

23 October 2017

Australian Securities Exchange
Attention: **Companies Department**

BY ELECTRONIC LODGEMENT

Dear Sir / Madam


Please find attached the following documents which will be mailed to Brickworks shareholders today in relation to the 2017 Full Year Results and Annual General Meeting:

- Chairman's Letter
- Notice of Meeting
- Proxy Form
- Review of results for the year ended 31 July 2017
- October 2017 Newsletter

Also included in this mailing is the Brickworks 2017 Annual Report, which has been lodged with ASX under separate cover.

Yours faithfully

BRICKWORKS LIMITED



Susan Leppinus

Company Secretary

23 October 2017

Dear Shareholder

On behalf of your Board, I am pleased to invite you to attend the 83rd Annual General Meeting of Brickworks Limited on Tuesday 28 November 2017 at the Ballroom, The Establishment, Level 2, 252 George Street, Sydney, NSW commencing at 12.00 noon (AEDT).

Included with this letter you have received a copy of the Notice of Meeting for the Annual General Meeting and a personalised proxy form for those who may be unable to attend the meeting in person. This proxy form must be lodged in accordance with the instructions contained on that form.

The 2017 AGM will be webcast live if you are unable to attend the meeting. If you are interested in this option, please send us an email at agm@brickworks.com.au and we will supply you with the relevant information to allow you to join us.

We are also offering shareholders the opportunity to submit questions in advance of the meeting, in relation to the ordinary business of the Annual General Meeting or the management of the Company. Questions may also be submitted to the external Auditor, providing it is related to the conduct of the audit; the preparation and content of the Auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; or the independence of the Auditor in relation to the conduct of the audit.

Questions can be submitted at agm@brickworks.com.au, or mailed to Company Secretary, Brickworks Ltd, Mezzanine, 50 Carrington Street, Sydney, NSW 2000, and should clearly identify your name and SRN or HIN. The Company and the Board will endeavour to provide responses to questions during the AGM, and subsequently make those questions and responses available as part of the presentation on the Brickworks website.

If you are unable to attend the meeting, a copy of the addresses given by the Managing Director, Mr Lindsay Partridge and myself, along with results of the voting on the various resolutions, will be posted both on the ASX website (www.asx.com.au) and on the Brickworks Ltd website (www.brickworks.com.au) following the meeting.

Once again, I look forward to meeting those shareholders able to attend in Sydney and encourage all shareholders to participate in voting on the resolutions as proposed.

Yours faithfully



Robert Millner
Chairman

Brickworks Limited

Brickworks Limited

ABN 17 000 028 526

738–780 Wallgrove Road, Horsley Park NSW 2175
PO Box 6550, Wetherill Park NSW 1851

T +61 (0)2 9830 7800

F +61 (0)2 9830 1328

info@brickworks.com.au
brickworks.com.au

Proudly supports



BRICKWORKS

LIMITED

ABN 17 000 028 526



Notice of MEETING

Notice of
MEETING

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of **BRICKWORKS LIMITED**, will be held in the Ballroom, The Establishment, Level 2, 252 George Street Sydney, NSW, 2000 on **Tuesday 28 November 2017** at 12.00 noon (AEDT).

ORDINARY BUSINESS

1. FINANCIAL REPORTS

To receive and consider the Financial Report of Brickworks Limited and the Brickworks Group, and the reports of the Directors and Auditors thereon, for the financial year ended 31 July 2017.

2. REMUNERATION REPORT

To adopt the remuneration report for the financial year ended 31 July 2017.

Please refer to the attached Explanatory Notes for information regarding voting by key management personnel.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 2.

3. RE-ELECTION OF DIRECTORS

- (a) That Mr B. Crotty, who retires as a Director in accordance with section 6.3 of the Company's Constitution and being eligible for re-election, be re-appointed as a Director.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 3a.

- (b) That Mrs D. Page AM, who retires as a Director in accordance with section 6.3 of the Company's Constitution and being eligible for re-election, be re-appointed as a Director.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 3b.

4. INCREASE IN CAP ON NON-EXECUTIVE DIRECTORS' FEES

That the total amount of fees that may be paid to all non-executive Directors as a whole be increased by \$300,000 per annum, to an amount not exceeding \$1,300,000 per annum.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 4.

BY ORDER OF THE BOARD



S. LEPPINUS

Secretary

OTHER INFORMATION

ENTITLEMENT TO VOTE

The Board has determined that for the purpose of determining entitlements to attend and vote at the meeting, shares will be taken to be held by the persons who are the registered holders at 12.00 noon (AEDT) on 26 November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

HOW TO VOTE

Shareholders may vote by either:

- ▶ attending the meeting in person or by attorney;
- ▶ by proxy (see below); or
- ▶ by corporate representative in the case of corporate shareholders (see below).

PROXIES

- (a) A member entitled to attend and vote is entitled to appoint not more than 2 proxies.
- (b) Where 2 proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
- (c) A proxy need not be a member of the Company.
- (d) A proxy form must be signed by the member or his or her attorney. Proxies given by corporations must be signed under seal or under the hand of the authorised officer or attorney.
- (e) Proxy forms must be lodged with the Secretary, Brickworks Limited, in accordance with the instructions on the proxy form, not less than 48 hours before the time for holding the meeting. A proxy form accompanies this notice.

CORPORATE REPRESENTATIVES

A member that is a body corporate may appoint an individual to act as its representative at the meeting. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all or any of the powers that the body corporate could exercise at the meeting or in voting on a resolution.

Appointments may be lodged in advance of the meeting at the Company's registered office or share registry (details on the proxy form), or handed in at the meeting when registering as a corporate representative.

Explanatory STATEMENT

This statement explains the items of business to be considered at the meeting and should be read in conjunction with the notice of meeting.

RESOLUTION 1: RECEIVE AND CONSIDER THE FINANCIAL AND OTHER REPORTS

The full year results of Brickworks Limited ("**Brickworks**") are available either in the Annual Report sent to those shareholders who elected to receive the Annual Report, or on the Company's website (www.brickworks.com.au).

This item does not require voting by shareholders. It is intended to provide an opportunity for shareholders to raise questions on the financial reports, and on the performance and management of the Company.

The auditors of the Company, EY, will also be present at the meeting, and will be available to answer any questions relevant to the financial reports, including:

- ▶ the conduct of the audit;
- ▶ the preparation and content of the auditor's report;
- ▶ the accounting policies adopted by the Company; and
- ▶ the independence of the auditor.

RESOLUTION 2: ADOPT THE REMUNERATION REPORT FOR THE YEAR ENDED 31 JULY 2017

The Corporations Act requires listed companies to present their remuneration report for adoption by shareholders at the Company's Annual General Meeting. The vote on this resolution is advisory only, and does not bind the directors or the Company.

The Brickworks Board ("**Board**") is committed to ensuring that the remuneration framework is focused on driving a performance culture that is closely aligned to the achievement of the Company's strategy and business objectives as well as the retention of key members of the senior management team.

Following the vote on the Remuneration Report at the Company's 2016 Annual General Meeting, a review of the relevant proxy advisor reports and consideration of the Company's circumstances, the Board has made some changes to the Company's remuneration framework which will take place over financial year 2017 and financial year 2018. These changes include:

- ▶ an increase in the fixed remuneration for the Managing Director effective from 1 April 2017 based on an assessment undertaken of market and peer benchmarks;
- ▶ a change in the remuneration mix for the Managing Director and Chief Financial Officer for financial year 2017 which includes:

- ▶ an increase in the proportion of at risk remuneration in the form of short term incentive for the Managing Director and Chief Financial Officer on financial year 2017 performance from 50% to 60%; and
- ▶ a reduction in the long term incentive opportunity for the Managing Director and Chief Financial Officer from 50% to 40% for all allocations made following financial year 2017;
- ▶ for short term incentive earned in relation to financial year 2017 performance a new short term incentive deferral for the Managing Director and Chief Financial Officer of 33.33% for a period of 2 years as a retention mechanism; and
- ▶ for long term incentive rewards allocated in relation to results achieved during financial year 2017, a new relative TSR benchmark will be applied to 50% of long term incentive allocations so that 100% of shares allocated to the Managing Director and Chief Financial Officer will have a TSR measure.

The complete 2017 Remuneration Report can be found in the Annual Report of the Company, forming part of the Directors Report.

VOTING EXCLUSION STATEMENT

A vote must not be cast (in any capacity) on Resolution 2 by or on behalf of the Company's key management personnel (including the directors) ("KMP"), details of whose remuneration are included in the Remuneration Report or their closely related parties, whether as a shareholder or as a proxy.

However, a vote may be cast on Resolution 2 by a KMP, or a closely related party of a KMP, if the vote is not cast on behalf of a KMP or a closely related party of a KMP and either:

- (a) the vote is cast as a proxy appointed in writing that specified how the proxy is to vote on Resolution 2; or
- (b) the vote is cast as a proxy by the Chairman of the Meeting and the proxy form expressly authorises the Chairman to exercise the proxy even though Resolution 2 is connected directly or indirectly with the remuneration of a member of the Brickworks Group's KMP.

Undirected proxy voting by the Chairman of the Meeting

If the Chairman of the Meeting is your proxy or is appointed your proxy by default, and you do not direct your proxy how to vote on Resolution 2 on the proxy form, you will be expressly authorising the Chairman of the Meeting to exercise the proxy even though that resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Brickworks Group or the Chairman of the Meeting is a KMP.

The Directors unanimously recommend that shareholders vote in favour of Resolution 2.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 2.

RESOLUTION 3A: RE-ELECTION OF MR B. CROTTY

Under the Constitution of Brickworks Limited the term of a Director's appointment is three years, after which that Director must retire as a Director and may stand for re-election at the Annual General Meeting of the Company. Details of the skills and experience of Mr B. Crotty, as outlined in the Annual Report of the Company, are as follows:

Brendan P. Crotty

LS; DQIT; Dip.Bus Admin; MAPI; FAICD; FRICS

Director

Mr B. Crotty was appointed to the Board in June 2008 and is an independent non-executive Director. He brings extensive property industry expertise to the Board, including 17 years as Managing Director of Australand until his retirement in 2007. He is a director of a number of other entities that are involved in the property sector, including Chairman of Western Sydney Parklands Trust as well as being on the Macquarie University Council. He is the Chair of the Remuneration Committee, and a member of the Audit and Risk Committee and the Nomination Committee.

Other directorships:

- ▶ GPT Group Director since 2009

The Directors (with Mr B. Crotty abstaining) support the re-election and unanimously recommend that shareholders vote in favour of Resolution 3a.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 3a.

RESOLUTION 3B: RE-ELECTION OF MRS D. PAGE

Under the Constitution of Brickworks Limited the term of a Director's appointment is three years, after which that Director must retire as a Director and may stand for re-election at the Annual General Meeting of the Company. Details of the skills and experience of Mrs. D. Page, as outlined in the Annual Report of the Company, are as follows:

Deborah R. Page AM

B.Ec, FCA, FAICD

Director

Mrs D. Page was appointed to the Board in July 2014 and is an independent non-executive Director. Mrs D. Page has extensive financial expertise, arising initially from her time at Touche Ross/KPMG Peat Marwick including as a partner, and subsequently from senior executive roles with the Lend Lease Group, Allen Allen and Hemsley and the Commonwealth Bank. She also has experience as a director in a number of sectors, including Property, Energy & Renewables, Insurance, Funds Management, and Public Sector bodies. Mrs D. Page is the Chair of the Audit and Risk Committee, and a member of the Nomination Committee and the Remuneration Committee.

Other directorships:

- ▶ GBST Holdings Ltd. Director since 2016
- ▶ BT Investment Management Ltd. Director since 2014
- ▶ Service Stream Ltd. Director since 2010

The Directors (with Mrs D. Page abstaining) support the re-election and unanimously recommend that shareholders vote in favour of Resolution 3b.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 3b.

RESOLUTION 4: INCREASE IN CAP ON NON-EXECUTIVE DIRECTORS' FEES

Mr David Gilham will not seek re-election at the 2018 Annual General Meeting. An increase in the non-executive Directors' fee pool is required to allow for the increased total fees associated with the appointment of an additional non-executive Director during the course of the coming year. The increase will also allow for reasonable increases in fees over future years without requiring ongoing shareholder approval.

The current cap on non-executive Directors' fees was approved at the 2014 Annual General Meeting and restricts the amount that may be paid to non-executive Directors to \$1,000,000 per annum.

This resolution proposes to increase the maximum aggregate amount of fees that may be paid to all non-executive Directors by \$300,000 per annum to \$1,300,000 per annum.

In accordance with the Constitution and Listing Rule 10.17, the total aggregate amount of non-executive Directors' fees that may be paid to all non-executive Directors cannot be increased without the approval of Brickworks' shareholders.



ABN 17 000 028 526

738–780 Wallgrove Road, Horsley Park NSW 2175
PO Box 6550, Wetherill Park NSW 1851

Telephone: (02) 9830 7800
Email: info@brickworks.com.au
www.brickworks.com.au

Lodge your vote:**Online:**www.investorvote.com.au**By Mail:**

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX**Vote and view the annual report online**

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:**Control Number:****SRN/HIN:**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 12.00 noon (AEDT) on Sunday 26 November 2017

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Brickworks Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Brickworks Limited to be held at the Ballroom, The Establishment, Level 2, 252 George Street, Sydney NSW 2000 on Tuesday 28 November 2017 at 12.00 noon (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 and 4 (except where I/we have indicated a different voting intention below) even though Items 2 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 and 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
2	To adopt the remuneration report for the financial year ended 31 July 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3a	Re-election of Mr B. Crotty as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3b	Re-election of Mrs D. Page AM as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Increase in cap on non-executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

BRICKWORKS

LIMITED

ABN 17 000 028 526

HIGHLIGHTS

- ▶ **Statutory NPAT** including significant items, up 138.2% to \$186.2 million
- ▶ **Underlying NPAT** before significant items up 33.6% to \$196.4 million
 - ▶ **Building Products EBIT** down 13.7% to \$65.0 million (EBITDA \$92.9 million)
 - ▶ **Property EBIT** up 23.3% to \$90.6 million
 - ▶ **Investments EBIT** up 73.1% to \$103.1 million
- ▶ **Net debt/capital employed** of 13.0%, net debt \$293.4 million
- ▶ **Final dividend** of 34 cents fully franked, up 2 cents or 6.3%
- ▶ **Total full year dividend** of 51 cents fully franked, up 3 cents or 6.3%

Review of RESULTS

Full year ended July 2017

Five Year

SUMMARY

	2013 \$000	2014 \$000	2015 \$000	2016 \$000	2017 \$000	Growth %
Total revenue	606,509	670,268	723,611	750,985	841,816	12%
Building Products revenue	568,654	636,895	700,871	748,128	763,338	2%
Earnings before interest and tax						
Building products	32,802	45,081	56,364	75,381	65,036	(14%)
Property	49,206	61,013	61,735	72,105	90,588	26%
Waste management	413	1,414	2,649	1,346	—	(100%)
Investments	493	262	280	442	224	(49%)
Associates	59,509	44,382	54,574	59,117	102,873	74%
Head office and other expenses	(7,384)	(8,945)	(9,699)	(12,479)	(12,432)	0%
Total EBIT	135,039	143,207	165,903	195,912	246,289	26%
Total EBITDA	160,695	168,132	191,133	223,313	274,140	23%
Finance costs	(18,800)	(18,073)	(19,482)	(14,080)	(12,436)	12%
Income tax	(16,191)	(23,845)	(26,122)	(34,753)	(37,428)	(8%)
Net profit after income tax (excl. sig. items)¹	100,048	101,289	120,299	147,079	196,425	34%
Significant items net of tax	(14,883)	1,466	(42,209)	(68,889)	(10,215)	
Net profit after income tax (incl. sig. items)	85,165	102,755	78,090	78,190	186,210	138%
Per share earnings and dividends						
Basic earnings per share (cents)	57.6	69.4	52.6	52.6	124.9	138%
Underlying earnings per share (cents) ¹	67.7	68.4	81.1	98.9	131.8	33%
Ordinary dividends per share (cents)	40.5	42.0	45.0	48.0	51.0	6%
Ratios						
Net tangible assets per share	\$9.82	\$10.32	\$10.59	\$10.95	\$11.77	7%
Return on shareholders equity	5.0%	5.7%	4.3%	4.3%	9.5%	122%
Underlying return on shareholders equity ¹	5.8%	5.6%	6.6%	8.0%	10.0%	25%
Interest cover ratio	6.6	7.3	9.7	14.4	16.7	17%
Net debt to capital employed	15.7%	14.5%	14.2%	12.8%	13.0%	2%

1 This is an alternative measure of earnings that excludes significant items, which are separately disclosed in the consolidated financial statements.

Chairman's LETTER

On behalf of your Board of Directors, I am delighted to present Brickworks' Annual Report for the 2017 financial year. The strong financial and operational performance of the Company during the past year is extremely pleasing and another clear indicator that we have the right strategy and corporate structure in place to deliver earnings growth and strong shareholders returns.

2017 HIGHLIGHTS

Brickworks reported a statutory net profit after tax (NPAT) of \$186.2 million, up 138.2% on the previous year. Excluding the impact of significant items, our underlying NPAT was a record \$196.4 million, up 33.6%. This marks the fifth consecutive year of growth in underlying NPAT.

Each of the Company's three divisions made a significant contribution to the overall result. Building Products delivered earnings before interest and tax (EBIT) of \$65.0 million. Property delivered a stellar result, with EBIT of \$90.6 million, and EBIT from Investments was \$103.1 million.

The Company continues to build considerable asset value for shareholders. Brickworks share of net asset value within the Property Trust¹ increased by \$148 million to \$480 million² in financial year 2017. In addition, the market value of Brickworks stake in Washington H. Soul Pattinson (WHSP) increased by over \$20 million to \$1.804 billion during the year.

The investment in WHSP has delivered outstanding performance over the long term, recording a total shareholder return of 12.8% per annum over the past 15 years, 3.9% ahead of the benchmark All Ordinaries Accumulation Index.

DIVIDENDS AND CAPITAL MANAGEMENT

Directors have declared a fully franked final dividend of 34 cents per share, up 6.3% on the prior year. This brings total dividends for the year to 51 cents per share, up 3 cents or 6.3% on the prior year.

We recognise the importance of dividends to our shareholders and are proud of our strong and stable dividend history. We are one of only a handful of companies who have a 20 year history of maintaining or increasing dividends to shareholders.

Our borrowing level remains conservative, with net debt to capital employed of 13.0%, reflecting a prudent approach to capital management. Net debt at the end of the year was relatively stable at \$293.4 million.

CORPORATE STRUCTURE

Our strong financial performance during the year again reinforced the benefit of our diversification strategy which has consistently grown net asset value over the long term and helped to deliver solid returns and stability to our shareholders.

1 The Joint Venture Industrial Property Trust is a 50/50% partnership between Brickworks and Goodman Industrial Trust.

2 Before consolidation eliminations and including unrealised profits on sale of land into the Property Trust. The equity accounted value of the Property Trust is \$404 million.

CHAIRMAN'S LETTER

As a diversified business, we are less exposed to market volatility and are well placed to ride out the low points of business cycles. We take a long-term view of our operations, and our diversification strategy allows us to make investment decisions not for the short term, but across cycles, ensuring we are in the strongest possible position to continue to grow and succeed in the future.

As you are aware, in July the Federal Court of Australia rejected Perpetual's claim that Brickworks engaged in oppressive conduct, including by reason of the existence of Brickworks' cross-shareholding structure with WHSP.

This decision vindicated our very firm belief that our existing corporate structure benefits Brickworks' shareholders – a fact clearly demonstrated by Brickworks' superior performance compared to the All Ordinaries Accumulation Index since our investment in WHSP in 1969.

Although recent shareholder returns have been below our expectations, we are confident that we have the right strategy in place to deliver superior long term returns for our shareholders.

BOARD AND GOVERNANCE

Brickworks has a strong and stable Board that is committed to acting in the best interests of shareholders and ensuring that Brickworks is well positioned for future growth.

The Board regularly reviews its capabilities and composition to ensure an optimal mix of skills, knowledge, and experience to safeguard the continued and long-term success of the Company.

As advised to shareholders at the 2016 Annual General Meeting, Mr David Gilham will not seek re-election at the 2018 Annual General Meeting. As part of our succession plan, the Company will engage external consultants to assist with the appointment of an additional independent non-executive director during the course of the coming year.



IN CONCLUSION

The continued strong performance of the Company is a credit to our more than 1,500 staff. On behalf of the Board, I would like to thank all our staff and our executive management team for their ongoing efforts and commitment. I would also like to thank my fellow directors and our shareholders for your continued support.

A stylized, handwritten signature in black ink.

ROBERT MILLNER
Chairman

Managing Director's OVERVIEW

It gives me great pleasure to report that Brickworks has delivered another strong financial result in 2017. Across our Building Products and Property Groups, we have also made significant progress in the implementation of a range of strategic initiatives to position the company for further growth.

SAFETY

The health and safety of our people is our number one priority. During the year, our safety performance improved, with fewer injuries being recorded across the organisation. Our lost time and total recordable injury rates were both at new record lows.

However as I reported to you at our Annual General Meeting last year, these statistics are overshadowed by a fatal accident that occurred in October, when Austral Bricks truck driver Peter Cardilini, was an innocent bystander in a collision whilst delivering our bricks. As we look back on the year at Brickworks, our thoughts turn to Peter and his family, and this tragic accident reinforces our ultimate goal of zero harm across all of our operations.

BUILDING PRODUCTS PERFORMANCE

Building Products recorded an EBIT of \$65.0 million in 2017, with the year being characterised by the stark contrast in conditions between the east and west coast of the country.

On the east coast, elevated levels of construction activity supported increased demand for our products and resulted in higher earnings. In total, earnings from our east coast operations were up \$7.3 million compared to the prior year. The performance of Austral Bricks was particularly strong, with this business reaping the benefits of sustained investment in our

facilities, product innovation and marketing initiatives over a number of years.

The improved earnings on the east coast were achieved despite the impact of Cyclone Debbie and the associated period of heavy rain throughout March and April. Over this period, reduced sales volume and disruption to our manufacturing operations, many of which were closed for extended periods, resulted in an adverse EBIT impact of approximately \$5-6 million.

It has been an extremely challenging 12 months in Western Australia, where residential building starts were down a further 22% over the year, bringing the two year decline to almost 40%. This resulted in lower sales volume across all operations and earnings from Western Australia decreasing by \$12.0 million compared to the prior year.

With the medium term outlook in Western Australia remaining challenging, we have taken a pro-active approach to right-sizing our operations to match demand. During the year we closed 4 plants permanently. Within Auswest Timbers we consolidated operations to one site, resulting in the closure of the Deanmill and Pemberton sawmills and the Manjimup processing centre. Within Austral Bricks, following the completion of upgrades to our Cardup plant, we closed the Malaga plant, and subsequently sold this site in July for \$19.2 million. These initiatives are consistent with the Group's strategy of consolidating manufacturing operations, and releasing valuable land holdings for sale. Ultimately this strategy will deliver a higher return on the capital invested in our business.

In addition to these permanent plant closures we have also mothballed other operations indefinitely. The Austral Bricks plant at Armadale was mothballed in July, with the upgraded Cardup plant and the Bellevue plant providing enough capacity to meet demand for the foreseeable future. Within Bristle Roofing, the Caversham plant has been closed indefinitely, with the local market now being serviced exclusively by high quality imported terracotta tiles, a business model that provides greater flexibility to deal with uncertain demand.

The significant restructuring undertaken in Western Australia during 2017 has unfortunately resulted in the loss of 126 jobs across the business and one off costs of \$15.9 million, reported as a significant item in our financial accounts. However we now enter 2018 in a much improved position, with a lower cost base and operating capacity in line with the expected demand, but with the flexibility to adapt to any change in conditions.

BUILDING PRODUCTS STRATEGY

We have made good progress on our strategic objectives during the past 12 months. I have already outlined the significant investments and restructuring undertaken in Western Australia. These initiatives support our objective of achieving the lowest cost manufacturing position.

We are also investing in growth. During the year we completed an acquisition in Victoria to further expand our position in metal roofing, fascia and gutter installation. This follows similar acquisitions in New South Wales and Queensland in recent years. We are now able to leverage our leading customer relationships and supply and install expertise, to offer an expanded range of roofing solutions, providing Bristle Roofing with a strong platform for future growth.

Developing industry leading customer relationships is an ongoing priority for Brickworks. During the year, our capital city design studios hosted hundreds of events, which attracted thousands of customers, architects and other key influencers. This strategy continues to deliver results, including increased penetration of Brickworks'

products in several key markets such as high rise and commercial developments.

A great example of our success is the use of our products in a number of iconic and landmark projects including the Australian Embassy project in Bangkok, completed during 2017. And at the recent Horbury Hunt awards, which recognise excellence in the use of building products in architectural design, our products featured in three out of the five winning projects.

Earnings growth is also being delivered through our international partnerships with leading manufacturers, to offer our customers a wider range of unique and premium products. During the year, we entered into a new supply agreement with Italian manufacturer S. Anselmo for a unique range of sandstock bricks. This follows the success of our distribution arrangements for premium La Escandella roof tiles and La Paloma bricks from Spain.

PROPERTY PERFORMANCE

The continued strong performance of our Property Group during 2017 was incredibly pleasing, delivering an EBIT of \$90.6 million and recording a fifth consecutive year of earnings growth.

The sale of Oakdale West was a significant milestone during the year, generating a profit of \$50.1 million to the Company. This sale, into our 50/50% Joint Venture Property Trust with the Goodman Group, also secures a strong future development pipeline for the Trust.

The key operational focus was the continued development activity within the Property Trust. New developments completed during the year at Rochedale in Queensland and Oakdale Central in New South Wales contributed to an increase in Property Trust distributions, up 19.6% to \$18.3 million.

The Company is focused on continuing to build asset value in the Property Trust, and has re-invested cash proceeds received from land sales in recent years to support development activity. This has seen total assets within the Trust increase to \$1.401 billion at the end of the year – a significant achievement given its inception just over 10 years ago.

INVESTMENTS PERFORMANCE

The Investments Group consists primarily of a 42.7% stake in WHSP, a core asset of Brickworks that has brought diversity and reliable earnings to the Company for more than 40 years. Our investment in WHSP provides a cash flow stream via dividends that allows long term strategic decision making by sheltering the business during cyclical downturns.

Total EBIT from Investments was up 73.1% to \$103.1 million in 2017, bolstered by improved earnings from New Hope Coal and TPG Telecom. In addition cash dividends of \$54.2 million were received during the year, up 3.8% on the prior period.

GROUP OUTLOOK

As we move into the new financial year, the Building Products Group continues to face mixed market conditions across the country, with the elevated east coast demand being offset by the significant weakness in Western Australia. Our pipeline of work is extremely strong in the major east coast states. With the industry operating at full capacity in these areas, the delays caused by wet weather during the second half of financial year 2017 has meant that projects have been delayed and the already significant backlog of work has extended further.

In Western Australia we are confident the significant restructuring activities undertaken by the Company during 2017 have positioned the business to deliver improved results in this region, despite our expectation of continued difficult conditions.

Whilst the Company has taken a pro-active approach to address its challenges, the same cannot be said about governments across the country. Due to a decade of ineffective or non-existent policy and leadership, Australian manufacturers continue to experience rapidly increasing energy prices and unreliable supply.

Within Austral Bricks, energy prices represent almost 20% of total manufacturing costs and therefore any increase has a significant impact on margins.

As previously flagged, new gas and electricity contracts will take effect on the east coast from 1 January 2018. In total gas and electricity price increases will add around \$20 million per annum to Brickworks' manufacturing costs by 2019, on a business as usual basis.

Ironically, this comes at a time when reliability of supply is increasingly uncertain, with our operations continuing to experience unexpected outages, and facing the prospect of black-outs and forced load sharing arrangements.

Brick price increases have already been implemented to offset the cost impact in financial year 2018 and we continue to investigate a range of mitigation strategies to minimise any further price increases to our customers. These include investments in new fuel-efficient kilns, the use of alternative fuel sources, increasing imports and offshore manufacturing.

Overall, we remain positive about the short to medium term outlook for Building Products, with price increases already implemented, the strong order book on the east coast, and the restructuring initiatives undertaken in the west expected to underpin 2018 earnings, despite the significant impact of higher energy costs in the second half.

Turning to Property, development activity within the Property Trust is currently at record levels, and the completion of further developments at Rochedale and Oakdale Central during the year will continue to increase rental income and asset value. Despite the strong prospects for the Property Trust, 2018 EBIT from Property will be lower than 2017, as we do not expect any significant land sales to occur within the period.

We are confident that WHSP will continue to deliver a stable and growing stream of earnings and dividends over the long term.

OUR PEOPLE

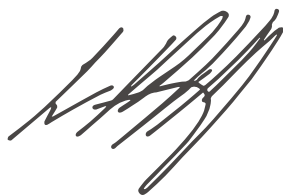
Finally, I'd like to thank our people – the key to our success. I am very proud that at Brickworks we have been able to maintain a stable and highly experienced workforce, and I believe this gives us a competitive edge.

During the year we launched "WE ARE BRICKWORKS", a values and behaviours framework that celebrates and re-enforces our strong culture, by embedding our core values within our talent acquisition, performance management and recognition programs.

We have established the Brickworks' Diversity Council, led by myself, to drive the Company's diversity and inclusion strategy, particularly in supporting gender diversity and leadership.

We also completed an organisational re-structure to create national reporting for Austral Bricks and Bristle Roofing, in line with our other major business units.

As you can see, we have achieved a lot in 2017. I would like to take this opportunity to thank the Board of Directors, the executive team, and all our staff for their support and commitment during the year. Without your ongoing efforts, we would not be the successful company that we are today.



LINDSAY PARTRIDGE AM
Managing Director

Applecross House (WA)
Elements Zinc by Austral Bricks



FINANCIAL

Overview

HIGHLIGHTS

- ▶ **Statutory NPAT** including significant items, up 138.2% to \$186.2 million
- ▶ **Underlying NPAT** before significant items up 33.6% to \$196.4 million
 - ▶ **Building Products EBIT** down 13.7% to \$65.0 million (EBITDA \$92.9 million)
 - ▶ **Property EBIT** up 23.3% to \$90.6 million
 - ▶ **Investments EBIT** up 73.1% to \$103.1 million
- ▶ **Net debt/capital employed** of 13.0%, net debt \$293.4 million
- ▶ **Final dividend** of 34 cents fully franked, up 2 cents or 6.3%
- ▶ **Total full year dividend** of 51 cents fully franked, up 3 cents or 6.3%

EARNINGS

Brickworks posted a statutory **Net Profit After Tax** for the year ended 31 July 2017 of \$186.2 million, up 138.2% on the prior year. Record underlying NPAT of \$196.4 million was up 33.6% from \$147.1 million for the year ended 31 July 2016.

Statutory **Earnings Per Share** was 124.9 cents, up 137.6% on the prior year, and underlying EPS was 131.8 cents, up 33.2%.

Building Products' EBIT was \$65.0 million, down 13.7% on the prior year. Earnings on the east coast were higher, despite the impact of Cyclone Debbie and associated period of heavy rain that had a significant impact on sales volume and manufacturing operations. This was offset by a decrease in earnings in Western Australia, as a result of the difficult market conditions and subsequent re-structuring activities in that state.

Property EBIT was \$90.6 million for the 12 months to 31 July 2017, including the profit generated by the sale of Oakdale West into the Joint Venture Industrial

Property Trust ('Property Trust') in December. Brickworks' share of the net asset value within the Property Trust increased by \$148 million during the year.

Investment EBIT, including the contribution from Washington H. Soul Pattinson Limited ('WHSP'), was up 73.1% to \$103.1 million. This was due primarily to improved earnings from New Hope Coal and TPG Telecom. During the year, the value of Brickworks stake in WHSP increased by \$21.5 million to \$1.804 billion.

Total **borrowing costs** were down 11.7% to \$12.4 million, including the mark to market valuation of swaps. Underlying **interest cover** was a conservative 16.7 times at 31 July 2017.

Statutory **income tax** was \$57.9 million for the year. The underlying income tax expense increased to \$37.4 million compared to \$34.8 million for the previous corresponding period, due to the higher earnings from the combined Building Products and Property Groups.

FINANCIAL OVERVIEW

Significant Items	Gross \$m	Tax \$m	Net \$m
Impairment of PP&E	(3.0)	0.9	(2.1)
Restructuring and commissioning	(12.9)	3.9	(9.1)
Net legal and advisory cost (incl. Perpetual litigation)	0.1	–	0.1
Significant items relating to WHSP	26.1	(25.3)	0.9
Total	10.3	(20.5)	(10.2)

Significant items reduced NPAT by \$10.2 million for the year, and included the following:

- ▶ Impairment of property, plant and equipment at brick, timber and roof tile plants in Western Australia, totalling \$3.0 million before tax.
- ▶ Restructuring activities within brick, timber and roof tile operations in Western Australia, totalling \$12.9 million before tax. These costs include stock write-downs, staff redundancies and commissioning of the upgraded brick plant at Cardup and the new timber processing line at Greenbushes.
- ▶ A \$0.1 million after tax benefit in relation to legal and advisory services. This includes a settlement payment of \$2.7 million by Perpetual to cover legal costs incurred during proceedings associated with their cross claim against Brickworks and WHSP. The payment from Perpetual followed the conclusion of the case on 10 July 2017, when the judge ruled that, in summary, Perpetual failed on all elements of its case, and was ordered to pay both Brickworks and WHSP's costs of the claim as agreed or taxed. This payment is offset by \$1.9 million in costs that were incurred by Brickworks during financial year 2017 in relation to this case, and various other advisory costs over the year.
- ▶ Significant items relating to WHSP resulted in a \$0.9 million benefit, after tax. Profits on the sale of investments and associates, and a gain on the initial recognition of Pengana Capital as an associate were offset by a deferred tax expense of \$25.3 million. This represents the prima facie income tax expense in respect of the equity accounted WHSP profit, less the franking credits associated with the WHSP dividends received during the year and adjusted for the movements in the WHSP franking account and the circular dividend impact.



BALANCE SHEET

Gearing (net debt to capital employed) was 13.0% at 31 July 2017, marginally higher than 12.8% at 31 July 2016. Total interest bearing debt decreased to \$313.0 million and net debt increased to \$293.4 million at 31 July 2017.

Net **working capital**, excluding land held for resale, was \$197.5 million at 31 July 2017, up \$8.4 million from the prior year, due primarily to an increase in inventory. **Finished goods inventory** was up by \$5.1 million, due largely to the extended period of wet weather in March and April that resulted in lower than expected deliveries during that period. Finished goods inventory across the business represented 3.6 months sales at the end of the period.

Net tangible assets per share was \$11.77 at 31 July 2017, up from \$10.95 at 31 July 2016 and total shareholders' equity was up \$129.4 million to \$1.968 billion.

Return on equity of underlying earnings for the year was 10.0%. Over the longer term, Brickworks' diversified corporate structure has provided stability of earnings and enabled prudent investments that have steadily built net asset value.

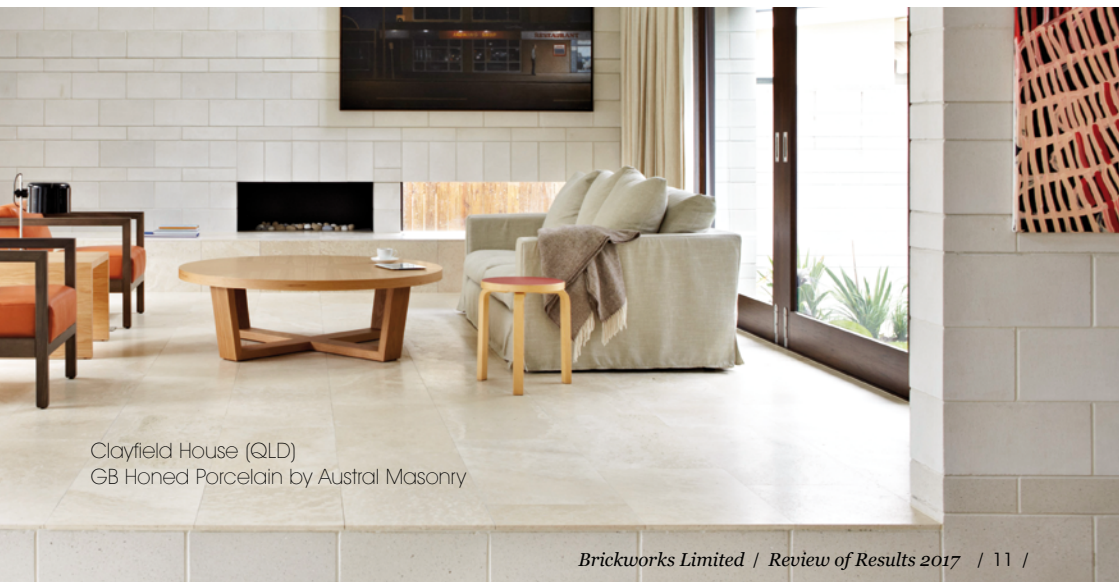
CASH FLOW

Total **cash flow from operating activities** was \$115.4 million, down from \$148.5 million in the prior year. Excluding the net proceeds from the sale of the Coles CDC facility in the prior period (\$46.1 million), operating cash flow was up by 12.7%.

Building Products **capital expenditure** increased to \$60.3 million, from \$52.7 million in the prior year. Stay in business capital expenditure was \$29.0 million, marginally higher than depreciation. Spend on major upgrade and growth projects totalled \$31.3 million, primarily consisting of upgrades to the Cardup brick plant in Western Australia, the consolidation of Auswest Timbers operations to the Greenbushes site, also in Western Australia, and upgrades to the Rochedale brick plant in Queensland.

DIVIDENDS

Directors declared a fully franked final **dividend** of 34 cents per share for the year ended 31 July 2017, up 6.3% from 32 cents. Together with the interim dividend of 17 cents per share, this brings the total dividends paid for the year to 51 cents per share, up 3 cents or 6.3% on the prior year.



Clayfield House (QLD)
GB Honed Porcelain by Austral Masonry

BRICKWORKS

LIMITED

Building Products

BRICKWORKS
— BUILDING PRODUCTS —

Property

BRICKWORKS
— PROPERTY —

Investments

BRICKWORKS
— INVESTMENTS —

Trinity College (VIC)
Hawthorn & London Blend by
Daniel Robertson

GROUP

Structure

Brickworks has a diversified corporate structure that has delivered stability of earnings over the long term. There are three divisions within the Brickworks Group structure:

BUILDING PRODUCTS

The Building Products division is a leading Australian manufacturer and distributor of building products. Since 2002, Building Products has grown from a two state brick manufacturer, in New South Wales and Queensland, to a diversified national building products business with significant sales and operations in all states.

In total Building Products comprises 33 manufacturing sites and more than 27 display centres and design studios across the country. This is complemented by an extensive reseller network that includes over 100 additional displays.

The portfolio includes:

- ▶ **Austral Bricks:** Australia's largest clay brick manufacturer with significant market positions in every state
- ▶ **Austral Masonry:** Australia's second largest masonry manufacturer with operations focused on the east coast
- ▶ **Bristile Roofing:** A "full service" roofing supplier with a strong presence in all major states, offering supply and install tiles (concrete or terracotta), metal roofing and fascia and guttering
- ▶ **Austral Precast:** A national supplier of precast walling and flooring products, with plants in Sydney, Brisbane and Perth
- ▶ **Auswest Timbers:** Operates sawmills and value adding facilities across the country, supplying roof tile battens, structural timber, pre finished flooring and various other timber products.

PROPERTY

The Property division was established to maximise the value of land that is surplus to the Building Products business. Operational land that becomes surplus to the business needs is transferred to the Property division where it is assessed for optimum land use. In some cases land is rezoned to residential and sold. Alternatively the land is rezoned industrial and transferred into the Property Trust and developed, creating a stable, growing annuity style income stream.

The Joint Venture Industrial Property Trust is a 50/50% partnership between Brickworks and Goodman Industrial Trust. Over the past decade it has grown significantly and now has a total asset value of over \$1.4 billion. After including debt, Brickworks 50% share of the Property Trust has an equity value of \$480 million.

In addition to the Property Trust, the Company holds around 3,750 hectares of operational land and 370 hectares of development land.

INVESTMENTS

Investments consists primarily of a 42.7% interest in Washington H. Soul Pattinson, an ASX listed company with market capitalisation of around \$4.2 billion (market value of Brickworks share approximately \$1.8 billion). This investment provides a stable and diversified earnings stream and has provided Brickworks with superior returns and security to weather periods of weaker building products demand.

BUILDING PRODUCTS

SUMMARY OF HOUSING COMMENCEMENTS

Estimated Starts ¹	Detached Houses			Other Residential			Total		
	Jun 16	Jun 17	Change	Jun 16	Jun 17	Change	Jun 16	Jun 17	Change
New South Wales ²	28,492	30,331	6.5%	46,182	46,717	1.2%	74,674	77,048	3.2%
Queensland	23,567	23,255	(1.3%)	25,864	17,922	(30.7%)	49,431	41,177	(16.7%)
Victoria	35,574	34,761	(2.3%)	33,098	29,284	(11.5%)	68,672	64,045	(6.7%)
Western Australia	18,098	14,522	(19.8%)	7,415	5,307	(28.4%)	25,513	19,829	(22.3%)
South Australia	7,687	7,478	(2.7%)	3,592	2,613	(27.3%)	11,279	10,091	(10.5%)
Tasmania	2,038	1,625	(20.3%)	400	379	(5.3%)	2,438	2,004	(17.8%)
Total Australia³	116,344	112,695	(3.1%)	117,250	102,449	(12.6%)	233,594	215,144	(7.9%)
New Zealand ⁴	26,836	27,540	2.6%	2,261	2,913	28.8%	29,097	30,453	4.7%

MARKET CONDITIONS

Total dwelling commencements for Australia were down 7.9% to 215,144 for the twelve months ended 30 June 2017. Despite the decline, this level of building activity remains elevated compared to historical averages, buoyed by a surge in other residential commencements over the past five years.

Detached housing commencements remained at near peak levels, buoyed by growth in New South Wales which partially offset the significant fall in Western Australia.

After years of unprecedented growth, other residential commencements decreased by 12.6% in the year to 30 June 2017, with all states except New South Wales experiencing falls.

Conditions in **New South Wales** (including ACT) continue to improve, with total residential commencements up 3.2% to 77,048 for the twelve months to 30 June 2017. Following five years of strong growth, total commencements in this region are at a new record peak. Over the past twelve months detached houses increased a further 6.5%, while other residential activity remained relatively steady.

1 Original data sourced from ABSCat. 8752.0 Number of Dwelling Unit Commencements by Sector, States & Territories, except June 17 quarter estimate, from BIS Shrapnel.

2 Includes ACT, to align with Brickworks divisional regions.

3 Includes Northern Territory, not shown separately on table.

4 Building Consents data sourced from Statistics New Zealand – Building Consents.

OVERVIEW OF FY2017 RESULTS

Year Ended July	2016 \$m	2017 \$m	Change %
Revenue	748.1	763.3	2.0
EBITDA	102.8	92.9	(9.6)
EBIT	75.4	65.0	(13.7)
EBITDA margin	13.7%	12.2%	(11.4)
EBIT margin	10.1%	8.5%	(15.4)
Net Tangible Assets	620.0	606.8	(2.1)
Return on Net Tangible Assets	12.2%	10.7%	(12.6)
Full Time Equivalent Employees (#) ¹	1,598	1,511	(5.4)
Safety (TRIFR) ²	19.2	17.1	(10.9)
Safety (LTIFR) ³	1.6	1.3	(18.7)

In **Queensland** detached house commencements were approximately in line with the prior year. However there was a sharp fall in other residential commencements, resulting in total commencements declining 16.7% on the prior year.

In **Victoria** building activity remains elevated despite the decrease in total commencements for the 12 months to 30 June 2017.

Residential building activity in **Western Australia** experienced another sharp decline during the year. Total commencements were down a further 22.3% for the twelve months to 30 June 2017, bringing the cumulative two year decline in this market to 37.5%.

The value of approvals in the **non residential** sector in Australia increased by 14.4% to \$42.3 billion for the twelve months to 31 July 2017. Within the non residential sector, Commercial building approvals

increased by 39.1% to \$16.9 billion for the period and Industrial building approvals increased 3.1% to \$5.3 billion. The Educational sub-sector, an important driver for bricks and masonry demand, was up 2.3% to \$5.6 billion.

Based on Australian Bureau of Statistics trend data, the total value of building approvals in Australia, across the combined residential and non residential sectors is currently at the highest level in over 12 months.

OVERVIEW OF FY2017 RESULTS

Revenue for the year ended 31 July 2017 was up 2.0% to a record \$763.3 million, compared to \$748.1 million for the prior year. Financial year 2017 saw continued growth in building materials demand on the east coast, offset by weakness in Western Australia.

1 Includes casuals.

2 Total Reportable Injury Frequency Rate (TRIFR) measures the total number of reportable injuries per million hours worked.

3 Lost Time Injury Frequency Rate (LTIFR) measures the number of lost time injuries per million hours worked.

BUILDING PRODUCTS

EBIT was \$65.0 million, down 13.7% on the prior year, and **EBITDA** was \$92.9 million. An improved result on the east coast was eroded by a significant decline in earnings in Western Australia, where the difficult market conditions impacted sales volumes and margins, and re-structuring in brick, roofing and timber businesses disrupted operations.

Although earnings on the east coast were up \$7.3 million on the prior year, the extent of the uplift was limited by severe wet weather during March and April, resulting in reduced sales volume. The subsequent inventory build provided an opportunity to shut down a number of plants during the second half to complete maintenance works and to control stock levels. Despite a decrease in inventory late in the year once conditions had returned to normal, the year end inventory level was marginally higher than the prior year.

With sales volume failing to keep pace with order intake, it is clear that the housing industry is operating at "natural capacity" on the east coast, limited primarily by trade availability and access to titled land. As a result, the lost sales volume due to wet weather delays was not able to be recovered in financial year 2017. Instead, projects have been delayed, resulting in the already significant pipeline of work growing further during the second half.

Earnings from Western Australian operations decreased by \$12.0 million. In response to the challenging conditions, significant restructuring initiatives were undertaken in Austral Bricks, Auswest Timbers and Bristle Roofing, with a total of 6 plants being closed during the year, including 4 on a permanent basis.

The Company's investment in marketing and branding was further expanded during the year, with direct marketing costs increasing by around \$3 million compared to the prior year, including a major television and radio advertising campaign. This sustained investment over many years to position Brickworks as the leading style brand in the industry has supported the growth of premium, higher priced products across all divisions.

The price and reliability of energy supply remains a major concern for the business. Although gas has now been secured for the east coast until the end of calendar 2019, prices will rise significantly. Despite the higher prices, reliability is a major issue in some regions. For example, operations at the Golden Grove brick plant in South Australia experienced a number of major electricity outages that caused operations to cease during the year. As a result, the Company has been forced to invest \$1.5 million in generators as back up to ensure the continuous operation of this facility.

Full time equivalent **employees** decreased by 87 during the year, taking the total number to 1,511 at 31 July 2017. The decrease is primarily due to restructuring initiatives within Auswest Timbers and Austral Bricks Western Australia, offset by the addition of 15 employees as a result of the acquisition of Rix Roofing during the year.

There were 4 Lost Time Injuries ('LTIs') during the year, down from 5 in the prior year. This translated into a reduction in the Lost Time Injury Frequency Rate ('LTIFR') to 1.3, compared to 1.6 in the 2016 financial year. The Total Reportable Injury Frequency Rate ('TRIFR') decreased to 17.1 from 19.2 in the prior financial year.



AUSTRAL BRICKS

Austral Bricks delivered a 7.3% increase in earnings for the twelve months ended 31 July 2017, with sales revenue up 2.0% to \$413.9m.

A focus on unit margins has delivered pleasing results, with initiatives including:

- ▶ Innovation and development of premium products;
- ▶ Additional resources and new initiatives introduced to the product selection process, resulting in higher rates of “up-selling”; and
- ▶ Close collaboration with architects to develop bespoke and customised brickwork, especially in medium and higher density developments.

Unit manufacturing costs decreased compared to the previous corresponding period, primarily as a result of prior period plant upgrades.

Performance on the east coast was very strong, with all major states achieving higher earnings. Buoyant market conditions supported an increase in sales volume, particularly in Victoria. In this state the strong sales volume has necessitated an increase in supply from other states to satisfy demand.

Demand also remains extremely strong in New South Wales, where sales volume again increased, despite the adverse weather conditions in March and April. This period of reduced deliveries provided a rare opportunity to take all Horsley Park brick plants offline for important kiln maintenance, including Plant 1 which had been in continuous operation for almost a decade.

Significantly higher earnings in Queensland was particularly pleasing, and follows the completion of the first phase of the Rochedale plant upgrades, resulting in much improved product quality and lower unit production costs. The final phase of the refurbishment program will be completed during the first half of 2018.

The conditions on the east coast are in stark contrast to Western Australia, where the sharp downturn in building activity resulted in a significant decline in sales. In addition, unit margins deteriorated as a result of intense competition for sales.

In response to the difficult conditions in Western Australia, extensive restructuring initiatives were completed during the year. Following the closure of the high cost Malaga plant earlier in the year, production has now been transferred to the upgraded Cardup plant. Having sold the Malaga land in July, the business is now operating with lower production costs and lower real assets employed, and as a result is well placed to deliver a higher return on capital invested.

During the second half the Armadale brick plant was also closed indefinitely. With conditions not expected to improve in the foreseeable future, production at Bellevue and Cardup is sufficient to meet current market demand.

AUSTRAL MASONRY

Austral Masonry delivered marginally lower earnings on relatively stable sales revenue of \$89.0 million. Sales revenue in New South Wales increased, buoyed by the elevated levels of multi-residential building, however this was offset by a decline in Queensland. This region was significantly impacted by Cyclone Debbie, resulting in the evacuation of 3 Austral Masonry factories in central and northern Queensland in late March. The ramifications of the cyclone continue to result in project delays in north Queensland, an important region for Austral Masonry due to the prevalence of masonry block construction.

More broadly, the persistent rainfall in March and early April on the east coast had a particularly adverse impact on Austral Masonry, with masonry products being popular in basements and civil works, applications which are most impacted by wet weather delays.

Higher average prices were achieved, supported by a continued focus on premium products, resulting in a gradual transition away from grey block to coloured block, pavers and retaining wall products.

BRISTILE ROOFING

Bristile Roofing earnings decreased on the prior year, despite an increase in revenue, up 3.0% to \$127.9 million. Sales revenue on the east coast was higher, with a particularly strong increase in Victoria. However earnings were adversely impacted by poor plant performance at Wacol in Queensland leading up to planned upgrade works over the Christmas and New Year period.

The difficult conditions in Western Australia resulted in a significant decline in sales volume in this state, and making local production unviable. As a result, the Caversham plant was closed indefinitely in April, with this market now being serviced by locally produced stock in hand and high quality imported terracotta tiles from La Escandella in Spain.

On 3rd April, the Company completed the acquisition of Rix Roofing, a metal roofing and fascia and gutter installer, based in Victoria. This acquisition is consistent with Bristile Roofing's strategy to diversify its product offering, and follows the acquisition of similar installers in New South Wales and Queensland over the past 2 years. Following these acquisitions, metal sales now make up almost 20% of total Bristile Roofing revenue, and offers a significant growth opportunity in the years ahead.

AUSTRAL PRECAST

Austral Precast earnings were also lower, despite an 8.7% increase in revenue to \$80.5 million.

An uplift in earnings was achieved in New South Wales, on the back of strong sales growth and continued operational improvements at the Wetherill Park facility. Further automation is planned in the first half of financial year 2018, with the installation of robotic shuttering and concrete distribution equipment.

The improved result in New South Wales was offset by weaker earnings in other states. Market conditions in Western Australia were particularly difficult, and Queensland also suffered from a significant slow down in high rise multi residential development activity in the second half.

Performance in Victoria was adversely impacted by delays in a number of large projects in Melbourne, resulting in reduced sales volume and production inefficiency. In addition, employee wage rates in this state are approximately double those elsewhere across the country, resulting in the business being uncommercial. With no prospect of change, the decision has been taken to close Austral Precast operations in Victoria, effective from October 2017.

AUSWEST TIMBERS

Auswest Timbers earnings reduced compared to the prior year, with a decrease in revenue of 11.4% to \$46.6 million.

During the year significant rationalisation activities were completed in Western Australia to ensure operations were well equipped to meet changing demand requirements and log input characteristics. This re-structure included the consolidation of four manufacturing operations onto one site at Greenbushes.

Victorian operations were adversely impacted by operational issues caused by decreasing log input size. However on a positive note, following many years of negotiations a log supply agreement was reached with VicForests that has secured supply for at least seven years. This log contract necessitates investment in sawmilling equipment to process smaller logs, with investment options now being considered by the company.

Softwood operations delivered improved earnings for the year, on the back of further efficiency gains at the Fyshwick batten mill and the strong demand for roof tile battens due to the strength in east coast housing activity.

PROPERTY

Property produced an EBIT before significant items of \$90.6 million for the year ended 31 July 2017, up 23.3% from \$73.5 million for the prior year.

OVERVIEW OF FY2017 RESULT

Year Ended July	2016 \$m	2017 \$m	Change %
Net Trust Income	15.3	18.3	19.6
Revaluation of properties	41.8	14.3	(65.8)
Development Profit	17.8	10.8	(39.3)
Sale of assets	—	1.0	N/A
Property Trust	74.9	44.4	(40.7)
Land Sales	1.4	50.3	N/A
Waste	1.3	—	N/A
Property Admin and Other	(4.2)	(4.1)	(2.4)
Total	73.5	90.6	23.3

The improved result was due primarily to the sale of Oakdale West into the Property Trust during the first half, which contributed an EBIT of \$50.1 million. This 90 hectare site at Eastern Creek in New South Wales will be developed by the Property Trust as an industrial estate over the coming years. The remaining \$0.3 million Land Sales profit was generated from the sale of non operational property at Pemberton in Western Australia.

On 27 July 2017, the former brick making site at Malaga in Western Australia was sold for \$19.2 million, in line with book value.

The Property Trust generated an EBIT of \$44.4 million, down 40.7% from \$74.9 million in the prior year. The decrease was due primarily to lower revaluation profits as a result of capitalisation rates stabilising over the year. In total property revaluations contributed a profit of \$14.3 million, down significantly from \$41.8 million in the prior year.

Net property income distributed from the Trust was \$18.3 million, up 19.6% from \$15.3 million in financial year 2016. In addition to annual rent increases on established properties, new developments at Rochedale and Oakdale Central contributed to this uplift.

PROPERTY continued

PROPERTY TRUST ASSET VALUE

Year Ended July	2016 \$m	2017 \$m	Change %
Leased properties	711	878	23.5
Land to be developed	300	523	74.3
Total Property Trust assets	1,011	1,401	38.6
Borrowings on leased assets	(299)	(408)	(36.4)
Borrowings on developments	(49)	(34)	30.6
Net Property Trust assets	664	960	44.6
Brickworks 50% share	332	480	44.6
Gearing on leased assets ¹	42%	46%	9.5

PROPERTY TRUST – LEASED PROPERTIES

Estate	Asset Value \$m	Gross Lettable Area m ²	Gross Rental \$m/year	WALE ² years	Capital Rate %
M7 Hub	126	64,125	8.3	3.3	6.0%
Interlink	377	192,207	23.7	4.7	6.1%
Oakdale	309	162,231	19.4	6.6	6.0%
Rochedale	66	34,570	4.0	16.8	6.3%
Total	878	453,133	55.4	6.0	6.1%

PROPERTY TRUST – DEVELOPMENT PIPELINE

	Asset Value \$m	Gross Lettable Area m ²	Gross Rental \$m/year	WALE ¹¹ years	Capital Rate %
Current Leased Assets	878	453,133	55.4	6.0	6.1%
New – Oakdale Central	146	81,660	9.2	8.0	6.4%
New – Rochedale	103	61,020	6.1	15.0	5.9%
Future Leased Assets	1,125	595,813	70.7	6.7	6.1%

1 Borrowings on leased assets/total leased assets.

2 Weighted average lease expiry.

A development profit on completion of facilities within the Property Trust generated \$10.8 million EBIT.

Property administration expenses totalled \$4.1 million, down slightly on the prior year. These expenses include holding costs such as rates and taxes on properties awaiting development.

PROPERTY TRUST ASSET VALUE

The total value of assets held within the Property Trust at 31 July 2017 was \$1.401 billion. This includes \$878 million in leased properties and a further \$523 million in land to be developed.

Borrowings of \$441 million are held within the Property Trust, giving a total net asset value of \$960 million. Brickworks' 50% share of net asset value was \$480 million, up \$148 million from \$332 million at 31 July 2016. The increase in value during the year is primarily due to the sale of the Oakdale West land to the Property Trust.

The Property Trust gearing level was 46% at 31 July 2017, up from 42% a year earlier, with the increase reflecting the significant development currently underway within the Property Trust.

PROPERTY TRUST – LEASED PROPERTIES

The entire Property Trust portfolio consists of "A grade" facilities, each less than eight years old, with long lease terms and stable tenants. The annualised gross rent exceeds \$55 million, capitalisation rates range from 6.0–6.3% and there are currently no vacancies.

PROPERTY TRUST – DEVELOPMENT PIPELINE

Development activity in the Property Trust is continuing at pace, with a number of new developments at both the Oakdale Central and Rochedale estates due for completion during financial year 2018. At Oakdale

Central in New South Wales, a total of 81,660m² of new developments will be completed, with the Estate due to be built out by April 2018. At Rochedale in Queensland 61,020m² will be completed including a 50,585m² Super Amart building.

Once completed, these new developments will contribute in excess of \$15 million¹ in gross rental income to the Property Trust, taking the forecast gross rental income to over \$70 million at the end of financial year 2018.

The next twelve months will also see developments commence at Oakdale South, following completion of infrastructure works by April 2018. This will trigger settlement on 30.3 hectares of land (with sale contracts executed in financial year 2016) providing \$100 million in gross receipts on sale.

Leasing activity at this estate has been strong with heads of agreement for two facilities totalling 34,000m² secured, and a submission having been lodged on a proposed 40,000m²+ facility.

Looking further ahead, the State Significant Development Application for the 100 hectare (developable area) Oakdale West property has been put on public exhibition. Approval is expected to be achieved in calendar year 2018.

BRICKWORKS OPERATIONAL AND DEVELOPMENT LAND

Operational land is utilised in the day to day activities of Building Products. The total value of operational land decreased slightly during the year to around \$357 million. The decrease was a result of the sale of the Malaga property and consolidation of brick manufacturing operations in Western Australia.

The largest site held for development is at Craigieburn in Victoria. Brickworks is currently collaborating with other local landowners to produce development concepts that may accelerate rezoning of this land to residential.

1 This increase in gross Trust rent equates to around \$3.5-4.0 million in net trust income to Brickworks, based on current gearing.

INVESTMENTS

The EBIT from total investments was up 73.1% to \$103.1 million in the year ended 31 July 2017.



WASHINGTON H. SOUL PATTINSON LIMITED

ASX Code: SOL

Brickworks' investment in WHSP returned an underlying contribution of \$102.9 million for the year ended 31 July 2017, up 74.0% from \$59.1 million in the prior year. This was due primarily to increased earnings from New Hope Coal, as a result of higher coal prices and a full year contribution from the recently acquired Bengalla mine operations. In addition, the contribution from TPG Telecom was also significantly higher.

The market value of Brickworks 42.72% share holding in WHSP was \$1.804 billion at 31 July 2017, up \$21.5 million from \$1.782 billion at 31 July 2016. This investment continues to provide diversity and stability to earnings, with cash dividends totalling \$54.2 million received during the year, up 3.8% on the prior period.

WHSP has delivered outstanding returns over the long term, with fifteen year returns of 12.8% per annum to 31 July 2017 being 3.9% ahead of the All Ordinaries Accumulation Index.

WHSP holds a significant investment portfolio in a number of listed companies including Brickworks, TPG Telecom, New Hope Corporation, Australian Pharmaceutical Industries, Apex Healthcare Bernhard and TPI Enterprises.

The investment in WHSP has been an important contributor to Brickworks' success for more than four decades. Over this period it has delivered an uninterrupted dividend stream that reflects the earnings from WHSP's diversified investments. This dividend helps to balance the cyclical earnings from Brickworks' Building Products and Property divisions.



Review of RESULTS

CONSOLIDATED INCOME STATEMENT

	2017 \$000	2016 \$000
Revenue	841,816	750,985
Cost of sales	(559,099)	(518,579)
Gross profit	282,717	232,406
Other income	1,758	2,128
Distribution expenses	(65,632)	(63,792)
Administration expenses	(28,948)	(27,880)
Selling expenses	(77,870)	(70,043)
Impairment of non-current assets	(3,046)	(62,185)
Other expenses	(25,631)	(23,577)
Share of net profits of associates and joint ventures	173,235	134,699
Profit before finance cost and income tax	256,583	121,756
Finance costs	(12,436)	(14,080)
Profit before income tax	244,147	107,676
Income tax expense	(57,937)	(29,486)
Profit after tax	186,210	78,190
Profit after tax attributable to:		
Shareholders of Brickworks Limited	186,210	78,190
	Cents	Cents
Earnings per share attributable to the shareholders of Brickworks Limited		
Basic (cents per share)	124.9	52.6
Diluted (cents per share)	124.9	52.6

CONSOLIDATED BALANCE SHEET

	2017 \$000	2016 \$000
Cash and cash equivalents	19,641	30,783
Receivables	133,225	106,558
Inventories	195,720	188,394
Land held for resale	—	9,652
Prepayments	8,393	8,781
Total current assets	356,979	344,168
Inventories	7,300	7,998
Land held for resale	—	4,137
Investments accounted for using the equity method	1,644,029	1,462,830
Property, plant and equipment	498,755	488,454
Intangible assets	212,840	209,624
Total non-current assets	2,362,924	2,173,043
TOTAL ASSETS	2,719,903	2,517,211
Payables	110,102	81,593
Derivative financial instruments	513	—
Current income tax liability	6,184	13,771
Provisions	43,416	50,134
Total current liabilities	160,215	145,498
Borrowings	311,977	299,224
Derivative financial instruments	3,549	5,820
Provisions	10,436	9,287
Deferred income tax liability	265,886	218,897
Total non-current liabilities	591,848	533,228
TOTAL LIABILITIES	752,063	678,726
NET ASSETS	1,967,840	1,838,485
Issued capital	340,814	336,905
Reserves	309,782	311,255
Retained profits	1,317,244	1,190,325
TOTAL EQUITY	1,967,840	1,838,485

CONSOLIDATED STATEMENT OF CASH FLOWS

	2017 \$000	2016 \$000
Cash flows from operating activities		
Receipts from customers	811,393	815,781
Payments to suppliers and employees	(757,772)	(758,613)
Proceeds from land held for resale	20,994	—
Interest received	224	442
Interest and other finance costs paid	(15,222)	(13,405)
Dividends and distributions received	73,246	114,548
Income tax paid	(17,441)	(10,246)
Net cash from operating activities	115,422	148,507
Cash flows from investing activities		
Purchases of property, plant and equipment	(61,358)	(54,798)
Proceeds from sale of property, plant and equipment	1,555	3,241
Purchase of investments in joint ventures	(9,450)	(20,050)
Proceeds from sale or return of investments	5,750	27,572
Purchase of controlled entities, net of cash acquired	(3,195)	(3,321)
Net cash used in investing activities	(66,698)	(47,356)
Cash flows from financing activities		
Proceeds from borrowings	523,000	99,000
Repayments of borrowings	(510,000)	(124,000)
Dividends paid	(72,866)	(68,419)
Net cash used in financing activities	(59,866)	(93,419)
Net increase / (decrease) in cash held	(11,142)	7,732
Cash at the beginning of the financial year	30,783	23,051
Cash at the end of the financial year	19,641	30,783

CORPORATE *information*

REGISTERED OFFICE

738–780 Wallgrove Road
Horsley Park NSW 2175
Telephone: (02) 9830 7800
Website: www.brickworks.com.au
Email: info@brickworks.com.au

AUDITORS

EY

BANKERS

National Australia Bank

SHARE REGISTER

Computershare Investor Services Pty. Limited

GPO Box 2975
Melbourne Victoria 3001
Telephone: 1300 855 080 (within Australia)
+61 3 9415 4000 (International)

PRINCIPAL ADMINISTRATIVE OFFICE

738–780 Wallgrove Road
Horsley Park NSW 2175
Telephone: (02) 9830 7800
Email: info@brickworks.com.au

IMPORTANT DATES

2017 annual result released	21 September 2017
Record date for final ordinary dividend	9 November 2017
Annual General Meeting	28 November 2017
Payment date for final ordinary dividend	29 November 2017
2018 half-year end	31 January 2018
2018 half-year result announced	22 March 2018
Record date for interim ordinary dividend	10 April 2018
Payment date for interim ordinary dividend	1 May 2018
2018 financial year end	31 July 2018
2018 annual result released	20 September 2018

The above dates are indicative only and are subject to change.

BRICKWORKS
— LIMITED —

Barkers Road Townhouses - Horbury Hunt Commercial Award Winner



BRICKWORKS DOMINATES INDUSTRY AWARDS

Brickworks has done it again. In 2017 we continued to dominate the Industry Awards from Think Brick, the Roof Tile Association Australia (RTAA) and the Concrete Masonry Association Australia (CMAA). At a gala night in Melbourne in August, Brickworks won three of the five awards, comprising the Horbury Hunt Residential Award, the Horbury Hunt Commercial Award and the Bruce McKenzie Landscape Award.

This year Bowral Bricks featured in all three of the award winners. For example the firm of Kavellaris Urban Design won the Horbury Hunt Commercial Award for their project, Barkers Rd townhouses. The featured brick was Brahman Granite.

House Au Yeung - Horbury Hunt Residential Award Winner



Tribe Studio's use of Bowral Bricks products in the House Au Yeung won the prestigious Horbury Hunt Residential Award. And finally, Deicke Richards took home the 2017 Bruce McKenzie Landscape Award for their Crescent House Project. Having won seven awards in the past two years alone, Brickworks can rightly lay claim to being recognised by the architectural community as the leading manufacturer and supplier of premium building products. Through hard work and by supporting our design and architecture partners, we will continue to build on this fine record.

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AUSTRALIAN EMBASSY THAILAND

On 3 August 2017, Minister for Foreign Affairs, Julie Bishop, formally opened the new Australian Embassy building in Bangkok, Thailand. At a ceremony attended by Thailand Foreign Minister, Don Pramudwinai, Ms Bishop released a turtle from a pool at the former embassy into a pool at the new building. This symbolic gesture of continuity and respect for Thai culture followed a ceremony involving Indigenous Australian and Thai performances.



The occasion was also a landmark for Austral Bricks. Represented at the opening was Mark Ellenor, Group General Manager Austral Bricks, and Nathan Blackwell, NSW Business Development Manager. We are extremely proud to have played our own part as ambassadors for quality Australian manufacturing.

Says Mark: "This was a very special project with special requirements. Complex logistics in terms of transport, delivery and customs clearance, as well as ensuring matching and blending – brick by brick – kept us busy from the moment our bid was accepted to final detailing and finishing. We'd like to think there'll be more opportunities such as this further down the track. I'm pleased to say that whatever the nature of the project, we always deliver."

Brickworks was proud to supply a total of 425,000 Bowral Embassy Red and Bowral Blue bricks which included 14 special shapes. This figure comprised 256,000 Embassy Red, 120,000 Bowral Blue 50mm and 52,000 Brahman Granite. The overall effect in the new embassy is distinctive, dignified and quintessentially 'Australian' as you might expect.

The winner of the design competition for the new complex was Australian architect, James Grose, from the firm BVN who drew upon the Australian landscape to craft a curved organic form. The five-storey Chancery is in a terracotta-coloured brick, evoking the colours of the deserts of Central Australia, as well as being similar to traditional Thai brickwork – it mon dang. Rippling through the centre of the building, and surrounding the outside are water pools, which are typical features in Thai architecture.

Almost 1,000 Thai workers were involved in the construction phase, about 40 percent of them being women who did most of the bricklaying, painting, plastering and detailing. Construction was overseen by a joint venture between Australian and French firms.

Congratulations to all of our staff involved in this inspiring and important project.

MORTEX LAUNCHED

Our newly launched product, Mortex, is achieving outstanding results for builders and homebuilders alike. Mortex is a factory manufactured, quality assured, premixed M4 rated mortar solution, which eliminates the need for on-site blending. It's simply a case of adding the correct amount of water to the sands, lime, cement and admixtures that have been blended together to produce Mortex.

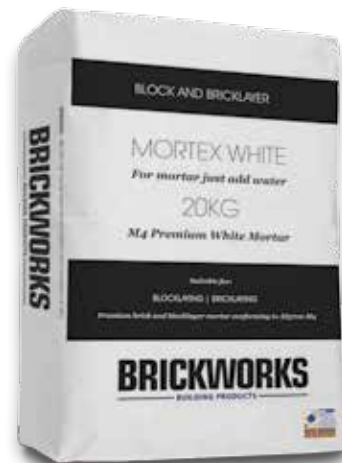
Not only does it save labour time and thereby create efficiencies, it offers consistent strength and colour with every batch. Standard mortars blended on site rely on trades to mix the correct proportions of ingredients to achieve a compliant mortar mix. Importantly, Mortex significantly reduces variations in strength that may occur in site-mixed batches. This ensures enhanced structural adequacy which makes Mortex superior to mortars mixed on site.

By taking the guesswork out of mortar blending and reducing the potential for under strength, non-compliant mortar use, Mortex also reduces potential problems on site.

Mortex fact check

- M4 rated means the strongest mortar blend specified in the Australian standards AS3700:2001.
- Weather resistant and durable mortar and is suitable for most brick and block applications.
- Highly workable and cohesive, with a long board life.
- Available in standard grey and white coloured versions
- Pre-bagged ready for use

Mortex can be used with all Austral Masonry and Austral Bricks products including our range of concrete blocks and clay bricks.



SAN SELMO BRICKS LAUNCHED

In August Brickworks launched the San Selmo range of reclaimed, smoked bricks and larger format Corso bricks to over 700 guests in association with the owners of the Sant Anselmo Italian based brick company.

In a packed week of launch events held in each of our capital city design studios, our Brickworks team and Italian partners showcased these beautiful new additions to our product range. We believe that launch events such as these add weight to Brickworks' claim to be the industry style and design leader.

It may, however, surprise you to know that about 40 per cent of the bricks we sell today weren't available five years ago. The current interest and uptake has much to do with our engagement with leading architects and designers. Brickworks is at the front of a resurgence as more and more customers re-connect with brick as a mainstream design and style material.

We're excited with our new Italian range and their growing appeal and popularity with a new generation of consumers and designers who have come to appreciate the qualities and appeal of brick in all its forms.

The San Selmo range of reclaimed, smoked bricks and larger format Corso bricks have already proved very popular with builders, designers and customers looking for something different.



Alberto DeChecci from Sant Anselmo launching Brickworks new Italian ranges



San Selmo Reclaimed
San Selmo Smoked
San Selmo Corso



BRISTILE SOLAR LAUNCHED

Continuing global advances in the science and technology behind photovoltaics are rapidly bringing solar into the mix of mainstream power sources.

Bristile Roofing is now providing solar products that reduce our reliance on fossil fuels and provide a clean and affordable energy supply. We believe that our integrated solar roof tiles are a big step forward in sustainable roofing technology. What's more they're designed to make the most of Australia's natural sunlight – offering savings for homeowners and the environment.

The recently released Bristile's solar roofing system captures the sun's energy and converts it into a usable sustainable power source. The system is designed to integrate seamlessly with the homeowner's chosen design, allowing them to capture free solar energy without compromising on aesthetics.



Features and benefits

The Bristile solar and battery system is made up of four specially designed elements:

- Solar cells – there's a choice of integrated solar roof tiles for a refined finish, or standalone traditional solar panels from Suntech, a world-leading supplier
- High-tech inverters - the option of a Fronius inverter allowing energy to be transferred back to the grid; or, for systems equipped with sonnen Batterie, an integrated battery and inverter that stores the energy for later use
- German-engineered storage batteries from sonnen – means the home becomes a sustainable closed-loop solar energy system

- Monitoring systems – that enable performance tracking of the energy captured and monitoring of stored energy. Accessible via iPhone, iPad or a desktop computer.

A key strength is adaptable configuration – the system can be tailored to suit small homes or larger projects, delivering maximum returns in any scenario. System components are sourced from leading suppliers whose market size maximise continuity and will help to ensure efficient operation for years to come.

Together, these components offer an advanced solar roofing system tailored to the homeowner's energy needs and budget.

Says Ross Baxter, Bristile's General Manager

"We're proud to have created a beautifully designed system that offers maximum efficiency but which complements home design. The Bristile Roofing solar and battery system brings together the latest technologies in capturing, converting, storing and monitoring solar energy."



Bristile can provide basic and advanced monitoring packages – the basic option shows power generation and usage; while the advanced package optimises your system for peak performance through a sophisticated algorithm that tracks weather data, usage patterns and electricity pricing.

BRISBANE'S SUPER AMART PROPERTY PROJECT COMPLETED

Rosedale Motorway Estate

Brisbane's newest industrial precinct is on the Gateway Motorway and conveniently placed for easy access to the CBD, the airport and the Port of Brisbane.



We are pleased to announce the opening of the Super Amart building, which is located at Rosedale Motorway Estate on the outskirts of Brisbane.

The Super Amart distribution facility sits aside another 21,000m² facility of our latest joint venture with development partner, Goodman.

At 50,585m², the building becomes the largest single facility in our Investment Portfolio. It is leased to Super Amart for 20 years and becomes its main warehouse and distribution facility in Queensland and also serves as their corporate head office. Super Amart was founded in Brisbane and has grown to become one of Australia's leading furniture, bedding and outdoor retailers.



CHILDREN'S CANCER INSTITUTE BUILD FOR A CURE

To mark International Childhood Cancer Awareness Month in 2017, Children's Cancer Institute (CCI), McDonald Jones Homes and Walker Corporation joined forces to undertake an extraordinary challenge - building a house in just 28 days. This was the third "House Built with Love" to be auctioned off since 2014.

Brickworks is again thrilled to be part of our third Build for a Cure. This year Austral Bricks have again donated all the bricks that have made the build possible.

The house is located in the historic town of Appin, located in Greater Western Sydney, and is a postcard-perfect location for the Build for a Cure house in 2017. The lush landscape and mountain views, the rich local history and the generous and warm community all come together to make this a beautiful place to build a home.

Austral Bricks were one of the founding partners of Build for a Cure in 2014. So, when David Fitzharris, Brickworks' Group General Manager of Sales, brokered the initial deal, little did he realise how much of a community catalyst this project has since become. It's incredible to see so many people come together to achieve this amazing feat of building a house in just 28 days – all for childhood cancer research.

Says David: "For more than 12 years Brickworks has been active in supporting the work of CCI in money and in kind. Children suffering from cancer are some of the most vulnerable and we are determined to do what we can to alleviate the trauma for youngsters and their parents."

**Like to help? For more information or to buy
a Virtual Gold Brick head to buildforacure.org.au**

"Each year we come up with new activities and initiatives that make for a stronger, more engaging partnership". David Fitzharris



(L-R) David Fitzharris - Brickworks Group General Manager Sales,
Nikki Quinn - Childhood Cancer Survivor,
Bill McDonald - McDonald Jones Homes

Design Studios

SYDNEY	BRISBANE	ADELAIDE	PERTH	MELBOURNE	HOBART
Ground Floor, 50 Carrington Street, Sydney NSW 2000	27 James Street, Fortitude Valley, QLD 4006	Ground Floor, 70 Hindmarsh Square, Adelaide SA 5000	67 King Street, Perth, WA 6000	490 Swan Street, Richmond, VIC 3121	9 Franklin Wharf, Hobart, TAS 7000

Brickworks Ltd ABN 17000 028 526
Tel (02) 9830 7800

info@brickworks.com.au
www.brickworks.com.au

The range of building products from
BRICKWORKS
BUILDING PRODUCTS

australbricks
terraçade
TERRACOTTA FACADE SYSTEMS

australprecast
DANIEL ROBERTSON
nubrik
authentic brickwork

australmasonry
BOWRAL BRICKS

bristiler roofing
Pronto Panel

auswesttimbers
INEX BOARDS