



DUFF & PHELPS  
INVESTMENT MANAGEMENT CO.

A VIRTUS INVESTMENT PARTNER



# Duff & Phelps Global Utility Income Fund Development and Launch

*Prepared for:*

AGA Mini-Forum

*Presentation date:*

September 22, 2011

*Presented by:*

Nathan I. Partain, CFA

*President and Chief Investment Officer*



Introduction

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# Organizational Overview










Virtus is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors.

## Affiliated Managers

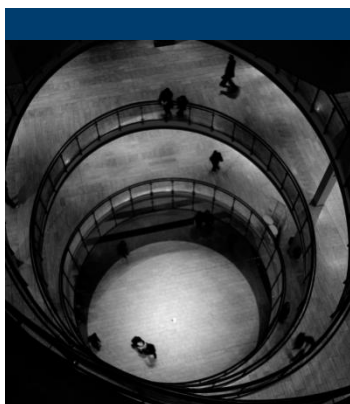
|  |  |   |   |
|--|--|---|---|
|  <p><b>DUFF &amp; PHELPS</b><br/>INVESTMENT MANAGEMENT CO.<br/><small>A VIRTUS INVESTMENT PARTNER</small></p> <p>Closed- and Open-End<br/>Fund Management<br/>Global Utilities, Infrastructure,<br/>and Real Estate</p> | <p>KAYNE ANDERSON RUDNICK</p> <p>INVESTMENT MANAGEMENT<br/><small>A VIRTUS INVESTMENT PARTNER</small></p> <p>Quality at a<br/>Reasonable Price</p> |  <p><b>Newfleet</b><br/>ASSET MANAGEMENT<br/><small>A Virtus Investment Partner</small></p> <p>Fixed Income<br/>Strategies</p> |  <p><b>Zweig</b><br/>Advisers<br/><small>A VIRTUS INVESTMENT PARTNER</small></p> <p>Closed-End Fund<br/>Management</p> |
|--|--|---|---|

## Select Subadvisers

|   |  |  |   |
|---|--|--|---|
|  <p><b>harris<br/>investment<br/>management,<br/>inc.</b></p> <p>Quantitative Equity</p>                                    |  <p><b>F-SQUARED INVESTMENTS, INC.</b></p> <p>AlphaSector Strategies</p>                                |  <p><b>VONTOBEL</b></p> <p>Global Equity</p>                 |   |
|  <p><b>THE BOSTON COMPANY</b><br/>ASSET MANAGEMENT, LLC<br/><small>A BNY Mellon Company™</small></p> <p>Market Neutral</p> |  <p><b>Money</b><br/><small>A member of BMO Asset Management</small></p> <p>High Yield Fixed Income</p> |  <p><b>Sasco Capital</b></p> <p>Contrarian Value Equity</p> |  <p><b>Pyrford International</b><br/><small>A member of BMO Asset Management</small></p> <p>International Equity</p> |



- Established in 1932, managing utility securities since 1979
- Located in Chicago with 26 investment professionals
- An experienced utility asset manager
- \$7.5 billion in AUM as of 6/30/11
- \$3.7 billion in closed-end assets under management as of 6/30/11 (excluding DPG, a closed-end fund public offering of \$735 million priced on 7/26/11)
- The team responsible for DPG includes nine dedicated investment professionals with average industry experience of more than 20 years

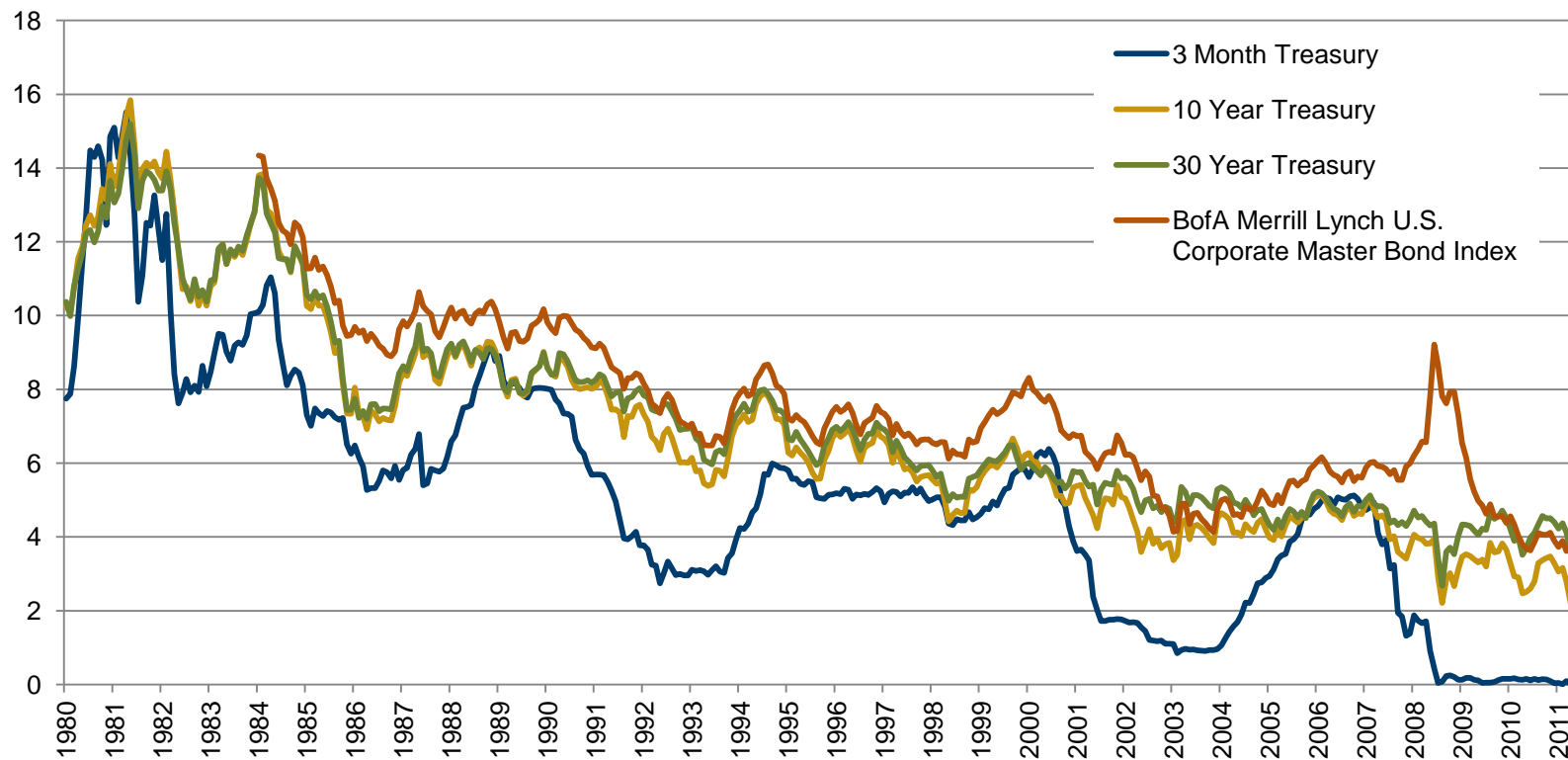


## Market Opportunity

# Finding Yield Isn't As Easy As It Used To Be



## Fixed Income Yields Near Historic Lows



Source: Bloomberg Finance, LP. Data shown for period 8/31/80-8/31/11.

3-Month, 10-Year, and 30-Year Treasury Indexes: Rates are comprised of generic U.S. on-the-run government bill/note/bond/indices.

Yields are yield to maturity and pre-tax.

The value of equity investments in which the Fund will primarily invest are more volatile than other securities. Treasury securities are guaranteed as to the timely payment of principal and interest.

Please see page 36 for index descriptions.

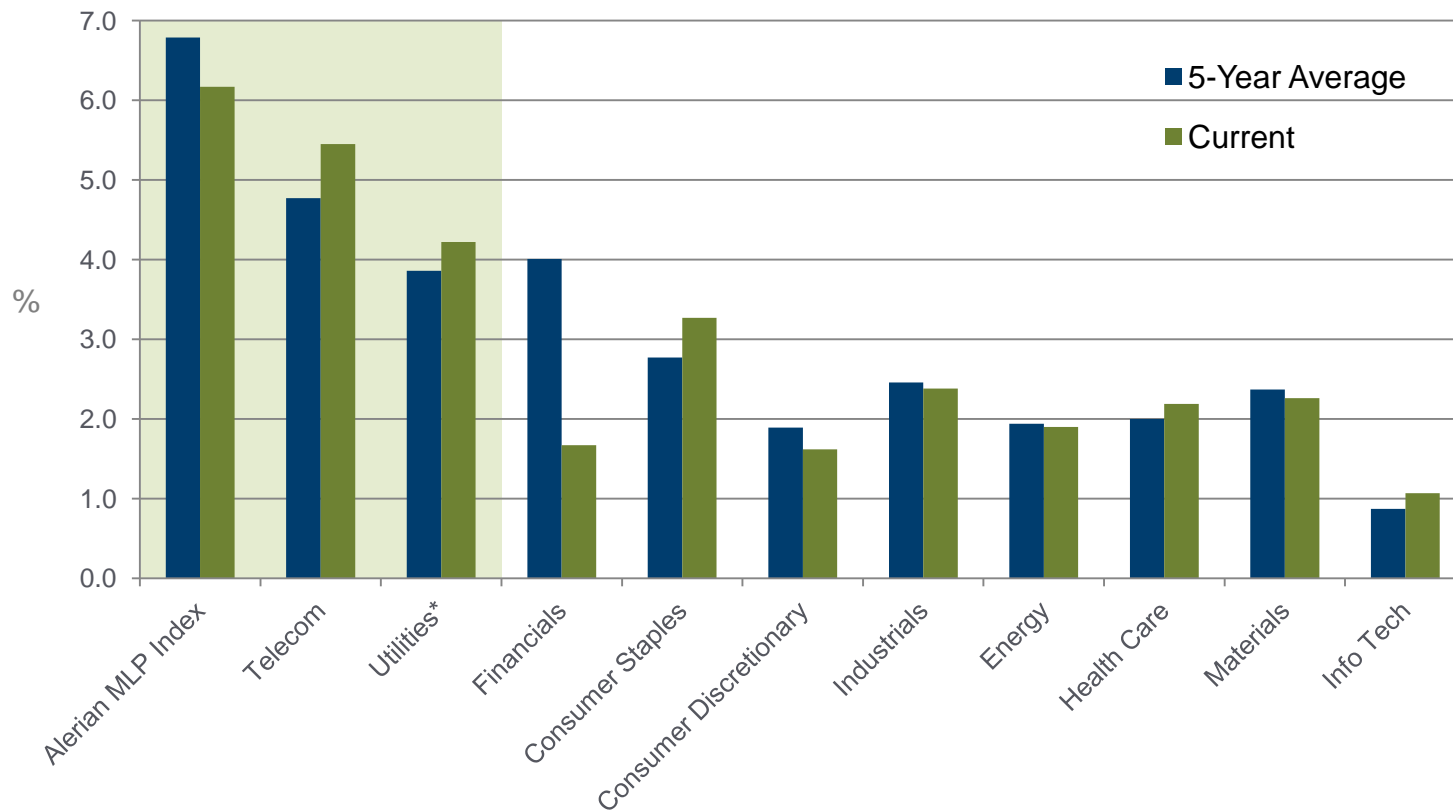
**Past performance is not indicative of future results.**

# Where To Go For Equity Yield?



- As illustrated in the chart, telecoms, utilities,\* and MLPs have consistently been the top dividend-yielding equity sectors, due in large part to the certainty of their cash flows

## Industry Group Dividend Yields



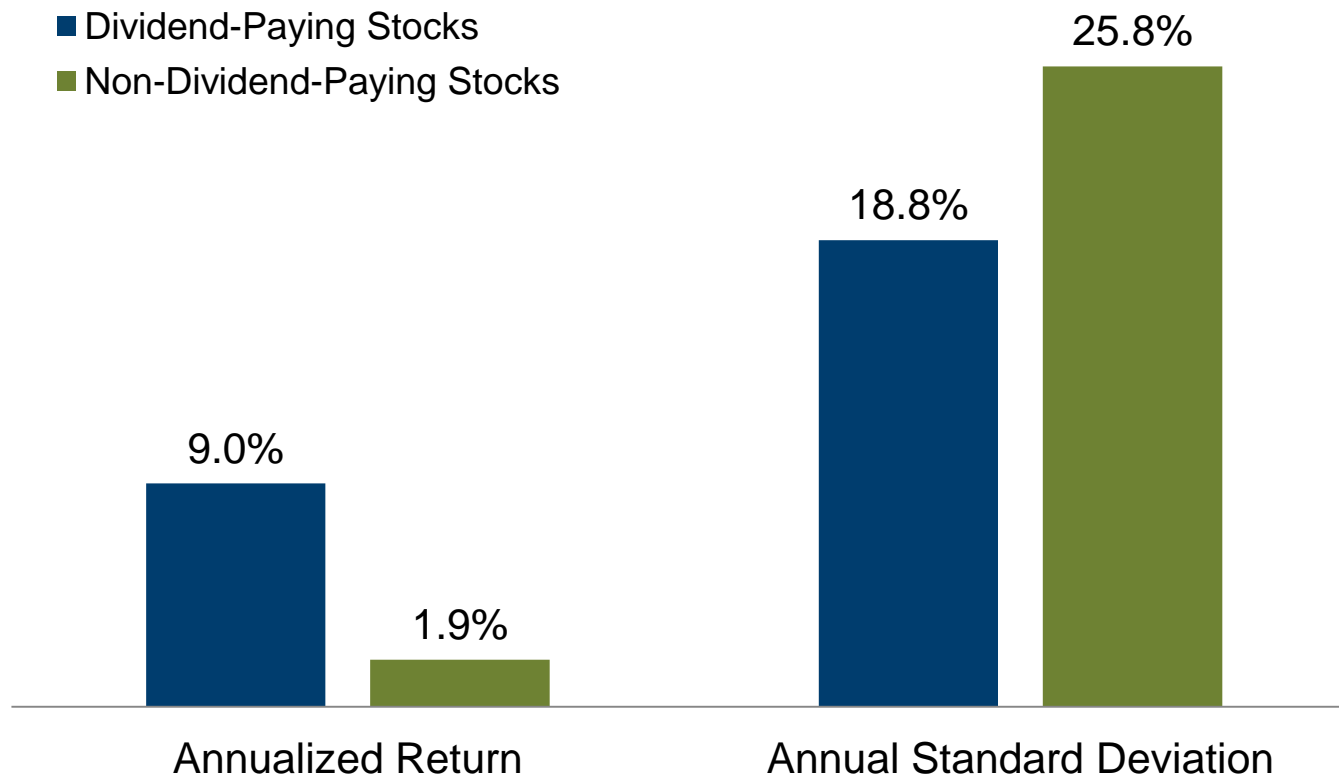
Source: Bloomberg Finance L.P.; data is for the period ended 8/31/2011. Chart represents S&P 500® Index sectors and Alerian MLP Index.

\*Utilities represent electric and gas sector companies. Please see page 36 for index descriptions.

**Past performance is not indicative of future results.**



## S&P 500<sup>®</sup> Index Analysis: Risk and Return for Dividend Payers and Non-Dividend Payers



Source: Copyright 2011 © Ned Davis Research, Inc. All rights reserved. January 1972-May 2011. Further distribution prohibited without prior written permission. Returns include the reinvestment of income.

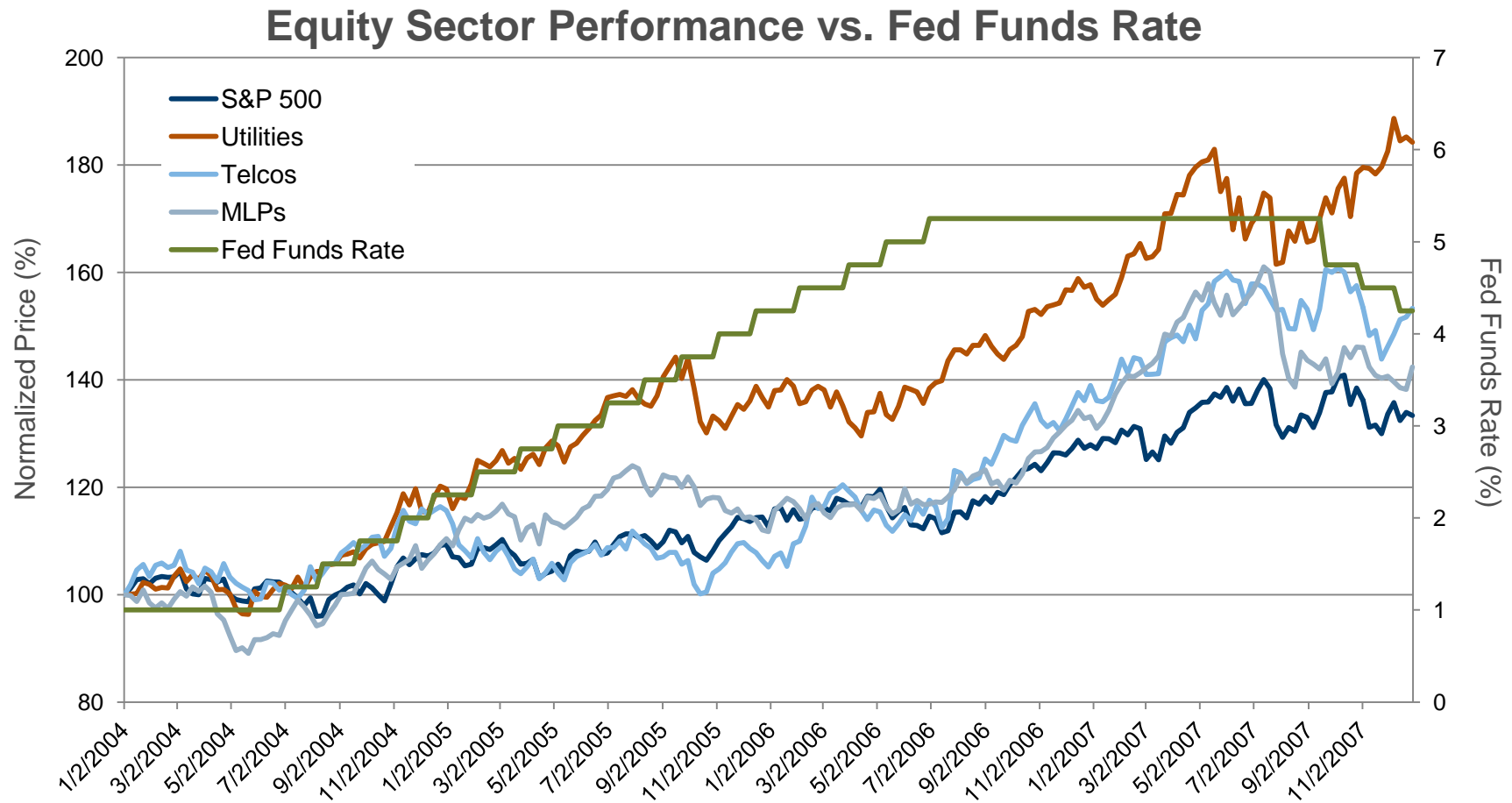
Standard deviation measures variability of returns around the average return for an investment. Higher standard deviation suggests greater risk.

**Past performance is not indicative of future results.**

# Equity Income in a Fed Tightening Cycle



- In the last major episode of Federal Reserve tightening, the Fed Funds Rate rose from 1% to 5.25%
- From 1/1/04 to 12/31/06, the S&P 500 rose 28%, while utilities, telecoms, and MLPs rose 58%, 39%, and 33%, respectively<sup>1</sup>



Source: Bloomberg Finance L.P.

Utilities represented by S&P 500 Utilities Index. Telecoms represented by S&P 500 Telecom Services Index. MLPs represented by Alerian MLP Index.

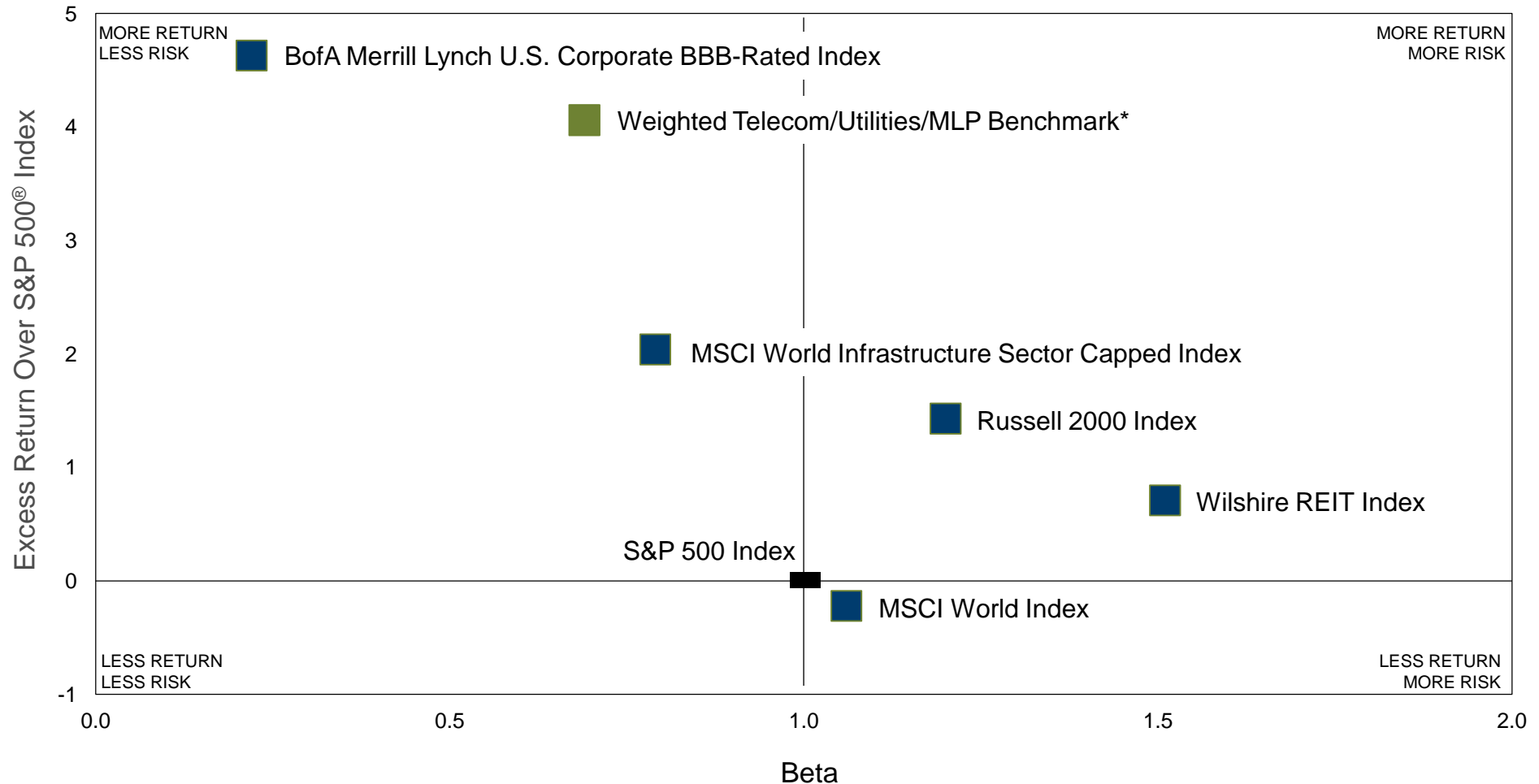
<sup>1</sup>Price performance for the period 1/1/04 to 12/31/06.

**Past performance is not indicative of future results.**

# High Dividend/Low Beta Equities Offer Attractive Risk-Adjusted Returns



## Risk/Reward - 5-Year Period Ended August 31, 2011



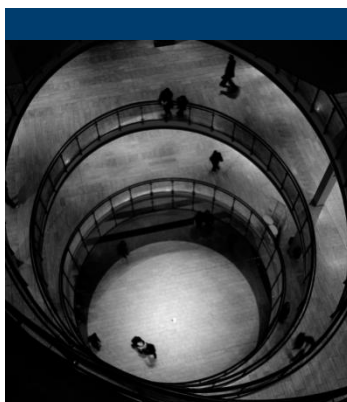
Risk benchmark used for this analysis: S&P 500® Index. Source: PSN Enterprise, MSCI.

\*The weighted benchmark consists of 24% MSCI U.S. Utilities, 14% MSCI World Non-U.S. Utilities, 40% MSCI World Telecom, 22% Alerian MLP Index; rebalanced quarterly. MSCI defines the utilities sector according to the Global Industry Classification Standard (GICS®), which states that “the utility sector encompasses those companies considered electric, gas or water utilities, or companies that operate as independent producers and/or distributors of power.”

See page 36 for a description of indexes.

Beta is a quantitative measure of the volatility of a given portfolio to the overall market. Higher beta suggests higher volatility.

**Past performance is not indicative of future results.**



## Investment Opportunity



- **A new closed-end fund** whose investment objective is to seek total return, resulting *primarily* from (i) a high level of current income, with an emphasis on providing tax-advantaged dividend income, and (ii) growth in current income, and *secondarily* from capital appreciation
- Offering **equity income through exposure** to domestic and foreign utility companies in the electric, gas, water, telecommunications, and midstream energy sectors
- Opportunistic covered call option writing strategy of up to 15% of total assets
- **Target 30% leverage**<sup>1</sup> (based on total assets)
- Buy-and-hold, **long-term investment horizon**
- Offers the potential for **tax-advantaged common stock dividends**, which benefit from current 15% tax rate<sup>2</sup>
- **Tax-deferred distributions** from master limited partnerships (MLPs)
- Investors receive **one Form 1099** at year-end; no K-1s from MLPs

<sup>1</sup>Leverage may be used up to 33%.

<sup>2</sup>Absent further legislation, higher tax rates will apply to tax-advantaged dividends in taxable years beginning after December 31, 2012.



- **A bottom-up approach** focused on individual stock selection relative to sector peers. Rigorous analysis of local regulation, operating territory environment, and company positioning in the context of overall industry themes.

## Publicly Traded Universe

- Domestic & Foreign Utilities & MLPs

## Market Cap Screen

- \$500 million for electric/gas
- \$1 billion for telecom
- \$500 million for MLPs

## Dividend Screen

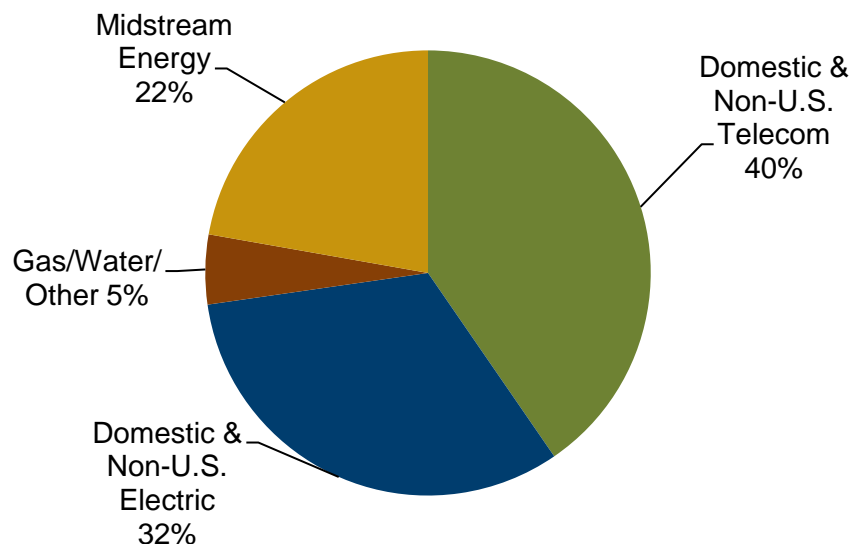
- Stable or growing dividends or unit distributions
- Cash flow payout rate
- Tax treatment

## Fundamental Analysis

- Management capabilities and strategy
- Industry/region dynamics
- Balance sheet and cash flow
- Revenue/earnings
- Relative valuation



# Model Portfolio



## Asset Allocation

- Up to 60% of total assets in dividend-paying equity securities of companies in any one of the following five sectors of the utility industry: electric, gas, water, telecommunications, or midstream energy
- At least 40% of total assets in non-U.S. securities
- Up to 25% of total assets in MLPs
- No more than 20% of total assets in non-regulated midstream energy companies

The model portfolio is a hypothetical example representing the views of Duff & Phelps Investment Management Co. on how the Fund would have been invested as of 5/31/11. Percentages may not equal 100% due to rounding. The Fund will be actively managed and its initial and future portfolio may be different than the model portfolio.

| Sector   | % of Portfolio (%) | Average Weighted Projected Distribution <sup>1</sup> Rate (%) |
|--|--------------------|---|
| Domestic Electric  | 23.2               | 4.96  |
| Foreign Electric   | <u>8.7</u>         | <u>5.60</u>   |
| <b>Total Electric</b>  | <b>31.9</b>        | <b>5.14</b>   |
| Foreign Telecom  | 26.4               | 7.80  |
| Domestic Telecom   | <u>13.2</u>        | <u>6.88</u>   |
| <b>Total Telecom</b>   | <b>39.6</b>        | <b>7.49</b>   |
| MLP  | 22.4               | 6.62  |
| Gas/Water/Other  | 5.4                | 5.60  |
| <b>Estimated Portfolio Yield</b>                                 |                    | <b>6.39</b>   |
| Covered Calls  |                    | 0.46  |
| <b>Total</b>   |                    | <b>6.85</b>   |
| Net Distribution Pick Up from Leverage <sup>2</sup>              |                    | 2.20  |
| Estimated Expenses (excluding leverage costs)                    |                    | 1.36  |
| Estimated Net NAV Distribution Yield <sup>3</sup>                |                    | 7.69  |
| <b>Estimated Net Market Price Distribution Yield<sup>3</sup></b> |                    | <b>7.27</b>   |

<sup>1</sup>Based on model portfolio as of 5/31/11. <sup>2</sup>The net distribution pick-up from leverage represents gross earnings of 2.74%, net of leverage expenses of 0.54%. <sup>3</sup>There can be no assurance that the Fund will achieve positive returns or pay regular quarterly distributions, that it will do so at a particular rate, or that any specific portion of the Fund's distributions will be tax advantaged.



## Duff & Phelps Investment Management Co.'s Industry Trends and Observations

Electric, gas, water, telecommunications, and midstream energy companies offer the potential for sustainable dividend yields, coupled with the potential for capital appreciation.

| Electric, Gas, and Water Companies   | Telecommunications Services Companies  | Midstream Energy Companies   |
|--|--|--|
| <ul style="list-style-type: none"> <li>■ Electric, gas, and water company services are a necessity and have been relatively insensitive to economic cycles<sup>1</sup></li> <li>■ Net income of these companies has trended upward, despite slow economic growth<sup>2</sup></li> <li>■ Earnings of many electric, gas, and water companies have been underpinned by regulator-approved rate base increases</li> <li>■ Majority of electric, gas, and water companies have paid consistent and growing dividends<sup>3</sup></li> <li>■ M&amp;A activity intensified in the last year</li> </ul> | <ul style="list-style-type: none"> <li>■ Telecommunications services providers offer the potential for steady growth in a slow growth environment</li> <li>■ The telecom industry is “glocal,” in the words of one analyst:<sup>4</sup> long-term trends are global, but specific opportunities are determined by local market structure and regulation</li> <li>■ European telecoms are trading at one of the cheapest levels of the last 20 years on absolute forward price-to-earnings and dividend yield measures<sup>5</sup></li> </ul> | <ul style="list-style-type: none"> <li>■ Midstream energy companies, including MLPs, are involved in gathering, processing, transporting, and storing natural gas and liquids</li> <li>■ Low natural gas prices, as well as the wide spread between crude oil and natural gas prices, are creating demand and the need for midstream infrastructure</li> <li>■ There is visible distribution growth from midstream energy MLPs participating in strategic asset dropdowns, organic growth, and accretive acquisitions</li> </ul> |

<sup>1</sup>Edison Electric Institute data sourced from the Federal Energy Regulatory Commission and GDP data from the Department of Commerce, Bureau of Economic Analysis website and Deane M. Dray, CFA, Water Sector Handbook, Page 35, May 24, 2011, Citigroup Global Markets. <sup>2</sup>Edison Electric Institute 2010 Finance Review: Industry Financial Performance. <sup>3</sup>Edison Electric Institute Q4 2010 Financial Update – Dividends; SNL Energy; and Thomson/Reuters. <sup>4</sup>Jesus Romero, BofA Merrill Lynch Research, “Dumb Pipes at Dumb Prices,” March 21, 2011. <sup>5</sup>Jesus Romero, BofA Merrill Lynch Research, “European Telecoms – Disliked and Underweight,” June 3, 2011, and Datastream.

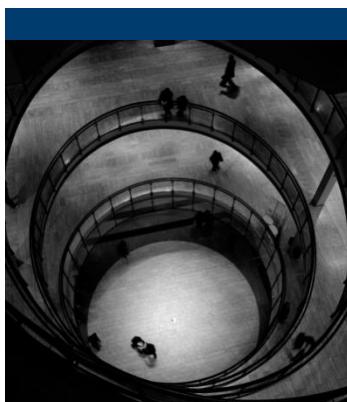
Forward price-to-earnings: per-share stock price divided by the forecasted earnings-per-share.

Duff and Phelps Investment Managements Co.'s industry trends and observations are the result of research conducted by the portfolio management/research team. These observations reflect their industry expertise and have been prepared using sources of information generally believed to be reliable; however, their accuracy is not guaranteed. Opinions represented are subject to change and should not be considered investment advice or an offer of securities.



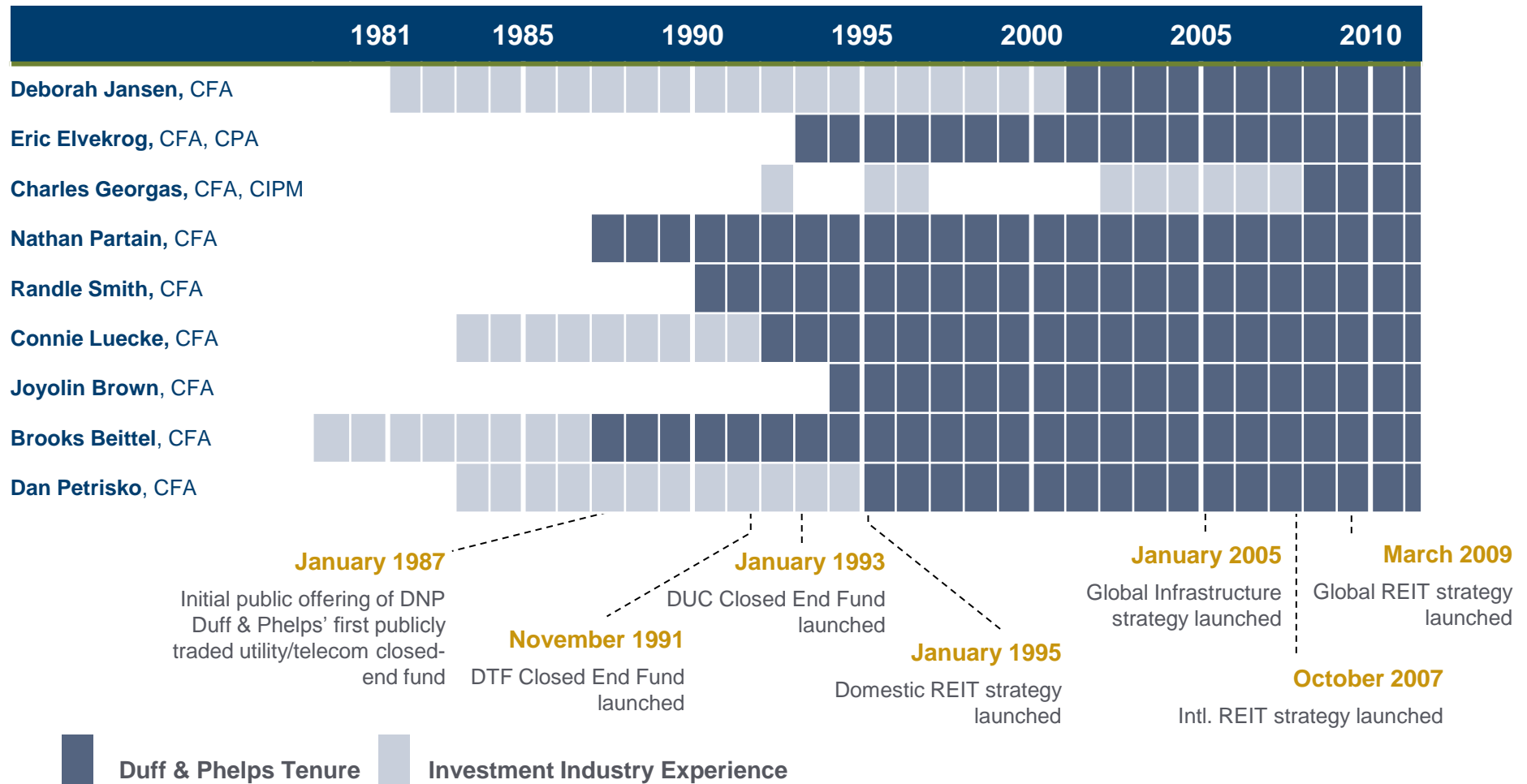
- **A limited covered call writing strategy** – anticipate writing calls on between 0% and 15% of positions, depending on opportunities.
- A covered call strategy creates the opportunity to:
  - **boost total return** in sectors with good yield but lower growth outlook
  - create some **downside protection**, potentially lowering overall volatility
  - selectively monetize holdings
- Duff & Phelps has experience managing leverage through many types **of interest rate and Fed policy cycles**
- **Leverage philosophy**
  - the source of leverage funding should be **long-term**; and
  - the use of leverage **should not lead to investment restrictions, an encumbered investment process, or a reduced pool of investment alternatives**
- Duff & Phelps **manages leverage on three closed-end funds already**
  - DNP Select Income Fund Inc. (DNP)
  - Duff & Phelps Utility and Corporate Bond Trust Inc. (DUC)
  - DTF Tax-Free Income Inc. (DTF)

*As the writer of a covered call option, during the option's life, the Fund gives up the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and strike price of the call, but the Fund retains the risk of loss should the price of the underlying security decline. When leverage is used, the net asset value and market value of the common shares will be more volatile than a comparable portfolio without leverage. Common shareholders bear the expense and the increased risk of loss due to the use of leverage. There can be no assurance that the Fund's use of leverage will be successful.*



## Duff & Phelps Management Team

# Duff & Phelps Investment Management Team



- Pioneers – actively engaged in the development of income producing products
- Seasoned professionals – 20+ years average investment experience
- Established, distinct perspective on global portfolio management



## Yield

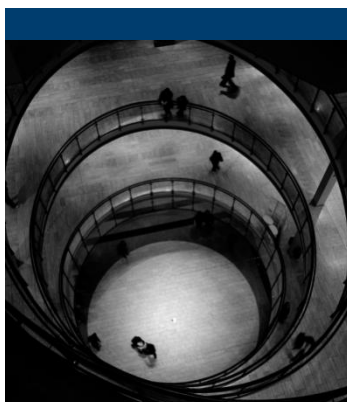
- Seeks high current tax-advantaged yield

## Growth

- Potential growth of underlying equities

## Quality

- Experienced management team places a priority on stock selection



# Appendix

# Utilities & MLPs Have Low Correlation to Other Asset Classes



|                               | MSCI U.S. Utilities | MSCI World Non-U.S. Utilities | MSCI World Telecom | Alerian MLP Index | S&P 500 | Wilshire REIT | 90-Day U.S. Treasury Bill | 10-Yr Treasury |
|-------------------------------|---------------------|-------------------------------|--------------------|-------------------|---------|---------------|---------------------------|----------------|
| MSCI U.S. Utilities           | 1.00                |                               |                    |                   |         |               |                           |                |
| MSCI World Non-U.S. Utilities | 0.67                | 1.00                          |                    |                   |         |               |                           |                |
| MSCI World Telecom            | 0.55                | 0.61                          | 1.00               |                   |         |               |                           |                |
| Alerian MLP Index             | 0.47                | 0.39                          | 0.30               | 1.00              |         |               |                           |                |
| S&P 500                       | 0.61                | 0.67                          | 0.77               | 0.45              | 1.00    |               |                           |                |
| Wilshire REIT                 | 0.41                | 0.59                          | 0.38               | 0.32              | 0.69    | 1.00          |                           |                |
| 90-Day U.S. Treasury Bill     | 0.07                | 0.20                          | 0.06               | (0.02)            | 0.02    | (0.02)        | 1.00                      |                |
| 10-Yr Treasury                | (0.06)              | 0.01                          | (0.08)             | (0.18)            | (0.21)  | 0.09          | (0.05)                    | 1.00           |

Source: PSN Enterprise, Bloomberg Finance L.P., MSCI. Data is for the 10-year period ending August 31, 2011.

**Correlation Coefficient:** a measure that determines the degree to which two variables' movements are associated. The correlation coefficient will vary from -1 to +1. A -1 indicates perfect negative correlation and +1 indicates perfect positive correlation.

See index definitions on page 36.

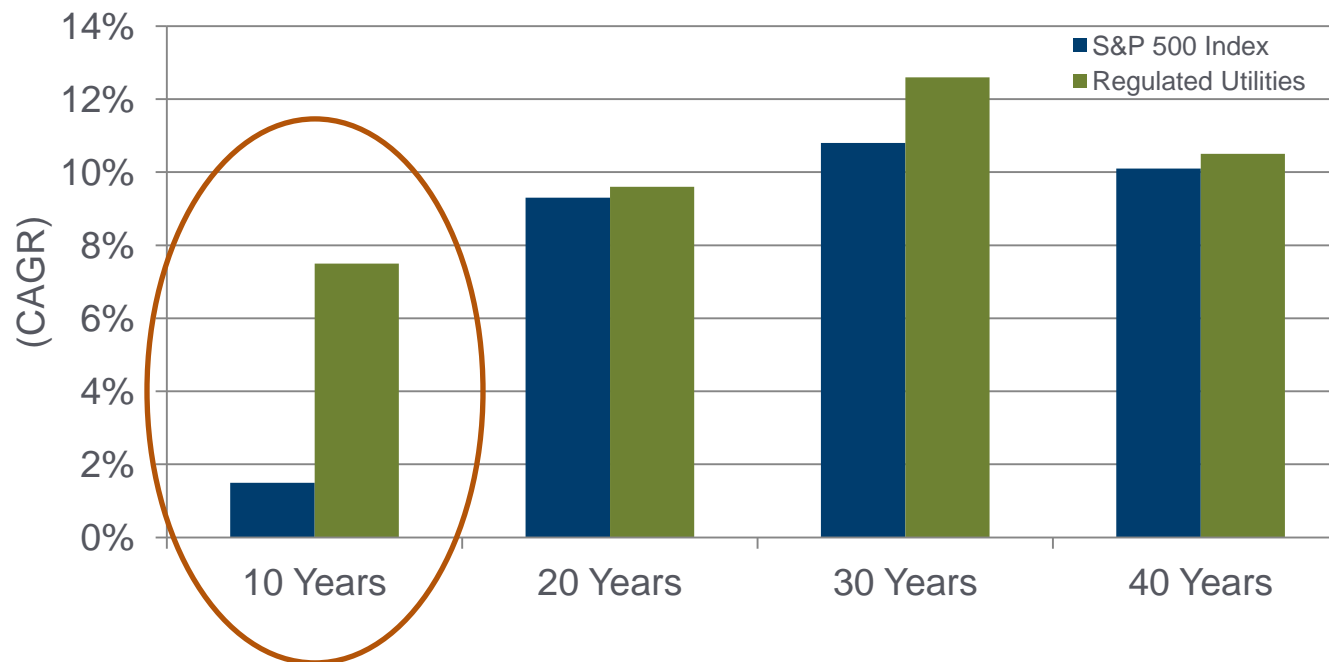
**Past performance is not indicative of future results.**

# Utilities – Consistent Performance Over the Long-Term



- The total return on U.S. regulated utility stocks has exceeded the return of the S&P 500 over the last 10, 20, 30, and 40 years
- In the last 10 years, the total return of regulated electric utilities was five times the return of the S&P 500

## Total Annual Return of U.S. Regulated Electric Utility Stocks vs. the S&P 500<sup>®</sup> Index



Source: U.S. Utilities: How Have Utilities Performed in Markets Like Today's? Bernstein Research, Hugh Wynne, Francois D. Broquin, Saurabh Singh, February 7, 2011. Data through 2010. Regulated Electric Utility data is compiled by Bernstein Research from a FactSet universe of 1500 of the largest U.S. stocks by market capitalization. The universe is narrowed to include only those classified as electric utilities by the FactSet classification scheme and determined by Bernstein Research to have either the volume of power sales to be mostly regulated or the earnings to be mostly from regulated subsidiaries. The data began in 1972 with 80 active firms and as of 2010 contained 41 active firms.

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# Utilities and the Macro Environment



## Inflation

Utilities have historically generated positive returns in varying inflation environments

## Interest Rates

Utilities have historically been resilient in different interest rate environments

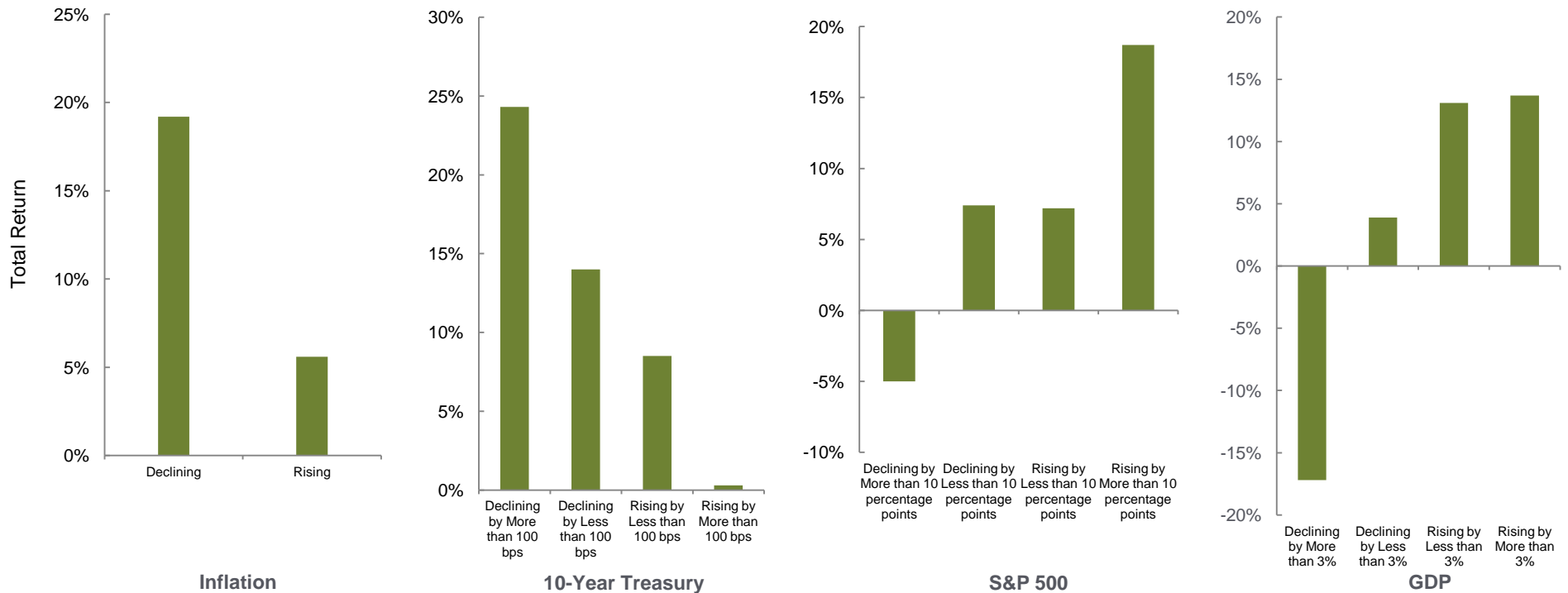
## Market Environment

Utilities have historically registered positive returns in different market environments and have historically outperformed during declines in the broader market

## GDP Growth

The absolute returns of utilities are historically positive, on average, when the economy is either growing or contracting modestly

## U.S. Regulated Utilities 1-Year Average Total Return 1971-2010



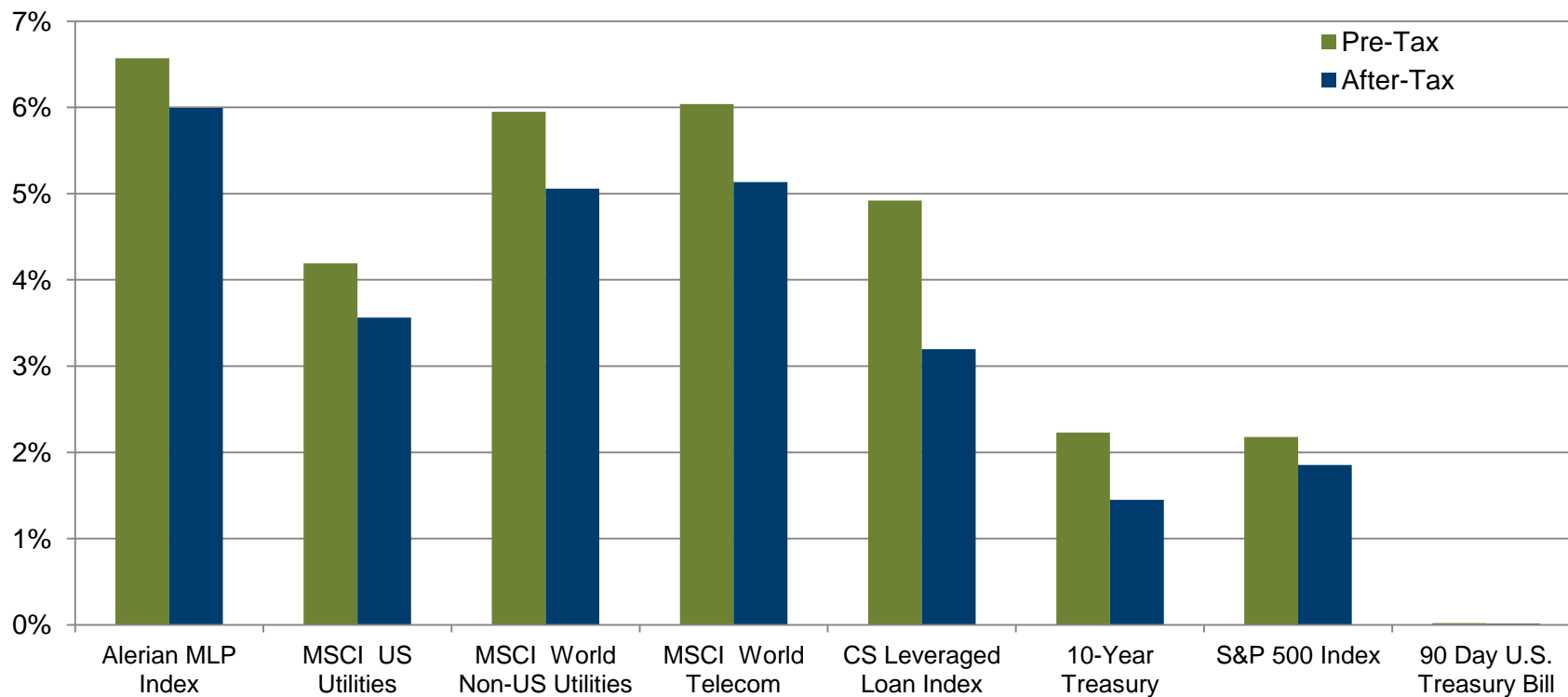
Source: U.S. Utilities: How Have Utilities Performed in Markets Like Today's? Bernstein Research, Hugh Wynne, Francois D. Broquin, Saurabh Singh February 7, 2011. Inflation represented by CPI.

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# Comparative Tax-Advantaged Yields



- Distributions are expected to be attractive on both a pre- and after-tax basis, based on recent market conditions
- RIC structure's tax treatment offers advantages versus C-corp fund structure



Annualized current yields as of August 31, 2011.

There can be no assurance that the Fund will pay regular quarterly distributions, that it will do so at a particular rate, or that any specific portion of the Fund's distributions will be tax advantaged.

Source: Bloomberg Finance L.P.; ThomsonReuters; FactSet; Alerian; MSCI. The Alerian MLP Index assumes a tax rate of 35% on the taxable portion; MSCI World Non-U.S. Utilities, 15%; MSCI World Telecom, 15%; CS, 35%; 10-year Treasury, 35%; S&P 500, 15%; T-Bill, 35%. The yields shown are for comparative purposes only and are no indication of future yields of the Fund. See index definitions on page 36.

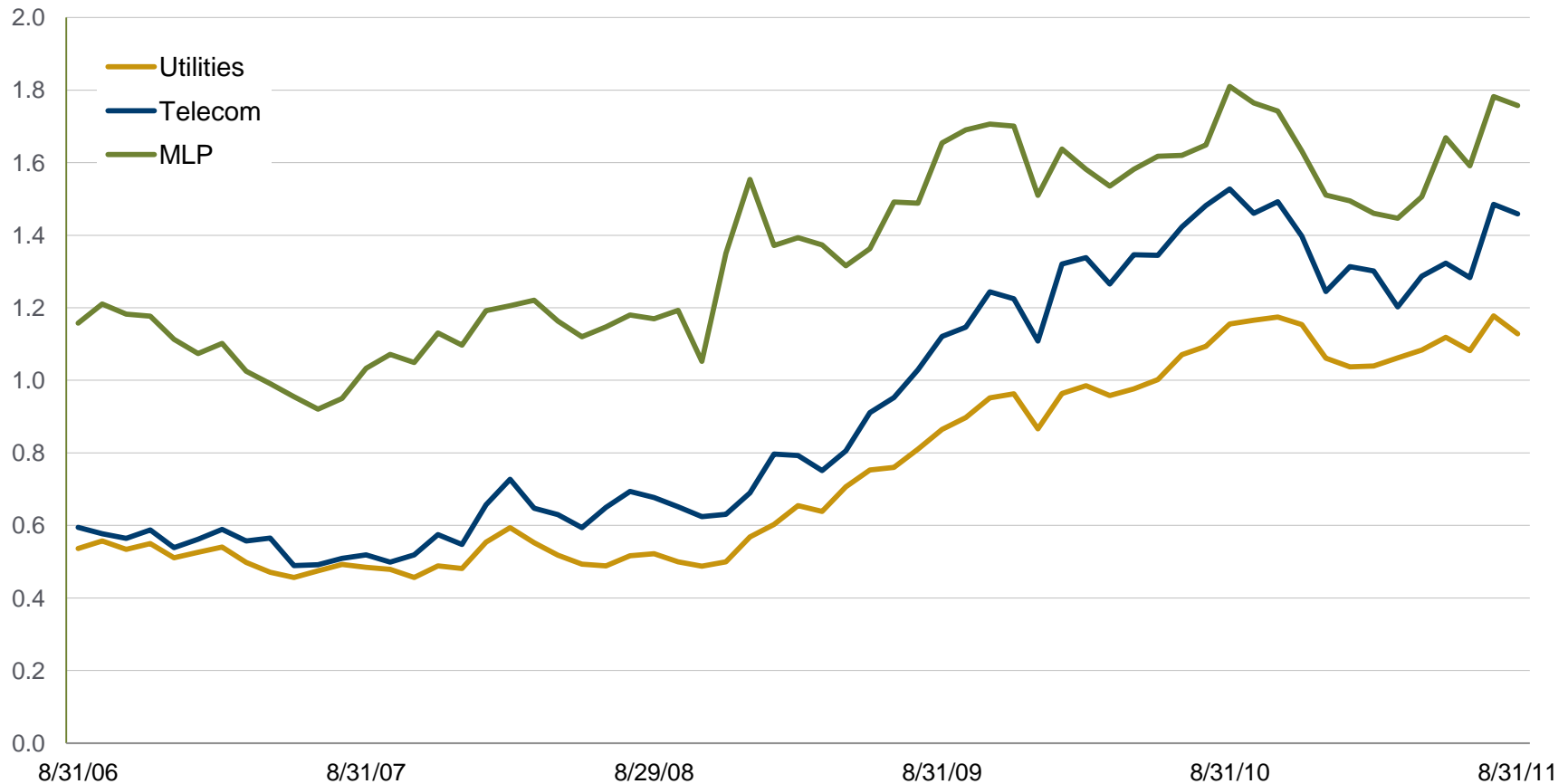
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# Equity Yields Attractive vs. Fixed Income Alternatives



- Utility, Telecom, and MLP equity yields are near five-year highs compared to bond alternatives

## Ratio of Equity Yield to Corporate Bonds



Source: Bloomberg Finance L.P. Yield spreads are compared to the BofA Merrill Lynch Corporate (Bond) Master Index. Telecom represented by the S&P 500 Telecommunications Index yield. Utilities represented by the S&P 500 Utilities Index yield. MLPs represented by the Alerian MLP Index yield. Data for the period 8/31/06 through 8/31/11.

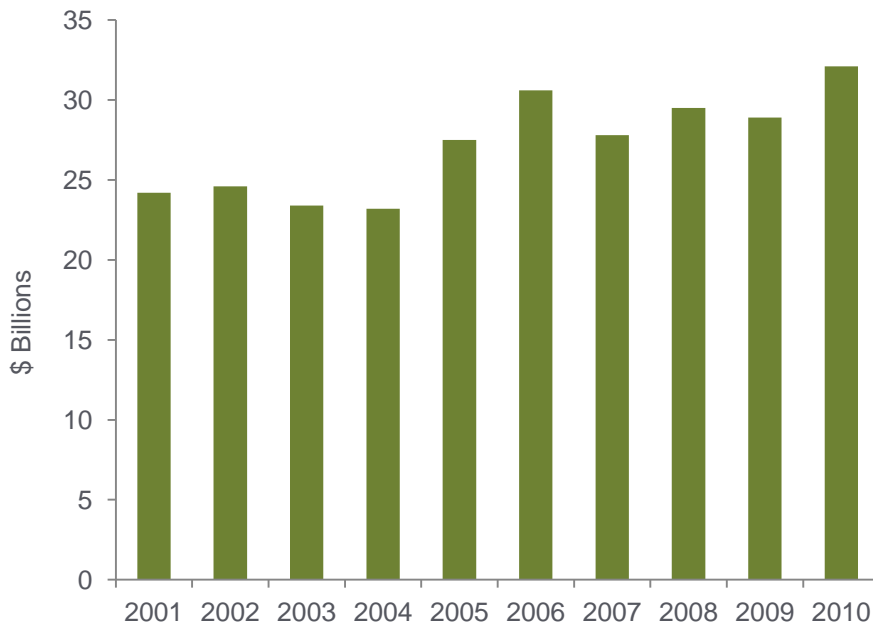
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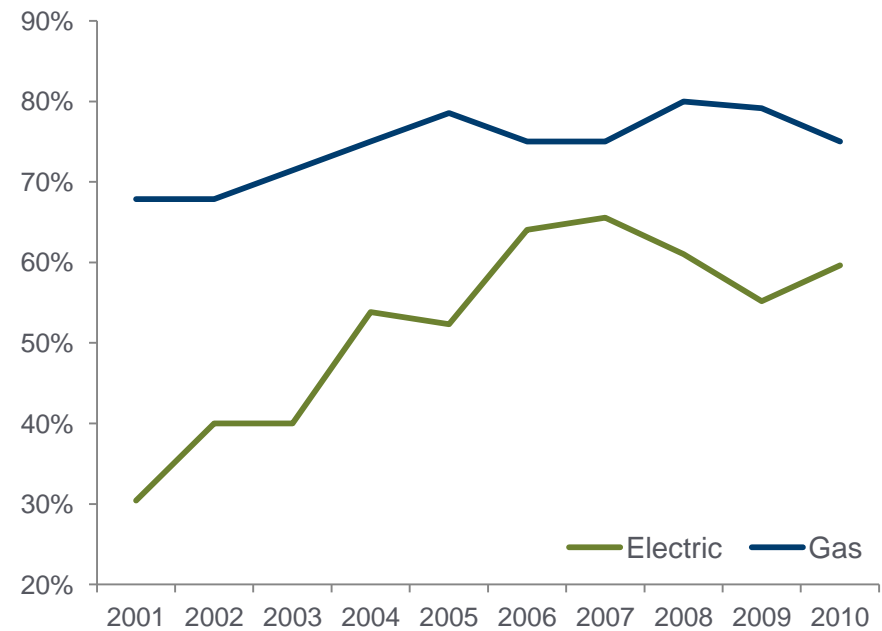
- Utility services are a necessity and are relatively insensitive to economic cycles
- Net income is trending upward despite slow economic growth

- Majority of electric and gas utilities pay consistent and growing dividends

**U.S. Shareholder-Owned Electric Utilities  
Net Income Before Non-Recurring and  
Extraordinary Items  
2001 – 2010**



**Percent of Electric and Gas Utilities  
Raising Dividends**

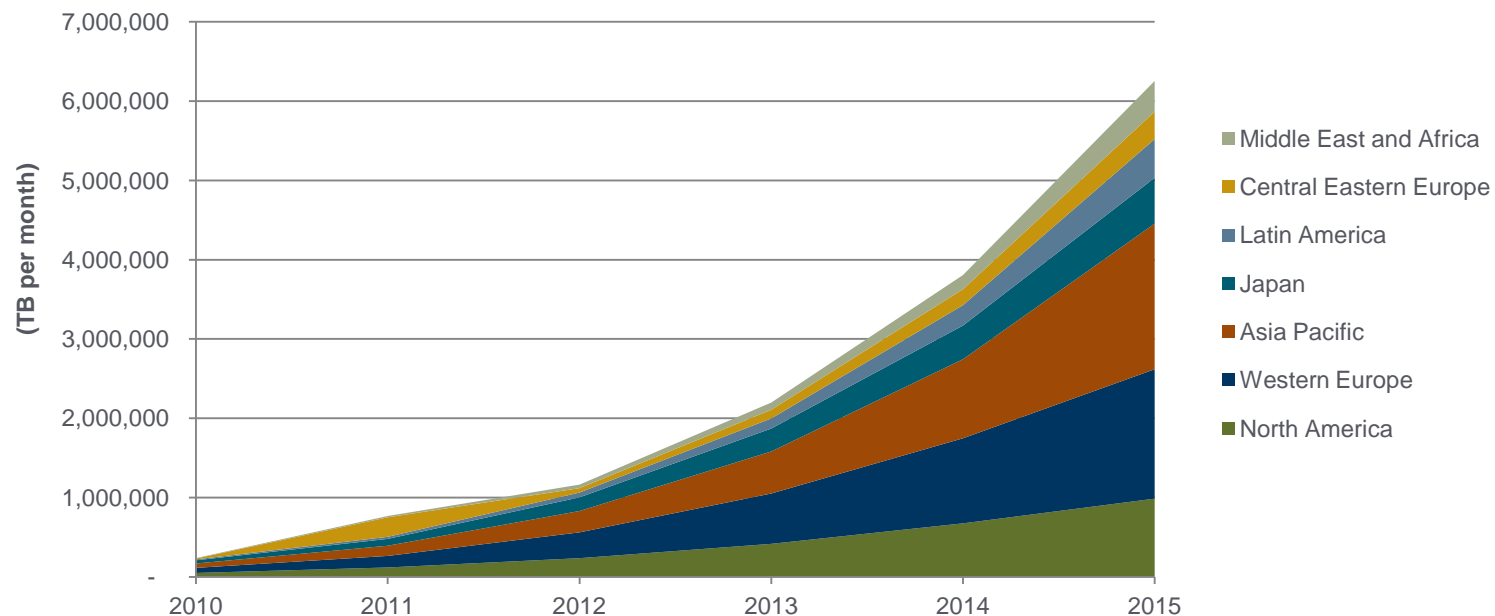


Source: EEI, ThomsonReuters, Duff & Phelps Investment Management  
**Past performance is not indicative of future results.**



- Telecommunications service providers have offered steady growth in a slow growth environment
- Sustainable dividend yield has been supported by largely stable cash flows and high free cash flow coverage of dividends
- Duff & Phelps believes that data growth, especially mobile data growth, is a key driver of industry revenues
- Global mobile data traffic grew 2.6-fold in 2010, nearly tripling for the third year in a row<sup>1</sup>

### The Cisco VNI Global Mobile Data Traffic Forecast 2010-2015<sup>1</sup>

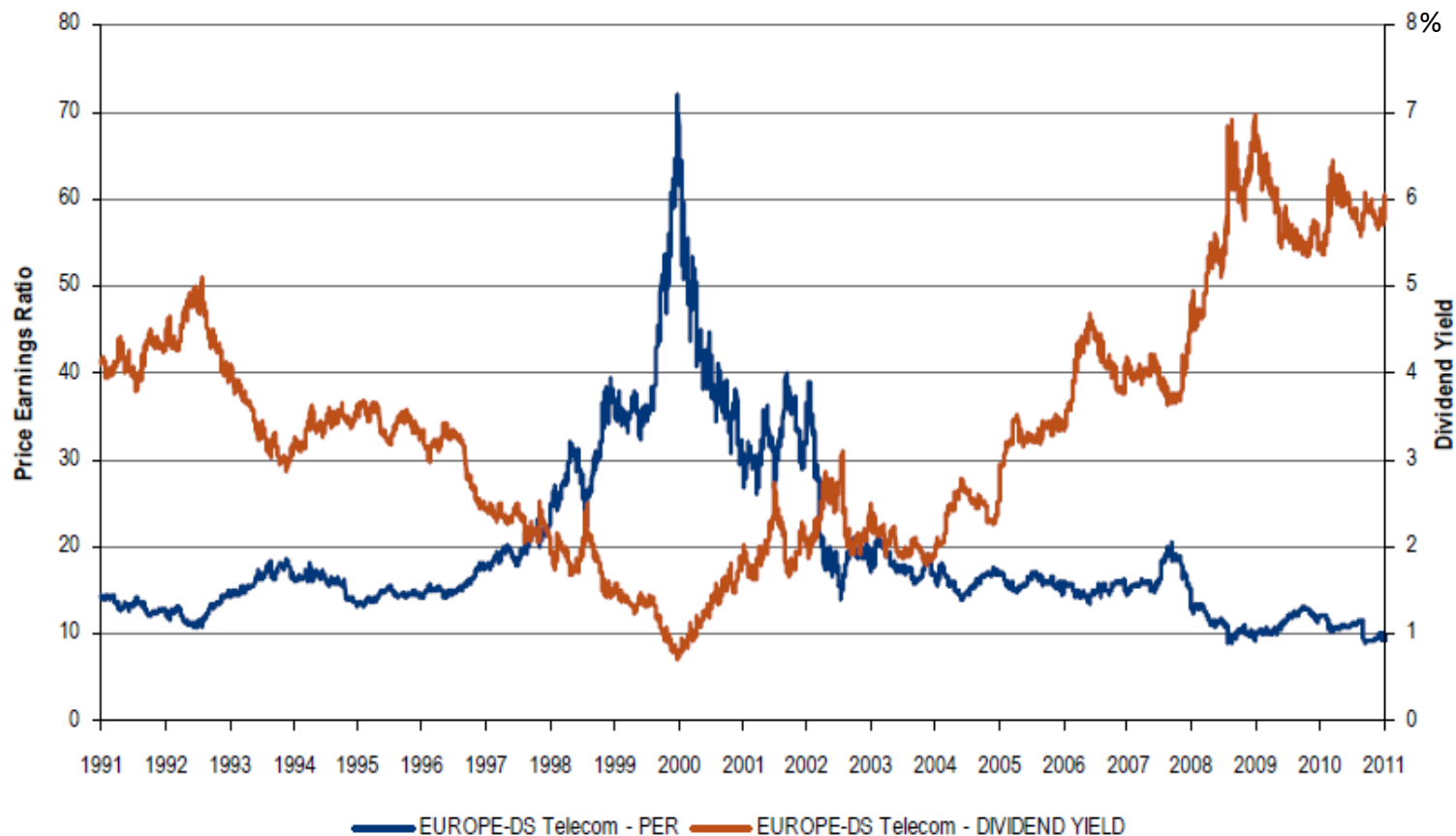


<sup>1</sup>Source: Cisco Visual Networking Index (VNI) Global Mobile Data Forecast 2010-2015.

# Telecommunications Services



- The telecom industry is “glocal,” in the words of one analyst<sup>1</sup>: long term trends are global, but specific opportunities are determined by local market structure and regulation
- European telecoms are trading at one of the cheapest levels of the last 20 years on absolute forward P/E and dividend yield measures<sup>2</sup>



Source: BofA Merrill Lynch and Datastream

<sup>1</sup>Jesus Romero, BofA Merrill Lynch Research, “Dumb Pipes at Dumb Prices,” March 21, 2011

<sup>2</sup>Forward price to earnings: per share stock price divided by the forecasted earning per share.

**Past performance is not indicative of future results.**



- Pipeline and midstream energy companies, including MLPs, are involved in gathering, processing, transporting, and storing natural gas and liquids
- Natural gas production in the U.S. is undergoing major transformation. Advances in technology, such as horizontal drilling and hydraulic fracturing, are enabling development of significant new production in shale plays<sup>1</sup>
- According to the Energy Information Administration (EIA), U.S. shale gas production in 2010 totaled 4.87 Tcf (trillion cubic feet) – 23% of total U.S. natural gas production – compared with 0.39 Tcf in 2000. The EIA projects shale gas will reach 46% of total U.S. natural gas production by 2035<sup>1</sup>
- Despite low natural gas prices, Duff & Phelps believes the wide natural-gas-to-crude price ratio is driving demand for natural gas liquids, resulting in additional production and the need for midstream infrastructure, which will drive increased volumes and growth opportunities for midstream energy companies and MLPs
- There is visible distribution growth<sup>2</sup> from midstream energy MLPs participating in strategic asset dropdowns, organic growth, and accretive acquisitions – MLPs raised \$6.8 billion in secondary equity offerings year-to-date through August 31, 2011<sup>3</sup>

<sup>1</sup>Energy Information Administration

<sup>2</sup>ThomsonReuters

<sup>3</sup>Wells Fargo Securities, LLC Equity Research MLP Monthly: September 2011



## ■ Qualitative analysis focuses on:

- High-quality dividend-paying utilities
- MLPs exhibiting stable cash flows and distributions to unit holders
- Experienced management teams with proven track records
- Above average and growing dividends and unit distributions
- Emphasis on liquid, investment grade, or investment grade-like balance sheets with efficient capital structures

## ■ Quantitative analysis focuses on:

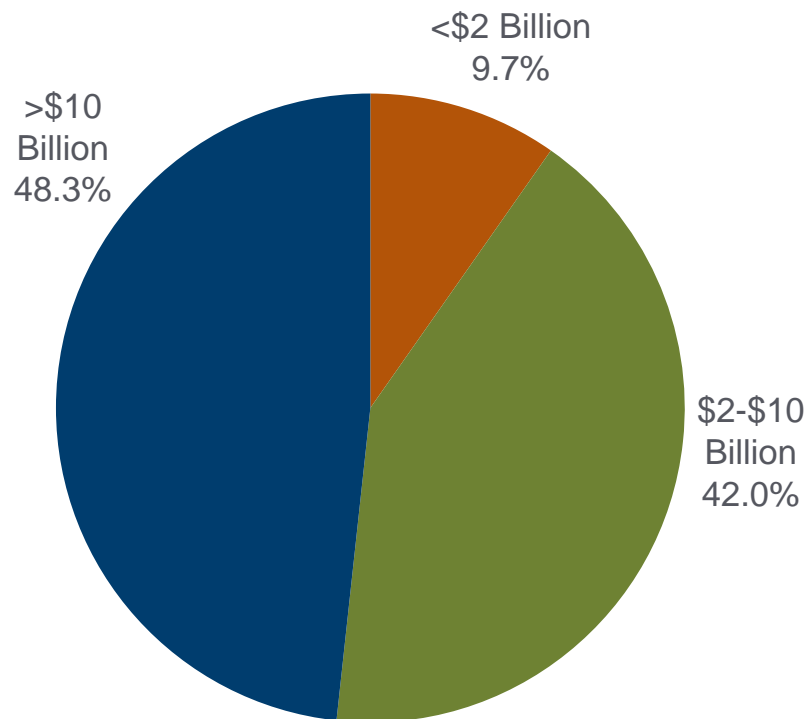
- Peer group comparisons
- EV/adjusted EBITDA, P/CF, and other metrics, as appropriate
- Payout and coverage ratio sensitivities
- Historical trends in yield spreads of competing “income” investments

## ■ Sector-specific characteristics:

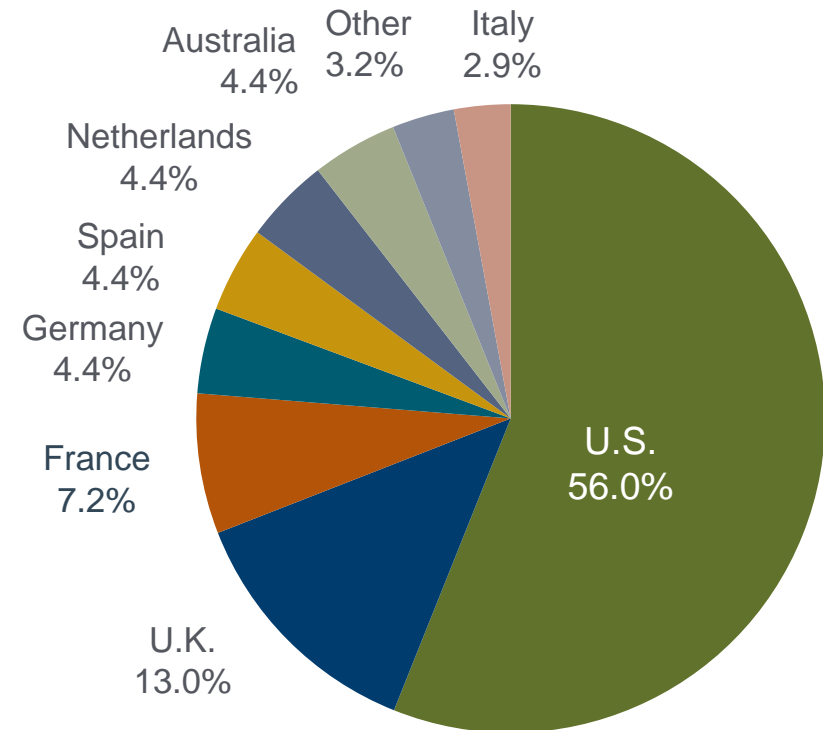
- Electric and natural gas local distribution companies engaged in transmission and distribution in constructive regulatory jurisdictions
- Telecom companies providing wireline and wireless services in markets with attractive industry structures
- MLPs operating predominantly fee-based businesses with low commodity price exposure and predictable cash flows



## Market Capitalization



## International Scope



As of 5/31/11.

The model portfolio is a hypothetical example representing the views of Duff & Phelps on how the Fund would have been invested as of 5/31/11. The Fund will be actively managed and its initial and future portfolio may be different than the model portfolio.



# Positioning of DPG vs. DNP



|                              | DPG   | DNP   |
|------------------------------|---|---|
| Asset Classes                | Equity only   | Equity and fixed income   |
| Sector Diversity             | Utilities and MLPs  | Utilities only  |
| Geographic Scope             | At least 40% of total assets, but no more than 75% in non-U.S. securities     | Less than 20% outside of the U.S.   |
| Market Cap Exposure          | Small-, mid-, and large-capitalization  | Mid- to large-capitalization  |
| Covered Call Strategy        | Limited/Opportunistic   | None  |
| Total Assets                 | Closed-end fund public offering of \$735 million priced on 7/26/11            | \$2.9 billion of total assets on 6/30/11  |
| Premium/Discount vs. NAV     | 3.1% premium on 8/31/11 <sup>1</sup>  | 25.1% premium on 8/31/11  |
| Composition of Distributions | Dividends received, MLP return of capital, net gains from covered call option | Managed distribution plan, with distributions composed of: dividend income, interest received, long-term capital gains, and return of capital |
| Leverage                     | Up to 33%   | Target 33%  |

<sup>1</sup>IPO after-market price support in place as of 8/31/11.



## **Deborah Jansen, CFA, Portfolio Manager and Senior Analyst**

Deborah Jansen joined Duff & Phelps in 2001 and concentrates her research on global electric and natural gas utility and energy infrastructure industries. Ms. Jansen is the Chief Investment Officer of the Duff & Phelps Global Utility Income Fund Inc. Prior to joining Duff & Phelps, Ms. Jansen was a senior vice president, principal, and equity portfolio manager at Stein Roe & Farnham, Inc. Ms. Jansen is a Chartered Financial Analyst (CFA) charterholder.

## **Eric Elvekrog, CFA, CPA, Portfolio Manager and Analyst**

Eric Elvekrog joined Duff & Phelps in 1993 and concentrates his research on global telecommunications industries. Mr. Elvekrog is a Chartered Financial Analyst (CFA) charterholder.

## **Charles Georgas, CFA, CIPM, Analyst**

Charles Georgas joined Duff & Phelps in 2008. He covers master limited partnerships and is a member of the risk management and quantitative research unit for Duff & Phelps' equity and fixed income products. Prior to joining Duff & Phelps, Mr. Georgas was a Senior Equity Analyst covering the consumer sector for Marquis Investment Research and Jackson Securities. He is a member of the CFA Institute and the CIPM Association.



## **Nathan I. Partain, CFA, President and Chief Investment Officer, Global Utility/Infrastructure Group Head**

Nathan Partain joined Duff & Phelps in 1987 and has been President and Chief Investment Officer of Duff & Phelps since 2005. Mr. Partain is also President, Chief Executive Officer and Chief Investment Officer of DNP Select Income Fund Inc. and President and Chief Executive Officer of Duff & Phelps Utility and Corporate Bond Trust, Inc., DTF Tax-Free Income Fund, and Duff & Phelps Global Utility Income Fund Inc. Mr. Partain is a Chartered Financial Analyst (CFA) charterholder. He also serves as a Director (Since 1993) and Vice Chairman of the Board of Directors (2011) of Otter Tail Company, a diversified electric utility company.

## **Connie M. Luecke, CFA, Senior Portfolio Manager, Global Infrastructure Fund; Senior Analyst**

Connie Luecke joined the Duff & Phelps organization in 1992 and serves as co-portfolio manager of the Virtus Global Infrastructure Fund and as senior telecommunications analyst for the DNP Select Income Fund Inc. Ms. Luecke concentrates her research on the global telecommunications industry. Ms. Luecke is a Chartered Financial Analyst (CFA) charterholder.

## **Randle L. Smith, CFA, Senior Portfolio Manager, Global Infrastructure Fund; Senior Analyst**

Randle Smith joined the Duff & Phelps organization in 1990 and serves as co-portfolio manager of the Virtus Global Infrastructure Fund. Mr. Smith also serves as the senior utility analyst for the DNP Select Income Fund Inc. He concentrates his research on the global electric and natural gas utility and transportation infrastructure industries. Mr. Smith is a Chartered Financial Analyst (CFA) charterholder.

## **Joyolin Brown, CFA, Analyst**

Joyolin Brown joined Duff & Phelps in 1993 and concentrates her research on global electric, natural gas, and water utilities, transportation and energy infrastructure industries. Prior to joining the firm, Ms. Brown served as an analyst in corporate and regulatory finance at Southern California Company and as an account executive for Union Bank of California. Ms. Brown is a Chartered Financial Analyst (CFA) charterholder.



## **T. Brooks Beittel, CFA, Director of Fixed Income**

T. Brooks Beittel serves as Executive Vice President and Assistant Chief Investment Officer of Duff & Phelps. He was Senior Vice President from 1993 through 2008. He has been Secretary and Senior Vice President of DNP Select Income Fund Inc. since 1995, and Secretary of Duff & Phelps Utility and Corporate Bond Trust and of DTF Tax-Free Income Inc. since 2005 and Secretary of the Duff & Phelps Global Utility Income Fund Inc. Since 2011. Mr. Beittel concentrates his research on fixed-income securities. Mr. Beittel is a Chartered Financial Analyst (CFA) charterholder.

## **Daniel J. Petrisko, CFA, Senior Portfolio Manager**

Daniel Petrisko serves as chief investment officer of Duff & Phelps Utility and Corporate Bond Trust, Inc. He has been a senior vice president at Duff and Phelps Investment Management Co. since 1997 and joined Duff & Phelps in 1995. Mr. Petrisko concentrates his research on fixed-income securities. He is a Chartered Financial Analyst (CFA) charterholder.



## INDEXES

**3-Month, 10-Year, and 30-Year Treasury Indexes:** Rates are comprised of generic U.S. on-the-run government bill/note/bond/indices. Yields are yield to maturity and pre-tax.

**Alerian MLP Index:** A composite of the 50 most prominent energy master limited partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for this emerging asset class. The index, which is calculated using a float-adjusted, capitalization-weighted methodology, is disseminated real-time on a price-return basis (NYSE: AMZ) and on a total-return basis (NYSE: AMZX).

**BofA Merrill Lynch U. S. Corporate Master Bond Index:** A statistical composite tracking the performance of the entire US corporate bond market over time. The index includes dollar-denominated investment grade corporate public debt issued in the U.S. bond market

**CS Leveraged Loan Index:** Tracks the performance of senior floating rate U.S. dollar denominated bank loans.

**MSCI U.S. Utilities Index:** A free-float weighted equity index representing U.S. utilities.

**MSCI World Index:** A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets.

**MSCI World Infrastructure Sector Capped Index:** A market capitalization index measuring the performance of global listed developed market infrastructure equity securities across telecommunications, utilities, energy, transportation and social infrastructure sectors. The weights of the telecommunications infrastructure and utilities sectors are each fixed at one-third of the Benchmark, and the energy, transportation and social infrastructure sectors have a combined weight of the remaining one-third.

**MSCI World Non-U.S. Utilities Index:** A free-float weighted equity index representing global utilities excluding U.S. utilities

**MSCI World Telecom Index:** A free-float weighted equity index representing world telecommunication services.

**Russell 2000® Index:** A market capitalization-weighted index of the 2,000 smallest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies. The index is calculated on a total return basis with dividends reinvested.

**S&P 500® Index:** A free-float capitalization-weighted index of 500 of the largest U.S. stocks, generally representative of the performance of larger companies in the U.S.

**S&P 500 Utilities Index:** A capitalization-weighted index and a sub-sector within the broader S&P 500 Index.

**S&P 500 Telecom Services Index:** A capitalization-weighted index and a sub-sector within the broader S&P 500 Index.

**Wilshire REIT:** Measures U.S. publicly traded Real Estate Investment Trusts.

These indexes are unmanaged and not available for direct investment.