

Investment Update & Net Tangible Assets Report

AS AT 31 AUGUST 2015



Performance

Performance at 31 August 2015	1 Mth	Fin YTD	6 Mths	1 Yr	3 Yrs %pa	5 Yrs %pa	Since change in investment strategy (Jul-10) %pa
WAX Investment Portfolio*	0.0%	4.5%	7.1%	19.1%	23.7%	19.0%	19.2%
S&P/ASX All Ordinaries Accumulation Index	-7.3%	-3.4%	-9.4%	-3.0%	11.0%	7.9%	8.3%
Outperformance	+7.3%	+7.9%	+16.5%	+22.1%	+12.7%	+11.1%	10.9%

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

Net Tangible Assets (NTA) figures

NTA before tax	115.04c
NTA after tax and before tax on unrealised gains	115.36c*
NTA after tax	115.19c**

These figures are after the payment of \$2.4m (1.4 cents per share) in tax during the month.

*Includes tax assets of 0.32 cents per share

**Includes the net effect of 0.32 cents of tax assets and 0.17 cents of tax liabilities per share.

Market overview

The S&P/ASX All Ordinaries Accumulation Index fell 7.3% in August, making it the worst performing month since the start of the global financial crisis. Australia followed the global sell off as China's economic growth weakened and commodity prices continued to fall.

August also saw a poor 2015 financial year reporting season underscored by downbeat company outlook statements and short-term volatility around result announcements.

Despite the challenging conditions, we are well placed to act on opportunities in the market as they arise.

Final dividend key dates

The Company announced a fully franked final dividend of 4.0 cents per share on 24 August 2015. The key dates are:

Ex date:	12 October 2015
Record date:	14 October 2015
Last election date for DRP:	15 October 2015
Payment date:	23 October 2015

WAM Research Limited

ASX Code	WAX
Listed	Aug 2003
Gross assets	\$195.6m
Market cap	\$206.6m
Share price	\$1.25
NTA before tax	\$1.15
Shares on issue	165,303,976
Fully franked dividends (FY2015)	8.0c
Dividend yield	6.4%

Investment objectives

- Provide a rising stream of fully franked dividends
- Achieve a high real rate of return, comprising both income and capital growth within risk parameters acceptable to the Directors

Company overview

WAM Research Limited (ASX: WAX) is a Listed Investment Company managed by Wilson Asset Management Group. Listed in August 2003, WAM Research provides investors with exposure to a diversified portfolio of undervalued growth companies, which are generally small-to-medium sized industrial companies listed on the Australian Securities Exchange.

Investment & Management Team

Geoff Wilson

Chairman/Portfolio Manager

Kate Thorley

Chief Executive Officer/
Company Secretary

Chris Stott

Chief Investment Officer/
Portfolio Manager

Martin Hickson

Senior Equity Analyst/Dealer

Matthew Haupt

Senior Equity Analyst

Tobias Yao

Equity Analyst

James McNamara

Communications Manager

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Diversified portfolio

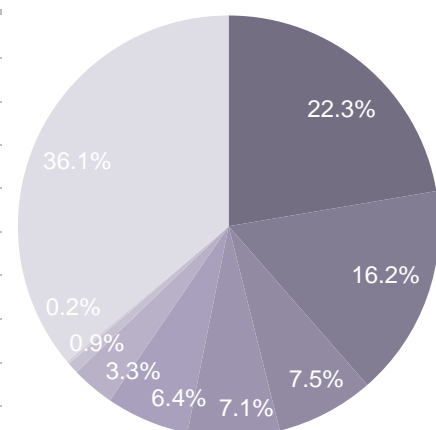
Investment Type	July 2015		August 2015	
	\$m	%	\$m	%
Listed Equities	114.5	56.2	\$125.0	63.9
Fixed Interest & Cash	89.1	43.8	\$70.6	36.1
Gross Assets	\$203.6m	100.0%	\$195.6m*	100.0%
Total shares on issue	165,303,976		165,303,976	

*This figure is after the payment of \$1.4m (1.4 cents per share) in tax during the month.

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
ASB	Austal Limited	8,305,133	4.3%
ECX	Eclipx Group Limited	8,075,737	4.1%
IPH	IPH Limited	7,286,136	3.7%
ENE	Energy Developments Limited	6,569,096	3.4%
SIQ	Smartgroup Corporation Limited	6,497,411	3.3%
CSV	CSG Limited	5,833,094	3.0%
MTR	Mantra Group Limited	5,361,342	2.7%
TPM	TPG Telecom Limited	5,202,079	2.7%
RFG	Retail Food Group Limited	5,040,495	2.6%
AHD	Amalgamated Holdings Limited	4,755,180	2.4%
ISU	iSelect Limited	4,509,252	2.3%
RCG	RCG Corp Limited	4,356,139	2.2%
VOC	Vocus Communications Limited	4,133,182	2.1%
GUD	GUD Holdings Limited	4,030,866	2.1%
CCP	Credit Corp Group Limited	3,825,259	2.0%
AHG	Automotive Group Holdings Limited	3,806,842	2.0%
CKF	Collins Foods Limited	3,657,535	1.9%
TRS	The Reject Shop Limited	2,887,110	1.5%
SDA	SpeedCast International Limited	2,776,824	1.4%
HSN	Hansen Technologies Limited	2,324,011	1.2%

Sector allocation



- Consumer Discretionary: 22.3%
- Industrials: 16.2%
- Financials: 7.5%
- Information Technology: 7.1%
- Telecommunication Services: 6.4%
- Utilities: 3.3%
- Consumer Staples: 0.9%
- Health Care: 0.2%
- Cash and Fixed Interest: 36.1%

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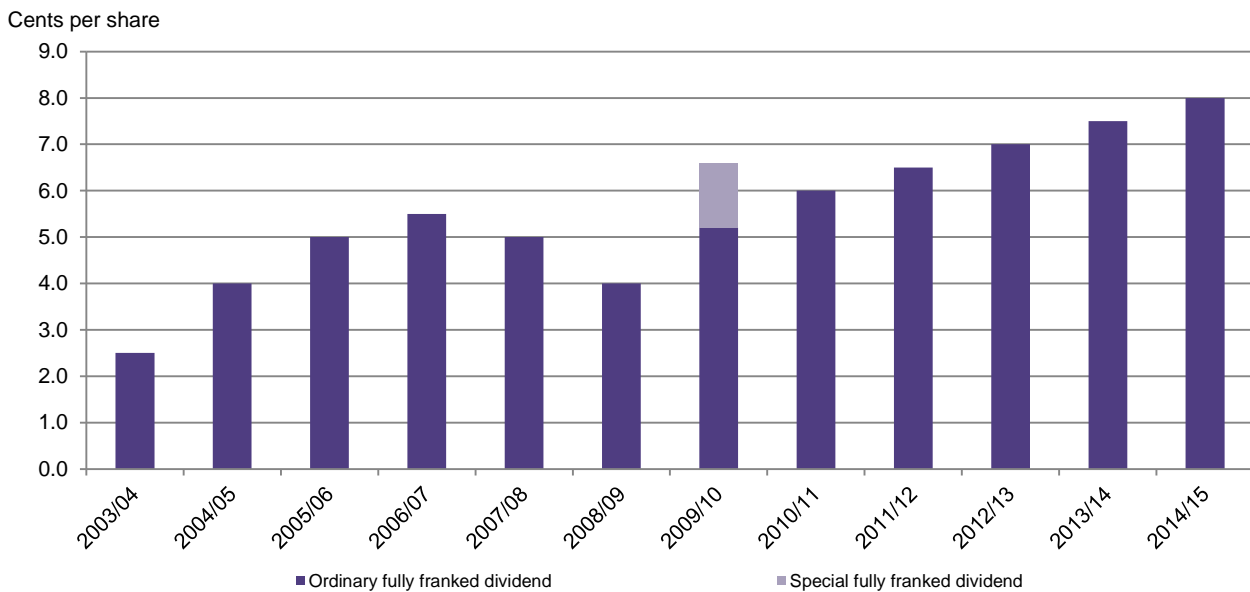
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Dividend growth

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. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax. 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.

WAM Research dividends since inception



On 24 August 2015, the Company announced a fully franked final dividend of 4.0 cents per share. This brings the full year dividend to 8.0 cents per share, an increase of 6.7% on the previous corresponding period.

The dividend reinvestment plan (DRP) will operate at a 2.5% discount for the final dividend. To participate in the DRP, shareholders should send their DRP Election Form to the Company's share registrar (Boardroom) no later than 15 October 2015.

Key dividend dates

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