

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL JANUARY 2003 **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 132.1% compared to a 10.2% increase in the All Ordinaries Accumulation Index.

- In January WAM's portfolio (before all fees, costs and taxes) increased by 1.3% while the All Ordinaries Accumulation Index fell by 1.3%.
- The NTA before tax was 126.8c a share, as at 31st January.
- The NTA after tax was 122.2c a share, as at 31st January.

The above figures are after 22,595,367 options, with a strike price of \$1.20 each, have been exercised. The Option issue expired on December 17 2002.

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 current geopolitical uncertainty has led to recent stock market declines. The removal of this uncertainty in the coming months should provide some relief, and may even be the impetus for a rally.

PORTFOLIO STRUCTURE & STRATEGY

As at 31st January 2003 equities made up approximately 57% of the portfolio, while fixed interest, cash and debt securities made up the remaining 43%. 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 company paid, on 7th November 2002, a final dividend of 4 cents a share fully franked, and a special dividend of 4 cents a share fully franked.

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The major securities held as at 31st January 2003 in the fund give exposure to:

McGuigan Simeon Wines Ltd
 Australian Stock Exchange Ltd
 RG Capital Radio Ltd
 Roberts Ltd
 Plaspak Group Ltd
 Loftus Capital Partners Ltd
 Oamps Ltd
 Sydney Gas 12% (Conv. Notes)
 AJ Lucas Ltd

Burns Philip Ltd 7.5 % (Conv. Pref.)
 Port Douglas Reef Resorts Ltd (Conv. Notes)
 Timbercorp Ltd 9% (Conv. Pref.)
 Reynolds Wines Ltd 8.75% (Conv.Pref.)
 Sirtex Medical Ltd
 Greens Foods Ltd
 Ridley Corporation Ltd
 Ten Network Holdings Ltd

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	Sep 02	Oct 02	Nov 02	Dec 02	Jan 03
Gross Portfolio *	+4.2%	-1.4%	+0.6%	+1.3%	+1.3%	+1.3%
All Ordinaries Accum.	+1.8%	-4.1%	+2.6%	+1.5%	-1.5%	-1.3%
	Since Inception					
Gross Portfolio *	+132.1%					
All Ordinaries Accum.	+10.2%					

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

NTA before tax **	126.8c
NTA after tax and before tax on unrealised gains*	125.2c
NTA after tax *	122.2c

* This is after 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 and the exercise of 22,595,367 options.

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

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