

TORTOISE PIPELINE & ENERGY FUND, INC.  
Form N-CSRS  
July 21, 2016

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number **811-22585**

**Tortoise Pipeline & Energy Fund, Inc.**  
(Exact name of registrant as specified in charter)

**11550 Ash Street, Suite 300, Leawood, KS 66211**  
(Address of principal executive offices) (Zip code)

**Terry Matlack**  
**Diane Bono**  
**11550 Ash Street, Suite 300, Leawood, KS 66211**  
(Name and address of agent for service)

**913-981-1020**  
Registrant's telephone number, including area code

Date of fiscal year end: **November 30**

Date of reporting period: **May 31, 2016**

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**Item 1. Reports to Stockholders.**

**Quarterly Report** | May 31, 2016

## **2016 2nd Quarter Report**

Closed-End Funds

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## Tortoise Capital Advisors

### 2016 2nd 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.

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## 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, currently \$0.125, each month 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.



## Closed-end fund comparison

Name/Ticker	Primary focus	Structure	Total assets (\$ millions) <sup>1</sup>	Portfolio mix by asset type <sup>2</sup>	Portfolio mix by structure <sup>2</sup>
Tortoise Energy Infrastructure Corp. NYSE: TYG Inception: 2/2004 Tortoise MLP Fund, Inc.	Midstream MLPs	C-corp	\$2,703.4		
NYSE: NTG Inception: 7/2010 Tortoise Pipeline & Energy Fund, Inc.	Natural gas infrastructure MLPs	C-corp	\$1,541.1		
NYSE: TTP Inception: 10/2011 Tortoise Energy Independence Fund, Inc.	North American pipeline companies	Regulated investment company	\$283.6		
NYSE: NDP Inception: 7/2012 Tortoise Power and Energy Infrastructure Fund, Inc.	North American oil & gas producers	Regulated investment company	\$294.4		
NYSE: TPZ Inception: 7/2009	Power & energy infrastructure companies (Fixed income & equity)	Regulated investment company	\$209.2		

<sup>1</sup> As of 6/30/2016<sup>2</sup> As of 5/31/2016

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## Tortoise Capital Advisors

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

Dear fellow stockholders,

After one of the most volatile times in recent energy history, resulting in significant oil price declines, we saw price improvement during the second fiscal quarter ending May 31, 2016. Driving this increase in oil prices was a continued decline in North American production coupled with strong demand. This further reinforces our thesis that U.S. production is driving oil prices more so than the influence of Organization of the Petroleum Exporting Countries (OPEC). Along with crude oil prices, performance also rebounded with the broad S&P Energy Select Sector<sup>®</sup> Index returning 18.9% during the second fiscal quarter. This was a strong reversal from first fiscal quarter's return of -15.9%. Energy fixed income improved as well, but did not rebound as much as energy equities.

On the geopolitical front, OPEC met in both Doha and Vienna, but as expected, the meetings were non-events and were overshadowed by supply outages in Nigeria and Canada. Nigeria, Africa's largest oil producing nation, is having ongoing issues with militants attacking pipelines and export facilities. These disruptions brought Nigeria's production to the lowest monthly average since the late 1980s. The Canadian wildfires that started at the beginning of May are contained, but contributed to well over half of the supply outages that month.<sup>1</sup>

## Upstream

Upstream oil and gas producers had strong positive results for the second fiscal quarter, with the Tortoise North American Oil and Gas Producers Index<sup>SM</sup> returning 38.9%. This was in stark contrast to the first fiscal quarter's double-digit negative returns. The U.S. rig count continued to decline, contributing to slowing crude oil production. Estimates show May production averaged 8.7 million barrels per day (MMbbl/d), which is less than the April 2016 level and significantly below the level reached in April 2015.<sup>1</sup> U.S. production is estimated to average 8.6 MMbbl/d in 2016, down from an average of 9.4 MMbbl/d in 2015.<sup>1</sup> Crude oil prices, represented by West Texas Intermediate (WTI), opened the fiscal quarter at \$33.75 per barrel and continued to climb, ending the quarter at \$49.10 per barrel, indicating some balancing of the supply/demand equation.

We are encouraged to see management teams continuing to focus on increasing capital efficiency in the upstream sector. Before mid-2015, companies focused more on growth as well as exploration and production activities. More recently, many companies have turned their efforts to maximizing existing strategic assets. As such, capex budgets have continued to fall and we expect this trend to continue. As expected, we saw rising bankruptcies, especially with smaller producers that could not thrive in a low-price environment. These bankruptcies equated to a reduction of nearly 650,000 barrels per day of production, which has been instrumental in balancing the supply/demand equation. We anticipate that many of those companies will continue to produce to some extent as they restructure. The shale oil and gas producers who recognized the potential of U.S. shale early, and who acquired acreage at very low costs should still be able to prosper in the current price environment.

While we have seen a decrease in production, there has been a wide variety of results among the premier oil and gas basins. The Permian basin has flourished and remained strong while the Eagle Ford had the largest drop in production. Production in the Bakken has also declined, and production in the Marcellus remained essentially flat.

Natural gas inventories continued to be higher than average in 2016, which led to lower prices during the period. It will take time to work through the high inventories that were not depleted during the warm winter, and the overall oversupply caused by increased production over the past few years. Prices opened the fiscal quarter at \$1.62 per million British thermal units (MMBtu), increasing to end the quarter at \$2.09 per MMBtu. At the end of May, natural gas inventories were more than 30% higher than they were the same week last year and are expected to be at the highest levels on record in October 2016.<sup>1</sup> Natural gas production growth is expected to rise only slightly through the rest of 2016, due to low prices and fewer rigs in operation. However, we expect to see production pick back up in 2017 as prices rise and increases in liquefied natural gas (LNGs) exports lead to expected production growth increases.<sup>1</sup>

## Midstream

The midstream sector faced technical pressure during the energy market decline, which weighed heavily on performance earlier this year. However, MLPs, as represented by the Tortoise MLP Index<sup>®</sup>, bounced back during the second fiscal quarter returning 26.4%, with upstream MLPs outpacing their midstream counterparts. Broader pipeline companies also had a nice recovery, as reflected by the 17.2% return of the Tortoise North American Pipeline Index<sup>SM</sup> during the quarter.

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Performance within the midstream sector was positive across the board, with gathering and processing companies significantly outperforming other sub-sectors due to their greater correlation to rising commodity prices, especially to natural gas liquids (NGLs). Crude oil and natural gas MLP and other pipeline companies also experienced positive performance as market sentiment focused more on underlying fundamentals. Additionally, refined product MLP and other pipeline companies continued to perform well due to strong demand in the low price environment.

Our long-term outlook for the midstream sector remains positive. MLP and other pipeline companies have shown signs of stabilization and we have seen a decrease in counterparty risk, mainly due to oil price improvements. These oil price increases have been leading to contracts being more in-line with producers' ability to generate revenue, compared to the last six to eight months when producers were locked into contracts that made it nearly impossible to generate revenue, thus prompting contract renegotiations with pipeline companies. For many midstream companies, the priority centers on better capital efficiency. Companies are striving to ensure that their assets are fully optimized, which should lead to better returns for companies and ultimately investors. Growth opportunities still exist as our projection for capital investments in MLP, pipeline and related organic projects remains at \$120 billion for 2016 to 2018.

Even with the positive momentum achieved during the fiscal quarter, some headwinds remained. The Energy Transfer Equity/Williams Companies deal lacked resolution until after the end of the fiscal quarter, and weighed on the space. The other chief concern within the midstream sector revolved around sustainability of distributions. Distribution coverage remained healthy and cuts within the sector

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have not been widespread. However, we do expect some companies to cut their distributions in order to protect their credit ratings. The key issue is the ratings agencies and their threat of a downgrade of some companies from investment grade to high yield rather than a coverage outlook issue. This threat could force otherwise stable midstream companies to elect to temporarily reduce distributions in defense of their investment grade credit ratings. The market anticipated a cut for Plains All American Pipeline L.P., which has been the most vocal on this topic. Going through a simplification exercise to lower the cost of capital and eliminate incentive distribution rights (IDRs) seems logical for the company at this point.

## Downstream

Energy companies in the downstream segment of the energy value chain, including refiners and petrochemical companies, have still been producing strong free cash flows at historically high levels although these levels have compressed slightly since the peak in 2015. Refiner margins, though still attractive, have continued to narrow with higher crude oil prices. On May 30, the average price for regular gasoline increased to \$2.34 per gallon, although still a decrease of \$0.44 from the same week last year.<sup>1</sup> Gasoline prices are expected to head lower for the rest of 2016. On the demand side, gasoline consumption is expected to increase by 1.8% in 2016, which will be the highest annual average consumption increase on record.<sup>1</sup>

While the price of ethane, a petrochemical feedstock, has increased, demand from petrochemicals has also continued to rise, stemming from new facilities coming online. Even though the price of ethane has increased, demand for the end product has also increased, essentially neutralizing that potential headwind. The U.S. still provides some of the lowest priced ethane in the world, thus making the U.S. well positioned for exporting. Ethylene prices tend to move in tandem with crude oil prices, so we believe prices will continue to move higher. Power and utility companies did not participate as much in the recent rebound compared to other energy sectors since they are defensive by nature and their performance had not been impacted as greatly by lower commodity prices.

## Capital markets

Capital markets became cautiously optimistic and more constructive with companies focusing on operating their core assets and divesting non-strategic business activities. Within the midstream sector, there were a few equity and debt MLP transactions, with the debt transactions being particularly well received by the market.

Exploration and production companies are continuing to raise capital, totaling just over \$13 billion for the fiscal quarter, mostly in debt. MLP and other pipeline companies raised close to \$15 billion during the second fiscal quarter, with approximately \$10 billion in equity and \$5 billion in debt.

There were no IPOs in the energy sector during the second fiscal quarter. Merger and acquisition activity among MLP and pipeline companies picked up compared to the first fiscal quarter, highlighting the value of pipeline assets, with announced transactions totaling nearly \$16 billion. The largest of these was TransCanada Corporation's acquisition of Columbia Pipeline Group, Inc. in a deal valued at approximately \$12 billion.

## Concluding thoughts

Coming into mid-year, it is encouraging to see improvement in the price of oil, which has helped performance across the energy value chain, particularly in the upstream segment, that is more closely tied to commodity prices. The market seemed to echo our long-term belief that midstream fundamentals remain solid, causing a significant performance bounce back in that segment of the value chain. Now that the economy has had some time to start to work off the oversupply in the market, combined with companies becoming more capital efficient, we expect that we will see more lasting improvements throughout the second half of this year and into 2017.

We anticipate that OPEC will continue to wield less influence than in recent decades. The non-events of the two most recent OPEC meetings reinforce our belief that the U.S. is becoming a significantly more relevant player in the global energy landscape. We continue to believe that 2016 will be a milestone year for U.S. energy exports, as the U.S. becomes a sustainable, long-term supplier of low-cost energy to the rest of the world.

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.**

1 Energy Information Administration, June 2016

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## 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 May 31, 2016 were 17.5% and 20.6%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index<sup>®</sup> returned 26.4% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including midstream MLPs, a decrease in counterparty risk with producers and more accommodative capital markets.

#### 2nd fiscal quarter highlights

Distributions paid per share	\$0.6550
Distribution rate (as of 5/31/2016)	9.4%
Quarter-over-quarter distribution increase	0.0%
Year-over-year distribution increase	1.6%
Cumulative distribution to stockholders	
since inception in February 2004	\$26.5325
Market-based total return	17.5%
NAV-based total return	20.6%
Premium (discount) to NAV (as of 5/31/2016)	(2.8)%

*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

Top five contributors	Company type	Performance driver
Energy Transfer Partners, L.P.	Midstream natural gas/natural gas liquids pipeline MLP	Market gained confidence in sustainability of distributions
ONEOK Partners, L.P.	Midstream natural gas/natural gas liquids pipeline MLP	Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook
Western Gas Partners, LP	Midstream gathering and processing MLP	Steady cash flows and growing distributions
Enterprise Products Partners L.P.	Midstream natural gas/natural gas liquids pipeline MLP	Steady cash flows and growing distributions as well as improved NGLs outlook
MPLX LP	Midstream gathering and processing MLP	Steady cash flows and growing distributions as well as improved NGLs outlook

Bottom five detractors	Company type	Performance driver
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Columbia Pipeline Partners LP Phillips 66 Partners LP	Midstream natural gas/natural gas liquids pipeline MLP Midstream refined product pipeline MLP	Pending acquisition of the general partner created uncertainty regarding future growth Low yield high growth names, such as this, were out of favor
Shell Midstream Partners, L.P.	Midstream crude oil pipeline MLP	Low yield high growth names, such as this, were out of favor
Spectra Energy Partners, LP Dominion Midstream Partners, LP	Midstream natural gas/natural gas liquids pipeline MLP Midstream natural gas/natural gas liquids pipeline MLP	Lagged after strong 2015 performance Low yield high growth names, such as this, were out of favor

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## 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 5.4% as compared to 1st quarter 2016 due primarily to net sales of investments at the end of 1st quarter 2016, partially offset by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, increased 6.8% during the quarter due to higher asset-based fees. Overall leverage costs decreased 15.9% during the quarter due to lower average leverage outstanding as compared to 1st quarter 2016.

As a result of the changes in income and expenses, DCF decreased approximately 5.0% as compared to 1st quarter 2016. The fund paid a quarterly distribution of \$0.655 per share, which was unchanged over the prior quarter and an increase of 1.6% over the 2nd quarter 2015 distribution. The fund has paid cumulative distributions to stockholders of \$26.5325 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 fiscal year-to-date and 2nd quarter 2016 (in thousands):

	2016 YTD	2nd Qtr 2016
Net Investment Loss, before Income Taxes	\$ (38,290)	\$ (27,624)
Adjustments to reconcile to DCF:		
Distributions characterized as return of capital	100,119	59,733
Amortization of debt issuance costs	2,636	121
Interest rate swap expenses	(441)	(219)
Premium on redemption of senior notes	900	
Premium on redemption of MRP stock	800	
DCF	\$ 65,724	\$ 32,011

## Leverage

The fund's leverage utilization increased by \$14.3 million during 2nd quarter 2016 for normal working capital purposes and represented 27.2% of total assets at May 31, 2016, above the long-term target level of 25% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 84% of the leverage cost was fixed, the weighted-average maturity was 5.3 years and the weighted-average annual rate on leverage was 3.55%. 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 2nd quarter 2016, the fund's deferred tax liability increased by \$108 million to \$428 million, primarily as a result of the increase in value of its investment portfolio. The fund had net realized gains of \$74 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).

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**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.

	Q2 <sup>(1)</sup>	2015 Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	2016 Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>
<b>Total Income from Investments</b>					
Distributions and dividends from investments	\$ 51,585	\$ 52,919	\$ 51,564	\$ 47,200	\$ 44,670
<b>Operating Expenses Before Leverage Costs and Current Taxes</b>					
Advisory fees	9,545	8,661	7,081	5,321	5,719
Other operating expenses	511	500	512	466	461
	10,056	9,161	7,593	5,787	6,180
Distributable cash flow before leverage costs and current taxes	41,529	43,758	43,971	41,413	38,490
Leverage costs <sup>(2)</sup>	8,778	8,394	8,193	7,700	6,479
Current income tax expense <sup>(3)</sup>					
<b>Distributable Cash Flow<sup>(4)</sup></b>	\$ 32,751	\$ 35,364	\$35,778	\$ 33,713	\$ 32,011
<b>As a percent of average total assets<sup>(5)</sup></b>					
Total from investments	4.94 %	5.59 %	6.83 %	7.67 %	7.28 %
Operating expenses before leverage costs and current taxes	0.96 %	0.97 %	1.01 %	0.94 %	1.01 %
Distributable cash flow before leverage costs and current taxes	3.98 %	4.62 %	5.82 %	6.73 %	6.27 %
<b>As a percent of average net assets<sup>(5)</sup></b>					
Total from investments	9.34 %	10.90 %	13.38 %	16.09 %	13.54 %
Operating expenses before leverage costs and current taxes	1.82 %	1.89 %	1.97 %	1.97 %	1.87 %
Leverage costs and current taxes	1.59 %	1.73 %	2.13 %	2.62 %	1.96 %
Distributable cash flow	5.93 %	7.28 %	9.28 %	11.50 %	9.71 %
<b>Selected Financial Information</b>					
Distributions paid on common stock	\$ 30,971	\$ 31,211	\$ 31,450	\$ 31,682	\$ 31,682
Distributions paid on common stock per share	0.6450	0.6500	0.6550	0.6550	0.6550
Distribution coverage percentage for period <sup>(6)</sup>	105.7 %	113.3 %	113.8 %	106.4 %	101.0 %
Net realized gain, net of income taxes, for the period	63,392	43,938	72,015	41,667	47,833
Total assets, end of period	4,102,516	3,445,452	2,793,933	2,213,663	2,587,793
Average total assets during period <sup>(7)</sup>	4,146,279	3,759,151	3,028,322	2,475,404	2,442,341
Leverage <sup>(8)</sup>	1,000,700	1,000,400	906,000	689,700	704,000
Leverage as a percent of total assets	24.4 %	29.0 %	32.4 %	31.2 %	27.2 %
Net unrealized appreciation (depreciation), end of period	561,565	138,802	(244,207)	(483,386)	(269,349)
Net assets, end of period	2,172,676	1,754,876	1,405,733	1,176,897	1,390,531
Average net assets during period <sup>(9)</sup>	2,191,147	1,925,521	1,545,634	1,179,868	1,312,506
Net asset value per common share	45.25	36.55	29.28	24.33	28.71
Market value per share	42.02	35.88	26.57	24.26	27.90
Shares outstanding (000 s)	48,017	48,017	48,017	48,370	48,434

(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

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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 credit facilities.

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

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## 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 May 31, 2016 were 16.5% and 20.8%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index<sup>®</sup> returned 26.4% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including midstream MLPs, a decrease in counterparty risk with producers and more accommodative capital markets.

#### 2nd fiscal quarter highlights

Distributions paid per share	\$0.4225
Distribution rate (as of 5/31/2016)	9.5%
Quarter-over-quarter distribution increase	0.0%
Year-over-year distribution increase	0.0%
Cumulative distribution to stockholders since inception in July 2010	\$9.5450
Market-based total return	16.5%
NAV-based total return	20.8%
Premium (discount) to NAV (as of 5/31/2016)	(6.3)%

*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

Energy Transfer Partners, L.P.  
DCP Midstream Partners, LP

ONEOK Partners, L.P.  
Enterprise Products Partners L.P.

Enlink Midstream Partners, LP

Midstream natural gas/natural gas liquids pipeline MLP

Midstream gathering and processing MLP  
Midstream natural gas/natural gas liquids pipeline MLP  
Midstream natural gas/natural gas liquids pipeline MLP

Midstream gathering and processing MLP

Market gained confidence in sustainability of distributions  
Improving commodity prices and a positive outlook for natural gas liquid demand  
Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook  
Steady cash flows and growing distributions as well as improved NGLs outlook  
Benefitted from growth potential of a recent acquisition of midstream assets in the Sooner Trend Anadarko Basin Canadian and Kingfisher (STACK) region



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Columbia Pipeline  
Partners LP

Midstream natural gas/natural gas liquids  
pipeline MLP

Pending acquisition of the general partner  
created uncertainty regarding future growth  
Low yield high growth names, such as this, were  
out of favor  
Low yield high growth names, such as this, were  
out of favor

Phillips 66 Partners LP  
Shell Midstream  
Partners, L.P.  
Spectra Energy  
Partners, LP  
Dominion Midstream  
Partners, LP

Midstream refined product pipeline MLP  
  
Midstream crude oil pipeline MLP  
Midstream natural gas/natural gas liquids  
pipeline MLP  
Midstream natural gas/natural gas liquids  
pipeline MLP

Lagged after strong 2015 performance  
Low yield high growth names, such as this, were  
out of favor

(unaudited)

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## 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 3.1% as compared to 1st quarter 2016 due primarily to the impact of trading activity, partially offset by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, increased 13.7% during the quarter due to higher asset-based fees. Leverage costs declined 1.7% during the quarter due to lower average leverage outstanding as compared to 1st quarter 2016.

As a result of the changes in income and expenses, DCF decreased approximately 6.1% as compared to 1st quarter 2016. The fund paid a quarterly distribution of \$0.4225 per share, which was equal to the distribution paid in the prior quarter and 2nd quarter 2015. The fund has paid cumulative distributions to stockholders of \$9.545 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 fiscal year-to-date and 2nd quarter 2016 (in thousands):

	2016 YTD	2nd Qtr 2016
Net Investment Loss, before Income Taxes	\$ (17,629)	\$ (11,197)
Adjustments to reconcile to DCF:		
Distributions characterized as return of capital	55,850	29,939
Amortization of debt issuance costs	213	92
Premium on redemption of senior notes	450	
DCF	\$ 38,884	\$ 18,834

#### Leverage

The fund's leverage utilization increased by \$8.3 million during 2nd quarter 2016 and represented 29.7% of total assets at May 31, 2016, above the long-term target level of 25% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, approximately 77% of the leverage cost was fixed, the weighted-average maturity was 3.4 years and the weighted-average annual rate on leverage was 3.57%. 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 2nd quarter 2016, the fund's deferred tax liability increased by \$91 million to \$135 million, primarily as a result of the increase in value of its investment portfolio. The fund had net realized gains of \$34 million during the quarter. As of Nov. 30, 2015, the fund had net operating losses of \$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)

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**Tortoise Capital Advisors**

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**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	
	Q2 <sup>(1)</sup>	Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>
<b>Total Income from Investments</b>					
Distributions and dividends from investments	\$ 28,125	\$ 28,405	\$ 28,420	\$ 27,259	\$ 26,411
<b>Operating Expenses Before Leverage</b>					
<b>Costs and Current Taxes</b>					
Advisory fees, net of fees waived	4,739	4,280	3,581	2,868	3,292
Other operating expenses	357	351	341	323	336
	5,096	4,631	3,922	3,191	3,628
Distributable cash flow before leverage costs and current taxes	23,029	23,774	24,498	24,068	22,783
Leverage costs <sup>(2)</sup>	4,078	4,083	4,055	4,018	3,949
Current income tax expense <sup>(3)</sup>					
<b>Distributable Cash Flow<sup>(4)</sup></b>	\$ 18,951	\$ 19,691	\$ 20,443	\$ 20,050	\$ 18,834
<b>As a percent of average total assets<sup>(5)</sup></b>					
Total from investments	5.28 %	5.88 %	7.18 %	8.15 %	7.55 %
Operating expenses before leverage costs and current taxes	0.96 %	0.96 %	0.99 %	0.95 %	1.04 %
Distributable cash flow before leverage costs and current taxes	4.32 %	4.92 %	6.19 %	7.20 %	6.51 %
<b>As a percent of average net assets<sup>(5)</sup></b>					
Total from investments	8.72 %	9.88 %	11.95 %	14.47 %	12.42 %
Operating expenses before leverage costs and current taxes	1.58 %	1.61 %	1.65 %	1.69 %	1.71 %
Leverage costs and current taxes	1.26 %	1.42 %	1.71 %	2.13 %	1.86 %
Distributable cash flow	5.88 %	6.85 %	8.59 %	10.65 %	8.85 %
<b>Selected Financial Information</b>					
Distributions paid on common stock	\$ 19,857	\$ 19,858	\$ 19,857	\$ 19,858	\$ 19,857
Distributions paid on common stock per share	0.4225	0.4225	0.4225	0.4225	0.4225
Distribution coverage percentage for period <sup>(6)</sup>	95.4 %	99.2 %	103.0 %	101.0 %	94.8 %
Net realized gain (loss), net of income taxes, for the period	25,818	24,577	3,706	(13,779)	21,730
Total assets, end of period	2,092,962	1,779,889	1,483,910	1,254,081	1,483,491
Average total assets during period <sup>(7)</sup>	2,112,176	1,917,824	1,586,800	1,345,702	1,390,807
Leverage <sup>(8)</sup>	512,700	512,900	500,800	431,600	439,900
Leverage as a percent of total assets	24.5 %	28.8 %	33.7 %	34.4 %	29.7 %
Net unrealized appreciation (depreciation), end of period	400,459	189,257	29,106	(52,047)	90,594
Net assets, end of period	1,268,819	1,057,341	876,409	757,055	893,988
Average net assets during period <sup>(9)</sup>	1,279,060	1,140,652	953,931	757,446	845,912
Net asset value per common share	27.00	22.50	18.65	16.11	19.02
Market value per common share	24.26	19.85	16.18	15.64	17.82
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 ).

Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the

(4) 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.

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

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

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

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## 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 May 31, 2016 were 41.4% and 43.0%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Pipeline Index<sup>SM</sup> returned 17.2% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including midstream MLPs and other pipeline companies, a decrease in counterparty risk with producers and more accommodative capital markets.

#### 2nd fiscal quarter highlights

Distributions paid per share	\$ 0.4075
Distribution rate (as of 5/31/2016)	9.4%
Quarter-over-quarter distribution increase	0.0%
Year-over-year distribution decrease	(9.4)% *
Cumulative distribution to stockholders since inception in October 2011	\$ 7.6525
Market-based total return	41.4%
NAV-based total return	43.0%
Premium (discount) to NAV (as of 5/31/2016)	(14.1)%

\*Reflects the elimination of the capital gain component of the distribution. 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 11.4% of total assets, and their out-of-the-money percentage at the time written averaged approximately 9.0% 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

ONEOK, Inc.	Midstream natural gas/natural gas liquids pipeline company	Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook
Targa Resources Corp.	Midstream gathering and processing company	Benefitted from a combination of a completed rollup transaction and preferred issuance that

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<p>Enbridge Energy Management, L.L.C. The Williams Companies, Inc. Columbia Pipeline Group, Inc.</p>	<p>Midstream crude oil pipeline company  Midstream gathering and processing company Midstream natural gas/natural gas liquids pipeline company</p>	<p>solved capital market needs Steady cash flows and improved commodity price outlook Improved NGLs demand outlook and moving closer to a merger resolution Announced acquisition by TransCanada Corporation</p>
<p>Phillips 66 Partners LP Columbia Pipeline Partners LP Shell Midstream Partners, L.P.</p>	<p>Midstream refined product pipeline MLP Midstream natural gas/natural gas liquids pipeline MLP  Midstream crude oil pipeline MLP</p>	<p>Low yield high growth names, such as this, were out of favor Pending acquisition of the general partner created uncertainty regarding future growth Low yield high growth names, such as this, were out of favor Concern around Chesapeake counterparty risk and levered balance sheet Low yield high growth names, such as this, were out of favor</p>
<p>Williams Partners L.P. Valero Energy Partners LP</p>	<p>Midstream gathering and processing MLP  Midstream refined product pipeline MLP</p>	

(unaudited)

## 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 0.5% as compared to 1st quarter 2015, primarily due to lower net premiums on options written during the quarter offset slightly by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, increased by 13.3% during the quarter due to higher asset-based fees. Leverage costs declined 5.0% during the quarter due to lower average leverage outstanding as compared to 1st quarter 2016. As a result of the changes in income and expenses, DCF declined by 2.2% as compared to 1st quarter 2016. In addition, the fund had net realized losses on investments of \$6.7 million during 2nd quarter 2016.

The fund paid a quarterly distribution of \$0.4075 per share, which was unchanged over the prior quarter and a decrease of 9.4% from the 2nd quarter 2015 distribution. The fund eliminated the capital gain component of the distribution in 1st quarter 2016 because it does not anticipate the same level of capital gains following market declines over the past year. 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 \$7.6525 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 fiscal year-to-date and 2nd quarter 2016 (in thousands):

	2016 YTD	2nd Qtr 2016
Net Investment Income	\$ 450	\$ (184)
Adjustments to reconcile to DCF:		
Net premiums on options written	2,675	1,238
Distributions characterized as return of capital	4,027	2,537
Dividends paid in stock	827	421
Amortization of debt issuance costs	65	14
Premium on redemption of senior notes	100	
DCF	\$8,144	\$4,026

## Leverage

The fund's leverage utilization was relatively unchanged during 2nd quarter 2016 and represented 24.2% of total assets at May 31, 2016, generally in-line with the long-term target level of 25% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, approximately 78% of the leverage cost was fixed, the weighted-average maturity was 3.5 years and the weighted-average annual rate on leverage was 3.27%. 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.



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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)

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**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.

	Q2 <sup>(1)</sup>	2015 Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	2016 Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>
<b>Total Income from Investments</b>					
Dividends and distributions from investments, net of foreign taxes withheld	\$ 3,862	\$ 3,978	\$ 3,998	\$ 3,529	\$ 3,685
Dividends paid in stock	318	331	337	406	421
Net premiums on options written	1,242	1,212	1,346	1,437	1,238
<b>Total from investments</b>	<b>5,422</b>	<b>5,521</b>	<b>5,681</b>	<b>5,372</b>	<b>5,344</b>
<b>Operating Expenses Before Leverage Costs</b>					
Advisory fees, net of fees waived	1,055	951	786	554	643
Other operating expenses	172	167	151	136	139
	1,227	1,118	937	690	782
Distributable cash flow before leverage costs	4,195	4,403	4,744	4,682	4,562
Leverage costs <sup>(2)</sup>	622	746	630	564	536
<b>Distributable Cash Flow<sup>(3)</sup></b>	<b>\$3,573</b>	<b>\$3,657</b>	<b>\$4,114</b>	<b>\$4,118</b>	<b>\$4,026</b>
<b>Net realized gain (loss) on investments and foreign currency translation, for the period</b>	<b>\$ 1,729</b>	<b>\$ 3,718</b>	<b>\$ 1,669</b>	<b>\$ (16,941)</b>	<b>\$ (6,676)</b>
<b>As a percent of average total assets<sup>(4)</sup></b>					
Total from investments	5.11 %	5.73 %	7.30 %	9.07 %	8.68 %
Operating expenses before leverage costs	1.16 %	1.16 %	1.20 %	1.16 %	1.27 %
Distributable cash flow before leverage costs	3.95 %	4.57 %	6.10 %	7.91 %	7.41 %
<b>As a percent of average net assets<sup>(4)</sup></b>					
Total from investments	6.51 %	7.62 %	10.15 %	14.71 %	11.87 %
Operating expenses before leverage costs	1.47 %	1.54 %	1.67 %	1.89 %	1.74 %
Leverage costs	0.75 %	1.03 %	1.13 %	1.54 %	1.19 %
Distributable cash flow	4.29 %	5.05 %	7.35 %	11.28 %	8.94 %
<b>Selected Financial Information</b>					
Distributions paid on common stock	\$ 4,507	\$ 4,507	\$ 4,508	\$ 4,082	\$ 4,081
Distributions paid on common stock per share	0.4500	0.4500	0.4500	0.4075	0.4075
Total assets, end of period	417,589	345,569	286,039	213,999	269,483
Average total assets during period <sup>(5)</sup>	420,576	382,558	312,142	238,257	244,963
Leverage <sup>(6)</sup>	89,900	91,500	86,900	65,000	65,100
Leverage as a percent of total assets	21.5 %	26.5 %	30.4 %	30.4 %	24.2 %
Net unrealized appreciation (depreciation), end of period	82,054	10,975	(41,680)	(75,017)	(5,987)
Net assets, end of period	322,215	252,182	197,443	144,960	202,587
Average net assets during period <sup>(7)</sup>	330,279	287,394	224,525	146,835	179,041
Net asset value per common share	32.17	25.18	19.71	14.47	20.23
Market value per common share	27.72	21.55	17.47	12.56	17.37
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.

Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by (3) 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) Computed by averaging month-end values within each period.

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

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

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## 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 May 31, 2016 were 44.8% and 39.0%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Oil and Gas Producers Index<sup>SM</sup> returned 38.9% for the same period. The fund's performance reflects the improving conditions of upstream oil and gas producers with the increase in oil prices, driven by a decrease in North American production and an increase in demand. Liquids producers outperformed natural gas producers, particularly those in the Permian basin as it has had the best economics in the current commodity price environment.

#### 2nd fiscal quarter highlights

Distributions paid per share	\$0.4375
Distribution rate (as of 5/31/2016)	12.8%
Quarter-over-quarter distribution increase	0.0%
Year-over-year distribution increase	0.0%
Cumulative distribution to stockholders	
since inception in July 2012	\$6.5625
Market-based total return	44.8%
NAV-based total return	39.0%
Premium (discount) to NAV (as of 5/31/2016)	(10.4)%

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 67.4% of total assets and their out-of-the-money percentage at the time written averaged approximately 10.4% during the fiscal quarter.

#### Key asset performance drivers

Pioneer Natural Resources Company	Upstream liquids producer	Key acreage in the Permian, currently the most economic U.S. oil basin Improved commodity prices Growing Northeast natural gas production supported by improved outlook on natural gas prices
EOG Resources, Inc.	Upstream liquids producer	
EQT Corporation	Upstream natural gas producer	
Devon Energy Corporation	Upstream natural gas producer	Improved commodity prices
Anadarko Petroleum Corporation	Upstream oil and natural gas producer	Improved commodity prices
Phillips 66 Partners LP	Midstream refined product pipeline MLP	Low yield high growth names, such as this, were out of favor Reported lower than expected 1Q production due to weather-related issues but maintained full-year production guidance
PDC Energy, Inc.	Upstream liquids producer	Pending acquisition of the general partner created uncertainty regarding future growth
Columbia Pipeline Partners LP	Midstream natural gas/natural gas liquids pipeline MLP	

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Shell Midstream Partners, L.P.	Midstream crude oil pipeline MLP	Low yield high growth names, such as this, were out of favor
Valero Energy Partners LP	Midstream refined product pipeline MLP	Low yield high growth names, such as this, were out of favor

***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)

Tortoise Capital Advisors

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## 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 increased approximately 6.5% as compared to 1st quarter 2016, primarily due to higher net premiums on options written. Operating expenses, consisting primarily of fund advisory fees, increased 14.2% during the quarter due to higher asset-based fees. Total leverage costs increased approximately 5.5% during the quarter due to slightly higher leverage utilization. As a result of the changes in income and expenses, DCF increased by approximately 5.7% as compared to 1st quarter 2016. In addition, the fund had net realized losses on investments of \$23.2 million during 2nd quarter 2016.

The fund maintained its quarterly distribution of \$0.4375 per share during 2nd 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 \$6.5625 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 fiscal year-to-date and 2nd quarter 2016 (in thousands):

	2016 YTD	2nd Qtr 2016
Net Investment Loss	\$ (438)	\$ (192)
Adjustments to reconcile to DCF:		
Net premiums on options written	11,620	6,089
Distributions characterized as return of capital	1,834	795
Dividends paid in stock	546	278
DCF	\$ 13,562	\$ 6,970

#### Leverage

The fund's leverage utilization increased by \$0.8 million as compared to Feb. 29, 2016. The fund utilizes all floating rate leverage that had an interest rate of 1.27% at May 31, 2016. Leverage represented 21.8% of total assets at quarter-end, above the long-term target level of 15% of total assets. 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.

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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).

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**Tortoise Capital Advisors**

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**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.

	Q2 <sup>(1)</sup>	2015 Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	2016 Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>
<b>Total Income from Investments</b>					
Distributions and dividends from investments, net of foreign taxes withheld	\$ 1,846	\$ 1,832	\$ 1,824	\$ 1,694	\$ 1,615
Dividends paid in stock	259	269	275	268	278
Net premiums on options written	5,354	5,112	5,802	5,531	6,090
Total from investments	7,459	7,213	7,901	7,493	7,983
<b>Operating Expenses Before Leverage Costs</b>					
Advisory fees, net of fees waived	969	842	734	586	661
Other operating expenses	160	154	141	134	161
	1,129	996	875	720	822
Distributable cash flow before leverage costs	6,330	6,217	7,026	6,773	7,161
Leverage costs <sup>(2)</sup>	148	150	151	181	191
<b>Distributable Cash Flow<sup>(3)</sup></b>	\$ 6,182	\$ 6,067	\$ 6,875	\$ 6,592	\$ 6,970
<b>Net realized loss on investments and foreign currency translation, for the period</b>	\$ (4,028)	\$ (10,630)	\$ (6,369)	\$ (7,899)	\$ (23,227)
<b>As a percent of average total assets<sup>(4)</sup></b>					
Total from investments	7.64 %	8.41 %	10.83 %	11.88 %	12.02 %
Operating expenses before leverage costs	1.16 %	1.16 %	1.20 %	1.14 %	1.24 %
Distributable cash flow before leverage costs	6.48 %	7.25 %	9.63 %	10.74 %	10.78 %
<b>As a percent of average net assets<sup>(4)</sup></b>					
Total from investments	9.10 %	10.41 %	13.50 %	17.11 %	15.67 %
Operating expenses before leverage costs	1.38 %	1.44 %	1.50 %	1.64 %	1.61 %
Leverage costs	0.18 %	0.22 %	0.26 %	0.41 %	0.37 %
Distributable cash flow	7.54 %	8.75 %	11.74 %	15.06 %	13.69 %
<b>Selected Financial Information</b>					
Distributions paid on common stock	\$ 6,351	\$ 6,350	\$ 6,351	\$ 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	376,856	307,266	289,330	228,663	287,532
Average total assets during period <sup>(5)</sup>	387,144	340,194	292,664	253,624	264,154
Leverage <sup>(6)</sup>	61,400	61,900	61,800	61,800	62,600
Leverage as a percent of total assets	16.3 %	20.1 %	21.4 %	27.0 %	21.8 %
Net unrealized depreciation, end of period	(1,556)	(61,343)	(66,495)	(117,834)	(27,486)
Net assets, end of period	313,685	241,721	225,410	164,735	222,159
Average net assets during period <sup>(7)</sup>	325,287	274,832	234,669	176,104	202,667
Net asset value per common share	21.61	16.65	15.53	11.35	15.30
Market value per common share	19.47	14.64	13.18	9.76	13.71
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.



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- (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.

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## 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 May 31, 2016 were 26.9% and 28.2%, respectively (including the reinvestment of distributions). Comparatively, the TPZ Benchmark Composite\* returned 12.5% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including energy infrastructure companies, a decrease in counterparty risk with producers and more accommodative capital markets. Power companies, an area of focus for the fund, did not participate as much in the recent rebound compared to other energy companies since they are defensive by nature. Energy equities outperformed energy fixed income securities during the fiscal quarter.

#### 2nd fiscal quarter highlights

Monthly distributions paid per share	\$0.1250
Distribution rate (as of 5/31/2016)	8.0%
Quarter-over-quarter distribution decrease	(9.1)%**
Year-over-year distribution decrease	(9.1)%**
Cumulative distribution to stockholders since inception in July 2009	\$11.5250
Market-based total return	26.9%
NAV-based total return	28.2%
Premium (discount) to NAV (as of 5/31/2016)	(13.4)%

\*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.

\*\*Reflects the elimination of the capital gain component of the distribution. 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.*

*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

ONEOK, Inc.  
Energy Transfer  
Partners, L.P.

Midstream natural gas/natural gas liquids pipeline company  
Midstream natural gas/natural gas liquids pipeline MLP

Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook

Market gained confidence in sustainability of distributions

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<p>Enbridge Energy Management, L.L.C.</p> <p>Targa Resources Corp. Midcontinent Express Pipeline LLC (fixed income)</p> <p>Ruby Pipeline LLC (fixed income)</p> <p>Phillips 66 Partners LP</p> <p>Shell Midstream Partners, L.P.</p> <p>Spectra Energy Partners, LP</p> <p>Williams Partners L.P.</p>	<p>Midstream crude oil pipeline company</p> <p>Midstream gathering and processing company</p> <p>Midstream natural gas/natural gas liquids pipeline company</p> <p>Midstream natural gas/natural gas liquids pipeline company</p> <p>Midstream refined product pipeline MLP</p> <p>Midstream crude oil pipeline MLP</p> <p>Midstream natural gas/natural gas liquids pipeline MLP</p> <p>Midstream gathering and processing MLP</p>	<p>Steady cash flows and improved commodity price outlook Benefitted from a combination of a completed rollup transaction and preferred issuance that solved capital market needs</p> <p>Stability of underlying business and a fixed-income holding</p> <p>Concerns over high debt levels and risk of downgrade Low yield high growth names, such as this, were out of favor</p> <p>Low yield high growth names, such as this, were out of favor</p> <p>Lagged after strong 2015 performance Concern around Chesapeake counterparty risk and levered balance sheet</p>
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(unaudited)

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## 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 0.5% as compared to 1st quarter 2016 due to the impact of trading activity. Operating expenses, consisting primarily of fund advisory fees, increased 12.5% during the quarter due to higher asset-based fees. Total leverage costs decreased slightly during the quarter. As a result of the changes in income and expenses, DCF decreased approximately 1.8% as compared to 1st quarter 2016. In addition, the fund had net realized gains on investments of \$0.1 million during 2nd quarter 2016.

The fund paid monthly distributions of \$0.125 per share during 2nd quarter 2016, which represents the historical baseline distribution supported by DCF. The fund eliminated the capital gain component of the monthly distribution because it does not anticipate the same level of capital gains following market declines over the past year. The elimination of the capital gain component of \$0.0125 per share resulted in a decrease of 9.1% from the distributions paid in the 1st quarter 2016. The fund's Board of Directors has declared monthly distributions of \$0.125 per share to be paid during 3rd 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 \$11.525 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 fiscal year-to-date and 2nd quarter 2016 (in thousands):

	2016 YTD	2nd Qtr 2016
Net Investment Income	\$2,542	\$ 971
Adjustments to reconcile to DCF:		
Dividends paid in stock	491	250
Distributions characterized		
as return of capital	2,462	1,506
Interest rate swap expenses	(147)	(66)
Change in amortization		
methodology	36	7
DCF	\$5,384	\$2,668

## Leverage

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The fund's leverage utilization increased by \$3.1 million as compared to Feb. 29, 2016 and represented 25.7% of total assets at May 31, 2016, above the long-term target level of 20% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 45% of the leverage cost was fixed, the weighted-average maturity was 1.3 years and the weighted-average annual rate on leverage was 1.76%. 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).

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**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.

	Q2 <sup>(1)</sup>	2015 Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	Q1 <sup>(1)</sup>	2016 Q2 <sup>(1)</sup>
<b>Total Income from Investments</b>					
Interest earned on corporate bonds	\$ 1,966	\$ 1,900	\$ 1,793	\$ 1,672	\$ 1,616
Distributions and dividends from investments, net of foreign taxes withheld	1,156	1,138	1,431	1,568	1,631
Dividends paid in stock	223	232	236	241	250
Total from investments	3,345	3,270	3,460	3,481	3,497
<b>Operating Expenses Before Leverage Costs</b>					
Advisory fees, net of fees waived	604	566	497	409	453
Other operating expenses	141	138	165	125	148
	745	704	662	534	601
Distributable cash flow before leverage costs	2,600	2,566	2,798	2,947	2,896
Leverage costs <sup>(2)</sup>	217	219	217	231	228
<b>Distributable Cash Flow<sup>(3)</sup></b>	\$ 2,383	\$ 2,347	\$ 2,581	\$ 2,716	\$ 2,668
<b>Net realized gain (loss) on investments and foreign currency translation, for the period</b>	\$ 4,470	\$ (1,634)	\$ (3,954)	\$ (4,797)	\$ 67
<b>As a percent of average total assets<sup>(4)</sup></b>					
Total from investments	5.23 %	5.43 %	6.62 %	7.70 %	7.32 %
Operating expenses before leverage costs	1.16 %	1.17 %	1.27 %	1.18 %	1.26 %
Distributable cash flow before leverage costs	4.07 %	4.26 %	5.35 %	6.52 %	6.06 %
<b>As a percent of average net assets<sup>(4)</sup></b>					
Total from investments	6.54 %	6.95 %	8.72 %	11.32 %	10.03 %
Operating expenses before leverage costs	1.46 %	1.50 %	1.67 %	1.74 %	1.72 %
Leverage costs	0.42 %	0.47 %	0.55 %	0.75 %	0.65 %
Distributable cash flow	4.66 %	4.98 %	6.50 %	8.83 %	7.66 %
<b>Selected Financial Information</b>					
Distributions paid on common stock	\$ 2,867	\$ 2,867	\$ 2,868	\$ 2,867	\$ 2,607
Distributions paid on common stock per share	0.4125	0.4125	0.4125	0.4125	0.3750
Total assets, end of period	254,507	226,510	198,282	171,284	205,150
Average total assets during period <sup>(5)</sup>	253,728	239,062	209,734	181,912	190,095
Leverage <sup>(6)</sup>	50,400	54,500	49,900	49,600	52,700
Leverage as a percent of total assets	19.8 %	24.1 %	25.2 %	29.0 %	25.7 %
Net unrealized appreciation (depreciation), end of period	60,294	31,449	13,478	(7,382)	25,113
Net assets, end of period	203,208	171,137	147,563	120,519	151,382
Average net assets during period <sup>(7)</sup>	202,765	186,685	159,097	123,733	138,638
Net asset value per common share	29.23	24.62	21.23	17.34	21.78
Market value per common share	26.80	21.37	18.53	15.17	18.86
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.

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- (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.

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**TYG Schedule of Investments** (unaudited)  
 May 31, 2016

	Shares	Fair Value
<b>Master Limited Partnerships</b> 179.7%		
<b>Crude Oil Pipelines</b> 44.7%		
<b>United States</b> 44.7%		
Enbridge Energy Partners, L.P.	1,897,232	\$ 41,245,824
Genesis Energy L.P.	2,331,152	87,814,496
NuStar Energy L.P.	1,183	58,168
Plains All American Pipeline, L.P.	6,940,324	160,529,694
Shell Midstream Partners, L.P.	1,597,369	53,911,204
Sunoco Logistics Partners L.P.	6,412,715	176,029,027
Tesoro Logistics LP	2,093,642	102,902,504
		622,490,917
<b>Natural Gas/Natural Gas Liquids Pipelines</b> 70.0%		
<b>United States</b> 70.0%		
Columbia Pipeline Partners LP	1,938,839	28,559,099
Dominion Midstream Partners, LP	896,190	25,917,815
Energy Transfer Partners, L.P.	5,547,507	201,152,604
Enterprise Products Partners L.P.	6,886,458	191,168,074
EQT Midstream Partners, LP	1,966,806	148,238,168
ONEOK Partners, L.P.	4,956,085	188,083,426
Spectra Energy Partners, LP	2,779,686	124,919,089
Tallgrass Energy Partners, LP	1,436,628	65,021,783
		973,060,058
<b>Natural Gas Gathering/Processing</b> 30.4%		
<b>United States</b> 30.4%		
Antero Midstream Partners LP	2,362,765	58,124,019
DCP Midstream Partners, LP	1,348,960	45,230,629
EnLink Midstream Partners, LP	3,368,931	53,026,974
MPLX LP	2,421,079	77,232,420
Rice Midstream Partners LP	820,024	14,998,239
Western Gas Partners, LP	3,190,562	158,985,704
Williams Partners L.P.	474,357	15,141,475
		422,739,460
<b>Refined Product Pipelines</b> 34.6%		
<b>United States</b> 34.6%		
Buckeye Partners, L.P.	2,532,174	182,113,954
Magellan Midstream Partners, L.P. <sup>(2)</sup>	2,933,357	205,481,658
Phillips 66 Partners LP	946,859	52,010,965
Valero Energy Partners LP	888,135	41,094,006
		480,700,583
Total Master Limited Partnerships (Cost \$2,068,229,535)		2,498,991,018
<b>Preferred Stock</b> 2.8%		
<b>Natural Gas Gathering/Processing</b> 1.7%		
<b>United States</b> 1.7%		
Targa Resources Corp., 9.500% <sup>(3)</sup>	21,758	22,871,450
<b>Oil and Gas Production</b> 1.1%		
<b>United States</b> 1.1%		
Anadarko Petroleum Corporation, 7.500%, 06/07/2018	392,800	15,319,200
Total Preferred Stock		



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(Cost \$37,119,763)		38,190,650
<b>Common Stock 1.2%</b>		
<b>Crude Oil Pipelines 1.2%</b>		
<b>United States 1.2%</b>		
Plains GP Holdings, L.P. (Cost \$10,054,425)	1,712,676	16,082,028
<b>Warrants 0.6%</b>		
<b>Natural Gas Gathering/Processing 0.6%</b>		
<b>United States 0.6%</b>		
Targa Resources Corp. Series A, \$18.88, 03/16/2023 <sup>(3)(4)</sup>	305,483	6,509,269
Targa Resources Corp. Series B, \$25.11, 03/16/2023 <sup>(3)(4)</sup>	147,302	2,327,258
Total Warrants (Cost \$3,145,348)		8,836,527
<b>Short-Term Investment 0.0%</b>		
<b>United States Investment Company 0.0%</b>		
Fidelity Institutional Money Market Portfolio Class I, 0.33% <sup>(5)</sup> (Cost \$135,717)	135,717	135,717
<b>Total Investments 184.3%</b> <b>(Cost \$2,118,684,788)</b>		2,562,235,940
<b>Interest Rate Swap Contracts (0.1)%</b>		
\$20,000,000 notional unrealized depreciation <sup>(6)</sup>		(665,163)
<b>Other Assets and Liabilities (2.8)%</b>		(39,210,048)
<b>Deferred Tax Liability (30.8)%</b>		(427,830,099)
<b>Credit Facility Borrowings (6.0)%</b>		(84,000,000)
<b>Senior Notes (32.7)%</b>		(455,000,000)
<b>Mandatory Redeemable Preferred Stock at Liquidation Value (11.9)%</b>		(165,000,000)
<b>Total Net Assets Applicable to Common Stockholders 100.0%</b>		\$ 1,390,530,630

(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 \$665,163.

(3) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$31,707,977, which represents 2.3% of net assets. See Note 6 to the financial statements for further disclosure.

(4) Non-income producing security.

(5) Rate indicated is the current yield as of May 31, 2016.

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

See accompanying Notes to Financial Statements.

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**NTG Schedule of Investments** (unaudited)

May 31, 2016

	Shares	Fair Value
<b>Master Limited Partnerships 158.9%</b>		
<b>Crude Oil Pipelines 32.0%</b>		
<b>United States 32.0%</b>		
Enbridge Energy Partners, L.P.	1,411,648	\$ 30,689,227
Genesis Energy L.P.	1,197,143	45,096,377
Plains All American Pipeline, L.P.	3,193,559	73,867,020
Shell Midstream Partners, L.P.	840,435	28,364,681
Sunoco Logistics Partners L.P.	2,671,434	73,330,863
Tesoro Logistics LP	703,951	34,599,192
		285,947,360
<b>Natural Gas/Natural Gas Liquids Pipelines 72.8%</b>		
<b>United States 72.8%</b>		
Columbia Pipeline Partners LP	1,346,148	19,828,760
Dominion Midstream Partners, LP	548,376	15,859,034
Energy Transfer Partners, L.P.	3,979,466	144,295,437
Enterprise Products Partners L.P.	4,586,528	127,322,017
EQT Midstream Partners, LP	1,368,899	103,173,918
ONEOK Partners, L.P.	2,683,822	101,851,045
Spectra Energy Partners, LP	2,256,493	101,406,795
Tallgrass Energy Partners, LP	819,012	37,068,483
		650,805,489
<b>Natural Gas Gathering/Processing 33.9%</b>		
<b>United States 33.9%</b>		
Antero Midstream Partners LP	1,185,362	29,159,905
DCP Midstream Partners, LP	1,872,056	62,770,038
EnLink Midstream Partners, LP	3,067,916	48,288,998
MPLX LP	1,538,726	49,085,359
Rice Midstream Partners LP	513,608	9,393,890
Western Gas Partners, LP	1,923,210	95,833,554
Williams Partners L.P.	271,338	8,661,109
		303,192,853
<b>Refined Product Pipelines 20.2%</b>		
<b>United States 20.2%</b>		
Buckeye Partners, L.P.	1,039,397	74,753,432
Magellan Midstream Partners, L.P.	914,032	64,027,942
Phillips 66 Partners LP	457,475	25,129,102
Valero Energy Partners LP	372,887	17,253,481
		181,163,957
Total Master Limited Partnerships (Cost \$1,293,899,138)		1,421,109,659
<b>Common Stock 2.7%</b>		
<b>Crude Oil Pipelines 2.7%</b>		
<b>United States 2.7%</b>		
Plains GP Holdings, L.P. (Cost \$14,637,055)	2,572,050	24,151,550
<b>Preferred Stock 2.3%</b>		
<b>Natural Gas Gathering/Processing 1.4%</b>		
<b>United States 1.4%</b>		

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Targa Resources Corp., 9.500% <sup>(2)</sup>	12,252	12,878,987
<b>Oil and Gas Production 0.9%</b>		
<b>United States 0.9%</b>		
Anadarko Petroleum Corporation, 7.500%, 06/07/2018	199,500	7,780,500
<b>Total Preferred Stock</b> (Cost \$19,892,225)		20,659,487
<b>Warrants 0.6%</b>		
<b>Natural Gas Gathering/Processing 0.6%</b>		
<b>United States 0.6%</b>		
Targa Resources Corp. Series A, \$18.88, 03/16/2023 <sup>(2)(3)</sup>	172,018	3,665,381
Targa Resources Corp. Series B, \$25.11, 03/16/2023 <sup>(2)(3)</sup>	82,946	1,310,483
<b>Total Warrants</b> (Cost \$1,771,155)		4,975,864
<b>Short-Term Investment 0.0%</b>		
<b>United States Investment Company 0.0%</b>		
Fidelity Institutional Money Market Portfolio Class I, 0.33% <sup>(4)</sup> (Cost \$145,376)	145,376	145,376
<b>Total Investments 164.5%</b> (Cost \$1,330,344,949)		1,471,041,936
<b>Other Assets and Liabilities (0.2%)</b>		(2,115,163)
<b>Deferred Tax Liability (15.1%)</b>		(135,038,521)
<b>Credit Facility Borrowings (5.1%)</b>		(45,900,000)
<b>Senior Notes (31.8%)</b>		(284,000,000)
<b>Mandatory Redeemable Preferred Stock</b> <b>at Liquidation Value (12.3%)</b>		(110,000,000)
<b>Total Net Assets Applicable to</b> <b>Common Stockholders 100.0%</b>		\$ 893,988,252

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

(2) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$17,854,851, which represents 2.0% of net assets. See Note 6 to the financial statements for further disclosure.

(3) Non-income producing security.

(4) Rate indicated is the current yield as of May 31, 2016.

See accompanying Notes to Financial Statements.

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**TTP Schedule of Investments** (unaudited)

May 31, 2016

	Shares	Fair Value
<b>Common Stock 91.0%</b>		
<b>Crude Oil Pipelines 20.0%</b>		
<b>Canada 11.8%</b>		
Enbridge Inc.	304,117	\$ 12,131,227
Inter Pipeline Ltd.	415,182	8,437,565
Pembina Pipeline Corporation	113,397	3,326,635
<b>United States 8.2%</b>		
Plains GP Holdings, L.P.	1,325,089	12,442,586
SemGroup Corporation	133,904	4,256,808
		40,594,821
<b>Natural Gas Gathering/Processing 14.8%</b>		
<b>United States 14.8%</b>		
EnLink Midstream, LLC	366,747	5,746,925
Targa Resources Corp.	263,723	11,295,256
The Williams Companies, Inc.	587,367	13,016,053
		30,058,234
<b>Natural Gas/Natural Gas Liquids Pipelines 39.1%</b>		
<b>Canada 8.8%</b>		
Keyera Corp.	36,599	1,091,816
TransCanada Corporation	403,735	16,738,853
<b>United States 30.3%</b>		
Columbia Pipeline Group, Inc.	360,774	9,214,168
ONEOK, Inc.	607,199	26,261,357
Spectra Energy Corp	809,688	25,796,660
		79,102,854
<b>Oil and Gas Production 14.9%</b>		
<b>United States 14.9%</b>		
Anadarko Petroleum Corporation <sup>(2)</sup>	31,900	1,654,334
Antero Resources Corporation <sup>(2)(3)</sup>	24,100	699,623
Cabot Oil & Gas Corporation <sup>(2)</sup>	115,900	2,778,123
Carrizo Oil & Gas, Inc. <sup>(2)(3)</sup>	10,800	415,800
Cimarex Energy Co. <sup>(2)</sup>	17,500	2,034,900
Concho Resources Inc. <sup>(2)(3)</sup>	25,000	3,033,500
Continental Resources, Inc. <sup>(2)(3)</sup>	23,900	1,005,234
Diamondback Energy, Inc. <sup>(2)(3)</sup>	10,400	945,880
EOG Resources, Inc. <sup>(2)</sup>	53,700	4,369,032
EQT Corporation <sup>(2)</sup>	8,500	622,625
Gulfport Energy Corporation <sup>(2)(3)</sup>	17,800	547,172
Hess Corporation <sup>(2)</sup>	10,200	611,286
Laredo Petroleum, Inc. <sup>(2)(3)</sup>	30,000	363,300
Memorial Resource Development Corp. <sup>(2)(3)</sup>	13,080	206,664
Newfield Exploration Company <sup>(2)(3)</sup>	32,600	1,329,102
Noble Energy, Inc. <sup>(2)</sup>	40,700	1,455,025
Occidental Petroleum Corporation <sup>(2)</sup>	27,200	2,051,968
PDC Energy, Inc. <sup>(2)(3)</sup>	2,500	145,125
Pioneer Natural Resources Company <sup>(2)</sup>	24,200	3,879,744
Range Resources Corporation <sup>(2)</sup>	33,000	1,405,470
RSP Permian, Inc. <sup>(2)(3)</sup>	17,000	559,810
		30,113,717
<b>Refined Product Pipelines 2.2%</b>		
<b>United States 2.2%</b>		
VTTI Energy Partners LP	219,298	4,451,749
Total Common Stock		
(Cost \$193,469,509)		184,321,375

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<b>Master Limited Partnerships and Related Companies 39.1%</b>		
<b>Crude Oil Pipelines 14.8%</b>		
<b>United States 14.8%</b>		
Enbridge Energy Management, L.L.C.(4)	741,913	16,218,212
Genesis Energy L.P.	57,722	2,174,388
Plains All American Pipeline, L.P.	183,541	4,245,303
Shell Midstream Partners, L.P.	55,452	1,871,505
Sunoco Logistics Partners L.P.	161,024	4,420,109
Tesoro Logistics LP	20,624	1,013,670
		29,943,187
<b>Natural Gas/Natural Gas Liquids Pipelines 10.9%</b>		
<b>United States 10.9%</b>		
Columbia Pipeline Partners LP	38,484	566,869
Energy Transfer Partners, L.P.	303,560	11,007,086
Enterprise Products Partners L.P.	201,431	5,591,725
EQT Midstream Partners, LP	54,953	4,141,808
Tallgrass Energy Partners, LP	20,140	911,536
		22,219,024
<b>Natural Gas Gathering/Processing 7.5%</b>		
<b>United States 7.5%</b>		
Antero Midstream Partners LP	35,220	866,412
DCP Midstream Partners, LP	58,115	1,948,596
EnLink Midstream Partners, LP	55,955	880,732
MPLX LP	247,156	7,884,276
Rice Midstream Partners LP	42,736	781,641
Western Gas Partners, LP	49,299	2,456,569
Williams Partners L.P.	12,084	385,721
		15,203,947
<b>Refined Product Pipelines 5.9%</b>		
<b>United States 5.9%</b>		
Buckeye Partners, L.P.	74,894	5,386,376
Magellan Midstream Partners, L.P.	44,609	3,124,860
Phillips 66 Partners LP	36,049	1,980,172
Valero Energy Partners LP	31,129	1,440,339
		11,931,747
Total Master Limited Partnerships and Related Companies (Cost \$76,758,436)		79,297,905

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**TTP Schedule of Investments** (unaudited) (continued)  
May 31, 2016

	Shares	Fair Value
<b>Preferred Stock 1.9%</b>		
<b>Natural Gas Gathering/Processing 1.1%</b>		
<b>United States 1.1%</b>		
Targa Resources Corp., 9.500% <sup>(5)</sup>	2,108	\$ 2,215,875
<b>Oil and Gas Production 0.8%</b>		
<b>United States 0.8%</b>		
Anadarko Petroleum Corporation, 7.500%, 06/07/2018	39,500	1,540,500
<b>Total Preferred Stock</b> (Cost \$3,663,523)		<b>3,756,375</b>
<b>Warrants 0.4%</b>		
<b>Natural Gas Gathering/Processing 0.4%</b>		
<b>United States 0.4%</b>		
Targa Resources Corp. Series A, \$18.88, 03/16/2023 <sup>(3)(5)</sup>	29,596	630,635
Targa Resources Corp. Series B, \$25.11, 03/16/2023 <sup>(3)(5)</sup>	14,271	225,471
<b>Total Warrants</b> (Cost \$304,734)		<b>856,106</b>
<b>Short-Term Investment 0.0%</b>		
<b>United States Investment Company 0.0%</b>		
Fidelity Institutional Money Market Portfolio Class I, 0.33% <sup>(6)</sup> (Cost \$88,741)	88,741	88,741
<b>Total Investments 132.4%</b> (Cost \$274,284,943)		<b>268,320,502</b>
<b>Credit Facility Borrowings (7.4%)</b>		<b>(15,100,000)</b>
<b>Senior Notes (16.8%)</b>		<b>(34,000,000)</b>
<b>Mandatory Redeemable Preferred Stock</b> <b>at Liquidation Value (7.9%)</b>		<b>(16,000,000)</b>
<b>Total Value of Options Written</b> (Premiums received \$385,274) (0.2%)		<b>(405,478)</b>
<b>Other Assets and Liabilities (0.1%)</b>		<b>(228,032)</b>
<b>Total Net Assets Applicable</b> <b>to Common Stockholders 100.0%</b>		<b>\$ 202,586,992</b>

(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) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$3,071,981, which represents 1.5% of net assets. See Note 6 to the financial statements for further disclosure.

(6) Rate indicated is the current yield as of May 31, 2016.

See accompanying Notes to Financial Statements.



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**TTP Schedule of Options Written** (unaudited)  
May 31, 2016

Call Options Written	Expiration Date	Strike Price	Contracts	Fair Value
Anadarko Petroleum Corporation	June 2016	\$ 52.50	319	\$ (40,513)
Antero Resources Corporation	June 2016	28.00	241	(39,253)
Cabot Oil & Gas Corporation	June 2016	26.00	1,159	(17,385)
Carrizo Oil & Gas, Inc.	June 2016	40.00	108	(12,420)
Cimarex Energy Co.	June 2016	125.00	175	(17,500)
Concho Resources Inc.	June 2016	125.00	250	(45,750)
Continental Resources, Inc.	June 2016	44.00	239	(26,290)
Diamondback Energy, Inc.	June 2016	92.50	104	(20,280)
EOG Resources, Inc.	June 2016	87.50	537	(13,962)
EQT Corporation	June 2016	75.00	85	(9,775)
Gulfport Energy Corporation	June 2016	32.50	178	(10,680)
Hess Corporation	June 2016	62.50	102	(7,140)
Laredo Petroleum, Inc.	June 2016	12.00	300	(25,500)
Memorial Resources Development Corp.	June 2016	16.00	130	(8,238)
Newfield Exploration Company	June 2016	44.00	326	(10,595)
Noble Energy, Inc.	June 2016	38.00	407	(15,507)
Occidental Petroleum Corporation	June 2016	79.00	272	(7,072)
PDC Energy, Inc.	June 2016	67.00	25	(423)
Pioneer Natural Resources Company	June 2016	175.00	242	(18,392)
Range Resources Corporation	June 2016	43.00	330	(51,153)
RSP Permian, Inc.	June 2016	35.00	170	(7,650)
<b>Total Value of Call Options Written</b> (Premiums received \$385,274)				\$ (405,478)

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**NDP Schedule of Investments** (unaudited)

May 31, 2016

	Shares	Fair Value
<b>Common Stock 98.2%</b>		
<b>Oil and Gas Production 98.2%</b>		
<b>Canada 3.5%</b>		
ARC Resources LTD.	334,600	\$ 5,503,734
Cenovus Energy Inc.	153,200	2,310,256
<b>The Netherlands 2.5%</b>		
Royal Dutch Shell plc (ADR)	114,500	5,552,105
<b>United Kingdom 2.3%</b>		
BP p.l.c. (ADR)	165,500	5,196,700
<b>United States 89.9%</b>		
Anadarko Petroleum Corporation <sup>(2)(3)</sup>	271,100	14,059,246
Antero Resources Corporation <sup>(2)(3)(4)</sup>	146,610	4,256,088
Cabot Oil & Gas Corporation <sup>(2)(3)</sup>	226,700	5,433,999
Carrizo Oil & Gas, Inc. <sup>(2)(3)(4)</sup>	215,000	8,277,500
Cimarex Energy Co. <sup>(2)(3)</sup>	76,873	8,938,793
Concho Resources Inc. <sup>(2)(3)(4)</sup>	98,443	11,945,074
Continental Resources, Inc. <sup>(2)(3)(4)</sup>	39,700	1,669,782
Devon Energy Corporation <sup>(2)(3)</sup>	265,034	9,565,077
Diamondback Energy, Inc. <sup>(2)(3)(4)</sup>	69,700	6,339,215
EOG Resources, Inc. <sup>(2)(3)</sup>	363,300	29,558,088
EQT Corporation <sup>(2)(3)</sup>	282,685	20,706,676
Gulfport Energy Corporation <sup>(2)(3)(4)</sup>	178,600	5,490,164
Laredo Petroleum, Inc. <sup>(4)</sup>	40	484
Memorial Resource Development Corp. <sup>(2)(3)(4)</sup>	85,400	1,349,320
Newfield Exploration Company <sup>(2)(3)(4)</sup>	204,988	8,357,361
Occidental Petroleum Corporation <sup>(2)(3)</sup>	105,700	7,974,008
Parsley Energy, Inc. <sup>(2)(3)(4)</sup>	229,000	5,970,030
PDC Energy, Inc. <sup>(2)(3)(4)</sup>	49,700	2,885,085
Pioneer Natural Resources Company <sup>(2)(3)</sup>	173,515	27,817,925
Range Resources Corporation <sup>(2)(3)</sup>	169,900	7,236,041
Rice Energy Inc. <sup>(2)(3)(4)</sup>	162,400	3,288,600
RSP Permian, Inc. <sup>(2)(3)(4)</sup>	260,000	8,561,800
Whiting Petroleum Corporation <sup>(4)</sup>	27	334
Total Common Stock (Cost \$247,695,454)		218,243,485
<b>Master Limited Partnerships and Related Companies 29.0%</b>		
<b>Crude Oil Pipelines 9.7%</b>		
<b>United States 9.7%</b>		
Enbridge Energy Management, L.L.C. <sup>(5)</sup>	489,368	10,697,579
Plains All American Pipeline, L.P.	204,532	4,730,825
Rose Rock Midstream, L.P.	32,489	838,216
Shell Midstream Partners, L.P.	51,895	1,751,456
Tesoro Logistics LP	70,281	3,454,311
		21,472,387
<b>Natural Gas/Natural Gas Liquids Pipelines 6.9%</b>		
<b>United States 6.9%</b>		
Columbia Pipeline Partners LP	35,719	526,141
Energy Transfer Partners, L.P.	152,945	5,545,786
Enterprise Products Partners L.P.	229,988	6,384,467

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EQT GP Holdings, LP	8,439	220,258
EQT Midstream Partners, LP	24,303	1,831,717
Tallgrass Energy Partners, LP	20,140	911,536
		15,419,905
<b>Natural Gas Gathering/Processing 6.0%</b>		
<b>United States 6.0%</b>		
Antero Midstream Partners LP	75,672	1,861,531
DCP Midstream Partners, LP	155,345	5,208,718
EnLink Midstream Partners, LP	86,700	1,364,658
MPLX LP	121,726	3,883,059
Rice Midstream Partners LP	40,357	738,130
Western Gas Partners, LP	6,100	303,963
		13,360,059
<b>Refined Product Pipelines 6.4%</b>		
<b>United States 6.4%</b>		
Buckeye Partners, L.P.	49,673	3,572,482
Magellan Midstream Partners, L.P.	92,000	6,444,600
Phillips 66 Partners LP	53,277	2,926,506
Valero Energy Partners LP	26,106	1,207,925
		14,151,513
Total Master Limited Partnerships and Related Companies (Cost \$62,887,117)		64,403,864

See accompanying Notes to Financial Statements.

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**NDP Schedule of Investments** (unaudited) (continued)  
May 31, 2016

	Shares	Fair Value
<b>Preferred Stock 1.6%</b>		
<b>Natural Gas Gathering/Processing 0.9%</b>		
<b>United States 0.9%</b>		
Targa Resources Corp., 9.500% <sup>(6)</sup>	1,997	\$ 2,099,195
<b>Oil and Gas Production 0.7%</b>		
<b>United States 0.7%</b>		
Anadarko Petroleum Corporation, 7.500%, 06/07/2018	36,900	1,439,100
<b>Total Preferred Stock</b> (Cost \$3,446,512)		<b>3,538,295</b>
<b>Warrants 0.4%</b>		
<b>Natural Gas Gathering/Processing 0.4%</b>		
<b>United States 0.4%</b>		
Targa Resources Corp. Series A, \$18.88, 03/16/2023 <sup>(4)(6)</sup>	28,038	597,437
Targa Resources Corp. Series B, \$25.11, 03/16/2023 <sup>(4)(6)</sup>	13,520	213,606
<b>Total Warrants</b> (Cost \$288,688)		<b>811,043</b>
<b>Short-Term Investment 0.1%</b>		
<b>United States Investment Company 0.1%</b>		
Fidelity Institutional Money Market Portfolio Class I, 0.33% <sup>(7)</sup> (Cost \$155,942)	155,942	155,942
<b>Total Investments 129.3%</b> (Cost \$314,473,713)		<b>287,152,629</b>
<b>Total Value of Options Written</b> (Premiums received \$1,967,331) (1.0%)		(2,132,582)
<b>Credit Facility Borrowings (28.2%)</b>		(62,600,000)
<b>Other Assets and Liabilities (0.1%)</b>		(261,105)
<b>Total Net Assets Applicable to</b> <b>Common Stockholders 100.0%</b>		<b>\$ 222,158,942</b>

(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) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$2,910,238, which represents 1.3% of net assets. See Note 6 to the financial statements for further disclosure.

(7) Rate indicated is the current yield as of May 31, 2016.

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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

May 31, 2016

<b>Call Options Written</b>	<b>Expiration Date</b>	<b>Strike Price</b>	<b>Contracts</b>	<b>Fair Value</b>
Anadarko Petroleum Corporation	June 2016	\$ 54.50	2,711	\$ (162,660)
Antero Resources Corporation	June 2016	29.00	1,466	(148,998)
Cabot Oil & Gas Corporation	June 2016	26.00	2,267	(34,005)
Carrizo Oil & Gas, Inc.	June 2016	41.50	2,150	(177,002)
Cimarex Energy Co.	June 2016	127.50	768	(46,062)
Concho Resources Inc.	June 2016	127.50	984	(122,492)
Continental Resources, Inc.	June 2016	45.00	397	(35,333)
Devon Energy Corporation	June 2016	38.00	2,650	(188,150)
Diamondback Energy, Inc.	June 2016	95.00	697	(66,215)
EOG Resources, Inc.	June 2016	87.50	3,633	(94,458)
EQT Corporation	June 2016	75.00	2,826	(324,990)
Gulfport Energy Corporation	June 2016	33.00	884	(36,436)
Gulfport Energy Corporation	June 2016	34.00	902	(24,250)
Memorial Resource Development Corp.	June 2016	16.00	854	(54,121)
Newfield Exploration Company	June 2016	44.00	2,049	(66,593)
Occidental Petroleum Corporation	June 2016	80.00	1,057	(8,456)
Parsley Energy, Inc.	June 2016	27.50	1,138	(45,838)
Parsley Energy, Inc.	June 2016	28.00	1,152	(36,415)
PDC Energy, Inc.	June 2016	70.00	497	(13,668)
Pioneer Natural Resources Company	June 2016	180.00	1,735	(43,375)
Range Resources Corporation	June 2016	44.00	1,699	(212,375)
Rice Energy Inc.	June 2016	21.00	1,624	(81,200)
RSP Permian, Inc.	June 2016	35.00	1,997	(89,865)
RSP Permian, Inc.	June 2016	36.00	603	(19,625)
<b>Total Value of Call Options Written</b> (Premiums received \$1,967,331)				<b>\$ (2,132,582)</b>

See accompanying Notes to Financial Statements.

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## TPZ Schedule of Investments (unaudited)

May 31, 2016

	Principal Amount	Fair Value
<b>Corporate Bonds 71.3%</b> <sup>(1)</sup>		
<b>Crude Oil Pipelines 6.3%</b> <sup>(1)</sup>		
<b>Canada 2.9%</b> <sup>(1)</sup>		
Gibson Energy Inc., 6.750%, 07/15/2021 <sup>(2)</sup>	\$ 4,500,000	\$ 4,466,250
<b>United States 3.4%</b> <sup>(1)</sup>		
SemGroup Corp., 7.500%, 06/15/2021	5,450,000	5,163,875
		9,630,125
<b>Local Distribution Companies 6.8%</b> <sup>(1)</sup>		
<b>United States 6.8%</b> <sup>(1)</sup>		
Black Hills Energy, 5.900%, 04/01/2017 <sup>(2)</sup>	5,770,000	5,918,393
CenterPoint Energy, Inc., 6.500%, 05/01/2018	4,000,000	4,320,048
		10,238,441
<b>Natural Gas/Natural Gas Liquids Pipelines 25.5%</b> <sup>(1)</sup>		
<b>Canada 4.2%</b> <sup>(1)</sup>		
TransCanada Corporation, 5.625%, 05/20/2075	7,000,000	6,278,160
<b>United States 21.3%</b> <sup>(1)</sup>		
Cheniere Corp., 7.000%, 06/30/2024 <sup>(2)</sup>	2,000,000	2,050,000
Columbia Pipeline Group, Inc., 3.300%, 06/01/2020	2,000,000	2,007,022
Florida Gas Transmission Co., LLC, 5.450%, 07/15/2020 <sup>(2)</sup>	1,500,000	1,599,809
Kinder Morgan, Inc., 6.500%, 09/15/2020	4,000,000	4,365,832
Midcontinent Express Pipeline LLC, 6.700%, 09/15/2019 <sup>(2)</sup>	6,000,000	5,666,400
ONEOK, Inc., 4.250%, 02/01/2022	4,500,000	4,050,000
ONEOK, Inc., 7.500%, 09/01/2023	2,000,000	2,065,100
Rockies Express Pipeline, LLC, 6.000%, 01/15/2019 <sup>(2)</sup>	4,000,000	4,150,000
Ruby Pipeline, LLC, 6.000%, 04/01/2022 <sup>(2)</sup>	1,500,000	1,433,988
Southern Star Central Corp., 5.125%, 07/15/2022 <sup>(2)</sup>	3,000,000	2,880,000
Southern Star Central Gas Pipeline, Inc., 6.000%, 06/01/2016 <sup>(2)</sup>	2,000,000	2,000,000
		38,546,311
<b>Natural Gas Gathering/Processing 4.9%</b> <sup>(1)</sup>		
<b>United States 4.9%</b> <sup>(1)</sup>		
DCP Midstream LLC, 9.750%, 03/15/2019 <sup>(2)</sup>	3,000,000	3,195,000
The Williams Companies, Inc., 7.875%, 09/01/2021	4,000,000	4,220,000
		7,415,000
<b>Oil and Gas Production 5.3%</b> <sup>(1)</sup>		
<b>United States 5.3%</b> <sup>(1)</sup>		
Antero Resources Corporation, 6.000%, 12/01/2020	1,000,000	992,500
Carrizo Oil & Gas, Inc.,		

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7.500%, 09/15/2020	2,000,000	2,005,000
Continental Resources, Inc., 4.500%, 04/15/2023	1,000,000	910,625
Diamondback Energy, Inc., 7.625%, 10/01/2021	1,000,000	1,061,250
EQT Corporation, 8.125%, 06/01/2019	2,000,000	2,183,090
Range Resources Corporation, 5.000%, 03/15/2023	1,000,000	930,000
		8,082,465
<b>Oilfield Services 2.0%</b> )		
<b>United States 2.0%</b> )		
Pride International, Inc., 8.500%, 06/15/2019	3,000,000	2,959,500
<b>Power/Utility 20.5%</b> )		
<b>United States 20.5%</b> )		
The AES Corporation, 5.500%, 04/15/2025	4,000,000	3,970,000
CMS Energy Corp., 8.750%, 06/15/2019	5,185,000	6,225,505
Dominion Resources, Inc., 5.750%, 10/01/2054	4,000,000	3,920,000
Duquesne Light Holdings, Inc., 6.400%, 09/15/2020 <sup>(2)</sup>	3,000,000	3,413,499
Duquesne Light Holdings, Inc., 5.900%, 12/01/2021 <sup>(2)</sup>	2,000,000	2,255,038
NRG Energy, Inc., 6.250%, 07/15/2022	5,000,000	4,910,940
NRG Yield Operating LLC, 5.375%, 08/15/2024	2,500,000	2,406,250
NV Energy, Inc., 6.250%, 11/15/2020	1,000,000	1,171,275
Wisconsin Energy Corp., 6.250%, 05/15/2067	3,450,000	2,837,625
		31,110,132
Total Corporate Bonds (Cost \$108,584,763)		107,981,974

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**TPZ Schedule of Investments** (unaudited) (continued)  
May 31, 2016

	Shares	Fair Value
<b>Master Limited Partnerships and Related Companies</b> 38.8%		
<b>Crude Oil Pipelines</b> 13.5%		
<b>United States</b> 13.5%		
Enbridge Energy Management, L.L.C. <sup>(3)</sup>	431,090	\$ 9,423,632
Genesis Energy, L.P.	11,800	444,506
NuStar Energy L.P.	6,432	316,262
Plains All American Pipeline, L.P.	138,116	3,194,623
Shell Midstream Partners, L.P.	29,307	989,111
Sunoco Logistics Partners L.P.	159,265	4,371,824
Tesoro Logistics LP	34,009	1,671,542
		20,411,500
<b>Natural Gas/Natural Gas Liquids Pipelines</b> 13.9%		
<b>United States</b> 13.9%		
Energy Transfer Partners, L.P.	247,241	8,964,959
Enterprise Products Partners L.P.	164,409	4,563,994
EQT Midstream Partners, LP	22,918	1,727,330
ONEOK Partners, L.P.	129,203	4,903,254
Spectra Energy Partners, LP	19,446	873,903
		21,033,440
<b>Natural Gas Gathering/Processing</b> 5.8%		
<b>United States</b> 5.8%		
Antero Midstream Partners LP	29,817	733,498
DCP Midstream Partners, LP	52,040	1,744,901
EnLink Midstream Partners, LP	22,400	352,576
MPLX LP	131,504	4,194,978
Rice Midstream Partners LP	28,091	513,784
Western Gas Partners, LP	18,799	936,754
Williams Partners L.P.	9,217	294,207
		8,770,698
<b>Refined Product Pipelines</b> 5.6%		
<b>United States</b> 5.6%		
Buckeye Partners, L.P.	38,204	2,747,632
Magellan Midstream Partners, L.P.	50,165	3,514,058
Phillips 66 Partners LP	24,755	1,359,792
Valero Energy Partners LP	19,193	888,060
		8,509,542
Total Master Limited Partnerships and Related Companies (Cost \$38,993,190)		58,725,180
<b>Common Stock</b> 20.1%		
<b>Crude Oil Pipelines</b> 3.5%		
<b>United States</b> 3.5%		
Plains GP Holdings, L.P.	443,416	4,163,676
SemGroup Corporation	36,069	1,146,634
		5,310,310
<b>Natural Gas/Natural Gas Liquids Pipelines</b> 10.2%		
<b>United States</b> 10.2%		
ONEOK, Inc. <sup>(4)</sup>	225,406	9,748,809
Spectra Energy Corp	176,416	5,620,614
		15,369,423
<b>Natural Gas Gathering/Processing</b> 5.7%		

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<b>United States 5.7%)</b>		
EnLink Midstream LLC	47,828	749,465
Targa Resources Corp.	101,103	4,330,241
The Williams Companies, Inc.	162,625	3,603,770
		8,683,476
<b>Refined Product Pipelines 0.7%)</b>		
<b>United States 0.7%)</b>		
VTTI Energy Partners LP	50,626	1,027,708
Total Common Stock		
(Cost \$25,136,851)		30,390,917
See accompanying Notes to Financial Statements.		



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

May 31, 2016

	Shares	Fair Value
<b>Preferred Stock 3.2%</b>		
<b>Natural Gas Gathering/Processing 1.2%</b>		
<b>United States 1.2%</b>		
Targa Resources Corp., 9.500% <sup>(2)</sup>	1,685	\$ 1,771,229
<b>Natural Gas/Natural Gas Liquids Pipelines 1.4%</b>		
<b>United States 1.4%</b>		
Kinder Morgan, Inc., 9.750%, 10/26/2018	44,949	2,055,068
<b>Oil and Gas Production 0.6%</b>		
<b>United States 0.6%</b>		
Anadarko Petroleum Corporation, 7.500%, 06/07/2018	24,400	951,600
Total Preferred Stock (Cost \$4,122,038)		4,777,897
<b>Warrants 0.4%</b>		
<b>Natural Gas Gathering/Processing 0.4%</b>		
<b>United States 0.4%</b>		
Targa Resources Corp. Series A, \$18.88, 03/16/2023 <sup>(2)(5)</sup>	23,657	504,086
Targa Resources Corp. Series B, \$25.11, 03/16/2023 <sup>(2)(5)</sup>	11,407	180,222
Total Warrants (Cost \$243,584)		684,308
<b>Short-Term Investment 0.0%</b>		
<b>United States Investment Company 0.0%</b>		
Fidelity Institutional Money Market Portfolio Class I, 0.33% <sup>(6)</sup> (Cost \$45,232)	45,232	45,232
<b>Total Investments 133.8%</b> <b>(Cost \$177,125,658)</b>		202,605,508
<b>Interest Rate Swap Contracts (0.2%)</b> \$23,500,000 notional unrealized depreciation <sup>(7)</sup>		(367,035)
<b>Credit Facility Borrowings (34.8%)</b>		(52,700,000)
<b>Other Assets and Liabilities 1.2%</b>		1,843,359
<b>Total Net Assets Applicable to Common Stockholders 100.0%</b>		\$ 151,381,832

(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 \$41,483,914, which represents 27.4% of net assets. See Note 6 to the financial statements for further disclosure.

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

(4) A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of \$367,035.

(5) Non-income producing security.

(6) Rate indicated is the current yield as of May 31, 2016.

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

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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

May 31, 2016

	<b>Tortoise Energy Infrastructure Corp.</b>	<b>Tortoise MLP Fund, Inc.</b>
<b>Assets</b>		
Investments at fair value <sup>(1)</sup>	\$ 2,562,235,940	\$ 1,471,041,936
Receivable for Adviser fee waiver	14,962	
Receivable for investments sold	21,499,861	10,317,526
Dividends, distributions and interest receivable from investments	718,543	384,298
Prepaid expenses and other assets	3,323,725	1,747,220
Total assets	2,587,793,031	1,483,490,980
<b>Liabilities</b>		
Call options written, at fair value <sup>(2)</sup>		
Payable to Adviser	3,892,651	2,247,586
Accrued directors fees and expenses	62,169	43,903
Payable for investments purchased	15,878,153	9,099,059
Distribution payable to common stockholders	1,740,522	
Accrued expenses and other liabilities	8,365,017	3,173,659
Unrealized depreciation of interest rate swap contracts	665,163	
Current tax liability	34,828,627	
Deferred tax liability	427,830,099	135,038,521
Credit facility borrowings	84,000,000	45,900,000
Senior notes	455,000,000	284,000,000
Mandatory redeemable preferred stock	165,000,000	110,000,000
Total liabilities	1,197,262,401	589,502,728
Net assets applicable to common stockholders	\$ 1,390,530,630	\$ 893,988,252
<b>Net Assets Applicable to Common Stockholders Consist of:</b>		
Capital stock, \$0.001 par value per share	\$ 48,434	\$ 47,000
Additional paid-in capital	1,018,149,182	678,464,945
Undistributed (accumulated) net investment income (loss), net of income taxes	(196,538,366)	(108,006,056)
Undistributed (accumulated) net realized gain (loss), net of income taxes	838,219,945	232,888,507
Net unrealized appreciation (depreciation), net of income taxes	(269,348,565)	90,593,856
Net assets applicable to common stockholders	\$ 1,390,530,630	\$ 893,988,252
<b>Capital shares:</b>		
Authorized	100,000,000	100,000,000
Outstanding	48,434,479	47,000,211
Net Asset Value per common share outstanding (net assets applicable to common stock, divided by common shares outstanding)	\$ 28.71	\$ 19.02

(1) Investments at cost \$ 2,118,684,788 \$ 1,330,344,949

(2) Call options written, premiums received \$ \$

See accompanying Notes to Financial Statements.

Tortoise Pipeline & Energy Fund, Inc.	Tortoise Energy Independence Fund, Inc.	Tortoise Power and Energy Infrastructure Fund, Inc.
\$ 268,320,502	\$ 287,152,629	\$ 202,605,508
21,006	45,024	
343,443		480,594
554,827	282,389	2,024,091
243,297	51,935	40,143
269,483,075	287,531,977	205,150,336
405,478	2,132,582	
462,139	495,249	308,159
19,834	19,123	15,744
306,111		233,493
602,521	126,081	144,073
		367,035
15,100,000	62,600,000	52,700,000
34,000,000		
16,000,000		
66,896,083	65,373,035	53,768,504
\$ 202,586,992	\$ 222,158,942	\$ 151,381,832
\$ 10,016	\$ 14,516	\$ 6,951
233,621,529	306,776,593	129,482,470
		1,951,509
(25,057,614)	(57,145,768)	(5,171,973)
(5,986,939)	(27,486,399)	25,112,875
\$ 202,586,992	\$ 222,158,942	\$ 151,381,832
100,000,000	100,000,000	100,000,000
10,016,413	14,516,071	6,951,333
\$ 20.23	\$ 15.30	\$ 21.78
\$ 274,284,943	\$ 314,473,713	\$ 177,125,658
\$ 385,274	\$ 1,967,331	\$

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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**Statements of Operations** (unaudited)

Period from December 1, 2015 through May 31, 2016

	Tortoise Energy Infrastructure Corp.	Tortoise MLP Fund, Inc.
<b>Investment Income</b>		
Distributions from master limited partnerships	\$ 90,299,202	\$ 52,455,209
Dividends and distributions from common stock	395,628	594,144
Dividends and distributions from preferred stock	1,172,868	619,783
Less return of capital on distributions	(100,119,170)	(55,849,699)
Less foreign taxes withheld		
Net dividends and distributions from investments	(8,251,472)	(2,180,563)
Interest from corporate bonds		
Dividends from money market mutual funds	2,111	563
<b>Total Investment Income (Loss)</b>	<b>(8,249,361)</b>	<b>(2,180,000)</b>
<b>Operating Expenses</b>		
Advisory fees	11,075,850	6,215,780
Administrator fees	245,921	215,570
Professional fees	171,852	119,031
Directors fees	127,501	92,250
Stockholder communication expenses	112,346	77,079
Custodian fees and expenses	55,055	30,578
Fund accounting fees	43,929	37,872
Registration fees	35,310	22,963
Stock transfer agent fees	23,097	6,399
Franchise fees	16,568	5,451
Other operating expenses	95,738	51,931
<b>Total Operating Expenses</b>	<b>12,003,167</b>	<b>6,874,904</b>
<b>Leverage Expenses</b>		
Interest expense	8,926,452	5,573,371
Distributions to mandatory redeemable preferred stockholders	4,664,386	2,343,336
Amortization of debt issuance costs	2,635,812	213,380
Premium on redemption of senior notes	900,000	450,000
Premium on redemption of mandatory redeemable preferred stock	800,000	
Other leverage expenses	147,702	49,850
<b>Total Leverage Expenses</b>	<b>18,074,352</b>	<b>8,629,937</b>
<b>Total Expenses</b>	<b>30,077,519</b>	<b>15,504,841</b>
Less fees waived by Adviser	(36,807)	(55,998)
<b>Net Expenses</b>	<b>30,040,712</b>	<b>15,448,843</b>
<b>Net Investment Income (Loss), before Income Taxes</b>	<b>(38,290,073)</b>	<b>(17,628,843)</b>
Deferred tax benefit	10,942,348	5,530,132
<b>Net Investment Income (Loss)</b>	<b>(27,347,725)</b>	<b>(12,098,711)</b>
<b>Realized and Unrealized Gain (Loss) on Investments and Interest Rate Swaps</b>		
Net realized gain (loss) on investments	139,832,921	12,510,068
Net realized gain on options		
Net realized loss on interest rate swap settlements	(162,613)	
Net realized gain (loss) on foreign currency and translation of other assets and liabilities denominated in foreign currency		
Net realized gain (loss), before income taxes	139,670,308	12,510,068
Current tax expense	(43,742,200)	
Deferred tax expense	(6,428,243)	(4,558,864)
Income tax expense	(50,170,443)	(4,558,864)
Net realized gain (loss)	89,499,865	7,951,204
Net unrealized appreciation (depreciation) of investments	(39,134,046)	96,742,850
Net unrealized depreciation of options		
Net unrealized depreciation of interest rate swap contracts	(101,595)	
Net unrealized appreciation (depreciation) of other assets and liabilities due to foreign currency translation		
Net unrealized appreciation (depreciation), before income taxes	(39,235,641)	96,742,850

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Deferred tax benefit (expense)	14,093,686	(35,254,613)
Net unrealized appreciation (depreciation)	(25,141,955)	61,488,237
<b>Net Realized and Unrealized Gain</b>	<b>64,357,910</b>	<b>69,439,441</b>
<b>Net Increase in Net Assets Applicable to Common Stockholders Resulting from Operations</b>	<b>\$ 37,010,185</b>	<b>\$ 57,340,730</b>

See accompanying Notes to Financial Statements.

Tortoise Pipeline & Energy Fund, Inc.	Tortoise Energy Independence Fund, Inc.	Tortoise Power and Energy Infrastructure Fund, Inc.
\$ 2,283,459	\$ 1,942,640	\$ 1,896,732
4,948,247	1,319,077	1,114,806
116,339	109,238	186,672
(4,026,825)	(1,833,936)	(2,461,668)
(134,609)	(61,977)	
3,186,611	1,475,042	736,542
		3,251,131
505	398	435
3,187,116	1,475,440	3,988,108
1,264,650	1,371,465	861,535
46,087	49,972	36,376
78,103	106,763	100,497
41,650	41,601	34,000
39,012	30,335	49,541
8,412	3,196	3,819
20,413	22,065	14,338
12,158	12,442	12,228
6,712	6,412	7,800
22,531	22,132	13,981
1,539,728	1,666,383	1,134,115
748,231	371,920	311,607
343,201		
65,386		
100,000		
8,001		
1,264,819	371,920	311,607
2,804,547	2,038,303	1,445,722
(67,596)	(124,679)	
2,736,951	1,913,624	1,445,722
450,165	(438,184)	2,542,386
450,165	(438,184)	2,542,386
(23,623,746)	(31,121,025)	(4,729,615)
781,203	2,006,548	(154,175)
7,169	(5,012)	
(22,835,374)	(29,119,489)	(4,883,790)
(22,835,374)	(29,119,489)	(4,883,790)
35,820,675	39,638,949	11,644,004
(126,383)	(631,823)	(9,271)
(1,508)	1,492	

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—	35,692,784	39,008,618	11,634,733
—	35,692,784	39,008,618	11,634,733
—	12,857,410	9,889,129	6,750,943
	\$13,307,575	\$9,450,945	\$9,293,329

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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## Statements of Changes in Net Assets

	Tortoise Energy Infrastructure Corp.		Tortoise MLP Fund, Inc.	
	Period from December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015	Period from December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015
<b>Operations</b>				
Net investment income (loss)	\$ (27,347,725)	\$ (29,663,135)	\$ (12,098,711)	\$ (14,930,011)
Net realized gain (loss)	89,499,865	239,505,914	7,951,204	74,333,231
Net unrealized appreciation (depreciation)	(25,141,955)	(1,048,807,031)	61,488,237	(505,485,791)
Net increase (decrease) in net assets applicable to common stockholders resulting from operations	37,010,185	(838,964,252)	57,340,730	(446,082,571)
<b>Distributions to Common Stockholders</b>				
Net investment income				
Net realized gain				
Return of capital	(63,364,888)	(124,362,971)	(39,715,179)	(79,430,351)
Total distributions to common stockholders	(63,364,888)	(124,362,971)	(39,715,179)	(79,430,351)
<b>Capital Stock Transactions</b>				
Proceeds from issuance of common stock	11,354,620			
Underwriting discounts and offering expenses associated with the issuance of common stock	(202,354)	(7,291)	(46,340)	(4,301,111)
Net increase (decrease) in net assets applicable to common stockholders from capital stock transactions	11,152,266	(7,291)	(46,340)	(4,301,111)
Total increase (decrease) in net assets applicable to common stockholders	(15,202,437)	(963,334,514)	17,579,211	(525,517,231)
<b>Net Assets</b>				
Beginning of period	1,405,733,067	2,369,067,581	876,409,041	1,401,926,271
End of period	\$ 1,390,530,630	\$ 1,405,733,067	\$ 893,988,252	\$ 876,409,041
Undistributed (accumulated) net investment income (loss), net of income taxes, end of period	\$ (196,538,366)	\$ (169,190,641)	\$ (108,006,056)	\$ (95,907,341)
<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 issued	417,888			
Shares outstanding at end of period	48,434,479	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 December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015	Period from December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015	Period from December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015
\$ 450,165	\$ 2,163,077	\$ (438,184)	\$ (1,385,242)	\$ 2,542,386	\$ 6,111,111
(22,835,374)	15,446,400	(29,119,489)	(23,896,492)	(4,883,790)	5,333,333
35,692,784	(151,609,618)	39,008,618	(54,363,201)	11,634,733	(60,111,111)
13,307,575	(134,000,141)	9,450,945	(79,644,935)	9,293,329	(48,555,555)
(6,776,196)	(3,400,129)	(1,871,796)	(7,821)	(5,474,175)	(6,333,333)
(1,387,181)	(16,131,876)	(10,829,766)	(25,395,303)		(13,555,555)
(8,163,377)	(19,532,005)	(12,701,562)	(25,403,124)	(5,474,175)	(19,888,888)
5,144,198	(153,532,146)	(3,250,617)	(105,048,059)	3,819,154	(68,444,444)
197,442,794	350,974,940	225,409,559	330,457,618	147,562,678	216,000,000
\$ 202,586,992	\$ 197,442,794	\$ 222,158,942	\$ 225,409,559	\$ 151,381,832	\$ 147,562,678
	\$ 6,326,031		\$ 2,309,980	\$ 1,951,509	\$ 4,883,298
10,016,413	10,016,413	14,516,071	14,516,071	6,951,333	6,951,333
10,016,413	10,016,413	14,516,071	14,516,071	6,951,333	6,951,333

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

**Statements of Cash Flows** (unaudited)

Period from December 1, 2015 through May 31, 2016

	Tortoise Energy Infrastructure Corp.	Tortoise MLP Fund, Inc.
<b>Cash Flows From Operating Activities</b>		
Dividends, distributions and interest received from investments	\$ 91,519,530	\$ 53,472,442
Purchases of long-term investments	(430,061,719)	(285,177,404)
Proceeds from sales of long-term investments	650,373,644	348,820,224
Sales (purchases) of short-term investments, net	(11,743)	(81,454)
Call options written, net		
Payments on interest rate swap contracts, net	(162,613)	
Interest received on securities sold, net		
Interest expense paid	(9,074,229)	(5,811,193)
Distributions to mandatory redeemable preferred stockholders	(5,120,655)	(2,113,847)
Income taxes paid	(30,379,229)	(211,505)
Premium on redemption of senior notes	(900,000)	(450,000)
Premium on redemption of mandatory redeemable preferred stock	(800,000)	
Operating expenses paid	(12,907,790)	(7,058,797)
Net cash provided by operating activities	252,475,196	101,388,466
<b>Cash Flows From Financing Activities</b>		
Advances (repayments) on credit facilities, net	18,000,000	(16,900,000)
Issuance of mandatory redeemable preferred stock		45,000,000
Maturity and redemption of mandatory redeemable preferred stock	(130,000,000)	(25,000,000)
Issuance of senior notes		30,000,000
Maturity and redemption of senior notes	(90,000,000)	(94,000,000)
Debt issuance costs	(3,096)	(726,947)
Issuance of common stock	11,354,620	
Common stock issuance costs	(202,354)	(46,340)
Distributions paid to common stockholders	(61,624,366)	(39,715,179)
Net cash used in financing activities	(252,475,196)	(101,388,466)
Net change in cash		
Cash beginning of period		
Cash end of period	\$	\$

See accompanying Notes to Financial Statements.

<b>Tortoise Pipeline &amp; Energy Fund, Inc.</b>	<b>Tortoise Energy Independence Fund, Inc.</b>	<b>Tortoise Power and Energy Infrastructure Fund, Inc.</b>
\$ 7,226,131	\$ 3,324,196	\$ 6,654,129
(52,722,602)	(36,440,373)	(26,740,238)
77,464,067	45,037,070	24,226,274
212,572	(98,230)	84,333
638,589	2,073,288	(154,175)
(828,038)	(368,485)	75,425
(343,200)		(290,251)
(100,000)		
(1,584,142)	(1,625,904)	(1,181,322)
29,963,377	11,901,562	2,674,175
(1,800,000)	800,000	2,800,000
(20,000,000)		
(8,163,377)	(12,701,562)	(5,474,175)
(29,963,377)	(11,901,562)	(2,674,175)
\$	\$	\$

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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**Statements of Cash Flows** (unaudited) (continued)

Period from December 1, 2015 through May 31, 2016

	Tortoise Energy Infrastructure Corp.	Tortoise MLP Fund, Inc.
<b>Reconciliation of net increase in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities</b>		
Net increase in net assets applicable to common stockholders resulting from operations	\$ 37,010,185	\$ 57,340,730
Adjustments to reconcile net increase in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities:		
Purchases of long-term investments	(445,939,872)	(294,276,463)
Proceeds from sales of long-term investments	671,697,072	359,044,048
Sales (purchases) of short-term investments, net	(11,743)	(81,454)
Call options written, net		
Return of capital on distributions received	100,119,170	55,849,699
Deferred tax benefit (expense)	(18,607,791)	34,283,345
Net unrealized (appreciation) depreciation	39,235,641	(96,742,850)
Amortization of market premium, net		
Net realized (gain) loss	(139,832,921)	(12,510,068)
Amortization of debt issuance costs	2,635,812	213,380
Changes in operating assets and liabilities:		
(Increase) decrease in dividends, distributions and interest receivable from investments	(350,279)	(197,257)
(Increase) decrease in receivable for investments sold	(21,323,428)	(10,223,824)
(Increase) decrease in prepaid expenses and other assets	30,271	(55,934)
Increase in payable for investments purchased	15,878,153	9,099,059
Decrease in payable to Adviser, net of fees waived	(771,387)	(125,316)
Increase (decrease) in current tax liability	13,362,971	(211,505)
Increase (decrease) in accrued expenses and other liabilities	(656,658)	(17,124)
Total adjustments	215,465,011	44,047,736
Net cash provided by operating activities	\$ 252,475,196	\$ 101,388,466

See accompanying Notes to Financial Statements.

<b>Tortoise Pipeline &amp; Energy Fund, Inc.</b>	<b>Tortoise Energy Independence Fund, Inc.</b>	<b>Tortoise Power and Energy Infrastructure Fund, Inc.</b>
\$ 13,307,575	\$ 9,450,945	\$ 9,293,329
(53,028,713)	(36,440,373)	(26,973,731)
77,807,510	45,026,954	24,706,868
212,572	(98,230)	84,333
638,589	2,073,288	
4,026,825	1,833,936	2,461,668
(35,692,784)	(39,008,618)	(11,634,733)
22,835,374	29,119,489	205,580
65,386		4,729,615
12,190	14,820	74,198
(343,443)	10,116	(480,594)
(25,022)	(39,250)	(31,834)
306,111		233,493
(80,487)	(46,961)	(20,388)
(78,306)	5,446	26,371
16,655,802	2,450,617	(6,619,154)
\$ 29,963,377	\$ 11,901,562	\$ 2,674,175

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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## TYG Financial Highlights

	Period from December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015	Year Ended November 30, 2014	Year Ended November 30, 2013	Year Ended November 30, 2012	Year Nov
<b>Per Common Share Data<sup>(1)</sup></b>						
Net Asset Value, beginning of period	\$ 29.28	\$ 49.34	\$ 43.36	\$ 36.06	\$ 33.37	\$
Income (Loss) from Investment Operations						
Net investment loss <sup>(2)</sup>	(0.57)	(0.62)	(0.66)	(0.73)	(0.64)	
Net realized and unrealized gain (loss) on investments and interest rate swap contracts <sup>(2)</sup>	1.30	(16.85)	9.01	10.27	5.51	
Total income (loss) from investment operations	0.73	(17.47)	8.35	9.54	4.87	
Distributions to Common Stockholders						
Return of capital	(1.31)	(2.59)	(2.38)	(2.29)	(2.25)	
Capital Stock Transactions						
Premiums less underwriting discounts and offering costs on issuance of common stock <sup>(3)</sup>	0.01	(0.00)	0.01	0.05	0.07	
Net Asset Value, end of period	\$ 28.71	\$ 29.28	\$ 49.34	\$ 43.36	\$ 36.06	\$
Per common share market value, end of period	\$ 27.90	\$ 26.57	\$ 46.10	\$ 49.76	\$ 39.17	\$
Total investment return based on market value <sup>(4)(5)</sup>	10.00 %	(37.86)%	(2.54)%	33.77 %	5.62 %	
<b>Supplemental Data and Ratios</b>						
Net assets applicable to common stockholders, end of period (000 s)	\$ 1,390,531	\$ 1,405,733	\$ 2,369,068	\$ 1,245,761	\$ 1,020,421	\$
Average net assets (000 s)	\$ 1,246,549	\$ 1,974,038	\$ 1,837,590	\$ 1,167,339	\$ 989,745	\$
Ratio of Expenses to Average Net Assets <sup>(6)</sup>						
Advisory fees	1.78 %	1.76 %	1.65 %	1.61 %	1.60 %	
Other operating expenses	0.15	0.10	0.13	0.12	0.13	
Total operating expenses, before fee waiver	1.93	1.86	1.78	1.73	1.73	
Fee waiver <sup>(7)</sup>	(0.01)		(0.00)	(0.00)	(0.01)	
Total operating expenses	1.92	1.86	1.78	1.73	1.72	
Leverage expenses	2.90	1.75	1.38	1.59	1.67	
Income tax expense (benefit) <sup>(8)</sup>	4.03	(24.50)	7.81	14.05	8.37	
Total expenses	8.85 %	(20.89)%	10.97 %	17.37 %	11.76 %	

See accompanying Notes to Financial Statements.

	Period from December 1, 2015 through May 31, 2016 (unaudited)	Year Ended November 30, 2015	Year Ended November 30, 2014	Year Ended November 30, 2013	Year Ended November 30, 2012	Year Ended November 30, 2011
Ratio of net investment loss to average net assets before fee waiver <sup>(6)</sup>	(4.40)%	(1.50)%	(1.33)%	(1.78)%	(1.82)%	(2.32)%
Ratio of net investment loss to average net assets after fee waiver <sup>(6)</sup>	(4.39)%	(1.50)%	(1.33)%	(1.78)%	(1.81)%	(2.31)%
Portfolio turnover rate <sup>(4)</sup>	17.97 %	12.94 %	15.33 %	13.40 %	12.86 %	17.70 %
Credit facility borrowings, end of period (000 s)	\$ 84,000	\$ 66,000	\$ 162,800	\$ 27,600	\$ 63,400	\$ 47,900
Senior notes, end of period (000 s)	\$ 455,000	\$ 545,000	\$ 544,400	\$ 300,000	\$ 194,975	\$ 194,975
Preferred stock, end of period (000 s)	\$ 165,000	\$ 295,000	\$ 224,000	\$ 80,000	\$ 73,000	\$ 73,000
Per common share amount of senior notes outstanding, end of period	\$ 9.39	\$ 11.35	\$ 11.34	\$ 10.44	\$ 6.89	\$ 7.03
Per common share amount of net assets, excluding senior notes, end of period	\$ 38.10	\$ 40.63	\$ 60.68	\$ 53.80	\$ 42.95	\$ 40.40
Asset coverage, per \$1,000 of principal amount of senior notes and credit facility borrowings <sup>(9)</sup>	\$ 3,886	\$ 3,784	\$ 4,667	\$ 5,047	\$ 5,232	\$ 5,111
Asset coverage ratio of senior notes and credit facility borrowings <sup>(9)</sup>	389 %	378 %	467 %	505 %	523 %	511 %
Asset coverage, per \$10 liquidation value per share of mandatory redeemable preferred stock <sup>(10)</sup>	\$ 30	\$ 26	\$ 35	\$ 41	\$ 41	\$ 39
Asset coverage ratio of preferred stock <sup>(10)</sup>	298 %	255 %	354 %	406 %	408 %	393 %

(1) Information presented relates to a share of common stock outstanding for the entire period.

(2) The per common share data for the years ended November 30, 2015, 2014, 2013, 2012 and 2011 do not reflect the change in estimate of investment income and return of capital, for the respective year. See Note 2C to the financial statements for further disclosure.

(3) Represents the premium on the shelf offerings of \$0.01 per share, less the underwriting and offering costs of less than \$0.01 per share for the period from December 1, 2015 through May 31, 2016. Represents underwriting and offering costs of less than \$0.01 per share for the year ended November 30, 2015. Represents the premium on the shelf offerings of \$0.02 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2014. Represents the premium on the shelf offerings of \$0.06 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2013. Represents the premium on the shelf offerings of \$0.08 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2012. Represents the premium on the shelf offerings of \$0.09 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2011.

(4) Not annualized for periods less than one full year.

(5) Total investment return is calculated assuming a purchase of common stock at the beginning of the period and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to TYG's dividend reinvestment plan.

(6) Annualized for periods less than one full year.

(7) Less than 0.01% for the years ended November 30, 2014 and 2013.

(8) For the period from December 1, 2015 through May 31, 2016, TYG accrued \$43,742,200 for current income tax expense and \$18,607,791 for net deferred income tax benefit. For the year ended November 30, 2015, TYG accrued \$66,785,732 for net current income tax expense and \$550,449,662 for net deferred income tax benefit. For the year ended November 30, 2014, TYG accrued \$52,981,532 for current income tax expense and \$90,477,388 for net deferred income tax expense. For the year ended November 30, 2013, TYG accrued \$23,290,478 for net current income tax expense and \$140,745,675 for net deferred income tax expense. For the year ended November 30, 2012, TYG accrued \$16,189,126 for current income tax expense and \$66,613,182 for net deferred income tax expense. For the year ended November 30, 2011, TYG accrued \$8,950,455 for current income tax expense and \$33,248,897 for net deferred income tax expense.

(9) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes and credit facility borrowings outstanding at the end of the period.

(10) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes, credit facility borrowings and preferred stock outstanding at the end of the period.

See accompanying Notes to Financial Statements.





## NTG Financial Highlights

	Period from December 1, 2015  through May 31, 2016 (unaudited)	Year Ended November 30, 2015	Year Ended November 30, 2014	Year Ended November 30, 2013	Year Ended November 30, 2012	Year Ended November 30, 2011
<b>Per Common Share Data<sup>(1)</sup></b>						
Net Asset Value, beginning of period	\$ 18.65	\$ 29.83	\$ 28.00	\$ 24.50	\$ 24.54	\$ 24.91
Income (Loss) from Investment Operations						
Net investment loss <sup>(2)</sup>	(0.26)	(0.32)	(0.54)	(0.42)	(0.40)	(0.34)
Net realized and unrealized gain (loss) on investments <sup>(2)</sup>	1.48	(9.17)	4.06	5.59	2.02	1.61
Total income (loss) from investment operations	1.22	(9.49)	3.52	5.17	1.62	1.27
Distributions to Common Stockholders						
Return of capital	(0.85)	(1.69)	(1.69)	(1.67)	(1.66)	(1.64)
Capital stock transactions						
Premiums less underwriting discounts and offering costs on issuance of common stock <sup>(3)</sup>	(0.00)	(0.00)		0.00	0.00	
Net Asset Value, end of period	\$ 19.02	\$ 18.65	\$ 29.83	\$ 28.00	\$ 24.50	\$ 24.54
Per common share market value, end of period	\$ 17.82	\$ 16.18	\$ 27.97	\$ 27.22	\$ 24.91	\$ 24.84
Total investment return based on						