

Investment Update & Net Tangible Assets Report

AS AT 31 AUGUST 2015



Performance

Performance at 31 August 2015	1 Mth	Fin YTD	6 Mths	1 Yr	3 Yrs %pa	5 Yrs %pa	10 Yrs %pa	Since Inception %pa (Aug-99)
WAM Investment Portfolio*	-0.5%	3.6%	5.5%	12.8%	18.5%	15.4%	13.6%	17.8%
S&P/ASX All Ordinaries Accumulation Index	-7.3%	-3.4%	-9.4%	-3.0%	11.0%	7.9%	6.1%	8.0%
Outperformance	+6.8%	+7.0%	+14.9%	+15.8%	+7.5%	+7.5%	+7.5%	+9.8%

* Investment performance and Index returns are before expenses, fees and taxes.

Net Tangible Assets (NTA) figures

NTA before tax	185.61c
NTA after tax and before tax on unrealised gains	187.61c
NTA after tax	182.15c

These figures are after the payment of \$1.0m (0.23 cents per share) in tax during the month.
Includes 1.6 cents of tax assets resulting from the merger with Premium Investors.

Market overview

The S&P/ASX All Ordinaries Accumulation Index fell 7.3% in August, making it the worst performing month since the start of the global financial crisis. Australia followed the global sell off as China's economic growth weakened and commodity prices continued to fall.

August also saw a poor 2015 financial year reporting season underscored by downbeat company outlook statements and short-term volatility around result announcements.

Despite the challenging conditions, we are well placed to act on opportunities in the market as they arise.

Final dividend key dates

The Company announced a fully franked final dividend of 7.0 cents per share on 17 August 2015. The key dates are:

Ex date:	19 October 2015
Record date:	21 October 2015
Last election date for DRP:	22 October 2015
Payment date:	30 October 2015

WAM Capital Limited

ASX Code	WAM
Listed	Aug 1999
Gross assets	\$859.3m
Market cap	\$895.3m
Share price	\$1.985
NTA before tax	\$1.86
Shares on issue	451,050,715
Fully franked dividends (FY2015)	14.0c
Dividend yield	7.1%

Investment objectives

- Deliver investors a rising stream of fully franked dividends
- Provide capital growth
- Preserve capital

Company overview

WAM Capital Limited (ASX: WAM), one of Australia's leading Listed Investment Companies, is managed by Wilson Asset Management. Listed in August 1999, WAM Capital provides investors with exposure to an actively managed diversified portfolio of undervalued growth companies, which are generally small-to-medium sized industrial companies listed on the Australian Securities Exchange. WAM Capital also provides exposure to relative value arbitrages and market mispricing opportunities.

Investment & Management Team

Geoff Wilson
Chairman/Portfolio Manager

Kate Thorley
Chief Executive Officer/
Company Secretary

Chris Stott
Chief Investment Officer/
Portfolio Manager

Martin Hickson
Senior Equity Analyst/Dealer

Matthew Haupt
Senior Equity Analyst

Tobias Yao
Equity Analyst

James McNamara
Communications Manager

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Diversified portfolio

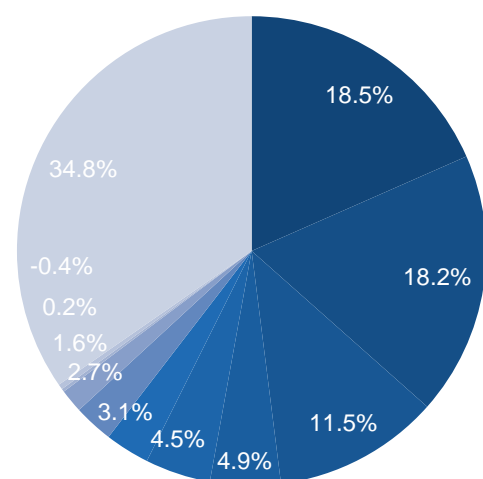
Investment Type	July 2015		August 2015	
	\$m	%	\$m	%
Listed Equities	613.8	70.3	562.2	65.2
Fixed Interest & Cash	259.2	29.7	300.2	34.8
Long Portfolio	873.0	100.0%	862.4	100%
Short Portfolio	(6.2)	(0.7)	(3.1)	(0.4)
Gross Assets	\$866.8m		\$859.3m*	
Total shares on issue	451,050,715		451,050,715	

*This figure is after the payment of \$1.0m (0.23 cents per share) in tax during the month.

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
HHV	Hunter Hall Global Value Limited	30,801,072	3.6%
ECX	Eclixp Group Limited	19,386,864	2.3%
ASB	Austral Limited	17,713,872	2.1%
SRX	Sirtex Medical Limited	17,582,280	2.0%
CYA	Century Australia Investments Limited	17,486,581	2.0%
BAP	Burson Group Limited	16,400,153	1.9%
IPH	IPH Limited	15,548,605	1.8%
ENE	Energy Developments Limited	14,016,924	1.6%
SIQ	Smartgroup Corporation Limited	13,865,391	1.6%
MYX	Mayne Pharma Group Limited	13,026,445	1.5%
PMV	Premier Investments Limited	12,853,518	1.5%
CSV	CSG Limited	12,449,601	1.5%
MMS	McMillan Shakespeare Limited	11,591,071	1.4%
MTR	Mantra Group Limited	11,439,834	1.3%
TPM	TPG Telecom Limited	11,100,126	1.3%
BKL	Blackmores Limited	11,042,850	1.3%
RFG	Retail Food Group Limited	10,756,453	1.3%
AHD	Amalgamated Holdings Limited	10,144,258	1.2%
AOG	Aveo Group	9,772,929	1.1%
ISU	iSelect Limited	9,626,576	1.1%

Sector allocation



- Financials: 18.5%
- Consumer Discretionary: 18.2%
- Industrials: 11.5%
- Health Care: 4.9%
- Information Technology: 4.5%
- Telecommunication Services: 3.1%
- Consumer Staples: 2.7%
- Utilities: 1.6%
- Materials: 0.2%
- Short stock: -0.4%
- Cash and Fixed Interest: 34.8%

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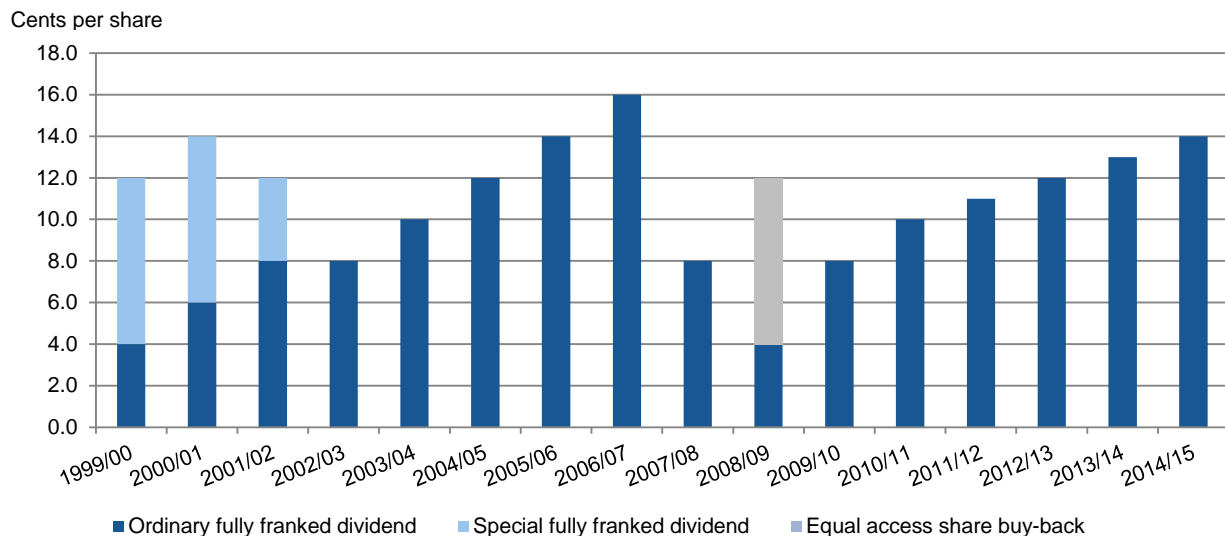
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Dividend growth

The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax. Dividends are usually paid on a six-monthly basis and the dividend reinvestment plan is available to shareholders for both the interim and final dividend.

WAM Capital dividends since inception



On 17 August 2015, the Company announced a fully franked final dividend of 7.0 cents per share. This brings the full year fully franked dividend to 14.0 cents per share, an increase of 7.7% on the previous corresponding period.

The dividend reinvestment plan (DRP) will operate at a 2.5% discount for the final dividend. To participate in the DRP, shareholders should send their DRP Election Form to the Company's share registrar (Boardroom) no later than 22 October 2015.

Key dividend dates

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