Brickworks Limited
ABN: 17 000 028 526

738 – 780 Wallgrove Road,
Horsley Park, NSW 2175

PO Box 6550
Wetherill Park, NSW 1851

(02) 9830 7800

info@brickworks.com.au
www.brickworks.com.au

23 September 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 year ended 31 July 2021, for immediate release to the market.

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

Yours faithfully

BRICKWORKS LIMITED

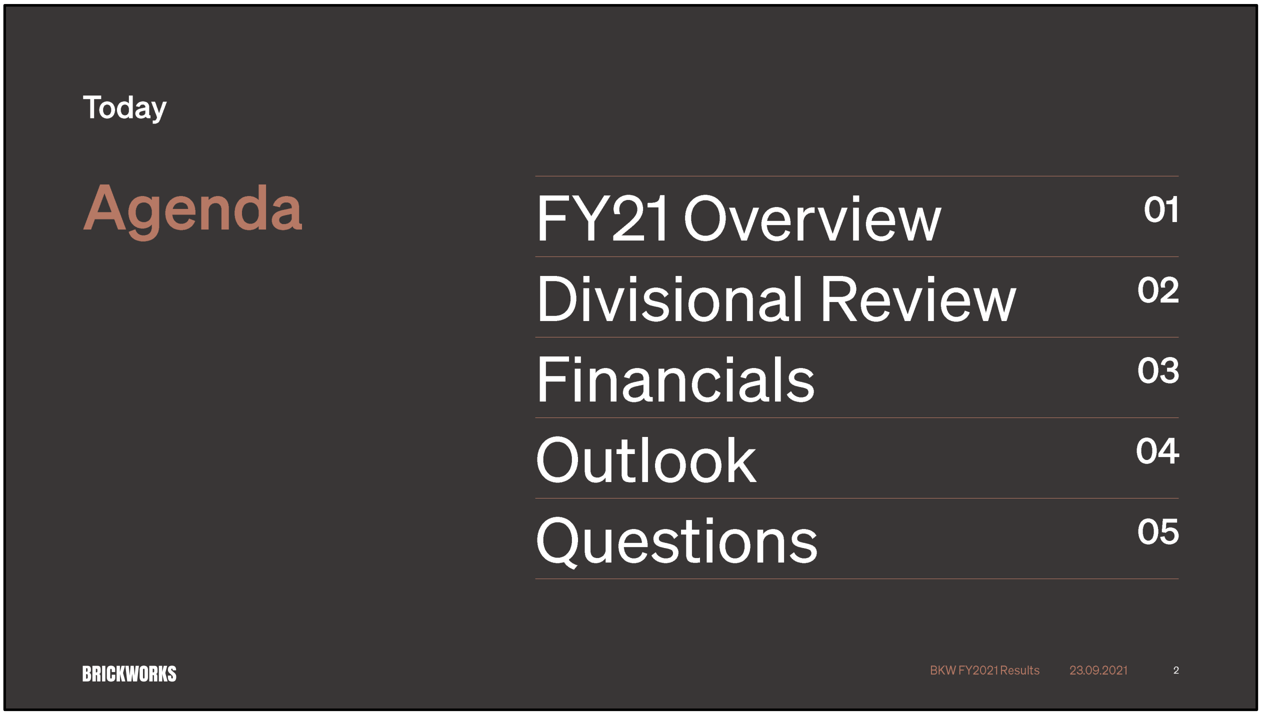
S Leppinus

Susan Leppinus

Company Secretary

PROUDLY SUPPORTS
Children's Cancer Institute

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



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

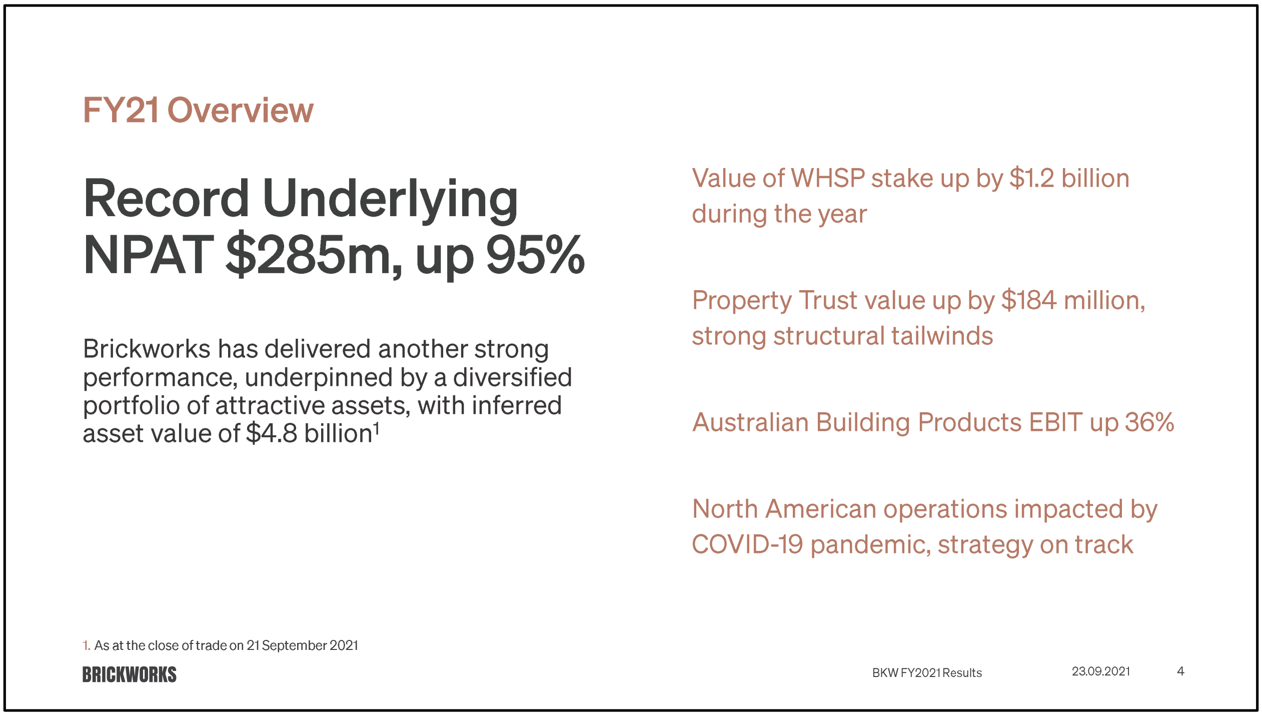
Robert Bakewell, our Chief Financial Officer, will take you through the financials in more detail.

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

FY21 Overview

Section 01

BRICKWORKS



It gives me pleasure to report that the Company has delivered another strong financial result, with record underlying profit of $285 million, up 95% on the prior year.

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 for most of the year, and delivering significantly higher earnings.

Our North American operations were severely disrupted by the pandemic. Although this had an adverse impact on earnings in that region, the business made good progress on a range of strategic initiatives.

In addition to delivering the record underlying earnings, asset growth has been very strong during the year. This includes the value of our 39% stake in WHSP increasing by $1.2 billion over the year, and a further $289 million since then.

Turning to the financial highlights for the year.

Revenue of $890 million, down 6%. The decrease was primarily due to land sales revenue recorded last year, and the impact of exchange rate movements on Building Products North America revenue, when reported as Australian dollars.

EBITDA from continuing operations of $453 million, was up 61%, primarily driven by increased earnings from Property, Investments and Building Products operations in Australia.

As I mentioned, underlying net profit after tax from continuing operations was a record, at $285 million.

This translates to underlying earnings per share of 189 cents.

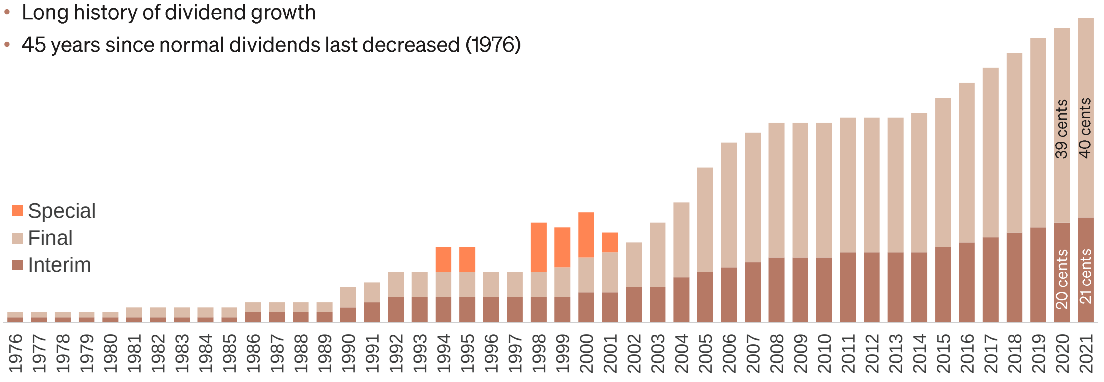
After including significant items and discontinued operations, the statutory profit was $239 million, down 20% from last year. Last year's record result included a large one-off profit in relation to our shareholding in WHSP.

Dividends

Brickworks normal dividend has been maintained or increased since 1976

Brickworks Dividend History Cents per share

- 40 cents per share fully franked final dividend, up 3% (Record date 3 Nov, payment 24 Nov)
- Long history of dividend growth
- 45 years since normal dividends last decreased (1976)



BRICKWORKS BKW FY2021 Results 23.09.2021 6

I am happy to announce that the Directors have resolved to pay a final dividend of 40 cents per share, fully franked. This is an increase of 1 cent, compared to the previous final dividend.

The record date for the final dividend is 3 November, with payment on 24 November.

Together with the interim dividend, this brings full year dividends to 61 cents, up by 2 cents.

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 normal dividends for the last 45 years.

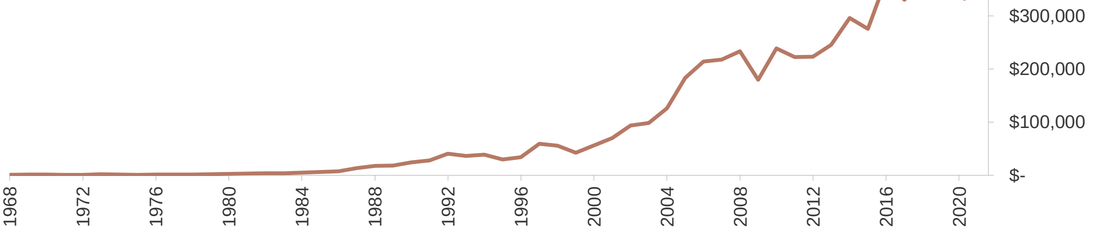
Total Value Creation

Brickworks has created significant shareholder value over the long term

Value of $1,000 invested in 1968

- $1,000 invested 53 years ago worth $630K at end of period (31 Jul)
- Compound annual return of 13.0% for 53 years

TSR % p.a.[1]	1 yr	3yrs	5 yrs	10 yrs	15 yrs	20 yrs
BKW	53.4%	19.8%	13.9%	13.1%	8.4%	10.0%
All Ords	30.4%	10.2%	10.4%	9.9%	7.3%	8.7%
Relative	23.0%	9.6%	3.5%	3.2%	1.1%	1.3%



1. Total shareholder return to 31 July 2021, assuming dividends re-invested

BRICKWORKS

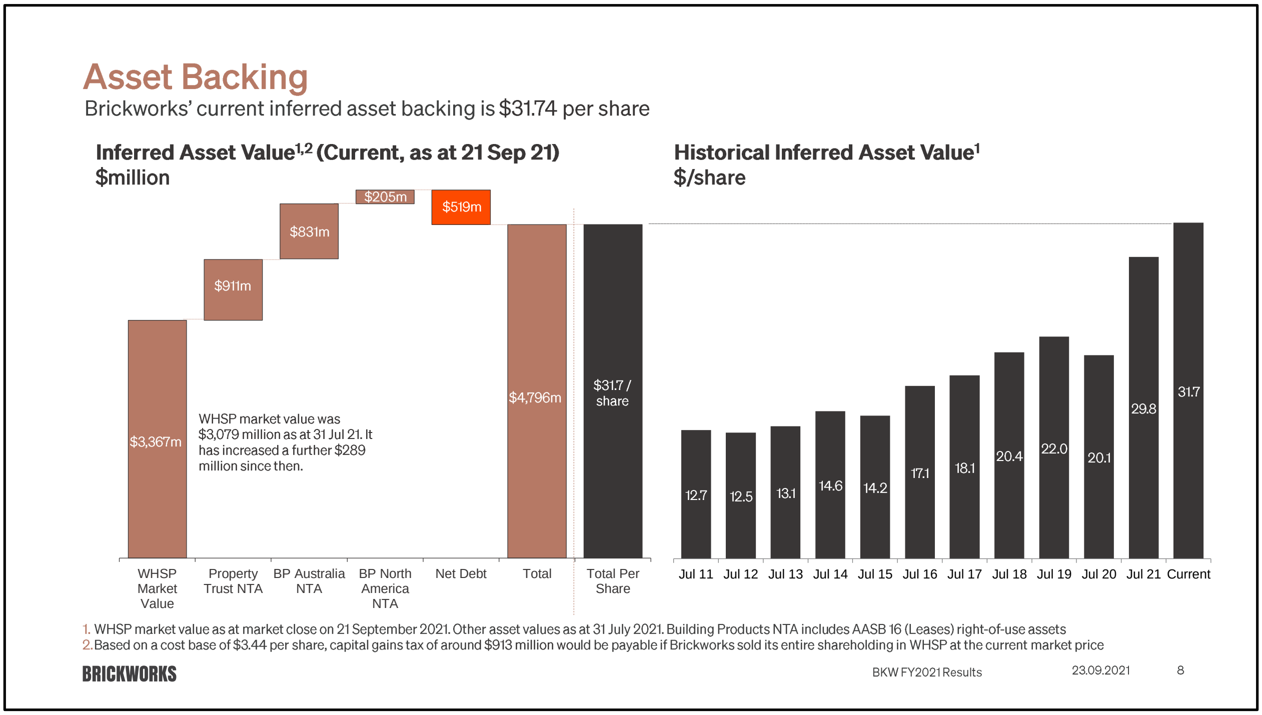
BKW FY2021 Results 23.09.2021 7

In addition to dividend growth, Brickworks also has a strong history of total value creation.

Based on the share price at the end of the financial year, the Company has delivered shareholder returns of 13% per annum for 53 years, incorporating both dividends and share price appreciation.

This means that $1,000 invested in Brickworks in 1968 would have been worth around $630,000 at the end of the period.

Performance over a range of shorter periods is also shown on the slide, with Brickworks performance exceeding the index over 1,3,5,10,15 and 20 years.



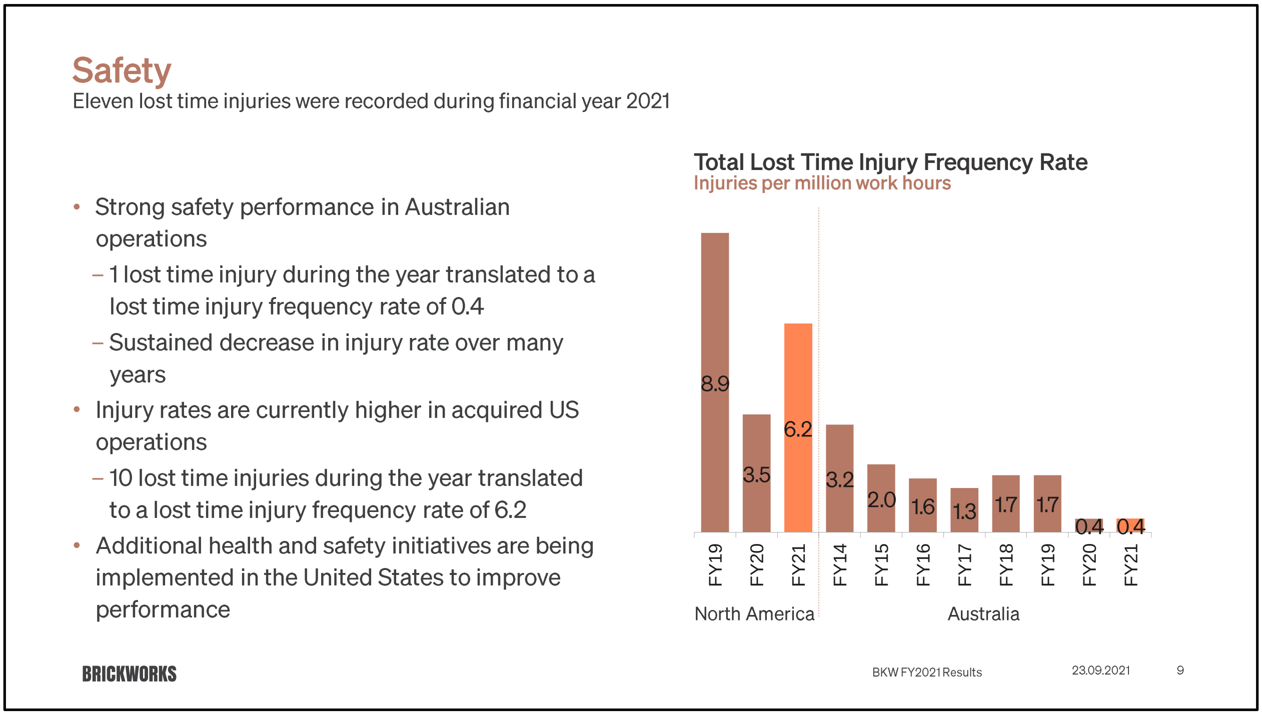
Brickworks has a strong portfolio of diversified businesses, consisting of:

- Our investment in WHSP, which has a current market value of $3.4 billion;
- A 50% share of an industrial property trust, with a net asset value of $911 million;
- Building Products in Australia, with net tangible assets of $831 million; and
- Building Products in North America, with net tangible assets of $205 million.

This translates to a total inferred asset backing of $4.8 billion, after including our net debt of $519 million.

On a per share basis, inferred net assets has increased by 149% over the past ten years, from less than $13 in 2011, to almost $32 today.

It is also worth noting that the Building Products asset value includes land, both operational and surplus, with market value that is significantly higher than book value. We are currently evaluating options to release this value.



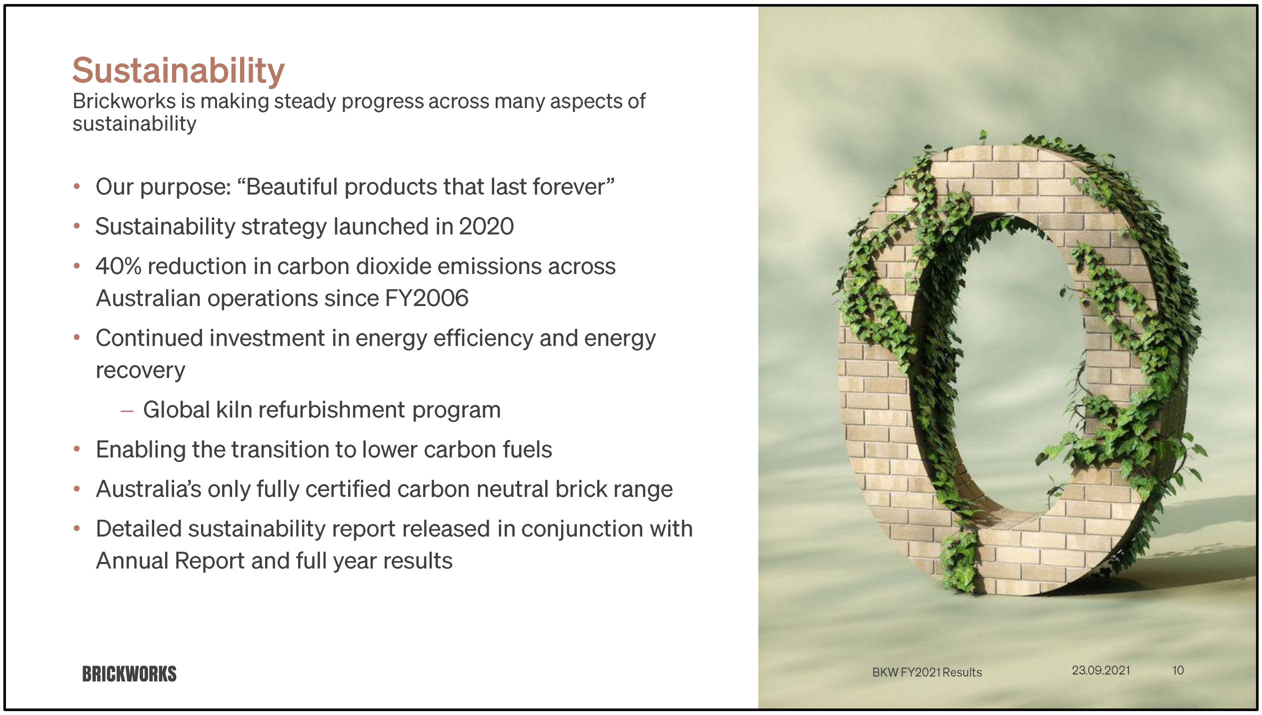
I am pleased to report that we continue to make steady progress on improving workplace safety.

In 2021, we recorded just one injury across our Australian operations. This represents 0.4 lost time injuries per million hours worked, in line with last year's record low.

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 continue to be rolled out across our operations in North America where injury rates are significantly higher than Australia. In North America there were 10 lost time injuries during the year, translating to 6.2 lost time injuries per million hours worked, up from 3.5 in the prior year.

Encouragingly, the total recordable injury rate, a key lead indicator for lost time injuries, decreased from 24.3 to 21.1.



Sustainability is at the heart of our purpose: to make beautiful products that last forever. Products that stand the test of time.

Our bricks are made from clay and shale that is naturally abundant. They are guaranteed for 100 years, and many installed 100 years ago remain in service today. Their longevity also allows bricks to be recycled and re-used, unlike many competing building products.

In 2020 we developed our new sustainability strategy, "Build for Living: Towards 2025". This strategy focuses on the opportunity to make buildings and cities safe, resilient and sustainable. It sets a clear pathway with 15 measurable targets and commitments across the pillars: Responsible Business, Environment, Our People and Community.

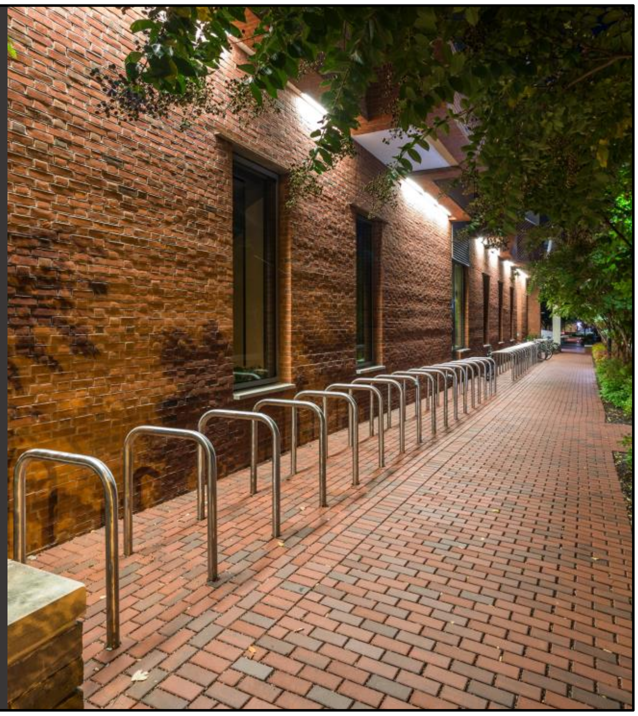
We are achieving pleasing progress across many aspects of sustainability. For example, in our Australian operations we have achieved a reduction in carbon emissions of 40% since 2006. This is supported by capital investments into modern, fuel efficient production processes, as well as product redesign, use of recycled material and on-board fuels, and firing our kilns with green fuels such as landfill gas.

We are also proud to offer Australia's only fully certified carbon neutral brick range.

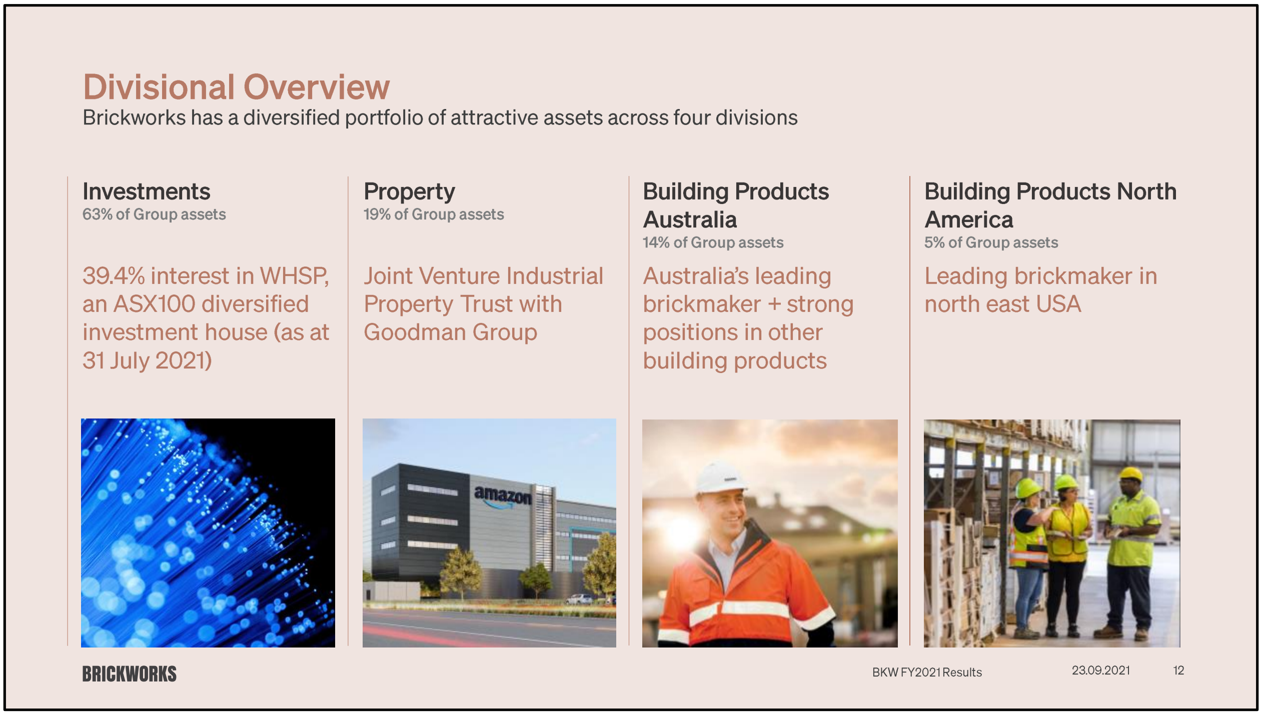
Divisional Review

Section 02

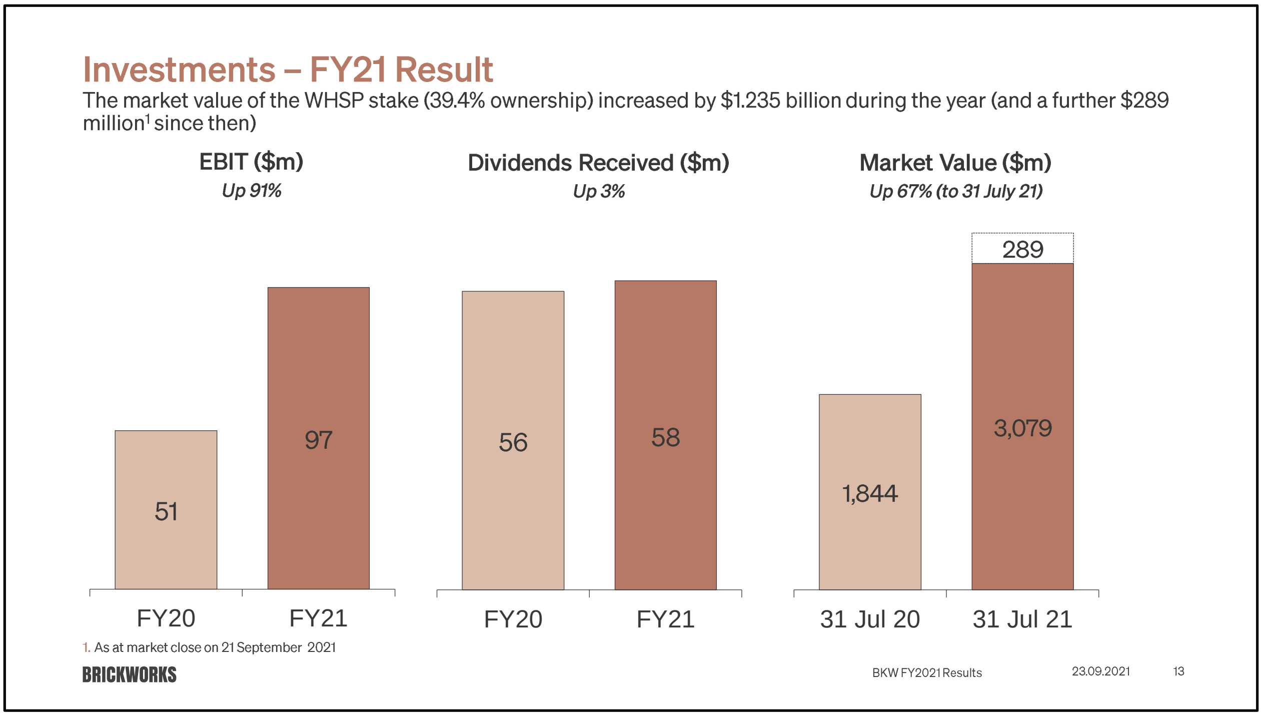
BRICKWORKS



Taking a look now at each of our divisions.



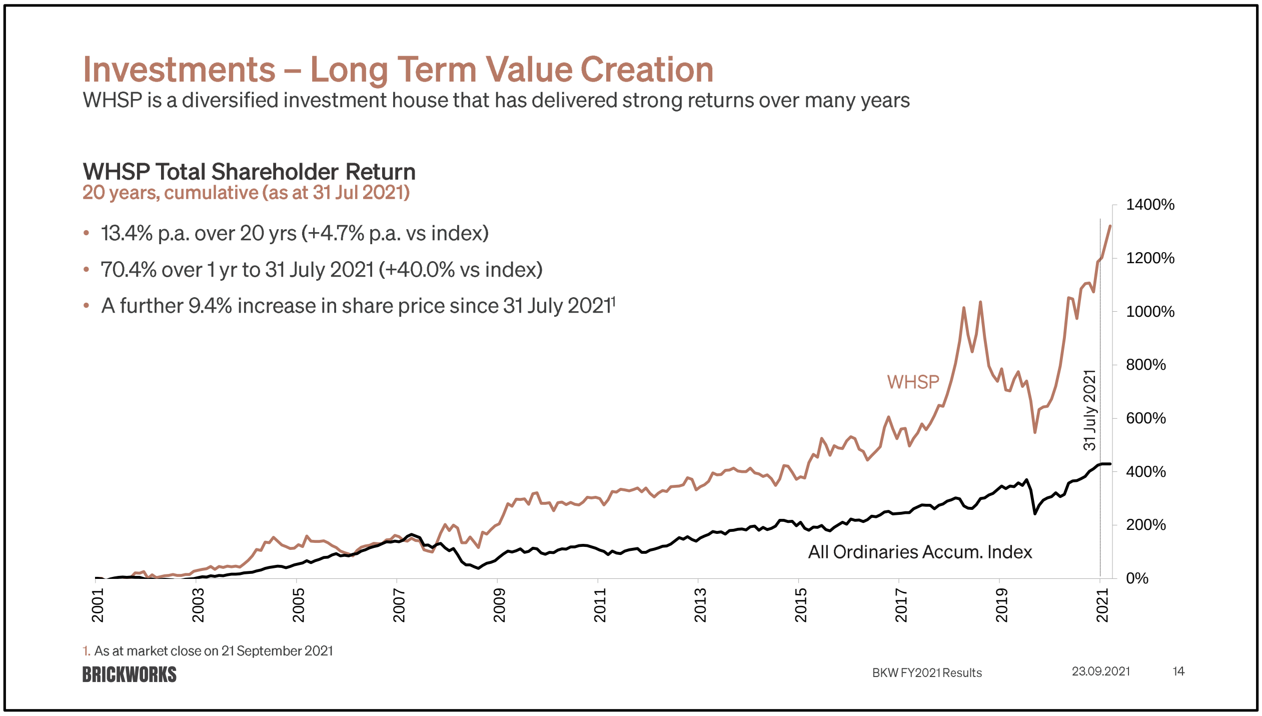
As I have mentioned, Brickworks has a portfolio of four diversified businesses, each with significant assets and strong market positions.



Investments delivered an underlying contribution of $97 million for the year, up 91%. The increase was primarily due to higher contributions from New Hope Corporation and Round Oak Minerals.

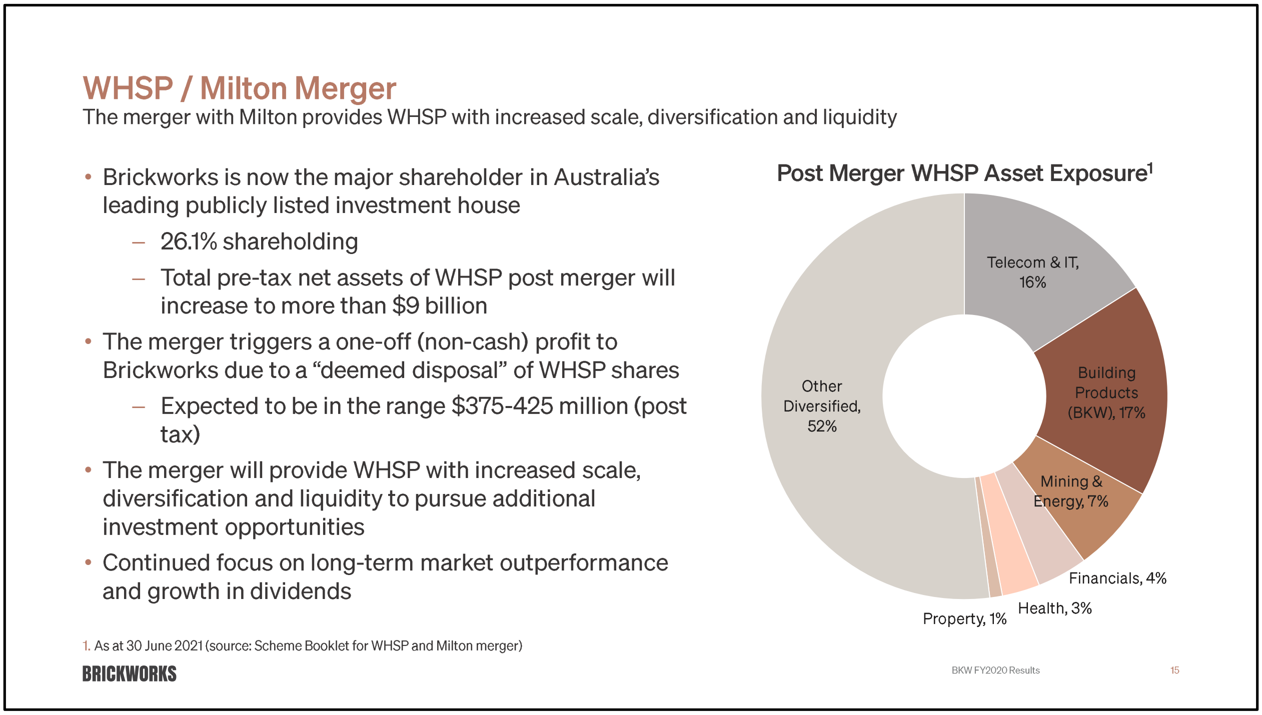
During the year cash dividends of $58 million were received, up 3% on the prior year.

As I mentioned earlier, the market value of Brickworks' shareholding in WHSP increased by $1.2 billion during the year, and has increased a further $289 million since then.



Over the long term WHSP has delivered outstanding returns, with annualised total returns including dividends of 13.4% per annum for the past 20 years. This represents outperformance of 4.7% per annum versus the ASX All Ordinaries Accumulation Index.

Performance in financial year 2021 was particularly strong, with WHSP delivering a total return of 70.4%.



In June 2021, WHSP announced a proposed merger with ASX listed investment company Milton Corporation. After receiving Milton shareholder approval in September, this merger became effective just two days ago.

The merger creates a larger and more diversified investment house, with end market exposure as shown in the chart on the right of the screen. Total pre-tax net assets will increase to over $9 billion, up from around $6 billion prior to the merger.

Due to the addition of new Milton shareholders to the WHSP register, Brickworks share in the larger WHSP will reduce to 26.1%.

The merger will trigger a one-off non-cash profit for Brickworks, due to the deemed disposal of WHSP shares. This profit is expected to be in the range $375-425 million (after-tax). This profit will be reported in the first half of the 2022 financial year.

Importantly, the merger will provide WHSP with increased liquidity to pursue new investment opportunities, with a continued focus on long-term market outperformance and growth in dividends.

Property – FY21 Result

Property delivered record earnings, with EBIT up 95% to $253 million for the year

- Industrial real estate resilient through the COVID-19 pandemic
- Net trust income higher, on rent reviews and additional developments
- Revaluation profit driven by a circa 85 basis point reduction in cap rates
  - Valuation supported by recent major transactions in western Sydney
- Recognition of deferred land sale profit at Oakdale West upon several lease agreements becoming unconditional

YEAR ENDED JUL ($M)	FY20	FY21	CHANGE
Net trust income	30	31	3%
Revaluations	53	149	181%
Development profit	25	24	(4%)
Property Trust	**108**	**204**	**89%**
Land sales	26	52	100%
Admin and other	(4)	(4)	-
Total	**129**	**253**	**95%**

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Property delivered another great result in 2021, generating record EBIT of $253 million, up 95% on the prior year.

All Property Trust assets were revalued during the year and this resulted in a strong revaluation profit of $149 million.

We have seen unprecedented demand for our industrial property facilities. The rapid growth in online shopping has increased the importance of well-located distribution hubs and sophisticated supply chain solutions. This was highlighted by a number of significant industrial property transactions in western Sydney over the past 6 months, with the pricing of these transactions underpinning the valuation of our high-quality portfolio.

Also within the Property Trust, net trust income increased by 3% to $31 million and development profits of $24 million were recorded on the completion of facilities at Oakdale South and Oakdale East.

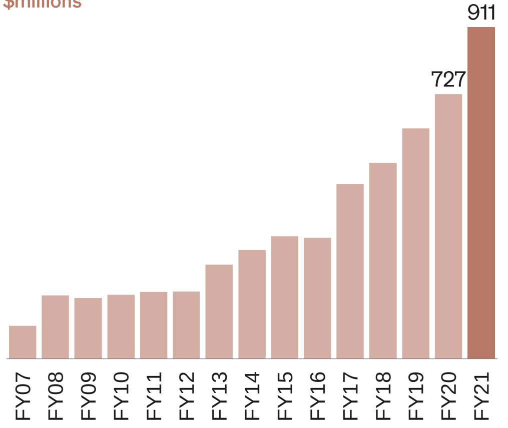
In addition, property sales contributed a $52 million profit during the year. This was primarily due to the recognition of previously unrealised profits associated with the prior sale of Oakdale West, after the lease agreements with a number of tenants became unconditional.

Property Trust Asset Value

The net value of Brickworks' share of Property Trust assets increased by $184 million during the year

YEAR ENDED JUL ($M)	FY20	FY21	CHANGE
Leased properties	1,663	1,982	19%
Land to be developed	397	686	73%
Total Property Trust assets	**2,060**	**2,668**	**30%**
Borrowings	(606)	(845)	39%
Net Property Trust assets	1,455	1,822	25%
BKW 50% share	**727**	**911**	**25%**

BKW 50% share of Property Trust Assets
$millions



The total value of leased assets held within the Property Trust was $2 billion at the end of the year.

The Property Trust also holds a further $686 million in land and infrastructure that is currently under development. This increased significantly over the year due to development works at Oakdale East and Oakdale West.

Including the development land, the total value of assets held within the Property Trust was $2.7 billion at the end of the year.

After including borrowings of $845 million, total net asset value is over $1.8 billion. Brickworks' 50% share of net asset value was $911 million as at 31 July, up by $184 million during the year.

Gearing within the Property Trust was down to 32% 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 18% per annum, generating significant value for shareholders.

Overview of Property Trust

Estate	Currently Leased					Under Development	
	Asset Value ($m)	Gross Rental ($m p.a.)	WALE (yrs)	Cap. Rate	GLA[1] (m^2)	Pre-Committed GLA[1] (m^2)	Additional GLA[1] (m^2)
M7 Hub (NSW)	191	8	2.6	4.3%	64,200	*Fully developed*	
Interlink Park (NSW)	509	26	2.5	4.2%	192,200	*Fully developed*	
Oak. Central (NSW)	711	31	4.6	4.1%	245,200	*Fully developed*	
Oak. South (NSW)	327	13	7.5	4.0%	111,300	25,100	40,500
Rochedale (QLD)	244	11	10.3	4.3%	95,600	30,200	
Oak. West (NSW)	-	-	-	-	-	200,900	179,400
Oak. East (NSW)	-	-	-	-	-	27,800	8,000
Total	**1,982**	**89**	**4.9**	**4.2%**	**708,600**	**284,100**	**227,900**

The completion of these pre-committed facilities will increase gross rent by $51 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 these properties is $89 million, the weighted average lease expiry is 4.9 years and the average capitalisation rate is 4.2%. These leased properties have a gross lettable area, or "GLA", of 708,600 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 284,100 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 $51 million and the value of leased assets by $1.2 billion, assuming a capitalisation rate of 4.2%, in line with the current leased assets. This represents an uplift of around 60% in rent and leased asset value from the current level.

The rental income per GLA achieved for these new 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.

In addition to the pre-committed developments, a further 227,900 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 is well underway on a 25,100 square metre pre-committed facility called Site 1C. This site is shown in the foreground of the photo on screen, with completion expected in October 2021.

Amber Tiles and Yusen will each occupy approximately half of this facility.

Construction will then commence on the final lot within this Estate, shown at the top of the photo. This will consist of a 12,900 square metre three-unit development and a 27,600 square metre facility. Completion of these two developments is expected in the first quarter of financial year 2023.

At Rochedale in Brisbane, three pre-commitments have now been secured for the remaining 30,200 square metres available at this Estate.

This comprises a 10,600 square metre facility for Woolworths, a 16,800 square metre facility for CHEP and a 2,800 square metre facility for Franklyn.

Progress is shown on screen, with all developments expected to reach practical completion during financial year 2022.

At Oakdale West, construction of the state-of-the-art Amazon facility is now well advanced.

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 foreground of the picture on screen, as at the 17th of August. Practical completion is expected in December 2021.

Major infrastructure works, including a roadway and bridge to access the estate were completed during financial year 2021. These infrastructure works allowed construction of the 66,000 square metre Coles distribution warehouse to commence in January. This facility can be seen in the background, with construction expected to take around 18 months.

In the last six months, a number of new tenants have pre-committed to facilities at Oakdale West. This includes a 35,500 square metre facility for Woolworths and an 11,000 square metre warehouse for Xylem.

An indicative masterplan of the Oakdale West Estate is shown on the screen, with all pre-committed developments shown with a red border.

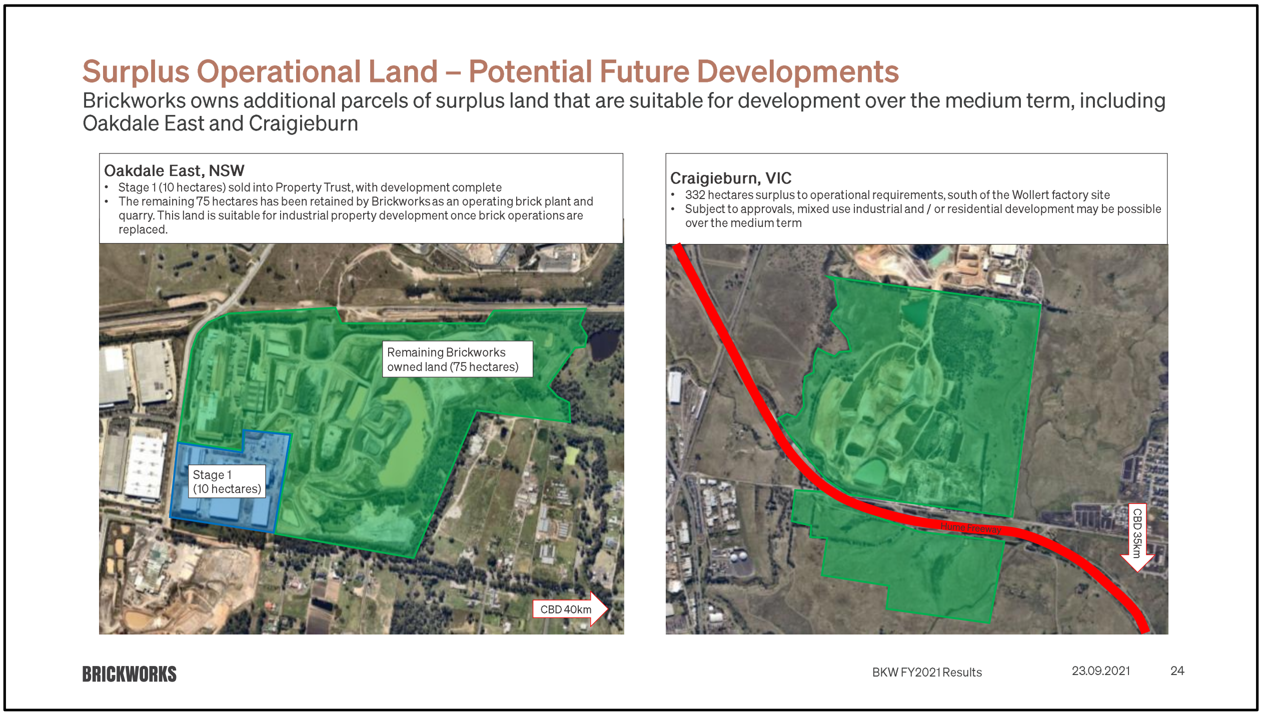
The committed GLA for Oakdale West is now 200,900 square metres, representing 58% of available building area.

Demand for the remaining 179,400 square metres is 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. This is shown in the foreground on the left of screen, with the masonry plant directly behind.

This development reached practical completion in July, and represents the completion of the first stage of development at Oakdale East.



Outside of the Trust, Brickworks retains other significant parcels of surplus land, suitable for development in the future.

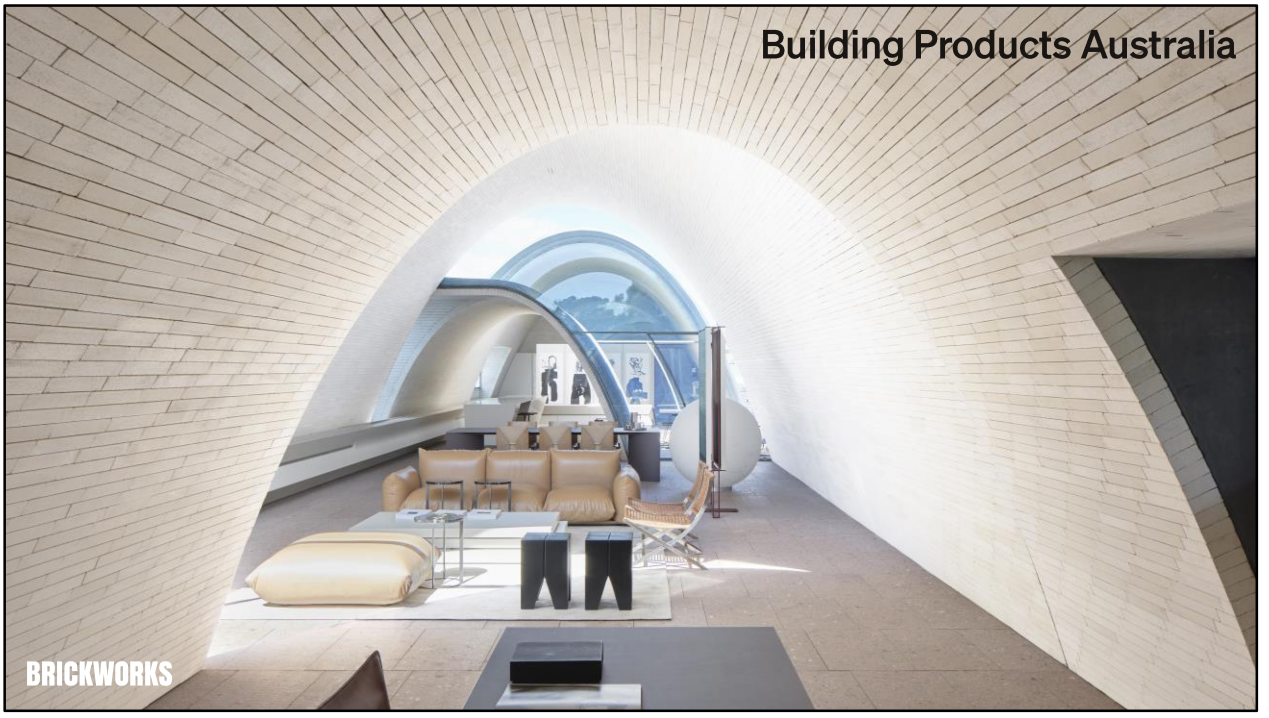
At Oakdale East, the existing Plant 3 site will not be required for brick operations once the new brick plant at Horsley Park is completed. I will talk more about this later.

As such, this 75-hectare parcel of land will become available for expansion of the Oakdale East Estate. This is shown on the left of screen, with the additional development area shaded in green, and the completed stage 1 shaded in blue.

The largest additional site held for development is at Craigieburn in Victoria. This 332 hectares parcel of land is directly to the south of the Wollert factory site and is shown on the right of screen.

Subject to approvals, mixed use industrial and / or residential development may be possible over the medium term.

More broadly, land sales and development opportunities are continually explored across all of our Building Products operations, to ensure the optimum return on our land assets.



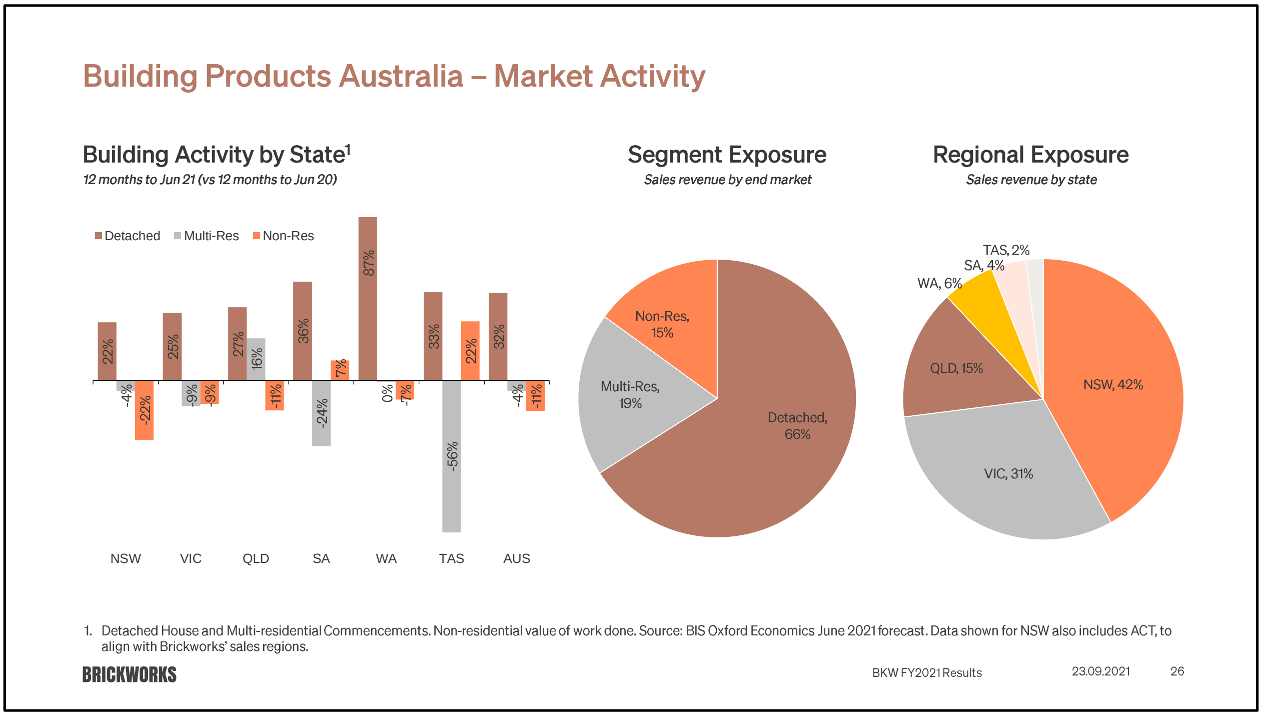
Turning to Building Products Australia.

The Stokes Avenue project shown on screen, designed by the Smart Design Studio, is a multi-purpose residential and commercial space in Sydney.

The interior features our Bowral Bricks in Chillingham White.

This project has been featured in a range of publications including Belle Magazine, Architecture Australia and the Australian Financial Review.

This project has also won a number of awards such as the Milo Dunphy Award for Sustainability, at the NSW Architecture Awards and the Architizier A+ Award in the Office Interiors category.



Building activity in Australia was mixed during the 12 months to June 2021. Despite the impacts of the pandemic, detached housing activity was very strong, with a 32% increase in commencements compared to the prior year.

By contrast, multi-residential and non-residential building activity decreased 4% and 11% respectively.

The full impact of the increased detached housing activity was not felt during the year. Usage of bricks and roof tiles on site typically lags a housing commencement by 3-6 months, however this has extended during the current upturn.

Supply chain delays have been caused due to a range of factors such as the sudden surge in demand following government incentives introduced in 2020, shortages of some building products such as timber, and building restrictions in some areas due to COVID-19 related restrictions.

Building Products Australia - FY21 Result

Building Products Australia EBIT was up by 36%, with strong underlying demand

- Demand subdued early in the year, but steadily improved over the period
- Sales momentum stifled by intermittent lock-downs in Sydney and Melbourne
  - Adverse earnings impact of July restrictions in Sydney, circa $3 million
- All business units posted improved results
- Improved operating efficiency and lower overhead costs
- B20 product launch in September
  - Largest launch event in the Company's history
  - Strong customer feedback
- Major capital investment program continues, albeit impacted by travel restrictions

YEAR ENDED JUL ($M)	FY20	FY21	CHANGE
Revenue	684	687	1%
EBITDA	91	97	7%
EBIT	**33**	**44**	**36%**
EBITDA margin	13%	14%	7%
EBIT margin	5%	6%	35%

These mixed conditions saw revenue relatively stable at $687 million for the year.

EBIT was $44 million, up 36% on the prior year, and EBITDA was $97 million.

Conditions steadily improved over the year, as the significant pipeline of detached housing work eventually translated to sales. This resulted in EBIT of $28 million in the second half, significantly higher than the first half.

This momentum came to an abrupt halt in New South Wales late in the financial year, with the State Government announcing a two week pause of all construction work in greater Sydney, in response to the outbreak of the delta strain of COVID-19. This resulted in an 80% reduction in sales volume across our largest and most profitable market, and had an estimated $3 million adverse impact on earnings in July.

During the year, we accelerated several exciting initiatives focussed in the critical areas of new product development, capital projects, customer communications and staff training.

Our major investment program continues to progress. Pleasingly, the new Oakdale East masonry plant reached practical completion in July, and our team is currently working through the commissioning process. Construction of our brick facility at Horsley Park is also well underway.

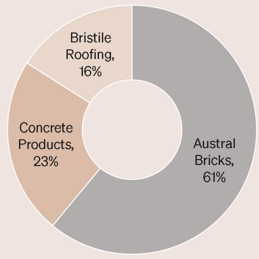
Both of these projects have experienced significant interruptions over the past 18 months, particularly due to travel bans that have restricted the mobility of our engineering crews and overseas based suppliers. However, our teams have shown persistence and initiative to overcome the unprecedented challenges and keep these projects moving forward.

Business Unit Performance

- **Austral Bricks** earnings and revenue increased
  - Very strong performance in QLD
  - WA remained challenging during the year, but prospects are improving (market consolidation and increased building activity)
  - Production curtailed in NSW during July, in response to COVID-19 restrictions
  - Construction of new plant at Horsley Park continues
- **Concrete Products** earnings higher, despite a decline in revenue
  - Greater exposure to weaker multi-res and non-res markets
  - Oakdale East Masonry plant currently commissioning
  - First full year of operation for Southern Cross Cement
- **Bristile Roofing** earnings increased on lower unit manufacturing costs

Building Products Australia Revenue FY21

$687 million



FY21 vs FY20	Revenue	EBIT
Austral Bricks	↑	↑
Concrete Products	↓	↑
Bristile Roofing	↓	↑

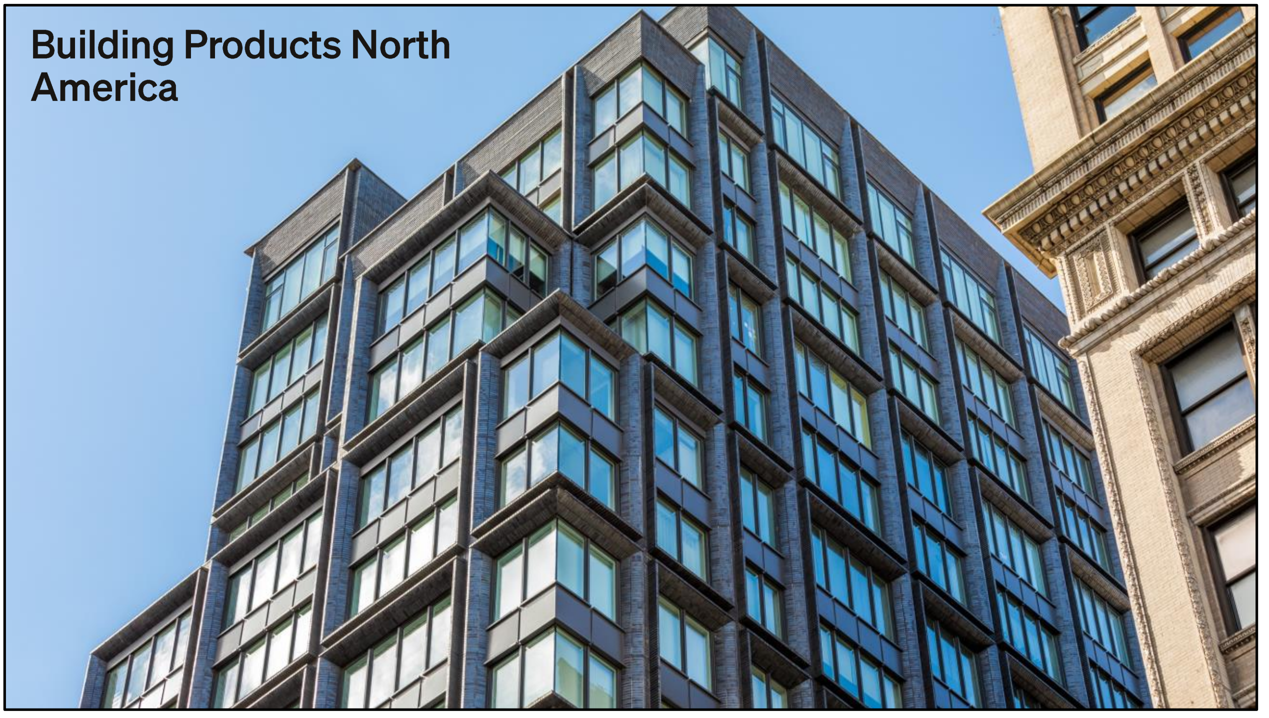
Earnings were up across all business units.

Within Austral Bricks, the performance 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.

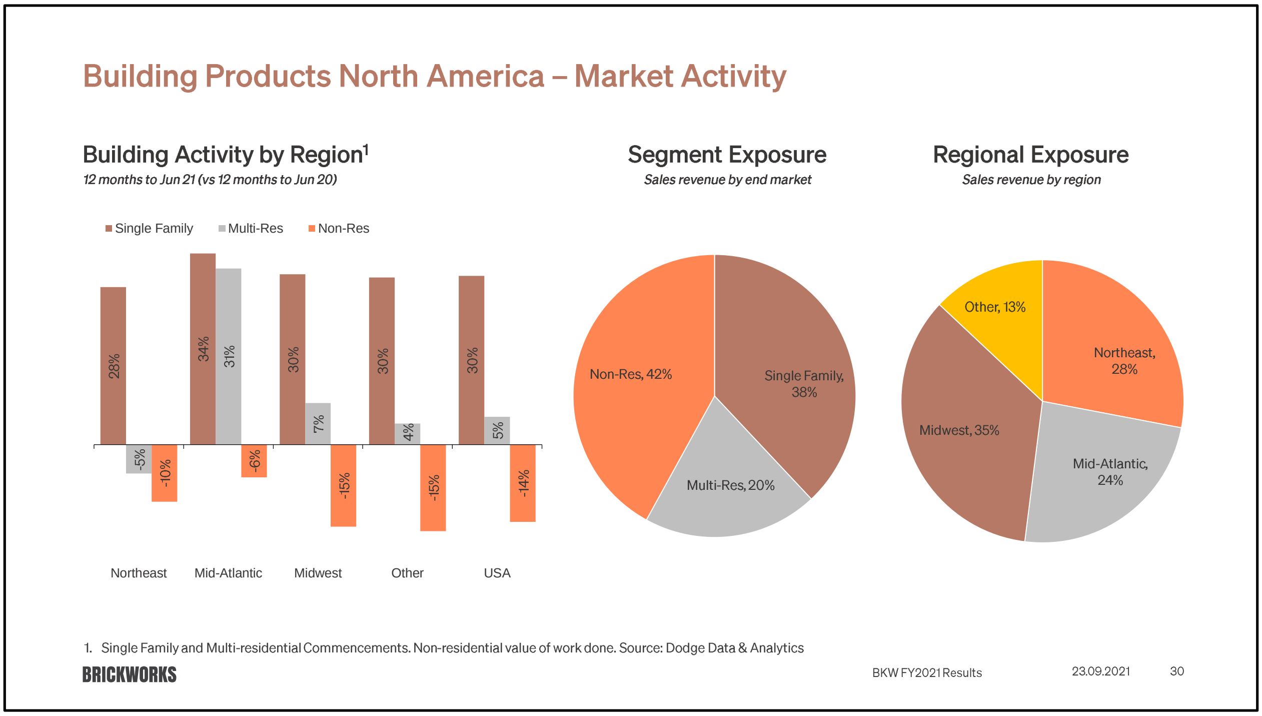
The sharp recovery in housing activity in Western Australia has resulted in a strong increase in demand. This has necessitated a ramp up in production during the second half, amidst tight industry supply.

Concrete Products earnings improved on the prior year, despite a decline in revenue. This business, comprising our masonry, precast and cement operations is more exposed to the weaker multi-residential and non-residential markets.

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



Turning to North America.



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 38% 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 10%, 6% and 15% respectively, in each of our core regions, with many major projects delayed or cancelled by state authorities due to financing concerns, as a result of the COVID-19 pandemic.

Building Products North America – FY21 Result[1]

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

- Revenue was relatively steady in local currency terms, with impact of Redland Brick acquisition offset by decline in building activity across key markets
  - July-Nov: sales adversely impacted by COVID-19 and lead up to presidential election
  - Dec-Feb: severe winter weather
  - Mar-Jun: sales increased month on month as economy re-opened
  - Jul: sales momentum temporarily impacted by summer holiday period
- Earnings also impacted by lower plant utilisation and workforce challenges related to the pandemic

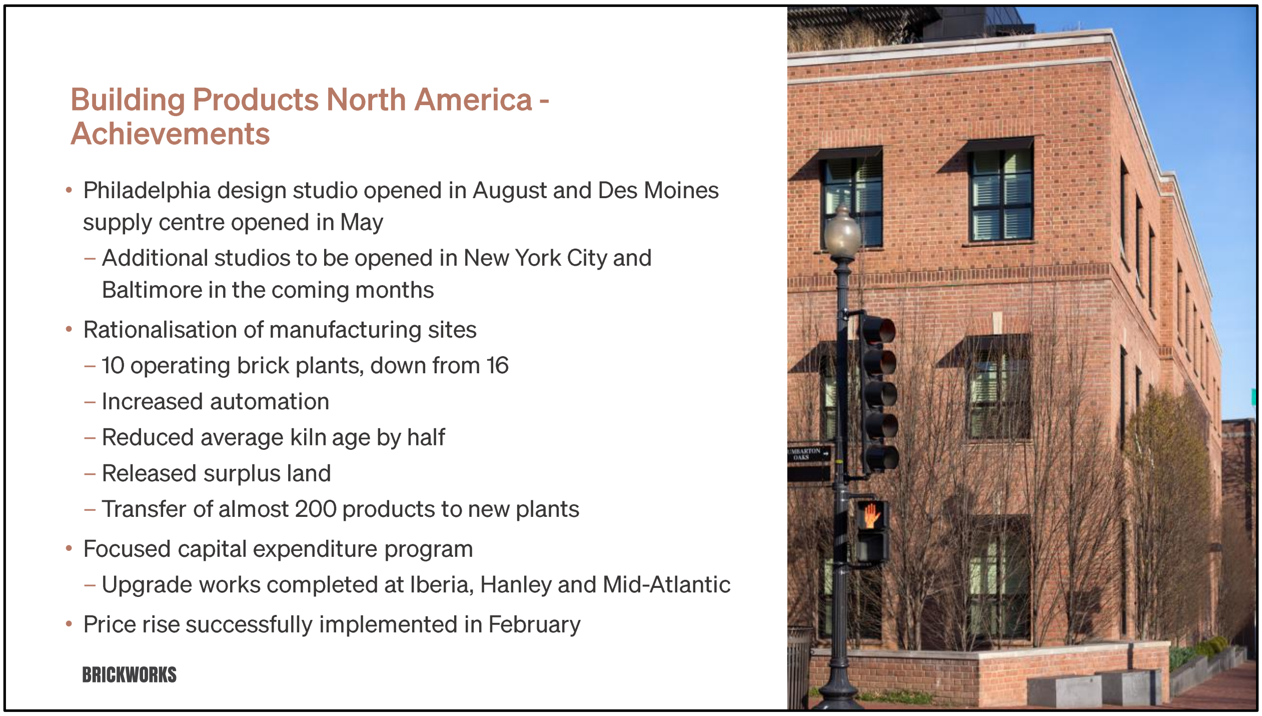
YEAR ENDED JUL ($M)	FY20	FY21	CHANGE
Revenue ($US)	155	152	(2%)
EBITDA ($US)	18	20	10%
EBIT ($US)	**7**	**6**	**(6%)**
Revenue ($AU)	230	202	(12%)
EBITDA ($AU)	27	26	(1%)
EBIT ($AU)	**10**	**9**	**(15%)**
EBITDA margin	12%	13%	13%
EBIT margin	4%	4%	-

1. An average exchange rate for each half year period is used to convert from US$ to AU$. The conversion rates used are: 1H21 US$0.73; 2H21 US$0.77; 1H20 US$0.68; 2H20 US$0.66

Sales revenue was relatively steady in local currency terms at US$152 million.

EBITDA was up 10% in local currency terms to US$20 million. After including depreciation and amortisation, EBIT was down 6% to US$6 million.

The revenue and earnings delivered in financial year 2021 were significantly impacted by the pandemic, and do not accurately reflect the rapid growth phase currently underway and the significant achievements of the North American business over the past twelve months.

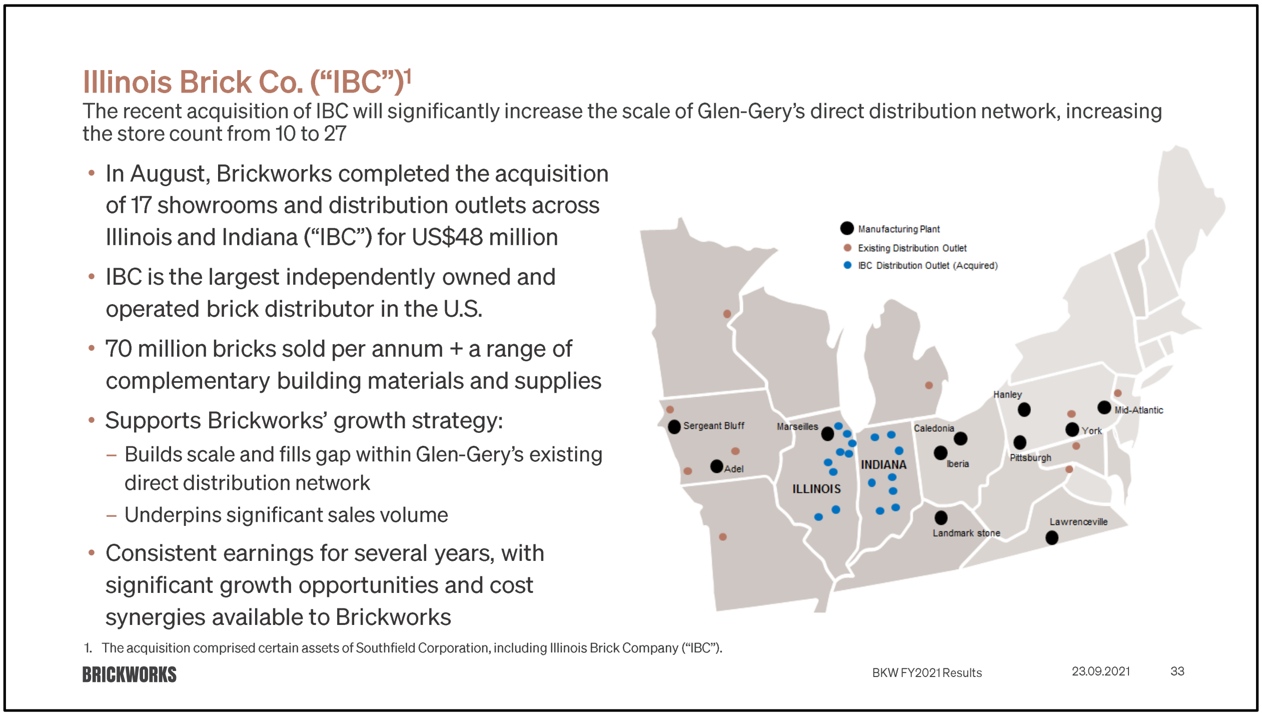


Significant rationalisation of manufacturing plants and retail outlets has been accelerated through the pandemic. The number of operating brick plants has been reduced from 16 to 10, resulting in the average age of the kiln fleet being halved, and all but one kiln being fully automated. This process has involved the transfer of almost 200 products to new plants and required a significant effort from technical staff across the business.

The plant rationalisation activities have allowed for a more focussed capital spend program. Significant upgrade works have been completed 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.

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

In August 2020, a new design studio in central Philadelphia was officially opened, and this was followed in May 2021 by a new supply centre in Des Moines. Additional studios in New York City and Baltimore are scheduled to open in the coming months. These studios and design centres will further enhance Glen-Gery's strong reputation for premium products and competitive position in the high value architectural segment.



Last month we were pleased to announce our further expansion, with the acquisition of IBC.

IBC is the largest independently owned and operated brick distributor in the U.S., with 17 showrooms and distribution yards, all located in Illinois and Indiana. This is an area where Glen-Gery lacks a direct distribution presence, and therefore this acquisition will fill a gap in our network. It will also significantly increase the scale of our direct distribution network, increasing our store count from 10 to 27.

Importantly, sales volume through the IBC network will underpin production volume at our Midwest plants, which have ample capacity to accommodate additional sales growth.

In addition to sales of around 70 million bricks per annum, IBC offers a range of complementary building materials and supplies such as stone, masonry, construction materials and tools. These additional products make up around 50% of total IBC sales.

We know the business well, having enjoyed a relationship with IBC since our entrance into the U.S. market 3 years ago.

We are pleased to welcome IBC's 225 staff to the Brickworks Group, and we look forward to building on the strong position they have established since their inception in 1981.

Financials

Section 03

BRICKWORKS

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

Financials – FY21 Overview

- Increase in Property, Investments and Building Products Australia earnings drives higher Group EBITDA and EBIT
- Reduced borrowing costs due to lower average interest rate on debt
- Underlying tax higher due to the increase in Australian Building Products and Property earnings
- Significant items reduced NPAT from continuing operations by $45 million
  - The prior year included a significant one-off profit in relation to the shareholding in WHSP, triggered by the merger of its associate TPG with Vodafone

YEAR ENDED JUL ($M)	FY20	FY21	CHANGE
Total EBITDA	281	453	61%
Depreciation & amortisation	75	70	(6%)
EBIT	**206**	**383**	**86%**
Borrowing costs	(26)	(19)	(29%)
Underlying income tax	(33)	(79)	(136%)
Underlying NPAT (from continuing operations)	**146**	**285**	**95%**
Significant items	168	(45)	NA
NPAT (from continuing operations)	**315**	**240**	**(24%)**
Discontinued operations	(17)	(1)	NA
Statutory NPAT	**298**	**239**	**(20%)**

Thankyou Lindsay.

As Lindsay mentioned, total underlying Group EBITDA for the year was $453 million, up 61%. After depreciation and amortisation, the underlying Group EBIT was up 86% to $383 million.

Total borrowing costs were $19 million, and tax was $79 million. This resulted in an underlying net profit after tax from continuing operations of $285 million, up 95%.

After including significant items, the net profit after tax from continuing operations was $240 million, down 24% from the record result achieved in the prior year, which included a large one-off profit in relation to our shareholding in WHSP.

Including a small loss on discontinued operations, statutory NPAT was $239 million, down 20%.

Financials – Significant items

- An $11 million cost in relation to WHSP
- An $18 million tax cost arising from the carrying value of WHSP
- $13 million restructuring cost, includes the relocation of the Austral Masonry plant in Sydney, the post upgrade commissioning of the Austral Bricks plant in Cardup (Perth), the closure of retail outlets in North America and the staged decommissioning of the York plant in Pennsylvania
- $3 million COVID-19 related costs
- $3 million cost related to the acquisition of IBC
- $4 million tax benefit from prior period acquisition costs in the US
- Other significant costs of $1 million

$MILLION	GROSS	TAX	NET
Significant items relating to WHSP	(11)	-	(11)
Income tax arising from the carrying value of WHSP	-	(18)	(18)
Subtotal – WHSP items	(11)	(18)	(29)
Restructuring activities	(18)	5	(13)
COVID-19 costs	(5)	2	(3)
Acquisition costs (FY2021)	(4)	1	(3)
Acquisition costs (prior years)	0	4	4
Other costs	(2)	1	(1)
TOTAL	(39)	6	(45)

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

- A $29 million cost in relation to WHSP significant items and deferred taxes on our WHSP holding;
- After tax restructuring costs of $13 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, the closure of retail outlets in North America, and the staged decommissioning of production at the York plant in Pennsylvania;
- COVID-19 related costs of $3 million, reflecting unabsorbed fixed costs in our North American plants and other incremental costs across the Group;
- Acquisition costs of $3 million during FY2021, primarily in relation to the purchase of IBC; and
- A tax benefit of $4 million, in relation to US acquisition costs incurred in prior years, that were previously considered non-deductable.

Financials – Cash Flow Reconciliation

- Increase in operating cash flow, primarily due to:
  - $71 million in higher tax payments in FY20, including $54 million in tax paid on the sale of WHSP shares in December 2018
  - Higher Building Products Australia earnings
- Elevated capital expenditure of $117 million for the period reflects several major projects underway
- Net dividend payments of $84 million (net of DRP uptake)

$MILLION	FY20	FY21
Statutory net profit after tax	298	239
Depreciation, amortisation	75	70
Non cash impairments	46	2
Non cash revaluations within Property Trust	(78)	(222)
Share of profits of associates not received as dividends	(312)	(28)
Non cash profit on land held for resale	(28)	-
Losses / (gains) on disposals of PPE	4	(7)
Non cash losses on discontinued operations	(12)	-
Working capital movements	36	(11)
Changes in tax provisions	17	95
Other items	4	3
Operating cash flow	74	140
Acquisitions (net of cash)	2	2
Capital expenditure	112	117
Dividends paid (net of DRP uptake)	84	84

Turning to cashflow.

The total operating cash inflow for the year was $140 million, up from the $74 million in the prior year, which 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 $117 million was incurred, with the company midway through a significant capital investment program. 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 in place for last year's final dividend, resulted in net dividend payments remaining steady at $84 million, despite the increase in the dividend paid per share.

Financials – Key Indicators

- Total shareholder's equity increased by $77 million, or $0.37 per share
- Net debt increased by $64 million to $519 million
- Gearing up marginally to 21%

	FY20	FY21	CHANGE
NTA per share	$14.08	$13.88	(1%)
Shareholder's equity	$2,403m	$2,480m	3%
Shareholder's equity per share	$16.04	$16.41	2%
Underlying return on shareholder's equity	**6%**	**12%**	**89%**
Operating cash flow	**$74m**	**$140m**	**89%**
Net debt	$454m	$519m	14%
Gearing (net debt / equity)	19%	21%	11%
Interest cover	8x	20x	152%

Looking now at a range of key financial indicators.

Net tangible assets per share was down 1% over the year, to $13.88. The decline was due to a decrease in the market value of WHSP's listed investments, and the recognition of lease liabilities in relation to a number of significant new long term leases. The corresponding right-of-use assets in relation to these leases are excluded from the NTA calculation, in line with financial reporting guidelines.

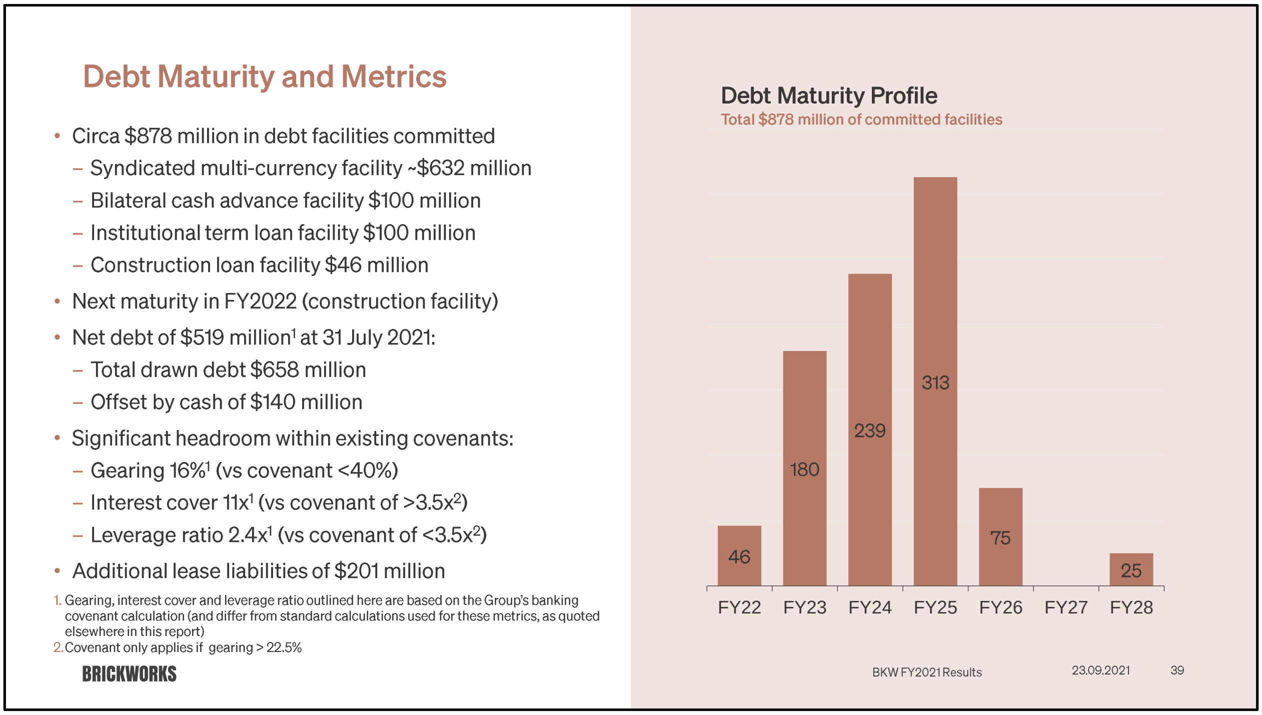
Shareholders equity increased by $77 million to $2.48 billion, which represents $16.41 per share.

Underlying return on shareholders equity was 12%, up from 6% in the prior year.

As I mentioned a moment ago, operating cash flow was $140 million for the period.

Net debt increased to $519 million, resulting in a slight increase in gearing, to 21%.

Interest cover increased to 20 times.



Looking now at our debt maturity profile.

Brickworks currently has a total of around $878 million in committed debt facilities. This includes:

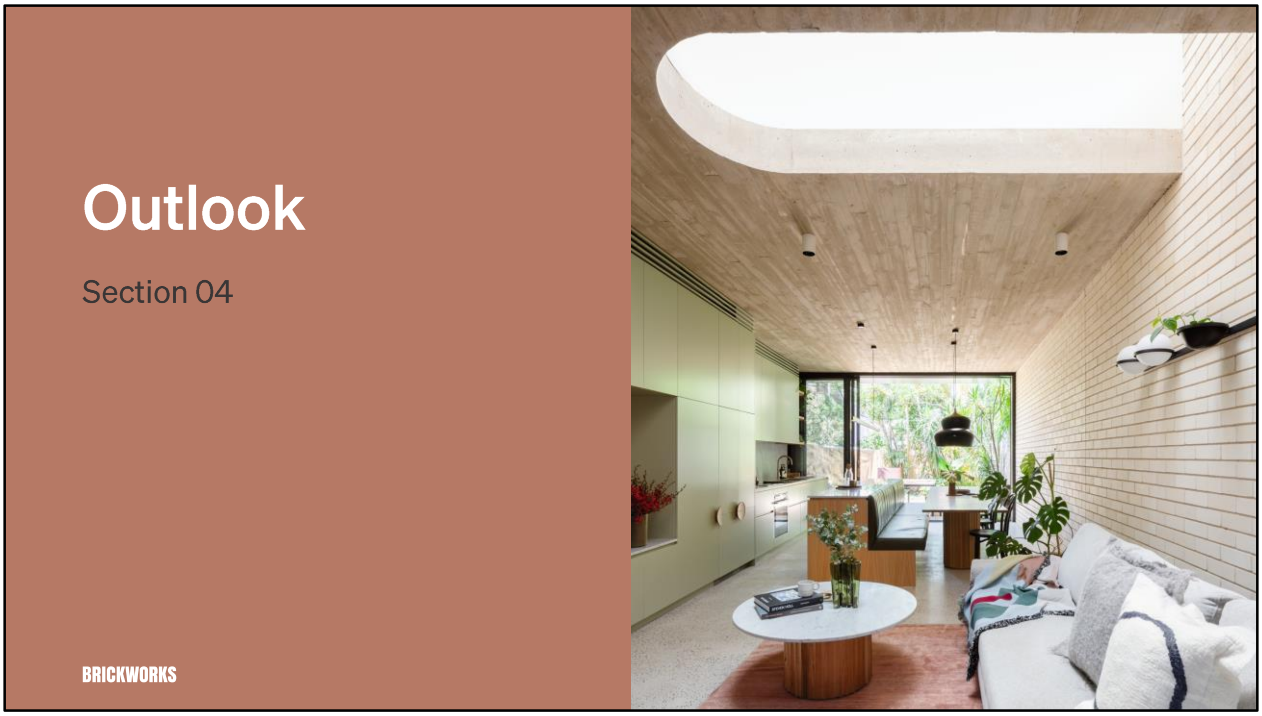
- A Syndicated multi-currency facility of around $632 million;
- A bilateral cash advance facility of $100 million;
- An institutional term loan facility of $100 million; and
- A construction loan facility of $46 million related to the construction of the Austral Masonry plant.

The construction loan facility matures shortly, with the plant and equipment converting to a lease.

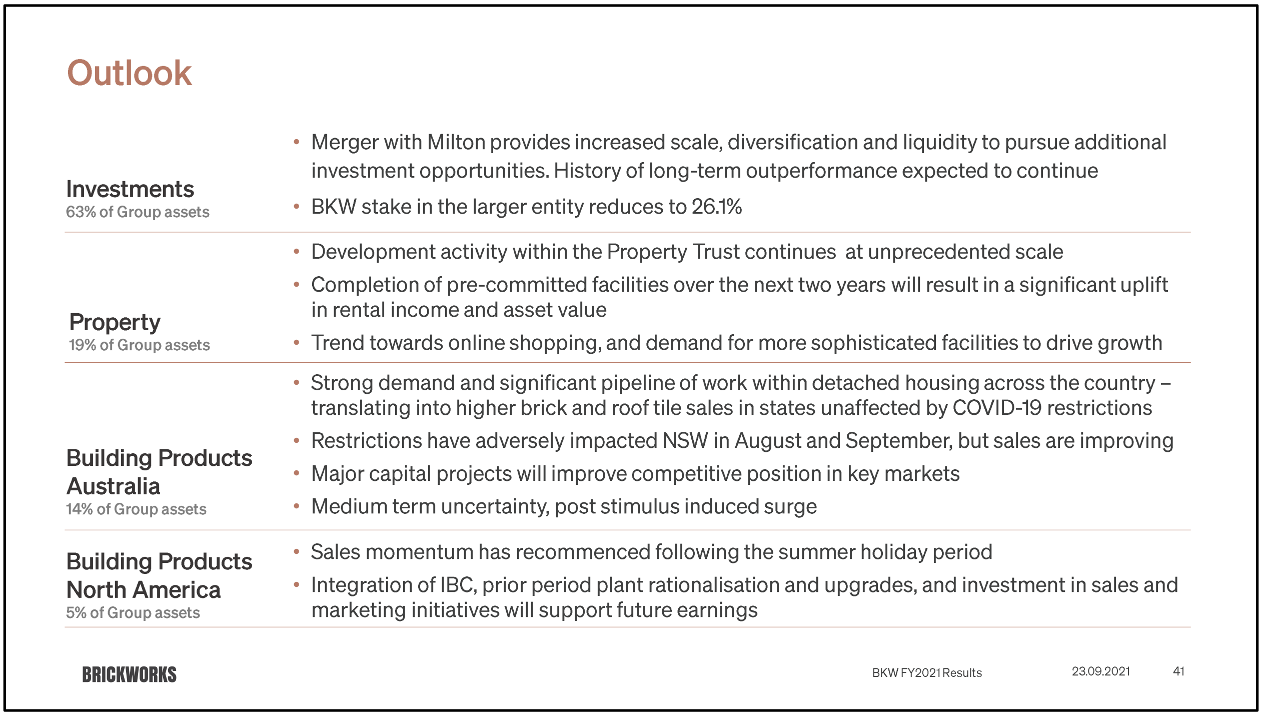
As I mentioned a moment ago, net debt was $519 million at 31 July 2021.

We currently have around $360 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.

We are excited by the outlook for our investment in WHSP, following the recent merger with Milton Corporation, with greater scale and liquidity providing new investing opportunities. We expect the larger WHSP to continue to deliver superior long-term returns and consistent dividend growth well into the future.

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, underlying demand across the country is strong, with a large backlog of detached housing construction work in the pipeline. In New South Wales, sales in the first 2 months of the financial year have been impacted by the latest outbreak of COVID-19, however I am pleased to report that our sales are now back to around 90% of the level immediately prior to the outbreak. In response to the increasing sales in this state, we have re-started our second kiln at Plant 3, Horsley Park, that had been temporarily shut down in late July

In the short term significant uncertainty persists, with the potential for new restrictions remaining ever present across all states. A case in point is the snap two-week shutdown of construction sites in Melbourne, as announced by the Victorian government on Monday.

However, with vaccination rates across the country now approaching government targets, we are hopeful that by the second half of the financial year, the prospect of any further restrictions will be behind us, and all states will experience an elevated period of activity.

In North America, sales momentum has re-commenced following the summer holiday period. Assuming there are no major disruptions caused by the pandemic, we expect improving sales volume, the benefits of plant rationalisation and upgrades, our investment in sales and marketing initiatives, and the additional contribution from IBC to deliver higher earnings from North America in financial year 2022.

Questions

Section 05

BRICKWORKS

I will now take questions.

Thank you

BRICKWORKS

Sydney
Tel. 02 9611 4216
Lvl 9, 60 Carrington St
Sydney NSW 2000

Brickworks.com.au

Disclaimer

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

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