



ASX/MEDIA RELEASE

WHSP WELL POSITIONED TO PURSUE INVESTMENT OPPORTUNITIES

Friday, 2 December 2011: Australia's second oldest listed company, Washington H. Soul Pattinson and Company Limited (WHSP, ASX: SOL), today announced at its 109th Annual General Meeting that it remains in a very strong financial position with cash reserves of over \$338 million after the payment of the final dividend of 25 cents per share on 5 December 2011.

WHSP holds significant investment positions in a number of companies listed on the Australian Securities Exchange, including Australian Pharmaceutical Industries, BKI Investment Company, Brickworks, New Hope Corporation, Ruralco Holdings, Souls Private Equity and TPG Telecom. WHSP is well positioned to pursue new investment opportunities that would add to this portfolio of investments.

The market value of WHSP's listed investment portfolio as at 30 November 2011 including controlled and associated entities was \$4.5 billion. The market value excluding controlled and associated entities was \$405 million.

Chairman of WHSP, Mr Rob Millner said: "Our long-term patient investment philosophy has led to investments in a number of sectors, including building products, property, resources, agriculture, telecommunications, financial services and pharmaceuticals."

"We believe the true test of good management of a company is performance and in particular the return a company provides to its shareholders. On that basis, our outperformance when compared to the S&P/ASX All Ordinaries Accumulation Index is proof that our investment philosophy has delivered," he added.

Full year highlights

Net profit before non-regular items for the year was \$161.2 million, down 11 per cent on the previous corresponding period's \$181 million. The decrease was due primarily to reduced contributions from New Hope Corporation as a result of the stronger Australian dollar, increased transportation costs and reduced sales due to unavailability of the Western Rail Line following flood damage in Queensland.

Net profit for the year ended 31 July 2011 was \$363.9 million, an increase of 67 per cent on the previous corresponding year. The difference is principally attributable to the Group's share of the gain on the sale of Arrow Energy Limited shares by New Hope.

Outlook

Mr Millner said: "Overall, our first half result is looking stronger than last year's first half result. New Hope has had a solid start to the year with an estimated net profit after tax for the first quarter of \$51.1 million, up 23%. In addition to this, our investment in Exco

Resources has resulted in a capital return of \$4.7 million as well as a fully franked dividend of \$13 million.”

“We have a strong balance sheet with cash reserves of over \$338 million and no external borrowings from financial institutions. While we have been scouting the world for acquisition opportunities and remain vigilant in this area, we are also constantly looking at ways to distribute value to shareholders.”

About Washington H. Soul Pattinson and Company Limited

Washington H. Soul Pattinson and 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

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