

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL FEBRUARY 2005 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 272.7% compared to a 75.4% increase in the All Ordinaries Accumulation Index.

- In February WAM's portfolio (before all fees, costs and taxes) decreased by 0.2% while the All Ordinaries Accumulation Index increased by 1.8%.
- The NTA before tax was 165.16 cents a share, as at 28 February 2005.
- The NTA after tax was 151.56 cents a share, as at 28 February 2005.

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.

DIVIDENDS

The directors of WAM have declared a fully franked interim dividend of 6.0 cents a share. The record date will be the 20 April 2005, and the payment date will be the 29 April 2005. The shares are expected to go ex-dividend on 14 April 2005.

Option holders that exercise by 5pm Thursday 14 April 2005 will be entitled to receive the final dividend.

MARKET OUTLOOK

The sharemarket continues to edge higher despite rising interest rates and a slow down in economic growth. This changing back-drop will make it difficult for domestically focused companies to maintain profit margins. Costs, in the form of higher wages and raw materials, are rising while demand is slowing. However, rising commodity prices, has seen mining stocks surge in the new calendar year. While the massive demand created by China should see commodity prices continuing to rise, this trend could reverse quickly. In this environment we will continue to remain cautious.

PORTFOLIO STRUCTURE & STRATEGY

As at 28 February 2005 equities made up approximately 67% of the portfolio, while fixed interest, and cash made up the remaining 33%. 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.

At 28 February 2005 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
Australian Stock Exchange Ltd (ASX)	1,037,571
Austral Ltd (ASB)	855,000
Bank of Queensland Reset Prefs (BOQPB)	2,060,000
Calliden Group Ltd (CIX)	1,044,000
Caltex Australia Ltd (CTX)	840,000
Catalyst Recruitment Systems Ltd (CRU)	821,058
Consolidated Minerals Ltd (CSM)	1,681,020
Contango Microcap Ltd (CTN)	849,138
Credit Corp Group Ltd (CCP)	1,551,599
Farsands Corporation Ltd (FCO)	751,552
Gropep Ltd (GRO)	1,344,027
Harvey World Travel Limited	761,601
Healthscope Ltd (HSP)	817,606
Iinet Ltd (IIN)	984,000
Loftus Capital Partners Ltd	1,959,701
Mariner Financial Ltd (MFI)	882,000
Medical Developments International Ltd (MVP)	976,569
Melbourne IT Ltd (MLB)	950,152
Monadelphous Group Ltd (MND)	2,063,187
Nylex Ltd (NLX)	878,786
Oakton Ltd (OKN)	807,512
OAMPS Ltd (OMP)	2,182,597
OFM Investment Group Ltd (OFM)	1,791,685
Pacific Strategic Investments Ltd (PSI)	925,622
Photon Group Limited (PGA)	1,290,000
Rattoon Holdings (RTN)	892,500
Reckon Ltd (RKN)	2,260,466
Reef Casino Trust (RCT)	749,461
Roberts Ltd (RBS)	2,558,596
Select Harvests Ltd (SHV)	2,201,468
Sydney Gas Ltd (12% Conv. Note) (SGLGA)	1,098,352
Tassal Group Ltd (TGR)	704,644
Tower Ltd (TWR)	838,943
WMC Resources Ltd (WMR)	1,593,900
Zinifex Ltd (ZFX)	1,563,120

NTA before tax	165.16c
NTA after tax and before tax on unrealised gains	160.49c
NTA after tax	151.56c

PERFORMANCE TABLE

	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	Sept 03	Oct 03	Nov 03	Dec 03	Jan 04
Gross Portfolio *	+5.2%	+3.7%	+5.4%	-0.7%	+3.6%	+2.5%
All Ordinaries Accum.	+3.5%	-0.1%	+3.5%	-2.1%	+3.7%	-0.7%
	Feb 04	Mar 04	Apr 04	May 04	Jun 04	Jul 04
Gross Portfolio *	+2.7%	+0.1%	-1.3%	-0.8%	+1.0%	+2.4%
All Ordinaries Accum.	+3.1%	+2.0%	-0.1%	+1.6%	+2.7%	+0.6%
	Aug 04	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05
Gross Portfolio *	+1.2%	+2.5%	+2.9%	+3.3%	+0.7%	+2.7%
All Ordinaries Accum.	+1.1%	+3.8%	+3.1%	+4.6%	+3.0%	+1.3%
	Feb 05	Since Inception				
Gross Portfolio *	-0.2%	+272.7%				
All Ordinaries Accum.	1.8%	+75.4%				

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

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