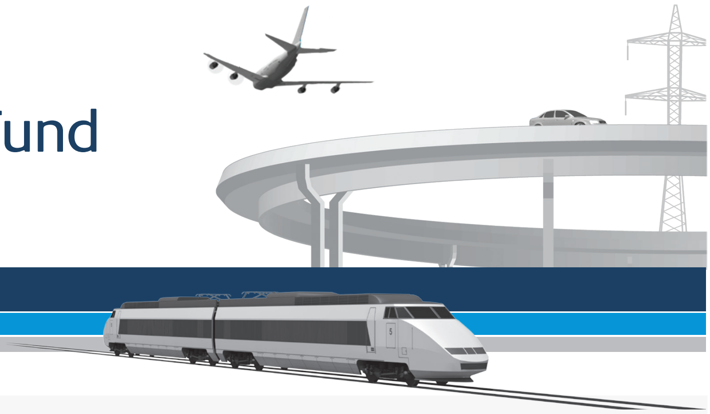


First State Global Listed Infrastructure Fund

Monthly Review and Outlook

March 2018

- The Fund invests primarily in global listed infrastructure and infrastructure-related equity and equity related securities worldwide. Investments in infrastructure projects may involve risks including projects not being completed on time and within budget, changes in environment laws and regulations.
- The Fund's investments may be concentrated in a single and limited/specialist sector or in fast growing economies which may have higher volatility or greater loss of capital than more diversified portfolios.
- Small/ mid-capitalisation securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks
- For certain share classes, the Fund may at its discretion pay dividend out of capital or pay fees and expenses out of capital to increase distributable income and effectively a distribution out of capital. This amounts to a return or withdrawal of your original investment or from any capital gains attributable to that, and may result in an immediate decrease of NAV per share.
- It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

Market Review

Global Listed Infrastructure held up in March against a backdrop of continued market volatility. The FTSE Global Core Infrastructure 50/50 index ended the month 0.8% higher while global equities^ fell -2.2%.

The best performing infrastructure sectors were Electric Utilities (+4%) and Gas Utilities (+4%), which rallied as investors identified value and as bond yields edged lower. Towers (+4%) also outperformed on demand for structural earnings growth, with US operators offering a haven from geopolitical-related volatility.

The worst performing sector was Satellites (-15%), as structural headwinds continued to weigh on the sector. UK operator Inmarsat (-23%, not held) cut its dividend, reflecting an increasingly capital intensive business model. Ports (-8%) fell after President Trump proposed tariffs on US steel and aluminium imports, sparking fears of a trade war with China.

The best performing region was the UK (+5%), helped by its high utilities weighting. Sentiment was further buoyed by the UK and EU conditionally agreeing a 21-month Brexit transition period. The worst performing regions were Latin America (-3%) and Asia ex-Japan (-2%), as rising concerns for global trade and reduced investor risk appetite weighed on Emerging Markets.

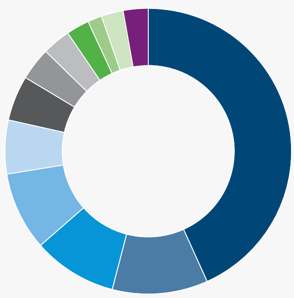
Performance Review

The Fund ended the month -0.7% lower[1], 154 basis point behind the FTSE Global Core Infrastructure 50/50 Index (USD, Net TR).

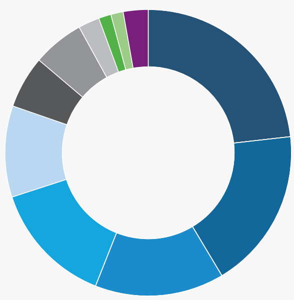
Cumulative Performance in USD (%) [1]	3 mths	YTD	1yr	3yrs	5yrs	Since inception
Class I (USD - H Dist)	-6.3	-6.3	2.1	14.7	43.9	59.5
Benchmark*	-4.5	-4.5	4.6	17.9	48.3	58.7

Calendar Year Performance in USD (%) [1]	2017	2016	2015	2014	2013
Class I (USD - H Dist)	17.2	11.7	-5.7	12.3	17.3
Benchmark*	18.4	11.3	-6.0	13.6	17.9

Asset Allocation (%) [1]



Country
- USA 43.3
- Canada 10.8
- UK 9.5
- Japan 8.9
- Australia 6.1
- China 5.1
- Italy 3.7
- Brazil 3.2
- France 2.6
- Spain 1.6
- Other 2.5
- Liquidity 2.8



Sector
- Electric Utilities 23.2
- Highways/Railtracks 18.2
- Oil/Gas Storage & Trans. 14.6
- Multi-Utilities 14.0
- Railroads 10.3
- Specialised REITs 5.9
- Gas Utilities 5.8
- Marine Ports & Services 2.4
- Construction & Engineering 1.4
- Airport Services 1.4
- Liquidity 2.8

^ MSCI World Net Total Return Index, USD. [1] Source: Lipper & First State Investments, Nav-Nav (USD total return) as at 31 March 2018. Since inception date: 27 June 2008. Performance is based on First State Global Listed Infrastructure Fund Class I (USD – H-Dist). This is the semi-annually dividend distribution class of the fund. The performance quoted are based on USD total return (with dividend reinvested). Dividends are not guaranteed and may be paid out of capital. *The benchmark displayed is the FTSE Global Core Infrastructure 50/50 Index.

Top 10 holdings (%) [2]

Stock name	Sector	%
National Grid plc	(Multi-Utilities)	7.6
Transurban Group Stapled Deferred	(Highways/Railtracks)	6.1
American Tower Corporation	(Specialised REITs)	5.6
Dominion Energy Inc COM	(Multi-Utilities)	5.2
NextEra Energy, Inc.	(Electric Utilities)	5.0
Kinder Morgan Inc Class P	(Oil/Gas Storage & Trans.)	4.7
East Japan Railway Co	(Railroads)	4.4
Southern Company	(Electric Utilities)	4.3
Enbridge Inc.	(Oil/Gas Storage & Trans.)	3.9
Atlantia S.p.A	(Highways/Railtracks)	3.7

The best performing stock in the portfolio was Channel Tunnel operator Getlink which climbed on the news that Italian toll road Atlantia had bought a 15% stake in the company for US$1.2 billion. The move is consistent with Atlantia's aim to diversify its earnings away from its home market of Italy. In an eventful month for the company, Atlantia also agreed to combine its current bid for Spanish toll road Abertis with that of the rival bidder, construction firm ACS. The move should enable Atlantia to gain control of high quality Abertis assets, including French motorway subsidiary Sanef. Also this month, Australia's Transurban expanded its North American footprint, buying Montreal's A25 toll road and bridge concession for A$1.2 billion. This flurry of transactions highlights the value being attributed to long-life, high barrier-to-entry toll road assets.

The portfolio's utility holdings strengthened in March, led by Midwest operator Great Plains Energy. Its proposed merger with peer Westar moved a step closer after settlements were reached with Kansas and Missouri regulators. NextEra Energy continued its strong run on investor enthusiasm for its renewables-driven earnings growth and strong balance sheet. PG&E rallied as California's legislative leaders noted the need to update "liability rules and regulations" that apply to the state's utilities; a key area of concern since last year's wildfires. Alliant Energy and American Electric Power rose on renewed demand for stable assets.

In the UK, National Grid was buoyed as the regulator's initial thoughts on the next regulatory period were less draconian than had been feared. A growing awareness of the practical difficulties standing in the way of the opposition Labour Party's plans to renationalise UK utilities; and broader demand for defensive assets provided additional tailwinds. SSE outperformed after raising earnings guidance and confirming that it would increase its next dividend payment by "at least" as much as inflation. Plans to spin off and merge its retail business with Npower remain on track.

The worst performing stock in the portfolio was COSCO Shipping Ports, the world's fifth largest global port operator. Robust 2017 financial year earnings and the prospect of continued efficiency gains and synergies were overshadowed by trade war rhetoric. China Merchants Ports declined on apprehension that trade tariffs could put China-US freight rates under pressure. Investors' risk-off mood also affected the portfolio's Emerging Markets toll roads – China's Jiangsu Expressway, Mexico's Pinfra and Brazil's CCR.

A decision by the US Federal Energy Regulatory Commission to adjust the way that energy infrastructure companies calculate regulated tariffs weighed on the pipelines sector. Kinder Morgan, Enterprise Products Partners and multi-utility Dominion Energy fell on the news. Plains All American Pipeline bucked the negative trend as it continued to execute its strategy of reducing debt and expanding its energy infrastructure footprint servicing West Texas' Permian basin.

No new stocks were added to the Fund in March, and none were divested.

Market Outlook and Fund Positioning

The Fund invests in a range of global listed infrastructure assets including toll roads, airports, ports, railroads, utilities, pipelines and mobile towers. These sectors share common characteristics, like barriers to entry and pricing power, which can provide investors with inflation-protected income and strong capital growth over the medium-term.

Toll Roads remain the Fund's largest sector overweight. These are high quality companies with stable cash flows, high operating margins and effective barriers to entry. European toll roads are currently going through an earnings upgrade cycle, as improving economic conditions support consistent volume growth in France, Spain and Italy. Peers in China and Brazil operate high growth toll roads with well-established concession agreements, providing an essential service to some of the world's most densely populated areas.

The Fund holds positions in several North American energy pipeline stocks. Despite improving fundamentals and a back-to-basics approach focused on sensible growth expectations, the sector remains out of favour. This has provided an opportunity for the Fund to build positions in companies that own unique and long life energy infrastructure networks, and which have traded down to appealing valuation multiples.

The Fund is also overweight Railroads. Japanese passenger rail companies such as East Japan Railway and Central Japan Railway run large-scale rail networks with stable customer volumes. These companies were somewhat overlooked as investors focused on higher beta areas of the market in 2017. They are now trading at attractive levels, while a healthy economic backdrop offers the potential for earnings upgrades.

On a more cautious note, the Fund remains underweight airports and some US utilities, which continue to trade at valuations that we find difficult to justify based on company fundamentals.

[2] Source: First State Investments as at 31 March 2018.