

BRICKWORKS DELIVERS A STEADY RESULT AND INCREASED DIVIDEND

FULL YEAR	2009	2010	Variance %
Revenue (\$M)	593.5	656.5	10.6
EBIT Normalised (\$M)	165.8	150.5	(9.2)
NPAT Normalised (\$M)	113.7	110.2	(3.1)
EPS Normalised (cents)	85.6	76.7	(10.4)
Final Div (cents)	26.5	27.0	1.9

Brickworks (ASX: BKW) today announced a steady financial result with Normalised Net Profit After Tax (NPAT) of \$110.2 million for the full year ended 31 July 2010 compared to \$113.7 million for last year. After non-regular items, Brickworks' Headline NPAT was \$138.8 million, down 54.5% from \$305.2 million recorded for the previous corresponding year.

Directors have declared a final dividend of 27.0 cents fully franked, taking the full year dividend to 40.0 cents fully franked; an increase of 1.0 cent on the previous corresponding year. The record date for the ordinary dividend will be 23 November 2010, with payment being made on 1 December 2010.

"It is a testament to our business that we have been able to raise our dividend again this year. Our focus on diversification, thereby spreading the risk across the business, has once again paid off for our shareholders," Mr Robert Millner, Chairman of Brickworks said.

Building Products Group

The Building Products Group achieved earnings before interest and taxes (EBIT) of \$53.4 million for the year ended 31 July 2010, up 44.3% from the \$37.0 million recorded in the previous corresponding year.

Recent acquisitions in the precast concrete panel industry, including Giroto and Gocrete for \$13.8 million last month and Sasso Precast Concrete for \$35.3 million in March – now all branded Austral Precast - have diversified the Building Products Group offering and increased Brickworks' exposure to the commercial and industrial construction markets.

Land and Development

Land and Development recorded an EBIT of \$28.4 million for the year ended 31 July 2010, down 30.0% from \$40.6 million from last year, largely due to depressed conditions in the industrial property market.

Property sales contributed an EBIT of \$17.9 million for the year, and included two lots in the M7 Business Hub, the final stages of the Eastwood site in New South Wales and the Oxley site in Queensland.

Investments

Investment EBIT for the year ended 31 July 2010 was \$76.5 million, a decrease of 19.8% on the \$95.4 million delivered last year. The market value of Brickworks' 42.85% shareholding in Washington H. Soul Pattinson increased by \$204 million to \$1.329 billion for the year ended 31 July 2010.

Brickworks' net debt was reduced by \$155.4 million to \$226.6 million at 31 July 2010, which improved the net debt to capital employed to 12.1% (21.8% net debt to capital was recorded for the previous

corresponding year). Total Interest Bearing Debt also decreased to \$300 million reducing the gearing (debt to equity) to 18.2% as at 31 July 2010 (29.2% gearing was recorded for the previous year).

The reduction in Total Interest Bearing Debt was achieved with additional funding of \$173.9 million raised from the September 2009 Share Purchase Plan along with property sales proceeds of \$58.6 million.

Outlook

The outlook for Building Products in the long term is positive, however in the short term demand is softening as the government stimulus work subsides. The markets in the resource states of Queensland and Western Australia are the greatest concern due to high rental vacancy rates and poor affordability. The often touted housing shortage is in the main a shortage in Sydney, held back by a supply of affordable land. Continued demand from investors and upgraders is essential to a sustained recovery in dwelling construction.

Industrial and commercial construction markets appear to be running a similar path to the housing markets in each state.

Brickworks expects to post another solid result in the coming year, supported by the company's diversified model.

Results briefing

Robert Millner, Chairman and Lindsay Partridge, Managing Director will be presenting the Brickworks results with a Q&A session afterwards today at 12.15pm, for 12.30pm start, at the Citigroup Centre, Level 39, 2 Park Street, Sydney.

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

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