



SEPTEMBER 2017

LISTED SECURITIES PORTFOLIO



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Largest Investments	Sector	Jurisdiction	Fair value as at Sep 2017 (€ '000)
Unibail-Rodamco SE	Listed real estate	Europe	55 553
Enbridge Inc	Listed infrastructure	Canada	44 224
Enterprise Products Partners	Listed infrastructure	USA	36 629
Klepierre	Listed real estate	Europe	35 867
Transcanada Corp	Listed infrastructure	Canada	35 164
Nextera energy Inc	Listed infrastructure	USA	31 010
E.ON SE	Listed infrastructure	Europe	27 770
Kinder Morgan Inc	Listed infrastructure	USA	27 598



ENTERPRISE PRODUCT PARTNERS (EPD)

Overview

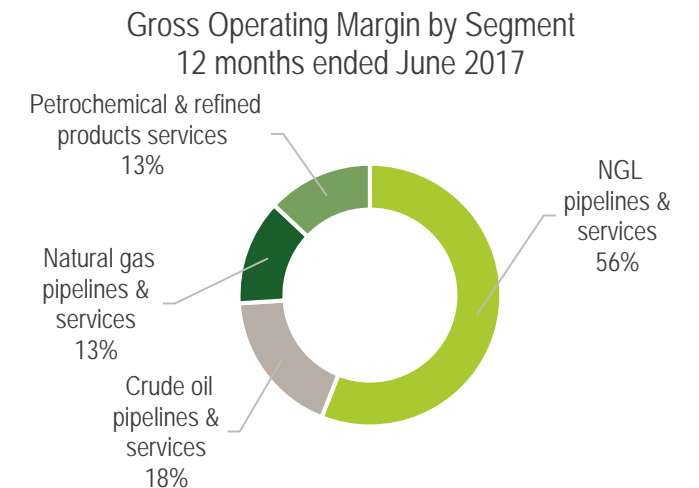
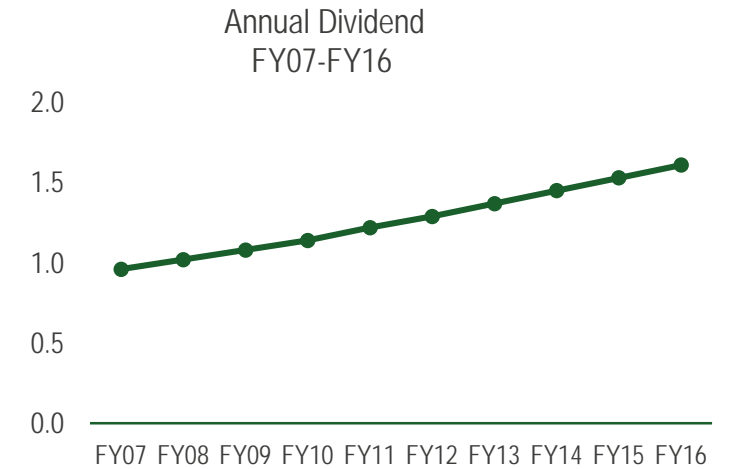
- EPD is one of North America's largest integrated providers of midstream energy services to producers and consumers of natural gas, NGLs, crude oil, petrochemicals and refined products
- Its integrated midstream energy asset network links producers of natural gas, NGLs and crude oil from some of the largest supply basins in the U.S., Canada and Gulf of Mexico with domestic consumers and international markets

Summary

Market cap	€46bn
Credit rating	BBB+ / Baa1
Yield	6.80%
3 year dividend growth	5%

Investment rationale

- Consistent track record – delivered stable results throughout cycles and distribution growth across 52 consecutive quarters
- Large scale integrated nature enables EPD to reduce the impact of cyclical commodity swings
- Visible future growth – \$9bn of capital growth projects under construction
- Margin of safety with average distribution coverage of ~1.2x in last 12 months
- Strong balance sheet – one of the highest credit ratings among MLPs with Baa1 / BBB+
- Simplified structure – no Incentive Distribution Rights which provides financial flexibility and lowers the cost of capital



Overview

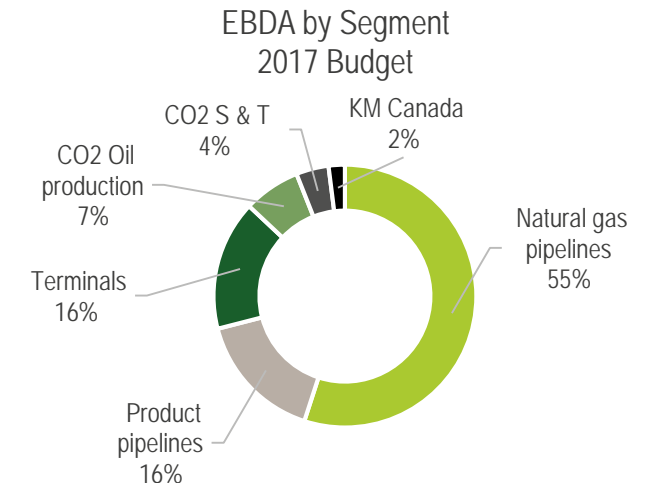
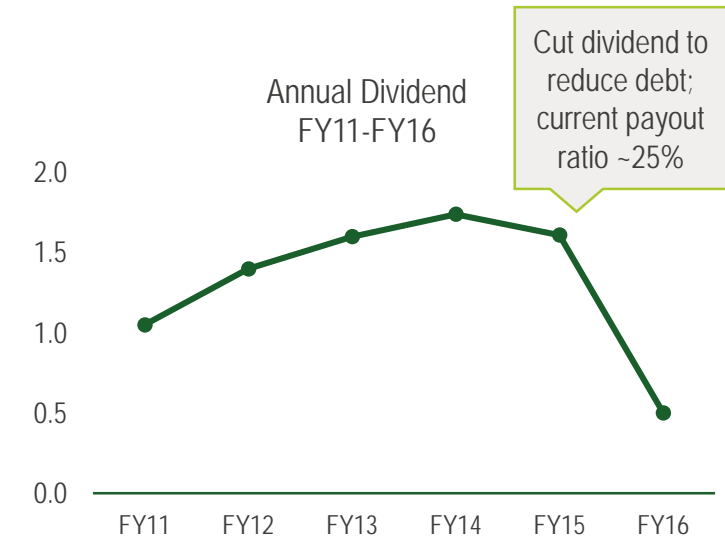
- Kinder Morgan is one of the largest energy infrastructure companies in North America
- It owns an interest in or operates approximately 84,000 miles of pipelines and 155 terminals
- The pipelines transport natural gas, refined petroleum products, crude oil, condensate, CO2 and other products

Summary

Market cap	€35bn
Credit rating	BBB- / Baa3
Yield	2.80%
Management guidance dividend growth p.a. FY17-20	36%

Investment rationale

- Stable cashflows – 91% of cashflows are fee-based with limited commodity and volume exposure
- Will return substantial value to shareholders from FY17-20: 60% dvd increase 2018, 25% dvd increase 2018 & 2019 and \$2bn share buyback program starting 2018
- Visible future growth – \$12bn of capital growth projects of which ~86% is fee-based
- Substantially improved investment-grade balance sheet having reduced net debt by \$5.8bn since Q3 2015
- Simplified structure – no incentive distribution rights which provides financial flexibility and lowers the cost of capital





NEXTERA ENERGY (NEE)

Overview

- NEE is one of the largest electric power companies in North America and is the largest generator of renewable energy from the wind and sun in the world
- NEE also owns and/ or operates generation, transmission, distribution facilities and has investments in gas infrastructure assets

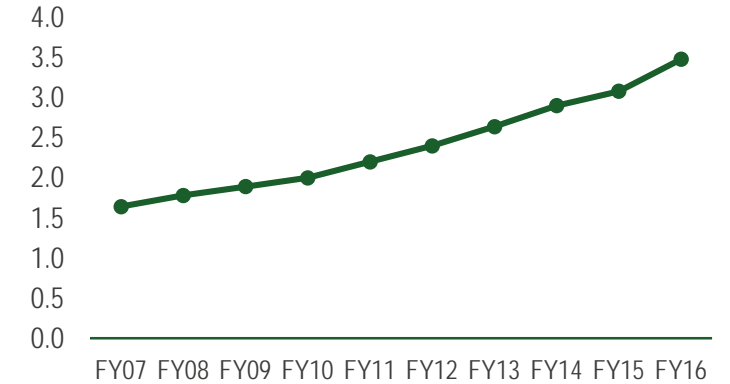
Summary

Market cap	€63bn
Credit rating	A- / Baa
Yield	2.50%
Management guidance EPS growth p.a. FY17-20	6% - 8%

Investment rationale

- Outstanding long-term track record of delivering value to shareholders
- Industry leading growth prospects – expect 6-8% p.a. adjusted EPS growth to 2020
- Stable returns – Florida utility business charges regulated rates allowing it cover its costs, including a reasonable rate of return on invested capital
- Best-in-class, cost-effective operator
- One of the strongest balance sheets and highest credit ratings for electric utilities in the US
- One of the world's top generators of solar and wind energy and in a strong competitive position in the renewable development space

Annual Dividend
FY07-FY16



Earnings by Segment
6 months ended June 2017



Overview

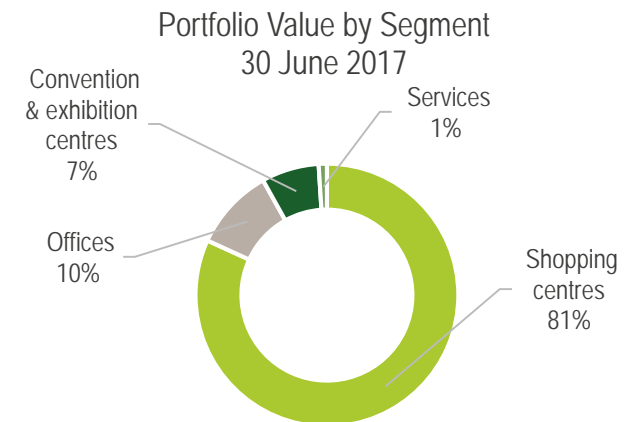
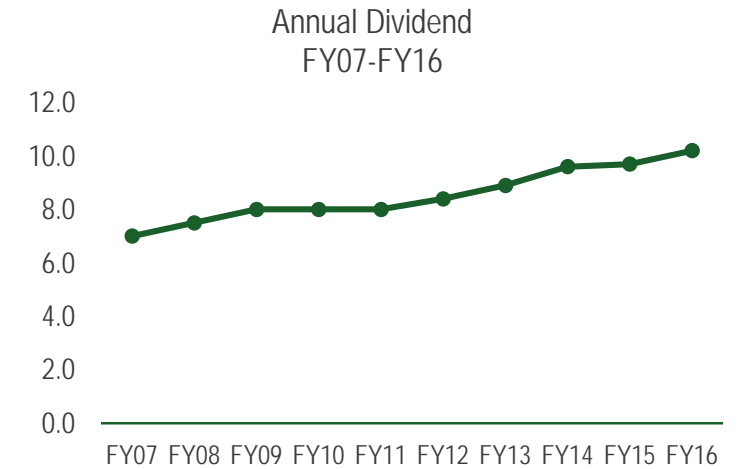
- Unibail is Continental Europe's largest listed commercial property company
- As at 30 June 2017, it had a presence in 11 EU countries and a portfolio valued at €42,5bn
- The portfolio comprises 71 prime shopping centres, 10 Convention & Exhibition properties in the Paris region and more than 10 office properties (mostly in Paris)
- The shopping mall portfolio of Unibail is, arguably, the best in the world

Summary

Market cap	€21.5bn
Credit rating	A
Expected 2018 dividend yield	5.34%
Growth	5% - 7%

Investment rationale

- Currently, spot is below/near Unibail's going concern NAV/share
- Management is highly regarded
- Development pipeline (€8.1bn) is significant
- Shopping malls focus on providing 'experiences'
- One of the two best credit ratings in the industry – S&P as well as Fitch rate the long-term debt of Unibail as "A" (with stable outlook)



Overview

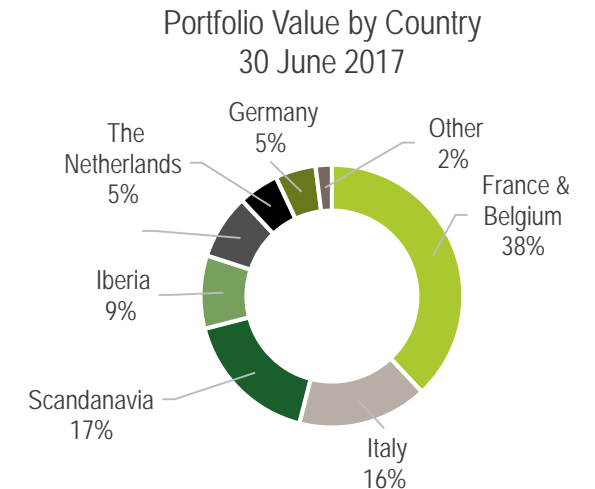
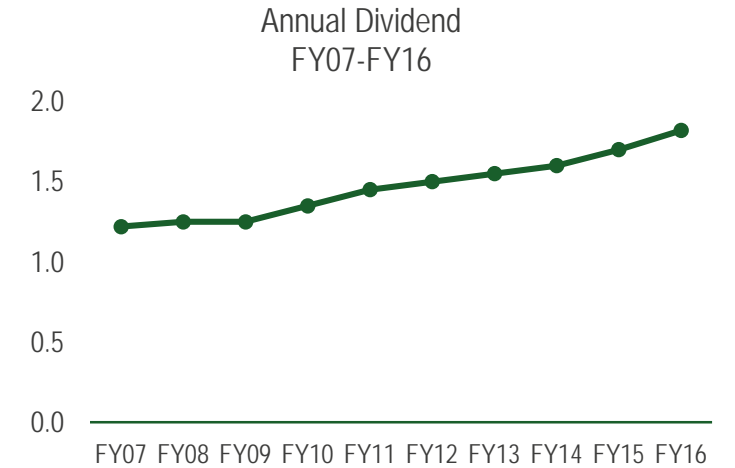
- Klepierre is Continental Europe's 2nd largest shopping mall owner
- It has shopping centers in 57 cities spread across 16 countries
- As at 30 June 2017, Klepierre's property portfolio was valued at €23,3bn
- Klépierre provides leading retailers with a range of shopping centers that together attract more than 1.1 billion visitors each year

Summary

Market cap	€10.4bn
Credit rating	A-
Expected 2018 dividend yield	5.99%
Growth	4% - 6%

Investment rationale

- Currently, spot is below the Klepierre's EPRA NAV/share
- Returning cash via buy-backs and dividends
- Development pipeline (€3.3bn) is material
- Its shopping malls increasingly focus on providing 'experiences'
- S&P rates the long-term debt of Klepierre "A-" (with stable outlook)



Overview

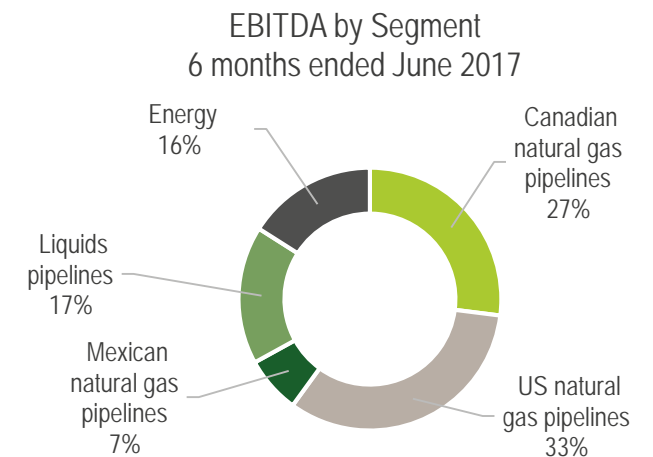
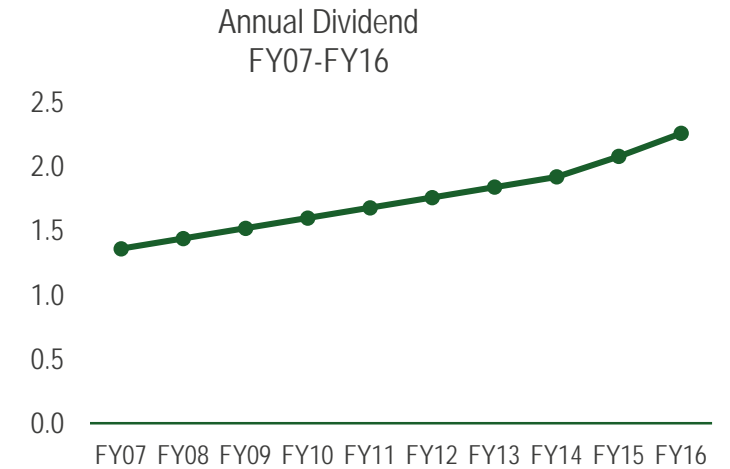
- Sporting an enterprise value of about C\$100bn, TransCanada has one of North America's largest natural gas pipelines networks, a liquids pipeline system and is also one of the largest private sector power generators in Canada
- The company's focus is on large scale, long-life assets in both Canada and the US

Summary

Market cap	C\$53.2bn
Credit rating	A
Expected 2018 dividend yield	4.46%
Growth	8% - 10%

Investment rationale

- Blue-chip company with quality management
- Large development projects (C\$24bn)
- Dividend growth between 8% to 10% until 2020
- Debt rated "A"



Overview

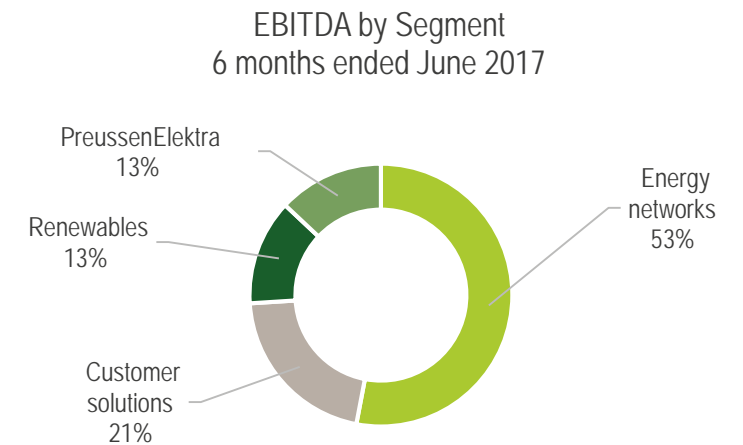
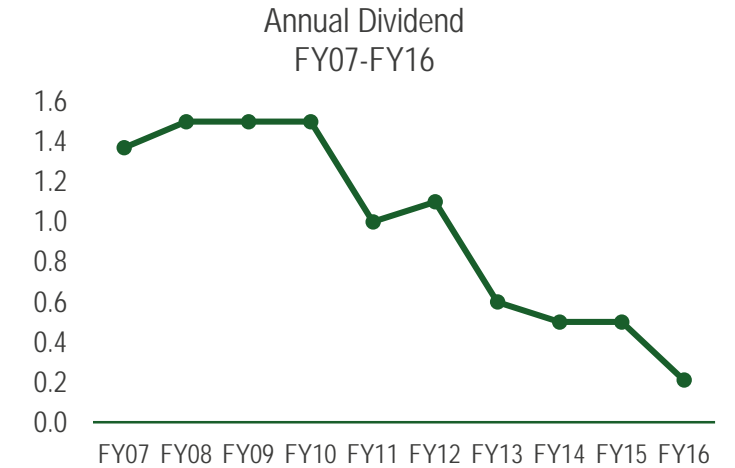
- E.ON is one of Germany's largest energy suppliers, focusing on renewables, energy networks and customer solutions
- Its conventional generation and energy trading businesses were combined and separately listed in 2016 (Uniper) – and currently E.ON is in the process of selling its remaining 46% stake in Uniper
- E.ON is focusing on transforming yesterday's power lines into tomorrow's smart energy networks, providing innovative customer solutions and becoming a larger player in renewable energy generation

Summary

Market cap	€21.9bn
Credit rating	BBB
Expected 2018 dividend yield	5.00%
CAGR in dividends until 2020	about 20%

Investment rationale

- One of two major renewable energy companies in Germany
- Reduction of debt continues apace (ex: Uniper stake being sold)
- Material dividend growth estimated for the next 3 years
- Provisions discounted at negative real rates



Overview

- While its headquarters is in Canada, Enbridge is a North American generator, transporter and distributor of energy
- With an enterprise value of about C\$155bn, Enbridge is one of the largest infrastructure groups
- Enbridge merged with US-company Spectra during 1H2017
- Management has provided dividend forecasts until 2024 and adjusted operational cash flow forecasts until 2019

Summary

Market cap	C\$81.4bn
Credit rating	BBB+
Expected 2018 dividend yield	5.40%
Dividend per share growth until 2024	10% - 12%
ACFFO per share growth until 2019	12% - 14%

Investment rationale

- Large, diversified energy-infrastructure group in North America
- Minimal volume and commodity exposure
- 96% of cash flows underpinned by LT commercial contracts (take-or-pay)
- Attractive growth in dividends per share until 2024
- Integration post-merger with Spectra advancing well

