

Wilson Asset Management

Investor conference call

6 September 2017



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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 more than **\$2 billion** in shareholder capital for 55,000 retail shareholders
- Eight investment professionals with combined investment experience of more than **100 years**
- **Proven** investment approach that has delivered superior returns for almost **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 and 2016

Investment and management team



Geoff Wilson

Chairman
& Portfolio Manager



Kate Thorley

Chief Executive Officer



Chris Stott

Chief Investment Officer
& Portfolio Manager



Matthew Haupt

Portfolio Manager



Martin Hickson

Portfolio Manager



Oscar Oberg

Portfolio Manager



John Ayoub

Senior Equity Analyst



Tobias Yao

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

Gross assets

\$1,251.6m

Share price*

\$2.48

Pre-tax net tangible assets

\$1.95

Fully franked final dividend

7.5 cents

Dividend yield*

6.0%

Performance (p.a. since August 1999)

17.6%

As at 31 July 2017

*As at 5 September 2017

Gross assets

\$486.9m

Share price*

\$1.11

Pre-tax net tangible assets

\$1.15

Fully franked final dividend

2.0 cents

Options exercised*

17.8%

Portfolio performance (p.a. since May 2016)

9.5%

As at 31 July 2017

*As at 5 September 2017

W | A | M *Leaders*

Options

ASX: WLEO

Options exercise price: **\$1.10**

Last date to exercise options to be eligible for fully franked 2.0 cents per share

final dividend: **17 November 2017**

Option expiry date: **17 November 2017**

Gross assets

\$229.1m

Share price*

\$1.595

Pre-tax net tangible assets

\$1.22

Fully franked final dividend

4.5 cents

Dividend yield*

5.6%

Performance (p.a. since July 2010)

18.5%

As at 31 July 2017

*As at 5 September 2017

Gross assets

\$42.7m

Share price*

\$1.12

Pre-tax net tangible assets

\$1.06

Fully franked final dividend

2.75 cents

Dividend yield*

4.9%

Performance (p.a. since January 2008)

12.7%

As at 31 July 2017

*As at 5 September 2017

FY2017 fully franked final dividends – key dates

WAM Capital – 7.5 cents per share

Dividend ex date	17 October 2017
Record date	18 October 2017
Last election date for the DRP	20 October 2017
Payment date	27 October 2017

WAM Research – 4.5 cents per share

Dividend ex date	17 October 2017
Record date	18 October 2017
Last election date for the DRP	20 October 2017
Payment date	27 October 2017

WAM Leaders – 2.0 cents per share

Last option exercise date to be entitled to div	17 November 2017
Dividend ex date	23 November 2017
Record date	24 November 2017
Last election date for the DRP	28 November 2017
Payment date	5 December 2017

WAM Active – 2.75 cents per share

Dividend ex date	17 October 2017
Record date	18 October 2017
Last election date for the DRP	20 October 2017
Payment date	27 October 2017

Gross assets

\$89.2m

Share price*

\$0.925

Pre-tax net tangible assets

\$0.94

- Diversified exposure to a portfolio of listed companies **focused on the S&P/ASX 300 Index**
- Wilson Asset Management was appointed investment manager on 18 April 2017
- Portfolio re-weighted over the last quarter to align with research, market and investment-driven processes
- Investment portfolio increase of 14.8% in FY2017, outperforming the S&P/ASX 300 Accumulation Index by 1.0%
- Outperformance of 1.8% since being appointed as investment manager

Gross assets

\$160.3m

Share price*

\$1.245

Pre-tax net tangible assets

\$1.13







- Listed on 28 June 2017 with investor demand exceeding \$154 million limit
- 5.9% investment portfolio increase since inception, outperforming the S&P/ASX Small Ordinaries Accumulation Index by 5.6%
- 79.6% exposure to equities with 86 companies held in the portfolio^

Holding summary*






Code	Company	%	Code	Company	%
IDX	Integral Diagnostics Limited	3.1%	EPD	Empired Limited	1.3%
RKN	Reckon Limited*	2.9%	3PL	3P Learning Limited	1.2%
PAC	Pacific Current Group Limited	2.5%	AVJ	AVJennings Limited	1.2%
RHL	Ruralco Holdings Limited	2.4%	CGR	CML Group Limited	1.1%
PNI	Pinnacle Investment Management Group Limited	2.3%	AQZ	Alliance Aviation Services Limited	1.1%
APX	Appen Limited	2.1%	MXI	MaxiTRANS Industries Limited	1.1%
DTL	Data#3 Limited	2.0%	SFI	Spookfish Limited	1.1%
PSI	PSC Insurance Group Limited	2.0%	EHL	Emeco Holdings Limited	1.0%
TOT	360 Capital Total Return Fund	2.0%	CAJ	Capitol Health Limited	1.0%
JIN	Jumbo Interactive Limited	1.9%	NBL	Noni B Limited	1.0%
SW1	Swift Networks Group Limited	1.8%	MAH	Macmahon Holdings Limited	1.0%
RXP	RXP Services Limited	1.8%	FIG	Freedom Insurance Group Limited	1.0%
CDD	Cardno Limited	1.7%	BIG	Big Un Limited	1.0%
NUH	Nuheara Limited	1.6%	SMX	SMS Management & Technology Limited	1.0%
PPS	Praemium Limited	1.6%	SSG	Shaver Shop Group Limited	1.0%
VTG	Vita Group Limited	1.4%	NZM	NZME Limited	1.0%
FDV	Frontier Digital Ventures Limited	1.3%	OVH	Onevue Holdings Limited	1.0%

*As at 31 July 2017. To provide an understanding to our shareholders of our initial holdings and their corresponding weightings in the portfolio, we have listed all holdings that represent more than 1.0% of gross assets. On a monthly basis, we will revert to providing the top 20 holdings without the percentage weightings.

Equity market outlook

-  The equity market is fairly valued
-  All 45 OECD nations are exhibiting positive GDP growth for the first time since the GFC
-  Domestic interest rates are on hold for the short-to-medium term
-  Geopolitical risks are currently elevated
-  Consumer sentiment remains unsteady
-  Australian companies are reinvesting to drive growth

Reporting season

-  Earnings growth was the best in many years
-  Results were slightly below market expectations
-  Outlook statements were benign
-  Resources and mining services sectors were standout performers
-  Small caps have been strong in recent months

N O N I B

What worked: Research-driven

Noni B Limited (ASX: NBL)

Women's fashion retailer

Why we invested

- Strong management team
- Cost savings
- Potential for additional store roll out opportunities and acquisitions

Why it worked

- Execution in a tough retail environment
- Cost saving initiatives driving margin expansion
- Strong balance sheet
- Valuation remains attractive



What worked: Market-driven

BHP Billiton Limited (ASX: BHP)

Multinational mining, metals and petroleum company

Why we invested

- Visited management across Australia
- Positive commodity outlook
- Elliot Management proposal acting as a potential catalyst for change

Why it worked

- Strong earnings release
- Reduction in debt, focus on costs, cash generation
- Willingness of board and management to realise full value of assets within the portfolio

What worked: Market-driven

Seven Group Holdings Limited (ASX: SVW)

Diversified operating and investment group in the media, mining and construction industries

Why we invested

- Exposure to mining recovery
- Increased replacement capital expenditure in the mining sector
- Owner of WesTrac, the authorised dealer of Caterpillar equipment in NSW and WA

Why it worked

- SVW result above market expectations
- Strong balance sheet with opportunities to deploy capital



What didn't work: Research-driven

iSelect Limited (ASX: ISU)

Online insurance comparison website

Why we invested

- Non-health insurance verticals driving earnings
- Capital management
- Operating leverage benefits


Why it didn't work

- Earnings below market expectations
- Sluggish growth in health, life and general insurance verticals

November 2017 shareholder presentations

Adelaide	Perth	Toowoomba	Brisbane
Monday 20 November	Tuesday 21 November	Thursday 23 November	Friday 24 November
The Playford 120 North Terrace Adelaide SA 5000	Novotel Perth Langley 221 Adelaide Terrace Perth WA 6000	Empire Theatre 54-56 Neil Street Toowoomba City QLD 4350	Brisbane Exhibition & Convention Centre Cnr Merivale & Glenelg Streets Southbank QLD 4101
Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm
Hobart	Canberra	Sydney	Melbourne
Monday 27 November	Tuesday 28 November	Wednesday 29 November	Thursday 30 November
Best Western 156 Bathurst St Hobart TAS 7000	The Mercure Cnr Ainslie & Limestone Avenues Braddon ACT 2612	The Wesley Centre 220 Pitt Street Sydney NSW 2000	Melbourne Convention Centre 1 Convention Centre Place South Wharf VIC 3006
Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 11.30am – 1.30pm	Presentation: 10.00am – 12.00pm

The Future Generation presentations will follow all Wilson Asset Management presentations in each city



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