

Investment Update & Net Tangible Assets Report

AS AT 30 JUNE 2016



Net Tangible Assets (NTA) figures

NTA before tax	106.66c
NTA after tax and before tax on unrealised gains	108.00c
NTA after tax	107.62c

In June, the S&P/ASX 200 Accumulation Index fell 2.5% while the investment portfolio decreased 1.1%.

WAM Leaders (WLE) shares closed at \$1.13 and options (WLEO) at \$0.062 on 14 July 2016, bringing the total package to \$1.192. As at 30 June 2016 the investment portfolio was 37% equities and 63% cash.

Given the political and economic uncertainty, both globally and domestically, we have been selectively deploying the capital from the recent IPO in May 2016. The unexpected Brexit vote caused the Australian market to fall over 3% on the day the referendum results were released and has caused heightened levels of volatility since that time.

Volatility in the market is providing opportunities to invest in companies we have already identified and we expect the portfolio to be more heavily invested over coming months. We envisage disclosing details of our top 10 holdings and their weightings once we are further invested.

The investment portfolio is currently comprised of 22 listed companies:

- 0 in the top 20 category
- 9 in the 21-100 category
- 9 in the 101-200 category
- 4 outside the top 200.

Market overview

The S&P/ASX 200 Accumulation Index fell 2.5% for the month of June to finish the financial year up 0.6%. Utilities and healthcare were the best performing sectors for the financial year while energy, materials and financials detracted.

Globally, the surprise Brexit vote saw a surge in financial market volatility. Financial markets were pricing in a 'remain' vote, resulting in a violent sell off in equities across global markets following the outcome. The US Federal Reserve saw a dovish shift in commentary in the June minutes after a softer than expected jobs number and, coupled with the Brexit vote, is now not expected to raise rates until 2017.

Concerns around the implications of Brexit eased in the last few days of the month which saw a rebound in global equity markets to see the Australian market finish in the black for the year, with expectations of further global stimulus in the coming months.

Portfolio structure

Investment type	30 June 2016	
	\$m	%
Listed equities	142.1	37.0
Fixed interest and cash	242.2	63.0
Gross assets	384.3	100.0

WAM Leaders

ASX Code	WLE
Listed	May 2016
Gross assets	\$384.3m
Market cap	\$394.3m
Share price	\$1.10
Net assets per share (pre tax)	\$1.07
Option price	\$0.055
Shares on issue	358,463,578
Options on issue	358,463,578

Investment objectives

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

Company overview

WAM Leaders Limited (ASX: WLE) is a listed investment company managed by Wilson Asset Management. Listed in 2016, WAM Leaders provides investors with exposure to a portfolio of S&P/ASX 200 Index listed companies using Wilson Asset Management's absolute bias, bottom-up, index unaware, fundamental investment methodology.

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
Senior Equity Analyst/Dealer

Tobias Yao
Senior Equity Analyst

John Ayoub
Senior Equity Analyst

Oscar Oberg
Equity Analyst

Linda Vo
Company Secretary