WHITEFIELD QUARTERLY REPORT

FEBRUARY 2016

PERFORMANCE SUMMARY

At 31 December 2015

	Last Quarter %	One Year %	Three Years % **	Ten Years %**
Before Tax Returns				
Total Portfolio	8.926%	8.347%	15.867%	6.816%
S&P/ASX 200 Industrials (Benchmark)	9.066%	8.098%	15.150%	7.311%
S&P/ASX 200	6.478%	2.561%	9.193%	5.635%
After Tax Returns				
Net Asset Backing (pre deferred tax)*[1]	10.912%	9.080%	16.601%	5.933%
Net Asset Backing (post deferred tax)*[2]	7.137%	7.304%	12.732%	6.122%
Share Price	6.705%	6.630%	16.709%	6.579%

* Including Dividends ** Annualised

1 Investment returns based on net asset backing (pre-tax) represent the investment return prior to any provision for deferred tax benefits or liabilities, but are after the payment of current tax at company rates on income and on realised capital gains.

2 Investment returns based on net asset backing (post-tax) represent investment returns after provisions for deferred tax liabilities and benefits, including a provision for capital gains tax should the company's investments be realised in entirety.

FINANCIAL OUTCOMES

	9 Months to 31 Dec 15	9 Months to 31 Dec 14	% Change
Investment Revenue	$13,348,130	$12,643,564	5.6%
Profit Before Tax	$10,006,845	$9,399,684	6.5%
Income Tax Benefit/(Expense)	($746,495)	($505,286)	47.7%
Profit After Tax	$9,260,350	$8,894,398	4.1%
Earnings Per Share	11.6cps	11.6cps	(0.3%)

Note: Revenue, profit and earnings shown here represent underlying earnings and accordingly exclude demerger dividends.

RESULTS COMMENTARY

Whitefield recorded a Profit after Tax of $13,348,130 for the nine months to 31 December 2015, an increase of 4% on the prior year equivalent. After allowing for movements in shares on issue, this result equated to Earnings per Ordinary Share of 11.6 cents per Ordinary Share.

Similar to the experience reported in the first and second quarters of Whitefield's financial year, many of our investment holdings generated growth in their declared dividends for the quarter just ended. Accordingly Whitefield's gross investment income for the nine months was moderately higher than that in the prior financial year. Whitefield's tax expense for the nine months was above the prior year expense with a higher level of unfranked income relative to franked income earned during the period.

The Australian stock market rose strongly in value in the quarter ended December 2015, following a weaker market in the prior quarter.

In this environment the company's portfolio delivered a quarterly return of 8.93% similar to the S&P/ASX200 Industrials Index and ahead of the broader ASX200 Index return of 6.48%. The portfolio has generated a return of 8.35% for the last 12 months, which compares to the return of the S&P/ASX200 Industrials Accumulation Index of 8.10% and to the broader market S&P/ASX200 Accumulation return of 2.56%.

Strongest performing stocks for the quarter included Blackmores, BT Investment Management, Metcash, Dominos, Magellan, Fischer & Paykel Healthcare and REA Group. Other notable contributions to overall performance included Crown, Aristocrat, Brambles, CSL, Ramsay Healthcare, AGL and the major banks.

NET TANGIBLE ASSETS

At 31 December 2015

NTA (post-tax & preference shares)	$352.3 million
Ordinary Shares on Issue	80,208,773
8% Cumulative Pref. Shares (Face Value)	$23,790
Convertible Resettable Prefs. (Face Value)	$40,000,000
NTA per share (pre-tax)	$4.79
NTA per share (post-tax)	$4.39
Share Price	$4.34
(Discount)/Premium to NTA (pre-tax)	(9.39%)
(Discount)/Premium to NTA (post-tax)	(1.14%)

TOP 5 CONTRIBUTORS TO PERFORMANCE FOR THE QUARTER*

At 31 December 2015

	Portfolio Weight	Contribution
Commonwealth Bank of Australia	11.49%	1.841%
Westpac Banking Corporation	7.92%	1.241%
CSL Limited	3.77%	0.626%
ANZ Banking Group	5.72%	0.405%
Brambles Limited	1.68%	0.285%

TOP 5 DETRACTORS TO PERFORMANCE FOR THE QUARTER*

At 31 December 2015

	Portfolio Weight	Contribution
Spotless Group Holdings Ltd	0.09%	(0.092%)
Westfield Corporation	1.50%	(0.073%)
TPG Telecom Limited	0.67%	(0.068%)
Primary Health Care Limited	0.09%	(0.062%)
Medibank Private Limited	0.45%	(0.060%)

*Contribution = weighted contribution to investment performance

SECTOR BREAKDOWN

At 31 December 2015

	Excluding Cash	Including Cash
Commercial Banks	31.96%	31.80%
Financials Excluding Banks	10.80%	10.75%
Health Care	9.43%	9.38%
Industrials	8.82%	8.78%
Consumer Discretionary	8.37%	8.32%
Property	7.38%	7.34%
Telecommunication Services	6.94%	6.90%
Consumer Staple	6.90%	6.86%
Materials	4.58%	4.55%
Utilities	3.42%	3.40%
Information Technology	1.40%	1.40%
Cash		0.52%

CHANGES TO INVESTMENT EXPOSURES

During the quarter Whitefield increased exposure to a range of stocks including CIMIC, Flight Centre, AusNet Services, Incitec, Ramsay Healthcare and Scentre Group.

The portfolio's current sectoral exposures relative to benchmark are shown on the table on the opposite side of this page.

DIVIDENDS

Whitefield's next dividends are due to be paid in June 2016. All dividends are expected to be fully franked.

At this time, Whitefield expects to pay dividends at the following rates:

- 8.5 cents per Ordinary Share
- 350 cents per Convertible Resettable Preference Share [CRPS]
- 4.0 cents per 8% Preference Share

Note: This is not a declaration of dividends.

NET ASSET BACKING

Net Tangible Asset Backing per Ordinary Share at the 31 December Quarter-End stood at $4.79 (before deferred tax) and $4.39 (after deferred tax).

This asset backing had fallen to $4.49 (before deferred tax) and $4.22 (after deferred tax) at the last reported month-end of 31 January 2016 as the result of stock market weakness in the new calendar year.

OUTLOOK

In recent months investment markets around the globe have experienced growing volatility and investors have become increasingly nervous.

The primary risks relate to slowing Chinese growth, the potential for rising debt problems within China and the notably low levels of commodity prices, particularly oil.

Chinese economic growth is undoubtedly maturing, with growth now faster in the consumer economy than in heavy industry. Chinese industrial production growth has slowed from double digit levels to mid-single digits. Retail sales however are expanding at 11% per annum. The Chinese crackdown on corruption also represents a notable factor influencing change. In this period of transition non-performing loans in China are rising.

Commodity prices, including oil, are much lower than they have been for years. With the US dollar likely to continue to rise, commodity prices in $USD terms are likely to remain low for some time. Against this, it must be remembered that commodity producers represent a limited percentage of both the Australian and global economies, and further that low commodity prices are also a benefit to both consumers and a range of other industries.

While it remains most likely that both of these risks are ultimately manageable, investors around the globe may remain cautious for some time.

Looking below these headline-grabbing macro concerns, underlying conditions are mildly positive – that is, while they are not spectacular, they are also not weak.

Consumer conditions in Australia continue to move in a positive direction supported by a level of employment growth and the strong increase in consumer wealth resulting from house price growth over the past five years. Similarly business conditions in the majority of Australian industry segments appear to be supported by favourably developing underlying drivers.

Strong underlying business loan growth and moderate financial markets activity are positive for the financial sector. Building and construction activity outside the mining sector is robust. Manufacturing and export industries are increasingly profiting from their improved competitive position as the Australian dollar eases. The earnings of Australian listed entities with offshore operations are improving both from the better economic outlook in Europe and the US and from the increase in offshore currencies relative to the Australian dollar.

In this nervous environment however, both companies and analysts are extremely cautious in their earnings growth expectations. It is this cautious outlook that, rightly or wrongly, has been priced into the market values of Australian equities over recent months.

Whitefield's portfolio is not directly exposed to the oil and resource sectors, and our investment returns have benefited significantly from this stance. Within the non-resource sectors of the Australian economy, Whitefield's portfolio continues to emphasise a diverse range of stocks which we consider are likely to generate above average returns relative to the market, over upcoming years.

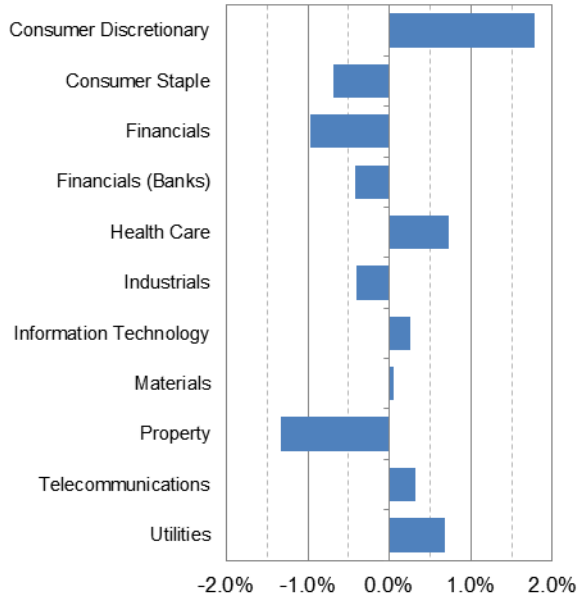
We look forward to reporting to shareholders on our full year outcome following our financial year end at 31 March.

ANGUS GLUSKIE
CHIEF EXECUTIVE OFFICER

WHITEFIELD QUARTERLY REPORT

VARIANCE TO BENCHMARK

At 31 December 2015



TOP 20 HOLDINGS

At 31 December 2015

	%	Value $'000
Commonwealth Bank Of Australia	11.49%	48,147
Westpac Banking Corporation	7.92%	33,199
National Australia Bank Limited	6.11%	25,615
ANZ Banking Group Limited	5.72%	23,981
Telstra Corporation Limited	5.50%	23,065
CSL Limited	3.77%	15,806
Wesfarmers Limited	3.09%	12,933
Macquarie Group Limited	2.41%	10,085
Scentre Group Limited	1.97%	8,237
Woolworths Limited	1.92%	8,052
Transurban Group	1.79%	7,504
Brambles Limited	1.68%	7,051
Westfield Corporation	1.50%	6,279
Amcor Limited	1.48%	6,189
Sydney Airport	1.37%	5,761
QBE Insurance Group Limited	1.33%	5,580
Ramsay Health Care Limited	1.31%	5,503
AGL Energy Limited	1.10%	4,610
Insurance Australia Group Limited	1.03%	4,316
ResMed Inc	1.01%	4,239
Cash & Cash Equivalents	0.52%	2,168