

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL AUGUST 2003 INVESTMENT UPDATE & NTA

Since inception in August 1999 WAM Capital Ltd (WAM) has outperformed the overall sharemarket. WAM's portfolio (before all fees, costs, taxes and dividend) has increased by 173.6%* compared to a 23.3% increase in the All Ordinaries Accumulation Index.

* Adjusted for options exercised over the period.

- In August WAM's portfolio (before all fees, costs and taxes) increased by 5.2% while the All Ordinaries Accumulation Index rose by 3.5%.
- The NTA before tax was 139.1c* a share, as at 31st August.
- The NTA after tax was 130.6c* a share, as at 31st August.

* Before the payment of a final dividend of 4c a share fully franked.

WAM is an investment company whose mission is to provide superior returns to its investors over the medium to long term. WAM is managed by Wilson Asset Management (International) Pty Limited.

MARKET OUTLOOK

Global share markets have rallied strongly since March this year. This reflects the return to positive sentiment by investors on the back of improving world economic conditions. We believe the fundamentals remain positive for the Australian share market, however in the short term we may enter a consolidation following the strong run in prices this year.

PORTFOLIO STRUCTURE & STRATEGY

As at 31st August 2003 equities made up approximately 65% of the portfolio, while fixed interest, cash, and listed debt made up the remaining 35%. We continue to focus on companies with strong earnings per share growth, trading on attractive earnings multiples, that are well positioned in growth industries and have proven management. We continue to research heavily to find companies that meet this profile.

DIVIDENDS

The directors of WAM have declared a fully franked final dividend of 4c a share. The record date is expected to be the 30th October and the payment date is expected to be the 6th of November. The shares are expected to go ex-dividend on 24th October.

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The major securities held as at 31st August 2003 in the fund give exposure to:

OFM Investment Group Ltd	Peptech Ltd
Macquarie Bank Ltd	OPSM Ltd
Select Harvest Ltd	Bristile Ltd
Reckon Ltd	Beston Wine Industry Trust
Australian Stock Exchange Ltd	Port Douglas Reef Resorts Ltd (Conv. Note)
RG Capital Radio Ltd	Timbercorp Ltd 9% (Conv. Pref.)
Roberts Ltd	Sirtex Medical Ltd
Loftus Capital Partners Ltd	Greens Foods Ltd
OAMPS Ltd	Ridley Corporation Ltd
Burns Philip Ltd 7.5 % (Conv. Pref.)	Ten Network Holdings Ltd
AMP Ltd	Equity Capital Markets Ltd
Pacific Strategic Investments Ltd	AP Eagers Ltd
PCH Group Limited	Westfield Holdings Ltd
Betcorp Limited	Promina Group Ltd
Sydney Gas Ltd (12% Conv. Note)	Credit Corp. Group Ltd
PowerTel Ltd	Wattyl Ltd
	Electro Optic Ltd

PERFORMANCE

	Aug 99	Sep 99	Oct 99	Nov 99	Dec 99	Jan 00
Gross Portfolio *	+1.4%	+5.1%	+4.1%	+11.0%	+4.9%	-2.0%
All Ordinaries Accum.	-1.9%	-1.7%	+0.5%	+5.9%	+3.7%	-1.8%
	Feb 00	Mar 00	Apr 00	May 00	Jun 00	Jul 00
Gross Portfolio *	+5.4%	+5.3%	-5.7%	-2.9%	+3.6%	+2.9%
All Ordinaries Accum.	+1.6%	+0.5%	-1.5%	-1.3%	+7.7%	-1.3%
	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00	Jan 01
Gross Portfolio *	+5.2%	-0.7%	+2.5%	+1.9%	+0.1%	+1.7%
All Ordinaries Accum.	+1.7%	+0.2%	-1.1%	+1.1%	-2.0%	+4.4%
	Feb 01	Mar 01	Apr 01	May 01	Jun 01	July 01
Gross Portfolio *	-0.2%	- 3.7%	+3.9%	+6.7%	+6.9%	-1.0%
All Ordinaries Accum.	-0.2%	- 4.8%	+5.7%	+1.6%	+3.8%	-4.5%
	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02
Gross Portfolio *	+4.6%	-2.9%	+8.6%	+3.8%	+3.3%	+7.0%
All Ordinaries Accum.	-1.3%	-6.7%	+6.8%	+3.4%	+2.7%	+1.3%
	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
Gross Portfolio *	+3.1%	+4.9%	-0.4%	+0.7%	-2.2%	-3.0%**
All Ordinaries Accum.	-1.1%	+0.8%	-1.8%	+0.9%	-4.4%	-4.1%
	Aug 02	Sep 02	Oct 02	Nov 02	Dec 02	Jan 03
Gross Portfolio *	+3.9%**	-1.1%**	+1.1%**	+1.6%**	+1.5%**	+1.3%
All Ordinaries Accum.	+1.8%	-4.1%	+2.6%	+1.5%	-1.5%	-1.3%
	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03
Gross Portfolio *	-1.7%	-0.4%	+3.8%	+1.5%	+3.5%	+3.6%
All Ordinaries Accum.	-5.1%	+3.4%	+4.4%	+0.5%	+1.3%	+3.6%
	Aug 03	Since Inception				
Gross Portfolio *	+5.2%	+173.6%				
All Ordinaries Accum.	+3.5%	+23.3%				

*The change in the portfolio before all expenses, fees and taxes

** Adjusted for options exercised over the period.

NTA before tax	139.1c
NTA after tax and before tax on unrealised gains	138.4c
NTA after tax	130.6c

This is after the payment of an interim dividend of 4 cents a share fully franked, and before the payment of a final dividend of 4c a share fully franked.

For further information please visit our website www.wamcapital.com.au or contact:

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