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26 March 2015

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' financial results for the half year ended 31 January 2015, for immediate release to the market.

Yours faithfully,

BRICKWORKS LIMITED

A handwritten signature in black ink, appearing to read "I Thompson".

IAIN THOMPSON
COMPANY SECRETARY

Proudly supports



RESULTS FOR THE HALF YEAR ENDED 31 JANUARY 2015




26 March 2015

BRICKWORKS
LIMITED

OVERVIEW
Mr Robert Millner, Chairman





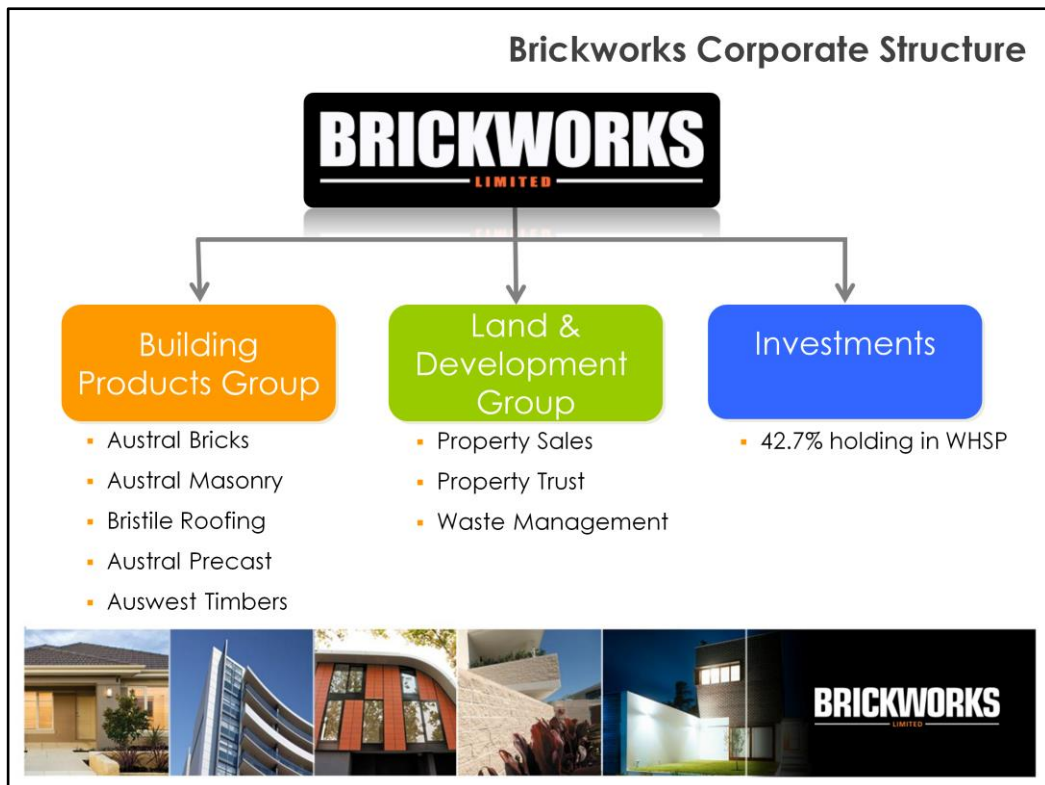
Presentation Outline

- Overview
- Results in Detail
- Building Products Results
- Building Products Outlook
- Land & Development
- Investments
- Group Outlook
- Questions

Chairman: Good Afternoon Ladies and Gentlemen and welcome to the Brickworks analyst briefing for the half year ended 31 January 2015.

Today I will provide an overview of the Brickworks results and then our Managing Director, Mr. Lindsay Partridge will take you through the results in more detail.

Mr. Alex Payne, our Chief Financial Officer is also here to answer any questions at the conclusion of the presentation.



Brickworks corporate structure has provided diversity and stability of earnings over the long term.

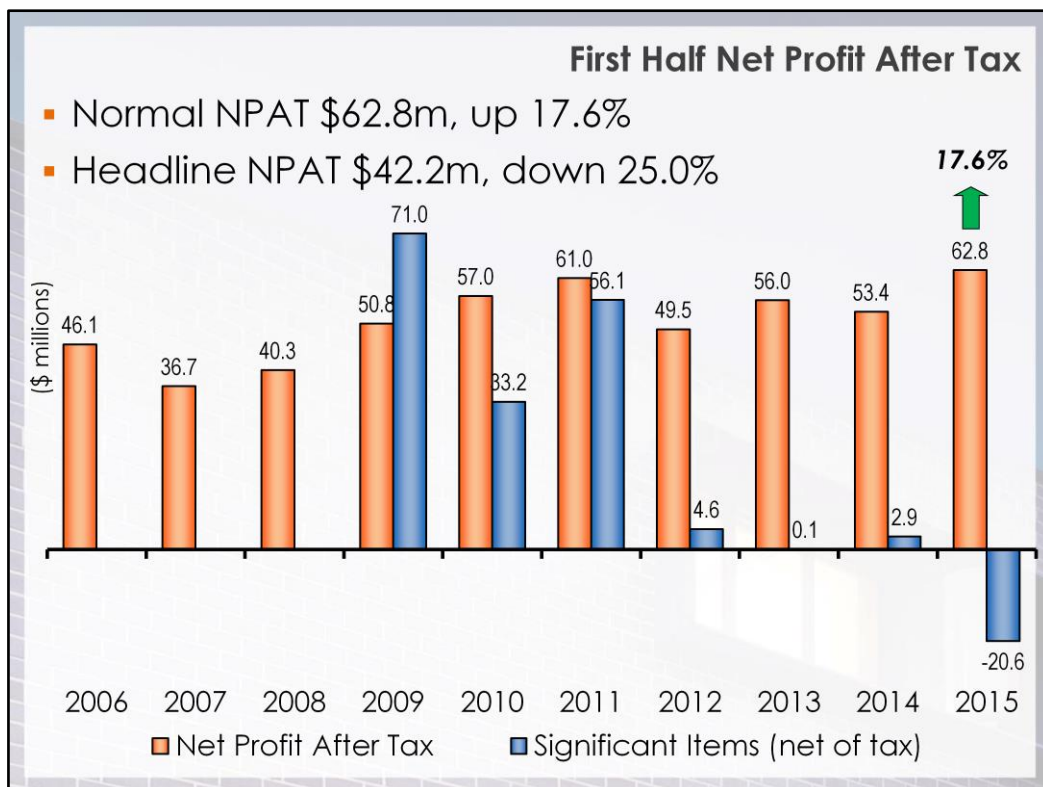
There are three main parts to the Brickworks business model:

- The Building Products Group,
- Land & Development and
- Investments.

The Building Products Group consists of Austral Bricks™, Austral Masonry™, Bristle Roofing™, Austral Precast™ and Auswest Timbers™.

The Land & Development business exists to maximise the value of surplus land created by the Building Products business.

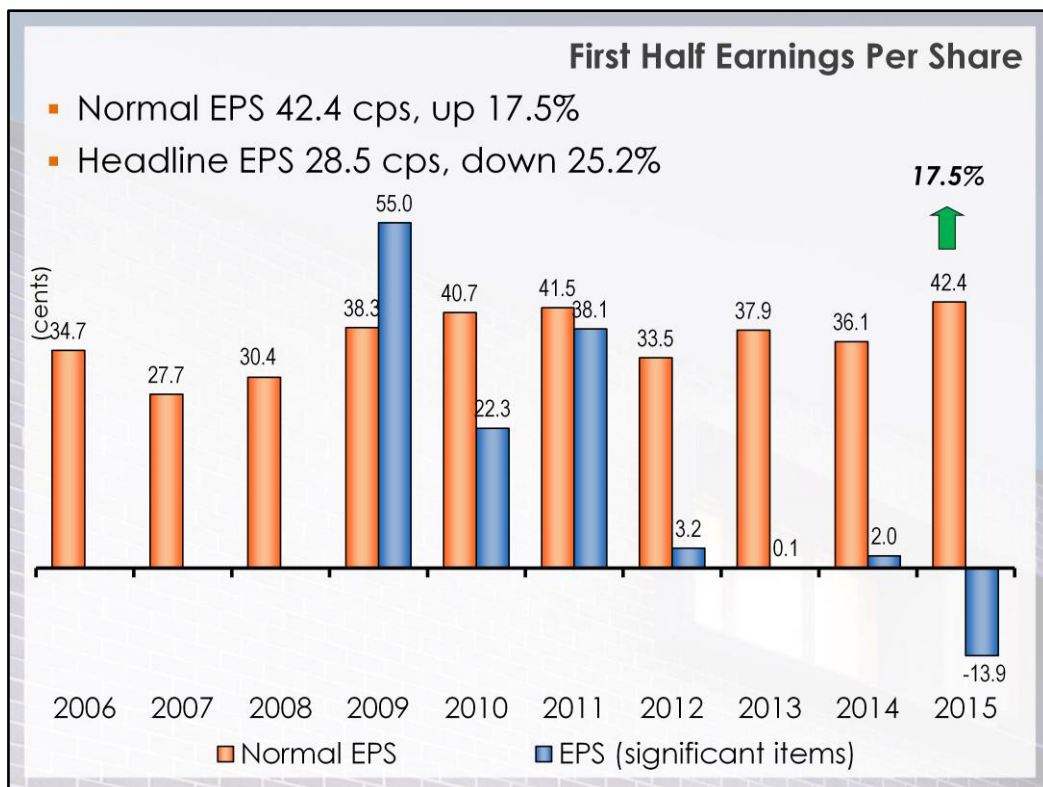
The 42.7% interest in Washington H. Soul Pattinson provides a stable earnings stream and a superior return.



After excluding significant items, the Normal Net Profit After Tax increased by 18% to \$62.8 million, compared to the prior corresponding period.

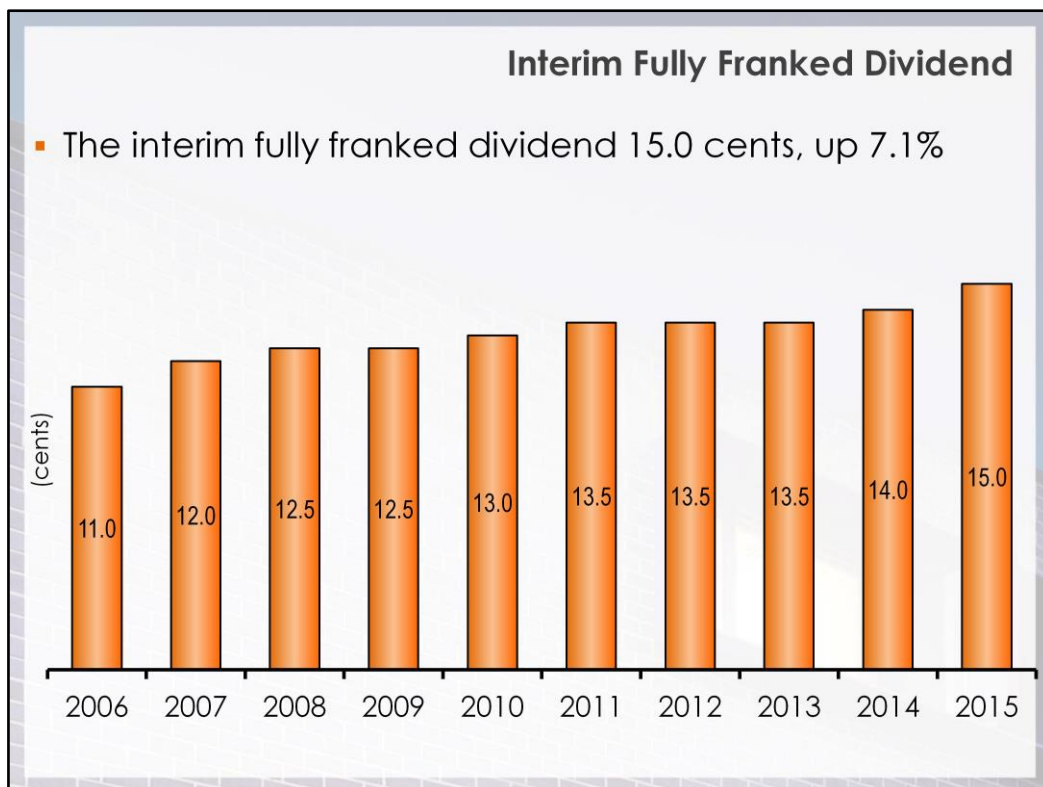
Pleasingly, the increase in earnings was broad based across the Group with improvements recorded in Building Products, Land and Development and Investments.

The Headline Net Profit After Tax, including significant items, was down 25% to \$42.2 million.

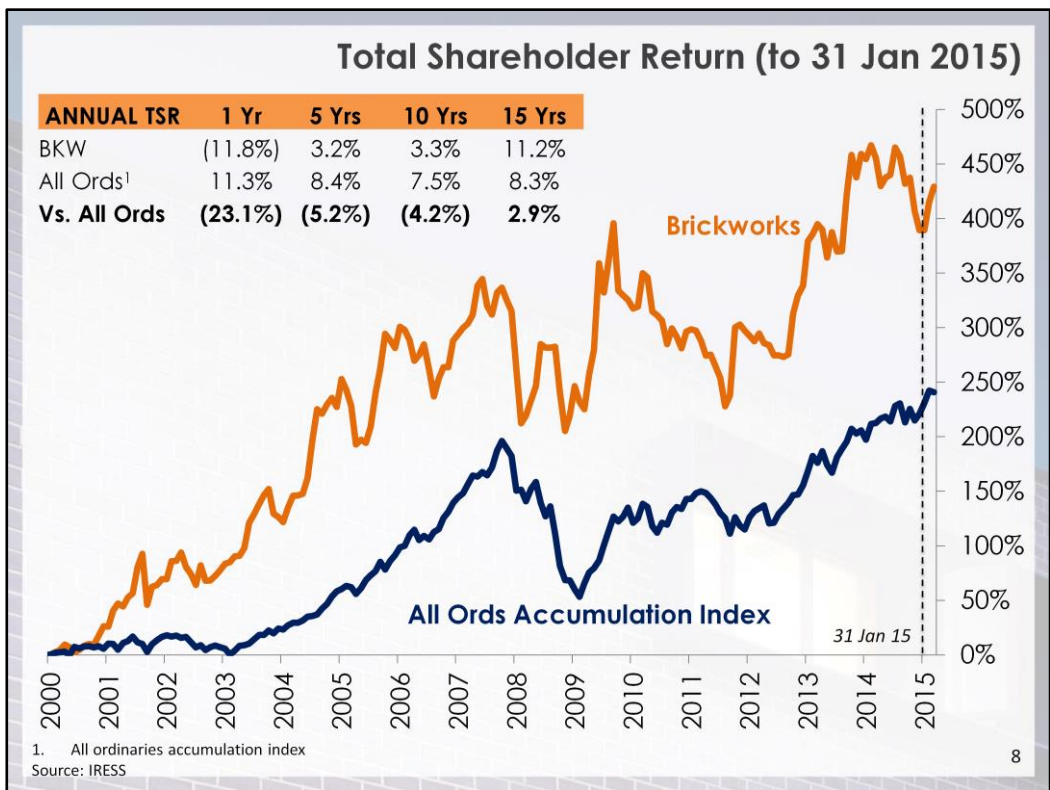


Normal Earnings Per Share increased by 18% to 42.4 cents per share.

Headline Earnings Per Share was down 25% to 28.5 cents per share.



In light of our improved result and the positive outlook for the second half, the Directors have resolved to increase the interim fully franked dividend to 15.0 cents per share, up 7.1% on the first half of last financial year.



Brickworks continues to outperform the All Ordinaries Accumulation Index in terms of Total Shareholder Return over the long term. Over 15 years, Brickworks has delivered returns of 11.2% per annum. This exceeds the All Ordinaries Accumulation Index by 2.9% per annum.

Performance over the short term has been disappointing, although these returns are impacted by a depressed share price at the close of the first half. Since the 31st January, the Brickworks share price has recovered by 13% compared to the market increase of 8%.

The Board is confident that the company has a strategy in place that will continue to deliver strong returns to shareholders over the long term.

I will now hand over to our Managing Director, Mr Lindsay Partridge to take you through the results in detail.

RESULTS IN DETAIL

Mr Lindsay Partridge AM, Managing Director



Thank you Chairman. Good afternoon ladies and gentlemen.

Financial Snapshot				
	HY JAN 2015	HY JAN 2014	% Change	
Building Products EBIT	\$26.1m	\$19.2m	↑	35.9
Land and Development EBIT	\$38.7m	\$36.1m	↑	7.2
Investments EBIT	\$30.1m	\$23.7m	↑	27.0
Total EBIT	\$90.0m	\$74.3m	↑	21.1
Total EBITDA	\$102.6m	\$87.0m	↑	17.9
Interest cost	(\$9.4m)	(\$9.9m)	↓	5.1
Mark to market valuation of swaps	(\$2.9m)	\$1.7m	↓	(270.6)
Income tax	(\$14.8m)	(\$12.6m)	↑	(17.5)
Net profit after tax (normal)	\$62.8m	\$53.4m	↑	17.6
Significant items (after tax)	(\$20.6m)	\$2.9m	↓	(>500)
Net profit after tax and sig. items	\$42.2m	\$56.3m	↓	(25.0)

Building Products earnings before interest, tax and significant items was \$26.1 million, up 36% on the previous corresponding period. Earnings across most divisions improved, through a combination of continued sales growth, price increases and the implementation of a range of business improvement initiatives.

Land and Development EBIT was \$38.7 million, up 7%, driven primarily by a strong revaluation profit in the Joint Venture Industrial Property Trust.

Investment EBIT, including the contribution from Washington H Soul Pattinson was up 27% to \$30.1 million.

Total EBIT was up 21% to \$90.0 million for the half and EBITDA was up 18% to \$102.6 million.

Interest costs were marginally lower compared to the prior corresponding period. Total borrowing costs were \$12.3 million, including the loss in mark to market valuation of swaps of almost \$2.9 million.

After including higher income tax of \$14.8 million, Brickworks' normal net profit after tax was \$62.8 million, up 18% up on the prior period.

The headline net profit after tax was \$42.2 million, including the impact of significant items.

Significant Items			
Significant Items	Gross	Tax	Net
Impairment of goodwill in Austral Precast	(\$10.0m)	-	(\$10.0m)
Impairment of Auswest Timbers' log licenses	(\$6.8m)	-	(\$6.8m)
Costs relating to Building Products acquisitions	(\$1.0m)	\$0.3m	(\$0.7m)
Costs relating to Perpetual / Carnegie proposal	(\$0.8m)	\$0.3m	(\$0.6m)
Significant items relating to WHSP	(\$3.7m)	\$1.1m	(\$2.6m)
Total	(\$22.3m)	\$1.7m	(\$20.6m)

Significant items decreased NPAT by \$20.6 million for the half year, consisting of non-cash asset impairments, costs relating to acquisitions completed during the half, costs associated with the restructuring proposal by Perpetual / Carnegie and significant items relating to WHSP.

The non-cash asset impairments comprised \$10.0 million associated with goodwill in Austral Precast and \$6.8 million in relation to Auswest Timbers log licenses.

Key Financial Indicators				
	1H JAN 2015	FY JUL 2014	% Change	
Net tangible assets (NTA) per share	\$10.41	\$10.32	↑	0.9
Shareholders' equity	\$1,797m	\$1,796m	↑	0.1
Shareholders' equity per share	\$12.12	\$12.14	↓	(0.2)
Return on shareholders equity (vs 1H14)	7.0%	6.1%	↑	14.8
Cash flow from operations (vs. 1H14)	\$67.9m	\$53.8m	↑	26.2
Net debt	\$314.6m	\$305.0m	↑	3.1
Net debt/capital employed	14.9%	14.5%	↑	2.8
Interest cover (normal/annualised)	9.5x	7.5x	↑	26.7

Looking at our Key Financial Indicators.

Net Tangible Assets per share was \$10.32, up 1% compared to 31 July 2014.

Shareholders Equity remained steady at \$1.8 billion at the end of the half which represents \$12.12 per share.

Return on Shareholders Equity, based on normalised earnings, was up to 7.0% for the period, from 6.1% in the first half of 2014.

Total net cash flow from operating activities was \$67.9 million, up from \$53.8 million in the previous corresponding period. This includes \$6.8 million in proceeds from the sale of the Port Kembla site in New South Wales. Excluding this sale, operating cash flow was up 14%, primarily reflecting an increased level of trading and lower working capital.

Net debt increased by almost \$10 million to \$314.6 million, with net debt to capital employed being just shy of 15% at the end of the period.

Interest cover increased to a conservative 9.5 times.

Capital Expenditure ¹		
	1H JAN 2015	HY JAN 2014
S.I.B. plant and equipment	\$11.5m	\$14.7m
Major capital items	\$5.0m	\$3.0m
Building Products total	\$16.5m	\$17.7m
Depreciation and amortisation	\$12.7m	\$12.7m
Land and Development & rehabilitation	\$2.6m	\$0.2m
Business acquisitions	\$5.5m	-
Property acquisitions	\$9.1m	-
<small>1. Excludes \$2.0 million in 1H15 and \$5.4 million in 1H14 in capital expenditure covered by insurance, associated with repair work following fire damage in prior periods</small>		

Building Products total capital expenditure decreased marginally to \$16.5 million for the half.

“Stay in business” capital expenditure was \$11.5 million, representing 91% of depreciation.

Spending on major growth projects totalled \$5.0 million and included:

- The first phase of a plant upgrade at the Rochedale brick plant in Queensland; and
- Alternative fuels projects at Horsley Park and Bowral in New South Wales in order to mitigate the impact of increasing gas prices

Spending on Building Products acquisitions totalled \$5.5 million for the period, comprising a masonry plant in Rockhampton, inclusive of land and inventory.

The Building Products Group is focussed on actively managing its’ operational land portfolio. During the half the previously leased masonry sites at Yatala in Queensland was purchased for \$9.1 million, including stamp duty. An agreement was also made to purchase the masonry site at Cairns for \$3.0 million, with settlement on that transaction occurring in the second half. Due to rental savings, both of these land acquisitions are immediately earnings and cash flow positive.

In addition, land formerly occupied by our masonry plant at Port Kembla was sold during the half and an agreement was signed for the sale of land at Riverview, the site of a former brick plant. Proceeds from these sales will more than offset the cost of the Yatala and Cairns purchases.



Before looking at the Building Products result in more detail, I'd like to mention the Camilla for Austral Bricks range, launched earlier this month.

This collection of bright, glazed bricks have been 12 months in the making, and are inspired by designer Camilla Franks' travels through Mexico.

This new range compliments our strategy of developing the leading style brand in the building products market, with the company continuing to invest heavily in a high fashion branding campaign and the roll out of CBD design studios across all major capital cities.

Building Products Result			
	1H 2015	1H 2014	% Change
Sales revenue	\$340.6m	\$296.2m	↑ 15.0
EBITDA	\$38.8m	\$31.8m	↑ 22.0
EBIT¹	\$26.1m	\$19.2m	↑ 35.9
EBITDA to sales	11.4%	10.7%	↑ 6.5
EBIT to sales	7.7%	6.5%	↑ 18.5
Return on Capital Employed	6.4%	4.7%	↑ 36.2
Return on Net Tangible Assets	9.2%	7.1%	↑ 29.6
FTE Employees ² (vs. Jul 14)	1,484	1,478	0.4
Safety (TRIFR) (vs. Jul 14)	107.2	161.7	↓ (33.7)
Safety (LTIFR) (vs. Jul 14)	2.8	3.3	↓ (15.2)

1. Pre significant items
 2. Includes casuals

Revenue for the half was up 15% to \$340.6 million compared to \$296.2 million for the previous corresponding period.

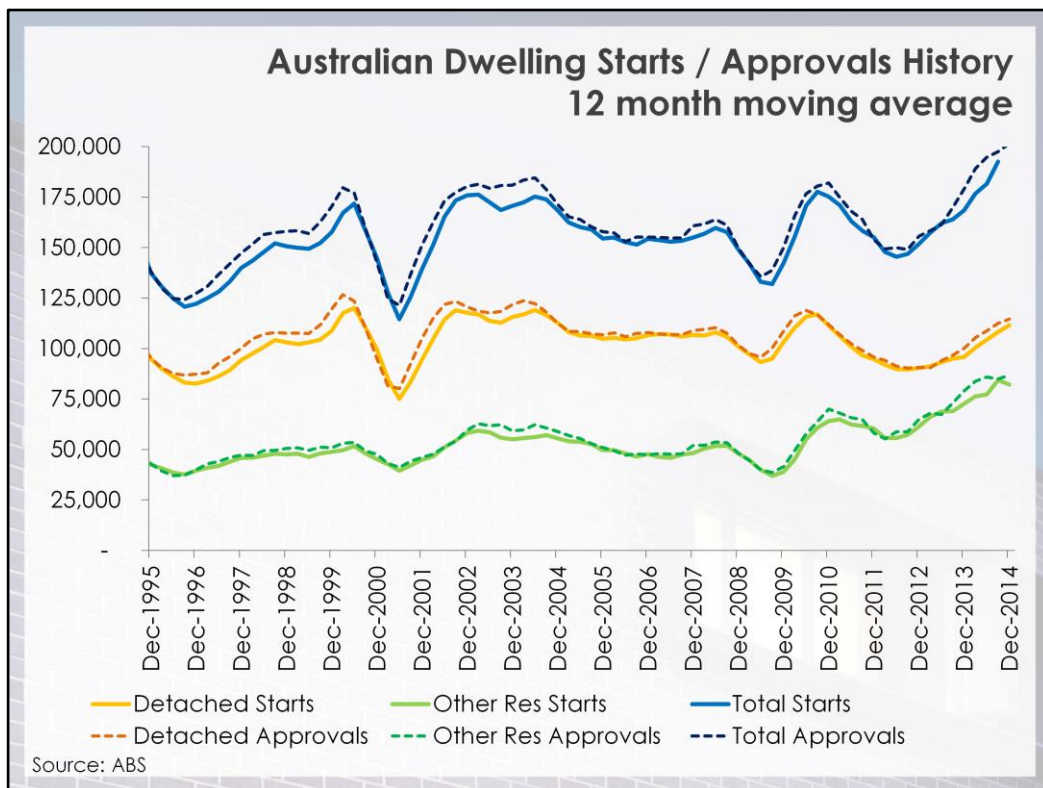
EBITDA was up 22% on the prior period, to \$38.8 million and EBIT was up 36% to \$26.1 million.

Improved earnings were achieved on the back of the strong growth in sales volume, a range of business growth initiatives and capital improvement projects completed in prior periods.

Despite the improved earnings, Building Products' Return on Capital Employed of 6.4% remains below internal targets. At the end of the period the Building Products Group held \$252.1 million in goodwill and other intangible assets. Excluding goodwill and other intangible assets, the Return on Net Tangible Assets was 9.2%, up from 7.1% in the prior corresponding period.

Staff numbers increased by 6 during the half, taking the total number of full time equivalent employees to 1,484. This includes the addition of 11 employees as a result of the masonry plant acquisition in Rockhampton.

There were 4 Lost Time Injuries during the half. This translated into a slight reduction in the Lost Time Injury Frequency Rate to 2.8 injuries per million hours worked.



Turning first to market conditions during the period, before analysing the Building Products result in more detail.

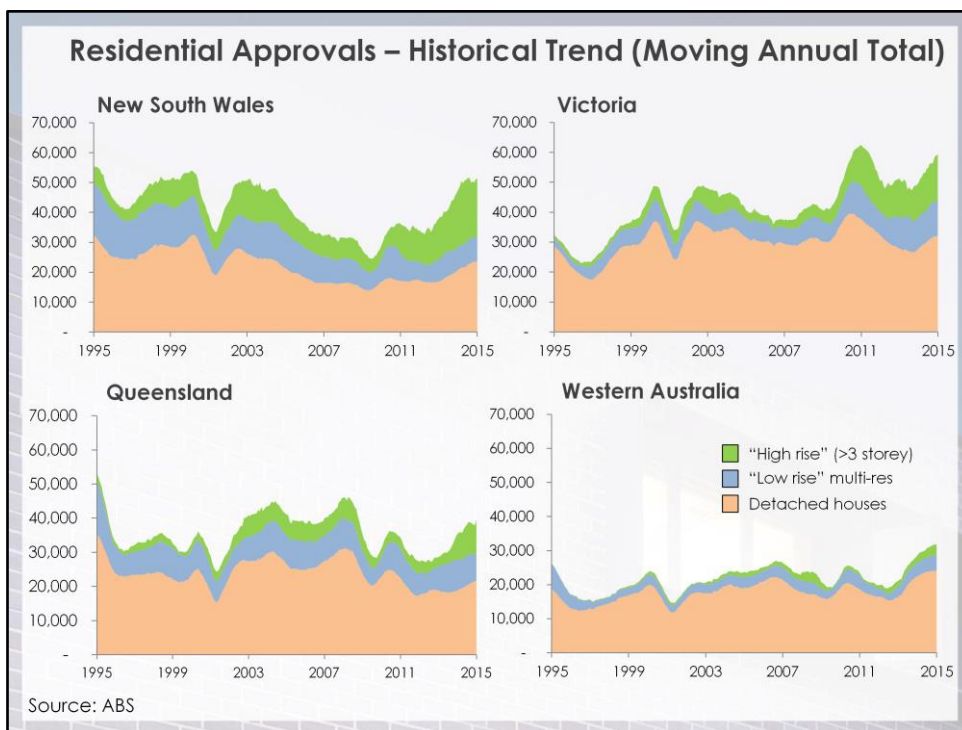
The chart on screen shows Australian dwelling starts and approvals for the past 20 years. The orange lines show detached houses, the green lines show other residential and the blue lines show the total.

As can be seen by the blue line, overall residential starts are now at record levels, with over 100,000 starts recorded during the 6 months to December 2014, up 13% on the prior corresponding period.

The dashed approvals line indicates that the current upturn in housing activity shows no sign of easing, with the latest approvals data still increasing to reach new highs. Approvals in the final quarter of 2014 were particularly strong, at an annualised rate of over 220,000.

As shown by the yellow line we are now two years into a detached housing recovery from near record lows. The level of detached house building now exceeds the long term average, but remains below recent peaks and some 16% below the record level.

By contrast other residential starts remain at peak levels, following further growth during the period.



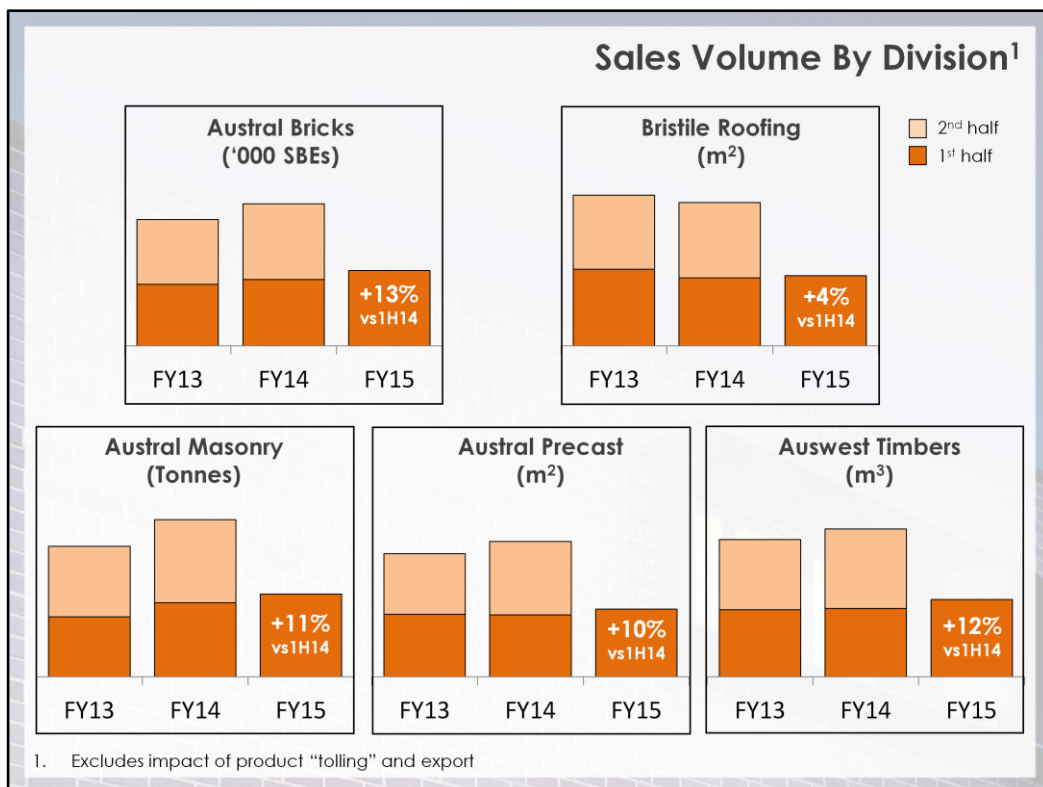
Looking more closely at what is driving the growth in other residential developments, the charts on screen break up the approvals data by low density other dwellings, in blue, and high rise apartments of greater than 3 storeys, in green. Also shown is detached dwellings in orange.

It is clear from these charts that the growth in other dwellings is being driven by high rise apartments, in particular in Sydney and Melbourne. In New South Wales high rise apartments now represent around 40% of total approvals, up from 10% twenty years ago. Similarly in Victoria, high rise now makes up 25% of approvals versus less than 5% in 1995.

The transition to high rise has taken longer to occur in both Brisbane and Perth, but now appears to be gathering significant momentum. High rise approvals in Queensland have increased from 10% to 25% of total approvals in just the last three years.

This transition is being driven by a range of factors, most notably government planning policies that promote infill developments, and the excessive costs and availability of titled land for greenfield developments in some states.

This significant shift in dwelling types has a major impact on both the quantity and type of building materials used. In general, high rise developments consume less building materials per start compared with detached dwellings. In addition they will have a greater proportion of products such as precast and masonry, compared with bricks and roof tiles.



Reflecting the increase in building activity, Building Products sales during the half continued to gather momentum.

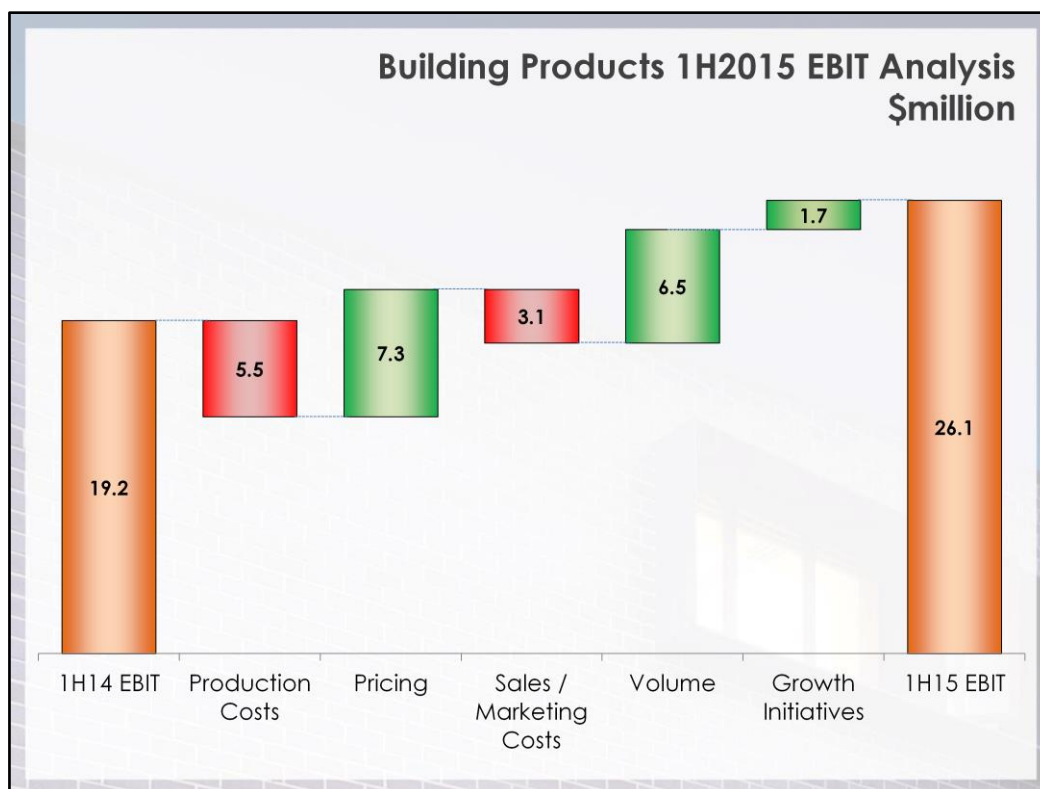
The chart on screen shows sales volume in each half since 2013, by Building Products division.

Excluding the impact of tolling and exports, Austral Bricks sales in the first half were 13% ahead of the prior corresponding period and exactly in line with the growth in market activity.

In all markets, Bristle Roofing faces strong competition from alternative roofing materials. This is reflected by the relatively subdued volume growth of 4%, well below the rate of increase in detached house building activity.

As shown in the charts Austral Masonry, Austral Precast and Auswest Timbers all experienced a significant uplift in sales during the period.

It should be noted that second half volumes are typically higher than the first half, due to the first half including the holiday period of December and January.



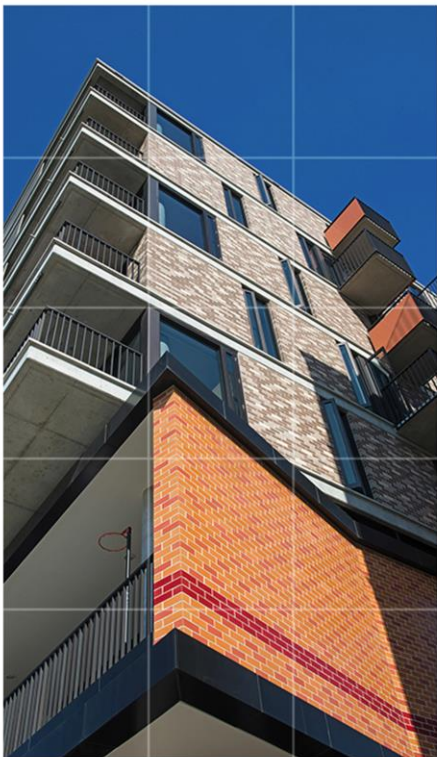
The chart on screen shows a breakdown of Building Products key profit impacts during the half, compared to the prior corresponding period.

The improved volumes delivered a positive EBIT impact of \$6.5 million. To take advantage of the improved market conditions, advertising and selling expenses increased by \$3.1 million.

Pricing outcomes were patchy, with a weighted average increase of 2.8% achieved, contributing an EBIT uplift of \$7.3 million. Strong price increases were achieved by Austral Bricks in all states except Western Australia. Austral Masonry, Bristle Roofing and Auswest Timbers also recorded solid gains, however pricing in Austral Precast decreased on the back of strong competition, particularly in New South Wales and Victoria.

The net impact of production cost increases totalled \$5.5 million for the half. These cost increases include the adverse effects of one-off plant impacts, primarily associated with an extended shutdown at Rochedale in Queensland.

Earnings in the first half benefitted from a number of business growth initiatives that delivered a total EBIT uplift of \$1.7 million compared to the prior corresponding period. These initiatives primarily relate to raw materials resource recovery projects.



Austral Bricks™

- Significant increase in earnings
- Revenue of \$184.4 million, up 17.0%
- Local sales volume higher in all states
- Average selling prices up 3.8%
- Manufacturing costs up marginally, benefitting from increased throughput and cost reduction initiatives
- Finished goods stock levels declined in all states except Western Australia
- Recommissioning Plant 2 at Horsley Park in NSW to meet demand


Austral Bricks delivered a 48% increase in earnings for the six months ended 31 January 2015. Sales revenue was up 17% to \$184.4 million, driven by the uplift in sales volume and an increase in average selling price of almost 4%.

Local sales volume was up in all states, with the biggest increases being achieved in Victoria, South Australia and Tasmania.

Manufacturing costs were up only marginally on the prior corresponding period, on the back of increased volume throughput in most plants and a range of cost reduction initiatives, including the implementation of alternative fuels projects, and prior period plant upgrades.

Finished goods stock levels were reduced by 8%, with reductions in all states except Western Australia.

In New South Wales the strong demand for premium high end face bricks exceeds available capacity, reflecting the success of our strategy to develop the leading style brand in the industry and our close collaboration with architects. As a result, work has commenced on re-commissioning the previously mothballed Plant 2 at Horsley Park. This plant has not been operational since 2007, and once production commences in April, it will provide additional capacity of up to 50 million bricks per annum.



Austral Masonry™


- Another significant increase in earnings
- Revenue up 14.8%, to \$44.9 million
- Improved volumes, driven primarily by a sharp recovery in south east Queensland
- Average selling prices up 4.1%
- Acquired independent manufacturer in Central Queensland and now holds market leading positions in Central and North Queensland

Austral Masonry delivered another significant increase in earnings, up 27% compared to the previous corresponding period. The business is now benefitting from increased scale and improved production efficiencies, with sales revenue up 15% to \$44.9 million.

The improved performance was driven by a sharp recovery in demand in south east Queensland and strong price increases in New South Wales. Overall, average price increases of just over 4% were achieved.

In December, Austral Masonry completed the acquisition of the independent manufacturer Capricornia Rockblock, located in Rockhampton in Central Queensland. This plant is a modern facility, commissioned in 2011, and delivers Austral Masonry the leading position in a region where it does not currently have a significant market presence.

Austral Masonry now holds an enviable position, as the leader in both Central and Northern Queensland, areas that traditionally use a relatively high proportion of masonry in residential and commercial construction. The benefit of masonry construction in these areas was again illustrated during the recent cyclone Marcia, with no known failures associated with the use of masonry products.



Bristle Roofing™


- Increase in earnings, driven primarily by Queensland, Western Australia and strong demand for imported La Escandella terracotta tiles
- Revenue of \$51.9 million, up 8.1%
- Increased volumes in all states except Western Australia
- Market share loss to alternative roofing materials
- Average selling prices up 4.9%

Bristle Roofing earnings increased compared to the prior corresponding period. Higher earnings were driven primarily by improvements in Queensland and Western Australia, and continued strong growth of imported La Escandella terracotta tiles. Profit growth has also returned in Victoria following a period of declining earnings in that state.

Sales revenue was up 8% to \$51.9 million.

As mentioned a moment ago, Bristle Roofing faces strong competition from alternative roofing materials. This has resulted in a loss of market share over the past few years, and a relatively subdued level of volume growth.

However pricing outcomes have been good, with average price increases of just under 5% achieved, supported by an increased proportion of higher priced commercial volume in Western Australia.



Austral Precast™


- Strong sales growth continues
- Sales revenue up 7.0% to \$34.2 million
- Earnings were lower, with strong competition putting pressure on pricing in New South Wales and Victoria
- Challenging market in Victoria
- Cost reduction initiatives underway to enhance the efficiency of operations

Austral Precast sales volume continues to increase, up 10% on the prior corresponding period, with New South Wales, Victoria and Western Australia all experiencing double digit sales growth.

Sales revenue was up 7% to a new record of \$34.2 million for the half.

Despite the strong sales growth earnings were lower, with strong competition resulting in lower prices in New South Wales and Victoria. The Victorian market is particularly competitive, resulting in low margins in this state.

A range of cost reduction projects were completed during the year, including the installation of new batching software at the Wetherill Park plant in New South Wales. This follows the installation of a steel mesh plant in the prior period, further enhancing the efficiency of this plant.



Auswest Timbers™

- Sales revenue up 25.0% to \$27.2 million
- Record sales volume of 31,300m³
- Housing construction driving an increase in roof tile batten sales
- Earnings were lower, with the 1st quarter impacted by poor feedstock and operational issues at Deanmill
- Significant productivity improvements in the second half across all operations
- Shift towards higher value add product resulting in increased prices and production costs

Auswest Timbers achieved an increase in sales revenue, up 25% to \$27.2 million on record sales of just over 31,000m³ for the half. The strength of the New South Wales housing market resulted in increased roof tile batten sales from the Fyshwick sawmill, while the demand for Jarrah and Karri from Western Australia also increased dramatically during the period.

The export market was also strong, supported by a declining Australian dollar and growing demand for Auswest's unique product range.

However earnings were lower, with the first quarter impacted by poor quality Jarrah log feedstock and ongoing operational issues at Deanmill following the extensive rebuild of this facility.

A new management team is now in place and is making good progress to improve operational performance. During the second quarter, production output increased dramatically, with productivity improvements being wide spread across all sites.

With growing demand for processed timber, Auswest continues to pursue a value added strategy and this has resulted in significant selling price increases, but also additional production costs.

Building Products Outlook



Turning now to the Building Products outlook.

Building Products Outlook

- The current upturn in housing activity shows no sign of easing with many customers reporting order banks of up to a year
- Austral Bricks order intake in New South Wales is at the highest level since the lead up to the Olympic Games in 2000
- All available east coast production capacity is urgently being brought back online
- Sales in some states likely to be restrained by trade shortages and inadequate supply of titled land
- Capital projects planned in Austral Bricks WA and Queensland
- Building Products is well placed to deliver significantly improved earnings in the second half, compared to the prior period

As I mentioned earlier, the current upturn in housing activity shows no sign of easing. Austral Bricks order intake in New South Wales is at the highest level since the lead up to the Olympic Games in 2000 and many customers are continuing to report that order banks extend for up to a year.

In response to the strong demand, Austral Bricks will re-commence production at Horsley Park Plant 2 in April, and will prepare the second kiln in South Australia to ensure it is ready for production in the second half if necessary to supply Victoria.

The booming demand is resulting in the industry now being restrained by issues such as trade shortages and inadequate supply of titled land in some states. As a result, it is likely that housing construction will reach a “natural peak” in capacity during the second half of the year.

Whilst Brickworks acknowledges the progress being made to increase land supply in New South Wales, more work is required to overcome land shortages and the bottlenecks that exist in this state. Sydney still has the lowest number of lots being released for housing development of all major capitals.

Over the next 12 months, major capital projects are planned at Malaga in Western Australia and Rochedale in Queensland and these projects will result in a short term impact to profitability.

Overall, the Building Products Group is well placed to deliver significantly higher earnings in the second half, compared to the previous corresponding period.

Looking further ahead, industry rationalisation, plant upgrades and other improvement initiatives provide additional impetus to Building Products earnings.



I will now go through our Property results.

Before I do so, I would like to take a moment to highlight the image on the slide, which shows the Coles Cold Distribution Centre at Eastern Creek, which is currently on the market for sale. The facility, which totals around 55,000 square metres and has nineteen years remaining on a twenty year lease to Coles, has received strong interest from local and overseas investors. We hope to be in a position to announce the details of a sale during the second half of the financial year.

Land & Development EBIT			
\$ millions	1H2015	1H2014	% Change
Land Sales	0.3	20.4	(98.5%)
Property Trust	38.6	17.1	125.7%
Waste	1.2	0.1	>500%
Property Admin ¹	(1.3)	(1.5)	(13.3%)
Total²	38.7	36.1	7.2%

1. Property administration includes the holding costs of surplus land
 2. Excluding significant items

Land and Development delivered an EBIT of \$38.7 million for the half year ending 31 January 2015, 7% higher than the previous corresponding period.

Property Sales contributed an EBIT of \$0.3 million for the half, in relation to the granting of an easement over operational land.

The shortfall in sales was taken up by returns from the Property Trust which delivered a profit of \$38.6 million, up 126% on the prior period.

Waste Management contributed a profit of \$1.2 million for the half, a considerable improvement on the prior period that was adversely impacted by a royalty free period.

I will now work through the Property Trust result in detail, before outlining the property pipeline and outlook.

Industrial Property Trust EBIT			
\$ millions (BKW share)	1H2015	1H2014	% Change
Net Trust Income	7.4	6.1	21.3%
Revaluation of established properties	26.6	7.9	236.7%
Other revaluations	1.9	3.1	(35.7%)
Development Profit	2.7	0.0	N/A
Total	38.6	17.1	125.7%

The increased earnings from the Property Trust were due primarily to significant revaluation profits.

The revaluation profit on established properties was \$26.6 million, up 237% from \$7.9 million in the prior corresponding period. This increase was a result of a broad based tightening of capitalisation rates across the portfolio of between 0.25% and 0.75%.

In addition, a revaluation on the completion of services to the Oakdale Estate delivered a profit of \$1.9 million during the half.

The Net Trust Income of \$7.4 million was up 21%, primarily as a result of rent from new facilities.

A development profit of \$2.7 million was declared on the Coles CDC expansion project, following finalisation of costings during the half.

Industrial Property Trust Value			
(\$ millions)	1H JAN 2015	FY JUL 2014	% Change
Leased properties ¹	792.8	733.2	8.1%
Land to be developed	251.4	245.8	2.3%
Total	1,044.2	979.0	6.7%
Less borrowings	402.3	381.5	5.5%
Net trust assets (100%)	641.9	597.5	7.4%
Brickworks equity (50%)	321.0	298.7	7.4%
Return on Leased Properties (excluding revaluations) ²	6.9%	7.4%	(6.8%)
Additional revaluation return ³	12.8%	6.5%	96.9%
Total Return on Leased Properties	19.7%	13.9%	41.7%

1. Includes asset values, cash and capital works in progress
 2. Based on annualised Net Trust Income and BKW share of equity on leased properties of \$207.2 million
 3. Based on revaluation of established properties only. Does not include revaluation on completions of new properties

The total value of the Property Trust Assets rose to over \$1 billion at 31 January 2015, primarily as a result of the revaluation of leased properties. Borrowings increased to \$402.3 million as a result of capital spent on new properties. Brickworks 50% share of the net asset value increased to \$321.0 million.

The return on the developed properties in the Trust, excluding revaluations, decreased to 6.9%, due primarily to the increase in value of leased properties. Including the strong revaluation profit on established properties during the half, the total return on leased properties was up to 19.7%, from 13.9 in financial year 2014.

Industrial Property Trust Assets							
Tenant / Asset	Location	Asset Value	Revaluation Profit 1H15	GLA (m ²)	Gross Rental p.a.	WALE (yrs)	Cap. Rate
Coles CDC	Eastern Ck	\$221.0m	\$18.5m	55,389	\$15.1m	19.5	6.25%
Capicure	Eastern Ck	\$25.4m	\$0.6m	16,809	\$2.3m	1.8	7.87%
Southridge	Eastern Ck	\$36.6m	\$1.5m	24,357	\$2.9m	1.8	7.75%
Linfox	Erskine Park	\$85.0m	\$0.0m	51,323	\$5.9m	5.8	7.25%
Ubeeco	Erskine Park	\$17.2m	\$1.0m	10,865	\$1.3m	4.2	7.75%
Kimberly Clark	Erskine Park	\$71.2m	\$5.7m	45,853	\$5.0m	8.4	6.75%
Woolworths	Erskine Park	\$83.7m	\$7.7m	52,888	\$5.9m	8.0	6.75%
Wacol	Wacol, QLD	\$12.9m	\$0.0m	10,384	\$1.2m	3.9	8.25%
DHL Transport	Oakdale	\$22.4m	\$2.8m	10,390	\$1.5m	6.0	7.25%
DHL J & J	Oakdale	\$40.0m	\$3.0m	26,161	\$2.9m	6.3	7.25%
Reedy Creek	Eastern Ck	\$38.4m	\$2.7m	22,959	\$2.7m	2.6	7.00%
Jeminex	Erskine Park	\$52.9m	\$3.7m	31,278	\$3.6m	5.5	7.00%
DHL Canon	Oakdale	\$31.3m	\$3.0m	20,170	\$2.2m	3.5	7.25%
DHL #4	Oakdale	\$48.4m	\$3.0m	31,745	\$3.5m	4.4	7.25%
Total (Jan 15)		\$786.4m	\$53.2m	410,571	\$56.0m	5.8	

Details on the leased property trust assets are outlined in the table shown on the screen. The total value of leased properties is \$786.4 million, up from \$733.2 million at 31 July 2014.


The entire portfolio consists of A grade stock which is under six and a half years old, with long lease terms and strong tenants. There is one vacancy in the portfolio, totaling around 6,500m², in the Capicure Estate.

Annualised gross rental return has increased slightly to \$56 million, with most rental increases due in the second half of financial year 2015.

Capitalisation rates are in the range 6.25% to 8.25%, following the compression of rates that occurred at the end of 2014. Two assets remain to be revalued the second half, being Linfox and Wacol.

Land Holdings					
Operational Land ¹	Gross Land Area	Book Value		Most Recent Valuation	
NSW	435ha	\$45m		\$160m	
VIC	524ha	\$22m		\$23m	
QLD	667ha	\$30m		\$38m	
WA	1,792ha	\$34m		\$117m	
SA & TAS	272ha	\$7m		\$13m	
Total	3,690ha	\$138m		\$351m	

Development Land	Gross Land Area	Development Area	Book Value	Current Value	Potential Value ²
NSW	154ha	97 ha	\$13m	\$18m	\$73m
VIC	332ha	196ha	\$27m	\$27m	\$146m
QLD	49ha	26ha	\$2m	\$14m	\$21m
WA	187ha	90ha	\$5m	\$5m	\$21m
Total	722ha	409ha	\$47m	\$64m	\$261m


Changes to operational land – Purchases at Yalata and Rockhampton in QLD offset by sale at Port Kembla in NSW

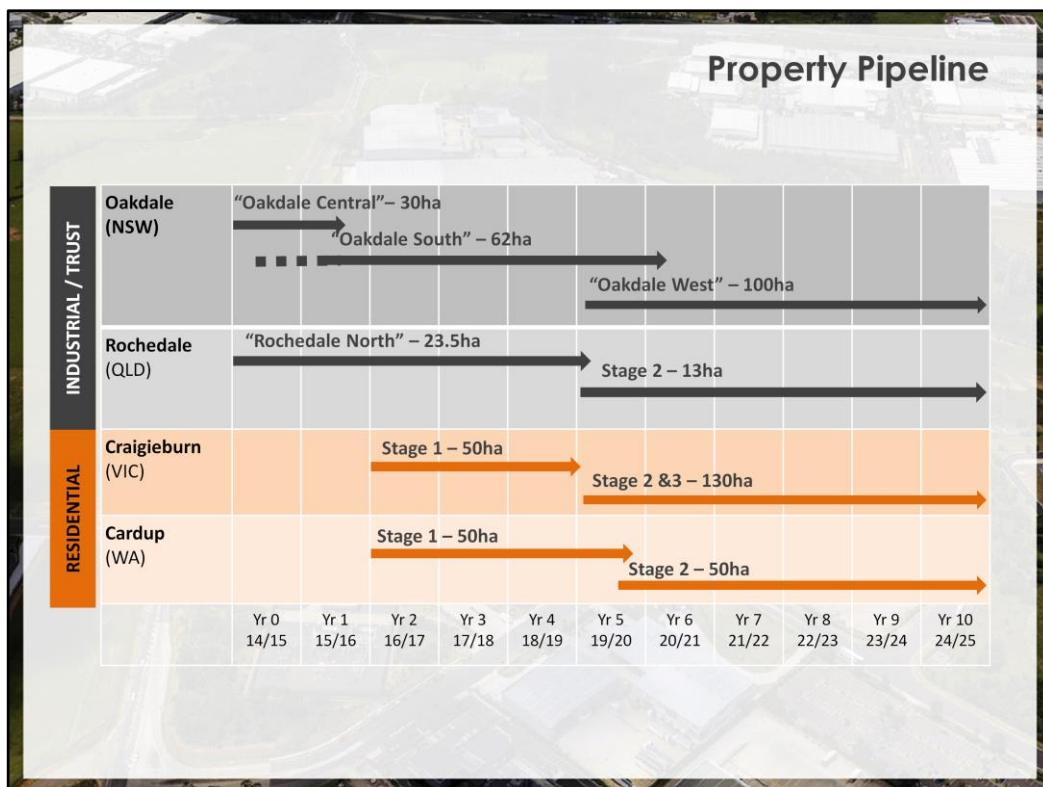
1. In additional to operational land values shown, book value of buildings is \$102 million
 2. Potential value assumes future land value if rezoned and rehabilitated but does not include development profit to BKW

Brickworks land holdings total around 4,400 hectares, split into operational and development land.

Operational land is currently valued at \$351 million, whilst the development land has the potential to be worth at least \$260 million, assuming rezoning and development approval of these properties. The value of operational land has increased during the half as a result of the purchase of land at Yatala in Queensland and the masonry acquisition at Rockhampton. These purchases have been offset by the sale of land at Port Kembla, mentioned earlier.

The value of development land has remained stable for the period.

The majority of land held for development is located in Victoria and New South Wales.



These properties will provide a long pipeline of development which is expected to continue well into the future.

As can be seen from the property pipeline shown on screen, there are 3 stages of the Oakdale development in New South Wales totaling almost 200 hectares, 2 at Rochedale in Queensland totaling around 36 hectares, 3 at Craigieburn in Victoria totaling 180 hectares and 2 at Cardup in Western Australia totaling 100 hectares.

In the short term, the development work will continue to focus on Oakdale in New South Wales. Tenant enquiry in the Eastern Creek area has increased in the last three months and Oakdale has been shortlisted by several tenants as a preferred location. The Property Trust is also expecting approval to commence upgrades to the southern section of Old Wallgrove Road. These upgrades will provide a four lane access road from the new Erskine Park Link Road to our Oakdale Estate.

Development on the "Rochedale North" site, sold into the Property Trust in January 2014, will commence development in the next half, subject to final council approvals.



Land & Development Outlook

- Capitalisation rate compression likely to slow in future years, resulting in reduced revaluation profits in Trust
- If Coles CDC is sold, loss in rental income will be partially offset by two new facilities at Eastern Creek
- Focus for FY15 will be securing tenants for Oakdale Central and opening up South (62ha) and West (100ha)
- Land Sales to include Riverview (Qld) and a compulsory acquisition of a small part of Bellevue (WA)
- Rezoning work continuing on Craigieburn in Victoria and Cardup in Western Australia.

The capitalisation rate tightening of up to 0.75% on Trust assets, seen in the first half is likely to slow going forward. Assuming this is the case, revaluation profits within the Trust will reduce.

Offsetting this impact will be a continued increase in income as a result of rental reviews on existing properties and the addition of new properties as they are developed.

If the Coles CDC property is sold, the loss in rental income will be partially offset by the development of two new facilities at Eastern Creek totalling 58,090m², with a heads of agreement having been recently signed.

During the second half, the Trust will focus on securing new tenants for the Oakdale Central property and the upgrade works I mentioned a moment ago at Oakdale South and West.

Land sales for the second half will increase from a low base and include the settlement of the \$9.0 million Riverview sale in Queensland and the compulsory acquisition of 1.5 hectares at Bellevue in Western Australia for \$2.5 million.

Work continues on rezoning numerous surplus sites already identified for development including Craigieburn in Victoria and Cardup in Western Australia.



I will now go through our Investments results.

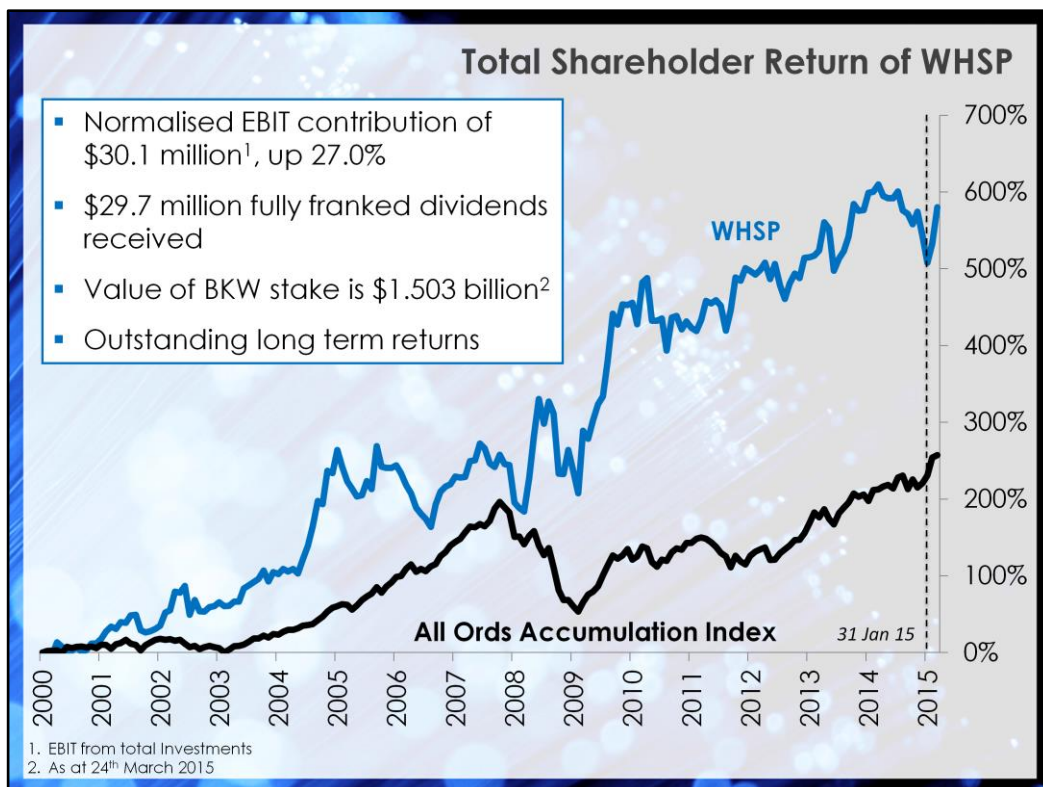


Brickworks Investments' Group consist primarily of a 42.7% stake in Washington H Soul Pattinson, a core asset of Brickworks that has brought diversity and reliable earnings to the company.

WHSP is a diversified investment house with interests in a wide range of companies. Some of these companies and their brands are shown on the screen.

WHSP's investments are primarily major listed companies, however it also holds investments in non listed companies. In some cases, WHSP owns a controlling stake in the company, or a significant share of over 20%. In other cases the holding is less than 1% of shares on issue.

Aside from its' 44.5% interest in Brickworks, SOL's largest two holding are TPG Telecom and New Hope Coal Corporation.



The EBIT from total investments was up 27% to \$30.1 million for the half.

This included the normal equity accounted contribution from WHSP of \$29.9 million, up 26%.

Brickworks received normal fully franked dividends totaling \$29.7 million from WHSP during the half.

The market value of Brickworks investment in WHSP was over \$1.5 billion at 24th March 2015, marginally below the market value at 31 July 2014.

WHSP has delivered outstanding returns to its shareholders over the long term, with fifteen year returns of 12.8% p.a. exceeding the index by 4.5% p.a.



Turning now to the outlook.

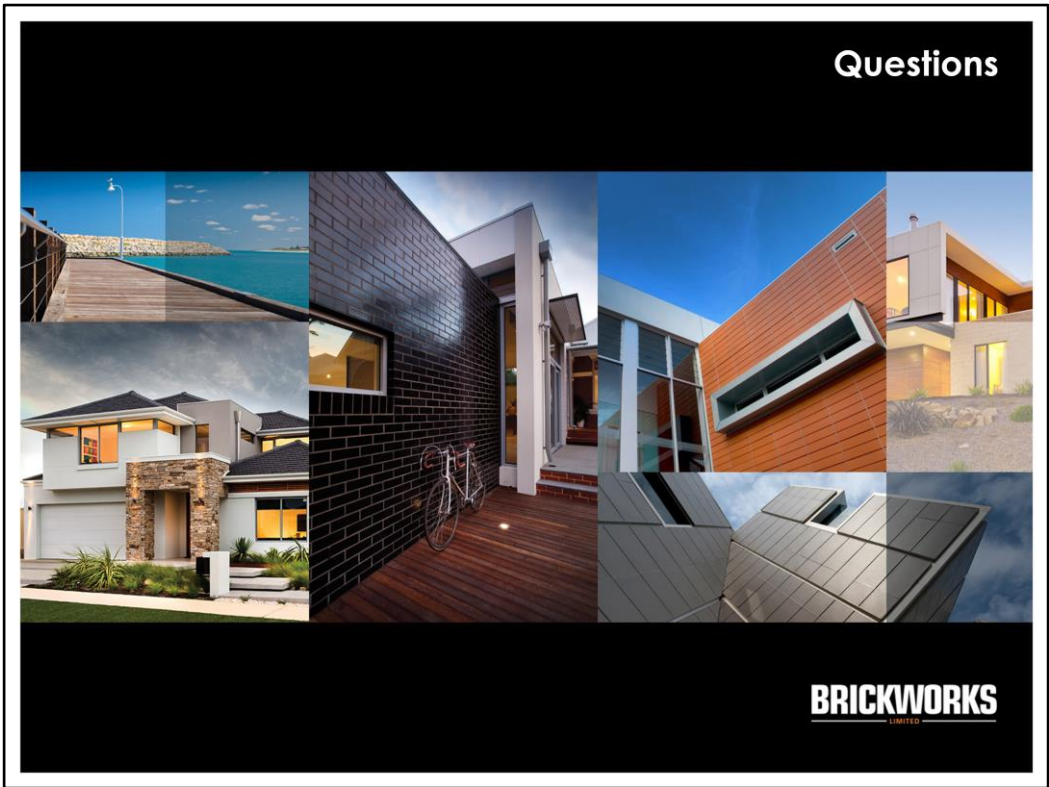
Brickworks Group Outlook

- Building Products earnings in the 2nd half are expected to be significantly higher than the prior corresponding period
- Land and Development earnings are expected to be approximately in line with the prior year, subject to the timing and value of property transactions
- An increase in earnings from Investments is anticipated, following the stronger first half

Barring any unforeseen economic shocks, earnings from the Building Products Group are expected to gather momentum in the second half, on the back of increased volumes and a range of cost reduction initiatives. Building Products earnings in the second half are expected to be significantly higher than the prior corresponding period.

Land and Development earnings are expected to be approximately in line with the prior year, subject to the timing and value of property transactions.

An increase in earnings from Investments is anticipated, following the stronger first half.



I will now take any questions.

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