24 March 2011

Australian Securities Exchange
Attention: **Companies Department**

BY ELECTRONIC LODGEMENT

Dear Sir/Madam,

Please find attached the Brickworks Ltd Appendix 4D for the half year ended 31 January 2011, incorporating the interim financial report for that period, for immediate release to the market.

Yours faithfully,
BRICKWORKS LIMITED

IAIN THOMPSON
COMPANY SECRETARY

BRICKWORKS LIMITED
ABN 17 000 028 526
738 – 780 Wallgrove Road, Horsley Park NSW 2175; PO Box 6550, Wetherill Park NSW 1851
Telephone: 61 2 9830 7800 Fax: 61 2 9620 1328
Internet Address: http://www.brickworks.com.au E.Mail Address: info@brickworks.com.au

ASX Appendix 4D
Lodged with the ASX in accordance with Listing Rule 4.2A.3

BRICKWORKS LIMITED

A.B.N. 17 000 028 526

Half Year Report
Results for announcement to the market

Reporting period: **6 months ended 31 January, 2011**

Previous corresponding period: 6 months ended 31 January, 2010

			CURRENT PERIOD 31 JAN 11	PREVIOUS PERIOD 31 JAN 10
Revenues from ordinary activities ($000's)	UP 2.7%	TO	327,700	319,125
Normal profit after tax ($000's)	UP 7.0%	TO	60,979	57,014
Profit (loss) from ordinary activities after tax attributable to members ($000's)	UP 32.7%	TO	117,058	88,200
Net profit (loss) for the period attributable to members ($000's)	UP 32.7%	TO	117,058	88,200
Normal earnings per share (cents per share)	UP 2.0%	TO	41.5	40.7
Basic earnings per share (cents per share)	UP 26.3%	TO	79.6	63.0
Net tangible assets per share (cents per share)	UP 4.7%	TO	948.3	906.1

Comments on above results

HIGHLIGHTS

BRICKWORKS DELIVERS SOLID HALF YEAR RESULT, PROFIT UP 7%

** Brickworks Normal NPAT up 7.0% to $61.0 million

** Building Products EBIT up 2.8% to $22.4 million

** Land and Development EBIT up 67.5% to $20.6 million

** Investments EBIT down 7.8% to $37.9 million

** Headline NPAT increased 32.8% from $88.2 million to $117.1 million

** Severe weather events reduced Building Products EBIT by $1.7 million

** Net debt/capital employed of 12.8%, TIBD remained at $300.0 million

** Interim dividend of 13.5 cents fully franked, up 3.8%

For more detailed information please refer to attached review of operations.

This information should be read in conjunction with the most recent annual report.

This report is based on accounts which have been subject to review. There was no dispute or qualification in relation to these accounts or report.

BRICKWORKS LIMITED

A.B.N. 17 000 028 526

ASX Appendix 4D
Half Year Report

DIVIDENDS

ORDINARY SHARES	Cents per share (cents)	Franked amount per security (cents)	Total amount paid / payable ($000's)	Foreign source dividend per security (cents)
Proposed interim ordinary dividend (payable 17 May 2011)	13.5	13.5	19,922	0.0
Record date for determining entitlements to the dividend			**28 APRIL 2011**	
Previous corresponding period (paid 20 May 2010)	13.0	13.0	19,141	0.0

There were no dividend reinvestment plans in operation at any time during or since the end of the financial year.

BRICKWORKS LIMITED
A.B.N. 17 000 028 526

INTERIM FINANCIAL REPORT

HALF YEAR ENDED 31 JANUARY 2011

BRICKWORKS LIMITED AND CONTROLLED ENTITIES
A.B.N. 17 000 028 526

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half year ended 31 January 2011.

Directors

The names of the directors in office at any time during or since the end of the half year up to the date of this report are:

Robert D. Millner FAICD (Chairman)
Michael J. Millner MAICD (Deputy Chairman)
Lindsay R. Partridge BSc. Hons. Ceramic Eng; SFCDA; Dip. CD (Managing Director)
Brendan P. Crotty LS, DQIT, Dip.Bus Admin, FAPI, FAICD, FRICS
David N. Gilham FCILT; FAIM; FAICD
The Hon. Robert J. Webster MAICD, MAIM, JP

REVIEW OF OPERATIONS

BRICKWORKS DELIVERS SOLID HALF YEAR RESULT, PROFIT UP 7%

- Brickworks Normal NPAT up 7.0% to $61.0 million
  - Building Products EBIT up 2.8% to $22.4 million
  - Land and Development EBIT up 67.5% to $20.6 million
  - Investments EBIT down 7.8% to $37.9 million
- Headline NPAT increased 32.8% from $88.2 million to $117.1 million
- Severe weather events reduced Building Products EBIT by an estimated $1.7 million
- Net debt/capital employed of 12.8%, Net Debt of $246.7 million
- Interim dividend of 13.5 cents fully franked, up 3.8%

Overview

Brickworks **Normal** Net Profit After Tax (‘NPAT’) for the half year ended 31 January 2011 was $61.0 million, up 7.0% from $57.0 million for the previous corresponding period. Including non-regular items Brickworks' **Headline** NPAT was up 32.8% to $117.1 million.

Building Products earnings were $22.4 million, marginally up on the previous corresponding period. The six months to January 2011 were the wettest on record for Australia[1] and led to significant delays in construction schedules. The adverse weather conditions are estimated to have negatively impacted Building Products earnings by $1.7 million in the period. The combination of extraordinary weather events and the weak trading conditions in Western Australia and Queensland in December and January, countered the strong performance of the first four months.

Investment earnings from Washington H Soul Pattinson (‘WHSP’) were slightly weaker for the period.

The result from **Land and Development** is significantly improved on the previous corresponding period due to sales of surplus land.

Normal earnings increased despite the difficult conditions as a direct result of the stability of earnings afforded by Brickworks' diversified business model.

Normal earnings per share (‘**EPS’**) were 41.5 cents per share, up 2.0% from 40.7 cents per share for the previous corresponding period.

Brickworks profit from non-regular items was $56.1 million for the period and consisted primarily of the equity accounted profit before tax from WHSP during the period.

Directors have declared an increased fully franked interim **dividend** of 13.5 cents per share for the half year ended 31 January 2011, up 3.8% from 13.0 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.

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[1] Bureau of Meteorology, www.bom.gov.au

Financial Analysis

Brickworks has a $300 million senior **debt** facility that has now been categorised in current liabilities. This three year debt facility is due for maturity in August 2011 and an undrawn ($100 million) working capital facility is due to rollover at the same time. Negotiations for the new facilities are underway and will be implemented well ahead of the rollover date.

Gearing (debt to equity) reduced to 17.8% at 31 January 2011 from 18.7% at 31 January 2010. Total interest bearing debt ('TIBD') remained steady at $300 million and Net Debt was $246.7 million at 31 January 2011. Net debt to capital employed rose slightly to 12.8% for the half.

Borrowing costs were down 12.4% to $9.2 million due to lower average debt levels and a gain on mark to market valuation of swaps. Interest cover improved to 7.4 times from 5.8 times in the prior period. Total net **cash flow** from operating activities was $55.1 million, down slightly from $63.5 million in the previous corresponding period. This included a reduction in special dividends totalling $12.8 million received from WHSP.

Major cash outflows during the period included ordinary dividends paid of $39.8 million, capital expenditure of $21.5 million and the acquisition of the Girotto and Gocrete precast businesses for $13.8 million plus stock.

Working capital, excluding assets held for resale, at 31 January 2011 was $195.2 million, a reduction of $27.1 million during the first half.

The levels of finished goods **inventory** were steady at $110.9 million compared to the previous corresponding period, even with the unexpected softness in deliveries due to the extreme weather conditions at the end of the half year and business acquisitions. This result reflects measures taken throughout the business to ensure stock levels remain in balance.

Net Tangible Assets per share was $9.48, up 4.6% from $9.06 at 31 January 2010. Total Shareholders Equity increased to $1.683 billion during the period.

The total tax expense for the period was $30.9 million, $13.5 million below tax at the 30% tax rate. This included $15.2 million due to a reduction in the difference between the book and tax carrying value of equity accounted investments, less $1.7 million in other tax adjustments for non-deductible and deferred tax items. Tax expense in the previous period to January 2010 included a significant credit amount arising from an increase in the tax carrying value of the investment in WHSP.

The normalised **income tax** expense for the period has increased by $2.9 million compared to the previous corresponding period on increased property earnings and reduced borrowing costs to $6.8 million for the period.

Total **non-regular** items for the six months ended 31 January 2011 were $56.1 million after tax, up from $31.2 million in the prior period. As previously reported NHC, an associate of WHSP, sold its stake in Arrow Energy Limited for an after tax gain of $326.3 million. Brickworks' equity accounted share of this profit was $83.4 million before tax.

Brickworks Building Products

Market conditions[2]

Dwelling **commencements** for **Australia** for the six months ended 31 December 2010 increased to 82,208, up 3.4% from 79,472 in the previous corresponding half year. Multi-unit dwelling commencements increased 39.6% to 29,379 in the period, with the strongest growth in Victoria and New South Wales. An increase in activity in this market is particularly promising for bricks and masonry in medium density and concrete precast panels in the high rise market.

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[2] Original data sourced from ABS Cat. 8750.0 Dwelling Unit Commencements, Australia, December 2010

Activity in dwelling commencements is expected to stabilise at an annualised rate of 150,000 to 155,000 for the coming year. While Victoria continues to experience record activity levels, Queensland commencements have fallen to levels experienced at the bottom of the cycle, while approvals are now below.

The value of approvals in the **industrial** sector in Australia increased by 23.2% to $1.740 billion for the six months to 31 January 2011 compared to the previous corresponding period. **Commercial** building approvals increased by 28.4% to $5.303 billion for the period. The commercial and industrial markets were showing signs of growth towards the end of the period.

The **Building Education Revolution** ('BER') and **Social Housing** stimulus programs provided a positive impact on activity in the first half. The programs are coming to an end with most States almost complete, except for Victoria where it is less than half complete.

New South Wales commencements increased by 5.7% for the six months to 31 December 2010 compared to the previous corresponding half. Detached housing commencements were down by 7.2% to 7,978 for the half while multi-unit residential commencements were up 27.3%.

Commencements in **Queensland** decreased by 15.7% compared to the previous corresponding half, to a total of 14,218 dwellings during the six months to 31 December 2010. There are reports of a significant backlog of work due to Queensland experiencing the wettest year on record in 2010 and the January floods.

The Queensland market is facing a number of significant challenges that are dampening demand for new dwellings. Interstate migration has reduced substantially as housing is no longer more affordable than New South Wales or Victoria. There is also a reported multi-year oversupply of apartments on the Gold Coast and other tourist destinations.

Total dwelling approvals in **Victoria** exhibited continued strong growth in the six months to 31 December 2010 up 18.2% on the previous corresponding period to a record 31,061. Multi-unit dwelling commencements increased 80.4% over the half while detached housing fell 3.6%.

The annualised rate of approvals in Victoria of over 60,000 is running at a record level well above the twenty year average approvals of 39,000, with Victoria substantially outperforming all other states. Strong population and economic growth with good support from government through first home owner grants and sustained release of affordable land for development, continues to drive demand for new residential dwellings.

Commencements in **Western Australia** for the half year ended 31 December 2010 declined 5.3% to 10,816 compared to the previous corresponding period. Multi-unit dwelling commencements were up 14.7% while detached housing declined 8.7% to 8,852. A lack of affordable and titled land for development combined with restrictive lending practices constrained building activity levels in Western Australia.

In **South Australia** total commencements were steady at 5,795 for the six months ended 31 December 2010 compared to the prior period. Detached housing commencements for the period increased by 2.3%, while multi-unit decreased by 6.9%.

Tasmanian commencements decreased by 4.1% to 1,568 for the half year ended 31 December 2010 compared to the previous corresponding period.

New Zealand Market Conditions[3]
Building consents decreased by 12.6% for the six months to 31 January 2011 with the housing sector down 14.1% and apartments up 12.0%. The New Zealand economy and building industry has been in rapid decline this half with housing consents approaching record lows in January 2011.

Building Products Results in detail

Revenue for the half year was $303.5 million, up 15.4% from $263.0 million for the previous corresponding period.

[3] Original data sourced from Statistics New Zealand – Building Consents, January 2011

Building Products EBIT of $22.4 million for the six months to 31 January 2011 was up 2.8% from $21.8 million in the prior period.

The Building Products business was tracking well and the first quarter trading update reported earnings up over 15% compared to the prior period. The extraordinary weather events in the second quarter severely affected sales and profits on the east coast. The weaker market conditions in Western Australia and Queensland also contributed to a softer result in the second quarter.

The **EBIT to Sales Margin** was 7.4% for the six months ended 31 January 2011, down from 8.3% in the prior period. Accounting for the recent acquisitions, on a like for like basis the EBIT to Sales Margin would have been 8.5% for Building Products. The precast acquisitions have led to a fundamental shift in Building Products sales margin. Precast has inherently lower margins due to the supply and install nature of the business.

Including the businesses acquired in the first half **employee** numbers increased by 87, or 6.2%. On a like for like basis excluding acquisitions, employee numbers reduced by 24, or 1.8%. This reduction in employee levels was brought about by the continued drive for operational excellence and efficiency.

The Lost Time Injury Frequency Rate (**'LTIFR'**) of 2.8 for the six months ended 31 January 2011 was a further improvement to the LTIFR of 3.0 reported for the 2009/10 financial year, even though the Total Reportable Injury Frequency Rate ('TRIFR') increased.

As part of Brickworks' ongoing program of providing world class selection and **display centres** a substantial upgrade of the display centres at Armadale in Western Australia, Horsley Park and Bowral in New South Wales and Christchurch in New Zealand were completed in 2010. A number of new design centres were also completed during the year including Geelong in Victoria, Busselton in Western Australia and Cairns in Queensland. To maintain the company's market leading status a number of upgrades of existing displays and new centres are planned for the second half.

Capital expenditure increased to $20.5 million in the period, up from $9.2 million in the previous corresponding period. Stay in business capital expenditure was $9.2 million, representing 69.7% of depreciation. Major capital expenditure was $5.1 million including the expansion of the Wollert plant in Victoria and the commencement of the upgrades to the automated precast plant at Wetherill Park in New South Wales. In addition to the $14.3 million, $6.6 million was also spent acquiring strategic properties for the Building Products business.

Emissions increased by 3.4% to 224,708 tonnes of greenhouse gases[4] during the half compared to the previous corresponding period due to increased production to meet demand and recently acquired businesses. Brickworks has been able to reduce total emissions by 29.3% from the peak in 2002/03 despite the substantial growth in the company. The company is committed to further reductions as evidenced by the construction of a new low emission brick plant in Victoria to replace a previous generation, high emission plant. This plant will reduce emissions by 40% compared to the facility being replaced.

Divisional Results

Austral Bricks™ overall brick sales volumes were up 5.5% in the six months to 31 January 2011 compared to the six months ended 31 January 2010, while net average selling prices were up 1.9%.

Manufacturing volumes were increased to match the increased demand and unit production costs were held steady despite energy costs increasing by 6.3% nationally.

New South Wales delivered a substantially improved result as the business took full advantage of the BER and social housing stimulus programs. Margins improved as average selling prices increased by 2.8% and manufacturing costs decreased by 2.1%. Compared to the previous corresponding period an extra plant ran for the entire half in New South Wales to meet improved demand.

The two brick plants in **Queensland** ran at less than optimal efficiency for the half due to poor demand caused by reduced affordability and the wet weather. It is anticipated that only one plant will operate in the third quarter of the year as the poor market conditions continue. Both brick plants were shut down for scheduled

[4] The emissions quoted are scope one and scope two emissions only and do not include fugitive emissions.

maintenance and to control stock levels in January so whilst sales were impacted, no production time was lost during the floods even though the water made it to the wall of the Riverview factory.

Western Australia contributed a lower EBIT with sales volumes affected by weaker building activity levels caused in part by the lack of affordable and titled land for development. In spite of the adverse market conditions and increased competition, average selling prices were maintained.

Manufacturing costs were well contained in Western Australia. Two plants were taken off line over the Christmas period for scheduled maintenance and to manage stock levels.

Earnings from **Victoria** lifted significantly in the period, reflecting the strong market conditions. Sales volumes increased in line with the lift in market activity. Average selling prices were constrained by the increased proportion of sales to higher volume lower margin builders. The result could have been even better if not for significant rainfall during the period that led to delays in the construction program of most builders.

South Australia produced its fifth year in a row of increased first half earnings with sales volumes and EBIT both up significantly on the prior period. A shortage of high value pavers due to all available capacity being applied to produce bricks lead to a reduction in average selling price. However the slight drop in selling prices was more than offset by a 6.6% decrease in manufacturing costs. The plant has been maintained at maximum capacity throughout the period and all products have been returned to stock and selling prices have increased.

Tasmania delivered a substantially improved result on lower sales volumes in spite of the weaker levels of building activity in the period. Average selling prices were able to be increased by 8.6% and manufacturing costs reduced by 10.1%, resulting in solid improvement in margins.

Despite the deterioration in market conditions in **New Zealand** the business achieved a substantially improved result. The focus on optimising the national distribution network, introducing premium products to the market and reducing overheads led to the improved result.

Austral Masonry™ has the greatest exposure to Queensland of any of the Building Products businesses and was adversely impacted by the extraordinary weather, particularly in the second quarter. On a like for like basis, excluding the Port Kembla acquisition, sales volumes were down 5.0% for the six months ended 31 January 2011, however up over 20% including Port Kembla. Average selling prices were able to be increased by 2.6% compared to the prior period, assisted by the introduction of a greater product range.

The wet weather caused a number of plant closures due to plants being isolated, employees being unable to attend work and issues with supply of raw materials. As a result of the weather impacts, energy cost increases and rising packaging costs, unit manufacturing costs were up 5.9%.

Bristile Roofing™ achieved another lift in earnings as sales volumes on the east coast were steady despite the adverse trading conditions. The average selling price improved by 3.0% as the first home owner work diminished. Production costs rose on lower volumes as production time was lost in Queensland due to the weather and the Dandenong plant in Victoria was closed for scheduled maintenance over the Christmas period.

In Western Australia average selling prices increased in the half as the proportion of first home owner work diminished. Sales volumes also increased compared to the prior period as market share gains achieved through innovative new products have been consolidated.

Austral Precast™ provided a positive, if not significant, contribution to earnings in the first half. It was previously reported that the overall precast business was at break even position. The integration and turnaround plan is already beginning to deliver results and it is anticipated that profitability will continue to improve.

Auswest Timbers™ delivered another improved result primarily due to increased margins as the growth in average selling prices was double the increase in unit manufacturing costs. The increase in selling prices is a result of the strategy to reposition the product mix more towards higher margin value added products. Sales volumes were steady compared to the previous corresponding period.

Brickworks Land and Development

Land and Development produced an EBIT of $20.6 million for the half year ended 31 January 2011, an increase of 67.5% from $12.3 million for the prior period.

Property Sales contributed an EBIT of $14.9 million for the six months to 31 January 2011 and comprised the sale of two lots on the M7 Business Hub Estate. There is only 4 hectares of undeveloped land remaining in the estate from a total of 150 hectares.

Earnings from the JV **Property Trusts** resulted in an EBIT of $5.5 million for the half, up 37.5% from $4.0 million in the previous corresponding period.

Net property income distributed from the Trust decreased to $3.0 million from $3.6 million in the prior corresponding period due to a one off refinancing cost in the Erskine Trust.

Capitalisation rates have now stabilised at 8.0% to 8.5%. Increases in rentals led to revaluation adjustments during the six months to 31 January 2011 contributing $2.5 million, up substantially from $440,000 in the prior period.

No developments were completed in the six months to 31 January 2011. The construction of two new facilities on the Oakdale estate for DHL totalling 36,000m2 are well underway and scheduled for completion in the second half of 2011.

Total Property Trust assets at 31 January 2011 were $609.1 million, with borrowings of $243.5 million, giving a total net value of $365.6 million. Brickworks share of the Trust's net assets was $182.8 million, up $6.8 million from 31 July 2010.

Waste Management EBIT was $1.1 million for the six months to 31 January 2011, up 51.5% from $726,000 in the previous corresponding period.

Brickworks Investments

Washington H. Soul Pattinson & Co Limited ('WHSP')

Investments contributed $37.9 million normalised earnings, including $1.0 million in interest received. Brickworks' investment in WHSP returned a normalised contribution of $36.9 million for the half year ended 31 January 2011, down 7.8% from $40.0 million in the previous corresponding period. Brickworks' investment also contributed the $83.4 million non-regular item before tax as previously mentioned.

The market value of Brickworks 42.85% share holding in WHSP was $1.261 billion, down 5.4% or $68.0 million, from $1.329 billion at 31 July 2010. During the period fully franked dividends of $33.2 million were received.

WHSP has a compound annual return of 13.7% over the 15 years to 31 January 2011, outperforming the ASX All Ordinaries Accumulation Index by 4.4% per annum over this period.

WHSP holds a significant investment portfolio in a number of listed companies including Brickworks, New Hope Corporation, TPG Telecom, API, BKI Investment Company, Clover, Ruralco and Souls Private Equity.

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 expands 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, which crossed the coast on 3 February 2011. 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. The thoughts of Directors and staff are with the people of New Zealand during this difficult time.

Outlook

Building Products

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.

The Gillard government's proposed **carbon tax** will raise further the price of all building materials. This will negatively impact housing affordability throughout Australia at a time when it is already unaffordable and construction levels are well below underlying demand. The end result will be manufacturing and investment moving offshore, jobs will be put at risk, the cost of housing will increase and there will be no reduction to carbon emissions.

Investment in new housing has suffered from recent interest rate increases and any further rate rises will significantly constrain new dwelling construction.

Demand for new dwellings is patchy and varies by State. There is a significant housing shortage in New South Wales and a change in government may result in policy changes to address the land supply and affordability constraints. There is a continued record level of construction activity in Victoria. The rental vacancy rate is reducing in Western Australia, indicating any oversupply is being quickly reduced.

Queensland has a substantial oversupply of units in tourist areas and housing affordability relative to the other eastern states is poor. Queensland is expected to make a slow recovery due to reduced levels of interstate migration. Past experience suggests any demand driven by rebuilding after the recent floods and cyclone will take at least 12 months to flow through.

New Zealand has been greatly affected by the earthquakes and the rebuilding process is expected to take a number of years to complete with an estimated 13,000 replacement homes required in Christchurch. This is one year's construction at the current national rate.

The expansion of the new Austral Bricks plant at **Wollert** is expected to be commissioned in the next financial year. The replacement of existing capacity with a state of the art, low cost manufacturing facility in the strongest building market in Australia will provide a boost to earnings.

Nationally, the commercial and industrial construction markets are expected to improve in the coming year. Improving market conditions, operational efficiencies and synergies will contribute to an improved contribution for the **precast** business in the second half. Austral Precast has recently won a number of large contracts and the order bank has grown substantially.

Land and Development

Land and Development is expected to be steady on last year as the pipeline of development work increases and pre-lease enquiry levels improve, albeit from a very low base. Brickworks continues to work on opportunities to realise the maximum value from the land bank.

Investments

Returns from the investment in WHSP for the second half will be impacted by any interruptions to NHC and API earnings caused by the Queensland floods.

Brickworks Group

Brickworks is expected to deliver another solid result.

Rounding of amounts

The consolidated entity has applied the relief available to it under ASIC Class Order 98/0100 and accordingly amounts in the financial report and the Directors' report have been rounded off to the nearest $1,000 where allowed under that class order.

Auditor's independence declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 9 for the half year ended 31 January 2011.

Made in accordance with a resolution of the Directors at Sydney.

Dated 24 March 2011

R D MILLNER	L R PARTRIDGE
Director	Director

Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

Auditor's Independence Declaration to the Directors of Brickworks Limited

In relation to our review of the financial report of Brickworks Limited for the half-year ended 31 January 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

R Robinson

Renay Robinson
Partner
24 March 2011

BRICKWORKS LIMITED AND CONTROLLED ENTITIES
A.B.N. 17 000 028 526

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 JANUARY 2011

	NOTE	CONSOLIDATED 31 JAN 11 $000	31 JAN 10 $000
Revenue	2	327,700	319,125
Cost of sales		(224,810)	(232,966)
Gross profit		102,890	86,159
Other income		2,099	517
Distribution expenses		(28,099)	(24,234)
Administration expenses		(10,373)	(9,048)
Selling expenses		(28,596)	(26,796)
Finance costs	2	(9,174)	(12,244)
Other expenses		(7,199)	(6,123)
Share of net profits of associates and joint ventures accounted for using the equity method	2, 5, 6	126,415	41,999
Profit from ordinary activities before income tax expense		147,963	50,230
Income tax attributable to profit from ordinary activities	3	(30,905)	37,970
Profit from ordinary activities after related income tax expense		**117,058**	**88,200**
Other comprehensive income			
Cash flow hedge gain / (loss) taken to equity		-	(75)
Foreign currency translation		(310)	(160)
Share of increments / (decrements) in reserves attributable to associates		(75,917)	7,751
Income tax on items of other comprehensive income		23,270	(1,754)
Other comprehensive income for the period, net of tax		(52,957)	5,762
Total comprehensive income for the period		64,101	93,962
Net profit attributable to members of the parent entity		117,058	88,200
Total comprehensive income for the period attributable to members of the parent entity		64,101	93,962
Basic earnings per share (cents per share)		79.6	63.0
Diluted earnings per share (cents per share)		79.6	63.0

BRICKWORKS LIMITED AND CONTROLLED ENTITIES

A.B.N. 17 000 028 526

BALANCE SHEET AS AT 31 JANUARY 2011

		CONSOLIDATED	
	NOTE	31 JAN 11 $000	31 JULY 10 $000
CURRENT ASSETS			
Cash assets		53,322	73,353
Receivables		98,900	98,761
Held for trading financial assets		14	15
Inventories		148,661	139,265
Land held for resale		1,249	6,340
Income tax receivable		2,366	3,418
Other		8,060	6,241
TOTAL CURRENT ASSETS		312,572	327,393
NON-CURRENT ASSETS			
Receivables		201	201
Derivative financial instruments		2,054	-
Inventories		8,473	8,533
Land held for resale		23,742	23,742
Investments accounted for using the equity method		1,213,267	1,189,127
Property, plant and equipment		454,256	432,069
Intangible assets		284,053	283,920
TOTAL NON-CURRENT ASSETS		1,986,046	1,937,592
TOTAL ASSETS		2,298,618	2,264,985
CURRENT LIABILITIES			
Payables		63,916	68,832
Derivative financial instruments		594	-
Interest-bearing liabilities	7	300,000	-
Provisions		32,864	29,909
TOTAL CURRENT LIABILITIES		397,374	98,741
NON-CURRENT LIABILITIES			
Derivative financial instruments		1,366	1,404
Interest-bearing liabilities	7	-	300,000
Provisions		24,246	25,964
Deferred tax items		192,191	188,942
TOTAL NON-CURRENT LIABILITIES		217,803	516,310
TOTAL LIABILITIES		615,177	615,051
NET ASSETS		1,683,441	1,649,934
EQUITY			
Contributed equity	8	322,021	322,666
Reserves		316,529	367,217
Retained profits		1,044,891	960,051
TOTAL EQUITY		1,683,441	1,649,934

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 JANUARY 2011

31 JANUARY 2011 ($000)	NOTE	Ordinary Share	Treasury Stock	Capital Profits Reserve	Cash Flow Hedge Reserve	Equity Adjust-ments Reserve	General Reserve	Foreign Currency Reserve	Share Based Payments Reserve	Associates Reserve	Retained Earnings	Total
Total equity at beginning of the half year		329,047	(6,381)	88,102	-	(44,941)	36,125	(1,643)	1,024	288,550	960,051	1,649,934
Net profit for the half year		-	-	-	-	-	-	-	-	-	117,058	117.058
Other comprehensive income for the half year		-	-	-	-	23,270	-	(310)	-	(75,917)	-	(52,957)
Total comprehensive income for the half year		-	-	-	-	23,270	-	(310)	-	(75,917)	117,058	64,101
Transactions with owners in their capacity as owners												
Dividends provided or paid during the half year	4	-	-	-	-	-	-	-	-	-	(32,248)	(32,248)
Issue of shares	8	3,768	-	-	-	-	-	-	-	-	-	3,768
Purchase/Issue of shares through employee share plan	8	-	(4,552)	-	-	-	-	-	-	-	-	(4,552)
Shares vested to employees	8	-	140	-	-	-	-	-	-	-	-	140
Share of associates transfer to outside equity interests		-	-	-	-	-	-	-	-	-	30	30
Share based payments		-	-	-	-	-	-	-	2,268	-	-	2,268
		3,768	(4,412)	-	-	-	-	-	2,268	-	(32,218)	(30,594)
Total equity at the end of the half year		332,815	(10,793)	88,102	-	(21,671)	36,125	(1,953)	3,292	212,633	1,044,891	1,683,441
31 JANUARY 2010 ($000)												
Total equity at beginning of the half year		151,095	(4,574)	88,102	8	(39,963)	36,125	(1,624)	-	270,925	871,355	1,371,449
Net profit for the half year		-	-	-	-	-	-	-	-	-	88,200	88,200
Other comprehensive income for the half year		-	-	-	(75)	(1,754)	-	(160)	-	7,751	-	5,762
Total comprehensive income for the half year		-	-	-	(75)	(1,754)	-	(160)	-	7,751	88,200	93,962
Transactions with owners in their capacity as owners												
Dividends provided or paid during the half year	4	-	-	-	-	-	-	-	-	-	(31,563)	(31,563)
Issue of shares	8	177,944	-	-	-	-	-	-	-	-	-	177,944
Purchase of shares through employee share plan	8	-	(4,313)	-	-	-	-	-	-	-	-	(4,313)
Shares vested to employees	8	-	10	-	-	-	-	-	-	-	-	10
Share of associates transfer to outside equity interests		-	-	-	-	-	-	-	-	-	(3,213)	(3,213)
Share based payments		-	-	-	-	-	-	-	1,830	-	-	1,830
		177,944	(4,303)	-	-	-	-	-	1,830	-	(34,776)	140,695
Total equity at the end of the half year		329,039	(8,877)	88,102	(67)	(41,717)	36,125	(1,784)	1,830	278,676	924,779	1,606,106

These statements should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 JANUARY 2011

	NOTE	CONSOLIDATED 31 JAN 11 $000	31 JAN 10 $000
Cash flows from operating activities			
Receipts from customers		353,310	322,559
Payments to suppliers & employees		(321,462)	(287,529)
Interest received		988	1,131
Interest paid		(9,971)	(10,254)
Dividends received		35,588	48,500
Income tax paid		(3,309)	(10,883)
Net cash flows from / (used in) operating activities		55,144	63,524
Cash flows from investing activities			
Proceeds from the sale of investments		-	4
Purchases of investments		(2,750)	(3,895)
Payment for business acquisition	10	(14,160)	-
Proceeds from sale of property, plant & equipment		2,421	1,652
Purchases of property, plant & equipment		(21,548)	(9,689)
Net cash flows from / (used in) investing activities		(36,037)	(11,928)
Cash flows from financing activities			
Proceeds from borrowings		-	30,000
Repayment of borrowings		-	(130,000)
Proceeds / (costs) from issue of shares	8	(10)	173,642
Loan (to) / from other entity		715	714
Dividends paid	4	(39,843)	(39,017)
Net cash flows from / (used in) financing activities		(39,138)	35,339
Net increase / (decrease) in cash held		(20,031)	86,935
Cash at beginning of half year		73,353	17,916
Cash at end of half year		53,322	104,851

These statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2011

NOTE 1: BASIS OF PREPARATION

The half year consolidated financial report is a condensed general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, and AASB 134: Interim Financial Reporting, and other mandatory professional reporting requirements.

The condensed half year general purpose financial report does not include full disclosures of the type normally included in an annual financial report, and as such this financial report should be read in conjunction with the annual financial report for the year ended 31 July 2010, and any public announcements made by Brickworks Limited and its controlled entities during the half year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the group and are consistent with those of the most recent annual financial report for the year ended 31 July 2010.

NOTE 2: SIGNIFICANT REVENUE AND EXPENSES

The following items are relevant to explaining the financial performance for the half year:

	CONSOLIDATED	
	31 JAN 11 $000	31 JULY 10 $000
REVENUES		
Building products	303,501	263,028
Property	23,205	54,961
Investments	994	1,136
Total revenue	327,700	319,125
FINANCE COSTS		
Interest cost	10,672	10,548
Mark to market derivatives	(1,498)	1,696
Total finance costs	9,174	12,244
PROPERTY TRUST PROFITS		
Fair value adjustment of properties	2,485	440
Property Trust rental profits	3,063	3,565
Total profits from Property Trusts	5,548	4,005

NOTE 2: SIGNIFICANT REVENUE AND EXPENSES (cont.)

	CONSOLIDATED	
	31 JAN 11 $000	31 JULY 10 $000
OTHER SIGNIFICANT ITEMS		
Write down assets to net realisable value		
Buildings, Plant & Equipment (1)	-	(2,701)
Inventories (2)	-	(3,104)
Business acquisition costs (1)	(2,193)	-
One off costs on closure of manufacturing facilities		
Redundancy costs (1)	(810)	(1,007)
Provision for remediation and site rehabilitation (1)	-	(89)
Mark to market of derivative financial instruments (4)	-	(1,696)
Additional profit / (loss) due to significant one-off transactions of Washington H Soul Pattinson & Co Ltd (3)	83,425	(2,082)
Other significant items (1)	(309)	-
Total significant items	80,113	(10,679)
Tax effect of above transactions	(24,034)	3,177
Tax adjustment for WHSP carrying value	-	38,688
Total significant items after income tax	56,079	31,186

(1) Disclosed in "Other expenses" line on Income Statement
(2) Disclosed in "Cost of Sales" line on Income Statement
(3) Disclosed in "Share of net profits of associates" line on Income Statement
(4) Disclosed in "Finance costs" line on Income Statement

NOTE 3: INCOME TAX EXPENSE

Current Tax	3,801	(2,376)
Deferred Tax	27,246	(36,066)
Under / (over) provided in prior years	(142)	472
	30,905	(37,970)

NOTE 4: DIVIDENDS

Final ordinary dividend (prior year) of 27.0 cents per share paid 01/12/10 (2009 - 26.5c paid 09/12/09)	39,843	39,017
Group's share of dividend received by associated company	(7,595)	(7,454)
	32,248	31,563
Proposed interim ordinary dividend of 13.5 cents per share (2010 - 13.0c paid 20/05/10) and recognised as a liability	19,922	19,141

All dividends paid and proposed have been or will be fully franked at the rate of 30%

NOTE 5: ASSOCIATED ENTITIES

Information relating to significant associated entites is set out below:

	Ownership interest		Contribution to profit	
	31 JAN 11 %	31 JAN 10 %	31 JAN 11 $000	31 JAN 10 $000
Washington H Soul Pattinson & Co Ltd	42.85	42.85	120,368	37,862

NOTE 6: JOINTLY CONTROLLED ENTITIES

Information relating to significant jointly controlled entities (JV's) is set out below:

BGAI CDC Trust	50.00	50.00	2,168	2,830
BGAI Erskine Trust	50.00	50.00	1,002	1,101
BGAI TTP Trust	50.00	50.00	796	341
BGAI Capicure Trust	50.00	50.00	372	(496)
BGAI Heritage Trust	50.00	50.00	1,073	(6)
BGAI Oakdale Trust	50.00	50.00	-	-
BGAI Wacol Trust	50.00	50.00	137	235
Other jointly controlled entities			499	131
Fair value adjustments on completion of developments			-	-
			6,047	4,136

NOTE 7: BORROWINGS

	CONSOLIDATED	
	31 JAN 11 $000	31 JULY 10 $000
Current		
Commercial Bills	300,000	-
Non-Current		
Commercial Bills	-	300,000

The Group has a 3 year term facility currently drawn to $300 million which expires in August 2011. As a result, all borrowings under this facility are classified as current on the balance sheet. Brickworks has started negotiating this facility with its banking syndicate and expects that a replacement facility will be implemented prior to the end of the July 2011 financial year.

NOTE 8: CONTRIBUTED EQUITY

	CONSOLIDATED	
	31 JAN 11	**31 JULY 10**
	$000	**$000**
Fully paid ordinary shares	332,815	329,047
Reserved shares	(10,794)	(6,381)
	322,021	322,666
ORDINARY SHARES		
Opening balance	329,047	151,095
Shares issued during the period	3,778	178,416
Costs associated with shares issued	(10)	(464)
Balance at end of period	332,815	329,047
	No.	**No.**
Opening balance	147,235,904	132,872,050
Shares issued during the period	331,429	14,363,854
Balance at end of period	147,567,333	147,235,904
	$000	**$000**
RESERVED SHARES		
Opening balance	6,381	4,574
Reserved shares acquired by share plan	4,552	4,313
Reserved shares vested during period	(140)	(2,506)
Balance at end of period	10,793	6,381
	No.	**No.**
Opening balance	496,210	377,035
Reserved shares acquired by share plan	396,509	319,818
Reserved shares vested during period	(4,615)	(200,643)
Balance at end of period	888,104	496,210

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 JANUARY 2011

NOTE 9: SEGMENT INFORMATION

	Building Products		Property		Investments		Consolidated	
	31 JAN 11	31 JAN 10	31 JAN 11	31 JAN 10	31 JAN 11	31 JAN 10	31 JAN 11	31 JAN 10
	$000	$000	$000	$000	$000	$000	$000	$000
REVENUE								
Segment revenue	303,501	263,028	23,205	54,961	994	1,136	327,700	319,125
RESULT								
Segment EBITDA	35,614	34,623	20,616	12,370	37,937	41,079	94,167	88,072
Less depreciation and amortisation	(13,220)	(12,815)	-	-	-	-	(13,220)	(12,815)
Segment EBIT	**22,394**	**21,808**	**20,616**	**12,370**	**37,937**	**41,079**	**80,947**	**75,257**
Less significant items	(3,312)	(6,901)	-	-	83,425	(2,082)	80,113	(8,983)
Segment result	19,082	14,907	20,616	12,370	121,362	38,997	161,060	66,274
Unallocated expenses								
Finance costs							(9,174)	(12,244)
Other unallocated expenses							(3,923)	(3,800)
Profit from ordinary activities before income tax expense							147,963	50,230
Income tax expense							(6,871)	(3,895)
Significant income tax items							(24,034)	41,865
Profit from ordinary activities after income tax expense							117,058	88,200

Building Products division manufactures vitrified clay, concrete and timber products used in the building industry.

Property division considers further opportunities to better utilise land owned by the Brickworks Group, including the sale of property and investment in property trusts.

Investment division holds investments in the Australian share market, both for dividend income and capital growth, and includes the Group's investment in Washington H Soul Pattinson and Co. Ltd.

There are no inter-segment revenues within the group.

NOTE 10: BUSINESS ACQUISITIONS

On 1 September 2010 the Group acquired the business and assets of GoCrete and Girotto Precast, a manufacturer of precast concrete panels in Brisbane, Sydney, Melbourne and Perth, to increase market share in the precast concrete panel market and create a national precast panel footprint. Details of the net assets acquired under this transaction are set out below, with all values determined provisionally at balance date.

	2011 **$000**
Cost of acquisition	
Cash paid	14,160
Net assets acquired	
Inventory	1,091
Property, plant & equipment	13,800
Other assets	350
Employee entitlements assumed	(1,081)
Fair value of net assets acquired	14,160
Direct costs relating to the acquisition	(2,193)

Upon acquisition the acquired business was integrated within the existing Brickworks business and systems. As a result, specific financial information relating to the acquired business is not available and therefore it is impracticable to disclose the revenue and profit or loss of the acquiree since the acquisition date.

It is impracticable to restate the revenue or profit of the combined entity for the period as if the acquisition date for these business combinations effected during the period had been at the beginning of the period, as the legal entities that had been operating those businesses were not acquired, and the financial information of those entities provided to the Group to allow consideration of the purchase of those businesses is subject to signed confidentiality agreements. For the same reason we cannot disclose the carrying amounts of those assets immediately prior to the acquisition.

DIRECTORS' DECLARATION

The Directors' of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 19, are in accordance with the Corporations Act 2001:

   a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

   b. give a true and fair view of the economic entity's financial position as at 31 January 2011 and of its performance for the half year ended on that date.

2. 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.

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

Dated 24 March 2011

R D MILLNER Director	L R PARTRIDGE Director

Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

To the members of Brickworks Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Brickworks Limited (the company), which comprises the balance sheet as at 31 January 2011, the statement of comprehensive income, statement of changes in equity and 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 director's declaration of the consolidated entity comprising the company and the entities controlled at the half-year end or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 January 2011 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 Brickworks Limited and the entities it controlled during the half year, 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 other 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included by reference in the Directors' Report.

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

a) giving a true and fair view of the consolidated entity's financial position as at 31 January 2011 and of its performance for the half year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

Ernst & Young

R Robinson

Renay Robinson
Partner
Sydney
24 March 2011