

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL NOVEMBER 99 INVESTMENT UPDATE & NTA

In November WAM Capital Ltd's (WAM) portfolio (before all fees, costs and taxes) increased 11.0% while the All Ordinaries Accumulation Index increased 5.9%. Since inception in August 1999 WAM has continued to outperform the overall sharemarket. WAM's portfolio (before all fees, costs and taxes) has increased by 22.8% while the index has risen by 2.5%. The WAM Board is extremely pleased with the performance.

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 anticipated increase in the equity market we foreshadowed in our October update is occurring with approximately an 8% rise in the All Ordinaries Accumulation Index over the last six weeks. The question we are asking is "Has the January rally already occurred?" We still anticipate the market will perform well in the early months of next year. This is based upon the belief that there will be a significant relief rally once the Y2K problem has passed and that the cash build up in preparation for Y2K will re-enter the market in January, causing a strong rise in equities. Over the last decade the month of January has outperformed the annual average monthly performance of the equity market by 60%.

Longer term, management remains cautious on the equity market. This caution stems from rising interest rates around the globe.

PORTFOLIO STRUCTURE & STRATEGY

At 30th November 1999 our cash levels dropped from approximately 40% to 20%. We continue to focus on companies with relatively favourable earnings multiples, exceptionally strong earnings per share growth, well positioned in growth industries and proven management. Currently the majority of companies exhibiting these characteristics are medium sized industrial companies. We continue to research heavily to find companies that meet this profile.

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As at 30th November 1999 equities made up approximately 82% of the portfolio, the remainder being held in fixed interest and cash.

The major securities held as at 30th November 1999 in the fund give exposure to;

Ten Network	National Australia Bank
Brian McGuigan Wines	Timbercorp
Powerlan	Port Douglas Reef Resorts
Snack Foods	Normandy Mt Leyson
Millers Retail	Bristile
Challenger International	Cranswick Estates
Noni B	Reef Casino

PERFORMANCE

	Sept 99	Oct 99	Nov 99	Since Inception
Gross Portfolio *	+5.1%	+4.1%	+11.0%	+22.8%
All Ordinaries Accumulation Index	-1.7%	+0.5%	+5.9%	+2.5%

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

NTA before tax 30/11/99 *	115.2c
NTA after tax 30/11/99 *	111.8c

* These figures are undiluted for options on issue

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

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