As private infrastructure investment grows, institutions are being challenged to find suitable investments offering acceptable returns. We believe investors can improve the implementation of their infrastructure allocation by including listed investments, gaining immediate access to a global opportunity set that features the same types of assets and businesses as private infrastructure, with the added benefits of liquidity, diversification, leading management franchises and public-company governance. In this paper, we present the case that listed infrastructure is an attractive complement to private investments, providing long-term portfolio solutions for real asset allocations. This case includes an analysis of historical and expected returns for private and listed infrastructure.

3 The Growing Challenge for Private Infrastructure Allocations
5 Listed Infrastructure: An Alternate Path to the Same Assets
8 Listed Infrastructure and Global Equity Allocations
10 Listed Infrastructure Is Gaining Acceptance as a Real Asset
11 A Dual-Allocation Strategy of Listed and Private
12 Conclusion: Return Expectations and Allocation Recommendation
Executive Summary

With more institutions investing in infrastructure, we believe the listed market offers an attractive solution to the increasing backlog of capital in the private market, helping investors to achieve their target allocations, optimize their portfolios and access a wide range of global infrastructure opportunities.

Private infrastructure allocations face growing challenges. Institutions widely view private infrastructure as an attractive strategy within a real asset allocation. But as more capital enters the market, investors are struggling to achieve their target allocations due to rising asset values and growing competition to place capital. By complementing private investments with listed infrastructure, we believe investors can improve implementation, while gaining strategic benefits such as greater flexibility in portfolio management and the potential for enhanced total returns.

Listed infrastructure offers an alternate path to owning the same assets. Like private infrastructure, listed infrastructure companies invest in long-lived assets that provide essential services and generate predictable revenues from regulated, concession-based or contracted businesses. Perceived differences in short-term volatility may blur the relationship between the listed and private markets, but we believe long-term investment performance is driven by the income and growth attributes of the underlying assets. This is similar to what we have observed over the long history of returns for listed and private real estate.

Infrastructure and global equity allocations. Diversified global equity portfolios provide minimal exposure to core infrastructure, with infrastructure-related subsectors representing less than 4% of global equity market capitalization. Listed infrastructure’s performance profile also differs materially from that of a broad equity portfolio, featuring relatively low volatility and greater sensitivity to unexpected inflation.

Listed infrastructure is gaining acceptance as a real asset. Just as investors adopted listed REITs in the 1990s, listed infrastructure is seeing steady growth in capital flows and is being implemented in a variety of ways: as a sleeve in custom target-date funds, as an alternative investment offering in defined-contribution platforms, in wealth management firms’ discretionary asset allocation models, and as part of a broader allocation to real assets.

A dual-allocation strategy of listed and private infrastructure. We believe listed and private infrastructure continue to present attractive investment opportunities given the need for capital globally to rebuild deteriorating or obsolete infrastructure in developed markets and to build new capacity in emerging markets. A portfolio that includes both listed and private investments offers distinct advantages over private-only allocations, in our view, providing liquidity, global asset diversification and access to opportunities that are only available through listed companies.

Investment recommendation. We expect long-term return potential of 8–10% for listed infrastructure. While private infrastructure, based on the Preqin Infrastructure Index, seems to be priced for 9–10% returns, we believe private investors should demand 13–14%, a 450 basis-point premium to factor in lower liquidity and higher leverage relative to listed investments (see page 13). We recognize that institutions’ real asset allocations may vary meaningfully, however, we generally recommend a 3–7% target weighting in listed infrastructure as part of a 20–30% allocation to real assets.
The Growing Challenge for Private Infrastructure Allocations

As institutions continue to increase their allocations to private infrastructure, competition for assets is growing and managers are taking longer to deploy capital. We believe an allocation to listed infrastructure can improve implementation.

Healthy Demand Is Creating a Backlog of Capital

Few markets have seen as dramatic a change over the past decade as private infrastructure. According to Preqin, investment managers closed just four unlisted private-equity infrastructure funds in 2003, raising a total of $1 billion. Since then, demand for private infrastructure investment has surged amid a growing emphasis on real assets. Around the world, public and corporate pension funds, endowments, superannuations and other institutional investors have made infrastructure a separate allocation within their portfolios and have steadily expanded their infrastructure investment programs. Momentum was briefly interrupted in 2009 by the global financial crisis, but quickly resumed as institutions sought the relative stability of long-lived assets with predictable revenues.

In 2013, managers raised $41 billion globally among 57 new private infrastructure funds, an increase of 36% from the previous year (Exhibit 1). Institutions are also showing greater interest in private investments outside of funds, while many insurance companies and other strategic investors are actively pursuing direct ownership stakes in infrastructure assets, adding to the number of investors looking to place capital.

While demand has grown, there are constraints on the number of assets ready for investment due to financing complexities, lengthy privatization processes and regulatory approvals, often at multiple levels within the state and local governments. Competition for core infrastructure assets has intensified as a result, leading to longer deployment periods for private-fund managers and direct investors. As shown in Exhibit 2, the percentage of capital that new funds invested in their first year has declined, with funds closing in 2013 calling up an average of only 8% of committed capital.

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(1) Preqin Infrastructure Online is a recently established market intelligence service based on financial disclosures from more than 150 infrastructure-focused private-equity funds and more than 8,000 global infrastructure transactions.
Considering the significant backlog of capital waiting to be called, we believe competition in the private market will continue to grow. Private infrastructure funds have more dry powder than at any point in history, with $98 billion in uninvested commitments as of February 2014 (Exhibit 3). At the same time, a Preqin survey of private infrastructure fund managers shows that 71% expect to deploy more capital in 2014 than in 2013, with 44% indicating they plan to invest significantly more capital (Exhibit 4).

A Liquid Solution for Infrastructure Allocations

As the infrastructure investment market evolves, we expect more institutions to recognize the merit of an approach that includes both private and listed investments. By adding listed infrastructure, investors have the liquidity to achieve target allocations immediately, while benefiting over the long run from competitive returns, greater portfolio-management flexibility, better asset diversification and a broader infrastructure opportunity set.

Some investors may have overlooked listed infrastructure due to the misconception that infrastructure equities do not provide them with the characteristics desired in a separate infrastructure allocation, as well as the belief that global equity portfolios already offer exposure to infrastructure companies. We address each of these points in this report.

Dry powder for private infrastructure funds is at an all-time high.

Of the 34 private infrastructure fund managers surveyed by Preqin, 71% said they plan to deploy more capital in 2014 than they did last year.

Allocation Case Study

California Public Employees’ Retirement System (CalPERS):

- Initiated its infrastructure program in 2008 with an initial mandate of $400 million.
- Has a target allocation in fiscal year 2014 of 2% of the total fund, representing approximately $5.7 billion.
- Has invested or committed $2 billion as of February 2014—only a portion of the target allocation.
- Announced plans to increase target allocation to 3% in the fiscal year beginning July 1, 2014, earmarking roughly $3 billion in additional capital to infrastructure.
- Is in the process of developing a listed infrastructure strategy this year to complement other investment modes.
- Its long-term strategy focuses on desired investment attributes, giving relatively little weight to risk measures that are based on standard deviation.
Listed Infrastructure: An Alternate Path to the Same Assets

We believe the long-term risk/return profile of listed infrastructure is defined by the cash flows and growth attributes of the underlying assets—assets that are generally the same as those found in the private market.

The Same Assets and Businesses...

An equity investment in listed infrastructure companies provides an ownership stake in the same types of assets and businesses as those targeted by private investors. In some cases, companies are co-investors in an asset alongside institutions and private-equity firms. Listed infrastructure sectors include utilities, toll roads, pipelines, cellular towers, airports, railroads and others, featuring long-lived assets that provide essential services to the public and to private industry. These businesses have regulated or contracted revenues that are relatively predictable, and are often insulated from competition due to zoning restrictions and large capital requirements. Depending on the subsector, listed infrastructure cash flows and asset values may have direct or indirect links to inflation, and may benefit from long-term economic growth due to rising throughput.

…but With Added Benefits

There are distinctions to be made between investing in a publicly traded infrastructure owner/operator and simply owning infrastructure assets. Investors gain the benefit of established corporate franchise market positions and experienced management teams that can potentially add value. Listed investments also provide the discipline of public-market standards, with the added advantages of Board oversight and public-market corporate governance standards. Investors will find many of the same infrastructure sectors represented in both the listed and private markets, although a greater portion of the listed market is in the telecommunications and transportation sectors (Exhibit 5). By contrast, private-market transactions tend to focus more on energy-related assets and social infrastructure.

Exhibit 5: Infrastructure Subsector Representation

<table>
<thead>
<tr>
<th>Listed Market, by Market Capitalization</th>
<th>Private Market, by Percent of Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities (a)</td>
<td>Energy (e)</td>
</tr>
<tr>
<td>Transport (b)</td>
<td>Other (g)</td>
</tr>
<tr>
<td>Telecom (c)</td>
<td>0% 20% 40% 60%</td>
</tr>
<tr>
<td>33%</td>
<td>17% 16% 8% 18%</td>
</tr>
<tr>
<td>5%</td>
<td>2% 16% 16% 0%</td>
</tr>
<tr>
<td>43%</td>
<td>42% 42% 42% 0%</td>
</tr>
</tbody>
</table>

At September 30, 2013. Source: B-One, Preqin and Cohen & Steers.

Listed infrastructure is represented by the UBS 50/50 Infrastructure & Utilities Index. Private Infrastructure is represented by the percentage of transactions in a given subsector, completed by private funds in the Preqin Infrastructure Index as of September 30, 2013, based on data available as of May 1, 2014. An investor cannot invest directly in an index. See page 14 for index definitions.

(a) Utilities: Electric utilities, gas distribution and renewable energy. (b) Transport: Railways, toll roads, airports and marine ports. (c) Telecom: Satellites and cellular towers. (d) Energy: Natural resources and pipelines. (e) Other: Social (defense, education, government accommodation, medical facilities, judicial buildings, prisons and senior homes), water, environmental services and waste management.
These returns provide a starting point for comparing private and listed infrastructure, but they offer little insight into long-term performance. We believe the risk/return profile of infrastructure investments, whether listed or private, are driven and defined by the income and growth attributes of the underlying assets. Ownership structure will have an effect on short-term correlations due to differences in measurement and valuation methodologies, but these effects should diminish with time. This behavior is similar to what we observe in another real asset class—commercial real estate—which offers a much longer history of data for both REITs and core property, and can serve as a useful guide for the relationships between listed and private infrastructure. Our analysis and conclusions can be found in the sidebar discussion on the following page.

As we have stated in previous research, a proper performance comparison of listed and private real estate must span a long enough time period such that the impact from the smoothing effect of appraisal valuations for private investments and the real-time pricing for listed investments becomes negligible. Also, volatility comparisons must be adjusted to account for differences in measurement, because spot appraisal valuations for private real estate cannot be compared with real-time auction market pricing for listed REITs.
Investors should be cautious of research that draws conclusions using correlation data based on private appraisal valuations, which we believe lead to vastly understated volatility for private infrastructure, as well as understated correlations between private and listed investments. In our view, these analyses are flawed and should not be used in portfolio-optimization research.

For additional research on this topic, please visit our website at cohenandsteers.com and reference our report series, *The Truth About Real Estate Allocations*, located in the Insights section.

### A Backdrop for Comparing Listed and Private Infrastructure Performance

**Misconceptions of Volatility.** With infrastructure, as with real estate, there is a perception that privately owned assets are significantly less volatile than listed equity investments. We believe this is due to differences in valuation and performance-measurement methods. There is significant smoothing embedded in private real estate returns due to appraisal-based pricing. We have created a model that uses statistical methods to normalize volatility in order to account for this smoothing process. As shown in Exhibit A, reported returns for private funds have a volatility of 5.5%, as measured by standard deviation, compared with a market-price-based volatility of 18.0% for U.S. REITs. However, after we adjust for the smoothing effect, volatility for private real estate increases to 13.0%. We believe this is a more realistic representation of underlying investment risk.

**Long-Term Correlations.** Over short holding periods, REITs have exhibited relatively low correlations with private real estate, as underlying relationships are blurred by the impact of auction-market-based pricing on near-term equity returns. However, over the long term, fundamental factors take over and we see a strong correlation between listed and private real estate. We believe this suggests that the principal drivers of returns are the underlying assets and the attributes of commercial property cash flows, cash flow growth and risk premiums. We believe a similar relationship will become evident with respect to listed and private infrastructure as more data become available with the passage of time.

**The Illiquidity Premium.** We believe investors should receive something extra in return for the illiquidity of private funds. Based on the performance of REITs relative to core real estate adjusted for smoothing, shown in Exhibit A, private real estate has not delivered an illiquidity premium, in our view.

<table>
<thead>
<tr>
<th></th>
<th>U.S. REITs</th>
<th>U.S. Core Real Estate</th>
<th>U.S. Core Real Estate Adjusted for Smoothing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annualized Return</strong></td>
<td>12.6%</td>
<td>8.5%</td>
<td>8.5%</td>
</tr>
<tr>
<td><strong>Annualized Volatility</strong></td>
<td>18.0%</td>
<td>5.5%</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

Source: FTSE, NCREIF and Cohen & Steers.

U.S. REITs are represented by the FTSE NAREIT Equity REIT TR Index. U.S. core real estate is represented by the NFI-ODCE Index.

We believe an analysis of listed and private real estate reinforces the view that long-term risk and return for real assets are defined not by ownership structure, but by the cash flows and growth attributes of the underlying assets.
Listed Infrastructure and Global Equity Allocations

An investment in listed infrastructure offers distinct characteristics from a broad equity allocation, such as lower volatility, greater downside protection and a history of positive real returns in periods of unexpected inflation.

Little Overlap With Global Equities

Investors gain little exposure to infrastructure through their global equity portfolios, as the overlap between the listed infrastructure universe and most broad-market equity indexes is relatively small. Of the 2,250 securities in the MSCI World Index, only 90 are in an infrastructure-related subsector, representing just 3.9% of global equity market capitalization.\(^{(1)}\) This means that a traditional equity portfolio might include only one or two infrastructure companies, whereas a listed infrastructure portfolio will typically hold 40 or more securities, diversified by geography and infrastructure subsector.

Potential for Enhanced Returns With Reduced Volatility

Listed infrastructure features a conservative risk/return profile consistent with the predictable cash flows and business models of the asset class. In the 10 years ended May 31, 2014, the UBS Global 50/50 Infrastructure & Utilities Index typically provided 93% of the gains of the MSCI World Index in months when the broad market had a positive total return. However, when the broad market declined, infrastructure captured only 74% of the declines on average (Exhibit 7A). As a result, infrastructure has outperformed global equities by 320 basis points annually since the Composite inception, doing so with lower overall volatility (Exhibit 7B).

---

\(^{(1)}\) At March 31, 2014, as measured by the UBS Global 50/50 Infrastructure & Utilities Index.
Inflation Sensitivity

One reason often stated for allocating to infrastructure is the desire for protection from inflation. Periods in which inflation comes as a surprise can be particularly damaging to portfolio returns. To illustrate this point, we compared the sensitivity of various asset classes to unexpected changes in inflation, which we refer to as the investment’s “inflation beta.”

Our analysis is based on rolling 12-month real returns (actual returns minus inflation) for stocks, bonds and listed infrastructure, measured against the gap between the realized inflation rate and a forecast published one year earlier. An asset class with a positive inflation beta has historically outperformed its long-term real return average when inflation is higher than expected, whereas a negative inflation beta is an indication that unexpected inflation has generally hindered real returns.

The results of our inflation-beta analysis, shown in Exhibit 8, suggest that an allocation to listed infrastructure may help mitigate the damaging effects of unexpected inflation on stocks and bonds. The inflation betas below imply that for every one percentage point increase in inflation above the previous year’s forecast, stocks and bonds delivered inflation-adjusted returns 190 and 40 basis points below average, respectively. By contrast, listed infrastructure tended to outperform its long-term inflation-adjusted average return by 210 basis points using the same measure. We believe this reinforces the view that listed infrastructure has distinct characteristics from a broad equity portfolio, consistent with the qualities of a real asset allocation.

Real returns for listed infrastructure have outperformed the asset class’s long-term average in periods of unexpected inflation.

Exhibit 8: “Inflation Beta”—The Sensitivity of Asset Classes to Unexpected Changes in Inflation
1994–2014

<table>
<thead>
<tr>
<th></th>
<th>Bonds</th>
<th>Stocks</th>
<th>Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>-2</td>
<td>-1.9</td>
<td>-0.6</td>
<td>2.1</td>
</tr>
</tbody>
</table>


Stocks are represented by the S&P 500 Index. Bonds are represented by the BofA Merrill Lynch U.S. 7-10 Year Treasury Index. Infrastructure is represented by a 50/50 Blend of Datastream World Pipelines and Datastream World Gas, Water & Multi-Utilities through July 2008 and the Dow Jones Brookfield Global Infrastructure Index thereafter.

(1) Our measure of expected inflation reflects median inflation expectation from the University of Michigan Survey of 1-Year Ahead Inflation Expectations. Inflation Beta was determined by calculating the linear regression beta of 1-year real returns to the difference between the year-over-year realized inflation rate and lagged 1-year ahead expected inflation, including the level of the lagged expected inflation rate. Linear regression is a statistical method that models the relationship between a dependent variable and one or more explanatory variables. The information presented does not reflect the performance of any fund or other account managed or serviced by Cohen & Steers. An investor cannot invest directly in an index. See page 14 for index definitions.
Growing recognition of the need for diversification, competitive returns and income has led to an increasing variety of implementations for infrastructure as an alternative asset class:

- Listed infrastructure is used as a sleeve in custom target-date funds, which require liquidity and daily valuation.
- Defined-contribution platforms are including infrastructure mutual funds as part of their alternative investment offerings.
- More institutions are deciding to make a strategic allocation to real assets, using listed infrastructure as a complement to their private investments.
- Smaller institutions that lack the scale for private infrastructure investments are using listed infrastructure to diversify their real asset allocations.
- Wealth management firms are adding infrastructure mutual funds to their discretionary asset allocation models to enhance risk-adjusted portfolio returns.

Between 2007 and 2013, institutional assets under management (AUM) in listed infrastructure strategies increased from just under $1 billion to more than $15 billion (Exhibit 9). Institutions domiciled in Australia were one of the early adopters of listed infrastructure allocations, as their market was among the first to privatize transportation infrastructure assets, giving investors greater familiarity with infrastructure owned by listed entities. As the market for listed infrastructure investment continues to evolve, we are seeing greater acceptance in the U.S. and other parts of the world, primarily by institutions, but also increasingly by individual investors.

Exhibit 9: Listed Infrastructure Assets Under Management

<table>
<thead>
<tr>
<th>Year</th>
<th>Institutional AUM</th>
<th>Non-Institutional AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>0.9</td>
<td>0.5</td>
</tr>
<tr>
<td>2008</td>
<td>0.5</td>
<td>1.6</td>
</tr>
<tr>
<td>2009</td>
<td>0.9</td>
<td>2.3</td>
</tr>
<tr>
<td>2010</td>
<td>7.3</td>
<td>5.8</td>
</tr>
<tr>
<td>2011</td>
<td>10.8</td>
<td>8.6</td>
</tr>
<tr>
<td>2012</td>
<td>14.3</td>
<td>10.8</td>
</tr>
<tr>
<td>2013</td>
<td>15.7</td>
<td>19.8</td>
</tr>
</tbody>
</table>

At December 31, 2013. Source: eVestment.
A Dual-Allocation Strategy of Listed and Private Infrastructure

A portfolio that includes both listed and private infrastructure offers distinct advantages over private allocations alone, in our view, providing liquidity, global asset diversification and a complementary opportunity set.

Liquidity

While investors with long-dated liabilities may dismiss the need for liquidity, the ability to easily change allocations through the public market can be valuable in helping investors manage asset-allocation goals and cash flows. Consider that capital in private funds is typically not accessible during the investment period, which can last 10 years or more. This limits the opportunities to rebalance allocations or distribute funds. Furthermore, if markets suffer a downturn, investors may have to ride out a decline in asset values over many years. By including listed infrastructure in an allocation, investors can rebalance regularly, reinvest cash distributions and better reflect their dynamic, real-time market views in their portfolios.

The liquidity of a dual listed/private strategy also provides greater flexibility when executing an infrastructure allocation. Exhibit 10 illustrates the challenges that private infrastructure funds have had investing capital. On average, investors in private funds from 2007 had the last of their capital commitments called up just last year. By contrast, investors with a listed strategy generally have the ability to implement their full target allocation on day one.

Diversification

Whereas private infrastructure funds will typically invest in a handful of assets, a global listed infrastructure portfolio will generally hold 40 or more securities representing hundreds of assets. Listed infrastructure can help provide adequate geographic and business diversification, particularly in a period of elevated regulatory and political risks. While private fund managers factor various risks into their asset selection, it is harder to manage when dealing with a small number of assets and a short list of opportunities.
A Complementary Opportunity Set

The listed infrastructure universe includes nearly 400 companies with combined market capitalization of approximately $3 trillion and an enterprise value (equity and debt) of roughly $6 trillion. This universe offers access to a wide range of investment themes, including some that are only available through listed companies. For example, investors looking to target Chinese toll roads or Brazilian water will find few, if any, opportunities in the private market. Conversely, some types of assets are more commonly accessible in the private market, including social infrastructure such as schools and hospitals. By investing in both listed and private assets, investors have the ability to target a broad range of opportunities with different risk/return profiles.

Conclusion

The massive demand for global infrastructure investment is likely to remain a major theme in our economy for decades to come. This should present investors in both the listed and private markets with a wealth of opportunities over time, as tens of trillions of dollars will be needed to upgrade aging infrastructure assets in developed markets and expand capacity in emerging markets.

Near term, we believe competition in the private market is likely to increase amid an influx of buyers pursuing a market that has limits on the number of marketable assets at a given point in time. We expect this will drive more investors to consider the potential benefits of using listed infrastructure as a complement to private investments:

- Listed infrastructure features the same types of long-lived assets as those held in private investments, with predictable revenues from regulated, concession-based and contracted businesses.
- Listed infrastructure has the same underlying performance drivers as private infrastructure, resulting in a long-term risk/return profile that we believe is comparable to that of privately owned assets.
- The liquidity of publicly traded securities provides greater ability to execute and manage an infrastructure allocation.
- A global listed infrastructure portfolio gives investors an ownership stake in dozens or even hundreds of assets, helping to mitigate political and regulatory risks specific to a given country or subsector.
- Investors can pursue targeted allocations to infrastructure trends that are only available through listed companies.

Return Expectations for Listed Infrastructure

An analysis of the implied expected return for listed infrastructure can help investors evaluate whether private infrastructure funds are generally providing adequate returns. Based on funds in the Preqin Infrastructure Index since 2006, which includes vintages earlier than 2006, private infrastructure funds provided a median net internal rate of return (IRR) of 11.2% through September 30, 2013. From this, we can approximate a comparable expected return for listed infrastructure, shown in Exhibit 11. From 11.2%, we back out a 2% return premium for what we believe listed infrastructure offers an attractive way for investors to participate in the multi-trillion-dollar need for global infrastructure investment over the next several decades.
estimate private investments should deliver given their higher leverage. We take off an additional 2.5%, which we estimate as fair compensation for the illiquidity of private funds, although this may be as much as 5% for some investors. This leads us to conclude that an expected return of 6.7% for listed infrastructure would be comparable to historical private-market returns.

Actual returns for listed infrastructure have meaningfully exceeded the 6.7% return implied by historical private-market pricing. Using the same end date as the Preqin data series (September 30, 2013), listed infrastructure had a 10-year annualized return of 11.0%, which we believe is representative of a full market cycle. Our total-return outlook for global listed infrastructure is 8–10%, based on a 3–4% dividend yield and 5–6% long-term cash flow growth, assuming no expansion or contraction in earnings multiples. Based on these figures, private infrastructure would need to produce a 13–14% IRR to be in line with comparable listed-market expected returns.

**Allocation Recommendation**

As institutions become more familiar with the asset class, we expect investments in listed infrastructure to increase over time as part of a real asset allocation. While overall portfolio allocations to real assets may vary meaningfully, we believe that 15–25% of a real assets portfolio should be dedicated to infrastructure. For example, investors with a modest 10% allocation to real assets might invest 2–3% of their portfolio in infrastructure. A more aggressive adopter of real assets—such as an endowment with 30% of their portfolio in real assets—may have an infrastructure allocation as high as 7% of the overall portfolio. Based on the merits, we believe listed infrastructure should be a core part of this allocation.

The information presented does not reflect the performance of any fund or other account managed or serviced by Cohen & Steers. An investor cannot invest directly in an index 10-year annualized gross total return. See page 14 for index definitions.
Index Definitions

An investor cannot invest directly in an index and index performance does not reflect the deduction of any fees, expenses or taxes.

The BoA Merrill Lynch U.S. 7–10 Year Treasury Index is composed of U.S. Treasury Notes with a 7–10 year maturity.

The Dow Jones Brookfield Global Infrastructure Index measures the stock performance of publicly listed infrastructure companies. The index intends to measure all sectors of the infrastructure market.

The FTSE NAREIT Equity REIT Index is an unmanaged, market-capitalization-weighted index of all publicly traded U.S. REITs that invest predominantly in the equity ownership of real estate, not including timber or infrastructure.

The Green Street Advisors Commercial Property Price Index is a time series of unleveraged U.S. commercial property values that captures the prices at which commercial real estate transactions are currently being negotiated and contracted.

The MSCI World Index consists of a wide selection of stocks traded in 23 developed countries. It is weighted for market capitalization and is considered an important benchmark of the state of global stock markets.

The NCREIF Fund Index-Open-End Diversified Core Equity Index, or NFI-ODCE, is a capitalization-weighted, gross-of-fees, time-weighted return index reporting both historical and current results of 30 open-end commingled funds pursuing a core investment strategy.

The Preqin Infrastructure Index is calculated on a quarterly basis using data from Preqin Infrastructure Online. Index performance captures quarterly cash flow transactions and NAVs reported for 147 individual unlisted infrastructure partnerships, net of fees.

The S&P 500 Index is an unmanaged index of 500 large-capitalization, publicly traded stocks representing a variety of industries.

The S&P Global Infrastructure Index measures the performance of the global infrastructure sector and includes three distinct infrastructure clusters: utilities, transportation and energy.

The UBS Global 50/50 Infrastructure & Utilities Index (net of dividend withholding taxes) tracks a 50% exposure to global developed market utilities sector and a 50% exposure to global developed market infrastructure sector. The utilities sector excludes the subsector generation utilities. The index is free-float market-capitalization-weighted and is reconstituted annually with quarterly rebalances.

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