

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL AUGUST 2001 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 79.7 % compared to a 14.5% increase in the All Ordinaries Accumulation Index.

- In August WAM's portfolio (before all fees, costs and taxes) increased 4.6% while the All Ordinaries Accumulation Index fell by 1.3%.
- Since 30th June 2001 WAM's gross portfolio has increased by 3.6% against a 5.7 % fall in the All Ordinaries Accumulation Index.
- The NTA before all taxes was 133.8c a share, as at August 31st.
- The NTA after all taxes was 126.4c a share, as at August 31st.

The above figures have been calculated before the payment of a final fully franked dividend of 3c a share and a special fully franked dividend of 8c a share and after the payment of a 3c fully franked interim dividend.

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 AND AMERICAN TERRORIST ATTACK

The events of the last week in the US have left us emotionally gutted. Our thoughts go out to all those affected by these disgusting and cowardly acts. The terrorist attacks on New York has had an unsettling effect on financial markets, including Australia. We expect in the short term a volatile market. In the medium term, though markets should benefit as global interest rates are cut to help restore confidence, especially in the US.

PORTFOLIO STRUCTURE & STRATEGY

As at 31st August 2001 equities made up approximately 84% of the portfolio, while fixed interest, cash and listed debt instruments made up the remaining 16%. 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 fully franked dividend of 3c a share and special fully franked dividend of 8c a share. The ex dividend date for the final and special dividend is October 19th 2001, with payment on November 2nd 2001. The directors declared an interim dividend of 3c fully franked paid on 2nd April 2001.

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HOLDINGS

The major securities held as at 31st August 2001 in the fund give exposure to:

FH Faulding	Lang Corporation
Healthscope	Metcash (9% Pref.)
Snack Foods	Noni B (10.5% Conv. Note)
Pacific Strategic Investments	Oamps
OPSM	Roberts
John Fairfax	Just Jeans
Brian McGuigan Wines	ION
Port Douglas Reef Resorts (9% Conv. Note)	ASX
Burns Philp	Billabong
RG Capital Radio	Housewares

PERFORMANCE

		Aug 99	Sep 99	Oct 99	Nov 99	Dec 99
Gross Portfolio *		+1.4%	+5.1%	+4.1%	+11.0%	+4.9%
All Ordinaries Accumulation Index		-1.9%	-1.7%	+0.5%	+5.9%	+3.7%
	Jan 00	Feb 00	Mar 00	Apr 00	May 00	Jun 00
Gross Portfolio *	-2.0%	+5.4%	+5.3%	-5.7%	-2.9%	+3.6%
All Ordinaries Accumulation Index	-1.8%	+1.6%	+0.5%	-1.5%	-1.3%	+7.7%
	Jul 00	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00
Gross Portfolio *	+2.9%	+5.2%	-0.7%	+2.5%	+1.9%	+0.1%
All Ordinaries Accumulation Index	-1.3%	+1.7%	+0.2%	-1.1%	+1.1%	-2.0%
	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01**
Gross Portfolio *	+1.7%	-0.2%	- 3.7%	+3.9%	+6.7%	+6.9%
All Ordinaries Accumulation Index	+4.4%	-0.2%	- 4.8%	+5.7%	+1.6%	+3.8%
	July 01	Aug 01				Since Inception
Gross Portfolio *	-1.0%	+4.6%				+79.7%
All Ordinaries Accumulation Index	-4.5%	-1.3%				+14.5%

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

NTA before tax *	133.8c
NTA after tax and before tax on unrealised gains*	132.3c
NTA after tax *	126.4c

* This is before the payment of the final and special dividend of 11c fully franked and after payment of a fully franked 3c interim dividend.

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

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