



Washington H. Soul Pattinson and Company Limited

Results Presentation



Half Year Results

2017

Business Overview

**DIVERSIFIED
PORTFOLIO**

**LONG-TERM
FOCUSED**

**CONSERVATIVE
AND VALUE
FOCUSED**

**OVER THE LAST 15
YEARS WHSP HAS**

**CONTINUALLY
INCREASED DIVIDENDS**
(growing at a CAGR of 10.6% pa)



**DELIVERED A TSR OF
12.6% PER ANNUM**
(outperforming the All Ords
Accumulation Index by 4.7% pa)



Performance Summary

Half Year Ended 31 January 2017

Group Profit After Tax	\$149.0m	+ 56.1%
Group Regular Profit After Tax*	\$139.3m	+ 66.7%
Net asset value (pre-tax)	\$4,506m	- 25.2%
(Tax payable if disposed of on 31 January 2017 is \$812m)		
Net regular cash from operations	\$67.6m	28.3 cps
FY17 Interim Dividend	22 cents	+ 4.8%

*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 Appendix 4D– Note 3, Segment information.

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Group Result (Consolidated)

Half Year Regular NPAT contributions

Group Regular Profit After Tax*	\$139.3m	up 66.7%
▪ TPG	\$52.2m	up 24.6%
▪ Brickworks	\$28.1m	up 31.1%
▪ New Hope	\$32.7m	up 264.4%
▪ API	\$6.4m	up 19.0%
▪ BKI	\$2.5m	up 6.8%
▪ Apex	\$1.9m	up 31.7%
▪ Ruralco	\$0.4m	down 74.9%

*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 Appendix 4D– Note 3, Segment information.

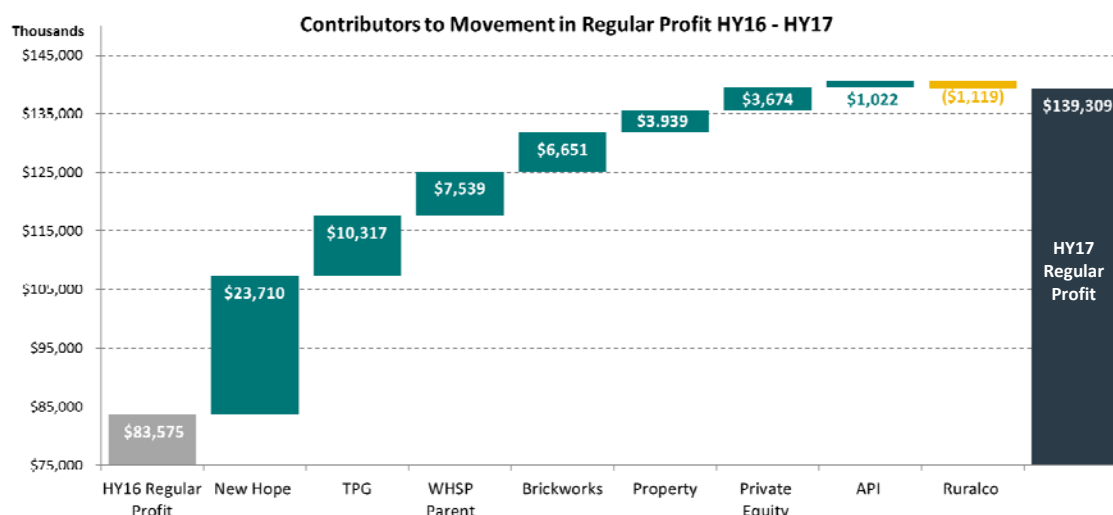
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Group Result (Consolidated)

Half Year Ended 31 January 2017



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Portfolio Performance As at 31 January 2017

	Market Valuation \$m	% of portfolio	1 st Half movement		Contribution to 1 st Half Regular Profit	
			\$m	%	\$m	% Change
TPG Limited	1,381	30.6%	(1,357)	(49.6%)	52.2	24.6%
Brickworks	832	18.5%	(155)	(15.7%)	28.1	31.1%
New Hope	793	17.6%	0	0%	32.7	264.4%
API Limited	227	5.0%	(4)	(1.8%)	6.4	19.0%
BKI Investment	106	2.3%	5	4.9%	2.5	6.8%
Apex	51	1.1%	6	12.2%	1.9	31.7%
Ruralco	48	1.1%	(5)	(8.1%)	0.4	(74.9%)
Market valuation of Major Strategic Listed Investments	3,438	76.3%	(1,510)	(30.5%)	124.2	49.6%
Other listed portfolio	644	14.3%	(25)	(3.6%)		
Unlisted equity portfolio ¹	160	3.6%	(1)	(0.7%)		
Property portfolio ¹	159	3.8%	(7)	(4.2%)		
Cash and net funds on deposit	41	0.9%	17	72.8%		
Loans and other net assets	54	1.2%	4	7.9%		
Gross market value of portfolio ²	4,506	100.0%	(1,522)	(25.2%)		

Notes

- Directors' valuations
- The unrealised net tax liability of the portfolio as at 31 January 2017 was \$812m (or \$3.39 per share)

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WHSP Total Shareholder Returns

Focused on Long-term Out Performance

Annualised Returns	1 Year	2 Years	3 Years	5 Years	10 Years	15 Years
as at 31 January 2017						
WHSP	(4.0%)	13.4%	4.5%	6.0%	9.3%	12.6%
All Ord. Accum. Index	17.1%	5.6%	7.5%	10.3%	4.2%	7.9%
as at 21 March 2017						
WHSP	9.0%	13.0%	8.4%	8.4%	10.3%	12.1%
All Ord. Accum. Index	16.2%	3.4%	7.4%	10.7%	4.3%	8.2%

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WHSP 15 year Total Shareholder Return

to 31 January 2017



Source: IRESS - Includes the re-investment of dividends.

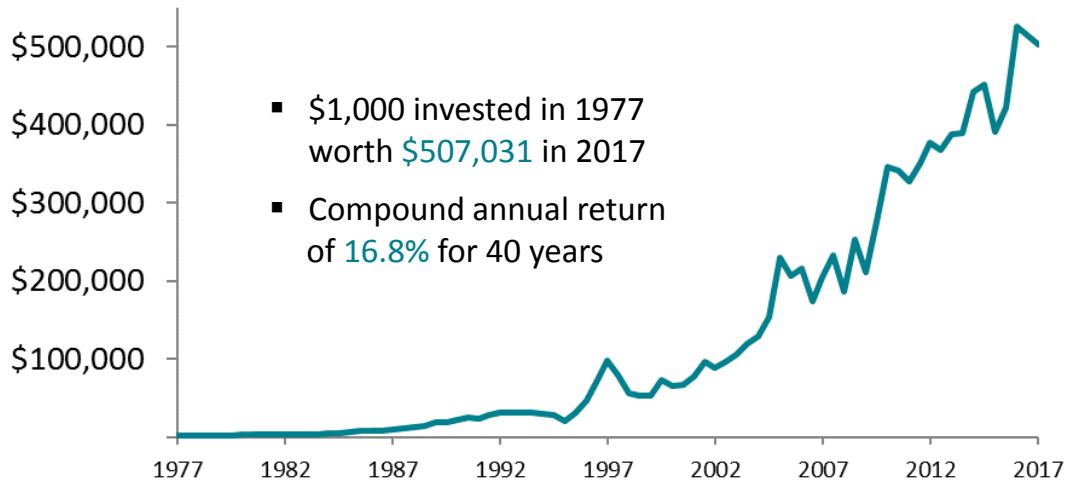
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WHSP Wealth Creation over 40 years

to 31 January 2017



Source: IRESS - Includes the re-investment of dividends.

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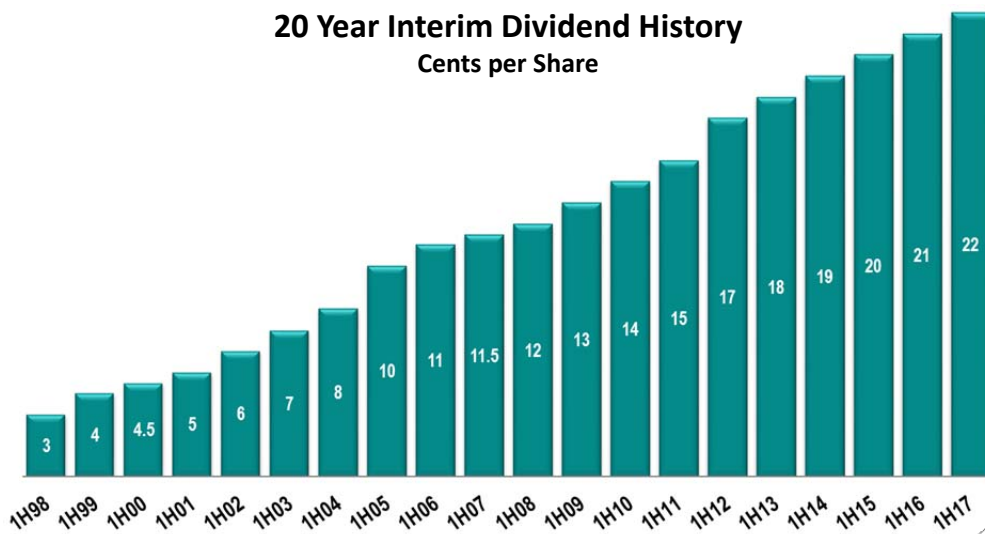
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Interim Dividend History

Interim Dividend 22 cents per share, 19th consecutive increase

20 Year Interim Dividend History
Cents per Share



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TPG Telecom Limited

Half Year Ended 31 January 2017



Percentage ownership	25.2%
Value of shareholding	\$1,381m
Contribution to WHSP profit	\$56.3m

- 1H Revenue was \$1,241m, up 8%
- Underlying EBITDA \$417.6m, up 13%
- Underlying NPAT \$207.5m, up 28%
- EPS increased by 8% to 26.4 cents per share
- Interim Dividend of 8 cents per share fully franked, an increase of 14%

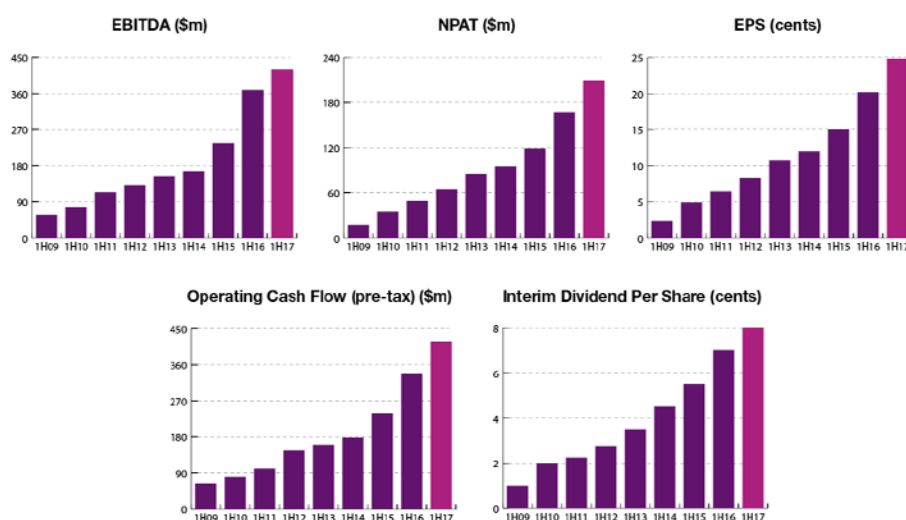
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TPG Telecom Limited

1H performance over last 9 years



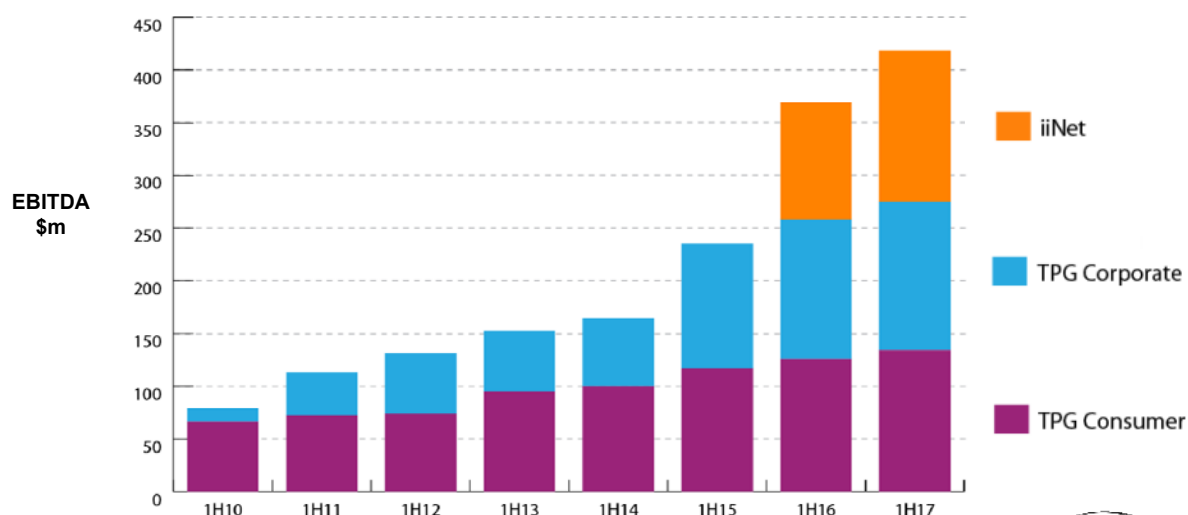
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TPG Telecom Limited

Historical EBITDA contributions by division



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Brickworks Limited

Half Year Ended 31 January 2017



Percentage ownership	44.0%
Value of shareholding	\$832m
Contribution to WHSP profit	\$26.8m

- Net Profit After Tax of \$104.1 million, up 35.4%
- Underlying NPAT (before significant items) up 48.3% to \$111.2 million
- Interim Dividend up 1 cent to 17 cents
- Underlying Earnings Per Share were 74.7 cents, up 47.9%

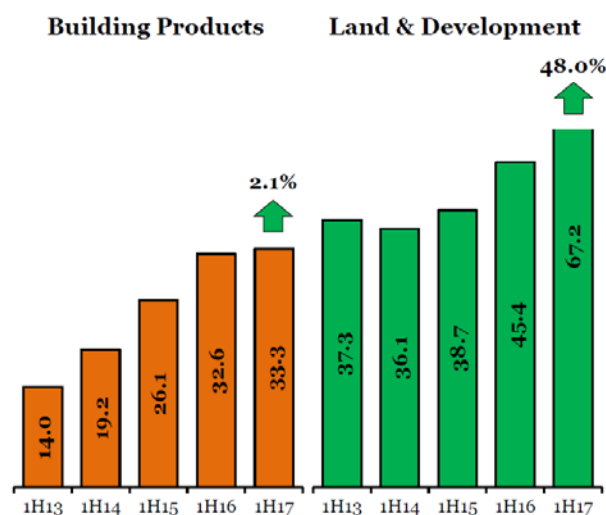
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Brickworks Limited

Underlying EBIT history by division (\$m)



- Building Products EBIT up 2.1% on record revenue of \$370m
- Land & Development EBIT up 48.0% generated by sale of Oakdale West land into JV

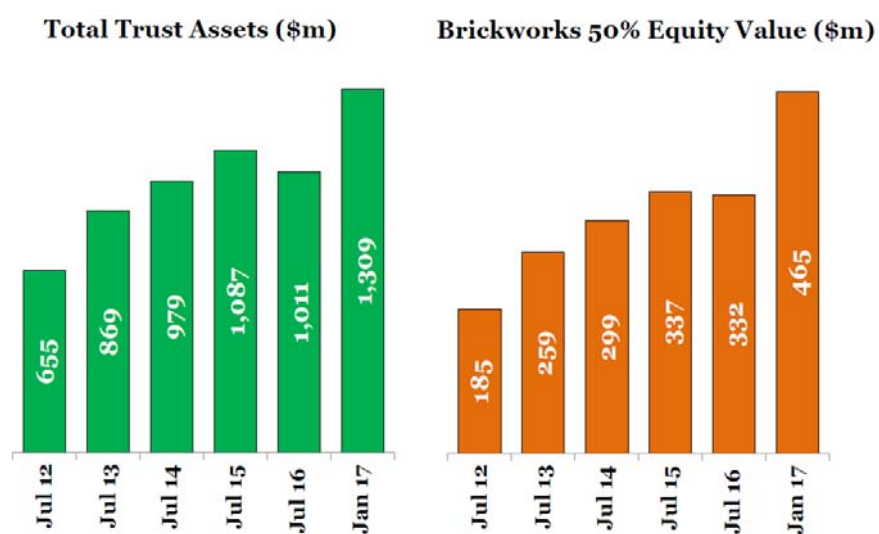
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Brickworks Limited

Industrial property trust value



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New Hope Corporation

Half Year Ended 31 January 2017



Percentage ownership	59.6%
Value of shareholding	\$793m
Contribution to WHSP profit	\$40.7m

- Revenue from ordinary activities was \$374.6m, up 63%
- EBITDA (before non-regular items) up 163% to \$130.2m
- Cash generated from operating activities of \$119.7m
- NPAT (before non-regular items) up 266% to \$54.9m
- Interim Dividend of 4.0 cents per share fully franked, up 100%

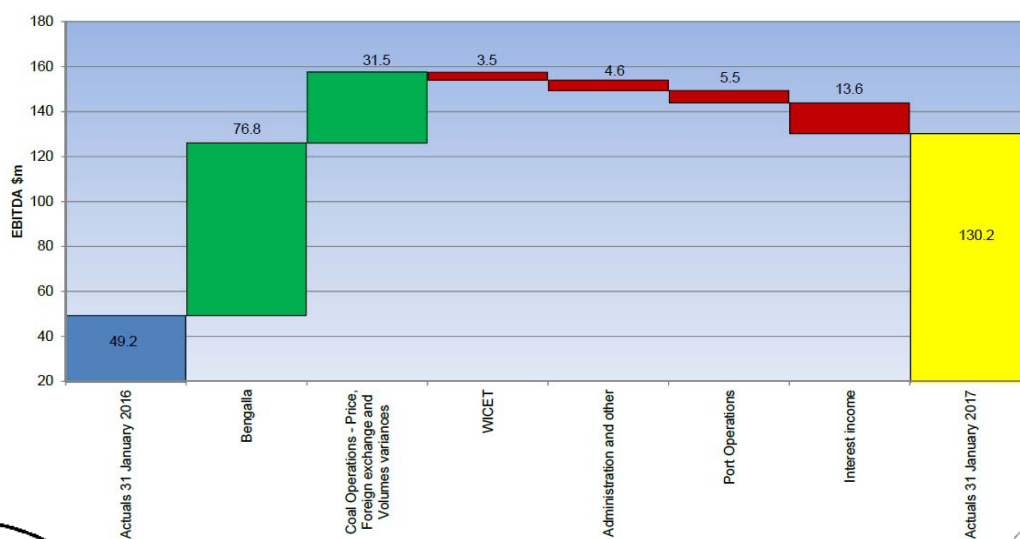
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New Hope Corporation

Half year EBITDA comparison



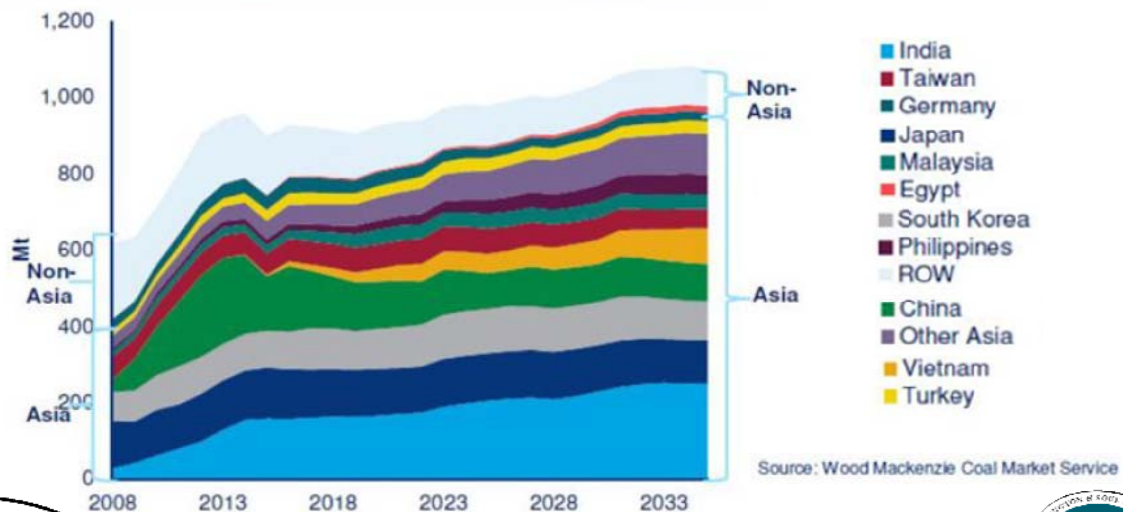
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New Hope Corporation

Seaborne thermal demand by country



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Australian Pharmaceutical Industries

Year Ended 31 August 2016



Percentage ownership	24.5%
Value of shareholding	\$227m
Contribution to WHSP profit *	\$7.1m

- Revenue for the year was \$3.8b, up 11.1% on FY15
- EBIT of \$87.1m, up 17.7%
- Underlying NPAT of \$51.4m, up 18.0%
- NPAT of \$51.7m up 19.8%
- Priceline Pharmacy network to 442 stores, an increase of 22
- Final dividend of 3.5 cents per share fully franked, up 40.0%
- Total dividends of 6 cents per share fully franked, up 33.3%

* For the 6 months to 31 August 2016

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BKI Investment Company

Half Year Ended 31 December 2016



Percentage ownership	10.2%
Value of shareholding	\$106m
Contribution to WHSP profit	\$2.3m

- NPAT for the first half was \$25.0m, up 13%
- Net operating result (before special dividend income) was \$21.2m, down 0.9% on pcp
- Fully franked interim dividend of 3.6 cents per share

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Apex Healthcare Berhad

Year ended 31 December 2016



Percentage ownership	30.3%
Value of shareholding	\$51m
Contribution to WHSP profit *	\$1.5m

- Revenue of \$187.8m up 6.5%
- NPAT \$11.3m, in line with FY15
- Final dividend of 1.9 cents per share, (unchanged from FY15)
- Total dividends for 2016 up 4.6%

* For the 6 months to 31 December 2016

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Ruralco Holdings

Year Ended 30 September 2016



Percentage ownership	20.1%
Value of shareholding	\$48m
Contribution to WHSP result *	\$1.3m loss
Contribution to WHSP regular profit *	\$0.4m

- Revenue increased 10% to \$1.8b
- Underlying gross profit of \$304.9m, up 2%
- NPAT of \$4.2m, after \$9.1m impact of restructuring and divestments down from \$14.1m
- Final dividend of 2 cents per share
- Update:
 - Targeted acquisitions since Sept 16 are EPS accretive.

* For the 6 months to 30 September 2016

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WHSP

Recent developments

- WHSP agreed to purchase shares in Pengana Capital in late 2016. In 2017, WHSP became the largest shareholder in Hunter Hall International (HHL) through a takeover
- HHL and Pengana Capital have agreed to merge to create a best in class funds management business with a strong platform for growth
- WHSP will emerge with c.39% of the shares in the merged entity



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WHSP

Recent developments

- WHSP has acquired approximately 7% of Hunter Hall Global Value (HHV).
- HHV is a listed investment company focused on ethically screened global investments. This provides WHSP with exposure to global equities.
- WHSP has indicated that it is supportive of the current board and believes that the merger of Pengana and HHL will enhance the performance of HHV.



Global Value
Limited

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WHSP

Recent developments

- Contact Asset Management (20% owned by WHSP) is listing URB Investments Limited.
- URB is an investment company focused on equities and property which benefits from urban renewal and regeneration
- The IPO of URB will enhance WHSP's ability to fund its pipeline of urban renewal property opportunities
- WHSP will invest 10% of the IPO raise
- All WHSP shareholders have been provided with a priority offer for the IPO



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Washington H. Soul Pattinson and Company Limited

A Diversified Investment House

