



Washington H. Soul Pattinson and Company Limited

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ASX Announcement – 11 March 2020

Consolidated net profit after tax for the six months ended 31 January 2020

Washington H. Soul Pattinson and Company Limited (**WHSP**) (ASX:SOL) advises that its half year net profit after tax attributable to WHSP shareholders for the period ending 31 January 2020 is likely to be in the range of \$45-55 million. The regular net profit after tax attributable to WHSP shareholders (excluding the impact of non-regular items) is likely to be in the range of \$120-130 million.

These figures are subject to review and based on preliminary information we have received from our various investments.

Regular profit has been impacted this year by reduced earnings from all of our major investments:

- TPG has already announced its half year results on 5 March 2020. TPG's Underlying Profit for the period was down 29.8%, however, its Business As Usual EBITDA was down just 4.9%¹;
- New Hope has not released its half year results, however, did disclose that its first quarter results were down 51% as a result of coal prices falling 40% throughout the 2019 year;
- Brickworks has not released its half year result, however, the result will be impacted by the lower expected profit from their shareholding in WHSP (a major asset for Brickworks); and
- poor performance of Round Oak Minerals as a result of falling zinc and copper prices.

WHSP does not consider its earnings to be the key indicator of the Company's performance. As with any investment portfolio, the key drivers of success are growth in the capital value of the portfolio and a growing yield.

WHSP is focused on delivering:

- **Increasing capital value of the Company**
The gross value of the portfolio at 31 January 2020 was in line with the FY19 year end. The Company's share price as at 31 January was trading at a 5.8% discount to the gross value of the assets in the portfolio.
- **Steady and growing dividends**
WHSP declares its dividends from the cash it receives from its portfolio (rather than accounting earnings). The regular cash received by WHSP from its investments for the full year FY20 is expected to be in line with the previous year and will support our ability to pay a growing interim and final dividend.

Ian D. Bloodworth
Company Secretary

¹ Refer to TPG Telecom Limited Appendix 4D for further information and definitions.