

## INVESTOR UPDATE

### AMP Capital Core Infrastructure Fund

ARSN 127 019 23

---

**24 MARCH 2020**

Dear Investor,

COVID-19 has had a significant impact on investment markets, and the situation continues to evolve. Unsurprisingly this environment is very unsettling for investors, and many investors are wondering how they should respond.

While short term uncertainty can be highly distracting, it is important to look through it, focus on longer term outcomes and, although this can be easier said than done, “turn down the noise”.

Please find below an update on the AMP Capital Core Infrastructure Fund and how it is currently positioned. We hope it is informative and we will continue to provide you with regular updates on an ongoing basis.

Yours sincerely,

John Julian  
Fund Manager – AMP Capital Core Infrastructure Fund

## Commitment to regular communications

It is important that investors are provided with material information that is disclosed in a timely way and in a form that is accessible. In light of the current circumstances, AMP Capital will provide monthly updates on our real estate and infrastructure funds which will address:

- Investment approach
- Capital management
- Operational matters
- Valuation policy

This information will be made available on AMP Capital's website on the 5th business day of each month until further notice. Please note that given the current volatility and the wide range of stakeholders inherent in retail funds we will not be providing interim details on sensitive matters (other than through the periodic update on the website or through communications to all investors) to avoid any unequal treatment of investors or other stakeholders.

## Investment approach

We believe the AMP Capital Core Infrastructure Fund (the Fund) provides investors with a well-diversified exposure to the infrastructure asset class globally by investing in a strategic mix of unlisted infrastructure assets and listed infrastructure companies.

The Fund currently provides investors with exposure to 24 unlisted infrastructure assets, and, in our view, a defensively positioned listed portfolio consisting of 102 listed infrastructure companies globally.

Whilst there is significant economic uncertainty and volatility in listed markets due to the COVID-19 situation, we believe the Fund remains well diversified and invested in what we believe to be a high-quality global infrastructure portfolio. It seeks to invest in assets that have sound capital structures and balance sheets, and assets with these characteristics should be well positioned to weather the current uncertainty.

While acknowledging the current uncertainty, we still believe that over the medium-term the Fund is well positioned to deliver good investment outcomes to investors.

## Asset allocation

The Fund's medium-term target weightings are 50% unlisted infrastructure and 50% listed infrastructure companies and cash. We may vary from these medium-term target weightings from time-to-time, given the nature of investing in unlisted assets.

As at 19 March 2020, the Fund's asset allocation is:

- 41.07% Unlisted infrastructure assets
- 47.17% Listed infrastructure companies
- 11.76% Cash

## Capital management

Redemption requests are primarily funded through the Fund's significant cash holdings, which can be supplemented with short-term liquidity from the listed portfolio, if required. We also have supplementary liquidity enhancement arrangements in place, being put options over two of the Fund's larger unlisted holdings.

At this time, we are intending to continue to process daily applications and redemptions.

Should current circumstances significantly change, we have discretion to make changes to the frequency of applications and redemptions as outlined in Product Disclosure Statement (PDS). Were circumstances to significantly change, the PDS allows for extending the maximum redemption payment timeframe to up to 12 months, or moving to monthly redemption gates. In addition should the Fund cease to be liquid as defined in the Corporations Act, redemptions are required to be suspended and investors will not be able to withdraw from the Fund unless and until the Responsible Entity chooses to make a withdrawal offer to investors. Please refer to the PDS for full details regarding applications and redemptions:

[On-platform PDS](#)

[Direct investor PDS](#)

## Operational matters

Working from home is currently the preferred arrangement for AMP Capital employees.

Unless deemed essential, we've also announced that all meetings should utilise video conferencing technology available to us. A COVID-19 Steering Committee has been formed and meets daily to carefully monitor the evolving situation.

We remain committed to delivering on our purpose and supporting our clients during this time.

## Valuation policy

The Fund's listed holdings are valued every day based on the latest market price.

The unlisted assets are valued by independent valuers every 6 months.

In addition, in the event there are circumstances which we believe have a material implication for the value of an unlisted asset, we will also seek an additional off-cycle valuation. This is an ongoing consideration throughout the life of any unlisted asset in which we invest, and it is something our asset managers and our valuation committee are actively monitoring and considering at the present time having regard to the current market environment.

In this regard our valuation committee adopted new valuations for 3 of CIF's unlisted assets with the valuation impacts being as follows:

- Australia Pacific Airports Corporation -4.2%
- Port Hedland International Airport -7.5%
- ANU student accommodation portfolio -4.6%

As CIF has a well-diversified portfolio, the combined impact of these valuation reductions on the Fund's unit price is -0.8% (effective 20 March).

We continue to monitor the situation in relation to the valuation of all the Fund's investments in light of current circumstances.

## Latest Fund performance report

Please click on the applicable links below to access the latest monthly? performance report for the AMP Capital Core Infrastructure Fund:

[Direct investors](#)

[On-platform investors](#)

## We're here to support you

If you are a direct investor and would like to speak to someone in regards to your investment, please contact Client Services on 1800 658 404 or email [clientservices@ampcapital.com](mailto:clientservices@ampcapital.com).

If you are an adviser, you can contact Client Services as above or your [State Account Manager](#).

### Important note

AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426455) (AMPCFM) is the responsible entity of the AMP Capital Core Infrastructure Fund and the issuer of the units in the Fund. To invest in the Fund, investors will need to obtain the current Product Disclosure Statement (PDS) from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232 497) (AMP Capital). The PDS contains important information about investing in the Fund and it is important that investors read the PDS before making a decision about whether to acquire, or continue to hold or dispose of units in the Fund. Neither AMP Capital, AMPCFM nor any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this information. Past performance is not a reliable indicator of future performance. While every care has been taken in the preparation of this information, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This content has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of this information, and seek professional advice, having regard to their objectives, financial situation and needs. This information is solely for the use of the party to whom it is provided and must not be provided to any other person or entity without the express written consent of AMP Capital.