

# Cohen & Steers Global Listed Infrastructure Strategy

## Investment Objective and Philosophy

The Cohen & Steers Global Listed Infrastructure Strategy invests in publicly traded infrastructure companies that can provide the beneficial investment characteristics of private infrastructure ownership with the added features of liquidity, transparency, diversification and daily market pricing. By investing in core owners and operators of infrastructure assets that offer contractual revenues and inflation-linked cash flows, we believe the strategy offers attractive investment characteristics.

The Global Listed Infrastructure strategy seeks to benefit from growing demand for infrastructure investment, historical underinvestment in infrastructure and continued privatization of traditionally government-owned assets and services. The strategy seeks to maximize total return and provide stable dividend yields and low long-term correlations to other asset classes.

## Investment Approach

Our investments in infrastructure include hard asset owner/operators of cell towers, pipelines, airports, marine ports, toll roads, railways, water, renewable energy and utilities. Our fundamental analysis focuses on both asset valuation and growth potential.

The infrastructure team formulates independent views on fundamentals, regulatory trends and company financials. We use a proprietary macro sector overlay, which ranks the attractiveness of the infrastructure subsectors based on several key drivers. The analysts then develop projections for each company's earnings, cash flow and dividend growth potential. Security level weightings are determined using the output of our fundamental research and valuation models.

## Investment Team

	Role	Location	Years of Experience
Robert Becker	SVP, Portfolio Manager	New York	23
Benjamin Morton	SVP, Portfolio Manager	New York	20
Tyler Rosenlicht	SVP, Portfolio Manager	New York	9
Humberto Medina, CFA	VP, Research Analyst—Americas	New York	18
Grace Ding	VP, Research Analyst—Asia	Hong Kong	12
Thuy Quynh Dang	VP, Research Analyst—Europe	London	18
Kathleen Morris	VP, Research Analyst—North America	New York	8
Saagar Parikh, CFA	VP, Research Analyst—North America	New York	9
Christopher DeNunzio	Research Associate	New York	3

## Quarterly Performance Highlights

The strategy performed in line with its benchmark. The most significant contributor to relative performance was stock selection in the midstream energy sector, followed by our overweight in midstream energy and non-investment in marine ports. The most significant detractor from relative performance was stock selection in the electric utilities sector, followed by stock selection in the water and airport sectors.

### Annualized Returns (A\$)

	C&S Global Listed Infrastructure Composite (gross)	C&S Global Listed Infrastructure Composite (net)	Linked Index <sup>(1)</sup>
QTD	7.1%	6.9%	6.6%
YTD	5.3%	5.0%	3.8%
1 Year	9.3%	8.8%	6.7%
3 Year	8.4%	7.7%	8.5%
5 Year	13.8%	12.8%	13.0%
10 Year	9.2%	8.0%	7.0%
Since Inception (May 2004)	8.9%	7.5%	6.5%

(1) Linked Index: Effective 3/31/15, the Index is FTSE Global Core Infrastructure 50/50 Net Tax Index. From 3/31/08 to 3/31/15 the benchmark was UBS Global 50/50 Infrastructure & Utilities Index (net). From 12/31/05 to 3/31/08, the benchmark was the S&P1500 Supercomposite Utilities Index. Prior to 12/31/05, the benchmark was a blend: 80% S&P 1500 Supercomposite Utilities Index and 20% BofA Merrill Lynch Fixed Rate Preferred Index.

**Data quoted represents past performance, which is no guarantee of future results.** There is no guarantee that any historical trend illustrated in this report will be repeated in the future, and there is no way to predict when such a trend will begin. Periods greater than 12 months are annualized. Composite returns are preliminary. An investor cannot invest directly in an index, and index performance does not reflect the deduction of fees, expenses or taxes. Index returns are presented net of withholding taxes for all periods available. Please see end notes for important additional information. Performance results reflect reinvestment of dividends and distributions.

### 5-Year Return and Risk Statistics (in A\$)

	C&S Global Listed Infrastructure Composite (gross)	Linked Index <sup>(1)</sup>
Annualized Return	13.8%	13.0%
Standard Deviation	9.4%	9.4%
Sharpe Ratio	0.95	0.87
Tracking Error	1.70%	-
Beta	0.99	-
Alpha	0.75%	-
Information Ratio	0.43	-
Upside Capture	104.71%	-
Downside Capture	101.94%	-

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Risk statistics are shown as supplemental information only and complement the full disclosure presentation. Performance data quoted represents past performance. Past performance is no guarantee of future results. An investor cannot invest directly in an index, and index performance does not reflect the deduction of fees, expenses or taxes. There is no guarantee that any historical trend illustrated in this report will be repeated in the future, and there is no way to predict when such a trend will begin. The returns for the benchmark are presented net of withholding taxes for all periods available. The information shown above is that of a composite of accounts pursuing this strategy. Accounts are actively managed and portfolio characteristics may change over time.

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## Characteristics<sup>(1)</sup>

	Global Listed Infrastructure	FTSE Global Core Infrastructure 50/50 Net Tax Index
Price/Earnings	19.5x	18.9x
Long-Term EPS Growth	7.3%	6.8%
P/E-to-Long-Term EPS Growth	2.6x	2.8x
Dividend Yield	3.2%	3.7%
Payout Ratio	67.4%	67.2%
Weighted Average Market Cap.	A\$40.9B	A\$39.6B
Median Market Cap.	A\$18.1B	A\$6.3B
Number of Holdings	57	228
Number of Non-Index Holdings	12	-

## Sector Weights<sup>(1)</sup>

	Global Listed Infrastructure	FTSE Global Core Infrastructure 50/50 Net Tax Index
Midstream- C Corp	17.7%	13.4%
Regulated Electric	17.4%	27.0%
Integrated Electric	12.0%	13.4%
Tower	11.1%	7.7%
Freight Rails	10.3%	6.4%
Airports	7.1%	7.7%
Toll Roads	6.1%	6.9%
Gas Distribution	5.4%	7.7%
Water	4.5%	2.7%
Passenger Rails	4.4%	2.1%
Midstream- MLP	1.7%	0.0%
Cash	2.5%	0.0%

## Top Ten Holdings<sup>(1)</sup>

Name	Sector	Global Listed Infrastructure
NextEra Energy Inc.	Utilities	5.6%
Crown Castle International Corp.	Real Estate	5.2%
Enbridge Inc.	Oil & Gas	4.4%
American Tower Corporation	Real Estate	4.2%
Union Pacific Corporation	Industrial Goods & Services	3.8%
Oneok Inc.	Oil & Gas	3.6%
Kinder Morgan Inc.	Oil & Gas	3.1%
Xcel Energy Inc.	Utilities	2.9%
Wisconsin Energy Corporation	Utilities	2.5%
Pembina Pipeline Corp.	Utilities	2.4%
<b>Total</b>		<b>37.7%</b>

## Country Weights<sup>(1)</sup>

	Global Listed Infrastructure	FTSE Global Core Infrastructure 50/50 Net Tax Index
United States	56.4%	52.5%
Canada	9.1%	9.8%
Japan	6.6%	5.3%
Italy	3.7%	3.6%
Australia	3.2%	4.8%
Brazil	2.9%	1.5%
France	2.7%	1.6%
Spain	2.0%	3.0%
United Kingdom	2.0%	3.3%
Hong Kong	1.9%	3.0%
Mexico	1.6%	1.3%
New Zealand	1.6%	0.6%
Thailand	1.5%	1.5%
China	1.4%	2.0%
Germany	0.9%	0.5%
<b>Cash</b>	<b>2.5%</b>	<b>0.0%</b>

## Cohen & Steers' Competitive Advantages

- Dedicated infrastructure investment team with expertise in both infrastructure assets and securities markets
- Team manages A\$8.0 billion in infrastructure assets
- Investment process utilizing macro framework coupled with bottom-up stock selection
- Thirteen-year track record demonstrating consistent outperformance
- Firm is a leading global manager of liquid real assets
- Alignment of interest with clients through employee stock ownership

(1) The portfolio characteristics shown above is that of a representative account pursuing this strategy. Holdings in individual client accounts may vary based on client guidelines and objectives. Certain characteristics are estimates based on analysis by Cohen & Steers. The mention of any security is not a recommendation to buy, sell or hold that security. Accounts are actively managed and portfolio characteristics may change over time.

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