

**WILSON LEADERS LIMITED**  
**A.B.N. 64 106 845 970**



**WILSON LEADERS LIMITED (WLS) – MARCH 2007**  
**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 invests in a portfolio of Australia's leading public companies.

As at 31 March 2007

NTA before tax	144.00c
NTA after tax and before tax on unrealised gains	140.21c
NTA after tax	133.82c

The above figures are undiluted for unexercised options but after the exercise of 690,187 options at \$1.08 each during the month. The above figures are also before the payment of an interim dividend of 4.0 cents a share fully franked, payable on the 27 April 2007.

**MARKET OUTLOOK**

The Equity market recovered strongly in March following a sharp correction in February with the All Ordinaries Accumulation Index up 3.3% approaching the record high reached in mid February.

Early in the month, market volatility increased with risks emerging around sub prime mortgage delinquencies in the US; the unwinding of Yen based carry trades as a cheap source of funding; and a reversal of the oil prices recent downward trend. Equities quickly recovered though, demonstrating the scale of new flows into the market.

News on the domestic economy was also strong with December Quarter GDP coming in ahead of expectations and three consecutive months of strong employment data. It now looks like we will see an interest rate increase again in the near future putting upward pressure on the currency which has moved to a new high.

Following a strong reporting season, profit expectations have been revised upwards. With clear liquidity support for equities, ongoing private equity interest and corporate activity, equities are well supported at current levels and should track higher in the medium term in spite of challenging valuations.

## **DIVIDEND**

On the 7<sup>th</sup> February the Directors declared an interim dividend of 4.0 cents a share fully franked payable on the 27 April 2007. The shares will trade ex dividend on 16 April 2007.

Option holders who exercise their options by the 13 April 2007 will receive the interim dividend of 4.0 cents a share.

## **OPTIONS ISSUE**

On 11<sup>th</sup> August 2006, the Directors of Wilson Leaders Limited announced a 1 for 2 bonus issue of options to its shareholders. The options were allotted to shareholders on 8<sup>th</sup> September 2006 and have been issued at no cost to shareholders. The options have an exercise price of \$1.08 per option and can be exercised any time up until the expiry date of 31 October 2007.

As at the 12<sup>th</sup> April 7,486,789 options have been exercised for a total consideration of \$8,086,347 with a remaining balance of outstanding options being 18,666,824.

The Board is focused on creating shareholder value. The Board believes that this bonus option issue will promote this endeavour and will reward shareholders for their loyalty and support for the Company.

## **PORTFOLIO PERFORMANCE**

<b>Gross Performance</b>	<b>1 month</b>	<b>3 month</b>	<b>6 month</b>	<b>Financial YTD</b>
Wilson Leaders Ltd	+ 3.7%	+5.0%	+ 19.9%	+ 23.9%
All Ords Accum	+ 3.3%	+ 7.1%	+ 19.2%	+ 22.6%
Relative Performance	+0.4%	-2.1%	+0.7%	+ 1.2%

## **PORTFOLIO STRUCTURE**

<b>Investment Type</b>	<b>As at 28 February 2007</b>		<b>As at 31 March 2007</b>	
	<b>\$m</b>	<b>% of net assets</b>	<b>\$m</b>	<b>% of net assets</b>
Listed Securities	116.23	144.2%	108.51	129.1%
Fixed interest and Cash	-2.26	-2.8%	-1.48	-1.8%
<b>Gross Assets</b>	<b>113.97</b>	<b>141.4%</b>	<b>107.03</b>	<b>127.3%</b>
Short positions	-33.39	-41.4%	-22.94	-27.3%
<b>Net Assets</b>	<b>80.58</b>	<b>100.0%</b>	<b>84.09</b>	<b>100.0%</b>

The listed securities portfolio is detailed on the following page.

As at 31 March 2007 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</b>		
Oil Search Ltd (OSH)	2,708,300	2.50%	Pharmaxis Limited (PXS)	998,200	0.92%
Woodside Petrol (WPL)	2,432,584	2.24%	Sonic Healthcare Ltd (SHL)	1,327,500	1.22%
	<b>5,140,884</b>	<b>4.74%</b>	Sigma Pharmaceuticals Ltd (SIP)	3,514,753	3.24%
<b>Materials</b>				<b>5,840,453</b>	<b>5.38%</b>
Alumina Limited (AWC)	2,193,000	2.02%	<b>Financials</b>		
BHP Billiton (BHP)	10,873,085	10.02%	ANZ Banking Corp (ANZ)	10,689,030	9.85%
Consolidated Minerals Ltd (CSM)	1,498,318	1.38%	AMP Limited (AMP)	2,078,000	1.92%
GRD Limited (GRD)	406,577	0.37%	Commonwealth Bank Of Australia (CBA)	3,015,600	2.78%
James Hardie Industries (JHX)	2,633,400	2.43%	Cadence Capital Ltd (CDM)	1,034,483	0.95%
Onesteel Ltd (OST)	1,444,800	1.33%	Credit Corp Ltd (CCP)	2,958,833	2.73%
Rio Tinto Ltd (RIO)	5,607,332	5.17%	Henderson Group PLC (HGI)	2,007,500	1.85%
Timbercorp Ltd (TIM)	1,720,400	1.59%	QBE Insurance Group Ltd (QBE)	2,523,200	2.33%
	<b>26,376,911</b>	<b>24.31%</b>	St George Bank Ltd (SGB)	4,097,985	3.78%
<b>Industrials</b>			Westpac Banking Corp (WBC)	5,560,878	5.12%
Brambles Ltd (BXB)	2,177,600	2.01%	IWL Limited (IWL)	736,500	0.68%
McMillan Shakespeare Ltd (MMS)	1,449,807	1.34%		<b>34,702,008</b>	<b>31.99%</b>
Service Stream Limited (SSM)	2,129,875	1.96%	<b>Information Technology</b>		
SAI Global Ltd (SAI)	1,760,786	1.62%	Computershare Limited (CPU)	1,085,000	1.00%
Walter Diversified Services (WDS)	1,662,088	1.53%	E-Pay Asia Ltd (EPY)	562,275	0.52%
	<b>9,180,156</b>	<b>8.46%</b>	Melbourne IT Ltd (MLB)	1,725,842	1.59%
<b>Consumer Staples</b>			Reckon Ltd (RKN)	1,225,256	1.13%
Woolworths Limited (WOW)	1,359,500	1.25%		<b>4,598,373</b>	<b>4.24%</b>
Metcash Limited (MTS)	2,612,900	2.41%	<b>Utilities</b>		
Select Harvests Ltd (SHV)	2,809,374	2.59%	AGL Energy Limited (AGK)	2,096,900	1.93%
	<b>6,781,774</b>	<b>6.25%</b>		<b>2,096,900</b>	<b>1.93%</b>
<b>Telecommunication Services</b>					
Reverse Corp Ltd (REF)	750,000	0.69%	<b>TOTAL PORTFOLIO VALUE</b>	<b>108,507,573</b>	<b>100%</b>
Telecom Corporation of NZ Ltd (TEL)	1,751,400	1.61%			
	<b>2,501,400</b>	<b>2.30%</b>	<b>SHORT POSITIONS</b>	<b>22,944,624</b>	
<b>Consumer Discretionary</b>					
ABC Learning (ABS)	2,081,490	1.92%			
Aristocrat Leisure Ltd (ALL)	820,000	0.76%			
News Corp Class B (NWS)	4,833,600	4.45%			
Publishing & Broadcasting Ltd (PBL)	992,500	0.91%			
Seven Network Limited (SEV)	913,600	0.84%			
Village Roadshow Ltd Prefs (VRLPA)	1,647,523	1.52%			
	<b>11,288,714</b>	<b>10.40%</b>			