

Investment Update & Net Tangible Assets Report

AS AT 31 MAY 2016



Performance

Performance at 31 May 2016	1 Mth	6 Mths	Fin YTD	1 Yr	3 Yrs %pa	5 Yrs %pa	Since Inception %pa (Jan-08)
WAA Investment Portfolio*	4.5%	4.8%	18.4%	17.3%	13.8%	12.2%	12.9%
S&P/ASX All Ordinaries Accumulation Index	3.1%	6.7%	4.4%	-1.2%	8.1%	7.3%	2.5%
Outperformance	+1.4%	-1.9%	+14.0%	+18.5%	+5.7%	+4.9%	+10.4%
UBS Bank Bill Index	0.2%	1.2%	2.1%	2.3%	2.5%	3.1%	4.0%
Outperformance	+4.3%	+3.6%	+16.3%	+15.0%	11.3%	+9.1%	+8.9%

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

Net Tangible Assets (NTA) figures

NTA before tax	104.87c
NTA after tax and before tax on unrealised gains	104.10c
NTA after tax	104.08c

Market overview

The S&P/ASX All Ordinaries Accumulation Index gained 3.1% for the month.

Global equity markets fell early in the month but rallied following commentary from the US Federal Reserve, which indicated a possible rate hike in June. The comments spurred the domestic market, which was also boosted by a rate cut and dovish inflation outlook from the Reserve Bank of Australia (RBA).

Australia's major banks reported interim results or trading updates, which showed structural and cyclical headwinds still remain in the sector. The bank sector outperformed on the back of the rate cut, lifting the overall index during the month.

We remain cautious on the short-term performance of the Australian equity market. Our cash levels ensure we are well positioned to find opportunities in the market as they arise.

Zenith Investment Partners Product Assessment

Last week WAM Active was rated by independent research house Zenith Investment Partners. You can read the full report on our website at www.wamfunds.com.au.

WAM Active Limited

ASX Code	WAA
Listed	Jan 2008
Gross assets	\$38.2m
Market cap	\$35.5m
Share price	\$1.01
NTA before tax	\$1.05
Shares on issue	35,109,715
Fully franked annualised interim dividend (FY2016)	5.0c
Dividend yield	5.0%

Investment objectives

- Deliver a regular income stream via fully franked dividends
- Provide a positive return with low volatility, after fees, over most periods of time
- Preserve capital

Company overview

WAM Active Limited (ASX: WAA) is a Listed Investment Company 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.

Investment & Management Team

Geoff Wilson
Chairman/Portfolio Manager

Kate Thorley
Chief Executive Officer

Chris Stott
Chief Investment Officer/
Portfolio Manager

Linda Vo
Company Secretary

Matthew Haupt
Portfolio Manager

Martin Hickson
Senior Equity Analyst/Dealer

Tobias Yao
Senior Equity Analyst

John Ayoub
Senior Equity Analyst

Oscar Oberg
Equity Analyst

James McNamara
Head of Corporate Affairs

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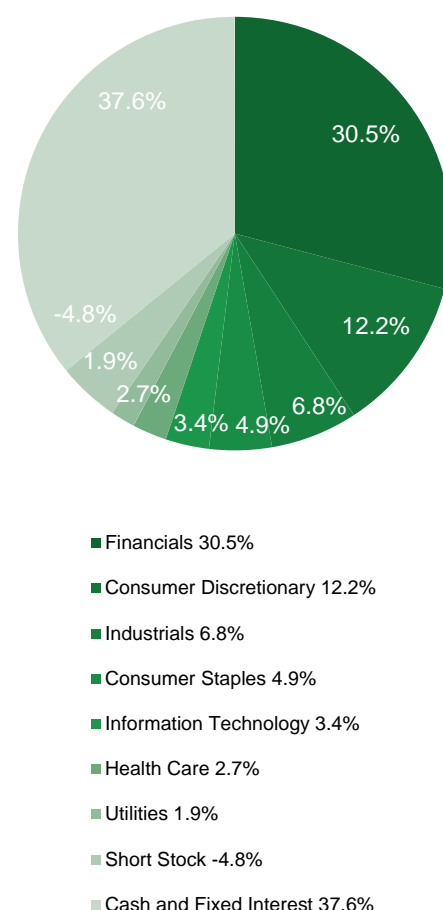
Diversified portfolio

Investment Type	April 2016		May 2016	
	\$m	%	\$m	%
Listed Equities	22.9	61.0	25.0	62.4
Fixed Interest & Cash	14.7	39.0	15.1	37.6
Long Portfolio	37.6	100.0	40.1	100.0
Short Portfolio	(1.1)	(3.0)	(1.9)	(4.8)
Gross Assets	\$36.5m		\$38.2m	
Total shares on issue	35,109,715		35,109,715	

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
HHV	Hunter Hall Global Value Limited	2,801,676	7.3%
PBG	Pacific Brands Limited	1,889,181	5.0%
APN	APN News & Media Limited	1,530,776	4.0%
CYA	Century Australia Investments Limited	1,476,644	3.9%
MTS	Metcash Limited	1,207,952	3.2%
MQA	Macquarie Atlas Roads Group	1,191,843	3.1%
MVP	Medical Developments International Limited	1,081,050	2.8%
AGF	AMP Capital China Growth Fund	969,776	2.5%
TGG	Templeton Global Growth Fund Limited	844,606	2.2%
TWE	Treasury Wine Estates Limited	769,461	2.0%
AOG	Aveo Group	766,185	2.0%
IFN	Infigen Energy Limited	762,909	2.0%
ADA	Adacel Technologies Limited	722,579	1.9%
AJA	Astro Japan Property Group Limited	715,813	1.9%
DMP	Domino's Pizza Enterprises Limited	561,359	1.5%
GJT	Galileo Japan Trust	557,539	1.5%
WIC	Westoz Investment Company Limited	531,652	1.4%
CYB	CYBG PLC	505,958	1.3%
SSM	Service Stream Limited	470,063	1.2%
SXE	Southern Cross Electrical Engineering Limited	467,375	1.2%

Sector allocation



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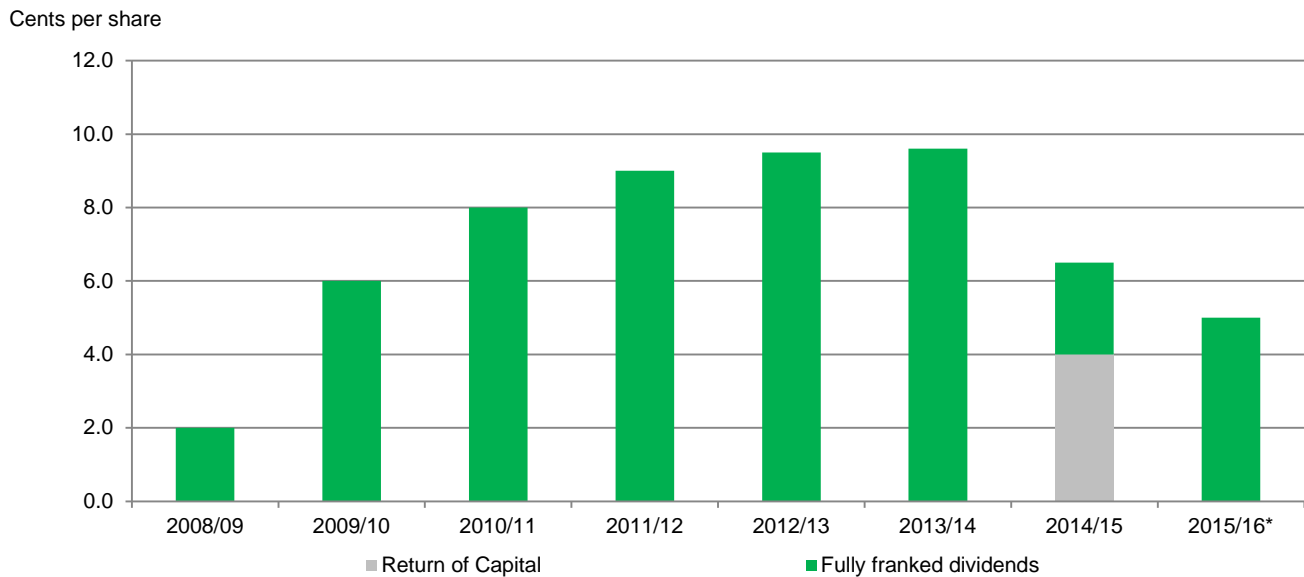
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Dividends

On 29 April 2016, the Company paid a fully franked interim dividend of 2.5 cents per share. Dividends are usually paid on a six-monthly basis, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax.

WAM Active dividends since inception



*Annualised interim dividend