

Investment Update & Net Tangible Assets Report

AS AT 30 NOVEMBER 2015



Performance

Performance at 30 November 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*	2.2%	13.7%	11.2%	25.7%	24.6%	19.5%	20.1%
S&P/ASX All Ordinaries Accumulation Index	-0.7%	-2.1%	-7.4%	3.1%	9.5%	6.8%	8.2%
Outperformance	+2.9%	+15.8%	+18.6%	+22.6%	+15.1%	+12.7%	11.9%

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

Net Tangible Assets (NTA) figures

NTA before tax	118.70c
NTA after tax and before tax on unrealised gains	117.09c
NTA after tax	116.97c

These figures are after the payment of \$130k (0.08 cents per share) in tax during the month.

Market overview

After recording strong gains in October, the Australian equity market fell slightly in November dragged lower in part by resource companies impacted by falling commodity prices and a weak Australian dollar. The S&P/ASX All Ordinaries Accumulation Index ended the month down 0.7%. The Australian sharemarket has traded in a 20% range over the last 12 months and as we approach the end of the year looks likely to close 2015 flat.

Overall economic conditions are good. Latest labour force figures showed unemployment dropped from 6.2% to 5.9% and levels of employment surged. While capital expenditure fell sharply due to the slow-down in the mining sector, business confidence remains robust, buoyed by the 'Turnbull Effect'. In our view, companies are now more likely to authorise capital expenditure in the months ahead. In his statement on monetary policy, the Reserve Bank of Australia Governor noted: "the prospects for an improvement in economic conditions had firmed a little over recent months."

Strong retail trade figures recently released reflect solid consumer confidence and we expect good trading conditions over the Christmas period which will benefit Australian retailers.

We maintain conservative levels of cash in the investment portfolio which gives us the opportunity to capitalise on various opportunities as they arise in the market while allowing us to preserve capital.

WAM Research Limited

ASX Code	WAX
Listed	Aug 2003
Gross assets	\$210.8m
Market cap	\$218.5m
Share price	\$1.265
NTA before tax	\$1.19
Shares on issue	172,768,120
Fully franked dividends (FY2015)	8.0c
Dividend yield	6.3%

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

Matthew Haupt
Portfolio Manager

Martin Hickson
Senior Equity Analyst/Dealer

Tobias Yao
Equity Analyst

James McNamara
Communications Manager

Investment Update & Net Tangible Assets Report

AS AT 30 NOVEMBER 2015



Diversified portfolio

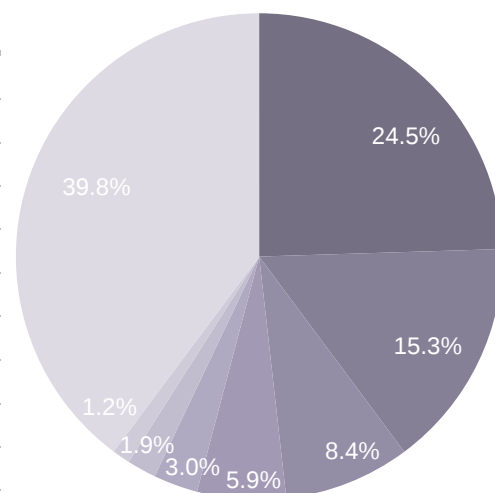
Investment Type	October 2015		November 2015	
	\$m	%	\$m	%
Listed Equities	\$126.8	60.4	\$126.9	60.2
Fixed Interest & Cash	\$83.1	39.6	\$83.9	39.8
Gross Assets	\$209.9m	100.0	\$210.8m*	100.0
Total shares on issue	172,768,120		172,768,120	

*This figure is after the payment of \$130k (0.08 cents per share) in tax during the month.

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
ASB	Austal Limited	9,156,707	4.3%
SIQ	Smartgroup Corporation Limited	8,097,805	3.8%
ECX	Eclixp Group Limited	7,635,457	3.6%
IPH	IPH Limited	7,253,845	3.4%
A2M	The A2 Milk Company Limited	6,092,556	2.9%
CSV	CSG Limited	5,902,604	2.8%
MTR	Mantra Group Limited	5,547,593	2.6%
AAD	Ardent Leisure Group	5,445,278	2.6%
RCG	RCG Corp Limited	5,424,942	2.6%
FXL	FlexiGroup Limited	4,200,639	2.0%
TRS	The Reject Shop Limited	4,069,287	1.9%
AHG	Automotive Group Holdings Limited	4,068,520	1.9%
BBN	Baby Bunting Group Limited	4,062,101	1.9%
CKF	Collins Foods Limited	3,957,728	1.9%
AHD	Amalgamated Holdings Limited	3,656,207	1.7%
SXL	Southern Cross Media Group Limited	3,429,572	1.6%
BLX	Beacon Lighting Group Limited	3,340,852	1.6%
PME	Pro Medicus Limited	3,173,137	1.5%
APE	AP Eagers Limited	2,342,222	1.1%
CCP	Credit Corp Group Limited	2,230,226	1.1%

Sector allocation



- Consumer Discretionary: 24.5%
- Industrials: 15.3%
- Financials: 8.4%
- Information Technology: 5.9%
- Consumer Staples: 3.0%
- Health Care: 1.9%
- Telecommunication Services: 1.2%
- Cash and Fixed Interest: 39.8%

Investment Update & Net Tangible Assets Report

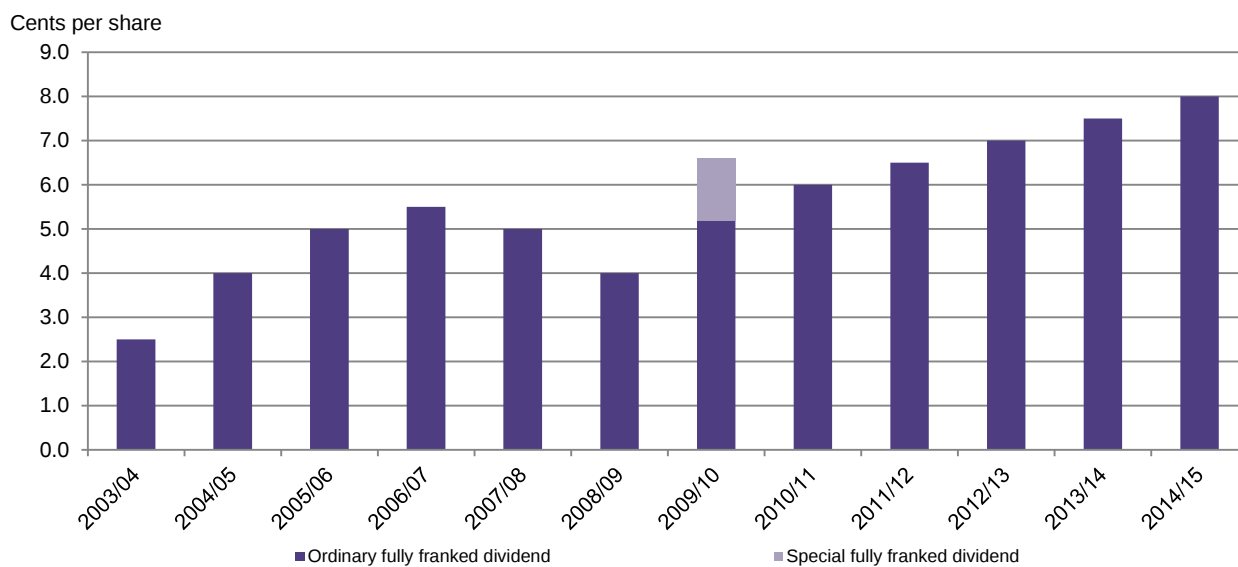
AS AT 30 NOVEMBER 2015



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