

WHITEFIELD LIMITED

ABN 50 000 012 895

APPENDIX 4D

HALF-YEAR REPORT
PERIOD ENDED 30 SEPTEMBER 2018

(Previous corresponding period
being the half-year ended 30 September 2017)

RESULTS FOR ANNOUNCEMENT TO THE MARKET HALF-YEAR ENDED 30 SEPTEMBER 2018

	2018 Half-Year End \$'000	% change on prior comparative period
Investment revenue from ordinary activities	10,951	Up 1.6%
Net Profit for period attributable to members	8,034	Up 4.5%

¹ See explanation of results below.

Dividend

The following dividends were declared on the 15th November 2018 and are due for payment on 12th December 2018.

	Fully Franked (cents per security)
Interim Dividend Per Ordinary Share	9.75 cps
Interim Dividend Per 8% Preference Share	4.0 cps
Interim Dividend Per Convertible Resettable Preference Share	350.0 cps
The record date for determining entitlement to the interim dividend is:	26 th November 2018

Whitefield Limited has a dividend reinvestment plan and a bonus share plan in operation that applies to ordinary shares only. Shareholder participation in either plan begins with the first dividend payment after receipt of the Application / Nomination form. The form must be received by 5pm on the business day following the record date to be effective for that dividend. Whitefield Limited will confirm the allotment price including any discount applied, calculated in accordance with rules of both plans in a separate release to market following the calculation period. Whitefield Limited expects to pay dividends twice yearly.

Explanation of results

Net Profit attributable to members consists of underlying dividend and investment income net of expenses and income tax. Commentary on the result is shown on the following page.

Net Asset Backing

	2018 Half-Year End \$'000	2017 Half-Year End \$'000	% change prior year
Net Tangible Assets per share (post-deferred capital gains tax)	\$4.68	\$4.48	Up 4.5%
Net Tangible Assets per share (pre-deferred capital gains tax)	\$5.09	\$4.84	Up 5.2%

COMMENTARY ON THE RESULTS FOR THE PERIOD

Operating Results

Whitefield reports an Operating Profit after Tax of \$8,034,199 for the half year ended 30 September 2018, an increase of 4.49% on the equivalent half in the prior year. After allowing for increases in share capital over the year, earnings per Ordinary Share increased by 1.21% to 9.2 cents.

Contributors to the result included:

- A breadth of distribution/dividend growth across the majority of holdings;
- A small number of stocks choosing to cut dividends;
- Slightly higher general operating expenses;
- A lower tax expense

Of our holdings that declared distributions in the half year, slightly more than 80% maintained or increased their distribution rate, reflecting a good breadth of underlying earnings growth. Stocks showing stronger growth included Magellan Financial, Metcash, Star Entertainment, Aurizon, CSL, Treasury Wine, Woolworths and TradeMe. Against this the half year also saw some cuts to dividends most notably in the Telecommunications sector (Telstra and TPG) and the financial sector (AMP).

Portfolio investment returns for the last quarter at 1.81% were ahead of the ASX200 Industrials Accumulation Index return of 1.71%, although were slightly below over the half year with the portfolio generating a return of 8.17% (compared to the ASX200 Industrials Accumulation Index at 8.48%). Returns over the rolling five year period sat at 8.83%, in line with the Index return of 8.86%.

Stronger returns for the half year came from CSL, Wesfarmers, Macquarie, ANZ, ResMed, Goodman Group, CIMIC, Woolworths, TPG and QBE, and at the smaller end of the portfolio from Mayne Pharma, Vocus, IRESS, IPH, Webjet, HT&E and APN Outdoor.

Dividend

As noted in the Earnings and Dividend update released to market during September, Whitefield expects its Ordinary Share earnings and dividends to be well-supported during 2019 and into 2020 as the result of the reset of the WHFPBs coupled with existing earnings and realised capital gains.

Accordingly, the company has increased its half year ordinary share dividend to 9.75 cents per share (up from 8.75 cents in the prior year) and reiterates its current expectation that it will increase its final dividend payable in June 2019 to at least 10 cents per ordinary share. This expectation of company earnings and dividends is subject to there being no material or abnormal deterioration in economic and market conditions.

Further Queries:

Should you require any further general information about Whitefield Ltd, please visit the company website www.whitefield.com.au

Should you have any specific queries about the company please contact CEO Angus Gluskie on +61 2 8215 7735.

Should you have any specific queries relating to your shareholding, please contact the share registry, Computershare Investor Services Pty Ltd on 1300 850 505 (inside Australia) or +61 (0)3 9415 4000 (outside Australia).

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Whitefield Limited

ABN 50 000 012 895

Interim Report

for the half-year ended 30 September 2018

Directors' Report

Your Directors present their report together with the financial report of Whitefield Limited ("the Company") for the half-year ended 30 September 2018.

Directors

The following persons held office as Directors of Whitefield Limited during the financial period:

Angus J. Gluskie
William R. Seddon
Lance Jenkins
Mark A. Beardow
Jenelle B. Webster (appointed 26 September 2018)
David J. Iliffe (retired 26 September 2018)
Martin J. Fowler (retired 26 September 2018)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Principal activities

During the period, the principal activity of the Company was investing in companies and trusts listed on the Australian Securities Exchange.

There was no significant change in the nature of the activity of the Company during the period.

Review of operations

Whitefield reports an Operating Profit after Tax of \$8,034,199 for the half-year ended 30 September 2018, an increase of 4.49% on the equivalent half in the prior year. After allowing for increases in share capital over the year, earnings per Ordinary Share increased by 1.21% to 9.2 cents.

Contributors to the result included:

- A breadth of distribution/dividend growth across the majority of holdings;
- A small number of stocks choosing to cut dividends;
- Slightly higher general operating expenses;
- A lower tax expense

Of our holdings that declared distributions in the half-year, slightly more than 80% maintained or increased their distribution rate, reflecting a good breadth of underlying earnings growth. Stocks showing stronger growth included Magellan Financial, Metcash, Star Entertainment, Aurizon, CSL, Treasury Wine, Woolworths and TradeMe. Against this the half-year also saw some cuts to dividends most notably in the Telecommunications sector (Telstra and TPG) and the financial sector (AMP).

Portfolio investment returns for the last quarter at 1.81% were ahead of the ASX200 Industrials Accumulation Index return of 1.71%, although were slightly below over the half-year with the portfolio generating a return of 8.17% (compared to the ASX200 Industrials Accumulation Index at 8.48%). Returns over the rolling five year period sat at 8.83%, in line with the Index return of 8.86%.

Stronger returns for the half-year came from CSL, Wesfarmers, Macquarie, ANZ, Resmed, Goodman Group, CIMIC, Woolworths, TPG and QBE, and at the smaller end of the portfolio from Mayne Pharma, Vocus, Iress, IPH, Webjet, HT&E and APN Outdoor.

Dividend

Whitefield has declared the following fully franked dividends, payable 12 December 2018, with a record date of 26 November 2018:

- 9.75 cents per Ordinary Share (prior year 8.75 cents)
- 350.0 cents per Convertible Resettable Preference Share [WHFPB]
- 4.0 cents per 8% Preference Share

Significant changes in the state of affairs

Under the Treasury Laws Amendment (Enterprise Tax Plan) Act 2017, company tax rates in Australia will be progressively reduced from 30% to 25% by 2027.

Based on this legislation, it now appears most likely that Whitefield will continue to be taxed and frank dividends at the 30% company tax rate until the 2024 financial year at which time it would adopt the 27.5% rate (and lower rates in subsequent years). However it should be recognised that there may be some circumstances where Whitefield would adopt the 27.5% company tax rate at earlier dates.

Accordingly, based on its current position Whitefield will continue to pay tax and frank dividends at 30% in the near term and would advise shareholders should that position change.

There have been no other significant changes in the state of affairs of the Company during the period.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

This report is made in accordance with a resolution of Directors.


Angus J. Gluskie
Director

Sydney
15 November 2018



WHITEFIELD LIMITED
ABN 50 000 012 895

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001
TO THE DIRECTORS OF WHITEFIELD LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 30 September 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Dated in Sydney this 15th day of November 2018

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Whitefield Limited
Statement of Comprehensive Income
For the half-year ended 30 September 2018

	Notes	30 September 2018 \$	30 September 2017 \$
Investment income from ordinary activities	3	10,951,152	10,778,779
Expenses			
Directors' fees		(28,000)	(20,000)
Audit fees		(19,498)	(19,948)
Management fees		(654,611)	(625,353)
Other expenses		(319,864)	(267,503)
Finance costs		(1,500,275)	(1,491,668)
Profit before income tax		<u>8,428,904</u>	<u>8,354,307</u>
Income tax expense		(394,705)	(665,183)
Net profit for the period		<u>8,034,199</u>	<u>7,689,124</u>
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Net unrealised gains/(losses) on investments taken to equity		25,309,125	(26,808,734)
Income tax relating to net unrealised (gains)/losses on investments taken to equity		(7,765,970)	7,631,292
Net realised gains on investments taken to equity		1,017,289	6,519,185
Income tax relating to net realised gains on investments taken to equity		(131,954)	(1,544,427)
Other comprehensive income/(loss) for the period, net of tax		<u>18,428,490</u>	<u>(14,202,684)</u>
Total comprehensive income/(loss) for the period		<u>26,462,689</u>	<u>(6,513,560)</u>
		Cents	Cents
Earnings per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	7	9.19	9.08
Diluted earnings per share	7	9.19	9.08

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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Whitefield Limited
Statement of Financial Position
As at 30 September 2018

	30 September 2018	31 March 2018
Notes	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	3,635,672	7,987,283
Trade and other receivables	1,782,045	1,828,959
Current tax receivables	718,205	-
Other current assets	73,023	19,329
Total current assets	6,208,945	9,835,571
Non-current assets		
Financial assets at fair value through other comprehensive income	481,565,881	452,901,823
Deferred tax assets	6,876,144	7,027,572
Total non-current assets	488,442,025	459,929,395
Total assets	494,650,970	469,764,966
LIABILITIES		
Current liabilities		
Trade and other payables	213,082	311,426
Current tax liabilities	-	2,563,753
Other financial liabilities	41,893,276	41,793,001
Total current liabilities	42,106,358	44,668,180
Non-current liabilities		
Deferred tax liabilities	43,121,952	35,313,694
Total non-current liabilities	43,121,952	35,313,694
Total liabilities	85,228,310	79,981,874
Net assets	409,422,660	389,783,092
EQUITY		
Issued capital	221,032,799	220,291,925
Reserves	163,676,850	145,248,360
Retained earnings	24,713,011	24,242,807
Total equity	409,422,660	389,783,092

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

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Whitefield Limited
Statement of Changes in Equity
For the half-year ended 30 September 2018

Notes	Issued capital \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 April 2017	205,686,889	160,583,938	23,179,927	389,450,754
Profit for the period			7,689,124	7,689,124
Other comprehensive income/(losses) for the period				
Net unrealised (losses) on investments taken to equity		(26,808,734)		(26,808,734)
Net realised gains on investments taken to equity		6,519,185		6,519,185
Income tax on net unrealised losses on investments taken to equity		7,631,292		7,631,292
Income tax on net realised (gains) on investments taken to equity		(1,544,427)		(1,544,427)
Total other comprehensive loss for the period, net of tax	-	(14,202,684)	-	(14,202,684)
Total comprehensive (loss)/income for the period	-	(14,202,684)	7,689,124	(6,513,560)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs and tax	13,894,858			13,894,858
Dividends provided for or paid	6		(6,884,946)	(6,884,946)
	13,894,858	-	(6,884,946)	7,009,912
Balance at 30 September 2017	219,581,747	146,381,254	23,984,105	389,947,106
Balance at 1 April 2018	220,291,925	145,248,360	24,242,807	389,783,092
Profit for the period			8,034,199	8,034,199
Other comprehensive income/(losses) for the period				
Net unrealised gains on investments taken to equity		25,309,125		25,309,125
Net realised gains on investments taken to equity		1,017,289		1,017,289
Income tax on net unrealised (gains) on investments taken to equity		(7,765,970)		(7,765,970)
Income tax on net realised (gains) on investments taken to equity		(131,954)		(131,954)
Total other comprehensive income for the period, net of tax	-	18,428,490	-	18,428,490
Total comprehensive income for the period	-	18,428,490	8,034,199	26,462,689
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs and tax	5	740,874		740,874
Dividends provided for or paid	6		(7,563,995)	(7,563,995)
	740,874	-	(7,563,995)	(6,823,121)
Balance at 30 September 2018	221,032,799	163,676,850	24,713,011	409,422,660

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Whitefield Limited
Statement of Cash Flows
For the half-year ended 30 September 2018

	30 September 2018	30 September 2017
Notes	\$	\$
Cash flows from operating activities		
Dividends and trust distributions received	10,979,771	11,514,832
Interest received	34,108	47,075
Other income received	43	-
Income taxes paid	(3,608,310)	(15,134)
Payments for other expenses	(1,218,997)	(997,365)
Net cash inflow from operating activities	<u>6,186,615</u>	<u>10,549,408</u>
Cash flows from investing activities		
Proceeds from sale of financial assets at fair value through other comprehensive income	70,952,920	55,917,910
Payments for financial assets at fair value through other comprehensive income	(73,261,434)	(68,186,976)
Net cash outflow from investing activities	<u>(2,308,514)</u>	<u>(12,269,066)</u>
Cash flows from financing activities		
Proceeds from issues of shares	-	13,358,510
Share issue and buy-back transaction costs	(21,969)	(115,317)
Dividends paid to Company's shareholders	(6,807,743)	(6,267,876)
Dividends paid on convertible resettable preference shares	(1,400,000)	(1,400,000)
Net cash (outflow)/inflow from financing activities	<u>(8,229,712)</u>	<u>5,575,317</u>
Net (decrease)/increase in cash and cash equivalents	<u>(4,351,611)</u>	<u>3,855,659</u>
Cash and cash equivalents at the beginning of the period	7,987,283	9,064,935
Cash and cash equivalents at end of period	<u>3,635,672</u>	<u>12,920,594</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these interim financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The interim financial statements are for the entity Whitefield Limited.

(a) Basis of preparation of half-year report

These interim financial statements for the half-year reporting period ended 30 September 2018 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These interim financial statements do 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 report for the year ended 31 March 2018 and any public announcements made by Whitefield Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements have been prepared on an accrual basis, and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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

(b) Adoption of new and revised accounting standards

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting and Standards Board that are relevant to its operations and effective for the current reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior periods. The new and revised Standards and Interpretations has not had a material impact and not resulted in changes to the Company's presentation of, or disclosure in, its interim financial statements.

(c) New accounting standards and interpretations issued but not yet applied by the entity

There are no standards that are not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(d) Investments and other financial assets

Classification

(i) Financial assets at fair value through other comprehensive income

The Company has designated long-term investments as "fair value through other comprehensive income". All gains and losses on long-term investments and tax thereon are presented in other comprehensive income as part of the Statement of Comprehensive Income.

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

1 Summary of significant accounting policies (continued)

(d) Investments and other financial assets (continued)

Determination of Fair Value

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

Under AASB 13, if an investment has a bid price and an ask price, the price within the bid-ask spread that is more representative of fair value in the circumstances shall be used to measure fair value. Accordingly, the Company uses the last sale price as a basis of measuring fair value.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent changes in fair value are recognised through the investment portfolio revaluation reserve after deducting a provision for the potential deferred capital gains tax liability as these investments are long-term holdings of equity investments.

When an investment is disposed, the cumulative gain or loss, net of tax thereon, is transferred from the investment portfolio reserve/asset revaluation reserve to the realised gains/losses reserve.

(e) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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1 Summary of significant accounting policies (continued)

(f) Other financial liabilities

Convertible Resetable Preference Shares are classified as a financial liability for accounting purposes under Australian Accounting Standard AASB132 *Financial Instruments: Presentation*. They are initially recognised at fair value less transaction costs. After initial recognition, the liabilities are carried at amortised cost using the effective interest method.

In accordance with this Standard, a financial expense on the liability is brought to account which includes the amortisation of any difference between the original proceeds net of transaction costs and the settlement value of the obligation. Dividends on Convertible Resetable Preference Shares are recognised within the finance expense recorded.

2 Segment information

The Company has only one reportable segment. The Company is engaged solely in investment activities conducted in Australia, deriving revenue from dividend income, interest income and from trust distribution income.

3 Revenue

	30 September 2018 \$	30 September 2017 \$
From continuing operations		
Dividends on investments held at the end of the period	9,382,225	8,811,810
Dividends on investments sold during the period	121,770	112,597
Interest	34,108	46,010
Distributions	1,413,006	1,808,362
Other income	43	-
	<u>10,951,152</u>	<u>10,778,779</u>

4 Current liabilities - Other financial liabilities

	30 September 2018 \$	31 March 2018 \$
Convertible Resetable Preference Shares	<u>41,893,276</u>	<u>41,793,001</u>

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4 Current liabilities - Other financial liabilities (continued)

Convertible Resettable Preference Shares (CRPS) are non-cumulative, convertible, resettable, preference shares in the capital of Whitefield. The key terms of the CRPS are:

CRPS Face Value: \$100 per CRPS

Dividend Rate: The CRPS are entitled to a non-cumulative fixed dividend of 7% per annum which is expected to be fully franked. The Dividend Rate may be increased or decreased on the relevant reset dates, the first of which is 30 November 2018.

Dividend payment: Dividends are non-cumulative and only payable where the directors determine that a dividend is payable and only to the extent permitted by law.

Dividend ranking: The CRPS will rank in priority to the Company's fully paid ordinary shares (Ordinary Shares) in respect of the payment of the dividends on the CRPS but will rank behind the Company's 8% Preference Shares.

Resetting: On each reset date, the Company can reset the dividend rate payable on the CRPS, the discount which applies on the conversion of the CRPS into Ordinary Shares and determine when resets are to take place in the future. The first reset date will be 30 November 2018.

Conversion: The Company can convert CRPS into Ordinary Shares on any reset date and on the occurrence of certain events. The CRPS holders can request the Company to convert the CRPS into Ordinary Shares on any reset date and on the occurrence of certain holder trigger events. However, the Company can override a conversion request received from a CRPS holder and instead redeem the CRPS. On conversion each CRPS will convert into a number of Ordinary Shares calculated generally by reference to the volume weighted average sale price of Ordinary Shares on ASX for the ten days prior to conversion and applying the conversion discount, subject to certain adjustments.

Redemption: The Company can redeem the CRPS on any reset date and on the occurrence of certain trigger events. CRPS holders cannot seek to have the CRPS redeemed. Redemption is for the face value of the CRPS which will be \$100.

Voting rights: CRPS holders are only entitled to vote on certain limited matters such as a proposal affects the rights of CRPS holders or for the disposal of the whole of the property, business and undertaking of Whitefield. However, this restriction on voting does not apply when a dividend is not paid in full on the CRPS or during a winding up of the Company.

Return of capital: The face value of the CRPS are due but unpaid dividends on them will rank upon a winding-up of the Company after the 8% Preference Shares and in priority to Ordinary Shares. The CRPS have no right to participate in surplus assets or profits of the Company on a winding-up other than as set out above.

5 Contributed equity

(a) Share capital

	30 September 2018 Shares	31 March 2018 Shares	30 September 2018 \$	31 March 2018 \$
Ordinary shares - fully paid	87,494,491	87,254,548	221,009,009	220,268,135
8% Non-redeemable preference shares - fully paid	23,790	23,790	23,790	23,790
	<u>87,518,281</u>	<u>87,278,338</u>	<u>221,032,799</u>	<u>220,291,925</u>

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5 Contributed equity (continued)

(b) Movements in ordinary share capital

Details	Number of shares	\$
Opening balance 1 April 2017	83,808,193	205,663,099
Share purchase	3,036,937	13,358,510
Dividend reinvestment plan issue - final dividend	142,182	617,070
Bonus share plan - final dividend	55,232	-
Dividend reinvestment plan issue - interim dividend	155,280	714,288
Bonus share plan - interim dividend	56,724	-
Less: Transaction costs arising on share issue - DRP, BSP and SPP	-	(84,832)
Closing balance 31 March 2018	<u>87,254,548</u>	<u>220,268,135</u>
Opening balance 1 April 2018	87,254,548	220,268,135
Dividend reinvestment plan issue - final dividend	173,460	756,286
Bonus share plan - final dividend	66,483	-
Less: Transaction costs arising on share issue - DRP, BSP and SPP	-	(15,412)
Closing balance 30 September 2018	<u>87,494,491</u>	<u>221,009,009</u>

6 Dividends

(a) Ordinary shares

	30 September 2018 \$	30 September 2017 \$
Final dividend - prior year (9.0 cents and 8.5 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 12/06/2018 and 13/06/2017, respectively)	<u>7,563,044</u>	<u>6,883,995</u>

(b) Non-redeemable participating preference shares

Final dividend - prior year (4.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%)	<u>951</u>	<u>951</u>
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Total dividends provided for or paid

<u>7,563,995</u>	<u>6,884,946</u>
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(c) Convertible Resettable Preference Shares

Dividends on CRPS - six-monthly (350.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 12/06/2018 and 13/06/2017, respectively)	<u>1,400,000</u>	<u>1,400,000</u>
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Dividends on Convertible Resettable Preference Shares are recorded as a finance expense (rather than a "dividend") for accounting purposes.

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6 Dividends (continued)

(d) Dividend rate

The franked proportion of dividends shown in the following table carry a franking credit based on company tax having been paid at the 30% rate.

	Dividend Rate	Total Amount	Date of Payment	% Franked
2018				
8% Preference shares - final	4.0 cps	\$951	12/06/2018	100
Ordinary shares - final	9.0 cps	\$7,563,044	12/06/2018	100
Convertible Resetable Preference Shares - Six-Monthly	350.0 cps	\$1,400,000	12/06/2018	100
2017				
8% Preference shares - final	4.0 cps	\$951	13/06/2017	100
Ordinary shares - final	8.5 cps	\$6,883,995	13/06/2017	100
Convertible Resetable Preference Shares - Six-Monthly	350.0 cps	\$1,400,000	13/06/2017	100

(e) Dividends not recognised at the end of the reporting period

30 September
2018
\$

In addition to the above dividends, since period end the Directors have declared an interim dividend of 9.75 cents per fully paid ordinary share, 4.0 cents per fully paid 8% preference share and 350.0 cents per fully paid Convertible Resetable Preference Shares, fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 12 December 2018 out of retained earnings at 30 September 2018, but not recognised as a liability at period end, is

9,931,664

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7 Earnings per share

(a) Basic and diluted earnings per share

	30 September 2018 Cents	30 September 2017 Cents
From continuing operations attributable to the ordinary equity holders of the company (excluding all net realised gains/losses on investments)	9.19	9.08

Diluted earnings per share is the same as basic earnings per share. The Company has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic earnings per share.

(b) Weighted average number of shares used as denominator

	2018 Number	2017 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	87,427,838	84,713,688

8 Contingencies

The Company had no contingent liabilities at 30 September 2018 (2017: nil).

9 Events occurring after the reporting period

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

10 Non-cash investing and financing activities

	30 September 2018 \$	30 September 2017 \$
Shareholder dividends reinvested	756,286	617,070
Shareholder dividends foregone via Bonus Share Plan	289,866	239,707
	1,046,152	856,777

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Whitefield Limited
Directors' Declaration
For the half-year ended 30 September 2018

In accordance with a resolution of the directors of Whitefield Limited, the directors of the Company declare that:

- (a) the interim financial statements and notes set out on pages 4 to 14 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the entity's financial position as at 30 September 2018 and of its performance for the half-year ended on that date.
- (b) 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.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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


Angus J. Gluskie
Director

Sydney
15 November 2018

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WHITEFIELD LIMITED
ABN 50 000 012 895

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE
MEMBERS OF WHITEFIELD LIMITED**

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Whitefield Limited, which comprises the statement of financial position as at 30 September 2018, the statement of comprehensive income, statement of changes in equity, and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Whitefield Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 *Corporations Act 2001* including: giving a true and fair view of Whitefield Limited's financial position as at 30 September 2018 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 Whitefield Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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 Whitefield Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of Whitefield Limited's financial position as at 30 September 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Dated in Sydney this 15th day of November 2018

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