

Investment update

As at 31 March 2017



wilsonassetmanagement.com.au
ABN 34 086 587 395

Snapshot

Pre-tax net tangible assets

\$2.00

Fully franked
dividend yield

5.9%

Gross assets

\$1,201.5m

Performance
(p.a. since August 1999)

17.8%

WAM Capital Limited

ASX code	WAM
Date of listing	Aug 1999
Gross assets	\$1,201.5m
Market cap	\$1,529.7m
Share price	\$2.55
NTA before tax	\$2.00
Shares on issue	599,888,029
Annualised fully franked interim dividend (FY2017)	15.0c
Fully franked dividend yield	5.9%

Investment objectives

- Deliver shareholders a rising stream of fully franked dividends
- Provide capital growth
- Preserve capital

Wilson Asset Management investment & 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	Head of Trading
Tobias Yao	Senior Equity Analyst
John Ayoub	Senior Equity Analyst
Oscar Oberg	Senior Equity Analyst

Company overview

WAM Capital Limited (ASX: WAM) is a listed investment company managed by Wilson Asset Management. Listed in August 1999, WAM Capital provides investors with exposure to an actively managed diversified portfolio of undervalued growth companies, which are generally small-to-medium sized industrial companies listed on the Australian Securities Exchange. WAM Capital also provides exposure to relative value arbitrages and market mispricing opportunities.

Key dividend dates

Ex date	13 April 2017
Record date	18 April 2017
Last election date for DRP	20 April 2017
Payment date	28 April 2017

May 2017 Shareholder Presentations

For more information and to RSVP, visit wilsonassetmanagement.com.au/RSVP.

Market overview

The S&P/ASX All Ordinaries Accumulation Index closed up 3.2% for the month. In Australia, the discretionary retail sector underperformed as companies were impacted by fears about the entry of global retail giant Amazon. As widely anticipated, the Australian Prudential Regulation Authority initiated additional supervisory measures to reinforce sound residential mortgage lending practices. Designed to cool the housing market, these measures are unlikely to have a material impact on bank profitability. In the U.S., during his first speech to a joint sitting of congress, President Trump said he would provide significant tax relief and spend US \$1 trillion on infrastructure. Despite rising uncertainty surrounding the President's tax reforms, equity markets continue to rise with global growth also improving. British Prime Minister Theresa May formally notified Brussels of Britain's intention to leave the European Union under Article 50 of the EU's Lisbon Treaty, beginning two years of negotiations on the terms of the split.

Stock news

During the month, we announced to the ASX our substantial shareholder notice in clothing retailer Noni B Limited (ASX: NBL). In the company's half year results in February, Noni B announced a 142% revenue increase to \$143 million for the six-month period to 31 December 2016. The Noni B management team is currently undertaking a turnaround and integrating acquisitions. The recent results show positive like-for-like sales growth of 1.5% versus the prior corresponding period. We expect cost saving initiatives to drive margin expansion and also see the potential for additional store roll-out opportunities.

Net tangible asset (NTA) figures

The following NTA figures are before the 7.5 cents per share fully franked interim dividend due to be paid on 28 April 2017. The shares will trade ex dividend on 13 April 2017.

NTA before tax	199.80c
NTA after tax and before tax on unrealised gains	198.29c
NTA after tax	195.85c

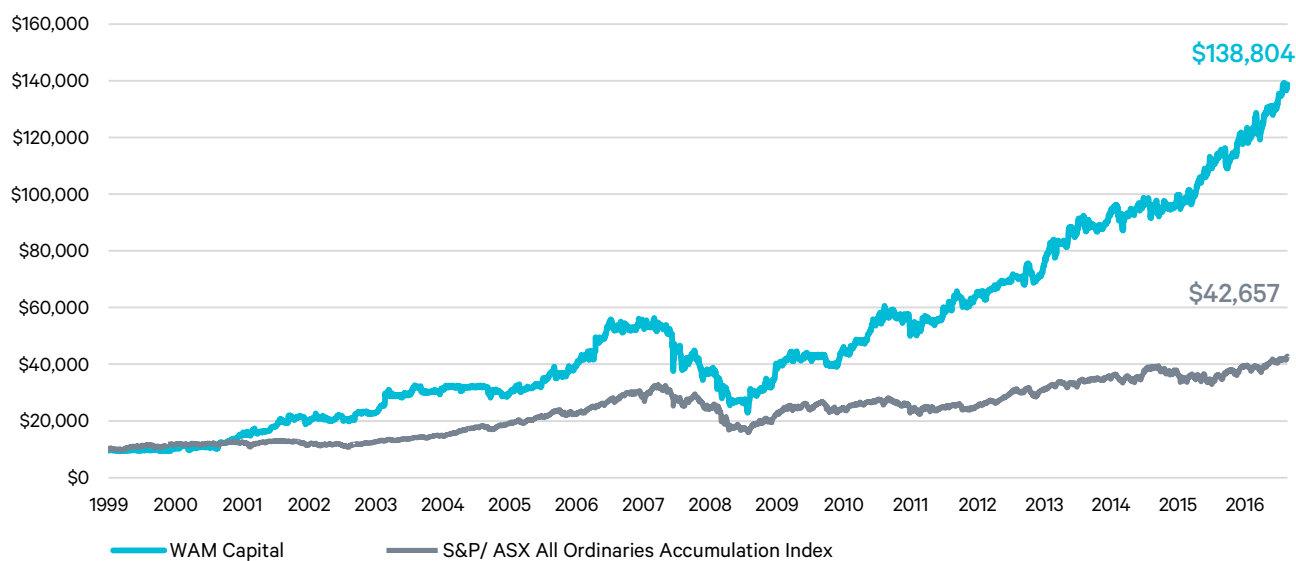
Performance

Performance at 31 March 2017	1 Mth	6 Mths	Fin YTD	1 Yr	3 Yrs %pa	5 Yrs %pa	10 Yrs %pa	Since Inception %pa (Aug-99)
WAM Investment Portfolio*	1.1%	-1.0%	10.5%	17.2%	15.5%	17.2%	11.5%	17.8%
S&P/ASX All Ordinaries Accumulation Index	3.2%	9.1%	14.9%	19.5%	7.6%	10.7%	4.3%	8.4%
Outperformance	-2.1%	-10.1%	-4.4%	-2.3%	+7.9%	+6.5%	+7.2%	+9.4%

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

Growth of \$10,000 since inception

WAM Capital versus the Index



Diversified portfolio

Investment type	February 2017		March 2017	
	\$m	%	\$m	%
Listed equities	726.8	61.1	826.7	68.8
Short portfolio	(5.2)	(0.4)	(18.1)	(1.5)
Fixed interest & cash	468.0	39.3	392.9	32.7
Gross assets	1,189.6m	100.0	1,201.5m	100.0
Total shares on issue	599,888,029		599,888,029	

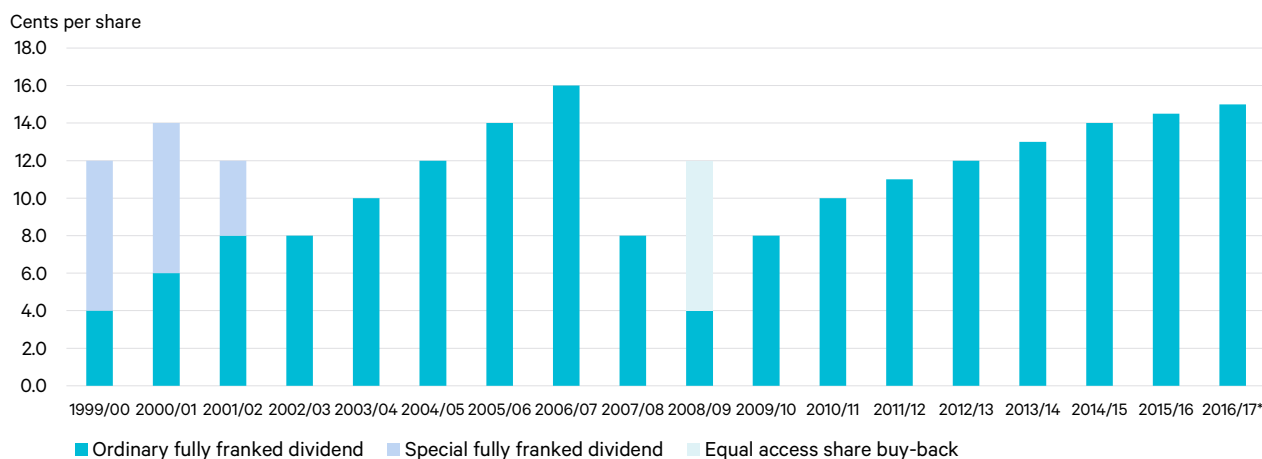
Top 20 holdings

Code	Company	Code	Company
HHV	Hunter Hall Global Value Limited	ECX	Eclixp Group Limited
AHG	Automotive Group Holdings Limited	AFY	Afterpay Holdings Limited
NCK	Nick Scali Limited	NUF	Nufarm Limited
CYA	Century Australia Investments Limited	GEM	G8 Education Limited
CGF	Challenger Limited	HLO	Helloworld Limited
AUB	AUB Group Limited	ISU	iSelect Limited
TGG	Templeton Global Growth Fund Limited	ALL	Aristocrat Leisure Limited
CVO	Cover-More Group Limited	REA	REA Group Limited
WOW	Woolworths Limited	NHF	NIB Holdings Limited
CPU	Computershare Limited	SXL	Southern Cross Media Group Limited

Fully franked dividends

On 8 February 2017, the Board announced a fully franked interim dividend of 7.5 cents per share, an increase on last year's fully franked 7.25 cents per share interim dividend. The interim dividend will be paid on 28 April 2017 and will trade ex on 13 April 2017. The dividend reinvestment plan (DRP) is available to shareholders for the interim dividend. The dividend reinvestment plan will operate at a 2.5% discount. The last election date for the DRP will be 20 April 2017.

Fully franked dividends since inception



*Annualised Interim Dividend

The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits and it is within prudent business practices. Dividends are usually paid on a six-monthly basis and the dividend reinvestment plan is available to shareholders for both the interim and final dividend. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax.