



ASX/MEDIA RELEASE

WHSP Reports Profit of \$113.1M and Positive Outlook for 2009

| | 2008 | 2007 | Change |
|--|--------------|-------|---------|
| Revenue (\$M) | 681.6 | 750.6 | (9.2%) |
| Net profit before non-regular items (\$M) | 113.1 | 99.2 | 14.1% |
| Net profit attributable to shareholders (\$M) | 90.8 | 130.2 | (30.2%) |
| Earnings per share before non-regular items (cps) | 47.41 | 41.57 | 14.0% |
| Final dividend | 18c | 17c | 5.9% |

- Profit before non-regular items up 14.1% to \$113.1 million
- EPS (Profit before non regular items after tax) up 14% to 47.4cps
- Final dividend up 5.9% to 18 cents, fully franked

Diversified investment company, Washington H. Soul Pattinson and Company Limited (WHSP, ASX: SOL), today announced net profit for the Group of \$113.1 million for the year ended 31 July 2008. This is an increase of 14.1% on last year. The net profit attributable to shareholders was \$90.8 million, down from \$130.2 million due to the sale last year of NBN Television by SP Telemedia Limited.

The final dividend is up 5.9% to 18 cents per share fully franked, compared with 17 cents fully franked in the previous corresponding period. Total dividends for the year were 30 cents per share fully franked, representing a payout ratio of 63.3% of profit after tax before non-regular items. The final dividend will be paid on 8 December 2008 to shareholders registered on 17 November 2008.

The investment portfolio return for the year was 34.6% compared to the benchmark S&P / ASX 300 Accumulation Index of negative 16.1%. The increase was mostly attributable to the significant increase in the New Hope Corporation Limited (New Hope) share price.

A strong profit performance from New Hope contributed to the result. New Hope (61.2% held), a coal mining and port operations company, recorded a profit of \$90.7 million for the year ended 31 July 2008, up 30.8% from last year. New Hope's profit was primarily due to higher production and export sales coupled with an increase in the international coal price. Saleable coal production rose 16% to 4.5 million tonnes and export sales 24% to 3.2 million tonnes.

WHSP Chairman Rob Millner said: "Continued strength from coal prices has provided us with a solid net profit for the year. Outlook is already looking positive for next year due to the continuation of high coal prices and the impact of the \$2.45 billion sale of New Hope's New Saraji Project to BHP Billiton Mitsubishi Alliance in September 2008.

“New Hope announced yesterday that \$600 million will be returned to shareholders in a fully franked special dividend next year. It is now well positioned to look at acquisition opportunities,” he added.

Brickworks Limited (49.5% held) announced a normalised net profit after tax of \$108.2 million for the year ended 31 July 2008, up 5.9% from \$102.2 million last year, the seventh successive year it has recorded an increase in profit after tax. The result continues to highlight the benefits of the growing diversification of Brickworks’ earnings from its three divisions – Building Products, Land and Development and Investments.

Clover Corporation Limited (28.6% held) recorded a net profit for the year ended 30 June 2008 of \$4.1 million, up 551% from \$0.635 million last year. The strong performance of Clover coincides with a period of restructuring within the company following the acquisition of the minority interest in Nu-Mega Ingredients Pty Limited in November 2007.

WHSP increased its shareholding in Ruralco Holdings Limited (21.0% held) in June 2008 and it is now classified as an investment in an associated company and has been equity accounted since then. Ruralco operates a national network of rural services and real estate businesses, including the well known CRT, Roberts, Rodwells and Primaries of Western Australia brands. Ruralco recently announced its half year profit of \$10.6 million, an increase of 44% on the previous corresponding period.

Australian Pharmaceutical Industries Limited (24.6% held) has changed its financial year from an April close to an August close and has not been fully accounted for in this year’s result. API has realigned its business and stated that it remains comfortable with the consensus forecast EBIT of \$49.5 million for its financial year ended 31 August 2008.

As a result of SP Telemedia Limited’s (27.5% held) merger with TPG Holdings Limited, WHSP’s control over the company ceased in April 2008. Although the 2008 result was impacted by one-off writedowns, the company remains confident of achieving an EBITDA of \$93 million in 2009.

KH Foods Limited (86.6% held) reported a loss of \$13.7 million for the year ended 31 July 2008. The company undertook a divestment program and shares were suspended from quotation on the ASX on 4 April 2008. KHF directors continue to explore various options for the company.

Results Briefing:

Robert Millner, Chairman will be presenting the WHSP results with a Q&A session afterwards today at the Sofitel Wentworth Sydney, Adelaide Room, Level 4, 61-101 Phillip Street, Sydney - 12.15pm, for 12.30pm start.

Please note that Brickworks will be presenting at 12.30pm, prior to WHSP and New Hope will be presenting afterwards.

For participants unable to attend, you can dial in and ask questions via teleconference:
Dial In Number: 1800 148 258 / Conference ID: 61714139

About Washington H. Soul Pattinson & Company

Washington H. Soul Pattinson & Company (WHSP) is Australia's third oldest listed company. Beginning as a chemist shop in Pitt Street in 1872, the company listed on the Australian Stock Exchange 30 years later. Over the 105 years since listing, WHSP is the only Australian company to pay 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, food, financial services and pharmaceuticals.

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

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