



WAM ACTIVE LIMITED (WAA)
ABN 49 126 420 719
INVESTMENT UPDATE & NTA – NOVEMBER 2011

WAM Active Limited (WAA) offers investors exposure to an active trading style with the aim of achieving a sound return with a low correlation to traditional markets. Since inception WAA has outperformed the overall sharemarket. WAA's portfolio (before all fees, costs, taxes and dividends) has increased by 55.2% compared to a decline of 22.7% in the S&P/ASX All Ordinaries Accumulation Index. The investment objectives are to deliver investors a growing income stream in the form of fully franked dividends and to preserve capital in both the short term and long term.

Performance as at 30 November 2011	1 Mth %	6 Mths %	Fin Ytd %	1 Year %	2 Yrs %pa	3 Yrs %pa	Since Inception (Jan-08) %pa
WAM Active Limited*	-0.4%	-1.0%	+1.3%	+4.3%	+4.0%	+21.0%	+11.9%
S&P/ASX All Ordinaries Accumulation Index	-3.4%	-10.4%	-8.2%	-6.6%	-1.8%	+9.0%	-6.3%
Outperformance	+3.0%	+9.4%	+9.5%	+10.9%	+5.8%	+12.0%	+18.2%

*The change in the gross portfolio before all expenses, fees and taxes.

NTA before tax	108.41c
NTA after tax and before tax on unrealised gains	110.26c*
NTA after tax	108.98c**

* Includes tax assets of 1.85 cents per share.

** Includes the net effect of 1.85 cents of tax assets and 1.28 cents of deferred tax liabilities.

Market Outlook

The European debt crisis continued to weigh on investor sentiment and equity markets over the course of November. Despite a 0.25% cut in interest rates by the RBA on Melbourne Cup day, the S&P/ASX All Ordinaries Accumulation Index finished down 3.4% for the month, its 6th down month in the last 7. The failure of the US debt super committee to reach any sort of agreement by its scheduled deadline in late November also weighed on investors. It also shows that in the US, which was dealing with its own debt crisis back in early August, just how difficult it is to implement the necessary measures to reign in large government deficits and impose fiscal discipline.

Market Outlook (contd)

Positive US retail sales growth, wage growth and a slight uptick in economic activity indicators gave us some small hints that things maybe improving in the world's largest economy. Intervention in global credit markets to address rising funding costs and credit spreads at the end of the month has led to a strong relief rally in early December but we don't view this as being a major turning point in the European debt crisis and continue to remain cautious on the outlook for equity markets.

Dividends

On 30 September 2011, the Company paid a fully franked final dividend of 4.0 cents per share. This brings the full year dividend to 8.0 cent per share fully franked.

The Board is committed to paying an increasing stream of fully franked dividends to shareholders provided the company has sufficient franking credits, and it is within prudent business practices. Dividends are paid on a six-monthly basis. Dividend payments will be made with consideration to cash flow, cash holdings and available franking credits.

Providing the company is deemed solvent by the Board, WAA should always be in a position to pay dividends. As at November 2011 WAA currently has franking credits which allow it to pay a dividend equivalent to 9.8 cents per share.

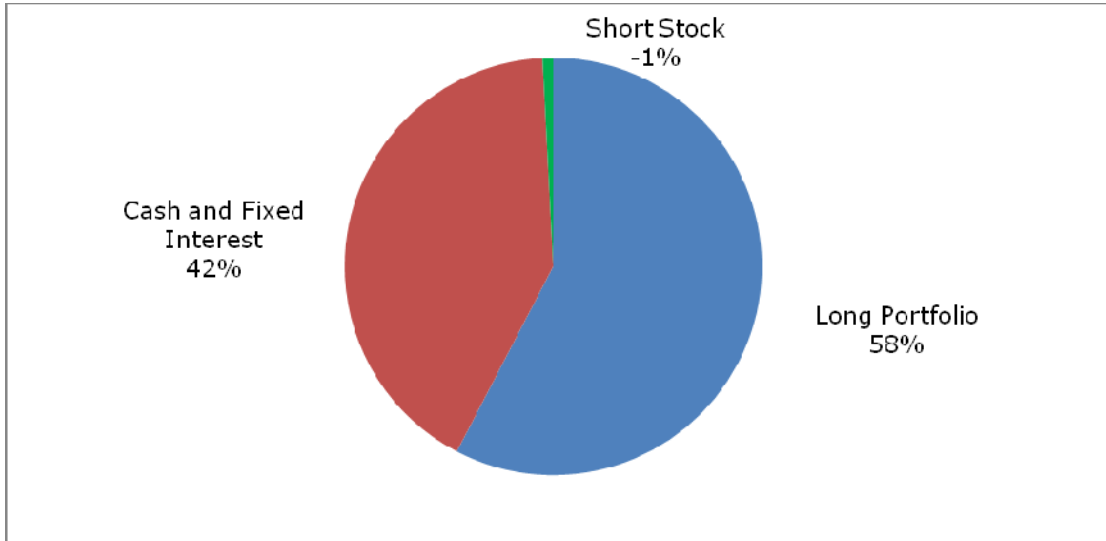
Portfolio Structure

Investment Type	As at 31 Oct 2011		As at 30 Nov 2011	
	\$m	%	\$m	%
Listed Equities	11.8	65.2%	10.4	58.1%
Fixed Interest and Cash	6.3	34.8%	7.5	41.9%
Total Long Portfolio	18.1	100.0%	17.9	100.0%
Total Short Portfolio	(0.3)		(0.2)	
Total Fund Size	\$17.8m		\$17.7m	
	No.		No.	
Total ordinary shares on issue	16,176,213		16,176,213	

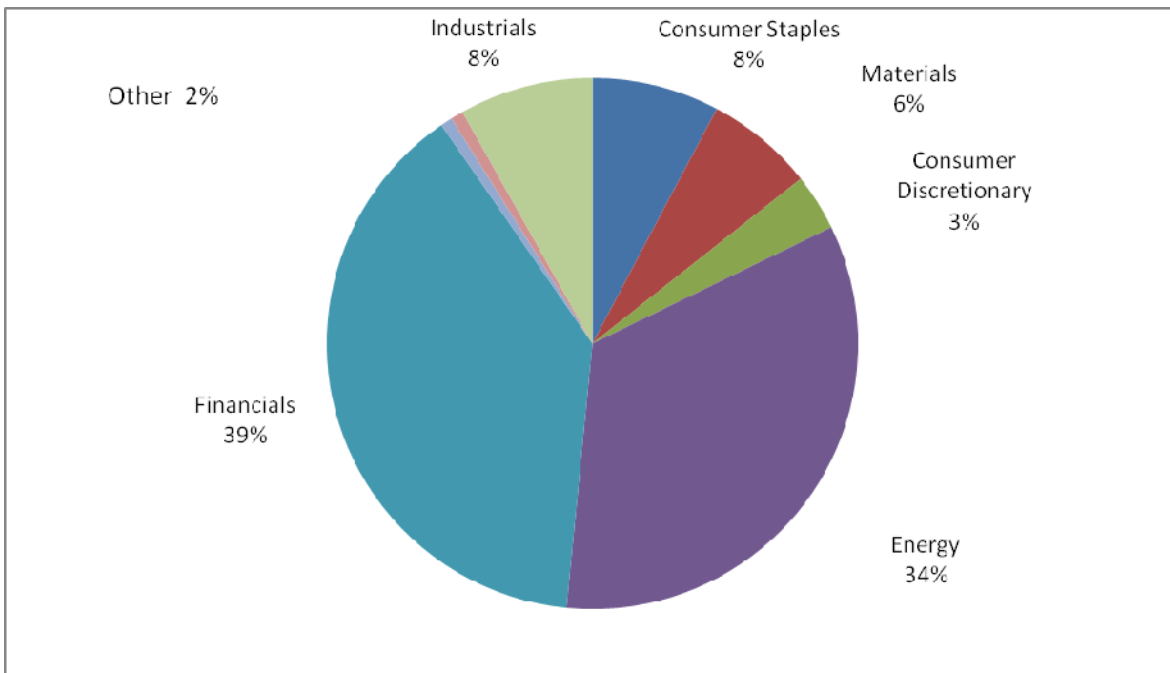
At 30 November 2011 the major securities held in the portfolio were:

Code	Company	Market Value \$	Market Value as % Gross Assets
CNA	Coal & Allied Industries Limited	2,272,490	12.8%
SGI	Signature Capital Investments Limited	1,421,265	8.0%
SOE	Souls Private Equity Limited	814,390	4.6%
HUN	Hunnu Coal Limited	544,933	3.1%
NHC	New Hope Corporation Limited	531,000	3.0%
CCQ	Contango Capital Partners Limited	525,690	3.0%
MSF	Maryborough Sugar Factory Limited (The)	433,128	2.4%
SDG	Sunland Group Limited	416,317	2.4%
FGL	Foster's Group Limited	371,220	2.1%
BHP	BHP Billiton Limited	366,660	2.1%
TSE	Transfield Services Limited	341,998	1.9%
RHG	RHG Limited	241,961	1.4%
CYG	Coventry Group Limited	193,478	1.1%
ALL	Aristocrat Leisure Limited	177,458	1.0%
FMS	Flinders Mines Limited	168,000	0.9%
VBA	Virgin Blue Holdings Limited	154,986	0.9%
IMFG	IMF (Australia) Ltd 10.25% Sec Red Conv Note	152,454	0.9%
CLO	Clough Limited	127,578	0.7%
SYM	Symex Holdings Limited	121,122	0.7%
TGP	Trafalgar Corporate Group	105,121	0.6%

Portfolio Structure – Asset Allocation



Long Portfolio Structure - Sector Allocation



Performance

Set out below is the performance of WAA since listing to November 2011 on a financial year basis. The performance data is before all expenses, fees and taxes and is used as a guide to how the company's investment portfolio has performed against the S&P/ASX All Ordinaries Accumulation Index which is also a before tax and expenses measure.

Financial Year	Gross Portfolio	S&P/ASX All Ordinaries Accumulation Index	Outperformance
2007/2008	+2.2%	-15.2%	+17.4%
2008/2009	+9.6%	-22.2%	+31.8%
2009/2010	+22.7%	+13.8%	+8.9%
2010/2011	+11.5%	+12.2%	-0.7%
YTD 2011/2012	+1.3%	-8.2%	+9.5%

Monthly Performance Table

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08
Gross Portfolio*	+0.3%	+1.2%	+0.5%	+1.6%	+2.4%	-3.7%	-1.1%
All Ords Accum.	-11.2%	+0.3%	-4.1%	+4.6%	+2.5%	-7.3%	-5.2%
	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09
Gross Portfolio*	+0.1%	-3.8%	-5.3%	-5.2%	+3.4%	-1.9%	+0.6%
All Ords Accum.	+4.0%	-10.6%	-13.9%	-7.2%	-0.1%	-4.9%	-4.3%
	Mar 09	Apr 09	May 09	Jun 09	July 09	Aug 09	Sep 09
Gross Portfolio*	+4.5%	+7.6%	+5.0%	+6.2%	+9.6%	+7.5%	+6.2%
All Ords Accum.	+8.1%	+6.1%	+2.2%	+3.9%	+7.7%	+6.5%	+6.0%
	Oct 09	Nov 09	Dec 09	Jan 10	Feb 10	Mar 10	Apr 10
Gross Portfolio*	+2.1%	+0.3%	+1.0%	-3.6%	+0.0%	+2.9%	+0.4%
All Ords Accum.	-1.9%	+1.9%	+3.7%	-5.8%	+1.8%	+5.8%	-1.2%
	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10
Gross Portfolio*	-4.0%	-0.9%	+1.6%	+0.1%	+2.7%	+1.3%	+2.3%
All Ords Accum.	-7.6%	-2.6%	+4.2%	-0.7%	+5.0%	+2.2%	-0.7%
	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11
Gross Portfolio*	+3.6%	+0.7%	-0.3%	+0.4%	+2.5%	-1.6%	-2.3%
All Ords Accum.	+3.8%	+0.1%	+2.2%	+0.6%	-0.6%	-1.9%	-2.4%
	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11		Since Inception
Gross Portfolio*	+0.0%	-1.2%	+0.7%	+2.1%	-0.4%		+55.2%
All Ords Accum.	-3.4%	-2.0%	-6.3%	+7.2%	-3.4%		-22.7%

*The change in the portfolio before all expenses, fees and taxes