

WAM CAPITAL LIMITED

(ACN 086 587 395)



WAM CAPITAL SEPTEMBER 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 74.5 % compared to a 7% increase in the All Ordinaries Accumulation Index.

- In September WAM's portfolio (before all fees, costs and taxes) decreased by 2.85% while the All Ordinaries Accumulation Index fell by 6.7%.
- Since 30th June 2001 WAM's gross portfolio has increased by 0.6% against a 12.05% fall in the All Ordinaries Accumulation Index.
- The NTA before all taxes was 130.33c a share, as at September 30.
- The NTA after all taxes was 124.21c a share, as at September 30.

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 Australian share market fell sharply during September after the terrorist attacks in the United States. During the first half of October, however, the market has bounced back strongly, supported by a reduction in official interest rates. We expect these volatile market conditions to continue until events in the United States and Middle East become clearer.

PORTFOLIO STRUCTURE & STRATEGY

As at 30th September 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.

LEVEL ELEVEN
131 MACQUARIE ST
SYDNEY NSW 2000
TEL (02) 9247 6755
FAX (02) 9247 6855

HOLDINGS

The major securities held as at 30th September 2001 in the fund give exposure to:

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 & Co Ltd	Housewares
RG Capital Radio	Campbell Brothers
Lang Corporation	Village Roadshow Preference shares

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	Sep 01			Since Inception
Gross Portfolio *	-1.0%	+4.6%	-2.9%			+74.5%
All Ordinaries Accumulation Index	-4.5%	-1.3%	-6.7%			+7.0%

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

NTA before tax *	130.3c
NTA after tax and before tax on unrealised gains*	128.2c
NTA after tax *	124.2c

* 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;

Mr Geoff Wilson on (02) 9247 6755 / 0412 242 712

Mr Matthew Kidman on (02) 9247 6902 / 0417 069 578

Email: wamcap@wamcapital.com.au

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