

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL AUGUST 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 286.6% compared to a 91.0% increase in the All Ordinaries Accumulation Index.

- In August WAM's portfolio (before all fees, costs and taxes) increased by 3.9%, while the All Ordinaries Accumulation Index increased by 2.2%.
- The NTA before tax was 157.97 cents a share*, as at 31 August 2005.
- The NTA after tax was 149.43 cents a share, as at 31 August 2005.

The above figures are before the payment of a final dividend of 6.0 cents a share fully franked.

* This is after the provision of \$2,117,538 (3.21 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's upward march continued during August on the back of a robust full year profit reporting season. The market's bullish sentiment was also supported by many companies providing positive earnings outlook. This environment prevailed despite a surging oil price. Consequently, the market should continue to gain ground in the short term unless oil prices continue to hit record levels.

DIVIDEND

The final dividend of 6.0 cents a share fully franked, will bring the full year dividend to 12.0 cents a share. The shares will trade ex dividend on 4 October 2005 with payment on 17 October 2005.

PORTFOLIO STRUCTURE & STRATEGY

As at 31 August 2005 equities made up approximately 73% of the portfolio, while fixed interest, and cash made up the remaining 27%. 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 August 2005 the major securities held in the portfolio were:

COMPANY	MARKET VALUE \$
ABB Grain Ltd (ABB)	876,800
Alinta Ltd (ALN)	1,540,000
Alphawest Ltd (ALW)	852,097
Apollo Life (AOP)	840,000
Bank of Queensland Reset Prefs (BOQPB)	2,055,000
Buka Minerals Ltd BKA)	992,000
Calliden Group Ltd (CIX)	816,000
Catalyst Recruitment Systems Ltd (CRU)	856,779
Commonwealth Bank of Australia Ltd (CBA)	1,309,000
Contango Microcap Ltd (CTN)	1,162,019
Credit Corp Group Ltd (CCP)	1,968,269
CSR Ltd (CSR)	1,500,800
Farsands Corporation Ltd (FCO)	984,785
Gropep Ltd (GRO)	1,297,359
Harvey Norman Ltd (HVN)	760,550
Healthscope Ltd (HSP)	1,496,831
Loftus Capital Partners Ltd	1,732,489
Mariner Financial Ltd (MFI)	756,000
McMillan Shakespeare Ltd (MMS)	1,223,275
Medical Developments International Ltd (MVP)	810,344
Melbourne IT Ltd (MLB)	1,064,875
Metcash Ltd (MTS)	1,155,880
Monadelphous Group Ltd (MND)	862,209
Mortgage Choice Ltd (MOC)	781,710
News Corp Ltd Class B	1,103,970
Oakton Ltd (OKN)	1,206,193
OAMPS Ltd (OMP)	2,264,317
OFM Investment Group Ltd (OFM)	1,790,476
Pharmaxis Ltd (PXS)	867,600
Photon Group Limited (PGA)	1,876,615
Reckon Ltd (RKN)	2,741,991
Roberts Ltd (RBS)	2,950,771
Select Harvests Ltd (SHV)	3,949,757
Sigma Company Ltd (SIG)	1,157,100
Sims Group Ltd (SMS)	918,225
Smorgon Steel Ltd (SSX)	1,093,802
STW Communications Ltd (SGN)	939,599
Tassal Group Ltd (TGR)	1,888,650
Tower Ltd (TWR)	2,603,119
Zinifex Ltd (ZFX)	1,419,600

NTA before tax	157.97c*
NTA after tax and before tax on unrealised gains	157.10c
NTA after tax	149.43c

The above figures are before the payment of a final dividend of 6.0 cents a share fully franked.

* This is after the provision of \$2,117,538 (3.21 cents a share) in tax to be paid for the 2005 year.

The performance table of WAM's monthly performance since inception is on the following page.

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	Since Inception				
Gross Portfolio *	+3.9%	+286.6%				
All Ordinaries Accum.	+2.2%	+91.0%				

*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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