

Brait SE
(Registered in Malta as a European Company)
(Registration No.SE1)
Share code: BAT ISIN: LU0011857645
Share Code: B ATP ISIN: MT0000680208
("Brait", "the Company")

NET ASSET VALUE ("NAV") UPDATE AS AT 31 DECEMBER 2014 (Q3 FY2015)

Shareholders of the Company are advised that:

- Pro-forma NAV per share of R61.96 reflects an increase of 103.7% for the twelve months ended 31 December 2014 (31 December 2013: R30.41 NAV per share), which translates into a 47.8% CAGR since 31 December 2011's reported NAV per share of R19.21.
- Brait shareholder approval (passed by a 99.8% majority of shareholders voting in person or by proxy) was obtained at the Extraordinary General Meeting held on 27 January 2015 for the proposed acquisition by Steinhoff International Holdings Limited ("Steinhoff") of Brait's effective 37.06% interest in Pepkor Holdings Proprietary Limited ("Pepkor"). The transaction remains subject to the fulfilment or waiver of the Conditions Precedent as set out in the Circular to Brait Shareholders released on 12 December 2014 ("Brait's Circular"). In the interests of fair presentation and to afford comparability with the pro-forma September 2014 NAV of R61.35 disclosed in Brait's Circular, the reported NAV for the quarter ended 31 December 2014 is presented on a pro-forma basis, with Pepkor valued in accordance with the Steinhoff offer price. The increase in the Pepkor carrying value for the quarter is attributable to the Steinhoff closing share price as at 31 December 2014 of R59.40 (Pro-forma 30 September 2014 NAV used the R57.00 issue price attributed to the 200 million Steinhoff shares received as consideration), offset by the quarter's increase in the pro rata share of gearing in the special purpose vehicle that houses Brait's indirect shareholding in Pepkor.
- Valuation multiples for Brait's investments remain unchanged.
- Premier traded well during the current quarter, generating solid growth in EBITDA and cash flow. Comparing the six months ended 31 December 2014 to the comparative period, Premier achieved strong growth across bakeries, milling and confectionery underpinned by pleasing growth in volumes. Premier repaid Brait the R330 million scheduled loan repayment (recognised at 30 September 2014 as part of Brait's accounts receivable) on 23 October 2014. Brait increased its shareholding in Premier from 84.9% to 86.5% through the exercise of existing put and call option agreements with former Premier shareholders. The combined effect of these items resulted in the carrying value for Premier increasing by 6.8% for the quarter.

- The UK food retail market continues to be the most challenging seen for many years. Consumers' spending remains under pressure and their preferences are changing with limited assortment discounters, pound shops, convenience stores and online grocers all gaining market share at the expense of the traditional supermarket weekly shop. While many of these changes present opportunities for Iceland Foods given its footprint and national online offering, in the short term the upheaval in the market has placed continued pressure on profits as sales growth has slowed and investment into the value proposition and marketing spend has increased. Prices are being driven down with the market experiencing food deflation. While Iceland's cash generation remains strong, these factors have led to Brait further downgrading its assessment of Iceland's sustainable EBITDA. The Rand strengthened over the quarter against the GBP, closing at R18.02 relative to 30 September 2014's R18.30. The result of these factors has led to the carrying value of Iceland declining by 28.6% for the quarter.
- Southern View Finance ("SVF") and DGB performed well and together with SVF's capital raise during November 2014, resulted in a 25.4% increase for the quarter in the carrying value of the Other Investments portfolio. The capital raise refinanced a portion of existing debt, and provides SVF with additional facilities for future acquisitions.
- The increase in Brait's borrowings during the quarter funded the treasury share purchases as well as Brait's participation in SVF's capital raise. The Company remains adequately capitalised with sufficient available cash and facilities for potential new investments.
- Brait's dividend policy remains unchanged.
- Operating costs for the Company remain in line with previously communicated performance targets.

NAV Detailed Analysis:

	Pro-forma 31-Dec-14	Pro-forma 30-Sept-14	31-Dec-13
	R'm	R'm	R'm
Investments	32,869	32,144	16,650
Pepkor	25,732	25,275	10,816
Premier	4,123	3,862	2,910
Iceland Foods	999	1,400	1,764
Other investments	2,015	1,607	1,160
Loan receivable	561	548	1,492
Cash and cash equivalents	879	622	413
Property and equipment	-	-	9
Accounts receivable	23	333	338
Total Assets	34,332	33,647	18,902

Borrowings	(705)	-	(1,369)
Accounts payable and provisions	(33)	(19)	(103)
Total liabilities	(738)	(19)	(1,472)
Preference share equity	(1,964)	(1,964)	(1,964)
Net Asset Value	31,630	31,664	15,463
Number of issued shares ('mil) excluding treasury shares	510.5	516.2	508.5
Net asset value per share (ZAR)	61.96	61.35	30.41

The comparative 31 December 2013 carrying values shown above for Other Investments and Cash and Cash Equivalents have been restated as a result of Brait's adoption of IFRS 10 Consolidated Financial Statements. These reclassifications are not material and resulted in no change to the reported NAV per share of R30.41.

The financial information on which this announcement is based has not been reviewed and reported on by the Company's external auditors.

For and on behalf of the Company's Board of Directors

Phillip Jabulani Moleketi
Non-Executive Chairman
4 February 2015

The Company is primarily listed on the Euro MTF market of the Luxembourg Stock Exchange and secondarily listed on the Johannesburg Stock Exchange.

Financial Adviser and Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)