

Investment Update & Net Tangible Assets Report

As at 31 August 2016



FUTURE GENERATION
GLOBAL INVESTMENT COMPANY

Net Tangible Assets (NTA) figures

NTA before tax	107.93c
NTA after tax and before tax on unrealised gains	107.96c
NTA after tax	108.55c

*The above figures are not diluted for 272,909,948 options on issue with an exercise price of \$1.10.

Portfolio

In August, the investment portfolio grew 1.8% outperforming the MSCI World Index (AUD), which increased 1.2%. In the 2017 financial year to date, the investment portfolio has increased 4.0% while the market has increased 3.6%. The spread between the three broad equities strategies is currently 55.8% long equities, 31.1% absolute bias, 6.3% quantitative strategies and 6.8% cash.

Fund manager	Investment	Strategy	% of assets
Magellan Asset Management	Magellan Global Fund	Long equities	9.8%
Ironbridge Capital Management	Ironbridge Global Focus Fund	Long equities	9.7%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	8.7%
Antipodes Partners	Antipodes Global Fund	Absolute bias	8.1%
VGI Partners	VGI Partners Funds	Absolute bias	7.8%
Marsico Capital Management	Marsico Global Fund	Long equities	7.0%
Nikko Asset Management Australia	Nikko AM Global Share Fund	Long equities	5.9%
Manikay Partners	Manikay Global Opportunistic USD Fund	Absolute bias	5.0%
Ellerston Capital	Ellerston Global Investments Wholesale Fund	Long equities	4.9%
Morphic Asset Management	Morphic Global Opportunities Fund	Absolute bias	4.4%
Neuberger Berman Australia	Neuberger Berman Systematic Global Equities Trust	Quantitative strategies	3.7%
Paradice Investment Management	Paradice Global Small Mid Cap Fund Unhedged	Long equities	3.5%
Cooper Investors	Cooper Investors Asian Tiger Fund	Long equities	3.3%
Antipodes Partners	Antipodes Asia Fund	Absolute bias	2.7%
Tribeca Investment Partners	Tribeca Global Total Return Fund	Quantitative strategies	2.6%
Avenir Capital	Avenir Value Fund	Absolute bias	1.7%
Hunter Hall Investment Management	Hunter Hall Global Equities Trust	Long equities	1.5%
Insync Funds Management	InSync Global Titans Fund	Long equities	1.5%
Eastspring Investments (Singapore)	Eastspring Investments Asian Dynamic Fund	Absolute bias	1.4%
	Cash and Term Deposits	Cash	6.8%

Future Generation Global Investment Company Limited

ASX code	FGG
Established	Sept 2015
Gross assets	\$301.3m
Market cap	\$290.3m
Share price	\$1.05
Net assets per share (before tax)	\$1.08
Shares on issue	276,434,385
Options on issue	272,909,948
Fully franked final FY16 dividend	1.0c
Management fees	0.0%
Performance fees	0.0%
Annual donation (% of NTA)	1.0%

Investment objectives

- Provide a stream of fully franked dividends
- Achieve capital growth
- Preserve shareholder capital

Company overview

Future Generation Global Investment Company Limited (ASX: FGG) is Australia's first internationally focused listed investment company (LIC) with the dual objectives of providing shareholders with diversified exposure to selected global fund managers and changing the lives of young Australians affected by mental illness.

Chairman

Belinda Hutchinson

Founder and Director

Geoff Wilson

Chief Executive Officer

Louise Walsh

Directors

Frank Casarotti
Susan Cato
Sarah Morgan
Karen Penrose

Investment Committee

Amanda Gillespie, Aman Ramrakha, Sean Webster, Chris Donohoe, Geoff Wilson

Company Secretaries

Kate Thorley/Mark Licciardo

Head of Corporate Affairs

James McNamara

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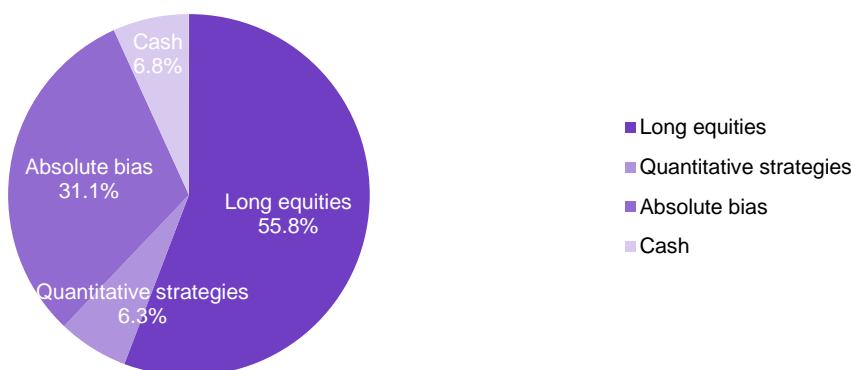
Fully franked final dividend

The Board has declared on 31 August 2016 an inaugural fully franked final dividend of 1.0 cent per share. The dividend reinvestment plan (DRP) and dividend donation plan (DDP) are available to shareholders for the final dividend.

Ex dividend date	18 October 2016
Record date	19 October 2016
Last election date for the DRP & DDP	21 October 2016
Final dividend payment date	31 October 2016

The Board does not anticipate an interim dividend being paid and estimates that the next potential dividend will be a 2017 final dividend dependant on the distributed profits from the global fund managers over the 2017 financial year. The Board will seek to pay fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices.

Investment strategy allocation (% of assets)



Long equities – investing in a portfolio of equities based on the expectation the underlying equities will increase in value within a certain time horizon. Each equity represents an ownership claim in an underlying company which is generally listed on a public stock exchange.

Quantitative strategy – a style of investment management where quantitative techniques are used to analyse markets in order to ascertain information about future price movements. These are generally rules-based and applied in a systematic manner. A quantitative strategy seeks to replicate a fundamental investor without human biases influencing investment decisions.

Absolute bias – an investment strategy that seeks to generate returns, irrespective of the performance of traditional asset classes. These strategies use innovative investment techniques to profit from rising and falling markets, providing portfolio protection in the event an equity market experiences a significant fall.

Fund Managers



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Charities



Service Providers



Fund manager in focus: Antipodes

About Antipodes

Antipodes Partners was founded in 2015 by Jacob Mitchell, former Deputy Chief Investment Officer at Platinum Asset Management, along with a number of former colleagues and like-minded value investors, with the shared ambition of creating an owner-managed culture of long-term thinking and alignment with client outcomes.



Our investment style

We aspire to grow your wealth over the long-term by generating absolute returns in excess of the benchmark at below market levels of risk. We seek to take advantage of the market's tendency for irrational extrapolation around change, identify great businesses that are not valued as such and build high conviction portfolios with a capital preservation focus.

We define risk as the chance of permanent loss of capital or unforeseen volatility and, in this sense, we believe risk is best controlled by:

- Seeking resilient investments with a margin of safety and multiple ways of winning; and
- A deep understanding of portfolio holdings within the context of diversified sources of alpha.

Our market outlook

In assessing the outlook for markets we find it useful to examine the long-term empirical data in terms of what starting multiples imply for expected future returns. The more attractive broad sectors are Global Cyclical, Asian and Western European Domestic (be they Defensive, Cyclical or Financial).

The least attractive areas are dominated by the very large Global Defensive and North American Domestic sector (be they Defensive or Cyclical). Relative to the last 30 years we can observe that the market is celebrating stocks that display high profitability, growth and momentum independently of starting multiple and approaching the heady days of the late 1990's tech bubble.

In the current low real yield environment, we expect investor preference for stable returns and defensive growth sectors to continue, however, we refuse to overpay for this exposure. With an ever narrowing group of stocks selected on a systematic preference for high growth and profitability we think this is indicative of growing pragmatic value opportunities, both long and short.

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Performance

Absolute performance as at 31 August 2016 (%)	3 months	6 months	1 year	Strategy inception
Antipodes Global Fund	3.0	10.0	9.0	14.0
MSCI AC World Net Index	1.5	0.3	7.9	1.2
Outperformance	+2.7	+2.8	+2.1	+7.8
Antipodes Asia Fund	6.1	6.2	12.3	9.0
MSCI AC Asia x Japan Net Index	4.5	7.3	15.0	6.5
Outperformance	+1.5	-1.1	-2.7	+2.5

Top five stocks

Absolute performance as at 31 August 2016 (%)	3 months	6 months	1 year	Strategy inception
Antipodes Global Fund	3.0	10.0	9.0	14.0
MSCI AC World Net Index	1.5	0.3	7.9	1.2
Outperformance	+2.7	+2.8	+2.1	+7.8
Antipodes Asia Fund	6.1	6.2	12.3	9.0
MSCI AC Asia x Japan Net Index	4.5	7.3	15.0	6.5
Outperformance	+1.5	-1.1	-2.7	+2.5

Charity in focus: Black Dog Institute

Black Dog Institute combines the strength of a medical research institute and not-for-profit organisation dedicated to improving the lives of people affected by mental illness. The Institute's five core areas to its work are suicide prevention, early intervention and prevention programs targeting youth, eMental Health, the use of technology to deliver services, therapies and programs, workplace mental health and novel treatments.



Black Dog Institute and FGG

Each year, 350 Australians aged 15 – 24 take their lives by suicide, and another 10,000 make an attempt. It is estimated annually around 100,000 youth have suicidal thoughts. Support from FGG will enable Black Dog Institute to establish the Youth Centre for Research Excellence in Suicide Prevention, with a mission to reduce suicide attempts and deaths in young people. This youth-based Centre will undertake research to develop solutions that lower suicide risk in young people, by implementing evidence-based therapies and programs leveraging technologies popular with youth, such as smartphones and social media.

Funding from FGG will support three post-doctoral researchers, each tasked with a specific project:

- Development of an online therapeutic app to help young people manage suicidal thoughts;
- Development of a mobile-phone based system to provide continuity of care for young people discharged from hospital following a suicide attempt (a period where there is an escalated risk of another attempt);
- Development of a mobile phone-based system to detect social withdrawal of a young person (a key risk factor for emerging mental illness and suicidal thoughts).

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Q&A with Chief Scientist and Director, Scientia Professor Helen Christensen

How do you measure success in relation to the FGG funding you are receiving?

Success will be measured by the development, delivery and evaluation of these three interventions. Once acceptability and effectiveness has been established, the projects will deliver:

- An online therapeutic app ready for broad dissemination globally among young people to help manage suicidal thoughts;
- A mobile phone-based follow-up system, disseminable to the estimated 9,000 youth discharged from hospital annually following intentional self-harm;
- Development of technology that enables the identification of, and ultimately appropriate intervention to youth withdrawing from their social networks and who are at risk of suicide.



What other support do you need besides funding that FGG investors could assist you with?

The prevalence of mental health issues in young people is high; 1 in 7 are diagnosed with mental illness each year. We know that over a fifth of mental illness can be prevented with early intervention. But we need a greater understanding of the risk factors in young people. Integrating health, genetic, medical and environmental data over time in a longitudinal study setting can give us a more complete picture toward preventing mental illness. We would welcome discussion with thought-leaders, socially-minded people, industry leaders and professionals from a range of backgrounds to help us develop a long term study that ultimately results in happier and more resilient young Australians.

Where will your organisation be in five years time?

In five years' time, we aim to have a suite of readily accessible, therapeutically effective, technology-based interventions available for all young people in Australia at risk of suicide. Importantly too, our Youth Centre of Research Excellence in Suicide Prevention will build capacity in the next generation of researchers. Our ultimate goal is to substantially reduce youth suicide in the community over the next five years and beyond.

For more information on Black Dog Institute, visit www.blackdog.org.au and follow us on Facebook, Twitter, LinkedIn, Instagram and YouTube.

Investor presentations – save the date

Date	City	Location	Time
Wednesday 16 November 2016	Adelaide	The Playford 120 North Terrace Adelaide	12:30pm – 1:30pm
Thursday 17 November 2016	Perth	The Duxton 1 St Georges Terrace Perth	12:30pm – 1:30pm
Monday 21 November 2016	Canberra	The Mecure Cnr Ainslie & Limestone Avenues Braddon	12:30pm – 1:30pm
Wednesday 23 November 2016	Sydney	The Hilton 488 George Street Sydney	FGG AGM 1:30pm – 2:00pm Presentation 2:30pm – 3:30pm
Thursday 24 November 2016	Brisbane	Brisbane Convention & Exhibition Centre Cnr Merivale & Glenelg Street South Bank	12:30pm – 1:30pm
Friday 25 November 2016	Melbourne	Melbourne Convention Centre 1 Convention Centre Place South Wharf	12:30pm – 1:30pm

Invitations will be mailed to all shareholders in the coming weeks.