

BRICKWORKS' SOLID RESULT DEFIES SOFT HOUSING MARKET

FULL YEAR	2006	2007	Variance %
Sales (\$M)	532.1	558.9	+5.0
EBIT (Normalised) (\$M)	149.2	152.9	+2.5
Net (\$M)	102.2	107.5	+5.2
EPS (cents)	77.0	81.0	+0.3
Final Div (cents)	25.0	26.0	+4.0

- Headline NPAT up 5.2% to \$107.5 million
- Normalised NPAT up 0.3% to \$102.2 million
- Building Products EBIT up 0.6% to \$65.9 million
- Land & Development EBIT up 9.2% to \$60.3 million
- Brickworks Property Trust market value up 117.9% to \$91.3 million
- Total Associates and Investments EBIT up 62.8% to \$46.4 million (including non-regular items)
- Value of WHSP investment during the year up by 27.2% to \$1.014 billion
- Final dividend up 4.0% to 26.0 cents fully franked

Brickworks today announced a solid financial result with a 5.2% rise in Net Profit After Tax for the year ended 31 July 2007. Normalised NPAT was up 0.3% to \$102.2 million.

In the Building Products division, EBIT was steady at \$65.9 million defying the softening housing market. The result was struck on a 7.0% sales increase to \$516.8 million.

The Land and Development division again performed very strongly with EBIT rising 9.2% to a record \$60.3 million. The value of Brickworks Property Trust investment increased significantly to \$91.3 million.

EBIT from Associates and Investments rose 62.8% to \$46.4 million (including non-regular items), while the value Brickworks investment in WHSP grew by 27.2% to \$1.014 billion. The value of Brickworks holding in Brickworks Investment Company including the recent rights issue rose 35.1% to \$78.1 million.

Mr Robert Millner, Chairman of Brickworks, said the performance has given the board confidence to increase dividends for the ninth consecutive year and once again proved the strength and reliability of Brickworks diverse asset portfolio.

Directors declared a final dividend of 26.0 cents per share fully franked, taking the total dividend paid to shareholders for the financial year to 38.0 cents, up 5.6% over the previous year.

Brickworks' Managing Director, Lindsay Partridge, said he was encouraged with the results for the year as the current pressure on the home building industry in Australia is considerable with national dwelling commencements trending down.

"In this climate, it is a credit to our management team that the Building Products side of our business has performed as well as it has, with improved results from Austral Bricks Western Australia and Bristile Roofing," Mr Partridge said.

During fiscal 2007, Brickworks expanded its portfolio of building product assets by acquiring the GB Masonry, Caloundra Blocks, Whitsunday Concrete & Block and Ayr Masonry businesses for a total of \$40.0 million. Each of these businesses was carefully targeted for their growth potential and strategic fit with Brickworks' existing businesses in Queensland.

In addition, Brickworks completed construction of a new brick plant at Wollert (Victoria) and completed major equipment upgrades at the Bowral (NSW) and Golden Grove (SA) plants. Capital expenditure for the year totalled \$51.7 million.

"The record performance of our Land and Development operations was most satisfying. Sales of land into the Property Trust to enable development in joint venture with Goodman International underwrote the earnings. The joint venture property trust will provide a stable and increasing proportion of our earnings over time.

"Good progress was made lowering our Lost Time Injury Frequency Rates. We have also reduced our carbon footprint and are becoming self sufficient in water. Brickworks is committed to providing a safe and environmentally sustainable business.

"Housing construction affordability continues to decline with interest rates increasing and limited access to affordable land in many markets. We expect the building industry will continue to face tough times until interest rates start trending down and affordability improves.

"We estimate that residential dwelling commencements will fall from 151,000 in 2006/07 to between 148,000 and 150,000 in 2007/08," Mr Partridge said.

The Brickworks land bank is expected to contribute strongly to future profits with a solid pipeline of developments. Investments and Land & Development will provide diversity to the fluctuating earnings from Building Products.

The record date for both the final ordinary dividend and PAVERS dividend will be 16 November 2007 with payment being made on 3 December 2007.

Brickworks Limited was listed on the ASX in 1962 and has paid a dividend every year since then. It has three divisions - Building Products, Land & Development and Investments. The Building Products division includes Australia's largest bricks producer Austral Bricks™, Austral Masonry™ and Bristile Roofing™. The Land and Development operation maximises value from surplus land and redundant building products sites. Investments include a 42.85% holding in Washington H. Soul Pattinson and 18.0% holding in Brickworks Investment Company.

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