



WILSON

ASSET MANAGEMENT

Investor Presentation

November / December 2014

Agenda

- About Wilson Asset Management
- Market Overview and Outlook
- Investment Portfolio
- WAM Capital Limited
- WAM Research Limited
- WAM Active Limited
- Investor Communications
- WAM Bag Competition
- Community Investment

About Wilson Asset Management

Experienced Team

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Geoff Wilson

B Sc GMQ FAICD FFinsia

Chairman /
Portfolio Manager



Martin Hickson

B Bus B Comp

Senior Equity Analyst /
Dealer



Kate Thorley

B Com CPA Grad Dip ACG

Chief Executive Officer /
Company Secretary



Matthew Haupt

CFA B Com Grad Dip App Fin

Senior Equity Analyst



Chris Stott

B Bus Grad Dip App Fin

Chief Investment Officer /
Portfolio Manager



Tobias Yao

CFA B Com

Equity Analyst

Our LICs

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**WAM Capital
(ASX: WAM)**



**WAM Research
(ASX: WAX)**



**WAM Active
(ASX: WAA)**

Gross assets	\$621.0m	\$159.2m	\$35.2m
Share price*	\$1.94	\$1.14	\$1.24
Pre tax NTA	\$1.77	\$1.09	\$1.01
Premium to NTA*	9.6%	4.6%	22.8%
Fully franked FY2014 dividend yield*	6.7%	6.6%	7.7%
Investment strategy	Research Driven / Market Driven	Research Driven	Market Driven

As at 31 October 2014

*As at 14 November 2014

Investment strategy

Research Driven Investment Strategy



Identifying undervalued growth companies

- Low portfolio turnover

Market Driven Investment Strategy



Exploiting short term market mis-pricing opportunities

- High portfolio turnover

Flexibility to hold cash if no investment opportunities identified

Capital protection strategy



Average cash since inception	Cash at 31 October 2014
33.9%	45.5%
37.6%*	33.5%
47.3%	54.6%

Objective to deliver risk-adjusted returns and preserve capital

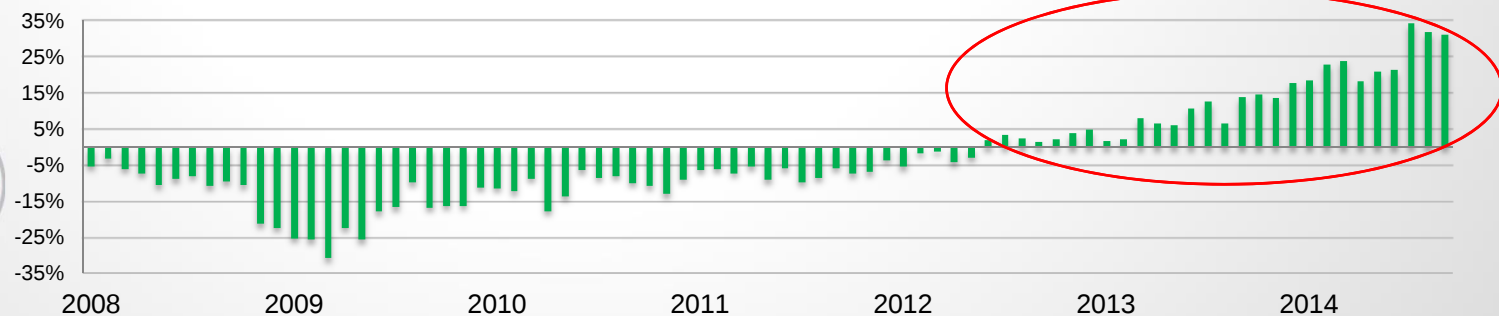
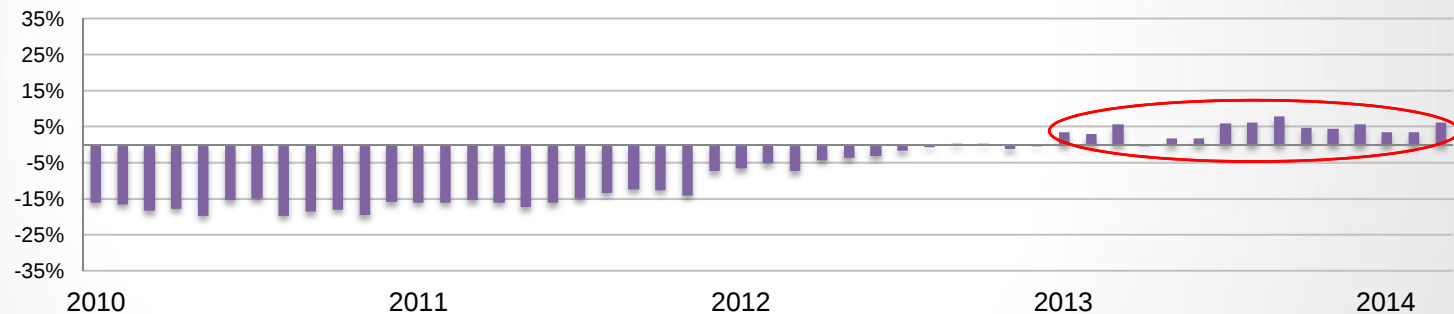
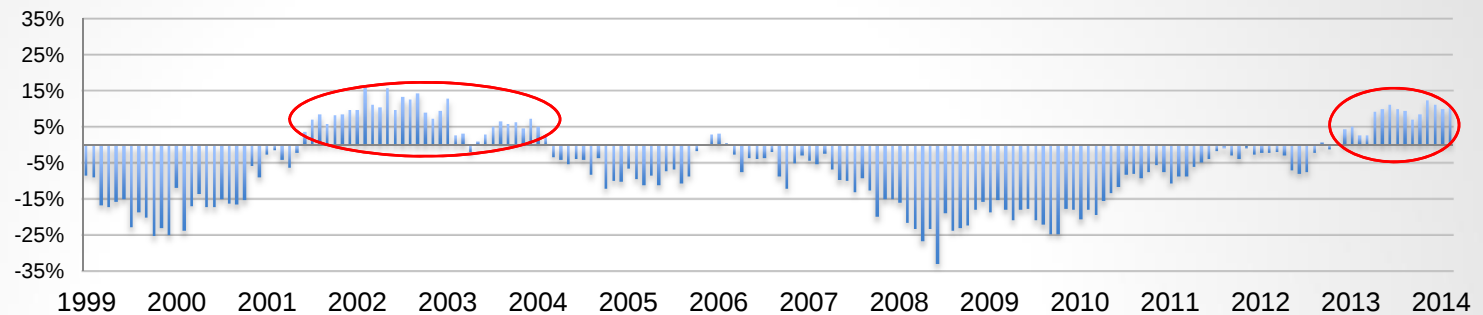
- Default to cash
- Closed pool of capital
- Nimble & flexible mandate
- Use of stop losses
- Weighting of investments

*Since the change in investment strategy July 2010

Our LICs trading at premiums to NTA

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Share price trading at premium/discount
to Net Tangible Assets (pre-tax)



Future Generation Investment Fund **WILSON** ASSET MANAGEMENT

The team launched the Future Generation Investment Fund Limited (FGX)

- Donates 1% of assets to Australian children's charities supporting children at risk
- Team supported \$200 million capital raising
- Ongoing communication with shareholders, company secretarial and admin support pro-bono



Australia's first listed company with the dual purpose of generating a social and financial benefit

Submission to the Financial System Inquiry

- Lodged two separate submissions to the Financial System Inquiry (FSI)
- Sought to advocate for the rights of retail investors
- We believe all shareholders, retail and institutional alike should have the opportunity to participate in primary capital raisings equally
- Argued that retail investors should be on a 'level playing field' with institutional investors by participating in primary capital raisings without the requirement of a prospectus

Advocating a 'level playing field' for retail investors in primary capital raisings

Market Overview and Outlook

Equity Market Outlook

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**Quantitative
easing globally**

Housing bubble?

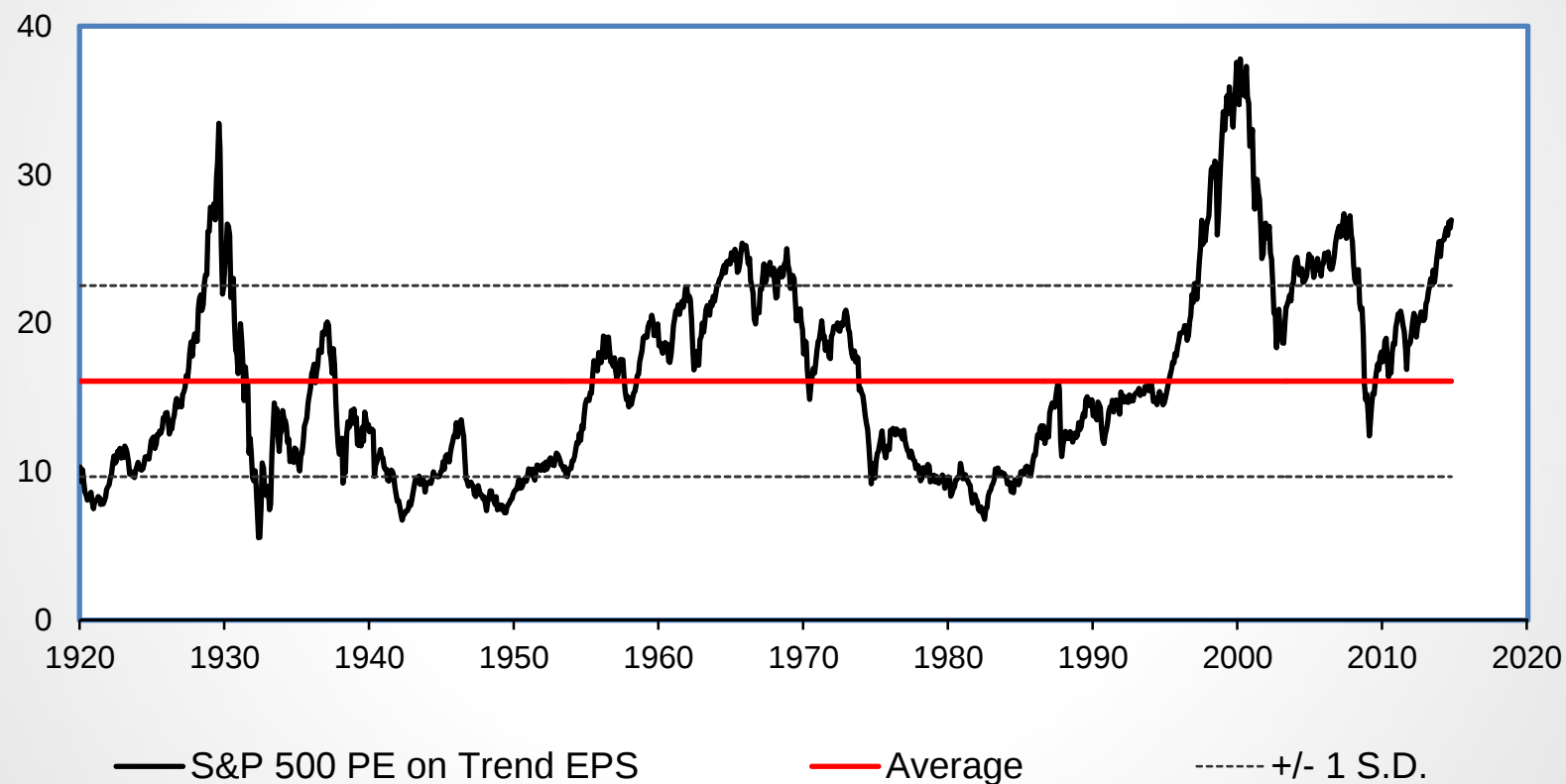
**Equity valuations
look full**

**Chinese growth
slowing**



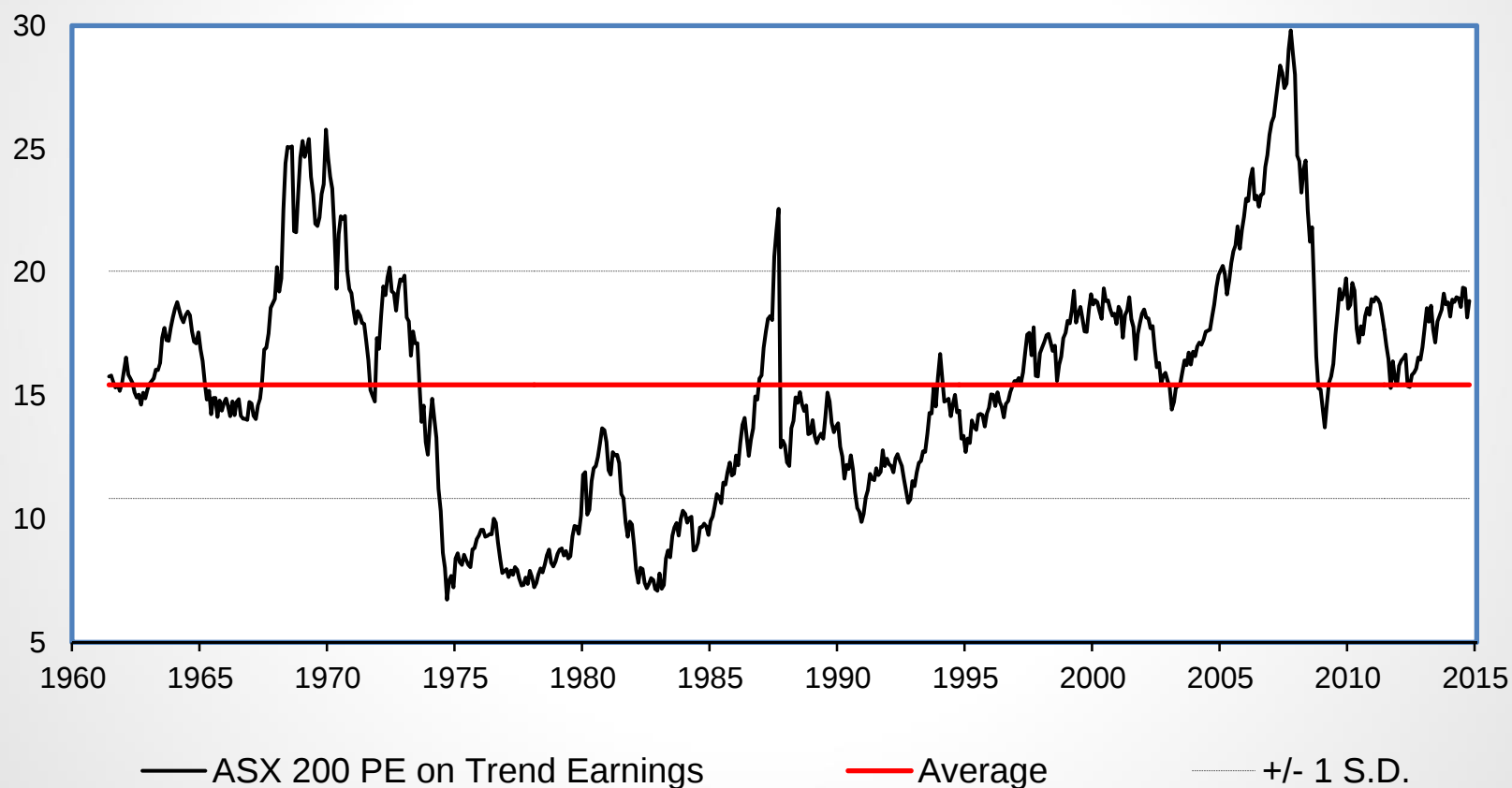
US Equities

US Equities are expensive on trend earnings from a long term perspective



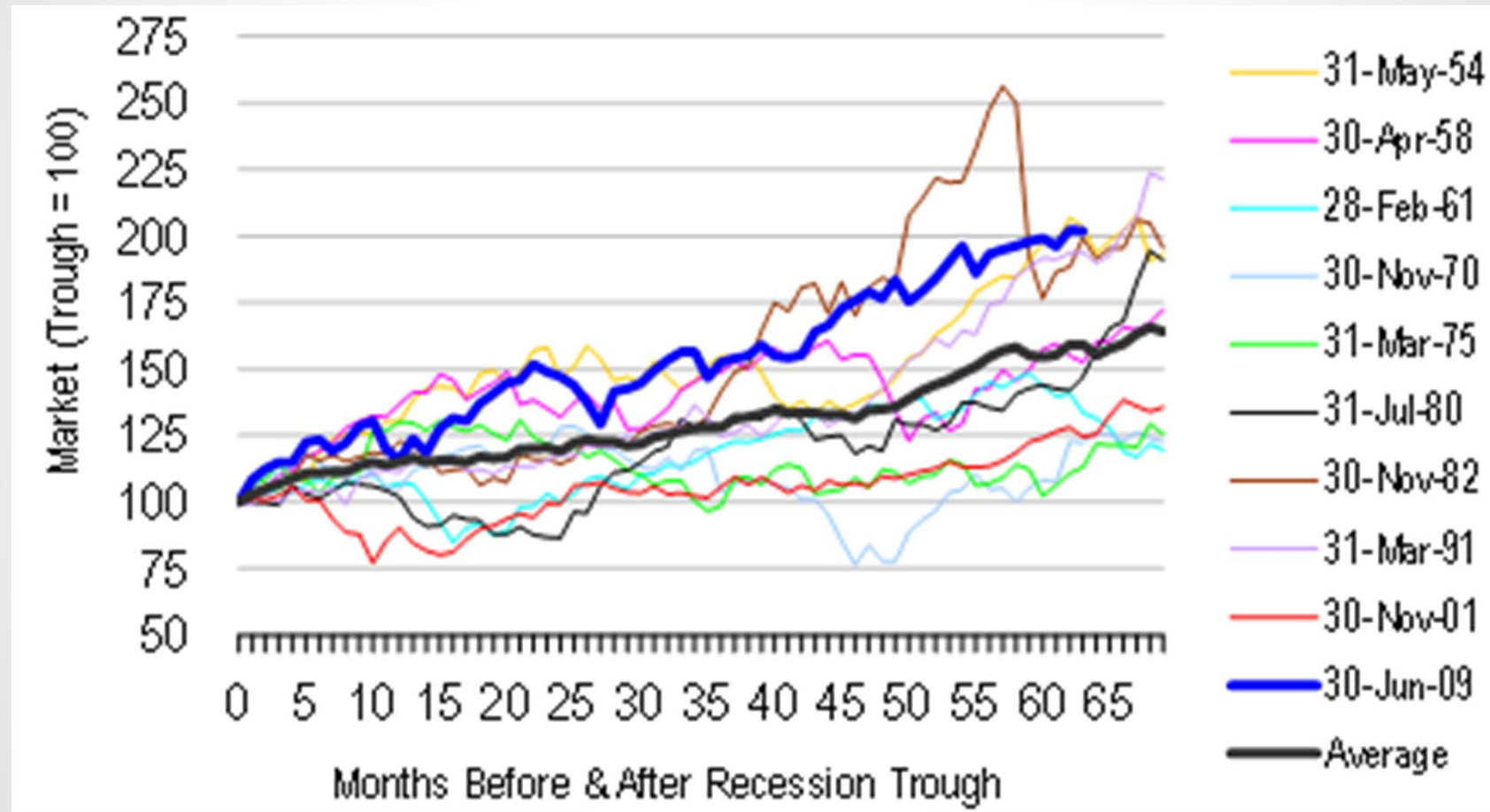
Australian Equities

Australian Equities are expensive on trend earnings from a long term perspective



S&P500 performance post recession

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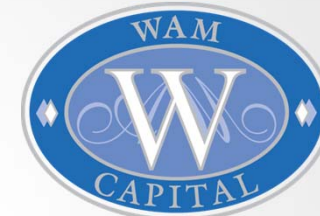


Investment Portfolio

Top 10 Research Driven Holdings

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ASX Code	Company
SGH	Slater & Gordon Limited
CSV	CSG Limited
AHE	Automotive Holdings Group Limited
GXL	Greencross Limited
RFG	Retail Food Group Limited
IFM	Infomedia Limited
CTD	Corporate Travel Management Limited
MTR	Mantra Group Limited
AAD	Ardent Leisure Group
ENE	Energy Developments Limited



***Held in
WAM Capital
and
WAM Research***

As at 31 October 2014

Top 10 Market Driven Holdings

ASX Code	Company
CYA	Century Australia Investments Limited
HHV	Hunter Hall Global Value Limited
HVN	Harvey Norman Holdings Limited
APO	APN Outdoor Group
IPE	IPE Limited
GMA	Genworth Mortgage Insurance Australia Limited
WIC	Westoz Investment Company Limited
IBC	Ironbark Capital Limited
HIL	Hills Limited
ALL	Aristocrat Leisure Limited



***Held in
WAM Capital
and
WAM Active***

As at 31 October 2014

Top Contributors and Detractors

Research Driven Investment Strategy

Contributors			%	Detractors			%
IFM	Infomedia		11.8	GXL	Greencross		-2.6
SRX	Sirtex Medical		9.6	FXJ	Fairfax Media		-1.8
SGH	Slater & Gordon		8.6	SWL	Seymour Whyte		-1.5

Market Driven Investment Strategy

Contributors			%	Detractors			%
HHV	Hunter Hall Global Value		4.9	HIL	Hills		-6.5
HVN	Harvey Norman Holdings		4.7	IPE	IPE		-4.7
GMA	Genworth Mortgage Insurance Australia		2.7	CRZ	Carsales.com		-3.8

Research Driven Investee Company

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Austal Limited (ASX: ASB)

Overview

- Designer and manufacturer of defence and commercial ships

Background

- Market Cap \$450m
- Order Book currently sits at \$2.8bn
- P/E ratio of 8.5x with growth > 15% in FY15

Catalysts

- Potential expansion of the LCS program to 52 ships
- Service contract wins for the JHSV and LCS programs
- Potential to win Australian Navy opportunities
- International market opportunities for existing builds
- Repayment of debt and the recommencement of dividends

Risks

- The US congress delays or cuts funding to the current ship programs
- Austal is unsuccessful in securing the service contract awards



Market Driven Investee Company

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Galileo Japan Trust (ASX: GJT)

Overview

- Real Estate Investment Trust, primarily office and retail properties in Japan

Background

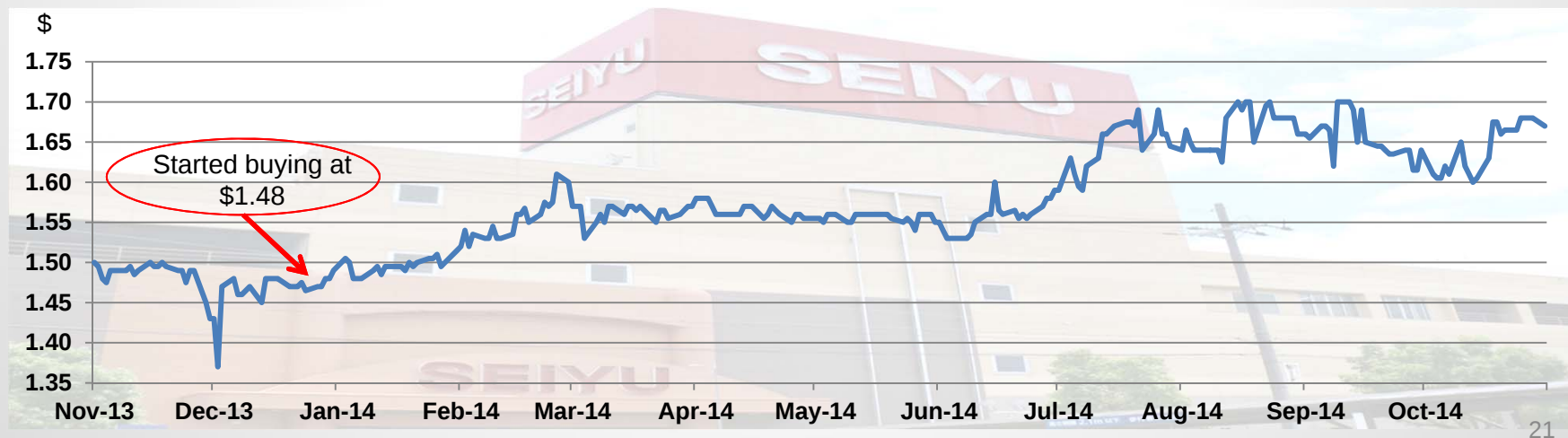
- Recapitalisation in September 2013
- 9% dividend yield
- NTA: \$2.19, Share price: \$1.68, Discount to NTA: 23%

Catalysts

- Improving Japanese economy leading to increased demand for office/retail space
- Sale of non-core assets at premium at book value
- Increases to NTA from improving market conditions
- Debt refinancing

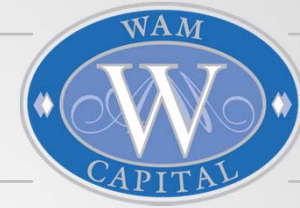
Risks

- Declining demand for office/retail space or decline in asset prices
- Increasing AUD/JPY cross rate



WAM Capital Limited (ASX: WAM)

Recent Highlights



13.0c

Full year dividend

6.7%

Fully franked
dividend yield*

7.6%

Investment portfolio
performance**

10.6%

Total shareholder return**

45.5%

Current cash weighting^

*As at 14 November 2014

**12 months to 31 October 2014

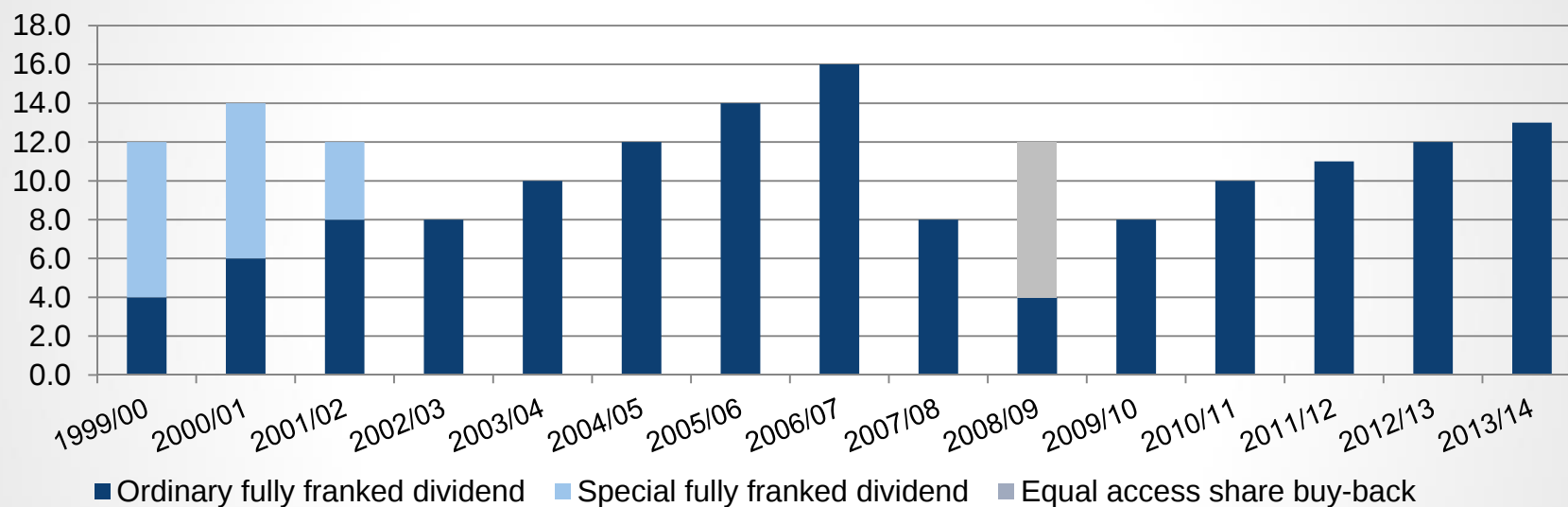
^As at 31 October 2014

Dividend Growth



WAM Capital Dividends since Inception

Cents per share



- Estimated profit reserve is 22.2 cents per share and the franking account has a balance of \$6,735,248.
- The Company's ability to pay franked dividends is dependent upon the size of the profit reserve and the level of franking credits derived from franked dividends received and tax payments.

As at 31 October 2014

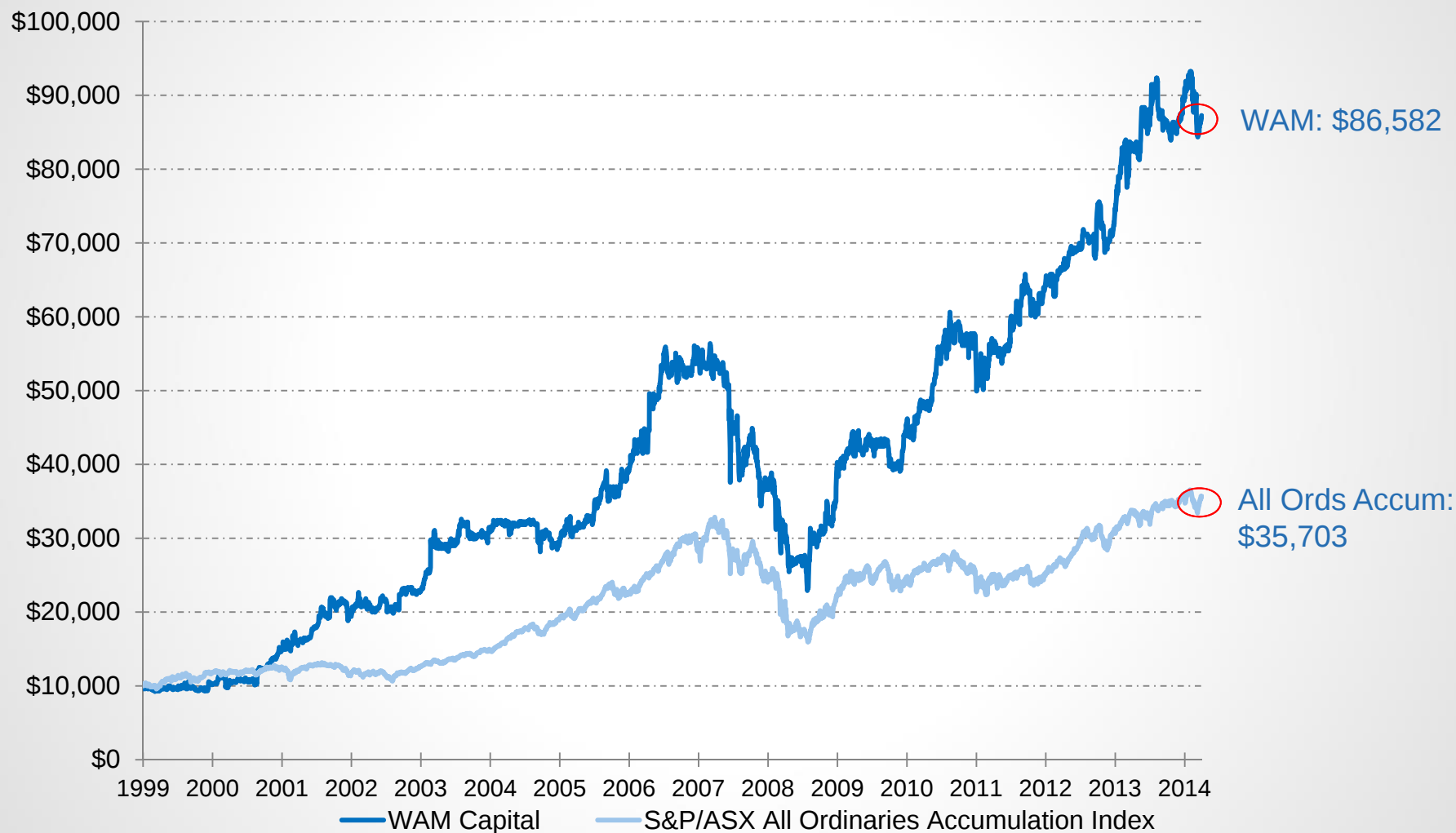
Outperformance



Performance at 31 October 2014 (% pa)	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (Aug 1999)
WAM Investment Portfolio*	7.6%	16.9%	14.0%	13.3%	17.9%
S&P/ASX All Ordinaries Accumulation Index	5.9%	12.9%	7.9%	8.3%	8.5%
Outperformance	+1.7%	+4.0%	+6.1%	+5.0%	+9.4%

*Investment performance and Index returns are before expenses, fees and taxes

Growth of \$10,000 since inception



- Assumes reinvestment of dividends
- As at 31 October 2014

WAM Research Limited (ASX: WAX)

Recent Highlights



7.5c

Full year dividend

6.6%

Fully franked
dividend yield*

12.4%

Investment portfolio
performance**

5.9%

Total shareholder return**

33.5%

Current cash weighting^

*As at 14 November 2014

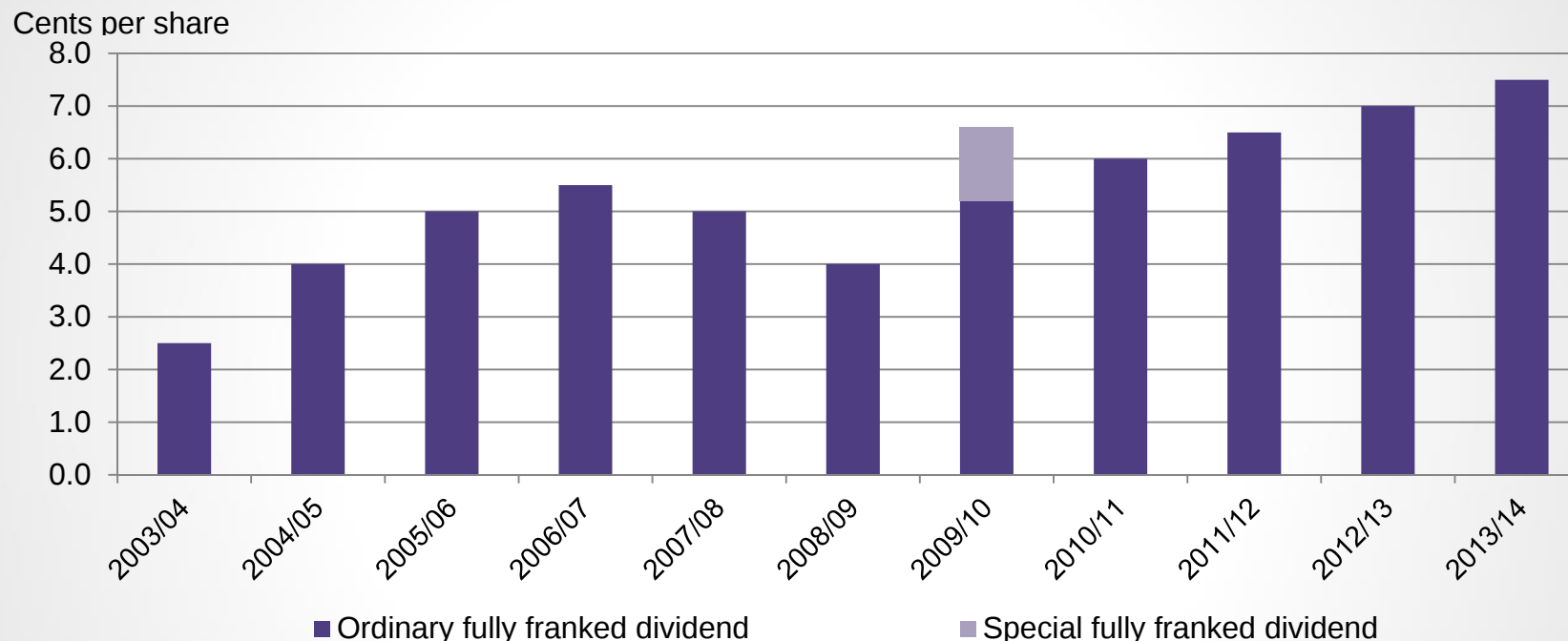
**12 months to 31 October 2014

^As at 31 October 2014

Dividend Growth



WAM Research Dividends since Inception



- Estimated profit reserve is 24.0 cents per share and the franking account has a balance of \$2,558,695.
- The Company's ability to pay franked dividends is dependent upon the size of the profit reserve and the level of franking credits derived from franked dividends received and tax payments.

As at 31 October 2014

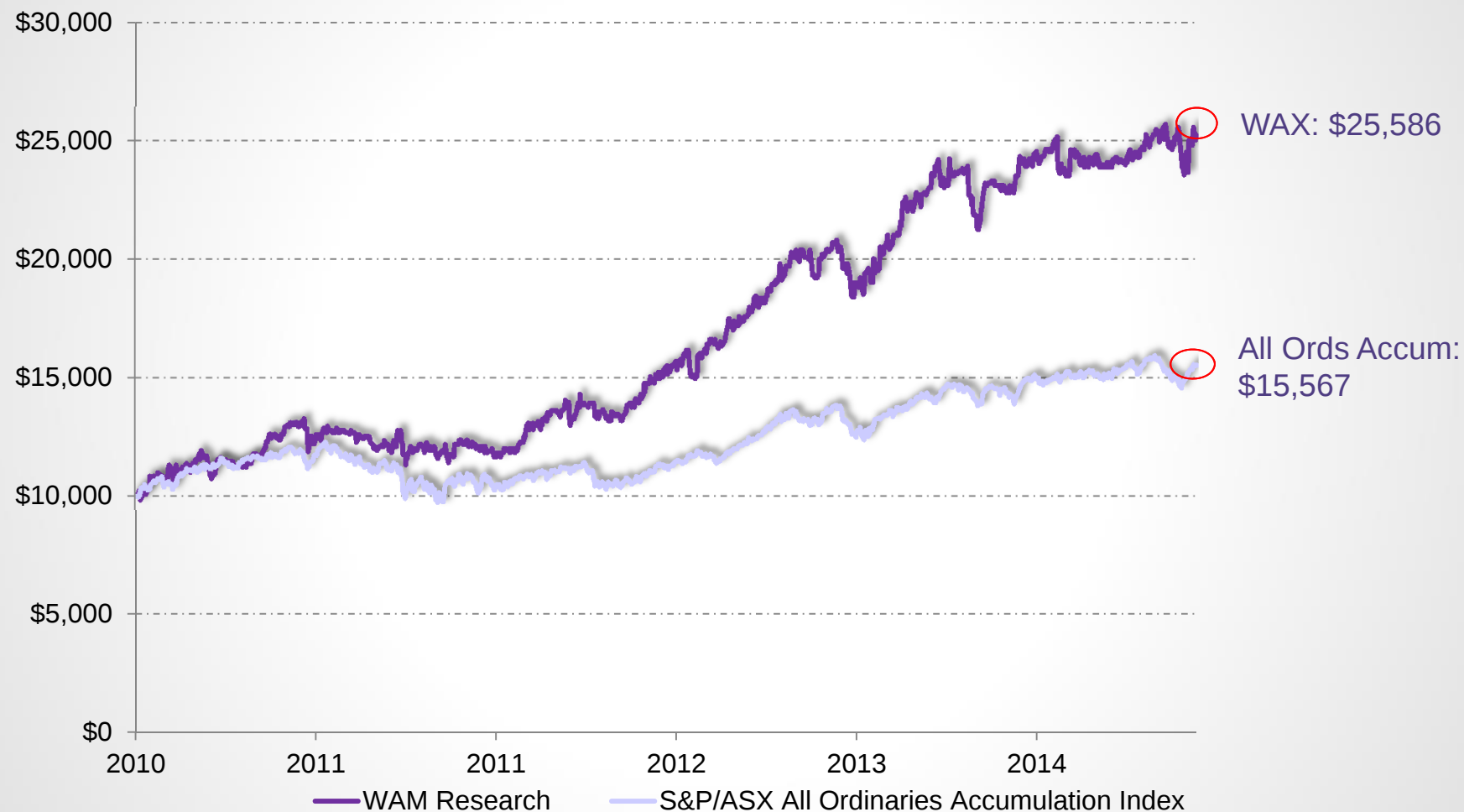
Outperformance



Performance at 31 October 2014 (% pa)	1 Yr	2 Yrs	3 Yrs	Since change in investment strategy (July 2010)
WAX Investment Portfolio*	12.4%	24.5%	22.9%	18.9%
S&P/ASX All Ordinaries Accumulation Index	5.9%	14.9%	12.9%	10.4%
Outperformance	+6.5%	+9.6%	+10.0%	+8.5%

*Investment performance and Index returns are before expenses, fees and taxes

Growth of \$10,000 since change in investment strategy



- Assumes reinvestment of dividends
- As at 31 October 2014

Capital Management



- 1 for 2 Bonus Option Issue announced 28 October 2013
- Exercise price: \$1.20 Exercise by 17 June 2015
- Options trading at: \$0.015* (ASX: WAXO)
- Share price: \$1.14* (ASX: WAX)
- \$2.4m received to date from options exercised

*As at 14 November 2014

WAM Active Limited (ASX: WAA)

Recent Highlights



9.6c

Full year dividend
FY2014

7.7%

Fully franked
dividend yield*

3.3%

Investment portfolio
performance**

15.0%

Total shareholder return**

54.6%

Current cash weighting^

*As at 14 November 2014

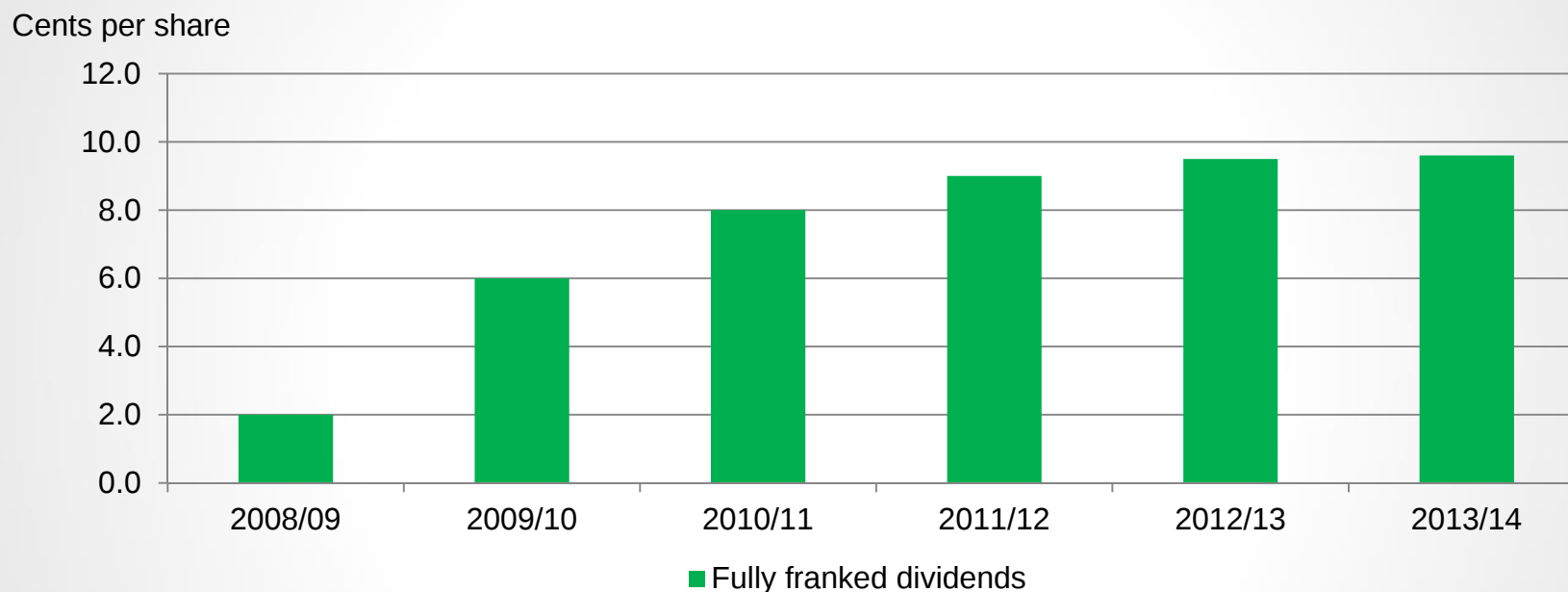
**12 months to 31 October 2014

^As at 31 October 2014

Dividend Growth



WAM Active Dividends since Inception



- Estimated profit reserve is 1.8 cents per share and the franking account has a deficit balance of \$406,058.
- The Company's ability to pay franked dividends is dependent upon the size of the profit reserve and the level of franking credits derived from franked dividends received and tax payments.

As at 31 October 2014

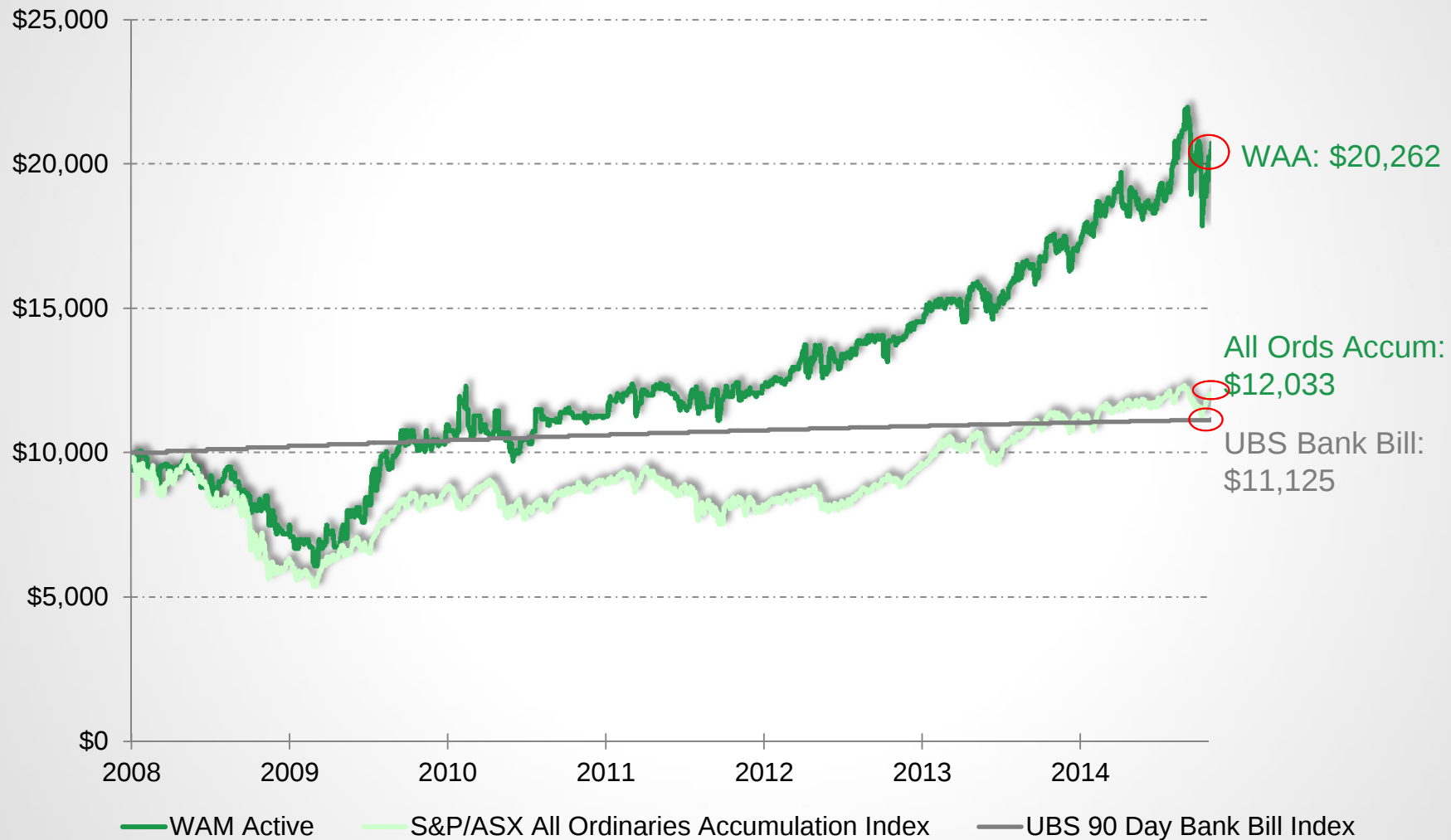
Positive Performance



Performance at 31 October 2014 (% pa)	1 Yr	3 Yrs	5 Yrs	Since Inception (Jan 08)
WAA Investment Portfolio*	3.3%	12.8%	9.3%	12.5%
S&P/ASX All Ordinaries Accumulation Index	5.9%	12.9%	7.9%	2.1%
Outperformance	-2.6%	-0.1%	+1.4%	+10.4%
UBS Bank Bill Index (cash)	2.7%	3.3%	3.9%	4.4%
Outperformance	+0.6%	+9.5%	+5.4%	+8.1%

*Investment performance and Index returns are before expenses, fees and taxes

Growth of \$10,000 since inception



- Assumes reinvestment of dividends
- As at 31 October 2014

Investor Communications

Investor Communication

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Weekly emails
including market
update



Half yearly
national investor
presentations



Monthly NTA
announcement
& investment
update



Half & full year
financial results



Website
wamfunds.com.au



Media



Industry
conferences



Independent research



Winner of the Listed Investment Companies category at
the Professional Planner / Zenith Fund Awards 2014



WAM Bag Competition

Thank you to all of our entrants

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A token of our appreciation will soon be in the post

And the winners are...

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Phil Wharton, NSW



Denzil Griffiths, VIC



Jeffrey Wilmer, QLD



John Warner, NSW

Community Investment

Corporate Volunteering Day with Variety

- Participated in music therapy to children with special needs at Wairoa School, Bondi



Toronto High School, Student Leader Project

- Hosted 15 students, talking to them about our journey into the workplace and providing tours of the ASX, CNBC Studio, and stockbroker offices



Geoff Wilson shaved his head

- \$58,000 raised to buy 16 wigs for children with alopecia



“We are passionate about making a difference”

Disclaimer

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