

Investment Update & Net Tangible Assets Report

AS AT 31 JULY 2015



Performance

Performance at 31 July 2015	1 Mth	Fin YTD	6 Mths	1 Yr	3 Yrs %pa	5 Yrs %pa	Since Inception %pa (Jan-08)
WAA Investment Portfolio*	3.9%	3.9%	8.4%	7.3%	14.3%	11.8%	12.5%
S&P/ASX All Ordinaries Accumulation Index	4.2%	4.2%	4.5%	5.4%	14.7%	9.4%	2.7%
Outperformance	-0.3%	-0.3%	+3.9%	+1.9%	-0.4%	+2.4%	+9.8%
UBS Bank Bill Index	0.2%	0.2%	1.2%	2.6%	2.8%	3.6%	4.2%
Outperformance	+3.7%	+3.7%	+7.2%	+4.7%	+11.5%	+8.2%	+8.3%

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

Net Tangible Assets (NTA) figures

NTA before tax	102.22c
NTA after tax and before tax on unrealised gains	101.95c
NTA after tax	101.93c

Market overview

July was a positive month for the Australian equity market with the S&P/ASX All Ordinaries Accumulation Index up 4.2%. The Index was lifted higher by the healthcare and consumer staples sectors, despite significant drag from the resources sector. The Australian dollar reached its lowest level against the US dollar since May 2009, driven by falling commodity prices and further realisation that interest rates in the United States are moving higher short term. Unsurprisingly, many of the best performing stocks for the month were foreign earners.

Corporate earnings season gets underway in August where we expect the earnings outlook for companies to remain mixed. The retail and housing sectors are well positioned on the back of low interest rates and stable levels of consumer sentiment, while companies exposed to the resources sector are likely to remain weak with poor results and outlook statements.

Inflation data released during the month remained well within the Reserve Bank of Australia's (RBA) target 2-3% range and as a result in early August the RBA left interest rates on hold. According to their statement, there seems to be a low level of urgency short term to make further adjustments to monetary policy.

We are now almost six and a half years into this current bull market which is in its mature phase. We believe the Australian equity market will continue to benefit from low interest rates and improving domestic economic conditions over the medium term. In the short term, we believe opportunities will continue to present themselves, irrespective of macroeconomic conditions.

WAM Active Limited

ASX Code	WAA
Listed	Jan 2008
Gross assets	\$36.3m
Market cap	\$34.7m
Share price	\$1.00
NTA before tax	\$1.02
Shares on issue	34,693,760
Capital return (1HFY2015)	4.0c

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

Martin Hickson

Senior Equity Analyst/Dealer

Matthew Haupt

Senior Equity Analyst

Tobias Yao

Equity Analyst

James McNamara

Communications Manager

Investment Update & Net Tangible Assets Report

AS AT 31 JULY 2015



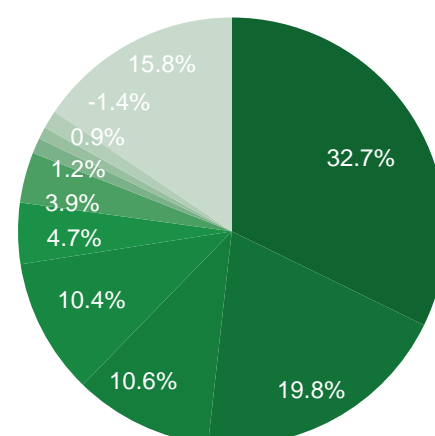
Diversified portfolio

Investment Type	June 2015		July 2015	
	\$m	%	\$m	%
Listed Equities	23.0	65.7	31.0	84.2
Fixed Interest & Cash	12.0	34.3	5.8	15.8
Long Portfolio	35.0	100.0%	36.8	100.0%
Short Portfolio	(0.0)	(0.0)	(0.5)	(1.4)
Gross Assets	\$35.0m		\$36.3m	
Total shares on issue	34,693,760		34,693,760	

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
HHV	Hunter Hall Global Value Limited	2,568,801	7.1%
CYA	Century Australia Investments Limited	1,585,354	4.4%
IIN	iiNet Limited	1,425,435	3.9%
MYX	Mayne Pharma Group Limited	1,208,263	3.3%
BAP	Burson Group Limited	1,207,915	3.3%
PMV	Premier Investments Limited	1,177,135	3.2%
HVN	Harvey Norman Holdings Limited	1,163,962	3.2%
QAN	Qantas Airways Limited	1,064,269	2.9%
SGF	SG Fleet Group Limited	1,017,357	2.8%
PRY	Primary Health Care Limited	974,193	2.7%
MMS	McMillan Shakespeare Limited	961,163	2.7%
BKL	Blackmores Limited	869,159	2.4%
FXJ	Fairfax Media Limited	762,374	2.1%
ADH	Adairs Limited	742,120	2.0%
AOG	Aveo Group	732,465	2.0%
GTY	Gateway Lifestyle Group	718,678	2.0%
SRX	Sirtex Medical Limited	716,012	2.0%
TGG	Templeton Global Growth Fund Limited	708,149	2.0%
SDG	Sunland Group Limited	699,494	1.9%
ECX	Eclix Group Limited	697,386	1.9%

Sector allocation



- Financials 32.7%
- Consumer Discretionary 19.8%
- Health Care 10.6%
- Industrials 10.4%
- Consumer Staples 4.7%
- Telecommunication Services 3.9%
- Information Technology 1.2%
- Materials 0.9%
- Short Stock -1.4%
- Cash and Fixed Interest 15.8%

Investment Update & Net Tangible Assets Report

AS AT 31 JULY 2015



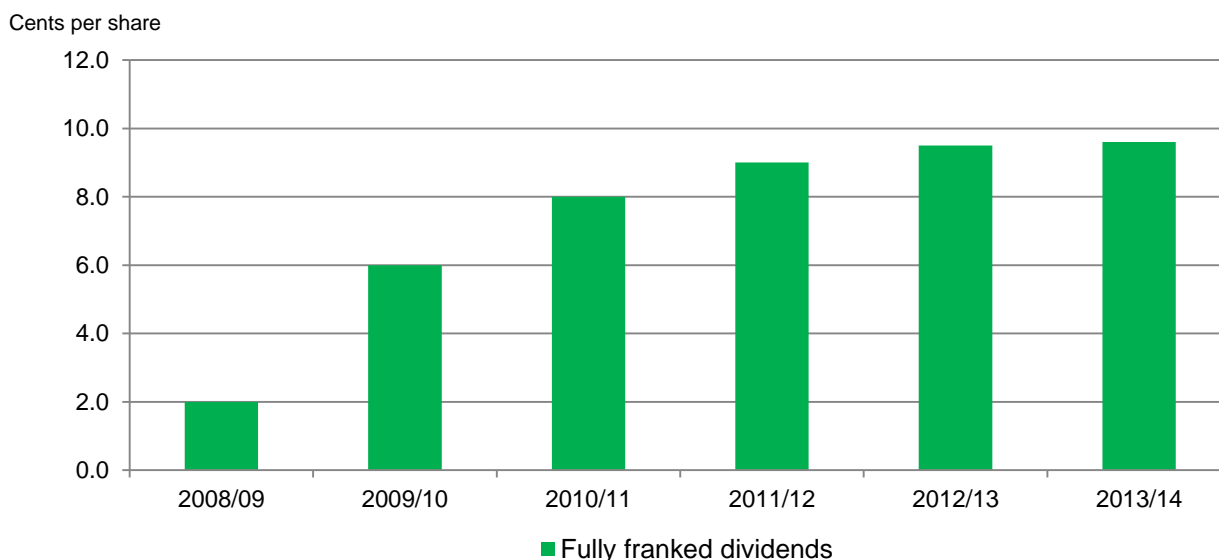
Capital Management – Return of Capital

On 26 February 2015, the Board of WAM Active announced the intention to pay shareholders a 4.0 cents per share Return of Capital. As at 31 December 2014, the Company's net assets were less than issued capital. The Directors recognise investors have cash flow needs and therefore declared a 4.0 cents per share Return of Capital, which was approved by shareholders at an Extraordinary General Meeting held in Sydney on 19 May 2015. WAM Active traded ex-Return of Capital on 21 May 2015 and the payment was made on 1 June 2015.

Dividends

The Board did not declare an interim dividend for the half year to 31 December 2014. While the Board is committed to paying an increasing stream of fully franked dividends to shareholders, this is dependent on the Company having sufficient profit reserves and the payment being within prudent business practices. When a dividend is declared, it is usually paid on a six-monthly basis.

WAM Active dividends since inception



Priority offer to WAM Active shareholders in Future Generation Global Investment Company Limited

WAM Active shareholders are entitled to share in the \$110 million priority allocation to the Future Generation Global Investment Company Limited (FGG) initial public offering (IPO). FGG will be Australia's first internationally focused listed investment company with the dual objectives of providing shareholders with diversified exposure to selected global equities and changing the lives of young Australians affected by mental illness. FGG will charge shareholders 0.0% management fees and 0.0% performance fees as the participating fund managers will manage the capital on a pro bono basis. This arrangement allows the company to donate 1.0% of its net tangible assets each year to selected Australian non-profits working to improve the mental health of young Australians.

Further information, including the prospectus and online application form, is available at www.futuregeninvest.com.au/global.