

Westoz Investment Company Limited Investor Presentation

August 2016



WESTOZ
INVESTMENT COMPANY LIMITED

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Westoz Investment Company Limited Overview

- WIC is a specialist listed investment company
- Its portfolio is managed by Westoz Funds Management Pty Ltd
- The investment focus is to generate a consistent positive return over the medium term on its portfolio of assets
- The portfolio is focused on small to mid cap listed companies, generally with a connection to Western Australia
- It holds a concentrated portfolio of securities which may from time to time consist of large levels of cash
- It aims to benefit shareholders from share price appreciation based on growth in underlying asset values and dividend payouts

Company Details, 31 July 2016

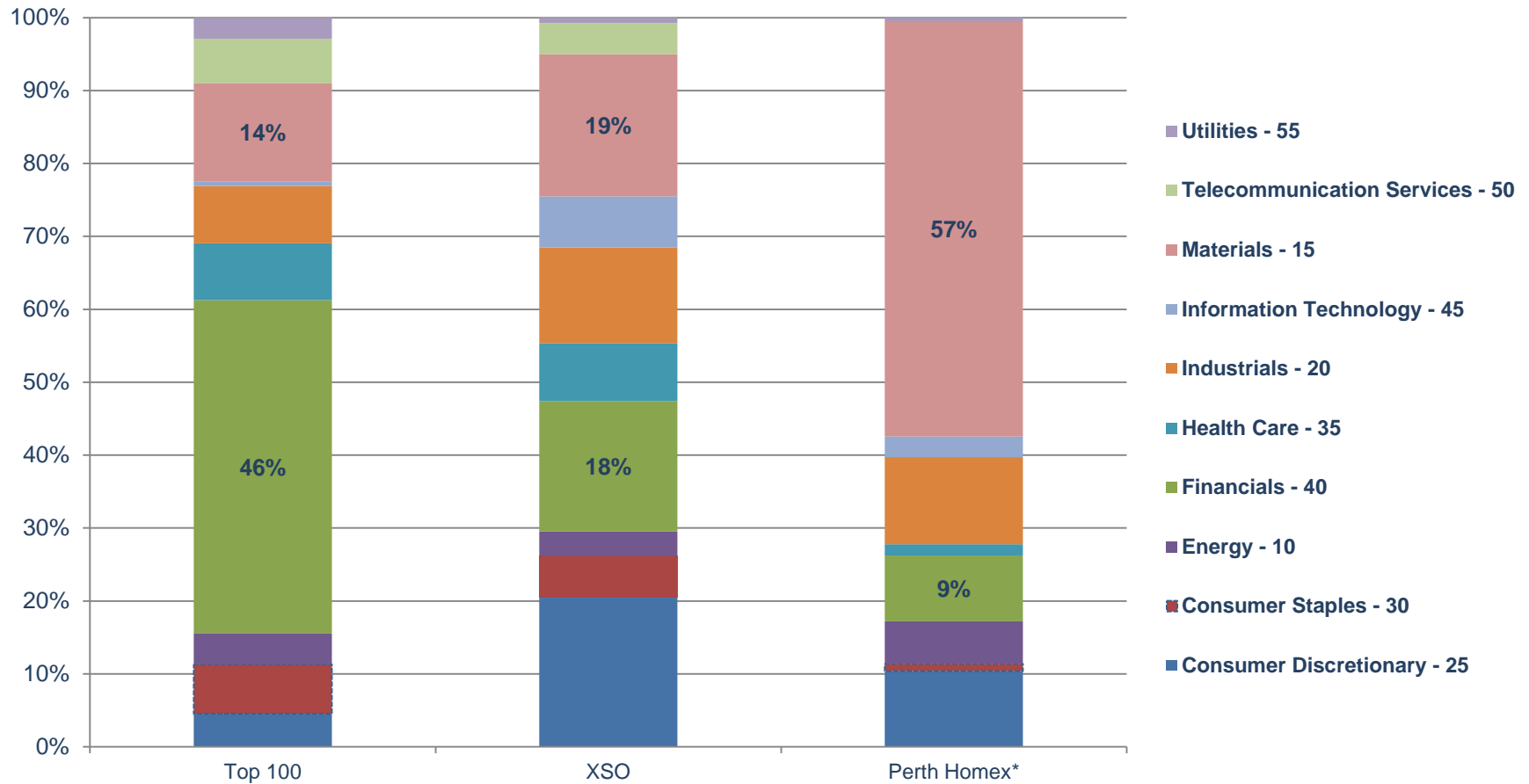
Last Price	\$0.92
Last Net Assets Per Share (includes DTA)	\$1.039
Shares on issue	129.2m
Options (\$1.05 strike, Aug 2016 expiry)	12.9m
Market Cap	\$119m
Net Asset Value	\$134m

Shareholders

Euroz Limited	26%
Geoffrey Brown	7%
Wilson Asset Management	7%
Total number of shareholders	1,500

Our Backyard by Sector...

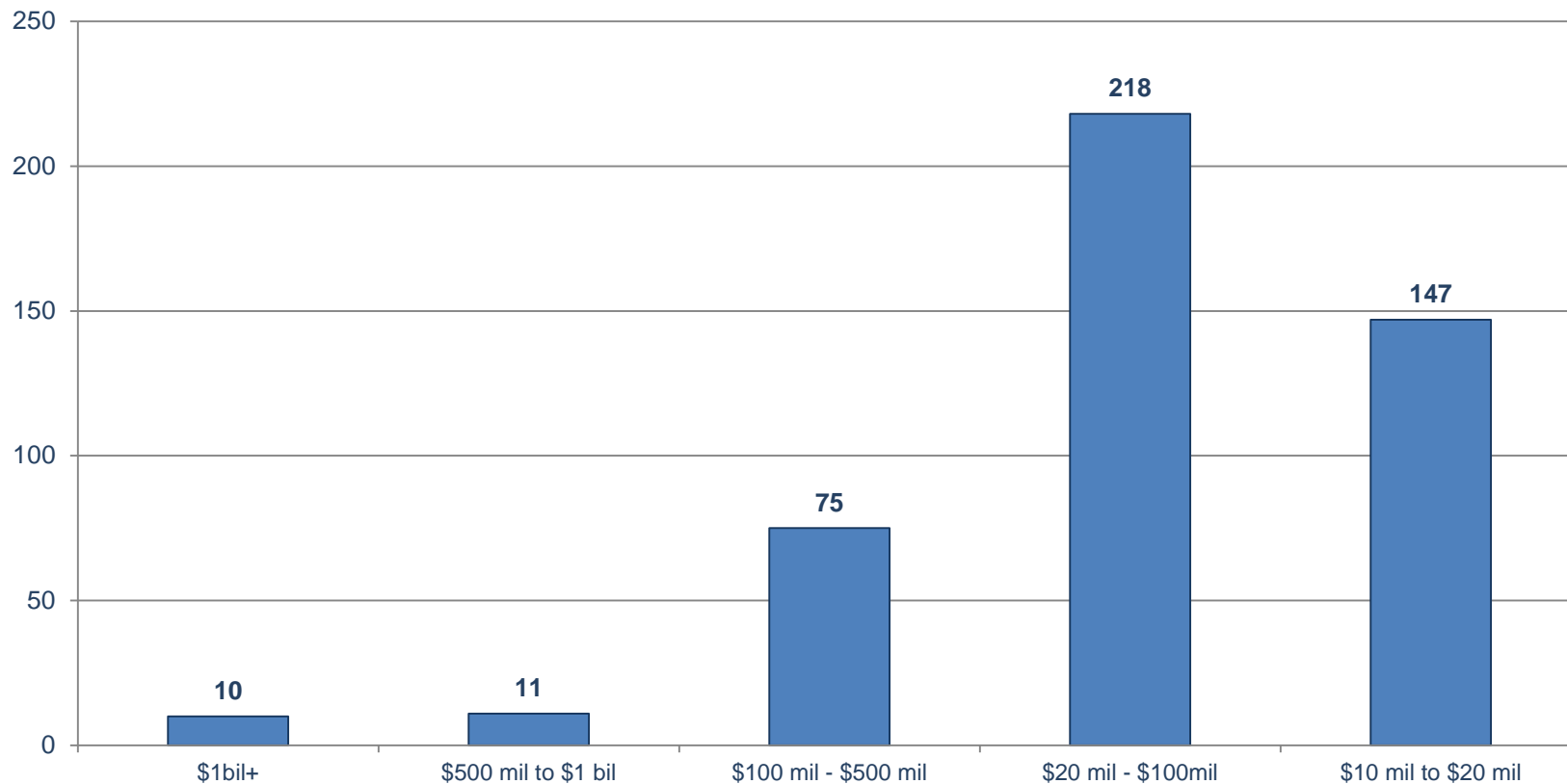
Market Capitalisation by GIC Sector



*Perth Homex is ASX listed companies with Perth as home exchange, excludes WES, WPL, FMG, S32 and sub \$10 mil mkt cap.

Our Backyard by Size...

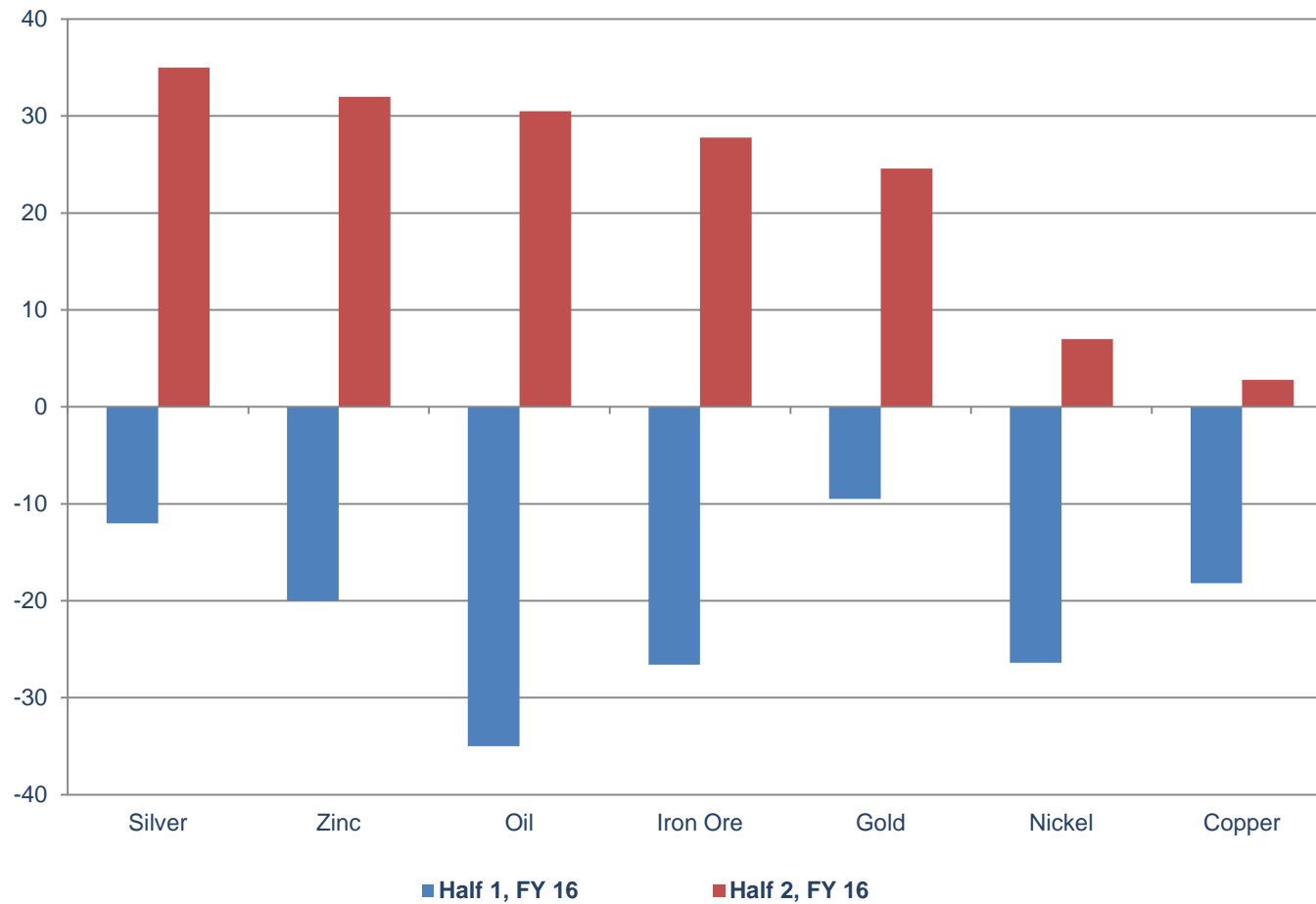
Perth Homex*; Number in Capitalisation Range



*Perth Homex is ASX listed companies with Perth as home exchange, excludes WES,WPL, FMG,S32 and sub \$10 mil mkt cap.

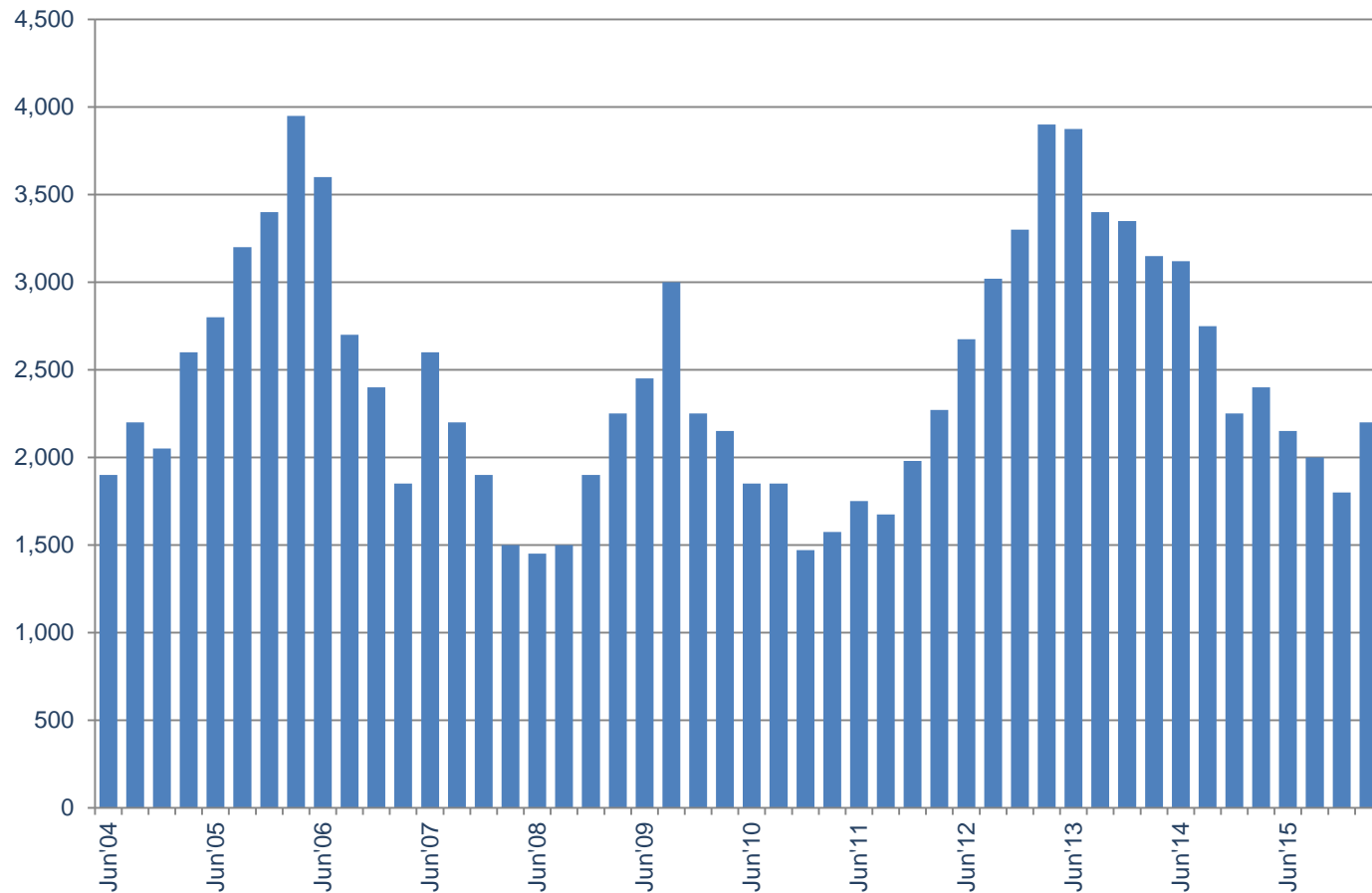
Some signs of Improvement

Commodity Prices Improve in Second Half



Some signs of Improvement

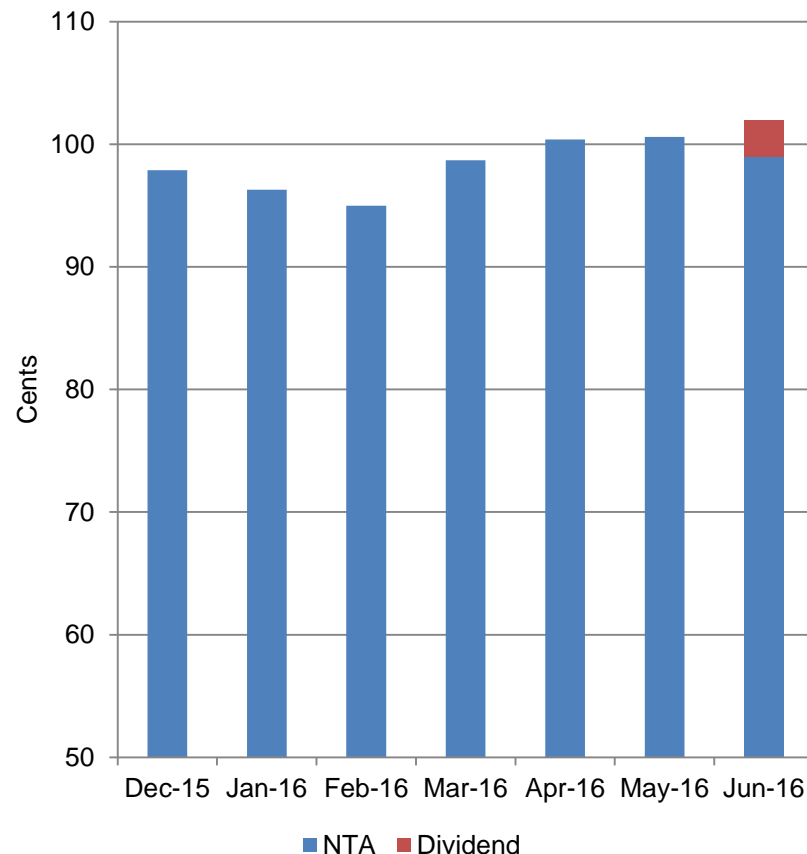
Perth Residential Land Sales



HIA Data

- Portfolio performance (pre fees and taxes) up 7.0% in June half;
- Net tangible assets at 30 June 2016 \$128 mil;
- Liability at 30 June recognised for payment of 3.0 cent per share dividend (\$3.9 mil);
- Net tangible assets include deferred tax assets of \$9.9 mil (\$5.0 from realised losses and \$4.9 from unrealised losses)
- On a per share basis, net assets (including deferred tax assets) rose from 97.9 cents to 102.0 cents before allowance for dividend.

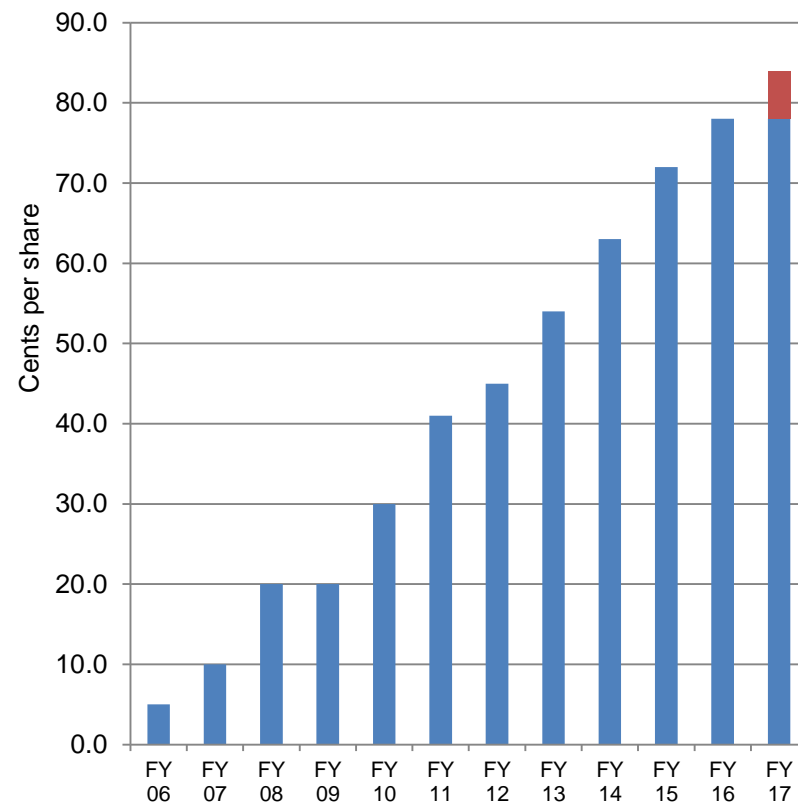
Monthly NTA (including DTA) and Dividends



Some Recent Initiatives

- Dividend Guidance
 - WIC target 6.0 cents per share for FY 2017
- Strong start to FY17
 - WIC portfolio rises 7.5% in July
- Bonus Option Issue
 - 1 option to acquire a new share at \$1.05 for every 10 held
 - Exercisable at any time prior to 31 August 2017.
- Board Change

WIC Cumulative Dividends Paid (per share)



Investment Decision considerations

- Bottom up focus, decisions made on a stock by stock basis
- Quality of Management paramount
- Potential to generate cash from operations or assets
- Balance sheets appropriately structured for delivery of equity returns
- Valuation parameters, predominately price/earnings

Investment Environment

- Equity markets performing well despite increased macro uncertainty
- Conditions for West Australian focused companies still tough but bottom is visible
- Resource companies priced for further improvement in commodity markets (some exceptions)
- Industrials with growth record fully priced, deep value cyclicals of more interest

June Portfolio	
Mount Gibson Iron Limited	7.3%
Cedar Woods Properties Limited	6.3%
Finbar Group Limited	5.5%
IMF Bentham Limited	4.4%
Sandfire Resources NL	4.2%
Independence Group NL	3.5%
Western Areas Limited	3.1%
Programmed Maintenance Services Limited	2.9%
Automotive Holdings Group Limited	2.2%
Southern Cross Electrical Engineering Ltd	2.1%
Beach Energy Limited	2.0%
Credit Corp Group Limited	2.0%
ASG Group Limited	1.7%
Orecorp Limited	1.6%
EQT Holdings Limited	1.5%
Other (14 positions)	10.5%
Cash	39.2%

- Cash position steady over half, closes at 40% of assets, currently 29%
- Resources moved up from 20% of exposure to 29%
- Increased positions in :
 - IMF Bentham
 - Independence Group
 - Sandfire Resources
- Broadspectrum sold into bid over the period, Automotive Holdings reduced

Thank you

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