Dexus Core Infrastructure Fund

Off-Platform Class H

July 2023

Aims to generate income and capital growth from a diversified portfolio of Australian and global unlisted infrastructure assets and listed infrastructure securities.

Performance summary

- The Dexus Core Infrastructure Fund (DCIF) has underperformed its benchmark over the past month. The Fund has outperformed its benchmark over a ten-year basis.
- The listed component of DCIF returned -0.06% for July, underperforming the MSCI World ex AU Accumulation Hedged AUD Index return of 2.84%.

Investment approach

The Fund aims to invest primarily in unlisted infrastructure assets (50%) and listed infrastructure securities and cash (50%).

For more information visit dexus.com/dcif

Performance – as at 31 July 2023

Inception Date: 30 Oct 2007

Performance benchmark: 10 year Australian Government Bond Yield plus 3.25% pa

Management costs: 1.29%

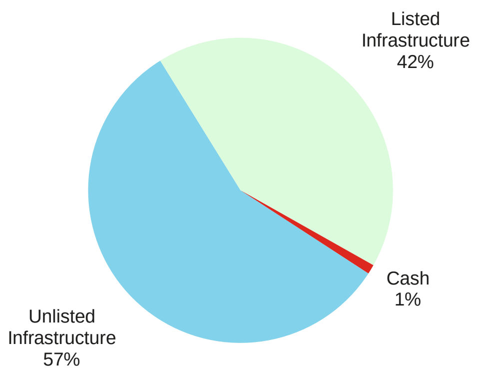
The Management costs include a management fee, and indirect costs. The Fund PDS outlines the management costs components, as well as other fees and costs that may apply to your investment. You can review the PDS at www.dexus.com/dcif

%	1 mth	3 mth	1 yr	3 yrs	5 yrs	10 yrs	Incept
Total return - after fees	-0.18	-0.84	-2.97	3.20	3.08	6.99	6.50
Distribution	0.00	0.70	3.20	3.15	2.99	3.75	4.88
Growth	-0.18	-1.54	-6.17	0.05	0.09	3.24	1.62
Benchmark	0.60	1.74	6.91	5.64	5.31	5.75	6.58

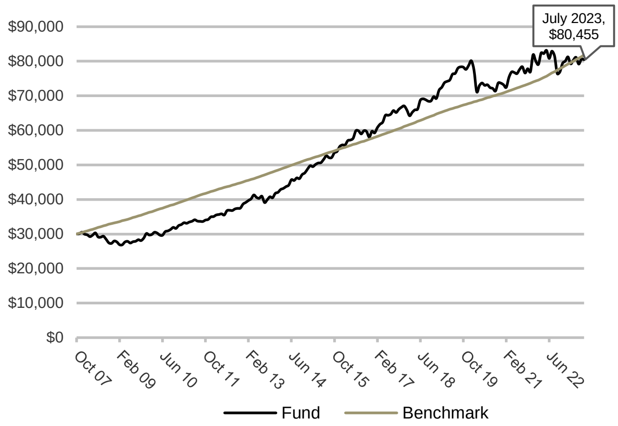
Past performance is not a reliable indicator of future performance. Performance is annualised for periods greater than one year.

Total returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an investor applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after Class 'H' fees and costs, assume all distributions are reinvested and are annualised for periods greater than one year.

Asset allocation



$30,000 Invested since inception



Regional allocation

Region	Current %
Australia	36.24
US	31.39
UK	10.89
Europe	8.21
New Zealand	6.26
Canada	5.74
Asia excl. Japan	0.69
Japan	0.58

Top 10 holdings

Security Details	Portfolio %
Australia Pacific Airports Corporation	16.46
London Luton Airport	6.16
ConGlobal (Formerly ITS ConGlobal)	5.36
ANU Student Accommodation	5.30
American Tower Corp	4.59
Royal Adelaide Hospital	4.08
Enbridge Inc	3.84
Auckland South Corrections Facility	3.42
Macarthur Wind Farm	3.02
Vinci SA	2.97

Dexus Core Infrastructure Fund - Off-Platform Class H

Performance and activity

The Dexus Core Infrastructure Fund (DCIF) has underperformed its benchmark over the past month. The Fund has outperformed its benchmark over a ten-year basis.

The listed component of DCIF returned -0.06% for July, underperforming the MSCI World ex AU Accumulation Hedged AUD Index return of 2.84%*.

* Past performance is not a guarantee for future performance.

Unlisted infrastructure

The unlisted component of the portfolio comprises Australia Pacific Airports Corporation (APAC) (Melbourne and Launceston Airports), Powerco, AquaTower, SA Schools, Port Hedland International Airport (PHIA), ConGlobal (formerly ITS ConGlobal), London Luton Airport (LLA), Australian National University Student Accommodation (ANU), Macarthur Wind Farm, Auckland South Corrections Facility (ASCF), Royal Adelaide Hospital (RAH), Dexus Diversified Infrastructure Trust, InfraBridge Global Infrastructure Fund and InfraBridge Global Infrastructure Fund II.

Australia Pacific Airports Corporation (APAC)

Melbourne Airport continued to observe strong passenger performance for the month of July 2023. International passenger volumes soared to 92% of FY19 (pre-pandemic) figures, attributable to strong arrival traffic from China, India, and United Kingdom. Further growth is expected from China as Melbourne Airport welcomes China's recent announcement to remove all restrictions on group travel to Australia, effective immediately. This is further buoyed by Tourism Australia commencing tourism campaigns in China from next month to encourage travellers to return to Australia. Domestic passenger volumes reached 90% of pre-pandemic figures as Melbourne Airport recorded two million domestic passengers for the first time since the COVID-19 pandemic.

In August 2023, Melbourne Airport installed three new portable noise monitors, which supplement the existing six monitors located in nearby suburbs to the Airport by Airservices Australia. The monitors will provide local residents with more accurate data on aircraft noise and were installed in direct response to community feedback obtained during the public exhibition of the airport's Third Runway project last year. The monitors are relocatable and can be moved to other destinations to capture noise data as required.

Port Hedland International Airport (PHIA)

YTD (for the 12 months to June 2023) passenger volumes exceeded the budget and the prior corresponding period (PCP) by 15%. Pleasingly, the total FY23 passenger volumes represent the highest passenger volumes at PHIA on record, a testament to the airport's resilience following the COVID-19 disruptions.

YTD EBITDA reflected the strong passenger performance, tracking 11% favourable to the budget. On a YTD basis, aeronautical revenues outperformed the budget by 9%, with the higher than budgeted passenger volumes slightly offset by higher-than-expected load factors, which impacted aircraft landing fees. Non-aeronautical revenues tracked 4% favourable to budget, primarily due to higher-than-expected hire car income and higher lease income.

The terminal redevelopment continues with the final stage underway. The official terminal opening is planned for September 2023.

Powerco

Powerco's earnings before interest, tax, depreciation, amortisation and fair value adjustments (EBITDAF) tracked 2.6% favourable to budget for the month of June, driven predominantly by strong contributions from the electricity revenue segment. Customer contribution revenues outperformed the budget by 1.2% which was an improvement from the prior month and reflects the shift in the demand mix from smaller, residential works to larger higher value jobs driven by decarbonisation focused industrial customers.

At the end of June, Powerco's CEO, James Kilty, presented at the Electricity Engineers Association (EEA) Conference which focused on a pathway for 'Delivering a Net Zero Carbon Energy Future'. The presentation explored the critical role that electrification plays for New Zealand to reduce its reliance on non-renewable energy sources and increase the proportion of energy derived from renewable sources. A link to the full presentation can be found here

Pleasingly, Powerco has been named a finalist in three categories for the 2023 New Zealand Energy Excellence Awards. The categories include: Network Initiative of the Year (on account of the successful $1.27 billion customised price-path investment delivery), Well-being Award and Young Energy Professional of the Year. The nominations are a positive indication of Powerco's leading position in New Zealand's energy distribution market.

ConGlobal (formerly ITS ConGlobal)

ConGlobal's YTD June 2023 adjusted EBITDA was 25% lower than the PCP and tracked 25% adverse to the budget as a result of lower intermodal and storage volumes observed.

The Depot business unit's YTD adjusted EBITDA tracked 23% behind the budget due to lower-than-expected performance across several storage segments relative to forecast. Despite the strong growth in overall container volumes, the continued weakening of consumer demand reduced the volume of loaded containers, which command a higher price due to the greater difficulty in storing them. The trend in the changing mix of containers from loaded to unloaded is expected to continue.

The Intermodal business unit's YTD June adjusted EBITDA tracked 33% behind budget. However, operational performance continues to be strong with the revenue per lift growing 13% year-over-year and tracking 5% favourable to budget. The challenged performance was predominantly driven by a decline in billable lifts. While the easing of railway and port congestion were positive developments, slowing consumer demand for goods and a competitive freight environment weighed on the sector. Earlier in the year, ConGlobal successfully won an Intermodal terminal contract in Logistics Park Chicago, operating for one of the Class I railroads. With the contract commencing in July 2023, the management team expects the delivery of an EBITDA uplift in Q4 2023.

London Luton Airport (LLA)

LLA continues to observe strong operational and financial performance, reflecting the airport's resilient recovery from the difficult operating conditions caused by COVID-19. YTD (for the seven months to July 2023) passenger volumes reached approximately 90% of pre-pandemic levels. Pleasingly, this result reflected an 11% outperformance to budget.

YTD revenue exceeded the budget by 16%, attributable to the strong passenger volumes and better yield performance. YTD operating expenses tracked slightly adverse to budget due to higher concession fees arising from the improved passenger levels. Notwithstanding this, LLA's YTD EBITDA continues to be strong, outperforming budget by 36%.

LLA's EBITDA outperformance is expected to continue throughout H2 2023.

Royal Adelaide Hospital (RAH)

The project is operating well, with strong relationships in place between the State of South Australia, Celsus, RAH directors and the Operators, Downer and DXC Technology. Abatements are low and operating performance is very good.

Our Social Infrastructure team has been working with the RAH management team to finalise a number of ESG initiatives for the project. We also undertook a site visit and tour of RAH in early July 2023. This was an excellent opportunity for the DCIF team to meet with key management personnel from the project and observe the critical operations at RAH.

SA Schools

SA Schools continues to operate well. Relationships are very good between Dexus, the State of South Australia, Downer and the Schools.

Operational performance is measured against 294 KPIs. For the 12 months to 28 May 2023, 99.99% of the service fee was received from the State, and of the 0.01% abatement, 100% was passed through to the subcontractor.

We are pleased to note that the temporary accommodation at the John Hartley School was completed by the State on 31 July 2023. Staff and students are now using the temporary accommodation whilst our Social Infrastructure team manages the insurance claim process for the rebuild of the permanent building, which was destroyed by fire and is expected to be complete in approximately 12 months' time.

AquaTower

All plants continued to operate well over the quarter. For the seven months to 31 July 2023, treated water volumes outperformed the budget by 3.2%.

Our Social Infrastructure team is currently planning for our next quarterly meeting with the water authority, GWM Water, and the operator of the plants, TRILITY, in mid-August 2023.

Australian National University (ANU) Purpose Built Student Accommodation (PBSA)

The ANU PBSA's Semester 2 2023 occupancy is nearing 100%. Demand was very strong with twice the number of applications received than beds available for letting. The ANU is currently managing a waitlist of students who will be offered a room in our PBSA facilities should one become available throughout the course of the semester. We also worked together with the ANU to set the rents for 2024, which will increase in line with the Consumer Price Index. The marketing of the rooms for the 2024 academic year will commence in September and the team is well progressed with plans to open the applications.

Macarthur Wind Farm

The repair and maintenance works conducted on the electrical switchgears and converters, along with high wind speed, have resulted in material improvements to Macarthur's production levels in comparison to May and June. Pleasingly, the July performance exceeded the asset's 5-year average production level.

The asset continues to receive its scheduled payments from AGL in full under the fixed price contract.

Auckland South Corrections Facility (ASCF)

The project continues to perform well both financially and operationally. Operational performance is measured against 52 KPIs. For the 12 months to 30 June 2023, 99.59% of the service fee was received from the New Zealand Crown, and of the 0.41% abatement, 100% was passed through to the subcontractor.

A site inspection of the asset was held in July 2023 with the Board undertaking a work, health and safety inspection of the control facility.

Global listed infrastructure

The listed component of DCIF returned -0.06% for July, underperforming the MSCI World ex AU Accumulation Hedged AUD Index return of 2.84%.

Utilities

Water provided a positive return. Diversified utilities, integrated regulated and transmission & distribution provided a negative return.

Infrastructure

Rail, toll roads and ports provided a positive return. Airports and communications infrastructure provided a negative return.

Outlook

DCIF remains an attractive investment opportunity, particularly on a risk-adjusted return basis and during periods of high market volatility. The Fund provides a well-diversified investment opportunity, with exposure to the performance of a wide range of infrastructure and utilities sectors through its blend of unlisted and listed infrastructure.

Investment objective

To provide total returns (income and capital growth) after costs and before tax, above the Fund's performance benchmark. The benchmark for the Fund is the 10 year Australian Government Bond Yield plus 3.25% pa.

Facts

Fund size	$812.49 million
Minimum suggested time frame	5 years
Minimum initial investment	$10,000
Buy/sell spread (%)	+0.05/-0.05

Distribution frequency	Quarterly
Date of last distribution	June 2023
Distribution cents per unit	0.919

Dexus Funds Management Limited as responsible entity of Dexus Property Trust and Dexus Operations Trust (**Dexus**) recently acquired AMP Capital's real estate and domestic infrastructure equity business. Following the acquisition, Dexus intends to change the legal name of certain responsible entities to reflect Dexus branding. Dexus has registered the proposed names as business names with the Australian Securities and Investments Commission. Subject to regulatory filings and approvals, the change of name is expected to be completed in 2023.

AMP Capital Investors Limited (**Investment Manager**) remains the investment manager of the Dexus Core Infrastructure Fund and Dexus Diversified Infrastructure Trust. Dexus has also recently entered into a conditional agreement to acquire the Investment Manager, with completion of the acquisition expected to occur following receipt of a required regulatory consent.

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