

ABERDEEN LEADERS LIMITED

ABN 25 003 236 173

APPENDIX 4D

HALF YEAR REPORT
PERIOD ENDED 31 DECEMBER 2007

(previous corresponding period
being the half year ended 31 December 2006)

**RESULTS FOR ANNOUNCEMENT TO THE MARKET
HALF YEAR ENDED 31 DECEMBER 2007**

| | 2007 Half Year \$'000 | 2006 Half Year \$'000 | % change prior year | Up / Down |
|--|--------------------------------|--------------------------------|---------------------------|--------------|
| Investment revenue from ordinary activities | 15,097 | 6,378 | 137 % | Up |
| Net profit/(loss) before tax for the period attributable to members | 12,924 | 4,609 | 180 % | Up |
| Profit/(loss) from ordinary activities after tax attributable to members (1) | 9,813 | 3,917 | 151 % | Up |
| Net Tangible Assets per share | \$2.12 | \$1.84 | 15 % | Up |

DIVIDENDS

The following dividends were paid or payable in the half-year ended 31 December 2007.

| | Dividend Rate | Total Amount \$'000 | Date of Payment | Percentage Franked % |
|--------------------|------------------|---------------------------|--------------------|----------------------------|
| 2007 | | | | |
| Ordinary (Interim) | 1.75 cps | 999 | 24/10/07 | 100% |
| Ordinary (Interim) | 2.00cps | 1,143 | 29/01/08 | 100% |

BRIEF EXPLANATION OF ANY OF THE FIGURES REPORTED ABOVE

- (1) The significant increase in net profit for the period is directly attributable to an increase in realised portfolio gains compared to the prior period.
- (2) Aberdeen Leaders Limited is a listed investment company. "Revenue" and "profit" are incidental results of the investment manager's decision, from time to time, to top-slice holdings in the portfolio. The Company's financial health is measured by its net tangible assets, not accounting profits.

For any queries please contact:

Charles Macrae
Company Secretary

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ABERDEEN LEADERS LIMITED

CHAIRMAN'S STATEMENT

This report covers the six month period to 31 December 2007.

Portfolio performance was positive for the 3, 6 and 12 month periods ended 31 December 2007. For the 12 months, the gross portfolio return of 24.8% was 8.7% ahead of the S&P/ASX 200 Accumulation index return.

I am delighted to report that the Company's share price performance, over three years to 31 December 2007, was No. 1 in the Goldman Sachs JB Were Australian shares listed investment company universe.

The Australian share market retreated from a high point on 1 November and in the final quarter of the year the index fell 2.7%, the first quarter of negative returns since June 2006. The Company's NTA total return was +0.4% for the quarter. As at 31 December, the NTA was \$2.12 per share, \$1.89 per share, net of deferred tax on unrealised gains.

In stock terms, the Manager initiated new positions in Orica, Incitec Pivot and Computershare in the quarter and sold out of Telstra. The majority of activity however comprised profit taking, mainly Rio and Leighton or adding to existing holdings on weakness.

The share price closed at \$2.08 on 31 December, a discount of 1.9% to pre-tax NTA.

Shareholders will of course be aware of the difficult start to 2008 for financial markets with ongoing offshore market disclosures relating to sub-prime losses, the consequent large-scale bank capital raisings, almost unprecedented central bank activity, and heavy stock market falls.

It is the Board's intention subject to market conditions and the availability of distributable profits, to pay dividends of not less than 10 cents per share for the full year, an 11% increase from 9 cents per share in 2006/7. We have declared dividends totalling 3.75 cents per share to date, including the second interim of 2 cents paid on 29 January 2008. We ended the year with distributable profits equivalent to 47 cents per share.

Outlook

In the US we have seen aggressive interest rate reductions by the Federal Reserve and the announcement by the White House of a major fiscal stimulus programme. Local inflation concerns remain the Reserve Bank's primary focus in their statement which accompanied a 25 basis point increase in the cash rate on 5 February.

The key risks to corporate earnings for 2008 will be exposure to the slowing US economy, a strong A\$ and increasing operational and borrowing costs but this will be offset by continued demand for commodities from Asia.

The portfolio has performed well in a difficult market environment. As at 31 January 2008 the pre-tax NTA was \$1.85. The defensive qualities of the portfolio which were in evidence throughout the second half of 2007 and our healthy level of reserves should stand us in good stead over the long term. Given the opportunities available and with the level of gearing at historically low levels we agreed to draw an additional \$10 million of our bank facility which will be used to fund selective additions to existing holdings. With \$5 million currently committed this takes our gearing level to approximately 23.5%.

Brian Sherman AM
Chairman

February 2008



ABERDEEN LEADERS LIMITED

MANAGER'S REVIEW

SIX MONTHS ENDED 31 DECEMBER 2007

The S&P/ASX 200 Accumulation Index was up 16.1% for the year but in the closing months of the year the market was adversely affected by events in the US. It is interesting to look at the breakdown of returns and to compare index and gross portfolio returns over the more recent periods:-

| Period to 31 December 2007 | Gross Portfolio | Index |
|-----------------------------------|------------------------|--------------|
| Twelve months | +24.8% | +16.1% |
| Six months | +8.2% | +3.0% |
| Three months | +1.4% | -2.7% |

The second half of the calendar year was dominated by the subprime fallout in the US and the consequent global liquidity crunch. There was coordinated central bank activity in the lead up to the year end but activity in the inter-bank markets was much reduced as the commercial banks eschewed counterparty risk and focused on substantial capital raisings to restore their balance sheets. This together with the more obvious evidence in the US of reducing consumer demand, increasing unemployment and an ongoing crisis in housing valuations served to add to the negative pressure on the US economy. In January, the Federal Reserve gave an early pointer to an aggressive interest rate reduction and then delivered a 75 basis point cut intra-meeting followed by a further 50bp cut from its scheduled 30 January meeting. The administration has also weighed in with major fiscal stimulation policy designed to restore confidence to the broader economy.

The Australian economy is robust, such that the Reserve Bank continues to emphasise its focus on inflation. The RBA in its February meeting statement rationalised the 25 basis point increase in the cash rate to 7% by confirming it considers the local inflation risks outweigh the effects of the slowdown in the global economy currently. The February company reporting season will provide an overview from a corporate perspective.

We detailed the addition of Goodman Fielder and Fairfax Media in our previous quarterly report. In the final quarter of 2007 we added Orica (a global explosives business with domestic consumer product and chemical services which has benefited from the booming resources cycle), Incitec Pivot (a leading agribusiness with a strong management group, ex-Orica) and Computershare (a global share registry business which will benefit from both its own recent focus on costs and the entry of private equity to this business with their emphasis on pricing structures).

We reduced exposure to the telecom sector with an outright sale of Telstra given our concerns about the ongoing regulatory environment, competitive pricing pressures and the fact that it will most likely borrow to fund dividend payments.

Aberdeen Leaders Limited

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Of the two disappointments in the period namely the profit warnings at Goodman Fielder and Bradken only the former registered on the following table which identifies major positive and negative contributions to performance relative to the benchmark in the six months ended 31 December 2007:

Key contributors – six months to 31 December 2007

| Top 5 Contributors | | |
|---------------------------|----------------------------|-------------------------|
| Stock | Relative weight (%) | Contribution (%) |
| Rio Tinto | 5.0 | 2.14 |
| Leighton Holdings | 1.7 | 0.84 |
| Centro Properties | 0 | 0.55 |
| NAB | 0 | 0.49 |
| ASX | 2.3 | 0.49 |
| Top 5 Detractors | | |
| Stock | Relative weight (%) | Contribution (%) |
| Downer EDI | 0 | -0.41 |
| Goodman Fielder | 1.4 | -0.43 |
| Fortescue Metals | 0 | -0.44 |
| Suncorp Metway | 2.2 | -0.44 |
| Tabcorp | 3.3 | -0.51 |

We are undoubtedly in a period where events offshore are driving sentiment in the Australian market. Sound fundamentals drive stock prices over time. We believe that superior long-term returns are achieved by identifying good quality stocks at a reasonable price and holding for the long term.

Aberdeen Asset Management Limited

February 2008



11 February 2008

**Aberdeen Leaders announces excellent results
for the Half Year ended 31 December 2007**

*Strong portfolio performance and share price appreciation,
increased dividend and healthy reserves position*

FINANCIAL HIGHLIGHTS:

- Gross portfolio return of 8.2% for the half year; +24.8% for the year
- Share price total return of 9.6% for the half year; +22.1% for the year
- S&P/ASX Accumulation Index return of 3% for the half year; +16.1% for the year
- Dividend target up 11% to 10 cents per share for the 2007/8 year
- NTA pre tax of \$2.12 per share
- Retained profits at year end of \$27 million (47 cents per share)

Sydney – 11 February 2008 : Listed investment company, Aberdeen Leaders Limited (ASX: ALR), today announced excellent results for the half year ending 31 December 2007, delivering strong portfolio performance and share price appreciation, an increase in dividend policy and ending the period with a healthy reserves position.

The Company paid fully franked dividends of 3.75 cents per share for the half year and it is the Board's intention, subject to market conditions and the availability of distributable profits, to pay 10 cents per share fully franked for the full year, an increase of 11%.

Brian Sherman AM, Chairman of ALR commented, "I am delighted to report that the Company's share price performance over three years to 31 December 2007, was No. 1 in the Goldman Sachs JB Were Australian shares listed investment company universe."

Charlie Macrae, Director of ALR, managed by Aberdeen Asset Management said, "We are undoubtedly in a period where events offshore are driving sentiment in the Australian market. Sound fundamentals drive stock prices over time. We believe that superior long-term returns are achieved by identifying good quality stocks at a reasonable price and holding for the long term."

- ENDS -

Copies of ALR's year-end release are available on <http://www.aberdeenasset.com.au>

For further information please contact:

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Investment Portfolio as at 31 December 2007:

| SECTOR | | COMPANY | MARKET VALUE \$ | % |
|------------------------------------|-----------|---------------------------|---------------------|----------------|
| Finance Ex Property Trusts | 313,700 | QBE Insurance Group | 10,377,196 | 7.80 |
| | 346,500 | ANZ Bank Group | 9,494,100 | 7.13 |
| | 332,500 | Westpac Bank | 9,280,075 | 6.97 |
| | 124,800 | Commonwealth Bank | 7,363,200 | 5.53 |
| | 311,500 | Suncorp Metway | 5,264,350 | 3.96 |
| | 73,000 | Australian Stock Exchange | 4,355,910 | 3.27 |
| | 182,500 | Bendigo Bank | 2,646,250 | 1.99 |
| | | | 48,781,081 | 36.65 |
| Property Trusts | 336,000 | Westfield Group | 6,975,360 | 5.24 |
| | | | 6,975,360 | 5.24 |
| Consumer Discretionary | 386,000 | Tabcorp Holdings | 5,705,080 | 4.29 |
| | 750,000 | Tattersall's | 2,985,000 | 2.24 |
| | 642,000 | Fairfax Media | 2,966,040 | 2.23 |
| | 199,500 | Billabong International | 2,934,645 | 2.20 |
| | | | 14,590,765 | 10.96 |
| Consumer Staples | 191,500 | Woolworths | 6,491,850 | 4.88 |
| | 116,500 | Wesfarmers | 4,696,115 | 3.53 |
| | 459,000 | Lion Nathan | 4,410,990 | 3.31 |
| | 707,000 | Metcash | 3,068,380 | 2.31 |
| | 1,276,352 | Goodman Fielder | 2,386,778 | 1.79 |
| | | | 21,054,113 | 15.82 |
| Health Care | 145,500 | Ramsay Health Care | 1,587,405 | 1.19 |
| | | | 1,587,405 | 1.19 |
| Energy | 139,700 | Woodside Petroleum | 7,033,895 | 5.28 |
| | | | 7,033,895 | 5.28 |
| Materials | 352,500 | BHP Billiton | 14,149,350 | 10.63 |
| | 90,300 | Rio Tinto | 12,018,930 | 9.03 |
| | 56,500 | Orica | 1,785,400 | 1.34 |
| | 13,000 | Incitec Pivot | 1,500,600 | 1.13 |
| | | | 29,464,280 | 22.13 |
| Industrials | 57,250 | Leighton Holdings | 3,503,700 | 2.63 |
| | 158,000 | Bradken | 1,248,200 | 0.94 |
| | | | 4,751,900 | 3.57 |
| Telecommunications | 566,288 | Telecom Corp of NZ | 2,174,546 | 1.63 |
| | | | 2,174,546 | 1.63 |
| Information Technology | 151,000 | Computershare | 1,479,800 | 1.11 |
| | | | 1,479,800 | 1.11 |
| Utilities | 222,100 | AGL Energy | 2,916,173 | 2.19 |
| | 1,978,000 | SP AusNet | 2,363,710 | 1.78 |
| | | | 5,279,883 | 3.97 |
| Total Assets | | | 143,173,028 | 107.56 |
| Net Liquidity including dtl | | | (10,060,759) | (7.56) |
| Total Assets excluding Debt | | | 133,112,269 | 100.00 |
| Loan Facility | | | (25,000,000) | (18.78) |
| Total Equity | | | 108,112,269 | (81.22) |

Aberdeen Leaders Limited

ABN 25 003 236 173

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

31 December 2007

Aberdeen Leaders Limited

ABN 25 003 236 173

DIRECTORS' REPORT TO SHAREHOLDERS FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

The directors present their report together with the financial report of Aberdeen Leaders Limited ("the Company") for the half-year ended 31 December, 2007.

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)

REVIEW OF OPERATIONS AND OPERATING RESULTS

The Company's net operating profit after tax for the half-year is \$9,813,000 (2006: \$3,917,000), an increase of 251% cent compared to the equivalent prior year period. Earnings per share inclusive of net realised gains on investments amounted to 17.18 cents per share for the half-year.

The net asset backing of the Company's shares has increased to \$1.89 per share, \$2.12 per share net of deferred tax on unrealised gains, at 31 December 2007.

During the half-year ended 31 December 2007 213,908 ordinary shares were issued to shareholders under the dividend reinvestment plan at an average price of \$1.94 per share.

For the six months ended 31 December 2007, the Company declared dividends totalling 3.75 cents per share fully franked (2006: 3.5 cents), consisting of two quarterly dividends of 1.75 and 2 cents per share.

ROUNDING OF AMOUNTS

The Company has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors report have been rounded off to the nearest \$1,000.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 3 of the half year financial report.

This report is signed in accordance with a resolution of the Board of Directors:

Charlie Macrae
Director

SYDNEY, this 11th day of February, 2008

The Board of Directors
Aberdeen Leaders Limited
Level 6, 201 Kent Street
SYDNEY NSW 2000

11 February 2008

Dear Board Members

Aberdeen Leaders Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Aberdeen Leaders Limited.

As lead audit partner for the review of the financial statements of Aberdeen Leaders Limited for the financial half-year ended 31 December 2007, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Michael Kulic
Partner
Chartered Accountants

Aberdeen Leaders Limited
CONDENSED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

| | Notes | Half-year ended 31 December 2007 \$'000 | Half-year ended 31 December 2006 \$'000 |
|---|----------|--|--|
| Income | 2 | 15,097 | 6,378 |
| Expenses | | | |
| Finance costs | | (916) | (824) |
| Management fees | | (713) | (615) |
| Performance fees | | (254) | - |
| Registry and Custody fees | | (95) | (105) |
| Other expenses | | (195) | (225) |
| | | <hr/> | <hr/> |
| Profit before income tax expense | | 12,924 | 4,609 |
| Income Tax Expense | | <hr/> (3,111) | <hr/> (692) |
| Profit for the period | | 9,813 | 3,917 |
| | | <hr/> | <hr/> |
| Basic and diluted earnings per share | 5 | 17.18 cents | 6.90 cents |
| | | <hr/> | <hr/> |

This Condensed Income Statement should be read in conjunction with the Notes to the Financial Statements which follow.

Aberdeen Leaders Limited

CONDENSED BALANCE SHEET AS AT 31 DECEMBER 2007

| | Notes | 31 December 2007 \$'000 | 30 June 2007 \$'000 |
|---|-------|-------------------------------|---------------------------|
| Current Assets | | | |
| Cash and cash equivalents | | 6,413 | 6,215 |
| Trade and other receivables | | 583 | 1,139 |
| Other | | 17 | 44 |
| Total Current Assets | | 7,013 | 7,398 |
| Non-Current Assets | | | |
| Available for sale investments | | 143,173 | 139,738 |
| Total Non-Current Assets | | 143,173 | 139,738 |
| Total Assets | | 150,186 | 147,136 |
| Current Liabilities | | | |
| Trade and other payables | | 782 | 639 |
| Current tax liabilities | | 2,059 | 2,239 |
| Provisions | | 1,143 | 2,136 |
| Total Current Liabilities | | 3,984 | 5,014 |
| Non-Current Liabilities | | | |
| Borrowings | | 25,000 | 25,000 |
| Deferred tax liabilities | | 13,090 | 14,153 |
| Total Non-Current Liabilities | | 38,090 | 39,153 |
| Total Liabilities | | 42,074 | 44,167 |
| Net Assets | | 108,112 | 102,969 |
| Equity | | | |
| Issued capital | 3 | 53,345 | 52,931 |
| Available for sale investment revaluation reserve | | 28,028 | 30,969 |
| Retained earnings | | 26,739 | 19,069 |
| Total Equity | | 108,112 | 102,969 |

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 AS AT 31 DECEMBER 2007

| | 31 December 2007 \$'000 | 31 December 2006 \$'000 |
|--|-------------------------------|-------------------------------|
| Total equity at the beginning of the period | 102,969 | 85,138 |
| Profit for the period | 9,813 | 3,917 |
| Fair value adjustments to investment portfolio | (2,941) | 5,610 |
| | <hr/> | <hr/> |
| Total recognised income and expense for the period | 6,872 | 9,527 |
| Transactions with equity holders in their capacity as equity holders | | |
| Dividends paid from retained earnings | (2,143) | (1,989) |
| Issue of shares under Dividend Reinvestment Plan | 414 | - |
| | <hr/> | <hr/> |
| | (1,729) | (1,989) |
| | <hr/> | <hr/> |
| Total equity at the end of the period | <u>108,112</u> | <u>92,676</u> |

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 CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

| | Half-year ended 31 December 2007 \$'000 | Half-year ended 31 December 2006 \$'000 |
|---|--|--|
| Cash Flows from Operating Activities | | |
| Dividends received | 3,057 | 2,848 |
| Interest received | 204 | 127 |
| Other income received | 3 | - |
| Management fees paid | (704) | (604) |
| Other expenses paid | (282) | (358) |
| Finance costs paid | (1,037) | (401) |
| Income taxes paid/(refunds received) | (3,293) | 122 |
| Cash Flows from Operating Activities | (2,052) | 1,734 |
| Cash Flows from Investing Activities | | |
| Proceeds from sale of investments | 29,102 | 13,320 |
| Payments for purchase of investments | (24,130) | (9,497) |
| Cash Inflows from Investing Activities | 4,972 | 3,823 |
| Cash Flows from Financing Activities | | |
| Dividends paid | (2,722) | (2,983) |
| Cash Outflows from Financing Activities | (2,722) | (2,983) |
| Net (Decrease)/Increase in Cash Held | 198 | 2,574 |
| Cash and cash equivalents at the beginning of the financial period | 6,215 | 2,720 |
| Cash and cash equivalents at the end of the financial period | 6,413 | 5,294 |

The Condensed Cash Flow Statement 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 2007

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB134 ensures compliance with International Financial Reporting Standards IAS 134 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent financial report.

(b) Basis of Preparation

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated. It is recommended that this financial report be read in conjunction with the Annual Report for the year ending 30 June 2007 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 2007 Annual Report, unless otherwise stated.

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

(c) Investments

Classification

Upon initial recognition investments are designated as "available for sale" and are measured at fair value.

Gains or losses on available-for-sale securities are recognised directly in the Available for Sale Investment Revaluation Reserve until the securities are sold, collected or otherwise disposed of, or until the securities are determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Recognition

The company recognises financial assets on the day it becomes party to the contractual agreement (trade date) and recognises changes in fair value from this date.

Measurement

Investments are measured initially at fair value. Subsequent to initial recognition, they are measured at fair value with changes in fair value recognised directly in a revaluation reserve. Once an investment is sold, any revaluation gain or loss recognised attributable to that investment is transferred to the income statement and recognised as realised gains or losses on sale of investments.

Determination of Fair Value

The fair value of financial assets traded in an active market is based on their quoted market price at the balance sheet date without any deduction for estimated future selling costs. Financial assets are priced at the current bid price.

Impairment

If there is objective evidence that an investment is impaired, an amount comprising the difference between its carrying value and its current fair value is transferred from equity to the income statement. Reversals of impairment losses are not recognised in profit.

(d) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Aberdeen Leaders Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

| | | |
|--|--|--|
| | Half-year ended 31 December 2007 \$'000 | Half-year ended 31 December 2006 \$'000 |
| 2. INCOME | | |
| Realised gains on investment portfolio | 12,134 | 3,710 |
| Dividends | 2,781 | 2,566 |
| Other Income | 182 | 102 |
| Total income | <u>15,097</u> | <u>6,378</u> |
| | | |
| 3. ISSUED CAPITAL | 31 December 2007 \$'000 | 30 June 2007 \$'000 |
| (a) Issued and paid up capital | | |
| Balance at the beginning of the financial period | 52,931 | 52,668 |
| Issue of Shares under Dividend Reinvestment Plan | 414 | 263 |
| Balance at the end of the financial period | <u>53,345</u> | <u>52,931</u> |
| | | |
| (b) Shares issued | Number of shares | Number of shares |
| Balance at the beginning of the financial period | 56,956,677 | 56,810,857 |
| New shares issued under DRP | 213,908 | 145,820 |
| Balance at the end of the financial period | <u>57,170,585</u> | <u>56,956,677</u> |
| | | |
| | Half-year ended 31 December 2007 \$'000 | Half-year ended 31 December 2006 \$'000 |
| 4. DIVIDENDS PAID OR PROVIDED | | |
| Dividend paid on: | | |
| - Ordinary Shares | <u>2,143</u> | <u>1,989</u> |

| | Dividend Rate | Total Amount \$'000 | % Franked | Date of Payment |
|-----------------------|----------------------|--------------------------------|------------------|------------------------|
| 2007 Half-year | | | | |
| Interim | 1.75 cps | 999 | 100% | 24/10/2007 |
| Interim | 2.00 cps | 1,144 | 100% | 29/01/2008 |
| 2006 Half-year | | | | |
| Interim | 1.75 cps | 994 | 100% | 30/01/2007 |
| Interim | 1.75 cps | 995 | 100% | 24/10/2006 |

Dividend Reinvestment Plan

A Dividend Reinvestment Plan has been in operation for the period 31 December 2007.

Under the Dividend Reinvestment Plan in operation, a DRP form received by the Company shall be effective in respect of all dividends payable after receipt of the DRP form. This is with the exception of any DRP 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.

The financial effect of these dividends have been brought to account in the financial statements for the half-year ended 31 December 2007.

Aberdeen Leaders Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

| | Half-year ended 31 December 2007 | Half-year ended 31 December 2006 |
|--|--|--|
| 5. EARNINGS PER SHARE | | |
| Basic and diluted earnings per share | 17.18 cents | 6.90 cents |
| | <hr/> | <hr/> |
| Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share | 57,115,124 | 56,810,857 |
| | <hr/> | <hr/> |

There is no contingent issue of shares which would dilute earnings per share. The Company has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic earnings per share.

6. SEGMENT INFORMATION

The Company operates predominantly in Australia and in one industry being the securities industry.

7. CONTINGENT LIABILITIES

There are no contingent liabilities which have arisen since the last annual reporting date.

8. 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.

Aberdeen Leaders Limited

ABN 25 003 236 173

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors.

Charlie Macrae
Director

SYDNEY, this 11th day of February, 2008

Independent Auditor's Review Report to the members of Aberdeen Leaders Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Aberdeen Leaders Limited, which comprises the balance sheet as at 31 December 2007, and the income statement, cash flow statement, statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year 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 express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aberdeen Leaders Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

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 2007 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*.

DELOITTE TOUCHE TOHMATSU

Michael Kulic
Partner
Chartered Accountants
Sydney, 11 February 2008