

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL MARCH 2006 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 367.2% compared to a 124.9% increase in the All Ordinaries Accumulation Index.

- In March WAM's portfolio (before all fees, costs and taxes) increased by 5.24%, while the All Ordinaries Accumulation Index increased by 4.81%.
- The gross portfolio has increased 26.5% for the 9 months to 31 March 2006.
- The NTA before tax was 178.03 cents a share, as at 31 March 2006.
- The NTA after tax was 164.23 cents a share, as at 31 March 2006.

The above figures are before the payment of an interim dividend of 7.0 cents a share fully franked, payable 28 April 2006.

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 resource fuelled bull market roared back in March with the global demand for metals accelerating. This heightened demand for commodities comes at a time when all the major world economies – USA, China, Europe and Japan – are experiencing strong economic growth. We would expect world growth to continue and resource stocks to benefit in the near future. However, the looming prospect of higher interest rates around the world, including Australia, makes us cautious about the medium term outlook for equities.

DIVIDEND

The interim dividend of 7.0 cents a share fully franked will be paid on 28 April 2006. The shares will trade ex dividend on 13 April 2006.

PORTFOLIO STRUCTURE & STRATEGY

As at 31 March 2006, listed securities made up approximately 87% of the portfolio, while fixed interest and cash made up the remaining 13%. We continue to focus on companies with strong earnings per share growth, trading on attractive earnings multiples, and are well positioned in growth industries and have proven management. We continue to research heavily to find companies that meet this profile.

At 31 March 2006 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
ABB Grain Ltd (ABB)	1,788,518
ABC Learning Centres Ltd (ABS)	2,042,633
Austar United Communications Ltd (AUN)	2,766,750
Bank of Queensland Reset Prefs (BOQPB)	1,738,800
Bendigo Bank Ltd (BEN)	3,266,760
Contango Microcap Ltd (CTN)	4,362,974
Credit Corp Group Ltd (CCP)	5,273,988
CSR Ltd (CSR)	1,248,800
Customers Ltd (CUS)	1,859,025
Gropep Ltd (GRO)	1,493,363
Incitec Pivot Ltd (IPL)	1,337,000
Incremental Petroleum Ltd (IPM)	1,992,375
Loftus Capital Partners Ltd (LCP)	1,746,690
Macquarie Leisure Trust (MLE)	2,065,808
Mariner Financial Ltd (MFI)	1,050,000
McMillan Shakespeare Ltd (MMS)	2,047,654
Melbourne IT Ltd (MLB)	1,685,652
Mortgage Choice Ltd (MOC)	1,445,120
Multimedia Ltd (MUL)	1,751,566
Oakton Ltd (OKN)	1,718,477
Oamps Ltd (OMP)	3,465,226
OFM Investment Group Ltd (OFM)	1,156,245
Petsec Energy Ltd (PSA)	1,398,250
Photon Group Ltd (PGA)	2,049,461
Pro Medicus Ltd (PME)	1,148,112
RCR Tomlinson Ltd (RCR)	1,283,450
Rebel Sport Ltd (REB)	1,613,355
Reckon Ltd (RKN)	2,982,187
Reef Casino Trust (RCT)	1,073,420
Select Harvests Ltd (SHV)	3,859,033
Sigma Pharmaceuticals Ltd (SIP)	3,129,385
SWT Communications Group Ltd (SGN)	1,627,662
Tassal Group Ltd (TGR)	2,956,346
The Reject Shop Ltd (TRS)	1,383,830
Total Telecommunications Infrastructure Ltd (TCI)	1,186,777
Tower Ltd (TWR)	3,725,431
Webjet Ltd (WEB)	1,641,500
Wentworth Mutual Ltd (WWM)	1,584,772
Woodside Petroleum Ltd (WPL)	1,591,800

NTA before tax	178.03c
NTA after tax and before tax on unrealised gains	175.50c
NTA after tax	164.23c

The above figures are before the payment of an interim dividend of 7.0 cents a share fully franked.

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%
	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06
Gross Portfolio *	+3.9%	+2.6%	+0.1%	+3.0%	+0.8%	+1.5%
All Ordinaries Accum.	+2.2%	+4.8%	-3.8%	+4.4%	+3.0%	+3.7%
	Feb 06	Mar 06				Since Inception
Gross Portfolio *	+4.8%	+5.2%				+367.2%
All Ordinaries Accum.	+0.7%	+4.8%				+124.9%

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

For further information please contact:

Mr Geoff Wilson on (02) 9247 6755 / 0412 242 712

Mr Matthew Kidman on (02) 9258 4938 / 0417 069 578

LEVEL ELEVEN
139 MACQUARIE ST
SYDNEY NSW 2000
TEL (02) 9247 6755
FAX (02) 9247 6855