



CHAIRMAN'S ADDRESS

94th Annual General Meeting of Shareholders

Tuesday, 1 August 2017

In its 94th year of operation Whitefield has reported an Operating Profit after Tax of \$14,028,677 and Other Comprehensive Income after Tax of \$32,332,165 representing a further strong year of investment return in a relatively strong 5-year period for the Australian equity market.

Operating Profit after Tax amounted to 16.9 cents per ordinary share, an increase of 1.8% on the prior financial year, driven by increases in dividends and distributions delivered from the majority of our investment portfolio.

In addition to the underlying income on our investments, market values of our portfolio moved favourably across the 12 months, with the total return on our investment portfolio amounting to 16.3%.

While we have retained our Ordinary Share dividend at 8.5 cents per half, and 17.0 cents for the 2017 year, we will now look to increase that dividend as and when our underlying operating earnings grow sustainably beyond that level.

Whitefield aims to provide shareholders with the benefits of long term exposure to listed Australian shares with cost efficiency and via an investment process that both controls risk and seeks return in a structured, scientific and reliable manner. Our investment portfolio return of 10.0% per annum is a margin above the ASX200 Industrials Accumulation Benchmark return of 9.5% per annum over the last 30 years and our shareholders have been able to benefit from the compounding of that return during that extended period.

Over the last year we have introduced two new directors to the Board. Lance Jenkins, who has extensive financial markets experience in Australia and offshore through Goldman Sachs, Commonwealth Bank and Waterman Capital, has joined the Board as an independent non-executive director. Will Seddon who has a significant role in the management of the company's investment portfolio, has also been added to the Board in an executive capacity. Both new directors bring insight, experience and energy to the Board and we look forward to their ongoing involvement over upcoming years.

I also express a note of thanks for the contribution of John Gillmore who retired from the Board after many years of service to the company. John had served as a director since 1995.

Notwithstanding much political uncertainty and debate, global investment markets have broadly strengthened over the last 12 months supported by a solidification of economic growth that has seen interest rates starting to rise. These developments have also been evident in Australia.

I have no doubt that the latter half of 2017 and into 2018 will bring with it a mix of unexpected events and challenges but also opportunities.

We will look forward to reporting to shareholders on Whitefield's outcomes as the financial year progresses.

David Iliffe, Chairman