



ASX/MEDIA RELEASE

WHSP Reports Half Year Profit Results, Increases Dividend

	Half year to 31 Jan 2013	Half year to 31 Jan 2012	% Change
Revenue from continuing operations (\$000)	384,320	456,677	(15.8)
Profit before tax (\$000)	134,343	130,036	3.3
Income tax (expense) (\$000)	(33,585)	(10,216)	228.7
Regular profit ¹ after tax attributable to shareholders (\$000)	71,440	88,669	(19.4)
Profit after tax attributable to shareholders (\$000)	74,255	99,052	(25.0)
Earnings per share from regular profit after tax attributable to shareholders (cents)	29.8	37.1	(19.6)
Interim dividend (cents)	18	17	5.9

Thursday 21 March 2013: Diversified investment company, Washington H. Soul Pattinson and Company Limited (WHSP, ASX: SOL), today announced a profit before tax for the half year ended 31 January 2013 of \$134.3 million, an increase of 3.3 per cent compared to the previous corresponding period of \$130 million. On an after tax basis, profit was lower due to New Hope Corporation Limited (New Hope) having a one-off tax benefit in the prior half year which largely offset its income tax expense.

The regular profit¹ after tax (attributable to shareholders) for the half year ended 31 January 2013 was \$71.4 million, a decrease of 19.4 per cent compared to \$88.7 million for the previous corresponding period. The net decrease was primarily attributable to a reduced contribution from New Hope Corporation Limited (New Hope) and lower special dividend income, which was partly offset by increased contributions from Brickworks Limited and TPG Telecom Limited.

The profit of the Group, after tax attributable to shareholders, was \$74.3 million, a decrease of 25 per cent compared to \$99.1 million recorded for the previous corresponding period. The non-regular profit after tax attributable to shareholders for the half year ended 31 January 2013 was \$2.8 million.

Mr Robert Millner, Chairman of WHSP said: “WHSP is pleased to report a robust half year result with an increase in the market value of our listed equity investments. We maintain our focus on diversification as it continues to deliver long-term returns to our shareholders.

“We are pleased to announce an increased interim dividend of 18 cents, up from 17 cents last year.

“Importantly, WHSP’s balance sheet remains strong with cash reserves of \$205 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 half year financial report – Note 2, Segment information).

Interim dividend

Directors have declared a fully franked interim dividend of 18 cents per share for the half year ended 31 January 2013, an increase of 5.9 per cent over last year's interim dividend of 17 cents per share. The record date for this dividend will be 18 April 2013 with payment due on 9 May 2013.

Parent company

The market value of WHSP's listed equities held, including controlled entities and associates, was \$4.25 billion at 31 January 2013. This represents an increase of 14.7% since 31 July 2012 after adjusting for the investment in Exco Resources Limited (Exco) which was delisted during the period.

Exco delisted in January 2013 following WHSP's successful acquisition of its outstanding issued shares. WHSP invested \$83.2 million in Exco during the half year bringing the total amount invested to \$101.9 million.

Excluding controlled entities and associates, the market value of WHSP's listed equities was \$506 million. This represents an increase of 14.9 per cent since 31 July 2012 after adjustments for the Exco investment (which became controlled during the period) are made.

For the half year ended 31 January 2013 ordinary dividend and distribution income from listed equities held, excluding those from controlled entities and associates, was \$10.4 million.

No special dividends were received during the period. Special dividends for the previous corresponding period totalled \$13.4 million of which \$13.0 million was received from Exco which is now unlisted and controlled.

Interest income for the half year, excluding that from controlled entities and associates, totalled \$7.7 million. This was compared to \$10.3 million for the same period last year and is attributable to both lower interest rates and less funds on deposit.

Controlled entities' contributions:

- New Hope (59.7% held*) - contributed a net profit of \$41.1 million to the Group for the half year (HY2012: \$60.3 million net profit)
- CopperChem Limited (93.4% held*) - contributed a net loss of \$16.1 million to the Group for the half year (HY2012: \$13.5 million net loss)
- Pitt Capital Partners Limited (100% held*) - contributed a net profit of \$0.9 million to the Group (HY2012: \$0.7 million net profit)
- Exco Resources Limited (100% held*) - contributed a net profit of \$0.4 million to the Group (HY2012: dividends of \$13 million taken up as income by WHSP)

Associated entities' contributions:

- Amcontrol Pty. Limited (43.4% held*) – contributed a net profit of \$4.0 million to the Group
- Apex Healthcare Berhad (30.3% held*) – contributed a net profit of \$1.4 million to the Group (HY2012: \$1.2 million net profit)
- Australian Pharmaceutical Industries Limited (24.6% held*) – contributed a net profit of \$2.9 million to the Group (HY2012: \$2.9 million net profit)
- BKI Investment Company Limited (13.0% held*) – contributed a net profit of \$2.5 million to the Group (HY2012: 13.6% held, \$2.2 million net profit)
- Brickworks Limited (44.4% held*) – contributed a net profit of \$9.6 million to the Group (HY2012: 44.5% held , \$1.5 million net profit)
- Clover Corporation Limited (28.6% held*) – contributed a net regular profit of \$0.7 million to the Group (HY2012: \$0.7 million net regular profit)
- Ruralco Holdings Limited (23.5% held*) – contributed a net profit of \$0.9 million to the Group (HY2012: \$1.1 million net profit)
- TPG Telecom Limited (26.9% held*) – contributed a net profit of \$21.1 million to the Group (HY2012: \$15 million net profit)

* Percentage of the issued capital of the company held by the Consolidated Group as at 31 January 2013

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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