

# WAM CAPITAL LIMITED

(ACN 086 587 395)



## **WAM CAPITAL DECEMBER 2001 AMENDED INVESTMENT UPDATE & NTA**

The following update replaces the December 2001 update and NTA announced to the market yesterday (14/1/02).

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 98.2 % compared to a 21.4% increase in the All Ordinaries Accumulation Index.

- In December WAM's portfolio (before all fees, costs and taxes) increased by 3.3% while the All Ordinaries Accumulation Index rose by 2.7%.
- Since 30<sup>th</sup> June 2001 WAM's gross portfolio has increased by 17% against a 1.3% fall in the All Ordinaries Accumulation Index.
- The NTA before all taxes was 138.8c a share, as at 31<sup>st</sup> December.
- The NTA after all taxes was 128.0c a share, as at 31<sup>st</sup> December.

The above figures have been calculated after the payment of a final and a special fully franked dividend of 11c a share paid on the 2<sup>nd</sup> November 2001 and not adjusted for the 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 recent reduction in official interest rates around the globe should lead to a strong rebound in economic activity in the next twelve to eighteen months. This bodes well for equities in the medium term. In the short term, however, markets may be softer given their strong performance in the December quarter.

### **PORTFOLIO STRUCTURE & STRATEGY**

As at 31<sup>st</sup> December 2001 equities made up approximately 96.5% of the portfolio, while fixed interest, cash and listed debt instruments made up the remaining 3.5%. 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

The directors declared a final fully franked dividend of 3c a share and special fully franked dividend of 8c a share. The dividend was paid on 2<sup>nd</sup> December 2001. The directors declared an interim dividend of 3c fully franked paid on 2<sup>nd</sup> April 2001.

## HOLDINGS

The major securities held as at 31<sup>st</sup> December 2001 in the fund give exposure to:

Healthscope	John Fairfax	Housewares
Snack Foods	Oamps	Globe Int.
Pacific Strategic Investments	Roberts	ION
Brian McGuigan Wines	Prime T.V.	Qantas
ABC Learning	Billabong	Burns Philp (Pref.)
Port Douglas Reef (9% C.N.)	ASX	Homeloans
Metcash	DVC	National Telecoms

## PERFORMANCE

	<b>Aug 99</b>	<b>Sep 99</b>	<b>Oct 99</b>	<b>Nov 99</b>	<b>Dec 99</b>	<b>Jan 00</b>
Gross Portfolio *	+1.4%	+5.1%	+4.1%	+11.0%	+4.9%	-2.0%
All Ordinaries Accumulation Index	-1.9%	-1.7%	+0.5%	+5.9%	+3.7%	-1.8%
	<b>Feb 00</b>	<b>Mar 00</b>	<b>Apr 00</b>	<b>May 00</b>	<b>Jun 00</b>	<b>Jul 00</b>
Gross Portfolio *	+5.4%	+5.3%	-5.7%	-2.9%	+3.6%	+2.9%
All Ordinaries Accumulation Index	+1.6%	+0.5%	-1.5%	-1.3%	+7.7%	-1.3%
	<b>Aug 00</b>	<b>Sep 00</b>	<b>Oct 00</b>	<b>Nov 00</b>	<b>Dec 00</b>	<b>Jan 01</b>
Gross Portfolio *	+5.2%	-0.7%	+2.5%	+1.9%	+0.1%	+1.7%
All Ordinaries Accumulation Index	+1.7%	+0.2%	-1.1%	+1.1%	-2.0%	+4.4%
	<b>Feb 01</b>	<b>Mar 01</b>	<b>Apr 01</b>	<b>May 01</b>	<b>Jun 01</b>	<b>July 01</b>
Gross Portfolio *	-0.2%	- 3.7%	+3.9%	+6.7%	+6.9%	-1.0%
All Ordinaries Accumulation Index	-0.2%	- 4.8%	+5.7%	+1.6%	+3.8%	-4.5%
	<b>Aug 01</b>	<b>Sep 01</b>	<b>Oct 01</b>	<b>Nov 01</b>	<b>Dec 01</b>	<b>Since Inception</b>
Gross Portfolio *	+4.6%	-2.9%	+8.6%	+3.8%	+3.3%	+98.2%
All Ordinaries Accumulation Index	-1.3%	-6.7%	+6.8%	+3.4%	+2.7%	+21.4%

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

NTA before tax *	138.8c
NTA after tax and before tax on unrealised gains*	136.3c
NTA after tax *	128.0c

\* This is after the payment of the final and special fully franked dividend of 11c fully franked and not adjusted for current option issue.

For further information please visit our website [www.wamcapital.com.au](http://www.wamcapital.com.au) or contact;

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