

ASX Appendix 4E**Preliminary Final Report
For the year ended 31 July, 2003****Washington H. Soul Pattinson and Company Limited**

ABN 49 000 002 728

Results for announcement to the market

Sales revenue from ordinary activities	Up	1.9%	to	\$000 340,624
Profit after tax before non regular items attributable to members	Up	19.3%	to	78,706
Profit after tax and non regular items attributable to members	Up	21.4%	to	88,307

Dividends (excluding Special Dividends)

	Cents per share	Franking %
This period		
Final Dividend	10.0c	100%
Previous corresponding period		
Final Dividend	8.0c	100%
Record date for determining entitlements to final dividend		30-Oct-03
Date the dividend is payable		24-Nov-03

Comments on above results

- ** Profit contribution from Coal \$25.4 million, an increase of 15.6%
- ** Dividend income from Investments \$13.0 million, an increase of 51.0%
- ** SP Telecommunications profit \$5.8 million, an increase of 161.0%
- ** Share of net profit of Associate Brickworks \$22.3 million, an increase of 66.4%

Washington H. Soul Pattinson and Company Limited
and its controlled entities

Statement of Financial Performance
For the year ended 31 July, 2003

	2003	2002
	\$000	\$000
Operating Profit after Income Tax before		
Non Regular Items	78,706	65,987
Non Regular Items after Income tax	9,601	10,995
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Revenues	386,230	391,515
Less Expenses excluding Borrowing Costs	294,181	306,596
Less Borrowing Costs	8,559	8,911
Share of Net Profits of Associates	41,620	34,936
Share of Partnership Profits	3,672	3,123
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Operating Profit before Income Tax	128,782	114,067
Less Income Tax Expense/(Benefit)	21,546	25,824
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Net Profit Before Extraordinary Item	107,236	88,243
Profit from Extraordinary Item after Income Tax	-	-
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Net Profit Before Outside Equity	107,236	88,243
Less Net Profit attributable to Outside Equity Interests	18,929	15,502
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Net Profit attributable to Soul Pattinson Shareholders	88,307	72,741
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Decrease in Asset Revaluation Reserve	-	-
Net exchange difference on translation of controlled entities	(8,565)	(8,352)
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Total attributable to Soul Pattinson Shareholders recognised directly in equity	(8,565)	(8,352)
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Total Net Profit and Items Recognised Directly in Equity	79,742	64,389
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Washington H. Soul Pattinson and Company Limited
and its controlled entities

Statement of Financial Position as at 31 July, 2003

	2003	2002
	\$000	\$000
CURRENT ASSETS		
Cash	38,503	20,021
Receivables	92,847	97,628
Inventories	25,576	23,981
Other	6,294	3,685
TOTAL CURRENT ASSETS	163,220	145,315
NON CURRENT ASSETS		
Receivables	20,437	7,811
Investments - Associates	349,237	324,819
- Other	153,315	159,796
Property, plant and equipment	334,689	358,633
Intangibles	78,369	78,926
Tax	15,302	14,085
Other	713	790
TOTAL NON-CURRENT ASSETS	952,062	944,860
TOTAL ASSETS	1,115,282	1,090,175
CURRENT LIABILITIES		
Accounts Payable	33,113	32,683
Interest Bearing	53,064	38,939
Provisions	20,829	40,219
Tax	6,256	12,499
Other	575	714
TOTAL CURRENT LIABILITIES	113,837	125,054
NON-CURRENT LIABILITIES		
Accounts Payable	14,359	-
Interest Bearing	122,124	169,508
Provisions	8,289	8,655
Tax	13,138	14,204
Other	6,070	5,255
TOTAL NON-CURRENT LIABILITIES	163,980	197,622
TOTAL LIABILITIES	277,817	322,676
NET ASSETS	837,465	767,499
EQUITY		
Contributed Equity	32,900	32,900
Reserves	430,866	439,239
Retained Profits	266,160	196,297
Equity attributable to Soul Pattinson Shareholders	729,926	668,436
Outside equity interest in controlled entities	107,539	99,063
	837,465	767,499

Washington H. Soul Pattinson and Company Limited
and its controlled entities

Statement of Cash Flows
For the year ended 31 July, 2003

	2003	2002
	\$000	\$000
Cash Flows From Operating Activities		
Receipts from customers	375,852	350,284
Payments to suppliers and employees	(279,901)	(264,113)
	<u>95,951</u>	<u>86,171</u>
Dividends Received	45,812	35,407
Interest Received	2,807	3,984
Borrowing costs paid	(10,172)	(9,728)
Income Tax paid	(27,287)	(15,216)
Net Cash Inflow from Operating Activities	<u>107,111</u>	<u>100,618</u>
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(44,700)	(60,516)
Proceeds from sale of property, plant and equipment	3,898	5,828
Payments for investments	(10,953)	(73,605)
Proceeds from sale of investments	17,691	12,241
Loans advanced	(780)	(1,831)
Repayment of loans advanced	6,485	3,041
Sale of businesses	-	25
Sale of controlled entities	-	(32,521)
Acquisition of controlled entities	-	(132)
Net Cash Inflow (Outflow) from Investment Activities	<u>(28,359)</u>	<u>(147,470)</u>
Cash Flows From Financing Activities		
Proceeds from Issue of Shares	47	47
Proceeds from borrowings	22,354	55,865
Repayment of borrowings	(34,744)	(49,180)
Repayment of lease liabilities	-	(55)
Dividends paid	(50,117)	(31,450)
Net Cash Inflow (Outflow) from Financing Activities	<u>(62,460)</u>	<u>(24,773)</u>
Net Increase (Decrease) in Cash Held	16,292	(71,625)
Cash at the beginning of the financial year	67,287	140,714
Effect of exchange rate changes on cash	(2,646)	(1,802)
Cash at the end of the financial year	<u>80,933</u>	<u>67,287</u>

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the Statement of Financial Position as follows:

Cash	38,503	20,021
Short Term Deposits	42,430	47,266
Bank Overdrafts	-	-
Balance as per Statement of Cash Flows	<u>80,933</u>	<u>67,287</u>

Washington H. Soul Pattinson and Company Limited

Dividend distributions per security in respect of year ended 31 July, 2003

		Amount per security C P S	Franking per security C P S
Final Dividend	Current year (recommended)	10.0c	10.0c
	Previous year	8.0c	8.0c
Special Dividend	Current year (New Hope Corp Ltd ASX float)	5.0c	5.0c
	Previous year	5.0c	5.0c
Interim Dividend	Current year	7.0c	7.0c
	Previous year	6.0c	6.0c
Total Dividends	Current year	22.0c	22.0c
	Previous year	19.0c	19.0c

No dividend distribution plans were in operation during the financial year.
Total number of ordinary shares on issue for the whole of the financial year was 238,640,580.
The final dividend for the year ended 31 July, 2003 has not been recognised in this preliminary

Details of Investments in Associates

Name of associated entity	Percentage of ownership at balance date		Contribution to Net Profit	
	2003	2002	2003	2002
	%	%	\$000	\$000
Brickworks Limited	49.8	49.8	22,254	13,369
Queensland Bulk Handling Pty Ltd	34.7	34.7	310	153
Queensland Commodity Exports Pty Ltd	23.1	23.1	29	476
Clover Corporation Limited	28.9	28.4	(105)	(1,826)
Australian Pharmaceutical Industries Ltd	22.9	25.5	5,599	8,775
Pacific Strategic Investments Limited	24.9	24.9	(100)	29
Pitt Capital Partners Limited	50.0	-	154	-
PT Adaro Indonesia	28.3	28.3	5,724	8,063
Vindoor Investments (Mauritius) Ltd	28.3	28.3	7,044	5,980
SPT Telecommunications Pty Ltd	28.2	28.2	798	(83)
Kooee Pty Limited	28.3	-	10	-
Windsor Farm Foods Limited	20.0	-	(97)	(83)
			41,620	34,853

Details of aggregate share of profits/(losses) of associated and joint venture entities

	2003 \$000	2002 \$000
Profit (loss) from ordinary activities before tax	52,315	49,454
Less income tax on ordinary activities	10,695	14,518
Profit (loss) from ordinary activities after tax	41,620	34,936
Extraordinary items net of tax	-	-
Share of net profit (loss) of associates and joint venture entities	41,620	34,936

Washington H. Soul Pattinson and Company Limited

	2003 \$000	2002 \$000
Earnings per Security (EPS)		
Calculation of the following in accordance with AASB 1027: Earnings per share		
(a) Basis EPS (cents)	37.0	30.5
Adjusted weighted average number of ordinary shares	238,640,580	238,640,580
(b) Diluted EPS (cents)	37.0	30.5
Earnings reconciliation		
Net Profit	107,236	88,243
Net Profit attributable to outside equity interests	(18,929)	(15,502)
Basic Earnings	<u>88,307</u>	<u>72,741</u>
Diluted Earnings	<u>88,307</u>	<u>72,741</u>

NTA backing		
Net tangible asset backing per ordinary security	<u>\$2.73</u>	<u>\$2.47</u>

Retained Profits		
Retained profits at the beginning of the financial year	196,297	162,554
Net profit attributable to members of the Group	88,307	72,741
Net transfers from (to) reserves		(27)
Dividends paid or payable	(18,444)	(38,971)
Retained profits at the end of the financial year	<u>266,160</u>	<u>196,297</u>

Revenue and Expenses from ordinary activities		
Revenue from sales or services	340,624	334,307
Interest revenue	3,713	5,012
Other relevant revenue		
Sales from Investments	14,891	30,876
Sales from Properties	3,215	3,782
Dividend Income	12,973	8,625
Other Income	9,771	6,865
Details of relevant expenses		
Cost of Sales	213,534	238,704
Expenses - Selling & Distribution	61,125	51,182
Expenses - Administration	18,895	16,127
Depreciation & Amortisation (excluding amortisation of intangibles)	29,517	26,473

Washington H. Soul Pattinson and Company Limited

	2003 \$000	2002 \$000
Details of Non Regular Items		
Profit on Disposal of Land and Buildings	2,990	3,086
Income Tax applicable	344	274
	2,646	2,812
Profit on Disposal of Investments	5,970	7,073
Income Tax applicable	1,103	3,128
	4,867	3,945
Profit on Disposal of Business	253	(4)
Income Tax applicable	76	(1)
	177	(3)
Demerger Dividend	1,911	-
Total Non Regular Items	9,601	6,754

Basis of Preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of the ASX Appendix 4E.

The accounting policies adopted in the preparation of this preliminary final report are consistent with those adopted and disclosed in the 2002 annual report except for accounting policy with respect to the following:

Provision for Dividends - The consolidated entity has adopted the new Accounting Standard AASB 1044 which results in a change in the accounting of the dividends provisions. Previously, the consolidated entity recognised a provision for dividend based on the amount that was proposed or declared after the reporting date. In accordance with the requirements of the new Standard, a provision for dividends will only be recognised at the reporting date where the dividends have been declared, determined or publicly recommended prior to reporting date. In accordance with the new Standard, no provision

Deferred Foreign Exchange Gains and Losses - In accordance with AASB 1033, deferred amounts receivable or payable under hedging transactions have been recorded in the Statement of Financial Position for the year ended 31 July, 2003. If this policy had been adopted for the year ended 31 July, 2002 the following changes would result:

	2002 \$000
Increase in current assets - receivables	1,960
Increase in non current assets - receivables	213
Increase in current liabilities - payables	1,960
Increase in non current liabilities - payables	213

Washington H. Soul Pattinson and Company Limited

Annual Meeting

The Annual General Meeting will be held as follows:

Place: The Heritage Ballroom
The Westin Sydney
No. 1 Martin Place
SYDNEY. N.S.W.

Date: Friday, 21 November, 2003

Time: 12 Noon

Approximate date the annual report
will be available: 22 October, 2003

Compliance Statement

1. AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
2. use the same accounting policies.
- 3.
- 4.
5. The entity has a formally constituted audit committee.

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Robert Alfred O'Brien
Secretary

Date: 8 October, 2003