

TORTOISE ENERGY INFRASTRUCTURE CORP

Form N-30B-2

April 21, 2016

**Quarterly Report** | February 29, 2016

## **2016 1st Quarter Report**

Closed-End Funds

---

## Tortoise Capital Advisors

### 2016 1st Quarter Report to Stockholders

This combined report provides you with a comprehensive review of our funds that span the entire energy value chain.

Tortoise Capital Advisors is one of the largest managers of energy investments, including closed-end funds, open end funds, private funds and separate accounts.

---

## Table of contents

|                        |    |                               |    |
|------------------------|----|-------------------------------|----|
| Letter to Stockholders | 2  | TPZ: Fund Focus               | 16 |
| TYG: Fund Focus        | 4  | Financial Statements          | 19 |
| NTG: Fund Focus        | 7  | Notes to Financial Statements | 48 |
| TTP: Fund Focus        | 10 | Additional Information        | 61 |
| NDP: Fund Focus        | 13 |                               |    |

---

## TTP and TPZ distribution policies

Tortoise Pipeline & Energy Fund, Inc. ( TTP ) and Tortoise Power and Energy Infrastructure Fund, Inc. ( TPZ ) are relying on exemptive relief permitting them to make long-term capital gain distributions throughout the year. Each of TTP and TPZ, with approval of its Board of Directors (the Board ), has adopted a distribution policy (the Policy ) with the purpose of distributing over the course of each year, through periodic distributions as nearly equal as practicable and any required special distributions, an amount closely approximating the total taxable income of TTP and TPZ during such year and, if so determined by the Board, all or a portion of the return of capital paid by portfolio companies to TTP and TPZ during such year. In accordance with its Policy, TTP distributes a fixed amount per common share, currently \$0.4075, each quarter to its common shareholders and TPZ distributes a fixed amount per common share, \$0.1375 each month for the first quarter and \$0.125 each month beginning in March 2016 to its common shareholders. These amounts are subject to change from time to time at the discretion of the Board. Although the level of distributions is independent of TTP s and TPZ s performance, TTP and TPZ expect such distributions to correlate with its performance over time. Each quarterly and monthly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions in light of TTP s and TPZ s performance for the entire calendar year and to enable TTP and TPZ to comply with the distribution requirements imposed by the Internal Revenue Code. The Board may amend, suspend or terminate the Policy without prior notice to shareholders if it deems such action to be in the best interests of TTP, TPZ and their respective shareholders. For example, the Board might take such action if the Policy had the effect of shrinking TTP s or TPZ s assets to a level that was determined to be detrimental to TTP or TPZ shareholders. The suspension or termination of the Policy could have the effect of creating a trading discount (if TTP s or TPZ s stock is trading at or above net asset value), widening an existing trading discount, or decreasing an existing premium. You should not draw any conclusions about TTP s or TPZ s investment performance from the amount of the distribution or from the terms of TTP s or TPZ s distribution policy. Each of TTP and TPZ estimates that it has distributed more than its income and net realized capital gains; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in TTP or TPZ is paid back to you. A return of capital distribution does not necessarily reflect TTP s or TPZ s investment performance and should not be confused with yield or income. The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon TTP s and TPZ s investment experience during the remainder of their fiscal year and may be subject to changes based on tax regulations. TTP and TPZ will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.



2016 1st Quarter Report | February 29, 2016

**Closed-end fund comparison**

| <b>Name/Ticker</b>  | <b>Primary focus</b>  | <b>Structure</b>             | <b>Total assets (\$ millions)<sup>1</sup></b> | <b>Portfolio mix by asset type<sup>2</sup></b> | <b>Portfolio by struc</b> |
|---|---|------------------------------|---|--|---------------------------|
| Tortoise Energy Infrastructure Corp.<br>NYSE: TYG<br>Inception: 2/2004<br>Tortoise MLP Fund, Inc. | Midstream MLPs  | C-corp                       | \$2,367.3                                     |  |                           |
| Tortoise Energy Independence Fund, Inc.<br>NYSE: NDP<br>Inception: 7/2012                         | Natural gas infrastructure MLPs                                 | C-corp                       | \$1,348.1                                     |  |                           |
| Tortoise Pipeline & Energy Fund, Inc.<br>NYSE: TTP<br>Inception: 10/2011                          | North American pipeline companies                               | Regulated investment company | \$235.4                                       |  |                           |
| Tortoise Energy Infrastructure Fund, Inc.<br>NYSE: TPZ<br>Inception: 7/2009                       | North American oil & gas producers                              | Regulated investment company | \$254.5                                       |  |                           |
| Tortoise Power and Energy Infrastructure Fund, Inc.   | Power & energy infrastructure companies (Fixed income & equity) | Regulated investment company | \$185.2                                       |  |                           |

<sup>1</sup> As of 3/31/2016<sup>2</sup> As of 2/29/2016**Tortoise Capital Advisors**

1

## Tortoise Capital Advisors

### First quarter 2016 report to closed-end fund stockholders

Dear fellow stockholders,

The energy sector continued to experience volatility during the first fiscal quarter ending Feb. 29, 2016 with the S&P Energy Select Sector® Index returning -15.9%. North American production continued to decline, and outpaced demand, driving crude oil prices to their lowest level since 2003. This downward price trajectory restrained energy stocks and weighed on market sentiment, though had less effect on fixed income securities.

Despite these challenges, there was some positive momentum across the energy value chain during the fiscal quarter. Refined product demand remained strong. Also, a production freeze proposed by the Organization of the Petroleum Exporting Countries (OPEC) gave the market optimism that there could be more stabilization in the global oil markets. Though the midstream segment continued to face technical pressure, we believe the fundamentals remained intact, with many companies maintaining strong balance sheets, solid cash flows and distribution payouts. We believe that 2016 will be a milestone year for U.S. energy, with the U.S. becoming a supplier of low-cost energy to the rest of the world in the form of exports.

### Upstream

Challenges persisted for upstream oil and gas producers, as reflected by the -24.5% return posted by the Tortoise North American Oil and Gas Producers Index<sup>SM</sup> for the fiscal quarter. The U.S. oil rig count continued to decline during the fiscal quarter, contributing to slowing crude oil production, with estimates showing February production at 80,000 barrels per day below the January level.<sup>1</sup> U.S. production is estimated to average 8.7 million barrels per day (MMbbl/d) in 2016 (down from an estimated average of 9.4 MMbbl/d in 2015) and 8.2 MMbbl/d in 2017.<sup>1</sup> Given this backdrop, some companies have been able to navigate the volatile market better than others. Successful management teams are aggressively reducing capital expenditures for the second consecutive year, with 2016 budgets down an average of 3.4% from 2015.<sup>2</sup>

Oil prices were volatile during the fiscal quarter, with West Texas Intermediate (WTI) opening at \$41.65 per barrel, peaking that same day at \$41.85 before dropping to a low of \$26.21 on Feb. 11. The last few weeks of the fiscal quarter saw some price stabilization, with oil closing the fiscal quarter at \$33.75 per barrel, a trend that continued into the second fiscal quarter. We caution that prices likely will remain constrained, due to high inventory, until the supply/ demand equation comes into greater balance.

A relatively warm winter caused a decline in natural gas demand for heating and drove natural gas prices lower. Prices opened the fiscal quarter at \$2.09 per million British thermal units (MMBtu), bottomed at \$1.53 on Dec. 24, and peaked at \$2.53 on Jan. 11. Prices then fell sharply again due to the warm winter weather, closing the fiscal quarter at \$1.62 per MMBtu. This demand decrease contributed to the continued high inventory. On Feb. 26, natural gas inventories were 46% higher than they were the same week last year and are expected to close the winter season approximately 54% above last year.<sup>1</sup>

Natural gas production growth is expected to slow to 0.9% in 2016, from 5.4% in 2015, due to low prices and fewer rigs in operation. However, production growth is expected to increase to 2.1% in 2017 as industrial demand increases and liquefied natural gas (LNG) exports gain traction.<sup>1</sup> In 2016, natural gas is expected to provide the largest share of electricity generation, outpacing coal for the first time on an annual average basis.<sup>1</sup>

### Midstream

Conditions continued to be challenging for energy companies and master limited partnerships (MLPs) in particular. MLPs, as represented by the Tortoise MLP Index®, returned -17.6% for the fiscal quarter, as midstream MLPs continued to outpace their upstream counterparts. Broader pipeline companies fared better, as reflected by the -6.2% return for the fiscal quarter of the Tortoise North American Pipeline Index<sup>SM</sup>, partially due to the performance of local distribution companies, which tend to behave more like utilities in a volatile market environment. Performance within midstream was mixed, with gathering and processing companies hardest hit due to their greater commodity price sensitivity. Crude oil MLP and pipeline companies, and natural gas MLP and pipeline companies declined during the fiscal quarter as negative sentiment about energy persisted and technical pressures remained problematic, ultimately dislocating market prices from fundamentals. Refined product MLP and other pipeline companies posted positive performance during the fiscal quarter, thanks to continued strong demand for refined products in the low price environment.

Headwinds restraining midstream companies during the fiscal quarter included Kinder Morgan, Inc.'s steep dividend cut in December, which drove concerns that more distribution cuts would follow. It is noteworthy that Tortoise's midstream MLP strategies' portfolio companies actually have increased or maintained distributions year-over-year with an average increase of more than 10%, testimony to those strategies' focus on high-quality, fundamentally sound firms. Speculation about the viability of Energy Transfer Equity's proposed merger with The Williams Companies, Inc. also weighed on the midstream space. Credit rating downgrades also have proliferated, but have not had a major effect on Tortoise's strategies.

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

There have been concerns about counterparty risk relating to the re-pricing of rates charged by pipeline companies in bankruptcy proceedings. We are not broadly concerned about pipeline rate re-pricing fees because the pipeline companies we generally focus on typically charge a market rate, not above market, and therefore are not targets for re-rating by the courts. Additionally, concerns related to the potential that reduced volumes could reduce pipeline companies' profits and dampen need for pipeline infrastructure buildout still exist. However, we believe that companies that have pipelines in strategic locations will attract quality producers with products to transport. With respect to continued need for pipeline infrastructure buildout, one needs to look no further than the Northeastern U.S., where production from the Marcellus and Utica shales is forecast to increase over the next few years. Our projection for capital investments in MLP, pipeline and related organic projects for 2016-2018 is approximately \$120 billion.

(unaudited)

2

**Tortoise Capital Advisors**

---

2016 1st Quarter Report | February 29, 2016

## Downstream

Many energy companies in the downstream segment of the energy value chain, including power utilities, have benefitted from the decline in oil prices. Refiners are also among this group, as low input costs have driven healthy demand. Although still attractive, refiner margins have narrowed recently due to lower gasoline prices as inventories have grown. On Feb. 29, the average price for regular gasoline fell to \$1.78 per gallon, down \$0.69 from the same week last year. Like refiners, petrochemical companies continued to benefit from low input costs, but to a lesser extent due to lower ethylene prices. As a result, we have focused on investments in integrated petrochemicals that upgrade their ethylene to polyethylene because their prices have been more resilient.

As noted earlier, we believe that 2016 will be a milestone year for U.S. energy exports as it stands to become a relevant supplier of low-cost energy to the rest of the world. For the first time in 40 years, U.S. crude oil has been exported. The first LNG shipment also was exported earlier this year. And while the U.S. previously has exported some NGLs, ethane, which is widely used in manufacturing and is enjoying rising global and domestic demand, was shipped in March.

## Capital markets

Exploration and production companies raised almost \$10 billion in total capital during the fiscal quarter, mostly in equities. MLP and pipeline companies raised approximately \$6 billion during the fiscal quarter, with approximately \$4 billion in equity and \$2 billion in debt. Some bonds are trading at deep discounts while others are defaulting, driving market participants to favor investment-grade energy companies. Capital is available, but at a steeper price. Because capital markets have continued to be less accommodative for midstream companies during this period of market volatility, some midstream MLPs are seeking alternate forms of funding such as preferred private placements.

There were no IPOs in the energy sector during the fiscal quarter. Merger and acquisition activity among MLP and pipeline companies was light, with announced transactions totaling under \$6 billion for the fiscal quarter. The largest of these was EnLink's acquisition of subsidiaries of Tall Oak Midstream, LLC in a deal valued at approximately \$1.6 billion.

## Concluding thoughts

Though the first fiscal quarter saw continued headwinds, the second fiscal quarter began with a tailwind in the form of higher crude oil prices. In our view, midstream MLP and pipeline company fundamentals remain solid and technical pressures are beginning to ease. We anticipate the supply/demand equation will continue to improve in 2016 and that in 2017, the U.S. could become the swing producer to provide the supply needed to meet increasing global demand. We are optimistic that such a scenario will create many opportunities across the energy value chain.

Sincerely,

The Managing Directors  
Tortoise Capital Advisors, L.L.C.

---

The S&P Energy Select Sector<sup>®</sup> Index is a capitalization-weighted index of S&P 500<sup>®</sup> Index companies in the energy sector involved in the development or production of energy products. The Tortoise North American Oil and Gas Producers Index<sup>SM</sup> is a float-adjusted, capitalization weighted index of North American energy companies engaged primarily in the production of crude oil, condensate, natural gas or natural gas liquids (NGLs). The Tortoise North American Pipeline Index<sup>SM</sup> is a float adjusted, capitalization-weighted index of energy pipeline companies domiciled in the United States and Canada. The Tortoise MLP Index<sup>®</sup> is a float-adjusted, capitalization-weighted index of energy master limited partnerships.

The Tortoise indices are the exclusive property of Tortoise Index Solutions, LLC, which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) ( S&P Dow Jones Indices ) to calculate and maintain the Tortoise MLP Index, Tortoise North American Pipeline Index<sup>SM</sup> and Tortoise North American Oil and Gas Producers Index<sup>SM</sup>. S&P<sup>®</sup> is a registered trademark of Standard & Poor's Financial Services ( SPFS ); Dow Jones<sup>®</sup> is a registered trademark of Dow Jones Trademark Holdings LLC ( Dow Jones ); and these trademarks have been licensed for use by Tortoise Index Solutions, LLC and its affiliates. Neither S&P Dow Jones Indices, SPFS, Dow Jones nor any of their affiliates sponsor and promote the indices and none shall be liable for any errors or omissions in calculating the indices.

**It is not possible to invest directly in an index.**

**Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost.**

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

1 Energy Information Administration, March 2016  
2 Tortoise Capital Advisors and industry estimates

(unaudited)

**Tortoise Capital Advisors**

3

---



## Tortoise

### Energy Infrastructure Corp. (TYG)

#### Fund description

TYG seeks a high level of total return with an emphasis on current distributions paid to stockholders. TYG invests primarily in equity securities of master limited partnerships (MLPs) and their affiliates that transport, gather, process or store natural gas, natural gas liquids (NGLs), crude oil and refined petroleum products.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending Feb. 29, 2016 were -6.4% and -14.8%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index<sup>®</sup> returned -17.6% for the same period. The fund's performance reflects the ongoing challenges facing the energy sector, as global markets remained oversupplied and oil prices remained low during the period. Concern about counterparty risk and tighter capital markets also restrained midstream MLPs.

#### 1st fiscal quarter highlights

|  |           |
|--|-----------|
| Distributions paid per share   | \$0.6550  |
| Distribution rate (as of 2/29/2016)                                      | 10.8%     |
| Quarter-over-quarter distribution increase                               | 0.0%      |
| Year-over-year distribution increase                                     | 2.3%      |
| Cumulative distribution to stockholders since inception in February 2004 | \$25.8775 |
| Market-based total return  | (6.4)%    |
| NAV-based total return   | (14.8)%   |
| Premium (discount) to NAV (as of 2/29/2016)                              | (0.3)%    |

*Unlike the fund return, index return is pre-expenses and taxes.*

*Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.*

#### Key asset performance drivers

|                                   | Company type   |  |
|-----------------------------------|--|--|
| Spectra Energy Partners, LP       | Midstream natural gas/natural gas liquids pipeline MLP | Growing Northeast natural gas production supported infrastructure buildout   |
| Magellan Midstream Partners, L.P. | Midstream refined product pipeline MLP                 | Strong refined product demand resulted in higher volumes   |
| Targa Resources Corp.             | Midstream gathering and processing company             | Bounce back after weak 2015 performance; completed rollup transaction and preferred issuance solved capital market needs |
| EQT Midstream Partners, LP        | Midstream natural gas/natural gas liquids pipeline MLP | Growing Northeast natural gas production supported infrastructure buildout   |
| Columbia Pipeline Partners LP     | Midstream natural gas/natural gas liquids pipeline MLP | Growing Northeast natural gas production supported infrastructure buildout   |
|                                   | Company type   |  |
| MPLX LP                           | Midstream gathering and processing MLP                 | Reduced growth rate  |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|                                |  |  |
|--------------------------------|--|--|
| Energy Transfer Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Concerns about access to capital and parent leverage   |
| Williams Partners L.P.         | Midstream gathering and processing MLP                 | Concern around Chesapeake counterparty risk  |
| Energy Transfer Equity, L.P.   | Midstream natural gas/natural gas liquids pipeline MLP | Concern regarding higher leverage resulting from pending acquisition of The Williams Companies, Inc. and management change |
| Enbridge Energy Partners, L.P. | Midstream crude oil pipeline MLP                       | Concerns about access to capital   |

(unaudited)

4

**Tortoise Capital Advisors**

---

2016 1st Quarter Report | February 29, 2016

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is distributions received from investments less expenses. The total distributions received from investments include the amount received as cash distributions from investments, paid-in-kind distributions, and dividend and interest payments. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Current income taxes include taxes paid on net investment income, in addition to foreign taxes, if any. Taxes incurred from realized gains on the sale of investments, expected tax benefits and deferred taxes are not included in DCF.

Distributions received from investments decreased approximately 8.2% as compared to 4th quarter 2015 due primarily to net sales of investments and the impact of portfolio merger activity during the quarter, partially offset by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, decreased 19.7% during the quarter due to lower asset-based fees. Overall leverage costs decreased 5.9% during the quarter due to the reduction of leverage outstanding.

As a result of the changes in income and expenses, DCF decreased approximately 5.8% as compared to 4th quarter 2015. The fund paid a quarterly distribution of \$0.655 per share, which was unchanged over the prior quarter and an increase of 2.3% over the 1st quarter 2015 distribution. The fund has paid cumulative distributions to stockholders of \$25.8775 per share since its inception in Feb. 2004.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; GAAP recognizes that a significant portion of the cash distributions received from MLPs and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes, and includes distributions related to direct investments when the purchase price is reduced in lieu of receiving cash distributions. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, realized and unrealized gains (losses) on interest rate swap settlements, distributions to preferred stockholders, other recurring leverage expenses, as well as taxes paid on net investment income.

Net Investment Loss, before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to DCF for 1st quarter 2016 (in thousands):

|  | 1st Qtr 2016 |
|--|--------------|
| Net Investment Loss, before Income Taxes         | \$(10,666)   |
| Adjustments to reconcile to DCF:                 |              |
| Distributions characterized as return of capital | 40,386       |
| Amortization of debt issuance costs              | 2,515        |
| Interest rate swap expenses                      | (222)        |
| Premium on redemption of senior notes            | 900          |
| Premium on redemption of MRP stock               | 800          |
| DCF  | \$ 33,713    |

## Leverage

The fund's leverage utilization declined by \$216.3 million during 1st quarter 2016 and represented 31.2% of total assets at Feb. 29, 2016, above the long-term target level of 25% of total assets. Although the fund's leverage ratio has increased as asset values have declined recently, the fund has maintained compliance with its applicable coverage ratios. During the quarter, the fund used proceeds from the sale of investments to reduce the amounts borrowed under its credit facilities as well as to redeem term debt and preferred stock. At quarter-end, including the impact of interest rate swaps, approximately 86% of the leverage cost was fixed, the weighted-average maturity was 5.6 years and the weighted-average annual rate on

our leverage was 3.58%. These rates will vary in the future as a result of changing floating rates, utilization of the fund's credit facilities and as leverage and swaps mature or are redeemed.

## Income taxes

During 1st quarter 2016, the fund's deferred tax liability decreased by \$126 million to \$320 million, primarily as a result of the decline in value of its investment portfolio. The fund had net realized gains of \$66 million during the quarter. To the extent that the fund has taxable income, it will owe federal and state income taxes. Tax payments can be funded from investment earnings, fund assets, or borrowings.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage, taxes and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions and results, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)

**Tortoise Capital Advisors**

5

---

**TYG Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding **Distributable Cash Flow and Selected Financial Information** is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The **Distributable Cash Flow Ratios** include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | Q1 <sup>(1)</sup> | 2015<br>Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | 2016<br>Q1 <sup>(1)</sup> |
|---|-------------------|---------------------------|-------------------|-------------------|---------------------------|
| <b>Total Income from Investments</b>                            |                   |                           |                   |                   |                           |
| Distributions and dividends from investments                    | \$ 52,050         | \$ 51,585                 | \$ 52,919         | \$ 51,564         | \$ 47,200                 |
| <b>Operating Expenses Before Leverage</b>                       |                   |                           |                   |                   |                           |
| <b>Costs and Current Taxes</b>                                  |                   |                           |                   |                   |                           |
| Advisory fees   | 9,350             | 9,545                     | 8,661             | 7,081             | 5,321                     |
| Other operating expenses  | 493               | 511                       | 500               | 512               | 466                       |
|   | 9,843             | 10,056                    | 9,161             | 7,593             | 5,787                     |
| Distributable cash flow before leverage costs and current taxes | 42,207            | 41,529                    | 43,758            | 43,971            | 41,413                    |
| Leverage costs <sup>(2)</sup>                                   | 9,041             | 8,778                     | 8,394             | 8,193             | 7,700                     |
| Current income tax expense <sup>(3)</sup>                       |                   |                           |                   |                   |                           |
| <b>Distributable Cash Flow<sup>(4)</sup></b>                    | \$ 33,166         | \$ 32,751                 | \$ 35,364         | \$ 35,778         | \$ 33,713                 |
| <b>As a percent of average total assets<sup>(5)</sup></b>       |                   |                           |                   |                   |                           |
| Total from investments  | 4.98%             | 4.94%                     | 5.59%             | 6.83%             | 7.67%                     |
| Operating expenses before leverage costs and current taxes      | 0.94%             | 0.96%                     | 0.97%             | 1.01%             | 0.94%                     |
| Distributable cash flow before leverage costs and current taxes | 4.04%             | 3.98%                     | 4.62%             | 5.82%             | 6.73%                     |
| <b>As a percent of average net assets<sup>(5)</sup></b>         |                   |                           |                   |                   |                           |
| Total from investments  | 9.45%             | 9.34%                     | 10.90%            | 13.38%            | 16.09%                    |
| Operating expenses before leverage costs and current taxes      | 1.79%             | 1.82%                     | 1.89%             | 1.97%             | 1.97%                     |
| Leverage costs and current taxes                                | 1.64%             | 1.59%                     | 1.73%             | 2.13%             | 2.62%                     |
| Distributable cash flow   | 6.02%             | 5.93%                     | 7.28%             | 9.28%             | 11.50%                    |
| <b>Selected Financial Information</b>                           |                   |                           |                   |                   |                           |
| Distributions paid on common stock                              | \$ 30,731         | \$ 30,971                 | \$ 31,211         | \$ 31,450         | \$ 31,682                 |
| Distributions paid on common stock per share                    | 0.6400            | 0.6450                    | 0.6500            | 0.6550            | 0.6550                    |
| Distribution coverage percentage for period <sup>(6)</sup>      | 107.9%            | 105.7%                    | 113.3%            | 113.8%            | 106.4%                    |
| Net realized gain, net of income taxes, for the period          | 60,161            | 63,392                    | 43,938            | 72,015            | 41,667                    |
| Total assets, end of period                                     | 4,204,687         | 4,102,516                 | 3,445,452         | 2,793,933         | 2,213,663                 |
| Average total assets during period <sup>(7)</sup>               | 4,235,541         | 4,146,279                 | 3,759,151         | 3,028,322         | 2,475,404                 |
| Leverage <sup>(8)</sup>   | 986,900           | 1,000,700                 | 1,000,400         | 906,000           | 689,700                   |
| Leverage as a percent of total assets                           | 23.5%             | 24.4%                     | 29.0%             | 32.4%             | 31.2%                     |
| Net unrealized appreciation (depreciation), end of period       | 665,363           | 561,565                   | 138,802           | (244,207)         | (483,386)                 |
| Net assets, end of period                                       | 2,250,010         | 2,172,676                 | 1,754,876         | 1,405,733         | 1,176,897                 |
| Average net assets during period <sup>(9)</sup>                 | 2,234,865         | 2,191,147                 | 1,925,521         | 1,545,634         | 1,179,868                 |
| Net asset value per common share                                | 46.86             | 45.25                     | 36.55             | 29.28             | 24.33                     |
| Market value per share  | 43.79             | 42.02                     | 35.88             | 26.57             | 24.26                     |
| Shares outstanding (000 s)                                      | 48,017            | 48,017                    | 48,017            | 48,017            | 48,370                    |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders, interest rate swap expenses and other recurring leverage expenses.

(3) Includes taxes paid on net investment income and foreign taxes, if any. Taxes related to realized gains are excluded from the calculation of Distributable Cash Flow ( DCF ).

(4) Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the return of capital on distributions, the value of paid-in-kind distributions, the premium on redemptions of senior notes and MRP stock and amortization of debt issuance costs; and decreased by realized and unrealized gains (losses) on interest rate swap settlements and current taxes paid on net investment income.

(5) Annualized.

(6) Distributable Cash Flow divided by distributions paid.

(7) Computed by averaging month-end values within each period.

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

(8) Leverage consists of senior notes, preferred stock and outstanding borrowings under revolving credit facilities.

(9) Computed by averaging daily net assets within each period.

6

**Tortoise Capital Advisors**

---

## Tortoise

### MLP Fund, Inc. (NTG)

#### Fund description

NTG seeks to provide stockholders with a high level of total return with an emphasis on current distributions. NTG invests primarily in master limited partnerships (MLPs) and their affiliates that own and operate a network of pipeline and energy-related logistical infrastructure assets with an emphasis on those that transport, gather, process and store natural gas and natural gas liquids (NGLs). NTG targets midstream MLPs benefiting from U.S. natural gas production and consumption expansion with minimal direct commodity exposure.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending Feb. 29, 2016 were -0.9% and -11.4%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index<sup>®</sup> returned -17.6% for the same period. The fund's performance for the fiscal quarter reflects the ongoing challenges affecting companies across the energy value chain, as global markets remained oversupplied and oil prices remained low during the period. Concern about counterparty risk and tighter capital markets also restrained midstream MLPs.

#### 1st fiscal quarter highlights

|  |          |
|--|----------|
| Distributions paid per share   | \$0.4225 |
| Distribution rate (as of 2/29/2016)                                  | 10.8%    |
| Quarter-over-quarter distribution increase                           | 0.0%     |
| Year-over-year distribution increase                                 | 0.0%     |
| Cumulative distribution to stockholders since inception in July 2010 | \$9.1225 |
| Market-based total return  | (0.9)%   |
| NAV-based total return   | (11.4)%  |
| Premium (discount) to NAV (as of 2/29/2016)                          | (2.9)%   |

**Unlike the fund return, index return is pre-expenses and taxes.**

**Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.**

#### Key asset performance drivers

|                                   |  |  |
|-----------------------------------|--|--|
| Spectra Energy Partners, LP       | Midstream natural gas/natural gas liquids pipeline MLP | Growing Northeast natural gas production supported infrastructure buildout   |
| Targa Resources Corp.             | Midstream gathering and processing company             | Bounce back after weak 2015 performance; completed rollup transaction and preferred issuance solved capital market needs |
| EQT Midstream Partners, LP        | Midstream natural gas/natural gas liquids pipeline MLP | Growing Northeast natural gas production supported infrastructure buildout   |
| Magellan Midstream Partners, L.P. | Midstream refined product pipeline MLP                 | Strong refined product demand resulted in higher volumes   |
| Plains GP Holdings, L.P.          | Midstream crude oil pipeline company                   | Preferred issuance solved capital market needs   |

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|   |  |   |
|---|--|---|
| Energy Transfer Partners, L.P.            | Midstream natural gas/natural gas liquids pipeline MLP | Concerns about access to capital and parent leverage                    |
| Williams Partners L.P.                    | Midstream gathering and processing MLP                 | Concern around Chesapeake counterparty risk                             |
| MPLX LP                                   | Midstream gathering and processing MLP                 | Reduced growth rate   |
| Targa Resources Partners LP               | Midstream gathering and processing MLP                 | Gathering & processing assets have greater exposure to commodity prices |
| EnLink Midstream Partners, LP (unaudited) | Midstream gathering and processing MLP                 | Parent leverage and unhedged parent commodity price risk                |

**Tortoise Capital Advisors**

7

---



## Tortoise

### MLP Fund, Inc. (NTG) (continued)

#### Distributable cash flow and distributions

Distributable cash flow ( DCF ) is distributions received from investments less expenses. The total distributions received from investments include the amount received as cash distributions from MLPs, paid-in-kind distributions, and dividend and interest payments. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Current income taxes include taxes paid on net investment income in addition to foreign taxes, if any. Taxes incurred from realized gains on the sale of investments, expected tax benefits and deferred taxes are not included in DCF.

Distributions received from investments decreased approximately 4.1% as compared to 4th quarter 2015 due primarily to net sales of investments and the impact of portfolio merger activity during the quarter, partially offset by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, decreased 15.8% during the quarter due to lower asset-based fees. Leverage costs declined 0.9% as compared to the 4th quarter 2015 due to the reduction of leverage outstanding.

As a result of the changes in income and expenses, DCF decreased approximately 2.0% as compared to 4th quarter 2015. The fund paid a quarterly distribution of \$0.4225 per share, which was equal to the distribution paid in the prior quarter and 1st quarter 2015. The fund has paid cumulative distributions to stockholders of \$9.1225 per share since its inception in July 2010.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes, and includes distributions related to direct investments when the purchase price is reduced in lieu of receiving cash distributions. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, distributions to preferred stockholders, other recurring leverage expenses, as well as taxes paid on net investment income.

Net Investment Loss, before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to DCF for 1st quarter 2016 (in thousands):

|  | 1st Qtr 2016 |
|--|--------------|
| Net Investment Loss, before Income Taxes         | \$ (6,432)   |
| Adjustments to reconcile to DCF:                 |              |
| Distributions characterized as return of capital | 25,911       |
| Amortization of debt issuance costs              | 121          |
| Premium on redemption of senior notes            | 450          |
| DCF  | \$ 20,050    |

#### Leverage

The fund's leverage utilization declined by \$69.2 million during 1st quarter 2016 and represented 34.4% of total assets at Feb. 29, 2016, above the long-term target level of 25% of total assets. Although the fund's leverage ratio has increased as asset values have declined recently, the fund has maintained compliance with its applicable coverage ratios. During the quarter, the fund used proceeds from the sale of investments to reduce the amounts borrowed under its credit facility, refinanced debt and preferred stock that matured, and redeemed certain tranches of term debt. At quarter-end, approximately 79% of the leverage cost was fixed, the weighted-average maturity was 3.6 years and the weighted-average annual rate on our leverage was 3.59%. These rates will vary in the future as a result of changing floating rates, utilization of the fund's credit facility and as leverage matures or is redeemed.

#### Income taxes

During 1st quarter 2016, the fund's deferred tax liability decreased by \$57 million to \$44 million, primarily as a result of the decline in value of its investment portfolio. The fund had net realized losses of \$22 million during the quarter. As of Nov. 30, 2015, the fund had net operating losses of

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

\$154 million for federal income tax purposes. To the extent that the fund has taxable income in the future that is not offset by net operating losses, it will owe federal and state income taxes. Tax payments can be funded from investment earnings, fund assets, or borrowings.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage, taxes and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions and results, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)

8

**Tortoise Capital Advisors**

---

2016 1st Quarter Report | February 29, 2016

**NTG Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding **Distributable Cash Flow and Selected Financial Information** is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The **Distributable Cash Flow Ratios** include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | 2015              |                   |                   |                   | 2016              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> |
| <b>Total Income from Investments</b>                            |                   |                   |                   |                   |                   |
| Distributions and dividends from investments                    | \$ 29,074         | \$ 28,125         | \$ 28,405         | \$ 28,420         | \$ 27,200         |
| <b>Operating Expenses Before Leverage</b>                       |                   |                   |                   |                   |                   |
| <b>Costs and Current Taxes</b>                                  |                   |                   |                   |                   |                   |
| Advisory fees, net of fees waived                               | 4,679             | 4,739             | 4,280             | 3,581             | 2,800             |
| Other operating expenses  | 356               | 357               | 351               | 341               | 300               |
|   | 5,035             | 5,096             | 4,631             | 3,922             | 3,100             |
| Distributable cash flow before leverage costs and current taxes | 24,039            | 23,029            | 23,774            | 24,498            | 24,000            |
| Leverage costs <sup>(2)</sup>                                   | 4,050             | 4,078             | 4,083             | 4,055             | 4,000             |
| Current income tax expense <sup>(3)</sup>                       |                   |                   |                   |                   |                   |
| <b>Distributable Cash Flow<sup>(4)</sup></b>                    | \$ 19,989         | \$ 18,951         | \$ 19,691         | \$ 20,443         | \$ 20,050         |
| <b>As a percent of average total assets<sup>(5)</sup></b>       |                   |                   |                   |                   |                   |
| Total from investments  | 5.38%             | 5.28%             | 5.88%             | 7.18%             | 8.00%             |
| Operating expenses before leverage costs and current taxes      | 0.93%             | 0.96%             | 0.96%             | 0.99%             | 0.90%             |
| Distributable cash flow before leverage costs and current taxes | 4.45%             | 4.32%             | 4.92%             | 6.19%             | 7.10%             |
| <b>As a percent of average net assets<sup>(5)</sup></b>         |                   |                   |                   |                   |                   |
| Total from investments  | 8.91%             | 8.72%             | 9.88%             | 11.95%            | 14.00%            |
| Operating expenses before leverage costs and current taxes      | 1.54%             | 1.58%             | 1.61%             | 1.65%             | 1.50%             |
| Leverage costs and current taxes                                | 1.24%             | 1.26%             | 1.42%             | 1.71%             | 2.00%             |
| Distributable cash flow   | 6.13%             | 5.88%             | 6.85%             | 8.59%             | 10.50%            |
| <b>Selected Financial Information</b>                           |                   |                   |                   |                   |                   |
| Distributions paid on common stock                              | \$ 19,858         | \$ 19,857         | \$ 19,858         | \$ 19,857         | \$ 19,850         |
| Distributions paid on common stock per share                    | 0.42250           | 0.42250           | 0.42250           | 0.42250           | 0.42250           |
| Distribution coverage percentage for period <sup>(6)</sup>      | 100.7%            | 95.4%             | 99.2%             | 103.0%            | 101.0%            |
| Net realized gain (loss), net of income taxes, for the period   | 20,232            | 25,818            | 24,577            | 3,706             | (13,700)          |
| Total assets, end of period                                     | 2,140,619         | 2,092,962         | 1,779,889         | 1,483,910         | 1,254,000         |
| Average total assets during period <sup>(7)</sup>               | 2,190,648         | 2,112,176         | 1,917,824         | 1,586,800         | 1,345,700         |
| Leverage <sup>(8)</sup>   | 505,900           | 512,700           | 512,900           | 500,800           | 431,600           |
| Leverage as a percent of total assets                           | 23.6%             | 24.5%             | 28.8%             | 33.7%             | 34.0%             |
| Net unrealized appreciation (depreciation), end of period       | 448,351           | 400,459           | 189,257           | 29,106            | (52,000)          |
| Net assets, end of period                                       | 1,310,199         | 1,268,819         | 1,057,341         | 876,409           | 757,000           |
| Average net assets during period <sup>(9)</sup>                 | 1,323,553         | 1,279,060         | 1,140,652         | 953,931           | 757,400           |
| Net asset value per common share                                | 27.88             | 27.00             | 22.50             | 18.65             | 16.00             |
| Market value per common share                                   | 26.16             | 24.26             | 19.85             | 16.18             | 15.00             |
| Shares outstanding (000 s)                                      | 47,000            | 47,000            | 47,000            | 47,000            | 47,000            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders and other recurring leverage expenses.

(3) Includes taxes paid on net investment income and foreign taxes, if any. Taxes related to realized gains are excluded from the calculation of Distributable Cash Flow ( DCF ).

(4) Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the return of capital on distributions, the value of paid-in-kind distributions, the premium on redemption of senior notes and amortization of debt issuance costs; and decreased by current taxes paid on net investment income.

(5) Annualized.

(6) Distributable Cash Flow divided by distributions paid.

(7) Computed by averaging month-end values within each period.

(8) Leverage consists of senior notes, preferred stock and outstanding borrowings under the revolving credit facility.

(9) Computed by averaging daily net assets within each period.

**Tortoise Capital Advisors**

9

---

## Tortoise

### Pipeline & Energy Fund, Inc. (TTP)

#### Fund description

TTP seeks a high level of total return with an emphasis on current distributions paid to stockholders. TTP invests primarily in equity securities of North American pipeline companies that transport natural gas, natural gas liquids (NGLs), crude oil and refined products and, to a lesser extent, in other energy infrastructure companies.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending Feb. 29, 2016 were -26.0% and -24.4%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Pipeline Index<sup>SM</sup> returned -6.2% for the same period. The fund's performance reflects the ongoing challenges facing the broad energy sector, as global markets remained oversupplied and oil prices remained low during the period, affecting companies across the energy value chain. Concern about counterparty risk and tighter capital markets also restrained midstream MLP and pipeline companies.

#### 1st fiscal quarter highlights

|   |          |
|---|----------|
| Distributions paid per share  | \$0.4075 |
| Distribution rate (as of 2/29/2016)                                     | 13.0%    |
| Quarter-over-quarter distribution decrease                              | (9.4)%*  |
| Year-over-year distribution decrease                                    | (9.4)%*  |
| Cumulative distribution to stockholders since inception in October 2011 | \$7.245  |
| Market-based total return   | (26.0)%  |
| NAV-based total return  | (24.4)%  |
| Premium (discount) to NAV (as of 2/29/2016)                             | (13.2)%  |

\* Reflects impact of eliminating the capital gain component of the distribution. The year-over-year change excludes the impact of the special distribution paid on Dec. 31, 2014. See "Distributable cash flow and distributions" on next page for additional information.

**Please refer to the inside front cover of the report for important information about the fund's distribution policy.**

The fund's covered call strategy, which focuses on independent energy companies that are key pipeline transporters, enabled the fund to generate current income. In higher-volatility environments, we typically extend the out-of-the-money covered calls and try to generate the same monthly income. The notional amount of the fund's covered calls averaged approximately 12.0% of total assets, and their out-of-the-money percentage at the time written averaged approximately 11.7% during the fiscal quarter.

#### Key asset performance drivers

|                             |  |  |
|-----------------------------|--|--|
| Spectra Energy Corp         | Midstream natural gas/natural gas liquids pipeline company | Growing Northeast natural gas production supported infrastructure buildout   |
| TransCanada Corporation     | Midstream natural gas/natural gas liquids pipeline company | Steady cash flows from fee-based contracts   |
| Inter Pipeline Ltd.         | Midstream crude oil pipeline company                       | Steady cash flow profile and midstream growth projects   |
| Enbridge Inc.               | Midstream crude oil pipeline company                       | Steady cash flow profile and midstream growth projects   |
| Cabot Oil & Gas Corporation | Upstream oil and gas producer                              | Provided 2016 production and capex forecast demonstrating ability to grow production volumes while spending within cash flow |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|  |  |   |
|--|--|---|
| The Williams Companies, Inc.<br>Enbridge Energy Management, L.L.C. | Midstream gathering and processing company   | Concern regarding pro forma Energy Transfer Equity, L.P. leverage resulting from pending acquisition by Energy Transfer Equity, L.P.; concern around Chesapeake counterparty risk<br>Concerns about access to capital |
| Kinder Morgan, Inc.<br>Plains GP Holdings, L.P.                    | Midstream crude oil pipeline company<br>Midstream natural gas/natural gas liquids pipeline company<br>Midstream crude oil pipeline company | Dividend cut to preserve credit rating<br>Reduced growth outlook  |
| EnLink Midstream, LLC  | Midstream gathering and processing company   | Leverage and unhedged commodity price risk  |

***Unlike the fund return, index return is pre-expenses and taxes.***

***Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

(unaudited)  
10

Tortoise Capital Advisors

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the amount received as cash or paid-in-kind distributions from common stock, master limited partnerships ( MLPs ), affiliates of MLPs, and pipeline and other energy companies in which the fund invests, and dividend payments on short-term investments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments decreased approximately 5.4% as compared to 4th quarter 2015, primarily due to net sales of investments during the quarter offset by higher net premiums on options written and increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, decreased by 26.4% during the quarter due to lower asset-based fees. Leverage costs declined 10.5% as compared to the 4th quarter 2015 due to the reduction of leverage outstanding. As a result of the changes in income and expenses, DCF increased slightly as compared to 4th quarter 2015. In addition, the fund had net realized losses on investments of \$16.9 million during 1st quarter 2016.

The fund paid a quarterly distribution of \$0.4075 per share, which represents the historical baseline distribution supported by DCF. The fund eliminated the capital gain component of the distribution because it does not anticipate the same level of capital gains following recent market declines. The elimination of the capital gain component results in a decrease of \$0.0425 per share, or 9.4% from the distribution paid in the prior quarter and in 1st quarter 2015. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund's distribution policy is described on the inside front cover of this report. The fund has paid cumulative distributions to stockholders of \$7.245 per share since its inception in Oct. 2011.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distributions and dividend income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distributions and dividend income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during the fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses).

Net Investment Income on the Statement of Operations is adjusted as follows to reconcile to DCF for 1st quarter 2016 (in thousands):

|  | 1st Qtr 2016 |
|--|--------------|
| Net Investment Income                            | \$ 634       |
| Adjustments to reconcile to DCF:                 |              |
| Net premiums on options written                  | 1,437        |
| Distributions characterized as return of capital | 1,490        |
| Dividends paid in stock                          | 406          |
| Amortization of debt issuance costs              | 51           |
| Premium on redemption of senior notes            | 100          |
| DCF  | \$ 4,118     |

## Leverage

The fund's leverage utilization declined by \$21.9 million during 1st quarter 2016 and represented 30.4% of total assets at Feb. 29, 2016, above the long-term target level of 25% of total assets. Although the fund's leverage ratio has increased as asset values have declined recently, the fund has maintained compliance with its applicable coverage ratios. During the quarter, the fund used proceeds from the sale of investments to reduce the amounts borrowed under its credit facility as well as to redeem term debt. At quarter-end, approximately 78% of the leverage cost was fixed, the weighted-average maturity was 3.7 years and the weighted-average annual rate on leverage was 3.26%. These rates will vary in the future as a

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

result of changing floating rates, utilization of the fund's credit facility and as leverage matures or is redeemed.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)

**Tortoise Capital Advisors**

11

---



**TTP Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | 2015              |                   |                   |                   | 2016              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> |
| <b>Total Income from Investments</b>  |                   |                   |                   |                   |                   |
| Dividends and distributions from investments, net of foreign taxes withheld                     | \$ 3,828          | \$ 3,862          | \$ 3,978          | \$ 3,998          | \$ 3,529          |
| Dividends paid in stock   | 314               | 318               | 331               | 337               | 406               |
| Net premiums on options written   | 1,396             | 1,242             | 1,212             | 1,346             | 1,437             |
| Total from investments  | 5,538             | 5,422             | 5,521             | 5,681             | 5,372             |
| <b>Operating Expenses Before Leverage Costs</b>   |                   |                   |                   |                   |                   |
| Advisory fees, net of fees waived   | 1,008             | 1,055             | 951               | 786               | 554               |
| Other operating expenses  | 169               | 172               | 167               | 151               | 136               |
|   | 1,177             | 1,227             | 1,118             | 937               | 690               |
| Distributable cash flow before leverage costs   | 4,361             | 4,195             | 4,403             | 4,744             | 4,682             |
| Leverage costs <sup>(2)</sup>   | 620               | 622               | 746               | 630               | 564               |
| <b>Distributable Cash Flow<sup>(3)</sup></b>  | \$ 3,741          | \$ 3,573          | \$ 3,657          | \$ 4,114          | \$ 4,118          |
| <b>Net realized gain (loss) on investments and foreign currency translation, for the period</b> | \$ 6,287          | \$ 1,729          | \$ 3,718          | \$ 1,669          | \$ (16,941)       |
| <b>As a percent of average total assets<sup>(4)</sup></b>                                       |                   |                   |                   |                   |                   |
| Total from investments  | 5.29%             | 5.11%             | 5.73%             | 7.30%             | 9.07%             |
| Operating expenses before leverage costs  | 1.12%             | 1.16%             | 1.16%             | 1.20%             | 1.16%             |
| Distributable cash flow before leverage costs   | 4.17%             | 3.95%             | 4.57%             | 6.10%             | 7.91%             |
| <b>As a percent of average net assets<sup>(4)</sup></b>   |                   |                   |                   |                   |                   |
| Total from investments  | 6.85%             | 6.51%             | 7.62%             | 10.15%            | 14.71%            |
| Operating expenses before leverage costs  | 1.46%             | 1.47%             | 1.54%             | 1.67%             | 1.89%             |
| Leverage costs  | 0.77%             | 0.75%             | 1.03%             | 1.13%             | 1.54%             |
| Distributable cash flow   | 4.62%             | 4.29%             | 5.05%             | 7.35%             | 11.28%            |
| <b>Selected Financial Information</b>   |                   |                   |                   |                   |                   |
| Distributions paid on common stock <sup>(5)</sup>   | \$ 6,010          | \$ 4,507          | \$ 4,507          | \$ 4,508          | \$ 4,082          |
| Distributions paid on common stock per share <sup>(5)</sup>                                     | 0.6000            | 0.4500            | 0.4500            | 0.4500            | 0.4075            |
| Total assets, end of period   | 419,182           | 417,589           | 345,569           | 286,039           | 213,999           |
| Average total assets during period <sup>(6)</sup>   | 424,669           | 420,576           | 382,558           | 312,142           | 238,257           |
| Leverage <sup>(7)</sup>   | 90,800            | 89,900            | 91,500            | 86,900            | 65,000            |
| Leverage as a percent of total assets   | 21.7%             | 21.5%             | 26.5%             | 30.4%             | 30.4%             |
| Net unrealized appreciation (depreciation), end of period                                       | 83,027            | 82,054            | 10,975            | (41,680)          | (75,017)          |
| Net assets, end of period   | 326,152           | 322,215           | 252,182           | 197,443           | 144,960           |
| Average net assets during period <sup>(8)</sup>   | 327,723           | 330,279           | 287,394           | 224,525           | 146,835           |
| Net asset value per common share  | 32.56             | 32.17             | 25.18             | 19.71             | 14.47             |
| Market value per common share   | 29.28             | 27.72             | 21.55             | 17.47             | 12.56             |
| Shares outstanding (000 s)  | 10,016            | 10,016            | 10,016            | 10,016            | 10,016            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders and other recurring leverage expenses.

(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by net premiums on options written, the return of capital on distributions, the value of paid-in-kind distributions, the premium on redemption of senior notes and amortization of debt issuance costs.

(4) Annualized.

(5) Q1 2015 includes a \$0.15 per share distribution paid to meet the required distribution amount for 2014, in addition to the regular quarterly distribution of \$0.45 per share.

(6) Computed by averaging month-end values within each period.

(7) Leverage consists of senior notes, preferred stock and outstanding borrowings under the revolving credit facility.

(8) Computed by averaging daily net assets within each period.

12

**Tortoise Capital Advisors**

---

2016 1st Quarter Report | February 29, 2016

## Tortoise

### Energy Independence Fund, Inc. (NDP)

#### Fund description

NDP seeks a high level of total return with an emphasis on current distributions paid to stockholders. NDP invests primarily in equity securities of upstream North American energy companies that engage in the exploration and production of crude oil, condensate, natural gas and natural gas liquids that generally have a significant presence in North American oil and gas fields, including shale reservoirs.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending Feb. 29, 2016 were -22.9% and -23.9%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Oil and Gas Producers Index<sup>SM</sup> returned -24.5% for the same period. The fund's performance reflects the challenges affecting upstream oil and gas producers, whose performance typically moves in tandem with commodity prices. Although domestic production has declined in recent months, global markets remained oversupplied, which kept prices low during the period. Natural gas producers outperformed liquids producers, particularly those producers in the Marcellus basin which added the most to performance.

#### 1st fiscal quarter highlights

|  |          |
|--|----------|
| Distributions paid per share   | \$0.4375 |
| Distribution rate (as of 2/29/2016)                                  | 17.9%    |
| Quarter-over-quarter distribution increase                           | 0.0%     |
| Year-over-year distribution increase                                 | 0.0%     |
| Cumulative distribution to stockholders since inception in July 2012 | \$6.1250 |
| Market-based total return  | (22.9)%  |
| NAV-based total return   | (23.9)%  |
| Premium (discount) to NAV (as of 2/29/2016)                          | (14.0)%  |

The fund utilizes a covered call strategy, which seeks to generate income while reducing overall volatility. The premium income generated from this strategy helped to lower NAV volatility during the quarter. The notional amount of the fund's covered calls averaged approximately 69% of total assets and their out-of-the-money percentage at the time written averaged approximately 16% during the fiscal quarter.

**Unlike the fund return, index return is pre-expenses and taxes.**

**Performance data quoted represent past performance: past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.**

#### Key asset performance drivers

|                                   |  |  |
|-----------------------------------|--|--|
| Targa Resources Corp.             | Midstream gathering and processing company | Bounce back after weak 2015 performance; completed rollup transaction and preferred issuance solved capital market needs |
| Magellan Midstream Partners, L.P. | Midstream refined product pipeline MLP     | Strong refined product demand resulted in higher volumes   |
| Cabot Oil & Gas Corporation       | Upstream oil and gas producer              | Provided 2016 production and capex forecast demonstrating ability to grow production volumes while spending              |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|   |  |   |
|---|--|---|
| Antero Resources Corporation  | Upstream natural gas producer          | within cash flow<br>Announced better than expected production volumes for 2015 as well as higher than expected realized prices due to lower basis differentials<br>Visibility to strong growth from dropdown asset suite of sponsor |
| Phillips 66 Partners LP   | Midstream refined product pipeline MLP |   |
| Devon Energy Corporation  | Upstream natural gas producer          | Weak commodity prices, wide Canadian oil differentials and limited hedges   |
| Anadarko Petroleum Corporation  | Upstream oil and natural gas producer  | Placed on review for downgrade by Moody's due to weak commodity prices and limited hedges resulting in higher potential 2016 leverage levels  |
| EOG Resources, Inc.   | Upstream liquids producer              | Placed on review for downgrade by Moody's due to weak commodity prices and limited hedges resulting in higher potential 2016 leverage levels  |
| Pioneer Natural Resources Company<br>Enbridge Energy Management, L.L.C. | Upstream liquids producer              | Falling oil prices as well as reduced capital expenditures that resulted in lower production growth guidance<br>Concerns about access to capital  |
|   | Midstream crude oil pipeline company   |   |

(unaudited)

**Tortoise Capital Advisors**

13

## Tortoise

### Energy Independence Fund, Inc. (NDP) (continued)

#### Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the amount received as cash or paid-in-kind distributions from investments and dividend payments on short-term investments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments decreased approximately 5.2% as compared to 4th quarter 2015, primarily due to lower net premiums on options written. Operating expenses, consisting primarily of fund advisory fees, decreased 17.7% during the quarter due to lower asset-based fees. Total leverage costs increased approximately 19.9% during the quarter due to higher interest rates. As a result of the changes in income and expenses, DCF decreased by approximately 4.1% as compared to 4th quarter 2015. In addition, the fund had net realized losses on investments of \$7.9 million during 1st quarter 2016.

The fund maintained its quarterly distribution of \$0.4375 per share during 1st quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund has paid cumulative distributions to stockholders of \$6.125 per share since its inception in July 2012.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distributions and dividend income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distributions and dividend income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses).

Net Investment Loss on the Statement of Operations is adjusted as follows to reconcile to DCF for 1st quarter 2016 (in thousands):

|  | <b>1st Qtr 2016</b> |       |
|--|---------------------|-------|
| Net Investment Loss                              | \$                  | (246) |
| Adjustments to reconcile to DCF:                 |                     |       |
| Net premiums on options written                  |                     | 5,531 |
| Distributions characterized as return of capital |                     | 1,039 |
| Dividends paid in stock                          |                     | 268   |
| DCF  | \$                  | 6,592 |

#### Leverage

The fund's leverage utilization was unchanged as compared to Nov. 30, 2015. The fund utilizes all floating rate leverage that had an interest rate of 1.24% at Feb. 29, 2016. Leverage represented 27.0% of total assets at quarter-end, above the long-term target level of 15% of total assets. Although the fund's leverage ratio has increased as asset values have declined recently, the fund has maintained compliance with its applicable coverage ratios. The interest rate on the fund's leverage will vary in the future along with changing floating rates.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)



2016 1st Quarter Report | February 29, 2016

**NDP Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding **Distributable Cash Flow** and **Selected Financial Information** is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The **Distributable Cash Flow Ratios** include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|  | 2015              |                   |                   |                   | 2016              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> |
| <b>Total Income from Investments</b>   |                   |                   |                   |                   |                   |
| Distributions and dividends from investments, net of foreign taxes withheld              | \$ 1,882          | \$ 1,846          | \$ 1,832          | \$ 1,824          | \$ 1,694          |
| Dividends paid in stock  | 256               | 259               | 269               | 275               | 268               |
| Net premiums on options written  | 5,219             | 5,354             | 5,112             | 5,802             | 5,531             |
| Total from investments   | 7,357             | 7,459             | 7,213             | 7,901             | 7,493             |
| <b>Operating Expenses Before Leverage Costs</b>  |                   |                   |                   |                   |                   |
| Advisory fees, net of fees waived  | 916               | 969               | 842               | 734               | 586               |
| Other operating expenses   | 160               | 160               | 154               | 141               | 134               |
|  | 1,076             | 1,129             | 996               | 875               | 720               |
| Distributable cash flow before leverage costs  | 6,281             | 6,330             | 6,217             | 7,026             | 6,773             |
| Leverage costs <sup>(2)</sup>  | 141               | 148               | 150               | 151               | 181               |
| <b>Distributable Cash Flow<sup>(3)</sup></b>   | \$ 6,140          | \$ 6,182          | \$ 6,067          | \$ 6,875          | \$ 6,592          |
| <b>Net realized loss on investments and foreign currency translation, for the period</b> | \$ (10,099)       | \$ (4,028)        | \$ (10,630)       | \$ (6,369)        | \$ (7,899)        |
| <b>As a percent of average total assets<sup>(4)</sup></b>                                |                   |                   |                   |                   |                   |
| Total from investments   | 7.78%             | 7.64%             | 8.41%             | 10.83%            | 11.88%            |
| Operating expenses before leverage costs   | 1.14%             | 1.16%             | 1.16%             | 1.20%             | 1.14%             |
| Distributable cash flow before leverage costs  | 6.64%             | 6.48%             | 7.25%             | 9.63%             | 10.74%            |
| <b>As a percent of average net assets<sup>(4)</sup></b>                                  |                   |                   |                   |                   |                   |
| Total from investments   | 9.32%             | 9.10%             | 10.41%            | 13.50%            | 17.11%            |
| Operating expenses before leverage costs   | 1.36%             | 1.38%             | 1.44%             | 1.50%             | 1.64%             |
| Leverage costs   | 0.18%             | 0.18%             | 0.22%             | 0.26%             | 0.41%             |
| Distributable cash flow  | 7.78%             | 7.54%             | 8.75%             | 11.74%            | 15.06%            |
| <b>Selected Financial Information</b>  |                   |                   |                   |                   |                   |
| Distributions paid on common stock   | \$ 6,351          | \$ 6,351          | \$ 6,350          | \$ 6,351          | \$ 6,351          |
| Distributions paid on common stock per share   | 0.4375            | 0.4375            | 0.4375            | 0.4375            | 0.4375            |
| Total assets, end of period  | 383,729           | 376,856           | 307,266           | 289,330           | 228,663           |
| Average total assets during period <sup>(5)</sup>  | 383,526           | 387,144           | 340,194           | 292,664           | 253,624           |
| Leverage <sup>(6)</sup>  | 61,200            | 61,400            | 61,900            | 61,800            | 61,800            |
| Leverage as a percent of total assets  | 15.9%             | 16.3%             | 20.1%             | 21.4%             | 27.0%             |
| Net unrealized depreciation, end of period   | (8,127)           | (1,556)           | (61,343)          | (66,495)          | (117,834)         |
| Net assets, end of period  | 321,029           | 313,685           | 241,721           | 225,410           | 164,735           |
| Average net assets during period <sup>(7)</sup>  | 319,994           | 325,287           | 274,832           | 234,669           | 176,104           |
| Net asset value per common share   | 22.12             | 21.61             | 16.65             | 15.53             | 11.35             |
| Market value per common share  | 21.25             | 19.47             | 14.64             | 13.18             | 9.76              |
| Shares outstanding (000 s)   | 14,516            | 14,516            | 14,516            | 14,516            | 14,516            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense and other recurring leverage expenses.

(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by net premiums on options written, the return of capital on distributions and the value of paid-in-kind distributions.

(4) Annualized.

(5) Computed by averaging month-end values within each period.

- (6) Leverage consists of outstanding borrowings under the revolving credit facility.
- (7) Computed by averaging daily net assets within each period.

**Tortoise Capital Advisors**

15

---



## Tortoise

Power and Energy Infrastructure Fund, Inc. (TPZ)

### Fund description

TPZ seeks to provide a high level of current income to stockholders, with a secondary objective of capital appreciation. TPZ invests primarily in fixed income and dividend-paying equity securities of power and energy infrastructure companies that provide stable and defensive characteristics throughout economic cycles.

### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending Feb. 29, 2016 were -16.0% and -16.2%, respectively (including the reinvestment of distributions). Comparatively, the TPZ Benchmark Composite\* returned -6.9% for the same period. The fund's performance reflects the ongoing challenges facing the energy sector, as global markets remained oversupplied and oil prices remained low during the period. Tighter capital markets also restrained power and energy infrastructure companies, an area of focus for the fund, as they have found it more difficult to secure equity to finance growth projects. Fixed income securities outperformed energy equities during the fiscal quarter, as represented by the Barclays U.S. Aggregate Bond Index's 1.8% return for the quarter. The fund's strategic holdings in fixed income securities helped mitigate the negative performance of some of its equity holdings.

#### 1st fiscal quarter highlights

|  |            |
|--|------------|
| Monthly distributions paid per share                                 | \$0.1375   |
| Distribution rate (as of 2/29/2016)                                  | 10.9%      |
| Quarter-over-quarter distribution increase                           | 0.0%       |
| Year-over-year distribution increase                                 | 10.0%**    |
| Cumulative distribution to stockholders since inception in July 2009 | \$ 11.1500 |
| Market-based total return  | (16.0)%    |
| NAV-based total return   | (16.2)%    |
| Premium (discount) to NAV (as of 2/29/2016)                          | (12.5)%    |

\* The TPZ Benchmark Composite includes the BofA Merrill Lynch U.S. Energy Index (CIEN), the BofA Merrill Lynch U.S. Electricity Index (CUEL) and the Tortoise MLP Index® (TMLP). It is comprised of a blend of 70% fixed income and 30% equity securities issued by companies in the power and energy infrastructure sectors.

\*\* The year-over-year distribution increase excludes the special distribution paid on December 31, 2014.

*Please refer to the inside front cover of the report for important information about the fund's distribution policy.*

### Key asset performance drivers

| Top five performers                        | Company type   | Performance driver  |
|--|--|---|
| Spectra Energy Corp                        | Midstream natural gas/natural gas liquids pipeline company | Growing Northeast natural gas production supported infrastructure buildout  |
| Kinder Morgan, Inc. (preferred)            | Midstream natural gas/natural gas liquids pipeline company | Low volatility due to seniority of coupon payment   |
| Magellan Midstream Partners, L.P.          | Midstream refined product pipeline MLP                     | Strong refined product demand resulted in higher volumes  |
| Integrus Energy Group, Inc. (fixed income) | Downstream power/utility company                           | Stability of underlying business and a fixed income holding   |
| CMS Energy Corp. (fixed income)            | Downstream power/utility company                           | Stability of underlying business and a fixed income holding   |
| Bottom five performers                     | Company type   | Performance driver  |
| The Williams Companies, Inc.               | Midstream gathering and processing company                 | Concern regarding pro forma Energy Transfer Equity, L.P. leverage resulting from pending acquisition by Energy Transfer Equity, L.P.; concern around Chesapeake counterparty risk |

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|  |  |  |
|--|--|--|
| Enbridge Energy Management, L.L.C.               | Midstream crude oil pipeline company                       | Concerns about access to capital                     |
| Energy Transfer Partners, L.P.                   | Midstream natural gas/natural gas liquids pipeline MLP     | Concerns about access to capital and parent leverage |
| Kinder Morgan, Inc. (common)                     | Midstream natural gas/natural gas liquids pipeline company | Dividend cut to preserve credit rating               |
| Midcontinent Express Pipeline LLC (fixed income) | Midstream natural gas/natural gas liquids pipeline company | Concern around Chesapeake recontracting risk         |

***Unlike the fund return, index return is pre-expenses and taxes.***

***Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

(unaudited)

16

Tortoise Capital Advisors

---

2016 1st Quarter Report | February 29, 2016

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the accrued interest from corporate bonds, cash distributions and paid-in-kind distributions from master limited partnerships ( MLPs ) and other equity investments and dividends earned from short-term investments. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments increased 0.6% as compared to 4th quarter 2015 due primarily to the impact of reallocating a portion of the portfolio from bonds to equities during the quarter. Operating expenses, consisting primarily of fund advisory fees, decreased 19.3% during the quarter due to lower asset-based fees. Total leverage costs increased approximately 6.5% during the quarter due to higher interest rates. As a result of the changes in income and expenses, DCF increased approximately 5.2% as compared to 4th quarter 2015. In addition, the fund had net realized losses on investments of \$4.8 million during 1st quarter 2016.

The fund paid monthly distributions of \$0.1375 per share during 1st quarter 2016, equal to the monthly distributions paid in the prior quarter and an increase of 10.0% over the monthly distributions paid in 1st quarter 2015. The fund's Board of Directors has declared monthly distributions of \$0.125 per share to be paid during 2nd quarter 2016 which represents the historical distributions supported by DCF. The elimination of the capital gain component of \$0.0125 per share will result in a decrease of 9.1% from the distributions paid in 1st quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund's distribution policy is described on the inside front cover of this report. The fund has paid cumulative distributions to stockholders of \$11.15 per share since its inception in July 2009.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) amortization of premium or discount for all securities is calculated using the yield to worst methodology for GAAP purposes while yield to call is used in calculating amortization for long-dated hybrid securities in the DCF calculation. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense and realized and unrealized gains (losses) on interest rate swap settlements as leverage costs.

Net Investment Income on the Statement of Operations is adjusted as follows to reconcile to DCF for 1st quarter 2016 (in thousands):

|  | 1st Qtr 2016 |
|--|--------------|
| Net Investment Income                            | \$ 1,571     |
| Adjustments to reconcile to DCF:                 |              |
| Dividends paid in stock                          | 241          |
| Distributions characterized as return of capital | 956          |
| Interest rate swap expenses                      | (81)         |
| Change in amortization methodology               | 29           |
| DCF  | \$2,716      |

## Leverage

The fund's leverage utilization was relatively unchanged as compared to Nov. 30, 2015 and represented 29.0% of total assets at Feb. 29, 2016, above the long-term target level of 20% of total assets. Although the fund's leverage ratio has increased as asset values have declined recently, the fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 47%

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

of the leverage cost was fixed, the weighted-average maturity was 1.6 years and the weighted-average annual rate on leverage was 1.80%. These rates will vary in the future as a result of changing floating rates and as swaps mature or are redeemed.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)

**Tortoise Capital Advisors**

17

---

**TPZ Key Financial Data** (supplemental unaudited information)

(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | 2015              |                   |                   |                   | 2016              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> |
| <b>Total Income from Investments</b>  |                   |                   |                   |                   |                   |
| Interest earned on corporate bonds  | \$ 1,987          | \$ 1,966          | \$ 1,900          | \$ 1,793          | \$ 1,672          |
| Distributions and dividends from investments, net of foreign taxes withheld                     | 1,121             | 1,156             | 1,138             | 1,431             | 1,568             |
| Dividends paid in stock   | 279               | 223               | 232               | 236               | 241               |
| Total from investments  | 3,387             | 3,345             | 3,270             | 3,460             | 3,481             |
| <b>Operating Expenses Before Leverage Costs</b>   |                   |                   |                   |                   |                   |
| Advisory fees, net of fees waived   | 571               | 604               | 566               | 497               | 409               |
| Other operating expenses  | 140               | 141               | 138               | 165               | 125               |
|   | 711               | 745               | 704               | 662               | 534               |
| Distributable cash flow before leverage costs   | 2,676             | 2,600             | 2,566             | 2,798             | 2,947             |
| Leverage costs <sup>(2)</sup>   | 205               | 217               | 219               | 217               | 231               |
| <b>Distributable Cash Flow<sup>(3)</sup></b>  | \$ 2,471          | \$ 2,383          | \$ 2,347          | \$ 2,581          | \$ 2,716          |
| <b>Net realized gain (loss) on investments and foreign currency translation, for the period</b> | \$ 6,890          | \$ 4,470          | \$ (1,634)        | \$ (3,954)        | \$ (4,797)        |
| <b>As a percent of average total assets<sup>(4)</sup></b>                                       |                   |                   |                   |                   |                   |
| Total from investments  | 5.42%             | 5.23%             | 5.43%             | 6.62%             | 7.70%             |
| Operating expenses before leverage costs  | 1.14%             | 1.16%             | 1.17%             | 1.27%             | 1.18%             |
| Distributable cash flow before leverage costs   | 4.28%             | 4.07%             | 4.26%             | 5.35%             | 6.52%             |
| <b>As a percent of average net assets<sup>(4)</sup></b>   |                   |                   |                   |                   |                   |
| Total from investments  | 6.78%             | 6.54%             | 6.95%             | 8.72%             | 11.32%            |
| Operating expenses before leverage costs  | 1.42%             | 1.46%             | 1.50%             | 1.67%             | 1.74%             |
| Leverage costs  | 0.41%             | 0.42%             | 0.47%             | 0.55%             | 0.75%             |
| Distributable cash flow   | 4.95%             | 4.66%             | 4.98%             | 6.50%             | 8.83%             |
| <b>Selected Financial Information</b>   |                   |                   |                   |                   |                   |
| Distributions paid on common stock <sup>(5)</sup>   | \$ 11,296         | \$ 2,867          | \$ 2,867          | \$ 2,868          | \$ 2,867          |
| Distributions paid on common stock per share <sup>(5)</sup>                                     | 1.6250            | 0.4125            | 0.4125            | 0.4125            | 0.4125            |
| Total assets, end of period   | 253,071           | 254,507           | 226,510           | 198,282           | 171,284           |
| Average total assets during period <sup>(6)</sup>   | 253,464           | 253,728           | 239,062           | 209,734           | 181,912           |
| Leverage <sup>(7)</sup>   | 49,600            | 50,400            | 54,500            | 49,900            | 49,600            |
| Leverage as a percent of total assets   | 19.6%             | 19.8%             | 24.1%             | 25.2%             | 29.0%             |
| Net unrealized appreciation (depreciation), end of period                                       | 63,150            | 60,294            | 31,449            | 13,478            | (7,382)           |
| Net assets, end of period   | 202,647           | 203,208           | 171,137           | 147,563           | 120,519           |
| Average net assets during period <sup>(8)</sup>   | 202,470           | 202,765           | 186,685           | 159,097           | 123,733           |
| Net asset value per common share  | 29.15             | 29.23             | 24.62             | 21.23             | 17.34             |
| Market value per common share   | 26.40             | 26.80             | 21.37             | 18.53             | 15.17             |
| Shares outstanding (000 s)  | 6,951             | 6,951             | 6,951             | 6,951             | 6,951             |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, interest rate swap expenses and other recurring leverage expenses.

(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by the return of capital on distributions, the value of paid-in-kind distributions and the change in methodology for calculating amortization of premiums or discounts; and decreased by realized and unrealized gains (losses) on interest rate swap settlements.

(4) Annualized.

(5) Q1 2015 includes a \$1.25 per share distribution paid to meet the required distribution amount for 2014, in addition to regular monthly distributions that totaled \$0.375 per share.

(6) Computed by averaging month-end values within each period.

(7) Leverage consists of outstanding borrowings under the revolving credit facility.  
(8) Computed by averaging daily net assets within each period.

2016 1st Quarter Report | February 29, 2016

**TYG Schedule of Investments** (unaudited)

February 29, 2016

|   | Shares    | Fair Value    |
|---|-----------|---------------|
| <b>Master Limited Partnerships 180.4%</b>                   |           |               |
| <b>Crude Oil Pipelines 48.0%</b>                            |           |               |
| <b>United States 48.0%</b>                                  |           |               |
| Enbridge Energy Partners, L.P.                              | 2,239,495 | \$ 37,130,827 |
| Genesis Energy L.P.   | 1,413,966 | 36,211,669    |
| NuStar Energy L.P.  | 1,183     | 41,441        |
| Plains All American Pipeline, L.P.                          | 8,276,984 | 177,292,997   |
| Shell Midstream Partners, L.P.                              | 1,597,369 | 56,786,468    |
| Sunoco Logistics Partners L.P.                              | 6,880,914 | 169,545,721   |
| Tesoro Logistics LP   | 2,093,642 | 87,346,744    |
|   |           | 564,355,867   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 63.7%</b>      |           |               |
| <b>United States 63.7%</b>                                  |           |               |
| Columbia Pipeline Partners LP                               | 1,938,839 | 34,298,062    |
| Dominion Midstream Partners, LP                             | 896,190   | 27,226,252    |
| Energy Transfer Partners, L.P.                              | 4,331,956 | 115,533,267   |
| Enterprise Products Partners L.P.                           | 6,790,897 | 158,703,263   |
| EQT Midstream Partners, LP                                  | 1,670,707 | 119,672,742   |
| ONEOK Partners, L.P.  | 4,976,044 | 146,245,933   |
| Spectra Energy Partners, LP                                 | 3,196,758 | 148,041,863   |
|   |           | 749,721,382   |
| <b>Natural Gas Gathering/Processing 27.7%</b>               |           |               |
| <b>United States 27.7%</b>                                  |           |               |
| Antero Midstream Partners LP                                | 2,446,279 | 54,356,319    |
| DCP Midstream Partners, LP                                  | 1,348,960 | 26,183,314    |
| EnLink Midstream Partners, LP                               | 3,368,931 | 30,926,787    |
| MPLX LP   | 3,367,864 | 87,362,392    |
| Rice Midstream Partners LP                                  | 820,024   | 10,865,318    |
| Western Gas Partners, LP                                    | 2,976,185 | 116,696,214   |
|   |           | 326,390,344   |
| <b>Refined Product Pipelines 41.0%</b>                      |           |               |
| <b>United States 41.0%</b>                                  |           |               |
| Buckeye Partners, L.P.                                      | 2,687,878 | 172,991,828   |
| Holly Energy Partners, L.P.                                 | 115,549   | 3,394,830     |
| Magellan Midstream Partners, L.P. <sup>(2)</sup>            | 3,184,415 | 215,202,766   |
| Phillips 66 Partners LP                                     | 826,605   | 49,819,483    |
| Valero Energy Partners LP                                   | 888,135   | 41,369,328    |
|   |           | 482,778,235   |
| Total Master Limited Partnerships<br>(Cost \$2,031,066,049) |           | 2,123,245,828 |
| <b>Common Stock 5.8%</b>                                    |           |               |
| <b>Crude Oil Pipelines 1.1%</b>                             |           |               |
| <b>United States 1.1%</b>                                   |           |               |
| Plains GP Holdings, L.P.                                    | 1,712,676 | 13,016,338    |
| <b>Natural Gas Gathering/Processing 4.7%</b>                |           |               |
| <b>United States 4.7%</b>                                   |           |               |
| Targa Resources Corp.                                       | 2,042,105 | 54,891,782    |
| Total Common Stock<br>(Cost \$50,143,603)                   |           | 67,908,120    |
| <b>Preferred Stock 1.0%</b>                                 |           |               |
| <b>Oil and Gas Production 1.0%</b>                          |           |               |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|   |         |                  |
|---|---------|------------------|
| <b>United States 1.0%</b>   |         |                  |
| Anadarko Petroleum Corporation, 7.500%,<br>06/07/2018 (Cost \$18,646,772) | 392,800 | 11,756,504       |
| <b>Short-Term Investment 0.0%</b>   |         |                  |
| <b>United States Investment Company 0.0%</b>                              |         |                  |
| Fidelity Institutional Money Market Portfolio                             |         |                  |
| Class I, 0.35% <sup>(3)</sup> (Cost \$138,001)                            | 138,001 | 138,001          |
| <b>Total Investments 187.2%</b>   |         |                  |
| <b>(Cost \$2,099,994,425)</b>   |         | 2,203,048,453    |
| <b>Interest Rate Swap Contracts (0.1)%</b>                                |         |                  |
| \$20,000,000 notional unrealized depreciation <sup>(4)</sup>              |         | (823,153)        |
| <b>Other Assets and Liabilities (1.3)%</b>                                |         | (15,700,371)     |
| <b>Deferred Tax Liability (27.2)%</b>                                     |         | (319,928,229)    |
| <b>Credit Facility Borrowings (5.9)%</b>                                  |         | (69,700,000)     |
| <b>Senior Notes (38.7)%</b>   |         | (455,000,000)    |
| <b>Mandatory Redeemable Preferred Stock</b>                               |         |                  |
| at Liquidation Value (14.0)%  |         | (165,000,000)    |
| <b>Total Net Assets Applicable to</b>                                     |         |                  |
| <b>Common Stockholders 100.0%</b>   |         | \$ 1,176,896,700 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of \$823,153.

(3) Rate indicated is the current yield as of February 29, 2016.

(4) See Note 11 to the financial statements for further disclosure.

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

19



**NTG Schedule of Investments** (unaudited)

February 29, 2016

|  | Shares    | Fair Value    |
|--|-----------|---------------|
| <b>Master Limited Partnerships 156.8%</b>                                |           |               |
| <b>Crude Oil Pipelines 30.8%</b>   |           |               |
| <b>United States 30.8%</b>   |           |               |
| Enbridge Energy Partners, L.P.   | 1,411,648 | \$ 23,405,124 |
| Genesis Energy L.P.  | 472,589   | 12,103,005    |
| Plains All American Pipeline, L.P.                                       | 3,369,186 | 72,167,964    |
| Shell Midstream Partners, L.P.   | 840,435   | 29,877,464    |
| Sunoco Logistics Partners L.P.   | 2,671,434 | 65,824,134    |
| Tesoro Logistics LP  | 703,951   | 29,368,836    |
|  |           | 232,746,527   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 73.0%</b>                   |           |               |
| <b>United States 73.0%</b>   |           |               |
| Columbia Pipeline Partners LP  | 1,346,148 | 23,813,358    |
| Dominion Midstream Partners, LP  | 548,376   | 16,659,663    |
| Energy Transfer Partners, L.P.   | 3,818,789 | 101,847,103   |
| Enterprise Products Partners L.P.  | 4,835,006 | 112,994,090   |
| EQT Midstream Partners, LP   | 1,180,550 | 84,562,796    |
| ONEOK Partners, L.P.   | 3,239,666 | 95,213,784    |
| Spectra Energy Partners, LP  | 2,534,199 | 117,358,756   |
|  |           | 552,449,550   |
| <b>Natural Gas Gathering/Processing 28.7%</b>                            |           |               |
| <b>United States 28.7%</b>   |           |               |
| Antero Midstream Partners LP   | 1,284,380 | 28,538,924    |
| DCP Midstream Partners, LP   | 1,872,056 | 36,336,607    |
| EnLink Midstream Partners, LP  | 3,067,916 | 28,163,469    |
| MPLX LP  | 1,864,986 | 48,377,737    |
| Rice Midstream Partners LP   | 513,608   | 6,805,306     |
| Western Gas Partners, LP   | 1,763,769 | 69,157,382    |
|  |           | 217,379,425   |
| <b>Refined Product Pipelines 24.3%</b>                                   |           |               |
| <b>United States 24.3%</b>   |           |               |
| Buckeye Partners, L.P.   | 1,166,926 | 75,103,357    |
| Holly Energy Partners, L.P.  | 107,115   | 3,147,038     |
| Magellan Midstream Partners, L.P.  | 993,508   | 67,141,271    |
| Phillips 66 Partners LP  | 353,692   | 21,317,017    |
| Valero Energy Partners LP  | 372,887   | 17,369,076    |
|  |           | 184,077,759   |
| Total Master Limited Partnerships<br>(Cost \$1,279,732,590)              |           | 1,186,653,261 |
| <b>Common Stock 5.6%</b>   |           |               |
| <b>Crude Oil Pipelines 2.1%</b>  |           |               |
| <b>United States 2.1%</b>  |           |               |
| Plains GP Holdings, L.P.   | 2,085,520 | 15,849,952    |
| <b>Natural Gas Gathering/Processing 3.5%</b>                             |           |               |
| <b>United States 3.5%</b>  |           |               |
| Targa Resources Corp.  | 994,796   | 26,740,116    |
| Total Common Stock<br>(Cost \$30,382,457)                                |           | 42,590,068    |
| <b>Preferred Stock 0.8%</b>  |           |               |
| <b>Oil and Gas Production 0.8%</b>                                       |           |               |
| <b>United States 0.8%</b>  |           |               |
| Anadarko Petroleum Corporation, 7.500%,<br>06/07/2018 (Cost \$9,470,367) | 199,500   | 5,971,035     |

|  |                               |         |                |
|--|-------------------------------|---------|----------------|
| <b>Short-Term Investment</b>                   | <b>0.0%</b> <sup>(1)</sup>    |         |                |
| <b>United States Investment Company</b>        | <b>0.0%</b> <sup>(1)</sup>    |         |                |
| Fidelity Institutional Money Market Portfolio  |                               |         |                |
| Class I, 0.35% <sup>(2)</sup> (Cost \$104,590) |                               | 104,590 | 104,590        |
| <b>Total Investments</b>                       | <b>163.2%</b> <sup>(1)</sup>  |         | 1,235,318,954  |
| <b>(Cost \$1,319,690,004)</b>                  |                               |         |                |
| <b>Other Assets and Liabilities</b>            | <b>(0.4)%</b> <sup>(1)</sup>  |         | (3,003,314)    |
| <b>Deferred Tax Liability</b>                  | <b>(5.8)%</b> <sup>(1)</sup>  |         | (43,661,119)   |
| <b>Credit Facility Borrowings</b>              | <b>(5.0)%</b> <sup>(1)</sup>  |         | (37,600,000)   |
| <b>Senior Notes</b>                            | <b>(37.5)%</b> <sup>(1)</sup> |         | (284,000,000)  |
| <b>Mandatory Redeemable Preferred Stock</b>    |                               |         |                |
| <b>at Liquidation Value</b>                    | <b>(14.5)%</b> <sup>(1)</sup> |         | (110,000,000)  |
| <b>Total Net Assets Applicable to</b>          |                               |         |                |
| <b>Common Stockholders</b>                     | <b>100.0%</b> <sup>(1)</sup>  |         | \$ 757,054,521 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) Rate indicated is the current yield as of February 29, 2016.

See accompanying Notes to Financial Statements.

2016 1st Quarter Report | February 29, 2016

**TTP Schedule of Investments** (unaudited)

February 29, 2016

|   | Shares    | Fair Value    |
|---|-----------|---------------|
| <b>Common Stock 100.6%</b> <sup>(1)</sup>                             |           |               |
| <b>Crude Oil Pipelines 23.7%</b> <sup>(1)</sup>                       |           |               |
| <b>Canada 14.7%</b> <sup>(1)</sup>                                    |           |               |
| Enbridge Inc.   | 365,266   | \$ 12,901,195 |
| Inter Pipeline Ltd.   | 415,182   | 7,616,273     |
| Pembina Pipeline Corporation  | 30,265    | 754,500       |
| <b>United States 9.0%</b> <sup>(1)</sup>                              |           |               |
| Plains GP Holdings, L.P.  | 1,579,121 | 12,001,320    |
| SemGroup Corporation  | 53,694    | 1,020,186     |
|   |           | 34,293,474    |
| <b>Natural Gas Gathering/Processing 14.9%</b> <sup>(1)</sup>          |           |               |
| <b>United States 14.9%</b> <sup>(1)</sup>                             |           |               |
| EnLink Midstream, LLC   | 366,747   | 3,069,672     |
| Targa Resources Corp.   | 339,285   | 9,119,981     |
| The Williams Companies, Inc.  | 587,367   | 9,391,998     |
|   |           | 21,581,651    |
| <b>Natural Gas/Natural Gas Liquids Pipelines 43.1%</b> <sup>(1)</sup> |           |               |
| <b>Canada 10.9%</b> <sup>(1)</sup>                                    |           |               |
| Keyera Corp.  | 36,599    | 1,014,655     |
| TransCanada Corporation   | 403,735   | 14,817,075    |
| <b>United States 32.2%</b> <sup>(1)</sup>                             |           |               |
| Columbia Pipeline Group, Inc.   | 439,083   | 7,969,356     |
| ONEOK, Inc.   | 677,824   | 16,267,776    |
| Spectra Energy Corp   | 768,951   | 22,453,369    |
|   |           | 62,522,231    |
| <b>Oil and Gas Production 16.8%</b> <sup>(1)</sup>                    |           |               |
| <b>United States 16.8%</b> <sup>(1)</sup>                             |           |               |
| Anadarko Petroleum Corporation <sup>(2)</sup>                         | 40,600    | 1,540,770     |
| Antero Resources Corporation <sup>(2)(3)</sup>                        | 24,100    | 550,685       |
| Cabot Oil & Gas Corporation <sup>(2)</sup>                            | 115,900   | 2,333,067     |
| California Resources Corporation <sup>(3)</sup>                       | 2,556     | 1,437         |
| Carrizo Oil & Gas, Inc. <sup>(2)(3)</sup>                             | 14,600    | 313,900       |
| Cimarex Energy Co. <sup>(2)</sup>                                     | 18,300    | 1,537,749     |
| Concho Resources Inc. <sup>(2)(3)</sup>                               | 25,000    | 2,256,000     |
| Continental Resources, Inc. <sup>(2)(3)</sup>                         | 39,100    | 906,338       |
| Diamondback Energy, Inc. <sup>(2)(3)</sup>                            | 10,400    | 741,000       |
| EOG Resources, Inc. <sup>(2)</sup>                                    | 53,700    | 3,476,538     |
| EQT Corporation <sup>(2)</sup>  | 8,500     | 473,790       |
| Gulfport Energy Corporation <sup>(2)(3)</sup>                         | 17,800    | 427,200       |
| Hess Corporation <sup>(2)</sup>                                       | 11,500    | 501,400       |
| Laredo Petroleum, Inc. <sup>(2)(3)</sup>                              | 55,500    | 283,605       |
| Memorial Resource Development Corp. <sup>(2)(3)</sup>                 | 16,080    | 155,494       |
| Newfield Exploration Company <sup>(2)(3)</sup>                        | 40,000    | 1,089,200     |
| Noble Energy, Inc. <sup>(2)</sup>                                     | 43,200    | 1,274,400     |
| Occidental Petroleum Corporation <sup>(2)</sup>                       | 27,200    | 1,871,904     |
| PDC Energy, Inc. <sup>(2)(3)</sup>                                    | 2,600     | 130,286       |
| Pioneer Natural Resources Company <sup>(2)</sup>                      | 25,200    | 3,037,356     |
| Range Resources Corporation <sup>(2)</sup>                            | 40,500    | 961,065       |
| RSP Permian, Inc. <sup>(2)(3)</sup>                                   | 23,100    | 552,321       |
|   |           | 24,415,505    |
| <b>Refined Product Pipelines 2.1%</b> <sup>(1)</sup>                  |           |               |
| <b>United States 2.1%</b> <sup>(1)</sup>                              |           |               |
| VTTI Energy Partners LP   | 166,764   | 3,041,775     |
| Total Common Stock  |           |               |
| (Cost \$207,025,271)  |           | 145,854,636   |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

21

---

**TTP Schedule of Investments** (unaudited) (continued)

February 29, 2016

|   | Shares  | Fair Value    |
|---|---------|---------------|
| <b>Master Limited Partnerships and Related Companies</b> 43.8%                                  |         |               |
| <b>Crude Oil Pipelines</b> 16.2%  |         |               |
| <b>United States</b> 16.2%  |         |               |
| Enbridge Energy Management, L.L.C. <sup>(4)</sup>   | 722,003 | \$ 12,050,238 |
| Genesis Energy L.P.   | 18,700  | 478,907       |
| Plains All American Pipeline, L.P.  | 194,400 | 4,164,048     |
| Shell Midstream Partners, L.P.  | 55,452  | 1,971,319     |
| Sunoco Logistics Partners L.P.  | 161,024 | 3,967,631     |
| Tesoro Logistics LP   | 20,624  | 860,433       |
|   |         | 23,492,576    |
| <b>Natural Gas/Natural Gas Liquids Pipelines</b> 12.2%  |         |               |
| <b>United States</b> 12.2%  |         |               |
| Columbia Pipeline Partners LP   | 38,484  | 680,782       |
| Energy Transfer Partners, L.P.  | 308,652 | 8,231,749     |
| Enterprise Products Partners L.P.   | 201,431 | 4,707,443     |
| EQT Midstream Partners, LP  | 28,046  | 2,008,935     |
| ONEOK Partners, L.P.  | 68,184  | 2,003,928     |
|   |         | 17,632,837    |
| <b>Natural Gas Gathering/Processing</b> 7.1%  |         |               |
| <b>United States</b> 7.1%   |         |               |
| Antero Midstream Partners LP  | 35,220  | 782,588       |
| DCP Midstream Partners, LP  | 58,115  | 1,128,012     |
| EnLink Midstream Partners, LP   | 55,955  | 513,667       |
| MPLX LP   | 226,277 | 5,869,625     |
| Rice Midstream Partners LP  | 42,736  | 566,252       |
| Western Gas Equity Partners, LP   | 363     | 10,709        |
| Western Gas Partners, LP  | 36,076  | 1,414,540     |
|   |         | 10,285,393    |
| <b>Refined Product Pipelines</b> 8.3%   |         |               |
| <b>United States</b> 8.3%   |         |               |
| Buckeye Partners, L.P.  | 83,029  | 5,343,746     |
| Magellan Midstream Partners, L.P.   | 44,609  | 3,014,676     |
| Phillips 66 Partners LP   | 36,049  | 2,172,673     |
| Valero Energy Partners LP   | 31,129  | 1,449,989     |
|   |         | 11,981,084    |
| Total Master Limited Partnerships and Related Companies (Cost \$76,589,642)                     |         | 63,391,890    |
| <b>Preferred Stock</b> 0.8%   |         |               |
| <b>Oil and Gas Production</b> 0.8%  |         |               |
| <b>United States</b> 0.8%   |         |               |
| Anadarko Petroleum Corporation, 7.500%,<br>06/07/2018 (Cost \$1,875,096)                        | 39,500  | 1,182,235     |
| <b>Short-Term Investment</b> 0.1%   |         |               |
| <b>United States Investment Company</b> 0.1%  |         |               |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.35% <sup>(5)</sup> (Cost \$158,424) | 158,424 | 158,424       |
| <b>Total Investments</b> 145.3%<br>(Cost \$285,648,433)   |         | 210,587,185   |
| <b>Credit Facility Borrowings</b> (10.3)%   |         | (15,000,000)  |
| <b>Senior Notes</b> (23.5)%   |         | (34,000,000)  |
| <b>Mandatory Redeemable Preferred Stock at Liquidation Value</b> (11.0)%                        |         | (16,000,000)  |
| <b>Total Value of Options Written</b><br>(Premiums received \$435,644) (0.3)%                   |         | (395,677)     |
| <b>Other Assets and Liabilities</b> (0.2)%  |         | (231,442)     |
| <b>Total Net Assets Applicable to</b>   |         |               |

|                            |                              |    |             |
|----------------------------|------------------------------|----|-------------|
| <b>Common Stockholders</b> | <b>100.0%</b> <sup>(1)</sup> | \$ | 144,960,066 |
|----------------------------|------------------------------|----|-------------|

- (1) Calculated as a percentage of net assets applicable to common stockholders.
- (2) All or a portion of the security represents cover for outstanding call option contracts written.
- (3) Non-income producing security.
- (4) Security distributions are paid-in-kind.
- (5) Rate indicated is the current yield as of February 29, 2016.

See accompanying Notes to Financial Statements.

2016 1st Quarter Report | February 29, 2016

**TTP Schedule of Options Written** (unaudited)  
February 29, 2016

| Call Options Written  | Expiration Date | Strike Price | Contracts | Fair Value          |
|---|-----------------|--------------|-----------|---------------------|
| Anadarko Petroleum Corporation  | March 2016      | \$ 40.00     | 406       | \$ (66,990)         |
| Antero Resources Corporation  | March 2016      | 26.50        | 241       | (7,383)             |
| Cabot Oil & Gas Corporation   | March 2016      | 23.00        | 1,159     | (28,975)            |
| Carrizo Oil & Gas, Inc.   | March 2016      | 25.00        | 146       | (8,760)             |
| Cimarex Energy Co.  | March 2016      | 95.00        | 183       | (20,130)            |
| Concho Resources Inc.   | March 2016      | 105.00       | 250       | (8,750)             |
| Continental Resources, Inc.   | March 2016      | 23.00        | 391       | (72,335)            |
| Diamondback Energy, Inc.  | March 2016      | 80.00        | 104       | (5,200)             |
| EOG Resources, Inc.   | March 2016      | 77.50        | 537       | (9,129)             |
| EQT Corporation   | March 2016      | 65.00        | 85        | (3,400)             |
| Gulfport Energy Corporation   | March 2016      | 30.00        | 178       | (2,670)             |
| Hess Corporation  | March 2016      | 47.50        | 115       | (4,600)             |
| Laredo Petroleum, Inc.  | March 2016      | 6.00         | 555       | (13,875)            |
| Memorial Resources Development Corp.  | March 2016      | 12.50        | 160       | (1,600)             |
| Newfield Exploration Company  | March 2016      | 29.00        | 400       | (30,000)            |
| Noble Energy, Inc.  | March 2016      | 32.50        | 432       | (15,120)            |
| Occidental Petroleum Corporation  | March 2016      | 75.00        | 272       | (6,800)             |
| PDC Energy, Inc.  | March 2016      | 55.00        | 26        | (2,795)             |
| Pioneer Natural Resources Company   | March 2016      | 135.00       | 252       | (20,160)            |
| Range Resources Corporation   | March 2016      | 29.00        | 405       | (8,100)             |
| RSP Permian, Inc.   | March 2016      | 22.50        | 231       | (58,905)            |
| <b>Total Value of Call Options Written</b><br>(Premiums received \$435,644) |                 |              |           | <b>\$ (395,677)</b> |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

23

**NDP Schedule of Investments** (unaudited)

February 29, 2016

|  | Shares  |    | Fair Value  |
|--|---------|----|-------------|
| <b>Common Stock 106.2%</b>   |         |    |             |
| <b>Natural Gas Gathering/Processing 1.1%</b>                       |         |    |             |
| <b>United States 1.1%</b>  |         |    |             |
| Targa Resources Corp.  | 70,315  | \$ | 1,890,067   |
| <b>Oil and Gas Production 105.1%</b>                               |         |    |             |
| <b>Canada 8.9%</b>   |         |    |             |
| ARC Resources LTD.   | 334,600 |    | 4,439,076   |
| Cenovus Energy Inc.  | 153,200 |    | 1,749,544   |
| Suncor Energy Inc. <sup>(2)(3)</sup>                               | 347,800 |    | 8,514,144   |
| <b>The Netherlands 3.2%</b>  |         |    |             |
| Royal Dutch Shell plc (ADR)  | 114,500 |    | 5,207,460   |
| <b>United Kingdom 1.7%</b>   |         |    |             |
| BP p.l.c. (ADR)  | 96,400  |    | 2,804,276   |
| <b>United States 91.3%</b>   |         |    |             |
| Anadarko Petroleum Corporation <sup>(2)(3)</sup>                   | 325,300 |    | 12,345,135  |
| Antero Resources Corporation <sup>(2)(3)(4)</sup>                  | 146,610 |    | 3,350,039   |
| Cabot Oil & Gas Corporation <sup>(2)(3)</sup>                      | 205,100 |    | 4,128,663   |
| California Resources Corporation <sup>(4)</sup>                    | 16,995  |    | 9,553       |
| Carrizo Oil & Gas, Inc. <sup>(2)(3)(4)</sup>                       | 188,500 |    | 4,052,750   |
| Cimarex Energy Co. <sup>(2)(3)</sup>                               | 80,673  |    | 6,778,952   |
| Concho Resources Inc. <sup>(2)(3)(4)</sup>                         | 101,943 |    | 9,199,336   |
| Continental Resources, Inc. <sup>(2)(3)(4)</sup>                   | 53,300  |    | 1,235,494   |
| Devon Energy Corporation <sup>(2)(3)</sup>                         | 291,734 |    | 5,741,325   |
| Diamondback Energy, Inc. <sup>(2)(3)(4)</sup>                      | 61,800  |    | 4,403,250   |
| EOG Resources, Inc. <sup>(2)(3)</sup>                              | 363,300 |    | 23,520,042  |
| EQT Corporation <sup>(2)</sup>                                     | 282,685 |    | 15,756,862  |
| Hess Corporation <sup>(2)(3)</sup>                                 | 31,993  |    | 1,394,895   |
| Laredo Petroleum, Inc. <sup>(2)(3)(4)</sup>                        | 175,940 |    | 899,054     |
| Newfield Exploration Company <sup>(2)(3)(4)</sup>                  | 246,788 |    | 6,720,037   |
| Noble Energy, Inc. <sup>(2)(3)</sup>                               | 292,456 |    | 8,627,452   |
| Occidental Petroleum Corporation <sup>(2)(3)</sup>                 | 180,800 |    | 12,442,656  |
| PDC Energy, Inc. <sup>(3)(4)</sup>                                 | 7,356   |    | 368,609     |
| Pioneer Natural Resources Company <sup>(2)(3)</sup>                | 181,315 |    | 21,853,897  |
| Range Resources Corporation <sup>(2)(3)</sup>                      | 197,400 |    | 4,684,302   |
| RSP Permian, Inc. <sup>(2)(3)(4)</sup>                             | 102,056 |    | 2,440,159   |
| Whiting Petroleum Corporation <sup>(2)(3)(4)</sup>                 | 113,627 |    | 455,644     |
|  |         |    | 173,122,606 |
| Total Common Stock<br>(Cost \$282,548,678)                         |         |    | 175,012,673 |
| <b>Master Limited Partnerships<br/>and Related Companies 31.6%</b> |         |    |             |
| <b>Crude Oil Pipelines 10.6%</b>                                   |         |    |             |
| <b>United States 10.6%</b>   |         |    |             |
| Enbridge Energy Management, L.L.C. <sup>(5)</sup>                  | 476,236 |    | 7,948,371   |
| Plains All American Pipeline, L.P.                                 | 204,532 |    | 4,381,076   |
| Rose Rock Midstream, L.P.  | 32,489  |    | 324,565     |
| Shell Midstream Partners, L.P.                                     | 51,895  |    | 1,844,867   |
| Tesoro Logistics LP  | 70,281  |    | 2,932,123   |
|  |         |    | 17,431,002  |
| <b>Natural Gas/Natural Gas Liquids Pipelines 7.3%</b>              |         |    |             |
| <b>United States 7.3%</b>  |         |    |             |
| Columbia Pipeline Partners LP                                      | 35,719  |    | 631,869     |



Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|  |         |                |
|--|---------|----------------|
| Energy Transfer Partners, L.P.   | 152,945 | 4,079,043      |
| Enterprise Products Partners L.P.  | 229,988 | 5,374,820      |
| EQT GP Holdings, LP  | 8,439   | 201,439        |
| EQT Midstream Partners, LP   | 24,303  | 1,740,824      |
|  |         | 12,027,995     |
| <b>Natural Gas Gathering/Processing 5.3%</b>   |         |                |
| <b>United States 5.3%</b>  |         |                |
| Antero Midstream Partners LP   | 75,672  | 1,681,432      |
| DCP Midstream Partners, LP   | 155,345 | 3,015,247      |
| EnLink Midstream Partners, LP  | 86,700  | 795,906        |
| MPLX LP  | 99,026  | 2,568,734      |
| Rice Midstream Partners LP   | 40,357  | 534,730        |
| Western Gas Partners, LP   | 6,100   | 239,181        |
|  |         | 8,835,230      |
| <b>Refined Product Pipelines 8.4%</b>  |         |                |
| <b>United States 8.4%</b>  |         |                |
| Buckeye Partners, L.P.   | 49,673  | 3,196,954      |
| Magellan Midstream Partners, L.P.  | 92,000  | 6,217,360      |
| Phillips 66 Partners LP  | 53,277  | 3,211,005      |
| Valero Energy Partners LP  | 26,106  | 1,216,018      |
|  |         | 13,841,337     |
| Total Master Limited Partnerships<br>and Related Companies (Cost \$62,269,098)                 |         | 52,135,564     |
| <b>Preferred Stock 0.7%</b>  |         |                |
| <b>Oil and Gas Production 0.7%</b>   |         |                |
| <b>United States 0.7%</b>  |         |                |
| Anadarko Petroleum Corporation, 7.500%,<br>06/07/2018 (Cost \$1,751,787)                       | 36,900  | 1,104,417      |
| <b>Short-Term Investment 0.1%</b>  |         |                |
| <b>United States Investment Company 0.1%</b>   |         |                |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.35% <sup>(6)</sup> (Cost \$95,895) | 95,895  | 95,895         |
| <b>Total Investments 138.6%</b><br>(Cost \$346,665,458)  |         | 228,348,549    |
| <b>Total Value of Options Written</b><br>(Premiums received \$2,031,596) (0.9%)                |         | (1,548,698)    |
| <b>Credit Facility Borrowings (37.5%)</b>  |         | (61,800,000)   |
| <b>Other Assets and Liabilities (0.2%)</b>   |         | (264,894)      |
| <b>Total Net Assets Applicable to<br/>Common Stockholders 100.0%</b>                           |         | \$ 164,734,957 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) All or a portion of the security is segregated as collateral for the margin borrowing facility. See Note 10 to the financial statements for further disclosure.

(3) All or a portion of the security represents cover for outstanding call option contracts written.

(4) Non-income producing security.

(5) Security distributions are paid-in-kind.

(6) Rate indicated is the current yield as of February 29, 2016.

See accompanying Notes to Financial Statements.

2016 1st Quarter Report | February 29, 2016

**NDP Schedule of Options Written** (unaudited)

February 29, 2016

| Call Options Written                       | Expiration Date | Strike Price | Contracts | Fair Value            |
|--|-----------------|--------------|-----------|-----------------------|
| Anadarko Petroleum Corporation             | March 2016      | \$ 42.50     | 3,253     | \$ (289,517)          |
| Antero Resources Corporation               | March 2016      | 27.50        | 1,466     | (30,436)              |
| Cabot Oil & Gas Corporation                | March 2016      | 24.00        | 2,051     | (25,638)              |
| Carrizo Oil & Gas, Inc.                    | March 2016      | 30.00        | 1,885     | (49,010)              |
| Cimarex Energy Co.                         | March 2016      | 95.00        | 806       | (88,660)              |
| Concho Resources Inc.                      | March 2016      | 105.00       | 1,019     | (35,665)              |
| Continental Resources, Inc.                | March 2016      | 25.00        | 533       | (62,894)              |
| Devon Energy Corporation                   | March 2016      | 25.00        | 2,917     | (26,253)              |
| Diamondback Energy, Inc.                   | March 2016      | 80.00        | 618       | (30,900)              |
| EOG Resources, Inc.                        | March 2016      | 80.00        | 3,633     | (25,431)              |
| Hess Corporation                           | March 2016      | 47.50        | 319       | (12,760)              |
| Laredo Petroleum, Inc.                     | March 2016      | 6.00         | 1,759     | (43,975)              |
| Newfield Exploration Company               | March 2016      | 29.00        | 2,467     | (185,025)             |
| Noble Energy, Inc.                         | March 2016      | 32.50        | 2,924     | (102,340)             |
| Occidental Petroleum Corporation           | March 2016      | 75.00        | 1,808     | (45,200)              |
| PDC Energy, Inc.                           | March 2016      | 55.00        | 73        | (7,847)               |
| Pioneer Natural Resources Company          | March 2016      | 140.00       | 1,813     | (77,053)              |
| Range Resources Corporation                | March 2016      | 30.00        | 1,974     | (29,610)              |
| RSP Permian, Inc.                          | March 2016      | 22.50        | 1,020     | (260,100)             |
| Suncor Energy Inc.                         | March 2016      | 25.00        | 3,478     | (111,296)             |
| Whiting Petroleum Corporation              | March 2016      | 6.00         | 1,136     | (9,088)               |
| <b>Total Value of Call Options Written</b> |                 |              |           | <b>\$ (1,548,698)</b> |
| (Premiums received \$2,031,596)            |                 |              |           |                       |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

25

**TPZ Schedule of Investments** (unaudited)

February 29, 2016

|   | Principal<br>Amount | Fair Value   |
|---|---------------------|--------------|
| <b>Corporate Bonds 79.3%</b> <sup>(1)</sup>                                       |                     |              |
| <b>Crude Oil Pipelines 6.6%</b> <sup>(1)</sup>                                    |                     |              |
| <b>Canada 3.2%</b> <sup>(1)</sup>   |                     |              |
| Gibson Energy Inc.,<br>6.750%, 07/15/2021 <sup>(2)</sup>                          | \$ 4,500,000        | \$ 3,825,000 |
| <b>United States 3.4%</b> <sup>(1)</sup>  |                     |              |
| SemGroup Corp.,<br>7.500%, 06/15/2021   | 5,450,000           | 4,128,375    |
|   |                     | 7,953,375    |
| <b>Local Distribution Companies 8.5%</b> <sup>(1)</sup>                           |                     |              |
| <b>United States 8.5%</b> <sup>(1)</sup>  |                     |              |
| CenterPoint Energy, Inc.,<br>6.500%, 05/01/2018 <sup>(3)</sup>                    | 4,000,000           | 4,328,052    |
| Source Gas, LLC,<br>5.900%, 04/01/2017 <sup>(2)(3)</sup>                          | 5,770,000           | 5,975,804    |
|   |                     | 10,303,856   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 26.9%</b> <sup>(1)</sup>             |                     |              |
| <b>Canada 4.8%</b> <sup>(1)</sup>   |                     |              |
| TransCanada Corporation,<br>5.625%, 05/20/2075 <sup>(3)</sup>                     | 7,000,000           | 5,756,100    |
| <b>United States 22.1%</b> <sup>(1)</sup>   |                     |              |
| Columbia Pipeline Group, Inc.,<br>3.300%, 06/01/2020 <sup>(2)(3)</sup>            | 2,000,000           | 1,872,598    |
| Florida Gas Transmission Co., LLC,<br>5.450%, 07/15/2020 <sup>(2)(3)</sup>        | 1,500,000           | 1,556,542    |
| Kinder Morgan, Inc.,<br>6.500%, 09/15/2020 <sup>(3)</sup>                         | 4,000,000           | 4,040,684    |
| Midcontinent Express Pipeline LLC,<br>6.700%, 09/15/2019 <sup>(2)(3)</sup>        | 6,000,000           | 4,245,000    |
| ONEOK, Inc.,<br>4.250%, 02/01/2022  | 4,500,000           | 3,341,250    |
| ONEOK, Inc.,<br>7.500%, 09/01/2023  | 2,000,000           | 1,730,000    |
| Rockies Express Pipeline, LLC,<br>6.000%, 01/15/2019 <sup>(2)</sup>               | 4,000,000           | 3,740,000    |
| Ruby Pipeline, LLC,<br>6.000%, 04/01/2022 <sup>(2)(3)</sup>                       | 1,500,000           | 1,606,301    |
| Southern Star Central Corp.,<br>5.125%, 07/15/2022 <sup>(2)</sup>                 | 3,000,000           | 2,550,000    |
| Southern Star Central Gas Pipeline, Inc.,<br>6.000%, 06/01/2016 <sup>(2)(3)</sup> | 2,000,000           | 2,005,014    |
|   |                     | 32,443,489   |
| <b>Natural Gas Gathering/Processing 5.2%</b> <sup>(1)</sup>                       |                     |              |
| <b>United States 5.2%</b> <sup>(1)</sup>  |                     |              |
| DCP Midstream LLC,<br>9.750%, 03/15/2019 <sup>(2)(3)</sup>                        | 3,000,000           | 2,791,497    |
| The Williams Companies, Inc.,<br>7.875%, 09/01/2021 <sup>(3)</sup>                | 4,000,000           | 3,440,000    |
|   |                     | 6,231,497    |
| <b>Oil and Gas Exploration and Production 5.9%</b> <sup>(1)</sup>                 |                     |              |
| <b>United States 5.9%</b> <sup>(1)</sup>  |                     |              |
| Antero Resources Corporation,<br>6.000%, 12/01/2020                               | 1,000,000           | 895,000      |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|  |           |            |
|--|-----------|------------|
| Carrizo Oil & Gas, Inc.,<br>7.500%, 09/15/2020                         | 2,000,000 | 1,550,000  |
| Continental Resources, Inc.<br>4.500%, 04/15/2023                      | 1,000,000 | 715,262    |
| Diamondback Energy, Inc.,<br>7.625%, 10/01/2021                        | 1,000,000 | 1,010,000  |
| EQT Corporation,<br>8.125%, 06/01/2019 <sup>(3)</sup>                  | 2,000,000 | 2,058,780  |
| Range Resources Corporation,<br>5.000%, 03/15/2023                     | 1,000,000 | 835,000    |
|  |           | 7,064,042  |
| <b>Oilfield Services 1.8%</b><br><b>United States 1.8%</b>             |           |            |
| Pride International, Inc.,<br>8.500%, 06/15/2019 <sup>(3)</sup>        | 3,000,000 | 2,122,500  |
| <b>Power/Utility 24.4%</b><br><b>United States 24.4%</b>               |           |            |
| The AES Corporation,<br>5.500%, 04/15/2025                             | 4,000,000 | 3,600,000  |
| CMS Energy Corp.,<br>8.750%, 06/15/2019 <sup>(3)</sup>                 | 5,185,000 | 6,247,028  |
| Dominion Resources, Inc.,<br>5.750%, 10/01/2054 <sup>(3)</sup>         | 4,000,000 | 3,800,000  |
| Duquesne Light Holdings, Inc.,<br>6.400%, 09/15/2020 <sup>(2)(3)</sup> | 3,000,000 | 3,424,764  |
| Duquesne Light Holdings, Inc.,<br>5.900%, 12/01/2021 <sup>(2)(3)</sup> | 2,000,000 | 2,240,348  |
| NRG Energy, Inc.,<br>6.250%, 07/15/2022                                | 5,000,000 | 4,225,000  |
| NRG Yield Operating LLC,<br>5.375%, 08/15/2024                         | 2,500,000 | 2,200,000  |
| NV Energy, Inc.,<br>6.250%, 11/15/2020 <sup>(3)</sup>                  | 1,000,000 | 1,156,632  |
| Wisconsin Energy Corp.,<br>6.250%, 05/15/2067 <sup>(3)</sup>           | 3,450,000 | 2,553,000  |
|  |           | 29,446,772 |
| <b>Total Corporate Bonds</b><br><b>(Cost \$106,658,648)</b>            |           | 95,565,531 |

See accompanying Notes to Financial Statements.

2016 1st Quarter Report | February 29, 2016

**TPZ Schedule of Investments** (unaudited) (continued)  
February 29, 2016

|   | Shares  | Fair Value   |
|---|---------|--------------|
| <b>Master Limited Partnerships and Related Companies 40.3%</b>              |         |              |
| <b>Crude Oil Pipelines 14.5%</b>  |         |              |
| <b>United States 14.5%</b>  |         |              |
| Enbridge Energy Management, L.L.C. <sup>(3)(4)</sup>                        | 428,674 | \$ 7,154,561 |
| Genesis Energy, L.P.  | 11,800  | 302,198      |
| NuStar Energy L.P.  | 6,432   | 225,313      |
| Plains All American Pipeline, L.P.  | 152,928 | 3,275,718    |
| Shell Midstream Partners, L.P.  | 31,927  | 1,135,005    |
| Sunoco Logistics Partners L.P. <sup>(3)</sup>                               | 159,265 | 3,924,290    |
| Tesoro Logistics LP   | 34,009  | 1,418,856    |
|   |         | 17,435,941   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 13.5%</b>                      |         |              |
| <b>United States 13.5%</b>  |         |              |
| Energy Transfer Equity, L.P.  | 66,768  | 467,376      |
| Energy Transfer Partners, L.P. <sup>(3)</sup>                               | 221,568 | 5,909,219    |
| Enterprise Products Partners L.P.   | 164,409 | 3,842,238    |
| EQT Midstream Partners, LP  | 18,681  | 1,338,120    |
| ONEOK Partners, L.P.  | 129,203 | 3,797,276    |
| Spectra Energy Partners, LP   | 19,446  | 900,544      |
|   |         | 16,254,773   |
| <b>Natural Gas Gathering/Processing 5.2%</b>                                |         |              |
| <b>United States 5.2%</b>   |         |              |
| Antero Midstream Partners LP  | 33,879  | 752,791      |
| DCP Midstream Partners, LP  | 52,040  | 1,010,096    |
| EnLink Midstream Partners, LP   | 22,400  | 205,632      |
| MPLX LP   | 121,507 | 3,151,892    |
| Rice Midstream Partners LP  | 28,091  | 372,206      |
| Western Gas Partners, LP  | 18,799  | 737,109      |
|   |         | 6,229,726    |
| <b>Refined Product Pipelines 7.1%</b>                                       |         |              |
| <b>United States 7.1%</b>   |         |              |
| Buckeye Partners, L.P. <sup>(3)</sup>                                       | 43,204  | 2,780,609    |
| Holly Energy Partners, L.P.   | 15,226  | 447,340      |
| Magellan Midstream Partners, L.P.   | 52,999  | 3,581,672    |
| Phillips 66 Partners LP   | 15,500  | 934,185      |
| Valero Energy Partners LP   | 19,193  | 894,010      |
|   |         | 8,637,816    |
| Total Master Limited Partnerships and Related Companies (Cost \$38,749,958) |         | 48,558,256   |
| <b>Common Stock 18.4%</b>   |         |              |
| <b>Crude Oil Pipelines 3.4%</b>   |         |              |
| <b>United States 3.4%</b>   |         |              |
| Plains GP Holdings, L.P. <sup>(3)</sup>                                     | 539,621 | 4,101,120    |
| <b>Natural Gas/Natural Gas Liquids Pipelines 8.8%</b>                       |         |              |
| <b>United States 8.8%</b>   |         |              |
| ONEOK, Inc. <sup>(5)</sup>  | 225,406 | 5,409,744    |
| Spectra Energy Corp   | 176,416 | 5,151,347    |
|   |         | 10,561,091   |
| <b>Natural Gas Gathering/Processing 5.4%</b>                                |         |              |
| <b>United States 5.4%</b>   |         |              |
| EnLink Midstream LLC  | 47,828  | 400,320      |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|  |         |                |
|--|---------|----------------|
| Targa Resources Corp.  | 131,683 | 3,539,639      |
| The Williams Companies, Inc.   | 162,625 | 2,600,374      |
|  |         | 6,540,333      |
| <b>Refined Product Pipelines 0.8%</b>  |         |                |
| <b>United States 0.8%</b>  |         |                |
| VTTI Energy Partners LP <sup>(3)</sup>   | 50,626  | 923,418        |
| Total Common Stock<br>(Cost \$27,720,698)  |         | 22,125,962     |
| <b>Preferred Stock 2.2%</b>  |         |                |
| <b>Natural Gas/Natural Gas Liquids Pipelines 1.6%</b>  |         |                |
| <b>United States 1.6%</b>  |         |                |
| Kinder Morgan, Inc.  | 44,949  | 1,964,721      |
| <b>Oil and Gas Exploration and Production 0.6%</b>   |         |                |
| <b>United States 0.6%</b>  |         |                |
| Anadarko Petroleum Corporation, 7.500%<br>06/07/2018   | 24,400  | 730,292        |
| Total Preferred Stock<br>(Cost \$2,685,982)  |         | 2,695,013      |
| <b>Short-Term Investment 0.1%</b>  |         |                |
| <b>United States Investment Company 0.1%</b>   |         |                |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.35% <sup>(6)</sup> (Cost \$116,263)            | 116,263 | 116,263        |
| <b>Total Investments 140.3%</b><br><b>(Cost \$175,931,549)</b>   |         | 169,061,025    |
| <b>Interest Rate Swap Contracts (0.4%)</b><br>\$23,500,000 notional unrealized depreciation <sup>(7)</sup> |         | (512,008)      |
| <b>Credit Facility Borrowings (41.2%)</b>  |         | (49,600,000)   |
| <b>Other Assets and Liabilities 1.3%</b>   |         | 1,569,840      |
| <b>Total Net Assets Applicable to<br/>Common Stockholders 100.0%</b>                                       |         | \$ 120,518,857 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) Restricted securities have been valued in accordance with fair value procedures, as more fully described in Note 2 to the financial statements and have a total fair value of \$35,832,868, which represents 29.7% of net assets. See Note 6 to the financial statements for further disclosure.

(3) All or a portion of the security is segregated as collateral for the margin borrowing facility. See Note 10 to the financial statements for further disclosure.

(4) Security distributions are paid-in-kind.

(5) A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of \$512,008.

(6) Rate indicated is the current yield as of February 29, 2016.

(7) See Note 11 to the financial statements for further disclosure.

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

27

**Statements of Assets & Liabilities** (unaudited)

February 29, 2016

|  | <b>Tortoise Energy<br/>Infrastructure<br/>Corp.</b> | <b>Tortoise MLP<br/>Fund, Inc.</b> |
|--|---|------------------------------------|
| <b>Assets</b>  |   |                                    |
| Investments at fair value <sup>(1)</sup>   | \$ 2,203,048,453                                    | \$ 1,235,318,954                   |
| Receivable for Adviser fee waiver  | 13,784  |                                    |
| Receivable for investments sold  | 3,675,547   | 15,442,436                         |
| Dividends, distributions and interest receivable from investments  | 3,560,972   | 1,572,824                          |
| Prepaid expenses and other assets  | 3,364,257   | 1,746,595                          |
| Total assets   | 2,213,663,013                                       | 1,254,080,809                      |
| <b>Liabilities</b>   |   |                                    |
| Call options written, at fair value <sup>(2)</sup>   |   |                                    |
| Payable to Adviser   | 3,376,214   | 1,860,468                          |
| Accrued directors fees and expenses  | 62,445  | 45,363                             |
| Payable for investments purchased  | 6,135,650   | 16,210,553                         |
| Distribution payable to common stockholders  | 1,673,462   |                                    |
| Accrued expenses and other liabilities   | 6,021,817   | 3,648,785                          |
| Unrealized depreciation of interest rate swap contracts  | 823,153   |                                    |
| Current tax liability  | 9,045,343   |                                    |
| Deferred tax liability   | 319,928,229   | 43,661,119                         |
| Credit facility borrowings   | 69,700,000  | 37,600,000                         |
| Senior notes   | 455,000,000   | 284,000,000                        |
| Mandatory redeemable preferred stock   | 165,000,000   | 110,000,000                        |
| Total liabilities  | 1,036,766,313                                       | 497,026,288                        |
| Net assets applicable to common stockholders   | \$ 1,176,896,700                                    | \$ 757,054,521                     |
| <b>Net Assets Applicable to Common Stockholders Consist of:</b>  |   |                                    |
| Capital stock, \$0.001 par value per share   | \$ 48,370   | \$ 47,000                          |
| Additional paid-in capital   | 1,047,986,034                                       | 698,322,535                        |
| Undistributed (accumulated) net investment income (loss), net of income taxes  | (178,139,445)                                       | (100,426,587)                      |
| Undistributed (accumulated) net realized gain (loss), net of income taxes  | 790,387,571   | 211,158,802                        |
| Net unrealized depreciation, net of income taxes   | (483,385,830)                                       | (52,047,229)                       |
| Net assets applicable to common stockholders   | \$ 1,176,896,700                                    | \$ 757,054,521                     |
| <b>Capital shares:</b>   |   |                                    |
| Authorized   | 100,000,000   | 100,000,000                        |
| Outstanding  | 48,370,144  | 47,000,211                         |
| Net Asset Value per common share outstanding (net assets applicable to common stock, divided by common shares outstanding) | \$ 24.33  | \$ 16.11                           |
| (1) Investments at cost  | \$ 2,099,994,425                                    | \$ 1,319,690,004                   |
| (2) Call options written, premiums received  | \$  | \$                                 |

See accompanying Notes to Financial Statements.

2016 1st Quarter Report | February 29, 2016

| Tortoise Pipeline<br>& Energy<br>Fund, Inc. | Tortoise Energy<br>Independence<br>Fund, Inc. | Tortoise Power<br>and Energy<br>Infrastructure<br>Fund, Inc. |
|---|---|--|
| \$ 210,587,185                              | \$ 228,348,549                                | \$ 169,061,025   |
| 16,775                                      | 36,903  |  |
| 2,567,283                                   |   | 102,255  |
| 608,782                                     | 274,406                                       | 2,119,347  |
| 219,139                                     | 2,983   | 1,318  |
| 213,999,164                                 | 228,662,841                                   | 171,283,945  |
| 395,677                                     | 1,548,698                                     |  |
| 369,048                                     | 405,929                                       | 262,499  |
| 21,547                                      | 21,877  | 17,525   |
| 2,678,220                                   |   | 231,484  |
| 574,606                                     | 151,380                                       | 141,572  |
|   |   | 512,008  |
| 15,000,000                                  | 61,800,000                                    | 49,600,000   |
| 34,000,000                                  |   |  |
| 16,000,000                                  |   |  |
| 69,039,098                                  | 63,927,884                                    | 50,765,088   |
| \$ 144,960,066                              | \$ 164,734,957                                | \$ 120,518,857   |
| \$ 10,016                                   | \$ 14,516                                     | \$ 6,951   |
| 235,008,710                                 | 313,320,151                                   | 129,482,470  |
| 2,878,356                                   |   | 3,586,399  |
| (17,919,793)                                | (30,765,707)                                  | (5,174,491)  |
| (75,017,223)                                | (117,834,003)                                 | (7,382,472)  |
| \$ 144,960,066                              | \$ 164,734,957                                | \$ 120,518,857   |
| 100,000,000                                 | 100,000,000                                   | 100,000,000  |
| 10,016,413                                  | 14,516,071                                    | 6,951,333  |
| \$ 14.47                                    | \$ 11.35                                      | \$ 17.34   |
| \$ 285,648,433                              | \$ 346,665,458                                | \$ 175,931,549   |
| \$ 435,644                                  | \$ 2,031,596                                  | \$   |

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

29



**Statements of Operations** (unaudited)

Period from December 1, 2015 through February 29, 2016

|  | Tortoise Energy<br>Infrastructure<br>Corp. | Tortoise MLP<br>Fund, Inc. |
|--|--|----------------------------|
| <b>Investment Income</b>   |  |                            |
| Distributions from master limited partnerships   | \$ 46,829,548                              | \$ 27,071,730              |
| Dividends and distributions from common stock  |  |                            |
| Distributions and interest from preferred stock  | 368,250                                    | 187,031                    |
| Less return of capital on distributions  | (40,385,955)                               | (25,911,166)               |
| Less foreign taxes withheld  |  |                            |
| Net dividends and distributions from investments   | 6,811,843                                  | 1,347,595                  |
| Interest from corporate bonds  |  |                            |
| Dividends from money market mutual funds   | 1,986                                      | 434                        |
| <b>Total Investment Income</b>   | <b>6,813,829</b>                           | <b>1,348,029</b>           |
| <b>Operating Expenses</b>  |  |                            |
| Advisory fees  | 5,334,846                                  | 2,924,427                  |
| Administrator fees   | 121,330                                    | 104,554                    |
| Professional fees  | 82,597                                     | 55,777                     |
| Directors fees   | 62,905                                     | 45,873                     |
| Stockholder communication expenses   | 61,341                                     | 41,821                     |
| Custodian fees and expenses  | 23,661                                     | 13,494                     |
| Fund accounting fees   | 21,456                                     | 18,463                     |
| Registration fees  | 19,354                                     | 11,246                     |
| Stock transfer agent fees  | 17,023                                     | 3,182                      |
| Franchise fees   | 7,604                                      | 1,902                      |
| Other operating expenses   | 48,741                                     | 26,531                     |
| <b>Total Operating Expenses</b>  | <b>5,800,858</b>                           | <b>3,247,270</b>           |
| <b>Leverage Expenses</b>   |  |                            |
| Interest expense   | 4,469,946                                  | 2,819,403                  |
| Distributions to mandatory redeemable preferred stockholders   | 2,934,386                                  | 1,174,085                  |
| Amortization of debt issuance costs  | 2,515,410                                  | 120,292                    |
| Premium on redemption of senior notes  | 900,000                                    | 450,000                    |
| Premium on redemption of mandatory redeemable preferred stock  | 800,000                                    |                            |
| Other leverage expenses  | 73,470                                     | 24,802                     |
| <b>Total Leverage Expenses</b>   | <b>11,693,212</b>                          | <b>4,588,582</b>           |
| <b>Total Expenses</b>  | <b>17,494,070</b>                          | <b>7,835,852</b>           |
| Less fees waived by Adviser  | (14,324)                                   | (55,998)                   |
| <b>Net Expenses</b>  | <b>17,479,746</b>                          | <b>7,779,854</b>           |
| <b>Net Investment Income (Loss), before Income Taxes</b>   | <b>(10,665,917)</b>                        | <b>(6,431,825)</b>         |
| Deferred tax benefit   | 1,717,113                                  | 1,912,583                  |
| <b>Net Investment Income (Loss)</b>  | <b>(8,948,804)</b>                         | <b>(4,519,242)</b>         |
| <b>Realized and Unrealized Gain (Loss) on Investments and Interest Rate Swaps</b>  |  |                            |
| Net realized gain (loss) on investments  | 66,266,450                                 | (21,787,636)               |
| Net realized gain on options   |  |                            |
| Net realized loss on interest rate swap settlements  | (85,555)                                   |                            |
| Net realized loss on foreign currency and translation of other assets<br>and liabilities denominated in foreign currency |  |                            |
| Net realized gain (loss), before income taxes  | 66,180,895                                 | (21,787,636)               |
| Current tax expense  | (8,594,416)                                |                            |
| Deferred tax benefit (expense)   | (15,918,988)                               | 8,009,135                  |
| Income tax benefit (expense)   | (24,513,404)                               | 8,009,135                  |
| Net realized gain (loss)   | 41,667,491                                 | (13,778,501)               |
| Net unrealized depreciation of investments   | (379,631,171)                              | (128,325,187)              |
| Net unrealized appreciation (depreciation) of options  |  |                            |
| Net unrealized depreciation of interest rate swap contracts  | (259,585)                                  |                            |
| Net unrealized appreciation of other assets and liabilities due to foreign currency translation                          |  |                            |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|   |                         |                        |
|---|-------------------------|------------------------|
| Net unrealized depreciation, before income taxes  | (379,890,756)           | (128,325,187)          |
| Deferred tax benefit  | 140,711,536             | 47,172,339             |
| Net unrealized depreciation   | (239,179,220)           | (81,152,848)           |
| <b>Net Realized and Unrealized Loss</b>   | <b>(197,511,729)</b>    | <b>(94,931,349)</b>    |
| <b>Net Decrease in Net Assets Applicable to Common Stockholders<br/>Resulting from Operations</b> | <b>\$ (206,460,533)</b> | <b>\$ (99,450,591)</b> |

See accompanying Notes to Financial Statements.

30

Tortoise Capital Advisors

| <b>Tortoise Pipeline<br/>&amp; Energy<br/>Fund, Inc.</b> | <b>Tortoise Energy<br/>Independence<br/>Fund, Inc.</b> | <b>Tortoise Power<br/>and Energy<br/>Infrastructure<br/>Fund, Inc.</b> |
|--|--|--|
| \$ 1,141,605   | \$ 1,015,143   | \$ 952,247   |
| 2,416,518  | 672,017  | 539,833  |
| 37,031   | 34,594   | 75,222   |
| (1,490,486)  | (1,038,786)  | (955,752)  |
| (66,026)   | (27,863)   |  |
| 2,038,642  | 655,105  | 611,550  |
|  |  | 1,643,369  |
| 335  | 192  | 190  |
| 2,038,977  | 655,297  | 2,255,109  |
| 591,519  | 644,184  | 409,261  |
| 21,510   | 23,425   | 17,232   |
| 38,397   | 38,232   | 39,588   |
| 20,208   | 21,184   | 16,907   |
| 20,394   | 15,825   | 24,879   |
| 4,544  | 4,435  | 2,310  |
| 9,693  | 10,602   | 7,027  |
| 6,046  | 6,187  | 6,081  |
| 3,338  | 3,189  | 3,376  |
| 11,457   | 11,145   | 7,075  |
| 727,106  | 778,408  | 533,736  |
| 388,263  | 180,858  | 150,847  |
| 171,600  |  |  |
| 51,016   |  |  |
| 100,000  |  |  |
| 3,978  |  |  |
| 714,857  | 180,858  | 150,847  |
| 1,441,963  | 959,266  | 684,583  |
| (36,999)   | (58,562)   |  |
| 1,404,964  | 900,704  | 684,583  |
| 634,013  | (245,407)  | 1,570,526  |
| 634,013  | (245,407)  | 1,570,526  |
| (16,937,197)   | (7,893,067)  | (4,796,942)  |
| 1,243,798  | 5,159,418  | (89,366)   |
| (4,154)  | (5,779)  |  |
| (15,697,553)   | (2,739,428)  | (4,886,308)  |
| (15,697,553)   | (2,739,428)  | (4,886,308)  |
| (33,276,132)   | (51,356,876)   | (20,706,370)   |
| (66,212)   | 16,326   |  |

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form N-30B-2

|                 |                 |                 |              |
|-----------------|-----------------|-----------------|--------------|
|                 |                 |                 | (154,244)    |
| 4,844           | 1,564           |                 |              |
| (33,337,500)    | (51,338,986)    |                 | (20,860,614) |
| (33,337,500)    | (51,338,986)    |                 | (20,860,614) |
| (49,035,053)    | (54,078,414)    |                 | (25,746,922) |
| \$ (48,401,040) | \$ (54,323,821) | \$ (24,176,396) |              |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

31

## Statements of Changes in Net Assets

|   | Tortoise Energy Infrastructure Corp.   |                                    | Tortoise MLP Fund, Inc.  |                                    |
|---|--|------------------------------------|--|------------------------------------|
|   | Period from<br>December 1, 2015<br>through<br>February 29, 2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Period from<br>December 1, 2015<br>through<br>February 29, 2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 |
| <b>Operations</b>   |  |                                    |  |                                    |
| Net investment income (loss)  | \$ (8,948,804)   | \$ (29,663,135)                    | \$ (4,519,242)   | \$ (14,930,010)                    |
| Net realized gain (loss)  | 41,667,491   | 239,505,914                        | (13,778,501)   | 74,333,232                         |
| Net unrealized depreciation   | (239,179,220)  | (1,048,807,031)                    | (81,152,848)   | (505,485,793)                      |
| Net decrease in net assets applicable to common stockholders resulting from operations                  | (206,460,533)  | (838,964,252)                      | (99,450,591)   | (446,082,571)                      |
| <b>Distributions to Common Stockholders</b>   |  |                                    |  |                                    |
| Net investment income   |  |                                    |  |                                    |
| Net realized gain   |  |                                    |  |                                    |
| Return of capital   | (31,682,444)   | (124,362,971)                      | (19,857,589)   | (79,430,357)                       |
| Total distributions to common stockholders  | (31,682,444)   | (124,362,971)                      | (19,857,589)   | (79,430,357)                       |
| <b>Capital Stock Transactions</b>   |  |                                    |  |                                    |
| Proceeds from offerings of common shares  | 9,440,748  |                                    |  |                                    |
| Underwriting discounts and offering expenses associated with the issuance of common stock               | (134,138)  | (7,291)                            | (46,340)   | (4,308)                            |
| Net increase (decrease) in net assets applicable to common stockholders from capital stock transactions | 9,306,610  | (7,291)                            | (46,340)   | (4,308)                            |
| Total decrease in net assets applicable to common stockholders  | (228,836,367)  | (963,334,514)                      | (119,354,520)  | (525,517,236)                      |
| <b>Net Assets</b>   |  |                                    |  |                                    |
| Beginning of period   | 1,405,733,067  | 2,369,067,581                      | 876,409,041  | 1,401,926,277                      |
| End of period   | \$ 1,176,896,700   | \$ 1,405,733,067                   | \$ 757,054,521   | \$ 876,409,041                     |
| Undistributed (accumulated) net investment income (loss), net of income taxes, end of period            | \$ (178,139,445)   | \$ (169,190,641)                   | \$ (100,426,587)   | \$ (95,907,345)                    |
| <b>Transactions in common shares</b>  |  |                                    |  |                                    |
| Shares outstanding at beginning of period   | 48,016,591   | 48,016,591                         | 47,000,211   | 47,000,211                         |
| Shares sold through at the market offerings   | 353,553  |                                    |  |                                    |
| Shares outstanding at end of period   | 48,370,144   | 48,016,591                         | 47,000,211   | 47,000,211                         |

See accompanying Notes to Financial Statements.

| Tortoise Pipeline & Energy Fund, Inc. |                   | Tortoise Energy Independence Fund, Inc. |                   | Tortoise Power and Energy Infrastructure Fund, Inc. |                   |
|---------------------------------------|-------------------|---|-------------------|---|-------------------|
| Period from                           | Year Ended        | Period from                             | Year Ended        | Period from   | Year Ended        |
| December 1, 2015                      | November 30, 2015 | December 1, 2015                        | November 30, 2015 | December 1, 2015                                    | November 30, 2015 |
| through                               |                   | through                                 |                   | through   |                   |
| February 29, 2016                     |                   | February 29, 2016                       |                   | February 29, 2016                                   |                   |
| (unaudited)                           |                   |   |                   |   |                   |