

BRICKWORKS

LIMITED

25 March 2010

Australian Securities Exchange
Attention: **Companies Department**

BY ELECTRONIC LODGEMENT

Dear Sir/Madam,

Please find attached a presentation to be made to analysts today regarding Brickworks' financial results for the half year ended 31 January 2010, for immediate release to the market.

Yours faithfully,
BRICKWORKS LIMITED



IAIN THOMPSON
COMPANY SECRETARY

BRICKWORKS LIMITED

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BRICKWORKS LTD RESULT FOR THE HALF YEAR ENDED 31 JANUARY 2010

Robert Millner, Chairman
Lindsay Partridge, Managing Director

25 March 2010



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CHAIRMAN'S REVIEW Mr Robert Millner



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Presentation Outline

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Chairman

- Overview of Results

Managing Director

- Results in Detail
- Building Products
- Investments
- Land & Development
- Questions



Half Year Ending 31 January 2010

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Robust Structure

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Building
Products

Land &
Development

Investments

- Austral Bricks™
- Austral Masonry™
- Bristile Roofing™
- Auswest Timbers™
- Sasso Precast Concrete™
- Property Sales
- Industrial Property Trust
- Waste Management
- 42.85% holding of WHSP

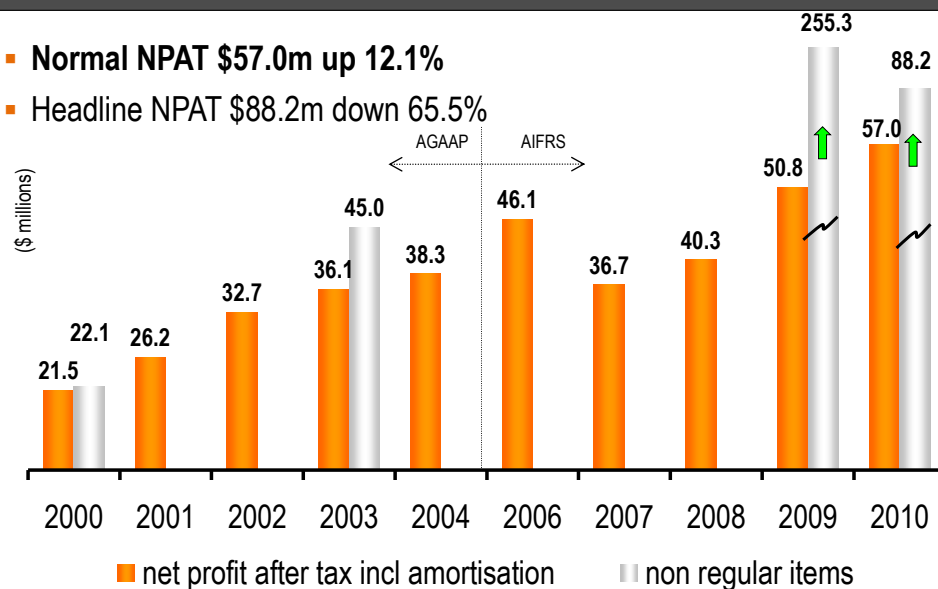
Half Year Ending 31 January 2010

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Net Profit After Tax

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- Normal NPAT \$57.0m up 12.1%
- Headline NPAT \$88.2m down 65.5%



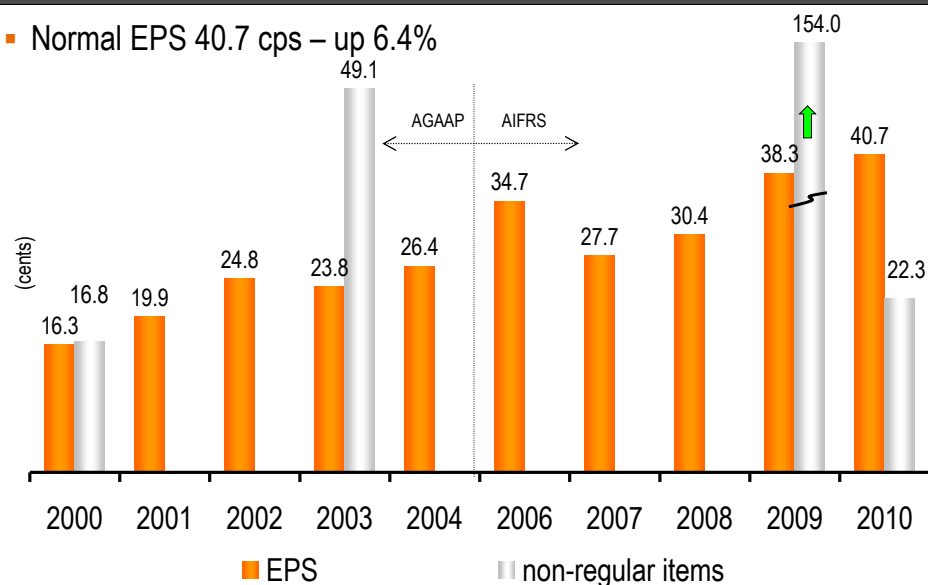
Half Year Ending 31 January 2010

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Earnings per share

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- Normal EPS 40.7 cps – up 6.4%



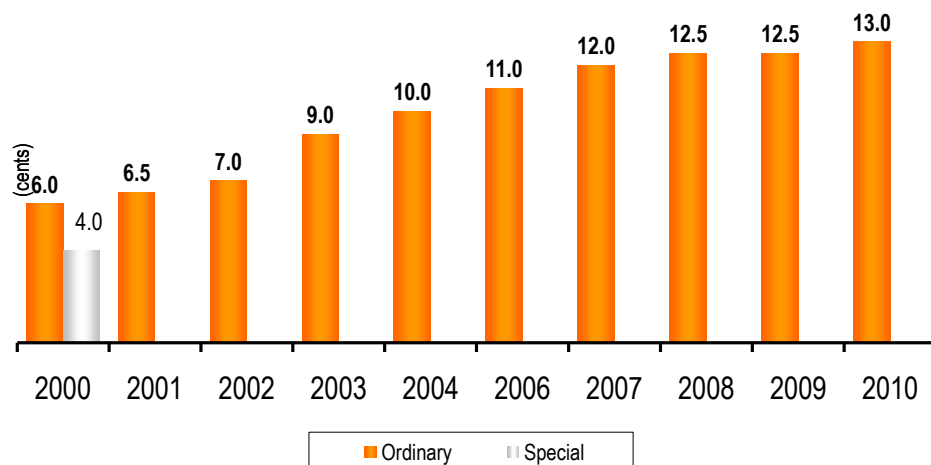
Half Year Ending 31 January 2010

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Interim Fully Franked Dividend

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- Interim Dividend increased 4% to 13.0 cents per share



Half Year Ending 31 January 2010

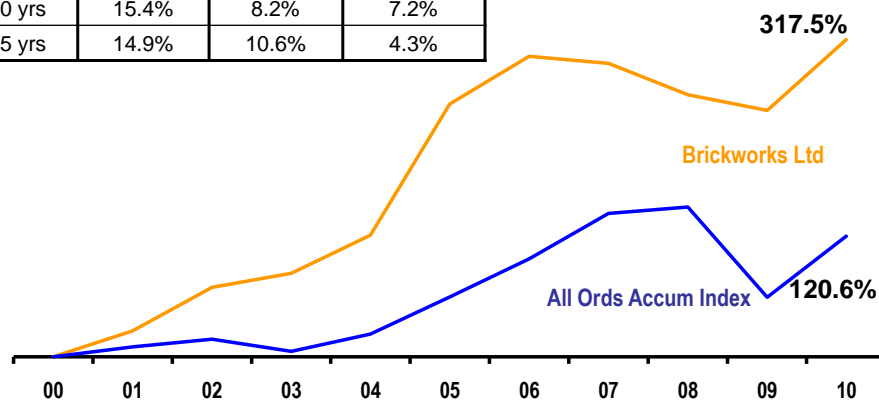
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Brickworks Total Shareholder Return

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Brickworks Ltd has outperformed the ASX All Ordinaries Index over the long term

	BKW	ASX All Ord Accum	Out performance
5 yrs	3.4%	6.7%	(3.3%)
10 yrs	15.4%	8.2%	7.2%
15 yrs	14.9%	10.6%	4.3%



Half Year Ending 31 January 2010

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MANAGING DIRECTOR'S REVIEW

Mr Lindsay Partridge



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Financial Snapshot

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	HY 2009	HY 2010	% Change
Building Products EBIT	\$16.4m	\$21.8m	↑ 32.9
Land and Development EBIT	\$12.1m	\$12.3m	↑ 1.7
Investments EBIT	\$49.0m	\$41.1m	↓ (16.1)
Total EBIT	\$73.9m	\$71.4m	↓ (3.4)
Borrowing cost	(\$21.2m)	(\$10.5m)	↓ (50.5)
Income tax	(\$1.9m)	(\$3.9m)	↑ 105.3
Net Profit after Tax (Normal)	\$50.8m	\$57.0m	↑ 12.1
Non Regular items (after tax)	\$204.5m	\$31.2m	↓ (84.7)
Net Profit after Tax and non-regs	\$255.3m	\$88.2m	↓ (65.5)

Half Year Ending 31 January 2010

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Financial Response to the GFC

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- Brickworks has significantly improved its financial position due to the following major initiatives:

	\$m
Sale and leaseback of Wollert factory	\$40.6
Sale of BKI stake	\$44.0
Sale of Eastwood site, NSW	\$70.0
Sale of Scoresby site, Victoria	\$93.7
Share Purchase Plan	\$173.6
TOTAL	\$421.9

Half Year Ending 31 January 2010

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Key Financial Indicators

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	FY July 2008	FY July 2009	HY Jan 2010
Net Tangible Assets (NTA)	\$842m	\$1,099m	\$1,334m
Shareholder's Equity	\$1,113m	\$1,371m	\$1,606m
Return on Equity (Normal/Annualised)	9.7%	8.3%	7.1%
Net Debt	\$525.1m	\$382.1m	\$195.1m
Total Interest Bearing Liabilities	\$562.9m	\$400.0m	\$300.0m
Net Debt/Capital Employed	32.0%	21.8%	10.8%
Total Gearing	50.6%	29.2%	18.7%
Interest Cover (Normal / Annualised)	4.8x	4.6x	5.4x

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Prudent Capital Expenditure

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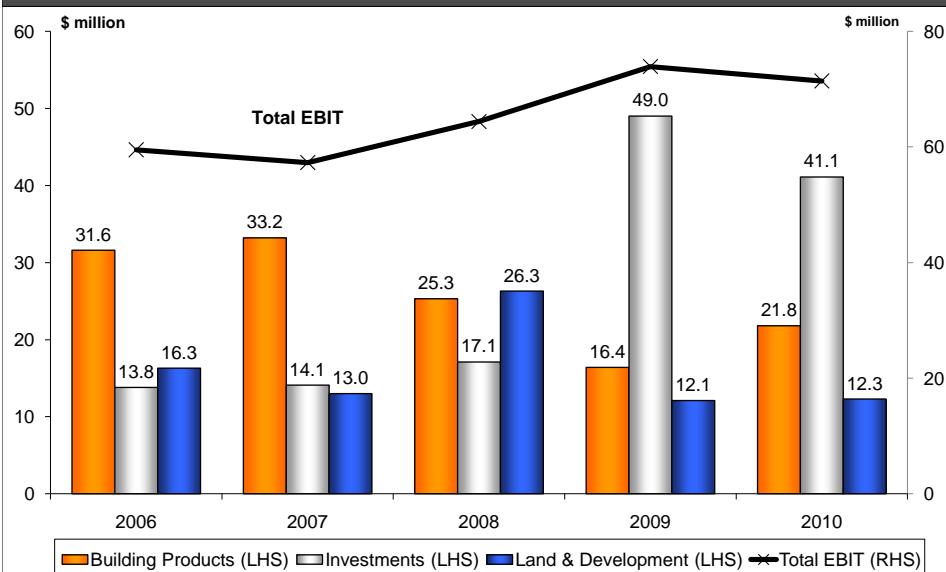
	HY 2009	HY 2010
S.I.B. Plant and Equipment	\$6.7m	\$6.6m
Major Capital Items	\$1.5m	\$2.6m
Building Products Capital Expenditure	\$8.2m	\$9.2m
Land and Development & Rehabilitation	\$9.0m	\$0.5m
Depreciation and Amortisation	\$15.0m	\$12.8m
Business Acquisitions	-	-

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Normal EBIT by Segment

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BUILDING PRODUCTS



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Building Products Invigoration

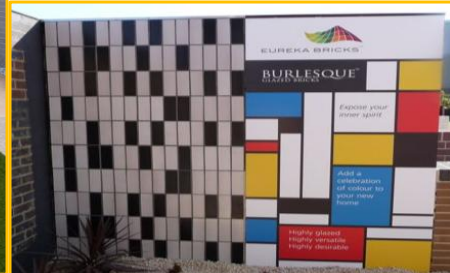
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- Reviewed the Portfolio of Assets
- Maximised margins through emphasis on Market Focus
- Maximise Yields through Operational Excellence
- Aligned Employees with Strategy



Display Centres

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Building Products Results

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Half Year ended 31 January	HY 2009	HY 2010	%Change
Sales revenue	\$245.7m	\$263.0m	7.0
Building Products EBITDA	\$31.4m	\$34.6m	10.2
Consisting of:			
▪ Depreciation	\$15.0m	\$12.8m	(14.7)
▪ EBIT	\$16.4m	\$21.8m	32.9
Building Products Margin			
▪ EBITDA to sales	12.8%	13.2%	3.1
▪ EBIT to sales	6.7%	8.3%	23.9

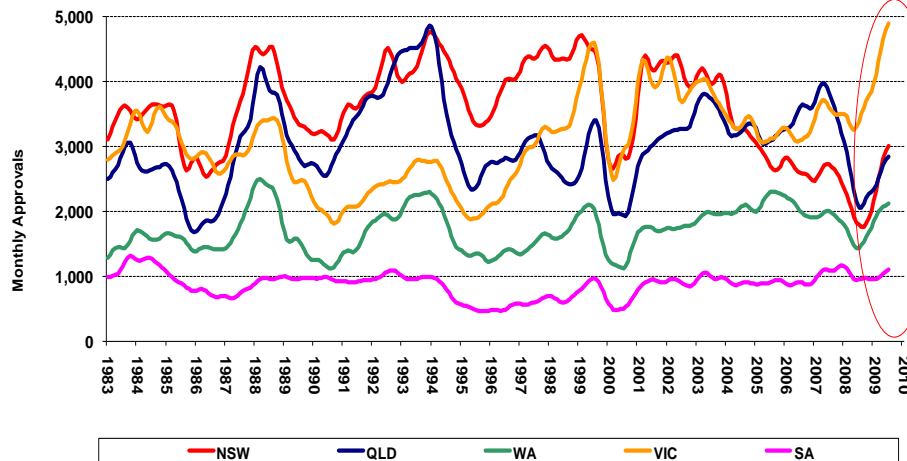
Half Year Ending 31 January 2010

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State by State Dwelling Approvals

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Source: ABS

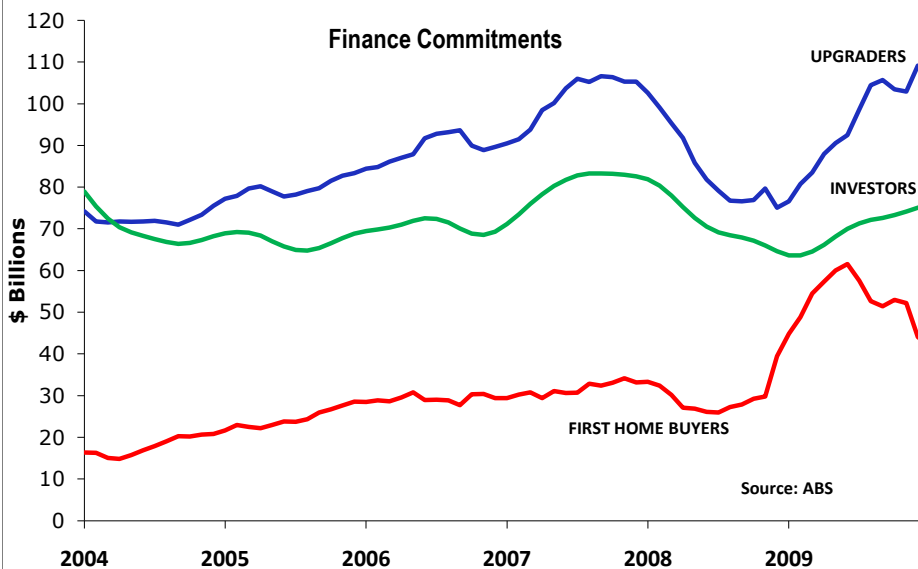


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First Home Buyer Activity Declines

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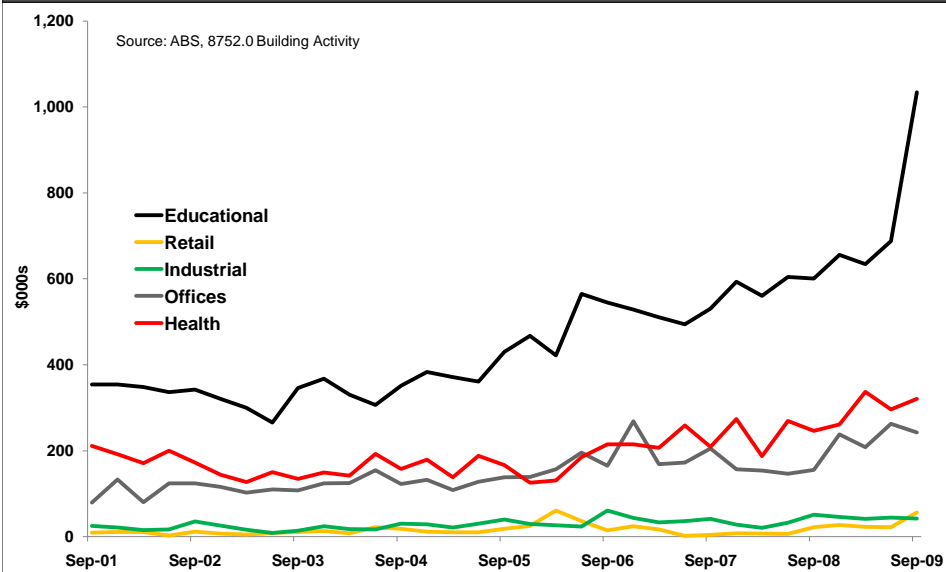


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Government Spending on Education

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Austral Bricks™

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- Sales Volume up 1.3%, Manufacturing Volume up 1.5%
- Average Selling Prices up 3.7%
- Increased production efficiency only partially offset input cost increases
- Peak construction phase of FHOG work yet to be seen
- Order bank increasing at end of half due to stimulus packages
- No Major Capital Projects commenced during half year
- Wollert expansion project approved for \$65.0 million



Half Year Ending 31 January 2010

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- Sales Volume up 4.1%
- Average Selling Prices up 3.0%
- Manufacturing unit costs down 4.7%
- Medium density residential market in particular is still weak
- New Ecology™ paver range launched
- Acquired Brick & Block at Port Kembla in Feb 2010 for \$13.5 million



- Sales Volume up over 20% on the East Coast
- East Coast selling prices constrained reflective of sales mix to volume builders
- Strong demand in Victoria
- West Coast volumes increasing at the end of the half





- Decision made to exit the floor tile business
- Imported product and brand name sold in February 2010
- Factory at Ballarat was closed at end of January 2010
- Non-regular charge of \$5.2 million incurred to write off plant and equipment and stock
- Remaining locally produced stock to be sold over next 6 months



- Improved result due to processing efficiency and cost management
- Batten demand across all States is strong
- Sales volume in line with prior period
- Fire at Fyshwick batten mill in December 2009, mill recommissioned in January 2010
- Customers supplied with battens from Orbost whilst Fyshwick was offline

Sasso Precast Concrete™

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- Purchased the assets, including land and buildings, for \$35.25 million in March 2010
- Sasso manufactures precast wall and floor panels
- State of the art manufacturing facility at Wetherill Park in western Sydney
- Provides Brickworks with a platform for growth into the second largest external walling product in Australia



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Why Precast Panels?

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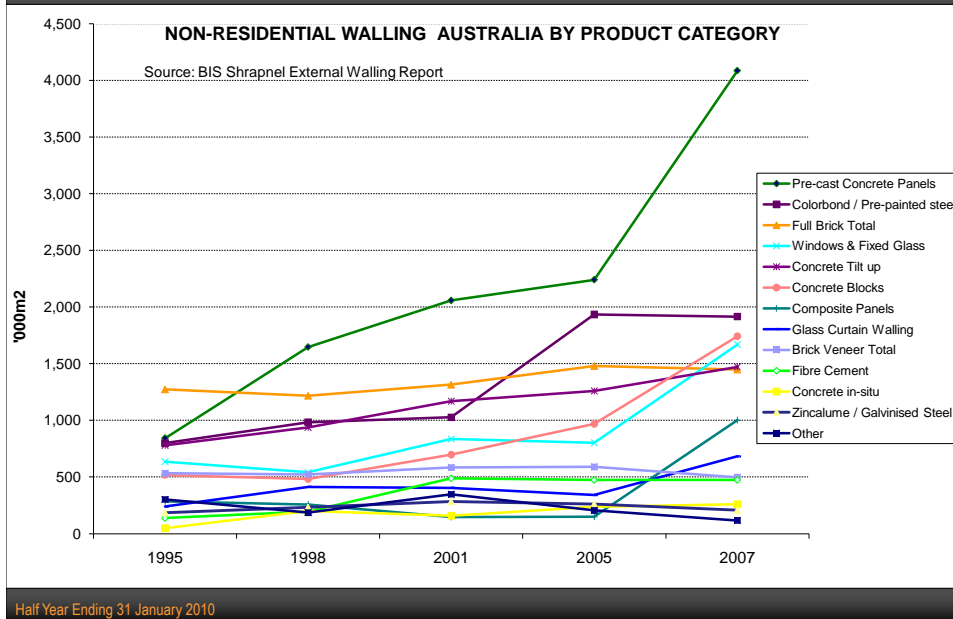
- Alignment with Brickworks strategic core competencies
- Lift market share in the medium and high density dwellings market
- Exposure to the Industrial and Commercial sectors

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Non-Residential Walling in Australia

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Outlook – Building Products

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- Order Bank, particularly in Victoria and New South Wales, has grown strongly towards the end of the half driven by government stimulus
- Strong second half result is expected
- Recovery could be threatened by RBA raising interest rates too quickly and a lack of affordable land supply
- Medium to high density segment will continue to be weak in the second half and constrained by ongoing lack of construction finance
- Recovery in investor and upgrader activity is still uncertain and there is a possibility of a lull in activity in the second half of 2010 calendar year

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LAND AND DEVELOPMENT

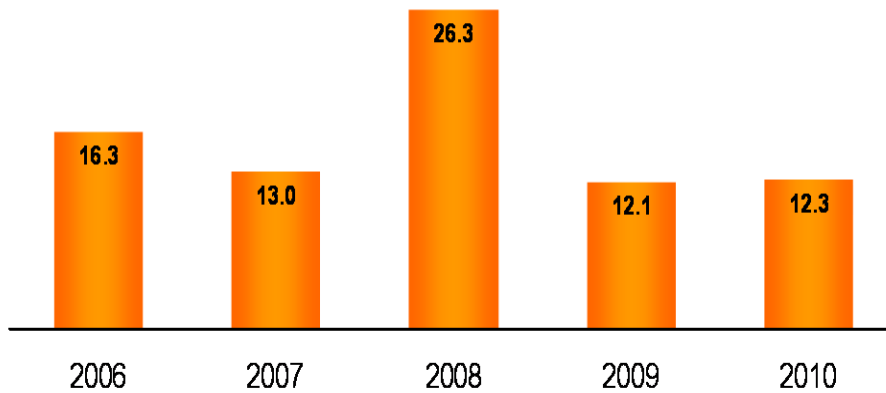


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Land & Development Normal EBIT

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- EBIT increased slightly to \$12.3m



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Land Sales in Detail

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- EBIT of \$8.3 million
- Eastwood, NSW Stages 2 & 3 sold to AV Jennings for \$35.0 million
- 4.2ha site at M7 Hub, NSW for \$15.0 million



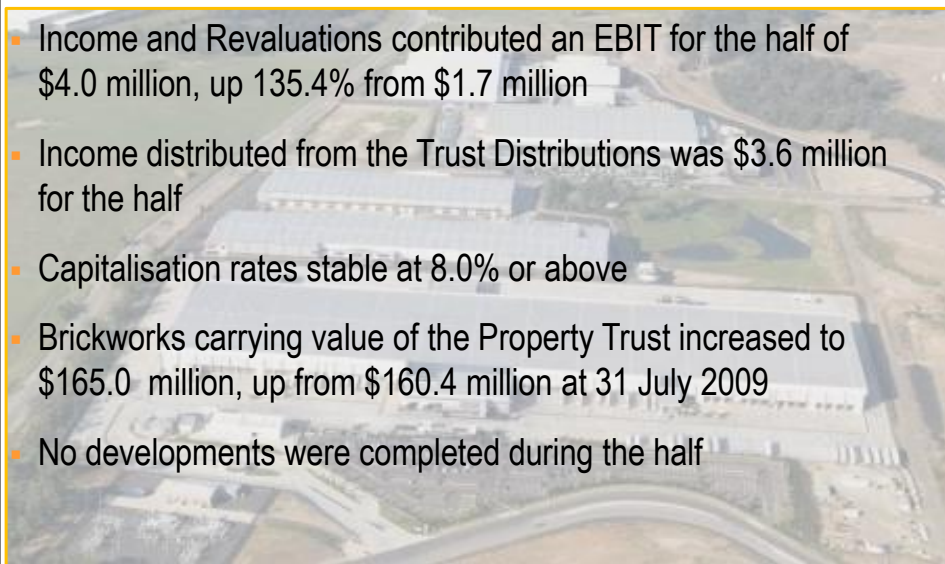
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Industrial Property Trust in Detail

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- Income and Revaluations contributed an EBIT for the half of \$4.0 million, up 135.4% from \$1.7 million
- Income distributed from the Trust Distributions was \$3.6 million for the half
- Capitalisation rates stable at 8.0% or above
- Brickworks carrying value of the Property Trust increased to \$165.0 million, up from \$160.4 million at 31 July 2009
- No developments were completed during the half



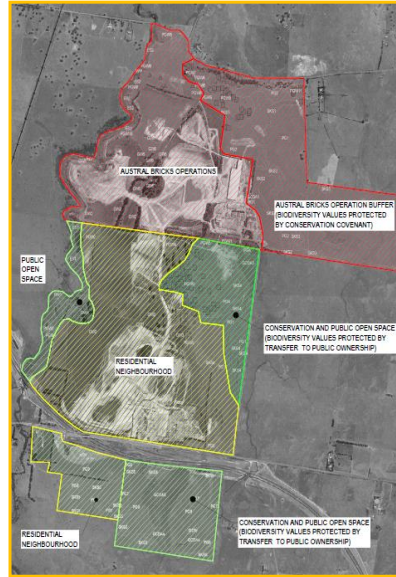
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Outlook – Land and Development

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- Industrial development slow down will continue to limit the expansion of the Trust
- Substantial work undertaken on rezoning of surplus properties including Craigieburn, Cardup, Oxley and Rochedale
- Review of Melbourne's Urban Growth Boundary (UGB) may provide development opportunities for Craigieburn
- Timing of all property transactions subject to approvals



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INVESTMENTS



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Washington H. Soul Pattinson (SOL)

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Performance



- BKW owns a 42.85% stake in investment house Washington H. Soul Pattinson
- WHSP has holdings in New Hope Corporation, TPG Telecom, API, BKI Investment Company, Clover, Ruralco and Souls Private Equity
- Normal contribution of \$39.9 million, down 16.5%
- Fully franked dividends received \$45.0 million
- Value of the BKW stake at 31 January 2010 was \$1.396 billion

To 31 January 2010	Total Return (p.a.)		
	5 years	10 years	15 years
Washington H. Soul Pattinson	8.8%	18.7%	19.0%
All Ords Accumulation Index	6.7%	8.2%	10.6%
Outperformance	2.1%	10.5%	8.4%

Half Year Ending 31 January 2010

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SUMMARY



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- Robust diversified model delivered increased profit for half year
- Full year result is expected to be solid due to:
 - Improved demand for Building Products
 - Lower interest expense due to conservative gearing level
 - Solid contribution from Investments

QUESTIONS?



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