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23 March 2023

Australian Securities Exchange
Attention: **Companies Department**

BY ELECTRONIC LODGEMENT

Dear Sir / Madam

Please find attached presentation and notes to be presented to analysts today regarding Brickworks Limited's financial results for the half year ended 31 January 2023, for immediate release to the market.

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

Yours faithfully

BRICKWORKS LIMITED

Susan Leppinus

Company Secretary

PROUDLY SUPPORTS

Children's Cancer Institute

Good Afternoon Ladies and Gentlemen and welcome to the Brickworks analyst briefing for the half year ended 31 January 2023.

Today, I will start by providing an overview of our commitment to sustainability and responsible business.

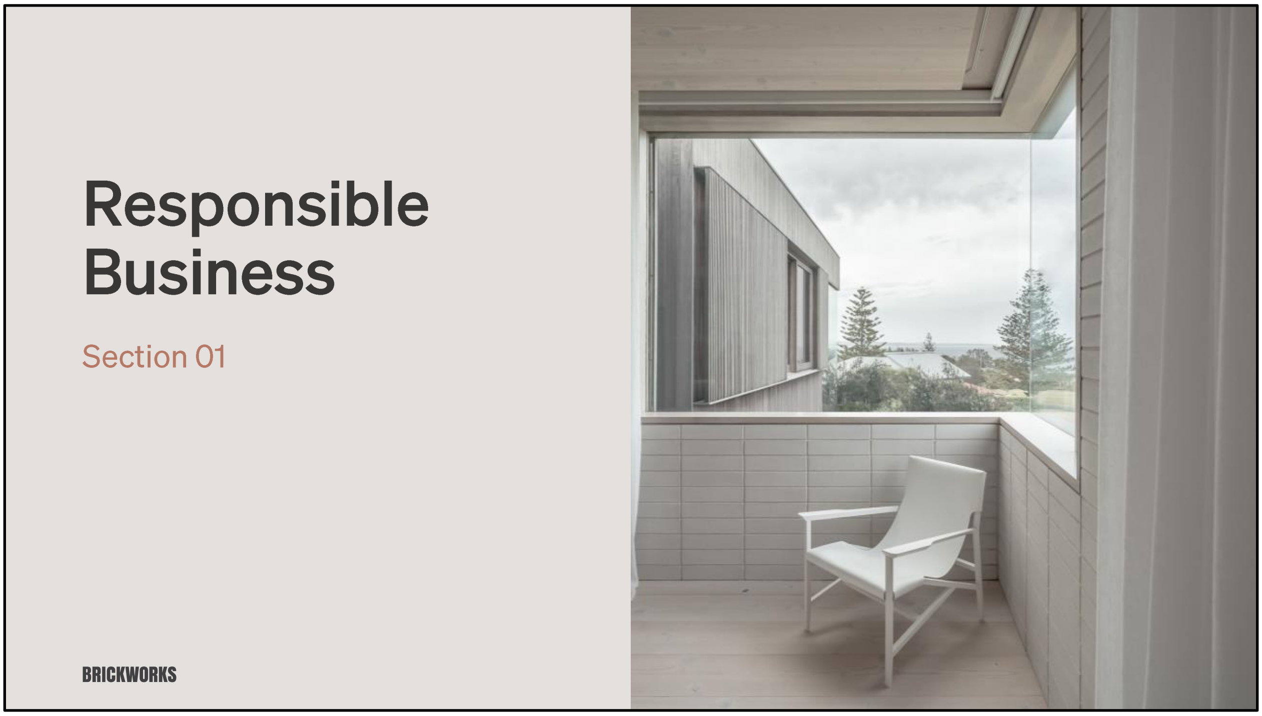
I will then spend a moment to discuss our long history of asset growth and shareholder returns, before providing an overview of our results for the first half, including a review of Property and Investments.

Mark Ellenor, our Executive GM Building Products, will provide an update on our Building Products operations in Australia and North America.

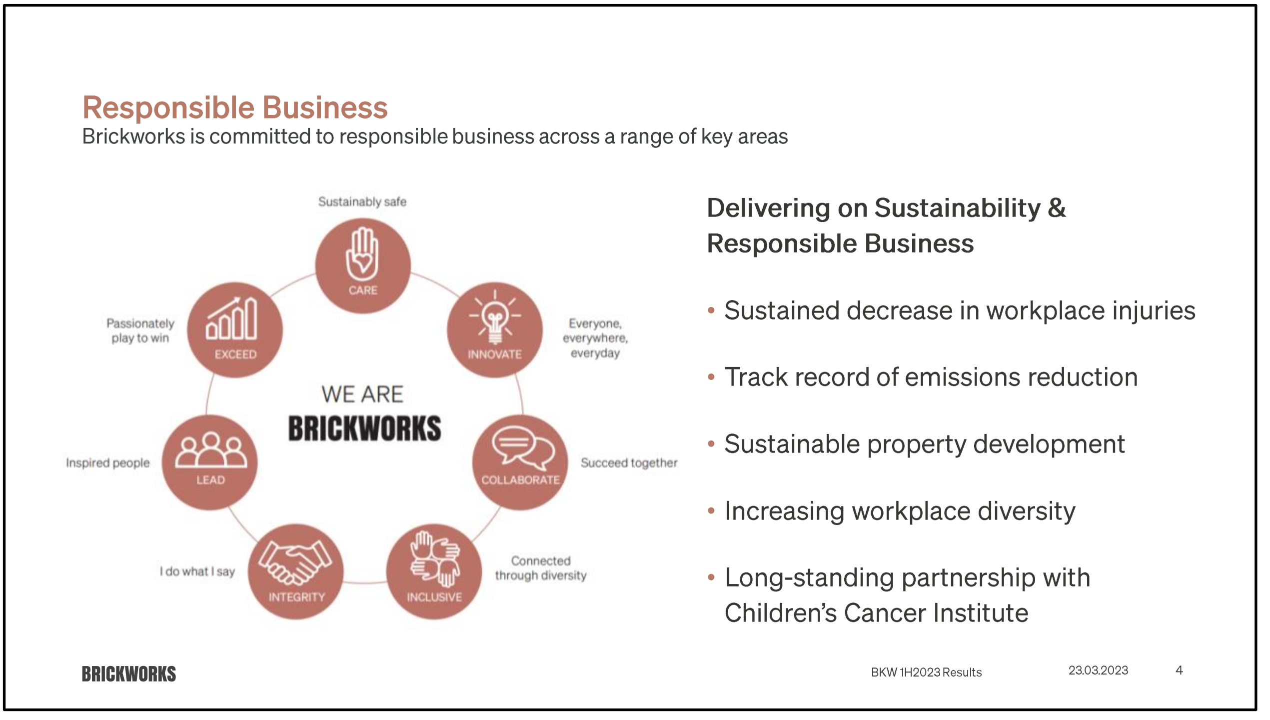
Grant Douglas, our Chief Financial Officer, will then take you through the financials in more detail.

I will later return to discuss the outlook for Brickworks.

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



As I mentioned, first and foremost I want to talk about our commitment to responsible business practices.



At Brickworks, we understand our long-term responsibilities, and the impact and influence we have on the environment, our customers, employees, communities, and shareholders.

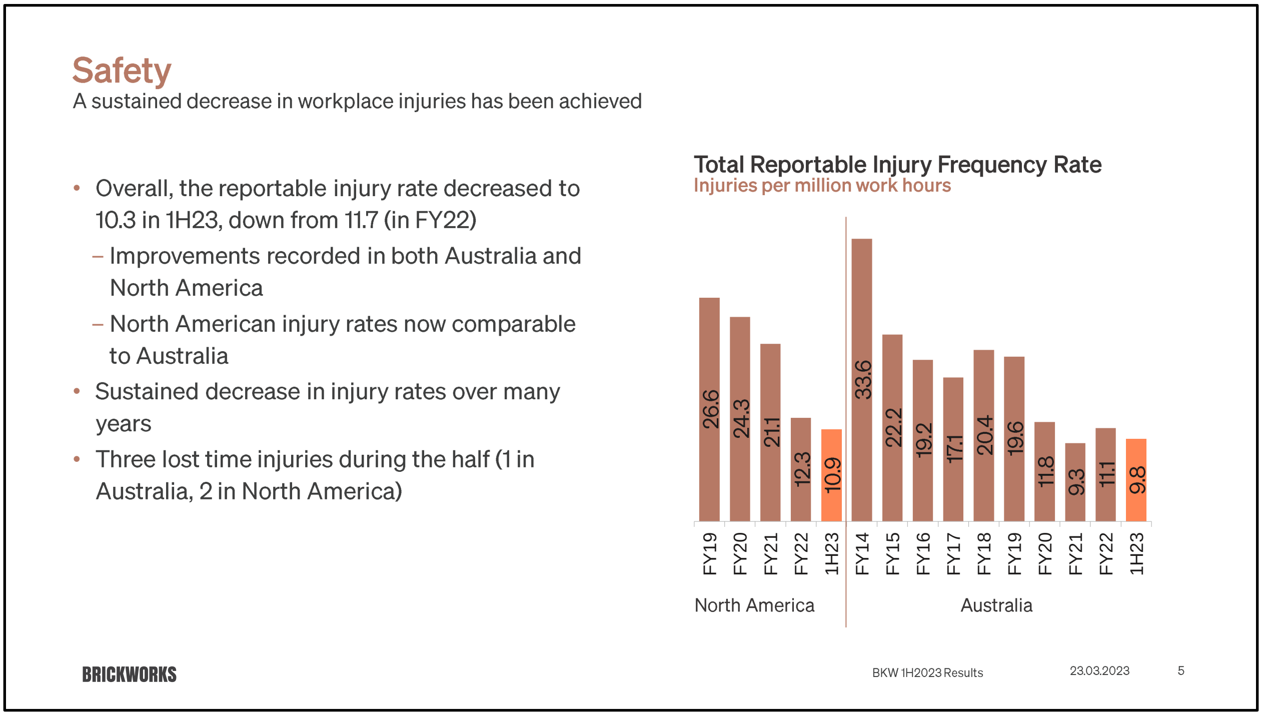
Our core values ensure that we are committed to sustainability and responsible business, and this can be demonstrated across a range of key areas.

For example, one of our core values is to ensure a sustainably safe place to work for our staff, and I will talk in a moment about the continued progress we are making in reducing workplace injuries.

We have a proud track record of reducing carbon emissions in our Building Products business. And within Property, our developments feature market-leading sustainable design initiatives.

Brickworks continues to focus on inclusion and diversity. At the end of the period, female employees made up approximately 23% of the workforce. At the Senior Executive level, female representation has increased significantly in recent years, and was 31% at the end of the period. This compares to 7% in 2015.

Brickworks is also active in the community and has a long-standing partnership with the Children's Cancer Institute, having made direct and indirect contributions of over $4.4 million since 2002.



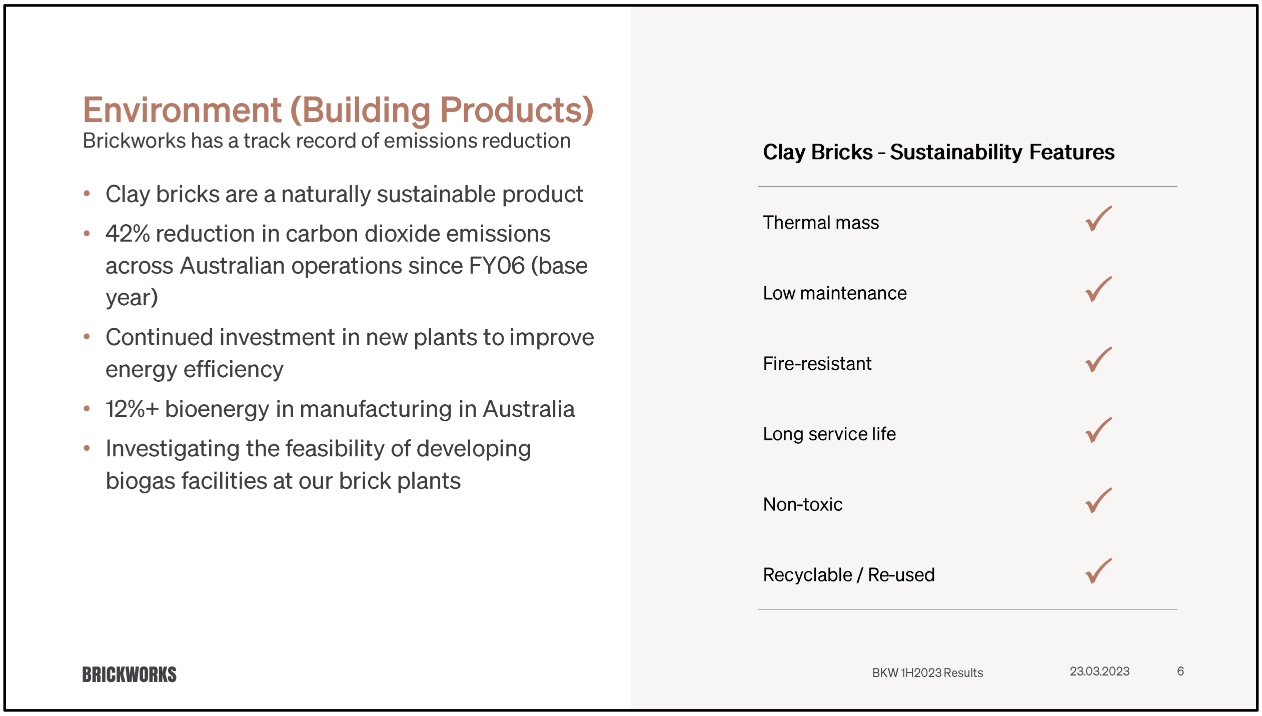
As I mentioned, we continue to make steady progress in improving workplace safety.

The total recordable injury rate (injuries per million hours worked) has decreased to a record low of 10.3 in the first half, down from 11.7 in the prior year. This comprises an injury rate of 9.8 in Australia and 10.9 in North America.

The historical injury rates for each country are shown on screen. This highlights the improvements in North American operations since our initial acquisition, with injury rates now comparable to Australia.

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

Across our operations there were three lost time injuries during the half – one in Australia and two in North America.



We make resilient building products that stand the test of time.

Bricks are a sustainable product, made from clay and shale that is naturally abundant and often recycled. 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.

Bricks also have critical performance characteristics that contribute to overall life cycle energy efficiency and sustainability. They have high thermal mass compared to lightweight materials, which means a reduced need for artificial heating and cooling. They are also low maintenance, fire-resistant and do not emit toxic volatile organic compounds.

We also recognise the need to minimise carbon emissions in the manufacturing process and have long understood the step change reductions possible through kiln refurbishment and upgrade programs.

For example, across our Australian operations we have achieved a reduction in carbon emissions of 42% since financial year 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 also use over 12% bioenergy in manufacturing in Australia, and understand the critical role renewable bioenergy can have in producing low-carbon products. We continue to lead the industry in this area and are investigating a range of new projects, including developing biogas facilities at our brick plants.

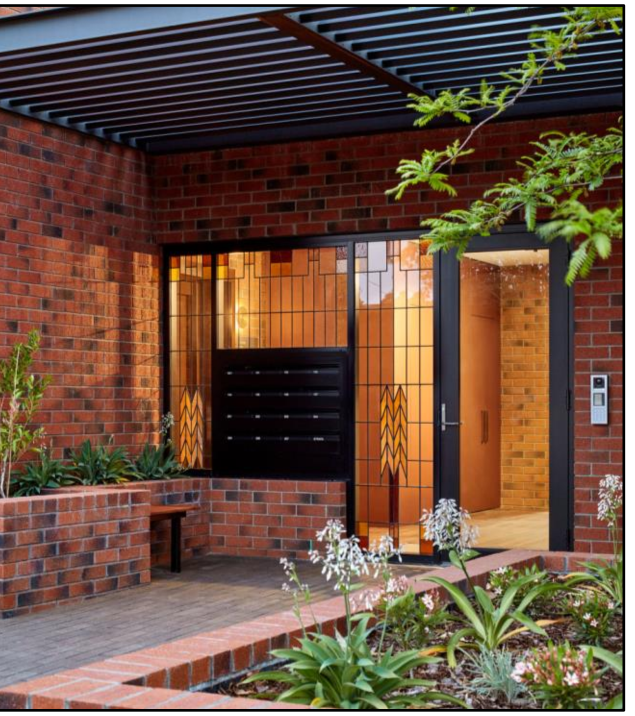
Within our Property business, we aim to be world leaders in sustainable industrial property design and development.

For example, at our latest development at Oakdale West, all buildings have sustainable design initiatives incorporated, including drought-resistant landscaping, rainwater harvesting, electric vehicle charging stations, LED lighting and recycling facilities.

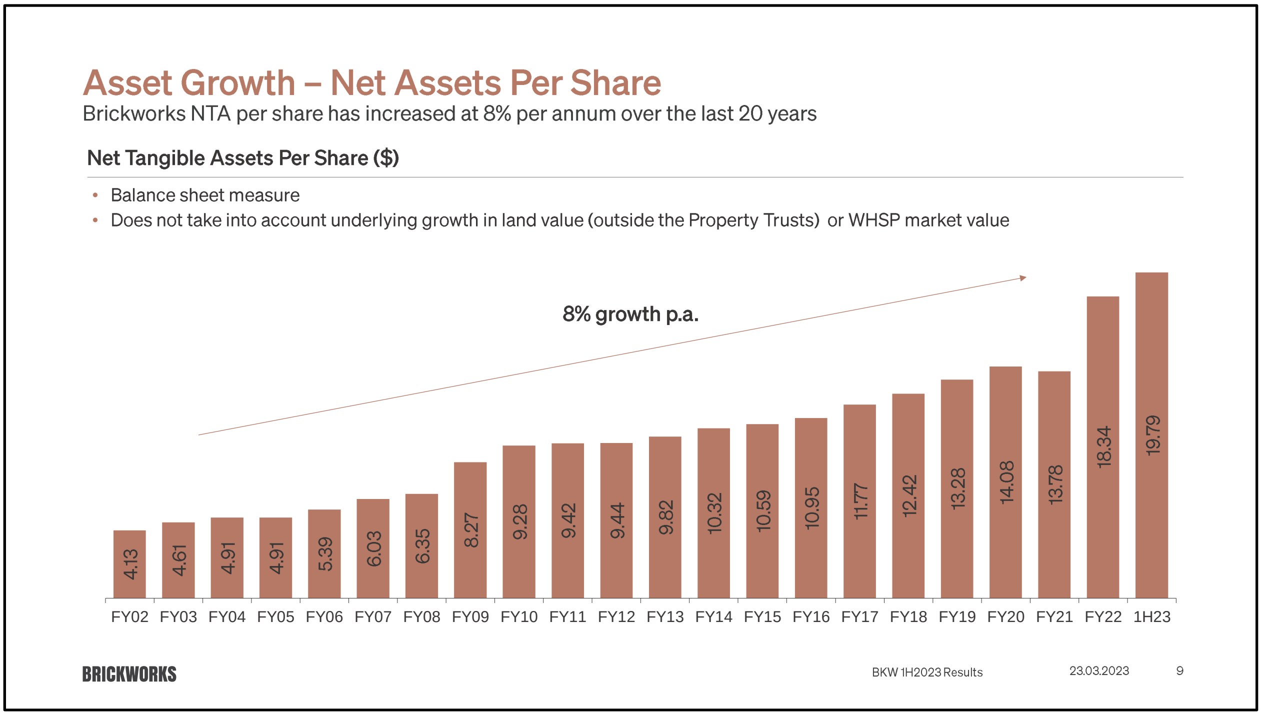
All properties at Oakdale West will have solar installed, with 11.6 MW already committed. This is equivalent to the environmental saving of taking around 7,500 cars off the road.

Asset Growth & Shareholder Returns

Section 02



BRICKWORKS



Looking beyond our commitment to responsible business, we are of course, focussed on maximising shareholder returns.

We aim to achieve this through:

1. Sustainable asset growth; and

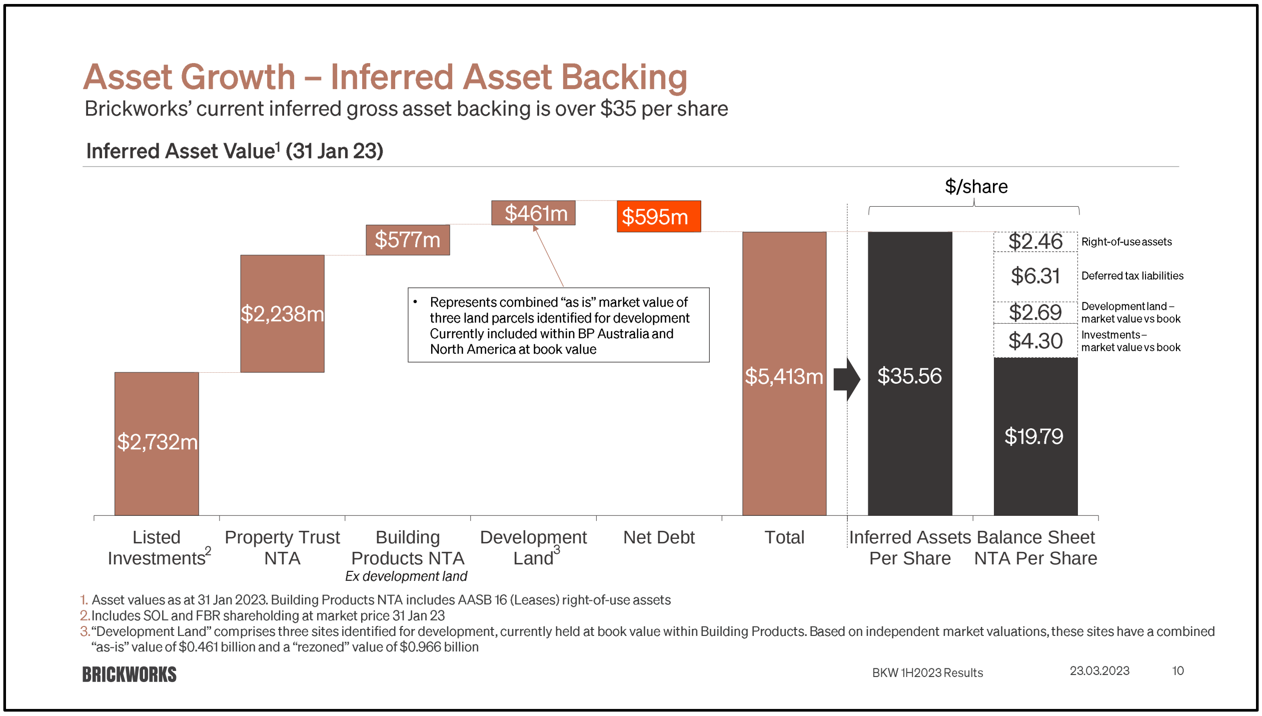
2. Steadily increasing dividends.

It is our belief that by delivering on these two key objectives, we will deliver outperformance for our shareholders over the long term.

In terms of asset growth, the chart on screen shows our balance sheet net tangible assets per share over the past 20 years.

This has grown from $4.13 per share in 2002, to $19.79 per share today. That represents 8% compound growth per year.

As shown on the chart, the growth has been very consistent over the period, increasing in 19 out of the past 20 years.



Our balance sheet does not recognise the full market value of our assets. For example, land held outside of the Property Trusts is held at historical cost rather than current value, and the asset value of Investments is based on equity accounted value, rather than market value.

As such, we also like to present the inferred asset backing of the Company, which adjusts for these, and other factors.

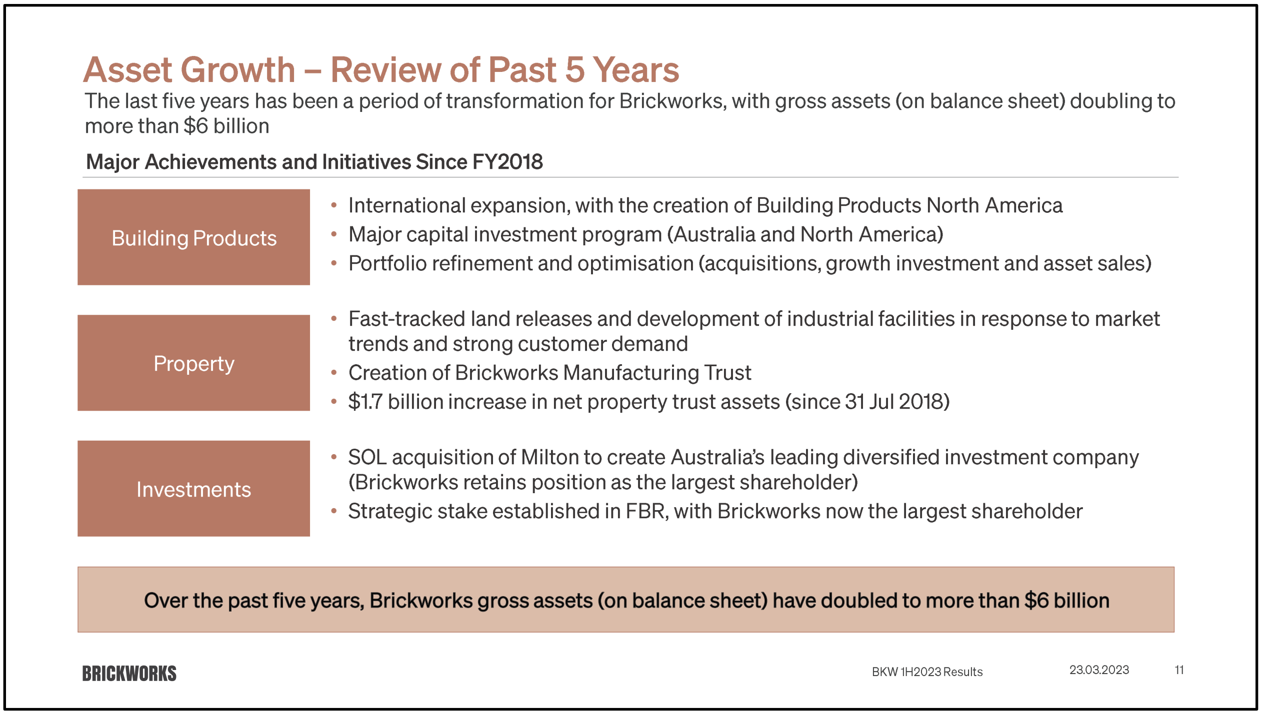
Our inferred asset backing, includes:

- Our investments in WHSP and FBR, with a market value of over $2.7 billion;
- An interest in two Property Trusts, with a combined net asset value of more than $2.2 billion;
- Building Products net tangible assets across Australia and North America of $577 million; and
- 3 parcels of land held within Building Products that are identified for potential development. Based on independent market valuations, these development sites have a current "as is" value of $461 million.

So, adding this up and subtracting our net debt of $595 million, the total inferred asset backing is currently around $5.4 billion.

On a per share basis, this equates to over $35 per share.

On the right-hand side of the chart, we have reconciled this value with the balance sheet net tangible assets per share of $19.79, by highlighting the key differences between the two values. As I mentioned, this is primarily due to the balance sheet not recognising the full market value of development land and our Investments.



We have been pro-active and deliberate in our strategy to deliver long-term asset growth. In particular, the past five years have been a period of transformation for Brickworks, with a range of investments and initiatives across the Group.

In Building Products, we have expanded internationally with the creation of Building Products North America. We have achieved this through a number of carefully planned acquisitions, to become the largest brickmaker in the Northeast and Midwest regions of the United States.

We have also invested heavily in a major capital program. In North America we have completed a number of significant upgrades across the network, whilst rationalising the plant footprint to create an optimised network of modern, efficient and fully utilised facilities. In Australia, we have invested close to $300 million building the world's most advanced masonry and brick plants in Sydney. We have also invested in a joint venture cement terminal in Brisbane and completed selective acquisitions within Austral Masonry to significantly expand the product offering.

Importantly, we have also divested some businesses such as Auswest Timbers and Austral Precast. This has allowed us to allocate our resources on a more focussed portfolio of the most attractive opportunities.

Within Property, we have pro-actively responded to significantly increased demand for prime industrial land, and customers seeking state of the art logistics and warehousing space.

To meet this need, we have fast-tracked the release of land and brought forward our investment in new facilities. Over the past five years, the pace of development activity has been unprecedented, despite the challenges of the pandemic.

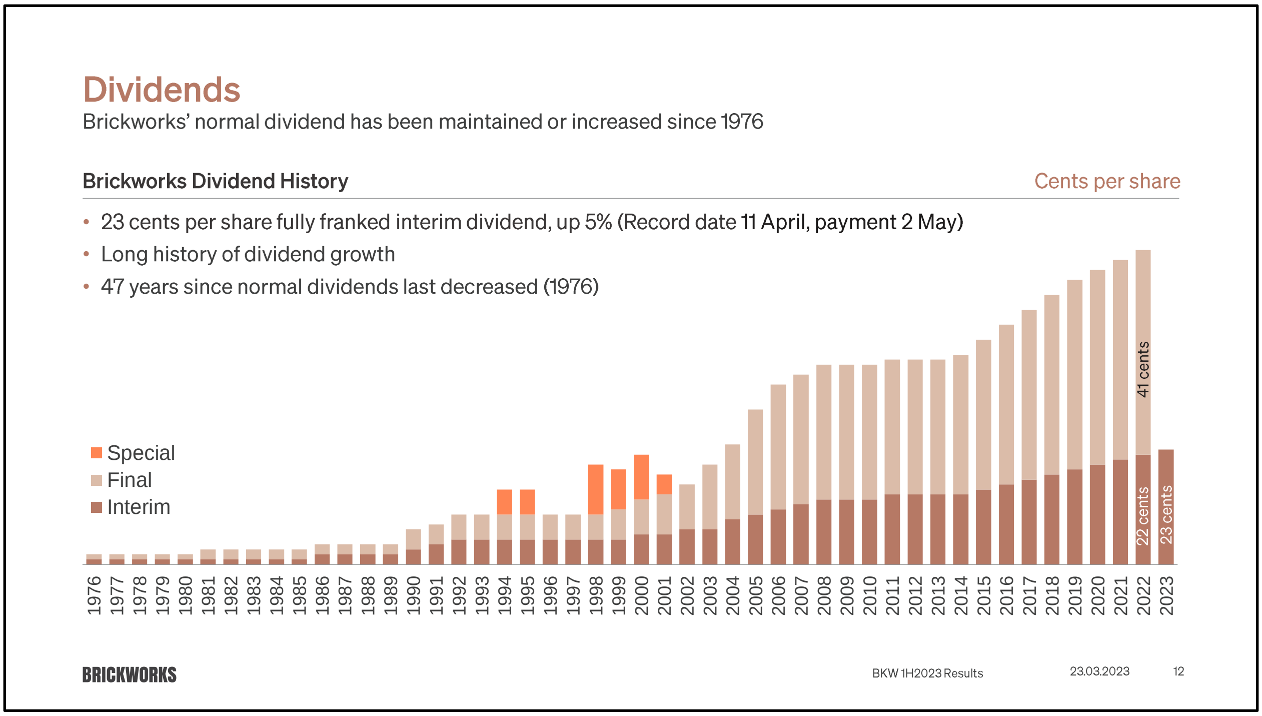
Then last year we expanded our property interests further, with the creation of the Brickworks Manufacturing Trust to house our operational sites.

These initiatives have seen a $1.7 billion increase in the net value of our property trust assets since FY18, and we can now confidently say that our industrial property portfolio is among the best in the country.

Within investments, WHSP’s acquisition of Milton in 2021 has created Australia’s leading diversified investment house, with around $10 billion in assets. We are proud to be the largest shareholder.

We are now also the largest shareholder in robotics company FBR Limited, which further expands our investment portfolio and provides exciting growth opportunities.

So, as you can see, our asset growth has not happened by chance. Today, our balance sheet gross assets exceed $6 billion, which is double five year ago. Just as importantly, the investments we have made mean that our portfolio is stronger than ever, with each business well placed and having attractive future growth prospects.



We are proud of our long history of dividend growth, and the stability this provides to our shareholders.

Therefore, I am happy to announce an interim fully franked dividend of 23 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 11 April, with payment on 2 May.

As shown on screen, we have now maintained or increased dividends for the last 47 years.

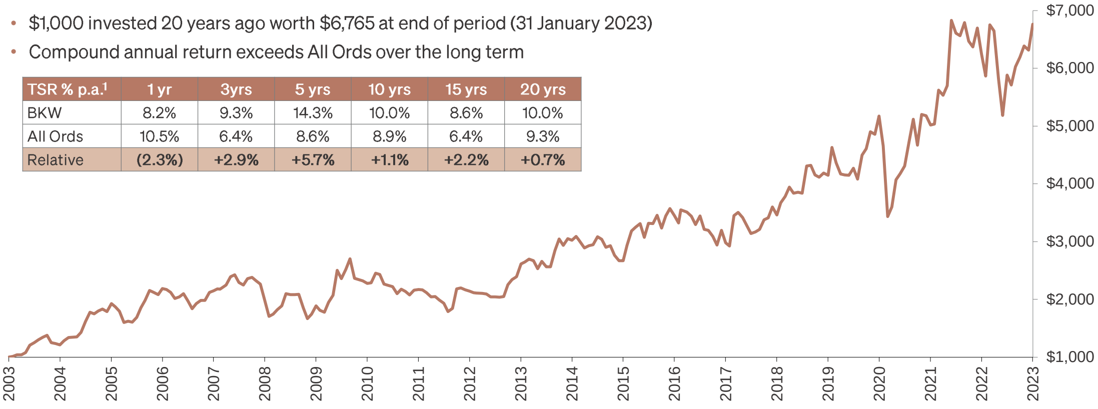
Shareholder Returns

Brickworks has created significant shareholder value over the long term

Value of $1,000 invested in 2003 (20 years ago)[1]

- $1,000 invested 20 years ago worth $6,765 at end of period (31 January 2023)
- Compound annual return exceeds All Ords over the long term

TSR % p.a.[1]	1 yr	3yrs	5 yrs	10 yrs	15 yrs	20 yrs
BKW	8.2%	9.3%	14.3%	10.0%	8.6%	10.0%
All Ords	10.5%	6.4%	8.6%	8.9%	6.4%	9.3%
Relative	**(2.3%)**	**+2.9%**	**+5.7%**	**+1.1%**	**+2.2%**	**+0.7%**



1. Investment period shown is 31 Jan 2003 – 31 Jan 2023. Includes dividends re-invested.
2. Total shareholder return to 31 Jan 2023, assuming dividends re-invested.

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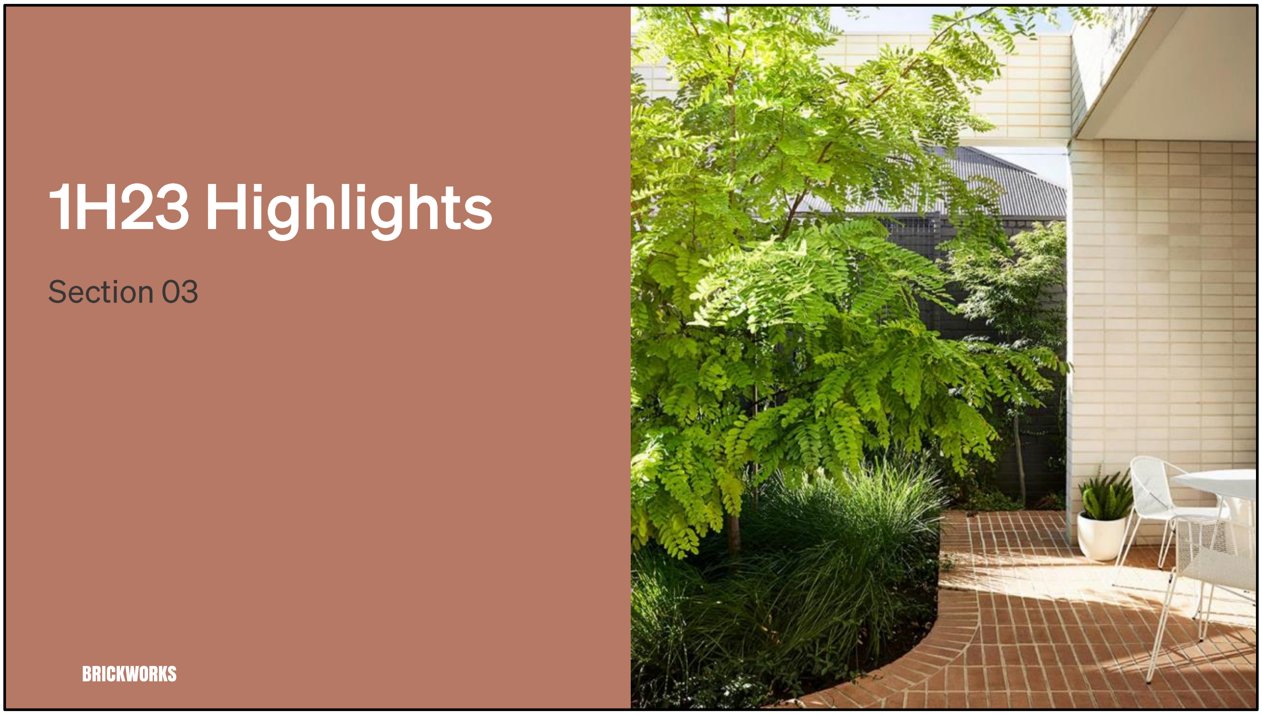
The outcome of delivering asset and dividend growth is superior long-term returns to our shareholders.

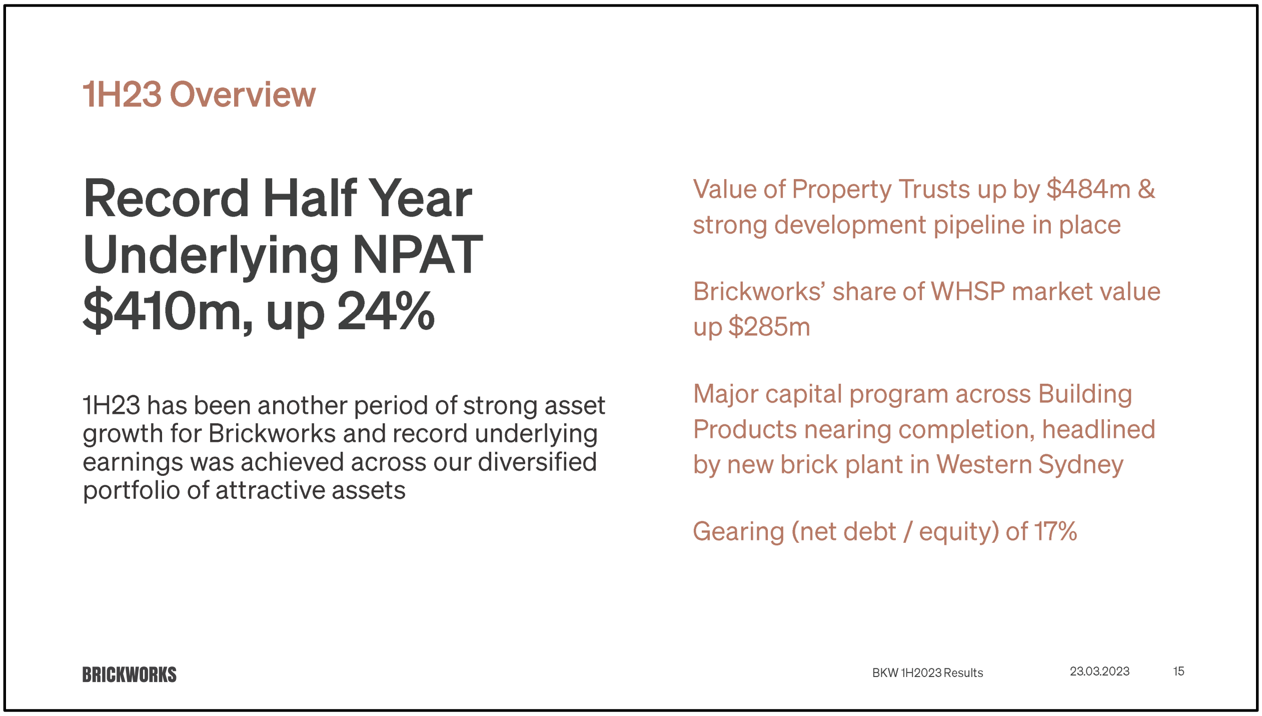
Based on the share price at the end of the period, the Company has delivered shareholder returns of 10% per annum for 20 years, incorporating both dividends and share price appreciation.

This means that $1,000 invested in Brickworks in 2003 would be worth almost $7,000 at the end of the period.

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



I will now turn to the results for the first half, and start by running through the key highlights.

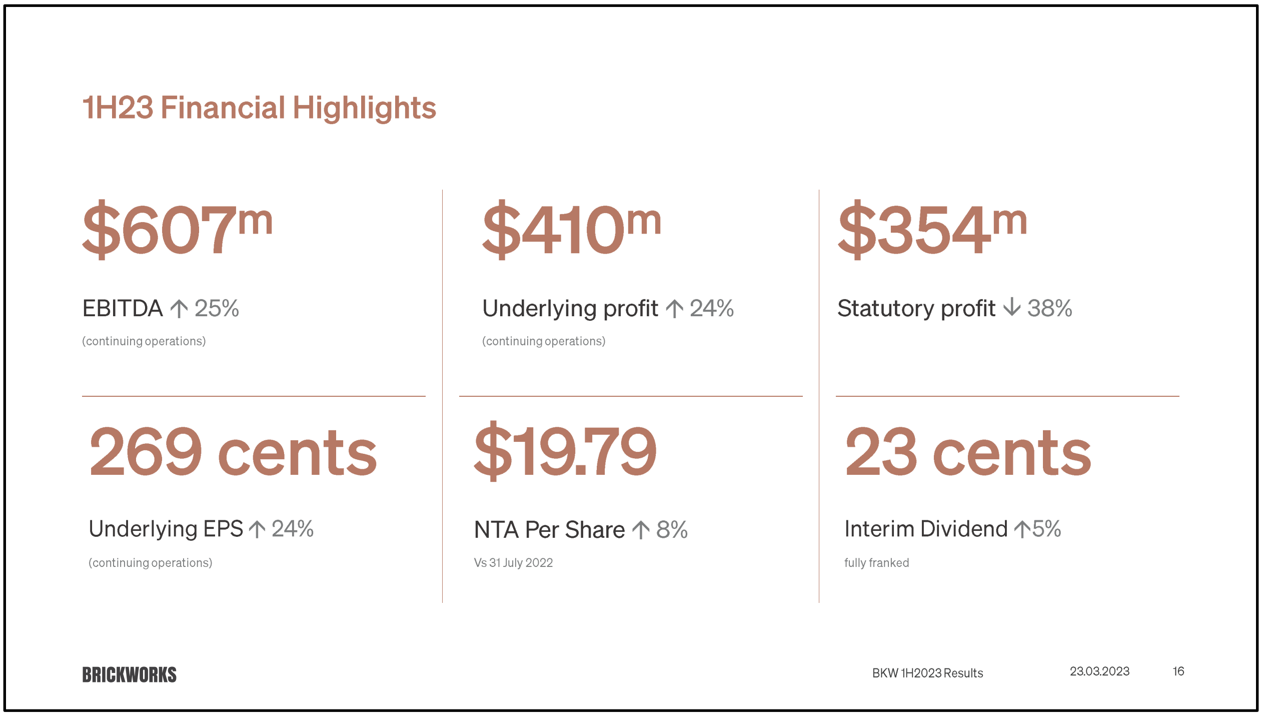


The Company has delivered another strong financial result, with record underlying profit of $410 million, up 24% on the prior corresponding period.

Importantly, it has also been another period of strong asset growth, with the value of net tangible assets held within our Property Trusts up by $484 million and the market value of our shareholding in WHSP up by $285 million.

Within Building Products, we are nearing completion of our major capital investment program over the past few years across both Australia and North America. This will be headlined by the completion of our new brick plant at Horsley Park in the coming months.

Even as we have invested to double the size of our asset base over the past five years, we have retained gearing at a conservative level.



EBITDA from continuing operations of $607 million was up 25%, with increased earnings from Property, Investments and Building Products North America partially offset by a modest decline in Building Products Australia.

As I mentioned, underlying net profit after tax was up 24% to $410 million. This translates to underlying earnings per share of 269 cents.

Including the impact of significant items and discontinued operations, statutory profit was down 38% to $354 million. Last year's statutory profit included a significant one-off profit in relation to our holding in WHSP.

Net tangible assets per share was up by 8% over the period.

Divisional Overview

Brickworks has a diversified portfolio of attractive assets across four divisions

Property

Joint Venture Industrial & Manufacturing Property Trusts with Goodman Group

Investments

26.1% interest in SOL
19.1% interest in FBR[1]

Building Products Australia

Australia's leading brickmaker + strong positions in other building products

Building Products North America

Leading brickmaker in Midwest and Northeast USA

1. Following the end of the period, FBR Limited completed a share placement, diluting Brickworks shareholding to approximately 18%

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

We will now provide a more detailed overview of the performance of each division.

Property & Investments

Section 04

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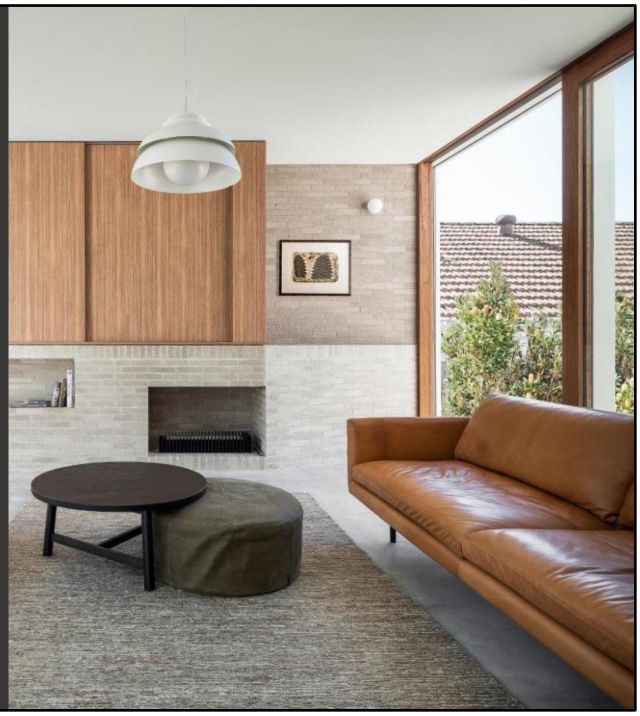
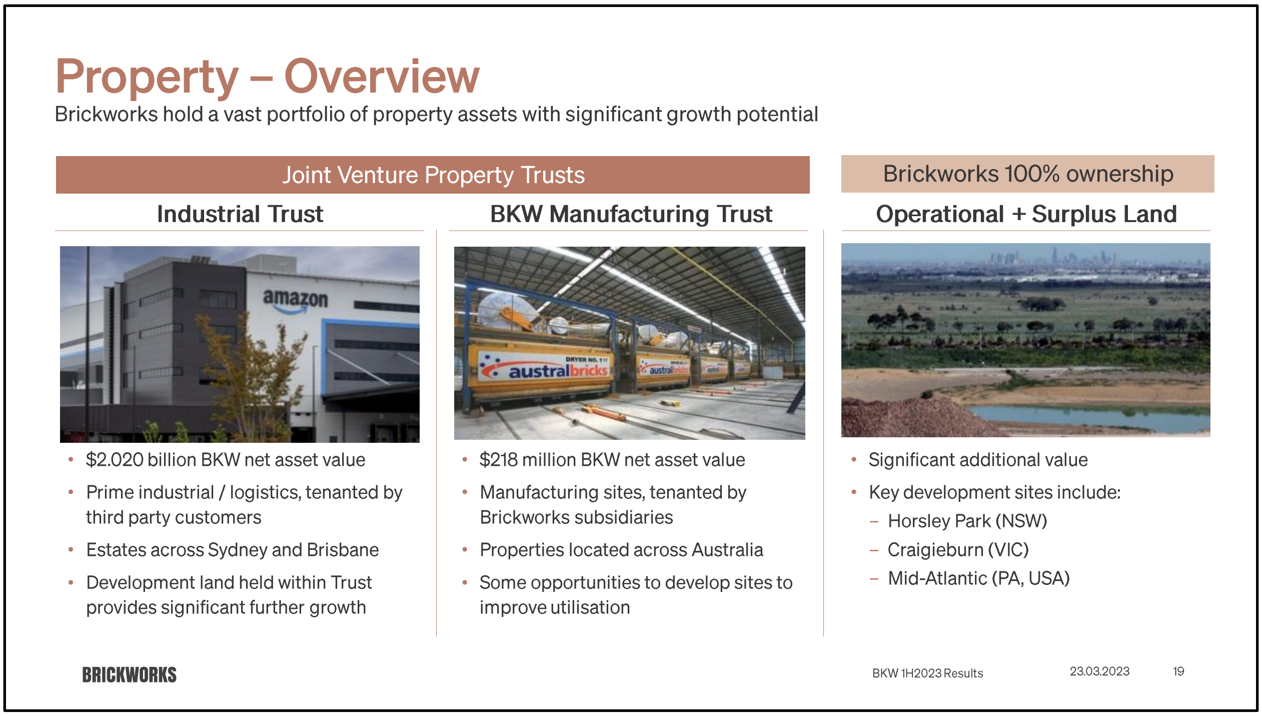


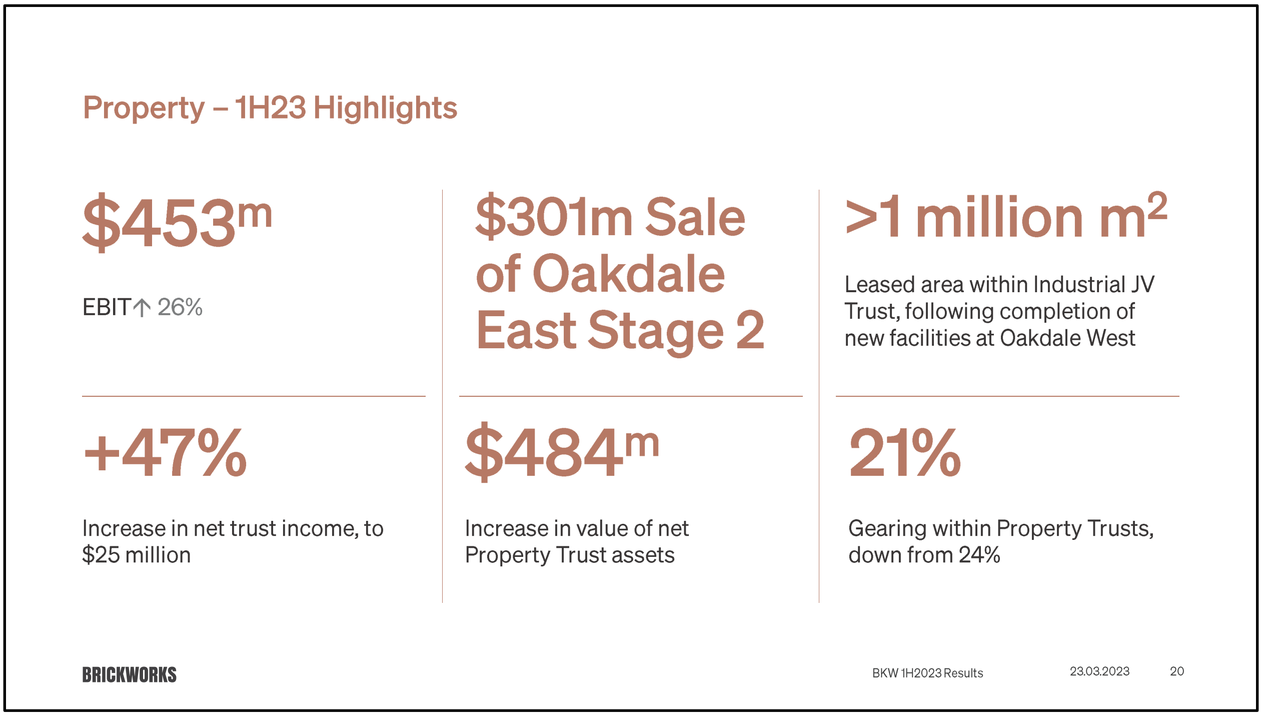
Starting first with Property and Investments.



Our Property division comprises:

- A 50% share in our well-established Industrial JV Trust with Goodman; and
- A 50.1% interest in the Brickworks Manufacturing Trust, also with Goodman. This was launched in July 2022.

Brickworks also retains a 100% interest in over 5,000 hectares of operational and surplus land across Australia and North America. This includes a number of key development sites.



Property delivered another outstanding result in the first half, generating EBIT of $453 million, up 26%.

A highlight for the period was the sale of Oakdale East Stage 2 into the Industrial JV Trust, for $301 million. This sale delivered a profit of $263 million, after taking into account the book value and transaction costs.

Development activity within the Industrial JV Trust continued, with the completion of several new facilities at Oakdale West during the period. This delivered a development profit of $54 million and resulted in reaching the milestone of 1 million square metres of leased area within the Trust.

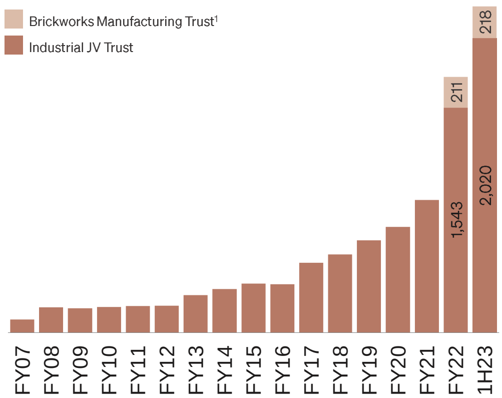
Rental income continues to grow, and net trust income for the half was up 47% to $25 million. This includes a $5 million contribution from the Brickworks Manufacturing Trust.

Property Trust Asset Value

The net value of Brickworks' share of Property Trust assets increased by $484 million during the half

HALF ENDED JAN ($M)	FY22	1H23	CHANGE
Leased properties	3,763	4,907	30%
Land under development	867	772	(11%)
Total Property Trust assets	**4,630**	**5,679**	**23%**
Borrowings	(1,123)	(1,204)	7%
Net Property Trust assets	3,507	4,476	28%
BKW 50% share	**1,754**	**2,238**	**28%**
Gearing	*24%*	*21%*	*(13%)*

BKW share of Net Property Trust Assets
$millions



1. During the period, the Brickworks Manufacturing Trust capitalised stamp duty costs, resulting in an increase in assets

The total value of leased assets held across the Property Trusts was almost $5 billion at the end of the period. The Trusts also holds a further $772 million in land that is currently under development.

After including borrowings of $1.2 billion, total net asset value is almost $4.5 billion. Brickworks' 50% share of net asset value is now over $2.2 billion, up by $484 million during the period.

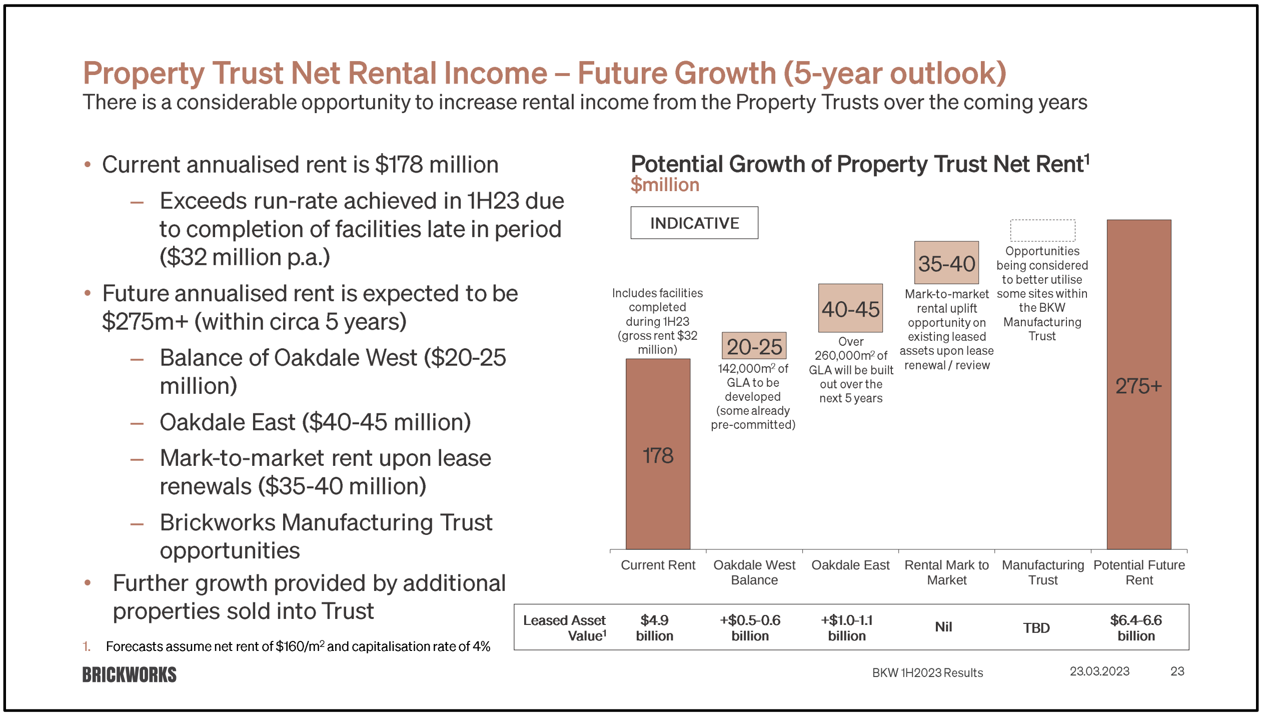
Gearing was 21% at the end of the period. This comprises gearing of 23% within the Industrial JV Trust, and no debt being held within the Brickworks Manufacturing Trust.

As I said, a key highlight for the half was the sale of Oakdale East Stage 2 into the Trust. An aerial photo of the Oakdale East precinct is shown on screen.

Highlighted in blue is land already developed and held within the Industrial JV Trust as Oakdale East Stage 1.

Highlighted in red is the balance of the site which we call "Stage 2". Austral Bricks Plant 3 currently operates on this site. This plant will close in the coming months, with production transferred to the new Horsley Park plant, which can be seen in the background of the image.

Work has already commenced on the rehabilitation of the quarry area, which has a longer lead time than other sections of the site. It is expected that the first parcel of land within the estate will be fully serviced and ready for construction to commence in early 2024.



As the existing development land within the Industrial JV Trust is built out over the coming years, significant growth in both rent and asset value is anticipated.

The current annualised rent is $178 million. It is important to note that this exceeds the run-rate achieved in the first half, because several new facilities at Oakdale West, with a combined rent of $32 million, were completed late in the period. As such they only made a very minor contribution to rental income in the first half.

Growth in future years will also benefit from:

- Completion of the balance of Oakdale West, expected to deliver around $20-25 million in additional rent and $0.5 billion in leased asset value; and

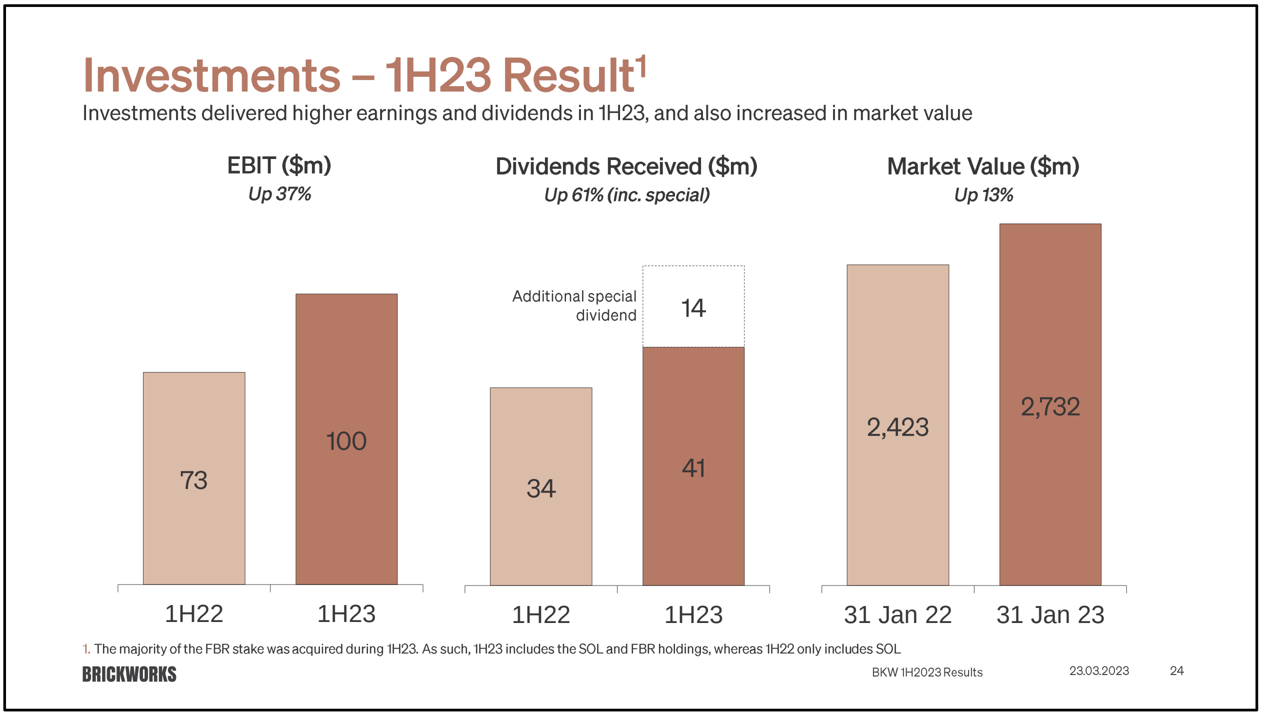
- Development of Oakdale East, delivering around $40-45 million in rent and $1 billion in leased assets.

In addition, we believe the current rent from leased assets in the Trust is around 20-25% below the market rate. This is due to a sharp increase in the market rate over the past 12 months. As such we see potential for an uplift in rent of around $35-40 million, upon lease renewals of current assets.

Combined, this would result in total rent increasing to more than $275 million per annum and leased asset value exceeding $6.4 billion. We expect this could be achieved within five years.

In addition, opportunities are being considered to better utilise some assets within the Brickworks Manufacturing Trust. For example, a vacant parcel of land at Yatala, in Queensland, has been identified for development into a unit estate providing over $3 million in rent, subject to approvals.

As I have mentioned, we also hold additional land within Building Products that may be suitable for sale into the property trusts over the coming years to provide further growth. This includes Craigieburn in Victoria, Horsley Park in New South Wales and Mid-Atlantic in Pennsylvania.

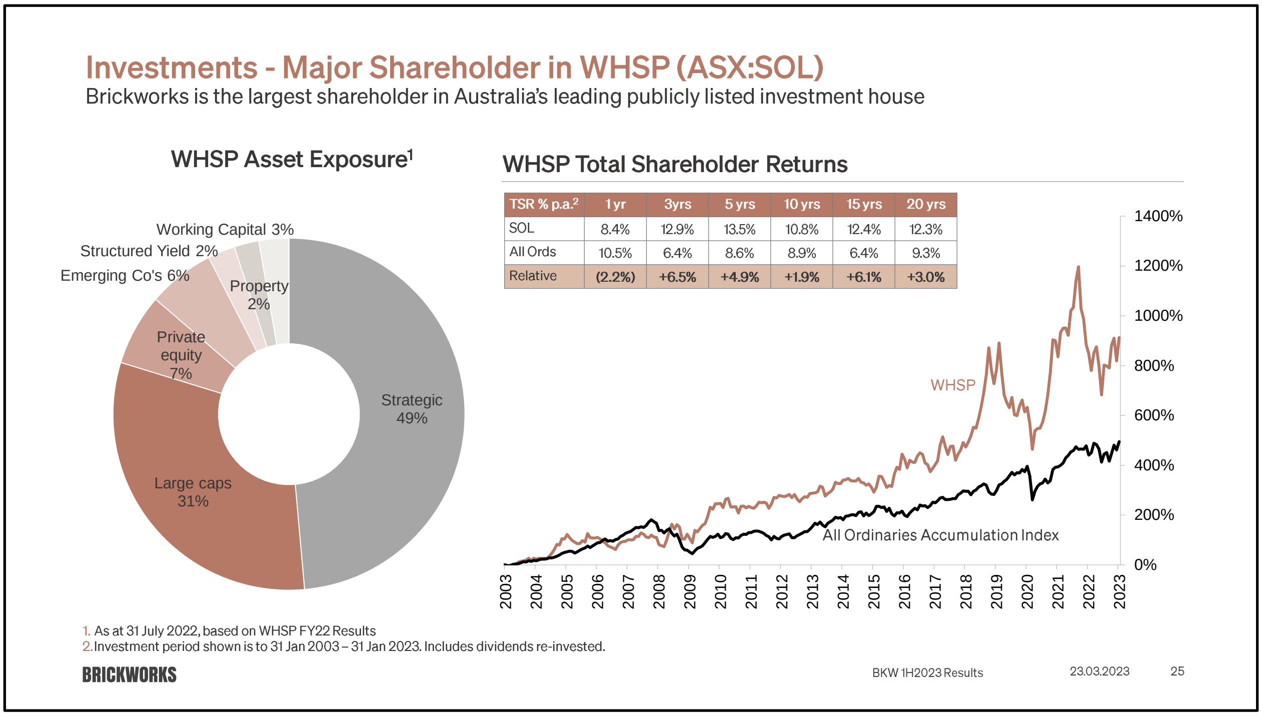


Turning to Investments, which includes a 26% interest in WHSP and an 18% interest in FBR Limited.

Investments delivered an underlying contribution of $100 million for the first half, up 37%. This comprises earnings of $101 million from WHSP, offset by a $1 million loss in relation to the FBR holding.

During the half, cash dividends of $55 million were received from WHSP, up 61%. This includes a special dividend declared in September.

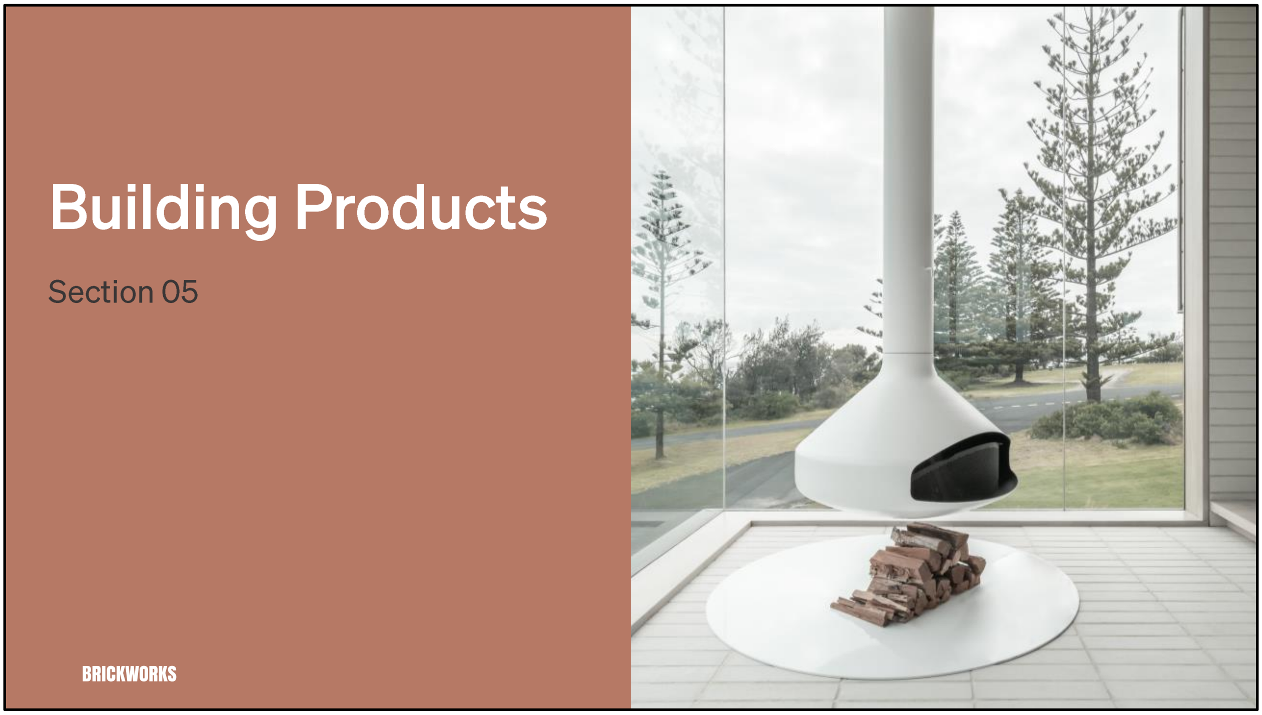
The combined market value of our investments was $2.732 billion at the end of the half, up by 13%.



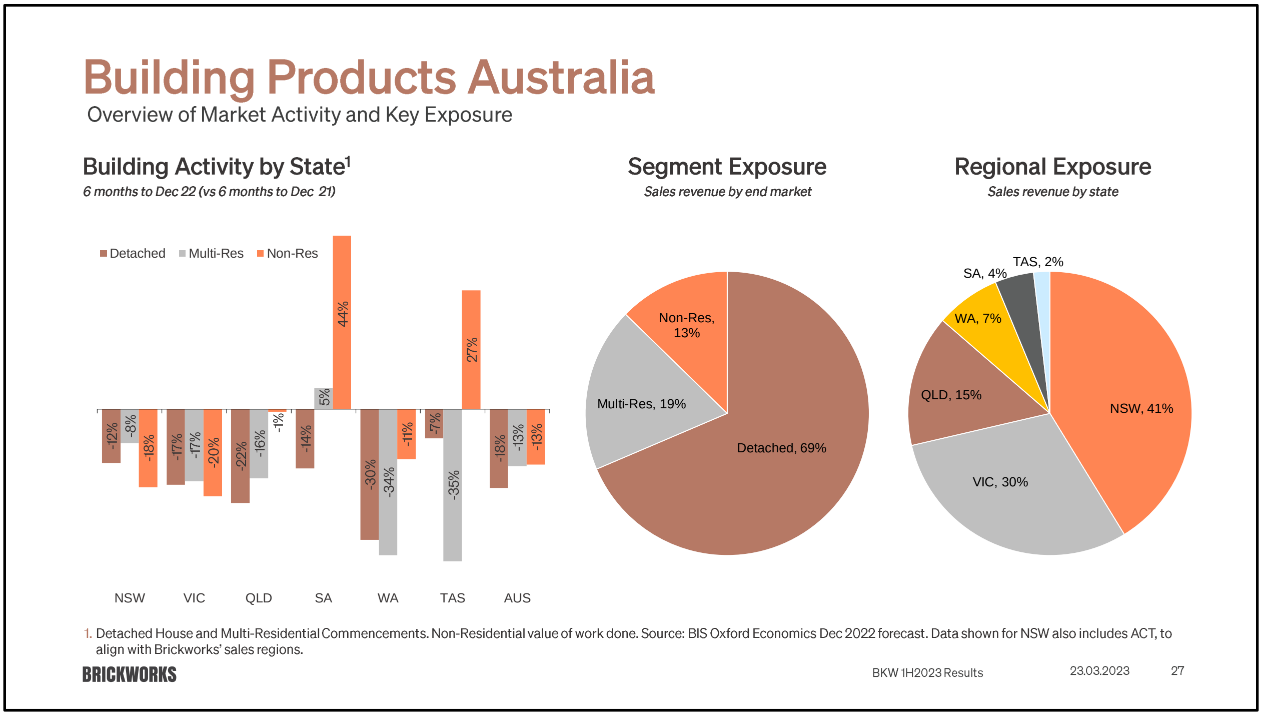
The shareholding in WHSP dates back to 1968. WHSP is now Australia's leading publicly listed investment house, with a broad asset exposure as shown by the chart on the left of screen.

WHSP has delivered outstanding returns, with annualised total returns including dividends of 12.3% per annum for the past 20 years. This represents outperformance of 3.0% per annum versus the ASX All Ordinaries Accumulation Index.

I will now hand over to Mark, who will provide an overview of the Building Products result in both Australia and North America.



Thank you Lindsay.



In Australia, building commencements declined significantly in the first half of the 2023 financial year, in response to rising interest rates and a reducing pipeline of work from the HomeBuilder program.

Nationally, detached house commencements were down 18%, with relatively consistent declines across all states.

Although commencements have now declined significantly from the recent peak, there remains a healthy pipeline of projects under construction. During the upturn, building timelines extended as a result of supply chain delays and labour constraints. As a result, the usage of bricks and roof tiles on-site is now typically lagging commencements by 6 months or more.

Looking across the states, residential housing activity has been weakest in Western Australia, with detached house and multi residential commencements down 30% and 34% respectively. The major east coast states have typically seen declines in the range 10 to 20%.

Building Products Australia 1H23 Result

Building Products Australia EBITDA was down by 6%

- Sales resilient, despite the decline in commencements
- Earnings and margin decrease primarily driven by a decline in Bristile Roofing and Austral Bricks WA
  - Most other businesses recorded improved earnings
- Additional -$2 million EBIT impact (vs the prior period) following the launch of the Brickworks Manufacturing Trust

HALF ENDED JAN ($M)	1H22	1H23	CHANGE
Revenue	328	364	11%
EBITDA	53	50	(6%)
EBIT	**28**	**25**	**(9%)**
EBITDA margin	16%	14%	(15%)

Despite the reduced commencements, sales remained resilient, with revenue for the half up 11% to $364 million.

Increases in Austral Bricks and Concrete Products were partially offset by a decline in Bristile Roofing.

EBIT was $25 million for the period, and EBITDA was $50 million, down 6%.

The decrease in earnings was primarily due to a decline in Bristile Roofing and Austral Bricks Western Australia. Most other business units recorded improved earnings.

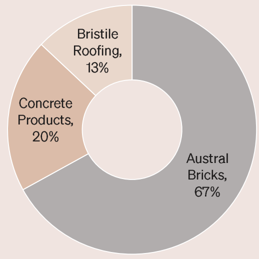
The launch of the Brickworks Manufacturing Trust resulted in -$2 million impact to EBIT, compared to the prior period.

Business Unit Performance

- **Austral Bricks** earnings and revenue increased
  - Uplift in NSW and VIC partially offset by SA and WA
  - Completion of new plant at Horsley Park in 2H23 (and Plant 3 to close)
  - Production reduced to one plant in WA
  - Advanced Cladding Systems launched
- **Concrete Products** earnings and revenue increased
  - New Oakdale East masonry plant fully commissioned
  - Concrete sleeper sales growing strongly
  - Strong earnings momentum in Southern Cross Cement
- **Bristile Roofing** earnings and revenue lower
  - Trade shortages impacting installation
  - Premium imported tile sales lower

Building Products Australia Revenue 1H23

$364 million



1H23 v 1H22	Revenue	EBIT
Austral Bricks	↑	↑
Concrete Products	↑	↑
Bristile Roofing	↓	↓

Looking more closely at business unit performance.

Within Austral Bricks, revenue and earnings increased. Higher earnings in New South Wales and Victoria were partially offset by a decline in Western Australia and South Australia.

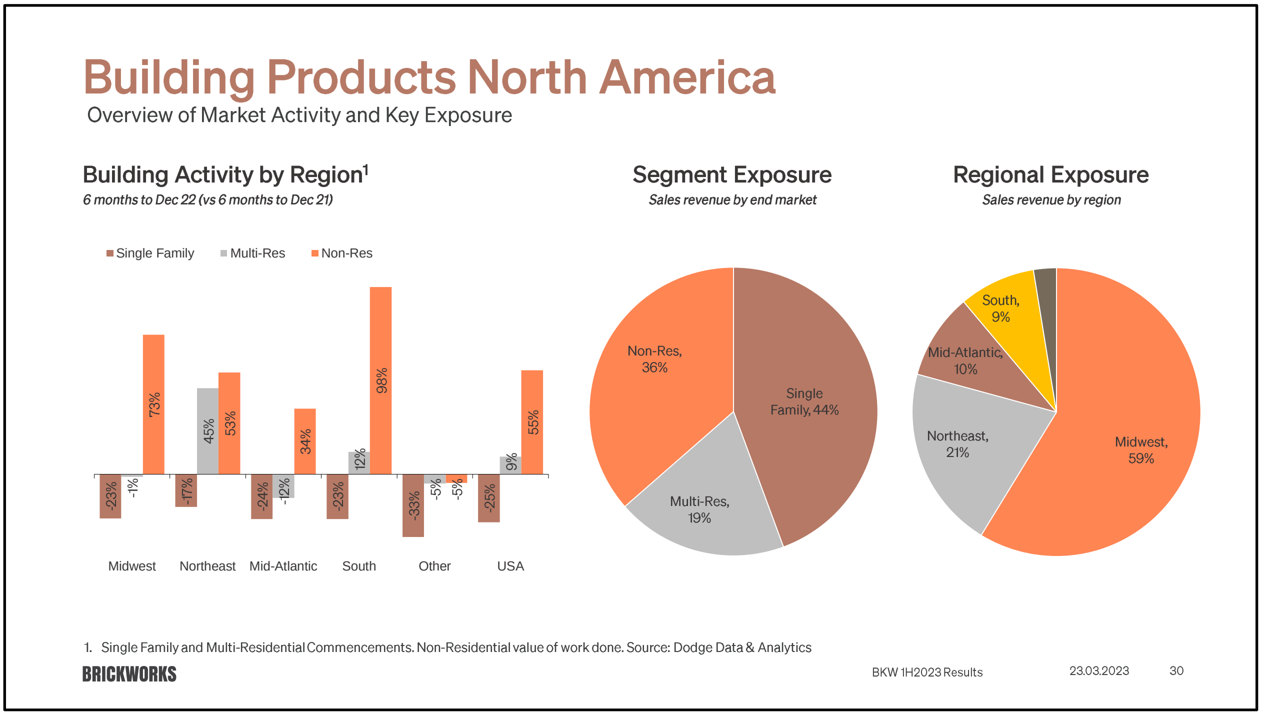
As Lindsay mentioned, construction of the new brick plant at Horsley Park in Sydney will be completed in the coming months.

Sales volume in Western Australia was sharply lower as a result of the slowdown in building activity and the loss of key customer accounts, following an attempt to increase margins. As a result, production was reduced to one plant at Cardup, with the Bellevue facility closed in November. A detailed review of future options in this state is underway, including a potential business sale or exit.

Advanced Cladding Systems, a new business unit within Austral Bricks, was launched during the period. This business will focus on commercialising thin brick cladding systems, a product category that is experiencing growing demand, particularly in the high-rise commercial and multi-residential segments.

Concrete Products earnings significantly increased compared to the prior corresponding period, with Austral Masonry and Southern Cross Cement both delivering improved results. Within Austral Masonry, commissioning of the Oakdale East plant in Sydney was completed during the period. Performance of the plant has been pleasing, with product cycle times and plant efficiency progressively improving during the half.

The reduced earnings within Bristile Roofing was primarily attributable to lower sales volume in Victoria and New South Wales. Across the country trade shortages remain a significant issue for both tile and metal roof installations and continue to impact the ability to meet market demand. Sales of premium imported terracotta tiles were lower, with high shipping rates and the extreme energy prices in Europe adversely impacting unit costs. These supply chain issues are now easing.



Turning to North America, where activity has been mixed during the period, varying significantly by region and segment.

Across the country, the total value of building activity commenced was up 18% compared to the prior period.

A 55% increase in non-residential and 9% increase in multi-residential was offset by a 25% reduction in single-family commencements.

Our key regional exposure is in the Midwest and Northeast. Combined, these two regions make up around 80% of total sales revenue. Building activity in these regions was relatively consistent with the rest of the country, with increased activity in non-residential building offset by weakness in the single-family segment.

Building Products North America – 1H23 Result[1]

Building Products North America EBITDA increased, despite continued supply chain issues

- Strong revenue growth continues
  - Increased sales through retail network
  - Increased sales to the multi-residential segment
- Margins continue to be impacted by supply chain issues
  - Labour constraints and staffing issues
  - Transportation costs
- Higher proportion of sales into the lower margin residential segment

HALF ENDED JAN (AU $M)	1H22[2]	1H23	CHANGE
Revenue ($AU)	187	220	18%
EBITDA ($AU)	12	14	16%
EBIT ($AU)	**1**	**1**	**-**
BP EBITDA margin[3]	**6%**	**7%**	**5%**

1. An average exchange rate of 1AUD=0.67 USD has been used to convert earnings in 1H23 (1AUD=0.73 USD in 1H22)
2. 1H22 earnings include a $1 million contribution from property sales (nil contribution from property sales in 1H23)
3. Property sales earnings removed to calculate Building Products EBITDA margin

Sales revenue was up 18% to $220 million for the half.

The uplift in revenue was driven primarily by strong growth in sales to the multi-residential segment and through the vertically integrated retail division.

Retail sales were further supported by the acquisition of Washington D.C. brick distributor, Capital Brick, in February 2022.

EBITDA was up by 16% to $14 million, and EBIT was $1 million.

The prior corresponding period included a small benefit in relation to property sales. Excluding this, EBITDA was up by 24%.

Margins continue to be impacted by labour constraints across the industry, resulting in higher wage rates to attract and retain staff. In addition, other cost pressures are persisting across the supply chain, including a significant increase in transportation and mining costs.

A larger proportion of sales to the residential segment in Texas, typically base range products at lower prices, also had an adverse impact on the average sales margin.

Despite these challenges, the business continues to make progress on key strategic priorities. Over the past five years we have undertaken a plant rationalisation program that has seen the number of operating brick plants reduce from 16 to 8. This program continued during the first half, with the closure of the Caledonia site, in Ohio.

Extensive upgrades to the Sergeant Bluff and Adel plants, both in Iowa, were completed during the half. In addition, production of handmade and thin bricks were consolidated to the Mid-Atlantic and Pittsburgh plants respectively, both in Pennsylvania.

The picture on screen is a college building at the Vanderbilt University in Nashville, Tennessee. This comprises a series of four buildings, each with over 800,000 bricks from our Mid-Atlantic plant, recently completed.

Following numerous acquisitions, the store network now comprises 25 locations. During the period, all stores have been unified under one brand, "Brickworks Supply", with locations, market strategy and product range being fully aligned.

In October, we executed a supply agreement with Brickability for the sale of bricks into the UK market. The ten-year supply agreement includes a minimum purchase quantity of 10 million bricks per year. This agreement marks a significant growth opportunity for us.

Bricks command 85% share in external walling in the UK housing and the total market demand is estimated at around 3 billion bricks per year. Of this, around 10-20% of supply is sourced from imports due to a shortfall in domestic production capacity and demand for premium, differentiated product lines.

Financials

Section 06

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

Financials – 1H23 Overview

- Increase in Property, Investments and Building Products North America earnings partially offset by modest decline in Building Products Australia
- Borrowing costs significantly higher
- Underlying tax higher due primarily to the increase in Property earnings
- Significant items and discontinued operations decreased statutory NPAT by $56 million

HALF ENDED JAN ($M)	1H22	1H23	CHANGE
Total EBITDA	487	607	25%
Depreciation & amortisation	38	38	(3%)
EBIT	**450**	**569**	**26%**
Borrowing costs	(9)	(23)	(159%)
Underlying income tax	(111)	(136)	(23%)
Underlying NPAT (from continuing operations)	**331**	**410**	**24%**
Significant items & discontinued items	245	(56)	NA
Statutory NPAT	**575**	**354**	**(38%)**

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Thank you Lindsay.

As Lindsay mentioned, total underlying Group EBITDA for the half was $607 million, up 25%. After depreciation and amortisation, the underlying Group EBIT was up 26% to $569 million.

Total borrowing costs were $23 million, and tax was $136 million. This resulted in an underlying net profit after tax from continuing operations of $410 million, up 24%.

Significant items decreased NPAT by $48 million and I will discuss those in more detail in a moment.

In addition, discontinued operations contributed an after-tax loss of $7 million for the period. This is primarily related to non-cash impairment of assets and closure costs within Austral Precast.

This resulted in statutory NPAT of $354 million for the half. This was down 38% on the prior corresponding period, but as Lindsay mentioned earlier, last year's statutory profit included a significant one-off profit in relation to our holding in WHSP.

Financials – Significant items

- A non-cash impairment in relation to Austral Bricks Western Australia of $32 million (post-tax)
- $8 million plant relocation and commissioning
  - Oakdale East masonry plant
  - Horsley Park brick plant
- $3 million restructuring and site closure costs, primarily relating to the Bellevue plant in Western Australia
- A $2 million tax benefit arising from the carrying value of WHSP
- Significant items relating to Investments of -$4 million
- Other costs include acquisitions, legal and IT

$MILLION	GROSS	TAX	NET
Impairment of Austral Bricks WA	(46)	14	(32)
Plant relocation / commissioning	(12)	4	(8)
Restructuring / site closures	(4)	1	(3)
Income tax arising from the carrying value of WHSP	-	2	2
Significant items relating to Investments	(4)	-	(4)
Other costs	(3)	1	(2)
TOTAL	**(70)**	**21**	**(48)**

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

- A non-cash impairment in Austral Bricks Western Australia of $32 million, post-tax. This follows our impairment testing process in accordance with AASB 136, and primarily comprises impairments to plant and equipment and right-of-use assets. The impairment is based on management's re-assessment of the outlook for the business, which has deteriorated over the past six months, as alluded to by Lindsay earlier;

- Plant relocation and commissioning costs of $8 million, including the new Oakdale East masonry plant and costs associated with the new Horsley Park brick plant;

- Restructuring and site closure costs of $3 million, primarily relating to the closure of the Bellevue brick plant in Western Australia;

- A $2 million benefit in relation to deferred taxes on our WHSP holding; and

- A $4 million loss, representing our share of significant items relating to our holdings in WHSP and FBR.

Financials – Cash Flow Reconciliation

- Decrease in operating cash flow
  - Increased working capital within Building Products
  - Plant commissioning expenses incurred
  - Higher interest costs
- Elevated capital expenditure of $56 million for the period, primarily related to construction of the new brick plant in Sydney
  - Capital program now nearing completion
- Dividend payments of $62 million

$MILLION	1H22	1H23
Statutory net profit after tax	**575**	**354**
Depreciation, amortisation	38	38
Impairment of non-current assets and assets held for sale	1	51
Net gains on disposal of property, plant and equipment	(1)	(286)
Non-cash (gain)/loss on deemed disposal	(725)	1
Non cash revaluations within Property Trust	(344)	(167)
Share of loss/(profits) of associates not received as dividends	215	(42)
Changes in tax provisions	330	112
Inventory movements	(26)	(14)
Other items	(2)	(1)
Operating cash flow	**63**	**46**
Acquisitions (net of cash)	(64)	-
Capital expenditure	(43)	(56)
Dividends paid	(61)	(62)

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Turning to cashflow.

The total operating cash inflow for the half was $46 million, down from $63 million in the prior corresponding period. Cash generation was adversely impacted by inventory build within Building Products operations, plant commissioning expenses and higher interest costs.

Capital expenditure of $56 million was incurred, primarily related to construction of the new brick plant in Sydney. The major capital program that has been ongoing over the past few years is now nearing completion.

Dividend payments of $62 million were made during the half.

Financials – Key Indicators

- Total shareholder's equity increased by $271 million during the half, or $1.71 per share
  - Reflects strong statutory profit, offset by dividend payments
- Net debt increased by $102 million to $595 million
- Gearing increased to 17%
  - Higher net debt partially offset by increased asset base
- Significant headroom within existing banking covenants

	FY22	1H23	CHANGE
NTA per share	$18.34	$19.79	8%
Shareholder's equity	$3,260m	$3,531m	8%
Shareholder's equity per share	$21.48	$23.19	8%
Return on shareholder's equity[1]	**23%**	**23%**	-
Operating cash flow (v 1H22)	**$63m**	**$46m**	**(27%)**
Net debt	$493m	$595m	(21%)
Gearing (net debt / equity)	15%	17%	(11%)
Interest cover	35x	23x	(34%)

1. Based on annualised underlying NPAT from continuous operations (1H23 NPAT x 2)

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Looking now at a range of key financial indicators.

As Lindsay mentioned, net tangible assets per share was up 8% over the period, to $19.79.

Shareholders equity increased by $271 million to over $3.5 billion, which represents $23.19 per share.

Underlying return on shareholders equity was 23% on an annualised basis, in line with financial year 2022.

Net debt increased to $595 million, up by $102 million over the period.

Taking into account the increased equity, gearing was up marginally to 17%.

Interest cover is very conservative at 23x.

We currently have around $340 million in funding headroom, based on committed debt facilities, and significant headroom within our banking covenants.

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

Outlook

Section 07

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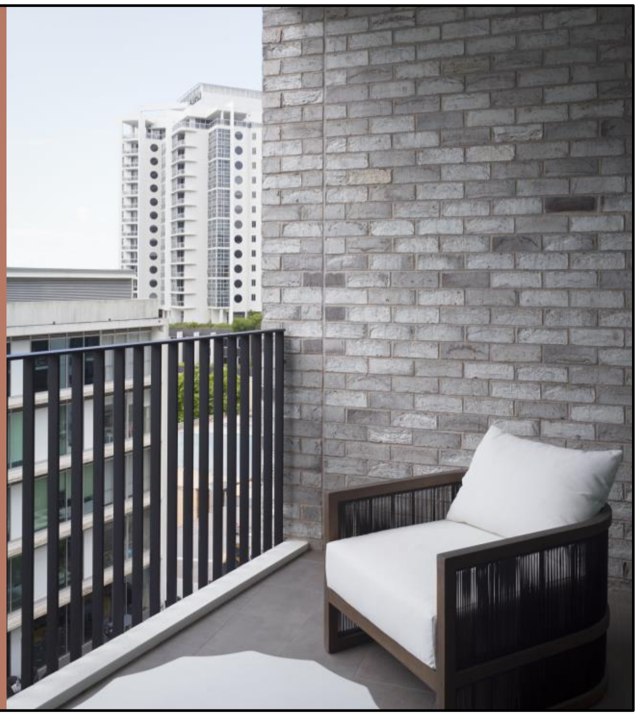

Thank you Grant.

Outlook

Property
- Strong development pipeline within the Industrial JV Trust (Oakdale West and Oakdale East 2)
- Significant growth in net rental income is forecast from the Property Trusts over the coming years
- Exploring opportunities to better utilise selected sites within the BKW Manufacturing Trust
- Continuing to evaluate the development potential of additional sites such as Mid-Atlantic (Pennsylvania) and Craigieburn (Victoria)

Building Products
- Sales expected to remain resilient in 2H2023 due to existing pipeline of work
- A period of weaker demand is expected once the existing backlog of work is completed
  - Likely to be more significant in Australia, where exposure to detached housing is greater
- Labour and trade availability issues are easing across most operations
- Prior period rationalisation activities and capital investments will improve production efficiency

Investments
- History of long-term outperformance by WHSP expected to continue

Group
- With a diversified portfolio of high-quality assets and low gearing, Brickworks is well placed to meet future challenges

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Within our Property Trusts, the development pipeline is strong, and we expect a significant increase in rental income over the coming years as new developments are completed and rent reviews are undertaken. As I have mentioned, we are continuing to evaluate the opportunity to develop the Mid-Atlantic site in Pennsylvania and the Craigieburn site in Victoria.

Across Building Products, we are confident that sales will remain resilient in the second half. However, there is no doubt that a slowdown in activity will arrive before the end of the calendar year, once the existing pipeline of work is built out. The impact of the slowdown is likely to be more significant for our Australian business, where exposure to detached housing is greatest. By contrast, the North American operations have a broader end market exposure, and stand to benefit from the relative strength of the non-residential segment. Across both countries, manufacturing costs will benefit from the extensive plant rationalisation and upgrade activities completed over the past few years.

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

As I have discussed earlier, we have made significant growth investments across the Group over the past five years, resulting in a strong financial position. Together with our diversified portfolio of high-quality assets, this means that Brickworks is well placed to meet any future challenges and continue to deliver good performance for shareholders.

Questions

Section 08

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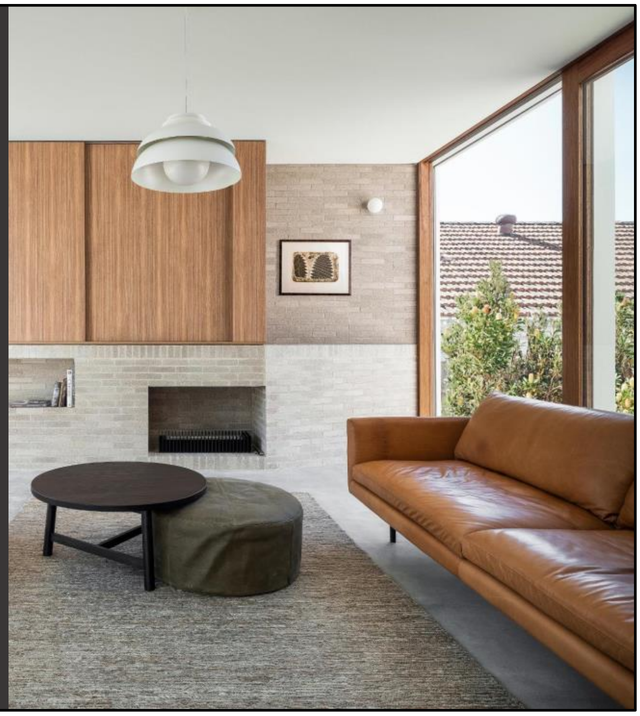

I will now take questions.

Supplementary Slides

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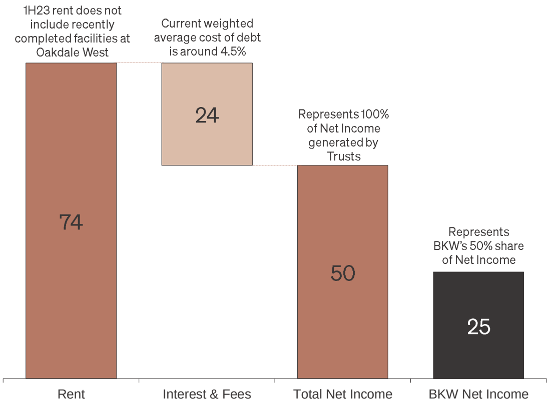
Property – 1H23 Result

Property delivered record half year EBIT of $453 million

Reconciliation of 1H23 Net Trust Income

$million



HALF ENDED JAN ($M)	1H22	1H23	CHANGE
Net trust income	17	25	47%
Revaluations	228	113	(50%)
Development profit	115	54	(53%)
Property Trust	**360**	**192**	**(47%)**
Land sales	0	263	NA
Admin and other	(2)	(2)	-
Total	**358**	**453**	**26%**

Overview of Industrial JV Trust – Current Leased Assets

Estate	Status	Currently Leased				
		Asset Value ($m)	Rent ($m p.a.)	WALE (yrs)	Cap. Rate	GLA[1] (000m^2)
M7 Hub (NSW)	Fully developed	270	10	2.5	4.0%	64
Interlink Park (NSW)	Fully developed	642	26	3.9	3.9%	192
Oak. Central (NSW)	Fully developed	920	32	3.4	4.0%	245
Oak. East Stage 1 (NSW)	Fully developed	176	6	9.9	3.8%	36
Oak. South (NSW)	Fully developed	674	23	6.4	3.6%	177
Rochedale (QLD)	Fully developed	382	16	9.5	4.1%	126
Oak. West (NSW)	Partially developed	1,407	47	15.5	3.5%	235
Industrial JV Trust		**4,471**	**160**	**8.3**	**3.8%**	**1,078**
BKW Manufacturing Trust	Selected BKW operational sites	436	18	15.6	5.0%	NA
Total		**4,908**	**178**	**9.0**	**3.9%**	**NA**

1. Gross lettable area

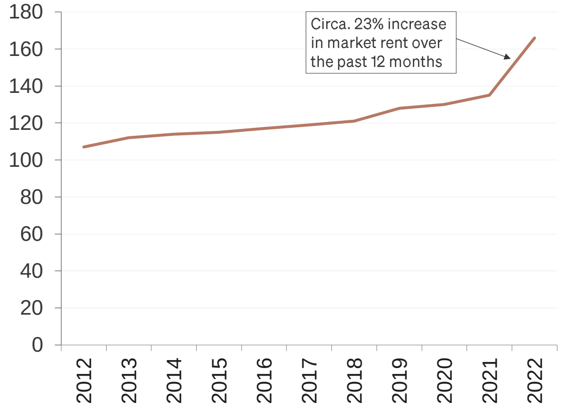
Industrial JV Trust – Current Rent vs Market

Market rent for industrial property has increased significantly over the past 12 months

- The industrial property market along the Eastern seaboard has seen significant rental growth due to lack of supply and strong demand
- Market rent for prime industrial property in Western Sydney has increased by 23% over the past 12 months
- The average rent achieved within the Industrial JV Trust is now estimated to be around 20-25% below market rent (equivalent to $35-40/m^2)
  - Due to existing leases with fixed or CPI linked increases
- There is a significant opportunity to benefit from rental uplift upon lease renewals / market reviews

Western Sydney Net Rent – Prime Industrial[1]

$/sqm



1. Source: Colliers Research

100%-Owned Operational and Surplus Land – Development Sites

Brickworks retains 100% ownership of several development sites

Craigieburn Site, VIC
- 332 hectares surplus to operational requirements, south of the Wollert factory site
- Subject to approvals, mixed use industrial and / or residential development may be possible over the medium term

Mid-Atlantic Site, Pennsylvania, USA
- 258 hectares comprising brick plant, quarries and surplus land
- Subject to approvals, industrial development may be possible over the medium term
- A non-binding Heads of Agreement executed with Goodman to investigate the feasibility of industrial development of 77 hectares at the site

Investments – Major Shareholder in FBR

Brickworks is also the largest shareholder in FBR Limited

Investment in FBR Limited (ASX: FBR)

- Brickworks has made a strategic investment in FBR (ASX: FBR), increasing its holding to 19.1%[1]
- FBR is an ASX listed, Perth-based robotics company and creator of Hadrian X, the world's first fully automated end to end robotic bricklayer
- Brickworks has maintained a long-term interest in FBR, since its original seed investment in 2006
- BKW sees a strong market opportunity for FBR's technology and will benefit from successful commercialisation
  - Addresses skills shortage / labour issues
  - Increases speed of bricklaying process
  - Increases demand for bricks (i.e. promotes double brick housing)

1. Following the end of the period, FBR Limited completed a share placement, diluting Brickworks shareholding to approximately 18%

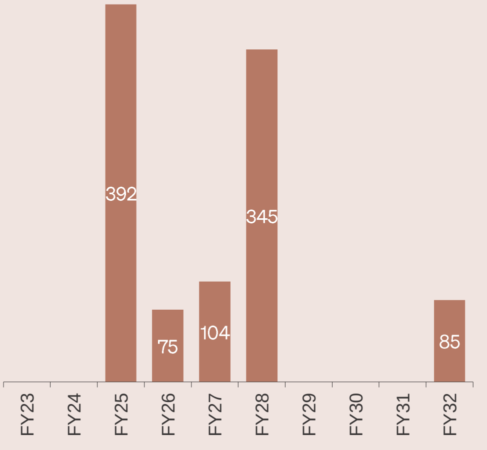
Debt Maturity and Metrics

- Circa $1 billion in debt facilities committed
  - Syndicated multi-currency facility ~$741 million
  - Bilateral cash advance facility $75 million
  - Institutional term loan facility $185 million
- Next maturity in FY25
- Net debt of $595 million[1] at 31 Jan 2023:
  - Total drawn debt $658 million
  - Offset by cash of $63 million
- Significant headroom within existing covenants:
  - Gearing 13.5%[1] (vs covenant <40%)
  - Interest cover 13.2x[1] (vs covenant of >3.5x[2])
  - Leverage ratio 1.5x[1] (vs covenant of <3.5x[2])

1. Gearing, interest cover and leverage ratio outlined here are based on the Group's banking covenant calculation (and differ from standard calculations used for these metrics, as quoted elsewhere in this report)
2. Covenant only applies if gearing > 22.5%

Debt Maturity Profile

Total ~$1.0 billion in debt facilities



Thank you

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

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