

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL DECEMBER 2000 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 49.7% compared to a 10.2% increase in the All Ordinaries Accumulation Index.

- In December WAM's portfolio (before all fees, costs and taxes) increased 0.1% while the All Ordinaries Accumulation Index decreased by 1.96%.
- The pre tax NTA (using the lower of cost or market value) at 31st December 2000 was 120.2c up from 111.1c as at 30th June 2000.
- Since 30th June 2000 WAM's gross portfolio has increased by 12.4% against a 1.4% decrease in the All Ordinaries Accumulation Index.
- The NTA after all taxes was 114.5c a share, as at 31st of December 2000.
- The above figures have been calculated after the payment of a 10c fully franked dividend which was paid on 30th October 2000.

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

During December the economic environment deteriorated further, resulting in more company profit downgrades. However, a surprise cut in US official interest rates in the New Year has increased our optimism for the Australian equity market in 2001. In the short term we believe the equity market may struggle to go higher, however the medium term outlook is improving.

PORTFOLIO STRUCTURE & STRATEGY

As at 31st December 2000 equities made up approximately 75% of the portfolio, while fixed interest, cash and listed debt instruments made up the remaining 25%. 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.

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DIVIDENDS

On the 30th October the company paid a 10c fully franked dividend made up of a 2c fully franked final dividend and an 8c fully franked special dividend. WAM paid a 2c fully franked interim dividend in March.

HOLDINGS

The major securities held as at 31st December 2000 in the fund give exposure to;

Lang Corporation	Housewares International
Campbell Brothers	Aust. Hospital Care
Sirtex Medical	Oamps
Snack Foods	KAZ Computer Services
Brian McGuigan Wines	Renewable Energy
Port Douglas Reef Resorts (9% Conv. Note)	Iron Carbide
Burns Philp	Stargames
Reef Casino	Noni B (10.5% Conv. Note)

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%
						Since Inception
Gross Portfolio *						+49.7%
All Ordinaries Accumulation Index						+10.2%

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

NTA before tax 31/12/00 **	120.2c
NTA after tax 31/12/00 *	114.5c

* These figures are after payment of a 2c fully franked interim dividend and a full year dividend of 10c per share fully franked.

** Using the lower of cost or market value.

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