



ASX/MEDIA RELEASE

WHSP reports \$95 million half year profit, up 42%

KEY HIGHLIGHTS:

- Net Profit After Tax \$95.4m, up 41.7%
- Ordinary dividends and interest received net of regular operating costs was \$71.1m, up 25.2%
- Interim dividend up 5.0% to 21 cents per share
- Last 12 month Total Shareholder Return was 34.0% (compared to negative 4.7% for the All Ordinaries Accumulation Index)
- 15 year Total Shareholder Return is 14.0% per annum (compared to 7.2% per annum for the All Ordinaries Accumulation Index)

FINANCIAL OVERVIEW:

	HY to 31 Jan 2016	HY to 31 Jan 2015	% Change
Profit after tax (\$000)	95,390	67,331	41.7
Regular profit after tax* (\$000)	83,575	88,191**	(5.2)
Ordinary dividends and interest received net of regular costs (\$000)	71,122	56,792	25.2%
Interim dividend (cents per share)	21	20	5.0

* Regular profit after tax is a non-statutory profit measure and represents profit from continuing operations before non-regular items. A reconciliation to statutory profit is included in the half year financial report – Note 3, Segment Information.

** The results for 2015 have been restated by transferring expenses of \$3.4 million from the regular result to non-regular items following a reallocation by an Associated Entity. Refer to Note 3 of the half year financial report for further information.

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Wednesday, 23 March 2016: Diversified investment house, Washington H. Soul Pattinson and Company Limited (WHSP, ASX: SOL) today announced its financial results for the half year ended 31 January 2016, reporting profit after tax attributable to shareholders of \$95.4 million, an increase of 41.7% from \$67.3 million when compared to the previous corresponding period.

A regular profit after tax* result of \$83.6 million was recorded for the half year, \$4.6 million less than the previous corresponding period.

Significantly higher contributions from TPG Telecom Limited (up 30.7%), Brickworks Limited (up 38.4%) and Australian Pharmaceutical Industries Limited (up 36.4%) offset the impact of lower commodity prices on New Hope Corporation Limited, CopperChem Limited and Exco Resources Limited.

The Group's net profit on non-regular items for the half year ended 31 January 2016 was \$11.8 million (2015: \$20.9 million loss**) primarily reflecting a non-cash gain in respect of the investment in TPG which was largely offset by impairments against oil and copper assets.

Interim Dividend

Directors have declared a fully franked interim dividend of 21 cents per share for the half year ended 31 January 2016, an increase of 5% over last year's interim dividend of 20 cents per share. The record date for the dividend will be 21 April 2016 with payment due on 12 May 2016.

Ordinary dividends and interest received by WHSP net of its regular operating costs are considered when declaring dividends. For the six months to 31 January 2016 this figure was \$71.1 million, an increase of 25.2% compared to first half of the previous corresponding period.

Chairman of WHSP Mr Robert Millner said: "We are one of only two companies in the All Ordinaries Index that have increased dividends each year over the last 15 years.

"WHSP is a long-term investor with a focus on providing shareholders with capital growth and increasing fully franked dividends. WHSP has significantly outperformed the ASX All Ordinaries Accumulation Index over the short and long term and has never missed paying a dividend since listing in 1903.

"In the last year, the company's total shareholder return has exceeded the All Ordinaries Accumulation Index by 38.7%."

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ASSETS OF WHSP

The assets of WHSP are summarised below. The value of these assets as at 31 January 2016 was \$5.4 billion, a decrease of 1.7% when compared to the value of \$5.5 billion as at 31 July 2015. The value of the Major Strategic Investments grew by 1% during the half year, significantly outperforming the ASX All Ordinaries Index which decreased by 11% during the period.

As at 31 January 2016	WHSP's Holding %	Value of WHSP's Holding \$m	6 month Movement	
			\$m	%
Major Strategic Investments - listed (at market value)				
TPG Telecom Limited	25.2	2,145	115	5.7
Brickworks Limited	44.1	998	20	2.0
New Hope Corporation Limited	59.7	818	(129)	(13.6)
Aust. Pharmaceutical Industries Limited	24.6	251	60	31.4
BKI Investment Company Limited	10.9	104	(5)	(4.3)
Ruralco Holdings Limited	20.2	53	(8)	(13.6)
Apex Healthcare Berhad	30.3	44	(11)	(19.6)
Sub-total (Major Strategic Investments)		4,413	42	1.0
Other listed investments (at market value)		633	5	0.7
Unlisted investments ¹		157	(98)	(38.4)
Property ¹ (net of borrowings)		119	50	72.7
Cash and net funds on deposit		54	(100)	(64.9)
Loans and other assets		31	9	38.4
GROSS VALUE OF THE PORTFOLIO (pre-tax) ²		5,407	(92)	(1.7)
ASX ALL ORDINARIES INDEX				(11.0)

¹ Directors' valuations

² The tax payable if all these assets had been disposed of on 31 January 2016 would have been approximately \$1.09 billion.

OUTLOOK

WHSP Managing Director Todd Barlow said: “WHSP’s strong balance sheet and cash flows enable us to continue to deliver reliable cash returns to shareholders in the form of fully franked dividends.

“The portfolio continues to perform well and has again significantly outperformed the Index over the last half. The benefits of the diversified asset base are demonstrated by the strong earnings growth from TPG, Brickworks and API which offsets the reduced earnings from New Hope in this weak coal price environment.

“We take a long, conservative and value-focused approach to create a portfolio that is diversified and delivers value over the long term.

“In these volatile markets, we will continue to look for reasonably priced companies operating in industries with strong long term growth.”

Briefing details:

WHSP will present its results with a Q&A session afterwards today at the Austral Bricks Design Studio, 50 Carrington Street, Sydney (opposite Wynyard Station) – 12.15pm for 12.30pm start. Please note Brickworks will be presenting first.

The briefing will be live streamed at: <http://www.streamgate.co/webcast/brickworks/23-03-16/>

About Washington H. Soul Pattinson and Company Limited

WHSP is Australia’s second oldest listed company. Beginning as a chemist shop in Pitt Street, Sydney in 1872, the company listed on the Australian Securities Exchange 30 years later. Since listing, WHSP has paid a dividend every year, including throughout the depression of the 1930s. Today, WHSP is a diversified investor with many investments including: telecommunications, building products, coal, equities, pharmaceuticals, rural services, property, copper and financial services.

WASHINGTON H. SOUL PATTINSON AND COMPANY LIMITED (ASX CODE: SOL)

www.whsp.com.au

For further information:

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