

Wilson Asset Management

Investor conference call

6 March 2018



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Agenda

1. About Wilson Asset Management
2. Our listed investment companies
3. Reporting season and market outlook
4. What did and didn't work
5. Questions

Making a difference

- Six LICs and almost **\$3 billion** in shareholder capital for over 55,000 retail shareholders
- Nine investment professionals with combined investment experience of more than **100 years**
- **Proven** investment approach that has delivered superior returns for over **20 years**
- Committed to **philanthropic** and **advocacy initiatives**
- Creator and supporter of:



Winner of the Listed Investment Companies category at the Professional Planner | Zenith Fund Awards 2014, 2015, 2016, 2017

Investment and management team



Geoff Wilson AO
Chairman
& Portfolio Manager



Kate Thorley
Chief Executive Officer



Chris Stott
Chief Investment Officer
& Portfolio Manager



Matthew Haupt CFA
Portfolio Manager



Catriona Burns CFA
Portfolio Manager



Oscar Oberg CFA
Portfolio Manager



Martin Hickson
Portfolio Manager



John Ayoub
Senior Equity Analyst



Tobias Yao CFA
Senior Equity Analyst



Jesse Hamilton
Chief Financial Officer



James McNamara
Head of Corporate Affairs



Martyn McCathie
General Manager

Investing in undervalued growth companies

W | A | M *Capital*

Focus on ASX listed small-to-mid cap industrial companies

Research and market-driven processes

W | A | M *Leaders*

Focus on ASX top 200 listed companies

Research and market-driven processes

W | A | M *Microcap*

Focus on ASX listed micro-cap industrial companies

Research and market-driven processes

W | A | M *Research*

Focus on ASX listed small-to-mid cap industrial companies

Research-driven process

W | A | M *Active*

Focus on ASX listed small-to-mid cap industrial companies

Market-driven process



Focus on ASX top 300 listed companies

Research, market and investment-driven processes

W | A | M *Global*

Focus on small-to-mid cap international companies

Research and market-driven processes



Investing in undervalued international growth companies

Conference call: Thursday, 15 March at 11am (Sydney time)

Register for updates at
wilsonassetmanagement.com.au/global

Gross assets

\$1,363.9m

Share price*

\$2.46

Pre-tax net tangible assets

\$2.07

Fully franked interim dividend

7.75 cents

Annualised dividend yield*

6.3%

Portfolio performance (p.a. since inception August 1999)

17.7%

As at 31 January 2018

*As at 5 March 2018

Half year highlights

- Record interim profit before tax of \$119.4 million (+49.8% on 2016)
- 10.4% investment portfolio performance, outperforming the index
- 9.1% increase in the pre-tax NTA for the six months to 31 December 2017
- 7.75 cents per share fully franked interim dividend.

Gross assets

\$848.1m

Share price*

\$1.16

Pre-tax net tangible assets

\$1.19

Fully franked interim dividend

2.5 cents

Portfolio performance (p.a. since inception May 2016)

13.3%

As at 31 January 2018

*As at 5 March 2018

Half year highlights

- Record profit before tax increased 158.8% to \$62.7 million
- Investment portfolio increased 11.9%, outperforming the index by 3.5%
- Fully franked interim dividend of 2.5 cents per share, an increase of 150%.

Gross assets

\$196.4m

Share price*

\$1.525

Pre-tax net tangible assets

\$1.37

Maiden fully franked interim dividend

2.0 cents

Portfolio performance (since inception June 2017)

30.7%

As at 31 January 2018

*As at 5 March 2018

Half year highlights

- Operating profit before tax of \$37.2 million
- Investment portfolio increased 27.2%, outperforming the index by 8.6%
- Maiden fully franked interim dividend of 2.0 cents per share.

Gross assets

\$245.1m

Share price*

\$1.55

Pre-tax net tangible assets

\$1.30

Fully franked interim dividend

4.75 cents

Annualised dividend yield*

6.1%

Portfolio performance (p.a. since July 2010)

18.8%

Half year highlights

- Interim profit before tax of \$20.4 million
- 9.8% investment portfolio performance, outperforming the index
- 4.75 cents per share fully franked interim dividend

Gross assets

\$45.9m

Share price*

\$1.14

Pre-tax net tangible assets

\$1.11

Fully franked interim dividend

2.85 cents

Annualised dividend yield*

5.0%

Performance (p.a. since inception January 2008)

13.1%

As at 31 January 2018

*As at 5 March 2018

Half year highlights

- Interim profit before tax up 85.0%
- 11.2% investment portfolio performance, outperforming the index
- Increased fully franked interim dividend of 2.85 cents per share.



Options

ASX: WAAO

Options exercise price: **\$1.14**

Exercise by **6 April 2018** to receive the fully franked 2.85 cents per share interim dividend

Options expire on **17 September 2018**

Gross assets

\$96.7m

Share price*

\$0.96

Pre-tax net tangible assets

\$1.02

Fully franked interim dividend

2.09 cents




As at 31 January 2018

*As at 5 March 2018


Half year highlights

- After-tax profit of \$4.4 million
- Total comprehensive income up 8.6% to \$6.4 million
- Fully franked 2.09 cents per share interim dividend
- Continued portfolio outperformance under Wilson Asset Management

Equity market outlook

-  The bull market is approaching nine years... its days appear numbered
-  The key risk is a contraction in price-to-earnings multiples due to faster than expected interest rate increases as a result of stronger global macroeconomic conditions
-  In early Feb, higher than expected US wage growth sparked expectations of higher inflation... which led to a rout on bonds and equities globally

Reporting season

-  Satisfactory reporting period
-  Earnings estimates slightly upgraded
-  Companies joining 'second half club'
-  Reinvesting to drive growth

What worked: Small-to-mid caps



What didn't work: Small-to-mid caps



What worked: Micro-caps



What didn't work: Micro-caps



What worked: Large-caps




What didn't work: Large-caps



May 2018 Shareholder Presentations

Launceston & Hobart	Canberra	Sydney	Brisbane
Friday 11 May 2018	Monday 14 May 2018	Tuesday 15 May 2018	Wednesday 16 May 2018
Launceston: Conference Centre 50 Glen Dhu Street South Launceston TAS 7249 Hobart: Wrest Point Hotel 410 Sandy Bay Road, Sandy Bay TAS 7005	National Convention Centre 31 Constitution Avenue Canberra ACT 2601	The Westin 1 Martin Place Sydney NSW 2000	Brisbane Exhibition & Convention Centre Cnr Merivale & Glenelg Streets South Bank QLD 4101
Presentation: 11.00am – 12.30pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm
Toowoomba	Perth	Adelaide	Melbourne
Thursday 17 May 2018	Monday 21 May 2018	Tuesday 22 May 2018	Thursday 24 May 2018
Fitzy's 153 Margaret Street Toowoomba City QLD 4350	Perth Convention & Exhibition Centre 21 Mounts Bay Road Perth WA 6000	Adelaide Convention Centre North Terrace Adelaide SA 5000	Melbourne Convention Centre 1 Convention Centre Place South Wharf VIC 3006
Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm



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