

Global Listed Infrastructure Fact Sheet & Commentary

Quarter Ending March 31, 2017



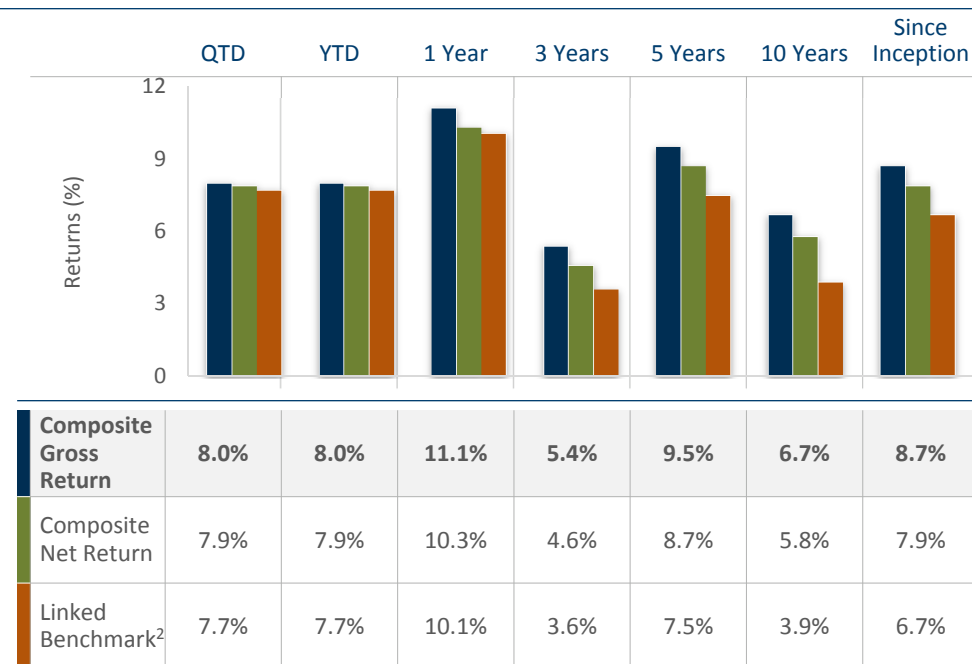
DUFF & PHELPS
INVESTMENT MANAGEMENT CO.

A VIRTUS INVESTMENT PARTNER

PORTFOLIO STRATEGY

Holdings	50-60 securities
Sector allocation	± 1,000 bps of relative exposure
Single Security	Maximum 10% of portfolio purchase, maximum +5% vs. benchmark weight
Cash	< 5%
Country Allocation	Minimum 25% U.S., minimum three countries
Expected Turnover	Approximately 30%
Benchmark	FTSE Developed Core Infrastructure 50/50 Index

PERFORMANCE (%)¹



INVESTMENT PHILOSOPHY

We believe a rigorous, fundamentally-driven investment process will uncover securities that are mispriced which may provide superior risk-adjusted returns.

We invest globally in the owners/operators of high-quality infrastructure assets with consistent and predictable business models.

We have a total return approach that strives to provide distinct portfolio benefits including growing income, capital appreciation, low volatility, and long-term inflation protection.

Our team approach allows us to have multiple perspectives which is essential to uncovering new opportunities and identifying changes to the investment thesis.

PORTFOLIO CHARACTERISTICS

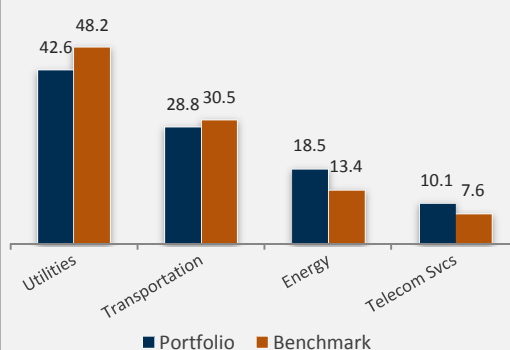
	Portfolio ³	Benchmark
Dividend Yield	3.3%	3.5%
Price to Cash Flow	9.7x	8.0x
Return on Equity	10.6%	11.7%
EPS Growth Rate, Forward 3-5 yr.	15.5%	13.3%
Weighted Avg. Market Cap (bn)	\$28.2	\$26.7

Source: FactSet

TOP TEN HOLDINGS⁴

	Portfolio (%) ³
Transurban Group Ltd.	6.2
Enbridge Inc.	4.4
NextEra Energy, Inc.	4.2
Kinder Morgan Inc Class P	3.9
American Tower Corporation	3.8
Atlantia S.p.A	3.7
TransCanada Corporation	3.7
Aena SA	3.3
Sempra Energy	3.2
Crown Castle International	3.1

SECTOR ALLOCATION VS. BENCHMARK³



Source: MSCI, FactSet

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¹Inception date is December 31, 2004. Periods over one year are annualized.

²The Benchmark is the FTSE Developed Core Infrastructure 50/50 Index. The Linked Benchmark returns are compiled by linking returns from the FTSE Benchmark beginning October 1, 2016 with returns of the MSCI World Infrastructure Sector Capped Index for the period September 1, 2008 through September 30, 2016 with returns from a blended benchmark comprised of 65% MSCI U.S. Utilities Index, 20% MSCI World Telecom Services Index and 15% MSCI World ex-U.S. Utilities Index for the period from inception to August 31, 2008.

³Portfolio information is based on a representative institutional account excluding cash. Material is supplemental to the Institutional Performance & Disclosure. Holdings are subject to change.

⁴It should not be assumed that securities identified were or will be profitable. The top ten holdings list represents the largest percentage holdings at quarter end of a representative institutional account excluding cash and does not represent all of the securities held in client portfolios. The securities identified may no longer be held in client portfolios and the holdings of any particular client portfolio may vary. The list is provided for illustrative purposes and should not be considered a recommendation to purchase or sell a particular security. A complete list of holdings and transactions for the previous twelve months is available upon request.



Market Review

For the quarter ended March 31, 2017, the U.S. equity market posted positive returns led by strong gains in the technology, healthcare, and consumer discretionary sectors. Most of the gains stemmed from the first two months of the year as the “Trump Trade” dissipated in March given the health care bill debacle, uncertainty toward tax reform, and the Federal Reserve’s 25 basis point increase in short-term interest rates. During the quarter, other developed world equity markets outperformed U.S. markets which reverses the recent trend of the U.S. leading the way. Europe in particular may finally be turning the corner given growth stability, rising inflation, and attractive valuations. However, prospects remain tempered by ongoing political risk, particularly related to the upcoming elections in France, Germany, and now the U.K.

For the 12 months ended March 31, 2017, developed world equity markets posted strongly positive returns, buoyed by a robust start to 2017. The positive performance was in spite of multiple challenges/surprises seen over the course of the last 12 months, including Brexit in the UK, political instability on the European continent, and Donald Trump winning the U.S. presidential election. The common thread across markets appears to be stabilizing or growing economies, which yields positive implications for earnings and dividends outlooks across multiple sectors.

Portfolio Review

For the first quarter, the strategy outperformed developed equity markets (as measured by the MSCI World Index) and slightly outperformed its benchmark. Within the portfolio, European transportation stocks benefited from a stabilizing Eurozone economy, and U.S. railroads advanced given positive leverage to an improving economic environment and the potential for tax reform. U.S. utilities also benefited toward the end of the quarter as the momentum from potential Trump policies somewhat stalled, resulting in some investors fleeing from risk and into safe-haven assets. Midstream energy stocks enjoyed a very strong first half of the quarter before giving back nearly all of the gains when oil prices fell over concerns of rising U.S. oil production and stubbornly high inventories.

During the quarter, security selection had a positive contribution and was the primary driver of the strategy’s outperformance versus the benchmark during the quarter. Utility selection was the biggest driver of outperformance, while transportation and energy stock selection were also positive contributors. The only detractor to security selection was communications. Sector allocation had a negative impact on portfolio performance relative to the benchmark. The primary detractors were our overweight in energy which was the poorest performing sector, and our underweight in transportation which was the best performing sector. An overweight in communications, and an underweight in utilities provided modest offsets to the negative sector allocation affect. Finally, regional allocation had a positive impact on relative performance. Positive contributions came from Asia Pacific where we were underweight a lagging Japan; and Europe where an overweight in Spain was beneficial. Our overweight in North American detracted from performance primarily due to relatively poor performing energy sector stocks.

For the 12 months ended March 31, 2017, the strategy significantly underperformed the broader global equity market and slightly underperformed its benchmark. The underperformance occurred mostly late in 2016 when the defensive sectors in which we invest lagged due to the “Trump trade” and the Federal Reserve’s broadcasting of potentially higher interest rates.

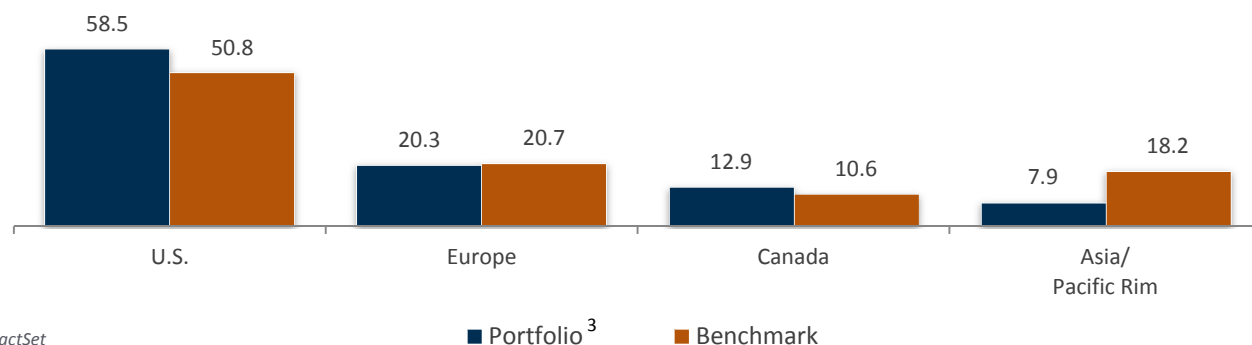
Market Outlook

Going-forward, we expect that equity market performance may remain volatile. While most developed market economies have stabilized or are growing, there still are numerous political uncertainties that remain ahead. In the U.S., we expect the success or failure of Trump policy initiatives may be a significant driver of equity market direction. Presently, it is unclear as to how the “Trump trade” will eventually play out. Additionally, we expect continued focus on when and if the Federal Reserve will further tighten interest rates. In Europe, the “hard” versus “soft” Brexit debate will continue, and equity market direction may be partly tied to trade and economic implications of the U.K. exit. During the present quarter, election uncertainty, particularly in France, is expected to impact markets.

Given the numerous market uncertainties, we continue to believe our strategy’s diversification across sectors and regions offers an attractive opportunity to investors to benefit from multiple market scenarios. We remain confident in the ability of the high quality companies in the portfolio to generate solid cash flows, providing for payment of attractive dividends.



REGIONAL ALLOCATION VS. BENCHMARK (%)



Source: MSCI, FactSet

Sector Views

During the quarter we decreased our underweight in transportation as we turned more positive on U.S. railroads. We had a slight underweight at quarter's end, but have moved to an equal weight as we have added positions in U.S. railroads and European toll roads. We are favorable toward European transportation where we are attracted to the long-term concession agreements, the strong cash flows, and the associated dividends. However, we remain watchful of the impacts from the upcoming elections in France and Germany, and the direction of Eurozone economic trends. We have turned more positive on transportation in the U.S. with an overweight in railroads given the leverage to an improving economic environment and the potential for tax reform. In Asia, we remain underweight due to our caution on Japanese railroads where the growth outlook remains difficult. Additionally, we recently sold our position in the major Australian airport given uncertainty over funding for a potential expansion.

We remain underweight the utility sector as several headwinds persist: potential for further Fed rate hikes; uncertainty around the timing and impact of Trump tax reform; muted sales growth; and heightened political risks in Europe. Water and local gas distribution companies are among the more favored industry groups as safety related capital spending bolster fundamentals. Overall, our stock selection is focused on strategies buoyed by long-term rate-base growth, supportive regulation, and robust public policy driven mandates.

Energy remains our largest overweight in the portfolio. Our investments are focused on the parent companies (general partners) and not their MLP affiliates. During the first quarter there were four different simplification transactions between parent companies and their MLPs. We believe that these restructurings are further evidence of the sector re-positioning itself to grow. We are also expecting that energy sector stocks will react positively as U.S. oil inventories fall and prices respond when OPEC cuts take effect and refineries ramp back up for the summer driving season.

Our overweight position in communications is driven by our positive view on the tower model, both in the U.S., which is well developed, and Europe, which is emerging. U.S. tower companies continue to benefit from network investment by the carriers to support increased data and video usage. The recent conclusion of the spectrum auction in the U.S. and the expectation of 5G deployment in the coming years will provide demand support for the foreseeable future. In Europe, acquisition of new tower portfolios from carriers and rationalization of those portfolios provides the emerging tower companies with significant growth opportunities.

As always, thank you for your continued support of our team and investment strategy.

CONNIE LUECKE, CFA
Portfolio Manager

RANDLE SMITH, CFA
Portfolio Manager



INSTITUTIONAL PERFORMANCE AND DISCLOSURE

Year-end (12/31)	Annual Composite Return (%)		Annual Benchmark Return (%) ¹	3-Year Annualized Standard Deviation (%)		Number of Accounts	Asset-weighted Dispersion (%)	Composite Assets (US \$M)	Firm Total Assets (US \$B)
	Gross	Net		Composite	Benchmark ¹				
2016	13.04	12.16	11.06	10.08	10.10	<5	n.a.	213.7	10.3
2015	-9.17	-9.90	-12.34	10.39	10.95	<5	n.a.	221.6	9.2
2014	11.38	10.50	10.26	9.39	9.55	<5	n.a.	284.8	10.8
2013	17.71	16.78	19.51	10.12	10.86	<5	n.a.	254.7	9.2
2012	12.11	11.20	6.65	12.72	12.92	<5	n.a.	199.1	8.9
2011	11.63	10.70	5.54	15.45	15.64	<5	n.a.	70.6	8.6
2010	9.79	8.87	6.60	19.11	19.15	<5	n.a.	69.6	7.2
2009	17.72	16.74	14.75	17.61	17.69	<5	n.a.	89.1	6.5
2008	-30.16	-30.77	-31.20	15.11	15.29	<5	n.a.	58.0	5.8
2007	22.96	21.94	20.67	8.19	8.44	<5	n.a.	69.0	7.3

Duff & Phelps Investment Management Co. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Duff & Phelps Investment Management Co. has been independently verified for the periods January 1, 1993 through September 30, 2016. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

1. Organization – Duff & Phelps Investment Management Co. (“Duff & Phelps” or the “firm”) is a registered investment adviser and a wholly owned subsidiary of Virtus Investment Partners. Duff & Phelps manages assets on behalf of institutional separate accounts and open-end and closed-end funds. Registration of an investment adviser does not imply any level of skill or training.

2. Composite Description – The Global Listed Infrastructure Composite includes all fully discretionary accounts that focus their investments in the equity securities of global developed market infrastructure companies involved in the communications, utilities, transportation and energy industries. The inception date of the Composite is December 31, 2004 and the Composite was created on September 1, 2006. The Composite contains less than 5 portfolios.

Prior to September 1, 2008, the Composite was called the Global Utilities Composite and focused on investments in the equity securities of global developed market companies involved in the utilities and communications sectors, and to a lesser extent, the energy sector. The change in the Composite name resulted from the Adviser's decision to broaden the mandate through the inclusion of an additional sector with similar asset class characteristics, namely, the transportation sector, and an increased focus on the energy sector.

3. Benchmark – The Composite Benchmark is the FTSE Developed Core Infrastructure 50/50 Index, a free float-adjusted market capitalization weighted index designed to measure the performance of developed market infrastructure companies and adjusted semi-annually to cap the exposure to certain infrastructure subsectors and holdings (the “Benchmark”). The constituent weights are 50% Utilities, 30% Transportation (including capping 7.5% for railroads/railways), and a 20% mix of other sectors including pipelines, satellites, and telecommunications towers, as well as a company weight of 5%.

Linked returns are compiled by linking returns (the “Linked Benchmark”) from the FTSE Developed Core Infrastructure 50/50 Index beginning October 1, 2016 with returns of the MSCI World Infrastructure Sector Capped Index for the period September 1, 2008 through September 30, 2016 with returns from a blended benchmark comprised of 65% MSCI U.S. Utilities Index, 20% MSCI World Telecom Services Index and 15% MSCI World ex-U.S. Utilities Index (the “Blended Benchmark”) for the period from inception to August 31, 2008.. The change in the Benchmark in 2008 resulted from the firm's decision to broaden the mandate through the inclusion of an additional sector with similar asset class characteristics, namely, the transportation sector, and an increased focus on the energy sector. The change in the

Benchmark in 2016 was made to better reflect the maturing infrastructure asset class.

Prior to 2012, the Composite utilized a systematic fair value methodology triggered by significant events (such as significant movements in U.S. markets following international markets' closings). No Benchmark utilized a systematic fair value methodology, and effective 2012, the Composite does not utilize such a methodology. Composite returns and Benchmark returns are calculated net of non-reclaimable withholding taxes effective September 1, 2008; prior to this time, the Blended Benchmark was compiled gross of withholding taxes.

4. Calculations – Returns are total, time-weighted rates of return expressed in U.S. dollars and include accrued income. The Composite and Benchmark results reflect the reinvestment of dividends and other earnings. Portfolios are valued on a trade date basis. Monthly performance is calculated by linking daily returns. The Composite return is an asset weighted average of the performance results of all the portfolios in the Composite based on beginning of month values. Composite dispersion is not presented for periods with 5 or fewer portfolios. The 3-year annualized ex-post standard deviation measures the variability of the Composite and the Benchmark returns over the preceding 36-month time period.

5. Performance and Fee Information – Investment performance returns are presented on both a gross of fee and net of fee basis. Gross composite returns are calculated net of trading costs, but do not reflect any deduction for investment advisory fees, custodial charges or other costs that a client might incur in connection with the management of an account. The firm's fee schedule for management of institutional separate Global Infrastructure accounts is: .80% on assets up to \$10 million, .75% on the next \$15 million, .70% on the next \$25 million, and .60% on amounts in excess of \$50 million. Returns realized by clients will be reduced by these costs. Actual investment advisory fees incurred by clients may vary. Initial minimum account size for institutional accounts is \$5 million. Effective October 1, 2016, net composite returns are calculated by subtracting actual separate account investment management fee rates from gross account returns based on month-end assets. Previously, net composite returns were calculated by subtracting the highest separate account investment management fee in effect for the period. Index returns do not reflect the deduction of any fees.

6. Additional Information – Duff & Phelps's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions, are available upon request.

Past performance is not indicative of future results.

¹The Linked Benchmark returns are compiled by linking returns from the FTSE Developed Core Infrastructure 50/50 Index beginning October 1, 2016 with returns from the MSCI World Infrastructure Sector Capped Index for the period September 1, 2008 through September 30, 2016 with returns from a Blended Benchmark comprised of 65% MSCI U.S. Utilities Index, 20% MSCI World Telecom Services Index and 15% MSCI World ex-U.S. Utilities Index for the period from inception to August 31, 2008.

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