

WILSON LEADERS LIMITED

A.B.N. 64 106 845 970



WILSON LEADERS LIMITED (WLS) – MARCH 2006 **INVESTMENT UPDATE & NTA**

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

As at 31 March 2006:

| | |
|--|----------|
| NTA before tax | 129.11c* |
| NTA after tax and before tax on unrealised gains | 127.58c* |
| NTA after tax | 121.47c* |

* Before the payment of an interim dividend of 3.0 cents a share fully franked, payable 28 April 2006.

PORTFOLIO REVIEW

Equities moved ahead strongly in March on the back of improving global growth trends. Resources and domestic cyclicals lead the market higher with defensive and bond sensitive sectors struggling. The portfolio has performed well given the focus on global growth companies and the modest weighting to banks, property trusts, infrastructure, utilities and telecoms which have all underperformed.

The resource sector has performed very well with the funds holdings in BHP, Rio Tinto and Woodside making a significant contribution.

The market was further supported in March by the announcement of two large mergers in financial services and gaming.

MARKET OUTLOOK

Given the market has risen by 10% in the last 3 months we would expect to see some consolidation in the short term. Our medium term view however is quite positive with global growth accelerating. Australia is leveraged to this trend with our key trading partners driving this growth.

Looking forward industrial sector profit growth will predominantly come from global growth companies, with a softer Australian dollar these companies should deliver strong results. Furthermore, with the domestic economy picking up again the risk with domestic cyclicals seems

to be abating. In fact, these companies recently reported solid profit growth in spite of the softer trading conditions. On balance we are confident in the profit outlook and with valuations still at reasonable levels the market can move higher over the medium term.

DIVIDEND

The interim dividend of 3.0 cents a share fully franked will be paid on 28 April 2006. The shares will trade ex dividend on 13 April 2006.

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 31 March 2006, 4,297,574 shares had been bought back.

PORTFOLIO PERFORMANCE

| Gross Performance | 1 month | 3 month | 6 month | Financial YTD |
|--------------------------|----------------|----------------|----------------|----------------------|
| Wilson Leaders Ltd | 6.6% | 10.6% | 16.6% | 27.0% |
| All Ords Accum | 4.8% | 9.4% | 13.2% | 24.5% |
| Relative Performance | 1.8% | 1.2% | 3.4% | 2.5% |

PORTFOLIO STRUCTURE

| Investment Type | As at 28 February 2006 | | As at 31 March 2006 | |
|-------------------------|-------------------------------|------------------------|----------------------------|------------------------|
| | \$m | % of net assets | \$m | % of net assets |
| Listed Securities | 69.98 | 108.5% | 79.87 | 116.4% |
| Fixed Interest and Cash | 2.01 | 3.1% | (0.09) | -0.1% |
| Gross Assets | 71.99 | 111.7% | 79.77 | 116.2% |
| Short positions | (7.52) | -11.7% | (11.13) | -16.2% |
| Net Assets | 64.47 | 100.0% | 68.64 | 100.0% |

The listed securities portfolio is detailed on the following page.

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As at 31 March 2006 the equity portfolio gave exposure to:

| | Market Value \$ | % of Portfolio | | Market Value \$ | % of Portfolio |
|--|------------------------|-----------------------|--|------------------------|-----------------------|
| Commercial Services & Supplies | | | Healthcare Equipment & Services | | |
| Baxter Group Ltd (BAX) | 811,363 | 1.02% | AtCor Medical Ltd (ACG) | 189,000 | 0.24% |
| Brambles Industries Ltd (BIL) | 2,687,500 | 3.36% | Primary Health Care Ltd (PRY) | 982,424 | 1.23% |
| Credit Corp Ltd (CCP) | 1,608,706 | 2.01% | Pro Medicus Ltd (PME) | 351,403 | 0.44% |
| | 5,107,569 | 6.40% | | 1,522,828 | 1.91% |
| Consumer Durables & Apparel | | | Banks | | |
| Billabong Int (BBG) | 760,000 | 0.95% | ANZ Banking Corp (ANZ) | 5,164,850 | 6.47% |
| | 760,000 | 0.95% | St George Bank Ltd (SGB) | 3,608,280 | 4.52% |
| Consumer Services | | | Westpac Banking Corp (WBC) | 4,193,249 | 5.25% |
| ABC Learning Ltd (ABS) | 2,107,682 | 2.64% | | 12,966,379 | 16.23% |
| Aristocrat Leisure Ltd (ALL) | 2,676,586 | 3.35% | Diversified Financials | | |
| Tabcorp Ltd (TAH) | 1,237,600 | 1.55% | Henderson Group (HGI) | 1,248,000 | 1.56% |
| | 6,021,867 | 7.54% | | 1,248,000 | 1.56% |
| Transportation | | | Insurance | | |
| Patrick Corporation Ltd (PRK) | 725,400 | 0.91% | AMP Limited (AMP) | 1,128,400 | 1.41% |
| Toll Holdings Ltd (TOL) | 432,300 | 0.54% | OAMPS Ltd (OMP) | 803,002 | 1.01% |
| | 1,157,700 | 1.45% | Promina Group Ltd (PMN) | 711,100 | 0.89% |
| Media | | | QBE Insurance Group Ltd (QBE) | 1,531,600 | 1.92% |
| Austar United (AUN) | 1,294,125 | 1.62% | Tower Limited (TWR) | 1,909,200 | 2.39% |
| News Corp Class B (NWS) | 4,949,000 | 6.20% | | 6,083,302 | 7.62% |
| Publishing & Broadcasting Ltd (PBL) | 1,816,500 | 2.27% | Software & Services | | |
| Sth Cross Broadcasting (Aust) Ltd (SBC) | 837,900 | 1.05% | Computershare Ltd (CPU) | 2,097,600 | 2.63% |
| | 8,897,525 | 11.14% | Jumbuck Entertainment Limited (JMB) | 82,560 | 0.10% |
| Energy | | | Reckon Ltd (RKN) | 1,358,312 | 1.70% |
| Oil Search Ltd (OSH) | 2,133,000 | 2.67% | | 3,538,472 | 4.43% |
| Origin Energy Ltd (ORG) | 1,317,600 | 1.65% | Food & Staples Retailing | | |
| Woodside Petrol (WPL) | 754,968 | 0.95% | ABB Grain Ltd (ABB) | 1,489,311 | 1.86% |
| | 4,205,568 | 5.27% | Coles Myer Ltd (CML) | 856,000 | 1.07% |
| Materials | | | Metcash Limited (MTS) | 1,181,900 | 1.48% |
| Bendigo Mining Ltd (BDG) | 678,000 | 0.85% | Woolworths Limited (WOW) | 1,195,705 | 1.50% |
| BHP Billiton (BHP) | 4,165,560 | 5.22% | | 4,722,916 | 5.91% |
| James Hardie Industries (JHX) | 2,180,400 | 2.73% | Food Beverage & Tobacco | | |
| Orica Ltd (ORI) | 1,391,400 | 1.74% | Cocacola Amatil (CCL) | 1,301,400 | 1.63% |
| Rio Tinto Ltd (RIO) | 3,008,128 | 3.77% | Select Harvests Ltd (SHV) | 733,430 | 0.92% |
| Sims Group Ltd (SGM) | 1,314,000 | 1.65% | | 2,034,830 | 2.55% |
| | 12,737,488 | 15.95% | | | |
| Pharmaceuticals & Biotechnology | | | TOTAL PORTFOLIO VALUE | 79,866,920 | 100.00% |
| Mayne Pharma Ltd (MYP) | 1,184,000 | 1.48% | SHORT POSITIONS | (11,133,917) | |
| Pharmaxis Ltd (PXS) | 384,077 | 0.48% | Alumina Ltd (AWC) | | |
| Sigma Pharmaceuticals Ltd (SIP) | 2,173,000 | 2.72% | Ancor Ltd (AMC) | | |
| | 3,741,077 | 4.68% | CSR Ltd (CSR) | | |
| Listed Domestic Property | | | Flight Centre Ltd (FLT) | | |
| Westfield Group Ltd (WDC) | 2,907,000 | 3.64% | Insurance Australia Group Ltd (IAG) | | |
| | 2,907,000 | 3.64% | Leighton Holdings Ltd (LEI) | | |
| Real Estate | | | Macarthur Coal Ltd (MCC) | | |
| Lend Lease Corporation Ltd (LLC) | 2,214,400 | 2.77% | Macquarie Infrastructure Group (MIG) | | |
| | 2,214,400 | 2.77% | Qantas Airways Ltd (QAN) | | |
| | | | Telstra Corporation Ltd (TLS) | | |
| | | | Wesfarmers Ltd (WES) | | |
| | | | WorleyParsons Ltd (WOR) | | |