



ASX/MEDIA RELEASE

WHSP Increases Full Year Dividend

	Year to 31 July 2012	Year to 31 July 2011	Change
Revenue from continuing operations (\$000)	912,359	758,387	20.3%
Regular profit after tax attributable to members (\$000) ¹	154,564	161,197	(4.1%)
Profit after tax attributable to members (\$000)	142,989	363,871	(60.7%)
Earnings per share from regular profit after tax attributable to members (cents)	64.65	67.55	(4.3%)
Final dividend (cents)	27	25	8%
Total dividend (cents)	44	40	10%

Thursday 20 September 2012: Diversified investment company, Washington H. Soul Pattinson and Company Limited (WHSP, ASX: SOL), today announced a Group regular profit after tax (attributable to shareholders) for the year ended 31 July 2012 of \$154.6 million, a decrease of 4.1% over the \$161.2 million for the previous corresponding period.

The profit of the Group, after tax attributable to members, was \$143.0 million, a decrease of \$221.0 million compared with FY2011.

The net loss on non-regular items was \$11.6 million in FY2012, compared with a profit of \$202.7 million in FY2011. Last year's non-regular items included the Group's \$197.0 million gain on the sale of Arrow Energy Limited shares by New Hope Corporation Limited.

Mr Robert Millner, Chairman of WHSP said: "The slight decrease in regular profit for the year was mainly attributable to the lower results of Brickworks and CopperChem, which were largely offset by higher contributions from New Hope Corporation and TPG Telecom.

"Our diversification continues to deliver long term returns to our shareholders. We are pleased to announce an increase in the final dividend to 27 cents per share from 25 cents per share last year, taking the full year dividend to 44 cents per share, up from 40 cents per share in FY2011.

"WHSP's balance sheet remains strong with cash reserves of \$227 million, without any borrowings from financial institutions.

¹ 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 Preliminary Final Report – Note 2, Segment information.

On 23 August, WHSP announced an off-market takeover offer for Exco Resources Limited (Exco), a copper and gold miner and explorer, which was subsequently revised and now has been unanimously recommended by all Exco Directors. The acquisition of Exco complements investments made in the copper and gold sector in the Cloncurry region of Queensland.

Final dividend

Directors have declared a fully franked final dividend of 27 cents per share for the period ended 31 July 2012, compared with last year's final dividend of 25 cents per share, taking the total dividend for the year to 44 cents per share, up from 40 cents per share in FY2011. The record date for the final dividend will be 19 November 2012 with payment due on 10 December 2012.

Parent company

The market value of WHSP's listed equities held, including controlled entities and associates, was \$3.72 billion at 31 July 2012 compared to \$4.24 billion at 31 July 2011. The market values of the majority of associates increased during the year but the reduction in the market value of New Hope Corporation Limited resulted in an overall decrease in controlled entities and associates.

Excluding controlled entities and associates, the market value of WHSP's listed equities was \$441.2 million compared to \$428.1 million as at 31 July 2011.

Souls Private Equity Limited (SPEL) was delisted in January 2012 following a successful offer by WHSP to acquire all of the issued shares and options of SPEL it did not already own.

Acquisitions during the year consisted of the reinvestment of dividends from associate TPG Telecom Limited totalling \$4.7 million and \$77.6 million invested in equities other than controlled entities and associates. The main acquisitions were Exco Resources limited, CMA Corporation Limited, Commonwealth Bank of Australia and Rum Jungle Resources Limited.

Proceeds from disposals totalled \$8.4 million and included Industrea Limited and Bank of Queensland Limited.

During the year WHSP received a return of capital of \$4.7 million and special dividends of \$13.0 million from Exco.

Ordinary dividend and distribution income from listed equities held, excluding those from controlled entities and associates, was \$20.3 million. This represents an increase of 13.9% over 2011 after adjusting for dividends from BKI Investment Company Limited which is now an associate. Special dividends of \$13.4 million were received during the year (2011: \$1.8 million).

Interest income for the year, excluding that from controlled entities and associates, totalled \$18.8 million compared to \$21.3 million last year.

Controlled entities' contributions:

- New Hope (59.7% held*) - contributed a net profit of \$99.8 million to the Group for the year (FY2011: 59.7% held, \$300.8 million profit).
- CopperChem Limited (93.4% held*) - contributed a net loss of \$31.3 million to the Group for the year. (FY2011: 52.4% held, \$2.7 million loss)
- Pitt Capital Partners Limited (100% held*) - contributed a net profit of \$3.2 million to the Group (FY2011: 78.3% held, \$1.5 million).
- Souls Private Equity Limited (100% held*):- contributed a net profit of \$2.1 million to the Group (FY2011 13.4% held, \$0.1 million loss).

Major associated entities' contributions:

- Australian Pharmaceutical Industries Limited (24.6% held*) – contributed a net profit of \$7.4 million to the Group (FY2011: 24.6% held, \$5.6 million loss).
- BKI Investment Company Limited (13.5% held*) – contributed a net profit of \$4.1 million to the Group (FY2011: 13.7% held, BKI net profit \$1.1 million and dividends of \$3.5 million taken up as income by WHSP).
- Brickworks Limited (44.5% held*) – contributed a regular profit of \$5.2 million to the Group (FY2011: \$14.9 million profit). In addition, WHSP's share of non-regular expenses was \$21.8 million (FY2011: 44.5% held, \$9.1 million). These contributions exclude the WHSP profit taken up by Brickworks under the equity accounting method.
- Clover Corporation Limited (28.6% held*) – contributed a net profit of \$1.2 million to the Group (FY2011: 28.6% held, \$1.3 million, 13 month period).
- Ruralco Holdings Limited (23.5% held*) – contributed a net profit of \$3.5 million to the Group (FY2011: 23.5% held, \$4.1 million).
- TPG Telecom Limited (26.9% held*) – contributed a net profit of \$24.4 million to the Group (FY2011: 26.8% held, \$20.6 million).

* Percentage of the issued capital of the company held by the Consolidated Group as at 31 July 2012

Results briefing:

Robert Millner, Chairman of WHSP, will be presenting the 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 that Brickworks (ASX: BKW) will be presenting at 12.30pm, prior to WHSP.

About Washington H. Soul Pattinson and Company Limited

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 in basic commodities such as building products, property, coal, equities, telecommunications, rural services, financial services and pharmaceuticals.

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

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