

## **HALF YEARLY RESULTS**

### **BRICKWORKS LIMITED**

#### **SIX MONTHS ENDED 31 DECEMBER 2000**

Brickworks' half year result to December combines improved investment performance and a significantly higher equity accounted profit from associates with a downturn in clay products in tougher markets.

The clay products business, despite more difficult trading conditions, performed well and maintained its margins. With this performance offset by higher contributions from the other components of Brickworks' business, shareholders have been cushioned from bearing the full brunt of this market downturn.

The overall solid performance of the company has enabled directors to increase the dividend and pay a special dividend.

### **RESULTS**

The Equity Accounted Profit increased by 109% to \$43.6 million over the same period last year.

The Pre-Equity Accounted Operating Profit After Tax for the six months to December 2000 decreased by 16% to \$17.2 million.

The net profit before tax from clay products decreased by 25% to \$10.5 million on a 23% decrease in revenue to \$58.3 million.

The reported result from investments increased 45% to \$4.7 million.

Associate Dividends decreased by 29% to \$6.1 million while the equity accounted result increased 258% to \$32.5 million due to abnormal profits in Washington H. Soul Pattinson Ltd (WHSP) in the six months to 31 July 2000. This abnormal profit resulted from the merger of WHSP's pharmaceutical business with Australian Pharmaceutical Industries (API).

The directors have declared a 9% increase in the interim dividend to 6 cents per share fully franked (5.5 cents per share last year) and an increased special dividend of 4 cents per share fully franked (2.5 cents per share last year). This is the seventh special dividend in succession.

## **SHARE SPLIT**

On the 18th December 2000, shareholders in general meeting approved a ten for one share split thereby increasing the number of ordinary shares on issue tenfold to 131,723,600.

Since the announcement of the share split at the AGM held on 3rd November 2000, the share price has increased from \$4.15 per share to \$5.28 as at 26th February 2001 and the number of shareholders has also increased from less than 1,100 to approximately 1,500.

## **CLAY PRODUCTS**

### **Bricks and Pavers**

(The Austral Brick Company Pty Ltd)

In the first quarter, a significant downturn was experienced following on from the effect of the GST, even though a significant backlog of work still existed and a number of jobs were either stockpiled or rushed to completion prior to the Olympics.

During the Olympic period many building companies closed down, as did most approval bodies. After the Olympics, in the second quarter, the GST induced backlog was finally cleared and sales dropped further to the underlying real demand.

These one off events caused a significant disruption to normal trading conditions.

Total brick sales fell 27% during the six months compared to the prior year. It was encouraging that average selling prices continued to improve and clay products' net profit before tax margin was maintained at 18% of sales revenue.

All factories were maintained at full capacity to rebuild stocks, which were completely exhausted at the end of the previous financial year.

Production units and unit costs were in line with the previous corresponding period. Improved efficiencies in a number of plants were offset by changed product mix and long overdue Christmas maintenance closures.

Total inventory increased \$6.7 million to \$16.8 million. Even allowing for this increase, stock supply in some lines is still very tight.

Trade debtors fell during the same period from \$22.7 million to \$14.9 million. Tight control in credit has been maintained during these volatile times.

## **Tiles**

(The Austral Tile Company Pty Ltd)

In the first quarter of the financial year sales were limited by a lack of stock. In the second quarter following the Olympics, the market deteriorated with sales down 19% in total for the entire period.

Difficulties in recommissioning an additional idle kiln held back the production effort.

The tile factory is at full capacity and will experience flat trading conditions until the new works comes on line.

## **EXPORTS**

After a slow start in the beginning of the period exports firmed strongly in the last three months with sales volumes increasing by 25% over the same six month period in the previous year.

Strong inroads have been made into the Japanese market, which is expected to allow the strong growth in export to continue during the balance of the financial year.

Pavers and brick facings are mainly sold to this market and are produced and exported from the Queensland operations.

Sales to New Zealand decreased due to lower housing starts in that market. Sales to Hong Kong and Taiwan improved.

Austral will continue developing new products for the export market in an effort to sustain this strong and profitable growth in sales revenue.

## **CAPITAL EXPENDITURE**

Capital expenditure during the first half totalled \$3.9 million, including the initial expenditure on the new tile factory at Punchbowl.

The approval process has delayed the commencement of construction of the plant, but we are now able to report that all approvals necessary have been received and

installation will commence almost immediately. The plant is scheduled for first kiln push in November this year.

Further falls in production cost at Riverview have been achieved after the successful implementation of the company's first robot operated de hacker. Capital expenditure was \$1.6 million to replace the existing palletised brick packaging system.

Depreciation for the half increased by 2.6% to \$4.6 million.

## **LAND AND PROPERTY**

Brickworks continues to look at opportunities to realise surplus land holdings.

At Brookvale, where the company has entered into an agreement with Clarendon Apartments for the development of the decommissioned Brookvale brick factory, the new Warringah Shire Council Local Environmental Plan (LEP) has been gazetted by State Government, which has affectively rezoned the Brookvale site for redevelopment with residential units. The Development Application has recently been submitted to Warringah Shire Council. The total number of units on the site or the likely development conditions will not be known until this approval is received.

On the Punchbowl site, where the new tile factory is being built, contracts for the sale of surplus land holdings with a value of in excess of \$4 million have been exchanged. Final settlement of these will take place once the Council has approved the subdivision.

At Mamre Road, St Marys, the company has some 65 hectares of land. This is zoned employment under Penrith Council's Local Development Plan. The company has submitted a development application to subdivide this into commercial lots. The company continues to work with the council officers towards a successful approval for this property.

At Eastwood the company has 14.7 hectares. The company and its predecessors have been manufacturing bricks on this site since the turn of the twentieth century. The clay reserves here are nearing exhaustion and it is the company's intention to develop the site at the cessation of brickmaking in three to five years.

## **WASTE MANAGEMENT**

During the period negotiations were held with a number of potential parties to form a joint venture for the development of the company's approved landfill site at Plant 1, Wallgrove Road, Horsley Park. Unfortunately negotiations have not been finalised. The Development Application has been extended by one year by Fairfield City Council, giving adequate time for the company to explore all opportunities.

## **WHSP**

Brickworks owns 42.85 per cent of WHSP.

Equity accounted profit from WHSP, excluding its abnormal profit, reflected WHSP's 11 per cent lift in profit to \$49.7 million for the year to July, including contributions from operations in coal, investments, media and pharmaceutical.

An abnormal profit of \$56 million related to the profit on sale of investments and the profit on the merger of the pharmaceutical manufacturing and wholesaling businesses with API.

## **INVESTMENT ACTIVITIES**

The market value of the Brickworks share portfolio excluding Washington H Soul Pattinson increased \$8.1 million to \$134.5 million in the six months to December 2000. This included \$4.8 million purchase of investments in such companies as

Computershare, Bank of Queensland Repts, Graincorp, Telstra 2 instalments, Campbell Brothers, Stockland Trust, Crane Group, ASX and Choiseul Investments.

The return on the share portfolio was 7% for the six months, including unrealised gains. The realised profit after tax of \$4.2 million included \$1.1 million from the disposal of Norths Ltd shares in its takeover by Rio Tinto Ltd.

## **RECENT DEVELOPMENTS**

The wholly owned subsidiary of Brickworks Limited, The Austral Brick Company Pty Ltd, has contracted to buy Bowral Brickworks Pty Ltd located in Bowral NSW.

The company is to be bought for approximately \$4.3 million, plus \$2.1 million in inventories. In addition to the 27 hectare factory site, there are two clay and shale properties totalling approximately 130 hectares with reserves in excess of 40 years. The company assets will also include an approved landfill site at Bowral and franking credits in excess of \$2 million.

The ACCC has advised that it "does not propose to intervene in the matter pursuant to Section 50 of the Trade Practices Act 1974".

The Bowral Brickworks was founded in 1915 and has been operating at an annual capacity of 24 million bricks per annum. The plant produces traditional dry press bricks and pavers from the "Ashfield" shale deposits on site, as well as extruded bricks and pavers. It has a traditional Downdraft and Hoffman kiln plant dating back to 1915 as well as a "Walter" tunnel kiln plant built in the 1970's.

Bowral has a very strong brand presence, particularly in the architectural market.

It is the company's intention to sustain dry press production at Bowral after the closure of Eastwood.

## **OUTLOOK**

It is anticipated that results in the next six months will be steady following increases in housing approvals and the lowering of official interest rates.

**R.D. MILLNER**  
**CHAIRMAN**

## SUMMARY OF RESULTS

### 6 MONTHS ENDED DECEMBER

	1996	1997	1998	1999	2000
Clay Product Revenue (\$000's)	47,542	55,508	60,299	76,027	58,349
Clay Product NPBT (\$000's)	1,749	5,872	10,856	13,973	10,459
Investment NPBT (\$000'S)	2,584	3,335	3,824	3,274	4,736
Associates \$000's (i)	3,579	4,090	9,660	9,068	32,481
Total NPBT (\$000's)	7,912	13,297	24,340	26,316	47,676
Income Tax (\$000's)	1,066	2,449	4,282	5,486	4,097
Net Profit after tax \$000's	6,846	10,848	20,058	20,830	43,579
Earnings per Share (ii)	5.2¢	8.2¢	15.2¢	15.8¢	33.1¢
Dividends per Share (ii)	5¢	10¢	7.5¢	8¢	10¢
NTA per Share (ii)	\$2.22	\$2.21	\$3.25	\$3.45	\$3.78
Return on Shareholder Equity (annualised)	3.8%	6.4%	6.5%	8.7%	13.2%

#### Notes

- (i) Associates includes the Equity Accounted profit for 1998, 1999 and 2000 and the dividend received from Associates for all prior years.
- (ii) Earnings, Dividends and NTA per share in previous years are adjusted for the effect of the 10 for 1 share split.

## **BRICKWORKS LIMITED -TOP SHAREHOLDERS LIST**

### **AS AT 16 FEBRUARY 2001**

	<u>Units</u>	<u>%</u>
Washington H Soul Pattinson & Co Limited	65,645,140	49.83
GPG Australia Nominees Limited	12,706,940	9.65
Perpetual Nominees Limited (PMISF A/c)	9,046,500	6.87
Chase Manhattan Nominees Limited	5,138,966	3.90
AMP Life Limited	1,683,035	1.28
BT Custodial Services Pty Ltd (Equi A/c)	1,678,220	1.27
Mr. Kenneth Stanley Baker & Mrs Mona Isobel Baker	1,579,745	1.20
JS Millner Holdings Pty Limited	1,557,480	1.18
Perpetual Nominees Limited (ICIS A/c)	1,550,920	1.18
Australian Foundation Investment Company Limited	1,477,970	1.12
National Nominees Limited	1,268,650	0.96
Cogent Nominees Pty Limited	1,074,200	0.82
BT Custodial Services Pty Limited	984,000	0.75
Choiseul Investments Limited	869,130	0.66
Perpetual Trustees Australia Limited (ASF A/c)	657,040	0.50
GPG Australia Nominees Ltd	650,000	0.49
Milton Corporation Limited	614,580	0.47
QBE Investments Pty Limited	524,750	0.40
Mr James Millner	500,000	0.38
BT Custodial Services Pty Limited (Sub Cus A/c)	<u>473,270</u>	<u>0.36</u>
	<u>109,680,536</u>	<u>83.27</u>



# Appendix 4B (rule 4.13(b))

## Half yearly/preliminary final report

Introduced 1/7/2000.

Name of entity

BRICKWORKS LIMITED

ACN, ARBN or ARSN                      Half yearly                      Preliminary                      Half year/financial year ended ('current  
(tick)                      final (tick)                      period')

000 028 526                                                                  31 December 2000

### For announcement to the market

*Extracts from this report for announcement to the market (see note 1).*

\$A'000

Revenues from ordinary activities ( <i>item 1.1</i> )	down	16.5%	to	67,038
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members ( <i>item 1.20</i> )	up	109.2%	to	43,579
Profit (loss) from ordinary activities after tax attributable to members ( <i>item 1.23</i> )	up/down	109.2%	to	43,579
Profit (loss) from extraordinary items after tax attributable to members ( <i>item 2.5(d)</i> )	gain (loss) of			NIL
Net profit (loss) for the period attributable to members ( <i>item 1.11</i> )	up/down	109.2%	to	43,579

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend ( <i>Preliminary final report only - item 15.4</i> )		
Interim dividend ( <i>Half yearly report only - item 15.6</i> )		
- Ordinary Dividend	6¢	6¢
- Special Dividend	4¢	4¢
Previous corresponding period ( <i>Preliminary final report - item 15.5; half yearly report - item 15.7</i> )		
- Ordinary Dividend	5.5¢	5.5¢
- Special Dividend	2.5¢	2.5¢

+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) (*see item 15.2*)

29 March 2001

Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1 and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

+ See chapter 19 for defined terms.

### Consolidated profit and loss account

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues from ordinary activities	67,038	80,295
1.2 Expenses from ordinary activities ( <i>see items 1.24 + 12.5 + 12.6</i> )	51,843	63,048
1.3 Borrowing costs	-	-
1.4 Share of net profit (loss) of associates and joint venture entities ( <i>see item 16.7</i> )	<b>32,481</b>	<b>9,069</b>
<b>1.5 Profit (loss) from ordinary activities before tax</b>	<b>47,676</b>	<b>26,316</b>
1.6 Income tax on ordinary activities ( <i>see note 4</i> )	4,097	5,486
<b>1.7 Profit (loss) from ordinary activities after tax</b>	<b>43,579</b>	<b>20,830</b>
1.8 Profit (loss) from extraordinary items after tax ( <i>see item 2.5</i> )	-	-
<b>1.9 Net profit (loss)</b>	<b>43,579</b>	<b>20,830</b>
1.10 Net profit (loss) attributable to outside +equity interests	-	-
<b>1.11 Net profit (loss) for the period attributable to members</b>	<b>43,579</b>	<b>20,830</b>

### Consolidated retained profits

1.12 Retained profits (accumulated losses) at the beginning of the financial period	97,157	82,170
1.13 Net profit (loss) attributable to members ( <i>item 1.11</i> )	43,579	20,830
1.14 Net transfers to and from reserves	(27,950)	(5,562)
1.15 Net effect of changes in accounting policies	-	-
1.16 Dividends and other equity distributions paid or payable	(10,922)	(8,428)
<b>1.17 Retained profits (accumulated losses) at end of financial period</b>	<b>101,864</b>	<b>89,010</b>

### Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
1.18 Profit (loss) from ordinary activities after tax before outside equity interests ( <i>items 1.7</i> ) and amortisation of goodwill	43,579	20,830
1.19 Less (plus) outside +equity interests	-	-
<b>1.20 Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members</b>	<b>43,579</b>	<b>20,830</b>

+ See chapter 19 for defined terms.

**Profit (loss) from ordinary activities attributable to members**

	Current period \$A'000	Previous corresponding period \$A'000
1.21 Profit (loss) from ordinary activities after tax ( <i>item 1.7</i> )	43,579	20,830
1.22 Less (plus) outside +equity interests	-	-
<b>1.23 Profit (loss) from ordinary activities after tax, attributable to members</b>	<b>43,579</b>	<b>20,830</b>

**Revenue and expenses from ordinary activities**

*AASB 1004 requires disclosure of specific categories of revenue and AASB 1018 requires disclosure of expenses from ordinary activities according to either their nature of function. Entities must report details of revenue and expenses from ordinary activities using the layout employed in their accounts. See also items 12.1 to 12.6.*

	Current period \$A'000	Previous corresponding period \$A'000
1.24 Details of revenue and expenses		
Revenue		
Trading Revenue		
Sale of Goods	58,748	75,168
Other Revenue		
Interest received – other corporations	1,375	816
Dividends received – other corporations	3,222	2,369
Proceeds on disposal of:		
- Non current investments	3,265	333
- Property, plant and equipment	76	1,484
Rental Revenue	73	51
Other	279	74
<b>Total Revenue</b>	<b>67,038</b>	<b>80,295</b>
Expenses		
Depreciation of property plant and equipment		
Buildings	360	329
Plant and Equipment	4,270	4,183
	<b>4,630</b>	<b>4,512</b>
Unrealised loss – current investments	376	2
Charges to provision for		
- Employee entitlements	1,869	1,776
- Doubtful debts	135	351
- Other	39	52
Net loss on disposal of property plant and equipment	201	-

+ See chapter 19 for defined terms.

**Intangible and extraordinary items**

		<i>Consolidated - current period</i>			
		Before tax \$A'000  (a)	Related tax \$A'000  (b)	Related outside +equity interests \$A'000  (c)	Amount (after tax) attributable to members \$A'000  (d)
2.1	Amortisation of goodwill	-	-	-	-
2.2	Amortisation of other intangibles	-	-	-	-
<b>2.3</b>	<b>Total amortisation of intangibles</b>	-	-	-	-
2.4	Extraordinary items (details)	-	-	-	-
<b>2.5</b>	<b>Total extraordinary items</b>	-	-	-	-

**Comparison of half year profits**

*(Preliminary final report only)*

		Current year - \$A'000	Previous year - \$A'000
3.1	Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the <i>1st</i> half year (item 1.23 in the half yearly report)		
3.2	Consolidated profit (loss) from ordinary activities after tax attributable to members for the <i>2nd</i> half year		

+ See chapter 19 for defined terms.

<b>Consolidated balance sheet</b>		At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
<b>Current assets</b>				
4.1	Cash	1,243	3,852	319
4.2	Receivables	14,886	22,710	20,271
4.3	Investments	4,007	2,871	2,594
4.4	Inventories	16,866	10,140	16,192
4.5	Other – Short term money market investments	29,004	33,858	23,278
	Prepayments	1,425	441	1,013
<b>4.6</b>	<b>Total current assets</b>	<b>67,431</b>	<b>73,872</b>	<b>63,667</b>
<b>Non-current assets</b>				
4.7	Receivables	-	-	-
4.8	Investments (equity accounted)	203,430	172,554	169,971
4.9	Other investments	64,694	62,301	58,117
4.10	Inventories	-	-	-
4.11	Exploration and evaluation expenditure capitalised (see para .71 of <i>AASB 1022</i> )	-	-	-
4.12	Development properties (+mining entities)	-	-	-
4.13	Other property, plant and equipment (net)	201,171	202,096	203,388
4.14	Intangibles (net)	-	-	-
4.15	Other – Future tax benefit	2,327	2,584	2,442
<b>4.16</b>	<b>Total non-current assets</b>	<b>471,622</b>	<b>439,535</b>	<b>433,918</b>
<b>4.17</b>	<b>Total assets</b>	<b>539,053</b>	<b>513,407</b>	<b>497,585</b>
<b>Current liabilities</b>				
4.18	Payables	6,870	6,977	8,270
4.19	Interest bearing liabilities	-	-	-
4.20	Provisions	23,911	31,764	21,412
4.21	Other (provide details if material)	-	-	-
<b>4.22</b>	<b>Total current liabilities</b>	<b>30,781</b>	<b>38,741</b>	<b>29,682</b>
<b>Non-current liabilities</b>				
4.23	Payables	-	-	-
4.24	Interest bearing liabilities	-	-	-
4.25	Provisions	10,191	11,522	13,344
4.26	Other (provide details if material)	-	-	-
<b>4.27</b>	<b>Total non-current liabilities</b>	<b>10,191</b>	<b>11,522</b>	<b>13,344</b>
<b>4.28</b>	<b>Total liabilities</b>	<b>40,972</b>	<b>50,263</b>	<b>43,026</b>
<b>4.29</b>	<b>Net assets</b>	<b>498,081</b>	<b>463,144</b>	<b>454,559</b>

+ See chapter 19 for defined terms.

**Consolidated balance sheet continued**

	<b>Equity</b>			
4.30	Capital/contributed equity	139,409	139,409	139,409
4.31	Reserves	256,808	226,578	226,140
4.32	Retained profits (accumulated losses)	101,864	97,157	89,010
<b>4.33</b>	<b>Equity attributable to members of the parent entity</b>	<b>498,081</b>	<b>463,144</b>	<b>454,559</b>
4.34	Outside +equity interests in controlled entities	-	-	-
		<b>498,081</b>	<b>463,144</b>	<b>454,559</b>
<b>4.35</b>	<b>Total equity</b>			
4.36	Preference capital included as part of 4.33	-	-	-

**Exploration and evaluation expenditure capitalised**

*To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.*

	Current period \$A'000	Previous corresponding period - \$A'000
5.1	Opening balance	N/A
5.2	Expenditure incurred during current period	
5.3	Expenditure written off during current period	
5.4	Acquisitions, disposals, revaluation increments, etc.	
5.5	Expenditure transferred to Development Properties	
<b>5.6</b>	<b>Closing balance as shown in the consolidated balance sheet (item 4.11)</b>	

**Development properties**

*(To be completed only by entities with mining interests if amounts are material)*

	Current period \$A'000	Previous corresponding period - \$A'000
6.1	Opening balance	N/A
6.2	Expenditure incurred during current period	
6.3	Expenditure transferred from exploration and evaluation	
6.4	Expenditure written off during current period	
6.5	Acquisitions, disposals, revaluation increments, etc.	
6.6	Expenditure transferred to mine properties	
<b>6.7</b>	<b>Closing balance as shown in the consolidated balance sheet (item 4.12)</b>	

+ See chapter 19 for defined terms.

## Consolidated statement of cash flows

		Current period \$A'000	Previous corresponding period - \$A'000
<b>Cash flows related to operating activities</b>			
7.1	Receipts from customers	65,923	70,682
7.2	Payments to suppliers and employees	(54,553)	(53,751)
7.3	Dividends received from associates	6,136	8,692
7.4	Other dividends received	4,523	3,508
7.5	Interest and other items of similar nature received	1,347	794
7.6	Interest and other costs of finance paid	-	-
7.7	Income taxes paid	(8,300)	(6,025)
7.8	Other (provide details if material)	-	-
		<b>15,076</b>	<b>23,900</b>
<b>7.9</b>	<b>Net operating cash flows</b>		
<b>Cash flows related to investing activities</b>			
7.10	Payment for purchases of property, plant and equipment	(3,908)	(15,944)
7.11	Proceeds from sale of property, plant and equipment	76	1,405
7.12	Payment for purchases of equity investments	(4,848)	(5,549)
7.13	Proceeds from sale of equity investments	3,265	333
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material)	-	-
		<b>(5,415)</b>	<b>(19,755)</b>
<b>7.17</b>	<b>Net investing cash flows</b>		
<b>Cash flows related to financing activities</b>			
7.18	Proceeds from issues of +securities (shares, options, etc.)	-	-
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	-
7.21	Dividends paid	(17,124)	(14,490)
7.22	Other (provide details if material)	-	-
		<b>(17,124)</b>	<b>(14,490)</b>
<b>7.23</b>	<b>Net financing cash flows</b>		
7.24	<b>Net increase (decrease) in cash held</b>	<b>(7,463)</b>	<b>(10,345)</b>
7.25	Cash at beginning of period (see Reconciliation of cash)	37,710	33,942
7.26	Exchange rate adjustments to item 7.25.	-	-
<b>7.27</b>	<b>Cash at end of period</b> (see Reconciliation of cash)	<b>30,247</b>	<b>23,597</b>

+ See chapter 19 for defined terms.

## Non-cash financing and investing activities

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

Nil
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## Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A'000	Previous corresponding period - \$A'000
8.1 Cash on hand and at bank	1,243	319
8.2 Deposits at call	2,584	2,092
8.3 Bank overdraft	-	-
8.4 Money Market investments with less than 30 days to maturity	26,420	21,186
<b>8.5 Total cash at end of period (item 7.27)</b>	<b>30,247</b>	<b>23,597</b>

## Ratios

	Current period	Previous corresponding period
<b>Profit before tax / revenue</b>		
9.1 Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	71%	33%
<b>Profit after tax / +equity interests</b>		
9.2 Consolidated net profit (loss) from ordinary activities after tax attributable to members (item 1.9) as a percentage of equity (similarly attributable) at the end of the period (item 4.33)	8.7%	4.6%

## Earnings per security (EPS)

	Current period	Previous corresponding period
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per Share</i>		
(a) Basic EPS	33.1¢	15.8¢
(b) Diluted EPS (if materially different from (a))		
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	131,723,600	131,723,600

## NTA backing

(see note 7)

	Current period	Previous corresponding period
11.1 Net tangible asset backing per +ordinary security	\$3.78	\$3.45 Adjusted for 10:1 share split

+ See chapter 19 for defined terms.

### Details of specific receipts/outlays, revenues/ expenses

	Current period \$A'000	Previous corresponding period - \$A'000
12.1 Interest revenue included in determining item 1.5	1,375	816
12.2 Interest revenue included in item 12.1 but not yet received (if material)	123	94
12.3 Interest costs excluded from borrowing costs, capitalised in asset values	-	-
12.4 Outlays (except those arising from the +acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.5 Depreciation and amortisation (excluding amortisation of intangibles)	4,630	4,512
12.6 Other specific relevant items not shown in item 1.24 (see note 15)		

### Control gained over entities having material effect

13.1 Name of entity (or group of entities)	NIL
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was +acquired	\$
13.3 Date from which such profit has been calculated	
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the whole of the previous corresponding period	\$

+ See chapter 19 for defined terms.

### Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	NIL
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	\$
14.3	Date to which the profit (loss) in item 14.2 has been calculated	
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	\$
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$

### Reports for industry and geographical segments

*Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 1005: Financial Reporting by Segments. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this report. However, the following is the presentation adopted in the Appendices to AASB 1005 and indicates which amounts should agree with items included elsewhere in this report.*

#### Segments

Operating Revenue

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

Total revenue

Segment result

Unallocated expenses

Consolidated profit (loss) from ordinary activities before tax (equal to item 1.5)

Segment assets	)	<i>Comparative data for segment assets should be as at the end of the previous corresponding period.</i>
Unallocated assets	)	
Total assets (equal to item 4.17)	)	

REFER ATTACHED  
 STATEMENT OF  
 OPERATIONS BY  
 SEGMENTS

### Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	12 April 2001
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	29 March 2001
15.3	If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	

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+ See chapter 19 for defined terms.

**Amount per security**

		Amount per security	Franked amount per security at 34% tax (1999 36%)	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> <b>Final dividend:</b> Current year	¢	¢	¢
15.5	Previous year	¢	¢	¢
15.6	<i>(Half yearly and preliminary final reports)</i> <b>Interim dividend:</b> Current year – Ordinary – Special	6¢ 4¢	6¢ 4¢	¢
15.7	Adjusted for 10:1 share split Previous year - Ordinary - Special	5.5¢ 2.5¢	5.5¢ 2.5¢	¢

**Total dividend (distribution) per security (interim plus final)**

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	¢	¢
15.9 Preference +securities	¢	¢

**Half yearly report - interim dividend (distribution) on all securities or  
Preliminary final report - final dividend (distribution) on all securities**

	Current period \$A'000	Previous corresponding period - \$A'000
15.10 +Ordinary securities – Ordinary Dividend – Special Dividend	7,903 5,269	7,245 3,293
15.11 Preference +securities	-	-
15.12 Other equity instruments	-	-
<b>15.13 Total</b>	<b>13,172</b>	<b>10,538</b>

The +dividend or distribution plans shown below are in operation.

Nil

The last date(s) for receipt of election notices for the +dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions)

Nil

+ See chapter 19 for defined terms.

**Details of aggregate share of profits (losses) of associates and joint venture entities**

	Current period \$A'000	Previous corresponding period - \$A'000
16.1 Profit (loss) from ordinary activities before income tax	39,115	19,654
16.2 Income tax on ordinary activities	2,214	7,018
<b>16.3 Profit (loss) from ordinary activities after income tax</b>	<b>36,901</b>	<b>12,636</b>
16.4 Extraordinary items net of tax	-	-
<b>16.5 Net profit (loss)</b>	<b>36,901</b>	<b>12,636</b>
16.6 Outside +equity interests	4,420	3,567
<b>16.7 Net profit (loss) attributable to members</b>	<b>32,481</b>	<b>9,069</b>

**Material interests in entities which are not controlled entities**

*The economic entity has an interest (that is material to it) in the following entities. If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from xx/xx/xx") or disposal ("to xx/xx/xx").*

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (item 1.9)	
	Current period	Previous corresponding period	Current period - \$A'000	Previous corresponding period- \$A'000
<b>17.1 Equity accounted associates and joint venture entities</b>				
Washington H. Soul Pattinson & Company Ltd	42.85	42.85	32,481	9,069
<b>17.2 Total</b>			<b>32,481</b>	<b>9,069</b>
17.3 Other material interests				
<b>17.4 Total</b>				

+ See chapter 19 for defined terms.

## Issued and quoted securities at end of current period

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

Category of +securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
<b>18.1 Preference +securities</b> <i>(description)</i>	Nil			
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
<b>18.3 +Ordinary securities</b>	131,723,600	131,723,600		
18.4 Changes during current period (a) Increases through issues (10:1 Share Split) (b) Decreases through returns of capital, buybacks	118,551,240	118,551,240		
<b>18.5 +Convertible debt securities</b> <i>(description and conversion factor)</i>	Nil			
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				
<b>18.7 Options</b> <i>(description and conversion factor)</i>	Nil		<i>Exercise price</i>	<i>Expiry date (if any)</i>
18.8 Issued during current period				
18.9 Exercised during current period				
18.10 Expired during current period				
<b>18.11 Debentures</b> <i>(totals only)</i>	Nil			
<b>18.12 Unsecured notes</b> <i>(totals only)</i>	Nil			

+ See chapter 19 for defined terms.

**Half yearly/preliminary final report**

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**Comments by directors**

*Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB 1029: Half-Year Accounts and Consolidated Accounts. The comments do not take the place of the directors' report and statement (as required by the Corporations Law) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.*

**Basis of accounts preparation**

*If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Half-Year Accounts and Consolidated Accounts. It should be read in conjunction with the last +annual report and any announcements to the market made by the entity during the period. [Delete if preliminary final statement.]*

Material factors affecting the revenues and expenses of the economic entity for the current period

Refer attached review of operations.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

Sufficient franking credits exist to maintain fully franked dividends similar to the current period.

Changes in accounting policies since the last annual report are disclosed as follows.

*(Disclose changes in the half yearly report in accordance with AASB 1029: Half-Year Accounts and Consolidated Accounts. Disclose changes in the preliminary final report in accordance with AASB 1001: Accounting Policies-Disclosure.)*

Nil

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+ See chapter 19 for defined terms.

## Additional disclosure for trusts

- 19.1 Number of units held by the management company or responsible entity or their related parties. N/A
- 19.2 A statement of the fees and commissions payable to the management company or responsible entity.
- Identify:
- initial service charges
  - management fees
  - other fees
- 

## Annual meeting

*(Preliminary final report only)*

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the +annual report will be available


## Compliance statement

- 1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 12).

Identify other standards used

- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed (see note 2).

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+ See chapter 19 for defined terms.

**Appendix 4B (rule 4.13(b))**  
**Half yearly/preliminary final report**

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- 4 This report is based on <sup>+</sup>accounts to which one of the following applies.  
(Tick one)
- |                          |   |                                     |   |
|--------------------------|---|-------------------------------------|---|
| <input type="checkbox"/> | The <sup>+</sup> accounts have been audited.  | <input checked="" type="checkbox"/> | The <sup>+</sup> accounts have been subject to review.                  |
| <input type="checkbox"/> | The <sup>+</sup> accounts are in the process of being audited or subject to review. | <input type="checkbox"/>            | The <sup>+</sup> accounts have <i>not</i> yet been audited or reviewed. |
- 5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/will follow immediately they are available\* (*delete one*). (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Law.*)
- 6 The entity has a formally constituted audit committee.

Sign here: ..... Date: .....  
(Company Secretary)

Print name: ALEXANDER JAMES PAYNE

**Notes**

- For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section.
- True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.
- Consolidated profit and loss account**
  - Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of financial performance*.
  - Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).
- Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

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+ See chapter 19 for defined terms.

5. **Consolidated balance sheet**

**Format** The format of the consolidated balance sheet should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Half-Year Accounts and Consolidated Accounts*, and *AASB 1040: Statement of Financial Position*. Banking institutions, trusts and financial institutions identified in an ASIC Class Order dated 2 September 1997 may substitute a clear liquidity ranking for the Current/Non-Current classification.

**Basis of revaluation** If there has been a material revaluation of non-current assets (including investments) since the last <sup>+</sup>annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required. Trusts should also note paragraph 10 of *AASB 1029* and paragraph 11 of *AASB 1030: Application of Accounting Standards etc.*

6. **Consolidated statement of cash flows** For definitions of “cash” and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. <sup>+</sup>Mining exploration entities may use the form of cash flow statement in Appendix 5B.

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the <sup>+</sup>ordinary securities (ie, all liabilities, preference shares, outside <sup>+</sup>equity interests etc). <sup>+</sup>Mining entities are *not* required to state a net tangible asset backing per <sup>+</sup>ordinary security.

8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the <sup>+</sup>accounts. Details must include the contribution for each gain or loss that increased or decreased the entity’s consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. However, an entity may report exact figures, if the \$A’000 headings are amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A’000 headings are amended.

10. **Comparative figures** Comparative figures are the unadjusted figures from the previous corresponding period. However, if there is a lack of comparability, a note explaining the position should be attached.

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<sup>+</sup> See chapter 19 for defined terms.

**Appendix 4B (rule 4.13(b))**  
**Half yearly/preliminary final report**

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11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the +ASIC under the Corporations Law must also be given to ASX. For example, a directors' report and declaration, if lodged with the +ASIC, must be given to ASX.
12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.
13. **Corporations Law financial statements** As at 1/7/96, this report may be able to be used by an entity required to comply with the Corporations Law as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Relevant Items** AASB 1018 requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. the term "relevance" is defined in AASB 1018. For foreign entities, there are similar requirements in other accounting standards normally accepted by ASX.
16. **\$ Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

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+ See chapter 19 for defined terms.

**BRICKWORKS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N. 000 028 526**

**NOTES TO HALF YEARLY REPORT AND DIVIDEND ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2000**

	<b>2000</b>	<b>1999</b>
	\$'000	\$'000

**NOTE 4: INCOME TAX EXPENSE**

The prima facie tax on operating profit is reconciled to the income tax provided in the accounts as follows:

Prima facie tax payable on operating profit and abnormal items before income tax at 34% (1999 36%)

	16,210	9,474
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(a) Add: Tax effect of:

Other non-allowable items and adjustments

	<u>272</u>	<u>149</u>
	16,482	9,623

Less: Tax effect of:

Capital profits not subject to income tax

	137	-
--	-----	---

Share of net profits of associates

	8,957	136
--	-------	-----

Rebateable dividends

	3,087	3,982
--	-------	-------

Restatement of deferred tax balances from change in income tax rates

	(50)	
--	------	--

Over (under) provision for income tax in prior year

	<u>254</u>	<u>19</u>
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Income tax expense attributable to operating profit

	<u><u>4,097</u></u>	<u><u>5,486</u></u>
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(b) Income tax expense attributable to:

Operating profit before income tax

	<u><u>4,097</u></u>	<u><u>5,486</u></u>
--	---------------------	---------------------

(c) The income tax expense comprises amounts set aside as:

Provision for income tax attributable to current year

- Income tax payable on operating profit

	4,543	5,941
--	-------	-------

- (Over) under provision for income tax in prior year

	(254)	(19)
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Provision for income tax attributable to future years

- Provision for deferred income tax

	(495)	(340)
--	-------	-------

- Future income tax benefit

	<u>303</u>	<u>(96)</u>
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	<u><u>4,097</u></u>	<u><u>5,486</u></u>
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