21 February 2013

WAM ACTIVE LIMITED
ABN 49 126 420 719
RESULTS SUMMARY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

"5.6% INCREASE IN FULLY FRANKED INTERIM DIVIDEND"

Key Highlights

- 5.6% increase in the fully franked interim dividend to 4.75 cents per share representing an annualised fully franked yield of 8.1% based on the last sale price.
- WAM Active Limited (WAM Active) investment portfolio returned +16.2% for year to 31 December 2012 and +10.4% for the 6 months. This result was achieved with an average equity weighting of 64.0%.

The positive performance of the WAM Active Investment Portfolio against the S&P/ASX All Ordinaries Accumulation Index is shown in the table below. The performance relates to investments and excludes expenses, fees and taxes.

Performance as at 31 December 2012	**1 Yr %**	**2 Yrs %pa**	**3 Yrs %pa**	**Since Inception (Jan–08) %pa**
WAM Active Investment Portfolio	+16.2%	+7.6%	+7.2%	+12.3%
S&P/ASX All Ordinaries Accumulation Index	+18.8%	+2.6%	+2.8%	-2.0%
Outperformance	**-2.6%**	**+5.0%**	**+4.4%**	**+14.3%**

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Overview and results – increased profits

WAM Active today announced an operating profit before tax of $1,418,201 (2011: operating loss before tax $212,670) and operating profit after tax of $1,109,373 (2011: operating loss after tax $44,644). The increased profits are due to the positive contribution of the WAM Active investment portfolio, returning 10.4% for the half year. This performance was achieved with an average equity weighting of 64.0% during the period.

Chairman, Geoff Wilson said *“We are pleased to deliver an increased fully franked dividend and continued positive returns. If the market continues to trade higher and volatility remains low, we expect a heightened level of corporate activity such as takeovers, mergers and IPO’s over the next 12 months”.*

The most utilised strategies employed during this period were trades based on market themes and trends and relative value arbitrages such as low P/E multiples or discount to net tangible asset (NTA).

“During the period our best performing stocks were Ingenia Communities Group, RHG and Codan” said Chris Stott, Chief Investment Officer.

Dividend growth: 5.6% increase on the previous year’s interim dividend

The Board’s policy of paying a growing stream of fully franked dividends to shareholders was continued with the Board declaring a fully franked interim dividend of 4.75 cents per share to be paid on 19 April 2013.

“We are pleased to deliver shareholders an increased fully franked interim dividend of 4.75 cents per share, providing an annualised fully franked yield of 8.1%.” said Geoff Wilson.

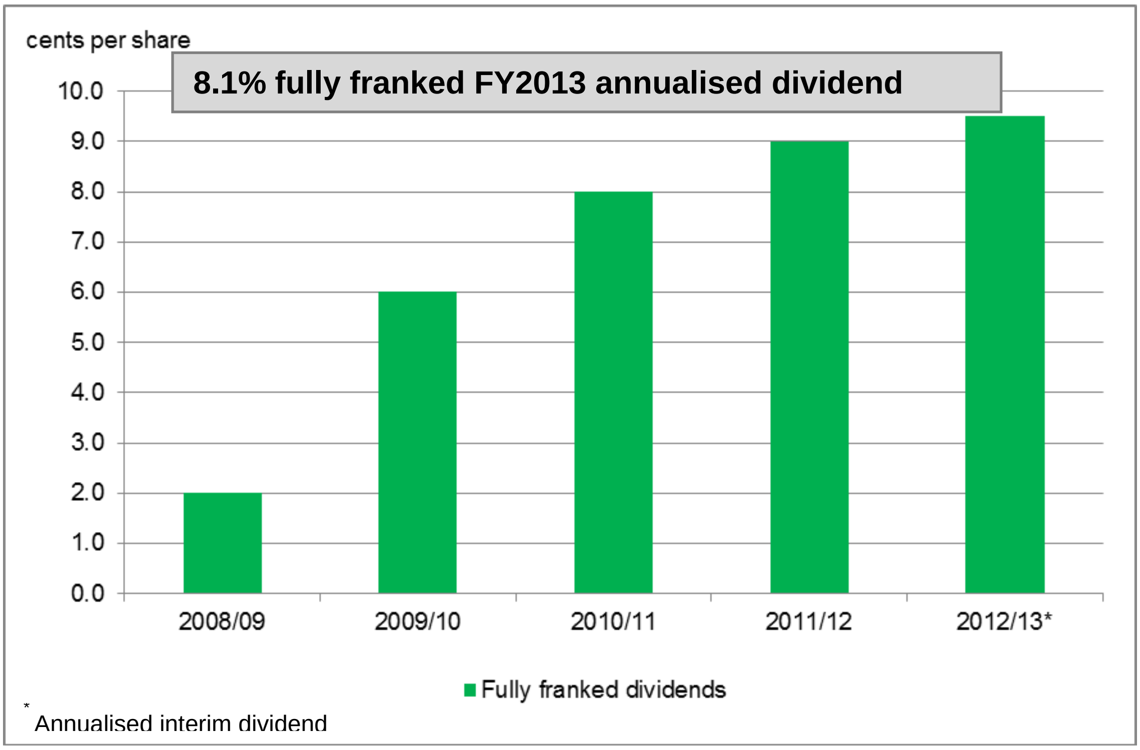
- **Last day for Option holders to exercise options in order to be eligible for the interim dividend — 5 April 2013**
- Dividend ex-date — 8 April 2013
- Dividend record date — 12 April 2013
- DRP election date — 12 April 2013
- Dividend payment date — 19 April 2013

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. It must also comply with Government legislation and the ATO’s interpretation of a company’s ability to pay franked dividends. Dividends are paid on a six-monthly basis. Dividend payments will also be made with consideration to cash flow and cash holdings.

<u>WAM Active options</u>
Option holders are required to exercise their options by 5 April 2013 to receive the 4.75 cent fully franked interim dividend. We will be sending optionholders a letter with the relevant date to exercise your options in time for the dividend and a copy of the exercise form.

Dividend re-investment plan (DRP)
The DRP will operate for the interim dividend at a 2.5% discount. To participate in the DRP, please send your election form to our share registrar no later than 12 April 2013. Further details are included in the DRP rules available on our website.

WAM Active historical dividends chart



Option issue

On 25 June 2012, the Company issued 16,309,945 options to acquire ordinary shares in the capital of the Company. The options have an exercise price of $1.08 per share and can be exercised at any time on or before 12 December 2013. The options give shareholders the right but not the obligation to subscribe for shares in WAM Active at $1.08 per share. The options are currently trading on the ASX under the code WAAO.

As at 20 February 2013, 3,948,597 options have been exercised for a total consideration of $4,264,485 with a remaining balance of outstanding options being 12,361,348.

Net Tangible Asset (NTA) figures as at 31 December 2012

The NTA on listing in January 2008 was 98.4 cents per share. The figures below have not been diluted for the options on issue and are after the payment of 25.0 cents a share in fully franked dividends since inception.

NTA before tax (cents per share)	109.16c
NTA after tax and before tax on unrealised gains (cents per share)	110.39c*
NTA after tax (cents per share)	107.80c**

Includes tax assets of 1.23 cents per share
**Includes the net effect of 1.23 cents of tax assets and 2.59 cents of deferred tax liabilities*

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Performance

WAM Active delivered performance in a number of metrics during the half year to 31 December 2012.

- The investment portfolio increased 10.4% for the 6 months to 31 December 2012 while the S&P/ASX All Ordinaries Accumulation Index increased by 15.5% and the S&P/ASX Small Ordinaries Accumulation Index increased 9.4%.

- The pre tax NTA, adjusted for dividends, increased 7.1%.

- Total shareholder return was (TRS) +12.9% for the period.

These performance results were achieved while holding an average of 36.0% in cash and term deposits with a number of major Australian banks.

Set out below is the investment performance of WAM Active since listing to 31 December 2012 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 has performed against the S&P/ASX All Ordinaries Index which is also a before tax and expenses measure.

Financial Year	WAM Active Investment 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%**
2011/2012	+5.5%	-7.0%	**+12.5%**
YTD 2012/2013	+10.4%	+15.5%	**-5.1%**

Investment Objective and Process

The investment objectives are to deliver investors a growing income stream in the form of fully franked dividends and to preserve capital.

To achieve these objectives, we aim to take advantage of relative short term arbitrages and mispricings in the Australian equities market, rather than investing in any individual companies or portfolio of companies for a prolonged period of time. We refer to this as our “Market Driven” process where we scour the market for trading opportunities.

These opportunities include participating in initial public offerings, placements, block trades, rights issues, corporate transactions (such as takeovers, mergers, schemes of arrangements and share splits), corporate spin-offs, restructurings, arbitrage opportunities,

Portfolio Structure

Investment Type	As at 30 June 2012 $m	%	As at 31 December 2012 $m	%
Listed Equities	9.3	51.4%	17.2	77.6%
Fixed Interest and Cash	8.8	48.6%	4.9	22.4%
Total Long Portfolio	**18.1**	**100.0%**	**22.1**	**100.0%**
Total Short Portfolio	**(0.5)**	**(3.0%)**	**(0.0)**	**(0.0%)**
Total Fund Size	**$17.6m**		**$22.1m**	
	No.		**No.**	
Shares on issue	16,309,945		19,767,646	
Options on issue	16,309,945		13,027,781	

At 31 December 2012 the top 20 securities held in the portfolio were:

Code	Company	Market Value $	Market Value as % Gross Assets
INA	Ingenia Communities Group	746,161	3.4%
CYG	Coventry Group Limited	668,961	3.0%
RHG	RHG Limited	661,788	3.0%
BKW	Brickworks Limited	652,264	3.0%
CCQ	Contango Capital Partners Limited	580,254	2.6%
FXJ	Fairfax Media Limited	476,544	2.2%
CLO	Clough Limited	439,692	2.0%
TLS	Telstra Corporation Limited	435,807	2.0%
HIL	Hills Holdings Limited	435,304	2.0%
EHL	Emeco Holdings Limited	422,027	1.9%
BLD	Boral Limited	417,715	1.9%
AGF	AMP Capital China Growth Fund	413,375	1.9%
HHY	Hastings High Yield Fund	397,044	1.8%
SVW	Seven Group Holdings Limited	395,460	1.8%
SDG	Sunland Group Limited	379,336	1.7%
FBU	Fletcher Building Limited	366,860	1.7%
CSR	CSR Limited	366,257	1.7%
BSL	Bluescope Steel Limited	363,734	1.6%
MQG	Macquarie Group Limited	355,042	1.6%
MYR	Myer Holdings Limited	351,000	1.6%

Market Outlook

In late January the Australian equity market officially entered a new bull market. The All Ordinaries Index is now trading at the highest level since the global financial crisis. WAM Active's equity exposure has been progressively increasing. At the end of January the portfolio was 91.7% invested.

We are in the early stages of a new bull market and we expect opportunities in the current period will result from discounted capital raisings, IPOs and an increase in corporate activity driven by lower funding costs.

We would like to thank our investors for their continued support during the period. We look forward to seeing you in May when we will provide a further update on the Company's performance and the broader equity market.

For more information

Please contact Geoff Wilson, Chris Stott or Kate Thorley.

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