

W | A | M Capital

Focus: small to mid-cap Australian companies
(ASX: WAM)

Portfolio update

The WAM Capital investment portfolio rose 0.1% in September.

Research-driven portion of the investment portfolio:

During the month, receivables and specialist financing company Scottish Pacific Group (ASX: SCO) announced that Affinity Equity Partners had offered more than \$600 million to acquire the company. Shares in the company closed up 19.7% for the month. Other positive contributors to the portfolio included GTN Limited (ASX: GTN), IPH Limited (ASX: IPH), Mayne Pharma Group (ASX: MYX) and Myer Holdings (ASX: MYR).

Market-driven portion of the investment portfolio:

During the month, engineering services company Downer (ASX: DOW) announced that it had been awarded a five year contract extension at the Commodore coal mine in south east Queensland. Shares in the company closed up 2.2% for the month. Notable contributors to the portfolio included Seven Group Holdings (ASX: SVW), Collins Foods (ASX: CKF) and Metcash (ASX: MTS).



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Lead Portfolio Manager



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Net tangible asset (NTA) figures

NTA before tax	206.14c*
NTA after tax and before tax on unrealised gains	206.27c**
NTA after tax	202.93c**

*The NTA before tax is after the payment of \$145k (0.02 cents per share) in tax during the month.

**Includes 0.32 cents per share of tax assets resulting from the acquisition of an unlisted investment company in April 2017.

Key dividend dates

Ex dividend date	Record date	Last election date for DRP	Payment date
16 November	19 November	21 November	26 November

Pre-tax net tangible assets

\$2.06

Gross assets

\$1,405.4m

Fully franked dividend yield[^]

6.3%

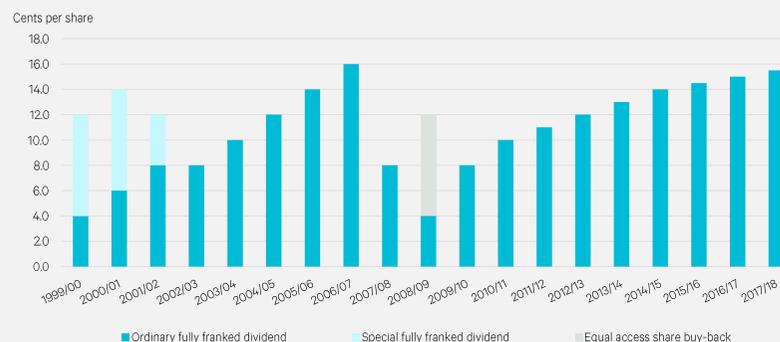
Performance (p.a. since August 1999)

17.5%

Performance at 30 September 2018	1 mth	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception %pa (Aug-99)
WAM Investment Portfolio	0.1%	3.9%	16.6%	15.5%	14.5%	16.1%	17.5%
S&P/ASX All Ordinaries Accumulation Index	-1.1%	1.9%	14.7%	12.4%	8.4%	7.7%	8.5%
Outperformance	+1.2%	+2.0%	+1.9%	+3.1%	+6.1%	+8.4%	+9.0%

Investment performance and index returns are before expenses, fees and taxes.

Fully franked dividends since inception



Top 20 holdings in alphabetical order

Accent Group Limited	AXI
APN Outdoor Group Limited	APO
Austal Limited	ASB
Bapcor Limited	BAP
Downer EDI Limited	DOW
Emeco Holdings Limited	EHL
GTN Limited	GTN
IPH Limited	IPH
Mayne Pharma Group Limited	MYX
Pengana International Equities Limited	PIA
PSC Insurance Group Limited	PSI
Scottish Pacific Group Limited	SCO
Seven Group Holdings Limited	SVW
Seven West Media Limited	SWM
Super Retail Group Limited	SUL
Tabcorp Holdings Limited	TAH
Templeton Global Growth Fund Limited	TGG
The a2 Milk Company Limited	A2M
The Star Entertainment Group Limited	SGR
Wealth Defender Equities Limited	WDE

Investment type	August 2018		September 2018	
	\$m	%	\$m	%
Listed equities	1,038.5	73.9	1,026.9	73.1
Short portfolio	(0.1)	(0.0)	(1.5)	(0.1)
Fixed interest & cash	366.3	26.1	380.0	27.0
Gross assets	\$1,404.7m	100.0	\$1,405.4m	100.0
Market capitalisation	\$1,670.9m		\$1,657.5m	
Total shares on issue	668,363,006		668,363,006	

Based on the 30 September 2018 share price of \$24.8 per share and the FY18 fully franked full year dividend of 15.5 cents per share.