

The logo for NAOS is centered vertically over a photograph of a weather vane. The letter 'N' is at the top, followed by an upward-pointing arrow, then the letter 'O' in a circle, and finally the letter 'S' at the bottom. The background image shows a red and white striped weather vane on a tall pole, set against a dramatic sky with large, dark clouds. The ground is a flat, grassy field with a paved road in the foreground.

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QUARTERLY INVESTOR BRIEFING
1ST QUARTER FY-2017

NAOS Emerging Opportunities Company Limited
(ASX: NCC)

CALL DETAILS

1. Date	Thursday 13 th October 2016
2. Time	11.00am AEDT
3. Telephone	1800 857 029
4. Guest Access Code	10842873#
5. Questions	Please email all questions to enquiries@naos.com.au prior to the allotted call time

1. NCC FY Year End Review

- Performance Summary , Positive v Negative Return Months
- Stock Contribution (Since Inception)
- Risk Measures
- Capital Analysis
- Dividend Profile
- Marketing and Investor Awareness, Shareholder Numbers
- Director/Shareholder Alignment
- Historical Net Equity & Cash Exposure
- Industry/Sector Exposure
- Company Meetings

2. Market Commentary

- Domestic and Macro Equity Market Review
- NAOS Investment Philosophy

3. Keeping Up to Date

- Investor Awareness and Communications
- NAOS Team and NCC Directors

1. NCC Review

NCC: PERFORMANCE & PORTFOLIO CHARACTERISTICS SUMMARY

AS AT 30TH SEPTEMBER 2016

NAOS

	1 Month	6 Months	1 Year	2 Year (% p.a.)	3 Year (% p.a.)	Inception (% p.a.)	Inception (% Nom.)
NCC Investment Portfolio Performance*	+3.65%	+31.08%	+48.23%	+18.32%	+16.74%	+23.39%	+112.74%
S&P/ASX Small Ordinaries Accumulation Index (XSOAI)	+1.53%	+14.84%	+29.16%	+10.82%	+7.07%	+4.51%	+17.17%
Outperformance Relative to Benchmark	+2.12%	+16.24%	+19.07%	+7.50%	+9.67%	+18.88%	+95.57%

* Investment Portfolio Performance is **pre fees and franking credits and post all operating expenses**.

Performance has **not been grossed up for franking credits received by shareholders**. Inception is 26th February 2013

Portfolio Weighted Average Market Capitalisation	\$132 Million
Percentage of Positive Months (NCC)	77%
Percentage of Positive Months (XSOAI)	57%
Standard Deviation of Returns (NCC)	11.53%
Standard Deviation of Returns (XSOAI)	14.46%
Correlation of Returns to XSOAI	0.58
Sortino Ratio	3.40
Downside Deviation (NCC)	5.93%
Downside Deviation (XSOAI)	7.51%
Current Estimated Portfolio Beta	0.06

NCC: POSITIVE STOCK CONTRIBUTION SUMMARY (SINCE INCEPTION)

AS AT 30TH SEPTEMBER 2016

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Positive Stock Attribution Analysis

(Attribution is what has contributed to NCC's performance since inception) (1st March 2013 to 30th September 2016)

The table below lists the top positive contributors to NCC's total return since 1st March 2013. The purpose of the information is to illustrate that the performance the investment team derive over time is not simply from one or two positions but from a variety of positions, even with a highly concentrated portfolio of investments that is often 0 -15 securities at any one time. We will disclose securities in which the Company has a current substantial holding, or when we have exited the position. All of the below have **either been a long or short position** in the portfolio at some point in time.

Investment	Contribution to Return (% NAV)	Investment	Contribution to Return (% NAV)
BSA Limited	+23.27%	Tamawood	+8.63%
Armidale Investment Corp	+17.65%	Sirtex Medical Limited	+8.14%
Calliden Group	+15.49%	Enero Group	+7.25%
Capitol Health Ltd	+15.06%	RHG Limited	+7.06%
Lindsay Group	+11.30%	Gage Road Brewing	+6.18%

NCC CAPITAL ANALYSIS:

AS AT 30TH SEPTEMBER 2016

NTA Analysis

Pre Tax - \$1.42

Post Tax Pre Unrealised Gains Tax – \$1.42

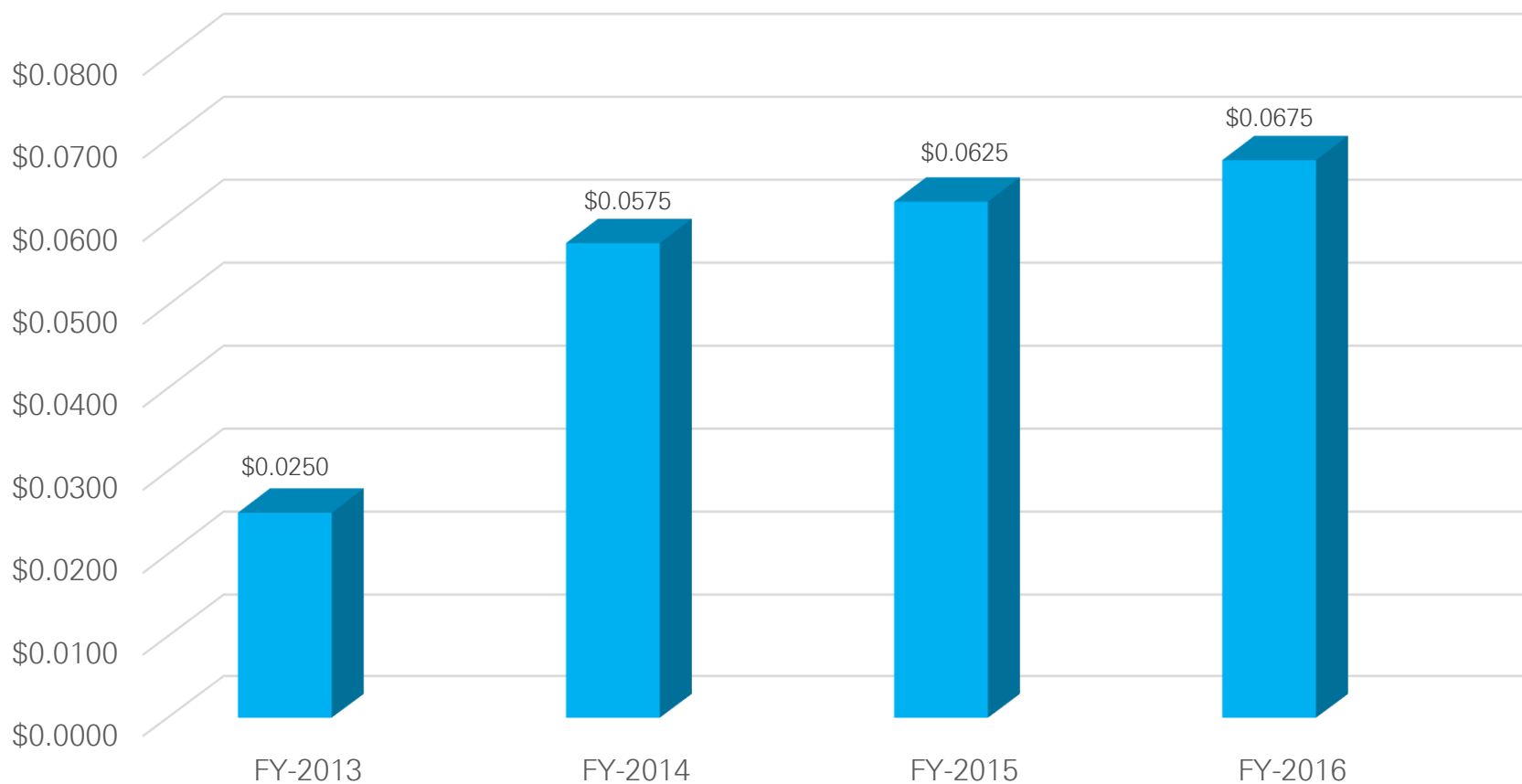
Post Tax - \$1.31

Share Price	\$1.32
Discount to NTA (Pre-Tax)	-7.04%
Fully Franked Dividend Yield	5.11%
Gross Dividend Yield	7.29%
Shares on Issue	46,918,297
Directors Shareholding	3,571,066

NCC: HISTORICAL DIVIDEND PROFILE

AS AT 30TH SEPTEMBER 2016

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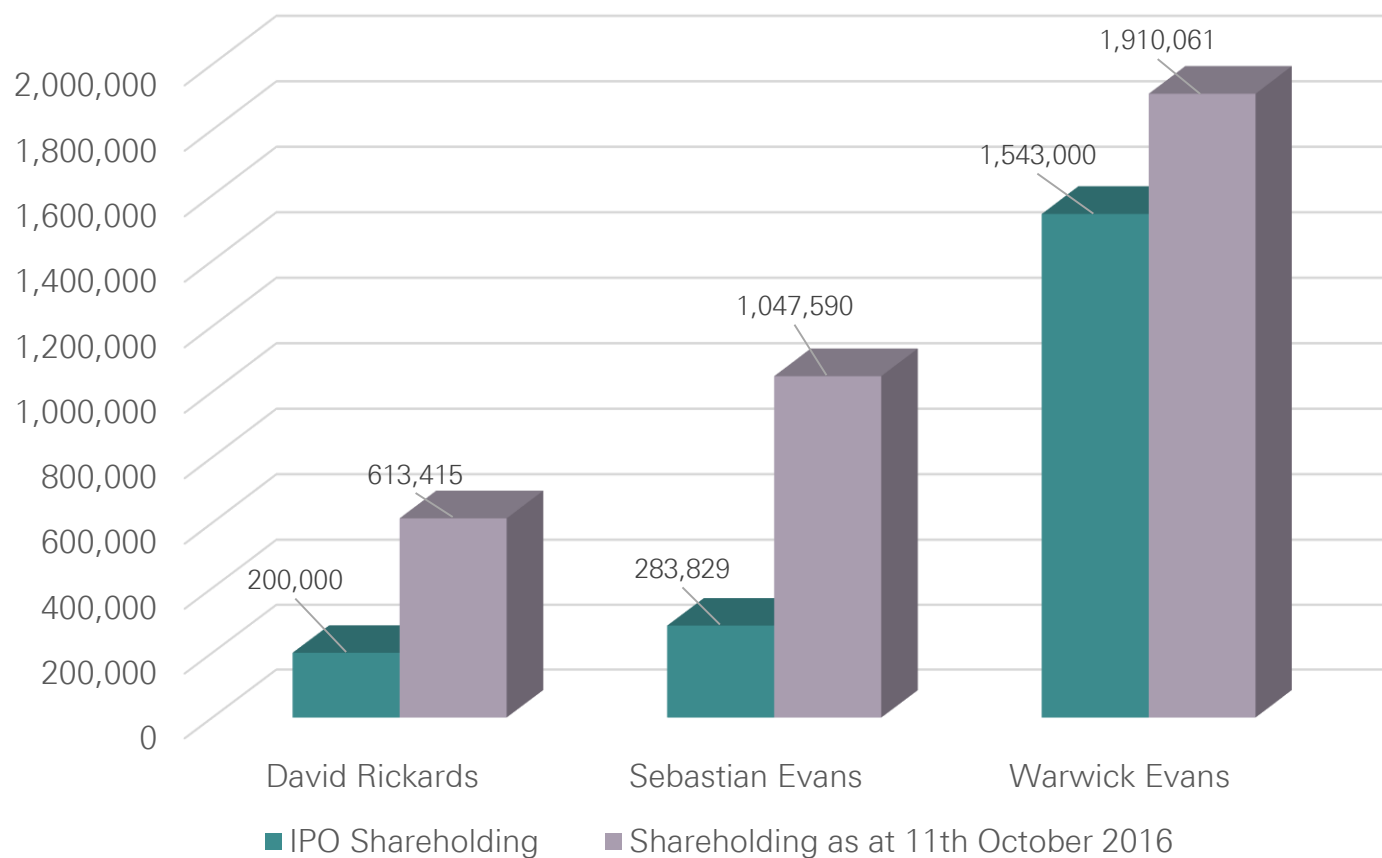
- Media Appearances and Press; Switzer, Cuffelinks, Eureka Report, Livewire, AFR, Financial Standard, Sharecafe & Adviser Voice.
- CEO Insights, Weekly NAOS Newsletter
- Conferences – Australian Shareholders Association National Conference Quarterly Shareholder Conference Calls & Monthly Investment Report & NTA Updates
- Active Broker and Financial Adviser Distribution
- NAOS Investor Presentations: Twice yearly national shareholder roadshow
- Social Media; LinkedIn, Facebook, Twitter.



NCC: DIRECTORS INCREASING ALIGNMENT WITH SHAREHOLDERS SINCE IPO

AS AT 11TH OCTOBER 2016

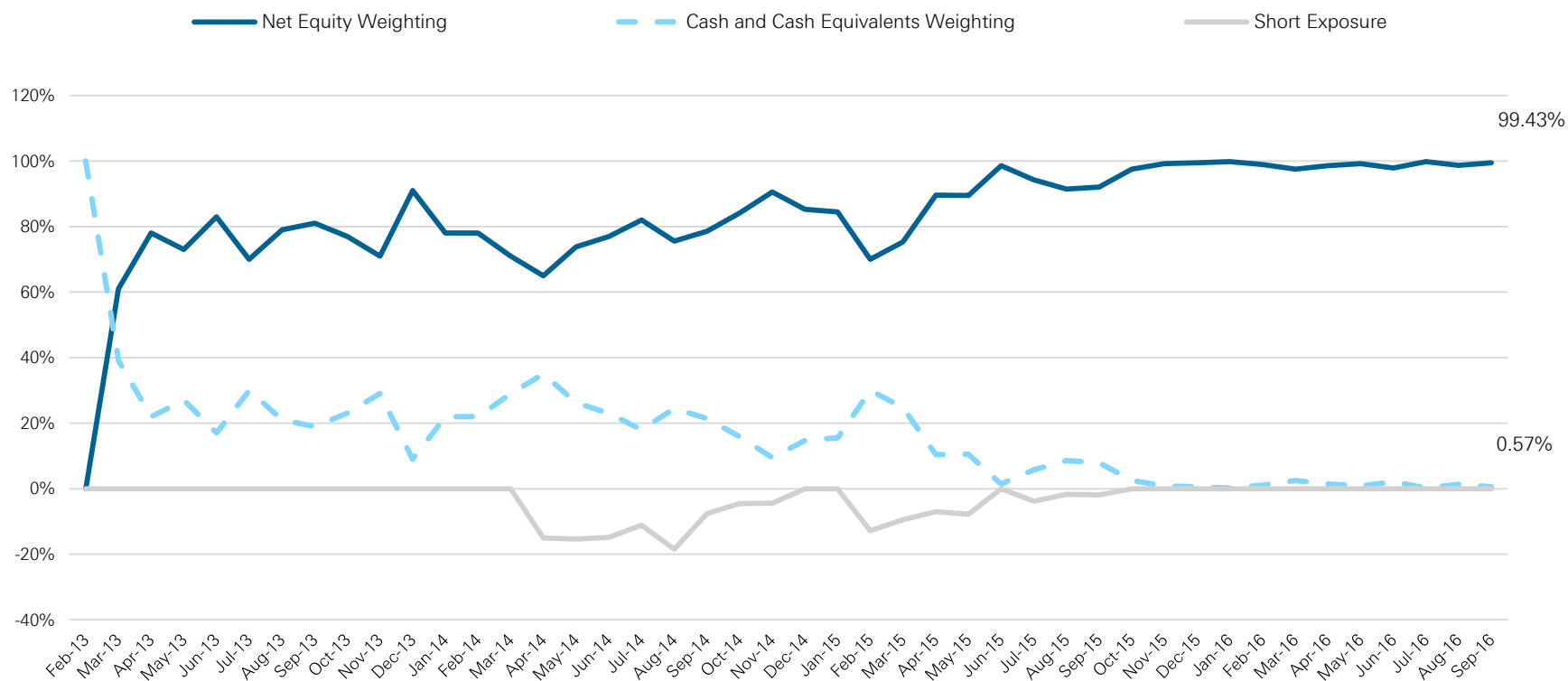
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NCC: PORTFOLIO STRUCTURE HISTORICAL NET EQUITY AND CASH WEIGHTINGS

AS AT 30TH SEPTEMBER 2016

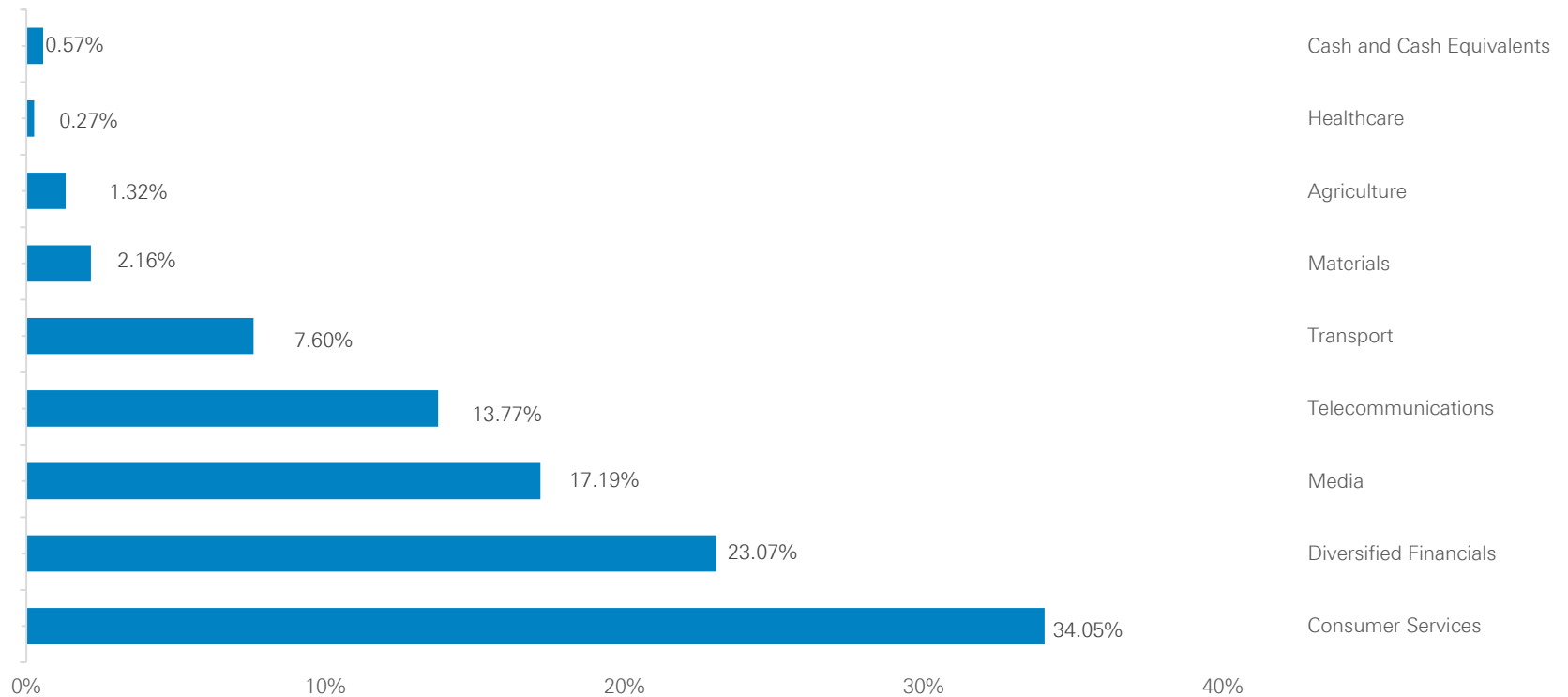
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NCC: PORTFOLIO STRUCTURE ALLOCATION BY INDUSTRY/SECTOR (NET)

AS AT 30TH SEPTEMBER 2016

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The NAOS investment philosophy is based around the belief that for a company to succeed and generate strong returns for shareholders it must be led by a motivated, proven and experienced management team. NAOS Investment Team has direct contact with many listed and unlisted companies across a wide range of industries. The table below provides an insight into the types of companies NAOS has engaged with.

• Macquarie Telecom – (MAQ)	• Ellex Medical – (ELX)
• CML Group – (CGR)	• Eureka Group – (EGH)
• Lindsay Group – (LAU)	• Somomed – (SOM)
• Vita Life Sciences – (VSC)	• Grays Ecommerce Group – (GEG)
• BSA Group – (BSA)	• Brickworks – (BKW)
• Infomedia – (IFM)	• 3P Learning – (3PL)

2. Market Outlook

• **AGM Season:**

- Companies will provide a trading update for the four months of the financial year.
- Major focus for AGM season:
 - Gauge the underlying momentum within each business over the first four months.
 - The ability of the management team to guide for a half year and full year profit figure will provide confidence around how much clarity the management team have on forward revenue estimates.

• **Industry Performance:**

- Over the past six months resources have been the best performing sector in the ASX-300.
- Consolidation is now occurring within the contracting and mining services space i.e. UGL and BKN
- The significant underperformers have been A-REIT's and Utilities which has not been the case over the past 5-years.

• **Geopolitical Risks on the Rise:**

- The implementation of Brexit is still an unknown and there has been a dislocation between the GBP and equity prices in the UK with the effect on consumer & business confidence key.
- The US election will continue to provide market uncertainty regardless of who is elected, we've seen evidence of this amongst US healthcare companies.
- Further instability in the middle east with the continued rise of Russia.
- Ability of China to manage capital outflows, heightened debt levels and economic growth which has been reliant on property development.

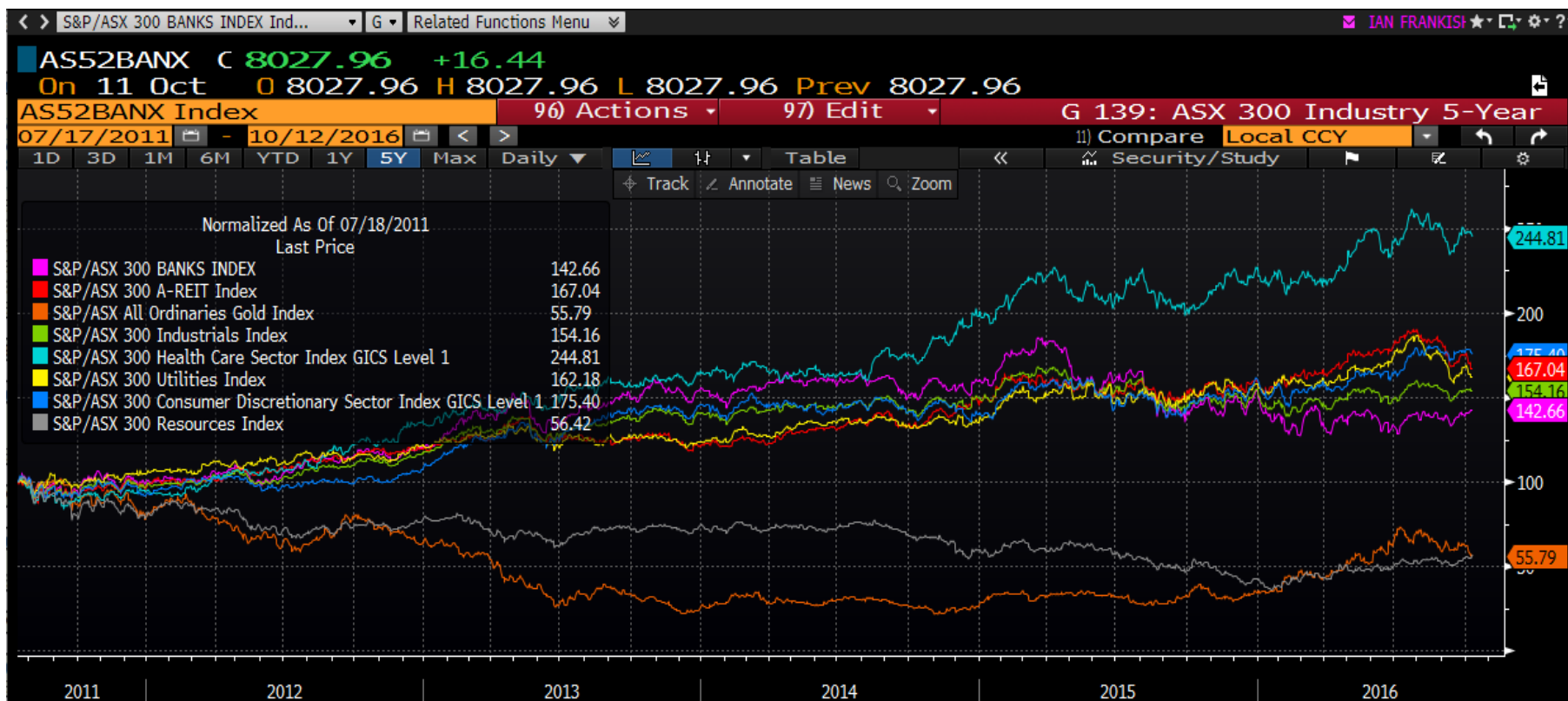
MARKET OUTLOOK: HIGH YIELD DEBT MARKET (JUNK BOND ETF)

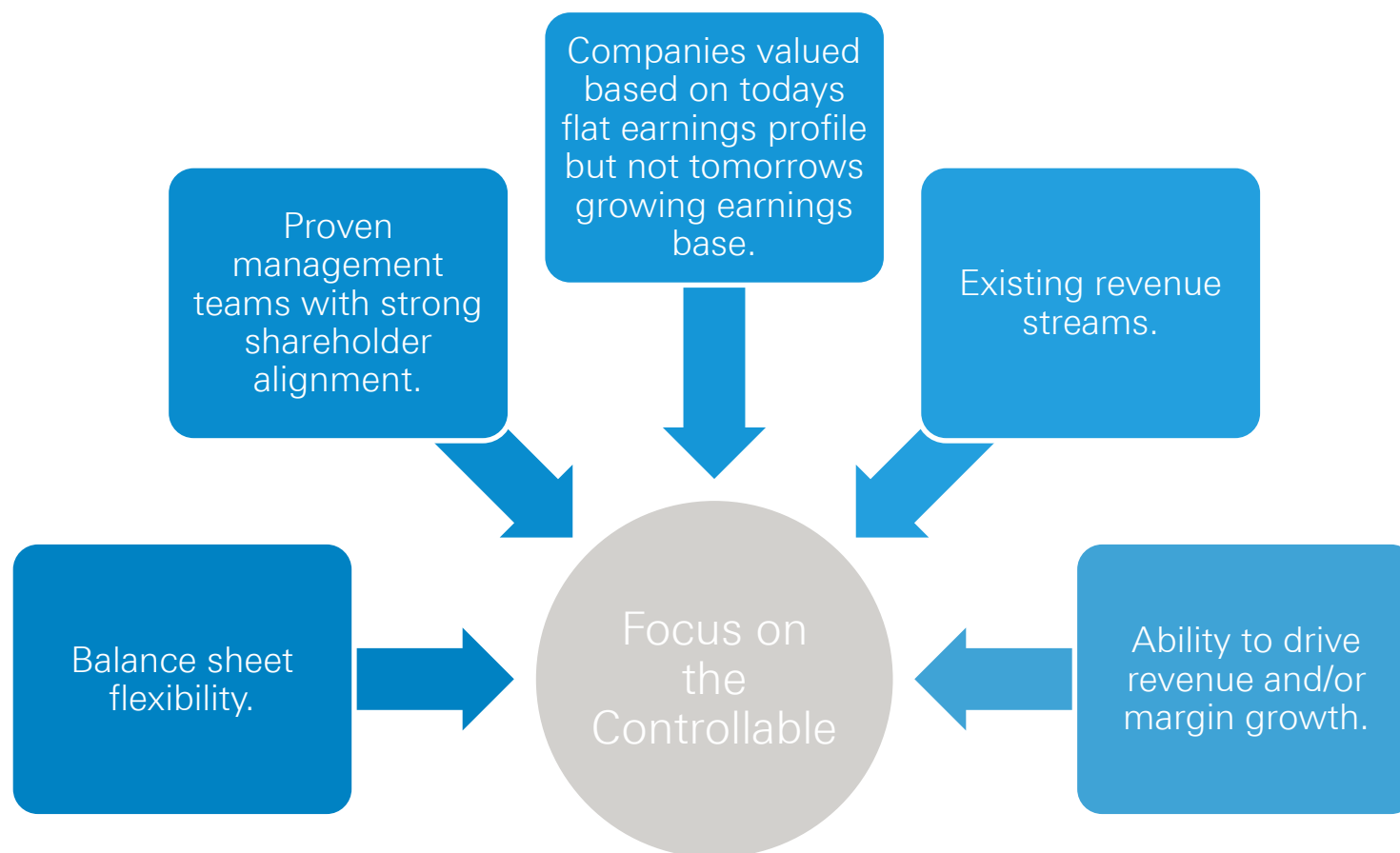
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MARKET OUTLOOK: NOTICEABLE CHANGE IN INDUSTRY PERFORMANCE WITHIN THE ASX-300

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3. Keeping Up to Date



CEO Insights, Weekly NAOS Newsletter, subscribe via our website www.naos.com.au/#subscribeform



Quarterly Shareholder Conference Calls, subscribe via our website www.naos.com.au/#subscribeform



Monthly Investment Report & NTA email updates, subscribe via our website www.naos.com.au/#subscribeform



The news and media section of our website is updated regularly www.naos.com.au



Twice yearly National Roadshow register here www.naos.com.au/#subscribeform



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For all enquires contact enquiries@naos.com.au or call (02) 9002 1576

THE NAOS TEAM AND NCC DIRECTORS



Sebastian Evans
Chief Investment Officer/
Managing Director



Richard Preedy
Chief Financial & Operating Officer



Ben Rundle
Portfolio Manager



Julie Coventry
Compliance Officer



Jeffrey Kim
Portfolio Manager



Julia Stanistreet
Business Development Manager



Robert Miller
Portfolio Manager



Chadd Knights
Associate Analyst



Sebastian Evans
Director



David Rickards
Independent Chairman



Warwick Evans
Director

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