

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL JULY 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 272.1% compared to a 86.9% increase in the All Ordinaries Accumulation Index.

- In July WAM's portfolio (before all fees, costs and taxes) increased by 2.2%, while the All Ordinaries Accumulation Index increased by 2.8%.
- The NTA before tax was 152.59 cents a share*, as at 31 July 2005.
- The NTA after tax was 145.49 cents a share, as at 31 July 2005.

* This is after the provision of \$2,014,304 (3.05 cents a share) in tax to be paid for the 2005 year.

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 Australian sharemarket continued to hit record highs during July. While a significant proportion of the gains came from mining and oil stocks, there was also a strong rebound in small industrial stocks. This reflected extremely positive sentiment across the whole of the market. We believe the market's rapid rise is being driven primarily by increasingly positive sentiment. The direction of the market will continue to be higher while this sentiment remains bullish. If sentiment turns negative, the market will turn negative. On this basis we remain cautious, preferring to focus on valuations and earnings growth rather than sentiment.

PORTFOLIO STRUCTURE & STRATEGY

As at 31 July 2005 equities made up approximately 60% of the portfolio, while fixed interest, and cash made up the remaining 40%. 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 July 2005 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
ABB Grain Ltd (ABB)	856,320
Aberdeen Leaders Ltd (ALR)	690,554
Alphawest Ltd (ALW)	852,097
Apollo Life (AOP)	840,000
Bank of Queensland Reset Prefs (BOQPB)	2,020,000
Buka Minerals Ltd BKA)	864,000
Calliden Group Ltd (CIX)	877,200
Catalyst Recruitment Systems Ltd (CRU)	774,490
Contango Microcap Ltd (CTN)	1,123,100
Credit Corp Group Ltd (CCP)	1,639,156
Farsands Corporation Ltd (FCO)	916,747
Gropep Ltd (GRO)	1,400,028
Healthscope Ltd (HSP)	1,963,813
Loftus Capital Partners Ltd	840,000
McMillan Shakespeare Ltd (MMS)	762,758
Medical Developments International Ltd (MVP)	727,232
Melbourne IT Ltd (MLB)	1,069,135
Metcash Ltd (MTS)	1,697,400
Monadelphous Group Ltd (MND)	1,197,798
Oakton Ltd (OKN)	1,043,497
OAMPS Ltd (OMP)	2,065,697
OFM Investment Group Ltd (OFM)	1,790,476
Origin Energy Ltd (ORG)	1,008,780
Pharmaxis Ltd (PXS)	841,800
Photon Group Limited (PGA)	1,481,538
Reckon Ltd (RKN)	2,963,394
Roberts Ltd (RBS)	2,837,280
Select Harvests Ltd (SHV)	3,086,400
Tassal Group Ltd (TGR)	1,422,416
Tower Ltd (TWR)	2,589,838

NTA before tax	152.59c**
NTA after tax and before tax on unrealised gains	151.94c*
NTA after tax	145.49c*

* After the payment of a 6.0 cent fully franked interim dividend.

** This is after the provision of \$2,014,304 (3.05 cents a share) in tax to be paid for the 2005 year.

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	Mar 05	Apr 05	May 05	Jun 05	Jul 05
Gross Portfolio *	-0.2%	-0.8%	-4.2%	+0.0%	+2.8%	+2.2%
All Ordinaries Accum.	1.8%	-0.7%	-3.8%	+3.4%	+4.5%	+2.8%
	Since Inception					
Gross Portfolio *	+272.1%					
All Ordinaries Accum.	+86.9%					

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

For further information please visit our website www.wilsonassetmanagement.com.au or contact:

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