

Investment Update & Net Tangible Assets Report

As at 31 January 2017



FUTURE GENERATION
GLOBAL INVESTMENT COMPANY

Net Tangible Assets (NTA) figures

| | |
|--|----------------|
| NTA before tax | 107.89c |
| NTA after tax and before tax on unrealised gains | 108.07c |
| NTA after tax | 108.30c |

The above figures are not diluted for 272,169,069 options on issue with an exercise price of \$1.10.

Portfolio

In January, the investment portfolio decreased 2.1% while the MSCI World Index (AUD) fell 2.1%. The spread between the three broad equities strategies is currently 54.4% long equities, 32.6% absolute bias, 6.2% quantitative strategies and 6.8% cash. On 3 January 2017 we fully redeemed our position in the Hunter Hall Global Equities Trust.

| Fund manager | Investment | Strategy | % of assets |
|------------------------------------|---|-------------------------|--------------|
| Magellan Asset Management | Magellan Global Fund | Long equities | 10.0% |
| Ironbridge Capital Management | Ironbridge Global Focus Fund | Long equities | 9.6% |
| Cooper Investors | Cooper Investors Global Equities Fund (Unhedged) | Long equities | 8.7% |
| Antipodes Partners | Antipodes Global Fund | Absolute bias | 8.5% |
| VGI Partners | VGI Partners Funds | Absolute bias | 8.0% |
| Marsico Capital Management | Marsico Global Fund | Long equities | 7.0% |
| Nikko Asset Management Australia | Nikko AM Global Share Fund | Long equities | 6.0% |
| Manikay Partners | Manikay Global Opportunistic USD Fund | Absolute bias | 5.4% |
| Ellerston Capital | Ellerston Global Investments Wholesale Fund | Long equities | 4.9% |
| Morphic Asset Management | Morphic Global Opportunities Fund | Absolute bias | 4.6% |
| Neuberger Berman Australia | Neuberger Berman Systematic Global Equities Trust | Quantitative strategies | 4.0% |
| Paradise Investment Management | Paradise Global Small Mid Cap Fund Unhedged | Long equities | 3.6% |
| Cooper Investors | Cooper Investors Asian Tiger Fund | Long equities | 3.3% |
| Antipodes Partners | Antipodes Asia Fund | Absolute bias | 2.8% |
| Tribeca Investment Partners | Tribeca Global Total Return Fund | Quantitative strategies | 2.2% |
| Avenir Capital | Avenir Value Fund | Absolute bias | 1.8% |
| Insync Funds Management | InSync Global Titans Fund | Long equities | 1.4% |
| 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 | \$300.8m |
| Market cap | \$293.8m |
| Share price | \$1.06 |
| Net assets per share (before tax) | \$1.08 |
| Shares on issue | 277,169,069 |
| Options on issue | 272,471,314 |
| 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

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

Company Secretaries

Kate Thorley and Mark Licciardo

Head of Corporate Affairs

James McNamara

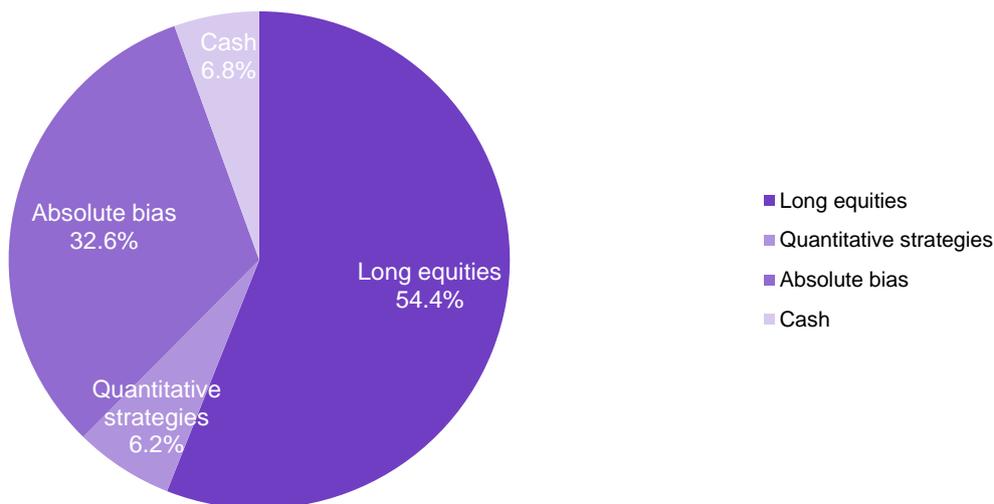
Investment Update & Net Tangible Assets Report

As at 31 January 2017

Dividends

On 31 October 2016, the Company paid an inaugural fully franked final dividend of 1.0 cent per share. As the year end is now being changed to 31 December 2016, the next potential dividend will be for the period to 30 June 2017 dependent upon profits from the global equity fund managers for the prior 12 month period and will be an interim dividend.

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



Investment Update & Net Tangible Assets Report

As at 31 January 2017

Charities



Service Providers



Fund manager in focus: Morphic Asset Management



About Morphic Asset Management

Morphic Asset Management is a global equity investment manager based in Sydney. Morphic's area of specialty is mid cap stocks, which sets it apart from most other global funds offered in Australia.

Jack Lowenstein and Chad Slater founded Morphic in 2012, after working together for many years at Hunter Hall where they established an excellent track record.

Morphic offers investors an opportunity to invest in a fund, the Morphic Global Opportunities Fund, that combines quality stock picking within a modern risk management framework. The Fund has consistently delivered higher returns than most other global funds in Australia, while taking fewer risks than the whole market.

Our investment style

Morphic has formed a durable but adaptive approach involving a blend of investment strategies, all within a rigorous risk management framework. We believe that by adhering to bottom-up value investing, fundamental research and combining it with price trends to decide when to enter, we can deliver better returns for investors with less risk.

Our market outlook

If 2016 was about markets closing on their highs, with the best returns later in the year, we currently see 2017 as a year where the best returns are likely to be early in the year. Reflationary ideas are likely to remain winners for now: namely regions such as Japan and Europe and sectors such as banks and cyclicals, may offer the best prospects. Rising interest rates and geopolitical uncertainty may present a more challenging period later in the year.

Emerging markets offer better valuation prospects than at any time in the last five years and earnings are improving. The issue in 2017 is likely to be what protectionism unfolds from President Trump and how this affects them.

We see the Australian dollar as being under pressure this year despite some commodity support. Factors it will have to contend with, will include increasing policy uncertainty from China; a rising US dollar from "Trumponomics"; and slowing Australian growth from faltering housing support. Moreover the Australian dollar generally does poorly in "risk-off environments" and we expect a flat to down trajectory.

Investment Update & Net Tangible Assets Report

As at 31 January 2017

Net performance to 31 January 2017

| | 1 month | 6 month | 1 year | 3 years (Annualised) | Since Inception (Annualised) |
|-----------------------------------|---------|---------|--------|----------------------|------------------------------|
| Morphic Global Opportunities Fund | -1.47% | 3.89% | 7.24% | 9.95% | 17.39% |

For more information visit www.morphicasset.com

Charity in focus: Orygen, The National Centre of Excellence in Youth Mental Health

Orygen is a global pioneer in early intervention in mental disorders for young people aged 12–25.

Orygen will continue to be a world leader in clinical and research programs in youth mental health. Our work creates, incubates and translates new interventions and models of care to be tested and deployed to the frontline of youth mental health care. Orygen has over 300 staff, and more than 100 international collaborators.

What that means for Australia's young people is that we'll help more of them and their families deal with mental illness and get back to employment and education, leading to the opportunity to be fully participating and contributing members of the Australian community.

Orygen and FGG

Funding from FGG is enabling Orygen to think 'big picture' when it comes to youth suicide prevention.



With the FGG funds we are establishing a comprehensive community approach to youth suicide prevention and trialling it across north-west Melbourne. Overall the aim of the program is to reduce rates of self-harm, suicidal behaviour and suicides by increasing knowledge, improving help-seeking, reducing stigma, and having access to the best evidence-based treatment. This requires us to do our work across emergency departments, schools, specialist clinical services and the general community.

Emergency Departments (EDs) provide a very 'real-world' opportunity for intervention to prevent further self-harm and suicides. We are partnering with local EDs to examine the number and characteristics of presentations for self-harm and suicide-related behaviour, and to work out the barriers to delivering the best care to young people in these settings. We are hoping this will lead to an ongoing collaboration with EDs to ensure that at-risk young people who do come to EDs get the best treatment possible.

Q&A with Orygen Executive Director and former Australian of the Year Professor Patrick McGorry AO

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

Success means creating new community approaches that lead to reduced youth suicide. Success also means leveraging the work done by the FGG funding to secure government funding to expand the program nationally.

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

Orygen has been most successful when we've had financial support that allows us to fund pilot projects. It is critical that many more benefactors support Orygen and our vision to dramatically reduce self-harm and suicide, and substantially improve mental health care in general for young people. Our next biggest challenge is understanding the underlying causes of mental illness.



Where will your organisation be in five years time?

The most important driver for Orygen is how can we impact positively on young peoples' mental health so that they can live the lives they want, realise their ambitions and contribute to our national and international communities. To do this we need to continue to grow our abilities over the next five years to better understand mental illnesses, and provide services and treatments to reduce or eliminate their negative impacts, and ensure their take-up in a multitude of settings.

For more information visit <https://www.orygen.org.au/>