

WAM CAPITAL LIMITED

A.B.N. 34 086 587 395



WAM CAPITAL LTD (WAM) - NOVEMBER 2007 **INVESTMENT UPDATE & NTA**

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.

Since inception in August 1999 WAM Capital Ltd (WAM) has outperformed the overall sharemarket. WAM's portfolio (before all fees, costs, taxes and dividends) has increased by 549.82% compared to a 209.3% increase in the All Ordinaries Accumulation Index.

In November WAM's gross portfolio (before all fees, costs and taxes) fell by 4.78%, while the All Ordinaries Accumulation Index fell by 2.35%.

NTA before tax	182.41c**
NTA after tax and before tax on unrealised gains	177.20c*
NTA after tax	170.91c*

*The above figures are after the payment of a final dividend of 8.0 cents a share fully franked, paid on the 26 October 2007 and after the exercise of 73,734 options at \$1.80.

**This is after the payment of \$2,696,078 (2.58 cents a share) in tax.

MARKET OUTLOOK

November was the worst month for Australian equities for some time. The All Ordinaries Index fell by 3.7% for the period in response to the re-emergence of sub-prime debt problems in the US and a series of company profit downgrades by Australian companies. These are major concerns for the sharemarket. The market, heading into the New Year, has to decide if the US economy is heading into recession or not. If the US does fall into recession, equity valuations will come under pressure. In this environment, we remain cautious.

DIVIDEND

The final dividend for the 2007 year was 8.0 cents a share fully franked, paid on 26 October 2007.

OPTIONS ISSUE

On 24th October 2006, the Directors of WAM Capital Limited announced a 1 for 1 bonus issue of options to its shareholders. The options were allotted to shareholders on 1st December 2006 and have been issued at no cost to shareholders. The options have an exercise price of \$1.80 per option and can be exercised any time up until the expiry date of 17 December 2007.

As at the 13 December 2007, 34,804,804 options have been exercised for a total consideration of \$62,648,647 with a remaining balance of outstanding options being 33,405,967.

PERFORMANCE

- The gross portfolio has decreased 4.12% for the 5 months to 30 November 2007.
- The gross portfolio has increased 19.90% for the 12 months to 30 November 2007.

Set out below is the performance of WAM Capital Limited since listing to 30 June 2007:

	Gross Portfolio*	All Ords. Accumulation Index	Outperformance
1999/2000	+33.3%	+11.3%	+22.0%
2000/2001	+30.2%	+8.9%	+21.3%
2001/2002	+32.7%	-4.5%	+37.2%
2002/2003	+12.3%	-1.1%	+13.4%
2003/2004	+27.3%	+22.4%	+4.9%
2004/2005	+13.9%	+24.8%	-10.9%
2005/2006	+27.4%	+24.2%	+3.2%
2006/2007	+44.1%	+30.3%	+13.8%

Annualised performance	Gross Portfolio*	All Ords. Accumulation Index	Outperformance
1 year	+44.1%	+30.3%	+13.8%
3 years	+27.9%	+26.1%	+1.7%
5 years	+24.5%	+20.6%	+4.0%
7 years	+26.2%	+14.5%	+11.7%
Since inception	+27.3%	+14.5%	+12.9%

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

PORTFOLIO STRUCTURE & STRATEGY

As at 30 November 2007, listed securities made up approximately 69.5% of the portfolio, while fixed interest and cash made up the remaining 30.5%. We continue to focus on companies with strong earnings per share growth, trading on attractive earnings multiples, are well positioned in growth industries and have proven management. We continue to research heavily to find companies that meet this profile.

Investment Type	As at 31 October 2007		As at 30 November 2007	
	\$m	%	\$m	%
Listed Equities	136.69	67.0%	133.12	69.5%
Fixed Interest and Cash	67.37	33.0%	58.45	30.5%
Total Assets	204,06	100.0%	191.58	100.0%
	No.		No.	
Total no. of ord shares on issue	104,546,774		104,620,508	

PORTFOLIO STRUCTURE & STRATEGY (CONTINUED)

At 30 November 2007 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
Adtrans Group Ltd (ADG)	2,032,690
Australian Worldwide Exploration Ltd (AWE)	1,951,950
Bank of Queensland Reset Prefs (BOQPB)	1,661,489
Clime Investment Ltd (CIW)	2,846,346
Coates Hire Ltd (COA)	5,354,600
Coffey International Ltd (COF)	1,919,225
Computershare Limited (CPU)	1,584,598
Coote Industrial Ltd (CXG)	2,444,750
DWS Advanced Business Solutions Ltd (DWS)	2,138,668
Eservglobal Ltd (ESV)	1,788,648
HFA Holdings Ltd Apps (HFA)	2,847,917
Imdex Ltd (IMD)	1,516,706
Industrial Minerals Ltd (IDM)	1,530,750
ITX Group Limited (ITX)	1,724,844
Keybridge Capital Ltd (KBC) previously MBR	2,141,053
Ludowici Ltd (LDW)	1,891,211
McMillan Shakespeare Ltd (MMS)	3,396,260
Melbourne IT Ltd (MLB)	4,465,330
Mirvac Group (MGR)	1,527,488
Mitchell Communications Group Ltd (MCU)	3,530,170
NewSat Ltd (NWT)	1,697,465
Nomad Building Solutions Ltd (NOD)	4,016,966
Photon Group Ltd (PGA)	4,652,841
Rattoon Holdings Ltd (RTN)	3,087,924
Reckon Ltd (RKN)	6,418,880
Reverse Corp Ltd (REF)	2,882,940
RR Australia Ltd (RRA)	2,063,098
Service Stream Ltd (SSM)	4,102,495
St George Bank Limited (SGB)	1,639,941
Sydney Gas Ltd (SGL)	1,521,857
Symbion Health Limited (SYB)	1,562,717
Watpac Ltd (WTP)	3,607,618
Webjet Ltd (WEB)	1,523,762
West Australian Newspapers Holdings Ltd (WAN)	1,905,365

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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 *	+4.0%	+2.7%	+0.1%	+3.1%	+0.8%	+1.6%
All Ordinaries Accum.	+2.2%	+4.8%	-3.8%	+4.4%	+3.0%	+3.7%
	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Jul 06
Gross Portfolio *	+4.9%	+5.3%	+2.1%	-2.3%	+0.5%	+0.4%
All Ordinaries Accum.	+0.7%	+4.8%	+2.4%	-4.3%	+1.9%	-1.5%
	Aug 06	Sep 06	Oct 06	Nov 06	Dec 06	Jan 07
Gross Portfolio *	+3.4%	+2.4%	+4.7%	+3.6%	+6.1%	+3.8%
All Ordinaries Accum.	+3.2%	+1.3%	+4.8%	+2.5%	+3.6%	+2.0%
	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07
Gross Portfolio *	+0.4%	+1.9%	+2.6%	+4.7%	+3.3%	+0.3%
All Ordinaries Accum.	+1.6%	+3.3%	+3.0%	+3.2%	-0.1%	-1.9%
	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Since Inception
Gross Portfolio *	-4.2%	+1.7%	+3.1%	-4.8%		+549.8%
All Ordinaries Accum.	+1.7%	+5.8%	+3.1%	-2.4%		+209.3%

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