

WILSON INVESTMENT FUND LIMITED

(ACN 100 504 541)



WILSON INVESTMENT FUND LTD (WIL) – FEBRUARY 2008 **INVESTMENT UPDATE & NTA**

The NTA before tax as at 29 February 2008 was 108.56 cents per share. The NTA after tax on realised gains and before tax on unrealised gains as at 29 February 2008 was 108.10 cents per share.

WIL is a long-term investor and does not intend disposing of its total portfolio. If estimated tax on unrealised portfolio gains were to be deducted, the above figure would be 106.82 cents per share.

NTA before tax	108.56c*
NTA after tax and before tax on unrealised gains	108.10c
NTA after tax (including unrealised gains tax)	106.82c

The above figures are before the payment of an interim dividend of 3.00 cents a share fully franked, payable on the 28 April 2008.

*This is after the payment of \$217,006 (0.18 cents a share) in tax.

MARKET OUTLOOK

Following the collapse in equity prices during January, the Australian sharemarket settled into a tighter trading pattern in February. Every time the market attempted to rally it was severely dealt with by a wall of sellers. During March the sellers gained the upper hand. In the near term (3 months) it is very difficult to see what will change this situation. This is typical of a bear market. While the subprime crisis and subsequent demise of the US economy triggered the initial collapse, Australian investors are now concerned about rising interest rates, a strong currency and the restriction of credit. As the Reserve Bank ratchets up rates to quell the inflation genie, focus has turned to the impact this will have on company earnings. Indeed the higher cost of debt has, at an alarming speed, claimed several corporate victims. In addition it has played havoc with banking and small industrial stocks, which are both considered high risk propositions in such an environment. In simple terms, higher rates will slow down the domestic economy, curb profit growth and increase the prospect of bad debts for the banking sector which has already been sideswiped by the global credit crunch and the subsequent higher cost of funding.

The only thing that has stopped a total collapse of the Australian sharemarket has been the resilient nature of commodity stocks that continue to benefit from the Asia growth story.

Until we see the full impact of the events of the last 9 months play out, extreme uncertainty will hold the market back. Over this period there will be short covering rallies. We believe that while this uncertainty persists there is little prospect of a sustained recovery in share prices. The medium term (6 months or more) will present some stunning opportunities, especially in the small capitalisation companies and the financial sector.

DIVIDEND

On the 31st January the Directors declared an interim dividend of 3.00 cents a share fully franked payable on the 28 April 2008. The shares will trade ex dividend on 14 April 2008.

PORTFOLIO STRUCTURE

Investment Type	As at 31 January 2008		As at 29 February 2008	
	\$m	%	\$m	%
Listed Equities	111.64	78.61%	102.93	77.60%
Listed Hybrids	13.61	9.58%	13.38	10.09%
Fixed Interest and Cash	16.77	11.81%	16.33	12.31%
Total Assets	142.02	100.00%	132.64	100.00%
	No.		No.	
Total no. of ord shares on issue	121,433,399		121,433,399	

PORTFOLIO STRUCTURE (continued)

As at 29 February 2008 the listed equities and hybrids were as follows:

<u>Listed Debt Securities</u>	<u>Qty</u>	<u>Market Value</u> <u>\$</u>	<u>Food Beverage & Tobacco</u>	<u>Qty</u>	<u>Market Value</u> <u>\$</u>
ANZ Ltd 5.85% Conv Pref (ANZPA)	15,000	1,452,000	Cockatoo Ridge Wines Ltd (CKR)	8,108,328	1,054,083
Bank of Queensland Ltd Prefs (BOQPB)	70,000	6,895,000	Graincorp Ltd (GNC)	209,714	2,883,568
Brickworks Ltd Prefs (BKWPA)	8,000	777,440	Select Harvest Ltd (SHV)	343,241	2,498,794
Leighton Holdings Ltd Conv Notes (LEIGA)	8,000	811,200			6,436,445
Nylex Ltd Unsec Conv Note (NLXG)	17,304	31,666	<u>Pharmaceuticals & Biotechnology</u>		
Seven Network Ltd Non-red Prefs (SEVPC)	15,000	1,401,600	Sigma Pharmaceuticals Ltd (SIP)	884,120	1,224,506
Toll Holdings Ltd Reset Prefs (TOLPA)	5,000	729,500			1,224,506
Willmott Forests Ltd Prefs (WFLPA)	14,000	1,232,000	<u>Banks</u>		
		13,330,406	ANZ Ltd (ANZ)	66,000	1,497,900
<u>Capital Goods</u>			Bendigo Bank Ltd (BEN)	495,463	5,009,131
CSR Ltd (CSR)	500,000	1,690,000	Mortgage Choice Ltd (MOC)	519,715	828,945
Nylex Ltd (NLX)	117,543	125,771	National Aust Bank Ltd (NAB)	100,000	2,885,000
Nylex Ltd Options (NLXO)	54,384	8,430	Rock Building Society Ltd (ROK)	57,285	207,372
Reece Australia Ltd	15,711	361,353	Westpac Banking Corporation	120,000	2,798,400
		2,185,554	Wide Bay Australia Ltd (WBB)	381,760	4,103,920
<u>Commercial Services & Supplies</u>					17,330,668
Credit Corp Group Ltd (CCP)	959,082	642,585	<u>Health Care Equip & Services</u>		
McMillan Shakespeare Ltd (MMS)	750,000	2,835,000	Aevum Ltd (AVE)	1,326,839	3,078,266
SAI Global Ltd (SAI)	675,000	1,856,250	Primary Health Care Ltd (PRY)	780,497	5,026,401
		5,333,835	Pro Medicus Ltd (PME)	1,075,000	1,419,000
<u>Consumer Services</u>					9,523,667
Tabcorp Holdings Ltd (TAH)	200,000	3,052,000	<u>Diversified Financials</u>		
Tattersalls Ltd (TTS)	611,350	2,390,379	ASX Ltd (ASX)	302,000	12,696,080
		5,442,379	Babcock & Brown Ltd (BNB)	100,000	1,734,000
<u>Media</u>			BT Investment Management Ltd app	1,041	3,279
Photon Group Ltd (PGA)	1,033,000	5,051,370	Clime Investment M'ment Ltd (CIW)	3,836,143	2,608,577
Prime Television Ltd (PRT)	381,291	1,315,454	CVC Ltd (CVC)	750,000	915,000
WA Newspapers Holdings Ltd (WAN)	124,000	1,413,600	Equity Trustees Ltd (EQT)	71,000	1,775,000
		7,780,424	IOOF Holdings Ltd (IFL)	327,000	1,680,780
<u>Retailing</u>			Mariner Financial Ltd (MFI)	2,560,000	422,400
AP Eagers Ltd (APE)	348,997	5,060,457	NSX Ltd (NSX)	1,085,000	325,500
ARB Corporation Ltd (ARP)	580,864	2,520,950	Perpetual Ltd (PPT)	40,000	2,200,000
Signature Brands Ltd (SBL)	793,804	25,402	Treasury Group Ltd (TRG)	98,766	1,160,501
		7,606,809			25,521,117
<u>Food & Staples Retailing</u>			<u>Insurance</u>		
Metcash Ltd (MTS)	950,000	3,961,500	Calliden Group Ltd (CIX)	6,000,000	2,520,000
		3,961,500	Tower Australia Group Ltd (TAL)	1,689,950	4,022,081
<u>Software & Services</u>			Tower Ltd (TWR)	953,156	1,696,618
Rattoon Holdings Ltd (RTN)	2,508,477	702,374			8,238,699
		702,374			
<u>Real Estate</u>					
Challenger Wine Trust (CWT)	2,453,250	1,692,743			
		1,692,743			
			TOTAL PORTFOLIO VALUE		116,311,123

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