

Washington H. Soul Pattinson and Company Limited

ABN 49 000 002 728

First Floor, 160 Pitt Street Mall, Sydney NSW 2000



ASX Appendix 4D & Half year financial report 31 January 2016

Lodged with the ASX under Listing Rule 4.2A

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Reporting Period

The reporting period is the half year ended 31 January 2016.

The previous corresponding period is the half year ended 31 January 2015.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Results for Announcement to the Market

		Current period 31 January 2016 \$'000	Previous period 31 January 2015 \$'000	Change \$'000
Revenue from operations	Down 23.3% to	272,322	355,119	(82,797)
Profit after tax attributable to members (1)	Up 41.7% to	95,390	67,331	28,059
Regular profit after tax attributable to members (2)	Down 5.2% to	83,575	88,191*	(4,616)

* The regular profit after tax for 2015 has been restated by transferring expenses of \$3.4 million from regular profit to non-regular items following a reallocation by an Associated Entity.

Dividends

	Cents per share	Franking %
This period		
1. Interim dividend (3)	21c	100%
Previous corresponding period		
1. Interim dividend	20c	100%
Record date for determining entitlements to interim dividend:	21 April 2016	
Date the interim dividend is payable:	12 May 2016	

Comments on above results

- (1) The profit after tax of \$95.4 million, an increase of 41.7% compared to \$67.3 million for the previous corresponding period.
- (2) Regular profit after tax attributable to members for the half year was \$83.6 million, \$4.6 million less than for the previous corresponding period. This net decrease was mainly attributable to the impact of lower coal, oil and copper prices on the results of New Hope Corporation Limited, CopperChem Limited and Exco Resources Limited, which were largely offset by significantly higher contributions from TPG Telecom Limited (up 30.7%); Brickworks Limited (up 38.4%) and Australian Pharmaceutical Industries Limited (up 36.4%).
- (3) Interim dividend increased by 5.0% to 21 cents per share fully franked.

Earnings per share

	Half year 31 January 2016	Half year 31 January 2015
From operations		
Basic Earnings per Share	39.85 cents	28.13 cents
Diluted Earnings per Share	39.85 cents	28.13 cents
From regular profit after tax attributable to members	34.91 cents	36.84 cents*

* Earnings per share from regular profit after tax attributable to members for 2015 has been restated as a result of transferring expenses of \$3.4 million from regular profit to non-regular items following a reallocation by an Associated Entity.

Net tangible assets per security

	31 Jan 2016	31 July 2015
Net tangible asset backing per ordinary security	\$12.24	\$12.31

Explanation of Profit after tax

For a further explanation of the half year's operating results, please refer to Chairman's review and Review of Group Entities attached.

Explanation of Net Profit

For a further explanation of the half year's operating results, please refer to Chairman's review and Review of Group Entities attached.

Review of Operations

For a further explanation of the half year's operating results, please refer to Chairman's review and Review of Group Entities attached.

Washington H. Soul Pattinson and Company Limited

A.B.N. 49 000 002 728

Half Year Ended 31 January 2016

Chairman's Review

Dear Shareholders,

I am pleased to present the Washington H. Soul Pattinson and Company Limited report for the half year ended 31 January 2016 on behalf of the Board of Directors of the Company.

Performance Highlights

PERFORMANCE FOR THE HALF YEAR		
Profit after tax	\$95.4 million	+ 41.7%
Regular profit after tax*	\$83.6 million	- 5.2%
Pre-tax value of Major Strategic Investments (ASX All Ordinaries Index was down 11.0% for the period)	\$4.4 billion	+ 1.0%
Ordinary dividends and interest received net of regular operating costs.	\$71.1 million	+ 25.2%

SHAREHOLDER RETURNS			
2016 Interim Dividend	21 cents	+ 5.0%	
Dividend growth over 15 years (compound annual growth rate 2001 to 2015)	11.3%		
Total Shareholder Returns			
	WHSP	ASX	Out Performance
1 Year	34.0%	- 4.7%	38.7%
15 Years	14.0%	7.2%	6.8%

** 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 half year financial report – Note 3, Segment Information.*

The results for 2015 have been restated by transferring expenses of \$3.4 million from the regular result to non-regular items following a reallocation by an Associated Entity. Refer to Note 3 for further information.

Consolidated Financial Performance

Profit after tax attributable to shareholders for the half year ended 31 January 2016 was \$95.4 million, an increase of 41.7% compared to \$67.3 million for the previous corresponding period.

The regular profit after tax* was \$83.6 million, \$4.6 million less than for the previous corresponding period. This net decrease was mainly attributable to the impact of lower coal, oil and copper prices on the results of New Hope Corporation Limited, CopperChem Limited and Exco Resources Limited which were largely offset by significantly higher contributions from:

- TPG Telecom Limited (TPG) (up 30.7%);
- Brickworks Limited (up 38.4%); and
- Australian Pharmaceutical Industries Limited (up 36.4%).

In addition, the results for 2015 included a gain on the sale of property of \$5.1 million.

The net profit on non-regular items for the half year ended 31 January 2016 was \$11.8 million (2015: \$20.9 million loss**) consisting mainly of a non-cash gain in respect of our investment in TPG which was largely offset by impairments against oil and copper assets.

Comparisons with the corresponding period last year are as follows:-

	Half Year 31 Jan 2016 \$000	Half Year 31 Jan 2015 \$000	% Change
Profit after tax attributable to shareholders	95,390	67,331	+ 41.7%
Regular profit after tax* attributable to shareholders	83,575	88,191**	- 5.2%
Interim Dividend	21 cents	20 cents	5.0%

* 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 half year financial report – Note 3, Segment Information.

** The results for 2015 have been restated by transferring expenses of \$3.4 million from the regular result to non-regular items following a reallocation by an Associated Entity. Refer to Note 3 for further information.

Assets of the Parent Company Washington H. Soul Pattinson and Company Limited

The assets of WHSP are summarised below. The value of these assets at 31 January 2016 was \$5.4 billion a decrease of 1.7% compared to \$5.50 billion as at 31 July 2015.

As at 31 January 2016	WHSP's Holding %	Value of WHSP's Holding \$m	6 month Movement	
			\$m	%
Major Strategic Investments – listed (at market value)				
TPG Telecom Limited	25.2%	2,145	115	5.7%
Brickworks Limited	44.1%	998	20	2.0%
New Hope Corporation Limited	59.7%	818	(129)	(13.6%)
Aust. Pharmaceutical Industries Limited	24.6%	251	60	31.4%
BKI Investment Company Limited	10.9%	104	(5)	(4.3%)
Ruralco Holdings Limited	20.2%	53	(8)	(13.6%)
Apex Healthcare Berhad	30.3%	44	(11)	(19.6%)
		4,413	42	1.0%
Other Listed Investments (at market value)		633	5	0.7%
Unlisted Investments ¹		157	(98)	(38.4%)
Property ¹ (net of borrowings)		119	50	72.7%
Cash and net funds on deposit		54	(100)	(64.9%)
Loans and other net assets		31	9	38.4%
Gross value of the portfolio (pre-tax) ²		5,407	(92)	(1.7%)
¹ At Directors' valuations				
ASX All Ordinaries Index			(11.0%)	

²The tax payable if all of these assets had been disposed of on 31 January 2016 would have been approximately \$1.09 billion.

The value of the Major Strategic Investments above grew by 1.0% during the six months significantly outperforming the ASX All Ordinaries Index which decreased by 11.0%.

The net investment in other listed investments was \$41.7 million for the six months and previously unlisted investments carried at \$39.7 million were listed on the ASX during the period. Acquisitions included Australia and New Zealand Banking Group limited (ANZ Bank) and Woolworths Limited. Proceeds from disposals totalled \$5.6 million and included South 32 Limited and Crown Resorts Limited.

After adjusting for additions and disposals, the total value of all listed investments decreased by 0.7%. This is still a significant outperformance against the 11.0% fall in the ASX All Ordinaries Index.

Unlisted investments reduced in value by \$97.7 million, primarily as a result of the impairment of copper assets and the movement of investments with a brought forward value of \$39.7 million from unlisted to listed investments during the period.

During the period two office buildings were purchased in Pennant Hills, N.S.W. and land was purchased in Sunshine West, Victoria adding \$50 million to the portfolio.

Washington H. Soul Pattinson and Company Limited

Total shareholder return (TSR) is measured using the change in value of an investment over time. It measures share price movement and includes dividends received by assuming they are reinvested by purchasing additional shares. Please note that WHSP does not have a dividend reinvestment plan.

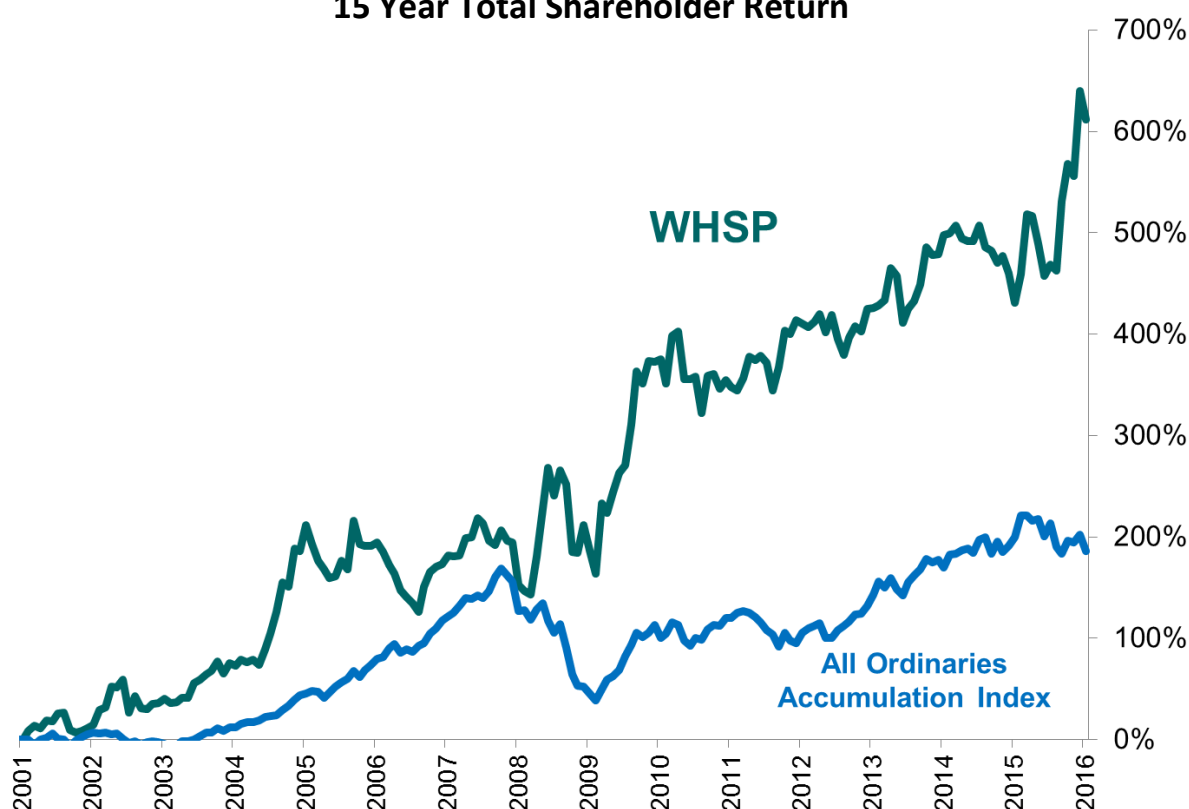
The table below shows the TSRs for WHSP shares for various periods and compares them to the ASX All Ordinaries Accumulation Index which also includes the reinvestment of dividends.

Total Shareholder Returns to 31 January 2016

Annual Return	1 Year	3 Years	5 Years	10 Years	15 Years
WHSP	34.0%	10.6%	9.7%	9.2%	14.0%
All Ord. Accum. Index	(4.7%)	5.5%	5.4%	4.7%	7.2%
Out Performance by WHSP	38.7%	5.1%	4.3%	4.5%	6.8%

The following chart shows the total return over time of an initial investment made in WHSP shares in February 2001 compared to the ASX All Ordinaries Accumulation Index.

15 Year Total Shareholder Return



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

WHSP is a long term investor with its focus on providing its shareholders with capital growth and increasing fully franked dividends. The above table and chart demonstrate WHSP's success in significantly outperforming the ASX All Ordinaries Accumulation Index over the short and the long term.

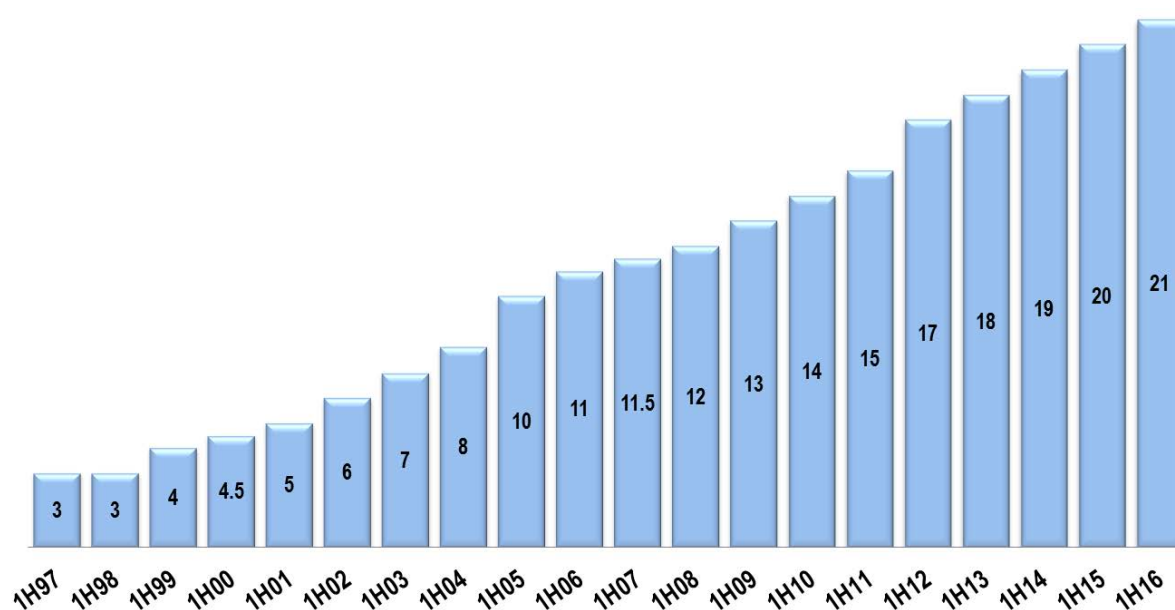
INTERIM DIVIDEND

The Directors have declared a fully franked interim dividend of 21 cents per share in respect of the half year ended 31 January 2016, an increase of 5.0% over last year's interim dividend of 20 cents per share. The record date for the dividend will be 21 April 2016 with payment due on 12 May 2016.

When declaring dividends the Directors consider the ordinary dividends and interest received by WHSP net of its regular operating costs. For the six months to 31 January 2016 this figure was \$71.1 million an increase of 25.2% compared to the first half of the 2015 financial year.

20 Year Interim Dividend History

Cents per Share



WHSP's strong balance sheet and cash flows enable it to continue to deliver reliable cash returns to its shareholders in the form of fully franked dividends.

R.D. MILLNER
Chairman

Washington H. Soul Pattinson and Company Limited

A.B.N. 49 000 002 728

Half Year Ended 31 January 2016

Review of Group Entities

TPG Telecom Limited (TPG) – 25.2% held*

TPG reported the following financial results for the half year ended 31 January 2016:

- Earnings before interest, tax, depreciation and amortisation (EBITDA) for the period increased to \$437.3 million, up 85% on the first half last year;
- Net Profit After Tax (NPAT) for the period was \$202.5 million, an increase of 90% over the first half last year; and
- Earnings per share (EPS) increased to 24.5 cents per share, up 83% on the first half last year.

The above results include the following non-regular items:

- \$73.1 million gain on TPG's pre-takeover interest in iiNet (\$73.1 million post tax);
- \$9.7 million profit realised on a part disposal of TPG's interest in Vocus (\$6.8 million post tax);
- \$10.3 million transaction fees relating to TPG's acquisition of iiNet (\$10.3 million post tax); and
- \$4.0 million restructuring costs arising from the integration of iiNet's activities (\$2.8 million post tax).

Excluding these non-regular items, TPG's underlying EBITDA for the period was \$368.8 million, up by \$132.6 million or 56% over the first half last year. This growth includes the initial contribution from iiNet of \$111.1 million for the five and a quarter months following acquisition by TPG.

Notwithstanding the increased financing costs arising from the predominantly debt financed acquisition of iiNet, TPG's underlying NPAT grew by \$43.1 million or 36% to \$162.3 million while underlying EPS increased by 31% to 19.6 cents per share. These results also exclude the impact of acquired customer base intangible amortisation.

Dividend

In light of TPG's strong cash flow and earnings growth, the board of directors has declared an increase to the interim dividend of 27% to 7 cents per share fully franked.

TPG Consumer Division

The Consumer division's EBITDA for the half year was \$125.6 million compared to \$117.0 million for first half last year. As neither period was affected by non-regular items, the \$8.6 million or 7% increase reflects organic growth. This was driven by ongoing broadband subscriber growth (up by 32,000 in the half-year) and three months of lower access costs arising from the ACCC's fixed access determination.

As at 31 January 2016 the TPG Consumer division had 853,000 broadband subscribers and 297,000 mobile subscribers.

TPG Corporate Division

The Corporate division achieved an EBITDA of \$131.9 million for the period compared to \$117.7 million for the first half last year.

This \$14.2 million or 12% growth was achieved in spite of a negative \$4.5 million accounting impact on the division's EBITDA for the period arising from the consolidation of iiNet. Excluding this the

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

division's EBITDA growth would have been \$18.7 million or 16%. This growth reflects strong Corporate division sales for the period accompanied by continued margin expansion.

iiNet

iiNet contributed EBITDA of \$107.1 million for the five and a quarter month post acquisition period inclusive of \$4.0 million of restructuring costs arising from integration activities, without which the EBITDA result would have been \$111.1 million. By comparison, iiNet reported underlying EBITDA of \$97.0 million for the first half of its 2015 financial year.

The principal drivers of the first half EBITDA growth were: realisation of post-acquisition integration benefits; three months of lower access costs arising from the ACCC's fixed access determination; and an increased contribution from Tech2.

iiNet's total broadband subscribers at 31 January 2016 remained in line with the 30 June 2015 number reported by iiNet at 989,000, with 34,000 NBN growth in the period offset by DSL declines.

Cash Flow and Gearing

TPG delivered another strong cash flow result for the half year with \$339.9 million cash generated from operations (pre-tax). After tax, capital expenditure and Indefeasible right of use (IRU) lease payments, TPG had free cash flow of \$130.9 million.

TPG had bank debt at the end of the half year of \$1,460 million and a net debt to annualised EBITDA leverage ratio of 2.1 times (based on annualised first half 2016 underlying EBITDA and including IRU debt).

Contribution to the Group

TPG contributed a \$41.9 million regular profit to the Group (2015: \$32.1 million, 26.9% held). WHSP's share of the non-regular profit was \$11.1 million (2015: \$3.4 million loss).

Brickworks Limited (Brickworks) – 44.1% held*

Brickworks posted a statutory net profit after tax (NPAT) for the half year ended 31 January 2016 of \$76.9 million, up 82.2% on the previous corresponding period. Underlying NPAT of \$75.0 million was up 19.4% from \$62.8 million for the half year ended 31 January 2015.

On record sales revenue of \$358.0 million, Building Products' underlying earnings before interest and tax (EBIT) was \$32.6 million, up 24.9% on the previous corresponding period. Earnings across all divisions improved, through an increase in sales volume, strong price increases and improved production efficiencies.

Land and Development EBIT was \$45.4 million for the first half, driven primarily by a strong revaluation profit in the Joint Venture Industrial Property Trust (Property Trust).

Underlying earnings per share was 50.5 cents, up 19.1% from 42.4 cents for the previous corresponding period.

The directors of Brickworks have declared a fully franked interim dividend of 16 cents per share for the half year ended 31 January 2016, up 6.7% from 15.0 cents.

Building Products

Austral Bricks delivered an 18.4% increase in earnings for the six months ended 31 January 2016, with sales revenue up 5.2% to \$194.0 million.

Unit manufacturing costs improved on the prior corresponding period, on the back of increased production output over the Christmas holiday period, and prior period plant upgrades.

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

Performance on the East Coast was particularly strong, reflecting an increase in average prices, improved operational performance, a focus on style leadership and the buoyant market conditions.

Austral Masonry delivered another increase in earnings on relatively flat sales revenue of \$44.5 million for the half. The improved performance was driven by a continued recovery in demand in south east Queensland and strong price increases in New South Wales.

Bristle Roofing earnings increased by 14.6% on the prior corresponding period, with sales revenue up 10.9% to \$57.5 million. Earnings improved in all major east coast states, on the back of favourable market conditions and continued sales growth of premium imported terracotta tiles. An uplift was also recorded in Western Australia, despite the more difficult conditions in that state.

Austral Precast earnings increased on relatively flat sales revenue of \$34.4 million. The result was driven by improved production efficiency and cost savings from restructuring initiatives.

Auswest Timbers revenue was up 1.1% to \$27.5 million on flat sales volume of 31,300m³ for the period. Earnings improved primarily as a result of enhanced operational efficiency, with productivity improvements across all sites.

Land and Development

Land and Development produced an EBIT before significant items of \$45.4 million for the half year ended 31 January 2016, up 17.3% from \$38.7 million for previous corresponding period.

Land Sales contributed an EBIT of \$1.1 million for the period. Transactions included the sale of 14 properties at Pemberton, Western Australia, originally part of the Pemberton mill leasehold land parcel.

The Property Trust generated an EBIT of \$45.1million, up 17.4% from \$38.4 million in the previous corresponding period.

The total value of the Property Trust assets at 31 January 2016 was \$933.5 million, with borrowings of \$309.4 million, giving a total net value of \$624.1 million. Brickworks' share of the Trust's net asset value was \$312.1 million, down \$25.0 million from \$337.1 million at 31 July 2015. The decrease was due primarily to the sale of the Coles Chilled Distribution Centre which was settled in August 2015.

Contribution to the Group

Brickworks contributed a \$21.4 million regular profit to the Group (2015: \$15.5 million, 44.2% held). WHSP's share of the non-regular expenses was \$1.4 million (2015: \$8.0 million, 44.2% held). These contributions exclude the WHSP profit taken up by Brickworks under the equity accounting method.

Outlook

Building Products Current residential building activity is at the highest level on record, however conditions vary significantly across the country, with continued momentum on the east coast being offset by declines in Western Australia. These conditions are reflected in an extremely strong order book in all east coast divisions with builders in the major markets of Sydney and Melbourne reporting work in hand extending by up to one year.

With interest rates expected to stay at historically low levels for the foreseeable future, there is no sign of a slow down in activity on the east coast in the short term. Brickworks is also having significant success in combatting the ongoing competition from alternative products, with increased penetration in a number of key markets segments, such as face brick in high rise residential and commercial developments.

On balance, Brickworks believes the short term outlook for Building Products is very positive, with the earnings uplift recorded in the first half expected to be maintained over the full financial year.

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

Land and Development The strong development activity in the Property Trust is set to increase further in 2016. Oakdale Central will see considerable growth with the completion of two additional DHL facilities (27,000m² and 31,000m²) in May 2016. Construction will then start on two new developments, Reckitt Benckiser at 36,870m² and DSV Transport and Logistics at 8,275m², which were secured as pre-commitments in late 2015. 84% of Oakdale Central has now been committed for development.

To allow further growth of the Property Trust, a State Significant Development Application (SSDA) has been submitted for the development of an industrial estate at the 62 hectare Oakdale South site in NSW. Planning work is also well underway for the Oakdale West site, with a SSDA for this 100 hectare property expected to be lodged in March 2016.

Brickworks expects Land and Development earnings for the 2016 financial year to increase, subject to the timing and value of property transactions.

New Hope Corporation Limited (New Hope) – 59.7% held*

For the six months to 31 January 2016 New Hope recorded a net profit after tax and before non-regular items of \$15.0 million (comprising \$11.1 million from marketing and logistics operations, \$11.0 million from treasury and investments, and net losses of \$5.0 million from coal mining operations and \$2.1 million from oil and gas operations). This represents a decrease of 56% from the \$34.2 million recorded in the six months to January 2015 and is primarily attributable to softer commodity prices.

The result for the period included non-regular impairments and de-recognition of Petroleum Resource Rent Tax totalling \$17.3 million (after tax). The impairments relate to the carrying value of certain assets in New Hope's oil and gas and investment portfolio. The result also includes non-regular income of \$5 million regarding land access compensation.

After the non-regular items noted above, New Hope recorded a net profit after tax and non-regular items for the six months of \$2.7 million compared with the net loss after tax of \$23.1 million in the prior corresponding period.

New Hope has declared a fully franked interim dividend of 2 cents per share (2015: 4 cents per share).

Mining Operations

The two mines (Acland and Jeebropilly) combined to produce 2.53 million tonnes of clean coal during the six months ended 31 January 2016. This was 11.9% lower than the first half last year. Total sales for the six months were 2.69 million tonnes, a 12.3% decrease on the prior corresponding period with a number of vessels delayed due to typhoons in South East Asia.

The Acland operation produced 2.21 million tonnes of product coal during the first six months, a decrease of 13.3% from the previous reporting period. Production was impacted by: wet weather; delays in the acquisition of new mining fleet and recruitment of associated operators; and changes in geological conditions. The Jeebropilly operation produced 0.32 million tonnes of coal during the period. This is a 1.0% reduction in comparison of prior corresponding period, mainly due to weather. Rehabilitation work continued at both the Oakleigh and Chuwar sites.

Queensland Bulk Handling (QBH)

During the first six months of the financial year, 3.5 million tonnes of coal was exported through the QBH coal terminal at the Port of Brisbane (2015: 3.6 million tonnes).

Pastoral Operations

The five year development plan for Acland Pastoral continues with the change from a trading operation to a breeding enterprise significantly completed. Capital will be invested in additional fencing, yards and water points over the next three months which will reduce overheads and optimise

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

the breeding operations. The herd size is currently 2,103 head including 418 weaners from the initial breeding program.

Rainfall has assisted with crop production, with a total grain harvest of 1,182 tonnes for the period.

Acland Pastoral staff continue to assist the Acland mine with grazing trials on rehabilitated mining land.

Oil and Gas Operations

Bridgeport has concluded the acquisition of the Moonie area permits and related assets in the Cooper Basin from Santos for a total purchase price of \$3.5 million in December 2015.

Oil production totalled 91,150 barrels for the period, a 17% increase on the prior corresponding period. This increase in production was more than offset by further declines in world oil prices.

Since the oil price decline began in Sept/Oct 2014 the oil price has dropped from circa \$110 per barrel to \$51 per barrel in January 2016, an overall drop of 54%. As a consequence, revenue for the half year was \$4.7 million a decrease of 35% compared to the first half last year. Bridgeport has responded to the lower oil prices with material reductions in operating expenditures and cost control achieved across its assets.

Contribution to the Group

New Hope contributed a \$9.0 million regular profit to the Group (2015: \$20.4 million). WHSP's share of the non-regular expenses was \$7.3 million (2015: \$34.2 million).

Outlook

Asian seaborne thermal coal markets are starting to show signs of stabilizing after a period of weakness driven by Chinese import contraction. Thermal coal spot indices have been relatively stable in Australian dollar terms over the past quarter and vessel queues at the port of Newcastle have increased from below 10 at the end of 2015 to approach 20 vessels. Supply is reacting to the current historically low prices with export growth from Australia moderating whilst exports from Indonesia appear to have peaked. Export volumes from the USA have collapsed. Demand for high quality Australian thermal coal from traditional importers such as Japan, Korea, and Taiwan remains firm.

In such an uncertain pricing environment it is critical to maintain a competitive cost structure. New Hope management remains focused on managing costs on a sustainable basis. New Hope will not compromise its commitment to the principle of safe production.

The second half of the financial year will be one of significant growth in attributable tonnes sold and sales revenue due to the acquisition of a 40% interest in the Bengalla Joint Venture which was completed on 1 March 2016. New Hope is committed to ensuring a smooth transition in management from the previous operators. The Bengalla Mine is one of the lowest cost export thermal coal mines supplying the Asian seaborne thermal coal market.

New Hope management remains focussed on securing approval for the Acland Stage 3 continuation plan with Land Court hearings being held during the second half of 2016. A positive outcome to the Acland Stage 3 mining lease process will be pivotal to the security of employment for many hundreds of families throughout the entire coal chain in south east Queensland, not just those directly employed at the mine site.

Through conservative management of the balance sheet New Hope has had the financial strength to acquire a premium long life thermal coal asset at a point in time when competition for such assets is comparatively low. New Hope will maintain a conservative approach to financial management of its balance sheet thus ensuring its ability to take advantage of the cyclical nature of the coal market.

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

Australian Pharmaceutical Industries Limited (API) – 24.6% held*

API released its full year result on 22 October 2015. For the 12 months ended 31 August 2015, API reported revenue of \$3.5 billion, an increase of 3.3% over the 2014 financial year. Net profit after tax was \$43.1 million, an increase of 37.6% on the underlying profit for 2014. Earnings before interest and tax (EBIT) was \$74.0 million, an increase of 13.7% on 2014 underlying EBIT.

API's Priceline and Priceline Pharmacy network recorded retail register sales (excluding dispensary sales) of \$1.05 billion, up 10.4% on 2014. Like-for-like stores achieved sales growth of 4.5% while still maintaining register gross profit margins. This result follows a like-for-like sales growth of 6.0% in 2014, making the brand one of Australia's strongest retail performers over the last two years. The network grew by 30 stores during the year to a total of 420 stores.

API's pharmacy distribution business maintained its performance against continuing price deflation from the Federal Government's PBS reforms and competitor activity. Year-on year revenue decreased marginally, however, underlying revenue growth, excluding the impact of PBS reform, was up 6.5% on 2014. Gross profit was consistent with 2014 and margins were maintained.

API paid a fully franked final dividend of 2.5 cents per share bringing full year dividends to 4.5 cents per share, a 28.6% increase on the previous year.

API contributed a \$5.4 million regular profit to the Group in respect of the six months ended 31 August 2015 (2014: \$3.9 million). WHSP's share of the non-regular profit was nil (2014: \$2.1 million).

Update

At its Annual General Meeting in January 2016 API advised that its trading performance had remained strong for the 2016 financial year. For the period to 23 January Priceline Pharmacy total sales were up 8.0% and like-for-like sales were up 2.0%. The number of stores will increase to at least 440 by the end of the financial year. The steady performance of the pharmacy distribution business had continued. The net profit after tax for the 6 months to 29 February 2016 was expected to be at least \$24 million up from \$21.3 million for the prior comparable period.

BKI Investment Company Limited (BKI) – 10.9% held*

For the half year ended to 31 December 2015 BKI reported a net operating result before special dividend income of \$21.4 million, an increase of 2.6% over the first half last year.

BKI has declared a fully franked interim dividend of 3.60 cents per share, up 1.4% from 3.55 cents last year.

For the year to 31 December 2015 BKI's total shareholder return (including the reinvestment of dividends) was 10.9%, compared to the S&P/ASX 300 Accumulation Index which returned 2.8% over the same period. BKI's total shareholder returns for 5 years, 7 years and 10 years outperformed the Index by 4.6% per annum, 4.1% per annum and 2.7% per annum respectively.

BKI contributed a net profit of \$2.4 million to the Group in respect of the six months ended 31 December 2015 (2014: \$2.6 million, 11.1% held).

Ruralco Holdings Limited (Ruralco) – 20.2% held*

For the year ended 30 September 2015 Ruralco reported revenue of \$1.60 billion, an increase of 18% over the prior year. Gross profit was \$307.0 million, an increase of 19% and net profit after tax, attributable to shareholders, was \$14.1 million, an increase of 33%.

Ruralco advised that the record results in both the first and second halves of the year reflect the quality and diversity of Ruralco's business. The successful integration of its strategic growth

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

acquisitions, the strong performance of its agency business and a stable rural supplies business bolstered Ruralco's earnings despite some challenging seasonal conditions.

A final dividend of 7 cents per share fully franked was paid in December 2015 bringing total dividends for the year to 16 cents per share fully franked unchanged for the prior year.

Ruralco contributed a net profit of \$0.7 million to the Group in respect of the six months ended 30 September 2015 (2014: \$1.1 million, 20.6% held).

Apex Healthcare Berhad (Apex) – 30.3% held*

Apex is a manufacturer, distributor and retailer of pharmaceuticals, diagnostic products and equipment, orthopaedics and consumer healthcare products. It has operations in Malaysia, Singapore and Vietnam and is publicly listed on the main board of Bursa Malaysia.

For the year ended on 31 December 2015 Apex generated revenue of \$176.3 million, an increase of 3.9% over \$169.7 million for the 2014 financial year. Net profit after tax attributable to shareholders was \$13.7 million, an increase of 18.6% compared to 2014.

Apex has declared a final dividend of 1.9 cents per share, unchanged from the prior year's final dividend (in Malaysian Ringgit).

Apex contributed a net profit of \$1.5 million to the Group in respect of the six months ended 31 December 2015 (2014: \$1.8 million).

CopperChem Limited (CopperChem) – 100% held*

Exco Resources Limited (Exco) – 100% held*

CopperChem and Exco are copper and gold exploration companies which have plants capable of producing copper sulphate, copper concentrate and gold bullion.

Following the completion of copper heap leaching, the remainder of the Cloncurry operation was placed on care and maintenance, the Cloncurry copper concentrator having previously been placed on care and maintenance during the 2015 financial year. The Mt Colin open-cut mine remained on care and maintenance with the Mt Colin underground mine deferred until copper prices recover and mining operations can be resumed profitably. Exploration activities are continuing on a number of prospective targets for the purposes of identifying additional copper resources for future mining activities within the operating radius of the plants.

The White Dam mine in South Australia came off care and maintenance and recommenced operations towards the end of the period, with gold production expected to continue until early in the 2017 financial year. Further gold deposits are being identified within the broader CopperChem/Exco portfolio for continued gold production.

The continued reduction of the Australian dollar copper price has resulted in further impairments being required against the carrying values of copper assets.

CopperChem and Exco contributed a \$4.5 million regular loss to the Group (2015: \$1.5 million loss). WHSP's share of the non-regular expenses was \$39.8 million (2015: \$21.8 million loss).

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

Other Unlisted Investments

	% held*
Ampcontrol Pty. Limited	43.3
Belaroma Coffee Pty. Limited	40.0
Cromford Group Pty. Limited	100
Heritage Brands Limited	25.1
Pitt Capital Partners Limited	100
Specialist Oncology Property Pty. Limited	24.2

The Group's 29.4% interest in Supercorp Pty Limited was sold during the period. A post-tax gain of \$1.5 million resulted from the disposal.

Investment Properties – 100% held*

During the half year ended 31 January 2016 WHSP acquired two office buildings in Pennant Hills, N.S.W. which are currently leased. The properties will generate strong and sustainable income in the short to medium term and have the potential to benefit from rezoning in the future.

These acquisitions add to WHSP's existing asset in Castle Hill. A large portion of the lettable area of the Castle Hill property was leased during the period. This property consists of a four hectare land parcel with 15,000 square metres of warehouse and 5,000 square metres of office space. In December, the NSW Department of Planning and Infrastructure released its Showground Station Precinct Proposal for exhibition. The plan aims to activate the precinct for a higher and better use following the introduction of the North West Rail Link. It is expected that the outcome of the plan will be known by the end of December 2016.

In August 2015, Pitt Street Real Estate Partners Pty. Limited was awarded a contract to develop and deliver two Bus Depots for Transdev Australasia, on behalf of the Public Transport Victoria. Conditional contracts were subsequently entered into to purchase land at Thomastown and Sunshine West in Victoria upon which to construct the depots.

* Percentage of the issued capital of the company held by the Group as at 31 January 2016.

Washington H. Soul Pattinson and Company Limited

A.B.N. 49 000 002 728

Directors' Report

The Directors of Washington H. Soul Pattinson and Company Limited present their report and the financial report of the consolidated group for the half year ended 31 January 2016.

DIRECTORS

Robert Dobson Millner F.A.I.C.D.

Chairman (Non-executive Director since 1984, appointed Chairman 1998)

Todd James Barlow B.Bus.(UTS), LLB(Hons)(UTS).

Managing Director, appointed 14 October 2015 and remains a Director at the date of this report.

Michael John Hawker AM BSc(Sydney), F.A.I.C.D., SF Fin.

Non-executive Director, appointed 2012

Thomas Charles Dobson Millner B.Des(Industrial), GDipAppFin(Finsia), FFin, G.A.I.C.D.

Non-executive Director, appointed 2011

Warwick Martin Negus B.Bus.(UTS), M.Com.(UNSW), SFFin.

Non-executive Director, appointed 2014

Melinda Rose Roderick B.Ec.(Macq), C.A, G.A.I.C.D.

Finance Director, appointed 2014

Robert Gordon Westphal B.Com.(UNSW), F.C.A., FFin, M.A.I.C.D.

Non-executive Director, appointed 2006

David Edward Wills B.Com.(UNSW), F.C.A., M.A.I.C.D.

Non-executive Director, appointed 2006

The above persons, other than Mr Barlow, were Directors of the Company during the whole of the half year and up to the date of this report.

REVIEW OF OPERATIONS

Profit after tax attributable to shareholders for the half year ended 31 January 2016 was \$95.4 million, an increase of 41.7% compared to \$67.3 million for the previous corresponding period.

Comparisons with the corresponding period last year are as follows:-

	Half Year 31 Jan 2016 \$000	Half Year 31 Jan 2015 \$000	% Change
Revenue from continuing operations	272,322	355,119	- 23.3%
Profit after tax attributable to shareholders	95,390	67,331	+ 41.7%
Total earnings per share	39.8 cents	28.1 cents	+ 41.7%
Interim Dividend	21 cents	20 cents	+ 5.0%

For further information regarding the operations of the Group refer to the Chairman's Review and the Review of Group Entities on pages 4 to 16 of this report.

INTERIM DIVIDEND

Directors have declared an interim dividend of 21 cents per share in respect of the half year ended 31 January 2016, an increase of 5.0% over last year's interim dividend of 20 cents per share. The dividend will be fully franked and payable on 12 May 2016.

LITIGATION

In October 2013, entities acting on the directions of M.H. Carnegie & Co. Pty. Limited (Carnegie) and Perpetual Investment Management Limited (Perpetual) called a general meeting of Brickworks Limited (Brickworks).

Brickworks commenced proceedings against Carnegie and Perpetual in the Federal Court in connection with the meeting and Carnegie and Perpetual served cross-claims against both Brickworks and WHSP. The meeting has since been cancelled and Brickworks have terminated their proceedings against Carnegie and Perpetual.

Carnegie terminated its cross-claims against Brickworks and WHSP in January 2015 but Perpetual is proceeding with its cross-claims which seek to have the cross shareholding between WHSP and Brickworks unwound. WHSP is vigorously defending Perpetual's cross-claim.

AUDITORS' INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the half year ended 31 January 2016 has been received and is included on page 19.

ROUNDING OF AMOUNTS

The amounts contained in this report and the accompanying financial report have been rounded off to the nearest one thousand dollars under the option available to the Group under Class Order 98/100 issued by the Australian Securities and Investment Commission.

Signed in accordance with a resolution of the Board of Directors:



R.D. MILLNER
Director



T.J. BARLOW
Managing Director

Dated this 23rd day of March 2016.

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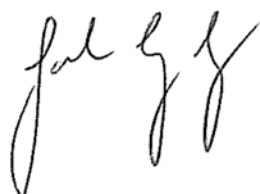
**Auditor's Independence Declaration
to the Directors of Washington H. Soul Pattinson and Company Limited**

As lead auditor for the review of Washington H. Soul Pattinson and Company Limited and its controlled entities for the half-year ended 31 January 2016, I declare that to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Washington H. Soul Pattinson and Company Limited and the entities it controlled during the period.

Pitcher Partners



John Gavljak
Partner

Dated in Sydney, this 22nd day of March 2016

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Consolidated Income Statement
For the half year ended 31 January 2016

		Half year ended 31 January 2016	Half year ended 31 January 2015
	Notes	\$'000	\$'000
Revenue from continuing operations	4(i)	272,322	355,119
Other income	4(i)	116,725	2,586
Cost of sales		(155,528)	(202,502)
Selling and distribution expenses		(67,378)	(76,644)
Administration expenses		(16,693)	(19,115)
Other expenses		(3,580)	(2,839)
Impairment (expense)	4(i) & 6	(84,902)	(43,763)
Finance costs		(1,118)	(1,958)
Share of results from equity accounted associates	6	78,637	49,103
Profit before income tax		138,485	59,987
Income tax (expense)	4(ii)	(42,015)	(967)
Profit after tax for the half year		96,470	59,020
(Profit)/loss after tax attributable to non-controlling interests		(1,080)	8,311
Profit after tax for the half year attributable to members of Washington H. Soul Pattinson and Company Limited		95,390	67,331

	2016 Cents	2015 Cents
Earnings per share		
Basic and diluted earnings per share to ordinary equity holders of the company		
Earnings per share from operations	39.85	28.13
	No. of shares	
Weighted average number of shares used in calculating basic and diluted earnings per share	239,395,320	239,395,320

The above consolidated income statement should be read in conjunction with the accompanying notes.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Consolidated Statement of Comprehensive Income
For the half year ended 31 January 2016

	Half year ended 31 January 2016 \$'000	Half year ended 31 January 2015 \$'000
Profit after tax for the half year	96,470	59,020
Other comprehensive income		
Items that may be reclassified subsequently to the income statement		
Net movement in the fair value of long term equity investments, net of tax	(51,423)	(4,852)
Transfer to profit and loss on the disposal of long term equity investments, net of tax	(1,557)	-
Net movement in hedge reserve, net of tax	7,540	(17,260)
Net movement in foreign currency translation reserve, net of tax	(157)	(238)
Net movement in equity reserve, net of tax	1,184	(4,262)
Total other comprehensive (expense) for the half year, net of tax	(44,413)	(26,612)
Total comprehensive income for the half year	52,057	32,408
Total comprehensive (income)/expense attributable to non-controlling interests	(4,551)	18,039
Total comprehensive income attributable to members of Washington H. Soul Pattinson and Company Limited	47,506	50,447

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Consolidated Statement of Financial Position
As at 31 January 2016

	31 Jan 2016 \$'000	31 July 2015 \$'000
Current assets		
Cash and cash equivalents	69,414	59,424
Term deposits	1,068,355	1,217,011
Trade and other receivables	82,367	74,979
Inventories	60,696	72,870
Trading equities	25,667	21,300
Current tax asset	3,527	-
Other assets	162	369
Total current assets	1,310,188	1,445,953
Non-current assets		
Trade and other receivables	17,219	4,299
Equity accounted associates	1,245,684	1,088,592
Long term equity investments	577,838	615,645
Other financial assets	5,425	5,425
Investment properties	92,803	20,720
Derivative financial instruments	255	-
Property, plant and equipment	551,049	584,703
Exploration and evaluation assets	405,764	407,831
Intangible assets	19,951	20,538
Deferred tax assets	67,130	59,309
Total non-current assets	2,983,118	2,807,062
Total assets	4,293,306	4,253,015
Current liabilities		
Trade and other payables	56,853	49,329
Interest bearing liabilities	56,716	47,347
Derivative financial instruments	11,249	23,144
Current tax liabilities	-	4,903
Provisions	37,455	36,675
Total current liabilities	162,273	161,398
Non-current liabilities		
Interest bearing liabilities	22,910	104
Deferred tax liabilities	287,734	253,042
Provisions	72,000	64,036
Other	191	-
Total non-current liabilities	382,835	317,182
Total liabilities	545,108	478,580
Net assets	3,748,198	3,774,435
Equity		
Share capital	43,232	43,232
Reserves	614,464	661,279
Retained profits	2,359,230	2,322,067
Parent entity interest	3,016,926	3,026,578
Non-controlling interests	731,272	747,857
Total equity	3,748,198	3,774,435

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Consolidated Statement of Changes in Equity
For the half year ended 31 January 2016

Consolidated entity	Share capital \$'000	Retained profits \$'000	Reserves \$'000	Total Parent entity interest \$'000	Non-controlling interests \$'000	Total \$'000
Total equity at the beginning of the half year						
– 1 August 2015	43,232	2,322,067	661,279	3,026,578	747,857	3,774,435
Net profit for the half year after tax	-	95,390	-	95,390	1,080	96,470
Other comprehensive income for the half year						
Net movement in asset revaluation reserve, net of tax	-	-	(53,123)	(53,123)	143	(52,980)
Net movement in hedge reserve, net of tax	-	-	4,212	4,212	3,328	7,540
Net movement in foreign currency translation reserve, net of tax	-	-	(157)	(157)	-	(157)
Net movement in equity reserve, net of tax	-	-	1,184	1,184	-	1,184
Total comprehensive income for the half year	-	95,390	(47,884)	47,506	4,551	52,057
Transactions with owners						
Dividends declared and paid	-	(58,270)	-	(58,270)	(21,255)	(79,525)
Net movement in share-based payments reserve	-	43	1,069	1,112	(120)	992
Non-controlling interests share of subsidiaries	-	-	-	-	(9)	(9)
Equity transfer from members on issue of share capital in controlled entity	-	-	-	-	248	248
Total equity at the end of the half year - 31 January 2016	43,232	2,359,230	614,464	3,016,926	731,272	3,748,198
Total equity at the beginning of the half year						
– 1 August 2014	43,232	2,334,728	665,424	3,043,384	796,741	3,840,125
Net profit for the half year after tax	-	67,331	-	67,331	(8,311)	59,020
Other comprehensive income for the half year						
Net movement in asset revaluation reserve, net of tax	-	-	(2,961)	(2,961)	(1,891)	(4,852)
Net movement in hedge reserve, net of tax	-	-	(9,423)	(9,423)	(7,837)	(17,260)
Net movement in foreign currency translation reserve, net of tax	-	-	(238)	(238)	-	(238)
Net movement in equity reserve, net of tax	-	-	(4,262)	(4,262)	-	(4,262)
Total comprehensive income for the half year	-	67,331	(16,884)	50,447	(18,039)	32,408
Transactions with owners						
Dividends declared and paid	-	(56,293)	-	(56,293)	(20,480)	(76,773)
Net movement in share-based payments reserve	-	(864)	723	(141)	756	615
Non-controlling interests share of subsidiaries	-	-	-	-	(7)	(7)
Equity transfer from members on issue of share capital in controlled entity	-	-	-	-	325	325
Total equity at the end of the half year - 31 January 2015	43,232	2,344,902	649,263	3,037,397	759,296	3,796,693

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Consolidated Statement of Cash Flows
For the half year ended 31 January 2016

	Half year ended 31 January 2016 \$'000	Half year ended 31 January 2015 \$'000
Cash flows from operating activities		
Receipts from customers inclusive of GST	233,014	328,382
Payments to suppliers and employees inclusive of GST	(204,640)	(254,963)
	28,374	73,419
Dividends received	54,957	52,536
Interest received	20,275	24,395
Finance costs	(453)	(1,166)
Income taxes paid	(5,616)	(10,593)
Net cash inflow from operating activities	97,537	138,591
Cash flows from investing activities		
Payments for property, plant, equipment and intangibles	(40,999)	(67,723)
Proceeds from sale of property, plant and equipment	358	122
Payments for capitalised exploration and evaluation activities	(13,019)	(16,458)
Net proceeds from/(to) term deposits	148,656	(59,241)
Payments for acquisition and development of investment properties	(71,505)	(29,661)
Proceeds from sale of investment properties	-	153,069
Payments for equity investments	(54,657)	(30,069)
Proceeds from sale of equity investments	4,841	4,922
Proceeds from disposal of held for sale investments	-	8,623
Proceeds from the sale of associate	4,108	-
Loans advanced	(6,924)	(7,103)
Net cash (outflow) from investing activities	(29,141)	(43,519)
Cash flows from financing activities		
Dividends paid to WHSP shareholders	(71,819)	(69,425)
Dividends paid by subsidiaries to non-controlling interests	(21,259)	(20,480)
Payment on close out of interest rate swap	-	(2,112)
Net proceeds from interest bearing liabilities	8,790	11,146
(Payments) for external borrowings	(28)	(56,902)
Proceeds from external borrowings	22,825	11,572
Net cash (outflow) from financing activities	(61,491)	(126,201)
Net increase/(decrease) in cash and cash equivalents	6,905	(31,129)
Cash and cash equivalents at the beginning of the half year	59,424	64,933
Effects of exchange rate changes on cash and cash equivalents	3,085	3,546
Cash and cash equivalents at the end of the half year	69,414	37,350

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. Statement of significant accounting policies

(a) Basis of preparation

The financial report for the half year ended 31 January 2016 is a general purpose financial report and has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 31 July 2015 and any public announcements made by Washington H. Soul Pattinson and Company Limited and its controlled entities ("Consolidated Entity" or "Group") during the interim reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding half year reporting period.

The interim financial statements have been authorised for issue by the Directors on 23rd March 2016.

(b) Estimates

The preparation of the half year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The actual results may differ from these estimates.

In preparing this half year financial report, the significant judgements made by management and the key sources of estimation were the same as those that applied to the consolidated financial report as at and for the year ended 31 July 2015.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the financial results for the half year ended 31 January 2016 include the assessment of the recoverable amounts for non-current assets, including investments in associates, long term equity investments, copper assets and oil producing assets (refer to note 4(i)).

Notes to the Consolidated Financial Statements

2. Parent Company information

Source of shareholders dividends

The Board declares dividends having regard to regular operating cash flows before non-regular items. The following information has been provided to demonstrate the underlying value of the Parent company's investments and the regular profit and cash flows generated by them.

Regular profit after tax is a measure of the Parent company's performance. This measurement excludes the effects of non-regular items of income and expense which by nature are outside the ordinary course of business or are part of ordinary operations but are unusual due to their size.

The classification of income and expenses as regular or non-regular is consistent with the Consolidated entity's measurement of segment results.

Accounting policies – Parent company

The statement of financial position, profit after tax and total comprehensive income for the Parent company, have been prepared on the same basis as the consolidated financial statements except for Investments in controlled entities (subsidiaries) and Investments in associates.

In the Parent company, investments in subsidiaries and associates are carried at the lower of cost or impaired cost. Dividends from these entities are recognised as income within profit. This approach reflects Washington H. Soul Pattinson and Company Limited's activities as an investor.

The consolidated financial statements recognises the individual assets, liabilities, income and expenses of the controlled entities. Associates are equity accounted, with the initial investment being increased/(decreased) by profits/(losses) recognised in the income statement, movements in other comprehensive income and decreased by dividends received. Dividends from both controlled entities and associates are not recognised in the consolidated financial income statement.

STATEMENT OF FINANCIAL POSITION

As at 31 January 2016 31 January 2016
\$'000

Current assets

Cash and term deposits	103,253
Other current assets	40,885
Total current assets	144,138

Non-current assets

Long term equity investments - measured at market value	573,029
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Other financial assets

- Listed controlled and associated entities - measured at the lower of cost or impaired value	565,183
- Unlisted entities - measured at the lower of cost or impaired value	223,598

Other non-current assets	143,696
Total non-current assets	1,505,506

Total assets	1,649,644
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Total current liabilities	59,642
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Total non-current liabilities	73,920
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Total liabilities	133,562
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Net assets	1,516,082
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Equity

Share capital	43,232
Reserves	566,918
Retained profits	905,932
Total Equity	1,516,082

INCOME STATEMENT

Profit after tax	28,451
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Less: Non-regular items after tax	
Special dividends received from New Hope	(17,349)
Net gain on disposal of investments	(170)
Net impairment expense on investments	51,192
Other expenses	1,093

Regular profit after tax	63,217
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Other comprehensive income

Net movement in the fair value of the listed investment portfolio	(43,421)
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Notes to the Consolidated Financial Statements

3. Segment Information – how the group is organised and managed

How the group is organised - Corporate structure

The Parent company invests in a diversified range of companies.

Larger holdings in a single entity are classified as follows:

Controlled entities: (subsidiaries)	The Parent entity is able to control the activities of the organisation.
Associates:	The Parent entity has significant influence but does not control the activities of the organisation.

No controlled entities were acquired or disposed of during the period ending 31 January 2016.
For changes in ownership of associates, refer to note 6.

How the Group is managed - Segment reporting

The Parent company, its subsidiaries and associates operate within five segments. Segments are based on product and service type and are predominately based in Australia.

The level of ownership determines the extent to which the Parent company is able to manage the underlying operations of its investment. The Group is managed by operating segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

As the Chief Operating Decision Maker is not regularly provided with the operating results from the listed associates (material contributors to reported profit) these associates are included within the Investing activities segment except for Syndicated Metals Limited, which is included within the Copper and gold operations segment. Results for listed associates are sourced from publicly available information. Unlisted associates are considered not to be material contributors to the group. These have been included within the segment as disclosed in the diagram on the following page:

The Group's operating segments are described as:

Investing activities

The Group invests in cash, term deposits, and equity investments.

Energy

The Group engages in coal, oil and gas activities which include exploration, development, production, processing, associated transport infrastructure and ancillary activities.

Copper and Gold operations

The Group engages in copper and gold mining activities which includes exploration, mining and processing of ore into copper concentrate, copper sulphide and gold.

Corporate advisory

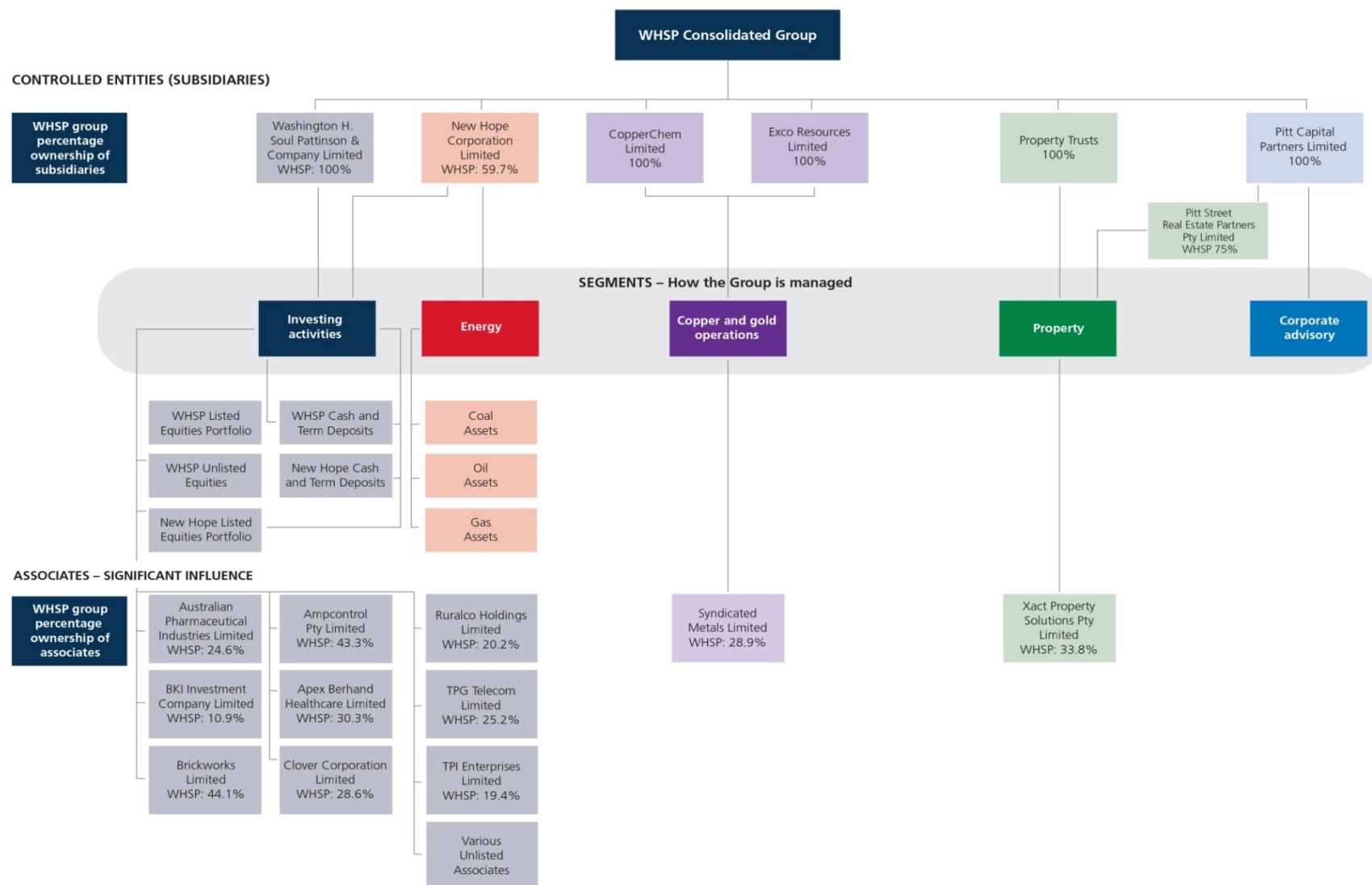
The Group provides corporate advisory services.

Property

The Group engages in property investment activities including the identification and management of real estate to be held, sold or developed to earn rental income or capital appreciation, or both.

Notes to the Consolidated Financial Statements

3. Segment Information (continued)



Washington H. Soul Pattinson and Company Limited

Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

3. Segment Information – how the group is organised and managed (continued)

Business performance - measurement of Segment results

Segment performance is measured by regular profit and regular profit after tax attributable to members. These results are non-statutory profit measures and represent profit from continuing operations before non-regular items. The measurement basis in general, excludes the effects of non-regular items of income and expense which by nature are outside the ordinary course of business or part of ordinary activities but are unusual due to their size.

Regular profit after tax attributable to members is the main measure of segment profit.

A reconciliation between regular profit after tax attributable to members and profit after tax is set out below, and for each segment is set out in note 3a.

The Directors have presented this information which is used by the Chief Operating Decision Maker, as they consider the disclosure enhances the understanding of the results to members and users of the financial statements. Non-regular items are disclosed in note 3b.

The allocation of income and expense items between regular and non-regular profit is consistent with the prior half year. Transactions between business segments are on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transactions between business segments. These transfers are eliminated on consolidation.

Reconciliation between regular profit after tax attributable to members and profit after tax:	Half year ended 31 January 2016 \$'000	Half year ended 31 January 2015 \$'000
Regular profit after tax attributable to members	83,575	88,191*
Non-regular items – net of tax		
Gain on disposal of equity investments	170	687
Gain on disposal of equity accounted associate	1,489	-
Gain on deemed disposal of equity accounted associates	82,986	1,450
Impairment reversal on equity accounted associates	-	54,030
Impairment (expense) on equity investments	(9,072)	(12,508)
Impairment (expense) on oil producing and exploration assets	(8,273)	(24,428)
Impairment (expense) on non-current assets – copper assets	(46,203)	(20,757)
Impairment (expense) on other assets	(2,870)	-
Share of significant items income/(expenses) from associate entities	5,371	(11,420)
Deferred tax (expense) recognised on equity accounted associate entities	(14,638)	(6,810)
Land access compensation	2,982	-
Other expenses	(127)	(1,104)
Total non-regular profits/(losses) after tax attributable to members	11,815	(20,860)
Profit after tax attributable to members	95,390	67,331

* The regular profit after tax for 2015 has been restated by transferring expenses of \$3.4 million from regular profit to non-regular items following a reallocation by an Associated Entity.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

3. Segment Information (continued)

a) Reporting segments

	Investing activities	Energy	Copper and gold operations	Corporate advisory	Property	Intersegment /unallocated	Consolidated
Half year ended 31 January 2016	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from external customers	48,300	215,265	607	273	1,844	6,033	272,322
Intersegment revenue	7,407	-	-	1,342	-	(8,749)	-
Total revenue	55,707	215,265	607	1,615	1,844	(2,716)	272,322
Regular profit/(loss) before income tax	100,000	4,532	(5,029)	77	669	(8,033)	92,216
Add non-regular items before tax (note 3b)	110,619	(10,029)	(54,321)	-	-	-	46,269
Profit/(loss) before income tax	210,619	(5,497)	(59,350)	77	669	(8,033)	138,485
Less income tax (expense)/benefit	(48,974)	679	6,504	(23)	(201)	-	(42,015)
Profit/(loss) after tax	161,645	(4,818)	(52,846)	54	468	(8,033)	96,470
Less (profit)/loss attributable to non-controlling interests	(3,043)	1,943	-	-	20	-	(1,080)
Profit/(loss) after tax attributable to members	158,602	(2,875)	(52,846)	54	488	(8,033)	95,390
Profit/(loss) after tax attributable to members (as above)	158,602	(2,875)	(52,846)	54	488	(8,033)	95,390
Less non-regular profit/(loss) after tax attributable to members (note 3b)	65,324	(5,291)	(48,218)	-	-	-	11,815
Regular profit/(loss) after tax attributable to members	93,278	2,416	(4,628)	54	488	(8,033)	83,575

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

3. Segment Information (continued)

a) Reporting segments

	Investing activities	Energy	Copper and gold operations	Corporate advisory	Property	Intersegment /unallocated	Consolidated
Half year ended 31 January 2015	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from external customers	52,461	250,641	44,200	193	1,955	5,669	355,119
Intersegment revenue	5,560	-	-	4,909	2,062	(12,531)	-
Total revenue	58,021	250,641	44,200	5,102	4,017	(6,862)	355,119
Regular profit/(loss) before income tax	88,170	23,825	(2,683)	3,532	9,686	(9,394)	113,136
Add non-regular items before tax (note 3b)	25,322	(55,613)	(22,858)	-	-	-	(53,149)
Profit/(loss) before income tax	113,492	(31,788)	(25,541)	3,532	9,686	(9,394)	59,987
Less income tax (expense)/benefit	(10,712)	9,802	799	104	(960)	-	(967)
Profit/(loss) after tax	102,780	(21,986)	(24,742)	3,636	8,726	(9,394)	59,020
Less (profit)/loss attributable to non-controlling interests	465	8,872	-	-	(1,026)	-	8,311
Profit/(loss) after tax attributable to members	103,245	(13,114)	(24,742)	3,636	7,700	(9,394)	67,331
Profit/(loss) after tax attributable to members (as above)	103,245	(13,114)	(24,742)	3,636	7,700	(9,394)	67,331
Less non-regular profit/(loss) after tax attributable to members (note 3b)	25,393	(24,428)	(21,825)	-	-	-	(20,860)
Regular profit/(loss) after tax attributable to members	77,852	11,314	(2,917)	3,636	7,700	(9,394)	88,191*

* The regular profit after tax for 2015 has been restated by transferring expenses of \$3.4 million from regular profit to non-regular items following a reallocation by an Associated Entity.

Notes to the Consolidated Financial Statements

3. Segment Information (continued)

b) Analysis of non-regular items excluded from segment results

	Before tax \$'000	Tax \$'000	After tax \$'000	Attributable to:	
				Non-controlling interests \$'000	Parent entity interest \$'000
Period ending 31 January 2016					
Gain on disposal of equity investments	478	(308)	170	-	170
Gain on deemed disposal of equity accounted associates	118,377	(35,391)	82,986	-	82,986
Gain on disposal of equity accounted associate	2,127	(638)	1,489	-	1,489
Impairment (expense) of assets	(84,902)	11,501	(73,401)	(6,983)	(66,418)
Share of significant items from associates	5,371	-	5,371	-	5,371
Deferred tax recognised on equity accounted associates	-	(14,638)	(14,638)	-	(14,638)
Land access compensation	5,000	-	5,000	2,018	2,982
Other expenses	(182)	55	(127)	-	(127)
Total non-regular items – profit/(loss)	46,269	(39,419)	6,850	(4,965)	11,815

	Before tax \$'000	Tax \$'000	After tax \$'000	Attributable to:	
				Non-controlling interests \$'000	Parent entity interest \$'000
Period ending 31 January 2015					
Gain on disposal of long term equity investments	1,151	-	1,151	464	687
Gain on deemed disposal of associate	2,076	(626)	1,450	-	1,450
Impairment reversal on equity accounted associate	54,030	-	54,030	-	54,030
Impairment (expense) of assets	(97,793)	16,491	(81,302)	(23,609)	(57,693)
Share of significant (expenses) from associates	(11,420)	-	(11,420)	-	(11,420)
Deferred tax recognised on equity accounted associates	-	(6,810)	(6,810)	-	(6,810)
Redundancies	(1,193)	89	(1,104)	-	(1,104)
Total non-regular items – (loss)	(53,149)	9,144	(44,005)*	(23,145)	(20,860)*

* The non-regular items after tax for 2015 has been restated by transferring expenses of \$3.4 million from regular profit to non-regular items following a reallocation by an Associated Entity

Washington H. Soul Pattinson and Company Limited

Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

4. Profit for the half year

(i) Profit before income tax expense

Profit from continuing operations for the half year includes the following items that are significant because of their size, nature or incidence:

	2016 \$'000	2015 \$'000
(a) Revenue		
Sales revenue	237,753	317,796
Dividend revenue	15,144	12,340
Interest revenue	17,308	22,844
Rental revenue	1,588	1,725
Other	529	414
	272,322	355,119
	2016 \$'000	2015 \$'000
(b) Other income		
(Losses) on trading equities fair valued through profit or loss	(9,248)	(5,635)
Gains on deemed disposal of equity accounted associates	118,377	2,076
Gain on disposal of an equity accounted associate	2,127	-
Gains on disposal of long term equity investments	478	1,151
Gain on sale of investment properties	-	4,991
Land Access Compensation	5,000	-
Other	(9)	3
	116,725	2,586
	2016 \$'000	2015 \$'000
(c) Expenses		
Impairment reversal of equity accounted associate (1)	-	54,030
Impairment of long term equity investments (2)	(13,467)	(20,464)
Impairment of oil producing and exploration assets (3)	(15,029)	(55,613)
Impairment of copper mining and exploration assets (4)	(52,306)	(21,716)
Impairment of other assets	(4,100)	-
	(84,902)	(43,763)

(1) Impairment reversal of equity accounted associate

The recoverable amount of investments in equity accounted associates has been assessed as at 31 January 2016. Where the carrying values of the investments exceeded the recoverable amounts, the investment has been impaired. At each reporting date, an assessment will be made as to whether there are any circumstances that would indicate that the impairment recognised has decreased or no longer exists. Where evidence supports a reduction in the impairment, the impairment expense may be reversed through the income statement. In the six month period ended 31 January 2015, the previously recognised impairment of the investment Australian Pharmaceutical Industries Limited was reversed by \$54.03 million.

Washington H. Soul Pattinson and Company Limited

Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

4. Profit for the half year (continued)

(i) Profit before income tax expense (continued)

(2) Impairment of long term equity investments

During the half year ended 31 January 2016, there were significant decreases in the share prices of certain listed equity investments held by the Group. In accordance with AASB 139, a 'prolonged decline in the fair value of an investment in an equity instrument below its cost is objective evidence of impairment'. Where a long term equity investment's market last sale price is lower than the original cost, and the investment is considered by management to be 'impaired', the Group has recognised an impairment expense in respect of these investments. Impairments were recognised by WHSP (\$10.03 million) and New Hope Corporation Limited (\$3.44 million). These impairment losses after tax impacted the result attributable to members by \$9.07 million.

An impairment expense recognised for a long term equity investment is prohibited from being reversed through profit and loss. Any future increments in the last sale price of these investments will be recognised as a fair value increment in the asset revaluation reserve.

(3) Impairment of oil producing and exploration assets

During the half year ended 31 January 2016, New Hope Corporation Limited determined that the continued decline in global oil prices indicated that the carrying value of certain oil producing and exploration assets may be impaired.

New Hope Corporation Limited has classified its Cooper Basin assets as separate cash generating units (CGU) on a per field basis and has measured the recoverable amount of each CGU using the Fair value less cost of disposal method with all fair value measurements categorised as level 3 in the fair value hierarchy. The impairment loss on oil producing and exploration assets was \$15.03 million (Jan 2015: \$55.61 million). These impairment losses after tax impacted the result attributable to members by \$8.27 million (Jan 2015: \$24.43 million).

(4) Impairment of copper assets

As a result of continued and significant declines in the global copper price, the Group has determined that the carrying values of certain mining and exploration assets were no longer recoverable. An impairment loss on these assets of \$52.31 million (Jan 2015: \$21.72 million) was recognised during the period. These impairment losses after tax impacted the result attributable to members by \$46.20 million (Jan 2015: \$20.76 million).

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

4. Profit for the half year (continued)

(ii) Tax expense

	2016 \$'000	2015 \$'000
Reconciliation of prima facie tax expense to income tax expense:		
Profit before income tax	138,485	59,987
Income tax at 30% (2015: 30%)	41,546	17,996
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Net loss/(gain) on sale of long term equity investments	165	(345)
Net impairment benefit/(reversals)	10,620	(3,362)
Franking credits received (excluding controlled and associate entities)	(6,053)	(4,917)
Deferred tax asset not recognised on current year net losses	1,770	1,309
Net effect of New Hope's Petroleum resource rent tax (benefit)/expense	3,350	(571)
Tax (benefit) on carrying value of equity accounted associates	(9,636)	(7,921)
Non-assessable income	(1,500)	-
Other	1,753	(1,222)
Income tax expense	42,015	967

5. Dividends

		\$'000	Amount per security CPS	Franking per security CPS
Interim dividend	Current half year dividend declared but not yet recognised in retained profits, payable on 12 May 2016	50,273	21c	21c
	Previous corresponding half year, paid on 14 May 2015	47,879	20c	20c
Final dividend 2015	A final dividend, not previously recognised in retained profits, was paid on 7 December 2015	71,819	30c	30c

No dividend reinvestment plans were in operation during the reporting period.

Total number of ordinary shares on issue at the end of the reporting period was 239,395,320 (2015: 239,395,320).

Notes to the Consolidated Financial Statements

6. Equity accounted associates

Name of associated entity	Group's percentage of holding at balance date*		Contribution to Group net profit for the half year **						Fair value of listed investments***	
	Jan 2016	Jan 2015	2016			2015			Jan 2016	July 2015
	%	%	Regular \$'000	Non-regular \$'000	Total \$'000	Regular \$'000	Non-regular \$'000	Total \$'000	\$'000	\$'000
Associates – held by WHSP										
Apex Healthcare Berhad	30.3	30.3	1,450	-	1,450	1,791	-	1,791	44,523	55,364
Australian Pharmaceutical Industries Limited (ii)	24.6	24.6	5,383	-	5,383	3,948	2,118	6,066	251,249	191,142
BKI Investment Company Limited (ii)	10.9	11.1	2,405	-	2,405	2,552	-	2,552	103,740	108,371
Brickworks Limited (ii)	44.1	44.2	21,411	(1,371)	20,040	15,467	(7,989)	7,478	997,806	978,113
Clover Corporation Limited	28.6	28.6	229	-	229	203	-	203	14,620	8,017
Ruralco Holdings Limited (ii)	20.2	20.6	1,495	(772)	723	1,427	(310)	1,117	52,628	60,921
TPG Telecom Limited (i)	25.2	26.9	41,880	11,126	53,006	32,051+	(3,360)+	28,691	2,144,691	2,029,441
TPI Enterprises Limited	19.4	19.4	(1,720)	(1,631)	(3,351)	(1,429)	(1,230)	(2,659)	36,471	n/a
Associates – held by controlled entities										
Ampcontrol Pty Limited	43.3	43.3	(288)	32	(256)	(815)	(649)	(1,464)	n/a	n/a
Belaroma Coffee Company Pty Ltd	40.0	40.0	275	-	275	371	-	371	n/a	n/a
Heritage Brands Limited	25.1	25.1	705	-	705	136	-	136	n/a	n/a
Specialist Oncology Property Pty Limited (ii)	24.2	24.8	151	-	151	153	-	153	n/a	n/a
Supercorp Pty Limited (iii)	-	29.4	(66)	-	(66)	(385)	-	(385)	n/a	n/a
Syndicated Metals Limited (ii)	28.9	18.9	(35)	(2,015)	(2,050)	(119)	-	(119)	629	2,659
Xact Property Solutions Pty Limited	33.8	33.8	(7)	-	(7)	5,172	-	5,172	n/a	n/a
Share of results from equity accounted associates before gain on deemed disposals and impairment reversal			73,268	5,369	78,637	60,523	(11,420)	49,103		
Gain on deemed disposal of associates (refer note 4(i))										
TPG Telecom Limited			-	81,760	81,760	-	-	-		
Other equity accounted associates			-	1,226	1,226	-	1,450	1,450		
Impairment reversal of Investment in associates (refer note 4(ii))										
- Australian Pharmaceutical Industries Limited			-	-	-	-	54,030	54,030		
Total deemed disposal of associates and impairment reversal of investment in associates			-	82,986	82,986	-	55,480	55,480		
Share of results, gain on deemed disposals of associates and impairment reversal from equity accounted associates			73,268	88,355	161,623	60,523	44,060	104,583		

+ Results have been restated by transferring expenses of \$3.4 million from regular profit to non-regular items.

Washington H. Soul Pattinson and Company Limited

Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

6. Equity accounted associates (continued)

- * The percentage holding represents the Group's total holding in each Associate.
- ** Contribution to Group net profit represents the amount included in profit after tax before non-controlling interest. As the Group does not control associates, an associates' balance date may not be the same as the Group's balance date. An associate's contribution to Group profit is based on the result reported for each associate, adjusted for any change in the Group's holding of that associate.
- *** Fair value of listed investments represents the last sale price of listed associates at balance date. These investments are subject to capital gains tax and other transaction costs.

Details of investments and result in associates

(i) During the 6 month reporting period ending 31 January 2016, TPG Telecom Limited issued shares to new and existing shareholders as follows:

- Issued shares to iiNet shareholders;
- Issued shares to new and existing shareholders to institutional shareholders (Placement); and
- Issued shares to retail shareholders through the (Share purchase plan). Washington H. Soul Pattinson and Company Limited (WHSP) only participated in the share purchase plan.

As a result of the issue of shares to iiNet shareholders, the institutional placement and the share purchase plan:

- WHSP's shareholding in TPG Telecom Limited decreased from 26.88% (July 2015) to 26.15%; and
- WHSP recognised a gain on deemed disposal after tax of \$81.76 million.

(ii) The following associates issued shares by way of a dividend reinvestment plan, employee share scheme or capital raising:

- Australian Pharmaceutical Industries Limited
- BKL Investment Company Limited
- Brickworks Limited
- Ruralco Holdings Limited;
- Specialist Oncology Property Pty Limited; and
- Syndicated Metals Limited.

Washington H Soul Pattinson and Company Limited did not participate in the above share issues. As a result there has been a change in the Group's holding in each of these investments.

(iii) During the 6 month reporting period ending 31 January 2016, an associate of Washington H. Soul Pattinson and Company Limited, Supercorp Pty Limited was disposed of for an after tax profit of \$1.49 million.

7. Fair value measurement

The fair value of certain assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

Investments in associates are equity accounted in accordance with AASB 128 *Investments in Associates and Joint Ventures* and accordingly are not recognised at fair value in the Consolidated statement of financial position. Details of the fair values of listed equity accounted associates are set out in note 6.

Washington H. Soul Pattinson and Company Limited
Half year ended 31 January 2016

Notes to the Consolidated Financial Statements

7. Fair value measurement (continued)

Fair value hierarchy

Judgements and estimates are made in determining the fair values of assets and liabilities. To provide an indication of the reliability of the inputs used in determining fair value, the Group categorises each asset and liability into one of the following three levels as prescribed by accounting standards:

Level 1: Fair value is determined by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities as at the end of the reporting period.

Level 2: Fair value is determined by using valuation techniques incorporating observable market data inputs.

Level 3: Fair value is determined by using valuation techniques that rely on inputs that are not based on observable market data.

Fair value measurements

The following table presents the Group's assets and liabilities measured and recognised at fair value as at 31 January 2016 and 31 July 2015.

As at 31 January 2016	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Trading equities	9,421	-	16,246	25,667
Long term equity investments	577,835	-	3	577,838
Other financial assets – equity investments	-	-	5,425	5,425
Derivatives - Foreign exchange hedge	-	255	-	255
Non-financial assets				
Investment properties	-	-	92,803	92,803
Total assets	587,256	255	114,477	701,988
Financial liabilities				
Derivatives - Foreign exchange hedge	-	11,148	-	11,148
Derivatives – Interest rate swap	-	101	-	101
Total liabilities	-	11,249	-	11,249
As at 31 July 2015				
Financial assets				
Trading equities	12,956	-	8,344	21,300
Long term equity investments	615,642	-	3	615,645
Other financial assets – equity investments	-	-	5,425	5,425
Non-financial assets				
Investment properties	-	-	20,720	20,720
Total assets	628,598	-	34,492	663,090
Financial liabilities				
Derivatives - Foreign exchange hedge	-	23,144	-	23,144
Total liabilities	-	23,144	-	23,144

Notes to the Consolidated Financial Statements

8. Contingent liabilities

There are no other material changes to contingent liabilities of the Group since 31 July 2015.

9. Events occurring after the balance date

New Hope Corporation Limited completes acquisition of 40% of Bengalla thermal coal mine

On 1 March 2016, a wholly owned subsidiary of New Hope Corporation Limited purchased a 40% interest in the Bengalla thermal coal mine in the Hunter Valley, New South Wales from a subsidiary of Rio Tinto Limited for \$850.79 million.

The Bengalla mine is a large-scale open cut mine near Muswellbrook producing about 8.6 million tonnes per annum of high quality thermal coal.

The acquisition was funded entirely from New Hope Corporation Limited's existing cash reserves.

The effect of the acquisition on the New Hope Corporation Limited's financial statements cannot yet be estimated due to acquisition completion date being 1 March 2016.

Other than declared in this report, the Directors are not aware of any other events subsequent to balance date that would materially affect the half year financial report.

10. Other significant information

Please refer to the Chairman's review and Review of Group Entities contained in this report.

Washington H. Soul Pattinson and Company Limited

A.B.N. 49 000 002 728

Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 20 to 40, are in accordance with the Corporations Act 2001, including:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. give a true and fair view of the consolidated entity's financial position as at 31 January 2016 and of its performance for the half year ended on that date.
2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



R.D. Millner
Director



T.J. Barlow
Managing Director

Dated this 23rd day of March 2016

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**Independent Auditor's Review Report
to the Members of Washington H. Soul Pattinson and Company Limited
A.B.N. 49 000 002 728**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Washington H. Soul Pattinson and Company Limited ("the company"), which comprises the consolidated statement of financial position as at 31 January 2016, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of significant accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising Washington H. Soul Pattinson and Company Limited and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *"Review of a Financial Report Performed by the Independent Auditor of the Entity"*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 January 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *"Interim Financial Reporting"* and the *Corporations Regulations 2001*. As the auditor of Washington H. Soul Pattinson and Company Limited and the entities it controlled, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the half-year financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Washington H. Soul Pattinson and Company Limited, would be the same terms if provided to the directors as at the date of signing this review report.

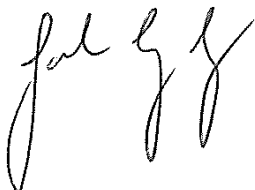
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Washington H. Soul Pattinson and Company Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 January 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Pitcher Partners



John Gavljak
Partner

Dated in Sydney, this 23rd day of March 2016