

Aberdeen Leaders Limited
ABN 25 003 236 173

Appendix 4D
Half Year Report
For the period ended 31 December 2005
(previous corresponding period being
the half year ended 31 December 2004)

**Results for Announcement to the Market
Comprising Chairman's Statement, Manager's Review
Schedule 4D Accounts including Independent Review Report to the Members
and Portfolio Listing**

- Net profit including net realised investment gains was \$6,224,000, an increase of 10 per cent.
- Dividends totalling 3 cents per share were provided for and paid in the half year, an increase of 50 per cent.
- Dividend target for the full year of 7.5 cents per share, a 20 per cent increase on 2004/5
- Net tangible assets per share as at 31 December 2005 was 164 cents per share, 147 cents per share net of deferred tax on unrealised gains, an increase of 21.7 per cent on a pre-tax total return basis for the six months
- Share price of 142 cents as at 31 December 2005, a 19.3 per cent total return for the six months
- Share price total return of 30.6 per cent for the 12 months to 31 December 2005, topping the ASX Australian equities LIC sector.

Aberdeen Leaders Limited

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ABERDEEN LEADERS LIMITED

CHAIRMAN'S STATEMENT

I am delighted to present the Interim Report for the six months ended 31 December 2005 and to advise that the NTA rose to 164 cents per share, 147 cents per share, net of deferred tax on unrealised gains at the period end. This represents an increase of 21.7 per cent. on a pre-tax total return basis for the six months. The share price closed at 142 cents on 31 December, a 19.3 per cent total return for the six month period. It has been pleasing to note a narrowing of the discount over the period. As at 31 December the post-tax discount was 3.4 per cent.

Good investment performance underpinned the Company's share price total return of 30.6 per cent. for the year ended 31 December 2005, topping the ASX Australian equities listed investment company sector.

It remains the Board's intention to pay dividends of not less than 7.5 cents per share for the full year. We have declared dividends totalling 3 cents per share to date, including a distribution of 1.5 cents which was paid on 24 January 2006.

Despite October's pull back, the period under review saw a fresh record high established for the Australian stock market on 29 December, and this has continued into the New Year. For the six months ended 31 December the S&P / ASX 200 Accumulation Index was up 13.9 per cent led by the Materials sector. The portfolio rose 16.3 per cent in the period, outperforming the benchmark by 2.4 per cent. The use of gearing obviously enhanced the NTA total return in the period.

In stock terms, Rio Tinto led the way with its diversified exposure to the resources boom but there were strong contributions also from Leighton Holdings and QBE. Tabcorp Holdings and APN News & Media underperformed in the period.

I would also draw your attention to the accompanying accounts. The Income Statement for the six month is presented in the new AIFRS format for the first time. As previously advised the Company is now able to recognise net realised gains in this Statement and henceforth our earnings per share will be calculated inclusive of those net realised gains. Unrealised gains will continue to be credited to reserves. We believe this format will make our accounts much easier to read going forward given that our "earnings" will be more obviously aligned to our dividends. It is worth noting that at the period end we have some 18 cents per share of retained distributable reserves in addition to a healthy buffer of unrealised gains equating to approximately 20 cents per share net of the provision for deferred tax.

Outlook

Equity valuations have been supported by a strong corporate earnings environment and a supportive interest rate and economic background, notwithstanding continued high oil prices. Interest rates have been on hold since March 2005 and are expected to remain so for the remainder of this financial year as the pace of our economic growth has slowed slightly and inflation is within the Reserve Bank's target band. We are confident that the current portfolio is well placed to continue to deliver returns in this environment but also that its defensive qualities will stand us in good stead were we to experience any market correction after such a strong run.

Brian Sherman AM
Chairman

January 2006

ABERDEEN LEADERS LIMITED**MANAGER'S REVIEW****SIX MONTHS ENDED 31 DECEMBER 2005**

It has been another strong period for the Australian stock market with the three year annualised return above 20 per cent. It is probably difficult to forecast this level of returns continuing but that said there are no immediate challenges to either the local or global back drop of mild inflation and reasonably accommodative monetary policy or the outlook for economic growth such that would derail the benefits equity markets worldwide have enjoyed. Oil prices are high and rising again but most of the world's economies, Australia included, appear to have experienced little in the way of inflationary pressure.

In gross assets terms the portfolio outperformed the benchmark of the S&P / ASX 200 Accumulation Index over the three and six months ended 31 December 2005. Confirming the current portfolio's defensive characteristics, in October's market decline we added 140 basis points of relative outperformance.

Looking at portfolio activity in the period, in addition to the introduction of Wesfarmers which we covered in our last quarterly report, we initiated a position in the IPO of SP AusNet. This comprises two regulated energy network companies involved in the energy supply industry in Victoria stapled with the financing trust, SP AusNet Finance Trust. The management team is well established and has a good reputation and relationship with the regulator. The company offers a good yield and adds to the portfolio's defensive qualities.

From a stock point of view an 11 per cent fall in Woodside Petroleum in October gave us the opportunity to add to our position in this well-managed business that is of course benefiting from the current high oil price but which also has long-term LNG contracts in place and increased production to come on stream in 2006. Woodside contributed 48 basis points to the outperformance.

All the headlines have been created by the Materials sector where heavy demand and high commodity prices have been the catalyst for strong price performance. We have deliberately retained our focus on the two large diversified miners, Rio Tinto and BHP Billiton. Rio has been a standout in terms of both absolute and relative share price performance and our overweight position contributed 190 basis points of performance.

We reduced our weighting to Telstra which, despite its good yield, has underperformed in share price terms. Our preferred exposure in the sector remains Telecom NZ.

We took the opportunity to reduce our holdings in Leightons, ASX and Bendigo Bank following strong rallies in their share prices and top sliced our holdings in QBE Insurance, Westpac Banking Corporation, Downer EDI and Qantas. We also reduced our holdings in APN News & Media and Tabcorp given the outlook for both has soured somewhat.

The following table identifies the major positive and negative contributions to performance relative to the benchmark in the six months ended 31 December 2005:

Key contributors – six months to 31 December 2005

Top 5 Contributors		
Stock	Relative weight (%)	Contribution (%)
Rio Tinto	+5.2	1.90
Leighton	+2.7	1.29
QBE Insurance Group	+5.3	0.52
Australian Stock Exchange	+1.7	0.48
Woodside Petroleum	+2.5	0.48
Top 5 Detractors		
Stock	Relative weight (%)	Contribution (%)
Tabcorp Holdings	+3.3	-0.66
APN News & Media	+2.0	-0.47
Woolworths	+3.2	-0.37
Lion Nathan	+2.7	-0.35
Telecom NZ	+3.9	-0.29

Whilst the macro background remains benign, we are becoming more cautious as to whether such stellar corporate earnings growth can continue. Our strategy will continue to invest in good quality, companies with strong fundamentals and cash flows and reasonable valuations.

Aberdeen Asset Management Limited

January 2006

Aberdeen Leaders Limited

ABN 25 003 236 173

**Financial Report for the
Half-Year ended**

31 December 2005

Aberdeen Leaders Limited

ABN 25 003 236 173

DIRECTORS' REPORT TO SHAREHOLDERS FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

The Directors present their report together with the financial report of Aberdeen Leaders Limited ("the Company") for the half-year ended 31 December 2005.

Review of operations and operating result

The Company's net operating profit after tax for the half-year is \$6,224,000 (2004: \$5,672,000), an increase of 10 per cent. compared to the equivalent prior year period. Earnings per share inclusive of net realised gains on investments amounted to 10.95 cents per share for the half-year.

The net asset backing of the Company's shares has increased to 164 cents per share, 147 cents per share net of deferred tax on unrealised gains, at the 31 December 2005.

For the six months ended 31 December 2005, the Company declared dividends totalling 3 cents per share fully franked (2004: 2 cents), consisting of two quarterly dividends of 1.5 cents per share.

Directors

The Directors in office during or since the end of the half-year:

- B M Sherman (Chairman, Director)
- D L Elsum (Director)
- N J Miles (Director)
- C D Macrae (Company Secretary, Director)

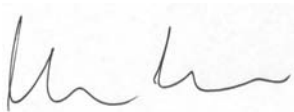
Auditors' independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 2.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investment Commission, relating to the "rounding off" of amounts in the directors' report and financial statements to the nearest \$1,000 or in certain cases to the nearest dollar. Amounts have been rounded off in the directors' report and financial statements in accordance with this class order

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



C D Macrae
Director

SYDNEY, this 31st day of January, 2006

The Board of Directors
Aberdeen Leaders Limited
C/- Aberdeen Asset Management
Level 6, 201 Kent St
Sydney NSW 2000

AUDITOR'S INDEPENDENCE DECLARATION

This declaration is made in connection with our review of the financial report of Aberdeen Leaders Limited for the six months ended 31 December 2005 and in accordance with the provisions of the Corporations Act 2001.

We declare that, to the best of our knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to this review;
- No contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to this review.

Dated the 31st day of January 2006


HORWATH
SYDNEY PARTNERSHIP


ALFRED A NEHAMA
Partner

Aberdeen Leaders Limited

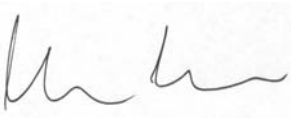
ABN 25 003 236 173

Directors' declaration

The Directors of Aberdeen Leaders Limited declare that, in the opinion of the Directors:

1. The financial statements and notes, as set out on pages 4 to 11
 - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position of the Company as at 31 December 2005 and its performance as represented by the results of its operations and cash flows for the half-year ended on that date.
2. 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:



Charlie Macrae
Director

Dated at Sydney this 31st day of January, 2006

Aberdeen Leaders Limited
CONDENSED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Notes	Half-year ended 31 December 2005 \$'000	Half-year ended 31 December 2004 \$'000
Investment revenue from ordinary activities	3	2,689	2,789
Borrowing cost on loan		(818)	(1,272)
Management fees		(562)	(622)
Other expenses		(262)	(224)
Capital profits realised			
Net realised gains on investment portfolio		5,323	5,001
Operating profit before tax		6,370	5,672
Income tax expense		(146)	-
Net profit for the period		6,224	5,672
Basic and diluted earnings per share	6	10.95 cents	9.87 cents

This Condensed Income Statement should be read in conjunction with the notes to the financial statements which follow.

Aberdeen Leaders Limited
CONDENSED BALANCE SHEET
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	31 December	30 June
	2005	2005
	\$'000	\$'000
Current assets		
Cash assets	3,276	5,817
Receivables	414	856
Current tax assets	129	268
Other	39	8
	<hr/>	<hr/>
Total current assets	<hr/> 3,858 <hr/>	<hr/> 6,949 <hr/>
Non-current assets		
Available for sale financial assets	115,141	100,435
	<hr/>	<hr/>
Total non-current assets	<hr/> 115,141 <hr/>	<hr/> 100,435 <hr/>
Total assets	<hr/> 118,999 <hr/>	<hr/> 107,384 <hr/>
Current assets		
Payables	160	1,109
Dividend provision	852	1,851
	<hr/>	<hr/>
Total current liabilities	<hr/> 1,012 <hr/>	<hr/> 2,960 <hr/>
Non-current liabilities		
Interest bearing liabilities	25,000	25,000
Deferred tax liabilities	9,510	5,475
	<hr/>	<hr/>
Total non-current liabilities	<hr/> 34,510 <hr/>	<hr/> 30,475 <hr/>
Total liabilities	<hr/> 35,522 <hr/>	<hr/> 33,435 <hr/>
Net assets	<hr/> 83,477 <hr/>	<hr/> 73,949 <hr/>
Equity		
Contributed equity	52,676	52,771
Available for sale investment revaluation reserve	20,486	15,350
Retained profits	10,315	5,828
	<hr/>	<hr/>
Total equity	<hr/> 83,477 <hr/>	<hr/> 73,949 <hr/>

This Condensed Balance Sheet should be read in conjunction with the notes to the financial statements which follow.

Aberdeen Leaders Limited

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	31 December 2005 \$'000	31 December 2004 \$'000
Total equity at the beginning of the period	73,949	64,642
Net unrealised gains on available for sale financial assets net of tax	5,136	4,550
Profit for the period	6,224	5,672
Total recognised income and expense for the period	11,360	10,222
Transactions with equity holders in their capacity as equity holders		
Dividends provided for or paid	(1,705)	(1,149)
Share buy-backs	(127)	(426)
	(1,832)	(1,575)
Total equity at the end of the period	83,477	73,289

This Condensed Statement of Changes in Equity should be read in conjunction with the notes to the financial statements which follow.

Aberdeen Leaders Limited

CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Half-year ended 31 December 2005 \$'000	Half-year ended 31 December 2004 \$'000
Cash flows from operating activities		
Dividends received	2,734	3,068
Interest received	232	154
Payments for administration expenses	(855)	(898)
Borrowing costs	(1,625)	(1,284)
Income tax paid	-	-
Net operating cash flows	486	1,040
Cash flows from investing activities		
Proceeds from sale of investments	15,839	41,066
Payments for purchase of investments	(16,014)	(13,948)
Net investing cash flows	(175)	27,118
Cash flows from financing activities		
Dividends paid	(2,704)	(1,730)
Repayment of borrowings	-	(25,000)
Payments for share buy-backs	(148)	(424)
Net financing cash flows	(2,852)	(27,154)
Net (decrease)/increase in cash held	(2,541)	1,004
Cash at beginning of half-year	5,817	1,501
Cash at end of half-year	3,276	2,505

This Condensed Statement of Cash Flows should be read in conjunction with the notes to the financial statements which follow.

Aberdeen Leaders Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

1. Statement of significant accounting policies

(a) Basis of accounting

The half-year financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001, Accounting Standard AASB 134: Interim Financial Reporting, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that these half-year financial reports be read in conjunction with the Annual Report for the year ended 30 June 2005 and any public announcements made by the Company during the half-year in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The accounting policies are consistent with those applied in the 30 June 2005 Annual Report, unless otherwise disclosed in note 2.

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

The Directors revalue investments on a daily basis. Apart from this policy, the accounts have been prepared on the basis of historical costs.

Australian equivalents to International Financial Reporting Standards

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the half-year financial report of the Company complied with International Financial Reporting Standards.

Financial statements of the Company until 30 June 2005 had been prepared in accordance with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing financial statements for the period ended 31 December 2005, the Company has amended certain accounting and valuation methods applied in the AGAAP financial statements to comply with AIFRS. Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRS on the Company's equity and its net income are given in Note 2.

(b) Investments

Classification

Investments are classified as available-for-sale. After initial recognition at cost, investments are measured at fair value.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Determination of fair value

AIFRS define fair value for the purpose of valuing holdings of securities that are listed or traded on an exchange to be based on quoted "bid" prices for securities prevailing at the close of business on the balance date.

AASB 139 and AG72 state that the current bid price is usually the appropriate price to be used in measuring the fair value of actively traded financial assets. Financial assets should be valued at their fair values without any deduction for transaction costs that may be incurred on sale or other disposal. This differs from the previous valuation policy, in which the Company measured financial assets at "net market value" using the last sale price net of disposal costs.

Realised gains on investment portfolio included in net profit

Under AIFRS, the revaluation adjustment relating to long-term investments standing in the Available for Sale Investment Revaluation Reserve at the time of realisation, which was previously transferred directly to the Investment Asset Realisation Reserve, is now included in the net profit of the Company. The effect of this change in accounting policy is that net realised gains (after tax) of \$4,949,329 (2004: \$5,000,774) are included in the Condensed Income Statement.

(c) Taxation

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the company tax rate adjusted by changes in deferred tax assets and liabilities which arise from items being brought to account in different periods for income tax and accounting purposes. Deferred tax assets and deferred tax liabilities are offset where they are expected to reverse in the same periods.

The expected tax on disposal of securities in the investment portfolio is recognised directly in equity and as a deferred tax liability. Where the Company disposes of such securities, tax is calculated on gains made according to the particular parcels allocated to the sale for tax purposes offset against any capital losses carried forward. At this time the tax recognised directly in equity is transferred to Net Profit and adjusted to actual tax expense. The associated deferred tax liability is similarly adjusted and transferred to tax payable.

(d) Statement of Cash Flows

The adoption of AIFRS had not resulted in any material adjustments to the condensed statement of cash flows for the period ended 31 December 2005.

Aberdeen Leaders Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

2. Explanation of transition to Australian equivalents to IFRS

An explanation of how the transition from previous AGAAP to AIFRS has affected the entity's financial position, financial performance and cash flows is set out below.

(a) Reconciliation of total equity as presented under previous AGAAP to that under AIFRS

	Date of transition to AIFRS and Year Ended	Half-year ended
	30 June 2005 \$'000	31 December 2004 \$'000
Total equity under AGAAP	73,949	73,289
<u>Adjustments to equity:</u>		
Increase in value of investment by valuing using bid price rather than last sale less disposal costs	99	15
Income tax effect on change in valuation	(30)	(5)
Total equity under AIFRS	74,018	73,299

(b) Reconciliation of the profit or loss reported under previous AGAAP to that under AIFRS

	Year Ended 30 June 2005 \$'000	Half-year ended 31 December 2004 \$'000
Profit after tax as previously reported	1,495	671
<u>Adjustments to equity:</u>		
Net realised gains on investment portfolio	3,846	5,001
Income tax related to net realised gains on investment portfolio	-	-
Profit after tax under AIFRS	5,341	5,672

(c) Cashflow statements

There are no material differences between the cash flow statements presented under AIFRS and those presented under previous AGAAP.

Aberdeen Leaders Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Half-year ended 31 December 2005 \$'000	Half-year ended 31 December 2004 \$'000
3. Revenue from ordinary activities		
Dividends received from other corporations	2,475	2,632
Interest received	214	159
Other	-	(2)
	<hr/> 2,689 <hr/>	<hr/> 2,789 <hr/>

	31 December 2005 \$'000	30 June 2005 \$'000
4. Equity securities		
(a) Issued and paid up capital		
Balance at the beginning of the half-year	52,771	53,571
Share buy-backs (i)	(95)	(800)
Balance at the end of the half-year	<hr/> 52,676 <hr/>	<hr/> 52,771 <hr/>

(b) Equity securities issued	Number of shares
Balance at the beginning of the half-year	56,921,054
Total market buy-backs during the half-year	(102,567)
Balance at the end of the half-year	<hr/> 56,818,487 <hr/>

- (i) The Company introduced an on-market share buy-back program in February 2004.
During the half-year, the Company bought back 102,567 shares at an average price of \$1.24.

	Half-year ended 31 December 2005 \$'000	Half-year ended 31 December 2004 \$'000
5. Dividends paid or provided for		
Dividend paid or provided for on:		
- Ordinary Shares	1,705	1,149
	<hr/>	<hr/>

	Dividend Rate	Total Amount \$'000	% Franked	Date of Payment
2005 Half-year				
Ordinary Shares				
Interim	1.5cps	852	100%	24/01/2006
Interim	1.5cps	853	100%	28/10/2005
2004 Half-year				
Ordinary Shares				
Interim	1.0cps	575	100%	25/10/2004
Interim	1.0cps	574	100%	25/01/2005

Dividend Reinvestment Plan

A Dividend Reinvestment Plan has been in operation for the period 31 December 2005.

Under the Dividend Reinvestment Plan in operation, a DRIP form received by the Company shall be effective in respect of all dividends payable after receipt of the DRIP form. This is with the exception of any DRIP form received by the Company after 4:00pm on the Record Date, in this instance it shall not be effective in respect of those dividends.

Aberdeen Leaders Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Half-year ended 31 December 2005	Half-year ended 31 December 2004
6. Earnings per share		
Basic and diluted earnings per share	10.95 cents	9.87 cents
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	56,850,683	57,486,459

7. Segment information

The Company operated in Australia only and the principal activity is investment.

8. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting date.

9. Subsequent events

No matters or circumstances have arisen since the end of the reporting period which have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.

HORWATH SYDNEY PARTNERSHIP*Chartered Accountants*

A member of Horwath International

1 Market Street
Sydney, NSW 2000**Independent review report on the financial report to members of Aberdeen Leaders Limited**

We have conducted an independent review of the accompanying financial report of Aberdeen Leaders Limited for the half-year ended 31 December 2005. The financial report comprises the balance sheet at 31 December 2005, and the income statement, statement of changes in equity, cash flow statement, summary of significant accounting policies and other explanatory notes, and the directors' declaration for the half year then ended.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Accounting Standards in Australia and the *Corporations Act 2001*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to perform an independent review of the financial report 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 Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia and the *Corporations Act 2001*, so as to present a view which is consistent with our understanding of the entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. A review is limited primarily to inquiries of the company's 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 provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have complied with the independence requirements of the *Corporations Act 2001*. In addition to our review of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aberdeen Leaders Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*.

Dated the 31st day of January 2006.
HORWATH SYDNEY PARTNERSHIP
Chartered Accountants
ALFRED NEHAMA
Partner

Aberdeen Leaders Limited

Portfolio of Investments

The full portfolio of the Company at market value at 31 December 2005 is shown below:

SECTOR	COMPANY	MARKET VALUE \$	%
Finance Ex Property Trusts	ANZ Bank Group	8,367,030	7.71
	Australian Stock Exchange	2,487,870	2.29
	Bendigo Bank	2,801,080	2.58
	Commonwealth Bank	4,398,100	4.06
	QBE Insurance Group	8,240,040	7.60
	Suncorp Metway	4,672,335	4.31
	Westpac Bank	7,456,950	6.87
		38,423,405	35.42
Property Trusts	Westfield Group	6,138,160	5.66
		6,138,160	5.66
Consumer Discretionary	APN News & Media	2,658,450	2.45
	Billabong International	2,556,000	2.36
	Tabcorp Holdings	5,224,800	4.82
		10,439,250	9.63
Consumer Staples	Foster's Group	2,235,120	2.06
	Lion Nathan	3,439,580	3.17
	Woolworths	6,337,370	5.84
		12,012,070	11.07
Energy	Woodside Petroleum	5,183,400	4.78
		5,183,400	4.78
Materials	BHP Billiton	8,538,870	7.87
	Rio Tinto	8,808,960	8.12
		17,347,830	15.99
Industrials	Downer EDI	3,018,195	2.78
	Leighton Holdings	3,430,350	3.16
	Qantas Airways	3,552,860	3.28
	Wesfarmers	3,600,675	3.32
		13,602,080	12.54
Telecommunications	Telecom Corp of NZ	5,273,660	4.86
	Telstra Corporation	3,073,280	2.83
		8,346,940	7.69
Utilities	Australian Gas & Light	2,473,700	2.28
	SP AusNet*	1,173,950	1.08
		3,647,650	3.36
Total Investments		115,140,785	106.14
Net Liquidity including deferred tax liability		(6,663,043)	(6.14)
Net Tangible Assets Excluding Debt		108,477,742	100.00
Loan Facility		(25,000,000)	(23.05)
Total Net Tangible Assets		83,477,742	76.95

* not yet classified in the S&P / ASX 200 Index