



WisdomTree  
**Q2/16 Results**



July 29, 2016

# Forward looking statements

This presentation contains forward-looking statements that are based on our management's belief and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue" or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, the risks described below. If one or more of these or other risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this presentation completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

In particular, forward-looking statements in this presentation may include statements about: anticipated trends, conditions and investor sentiment in the global markets and exchange-traded products ("ETPs"); anticipated levels of inflows into and outflows out of our ETPs; our ability to deliver favorable rates of return to investors; our ability to develop new products and services; our ability to maintain current vendors or find new vendors to provide services to us at favorable costs; our ability to successfully expand our business into non-U.S. markets; timing of payment of our cash income taxes; competition in our business; and the effect of laws and regulations that apply to our business.

Our business is subject to many risks and uncertainties, including without limitation:

Financial growth in recent years may not provide an accurate representation of the financial growth we may experience in the future, which may make it difficult to evaluate our future prospects.

Declining prices of securities can adversely affect our business by reducing the market value of the assets we manage or causing customers to sell their fund shares and trigger redemptions.

Fluctuations in the amount and mix of our AUM may negatively impact revenues and operating margins.

We derive a substantial portion of our revenues from two products – the WisdomTree Europe Hedged Equity Fund and the WisdomTree Japan Hedged Equity Fund – and, as a result, our operating results are particularly exposed to the performance of these funds and our ability to maintain the AUM of these funds, as well as investor sentiment toward investing in the funds' strategies and market-specific and political and economic risk.

Most of our AUM are held in our U.S. listed ETFs that invest in foreign securities and we therefore have substantial exposure to foreign market conditions and are subject to currency exchange rate risks.

Many of our ETPs and ETFs have a limited track record, and poor investment performance could cause our revenues to decline.

We depend on third parties to provide many critical services to operate our business and our ETPs and ETFs. The failure of key vendors to adequately provide such services could materially affect our operating business and harm our customers.

Other factors, such as general economic conditions, including currency exchange rate fluctuations, also may have an effect on the results of our operations. For a more complete description of the risks noted above and other risks that could cause our actual results to differ from our current expectations, please see the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015. The forward-looking statements in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. Therefore, these forward-looking statements do not represent our views as of any date other than the date of this presentation.

# Q2 highlights

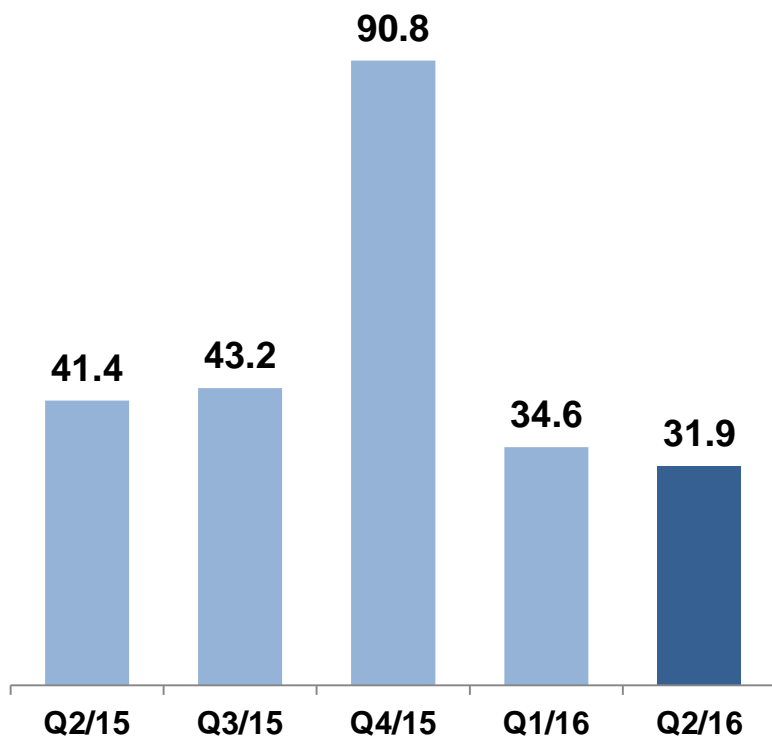
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- Challenging quarter
- Negative sentiment toward Europe and Japan
- Positive results in U.S. equity product suite
- Continued focus on strategic growth plans

# Industry flows in domestic fixed income and equities

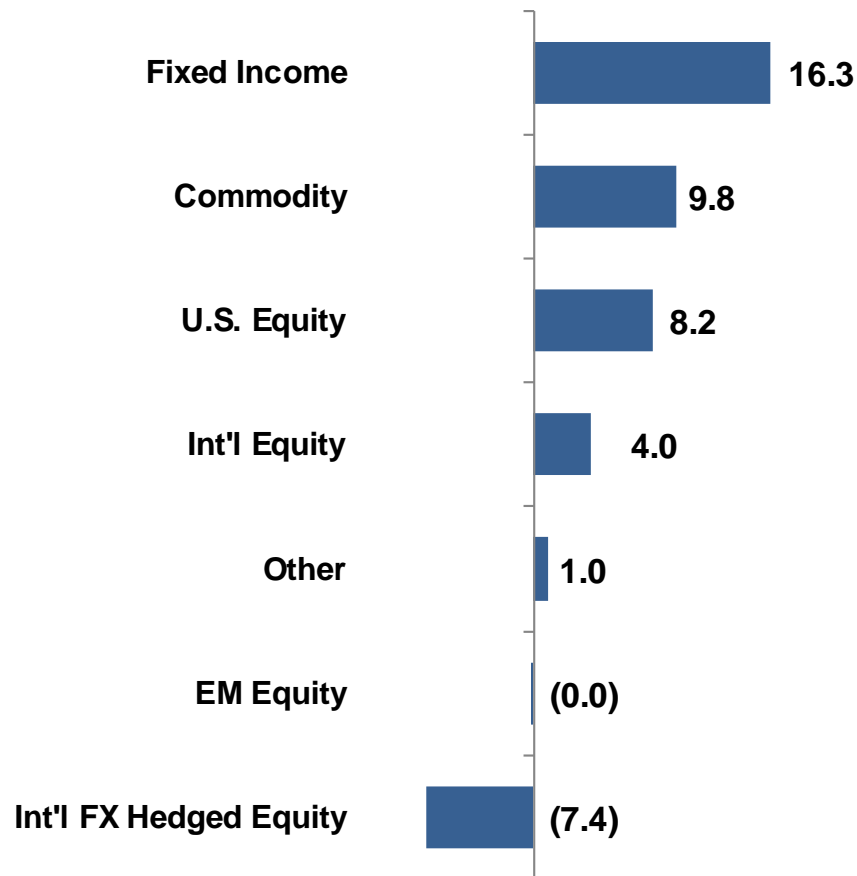
## U.S. ETF Industry Net Inflows

(\$ billions)



## Q2/16 Net Inflows by Category

(\$ billions)



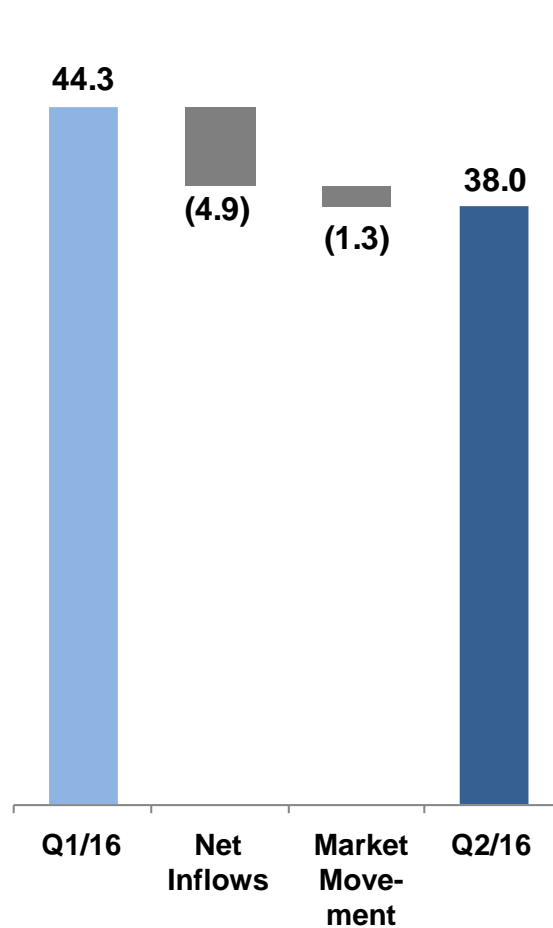
# Outflows offset by inflows into U.S. equities

## Q2 Major Market Conditions

Nikkei 225	▼	-7.1%
USD / JPY	▼	-8.7%
Euro STOXX 50	▼	-4.7%
USD / EUR	▲	2.6%
MSCI Emerging Markets	▼	-0.3%
S&P 500	▲	1.9%

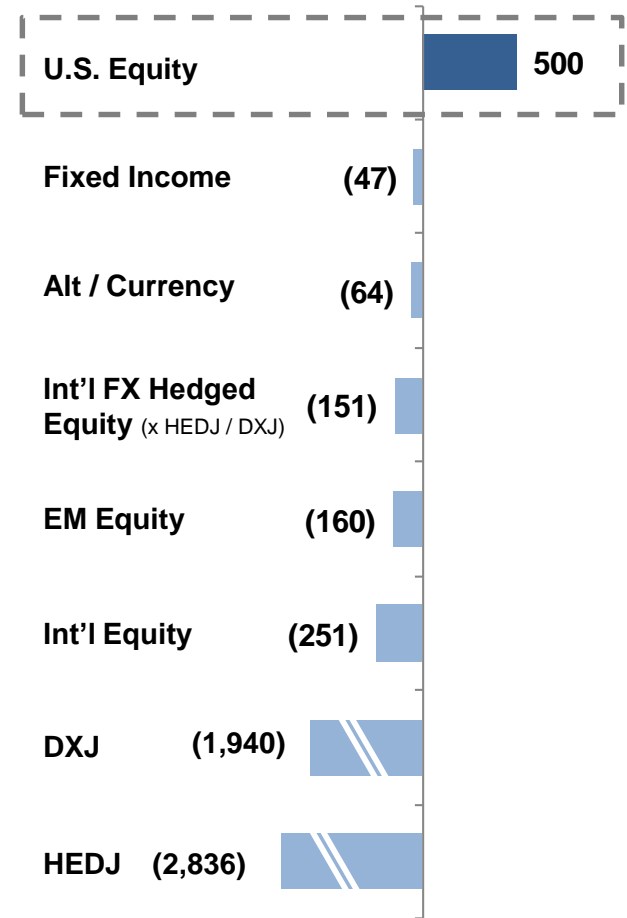
## Quarterly U.S. ETF AUM Change

(\$ billions)



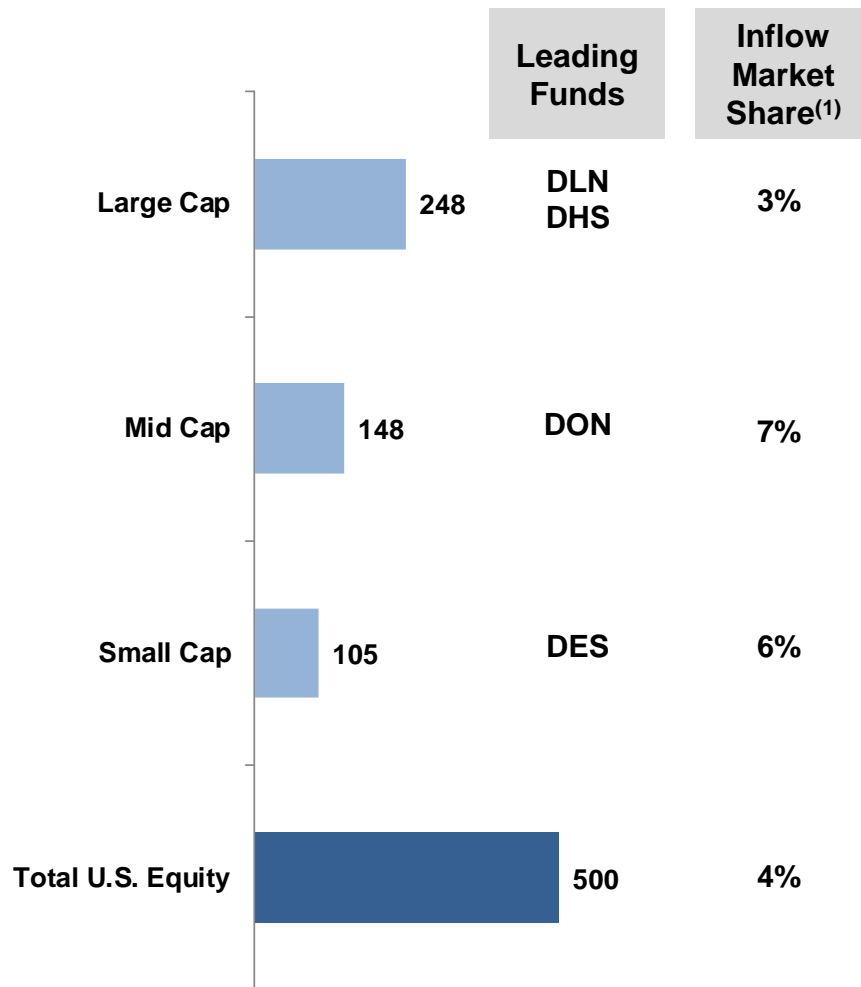
## Q2/16 Net Inflows

(\$ millions)



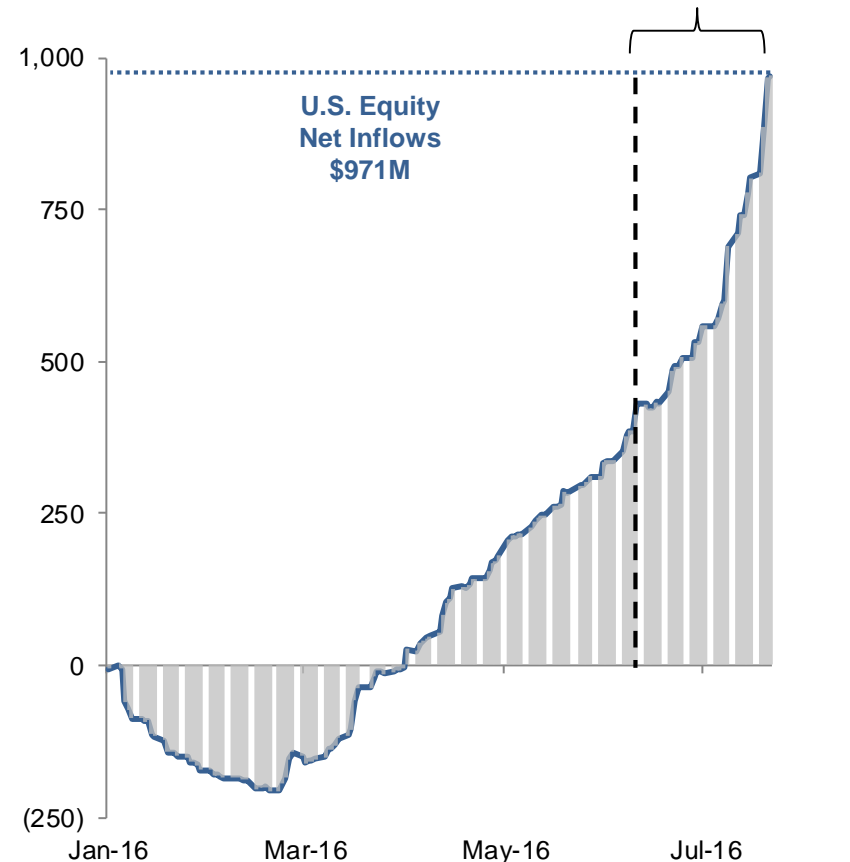
# Strong quarter in U.S. equities going into 10 years

## Q2/16 U.S. Equity Net Inflows



## WisdomTree U.S. Equity Net Inflows YTD<sup>(2)</sup>

Cumulative Net Flows (\$M)



(1) Source: Morningstar. Based on Morningstar Categories within Broad Category U.S. Equity, which does not include Sector funds. Size grouping combines the Blend, Growth and Value Morningstar Categories in each size.

(2) As of 7/28/16.

# At 10 years, original funds positioned for accelerated growth

	Ticker	Name	MORNINGSTAR®
U.S. Equity	DTD	Total Dividend	★★★★★
	DLN	LargeCap Dividend	★★★★★
	DON	MidCap Dividend	★★★★★
	DES	SmallCap Dividend	★★★★★
	DHS	High Dividend	★★★★
International Equity	DWM	International Equity	★★★★
	DOL	International LargeCap Dividend	★★★
	DIM	International MidCap Dividend	★★★
	DLS	International SmallCap Dividend	★★★★
	DTH	International High Dividend	★★★
	DFE	Europe SmallCap Dividend	★★★★
	DFJ	Japan SmallCap Dividend	★★★

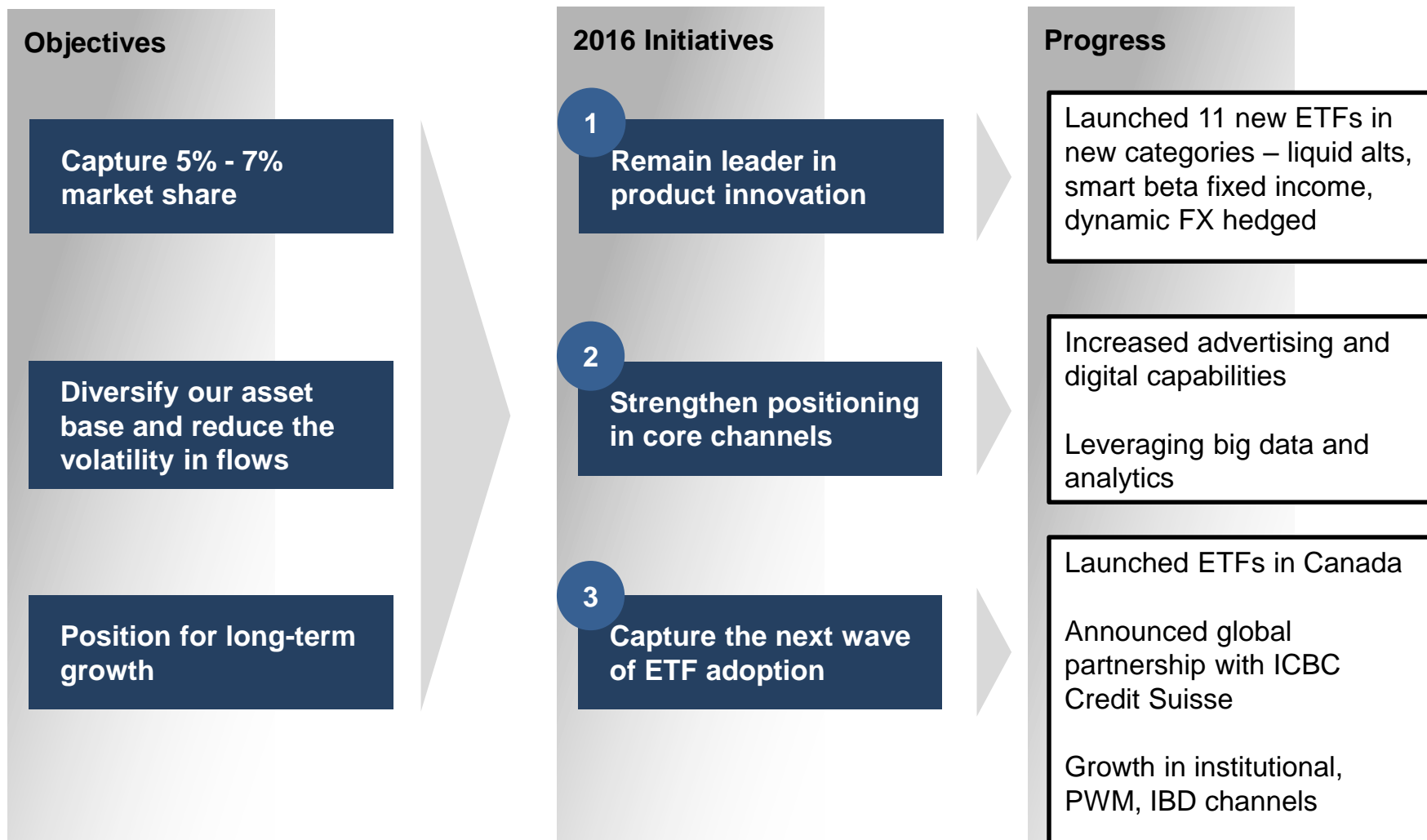
## Morningstar Ratings

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For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics.

The Morningstar Rating™ is provided for those exchange-traded funds ("ETFs") with at least a three-year history. Ratings are based on the ETF's Morningstar Risk-Adjusted Return measure which accounts for variation in monthly performance, placing more emphasis on downward variations and rewarding consistent performance. An ETF's risk-adjusted return includes a brokerage commission estimate. This estimate is intended to reflect what an average investor would pay when buying or selling an ETF. PLEASE NOTE, this estimate is subject to change and the actual brokerage commission an investor pays may be higher or lower than this estimate. Morningstar compares each ETF's risk-adjusted return to the open-end mutual fund rating breakpoints for that category. Consistent with the open-end mutual fund ratings, the top 10% of ETFs in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The overall rating for an ETF is based on a weighted average of the time-period ratings (e.g., the ETF's 3, 5, and 10 year rating).. The determination of an ETF's rating does not affect the retail open end mutual fund data published by Morningstar. Past performance is no guarantee of future results.

# Executing on our strategic initiatives

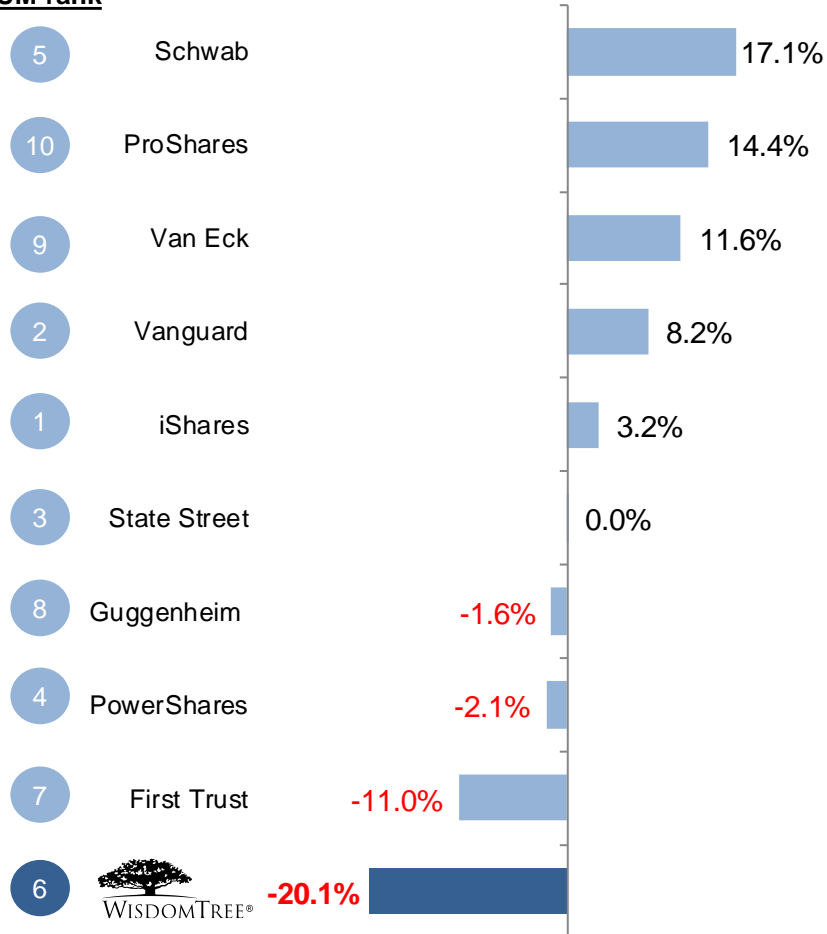




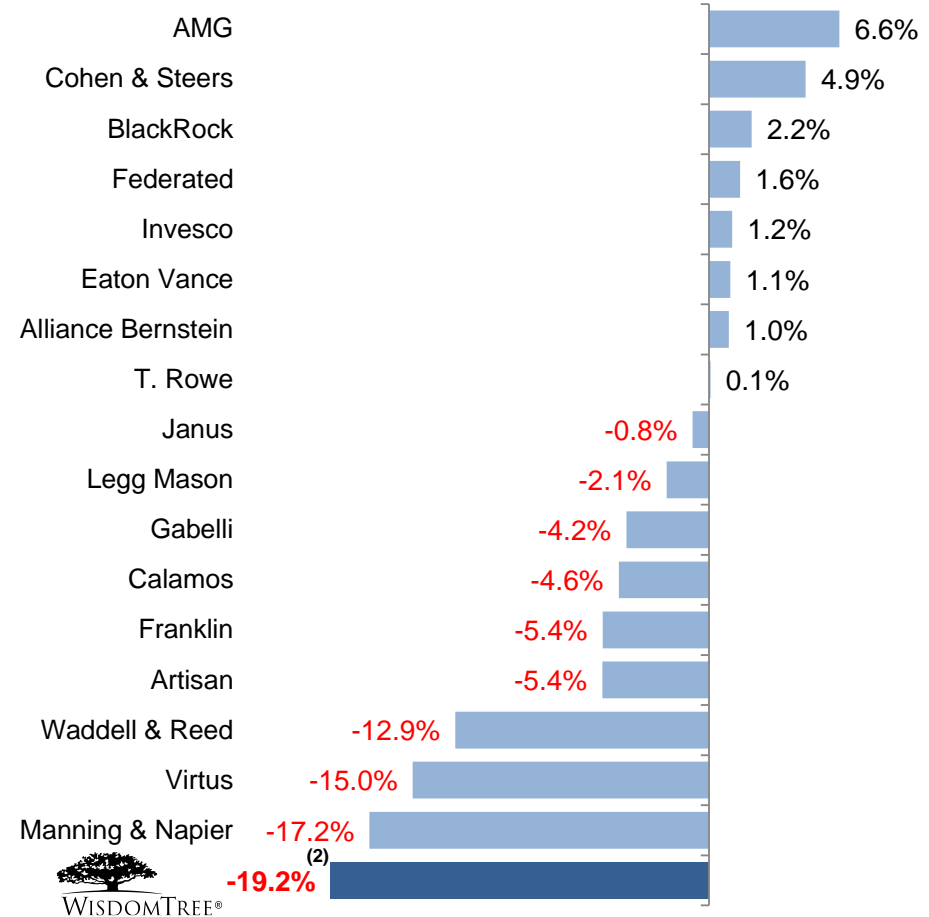
# Organic growth lagged on market sentiment

## Top 10 U.S. ETF Sponsors H1/16 Org. Growth <sup>(1)</sup>

### AUM rank



## Public Asset Managers H1/16 Org. Growth <sup>(1)</sup>



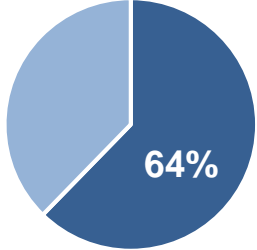
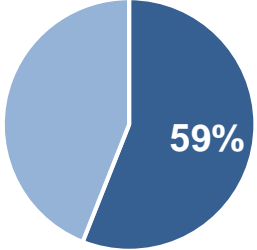
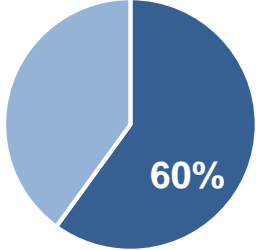
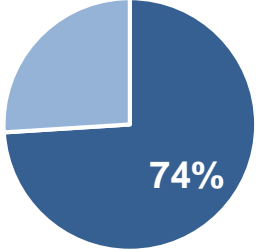
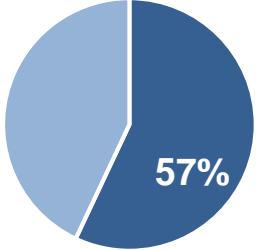
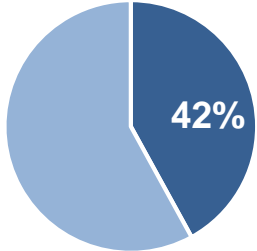
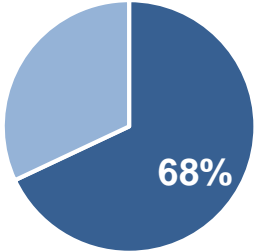
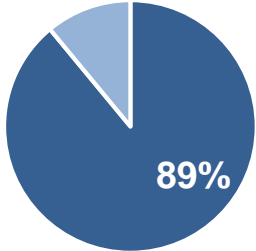
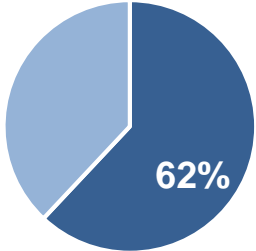
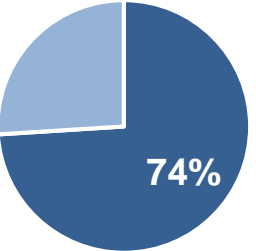
Source: Bloomberg, WisdomTree, Strategic Insights.

(1) Calculated as net inflows for the period over BoP AUM. Excludes money market funds for public asset managers.

(2) Includes U.S. and Europe.

# Morningstar performance of U.S. listed ETFs

Our performance against *actively managed and indexed mutual funds and ETFs*

As of June 30, 2016	1 Year (58 applicable ETFs)	3 Year (44 applicable ETFs)	5 Year (37 applicable ETFs)	10 Year (19 applicable ETFs)	Since Inception (76 applicable ETFs)
% of ETFs Outperforming Morningstar peer group average					
% of AUM Outperforming Morningstar peer group average					



[Click Here](#) for most recent standardized performance report.

Excludes ETFs for which Morningstar does not provide relevant peer groups and funds with less than one full month of performance history.

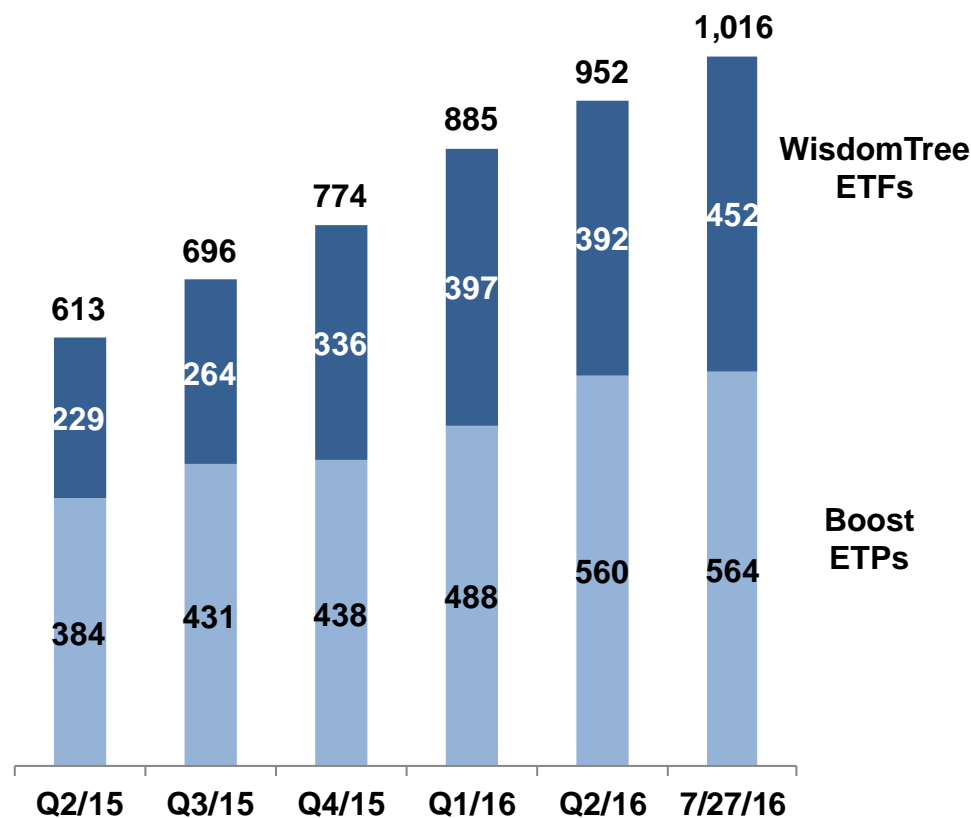
# Europe continuing to scale

## Highlights

- Surpassed \$1 billion in total AUM in July
- Expanded UCITS ETF sales into Sweden and France
- Launched commodity and dividend growth UCITS ETF strategies and oil ETPs
- Continuing to expand sales force and strengthen market positioning throughout Europe
- Launched S&P China 500 ETF with ICBC Credit Suisse
- Accelerated buyout of minority shareholders
- One-time charge of \$6.0 million
- Management changes to drive continued growth

## AUM

(\$ millions)

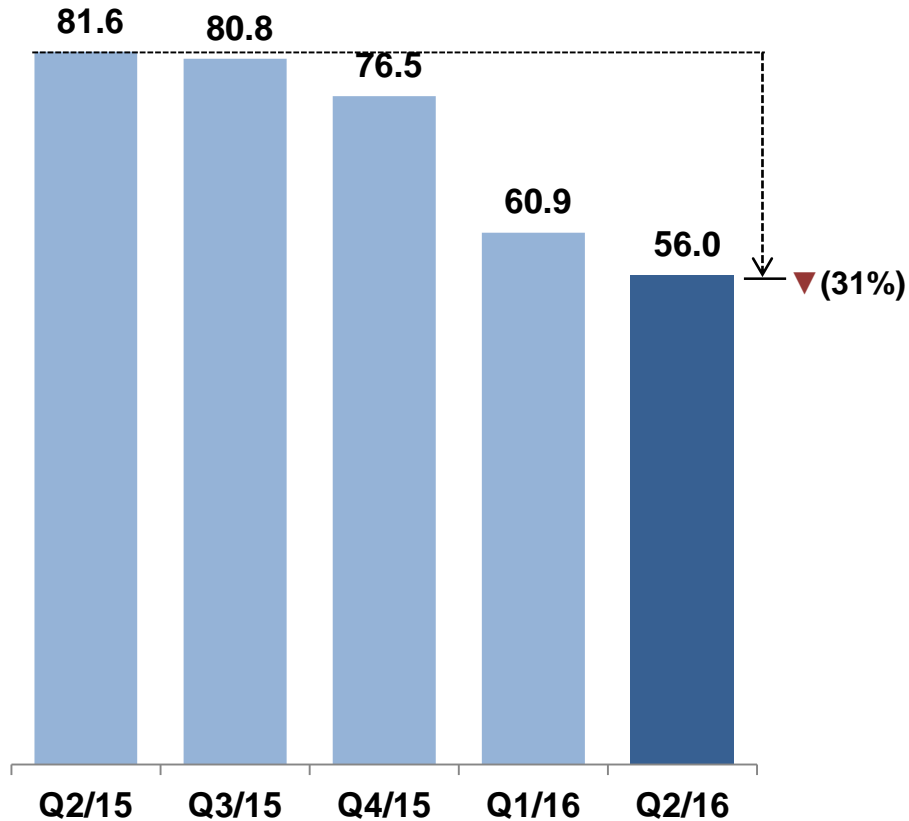


# Financial Results

# Challenging markets drive revenue and net income decline

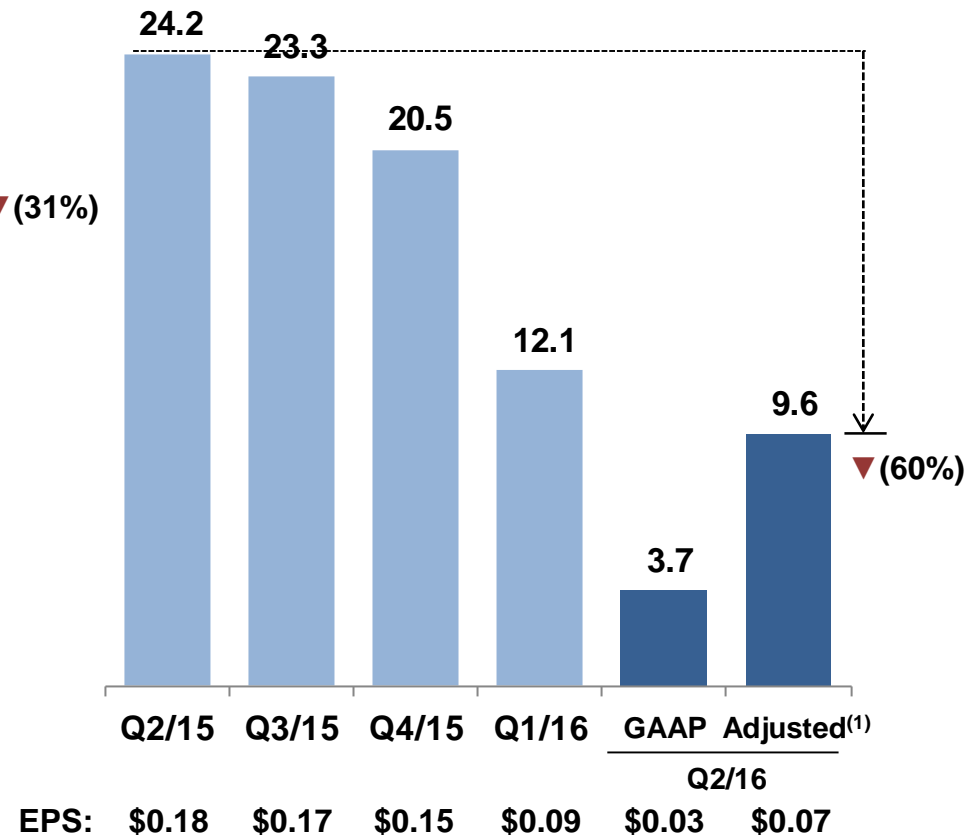
## Revenue

(\$ millions)



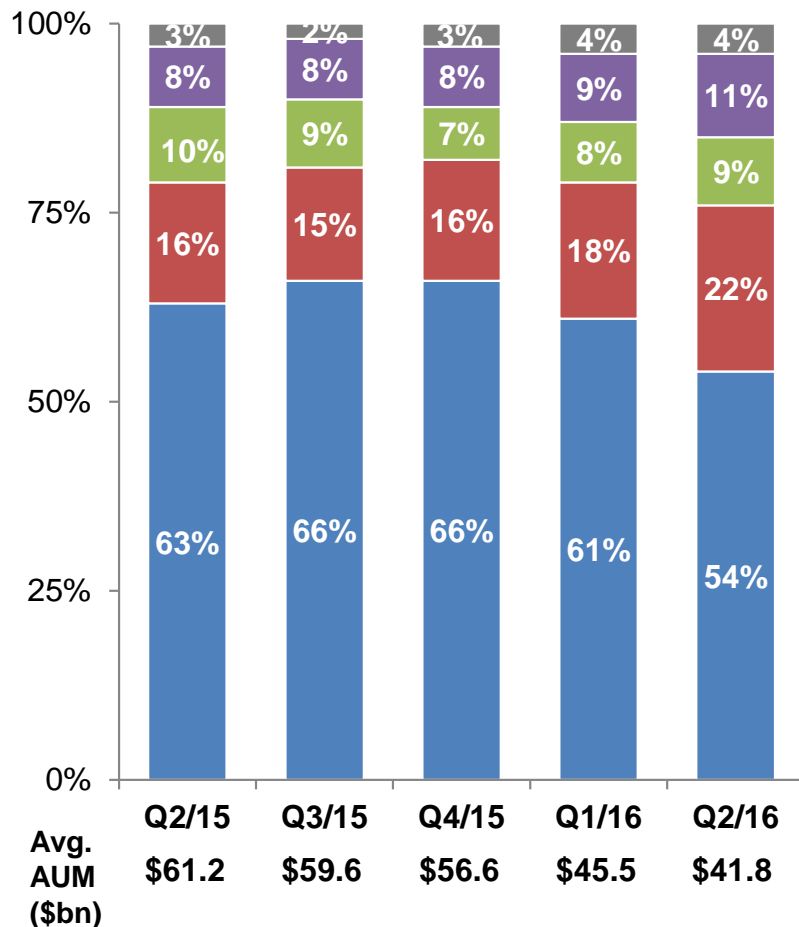
## Net Income

(\$ millions)



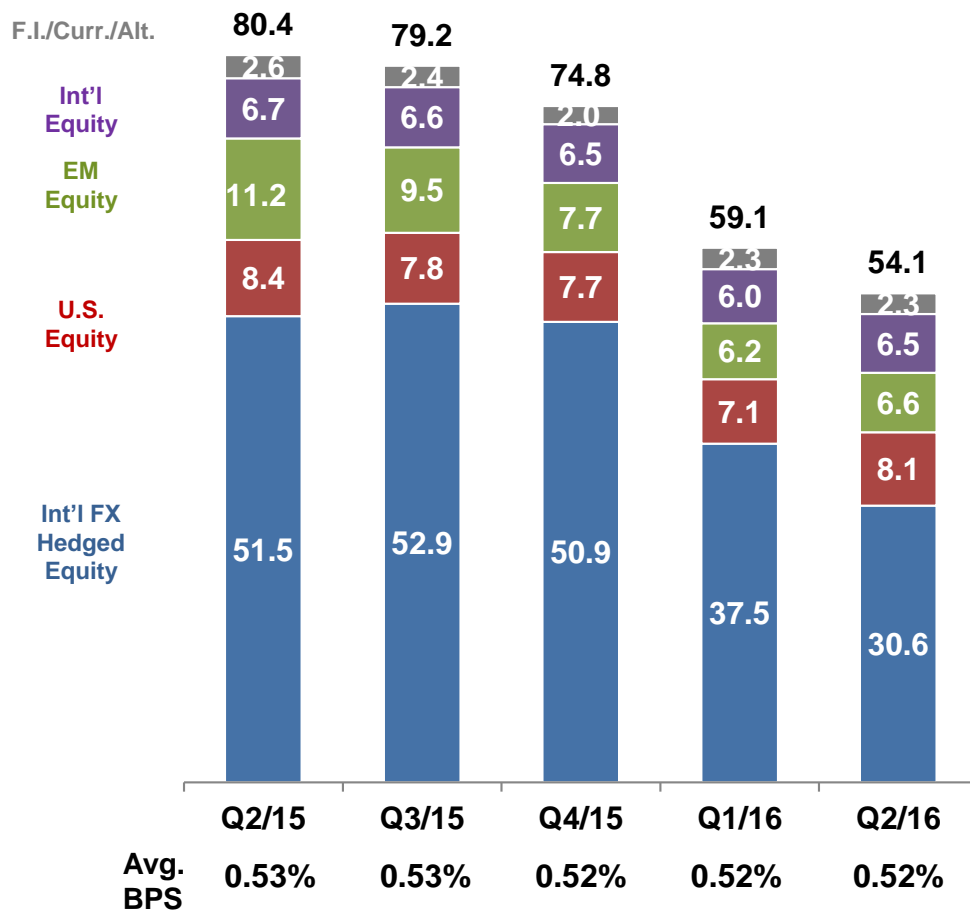
# U.S. equity AUM and revenue increasing

## U.S. Average AUM



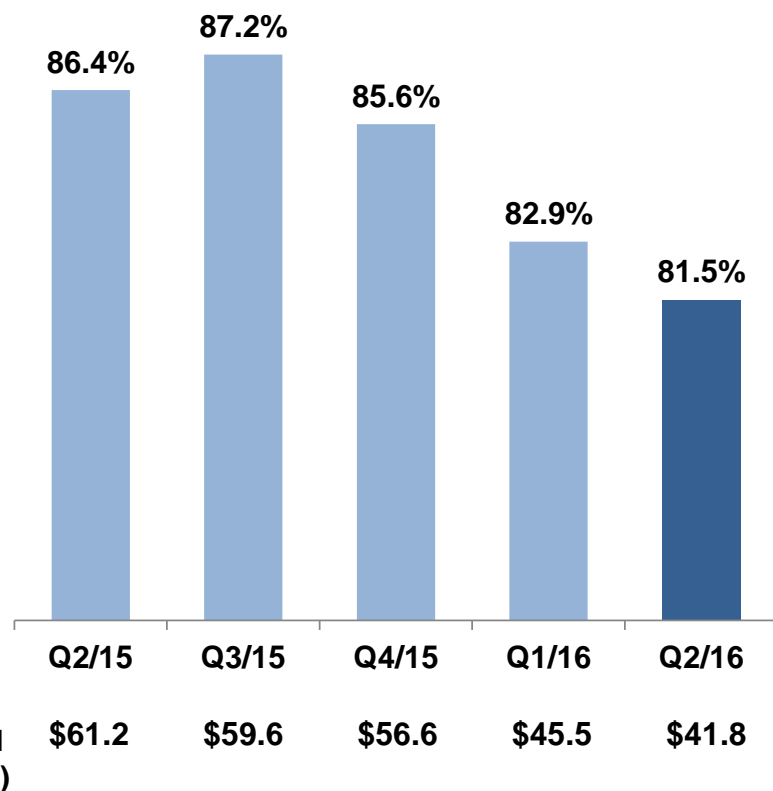
## U.S. ETF Revenue

(\$ millions)

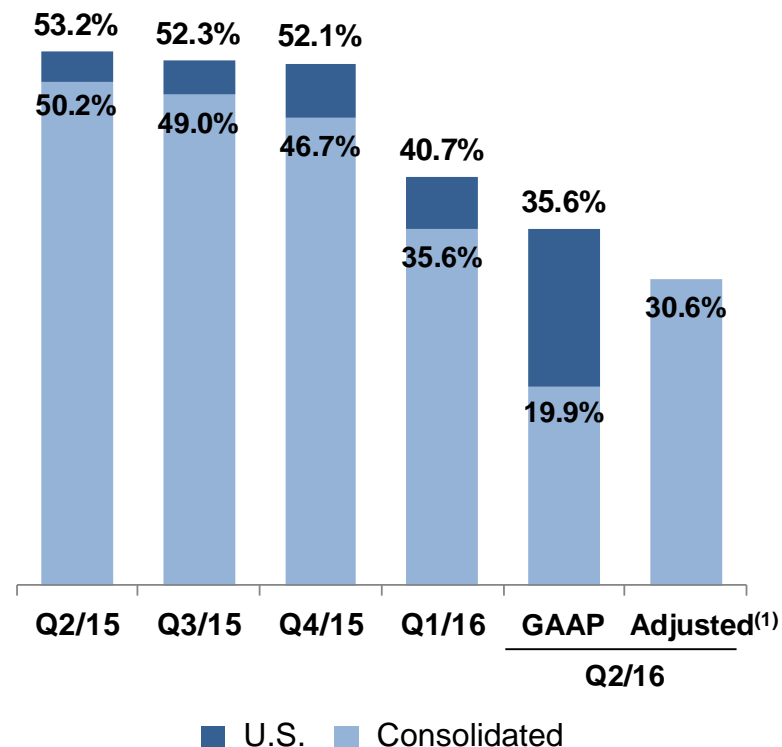


# Despite AUM pullback, pre-tax margins are still strong

## U.S. Listed Gross Margin<sup>(1)</sup>



## Pre-tax Margin<sup>(1)</sup>

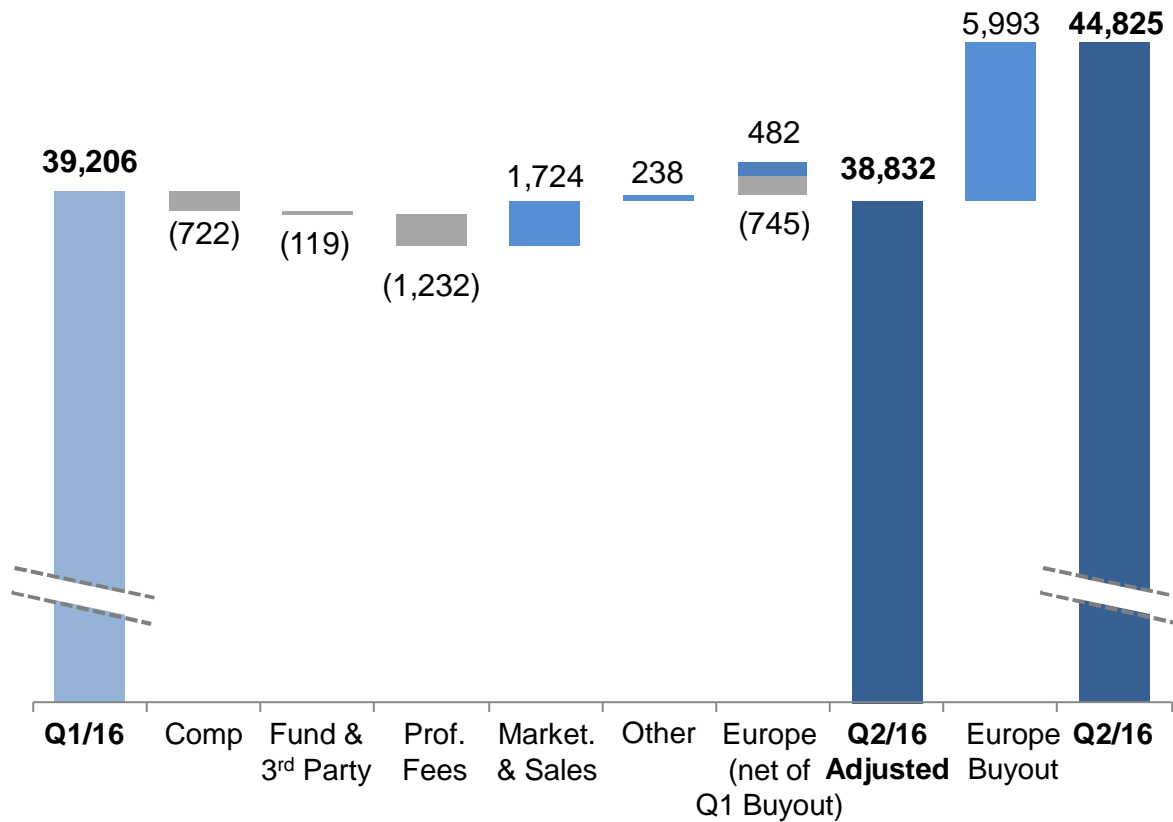


(1) See "Non-GAAP Financial Measurements."

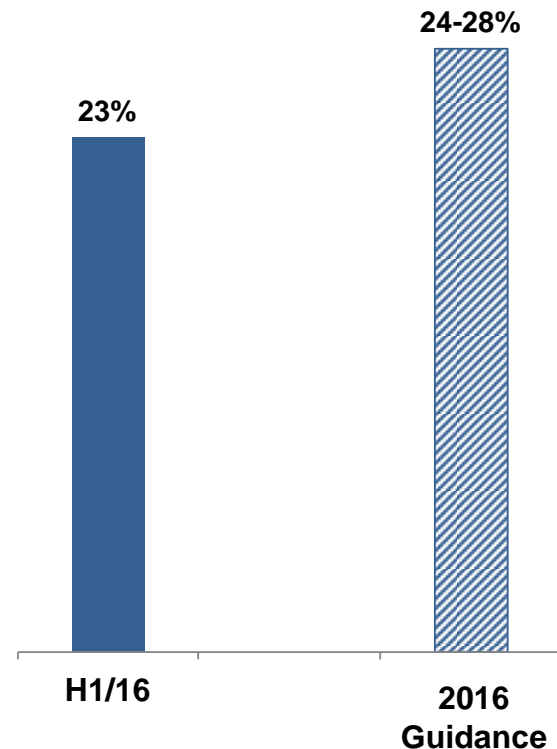
# Q2 down excluding buyout charge

## Expense Base Change – Q1/16 to Q2/16<sup>(1)</sup>

(\$ thousands)



## Comp as % of Revenue – U.S.





# Cash increased \$15 million in Q2

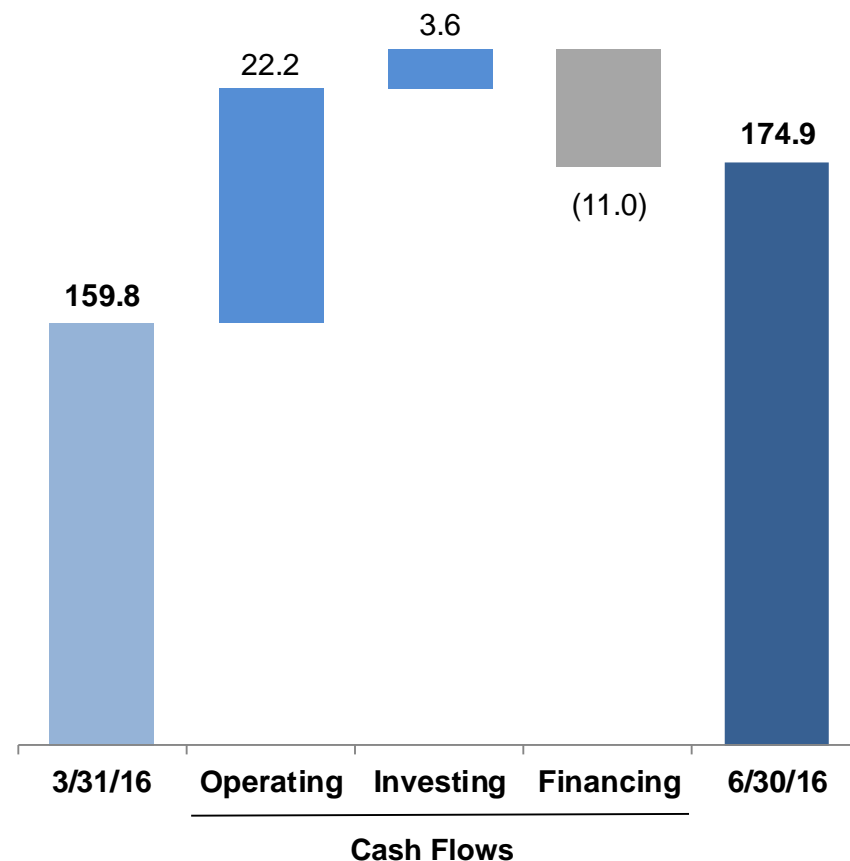
## Balance Sheet

(\$ millions)

	June 30, 2016	Dec. 31, 2015
<b>Assets</b>		
Cash and cash equivalents	\$174.9	\$210.1
Investments	18.7	23.7
Accounts receivable	17.9	27.5
Deferred tax asset, net	5.4	14.1
Fixed assets, net	12.1	12.0
Goodwill and intangibles	13.4	1.7
Other assets	5.4	3.6
<b>Total assets</b>	<b>\$247.8</b>	<b>\$292.7</b>
<b>Liabilities</b>		
Fund management and administration	\$13.2	\$13.0
Compensation and benefits	7.5	28.1
Accounts payable and other liabilities	14.3	12.0
Deferred rent	5.0	5.1
Total liabilities	40.0	58.2
<b>Stockholders' equity</b>	<b>207.8</b>	<b>234.5</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$247.8</b>	<b>\$292.7</b>

## Change in Cash Q2/16

(\$ millions)



# Income taxes

- U.S. baseline tax rate approximately 39%
- Recording GAAP tax expense; however, our historical tax shield will run out in Q3 and we will begin to pay cash taxes
- Cannot offset U.S. taxes by losses generated by European and Canadian operations until they are profitable

## NOL Roll Forward

<u>Net Operating Loss</u>	
12/31/15	26.1
2016 U.S. pre tax income <sup>(1)</sup>	(37.5)
Net stock based compensation	2.0
2015 incentive compensation paid in Feb.	19.2
Other adjustments	(2.1)
<b>Pre-tax NOL 6/30/16</b>	<b>7.7</b>
Approximate tax rate	39%
<b>Post-tax NOL</b>	<b>\$3.0</b>

## Potential Future Additions

We continue to generate additional tax deductions due to tax benefits from equity grants. Value and timing of the tax benefit depends on WETF price and date of exercise or vesting of equity awards.

<i>WETF stock price, 7/27/16</i>	\$11.13
Outstanding options, 6/30/16	1,448
Weighted average strike price	\$2.90
Value yet to be recognized	\$11.9 <i>a</i>
Unvested restricted stock, 3/31/16	2,432
Value yet to be recognized	\$27.1 <i>b</i>
<b>Potential future additions to NOL</b>	<b>\$39.0 <i>a+b</i></b>
Approximate tax rate	39%
<b>Potential cash tax savings</b>	<b>\$15.2</b>

## Additional Detail

Nearly all options are currently exercisable and restricted stock will vest according to the schedule below.

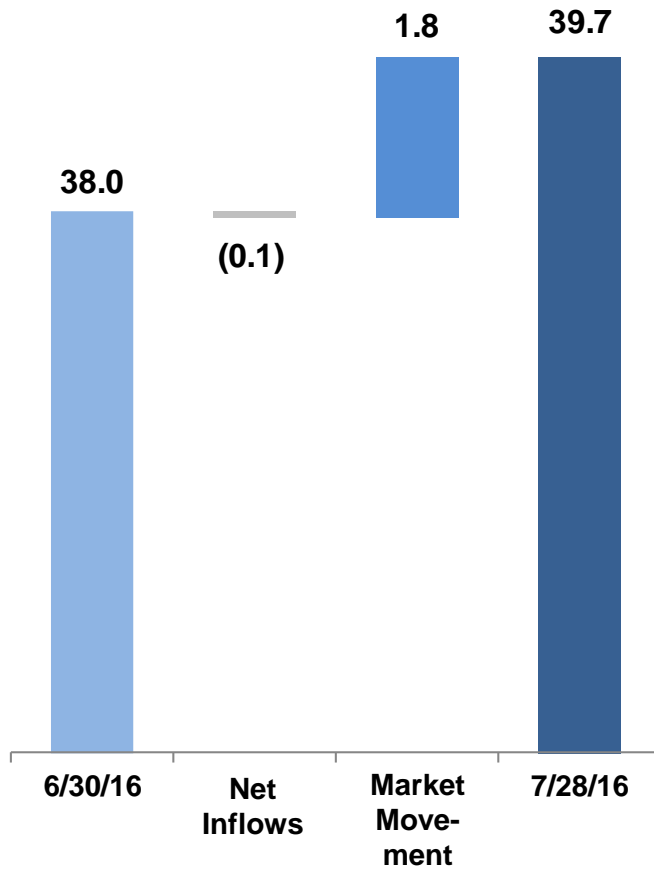
	<u>Options Expiration</u>		<u>Intrinsic Value</u>
	<u>#</u>	<u>Strike</u>	
2017	110	\$1.07	\$1.1
2018	241	\$2.89	\$2.0
2019-2021	1,097	\$3.08	\$8.8
	1,448	\$2.90	<b>\$11.9</b>

<u>Stock Vesting</u>		
2016	178	\$2.0
2017	1,002	\$11.2
2018 - 2020	1,252	\$13.9
	2,432	<b>\$27.1</b>

# Q3 as of 7/28/16

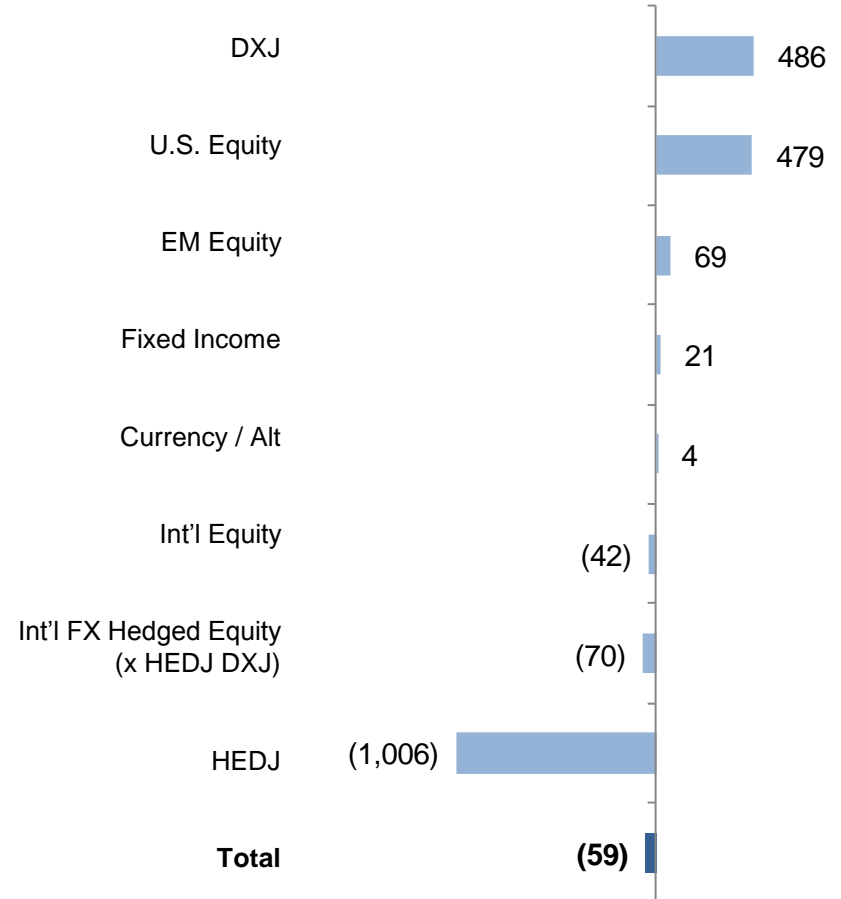
## WisdomTree U.S. Listed AUM

(\$ billions)



## U.S. Net Inflows

(\$ millions)



# Strongly positioned from past investments

- **Launched ETFs in Canada with over \$90 million in AUM**
- **Product partnership with ICBC Credit Suisse on S&P China 500 ETF**



- WisdomTree's ETF expertise and U.S. and Europe distribution
- ICBC Credit Suisse's China expertise and Asia distribution
- First product launched in Europe this week – WisdomTree to distribute in Europe and ICBC Credit Suisse to distribute in Asia



- **Outstanding 10-year track record in original smart beta ETFs**

- 11 of 12 dividend-weighted indexes with continuous track records have beaten comparable cap-weighted benchmarks
- Over 5 years, all 5 original U.S. dividend funds beat 95% of active and passive peers and 3 have beaten 99% of peers <sup>(1)</sup>

***Strongly positioned for long-term trends transforming asset management***

# Appendix

# Consolidated Financial Results

(\$ thousands)

	2014				2015				2016	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Revenues</b>										
Advisory fees	\$ 42,609	\$ 43,938	\$ 46,942	\$ 49,327	\$ 59,869	\$ 81,320	\$ 80,520	\$ 76,235	\$ 60,615	\$ 55,931
Other income	311	190	172	273	272	239	233	254	263	50
Total revenues	42,920	44,128	47,114	49,600	60,141	81,559	80,753	76,489	60,878	55,981
<b>Expenses</b>										
Compensation and benefits	9,355	7,551	9,990	14,099	19,601	18,669	19,407	15,551	15,226	14,343
Fund management and administration	9,168	7,818	8,465	8,932	10,168	11,208	10,519	10,887	10,044	10,621
Marketing and advertising	2,578	2,726	3,341	2,869	3,076	3,628	3,573	3,094	3,832	4,566
Sales and business development	1,301	1,727	1,279	1,914	1,900	2,076	2,438	2,775	2,447	3,834
Professional and consulting fees	1,795	1,840	1,383	2,560	1,463	1,604	1,570	2,430	2,835	1,365
Occupancy, communications and equipment	900	853	882	943	918	943	1,183	1,255	1,222	1,241
Depreciation and amortization	192	201	207	221	220	223	253	310	316	330
Third party sharing arrangements	10	115	187	282	283	497	485	1,178	907	709
Acquisition payment					257	264	172	1,492	745	5,993
Other	1,142	1,164	1,123	1,101	1,235	1,509	1,620	1,823	1,632	1,823
Total expenses	26,441	23,995	26,857	32,921	39,121	40,621	41,220	40,795	39,206	44,825
<b>Income before taxes</b>	16,479	20,133	20,257	16,679	21,020	40,938	39,533	35,694	21,672	11,156
Income tax (benefit)/expense	(13,725)	9,531	9,634	7,057	8,958	16,766	16,245	15,164	9,600	7,505
<b>Net Income</b>	<b>\$ 30,204</b>	<b>\$ 10,602</b>	<b>\$ 10,623</b>	<b>\$ 9,622</b>	<b>\$ 12,062</b>	<b>\$ 24,172</b>	<b>\$ 23,288</b>	<b>\$ 20,530</b>	<b>\$ 12,072</b>	<b>\$ 3,651</b>
Note:										
Stock-based compensation included above	\$ 2,015	\$ 2,030	\$ 2,077	\$ 2,015	\$ 2,344	\$ 2,608	\$ 2,926	\$ 3,022	\$ 3,503	\$ 3,767

# Key Operating Statistics

(\$ millions)

	2014				2015				2016	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<u>AUM (end of period)</u>										
International Hedged Equity	\$12,612	\$12,557	\$13,971	\$17,760	\$33,925	\$39,222	\$34,608	\$33,311	\$25,140	\$18,798
U.S. Equity	7,505	8,052	7,939	9,390	9,748	9,245	8,247	8,603	8,966	9,766
International Developed Equity	4,830	5,340	4,494	3,988	4,323	4,829	4,394	4,525	4,653	4,184
Emerging Markets Equity	6,753	7,606	7,495	6,187	6,068	6,244	4,288	3,825	3,803	3,683
Fixed Income	1,610	1,376	1,379	1,152	904	956	794	799	828	790
Alternative Strategy	152	163	183	205	225	230	211	208	440	452
Currency	422	406	362	599	565	573	505	368	426	373
	\$33,884	\$35,500	\$35,823	\$39,281	\$55,758	\$61,299	\$53,047	\$51,639	\$44,256	\$38,046
Average ETF AUM	\$33,859	\$34,141	\$35,554	\$37,680	\$46,391	\$61,153	\$59,572	\$56,603	\$45,475	\$41,830
<u>Net Inflows / (Outflows)</u>										
U.S. Equity	\$189	\$221	\$84	\$968	\$294	(\$320)	(\$259)	(\$14)	(\$8)	\$500
Alternative Strategy	(4)	8	13	21	17	14	(13)	(4)	5	(10)
Fixed Income	(306)	(278)	69	(164)	(210)	67	(85)	9	(14)	(47)
Currency	(549)	(21)	(35)	232	(44)	7	(63)	(121)	65	(54)
Emerging Markets Equity	(632)	388	270	(836)	(165)	250	(1,013)	(418)	(171)	(160)
International Developed Equity	812	518	(452)	(305)	188	497	21	(56)	160	(251)
International Hedged Equity	(12)	(502)	799	4,580	13,440	6,083	751	(1,997)	(5,396)	(4,927)
Total	(\$502)	\$334	\$748	\$4,496	\$13,520	\$6,598	(\$661)	(\$2,601)	(\$5,359)	(\$4,949)
Average ETF Advisory Fee	0.51%	0.51%	0.52%	0.52%	0.52%	0.53%	0.53%	0.52%	0.52%	0.52%
<u>Average Mix</u>										
International Hedged Equity	39%	36%	36%	42%	53%	63%	66%	66%	61%	54%
U.S. Equity	21%	23%	23%	23%	21%	16%	15%	15%	18%	22%
International Developed Equity	13%	15%	14%	11%	9%	8%	8%	8%	9%	11%
Emerging Markets Equity	20%	21%	22%	19%	14%	10%	9%	8%	8%	9%
Fixed Income	5%	4%	4%	3%	2%	2%	1%	2%	2%	2%
Currency	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Alternative Strategy	0%	0%	0%	1%	0%	0%	0%	0%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
# of ETFs	62	69	69	70	70	75	79	86	93	99
<u>European Listed ETPs: (in thousands)</u>										
AUM (end of period)	\$113,244	\$123,210	\$165,018		\$288,801	\$384,089	\$431,259	\$437,934	\$488,069	\$560,063
Net Inflows	\$17,685	\$19,224	\$82,175		\$145,381	\$50,331	\$191,044	\$153,023	\$123,461	\$20,578
Average Advisory Fee	0.82%	0.79%	0.78%		0.81%	0.82%	0.83%	0.85%	0.84%	0.84%
<u>Total UCITS ETFs: (in thousands)</u>										
AUM (end of period)			\$16,179		\$45,846	\$228,588	\$264,452	\$335,938	\$396,901	\$391,900
Net Inflows			\$16,036		\$28,851	\$144,234	\$62,217	\$52,271	\$69,878	\$37,272
Average Advisory Fee			0.38%		0.40%	0.44%	0.45%	0.45%	0.47%	0.46%
U.S. Headcount	90	92	97	101	109	117	128	137	146	149
Non-U.S. Headcount		11	20	23	27	29	34	40	45	55

# Non-GAAP Financial Measurements

In an effort to provide additional information regarding our results as determined by GAAP, we also disclose certain non-GAAP information which we believe provides useful and meaningful information. Our management reviews these non-GAAP financial measurements when evaluating our financial performance and results of operations; therefore, we believe it is useful to provide information with respect to these non-GAAP measurements so as to share this perspective of management. Non-GAAP measurements do not have any standardized meaning, do not replace nor are superior to GAAP financial measurements and are unlikely to be comparable to similar measures presented by other companies. These non-GAAP financial measurements should be considered in the context with our GAAP results.

The non-GAAP financial measurements contained in this release include:

- **Gross margin and gross margin percentage.** We disclose gross margin, which we define as total revenues less fund management and administration expenses and third-party sharing arrangements, and gross margin percentage as non-GAAP financial measurements because we believe they provide investors with a consistent way to analyze the amount we retain after paying third party service providers to operate our ETPs and third party marketing agents whose fees are associated with our AUM level. Management tracks gross margin and gross margin percentage to analyze the profitability of operating our products.
- **Operating results for our U.S. listed ETF business.** We disclose the results of our U.S. listed ETF business separately from the start up stage of our European business to allow investors to better understand and track the performance and operating efficiency of our core U.S. operations, which make up the vast majority of our operating and financial results.
- **Operating results for the second quarter of 2016 excluding a \$6.0 million charge related to the accelerated buyout of the minority shareholders of our European business.** We exclude this charge, which is not deductible for tax purposes, when analyzing our results as it is a one-time, non-recurring charge and not core to our operating business.

	Three Months Ended				
	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Sept. 30, 2015	Jun. 30, 2015
<b>GAAP total revenue</b>	\$ 55,981	\$ 60,878	\$ 76,489	\$ 80,753	\$ 81,559
Fund management and administration	(10,621)	(10,044)	(10,887)	(10,519)	(11,208)
Third-party sharing arrangements	(709)	(907)	(1,178)	(485)	(497)
<b>Gross margin</b>	<u>\$ 44,651</u>	<u>\$ 49,927</u>	<u>\$ 64,424</u>	<u>\$ 69,749</u>	<u>\$ 69,854</u>
<b>Gross margin percentage</b>	<u>79.8%</u>	<u>82.0%</u>	<u>84.2%</u>	<u>86.4%</u>	<u>85.6%</u>
<b><u>U.S. listed ETFs:</u></b>					
<b>GAAP total revenue</b>	\$ 54,447	\$ 59,313	\$ 75,020	\$ 79,472	\$ 80,647
Fund management and administration	(9,339)	(9,260)	(9,647)	(9,666)	(10,462)
Third-party sharing arrangements	(709)	(907)	(1,178)	(485)	(497)
<b>Gross margin</b>	<u>\$ 44,399</u>	<u>\$ 49,146</u>	<u>\$ 64,195</u>	<u>\$ 69,321</u>	<u>\$ 69,688</u>
<b>Gross margin percentage</b>	<u>81.5%</u>	<u>82.9%</u>	<u>85.6%</u>	<u>87.2%</u>	<u>86.4%</u>
<b><u>Adjusted net income and diluted earnings per share:</u></b>					
Net income, as reported	\$ 3,651				
Add back acquisition payment	5,993				
Adjusted net income	\$ 9,644				
Weighted average common shares - diluted	137,274				
Adjusted net income per share - diluted	\$ 0.07				
<b><u>Adjusted pretax margin:</u></b>					
Income before income taxes	\$ 11,156				
Add back acquisition payment	5,993				
Adjusted income before income taxes	\$ 17,149				
Total revenues	\$ 55,981				
Adjusted pretax margin	<u>30.6%</u>				
<b><u>Tax rate:</u></b>					
Adjusted income before income taxes (from above)	\$17,149				
Income tax expense	7,505				
Adjusted income tax rate	43.8%				
<b><u>Adjusted total expenses:</u></b>					
Total expenses, as reported	\$ 44,825				
Less acquisition payment	(5,993)				
Adjusted total expenses	\$ 38,832				



# Historical statistics – U.S.

	U.S. Net Inflows		Market Share	Market Movement	Market AUM
	Industry (in billions)	WisdomTree (in millions)			
Q2 06	\$24.6	\$347	1.4%	\$18	\$365
Q3 06	\$5.3	212	4.0%	23	600
Q4 06	\$34.1	849	2.5%	75	1,523
Q1 07	\$14.3	1,475	10.3%	85	3,083
Q2 07	\$17.4	771	4.4%	146	4,001
Q3 07	\$48.1	405	0.8%	41	4,446
Q4 07	\$70.8	310	0.4%	(198)	4,559
Q1 08	\$8.8	136	1.5%	(399)	4,296
Q2 08	\$13.7	756	5.5%	(307)	4,746
Q3 08	\$81.5	(15)	n/a	(655)	4,075
Q4 08	\$73.2	30	0.0%	(925)	3,180
Q1 09	(\$2.5)	23	-0.9%	(428)	2,776
Q2 09	\$38.2	281	0.7%	606	3,663
Q3 09	\$27.1	559	2.1%	680	4,902
Q4 09	\$53.7	911	1.7%	166	5,979
Q1 10	\$7.0	582	8.3%	152	6,713
Q2 10	\$30.9	121	0.4%	(594)	6,240
Q3 10	\$33.4	1,161	3.5%	859	8,260
Q4 10	\$46.7	1,271	2.7%	360	9,891
Q1 11	\$23.6	1,264	5.4%	129	11,284
Q2 11	\$29.2	1,699	5.8%	(49)	12,934
Q3 11	\$20.9	179	0.9%	(1,929)	11,184
Q4 11	\$43.9	756	1.7%	242	12,182
Q1 12	\$53.2	2,299	4.3%	1,210	15,691
Q2 12	\$25.0	338	1.4%	(1,025)	15,004
Q3 12	\$51.8	1,036	2.0%	743	16,783
Q4 12	\$55.4	1,059	1.9%	444	18,286
Q1 13	\$52.2	5,893	11.3%	924	25,103
Q2 13	\$15.4	4,962	32.2%	(1,090)	28,975
Q3 13	\$53.7	1,160	2.2%	1,217	31,352
Q4 13	\$58.6	2,308	3.9%	1,224	34,884
Q1 14	\$14.5	(502)	n/a	(498)	33,884
Q2 14	\$57.7	334	0.6%	1,282	35,500
Q3 14	\$48.8	748	1.5%	(425)	35,823
Q4 14	\$119.7	4,496	3.8%	(1,038)	39,281
Q1 15	\$55.5	13,520	24.4%	2,957	55,758
Q2 15	\$41.4	6,598	15.9%	(1,057)	61,299
Q3 15	\$43.2	(661)	n/a	(7,591)	53,047
Q4 15	\$90.8	(2,601)	n/a	1,193	51,639
Q1 16	\$34.6	(5,359)	n/a	(2,249)	44,256
Q2 16	\$31.9	(4,949)	n/a	(1,261)	38,046
Total	\$1,647.3	\$44,762	2.7%	(\$6,940)	

	U.S. Net Inflows		Market Share	Market Movement	Market AUM
	Industry (in billions)	WisdomTree (in millions)			
2006	\$74.0	\$1,408	1.9%	\$116	1,523
2007	\$150.6	2,961	2.0%	74	4,559
2008	\$177.2	907	0.5%	(2,286)	3,180
2009	\$116.5	1,774	1.5%	1,025	5,979
2010	\$118.0	3,135	2.7%	777	9,891
2011	\$117.6	3,898	3.3%	(1,607)	12,182
2012	\$185.4	4,732	2.6%	1,372	18,286
2013	\$179.9	14,323	8.0%	2,275	34,884
2014	\$240.7	5,076	2.1%	(679)	39,281
2015	\$230.9	16,856	7.3%	(4,498)	51,639
2016	\$66.5	(10,308)	n/a	(3,510)	38,046
Total	\$1,657.3	\$44,762	2.7%	(\$6,940)	



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