

BRICKWORKS

LIMITED

16 May 2002

Australian Stock Exchange (Sydney) Limited
20 Bond Street

SYDNEY NSW 2000

Fax No: 1 300 300 021

Attention: **Companies Department**

Pages: 1 of 2

Dear Sir/Madam,

Please find attached an announcement Brickworks Limited wishes to make to the market pursuant to the Listing Rule 3.1

Yours faithfully,
BRICKWORKS LIMITED



ALEX J. PAYNE
COMPANY SECRETARY

BRICKWORKS LIMITED

ABN 17 000 028 526

Wallgrove Road, Horsley Park NSW 2164; PO Box 6550, Wetherill Park NSW 1851

Telephone: 61 2 9830 7700 Fax: 61 2 9620 1328

Internet Address: <http://www.brickworks.com.au> E.Mail Address: info@brickworks.com.au



ASX & MEDIA RELEASE

16 MAY 2002

ACQUISITION TO MAKE BRICKWORKS AUSTRALIA'S LARGEST FLOOR TILE PRODUCER

Austral Tiles Pty Ltd, a wholly owned subsidiary of clay products and investment company, Brickworks Limited, today announced it will acquire Eureka Tiles Pty Ltd on Friday 17th May 2002.

Eureka Tiles is majority owned by the Australian private equity company, Catalyst, following a management buyout in 1997.

The acquisition makes Brickworks Australia's largest producer of floor tiles with a combined capacity approaching 2 million square metres per annum. Even so this will only be a small percentage of the estimated 25 million square metres per annum Australian floor tile market.

Eureka Tiles has been producing floor tiles for over 30 years and is currently Australia's premier and largest floor tile producer, with two factories located at Ballarat, Victoria. The new combined entity will trade under the name of Eureka Tiles.

Austral paid \$12.75 million for the Eureka Tiles operation which has annual production capacity of 1 million square metres of unglazed and glazed floor tiles and in excess of 200,000 units of bathroom fittings. The acquisition will include \$9.6 million in land, plant and equipment and \$4.7 million in inventories.

According to Mr Lindsay Partridge, managing director of Brickworks Limited, Eureka's leading glazed tile production was a perfect fit with Austral's recently completed new unglazed tile plant at Punchbowl (NSW).

"The combined operation will have sales in excess of \$25 million, giving it critical mass and allowing Brickworks to take advantage of increased economies of scale," said Mr Partridge.

"With over 80 per cent of the Australian tile market serviced by imports, there is an opportunity for an Australian producer to gain market share," Mr Partridge added.

Eureka distributes its products nationally and also exports to New Zealand.

Brickworks has manufacturing operations in New South Wales and Queensland and exports are to New Zealand and Asia, including Japan.

ISSUED FOR : **BRICKWORKS LIMITED (ASX CODE: BKW)**

**FOR FURTHER
INFORMATION** : **MR ROBERT MILLNER, CHAIRMAN, BRICKWORKS LIMITED, TEL: (02) 9232 7166
OR MR LINDSAY PARTRIDGE, MANAGING DIRECTOR, TEL: (02) 9830 7700**

ISSUED BY : WESTBROOK COMMUNICATIONS, CONTACT: IAN WESTBROOK TEL (02) 9231 0922 MOBILE 0414
958 135

This press release can be downloaded from www.westbrookfin.com.au