

Investment Update & Net Tangible Assets Report

AS AT 31 MARCH 2015



Performance

Performance at 31 March 2015	1 Mth	6 Mths	Fin YTD	1 Yr	3 Yrs %pa	5 Yrs %pa	10 Yrs %pa	Since Inception %pa (Aug-99)
WAM Investment Portfolio*	1.5%	9.5%	14.3%	14.3%	18.0%	15.2%	13.6%	18.1%
S&P/ASX All Ordinaries Accumulation Index	0.0%	13.0%	12.7%	13.2%	14.7%	8.2%	8.1%	8.9%
Outperformance	+1.5%	-3.5%	+1.6%	+1.1%	+3.3%	+7.0%	+5.5%	+9.2%

* Investment performance and Index returns are before expenses, fees and taxes.

Net Tangible Assets (NTA) figures

The following NTA figures are before the payment of the 7.0 cents per share fully franked interim dividend which will be paid on 30 April 2015. The shares will trade ex dividend on 20 April 2015.

NTA before tax	190.35c [*]
NTA after tax and before tax on unrealised gains	191.24c ^{**}
NTA after tax	186.46c ^{**}

* This figure is after the payment of 0.3 cents in tax during the month.

** Includes 1.6 cents of tax assets resulting from the merger with Premium Investors.

Market overview

While the first quarter of 2015 was the best for the S&P/ASX All Ordinaries Accumulation Index in 24 years, gaining approximately 10.2%, it remained flat in the month of March. The market's subdued performance was largely in response to the Reserve Bank of Australia's decision to hold the cash rate at 2.25%. Weak data from China and continuing downward pressure on base metal and oil prices caused some turbulence during the month.

Domestic data presented few surprises with the market's negative expectations largely proven accurate. In particular, employment, consumer confidence and housing finance approval figures released this month all painted a grim picture of the Australian economy. Australia's performance against global equity markets was mixed, as the commencement of quantitative easing in Europe led to a rally in its markets. In the United States, the S&P500 has more than tripled from its low in March 2009, driven by three rounds of stimulus by the Federal Reserve.

Our outlook for the remainder of the year is mixed as we believe valuations are full, notwithstanding the likelihood of further rate cuts. The market is experiencing increasing initial public offering activity and we are actively monitoring and participating in value opportunities as they arise.

WAM Capital Limited

ASX Code	WAM
Listed	Aug 1999
Gross assets	\$856.2m
Market cap	\$898.9m
Share price	\$2.01
NTA before tax	\$1.90
Shares on issue	447,215,071
Fully franked annualised interim dividend (FY2015)	14.0c
Dividend yield	7.0%

Investment objectives

- Deliver investors a rising stream of fully franked dividends
- Provide capital growth
- Preserve capital

Company overview

WAM Capital Limited (ASX: WAM), one of Australia's leading Listed Investment Companies, is managed by Wilson Asset Management. Listed in August 1999, WAM Capital provides investors with exposure to an actively managed diversified portfolio of undervalued growth companies, which are generally small-to-medium sized industrial companies listed on the Australian Securities Exchange. WAM Capital also provides exposure to relative value arbitrages and market mispricing opportunities.

Investment & Management Team

Geoff Wilson
Chairman/Portfolio Manager

Kate Thorley
Chief Executive Officer/
Company Secretary

Chris Stott
Chief Investment Officer/
Portfolio Manager

Martin Hickson
Senior Equity Analyst/Dealer

Matthew Haupt
Senior Equity Analyst

Tobias Yao
Equity Analyst

James McNamara
Communications Manager

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AS AT 31 MARCH 2015



Diversified portfolio

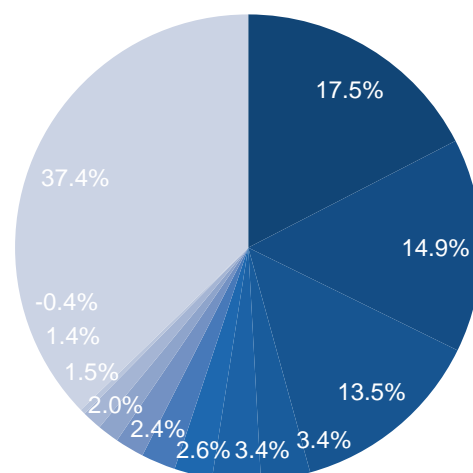
Investment Type	February 2015		March 2015	
	\$m	%	\$m	%
Listed Equities	536.1	82.3	537.5	62.6
Fixed Interest & Cash	115.7	43.6	321.8	37.4
Long Portfolio	651.8	100.0%	859.3	100.0%
Short Portfolio	(0.0)	(0.0)	(3.1)	(0.4)
Gross Assets	\$651.8m		\$856.2m*	
Total shares on issue	345,405,201		447,215,071	

* This is after payment of \$1.3mil (0.3 cents) in tax paid during the month and includes the Share Purchase Plan and Placement proceeds (\$193.4m) received during the month.

Top holdings

Code	Company	Market Value \$	Market Value as % Gross Assets
HHV	Hunter Hall Global Value Limited	18,898,541	2.2%
TPM	TPG Telecom Limited	15,700,746	1.8%
CYA	Century Australia Investments Limited	15,213,425	1.8%
ASB	Austral Limited	14,670,248	1.7%
SGH	Slater & Gordon Limited	14,396,483	1.7%
ALL	Aristocrat Leisure Limited	14,373,563	1.7%
CMG	Chandler Macleod Group Limited	13,553,823	1.6%
BAP	Burson Group Limited	13,525,720	1.6%
QAN	Qantas Airways Limited	13,435,609	1.6%
RFG	Retail Food Group Limited	13,128,924	1.5%
IPH	IPH Limited	12,419,309	1.5%
CTX	Caltex Australia Limited	12,362,514	1.4%
ENE	Energy Developments Limited	11,881,741	1.4%
AHD	Amalgamated Holdings Limited	11,360,587	1.3%
ISU	iSelect Limited	10,951,759	1.3%
ANN	Ansell Limited	10,235,266	1.2%
CSV	CSG Limited	10,127,231	1.2%
CCP	Credit Corp Group Limited	9,817,133	1.1%
TOL	Toll Holdings Limited	9,582,923	1.1%
QUB	Qube Holdings Limited	9,059,243	1.1%

Sector allocation



- Consumer Discretionary: 17.5%
- Industrials: 14.9%
- Financials: 13.5%
- Health Care: 3.4%
- Information Technology: 3.4%
- Materials: 2.6%
- Telecommunication Services: 2.4%
- Consumer Staples: 2.0%
- Energy: 1.5%
- Utilities: 1.4%
- Short Stock: -0.4%
- Cash and Fixed Interest: 37.4%

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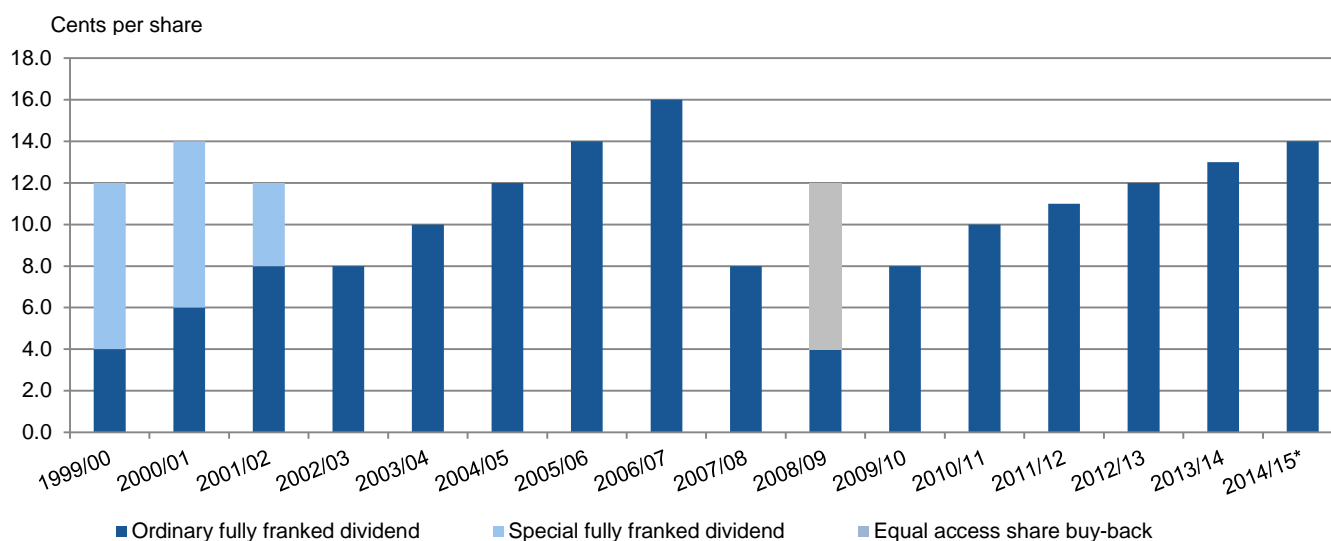
AS AT 31 MARCH 2015



Dividend growth

The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax. Dividends are usually paid on a six-monthly basis and the dividend reinvestment plan is available to shareholders for both the interim and final dividend.

WAM Capital dividends since inception



*Annualised interim dividend

On 12 January 2015, the Company announced a fully franked interim dividend of 7.0 cents per share, an increase of 7.7% on the previous corresponding period. The record date for this interim dividend is 22 April 2015. The interim dividend will be paid on 30 April 2015 and shares will trade ex dividend on 20 April 2015.

The dividend reinvestment plan (DRP) will operate at a 2.5% discount for the interim dividend. To participate in the DRP, shareholders should send their DRP Election Form to the Company's share registrar (Boardroom) no later than 23 April 2015.

Share Purchase Plan and Placement

On 9 March 2015, the Company announced that the WAM Capital Limited (WAM) Share Purchase Plan ('SPP') and placement raised a combined \$193 million.

The SPP, announced 12 January 2015, offered existing shareholders the opportunity to acquire up to \$15,000 worth of ordinary shares at the fixed price of \$1.90 per share without incurring any brokerage or other charges. Despite more than 8,800 or 61% of WAM Capital shareholders taking up the offer, all successful applicants received their full allocation of shares.

In addition, existing wholesale WAM shareholders participated in a placement under the same terms as the SPP. The placement raised \$90.1 million as allowed by the ASX listing rules and was oversubscribed and was subject to scale back. Shareholders who participated in the SPP or placement are entitled to the 7.0 cent fully franked interim dividend.

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AS AT 31 MARCH 2015



Upcoming investor presentations

Date	City	Location	Time
Tuesday 19 May 2015	Sydney	Wesley Conference Centre Wesley Theatre 220 Pitt Street	9.30am – 11.20am
Wednesday 20 May 2015	Adelaide	The Playford 120 North Terrace	9.30am – 11.20am
Friday 22 May 2015	Brisbane	Brisbane Convention & Exhibition Centre Cnr Merivale & Glenelg Streets South Bank	9.30am – 11.20am
Tuesday 26 May 2015	Melbourne	Rydges Hotel 186 Exhibition St	9.30am – 11.20am
Thursday 28 May 2015	Canberra	Belconnen Premier Hotel 110 Benjamin Way Belconnen	9.30am – 11.20am
Thursday 4 June 2015	Perth	Rydges Hotel 815 Hay Street	9.30am – 11.20am

If you wish to attend one of our investor presentations, please RSVP by email to info@wamfunds.com.au or call Mary-Ann on (02) 9258 4998.