BRICKWORKS
LIMITED

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25 March 2021

Australian Securities Exchange
Attention: **Companies Department**

BY ELECTRONIC LODGEMENT

Dear Sir / Madam

Please find attached a presentation and additional comments to be presented to analysts today regarding Brickworks Limited's financial results for the half year ended 31 January 2021, for immediate release to the market.

This announcement has been authorised for release by the Brickworks Board of Directors.

Yours faithfully

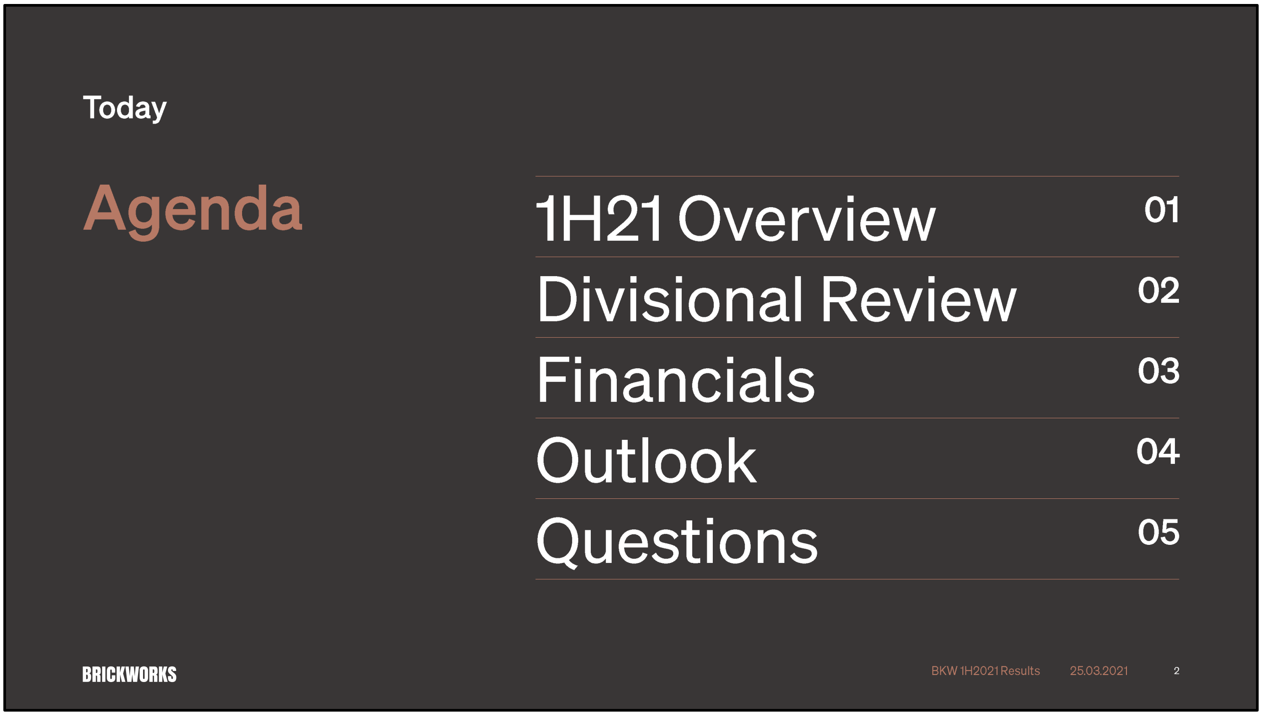
BRICKWORKS LIMITED

S Leppinus

Susan Leppinus

Company Secretary

Good Afternoon Ladies and Gentlemen and welcome to the Brickworks analyst briefing for the half year ended 31 January 2021.



Today, I will start by providing an overview of our results for the first half, including a review of divisional performance, and then discuss the outlook for Brickworks.

Robert Bakewell, our Chief Financial Officer, will take you through the financials in more detail.

We will then be happy to take any questions at the conclusion of the presentation.

1H21 Overview

Section 01

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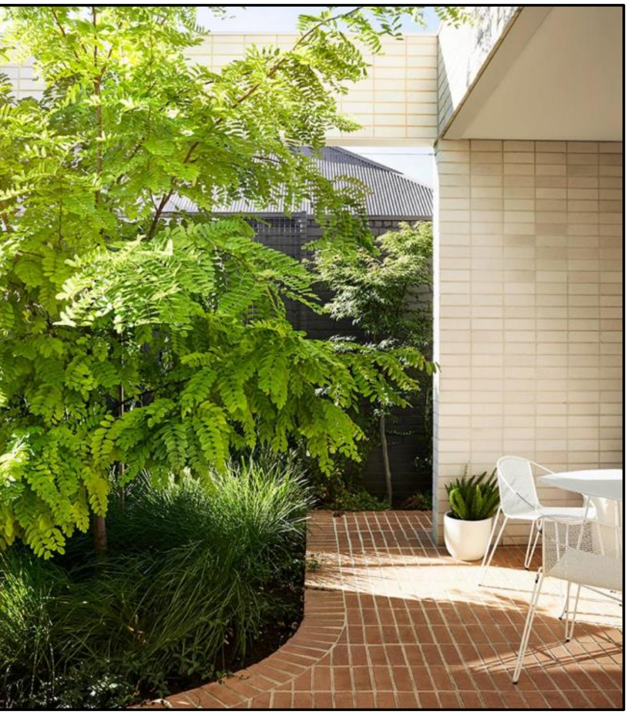
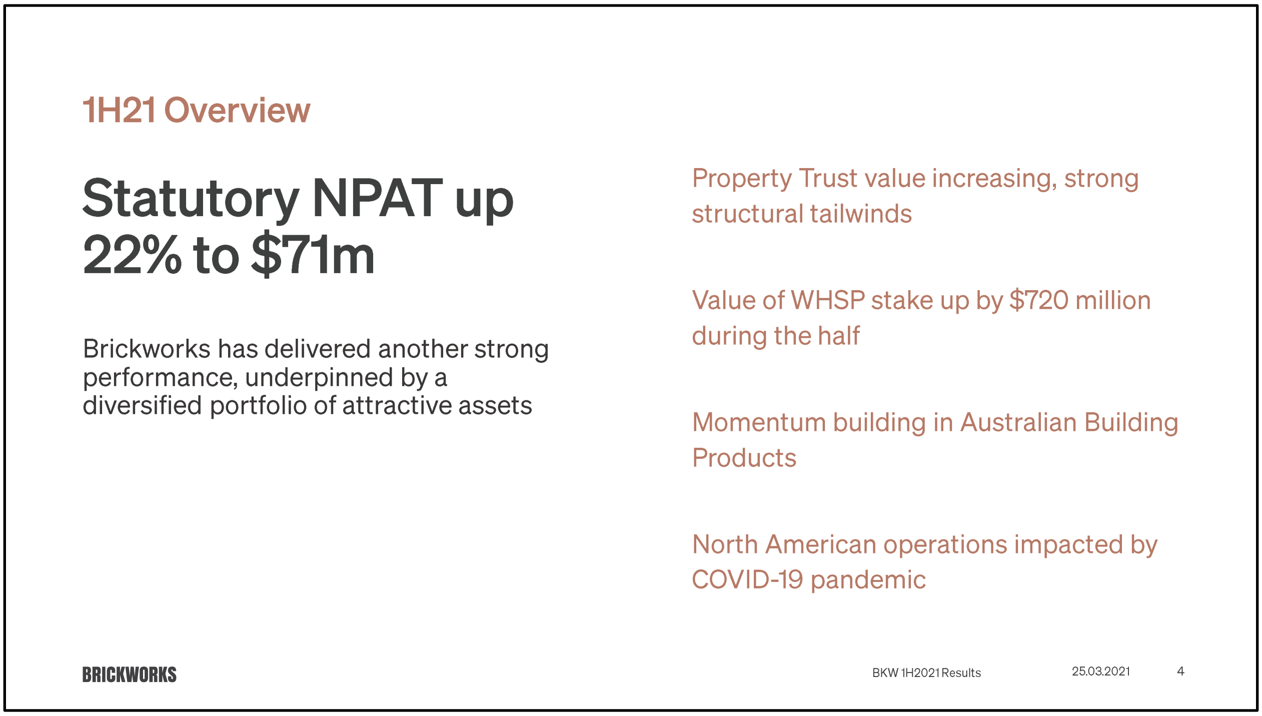




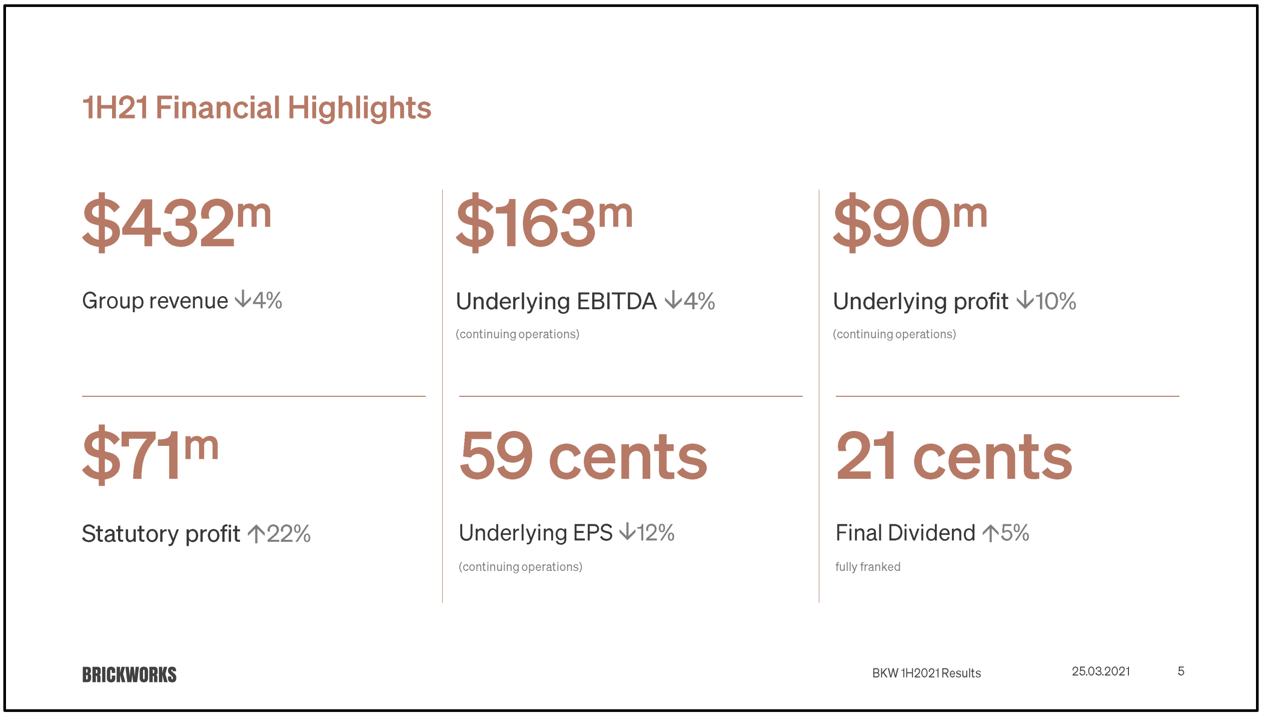
It gives me pleasure to report that the Company has delivered another strong financial result, with statutory profit up by 22% to $71 million in the first half.

The contribution from Property was again a standout, with strong demand for our prime industrial land driving a significant increase in the value of our portfolio.

Performance across Building Products was mixed, with the Australian operations largely unaffected by the COVID-19 pandemic and delivering significantly higher earnings.

Meanwhile, building activity in our key North American non-residential market was severely disrupted by the pandemic, and this had a flow-on effect to earnings in that region.

In addition to delivering solid earnings, asset growth has been very strong during the first half. This includes the value of our 39% stake in WHSP increasing by $720 million over the period.



Turning to the financial highlights for the period.

Revenue for the half of $432 million was marginally lower.

EBITDA from continuing operations of $163 million, was down 4%, with increased earnings from Property and Building Products operations in Australia offset by declines in Investments and North America.

Underlying net profit after tax from continuing operations was down 10% to $90 million.

This translates to underlying earnings per share of 59 cents.

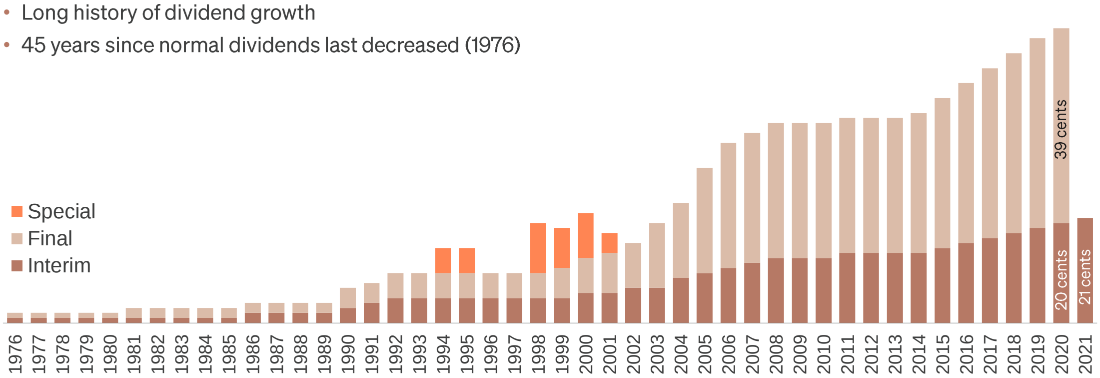
As I mentioned, statutory profit, including the impact of significant items and discontinued operations, was up 22% to $71 million.

Dividends

Brickworks normal dividend has been maintained or increased since 1976

Brickworks Dividend History Cents per share

- 21 cents per share fully franked interim dividend, up 5% (Record date 13 April, payment 28 April)
- Long history of dividend growth
- 45 years since normal dividends last decreased (1976)



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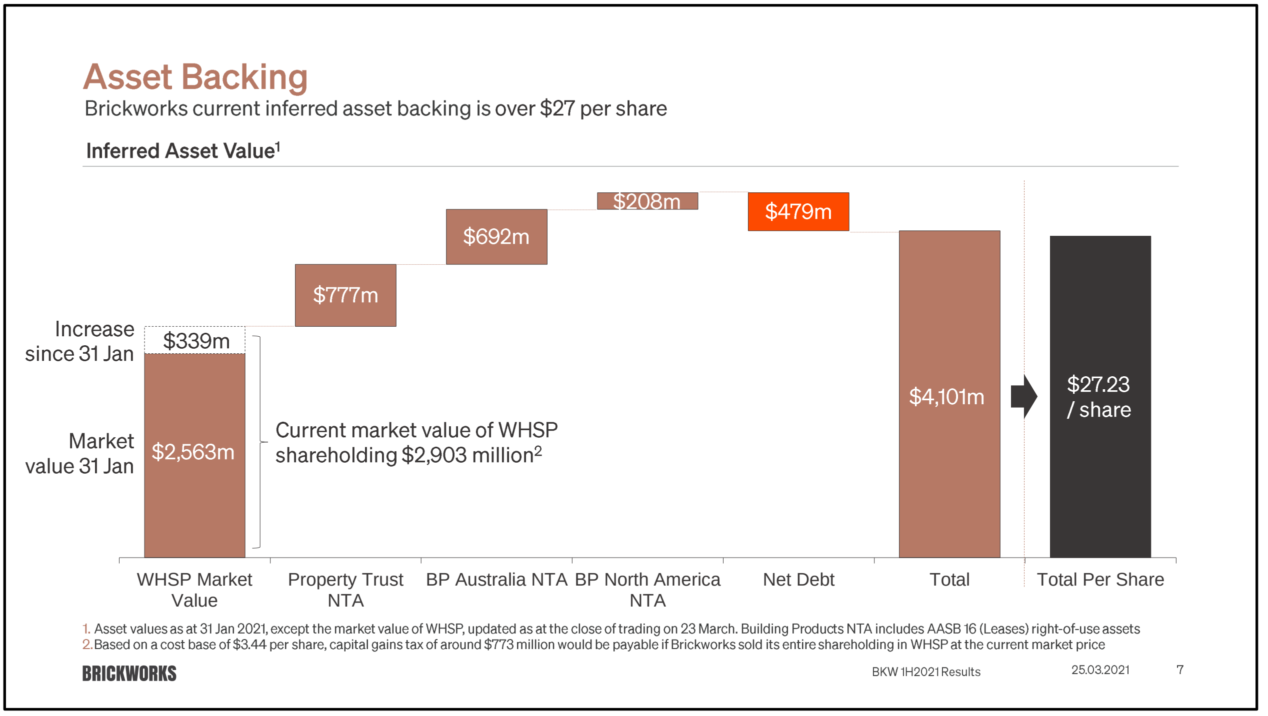
We are happy to announce an interim fully franked final dividend of 21 cents per share. This is an increase of 1 cent, or 5%, compared to the previous interim dividend.

The record date for the interim dividend is 13 April, with payment on 28 April.

We are proud of our long history of dividend growth, and the stability this provides to our shareholders. As shown on screen, we have now maintained or increased dividends for the last 45 years.



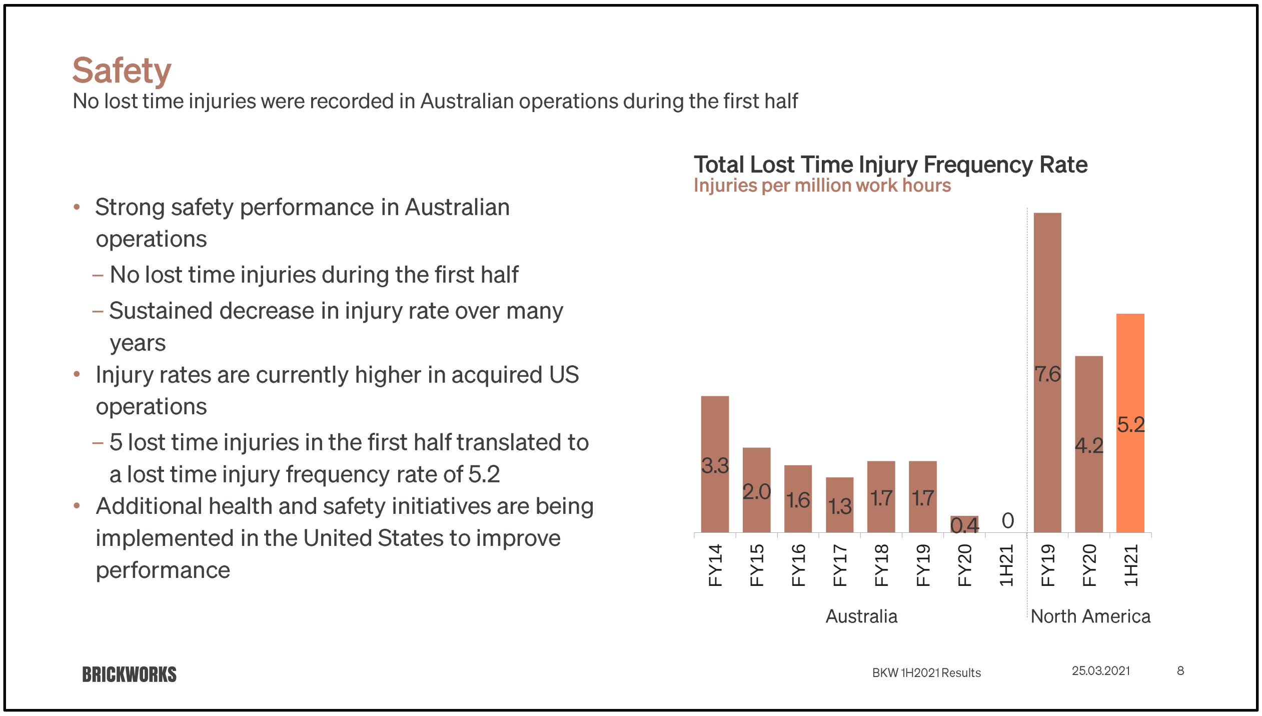
Brickworks has a strong portfolio of diversified businesses, consisting of:

- Our investment in WHSP, with a current market value of $2.9 billion;
- A 50% share of an industrial property trust, with a net asset value of $777 million;
- Building Products in Australia, with net tangible assets of $692 million; and
- Building Products in North America, with net tangible assets of $208 million.

Currently, the total inferred asset backing is $4.1 billion, after including our net debt of $479 million.

On a per share basis, the asset backing equates to over $27 per share, providing solid support for our share price.

It is worth noting that the Building Products asset value includes some parcels of surplus land, currently held at book value, but with a significantly higher market value.



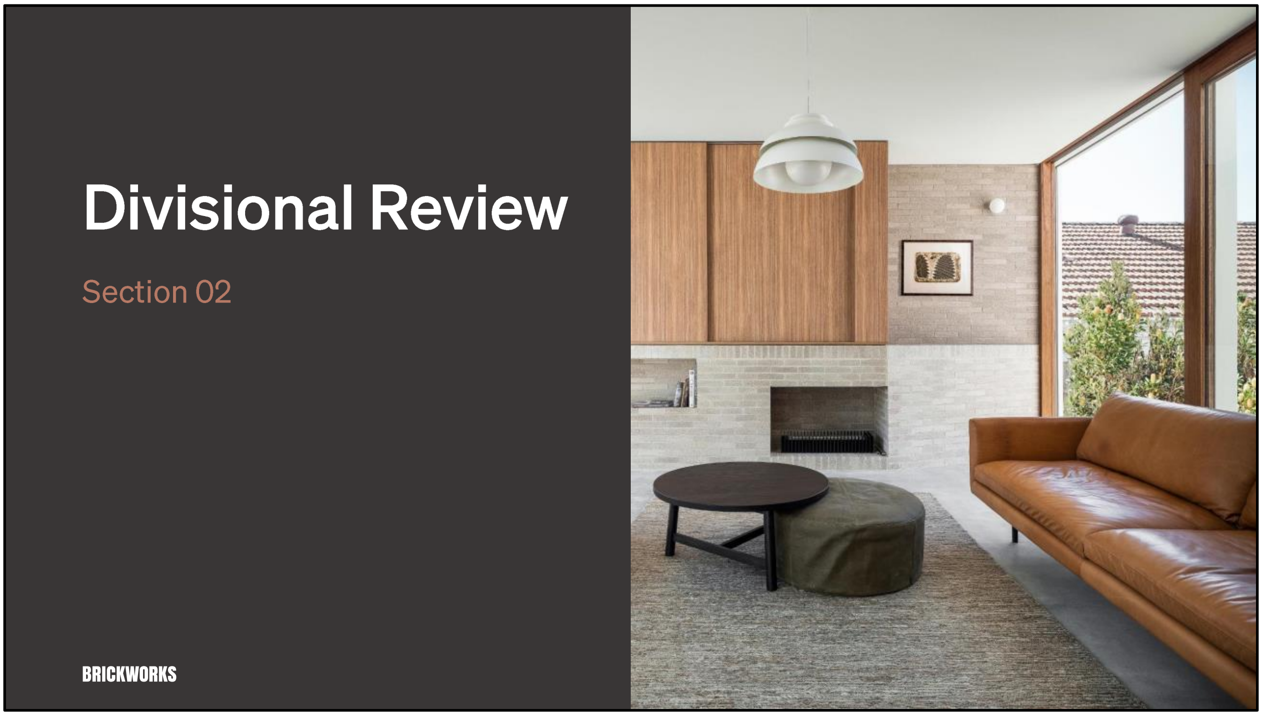
I am pleased to report that we continue to make steady progress in improving workplace safety.

In Australia, there were no lost time injuries recorded across our workforce during the first half.

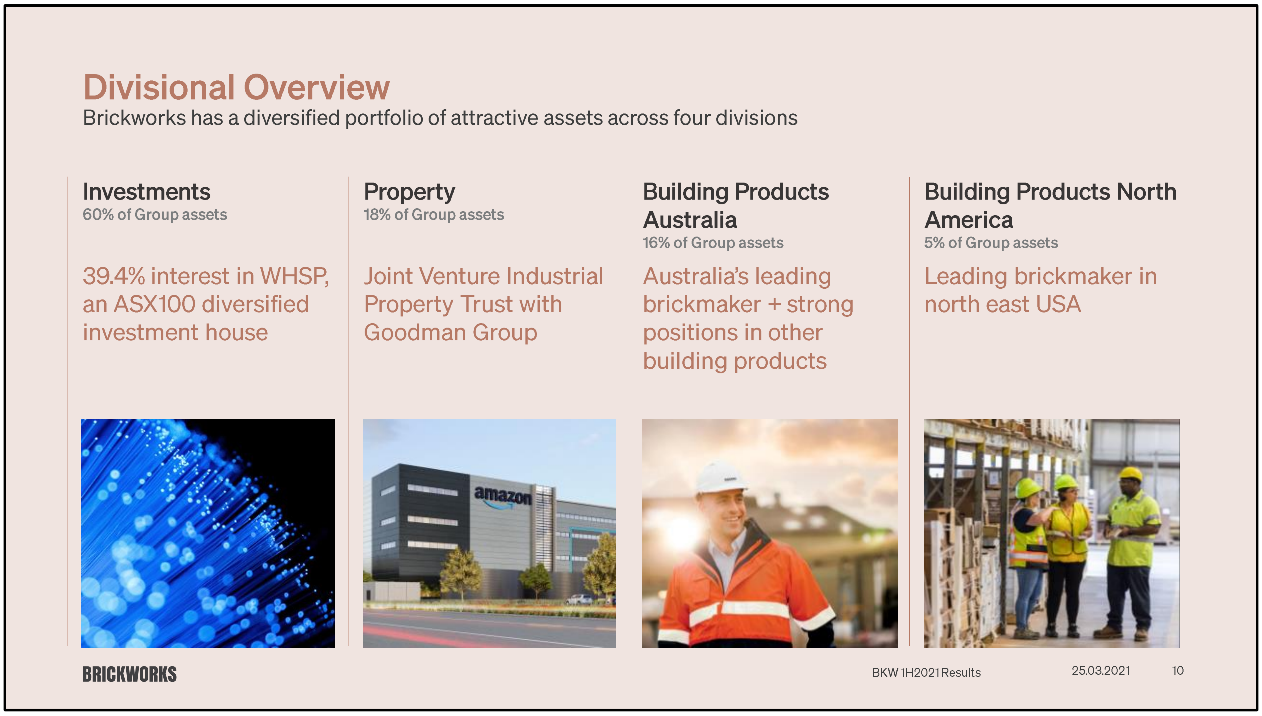
A sustained decrease in injuries across Australian operations has been achieved over the past decade, through disciplined implementation of safety management systems and procedures, together with behavioural leadership and safety training programs.

These initiatives are also being rolled out across our recently acquired operations in North America where injury rates are significantly higher than Australia.

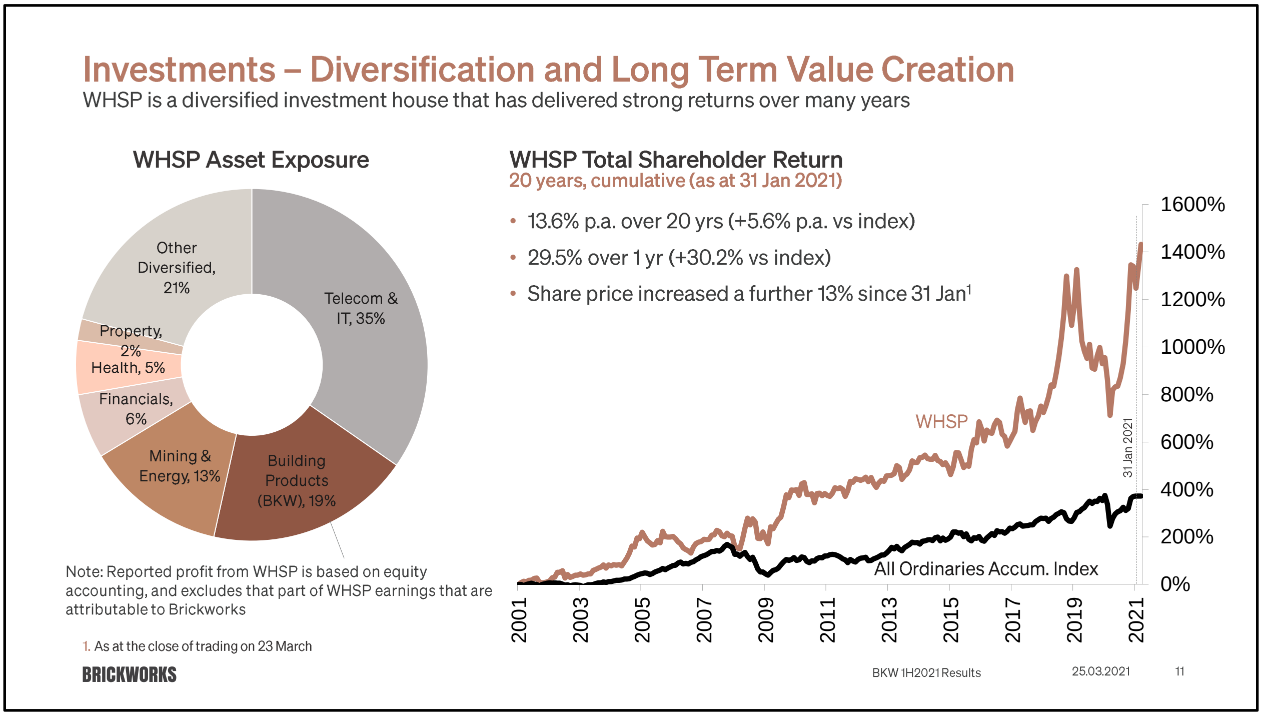
In North America, there were 5 lost time injuries for the period. This translates to 5.2 injuries per 1,000 hours worked. Although the lost time injury rate is higher, it was encouraging to note that the rate of reportable injuries is decreasing, and this is an important lead indicator for safety outcomes.



Taking a look now at each of our divisions.



As I have mentioned, Brickworks has a portfolio of four diversified businesses, each with significant assets and strong market positions.

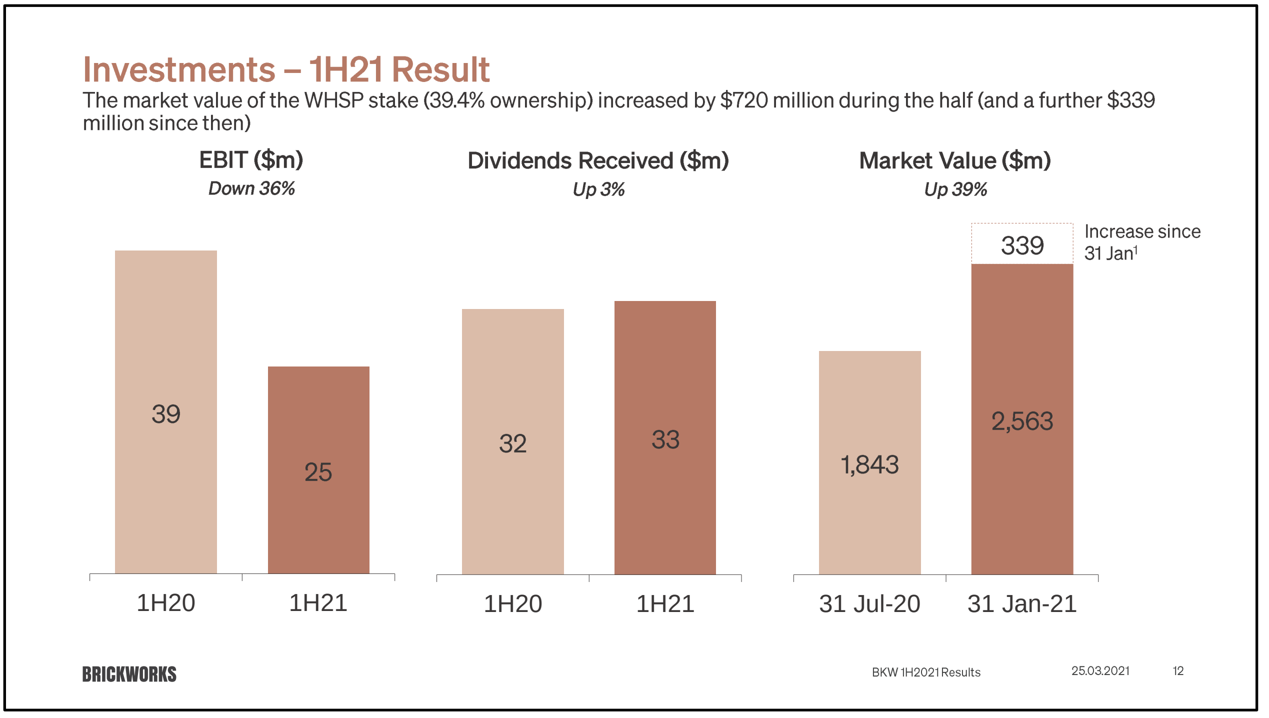


We hold a 39.4% stake in the ASX100 company WHSP, which has a diversified portfolio of investments in listed and unlisted companies. Major investments include Brickworks, TPG Telecom, New Hope Corporation and Australian Pharmaceutical Industries.

This provides WHSP with a diversified asset exposure, including telecom, IT, financial services, mining, energy and pharmaceuticals, as shown in the chart on the left of screen.

Over the long term WHSP has delivered outstanding returns, with annualised total returns including dividends of 13.6% per annum for the past 20 years. This represents outperformance of 5.6% per annum versus the ASX All Ordinaries Accumulation Index.

Importantly, WHSP has a track record of delivering outperformance during difficult market periods, and this has again proven to be the case during the pandemic. For the year to 31 January 2021, WHSP delivered a 29.5% return vs the index return of -0.7%. Since then, the share price has increased a further 13%.



Investments delivered an underlying contribution of $25 million for the first half, down 36%.

The reported profit from WHSP for the first half is not representative of expectations for the full year, or of past period results. Due to the TPG merger with Vodafone in the prior year, TPG earnings are no longer equity accounted and no dividend was paid by them in the first half. This caused a significantly reduced contribution from the telecommunications portfolio.

In addition, there was a decline in earnings from New Hope Corporation.

It is also important to note that our reported result excludes that part of WHSP earnings that are attributable to Brickworks.

During the period cash dividends of $33 million were received, up marginally on the prior corresponding period.

As I mentioned earlier, the market value of Brickworks' shareholding in WHSP increased by $720 million during the first half, and including a further increase of $339 million since then, now stands at $2.9 billion.

Property – 1H21 Result

Property delivered another increase in earnings, with EBIT up 3% to $92 million for the 1st half

- Industrial real estate resilient through the COVID-19 pandemic
- Net trust income higher, on rent reviews and additional developments
- Revaluation profit driven by 25 basis point reduction in cap rates
- Recognition of deferred land sale profit at Oakdale West upon Coles and Amazon lease agreements becoming unconditional

HALF ENDED JAN ($M)	1H20	1H21	CHANGE
Net trust income	15	16	7%
Revaluations	52	40	(23%)
Development profit	24	0	NA
Property Trust	**90**	**56**	**(38%)**
Land sales	0	38	NA
Admin and other	(2)	(2)	-
Total	**89**	**92**	**3%**

Property delivered another great result in the first half, generating EBIT of $92 million, up 3% on the prior period.

Property Trust earnings were again strong.

Unlike some other property sectors, industrial real estate has been particularly resilient throughout the COVID-19 pandemic. This is reflected in Property Trust rent collections which have experienced negligible rental arrears or deferments. For the half, net trust income increased by 7% to $16 million. The net trust income represents Brickworks 50% share of gross rent from leased assets, after accounting for interest and other operating costs within the Trust.

Property Trust assets were revalued during the period and this resulted in another strong revaluation profit of $40 million. This reflects an average 25 basis point compression across the portfolio and follows a similar tightening that occurred in financial year 2020.

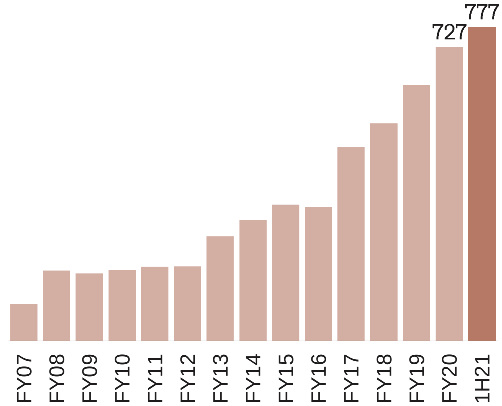
In addition, property sales contributed a $38 million profit during the half. This was primarily due to the recognition of previously unrealised profits associated with the prior sale of Oakdale West, after the lease agreements with Coles and Amazon became unconditional.

Property Trust Asset Value

The net value of Brickworks' share of Property Trust assets increased by $50 million during the half

HALF ENDED JAN ($M)	FY20	1H21	CHANGE
Leased properties	1,663	1,749	5%
Land to be developed	397	410	3%
Total Property Trust assets	**2,060**	**2,159**	**5%**
Borrowings	(606)	(605)	-
Net Property Trust assets	1,455	1,554	7%
BKW 50% share	**727**	**777**	**7%**

BKW 50% share of Property Trust Assets
$millions



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The total value of leased assets held within the Property Trust was $1.7 billion at the end of the period. Including $410 million worth of land to be developed, the total value of assets held within the Property Trust was $2.2 billion. After including borrowings of $605 million, total net asset value is over $1.5 billion. Brickworks' 50% share of net asset value was $777 million as at 31 January, up by $50 million during the period.

Gearing within the Property Trust was down slightly to 35% at the end of the period.

The continued capitalisation rate compression over many years has crystallised the value that the Property Trust was specifically set-up to capture. Since its inception over a decade ago, Brickworks net asset value has increased at 17% per annum, generating significant value for shareholders.

The current Property Trust value is well supported by comparable recent sales in the area, and reflects the strong demand for well-located prime industrial property.

Overview of Property Trust

Estate	Currently Leased					Additional	
	Asset Value ($m)	Gross Rental ($m p.a.)	WALE (yrs)	Cap. Rate	GLA[1] (m²)	Pre-Committed GLA[1] (m²)	Additional GLA[1] (m²)
M7 Hub (NSW)	167	8	2.7	5.0%	64,200	*Fully developed*	
Interlink Park (NSW)	459	26	3.0	4.8%	192,200	*Fully developed*	
Oak. Central (NSW)	633	31	4.6	4.6%	245,200	*Fully developed*	
Oak. South (NSW)	279	13	7.5	4.6%	111,300	25,100	40,000
Rochedale (QLD)	211	11	10.8	5.1%	95,600	10,600	19,600
Oak. West (NSW)	-	-	-	-	-	119,500	257,600
Oak. East (NSW)	-	-	-	-	-	16,100	19,700
Total	1,749	88	5.1	4.8%	708,500	171,300	336,900

The completion of these pre-committed facilities will increase gross rent by $38 million within the next two years

1. Gross lettable area

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We are currently undergoing a period of unprecedented development within the Property Trust, and I'd like to take some time to provide some context around the current activity and the impact it will have on the scale of the Trust in the coming years.

The table on screen shows the breakdown of the leased properties across each of the Estates. The annualised gross rent generated from theses properties is $88 million, the weighted average lease expiry is 5.1 years and the average capitalisation rate is 4.8%. These leased properties have a gross lettable area, or "GLA", of 708,500 square metres.

The Estates at the M7 hub, Interlink and Oakdale Central are now fully developed.

Significant land for further development exists at each of the other Estates. Across these Estates there is a total of 171,300 square metres of lease pre-commitments already secured.

The completion of these facilities over the next two years will result in gross rent within the Trust increasing by around $38 million. This represents a 40% uplift from the current level.

The rental income per GLA achieved for these developments is significantly greater than the current leased portfolio. This reflects the evolution towards more sophisticated and specialised facilities, incorporating features such as robotics, automation and multi-storey warehousing. The development of these advanced facilities has become a critical competitive advantage for many businesses in the new economy and will continue to support the increasing value of the Property Trust's prime industrial land.

In addition to the pre-committed developments, a further 336,900 square metres of GLA is available for development within the Trust, and this provides further opportunity for growth in the years ahead.

Looking at each of the Estates separately.

At Oakdale South, construction has commenced on a 25,100 square metre pre-committed facility called Site 1C. This site is shown in the foreground of the photo on screen.

Amber Tiles will occupy approximately half of this development.

Completion of this facility is expected during the current financial year.

Following this, a further 40,000 square metres of GLA will be available at this Estate.

At our Rochedale Estate in Brisbane, approval has been secured for the development of the last remaining section, at the northern end of the site.

In total, the GLA of this section is 30,200 square metres, with Woolworths having made a pre-commitment for a 10,600 square metre facility.

An artist's impression of the development is shown on screen, with the Woolworths facility in the foreground.

Construction will commence in the coming months, with practical completion expected midway through financial year 2022.

At Oakdale West, construction of the state-of-the-art Amazon facility continued during the period.

In total, the facility has a total floor area of 190,000 square metres, across multiple levels, on a base floor area of 53,500 square metres.

This facility is shown in the picture on screen, as at the 7th of March.

Major infrastructure works, including a roadway and bridge to access the estate were also completed during the period. You can see this in the distance behind the Amazon facility. These infrastructure works have allowed construction of the Coles distribution warehouse to commence in January.

Combined, the Coles and Amazon facilities will occupy 119,500 square metres of GLA. This will leave a further 257,600 square metres of GLA available, and enquiry for this space is currently strong.

Oakdale East is the site of Austal Bricks Plant 3, and surrounding surplus land.

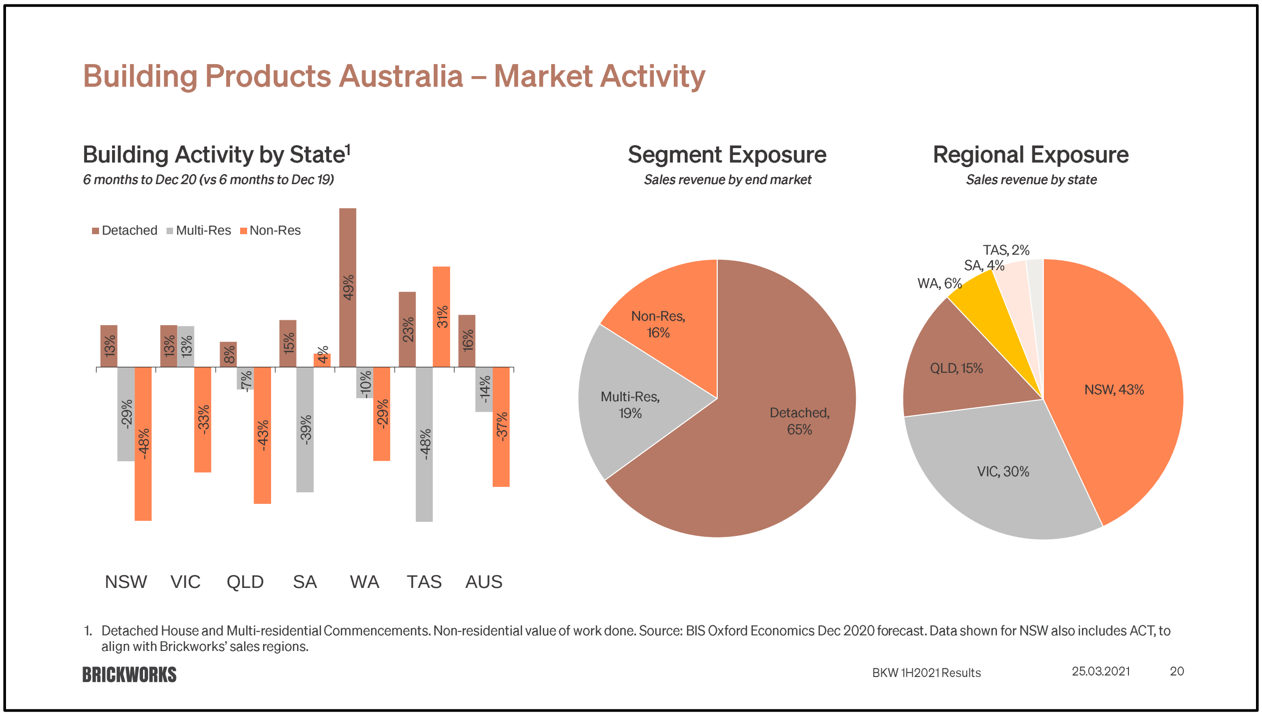
Ten hectares of this surplus land was sold into the Property Trust in 2020, for the development of a new Austral Masonry plant and additional warehouse facilities. One of these facilities will be a new retail centre, customer display and office for Brickworks staff.

A photo of this site is shown on screen. The new Masonry plant is in the centre of the image, with the office and display to the left. The Austral Bricks plant and quarry area is visible at the rear.

This development is expected to reach practical completion by the end of the current financial year.

The combined GLA of the Austral Masonry plant and Brickworks retail centre is 16,100 square metres. The additional warehouse facilities, which can be seen on the right hand side of the photo, have a combined GLA of 19,700 square metres and will be available to new tenants for lease.

Outside of the Trust, Brickworks retains other significant parcels of surplus land, suitable for development in the future. The largest site held for development is at Craigieburn in Victoria. Brickworks is currently reviewing the option of an industrial development on this land, given recent strong land growth in the Melbourne industrial market.



Turning to Building Products Australia.

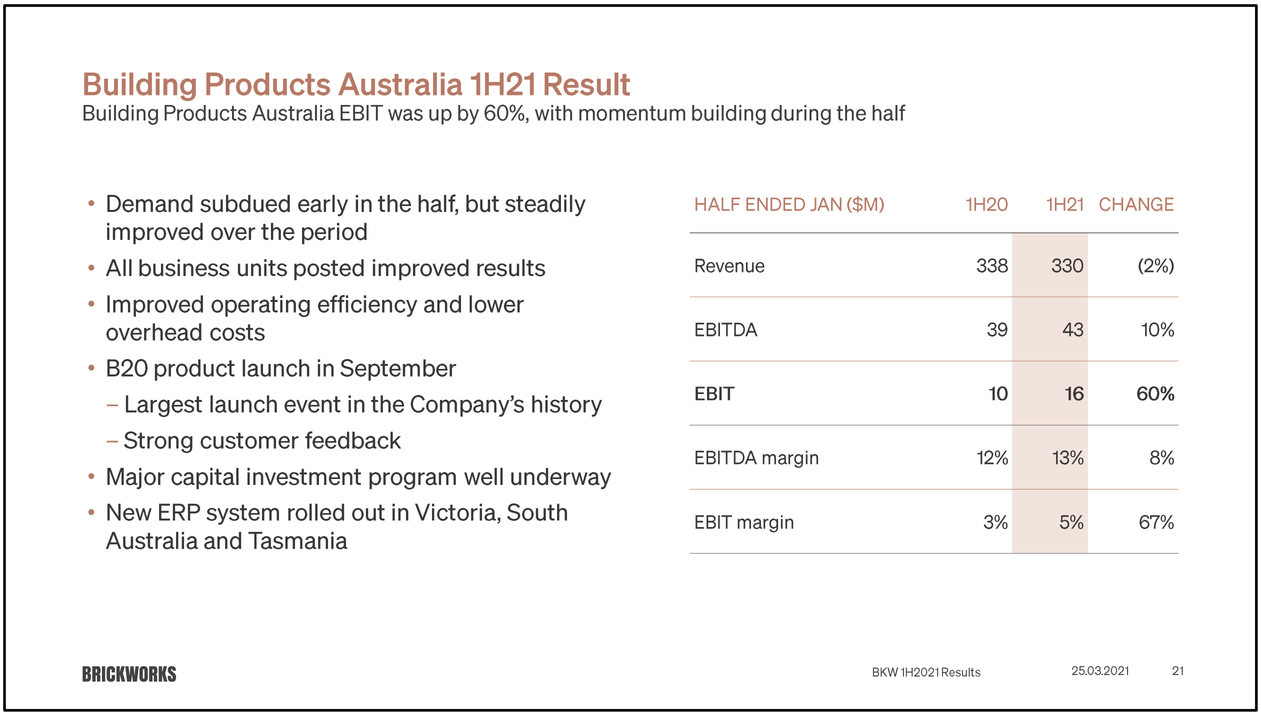
Building activity has been mixed over the past 6 to12 months.

The pandemic has resulted in increased consumer demand for lower density living, and this is resulting in a shift towards detached housing from multi-residential alternatives. This is favourable for Austral Bricks and Bristile Roofing, due to the relatively high usage of bricks and roof tiles in detached houses.

However, the full impact of the increased detached housing activity was not felt during the first half, with materials usage on site typically lagging a housing commencement by 3-6 months.

By contrast, multi-residential commencements have continued to decline across the country and are now at their lowest level since 2012.

Non-residential building was also significantly lower across all major states in the first half, with private investment in offices, accommodation and retail all scaled back in response to the pandemic.



These mixed conditions resulted in a marginal decline in revenue to $330 million for the first half.

Demand was relatively subdued early in the period. However, as government stimulus packages were progressively introduced, consumer confidence improved and this translated into increased building activity and greater demand for our building products.

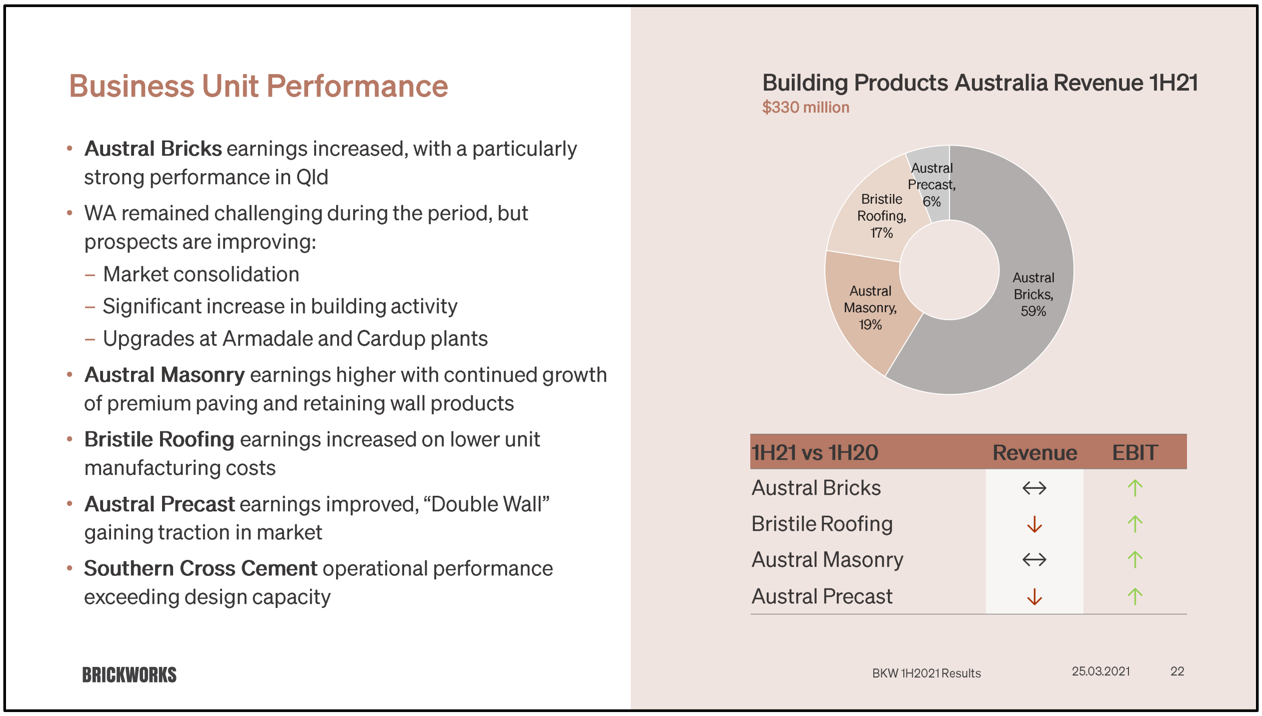
EBIT was $16 million for the period, up 60%, and EBITDA was $43 million.

The higher earnings were due to a broad-based reduction in operating costs, supporting improved margins and earnings across all business units.

We have been pro-active throughout the pandemic to accelerate several exciting initiatives and ensure we emerge stronger. These initiatives have been focused in the critical areas of new product development, capital projects, customer communications and staff training.

In September, we held “B20”, the biggest product launch event in our history, with an exciting range of over 100 innovative new bricks, roof tiles and masonry products being released. Customer feedback has been very positive and many of these products are already making a strong contribution to earnings.

We have a major capital investment program underway, including our $75 million Austral Masonry plant in Sydney, which is on track for commissioning later this year. Building works are also well underway for a new $130 million face brick plant at Plant 2. This facility, with a capacity of 130 million bricks per annum, will be the most advanced brick plant in the world.



Business Unit Performance

- **Austral Bricks** earnings increased, with a particularly strong performance in Qld
- WA remained challenging during the period, but prospects are improving:
  - Market consolidation
  - Significant increase in building activity
  - Upgrades at Armadale and Cardup plants
- **Austral Masonry** earnings higher with continued growth of premium paving and retaining wall products
- **Bristile Roofing** earnings increased on lower unit manufacturing costs
- **Austral Precast** earnings improved, “Double Wall” gaining traction in market
- **Southern Cross Cement** operational performance exceeding design capacity

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Building Products Australia Revenue 1H21

$330 million

1H21 vs 1H20	Revenue	EBIT
Austral Bricks	↔	↑
Bristile Roofing	↓	↑
Austral Masonry	↔	↑
Austral Precast	↓	↑

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As I mentioned, earnings were up across all business units.

Within Austral Bricks, the performance of our brick business in Queensland was particularly strong, with this business now returning to a market leading position following plant upgrades that have been completed over the past few years.

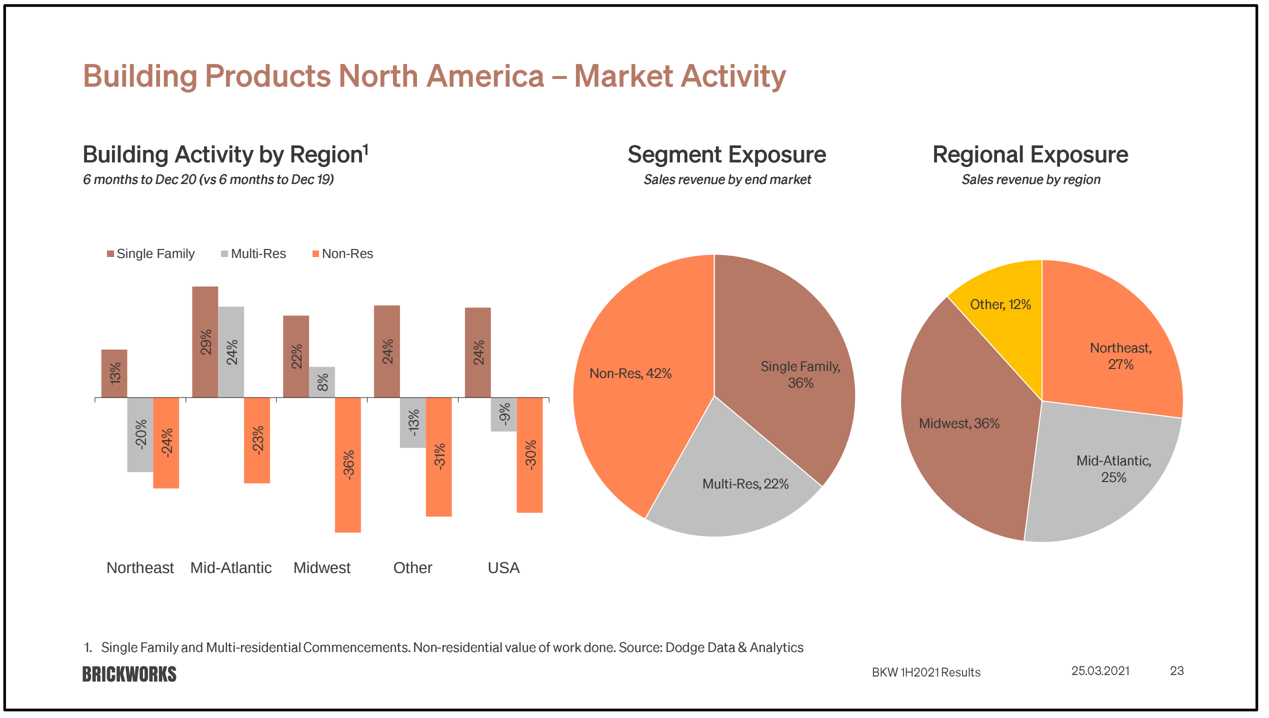
Whilst conditions in Western Australia remained challenging during the period, prospects are improving, with a sharp increase in building activity and consolidation of the brick market to two players. In this state we have completed upgrades to our face brick plant at Cardup and will soon commence minor upgrades at our Armadale plant, allowing the transition to a two-plant operating model with capacity aligned with anticipated demand.

Despite the disruption associated with transitioning to a new site in Sydney, and the reduced multi-residential activity, Austral Masonry earnings were higher, with continued growth of premium paving and retaining wall products.

Bristile Roofing earnings increased on reduced manufacturing costs and a simplified strategy focussed on our core concrete and terracotta tiles.

Austral Precast earnings also improved, with this business gaining traction in the market with “Double Wall”. This is a cost-effective product that offers significant advantages over alternative systems such as lightweight permanent formwork solutions.

Since commissioning last financial year, Southern Cross Cement has received well over 200,000 tonnes of cement, with operational performance and returns now exceeding initial forecasts.



Turning to North America, where the pandemic has had a more significant impact on our operations.

Trends in building activity as a result of the pandemic have been similar to Australia, with single family housing experiencing increasing demand across the country.

However, in the United States, sales to this segment make up only 36% of our total, much less than in Australia.

Glen-Gery's primary exposure is the non-residential building segment in the Northeast, Mid-Atlantic and Midwest regions. Activity in these markets was down 24%, 23% and 36% respectively, with many major projects delayed or cancelled by state authorities due to financing concerns, as a result of the COVID-19 pandemic. In addition, approvals for new projects slowed significantly in the lead-up to the US Presidential election in November.

Severe winter weather in these regions from December, also impacted sales activity towards the end of the period.

Building Products North America – 1H21 Result[1]

Building Products North America EBIT decreased, impacted by the COVID-19 pandemic

- Revenue steady, with impact of Redland Brick acquisition offset by decline in building activity across key markets
- Severe winter weather also impacted sales in December and January
- Earnings impacted by lower plant utilisation and workforce challenges related to the pandemic
- Around 90 COVID-19 cases amongst employees and more than half of all staff unable to work for various periods

HALF ENDED JAN ($M)	1H20	1H21	CHANGE
Revenue ($US)	75	75	-
EBITDA ($US)	9	9	-
EBIT ($US)	**4**	**3**	**(25%)**
Revenue ($AU)	110	102	(7%)
EBITDA ($AU)	13	13	-
EBIT ($AU)	**6**	**4**	**(33%)**
EBITDA margin	12%	12%	-
EBIT margin	6%	3%	(50%)

1. An average exchange rate of 1AUD=0.73 USD has been used to convert earnings in 1H21 (1AUD=0.68 USD in 1H20)

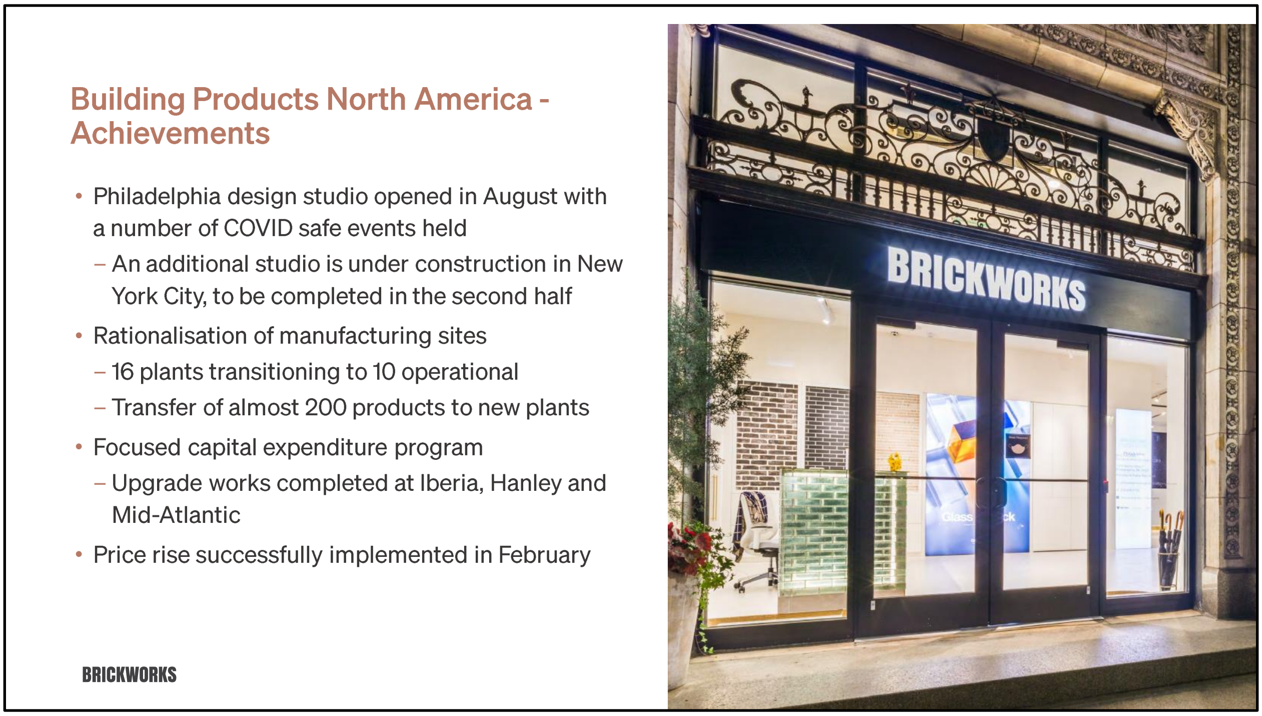
Sales revenue was steady in local currency terms at US$75 million.

The impact of the decline in activity in Glen-Gery's core markets was offset by the acquisition of Redland Brick assets in February 2021.

The reduced like-for-like sales volume had a flow-on effect on plant utilisation across the network, resulting in higher unit costs.

EBIT was US$3 million, down 25% from the prior corresponding period, and EBITDA was steady at US$9 million.

In addition to the impact on sales volume, the pandemic created significant workplace challenges, just to keep some of our plants operating. Altogether, we have had around 90 COVID-19 cases amongst employees, and more than half of all staff were unable to work for various periods.



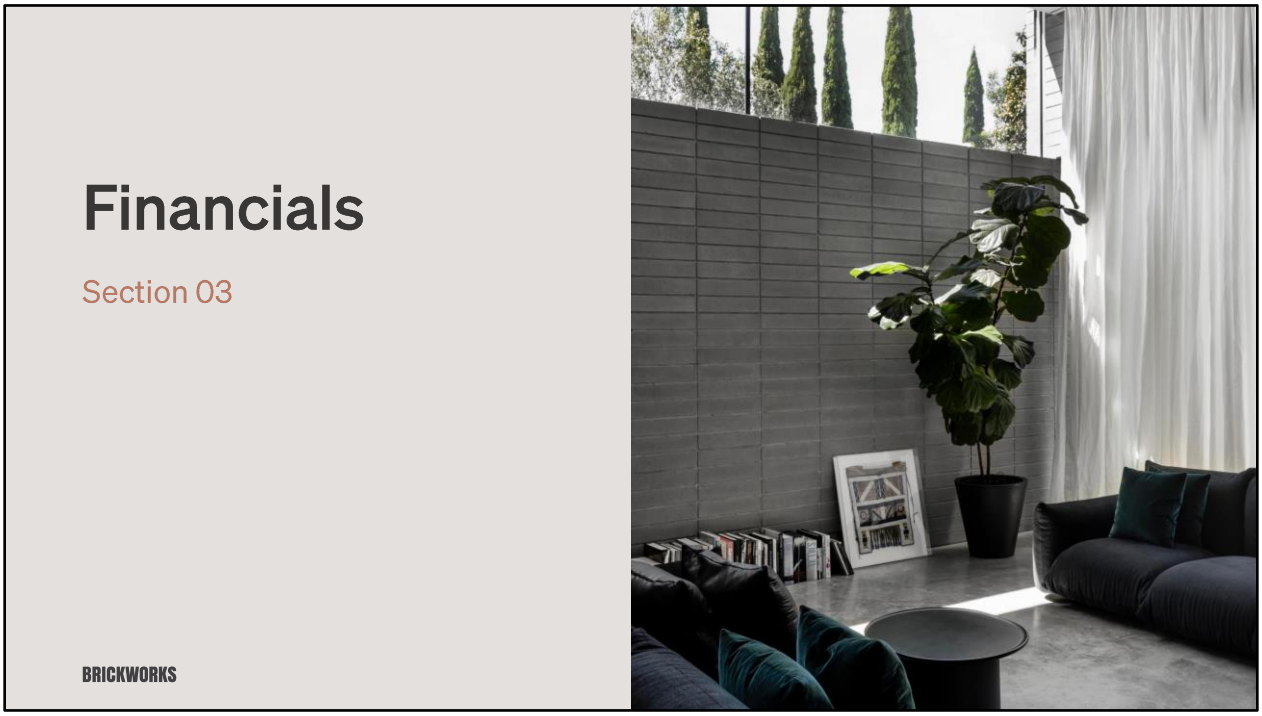
Despite the challenges faced in the first half, the business has made strong progress on key strategic priorities over the period. In August, a new design studio in central Philadelphia was officially opened, and a number of COVID safe events have been held since the opening.

An additional studio is under construction in New York City, and is scheduled for opening in the second half. These studios will further enhance Glen-Gery's strong reputation for premium products and competitive position in the high value architectural segment.

Significant plant rationalisation activities were accelerated through the pandemic, with a total of 16 manufacturing plants transitioning to 10.

The plant rationalisation activities have also allowed for a more focussed capital spend program. Significant upgrade works are ongoing at the Hanley plant in Pennsylvania. Improvements to the clay preparation areas were successfully commissioned in November 2020 and will deliver improved product quality and plant efficiency. Work on the extruder and the setting line has also been completed and is currently in the commissioning phase.

Upgrade works are also planned for Sergeant Bluff in Iowa and Lawrenceville in Virginia.



I will now hand over to Robert, to review the financials in more detail.

Financials – 1H21 Overview

- Increase in Property and Building Products Australia earnings offset by decreases in Investments and Building Products North America
- Underlying tax higher due to the increase in Australian Building Products and Property earnings
- Significant items reduced NPAT from continuing operations by $17 million

HALF ENDED JAN ($M)	1H20	1H21	CHANGE
Total EBITDA	170	163	(4%)
Depreciation & amortisation	35	36	3%
EBIT	**135**	**127**	**(6%)**
Borrowing costs	(12)	(10)	17%
Underlying income tax	(22)	(27)	(23%)
Underlying NPAT (from continuing operations)	**100**	**90**	**(10%)**
Significant items	(35)	(17)	51%
NPAT (from continuing operations)	**65**	**72**	**11%**
Discontinued operations	(7)	(1)	86%
Statutory NPAT	**58**	**71**	**22%**

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Thankyou Lindsay.

As Lindsay mentioned, total underlying Group EBITDA for the half was $163 million, down 4%. After depreciation and amortisation, the underlying Group EBIT was down 6% to $127 million.

Total borrowing costs were $10 million, and tax was $27 million. This resulted in an underlying net profit after tax from continuing operations of $90 million, down 10%.

Significant items were lower than the previous corresponding period and as a result, net profit after tax from continuing operations was $72 million, up 11%.

Including a small loss on discontinued operations, statutory NPAT was $71 million, up 22% for the half.

Financials – Significant items

- A $6 million cost in relation to WHSP significant items
- A $3 million tax cost arising from the carrying value of WHSP
- $5 million restructuring cost, primarily relating to the relocation of the Austral Masonry plant in Sydney, the post upgrade commissioning of the Austral Bricks plant in Cardup (Perth) and the closure of retail outlets in North America.
- $2 million COVID-19 related costs, primarily reflecting unabsorbed fixed costs in our North American plants
- Other significant costs of $1 million

$MILLION	GROSS	TAX	NET
Significant items relating to WHSP	(6)	-	(6)
Income tax arising from the carrying value of WHSP	-	(3)	(3)
Restructuring activities	(7)	2	(5)
COVID-19 costs	(3)	1	(2)
Other costs	(1)	0	(1)
TOTAL	**(17)**	**1**	**(17)**

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The table on the screen shows the significant items in more detail. The key items are:

- A $9 million cost in relation to WHSP significant items and deferred taxes on our WHSP holding;
- After tax restructuring costs of $5 million, primarily relating to the relocation of the Austral Masonry plant in Sydney, the post upgrade commissioning of the Austral Bricks plant in Cardup, Perth, and the closure of retail outlets in North America; and
- COVID-19 related costs of $2 million, reflecting primarily unabsorbed fixed costs in our North American plants.

Financials – Cash Flow Reconciliation

- Increase in operating cash flow, primarily due to:
  - $71 million in higher tax payments in 1H20, including $54 million in tax paid on the sale of WHSP shares in December 2018
  - Higher Building Products Australia earnings
- Elevated capital expenditure of $61 million for the period reflects several major projects underway
- Net dividend payments of $52 million (net of DRP uptake)

$MILLION	1H20	1H21
Statutory net profit after tax	**58**	**71**
Depreciation, amortisation	35	36
Non cash revaluations within Property Trust	(76)	(78)
Share of profits of associates not received as dividends	26	15
Changes in tax provisions	(59)	31
Other items	(2)	1
Operating cash flow	**(18)**	**76**
Acquisitions (net of cash)	(63)	-
Capital expenditure	(57)	(61)
Dividends paid (net of DRP uptake)	(57)	(52)

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Turning to cashflow.

The total operating cash inflow for the half was $76 million, up from the $18 million outflow in the prior corresponding period.

The prior period was adversely impacted by $71 million in higher tax payments, including $54 million in tax on the December 2018 sale of 7.9 million WHSP shares.

Capital expenditure of $61 million was incurred, with the company midway through several major projects. This includes the new masonry and brick plants in Sydney, the major upgrades at Hanley in Pennsylvania and deployment of a new enterprise resource planning system across Australia and the United States.

The uptake of the DRP that was previously in place for the final dividend, resulted in net dividend payments decreasing to $52 million, despite the increase in the dividend paid per share.

Financials – Key Indicators

- Total shareholder's equity decreased by $26 million during the half, or $0.25 per share
  - Decline due to a decrease in the market value of WHSP's listed investments
  - Excluding the WHSP impact, net assets across the Group increased by $61 million
- Net debt increased by $25 million to $479 million
- Gearing up marginally to 20%

	FY20	1H21	CHANGE
NTA per share	$14.08	$13.79	(2%)
Shareholder's equity	$2,404m	$2,378m	(1%)
Shareholder's equity per share	$16.04	$15.79	(2%)
Return on shareholder's equity[1]	**6.1%**	**8.0%**	**31%**
Operating cash flow (v 1H20)	**($18m)**	**$76m**	**NA**
Net debt	$454m	$479m	8%
Gearing (net debt / equity)	19%	20%	6%
Interest cover	8x	12x	50%

1. Based on annualised underlying NPAT from continuous operations. (1H21 NPAT x 2)

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Looking now at a range of key financial indicators.

Net tangible assets per share was down 2% over the period, to $13.79.

Shareholders equity decreased by $26 million to $2.38 billion, which represents $15.79 per share.

The decline was primarily due to a decrease in the market value of WHSP's listed investments. Excluding the WHSP impact, net assets across the Group increased by $61 million.

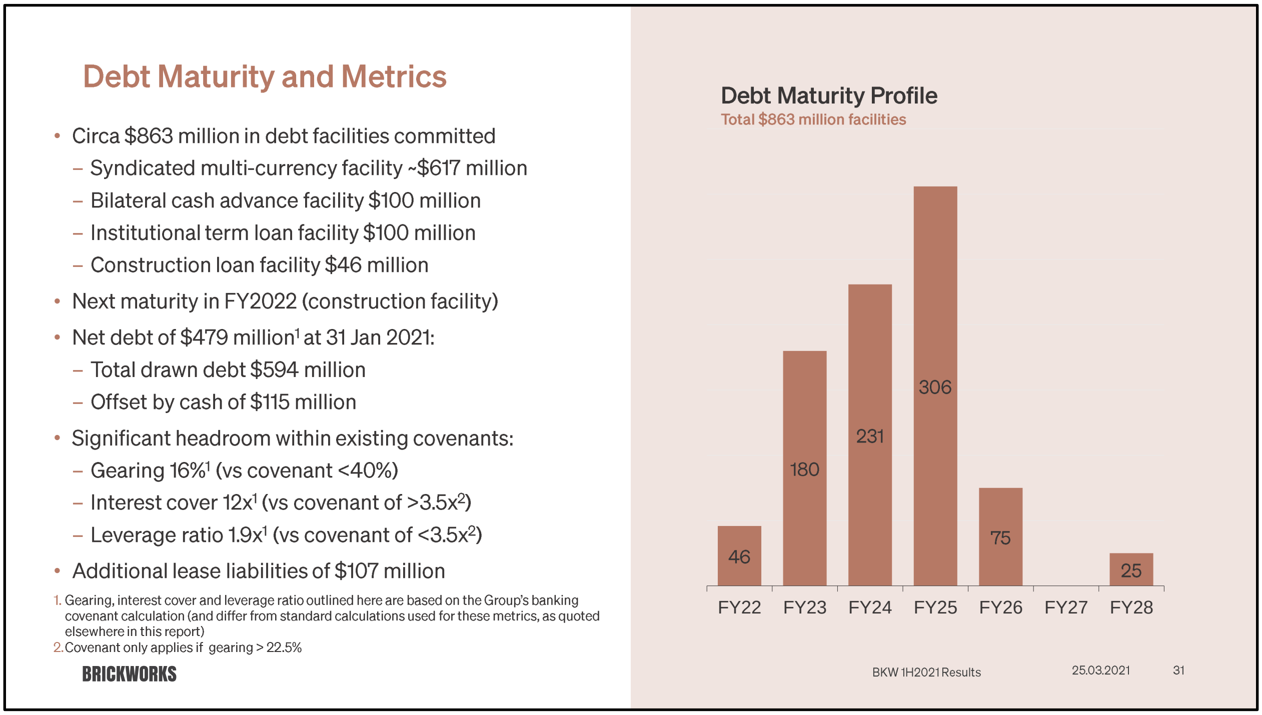
Underlying return on shareholders equity was 8% on an annualised basis, up from 6% in financial year 2020.

As I mentioned a moment ago, operating cash flow was $76 million for the period.

Net debt increased to $479 million, up by $25 million over the period.

Gearing was up marginally to 20%.

Interest cover remains at a relatively conservative 12 times.



Looking now at our debt maturity profile.

Brickworks currently has a total of around $863 million in committed debt facilities. This includes:

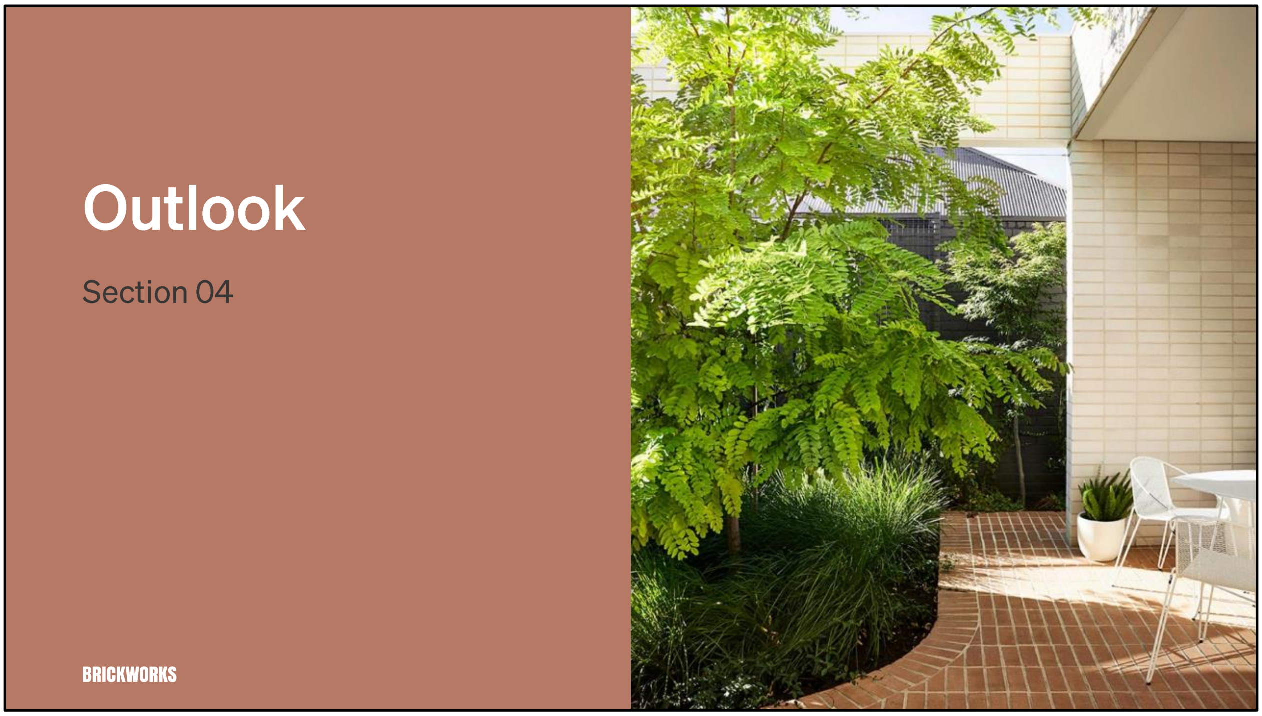
- A Syndicated multi-currency facility of around $617 million;
- A bilateral cash advance facility of $100 million;
- An institutional term loan facility of $100 million; and
- A construction loan facility of $46 million related to the construction of the Austral Masonry plant.

The construction loan facility matures next financial year, at which time the plant and equipment will convert to a lease.

As I mentioned a moment ago, net debt was $479 million at 31 January 2021.

We currently have around $384 million in funding headroom, based on committed debt facilities and cash on hand, and significant headroom within our banking covenants.

I will now hand back to Lindsay to discuss the outlook.



Thankyou Robert.

Brickworks is in a strong position, with a conservative debt level and a diversified portfolio of attractive assets.

WHSP is expected to continued to deliver a stable and growing stream of earnings and dividends over the long term.

As I have discussed, development activity within the Property Trust is continuing at unprecedented scale, and the completion of these facilities over the next two years will result in a significant uplift in rental income and asset value.

Within Building Products Australia, the short-term outlook is positive, with demand gathering momentum in recent months. We anticipate an elevated period of activity for at least a year. However, looking beyond the current stimulus induced surge in activity, significant uncertainty remains.

In relation to the current heavy rainfall and flooding along the east coast, I can report that our operations have so far been relatively unaffected, with only minor impacts at a small number of plants.

In North America, we have seen a strong recovery in demand during March, with improved weather and increased optimism of a stimulus led recovery. Daily order intake is now at pre-pandemic levels. As conditions continue to normalise, we are confident that our North American operations will deliver improved earnings and growth for many years to come.

Questions

Section 05

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I will now take questions.

Thank you

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The Board has authorised the release of this announcement to the market

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