



FUTURE GENERATION
GLOBAL INVESTMENT COMPANY

Investment update

As at 28 February 2018

Snapshot

Pre-tax net tangible assets

\$1.26

Gross assets

\$375.9m

Management fees

0%

Performance fees

0%

futuregeninvest.com.au
ABN 52 606 110 838

Future Generation Global Investment Company Limited

ASX code	FGG
Date of listing	Sep 2015
Gross assets	\$375.9m
Market cap	\$364.2m
Share price	\$1.23
NTA before tax	\$1.26
Shares on issue	296,112,380
Management fees	0.0%
Performance fees	0.0%
Annual donation (% of NTA)	1.0%
Fully franked dividend (FY2017)	1.0c

Investment objectives

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

Company overview

Future Generation Global Investment Company (ASX: FGG) provides:

Shareholders with exposure to leading global fund managers without paying management or performance fees.

Charities primarily focused on youth mental health with a stream of annual donations.

Fund managers with a unique opportunity to make a positive difference to Australia's future generations.

Chairman

Belinda Hutchinson AM

Founder and Director

Geoff Wilson AO

Chief Executive Officer

Louise Walsh

Directors

Frank Casarotti

Karen Penrose

Kiera Grant

Sarah Morgan

Investment Committee

Sean Webster, Chair

Chris Donohoe

Aman Ramrakha

Geoff Wilson AO

Lukasz de Pourbaix

Company Secretary

Kate Thorley and Mark Licciardo

FY2017 full year results

On 28 February 2018, FGG announced its FY2017 results to the market. Highlights from the announcement include:

- Total comprehensive income for the year of \$29.1 million
- Total shareholder return of 19.4%
- \$4.3 million in savings on management fees, performance fees and services foregone
- \$3.0 million investment in youth mental health.

Net tangible assets (NTA) figures

NTA before tax	126.16c*
NTA after tax and before tax on unrealised gains	126.86c
NTA after tax	121.90c

*The NTA before tax figure is after the payment of \$97k (0.03cps) in tax during the month. After tax NTA figures have been calculated at a corporate tax rate of 27.5%.

Investment portfolio

In February, the investment portfolio outperformed the MSCI AC World Index (AUD) by 3.0%. The investment portfolio increased 2.0% while the Index fell 1.0%. Since inception, FGG's investment portfolio continues to deliver sound performance with lower volatility than the benchmark.

The spread between the three broad equities strategies is currently 58.3% long equities, 31.3% absolute bias, 3.7% quantitative strategies and 6.7% cash.

Investor conference call

We look forward to providing an update on the Future Generation companies during our investor conference call on **Tuesday 27 March at 11.00am - 12.00pm (Sydney time)**. Founder and Director Geoff Wilson and CEO Louise Walsh will be joined by FGX fund manager Gabriel Radzimirski from Sandon Capital and FGG fund manager Frank Casarotti from Magellan to provide their views on the market and top stock picks. We will end the call with a Q&A so we encourage you to ask questions.

Dial-in number: 1800 200 232

Access code: 3013976#

Register now.

Shareholder Presentations

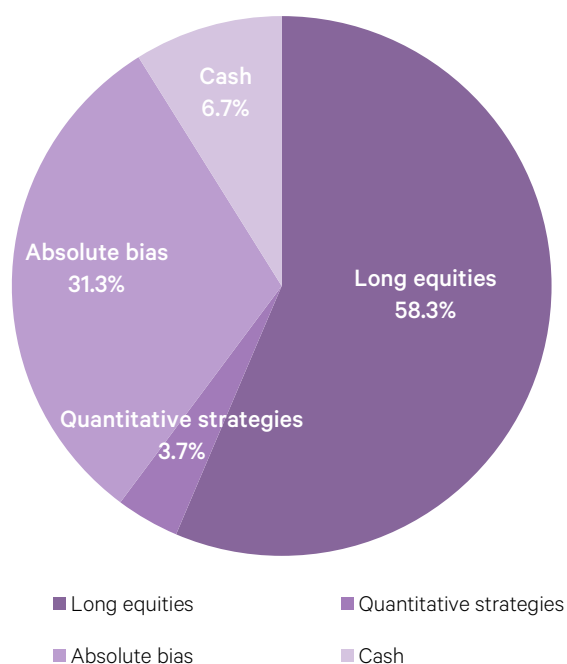
We look forward to meeting with our shareholders and interested investors at the upcoming Shareholder Presentations. You will receive an invitation shortly.

Location	Time	Day	Date
Launceston	1.00 – 2.00pm	Friday	11 May
Canberra	12.30 – 1.30pm	Monday	14 May
Sydney Presentation	12.30 – 1.30pm	Tuesday	15 May
Sydney Investment Forum	1.30 – 3.00pm	Tuesday	15 May
Sydney AGM	3.30 – 4.00pm	Tuesday	15 May
Brisbane	12.30 – 1.30pm	Wednesday	16 May
Toowoomba	12.30 – 1.30pm	Thursday	17 May
Perth	12.30 – 1.30pm	Monday	21 May
Adelaide	12.30 – 1.30pm	Tuesday	22 May
Melbourne	12.30 – 1.30pm	Thursday	24 May

Fund manager allocations

Fund manager	Investment	Strategy	% of portfolio
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	10.1%
Magellan Asset Management	Magellan Global Fund	Long equities	9.8%
Ironbridge Capital Management	Ironbridge Global Focus Fund	Long equities	8.6%
Antipodes Partners	Antipodes Global Fund	Absolute bias	8.3%
Marsico Capital Management	Marsico Global Fund	Long equities	7.9%
Caledonia	Caledonia Fund	Long equities	7.7%
VGI Partners	VGI Partners Funds	Absolute bias	7.6%
Nikko Asset Management Australia	Nikko AM Global Share Fund	Long equities	6.0%
Manikay Partners	Manikay Global Opportunistic USD Fund	Absolute bias	4.7%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	4.6%
Morphic Asset Management	Morphic Global Opportunities Fund	Absolute bias	4.4%
Neuberger Berman Australia	Neuberger Berman Systematic Global Equities Trust	Quantitative strategies	3.7%
Paradise Investment Management	Paradise Global Small Mid Cap Fund Unhedged	Long equities	3.6%
Avenir Capital	Avenir Global Fund	Absolute bias	3.4%
Antipodes Partners	Antipodes Asia Fund	Absolute bias	2.9%
	Cash and Term Deposits	Cash	6.7%

Investment strategy allocation



Long equities

Investing in a portfolio of equities based on the expectation that 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. The long equities portion of the portfolio includes exposure to large-cap, mid-cap and small-cap stocks.

Quantitative strategies

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 (including but not limited to short selling and leveraging) to profit from rising and falling markets, providing portfolio protection in the event an equity market experiences a significant fall.

Pro bono fund managers



Fund manager in focus: Neuberger Berman Australia

NEUBERGER	BERMAN
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Neuberger Berman was founded in 1939 to do one thing: deliver compelling investment results for our clients over the long term. This remains our singular purpose today, driven by a culture rooted in deep fundamental research, the pursuit of investment insight, and continuous innovation on behalf of clients, and facilitated by the free exchange of ideas across the organisation.

The firm manages a range of strategies—including equity, fixed income, quantitative and multi-asset class, private equity and hedge funds—on behalf of institutions, advisors and individual investors globally. With offices in 31 cities worldwide, Neuberger Berman's team is approximately 1,900 professionals. The company was named the #1 firm in Pensions & Investments 2016 Best Places to Work in Money Management survey (among those with 1,000 employees or more).

Tenured, stable and long-term in focus, the firm fosters an investment culture of fundamental research and independent thinking. It manages US\$296 billion in client assets as at 31 December 2017.

For more information, visit www.nb.com

Our investment philosophy

The Neuberger Berman Systematic Global Equity Trust seeks to outperform the MSCI All Country World Index by implementing a systematic investment approach across global developed and emerging equity markets.

The investment approach seeks to identify attractive stocks based on a company's fundamental attributes including:

- Quality – stocks with more stable balance sheets, persistent earnings, lower leverage and shareholder friendly capital allocation policies
- Value – stocks that are more attractively valued than market peers
- Momentum – stocks with improving market sentiment and performance
- High income – stocks with higher dividend yields
- Low risk – stocks with lower volatility.

Put more simply, the strategy systematically evaluates the global equity markets looking for good companies, that are trading cheaply, but with improving prospects, attractive income and lower risk attributes than the market. Each stock in the universe is ranked on a combination of these attributes. Attractively ranked stocks are then combined into a diversified portfolio across sectors and countries.

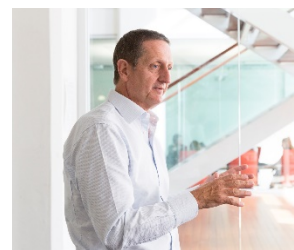
Our market outlook

The global macroeconomic environment was very encouraging in 2017. Synchronized growth supported risk assets in both developed and emerging economies, while geopolitical risks were largely shrugged off by investors. As a result, equity markets displayed a remarkable run in an environment of unusually low volatility, with several major indices, including the S&P 500 and the MSCI All Country World Index, closing the year with positive returns in every month of the year.

However, amidst rich valuations and increasing tail risks, global markets are becoming increasingly vulnerable to short-term shocks and unmet expectations. For now, Neuberger Berman will continue to evaluate the direction of the U.S. presidential administration, while remaining cognizant of the pace of central bank policy and heightened geopolitical tensions.

For 2018, Neuberger Berman remains constructive on global equity markets as the global economy is likely to strengthen further. Diversification remains a key consideration for investors as they manage uncertainties facing their portfolios. Within the context of global equity, Neuberger Berman believes a multi-factor approach is a useful framework to provide multiple checkpoints of a stock's potential for future returns.

Charity in focus: Brain and Mind Centre



About the Brain and Mind Centre

The Brain and Mind Centre develops novel clinical assessment, monitoring and treatment programs for young people with emerging anxiety and depressive disorders.

In partnership with local providers (Sydney Local Health District, Uspace at St Vincent's Private Hospital Sydney), national (Orygen, headspace, Black Dog Institute, QIMR Berghofer Medical Research Institute) and international (Centre for Genetic Epidemiology, National Institute of Mental Health) leaders in youth mental health, and online technologies (ReachOut.com Australia, Young and Well Cooperative Research Centre), the Brain and Mind Centre is focused on developing optimal and real-time assessment and tracking strategies for young people who experience the onset of anxiety and depression in adolescence and early adult life.

Brain and Mind – Youth Platform

The provision of highly-personalised clinical assessment and longitudinal tracking over 12 months can dramatically improve the health outcomes of young people with anxiety and depression and the Brain and Mind Centre's Youth Program has been working to develop tools to support that.

These tools use new and emerging technologies to detail psychological, cognitive, social and medical characteristics and plan individualised and more effective long-term interventions. This package of tools (or etools) is referred to as the Brain and Mind-Youth Platform and is currently supported by FGG funding.

The Brain and Mind Centre and FGG

To date, FGG funding has supported the installation of the Brain and Mind-Youth Platform at five headspace sites in NSW (Ashfield, Bondi Junction, Camperdown, Hurstville and Miranda). These etools assess, report and guide real-time results and recommendations regarding mental health and wellbeing and include the development of a 'share plan' with a health professional. To date, almost 500 'share plans' have been created.

Future funding will contribute to the expansion of the project to include other headspace sites in NSW and interstate; and, over the course of the project will link together clustered networks of youth primary mental health care services to achieve system reform. It will enable an estimated 20,000 young people over five years to access the Brain and Mind-Youth Platform.

For more information, visit www.sydney.edu.au/brain-mind

Q&A with Professor Ian Hickie

What is your driving motivation in your current role?

To ensure that all young people, wherever they are in Australia and whatever their circumstances, have access to real 21st century assessment and active smart management of their mental health difficulties or suicidal intention, as early as possible in the course of their illness.

What is the biggest challenge for the organisation?

Sustainable investment (money, people and infrastructure) in changing old health care systems that are not person-friendly to 21st century systems that respond in real time with truly helpful responses.

What does it mean to have the support of FGG?

FGG support provides an ongoing funding mechanism that means we can invest in those young professionals who are really committed to driving long-term reforms.

Charities



Service providers

