



ASX/MEDIA RELEASE

WHSP Reports Strong Q1 Results

Friday 5 December 2014: Diversified investment company, Washington H. Soul Pattinson and Company Limited (WHSP, ASX: SOL), reported strong first quarter results at its 112th Annual General Meeting today. Barring any unforeseen circumstances, the results position the company well to deliver higher profits in FY2015.

WHSP's first quarter results were driven by higher contributions from controlled entities including New Hope Corporation Limited (New Hope) and CopperChem Limited (CopperChem), as well as from its associated entities including Australian Pharmaceutical Industries Limited (API), Brickworks Limited (Brickworks), Ruralco Holdings Limited (Ruralco) and TPG Telecom Limited (TPG Telecom).

New Hope reported an unaudited profit for the first quarter up on the corresponding period. This is despite Australian dollar revenue per tonne of coal sales being lower when compared to the previous corresponding period. Total administration and operating costs were down significantly for the first quarter and New Hope reported an improved safety performance of 30% across the group.

CopperChem returned to positive EBITDA in August 2014 and its Mount Colin mine is on track to report approximately \$50 million in revenue for the first half of the financial year.

Pitt Street Real Estate Partners have completed the sale process for the two distribution centres on behalf of the Australian Logistics Property Fund. The sale was completed on 20 November 2014 and the WHSP Group received a total consideration of \$153 million. The projects are expected to generate a net profit before tax of \$26 million. Of this, \$17 million was taken up in the 2014 year as a revaluation gain.

API also delivered impressive results for the full year ended 31 August 2014, reporting an underlying net profit after tax of \$31.7 million, exceeding the updated guidance provided on 3 September 2014. API expects continued improvements in earnings performance through further operational efficiencies and increased contribution from the expanding Priceline Pharmacy network.

Brickworks reported a strong start to the year with its building products and property divisions. Building products' EBIT for the first quarter of financial year 2015 was \$13.2 million, up 38% from \$9.6 million reported in the previous corresponding period, driven primarily by increased contributions from Austral Bricks and Austral Masonry. The Land and Development Group recorded an unaudited EBIT of just over \$15 million for the first quarter, up 141% on the previous corresponding period. The Land and Development Group recently signed an unconditional sale contract for the Port Kembla property in New South Wales and the Riverview property in Queensland, which is expected to deliver \$15.8 million in sale proceeds over the next few months.

Ruralco had a strong second half and reported a net profit after tax of \$10.6 million for its full year ended 30 September 2014.

TPG Telecom reiterated its prior guidance at its AGM. EBITDA forecast for the financial year ending 31 July 2015 is estimated to be between \$455 million and \$460 million, up from \$364 million reported for the year ended 31 July 2014. Capital expenditure for FY2015 is forecast to

increase to between \$100 million and \$120 million, up from \$69.5 million reported for the 2014 financial year.

WHSP Chairman Rob Millner said: "This is an excellent start to the financial year, with a number of controlled and associated entities reporting higher than forecast profits for the first quarter."

A fully franked final dividend of 29 cents per share will be paid on 8 December 2014.

About Washington H. Soul Pattinson and Company Limited

Washington H. Soul Pattinson and Company Limited (WHSP) is Australia's second oldest listed company. Beginning as a chemist shop in Pitt Street, Sydney in 1872, the company listed on the Australian Securities Exchange 30 years later. Since listing, WHSP has paid a dividend every year, including throughout the depression of the 1930s. Today WHSP is a diversified investor in basic commodities such as building products, property, coal, copper, equities, telecommunications, rural services, financial services and pharmaceuticals.

WASHINGTON H. SOUL PATTINSON AND COMPANY LIMITED (ASX CODE: SOL)
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