

NTA & Investment Update

AT 31 AUGUST 2020

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	31 August [^]	31 July
NTA per share¹	\$7.36	\$7.28
NTA per share after unrealised tax provision²	\$6.59	\$6.57

¹ After all costs, including any tax payable.

² As required under the ASX Listing Rules, theoretical NTA per share after providing for estimated tax on unrealised gains/losses in the portfolio. That is, after tax that may arise if the entire portfolio was sold.

[^] These figures are after provision for the final dividend of 14.0 cents per share.

MARKET COMMENTARY

Australian shares rose for the fifth consecutive month in August with the S&P/ASX200 Accumulation Index ending the month +2.8% higher. The August corporate reporting season was better than expected and, although the COVID-19 crisis weighed on profits, for many companies the effects were alleviated by government stimulus, rent relief and loan repayment holidays.

Several retailers were among the stand-out performers, particularly businesses selling household items and those with an online presence. Unsurprisingly, dividends declared were sharply lower than last year, although not down as much as had been predicted.

Australia's share market has now surged more than +30% since reaching its March low with the rebound fuelled by massive government stimulus and accommodative monetary policy. Although these measures are currently providing economic support, the outlook remains uncertain. The recovery is very dependent on the course of the coronavirus pandemic which is still unknown.

PORTFOLIO

Top 20 investments*

	%		%
CSL	5.9	Woolworths	2.4
Macquarie Group	5.8	Aust. United Investment	2.3
BHP	5.2	Sonic Healthcare	2.1
Wesfarmers	4.4	APA	2.1
CBA	3.9	NAB	2.1
Westpac	3.9	Transurban	2.1
Rio Tinto	3.8	Sydney Airport	1.9
ANZ	3.3	Aristocrat Leisure	1.7
Ramsay Health Care	2.5	Coles	1.7
Telstra	2.4	Amcor	1.6
Cash and term deposits	3.5	Top 20 equity investments	61.1

ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$5.4bn
Shareholders	93,000
Dividend yield [^]	4.0%
MER	0.16%

[^] Historical yield of 5.7% (including franking) based on dividends paid over the last 12 months.

COMPANY OVERVIEW

One of Australia's oldest and largest listed investment companies (LICs), Argo provides exposure to a professionally managed, diversified portfolio of ASX-listed companies.

COMPANY OBJECTIVE

Maximise long-term returns to shareholders through a balance of capital and dividend growth, by investing in a diversified Australian equities portfolio which is actively managed in a tax-aware manner within a low-cost structure.

INVESTMENT APPROACH

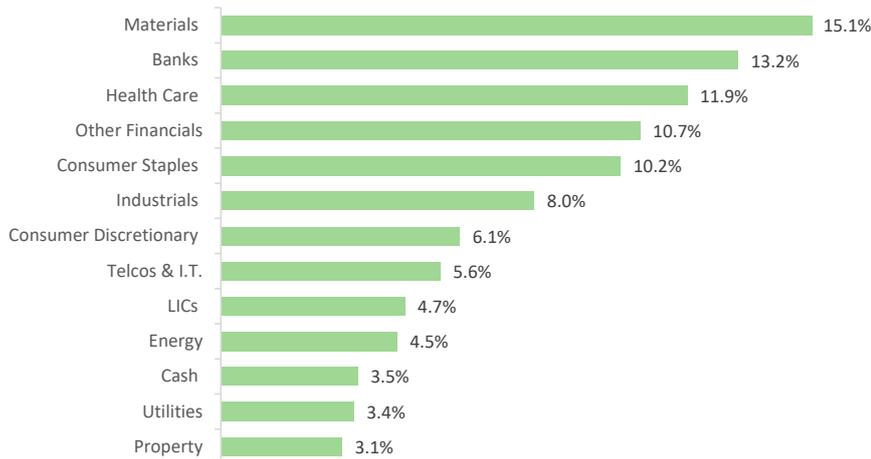
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

INVESTMENT TEAM

Jason Beddow	Managing Director
Andy Forster	Senior Investment Officer
Brydie Lloyd-Roberts	Analyst
Colin Whitehead	Analyst
Paul Frost	Analyst
Andrew Moller	Analyst

PORTFOLIO

Sector diversification*



* As a percentage of investment portfolio.

HOW TO INVEST

Argo is listed on the Australian Securities Exchange (ASX) under the ASX code 'ARG'.

To become an Argo shareholder, simply buy shares through your stockbroker, online broker, financial adviser or platform.

ARGO SHAREHOLDER BENEFITS



Low-cost, internally managed

Internal management structure ensures low operating costs and no external fees



Fully-franked, sustainable dividends

Dividends paid every year since inception in 1946 and fully franked since 1995



Diversified and administratively simple

Exposure to a highly diversified portfolio of Australian equities through a single ASX trade



Experienced board and management team

Highly experienced board and management team with strong governance and culture



Long-term, proven investment approach

Resilience and growth through various market cycles and conditions over almost 75 years



Strong balance sheet with no debt

Conservatively managed investment with a strong balance sheet and no debt

CONTACT US

W argoinvestments.com.au

T 08 8210 9500

E invest@argoinvestments.com.au

A Level 25, 91 King William St. Adelaide SA 5000

SHARE REGISTRY ENQUIRIES

Boardroom Pty Limited

W investorserve.com.au

T 1300 350 716

This report has been prepared as general information only and is not intended to provide financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances before making any investment decisions. Past performance is no guarantee of future results. **This announcement is authorised by Tim Binks, Company Secretary.**