

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL FEBRUARY 2001 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 51.8% compared to a 14.7% increase in the All Ordinaries Accumulation Index.

- Since 30th June 2000 WAM's gross portfolio has increased by 14.0% against a 2.6% increase in the All Ordinaries Accumulation Index.
- The pre tax NTA at 28th February 2001 was 121.9c up from 111.1c as at 30th June 2000.
- The NTA after all taxes was 115.9c a share, as at 28th of February 2001.
- In February WAM's portfolio (before all fees, costs and taxes) decreased 0.25% while the All Ordinaries Accumulation Index decreased by 0.23%.
- The above figures have been calculated after the payment of a 10c fully franked dividend which was paid on 30th October 2000.
- The directors have declared that a 3c fully franked interim dividend will be paid on 2nd April 2001.

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

The interim reporting season has almost finished with the slow down in economic activity resulting in profit downgrades across most sectors. We expect earnings growth in the next 12 months to be minimal, but the effects of lower interest rates will result in an expansion of price earnings multiple and should stimulate a pick up in economic activity later this calendar year. We anticipate increasing our exposure to the equities market to benefit from these effects.

PORTFOLIO STRUCTURE & STRATEGY

As at 28th February 2001 equities made up approximately 75% of the portfolio, while fixed interest, cash and listed debt instruments made up the remaining 25%. 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.

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DIVIDENDS

The directors have declared that a 3c fully franked interim dividend will be paid with the shares trading exdividend on 16th March and payment date 2nd April 2001.

On the 30th October 2000 the company paid a 10c fully franked dividend made up of a 2c fully franked final dividend and an 8c fully franked special dividend.

HOLDINGS

The major securities held as at 28th February 2001 in the fund give exposure to;

Billabong	Lang Corporation
Snack Foods	Housewares International
Pacific Strategic Investments	Noni B (10.5% Conv. Note)
Sirtex Medical	Oamps
Reef Casino	KAZ Computer Services
Brian McGuigan Wines	Renewable Energy
Port Douglas Reef Resorts (9% Conv. Note)	ION
Burns Philp	Stargames
RG Capital Radio	

PERFORMANCE

		Aug 99	Sep 99	Oct 99	Nov 99	Dec 99
Gross Portfolio *		+1.4%	+5.1%	+4.1%	+11.0%	+4.9%
All Ordinaries Accumulation Index		-1.9%	-1.7%	+0.5%	+5.9%	+3.7%
	Jan 00	Feb 00	Mar 00	Apr 00	May 00	Jun 00
Gross Portfolio *	-2.0%	+5.4%	+5.3%	-5.7%	-2.9%	+3.6%
All Ordinaries Accumulation Index	-1.8%	+1.6%	+0.5%	-1.5%	-1.3%	+7.7%
	Jul 00	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00
Gross Portfolio *	+2.9%	+5.2%	-0.7%	+2.5%	+1.9%	+0.1%
All Ordinaries Accumulation Index	-1.3%	+1.7%	+0.2%	-1.1%	+1.1%	-2.0%
	Jan 01	Feb 01				Since Inception
Gross Portfolio *	+1.7%	-0.2%				+51.8%
All Ordinaries Accumulation Index	+4.4%	-0.2%				+14.7%

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

NTA before tax 28/02/01	121.9c
NTA after tax 28/02/01	115.9c

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

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