



WHITEFIELD QUARTERLY REPORT

NOVEMBER 2013

PERFORMANCE SUMMARY

At 30 September 2013

	Last Quarter %	One Year %	Three Years % ***	Ten Years %***
Before Tax Returns				
Total Portfolio	9.628%	33.589%	13.517%	8.842%
Benchmark*	8.474%	31.373%	14.966%	9.636%
After Tax Returns				
Net Asset Backing (pre-tax)** ¹	10.080%	35.602%	13.206%	7.258%
Net Asset Backing (post-tax)** ²	7.527%	25.190%	10.711%	7.530%
Share Price	12.034%	42.592%	15.754%	7.260%

* ASX 200 All Industrials (XJIAI) ** Including Dividends *** Annualised

- Investment returns based on net asset backing (pre-tax) represent the investment return prior to any provision for deferred tax benefits or liabilities, but are after the payment of current tax at company rates on income and on realised capital gains.
- Investment returns based on net asset backing (post-tax) represent investment returns after provisions for deferred tax liabilities and benefits, including a provision for capital gains tax should the company's investments be realised in entirety.

FINANCIAL OUTCOMES

	3 Months to 30 Sep 13	3 Months to 30 Sep 12	% Change
Investment Revenue	\$7,905,002	\$6,370,577	24.1%
Profit Before Tax & Realised Gains	\$5,955,100	\$5,622,448	5.9%
Income Tax Benefit/(Expense)	(\$302,731)	(\$300,246)	0.1%
Profit After Tax before Realised Gains	\$5,652,369	\$5,332,202	6.2%
Earnings before Realised Gains Per Share	7.4cps	7.0cps	5.8%

RESULTS COMMENTARY

Whitefield is pleased to report a Profit after Tax and before realised gains of \$5,652,369 for the half year to Sep 2013. This result equated to growth of 5.8% in Earnings Per Ordinary Share compared to the equivalent quarter in the prior year.

Earnings growth was driven by dividend increases across a large number of our investments including Macquarie Group, ANZ Banking Group, National Australia Bank, Westpac Bank Corporation, Macquarie Atlas Roads Group, ResMed Inc, Perpetual, Asciano, IAG, Toll Holdings, Suncorp, Wesfarmers, Woolworths, CSL, Brambles, Amcor, Dexus Property Group and Goodman Group.

The company's portfolio delivered a return of 9.3% for the six months, which compares to the return of the S&P/ASX200 Industrials Accumulation of 8.2% and the broader market S&P/ASX200 Accumulation return of 7.5% for the same period.

Strongest performing stocks for the half year included Challenger, Crown, Harvey Norman, Fairfax Media, JB Hi Fi, Seven Group, Macquarie Group, Steadfast Group, Perpetual, National Aust Bank, ANZ Bank, Twenty-First Century Fox and Asciano.

NET TANGIBLE ASSETS

At 30 September 2013

NTA (post-tax & preference shares)	\$304.4 million
Ordinary Shares on Issue	76,071,232
8% Cumulative Pref. Shares (Face Value)	\$23,790
Convertible Resettable Prefs. (Face Value)	\$40,000,000
NTA per share (pre-tax)	\$4.15
NTA per share (post-tax)	\$4.00
Share Price	\$3.91
(Discount)/Premium to NTA (pre-tax)	(5.78%)
(Discount)/Premium to NTA (post-tax)	(2.25%)

TOP 5 CONTRIBUTORS TO PERFORMANCE FOR THE QUARTER*

At 30 September 2013

	Portfolio Weight	Contribution
Westpac Banking Corporation	9.20%	1.153%
National Australia Bank	7.30%	1.037%
Commonwealth Bank of Australia	10.40%	0.686%
Crown Limited	2.60%	0.653%
Macquarie Group Limited	4.79%	0.650%

TOP 5 DETRACTORS TO PERFORMANCE FOR THE QUARTER*

At 30 September 2013

	Portfolio Weight	Contribution
Incitec Pivot Limited	1.10%	(0.078%)
Treasury Wine Estates Limited	0.23%	(0.074%)
Computershare Limited	2.63%	(0.071%)
HFA Holdings Limited	0.37%	(0.060%)
GPT Group	0.42%	(0.039%)

*Contribution = weighted contribution to investment performance

SECTOR BREAKDOWN

At 30 September 2013

	Excluding Cash	Including Cash
Banks	34.89%	34.55%
Financials Excluding Banks	14.87%	14.73%
Industrials	11.26%	11.15%
Consumer Discretionary	9.62%	9.53%
Consumer Staple	8.02%	7.94%
Telecommunication Services	5.65%	5.60%
Materials	4.32%	4.27%
Property	3.90%	3.86%
Health Care	3.82%	3.78%
Information Technology	2.66%	2.63%
Utilities	0.99%	0.98%
Cash		0.98%

CHANGES TO INVESTMENT EXPOSURES

The more material changes to investment holdings undertaken by Whitefield during the last quarter involved:

- Acquisitions of Twenty First Century Fox, the major banks, Suncorp, Telstra, Brambles, Mirvac and Stockland.
- Decreases in exposure to Sydney Airport

DIVIDENDS

Whitefield has declared the following half year dividends:

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

All dividends shall be fully franked, and are payable on 12th December 2013 with a record date of 27th November 2013.

OUTLOOK

The Australian economy has increasingly benefitted from the favourable interest rate environment which has been evident over the last year. Most noticeably this has translated into rising housing prices, which in turn have resulted in stronger consumer sentiment and consumer spending. We would expect this trend to continue and broaden as we move into 2014.

The interest rate environment has also promoted a lower Australian dollar and some benefit from this is evident in the earnings results of Australian export industries. Nevertheless we consider that further dollar easing over an extended period will be required to have a more material impact on our economy.

Financial markets activity has steadily increased and we anticipate this sector to continue to show positive growth over upcoming years.

With regard to Australia's trading partners, data emerging from European economies and the USA continues to highlight progressive improvements in activity as these geographies recover from the extremely adverse conditions of earlier years. The most recent information flow from China reveals a return to a moderate level of growth as the policies of that country's new leadership are implemented.

While these developments are broadly positive it is worth recognising that some areas of risk remain. A few European economies remain fiscally fragile. An excess of Chinese lending in prior years must still be digested. The US Government is yet to agree a longer term budget.

On balance we expect that the broad global economic recovery is likely to progress favourably and that the visible risks are more likely than not to be surmounted. Accordingly we consider that the majority of companies in which we invest are positioned to show reasonable improvement in their earnings as we move through 2014. At this time we see this benign environment as having the potential to continue for some time.

In this environment we remain most exposed to sectors with earnings favourably linked to these trends, particularly those stocks which benefit from rising financial markets activity and a steadily lower Australian dollar.

ANGUS GLUSKIE
CHIEF EXECUTIVE OFFICER



WHITEFIELD QUARTERLY REPORT

QUARTER ENDED 30 SEPTEMBER 2013

TOP 20 HOLDINGS

At 30 September 2013

	%	Value \$'000
Commonwealth Bank Of Australia	10.40%	36,772
Westpac Banking Corporation	9.20%	32,542
ANZ Banking Group Limited	7.65%	27,044
National Australia Bank Limited	7.30%	25,826
Telstra Corporation Limited	5.60%	19,790
Macquarie Group Limited	4.79%	16,937
Woolworths Limited	3.96%	13,987
Wesfarmers Limited	3.75%	13,274
Brambles Limited	2.72%	9,615
Computershare Limited	2.63%	9,310
Crown Limited	2.60%	9,199
QBE Insurance Limited	2.55%	9,028
AMP Limited	2.16%	7,648
CSL Limited	2.08%	7,366
Seven Group Holdings Limited	1.75%	6,193
Twenty-First Century FOX Class A NV	1.68%	5,951
Amcor Limited	1.66%	5,867
Asciano Limited	1.63%	5,769
InvoCare Limited	1.62%	5,730
Suncorp Limited	1.52%	5,387
Cash & Cash Equivalents	0.98%	3,457