

WILSON LEADERS LTD (WLS)



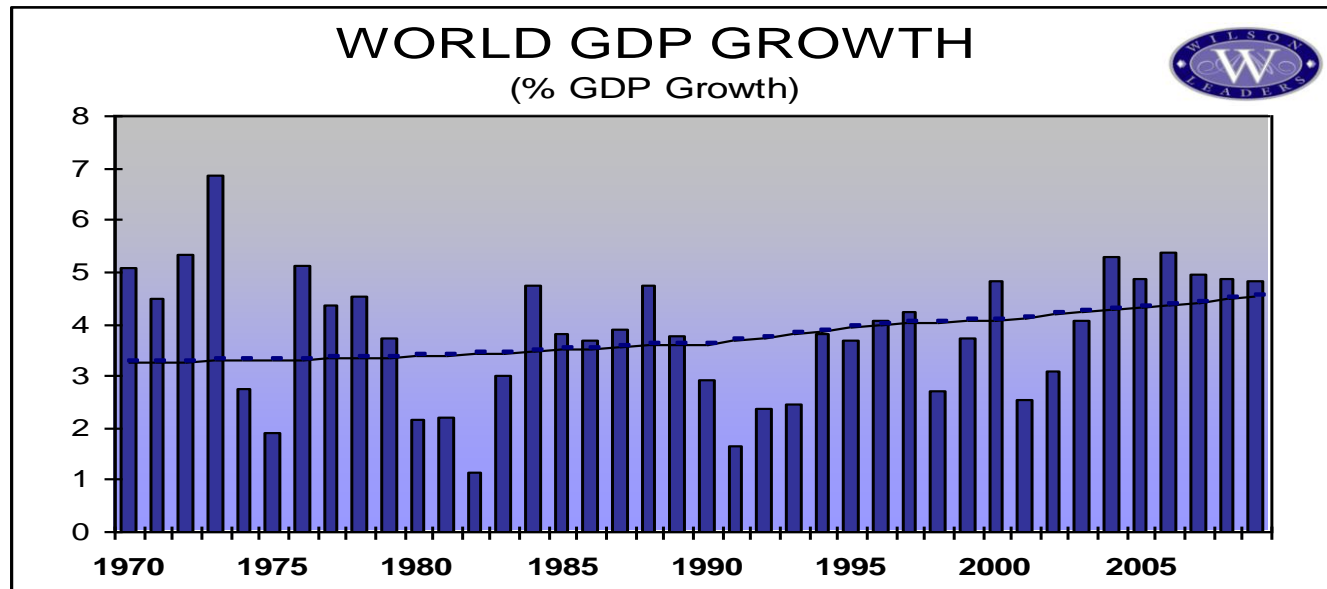
Agenda

- Outlook for the Global Economy
- Outlook for the Australian Economy
- Implications for Australian Equities
- Key Portfolio Holdings
- Fund Performance

Global Economy

- After three consecutive years of record breaking growth, the global economy is slowing as US activity has softened following a collapse in housing construction
- The European economy continues to pick up pace
- The recovery in Japan looked to have slowed mid way through last year but picked up pace again in the final quarter of 2006.
- China and India will continue to make an important contribution to global growth in the medium term.

Longest Period of Sustained Expansion in 30 years



IMF Forecasts

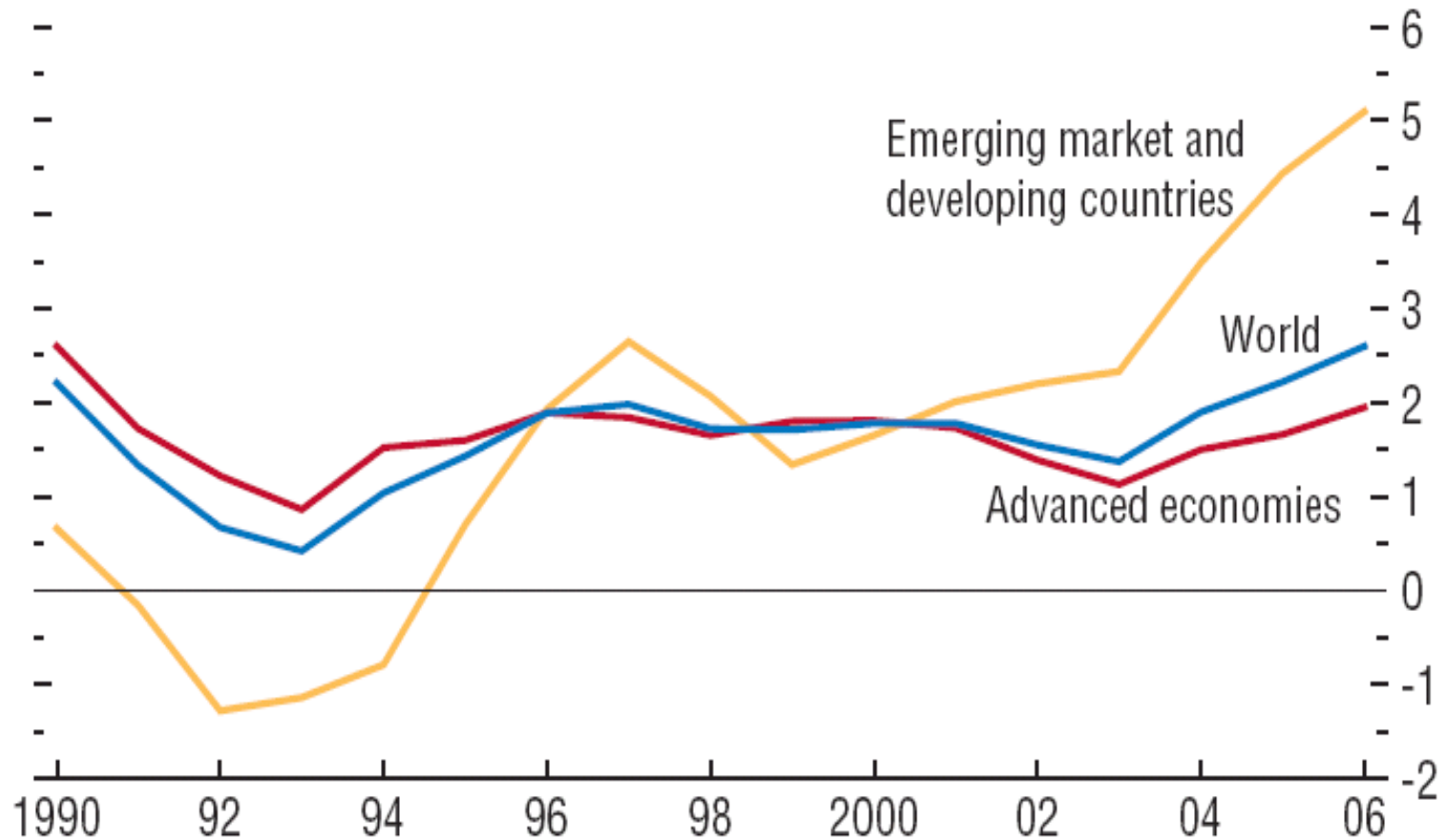
- IMF forecasting the longest period of sustained expansion without supply side constraints for more than 30 years.
- The potential growth of the world economy appears to have inextricably shifted up a gear.

Key Risks to Outlook

- US residential construction takes another leg down and consumer confidence falls with it
- Weakness in housing spreads more broadly to rest of the economy
- A spill over of softer conditions in the US to export lead regions in Asia and Europe;
- Further deterioration in core inflation;
- Financial market instability given historically tight risk margins.

Productivity lead growth

(the value of goods and services produced by the workforce)



How long will this period of prosperity last?

A continuation of positive productivity trends in developing countries will depend on:

Internally

Commitment to ongoing reforms (BRIC's countries-
Brazil, Russia, India, China)

Healthy balance between urbanisation and capital
formation ensuring output and consumption grow together

Externally

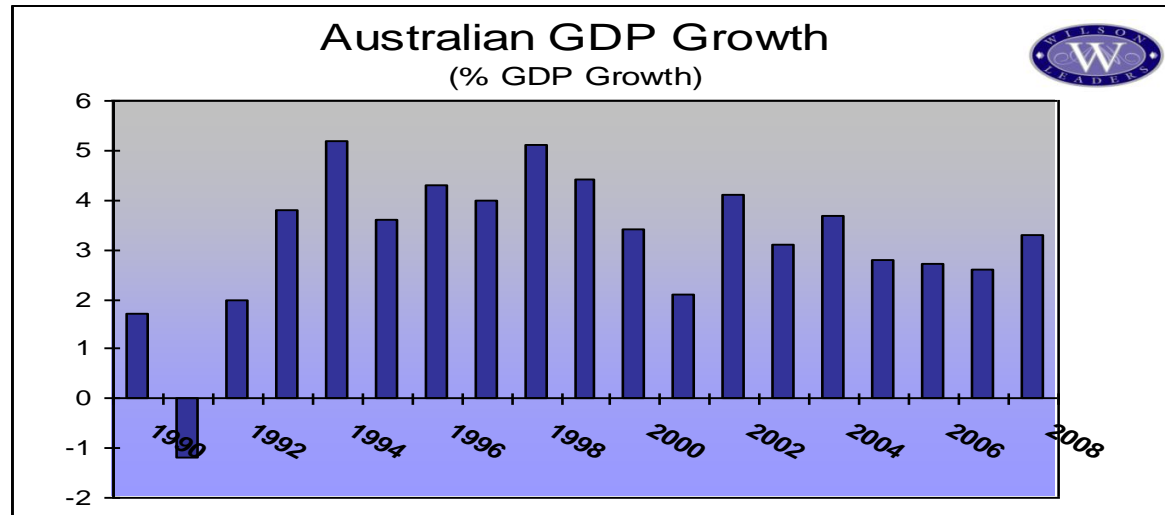
Ongoing commitment by western nations to trade
liberalisation and integration of capital/ labour and financial
markets

How long will this period of prosperity last?

Productivity in the Industrialised World is slowing

- As the economic cycle has matured labor and capital has become more fully employed and productivity has slowed, this deterioration has been further exacerbated by the low level of investment in recent years.
- As US economy has slowed resistance to ongoing trade liberalisation is gaining momentum
- Longer term risks in OECD countries lie with an aging population and an increasing cost of environmental compliance.

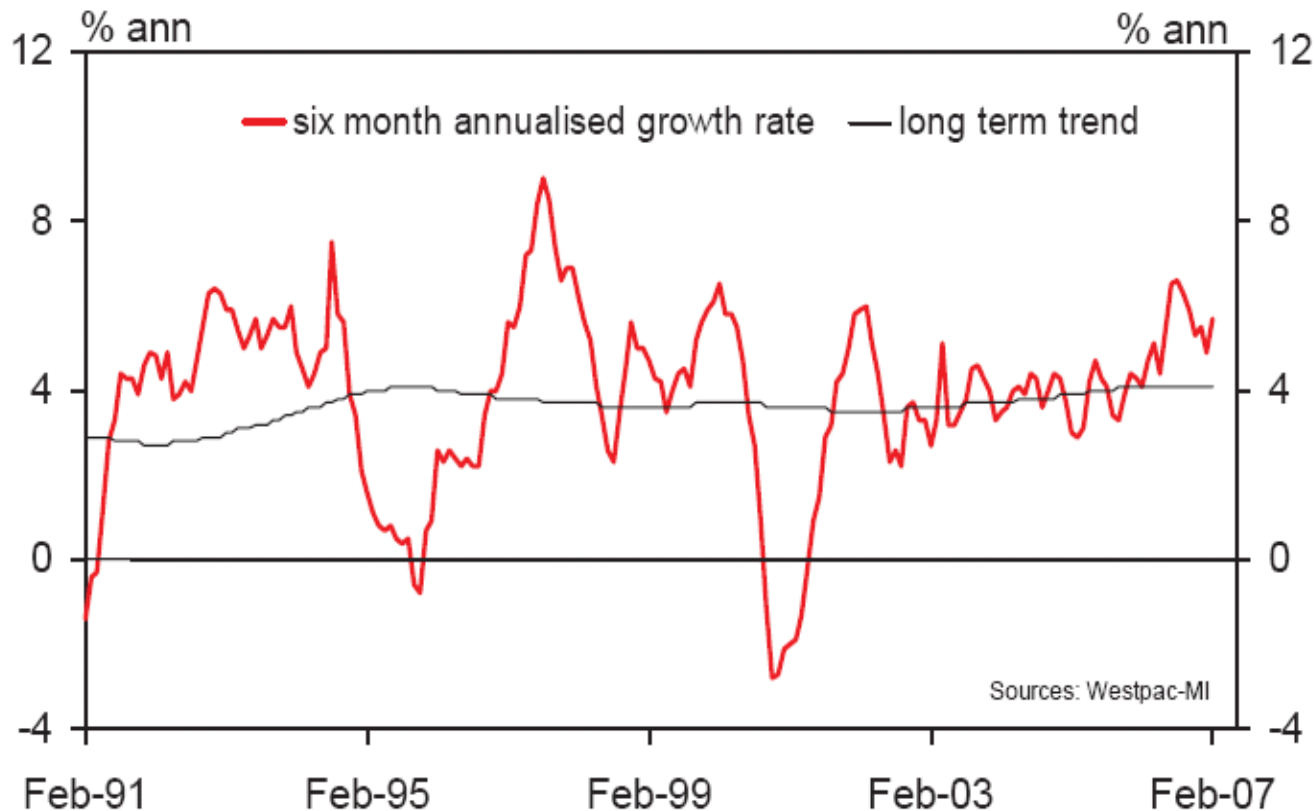
The Australian Economy



The domestic economy has picked up momentum in recent quarters as household spending has started to recover following 18 months of lacklustre activity. Economists are forecasting a modest acceleration in growth through the rest of 2007 and in next year.

Leading Indicators show an economy picking up pace

Westpac-MI Leading Index



Australian Equities

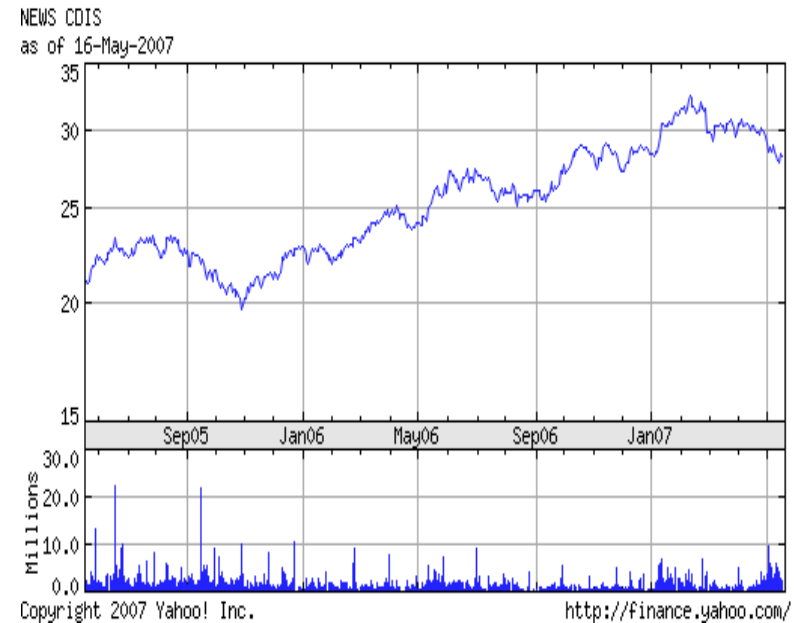
- Given our outlook for the Australian economy, we expect to see solid profit expansion from listed companies in fiscal 2007 and into next financial year.
- In absolute terms valuations look stretched on historic measures, particularly when compared with International Equity markets
- With the exuberance of a bull market in full swing, risk margins and volatility have fallen to unsustainably low levels.

The Outlook for Australian Equities

- International Equity Markets still represent reasonable value and are supported by strong earnings momentum and accommodative monetary conditions
- Equities still look attractively priced when compared to other asset classes
- Australian Equities while a little expensive should move higher with International markets

News Corporation (NWS)

- Many of the technical issues that held back NWS shares in 2004 and 2005 are now reversing
- NWS traditional media businesses are performing extremely well and there is value to be unlocked from monetising Fox Interactive Media's 80 million unique viewers (UV).
- NWS is attractively priced, with its securities trading in line with the broader industrial market on a P/E basis, yet we would expect the company to deliver far superior earnings growth for a number of years to come.



Seven Network Limited (SEV)

- Management at **Seven** have successfully turned around the ratings performance of Channel Seven in the last 3 years with the network now the leading metropolitan free-to-air channel.
- With the TEN network up for sale and NINE pursuing profit ahead of ratings, Sevens leadership is unlikely to be challenged for some time.
- Following the sale of the Network and Magazine businesses into a joint venture with KKR the stock is priced at a sizable discount



Oil Search Limited (OSH)

- There is hidden value in **Oil Search's** gas resource in the Highlands of Papua New Guinea, with over 1 billion barrels of oil equivalent (BOE) in fold belt gas and associated liquids.
- The shares have struggled recently following the decision to suspend work on the PNG Gas Project.
- We see the failure of the PNG Gas Project as a watershed for the company.
- Oil Search is now aggressively pursuing other gas commercialisation options including LNG and petrochemical developments.



Summary

- In summary, we believe equities will continue to move higher in the medium term. Expect to see a return to more normal levels of volatility however as the cycle matures
- We are very pleased with the current structure of the portfolio and hope to deliver solid results in the year ahead