

Breville

23 August 2012

Manager, Company Announcements,
Australian Securities Exchange Limited,
Level 4, 20 Bridge Street,
Sydney NSW 2000

**Year Ended 30 June 2012
Year End Report Announcement**

Attached is a copy of the Breville Group Limited Year End Report Announcement for the Year Ended 30 June 2012.

Yours faithfully



Michelle Waters
Company Secretary
Breville Group Limited

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Breville Group Limited results - year ended 30 June 2012

EBITDA increased by 39.3% to \$72.5m

Net profit after tax increased by 44.9% to \$46.0m

Final dividend increased by 64.3% to 11.5 cps: full year increase of 45.5% to 24.0 cps

Group summary result

AUDm ¹	FY12	FY11	% Chng
Revenue	427.9	393.6	8.7%
EBITDA	72.5	52.0	39.3%
EBIT	65.6	45.3	44.8%
NPAT	46.0	31.7	44.9%
Basic EPS (cents)	35.4	24.5	44.5%
ROE ² (%)	25.9%	20.7%	
Div per share - ordinary (cents)	24.0	16.5	45.5%
Net cash (\$m)	\$47.0m	\$27.3	
Gearing ratio (%)	Nil	Nil	

Breville Group Limited today reported a 44.9% increase in net profit after tax to \$46.0m (FY11: \$31.7m) for the year to 30 June 2012.

CEO, Jack Lord said: *"This strong result was driven by continued growth in the Group's international business and an encouraging performance in Australia. The Group's result has been based on its ability to design and develop innovative world class products and to effectively market these products across multiple geographies."*

Group revenue in AUD increased by 8.7% to \$427.9m. Excluding the FY11 exited North American homewares business, Group revenue increased by 13.3%.

Group EBITDA increased by 39.3% to \$72.5m. Excluding the onerous lease expense in FY11, Group EBITDA increased by 26.3%.

Australian revenue finished slightly up on the prior year after showing good growth of 9.9% in the second half.

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Commenting on the Australian result, Jack Lord said: *“The pleasing second half performance in Australia was a result of increasing our focus on the premium department store and specialist electrical channels and accelerating the launch of higher value Breville-designed products.”*

International revenues in AUD increased by 17.6% to \$226.2m.

Jack Lord noted that the International result was due to: *“Further product launches, strong juicer sales and continued strong growth of the Keurig distribution business in Canada were the main drivers of our international growth.”*

Net cash at 30 June 2012 was \$47.0m compared to \$27.3m at the same time last year. Gearing remained at nil and return on equity increased from 20.7% to 25.9%.

Breville Group Chairman, John Schmolle commented: *“Our strong cash position, positive earnings growth and improving returns on shareholders’ equity has allowed the Board to increase the final dividend by 64% to a fully franked 11.5 cents per share, with the total dividend for the year at 24.0 cents per share, fully franked. Furthermore, our balance sheet strength provides a solid foundation to drive further growth especially in international markets.”*

Operating performance

AUDm ¹	REVENUE			EBITDA		
	FY12	FY11	% Chng	FY12	FY11	% Chng
Australia	201.7	201.3	0.2%	21.3	21.5	(1.0%)
International	226.2	192.3	17.6%	52.0	35.9	44.9%
Other	-	-		(0.8)	(0.1)	
Onerous lease	-	-			(5.3)	
TOTAL	427.9	393.6	8.7%	72.5	52.0	39.3%

Australia

Revenues of \$201.7m were marginally up on the prior year, with 2H12 revenues growing 9.9% on the previous corresponding period. EBITDA for the year was also in line with the prior year.

The Australian business’ multi-brand strategy contributed to its resilient FY12 performance and maintained its market leadership position in the core kitchen appliance category. *[Source: GfK year ended June 2012 (value share) - combined BRG brands].*

The focus of the Group’s design capabilities on developing world class kitchen products has helped create growth in key kitchen categories and an increased perception of the quality and innovation of Breville products.

Kambrook performed solidly in the competitive entry-level segment of the market, maintaining a price premium over house brand products.

The Philips distribution business continued to perform well, further strengthening its position in the iron and personal care categories.

International

AUDm ¹	REVENUE			EBITDA		
	FY12	FY11	% Chng	FY12	FY11	% Chng
North America	152.2	124.4	22.4%	34.7	19.7	76.1%
International Distributors	47.3	44.2	7.0%	13.7	13.5	1.7%
New Zealand	26.8	23.7	12.8%	3.6	2.7	33.3%
TOTAL	226.2	192.3	17.6%	52.0	35.9	44.9%

North America

Total revenue increased by 22.4% to \$152.2m in AUD. Excluding North American homewares (fully exited in FY11), total revenue increased by 40.2%.

The Breville brand's revenue grew by 34.5% driven by the release of new higher value flagship products in both new and existing categories through the Group's premium and specialist retail customers.

The Keurig "single serve" coffee distribution business in Canada also continued to perform very well with commission income (gross income before operating costs) growing from \$9.9m to \$19.5m.

North America delivered a significant increase in EBITDA of 76.1% to \$34.7m (FY11: \$19.7m). This increase in profitability resulted from not only the revenue growth, but also from the FY11 exit of the lower margin, non-electrical homewares category and the full year benefit of the restructured lower operating cost base.

International Distributors

International Distributors reported revenue of \$47.3m (FY11: \$44.2m) an increase of 7.0%, and an EBITDA of \$13.7m (FY11: \$13.5m).

Following the shortfall in revenue reported in 1H12 against 1H11, the strong 2H12 growth was anticipated as distributors returned to a more traditional purchasing cycle following the inventory re-stocking "catch-up" in 1H11. The Group continues to focus on broadening its distributor network, especially across the important Asia-Pacific region.

New Zealand

New Zealand again produced a very pleasing result with revenue increasing by 12.8% and EBITDA by 33.3% to \$3.6m. This growth in New Zealand was driven principally by the success of recently launched higher value Breville-designed products and the Philips distribution business.

The Breville brand extended its market leadership position in kitchen appliances and achieved overall market leadership position in small domestic appliances. [Source: GfK year ended June 2012 (value share)].

Dividends

A final fully franked dividend of 11.5 cents per share (FY11: 7.0 cents fully franked) has been declared, bringing the total dividends for the year to 24.0 cents per share fully franked (FY11: 16.50 cents per share, 11.0 cents per share franked). The final dividend will have a record date of 20 September 2012 and will be payable on 11 October 2012.

The continued growth of the Group's international business is likely to impact the Group's ability to fully frank future dividends.

The Directors have resolved to continue to suspend the operation of the Dividend Reinvestment Plan in respect of the final dividend.

Outlook

Both the Board and management are confident in the Group's strategy and the opportunities for growth it presents.

The Group's increasing international presence, focus on innovation and quality and strong balance sheet, continues to position the Group well for the future.

Accordingly, the Board remains cautiously optimistic for FY13.

For further information, please contact:
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¹ *minor differences may arise due to rounding.*

² *ROE is calculated based on NPAT for the 12 months ended 30 June 2012 (FY11: 12 months ended 30 June 2011) divided by shareholders' equity at 30 June.*