

Cohen & Steers International Realty Fund

We would like to share with you our review and outlook for the international real estate securities market as of March 31, 2012. For the quarter, the FTSE EPRA/NAREIT Developed ex-U.S. Real Estate Index had a total return of +14.6% (net of dividend withholding taxes) in U.S. dollars. By comparison, U.S. REITs returned +10.8% as measured by the FTSE NAREIT Equity REIT Index.

Investment Review

International real estate securities had a strong gain in the first quarter, a positive period for stocks broadly amid a lessening of macro risk concerns. Investor confidence improved as Europe avoided a bank liquidity crisis, the U.S. showed modest but sustained growth and China appeared headed for a soft landing.

Europe rebounded

The European Central Bank alleviated fears of a bank liquidity crisis by expanding its Long-Term Refinancing Operation (LTRO), first announced in December. The program allowed virtually any European bank to receive low-cost three-year loans using flexible collateral requirements.

The U.K had a total return of +10.5%⁽¹⁾, participating in the broad rise in assets despite a weak economy as investors embraced more risk. There were also positive amendments announced to the country's REIT legislation as part of the draft legislation for Finance Bill 2012. Among them were 1) abolition of the 2% entry charge, making it easier for companies to convert to the tax-efficient REIT status, and 2) a new diverse-ownership rule, allowing certain institutional investors to own majority stakes (up to 100%) in REITs without breaching regulations.

In France (+10.8%), Klépierre was a strong performer due to the Simon acquisition. The deal signaled that well-capitalized companies such as Simon can take advantage of property buying opportunities in Europe. It was also taken as a positive sign regarding Europe's banking sector: the transaction raised fresh equity for BNP Paribas.

The Netherlands (+14.5%) saw strong gains from Corio and Eurocommercial Properties, whose portfolios include properties in Italy and Spain; they benefited disproportionately as perceived risk diminished. They drew further support from the Klépierre news, as it suggested that other companies with pan-European portfolios might be candidates for a similar transaction.

(1) Country returns are in local currencies as measured by the FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index.

Asia Pacific was lifted by strength in Japan

Japan (+31.6%) led the rally in Asia Pacific markets. The Bank of Japan, attempting to shift the country away from its persistent deflation, announced an explicit target of 1% annual gains in consumer prices. The yen reversed its upward trend to depreciate in the quarter, sparking hopes that Japan's exports would revive and help the country's fragile economy. The bank also continued to buy J-REITs as part of its asset purchasing program.

Index Performance (USD)

Period	FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index (Net)
Q1 2012	14.6%
1 Year	-4.1%
3 Years	23.7%
5 Years	-6.7%
10 Years	10.8%

Past performance does not guarantee future results. This information is not representative of any Cohen & Steers account and no such account will seek to replicate an index. You cannot invest directly in an index. Total returns of the FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index (Net), an unmanaged portfolio. Periods greater than one year are annualized. Returns from 02/28/05 to the present are calculated net of dividend withholding taxes. As the index does not calculate the net return prior to 02/28/05, the 10-year return is a blend of net and gross.

Index Characteristics

Discount to Net Asset Value	-8.8%
Discount to Dividend Discount Model	-5.5%
Dividend Yield	4.1%
Price/Cash Flow (2012E)	16.3x
Cash Flow Growth (2012E vs. 2011)	1.9%
Cash Flow Growth (2013E vs. 2012E)	6.3%
Weighted-Average Market Cap.	\$9.6B
Total Market Capitalization	\$571.2B
Number of Securities	175

Source: Cohen & Steers.

Characteristics are market capitalization-weighted averages of estimates for companies in the FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index and are subject to change over time.

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Index Performance by Country

	Q1 2012	
	Local	USD
Asia Pacific	17.8%	16.5%
Singapore	25.6%	29.5%
Japan	31.6%	23.0%
Hong Kong	12.8%	12.8%
New Zealand	5.4%	10.8%
Australia	7.3%	8.5%
Europe	10.0%	12.8%
Italy	32.3%	35.8%
Norway	20.7%	26.2%
Netherlands	14.5%	17.5%
Germany	12.1%	15.0%
France	10.8%	13.6%
United Kingdom	10.5%	13.6%
Finland	10.2%	13.0%
Greece	6.3%	9.0%
Switzerland	4.4%	8.0%
Sweden	3.9%	7.3%
Austria	4.5%	7.2%
Belgium	2.3%	4.9%
Spain	-32.0%	-30.2%
North America	6.7%	8.7%
Canada	6.7%	8.7%

Source: Bloomberg.

Total returns of the FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index, an unmanaged portfolio. Periods greater than one year are annualized. Past performance does not guarantee future results. This information is not representative of any Cohen & Steers account and no such account will seek to replicate an index. You cannot invest directly in an index.

In Hong Kong (+12.8%), shares of lower-quality developers rallied on speculation that the government might limit its directed policies on residential development. The rally in Singapore (+25.6%) was paced by development companies that had previously been under pressure from government regulatory actions to push down residential property prices.

Australia (+7.3%) underperformed. The country's central bank, which reduced interest rates twice in late 2011, held rates steady at 4.25% through the quarter, disappointing investors expecting at least one more cut. The bank indicated that it will keep rates on hold over the near term absent a significant weakening in the domestic economy.

Fund performance

The Fund had a positive total return in the quarter but trailed its benchmark, due in part to our underweight and stock selection in Japan. The market's strength was not driven by a shift in real estate fundamentals, but rather reflected a broad rise in Japanese equities amid efforts to end deflation. Stock selection in Hong Kong, Singapore and Australia also hindered relative returns, as we were underweight many of the lower-quality companies that rebounded the strongest after underperforming in the final months of 2011. We believe higher-quality companies with strong managements have the best prospects for creating shareholder value over time.

Stock selection in Hong Kong was additionally hindered by our meaningful position in Sun Hung Kai, one of the largest real estate companies in the world and an owner/developer of high-quality office, residential and retail properties. The stock declined 13% in the quarter's final trading sessions after the company's co-chairmen were detained on suspicion of bribery related to a land acquisition in 2003. No charges have yet been brought against them, but resolution to this issue is likely to take many months.

Factors that contributed positively to relative performance included our out-of-index allocations to Brazil and the Philippines, where our holdings returned more than 20%. Our decision to not invest in Belgium (+2.3% return in the index) also aided performance, as did our underweight in the U.K.

Investment Outlook

Europe faces challenges

Europe's attempt to rein in its fiscal imbalances has made for a negative macroeconomic backdrop, and we expect a moderate recession as a base-case scenario for the continent, marked by more severe contraction in the southern region. The recent LTRO facilities have prevented a severe credit crunch and collapse of the EU banking system. However, we take the view that this three-year program merely buys time to sort out the overleveraged balance sheets of most EU banks. It does not solve the long-term solvency crisis facing Greece and possibly Portugal.

Given this environment, we seek to invest in companies that are best able to shield themselves from the most adverse effects of slowing economies and a general deleveraging. We favor owners of prime office and retail properties that also have solid balance sheets, a combination that provides an alternative to pure banking finance: access to debt capital markets.

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Asia Pacific leans toward policy easing

We remain underweight Japan based on relative fundamentals and business models. In the office market, we expect tenants will become more discerning on earthquake resistance, and favor newer and safer buildings, which should benefit companies that own such properties.

Hong Kong's economy is likely to moderate further, although renewed liquidity in China could create select pockets of strength. The prime retail sector stands to benefit most from mainland tourist spending, but nationwide sales growth may slow due to tempering consumer confidence.

In Australia, we expect only a slow recovery in consumer spending given the central bank's reluctance to loosen monetary policy further. The mining economy continues to be a strong driver of incremental growth, but the non-mining economy has not seen a significant benefit from stronger capital expenditures.

Singapore's cyclical sectors, such as offices and hotels, stand to benefit the most as the global growth recovers, given the country's open economy nature. We are more positive on hotels due to tighter supply and strong intra-regional traveling.

As of March 31, 2012, Sun Hung Kai represented 6.4% of the Fund.

Past performance is no guarantee of future results. The views and opinions in the preceding commentary are as of the date of publication and are subject to change. There is no guarantee that any market forecast set forth in this presentation will be realized. This material should not be relied upon as investment advice, does not constitute a recommendation to buy or sell a security or other investment and is not intended to predict the performance of any investment. Portfolio holdings are subject to change without notice and may not represent current or future portfolio composition.

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A prospectus containing this and other information can be obtained by calling 800.330.7348. Please read the prospectus carefully before investing. Cohen & Steers open-end funds are distributed by Cohen & Steers Securities, LLC.

This commentary is authorized for distribution only when preceded or accompanied by the current fact sheet for Cohen & Steers International Realty Fund.

Cohen & Steers International Realty Fund

The investment objective of the Fund is total return. In pursuing total return, the Fund seeks both capital appreciation and current income.

General Information

	CUSIP	Symbol
A Shares	19248H104	IRFAX
C Shares	19248H302	IRFCX
I Shares	19248H401	IRFIX
NAV per Share (Class A)		\$9.99
Total Net Assets		\$1.1 Billion
Number of Holdings		67
Dividend Frequency		Semi-Annual
Expense Ratio: Class A ⁽¹⁾		1.61%

(1) As of December 31, 2011.

Portfolio Managers

	Managing Fund Since	Years of Experience
Martin Cohen	Inception	35
Robert Steers	Inception	34
Joseph Harvey	Inception	24
Gerios Rovers	Inception	23
Scott Crowe	2008	14
Luke Sullivan	2008	11

Correlation

	Since Inception
Fund	1.00
MSCI EAFE Index	0.91
FTSE NAREIT Equity REIT Index	0.77
JPMorgan Global ex-U.S. Govt Bond Index	0.27

Source: Morningstar Direct

Correlation coefficients are based on monthly data and measure the degree to which the returns of the Fund move together with the other indexes.

The correlation coefficient will vary from -1.0 (perfect negative correlation) to 1.0 (perfect positive correlation).

Total Returns (A Share Class)

Period	Excluding Sales Charge	Including Sales Charge ⁽¹⁾	FTSE EPRA/NAREIT Dev. Ex-U.S. Real Estate Index (net)	S&P 500 Index
YTD	11.25%	6.24%	14.61%	12.59%
1 Year	-7.57%	-11.73%	-4.05%	8.54%
3 Year	19.90%	18.08%	23.71%	23.41%
5 Year	-7.82%	-8.67%	-6.69%	2.01%
Since Inception (3/31/05)	2.59%	1.91%	4.45%	4.71%

Calendar Year Total Returns

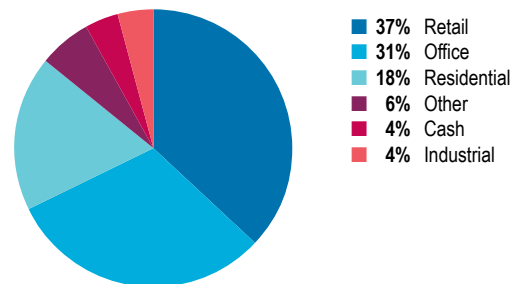
	2006	2007	2008	2009	2010	2011
Class A	43.88%	-4.64%	-47.43%	35.48%	13.48%	-17.06%
FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index (net)	46.36%	-1.08%	-52.16%	43.97%	15.63%	-15.64%

(1) Maximum 4.5% sales charge; returns for other share classes will differ due to differing expense structures and sales charges.

Performance data quoted represents past performance which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. The investment return and the principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Month-end performance information can be obtained by visiting our Web site at cohenandsteers.com.

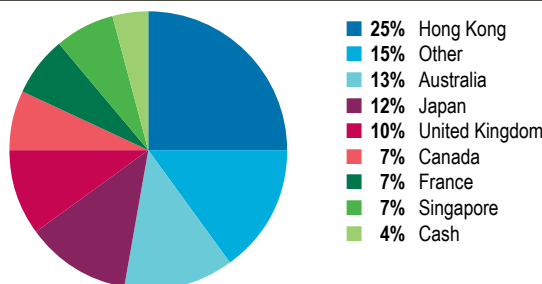
Periods greater than 12 months are annualized. Returns are historical and include change in share price and reinvestment of all distributions. During certain periods presented above, the advisor waived fees and/or reimbursed expenses. Without this arrangement, performance would be lower.

Property Sector Diversification



Portfolio weights are subject to change. Other includes Diversified, Hotel and Self Storage.

Geographic Diversification



Portfolio weights are subject to change. Other includes Brazil, China, Germany, Indonesia, Netherlands, Philippines, Sweden and Thailand.

Cohen & Steers International Realty Fund

Founded in 1986, Cohen & Steers is a leading global investment management firm focused on real assets, global real estate securities, large cap value stocks, global listed infrastructure, and preferred securities. The company also manages alternative investment strategies for qualified investors such as hedged real estate securities portfolios and private real estate multimanager strategies. Headquartered in New York City, with offices in London, Brussels, Hong Kong, Tokyo and Seattle, Cohen & Steers serves institutional and individual investors through a broad range of investment vehicles.

Top Holdings by Region

Region	% of Market Value ⁽¹⁾
Europe	
Unibail-Rodamco	4.7%
Land Securities Group PLC	2.8%
British Land Co., PLC	2.4%
Hammerson PLC	2.0%
Castellum AB	1.6%
Asia Pacific	
Sun Hung Kai Properties	6.4%
Westfield Group	5.5%
Hongkong Land Holdings Ltd.	4.1%
Mitsui Fudosan Co., Ltd.	3.8%
Mitsubishi Estate Co., Ltd.	3.5%

(1) The mention of specific securities is not a recommendation or solicitation for any person to buy, sell or hold any particular security. Holdings are subject to change without notice.

Cohen & Steers International Realty Fund, Inc. is distributed by Cohen & Steers Securities, LLC.

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Risks

Since the fund concentrates its assets in international real estate securities, an investment in the fund will be significantly impacted by the performance of the real estate markets. Risks of investing in real estate securities include falling property values due to increasing vacancies or declining rents resulting from economic, legal, or technological developments. Foreign securities involve special risks, including currency fluctuations, lower liquidity, political and economic uncertainties, and differences in accounting standards. Some international securities may represent small- and medium-sized companies, which may be more susceptible to price volatility and less liquidity than larger companies.

NOT FDIC INSURED • MAY LOSE VALUE • NO BANK GUARANTEE

Dividend income that the fund receives from REITs will generally not be treated as qualified dividend income and therefore not eligible for reduced rates of taxation. Distributions are subject to recharacterization for tax purposes. The final tax treatment of these distributions is reported on the 1099-DIV forms, which are mailed to shareholders after the close of each fiscal year.

The Morgan Stanley EAFE Index is a cap weighted index that monitors the performance of stocks from Europe, Australia, Asia and the Far East. The FTSE NAREIT Equity REIT Index ("Equity REITs") is an unmanaged market-capitalization-weighted index of all tax-qualified Equity REITs listed on the NYSE, AMEX, and the Nasdaq that have 75% or more of their gross invested book assets invested directly or indirectly in the equity ownership of real estate. The FTSE EPRA/NAREIT Developed Ex-U.S. Real Estate Index is an unmanaged portfolio of approximately 160 constituents from 18 countries. The Standard and Poor's 500 Composite Stock Index (S&P 500) is an unmanaged index of 500 large capitalization, publicly traded stocks representing a variety of industries. The JPMorgan Global Government Bond Index is a widely used benchmark and vehicle for global investors in developed government bond markets. The index consists of issues from 13 international bond markets. You cannot invest directly in an index, and index performance does not reflect the deduction of any fees or expenses.

Percentages may differ from data in the Fund's financial statements due to the effect of fair value pricing.