

# WILSON LEADERS LIMITED

A.B.N. 64 106 845 970



## **WILSON LEADERS LIMITED (WLS) – SEPTEMBER 2005** **INVESTMENT UPDATE & NTA**

Wilson Leaders Limited (WLS) listed on the Australian Stock Exchange on the 10<sup>th</sup> February 2004 after raising \$44.2 million. Wilson Leaders is a Listed Investment Company that will invest in a portfolio of Australia's leading public companies.

As at 30 September 2005:

NTA before tax	114.76c*
NTA after tax and before tax on unrealised gains	113.83c*
NTA after tax	110.51c*

\* Before the payment of a final dividend of 2.0 cents a share fully franked.

### **MARKET OUTLOOK**

Equities have sold off sharply in October giving back most of the gains achieved in September. The sell off has been in response to emerging concerns with inflation as higher oil and commodity prices work through the system.

We see the sell off as a healthy correction given equity valuations were starting to look stretched. We are still confident in the outlook for equities given the strong underlying fundamentals both in Australia and globally. The momentum building in Japan, the world's second largest economy, is particularly encouraging.

While the inflation indicators are a concern we don't foresee a breakout that would undermine equity markets. Interest rates will clearly have to move higher though in this environment.

Companies will start to give guidance on first quarter profits at the Annual General Meetings to be held over the next few months, we expect mixed signals to come from the outlook commentary at these meetings.

Once the market has absorbed the news flow from the AGM's and adjusted to a higher interest rates, shares can move ahead again following a period of consolidation.

## **DIVIDEND**

The final dividend of 2.0 cents a share fully franked, will bring the full year dividend to 7.0 cents a share. The shares traded ex dividend from 4 October 2005, with payment on 17 October 2005.

## **SHARE BUY BACK**

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.

A buy back of approximately 10% of the issued capital commenced on 29 June 2005.

As at the close of the market on 30 September 2005, 3,319,223 shares had been bought back.

The portfolio is detailed on the following page.

For further information please visit our website [www.wilsonassetmanagement.com.au](http://www.wilsonassetmanagement.com.au) or contact:  
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As at 30 September 2005 the equity portfolio gave exposure to:

	<b>Market Value \$</b>	<b>% of Portfolio</b>		<b>Market Value \$</b>	<b>% of Portfolio</b>
<b>Commercial Services &amp; Supplies</b>			<b>Healthcare Equipment &amp; Services</b>		
Baxter Group (BAX)	1,209,989	2.08%	Mayne Group Ltd (MAY)	538,000	0.93%
Brambles Industries Ltd (BIL)	1,417,600	2.44%	Sigma Company Ltd (SIG)	1,361,646	2.35%
Credit Corp Group Ltd (CCP)	1,571,971	2.71%		<b>1,899,646</b>	<b>3.27%</b>
Salmat Ltd (SLM)	971,560	1.67%	<b>Banks</b>		
	<b>5,171,120</b>	<b>8.91%</b>	ANZ Ltd (ANZ)	4,125,600	7.11%
<b>Consumer Durables &amp; Apparel</b>			NAB Ltd (NAB)	1,586,400	2.73%
Billabong Internat. Ltd (BBG)	391,500	0.67%	Westpac Bank Ltd (WBC)	3,608,923	6.22%
	<b>391,500</b>	<b>0.67%</b>		<b>9,320,923</b>	<b>16.06%</b>
<b>Consumer Services</b>			<b>Diversified Financials</b>		
ABC Learning Centres Ltd (ABS)	667,735	1.15%	Allco Max Ltd (AXQ)	97,000	0.17%
eBet Ltd (EBT)	280,390	0.48%		<b>97,000</b>	<b>0.17%</b>
Tabcorp Holdings Ltd (TAH)	1,035,000	1.78%	<b>Insurance</b>		
	<b>1,983,125</b>	<b>3.42%</b>	AMP Ltd (AMP)	967,200	1.67%
<b>Retail</b>			Henderson Group (HGI)	1,083,300	1.87%
Harvey Norman Holdings Ltd (HVN)	1,386,000	2.39%	Promina Group (PMN)	650,000	1.12%
	<b>1,386,000</b>	<b>2.39%</b>	QBE Insurance Group Ltd (QBE)	1,494,400	2.58%
<b>Transportation</b>			Tower Ltd (TWR)	675,200	1.16%
Macq Infra. Group (MIG)	200,500	0.35%		<b>4,870,100</b>	<b>8.39%</b>
Patrick Corporation Ltd (PRK)	1,446,900	2.49%	<b>Software &amp; Services</b>		
	<b>1,647,400</b>	<b>2.84%</b>	iinet Ltd (IIN)	856,978	1.48%
<b>Media</b>			Reckon Ltd (RKN)	1,313,422	2.26%
Austar United Communications Ltd	449,550	0.77%	Webcentral Ltd (WCG)	225,000	0.39%
Macquarie Comm. Infra. Group (MCG)	118,600	0.20%		<b>2,395,400</b>	<b>4.13%</b>
News Corp Class B CDI	2,633,980	4.54%	<b>Telecommunication Services</b>		
Publishing & Broadcasting Ltd (PBL)	2,307,200	3.98%	Singapore Telecom. (SGT)	1,137,000	1.96%
Seven Network Ltd (SEV)	1,443,750	2.49%		<b>1,137,000</b>	<b>1.96%</b>
STW Communications (SGN)	307,977	0.53%	<b>Real Estate</b>		
	<b>7,261,057</b>	<b>12.51%</b>	Australian Education Trust (AEU)	789,572	1.36%
<b>Energy</b>				<b>789,572</b>	<b>1.36%</b>
Origin Energy Ltd (ORG)	627,447	1.08%	<b>Technology Hardware &amp; Equipment</b>		
Straits Resources Ltd (SRL)	960,597	1.66%	Redflex Holdings Ltd (RDF)	745,800	1.29%
Woodside Petroleum Ltd (WPL)	2,145,600	3.70%		<b>745,800</b>	<b>1.29%</b>
	<b>3,733,644</b>	<b>6.43%</b>	<b>Food &amp; Staples Retailing</b>		
<b>Capital Goods</b>			Metcash Ltd (MTS)	819,000	1.41%
Austal Ltd (ASB)	325,500	0.56%		<b>819,000</b>	<b>1.41%</b>
	<b>325,500</b>	<b>0.56%</b>	<b>Food Beverage &amp; Tobacco</b>		
<b>Materials</b>			Coca Cola Amatil Ltd (CCA)	1,819,300	3.13%
BHP Billiton Ltd (BHP)	2,308,883	3.98%	Fosters Group Ltd (FGL)	408,100	0.70%
Forest Enterprises Australia (FEA)	352,000	0.61%	Select Harvests Ltd (SHV)	694,225	1.20%
James Hardie Industries (JHX)	1,432,000	2.47%		<b>2,921,625</b>	<b>5.03%</b>
Newcrest Mining Ltd (NCM)	1,153,900	1.99%	<b>Listed Domestic Property</b>		
Orica Ltd (ORI)	1,155,000	1.99%	GPT Group Ltd (GTP)	975,000	1.68%
Rio Tinto Ltd (RIO)	1,901,351	3.28%	Westfield Group Ltd (WDC)	1,176,000	2.03%
Zinifex Ltd (ZFX)	684,000	1.18%		<b>2,151,000</b>	<b>3.71%</b>
	<b>8,987,134</b>	<b>15.49%</b>			
			<b>TOTAL PORTFOLIO VALUE</b>	<b>58,033,545</b>	<b>100.00%</b>