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10 October 2023

Australian Securities Exchange
Attention: **Companies Department**
BY ELECTRONIC LODGEMENT

Dear Sir / Madam

Please find attached An Afternoon with Ords Building Sector Focus Presentation with speaker notes to be given today, for immediate release to the market.

This announcement has been authorised for release by the Managing Director.

Yours faithfully

BRICKWORKS LIMITED

Susan Leppinus

Company Secretary



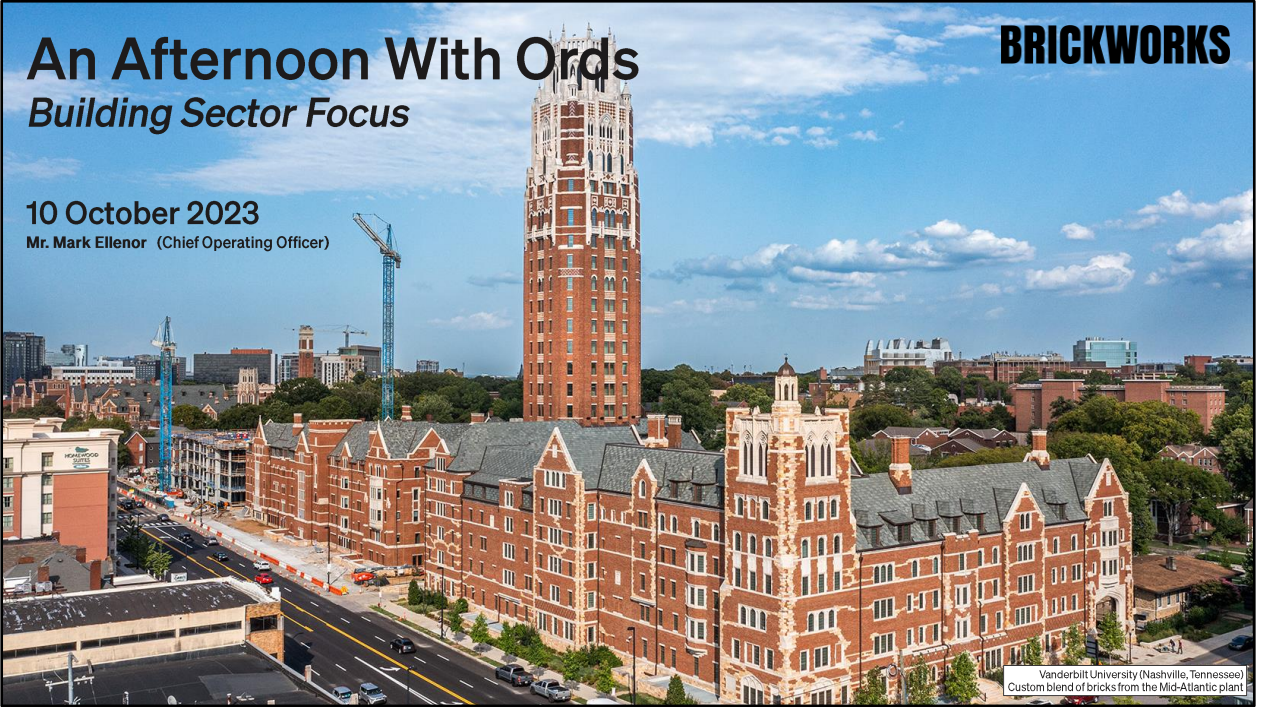
An Afternoon With Ords

Building Sector Focus

10 October 2023

Mr. Mark Ellenor (Chief Operating Officer)

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Good Afternoon Ladies and Gentlemen.

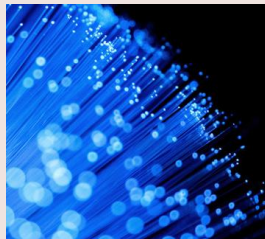
Brickworks Overview

Brickworks has a diversified portfolio of attractive assets across four divisions

Investments

BKW market value \$3.1 billion
(as at 31 Jul 23)

26.1% interest in SOL
17.6% interest in FBR



Property

BKW share of Trust Net Asset
Value \$2.3 billion (as at 31 Jul 23)

Joint Venture Industrial
& Manufacturing
Property Trusts with
Goodman Group



Building Products Australia

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



Building Products North America

Leading brickmaker in
the Midwest and
Northeast regions of
USA



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Brickworks can trace its history back to 1908, when our heritage business, Austral Bricks, was incorporated in Sydney.

In 1962 the company was listed on the stock exchange as Brickworks Limited.

Today, we have a market capitalization of around \$3.9 billion and our company has evolved to include a diversified portfolio of attractive businesses, consisting of:

- A 26% stake in WHSP, an ASX100 company with a market capitalization of almost \$12 billion;
- A significant property division, including two Joint Venture Property Trusts with Goodman Group; and
- Substantial building products businesses in Australia and North America.

Investment Proposition

Brickworks has a long track-record of value creation, is backed by considerable asset value and offers attractive long-term growth opportunities

Diversified portfolio, with significant asset value

Significant assets in Investments, Property, Building Products

Inferred asset value at a significant premium to current market capitalisation

Long Term Growth

Exposure to industrial property, with long pipeline of further development

International growth in bricks

Building Products Australia well positioned following major capital investment program

Track-record of performance, with stable and conservative management

S&P ASX200 company, listed since 1962

Conservative gearing

Stable management and Board

History of dividend growth and value creation

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At the end of the 2023 financial year, the total inferred asset backing of our portfolio of assets was around \$5.7 billion. This includes the market value of our Investments, our share of net Property Trust assets, the net tangible assets held within our Building Products operations and the market value of selected parcels of surplus development land, partially offset by net debt of \$652 million.

On a per share basis, the asset backing equates to over \$37 per share, providing solid support for our current share price.

We believe the company is well positioned for long term growth. In particular, we have a significant exposure to industrial property with a long pipeline of further development.

In addition, we have substantially completed a five-year investment program within our Building Products operations, which has strengthened our competitive position in Australia and North America.

The company is conservative, with a low gearing level of 18% and a stable Board and management team.

We have a proven track record over a long period of time.

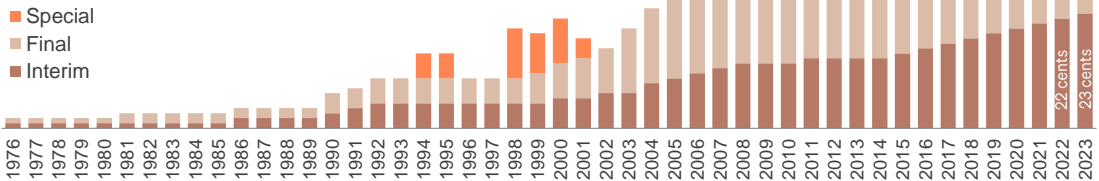
This is demonstrated through our history of value creation and dividend growth.

Dividends

Brickworks' normal dividend has now increased ten years in a row

Brickworks Dividend History

- The Board has declared a 42 cents per share fully franked final dividend, up 2%
- Record date 1 Nov, payment 22 Nov
- 10th year in a row of increased dividends
- 47 years since normal dividends last decreased (1976)



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We recently announced another increase to our full year dividend.

As shown, we have now increased dividends for the last 10 years and we are proud of our long history of dividend growth, and the stability it provides to our shareholders.

The Brickworks dividend is underpinned by growing rental income from our Property Trusts and reliable dividends from WHSP.

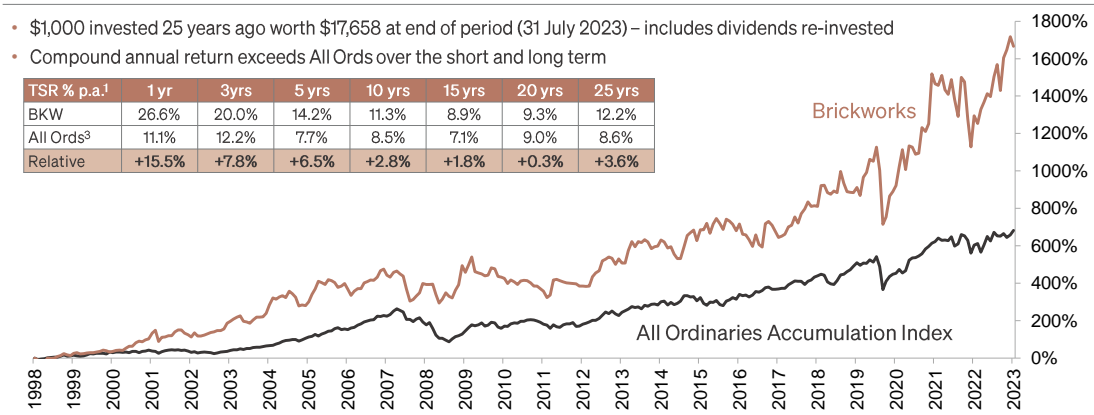
Shareholder Returns

Brickworks has created significant shareholder value over the long term

Total Shareholder Returns (25 Years)¹

- \$1,000 invested 25 years ago worth \$17,658 at end of period (31 July 2023) – includes dividends re-invested
- Compound annual return exceeds All Ords over the short and long term

TSR % p.a. ¹	1 yr	3yrs	5 yrs	10 yrs	15 yrs	20 yrs	25 yrs
BKW	26.6%	20.0%	14.2%	11.3%	8.9%	9.3%	12.2%
All Ords ³	11.1%	12.2%	7.7%	8.5%	7.1%	9.0%	8.6%
Relative	+15.5%	+7.8%	+6.5%	+2.8%	+1.8%	+0.3%	+3.6%



1. Investment period shown is 31 July 1998 – 31 July 2023. Includes dividends re-invested.
2. Total shareholder return to 31 July 2023, assuming dividends re-invested.
3. All Ordinaries Accumulation Index

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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, we have delivered shareholder returns of 12.2% per annum for 25 years, incorporating both dividends and share price appreciation.

This means that \$1,000 invested in Brickworks in 1998 would be worth almost \$17,700, as at 31 July 2023 (the end of our financial year).

FY23 Financial Highlights

\$784m

EBITDA ↓ 26%
(continuing operations)

\$508m

Underlying profit ↓ 32%
(continuing operations)

\$395m

Statutory profit ↓ 54%

\$3.34

Underlying EPS ↓ 32%
(continuing operations)

\$19.96

NTA Per Share ↑ 9%
vs 31 July 2022

42 cents

Final Dividend ↑ 2%
fully franked

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Looking briefly at our financial results for FY23.

EBITDA from continuing operations was \$784 million. Although our earnings were lower, this is the second highest result we have ever recorded, and given the macro economic conditions, we are pleased with the performance across most parts of the Group.

It is also important to note that last year's underlying earnings included much higher property revaluation and development profits and also the one-off benefit associated with the sale of operational properties into the Brickworks Manufacturing Trust.

Underlying net profit after tax was down 32% to \$508 million. This translates to underlying earnings per share of \$3.34.

Including the impact of significant items and discontinued operations, statutory profit was down 54% to \$395 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 9% over the period, and now stands at almost \$20.

Sustainability Achievements

46%

reduction in carbon emissions (scope 1 and scope 2) in Australia since 2006

18%

energy efficiency improvement in North American operations since the initial acquisition in 2019

11%

percentage of biofuels in energy mix in FY23 (in Australia)

10 yrs

of our Longford Operation being carbon neutral

100 yrs

colourfast and durability warranty on our bricks

25%

of product volume in Australia was verified as sustainable by third parties in FY23

218,000

square metres of land rehabilitated in FY23

11%

mains water reduced in FY23 (from prior year)

\$261,000

funds raised for Children's Cancer Institute (with over \$4.8 million contributions since 2002)

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Brickworks is moving forward

New commitment to achieve a 15% reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030, from a 2022 baseline, across our combined Australian and North American operations

In addition to providing strong financial returns to our shareholders, we are focussed on the sustainability of our operations.

We understand our long-term responsibilities, and the impact and influence we have on the environment, our customers, employees, communities, and shareholders. We take great pride in manufacturing our products in a sustainable way and integrate sustainability and innovation into product design, resulting in greater energy and resource efficiency over the operational lifetime of a building.

We recognise that our manufacturing process is emissions intensive and as such, we are focussed on leading our industry in reducing emissions.

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

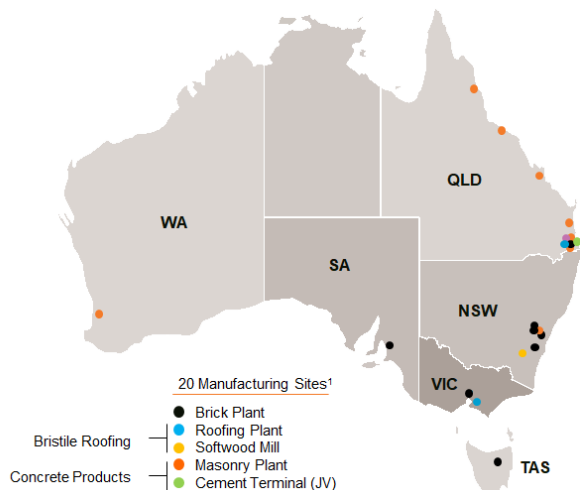
A number of significant achievements are outlined on screen and contained in our 2023 Sustainability Report, which we have recently released.

Whilst we have made significant progress already, we are committed to achieving more and I am pleased to announce we have developed a new carbon target: to achieve a 15% reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030, from a 2022 baseline, across our combined Australian and North American operations.

We have integrated this, and a number of other new commitments, into our “Build for Living” sustainability strategy, which is also included in our Sustainability Report.

Building Products Australia - Overview

Australia's leading brickmaker, with strong positions in other building products



¹. Operating sites only. As at 31 Jul 2023

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1,093 employees

550 million bricks p.a.

20 manufacturing sites (in operation)

140+ design studios, displays, resellers

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I will now provide an overview of our Building Products operations, current market conditions and our latest results in these divisions.

Building Products Australia has almost 1,100 employees and comprises 20 manufacturing sites and more than 140 design studios, displays and reseller locations.

The portfolio includes:

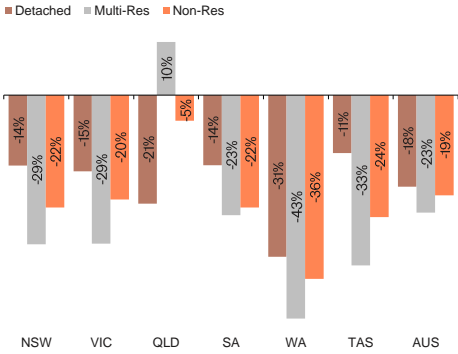
- Austral Bricks: Australia's largest clay brick manufacturer. This business sold around 550 million bricks in FY23, which is enough to build approximately 55,000 houses;
- Concrete Products, comprising Austral Masonry and Southern Cross Cement; and
- Bristle Roofing.

Building Products Australia

Overview of Market Activity and Key Exposure

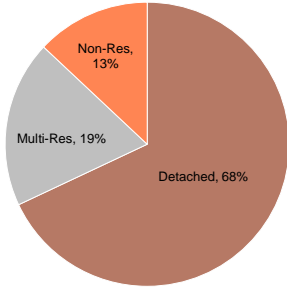
Building Activity by State¹

12 months to Jun 23 (vs 12 months to Jun 22)



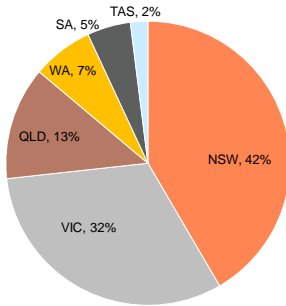
Segment Exposure

Sales revenue by end market



Regional Exposure

Sales revenue by state



¹ Detached House and Multi-Residential Commencements, Non-Residential value of work done. Source: BIS Oxford Economics Jun 2023 forecast. Data shown for NSW also includes ACT, to align with Brickworks' sales regions.

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Residential commencements declined significantly during the 2023 financial year, in response to rising interest rates and a reducing backlog of work from the HomeBuilder program.

Nationally, detached house commencements were down 18%, with double-digit declines across all states.

Although commencements have now declined significantly from the recent peak, there was a healthy pipeline of projects under construction during the year. Building timelines have 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 31% and 43% respectively. The major east coast states have typically seen declines in the range 10 to 20%.

Building Products Australia FY23 Result

Building Products Australia EBITDA was down by 13% (excluding the impact of land sales included in last year's result)

- Sales resilient, despite the decline in commencements
- Margins were adversely impacted by inflationary pressures, including:
 - Austral Bricks unit cost increases include electricity +28%, labour +13%, maintenance +12%
 - Raw materials cost increases of circa 20% across Austral Masonry and Bristile Roofing
- Price increases partially offset cost impacts; additional increases implemented late in year
- Additional -\$5 million EBIT impact (vs the prior period) following the launch of the Brickworks Manufacturing Trust
- Exit of Austral Bricks Western Australia

\$MILLION	FY22	FY23	CHANGE
Revenue	694	734	6%
EBITDA	205	100	(51%)
EBIT	153	53	(65%)
EBITDA (Ex Land Sales ¹)	116	100	(13%)
EBIT (Ex Land Sales)	64	53	(17%)
EBITDA margin	16.7%	13.7%	(18%)

1. "Land Sales" includes \$89 million profit from sale of land into the BKW Manufacturing Trust (FY2022)

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Despite the reduced commencements, sales remained resilient, with revenue for the year up 6% to \$734 million.

The higher revenue was driven by strong price increases being achieved across most businesses, with higher revenue in Austral Bricks and Concrete Products being partially offset by a reduction in Bristile Roofing.

EBIT was \$53 million for the period, and EBITDA was \$100 million, down 13%, excluding the one-off benefit in the prior year due to sales of operational properties into the Brickworks Manufacturing Trust.

Unit margins decreased as a result of cost pressures across the supply chain. Across Austral Bricks, unit electricity costs were up 28% year on year, labour was up 13% and maintenance was up 12%. Fortunately, our brick operations are protected from raw material input cost increases, through our direct ownership of clay quarries. In our Concrete Products and Bristile Roofing businesses, where we source raw materials such as sand and cement from external suppliers, our unit raw materials costs were up by around 20%.

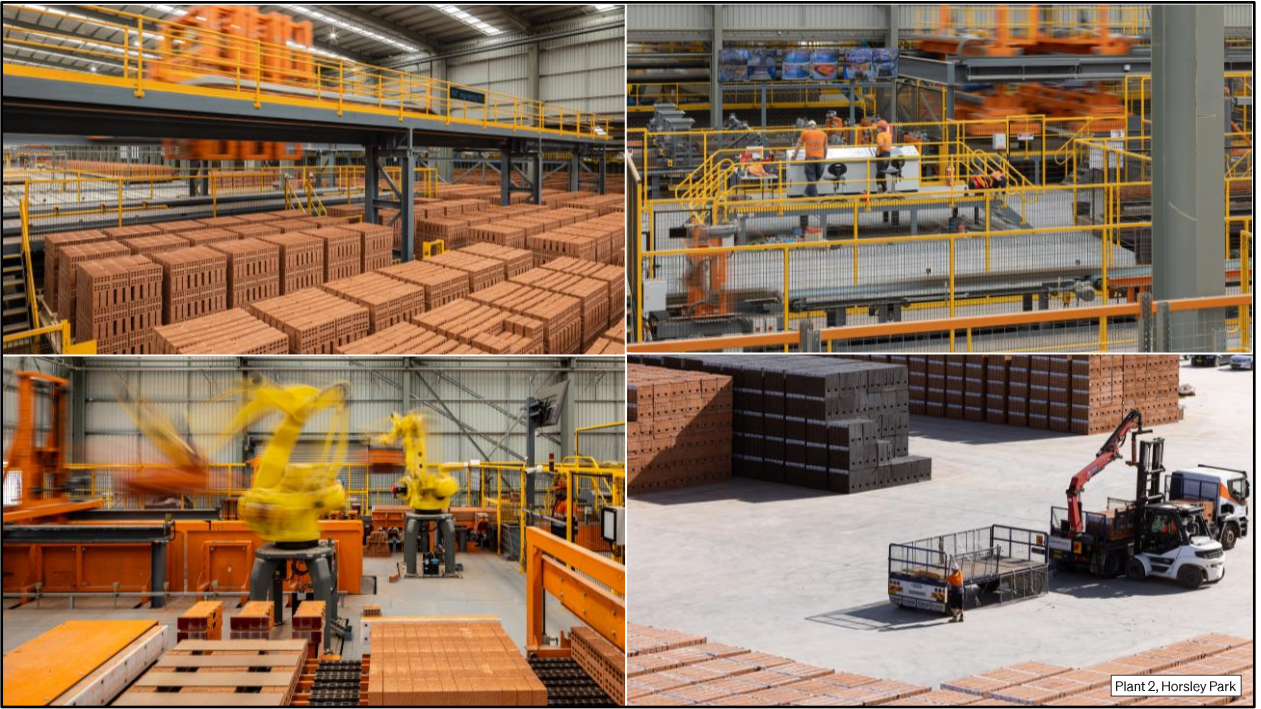
The implementation of price rises and productivity improvement initiatives partially offset the impact of cost increases. Additional price increases late in the year were implemented to restore margins to prior levels.

The launch of the Brickworks Manufacturing Trust also resulted in -\$5 million impact to EBIT, compared to the prior period.

Within Austral Bricks, earnings were down by 3% on the prior year. Sales volume in Western Australia was sharply lower in the first half. This followed many years of sustained operating losses in this state. After a detailed review of the outlook and strategic options, it was decided that further investment in Western Australia could not be justified. As such, manufacturing operations have ceased, and a controlled exit of Austral Bricks Western Australia operations is underway.

Concrete Products earnings significantly increased compared to the prior corresponding period, with Austral Masonry and Southern Cross Cement both delivering improved results.

Earnings were lower in Bristle Roofing, with a decline in sales volume in Victoria and New South Wales. Labour constraints impacted our manufacturing efficiency, due to a loss of skilled employees at both of our tile production facilities.



The construction of the new brick plant at Horsley Park in Sydney was substantially completed in the second half, with final commissioning now well underway. As I mentioned, the completion of the project allowed the permanent closure of the Plant 3 site at Oakdale East, and the consolidation of operations in Western Sydney to the Horsley Park site.

This project started just prior to the onset of the COVID pandemic, and has suffered significant disruption, delays and cost escalation. The completion of the project is testament to the perseverance of our team of employees and contractors, who have remained steadfast in their dedication, despite these issues.

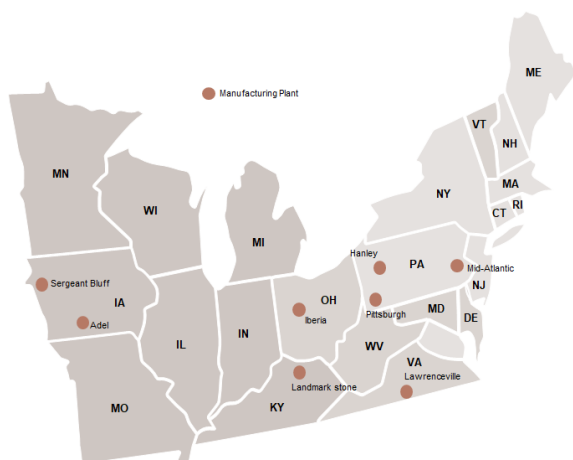
In light of the inflationary pressures experienced across the industry, and the significant increase in capital costs for all new projects, the completion of this facility is particularly valuable for our business.

As the most advanced brick plant in the country, with industry leading fuel efficiency and increased automation, this investment will offset the impact of rising operating costs, improve environmental performance and will significantly strengthen our competitive position.

Once commissioning is complete, we expect this plant to be operating at design capacity of 130 million bricks per year.

Building Products North America - Overview

Brickworks has established itself as the leading brickmaker in the Midwest and Northeast regions of USA



5 acquisitions since 2018

934 employees

370 million bricks p.a.

8 manufacturing sites¹

26 company operated distribution outlets

1. Operating sites only. As at 31 Jul 2023

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Our newest division is Building Products North America.

We initially entered this market in 2018 with the acquisition of Glen-Gery, a leading brick manufacturer in the north-eastern region of the United States.

Since then, we have completed 4 additional acquisitions. We have now established a business of significant scale in North America.

Building Products North America now has:

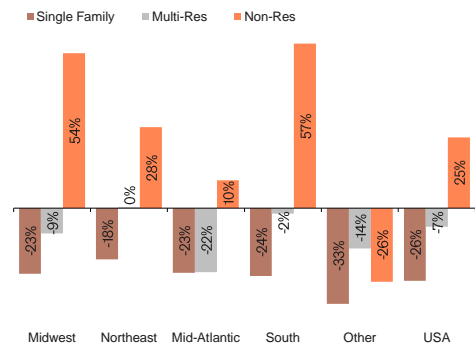
- Market leadership in key states across the Northeast, Midwest and Mid-Atlantic regions;
- 934 employees;
- 8 manufacturing sites currently in operation; and
- 26 retail distribution outlets, plus design studios in New York, Philadelphia and Baltimore.

Building Products North America

Overview of Market Activity and Key Exposure

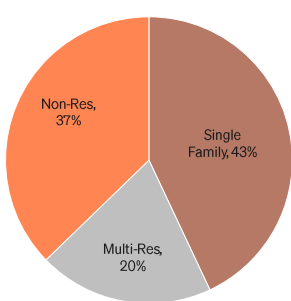
Building Activity by Region¹

12 months to Jun 23 (vs 12 months to Jun 22)



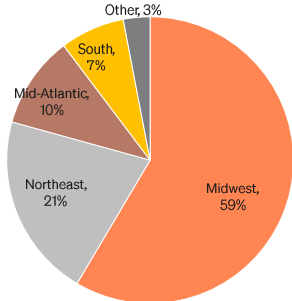
Segment Exposure

Sales revenue by end market



Regional Exposure

Sales revenue by region



1. Single Family and Multi-Residential Commencements. Non-Residential value of work done. Source: Dodge Data & Analytics

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Activity has been mixed during FY23, varying significantly by region and segment.

Across the country, the total value of building activity commenced was up 2% compared to the prior year.

A 25% increase in the non-residential segment was offset by a 26% reduction in single-family and a 7% decline in multi-residential commencements.

As I mentioned, our key regional exposure is in the Midwest, Mid-Atlantic and Northeast. Combined, these regions make up around 90% 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 – FY23 Result¹

Building Products North America EBITDA decreased, with margins adversely impacted by significant inflationary pressures

- Uplift in revenue driven by:
 - Strong price rises achieved
 - Increased sales through retail network
- Earnings include a \$7 million benefit from the sale & leaseback of a retail outlet
- Margins impacted by inflationary pressures and supply chain issues
 - A tight labour market led to significantly higher labour costs
- Multi-year plant rationalisation program complete
- Extensive upgrades to Adel and Sergeant Bluff

AU\$MILLION	FY22	FY23	CHANGE
Revenue	399	447	12%
EBITDA	48	40	(18%)
EBIT	25	13	(49%)
EBITDA (Ex Land Sales)	35	33	(5%)
EBIT (Ex Land Sales)	12	6	(47%)
EBITDA margin	8.8%	7.5%	(16%)

1. An average exchange rate for each half year period is used to convert from \$US to \$AU. The conversion rates used are: 1H23 US\$0.67; 2H23 US\$0.67; 1H22 US\$0.73; 2H22 US\$0.71

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Sales revenue was up 12% to \$447 million for the year. The uplift in revenue was achieved due to a combination of price increases, a mix shift towards higher value products and strong sales growth through the vertically integrated retail division.

Earnings include a \$7 million contribution from the sale and leaseback of a retail outlet in the second half. Excluding the impact of this (and land sales in the prior year), EBITDA was down 5% to \$33 million, and EBIT was \$6 million.

Operations continue to be impacted by labour constraints across the industry, resulting in higher wage rates to attract and retain staff. In North America, labour costs represent 43% of total brick manufacturing costs – much higher than 28% in Australia. As such, the higher labour rates have a significant impact on overall manufacturing costs.

Despite these challenges, the business continues to make progress on key strategic priorities.

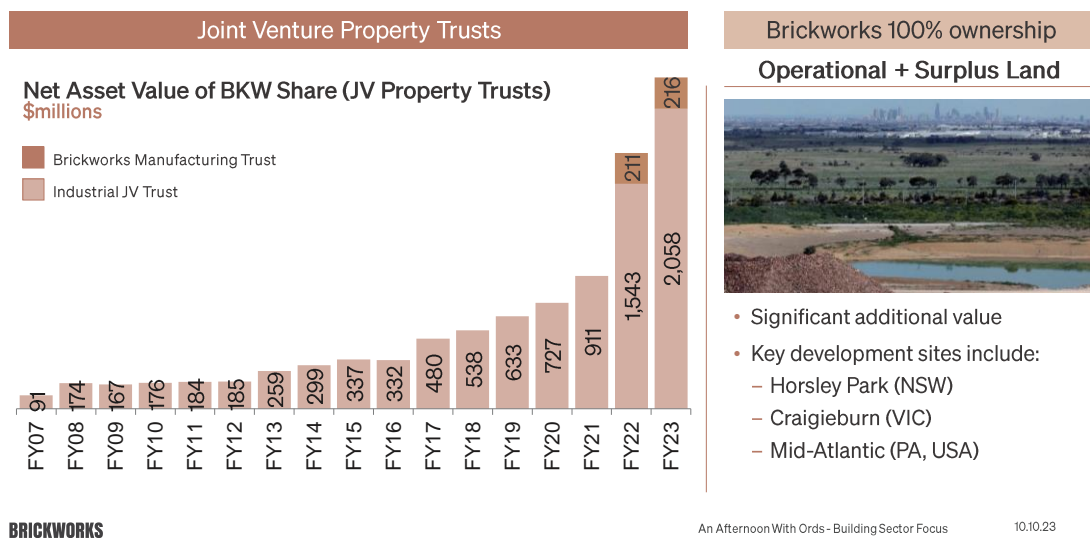
The plant rationalisation program continued during the year, with the closure of Caledonia (Ohio) in the first half and then Marseilles (Illinois) in the second half. Following these closures, the plant rationalisation program is now largely complete and has resulted in a reduction in operating brick plants to 7 (from 16), an increase in plant utilisation to 72% (from 46%) and a more modern and fuel-efficient fleet, with

the average age of kilns reduced to about 20 years (from more than 40 years).

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.

Property – Overview

Brickworks holds a vast portfolio of property assets with significant growth potential



Before I finish, I will briefly touch on our property division, and the natural linkage with our Building Products operations.

Our brick manufacturing operations typically occupy vast parcels of land on the outskirts of major cities. Over time, as the urban sprawl expands, this land becomes increasingly valuable.

As such, our Property division was originally established to maximise the value of surplus land assets held by Building Products. This resulted in the formation of our Industrial Property Trust, in joint venture with Goodman Group, back in 2006.

In more recent times, the value of prime industrial land has increased significantly as a result of the structural shift towards online shopping, which has made distribution and warehousing facilities a critical component of the retail supply chain.

The chart on screen shows the net asset value of our property trust assets, which now total \$2.3 billion. This includes:

- A 50% share in our well-established Industrial JV Trust with Goodman; and
- A 50.1% interest in our new Brickworks Manufacturing Trust, also with Goodman. This Trust was established in FY22 and holds a selection of our operational properties within Building Products Australia.

We have a significant development pipeline within the Industrial JV Trust, following the sale of the Oakdale East site into the Trust during FY23.

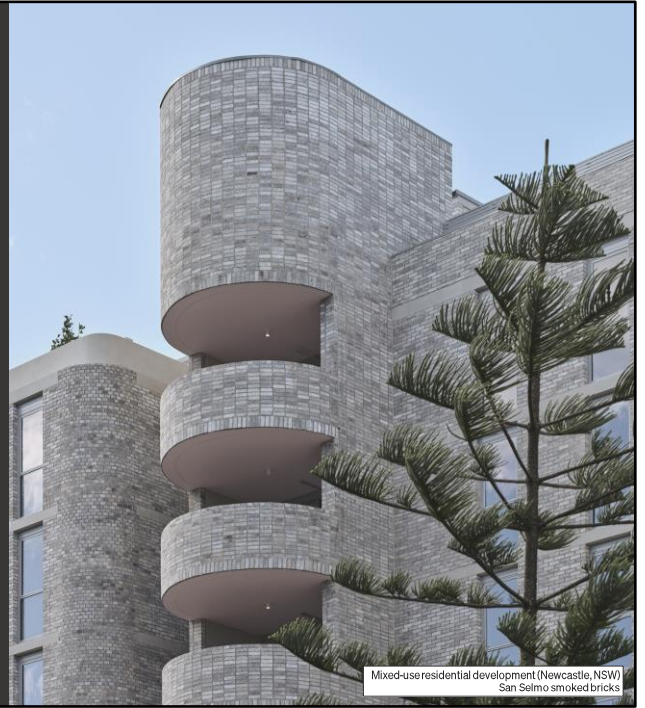
Brickworks also retains a 100% interest in over 5,000 hectares of operational and surplus land across Australia and North America. This includes a number of potential development sites that are surplus to our operational requirements.

Over its long history, Brickworks has evolved from a New South Wales based brick manufacturer, to a diversified and multi-national ASX200 company with interests in building products, property and investments.

Our strong financial position and diversified portfolio of high-quality assets makes us confident that Brickworks is well-placed to meet any future challenges and continue to deliver strong performance for shareholders in the years ahead.

Questions

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Mixed-use residential development (Newcastle, NSW)
San Selmo smoked bricks

I will now take any questions.

Thank you

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The Managing Director has authorised the release of this announcement to the market

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