



ACN 000 028 526

REVIEW OF OPERATIONS

Year Ended 30 June 2001

Results

The Equity Accounted Profit increased by 40% to a record \$60.0 million after tax over the same period last year. The total investment portfolio returned 32% for the year, increasing in value by \$147.7 million, including an unrealised gain of \$141.1 million, to \$642.2 million.

Earnings per share increased to 45.6 cents compared to 32.6 cents last year.

The strong performance of the Group has enabled Directors to recommend that the final ordinary dividend be increased 14% to 8 cents per share fully franked and payable on 5 November. Together with the interim dividends of 10 cents, this brings dividends for the year to 18 cents per share.

The net profit before tax from clay products decreased to \$17.8 million on a 25% decrease in revenue to \$118.5 million.

The net profit before tax from investments increased 6% to \$6.9 million.

On 18 December 2000 shareholders approved a 10 for 1 share split. The share price increased 54% from \$3.93 to \$5.96 during the year and the number of shareholders increased to 1,900 from approximately 1,100.

Clay Products

The housing industry suffered its worst downturn in thirty years, according to BIS Shrapnel, with commencements falling 34% to 114,000 nationally in 2000/01. The GST induced boom and preparation for the Sydney Olympics were the main and well-publicised causes of this unprecedented draw forward and subsequent collapse in demand.

Sales and profits deteriorated in each of the first three quarters of the year. The final quarter was the strongest of the year, showing some improvement. While recent approvals have continued to improve, current demand remains steady.

The industry in New South Wales has been impacted by the collapse of HIH Insurance. A number of long-term clients remained uninsured and unable to commence new work at 30 June.

Brick and paver sales volumes fell by 29%, however unit selling prices continued to increase beyond unit production costs, cushioning the impact of the downturn. This was achieved despite aggressive discounting in the market by competitors, and numerous alternative products attacking traditional markets.

Clay Products (cont)

The reported clay products pre tax profit to sales ratio showed a reduction to 15% from 19.1% the previous year. The reduced contribution was caused by a number of one off charges including;

- The balance of the old tile plant was written off.
- A provision was created for environmental works on the filled portion of the Punchbowl site.
- Additional expenses were incurred for approvals and contracts associated with the property development and waste management.
- The stock value of Bowral was written down by \$590,000 to reflect current lower manufacturing costs.

These charges totalled \$2.6 million. Prior to these charges the pre tax margin was 17.2%, comparing favourably to the 18% achieved in the first half.

Most factories were closed in January for long overdue maintenance and one kiln at Rochedale required closing again in April for unscheduled repairs to a failed section of the refractory roof. There was some disruption caused by the construction of the new tile factory.

Stock levels have been replenished and stood at \$25.2 million on 30th June 2001.

In March Bowral Brickworks Pty Ltd located in Bowral, New South Wales, was purchased. The company was bought for \$6.7 million, including \$2.1 million in finished goods inventories. In addition to the 27-hectare factory site, there are two clay and shale properties totalling approximately 130 hectares with reserves in excess of 40 years. The company assets also include an approved landfill site at Bowral. Bowral Bricks has a very strong brand presence, particularly in the architectural market.

It is the company's intention to sustain dry press production at Bowral after the closure of Eastwood. Since acquisition, an adjoining property of 1.14 hectares has been purchased allowing for plant expansion and additional storage.

New Products and Services

A significant amount of resources were applied to new products and services during the year to maintain Austral's strong position.

The marketing and product development of Slick Bricks continued with many successful jobs completed. Technical testing of the product is continuing to expand its uses and applications. Substantial competition from Panel type products has made progress slow in this market segment.

During the year Austral's e-brick TM system was released. The system allows customers to place orders, view account details and organise deliveries via the internet. The system is secure and allows our customers direct access 24 hours per day.

New Products and Services (cont)

The market for pavers has shifted over the last few years from traditional brick size to large format pavers. Austral released two paving ranges to lead this trend in clay pavers, launching the Portobello range from Queensland and more recently the Sorrento range from New South Wales. These are up to 300 x 300 mm in size and feature exciting colours and finishes.

The market for landscape products continues to grow strongly. To capitalise on this Austral has relaunched the Claylink retaining wall system in an updated format. The new format has greater performance parameters and comes in a range of colours with all necessary accessories.

Export

Record export sales were achieved after increasing a further 20% over the previous year.

Sales into the Japanese market were substantially increased, even though trading conditions, particularly in the DIY market have deteriorated. Pavers and brick facings are mainly sold to the Japanese and are produced and exported from the Queensland operations.

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

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

The new Terracotta Floor Tile Plant, with its anticipated high level of efficiency, should allow Austral to compete effectively in international markets.

Capital Expenditure

Capital expenditure during the period totalled \$11.5 million, including the expenditure on the new tile factory at Punchbowl and excluding the purchase of Bowral Brickworks for \$6.7 million.

The approval process delayed the commencement of construction of the tile plant, but we are now able to report that all approvals necessary were received and installation is well advanced. The plant is scheduled for completion in December and is likely to commence operation in January 2002.

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

Depreciation for the year increased 3.0% to \$9.5 million.

Land and Property Realisation

Brickworks continues work on realising surplus land holdings.

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

On the Punchbowl site, where the new tile factory is being built, contracts for the sale of surplus land holdings with a value in excess of \$4 million have been exchanged. Council has approved the subdivision and final settlements are taking place.

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

Since the end of the financial year contracts have been signed with Clarendon Apartments and Boulderstone Hornibrook for a residential development on the Eastwood brick factory site. Austral will receive a guaranteed payment of \$41 million over four years under the arrangement, plus a share of any additional sales once a minimum sales level is achieved.

It is estimated up to 212 dwellings may be built providing approval of the development application for development and rehabilitation of the site is granted by Parramatta Council. Redevelopment of the site will require filling of the void, which is in excess of 1 million cubic metres of space.

The agreement will enable Brickworks to realise the value of the Eastwood site, in keeping with the company's strategy of seeking better returns from its valuable property holdings. By transferring production from Eastwood to Bowral, the combined production will operate more efficiently from a site which has ample clay reserves.

The property known as The Vineyard at Eastern Creek, which is approximately 150 hectares bound by Wallgrove Road, Old Wallgrove Road and Warragamba Dam to Prospect Reservoir pipeline, is a major quarry for the company. This property has been zoned under SEPP 59 as an employment zone. The company has commenced working on the precinct plans with some of the adjoining landowners and Blacktown Council. It will take possibly three to five years for the Development Application to be lodged and approved.

Waste Management

Contracts have been signed since the end of the financial year to commence a waste recycling and landfill operation on the site at Plant 1, Wallgrove Road, Horsley Park. The contracts involve Collex, a wholly owned subsidiary of Vivendi Universal of France, which will pay Austral \$7.2 million to purchase a 34 hectare site at Horsley Park. The agreement is subject to Foreign Investment Review Board approval and the issuing of an EPA License.

Waste Management (cont)

Austral will share in profit from the recycling and landfill operations. However, Collex will guarantee a minimum \$1 million annual payment to Austral over the estimated 25-year life of the site.

The site is approved already for category II waste and the void size when fully excavated will be approximately 6.8 million cubic metres. On completion of filling and restoration, Austral will share in the sale proceeds of the site.

The agreement provides an ideal solution to making better use of surplus land assets.

Compliance Programs

The company is subject to substantial legislation including health and safety, environmental, trade practices, discrimination and sexual harassment. An extensive compliance program is undertaken to ensure our operations meet these requirements.

The group safety effort has been substantially increased in response to higher workers compensation insurance rates. Additional training and capital works are in progress to further reduce accident frequency rates.

The community and legislation are requiring higher standards of environmental performance. Austral is meeting this challenge with various environmental projects, additional training through all levels of the organisation, continued independent audits and by working closely with the EPA.

Investments

The market value of the Washington H. Soul Pattinson investment increased by \$115.1 million (31%) to \$483.3 million.

Brickworks' share of the Washington H. Soul Pattinson profit for the twelve months ending 31 January 2001 was \$40.0 million, which compares to \$16.3 million in the previous corresponding period. The dividend received was \$15.3 million compared to \$16.9 million in the previous year.

The balance of the portfolio return of 25% for the year compares very favourably to the S&P/ASX300 Accumulation Index return of 9.1%. The market value of the investment portfolio increased 26% (\$32.5 million) to \$158.9 million.

During the year a net \$6.5 million was added to the portfolio including purchases of Bank of Queensland Preference Shares, Campbell Bros Ltd, Choiseul Investments, Graincorp Ltd, NRMA Ltd, Telstra Ltd, Wesfarmers Ltd, Macquarie Infrastructure Trust, Woolworths Ltd and Paperlinx Ltd.

Investments (cont)

Significant sales during the year included North Ltd for profit after tax of \$1.3 million and HIH for a loss of \$430,000.

The company's cash position was \$15.1 million at June 30.

Board Changes

Mr. Geoffrey Travis has announced that he does not intend to stand for re-election at the next AGM. We would like to thank him for his valuable contribution since joining the Board in 1978.

The Board has appointed the Hon. Robert Webster, previously a Member of the Legislative Council, to fill this vacancy.

Mr. Webster will bring a wealth of experience to the company, having spent over ten years in State politics as MP for Goulburn and a Minister in the Greiner Government. His ministerial portfolios included Planning, Housing and Property Services, Family and Community Services, Energy, State Development, Tourism, Administrative Services and Transport. In addition he holds several corporate directorships.

Mr. Webster will stand for election at the AGM to be held on 2nd November 2001.

Acquisition of Strategic Stake in Bristile Limited

Brickworks Limited announced on 17 August 2001 that it has acquired 29 million shares in Bristile Limited (19.6%) from Futuris Ltd. These shares were purchased at \$2.46 each for a total consideration of \$71.7 million.

Bristile is the second largest clay brick and paver manufacturer in Australia with major market shares in Western Australia, Victoria, South Australia and Tasmania. Bristile also manufactures clay and concrete roof tiles and masonry products.

Bristile has invited two nominees of Brickworks to join the Bristile Board. The nominees are Mr. R.D. Millner and Mr. L.R. Partridge.

The addition of Bristile Limited to Brickworks' already extensive investment portfolio will have long term strategic benefit. The Board and Management of Brickworks Limited look forward to examining opportunities that will benefit the shareholders of both companies.

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

FIVE YEAR SUMMARY

	1997	1998	1999	2000	2001
	\$000	\$000	\$000	\$000	\$000
Clay Products Revenue	94,262	108,241	119,128	159,070	118,463
Net Profit Before Income Tax:					
Clay Products	3,722	11,576	20,732	30,472	17,757
Investment (excluding associates)	7,147	4,796	7,139	6,508	6,900
Associates *	<u>6,647</u>	<u>7,158</u>	<u>19,135</u>	<u>16,301</u>	<u>40,032</u>
	17,516	23,530	47,006	53,281	64,689
Income Tax	<u>2,749</u>	<u>4,758</u>	<u>8,290</u>	<u>10,274</u>	<u>4,684</u>
Net Profit after Income Tax	<u>14,767</u>	<u>18,772</u>	<u>38,716</u>	<u>43,007</u>	<u>60,005</u>
Earnings cents per Share **	11.2	14.3	29.4	32.6	45.6
Dividends cents per Share **	10.0	20.0	18.5	21.0	18.0
NTA Per Share **	\$2.23	\$2.17	\$3.39	\$3.52	\$3.87
Return on Shareholder's Equity	5.0%	6.6%	8.7%	9.3%	11.8%

Note:

* Figures include the equity accounted result in accordance with AASB 1016 Accounting for Investments in Associates from 1999. For other years, dividends received from associates have been shown.

** Earnings, dividends and NTA per share have been adjusted for the 10 for 1 share split on 18 December 2000.

Appendix 4B (rule 4.13(b))

Half yearly/preliminary final report

Introduced 1/7/2000.

Name of entity

BRICKWORKS LTD

ACN, ARBN or ARSN

000 028 526

Half yearly
(tick)

Preliminary
final (tick)

X

Half year/financial year ended ('current
period')

30TH JUNE 2001

For announcement to the market

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

\$A'000

Revenues from ordinary activities (<i>item 1.1</i>)	down	22%	to	132,937
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members (<i>item 1.20</i>)	Up	40%	to	60,005
Profit (loss) from ordinary activities after tax attributable to members (<i>item 1.23</i>)	Up	40%	to	60,005
Profit (loss) from extraordinary items after tax attributable to members (<i>item 2.5(d)</i>)	gain (loss) of			-
Net profit (loss) for the period attributable to members (<i>item 1.11</i>)	up	40%	to	60,005

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend (<i>Preliminary final report only - item 15.4</i>) – Ordinary Interim dividend (<i>Half yearly report only - item 15.6</i>)	8c	8c
Previous corresponding period (<i>Preliminary final report - item 15.5;</i> <i>half yearly report - item 15.7</i>)		
- Ordinary	7c	7c
- Special	6c	6c

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

25th October 2001

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

+ See chapter 19 for defined terms.

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

Consolidated profit and loss account

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues from ordinary activities	132,937	170,157
1.2 Expenses from ordinary activities (<i>see items 1.24 + 12.5 + 12.6</i>)	(108,280)	(133,177)
1.3 Borrowing costs	-	-
1.4 Share of net profit (loss) of associates and joint venture entities (<i>see item 16.7</i>)	40,032	16,301
1.5 Profit (loss) from ordinary activities before tax	64,689	53,281
1.6 Income tax on ordinary activities (<i>see note 4</i>)	(4,684)	(10,274)
1.7 Profit (loss) from ordinary activities after tax	60,005	43,007
1.8 Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)	-	-
1.9 Net profit (loss)	60,005	43,007
1.10 Net profit (loss) attributable to outside ⁺ equity interests	-	-
1.11 Net profit (loss) for the period attributable to members	60,005	43,007

Consolidated retained profits

1.12 Retained profits (accumulated losses) at the beginning of the financial period	97,157	82,170
1.13 Net profit (loss) attributable to members (<i>item 1.11</i>)	60,005	43,007
1.14 Net transfers to and from reserves	(27,850)	(5,562)
1.15 Net effect of changes in accounting policies	-	-
1.16 Dividends and other equity distributions paid or payable	(17,802)	(22,458)
1.17 Retained profits (accumulated losses) at end of financial period	111,510	97,157

**Profit restated to exclude
amortisation of goodwill**

	Current period \$A'000	Previous corresponding period \$A'000
1.18 Profit (loss) from ordinary activities after tax before outside equity interests (<i>items 1.7</i>) and amortisation of goodwill	60,005	43,007
1.19 Less (plus) outside ⁺ equity interests	-	-
1.20 Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	60,005	43,007

+ See chapter 19 for defined terms.

Profit (loss) from ordinary activities attributable to members

		Current period \$A'000	Previous corresponding period \$A'000
1.21	Profit (loss) from ordinary activities after tax (item 1.7)	60,005	43,007
1.22	Less (plus) outside ⁺ equity interests	-	-
1.23	Profit (loss) from ordinary activities after tax, attributable to members	60,005	43,007

Revenue and expenses from ordinary activities

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

		Current period \$A'000	Previous corresponding period \$A'000
1.24	Details of revenue and expenses		
	Sales revenue	119,319	157,843
	Interest received	2,075	1,755
	Dividends received:	6,060	4,791
	Proceeds on sale of investments	4,535	3,224
	Proceeds on sale of non current assets	430	2,293
	Other revenue	518	251
	Share of net profits of associates	40,032	16,301
	Total revenue	172,969	186,458
	Cost of sales	(71,925)	(92,664)
	Distribution expenses	(15,435)	(22,016)
	Administration expenses	(7,917)	(6,907)
	Selling expenses	(7,444)	(7,158)
	Other expenses from ordinary activities	(5,559)	(4,432)
	Total expenses	(108,280)	(133,177)

Intangible and extraordinary items

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

+ See chapter 19 for defined terms.

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

Comparison of half year profits

(Preliminary final report only)

	Current year – \$A'000	Previous year - \$A'000
3.1 Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year (item 1.23 in the half yearly report)	43,579	20,830
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	16,426	22,177

Consolidated balance sheet

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
Current assets			
4.1 Cash	2,057	3,852	1,243
4.2 Receivables	18,144	22,710	14,886
4.3 Investments	16,474	36,729	33,011
4.4 Inventories	25,163	10,140	16,866
4.5 Other – Prepayments	743	441	1,425
4.6 Total current assets	62,581	73,872	67,431
Non-current assets			
4.7 Receivables	-	-	-
4.8 Investments (equity accounted)	207,088	172,554	203,430
4.9 Other investments	67,249	62,301	64,694
4.10 Inventories	-	-	-
4.11 Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	-	-	-
4.12 Development properties (+mining entities)	-	-	-
4.13 Other property, plant and equipment (net)	208,573	202,096	201,171
4.14 Intangibles (net)	-	-	-
4.15 Other – Future income tax benefit	5,103	2,584	2,327
4.16 Total non-current assets	488,013	439,535	471,622
4.17 Total assets	550,594	513,407	539,053
Current liabilities			
4.18 Payables	9,300	6,977	6,870
4.19 Interest bearing liabilities	-	-	-
4.20 Provisions	21,222	31,764	23,911
4.21 Other (provide details if material)	-	-	-
4.22 Total current liabilities	30,522	38,741	30,781
Non-current liabilities			
4.23 Payables	-	-	-
4.24 Interest bearing liabilities	-	-	-
4.25 Provisions	10,792	11,522	10,191
4.26 Other (provide details if material)	-	-	-
4.27 Total non-current liabilities	10,792	11,522	10,191
4.28 Total liabilities	41,314	50,263	40,972
4.29 Net assets	509,280	463,144	498,081

+ See chapter 19 for defined terms.

Consolidated balance sheet continued

Equity				
4.30	Capital/contributed equity	139,409	139,409	139,409
4.31	Reserves	258,361	226,578	256,808
4.32	Retained profits (accumulated losses)	111,510	97,157	101,864
4.33	Equity attributable to members of the parent entity	509,280	463,144	498,081
4.34	Outside ⁺ equity interests in controlled entities	-	-	-
4.35	Total equity	509,280	463,144	498,081
4.36	Preference capital included as part of 4.33	-	-	-

Exploration and evaluation expenditure capitalised

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

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

Development properties

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

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

+ See chapter 19 for defined terms.

Consolidated statement of cash flows

	Current period \$A'000	Previous corresponding period - \$A'000
Cash flows related to operating activities		
7.1 Receipts from customers	137,148	152,078
7.2 Payments to suppliers and employees	(117,388)	(109,737)
7.3 Dividends received from associates	15,339	16,873
7.4 Other dividends received	5,884	4,614
7.5 Interest and other items of similar nature received	2,106	1,733
7.6 Interest and other costs of finance paid	-	-
7.7 Income taxes paid	(12,957)	(10,140)
7.8 Other (provide details if material)	-	-
7.9 Net operating cash flows	30,132	55,421
Cash flows related to investing activities		
7.10 Payment for purchases of property, plant and equipment	(11,477)	(19,964)
7.11 Proceeds from sale of property, plant and equipment	190	2,293
7.12 Payment for purchases of equity investments	(9,052)	(12,179)
7.13 Proceeds from sale of equity investments	4,535	3,224
7.14 Loans to other entities	-	-
7.15 Loans repaid by other entities	-	-
7.16 Other - payment for subsidiary net of cash acquired	(6,658)	-
7.17 Net investing cash flows	(22,462)	(26,626)
Cash flows related to financing activities		
7.18 Proceeds from issues of ⁺ securities (shares, options, etc.)	-	-
7.19 Proceeds from borrowings	-	-
7.20 Repayment of borrowings	-	-
7.21 Dividends paid	(30,296)	(25,027)
7.22 Other (provide details if material)	-	-
7.23 Net financing cash flows	(30,296)	(25,027)
7.24 Net increase (decrease) in cash held	(22,626)	3,768
7.25 Cash at beginning of period (see <i>Reconciliation of cash</i>)	37,710	33,942
7.26 Exchange rate adjustments to item 7.25.	-	-
7.27 Cash at end of period (see <i>Reconciliation of cash</i>)	15,084	37,710

Non-cash financing and investing activities

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

N/A

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A'000	Previous corresponding period - \$A'000
8.1 Cash on hand and at bank	2,057	3,852
8.2 Deposits at call	3,049	2,595
8.3 Bank overdraft	-	-
8.4 Other – Money Market instruments with less than 30 days to maturity	9,978	31,263
8.5 Total cash at end of period (item 7.27)	15,084	37,710

Ratios

	Current period	Previous corresponding Period
9.1 Profit before tax / revenue Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	48.7%	31.3%
9.2 Profit after tax / +equity interests Consolidated net profit (loss) from ordinary activities after tax attributable to members (item 1.9) as a percentage of equity (similarly attributable) at the end of the period (item 4.33)	11.8%	9.3%

Earnings per security (EPS)

	Current period	Previous corresponding period
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per Share</i>		
(a) Basic EPS	45.6c	32.6c
(b) Diluted EPS (if materially different from (a))	45.6c	32.6c
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	131,723,600	131,723,600

NTA backing (see note 7)

	Current period	Previous corresponding period
11.1 Net tangible asset backing per +ordinary security	3.87	3.52

Details of specific receipts/outlays, revenues/ expenses

	Current period \$A'000	Previous corresponding period - \$A'000
12.1 Interest revenue included in determining item 1.5	2,075	1,755
12.2 Interest revenue included in item 12.1 but not yet received (if material)	63	94
12.3 Interest costs excluded from borrowing costs, capitalised in asset values	-	-
12.4 Outlays (except those arising from the +acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.5 Depreciation and amortisation (excluding amortisation of intangibles)	9,472	9,195
12.6 Other specific relevant items not shown in item 1.24 (see note 15)		

+ See chapter 19 for defined terms.

Control gained over entities having material effect

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

Loss of control of entities having material effect

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

Reports for industry and geographical segments

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

Segments

Operating Revenue		Refer attached Statement of Operations by Segments
Sales to customers outside the economic entity		
Inter-segment sales		
Unallocated revenue		
Total revenue		
Segment result		
Unallocated expenses		
Consolidated profit (loss) from ordinary activities before tax (equal to item 1.5)		
Segment assets)	<i>Comparative data for segment assets should be as at the end of the previous corresponding period.</i>
Unallocated assets)	
Total assets (equal to item 4.17))	

+ See chapter 19 for defined terms.

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	5 th November 2001
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	25 th October 2001
15.3	If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	Recommended

Amount per security

		Amount per security	Franked amount per security	Amount per security of foreign source dividend
	<i>(Preliminary final report only)</i>			
15.4	Final dividend: Current year – Ordinary	8¢	8¢	-¢
	Previous year – Ordinary	7¢	7¢	
15.5	- Special	6¢	6¢	-¢
	<i>(Half yearly and preliminary final reports)</i>			
15.6	Interim dividend: Current year – Ordinary	6¢	6¢	
	- Special	4¢	4¢	-¢
15.7	Previous year – Ordinary	5.5¢	5.5¢	
	- Special	2.5¢	2.5¢	-¢

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

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	18¢	21¢
15.9 Preference +securities	-¢	-¢

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

	Current period \$A'000	Previous corresponding period - \$A'000
15.10 +Ordinary securities – Ordinary	10,538	9,221
- Special	-	7,903
15.11 Preference +securities		
15.12 Other equity instruments		
15.13 Total	10,538	17,124

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

N/A

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

N/A

Any other disclosures in relation to dividends (distributions)

N/A

+ See chapter 19 for defined terms.

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

	Current period \$A'000	Previous corresponding period - \$A'000
16.1 Profit (loss) from ordinary activities before income tax	53,354	33,252
16.2 Income tax on ordinary activities	(6,409)	(11,839)
16.3 Profit (loss) from ordinary activities after income tax	46,945	21,413
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	46,945	21,413
16.6 Outside ⁺ equity interests	(6,913)	(5,112)
16.7 Net profit (loss) attributable to members	40,032	16,301

Material interests in entities which are not controlled entities

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

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (item 1.9)	
	Current period	Previous corresponding period	Current period - \$A'000	Previous corresponding period- \$A'000
17.1 Equity accounted associates and joint venture entities				
Washington H. Soul Pattinson and Company Limited	42.85%	42.85%	40,032	16,301
17.2 Total			40,032	16,301
17.3 Other material interests				
N/A				
17.4 Total				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current period

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

Category of +securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference +securities <i>(description)</i>	Nil			
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
18.3 +Ordinary securities	131,723,600	131,723,600		
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	10 for 1 share split effective 18 th December 2000			
18.5 +Convertible debt securities <i>(description and conversion factor)</i>	N/A			
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				
18.7 Options <i>(description and conversion factor)</i>	N/A		<i>Exercise price</i>	<i>Expiry date (if any)</i>
18.8 Issued during current period				
18.9 Exercised during current period				
18.10 Expired during current period				
18.11 Debentures <i>(totals only)</i>	N/A			
18.12 Unsecured notes <i>(totals only)</i>	N/A			

+ See chapter 19 for defined terms.

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

Comments by directors

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

Refer attached Review of Operations

Basis of accounts preparation

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

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

Refer attached Review of Operations

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

N/A

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

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

Changes in accounting policies since the last annual report are disclosed as follows.
(Disclose changes in the half yearly report in accordance with AASB 1029: Half-Year Accounts and Consolidated Accounts. Disclose changes in the preliminary final report in accordance with AASB 1001: Accounting Policies-Disclosure.)

Nil

Additional disclosure for trusts

19.1 Number of units held by the management company or responsible entity or their related parties.

N/A

19.2 A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- initial service charges
- management fees
- other fees

N/A

+ See chapter 19 for defined terms.

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place

Fort Macquarie Room Hotel Intercontinental 117 Macquarie St, Sydney, NSW
--

Date

2 nd November 2001

Time

12.00 Noon

Approximate date the ⁺annual report will be available

4 th October 2001

Compliance statement

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

Identify other standards used

N/A

- 2 This report, and the ⁺accounts upon which the report is based (if separate), use the same accounting policies.

- 3 This report does give a true and fair view of the matters disclosed (see note 2).

- 4 This report is based on ⁺accounts to which one of the following applies.

(Tick one)



The ⁺accounts have been audited.



The ⁺accounts have been subject to review.



The ⁺accounts are in the process of being audited or subject to review.



The ⁺accounts have *not* yet been audited or reviewed.

- 5 If the audit report or review by the auditor is not attached, details of any qualifications are attached.

There are no qualifications

- 6 The entity has a formally constituted audit committee.

Sign here:

(Company Secretary)

Date: 28 August 2001

Print name: Alexander James Payne

+ See chapter 19 for defined terms.

Appendix 4B (rule 4.13(b))

Half yearly/preliminary final report

Notes

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

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

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last ⁺annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required. Trusts should also note paragraph 10 of *AASB 1029* and paragraph 11 of *AASB 1030: Application of Accounting Standards etc.*
6. **Consolidated statement of cash flows** For definitions of "cash" and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. ⁺Mining exploration entities may use the form of cash flow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ⁺ordinary securities (ie, all liabilities, preference shares, outside ⁺equity interests etc). ⁺Mining entities are *not* required to state a net tangible asset backing per ⁺ordinary security.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the ⁺accounts. Details must include the contribution for each gain or loss that increased or decreased the entity's consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

⁺ See chapter 19 for defined terms.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. However, an entity may report exact figures, if the \$A'000 headings are amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.
10. **Comparative figures** Comparative figures are the unadjusted figures from the previous corresponding period. However, if there is a lack of comparability, a note explaining the position should be attached.
11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the +ASIC under the Corporations Law must also be given to ASX. For example, a directors' report and declaration, if lodged with the +ASIC, must be given to ASX.
12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.
13. **Corporations Law financial statements** As at 1/7/96, this report may be able to be used by an entity required to comply with the Corporations Law as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Relevant Items** AASB 1018 requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. the term "relevance" is defined in AASB 1018. For foreign entities, there are similar requirements in other accounting standards normally accepted by ASX.
16. **\$ Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

[Document 205g](#)

+ See chapter 19 for defined terms.

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

BRICKWORKS LIMITED AND CONTROLLED ENTITIES
A.B.N. 17 000 028 526
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2001

STATEMENT OF OPERATIONS BY SEGMENTS

(a) Industry Classification	Clay Products		Investment (excluding associates)		Equity Accounted Associates		Consolidated	
	2001	2000	2001	2000	2001	2000	2001	2000
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Sales to customers outside the group	118,463	159,070	14,475	11,087	40,032	16,301	172,970	186,458
Segment result	17,757	30,472	6,900	6,508	40,032	16,301	64,689	53,281
Unallocated expenses							-	-
Consolidated operating profit before income tax	17,757	30,472	6,900	6,508	40,032	16,301	64,689	53,281
Consolidated operating profit after income tax	13,484	20,882	6,489	5,824	40,032	16,301	60,005	43,007
Segment assets	255,228	239,396	88,278	101,457	207,088	172,554	550,594	513,407

(b) Geographical Classification

The economic entity operates predominantly within Australia.

+ See chapter 19 for defined terms.

BRICKWORKS LIMITED AND CONTROLLED ENTITIES

A.B.N. 17 000 028 526

NOTES TO THE PRELIMINARY FINAL REPORT

FOR THE YEAR ENDED 30 JUNE 2001

	2001	2000
	\$000	\$000
NOTE 4: INCOME TAX EXPENSE		
(a) The prima facie tax on operating profit is reconciled to the income tax provided in the accounts as follows:		
Prima facie tax payable on operating profit before income tax at 34% (2000 36%)	21,994	19,181
Add tax effect of:		
- non-allowable items and adjustments	322	348
	22,316	19,529
Less tax effect of:		
- capital profits not subject to income tax	147	52
- share of net profits of associates	13,611	5,868
- rebateable dividends	1,935	1,724
- over (under) provision for income tax in prior year	254	41
- tax losses of controlled entity recognised during the year	1,987	-
- restatement of deferred tax balances from change in income tax rates	(302)	1,570
Income tax expense attributable to operating profit	4,684	10,274
(b) Income tax expense attributable to:		
Operating profit before income tax	4,684	10,274
(c) The income tax expense comprises amounts set aside as:		
Provision for income tax attributable to current year		
- income tax payable on operating profit	8,313	13,227
- (over) under provision for income tax in prior year	(254)	(41)
Provision for income tax attributable to future years		
- provision for deferred income tax	(1,028)	(2,674)
- future income tax benefit	(2,347)	(238)
	4,684	10,274

+ See chapter 19 for defined terms.

BRICKWORKS

LIMITED

Australian Stock Exchange (Sydney) Limited
20 Bond Street
SYDNEY NSW 2000

28 August 2001

Attn: Companies Department

Dear Sir/Madam,

LISTING RULE 4.10.9

Listed below are the top twenty shareholders appearing on the share register of Brickworks Limited as at 22 August 2001.

	<u>Units</u>
1. Washington H. Soul Pattinson & Co. Ltd	65,645,140
2. GPG Australia Nominees Ltd	13,356,940
3. RBC Global Services Australia Nominees Pty Ltd	9,726,540
4. Chase Manhattan Nominees Ltd	4,972,699
5. J S Millner Holdings Pty Ltd	1,845,755
6. AMP Life Ltd	1,683,035
7. JP Morgan Custodial Services Pty Ltd	1,607,855
8. Mr Kenneth Stanley Baker & Mrs Mona Isobel Baker	1,579,745
9. RBC Global Services Australia Nominees Pty Ltd	1,531,115
10. JP Morgan Custodial Services Pty Ltd	1,478,305
11. Australian Foundation Investment Company Ltd	1,477,970
12. Mr James Millner	1,180,533
13. National Nominees Ltd	1,116,932
14. Cogent Nominees Pty Ltd	1,040,111
15. Choiseul Investments Ltd	934,360
16. Milton Corporation Ltd	864,580
17. Citicorp Nominees Pty Ltd	721,278
18. Fijolin Pty Ltd	470,000
19. Cambooya Pty Ltd	462,800
20. Dixson Trust Pty Ltd	454,300
Total Shares	<u>112,149,993</u>

Yours faithfully,

BRICKWORKS LIMITED



ALEX J. PAYNE
COMPANY SECRETARY

BRICKWORKS LIMITED

ABN 17 000 028 526

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

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

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