

# WILSON LEADERS LIMITED

(ACN 106 845 970)

1 March 2005

## AMENDMENT TO DIVIDEND DATES

Wilson Leaders Limited wishes to advise shareholders that the dates disclosed in the Appendix 4D and the Half Year Financial Report for the payment of dividends announced to the market yesterday were incorrect.

The correct dates pertaining to the payment of the interim and special dividends are as follows:

Ex-date:	14 April 2005
Record date:	20 April 2005
Payment date:	29 April 2005

The amount of the interim and special dividends remains unchanged at 2 cents and 3 cents per share respectively.

The dividend re-investment plan will be operating at no discount. To participate in the dividend re-investment plan, the share registry must receive elections to do so by no later than 5pm 14 April 2005.

To be entitled to the dividend, option holders need to exercise their options by 5pm 14 April 2005.

Below is the amended Appendix 4D and Half Year Financial Report reflecting the change to dividend dates. No other changes have been made.

For further information please contact;  
Mr Justin Braitling (02) 9247 6755 / 0400 999 910  
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# WILSON LEADERS LIMITED

(ACN 106 845 970)



28 February 2005

## **“Solid Result and Special Dividend”**

**RESULTS FOR HALF YEAR ENDED 31 DECEMBER 2004**

### **SUMMARY**

- **Profit before tax was \$7.1m.**
- **Profit after tax was \$5.0 m.**
- **Dividend of 5.0 cents a share fully franked  
(2.0 cent interim plus 3.0 cent special)**
- **Net tangible assets before all taxes was 118.3\* cents a share.**
- **Net tangible assets before unrealised tax was 116.4\* cents a share.**
- **After tax net tangible assets was 112.9\* cents a share.**

**\* Undiluted for options on issue**

## **WILSON LEADERS LIMITED – SOLID RESULT**

Wilson Leaders Limited (WLS) today announced a profit before tax for the six months to 31 December 2004 of \$7.1 million, and an after tax profit of \$5.0 million. As at 31 December 2004, the pre-tax net tangible asset backing (NTA) of WLS was \$47.8 million or \$1.183 per share.

WLS listed on the Australian Stock Exchange on 10 February 2004 with a NTA of 98.0 cents a share. Since then, the company has progressively invested the funds in a broad range of listed companies, with a focus on ASX /S&P 100 companies.

“We are pleased with the performance of the portfolio in the first half and believe we are well positioned for the remainder of the year,” said Geoff Wilson, Chairman of Wilson Leaders Limited.

The gross value of the portfolio increased by 15.9% over the reporting period. Since listing on 10 February 2004, the gross value of the fund has increased in value by 20.49%.

The performance of the portfolio since inception was pleasing given the high cash weighting held through the establishment phase.

### **ECONOMIC OUTLOOK**

The international economy is expected to grow above trend again in 2005, a modest slow down from the 5% growth achieved in 2004.

The strong run of data from the US economy continues. A stronger labour market, continuing low interest rates and a 10% increase in household wealth last year have contributed to a solid boost to consumption as we move into the new year. Corporate profit growth of 20% in 2004 is feeding through to strong business investment further supporting economic growth.

Fundamentals in Japan, an important trading partner, continue to improve. There are expectations for modest growth in Europe. The authorities in China, have through selective credit restrictions, shifted the economy to a more sustainable level of growth.

The key risk however, both in Australia and internationally, lies with escalating factor costs as commodity and labour markets tighten. There are already some worrying signs of resurgent inflation putting pressure on interest rates both here and in the US.

Turning to the Australian economy: accommodative credit conditions, strong profit growth and record unemployment have contributed to ongoing strength in domestic demand in 2004.

As we enter the new year, a softer housing market and a modest tightening in credit conditions maybe having some impact on spending patterns. Softer retail sales in Q4 of 2004, fewer equity draw downs and a slowing in dwelling approvals point to a curtailment of the excessive spending we have seen in recent years.

While consumer demand and construction activity are slowing modestly we expect reasonable growth in the economy supported by an improving export sector and ongoing strength in business investment. The sharp improvement in the terms of trade and the structural shift in global demand for raw materials should provide a significant impetus to the Australian economy for some time.

### **MARKET OUTLOOK**

Given our optimistic view on the economy we would expect companies to continue to deliver solid profit growth in 2005. However, we are moving into a more mature phase of the cycle with margins and returns in some industries now at record levels. It will become increasingly challenging for companies to grow profits off such a strong base. With the economy performing so well, the risk will shift to cost pressures and inflation. Looking forward, companies are more likely to meet rather than beat profit expectations as was the case last year.

We are already seeing early signs of these pressures emerging in those industries operating above trend, with disappointing results recently from insurance and construction companies.

With earnings momentum slowing we are actively shifting away from those companies leveraged to the economy in favour of quality businesses with valuation support. We continue to invest in emerging growth companies that are not beholden to the economic cycle.

Furthermore, there are some warning signals emerging that suggest pricing in a number of asset classes may have moved beyond fair value. Volatility and risk spreads are at record lows, cash boxes have re-emerged with no obvious investment mandate, and excess liquidity continues to push prices higher.

While we are mindful of these risks, particularly in pockets of the market that look fully valued, we believe the companies in which the fund has invested in should continue to deliver positive returns.

The investment appeal of an absolute return fund like WLS becomes increasingly relevant at this stage of the investment cycle as opportunities become harder to find. The ability to shift a significant portion of the fund into cash and to profit from over valued securities by short selling should provide a degree of capital protection if the market declines.

## **PORTFOLIO CONSTRUCTION**

In constructing the WLS portfolio we are wary of those sectors that are performing well above trend, most notably in banking, insurance, and the building/construction sectors of the economy. While we have a low weighting to banking and insurance we believe Westpac and Promina are executing particularly well. Both companies will continue to be significant positions in the fund.

We are optimistic on the outlook for resources generally. We have significant holdings in most of the major miners. Our focus is on those companies with low cost, long life ore bodies with an ability to expand production. BHP Billiton, Woodside and Newcrest have all performed particularly well and continue to be core positions.

We continue to focus on well managed growth franchises with significant management ownership. Harvey Norman, Primary Healthcare, Nufarm, Arrow Pharmaceuticals, Babcock and Brown, Credit Corp and Baxter all fit into this category and contributed to performance in 2004.

Having grown the asset base in 2004 and with the markets generally looking more fully valued, we have significantly increased the cash weighting in the fund and started selectively short selling companies we believe are materially overvalued. We will profit if the value of these securities falls.

While we are more cautious on equities generally, we expect the fund to deliver positive returns again in 2005.

## **DIVIDEND POLICY**

The Board's policy is to pay a growing stream of fully franked dividends to shareholders on a six-monthly basis.

The Board has declared an interim dividend of 2.0 cents a share fully franked and a special dividend of 3.0 cents a share fully franked to be paid on 29 April 2005.

The dividend re-investment plan will be operating at no discount. To participate in the dividend re-investment plan, the share registry must receive elections to do so by no later than 5pm 14 April 2005.

To be entitled to the dividend, option holders need to exercise their options by 5pm 14 April 2005.

### **SHARE BUY BACK**

On the 13 May 2004 the board of Wilson Leaders Limited announced an on market share buyback, equivalent to 4,420,900 shares or approximately 10% of issued capital. The buyback will be in place for a 12-month period, beginning from 27 May 2004. The buyback was initiated at 90 cents per share, approximately a 10.8% discount to the current pre-tax NTA.

The board is focussed on maximising returns to shareholders and this will from time to time involve active capital management. The board views the introduction of an on market share buy back as being in line with this aim as it will add value to the remaining shares on issue and increase NTA per share.

As at close of the market on 31 December 2004, 3,917,262 shares had been bought back.

As at 31 December 2004 the equity portfolio gave exposure to:

	<b>Market Value \$</b>	<b>% of Portfolio</b>		<b>Market Value \$</b>	<b>% of Portfolio</b>
<b>Energy</b>			<b>Health Care Equipment &amp; Services</b>		
Hardman Resources Ltd (HDR)	1,091,150	2.39%	Primary Health Care Ltd (PRY)	750,305	1.64%
Origin Energy Ltd (ORG)	861,250	1.88%	Primary Health Care Ltd (PRYN)	682,500	1.49%
Woodside Petroleum Ltd (WPL)	1,809,000	3.95%	Resmed Inc (RMD)	841,100	1.84%
	<b>3,761,400</b>	<b>8.22%</b>		<b>2,273,905</b>	<b>4.97%</b>
<b>Materials</b>			<b>Pharmaceuticals &amp; Biotechnology</b>		
Alumina Ltd (AWC)	594,000	1.30%	Advanced Nano Tech Ltd (ADVNAV)	250,006	0.55%
BHP Billiton Ltd (BHP)	2,228,442	4.87%	Arrow Pharmaceuticals Ltd (AWP)	976,000	2.13%
James Hardie Industries (JHX)	1,621,400	3.55%	Medical Dev.Internat. Ltd (MVP)	553,500	1.21%
Newcrest Mining Ltd (NCM)	1,518,150	3.32%	Pharmaxis Ltd (PXS)	76,000	0.17%
Nufarm Ltd (NUF)	1,404,000	3.07%		<b>1,855,506</b>	<b>4.06%</b>
Onesteel Ltd (OST)	1,028,000	2.25%	<b>Banks</b>		
Rio Tinto Ltd (RIO)	1,159,908	2.54%	St George Bank Ltd (SGB)	1,502,375	3.29%
WMC Resources Ltd (WMR)	144,400	0.32%		<b>4,815,675</b>	<b>10.53%</b>
	<b>9,698,300</b>	<b>21.22%</b>	<b>Automobiles &amp; Components</b>		
<b>Capital Goods</b>			Fleetwood Corporation Ltd (FWD)	1,084,026	2.37%
Austin Engineering Ltd (ANG)	606,515	1.33%		<b>1,084,026</b>	<b>2.37%</b>
	<b>606,515</b>	<b>1.33%</b>	<b>Diversified Financials</b>		
<b>Transportation</b>			Aberdeen Leaders Ltd (ALR)	7,354,965	16.08%
Patrick Corporation Ltd (PRK)	1,200,850	2.63%	Babcock & Brown Ltd (BNB)	1,077,120	2.36%
	<b>1,200,850</b>	<b>2.63%</b>		<b>8,432,085</b>	<b>18.44%</b>
<b>Commercial Services &amp; Supplies</b>			<b>Insurance</b>		
Credit Corp Group Ltd (CCP)	1,252,251	2.74%	Promina Group (PMN)	631,800	1.38%
McMillan Shakespeare Ltd (MMS)	541,998	1.18%	Reinsurance Australia Corp. Ltd (RAC)	1,402,324	3.06%
	<b>1,794,249</b>	<b>3.92%</b>		<b>2,034,124</b>	<b>4.44%</b>
<b>Hotels, Restaurants &amp; Leisure</b>			<b>Retail</b>		
eBet Ltd (EBT)	759,473	1.66%	Harvey Norman Holdings Ltd (HVN)	1,716,750	3.75%
	<b>759,473</b>	<b>1.66%</b>		<b>1,716,750</b>	<b>3.75%</b>
<b>Media</b>			<b>Software &amp; Services</b>		
Infochoice Ltd (ICH)	210,680	0.46%	Reckon Ltd (RKN)	859,770	1.88%
News Corp Class A (NWSLV)	916,300	2.00%		<b>859,770</b>	<b>1.88%</b>
News Corp Class B (NWS)	1,081,798	2.37%	<b>Technology Hardware &amp; Equipment</b>		
Photon Group Ltd (PGA)	1,160,000	2.54%	Redflex Holdings Ltd (RDF)	989,928	2.16%
	<b>3,368,778</b>	<b>7.37%</b>		<b>989,928</b>	<b>2.16%</b>
<b>Food Beverage &amp; Tobacco</b>			<b>Corporate Debt</b>		
FGL 270105 Call 500 (FGLZL)	113,400	0.25%	Primelife Corp C/Notes (PLFGB)	369,240	0.81%
	<b>113,400</b>	<b>0.25%</b>		<b>369,240</b>	<b>0.81%</b>
			<b>TOTAL PORTFOLIO VALUE</b>	<b>42,420,673</b>	<b>100.00%</b>
			<b>LESS: ESTIMATED SELLING COSTS</b>	<b>-169,683</b>	
			<b>CARRYING VALUE</b>	<b>42,250,990</b>	
			<b>ADD: LENT STOCK</b>	<b>3,313,300</b>	
			<b>TOTAL VALUE</b>	<b>45,564,290</b>	

As at 31 December 2004 the following short position was held:

	<b>Market Value \$</b>	<b>% of gross assets</b>
Australian Stock Exchange Ltd (ASX)	617,085	1.20%
<b>TOTAL</b>	<b>617,085</b>	<b>1.20%</b>

For further information please contact;  
Mr Justin Braitling (02) 9247 6755 / 0400 999 910  
**Email: [info@wami.com.au](mailto:info@wami.com.au)**

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**WILSON LEADERS LIMITED**  
**APPENDIX 4D**  
**HALF YEAR REPORT**  
for the half year ended 31 December 2004

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

*Operations commenced 10 February 2004, and as such comparisons to the half year ended 31 December 2003 are meaningless and have not been included*

\$			
Revenue from ordinary activities		7,494,020	
Profit from ordinary activities before tax attributable to members		7,102,974	
Profit from ordinary activities after tax attributable to members		5,023,739	
Net profit for the period attributable to members		5,023,739	
		<b>Franked amount per share</b>	<b>Tax rate for franking</b>
<b>Dividend Information</b>	<b>Amt per share</b>		
Interim dividend per share	2.0c	2.0c	30%
Special dividend per share	3.0c	3.0c	30%
Total dividends per share for the half year	5.0c	5.0c	30%
<b>Final dividend dates</b>			
Ex dividend date			14 April 2005
Record date			20 April 2005
Payment date			29 April 2005
<b>31 Dec 2004</b>			
Net tangible asset backing after tax		\$1.13	
<p><i>This report is based on the Half Year Financial Report which has been subject to review by the Auditors. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the 30 June 2004 Annual Financial Report.</i></p>			

# **WILSON LEADERS LIMITED**

A.B.N. 64 106 845 970

## **FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2004**

# COMPANY PARTICULARS

## WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

Wilson Leaders Limited is a Listed Investment Company. It is an investor in equities and similar securities on the stock market primarily in Australia.

**DIRECTORS:**

G. Wilson (Chairman)  
J. Braitling  
M. Kidman  
J. Abernethy  
J. Gosse

**SECRETARY:**

J. Gosse

**AUDITORS:**

Moore Stephens WI

**COUNTRY OF INCORPORATION:**

Australia

**REGISTERED OFFICE:**

Level 11, 131 Macquarie Street  
Sydney NSW 2000

**CONTACT DETAILS:**

Mail Address: Lv 11, 131 Macquarie St Sydney NSW 2000  
Telephone: (02) 9247 6755  
Fax: (02) 9247 6855  
Email: [info@wami.com.au](mailto:info@wami.com.au)

For enquiries regarding net asset backing (as advised each month to the Australian Stock Exchange) refer to [www.asx.com.au](http://www.asx.com.au) or call (02) 9247 6755

**SHARE REGISTRAR:**

Registries Limited  
Mail Address: PO Box R67 Royal Exchange  
Sydney NSW 1223  
Telephone: (02) 9290 9600  
Fax: (02) 9279 0664

For all enquiries relating to shareholdings, dividends (including participation in the Dividend Reinvestment Plan) and related matters, please contact the share registrar.

**STOCK EXCHANGE:**

Australian Stock Exchange (ASX)  
The home exchange is Sydney.  
ASX code: WLS Ordinary shares  
WLSO Options Expiring 17 Jun 2005

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

## DIRECTORS' REPORT TO SHAREHOLDERS FOR THE HALF YEAR ENDED 31 DECEMBER 2004

The Directors present their report together with the financial report of Wilson Leaders Limited ("the Company") for the half year ended 31 December 2004.

### PRINCIPAL ACTIVITY

The principal activity of the Company is making investments in listed and unlisted companies. No change in this activity took place during the half year or is likely in the future.

### REVIEW OF OPERATIONS AND OPERATING RESULTS

Investment operations over the half year resulted in an operating profit before tax of \$7,102,974 (2003: nil) and an operating profit after tax of \$5,023,739 (2003: nil)

Investments are revalued monthly to market value. For the half year ended 31 December 2004, investments were revalued by \$4,044,209 (2003: nil), after an adjustment for deferred tax on unrealised gains, a net increment of \$2,609,535 (2003: nil) was transferred to an Unrealised Capital Profits Reserve.

Asset backing for each ordinary share at 31 December 2004 (calculated on market value less realisation costs and all applicable taxes and before provision for dividend) amounted to \$1.129 per share (2003: \$1.00). Asset backing after tax on realised gains but before tax on unrealised gains was \$1.164 per share. The equivalent asset backing before tax was \$1.183 per share (2003: \$1.00).

### DIRECTORS

The names of the Directors in office at any time during or since the end of the half year are as follows:-

Geoffrey J. Wilson – Chairman

Justin B. Braitling – Non-Executive Director

Matthew J. Kidman – Non-Executive Director

Julian J. Gosse – Non Executive Director and Secretary

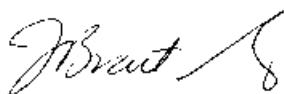
John B. Abernethy – Non-executive Director

The Directors have been in office since the start of the half year to the date of this report unless otherwise stated.

### AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditors' Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 9.

Signed in accordance with a resolution of the Board of Directors.



J.B. BRAITLING, Director  
Dated at Sydney this 28 February 2005

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE HALF YEAR ENDED 31 DECEMBER 2004

	Notes	December 2004 \$	December 2003 \$
Sale of investments		90,950,647	-
Cost of investments sold		(88,108,114)	-
Gross profit		<u>2,842,533</u>	-
Unrealised gain on investments		4,044,209	-
Other revenue from ordinary activities	2	607,277	-
Management fee		(236,978)	-
Other expenses from ordinary activities		(154,067)	-
		<u>-</u>	-
<b>Profit from ordinary activities before related income tax expense</b>		<b>7,102,974</b>	-
		<u>-</u>	-
Income tax expense relating to ordinary activities		(2,079,235)	-
		<u>-</u>	-
<b>Net profit from ordinary activities after related income tax expense</b>		<b>5,023,739</b>	-
<b>Changes in equity other than those resulting from transactions with owners as owners</b>			
Amount transferred to unrealised capital profits reserve		(2,609,535)	-
		<u>-</u>	-
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>2,414,204</b>	-
		<u>-</u>	-
<b>Basic earnings per share</b>		11.7 cents	n/a
<b>Diluted earnings per share</b>		11.7 cents	n/a

The accompanying notes form part of these financial statements.

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2004

	Notes	December 2004 \$	June 2004 \$
<b>ASSETS</b>			
Cash assets		5,814,775	9,325,889
Receivables		135,016	700,972
Prepayments		10,231	20,462
Investments		45,564,290	36,930,152
Tax assets		37,911	160,933
<b>TOTAL ASSETS</b>		<b>51,562,223</b>	<b>47,138,408</b>
<b>LIABILITIES</b>			
Payables		3,716,446	2,565,491
Current tax liabilities		770,133	-
Deferred tax liabilities		1,431,724	175,349
<b>TOTAL LIABILITIES</b>		<b>5,918,303</b>	<b>2,740,840</b>
<b>NET ASSETS</b>		<b>45,643,920</b>	<b>44,397,568</b>
<b>EQUITY</b>			
Contributed equity	4	39,679,198	42,817,313
Reserves		3,213,787	604,252
Retained profits		2,750,935	976,003
<b>TOTAL EQUITY</b>		<b>45,643,920</b>	<b>44,397,568</b>

The accompanying notes form part of these financial statements.

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

## STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2004

	December 2004 \$	December 2003 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Dividends received	615,079	-
Interest received	19,557	-
Other investment income received	66,234	-
Payments to suppliers	(316,498)	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>384,372</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	91,423,069	-
Payments for purchase of investments	(91,497,949)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(74,880)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	1
Dividends paid	(515,019)	-
Payments for shares bought back	(3,323,687)	-
Options exercised	18,100	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(3,820,606)</b>	<b>1</b>
<b>NET (DECREASE)/ INCREASE IN CASH HELD</b>	<b>(3,511,114)</b>	<b>1</b>
Cash at beginning of the half year	9,325,889	-
<b>CASH AT END OF HALF YEAR</b>	<b>5,814,775</b>	<b>1</b>

The accompanying notes form part of these financial statements.

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2004

### 1. BASIS OF PREPARATION

The half year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that the half year financial report be read in conjunction with the Annual Financial Report for the period ended 30 June 2004 and any public announcements made by Wilson Leaders Limited during the half year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the Company and are consistent with those applied in the 30 June 2004 Annual Financial Report.

The half year report does not include full disclosures of the type normally included in an annual financial report.

	December 2004	December 2003
	\$	\$
<b>2. OTHER REVENUE FROM ORDINARY ACTIVITIES</b>		
Dividends received	521,944	-
Interest received	16,127	-
Underwriting fees received	35,007	-
Foreign sourced income received	20,546	-
Stock lending rebate received	13,653	-
	<u>607,277</u>	<u>-</u>

### 3. DIVIDENDS

Dividends paid fully franked:

Final dividend at 1.5 cents per ordinary share paid on 29  
October 2004 (Nov 2003: nil)

Total dividends paid by the Company

639,272	-
<u>639,272</u>	<u>-</u>

### Subsequent Event

Since the end of the half year, the Directors have declared an interim dividend of 2 cents per share fully franked and a special dividend of 3 cents per share fully franked both payable on 29 April 2005.

The interim and special dividends have not been brought to account in the financial statements for the half year ended 31 December 2004 but will be recognised in subsequent financial reports.

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2004

	December 2004 \$	June 2004 \$
<b>4. CONTRIBUTED EQUITY</b>		
<b>(a) Issued and Paid-up Capital</b>		
40,439,203 ordinary shares fully paid (30 June 2004: 43,689,000)	<u>39,679,198</u>	<u>42,817,313</u>
<b>(b) Movement in Ordinary Share Capital</b>		
At the beginning of the reporting period	42,817,313	-
- 1 ordinary share issued on incorporation 29 October 2003		1
- 44,199,999 ordinary shares issued on 10 February 2004 under a prospectus	-	44,199,999
- 9,000 ordinary shares issued from the exercise of options with an exercise price of \$1.00 per share	-	9,000
- 520,000 ordinary shares bought back under an on-market buy back commencing 27 May 2004	-	(468,515)
- Transaction costs arising from the Initial Public Offering	(17,146)	(923,172)
- 18,100 ordinary shares issued from the exercise of options with an exercise price of \$1.00 per share	18,100	-
- 3,397,262 ordinary shares bought back at \$0.96 under an on-market buy back commencing 27 May 2004	(3,263,322)	-
- 129,365 ordinary shares issued on 29 October 2004 under a dividend reinvestment plan	124,253	-
<b>At reporting date</b>	<u>39,679,198</u>	<u>42,817,313</u>

### 5. EVENTS SUBSEQUENT TO REPORTING DATE

No matters have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company, the results of the operations, or the state of affairs of the Company in future financial years.

# WILSON LEADERS LIMITED

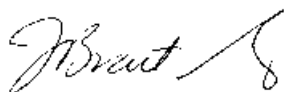
A.B.N. 64 106 845 970

## DIRECTORS' DECLARATION

The Directors of Wilson Leaders Limited declare that:

1. The financial statements and notes, as set out on pages 3 to 7, are in accordance with the Corporations Act 2001, including:
  - (a) complying with Accounting Standard AASB 1029: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (b) giving a true and fair view of the financial position of the Company as at 31 December 2004 and of its performance for the half year ended on that date; and
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



J.B. BRAITLING, Director

Dated at Sydney this 28 February 2005

**Auditors' Independence Declaration**

As lead auditor for the review of Wilson Leaders Limited for the half year ended 31 December 2004, I declare that to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Wilson Leaders Limited.



**S.M. WHIDDETT**  
Partner

Dated in Sydney this day 28 February 2005

**INDEPENDENT REVIEW REPORT  
TO THE MEMBERS OF  
WILSON LEADERS LIMITED**

**Scope**

*The financial report and directors' responsibility*

The financial report comprises the statements of financial position, statements of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Wilson Leaders Limited for the half year ended 31 December 2004.

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with Accounting Standard *AASB 1029 "Interim Financial Reporting"*, and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

*Review approach*

We conducted an independent review of the financial report in order to make a statement about it to the members of the Company, and in order for the Company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the *Corporations Act 2001*, Accounting Standard *AASB 1029 "Interim Financial Reporting"* and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the Company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our statement on the basis of the review procedures performed, which included:

- inquiries of Company personnel, and
- analytical procedures applied to financial data.

When this review report is included in a document containing information in addition to the financial report, our procedures include reading the other information to determine whether it contains any material inconsistencies with the financial report.

A review is limited primarily to inquiries of Company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

## Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

## Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Wilson Leaders Limited is not in accordance with:

- a. the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the financial position of the Company at 31 December 2004 and of its performance for the period ended on that date; and
  - ii. complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and
- b. other mandatory financial reporting requirements in Australia.



**S. M. WHIDDETT**  
Partner



**MOORE STEPHENS WI**  
Sydney

Dated 28 February 2005