Abridged Audited Results

for the year ended 31 March 2013

Brait SE
(Registered in Malta as a European Company)
(Registration No: SE1)
Share code: BAT ISIN: LU0011857645
Share code: BATP ISIN: MT0000680208
("Brait", the "Company" or "Group")

Key Highlights

- Net Asset Value ("NAV") per share up **29%** to **R26.64**
- Increase in NAV attributable to operational performance of investment portfolio with no change in valuation multiples
- Proposed bonus share issue (with cash dividend alternative) of **26.64 cents per share** (up **29%** on prior year)
- Normalised headline earnings per share up **34%** to **R5.79** per share (2012: R4.33)
- Preference share dividend of **R66 million** (440.79 cents per share) for the six months ended 31 March 2013 declared on 28 May 2013
- **R274 million** cash inflows from investment portfolio
- **R1.5 billion** capital raised in August 2012 from the issue of perpetual preference shares
- Cash and facilities of **R2.7 billion** available for new investments

Abridged group statement of comprehensive income

for the year ended 31 March 2013

Audited 31 March 2012 R'm	Audited 31 March 2013 R'm		Notes	Audited 31 March 2013 €'m	Audited 31 March 2012 €'m
2 568	**2 713**	Investment gains		**246**	251
257	**488**	Other investment income		**46**	25
(117)	**(124)**	Operating expenses		**(11)**	(11)
(62)	**(59)**	Finance costs		**(6)**	(6)
–	**(5)**	Indirect taxation		**–**	–
(39)	**(1)**	Direct taxation		**–**	(4)
2 607	**3 012**	**Profit for the year**		**275**	255
48	**163**	**Translation adjustment**		**(143)**	(7)
2 655	**3 175**	**Comprehensive income for the year**		**132**	248
		Salient features			
2 059	**2 664**	**Net asset value per share (cents)**		**225**	201
25%	**27%**	**Net asset value CAGR #**		**N/A**	N/A
433	**579**	**Normalised headline earnings per share (cents) ƒ**		**53**	42
545	**581**	**Headline earnings per share (cents) – basic and diluted**	2	**53**	53
654	**581**	**Earnings per share (cents) – basic and diluted**	2	**53**	64
20.59	**26.64**	**Proposed/paid ordinary dividend per share (cents)**		**2.12**	2.13
		Financial statistics			
10 534	**17 752**	**Market capitalisation**		**1 500**	1 030
506	**510**	**Ordinary shares in issue (m)**		**510**	506
(5)	**(5)**	**Treasury shares (m)**		**(5)**	(5)
501	**505**	**Ordinary shares outstanding (m)**		**505**	501
399	**504**	**Weighted average ordinary shares in issue (m) – basic and diluted**		**504**	399
2 081	**3 480**	**Closing ordinary share price (cents)**		**294**	203
–	**135.63**	**Preference dividend per share paid 3 December 2012 (cents)**		**11.9903**	–
–	**440.79**	**Preference dividend per share declared 28 May 2013 (cents)**		**35.0883**	–

 # Compound Annual Growth Rate ("CAGR") is calculated over any three-year period commencing on 1 April 2011 and assuming an opening NAV of the R16.50 Rights Offer price
ƒ Headline Earnings for the year divided by ordinary shares outstanding at year-end

Abridged group statement of financial position

as at 31 March 2013

Audited 31 March 2012 R'm	Audited 31 March 2013 R'm		Audited 31 March 2013 €'m	Audited 31 March 2012 €'m
		ASSETS		
11 251	**14 523**	**Non-current assets**	**1 226**	1 099
9 961	**13 114**	Investments	**1 108**	973
1 284	**1 399**	Loan receivable	**117**	125
6	**10**	Property and equipment	**1**	1
543	**618**	**Current assets**	**53**	53
20	**115**	Accounts receivable	**10**	2
523	**503**	Cash and cash equivalents	**43**	51
11 794	**15 141**	**Total assets**	**1 279**	1 152
		EQUITY AND LIABILITIES		
10 321	**13 458**	**Ordinary shareholders' equity and reserves**	**1 137**	1 008
–	**1 469**	**Preference shareholders' equity**	**124**	–
1 410	**163**	**Non-current liabilities**	**14**	138
1 370	**141**	Borrowings	**12**	134
40	**22**	Deferred tax liability	**2**	4
63	**51**	**Current liabilities**	**4**	6
11 794	**15 141**	**Total equity and liabilities**	**1 279**	1 152
506	**510**	**Ordinary shares in issue (m)**	**510**	506
(5)	**(5)**	**Treasury shares (m)**	**(5)**	(5)
501	**505**	**Outstanding shares for NAV calculation (m)**	**505**	501
2 059	**2 664**	**Net asset value per share (cents)**	**225**	201

Abridged group statement of changes in equity

for the year ended 31 March 2013

Audited 31 March 2012 R'm	Audited 31 March 2013 R'm		Audited 31 March 2013 €'m	Audited 31 March 2012 €'m
		Attributable to ordinary shareholders		
1 491	**10 321**	**Ordinary shareholders balance at beginning of the year**	**1 008**	157
2 607	**3 012**	Profit for the year	**275**	255
48	**163**	Translation adjustments	**(143)**	(7)
(16)	**(2)**	Net purchase of treasury shares/rights	**–**	(2)
–	**(16)**	Ordinary dividends paid	**(1)**	–
	(20)	Earnings attributed to preference shares	**(2)**	
6 389	**–**	Rights Offer and Private Placement issue ("Transaction")	**–**	624
(198)	**–**	Transaction costs	**–**	(19)
10 321	**13 458**	**Ordinary shareholders balance at end of the year**	**1 137**	1 008
		Attributable to preference shareholders		
–	**1 500**	Preference share issue on 6 August 2012	**137**	–
–	**(31)**	Preference share transaction cost	**(3)**	–
–	**–**	Translation adjustments	**(10)**	–
–	**20**	Earnings attributed to preference shares	**2**	–
–	**(20)**	Preference dividend paid	**(2)**	–
–	**1 469**	**Preference shareholders balance at end of the year**	**124**	–

Group statement of cash flows

for the year ended 31 March 2013

Audited 31 March 2012 R'm	Audited 31 March 2013 R'm		Audited 31 March 2013 €'m	Audited 31 March 2012 €'m
		Cash flows from operating activities		
1 126	**126**	Investment proceeds	**11**	110
75	**61**	Fees received	**5**	7
4	**24**	Interest received	**2**	–
–	**111**	Dividends received	**9**	–
(162)	**(135)**	Operating expenses paid	**(10)**	(15)
(118)	**(24)**	Taxation paid	**(2)**	(12)
(30)	**(59)**	Interest paid	**(5)**	(3)
895	**104**	**Operating cash flow excluding purchase of investments**	**10**	87
(6 450)	**(386)**	Purchase of investments	**(33)**	(630)
(5 555)	**(282)**	**Net cash used in operating activities**	**(23)**	(543)
–	**(8)**	Acquisition of property and equipment	**(1)**	–
–	**(8)**	**Net cash used in investing activities**	**(1)**	–
6 389	**–**	Proceeds from rights offer and private placement issue ("Transaction")	**–**	624
(187)	**–**	Transaction costs	**–**	(18)
–	**1 500**	Proceeds from issue of preference shares	**127**	–
–	**(31)**	Preference share transaction cost	**(3)**	–
1 337	**(1 231)**	(Repayment of)/proceeds from long-term borrowings	**(104)**	131
(1 200)	**–**	Loan advanced to Investment Team	**–**	(117)
(450)	**–**	Repayment of redeemable preference shares	**–**	(44)
(16)	**(2)**	Net purchase of treasury shares	**–**	(2)
–	**(16)**	Ordinary dividend paid	**(1)**	–
–	**(20)**	Preference dividend paid	**(2)**	–
5 873	**200**	**Net cash from financing activities**	**17**	574
318	**(90)**	**Net (decrease)/increase in cash and cash equivalents**	**(7)**	31
33	**70**	Effects of exchange rate changes on cash and cash equivalents	**(1)**	2
172	**523**	Cash and cash equivalents at beginning of year	**51**	18
523	**503**	Cash and cash equivalents at end of year	**43**	51

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

for the year ended 31 March 2013

1. ACCOUNTING POLICIES

1.1 Basis for preparation

The financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, on the going concern principle, using the historical cost basis except where otherwise indicated. The abridged financial statements are presented in accordance with IAS 34 (Interim Financial Reporting). The accounting policies and methods of computation are consistent with those applied in the annual financial statements for the year ended 31 March 2012.

The Group's financial statements are prepared using both the Euro (€/EUR) and SA Rand (R/ZAR) as its presentation currencies. The Group has three functional currencies: USD (US$), GBP (£/GBP) and SA Rand for the respective jurisdictions in which it operates. The financial statements have been prepared using the following spot exchange rates:

	2013		2012	
	Closing	Average	Closing	Average
USD/ZAR	**9.2358**	**8.5067**	7.6687	7.4507
GBP/ZAR	**14.0359**	**13.4380**	12.2900	11.8767
EUR/ZAR	**11.8391**	**10.9589**	10.2364	10.2165
USD/EUR	**0.7802**	**0.7770**	0.7492	0.7293
GBP/EUR	**1.1858**	**1.2279**	1.2006	1.1625

2. HEADLINE EARNINGS RECONCILIATION

Audited 31 March 2012 R'm	Audited 31 March 2013 R'm		Audited 31 March 2013 €'m	Audited 31 March 2012 €'m
2 607	**3 012**	The calculation of the basic and diluted earnings per share and headline earnings per share is based on the following data: Profit for the year	**275**	255
–	**(20)**	Preference dividend paid 3 December 2012 for the period ending 30 September 2012	**(2)**	–
–	**(66)**	Preference dividend declared 28 May 2013 for the six months ending 31 March 2013	**(6)**	–
2 607	**2 926**	Earnings	**267**	255
(434)	**–**	Capital item	**–**	(42)
2 173	**2 926**	Headline earnings	**267**	213

3. SUBSEQUENT EVENTS

No events have taken place between 31 March 2013 and the date of the release of this report, which would have a material impact on either the financial position or operating results of the Group.

AUDITOR'S OPINION

The external auditors, Deloitte Audit Limited, have issued an unmodified audit opinion on the Group's financial statements for the 31 March 2013 year end. The audit was conducted in accordance with International Standards on Auditing. These abridged provisional financial statements have been derived from the Group financial statements and are consistent in all material respects with the Group financial statements. A copy of their audit report is available for inspection at the Company's registered office. Any reference to future financial performance included in this announcement, has not been reviewed or reported on by the Company's auditors. The auditor's report does not necessarily cover all of the information contained in this announcement/financial report. Shareholders are advised that in order to obtain an understanding of the nature of the auditor's work, they should obtain a copy of that report from the registered office of the company.

REVIEW OF OPERATIONS

THE BUSINESS OF BRAIT

Brait is an investment holding company whose shares are listed on the Euro MTF Market of the Luxembourg Stock Exchange and also on the JSE. Brait's portfolio mostly comprises holdings in privately owned businesses operating in a range of industries.

The Board of Directors (Board) is pleased to report on the final results for the year ended 31 March 2013.

VALUE DRIVERS

Growth in NAV is the Company's key performance measure and the following additional factors are the other core value drivers of the business:

- Minimal cost leakage;
- Minimal balance sheet cash drag;
- Significant cash flow within the underlying assets; and
- Predictable and consistent ordinary dividend to NAV yield.

GROWTH IN NAV

Brait targets growth in its NAV per share at a compound rate of at least 15% per annum (CAGR) over any three-year period commencing 1 April 2011 and assuming an opening NAV of the ZAR16.50 Rights Offer Price. The two-year CAGR for the period to 31 March 2013 is a pleasing 27%. The Group's NAV per share of ZAR26.64 at 31 March 2013 represents a 29% increase on the ZAR20.59 NAV at 31 March 2012, which compares favourably to the 15% benchmark performance measure.

Growth in EBITDA and cash flow generation of investee companies continue to be the drivers of the Group NAV, with the EV/EBITDA valuation multiples applied remaining unchanged.

The Group's valuation policy is in accordance with the principles of the International Private Equity and Venture Capital (IPEVC) guidelines and IFRS. At reporting date, the EV/EBITDA valuation multiples for the significant portfolio investments are Pepkor at 8x; Premier Foods at 6.5x; Iceland Foods at 6.5x.

The current NAV break-down is as follows:

31 March 2012 R'm	31 March 2013 R'm		%	31 March 2013 €'m	31 March 2012 €'m
9 961	**13 114**	**Investments**		**1 108**	973
6 701	**9 278**	Pepkor	61%	**784**	655
1 191	**1 463**	Premier Foods	10%	**124**	116
998	**1 449**	Iceland Foods	10%	**122**	97
584	**594**	PE fund investments	4%	**50**	57
487	**330**	Other investments	2%	**28**	48
1 284	**1 399**	Loan receivable	9%	**117**	125
523	**503**	Cash and cash equivalents	3%	**43**	51
6	**10**	Property and equipment	–	**1**	1
20	**115**	Accounts receivable	1%	**10**	2
11 794	**15 141**	**Total assets**	100%	**1 279**	1 152
1 473	**214**	**Total liabilities**		**18**	144
1 370	**141**	Borrowings		**12**	134
40	**22**	Deferred tax liability		**2**	4
63	**51**	Current liabilities		**4**	6
–	**1 469**	Preference share equity		**124**	–
10 321	**13 458**	**Net Asset Value**		**1 137**	1 008
501	**505**	Number of issued shares ('mil, excluding treasury shares)		**505**	501
2 059	**2 664**	Net asset value per share (cents)		**225**	201

Key highlights of the Group's portfolio are:

- Pepkor's sales for the first six months of its FY2013 are 22% up on the comparative period. This, together with continued focus on operating efficiencies, has resulted in EBITDA margin increasing to 12.1% (H1 FY2012: 10.9%). This in turn has translated into a 36% and 46% increase in EBITDA and Profit after Tax, respectively, for the period. Free cash flow generation remains strong
- Premier Foods traded in line with expectations for the first six months of its FY2013. The business managed to largely maintain volumes against an overall market decline for milling and baking, which resulted in overall market share increases for Premier Foods. The first non-milling and baking investment was concluded during May 2013 with the acquisition of confectionary brands Manhattan and Super C, together with the related production facilities. Furthermore, Brait increased its shareholding in Premier Foods to 79.9% (FY2012: 65.8%)
- Iceland Foods delivered on its cash generation investment thesis in FY2013, increasing EBITDA to free cash flow conversion to 73% (FY2012: 70%). The resulting de-gearing facilitated a 50 bps reduction on its debt funding rates. Despite challenging market conditions, the business managed to increase both its sales and market share. The weakening Rand further enhanced Brait's carrying value for Iceland Foods.

Minimal cost leakage

Operating expenditure for the year of ZAR124 million (6% increase on FY2012) represents a favourable ratio of 0.68% (FY2012: 0.79%) to Assets Under Management (AUM) compared to the target of 0.85% or less.

Minimal balance sheet cash drag

The Group maintains minimal cash holdings on balance sheet to avoid diluting overall target returns. Cash and cash equivalents at 3.7% of NAV (FY2012: 5.1%) are well within the Group's benchmark maximum of 25% of NAV. Cash and available facilities of R2.7 billion are in place to fund new investments.

Significant cash flow within the underlying assets

Brait received investment cash inflows of ZAR274 million during the year comprising: ZAR128 million maiden dividend income from Pepkor (Pepkor paid a total dividend of ZAR346 million during March 2013); ZAR28 million from the servicing of loan claims by Premier Foods and Iceland Foods and ZAR118 million from realisations within the PE Fund and Other Investments.

Predictable and consistent bonus share issue or ordinary dividend to NAV yield

The Group's policy is an ordinary bonus share issue or dividend to NAV yield of 1% – 2.5% per annum. It favours a bonus share issue or, alternatively, an ordinary cash dividend. Bonus shares and dividends are considered annually when the results for each year are published. The extent of any bonus shares and dividends is determined relative to net operating cash flows which includes proceeds received on the realisation of loans and investments from time to time and which are not earmarked for new projects or required for liquidity. For the year under review, a bonus share issue (with a cash dividend alternative) of 1% of NAV (being FY2012's NAV of ZAR20.59 cents per share) was paid out in August 2012, with 85% of shareholders electing to receive bonus shares.

See details below on the proposed bonus share issue or, alternatively, ordinary dividend for the 2013 year.

GROUP FUNDING POSITION

A funding highlight for the Group was the successful placing of ZAR1.5 billion in perpetual preference shares on 6 August 2012, with over ZAR2 billion's of applications having been received. The net proceeds raised were applied against the Group's drawn borrowings. A further ZAR500 million remains to be placed in the future under the existing ZAR2 billion preference share programme.

With effect from 1 May 2013, the interest rate margin on the Group's term debt has reduced from 340-400bps to 270bps (above the 3 month JIBAR rate) with the commitment fee for undrawn facilities reduced from 125bps to 70bps. This has been facilitated by strong NAV growth, a healthier balance sheet resulting from the replacement of debt with preference share funding and the receipt of investment cash inflows from the underlying portfolio companies.

The Board believes that the Group is adequately funded with ZAR2.7 billion available to fund new investment opportunities. Importantly the majority of this funding is in the form of low cost facilities instead of cash, thereby providing maximum returns for shareholders.

The Group continues to explore new sources of funding through raising cheaper and more permanent forms of capital to achieve a more efficient capital structure.

PREFERENCE DIVIDEND DECLARED

The Board declared, on 28 May 2013, a preference dividend of ZAR4.4079/EUR0.350883 per share for the six months ended 31 March 2013. The issued cumulative, non-participating preference share capital at the date of this declaration is 15 000 000 preference shares of ZAR100 each. A separate announcement setting out the salient dates was released to the market on Wednesday, 29 May 2013.

PROPOSED BONUS SHARE ISSUE OR, ALTERNATIVELY, CASH DIVIDEND

The Board has proposed a bonus share issue of new, fully paid, ordinary Brait shares with a par value of EUR0.22 each ("New Shares") in proportion to shareholders' shareholding in Brait, payable to shareholders recorded in the register on the Friday, 2 August 2013 (the "Bonus Share Issue"). Shareholders will be entitled, in respect of all or part of their shareholding as of the record date (Friday, 2 August 2013), to elect to receive a cash dividend of 26.64 ZAR cents/2.12 EUR cents per ordinary share (the "Cash Dividend Alternative") held in lieu of all or part of the New Share to which they would have been entitled, which will be paid only to those shareholders whose election forms to receive the Cash Dividend Alternative, in respect of all or part of their shareholding are received by the transfer secretaries on or before 12:00 p.m. on Friday, 2 August 2013. The Bonus Share Issue and Cash Dividend Alternative are, however, subject to shareholder approval at the Company's AGM on 17 July 2013. If all shareholders receive New Shares, an approximate aggregate number of 3 850 863 New Shares, are expected to be issued. If all shareholders elect to receive the Cash Dividend Alternative, this would amount to an aggregate of R135 896 593 for the financial year ended 31 March 2013.

Shareholders not electing to receive the Cash Dividend Alternative in respect of all or part of their shareholding will, without any action on their part, be issued with New Shares in accordance with their shareholding pursuant to the Bonus Share Issue.

The number of New Shares to which shareholders will be entitled pursuant to the Bonus Share Issue will be determined by such shareholder's shareholding in Brait as of the 2 August 2013 in relation to the ratio that 26.64 ZAR cents per share bears to R35.29, being the 60-day volume weighted average price ("VWAP") of ordinary Brait shares on the Luxembourg Stock Exchange ("LuxSE") and the Johannesburg Securities Exchange ("JSE") during the trading period ending on Friday 31 May 2013.

A circular and an election form will be sent to all shareholders on Monday, 24 June 2013 containing full details of the Bonus Share Issue and Cash Dividend Alternative.

The rationale for the Bonus Share Issue is to afford shareholders the opportunity to increase their shareholding in Brait and retain the Company's flexibility on cash holdings.

The Bonus Share Issue and the Cash Dividend Alternative may have tax implications for shareholders.

The receipt of New Shares by South African resident shareholders should not be classified as a dividend or a foreign dividend for South African tax purposes and hence dividends tax should not be levied on the New Shares. For those South African resident shareholders electing the Cash Dividend Alternative in lieu of the New Shares, such amount will be regarded as a foreign dividend, but may be subject to South African dividends tax at the rate of 15%, unless an exemption as set out in the South African income tax legislation applies.

If dividends tax does apply, the net dividend will be 22.644 ZAR cents per share.

Shareholders are therefore encouraged to consult with their professional advisors should they be in any doubt as to the appropriate action to take.

The issued ordinary share capital at the date of this announcement is 510 122 347 ordinary shares of EUR0.22 each.

The salient dates are as follows:

EVENT	2013
Circular and form of election posted to shareholders on:	Monday, 24 June
AGM approving the Bonus Share Issue/Cash Dividend Alternative on:	Wednesday, 17 July
Last day to trade in order to be eligible for the Bonus Share Issue or, alternatively, the Cash Dividend Alternative on:	Friday, 26 July
Ordinary shares trade "ex" the Bonus Share Issue/Cash Dividend Alternative on:	Monday, 29 July
Last day for election forms to receive the Cash Dividend Alternative instead of the Bonus Share Issue to reach the Transfer Secretaries by 12:00 p.m. on:	Friday, 2 August
Record date in respect of the Bonus Share Issue/Cash Dividend Alternative on:	Friday, 2 August
Share certificates and dividend cheques posted, CSDP/participant/broker accounts credited/updated and New Shares listed on the LuxSE and JSE on:	Monday, 5 August

Share certificates may not be dematerialised or rematerialised, nor may transfers between the Luxembourg and South African registers take place between Friday, 26 July 2013 and Friday, 2 August 2013, both days inclusive.

Please note that the New Shares to be issued in terms of the Bonus Share Issue may not be traded until Monday, 5 August 2013.

GROUP OUTLOOK

The defensive nature of Brait's portfolio underpinned by strong cash generation, significant investment by portfolio companies and growing geographic diversity ensures that the business is well positioned with a strong balance sheet in a challenging macro environment.

CHANGE IN THE BOARD OF DIRECTORS

Shareholders are advised that, following the resignation of R Schembri on 19 April 2013 as previously advised, Dr LL Porter has been appointed to the Board as an independent, non-executive director with effect from 28 May 2013. Dr Porter is an experienced non-executive director and the Board looks forward to his contribution.

For and on behalf of the Board

Phillip Jabulani Moleketi
Non-Executive Chairman

5 June 2013

Directors (all non-executive)
PJ Moleketi (Chairman)*, AC Ball*, CD Keogh##, RJ Koch##, Dr LL Porter##, CS Seabrooke*, HRW Troskie**, SJP Weber#, Dr CH Wiese*,

Luxembourgish   ## British   ** Dutch   * South African

The Company is primarily listed on the Euro MTF market of the LuxSE and secondarily listed on the JSE.

Brait SE
Registration No: SE1

SPONSOR

RAND MERCHANT BANK (a division of FirstRand Bank Limited)

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