

NTA & Investment Update

AT 30 JUNE 2020

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	30 June	31 May
NTA per share¹	\$7.27	\$7.10
NTA per share after unrealised tax provision²	\$6.56	\$6.44

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.

The above figures are subject to audit.

MARKET COMMENTARY

Australia's share market extended its gains for a third consecutive month with the S&P/ASX200 Accumulation Index rising +2.6% in June. Shares opened the month posting sharp gains with investor optimism fuelled by a continued commitment to accommodative monetary policy and ongoing fiscal stimulus measures worldwide. The rally faltered mid-month with a sell-off sparked by US Federal Reserve Chairman Jerome Powell's dour outlook comments and a resurgence in coronavirus cases. However, the correction proved short-lived and, despite a steady stream of negative economic and employment data, markets proved resilient.

The Australian share market finished an extraordinary and volatile financial year down -7.7%. Entering the new financial year, the global economic outlook remains subdued with a number of countries battling to contain the coronavirus pandemic. However, with investor optimism buoyed by unprecedented stimulus measures, equity markets have largely diverged from economic fundamentals.

PORTFOLIO

Top 20 investments*

	%		%
CSL	6.1	APA	2.3
Macquarie Group	5.6	Woolworths	2.3
BHP	5.1	Transurban	2.2
Wesfarmers	4.3	Aust. United Investment	2.2
CBA	4.1	NAB	2.2
Westpac	4.1	Sonic Healthcare	2.1
Rio Tinto	3.9	Coles	1.6
ANZ	3.5	Sydney Airport	1.6
Telstra	2.7	Aristocrat Leisure	1.6
Ramsay Health Care	2.6	Amcor	1.5
Cash and term deposits	3.4	Top 20 equity investments	61.6

ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$5.2bn
Shareholders	92,000
Dividend yield [^]	4.6%
MER	0.16%

[^] Historical yield of 6.6% (including franking) based on dividends paid to shareholders 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

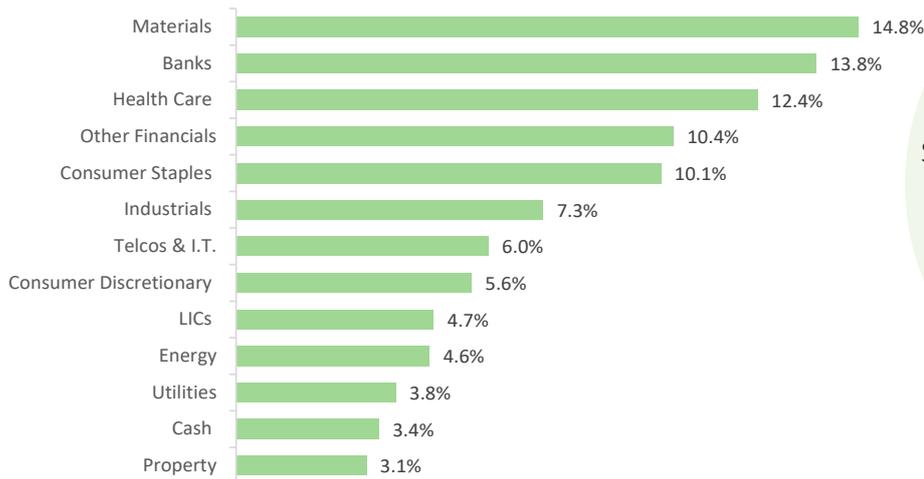
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

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

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