Investment Update &
Net Tangible Assets Report
As at 30 November 2014

Net Tangible Assets (NTA) figures

<table>
<thead>
<tr>
<th>NTA before tax</th>
<th>105.99c</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTA after tax and before tax on unrealised gains</td>
<td>106.67c</td>
</tr>
<tr>
<td>NTA after tax</td>
<td>107.32c</td>
</tr>
</tbody>
</table>

The above figures are not diluted for 181,645,704 options on issue with an exercise price of $1.10

Portfolio

The portfolio is showing robust defensive characteristics now that it has been invested with 14 of Australia’s leading fund managers. In November, the portfolio outperformed the weak market by 2.6%, a strong result in this volatile market. The portfolio was down 0.6% while the S&P/ASX All Ordinaries Accumulation Index fell 3.2%.

The allocation to the managers has been structured to provide a spread between three broad equity strategies: long equities, absolute bias, market neutral; and cash. The long equities portion of the portfolio includes exposure to large cap, mid cap and small cap stocks with an overweight position in mid and small cap stocks. The company is currently 48.2% long equities, 20.4% market neutral, 16.1% absolute bias and 15.3% cash.

Fund manager | Investment | Strategy | % of assets |
--------------|------------|----------|-------------|
Paradice Investment Management | Large/Mid Cap Funds (split below) | Long equities | 10.1% |
| Paradice Australian Equities Mid Cap Fund | Long equities | 5.1% |
| Paradice Large Cap Fund | Long equities | 5.0% |

Bennelong Australian Equities Partners | Bennelong Australian Equities Fund | Long equities | 10.0% |

Regal Funds Management | Regal Australian Long Short Equity Fund | Long equities | 9.7% |

Bennelong Long Short Equity Management | Bennelong Alpha 200 Fund | Market neutral | 7.9% |

Wilson Asset Management | Wilson Asset Management Equity Fund | Absolute bias | 7.8% |

Watermark Funds Management | Watermark Absolute Return Fund | Market neutral | 7.4% |

Eley Griffiths Group | Eley Griffiths Group Small Companies Fund | Long equities | 7.1% |

Cooper Investors | CI Australian Equities Fund | Long equities | 5.1% |

Optimal Fund Management Australia | Optimal Australia Absolute Trust | Market neutral | 5.1% |

Sandon Capital | Sandon Capital Activist Fund | Absolute bias | 4.3% |

Discovery Asset Management | Discovery Australian Small Companies Fund | Long equities | 3.7% |

LHC Capital | LHC Capital Australia High Conviction Fund | Absolute bias | 2.5% |

Smalco Investment Manager | Smalco Broadcap Fund | Long equities | 2.5% |

Lanyon Asset Management | Lanyon Australian Value Fund | Absolute bias | 1.5% |

Cash and term deposits | Cash | 15.3% |

Future Generation Investment Company Limited

<table>
<thead>
<tr>
<th>ASX Code</th>
<th>FGX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Established</td>
<td>Sept 2014</td>
</tr>
<tr>
<td>Total assets</td>
<td>$194.9m</td>
</tr>
<tr>
<td>Market cap</td>
<td>$193.9m</td>
</tr>
<tr>
<td>Share price (as at 11 Dec 2014)</td>
<td>$1.04</td>
</tr>
<tr>
<td>Net assets per share (pre tax)</td>
<td>$1.06</td>
</tr>
<tr>
<td>Shares on issue</td>
<td>183,825,887</td>
</tr>
<tr>
<td>Options on issue</td>
<td>181,645,704</td>
</tr>
<tr>
<td>Management fees</td>
<td>0.0%</td>
</tr>
<tr>
<td>Performance fees</td>
<td>0.0%</td>
</tr>
<tr>
<td>Annual donation (% of NTA)</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

Investment objectives

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

Company overview

Future Generation Investment Company Limited gives investors the opportunity to gain unprecedented access to a group of prominent Australian fund managers in a single investment vehicle and also support Australian children’s charities, with a focus on children at risk.

Experienced Board

Jonathan Trollip
Chairman

Geoff Wilson
Founder and Director

Paul Jensen
Director

Gabriel Radzyminski
Director

Investment Committee

Geoff Wilson, Gabriel Radzyminski and Matthew Kidman

Company Secretaries

Kate Thorley
Mark Licciardo

Corporate Affairs contact

Melanie Shaw
Investment Update & Net Tangible Assets Report
As at 30 November 2014

Investment strategy allocation (% of assets)

- Long equities: 48.2%
- Market neutral: 20.4%
- Absolute bias: 16.1%
- Cash: 15.3%

Fund manager in focus: Regal Funds Management

About us
Regal Funds Management is a specialist long/short equities manager, managing over $1.2billion in Funds Under Management and has offices in both Sydney and Singapore. The business has been running since 2004 and has an investment team of 15 people utilising a number of investment strategies which can be predominately classified into a fundamental, research-driven model and a quantitative model.

The Regal Australian Long Short Equity Fund utilises a fundamental investment strategy that aims to outperform the S&P/ASX 300 Accumulation Index net of fees over a rolling five year basis. Regal invests using a disciplined stock selection process, which incorporates key insights from different styles of investing and will invest where there is conviction from more than one source. The Fund has a capacity to short–sell companies and this allows Regal to profit from a share price fall. Regal’s philosophy to short-selling is to have a longer term focus, looking for weak business models and overvalued companies.

Our outlook for the Australian market
The Australian market has had a healthy correction recently, with the Mining sector once again down significantly after posting a mid-year rally. International investors have been selling Australia, worried about further falls in the Australian dollar, coupled with more concerns over the sustainability of the Chinese economy and its flow-through effects on commodity prices and the Australian housing market. Although the falling dollar has a negative impact on the market in the short-term, the longer-term impact is very positive.

For further information about Regal Funds Management, please go to: www.regalfm.com

Designated charity in focus: Variety – the Children’s Charity

Variety – the Children’s Charity is dedicated to assisting Australian children who are disadvantaged and at risk – whether that be disadvantaged through sickness, disability, location, or socio-economic circumstance.

Our mission is to help these children attain their full potential regardless of ability or background, and to empower them to live, laugh, and learn. We do so with the provision of essential equipment and experiences that help develop their life skills, enable them to gain mobility and freedom to get out in the community, be able to communicate, achieve independence, and increase self-esteem.

Variety receives no government funding, so we rely on the generosity of our dedicated volunteers, and individual, corporate and community donors. Our support for Aussie kids regularly fills the gaps left by governments and other organisations.
The Variety Scholarship Program: Investing in Aussie Kids’ futures, like Ayesha

The Variety Scholarship Program supports children who are disadvantaged or living with a disability, helping them achieve their full potential and pursue their dreams. Scholarships of up to $5,000 (per child, per year) are awarded to children who show promise in the areas of the arts, sport, education and music, to cover training costs, equipment, skills based courses and more.

Without Variety’s support, talented pianist, Ayesha may have never gotten the opportunity to further her passion.

At just 9 months old, Ayesha had a challenging start in life, as she was abandoned into the care of her single-income grandmother.

Ayesha’s talent for playing piano was evident from an early age, and despite her grandmother’s devotion (even taking on a second job as a cleaner, so as to afford a piano teacher), her financial circumstances couldn’t afford the specialised training required to explore Ayesha’s talents further.

(Pictured left: Ayesha Gough giving it her all on the piano backed by an orchestra at a recent public performance).

Variety granted Ayesha a scholarship to help further foster her gifted talents, where she spent four years at the Young Conservatorium, honing and developing her piano playing skills. She has gone on to receive a host of accolades, including recently performing at the Lev Vlassenko Piano Competition in Brisbane where she came third, competing against 68 musicians. She is now studying a Bachelor degree in music at Griffith University and has her sights set on becoming a professional pianist.

A Variety Sunshine Coach: A journey to education and overcoming barriers

Variety Sunshine Coaches transform the lives and educational opportunities for kids who may be disadvantaged by the remoteness of where they live, their socio economic circumstance, or special need or disability which requires specialist transportation. With 31% of Aussie families living in a remote or rural area in Australia, Variety Sunshine Coaches aim to overcome the educational challenges faced by these children, as a result of the tyranny of distance.

Just one of the remote regional communities to benefit from a Variety Sunshine Coach this year was in Bourke, Western NSW. In a school where over 67% of the children are Aboriginal and 30% are in DOC’s care, the Variety Sunshine Coach is changing the future for these children, as it is used to bring them safely to and from school each day from their remote locations, helping to improve school attendance rates. The coach allows these children from a low socio economic background and remote rural households to access a wider education both in and out of the classroom, attend extracurricular activities, community access programs and other activities they would otherwise not be able to partake in.

(Pictured right: In August this year The Variety Bash stopped in to present the school community in Bourke with their much awaited Variety Sunshine Coach)

Variety is delighted to be part of the Future Generation Investment Company, together we can help more Aussie kids overcome their disadvantage and achieve their full potential.

More information about all the work of Variety can be found at www.variety.org.au