



Macquarie Global Infrastructure Income Fund

Semi-Annual Management Report of Fund Performance

June 30, 2016

MANAGEMENT REPORT OF FUND PERFORMANCE

This semi-annual management report of fund performance for **Macquarie Global Infrastructure Income Fund** (the “Fund”) contains financial highlights but does not contain the complete semi-annual financial statements of the Fund.

You can obtain a copy of the semi-annual financial statements at no cost by writing to Aston Hill Capital Markets Inc. (the “Manager”) to the following address: 77 King Street West, Suite 2110, PO Box 92, Toronto, Ontario, M5K 1G8 or calling 1-800-513-3868 or visiting the Manager’s website at www.astonhill.ca or by visiting www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

INVESTMENT OBJECTIVES AND STRATEGIES

The Fund is a closed-end investment trust established under the laws of the Province of Ontario pursuant to a Trust Agreement dated as of September 27, 2013 the Manager in its capacity as manager and RBC Investor & Treasury Services (the “Trustee”) as trustee of the Fund.

The Fund’s investment objectives are to generate:

- i) quarterly distributions for holders of Units (the “Unitholders”) initially targeted to be \$0.15 per Unit (\$0.60 per annum representing an annual cash distribution of 6.0% based on the \$10.00 per Unit issue price); and
- ii) maximize total return for Unitholders, consisting of distributions and capital appreciation; and
- iii) preserve capital.

In order to achieve the Fund’s investment objectives, Macquarie Capital Investment Management LLC (the “Investment Manager”) invested the net proceeds of the Offering in a portfolio (the “Portfolio”) consisting of infrastructure equity securities issued by entities domiciled in global markets.

RISK

Changes in the risk exposure of the Fund occurred in the following area:

Use of leverage

The Fund entered into a Margin Loan Agreement (the “Credit Agreement”) dated November 14, 2013, between the Manager (on behalf of the Fund) and the Bank of Nova Scotia (the “Lender”) to use for various purposes but primarily to purchase additional securities for the Portfolio. Borrowings by the Fund thereunder may be in Canadian or U.S. dollars and shall not exceed 50% of the net assets of the Fund at the time of borrowing. The maximum amount of leverage that the Fund would employ is 1.50:1.

During the six-month period ended June 30, 2016, the Fund applied leverage in the range from 33.03% to 49.03% of the NAV or U.S. \$6.3 million to U.S.\$10 million. The Canadian dollar equivalent fluctuated between approximately \$8.0 and \$14.0 million. (from 20.21% to 34.83% or U.S. \$10 million during the six-month period ended June 30, 2015. The Canadian dollar equivalent was between approximately \$11.6 and \$12.5 million). The amount of U.S. \$6.3 million or the Canadian dollar equivalent of \$8,181,818 was outstanding as of June 30, 2016 and the leverage factor was 35.29% (As of June 30, 2015, the amount of U.S. \$10 million was outstanding and the leverage factor was 34.83%). During the period, the related interest expense was \$77,578. (The related interest expense was \$73,926 as of June 30, 2015).

For full disclosure of risks associated with an investment in the Fund’s units, please refer to the Prospectus dated September 27, 2013 or to the Fund’s most recent Annual Information Form. Both are available at www.astonhill.ca or www.sedar.com.

INVESTMENT MANAGER COMMENTARY (AUGUST 2016)

Market & Portfolio Review

Global infrastructure securities outperformed global equities in the period.

Markets were turbulent throughout the first half of the year, with sentiment moving on significantly from the calm that allowed the US Fed to raise rates in December of 2015. Developments in China were a key focus of this period.

The Chinese central bank’s slow depreciation of the currency was a key trigger, causing markets to become increasingly skeptical of the Chinese economy, with reports of significant outflows and a decline in central bank reserves. Fears over a significant devaluation of the Chinese currency (CNY) subsided somewhat, after the People’s Bank of China governor indicated that there was ‘no basis for devaluation’, after not publicly commenting for six months. The weakening CNY had troubled markets for weeks and was a key driver of the poor sentiment to start 2016, as

there was no clarity on the direction or motives behind the moves.

China's lower growth expectations weighed on commodity prices in general. Copper futures fell 8% and iron ore fell 24% in May, indicating that the underlying fundamentals for economic growth are not accelerating and the lackluster rate of growth experienced in recent quarters is likely to continue.

Slow growth also impacted oil, with prices in the first half of the year far lower than historic levels. Weaker demand coupled with a global supply glut was the primary driver of the lower prices. A proposed OPEC production freeze (at historically high volumes) didn't get buy in from key countries such as Iran, but the possibility of a deal and the better sentiment helped put a temporary floor under the oil price. By the end of the second quarter, oil prices stabilized and rebounded slightly, but commodity prices overall remain subdued and below profitable levels for many producers.

Late in the period, volatility was caused in part by political events such as the success of the Leave campaign in the "Brexit" vote. The vote to exit had negative short term consequences for the UK economy and injected long term political uncertainty into a region already struggling with low growth and a lack of leadership. The vote triggered sharp initial moves across all markets: the British Pound fell by 12% on the result, and European equity markets were down over 8%. Perhaps the most significant movers were government bonds, where yields fell sharply, despite already being well below historical levels. Markets subsequently regained some composure in the last few days of the month.

Within the Fund, the largest sector contributors to return over the half year (in local currency) were Pipelines, led by TransCanada (Canada), Electric and Gas Distribution, led by Sempra Energy (United States), and Toll Roads, led by Transurban (Australia).

The Seaports sector and Rail / Other Transportation were the only detracting sectors in the first half of 2016, led lower by Groupe Eurotunnel (France).

From a country perspective, positions in the United States, Australia and Canada contributed strongly to performance, while positions in France and Singapore were the largest detractors.

At year-end, the Fund's largest sector exposures were in Pipelines, Toll Roads, and Electric Utility. The Fund held small weights in Airports and Electricity Generation.

Outlook

The UK's vote to leave the EU raised the level of uncertainty in global markets. We expect central bank action to be even more prominent in supporting markets with the Bank of England and the European Central Bank (ECB) having already made forceful statements outlining intentions to backstop market sentiment. In this context we anticipate that significant tightening of policy by the US Federal Reserve would be very painful – and therefore unlikely.

The infrastructure assets owned and operated by the well diversified range of infrastructure companies in the portfolio continue to perform well. The portfolio strategy is little changed overall. The portfolio is defensively positioned, being diversified across different geographies and sectors, and this strategy has borne fruit during the recent market turmoil. In the US, lower Treasury yields should continue to be supportive for the valuations of US utilities which have outperformed since the recent "Brexit" vote. Additionally, assets in emerging markets have similarly outperformed.

Caution regarding forward-looking statements

This document has been prepared by Macquarie Capital Investment Management LLC ("MCIML").

The above commentary and outlook reflects the views of the portfolio managers through June 30, 2016 and may include forward-looking statements. The statements may include projections, estimates and descriptions of future events. These statements are subject to a variety of risks and uncertainties, which may cause actual results to differ materially from this commentary and outlook. The portfolio managers' views are subject to change as market and other conditions warrant and should not be construed as a recommendation for any securities discussed herein.

Capital transactions

On October 22, 2013, the Fund completed its initial public offering pursuant to the Prospectus dated September 27, 2013. \$50,000,000 was raised through the issue of 5,000,000 units at \$10.00 per Unit. Agents' fees and issue expenses were \$3,375,000 or \$0.68 per unit. On October 31, 2013, the Agents exercised an over-allotment option in respect of 380,000 units, raising a further \$3,800,000. Agents' fees were \$199,500 or \$0.53 per Unit.

During the six-month period ended June 30, 2016, 1,034,070 units were redeemed for the total value of \$9,546,026 (1,853,523 Units were redeemed for net payment of \$20,484,580 in the six-month period ended June 30, 2015).

Market repurchases

The Trust Agreement provides that the Fund has the right (but not the obligation), exercisable in its sole discretion, at any time, to purchase Units

for cancellation at prices not exceeding the Net Asset Value per Unit, subject to any applicable regulatory requirements and limitations. It is expected that such purchases, if made, will be made as normal course issuer bids through the facilities and under the rules of the exchange or market on which the Units are listed, if applicable, as provided for in the Trust Agreement or as otherwise permitted by applicable securities laws.

The Fund did not purchase any Units for cancellation during the six-month period ended June 30, 2016.

DISTRIBUTIONS

The Fund paid quarterly distributions initially at \$0.15 per Unit, representing a return of 6.0% per annum on the Unit issue price.

The Fund has made all its scheduled distributions during the six-month period ended June 30, 2016, paying \$0.30 per Unit (\$0.30 per Unit during the six-month period ended June 30, 2015).

RECOMMENDATIONS OR REPORTS BY THE INDEPENDENT REVIEW COMMITTEE

The Independent Review Committee of the Fund tabled no special reports and made no extraordinary material recommendations to management of the Fund during the six-month period ended June 30, 2016.

RELATED PARTY TRANSACTIONS

Management Fees

As compensation for coordinating the organization of and managing the ongoing business and administrative affairs of the Fund, the Manager is entitled to an annual management fee in an amount equal to 1.25% per annum of the Net Asset Value of the Fund to be calculated and payable monthly in arrears, plus applicable taxes.

The total management fees charged to the Fund during the six-month period ended June 30, 2016 were \$173,986 plus applicable taxes (during the six-month period ended June 30, 2015 were \$330,300 plus applicable taxes).

Performance Fee

The Performance fee is calculated and accrued monthly and paid annually. The Performance Fee for a given year is equal to 20% of the amount by which the sum of (i) the NAV per Unit (calculated without taking into account the Performance Fee) at the end of such year; plus (ii) distributions paid on such Units during such year, exceeds 106% of the Threshold Amount (the “Hurdle Rate”), plus applicable taxes. The “Threshold Amount” will be the greater of: (i) \$10.00; and (ii) the NAV per Unit on the Determination Date in the last fiscal year of the Fund in which a Performance Fee was paid (after payment of such Performance Fee).

For the six-month period ended June 30, 2016 the Fund’s performance fees was nil (\$93,090 during the six-month period ended June 30, 2015).

Administration Fees

The Manager allocates back to the Fund a portion of the administration costs relating to the operations of the Fund. The expenses are directly attributable to the Fund as they relate to time spent on Fund accounting, valuation, taxation, compliance, investor relations, financial reporting and unitholder reporting cost management and oversight and any other operations matter.

For the six-month period ended June 30, 2016, administration fees amounted to \$4,565 (June 30, 2015 - \$9,599)

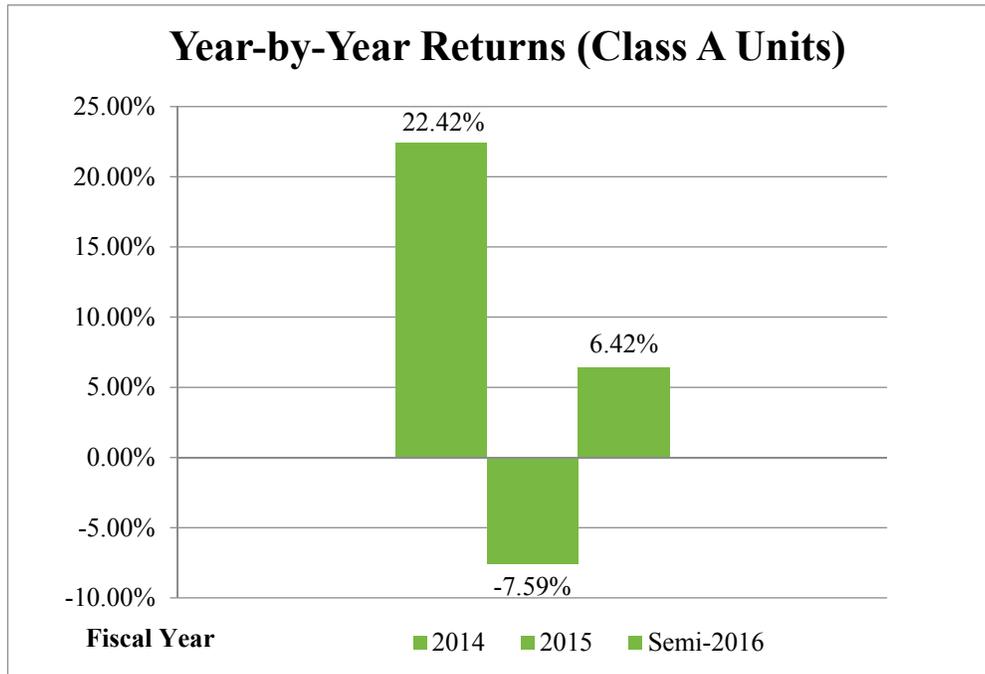
IRC Fee

The IRC has four members, each receive \$15,000 per annum (\$20,000 for the Chairman) plus \$1,250 per meeting for acting in such capacity and are also reimbursed for expenses in connection with performing their duties. These fees and expense reimbursements are allocated across investment funds that are managed by the Manager in a manner that is fair and reasonable.

For the six-month period ended June 30, 2016, the Fund paid IRC fees of \$742 (\$925 during the six-month period ended June 30, 2015).

PAST PERFORMANCE

The following bar chart and table show the Fund’s semi-annual performance by showing both semi-annual returns by fiscal year and annualized compound returns from inception assuming all the distributions made by the Fund during the year shown were reinvested. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. The bar chart shows, in percentage terms, how much an investment made on the first day of the period would have grown or decreased by the last day of the period. Past performance is not necessarily indicative of future performance.



FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to aid in understanding the Fund's financial performance since inception. This information is derived from the Fund's audited annual and unaudited semi-annual financial statements:

For the years ended	June 2016 ⁽²⁾	December 2015	December 2014 ⁽⁶⁾	December 2013 ⁽⁶⁾
Net Assets, beginning of year	\$9.03	\$10.39	\$ 8.99	\$ 10.00
Unit issue expenses ⁽¹⁾	–	–	–	(0.67)
Increase (decrease) from operations				
Total revenues	0.35	0.72	0.76	0.17
Total expenses	(0.16)	(0.36)	(0.42)	(0.07)
Realized gains (losses) for the year	0.01	0.84	0.61	–
Unrealized gains (losses) for the year	0.33	(1.47)	1.05	(0.33)
Total increase (decrease) from operations ⁽³⁾	0.53	(0.27)	2.00	(0.23)
Distributions to unitholders				
From income (excluding dividends)	(0.09)	(0.18)	(0.48)	–
From dividends	(0.04)	(0.08)	(0.05)	(0.10)
From capital gains	(0.17)	(0.34)	–	–
Return of capital	–	–	(0.07)	(0.02)
Total Distributions to unitholders ⁽⁴⁾	(0.30)	(0.60)	(0.60)	(0.12)
Net Assets, end of year ⁽⁵⁾⁽⁶⁾	\$9.30	\$9.03	\$ 10.39	\$ 8.99

(1) Issue expense of \$3,574,500 incurred in connection with the initial units issuance at inception. The full amount of issue expenses was treated as a reduction of Unit Capital for accounting purposes and is amortized over a year of five years for tax purposes.

(2) Results for the six-month period ending June 30, 2016

(3) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase / decrease from operations is based on the weighted average number of 3,356,026 units outstanding over the six-month period ended June 30, 2016 (December 31, 2015 – 4,293,277)

(4) Distributions are paid in cash. The percentages used to allocate distributions among income, dividends, capital gain and return on capital are based on the Fund's tax return.

(5) This is not reconciliation between the opening and the closing net assets per unit.

(6) The Fund adopted International Financial Reporting Standards ("IFRS") commencing January 1, 2014. This information for the period from October 31, 2013 to December 31, 2014 is restated under IFRS from Canadian GAAP.

Ratios and Supplemental Data:

As at	June 2016 ⁽²⁾	December 2015	December 2014	December 2013
Net assets value (in 000's)	23,187	31,854	55,906	48,370
Number of units outstanding (in 000s)	3,526	3,526	5,380	5,380
Base management expense ratio ⁽¹⁾⁽³⁾	1.85%	1.77%	1.85%	2.19%
Issue expense ratio ⁽¹⁾⁽³⁾	0.00%	0.00%	0.00%	7.41%
Performance fee ratio	0.00%	0.21%	0.99%	0.00%
Interest expense ratio ⁽¹⁾⁽³⁾	0.52%	0.35%	0.31%	0.16%
Management expense ratio (annualized) ⁽³⁾	2.37%	2.33%	3.15%	9.76%
Management expense ratio before waivers or absorptions (annualized) ⁽³⁾	2.37%	2.33%	3.15%	9.76%
Portfolio turnover rate ⁽⁴⁾	37.14%	72.75%	86.14%	1.29%
Trading expense ratio ⁽⁵⁾	0.43%	0.31%	0.36%	1.64%
Closing market price (TSX) – units	\$8.55	\$8.40	\$ 10.01	\$9.40

(1) A separate base management expense ratio has been presented to include the normal operating expenses and exclude performance fee and the Issue expenses representing all agents' fees and unit issue expenses.

(2) Results for the six-month period ended June 30, 2016

(3) MER is based on the requirements of NI 81-106 and includes the total expenses (excluding commissions and other portfolio transaction cost) of the Fund for the stated period, including interest expense and issuance costs, if applicable, and is expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund's buying and selling all of the securities in its portfolio once in the course of the year. There is not necessarily a relationship between turnover rate and the performance of the Fund.

(5) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset values during the year.

SUMMARY OF INVESTMENT PORTFOLIO

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update is available at www.astonhill.ca.

As at June 30, 2016	% of NAV
Portfolio by Category	
United States	34.1%
Canada	20.5%
Australia	16.2%
Hong Kong	9.9%
Great Britain	9.7%
Spain	9.4%
France	8.4%
Italy	4.2%
Chile	4.2%
Switzerland	2.5%
Germany	2.4%
Singapore	2.3%
Mexico	1.5%
Japan	1.4%
China	1.3%
Bermuda	1.2%
Cash	5.9%
Net Other Assets (Liabilities)	-35.1%
Total	100.0%
Top 25 Holdings	
Enbridge Inc.	8.7%
Sempra Energy	7.7%
Transurban Group	7.2%
TransCanada Corp.	6.9%
Groupe Eurotunnel SA	6.2%
National Grid PLC	6.0%
Cash	5.9%
Kinder Morgan Inc./DE	5.5%
Duke Energy Corp.	5.1%
China Merchants Holdings International Co Ltd.	5.0%
Abertis Infraestructuras SA	4.7%
Inversiones Aguas Metropolitanas SA	4.2%
APA Group	4.1%
Hopewell Highway Infrastructure Ltd.	3.9%
Pennon Group PLC	3.7%
DUET Group	3.5%
Northland Power Inc.	3.2%
Crown Castle International Corp.	2.8%
Iberdrola Sa	2.8%
Columbia Pipeline Group Inc.	2.6%
Cheniere Energy Inc.	2.5%
Flughafen Zuerich AG	2.5%
Hamburger Hafen und Logistik AG	2.4%
Hutchison Port Holdings Trust	2.3%
Enel SPA	2.2%
Total Net Asset Value (NAV):	\$23,186,895