

MEDIA RELEASE

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BRICKWORKS DELIVERS SOLID HALF YEAR RESULT, PROFIT UP 7%

HALF YEAR	2010	2011	Change %
Revenue (\$M)	319.1	327.7	2.7
EBIT Normalised (\$M)	71.4	77	7.8
NPAT Normalised (\$M)	57	61	7
EPS Normalised (cents)	40.7	41.5	2
Interim div (cents)	13	13.5	3.8

- Brickworks Normal NPAT up 7% to \$61.0 million
 - o Building Products EBIT up 2.8% to \$22.4 million
 - o Land and Development EBIT up 67.5% to \$20.6 million
 - o Investments EBIT down 7.8% to \$37.9 million
- Brickworks Headline NPAT up 32.8% to \$117.1 million
- Net debt/capital employed of 12.8%, Net Debt of \$246.7 million
- A 3.8% increase in the interim dividend to 13.5 cents per share fully franked

Brickworks Limited's (ASX: BKW) diversified business strategy delivered another solid half year result with **normal net profit after tax** (NPAT) increasing 7% to \$61 million, up from \$57 million recorded in the previous corresponding period. Brickworks' half year **headline NPAT** (including non-regular items) was \$117.1 million, up 32.8% from the previous corresponding period.

Mr Robert Millner, Chairman of Brickworks said: "We are pleased to announce that for the half year ended 31 January 2011, Brickworks has delivered a solid result. This is a direct result of the stability of earnings afforded by our diversified business model and was despite persistent delays to construction schedules due to the adverse weather conditions in Australia throughout the period."

Normal earnings per share were 41.5 cents per share for the half year, up 2% from 40.7 cents for the same period last year.

Directors have declared an increased interim dividend of 13.5 cents per share for the half year, up 3.8% from 13 cents per share for the previous corresponding period. The record date for the interim dividend will be 28 April 2011, with payment on 17 May 2011.

Division results

The Building Products division recorded an earnings before interest and tax (EBIT) result of \$22.4 million for the half year, up 2.8% from \$21.8 million from the previous corresponding period.

Land and Development produced an EBIT of \$20.6 million for the half year, an increase of 67.5% from \$12.3 million for the previous corresponding period.

Brickworks' investment in Washington H. Soul Pattinson & Company (WHSP) contributed a normalised EBIT of \$36.9 million for the half year, down 7.8% from \$40.0 million in the previous corresponding period. Brickworks' investment in WHSP contributed \$83.4 million in non-regular items to Brickworks. The market value of Brickworks'

42.85% share holding in WHSP was \$1.261 billion, down 5.4% or \$68 million, from \$1.329 billion at 31 July 2010. During the period, fully franked dividends of \$32.3 million were received.

Significant items since balance sheet date

On 18 February 2011, Brickworks purchased East Coast Masonry, a Coffs Harbour based producer of concrete masonry products, for \$2.5 million. The acquisition further expanded the geographic manufacturing footprint of Austral Masonry in New South Wales, complementing the existing businesses in Eastern Australia.

Brickworks' sites in North Queensland sustained only minor damage from Cyclone Yasi. All sites were operational again within a few days and no employees in the region were harmed.

Equally, the earthquake in Christchurch, New Zealand on 22 February 2011 did not harm any employees and caused only minor damage to Brickworks' premises.

Outlook

Brickworks anticipates that activity levels in the housing construction market will remain at current levels for the coming year, barring any further interest rate increases or the implementation of the proposed carbon tax.

Mr Lindsay Partridge, Managing Director of Brickworks, said: "The Gillard government's proposed carbon tax has the potential to cause long-term damage to the housing and building products industries in Australia. The price of building products will rise under this scheme, negatively impacting housing affordability throughout Australia at a time when it is already unaffordable and construction levels are below underlying demand.

"The end result will be an exodus of manufacturing industries and investment offshore, jobs will be lost, the cost of housing will increase and there will be no change to carbon emissions. The sooner the current plan is abandoned the better.

"A change in government in New South Wales will result in a policy change to address land supply constraints and allow house construction in New South Wales to return to more normal levels. There is evidence of an emerging recovery in medium density building especially in New South Wales and Victoria.

'It is anticipated that WHSP's full year result will be negatively impacted by the recent Queensland floods."

Brickworks expects to deliver a solid full year result.

Rebecca Piercy, Kreab Gavin Anderson

Results Briefing:

Robert Millner, Chairman and Lindsay Partridge, Managing Director will be presenting the Brickworks results with a Q&A session afterwards today at 12.00pm, for 12.15pm start at the Hilton Sydney, 488 George Street, Room 1, Level 4.

Brickworks Limited was listed on the Australian Securities Exchange in 1962 and has paid a dividend every year since then. It has three Groups - Building Products, Land and Development and Investments. The Building Products Group includes Australia's largest brick producer Austral Bricks[™], Austral Masonry[™], Bristile Roofing[™] and Austral Precast[™]. The Land and Development operation maximises value from surplus land and redundant building products sites. Investments include a 42.85% holding in Washington H. Soul Pattinson.

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