

**Magellan Flagship Fund Limited ('MFF')
Net Tangible Assets ('NTA') per share for July 2013**

MFF advises that its approximate monthly post-tax NTA per share as at 31 July 2013 was \$1.267.

	Undiluted
Pre-tax NTA	\$1.363
Net deferred tax liabilities	(\$0.096)
Post-tax NTA	\$1.267

No adjustments have been made for possible future dilution for the 2017 options. All figures in this release are unaudited.

Portfolio changes in the month were minor, and currency positions remain materially unchanged. MFF's cash levels rose modestly in the month. June corporate results (to date) have not materially changed our recently expressed perspectives, nor have the market reaction in July (broadly higher in our focus areas, but with some pockets of weakness). Domestic US exposures have generally reported results at or above broad market expectations, but with material industry and stock specific variations. Reaction to Quarterly results is not generally a relevant measure. CEOs are commenting more often about signs of slowdowns in growth in emerging markets. Stagflation is probable. Policy responses are difficult, with some countries forced to raise interest rates to slow currency runs and inflationary effects, despite slowing growth.

Numerous markets continue to be buoyed by momentum and massive official stimulus, which has enticed investors out of low risk assets and continues to attract new and returning investors. We perceive that the potential partial risk hedging aspects of the "short AUD" position continue in current conditions.

As at 31 July 2013, MFF continued to hold cash balances in a mix of US Dollars, Singapore Dollars and Hong Kong Dollars. Net cash was approximately 4.9% of net assets with borrowings predominantly in AUD, some Euro with a smaller balance in GBP.

Key currency rates for AUD as at 31 July 2013 which were 0.897 (USD), 0.676 (EUR), 0.592 (GBP) and 0.834 (CHF) compared with rates at 30 June 2013 which were 0.915 (USD), 0.704 (EUR), 0.603 (GBP) and 0.866 (CHF).

Yours faithfully,



Chris Mackay
Director



Leo Quintana
Legal Counsel & Company Secretary

2 August 2013