

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL SEPTEMBER 2002 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 122.6% compared to a 8.8% increase in the All Ordinaries Accumulation Index.

- In September WAM's portfolio (before all fees, costs and taxes) decreased by 1.4% while the All Ordinaries Accumulation Index fell by 4.1%.
- The NTA before all taxes was 132.2c a share, as at 30th September.
- The NTA after all taxes was 127.5c a share, as at 30th September.

The above figure is after the exercise of 13,000,046 options with a strike price \$1.20 each and the payment of 4c fully franked interim dividend and before the payment of a 4c fully franked final dividend and a 4c fully franked special dividend. The above figures have not been adjusted for the remaining options on issue.

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

Despite a robust domestic economy, the major influence on the Australian share market in the short to medium term will continue to be offshore markets and international political events. Until greater certainty on the political front is achieved we believe Australian equities will continue to come under pressure. In the longer term, however, we believe the current weakness in equities will provide good opportunities.

PORTFOLIO STRUCTURE & STRATEGY

As at 30th September 2002 equities made up approximately 64% of the portfolio, while fixed interest, cash and debt securities made up the remaining 36%. 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 have declared a final dividend of 4 cents a share fully franked, and a special dividend of 4 cents a share fully franked. The shares will be quoted ex dividend on the 25th October 2002 and the dividends will be paid on 7th November 2002.

OPTION EXERCISE DATE FOR DIVIDENDS

Option holders wishing to exercise their options in order to participate in the final and special dividends payable on the 7th November 2002 must have their cheque and completed "Notice of Exercise" to the share registry by 5.00pm on the 18th October 2002.

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The major securities held as at 30th September 2002 in the fund give exposure to:

McGuigan Simeon Wines Ltd
 Australian Stock Exchange Ltd
 Sydney Aquarium Ltd
 RG Capital Radio Ltd
 Colorado Group Ltd
 Roberts Ltd
 Healthscope Ltd
 Nova Health Ltd
 Plaspak Group Ltd
 The International Wine Fund Ltd

Loftus Capital Partners Ltd
 Pacific Strategic Investments Ltd
 Oamps Ltd
 Burns Philip Ltd 7.5 % (Conv. Pref.)
 Port Douglas Reef Resorts Ltd (Conv. Notes)
 Timbercorp Ltd 9% (Conv. Pref.)
 Select Harvests Ltd
 Reynolds Wines Ltd 8.75% (Conv. Pref.)
 CPH Investments Corp. 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%	-3.6%
All Ordinaries Accum.	-1.1%	+0.8%	-1.8%	+0.9%	-4.4%	-4.1%
	Aug 02	Sep 02	Since Inception			
Gross Portfolio *	+4.2%	-1.4%	+122.6%			
All Ordinaries Accum.	+1.8%	-4.1%	+8.8%			

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

NTA before tax **	132.2c
NTA after tax and before tax on unrealised gains*	131.1c
NTA after tax *	127.5c

* This is before the final payment of the dividend of 4 cents a share fully franked and the special dividend of 4 cents a share fully franked.

** This is after the payment of 4.1 cents a share in tax on profits made for the year to 30 June 2002.

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

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