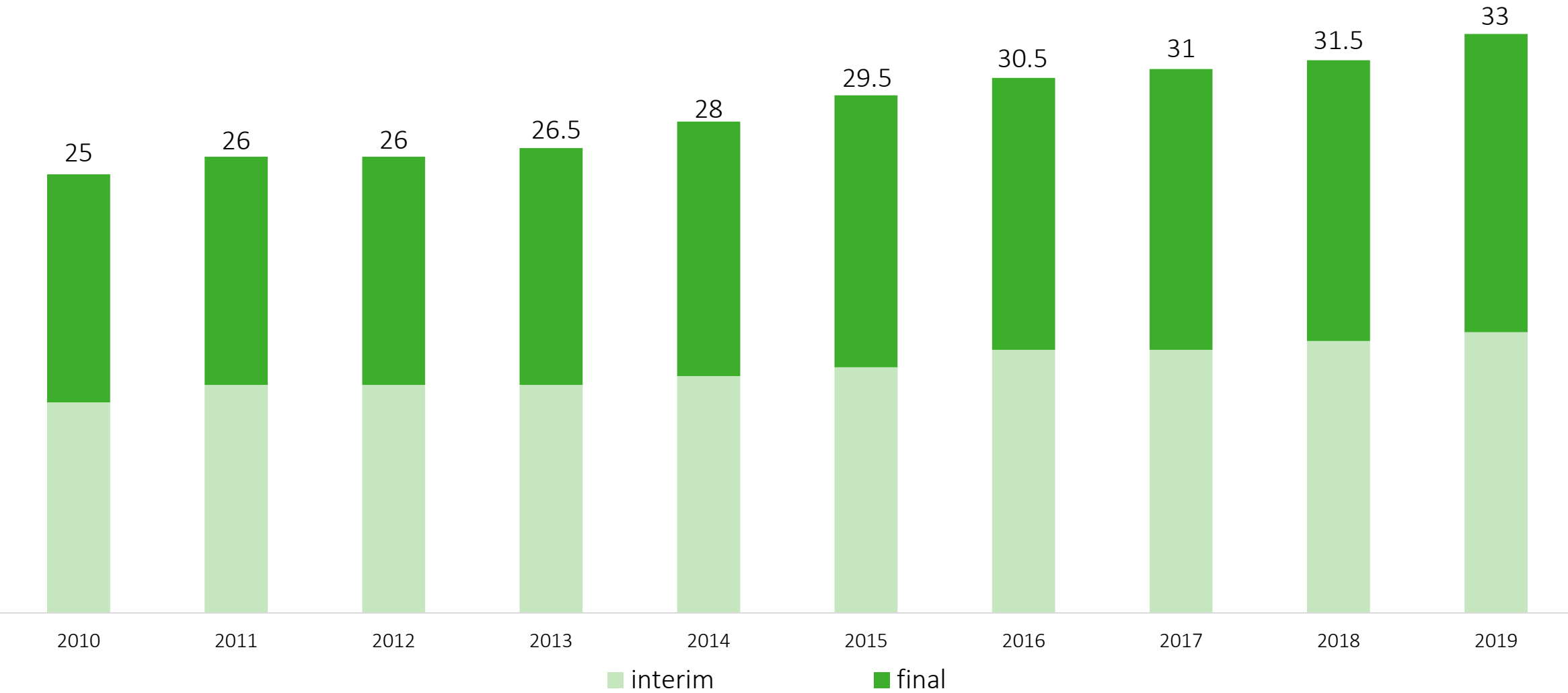
33c
annual dividends

4c
LIC capital gain

+7.3%
NTA return

ANNUAL DIVIDENDS

CENTS PER SHARE



▶ You must read the deductions section in the instructions if you are claiming deductions for expenses that relate to your work as an employee at items D1–D6.

Deductions		CLAIM TYPE
D1	Work-related car expenses	A \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
D2	Work-related travel expenses	B \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
D3	Work-related uniform, occupation specific or protective clothing, laundry and dry cleaning expenses	C \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
D4	Work-related self-education expenses	D \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
D5	Other work-related expenses	E \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
D6	Low value pool deduction	K \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		I \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		H \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		J \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		L \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		M \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		N \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
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Deductions		P \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
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Deductions		Y \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		Z \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
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Deductions		AB \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AC \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AD \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AE \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AF \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
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Deductions		AI \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AJ \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
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Deductions		AN \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AO \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AP \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AQ \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AR \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AS \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AT \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AU \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AV \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AW \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AX \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AY \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		AZ \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BA \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BB \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BC \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BD \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BE \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BF \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BG \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="checkbox"/>
Deductions		BH \$ <input type="text"/> <input type="text"/> <input type="text"/> ,

D If you completed the **Tax return for individuals (supplementary section) 2018**, write here the amount from TOTAL SUPPLEMENT DEDUCTIONS on page 15. **\$** , , . ☒

TOTAL DEDUCTIONS Add amounts at items **D1** to **D** ▶ \$, .

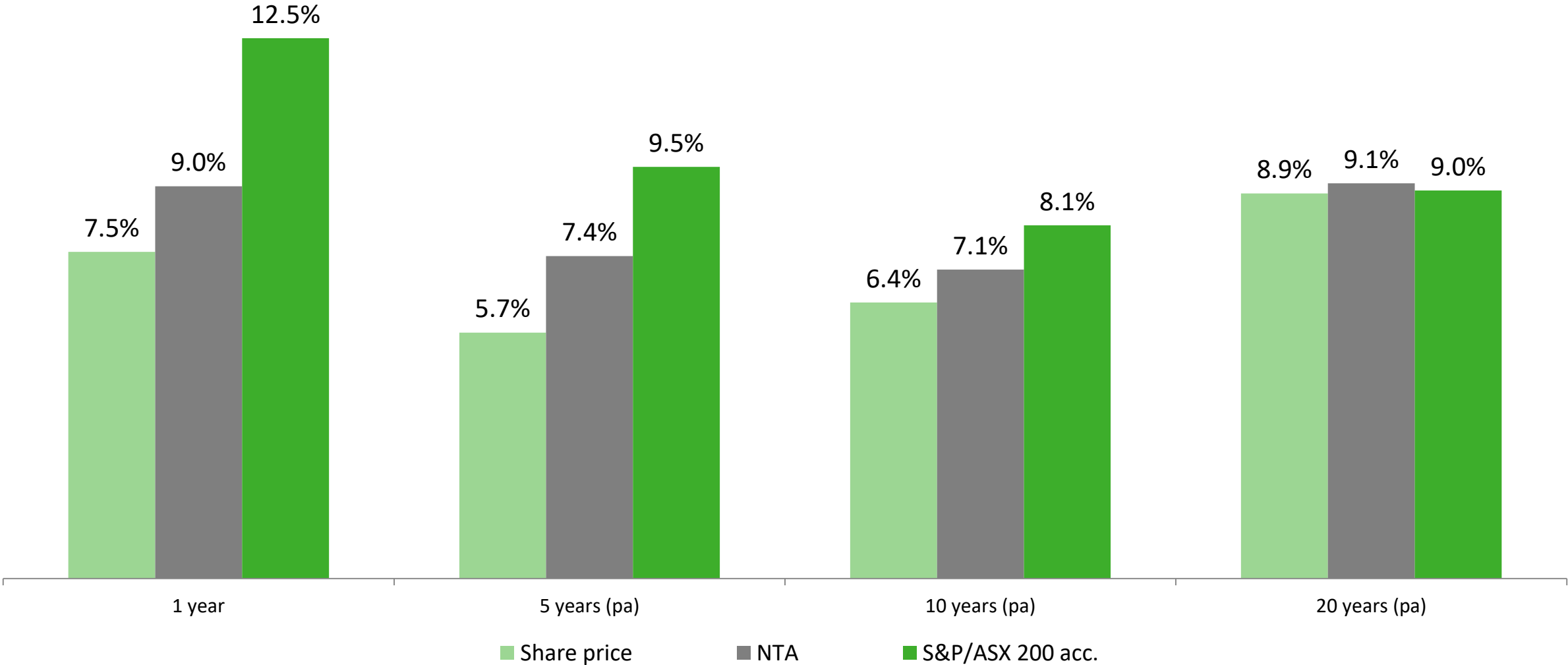
SUBTOTAL TOTAL INCOME OR LOSS less TOTAL DEDUCTIONS \$ [][], [][][], [][][] -X [] LOSS

LIC CAPITAL GAIN TAX DEDUCTION



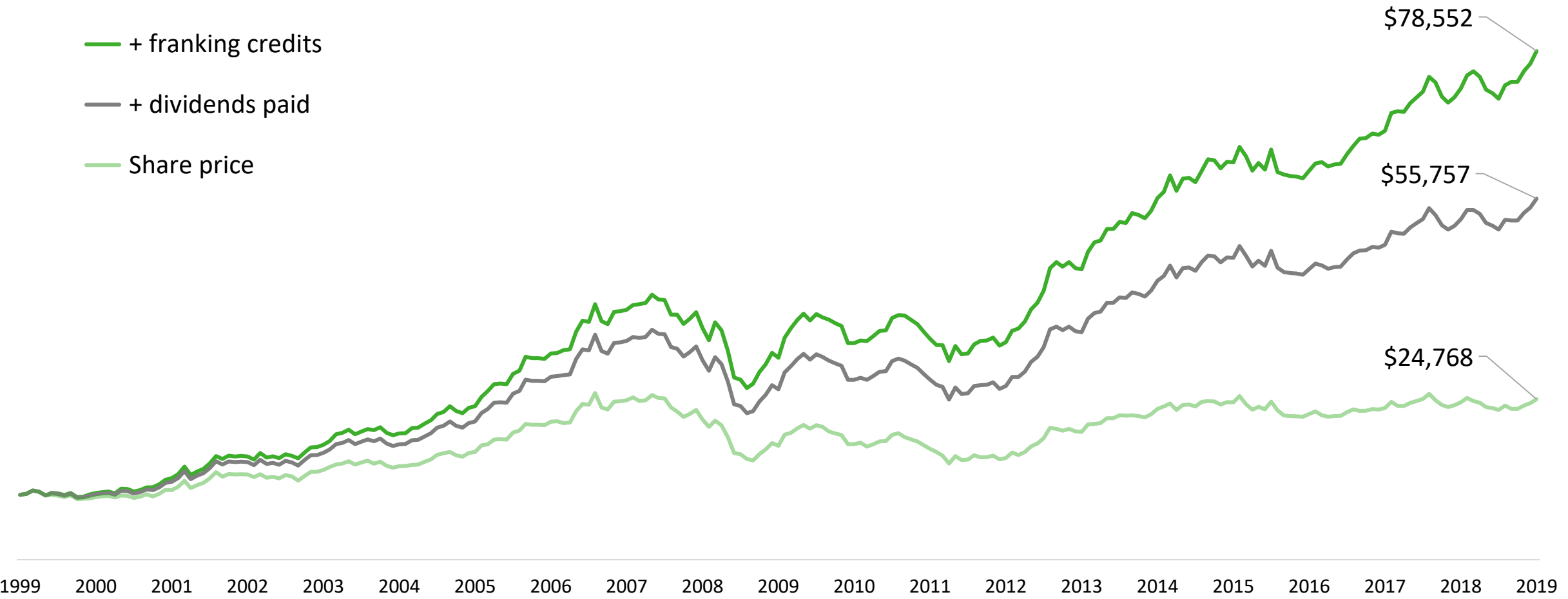
TOTAL RETURNS

% PER ANNUM TO 30 SEPTEMBER 2019



TOTAL RETURNS

20 YEAR RETURN BASED ON \$10,000 INVESTED



MARKET OUTLOOK





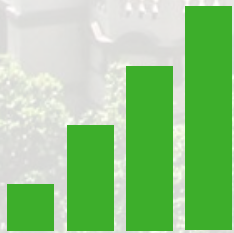
**Low-cost,
internally managed**



**Experienced board and
management team**



**Long-term, proven
investment approach**



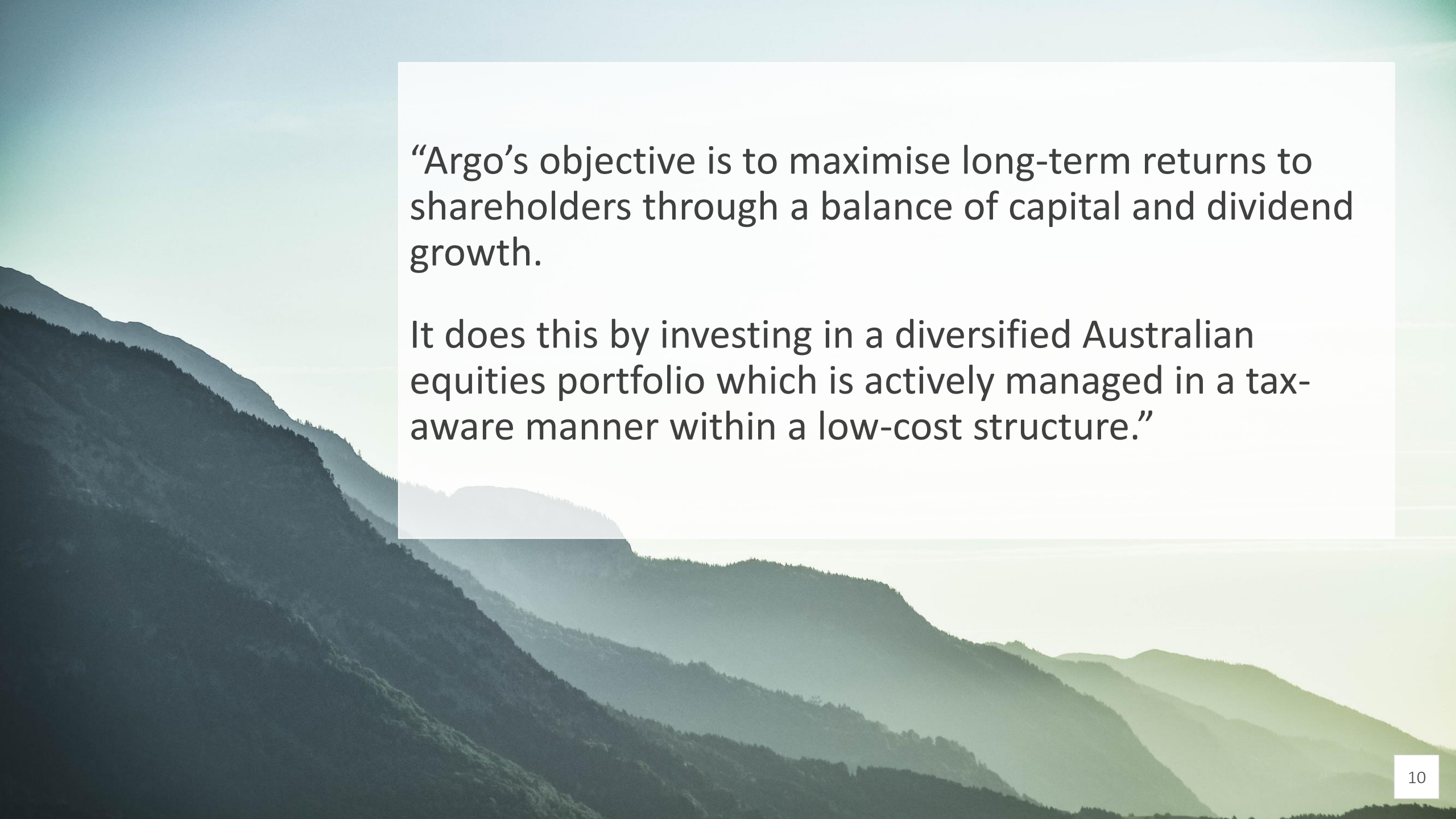
**Fully-franked,
sustainable dividends**



**Strong balance
sheet, no debt**



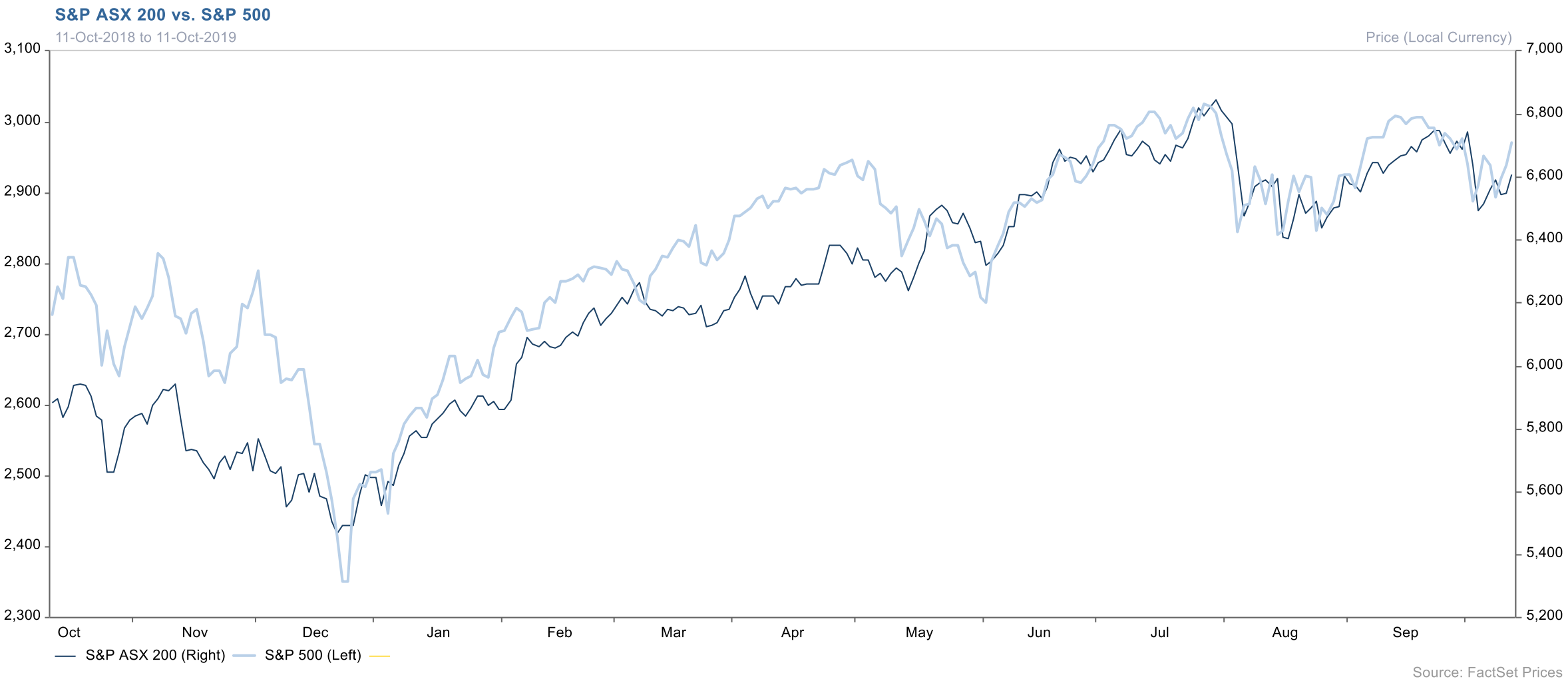
**Administratively
simple**



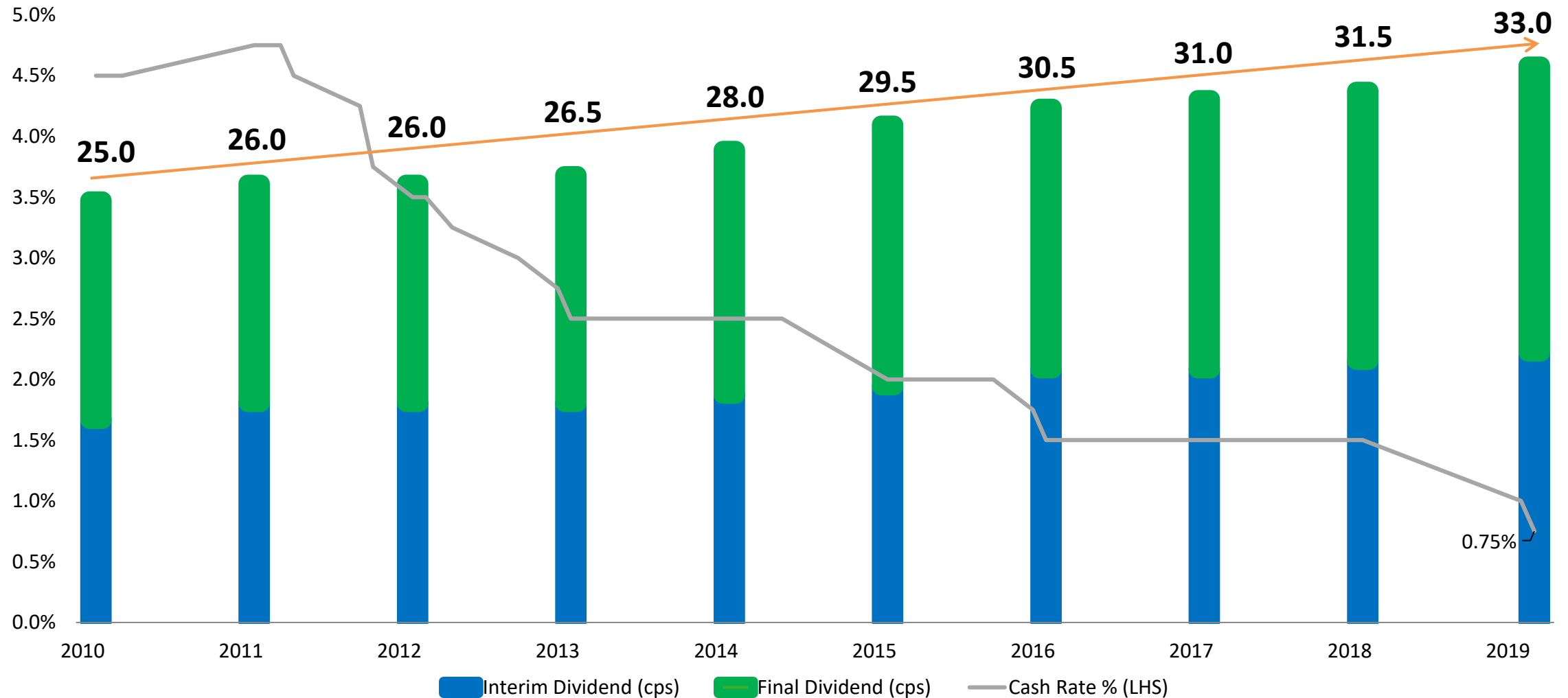
“Argo’s objective is to maximise long-term returns to shareholders through a balance of capital and dividend growth.

It does this by investing in a diversified Australian equities portfolio which is actively managed in a tax-aware manner within a low-cost structure.”

YEAR IN REVIEW



GROWING DIVIDENDS IN A FALLING INTEREST RATE ENVIRONMENT



DIVIDEND INCREASES

SEVEN YEARS IN A ROW

Company	Sector	CAGR*	Holding (\$M)	Yield
Aristocrat Leisure	Consumer Discretionary	31.0%	99.9	1.7%
Macquarie Group	Financials	15.3%	322.2	4.5%
CSL	Health Care	14.1%	260.2	1.3%
Ramsay Health Care	Health Care	11.5%	118.6	2.4%
Transurban	Infrastructure	10.2%	121.5	4.2%
AGL Energy	Utilities	10.2%	69.8	5.2%
Premier Investments	Consumer Discretionary	9.1%	24.2	3.8%
AP Eagers	Consumer Discretionary	9.0%	86.5	2.6%
Sydney Airport	Infrastructure	8.6%	118.5	4.9%
Technology One	Information Technology	8.5%	42.8	1.6%
Amcor	Materials	7.0%	70.8	4.8%
Computershare	Information Technology	6.7%	79.2	3.1%
Brickworks	Materials	5.0%	10.3	3.1%
APA Group	Utilities	5.0%	124.7	4.3%

* Cumulative Annual Growth Rate

MAJOR PURCHASES

DURING THE YEAR TO 30 JUNE 2019

ADDED TO POSITION



NEW POSITION



THE STAR
ENTERTAINMENT
GROUP



MAJOR SALES DURING THE YEAR TO 30 JUNE 2019

REDUCED POSITION



Incitec Pivot Limited

RioTinto

EXITED POSITION



CCA
COCA-COLA AMATIL



RECENT PURCHASES

SINCE YEAR ENDED 30 SEPTEMBER 2019



TOP 20 HOLDINGS AS AT 30 JUNE 2019

	\$M		\$M
Westpac Banking Corporation	337.7	Australian United Investment Co.	130.9
Macquarie Group	308.2	Ramsay Health Care	↑ 123.1
BHP Billiton	↑ 304.8	Transurban Group*	↑ 119.7
ANZ Banking Group	275.5	Sydney Airport	118.7
Commonwealth Bank of Australia	↑ 256.9	APA Group	117.5
CSL	↑ 239.4	Woolworths	107.4
Rio Tinto	↑ 217.6	Aristocrat Leisure	100.3
Wesfarmers	↓ 182.2	Sonic Healthcare*	98.3
National Australia Bank	168.6	QBE Insurance*	88.1
Telstra Corporation	↑↑ 167.5	Origin Energy	↓ 83.0

* Denotes new additions to top 20 holdings

TOP HOLDINGS BY GROUP MATURE, DOMESTIC BUSINESSES



- **\$671.0m** in value
+4.9% on FY2018
- **11.2%** of the portfolio
- **\$34.6m** of dividends received*
+4.5% on FY2018
- **5.2%** yield*

* 2019 includes WES special dividend

TOP HOLDINGS BY GROUP OFFSHORE EARNERS



- **\$496.6M** in value
+10.8% on FY2018
- **8.3%** of the portfolio
- **\$19.2M** of dividends received
+23.1% on FY2018
- **3.9%** yield

TOP HOLDINGS BY GROUP HEALTHCARE



- **\$460.8m** in value
+19.9% on FY2018
- **7.7%** of the portfolio
- **\$8.1m** of dividends received
+22.7% on FY2018
- **1.8%** yield

TOP HOLDINGS BY GROUP INFRASTRUCTURE

 Transurban

 apa

 SYD

- **\$355.9m** in value
+24.5% on FY2018
- **6.1%** of the portfolio
- **\$15.6m** of dividends received
+15.6% on FY2018
- **4.4%** yield

TOP HOLDINGS BY GROUP THE BIG MINERS

BHP

RioTinto

- **\$522.4m** in value
+15.0% on FY2018
- **8.7%** of the portfolio
- **\$41.3m** of dividends received*
+116.2% on FY2018
- **7.9%** yield*

* 2019 includes BHP & RIO special dividends

TOP HOLDINGS BY GROUP BANKS



- **\$1.0b** in value
+1.9% on FY2018
- **17.4%** of the portfolio
- **\$63.0m** of dividends received
+0.2% on FY2018
- **6.1%** yield

ENGAGING WITH THE BANKS



E NVIRONMENT S OCIAL G OVERNANCE

MARKET OUTLOOK

PRICE/EARNINGS RATIO

S&P/ASX 200 SINCE 1992



source: Morgan Stanley

PRICE/EARNINGS RATIO

INDUSTRIALS SINCE 2002



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