

Investment Update & Net Tangible Assets Report

AS AT 30 APRIL 2016



Performance

Performance at 30 April 2016	1 Mth	6 Mths	Fin YTD	1 Yr	3 Yrs %pa	5 Yrs %pa	Since Inception %pa (Jan-08)
WAA Investment Portfolio*	0.4%	5.2%	13.3%	12.5%	10.9%	10.8%	12.5%
S&P/ASX All Ordinaries Accumulation Index	3.2%	2.8%	1.3%	-3.7%	5.4%	6.2%	2.1%
Outperformance	-2.8%	+2.4%	+12.0%	+16.2%	+5.5%	+4.6%	+10.4%
UBS Bank Bill Index	0.2%	1.1%	1.9%	2.3%	2.6%	3.2%	4.0%
Outperformance	+0.2%	+4.1%	+11.4%	+10.2%	+8.3%	+7.6%	+8.5%

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

Net Tangible Assets (NTA) figures

The following NTA figures are after payment of the 2.5 cents per share fully franked interim dividend on 29 April 2016.

NTA before tax	101.27c
NTA after tax and before tax on unrealised gains	101.58c*
NTA after tax	101.57c**

*Includes tax assets of 0.31 cents per share.

**Includes the net effect of 0.31 cents of tax assets and 0.01 cents of tax liabilities per share.

Market overview

Global equity markets continued to rally in April, led higher by resource stocks, which rebounded on the back of the strong recovery in commodity prices. The S&P/ASX All Ordinaries Accumulation Index rose 3.2% for the month with gains heavily weighted towards the mining sector. Towards the end of April, the share market was caught by surprise when the Australian Bureau of Statistics reported the weakest core inflation rate since 1983. In response, the Australian dollar fell sharply and in early May the Reserve Bank of Australia (RBA) reduced the cash rate by a further 0.25%.

Currently, Australia's economy is being influenced by a range of factors including uncertainty created by the imminent federal election and unseasonably warm weather along the eastern seaboard – a negative for apparel retailers. Other factors including fragile consumer confidence and a slow-down in the housing market, in part due to the banks tightening their lending criteria, are also weighing on the economy. However, we anticipate the RBA's recent decision to cut official interest rates by 25 basis points will have a stimulatory impact on the economy. While rates remain low by historical standards, the central bank has scope to reduce rates further to encourage fiscal growth.

We continue to hold above-average cash levels that ensure we are well placed to take advantage of opportunities as they arise in the market.

WAM Active Limited

ASX Code	WAA
Listed	Jan 2008
Gross assets	\$36.5m
Market cap	\$36.3m
Share price	\$1.035
NTA before tax	\$1.01
Shares on issue	35,109,715
Fully franked annualised interim dividend (FY2016)	5.0c
Dividend yield	4.8%

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/
Company Secretary

Chris Stott
Chief Investment Officer/
Portfolio Manager

Matthew Haupt
Portfolio Manager

Martin Hickson
Senior Equity Analyst/Dealer

Tobias Yao
Senior Equity Analyst

John Ayoub
Senior Equity Analyst

James McNamara
Head of Corporate Affairs

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Diversified portfolio

Investment Type	March 2016		April 2016	
	\$m	%	\$m	%
Listed Equities	27.7	73.4	22.9	61.0
Fixed Interest & Cash	10.0	26.6	14.7	39.0
Long Portfolio	37.7	100.0	37.6	100.0
Short Portfolio	(0.6)	(1.7)	(1.1)	(3.0)
Gross Assets	\$37.1m		\$36.5m*	
Total shares on issue	34,909,728		35,109,715**	

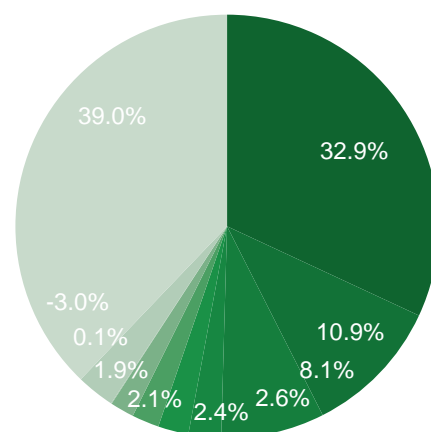
*This figure is after the 2.5 cents per share fully franked interim dividend paid during the month.

**During the month, 199,987 shares were issued from the Dividend Reinvestment Plan (DRP) for the interim dividend.

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
HHV	Hunter Hall Global Value Limited	2,621,635	7.2%
CYA	Century Australia Investments Limited	1,458,526	4.0%
PBG	Pacific Brands Limited	1,134,172	3.1%
MVP	Medical Developments International Limited	965,813	2.6%
GJT	Galileo Japan Trust	940,611	2.6%
AOG	Aveo Group	906,987	2.5%
MMS	McMillan Shakespeare Limited	898,675	2.5%
APN	APN News & Media Limited	895,095	2.4%
AGF	AMP Capital China Growth Fund	861,714	2.4%
SOL	Washington H Soul Pattinson and Company Limited	807,999	2.2%
MTS	Metcash Limited	758,212	2.1%
AIO	Asciano Limited	748,095	2.0%
MQA	Macquarie Atlas Roads Group	747,457	2.0%
TGG	Templeton Global Growth Fund Limited	733,343	2.0%
ANZ	Australia and New Zealand Banking Group Limited	731,886	2.0%
WBC	Westpac Banking Corporation	713,405	2.0%
AJA	Astro Japan Property Group Limited	617,350	1.7%
DOW	Downer EDI Limited	585,896	1.6%
ADA	Adacel Technologies Limited	576,233	1.6%
IPE	IPE Limited	538,362	1.5%

Sector allocation



- Financials 32.9%
- Industrials 10.9%
- Consumer Discretionary 8.1%
- Health Care 2.6%
- Consumer Staples 2.4%
- Energy 2.1%
- Information Technology 1.9%
- Materials 0.1%
- Short Stock -3.0%
- Cash and Fixed Interest 39.0%

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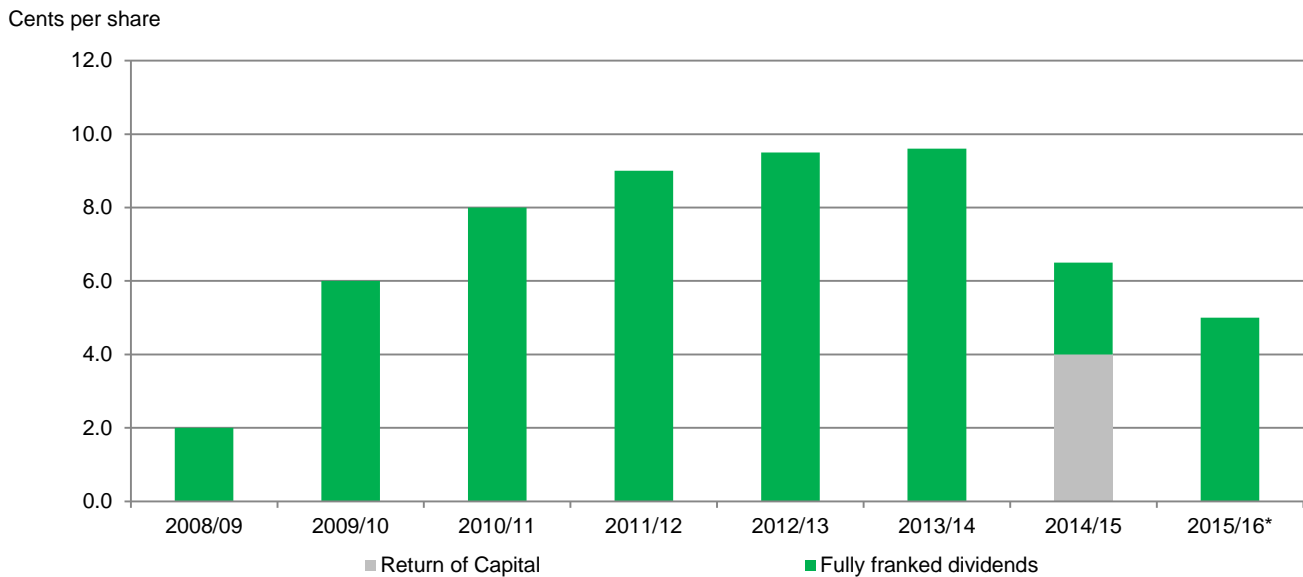
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Dividends

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