

BRICKWORKS DELIVERS RECORD RESULT

| FULL YEAR | 2008 | 2009 | Variance % |
|------------------------|-------|--------------|------------|
| Revenue (\$M) | 553.7 | 593.5 | 7.2 |
| EBIT Normalised (\$M) | 178.1 | 165.8 | -6.9 |
| NPAT Normalised (\$M) | 108.2 | 113.7 | 5.1 |
| EPS Normalised (cents) | 81.5 | 85.6 | 5.1 |
| Final Div (cents) | 26.5 | 26.5 | - |

- Brickworks Headline NPAT up 200.7% to \$305.2 million
- Brickworks Normalised NPAT up 5.1% to \$113.7 million
 - Building Products EBIT down 31.0% to \$37.0 million
 - Land and Development EBIT down 56.7% to \$40.6 million
 - Investments EBIT up 158.5% to \$95.4 million
- Total Interest Bearing Debt reduced by 28.9% to \$400.0 million
- Final dividend 26.5 cents fully franked

Brickworks (ASX: BKW) today announced a record financial result with a rise in **Normalised Net Profit After Tax (NPAT) up 5.1% to \$113.7 million** for the full year ended 31 July 2009, compared to \$108.2 million last year. After non-regular items, Brickworks' **Headline** NPAT was \$305.2 million, 200.7% higher than the previous year.

This record result has again proven the effectiveness of the diversification of earnings provided by the Building Products, Land and Development and Investment divisions of Brickworks and the company is well positioned for economic recovery and growth.

Directors have declared a final dividend of 26.5 cents fully franked, taking the full year dividend to 39.0 cents fully franked, in line with the previous year.

"The Directors are particularly pleased to have been able to maintain a steady full year dividend after ten years of consecutive increases, in contrast to many of our peers," said Chairman of Brickworks, Mr Robert Millner.

Total net cash flow from operating activities was \$132.0 million, up 90.8% from \$69.2 million the previous year. Total Interest Bearing Debt ('TIBD'), including PAVERS, reduced by 28.9% to \$400 million at 31 July 2009. This significant improvement was delivered without the need for an equity raising and consequent earnings dilution, boding well for future shareholder returns.

“Brickworks strategy of asset diversification has provided steady earnings despite the extremely difficult economic climate. The company has delivered a Total Shareholder Return that has outperformed the All Ordinaries Accumulation Index by 5.9% per annum over 15 years,” continued Mr Millner.

The Building Products division achieved earnings before interest and taxes (EBIT) of \$37.0 million for the year ended 31 July 2009, down 31.0% on the \$53.6 million from last year.

Sales volumes of Building Products were impacted by weaker market conditions, necessitating extended closures and mothballing of several manufacturing plants to manage inventory levels. Unit manufacturing costs and margins were affected by the plant shutdowns and increases in input costs such as natural gas, electricity, manganese and diesel. The strategy of increasing selling prices to ensure that margins are at least maintained continued.

The Land and Development division produced an EBIT of \$40.6 million for the year, a decrease of 56.7% from \$93.7 million last year. Property sales included settlement of the 56 hectare site at Scoresby in Victoria for \$93.7 million. Development activities within the Property Trust generated a profit of \$10.8 million during the year with facilities at Wacol, Queensland and the Capicure, Southridge and Interlink Distribution Estates in New South Wales completed.

The Investment division produced a normalised EBIT of \$95.4 million up 158.5% on the \$36.9 million delivered in the previous year. The market value of Brickworks share holding in Washington H. Soul Pattinson increased by \$56.0 million to \$1.125 billion at 31 July 2009.

Mr Lindsay Partridge, Managing Director of Brickworks said, “While the First Home Owners Grant has been reasonably successful, high fall over rates prior to commencement combined with unusually long delays from enquiry to commencement stage have limited its impact. The increase in activity from the First Home Owners Grant has to date not outweighed the negative effects on the industry caused by the lack of availability of construction finance and the absence of second and third home buyers, as well as investors in the market.

“However, the effect of the Building the Education Revolution and social housing programs, where Austral Bricks™ has been able to secure the majority of brick specifications, is likely to be significant. These programs will provide an immediate boost in activity and will also underpin construction activity through to the 2011 financial year. Austral Bricks™ is well placed to take advantage of these initiatives with good inventory levels to meet the likely demand.

“The anticipated recovery in dwelling construction activity during the coming year is predicated on pent up demand for housing, the continuation of the First Home Owners Grant in a reduced form, low interest rates, improved construction finance availability and a continuation of improved housing affordability.

“The prospect of increasing interest rates poses a significant risk and could stifle the housing recovery before it gains sufficient momentum to be sustainable.

“The outlook for the coming year is for another solid result boosted by an expected recovery in Building Products, lower borrowing costs and another solid return from Investments,” he added.

The record date for the ordinary dividend will be 25 November 2009, with payment being made on 9 December 2009.

Results Briefing

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

Brickworks Limited was listed on the ASX in 1962 and has paid a dividend every year since then. It has three divisions - Building Products, Land and 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.

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