WHITEFIELD

TO: COMPANY ANNOUNCEMENTS OFFICE

COMPANY: AUSTRALIAN STOCK EXCHANGE LIMITED

FROM: WHITEFIELD LIMITED

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I attach a copy of the Chairmans Address to be presented to Shareholders at the Annual General Meeting to be held on Thursday 5th June, 2003.

P. Roberts
Secretary

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WHITEFIELD

CHAIRMAN'S ADDRESS

Annual General Meeting of Shareholders

Thursday, 5th June, 2003

In Whitefield's eightieth year of operations I am pleased to report that the company generated an operating profit after tax, for the period to 31st March, 2003 of $4,524,517. This result was 5.3% higher than the profit for the prior year.

The company's net tangible asset backing per share before providing for tax on unrealised investments at 31st March stood at $2.98. This was lower than the net asset backing one year ago, reflecting the widespread falls in the Australian sharemarket over the past year.

With the three-fold objective of providing Whitefield's shareholders with an avenue to increase their investment in the company, to increase the liquidity of the company's shares, and to enhance our ability to control cost over the long term, the company made a 1:10 renounceable rights issue to shareholders during the last month.

I am happy to report that the rights issue was well-supported both by shareholders, and in the marketplace, with over 95% of rights taken up. Just over $9,400,000 was raised through the rights issue, and after the allotment date on 12th June this will be progressively invested by Whitefield in listed Australian shares in accordance with our disciplined investment management strategy.

After allowing for the issuance of new shares, and the provision for the proposed final dividend, payable on 10th June, the net asset backing per share before tax on unrealised investments at the 31st May amounted to $3.00 per ordinary share. After allowing for tax on unrealised investments the asset backing at 31st May was $2.87.

The Board has recommended a final dividend of 6.3 cents per ordinary share and 4.0 cents per preference share, payable on 10th June. This dividend will be both fully franked, and for tax purposes 91% has been attributed to LIC Discount Capital Gains, which provides individuals and superannuation fund shareholders with additional taxation benefits.

As a service to shareholders, the company has also established a dividend reinvestment plan. We believe that this will provide an avenue for shareholders to reinvest in the company in a convenient and simple manner. The dividend reinvestment plan will be available for the interim dividend for the 2003/4 year expected to be payable in November this year.

As shareholders would be aware, Mr L.J.Gluskie retired as Chairman of the company during the year, after having served the company in an official capacity for over 30 years. On behalf of the Board and Shareholders I would like to extend my thanks to Mr Gluskie, and gratefully acknowledge his significant contribution to Whitefield's operations over this period.

The 2004 year brings with it a series of challenges for the investing community, with interest rates at low levels, a hesitant global economy, and a sharply rising Australian dollar. The Australian economy is expected to grow modestly over this period, and we believe it is likely that this will be reflected in a moderate increase in Whitefield's investment income for the year.

Listed companies, including Whitefield, must address the new Corporate Governance regime during the next year. In this regard Whitefield has already initiated a program to ensure that we meet the best practice requirements within the specified time frame. At this stage, we are pleased to note that Whitefield already complies with many of the significant recommendations of that regime.

On behalf of the Board I am pleased to move that the Annual Report be received and opened for consideration by this meeting.

D.J.Iliffe
Chairman