



## **ASX/MEDIA RELEASE**

### **WHSP IN STRONG FINANCIAL POSITION WITH POSITIVE OUTLOOK**

**Friday, 3 December 2010:** Australia's second oldest listed company, Washington H. Soul Pattinson & Company Limited (WHSP, ASX: SOL), today announced at its 108<sup>th</sup> Annual General Meeting that it remains in a very strong financial position, with cash reserves of over \$335 million after the payment of the final dividend of 20 cents per share and special dividend of 12.5 cents per share on 6 December 2010.

WHSP holds significant positions in eight Australian Securities Exchange-listed companies, comprising Australian Pharmaceutical Industries, BKI Investment Company, Brickworks, Clover Corporation, New Hope Corporation, Ruralco Holdings, Souls Private Equity and TPG Telecom.

Apart from New Hope Corporation and Clover Corporation, WHSP's holdings contributed higher net profits for the year ended 31 July 2010 when compared to the previous corresponding year.

The market value of WHSP's portfolio as at 30 November 2010 including controlled and associated entities was \$4.1 billion, up slightly on year end. The market value excluding controlled and associated entities was \$512 million, showing an increase of 11 per cent on year end.

Last month WHSP also received a special dividend of \$69 million from its investment in New Hope Corporation.

Chairman of WHSP, Mr Rob Millner said: "Over the past ten years, an investment in WHSP would have provided shareholders with a return that was more than double the return provided by the S&P/ASX All Ordinaries Accumulation Index for the same period.

"In that time we have also paid eight special dividends and increased our dividend year on year," he added.

#### **Full year highlights**

With the exception of fiscal 2009, net profit for the year ended 31 July 2010 was the Company's highest in the last 10 years, representing a substantial increase on earlier years.

Net profit before non-regular items for the year was \$182 million, down 19 per cent on the previous corresponding period's \$225 million. The decrease was due primarily to lower contributions from New Hope Corporation and Pitt Capital Partners following their particularly strong results in 2009.

Net profit for the year ended 31 July 2010 was \$218 million, down 80 per cent on the previous year's record \$1.11 billion. The previous year's net profit included a one-off benefit of \$1.03 billion from the sale of a coal project by its majority-held New Hope Corporation.

#### **Outlook**

Mr Millner said: "We have a strong balance sheet with no external borrowings from financial institutions. No debt means we can move quickly to acquire targets of interest, particularly at the bottom of the market when the price is most attractive."

## **About Washington H. Soul Pattinson & Company Limited**

Washington H. Soul Pattinson & Company (WHSP) is Australia's second oldest listed company. Beginning as a chemist shop in Pitt Street in 1872, the company listed on the Australian Securities Exchange 30 years later. Over the 108 years since listing, WHSP has paid a dividend every year, including throughout the depression of the 1930s. Today WHSP is a diversified investor in basic commodities such as building products, coal, equities, telecommunications, financial services and pharmaceuticals.

**WASHINGTON H. SOUL PATTINSON AND COMPANY LIMITED** (ASX CODE: SOL) [www.whsp.com.au](http://www.whsp.com.au)

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### **For further information contact:**

#### **Investors**

Robert Millner, Chairman - 02 9232 7166

#### **Media**

Rebecca Piercy, Kreab Gavin Anderson - 0422 916 422