

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL AUGUST 2002 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 125.8% compared to a 13.4% increase in the All Ordinaries Accumulation Index.

- In August WAM's portfolio (before all fees, costs and taxes) increased by 4.2% while the All Ordinaries Accumulation Index rose by 1.8%.
- The NTA before all taxes was 133.9c a share, as at 31st August.
- The NTA after all taxes was 128.5c a share, as at 31st August.

The above figure is after the exercise of 11,696,513 options with a strike price \$1.20 each and the payment of 4c fully franked interim dividend and before the payment of a 4c fully franked final dividend and a 4c fully franked special dividend. The above figures have not been adjusted for the remaining options on issue.

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 reporting season has produced a number of strong results with sound guidance however, continued global political uncertainty will limit short-term upside for the market. A continuing long term trend of increasing market volatility should provide medium term opportunities.

PORTFOLIO STRUCTURE & STRATEGY

As at 31st August 2002 equities made up approximately 64% of the portfolio, while fixed interest, cash and debt securities made up the remaining 36%. 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.

DIVIDENDS

The directors have declared a final dividend of 4 cents a share fully franked, and a special dividend of 4 cents a share fully franked. The shares will be quoted ex dividend on the 25th October 2002 and the dividends will be paid on 7th November 2002.

OPTION EXERCISE DATE FOR DIVIDENDS

Option holders wishing to exercise their options in order to participate in the final and special dividends payable on the 7th November 2002 must have their cheque and completed "Notice of Exercise" to the share registry by 5.00pm on the 18th October 2002.

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The major securities held as at 31st August 2002 in the fund give exposure to:

McGuigan Simeon Wines Ltd	The International Wine Fund
Australian Stock Exchange Ltd	Loftus Capital Partners Ltd
Sydney Aquarium Ltd	Pacific Strategic Investments Ltd
RG Capital Radio Ltd	Oamps Ltd
Colorado Group Ltd	Burns Philp Ltd 7.5 % (Conv. Pref.)
Housewares International Ltd	Port Douglas Reed Resorts Ltd (Conv. Notes)
Roberts Ltd	Timbercorp Ltd 9% (Conv. Pref.)
Healthscope Ltd	Select Harvests Ltd
Nova Health Ltd	Ridley Corporation Ltd
Plaspak Group Ltd	Reynolds Wines Ltd 8.75% (Conv.Pref.)

PERFORMANCE

	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%	-3.6%
All Ordinaries Accum.	-1.1%	+0.8%	-1.8%	+0.9%	-4.4%	-4.1%
	Aug 02	Since Inception				
Gross Portfolio *	+4.2%	+125.8%				
All Ordinaries Accum.	+1.8%	+13.4%				

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

NTA before tax **	133.9c
NTA after tax and before tax on unrealised gains*	133.1c
NTA after tax *	128.5c

* This is before the final payment of the dividend of 4 cents a share fully franked and the special dividend of 4 cents a share fully franked.

** This is after the payment of 4.1 cents a share in tax on profits made for the year to 30 June 2002.

For further information please visit our website www.wamcapital.com.au or contact;

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