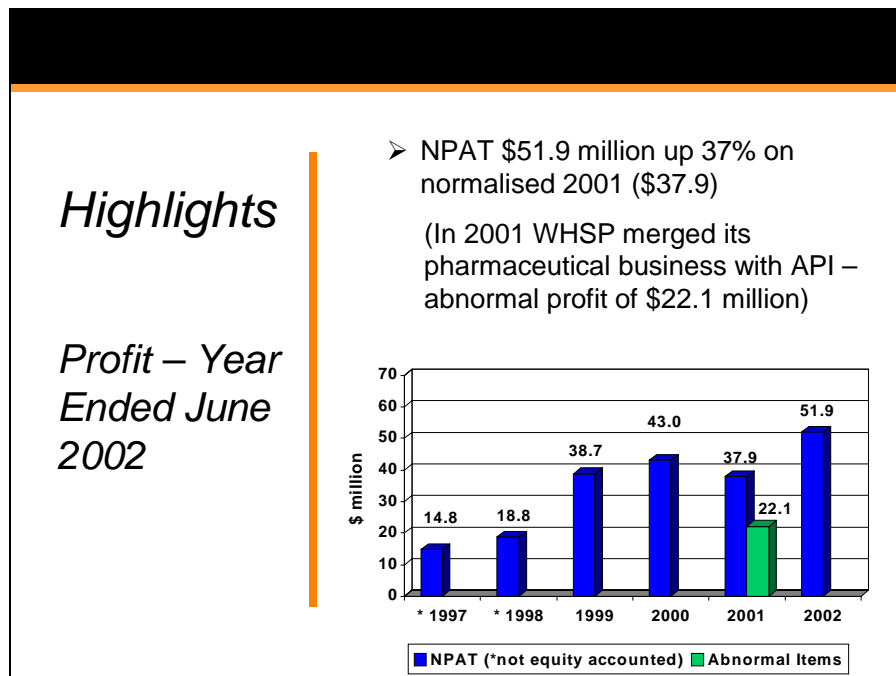


CHAIRMAN'S ADDRESS

AGM 2002

Ladies and Gentlemen,

Highlights



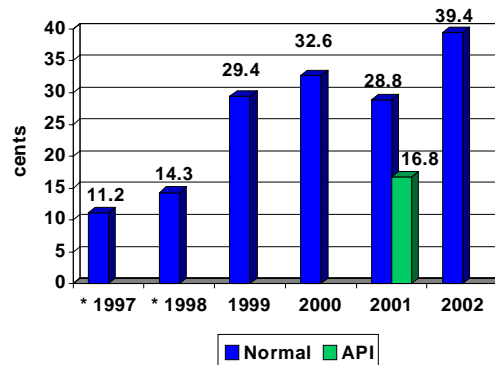
Net profit after tax for the full year to 30 June 2002 was lifted to \$51.9 million, up 37% compared with normalised profit in 2001 of \$37.9 million. This normalised result for 2001 of \$37.9 excludes the abnormal profit of \$22.1 million from 43% owned associate Washington H Soul Pattinson & Company Limited (WHSP) merging its pharmaceutical business with Australian Pharmaceutical Industries Limited (API).

This result was achieved after incurring an additional \$4.0 million income tax expense due to increased profits and adjustment to deferred income tax. Interest on borrowings of \$3.7 million has been incurred for the first time.

Highlights

Earnings

- Earnings per share increased to 39.4 cents per share equity accounted
- Cash earnings 29 cents per share

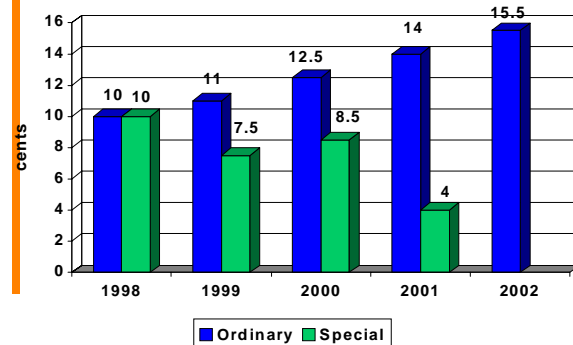


Normalised earnings per share for the year have increased to 39.4 cents and cash earnings to 29 cents per share.

Highlights

Dividends

- Final dividend increased to 9 cents / share up 12%
- Total dividends 15.5 cents



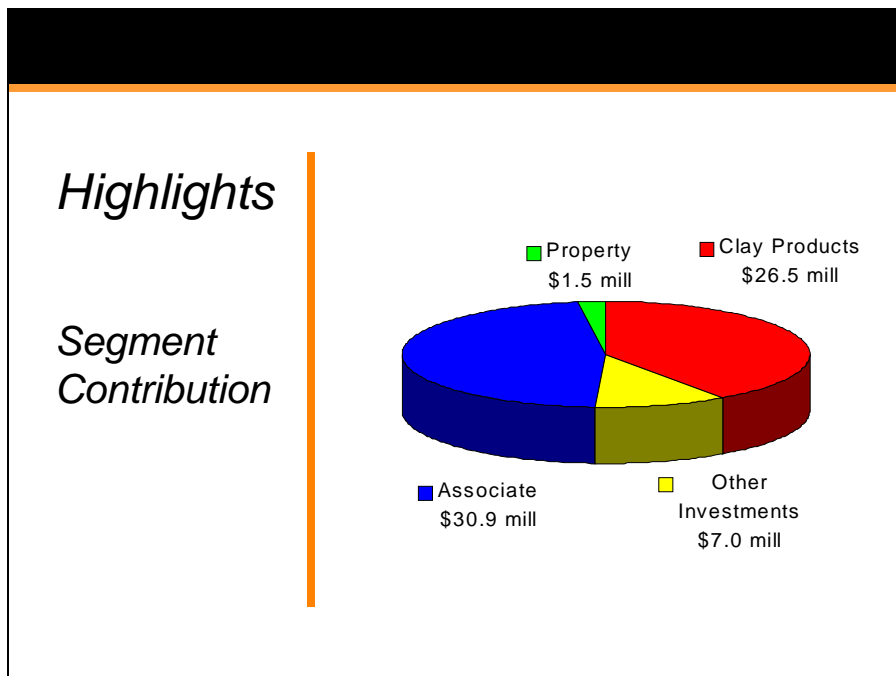
This has enabled directors to recommend that the final ordinary dividend be increased 12% to 9 cents per share fully franked and payable on 4 November 2002.

This brings the total dividend payments to 15.5 cents per share for the year.

Ordinary dividends have increased by a total of 55% over the last five years and a total of seven special dividends have been paid during that period, totalling 30 cents per share.

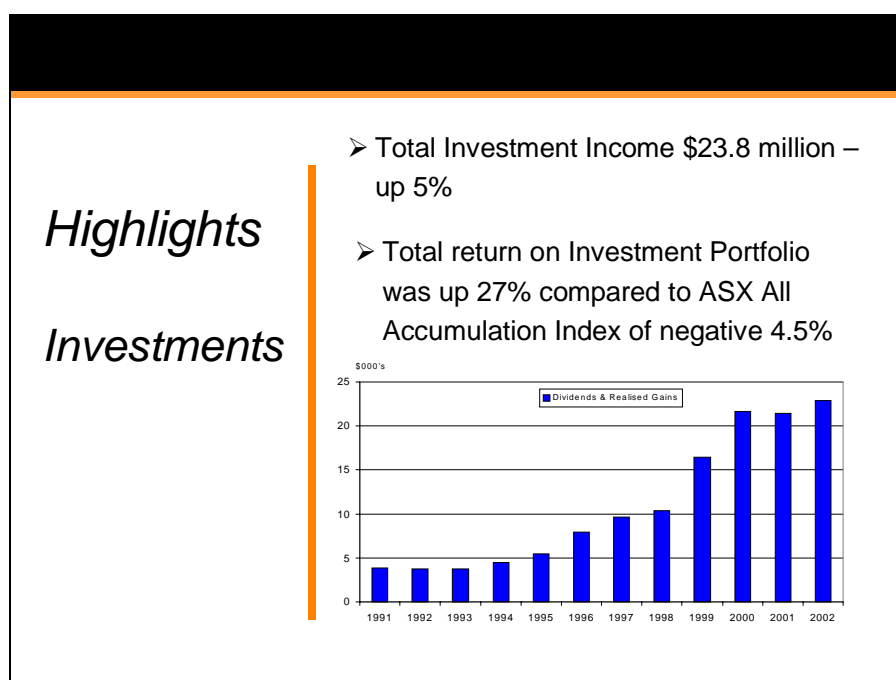
Segmental Earnings

The two traditional areas of Brickworks' business, investments and clay products, are now being supplemented by property development of the extensive land holdings and waste management activities in our quarries. This diversity has been proven successful once again with strong clay product returns cushioning shareholders from substantial volatility in investments.



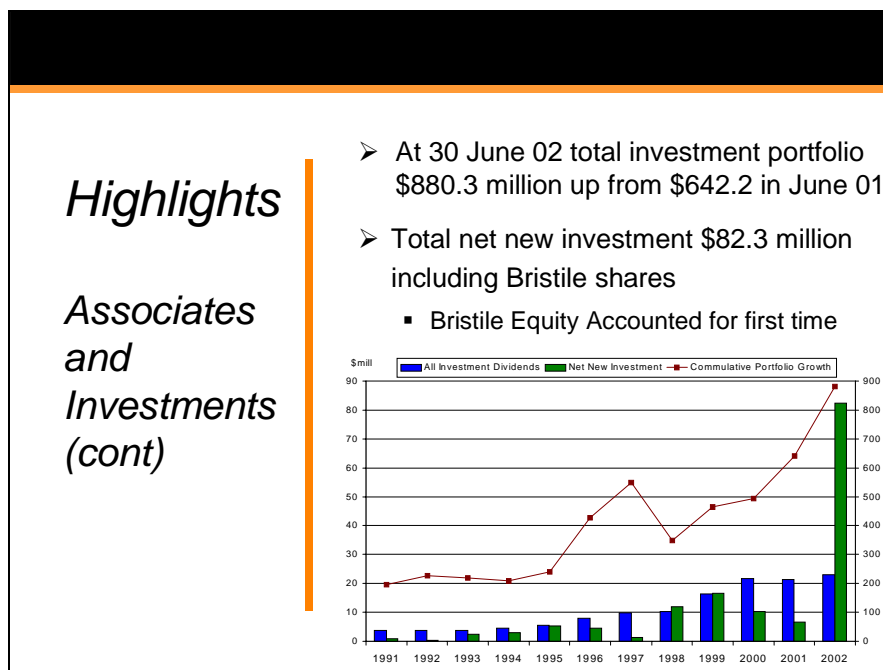
Associated companies contributed \$30.9 million pre tax while clay products contributed \$26.5 million. Other investments contributed \$7.0 million and the commencement of the property realisation program provided a maiden profit of \$1.5 million from property sales during the year.

Investments

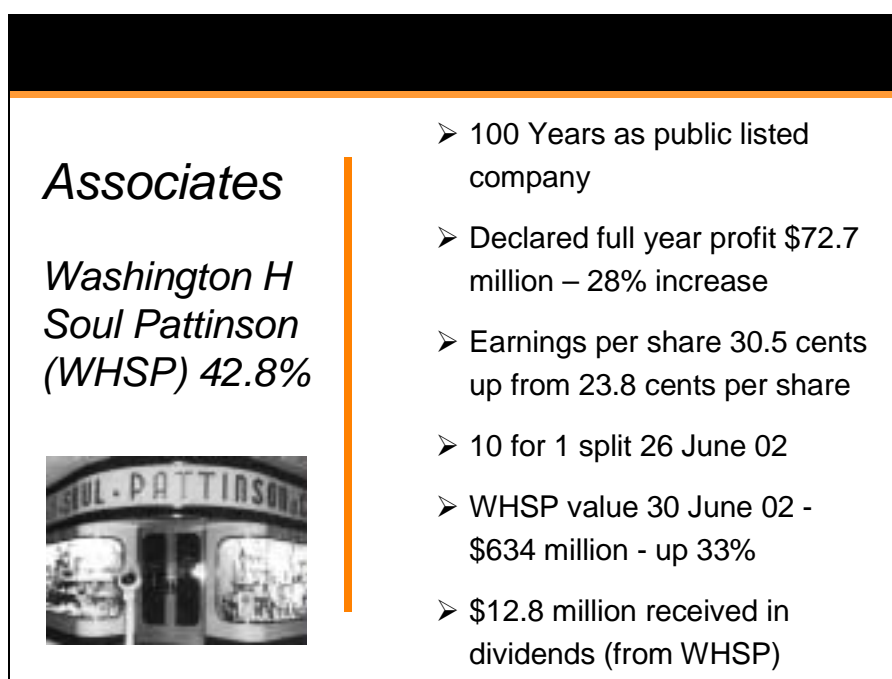


Investment income (dividends and realised gains) of \$23.8 million was up 5%.

The total investment portfolio returned 27%, including unrealised gains, compared with a negative 4.5% from the S&P/ASX 300 Accumulation Index over the same period.



At June 30 the value of the total investment portfolio increased 37% to \$880.3 million, up from \$642.2 million in June 2001. The portfolio includes the \$85.2 million purchase of Bristile shares which has been equity accounted for the first time.



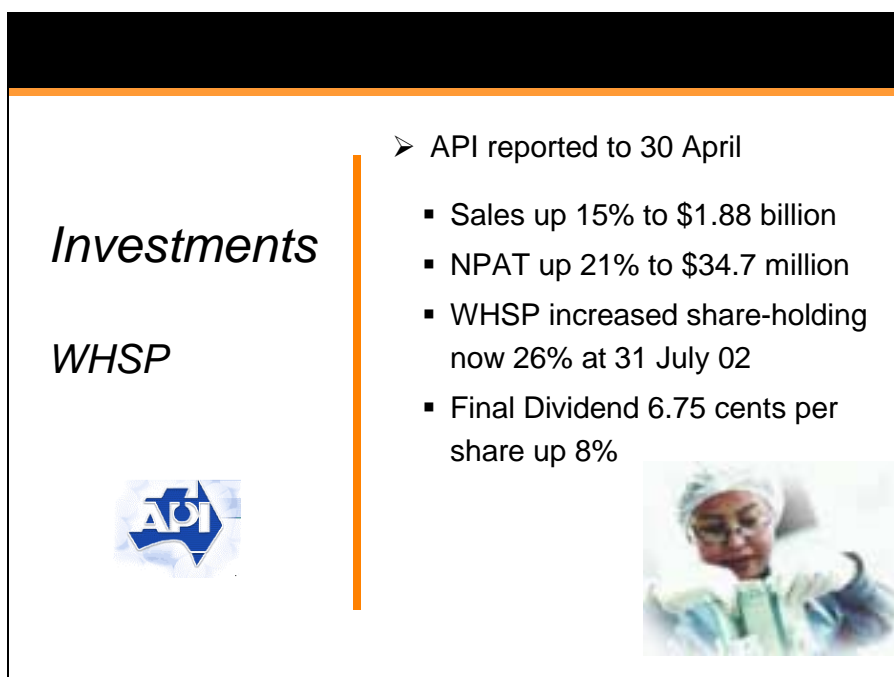
Washington H. Soul Pattinson (WHSP) (Brickworks 42.85%)

It is Washington H. Soul Pattinson's 100th year as a listed public company. They declared a full-year profit after tax and non-regular items of \$72.7 million, 30.5 cents per share, up from 23.8 cents previously and adjusted for the 10 for 1 share split on 26 June 2002. This result

was up 28% on the previous corresponding period. The profit after tax and before non-regular items increased 44% to \$66 million.

The value of WHSP increased by \$150 million to \$634 million as at 30 June 2002. Dividends totalled \$12.8 million, achieving a total return of 33%. The equity accounting share of profit was \$25.1 million.


WHSP continues its strong performance in a number of areas.




Investments

WHSP

- API reported to 30 April
 - Sales up 15% to \$1.88 billion
 - NPAT up 21% to \$34.7 million
 - WHSP increased share-holding now 26% at 31 July 02
 - Final Dividend 6.75 cents per share up 8%





- **API**

API reported its results for the year ending 30 April on 3 July. Sales were up 15% to \$1.88 billion and NPAT was up 21% to \$34.7 million. WHSP increased its shareholding in API to 26% at 31 July 2002.

The final dividend was increased 8% to 6.75 cents per share fully franked, making the full year dividend 13 cents per share, an increase of 5% on the previous full year.

Investments

WHSP



- Coal (New Hope Group) 69%
 - Profit after tax \$22 million – up 274%
 - Coal sales up 22.7 mill tonnes for the year – up 15%
 - PT Adaro Indonesia on track for 21 million tonnes this coming year
 - Construction of new Acland mine commenced

- **Coal (New Hope Group)**

WHSP Group share of profit after tax of its 69% owned New Hope Corporation Limited increased to \$22 million. During the year New Hope increased both coal production and sales in Australia and Indonesia. Total coal sales from New Hope and its associated entity, P.T. Adaro Indonesia were 22.7 million tonnes, an increase of 2.9 million tonnes over the same period last year. PT Adaro is on track to produce 21 million tonnes this year. As a result of increased production and sales, coupled with higher coal prices during the period, New Hope Corporation Limited reported a substantial increase in profit. Construction of the new Acland mine has commenced.

Investments

WHSP



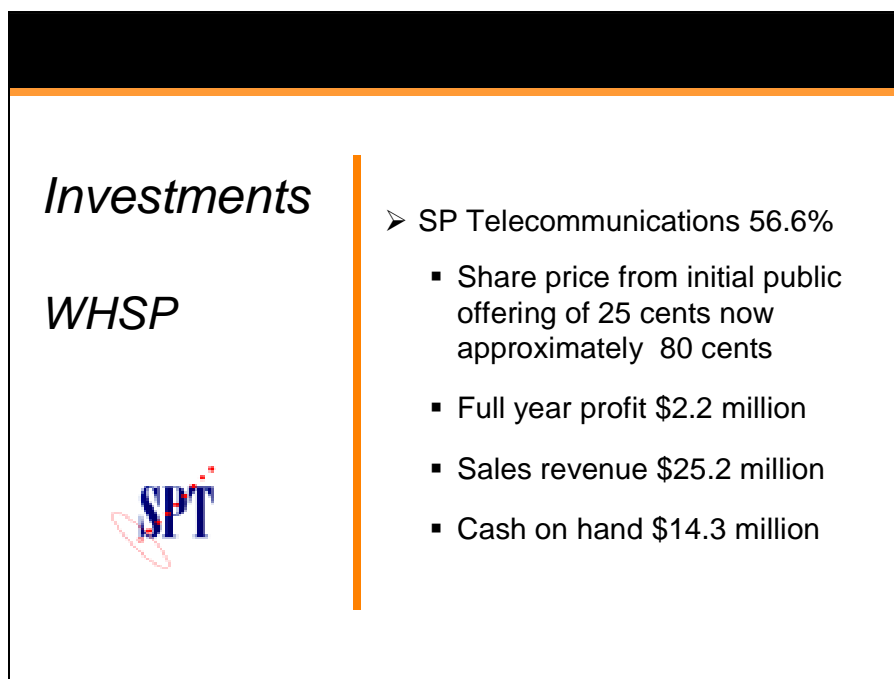
- Media (NBN) 100%
 - NPAT \$7.5 million up 14%
 - Increase in revenue up 9% in difficult trading conditions

- **Media (NBN Group)**

NBN Television reported a profit after tax of \$7.5 million, a 14% increase over the previous corresponding period. This profit result was based on an increase in total revenue of 9% on the previous year, with advertising revenue up 8.2%. This result compares more than favourably with other reported media companies and is a reflection of NBN's unique position in the media industry and a reward for its ongoing commitment to localism.

NBN commenced its first digital broadcasts in Newcastle in May of this year. Capital expenditure to date on this project has amounted to \$14.5 million.

The ABA's recent "Localism Inquiry" made recommendations in relation to the level of local news and service information that should be provided by regional stations - it is worth noting that NBN already exceeds that level with its comprehensive local service and community projects.



The slide features a black header bar at the top. Below it, the word "Investments" is written in a large, italicized, black serif font. Underneath "Investments", the call sign "WHSP" is displayed in a smaller, black, sans-serif font. To the left of the main text is a logo for SPT, consisting of the letters "SPT" in a blue, stylized font with a red outline, and a red circular graphic element below it. A vertical orange line separates the text from a list of bullet points on the right. The list includes a right-pointing arrow followed by "SP Telecommunications 56.6%", and three square bullet points: "Share price from initial public offering of 25 cents now approximately 80 cents", "Full year profit \$2.2 million", "Sales revenue \$25.2 million", and "Cash on hand \$14.3 million".

- **SP Telecommunications Limited (SOT)**

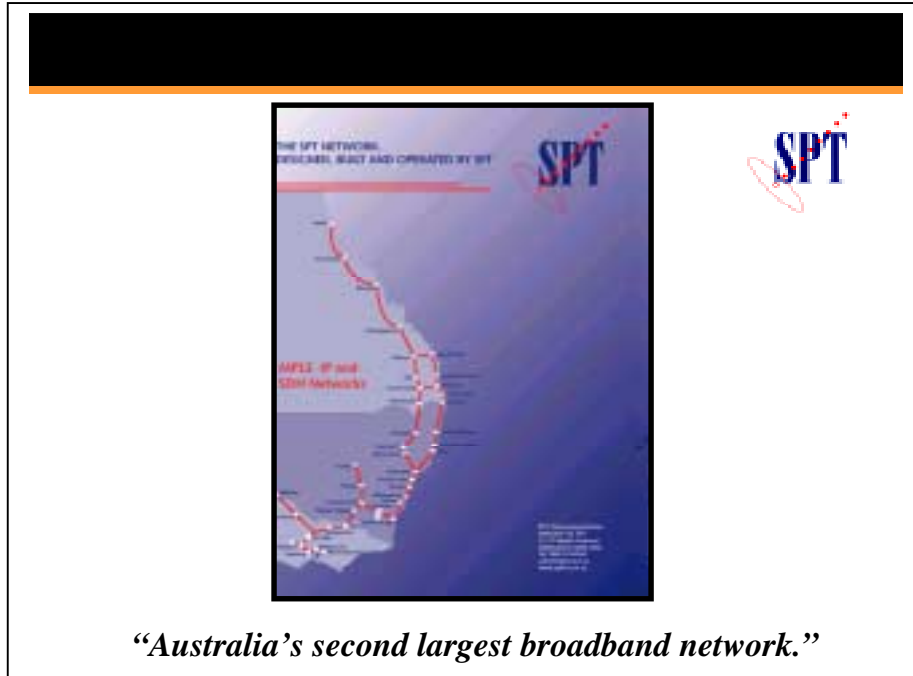
WHSP currently holds 56.6% of the issued capital.

SPT reported a net profit after tax of \$2.2 million compared to last year's start up loss of \$1.4 million. SPT (one of the few telecommunications companies in Australia paying income tax) incurred an income tax expense of \$782,000. Total revenue for the twelve months was \$25.2 million, up 206% on last year. The Group's share of SPT's profit after tax was \$1.3 million.

SPT's operating cash flow for the year was \$3.4 million. Cash on hand at the end of the year totalled \$14.3 million.

As well as providing general telecommunications services to retail and corporate subscribers, SPT has benefited from building a niche business in providing private data networks for corporate customers and government.

SPT boosted earnings significantly during the year due to the commencement of a number of major contracts including ABS Asia Pacific Television Service, digital television distribution services as well as NSW Government business. SPT has secured a number of notable corporate customers on the back of this success. SPT has a number of signed contracts that commenced in the year which will be progressively rolled out in the new financial year.



The joint venture established between the company and ntl Telecommunications Pty Limited was a significant event as it has provided the company with access to, and management of, what is now the second largest regional broadband network in Australia, operating from Melbourne and Cairns.

Investments

WHSP

CLOVER

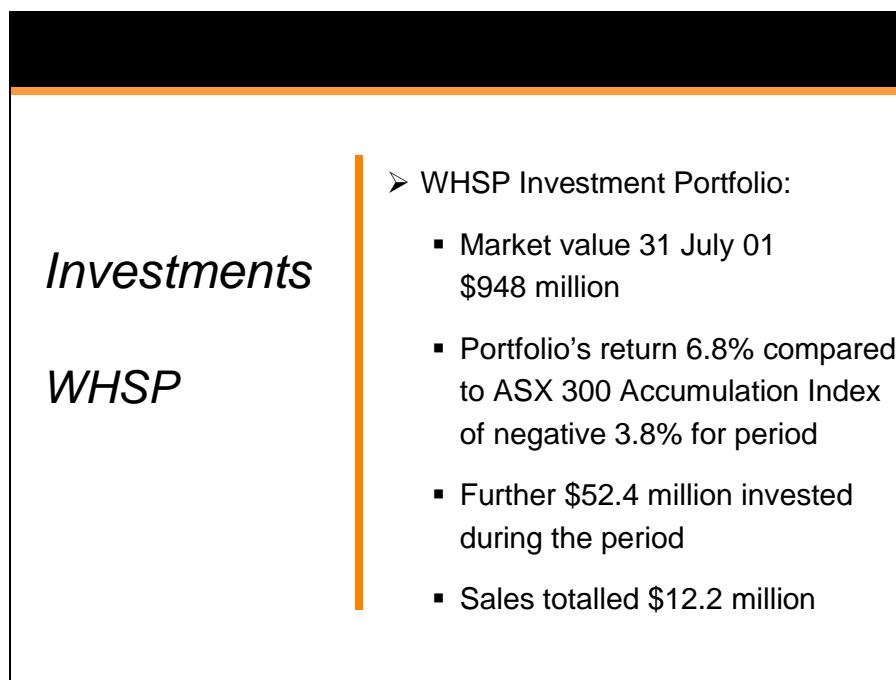
- Clover (27.9% owned) loss \$5.6 million
 - Restructured, expenses reduced
 - George Weston foods to use HiDHA Oil in Tip Top Up



- **Clover Corporation Limited (Clover)**

Clover's net loss for the year was \$5.6 million, including non-regular items of \$2.4 million, compared with \$4.8 million last year. On an equity accounted basis the WHSP Group's share of the loss was \$1.8 million compared with \$1.6 million last year.

During the financial year Clover Directors took a conservative course of action in writing down the carrying value of the majority of intangibles including goodwill by \$1.3 million. In addition to this write-down the restructure and reorganisation process has cost the company some \$1.1 million during the financial year in "one-off" and "non-recurring" charges. These measures have ensured that Clover's ongoing operating cost base is more closely aligned with revenue generation and should have a positive effect on ongoing operating cash flows.



Investments

WHSP

- WHSP Investment Portfolio:
 - Market value 31 July 01 \$948 million
 - Portfolio's return 6.8% compared to ASX 300 Accumulation Index of negative 3.8% for period
 - Further \$52.4 million invested during the period
 - Sales totalled \$12.2 million

- **WHSP Investment Portfolio**

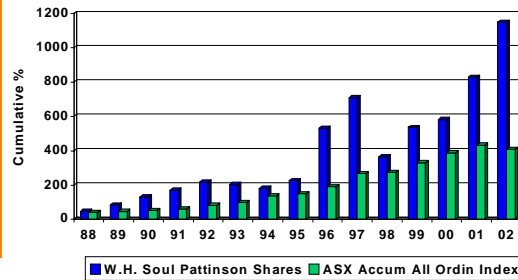
The market value of the investment portfolio as at 31 July 2002 was \$948 million. The portfolio's return for the period was 6.8% compared to the Benchmark ASX 300 Accumulation Index of negative 3.8% over the same period to 31 July 2002.

During the half year a further \$52.4 million was invested in the Australian stock market. Major share purchases included Australian Pharmaceutical Industries Ltd, Macquarie Infrastructure, Milton Corporation Ltd, Ruralco, Pacific Strategic Investments and Sydney Aquarium. Sales of equities amounted to \$12.2 million and included the sale of Australian Food and Fibre, Brambles, Sydney Aquarium and Watty.

Investments

WHSP (cont)

- Brickworks investment in WHSP has returned 17.2% over 15 years compared to All Ordinaries Accumulation Index of 8.3%



The annual return from Brickworks investment in WHSP over 15 years is 17.2% compared to the performance of the all ordinaries accumulation index of 8.3% over the same period.

Investments

Bristile

BRISTILE LTD



- NPAT \$39.3 million up 28% (adjusted for Wesfi sale)
- Sales revenue \$278.1 million up 25%
- Final Dividend 9 cents per share up 50%
- Debt reduced to \$81.5 million
- Net assets up to \$225 million
- Pioneer Roof Tile acquisition contributed strongly in first 7 months
- Order levels and volumes remain strong

Bristile (BRS) (Brickworks 22.3%)

The full year profit after tax for Bristile was \$39.3 million, which was up 28% on the previous year (excluding the previous year's non-recurring contribution of \$7.9 million on the sale of Wesfi Ltd and dividends from the same of \$3.0 million)

Sales revenue of \$278.1 million was up 25% on the previous year. Earnings per share for the year of 26.4 cents were an increase of 19% on the previous year's pre abnormal earnings.

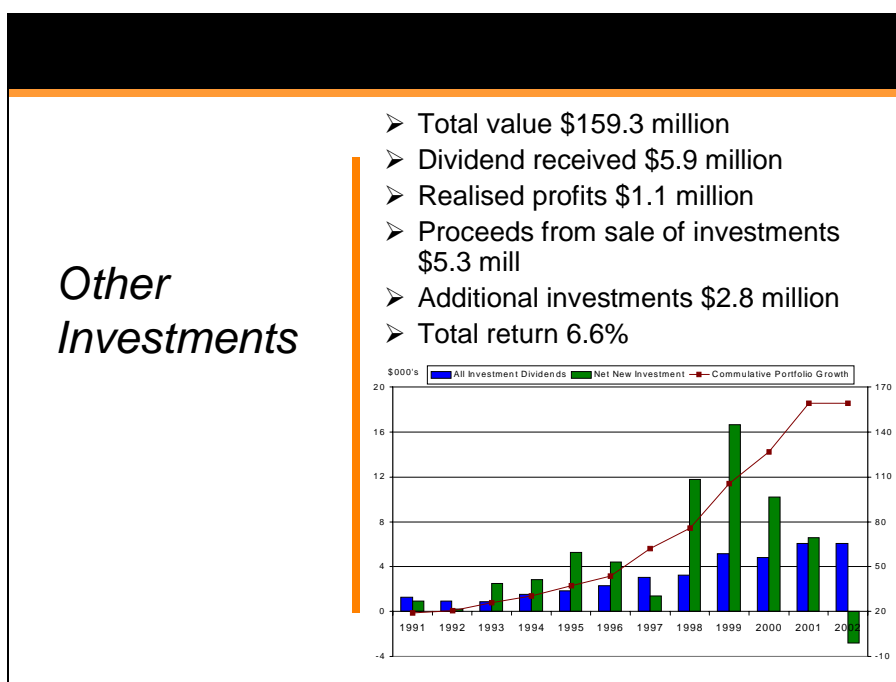
Directors declared a fully franked final dividend of 9 cents, a 50% increase on the previous year. Total dividends for the year increased to 16 cents compared to 11 cents for the previous year.

Debt levels have continued to fall and are now around 26% of capital employed. Net assets have increased to \$225 million. Sales and profits rose strongly on the back of the strong market conditions and the Pioneer Roof Tile acquisition.

Bristile has identified a number of small efficiency improvement projects, which will provide a fast payback.

Order levels remain strong and volumes are currently expected to remain robust at least until the end of 2002. Low stock levels and low debt places the company in a strong position to weather any likely downturn.

Brickworks investment in Bristile was valued at \$87.0 million at June 30. Including the dividend and capital appreciation the total return on the Bristile investment was 6.9% for the year.



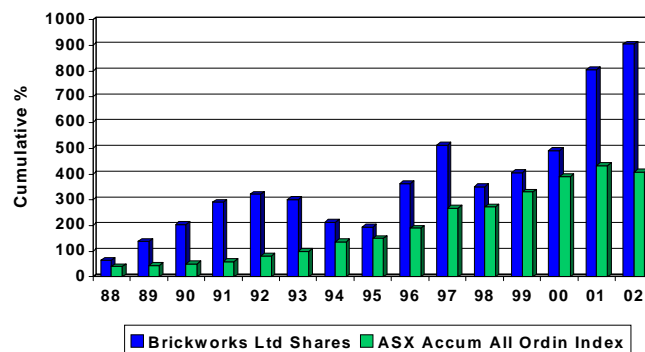
The value of the balance of listed securities (excluding Washington H. Soul Pattinson and Bristile) was \$159.3 million as of 30th June 2002, up slightly on 30th June 2001, which was valued at \$158.9 million. During the year \$5.9 million was received in dividends and \$1.1 million was realised as profit on sales of \$5.3 million. Additional investments totalled \$2.8 million. The total return for the year was 6.6% again compared to the negative performance of 4.5% in the S&P/ASX 300 Accumulation Index.

Share Split

- Brickworks split the shares 10 for 1 on 18 December 2000
- The number of shareholders has increased from 1,100 to 2,735 since that date

Since Brickworks split the shares ten for one on 18 December 2000, the number of shareholders has increased from 1,100 to 2,735 at 30 June 2002.

- Compound return from Brickworks' investment over 15 years was 12.4% compared to ASX Accumulation Index of 8.3%



The compound return from an investment in Brickworks over 15 years was 12.4%, a significant out performance from the all ordinaries accumulation index of 8.3% over the same period.

Employees

I would like to take this opportunity to welcome the Eureka Tiles employees who number over 100 to the Brickworks Group, which now total in excess of 600 employees.

The excellent results produced this year are a credit to all staff and on behalf of the Board I thank the staff for their efforts and perseverance.