

WAM Active Limited (WAA)

ASX Announcement/Media Release

27 August 2015



WAM Active investment portfolio up 5.5% with 2.5c dividend

Highlights

- Fully franked 2.5 cent final dividend
- Investment portfolio up 5.5%
- Operating profit before tax of \$896,077

WAM Active Limited (ASX: WAA) ('WAM Active' or the 'Company') today announces an operating profit before tax of \$896,077 (\$4.1 million in FY 2014) and operating profit after tax of \$897,681 (\$3.2 million in FY2014) for the year to 30 June 2015.

The change in profit compared to the previous year is a direct result of the investment portfolio returning 5.5% compared to 19.4% in FY2014 and capital management initiatives including the completion of the option issue.

The Company announces a fully franked final dividend of 2.5 cents per share.

WAM Active Chairman Geoff Wilson said the Company continued to grow despite challenging market conditions.

"Since listing in 2008, the Company has effectively applied an investment approach which provides investors with exposure to active trading strategies which aim to deliver positive returns in all market cycles."

"In FY2015, we continued to focus on identifying and acting on opportunities that allowed us to grow the Company's investment portfolio by 5.5%, while holding on average 39.4% cash over the period.

"The portfolio turned over more than five times during the period," Mr Wilson said.

Performance at 30 June 2015	1 Yr	3 Yrs %pa	5 Yrs %pa	Since inception %pa (Jan-08)
WAA Investment Portfolio*	5.5%	13.3%	11.3%	12.1%
S&P/ASX All Ordinaries Accumulation Index	5.7%	14.5%	9.4%	2.2%
Outperformance	-0.2%	-1.2%	+1.9%	+9.9%
UBS Bank Bill Index (Cash)	2.6%	2.9%	3.6%	4.2%
Outperformance	+2.9%	+10.4%	+7.7%	+7.9%

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

Investment portfolio performance

As WAM Active is an absolute return fund, it is not benchmarked against an equity index. The above table provides the performance of the investment portfolio against the S&P/ASX All Ordinaries Accumulation Index and the UBS Bank Bill Index as points of reference.

The best performing strategies employed were trades based on relative value arbitrage, oversold positions, earnings momentum/surprise, market themes/trends, and takeover arbitrage. The top contributing stocks for FY2015 were: Burson Group Limited (BAP), Blackmores Limited (BKL) and Hunter Hall Global Value Limited (HHV).

WAM Active Limited (WAA)

ASX Announcement/Media Release

27 August 2015



Chief Investment Officer Chris Stott said the Company's performance was positive in the face of difficult market conditions.

"The Company's investment portfolio delivered a solid result in FY2015, and it is well positioned to create shareholder value through investment opportunities in FY2016," Mr Stott said.

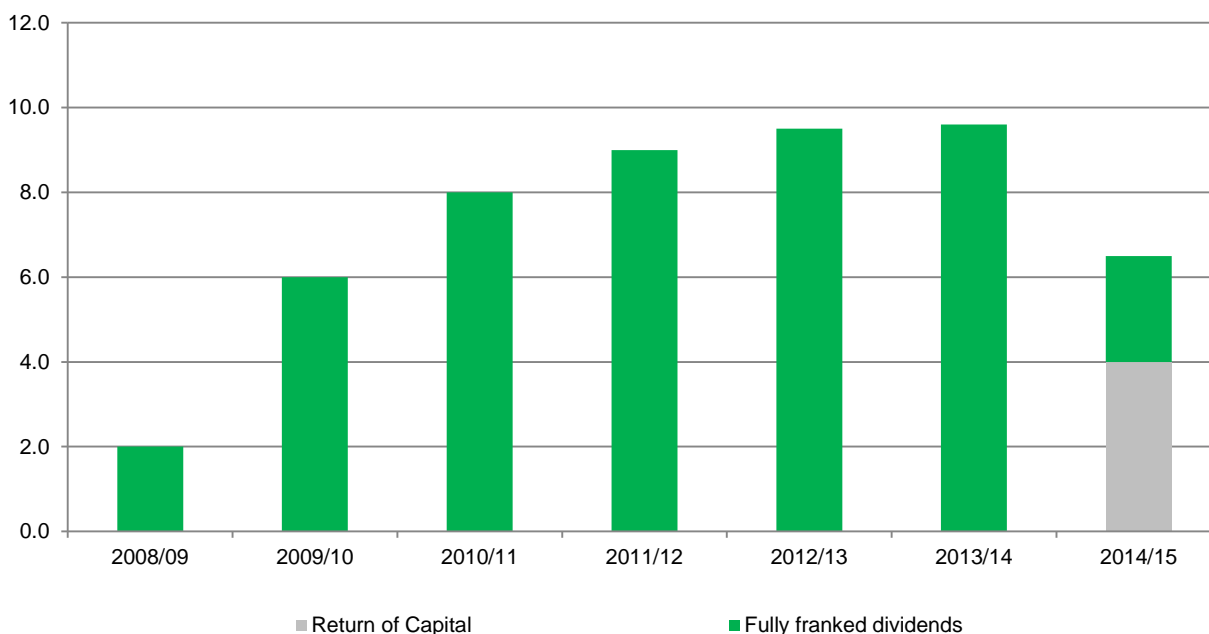
Fully franked final dividend

The Board is pleased to announce a fully franked final dividend of 2.5 cents per share. The final dividend will be paid on 30 October 2015 and will trade ex dividend on 19 October 2015. The dividend reinvestment plan (DRP) will operate without a discount for the final dividend. The last election date for the DRP will be 22 October 2015.

The Directors intend to pay an interim dividend in FY2016, which will be announced with the release of WAA's half year results in February 2016, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices.

WAM Active's Dividends and Return of Capital since inception

Cents per share



For the half year to 31 December 2014, the Company's net assets were less than issued capital and the Board decided it was not prudent to pay an interim dividend. In recognition of WAM Active shareholders' cash flow needs, the Directors declared a 4.0 cents per share Return of Capital, which was approved by shareholders at an Extraordinary General Meeting on 19 May 2015 and paid on 1 June 2015.

WAM Active Limited (WAA)

ASX Announcement/Media Release

27 August 2015



Equity market outlook

Chief Investment Officer Chris Stott said the equity market outlook for the next 12 months remain mixed.

"The recent fall in domestic and global markets indicates we may have reached the conclusion of the six-year bull market," Mr Stott said.

"The current reporting season has so far failed to deliver positive news as companies' earnings forecasts are adjusted to reflect the uncertain conditions.

"We expect that some sectors of Australian equity market, such as retail, will benefit from low interest rates and improving domestic economic conditions in the face of slowing growth in China and falling commodities prices.

"While we are cautious, we remain well positioned to take advantage of opportunities as they emerge," Mr Stott said.

Company outlook

With a conservative cash weighting, no debt and a flexible and proven investment approach, WAM Active enters FY2016 in a position to capitalise on opportunities in the market as they arise. We believe that WAM Active can continue to find opportunities irrespective of market conditions.

Public policy and advocacy – dividend imputation

We remain engaged in public debate on issues affecting WAM Active and its shareholders. During the 2015 financial year we submitted our response to the Federal Government's Tax Discussion Paper, which flagged a review of the imputation system. The submission argued dividend imputation has significantly benefitted Australia's financial system. Dividend imputation leads to robust capital formation in Australia, efficient capital distribution, a more stable economy with reduced cyclicity and greater financial support for Australian charities. The removal or adjustment of dividend imputation would therefore be detrimental to the Australian financial system. We will continue to engage in this debate during the 2016 financial year.

Priority offer to WAA shareholders in Future Generation Global IPO – closes tomorrow Friday 28 August 2015

WAM Active shareholders are entitled to share in the \$110 million priority allocation to the Future Generation Global Investment Company Limited (FGG) initial public offering (IPO). FGG will be Australia's first internationally focused listed investment company with the dual objectives of providing shareholders with diversified exposure to selected global equities and changing the lives of young Australians affected by mental illness. FGG will charge shareholders 0.0% management fees and 0.0% performance fees as the participating fund managers will manage the capital on a pro bono basis. This arrangement allows the company to donate 1.0% of its net tangible assets each year to selected Australian non-profits working to improve the mental health of young Australians. Further information, including the prospectus and online application form, is available at www.futuregeninvest.com.au/global.

WAM Active Limited (WAA)

ASX Announcement/Media Release

27 August 2015



Top holdings (as at 30 June 2015)

Code	Company	Market Value as % Gross Assets
HHV	Hunter Hall Global Value Limited	7.2%
CYA	Century Australia Investments Limited	4.4%
BAP	Burson Group Limited	3.7%
HVN	Harvey Norman Holdings Limited	3.3%
QAN	Qantas Airways Limited	3.0%
MYX	Mayne Pharma Group Limited	2.9%
SGF	SG Fleet Group Limited	2.5%
MMS	McMillan Shakespeare Limited	2.3%
GTY	Gateway Lifestyle Group	2.2%
PMV	Premier Investments Limited	2.1%
SDG	Sunland Group Limited	2.1%
PRY	Primary Health Care Limited	2.0%
IIN	iiNet Limited	2.0%
BKL	Blackmores Limited	1.9%
ADH	Adairs Limited	1.8%
TGG	Templeton Global Growth Fund Limited	1.8%
ECX	Eclix Group Limited	1.8%
GJT	Galileo Japan Trust	1.8%
BTT	BT Investment Management Limited	1.8%
AOG	Aveo Group	1.6%

Ends

About WAM Active

WAM Active Limited (ASX: WAA) is a listed investment company (LIC) managed by Wilson Asset Management Group. Listed in January 2008, WAA provides investors with exposure to an active trading style with the aim of achieving a sound return with a low correlation to traditional markets. WAA's investment objectives are to: deliver a regular income stream via fully franked dividends; provide a positive return with low volatility, after fees, over most periods of time; and to preserve capital.

For more information visit www.wamfunds.com.au

For further information, please contact:

Geoff Wilson

Chairman/Portfolio Manager
(02) 9247 6755

Chris Stott

Chief Investment Officer/Portfolio Manager
(02) 9247 6755

James McNamara

Corporate Affairs
(02) 9247 6755
0416 734 080