

BRICKWORKS

LIMITED

29 September 2005

Australian Stock Exchange (Sydney) Limited
Attention: **Companies Department**

BY ELECTRONIC LODGEMENT

Dear Sir/Madam,

Please find attached a press release relating to the Brickworks Ltd 2005 financial results, for immediate release to the market.

Yours faithfully,
BRICKWORKS LIMITED



IAIN THOMPSON
COMPANY SECRETARY

BRICKWORKS LIMITED

ABN 17 000 028 526

Wallgrove Road, Horsley Park NSW 2175; 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

BRICKWORKS ACHIEVES RECORD PROFIT IN TOUGH BUILDING PRODUCTS MARKET

	June 04 (\$M)	July 05 (\$M)	Change (%)
	12 months	13 months	
<i>PROFIT</i>			
Net Profit After Tax (NPAT)	157.4	203.8	+30
NPAT excluding non-regular items	74.2	93.9	+27
<i>TOTAL REVENUE</i>			
Building Products Revenue	487.7	520.1	+7
Property & Waste Revenue	13.6	45.3	+233
<i>EBITA</i>			
Building Products EBITA	94.7	87.1	-8
Property EBITA	9.6	25.2	+163
Waste EBITA	1.6	1.4	-13
Investments	93.3	0	-
Associates	36.7	200.1	+445
<i>PER SHARE</i>			
Earnings per Share (cents)	114.3	146.5	+28
Final Ordinary Dividend (cents)	15	21	+40
Full Year Dividend	24	31	+29
NTA/Share	\$4.91	\$6.54	+33

- Record NPAT up 30% to \$203.8 million
- NPAT before non-regular items up 27% to \$93.9 million
- Core businesses deliver more balanced earnings - building products (55%), investments (30%) and property development (15%)
- Debt reduced by \$71.3 million, lowering gearing from 31% to 19%
- Significant increase in final dividend to 21 cents fully franked, last year 15 cents

BRICKWORKS ACHIEVES RECORD PROFIT IN TOUGH BUILDING PRODUCTS MARKET

Net profit after tax including non-regular items increased to \$203.8 million, up 30 per cent from \$157.4 million for the year ending June 2004.

A significant boost in profit from property development and investments has offset a reduction in earnings from building products for national building products and investments company, Brickworks Limited.

Normalised net profit after tax for the 13 months to July 31, 2005, the new financial year end for Brickworks, was up 27 per cent to \$93.9 million compared with \$74.2 million for the year ending June 30, 2004.

Normalised earnings per share increased to 63.1 cents for the 13 months to July 2005, up 51.2 cents from last year.

Directors have recommended a significant increase in the final dividend to 21 cents fully franked, taking the full year dividend to 31 cents fully franked, up 29 per cent from 24 cents in the previous year.

Non-regular items this year included \$152.5 million profit from Washington H Soul Pattinson (WHSP), involving a change of balance date contribution and a profit from a New Hope coal transaction, offset by a \$42.6 million after tax write down of the Scoresby plant in Victoria.

Scoresby is being closed and replaced by construction of a new \$44 million plant at Wollert in Victoria, expected to be completed in early 2007.

Total free cash flow of \$188.1 million, up from \$91.3 million in 2004, enabled debt to be reduced by \$71.3 million to \$204.7 million, with gearing falling from 31 per cent to 19 per cent.

Brickworks managing director, Mr Lindsay Partridge said, "The company's three core businesses – building products, investments and property development – had combined to provide superior earnings and capital growth through diversity of revenue streams".

"Steady profit from investments and a big lift in profit from property development have offset a tougher building products market," Mr Partridge said.

"Our strategy of focusing on margins has meant that building products performance has been better than market statistics would indicate, with national dwelling approvals now 20 per cent below their 2003 peak.

"We are also using the downturn to implement postponed maintenance programs on some of our plant while pushing ahead with capital expenditure to maintain our cost leadership and prepare for future market upturns," Mr Partridge added.

Brickworks normalised earnings were spread across building products (55 per cent), investments (30 per cent) and property (15 per cent), which is a more balanced spread than in previous years, resulting in a lower volatility of earnings.

Performance was also assisted by the geographic spread of Brickworks building products business, with a buoyant Western Australia partially offsetting the severe downturn in New South Wales.

On a 13 month comparison of normalised earnings before interest, tax and amortisation at July 2005 with June 2004, building products was down 8.0 per cent to \$87.1 million, property was up 163.0 per cent to \$25.2 million and associates contribution was up 91.2 per cent to \$47.6 million.

Building products comprise bricks, pavers, roof tiles, floor tiles and timber products, with the majority of sales being in Australia, where Brickworks is the country's largest brick manufacturer and a major roof tile manufacturer.

Property and development is related to surplus land holdings accumulated through the building products business and currently involves several large developments in NSW and Victoria, with significant profit to flow over the next decade.

The market value of Brickworks' 42.85% share of WHSP increased \$286.0 million (41.2%) to \$981.0 million at year end.

Regarding outlook, directors believe Brickworks overall position will continue to strengthen despite weaker building products markets due to the diversity offered by investment and property earnings.

Final dividend will be paid on November 22 to shareholders registered on November 8.

ISSUED FOR : BRICKWORKS LIMITED (ASX CODE: BKW) www.brickworks.com.au

FOR FURTHER INFORMATION : MR LINDSAY PARTRIDGE, MANAGING DIRECTOR, BRICKWORKS LIMITED, TEL: (02) 9830 7700, OR MR ROBERT MILLNER, CHAIRMAN, BRICKWORKS LIMITED, TEL: (02) 9232 7166

ISSUED BY : WESTBROOK COMMUNICATIONS, CONTACT: IAN WESTRBROOK, TEL (02) 9231 0922, MOBILE 0407 958 137

A copy of the 4D and this news release can be downloaded from www.westbrookfin.com.au