

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL JANUARY 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 273.4% compared to a 72.3% increase in the All Ordinaries Accumulation Index.

- In January WAM's portfolio (before all fees, costs and taxes) increased by 2.7% while the All Ordinaries Accumulation Index increased by 1.3%.
- The NTA before tax was 165.68 cents a share, as at 31 January 2005.
- The NTA after tax was 151.91 cents* a share, as at 31 January 2005.

* The above figure is after the payment of 4.7 cents in tax for the 2004 financial year, and after the payment of a 5.0 cent fully franked final dividend.

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 sharemarket's bull run continued over the Christmas and New Year period on the back of a strong domestic economy and demand for mining stocks. We remain cautious however. The Reserve Bank of Australia has flagged that official interest rates will rise in the coming months and we believe this will slow economic growth and put pressure on company earnings.

PORTFOLIO STRUCTURE & STRATEGY

As at 31 January 2005 equities made up approximately 63% of the portfolio, while fixed interest, and cash made up the remaining 37%. 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 31 January 2005 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
AP Eagers Ltd (APE)	744,408
Australian Stock Exchange Ltd (ASX)	1,048,092
Austal Ltd (ASB)	630,300
Bank of Queensland Reset Prefs	2,013,000
Catalyst Recruitment Systems Ltd	961,012
Consolidated Minerals Ltd (CSM)	1,406,941
Contango Microcap Ltd (CTN)	815,181
Credit Corp Group Ltd (CCP)	1,440,771
Farsands Corporation Ltd (FCO)	801,441
Gropep Ltd (GRO)	870,916
Harvey World Travel Limited	746,163
Loftus Capital Partners Ltd	1,959,701
Mariner Financial Ltd (MFI)	907,200
Medical Developments International Ltd (MVP)	1,246,684
Melbourne IT Ltd (MLB)	890,235
Monadelphous Group Ltd (MND)	1,158,145
Oakton Ltd (OKN)	873,711
OAMPS Ltd (OMP)	1,947,270
OFM Investment Group Ltd (OFM)	2,001,730
Orion Telecommunications Ltd (OTL)	624,000
Pacific Strategic Investments Ltd (PSI)	897,573
Pan Australian Resources (PNA)	724,286
Photon Group Limited (PGA)	1,290,000
Rattoon Holdings (RTN)	1,142,400
Reckon Ltd (RKN)	2,236,773
Reef Casino Trust (RCT)	773,253
Reinsurance Australia Corporation Ltd (RAC)	1,152,000
Roberts Ltd (RBS)	2,600,540
Select Harvests Ltd (SHV)	2,099,517
Sydney Gas Ltd (12% Conv. Note) (SGLGA)	1,267,329
Tassal Group Ltd (TGR)	1,012,249
Total Telecommunications (TCI)	657,600
Tower Ltd (TWR)	1,120,374
WMC Resources Ltd (WMR)	643,500
Zinifex Ltd (ZFX)	794,880

NTA before tax	165.68c
NTA after tax and before tax on unrealised gains	161.15c
NTA after tax	151.91c*

* The above figure is after the payment of 4.7 cents in tax for the 2004 financial year, and after the payment of a 5.0 cent fully franked final dividend.

Errant: Please note that the NTA announcement of November 2004 had a typing error. The asterix (“*”) should have only referred to the NTA after tax.

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 04
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%
	Since Inception					
Gross Portfolio *	+273.4%					
All Ordinaries Accum.	+72.3%					

*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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