

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL JULY 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 116.7% compared to a 11.4% increase in the All Ordinaries Accumulation Index.

- In July WAM's portfolio (before all fees, costs and taxes) decreased by 3.6% while the All Ordinaries Accumulation Index fell by 4.1%.
- The NTA before all taxes was 128.9c a share, as at 31st July. This is after the payment of \$1.4million or 4.1cents per share in tax on profits made during the 2001/2002 year.
- The NTA after all taxes was 125.0c a share, as at 31st July.

The above figure is after the exercise of 11,595,574 options with a strike price \$1.20 each and the payment of 4c fully franked interim dividend and before the final 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 commenced. We believe the majority of results will be in line or exceed expectations as a number of negative results have already been flagged to the market. A positive reporting period could create some excellent buying opportunities.

PORTFOLIO STRUCTURE & STRATEGY

As at 31st July 2002 equities made up approximately 70% of the portfolio, while fixed interest, cash and debt securities made up the remaining 30%. 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 declared an interim dividend of 4 cents a share fully franked. This was paid on the 19th April and went ex-dividend on the 5th April 2002. The final dividend will be announced with the full year result.

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

Select Harvest	Pacific Strategic Investments	Timbercorp (Prefs)
Reynolds Wines (Conv. Prefs)	Brian McGuigan Wines	Nova Health
Sydney Aquarium	Port Douglas Reef (9% C.N.)	Plaspak Group
Healthscope	Oamps	Colorado
Snack Foods	Roberts	Housewares
Loftus Capital	ASX	Burns Philp (Prefs.)
		International Wine Fund

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%
	Since Inception					
Gross Portfolio *	+116.7%					
All Ordinaries Accum.	+11.4%					

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

NTA before tax **	128.9c
NTA after tax and before tax on unrealised gains*	128.7c
NTA after tax *	125.0c

* This is after the payment of the interim fully franked dividend of 4 cents a share and not adjusted for the options on issue.

** 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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